



ANGLO AUSTRALIAN RESOURCES NL

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ANGLO SET FOR BRIGHT FUTURE WITH WITHDRAWAL OF s249D NOTICE, SETTLEMENT OF LEGAL ACTION AND NEW LEADERSHIP TEAM

Anglo Australian Resources NL (ASX: AAR) (Anglo or the Company) is pleased to announce major changes to its Board of Directors.

The Company is also pleased to announce a settlement of legal proceedings involving Anglo and a number of its shareholders announced on 29 November 2019 and the withdrawal of the s249D notice announced on 31 October 2019.

Effective immediately, Leigh Warnick has been appointed Chairman and Marc Ducler has been appointed Managing Director (on terms to be agreed).

Leigh and Marc will join John Jones, Peter Stern and David Varcoe on the reconstituted Anglo Board.

Graeme Smith, Andrew Barclay and Matt Hardisty have agreed to step down as Directors. Mr Smith will resign as soon as the appointment of the new Company Secretary is effective.

The settlement agreement between the parties involves:

- The parties will lodge consent orders applying for the termination of the legal proceedings;
- Agreed changes to the composition of the Anglo board (see above);
- Withdrawal of the s249D requisition notice;
- Agreement on a structure for the payment of legal and other costs incurred by the defendants (which total approx. \$453,000). Apart from the cash payment of \$16,500, the structure involves the issue of Anglo shares at a price of 10 cents per share. The issue of these Anglo shares is subject to shareholder approval and failing shareholder approval, a cash payment is required to be made for the defendants' costs;
- All parties providing mutual releases and indemnity undertakings to prevent future legal actions on the issues that were the subject of the legal proceedings, including any applications to the Takeovers Panel; and
- No admissions of liability by any party.

The Board changes and settlement of the legal action bring to an end a tumultuous period for Anglo marked by divisions at Board and shareholder level over management of the Company and the optimal development of the Mandilla gold project near Kalgoorlie.

The Company will now move forward with the development of Mandilla and the evaluation of its other highly prospective projects.



Mr Warnick is an experienced corporate and mining lawyer and a recognised expert in corporate governance. Formerly a partner of the law firms now known as King & Wood Mallesons and Ashurst, he now practices as a barrister in Perth. He has 18 years' experience as director or chairman of ASX-listed companies.

Mr Ducler is a highly experienced mining executive who previously held senior operational roles with Gold Fields, BHP, FMG and Mineral Resources. In 2016, he became the Managing Director of Egan Street Resources and led the company through a successful listing on the ASX. Egan Street was subject to a successful takeover by Silver Lake Resources in 2019.

Two key members of the Egan Street Resources team will join Mr Ducler at Anglo. Subject to agreeing terms, it is proposed that Brendon Morton will join as Chief Financial Officer and Company Secretary, and Julie Reid will join as Exploration Manager.

Mr Ducler said he was excited to have the opportunity to lead the team developing Anglo's outstanding portfolio of projects.

"The recent gold discovery at Mandilla is an exciting opportunity for Anglo. Its potential significance and scale provides the company with an outstanding platform for growth, and

I believe shareholders can look forward to a prosperous future where project development and shareholder returns will be our focus," he said.

Outgoing Chairman and major shareholder John Jones said he was relieved the board dispute had now ended and Anglo could focus entirely on project development.

"Mandilla is the main game and I'm confident our new, combined team will maximise the value of the project for our investors. There's a bright future ahead for Anglo and I will give every support to the team in their quest to generate high returns for our shareholders," he said.

With settlement of the legal action and withdrawal of the 249D requisition, no resolutions will be considered at the shareholder meeting on Tuesday, 24 December 2019, which was adjourned from the original meeting date of last Friday, 20 December 2019.