



# ANGLO AUSTRALIAN RESOURCES NL

ACN 009 159 077

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## ASX/ NEWS RELEASE

11 March 2020

## ANGLO SECURES \$5.5M CAPITAL RAISING TO FAST-TRACK MANDILLA GOLD PROJECT

### HIGHLIGHTS

- Single-tranche placement comprising 55 million shares at \$0.10 to raise \$5.5 million (before costs).
  - Several prominent Australian and international resources-focused institutions participate as cornerstone investors.
  - Managing Director Marc Ducler to contribute \$250,000, subject to shareholder approval.
  - Proceeds to underpin expanded exploration and resource drilling programs.
  - ~30,000m of RC and diamond drilling to commence at Mandilla later this month.
  - Maiden JORC Mineral Resource targeted for 2H 2020.
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Anglo Australian Managing Director Marc Ducler said: *"This is a fantastic result which sets the Company up for a big year in 2020. We are absolutely delighted with the response from investors, with this raising introducing a number of high-quality Australian and international institutions to our register. Against the backdrop of one of the most challenging weeks global markets have seen since the GFC, this is a tremendous outcome and validates what we see as an emerging gold discovery 60km from Kalgoorlie on granted Mining Leases.*

*"I would like to take this opportunity to thank both existing and new shareholders for their support and to welcome the new investors to our register.*

*"The proceeds will allow us to embark on an aggressive drilling program at Mandilla with the aim of unlocking the true potential of this exciting gold discovery. A program of ~30,000m of RC and diamond drilling will commence later this month to in-fill and extend the known mineralisation at Mandilla East, while also targeting the 4km long mineralised trend which includes Mandilla West, Mandilla East northern extension and Mandilla South. With the infill and extensional drilling expected to run continuously for most of 2020, our objective is to deliver a robust maiden JORC Resource in the second half of this year that will underpin the Company moving forward."*

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Anglo Australian Resources NL (ASX: AAR) (**Anglo Australian** or the **Company**) is pleased to advise that it has secured firm commitments to raise \$5.5 million to fast-track the next phase of exploration and resource drilling at its 100%-owned Mandilla Gold Project, located approximately 60km south of Kalgoorlie, Western Australia.

The raising is being undertaken through a single-tranche share placement (Placement) comprising the issue of 55 million shares at an issue price of A\$0.10 per share to sophisticated and professional investors. Canaccord Genuity (Australia) Limited acted as Lead Manager to the Placement.

The Placement is being undertaken within the Company's existing placement capacity under Listing Rule 7.1.

A number of leading Australian and international investors are participating in the Placement and the Company's Managing Director, Marc Ducler, has committed to contribute up to \$250,000 as part of the Placement, subject to shareholder approval.

### **Use of Funds**

The proceeds of the Placement will be used to underpin the next phase of exploration and development work at the Mandilla Gold Project, including:

- A program of ~30,000m of RC and diamond drilling to in-fill and extend the known shallow high-grade mineralisation identified at Mandilla East (*see figure one*);
- The calculation of a Mineral Resource Estimate for Mandilla East in the 2H of 2020;
- Initial technical and economic studies, including metallurgical testwork, to underpin future feasibility studies and the commencement of Government Approvals; and
- Exploration of the 4km long mineralised trend identified along strike from Mandilla East and further greenfields targets within the Mandilla Gold Project.

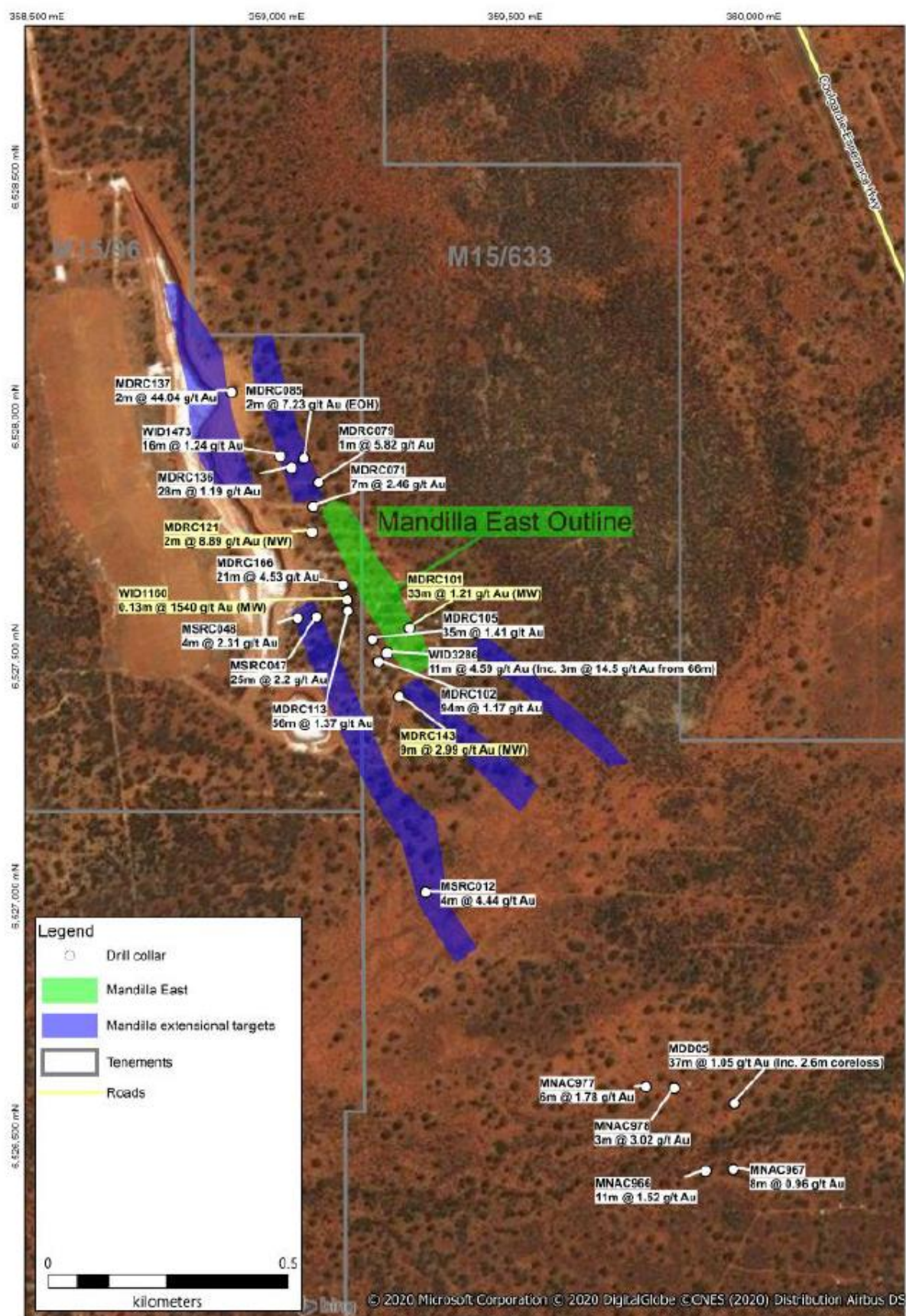


Figure 1: Mandilla East Infill and Extensional Targets



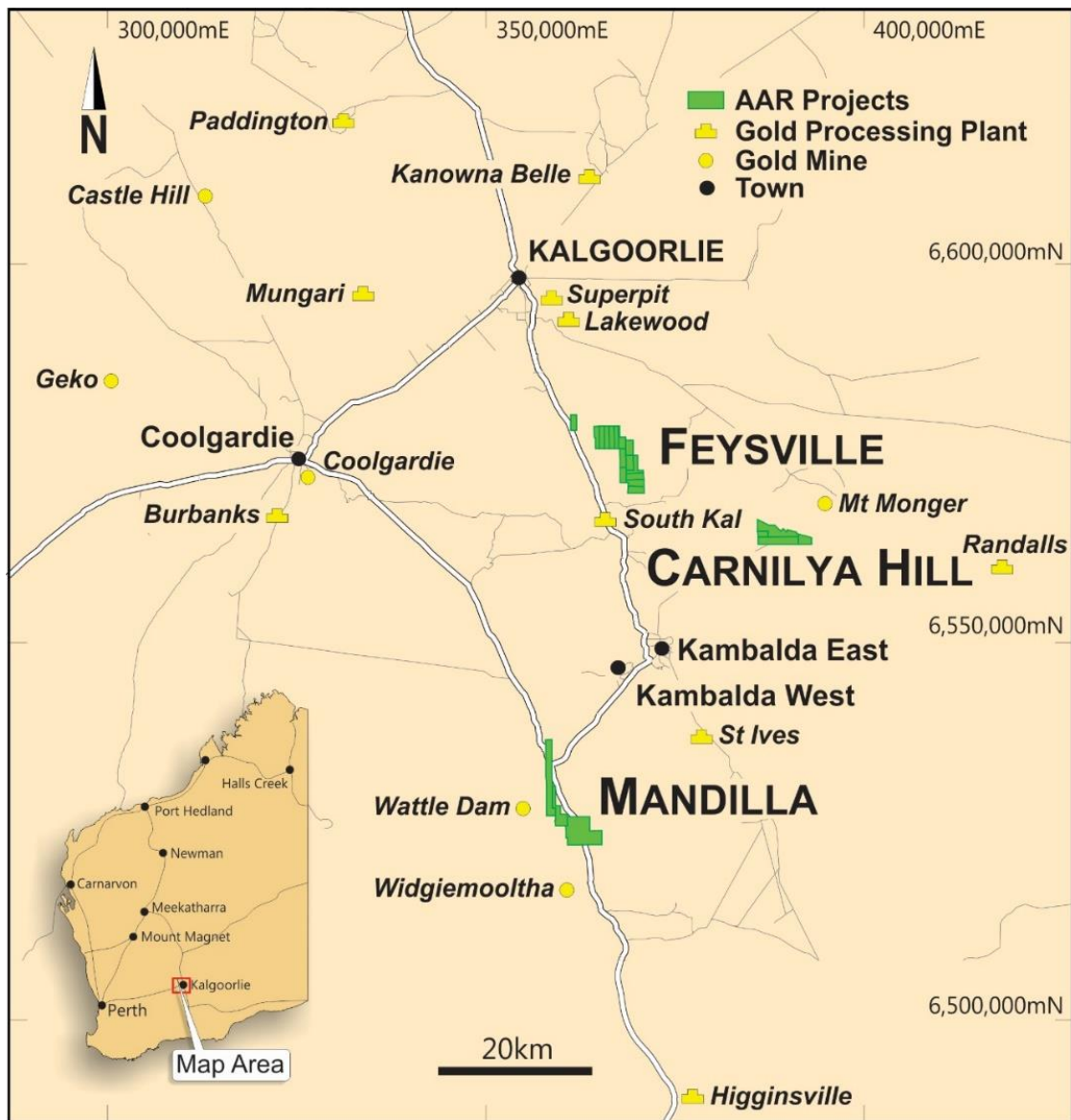


Figure 2 – Mandilla Gold Project location map.

## ABOUT THE MANDILLA GOLD PROJECT

The Mandilla Gold Project is situated in the northern Widgiemooltha greenstone belt in the western part of the Kalgoorlie geological domain, some 60 kilometres south of Kalgoorlie and 20 kilometres west of Kambalda. Significant nickel and gold deposits are present in the belt, the nearest gold deposit being the high-grade Wattle Dam Mine located just 3 kilometres to the west of Mandilla.

The Project lies on the western margin of a porphyritic granitic intrusion, the Mandilla Syenite. The granite intrudes volcanoclastic sedimentary rocks in the project area which form part of the Spargoville Group.

Significant NW to WNW-trending structures along the western flank of the project are interpreted from regional aeromagnetic data to cut through the Mandilla Syenite.

One such structure localises the Mandilla East Prospect at a point where the western granite contact is offset by at least 300 metres. A second sub-parallel structure appears to host the Mandilla South Prospect.

In 2006, Anglo Australian mined the high-grade Mandilla West paleochannel, producing approximately 23,000 ounces of gold.

Both Prospects are covered by existing Mining Leases.



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**Compliance Statement**

*The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Ms Julie Reid, who is a full-time employee of Anglo Australian Resources NL.*

*Ms Reid is a Competent Person and a Member of The Australasian Institute of Mining and Metallurgy.*

*Ms Reid has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Reid consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

**Previously Reported Results**

*There is information in this announcement relating to exploration results which were previously announced on 19 September 2019, 12 December 2019 and 12 February 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements and all material assumptions and technical parameters underpinning the exploration results included in those announcements continue to apply and have not materially changed.*