

ANGLO AUSTRALIAN RESOURCES NL ACN 009 159 077

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RE-COMMENCEMENT OF DRILLING AT MANDILLA AND COVID-19 UPDATE

Anglo Australian Resources NL (ASX: AAR) (**Anglo Australian** or the **Company**) is pleased to advise that diamond drilling has re-commenced at its 100%-owned **Mandilla Gold Project** near Kalgoorlie in Western Australia.

The current phase of drilling is initially focused on completing the 3-hole diamond tail drilling program that commenced in late 2019, with the diamond tails designed to test for mineralisation at Mandilla East to a depth of 200m. Two holes remain to be drilled from this program.

Following the successful capital raising completed on 11 March 2020, the Company has secured housing in Kambalda, an industrial yard (for use as a core farm), two light vehicles, additional field technicians and the necessary ancillary equipment to cost effectively drill at Mandilla.

On completion of the diamond tail programme, Anglo Australian will re-commence Reverse Circulation (RC) drilling to complete the 27 outstanding holes from the RC drill programme that also commenced in late 2019.

The assay results and data from the diamond and RC drilling will help Anglo Australian to plan ongoing exploration activities and progress work towards calculating an updated JORC Mineral Resource Estimate for Mandilla.

Given the rapidly escalating COVID-19 situation facing all Australians, Anglo Australian has implemented the necessary protocols to minimise the risk to our employees, contractors and the community in which we operate. Against this backdrop, the Company will continue to conduct its drilling activities as long as the situation allows but is constantly monitoring the latest advice and directives from the State Government and relevant health authorities.

In order to minimise the risk associated with COVID-19, the housing and core farm secured by the Company allows our people to limit interactions with those outside of the Company's own workgroups, such that they can comply with the Stage 3 restrictions recently announced. Furthermore, the WA based drilling contractors, have mobilised on long roster cycles and will base themselves in an exploration camp at Mandilla, thereby minimising their potential exposure to the virus.

Anglo Australian Managing Director Marc Ducler said: "From the day we got involved here at Anglo – going on three months now – we have been absolutely focused on returning to the field and re-commencing exploration. The successful \$5.3 million capital raising completed earlier this month was the catalyst to start exploring again and we are very pleased to be back on the ground drilling.



"In the current unique climate, we will maintain close dialogue with our employees and contractors, stay abreast of the Government mandates in relation to COVID-19 and do everything to ensure the health and wellbeing of all of our people. However, while circumstances allow, our aim is to keep drilling. Our employees are keen, our contractors are keen and the protocols we have in place will minimise the risk."

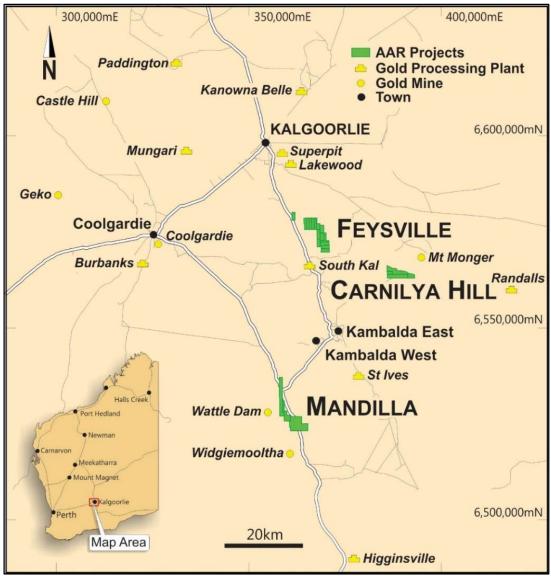


Figure 1 – Mandilla Project, Location Map.





Figure 2 – Mandilla East, diamond drilling, March 2020

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 60km south of Kalgoorlie and 20km 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 (Figure 1).

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 300m. A second sub-parallel structure appears to host the Mandilla South Prospect.

Both Prospects are covered by existing Mining Leases.

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