



**Kalamazoo  
Resources Ltd**  
ACN: 150 026 850  
ASX: KZR

**Head Office**  
Unit 3  
328 Reserve Road  
Cheltenham 3192  
Victoria

Suite 7  
8 Clive Street  
West Perth 6005  
Western Australia

**Phone** 1300 782 988

**Fax** +61 8 9481 8488

admin@kzr.com.au

kzr.com.au

## ASX Announcement

31 July 2020

**JUNE 2020**

## QUARTERLY ACTIVITIES REPORT

### ASHBURTON GOLD PROJECT

- Kalamazoo acquired the 217km<sup>2</sup> Ashburton Gold Project, located on the southern edge of the Pilbara Craton, WA from Northern Star Resources
- The Ashburton Gold Project previously produced 350,000oz Au and currently contains a Mineral Resource estimate (JORC Code (2012)) of 20.8Mt @2.5g/t Au for 1.65Moz
- Exploration team will be led by Kalamazoo's WA based Director Paul Adams, previously Managing Director of Spectrum Metals

### VICTORIAN GOLD PROJECTS

- Kalamazoo completed its maiden diamond drilling program at the Mustang Prospect on 1<sup>st</sup> April 2020, with all 14 diamond drill holes intersecting either high-grade gold or significant to anomalous gold mineralisation and/or alteration
- Kalamazoo's technical assessment is that the Mustang Prospect's high-grade Au intersections do not currently demonstrate sufficient mineralisation widths or continuity to meet Kalamazoo's stated target criteria, a minimum of 1 million ounces at > 10 g/t
- Kalamazoo is progressing the next of its other multiple high priority prospects to a drill-ready status
- Tenure at the South Muckleford Gold Project increased with the grant of EL007021 ("West Muckleford") covering 68km<sup>2</sup>
- Preliminary results received from the CSIRO led UltraFine+™ multi-element soil geochemistry sampling and mineral alteration mapping program have identified numerous highly encouraging gold plus multi-element soil anomalies
- Post reporting period EL007112 ("Queens") was granted, further increasing Kalamazoo's tenure at the Castlemaine Gold Project

### PILBARA GOLD PROJECTS

- Extensive surface geochemical soil sampling program and aeromagnetic radiometric surveys was completed at the Sisters Gold Project
- Results from these programs are currently being reviewed and will determine the scope and location of the upcoming drilling program planned for 2H 2020

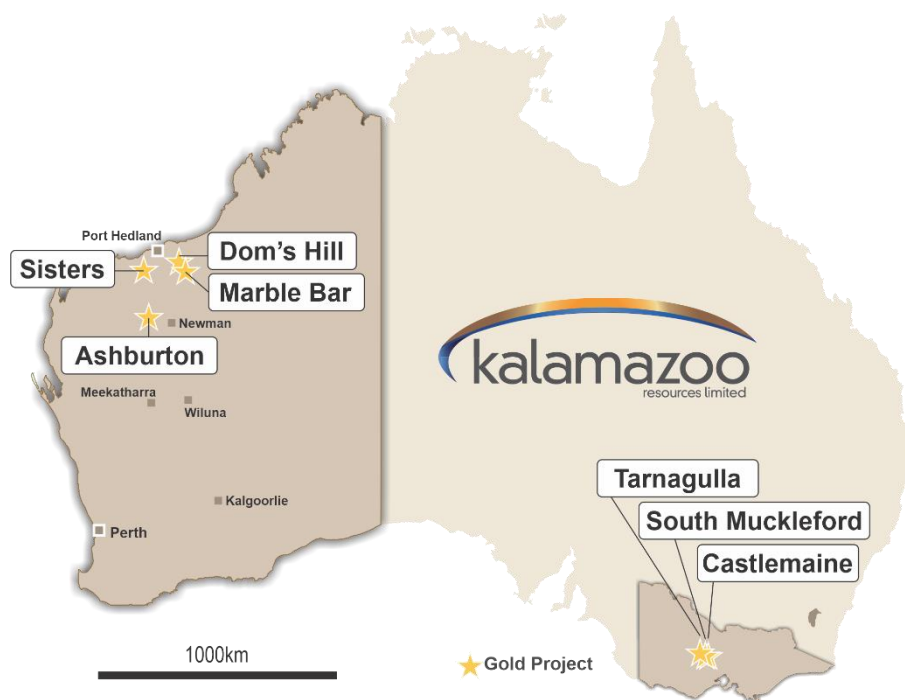


Figure 1: Kalamazoo Project Locations

## ASHBURTON GOLD PROJECT

The acquisition of the highly prospective Ashburton Gold Project from Northern Star Resources Limited (ASX: NST) (“Northern Star”) (ASX: KZR 23 June 2020) is an important addition to Kalamazoo’s growing Pilbara gold assets. Located on the southern edge of the Pilbara Craton in Western Australia, the project’s historical gold production consisted of 350,000oz Au in the period 1998-2004 and currently contains a Mineral Resource estimate (JORC Code (2012)) of 20.8Mt @2.5g/t Au for 1.65Moz. Covering 217km<sup>2</sup> the project area consists of Mining Leases 52/639, 52/640, 52/734 and 52/735 and Exploration Licences 52/1941, 52/3024 and 52/3025.

In a similar investment strategy to the acquisition of its flagship Castlemaine Gold Project in Victoria in 2018, the deal structure enables Kalamazoo to invest funds directly “into the ground”. Under the terms of the agreement, Kalamazoo will pay Northern Star:

- \$5.0M on mining of the first 250,000 tonnes of Ore;
- a 2% Net Smelter Royalty (“NSR”) on the first 250,000oz of gold produced, with a 0.75% NSR on any subsequent gold produced from the tenements; and
- the same NSR’s will also apply on any other metals produced from the tenements.

A pre-existing 1.75% royalty on gold production (excluding the first 250,000oz) is applicable across the Project, with all Heritage and Mining Agreements in place with Native Title parties.

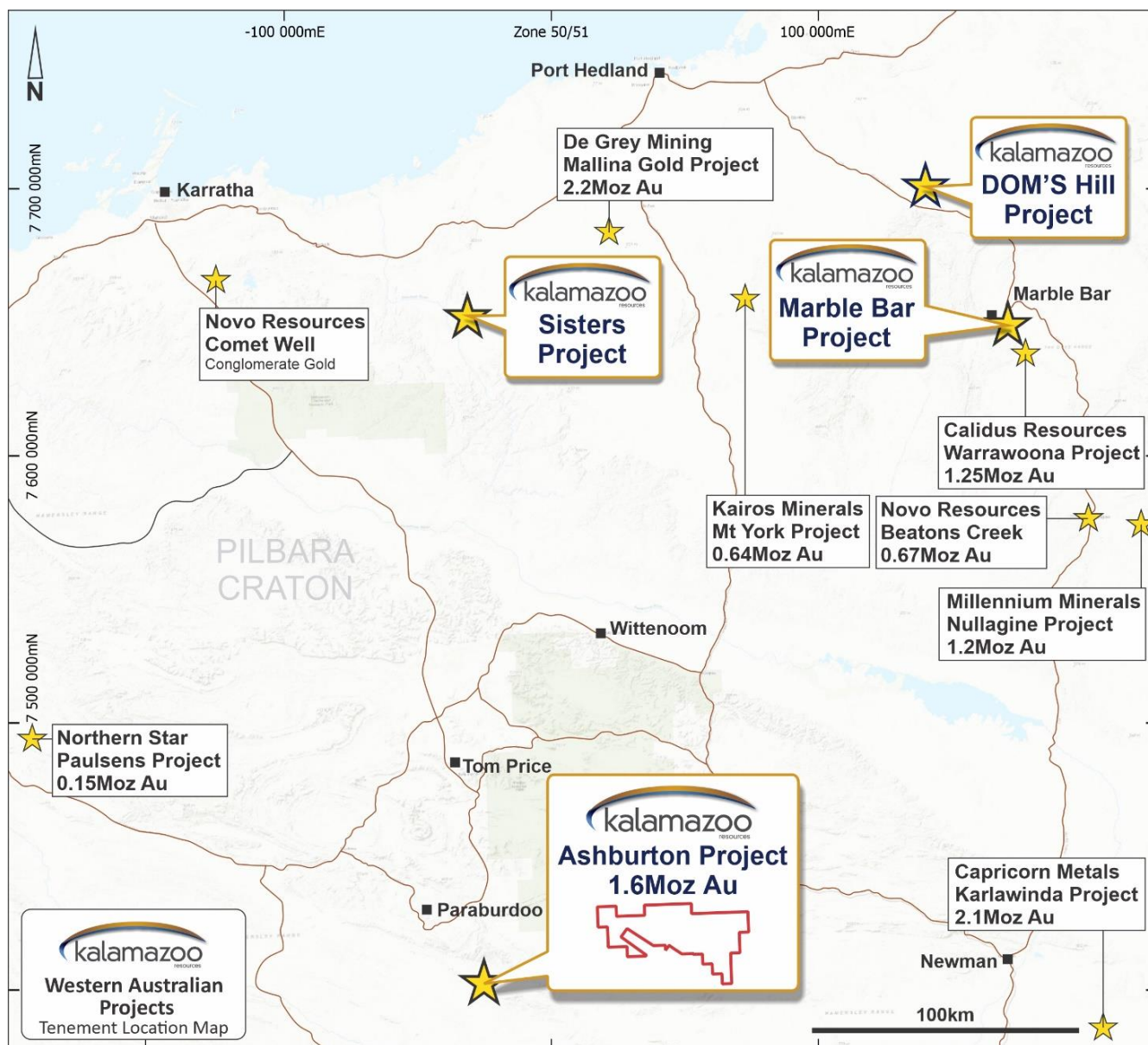


Figure 2: Pilbara Craton Location Map showing Kalamazoo's Pilbara gold projects

Located in the Ashburton region on the southern edge of the Pilbara Craton, the project is well situated near the towns of Paraburdoo and Tom Price.

During 1996 and 1997, Sipa Resources Limited (ASX: SRI) ("Sipa") discovered five deposits at Ashburton - Mt Olympus, West Olympus, Zeus, Peake, and Waugh.

Mt Olympus, Zeus, Peake, and Waugh together produced approximately 350,000oz of gold from 3.2Mt of oxide (and minor transition) ore at an average grade of 3.3g/t Au between December 1998 and April 2004 (Figure 3). The majority of the gold came from Mt Olympus, which produced 242,000oz of gold from 2.5Mt at an average grade of 3g/t Au, with a recovery of 92% and a strip ratio of 3:1. The onsite plant was sold in 2006 and site rehabilitation was completed in 2007.



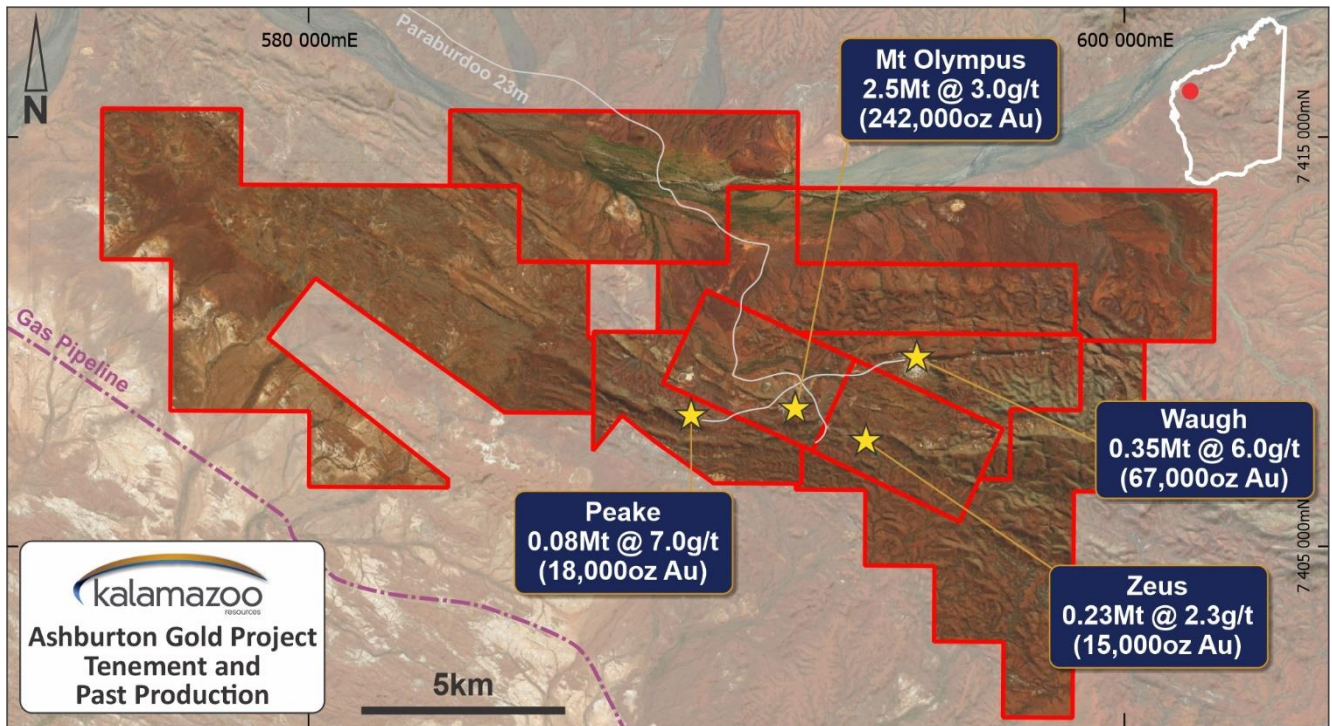


Figure 3: Ashburton Gold Project tenement map detailing past gold production by Sipa Resources 1998-2004 (modified from ASX: NST 14 February 2011)

During 2012, Northern Star drilled 92 RC and diamond drill holes for 23,512m at the Ashburton Gold Project as part of its upgrading of the Inferred Mineral Resource and extending the known mineralisation. At Mt Olympus, Northern Star increased the Mineral Resource estimate (JORC Code 2012) to 15.18Mt @ 2.2g/t Au for 1.08Moz (Figure 4).

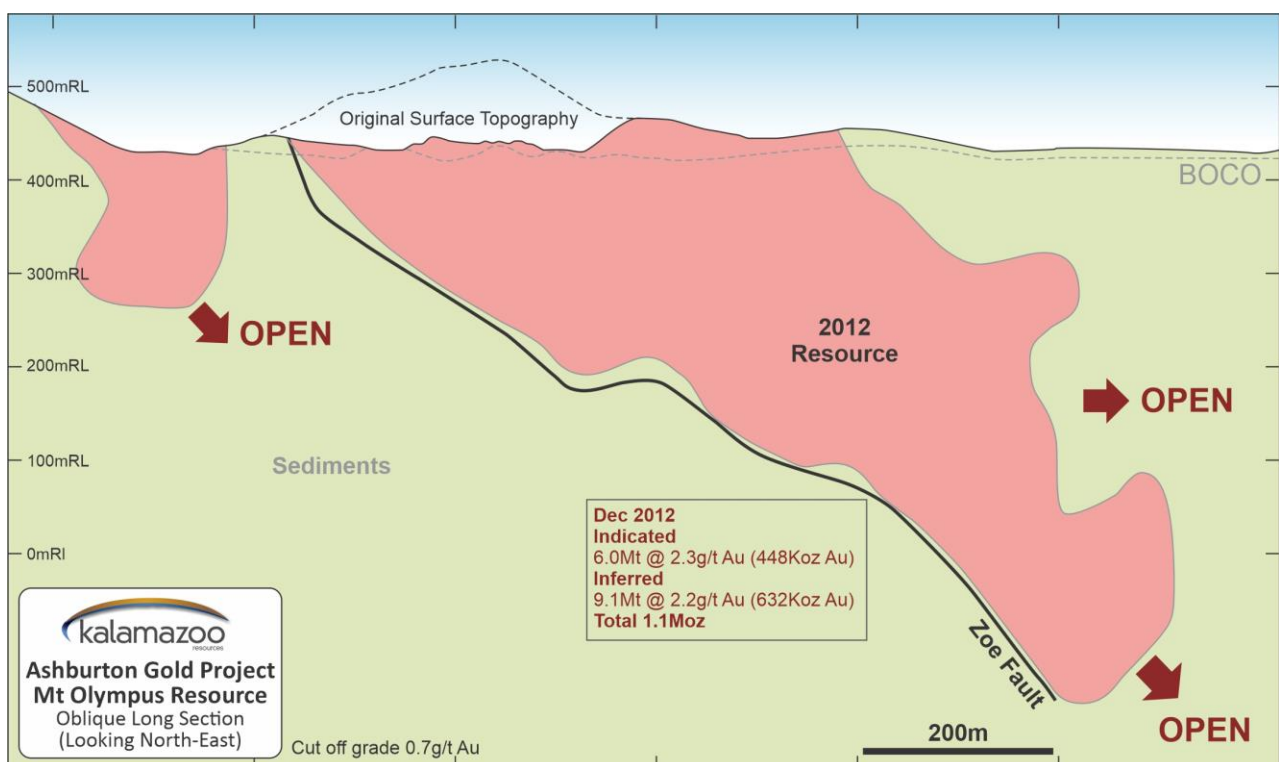


Figure 4: Long Section of Mt Olympus Resource (modified from ASX: NST 28 February 2013)

In 2012, Northern Star also completed a major drilling campaign focused on the Peake Prospect which is located 3km from the Mt Olympus deposit. The Peake Prospect is an open pit that was mined in 2001 and produced approximately 89,000t at 6.5g/t Au for 18,700oz from the oxide zone. The mined ore body has a strike length of 600m, true width of 2-4m and dips 70-85 degrees south<sup>1</sup>.

A significant resource increase was achieved by Northern Star at the Peake Prospect (Figure 5) as part of the Resource upgrade. The Peake Prospect resource now stands at 3.7Mt @ 3.3g/t Au for 399,000oz<sup>1</sup>.

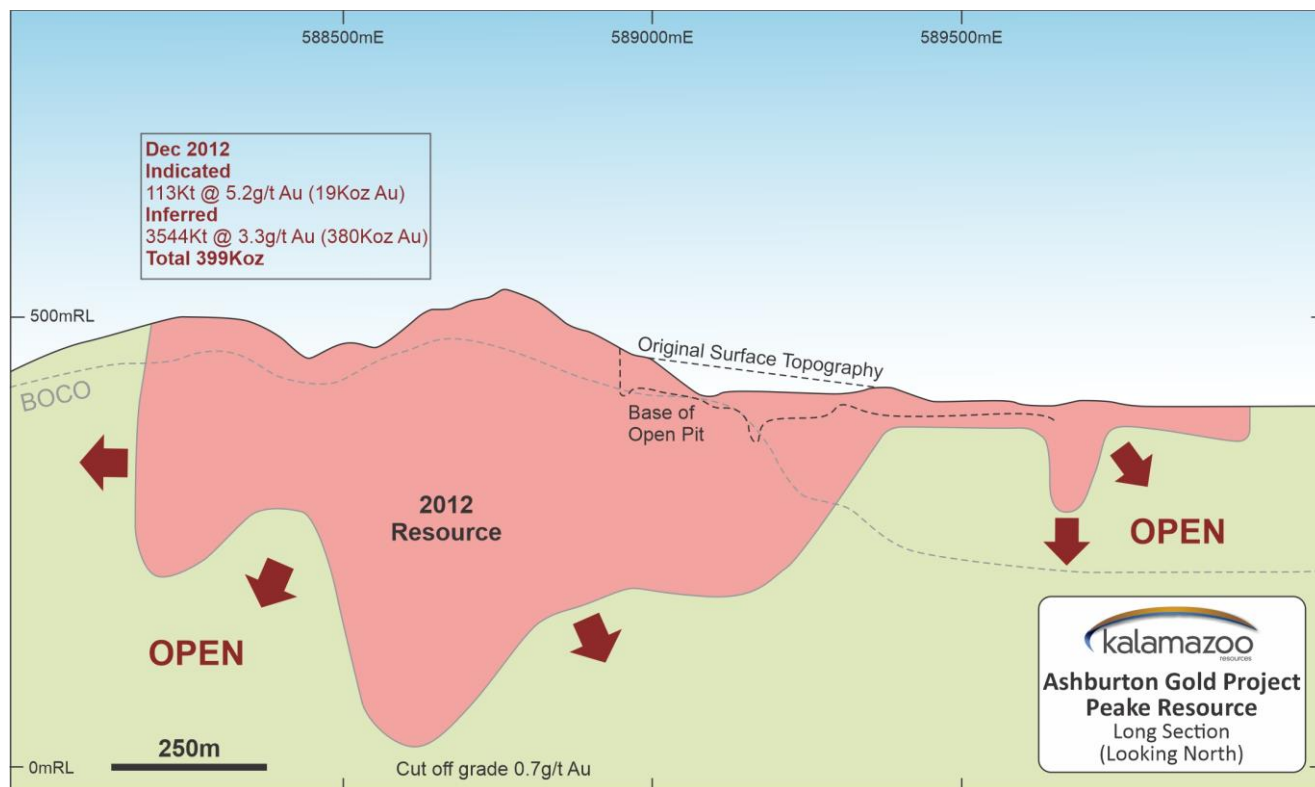


Figure 5: Long Section of Peake Resource (modified from ASX: NST 28 February 2013)

In 2013, Northern Star released an updated Mineral Resource for the Ashburton Gold Project. The estimates were reported in compliance with the JORC Code 2012 with an increase to 20.79Mt @2.45g/t Au containing 1.65Moz as per Table 1. Approximately 650,000oz of this resource was reported to be contained within the oxide material.

Northern Star's rapid expansion of the resource inventory from 668,000oz to 1.65Moz in the period 2011 – 2013 and proposed resource extension drilling plans, supports Kalamazoo's assessment that there is both excellent brownfields and greenfields exploration potential. As such, the primary objective of Kalamazoo's exploration strategy is now to increase the resource base through a systematic, effective, and innovative exploration process.

As part of the due diligence process, Kalamazoo has already identified several prospect areas that require immediate follow up evaluation and drill testing. Viewed at the regional scale, the historical drilling is biased towards existing prospects with significant residual brownfields plus greenfields exploration potential across the entire 217km<sup>2</sup> project area (Figure 6).

Exploration can commence immediately on site with the Ashburton Gold Project utilising an existing small workable self-contained camp, core farm and supporting infrastructure.

<sup>1</sup> ASX: NST 2 February 2013

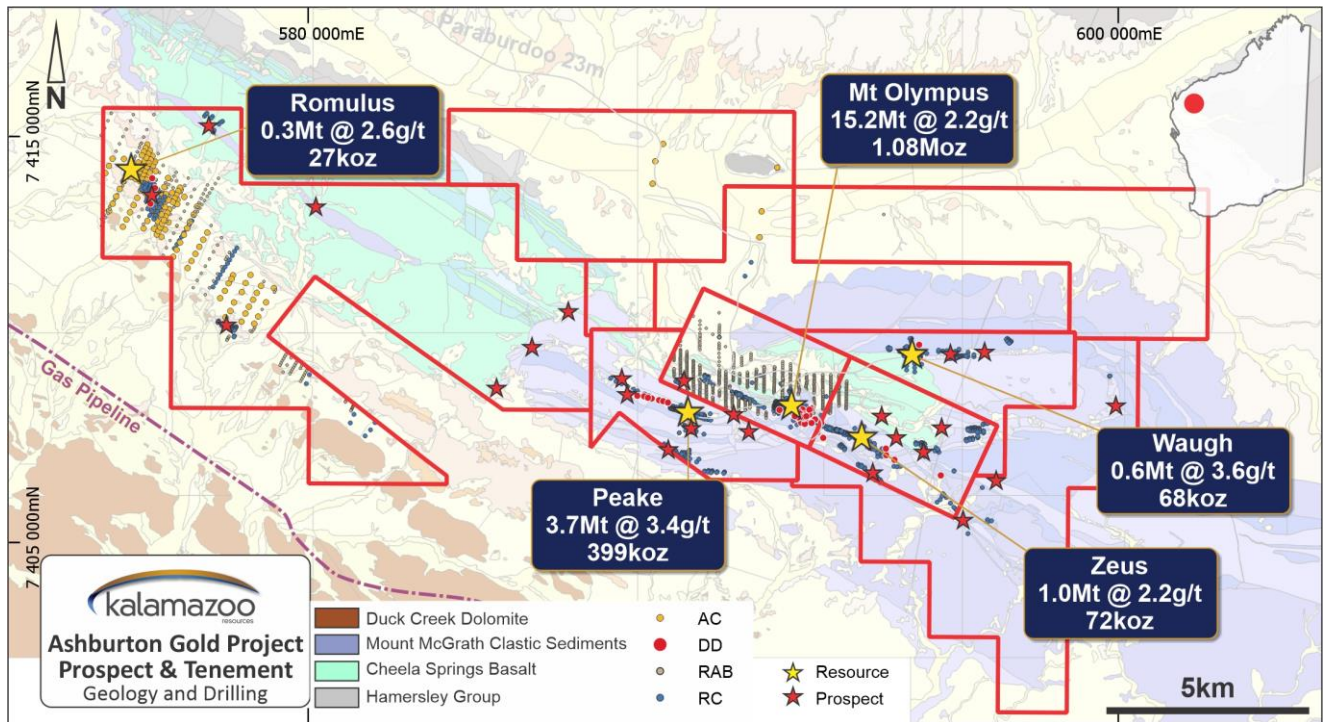


Figure 6: Preliminary Exploration targets, historical drilling and identified Mineral Resources



## VICTORIAN GOLD PROJECTS

During the June Quarter Kalamazoo progressed its Victorian gold exploration strategy based upon its high-grade target deposit model.

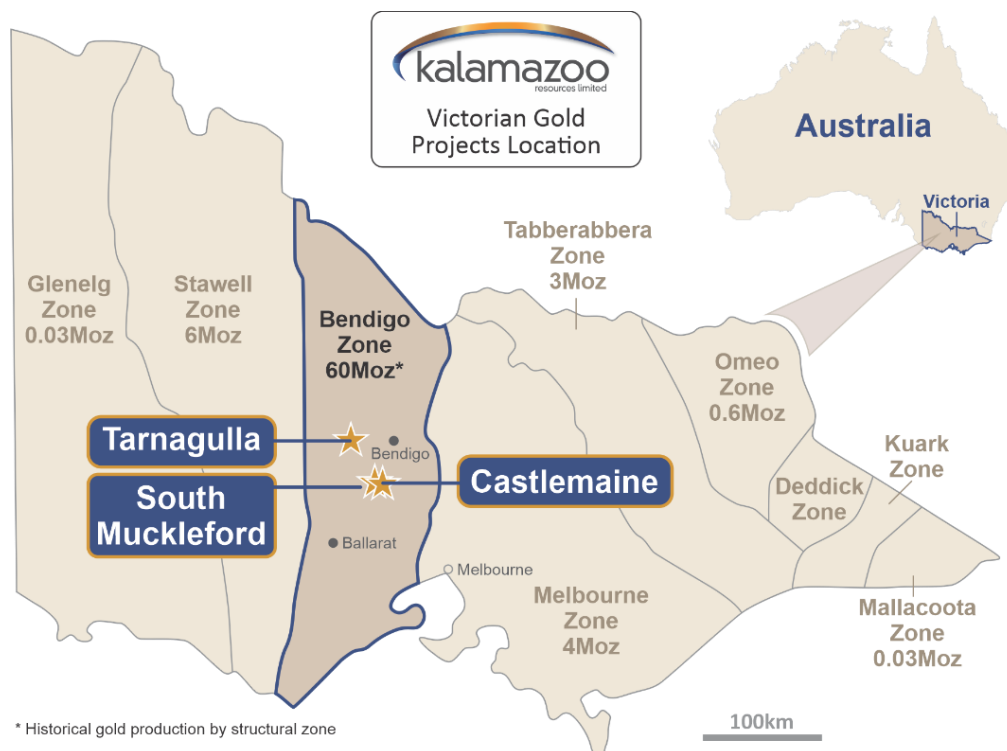


Figure 7: Victorian Gold Project Locations

### Castlemaine Gold Project (EL6679, EL6752 and EL7112)

As previously reported (ASX: KZR 29 April 2020) Kalamazoo completed its maiden diamond drilling program on 1<sup>st</sup> April 2020 with all 14 diamond drill holes intersecting either high-grade gold (**0.8m @19.4 g/t Au from 319.8m in MU19DD02** and **1.42m @ 261.3 g/t Au from 100.32m in MU19DD04**) or significant to anomalous gold mineralisation and/or alteration and consistent with historical drill holes in this area (Table 2). Whilst the Mustang Prospect has generated high-grade Au intersections, subsequent technical review by Kalamazoo concluded that mineralisation in this area does not currently demonstrate sufficient widths or continuity to meet Kalamazoo's stated target criteria, a minimum of 1 million ounces at > 10 g/t. The Mustang Prospect covers just **2km<sup>2</sup>** of the **288km<sup>2</sup>** Castlemaine Gold Project and is one of 10 targets within EL6679 initially identified by Kalamazoo.

The Company's operational focus is now progressing other multiple high priority prospects to a drill-ready status.

### Grant of tenement: Queens EL007112

Following the end of the Quarter, Kalamazoo was granted Exploration Licence EL007112 (**22km<sup>2</sup>**) which further strengthens its tenure at the Castlemaine Gold Project (Figure 8). This tenement referred to as "Queens" is located adjacent to the west and south of GBM Resources Limited's (ASX: GBZ) Bell Topper Hill Gold Project RL6587 (8km<sup>2</sup>) and closely associated with the highly prospective Taradale Fault. Like the rest of the Castlemaine Gold Project, this new exploration licence area is considered under-explored as it has not been subjected to modern exploration in recent years and has had only received limited shallow drilling.

The tenement straddles the Taradale Fault and includes parts of the historic Drummond and Belltopper Hill goldfields, which have proven high-grade gold endowment and numerous historical gold mine workings.

Historical production records indicate that this area has already produced approximately 100,000 oz of high-grade gold from hard rock sources<sup>2</sup>.

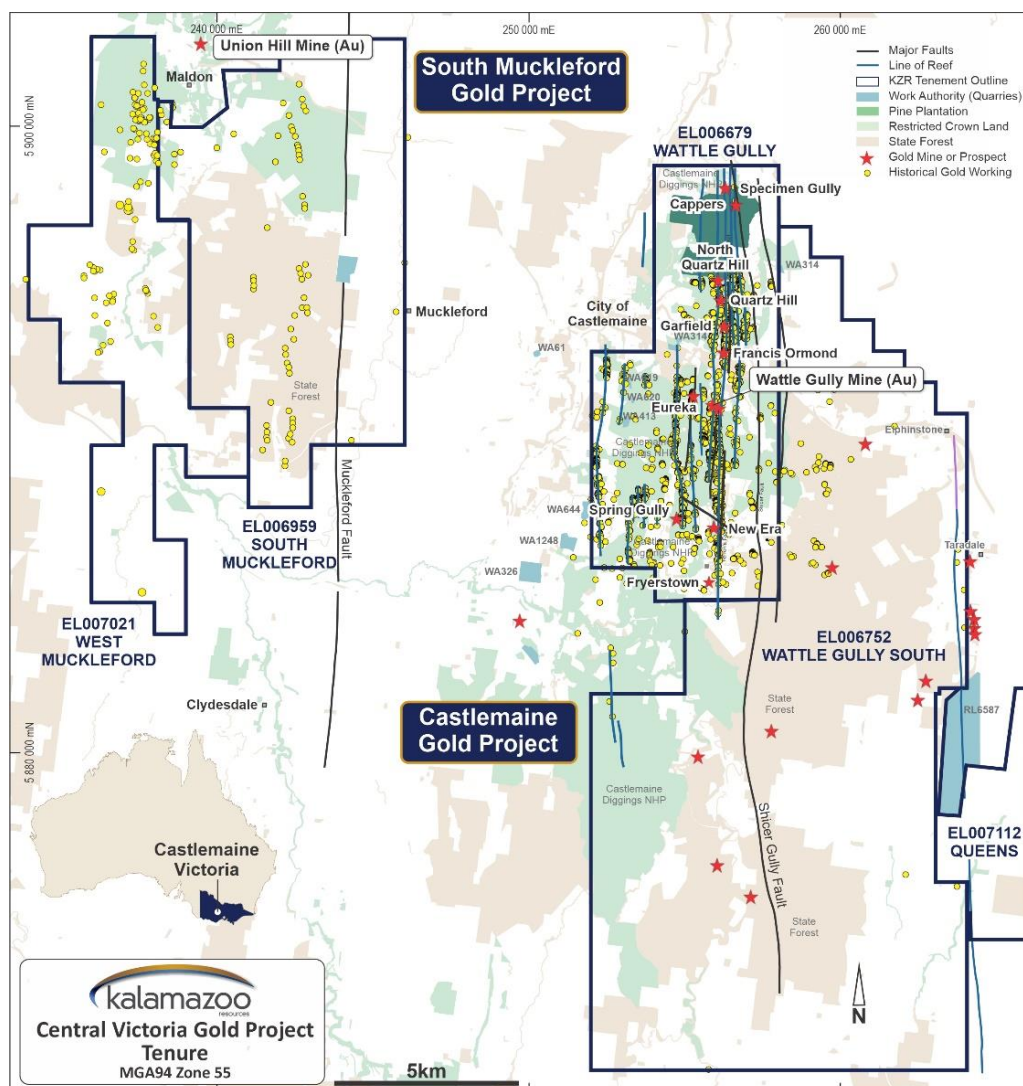


Figure 8: Castlemaine and South Muckleford Gold Project locations

### South Muckleford Gold Project (EL6959 and EL7021)

During the quarter, Kalamazoo was granted exploration licence EL7021 “West Muckleford” (ASX: KZR 22 May 2020) further increasing the landholding at the South Muckleford Gold Project, located in the Maldon Goldfield (Figure 8). The South Muckleford Gold Project now comprises two tenures, EL006959 (~93km<sup>2</sup>) and EL007021 (~68km<sup>2</sup>), with the majority located within Crown Land (Figure 8). The Maldon Goldfield is the 7<sup>th</sup> largest in Victoria with historical production of >1,975,000oz (>56 t) and 317,000oz (9t) of primary and alluvial gold, respectively (Phillips G N 2010, Geoscience Victoria Special Publication).

The South Muckleford Gold Project is located just 10km west from Kalamazoo’s Castlemaine Gold Project and covers a highly prospective goldfield with proven endowment and historical high-grade gold production near the major regional Muckleford fault. In particular, the South Muckleford Project covers the highly prospective regional Muckleford Fault and adjacent historical workings to the west (i.e. hanging-wall position), numerous historical alluvial and hard rock gold mines and the southern strike extent of the Union Hill Gold Mine, at Maldon.

<sup>2</sup> ASX: GBZ 24 June 2020



A technical review of historical exploration in this project has confirmed the South Muckleford area has not been subjected to any systematic modern exploration techniques with only very limited and localised shallow drilling.

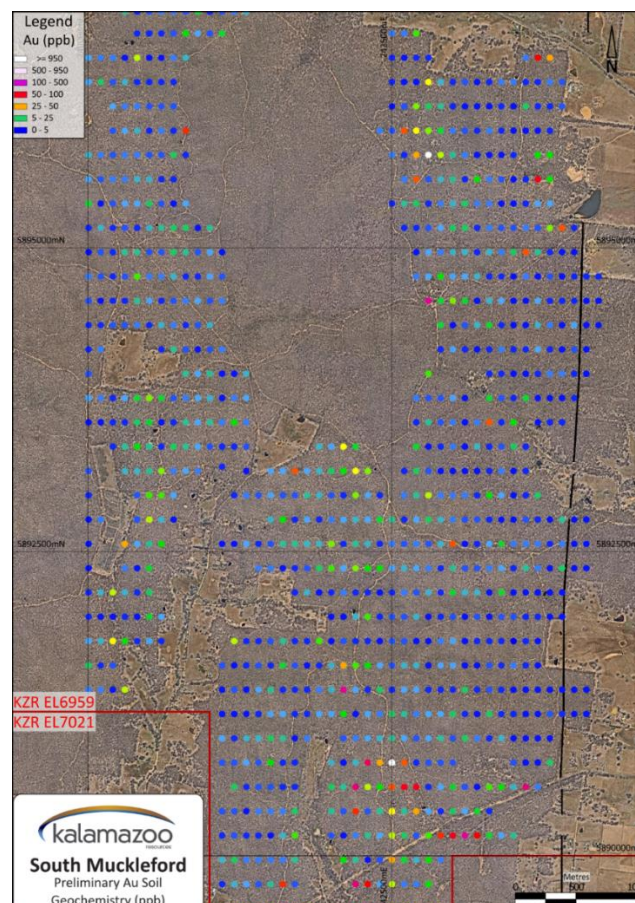
### Tarnagulla Gold Project (EL6780)

Exploration activities undertaken during the quarter included desktop studies, historical data compilation, basic field reconnaissance, geological mapping and rock chip sampling. A surface geochemistry sampling program has been planned and is expected to be completed sometime in the September 2020 Quarter.

### Surface Geochemistry Sampling Programs (Castlemaine, South Muckleford and Tarnagulla Central Gold Projects)

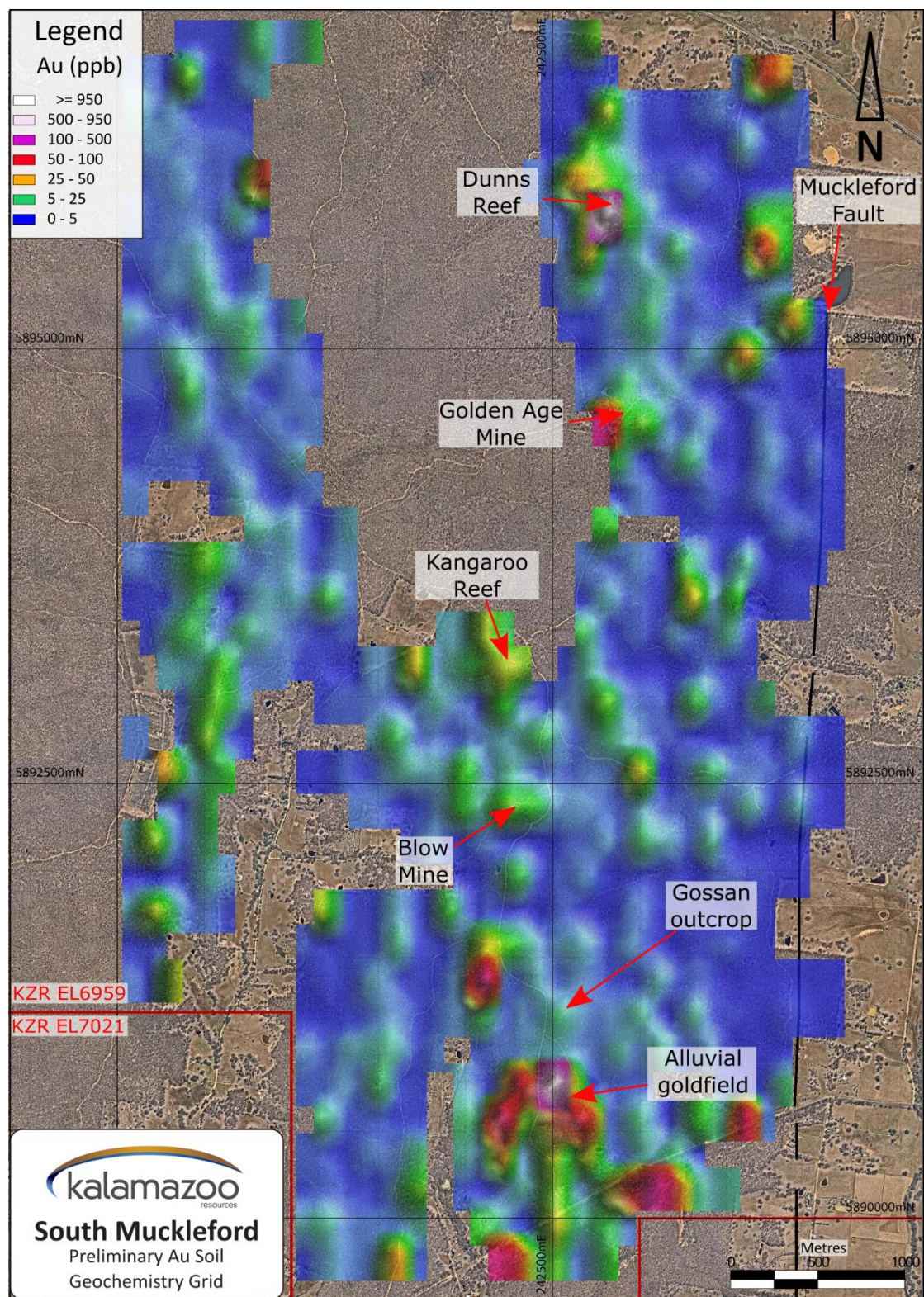
In February 2020, Kalamazoo commenced major project-scale soil geochemistry sampling programs across all of its Central Victorian gold projects in collaboration with the CSIRO. Specifically, soil samples will be the subject of UltraFine+™ multi-element analysis for major and trace elements in a CSIRO-led collaborative leading-edge research project. This program is being undertaken in conjunction with a separate CSIRO Innovations Connections research project that uses the latest advanced technologies to map and detect broad mineral alteration haloes within soil samples (KZR: ASX 4 February 2020). These combined surface geochemistry sampling programs will use the latest advanced technologies and research capabilities to assist Kalamazoo identify and prioritise follow-up drill targets. To date, a total of 3,613 soil samples have been collected.

Preliminary results for the first batch of samples covering a large proportion of the southern section of EL006959 have been received and are encouraging with 43 highly anomalous assay results reporting greater than 25 ppb Au. Kalamazoo's preliminary assessment and initial field validation exercise has confirmed gold plus multi-element anomalies associated with known gold-bearing reefs and a significant alluvial gold field (Figures 9 and 10). Furthermore, these results have identified several new prospects which were subsequently found associated with significant outcropping gossanous quartz veining (Figures 9 and 10). The return of assay results and their subsequent QA/QC and analysis is ongoing and will continue throughout the September 2020 Quarter.



**Figure 9: Soil geochemistry sample locations with preliminary gold (ppb) assay results in the southern portion of EL006959**





**Figure 10: Preliminary gold (ppb) soil geochemistry grid with key known geological features in the southern portion of EL006959**

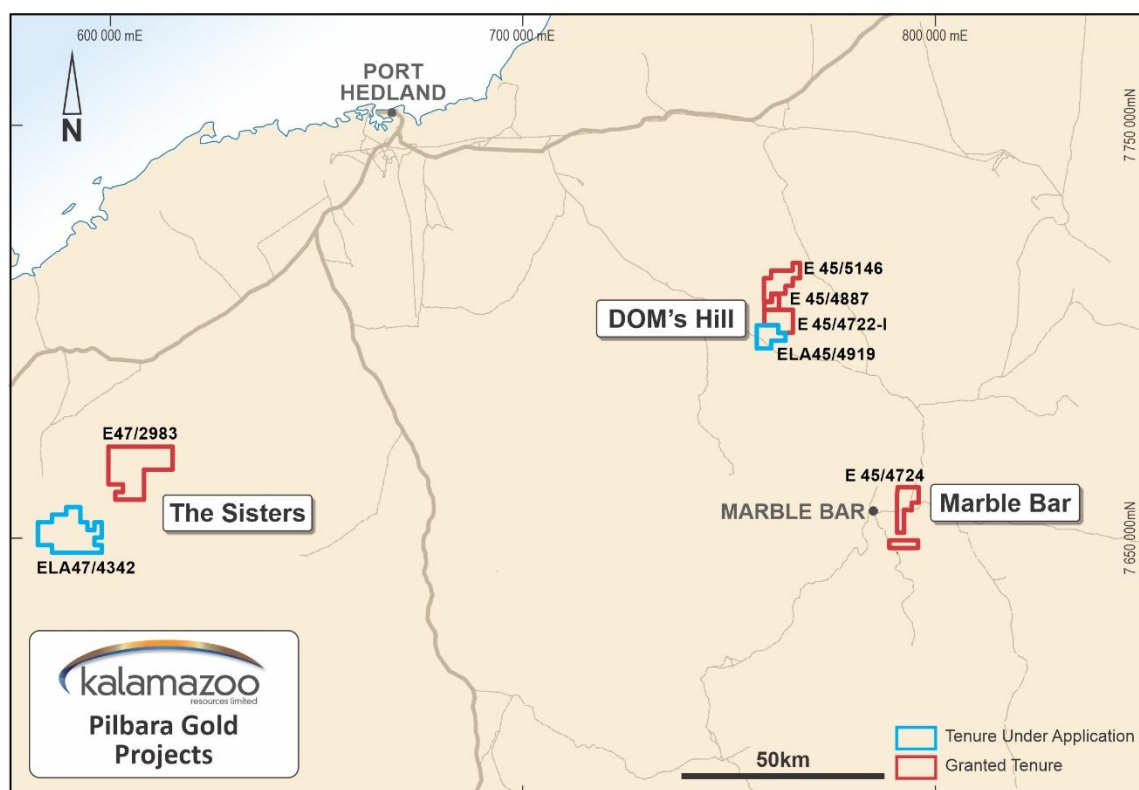


Figure 11: Location of Sisters, DOM's Hill and Marble Bar Gold Project Tenements

### The Sisters Gold Project (E47/2983, 80% interest in mineral rights other than lithium) and ELA47/4342

The Sisters tenement E47/2983 (Figure 11) covers 136km<sup>2</sup> and is considered prospective for both epigenetic gold mineralisation associated with the Wohler Shear Zone as well as potential mineralised intrusions as newly identified by De Grey Mining at the Hemi Gold Project (Figure 14), located 50km to the north east. This shear zone is a prospective splay from the Tabba Tabba, Mallina, Withnell and Berghaus Shear Zone complex that hosts much of De Grey's Pilbara gold resource including the Hemi gold deposit. The Sisters Gold Project is underlain by folded and faulted siliciclastics, volcanoclastics and mafic sills of the Mallina Basin which is part of the De Grey Supergroup (3020 to 2930Ma).

Previous work by Kalamazoo at The Sisters defined a gold soil anomaly over 3km long with a maximum 80ppb Au<sup>3</sup> across the major Wohler Shear Zone corridor that was open to the north east and south west, and also located two gold nuggets south west along strike from the gold soil anomaly<sup>4</sup>.

The recently completed soil program covered the interpreted extent of the Wohler Shear Zone corridor over 14km of strike at 200m x 100m spacing for 2,300 samples (Figure 12). UltraFine+™ multi-element analysis for gold and a suite of trace elements has recently been completed by LabWest (Perth) and results are being reviewed internally by Kalamazoo. Apart from internal assessment of the results, CSIRO will complete multi-element "machine learning" and other analyses, in tandem with similar research work on Kalamazoo's Castlemaine and South Muckleford Gold Projects in Victoria.

<sup>3</sup> ASX: KZR 23 November 2019

<sup>4</sup> ASX: KZR 2 April 2020



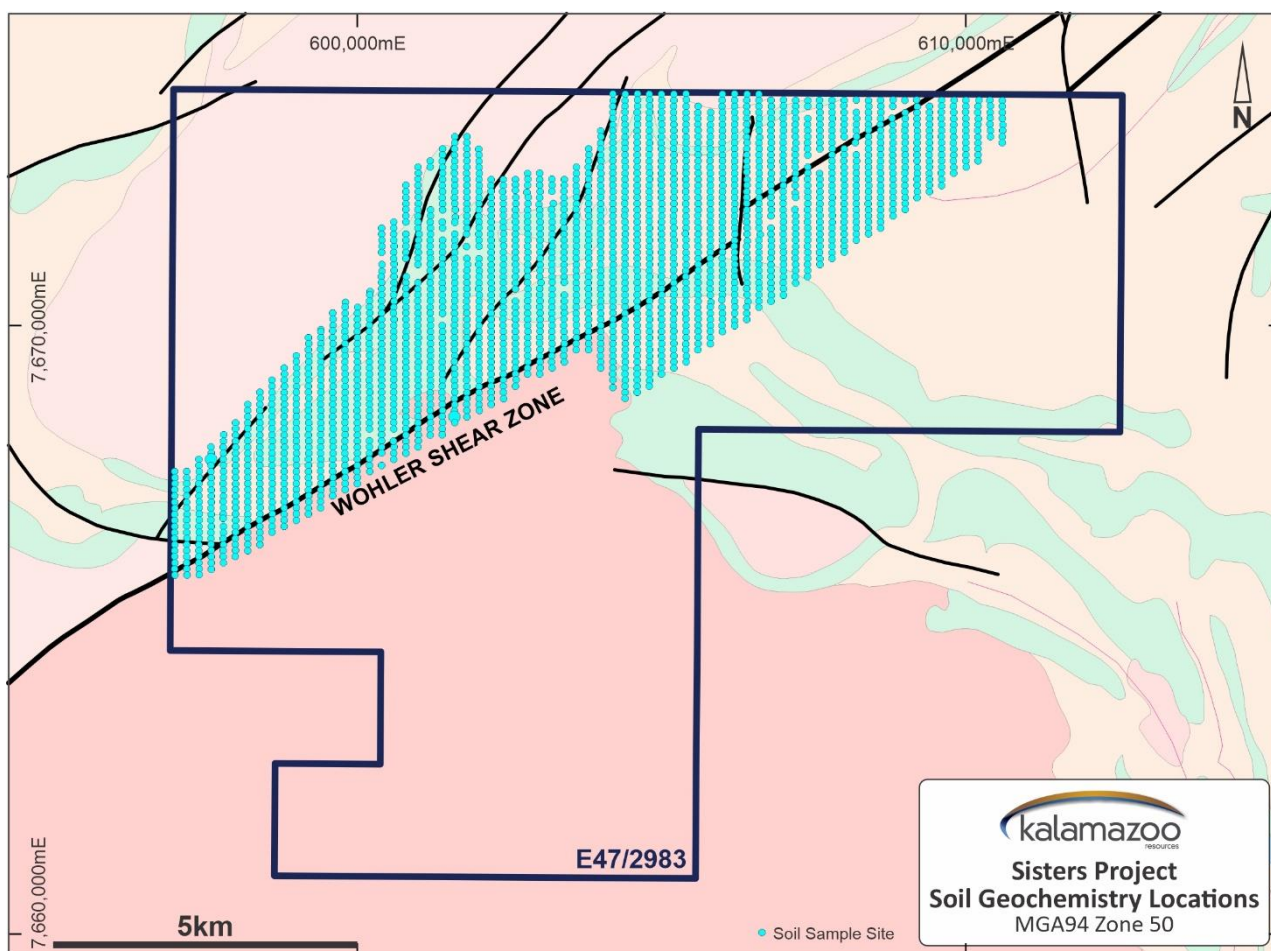


Figure 12: The Sisters soil geochemistry locations

Kalamazoo has also completed detailed low level aeromagnetic and radiometric surveys at The Sisters, including across all the area recently subject to the geochemical soil sampling program. Kalamazoo contracted Perth based MagSpec Airborne Surveys to fly the surveys at The Sisters (E47/2983), taking advantage of MagSpec's presence in the region to minimise mobilisation costs. The survey was flown to adjoin a 2017 ultra-detailed survey completed by Sayona Mining Ltd (ASX: SYA) using the same 25m spaced east-west line configuration (Figure 13). The new survey comprised 2,774 line kms. Data from the two surveys will be merged prior to detailed interpretation.

Subject to the results from the soil geochemical program and interpretation of the aeromagnetic data at The Sisters, Kalamazoo will consider utilising sub-audio magnetic surveys ("SAM") over defined target areas for detailed structural analysis.

It is of note that De Grey has also utilised the CSIRO Ultrafine+™ and SAM geophysical surveys at its nearby Mallina Gold Project to explore through sand cover and to better define controlling gold structures and provide improved targeting for drilling campaigns<sup>5</sup>.

<sup>5</sup> ASX: DEG 2 July 2019



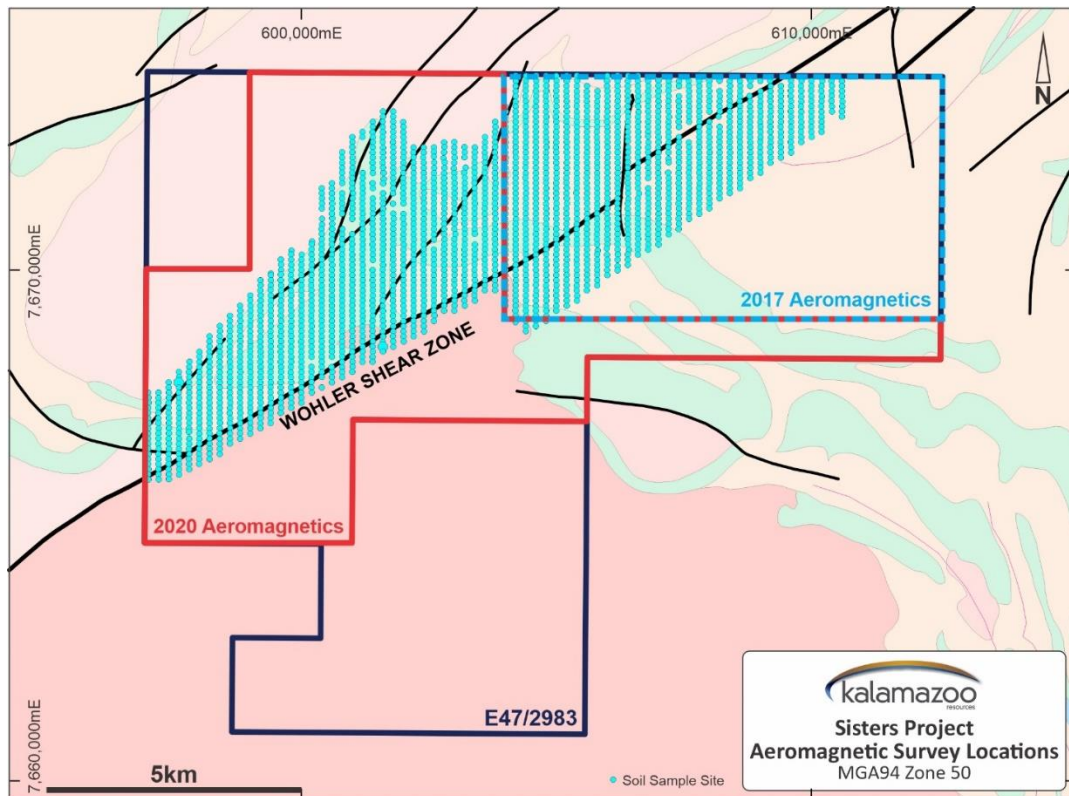


Figure 13: The Sisters aeromagnetic surveys location

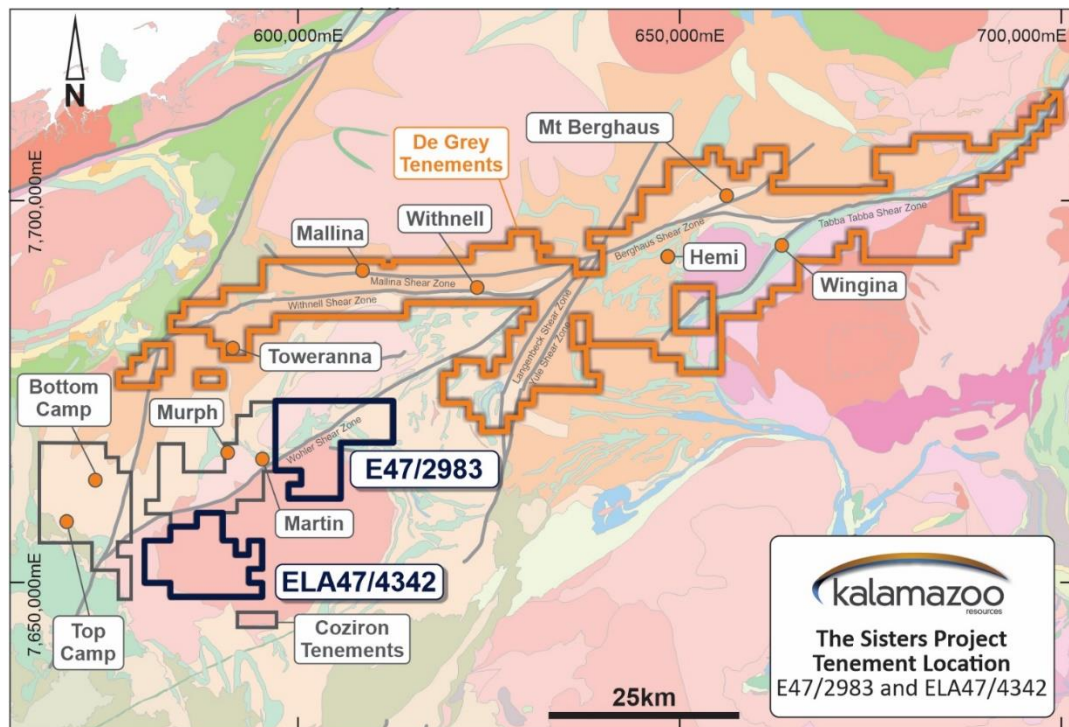


Figure 14: Regional location of The Sisters Gold Projects

## CORPORATE

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Kalamazoo had cash of \$8.9 million at 30 June 2020.

The Company issued 4.585m shares during the quarter as a result of the exercise of various 25c options raising a total of \$1,146,250.

Post Quarter end, the Company received a further \$750,000 instalment payment for the sale of the Snake Well Project from Adaman Resources Pty Ltd. The Company is due a total of \$2.5 million in remaining instalments by 31 December 2020.

## FINANCIAL COMMENTARY

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The Quarterly Cashflow Report (Appendix 5B) for the current period provides an overview of the Company's financial activities.

Exploration expenditure for the reporting period was \$1.295m. Corporate and other expenditure amounted to \$229,000. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$66,000 and includes salary, directors' fees, and superannuation.

### For further information, please contact:

Luke Reinehr  
Chairman / CEO  
[luke.reinehr@kzr.com.au](mailto:luke.reinehr@kzr.com.au)

Victoria Humphries  
Investor Relations – NWR Communications  
[victoria@nwrcommunications.com.au](mailto:victoria@nwrcommunications.com.au)

TABLE 2 TENEMENT INFORMATION IN ACCORDANCE WITH LISTING RULE 5.3.3

Project / Tenement ID	State	Status	Interest at start of quarter	Interest at end of quarter	Notes
<b>PILBARA PROJECT</b>					
E47/2983	WA	Granted	80%	80%	80% interest in minerals other than lithium.
E47/4342	WA	Application	-	-	
E45/4722	WA	Granted	100%	100%	
E45/4724	WA	Granted	100%	100%	100% interest in minerals other than lithium.
E45/4887	WA	Granted	100%	100%	
E45/4919	WA	Application	-	-	
E45/5146	WA	Granted	100%	100%	
<b>ASHBURTON PROJECT</b>					
M52/639	WA	Pending Completion	0%	0%	
M52/640	WA	Pending Completion	0%	0%	
M52/734	WA	Pending Completion	0%	0%	
M52/735	WA	Pending Completion	0%	0%	
E52/1941	WA	Pending Completion	0%	0%	
E52/3024	WA	Pending Completion	0%	0%	
E52/3025	WA	Pending Completion	0%	0%	
<b>CASTLEMAINE PROJECT</b>					
EL006679	VIC	Granted	100%	100%	
EL006752	VIC	Granted	100%	100%	
EL007112	VIC	Application	-	-	
<b>TARNAGULLA PROJECT</b>					
EL006780	VIC	Granted	100%	100%	
<b>SOUTH MUCKLEFORD PROJECT</b>					
EL006959	VIC	Granted	100%	100%	
EL007021	VIC	Granted	-	100%	

## About the Victorian Gold Projects

Kalamazoo's 100% owned Victorian Gold Projects cover almost all the historical Castlemaine Goldfields, the South Muckleford project and the Tarnagulla Central project located within the highly mineralised Bendigo-Ballarat zone of Central Victoria. The project areas are located approximately 120 kilometres northwest of Melbourne and are well serviced by a network of roads, railway and air services. The project areas lie within easy distance of the major regional population centres of Ballarat and Bendigo. In total there are four granted exploration licences and two exploration licence applications. Of note Castlemaine was one of the richest gold fields in Victoria, having produced 5.6 million ounces from both alluvial and underground sources.

## About the Ashburton Gold Project

Kalamazoo's Ashburton Gold Project comprises of 217km<sup>2</sup> and is located on the southern edge of the Pilbara Craton in Western Australia. The Project was acquired from Northern Star Resources in July 2020 and is an important addition to Kalamazoo's growing gold asset portfolio. Historical gold production at the Project consisted of 350,000oz Au in the period 1998-2004 and currently contains a Mineral Resource estimate (JORC Code (2012)) of 20.8Mt @2.5g/t Au for 1.65Moz.

## About the Pilbara Tenements

Kalamazoo acquired between 80% and 100% equity in three highly prospective gold projects in the Pilbara during 2018. The tenements have the potential to host significant gold mineralisation and are located in highly prospective locations within close proximity to some of the Pilbara's most exciting developing gold projects.

## Response to COVID-19

Kalamazoo has been proactively managing the potential impact of COVID-19 and has developed systems and policies to ensure the health and safety of its employees and contractors, and of limiting risk to its operations. These systems and policies have been developed in line with the formal guidance of State and Federal health authorities and with the assistance of its contractors and will be updated should the formal guidance change. Kalamazoo's first and foremost priority is the health and wellbeing of its employees and contractors.

To ensure the health and wellbeing of its employees and contractors, Kalamazoo has implemented a range of measures to minimise the risk of infection and rate of transmission to COVID-19 whilst continuing to operate. All operations and activities have been minimised only to what is deemed essential. Implemented measures include employees and contractors completing a COVID-19 risk declaration, increased hygiene practices, the banning of non-essential travel for the foreseeable future, establishing strong infection control systems and protocols across the business and facilitating remote working arrangements, where practicable and requested. Kalamazoo will continue to monitor the formal requirements and guidance of State and Federal health authorities and act accordingly.

## Competent Persons Statement

The information in this release relating to the Victorian Projects is based on information compiled by Dr Luke Mortimer, a competent person who is a Member of The Australian Institute of Geoscientists. Dr Mortimer is an employee engaged as the Exploration Manager Eastern Australia for the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Dr Mortimer consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this release relating to the exploration data for all Western Australian projects is based on information compiled by Mr Lance Govey, a competent person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Govey is an employee of BinEx Consulting who is engaged as the Exploration Manager Western Australia for the Company. Mr Govey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Mr Govey consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this announcement that relates to the estimation and reporting of mineral resources (Section 3 of the JORC Table 1's) at the Ashburton Project is based on information compiled by Dr Damien Keys, a competent person who is a Member of Australian Institute of Geoscientists. Dr Keys is an employee of Complete Target Pty Ltd who is engaged as a consultant to Kalamazoo Resources Limited. Dr Keys has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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'. Dr Keys consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

## Forward Looking Statements

Statements regarding Kalamazoo's plans with respect to its mineral properties and programmes are forward-looking statements. There can be no assurance that Kalamazoo's plans for development of its mineral properties will proceed as currently expected. There can also be no assurance that Kalamazoo will be able to confirm the presence of additional mineral resources/reserves, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of Kalamazoo's mineral properties. The performance of Kalamazoo may be influenced by a number of factors which are outside the control of the Company and its Directors, staff and contractors.