

ASX Announcement

9th October 2019

High Priority Gold Anomaly Defined at Marble Bar

Highlights

- High priority soil gold anomaly identified in the southern area of E45/4724 from recent reconnaissance sampling at the Marble Bar Gold Project
- Gold values up to 261ppb (0.26ppm) in an anomalous zone stretching over 500m along an east-west grid line with an additional single point anomaly of 104ppb Au (0.1ppm Au) located one kilometre to the south
- No systematic modern exploration techniques for gold carried out to date
- Gold anomaly is located 18km north-west of Calidus Resources' Warrawoona Gold Project which has reported a JORC (2012) Indicated and Inferred Mineral Resource of 1.25 Moz (ASX: CAI 17 July 2019)
- Follow up sampling and mapping is planned for December quarter

Kalamazoo Resources Limited (ASX: KZR) is pleased to announce that ongoing exploration at its West Australian assets has identified a significant soil gold anomaly at the Marble Bar Gold Project. This Project is located 6.5km east of Marble Bar and 18km north-west along strike from ASX-listed (ASX: CAI) Calidus Resources' Warrawoona Gold Project, which contains the highly prospective Klondyke Prospect (Figure 1). Kalamazoo maintains 100% mineral rights except lithium within the granted tenement E45/4724 (48km²).

Kalamazoo's Chairman, Luke Reinehr, commented:

"Having identified a high priority soil gold anomaly in our initial program at Marble Bar along strike from Calidus' Warrawoona Gold Project is very encouraging for our ongoing WA exploration program. Recent outstanding shallow drill intersections by Calidus (ASX: CAI 2 October 2019) supports our program to increase the sampling density this quarter to confirm the extent of the gold anomaly. Combining this activity with our Victorian Goldfields exploration work makes for a very busy upcoming quarter for Kalamazoo's East and West teams and I look forward to reporting our findings as these programs progress."

The southern boundary of E45/4724 and the newly defined gold anomaly are adjacent to Calidus' tenure, where a prefeasibility study and combined JORC (2012) Indicated and Inferred Mineral Resource of 1.25 Moz gold were announced recently (ASX: CAI 17 July 2019).

Approximately 12km of the prospective Warrawoona Group stratigraphy occurs within E45/4724. The tenement straddles the western intrusive contact of the Archaean Mt Edgar Batholith and the adjacent basalts, amphibolites and ultramafic units of the Warrawoona Group. Major northerly trending arcuate regional structures traverse the project.

Kalamazoo's review of the data for the Marble Bar tenement indicates it contains a sheared meridional greenstone belt over which there has been no reported gold exploration or historic mining despite the large number of small gold leases throughout the immediate surrounding area (e.g. Haoma Mining NL).

Sampling and assay details

The reconnaissance sampling program was conducted along twelve east-west traverses spaced at 1km (from north to south) and across the strike of the Warrawoona Group stratigraphy. The planned program terminated in GSWA mapped granitoids on either side of the greenstones and avoided some internal granite outcrop. Samples were taken at 100m intervals along the lines (approximately 0.4kg of -0.5mm fraction, from 150mm depth). A low level gold standard (CRM) was included approximately every 50 samples. More details are included in the JORC Table 1 appended to this release.

Samples (213 soils and 4 standards) were pulverized to 80% passing -75 micron and analysed at ALS Geochemistry (Perth) by super trace method AuME-ST44 – aqua regia digest on 50g sample and ICP-MS finish. The method delivers gold assays to 0.1ppb detection limit and low detection limit analyses for 52 multi-elements (Table 1).

Results

Gold values in parts per billion (ppb) are shown on Figure 2. Results greater than 100ppb Au (0.1ppm) are located on the western side of the two sample lines in the southern portion of E45/4724. The northern line includes strongly anomalous samples of 104ppb, 176ppb and 261ppb Au over a 500m wide interval of skeletal soils on Warrawoona Formation mafic lithologies. The southern line has a single point anomaly of 104ppb Au. The gold anomalous zone coincides with weakly anomalous antimony levels on both lines. A selection of representative assays is detailed in Table 2.

Next Steps

Follow up sampling and mapping is planned for the December quarter to increase the sampling density and confirm the extent of the gold anomaly.

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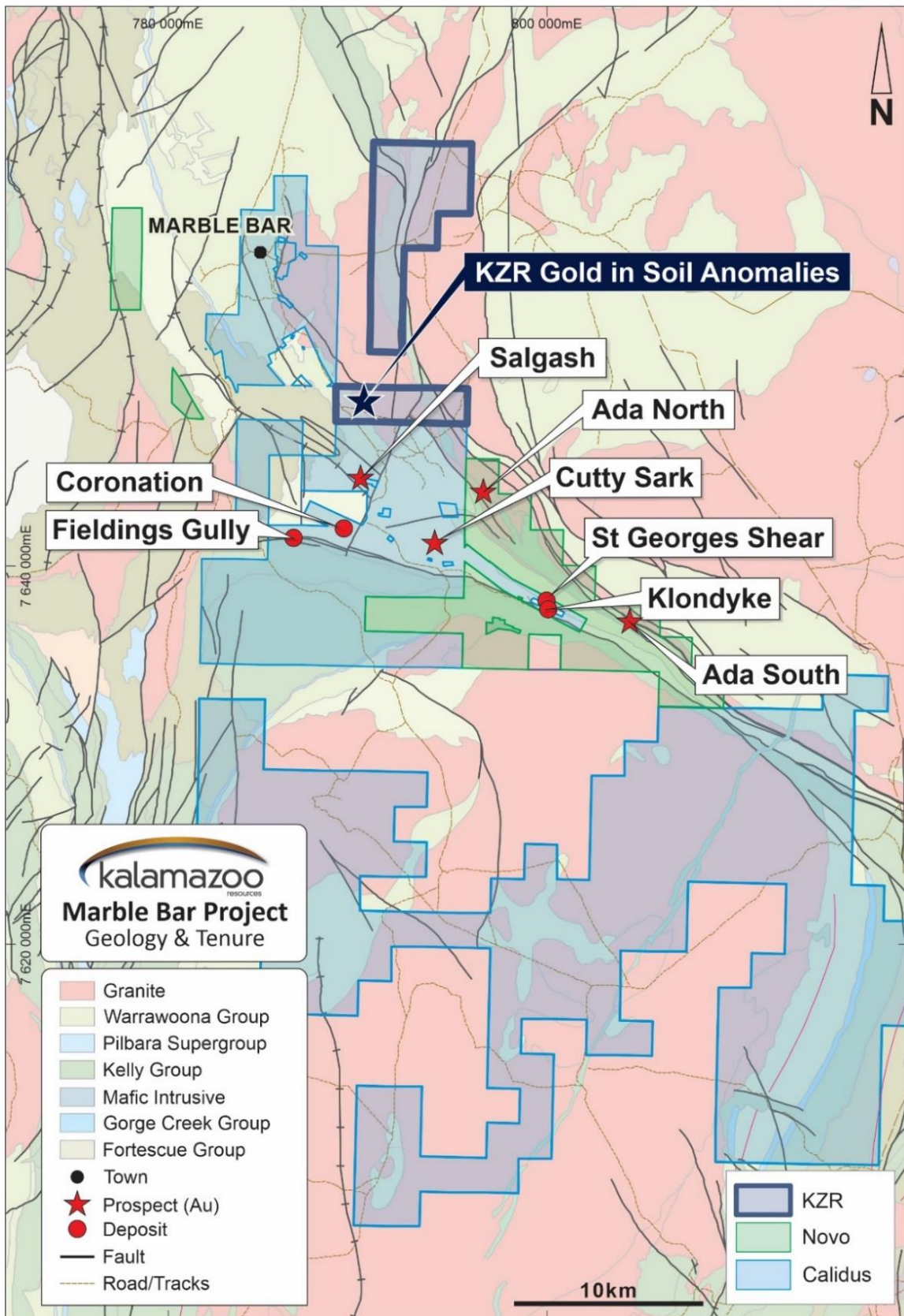


Figure 1: Location of Marble Bar Project

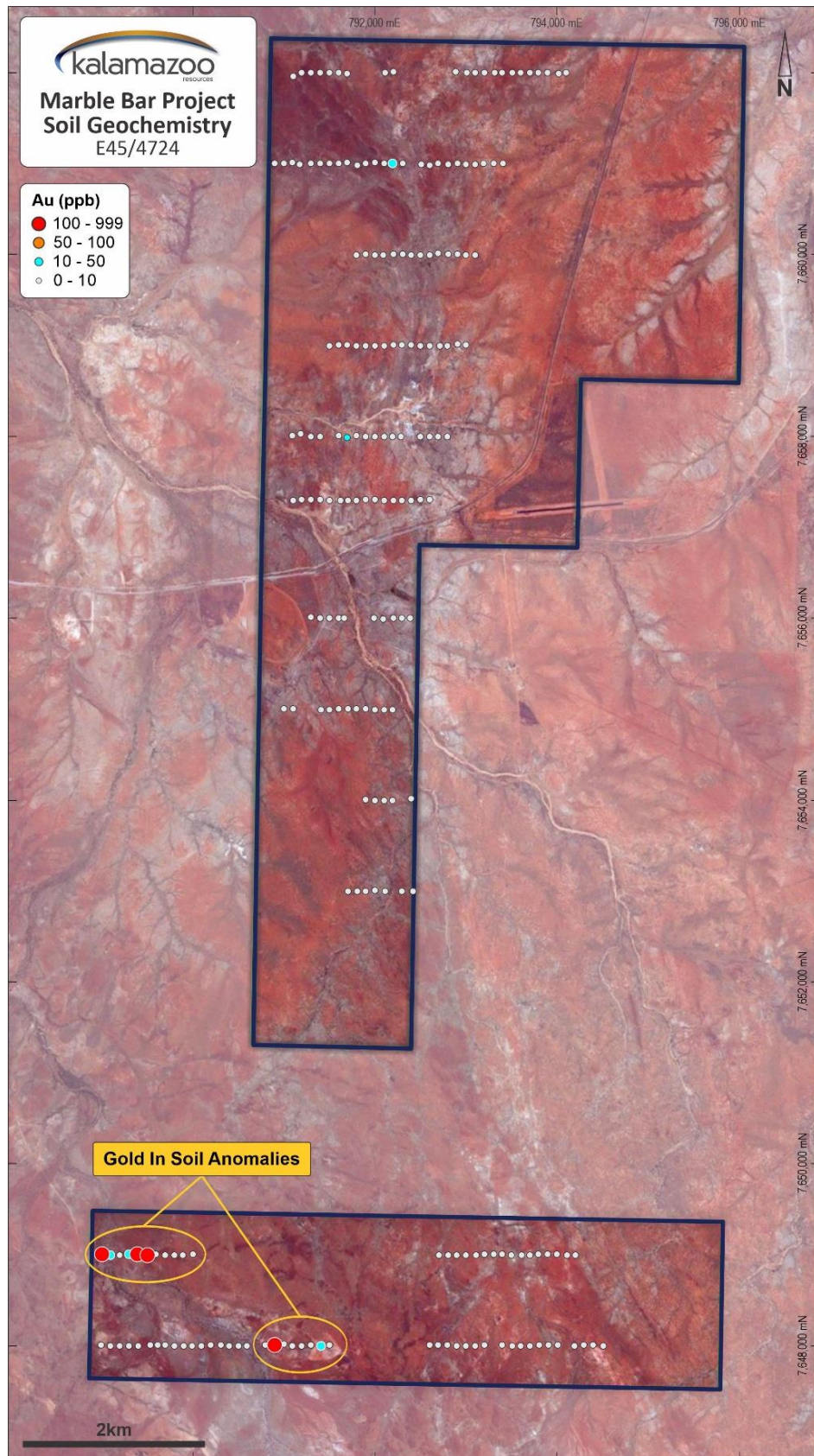


Figure 2: Gold in soil anomalies within E45/4724

Table 1: ALS Method AuME-ST44 Elements and ranges (ppm and %)

Ag	0.001-100	Co	0.001-10,000	La	0.002-10,000	Pt	0.002-25	Th	0.002-10,000
Al	0.01%-25%	Cr	0.01-10,000	Li	0.1-10,000	Rb	0.005-10,000	Ti	0.001%-10%
As	0.01-10,000	Cs	0.005-500	Mg	0.01%-25%	Re	0.001-50	Tl	0.002-10,000
Au	0.0002-25	Cu	0.01-10,000	Mn	0.1-50,000	S	0.01%-10%	U	0.005-10,000
B	10-10,000	Fe	0.001%-50%	Mo	0.01-10,000	Sb	0.005-10,000	V	0.1-10,000
Ba	0.5-10,000	Ga	0.004-10,000	Na	0.001%-10%	Sc	0.005-10,000	W	0.001-10,000
Be	0.01-1000	Ge	0.005-500	Nb	0.002-500	Se	0.1-1000	Y	0.003-500
Bi	0.001-10,000	Hf	0.002-500	Ni	0.04-10,000	Sn	0.01-500	Zn	0.1-10,000
Ca	0.01%-25%	Hg	0.004-10,000	P	0.001%-1%	Sr	0.01-10,000	Zr	0.01-500
Cd	0.001-1000	In	0.005-500	Pb	0.005-10,000	Ta	0.005-500		
Ce	0.003-500	K	0.01%-10%	Pd	0.001-25	Te	0.01-500		

Table 2: Representative assay results

Sample	Line	Easting (m)	Northing (m)	Elevation	Au	Ag	Sb	As
ID	ID	GDA94	GDA94	AHD	ppb	ppb	ppb	ppm
19S001	7649000N	789002	7649001	209.81	176	80	257	12.5
19S002	7649000N	789102	7649000	209.96	10.9	26	242	9.74
19S003	7649000N	789199	7648999	209.89	1.9	22	304	6.16
19S004	7649000N	789300	7649001	212.73	32.6	42	588	7.1
19S005	7649000N	789400	7649001	215.61	261	50	436	7.41
19S006	7649000N	789498	7648995	219.35	104	93	240	8.85
19S007	7649000N	789597	7649001	228.46	1.5	49	345	3.6
19S008	7649000N	789703	7649001	224.03	3.2	18	190	2.8
19S023	7648000N	790998	7648014	229.18	9.9	26	315	20.7
19S024	7648000N	790900	7648000	228.41	104	21	220	6.4
19S025	7648000N	790802	7648000	227.13	2.2	23	185	5.17

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.

Competent Persons Statement

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 WA 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.

Forward Looking Statements

Statements regarding Kalamazoo's plans with respect to its mineral properties and programs 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.

Table 1. JORC Code, 2012 Edition
Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i> 	<p>The exploration licence area was tested by a wide spaced surface soil geochemical sampling program.</p> <p>Sampling practice is appropriate to the generally residual soil profile of the area sampled and complies with industry best practice.</p>
Drilling techniques	<ul style="list-style-type: none"> <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i> 	Not applicable
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise</i> 	Not applicable

Criteria	JORC Code explanation	Commentary
	<p><i>sample recovery and ensure representative nature of the samples.</i></p> <ul style="list-style-type: none"> <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	Not applicable
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>Soil samples were collected in dry conditions from approx. 150mm depth, and sieved to -0.5mm fraction. Sample size was generally 0.3-0.4 kg.</p> <p>Routine QAQC samples were inserted comprising a low level gold standard (CRM or Certified Reference Material) approx. every fifty samples.</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools,</i> 	<p>213 soil samples were prepared and assayed at NATA accredited ALS Geochemistry in Perth.</p> <p>Samples were weighed, dried, and 250g pulverized in total to nominal 85% passing 75 microns; a 50g pulp</p>

Criteria	JORC Code explanation	Commentary
	<p>spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</p> <ul style="list-style-type: none"> Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<p>sub sample assayed for 53 elements after aqua regia digest and ICP-MS by method AuME-ST44. Elements were: Ag, Al, As, Au, B, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, Hg, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Pd, Pt, Rb, Re, S, Sb, Sc, Se, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn and Zr.</p> <p>In addition to the Company QAQC samples included within the batch the laboratory included its own CRM's, blanks and duplicates.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<p>Assays were documented and verified by an experienced professional Exploration Manager at Kalamazoo Resources.</p> <p>All assay data were received in electronic format from ALS, checked and verified by Kalamazoo Resources Ltd.</p> <p>Data files were exported to independent data management consultants, RockSolid Data Consultancy, in Perth for final verification and secure digital storage.</p> <p>No assay adjustment was applied.</p>
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<p>All sample locations were captured using hand held GPS to x-y accuracy of 5m and height (z) relative to AHD.</p> <p>All location data is in UTM grid (MGA94 Zone 50).</p>
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<p>Sample spacing 100m along MGA94 east west lines; lines spaced at 1000m north-south (MGA94).</p>

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	Sample spacing and orientation is reconnaissance in nature and not targeted at specific structures or known trends of mineralisation.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Samples were secured in closed polyweave sacks, delivered by freight courier to Perth and hand delivered to the laboratory.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	No external audits or reviews have been completed on behalf of Kalamazoo Resources Limited.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<p>Results reported are from granted exploration licence E45/4724, where Kalamazoo Resources Limited has 100% rights to all minerals except lithium.</p> <p>The licence is in good standing and no impediment is foreseen to obtaining a licence to operate.</p>
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	Kalamazoo Resources found no historical exploration data for gold.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	Shear/fault or vein hosted gold in Archean basement (Warrawoona Group).
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 	Not applicable.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	Soil anomalies greater than 100ppb Au are reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i> 	Relationship of results reported to any mineralization present is unknown at the time of reporting.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	Included elsewhere in this release.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	Selected representative assays for soil samples are reported.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	None to report with this release.

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	Further sampling may be planned for parts of the area not the subject of this program.