



ANGLO AUSTRALIAN RESOURCES NL
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1 May 2017

COMMENCEMENT OF DRILLING AT FEYSVILLE GOLD PROJECT

Anglo Australian Resources NL (“Anglo Australian” or the “Company”) (ASX: AAR) is pleased to announce the commencement of a drilling program at the Company’s Feysville Gold Project, located in Australia’s premier gold belt, just 14 km south of and along strike from the giant Golden Mile deposit (70 MOz) at Kalgoorlie.

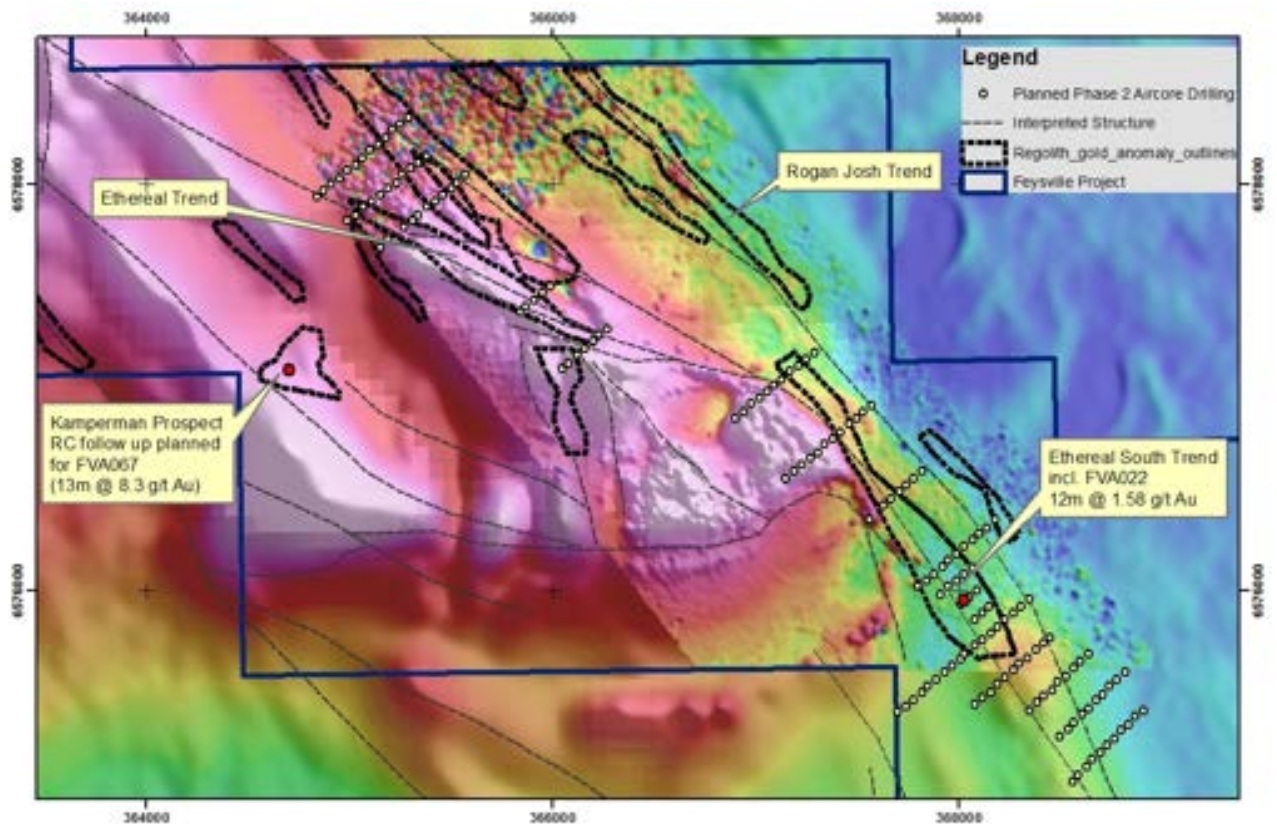
The program at Feysville will encompass two phases.

The first phase, which commenced last Friday, the slight delay coming about due to repairs required to the drill rig, involves a second-round aircore drilling campaign, following on from the first round aircore drilling program which was conducted in November/ December 2016.

That first campaign was primarily targeted along the recently identified seven-kilometre-long Ethereal Shear Zone, identifying significant anomalous gold mineralisation.

This second round aircore campaign will primarily target areas along the Ethereal Shear Zone, seeking to follow up and define existing anomalies, as well as step out along strike into undrilled areas, with a view to defining bedrock drilling targets.

The program, which is expected to encompass in aggregate of the order of 2,000 metres, will involve the drilling of traverses perpendicular to the strike of the shear zone.



The second phase of drilling at Feysville, to commence after conclusion of the first phase, will involve reverse circulation drilling of the Kamperman prospect.

An aircore hole at Kamperman undertaken during the first-round aircore campaign referred to above achieved a high-grade hit of 13 metres @ 8.31 g/t Au from 24 metres below surface to the bottom of the hole at 37 metres (ASX - Dec 2016 Qtrly Report).

Further details on the program at Kamperman will be provided on commencement.

Results of the Feysville drilling program will be released to the market as soon as they come to and.

Following completion of the Feysville drilling program, the drill rig will be relocated a short distance to Anglo Australian's wholly-owned Mandilla Gold Project.

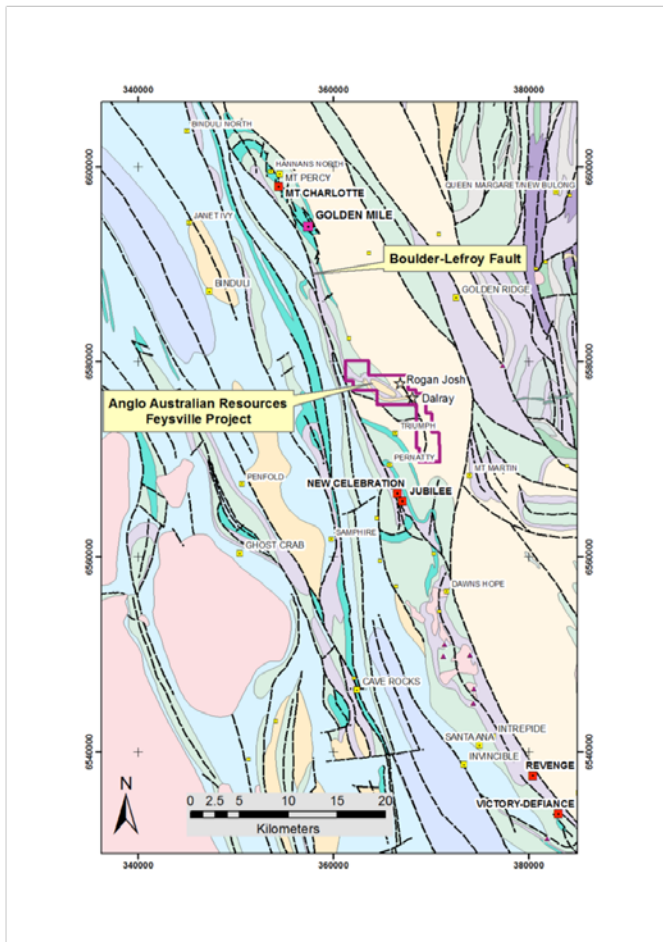
Commencement of drilling at Mandilla which will also be the subject of a separate announcement.



About the Feysville Project

The Feysville Project is located in Australia's premier gold belt, just 14 km south of the giant Golden Mile deposit (70 MOz) at Kalgoorlie. The belt extends for some 100 km along a NNW strike, and takes in major gold deposits at New Celebration (3 MOz), some 10 km south of Feysville, and the large St Ives field (+15 MOz) 30 to 60 km to the south. Numerous other economic gold deposits have also been discovered within the belt. Gold deposits along strike are contained within a major structural corridor centred on the Boulder-Lefroy fault, which controls regional uplift and folding of a lower sequence of mafic-ultramafic rocks (purple and green in the figure above) surrounded by an upper sequence of volcano-sediments (blue and yellow).

The Feysville Project encompasses some 12 km of strike, quite a substantial ground position.



Feysville also contains the lower mafic/ ultramafic sequence of rocks in the core project area, the closest on-strike location to south of the Super Pit to do so, with the Boulder-Lefroy fault interpreted to pass along the western flank of the Project

The project is considered prospective for typical high-grade shear-hosted gold lode styles, and for bulk-tonnage intrusion-hosted gold systems.



For further information:

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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 David Otterman, who is an independent consultant from DW Otterman Exploration Consultant.

Mr Otterman is a Fellow of The Australasian Institute of Mining and Metallurgy (CP) and a Member of the Australian Institute of Geoscientists (RP Geo).

Mr Otterman 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'. Mr Otterman consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Otterman has disclosed to the reporting company the full nature of the relationship between himself and the company, including any issue that could be perceived by investors as a conflict of interest. He verifies that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in supporting documentation relating to Exploration Targets and Exploration Results.