

15 September 2011

**ANGLO AUSTRALIAN RESOURCES NL**  
**ASX ANNOUNCEMENT**

**DRILLING TO COMMENCE TO TEST SIGNIFICANT BEDROCK  
CONDUCTOR WITH POTENTIAL FOR MASSIVE COPPER-ZINC  
MINERALISATION AT THE LEONORA PROJECT WESTERN  
AUSTRALIA**

The discovery of the large Moving Loop Electromagnetic (MLEM) anomaly is an exciting development that has greatly enhanced the potential of the Leonora Project to host VMS-style massive copper-zinc deposits similar to the Jaguar and Bentley deposits.

**Anglo Australian Resources NL is planning a 5 hole 1300m RC drilling program to test a significant bedrock conductor which has potential for massive copper zinc mineralisation at its Leonora Project in Western Australia. This drilling is planned to commence middle to late October.**

The Leonora Project is located 25 kilometres south of the Jaguar mine of Jabiru Metals Limited (Reserves: 3.23 Mt @ 1.8% Cu, 7.91% Zn, 99 g/t Ag, 0.4 g/t Au) and Jabiru's Bentley deposit (3.0 Mt @ 2.0% Cu, 9.8% Zn, 138 g/t Ag, 0.7 g/t Au) (see Figure 1 & 2). Both these deposits were discovered by drill testing bedrock electromagnetic conductors. These two volcanogenic massive sulphide (VMS) style deposits occur near the boundary between mafic and felsic units. The Leonora Project consists of two Exploration Licenses, located 10 km north of Leonora, which cover a 10 km long zone of felsic volcanics and sediments (see Figures 1 & 2) broadly analogous to the geology at Jaguar and Bentley. Based on interpretation of previous aircore drilling and of aeromagnetic data, Anglo Australian Resources considers 7km of this zone is highly prospective for VMS-style mineralisation. As bedrock in the zone is mostly covered by younger transported sediments, the Company has used a MLEM survey as its primary exploration tool to search for VMS deposits that are generally highly conductive and amenable to location by such geophysical methods.

MLEM survey completed in May 2011 at the Leonora Project targeting potential massive copper-zinc mineralisation discovered a strong 800m long bedrock conductor. Interpretation of the MLEM anomaly by geophysical consultants, Southern Geoscience, suggests the source of the conductor, (potentially massive or disseminated sulphide), commences at the base of weathering approximately 150-170m below surface and dips steeply south west.

The only previous drilling in the vicinity of the MLEM anomaly consisted of a single traverse of vertical aircore hole which were assayed for copper, zinc and lead. The hole nearest to and on the strike trend of the conductor (see Figure 3) is highly anomalous in copper, as it contains a 9m interval assaying 600ppm Cu within weathered basalt compared to background values of 40 – 60 ppm Cu. The company is also very encouraged by the extensive alteration seen in remnant chips from this and adjacent holes. All VMS deposits ubiquitously have an alteration halo around the sulphide mineralisation.



**For further information:**

**Angus C. Pilmer – Executive Director**

**Peter Komysan – General Manager Exploration**

**Telephone: (08) 9382 8822**

**Telephone: (08) 9382 8822**

**Attribution**

Information in this Report relating to geological data has been compiled by the Anglo Australian Resources NL Exploration Manager, Peter Komysan, who:

- is a full-time employee of Anglo Australian Resources NL;
- has relevant experience in relation to the mineralisation being reported on as to qualify as a Competent Person as defined by the *Australasian Code for Reporting Identified Mineral Resources and Ore Reserves*.
- is a Member of the Australasian Institute of Mining and Metallurgy and is a Member of the Australian Institute of Geoscientists and has had more than twenty years' experience in the field of activity reported herein;
- has consented in writing to the inclusion of this data.



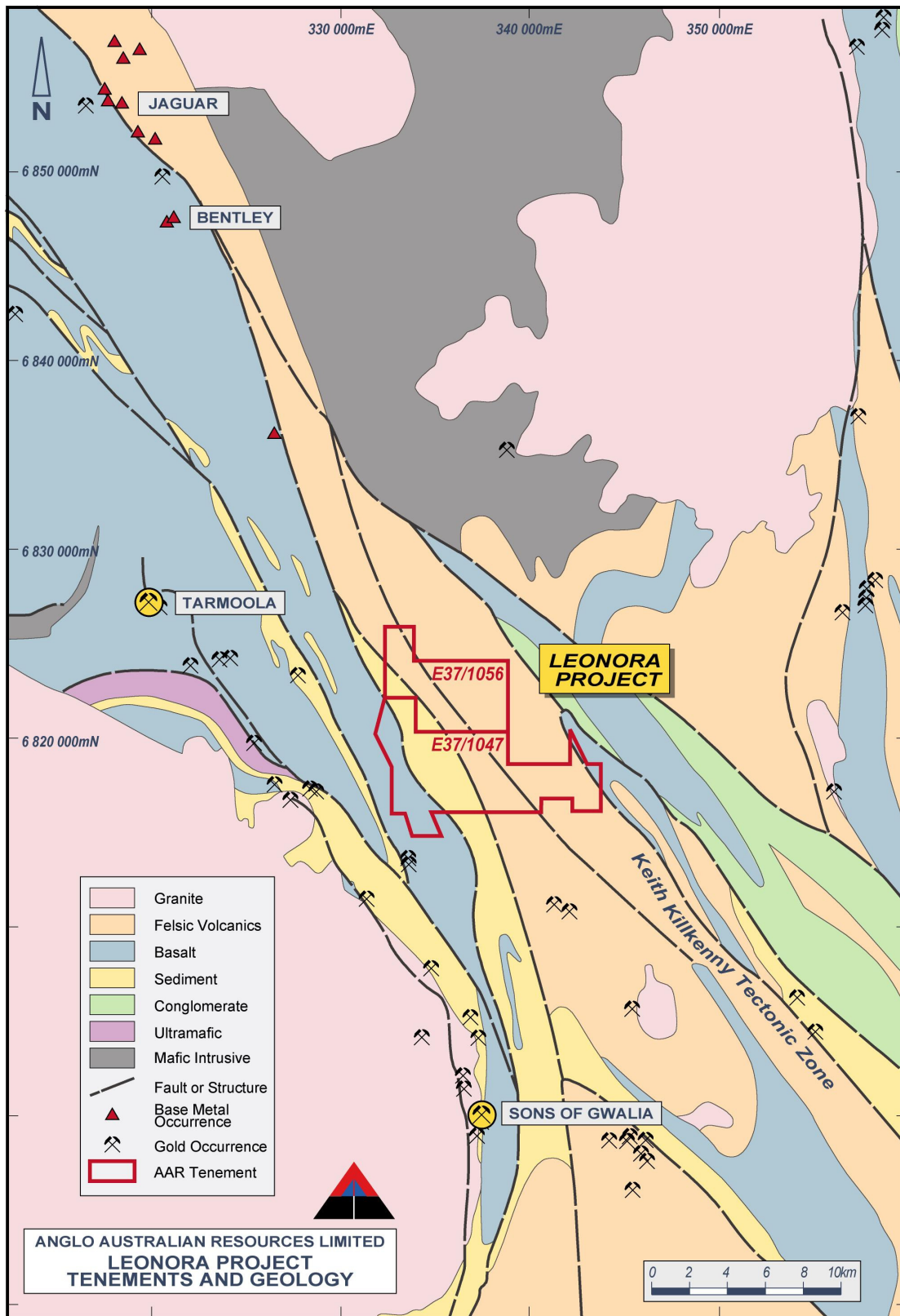


Figure 1. Leonora Project Location and Interpretive geology

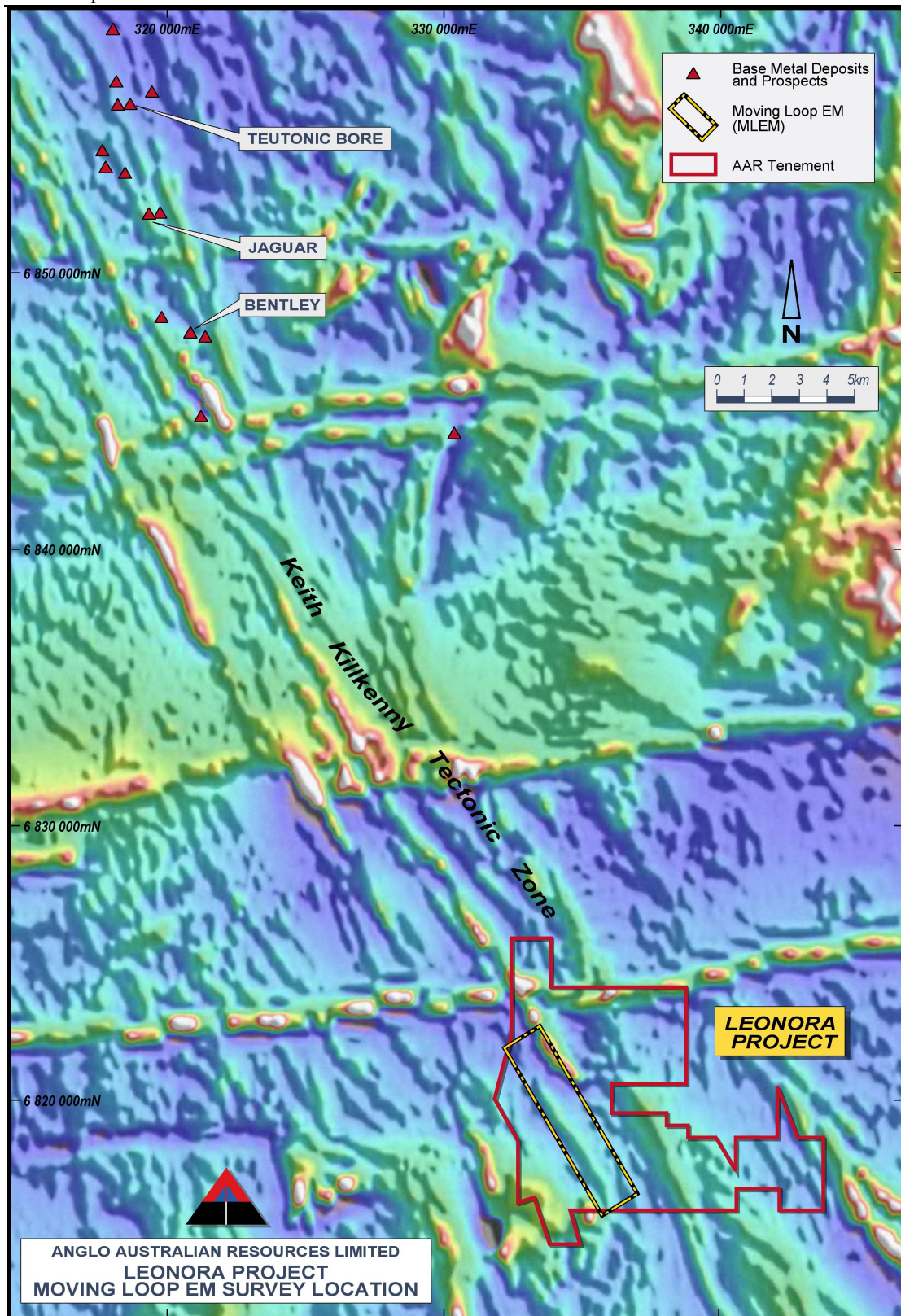


Figure 2 Leonora Project – Location of MLEM Survey

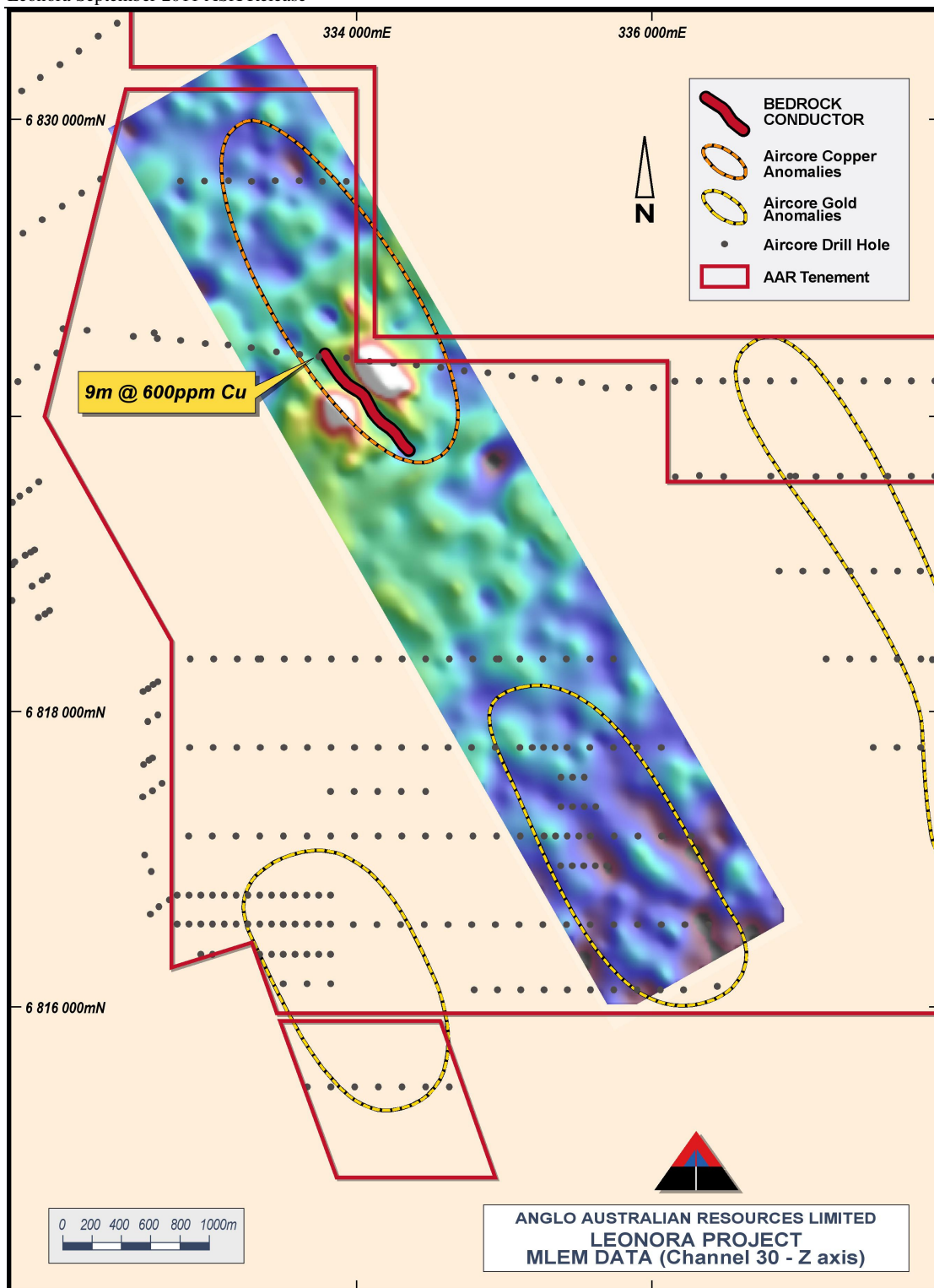


Figure 3 Leonora Project – MLEM Data (Channel 30 – Z axis)