



## **Anglo Australian Resources**

ASX & MEDIA RELEASE

27<sup>th</sup> September 2012

### **DIAMOND DRILLING TO COMMENCE AT LEONORA PROJECT**

PERTH, Western Australia: Anglo Australian Resources NL (ASX: AAR) is pleased to announce that diamond drilling will commence at the Leonora Project, Leonora, Western Australia, on Friday 28<sup>th</sup> September 2012.

The Leonora Project, which is located approximately 25 kilometres south of the Jaguar and Bentley copper-zinc mines of Independence Group NL, consists of two Exploration Licenses, covering a 10 km long zone of felsic volcanic and sedimentary rocks broadly analogous to the geology at Jaguar. The volcanogenic massive sulphide (VMS) style deposits at Jaguar and Bentley occur near the boundary between mafic and felsic units and the deposits were discovered by drill testing bedrock electromagnetic conductors.

In May 2011, a Moving Loop Electromagnetic (MLEM) survey targeting potential massive copper-zinc mineralisation at Leonora discovered a strong 800m long bedrock conductor. Sample spoils from previous aircore drilling indicated that the conductor was located within favourable stratigraphy, proximal to the contact between felsic and mafic volcanic rocks. The discovery of the MLEM anomaly greatly enhanced the potential of the Leonora Project to host VMS-style massive copper-zinc deposits similar to the Jaguar and Bentley deposits.

Interpretation of the MLEM anomaly by geophysical consultants, Southern Geoscience, suggests the source of the conductor (potentially massive or disseminated sulphide) is below the base of weathering and commences at approximately 200 to 250m below surface and dips steeply south west.

Previous exploration of the Leonora Project focused on gold potential and aircore drilling defined two gold-anomalous zones. Holes in only two of the multiple traverses of aircore drilling were assayed for copper, zinc and lead. One of the holes, in a line which traversed the northwest end of the conductor, is highly anomalous in copper, containing a 9m interval assaying 600ppm Cu within weathered basalt against background values of 40 – 60 ppm Cu. Recently, as part of a regional reconnaissance geochemical alteration study, 44 bottom of hole samples were collected from historical drill holes within E37/1047. Although the sampling density was broad, one sample returned up to 446 ppm zinc hosted within felsic tuffs along strike from the MLEM target.

The current phase of drilling is intended to comprise two 400 metre deep diamond drill holes to test the MLEM conductor at depth. Two pre collar holes were completed in May 2012 in preparation for diamond drilling.

The diamond drill holes will be logged, sampled and assayed for a suite of elements including gold, silver and base metals.

For further information:

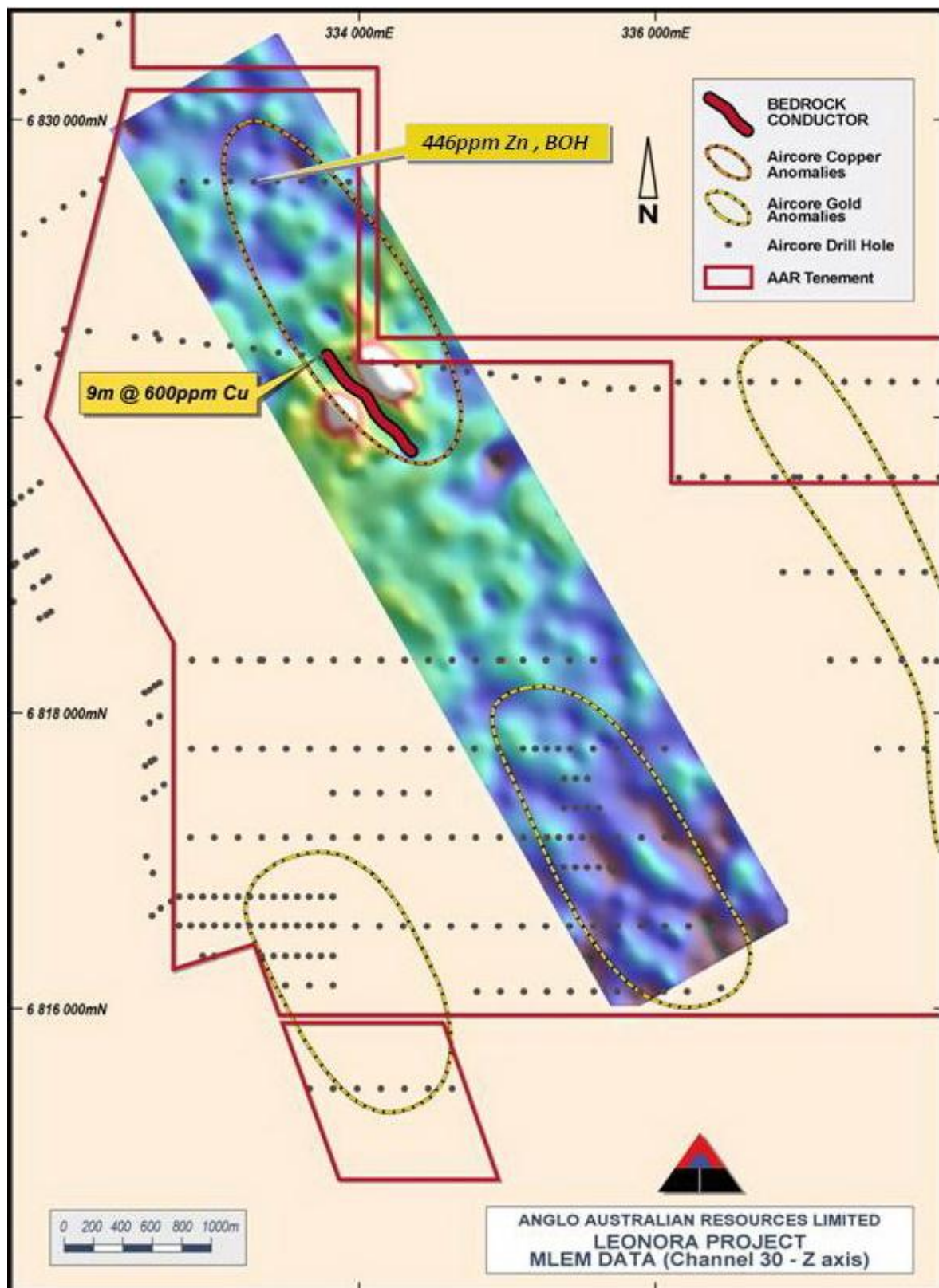
John L C Jones – Chairman

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#### **Competent Person's Statement**

Information in this Report relating to geological data has been compiled by David Otterman who:

- is a consultant to 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 of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2004 Edition)*;
- is a Fellow of the Australasian Institute of Mining and Metallurgy (CP Geo) and is a Member of the Australian Institute of Geoscientists and has had more than thirty years experience in the field of activity reported herein; and
- has consented in writing to the inclusion of this data.



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