



ASX Announcement and Media Release

21 April 2017

ROYAL STANDARD DRILLING UNDERWAY AT KALAMAZOO'S FLAGSHIP W.A. GOLD PROJECT

- **Kalamazoo advances Snake Well gold exploration project with new drilling**
- **Drilling to test for additional, near surface mineralisation at the historical Royal Standard underground mine has commenced**
- **Drilling at neighbouring Mixy project continues and a second rig mobilised to Royal Standard**
- **Mixy results progressively available over coming weeks**

Emerging gold-copper exploration company, Kalamazoo Resources Limited (**ASX: KZR**) ("**Kalamazoo**"), today announced it has commenced a first-pass Reverse Circulation (RC) drilling program on the Royal Standard Project ("**Royal**"), part of its flagship gold project in Western Australia.

This drilling is part of an overall works program outlined in the Kalamazoo Prospectus dated 3 October 2016 and the Supplementary Prospectus dated 14 November 2016 to systematically explore and develop the Company's Snake Well Gold Project, located about 450km north of Perth in the Mid-West region (Figure 1).

The RC drill rig has now mobilised to the Royal Standard Project east of the Mixy Project and will drill approximately 1,000 metres to test for the presence of near surface gold mineralised zones between the surface and the bottom mine level, about 75 metres from surface (Figure 2).

The drilling program continues at the Mixy Project and a quartz zone, associated with the mineralisation, was intersected in all holes to date. Samples have been dispatched to the laboratory for assaying for the first two thirds of the program and results are expected over the next few weeks.

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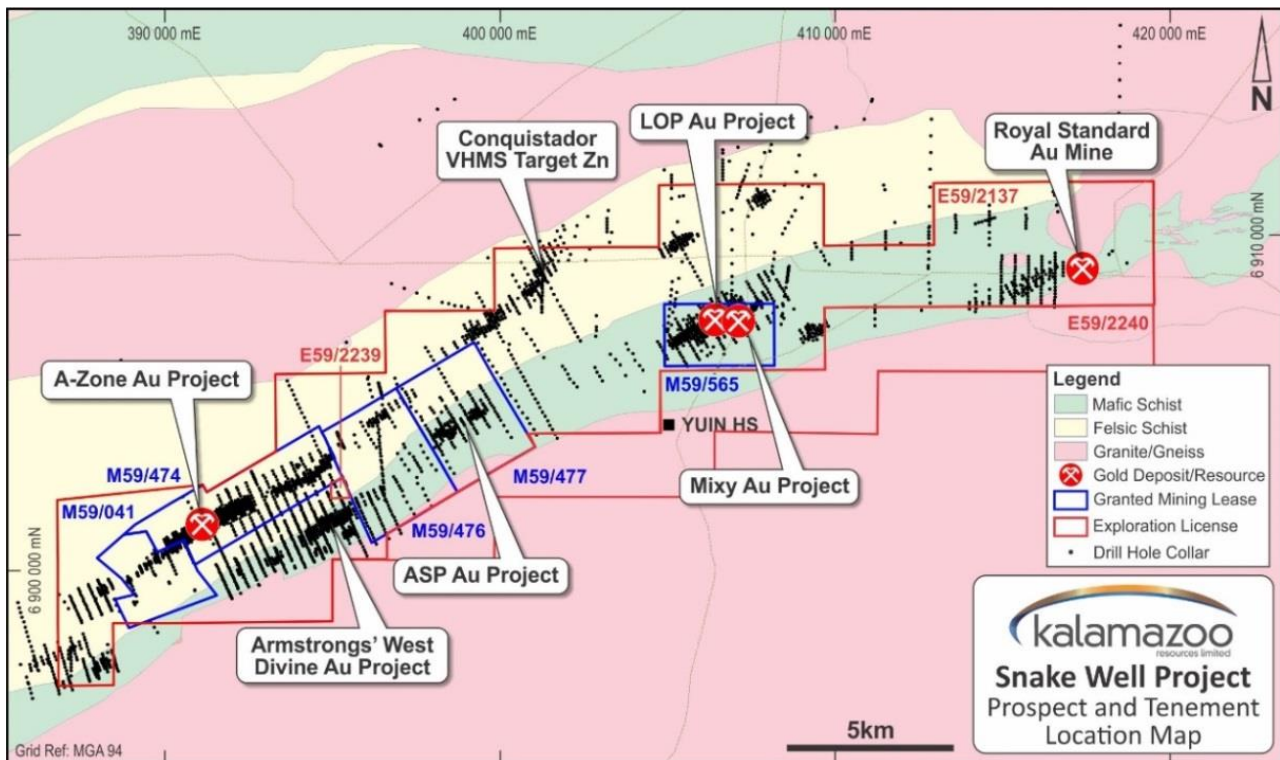


Figure 1 Location of Mixy and Royal Standard Project areas

Note: The tenement outline has since been modified to reflect two new tenement applications E59/2240 and E59/2239 and one relinquished tenement, E59/2200, since the Prospectus was issued in October 2016.

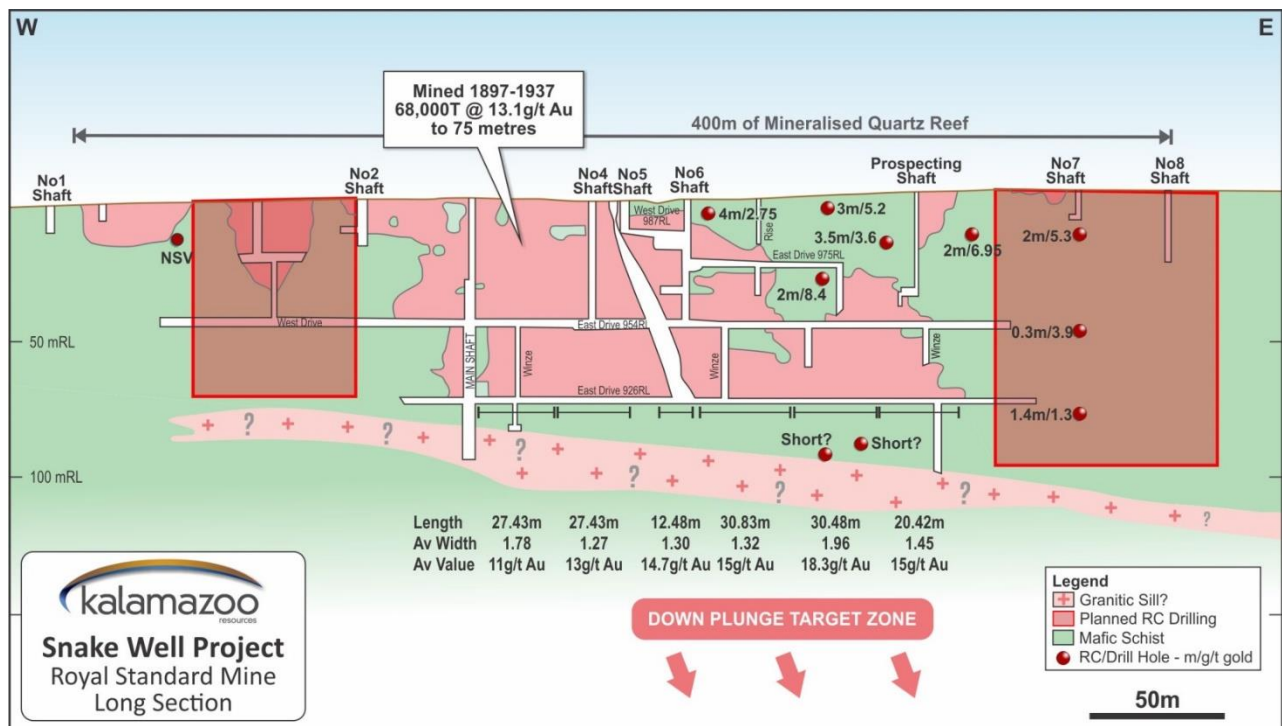


Figure 2 Royal Standard Longitudinal (looking north) and areas to be tested by drilling
All drill intersections on this diagram are downhole lengths and are historical and, red arrows signify the interpreted plunge direction of the lode³

The information above is extracted from the Kalamazoo Prospectus, dated 3rd October 2016 and is available to view on the company website at www.kzr.com.au. The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Exploration Results or estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the results and estimates in the relevant market announcement continue to apply and have not materially changed. The company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Gold quartz lodes, similar to that at the Mixy Lode, the site of the successful trial pit (refer to Kalamazoo Prospectus, Section 3, dated 3 October 2016), are known to occur at various prospects, such as the Royal Standard Mine (Figures 1 and 2), Royal Standard West, Calisi 1 and Calisi 2.

At the Royal Standard Mine, a north dipping quartz vein, up to three metres thick, is traceable at surface for over 800 metres and has been mined from surface to a depth of 75m over a strike of several hundred metres, producing 68,000 tonnes at 13.1 g/t Au from 1897-1937.¹

1. Cranley, N.J., 1985. Yuin Project Non-statutory Report: Geological Assessment, April 1985, P59/20. Department of Mines and Petroleum WAMEX Open File Report A15979.

The lode is reportedly cut by a granite sill or dyke at depth, although only one drill hole to test depth potential is recorded (drilled by the DMP in 1937)². The possibility of the continuation of the Royal Standard lode structure beneath the sill down plunge and for extensions along strike will be tested by future drilling. A series of underground development heading assays along the bottom, at a level of 75 metres are particularly encouraging, averaging between 11g/t to 18.3g/t Au³ (refer to Figure 2).

Historical drilling by various exploration companies has intersected the quartz lode to the east of the old stopes ranging from downhole widths from 0.3 to 4.0 metres and gold grades of 1.3 g/t to 8.4 g/t Au (refer to Figure 2)².

The aim of Kalamazoo's initial drilling program is to test for the presence of gold mineralisation both to the east and west of the main stopped areas and above the deepest mined level of 75 metres.

The Board of Kalamazoo is pleased with progress to date at Mixy and will keep shareholders updated in relation to drill results from its Royal Standard Project when they are available.

The Board will also keep shareholders advised of ongoing further development and exploration programs at its Snake Well Gold Project.

About Snake Well Project

Kalamazoo's flagship gold asset is the Snake Well Project, which is located 450km north of Perth in the Mid-West region. It consists of five granted mining leases, one granted exploration licence and two exploration licence applications. The Snake Well Project covers Archaean rocks over an area of approximately 263km² and a 45km prospective strike length of the Talling greenstone belt, in the western portion of the Murchison Domain that hosts a number of significant mineral deposits including Golden Grove (Cu-Zn), Big Bell (Au), Cue (Au), Deflector (Cu-Au) and Mt Magnet (Au).

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2. Refer to the Company's Prospectus dated 3 October 2016, p28.

3. Refer to Independent Geologists Report in Section 5 of the Company's Prospectus dated 3 October 2016