

Gold business grows

While Anglo Australian Resources NL has recently strengthened its gold portfolio the company continues to assess other gold opportunities and is looking to farm out its interesting base metal plays. The company has assembled a portfolio of gold properties in the Murchison region of Western Australia based on a structural model for the Murchison region of Western Australia developed by General Manager - Exploration Peter Komyshan.

The targets chosen by the company are all associated with major regional structures, with the Barloweerie and Dalgara properties located on of the same structure as the one million ounce Big Bell deposit.

Of more significance is the recent announcement by the company that it had acquired the Feysville and Carnilya projects from St Ives Gold Mining Company Pty Ltd, a wholly owned subsidiary of Gold Fields Australia Pty Ltd.

The projects, both 15-30 kms south east of Kalgoorlie, were formerly owned by WMC Resources Ltd before it divested its gold interests to Gold Fields.

Anglo has agreed to issue 15 million fully paid shares at a price of 2.6 cents each and 7.5 million options exercisable at 5 cents each for the two projects. The Feysville project is subject to a 1% gross royalty on gold and nickel as well as a 4% gross royalty on all gold production in excess of 250,000 ounces and a price opportunity royalty of 10% of every dollar the gold price exceeds \$600.

Feysville certainly has the right address. It is situated in the geological structural corridor bounded by the Boulder Lefroy Fault, that hosts the world-class deposits of Kalgoorlie and St Ives as well as other substantial deposits in the New Celebration, Kambalda and Hannans South areas.

Previous exploration by WMC targeted gold and nickel with the initial focus on the ultramafic unit for nickel sulphides, with best results of 2m at 1% nickel and 1m at 2.2% nickel.

Exploration has consisted of a comprehensive soil survey, 264 RAB/aircore holes, 444 RC holes and five diamond holes.

The soil survey defined extensive gold anomalies clustered in the southeastern corner of the Feysville property. Follow-up drilling confirmed the gold potential of the

area with intersections such as 7m at 2.47 g/t at Empire Rose, 10m at 9.1 g/t at Ethereal, 8m at 2.08 g/t at Kamperman and 8m at 3.26 g/t at Rogan Josh.

According to Komyshan a 2,300m RC drilling program to drill test the Ethereal prospect for strike and down dip extensions of the previously identified higher grade gold zone and to test interpreted strike extension at the Subzero, Piping Lane, Hyperno, Kamperman and Empire Rose prospects is planned by Anglo Australian Resources.

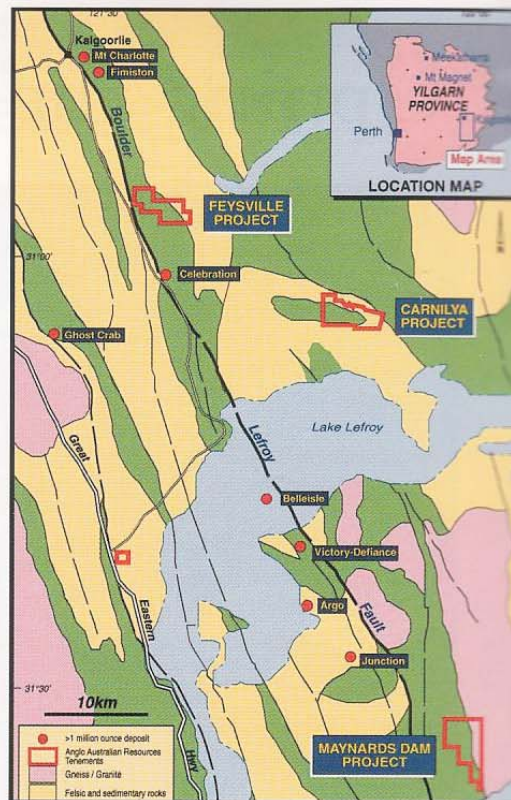
The company's exploration budget for the year is currently being finalised, as a capital raising to provide drilling funds is imminent.

The Carnilya project consists of the gold mining rights only attached to four mining leases located 45 km south east of Kalgoorlie where past exploration has focussed on nickel potential. Only 10% of all holes drilled on the project have been assayed for gold.

Gold exploration targets include two partially tested gold-in-soil anomalies (SUB and Laterite Hill). Drilling at the SUB soil anomaly, targeting nickel sulphides, obtained gold values up to 4m at 2.14 g/t.

The company also has made a gold discovery at its Denison project in Tasmania Drill testing of geochemical anomalies by Anglo, has produced significant drill intersections with the mineralisation open in three directions. Follow up drilling is planned for early 2003.

Anglo Australian has a three-fold aim with its base metal properties. It plans to compile all significant data, evaluate targets and farm out the properties.



The company expects keen interest in its two major base metal properties in WA and Tasmania.

The Koongie Park property of six mining leases 25 km south west of Halls Creek already has two drill defined base metal resources.

At Sandiego, drilling defined a zinc and copper resource of 1.3 Mt at 0.6% copper, 1.3% lead, 9.1% zinc, 72 g/t silver and 0.34 g/t gold and 0.92 Mt at 2.9% copper.

At Onedin, a resource was calculated of 1.14 Mt at 0.70% copper, 1.2% lead, 7% zinc and 40 g/t silver and 2.22 Mt at 1.2% copper, 1.7% lead, 2.7% zinc and 38 g/t silver.

Both deposits have high-grade cores in excess of 20% zinc.

The Cutty Sark property in Tasmania was applied for immediately after data from a Tasmanian Mines Department airborne EM survey was made public.

Queensland a big focus

By Tania Winter

The Cannington project in Queensland is emerging as Glengarry Resources Ltd's core exploration focus for 2003.

The company holds a number of projects in Queensland and the Coolgardie project in Western Australia, but it is its Queensland ground that will receive the majority of attention in the coming 12 months.

Glengarry also retains a 7.5% free carried interest in the highly prospective and strategically located Larranganni and Watts Rise gold projects in the Tanami-Granites area of WA which are under active joint

venture to Barrick Gold of Australia Ltd. Barrick has also farmed-in to two of the company's 100%-owned Tanami tenements situated at Mt Junction in WA and Tanami Downs in the Northern Territory.

According to Glengarry exploration director Tony Alston a first pass program was undertaken at Cannington, located close to the 60 million tonnes Cannington lead-zinc-silver mine, before Christmas but the plan now is to carry out deeper RC

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