



ASX Announcement and Media Release

19 January 2017

A-ZONE RESOURCE DRILLING IMMINENT

- **Drilling scheduled to commence at A-Zone in February 2017**
- **Results expected during the course of Quarter 1 2017 to feed into development studies**
- **Minjar Gold Pty Ltd to sole fund drilling and development studies**

As described in its Prospectus, Kalamazoo Resources Limited (**ASX: KZR**) ("**Kalamazoo**") which listed on the ASX on 16 January 2017 is embarking on the systematic exploration and development of key prospects at its 100% owned Snake Well Gold Project in the Murchison.

Kalamazoo is planning a drilling program, which is part of an overall works program, to complete development studies at the A-Zone Gold Project ("**A-Zone**") which is located in the western portion of the Snake Well Gold Project area. These works are being funded by Minjar Gold Pty Ltd under the terms of an Ore Purchase Agreement, currently being finalised, (refer to the KZR Prospectus, Section 11).

The Company is pleased to announce that preparations for its initial RC (reverse circulation) and diamond drilling at A-Zone are well advanced with the following activities now completed, or in progress:

- Program of Work (POW) approved by the Department of Mines and Petroleum;
- Survey of historic drill collars completed;
- Heritage survey in progress and to be completed soon; and
- Drill rigs to mobilise following completion of the heritage survey

Updates will be provided when drilling commences and results become available.

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Details

In keeping with the Company's objectives Kalamazoo Resources Limited (**ASX: KZR**) ("**Kalamazoo**") will systematically explore and develop key prospects at its 100% owned Snake Well Gold Project area.

This planned drilling program and associated works is part of an overall works program to complete development studies at the A-Zone Project.

Kalamazoo's flagship gold asset is the Snake Well Gold Project, located 450km north of Perth in the Mid-West region, and consists of five granted mining leases, one granted exploration licence and one exploration licence application (Figure 2).

The Snake Well Gold Project covers Archaean rocks over an area of approximately 263km² and a 45km prospective strike length of the Tallering 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) (refer Figure 1 below).

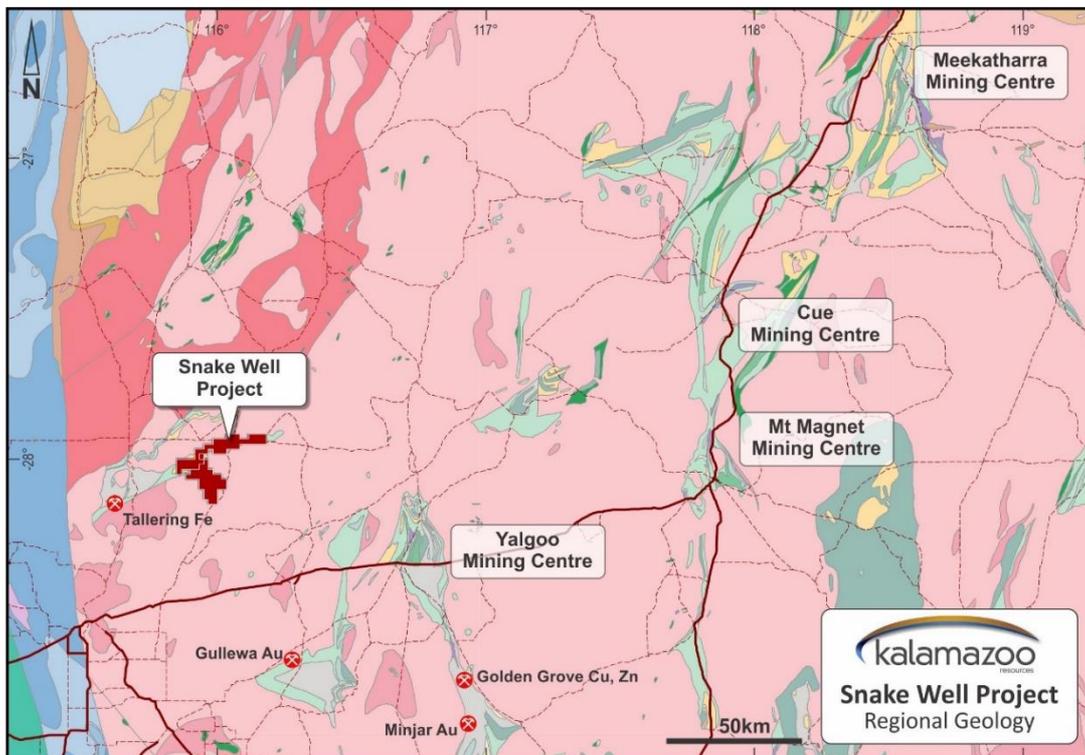


Figure 1. Location plan of Snake Well Gold Project

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The A-Zone polymetallic prospect is located at the western end of the Snake Well Gold Project on a granted mining lease M59/474 (refer Figure 2). Ravensgate Mining Industry Consultants recently reviewed and updated the A-Zone mineral resource estimate, in accordance with JORC Code (2012 Edition) (refer to the KZR Prospectus Section 5, Independent Geologist's Report).

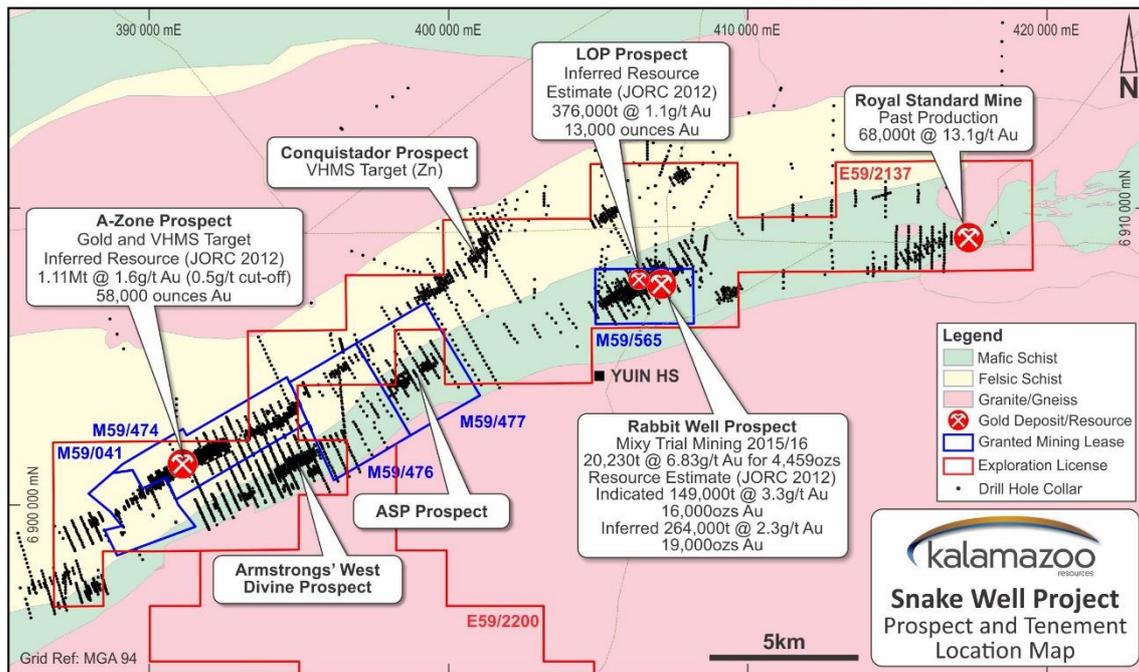


Figure 2. Location of A-Zone Gold Deposit within M59/474 & Mineral Resources*

Gold, copper, lead, zinc and silver mineralisation is hosted within quartz veined pyritic quartz-sericite schists interpreted to be of felsic origin. Mineralisation at greater than 0.5 g/t Au is present in a series of elongate lenses over a surface strike of 1.2kms (refer Figure 3) and is open at depth. The sub-parallel lenses dip steeply (70° – 80°) to the south-southeast (refer Figure 4).

This planned drilling and associated works at the A-Zone is being undertaken and funded by Minjar Gold Pty Ltd under the terms of an Ore Purchase Agreement, currently being finalised (refer to the KZR Prospectus, Section 11).

The programs will comprise approximately 2,700 metres of RC drilling and 220 metres of diamond drilling. The RC drilling has the dual objectives of infilling coverage within the historically defined gold deposit and confirming previously identified mineralisation widths and grades. Diamond drilling will supply new material for geological, geotechnical and metallurgical assessment.

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Kalamazoo will take advantage of cost saving synergies by utilising the same RC drill rig for planned programs at the Mixy and Royal Standard gold deposits.

Updates will be provided when drilling commences and results become available.

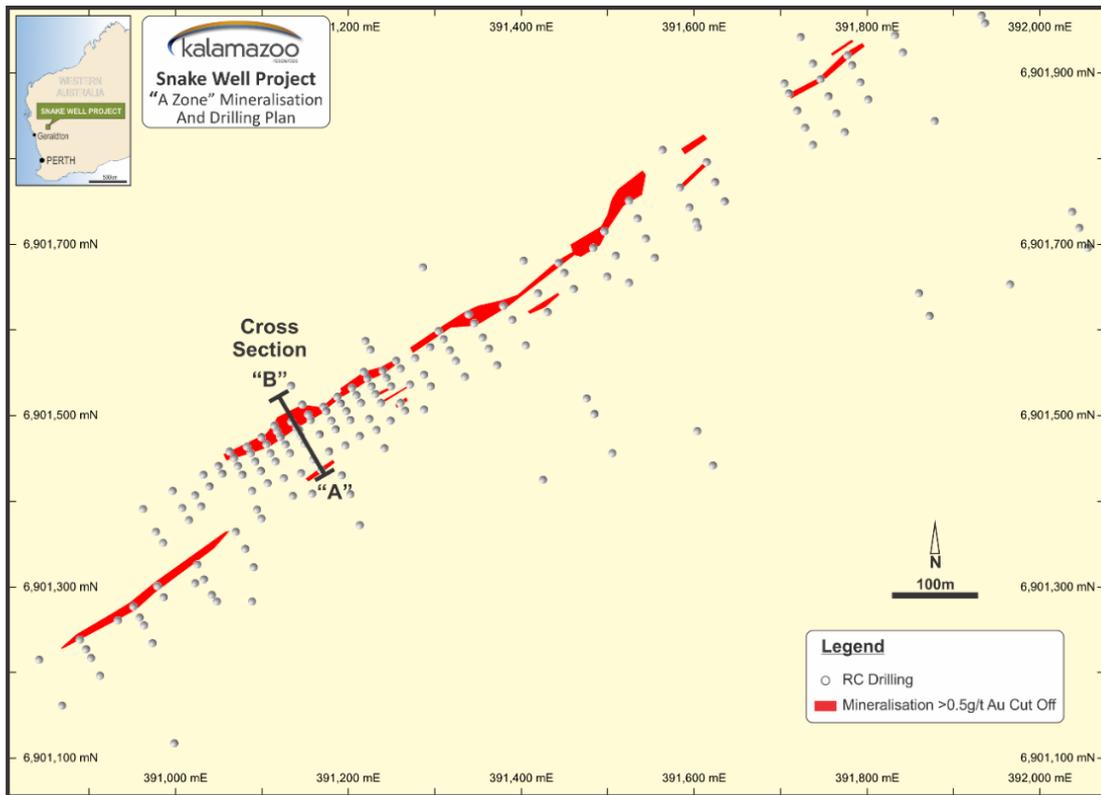


Figure 3. Location plan of A-Zone historic RC drilling and mineralisation outline

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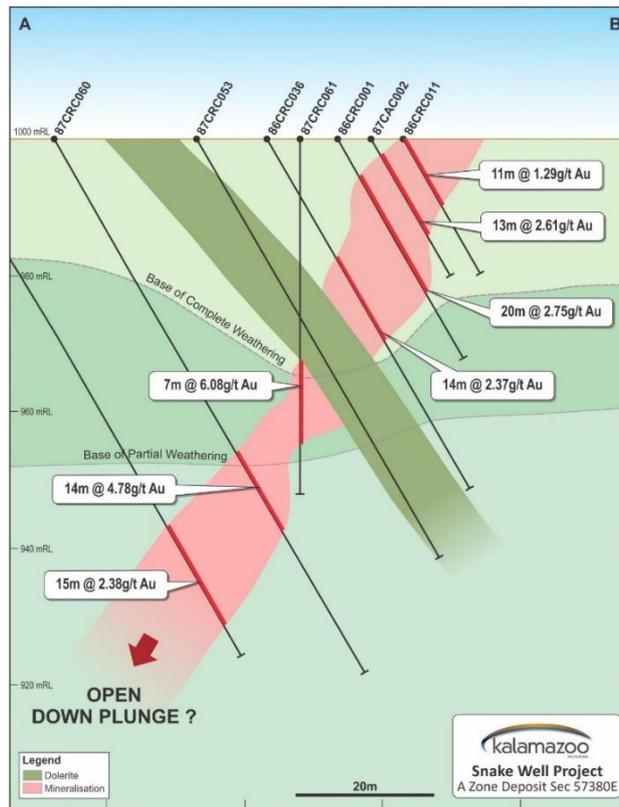


Figure 4. Cross section A-B through A-Zone mineralisation

Note: Drill intercepts are downhole intercepts.

Competent Persons Statement: The information in this release that relates to the exploration results, exploration targets and mineral resources of the Company is based on information compiled by Mr David Reid, a competent person who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Reid is an employee of Ravensgate who is engaged as the Independent Geologist of the Company. Mr Reid has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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 Reid consents to the inclusion in this document of the matters based on his information in the form and context in which it appears. For additional and detailed information on the JORC 2012 Mineral Resources, refer to the Independent Geologist's Report prepared by Ravensgate, in Section 5 of the KZR Prospectus, dated 3 October 2016.

For further information please contact:

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