



ASX Announcement and Media Release

31 January 2017

ORE PURCHASE AGREEMENT FOR A-ZONE GOLD PROJECT SIGNED WITH MINJAR GOLD

- **Kalamazoo Resources has signed an Ore Sale and Purchase Agreement with Minjar Gold Pty Ltd**
- **Minjar to sole fund the drilling and development of Kalamazoo's A-Zone Project at Snake Well**
- **Kalamazoo to receive 60% of free cash flow generated from the operation**

Kalamazoo Resources Limited (**ASX: KZR**) ("**Kalamazoo**") is pleased to announce an Ore Sales and Purchase Agreement has been signed with Minjar Gold Pty Ltd ("**Minjar**") to fund the development of the A-Zone Project, at its Snake Well Project, west of Yalgoo, Western Australia.

The terms of this agreement are consistent with those of the Term Sheet disclosed at Section 11.2 of the Company's Prospectus dated 3 October 2016.

Peter Benjamin
Managing Director

Kalamazoo Resources Ltd ACN 150 026 850
Suite 7, 8 Clive Street West Perth WA 6005
Postal: PO Box 804 West Perth WA 6872
Phone: 1300 782 988 Office: +61 8 9481 8188 Fax: +61 8 9481 8488
Email: peter.benjamin@kzr.com.au www.kzr.com.au



ASX Announcement and Media Release

Details

Kalamazoo's Resources Limited's (**ASX: KZR**) ("**Kalamazoo**") flagship gold asset is the Snake Well 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 1).

Kalamazoo has signed an Ore Purchase and Sale Agreement ("**Agreement**") with Minjar Gold Pty Ltd ("**Minjar**") to investigate, in stages, and complete a feasibility study on the commercial viability of the development of the A-Zone Deposit on Mining Lease M59/474. If a Decision to Mine is made, then Minjar will purchase the Ore from Kalamazoo on the terms set out in the Agreement.

Kalamazoo retains the rights to all minerals other than gold/silver within the Mining Area which are not contained within the Ore Reserve Block Model together with all gold and other minerals situated outside of the Mining Area.

The stages for the development of the A-Zone are as follows:

- Stage 1: Initial Review (which has been completed)
- Stage 2: Preliminary Works: including mineral resources drilling (which is about to commence) and mineral resource and ore block modelling;
- Stage 3: Final Mine Design, Plan and Feasibility Study;
- Stage 4: Decision to Mine; and
- Mining Operations

In the event that Minjar elects not to proceed prior to the commencement of Mining Operations, all of the costs up to that point will be solely at Minjar's risk.

The A-Zone polymetallic prospect is located at the western end of the Snake Well Gold Project on a granted mining lease M59/474 (Figure 2). Ravensgate Mining Industry Consultants ("**Ravensgate**") recently reviewed and updated the A-Zone mineral resource estimate and reported in accordance with the JORC Code (2012 Edition) (*refer to the Independent Geologist's Report prepared by Ravensgate in Section 5 of the Company's Prospectus dated 3 October 2016 and Table 1 below*).

Kalamazoo Resources Ltd ACN 150 026 850

Suite 7, 8 Clive Street West Perth WA 6005

Postal: PO Box 804 West Perth WA 6872

Phone: 1300 782 988 Office: +61 8 9481 8188 Fax: +61 8 9481 8488

Email: peter.benjamin@kzr.com.au www.kzr.com.au

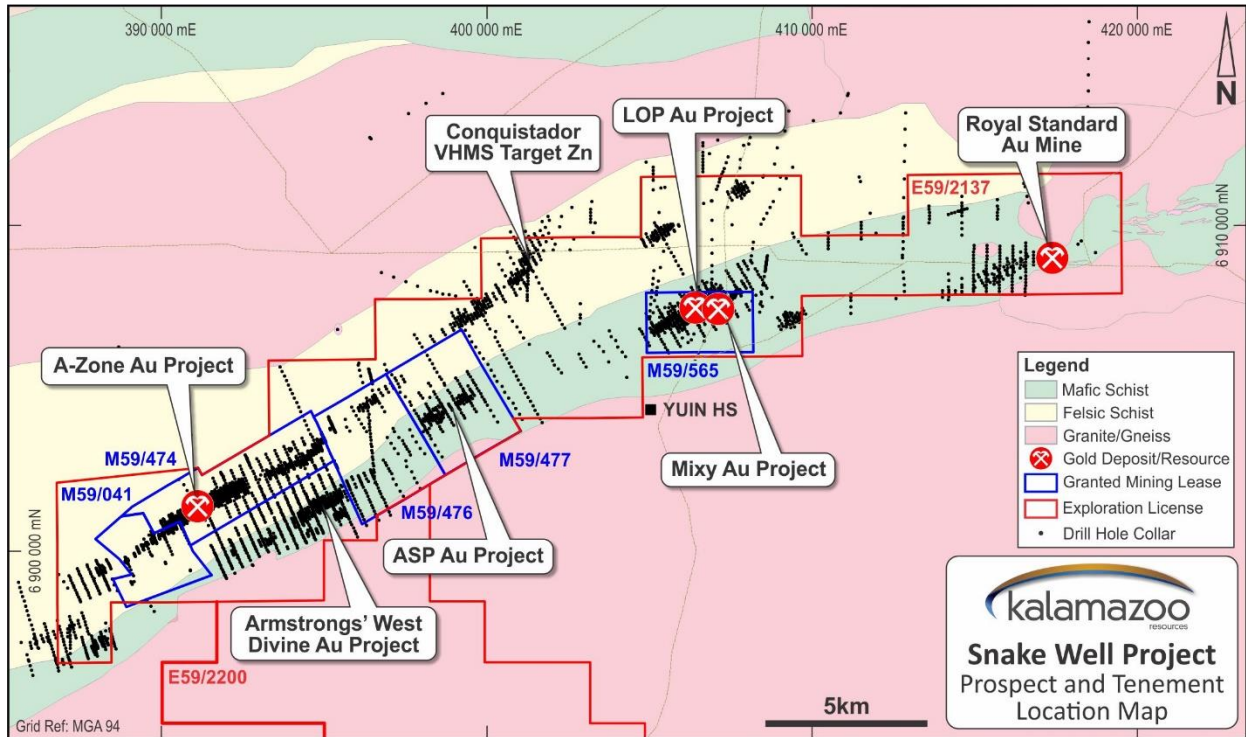


Figure 1: Location of A-Zone Gold Project within M59/474

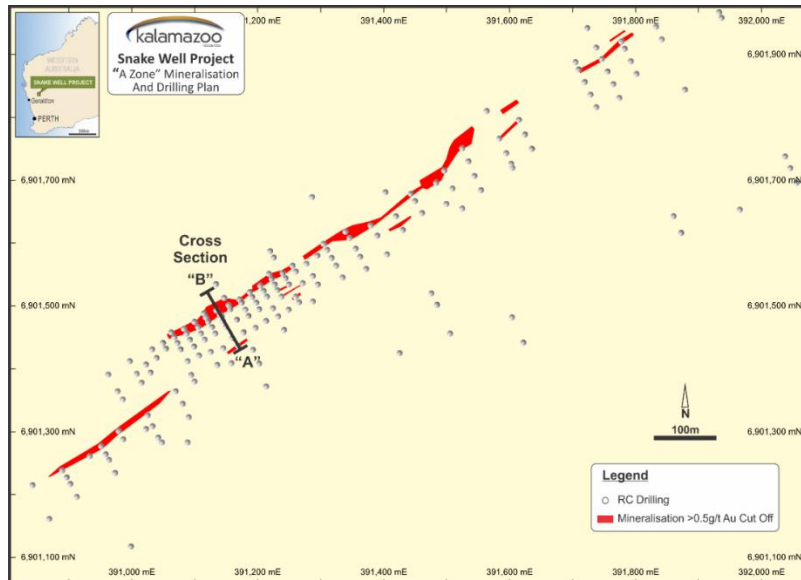


Figure 2: Location plan of the historical A-Zone RC drilling and mineralisation outline

The Mineral Resource estimates for the A-Zone deposit have been classified as Inferred Resources and reported in accordance with the JORC Code (2012 Edition) as shown below. Gold is the only metal estimated. Copper, lead, zinc and silver are also present in the mineralisation, but not at economic concentrations and have not been estimated. The Mineral Resource was limited to the upper 100m of the deposit, which is expected to be a reasonable depth limit for economic open pit mining.

	Inferred		
Cut-off (g/t Au)	Tonnes (Mt)	Grade Au (g/t)	Metal (Koz)
0.5	1.106	1.6	58

Table 1: A-Zone Deposit Mineral Resource Estimate*

Notes: Up to 100m below surface (>900m RL)
Tonnage is reported as dry tonnes (Mt)
Rounding has been applied to appropriately reflect the precision of the estimate

***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:

Mr. Peter Benjamin
Managing Director
Kalamazoo Resources Limited
+61 8 9481 8188
peter.benjamin@kzr.com.au

Kalamazoo Resources Ltd ACN 150 026 850

Suite 7, 8 Clive Street West Perth WA 6005

Postal: PO Box 804 West Perth WA 6872

Phone: 1300 782 988 Office: +61 8 9481 8188 Fax: +61 8 9481 8488

Email: peter.benjamin@kzr.com.au www.kzr.com.au