

## ANGLO AUSTRALIAN RESOURCES NL

### CHAIRMAN'S ADDRESS ANNUAL GENERAL MEETING – 19 NOVEMBER 2010

I welcome you to this, the 24<sup>th</sup> Annual General Meeting of Anglo Australian Resources NL.

At last year's Annual General Meeting, I talked at some length about two of the Company's more prospective exploration projects – the 100%-owned Koongie Copper Zinc Project near Halls Creek and the 100%-owned Feysville Gold Project near Kalgoorlie – and our plans for furthering their investigation in 2010.

As shareholders would be aware, during the year, some very significant progress was made.

At Koongie, we completed more than 3,000 metres of RC drilling and approximately 1,400 metres of diamond drilling.

Results for the RC component of the program announced in July were highlighted by an intersection of:

- 71m @ 5.04% Cu, 7.69% Zn, 68 g/t Ag and 0.43 g/t Au

Results for the diamond drilling component announced in August were highlighted by intersections such as:

- 14.5m @ 7.3% Cu, 10 g/t Ag and 0.8 g/t Au
- 7.45m @ 4.2% Cu, 10 g/t Ag and 0.56 g/t Au

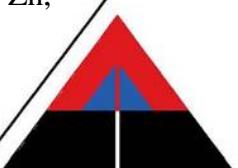
For a junior exploration company such as ours, these intersections are clearly very significant.

Upon completion of the drilling program, independent mining consultants, Coffey Mining Pty Ltd, were commissioned to re-evaluate the resource model and complete new resource estimates for the Sandiego Deposit.

In September, we announced the appointment of Mr Nigel Spicer, principal of MineSure, an independent mining engineering consultancy, to undertake a Scoping Study Report into open pit development of the Sandiego Deposit to primarily exploit the copper mineralisation. The Study will complement the previously completed Pre-Feasibility Study into underground mining of the deeper zinc-copper mineralisation.

In November, we announced Coffey Mining's new resource statement, highlights being:

- An Indicated and Inferred Copper Resource estimated at 2Mt @ 2.8% Cu, 1.8% Zn, 0.39 g/t Au and 18 g/t Ag
- An Indicated and Inferred Zinc Resource estimated at 1.57 Mt @ 6.8% Zn, 0.2% Cu, 0.16 g/t Au and 22 g/t Ag



At the present time, we are awaiting the results of the Scoping Study, expected in late December 2010.

Should open pit mining prove to have economic potential, further drilling will be undertaken to better define the limits of the mineralisation, as well as to evaluate a newly discovered copper lode north east of the current resource. Also at the Koongie Park Project, Anglo currently controls 40 kilometers of strike stratigraphy of the Koongie Park formation. Peter Komyshan our Exploration Manager continues to work on new targets that will require evaluation in early 2011.

At Feysville, we completed three drilling programs during the year comprising approximately 2,100 meters of aircore holes and approximately 2,300 meters of RC over the Rogan Josh prospect and the newly discovered Dalray prospect, 1.7 kilometres to the south, where a zone of supergene mineralisation over a strike length of approximately 900 metres has been identified.

Subsequent RC drilling of Dalray was highlighted by an intersection some 50 metres below surface of:

- 6m @ 10.03 g/t Au

In August 2009, we commissioned BM Geological Services in conjunction with Minecomp to undertake a scoping study, consisting of preliminary resource estimation and an optimisation study of the Rogan Josh deposit.

BMGS concluded that the deposit contains a small resource that, at the present time, is not sufficiently defined to warrant a JORC code classification. However, there is reasonable confidence in the continuity of the mineralisation such that further drilling is planned by the Company given access to Custom Milling facilities in the near Kalgoorlie region.

As a final comment as regards exploration, during the year we acquired at low cost exploration properties in the highly prospective Leonora and Laverton areas as well as near Feysville. These properties will add an extra dimension to Anglo's exploration efforts in the coming year.

In summary, during the year ended 30 June 2010, the Company spent approximately \$2,152,746 on exploration and evaluation.

The Company recorded a loss for the year of \$775,571 after an exploration write down of \$446,361 leaving a net cost of administration of \$329,210 – after receipt of interest and sundry income of \$313,349 and which included Directors fees, audit costs, ASX and share register maintenance costs and all administrative and executive costs.

However, as I am sure shareholders will agree, the year was a successful one in terms of our exploration achievements.

As I write to you, I am encouraged by the price of gold, silver, copper and zinc, and by the positive outlook for these commodities.

This outlook, and our exploration success, enabled Anglo to raise approximately \$2.7 million of new capital since year's end from professional and sophisticated investors.

As at 30 September 2010, the Company had cash on hand of approximately \$1.7 million, with a further \$210,000 raised during October.

We thus have the financial resources at our disposal to continue exploring and evaluating the exciting projects that I have previously outlined and which we have referred to in our new promotional and informed publication released today, "Koongie A copper zinc project in the making".

I would like to thank my fellow Directors, the executive team and consultants to the Company for all their efforts over the last twelve months.

Finally, I'd like to thank you our shareholders for your continuing support and patience.

I truly hope that the road ahead will bring us considerable exploration success.

Due to other work pressures I have decided to stand down as the Chairman of the Board but continue as a Director of the Company. Of course this will depend on shareholders voting intentions today.

J L C Jones  
Chairman

19 November 2010