

11 September 2023

## Abercromby Gold Project – Creating Value

Work programs underway **to build on** maiden Mineral Resource of **11.12Mt @ 1.45 g/t Au for 518koz Au** at the Capital Deposit

### HIGHLIGHTS

- Preliminary scoping work progressing well to assess economic potential for open pit and underground mining
- Studies are aimed at optimising the best pathway for the growth and potential development of the project
- Free milling gold across all zones of the Abercromby orebody, with high recoveries from conventional CIL processing
- 173koz in oxide and transitional material and 345koz in fresh rock giving development optionality
- High-grade zones include 4.6Mt @ 2.4 g/t Au for 360,000 oz (cut-off of 1.2 g/t)
- Abercromby is on granted mining leases providing an expedited pathway to mining approvals
- The mineralisation at Capital remains open at depth and along strike which, together with the large regional gold anomalous zones to the south, highlights the potential to add significant ounces to the maiden resource

Western Australian-focused Gold and lithium explorer BMG Resources Limited (**ASX: BMG**) (**BMG** or **Company**) is pleased to provide an update on parallel development and exploration workstreams underway at the Abercromby Gold Project in the Agnew-Wiluna greenstone belt in WA.

The Company has commenced preliminary development studies while also planning resource expansion drilling at the Capital Deposit and further testing of large regional gold anomalies to the south of Capital which have the potential to deliver further Capital-style discoveries.

BMG has engaged independent consultants Intermine Engineering to assess mining options via open pit and underground exploitation methods.

Rockwater Hydrogeological and Environmental consultants are undertaking hydrological studies, MineGeoTech have been engaged to give advice on geotechnical issues and previous work by Extreme Metallurgy and GR Engineering will inform metallurgical assumptions. Environmental work is being undertaken by Jane O'Neill Consulting drawing on the large pool of information available from previous studies.

### **BMG Resources Managing Director Bruce McCracken said:**

*“Abercromby is a highly prospective, underexplored gold project with a free-milling orebody that offers development optionality. A huge bonus is the location of Abercromby – on granted mining leases in an established mining region.*

*“BMG delivered a high-quality maiden Mineral Resource for the Capital deposit earlier this year from just three drilling programs. Importantly, mineralisation remains open at depth and along strike. The large regional gold anomalous zones to the south of Capital further highlight the potential to add additional ounces.*

*“Preliminary scoping work at Abercromby is continuing and we expect that outcomes will provide encouragement for development potential via underground and open cut mining operations.*

“Following the completion of the scoping work, BMG will undertake a strategic assessment to determine the best avenues to generate shareholder value from Abercromby.”

“We are also excited to be progressing our second lithium and gold drill program at the 100%-owned Bullabulling Project. This program will generate strong newsflow with drill results expected over the coming weeks.”

## Abercromby

The Abercromby Gold Project is located on the Agnew-Wiluna Greenstone Belt, one of Western Australia’s most significant gold-producing regions, with a gold endowment of +40Moz Au – second only to Kalgoorlie globally in terms of historic production. BMG holds 100% of the gold and other mineral rights (ex-uranium) on two granted mining leases (M53/1095 and M53/336).



Figure 1 – Regional map of the Abercromby Project with major gold mines and other gold discoveries highlighted

Abercromby is well located for development, with potential to leverage existing infrastructure and services in an established mining region.

Rigorous metallurgical test-work confirmed that all Abercromby ore (oxide, transitional and fresh material) is amenable to conventional Carbon-in-Leach processing with high recoveries (in excess of 90%) and low reagent consumption – further underscoring the potential to monetise the project.

Importantly, gold mineralisation at Capital is open at depth and along strike, indicating strong potential for further drilling to add significant ounces to the maiden resource. In addition, the large regional gold anomalous zones to the south have potential for new discoveries of Capital-style mineralisation, highlighting the substantial exploration upside at Abercromby.

## Technical Discussion

Earlier this year, BMG reported a maiden Mineral Resource Estimate (MRE) at the Capital Deposit of **11.12Mt @ 1.45 g/t Au for 518,000 oz Au**. Of the total MRE, 165koz (32%) is classified as Indicated, and 353koz (68%) is classified as Inferred. About 173koz was identified in oxide and transitional material, and 345koz in fresh material. There are higher-grade components to the resource including **4.6Mt @ 2.4 g/t Au for 360,000 oz Au** (cut-off of 1.2 g/t).

Importantly, mineralisation starts from near surface, and the significant ounces available in oxide zones present a compelling case to progress the Project toward mining operations. The MRE was completed by ordinary kriging within 3D modelled mineralisation wireframes and block modelling in Surpac, utilising a comprehensive data set generated by recent work undertaken by BMG as well as work completed by previous owners.

The resource figure of 518,000 oz is a subset of a global resource estimate containing about 670,000 oz at a 0g/t Au lower cut-off. The quoted resource figure of 518,000 oz Au has been delineated by reporting the resource at varying lower cut-off grades for areas nominally considered amenable to either underground or open pit mining.

For further details of the MRE, see our ASX announcement dated 17 April 2023 '*518,000oz Au Maiden Mineral Resource for Abercromby*'.

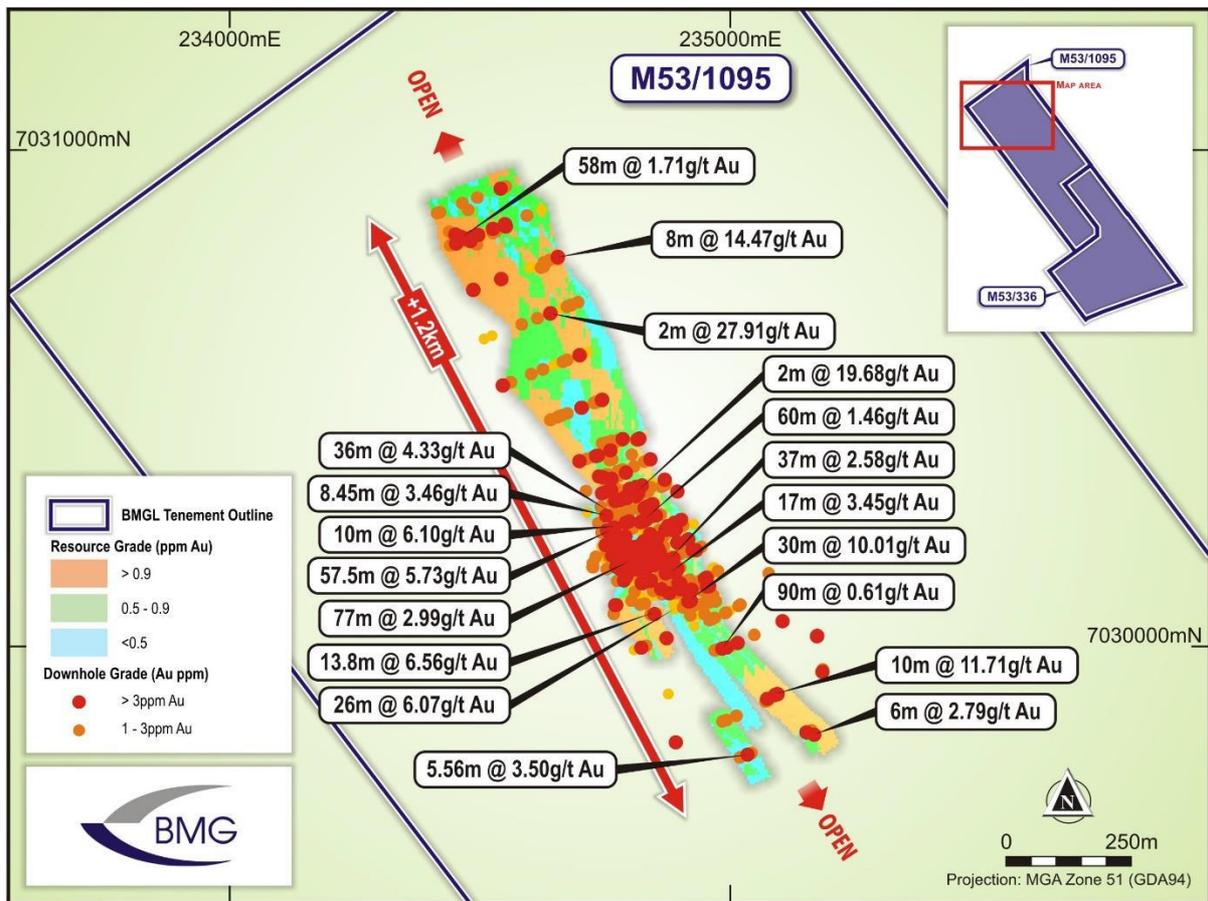


Figure 2 – Plan view of Mineral Resource Estimate for the Capital Deposit

An orthographic view of the resource block model (blocks greater than 0g/t Au for 670koz), is shown in Figure 3.

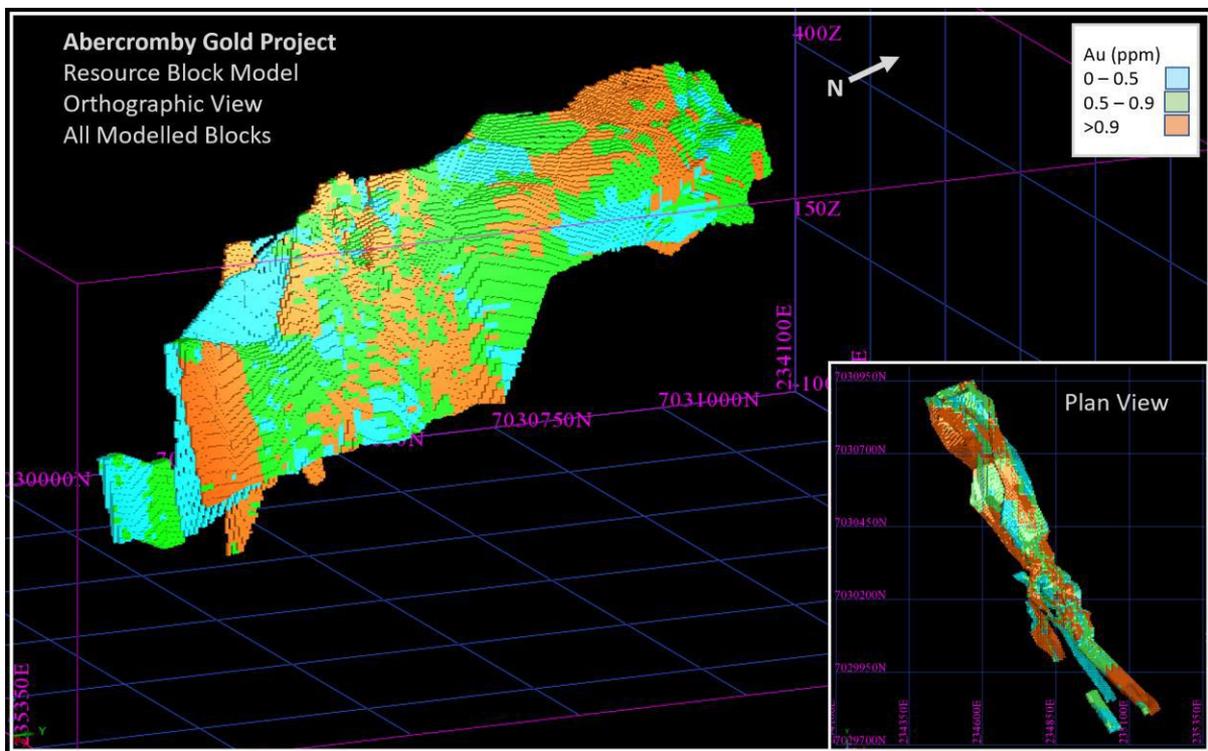


Figure 3 – Global resource block model for Capital, coloured by grade

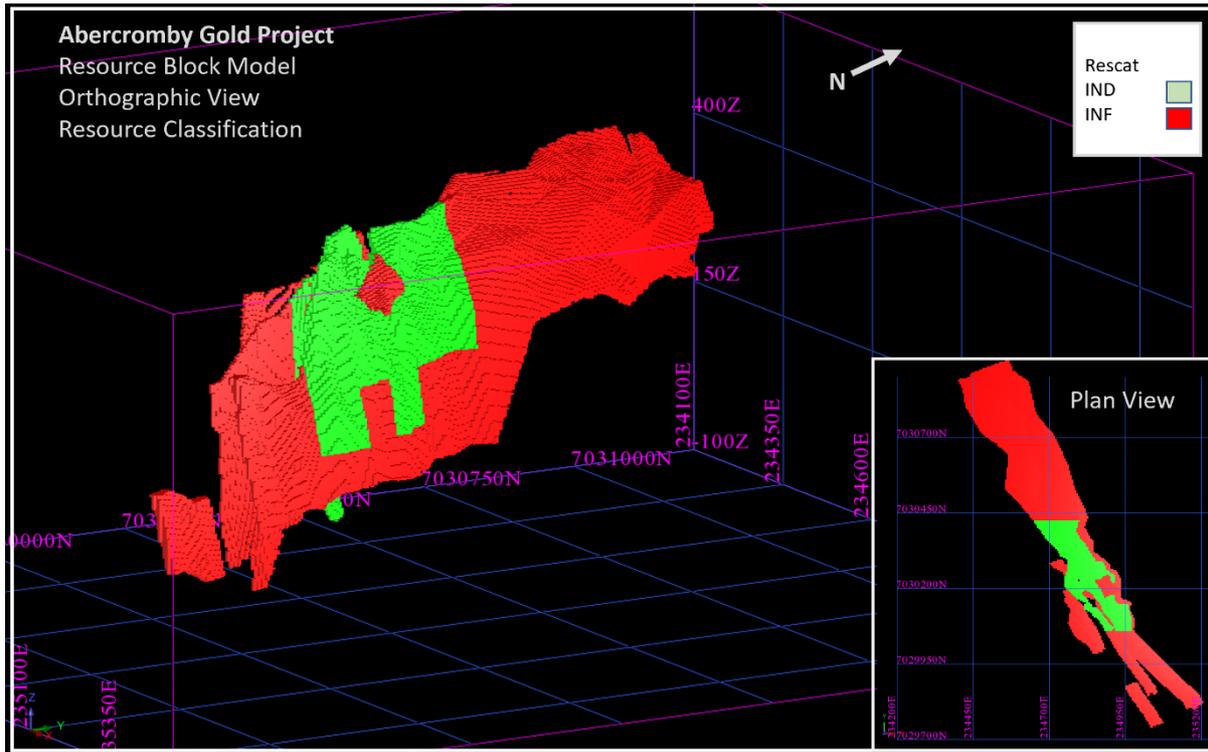


Figure 4 – Resource classification shown in orthographic view. Note only the highest data density portions at Capital have been assigned Indicated classification

Table 1: JORC-compliant Mineral Resource Estimate for the Capital Deposit Abercromby Gold Project

Classification	Type	Cut-Off	Tonnes	Au g/t	Ounces
<b>Inferred</b>	Open Pit	0.4	5,565,000	1.16	208,000
	Underground	1.25	1,401,000	3.24	146,000
<b>Total Inferred</b>			<b>6,966,000</b>	<b>1.58</b>	<b>353,000</b>
<b>Indicated</b>	Open Pit	0.4	3,858,000	1.18	146,000
	Underground	1.25	294,000	1.94	18,000
<b>Total Indicated</b>			<b>4,152,000</b>	<b>1.23</b>	<b>165,000</b>
<b>Total Indicated and Inferred</b>			<b>11,117,000</b>	<b>1.45</b>	<b>518,000</b>

Potential for open pit mining at Capital is further bolstered by advanced metallurgical test-work that showed Abercromby ore was free milling and therefore amenable to conventional Carbon-in-Leach (CIL) processing - see ASX announcement dated 6 February 2023 'Rigorous Metallurgical Testwork at Abercromby Confirms High Gold Recoveries Via Conventional Milling (Average c.95%)'.

#### Development Optionality

The nature of the Abercromby resource provides flexibility for potential development scenarios – including open pit mining, underground operations, targeting of high-grade zones or a staged development incorporating all or some of these options.

These development options are being considered as part of the current scoping study work.

Abercromby also offers significant exploration upside. The Capital deposit remains open at depth and along strike with further resource extension drilling having potential to upgrade the resource.

The area at Capital North, as well as the large anomalous gold areas to the south, remain underexplored with strong potential to delineate significant gold mineralisation.

This announcement has been authorised for release by Bruce McCracken, Managing Director of BMG Resources Limited.

**\*\*\*ENDS\*\*\***

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### **Competent Persons Requirements**

*The information in this announcement that relates to Exploration Results was previously released by the Company in the following reports: 6 February 2023, Rigorous Metallurgical Testwork at Abercromby Confirms High Gold Recoveries via Conventional Milling (Average c.95%); 17 April 2023, 518,000oz Maiden Mineral Resource for Abercromby Gold Project; and 18 April 2023, Revision to Announcements on 17 April 2023. These announcements contain a competent person statement which includes the statements and consent pursuant to the requirements of ASX Listing Rule 5.22*

*The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in any original market announcements referred to in this report and that no material change in the results has occurred. 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 announcements.*

### **Cautionary Note Regarding Forward-Looking Information**

*Forward looking statements are statements that are not historical facts. Words such as "expects", "anticipates", "believes", "potential", "may" and similar expressions are intended to identify forward looking statements. These statements include, but are not limited to, statements regarding future production, resources and reserves and exploration results. All such statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in or implied by the forward looking statements. Investors should not construe forward looking statements as guarantees of future performance due to the inherent uncertainties therein.*

## About BMG

BMG Resources (ASX: BMG) is developing its portfolio of 100%-owned projects located in Tier 1 and emerging gold and lithium districts in Western Australia.

At BMG's flagship **Abercromby Gold Project (11.1Mt@1.45 g/t Au for 518koz Au)**, located in the Agnew-Wiluna Greenstone Belt, the Company is pursuing a dual exploration strategy targeting Resource growth at the Capital Deposit, and pursuing a pipeline of regional targets that are highly prospective for further Capital-style mineralisation.

The **Bullabulling Gold-Lithium Project** is located in the emerging Coolgardie gold and lithium region.

The **Invincible Gold-Lithium Project** is located in the central Pilbara and hosts 12.5km of the Warrawoona shear.

The **South Boddington Gold Project**, located in the Saddleback Greenstone belt that hosts the giant 40Moz+ Boddington deposit.

