ASX ANNOUNCEMENT

5 March 2024

WEST ARUNTA EXPLORATION REVIEW HIGHLIGHTS NIOBIUM-REE PROSPECTIVITY

Exploration analogues for the carbonatites that host WA1's Luni niobium discovery identified at BMG's Dragon Project

HIGHLIGHTS

- **BMG's Dragon Niobium-REE Project is immediately adjacent to and shares a 30km-long border with the West Arunta Project of WA1 Resources (ASX: WA1) where it has made the world-class Luni Niobium-REE discovery[1]**
- **Multiple targets showing structural and magnetic features have been identified at the Dragon Project – features similar to those that represent mineralised carbonatites at WA1's ground and at the nearby Aileron Project of Encounter Resources (ASX: ENR)**
- **BMG's Project has a total tenement area of 1,470 sq km – one of the largest landholdings in the West Arunta, positioning BMG as a major player in this emerging world-class mineral field[2]**

BMG Resources Limited (**ASX: BMG**) (**BMG** or the **Compan**y) is pleased to announce promising results from its ongoing exploration review for the Dragon Project located in the West Arunta region of Western Australia.

John Prineas, BMG's Non-Executive Chairman, said:
"Exploration ground in the West Arunta is highly sought after following the significant Luni discovery by WA1 which has spectacularly propelled that company's share price from 20 cents at the time of its IPO in February 2022 to more than $12 today – a market capitalisation of more than $770 million.

"BMG has an outstanding opportunity to acquire a large landholding adjacent to WA1's project – an opportunity that we believe could provide our Company with a pathway to potentially replicate some of WA1's success.

"Our ongoing review of exploration data for the West Arunta region has delivered very positive findings with geological features identified at our Dragon Niobium-REE Project which show similarities to the geological setting for Luni and other mineralised carbonatites in the region.

"Several coincident structural and magnetic features, often with a supporting elevated gravity feature, have been identified across the Dragon Project area – this is a textbook signature for mineralised carbonatites. Importantly, these targets are located along or near structures that could have served as conduits for potential carbonatite intrusions.

"Our exploration review of the Dragon tenure is ongoing and we are excited to see potential 'look-a-like' targets to the Luni-style carbonatite emerging on this under-explored ground.

"We look forward to updating investors further on our exploration review soon."

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[1] See ASX Release by WA1 Resources dated 8 November 2023 *"West Arunta Project – Luni Assay Results"*
[2] For details of the Dragon Project, see our ASX Release dated 8 February 2024 *"BMG acquires option over Niobium-REE Project"*

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West Arunta Region

The West Arunta region is an emerging world-class district for Niobium-REE mineralisation following major discoveries there by WA1 and Encounter Resources Limited (ASX: ENR; $100, market cap)[3].

Other companies – including Rio Tinto (ASX: RIO) (in its own right and also in joint venture with Tali Resources Pty Ltd[4]), CGN Resources (ASX: CGR)[5] and MTM Critical Metals (ASX: MTM)[6] – are actively exploring in the West Arunta.

BMG's Dragon Project represents a large, contiguous landholding of 1,470 sq km – a project of impressive scale and strategically well-located near successful explorers.

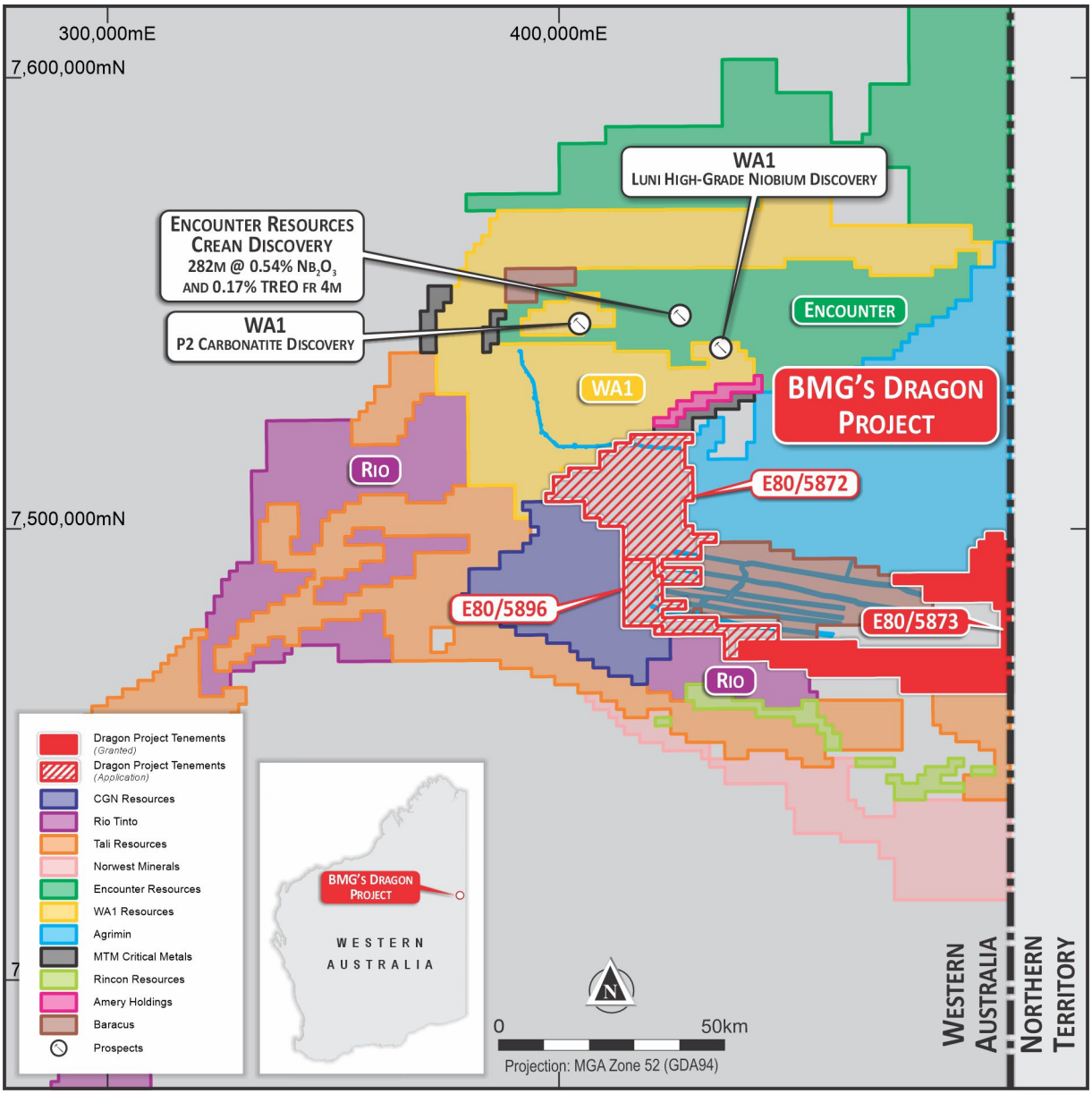

Figure 1 – map of the West Arunta region showing the tenements under option to BMG as well as other significant tenement holdings.

[3] See ASX Release by Encounter Resources dated 29 January 2024 *"Hurley & Crean – Large, depth extensive, mineralised carbonatites"* and market capitalisation is per ASX website as at 4 March 2024.

[4] Rio may earn a 75% interest in ground held by Tali Resources Pty Ltd by spending $58.5 million under a farm-in arrangement; see www.taliresouirces.com.au

[5] See ASX Release by CGR dated 18 December 2023 *"CGN Advances 2024 Exploration Plans"*

[6] See ASX Release by MTM dated 19 December 2023 "*MTM to acquire West Arunta Niobium-REE Project*"

Dragon Niobium-REE Project

Historical exploration in the West Arunta region is very limited. BMG has reviewed Government generated geophysical surveys[7] as well as published exploration reports by historical and current explorers including WA1 and Encounter.

Where discoveries have been made, there is a clear correlation of mineralised carbonatites with strong magnetic stratigraphy along major crustal structures.

At the Dragon Project, several areas have been identified where strong magnetic features are located against major faults. These areas are considered highly prospective for potential carbonatites and represent priority exploration targets.

BMG proposes to complete close-spaced, high resolution geophysical surveys in due course to better delineate drill targets. Further on-ground field mapping as well as geochemical sampling of outcrop and soils will also be completed.

BMG believes that systematic exploration at the Dragon Project using modern exploration methods offers an excellent opportunity for a new discovery**.**

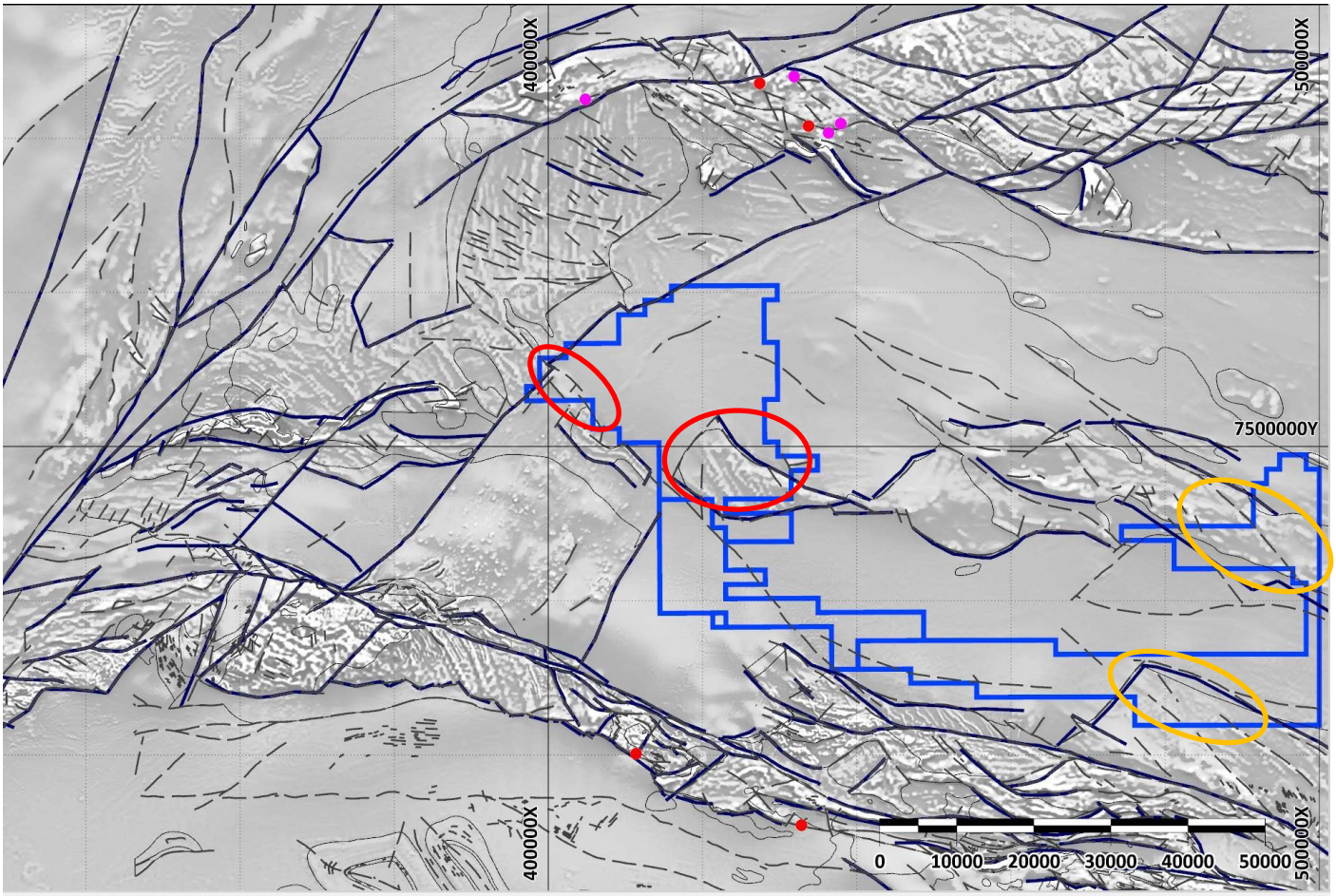

Figure 2 – map of the West Arunta region showing structural interpretation (against GSWA 1VD magnetic data) with the Dragon Project tenure outlined in blue. Key targets with strong magnetic stratigraphy along major structures are circled. Known occurrences of REE are shown as coloured dots.

[7] Magnetic Data (GSWA_80m_Mag_Merge), Gravity Data (Geoscience Australia Webb Gravity Survey)

Niobium – Background

Niobium is classified as a critical metal by the Australian Government and a strategic metal by the US Government, recognising its importance to strategic sectors like defence, clean energy and aerospace – as well as its severe supply concentration.

The primary use of niobium today is to produce Ferroniobium (FeNb). The largest application is for use as an alloy in the steel industry to improve the strength and mechanical properties of steel.

A key growth market for niobium is the production of Niobium oxide which is increasingly used in technology and clean energy. Niobium oxide is already widely used for superconductive magnets and capacitors, MRI equipment and optical lenses. These are all high growth markets.

Recent developments in lithium-ion battery technology have created a new and rapidly expanding market for niobium. The use of niobium enables the development of batteries with fast charging capabilities, stable delivery of high energy densities, improved safety in longer durability and enhanced battery life.[8]

Currently global supply is dominated by Brazil (90% of global production), creating very strong market interest in any opportunity to diversify supply sources to other Tier 1 jurisdictions like Australia.

The Dragon Project provides BMG with an opportunity to be involved in a critical metal with an exciting growth future and which is making a contribution to the clean energy transition.

Authorised for release by the Board of BMG Resources Limited.

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[8] See 'Niobium is Charging the Future' at https://niobium.tech/en/niobium-based-battery

Competent Person Statement:

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ben Pollard, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Mr Pollard is the Principal of Cadre Geology and Mining Pty Ltd and has been retained to provide technical advice on mineral projects.

Mr Pollard has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Pollard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements:

This announcement includes forward-looking statements that are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of BMG, the directors and the Company's management. Such forward-looking statements are not guarantees of future performance.

Examples of forward-looking statements used in this announcement include use of the words 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of announcement, are expected to take place.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, BMG does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

This announcement has been prepared by BMG. The document contains background Information about BMG current at the date of this announcement.

The announcement is in summary form and does not purport to be all inclusive or complete. Recipients should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

The announcement is for information purposes only. Neither this announcement nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction. The announcement may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Recipients should inform themselves of the restrictions that apply to their own jurisdiction as a failure to do so may result in a violation of securities laws in such jurisdiction.

This announcement does not constitute investment advice and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs and the opinions and recommendations in this announcement are not intended to represent recommendations of particular investments to particular persons.

Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include (among others) the risk of adverse or unanticipated market, financial or political developments. To the extent permitted by law, no responsibility for any loss arising in any way (including by way of negligence) from anyone acting or refraining from acting as a result of this material is accepted by BMG (including any of its related bodies corporate), its officers, employees, agents and advisers.

TABLE 1. JORC Code, 2012 Edition

Section 1: Sampling Techniques and Data

Criteria	*JORC 2012 Explanation*	*Comment*
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.*	Not applicable, no sampling results reported.
Drilling Techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Not applicable, no drilling results reported.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias*	Not applicable, no drilling results reported.

Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)*	Not applicable, no drilling results reported.
	• *The total length and percentage of the relevant intersections logged.*	Not applicable, no drilling results reported.
Sub-sampling techniques and sampling preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Not applicable, no drilling or sampling results reported.
Quality of assay data laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	Not applicable, no sampling or assay results reported.

Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	Not applicable, no sampling or assay results reported.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	The grid system used for location of the West Arunta tenements is GDA2020, MGA Zone 52.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Not applicable, no drilling or sampling results reported.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Not applicable, no drilling or sampling results reported.
Sample Security	• *The measures taken to ensure sample security.*	Not applicable, no sampling results reported.
Audits and Reviews	• *The results of any audits or reviews of sampling techniques and data.*	Not applicable, no sampling results reported.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC 2012 Explanation	Comment
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The tenements comprising BMG's Dragon Project are the granted E80/5873 and the applications for E80/5872 and E80/5896. The tenements cover a total area of 1,470 sq km. • The tenement holder is HJH Nominees Pty Ltd (HJH). BMG has entered into an option with HJH that gives BMG the right to purchase the tenements. For details of the option see BMG's ASX Release dated 8 February 2024 'BMG acquires option over Niobium-REE Project". • The granted tenement is in good standing and no issues other than those noted here that could impede operation are known. • The tenements fall wholly within "A" Class Reserve 24923 – for the use and benefit of Aboriginal Inhabitants. The granted tenement is subject to a condition of the prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on the reserve. The two tenement applications will likely have the same condition if granted. • The tenements fall wholly within the Kiwirrkurra People (WCD2001/002) Determination area. A heritage and access agreement will likely be required to allow exploration in the area. Heritage surveys may identify sites that could restrict exploration and development at the tenements.
Exploration done by other parties.	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration at the Dragon Project tenements is very limited, with little on ground exploration • Regional data sets including 1:250,00 geological mapping, Magnetic Data (GSWA_80m_Mag_Merge) and Gravity Data (Geoscience Australia Webb Gravity Survey) are available. • The most significant exploration activity, which included drilling was that exploring for Uranium (Toro Energy Ltd - Lake Mackay Project 2008 to 2016) on the southern margin of Lake Mackay, which resulted in the Theseus discovery (not in tenement area). The work mostly covered portions of E80/5873 and E80/5896. Activities also included surface sampling, airborne magnetic survey and TEMPEST Survey. Of the 4 holes in tenement area (E80/5873) all failed to reach bedrock (GSWA report A090597). • In 2018 Agrimin completed a broad spaced (4,00m and greater) Xcite Electromagnetic helicopter survey which covered portions of the tenement area. • Recently, carbonatite-hosted niobium-REE mineralisation has been discovered on tenements that adjoin or are near the Dragon Project.

Geology	• *Deposit type, geological setting and style of mineralisation.*	• The tenements are located in the Proterozoic West Arunta Province of Western Australia. The west Arunta Orogen is the western-most part of the Arunta Orogen (equivalent to the Arunta Region in the Northern Territory), and lies across the Western Australian – Northern Territory border. • The west Arunta Orogen is interpreted as a basement-involved, thick-skinned, fold–thrust terrain with fault blocks comprising both the Paleoproterozoic basement and rocks from overlying sedimentary basins. • The geology of the tenement is poorly understood due to the limited exploration and significant cover sequences. • Carbonatite-hosted niobium-REE mineralisation has been discovered on tenements that adjoin or are near the Dragon Project. • IOCG mineralisation has been explored for previously in the district.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*	Not applicable, no drilling results reported.
	• *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Not applicable, no drilling or sampling results reported.

Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').*	Not applicable, no drilling results reported.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in the text of the ASX Release.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Not applicable, no new results reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Not applicable, no exploration completed to date.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	The desktop exploration review of the Dragon Project is ongoing. In due course, assuming BMG acquires the tenements and obtains permission to conduct exploration, a range of exploration work will be planned that will include geological, geochemical and geophysical surveys. Further work programmes will depend on the outcome from those surveys.