

ASX ANNOUNCEMENT / MEDIA RELEASE

ASX:ABU

21 November 2017

Capstan aircore program confirms large scale gold anomalism

HIGHLIGHTS

- 8km long trend of gold anomalism confirmed and further delineated by recent shallow aircore drilling at 100% owned Capstan Prospect
- 95 holes for 5,488 metres of first pass reconnaissance aircore drilling completed
- Bedrock confirmation of soil arsenic anomalism with coincident structure
- First pass reconnaissance is continuing at Bluebush into the Wild Turkey, Indefatigable and Hornblower Prospects with drilling completed and results pending
- Follow up aircore drilling designed to further delineate the trend and RC drilling to test beneath the trend is planned for March/April

ABM Resources ('ABM' or the 'Company') is pleased to advise that significant new gold zones at Capstan have been identified at the Company's 100% owned Bluebush Gold Project located in the Tanami Goldfields of the Northern Territory. The Bluebush Project, covering Capstan, Wild Turkey, Indefatigable and Hornblower, is located 50km to the northeast of the world class Callie deposit.

An 8km long gold anomaly has been identified in a recent aircore drilling program that was designed to test anomalous geochemical and structural targets and collect reconnaissance data to screen for new large scale anomalies.

Significant shallow gold intersections from the wide spaced reconnaissance aircore include:

- 21m @ 139ppb Au from 15m (BL0042)
 - including 6m @ 347ppb Au from 15m
- 3m @ 202ppb Au from 45m & 6m @ 302ppb Au from 60m (BL0047)
- 9m @ 76ppb Au from 36m (BL0048)
- 2m @ 105ppb Au from 75m (BL0061)
- 6m @ 249ppb Au from 39m (BL0003)

In this style of mineralisation intersections of >100 ppb arsenic or >50 ppb gold typically define the extents of the systems. Intersections of >200 ppb gold often indicate a mineralised structure has been intersected or is nearby.

Managing Director Matt Briggs said "Capstan aircore drilling has confirmed large scale gold anomalism beneath arsenic anomalism previously defined in soil sampling. It is encouraging to get these intersections in the first systematic bedrock testing of the area."

"The aim of this program is to systematically screen the portfolio with bedrock aircore, and in parallel infill and RC drill the highest ranked targets. As demonstrated by the recent discovery of the Seuss Fault and this large scale gold anomaly at Capstan, post, vacuum and shallow RAB holes historically drilled have not effectively screened the project area. These very shallow historic holes have often not penetrated the transported cover or leached regolith profile and are demonstrated to be an ineffective test. As an example, BL0047 contains a 42 metre wide interval of alteration of quartz veining in altered dolerite in contrast to adjacent historic holes which stopped shallower and reported no results above a 1ppb gold detection limit."

"The current aircore drilling additionally identified the gold rich area of the anomaly providing a higher confidence RC drilling target for follow-up in the New Year."

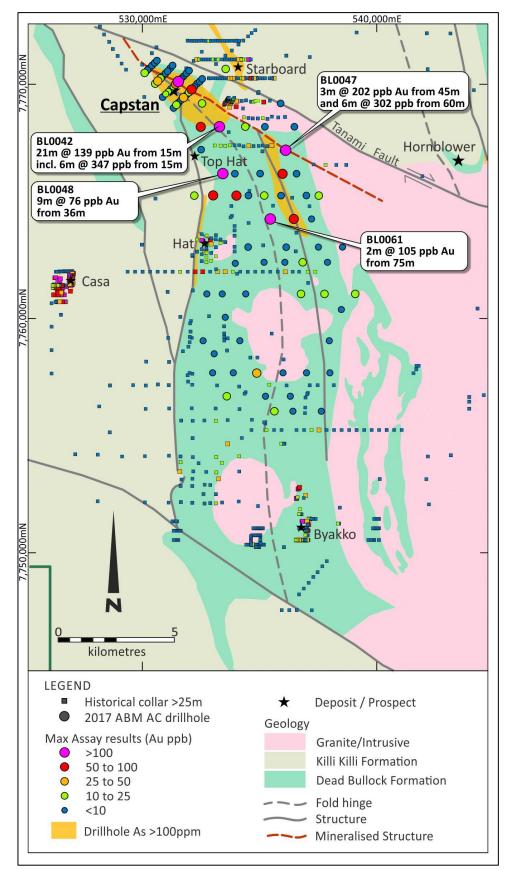


Figure 1. Capstan Target showing anomalism in drill holes

Background

Capstan is a 22km x 8km subarea of the Bluebush Project falling within the Trans-Tanami Fault Zone located 50km north east of the world class Callie Gold Mine (Figure 5). The Dead Bullock Formation (host rock of Callie), folding and faulting complexity, and geochemical anomalism highlight the prospectivity of the area. Numerous structures have been interpreted with associated soil and shallow drilling anomalism. Approximately 50% of Capstan is undercover and surface sampling has only been effective in the north and south of the area. In particular, arsenic anomalism in surface samples and drilling is highly elevated in the northern part of Capstan proximal to the Tanami Fault.

Capstan Drilling Results

A drilling program of 95 holes for 5,488m was completed in October (Figure 3). This reconnaissance program was aiming to confirm the rocks at Capstan are the same as those hosting Callie, to complete a bedrock test under the 6km long arsenic anomaly in the north of Capstan, and to commence screening undercover for large scale geochemical anomalies as indicators of concealed deposits.

Gold anomalism has now been defined in drilling over an area 8km long in drilling on a 1km x 1km spacing. This is the scale of anomalism the program is aiming to identify. It is likely this anomalism is related to multiple gold bearing structures. Broad zones of anomalism were intersected (Figure 1) including:

- 21m @ 139ppb Au from 15 m (BL0042)
 - including 6m @ 347ppb Au from 15m
- 3m @ 202ppb Au from 45m & 6m @ 302ppb Au from 60m (BL0047)
- 9m @ 76ppb Au from 36m (BL0048)
- 2m @ 105ppb Au from 75m (BL0061)
- 6m @ 249ppb Au from 39m (BL0003)

Drilling of the northeast of the project area was completed on an 800m x 160m spacing aiming to define gold anomalism associated with an interpreted structure beneath a historic soil arsenic anomaly. Anomalous results were intersected on three lines with broader zones intersected on the eastern two lines of drilling (Figure 2). The best results include:

- 6m @ 249ppb Au from 39m (BL0003)
- 3m @ 92ppb Au from 42m (BL0019)

Both intersections are part of thicker anomalous zones in each hole. The target of the drilling was a structure interpreted in broad spaced magnetics intersecting the Dead Bullock Formation. Analysis of the geochemistry data shows the intersection of the Dead Bullock Formation and target structure is further to the east.

Drilling at Bluebush on the Wild Turkey, Indefatigable and Hornblower Prospects was subsequently completed and results are pending (Figure 3).

Future Work

5,000 metres of follow up aircore drilling are planned and permitting is underway to commence the program in March 2018 at the break of the wet season (Figure 4). This program will test the intersection of the Capstan structure and the Dead Bullock formation, and also infill the large scale target generated to the south.

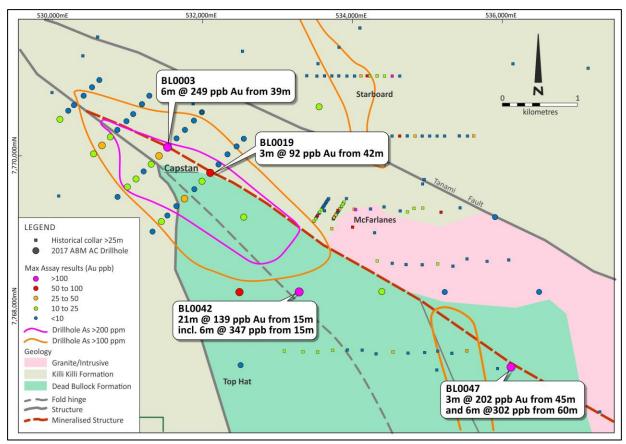


Figure 2. Capstan Prospect with bedrock geology

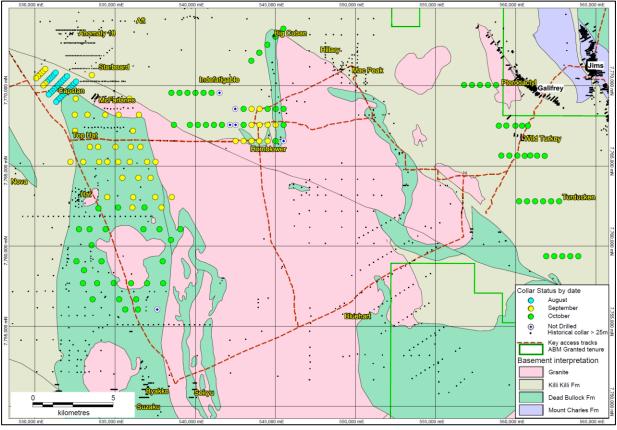


Figure 3. 2017 Aircore drilling completed at the Bluebush Project

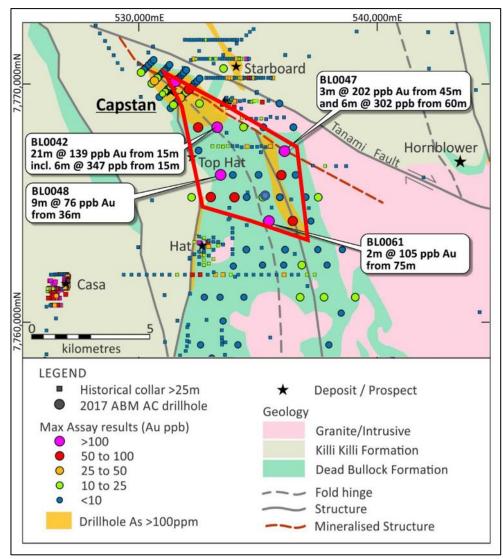


Figure 4. 2018 Infill aircore drilling target area (red outline)

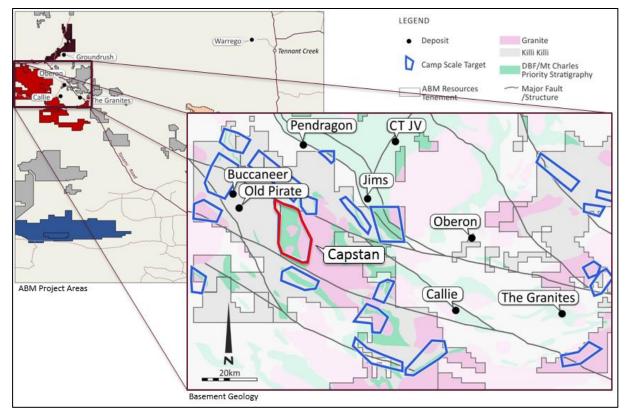


Figure 5. Capstan Prospect location map

Matt Briggs Managing Director

About ABM Resources

ABM is an established gold exploration company with a successful track record of discovery in one of Australia's premier gold mining districts. The Company owns gold resources and extensive prospective land holdings in the Central Desert region of the Northern Territory. The Company leadership has implemented a strategy of aggressive cost management initiatives and is developing a disciplined, tightly focused exploration strategy. Activities are currently focused on the Company's under-explored 21,000km² Tanami Project area¹ and includes:

- Systematic evaluation of high potential early stage targets
- Drilling of advanced prospects on the Suplejack Project
- Assessment of existing resources and
- Exploring opportunities for joint ventures and divestment of early stage targets

Competent Person's Statement

The information in this announcement relating to exploration targets and exploration results are based on information reviewed and checked by Mr Matt Briggs who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Briggs is a full time employee of ABM Resources NL and 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 Exploration Results, Mineral Resources and Ore Reserves". Mr Briggs consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

Hole ID	Total Depth (m)	East ¹	North ¹	RL (m)	Dip	Azimuth ¹	From Depth (m)	Interval (m)	Result² (ppb Gold)
BL0003	60	531549	7770130	420	-60	224.5	39	6	249
BL0019	60	532118	7769789	419	-60	225.5	42	3	92
BL0040	60	532492	7768184	434	-90	3.5	21	3	54
BL0042	74	533288	7768186	425	-90	3.5	15	21	139
						including	15	6	347
BL0047	87	536113	7767183	409	-90	3.5	45	3	202
						and	60	6	302
BL0048	76	533434	7766185	421	-90	3.5	36	9	76
BL0051	72	535984	7766179	412	-90	3.5	36	3	71
BL0058	69	534012	7765248	416	-90	3.5	33	3	56
BL0059	81	533021	7765256	420	-90	3.5	48	3	50
BL0061	78	535461	7764249	402	-90	3.5	75	2	105
BL0062	75	536461	7764248	412	-90	3.5	12	3	56

Appendix 1 Significant intercepts at the Capstan Prospect 2017 Aircore Drilling

¹ GDA 94 Zone 52

² Collar information for mineralised AC drill holes >50 ppb Au

¹ Area managed by ABM excluding the Lake Mackay JV and North Arunta Projects

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (e.g. 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.	The sampling has been carried out by Aircore (AC) drilling. 95 AC holes for 5,488m were drilled in this reported programme. AC samples are logged geologically and 3m composite samples submitted for assay.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	The full length of each hole was sampled. Sampling was carried out under ABM's protocols and QAQC procedures as per industry best practice. Bag sequence is checked regularly by field staff and supervising geologist against a dedicated sample register. See further details below.
	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	AC drilling was sampled as 3m composites by spear sampling the total reject to produce a 2-3kg composite sample. At the end of hole (EOH) a 1m 2-3kg spear sample was collected. ABM samples were submitted to a contract laboratory for crushing and pulverising to produce a 40g charge for Fire Assay with AAS finish.
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).	AC drilling was undertaken with a Mantis 80 mounted on a 6 x 6 Toyota Landcruiser AC drill rig. This rig has a depth capacity of approximately 120m with an on-board Sullair compressor producing 185cfm @ 200psi. A 3 ½" aircore bit was used.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed	Recoveries from drilling were generally 90%-100%, though occasional near surface samples have recoveries of 50%. Samples were typically dry with minor wet samples.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Drillers used appropriate measures to minimise down-hole and/or cross hole contamination in AC drilling. The cyclone and buckets were cleaned every 30m or after wet samples to minimise potential for contamination.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Aircore drilling is designed as a reconnaissance tool to define anomalism in the regolith. Sample recovery does not impact identification of anomalism and consequently no detailed analysis has been undertaken to determine a relationship between grade and recovery for this programme. With sample recovery >90% bias is unlikely due to preferential loss/gain of fine/coarse material.
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.	ABM AC samples were geologically logged at the drill rig by a geologist. Data on lithology, weathering, alteration, ore mineral content and style of mineralisation, quartz content and style of quartz were collected.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging is qualitative in nature and records interpreted lithology, mineralogy, mineralisation, weathering, colour and other features of the samples. EOH samples are wet-sieved and stored in a chip tray.
	The total length and percentage of the relevant intersections logged	All holes were logged in full by ABM geologists.
Sub-sampling techniques and sample preparation	If core, whether cut or sawn and whether quarter, half or all core taken.	No core was collected.

Criteria	JORC Code explanation	Commentary
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	One metre samples were collected from a cyclone into a plastic bucket and then laid out on the ground in rows of 10 or 20. AC drilling was sampled as 3m composites by spear sampling the total reject to produce a 2-3kg composite sample. At the end of hole (EOH) a 1m 2-3kg spear sample was collected. Recoveries from drilling were generally 90%-100%, though occasional near surface samples have recoveries of 50%. Samples were typically dry with minor wet samples. Wet and dry samples were not mixed in the composites.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	All samples have been analysed for gold by Bureau Veritas in Adelaide. Samples were dried and the whole sample pulverised to 85% passing 75µm, and a sub sample of approximately 200g is retained for Fire Assay which is considered appropriate for the material and mineralisation and is industry standard for this type of sample.
	Quality control procedures adopted for all sub- sampling stages to maximise representivity of samples.	Field duplicates for AC were taken every 20 samples. At the laboratory, regular repeat and Lab Check samples are assayed.
	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.	Three metre composites are taken from the 1m sample piles using a spear which penetrates across the full sample. The pile is sampled in multiple slices from different angles ensuring a representative sample is taken. Samples are collected to weigh less than 3kg to ensure total preparation in the pulverisation stage.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate to give an indication of mineralisation given the particle size and preference to keep the sample weight below 3kg to ensure the requisite grind size in a LM5 sample mill.
Quality of assay data and laboratory tests	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	ABM use a lead collection fire assay using a 40g sample charge. For low detection, this is read by ICP-AES, which is an inductively coupled plasma atomic emission spectroscopy technique, with a lower detection limit of 0.001ppm Au and an upper limit of 1,000ppm Au which is considered appropriate for the material and mineralisation and is industry standard for this type of sample.
	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.	Olympus DELTA handheld XRF was used on all the 95 drill holes. Calibration of the hand-held XRF tools is applied at start up. XRF results are only used for indicative analysis of litho-geochemistry and alteration and to aid logging and subsequent interpretation. 4 acid digest data is also used to assist in litho-geochemical determination.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	A blank or standard was inserted approximately every 25-30 samples. For drill samples, blank material was supplied by the assaying laboratory. Two certified standards, acquired from GeoStats Pty. Ltd., with different gold grade and lithology were also used. QAQC results are reviewed on a batch by batch basis and at the completion of the programme.
Verification of sampling and assaying	The verification of significant intersections by either independent or alternative company personnel.	Significant intersections were calculated independently by both the Project Geologist and database administrator.
	The use of twinned holes.	No dedicated twin holes have been drilled as this is not considered appropriate for early stage reconnaissance drilling.

Criteria	JORC Code explanation	Commentary		
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected into an Excel spreadsheet and the drilling data was imported in the Maxwell Data Schema (MDS) version 4.5.1. The interface to the MDS used is DataShed version 4.5 and SQL 2008 R2 (the MDS is compatible with SQL 2008-2012 – most recent industry versions used). This interface integrates with LogChief and QAQCReporter 2.2, as the primary choice of data capture and assay quality control software. DataShed is a system that captures data and metadata from various sources, storing the information to preserve the value of the data and increasing the value through integration with GIS systems. Security is set through both SQL and the DataShed configuration software. ABM has one sole Database Administrator and an external contractor with expertise in programming and SQL database administration. Access to the database by the geoscience staff is controlled through security groups where they can export and import data with the interface providing full audit trails. Assay data is provided in MaxGEO format from the laboratories and imported by the Database Administrator. The database assay management system records all metadata within the MDS and this interface provides full audit trails to meet industry best practice.		
	Discuss any adjustment to assay data.	No transformations or alterations are made to assay data stored in the database. The lab's primary Au field is the one used for plotting and Resource purposes. No averaging is employed. Assay data below the detection limit were adjusted to equal half of the detection limit value.		
Location of data points	Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	The AC hole collars were surveyed with a handheld GPS pre- and post- drilling. Handheld GPS reading accuracy is improved by the device 'waypoint averaging' mode, which takes continuous readings of up to 5 minutes and improves accuracy. No DH Surveys were collected due to the early stage nature of the drilling style and the shallow drill depths.		
	Specification of the grid system used.	The grid system used is MGA_GDA94, Zone 52.		
	Quality and adequacy of topographic control.	For holes surveyed by handheld GPS the Z rl has been updated based off the 30m SRTM data and recorded in the database.		
Data spacing and distribution	Data spacing for reporting of Exploration Results.	Drill spacing varied dependent on the target being tested. At Capstan the drilling was completed using on a 640mN s 160m mE grid. Holes were angled at -60° on an azimuth of 40° or 220°. For the Capstan block reconnaissance vertical holes were drilled on a nominal 1 x 1km grid spacing was used.		
	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.	The drilling subject to this announcement has not been used to prepare Mineral Resource Estimates.		
	Whether sample compositing has been applied.	AC drill samples from this programme were composited from 1m piles to 3m composites samples.		
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.	The orientation of the drill lines was designed to intersect the stratigraphy as orthogonally as possible. The dominant drill azimuth at Capstan was 240 or 40 degrees azimuth which is approximately perpendicular to the targeted stratigraphy and angled to best intersect the dip as recognised in surface mapping. The drill angle was switched to vertical for the Capstan reconnaissance holes as the dip of stratigraphy is unknown As this is early stage drilling the orientation of the drilling to mineralisation is not known.		
	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.	No orientation based sampling bias has been identified in this data.		

Criteria	JORC Code explanation	Commentary		
Sample security	The measures taken to ensure sample security.	Samples were transported from the rig to the field camp by ABM personnel, where they were loaded onto a Toll Express truck and taken to Bureau Veritas Laboratories secure preparation facility in Adelaide. ABM personnel have no contact with the samples once they have been picked up for transport. Tracking sheets have been set up to track the progress of the samples. The preparation facilities use the laboratory's standard chain of custody procedure. Details regarding sample security of drilling prior to 2010 are not readily available.		
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	ABM conducted a Lab Visit to Bureau Veritas laboratory facilities in Adelaide in August 2017 and found no faults. QA/QC review of laboratory results shows that ABM Resources sampling protocols and procedures were generally effective.		

SECTION 2: REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary		
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 Capstan prospects are located on EL 31291 in the Northern Territory. The tenement is wholly owned by ABM, and subject to the 'Tanami A' agreement between ABM and the Traditional Owners via Central Land Council (CLC).		
	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 tenement is in good standing with the NT DPIR.		
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The target area was first recognised in this district by surface geochemistry and shallow lines of VAC drilling in the late 1990s by Otter Gold NL. North Flinders, Normandy NFM and Newmont Asia Pacific subsequently all conducted exploratory work on the project with the last recorded drilling (prior to ABM) completed in 2006. Previous exploration work provided the foundation on which ABM based its exploration strategy.		
Geology	Deposit type, geological setting and style of mineralisation.	Geology at Capstan consists of sedimentary packages interpreted to the prospective Dead Bullock Formation and the Killi Killi sediments. The stratigraphic package consists of interbedded steeply dipping sedimentary rocks (siltstones and shales) and turbiditic sandstones of the Killi Killi. Mineralisation is interpreted to be controlled NS and WNW striking faults and the hinge zones of anticlinal and synclinal folds.		
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: 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. 	Summaries of all material drill holes are available within the Company's ASX releases.		
	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	Where information is interpreted to be material it is included unless previously declared to the market, not requiring revision, or said revision would be incomplete.		
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.	ABM does not use weighted averaging techniques or grade truncations for reporting of exploration results. All reported assays have been length weighted with a nominal 25ppb gold lower cut-off and 3m of internal waste. No upper cut- offs have been applied.		

Criteria	JORC Code explanation	Commentary
	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.	Summaries of all material drill holes and approach to intersection generation are available within the Company's ASX releases.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used.
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').	From surface mapping and previous drilling in the district, host lithologies and mineralisation are most commonly steeply dipping. Where sufficient outcrop exists to inform planning, drill holes are angled so as to drill as close to perpendicular to mineralisation as possible.
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 and Tables in the body of the text.
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.	All exploration results have been 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.	Multi-element geochemistry and spectral logging studies have been completed on the deposit. These are used to influence the interpretation of the regolith profile and host rock lithology.
Further work	The nature and scale of planned further work (e.g. 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	Further work would include additional framework RAB/AC drilling to improve geological understanding and to confirm continuity of anomalism/mineralisation. Ground geophysics/magnetics could be completed to map out subsurface structures.