Level 1, 141 Broadway
Nedlands WA 6009, AUSTRALIA

T +61 8 94239777 F +61 8 9423 9733
admin@abmresources.com.au
abmresources.com.au

ASX ANNOUNCEMENT / MEDIA RELEASE **ASX:ABU**

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Exploration Update – Suplejack and Lake Mackay

ABM Resources NL ("ABM" or the "Company") advises that assay results have been received for reverse circulation (RC) drilling completed at the Suplejack Project in July and that Independence Group NL (IGO) has commenced a major airborne geophysical survey at the Lake Mackay Project.

Highlights

- Assays received for 8 RC holes drilled at the Tethys Prospect
- Multiple significant gold intercepts returned, including:
  - Hole TYRC100030 – **21m at 3.96g/t** gold from 61m
  - Hole TYRC100035 – **9m at 3.01g/t** gold from 54m
  - Hole TYRC100035 –**14m at 5.32g/t** gold from 67m
  - Hole TYRC100036 – **4m at 5.96g/t** gold from 43m
  - Hole TYRC100036 – **10m at 4.32g/t** gold from 54m
  - Hole TYRC100036 – **14m at 2.60g/t** gold from 67m
- Diamond drilling planned to further test and interpret the Suplejack mineralised system
- 51,800 km aeromagnetic survey to provide complete coverage of the Lake Mackay Project

Suplejack Project

The Tethys Prospect is situated within the Suplejack Project area on exploration license EL9250. RC drilling carried out at Tethys in June 2016 demonstrated that significant gold mineralisation extended along the east-west striking Hyperion trend for at least 1,300 metres (ASX 18 July 2016).

Generally, drilling has shown gold mineralisation on the Hyperion trend to have a consistent, steep southerly dip. However initial drilling at Tethys on section 614180mE, the most easterly extent of the mineralised trend, indicated a sudden flattening of dip or potential displacement by faulting. In the latest drilling program, eight additional RC holes were drilled on and adjacent to section 614180mE in an effort to improve the understanding of mineralisation in this area. Two holes from the June program, initially drilled to 90 metres depth, were also extended.

The latest drilling returned multiple significant intercepts in each hole. There generally appears to be good correlation between holes on this section and a preliminary interpretation reinforces the apparent shallow southerly dip, as shown in Figure 1. However it is important to note that this interpretation is somewhat speculative as the geology in this area is not yet fully understood.

Diamond drilling is planned for the current quarter that is intended to enhance the geological interpretation of the Hyperion – Tethys area and improve the understanding of the broader mineralised system at the Suplejack Project.

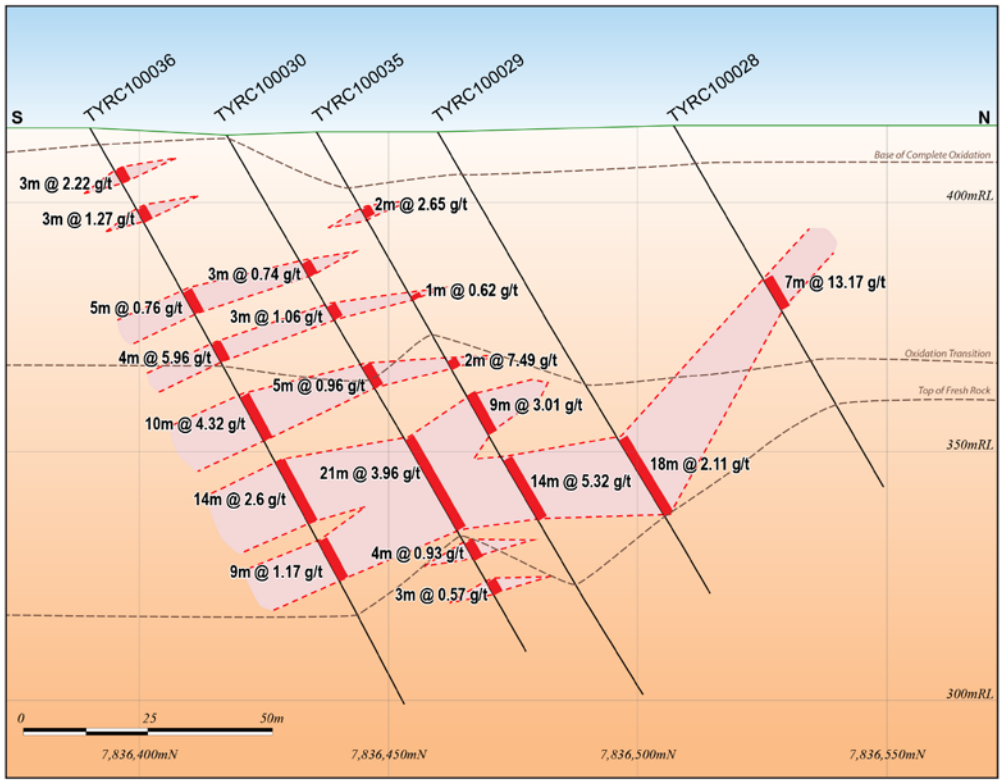

Figure 1: Tethys Cross-section looking west at 614180mE

All significant intercepts from the latest drilling program at Tethys are presented in Table 1 with drill hole collar locations and details in Table 2.

Lake Mackay Project

IGO has commenced an extensive aeromagnetic survey at the Lake Mackay Project.

The aeromagnetic survey will comprise approximately 51,800 line kilometres at a spacing of 200 metres, with key areas of interest in-filled to 100 metre spacing. All the granted exploration licenses and exploration license applications covered by the Lake Mackay Exploration Agreement with ABM will be surveyed, representing an area of approximately 7,000 square kilometres. The resulting data is expected to improve target definition and interpretation at the project and assist on-going exploration.

IGO is earning a 70% joint venture interest in ABM's Lake Mackay tenements by sole funding $6 million of exploration expenditure (ASX 6 May 2016).

Brett Lambert
Chief Executive Officer

Competent Persons Statement

The information in this announcement relating to exploration results is based on information reviewed and checked by Mr Alwin van Roij who is a Member of The Australasian Institute of Mining and Metallurgy. Mr van Roij 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 van Roij consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

Table 1: Tethys significant drill intercepts

Hole ID	Vertical Depth	From	To	Interval[1]	Grade Au (g/t)	Gram Metres (g/t x m)
TYRC100030[2]	61m	71m	92m	21m	3.96	83
TYRC100030	82m	95m	99m	4m	0.93	4
TYRC100030	90m	104m	107m	3m	0.57	2
TYRC100035	16m	19m	21m	2m	2.65	5
TYRC100035	47m	54m	56m	2m	7.49	15
TYRC100035	54m	62m	71m	9m	3.01	27
TYRC100035	67m	77m	91m	14m	5.32	74
TYRC100036	9m	10m	13m	3m	2.22	7
TYRC100036	16m	19m	22m	3m	1.27	4
TYRC100036	33m	38m	43m	5m	0.76	4
TYRC100036	43m	50m	54m	4m	5.96	24
TYRC100036	54m	62m	72m	10m	4.32	43
TYRC100036	67m	77m	91m	14m	2.60	36
TYRC100036	82m	95m	104m	9m	1.17	11
TYRC100037	83m	96m	101m	5m	3.00	15
TYRC100038			No significant intercept			
TYRC100039			No significant intercept			
TYRC100040	75m	87m	89m	2m	0.61	1
TYRC100041	70m	81m	83m	2m	4.80	10
TYRC100041	86m	99m	101m	2m	0.53	1
TYRC100042			No significant intercept			

1. Intercepts based on a 0.5g/t cut-off grade with up to 3 metres of included subgrade
2. Includes 18m at 4.52g/t previously reported before the hole was extended

Table 2: Tethys Drill Hole Co-ordinates

Hole ID	Total Depth	East[1]	North[1]	RL (m)	Dip	Azimuth[2]
TYRC100029[3]	108m	614181	7836460	414	-60°	357°
TYRC100030[3]	120m	614178	7836417	414	-60°	357°
TYRC100035	132m	614180	7836435	415	-60°	357°
TYRC100036	132m	614180	7836390	415	-60°	357°
TYRC100037	108m	614230	7836480	415	-60°	357°
TYRC100038	126m	614230	7836435	415	-60°	357°
TYRC100039	120m	614230	7836390	415	-60°	357°
TYRC100040	96m	614130	7836490	415	-60°	357°
TYRC100041	120m	614130	7836445	415	-60°	357°
TYRC100042	120m	614130	7836400	415	-60°	357°

1. GDA94 zone 52
2. Magnetic
3. TYRC100029 and 30 were previously drilled to 90m and have now been extended
4. All holes drilled by reverse circulation (RC)

JORC Code, 2012 Edition - Tethys Drilling Results

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• *ABM has used Reverse Circulation (RC) drilling techniques to obtain 1m samples.* • *RC samples were split into calico bags using a cone splitter at 1m intervals to produce nominal 2.5kg samples. The 2.5kg samples were pulverised by the lab to produce a 50g charge for fire assay, with the remainder left on site for logging purposes by ABM geologists.* • *The cone splitter was cleaned out at 6m intervals and thoroughly at the end of each hole to ensure appropriate sample representivity.* • *Bag sequence is checked regularly by field staff and supervising geologists*
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• *ABM RC drilling was undertaken with a Schramm 685. This rig has a depth capability of approximately 600m, using a 1000psi, 1350cfm Sullair compressor and auxiliary booster. Holes were drilled with 5 5/8" diameter bit.* • *Historic drilling was RAB, RC, or diamond. Specifics of drilling techniques are unknown, except diamond drilling was NQ.*
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 may have occurred due to preferential loss/gain of fine/coarse material.*	• *All ABM RC samples were taken using a 12.5:1 Sandvik static cone splitter mounted under a polyurethane cyclone. Samples were split into calico bags and sent to the lab for assay; the remainder sample material remaining on site. Size of the sample was monitored at the drill site by the responsible geologist to ensure adequate recovery. No relationship between sample recovery and grade is apparent.* • *With recoveries over 90% sample bias is unlikely due to preferential loss/gain of fine/coarse material occurring.* • *For the current program, which has been undertaken for the purpose of exploration, the variation in sample size is not seen as significant.*
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 drilling samples were geologically logged at the drill rig by a geologist using a laptop with Maxwell Logchief data capture system. Data on lithology, weathering, alteration, ore mineral content and style of mineralisation, and quartz content and style*

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	*of quartz were collected.* • *Logging is both qualitative and quantitative. Lithological factors, such as the degree of weathering and strength of alteration are logged in a qualitative fashion. The presence of quartz veining, the ratios of multiple lithologies in a single sample and minerals of economic importance are logged in a quantitative manner.*
Sub-sampling techniques and sample 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.*	• *RC samples were split with a 12.5:1 Sandvik static cone splitter mounted under a polyurethane cyclone.* • *All intervals were sampled dry.* • *Field duplicates were taken every 50 samples. A blank or standard was inserted every 50 samples. For drill samples, blank material was sourced from a quarry in Alice Springs – this material matches that used as a flush material by ALS in Alice Springs. Three certified standards acquired from GeoStats Pty. Ltd., with different gold grade and lithology, were also used.* • *Upon receipt by the laboratory samples were logged, weighed, and dried if wet. Samples were then crushed to 2mm (70% pass), then split using a riffle splitter, with 250g crushed to 75 µm (85% pass). 50g charges were then fire assayed.*
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.* • *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.*	• *All samples have been analysed for gold by ALS Minerals.* • *For low detection, ABM use AU-ICP22, which is an inductively coupled plasma atomic emission spectroscopy technique, using a 50g sample charge with a lower detection limit of 0.001ppm Au and an upper limit of 10ppm Au.* • *Where higher grades are expected, or where >10ppm Au is reported from AU-ICP22 analysis, samples are assayed by AU-AA26, which is a fire-assay technique with an atomic absorption spectroscopy (AAS) finish, using a 50g sample charge. The lower detection limit is 0.01ppm, and the upper detection limit is 100ppm Au. Where results exceed 100ppm Au, gold is determined by over-dilution with an AAS finish.* • *In addition to standards and blanks previously discussed, ALS conducted internal lab checks using standards, blanks. Standards and blanks returned within acceptable limits, and field duplicates showed good correlation.*
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.*	• *Significant intersections were calculated independently by both a project geologist and senior exploration staff.* • *The drilling being reported is exploratory in nature. As such, none of the holes have been twinned in the current program. Where results warrant, follow-up drilling will be completed.*

Criteria	JORC Code explanation	Commentary
		• *For drilling data, ABM uses 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 two Database Administrators 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.*
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.*	• *Hole collars were laid out with Handheld GPS, providing accuracy of ± 5m. Drilled hole locations vary from 'design' by as much as 10m (locally) due to constraints on access clearing. This degree of variation is deemed acceptable for exploration drilling.* • *Final hole locations will be determined at the completion of the program using DGPS where practicable. Where DGPS cannot be used, collar positions will be collected with a handheld GPS using waypoint averaging for greater accuracy than conventional GPS points.* • *The projection used is GDA94, using MGA coordinates in Zone 52.* • *Down hole surveys that recorded dip and azimuth have been completed in all drill holes using a Reflex EZ-Trac multi-shot camera tool. Surveys are taken every 30m and at the end of hole position.*
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.*	• *Current drilling infills the key target area to 50m spaced lines, with holes spacings of around 25m. Easternmost drill lines were designed as a presence test only, with a line spacing of 100m and holes approximately 50m apart.* • *Sample spacing is sufficient to provide geologic and grade continuity.* • *No sample compositing was applied at Tethys.*
Orientation	• *Whether the orientation of sampling achieves*	• *Tethys is hosted in a shear zone with strong*

Criteria	JORC Code explanation	Commentary
of data in relation to geological structure	*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.*	*adjacent alteration. The structural zone and associated mineralisation trends ESE – WNW and dips to the south at ~75º. The drilling intersection to the north therefore eliminates potential bias and intersects mineralisation at across the zone and not down the zone.*
Sample security	• *The measures taken to ensure sample security.*	• *Samples were transported daily by ABM personnel from the drill locations to the Central Tanami mine site, where twice weekly they were loaded onto a courier truck, and taken to the secure preparation facility in Alice Springs. The preparation facilities use the laboratory's standard chain of custody procedure.*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *ABM has conducted several audits of ALS's Perth and Alice Springs laboratory facilities and found no faults.* • *QA/QC review of laboratory results is ongoing as results are finalized. ABM has also conducted annual reviews at the end of every calendar year, and found no significant statistical outliers.*

Section 2 Reporting of Exploration Results

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

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 security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *Tethys is located on EL 9250 in the Northern Territory. The tenement is wholly owned by ABM, and subject to the 'Granites' agreement between ABM and the Traditional Owners via Central Land Council (CLC). The Exploration Lease transferred to ABM in December 2009.*
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 RAB 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 2005. Previous exploration work provided the foundation on which ABM based its exploration strategy.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *Geology at Tethys consists basalt and occasional steeply dipping sedimentary rocks (sandstone and shale); in places intruded by granite dykes.* • *Mineralisation is disseminated and coarse gold within a shear zone in the proximity of a larger granite intrusion into a sequence of N-S trending mafic units.*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results*	• *Summaries of all material drill holes are available within the Company's ASX*

Criteria	JORC Code explanation	Commentary
	including a tabulation of the following information for all Material drill holes: o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	*releases.*
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• *ABM does not use weighted averaging techniques or grade truncations for reporting of exploration results.* • *ABM reports significant intercept values above 0.5g/t Au. The 0.5g/t Au is an average of all continuous values which collectively average greater than 0.5g/t Au, with no more than 3 continuous values below this cut-off. The 1.0g/t Au cut-off is an average of all continuous values which collectively average greater than 1.0g/t Au, with no more than 2 continuous values below this cut-off.*
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 (eg 'down hole length, true width not known').*	• *The majority of drilling is percussion or rotary, and thus the exact geometry of the mineralisation with respect to drill angle cannot be determined.* • *From surface mapping and previous drilling in the district, host lithologies and mineralisation are most commonly steeply dipping (between 60 and 80 degrees). Where sufficient outcrop exists to inform planning, drill holes are angled so as to drill as close to perpendicular to mineralisation as possible.* • *Intercepts reported are down hole length, true width is not known.*
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.*	• *Maps and tables are located within the report or associated appendices, and released with all exploration results.*
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.*	• *The Company reports all assays as they are finalised by the laboratory and compiled into geological context.*
Other substantive exploration	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical*	• *The Company reports all other relevant exploration results.*

Criteria	JORC Code explanation	Commentary
data	*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.*	
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.*	• *Diamond drilling is planned to assist with interpreting the geology and structural setting of the mineralised system at Tethys.*