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## ASX ANNOUNCEMENT / MEDIA RELEASE

### Formation of ABM Resources NL and Tanami Gold NL Strategic Exploration Alliance

#### Highlights

- **ABM to acquire Tanami's highly prospective Northern Territory tenements**
- **Commitment to intensive \$10m exploration program over 2 years**
- **World class exploration and management team to be appointed under the guidance of Dr Nick Archibald**
- **ABM to invite one Tanami director onto the Board**
- **First phase of ABM strategy, designed at targeting world class discoveries within largely underexplored minerals fields via the application of well funded and focused exploration programs**

The directors of ABM Resources NL ["ABM"] are pleased to announce the company has entered into an agreement with Tanami Gold NL ["Tanami"] to form an alliance to explore for gold, copper and other minerals in the highly prospective Tanami-Arunta Provinces in the Northern Territory. The alliance will involve Tanami transferring all its interest in the Northern Territory ["NT"] tenement package to ABM for a cash and equity consideration plus a Board position in ABM.

The aim of the transaction is to unlock the potential of the highly prospective and underexplored gold and copper provinces. ABM will be well funded and have a highly experienced geological team that can leverage off the work already completed by Tanami's exploration team.

The NT tenement package to be transferred to ABM consists of granted exploration licences covering some 2,210 sq km, and exploration licence applications covering some 21,334 sq km ("The Tenements") (refer attached map).

The Executive Chairman of ABM, Mr Imants Kins, and Dr Nick Archibald said, "The agreement to acquire the prospective and strategic gold and gold/copper tenements of Tanami Gold NL via a strategic exploration alliance represents the next stage in the transformation of the company. The alliance is the first step in ABM's strategy designed at targeting world class discoveries within large strategic landholdings covering entire mineral fields, and implementing intensive, targeted exploration programs."

ABM is looking forward to building a strong relationship with the traditional owners and the Central Land Council based on the relations currently in place with Tanami.

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#### ABM RESOURCES NL

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Shareholders will be asked to approve the tenement acquisition at a general meeting, to be called as soon as possible. The ABM Board have commissioned an independent expert to assess whether the terms of the tenement acquisition are fair and reasonable to ABM's shareholders.

The tenement acquisition is subject to the satisfaction of the following key conditions:

- ABM conducting due diligence on the tenements to its satisfaction;
- Tanami conducting due diligence on ABM to its satisfaction;
- ABM and Tanami obtaining all necessary regulatory and shareholder approvals to complete the transaction; and
- ABM completing a minimum capital raising of \$5,000,000.

Once all conditions have been met, the re-structuring of ABM's management and Board will be completed to bring further technical and corporate expertise to ABM.

In consideration for the transfer of Tanami's interest in the tenements to ABM, Tanami will receive:

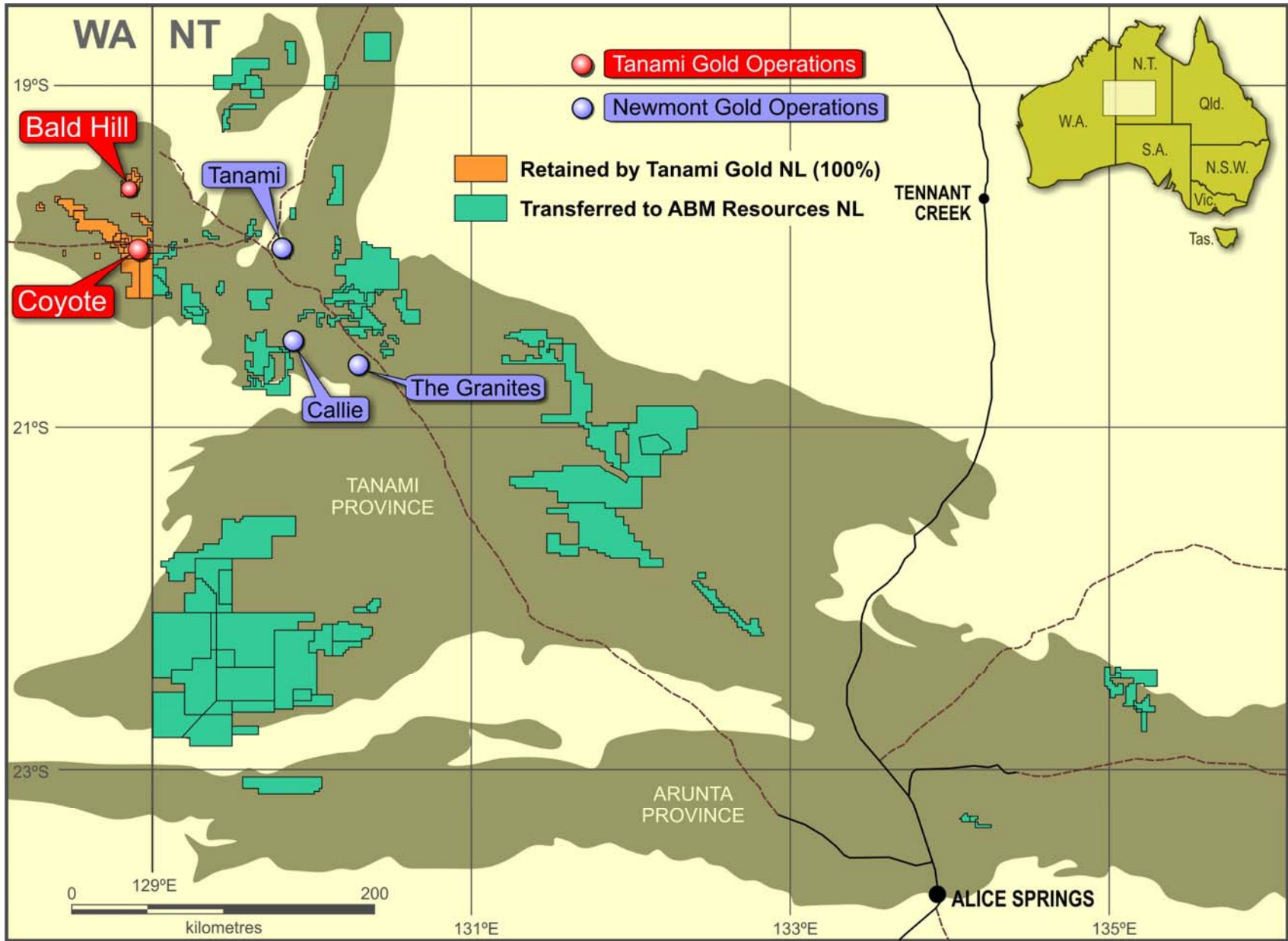
- \$1,500,000 cash;
- 265,000,000 fully paid ordinary shares in ABM at no consideration. These shares will be subject to a 12 month voluntary escrow period;
- 150,000,000 unlisted options with an exercise price of 1.5 cents and an expiry date of 5 years, which may be exercised when ABM's Shares trade at or above a minimum VWAP on ASX of 3 cents over 20 consecutive trading days;
- 150,000,000 unlisted options with an exercise price of 1.5 cents and an expiry date of 5 years, which may be exercised when ABM's Shares trade at or above a minimum VWAP on ASX of 3.5 cents over 20 consecutive trading days;
- Tanami will also have the opportunity to participate in future capital raisings of ABM in proportion to its interest in ABM (subject to any necessary shareholder and regulatory approvals); and
- One seat on the ABM Board.

ABM intends to conduct an extensive work program over the Tenements and will spend a minimum of A\$10m on exploration throughout the Tanami-Arunta, over an initial 2 year period. In the event that this expenditure is not met and in the circumstance that all work programs have been approved by all relevant regulatory and native title authorities, Tanami retains the option to repurchase the tenements for return of the initial consideration.

Further information in relation to the tenement acquisition will be provided to shareholders in the notice of meeting and explanatory statement which will be sent to shareholders in the coming weeks.

For further information please contact:

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Location Map Tanami WA-NT Tenements