

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

17 August 2015

## **Metallurgical Test-Work Shows Excellent Gold Extractions >95% at the Buccaneer Porphyry Project**

ABM Resources NL ("ABM" or the "Company") is pleased to announce results from preliminary metallurgical test-work on drill core samples from the Buccaneer Porphyry Gold Project (part of the Twin Bonanza Gold Project) in the Northern Territory.

### ***Conventional cyanide leaching test-work on Buccaneer oxide and transition samples***

- **96.3%** gold extraction based on 106µm (micron) grind in 24 hour cyanide leach.

### ***Preliminary 10mm coarse crush (Heap Leach) intermittent bottle roll test-work from Buccaneer***

- **81%** gold extraction average on 240 hour digestion time for oxide and transition samples including:
  - **95.4%** gold extraction after 240 hours for oxide sample.

ABM Managing Director – Mr Darren Holden said, "These preliminary metallurgical tests on core samples from Buccaneer show some excellent extractions both for conventional milling with cyanide leaching as well as for bulk tonnage heap-leach tests. This work, along with recent drilling in the near surface, has reinvigorated effort at Buccaneer and we look forward to more detailed scoping of the economics on this large scale gold project."

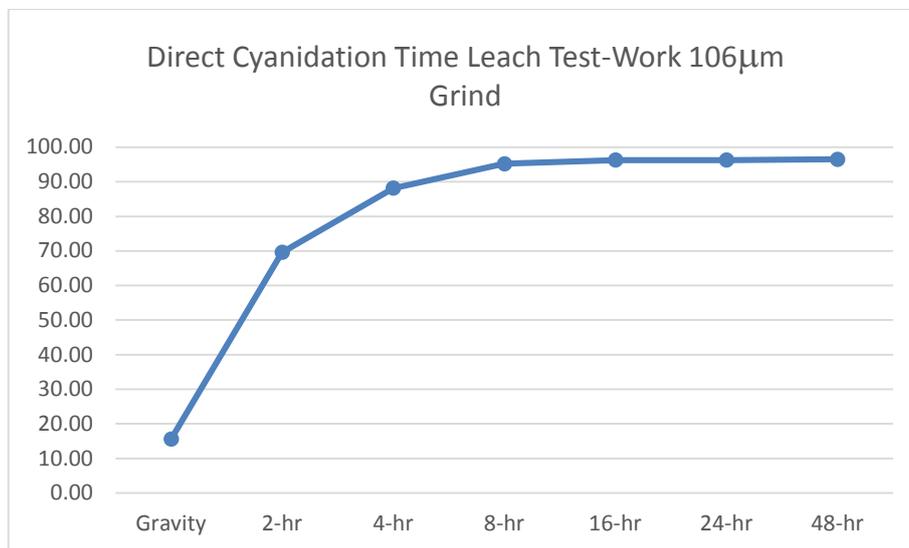
### **Buccaneer Porphyry Project and Metallurgical Analysis**

The Buccaneer Porphyry Gold Project is 100% owned by ABM and is located approximately 4 kilometres north-northwest of ABM's Old Pirate Gold Mine on the Twin Bonanza Gold Project. The project currently has a JORC 2012 compliant resource estimation of 15.3 million tonnes averaging 2.23g/t gold for 1.1 million ounces (1g/t gold cut-off), which is within an overall low-grade resource estimation totalling 127.9 million tonnes averaging 0.65g/t gold for 2.67 million ounces (refer Appendix 2).

The Buccaneer mineralisation is mostly contained within a syeno-monzonite porphyry intrusion, in sheeted shallowly dipping quartz veins and stockwork zones. The oxide and oxide/fresh transition zones extend from surface to approximately 120 metres below surface. Metallurgical test-work was conducted on three composite HQ drill core samples representing oxide to oxide/fresh transition material.

*Conventional CIL Simulation Analysis – Direct Cyanidation Time Leach Test-work*

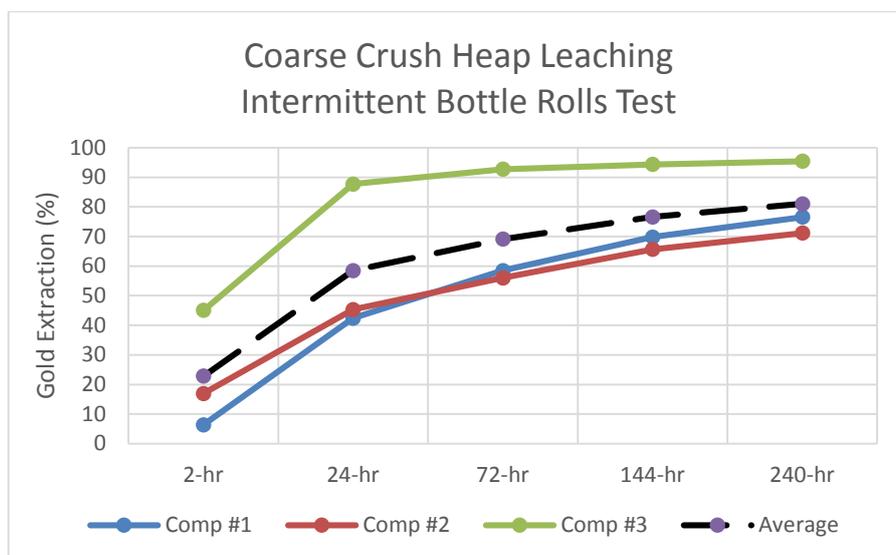
The direct cyanidation time leach tests were carried out by ALS Global Minerals Division / Metallurgy (ALS) in Perth on whole core samples provided by ABM from drilling in 2014. These tests were designed to simulate a conventional cyanide leaching circuit similar to the Coyote Gold Plant currently leased by ABM for processing of Old Pirate ore. A full summary of results can be found in Appendix 1.



**Graph 1. Average recovery over time for 3 composite samples (gold extraction % on y-axis) from the Buccaneer Porphyry metallurgical test-work on 106µm grind samples.**

*Heap Leach Gold Simulation – Intermittent Bottle Rolls Cyanidation Leach Test-work*

In addition to the direct cyanidation work, ABM also commissioned ALS to conduct a preliminary test-work program to investigate the possibility of heap leaching the Buccaneer material. All samples were crushed to ~10 mm followed by a cyanide leach extraction test using intermittent bottle rolls agitation of 1 minute per hour of leach. Based on an average of the 3 samples tested, the gold extraction over a 240 hour cyanidation is 81% with the oxide composite reporting 95.4% gold extraction. The full summary results can be found in Appendix 1 and are summarised in Graph 2 below.



**Graph 2. Average recovery over time for 3 composite samples from Buccaneer Porphyry metallurgical test-work on coarse crush cyanidation. Comp 1 and Comp 2 are oxide-transition material and Comp 3 is oxide material.**

### Next Steps on Metallurgical Analysis of Buccaneer Porphyry

These first results from the metallurgical test-work of the Buccaneer Porphyry are encouraging. The use of the intermittent bottle rolls technique allows a preliminary assessment of the technical viability of heap leaching. Further investigatory work including scoping for column leach analysis is underway.

### Next Steps on Economic Assessment of the Buccaneer Porphyry Gold Deposit

The Buccaneer Porphyry Deposit has the potential for a large scale and long mine-life project. ABM has recently completed a drilling program targeting near-surface, higher grade zones with some results pending analysis and other results announced on 10/07/2015. ABM considers three potential development options for Buccaneer:

1. Selective mining of higher-grade zones (>2g/t) for processing via a small scale plant (e.g. Coyote Plant).
2. Large scale conventional (e.g. CIL) processing at a purpose built processing facility.
3. Large scale heap-leach.

ABM will continue with scoping all possible economics at Buccaneer.

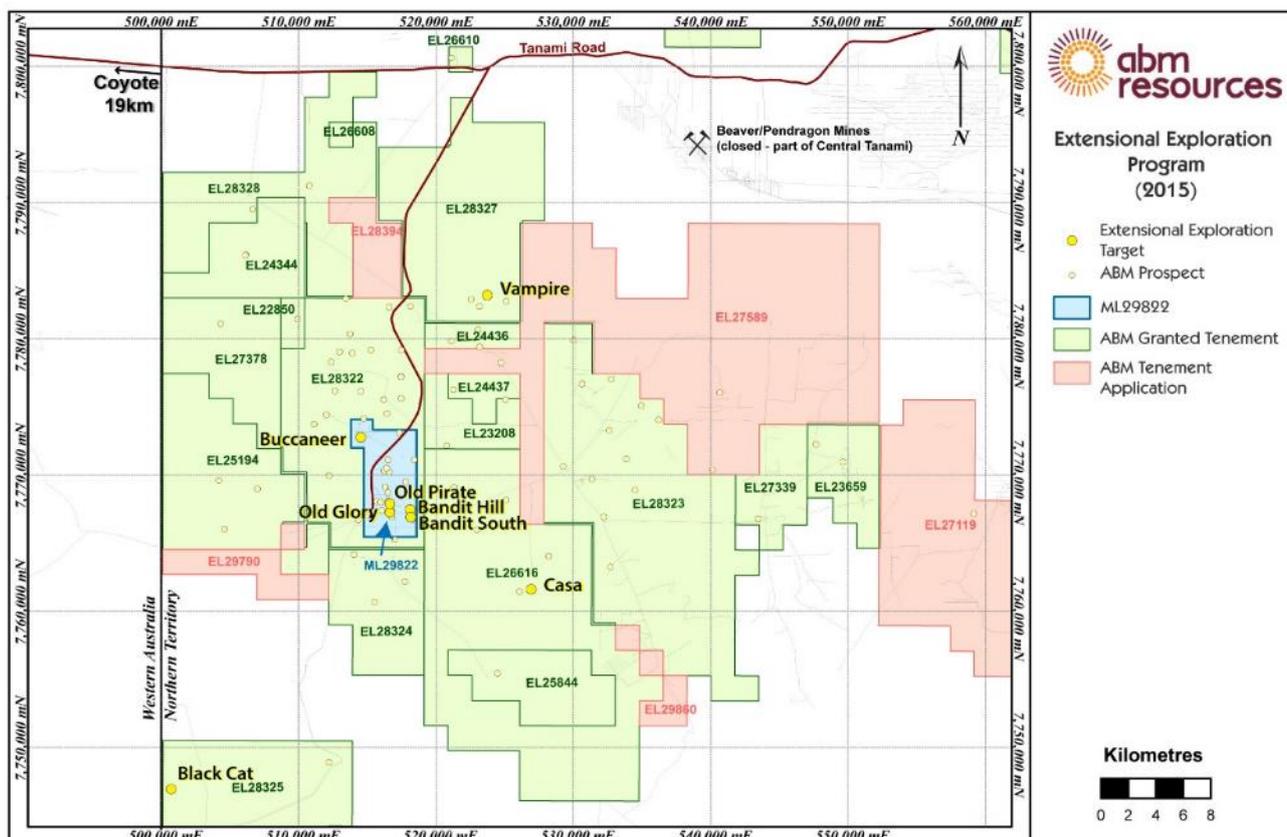
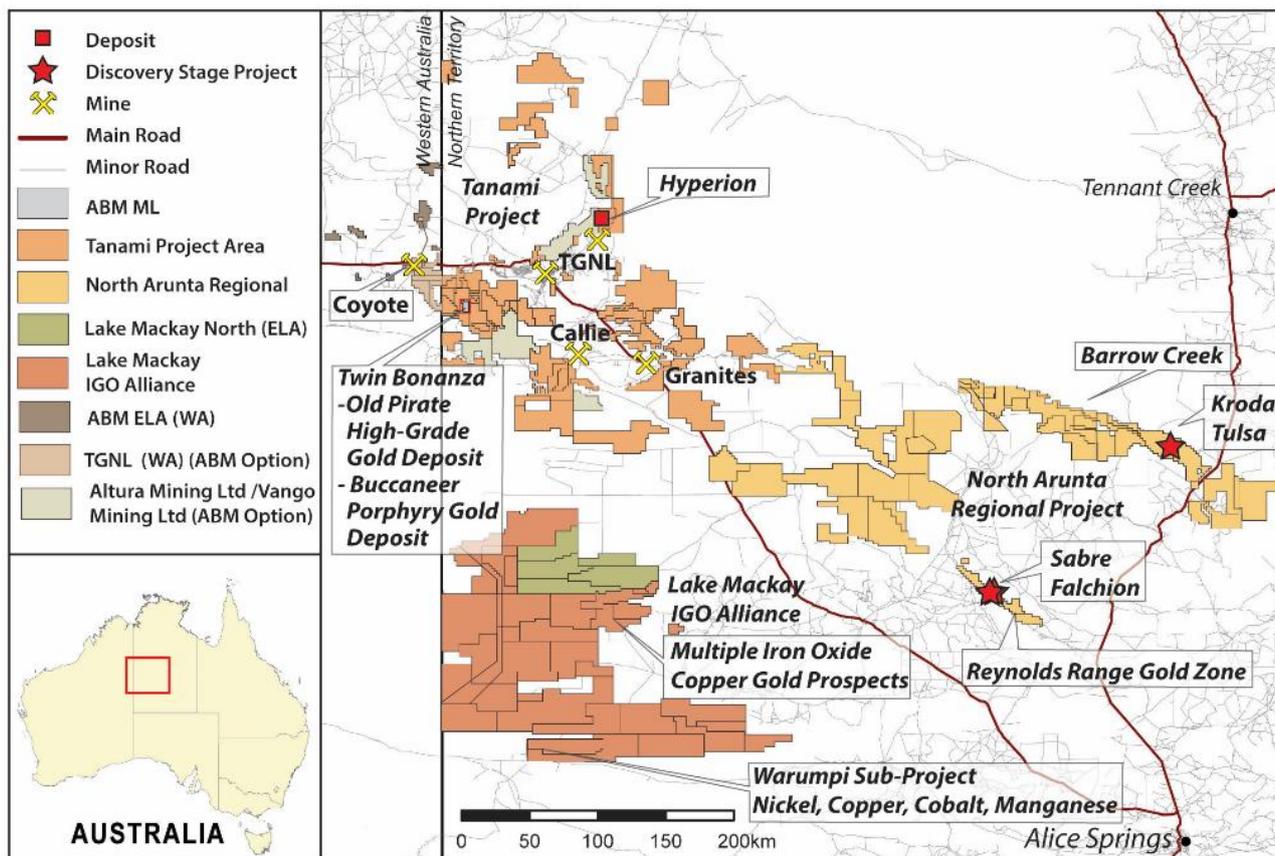


Figure 1. Twin Bonanza Gold Project

**About ABM Resources**

ABM is developing several gold discoveries in the Central Desert region of the Northern Territory of Australia. The Company has a multi-tiered approach to exploration and development with a combination of high-grade production at the Old Pirate High-Grade Gold Project, large scale discoveries such as Buccaneer, and regional exploration discoveries such as the Hyperion Gold Project. In addition, ABM is committed to regional exploration programs throughout its extensive holdings including the alliance with Independence Group NL at the regional Lake Mackay Project.



**Figure 2. ABM's land position in the Central Desert**

Signed

Darren Holden – Managing Director

**Competent Persons Statement**

The information in this announcement relating to mineral resource estimation is based on information reviewed and compiled by Mr Darren Holden who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Holden 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 Holden consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

## Appendix 1 – Detailed Metallurgical Results

All samples analysed by ALS Global Minerals Division / Metallurgy in Perth, Western Australia. Samples from drill core drilled in 2014 by ABM Resources from the main Buccaneer Porphyry Gold Deposit area.

**Table A.1 Direct Cyanidation Time Leach test-work results**

Sample ID	Test ID	Conditions Grind Size (µm)	Au Extraction (%)								Tail Au Grade (g/t)	Reagents (kg/t)	
			Calc Head	Gravity	2-hr	4-hr	8-hr	16-hr	24-hr	48-hr		NaCN	Lime
<b>COMPOSITE #1</b> (oxide transition) BCDDD10007 (84m to 94m)	CR1134	150	3.83	13.8	39.8	73.7	92.9	95.8	95.8	96.9	0.12	1.30	0.40
	CR1137	106	3.98	13.3	36.3	76.2	96.1	97.2	97.2	97.9	0.09	1.34	0.42
	CR1140	75	3.59	14.7	41.2	79.8	98.6	98.6	99.0	99.0	0.04	1.34	0.44
<b>COMPOSITE #2</b> (oxide transition) BCDDD10007 (114m to 126m)	CR1135	150	0.67	18.8	81.9	86.3	88.5	88.5	88.5	89.5	0.07	0.32	0.38
	CR1138	106	0.70	17.8	87.0	92.2	92.2	92.2	92.2	92.2	0.06	0.46	0.36
	CR1141	75	0.81	15.5	88.7	93.2	93.2	93.2	93.2	93.2	0.06	0.36	0.43
<b>COMPOSITE #3</b> (oxide) BCDDD10008 (50 to 58m)	CR1136	150	1.52	17.2	86.4	94.6	96.0	97.4	99.2	98.4	0.03	0.32	0.68
	CR1139	106	1.67	15.6	85.5	96.0	97.3	99.4	99.4	99.4	0.01	0.36	0.68
	CR1142	75	1.56	16.7	86.9	94.9	96.3	99.0	99.0	99.0	0.02	0.33	0.73
<i>Average 150</i>			<b>2.01</b>	<b>16.60</b>	<b>69.35</b>	<b>84.88</b>	<b>92.46</b>	<b>93.90</b>	<b>94.51</b>	<b>94.90</b>	<b>0.07</b>	<b>0.65</b>	<b>0.49</b>
<i>Average 106</i>			<b>2.12</b>	<b>15.55</b>	<b>69.57</b>	<b>88.13</b>	<b>95.20</b>	<b>96.26</b>	<b>96.26</b>	<b>96.49</b>	<b>0.05</b>	<b>0.72</b>	<b>0.49</b>
<i>Average 75</i>			<b>1.99</b>	<b>15.63</b>	<b>72.26</b>	<b>89.32</b>	<b>96.06</b>	<b>96.96</b>	<b>97.09</b>	<b>97.09</b>	<b>0.04</b>	<b>0.67</b>	<b>0.53</b>

**Table A.2 Coarse Crush Size Cyanidation Time Leach test-work summary results**

Sample ID	Test ID	Conditions	Au Extraction (%)						Tail Au Grade (g/t)	Reagents (kg/t)	
			Calc Head	2-hr	24-hr	72-hr	144-hr	240-hr		NaCN	Lime
<b>COMPOSITE #1</b> (oxide transition) BCDDD10007 (84m to 94m)	CR1109	Crush Size: <10mm Initial: 0.1% NaCN Maintain: >0.05% NaCN pH: 11	2.34	6.40	42.41	58.50	69.83	76.53	0.61	0.18	0.72
<b>COMPOSITE #2</b> (oxide transition) BCDDD10007 (114m to 126m)	CR1110		0.59	16.97	45.34	56.03	65.67	71.15	0.17	0.19	0.53
<b>COMPOSITE #3</b> (oxide) BCDDD10008 (50-58m)	CR1111		1.74	45.06	87.72	92.73	94.36	95.41	0.08	0.20	2.02
<i>Average</i>			<b>1.56</b>	<b>22.81</b>	<b>58.49</b>	<b>69.09</b>	<b>76.62</b>	<b>81.03</b>	<b>0.29</b>	<b>0.19</b>	<b>1.09</b>

## Appendix 2 – Buccaneer Porphyry Project Resource Estimation

<b>Buccaneer Higher Grade Zone Resource at 2g/t cut-off</b>					
Category	Tonnes	Grade (g/t Au) top-cut	Grade (g/t Au) uncut	Ounces gold top-cut	Ounces gold uncut
Indicated	2,261,000	3.39	4.17	246,200	303,000
Inferred	3,573,000	3.75	4.56	431,100	523,500
<b>Total</b>	<b>5,834,000</b>	<b>3.61</b>	<b>4.41</b>	<b>677,300</b>	<b>826,500</b>

<b>Buccaneer Higher Grade Zone Resources at 1g/t cut-off</b>					
Category	Tonnes	Grade (g/t Au) top-cut	Grade (g/t Au) uncut	Ounces gold top-cut	Ounces gold uncut
Indicated	7,117,000	2.00	2.25	458,500	515,300
Inferred	8,183,000	2.43	2.78	639,700	732,200
<b>Total</b>	<b>15,300,000</b>	<b>2.23</b>	<b>2.54</b>	<b>1,098,200</b>	<b>1,247,500</b>

<b>Buccaneer Bulk Tonnage Resource at 0.2g/t cut-off</b>			
0.2g/t cut off	Million tonnes	Gold (g/t)	Million ounces
Indicated	34.0	0.64	0.702
Inferred	93.9	0.65	1.970
<b>Total</b>	<b>127.9</b>	<b>0.65</b>	<b>2.672</b>

\*Note - totals may vary due to rounding. Refer press release 5<sup>th</sup> February 2013 and 16<sup>th</sup> April 2012 for details; Re-reported in 2013/14 annual report to be compliant with JORC 2012.