

ASX ANNOUNCEMENT / MEDIA RELEASE

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Lake Mackay JV – Agreement with CLC and Traditional Owners

ABM Resources NL (“ABM” or the Company) is pleased to provide an update on the Lake Mackay Joint Venture (“JV”) being managed by Independence Group NL (“IGO”).

HIGHLIGHTS

- Exploration Agreement signed with the Central Land Council (“CLC”) the representative body of the Traditional Owners
- Provides the framework on access to the ground and grant of exploration licence applications
- Represents a major step for all stakeholders
- Drilling of the fifth diamond hole underway at the Grapple Prospect

The Joint Venture parties have concluded exploration agreements for applications (Table 1) within the Lake Mackay Joint Venture (Figure 1). This is a major step for all stakeholders with agreement on land access enabling the granting of the tenements. Field activities can commence in these areas once the tenements are granted and a sacred site clearance has been completed.

ABM Managing Director Matt Briggs says “This is a major step towards screening for base metal and gold targets across the Project area. The initial targets tested have yielded encouraging drilling results and IGO and ABM are keen to unlock the full tenement package to ensure funding is focussed on the best targets to maximise the benefit of the in-ground investment.

ABM, IGO and the CLC have forged strong relationships and we look forward to working together for the benefit of all stakeholders.”

Field activities are continuing on the granted EL24915. The Grapple Prospect diamond drilling program has currently completed four holes. An additional hole has been added to the program and the drilling of this is currently underway. Samples for the first hole have been submitted for assay.

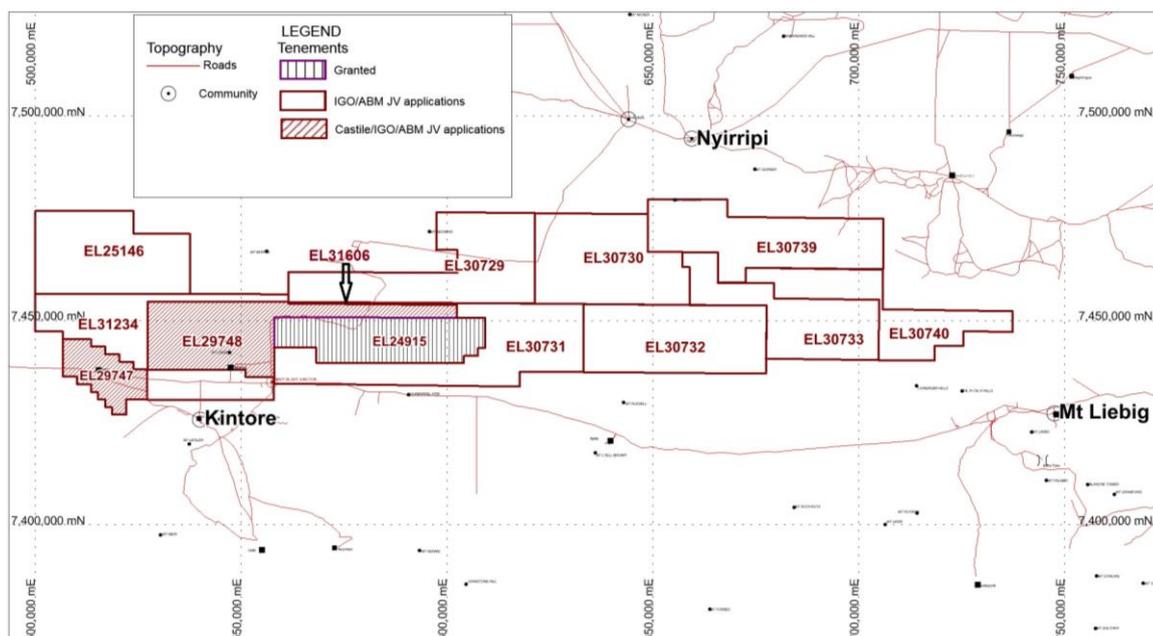


Figure 1 - Lake Mackay Joint Venture Area

Background

The Lake Mackay Project is located 400km northwest of Alice Springs, adjacent to the Western Australian border, and includes 8,040 square kilometres of exploration licences and applications. The belt is at a very early stage of exploration. IGO is executing an exploration program as part of an exploration alliance with ABM to systematically evaluate the Lake Mackay Project. The Project has consolidated tenure over the favourable Proterozoic margin between the Aileron and Warumpi Provinces, characterised by a continent-scale geophysical gravity ridge and the Central Australian Suture. The JV partners believe that there is potential to unlock a new metallogenic province hosting multiple styles of mineralisation.

Encouraging drilling intersections were reported (ASX 20 December 2016) from the initial 11 hole RC program on the Grapple Prospect. This included:

- **6m at 8.98g/t gold, 23.5g/t silver, 1.45% copper, 1.40% zinc, 0.26% lead and 0.15% cobalt**
- **9m at 3.26% copper, 1.8g/t gold, 49.1g/t silver, 3.63% zinc, 1.09% lead and 0.26% cobalt**
- **9m at 5.23g/t gold, 12.8g/t silver, 1.4% copper, 0.57% zinc, 0.23% lead and 0.07% cobalt**

Downhole electromagnetic (DHEM) surveying identified a conductive plate associated with the mineralisation intersected at the Grapple Prospect. The DHEM interpretation suggests 16GRR011 drilled above the main conductor and that the centre of this conductive body is further to the west.

Current Program

A diamond drilling program has commenced at the Grapple Prospect to further define the size and grade of mineralisation. DHEM will be conducted as the drilling program is ongoing and the results will be used to modify the drilling plan in real time to target the EM plates that are generated. Logging of diamond core and subsequent analysis will increase the understanding of the stratigraphic/structural controls of mineralisation and the nature of the mineralisation.

Table 1 Exploration Licences covered by Exploration Agreements with the CLC

Exploration Licence	Joint Venture Parties	Status
24915	IGO / ABM	Granted
25146	IGO / ABM	Application
30729	IGO / ABM	Application
30730	IGO / ABM	Application
30731	IGO / ABM	Application
30732	IGO / ABM	Application
30733	IGO / ABM	Application
30739	IGO / ABM	Application
30740	IGO / ABM	Application
31234	IGO / ABM	Application
29747	Castile / IGO / ABM	Application
29748	Castile / IGO / ABM	Application
31606	Castile / IGO / ABM	Application



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 is implementing 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 36,000 km² Tanami Project area and includes:

- Drilling of advanced prospects on the Suplejack Project
- Drilling of early stage targets in the Capstan Project area
- Systematic evaluation of high potential early stage targets
- Exploring opportunities for joint ventures of early stage targets