

## ASX ANNOUNCEMENT

9 September 2019

### DRILLING COMMENCED AT SALAR WEST, CHILE

- Hole 1 of the 2-hole program has commenced to test the highly conductive zone on L4 identified in TEM Geophysics
- Initial program consists of 2 holes for 200m each and is anticipated to take 3-4 weeks to complete
- Drilling follows up strongly conductive unit identified in Stage 2 Geophysics in the southern properties of Salar West potentially representing hypersaline lithium-bearing brine

BMG Resources Limited (ASX: BMG) ("BMG" or "the Company") is pleased to advise that its drilling program at the Company's Salar West Project in the Atacama region of Chile commenced late last week, following the successful completion of mobilisation of the Superex sonic drill rig and crew carried out over the last two weeks.



*Figure 1. Superex sonic drill rig and crew have arrived onsite at the Company's Salar West Project*

The first hole of the two-hole program at Salar West is testing the highly conductive zone on L4 of the TEM Geophysics which were completed at the Project in March 2019. The consistent strongly conductive unit identified in Stage 2 Geophysics in the southern properties of Salar West potentially represents hypersaline lithium-bearing brine.

The 400m, 2-hole sonic drilling program is expected to take 3 to 4 weeks with prospective zones being sampled and assayed as the drilling progresses. The Company will keep shareholders updated through the programme as results are obtained.



***Figure 2. Managing Director Bruce McCracken (on left) onsite for initial drilling at Salar West, Chile***

Sonic drilling brings the significant benefit of providing core without requiring the fluid lubrication that would be necessary in a diamond drilling program. This eliminates the risk of contamination of the down-hole brine samples taken as the hole is drilled, in this case typically at 10 to 15 metre intervals.



**Figure3 – Location of BMG’s assets in the “Lithium Triangle”**

BMG’s project area spans over 20,000 hectares across three claims in the Salar de Atacama, Salar de Pajonales and Salar de Tuyajto – Natalie in the Chilean region of the ‘Lithium Triangle’ - a region of the Andes encompassing parts of Northern Chile, southwest Bolivia and northwest Argentina, which is host to more than 50% of the world’s lithium resources and the largest and highest grade lithium brine deposits in the world.

**\*\*\*ENDS\*\*\***

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