## ASX ANNOUNCEMENT

**19 April 2021**

# ADDENDUM TO PRIOR ANNOUNCEMENT

BMG Resources Limited (**ASX: BMG**) (**BMG** or **the Company**) provides the attached schedule as an addendum to its announcement provided to the ASX on 19 April 2021, *"High Gold Recoveries (Average 90%) From Metallurgical Testwork of Abercromby Drill Samples".*

This addendum should be read in conjunction with the original announcement. It includes the additional of Table 1 below and the additional of Section 2 to the Schedule 1 – JORC Disclosures.

***Table 1 – Drill hole details for drill holes completed by BMG at Abercromby in December 2020.***

| Hole ID | Prospect | East | North | RL | Depth | Azi | Dip |
|---|---|---|---|---|---|---|---|
| 20ABRCD0001 | Capital | 235085 | 7030151 | 2500 | 420.8 | -60 | 248 |
| 20ABRCD0002 | Capital | 234922 | 7030247 | 2500 | 360.8 | -60 | 248 |
| 20ABRCD0003 | Capital | 234871 | 7030227 | 2500 | 240.5 | -60 | 248 |
| 20ABRC0001 | Capital | 234795 | 7030192 | 2500 | 71 | -60 | 248 |
| 20ABRC0002 | Capital | 234868 | 7030194 | 2500 | 150 | -60 | 248 |
| 20ABRC0003 | Capital | 234863 | 7030387 | 2500 | 252.7 | -60 | 248 |
| 20ABRC0004 | Capital | 234932 | 7030172 | 2500 | 250 | -60 | 248 |
| 20ABRC0005 | Capital | 234875 | 7030443 | 2500 | 240 | -60 | 248 |
| 20ABRC0006 | Capital | 234894 | 7030343 | 2500 | 219.5 | -60 | 248 |
| 20ABRC0007 | Capital | 234787 | 7030273 | 2500 | 125 | -60 | 248 |
| 20ABRC0008 | Capital | 234834 | 7030291 | 2500 | 180 | -60 | 248 |
| 20ABRC0010 | Capital | 234955 | 7030206 | 2500 | 240 | -60 | 248 |
| 20ABRC0011 | Capital | 234915 | 7030138 | 2500 | 131 | -60 | 248 |

*For the purpose of ASX Listing Rule 15.5, this announcement has been authorised for release by the Managing Director of the Company, Bruce McCracken.*



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***ENDS***

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## Schedule 1 – JORC Disclosures

## JORC TABLE 1 DISCLOSURES, ABERCROMBY PROJECT

## JORC Code, 2012 Edition – Table 1

### Section 1: Sampling Techniques and Data

| *Criteria* | *JORC 2012 Explanation* | Comment |
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| 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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *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 (e.g., '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 (e.g., submarine nodules) may warrant disclosure of detailed information.* | • Reverse Circulation (RC) drilling was used to produce these samples.<br>• Leach samples submitted as part of this investigation were the drill spoil for pertinent metres, that is, the remaining RC sample post collection of the 3kg sample.<br>• The whole of each sample was homogenised and crushed and a representative 1kg aliquot taken pulverisation to produce a sample for leaching.<br>• All samples were prepared and assayed by an independent commercial laboratory whose instrumentation are regularly calibrated. |
| Drilling Techniques | • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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). | • Drilling was via RC methods.<br>• A Schramm drilling rig is used.<br>• RC drilling was with a 51/4" diameter face sampling hammer drilling bit. Onboard air utilised to yield 1000psi / 2200cfm. Diamond core diameter was NQ2.<br>• All holes were surveyed using a reflex Gyro north seeking gyroscopic instrument (or equivalent) to obtain accurate down-hole directional data where ground conditions allowed. |

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| Drill sample recovery | • Method of recording and assessing core and chip sample recoveries and results assessed.<br>• Measures taken to maximise sample recovery and ensure representative nature of the samples.<br>• Whether a relationship exists between sample recovery and grade and whether sample bias | • Drilling recoveries are logged and recorded and captured within the project database. Core loss is noted where it occurs.<br>• Overall, recoveries are generally considered good and there has been no significant loss of sample material due to ground or drilling issues in the results reported in the RC. In the diamond drilling, some intervals of core loss exist in the regolith – where assays have been reported in these intervals, the missing interval has diluted the reported result (that is, it has been accounted for at zero g/t Au)<br>• Each individual sample is visually checked for recovery, moisture, and contamination.<br>• The style of expected mineralisation and the consistency of the mineralised intervals are expected to preclude any issue of sample bias due to material loss or gain. |
| 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.<br>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)<br>• The total length and percentage of the relevant intersections logged. | • RC chips and core were geologically logged using predefined lithological, mineralogical, and physical characteristic (colour, weathering etc.) logging codes.<br>• RC logging was completed on one metre intervals at the rig by the geologist. A subsample of washed and sieved RC chips from each metre was collected and stored sequentially in numbered plastic chip trays.<br>• DDH was logged by geological intervals for geological (alteration, lithology, mineralogy), structural information (including detailed geotechnical logging) and oxidation state.<br>• Logging was predominately qualitative in nature, although vein and sulphide percent was estimated visually. All new core has been photographed wet and dry.<br>• All holes are logged in full |
| Sub-sampling techniques and sampling preparation | • If core, whether cut or sawn and whether quarter, half or all core taken.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.<br>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.<br>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.<br>• 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<br>• Whether sample sizes are appropriate to the grain size of the material being sampled. | • After the RC drill interval was collected using a cone splitter, the remaining material was bagged for samples of interest. Various samples were selected for Leachwell based on availability, grade and oxidation state.<br>• At the lab, the whole ~25kg sample was crushed and homogenised, then a representative 1kg aliquot taken for actual assay.<br>• Sample sizes are considered to be appropriate to correctly represent the geological model and the style of mineralisation.<br>• 1kg of sample is combined with 1kg of water and two Leachwell tablets and bottle rolled for 24 hrs.<br>• After 24hrs, the liquids and solids are separated and assayed (solids by fire assay) to calculate the head grade and recovery (mass weighted). |
| Quality of assay data laboratory tests | • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.<br>• 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.<br>• 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. | • Leachwell is considered a partial assay determination, combined with fire assay of the tail, the methodology can be considered a total determination.<br>• Accelerated cyanide leaching is widely accepted as providing a preliminary view on the metallurgy of various gold ores and their amenability to CIL.<br>• BMG sponsored QAQC is not applicable / possible in this context and so BMG relies on the QAQC measures used by Nagrom. |

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| Verification of sampling and assaying | • The verification of significant intersections by either independent or alternative company personnel.<br>• The use of twinned holes.<br>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.<br>• Discuss any adjustment to assay data. | • All data is validated by the supervising geologist and sent to the Perth office for further validation and integration into a Microsoft Access database. |
| 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.<br>• Specification of the grid system used.<br>• Quality and adequacy of topographic control. | • Drill holes were located using handheld GPS.<br>• Drill hole collar positions will be accurately surveyed utilising DGPS survey equipment to an accuracy of +/- 0.01m. Down holes surveys were completed using gyro.<br>• The grid system used for locating the collar positions of drillholes is GDA2020. |
| Data spacing and distribution | • Data spacing for reporting of Exploration Results.<br>• 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.<br>• Whether sample compositing has been applied. | • NA |
| Orientation of data in relation to geological structure | • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.<br>• 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. | • The drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation close to perpendicular. As such, the orientation of drilling is not likely to introduce a sampling bias. |
| Sample Security | • The measures taken to ensure sample security. | • Chain of custody protocols used for the new BMG drill samples ensures sample security and integrity. |
| Audits and Reviews | • The results of any audits or reviews of sampling techniques and data. | • No audits or reviews of the sampling techniques and data have been undertaken to date. |

## Section 2: Reporting of Exploration Results

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

| *Criteria* | *JORC 2012 Explanation* | Comment |
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| 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.<br>• 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. | • The gold and other mineral rights (ex uranium and thorium) hosting the Abercromby deposit are owned 100% by BMG. No material issues exist with the underlying tenure.<br>• The tenements are in good standing. |
| Exploration done by other parties. | • Acknowledgment and appraisal of exploration by other parties. | • Gold exploration at the Project area has been carried out by three previous explorers – CRA in 1995/97, Outokumpu in 2001 and Perilya in 2004.<br>• CRA initially identified gold mineralisation at Abercromby in 1995. They completed 84 drill holes – 82 reverse circulation (RC)/Percussion and 2 RC/diamond in the Capital area. Holes were initially drilled on 200m, and some infill 100m, spaced traverses. Holes were generally 60m and lesser 120m apart. All bar 6 of the RC holes drilled to the west at -60 degrees. Final hole depths varied from 75m to 183m deep. The remaining 6 RC holes were drilled vertically.<br>• Though CRA located and drilled tested the gold mineralisation the hole spacing is relatively broad and considered ineffective to test potential continuity between holes.<br>• Outokumpu completed a small number of drill holes. It is believed the company did not pursue the gold opportunity but instead focused on nickel exploration at Honeymoon Well which was their priority target.<br>• Perilya was the last dedicated gold explorer at the Project under a joint venture earn-in arrangement. Whilst further work was planned to follow-up on initial gold intersections, Perilya elected to pursue other 100% owned exploration opportunities in its portfolio.<br>• Norilsk Nickel completed some drilling on the project in 2007/2008 but mostly to satisfy expenditure commitments.<br>• |
| Geology | • Deposit type, geological setting and style of mineralisation. | • Abercromby is a lode hosted orogenic gold deposit typical in type to much of the gold occurrences in Western Australia's Eastern Goldfields.<br>• The lode is developed amongst Archaean mafic rocks and gold is generally hosted by the sheared and quartz veined host. |
| Drill hole Information | • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<br>• easting and northing of the drill hole collar<br>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar<br>• dip and azimuth of the hole<br>• down hole length and interception depth<br>• hole length.<br>• 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 | • The details of drill holes material to the exploration results/mineral resource are presented in Table 1 of the attached addendum. |

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| | understanding of the report, the Competent Person should clearly explain why this is the case. | |
| Data aggregation methods | • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.<br>• 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.<br>• The assumptions used for any reporting of metal equivalent values should be clearly stated. | • Length weighted averaging of the drill hole intercepts are applied. No maximum or minimum grade truncations are used in the calculations.<br>• The reported assays have been length weighted averages. A lower arbitrary cut off is not applied, rather, intervals are selected based on continuous anomalism, with no top cut applied. High grade intercepts internal to broader zones of mineralisation are reported as included intervals. If an interval includes core loss, the lost interval is accounted for at zero g/t Au.<br>• No metal equivalents have been used. |
| Relationship between mineralisation widths and intercept lengths | • These relationships are particularly important in the reporting of Exploration Results.<br>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.<br>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). | • Drill hole intersections may not be true widths – but generally thought to be around 90% of true width.<br>• The gold mineralisation identified to date at Abercromby consists of a number of interpreted mineralised lodes striking approximately 340° and dipping steeply (80°-85°) to the east. Drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation as close to perpendicular as possible. |
| 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. | • NA |
| 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. | • All results are reported. |
| Other substantive exploration data | • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical 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. | • All results pertinent to the new assay work undertaken have been detailed in the main body of the ASX announcement and in Section 1: Sampling Techniques and Data above. |
| Further work | • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).<br>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • Exploration within the Abercromby Project is ongoing.<br>• BMG Resources is focusing on staged development drilling at Abercromby in addition to mine planning, metallurgical studies and development studies as required.<br>• Exploration drilling at priority targets over the next 12 months is planned.<br>• Future exploration programs may change depending on results and strategy. |