



## ASX ANNOUNCEMENT

12 August 2021

# FIRST EIGHT RC DRILL HOLES COMPLETED AT ABERCROMBY GOLD PROJECT

- **BMG has completed c. 1,800m of Reverse Circulation (RC) drilling from the c.6,000m program underway at the high-grade Abercromby Gold Project in Western Australia**
- **Eight RC drill holes completed to-date, with the remaining holes expected to be completed in the coming weeks**
- **A diamond rig is scheduled to be on site in the beginning of September to complete diamond tails**
- **Geological logging indicates that drilling has intersected multiple intervals of intense hydrothermal alteration characterised by quartz-carbonate-sericite veining and with minor sulphides**
- **First laboratory assays from the program are expected by mid September 2021**

Western Australian gold explorer BMG Resources Limited (ASX: BMG) (**BMG** or the **Company**) is pleased to advise that it has completed approximately 1,800m of drilling at the Company's 100% owned Abercromby Gold Project in the north-eastern Goldfields of WA.

Abercromby is located on the Wiluna Greenstone Belt, one of the state's most significant gold-producing regions with a gold endowment of +40Moz Au, and surrounded by Northern Star Resources' (ASX: NST) Jundee and Wiluna Mining's (ASX: WMX) Wiluna operations.

Eight RC drill holes have been completed to-date, while the remaining 10 holes are expected to be completed in the coming weeks. In addition, a diamond rig is also scheduled to arrive on site early next month to complete diamond tails. The deeper diamond drilling will test the depth continuity of the known high-grade gold mineralisation.

Geological logging of these initial eight holes has indicated that drilling has intersected multiple intervals of intense hydrothermal alteration characterised by quartz-carbonate-sericite veining and with minor sulphides.

The Company is awaiting receipt of laboratory assays to confirm the extent of any gold mineralisation intersected, with first assays expected by mid-September 2021.

Commenting on BMG's first drill campaign at Abercromby, Managing Director Bruce McCracken said:

*"The successful maiden campaign by BMG in December 2020 – the first drilling to be carried out at Abercromby in more than 15 years – has given us strong confidence in the potential of this high-grade project."*



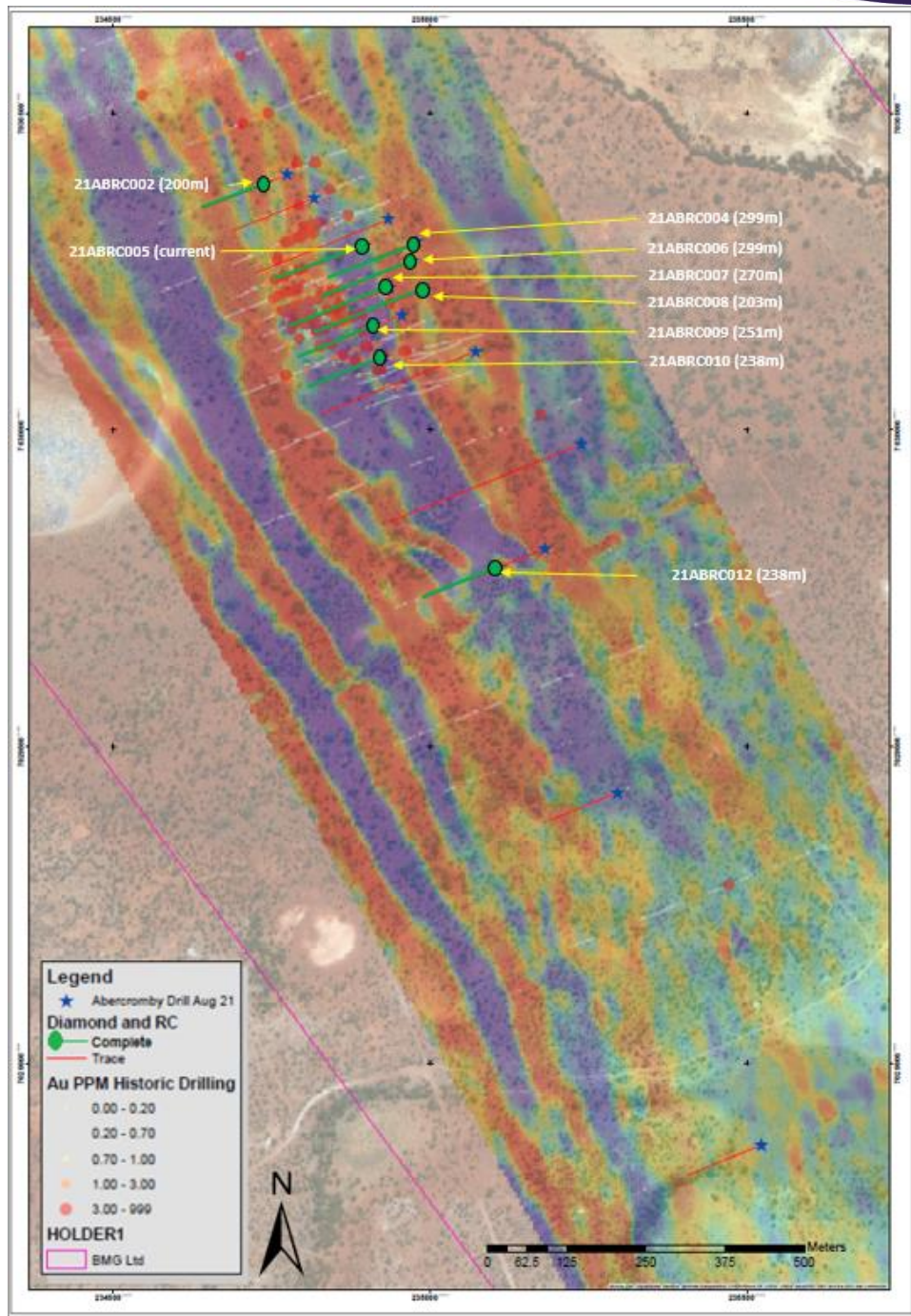
*“This current phase of the drilling campaign is designed to further test the nature and continuity of the known high-grade gold mineralisation, and to test some additional new targets.*

*“We’re now around a third of the way through the 6,000m program, and are encouraged by the drill results seen to date. We look forward to further positive results as the drilling continues and receiving the first round of assay results in the coming weeks.”*

### **Drill campaign**

BMG’s maiden drill program at Abercromby was designed to test the nature and continuity of known gold mineralisation at the Capital Prospect, which has yielded multiple thick high-grade gold intersections.

Eight of the 18 drill holes planned have been completed by BMG, comprising approximately 1,800m. Table 1 below contains details of the drill holes scheduled in the current drill campaign. All drilling to date has been RC.



**Figure 1 – Plan view of current drill program at the Capital Prospect, showing completed drill holes (green), over planned holes (blue stars), with SAM survey conductivity image in the background.**

The majority of the holes drilled to date are around the Capital Prospect. Encouragingly, a number of drill holes intersected intervals of intense hydrothermal alteration with breccias containing quartz-carbonate-sericite veining with minor sulphides. This kind of mineralogy is known to be associated with gold mineralisation intersected previously within the Abercromby project area. Refer to Figure 2 below for a representative sample from the mineralised alteration zone in 21ABRC006.



**Figure 2 – Representative Sample Chips of Mineralised Alteration Zone (21ABRC006 280m to 287m downhole).**

The Company is awaiting receipt of laboratory assays to confirm the extent of any gold mineralisation intersected, with first assays expected by mid-September 2021.

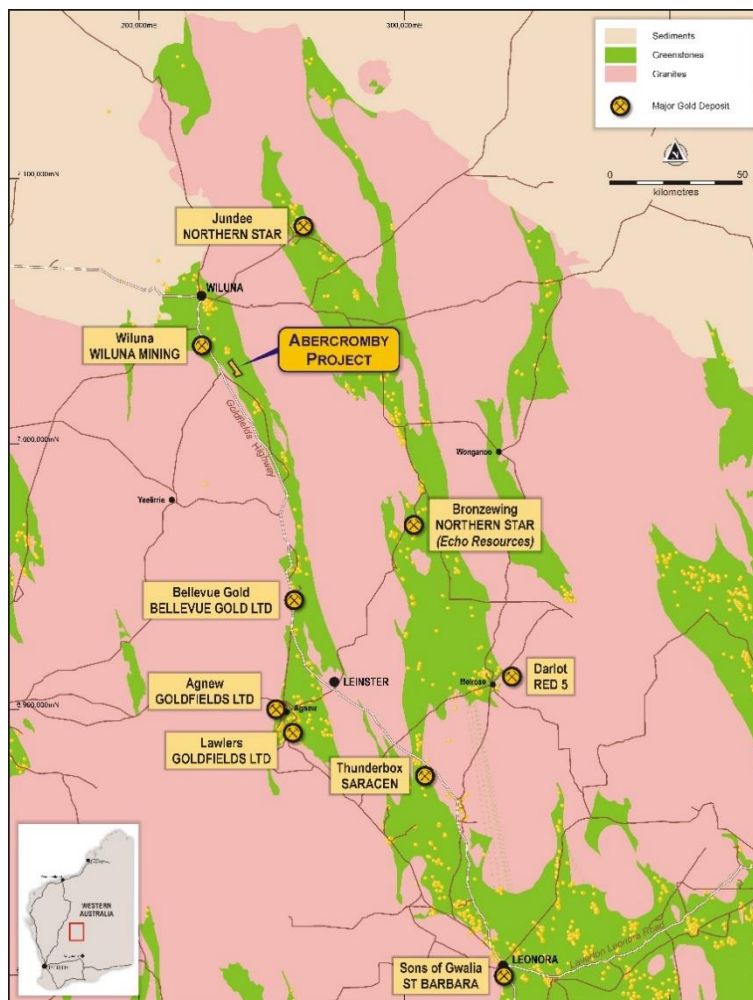
Observations of drill hole data referred to above are based on visual interpretation and are, therefore, preliminary in nature. A conclusive determination of any gold or other metal values in the drill holes will be confirmed when laboratory assays are available.

**About the Abercromby Project:**

The Abercromby Project is located on the Wiluna Greenstone Belt, one of Western Australia’s most significant gold-producing regions with a gold endowment of +40Moz Au – second only to Kalgoorlie globally in terms of historic production.

The geology at Abercromby is very favourable for gold mineralisation, with high-grade gold interpreted to be hosted in dolerite sill associated with granophytic zone – similar to gold deposits at St Ives and across the Kalgoorlie Golden Mile. Historic drilling at Abercromby has intersected multiple thick intervals of high-grade gold mineralisation to confirm the presence of a large high-grade gold system.

BMG holds 100% of Abercromby, which comprises the gold and other mineral rights (ex-uranium) of two granted mining leases (M53/1095 and M53/336).



**Figure 3 – Map showing the regional location of the Abercromby Project with other major gold projects in the region also highlighted.**



**Table 1 – Details for scheduled drill holes in the current campaign at Abercromby.**

Hole ID	Prospect	North	East	RL	Depth	Azi	Dip
21ABRC001	Capital	7030403	234774	500	200	-60	248
21ABRC002	Capital	7030388	234737	500	200	-60	248
21ABRC003	Capital	7030366	234816	500	280	-60	248
21ABRC004	Capital	7030296	234978	500	300	-60	248
21ABRC005	Capital	7030291	234896	500	300	-60	248
21ABRC006	Capital	7030266	234972	500	300	-60	248
21ABRC007	Capital	7030224	234936	500	340	-60	248
21ABRC008	Capital	7030221	234991	500	380	-60	248
21ABRC009	Capital	7030162	234909	500	250	-60	248
21ABRC010	Capital	7030114	234925	500	240	-60	248
21ABRC011	Capital	7029812	235181	500	240	-60	248
21ABRC012	Capital	7029782	235106	500	240	-60	248
21ABRC013	Capital	7029426	235296	500	240	-60	248
21ABRC014	Capital	7028870	235523	500	240	-60	248
21ABDD001	Capital	7030332	234934	500	450	-60	248
21ABDD002	Capital	7030181	234955	500	350	-60	248
21ABDD003	Capital	7030124	235072	500	520	-60	248

This announcement has been authorised for release by Bruce McCracken, Managing Director of BMG Resources Limited.

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

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### **Competent Person Statement**

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ben Pollard, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Mr Pollard is the principal of Cadre Geology and Mining Pty Ltd and has been retained to provide technical advice on mineral projects.

Mr Pollard has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Pollard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### ***Disclaimer***

*Forward looking statements are statements that are not historical facts. Words such as “expects”, “anticipates”, “believes”, “potential”, “may” and similar expressions are intended to identify forward looking statements. These statements include, but are not limited to, statements regarding future production, resources and reserves and exploration results. All such statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in or implied by the forward looking statements. Investors should not construe forward looking statements as guarantees of future performance due to the inherent uncertainties therein.*

## Schedule 1 – JORC Disclosures

### JORC TABLE 1 DISCLOSURES

#### ABERCROMBY PROJECT

#### JORC Code, 2012 Edition – Table 1 Section 1:

#### Sampling Techniques and Data

<b>Criteria</b>	<b>JORC Code Explanation</b>	<b>Commentary</b>
<b>Sampling techniques</b>	<i>Nature and quality of sampling (e.g. 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.</i>	One central database houses the <b>Abercromby</b> project drill data. The Access database contains all validated historic and recent drilling completed on the Abercromby Project to date. Drilling is via RC and diamond drilling methods. Drilling completed by BMG in December 2020 was via RC and diamond coring. All drilling has been deemed of high quality by suitably qualified and experienced geologists.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Data is legacy in nature and cannot be directly verified – however it is inferred that proper care of sampling other drill data has been afforded. BMG Resources is undertaking its own confirmatory drilling.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	Mineralisation has been determined by assay results and by visual identification by appropriately qualified project geologists working on site.
<b>Drilling techniques</b>	<i>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.).</i>	The historical dataset drilling includes RC and DDH. RC is of unknown diameter but assumed to be circa 5 <sup>1/4</sup> " however, the size is considered immaterial. Diamond core sizes drilled are not known, with coring mostly as tails to RC holes. Core is assumed not to have been orientated as no structural information is available.
<b>Drill sample recovery</b>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	RC and DDH sample recovery is assumed to be good – especially for recent drilling with only issues encountered from time to time with recoveries in clay zones generally not attributed with mineralised zones.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	RC holes were drilled using a booster and auxiliary to ensure holes were kept dry and to maximise recoveries and sample quality.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No recovery issues were identified with the RC drilling. Loss of fines at the cyclone assumed minimal and not considered to have had a significant effect on sample recovery. No relationship has been noted between sample recovery and grade. Overall, sample recoveries are assumed high and unproblematic.



<b>Logging</b>	<i>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</i>	<p>RC chips were geologically logged using predefined lithological, mineralogical and physical characteristic (colour, weathering etc.) logging codes.</p> <p>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.</p> <p>DDH was logged by geological intervals for geological (alteration, lithology, mineralogy), structural information (including detailed geotechnical logging) and oxidation state.</p>
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	Logging was predominately qualitative in nature, although vein and sulphide percent was estimated visually. All new core has been photographed.
	<i>The total length and percentage of the relevant intersections logged.</i>	All new drilling has been geologically logged.
<b>Sub-sampling techniques and sample preparation</b>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	N/A.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	RC samples were split at the drill rig using a cone splitter.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	N/A
	<i>Quality control procedures adopted for all subsampling stages to maximise representivity of samples.</i>	BMG drilling utilizes QAQC regime consisting of certified reference material checks, blanks and duplicates.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Sample sizes are appropriate.
<b>Quality of assay data and laboratory tests</b>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Assaying has not been undertaken yet and will be reported in the future as applicable.

	<i>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.</i>	NA
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Results yet to be returned.
<b>Verification of sampling and assaying</b>	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	NA
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Data collected in the field on paper and or digital logs, then transferred to the project database once collated and checked.
	<i>Discuss any adjustment to assay data.</i>	NA
<b>Location of data points</b>	<i>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.</i>	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.
	<i>Specification of the grid system used.</i>	The grid system used for locating the collar positions of drillholes is GDA2020. RL's referenced are a site grid RL and will be corrected to a true AHDRL at the first opportunity.
<b>Data spacing and distribution</b>	<i>Data spacing for reporting of Exploration Results.</i>	Drilling has been completed on a variable grid drilled orthogonal to the mineralisation, generally toward 248°.
	<i>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.</i>	Data spacing and distribution is so far thought to be insufficient to establish the degree of geological and grade continuity appropriate for Mineral Resources – establishing it will be the primary goal of the next round drilling.
	<i>Whether sample compositing has been applied.</i>	Raw samples have not been composited.

<b>Orientation of data in relation to geological structure</b>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	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.
<b>Sample security</b>	<i>The measures taken to ensure sample security.</i>	Chain of custody protocols used for the new BMG drill samples ensures sample security and integrity.
<b>Audits or reviews</b>	<i>The results of any audits or reviews of sampling techniques and data.</i>	NA

## Section 2: Reporting of Exploration Results

<b>Criteria</b>	<b>JORC Code Explanation</b>	<b>Commentary</b>
<b>Mineral tenement and land tenure status</b>	<i>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.</i>	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
	<i>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.</i>	The tenements are in good standing.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	All work to data has been done by third parties.
<b>Geology</b>	<i>Deposit type, geological setting and style of mineralisation.</i>	Abercromby is a lode hosted orogenic gold deposit typical in type to much of the gold occurrences in Western Australia's Eastern Goldfields. The lode is developed amongst Archaean mafic rocks and gold is generally hosted by the sheared and quartz veined host.

<b>Drill hole Information</b>	<i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all</i>	The details of drill holes material to the exploration results/mineral resource are presented in Table 1.
<b>Data aggregation methods</b>	<i>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.</i>	NA
	<i>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.</i>	NA.
<b>Relationship between mineralisation widths and intercept lengths</b>	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	The gold mineralisation identified to date at Abercromby consists of a number of interpreted mineralised lodes striking approximately 3400 and dipping steeply (80°-85°) to the west. Drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation as close to perpendicular as possible.
<b>Diagrams</b>	<i>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.</i>	Included as appropriate.
<b>Balanced reporting</b>	<i>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.</i>	NA

<p><b>Other substantive exploration data</b></p>	<p><i>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.</i></p>	<p>No other meaningful data to report.</p>
<p><b>Further work</b></p>	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p>	<p>BMG Resources is focusing on staged development drilling at Abercromby in addition to mine planning, metallurgical studies and development studies as required. Exploration drilling at priority targets over the next 12 months is planned.</p>
	<p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>Contained in report.</p>