ASX ANNOUNCEMENT

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HIGH GOLD RECOVERIES (AVERAGE 90%) FROM METALLURGICAL TESTWORK OF ABERCROMBY DRILL SAMPLES

West Australian gold explorer BMG Resources Limited (**ASX: BMG**) (**BMG** or the **Compan**y) is pleased to report that preliminary metallurgical test work undertaken on recent drill samples from the Company's Abercromby Gold Project has confirmed that the gold ore is amenable to conventional carbon-in-leach (CIL) processing with high gold recoveries achieved.

BMG's maiden drill program at Abercromby was carried out in December 2021 and delivered multiple thick intercepts of high-grade gold including:

- **12m @ 2.56 g/t Au from 25m including 2m @ 4.87 g/t Au from 25m (20ABRC0001)**
- **26m @ 6.07 g/t Au from 192m, including 7m @ 21.22 g/t Au from 192m (20ABRC0004)**
- **16m @ 3.64 g/t Au from 82m, including 3m @ 14.38 g/t Au from 83m (20ABRC0004)**
- **33m @ 1.7 g/t Au from 127m, including 3m @ 15.29 g/t Au from 157m (20ABRC0008)**
- **37m @ 2.58 g/t Au from 144m including 8m @ 8.1 g/t Au from 173m (20ABRC0010)**
- **5m @ 5.86 g/t from 42m including 2m @ 10.83 g/t from 42m (20ABRC0010)**
- **8m @ 2.72 g/t Au from 32m and 2m @ 4.37 g/t Au from 107m (20ABRCD0003)**
- **59m @ 0.86 g/t Au from 156m, including 7m @ 3.33 g/t Au from 173m (20ABRC0006)**
- **2.7m @ 6.54 g/t Au from 215.3m (20ABRCD0003)**

This was the first drill program to be conducted at the Project in more than 15 years and successfully confirmed the continuity of the thick and high-grade gold intersections reported at the Capital Prospect by previous explorers.

The preliminary metallurgical test work on samples from these recent holes has confirmed the nature of the Abercromby gold as free-milling and that the gold is not associated with high sulphide content.

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Technical Discussion on Positive Results:

The Company submitted six samples of approximately 25kg each from the recent drill program at Abercromby, the results of which can be found below. Each of the six samples were homogenised, split, and pulverised. A representative 1kg sample from each was then combined with 1kg of water, and subjected to accelerated cyanide leach for 24hrs (the 'Leachwell' process).

After 24 hrs, the tail portion of each sample was filtered, and both the solution and tail analysed for gold. The relative grade split between mass weighted solution and solid grades yields the leach recovery percent.

Samples were taken from across the weathering profile – from shallower oxidized zones and deeper fresh rock zones – as well as across varying grade ranges.

The Table below summarises the recoveries and grades achieved from the six samples. Importantly, the highest recoveries of 98% came from the higher grade fresh rock samples.

Sample ID*	Oxidation	Grade (Au g/t)	Recovery (%)
20ABRC0001 (35-36)	oxide	1.238	85.9
20ARRC0004 (194-195)	fresh	20.794	95.0
20ABRC0004 (195-196)	fresh	29.793	98.0
20ABRC0010 (221-222)	fresh	0.605	88.5
20ABRC0010 (222-223)	fresh	0.532	86.0
20ABRC0011 (111-112)	transitional	0.057	87.9

**The Sample IDs refer to the hole numbers and meters down hole*

While not a replacement for in-depth metallurgical test work, Leachwell is considered a reliable proxy for indicating amenability of gold ores to conventional CIL processing. As such, the test work results indicate the nature of Abercromby ore as free-milling.

BMG Managing Director Bruce McCracken said:

"These are excellent results and are in line with the visual drill hole logging which showed the higher grade gold intervals were not associated with high sulphide content.

"Our next step at Abercromby is to continue drilling with an expanded program, which we look forward to commencing soon to fully scope the significant gold potential of this Project."

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 historic drilling at Abercromby having 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).

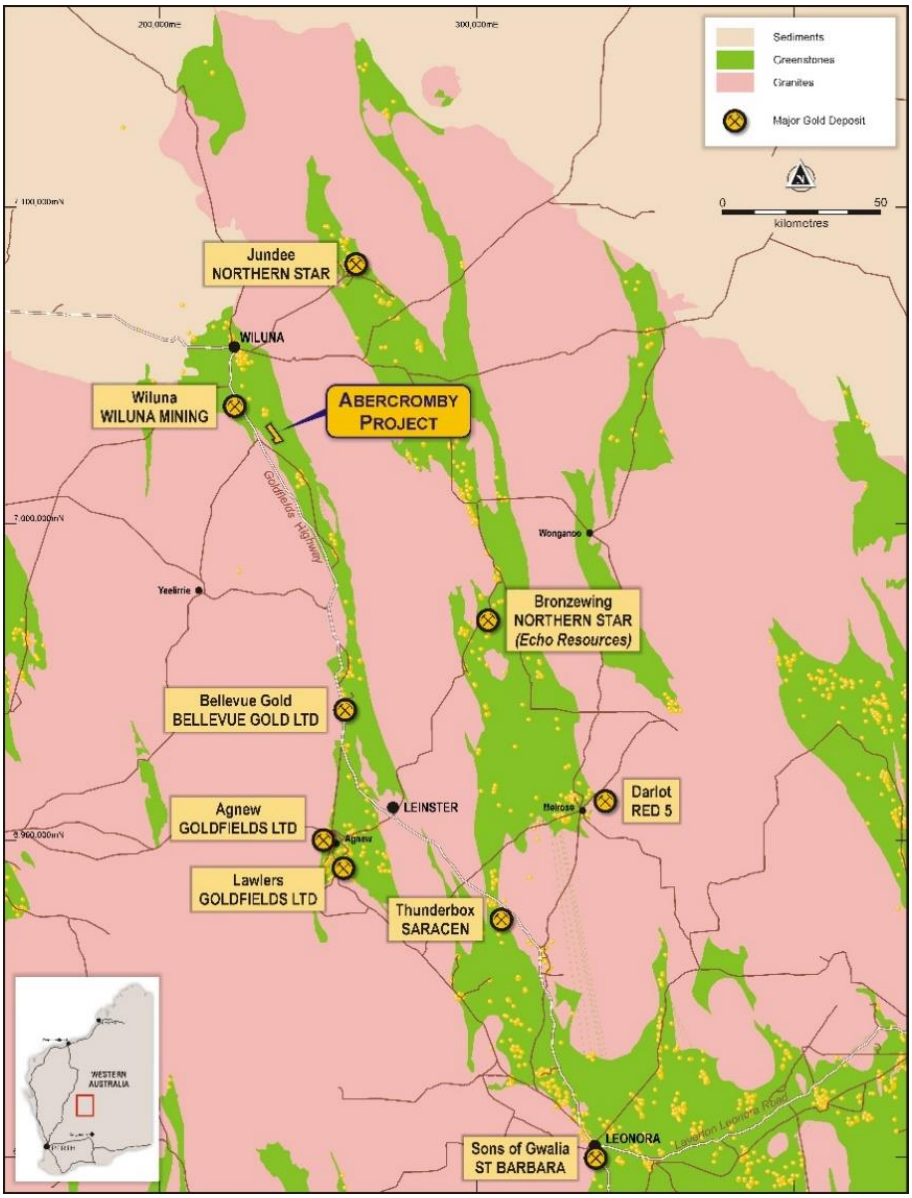

Figure 1 – Map showing the regional location of the Abercromby Gold Project with other major gold projects in the region also highlighted.

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For the purpose of ASX Listing Rule 15.5, 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

Criteria	*JORC 2012 Explanation*	Comment
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.* *• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* *• 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. • 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. • The whole of each sample was homogenised and crushed and a representative 1kg aliquot taken pulverisation to produce a sample for leaching. • 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. • A Schramm drilling rig is used. • RC drilling was with a $5^{1/4}$" diameter face sampling hammer drilling bit. Onboard air utilised to yield 1000psi / 2200cfm. Diamond core diameter was NQ2. • 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.

Drill sample recovery	*• Method of recording and assessing core and chip sample recoveries and results assessed.* *• Measures taken to maximise sample recovery and ensure representative nature of the samples.* *• 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. • 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) • Each individual sample is visually checked for recovery, moisture, and contamination. • 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.* *• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)* *• 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. • 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. • DDH was logged by geological intervals for geological (alteration, lithology, mineralogy), structural information (including detailed geotechnical logging) and oxidation state. • Logging was predominately qualitative in nature, although vein and sulphide percent was estimated visually. All new core has been photographed wet and dry. • 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.* *• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* *• For all sample types, the nature, quality and appropriateness of the sample preparation technique.* *• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* *• 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* *• 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. • At the lab, the whole ~25kg sample was crushed and homogenised, then a representative 1kg aliquot taken for actual assay. • Sample sizes are considered to be appropriate to correctly represent the geological model and the style of mineralisation. • 1kg of sample is combined with 1kg of water and two Leachwell tablets and bottle rolled for 24 hrs. • 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.* *• 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.* *• 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. • Accelerated cyanide leaching is widely accepted as providing a preliminary view on the metallurgy of various gold ores and their amenability to CIL. • BMG sponsored QAQC is not applicable / possible in this context and so BMG relies on the QAQC measures used by Nagrom.

Verification of sampling and assaying	*• The verification of significant intersections by either independent or alternative company personnel.* *• The use of twinned holes.* *• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* *• 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.* *• Specification of the grid system used.* *• Quality and adequacy of topographic control.*	• Drill holes were located using handheld GPS. • 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. • The grid system used for locating the collar positions of drillholes is GDA2020.
Data spacing and distribution	*• Data spacing for reporting of Exploration Results.* *• 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.* *• 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.* *• 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.