



ASX ANNOUNCEMENT

03 February 2021

MULTIPLE HIGH-PRIORITY TARGETS IDENTIFIED AT INVINCIBLE GOLD PROJECT IN THE CENTRAL PILBARA

- Ultra-high resolution aeromagnetic and radiometric geophysical survey undertaken over entire Invincible project area (~5,000 line km) in the December 2020 quarter
- Multiple high-priority gold targets identified
- Strong correlation of radiometric anomalies with existing geochemical anomalies
- Follow-up field reconnaissance and mapping campaign prioritised ahead of BMG's maiden drill program

West Australian gold explorer BMG Resources Limited (**ASX: BMG**) (**BMG** or **the Company**) is pleased to announce that the Company's aeromagnetic and radiometric geophysical survey has identified multiple exploration targets at its 100% owned Invincible Gold Project (Invincible) – located in the central Pilbara of Western Australia, a region that is host to a number of high-grade gold deposits and new gold discoveries.

Invincible is one of BMG's three highly prospective, 100%-owned gold exploration projects in the Tier 1 mining jurisdiction of Western Australia. BMG's other projects are Abercromby near Wiluna and South Boddington in the State's South West.

Bruce McCracken, BMG's Managing Director, said:

"Artisanal workings recovered gold at very, very high grades at Invincible and support the potential for systematic modern exploration to generate a significant discovery at the project.

"This is the first time that detailed geophysical data has been acquired for Invincible and we are very pleased to see results highlight the strong prospectivity for gold mineralisation across the project area.

"With very limited historic drilling at Invincible, these new targets represent an excellent opportunity to explore for a new gold discovery in an area emerging as a major gold region of Western Australia.

“We look forward to ramping up exploration at Invincible in 2021, including the launch of our maiden drill program, at a time when investor interest in new gold discoveries is strong.”

Invincible Gold Project

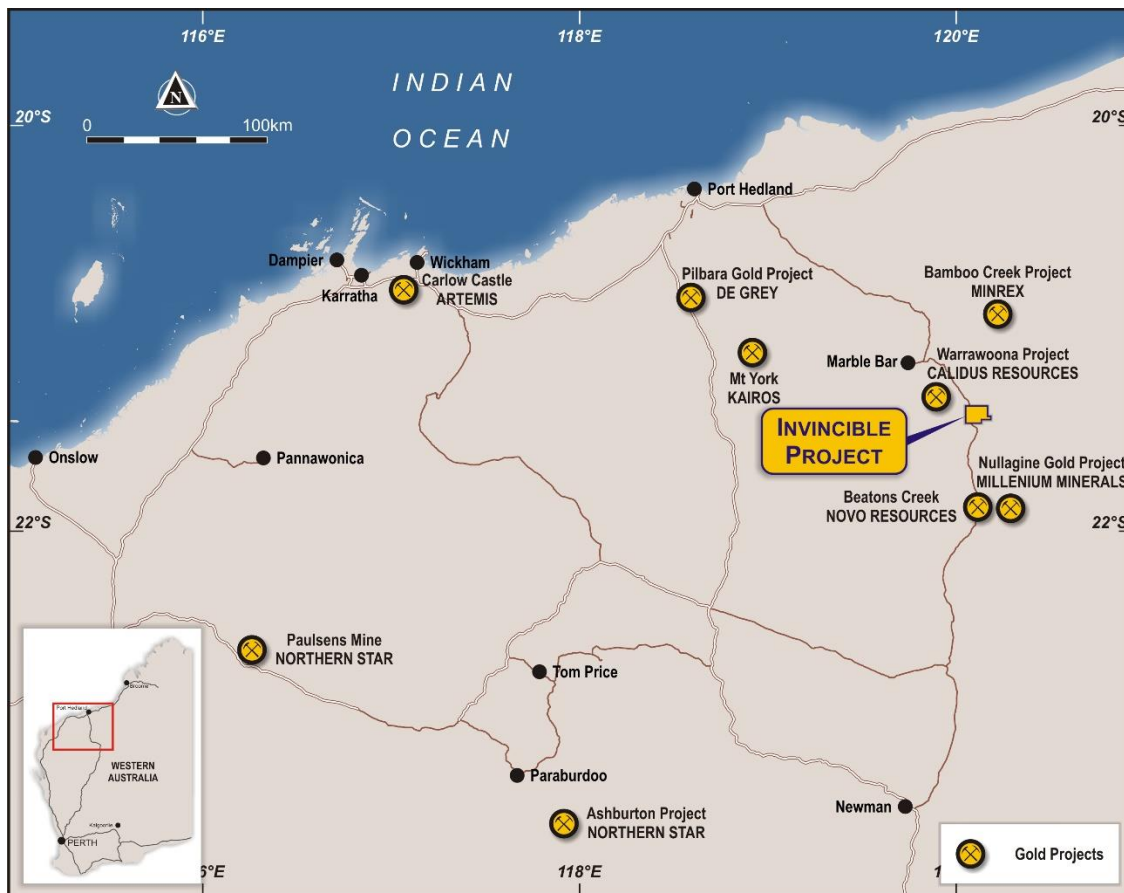


Figure 1 - Map showing the regional location of the Invincible Gold Project and other major gold projects in the Pilbara region

Invincible, on Exploration Licence E45/4553, is located in the emerging gold district of Central Pilbara and immediately along strike from, and hosted by the same stratigraphy as, Calidus Resources’ (ASX: CAI) 1.5Moz Au resource, which is in development. Recent major discoveries in the region, including De Grey Mining’s (ASX: DEG) Hemi Project, have fuelled new strong investor interest in Pilbara gold projects (see Figure 1).

Invincible hosts more than 12.5km of the Warrawoona Shear Zone – the mineralised trend that hosts Calidus’ gold resource and which is mostly comprised in the Klondyke deposit, as well as other prospective structures – refer Figure 2.

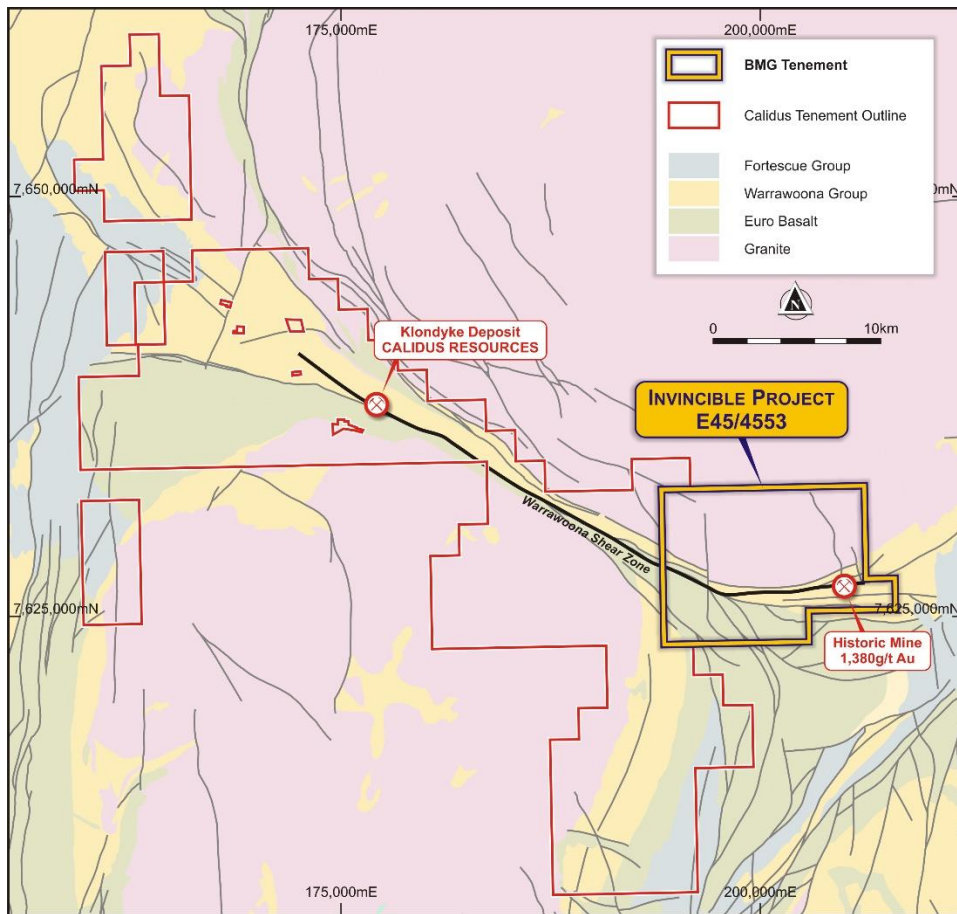


Figure 2 – Map showing the Invincible tenement and Calidus ground.

BMG recently completed an ultra-high resolution aeromagnetic and radiometric survey in its Invincible project area, comprising approximately 5,000 line kilometres – for further details see our ASX Release dated 22 October 2020 ‘Operational Update’. Calidus used a similar geophysical survey to generate further gold targets at its adjacent ground.

In addition to aeromagnetic and radiometric data, the survey also produced a digital terrain model.

Multiple High-Priority Targets

Results from the Invincible geophysical survey (magnetics and radiometrics) and high-resolution digital terrain model have been integrated with existing project data – notably geochemical and geological data – to generate multiple high-priority targets for gold exploration.

Radiometric data, particularly ratios for K:Th (potassium:thorium), were used to delineate zones of anomalism. The potassium channel was used to discern the gneiss structure that defines the Yandicoogina

Gold Mining Centre (YGMC) mineralisation to the east of Invincible and which is interpreted to continue into the Invincible project area. Targets (refer Figure 3) have been generated by combinations of overlaps of:

- Magnetic low
- Magnetic high
- K:Th anomalism
- K anomalism

Importantly, there is strong correlation between anomalous geophysical responses and existing soil geochemistry data – particularly at the known prospect areas of Pryces East Find, Pryces West Find and House Creek 3 where artisanal mining recovered high-grade gold. These areas are compelling targets for significant gold mineralisation and are shown in Figure 3 as red ellipses.

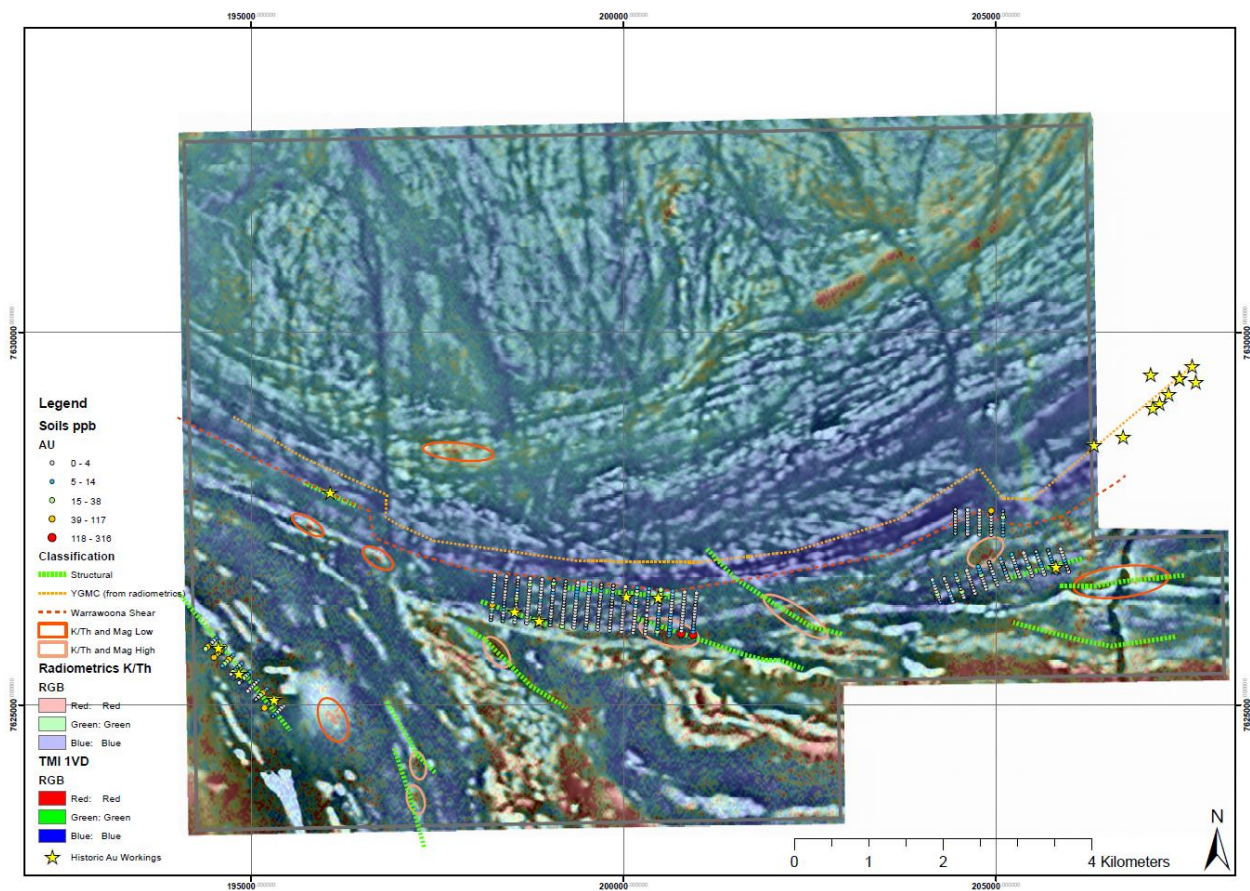


Figure 3 – Map showing the Invincible tenement (grey outline) 1VD grey scale magnetics. Salmon ellipses show mag lows with K:Th, red ellipses shows mag highs with K:Th, trends of interest (including historically known) shown in green, YGMC (gneiss) trend in orange, Warrawoona Shear (interpreted) in red.



Further Work Prioritised

Reconnaissance field work and mapping to validate recently generated targets are planned during this March 2021 Quarter, together with further geochemical sampling to scope the extent of the existing anomalies and investigate new target areas. Once this data has been compiled the Company will finalise planning of the 2021 drill program for Invincible and, subject to any unforeseen delays caused by the COVID-19 pandemic, will seek to commence drilling during the first half of calendar 2021.

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

*****ENDS*****

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