



ASX ANNOUNCEMENT

29 June 2022

DIAMOND DRILLING COMMENCES AT ABERCROMBY, AIR CORE RESULTS PENDING

- **Diamond Drilling (DD) commences at BMG's Abercromby Gold Project in the north-eastern Goldfields of Western Australia**
- **8 diamond holes for 3,700m have been planned**
- **DD campaign to focus on infill and extensional drilling at the greater Capital Prospect, with the aim of developing resources along the entire 6km-strike length of the mineralisation**
- **57 aircore holes for ~5,500m completed within the Capital South, Barrack and Archer prospects, with a further two holes to be completed in early July**
- **Aircore results expected mid-July**

Western Australian gold explorer BMG Resources Limited (ASX: BMG) (**BMG** or the **Company**) is pleased to provide an update on exploration activities at the Company's 100% owned Abercromby Gold Project in the north-eastern goldfields of WA. The next phase of diamond drilling (DD) has commenced, and the follow-up program of regional aircore drilling is complete.

The DD program at the greater Capital prospect area comprises 8 holes for ~3,700m, and is aimed at resource definition and extension of the high-grade gold lodes identified to date.

57 regional aircore holes for 5,428m across three large gold anomalies have now been completed. The anomalies were identified by recent sub-audio magnetics and aircore drilling completed earlier this year in the southern portion of BMG's Abercromby tenure. Two more aircore holes are planned for early July.

Both programs build upon the successful drilling campaigns completed at Abercromby earlier this year which more than doubled the size of the resource envelope – refer ASX results announcements on 26 April 2022 *"Assays Confirm Significant Extensions of High-Grade Gold at Abercromby Project"* and 2 May 2022 *"Aircore Highlights Significant Regional Gold Potential at Abercromby"*.

BMG Managing Director Bruce McCracken said:

"It's fantastic to have a diamond rig back on site at Abercromby to build on the success of our drilling campaigns completed just a few months ago.

"We've also made great progress over the past month with the follow-up air-core drilling of the large regional gold anomalies identified to the south of Capital, which has now wrapped-up.

“These programs will continue to delineate the significant high-grade orebody at Capital as we progress towards maiden resource definition and test gold anomalies to the south identified by recent SAM and aircore drilling.

“These are exciting times for the Company, and we look forward to updating investors as our drilling progress continues and results come to hand.”

Diamond Drilling

About 3,700m is planned to be drilled over the next 3 months. Initially, drilling will focus on extending and infilling southern extensions of the Capital mineralisation.



Figure 1 – DDH1 Diamond Drill Rig operating at Abercromby Gold Project, Wiluna, WA.

The planned holes include a 650m re-drill of 21ABDD004, which suffered terminal drill rod failure at 360m prior to its target depth designed to test extents of the West Lode. As previously announced, 21ABDD004 intersected 10m @ 11.71 g/t Au from 295m in the East Lode, 250m south of the existing mineralisation, confirming a very significant depth extent to the shallow high-grade mineralisation at Capital. The drilling will also test around the deeper intersection returned from the West Lode in 21ABDD003 which intersected 13.8m @ 6.56m g/t Au from 446m.

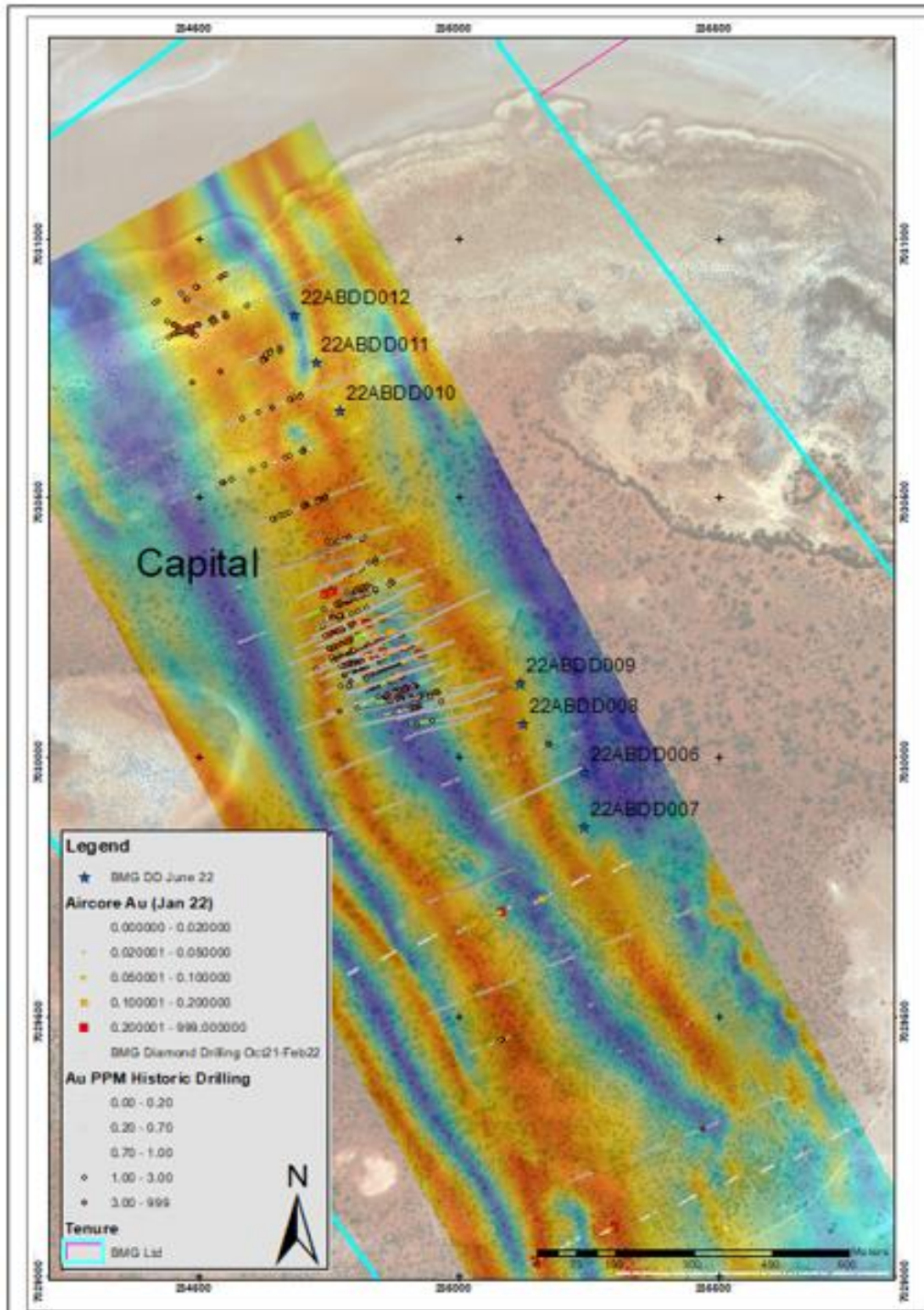


Figure 2 – Plan view of proposed diamond drilling at Abercromby (set against SAM data). The final hole locations may be refined during the program, including the location of the 8th hole (22ABDD013) which will be determined from field observations gathered throughout the program.

Aircore Drilling

The Company has now completed 57 aircore holes for 5,428m, targeting the three large gold anomalies intersected in the previous round of work in the Archer, Barrack and Capital South areas. Two holes remain to be drilled in early July, and initial assay results are expected around mid-July.

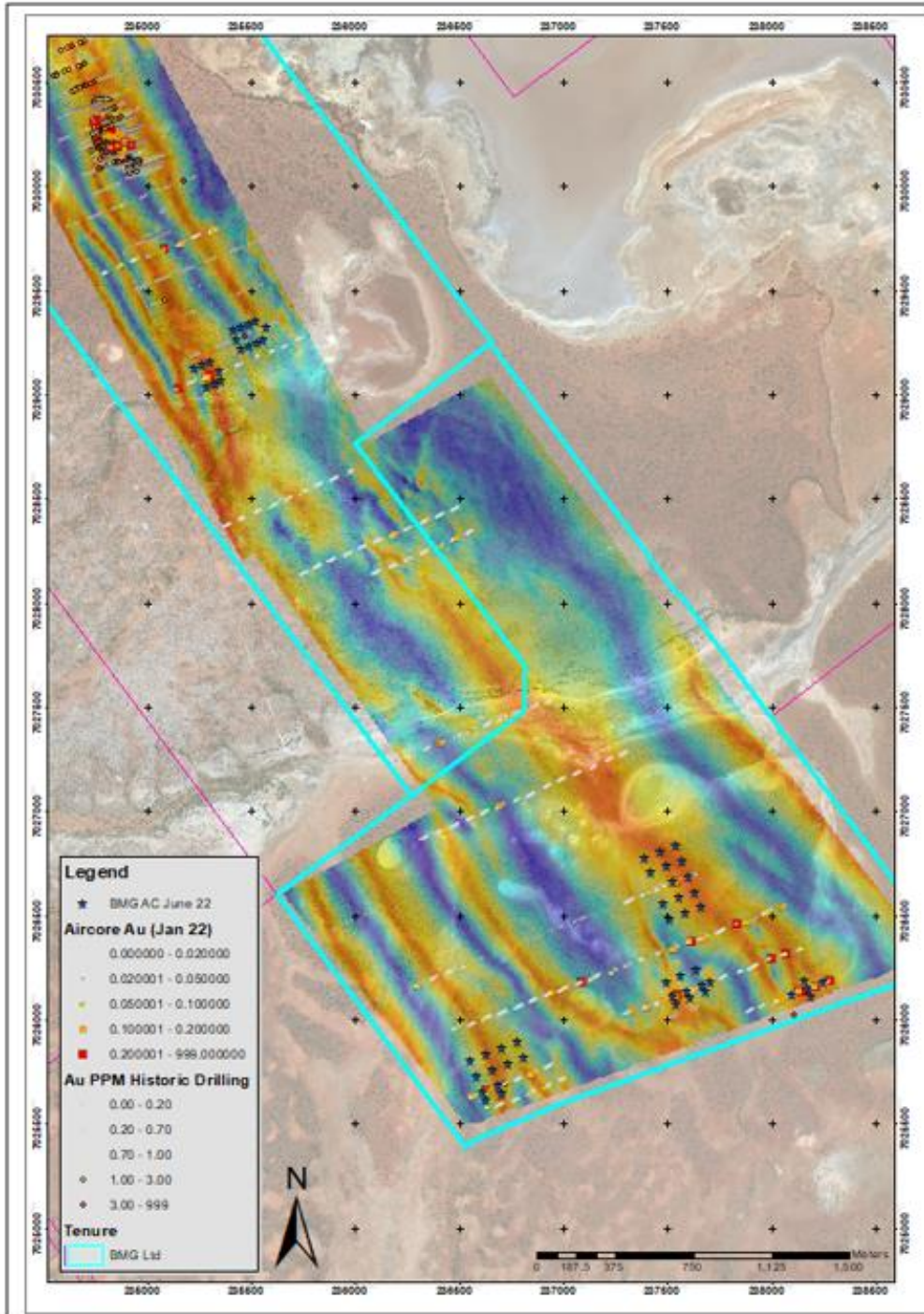


Figure 3 – Abercromby project area with SAM survey and previously announced aircore intercepts with recent drilling overlaid.

The Company will provide further updates as the drill programs progress.



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.

Mineralisation at Abercromby is hosted by the Perseverance Shear, a regional structure supporting large resources along its strike.

BMG has confirmed a large high-grade gold system with multiple thick intervals of high-grade gold including:

- 57.5m @ 5.73 g/t Au from 80m
- 30m @ 10.01 g/t Au from 164m
- 77m @ 2.99 g/t Au from 116m
- 26m @ 6.07 g/t Au from 192m
- 16m @ 3.64 g/t Au from 82m

Mineralisation remains open with potential for repetition of gold lodes along a 6km strike of mineralisation. Metallurgical test-work by BMG has confirmed that the gold ore is amenable to conventional carbon-in-leach processing with high gold recoveries achieved.

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).

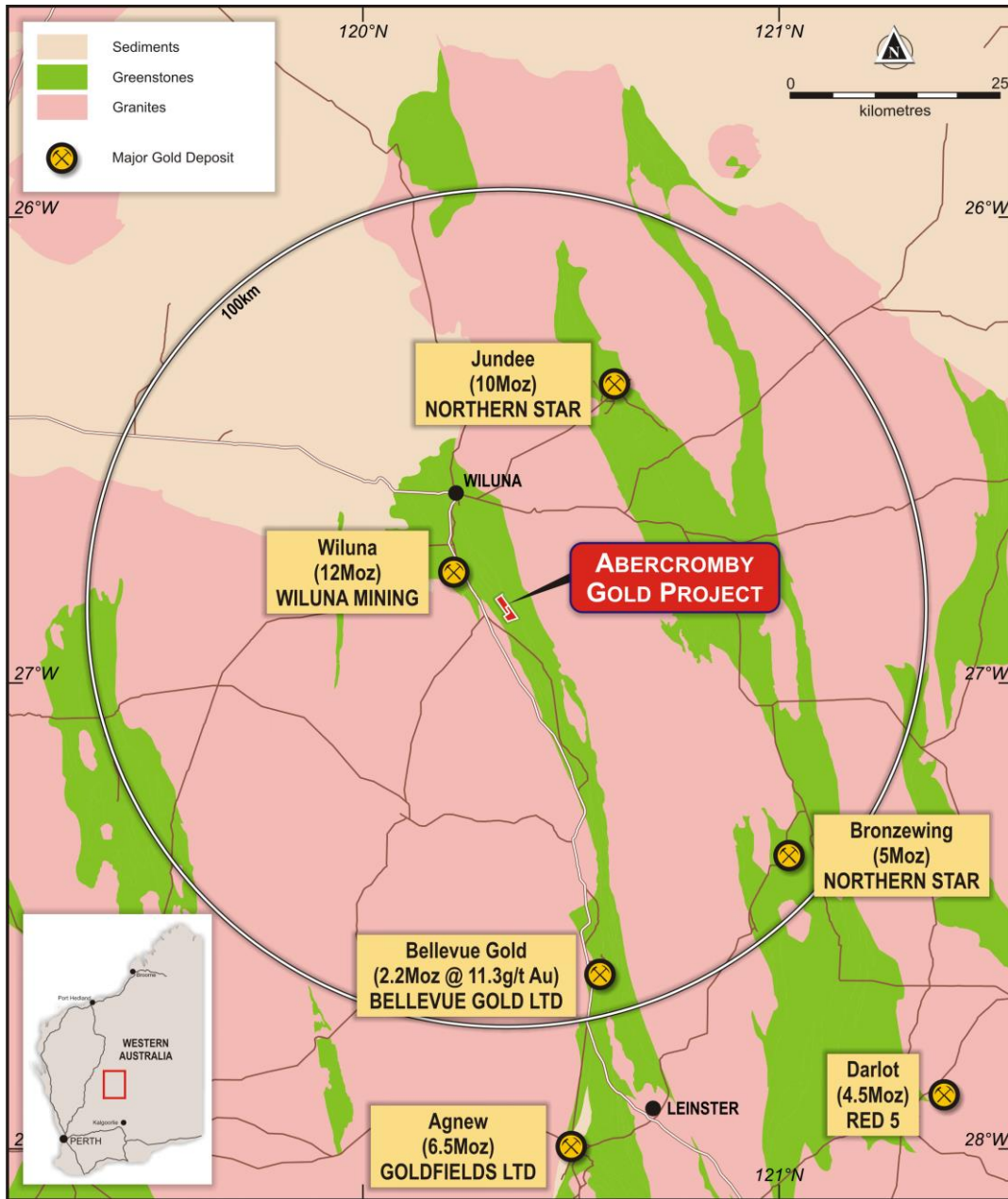


Figure 4 – Map showing the regional location of the Abercromby Gold Project with other major gold projects in the region also highlighted.

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

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Competent Person requirements

The information in this announcement that relates to Exploration Results was previously released by the Company in its ASX releases dated 26 April 2022 “*Assays Confirm Significant Extensions of High-Grade Gold at Abercromby Project*” and 2 May 2022 “*Aircore Highlights Significant Regional Gold Potential at Abercromby*”. The Company confirms that it is not aware of any new information or data that materially affects the information in the previous releases.

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.