ABM RESOURCES NL
ABN 58 009 127 020

FINAL REPORT
EL 22924 ‘DELNY’

Huckitta Project
Mithril Joint Venture

From 23 Dec 2002 to 07 July 2010

Holder: ABM Resources NL
Operator: ABM Resources NL, Mithril Resources Ltd
Author: J Rohde
Date: Sep 2010
Contact: joe @abmresources.com.au
Commodity: Gold, Nickel
Datum/Zone: GDA94/Zone 53
250,000 Mapsheet: Huckitta (SF 5311)
100,000 Mapsheet: Dnieper, MacDonald Downs (5952, 5953)

Distribution:
o NT DoR - digital
o Native Title Unit - Central Land Council - digital
o ABM Resources NL, Perth - digital
o Mithril Resources Ltd, digital

File: jr16DoR Final R 2010 22924 Delny Huckitta
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1.0 SUMMARY

The Huckitta project is situated approximately 200 kilometres northeast of Alice Springs in the Northern Arunta block of the North Australian Craton. The project consisted of EL 24454 'Pulpit' and EL 22924 "Delny" (Figure 1 & 2).

On 13 April 2007, EL 24454 ‘Pulpit’ along with EL 22924 “Delny”, was incorporated into a new joint venture arrangement between Tanami Exploration NL (TENL) and Mithril Resources Limited (Mithril). Mithril activities were focused on exploration for nickel. In December 2009, ABM Resources NL (ABM) purchased EL 22924 “Delny” from TENL. Mithril withdrew from the joint venture on 31 March 2010.

After a review EL 22924 was finally surrendered on 07 July 2010.

This report describes exploration carried out by TENL, Mithril and ABM in the period from 23 December 2002 to 07 July 2010. Over the seven and a half years of tenure exploration was only completed by TENL and by Mithril. In the last year of tenure no on ground exploration took place neither by ABM nor by Mithril due to the change of ownership.

Exploration over the seven and half year period of tenure included geological re-interpretation, reconnaissance, surface sampling and a relogging of historical DD core. A summary of exploration is listed in Table 1.

Table 1: Summary of Exploration

<table>
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<tr>
<th>Activity</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-logging core of historic DD holes</td>
<td>3 holes</td>
</tr>
<tr>
<td>Rock Chip sampling</td>
<td>31 samples</td>
</tr>
<tr>
<td>Lag Sampling</td>
<td>47 samples</td>
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</tbody>
</table>

The results of the ¼ core samples returned confirmed the correct order of magnitude of the historical assay values. Best result was 7.4ppm Ni from what seemed to be hole DDNT-12-1 at a depth of 248ft.

The rock chip samples showed no anomalous nickel assay values peaking at 58.3 ppm from the Sample PFPH-001. The maximum copper assay value was 455 ppm (Sample ID ALK053) returned from a sample in the vicinity of the Perenti prospect.

The assay results of the lag samples returned slightly anomalous nickel values peaking at 150.5ppm (Sample ID T157) and 1570ppm chrome (Sample ID T157). Overall the surface sampling results were disappointing.

2.0 INTRODUCTION

The tenements of the Huckitta project were situated approximately 200 kilometres northeast of Alice Springs in the Northern Arunta block of the North Australian Craton (Figure 1). Access to the tenement area is via the Stuart Highway and then the Plenty Highway, which passes to the south of the tenements of the Huckitta project. Vehicular access is very good onto the tenements with several tracks allowing access. The topography is typical of rugged gneissic Arunta terrain; however the rock fabric allows east-west access within valleys that lie between ridges of resistant lithological units. Vegetation is reasonably sparse allowing good cross-country access.
This report describes exploration carried out by TENL, Mithril and ABM on EL 22924 in the seven and half years of tenure.

3.0 TENURE

EL 22924 ‘Delny’ was granted to TENL on the 22 December 2002 and formed firstly part of the TENL’s Alcoota Project before it was integrated in TENL’s Huckitta Project in 2007.

On 13 April 2007, EL 22924 “Delny” along with EL 24454 was incorporated into a new joint venture between TENL and Mithril Resources Limited (Mithril). In December 2009, ABM Resources NL (ABM) purchased EL 22924 ‘Delny’ from TENL. Mithril withdrew from the joint venture on 31 March 2010. EL 22924 was surrendered on the 07 July 2010. Tenement details are shown in Table 2.

Table 2: Tenement Details

<table>
<thead>
<tr>
<th>Tenement No</th>
<th>Tenement Name</th>
<th>Date Granted</th>
<th>Final Surrender Date</th>
<th>Blocks</th>
<th>Km²</th>
</tr>
</thead>
<tbody>
<tr>
<td>EL 22924</td>
<td>Delny</td>
<td>23 Dec 02</td>
<td>07 July 10</td>
<td>68</td>
<td>218</td>
</tr>
</tbody>
</table>

4.0 GEOLOGY

The interpretive geology for the Huckitta project tenements is shown on Plate 1, which is based on a regional interpretation compiled for TENL by Dr Ding Puquan in April-May 2001 (Ding, 2001). This area was re-interpreted by Deng in 2002 and again by Dr Luc English in 2006. EL 22924 is located on the Huckitta 1:250,000 sheet SF53-11 Geological sheet.

5.0 PREVIOUS EXPLORATION

5.1 Exploration from 23 Dec 2002 to 22 Dec 2003

On the Huckitta PAN 321 total magnetisation images the region has an unusual photo-texture. Numerous ephemeral creeks and watercourses are apparent, mainly draining to the north or northeast. Although some of the watercourses are tree-lined, much of the region appears to be largely devoid of major vegetation.

A total of 16 rock chip samples were collected. Samples ALK052-ALK069 are from the Perenti area, ALK063-069 from various outcropping structures and silicification zones in granite and low-grade Ledan Schist.

The NTGS Alcoota and Huckitta 1: 250 000 fact mapping largely concurs with TENL’s interpretative mapping, and confirms that a substantial amount of outcrop is present. Unfortunately, most of the exposure appears to be of granitic lithologies or the Waite Formation.
The prospective lithologies mapped as the Ledan Schist are located in a northwest-southeast trending zone. The Perenti Cu prospect and associated northwest-southeast trending structures also occur within the Ledan Schist.

‘Perenti’ is described in the Alcoota Sheet Explanatory notes (Shaw & Warren, 1975) as ‘disseminated copper minerals in one of a series of quartz-breccia reefs in a large northwesterly shear zone, which cuts across the contact of the Mount Swan Granite. The Perenti reef is 850 m long and about 450 m wide. Drilling has proved copper values to be very low’. The Au tenor has not been not reported. A major outcropping quartz ridge (quartz-filled shear zone) with a NW-SE orientation was located approximately 400m from the recorded location of the ‘Perentie” workings, which were not located. The structure is ferruginous. The ‘Undippa’ muscovite workings are situated in the Irindina Metamorphics. The Delny 1 and 2; tungsten workings are located in granitic host rock.

According to the NTGS open-file data, EL22924 has been extensively prospected by soil and stream sediment geochemistry. However, the northeastern portion of the tenement attributed to the Ledan Schist has received very little work. No Au anomalous results are apparent, but Au has been rarely assayed. Cu values up to 300 ppm are locally evident.

5.2 Exploration from 23 Dec 2003 to 22 Dec 2004

No exploration work was conducted on the licence due to the absence of a formal access agreement with traditional owners to permit drilling and other future acts in the event of a discovery.

5.3 Exploration from 23 Dec 2004 to 22 Dec 2005

No field work was undertaken.

5.4 Exploration from 23 Dec 2005 to 22 Dec 2006

A total of 8 rock chip samples were taken from EL 22924. The only anomalous result was elevated copper of 644ppm Cu from a malachite stained quartz vein at the Perenti MODAT occurrence (Cu).

5.5 Exploration from 23 Dec 2006 to 25 May 2007

In March 2007 two rock chip were collected and were assayed for gold and arsenic. Both sampled returned results below detection limits. Work carried out by JV partner Mithril consisted of geological compilation and target generation in preparation for an airborne EM Survey of the project area. Mithril focused their activities on exploration for nickel.

5.6 Exploration from 26 May 2007 to 25 May 2008

All exploration was carried out by Mithril. Exploration included a review of historical exploration, geological prospecting, relogging historic diamond drillholes as well as reconnaissance and surface sampling. The exploration activities are summarised in Table 3.
Table 3: Summary of Exploration year ending 25 May 2008

<table>
<thead>
<tr>
<th>Data compilation</th>
<th>Geological Prospecting</th>
<th>¼ Core Sampling</th>
<th>Rock Chip Sampling</th>
<th>Lag Sampling</th>
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<tr>
<td>review of historical exploration</td>
<td>Ground Search for DD holes at Perenti Prospect</td>
<td>8 samples</td>
<td>5 samples</td>
<td>47 Samples</td>
</tr>
</tbody>
</table>

The review highlighted the fact that no systematic exploration for nickel or other base metals had been completed.

Three diamond drillholes (DDNT-12-1, DDNT-12-2, DDNT-12-3) were re-examined and eight samples taken for re-analysis from the diamond drilling completed at the Perenti Prospect by Central Pacific Minerals Limited (CPM) in 1968. The core is currently stored at the NTGS core library in Alice Springs. It became apparent that little or no work had been completed on the mineralisation intersected in these drillholes since the CPM days.

The examination revealed that in general, where there is confidence that the core described in logs, is correctly correlated with the actual hole, the core descriptions are very detailed and quite acceptable as being a trim and full record of lithologies intersected, with some minor reservations relating to an over-estimation of hematite content. The same can be said where chemical analyses given can be compared with remnants of core i.e. analyses appear to properly reflect mineralisation. Where mineralised core was re-assayed, it confirmed at least the correct order of magnitude of values reported in historic analyses. The NTGS provided only one co-ordinate in Latitude / Longitude (GDA94, Lat -22.49 / Long 135.02) for all three holes. This approximate description of the location may explain the difficulty to relocate them on the ground.

The maximum nickel value returned was 7.4ppm from an intercept of dark veins in pink foliated granite between 247'9" and 248'4"in hole DDNT-12-1. The best copper value returned was 195.5 ppm from an intersection of granite breccia with dark fine matrix over a 50cm intercept from 525'6' in hole DDNT-12-3. The ¼ core sample description and assay data is included in the digital appendix. A completed report on the re-investigation of these drillholes is contained in the ‘Perenti Prospect DD Core Resampling Summary’, ‘which is digitally appended. In the data base the three DD drillholes show identical coordinates, which is shown on Plate 1.

The results of the ¼ core samples returned confirmed the correct order of magnitude of the historical assay values. Best result was 7.4ppm Ni from what seemed to be hole DDNT-12-1 at a depth of 248ft.

A total of 47 magnetic lag samples were taken during a stream sediment sampling program completed in March/April 2008.

A total of 5 rock chip samples were collected and submitted to ALS Chemex in Perth. The results of the rock chips samples returned a maximum nickel value of 58.3ppm (Sample ID PFPH -001).

Slightly anomalous nickel values peaking at 150.5 ppm (Sample ID T157) and chromium at 1570 ppm (Sample ID T150) respectively were returned from the lag samples.

The rock chip sample and lag sample assay data is included in the digital appendix. Sample locations are shown on Plate 1.
5.7 Exploration from 26 May 2008 to 25 May 2009

Exploration during the year included no field work but the assay results of the lag samples, which had not been received until too late in 2008 to be reported in the previous annual report, were received and amalgamated into last years review. The new results did not change the previously established overall disappointing surface sampling tenor.

6.0 EXPLORATION Completed from 26 May 2009 to 25 May 2010

In 2009 / 2010 the final year of tenure no field work was undertaken due to the change in ownership.

7.0 BIBLIOGRAPHY


