Sixth ANNUAL REPORT
From 30 August 2015 to 29 August 2016

And

FINAL REPORT
From 30 August 2010 to 29 August 2016

For

EL 27906

LAKE McKay PROJECT

Holder  ABM Resources NL
Operator  ABM Resources NL,
Author  J Rohde
Date  September 2016
Email  jrohde@abmresources.com.au
Target Commodity  Gold, Base Metal
Datum/Zone  GDA94/ MGA Zone 52
250,000 mapsheet  Mt Dorren (SF52-12)
100,000 mapsheet  Vaughan (5053)

Distribution:
- NT DME – digital
- Central Land Council - digital
- ABM Resources NL - Perth – digital
  Independence Group NL - Perth – digital

File: jr136 NTDME EL 27906 Terrys Find A&F 16
ACKNOWLEDGEMENT AND WARRANTY

1. Subject to 2, the tenure holder acknowledges that this Report, including the material, information and data incorporated in it, has been made under the direction or control of the Northern Territory (the NT) within the meaning of section 176 of the Copyright Act 1968.

2. To the extent that copyright in any material included in this Report is not owned by the NT, the tenure holder warrants that it has the full legal right and authority to grant, and hereby does grant, to the NT, subject to any confidentiality obligation undertaken by the NT, the right to do (including to authorise any other person to do) any act in the copyright, including to:

- use;
- reproduce;
- publish; and
- communicate in electronic form to the public, such material, including any data and information included in the material.

3. Without limiting the scope of 1 and 2 above, the tenure holder warrants that all relevant authorisations and consents have been obtained for all acts referred to in 1 and 2 above, to ensure that the doing of any of the acts is not unauthorised within the meaning of section 29(6) of the Copyright Act.
1.0 ABSTRACT

Exploration Licence 27906 ‘Terry’s Find’ is situated approximately 375km northwest of Alice Springs (Figure 1). ABM Resources NL (ABM) explored the tenement for the potential of gold mineralisation.

To further exploration of the Lake MacKay project ABM entered into negotiations with various other quality exploration companies. On the 20th August 2013, ABM signed an exploration agreement, as a result of these negotiations, with the Independence Group NL., Perth (Independence) for ABM’s Lake Mackay Project which included EL 27906.

Over the 6 years of term exploration was completed by ABM and IGO.

Exploration activities included desktop studies and surface sampling.

ABM reviewed the historic exploration and desktop studies defined a number of large target areas.

Independence collected a total of 810 surface samples including 789 soil and 21 rock chip samples.

Independence undertook systematic soil sampling over the tenement at a nominal 800m x 800m grid spacing. In the following zooming in process on prospective areas, which had returned elevated assay results, sampling was completed on 200m x 200m, 100m x 100m and 40m x 20m nominal grid spacing. One of these nominal 200m x 200m spaced grids covered an area located south west of Terry’s Find and centred on sample A413094 which returned a value of 0.9ppb gold – representing the best overall result as well. The follow up sample A416440 at this location returned a sample assay value of 0.86ppb Au confirming the previous result.

In mid-2016 ABM reviewed and evaluated the exploration potential of the Lake MacKay project including EL 27906 and concluded to relinquish the tenement in favour of the more prospective EL 24915.

2.0 INTRODUCTION

The EL 27906 is located approximately 375km north west of Alice Springs. Access from Alice Springs is northwest via the Tanami Highway for approximately 350km to the Mt Doreen (Ruins) turn off and then on tracks along the Treuer Range and station tracks for another 90km to the southwest (Figure 1). EL 27906 falls into ABM’s Lake MacKay Project area.

In August 2013 ABM entered a joint venture agreement with Independence which allowed another quality explorer to substantially advance exploration of the tenement.

This report covers all exploration on EL 27906 carried out between from the 30th August 2010 to the 29th August 2016.

3.0 TENURE

On the 30 August 2010 Exploration Licence 27906 ‘Terry’s Find’ was granted to ABM for a period of six years.
On the 20 August 2013 ABM entered an exploration agreement with the Independence Group NL., Perth in respect of ABM’s Lake Mackay Project, which included EL 27906.

Exploration Licence 27906 was approved for amalgamation into the Lake Mackay technical reporting group GR 165 on 14 August 2014.

Pursuant to the requirements of the Mineral Titles Act 2010, a partial relinquishment was lodged in respect of 19 blocks at the end of the fourth year of term, 29 August, 2014 with 20 of the original 39 granted blocks being retained.

In January 2016 Independence Group NL withdrew 20 tenements of the Lake Mackay project tenements from the joint venture agreement including EL 27906.

Tenement details are listed below in Table 1.

Table 1: Tenement Details

<table>
<thead>
<tr>
<th>Tenement Name</th>
<th>Tenement No</th>
<th>Blocks</th>
<th>Km²</th>
<th>Grant Date</th>
<th>Expiry</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terry’s Find</td>
<td>EL 27906</td>
<td>20</td>
<td>63.54</td>
<td>30 August 10</td>
<td>29 August 16</td>
</tr>
</tbody>
</table>

Given its’ focus on the Tanami region, ABM decided to allow EL27906 to expire at the end of the sixth year, 29 August 2016.

4.0 GEOLOGY

The Lake Mackay Project is situated on the 1:250,000 Lake Mackay (SF52-11) map sheet, an area comprising less than 1% exposed bedrock. Tanami Gold NL (TGNL) carried out a 1:250,000 bedrock interpretation in 2003 (Rohde, 2004). Outcrop mapping by the Northern Territory Geological Survey (NTGS) and drilling by Newmont were combined with aeromagnetics, Landsat and gravity data to interpret the lithology and structure beneath covered areas.

4.1 Regional Geology

The Lake Mackay area is part of the Arunta region, a Proterozoic domain covering a large part of central Australia. The Arunta region is very complex due to the superposition of numerous depositional, magmatic, metamorphic and tectonic events. NTGS geological mapping of parts of the Arunta region has been combined with whole-rock elemental geochemistry and zircon U-Pb geochronology to assist with unravelling the lithostratigraphy and geological history of the area. The reviews of the regional implications of this work are presented by Scrimgeour (2003, 2004).

Of interest to gold explorers is whether the geology in the Tanami region, which hosts >10 million oz Au, continues south into the Arunta region. The case for lateral equivalence between the two regions was originally proposed based on gross lithological similarities (Blake et al., 1979), and such correlations have been strengthened based on geophysical continuity and the similarities of depositional and magmatic systems (Green et al., 2003). In general, the Lake Mackay area comprises rocks which are interpreted to correlate with the Au-hosting units in the Tanami region.
The Lake Mackay area comprises strongly deformed and variably metamorphosed siliciclastic sediments which were deposited between 1840 and 1800Ma. These metasedimentary rocks have been assigned to the Lander Group, which is interpreted to be laterally equivalent with the Tanami Group. A regional lithostratigraphy has not been established in the Lander Group due to the lack of continuous outcrop and marker horizons, the high metamorphic grade of many areas and extensive deformation. In some areas, a local lithostratigraphy has been established (Donnellan and Johnstone, 2003), but it has not been possible to extend such local divisions with great confidence.

The Lake Mackay area is interpreted to be part of the lower Lander Group based on geochronological constraints and the presence of putative volcanic-dominated lithologies (linear highly magnetic units). Such constraints are not well established, but if correct the Lake Mackay area would most closely correlate with the lithostratigraphic units, which hosts The Granites and Dead Bullock Soak Au deposits in the Tanami Region.

4.2 Local Geology

The Lake Mackay area comprises two distinct tectonic elements; the Palaeoproterozoic Aileron Province and the Neoproterozoic-Palaeozoic Centralian Superbasin (Walter and Whittaker, 2003). The rocks of the Aileron Province form the basement to the Centralian Basin.

In the Aileron Province, the oldest units comprise a succession of interbedded sandstone, siltstone and mudstone which has been intensely deformed and metamorphosed. These metasediments are considered part of the Lander Group (Yuendumu Supergroup), which extends over much of the northern Arunta region. The Lander Group is generally considered to be part of a very large depositional system with vast regions of probable turbiditic sediments. There are numerous folded and metamorphosed mafic units within the Aileron Province, but it is uncertain whether they are volcanic, and so part of the Lander Group, or later sills. Similar units are known in the Tanami Region. SHRIMP U-Pb dating of detrital zircon from several samples of the Lander Group in the greater Lake Mackay area have interpreted maximum deposition ages of <1860Ma.

In the Lake Mackay area, the Lander Group is metamorphosed from lower greenschist to granulite facies, with granulite and amphibolite facies metasediments confined to discrete domains in the northeast of the area. SHRIMP U-Pb analyses of zircon rims from these granulite-facies metapelites define a significant population at 1806 ± 7 Ma, which is interpreted to be the age of metamorphism. This correlates with the Stafford Event described from further east in the Aileron Province, suggesting that this is an important and widespread event.

In the northeast of the Lake Mackay area, there are siliciclastic-dominated metasediments of the Nicker beds and Reynolds Range Group. These successions postdate the Stafford Event and were probably metamorphosed and deformed during the Yambah Event at about 1780-1770Ma. Metamorphic grade varies in these units from greenschist to amphibolite facies. The Reynolds Range Group (1800-1780Ma) unconformably overlies the Lander Group, though most exposures comprise tectonic slivers preserved adjacent to faults. The Reynolds Range Group comprises a basal quartzite (Mount Thomas Quartzite) and an overlying siliciclastic-dominated succession with minor calc-silicates (Pine Hill Formation). Other units within the Reynolds Range Group are unknown in the Lake Mackay area. The Reynolds Range Group has a distinctive strong linear magnetic signature and tracing these features from known outcrop suggests the Reynolds Range Group may be more extensive under aeolian cover. The Nicker beds are only known from immediately north of the Ngalia Basin and are more quartz-rich than the Lander Group. An intercalated felsic volcanic has an interpreted magmatic age of 1772 ± 5 Ma (SHRIMP U-Pb zircon age).
There are numerous granite bodies in the Lake Mackay area that probably correlate with the 1820-1790Ma granites from the northern Aileron Province, the 1770-1760Ma Carrington Suite and the 1570Ma Southwark Suite. A biotite granite beneath the Vaughan Springs Quartzite in the southeast of the Lake Mackay area has a poorly constrained SHRIMP U-Pb zircon age of 1758 ± 21Ma and is considered to belong to the Carrington Suite. A weakly to moderately deformed garnet-bearing granite (Rapide Granite) in the northwest of the Lake Mackay area has an interpreted magmatic age of c.1600Ma, and so may be part of the Southwark Suite, but also contains significant c.1800Ma zircon possibly indicating an earlier magmatic phase. Megacrystic and porphyritic biotite granite with localised shearing on the eastern margin of Lake Mackay is interpreted on field characteristics to belong to the Southwark Suite. It has an interpreted SHRIMP U-Pb magmatic age of c.1520Ma, and so is the only known granite of this age in the Arunta region. This may indicate that the Southwark Suite was intruded over the 50 my period from 1570-1520Ma, or this granite could be part of a younger, discrete event. Although no 1820-1790Ma granite has been dated in the immediate area it is likely that granite of this age, which is widespread to the north of the Lake Mackay area, extend into the Lake Mackay area. In the southern part of the Lake Mackay area, there are scattered exposures of Vaughan Springs Quartzite, the basal unit of the Neoproterozoic to Palaeozoic Ngalia Basin, which is part of the Centralian Superbasin.

The southern and eastern part of the tenement is interpreted to be underlain by meso- and paleoproterozoic granitoides (Ag1, Ag2). The south is interpreted to be underlain Nicker Beds (Aan) while the north western part of the tenement is interpreted to be underlain by Lander Rock Beds (Aall & Aalh) (Plate 1).

5.0 EXPLORATION COMPLETED in Year 6 30 Aug 2015 to 29 Aug 2016

No on ground was carried out as exploration activities focused on other areas of the Lake Mackay project.

6.0 SUMMARY of EXPLORATION from Year 1 to Year 5

Year 1 30 Aug 2010 to 29 Aug 2011

In the first year of tenure ABM reviewed the historic exploration. Due to an unseasonal wet season and bush fires at the time of planned reconnaissance, no on ground exploration was conducted during the period from the 30 August 2010 grant date to the first anniversary date 29th August 2011.

Year 2 30 Aug 2011 to 29 Aug 2012

No on ground exploration was conducted during the period due to of land access clearance delays, the Department of Resources needing more detailed information on historic environmental disturbance and ABM focusing on other targets of its Lake Mackay project area. Desktop work completed during the reporting period defined a number of large target areas. In August 2012 ABM has submitted an application to the CLC to undertake regional soil sampling survey covering the majority of the tenure during ABM's 2012 – 2013 exploration season.

Year 3 30 Aug 2012 to 29 Aug 2013

No on ground exploration was conducted during the reporting period by ABM due to land access clearance delays and joint venture negotiations.
The Sacred Site Clearance Certificate for ABM’s 2013 work programme to undertake a large soil sampling survey covering the majority of the tenure was received on the 29th of July 2013.

The joint venture negotiations finally resulted in an agreement with Independence on the 20th August 2013.

**Year 4  30 Aug 2013 to 29 Aug 2014**

Independence undertook first pass systematic soil sampling over the tenement at a nominal 800m x 800m grid spacing. In the following zooming in process on prospective areas, which had returned elevated assay results, sampling was completed on 200m x 200m, 100m x 100m and 40m x 20m nominal grid spacing. One of these nominal 200m x 200m spaced grids covered an area located south west of Terry’s Find and centred on sample A413094 which returned a value of 0.9ppb gold – also representing the best overall result. The follow up sample A416440 at this location returned a sample assay value of 0.86ppb Au confirming the previous result.

In total 806 soil and 17 rock chip samples were collected. Samples were sieved to -0.4mm in the field and 4.5kg of this fraction was collected in plastic lined calico bags. Screening to -50um was undertaken at the Genalysis Preparation Laboratory in Alice Springs. The samples were then sent to Genalysis Perth where the samples underwent a 20g Bulk Cyanide Leach that was specifically set up for this project. All samples were assayed for gold and a group of elements.

All sample locations are shown on Plate 2, 2A, 2B and 2C. All assay data is included in the digital appendices (EL27906_2016_A_F_02_SurfaceGeochem_assay.txt, EL27906_2016_A_F_03_SurfaceGeochem_details.txt).

**Year 5  30 Aug 2014 to 29 Aug 2015**

A total of 4 Rock chip samples (LMRC00048 to LMRC00051) were collected. No significant assays were returned from these samples.

All sample locations are shown on Plate 2, 2A, 2B. All assay data is included in the digital appendices (EL27906_2016_A_F_02_SurfaceGeochem_assay.txt, EL27906_2016_A_F_03_SurfaceGeochem_details.txt).

### 7.0 RECOMMENDATION and CONCLUSIONS

In January 2016 an assessment of ABM’s overall tenure situation and discussions with partner IGO resulted in a proposal to lodge outright surrenders in respect of 19 of the Lake Mackay project tenements.

The proposal was based on the rationale to focus future exploration efforts at this stage on the most prospective bedrock mineralisation of the Lake Mackay project discovered in 2015 which is located within EL24915.

In mid-2016 the continuation of the streamlining process of exploration led to the relinquishment of EL 27906 at its six anniversary date 29 August 2016.
8.0 REFERENCES


Phanerzoic Lower Sedimentary Basin

Tana Region Sedimentary Basin Sequences (Cover)

Billabong Complex (2570Ma)
Archaean Basement (undifferent)
Lower Stubbins Formation
- siltstone, basalt & numerous dolerite sills
Upper Stubbins Formation (Bald Hill Sequence)
- interbedded greywacke & siltstone - abundant intercalated mafics (high mag)
- interbedded greywacke & siltstone - greywacke dominant (low mag)
- interbedded greywacke dominant and siltstone
- siltstone dominated beds

Mount Winnecke Formation - rhyolite, dacite, porphyry, volcanics, basalt, sandstone
Nanny Goat Volcanics - ryholite volcanics, basalt, sandstone
- conglomerate, sandstone, siltstone

Wilson Formation

Pargee Sandstone

Antrim Plateau Basalts

Terry's Find
migmatite & amphibolite
felsic & mafic gneiss, granite,
schist, gniess & granofels
& quartzite dolerite sills
greenschist facies: meta pelite
Low mag/low metamorphic grade
siltstone, sandstone, conglomerate, basalt
metacarbonate rocks
felsic volcanics & volcaniclastics
quartzite, schist, meta-siltstone,
Nicker Beds

Pzw

Pza

Ngalia Basin

Amadeus Basin

Georgina Basin

within Palaeoproterozoic basement
Greenschist facies retrograde shear zones

Tanami Region

Palaeoproterozoic granitoid intrusions
probably Palaeoproterozoic
Undifferentiated granitoids,
Neoproterozoic granitoids

Andrew Young Hills
Mordor Alkaline Complex

Irindina Metamorphics

Florence Detachment Zone

Greenschist facies: meta pelite
Low mag/low metamorphic grade
siltstone, sandstone, conglomerate, basalt
metacarbonate rocks
felsic volcanics & volcaniclastics
quartzite, schist, meta-siltstone,
Nicker Beds

Pzw

Pza

Tsw

Amadeus Basin

Georgina Basin

within Palaeoproterozoic basement
Greenschist facies retrograde shear zones

Darwin

EL27906

Alice Springs

Interpreted Geology

PLATE 1

Author: Tanami Gold NL
Office: Nedlands
Drawing: J. Rohde
Date: 3/10/2016
Scale: 1:63360
Projection: UTM Zone 52, Southern Hemisphere. (WGS 84), A3

Interpretive Geological Map of the Terrys Region, NT, Australia, 1:63 360

Felsic
Mafic
Surface Samples by Sample Type
- MOCK
- SCR