ABM RESOURCES NL

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COMBINED

ANNUAL REPORT

EL 8845 ‘Lake Buck’
and
EL 9474 ‘Farrands Hill’

NORTH EASTERN TANAMI PROJECT

From 23 March 2009 to 22 March 2010

NIL WORK REPORT

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Operator: ABM Resources NL
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Date: April 2010
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Target Commodity: Gold
Datum/Zone: GDA94/ MGA Zone 52
250,000 mapsheet: Tanami, (SE 5215),
100,000 mapsheet: Buck, (E 5215)

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- DRDPIFR – digital
- Central Land Council – digital
- ABM RESOURCES NL – Perth – digital

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1.0 SUMMARY

EL’s 8845 and 9474 are situated about 600 kilometres northwest of Alice Springs and were explored as part of the North Eastern Tanami project for gold (Figure 1, 2). Both tenements were granted to AngloGold Australia Limited (Anglogold) on 23 March 2001 and were purchased by Tanami Exploration NL (TENL), a wholly owned subsidiary of Tanami Gold NL (TGNL), a publicly listed company in June 2005. These tenements were then sold to ABM Resources NL (ABM) in December 2009. Transfers for EL’s 8845 and 9474 have been lodged and awaiting registration.

Due to the financial focus on the change from open pit to underground mine at TGNL’s Coyote mine as well as the sale of EL 8845 and 9474 to ABM no exploration was conducted during the ninth year of term. Therefore this report covers nothing conducted during the reporting period.

All previous exploration has been outlined in the preceding eight annual reports.

2.0 INTRODUCTION

EL’s 8845 and 9474 form part of the North Eastern Tanami project area. The tenements are situated about 600 kilometres northwest of Alice Springs and 45 kilometres east of the Tanami Gold Mine within the Tanami Desert. Access to the tenements from Alice Springs is via the unsealed Tanami Track.

The tenements were applied for to test a series of highly prospective ground over the north-south-trending belt of rocks associated with the Nanny Goat Creek Volcanic’s straddling the Supplejack Shear.

The NE Tanami project area is affected by access restrictions, including extremely high temperatures (in excess of 50°C) and high seasonal rainfall; associated with the northern monsoon season that typically extends from late November to the middle of April. Access to the area by the Tanami road (gravel) is periodically restricted due to flooding and is closed for up to four months every year by the Hall’s Creek and Alice Springs Shire Councils (Sewell, et al), 2004).

The vegetation over the project area varies from wide-open, spinifex studded plains to low desert scrubland. The area has a characteristically subdued topography with limited low breakaway hills and sub-cropping areas. The majority of the area lies beneath a veneer of aeolian or colluvial sediments. Deep palaeo-drainage systems, comprising fluvial, lacustrine and aeolian sediments, are known to transect some of the tenements (Sewell et al, 2004).

3.0 TENURE

Exploration Licences 8845 and 9474 were granted to AngloGold Australia Limited on 23 March 2001 for a period of six years. They were included in a Sale and Purchase Agreement dated 23 June 2005, between Anglogold Ashanti Australia Limited (Anglogold) and Tanami Exploration NL (TENL). Anglogold is the current registered holder, the transfer is pending execution of a Deed of Covenant with the Central Land Council. In December 2009, ABM Resources NL (ABM) purchased ELs 8845 and 9474. Transfers for both tenements have been lodged with Department of Resources and are waiting registration.

Tenement details are listed below in Table 1.

Table 1: Tenement Details
### Tenement Details

<table>
<thead>
<tr>
<th>Tenement Name</th>
<th>Tenement No</th>
<th>Blocks Granted</th>
<th>Blocks Retained</th>
<th>Grant Date</th>
<th>Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lake Buck</td>
<td>EL 8845</td>
<td>22</td>
<td>5</td>
<td>23 Mar 01</td>
<td>22 Mar 11</td>
</tr>
<tr>
<td>Farrands Hill</td>
<td>EL 9474</td>
<td>10</td>
<td>5</td>
<td>23 Mar 01</td>
<td>22 Mar 11</td>
</tr>
</tbody>
</table>

### 4.0 REGIONAL GEOLOGY (Sewell et al, 2004)

The project area is in the Granites - Tanami Block that forms the basement to the surrounding Birrindudu Basin (Blake et al. 1979). To the west are the Halls Creek Mobile Zone and the Canning Basin; whilst to the east and south are the Wiso Basin and the Arunta Block (which is possibly of similar age and a stratigraphic equivalent to the Granites - Tanami Block). The Granites - Tanami Block contains the Tanami Complex, which hosts the mineralisation at the Tanami and Granites gold mines.

The Tanami Complex is of Early Proterozoic age and comprises meta-sediments and meta-volcanics, which are steeply dipping with a bedding parallel cleavage. Poor exposure and structural complexity have precluded a full understanding of the stratigraphy. The NTGS has remapped the eastern portion of the inlier and erected a stratigraphic, which is broadly correlatable with the Pine Creek and Hall's Creek inliers. Economic gold mineralisation is found in a variety of host rocks, and appears to be related at least partly to geochemical properties of those rocks, rather than a particular stratigraphic age.

At Dead Bullock Soak, the Callie deposit, gold is hosted in a weakly carbonaceous siltstone sequence, the Dead Bullock Formation. At the Tanami Mine gold is hosted by rocks deposited in a younger basin. These comprise a series of pillow basalts and greywackes of the Mount Charles Formation. In the western Tanami on AngloGold tenements, mineralisation is hosted by a sequence of weakly carbonaceous shales, siltstones, micaceous greywackes and sandstones, which have been tentatively assigned to the Killi Killi Formation by AngloGold. The Killi Killi Formation is slightly younger than the Dead Bullock Formation but is part of the same basin fill sequence. The Killi Killi Formation is thought to represent late stage, passive margin basin fill sedimentation. Late Proterozoic and early Carpentarian granites intrude the Tanami Complex. Most of the known gold mineralisation is spatially related to these granites, although a genetic relationship has not yet been proven.

 Cainozoic surficial overburden comprises laterite, calcrete and vein quartz rubble. In addition there is a thin veneer of Quaternary aeolian and alluvial sand. Palaeodrainage channels are well developed in the western Tanami, filled by lacustrine clays and sheetwash sedimentation. Silcrete is locally developed. Where tested by drilling they have a maximum depth of around 40m, but may be deeper elsewhere. These commonly follow the prospective structural grain and inhibit exploration.

Structurally the Block is very complex with multiple phases of deformation and faulting. Two main types of folding have been identified in the Killi Killi Beds. Broad northerly-plunging anticlines and synclines are recognised and east-southeast-trending zones of smaller chevron folds with steep limbs. The chevron folds cut across the broad folds indicating at least two phases of deformation. Both phases have been disrupted by the intrusion of granite. D1 and D2 involve progressive deformation about NW-SE to E-W trending axes. Dextral strike slip reactivation of the Trans Tanami fault during D3 or late D2 resulted in rotation and re-folding of previously folded units to a N-S orientation.

NW-WNW trending strike slip/dip-slip faults (D3) are very prominent and are commonly associated with intense shearing and quartz veining. The structures are possibly related to deep-seated structures in the metamorphic-granitoid Archaean basement, which to the NW define the margin of the Canning Basin on the Lennard Shelf. NE to ENE and N-trending faults are also common and can be related to phases of basin extension and compression during regional tectonism.
The NTGS has identified seven stages of deformation, with the gold mineralisation relatively late and related to a D6 event. Recent dating by AGSO/NTGS of mineralisation also indicates late stage mineralisation. AngloGold has erected a simpler, but broadly similar structural model, with three major deformation events, with mineralisation related to late D2 deformation. Much of the dextral faulting on NW-WNW Trans-Tanami Faults is thought to post-date mineralisation.

5.0 PROJECT GEOLOGY

The majority of the EL 8845 and EL 9474 area is interpreted to be underlain by undifferentiated Kilil Killi Formation (Atk) to the west of a NNW - SSE striking fault and to a minor proportion to the east of that fault by Lower Dead Bullock Formation (Atdf) with a palaeoproterozoic granitoid intrusion (Ag1). No outcrop is found throughout the tenements and most of the area is covered by 0-20m of aeolian sand and recently transported clays.

6.0 BIBLIOGRAPHY


