ANNUAL REPORT

For

EXPLORATION LICENCE 24915

LAKE MACKAY PROJECT

From
23 September 2016 to 22 September 2017

Holder	ABM Resources NL
Operator	Independence Group NL
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Date	20 November 2017
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Target Commodities	Gold, Copper
Datum/Zone	GDA94/ MGA Zone 52
250,000 mapsheet	Mount Rennie (SF52-15)
100,000 mapsheet	Willie, Ehrenberg

Distribution:

- NT DME - digital
- ABM NL - Perth - digital
- Central Land Council - digital
- Independence Group NL - Perth - digital

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1.0 Abstract

The ABM Resources NL (ABM) tenement EL24915 is located approximately 400km WNW of Alice Springs in the western Arunta region. This tenement was granted on 23rd September 2013

Independence Group NL., Perth (IGO) is currently earning in to a joint venture covering this tenement and adjoining tenement applications that encompass ABM's Lake Mackay Project. IGO is currently exploring the Lake Mackay Project for gold and base metals.

All on-ground exploration since the tenement was granted has been conducted by IGO.

Exploration during the reporting period consisted of drilling and geophysics. 18 RC holes were drilled for 3,315m. 6 diamond holes for 2917.4m. Downhole electromagnetic surveys (DHEM) were conducted on 11 RC holes and 6 diamond holes for a total of 4,474m of DHEM. 4.2 line kilometres of moving loop electromagnetic surveys (MLEM) and 1.85 kilometres of fixed loop electromagnetic surveys (FLEM) were completed to the west of the Grapple Prospect. 5,667 line kilometres of aeromagnetic and radiometric surveying was also completed in the reporting period. Petrographic studies were undertaken on drill samples and a geological interpretation of the magnetic data was also completed.

The initial RC drilling of the Grapple Prospect intersected Au, Ag, Cu, Pb, Zn, Bi and Co mineralisation associated with pyrrhotite that was detectable using DHEM. Subsequent MLEM and FLEM surveys detected a continuation of the conductors to the west. The recently completed diamond drilling program confirmed mineralisation is associated with the conductors and has now detected mineralisation over a strike length of 800m and is still open to the west.

2.0 Location, Title History, Physiography and Access

Tenement EL24915 is located 400km west-north-west of Alice Springs on Aboriginal Freehold Land (Figure 1). The tenement was granted on 23 September 2013, approximately 1 month after IGO entered in to an option agreement covering ABM's Lake Mackay Project.

In May 2016, IGO exercised its option to enter into a farm-in and joint venture agreement covering EL24915 and adjoining tenement applications. IGO is entitled to earn a 70% interest in these tenements through the expenditure of $6,000,000 within 4 years.

The majority of the project area is dominated by sandy spinifex plains with thickets of desert oak scattered throughout. An extensive east-west oriented dune field covers 50% of the project area. Stands of scrubby mulga occur in areas with shallow cover.
Access is via the Stuart Highway, Tanami Road and Kintore Road to Sandy Blight Junction, then along the graded road to the north that goes through to Emu Bore and Nyirripi. Temporary access tracks were put in to gain access from the Kantor Road/Central Petroleum turnoff in the south east and from the Sandy Blight Junction-Nyirripi Track to the west.

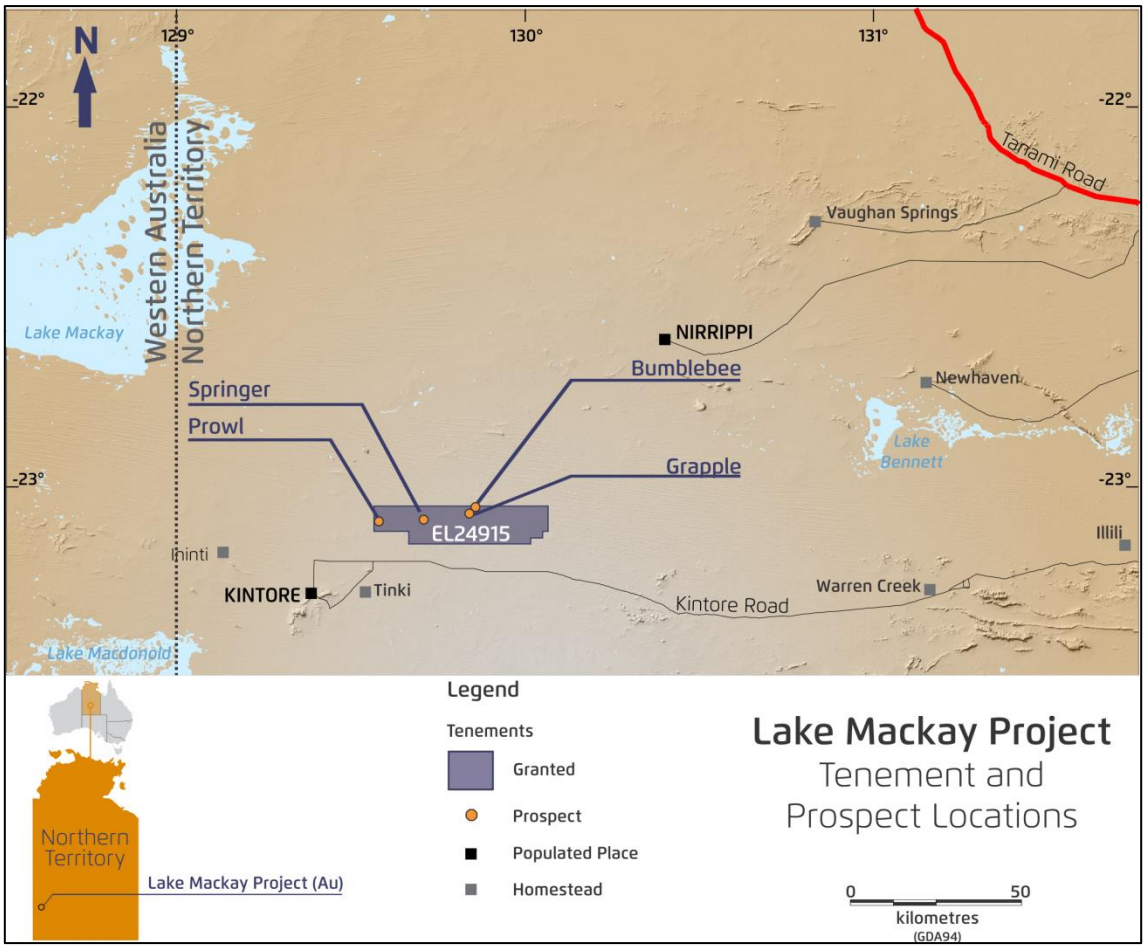

Figure 1: Location of Lake Mackay Project

3.0 Geological Setting, Exploration / Mining History and Exploration Rationale.

EL24915 is situated in the southwestern Aileron Province of the Arunta Region. The tenement is parallel to and lies within 20km and north of the Central Australian Shear (CAS) that forms the boundary between the 1840-1710Ma Aileron Province and the 1690-1660Ma Warumpi Province. (Joly, Denith, Porwal, Spaggiari, Tyler, & McCuaig, 2013). The development of the CAS is thought to have occurred during the oblique accretion of the Warumpi Province to the North Australian Craton during the Liebig Orogeny (1640-1625Ma).

The area comprises strongly deformed and variably metamorphosed siliciclastic sediments which were deposited between 1840Ma 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.

Metamorphosed dolerite sills and pyroxenite intrude the Lander Group within the project area. The sills contain the same folded regional fabric as the enclosing sedimentary rocks and are typically recrystallised to hornblende amphibolite. The Dufaur Suite comprises low-K tholeiites, suggesting emplacement in a thinning crust/extensional environment. The age is unknown, but they may have intruded during the Stafford Event (1820-1795Ma) (Scrimgeour, 2013).

Nyirripi Beds have been identified in the vicinity of the project by NTGS mapping but has not been identified by recent IGO mapping. These are interpreted to be a succession of shale and sandstone that have undergone granulite-facies metamorphism related to the intrusion of the 1635 Ma Andrew Young Igneous Complex. The Nyirripi Beds were originally assumed to be metamorphosed Lander Rock Formation but SHRIMP U-Pb zircon dating of detrital zircons suggests a maximum deposition age of 1790 +/- 12Ma (Scrimgeour, 2013).

Carrington Suite granite has been identified to the north east of the project area and dating returned an age of 1767Ma (Scrimgeour, 2013).

An intrusive suite of rocks within the project area is considered to form part of the Andrew Young Igneous Complex. These rocks comprise coarse augite bearing norite, porphyritic micro-crystalline norite, olivine and K-feldspar bearing norite, biotite bearing olivine Gabbronorite, quartz bearing microdiorite, anorthosite and plagioclase-andradite-clinopyroxene rock. Throughout this area weakly foliated biotite granites are also present and are interpreted to be genetically related to the mafic rocks. A sample of one of these granites returned an age of 1640Ma (Scrimgeour, 2013).

Through regional assessment in 1996, BHPB identified the poorly exposed Andrew Young Igneous Complex (AYIC) as having potential for Cu-Ni mineralisation. Rock chip sampling of Andrew Young Hills in 1997 confirmed the Ni-Cu prospectivity of the Andrew Young Igneous Complex near Lake Bennett. An aeromagnetic survey flown by NTGS in 1998 identified magnetic features consistent with the Andrew Young Igneous Complex were widespread to the south west all the way from Lake Bennett to Sandy Blight Junction, upgrading the Ni-Cu prospectivity of this entire area.

BHPB signed a joint venture with Southern Tanami Exploration who held the prospective ground to the west. BHPB flew a GEOTEM 25Hz survey covering the majority of the prospective ground in 1999. Exploration License 9695 was granted on 14 May 2001.

Several years were taken gaining access to the ground with the Central Land Council. In 2003 ground moving loop EM follow-up was done on 8 sites. In 2004, orientation maglag sampling, ground fixed loop EM and an RC drilling program consisting of 9 holes to test 8 targets for a total of 1062m was completed. Metadolorite and Gabbros in the northern areas were interpreted to be Dufaur Mafic Suite and Pyroxenite rocks in the south were interpreted to be part of the Andrew Young Igneous Complex (Gregory, Merrillees, & Christensen, 2004).

Reconciliation of the targets with downhole EM confirmed that the targets had been intersected in the drilling and that the conductive zones may relate to clays associated with shear zones or faults.

BHPB concluded that the GEOTEM system was an effective screen of the project area for conductive Ni-Cu targets, the best of which have been tested. They subsequently withdrew from the JV the following year.

Figure 2 outlines the previous exploration done in the vicinity of EL24915 by BHPB.

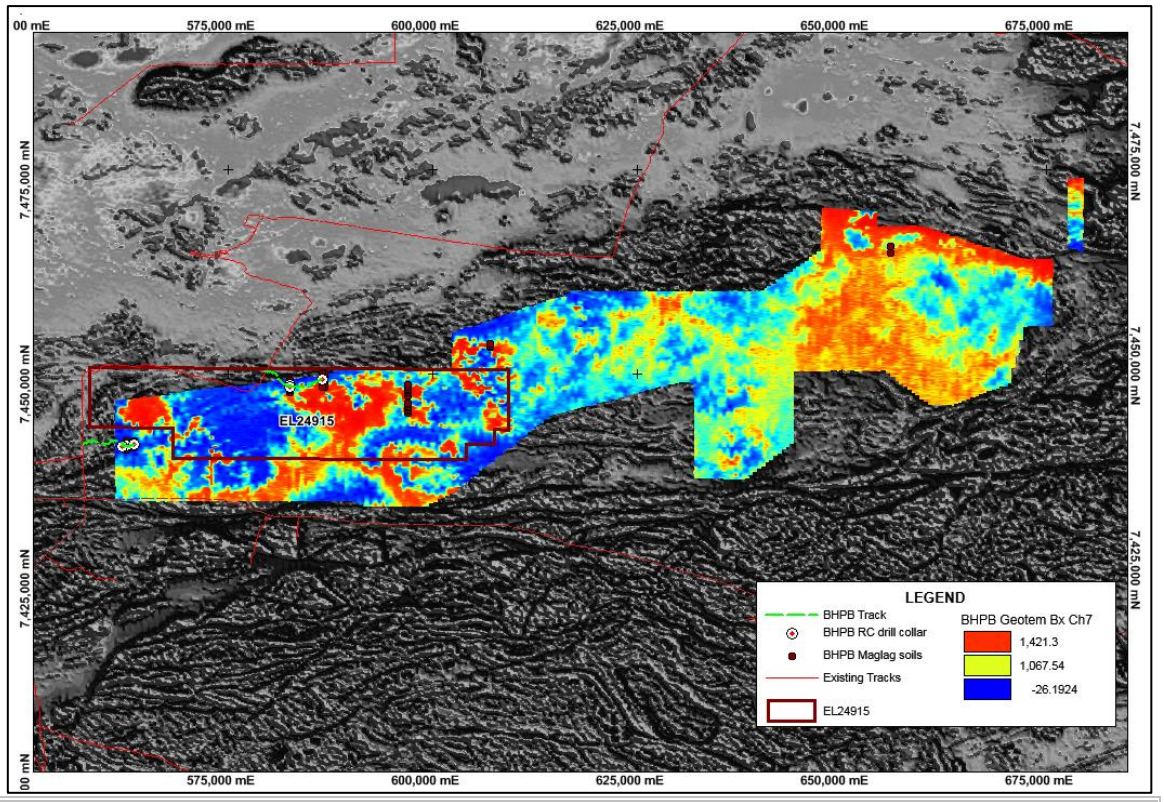

Figure 2: Exploration Conducted by BHPB on Total Magnetic Intensity Reduced To Pole 1st Vertical Derivative

In 2006, Geoscience Australia released a report on the mineral potential of Proterozoic Mafic-Ultramafic Intrusions in the Arunta Region (Miezitis, Jaireth, & Hoatson, 2006). Mineral potential modelling was carried out for three types of orthomagmatic deposits:

- Type 1: Basal segregations of Ni-Cu-Co +/- PGE sulphides in mafic-ultramafic intrusions (e.g. Voiseys Bay, Canada);
- Type 2: Stratabound PGE-bearing sulphide layers in large layered mafic-ultramafic intrusions (e.g.Bushveld Complex); and
- Type 3: Stratabound PGE-bearing sulphide layers in 'Alaskan-type' alkaline-ultramafic intrusions (e.g. Goodnews Bay, Alaska).

The Andrew Young Hills intrusion in the eastern portion of the BHPB project area was used for this review. It was ranked the highest with a level of certainty of moderate to high for Type 1 deposits out of the 15 intrusions that were assessed. It was the only intrusion to get a ranking of 5 (Highest). It received a ranking of 3 for the Type 2 deposits, the second highest rank. Only the Mordor Complex was rated for Type 3.

ABM purchased the Lake Mackay Project tenements including tenement applications from Tanami Gold NL in December 2009. A deed for exploration was negotiated with the CLC for EL24915 and it was granted on 23rd September 2013, approximately one month after IGO had signed an option agreement with ABM covering all of the Lake Mackay tenements.

In 2013, Geoscience Australia released a report called 'Iron oxide-copper-gold potential of the southern Arunta Region'. This identified 10 prospective zones with Zone 3, the area surrounding

the Andrew Young Igneous Complex, identified as the largest zone. It was one of the only zones selected without known copper-gold mineralisation at the time of the report.

In 2013, the Department of Mines and Petroleum in Western Australia released Report 113 "An Integrated Geological and Geophysical Study of the West Arunta Orogeny and its Mineral Prospectivity". This identified the southwestern Aileron Province across the border to be prospective for orogenic gold, intrusive related gold, sedimentary exhalative Pb-Zn-Ag deposits and Uranium (Joly, Dentith, Porwal, Spaggiari, Tyler, & McCuaig, 2013).

IGO targeted the project for orogenic gold. The area was considered to have the same key constituents that were identified in the WA study. Granites of 1770 and 1640Ma age (Carrington and AYIC) which show local gold enrichment in WA. Major deep structures, physical trapping environments and chemical trapping environments were also thought to be present. The west-northwest trend of gold anomalism from regional sampling in WA was parallel to D1 structures and the CAS that continued in to the virtually unexplored Aileron Province in the NT. The reconnaissance soil sampling was designed to test for both gold and base metal mineralisation.

3.1 Year 1 (23 Sep 2013- 31 Oct 2014)

IGO conducted reconnaissance soil sampling of EL24915 in 2014. This involved the collection of 812 soil samples and 6 rock samples. Anomalous results were identified for Au, Cu and Ni within the tenement. Adjoining open ground was pegged covering the majority of the Andrew Young Igneous Complex in December 2014.

3.2 Year 2 (1 Nov 2014- 31 Oct 2015)

In 2015, 1169 soil samples and 89 rock samples were collected within EL24915. This refined the target areas and a first pass drilling program of 5 prospects with Aircore and slimline RC was completed consisting of 89 holes and 2781m.

Mineralisation was identified in 3 of the prospects. Bumblebee had a gold rich base metal style of mineralisation that was considered to have affinities to a lower Fe end member of the IOCG style of deposit (Crawford, 2015), while Springer and Prowl were interpreted to be orogenic gold style.

The Group reporting was withdrawn in 2015 once the other granted tenements that were in the Lake Mackay JV were withdrawn from the agreement; this changes the reporting date from 1 November back to 22 September.

3.3 Year 3 (1 Nov 2015-22 Sep 2016)

Regional mapping of EL24915 was completed in November 2015 and petrography was completed on 18 samples from the mapping program.
Surface sampling consisted of 634 soil samples over anomalous areas from previous sampling and 59 rock chip samples that were collected during the mapping program and soil sampling program.

MLEM was completed over the Bumblebee Prospect and 7 additional soil anomalies within EL24915. A total of 90.8 line km was collected.

A total of 10 holes were drilled for a total of 1380.5m. This involved 7 holes at Bumblebee Prospect, 1 hole at Springer Prospect and 2 water bores. Water was intersected in one water bore and it was established as RN19124.

DHEM was conducted on 8 holes that were drilled in the reporting period - 7 at Bumblebee and 1 at Springer.

4.0 Exploration Index Map

The Exploration Index Map is included as Appendix 1, Sheet 1.

5.0 Geological Activities and Office Studies

A geological interpretation of the aeromagnetic survey was completed to improve the understanding of the controls on mineralisation within EL24915. The TAB files and Sheet 2 are provided in Appendix 2. Petrography and lithogeochemistry reports were completed for Bumblebee, Springer and Grapple Prospects. These are also in Appendix 2.

6.0 Remote Sensing

No remote sensing data was collected in the reporting period.

7.0 Geophysical Activities

An aeromagnetic and radiometric survey was conducted over the entire EL24915 tenement as part of a co-funded project wide survey at 200m spaced flight lines. The part of the survey covering EL24915 was infilled to 100m spaced lines. 5,158.5 line km's of data was collected.

DHEM was completed on 11 holes from the RC drilling program completed in late 2016. 10 of these were from the Grapple Prospect and 1 from the Springer Prospect.

MLEM surveying was completed over the western extension of the Grapple Prospect because the DHEM from the RC drilling had identified westerly plunging conductors coincident with the mineralised pyrrhotite breccia sulphides. This aided in the planning of the diamond drilling that was conducted in August-September 2017. Once the DHEM Loop was positioned a Fixed Loop Electromagnetic survey was also conducted to the west of the Grapple Prospect to improve the resolution of the conductors.

The six diamond drill holes had DHEM conducted and identified conductors coincident with the mineralisation.

All geophysical data is provided in Appendix 3.

8.0 Surface Geochemistry

No surface sampling was completed in the reporting period.

9.0 Drilling

Two drilling programs were completed in the reporting period. An RC program consisting of 11 holes at the Grapple Prospect, 3 holes at the Springer Prospect and 4 holes at the Prowl Prospect for a total of 3,315m in October-November 2016 and a diamond drilling program of 6 holes at the Grapple Prospect for a total of 2917.4m in August-September 2017. Collar locations are provided in Table 1.

The RC drilling program of 11 holes at the Grapple Prospect confirmed mineralisation associated with pyrrhotite rich sulphide breccias that were detectable using surface and downhole EM methods.

The initial hole drilled at Springer (16SPRC002) began lifting and was going to miss the MLEM plate so it was abandoned. The second hole (16SPRC003) clipped the top of the MLEM generated plate and intersected a narrow zone of pyrrhotite that was not elevated in base or precious metals. The remaining drilling at Springer and Prowl were testing mineralised Au zones identified from previous aircore drilling. This failed to upgrade these prospects.

Diamond drilling was undertaken at the Grapple Prospect in August-September 2017 to follow up on the encouraging results that were returned from the previous RC drilling campaign. The objectives were to collect core through the centre of the mineralisation so that a better understanding of the relationship between the mineralisation and the host rocks could be obtained, and to test the size potential of the prospect. Holes were collared with HQ and reduced to NQ when the ground became competent.

9.1 Sampling and Processing Protocols

Drilled core was stored in plastic core trays at the drill rig and transported back to the IGO camp for core mark up and orientation as well as geological and geotechnical logging prior to being transported to Alice Springs.

The core was quartered (HQ) or halved (NQ) in Alice Springs by XM logistics personnel and sampled for assay (in maximum 1m and minimum 0.5m sample lengths). An internal IGO standard and blank were inserted every 50 samples for QA/QC purposes.

RC drilling was geologically logged on metre intervals with 4m composite samples collected for assay. One metre assay samples were collected from intervals displaying evidence of stronger alteration or visual mineralisation. A Fugro RT-1 magnetic susceptibility meter was used for collecting readings throughout the RC drilling campaign. Measurements were collected from the 4m composite samples. The magnetic contrast identified the amphibolites from the metasedimentary units. Mineralised intervals were the most magnetic due to the pyrrhotite associated with the mineralisation.

Samples selected for assay were prepared at Genalysis in Alice Springs and then forwarded to Maddington in Western Australia for analysis. Each sample (excluding standards) was crushed and pulverised. All diamond core and 1m RC samples were subject to a four-acid digest with an optical emission spectrometry (OES) finish. Gold was additionally determined by fire assay (FA) using a 25g charge. All RC samples were subject to AR with a mass spectrometry (MS) finish. Detection limits for each element are summarised in Table 2 below.

Table 1: RC and Diamond Collar Location Data

Hole ID	Drill Hole Type	Easting (GDA94 Zone 52)	Northing (GDA94 Zone 52)	RL (m)	Azimuth (GDA 94)	Dip (degrees)	Total Depth (m)	Prospect
16GRRC001	RC	586300	7449124	480	360	-60	208	Grapple
16GRRC002	RC	587105	7449145	487	360	-60	196	Grapple
16GRRC003	RC	586098	7449066	483	355	-60	220	Grapple
16GRRC004	RC	587122	7449144	487	360	-70	214	Grapple
16GRRC005	RC	586104	7449037	482	360	-60	181	Grapple
16GRRC006	RC	586501	7449198	484	360	-60	244	Grapple
16GRRC007	RC	586198	7449178	482	181	-60	178	Grapple
16GRRC008	RC	586289	7449167	483	175	-60	130	Grapple
16GRRC009	RC	586196	7449203	482	180	-60	160	Grapple
16GRRC010	RC	586103	7449185	482	180	-60	184	Grapple
16GRRC011	RC	586000	7449176	481	180	-60	214	Grapple
16PRRC001	RC	559252	7445700	465	315	-60	154	Prowl
16PRRC002	RC	559298	7445650	466	315	-60	154	Prowl
16PRRC003	RC	559350	7445599	467	315	-60	154	Prowl
16PRRC004	RC	559405	7445545	467	315	-60	208	Prowl
16SPRC002	RC	572325	7447137	468	135	-60	76	Springer
16SPRC003	RC	572318	7447148	468	135	-60	232	Springer
16SPRC004	RC	572851	7446948	470	135	-60	208	Springer
17GRDD001	Diamond	585895	7449220	480	173	-60	426.7	Grapple
17GRDD002	Diamond	585700	7449220	480	174	-61	450.6	Grapple
17GRDD003	Diamond	586090	7449265	480	175	-61	477.8	Grapple
17GRDD004	Diamond	585701	7449227	480	175	-63	489.9	Grapple
17GRDD005	Diamond	585995	7449250	480	172	-59	432.7	Grapple
17GRDD006	Diamond	585500	7449240	480	172	-63	639.7	Grapple

Table 2: Summary of Analytical Methods used for RC and Diamond Drilling

Sample Type	Digest (Lab Code)	Finish (Lab Code)	Element (Detection Limit)
Diamond and 1m Reverse Circulation	Four Acid (4A)	Inductively coupled plasma optical emission spectrometry (OE33)	Ag (0.5ppm), Al (50ppm), As (10ppm), Ba (2ppm), Bi (5ppm), Ca (50ppm), Cd (0.5ppm), Ce (20ppm), Co (1ppm), Cr (5ppm), Cu (1ppm), Fe (100ppm), K (20ppm), La (20ppm), Li (1ppm), Mg (20ppm), Mn (1ppm), Mo (2ppm), Na (20ppm), Ni (1ppm), P (50ppm), Pb (5ppm), S (50ppm), Sb (5ppm), Sc (1ppm), Sn (5ppm), Sr (1ppm), Te (5ppm), Ti (5ppm), Tl (5ppm), V (1ppm), W (5ppm), Zn (1ppm)
	25g Lead Collection Fire Assay (FA25)	Inductively coupled plasma optical emission spectrometry (OE04)	Au (1ppb)
4m composite Reverse Circulation	10g Aqua Regia (AR10)	Inductively coupled plasma mass spectrometry (MS33)	Au (1ppb), Ag (0.05ppm), Al (20ppm), As (1ppm), B (10ppm), Ba (1ppm), Bi (0.05ppm), Ca (100ppm), Cd (0.05ppm), Ce (0.01ppm), Co (0.1ppm), Cr (1ppm), Cu (1ppm), Fe (10 ppm), K (20ppm), La (0.01ppm), Mg (100ppm), Mn (1ppm), Mo (0.1ppm), Na (100ppm), Ni (1ppm), P (20ppm), Pb (0.5ppm), S (500ppm), Sb (0.05ppm), Sc (1ppm), Sr (0.2ppm), Te (0.1ppm), Ti (5ppm), Tl (0.05ppm), V (2ppm), W (0.1ppm), Zn (1ppm)

9.2 Drilling Results

The dominant lithologies intersected in the drilling at Grapple, Springer and Prowl include a sequence of metasediment derived gneisses, muscovite-quartz schist and amphibolites. Significant mineralisation was intersected at the Grapple Prospect. The best results were from 17GRDD001 (Figure 3). All drilling data is provided in Appendix 4.

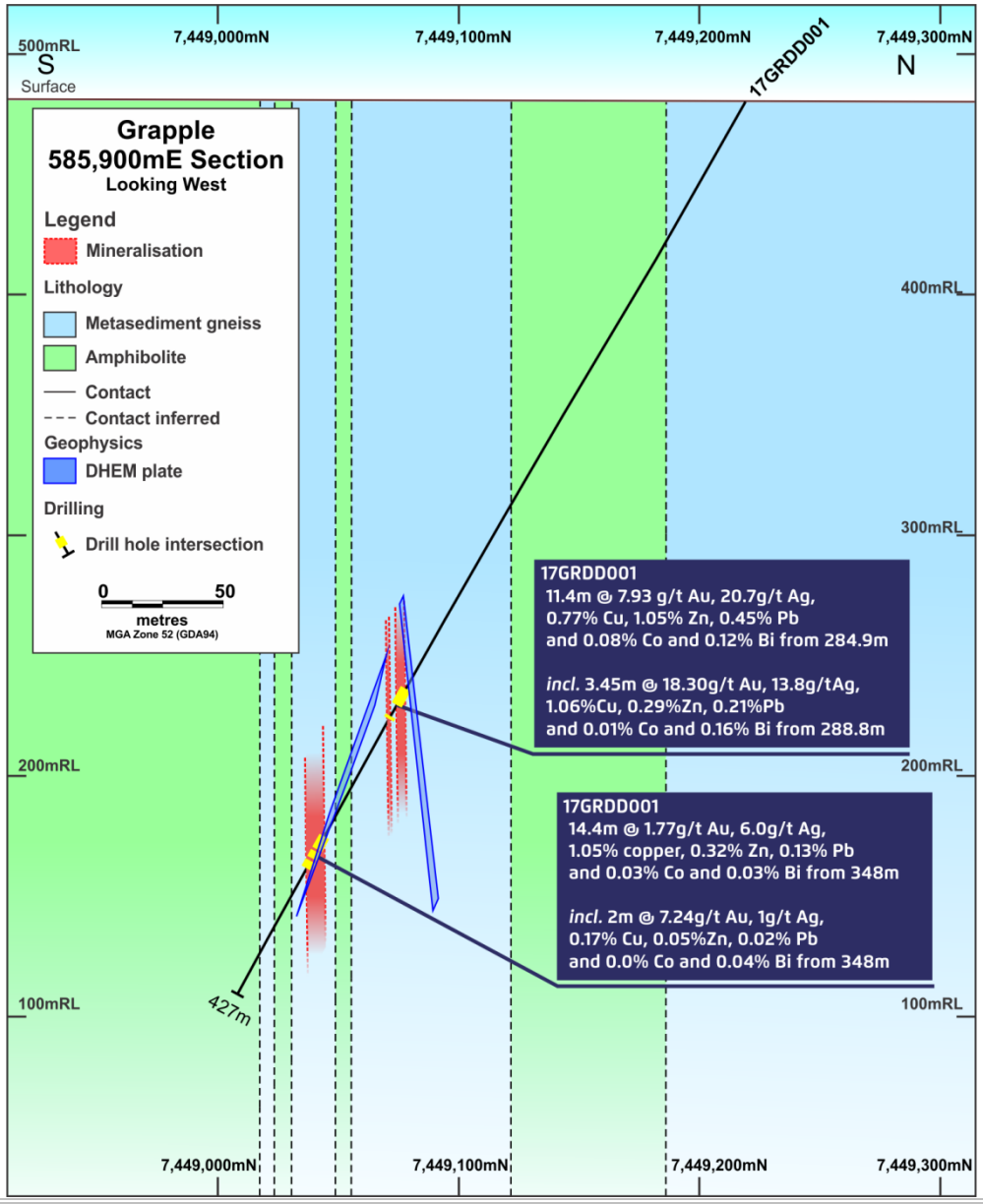

Figure 3: Interpreted Geology of cross section 585900E at the Grapple Prospect

9.3 Mineralisation

Mineralisation intersected in drilling during the reporting period was significant at the Grapple Prospect. (Table 3). The mineralisation is a pyrrhotite dominant sulphide breccia with minor chalcopyrite-sphalerite-galena.

Table 3: Mineralised (>1g/t Au) Intercepts from RC and Diamond Drilling

Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Cu %	Zn %	Pb %	Bi ppm	Co ppm
16GRRC001	21	27	6	1.61	1.5	0.14	0.10	0.01	91	346
16GRRC003	71	74	3	4.81	20.7	0.96	0.77	0.55	472	371
16GRRC003	85	92	7	2.22	59.2	3.88	4.46	1.32	944	3256
16GRRC003	95	96	1	1.71	58.1	4.48	3.55	1.26	1023	1494
16GRRC003	99	100	1	1.96	18.8	1.62	1.36	0.32	651	3742
16GRRC003	152	153	1	4.06	59.5	0.89	2.20	1.39	1423	412
16GRRC005	151	152	1	1.89	39.4	0.55	0.09	0.86	684	307
16GRRC005	165	166	1	1.81	15.9	0.72	1.58	0.30	397	1454
16GRRC007	38	44	6	8.98	23.5	1.45	1.40	0.26	702	1466
16GRRC007	72	75	3	4.96	11.9	1.91	0.60	0.09	458	495
16GRRC008	22	23	1	1.19	5.1	0.88	0.41	0.43	310	1431
16GRRC008	57	58	1	4.14	9.8	1.14	0.44	0.16	454	1061
16GRRC009	69	72	3	2.02	15.6	1.71	0.61	0.19	174	5971
16GRRC009	112	113	1	1.15	27.0	1.35	0.78	0.34	295	86
16GRRC009	117	119	2	4.51	40.9	1.16	1.51	0.77	800	1593
16GRRC010	116	123	7	6.57	9.8	1.47	0.38	0.15	1374	597
16GRRC010	127	130	3	2.60	72.6	0.24	0.05	2.70	877	91
17GRDD001	286.2	296.3	10.1	8.92	22.0	0.74	1.12	0.45	1408	700
17GRDD001	348	352.8	4.8	3.39	3.3	0.48	0.10	0.05	296	135
17GRDD001	356.8	361.8	5	1.28	5.6	1.42	0.28	0.09	355	134
17GRDD002	342.6	343.1	0.5	2.56	48.4	0.44	0.55	1.28	783	607
17GRDD002	346	346.5	0.5	1.29	8.5	0.05	0.63	0.20	301	368
17GRDD003	149.5	151	1.5	4.07	1.4	0.41	0.10	0.00	172	150
17GRDD003	214	215	1	1.22	5.6	0.84	1.64	0.11	151	200
17GRDD003	364.9	365.9	1	1.14		0.00	0.00	0.01	1454	1
17GRDD004	382	382.8	0.8	2.83	10.7	3.07	0.50	0.18	604	589
17GRDD005	289.4	291	1.6	1.38	0.9	0.65	0.05	0.00	97	430
17GRDD005	377.7	378.3	0.6	2.26	0.5	0.47	0.00	0.00	797	1256

Figure 4: Pyrrhotite-chalcopyrite sulphide breccia from lower lens in 17GRDD005

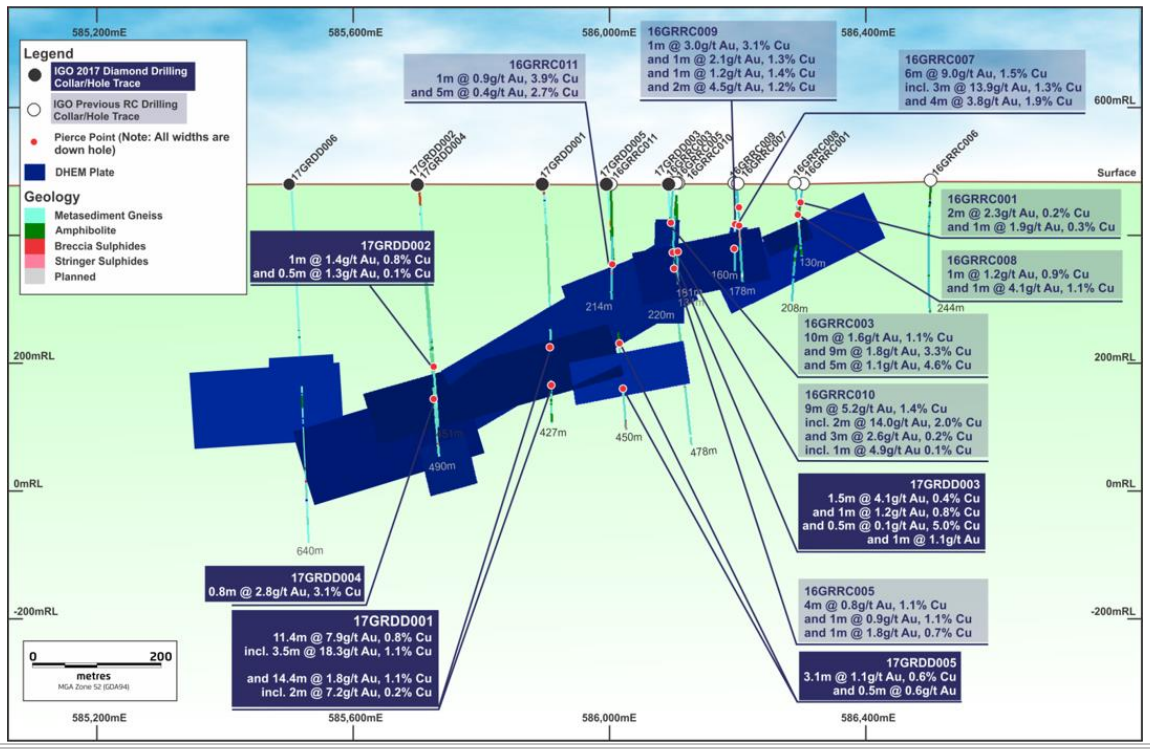

Figure 5: Long section projection of Grapple Prospect looking north showing drilling and EM plates. Mineralisation >1% Cu or >1 g/t Au are displayed.

10.0 Conclusion and Recommendations

Exploration completed during the reporting period appears to have downgraded the Grapple Prospect and other known prospects within EL24915. Although high grade mineralisation was identified at Grapple, the subsequent drilling has identified that the down-dip extent of the mineralisation is quite narrow, although it is still open down plunge to the west.

Tenements surrounding EL24915 have recently been granted and this will allow a regional exploration program to be initiated to detect additional Grapple style targets. This will involve airborne electromagnetic surveys that will test prospective areas of EL24915 that were not effectively tested by the soil sampling due to transported cover. Targets that are generated from the airborne survey will have MLEM conducted and then priority conductors will be drill tested.

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