

ASX ANNOUNCEMENT / MEDIA RELEASE**ASX:ABU**

17 April 2018

ABM and Ark Mines sign Agreement for the Old Pirate Project

HIGHLIGHTS

- **Fully executed deal adds \$2.2M to ABM's \$7.7M available cash for exploration**
- **In addition, Ark to pay to ABM a 2.5% NSR for gold sales exceeding \$5M**
- **Ark and ABM to negotiate an operator agreement (Operator Agreement) for the Old Pirate Project area within 60 business days for a 10-year period**
- **Option to purchase the Old Pirate Project for an additional \$500,000**
- **Exclusive option for 60 business days to negotiate an agreement for Buccaneer**

Matt Briggs, managing director of ABM said: "After a competitive and lengthy process, Ark has provided the most attractive terms for ABM and it has the experience in the scale of mining required to make the project a success."

"The Old Pirate Project requires intense geological and mining study to be successful. ABM is aggressively exploring its portfolio of large scale gold targets in the Tanami Region and when the potential of the targets currently being drilled is compared to the small scale of Old Pirate, the high holding costs are no longer justified without an imminent intention to mine. A fully executed deal adds \$2.2M to the \$7.7M¹ cash available to aggressively test these targets and ABM retains exposure to future project upside and cash flows through a 2.5% net smelter royalty."

Letter Agreement Terms

Condition precedent

- Ark to pay a non-refundable deposit of \$50,000 within seven business days

Terms and Conditions of the Letter Agreement:

- Negotiation of a 10-year Operator Agreement within 60 business days of the Letter Agreement
- Operator Agreement to commence on receipt of all lawfully required consents (Commencement Date)
- Ark to pay ABM the sum of \$200,000 within 14 business days of the Commencement Date
- Ark to reimburse ABM all ML holding costs on a pro-rata basis, backdated to the execution of the Letter Agreement, within 14 business days of the Commencement Date
- Ark to replace all \$1.7M bonds over the ML upon Northern Territory Department of Industry and Resources approval of a Mine Management Plan (MMP) for the Old Pirate Project Area
- Ark to reimburse ABM \$201,412 for rehabilitation within 14 business days from MMP approval

¹ 13 March 2018

- Ark to pay all ongoing holding costs and lease expenditure from the Commencement Date
- Ark to pay to ABM a 2.5% NSR for gold produced from the Project Area for any gold sales from the Project Area exceeding the first \$5M
- Following the Commencement Date, Ark may purchase the Old Pirate Project at any time for a consideration of \$500,000
- Ark may elect to reduce the ML area to the Old Pirate Project area after an initial 12 month period following the execution of the Letter Agreement, at which point ABM will have the option to agree to reduce the ML area or split the ML

Buccaneer Option:

- Ark may exclusively negotiate a purchase and sales agreement for the Buccaneer deposit within a period of 60 business days from the execution of the Letter Agreement

About the Old Pirate Mineral Resource

Between March 2015 and March 2016, ABM operated five small open pits at Old Pirate with a total of 155,357 tonnes of ore grading 5.9g/t gold mined and processed to produce 29,376 ounces of gold.

Following the completion of mining, CSA Global were engaged to prepare an independent estimate of remaining Mineral Resources at Old Pirate in accordance with the 2012 Edition of the JORC Code (ASX announcement 19 August 2016). CSA Global's Mineral Resource estimate for Old Pirate is 760,000 tonnes at an average grade of 4.7g/t gold for 114,900 ounces of contained gold, classified as Indicated and Inferred Resources, as detailed in Table 1 below.

Table 1: Old Pirate Mineral Resource Estimate by Classification and Domain (Au > 1g/t)

Domain	Classification	Tonnes	Grade (g/t)	Contained Ounces
Western Limb	Indicated	10,000	7.5	3,000
	Inferred	280,000	5.5	49,700
Central	Indicated	20,000	3.1	2,400
	Inferred	420,000	4.2	56,300
East	Indicated	5,000	7.6	500
	Inferred	10,000	4.9	1,600
Golden Hind	Indicated	5,000	3.5	500
	Inferred	5,000	4.1	900
Sub-Total	Indicated	40,000	4.6	6,500
	Inferred	720,000	4.7	108,500
Total	Indicated + Inferred	760,000	4.7	114,900

Note: Totals may vary due to rounding

Signed



Matt Briggs
Managing Director

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About ABM Resources

ABM is an established gold exploration company with a successful track record of discovery in one of Australia's premier gold mining districts. The Company owns gold resources and extensive prospective land holdings in the Central Desert region of the Northern Territory. The Company leadership has implemented a strategy of aggressive cost management initiatives and is developing a disciplined, tightly focused exploration strategy. Activities are currently focused on the Company's underexplored 21,000km² Tanami Project area¹ and includes:

- Systematic evaluation of high potential early stage targets
- Drilling of advanced prospects on the Suplejack Project
- Assessment of existing resources and
- Exploring opportunities for joint ventures and divestment of early stage targets

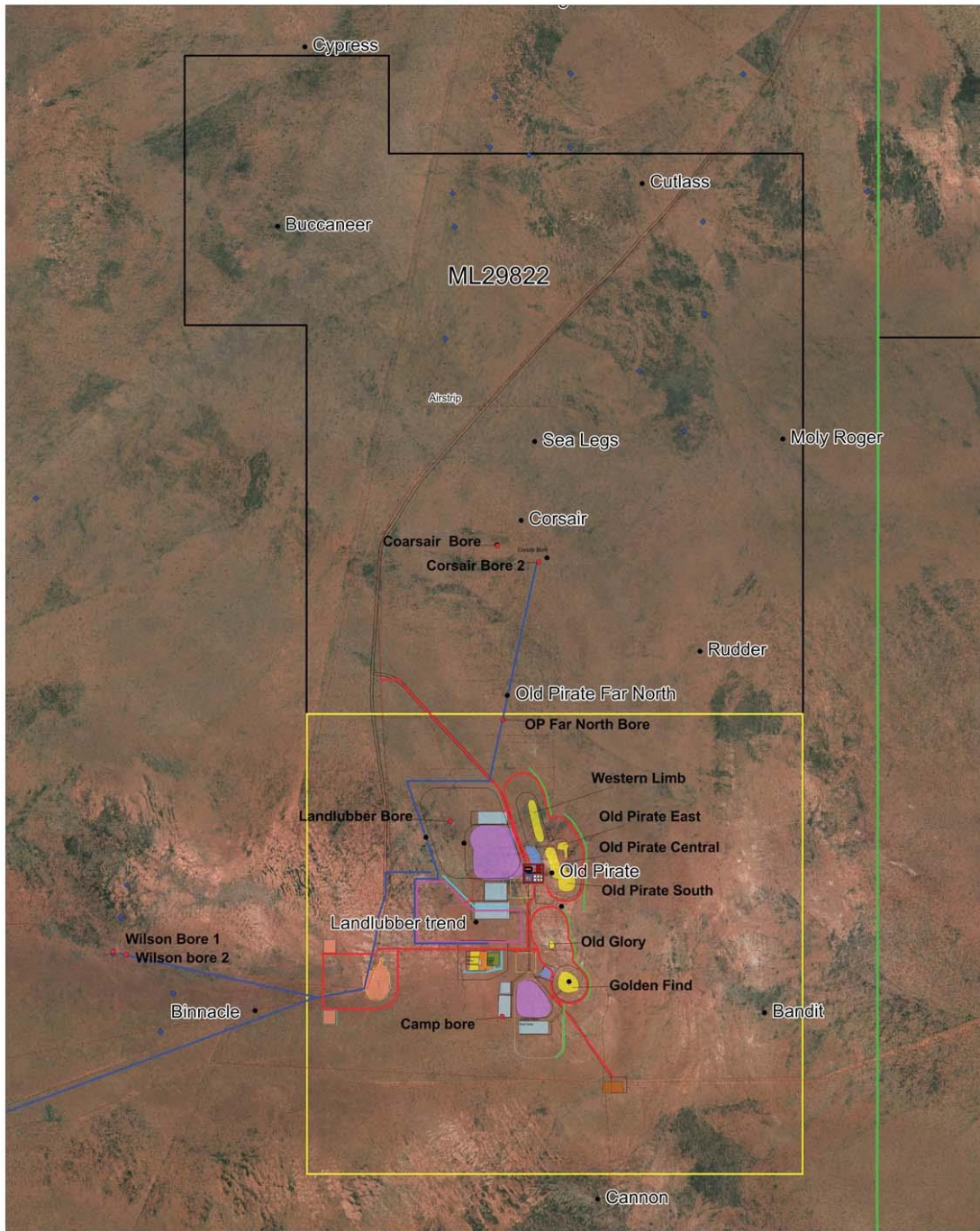
Competent Person Statement

ABM Resource NL confirms that it is not aware of any new information or data that materially affects the information included in the market announcement and that all material assumptions and technical parameters underpinning the estimates included in referenced previous market announcements continue to apply and have not materially changed.

¹ Area managed by ABM excluding the Lake Mackay JV and North Arunta Projects

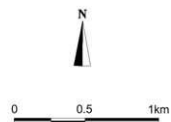
Appendix 1: Old Pirate Project Area

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Legend

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|-------------------------|----------------------|---|
| ● ABM Prospects | — Pipelines | ■ Mine Pits |
| ● ABM Bores 2012 | — Pipelines | ■ Waste Dumps |
| ◆ Newmont RAB Bores | ■ Mining Area | ■ Dam |
| ■ Sublease | ■ ROM | ■ Topsoil/Sandstone/Pisolite Stockpiles |
| ■ EL28322 | ■ Waste Dump | ■ ROM |
| ■ ABM Tenements Granted | ■ Topsoil Stockpile | ■ Explosive Magazine |
| | ■ Leach Pond | ■ Bulk Sample Processing Area |
| | ■ Landfill Burn Area | ■ Wilson's Camp |
| | ■ Plant | |



TWIN BONANZA
INFRASTRUCTURE MAP