

ASX ANNOUNCEMENT / MEDIA RELEASE

ASX:ABU

8 May 2018

## Heads of Agreement with Newcrest Mining for Euro Project in Tanami

### Highlights:

- **Non-binding Heads of Agreement signed with Newcrest Mining on ABM’s highly prospective Euro Project in the Northern Territory**
- **Newcrest to sole fund up to \$12M over seven years to ultimately earn up to a 75% interest in the project**
- **Project area hosts key targets along strike or parallel to the Trans-Tanami Trend which have seen limited or no previous exploration**
- **The HOA is consistent with ABM’s strategy to retain a 100% interest in its highest priority projects and attract high quality partners to other prospective areas**

ABM Resources NL (“ABM” or “Company”) is pleased to announce that it has entered into a non-binding Heads of Agreement (“HOA”) with a subsidiary of Newcrest Mining Ltd (“Newcrest”) to advance exploration on the Euro Project (“Project”) in the Northern Territory. The HOA covers ABM’s tenements and tenement applications at the Euro project, adjacent to The Granites mine and Oberon deposit.

Matt Briggs, managing director of ABM said: “Newcrest’s entry into the Tanami Region of the Northern Territory supports our belief this area will yield Australia’s next major gold discoveries. Combining our technical skills to direct a major new exploration program will help accelerate discovery in the Region.”

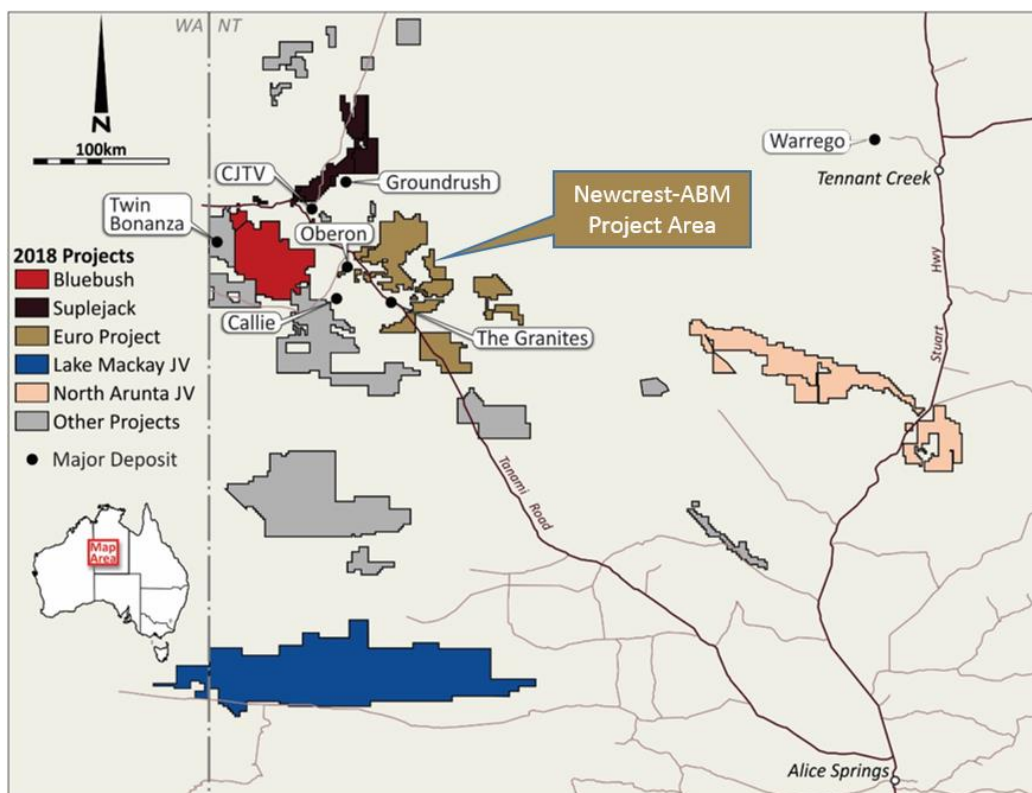


Figure 1. Euro Project Agreement area and ABM’s broader 100%-owned Tanami projects and JVs.

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## Euro Project Agreement Terms

### HOA terms:

- Parties to negotiate a binding farm-in and joint venture agreement (Farm-in Agreement) within two months of signing the HOA
- Satisfactory due diligence by Newcrest in respect of ABM and the tenements (Appendix 1)
- Exclusive negotiations over the tenements during the HOA period

### Earn-in period:

- Stage 1: Newcrest can earn a 51% interest in the Project by spending \$6 Million on exploration on the Project over a period of four years
- Newcrest may withdraw during Stage 1 after spending a minimum \$2 Million
- Stage 2: Newcrest may elect to increase its stake to 75% by spending an additional \$6 Million on exploration within three years from electing to commence Stage 2

### Joint Venture commencement at the earlier of:

- Newcrest earning a 75% interest in the Project; or
- Newcrest electing to cease to sole fund exploration expenditure after earning a 51% interest in the Project

### Following the Commencement of the Joint Venture ABM can elect to:

- Co-fund all future exploration and development; or
- Dilute its interest and convert to a 1.5% net profit royalty if the interest dilutes to 10% or below



Figure 2. Flat topography with minimal areas of outcrop at the Euro Project.

### **About the Euro Project Area**

The Euro project area covers ~3,478 square kilometres of exploration licences and applications in the Tanami Region of the Northern Territory. The project is along strike of, or contains structures parallel to, the Trans-Tanami Trend which is the regional control of major gold deposits in the area, including Newmont Mining's Callie Gold mine.

The land surface is generally flat with a thin covering of windblown sand over variable thicknesses of transported Quaternary sediments. Laterite exposures form low rises. There are minor outcrops of underlying rocks, however outcrop is limited to less than 2% of the project area.

Previous exploration has primarily been soil sampling and patchy reconnaissance drilling with 10 of the 17 tenements in the project having no drilling in the last 20 years. The shallow veneer of transported sand covering 90% of the area and the limited previous work has resulted in the area remaining untested or ineffectively tested. The majority of the project area has been subjected to no exploration as the early focus shifted to the Titania/Oberon and Ptilotus discoveries. Strike extensions or potential repeats of these deposits exist within the project area.

Signed



**Matt Briggs**  
**Managing Director**

### **About ABM Resources**

ABM has a unique greenfields and brownfields exploration portfolio in the proven multi-million ounce Tanami Gold district. An aggressive program for 2018 will continue to build on 2017 successes by:

- drilling targets at the Bluebush Project, including the Capstan 8km long bedrock gold anomaly
- drilling of extensions to the 15.3Mt @ 2.1g/t for 1.0Moz of shallow gold Resources<sup>1</sup>
- systematic evaluation of high potential early stage targets
- joint ventures to expedite discovery on other targets

*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.*

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<sup>1</sup> ASX Announcement 5 September 2017 – 2017 Annual Report to Shareholders

**Appendix 1 - Agreement Tenement Schedule**

Tenement Number	Status
EL25845	Granted
EL26590	Granted
EL26591	Granted
EL26592	Granted
EL26593	Granted
EL26613	Granted
EL26615	Granted
EL26618	Granted
EL26620	Granted
EL26621	Granted
EL26622	Granted
EL26673	Granted
EL27604	Granted
EL30271	Application
EL30272	Application
EL30273	Application
EL30283	Application

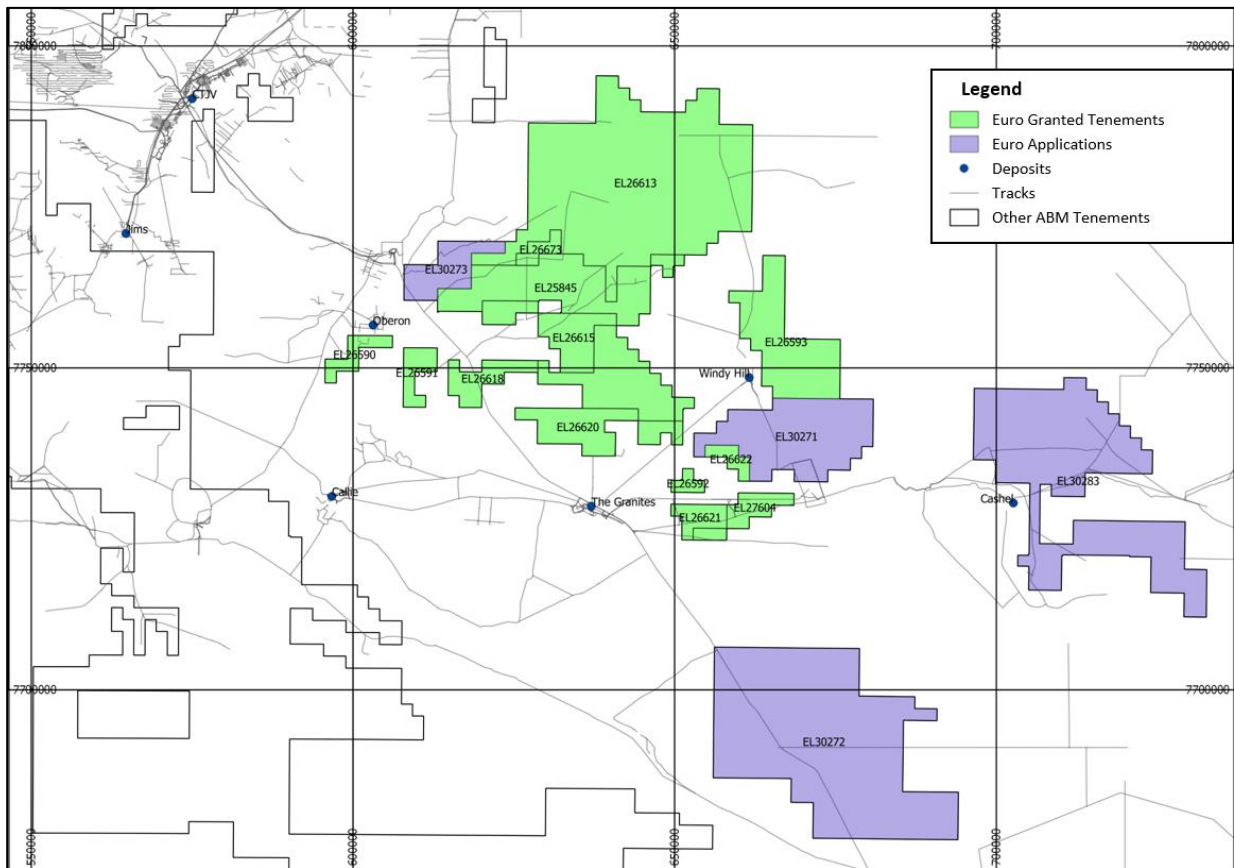


Figure 3. Euro Project tenements

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