

17 April 2023

518,000oz Maiden Mineral Resource for Abercromby Gold Project

BMG delivers first Mineral Resource for Abercromby at the Capital Deposit to underpin project's potential to deliver significant value

HIGHLIGHTS

- Major Abercromby Project milestone with maiden Mineral Resource for Capital Deposit of **11.1Mt @ 1.45 g/t Au for 518koz Au** (0.4g/t and 1.25g/t cut-offs for open pit and underground zones respectively)
 - Open Pit area: 354koz @ 1.17g/t Au (>0.4g/t Au between surface and 200mbs)
 - Underground area: 164koz @ 3.09g/t Au (>1.25g/t Au between 200 and 500mbs)
 - 353koz (68%) Au Indicated and 165koz (32%) Au Inferred (using resource constraint above)
 - 345koz in oxide and transitional material, 173koz in fresh material
 - Higher grade component of the resource is 430koz @ 2.01g/t Au at a 1.0g/t lower cut-off
 - Low \$8.35/oz discovery cost
- Abercromby is on granted mining leases providing an expedited pathway to mining approvals
- Capital Deposit has open pit potential, with mineralisation starting from near surface extending at depth and along strike beyond Mineral Resource footprint

Gold and lithium explorer BMG Resources Limited (ASX: BMG) (BMG or Company) is pleased to announce a maiden Mineral Resource of **11.12Mt @ 1.45 g/t Au for 518koz Au** for the Capital Deposit, part of its Abercromby Gold Project in the Wiluna-Agnew region of Western Australia.

The maiden Mineral Resource, combined with metallurgical work that confirmed the orebody as free milling across all zones¹, is a strong indicator of the potential for a straight-forward open-pit mining operation.

BMG will now commence development studies alongside high-impact expansion drilling to further convert Inferred resources to the higher-confidence Indicated category. BMG is also preparing for further exploration activities across the Abercromby Project area to test large regional gold anomalies to the south, which could deliver further Capital-style discoveries.

BMG Resources Managing Director Bruce McCracken said:

"This large maiden Mineral Resource at Abercromby, delivered at a discovery cost of just \$8.35 per ounce, is a step-change in value for BMG. Through efficient use of exploration spend across three major drilling campaigns, BMG has shifted from pure explorer to potential developer with a large resource base and huge potential for further growth."

"Abercromby now has a metric for valuation that BMG can use to quantitatively demonstrate to the market its success in leveraging value from the drill bit."

"Abercromby is well located for development. The potential to monetise the project in a rapidly appreciating gold price environment, underpinned by this maiden resource for the Capital Deposit, places BMG in an enviable position as we continue to pursue sustained, long-term shareholder value."

¹ refer 6 February 2023 ASX Announcement "High Gold Recoveries – Abercromby Metallurgical Test Work"

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The Abercromby Gold Project

The Abercromby Gold Project is located on the Wiluna Greenstone Belt, one of Western Australia’s most significant gold-producing regions with a gold endowment of +40Moz Au – second only to Kalgoorlie globally in terms of historic production.

The geology at Abercromby is favourable for gold mineralisation, with drilling having intersected multiple thick intervals of high-grade gold mineralisation confirming the presence of a large, high-grade gold system. BMG holds 100% of Abercromby, which comprises the gold and other mineral rights (ex-uranium) of two granted mining leases (M53/1095 and M53/336). The mining leases provide for an expedited development pathway for the Company to secure mining approval.

Since acquiring the project in mid-2020, BMG has completed three reverse circulation and diamond drill programs primarily targeting the high-priority Capital Deposit. The Capital Deposit sits within the northern third of Abercromby’s 12km² project area.

In parallel to the drill program, BMG has completed metallurgical test work on core samples from the Capital Deposit which confirmed its free-milling status and therefore amenability to conventional carbon-in-leach (CIL) processing, with high gold recoveries achieved. See our ASX announcement dated 6 February 2023 “High Gold Recoveries – Abercromby Metallurgical Test” for full discovery of the outcomes of the metallurgical test work.

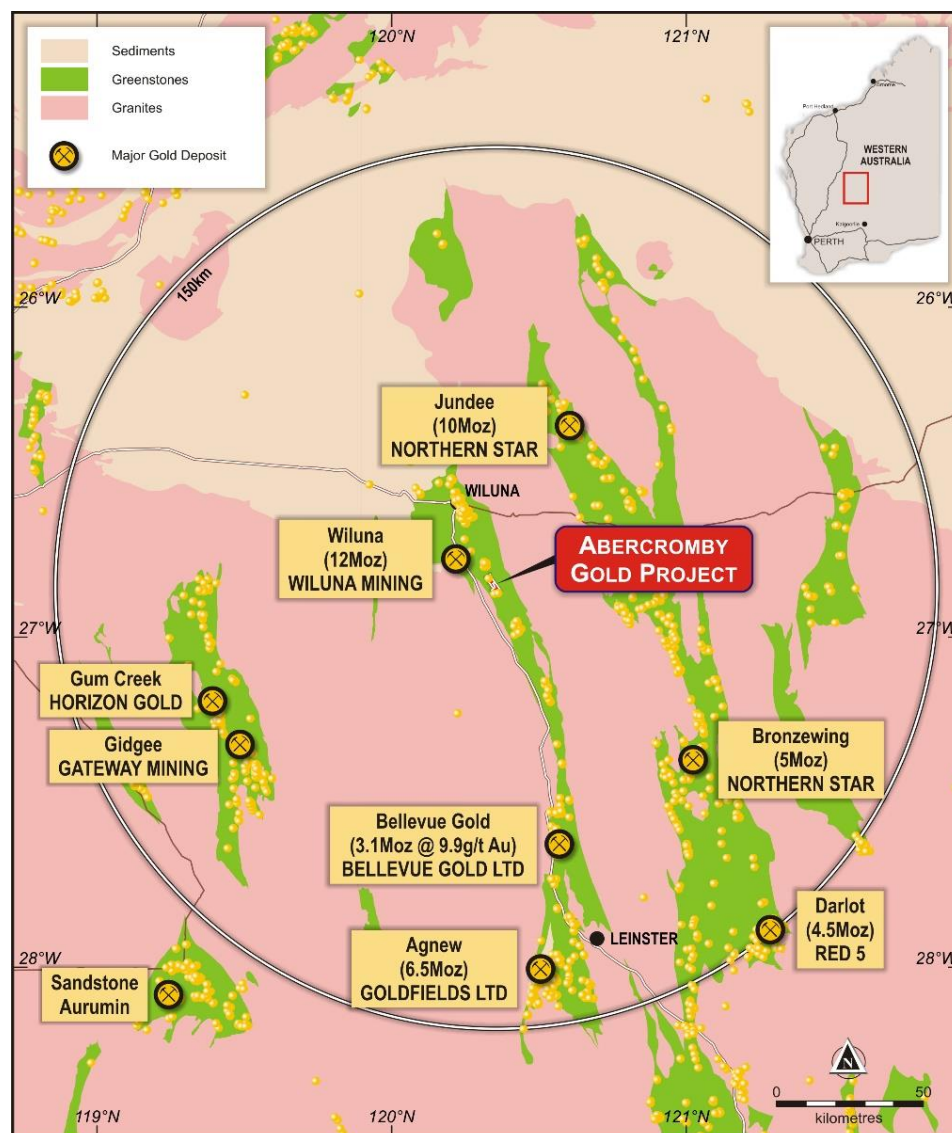


Figure 1 – The Abercromby Gold Project is surrounded by major gold operations

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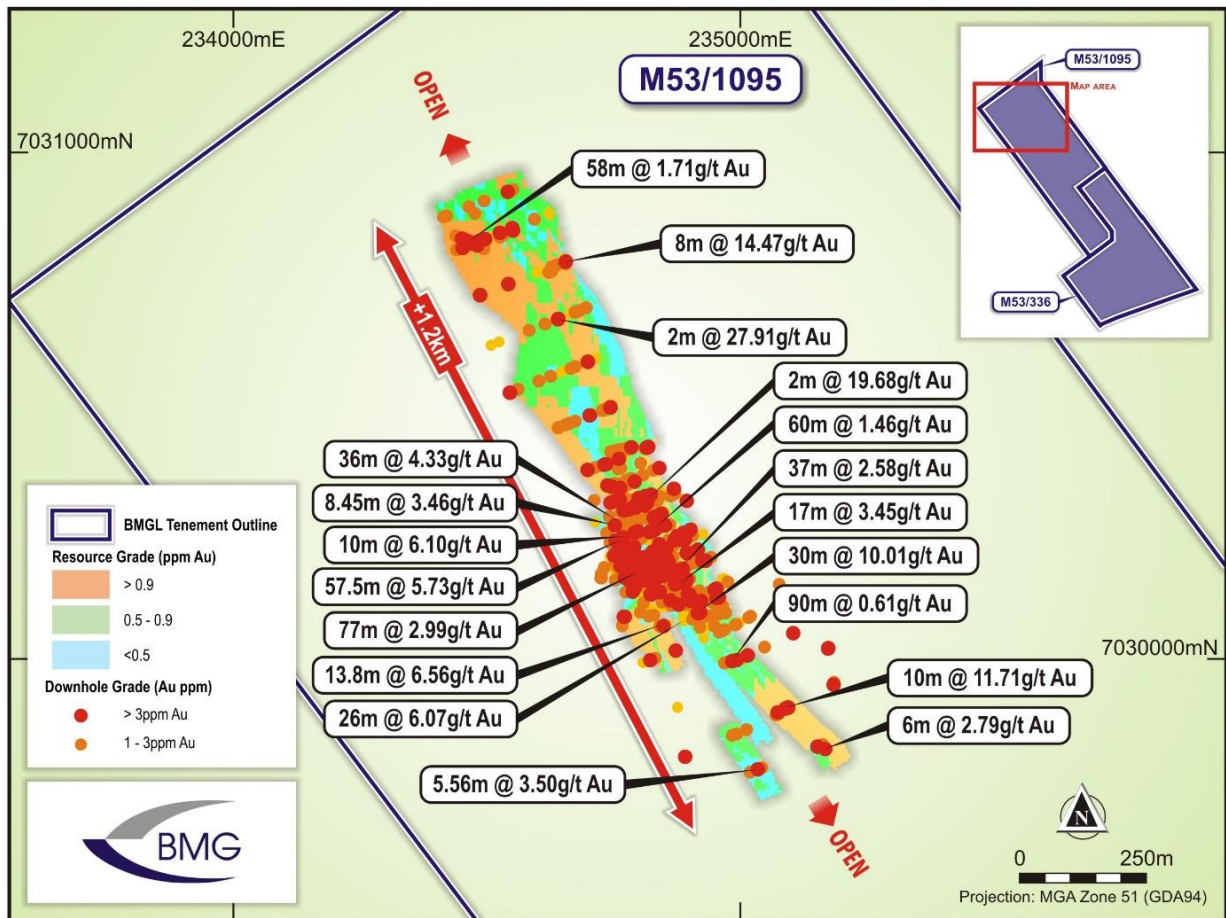


Figure 2 – Plan view of Mineral Resource Estimate for the Capital Deposit

The Mineral Resource estimation at the Capital Deposit was completed by ordinary kriging within 3D-modelled mineralisation wireframes and block modelling in Surpac, utilising a comprehensive data set generated by recent work undertaken by BMG as well as work completed by previous owners.

An orthographic view of the resource block model (blocks greater than 0g/t Au for 670koz), is shown in Figure 3 below.

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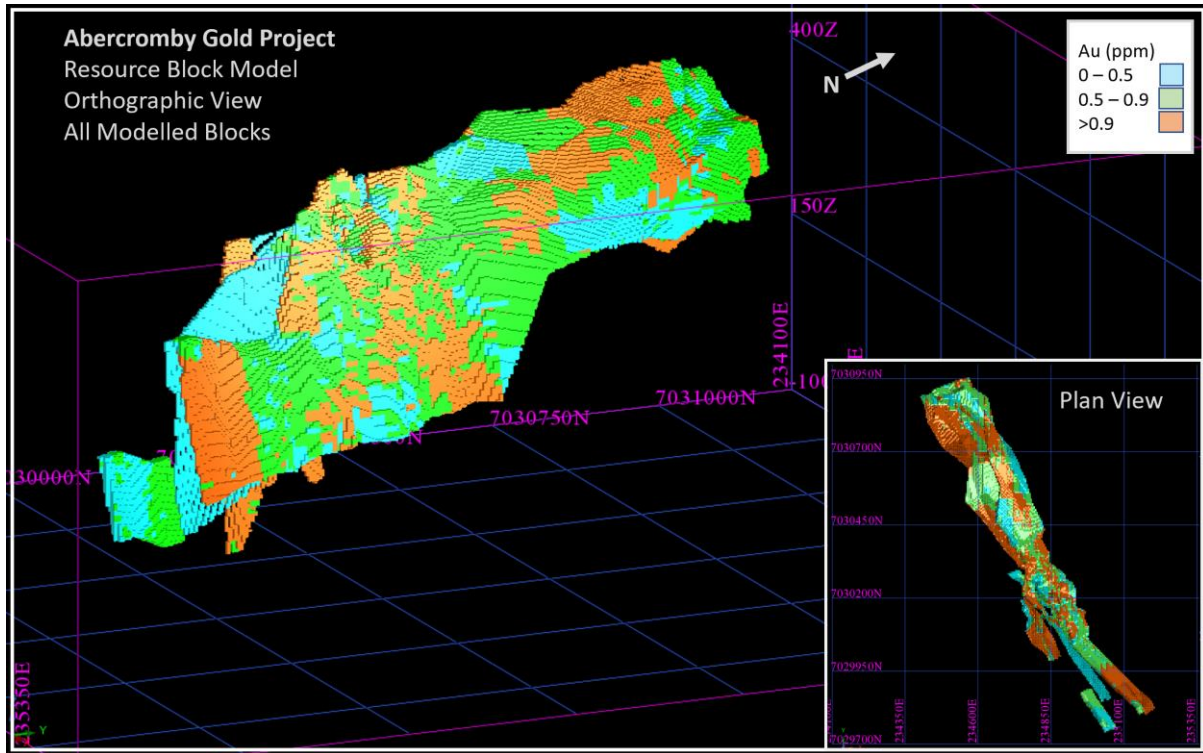


Figure 3 – Global resource block model for Capital, coloured by grade

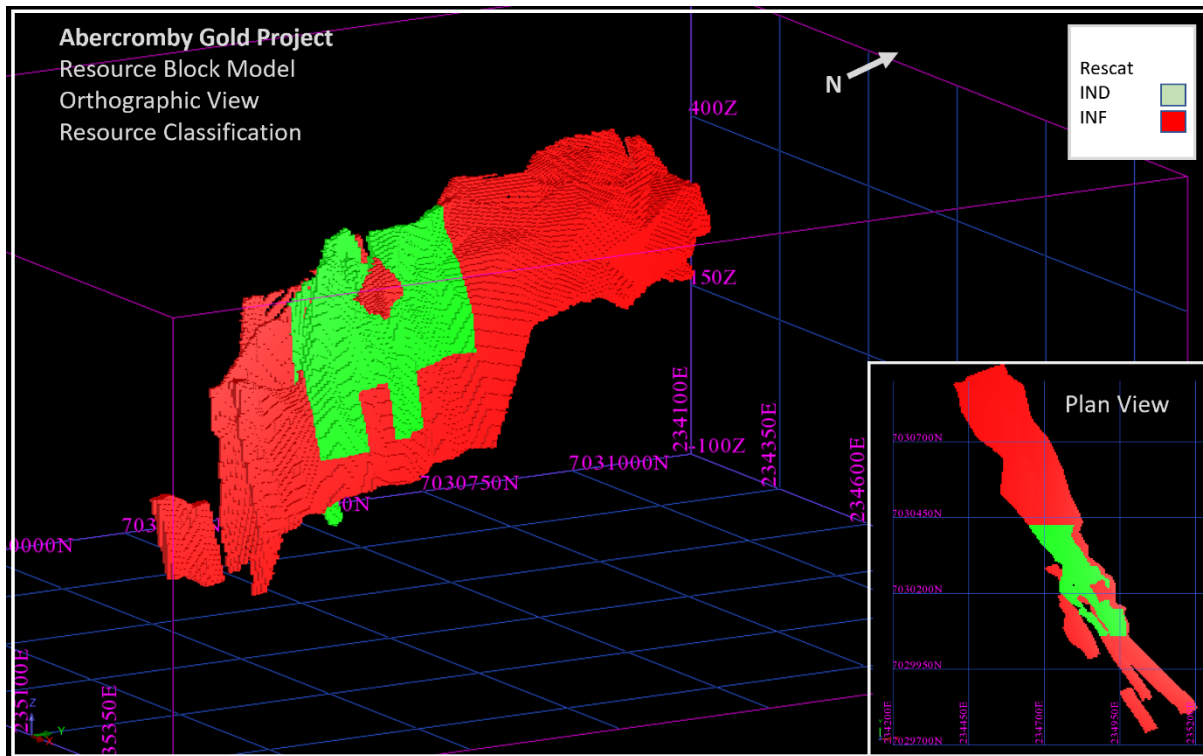


Figure 4 – Resource classification shown in orthographic view. Note only the highest data density portions at Capital have been assigned Indicated classification

A comprehensive legacy dataset has been supplemented with several drill programs' worth of additional data generated by BMG and considered for this Mineral Resource Estimate.

Checks on the legacy data by comparison to the new data have satisfied BMG that the data is appropriate for use in the Mineral Resource Estimate (excluding legacy aircore samples from hole series HJVAC). Ordinary kriging was used to estimate the grade of blocks within seven modelled domains and estimates were calculated separately for oxide and fresh-sub domains. Top cuts were utilised to reduce overestimation of grade caused by high-grade outlier assay results.

A QAQC program employing certified reference material standards, together with blanks and duplicates have ensured data veracity. Satisfactory QAQC results from BMG's drilling, combined with favourable comparisons with legacy data populations, have allowed BMG to attribute a high level of confidence to the legacy dataset (excluding historic aircore drilling series HJVAC).

Assumed bulk-density values have been assigned according to domains delineated by geological logging to facilitate tonnage calculations.

Table 1: JORC-compliant Mineral Resource estimate for the Capital Deposit Abercromby Gold Project

Classification	Type	Cut-Off	Tonnes	Au g/t	Ounces
Indicated	Open Pit	0.4	5,565,000	1.16	208,000
	Underground	1.25	1,401,000	3.24	146,000
Total Indicated			6,966,000	1.58	353,000
Inferred	Open Pit	0.4	3,858,000	1.18	146,000
	Underground	1.25	294,000	1.94	18,000
Total Inferred			4,152,000	1.23	165,000
Total Indicated and Inferred			11,117,000	1.45	518,000

The resource figure of 518koz is a subset of a global resource estimate containing some 670koz at a 0g/t Au lower cut-off. The quoted resource figure of 518koz Au has been delineated by reporting the resource at varying lower cut-off grades for areas nominally considered amenable to either underground or open pit mining. BMG has used a lower cut-off of 0.4g/t for the 'open pit area', which is between 0 and 200m below surface and a 1.25g/t lower cut-off for material between 200 and 500m below surface. These lower cut-off selections do not reflect any type of economic analysis so far undertaken on the resource but are thresholds chosen by the Competent Person as being useful for addressing the JORC Codes' requirement for Mineral Resources to have reasonable prospects of eventual economic extraction.

Next Steps

BMG has commenced development studies for the Capital Deposit and preparation is underway for further drilling within strategic parts of the Inferred resource to upgrade confidence levels to Indicated in readiness for possible future mining activities.

Expansion drilling will also test for continuity of mineralisation at depth and along strike at the Capital Deposit as well as campaigns to test the extent of mineralisation associated with the large regional gold-anomalous zones to the south of the Capital Deposit.

This announcement has been authorised for release by Bruce McCracken, Managing Director of BMG Resources Limited.

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Competent Person Statement

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ben Pollard, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. Mr Pollard is the Principal of Cadre Geology and Mining Pty Ltd and has been retained to provide technical advice on mineral projects.

Mr Pollard has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Pollard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Cautionary Note Regarding Forward-Looking Information

Forward looking statements are statements that are not historical facts. Words such as "expects", "anticipates", "believes", "potential", "may" and similar expressions are intended to identify forward looking statements. These statements include, but are not limited to, statements regarding future production, resources and reserves and exploration results. All such statements are subject to risks and uncertainties many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in or implied by the forward looking statements. Investors should not construe forward looking statements as guarantees of future performance due to the inherent uncertainties therein.

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About BMG

BMG Resources (ASX: BMG) is developing its portfolio of 100%-owned projects located in Tier 1 and emerging gold and lithium districts in Western Australia.

At BMG's flagship **Abercromby Gold Project (11.1Mt@1.45 g/t Au for 518koz Au)**, located in the Agnew-Wiluna Greenstone Belt, the Company is pursuing a dual exploration strategy targeting Resource growth at the Capital Deposit, and pursuing a pipeline of regional targets that are highly prospective for further Capital-style mineralisation.

The **Invincible Gold-Lithium Project** is located in the central Pilbara and hosts 12.5km of the Warrawoona shear.

The **South Boddington Gold Project**, located in the Saddleback Greenstone belt that hosts the giant 40Moz+ Boddington deposit.

BMG has entered into a binding option to acquire, at BMG's election, a 100% interest in the **Bullabulling Gold-Lithium Project**, located in the emerging Coolgardie gold and lithium region.



Schedule 1 – JORC Resource Estimate additional information

Pursuant to ASX Listing Rule 5.8 and the 2012 JORC reporting guidelines, a summary of material information used to estimate the Mineral Resource is detailed below. For additional detail, please refer to JORC Table 1, Sections 1 to 3 included in Schedule 2.

Geology and geological interpretation

Abercromby Project, which includes the Capital Deposit, sits to the east of the Perseverance Fault, a major control to mineralisation in the region and one that is implicit in several world class ore deposits located along strike from Abercromby – including the Mt Keith nickel sulphide deposit and the gold deposits at Agnew and Bellevue. Mineralisation at Abercromby is interpreted to be hosted by a fractionated dolerite, accompanied by quartz-carbonate-sericite, chlorite and sulphide alteration – a classic gold mineralisation style for the Yilgarn Craton.

No outcrop exists at Abercromby. The cover thickness at the project is variable but generally is less than 15m. The Capital Deposit is located within a north-northwest-striking, steeply east-northeast-dipping dolerite sill. The sill is flanked by intermediate and felsic volcano-sedimentary rocks to the west, and a more complex sequence of sediments and ultramafics-felsics to the east. The host sequence is typical of the Agnew Wiluna Belt.

Diamond drill core bedding axis angles indicate a north-northwest strike and steep east-northeast dip for all lithologies. Although broadly stratiform, the dolerite unit does transgress other lithologies. The majority of quartz veining is strike-parallel to bedding with a vertical or steep east-northeast dip. Mineralisation occurs with a broad shear zone with two distinct higher-grade lodes being identified, the East and West Lodes. Two types of gold mineralisation are noted at the project - quartz vein lodes and disseminated sulphide stockworks.

Geological interpretation has been deduced from logging both core and RC chips on site and observations, combined with assay data were combined using sectional interpretation to create 3D 'wireframes' to encapsulate these interpretations. The wireframes were used during estimation as hard boundary constraints to contain estimation of gold and other attributes.

Drilling techniques

Historical drilling at Abercromby was conducted by CRA Limited in 1995 to 1997. They completed 84 drill holes – 82 reverse circulation (RC)/Percussion and 2 RC/diamond in the Capital area. The remaining 6 RC holes were drilled vertically. Final hole depths varied from 75m to 183m deep. Outokumpu Mining Australia Pty Ltd in 2001 completed 3 RC holes for 734m and Diamond Tails for 134 NQ m, and Perilya Limited in 2004 completed 18 holes (3541 m and 1487 samples), RC holes with diamond tails 7 holes (1980m and 1049 samples, 19 Aircore holes (2,225m and 1063 samples)

BMG's drilling techniques include RC (5 3/8" face sampling hammers) and diamond (HQ and NQ). Sixty three (63) legacy holes for 10,724m were utilised for the Resource estimate, along with forty two (42) RC and diamond holes for 25,530m drilled by BMG between 2020 and 2022. The Perilya Aircore holes were used in the construction of the geological model but have been excluded from the resource calculation.

Gold mineralisation identified to date at Abercromby consists of a number of interpreted mineralised lodes striking approximately 340° and dipping steeply (80°-85°) to the east. Drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation as close to perpendicular as possible, generally toward 248°. Outokumpu completed five (5) holes with variable drill directions (generally to the northwest and southeast) testing an inferred northeast strike orientation to the mineralisation.

CRA initially identified gold mineralisation at Abercromby in 1995. They completed 84 drill holes – 82 reverse circulation (RC)/Percussion and 2 RC/diamond in the Capital area. Holes were initially drilled on 200m, and some infill 100m, spaced traverses. Holes were generally 60m and lesser 120m apart. All but 6 of the RC holes drilled to the west at -60 degrees. Final hole depths varied from 75m to 183m deep. The remaining 6 RC holes were drilled vertically.

The initial drilling was 400m spaced sections with 120m spaced RC holes which was infilled to 60m on 100m spaced traverses. Areas of interest have been infilled to 50m with a 25m spacing in the main Capital area. Holes are spaced 60m apart along the traverses with a 20 to 30m spaced holes in the main Capital area.

Drill hole collar positions have been accurately surveyed by registered surveyors utilising DGPS survey equipment to an accuracy of +/- 0.01m. Down holes surveys were completed using gyro, Eastman Camera. A slimline down-hole survey camera was used to survey as much of the Aircore drilling as possible.

Sampling and sub-sampling techniques

A QAQC program employing certified reference material standards, together with blanks and duplicates were utilized to ensure data veracity. Satisfactory QAQC results from BMGs drilling, combined with favourable comparisons with legacy data populations have allowed BMG to attribute a high level of confidence to the legacy dataset (excluding historic aircore drilling series HJVAC).

In relation to CRA's work, sampling for RC and Percussion drilling was generally done on a 2m composite. Longer intervals, up to 5m, were taken in the cover sequence. Sample recovery (%) was noted as well percentage of chips. A representative sample was taken from each metre drilled and composited. Samples were assayed for Au, Al, As, Ca, Co, Cu, Fe, K, Mg, Mn, Na, Ti, V, Zn and Zr. Samples after March 1996 included the addition of Bi, Mo and Pb. Diamond core (HQ) intervals were selected based on geological observation and are between 0.3 and 2.8m in length. RQD was measured. Structure was identified with associated mineralogy logged and angle to core axis and orientation noted. Core samples were assayed as the later RC and Percussion samples with the addition of Bi Mo and Pb.

In relation to Outokumpu's work, diamond core was marked up, photographed, and oriented where possible. It was cut along the bottom of hole orientation line, where practical, with a ½ core split taken for assaying. Further check sampling used ¼ core samples. Sample intervals were mostly 1m lengths but were varied where necessary based on geology, core loss or at the direction of the geologist. Assay techniques were the same for RC and diamond core portions of the diamond holes. The Diamond RC percussion drilling samples were sent to Analabs Pty Ltd, Perth for crushing, pulverising and assaying for Au, Ag, As, Cu, Ni, Pb and Sb to detection limits of 0.01, 2, 5, 2, 5, 10 and 10ppm respectively. Gold was assayed using a 50g charge by Aqua Regia digest, DIKB extraction, while all other elements used ICP-OES analysis techniques. Four standards and one blank were randomly inserted within the holes with at least one of each included in every hole. The designated standard values were considered well within acceptable limits.

In relation to Perilya's work, 1 replicate sample was submitted per 25 samples. Standards were submitted at a rate of 1 per laboratory batch. To reduce costs, RC holes were initially sampled as 5m composites using a PVC spear. Follow-up 1m samples were split. Assays were done by SGS Analabs, Perth using the following techniques: Composite samples 3kg sample, total mix and grind 50g Aqua Regia digest and AAS finish. Analysed for Au, As, +Sb and Ag. XRF pressed pellet analysed for Ti, Zr and Cr. 1m RC and diamond core samples 3kg sample (RC only), total mix and grind 50g fire assay with AAS finish Analysed for Au (+Ag, As & Sb). Selected RC or diamond core samples were submitted for 1 kg screen fire assay for Au on pulps.

BMG's sampling was via ½ core or 1m composite sampling for RC. Core intervals were selected based on geological observation and are between 0.3 and 1.2m in length. For RC where 4m composites were used initially, any returned grade greater than 0.1gpt Au had its 1m component samples collected for individual assay. Estimation was carried out on 2m composites – a tactic employed to reduce the sample populations' variance and allow easier deduction of spatial relationships between grades.

Each sample selected (1-3kg) was sent for analysis to Nagrom in Kelmscott, Perth. The samples were pulverised in the laboratory (total prep) to produce a sub sample for assaying. All sampling was conducted using BMG QAQC sampling protocols which are in accordance with industry best practice, including certified reference material checks, blanks, and duplicates. All samples were prepared and assayed by an independent commercial laboratory whose instrumentation is regularly calibrated.

Estimation Methodology

Estimation was via ordinary kriging and using the block modelling function in Surpac. Estimation was carried out using 2m composites, created digitally in Surpac, (as opposed to 1m samples) to reduce the sample populations' variance and allow easier deduction of spatial relationships between grades.

Parent block size for estimation was 20 x 20 x 8 (y,x,z). Sub blocking was allowed to 5 x 5 x 2 for volume resolution. A nominal minimal mining width of 2m was selected. Mineralisation wireframes were built with the input of geological logging, and it was these modelled domains that controlled the extent of each domains estimate.

Bulk density assignment is via assumption based on similar deposits in the WA goldfields. Values used are: Oxidised 2.1 t/m³, Transitional 2.3 t/m³, Fresh 2.7 t/m³. Any variation in actual bulk densities for these oxidation states are considered immaterial and within the natural variation of the system.

Ordinary kriging was used to interpolate grade. Grade capping was used to reduce the effect of high grade outliers. Seven (7) domains were modelled to isolate data for individual estimation. Estimates were checked via an Inverse Distance Cubed estimate and via mathematical averages assigned to domain tonnages. Each showed the calculated ordinary krigged estimates were in accord with the other methods. No assumptions re recovery of bi-products and estimation of deleterious compounds were made.

Mineral Resource Classification

The Mineral Resource has been classified as Indicated and Inferred in accordance with Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC,2012).

Determining classification involved consideration of multiple factors, with key factors including confidence in the geological interpretation and the current drill hole coverage. The drilling completed recently by BMG has contributed to a well drilled, central portion of the two main lodes (East and West Lodes) at the main Capital Deposit, to a nominal 20m x 20m spacing. The higher drill density and higher percentage of diamond drilling gives a higher confidence in the geological continuity and the assignment to an Indicated category. The remaining resources were categorised as Inferred.

Cut-off grades and modifying factors

The Abercromby Mineral Resource Estimate is reported at a lower cut-off of 0.4g/t for the 'open pit area' which is between 0 and 200m below surface and a 1.25g/t lower cut-off for material between 200 and 500m below surface. These lower cut-off selections do not reflect any type of economic analysis so far undertaken on the resource, but are thresholds chosen by the Competent Person as being useful for addressing the JORC Codes' requirement for Mineral Resources to have reasonable prospects of eventual economic extraction.

Top cutting was employed to reduce the effect of high-grade assay outliers and better reflect the short distances that high grades influence estimates. No other modifying factors have been applied.

Table 2 – Global grade-tonnage tabulation for the Abercromby Indicated and Inferred JORC Mineral Resource Estimate showing the effects of various cut-off grades on the resource calculation.

Cutoff (g/t Au)	Tonnage (tonnes)	Metal (oz)	Grade (g/t Au)	Cutoff (g/t Au)	Tonnage (tonnes)	Metal (oz)	Grade (g/t Au)
0.0	19,233,000	670,000	1.08	2.6	1,257,000	182,000	4.51
0.1	19,217,000	670,000	1.08	2.7	1,203,000	178,000	4.60
0.2	18,513,000	666,000	1.12	2.8	1,176,000	175,000	4.64
0.3	17,659,000	659,000	1.16	2.9	1,138,000	172,000	4.70
0.4	16,699,000	648,000	1.21	3.0	1,104,000	169,000	4.75
0.5	15,038,000	625,000	1.29	3.1	1,068,000	165,000	4.81
0.6	13,279,000	594,000	1.39	3.2	1,024,000	161,000	4.88
0.7	11,216,000	551,000	1.53	3.3	971,000	155,000	4.97
0.8	9,363,000	507,000	1.68	3.4	935,000	151,000	5.04
0.9	7,787,000	464,000	1.85	3.5	922,000	150,000	5.06
1.0	6,667,000	430,000	2.01	3.6	872,000	144,000	5.14
1.1	5,506,000	391,000	2.21	3.7	825,000	139,000	5.23
1.2	4,657,000	360,000	2.40	3.8	792,000	135,000	5.29
1.3	3,949,000	331,000	2.61	3.9	752,000	130,000	5.37
1.4	3,367,000	306,000	2.83	4.0	712,000	125,000	5.45
1.5	2,902,000	284,000	3.05	4.1	693,000	122,000	5.49
1.6	2,621,000	270,000	3.21	4.2	665,000	119,000	5.55
1.7	2,354,000	256,000	3.38	4.3	618,000	112,000	5.64
1.8	2,148,000	245,000	3.54	4.4	594,000	109,000	5.70
1.9	2,029,000	238,000	3.64	4.5	567,000	105,000	5.76
2.0	1,895,000	229,000	3.76	4.6	533,000	100,000	5.83
2.1	1,766,000	221,000	3.89	4.7	511,000	97,000	5.89
2.2	1,673,000	214,000	3.99	4.8	505,000	96,000	5.90
2.3	1,581,000	208,000	4.09	4.9	498,000	95,000	5.91
2.4	1,476,000	200,000	4.21	5.0	485,000	93,000	5.94
2.5	1,335,000	189,000	4.40				

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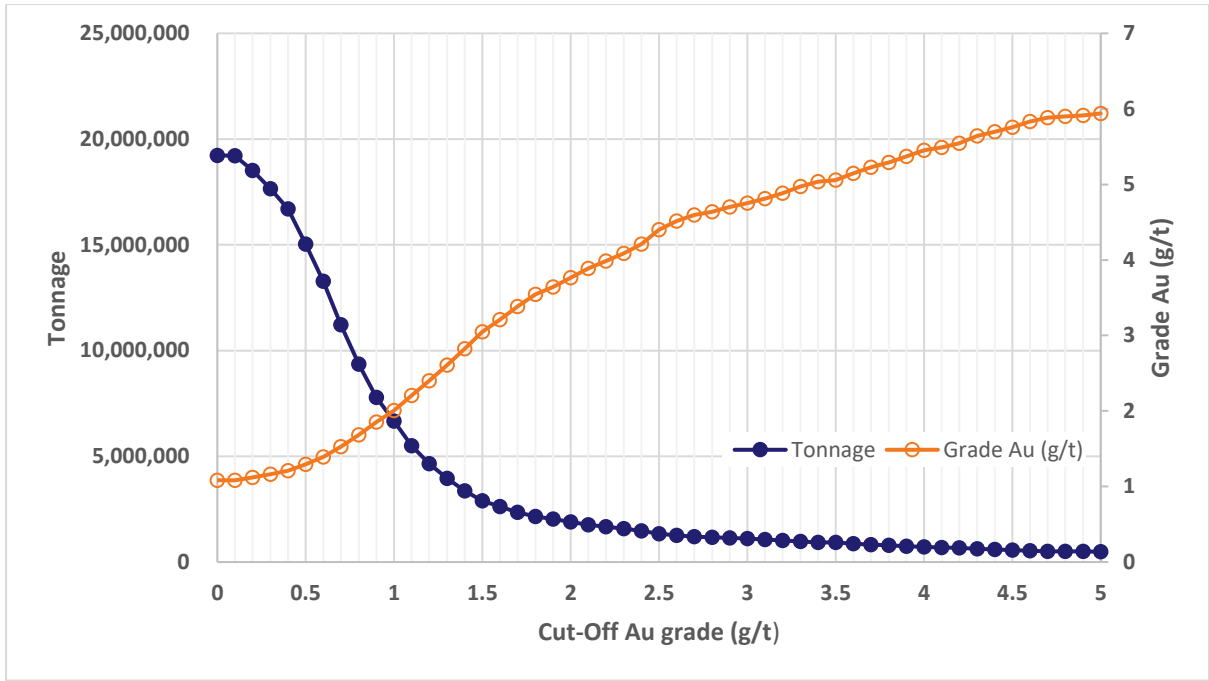


Figure 5 - Grade/tonnage curve, Abercromby Gold Project

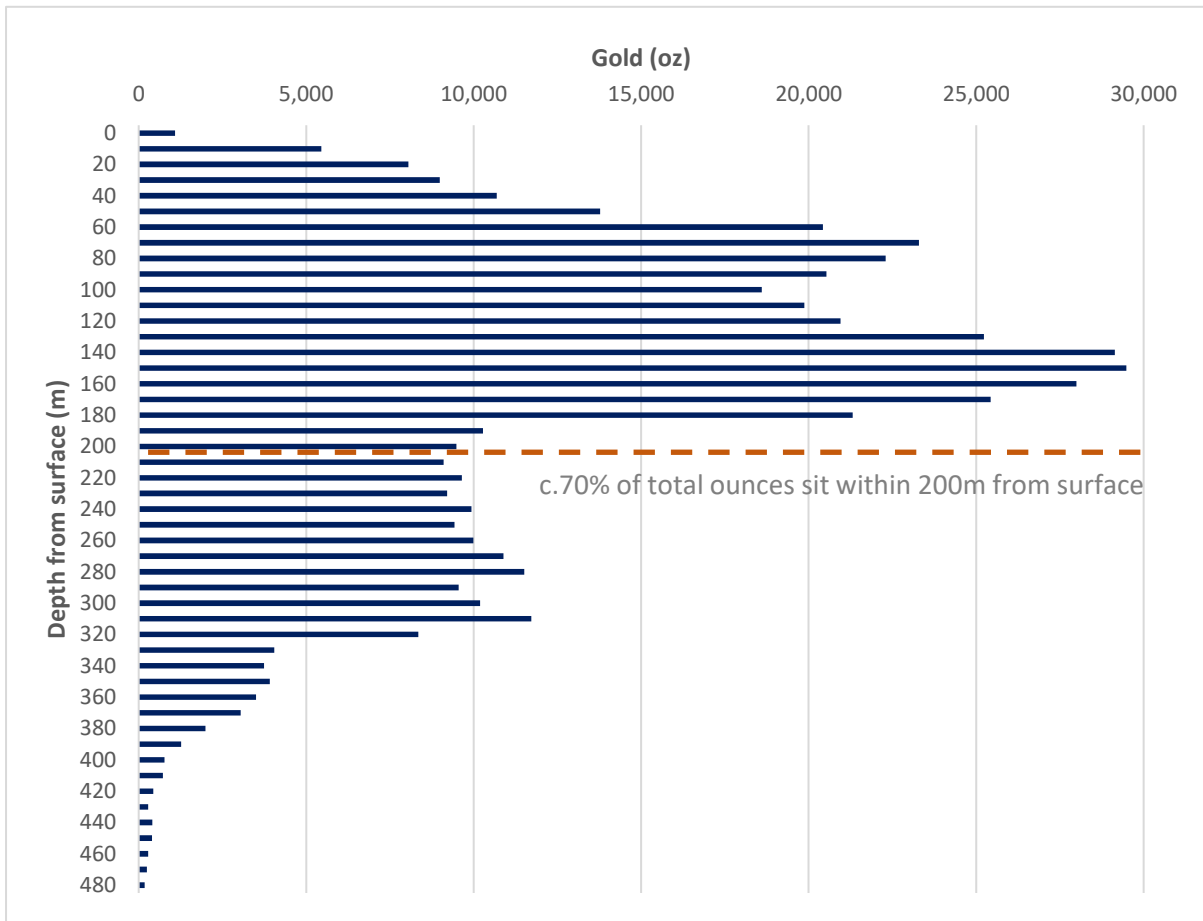


Figure 6 – Total ounces per vertical metre (10m increments), Abercromby Gold Project

Recently completed initial metallurgical test-work by the BMG (refer ASX releases 19 April 2021 “*High Gold Recoveries (Average 90%) from Metallurgical Testwork of Abercromby Drill Samples*” and 06 February 2023 “*Rigorous Metallurgical Testwork at Abercromby Confirms High Gold Recoveries via Conventional Milling (Average c.95%)*”) have shown the mineralisation at Abercromby is free milling, amenable to typical processing conditions for gold ores, and would achieve high gold recoveries when treated via a typical gravity gold recovery and cyanidation process.

Schedule 2 – TABLE 1. JORC Code, 2012 Edition
Section 1: Sampling Techniques and Data

Criteria	JORC 2012 Explanation	Comment
Sampling techniques	<ul style="list-style-type: none"> <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> The mineral resource was calculated using samples from a combination of RC and diamond drilling. Legacy samples were assayed at various laboratories in WA, samples generated by BMG were all analysed by Nagrom in Kelmscott, Perth. A sample split of 55:45 in favour of BMG drilled metres existed. Samples are pulverised in the laboratory (total prep) to produce a sub sample for assaying via 50g Fire Assay. All BMG sampling was conducted using BMG QAQC sampling protocols which are in accordance with industry best practice. – including, blanks, standards and duplicates for qualitative analysis. All samples were prepared and assayed by an independent commercial laboratory whose instrumentation are regularly calibrated. RC samples were taken on 1m intervals. Diamond core samples were taken between 0.3 and 1.2m intervals.
Drilling Techniques	<ul style="list-style-type: none"> <i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> Drilling is via NQ and HQ diamond coring (triple tubing was used to aid recoveries in heavily weathered core. RC drilling was via 5 3/8th inch face sampling hammer. All BMG holes were surveyed using a reflex Gyro north seeking gyroscopic instrument (or equivalent) to obtain accurate down-hole directional data where ground conditions allowed. Legacy holes were at times twinned to gauge their spatial veracity and this showed good correlation between BMG and legacy drilling.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>Whether a relationship exists between sample recovery and grade and whether sample bias</i> 	<ul style="list-style-type: none"> Drilling recoveries are logged and recorded and captured within the project database. Core loss is noted where it occurs. Some intervals of core loss result from highly weathered material in the regolith – where assays have been reported in these intervals, the missing interval has diluted at the reported assay grade of that interval Each individual sample is visually checked for recovery, moisture, and contamination. Wet RC samples aren't utilised. The style of expected mineralisation and the consistency of the mineralised intervals are expected to preclude any issue of sample bias due to material loss or gain.
Logging	<ul style="list-style-type: none"> <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)</i> <i>The total length and percentage of the relevant intersections logged.</i> 	<ul style="list-style-type: none"> Core and RC chips were both geologically logged using predefined lithological, mineralogical, and physical characteristic (colour, weathering etc.) logging codes. Logging was predominately qualitative in nature, although vein and sulphide percent was estimated visually. All new core has been photographed wet and dry. Sulphides in the lode positions occur predominately as disseminated grains and rarely as fine stringers varying from 1 to 10% usually 1-3% rarely exceeding 10%. Pyrite dominates >95% with lesser arsenopyrite are rarely chalcopyrite. The sulphides typically occur on the margins of quartz veins or internal to the host rock. All holes are logged in full

Criteria	JORC 2012 Explanation	Comment
Sub-sampling techniques and sampling preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality, and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • 1m samples are taken in RC, or to the mineralised/ geological boundaries with a min length of 0.3m and a max length of 1.2m for core. • RC samples are split using a cone splitter which is cleaned regularly to mitigate contamination. • BMG drilling utilizes QAQC regime consisting of certified reference material checks, blanks, and duplicates. • Sample sizes are considered to be appropriate to the geological model and the style of mineralisation.
Quality of assay data laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • QAQC protocols utilising Certified Reference Material (standards), blanks and duplicates were used. All checks passed quality test thresholds. • All samples were prepared and assayed by an independent commercial laboratory whose instrumentation are regularly calibrated, utilising appropriate internal checks in QAQC. • Geophysical tools and pXRF – N/A
Verification of sampling and assaying	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Data collected in the field on paper or digital logs within tough-books computers, then transferred to the project database once collated and checked. • BMG holes have been drilled near legacy holes, as proxy twins, with results mirroring each other within acceptable limits. • All data is validated by the supervising geologist and sent to the Perth office for further validation and integration into a Microsoft Access database.
Location of data points	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Drill holes were located using handheld GPS. • Drill hole collar positions have been accurately surveyed utilising DGPS survey equipment to an accuracy of +/- 0.01m. Down holes surveys were completed using gyro. • The grid system used for locating the collar positions of drillholes is GDA2020. RL's referenced are AHDRL.
Data spacing and distribution	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Drilling has been completed on a variable grid drilled orthogonal to the mineralisation, generally toward 248° and typically on nominal 20m spaced drill lines. • Data spacing and distribution is believed to be sufficient to establish the degree of geological and grade continuity appropriate for Indicated and Inferred Mineral Resources. A conservative approach has been taken on resource classification. • Raw samples have been composited to two metres for use in resource estimation, so as to affect the histogram in a manner that benefits the calculation of variance relationships in space.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • The drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation close to perpendicular. The orientation of drilling is not likely to introduce a sampling bias.

Criteria	JORC 2012 Explanation	Comment
Sample Security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> Chain of custody protocols used for the new BMG drill samples ensures sample security and integrity.
Audits and Reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No audits or reviews of the sampling techniques and data have been undertaken to date for the BMG data, however the BMG data has been compared statistically with legacy data to discount the presence of bias and therefore accept the legacy data as suitable for resource estimation.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC 2012 Explanation	Comment
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> Gold and other mineral rights (ex uranium and thorium) hosted by the Abercromby tenure are owned 100% by BMG. No material issues exist with the underlying tenure and the tenements are therefore in good standing.
Exploration done by other parties.	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Gold exploration at the Project area has been carried out by three previous explorers – CRA in 1995/97, Outokumpu in 2001 and Perilya in 2004. CRA initially identified gold mineralisation at Abercromby in 1995. They completed 84 drill holes – 82 reverse circulation (RC)/Percussion and 2 RC/diamond in the Capital area. Holes were initially drilled on 200m, and some infill 100m, spaced traverses. Holes were generally 60m and lesser 120m apart. All bar 6 of the RC holes drilled to the west at -60 degrees. Final hole depths varied from 75m to 183m deep. The remaining 6 RC holes were drilled vertically. Though CRA located and drilled tested the gold mineralisation the hole spacing is relatively broad and considered ineffective to test potential continuity between holes. Outokumpu completed a small number of drill holes. It is believed the company did not pursue the gold opportunity but instead focused on nickel exploration at Honeymoon Well which was their priority target. Perilya was the last dedicated gold explorer at the Project under a joint venture earn-in arrangement. Whilst further work was planned to follow-up on initial gold intersections, Perilya elected to pursue other 100% owned exploration opportunities in its portfolio. Norilsk Nickel completed some drilling on the project in 2007/2008 but mostly to satisfy expenditure commitments.
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> Abercromby is a lode hosted orogenic gold deposit typical in type to much of the gold occurrences in Western Australia's Eastern Goldfields. The lode is developed amongst Archaean mafic and ultramafic rocks. Gold is generally hosted by the sheared and quartz veined host. The lode is typically defined by quartz carbonate stockworking, often cored by more linear laminated quartz veins. The system is pervasively bleached and silicified to varying degrees, often commensurate with gold grades.

Criteria	JORC 2012 Explanation	Comment
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> NA
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> Length weighted averaging of the drill hole intercepts are applied. Maximum grade truncations are used in the calculations. The reported assays have been length weighted averages. During modelling, lower cut offs are not applied, rather, intervals are selected based on continuous anomalism/mineralisation to result in a coherent domain volume. High grade intercepts internal to broader zones of mineralisation are reported as part of the interval. If an interval includes core loss, the lost interval is accounted for at the average grade of the interval. No metal equivalents have been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Drill hole intersections may not always be true widths – but generally thought to be around 90% of true width. Gold mineralisation identified to date at Abercromby consists of a number of interpreted mineralised lodes striking approximately 340° and dipping steeply (80°-85°) to the east. Drilling is predominantly conducted at -60 degrees orthogonal to strike and as such drill holes intersect the mineralisation as close to perpendicular as possible.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Refer to Figures in the text.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> All significant results are reported.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> All significant results are reported.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Exploration and development within the Abercromby Project is ongoing. BMG Resources is focusing on staged development drilling at Abercromby in addition to mine planning, metallurgical studies and development studies as required. Drilling priorities over the next 12 months are to convert Inferred Resources into Indicated Resources. Future exploration programs may change depending on results and strategy.

Section 3: Estimation and Reporting of Mineral Resources

(Criteria listed in Section 1, and where relevant Section 2, also apply to this section.)

Criteria	JORC 2012 Explanation	Comment
Database integrity	<ul style="list-style-type: none"> Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used. 	<ul style="list-style-type: none"> Digital manipulation of drill results, creation of cross sections and integration with existing data ensures the integrity of data. Successful calculation of composites in the mining package (Surpac) ensures data validation.
Site visits	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<ul style="list-style-type: none"> The Competent Person has visited the site and was intimately involved with the data collection and geological logging.
Geological interpretation	<ul style="list-style-type: none"> Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. 	<ul style="list-style-type: none"> Confidence in the mineral resource is reflected in the resource classification assigned (indicated and inferred). Geological logging and assay data are the primary datasets used to model and estimate gold content in the deposit. It is thought that credible alternative interpretations would vary immaterially from the current estimate given the current dataset. Continuity of grade is controlled by the tenor of grade. Exceptional continuity exists at a nominal 0.2gpt threshold. Geological continuity is established.
Dimensions	<ul style="list-style-type: none"> The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource. 	<ul style="list-style-type: none"> Strike ~ 1350m, width ~15m and down dip extent is to a depth of ~500m at its deepest.
Estimation and modelling techniques	<ul style="list-style-type: none"> The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available. 	<ul style="list-style-type: none"> Ordinary kriging was used to interpolate grade. Grade capping was used to reduce the affect of high grade outliers. 7 domains were modelled to isolate data for individual estimation. 2m composites were created digitally in Surpac to reduce the variance of the input data (as opposed to 1m samples). Estimates were checked via an ID3 estimate and also via mathematical averages assigned to domain tonnages. Each showed the output OK estimate to agree closely. No assumptions re recovery of bi-products and no estimation of deleterious compounds. Parent block size for estimation was 20 x 20 x 8 (y,x,z). Sub blocking was allowed to 5 x 5 x 2 for volume resolution. A nominal minimal mining width of 2m was selected. Mineralisation wireframes were built with the input of geological logging and it was these modelled domains that controlled the extent of each domains estimate. Grade capping was used to mitigate the fact that high grade outliers have significantly less spatial continuity than low grade composites do:

Criteria	JORC 2012 Explanation	Comment																																																																																
Estimation and modelling techniques (cont'd)		<table border="1"> <thead> <tr> <th></th> <th>domain</th> <th>top cut</th> <th>samples cut</th> <th>delta mean</th> <th>domain</th> <th>top cut</th> <th>samples cut</th> <th>delta mean</th> <th>domain</th> </tr> </thead> <tbody> <tr> <td></td> <td>oxide</td> <td></td> <td></td> <td></td> <td>fresh</td> <td></td> <td></td> <td></td> <td>oxide</td> </tr> <tr> <td>1</td> <td>12.39</td> <td>8</td> <td>-0.35</td> <td>1</td> <td>11.62</td> <td>2</td> <td>-0.23</td> <td>1</td> <td></td> </tr> <tr> <td>2</td> <td>9.25</td> <td>5</td> <td>-0.17</td> <td>2</td> <td>13.72</td> <td>4</td> <td>-0.27</td> <td>2</td> <td></td> </tr> <tr> <td>3</td> <td>-</td> <td>0</td> <td>0</td> <td>3</td> <td>1.72</td> <td>1</td> <td>-2.05</td> <td>3</td> <td></td> </tr> <tr> <td>4</td> <td>0.8</td> <td>1</td> <td>-2.58</td> <td>4</td> <td>13.33</td> <td>2</td> <td>-2.06</td> <td>4</td> <td></td> </tr> <tr> <td>5</td> <td>na</td> <td>na</td> <td>na</td> <td>5</td> <td>1.82</td> <td>1</td> <td>-0.16</td> <td>5</td> <td></td> </tr> <tr> <td>6</td> <td>na</td> <td>na</td> <td>na</td> <td>6</td> <td>1.66</td> <td>1</td> <td>-0.35</td> <td>6</td> <td></td> </tr> </tbody> </table> <ul style="list-style-type: none"> Estimate outputs were compared with raw data via swath plots and this analysis showed acceptable reconciliation. 		domain	top cut	samples cut	delta mean	domain	top cut	samples cut	delta mean	domain		oxide				fresh				oxide	1	12.39	8	-0.35	1	11.62	2	-0.23	1		2	9.25	5	-0.17	2	13.72	4	-0.27	2		3	-	0	0	3	1.72	1	-2.05	3		4	0.8	1	-2.58	4	13.33	2	-2.06	4		5	na	na	na	5	1.82	1	-0.16	5		6	na	na	na	6	1.66	1	-0.35	6	
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Moisture	<ul style="list-style-type: none"> Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. 	<ul style="list-style-type: none"> All calculations are done on a dry basis via a dry SG assumption and moisture has therefore not been addressed at this point in time. 																																																																																
Cut-off parameters	<ul style="list-style-type: none"> The basis of the adopted cut-off grade(s) or quality parameters applied. 	<ul style="list-style-type: none"> The resource was reported using variable cutoffs depending on depth below surface (0.4g/t Au for the shallow and 1.25g/t Au for the deep – see below). A grade tonnage curve is included as an appendix. 																																																																																
Mining factors or assumptions	<ul style="list-style-type: none"> Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made. 	<ul style="list-style-type: none"> Broad assumptions on open pit mining followed by eventual underground mining have been adopted. Mining dilution and ore loss have not been considered with respect to the Mineral Resource at this stage. Reasonable prospects of economic extraction have been addressed by the utilisation of different cutoffs for zones 'earmarked' for open pit and underground mining. Of the global 670koz Au inventory, 518koz Au reports to the variable lower cutoff grade constraint, which uses a higher value for the 'underground' area than for the 'open pit' area. 																																																																																
Metallurgical factors or assumptions	<ul style="list-style-type: none"> The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made. 	<ul style="list-style-type: none"> As per work undertaken by BMG, the underlying metallurgical assumptions are of a free milling ore that achieves +90% recoveries using conventional CIL technology. 																																																																																

Criteria	JORC 2012 Explanation	Comment
Environmental factors or assumptions	<ul style="list-style-type: none"> Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made. 	<ul style="list-style-type: none"> Minimal assumptions have been made in this regard, however, there are no known impediments to conventional waste disposal for this type of project that have been identified as roadblocks at Abercromby.
Bulk density	<ul style="list-style-type: none"> Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. 	<ul style="list-style-type: none"> Bulk density assignment is via assumption based on similar deposits in the WA goldfields. Values used are; <ul style="list-style-type: none"> Oxidised 2.1tm-3 Transitional 2.3tm-3 Fresh 2.7tm-3 Any variation in actual bulk densities for these oxidation states are considered immaterial and within the natural variation of the system.
Classification	<ul style="list-style-type: none"> The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit. 	<ul style="list-style-type: none"> The well drilled central zone of Abercromby where the proportion of BMG drilling is high has been classified as Indicated, while the less well drilled extremities of the deposit have been classified as Inferred. BMG has deliberately chosen to be conservative in its approach to resource classification.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of Mineral Resource estimates. 	<ul style="list-style-type: none"> None undertaken.
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. 	<ul style="list-style-type: none"> The main threat to the validity of resource estimates using linear methods like OK is the over influence of high grade outliers. BMG has deliberately chosen conservative top cuts to mitigate this risk. When coupled with high quality interpretation using grade indicators, the Competent Person is satisfied with the estimate outcomes. Variographic analysis has been used to deduce grade relationships to ensure the best quality estimate is undertaken. Responsible classification of resource categories strengthens confidence in the estimate.