

DRILLING PREPARATIONS AT ABERCROMBY GOLD PROJECT

HIGHLIGHTS

- **Diamond drill programme focused on resource growth is scheduled to commence this month at the Abercromby Gold Project**
- **Extensional drilling of high-grade zones is planned with potential to add significantly to BMG's maiden resource of 518,000 oz Au at 1.45 g/t Au**
- **Infill drilling planned to convert inferred resources to the indicated category to support development studies**
- **Programme of Work approval in place**
- **DDH1 Drilling selected as contractor for the drill programme**

BMG Resources Limited (ASX: BMG) (BMG or the Company) is pleased to announce that preparations to resume drilling at its 100%-owned Abercromby Gold Project are well advanced with the start of drilling scheduled for this month.

John Prineas, BMG's Non-Executive Chairman, said:

"Following the support shown by investors in the recent capital raising, the team at BMG have moved quickly to finalise arrangements to resume drilling at the Abercromby Gold Project.

"The drill programme will focus on expanding high-grade gold zones beyond the existing resource shell, as well as increasing resource confidence by upgrading inferred resources to indicated status.

"The results of the drilling have potential to contribute significantly to resource growth at Abercromby, and to materially boost the potential project economics."

Drilling for growth in gold resources:

BMG delivered the large maiden Mineral Resource at Abercromby after completion of only three drill campaigns and at a discovery cost of just \$8.35 per ounce. This achievement highlights the extensive gold endowment at Abercromby, as well as the efficient exploration planning by our technical team.

This excellent track record of results at Abercromby provides confidence in the potential for continued drilling success at Abercromby that could increase the size of the gold resource.

The Abercromby Gold Project is owned 100% by BMG and comprised within two granted Mining Leases. The Project is located in an established mining region with access to infrastructure (roads, power) and proximal to a number of producing gold mines.

The favourable metallurgical properties of the Abercromby ore were confirmed by metallurgical testwork completed by Extreme Metallurgy and reviewed by GR Engineering Services. That testwork concluded that the Abercromby gold mineralisation was **free milling in nature and amenable to traditional carbon-in-leach processing**. High gold recoveries were achieved in the range 93% to 95%.

Maiden Resource is just the beginning:

The maiden MRE for Abercromby is comprised in the Capital Deposit and is defined as **11.12Mt @ 1.45 g/t Au for 518,000 oz Au**. This resource is a subset of a global resource estimate containing about **670,000 oz Au** at a 0g/t Au lower cut-off.

The Capital Deposit remains open at depth and along strike – both to the north and south. A diamond drilling program is planned to commence this month to test for extensions of the mineralisation as well as to convert inferred resources to the indicated category.

The prospective stratigraphy at Abercromby extends for more than 6km with only a strike of 1.2km systematically drilled to date. This provides potential for substantial discovery opportunities with further exploration drilling.

Drilling is also planned for early next year to test regional targets to the south of the Capital Deposit.

Reconnaissance aircore drilling at the Capital South, Archer and Barrack Prospects – located along a 1km corridor of prospective stratigraphy to the south of the Capital Deposit – has confirmed the presence of a large high-grade gold system and supports the potential for a repetition of significant mineralisation like the Capital Deposit.

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

Table 1: JORC-compliant Mineral Resource for Abercromby.

A further announcement will be issued by BMG once drilling commences at Abercromby.

For further information on the Abercromby resource, see our ASX announcement dated 6 February 2023 ‘High Gold Recoveries – Abercromby Met Testwork’ and 17 April 2023 ‘518,000oz Au Maiden Mineral Resource for Abercromby Gold Project’.

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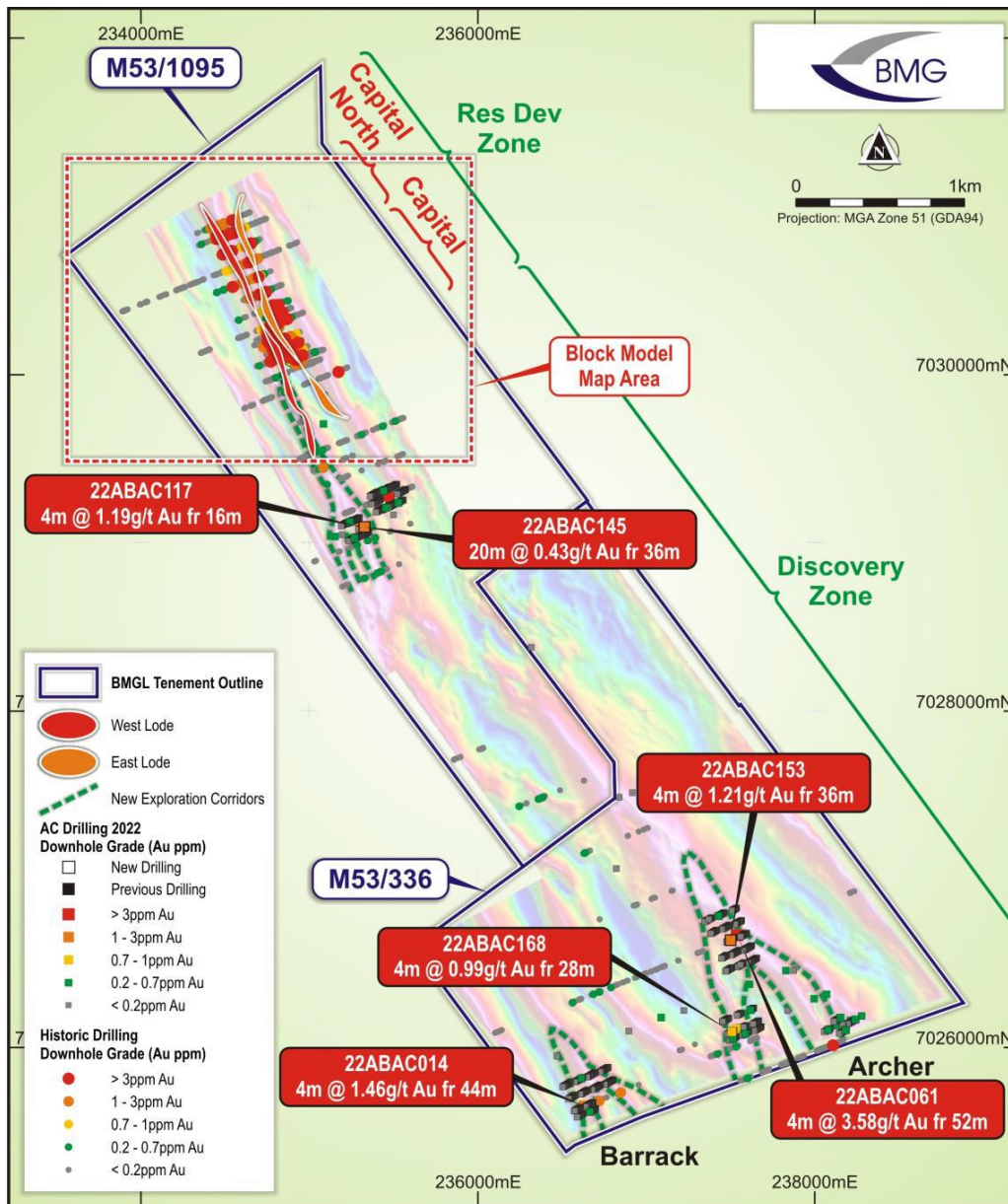


Figure 1: plan view map of the Abercromby Project highlighting the Capital Deposit highlighting expansion areas including the regional targets at the Capital South, Archer and Barrack Prospects.

This announcement has been approved for release by the Board of BMG Resources Limited.

For further information, please contact:

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Forward Looking Statements:

This announcement includes forward-looking statements that are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of BMG, the directors and the Company's management. Such forward-looking statements are not guarantees of future performance.

Examples of forward-looking statements used in this announcement include use of the words 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of announcement, are expected to take place.

Actual values, results, interpretations or events may be materially different to those expressed or implied in this announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements in the announcement as they speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, BMG does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

This announcement has been prepared by BMG. The document contains background information about BMG current at the date of this announcement. The announcement is in summary form and does not purport to be all inclusive or complete. Recipients should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.

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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.

The information in this announcement that relates to Exploration Results was previously released by the Company in the following reports: 6 February 2023 entitled 'High Gold Recoveries – Abercromby Met Testwork'; 17 April 2023 entitled '518,000oz Maiden Mineral Resource for Abercromby Gold Project'; and 18 April 2023 entitled 'Revision to Announcements on 17 April 2023'. These announcements contain a competent person statement which includes the statements and consent pursuant to the requirements of ASX Listing Rule 5.22t.

The Company confirms that it is not aware of any new information or data that materially affects the exploration results included in any original market announcements referred to in this report and that no material change in the results has occurred. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements. The Company confirms that it is not aware of any new information or data that materially affects the exploration results and estimates of Mineral Resources and Ore Reserves as cross-referenced in this release and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement. The estimated Mineral Resources underpinning the production target have been prepared by a competent person in accordance with the JORC code.