

QUARTERLY REPORT

For the 3 months ended 31 December 2016

OVERVIEW

Suplejack Project

- 7 hole, 1,906 metre diamond drilling program completed at the Hyperion-Tethys Prospect
- Multiple significant gold intercepts returned, including:
 - **Suess, hole TYRD100003 – 13 metres at 5.6 g/t gold from 184 metres**
 - **Hyperion South hole HSRD100002 – 9 metres at 5.5 g/t gold from 221 metres**
- The interpretation of Suess as a north-south striking structure is confirmed, and open along strike and down dip
- Retargeting following mapping and reinterpretation of the Suplejack Project has identified additional structures which are analogous to the Hyperion-Tethys and Suplejack structures
- RC drilling is scheduled to commence as soon as conditions allow rigs to mobilise into Suplejack
- Hyperion-Tethys Resource update is on schedule for release in the first quarter of 2017

Lake Mackay JV (Independence Group JV1 – IGO)

- 18 RC hole drilling program completed at EL24915 as part of the reconnaissance drilling program on the Lake Mackay Project
- All results are now available from the Grapple Prospect with anomalous mineralisation intersected in 8 out of 11 holes
- Multiple intersections at the Grapple Prospect including
 - **9 metres at 1.8 g/t gold, 49.1 g/t silver, 3.26% copper, and 3.63% zinc (16GRR003; from 85 metres)**
 - **6 metres at 9.0 g/t gold, 23.5 g/t silver, 1.45% copper, and 1.40% zinc (16GRR010; from 116 metres)**
- Downhole EM interpretation suggests the modelled conductor extends to the west and continues at depth
- Drilling is expected to continue at the Grapple Prospect in the first half of 2017
- Initial drilling into Springer and Prowl while anomalous, has not yielded significant mineralised intersections

Corporate

- \$7.5 million available cash plus \$2.5 million restricted cash held at quarter end
- The initial Bonanza divestment process did not yield offers ABM believes reflect the value of the consolidated assets. Divestment and JV discussions are continuing for Buccaneer and Old Pirate individually
- JV discussions have recommenced for the North Arunta Project

¹IGO is earning 70% interest in ABM's Lake Mackay tenements by solely funding \$6 million of exploration expenditure (ASX 6 May 2016).

EXPLORATION

Suplejack Project

During the quarter ABM undertook a diamond drilling program at the Hyperion-Tethys Prospect. The Hyperion-Tethys Prospect is situated within the emerging camp-scale Suplejack Project on exploration license EL9250. This prospect is located 17 kilometres northeast of the Groundrush deposit within the Central Tanami Project, a Northern Star/Tanami Gold joint venture operation in development.

A total of 7 holes for 1,906 metres of drilling were completed this quarter successfully confirming the orientation of the recently discovered Sues Breccia. Observations from diamond core have improved the understanding of the shoot controls of the Hyperion-Tethys mineralisation. The data has additionally resulted in the identification of other structures with similar characteristics to Hyperion-Tethys and Sues in the southern part of the Suplejack Project. These structures are targeted for drilling during 2017.

The interpretation of Sues is confirmed by the intersection of strong mineralisation in TYRD100003 (Figure 1a). Arsenopyrite in a quartz breccia, typical of orogenic deposits hosted in dolerite, was intersected at the targeted depth. Assaying of the drill hole returned a result of 13 metres at 5.6 g/t gold at 221 metres downhole, 180 metres vertically below surface. Drilling results are being incorporated into a Mineral Resource update to be completed and released during the first quarter of 2017.

Drill holes previously reported (ASX 26 Jul 2016), now re-interpreted to be the Sues Breccia, are illustrated in Figure 1b. The consistency, grade and shallow depth of the intersections warrant further drilling to extend the structure along strike to the north and south in early in the 2017 drilling season.

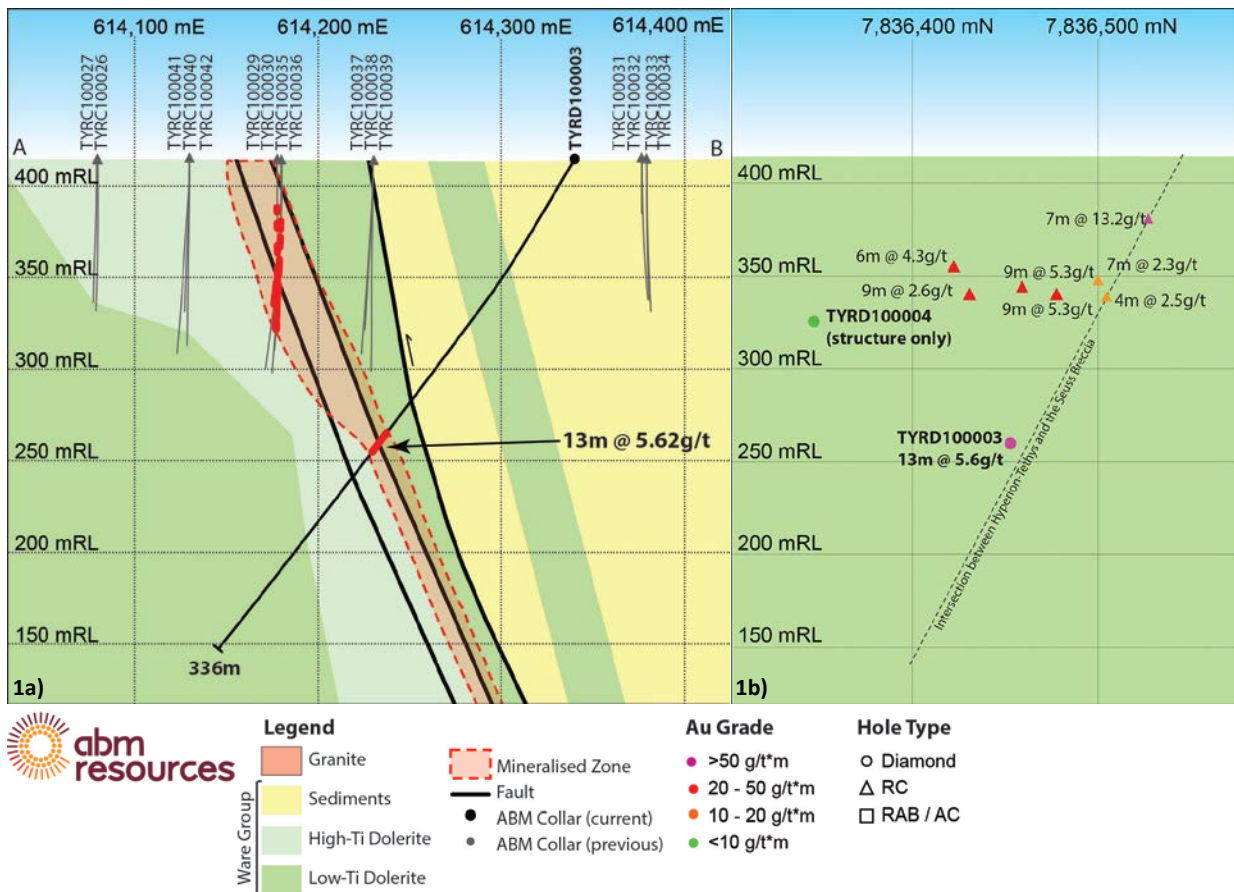


Figure 1: Sues Breccia: a) Cross section 7836460 metres North and b) Longitudinal projection

Drilling has confirmed gold mineralisation exhibiting both strong grades and widths outside the current resource of 3.0Mt at 2.11 g/t gold for 202,200oz (Appendix 1). This included a result of 9m at 5.4g/t from 221 metres in hole HSRD100002 testing the plunge potential of Hyperion South. Suplejack continues to demonstrate it is an emerging camp-scale target containing multiple advanced drilling prospects. Full details are available in the ASX announcement of 7th of December 2016.

Lake Mackay JV

The Lake Mackay Project is located 400km northwest of Alice Springs, adjacent to the Western Australian border, and includes 7,200 square kilometres of exploration licences. IGO is executing an exploration program as part of an exploration alliance with ABM to systematically evaluate the Lake Mackay Project. The Project has consolidated the favourable Proterozoic margin between the Aileron and Warumpi Provinces, characterised by a continent-scale geophysical gravity ridge and the Central Australian Suture. The JV partners believe that there is potential to unlock a new metallogenic province hosting multiple styles of mineralisation.

During the quarter an 18 hole reverse circulation (RC) drilling program was completed on EL24915. This included 11 holes at the Grapple Prospect, 3 holes at the Springer Prospect and 4 holes at the Prowl Prospect. Additional holes that were planned at Prowl, were not completed due to the requirement to demobilise the rig before a large weather front hit the area.

Table 1: Summary intercepts from the Lake Mackay RC program reported above a cut-off of 1ppm gold (Au) or 1% copper (Cu) or 1% zinc (Zn) or 1% lead (Pb).

| Hole ID | From (m) | To (m) | Interval (m) | Au (ppm) | Ag (ppm) | Cu (%) | Zn (%) | Pb (%) | Bi (%) | Co (%) |
|---|------------|------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 16GRRC001 | 22 | 24 | 2 | 2.32 | 0.7 | 0.16 | 0.13 | 0.00 | 0.01 | 0.09 |
| | 26 | 27 | 1 | 1.92 | 2.3 | 0.29 | 0.17 | 0.01 | 0.02 | 0.02 |
| 16GRRC003 | 64 | 74 | 10 | 1.57 | 50.1 | 1.05 | 2.55 | 1.71 | 0.06 | 0.09 |
| | 85 | 94 | 9 | 1.81 | 49.1 | 3.26 | 3.63 | 1.09 | 0.08 | 0.26 |
| | 95 | 100 | 5 | 1.07 | 40.9 | 4.61 | 4.61 | 0.67 | 0.06 | 0.25 |
| | 102 | 103 | 1 | 0.88 | 21.4 | 2.87 | 1.45 | 0.34 | 0.05 | 0.04 |
| | 131 | 132 | 1 | 0.94 | 5.1 | 1.81 | 0.06 | 0.00 | 0.01 | 0.02 |
| | 151 | 153 | 2 | 2.16 | 64.5 | 0.62 | 2.39 | 1.56 | 0.10 | 0.03 |
| 16GRRC005 | 151 | 155 | 4 | 0.76 | 32.9 | 1.14 | 2.44 | 0.69 | 0.04 | 0.07 |
| | 157 | 158 | 1 | 0.86 | 23.1 | 1.08 | 0.98 | 0.44 | 0.04 | 0.04 |
| | 165 | 166 | 1 | 1.80 | 15.9 | 0.72 | 1.58 | 0.30 | 0.04 | 0.15 |
| 16GRRC007 including | 38 | 44 | 6 | 8.98 | 23.5 | 1.45 | 1.40 | 0.26 | 0.07 | 0.15 |
| | 40 | 43 | 3 | 13.93 | 30.1 | 1.29 | 1.72 | 0.35 | 0.11 | 0.20 |
| | 71 | 75 | 4 | 3.77 | 11.0 | 1.94 | 0.50 | 0.07 | 0.03 | 0.04 |
| 16GRRC008 | 22 | 23 | 1 | 1.19 | 5.1 | 0.88 | 0.41 | 0.43 | 0.03 | 0.14 |
| | 57 | 58 | 1 | 4.14 | 9.8 | 1.14 | 0.44 | 0.16 | 0.05 | 0.11 |
| 16GRRC009 | 69 | 70 | 1 | 3.02 | 35.3 | 3.09 | 1.48 | 0.49 | 0.03 | 1.71 |
| | 71 | 72 | 1 | 2.06 | 7.2 | 1.30 | 0.18 | 0.05 | 0.01 | 0.06 |
| | 112 | 113 | 1 | 1.15 | 27.0 | 1.35 | 0.78 | 0.34 | 0.03 | 0.01 |
| | 117 | 119 | 2 | 4.51 | 40.9 | 1.16 | 1.51 | 0.77 | 0.08 | 0.16 |
| 16GRRC010 including | 116 | 125 | 9 | 5.23 | 12.8 | 1.40 | 0.57 | 0.23 | 0.11 | 0.07 |
| | 116 | 118 | 2 | 14.01 | 18.5 | 1.95 | 0.72 | 0.32 | 0.27 | 0.03 |
| | 127 | 130 | 3 | 2.60 | 72.6 | 0.24 | 0.45 | 2.70 | 0.09 | 0.01 |
| including | 129 | 130 | 1 | 4.92 | 147.4 | 0.10 | 0.03 | 5.50 | 0.18 | 0.01 |
| 16GRRC011 | 141 | 142 | 1 | 0.85 | 17.1 | 3.85 | 0.22 | 0.14 | 0.01 | 0.06 |
| | 144 | 149 | 5 | 0.43 | 34.1 | 2.69 | 3.12 | 0.85 | 0.03 | 0.19 |
| Cut-off 1 ppm Au or 1% Cu or 1% Zn or 1% Pb | | | | | | | | | | |
| bold higher grade zone | | | | | | | | | | |

* Note: Intervals are downhole. True widths are unknown.

Drilling results were reported for holes completed at the Grapple Prospect (ASX 20 Dec 2016). Mineralisation has been confirmed over a strike length of 300m which remains open down dip and along strike to the west and east.

All holes at the Grapple prospect with the exception of 16GRR005 had downhole electromagnetic (DHEM) surveying completed. This has identified a conductive plate associated with the mineralisation intersected at the Grapple Prospect. The DHEM interpretation suggests 16GRR011 drilled above the main conductor and that the centre of this conductive body is further to the west. Drilling is scheduled on the Grapple Prospect in the first half of 2017.

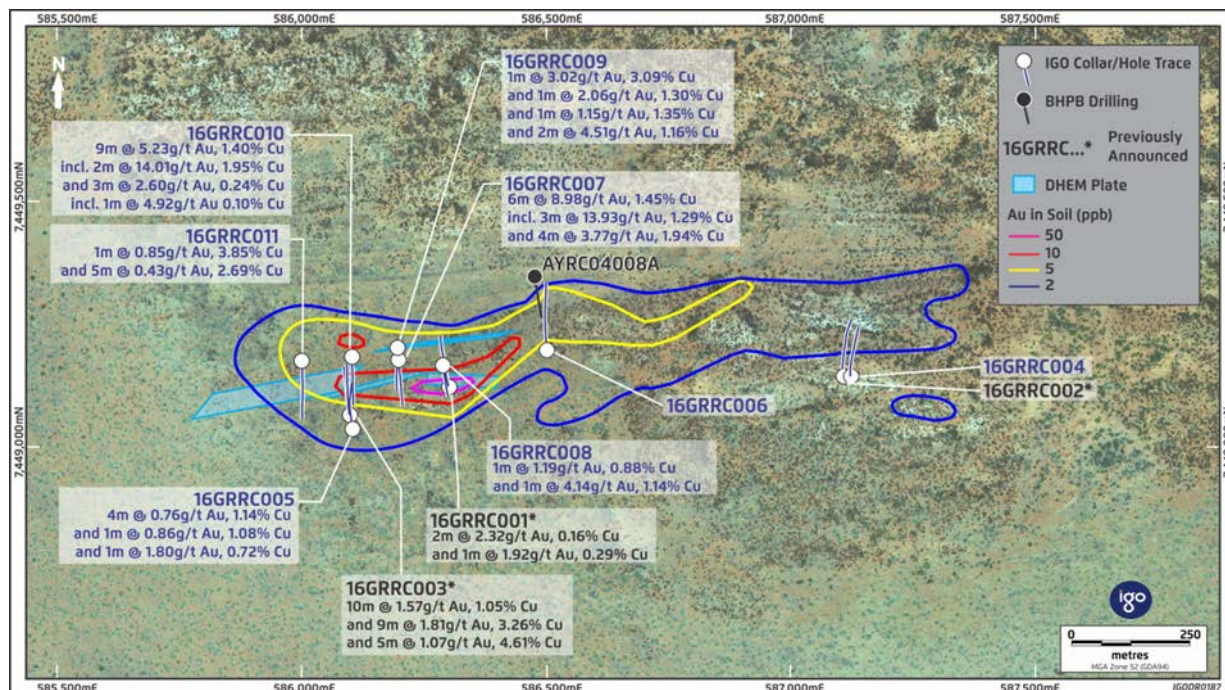


Figure 2: Grapple Prospect showing the location of the eleven drill holes and the main Au and Cu mineralized zones.

The assay results from the Springer and Prowl Prospects are being assessed. IGO reports that no massive sulphide mineralisation was identified at either of these prospects and while anomalous, no significant results are observed. To date IGO is only testing the initial anomalies identified from areas which are effective for soil sampling on 7% of the JV prospective tenure.

Bonanza Divestment Process

Following the receipt of several unsolicited expressions of interest in the Bonanza Project, ABM commenced a formal process to invite third party interest. In spite of a substantial interest with 20 confidentiality agreements being executed the process did not yield offers that ABM believes reflects the true value of the consolidated assets at Bonanza. Discussions are continuing with several parties for the Old Pirate and Buccaneer deposits individually. The decision to divest, or JV, any assets will depend on whether offers received represent superior value for ABM shareholders.

A review of the geological modelling of the Buccaneer deposit has commenced with a view to improve the geological controls of the grade estimate, and to include the results of drilling completed subsequent to the 2013 Resource.

South Tanami

Discussions are continuing with several parties for JV over the South Tanami Project.

Other Exploration

ABM's prospectivity analysis, as part of the continuing strategic review, was updated late in the quarter. This analysis allows the management of the tenement portfolio and prioritisation of fieldwork, tenement applications and project divestment. This is a major step in prioritising future exploration to those targets that meet the Company's strategic objectives. As part of this review ABM identified around 400,000 historically collected assay results which are being added to the database to inform project generation. To date over 250,000 of those previously missing assay results have been added to the database.

TENEMENTS

Three exploration licence applications were granted at South Tanami.

For further details refer to the Appendix 5B.

CORPORATE

Share Issue and Cancellation

No share were issued or options exercised during the reporting period.

Board Restructure & Strategy

During the quarter Mr Matt Briggs commenced as Managing Director which completed the restructure of the Board.

Cash Position

At quarter end, the Company held \$7.5 million in available cash with an additional \$2.5 million deposited in restricted accounts to cash back performance bonds. The reduction in restricted cash is due to a release of performance bonds for completed rehabilitation at the Old Pirate deposit. The Company has no debt.



Matt Briggs
Managing Director

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 new Company leadership is implementing a strategy of aggressive cost management initiatives and is developing a disciplined, tightly focused exploration strategy. Activities are currently focused on the Company's under-explored 36,000 km² Tanami Project area and includes:

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

APPENDIX 1: RESOURCE ESTIMATE

Table 2: Hyperion Mineral Resource Estimate

| Hyperion Gold Project Mineral Resource estimation with 50g/t gold top-cut | | | | |
|---|-------------------|------------------|-------------|----------------|
| 0.8g/t gold cut-off | Resource Category | Tonnes | Gold (g/t) | Ounces |
| Hyperion Central | Inferred Resource | 2,209,000 | 2.06 | 146,600 |
| Hyperion South | Inferred Resource | 768,000 | 2.25 | 55,500 |
| Total | Inferred Resource | 2,977,000 | 2.11 | 202,200 |
| 2g/t gold cut-off | Resource Category | Tonnes | Gold (g/t) | Ounces |
| Hyperion Central | Inferred Resource | 875,000 | 3.17 | 89,100 |
| Hyperion South | Inferred Resource | 272,000 | 4.08 | 35,700 |
| Total | Inferred Resource | 1,147,000 | 3.38 | 124,800 |

Note: Totals may vary due to rounding. Refer to press release 16th April 2012 for details. Re-reported in 2013/2014, 2014/2015 and 2015/2016 annual report to be compliant with JORC 2012.

Competent Persons Statement

The information in this announcement and Appendix that relate to Hyperion Mineral Resource estimates is based on information reviewed by Mr Alwin van Roij who is a Member of The Australasian Institute of Mining and Metallurgy. Mr van Roij is a full time employee of ABM Resources NL and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr van Roij consents to the inclusion in the documents of the matters based on this information in the form and context in which it appears.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

ABM Resources NL

ABN

58 009 127 020

Quarter ended ("current quarter")

December 2016

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|------------------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | 1 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (999) | (2,433) |
| (b) development | | |
| (c) production | (69) | (1,565) |
| (d) staff costs | (146) | (660) |
| (e) administration and corporate costs* | (9) | (363) |
| 1.3 Dividends received (see note 3) | | |
| 1.4 Interest received | 40 | 83 |
| 1.5 Interest and other costs of finance paid | (37) | (66) |
| 1.6 Income taxes paid | | |
| 1.7 Research and development refunds | 810 | 810 |
| 1.8 Other (provide details if material) | | |
| 1.9 Net cash from / (used in) operating activities | (410) | (4,193) |

*1.2.(e) The total cost of \$9K for administration and corporate costs includes a refund of GST from the Australian Taxation Department of \$158K for the previous quarter which was refunded in the current quarter.

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|---|------------------------------------|--|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire: | | |
| | (a) property, plant and equipment | | |
| | (b) tenements (see item 10) | - | (6) |
| | (c) investments | | |
| | (d) other non-current assets | | |
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | 29 | 29 |
| | (b) tenements (see item 10) | | |
| | (c) investments | | |
| | (d) other non-current assets | | |
| 2.3 | Cash flows from loans to other entities | | |
| 2.4 | Dividends received (see note 3) | | |
| 2.5 | Other (provide details if material) | | |
| 2.6 | Net cash from / (used in) investing activities | 29 | 23 |

| | | | |
|-------------|---|--------------|--------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | | |
| 3.2 | Proceeds from issue of convertible notes | | |
| 3.3 | Proceeds from exercise of share options | | |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | | |
| 3.5 | Proceeds from borrowings | | |
| 3.6 | Repayment of borrowings | | |
| 3.7 | Transaction costs related to loans and borrowings | | |
| 3.8 | Dividends paid | | |
| 3.9 | Other ((placement)/refund of security deposits) | 1,618 | 1,618 |
| 3.10 | Net cash from / (used in) financing activities | 1,618 | 1,618 |

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (6 months) \$A'000 |
|---|--|------------------------------------|--|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 6,307 | 10,096 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (410) | (4,193) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | 29 | 23 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 1,618 | 1,618 |
| 4.5 | Effect of movement in exchange rates on cash held | | |
| 4.6 | Cash and cash equivalents at end of period | 7,544 | 7,544 |

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | | Current quarter \$A'000 | Previous quarter \$A'000 |
|--|--|------------------------------------|-------------------------------------|
| 5.1 | Bank balances | 1,515 | 5,028 |
| 5.2 | Call deposits | 6,029 | 1,279 |
| 5.3 | Bank overdrafts | | |
| 5.4 | Other (provide details) | | |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 7,544 | 6,307 |

| 6. Payments to directors of the entity and their associates | | Current quarter \$A'000 |
|--|--|------------------------------------|
| 6.1 | Aggregate amount of payments to these parties included in item 1.2 | 89 |
| 6.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | |
| 6.3 | Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |
| | | |

| 7. Payments to related entities of the entity and their associates | Current quarter \$A'000 |
|--|------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

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| |
|--|

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| 8.1 Loan facilities | | |
| 8.2 Credit standby arrangements | | |
| 8.3 Other (Fully cash-backed guarantee facility) | 3,793 | 2,113 |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |

ABM has a guarantee facility with the ANZ bank which does not require any security to be granted over the Company's assets. The company is not required to pay interest for the facility as the funds are fully cash-backed. Related usage fees are part of expenditure under point 1.5.

| 9. Estimated cash outflows for next quarter | \$A'000 |
|--|----------------|
| 9.1 Exploration and evaluation | 750 |
| 9.2 Development | |
| 9.3 Production | 100 |
| 9.4 Staff costs | 150 |
| 9.5 Administration and corporate costs | 150 |
| 9.6 Other (provide details if material) | |
| 9.7 Total estimated cash outflows | 1,150 |

Mining exploration entity and oil and gas exploration entity quarterly report

| 10. | Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|------|---|---|-----------------------|----------------------------------|----------------------------|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | NIL | | | |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased | EL25156, EL29832 & EL29859 South Tanami | Grant of applications | 100% | 100% |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director/Company secretary)

31 January 2017
Date:

Jutta Zimmermann
Print name:

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.