

29 January 2008

ASX CODE: ABU

**ASX ANNOUNCEMENT / MEDIA RELEASE****New Conductive body identified below high grade intercept of 5 metres grading 10.6% Zn at Erayinia from second DHTEM survey****HIGHLIGHTS:**

- **A significant and new highly conductive body identified below the high grade intersection of 5 metres grading 10.6% Zn (drill hole ED116) from the second DHTEM survey.**
- **The new conductive body/zone plunges very steeply south.**
- **Conductive zones have also been identified within the southern lens at King.**

**Project Background**

The Erayinia Project (70:30 JV with Great Gold Mines NL) is located approximately 150 km east south east of Kalgoorlie within an Archaean greenstone belt at the southeast margin of the Yilgarn Craton. Exploration carried out 14 years ago identified copper-zinc mineralisation in a possible Volcanic Massive Sulphide (VMS) environment. Focused exploration initiated by ABM Resources from 2005 onwards has confirmed the presence of a VMS zone (King prospect). A total of 25 drill targets have been identified within a 40 km long greenstone belt at Erayinia based on geophysical and geochemical anomalism. ABM is now intensifying its exploration drilling programs to determine the size and economic potential of its King prospect and the broader project area.

**King Prospect – Down Hole Transient Electro Magnetic (DHTEM) Survey**

ABM Resources NL has received the report of its DHTEM survey completed at King Prospect from its geophysical consultants. The report is being assessed to fully integrate the DHTEM survey with the diamond drilling programme during the December Quarter.

The findings of the report are as follows:

A significant and highly conductive zone that plunges very steeply south and may extend beneath the deepest current drilling within the northern lens. ED116 is near the northern margin of this zone. ECD055, ECD057 and ECD059 have tested its upper section.

The modelling of the DHTeM data also indicates an 'upper south' conductive zone, that has been tested by drilling, and 'lower central' and 'lower south' zones that have not been investigated within the southern lens.

The deeper part of the 'main north' zone and the adjacent 'lower central' zone that lies between 6538400N and 6538600N, which is below about -50RL, is recommended for drilling.

The analysis of the results of the DHTeM surveys and drilling completed to date has resulted in the formulation of the next diamond drilling program which is expected to commence in the March Quarter.

For any questions on the release please contact:

Mr Imants Kins  
Executive Chairman  
+61 8 9423 9777

For personal use only

### ABOUT ABM RESOURCES NL:

The company has a portfolio of base metal (zinc, lead, copper) projects located in Western Australia and a Joint Venture gold project in Mozambique. The conceptual exploration framework of the company is focused on delineating major mineral discoveries.

The primary exploration focus is the substantial region-scale Volcanic Massive Sulphide (VMS) base metal JV project at Erayinia located in Western Australia and the recently acquired Mimosa JV gold project in Mozambique. ABM Resources also holds interests in another three base metal projects, Gascoyne, Earasheedy and Harbutt Range in Western Australia.

ABM Resources entered into a formal Cooperative Agreement with AYR Infrastructure in May 2007 with the objective of securing high quality gold and other mineral projects in selected countries in Africa with a

view to outlining significant mineral deposits. AYR Infrastructure Development (AID) is a global consulting and development organization developing sustainable infrastructure in the emerging markets around the world.



The information in this Report that relates to Exploration results is based on information compiled by Harjinder Kehal who is a member of the Australasian Institute of Mining and Metallurgy. Harjinder Kehal is a Consultant Geologist with over 20 years experience as a geologist.

Harjinder Kehal has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves. Harjinder Kehal consents to the inclusion in the report of the matters based on his information in the form and context in which it is used.