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14 January 2007

ASX ANNOUNCEMENT /MEDIA RELEASE

Erayinia JV Exploration Update

In an area to be called "The Hook" six magnetic anomalies have been identified. The Hook area is very interesting given its concentrated faulting, folding and potential shearing over a strike length of approximately 5 km.

Initial reconnaissance in the vicinity of the largest of the aeromagnetic anomalies identified from a regional magnetometry survey, has revealed lithologies similar to those at Calliope (E1). This anomalous area, to be called Calypso (after a Greek Goddess) is located on the northern part of E28/1612. This magnetic anomaly is located approximately 35 km north of Calliope (E1) on strike. The Calypso magnetic anomaly is larger than the one at Calliope (E1), where resource definition drilling is planned to commence in February 2007.

At Calypso, ironstone subcrop, included in this supracrustal sequence, could be a relic of a shear or exhalite. The landform and vegetation suggest only shallow alluvial cover and the area is considered suitable for conventional soil-geochemistry, which will be undertaken in February/March 2007. There is also some indication of **leached sulphides** at Calypso and whether they constitute a discrete gossan will be investigated in the next planned exploration program to begin in February/March 2007.

Additional to the soil geochemistry at Calypso a 40 sq km airborne magnetometry survey at 50 m spacing's will be flown as soon as possible. This survey will include the Calypso prospect and is planned in order to assess the ground for base metal sulphide and other deposits in the 40 sq km area.

A further, more detailed, announcement will be made on the next stage exploration program referred to above once it has been confirmed. That program in general terms aims to achieve:

1. Resource definition possibly up to the level of a measured resource at Calliope (E1)
2. More-detailed geophysical and geochemical data on a selected number of drilling targets which were identified from regional geophysical surveys and old RAB drill geochemistry. For example, at E11 there is already identified a coincidence of geophysical and geochemistry anomalism. E11 is located 10 km from Calliope (E1).

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3. The company is reviewing the total Erayinia project ground prospectivity in the light of the re negotiated JV agreement with Great Gold Mines which now gives ABM rights to all minerals; the project area covers approximately 760 sq km of ground (see attached tenement map). The scope of the exploration program may be expanded, subject to that review.

The assays of samples from the recent two diamond drill holes at Calliope (E1), that intersected three sulphide zones, are awaited.

The company has received late last week, the airborne magnetic survey flown over its base metal prospect in the Gascoyne in which it is chasing a Broken Hill style SEDEX deposit. The data is being reviewed and an announcement of the results will be made in due course.

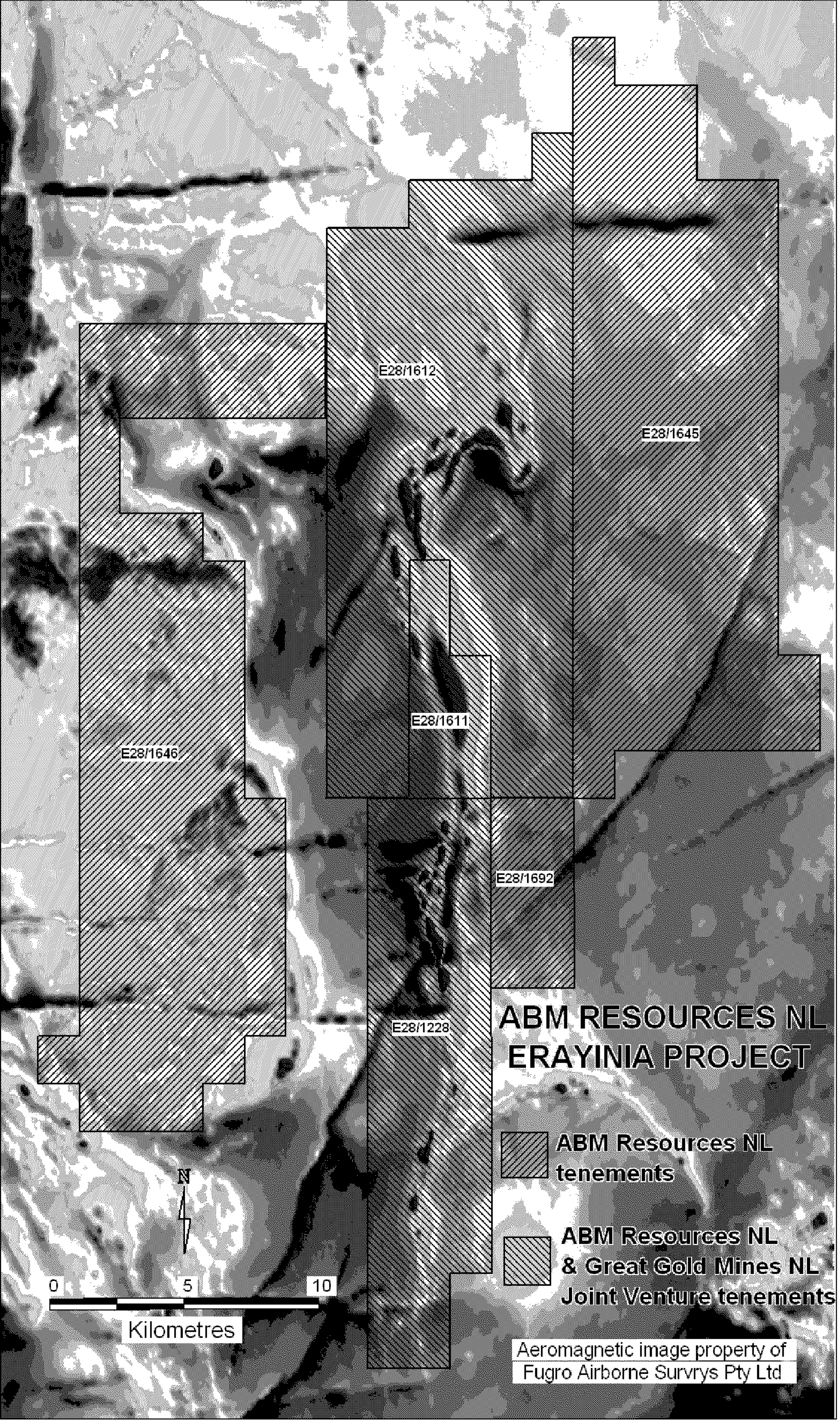
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The information in this Report that relates to Exploration results is based on information compiled by Barry Rees who is a member of the Australasian Institute of Mining and Metallurgy. Barry Rees is a Consultant Geologist with over 40 years experience as a geologist.

Barry Rees 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. Barry Rees consents to the inclusion in the report of the matters based on his information in the form and context in which it is used.



E28/1612

E28/1645

E28/1646

E28/1611

E28/1692

E28/1228

ABM RESOURCES NL ERAYINIA PROJECT

 ABM Resources NL
tenements

 ABM Resources NL
& Great Gold Mines NL
Joint Venture tenements



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Kilometres

Aeromagnetic image property of
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