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The Announcements Office
Australian Stock Exchange Ltd
Level 3, 20 Bridge Street
SYDNEY NSW 2000

By ASX Online Transmission

Dear Sir,

Please find attached ASX/Media release regarding Erayinia JV – RC Drilling Update.

Yours faithfully

Timothy King
Company Secretary



06 September 2006

ASX CODE: ABU

ASX ANNOUNCEMENT /MEDIA RELEASE

Zinc Mineralization Intersected at 2 New Drill Targets at Erayinia

Stage 3 exploration progress report

1. Introduction

ABM Resources NL is pleased to announce the successful completion of a reverse circulation (RC) drilling program on the Erayinia JV project. Zinc mineralization similar to that already found in previous exploration at E1 has been identified at two new drill sites along strike. Twenty three holes (EC 32 - EC 54) were drilled for an advance of 2350 m. The targets for the drilling were a series of magnetometric anomalies and a copper-rich geochemical anomaly, all of which had been identified in previous exploration programs.

A small (3km x 1km) ground magnetometry survey had previously identified a series of seven "thumb-print" anomalies named E1 – E7. Previous RC drilling concentrated solely on the E1 zone (drill holes EC 14-30) and identified significant zinc mineralization up to 12.6% Zn in a massive sulphide unit up to 8m thick over a strike distance of 200m and down-dip to a nominal 200m (refer: ASX announcement dated 17 March 2006). Diamond core drilling for an intersection within this zone and also to test depth down-dip initially to approximately 300m is proposed, but delays have been experienced in obtaining a suitable diamond drilling rig.

2. Drill Intercepts

E1 Adjacent to the E1 anomaly, but 200m into the stratigraphic footwall, previous geochemical surveys (shallow RAB drilling) had identified a zone of copper-enrichment. In the recent drilling program four 100m holes (stratigraphic coverage) were drilled to further test this mineralization. Disseminated pyrite/pyrrhotite, in a magnetite-rich, chloritic zone was intersected over a broad interval (~ 100m). In VMS deposits these copper enriched zones typically represent a discordant feeder-zone to the massive sulphide unit. Assays show highly anomalous copper with the better intersections as follows: - (all holes inclined ~60° with azimuth 270°)

Hole:	Northing:	Easting:	Depth:	Interval:	Zn	Assays (ppm)		
						Pb	Cu	Ag
EC45	6538740	484790	100	*85-90m	5030	1070	1240	4
EC46	6538740	484840	100	*60-65	650	600	2460	7
EC44	6538740	484740	100	53-54	480	10	2140	6
				77-78	6250	40	525	2
				79-80	100	<10	2005	8

* composite samples

This copper enrichment zone was proposed by the Volcanogenic Massive Sulphide (VMS) model and its intersection is highly encouraging. The pyrite and pyrrhotite are richer in copper than elsewhere, but the frequent high zinc and lead concentrations are not to be expected in a typical "feeder-pipe". What is present is a broad alteration unit which has a distinctive linear magnetic signature. These values are 20-50 times the background for the mica-chlorite schists in the district and as such this alteration zone warrants considerable further research.

While no further drilling was carried out at the E1 anomaly, the next exploration program (stage 4) will include significant drilling (at depth and for extensions) at E1.

- E2 Geophysical anomaly E2 is approximately 1½ km from E1 to the northeast, being separated by a northeast striking fault. Previous RAB geochemistry, on broad-spaced traverses, intersected anomalous zinc – (copper) over E2. Five holes in three traverses 50m apart were completed in the recent program over E2 to test for mineralization and assist in definition of the geometry of mineralization. Traverses 6539890N (EC 33-34) and 6539940N (EC 48-49) intersected a sulphide-magnetite zone about 5 m thick, and dipping 60° - 70° to the east within a quartz-sericite-chlorite (garnet) schist. From these intersections it was determined that the local stratigraphy strikes northeast, which is unusual in the district.

This type of mineralization is similar to that previously identified in shallow holes at E1 and similar anomalous assay values for silver, lead and zinc have been returned. The mineralized zone at E2 is striking at a different angle to that anticipated, and consequently, the other holes at E2 appear to have been drilled obliquely to the strike of the stratigraphy. Better intersections at E2 are as follows: - (all holes inclined ~60° with azimuth 270°)

Hole:	Northing:	Easting:	Depth:	Interval:	Zn	Assays (ppm)		
						Pb	Cu	Ag
EC33	6539890	485410	96m	70-73m	9710	1070	120	16
EC48	6539940	485400	60m	38-41m	2850	140	460	3

- E3 The E3 anomaly is about 250m north of E2. Drilling was attempted on four traverses 50m apart but only one traverse can be deemed to have adequately tested the anomaly. This is due, in part, to the deep overburden (up to 55m thick) as well as the unanticipated strike which again put the stratigraphy oblique to the drilling, as in the case of E2. Nevertheless, a very fine grained sulphide magnetite-graphite unit at least 18m true thickness was encountered in three drill holes (EC 37-39; section 6540240N) which inferred a dip of 60°-70° eastwards. Better

intersections at E3 are as follows: - (all holes inclined ~60° with azimuth 270°)

Hole:	Northing:	Easting:	Depth:	Interval:	Zn	Assays (ppm)		
						Pb	Cu	Ag
EC38	6540240	485580	114m	95-98m	1670	80	880	7

Whilst these values are not of ore grade they represent enrichments of 1-2 orders of magnitude above background. Notably, these assays have similar magnitude to the upper levels of the E1 deposit, eg. EC8. In the context of VMS deposits, a cluster of mineralized zones is to be expected in the same stratigraphic formation. However the sizes and metal content of the mineralized zones varies, and often, most are of sub-economic grade. Therefore the sub-economic grades intersected in this recent campaign do not reflect on the prospectivity of the E1 deposit. Whilst further drilling at E2 and E3 is imperative, the next exploration program is to be concentrated at E1.

E5-E6 Two somewhat weaker magnetometric anomalies E5 and E6 (400 and 800 m north of E1 respectively) were also tested with two and one holes respectively. Thick and wet overburden was encountered in all holes. No sulphide or magnetite mineralization was intersected so these geophysical features have yet to be verified. Given the more complex than anticipated nature of the anomalies, further drilling in this region has been put in abeyance until the sulphide mineralization of E1 is more properly understood. Assaying for the E5 and E6 drilling has not yet been completed.

3. Aeromagnetic Survey

In addition to the completed RC drilling program, an aeromagnetic survey was completed in early August. This survey covered an area approximately 28 km long, both north and south along strike from E1, by 3 km wide at a line spacing of 50m. This will result in improved resolution over the area of interest and a 28 fold increase in the area covered by the existing aeromagnetic data. Detailed magnetic data were instrumental in the definition of targets E1 to E7 since virtually all the tenement is covered by a layer of alluvium of varying thickness. There is very little surface outcrop in the area, therefore severely limiting the ability to carry out surface geological mapping and largely necessitating the use of drill intercepts to define the geometry and structure of the subsurface geology. This data from the new survey will be critical in defining any additional magnetic "thumb-print" drilling targets that may occur on strike from the existing targets.

4. Summary

The Stage 3 exploration program, which is primarily focused on the geometry of the mineralization, has now almost been completed. The TEM survey, the RC drilling and airborne magnetometry has been completed. The airborne magnetometry data will be available to the company by the end of this week. The diamond drilling campaign has not yet been conducted due to delays in obtaining the drill rig. It is expected that the rig will soon be available (this could be as early as next week) or as late as the middle of October 2006. A summary of the complete Stage 3 program will be released once all the data has been received and analysed.

The Stage 4 program, which will primarily focus on initial resource estimation at E1, is planned to commence during October 2006.

For further information please contact

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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.