

4 October 2018

ASX Announcement

GBM Gold Receives \$2.75 Million Investment

GBM Gold Limited

ABN 59 119 956 624

ASX CODE: GBM

CORPORATE DETAILS:

Shareholders:

700

Shares on Issue:

1,118,319,556

Options: Nil

Directors:

Eric JP Ng (Chairman)

John Harrison (CEO)

Paul Chan

Andy Lai

Linda Lau

Jianping Wang

Andrew Chan

Company Secretary:

Andrew Chan

CONTACT DETAILS:

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HIGHLIGHTS

- Investor subscribing to 275,000,000 ordinary shares at \$0.01 per share for a private placement of \$2.75 million
- Funds will be used for the advancement of the Kangaroo Flat Sand Dam and Harvest Home projects and the third deferred bond payment to Unity Mining
- Receipt of funds to be completed by 8 October 2018

GBM Gold Limited (ASX: GBM) ("GBM Gold") is pleased to announce that it has secured an investment of \$2.75 million with the funds from the private placement to be used in the progression of the Kangaroo Flat Sand Dam Project, Harvest Home Project and for the third deferred bond payment to Unity Mining for the Kangaroo Flat assets.

The \$2.75 million placement comprises the issue of 275,000,000 ordinary shares at the issue price of \$0.01 per share.

GBM Gold will use the proceeds of the placement for the following Company activities:

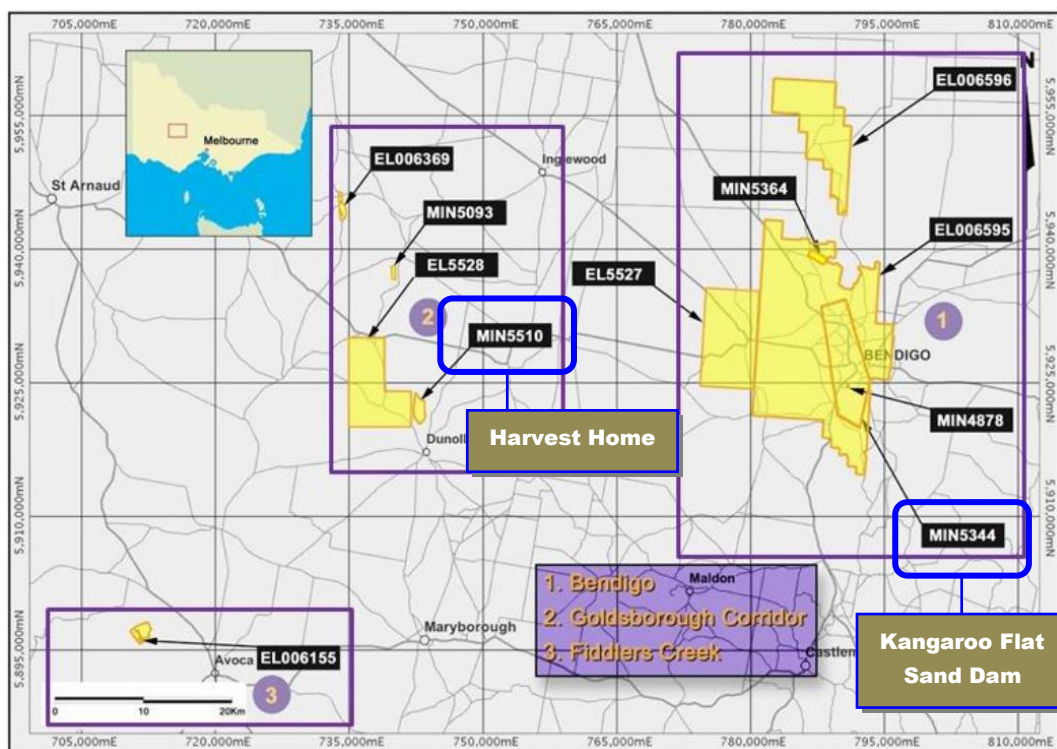


Figure 1 - GBM Gold Projects

Kangaroo Flat Sand Dam Project (MIN5344)

As announced in its [September 2017 Quarterly Report](#), GBM Gold entered into an agreement with Gold Miners Australia to jointly mine and process the sand in the Kangaroo Flat Coarse Sand Dam to recover the contained gold and sulphides. A wash plant and 2x35tph gold concentrators have been installed and commissioned (see Figure 2).

The sand dam is estimated to hold 430,000 tonnes of material containing 5,100 ounces of gold at a grade of 0.37 g/t as reported in the [March 2017 Quarterly Report](#). It is planned to process the sand over a period of two to three years.



Figure 2 - Kangaroo Flat Coarse Sand Dam Processing Equipment

Harvest Home Project (MIN5510)

The Harvest Home Project is located approximately 5 kilometres north of Dunolly in central Victoria. The tenement encompasses the historic Harvest Home Goldfield. MIN5510 is a 50% Joint Venture with Truelight Mining Pty Ltd.

A bulk-sampling test pit was completed at the Harvest Home prospect in June 2015. A quantity of gold was recovered from ore mined from the shear zone exposed in the test pit. In addition to the gold obtained from the shear, coarse gold was observed where a flat dipping quartz vein intersected a sub-vertical "indicator" fault adjacent to the mined shear. Knowledge gained from bulk-sampling of the deposit promoted a review of the mineralisation model and a re-evaluation of the resource potential of the project.

The approvals processes for the development of a production pit that will encompass and extend the existing bulk sample pit are complete (see Figure 3). Approximately 44,000 tonnes of ore at an estimated grade of 2.46g/t will be excavated in the next phase of the operation. In addition, a selective program of costeaning and in-fill drilling will build resource potential at Harvest Home and other prospects on the tenement. Mining will be conventional drill & blast utilising hydraulic excavator and articulated trucks. Ore will be transferred to an offsite processing facility.



Figure 3 - Excavating bulk sample pit at Harvest Home

ENDS

About GBM Gold Ltd (ASX: GBM)

GBM Gold is a gold focused mining and exploration company with mining and exploration assets located one of Australia's most significant gold producing regions; the Central Victorian Goldfields.

GBM Gold owns the Bendigo Goldfield, Australia's second largest goldfield. The Company is targeting projects to develop long term sustainable mining to fund the Company's growth. Recent work has centred on the Bendigo Goldfield and the Harvest Home deposit located north-east of Dunolly in the Golden Triangle area of Central Victoria. Harvest Home, in which GBM Gold has a 50% equity interest, and the adjacent Queen's Birthday will continue to be developed together with projects on the Bendigo Goldfield.

For further information, please visit www.gbmgold.com.au or contact:

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