



**APPENDIX 4D:
RESULTS FOR ANNOUNCEMENT TO THE MARKET**

Current Reporting Period: Half-year ended 31 December 2015

Previous Reporting Period: Half-year ended 31 December 2014

Results for announcement to the market		A\$ 2015	A\$ 2014
Revenue from ordinary activities	No change	0	0
Profit/(Loss) after tax attributed to members	Change is + 60.7%	(367,867)	(936,972)
Profit/(Loss) for the half-year attributed to members	Change is + 60.7%	(367,867)	(936,972)

The loss of GBM Gold Limited (“GBM”) and its subsidiaries (the “consolidated entity”) for the half-year ended 31 December 2015, after income tax, amounted to \$367,867 (2014: loss \$1,234,918). Sundry income of \$155,802 (2014: \$4,161) was received during the half-year due primarily to the receipt of \$151,802 for the FY15 R&D Tax offset associated with the Harvest Home bulk sampling program.

There were no non-controlling interests loss for the Group during the half-year period ended 31 December 2015 (2014: loss \$297,946). There were no impairment charges recognised during the half-year ended 31 December 2015 (2014: impairment \$105,052). GBM incurred other operating expenses of \$515,856 during the half-year period ended 31 December 2015 (2014: \$552,252).

Change in ownership of controlled entity

Nil

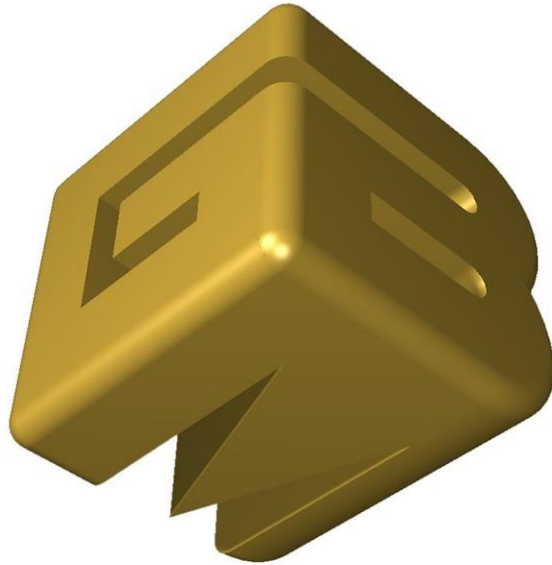
Dividends

It is not proposed to pay dividends.

Other information	31 December 2015	31 December 2014
Net Tangible Assets per ordinary share	0.002	0.002

The financial information provided in the Appendix 4D is based on the half-year condensed financial report (attached), which has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS).

The half-year financial report has been independently reviewed and is not subject to a qualified independent review conclusion.



GBM Gold Ltd

(ABN 59 119 956 624)

INTERIM REPORT
for the half-year ended
31 December 2015

Directors' Report

The directors present their report together with the consolidated financial report of GBM Gold Limited ("GBM" or "the Company") and of the GBM Group being the Company, its subsidiaries and the Group's interest in associates and jointly controlled entities ("GBM Group") for the half year ended 31 December 2015 and the Auditor's review report thereon.

Directors

The directors of the Company at any time during or since the end of the half-year are:

- **Mr Eric Ng**, Non-Executive Chairman.
- **Mr John Harrison**, Executive Director & CEO.
- **Mr Paul Chan**, Non-Executive Director.
- **Mr Andy Lai**, Independent Non-Executive Director.
- **Ms Linda Lau**, Independent Non-Executive Director.
- **Mr Andrew Chan**, Independent Non-Executive Director.

Company Secretary

The Company Secretary is Mr Andrew Chan.

Operating and Financial Review

GBM Gold Ltd – Corporate

As announced to the ASX on the 17th September 2015, GBM has entered into a binding Assets Sale Agreement with Unity Mining Limited for the purchase the Kangaroo Flat gold processing plant, equipment and facilities, including mining and exploration tenements, buildings and freehold land in the Bendigo area.

The key terms of the Asset Sale Agreement signed between the parties are as follows:

- \$100,000 in cash (non-refundable except in certain limited circumstances) signing fee paid to Unity;
- On Completion (anticipated to be in mid-March 2016) – GBM to pay Unity \$1,100,000 in cash, and Unity to assign to GBM the funds held to meet rehabilitation obligations at Bendigo (\$5.908 million). GBM will also assume responsibility for any liabilities relating to the Bendigo project on and from completion;
 - On the first anniversary of completion – GBM to pay Unity \$1,100,000 in cash;
 - On the second anniversary of completion – GBM to pay Unity \$1,878,000 in cash; and
 - On the third anniversary of completion – GBM to pay Unity \$1,830,000 in cash.

In addition, the parties have agreed that, should GBM sell or otherwise realise value from certain assets, Unity is entitled to a share of the payments received, with any such payments being used to accelerate, but not to increase, the deferred payments.

GBM's obligations to pay the deferred payments will be secured by a first-ranking security interest granted in favour of Unity over certain assets acquired under the Asset Sale Agreement.

GBM achieved the following items in relation to the acquisition of the Bendigo Assets during the half year period:

- The GBM shareholders approved the acquisition of the Bendigo Assets subject to the Assets Sale Agreement with Unity Mining Limited at the Annual General Meeting held on 28 October 2015.
- GBM secured a line of credit for approximately A\$7.17 million with Colbert Finance Limited, a Hong Kong based company which will allow GBM to meet any financial capacity obligations in relation to the purchase of the Bendigo Assets.
- GBM received A\$1 million in cash for 100,000,000 ordinary shares issued at price of \$0.01 per share issued to sophisticated investors during December 2015.
- Lodged the necessary tenement transfer applications with the Department of Economic Development, Job Transport and Resources.

The transaction is expected to complete by mid-March 2016, subject to satisfaction or waiver of the following conditions on or before that time:

- Victorian Government Ministerial approval to the transfer and registration of the Bendigo Tenements to GBM; and

Operating and Financial Review

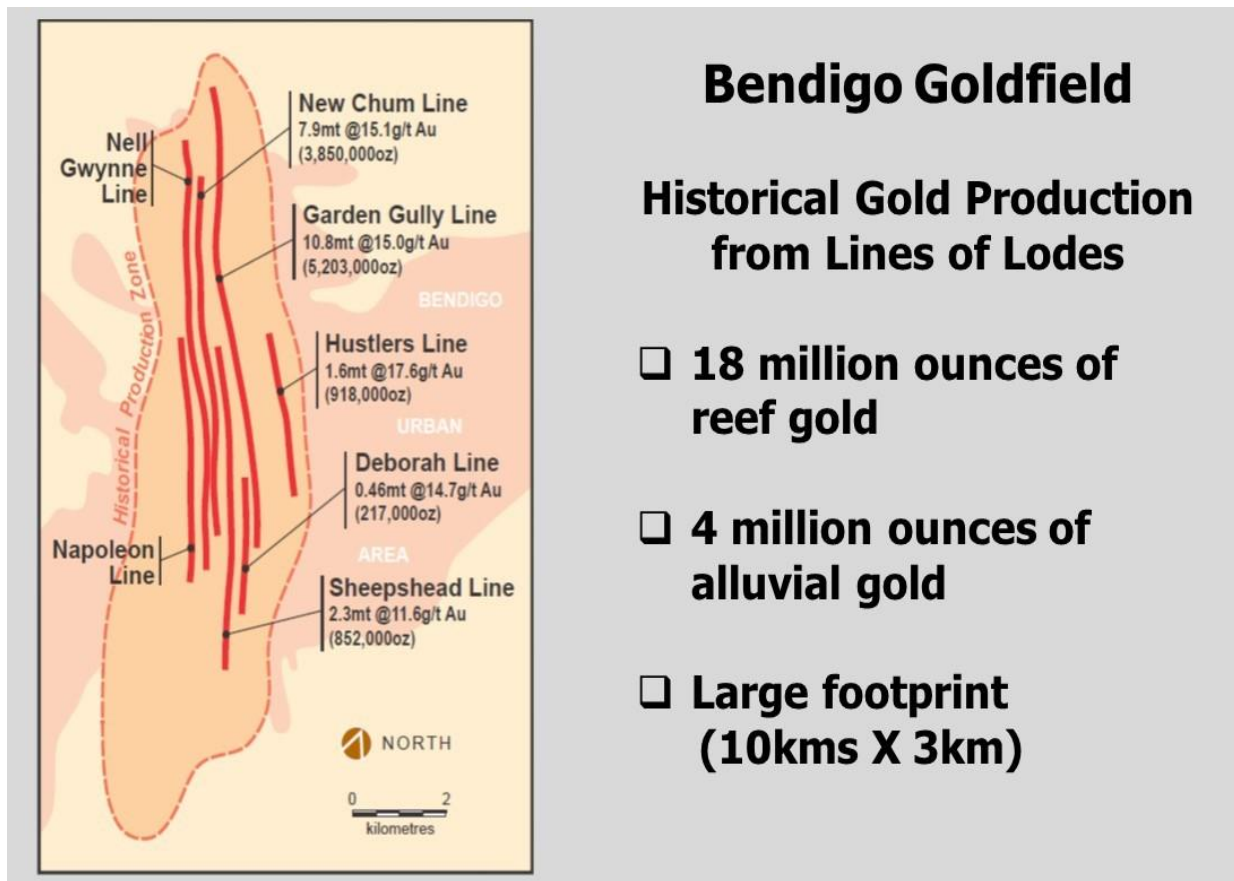
- Release of existing environmental bonds by Unity and acceptance of the replacement environmental bonds from GBM by the Victorian Department of Economic Development, Jobs, Transport & Resources.

Overview of operating performance

Bendigo Goldfield

GBM is purchasing the Bendigo Goldfield. It is situated just 130km from Melbourne, the immense riches derived from the Bendigo Goldfield played a significant part in Melbourne's ascent to affluence, and the birth of modern Australia. The Bendigo Goldfield is Australia's second richest historical goldfield after Kalgoorlie's Golden Mile with 22 million ounces of gold produced (see Figure 1).

Figure 1: Bendigo Goldfield Production 1851 to 1954

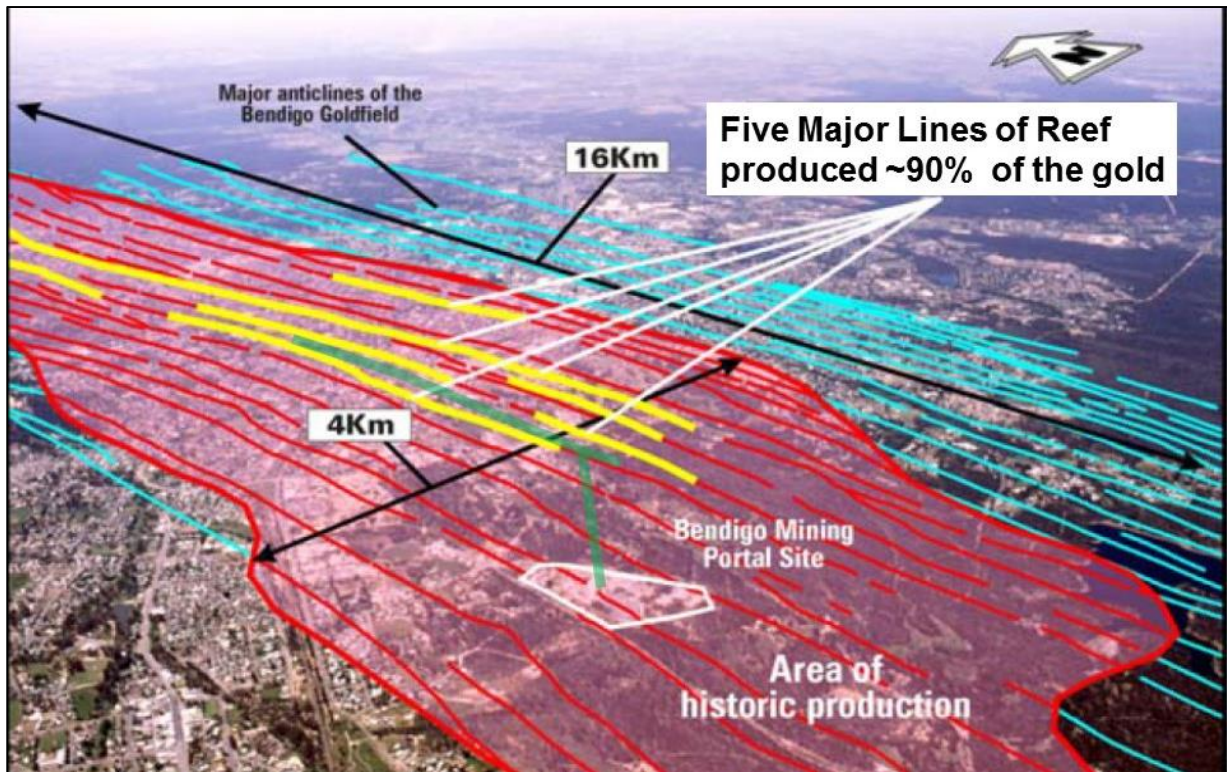


It is estimated that five thousand shafts were sunk at Bendigo during the hundred year period of mining, from which more than 40 million tonnes of 'quartz reef' ore were extracted.

Bendigo is famous for its saddle reefs located at or near the top of anticlines. Seventeen of these anticlinal "lines" are known to be mineralised, others have had limited exploration. Five of them produced ~90% of the gold.

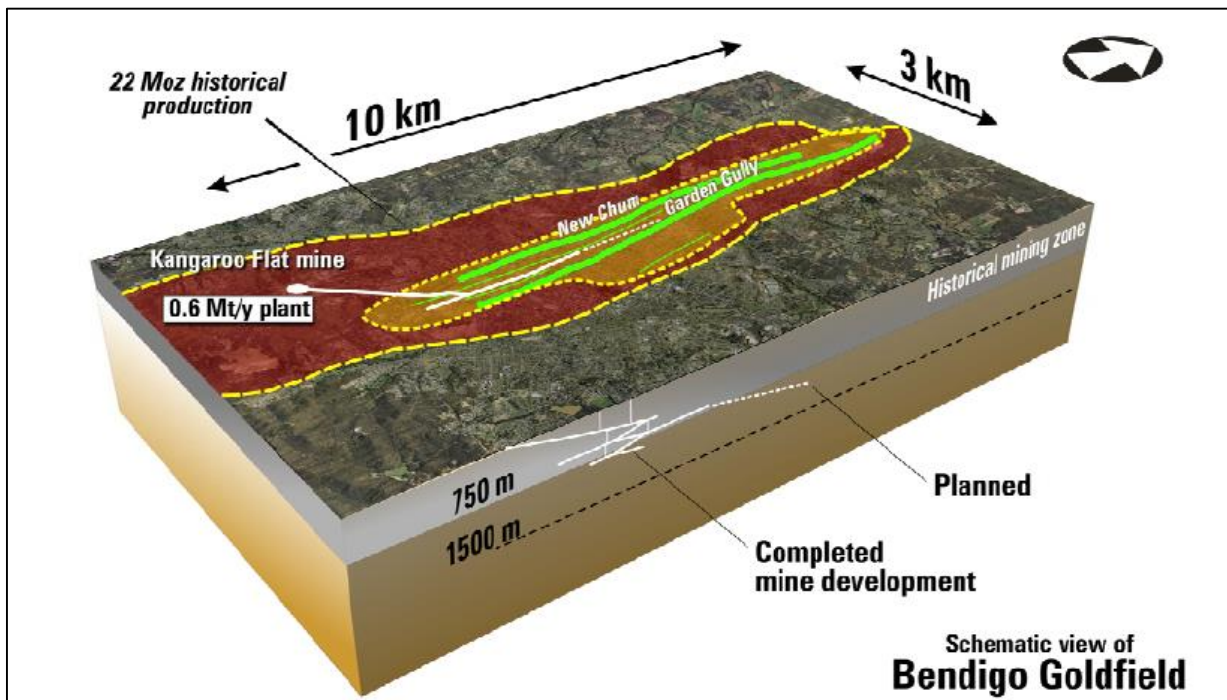
Operating and Financial Review

Figure 2: Bendigo Goldfield Lines of Reef



Bendigo Mining (now Unity Mining Limited) developed a decline from the Kangaroo Flat mine site, which bridged eight gold-bearing reef zones and continued to depths of about 1,000 metres. Ore was processed through the 600,000 tonne per annum gold plant and produced ~135,000 ounces of gold during the 2008 to 2011 period.

Figure 3: Bendigo Goldfield Development



Operating and Financial Review

Figure 4: Kangaroo Flat 600,000tpa Gold Processing Plant



GBM Plans for the Bendigo Goldfield

The Bendigo assets include 600,000 tonnes+ of sand from gold processing. The sand is contained in two dams. The dams were established to store the sand with the objective of selling it into the industrial market (see Figure 5). The dams also contain gold and it is planned to reprocess and sell the sand and recover the gold.

Figure 5: Sand dams at Kangaroo Flat Mine



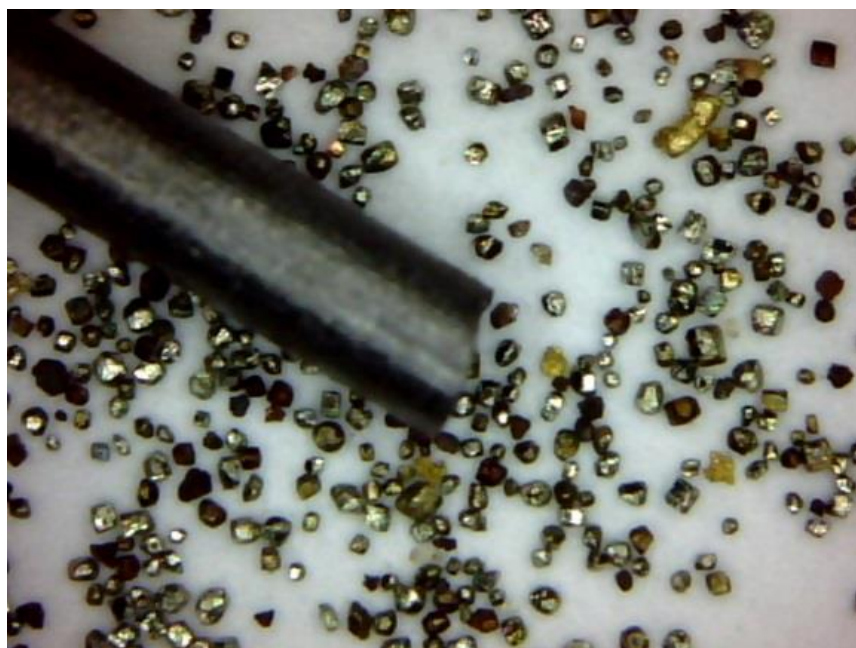
Operating and Financial Review

The Kangaroo Flat Gold Processing Plant was designed to capture the majority of the gold by gravity methods. This was very successful capturing 75% of the gold. During the process the ore was ground to a size that liberated most of the gold. After initial gravity gold recovery, the resultant sand was separated according to particle size with the fine material being further processed to remove contained gold and 425,000t of coarse material deposited in the coarse sand dam without any further processing. The fine material was processed by flotation methods resulting in 200,000 tonnes of material stored in the fine sand dam. The flotation process produced twenty-two thousand tonnes of gold bearing material that was leached and then later sold to Octagonal Resources at Maldon. They recovered a further 5,400 ounces of gold which is 4% of the total gold mined. Total gold recovery was 93% with 7% of the gold not captured in processing.

A significant portion of the gold not captured is considered to be in the 425,000 tonnes of material stored in the coarse sand dam. The coarse sand dam has been the focus of GBM's work at Kangaroo Flat to date.

To facilitate an immediate start on project development Unity provided access to enable GBM to drill and sample the sand dams. An air-core drilling program was completed with twenty-three holes drilled in the coarse sand dam and three holes in the fine sand dam. Significant results were 3m @ 1.78g/t from surface in the coarse sand dam and 3m @ 0.95g/t from 8 metres in the fine sand dam.

The proposed program of work, upon transfer of the mining licence, is to excavate the coarse sand dam at a rate of 280,000 tonnes per annum, wash the sand and recover the gold.



The washing and concentrating process removes deleterious materials such as salts, heavy metals and slimes. The photo above shows gold and heavy metals recovered compared to a 0.7mm pencil lead. It is planned to process 425,000 tonnes over a period of two years. All approvals are expected to be in place for this project to commence when GBM takes control of the site.

Operating and Financial Review

The 40 million tonnes of 'quartz reef' ore mined produced an equivalent amount of tailings. During the 1980's and 1990's tailings dumps in Bendigo were reprocessed by miners on a commercial basis, at no cost to state or local governments, to extract remnant gold, and then relocated to purpose built dams which met modern environmental standards.

Bendigo Council made submissions to the Victorian Government to clean up the tailings in Bendigo to provide more land for residential development. GBM supports this objective and plans to work with Council to achieve this outcome.

Figure 6: Tailings Dump in Bendigo



Exploration Potential

Most of the modern exploration has been focused around the decline and associated workings. However, there appears to have been very little work undertaken within the rest of the goldfield either "in-mine", or immediately to the north of the Main Bendigo Goldfield, or even further afield.

Operating and Financial Review

Figure 7: Example of one of many targets adjacent to existing mine workings

NEW CHUM LINE

Catherine Deeps Target

Bendigo Mining Drilling in 2000.
 "...metre wide bedded fault... in west dipping stratigraphy... laminated-massive quartz ...weighted BLEG assays returned 2m @ 66 g/t Au"

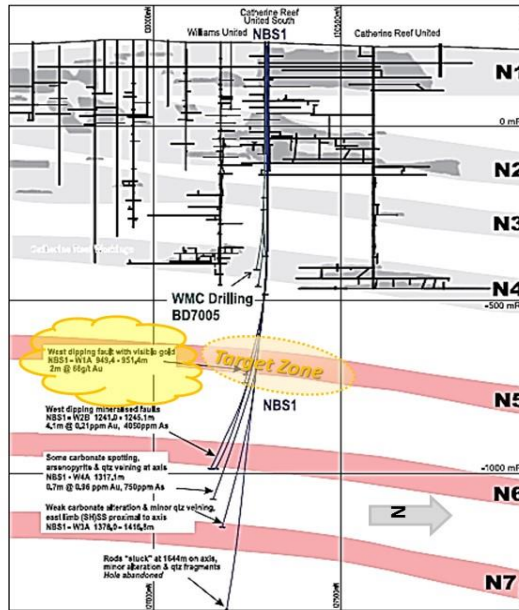
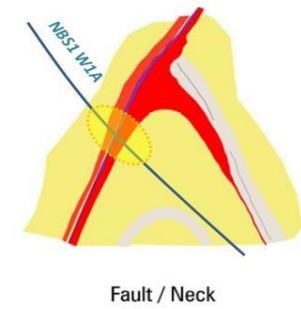
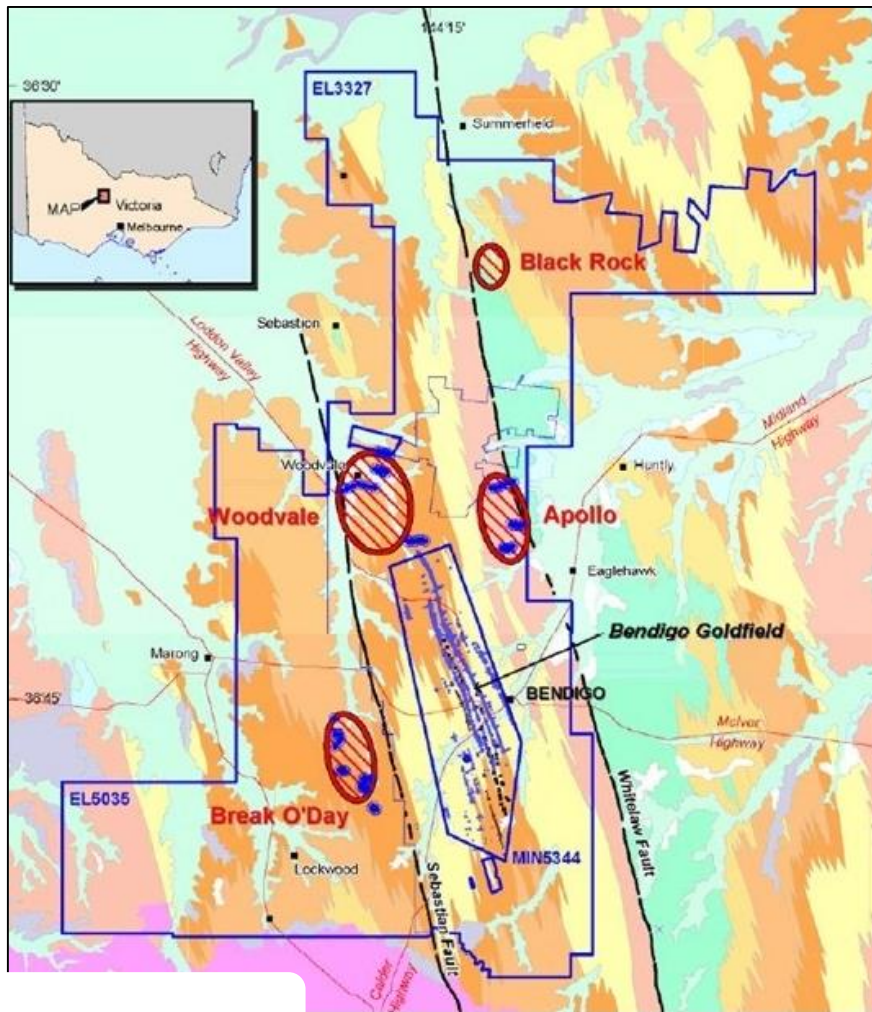


Figure 8: Targets within the Exploration Licences



Operating and Financial Review

Mine Water Disposal

The Jacobs Group (Australia) produced a report for the Victorian Government on managing mine water from the historic mines in Bendigo. The major issues are keeping the Central Deborah Tourist Mine dewatered and preventing water flowing out of the mines into the creeks. GBM plans to work with government, council and the community in addressing this issue.

GBM plans to work with government, council and the community in addressing this issue.

Summary

GBM believes that the Bendigo Gold Project is multi-dimensional in nature and will provide the Company with several low cost projects that will provide cash flow to fund exploration and potential development of Australia's second largest goldfield.

GBM Gold Projects

GBM Gold has three exploration licences, an exploration licence application, one Work Authority and a 50% Joint Venture interest in a Mining licence as shown below.

Project	Tenement	Percentage owned
GOLDSBOROUGH		
Harvest Home JV	MIN 5510	50% interest through JV between Truelight Mining Pty Ltd and GBM
Queen's Birthday	EL 5528	100%
WILSON HILL	EL5527	100%
AVOCA		
Avoca project	EL 4936	100%
Beavis/ISG	WA 1395	100%
FIDDLERS CREEK		
Fiddlers Creek	ELA00615	0% Exploration Licence application

Goldsborough Corridor Gold Project (MIN 5510 and EL 5528)

The Goldsborough Corridor Gold Project is located 10km northwest of Dunolly and 192 km from Melbourne via the Dunolly-Moliagul Road in Central Victoria.

The project lies in the western margin of the Bendigo – Ballarat Zone. The Avoca fault defines the western margin of this zone. The project is at the southern termination of the 24 km long Goldsborough–Wehla Shear Zone which is part of the Wedderburn-Ballararat line.

The Goldsborough–Wehla Shear Zone hosts mineralised quartz reefs which occur from Wehla in the north to Harvest Home in the south. The Queens Birthday Mine at Goldsborough (EL 5528) and the mine at Stuart's Reef at Moliagul were significant producers of gold with over 100,000 ounces being mined from Queens Birthday.

Operating and Financial Review

Harvest Home (MIN 5510, 50% Joint Venture with Truelight Mining Pty Ltd)

During the half the Company submitted plans to the Department of Economic Development, Jobs, Transport and Resources for an extension of the open pit and a series of costeans to examine the indicator zone geology.

A broad zone of gold mineralisation trends north-northwest through Min 5510 being approximately 3.5 km long and up to 0.4 km wide. Moran's Luck, Harvest Home, Mother O'Gold and Appleton's Gold mines have produced in excess of 60,000 oz. (1,860kg) of gold between them (Whitehouse and Watts 2009). A number of discrete smaller prospects are also contained within the tenement. The historical mine workings reached depths of up to 122m. These areas are being re-evaluated based on the results of the new geological interpretation.

Queens Birthday (EL 5528)

This area is adjacent to and immediately to the north of Harvest Home. It also part of the Goldsbrough – Wehla Shear Zone. It contains the Queen's Birthday mine that historically yielded about 100,000 ounces of primary gold mineralisation and has the potential to expand the resources found on the Harvest Home tenement.

Wilson Hill (EL 5527)

This area lies along structural and stratigraphic strike that parallels those of Bendigo Goldfield. The basement rocks form part of Ballarat-Bendigo Zone and has folding that is similar to those hosting gold mineralisation at Bendigo Goldfield. Western Mining Corporation (WMC) in 1990 reported that the development of quartz reef is structurally controlled.

WMC located five main parallel structures trending 340° that are spaced 50 - 100 m apart. The Albion structure was considered the central structure that was flanked to the east by the Grays anticline and to the west by the Wilson anticline. Saddle reef mineralisation was reported to occur within each structure with an east dipping fault occurring to the east of Grays anticline.

Fiddlers Creek (ELA 00615)

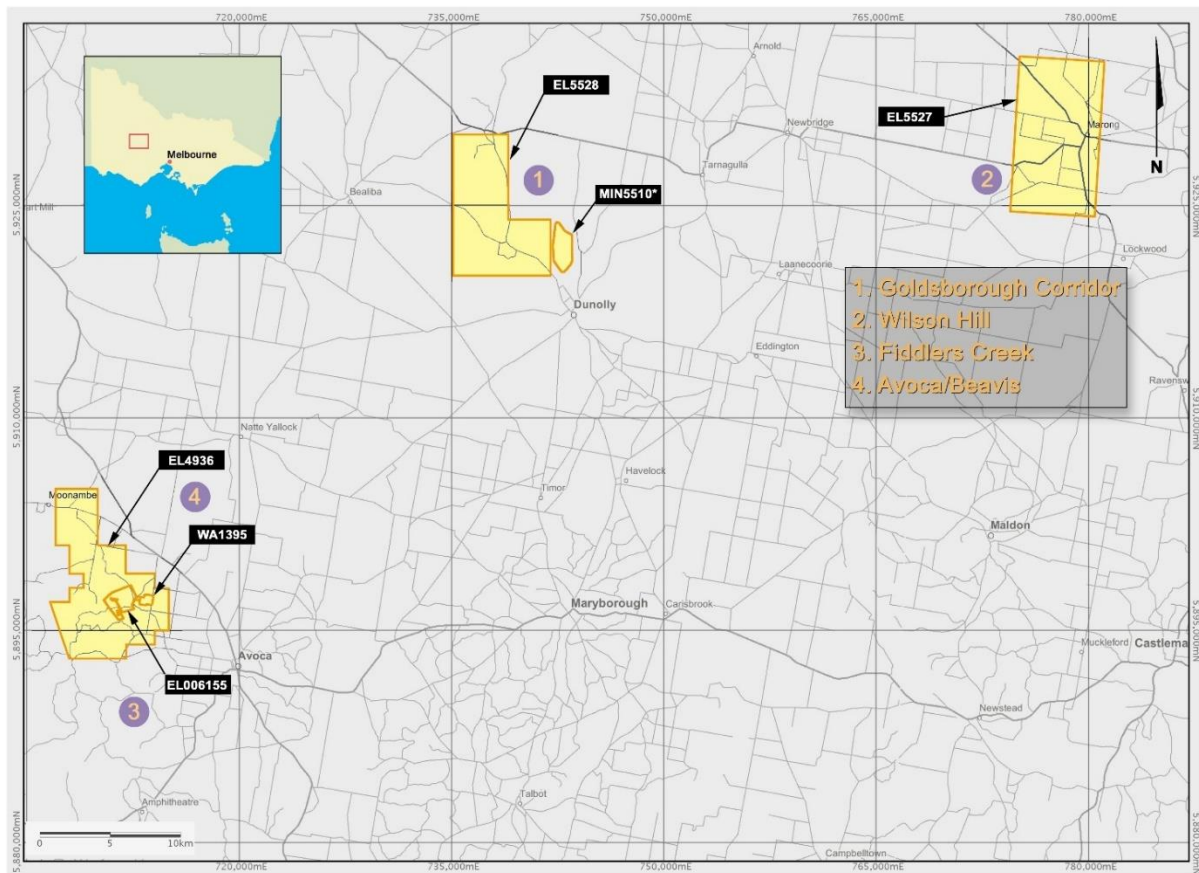
At Fiddlers Creek there is an abundance of known workings associated with the Percydale Fault Zone. This is a sheared altered zone of higher deformation with numerous internal structures of up to 0.5 km wide. The geology in the area show regular northwest striking west dipping fault zones. Gold mineralisation has been associated with many of these structures. The current exploration strategy is directed towards known mineralization trends in the vicinity of Fiddlers Creek and Perseverance mines particularly near areas of historical workings.

Avoca and Beavis (EL 4936 and WA 1395)

At Beavis, GBM has outlined a clean quartz gravel and sand resource in excess of 2.2 million cubic metres by 33 Aircore and Reverse Circulation Drillholes. Contained within the gravel resource is an Inferred gold resource of 33,000 Ounces of gold (Cahill 2011). Underlying the gravel deposit is ~1-2 metres of kaolin clay which shows good purity from initial observation and testing. The Industrial Mineral products within the deposit are predominantly high quality quartz. The gravels have been tested and are 99.6% pure SiO₂ with minor iron as the main impurity.

Operating and Financial Review

Figure 9: GBM Gold Projects



Financial performance

The Group incurred an after tax loss for the half-year ended 31 December 2015 of \$367,866 (2014: loss of \$1,234,918). Sundry income of \$155,802 (2014: \$4,161) was received during the half-year due primarily to the receipt of \$151,802 for the FY15 R&D Tax offset associated with the Harvest Home bulk sampling program. GBM incurred operating expenses of \$515,856 (2014: \$552,252), no expenses were associated with GBMs share of the Inglewood Gold Mining Company as the remaining share was disposed of on 30 September 2014 (2014: \$297,946) and there were no impairment charges incurred during the half year (2014: \$105,052).

Operating and Financial Review

Current structure of the Group

Controlling Entity:	ACN	Percentage Owned 31 December 2015
GBM Gold Ltd	119 956 624	—
Controlled Entities		
Goldsborough Mining Pty Ltd	072 849 220	100%
GBM Fiddlers Creek Pty Ltd	119 943 421	100%
Greater Bendigo Gold Mines Pty Ltd	116 991 691	100%
GBM Wilson Hill Pty Ltd	007 257 452	100%
GBM Avoca Pty Ltd	129 861 123	100%
Industrial Sands & Gravels Pty Ltd	072 258 158	100%
Kralcopic Pty Ltd	007 222 086	100%

Dividends

No dividends have been paid or provided for in the period of this report or since balance date.

Events subsequent to reporting date

As outlined in the Operating and Financial Review section above, the Bendigo Asset acquisition transaction is anticipated to be finalised by mid-March 2016, subject to satisfaction or waiver of the following conditions on or before that time:

- Victorian Government Ministerial approval to the transfer and registration of the Bendigo Tenements to GBM; and
- Release of existing environmental bonds by Unity and acceptance of the replacement environmental bonds from GBM by the Victorian Department of Economic Development, Jobs, Transport & Resources.

No other matters or circumstances have arisen since the end of the half-year reporting period which significantly affect or may significantly affect the GBM Group's operations, the results of those operations or the state of affairs in subsequent financial reporting periods.

Likely developments

The likely developments in the operations of the Group are as follows:

1. Finalisation of the tenement transfers associated with the Bendigo asset acquisition.
2. Completion of the contract requirements for the Bendigo asset acquisition.
3. Commencement of the Kangaroo Flat Sand Dam project.
4. Exploration and mining work plan approvals for the Harvest Home project.
5. Implementation of the year 1 exploration plan for the Queens Birthday and Wilson Hill projects.

Operating and Financial Review

Auditor's Independence Declaration

The auditor's independence declaration is set out on page 16 and forms part of the Directors' Report for the half-year ended 31 December 2015.

This report is made in accordance with a resolution of the directors:



Eric Ng

Chairman

Bendigo, 7 March 2016



John Harrison

Director & CEO

Auditors Independence Declaration



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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the directors of GBM Gold Limited

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there have been:

- (i) No contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- (ii) No contraventions of any applicable code of professional conduct in relation to the review.

ShineWing Australia

SHINEWING AUSTRALIA
Chartered Accountants

A handwritten signature in blue ink, appearing to read 'Nick Michael', written over a light blue horizontal line.

Nick Michael
Partner

Melbourne, 7 March 2016

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Consolidated Statement of Comprehensive Income

For the half year ended 31 December 2015

	Note†	31-Dec-15	31-Dec-14
		\$	\$
Sales Revenue		-	-
Cost of Sales		-	-
Gross profit/(loss)		-	-
Other income		155,802	4,161
Profit on sale of subsidiary	3	-	33,103
Impairment	4	-	(105,052)
Depreciation		(7,813)	(18,986)
Share based payments	6	(110,000)	-
Administrative expenses		(405,856)	(552,252)
Profit/(Loss) before income tax		(367,867)	(639,026)
Income Tax Expense		-	-
Profit/(Loss) for the half year before discontinued operations		(367,867)	(639,026)
Loss from discontinued operations	5	-	(595,892)
Other comprehensive income		-	-
Total Comprehensive Profit/(Loss) for the half year		(367,867)	(1,234,918)
Profit/(Loss) for the half-year attributable to:			
Owners of GBM Gold Ltd – continued operations		(367,867)	(639,026)
Owners of GBM Gold Ltd – discontinued operations		-	(297,946)
Non-controlling interests	8	-	(297,946)
		(367,867)	(1,234,918)
Earnings per share for loss attributable to owners of GBM Gold Ltd:			
Basic profit/(loss) per share (cents per share)		(0.001)	(0.001)
Diluted profit/(loss) per share (cents per share)		(0.001)	(0.001)

† The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2015

	Note†	Consolidated	
		31-Dec-15	30-Jun-15
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		1,179,451	869,792
Receivables and prepayments		-	12,517
Total current assets		1,179,451	882,309
Non-current assets			
Other financial assets		95,377	95,362
Property, plant and equipment		594,985	377,164
Exploration and evaluation		806,941	641,352
Total non-current assets		1,497,303	1,113,878
Total assets		2,676,754	1,996,187
Liabilities			
Current liabilities			
Trade and other payables		138,439	146,949
Financial liabilities		375,000	375,000
Provisions		29,194	22,250
Total current liabilities		542,633	544,199
Non-current liabilities			
Provisions		90,500	90,500
Total non-current liabilities		90,500	90,500
Total liabilities		633,133	634,699
Net assets		2,043,621	1,361,488
Equity			
Share Capital	9	26,212,707	25,162,707
Accumulated losses		(24,169,086)	(23,801,219)
Total equity		2,043,621	1,361,488

† The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2015

Consolidated	Share capital	Reserves	Accumulated losses	Non-controlling interest	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2015	25,162,707	-	(23,801,219)	-	1,361,488
Comprehensive Income for the Period					
Loss for the period	-	-	(367,867)	-	(367,867)
Total Comprehensive Income for the Period	-	-	(367,867)	-	(367,867)
Transactions with Owners in their Capacity as Owners:					
Shares issued	1,000,000	-	-	-	1,000,000
Share issue transaction Costs	(60,000)	-	-	-	(60,000)
Total transactions with Owners in their Capacity as Owners	940,000	-	-	-	940,000
Other: Share based payments	110,000	-	-	-	110,000
Balance at 31 December 2015	26,212,707	-	(24,169,086)	-	2,043,621
Balance at 30 June 2014					
	25,150,707	1,843,355	(25,331,767)	1,627,377	3,289,672
Comprehensive Income for the period					
Profit for the period	-	-	(936,972)	(297,946)	(1,234,918)
Total Comprehensive Income for the Period	-	-	(936,972)	(297,946)	(1,234,918)
Transactions with Owners in their Capacity as Owners					
Non-controlling interests – sale of shares in subsidiary	-	(1,843,355)	3,172,786	(1,329,431)	-
Transaction Costs	-	-	-	-	-
Balance at 31 December 2014	25,150,707	-	(23,095,953)	-	2,054,754

† The accompanying notes form part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2015

	Consolidated	
	31-Dec-15	31-Dec-14
Cash flows from operating activities		
Cash receipts from customers	164,318	124,427
Cash paid to suppliers and employees	(406,734)	(940,910)
Interest received	3,298	979
Interest paid	-	(41,567)
Net cash outflow from operating activities	(239,118)	(857,071)
Cash flows from investing activities		
Proceeds from sale of property, plant & equipment	-	2,500
Acquisition of property, plant & equipment	(391,223)	(138,000)
Net cash inflow / (outflow) from investing activities	(391,223)	(135,500)
Cash flows from financing activities		
Proceeds from the issue of share capital	1,000,000	-
Share issue transaction costs	(60,000)	-
Proceeds from the sale of subsidiary shares	-	850,000
Proceeds from New Loans	-	808,000
Net cash from financing activities	940,000	1,658,000
Net increase/(decrease) in cash and cash equivalents	309,659	665,429
Cash and cash equivalents at start of reporting period	869,792	30,118
Cash and cash equivalents at end of reporting period	1,179,451	695,547

† The accompanying notes form part of these consolidated financial statements.

Notes to and Forming Part of the Financial Statements

1. Statement of Preparation and Accounting Policies

Statement of compliance

These general purpose financial statements for the half-year reporting period ended 31 December 2015 has been prepared in accordance with the requirements of the *Corporations Act 2001* and *Australian Accounting Standard AASB 134 Interim Financial Reporting*.

Basis of preparation

The half-year financial statements are intended to provide users with an update on the last annual financial statements of GBM Gold Limited and its controlled entities ("GBM Group"). As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the GBM Group. It is therefore recommended that these financial statements be read in conjunction with the annual financial statements of the GBM Group for the year ended 30 June 2015, together with any public announcements made during the half-year in accordance with the continuous disclosure requirements in the *Corporations Act 2001*.

The accounting policies applied in the presentation of these financial statements are consistent with those applied in the most recent annual financial statements and the comparative interim reporting period.

2. Segment Information

The GBM Group operates as a single operating segment, within the gold mining industry in one geographic area, that being Central Victoria, Australia. The Fiddlers Creek project is on care and maintenance and all other tenements are utilised primarily for exploration purposes

3. Dividends

No dividends have been paid or provided for in the current period.

4. Events Subsequent to Reporting Date

As outlined in the Operating and Financial Review section above, the Bendigo Asset acquisition transaction is anticipated to be finalised by mid-March 2016, subject to satisfaction or waiver of the following conditions on or before that time:

- Victorian Government Ministerial approval to the transfer and registration of the Bendigo Tenements to GBM; and
- Release of existing environmental bonds by Unity and acceptance of the replacement environmental bonds from GBM by the Victorian Department of Economic Development, Jobs, Transport & Resources.

Notes to and Forming Part of the Financial Statements

No other matters or circumstances have arisen since the end of the half-year reporting period which significantly affect or may significantly affect the GBM Group's operations, the results of those operations or the state of affairs in subsequent financial reporting periods.

5. Issued Capital

	Consolidated	
	31-Dec-15	30-Jun-15
	\$	\$
Fully paid ordinary shares	26,162,707	25,162,707
	26,162,707	25,162,707

	Consolidated	
	31-Dec-15	30-Jun-15
	No.	No.
Ordinary Shares		
At the beginning of the reporting period	834,784,944	832,784,944
Shares issued during the reporting period	111,000,000*1	2,000,000
At the end of the reporting period	945,784,944	834,784,944
Nil options available during both reporting periods	-	-

*1 - 9,000,000 shares were issued to directors in lieu of director fees, 2,000,000 shares were issued to J. Harrison Director & CEO for services provided to the company in relation to the disposal of the Inglewood Gold Mining Company and the negotiation of the acquisition of the Bendigo Assets from Unity Mining Limited and 100,000,000 shares issued to sophisticated investors at \$0.01 per share in December 2015.

6. Share based payments

Equity-settled compensation:

Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Shares granted to key management personnel as share-based payments are as follows:

Grant Date	Number
28 October 2015	11,000,000

The weighted average fair value of those equity instruments, determined by reference to market price, was \$0.01.

These shares were issued as compensation to key management personnel of the Group and have vested during the period.

Included under share based payments expense in the statement of profit or loss is \$110,000, which relates to equity-settled share-based payment transactions (2014: \$NIL).

Directors' Declaration

The Directors of GBM Gold Limited declare that:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001 and:
 - i. comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001; and
 - ii. give a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date.
- (b) In the director's opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and behalf of the directors by:



Eric J P Ng
Chairman
Bendigo, 7 March 2016



John Harrison
Director & CEO

Independent Auditors Review Report



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GBM GOLD LIMITED AND CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of GBM Gold Limited and controlled entities (the "consolidated entity") which comprises the consolidated statement of financial position as at 31 December 2015, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of GBM Gold Limited ("the company") are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not prepared, in all material aspects, in accordance with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Act 2001*. As the auditor of GBM Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of GBM Gold Limited, would be on the same terms if provided to the directors at the time of this auditor's review report.

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Independent Auditors Review Report



Conclusion

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half-year financial report of GBM Gold Limited and controlled entities is not in accordance with the *Corporations Act 2001* including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

A handwritten signature in blue ink that reads 'ShineWing Australia'.

SHINEWING AUSTRALIA
Chartered Accountants

A handwritten signature in blue ink, appearing to be 'Nick Michael'.

Nick Michael
Partner

Melbourne, 7 March 2016

Corporate Directory

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Facsimile: +61 3 5444 0036
Email: admin@gbmgold.com.au

Auditors

ShineWing Australia
Level 10, 530 Collins Street
MELBOURNE, VIC 3000

Share Registry

Computershare Investor Services Pty Ltd
MELBOURNE, VIC 3000
Telephone: 1300 85 05 05

Stock Exchange Listing

Australian Stock Exchange — Code: GBM