

ASX Announcement
29 March 2021

White Dam Gold-Copper JV Project Update

GBM Resources Limited (ASX: GBZ) (**GBM** or the **Company**) is pleased to provide the following update on the development of the White Dam Gold-Copper JV Project (**White Dam JV**) in South Australia in partnership with Round Oak Minerals Pty Ltd.

Background

GBM's 50% production interest in the White Dam JV was earned via the construction of a SART plant which is designed to extract copper from the gold leach solution, improving overall gold recoveries and lowering cyanidation costs. Since commissioning, the SART has operated above expectations with lower costs due to less cyanide usage and improved gold recoveries from the existing heaps.

GBM holds an option until June 2021 to acquire 100% of the White Dam Gold Copper JV Project, which includes the gold plant, mining leases and other tenements. The exercise price is \$500k and replacement of \$1.9 million environmental bonds.

White Dam JV performance (100% basis)

The White Dam JV commenced on 1 July 2020. It has produced a total of 1,007 gold ounces (to 28 March 2021) together with approximately 70 tonnes of copper in concentrate (stockpiled at site). Gold sales revenue for the White Dam JV (to 28 March 2021) totals ~A\$2.4 million.

Table 1: White Dam JV gold sales by quarter (including joint venture partner share)

Calendar quarter	Gold sold (oz)
September 2020	100
December 2020	347
March 2021 (forecast)	560
June 2021 (forecast)	550 – 650

Note: Minor silver production and sales not shown.

The White Dam JV is currently finalising smelter terms, with the first shipment of copper concentrate expected to be delivered to the customer next month. See Figure 1.

Total site operating costs are stable and have averaged approximately A\$250,000 per month over the period from July 2020 to February 2021.

GBM Managing Director and CEO, Peter Rohner, commented:

“GBM is particularly pleased with the performance of the White Dam JV operation. In conjunction with study work on the Vertigo deposit, we are looking forward to making a decision with respect to our option to purchase 100% of the project and its assets by May 2021. With the White Dam JV now being self-funding and producing meaningful positive free cashflow at current gold and copper prices, GBM is in the attractive position of having a further source of cashflow to drive its gold development strategy in the Drummond Basin, centered around the flagship Mt Coolon/Yandan Projects.”

Further development activities

The White Dam JV is continuing to optimise and expand gold and copper production from the existing heap leach operation.

Following on from the announcement of the maiden JORC Mineral Resource Estimate for White Dam in August 2020 (see GBM ASX release dated 10 August 2020), GBM has initiated studies to evaluate the potential to mine these resources at current metal prices, utilising the capacity of the SART plant to recover copper and regenerate cyanide. Future production if economic, will rely on only funding mining costs and working capital (until gold leaching delivers sales) as heaps and gold plant capital is already in place.

The immediate focus is on the Vertigo resource (38 koz Au) as an initial further heap leach feed, being on the granted mining lease. Further drilling of the Vertigo pit (approx. 4,000 m) is expected to commence in late April 2021 and is targeted to improve confidence levels (including total/cyanide soluble copper grades) and progress studies targeted at evidencing positive development economics.

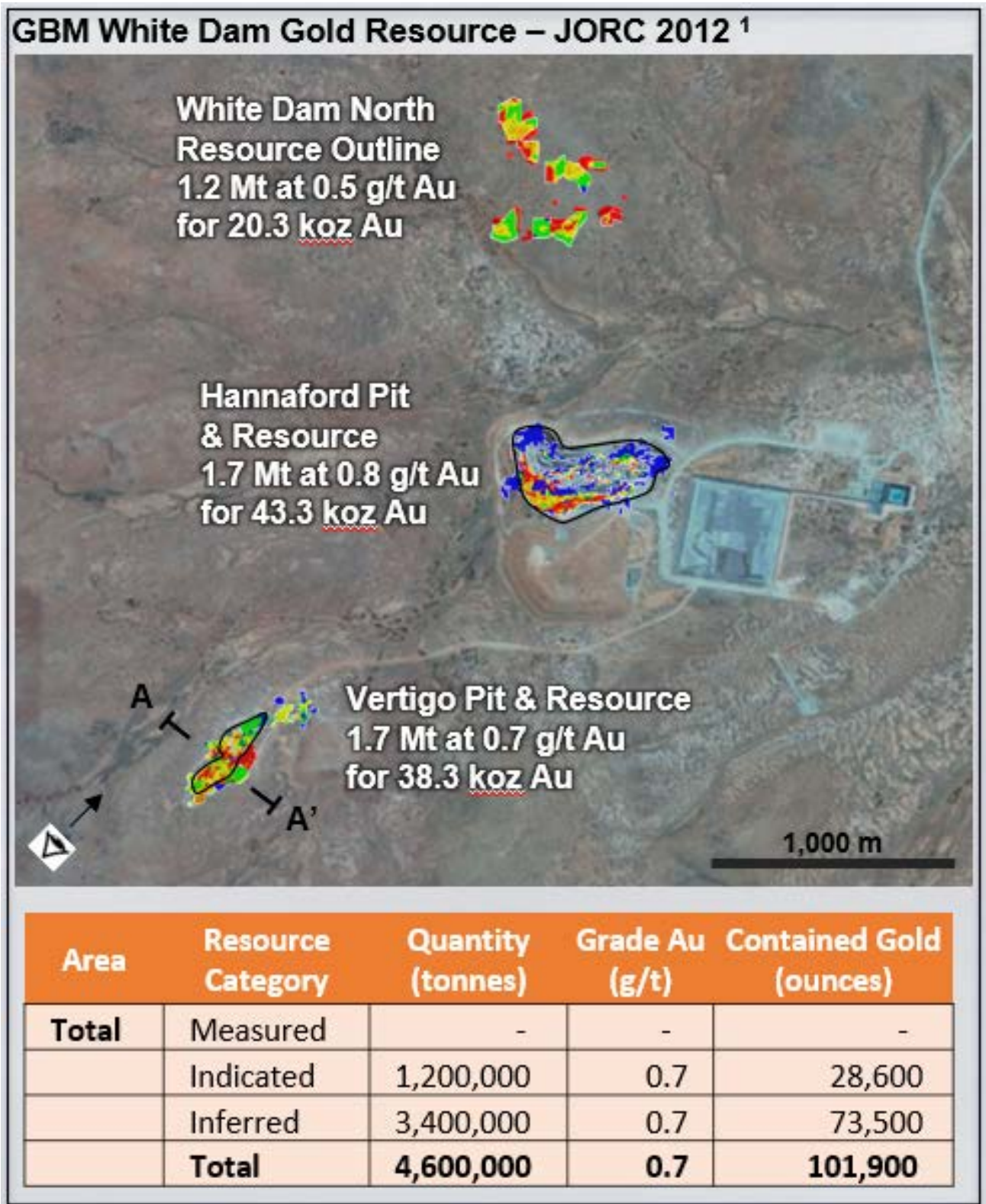
Cautionary Statement

GBM has entered into a production joint venture regarding the White Dam Gold-Copper Heap Leach Operation, and has no current ownership of the White Dam tenements and processing infrastructure. Acquisition of these assets is subject to successful exercise of an option, of which further details are provided in ASX announcement dated 16 October 2019.

Figure 1: Containers at site being loaded with copper concentrate

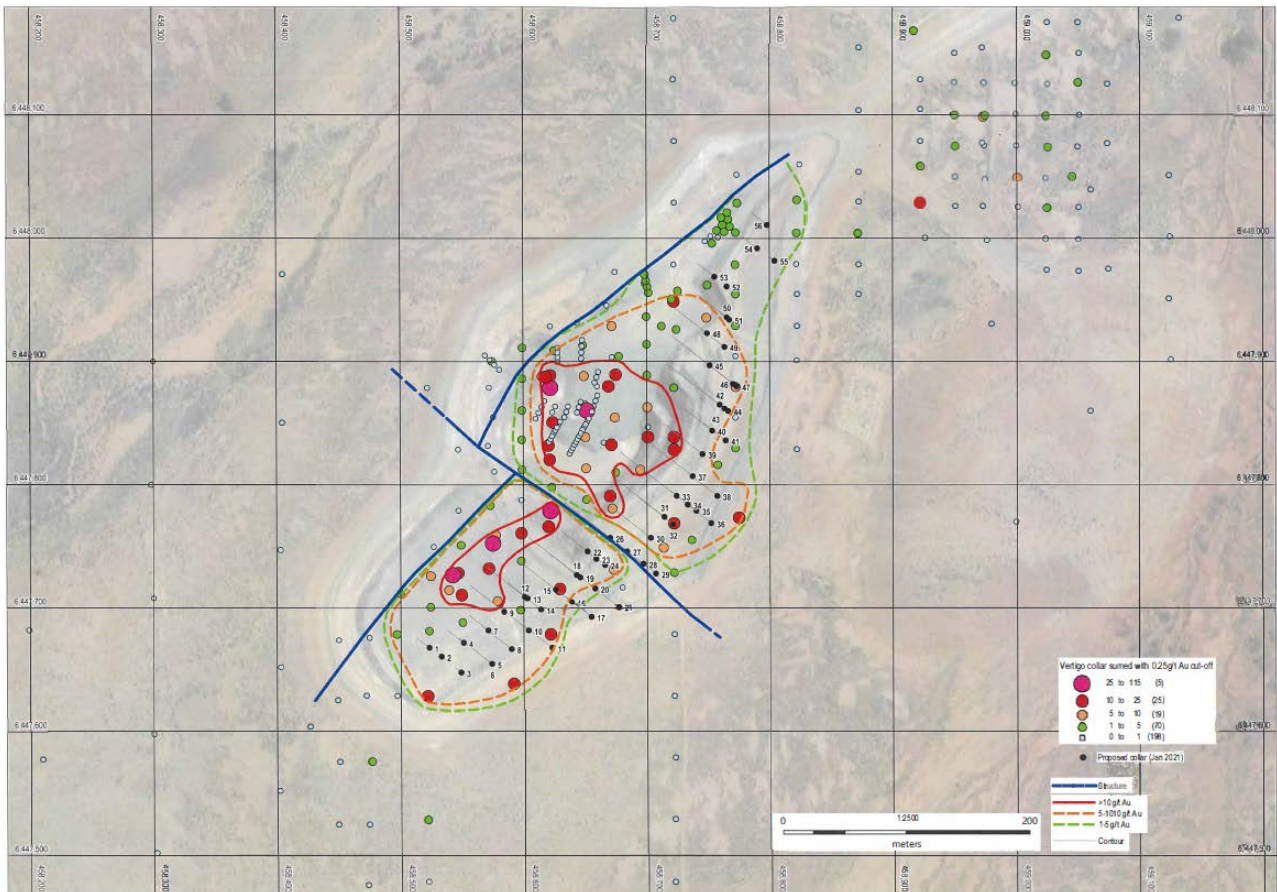
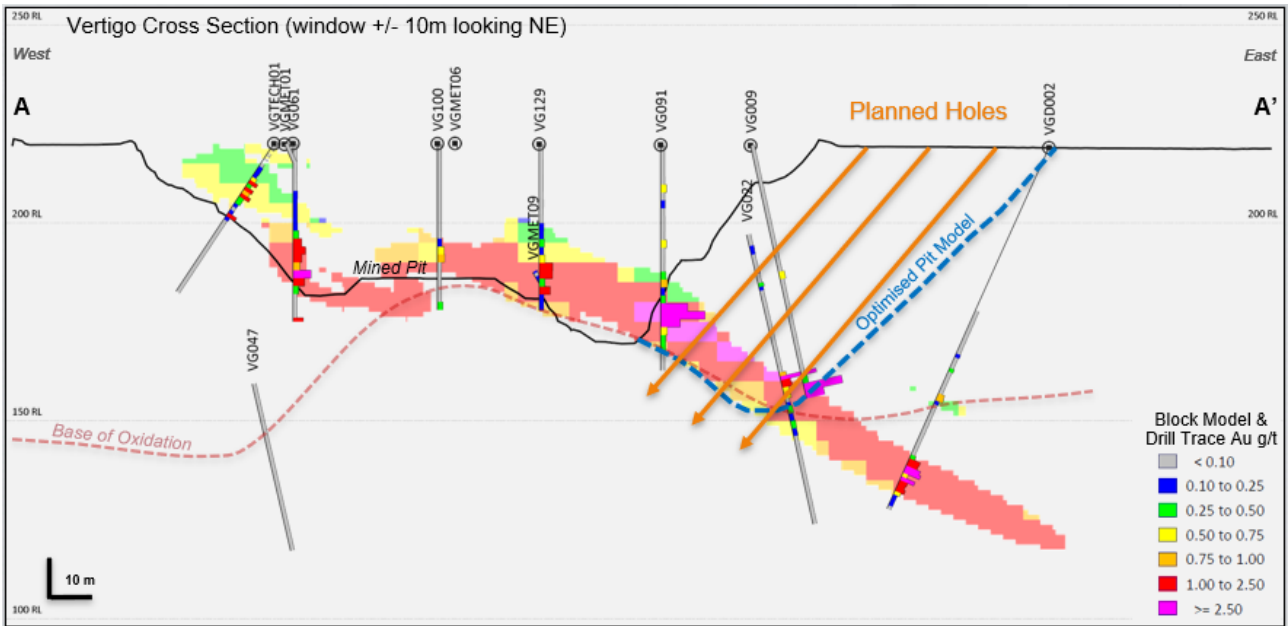


Figure 2: White Dam Aerial Photo with JORC Resources



¹ GBM ASX Announcement, 10 August 2020, White Dam JORC 2012 Resource of 102 koz, under a JV arrangement and subject to Option to Purchase See Appendix 1 for more details also.

Figure 3: Drilling Plan and Sections for Vertigo Pit and Resource



The Company confirms that it is not aware of any new information or data that materially affects the information included in the respective announcements and all material assumptions and technical parameters underpinning the resource estimates within those announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

This ASX announcement was approved and authorised for release by:

Peter Rohner, Managing Director

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About GBM Resources

GBM Resources Limited is a mineral exploration and development company focused on the discovery of world-class gold and copper deposits in Eastern Australia. The company has a high calibre project portfolio, hosting district scale mineral systems, located in a number of premier metallogenic terrains including the Drummond Basin, Mt Morgan district and the Mt Isa Inlier in Queensland, and the Malmsbury Project in the prolific Victorian Goldfields. This is complemented by the recently formed JV on the White Dam Gold Project in South Australia in which it holds a 50% interest (in cashflow only).

Appendix 1

White Dam Resources. Please note rounding ('000 tonnes, 0.0 g/t and '000 ounces). Cut-off grade is 0.20 g/t Au for all, Vertigo is restricted to above 150 m RL (~70 m below surface)

Area	Resource category	Quantity (tonnes)	Grade Au (g/t)	Contained Gold (ounces)
TOTAL	Measured	0	0.0	0
	Indicated	1,200,000	0.7	28,600
	Inferred	3,400,000	0.7	73,500
	Total	4,600,000	0.7	101,900
Hannaford	Measured	0	0.0	0
	Indicated	700,000	0.7	16,400
	Inferred	1,000,000	0.8	26,900
	Total	1,700,000	0.8	43,300
Vertigo	Measured	0	0.0	0
	Indicated	300,000	1.0	9,400
	Inferred	1,400,000	0.6	29,000
	Total	1,700,000	0.7	38,300
White Dam North	Measured	0	0.0	0
	Indicated	200,000	0.5	2,800
	Inferred	1,000,000	0.6	17,600
	Total	1,200,000	0.5	20,300