

ASX Announcement

11 June 2021

Update on the Acquisition of the Twin Hills Gold Project and Surrounding Tenements

Highlights

- The binding Tenement Sale Agreement and Settlement Deed (**Agreements**) are being finalised.
- The key remaining step for the Agreements to be finalised is for the parent company of Minjar, Jinan High-tech Development Co. Ltd (**Jinan**) to approve the transaction.
- Execution of the Agreements is expected shortly after Jinan approves the transaction.
- GBM has exercised its option to secure additional key tenement packages surrounding the Twin Hills Gold Project and west of Yandan in the Drummond Basin (refer ASX:GBZ announcement 19 March 2021). This further advances GBM's Drummond Basin "processing halo" strategy and its strong tenement position in a premier gold province.

Twin Hills Gold Project Update

GBM Resources Limited (ASX:GBZ) ("**GBM**" or "**Company**") previously entered into a new non-binding agreement with Minjar Gold Pty Ltd ("**Minjar**") following recent re-engagement discussions, for the proposed acquisition of Minjar's 100% interest in the Twin Hills Gold Project ("**Twin Hills**"). (refer ASX:GBZ announcement 15 February 2021)

Minjar have commenced an internal process to finalise and approve the binding Tenement Sale Agreement and Settlement Deed.

Twin Hills Gold Deposits

The proposed acquisition of Twin Hills remains consistent with GBM's Drummond Basin "processing halo" strategy to build +1 million ounces within the Mt Coolon region which provides an entry to develop into a mid-tier Australian gold company. See Figure 1.

The Twin Hills deposits are estimated to contain 6.9 million tonnes at an average grade of 2.8 g/t Au for 633,000 ounces of contained gold. See Table 1 on following page.

Category	Cut off Au (g/t)	Tonnage (t)	Grade Au (g/t)	Grade Ag (g/t)	Contained Metal Au (oz)	Contained Metal Ag (oz)
309 Deposit						
Measured	1.0 / 2.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0 / 2.0	2,800,000	2.3	3.4	209,900	307,300
Inferred	1.0 / 2.0	1,810,000	2.0	1.7	118,600	98,900
TOTAL	1.0 / 2.0	4,930,000	2.4	3.0	372,900	471,200
Lone Sister Deposit						
Measured	2.0	-	-	-	-	-
Indicated	2.0	-	-	-	-	-
Inferred	2.0	2,010,000	4.0	9.4	260,100	604,800
TOTAL	2.0	2,010,000	4.0	9.4	260,100	604,800
Total Twin Hills						
Measured	1.0 / 2.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0 / 2.0	2,800,000	2.3	3.4	209,900	307,300
Inferred	1.0 / 2.0	3,820,000	3.1	5.7	378,700	703,700
TOTAL	1.0 / 2.0	6,940,000	2.8	4.8	633,000	1,076,000

Table1: Twin Hills Resource Summary for the 309 and Lone Sister Gold Deposits (rounded for reporting ('000 tonnes, '00 ounces, 0.0 grade) (Refer ASX announcement 18 January 2019). Open Pit Resources (above 1050 RL) stated at 1.0 g/t Au cut off and Underground Resources (below 1,050 RL) stated at 2.0 g/t.

Drummond Basin Tenement Update

GBM Resources Limited (**GBM**) has exercised its option agreement with Yacimiento Pty Ltd (**YPL**) relating to exploration permit applications EPM27554 (near Twin Hills) and EPM27643 (west of Yandan) in Queensland, see Figure 1. Refer ASX announcement and Appendix 3B dated 19 March 2021.

Key terms of Option Agreement are summarised as follows:

- Non-refundable Option Fee of \$45,000 to YPL, payable as \$10,000 on entering into the option, and \$35,000 on the granting date of YPL's Twin Hills EP which have all been completed.
- Following the exercise of the Option, a consideration payment of 2 million fully paid ordinary shares in GBM is payable to YPL or it's nominees in exchange for transfer of the Properties or shares in YPL as the case may be. The shares to be escrowed for 6 months at GBM's election. Completion and issue of the settlement shares is planned for next week.
- No royalty consideration was included in the terms.

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:

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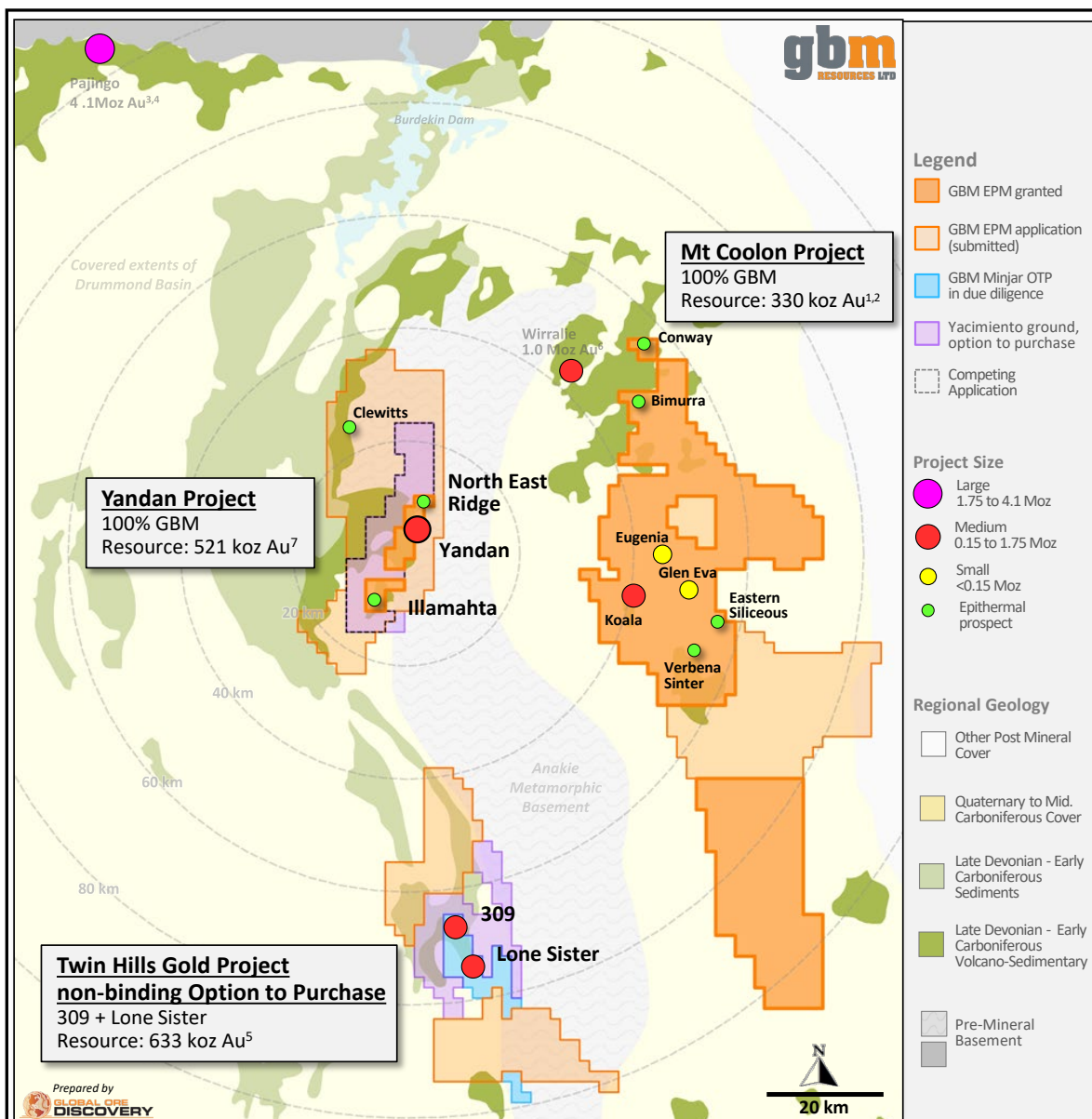
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About GBM Resources

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).

Figure 1: Mt Coolon Project, Yandan and Twin Hills Locations



Project	Location	JORC 2012 Resources ⁷			
		Tonnes (000's)	Au (g/t)	Au (ounces)	Cut-off grade
Yandan	East Hill, South Pit	21,500	0.8	521,000	> 0.3 g/t
	<i>Including. East Hill</i>	1,900	3.6	218,000	> 1.0 g/t
Mt Coolon	Eugenia, Koala, Glen Eva	6,653	1.5	330,500	> 0.4 g/t
Twin Hills Option to Purchase	309, Lone Sister	6,940	2.8	633,000	Open-pit > 1.0 g/t Underground > 2.0 g/t
	<i>Including. 309 Measured</i>	320	4.4	44,400	1.0 g/t
	<i>Including. Lone Sister Inferred</i>	2,010	4.0	260,100	2.0 g/t
GBM Drummond Basin Total		35,093	1.3	1,484,500	

1. GBM ASX Announcement, 18 Jan. 2019, Mt Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces
2. GBM ASX Announcement, 4 Dec. 2017, Mt Coolon Gold Project Scoping Study *Including Tailings
3. Evolution Mining. Pajingo-Fact-Sheet_March-2016_web-1.pdf
4. Osborne & Chambers. (2017). Pajingo Gold deposit. In Phillips (ed), Australian Ore Deposits. AusIMM. Monograph 23.
5. GBM ASX Announcement, 18 Jan. 2019, Mt Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces
6. Drummond Gold Limited, 24 Oct 2014, Mining 2014 Presentation, October Brisbane
7. GBM ASX Announcement, 23 Dec 2020, Mt Coolon and Yandan Combined Resources Total 852,000 oz following completion of Yandan acquisition