

ASX Announcement

17 September 2021

Brightlands Milo Project Area

KEY POINTS

- GBM has signed a non-binding Proposal (**Proposal**) with Consolidated Uranium Inc. (Canadian Company listed on TSXV: CUR) for the sale of Brightlands Milo tenement EPM 14416.

GBM Resources Limited (ASX: GBZ) (**GBM** or the **Company**) advises that it has executed a non-binding Proposal for the sale of its 100% owned Brightlands Milo IOCG¹, Uranium and Rare Earth Project in Queensland, Australia (**Milo**).

The key terms of the non-binding Proposal are:

- 30 day exclusivity period to conduct due diligence and finalise a definitive agreement.
- Subject to satisfactory due diligence, CUR will offer consideration comprised of:
 - CAD \$500,000 in cash, payable to GBM within 5 business days of entering into a definitive agreement and,
 - A minimum of CAD \$1.5 million of CUR's shares to GBM, the price being determined by a 7 business day VWAP calculation on the 7 days prior to the execution of a definitive agreement. CUR also agrees that should the average VWAP share price be above CAD \$2.00 per share, CUR will issue 750,000 shares to GBM to cover the payment on closing of the proposed acquisition.
- Key transaction conditions precedent include: due diligence, TSXV, and any requisite shareholder approvals, and other customary conditions.

GBM Managing Director and CEO, Peter Rohner, commented: *"GBM's focus is on the prospective Drummond Basin where large high grade epithermal gold deposits exist and is pleased to be progressing discussions with Consolidated Uranium Inc to sell the Brightlands Milo Project and realise value for GBM's shareholders."*

GBM reiterates that the above LOI arrangement is incomplete, and the Company is not party to any binding agreements in respect to the above arrangement. Prior to completion, there can be no certainty that any binding agreement or agreements will be reached, or that any concluding arrangements will eventuate. The Company will update shareholders in respect to the progress of the above arrangements by way of further announcements via the ASX platform.

This ASX announcement was approved and authorised for release by:

Peter Rohner, Managing Director

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¹ IOCG – Iron Oxide Copper Gold

About GBM Resources

GBM Resources Limited is a mineral exploration and development company focused on the discovery of world-class high grade 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. GBM's primary focus is the prospective Drummond Basin where large high grade epithermal gold deposits exist. This is complemented by projects in the Mt Morgan district, the Mt Isa Inlier in Queensland, and the Malmsbury Project in the prolific Victorian Goldfields. Separately GBM now owns 100% of the cashflow generating White Dam Gold-Copper Mine in South Australia.

Figure 1: EPM 14416 Brightland's was granted 5th August 2005 to Newcrest Operations Ltd, and subsequently transferred to Isa Brightland's Pty Ltd, a wholly-owned subsidiary of GBM Resources Ltd. The tenement consists of a total of 20 sub-blocks. The project is located in north-west Queensland within the Eastern Fold Belt (EFB) of the Mount Isa Inlier, approximately 40 km west of Cloncurry township.

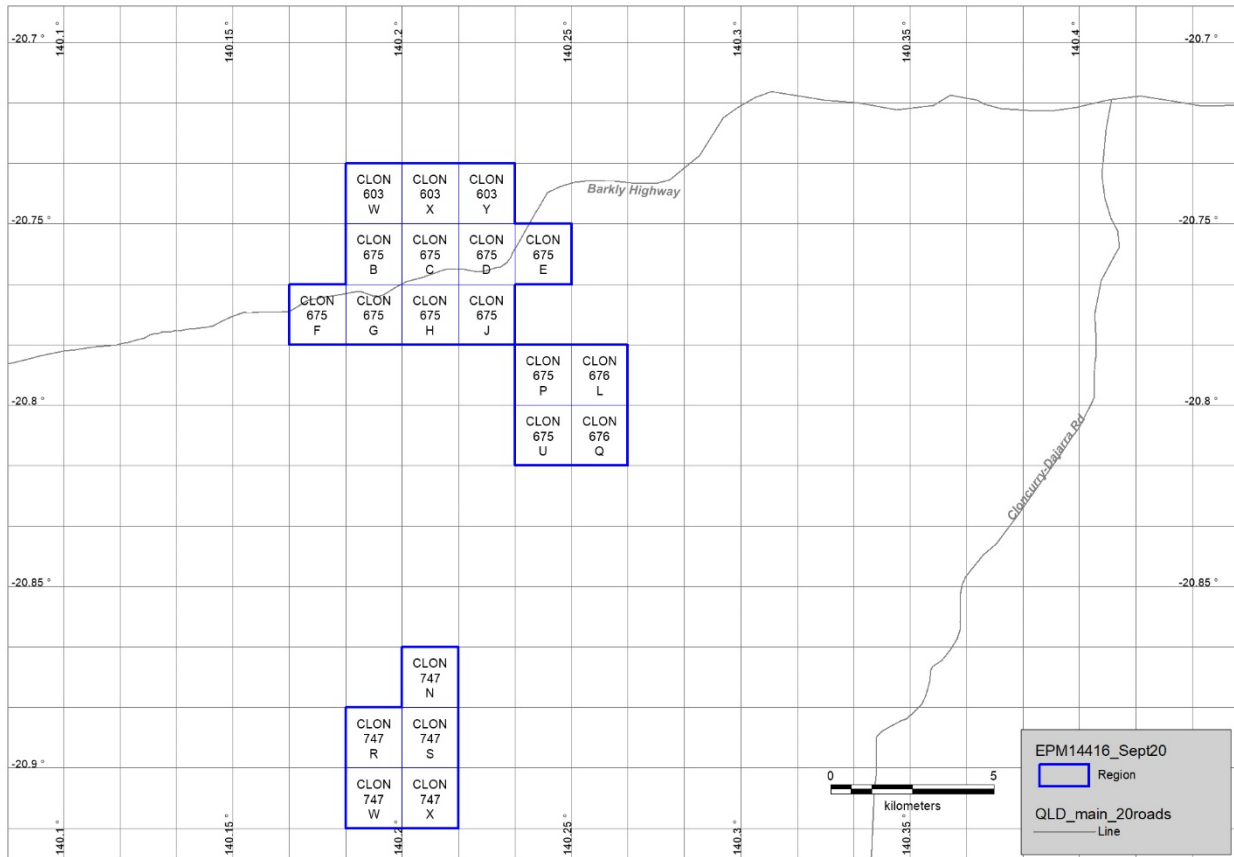


Figure 2: location of Brightlands Milo EPM approximately 40 km west of Cloncurry. Note there are many major mineral deposits within the Mt isa district including Major base metal mines at Mt Isa, George Fischer to the West, Ernest Henry copper gold deposit north east and Cannington the world's largest silver mine to the south east.

