

ASX Announcement

15 June 2022

Mayfield Project Area Sale

KEY POINTS

- GBM signed an exclusive Option Agreement (**Option**) with C29 Metals Limited (ASX: C29) for the sale of its Mayfield Project tenement (EPM 19483) in February 2022.
- C29 Metals has now exercised the Option, following notification of the renewal of the tenement.
- GBM and C29 Metals will now finalise documentation for the transfer of the tenement and completion of the sale.

GBM Resources Limited (ASX: GBZ) (**GBM** or the **Company**) advises that it has received notice and payment under the binding Option Agreement for the sale of its 100% owned Mayfield Project, in north-west Queensland, Australia (**Mayfield**).

The key terms of the Option Agreement (Refer ASX: GBZ release 21 February 2022) are:

- C29 had an exclusive option to conduct due diligence on the Mayfield project; by paying an initial option fee of \$20,000 and a second \$20,000 when the Exploration Licence is renewed. Both payments have now been made under the agreement.
- On C29 exercising the option, the following consideration will be made to GBM:
 - Cash payment of \$210,000 fifteen (15) days from the exercise of the Option and indicate approval for the transfer of the tenement; and
 - issue GBM or nominee the greater of 1.25 million C29 shares or the value of \$250,000 in C29 shares, based on a 7 day VWAP. C29 shares issue will remain in voluntary escrow for a period of 6 months.
- The option is now unconditional and only subject to indicative approval from the Department of Resources - QLD for the transfer of the tenement.
- The project has an inherent 2% net smelter return royalty held by a third party.

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 the sale of the Mayfield Project to C29 Metals and realise value for GBM’s shareholders. Taking some consideration in C29 Metals shares shows GBM’s support for the Mayfield Project and the prospectivity of the tenement, particularly following recent exploration success by Carnaby Resources to the north”*

This ASX announcement was approved and authorised for release by:

Peter Rohner, Managing Director

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About GBM Resources

GBM Resources Limited (ASX: GBZ) is a well-funded Queensland based 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.

Its 100% owned flagship project in the Drummond Basin (QLD) holds ~1.6 Moz of gold in JORC resources (Mt Coolon, Yandan and Twin Hills) – refer ASX announcement 2 February 2022. 2022 will see an expanded drilling program which is aiming to define 2-3 Moz and support GBM's transition into a mid-tier Australian gold company.

Separately it also holds tenements in the Mt Morgan district (subject to a vend into a TSX company) and in the Mt Isa Inlier in Queensland (JV with Nippon Mining Australia - 54%), and the Malmsbury Project (JV with Novo Resources Corp. - 50%, earning additional 10%) in the prolific Victorian Goldfields. This is complemented by the cash generating White Dam Gold-Copper Project in South Australia in which GBM now holds a 100% interest. Divestment of non-core assets will continue.

COMPETENT PERSON STATEMENT

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.

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 with those announcements continue to apply

Figure 1: EPM 19483 Location in North West Qld, south of Duchess

