

ASX Announcement

7 July 2022

Capital Raising Update

GBM Resources Limited (ASX:GBZ) (**GBM** or the **Company**) is pleased to advise the Company has received firm commitments for a placement to raise \$1.36m.

The Capital Raising consists of:

- \$1.25m Placement to unrelated institutional and sophisticated investors resulting in the issue of approximately 23.3 million fully paid ordinary shares at an issue price of \$0.054 per share (**Placement**); and
- A further 2,000,000 shares have been subscribed for on the same terms as the Placement to directors, Mr Peter Mullens and Mr Peter Rohner, subject to shareholder approval.

The Placement was undertaken at an offer price of \$0.054 per new share, representing discount of:

- 11.5% to the last close price on 30 June 2022 of \$0.061; and
- 18.4% to 10-day VWAP of \$0.066.

Funds raised under the Placement, along with existing cash and liquid securities will be used to support current exploration activities at GBM's Drummond Basin Projects and provide working capital.

GBM is in advanced discussions to assess various capital raising/funding options to provide longer term funding to expand exploration activities at GBM's Drummond Basin Projects, including equity and convertible debt funding arrangements. Further details will be released to the market if such discussions are successfully concluded.

In addition to the abovementioned fund-raising activities, GBM continues discussions with select parties in relation to the realisation of value from non-core assets, notably White Dam.

The Placement shares are expected to be issued on Monday 11 July 2022.

A total of 23,269,262 Placement shares will be issued under the Company's placement capacity under ASX Listing Rule 7.1A.

The participation of Mr Mullens and Mr Rohner in the Placement is subject to shareholder approval. Details of the shareholder meeting will be advised by the Company in due course.

Henslow Pty Limited ("Henslow") acted as Lead Manager to the Placement.

An Appendix 3B in respect of the abovementioned shares will be lodged with ASX following release of this announcement.

This ASX announcement was approved and authorised for release by:
Peter Rohner, Managing Director

For further information please contact:

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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). 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.