ACN 118 758 946

ASX Announcement
31 July 2017

GB Energy Limited
is an exploration company focused on energy metals

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Executive Director
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Issued Capital
Ordinary Shares
1,058,849,199
Unlisted Options
58,000,000

Share Price – 28 July 2017
$0.016

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Quarterly Activities Report
Quarter Ended 30 June 2017

GB Energy (ASX: GBX) ("the Company") is pleased to provide the following summary of activities conducted in the June quarter

Mt Denison Copper-Gold, South Australia

In the quarter, GB Energy undertook diamond drilling to test an Iron Oxide Copper Gold (IOCG) target in the Peake-Denison region of the Gawler Craton.

The Mt Denison project aimed to test the potential for IOCG mineralisation within the Peake and Denison Domain of the Gawler Craton. The project has many fundamental characteristics indicative for IOCG mineralisation, specifically a large density feature associated with a long-lived regional scale structure; secondary copper mineralisation in equivalent strata within the Peake and Denison Ranges; suitable host geology; and the potential for ~1590Ma magmatism.

The Mt Denison project received substantial funding support from the South Australian Government under the PACE Discovery Drilling Initiative.

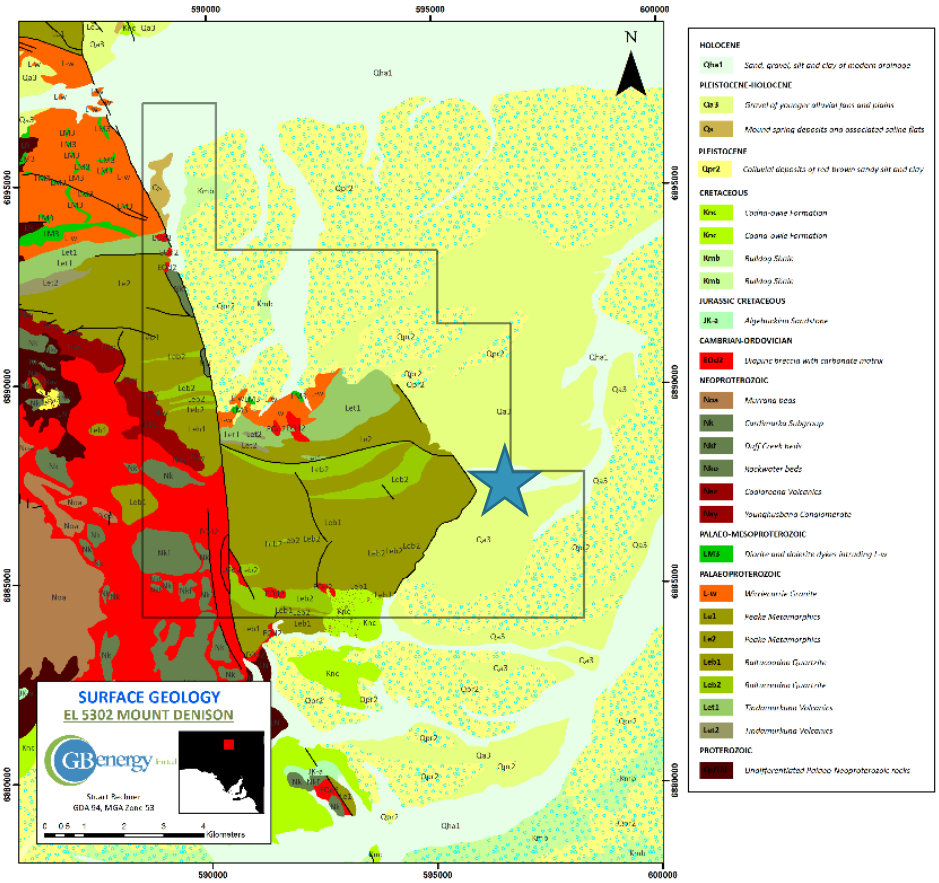

Figure 1: Mt Denison Geology and MTDD001 drill hole location

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Details of the completed hole at Mt Denison are shown below:

Drillhole	Northing	Easting	Hole Depth	Orientation	Drill Method	
MTDD001	6887824	596630	550m	-90	Rotary Mud	0 -189
					HQ Diamond	189 -550

Collar coordinates GDA 94, Zone 53

Geological logging of drill core has been undertaken with the following stratigraphic breakdown:

0 – 122m	Bulldog Shale	
122 – 148m	Cadna-Owie Formation	
148 – 182m	Algebuckina Sandstone	Great Artesian Basin
182 – 550m+	Peake Metamorphics	Basement: Peake Inlier

Drilling intersected Proterozoic basement at a depth of 182m, considerably deeper than expected, and indicates strong basement down-faulting close to the edge of the outcropping Peake and Denison Inlier.

The drill core is composed of predominantly Peake Metamorphics (basalts and metasediments) with minor amphibolite and altered metasandstones/quartzites. Sporadic hydrothermal quartz veining was noted with minor haematite alteration and sulphides mainly restricted to these quartz veins, vein selvedges or fractures.

A strong and consistent foliation and lithological contacts were noted at 20 - 40° to the core axis throughout the diamond drilling and appear to be an extension of the structural orientation noted in the outcropping Peake Metamorphics to the west. Minor hydrothermal quartz veining and fracture controlled copper mineralisation noted in the outcropping Peake Metamorphics to the west are believed to be repeated in this basement drilling.

The drilling results were disappointing and GBX will review the status of this project.

Indiana Ni-Cu-Co-PGE Exploration, Northern Territory

EL 31391, which forms part of our Indiana project targeting Ni-Cu-Co-PGE in mantle-derived mafic-ultramafic intrusions within the Irindina Province, was granted on 26 April 2017. EL31275 lies approximately 15km NE of the Basil Copper-Cobalt sulphide prospect defined by Mithril Resources Ltd.[1]

The Irindina Province was identified in the 2016 Geoscience Australia report "Potential for intrusion-hosted Ni-Cu-PGE sulphide deposits in Australia" as having high potential to host tholeiitic intrusion-hosted Ni-Cu-PGE sulphide deposits.

GBX is targeting sulphide mineralisation within the Riddock Amphibolite and later intrusives within the Irindina Province and extensions eastwards under thin cover. EL31275 is also known to contain outcropping pegmatites and historic mica workings. The Northern Territory Geological Survey (NTGS) and neighbouring explorers have noted Lithium-Caesium-Tantalum (LCT) type pegmatites in the province[2]. No previous lithium exploration has been recorded on EL31275 in the NTGS database.

[1] www.mithrilresources.com.au/pdfs/2012-03-20-22144220120321_JORC_Basil_Cu-Co_Resource.pdf
[2] Frater KM, 2005. Tin-tantalum pegmatite mineralisation of the Northern Territory. Northern Territory Geological Survey, Report 16

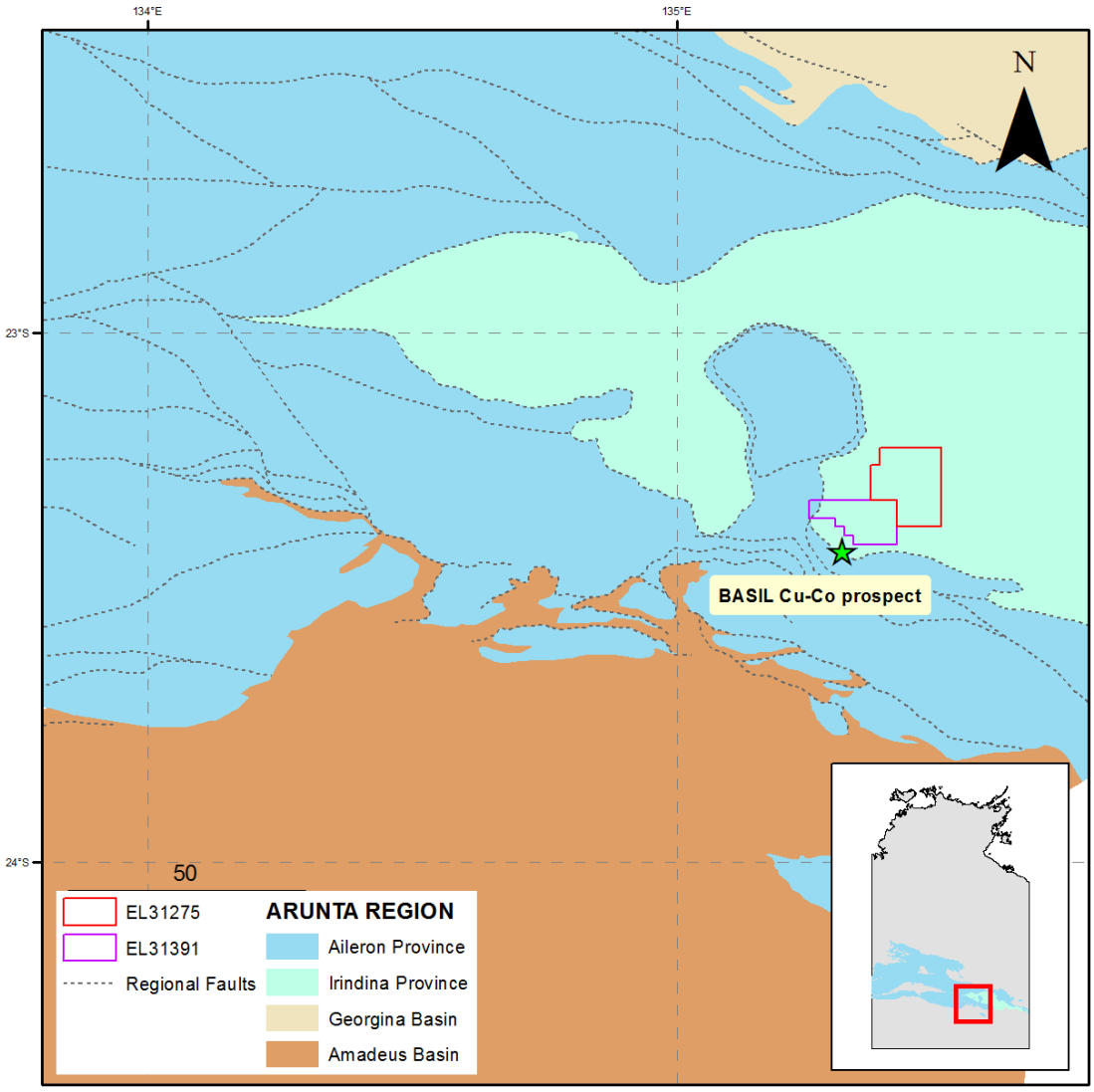

Figure 2: EL31275 and EL31391- Indiana Project

Ongoing GIS compilation of data from the Indiana project area has generated several targets for field inspection. GBX will undertake field inspection and check geochemical sampling of the historic Blackadder and Baldrick prospects as well as newly generated targets.

As part of the Indiana project generation program, two additional new exploration licence applications have been lodged with the NT Department of Primary Industries and Resources. ELAs 31537 and 31542 are also targeting sulphide mineralisation within the Riddock and other Amphibolite's and later intrusives within the Irindina Province and cover extensions eastwards under thin cover from the Basil Project resource.

Exploration licence applications EL31537 and EL31542 will be subject to the standard processes of the Northern Territory Department of Primary Industries and Resources and grant cannot be guaranteed.

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Subsequent Events – Kalia Holdings Pty Ltd Transaction

An extension to the option for GBX to acquire 72.29% (and potentially 100%) of the shares in Kalia Holdings Pty Ltd (Kalia) was executed in July extending the binding term sheet until 18 September 2017.

Kalia, the parent company of Papua New Guinean registered subsidiary Kalia Investments Ltd, holds contractual rights to explore for minerals and develop mines in the Tinputz district of North Bougainville, Papua New Guinea which is prospective for gold, copper and other minerals.

A Notice of Meeting regarding the Kalia transaction was announced by GBX on 19 July 2017.

Tenement Schedule (Disclosure per ASX Listing Rule 5.3.3)

Tenements held at end of the quarter by GB Energy and subsidiary companies.

During the quarter the following tenement changes occurred;

- EL5255 (Stuart Shelf) expired and was not renewed
- EL31391 was granted
- Application E45/4572 was surrendered

TENEMENT	LOCATION	NAME	INTEREST
EL 5231	South Australia	Stuart Shelf	100%
EL 5302	South Australia	Mt Denison	100%
EL 5391	South Australia	Lake Blanche	100%
EL31275	Northern Territory	Indiana	100%
EL31391	Northern Territory	Indiana	100%
ELA31392	Northern Territory	Ngalia	Application
ELA31393	Northern Territory	Ngalia	Application
ELA31537	Northern Territory	Indiana	Application
ELA31542	Northern Territory	Indiana	Application
E80_5012	Western Australia	Mt Angelo	Application
E80_5013	Western Australia	Armanda River	Application
EPLA6589	Namibia	Bitterwasser	Application
EPLA6590	Namibia	Bitterwasser	Application
EPLA6591	Namibia	Bitterwasser	Application

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information reviewed by Mr Nick Burn who is an employee of the Company and is a director of the Company. Mr Burn is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation, the types of deposits under consideration and the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Mr Burn consents to the inclusion of the information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	No assays are reported in the body of the report however reference is made to anomalous Cu readings from a field portable XRF (fpXRF). These readings are only semi-quantitative and no reference is made to actual values other than they are anomalous meaning they are above background and for the purpose of this announcement they are likely to have no economic significance. The completed drillhole MTDD001 was rotary mud drilled through the cover sequence then drilled with HQ core from the top of the basement. The diamond coring technique was employed to appraise the nature of basement lithologies for copper and IOCG style mineralisation. The drill bit sizes employed to sample areas of interest are considered appropriate to indicate the degree and extent of mineralisation. The drill core was routinely read with the fpXRF at 1m intervals and at closer spacing to 0.1m intervals in areas of geological interest. Cutting and sampling of the drill core is currently being assessed and would be likely at 1m intervals in areas of prospective geology.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	For the expected low level of mineralisation and style of geological target, reading of the fpXRF at 1m intervals on whole core is considered appropriate and representative. The fpXRF has a set of standards that are regularly read to ensure the instrument is calibrated.
	Aspects of the determination of mineralisation that are Material to the Public Report.	The entire length of the drill hole has been logged in geological detail. fpXRF measurements were systematically taken every 1m, magnetic susceptibility readings were recorded for every 1m interval, with core structurally orientated consistently where possible. Photography of all drill trays is underway in the secure storage facility. This detailed information was used to assess zones of mineralisation for potential subsequent assay.
	In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	1 metre samples were considered appropriate for field checks of logged mineralisation
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by*	Drilling contractor Watsons Drilling completed vertical drillhole MTDD001. The drillhole was rotary mud drilled (8" surface control casing, 6.5" PDC to basement) through the Great Artesian Basin (GAB) cover sequence to basement then cored with standard HQ

Criteria	JORC Code explanation	Commentary
	what method, etc).	to the end of the hole. There was no requirement to conduct drilling with triple tube.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Drill core recovery was determined by measuring the length of core returned to surface against the distance drilled by the drilling contractor. Core recovery for most of the drilling was > 99%.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Ground conditions were suitable for standard core drilling. Recoveries and ground conditions were monitored during drilling. No triple tube drilling was required.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	There is no apparent relationship between sample recovery and fpXRF readings.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging of the cover sequence and the cored basement has been conducted by GBX geologist and contract geologist. The level of detail of logging is sufficient for this early stage exploration program. Drill core has been orientated where possible and structural data recorded. Geotechnical data (RQD) was not recorded as not required to evaluate the significance of drilling results at this early preliminary stage of exploration drilling. Magnetic susceptibilities have been recorded for every meter of the drill core.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Geological logging is qualitative. Core photos are being taken in the secure storage facility.
	The total length and percentage of the relevant intersections logged.	Drillhole MTDD001 has been geologically logged in sufficient detail to make informed view of the geology and subsequent assessment for sampling.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Drill core is currently being assessed as to whether sampling is required. Half core sawn samples will be provided for lab analysis if deemed appropriate.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	All or any samples submitted for lab analysis will be half core.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	When sampled, 1m half core in the zones of geological interest are considered appropriate sample sizes for the style of mineralisation being targeted.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Detailed logging of the drill core was conducted to sufficient detail to maximize the representivity of the potential samples when deciding on cutting intervals.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	Measures will be taken if samples are sent for analysis.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes will be appropriate for any samples that are sent for analysis.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	No assays are presented in this report.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	No assays are reported in this report however reference is made to Cu readings from field portable XRF (fpXRF). These readings are semi-quantitative only and no reference is made to actual values other than they are anomalous meaning they are above background and for the purpose of this announcement they are likely to have no economic significance. The instrument used was Niton XL3t GOLDD+, readings had a

Criteria	JORC Code explanation	Commentary
		30 second duration. Calibrations were regularly conducted.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No assays are reported and no significant intersections were found in the drilling and from logging that are material to the report. There was no requirement to have the data verified by other persons.
	The use of twinned holes.	No twinned holes have been completed as the exploration program is at an early stage.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All core logging data has been uploaded and validated into GB database.
	Discuss any adjustment to assay data.	No adjustments to assay data undertaken.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill collar position is located with a handheld GPS. The level of accuracy of the GPS is approximately +/- 3m and is considered adequate for this first pass level of exploration.
	Specification of the grid system used.	Grid system is GDA 94, Zone 53.
	Quality and adequacy of topographic control.	The drill area is flat lying with a 1-2m elevation change over the prospect area. Detailed elevation data is not required for this early stage of exploration in flat lying topography.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	fpXRF measurements were read at 1m downhole sample intervals.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	This document does not relate to a Mineral Resource estimation. The drill hole spacing provides a guide for future drilling if that were to occur. The sole drillhole is too early a stage for more detailed analysis.
	Whether sample compositing has been applied.	No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The vertical drillhole targeted a modelled gravity/magnetic anomaly beneath a cover sequence with the exact orientation of the geology unknown beneath this cover. Structural and geological data collected from the hole indicates that the basement geological units were at a sub-optimal angle to determine true width of these units however the source of the modelled gravity/magnetic anomalies were interpreted to be intersected at modelled depths. The orientation of the drillhole is not likely to bias any potential sampling given the lack of economic mineralisation.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias is apparent or assessed.
Sample security	*The measures taken to ensure sample security.*	Drill core is stored at the Challenger geological storage facility in Adelaide.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audit or reviews of geochemical sampling techniques and data have been undertaken at this time.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	The drill data reported in this announcement was collected from drillhole MTDD001, located within EL5302 in South Australia. EL5302 was granted to GBE Exploration Pty Ltd on 9 July 2013. A registered Native title agreement with the traditional owners (Arabana People) has been signed. Native title site clearance was conducted at the drill site prior to drilling. EL5302 is secure and compliant with conditions of grant. There are no known impediments to obtaining a licence to operate in the target area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Copper mining occurred in the Peake Denison Inliers during the late 1890s and early 1900s from numerous mines and shafts. Mineralisation appears related to buck white quartz veins and NNW trending structures and has been interpreted as low-temperature hydrothermal veins formed during greenschist facies metamorphism. Most relevant historic exploration to the Mt Denison project include; • BHP Minerals IOCG projects in and around the ranges where a number of holes reached basement in the form of Peake Metamorphics. The closest existing drillhole at BBD1 (4km south EL5302) which intersected Peak Metamorphics with basalts from 26m. • Toondina Dam Project (ReLODE) which intersected biotite-altered, gneissic amphibolite intruded by numerous granite gneiss dykes (Peake Metamorphics?). Weak mineralisation (chalcopyrite) was associated with albite + chlorite + hematite alteration. • RGC Exploration Kingston North project drilled into several old workings on the outcropping Peake and Denison Inliers intersecting sporadic vein and stockwork sulphide mineralisation. Modern exploration has targeted a variety of commodities in the area including coal, uranium, diamonds, and copper-gold.
Geology	• *Deposit type, geological setting, and style of mineralisation.*	The Mt Denison Project aims to test the potential for Iron Oxide Copper Gold (IOCG) mineralisation within the Peake and Denison Domain of the Gawler Craton. The targeted drillhole will test the source of the gravity and magnetic anomalies identified in the modelling of recently acquired gravity data and high resolution magnetic data Depth to basement is expected to be relatively shallow so this hole targeting density and magnetic features expected to produce 400m + diamond core of basement stratigraphy. The project area fits the many of the IOCG mineralisation characteristics; • Location – located in an inlier of Paleoproterozoic rocks adjacent to the NE margin of the Gawler Craton, possible extension of the Stuart Shelf Olympic Domain • Structure – parallels and is constrained by regional NW striking structures • Mineralisation – secondary copper workings prevalent in the Peake and Denison Ranges, interpreted to be remobilised from basement lithologies

Criteria	JORC Code explanation	Commentary
		• Magmatism – Palaeoproterozoic and Mesoproterozoic igneous intrusives and extrusives known in the area • Host – Outcropping and undercover Palaeoproterozoic Peake Metamorphics and intrusives are potential IOCG hosts • Alteration – density highs a possible indicator of regional hematite alteration
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	Collar easting, northing and elevation plus drillhole azimuth, dip and final depth for MTDD001 are presented in table 1 of this document.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No data deemed material to the understanding of the exploration results from drillhole MTDD001 has been excluded from this document.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	No assay data is presented in the body of this report.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	No assay data is presented in the body of this report.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No assay data is presented in the body of this report.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	No assay data is presented in the body of this report.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	The geometry of mineralisation with respect to the drill hole angle is uncertain at this stage of exploration.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	True widths of mineralisation are unknown. No assay data is presented in the body of this report.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	The location of drillhole is shown in Figure 1 in the body of this document. There are no other maps or sections provided as the results are not considered to have economic significance and no assay data has been recorded.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The data presented in this report is for notifying of GB Energy's completion of the Mt Denison drill program. There is no assay data presented as sampling analysis is still being assessed. GB does not expect the drillhole will return significant mineralisation and the data indicates that only weak Cu mineralisation is present. GB is of the view that no mineralisation of any significance has been intersected and states that follow-up

Criteria	JORC Code explanation	Commentary
		drilling is unlikely.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	No meaningful or material exploration data have been omitted.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	GB currently is assessing the sample analysis, however it is unlikely that there will be any follow-up work on this target. Refer to Figure 1 of the main body of the report to show where drilling was conducted. As there is unlikely to be any follow-up drilling no other diagrams have been included.