ASX Announcement

30 January 2015

REPORT FOR THE QUARTER ENDED 31st DECEMBER 2014

Highlights

Corporate

- **GBM signs non-binding Co-operation Agreement with state-owned enterprise Jiangxi Centre Mining Co. Limited to accelerate co-operation in mineral exploration and development in Australia.**

Mount Morgan Copper Gold Project NW Queensland

- **Re-logging of previously drilled hole DDH4 from the Limonite Hill Prospect provided further support for the occurrence of a cluster of mineralised porphyries in the Mount Morgan Project area. This hole returned 12 metres averaging 1.4% Cu and 0.07% Mo.**
- **Detailed airborne magnetic survey covering the intrusive target area is scheduled to commence immediately.**

Pan Pacific/Mitsui Farm-in Projects NW Queensland

- **Drill hole BBR001 at Burke Bore Prospect finished due to wet conditions in strong alteration and appearance of specular hematite from 190 m.**
- **At the Mount Margaret West Project a strike persistent anomaly is well defined and has been designated FC2NW IP Anomaly and selected for initial drill testing.**

Lubuk Mandi Gold Mine Project Malaysia

- **Joint Venture partner AASB, have completed construction of the 300,000 tpa tailings treatment plant and commissioning is now underway.**
- **Modelling of the (results of phase 1&2 programs) mineralisation beneath the Lubuk Mandi pit has resulted in a total estimated resource of 1.9Mt at an average grade of 1.4 g/t Au containing an estimated 87,200 ounces of gold.**
- **GBM's Board believes that a planned Initial Public Offering of AASB on the Singapore Stock Exchange in 2015 remains a key value driver for the Company.**

Graphite Prospects

- **Large graphitic shale deposits identified at the Milo Prospect along with Sevastapol and Rhea prospects where GBM has 100% ownership rights over all prospects.**
- **At Milo, the initial round of rock-chip sampling returned a high-grade (21%) assay from strongly graphitic shale on the drill pad for MIL007. More than two thirds of the pulps from the RC pre-collar assayed over 10% TGC with six of those above 20% (peak 25.7% TGC).**

ASX Code: GBZ

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SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the quarter. The Company has completed 40 consecutive months with no LTI's and 86 consecutive months with no significant environmental incidents.

100% GBM Gold Projects

Mount Morgan Copper – Gold Project

Exploration Results relating to the Mt Morgan Copper-Gold Project were previously reported pursuant to JORC 2004: This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The Mount Morgan Project is centred 40km south west of Rockhampton in Queensland in close proximity to the world class Mt Morgan Gold/Copper deposit which produced in excess of 8.0M ounces of Au and 400,000 tonnes of Cu metal. The existence of a deposit of this scale in isolation is extremely rare in mineral districts around the world and GBM consider that on a statistical basis alone, there is a high probability that a number of previously unmined or under-exploited gold-copper deposits exist within the region. Interestingly, the second largest recorded gold producer in the area, the Mount Usher Mine with 30,000 ounces of recorded production is included within the boundaries of GBM's new licence application.

GBM is now the beneficial holder of nine granted tenements in the area, Dee Range, Boulder Ck, Bajool, Black Range, Smelter Return, Limonite Hill, Limonite Hill East, Mt Hoopbound and Mt Victoria. One tenement, Mountain Maid is still in application.

Project status was approved in May 2014 over seven of the nine granted licences. These include Dee Range, Boulder Ck, Black Range, Smelter Return, Limonite Hill, Limonite Hill East and Mt Hoopbound (Bajool and Mt Victoria were still in application when Project Status was approved). The tenement group including applications, covers an area of approximately 860 square kilometres.

Re-logging of previously drilled hole DDH4 from the Limonite Hill Prospect has provided further support for the occurrence of a cluster of mineralised porphyries in the Mount Morgan Project area. This hole returned 12 metres averaging 1.4% Cu and 0.07% Mo.

Historical drillhole DDH4 was located in the government core library in Brisbane and a summary log completed during the quarter. This hole was originally drilled in 1973 and predates many recent advances in understanding intrusive related mineralised systems. Re-logging of this hole confirmed alteration, mineralisation and vein styles which suggest a porphyry Cu-Mo system is present at Limonite Hill Prospect, hosted by a polyphase intermediate to felsic igneous intrusive and volcanic complex. Observations from the drill core and available data suggest the system is exposed at a high level, and that the core of the mineralizing system may remain intact.

Figure: *Mineralised zone of massive quartz within historic Geopeko drillhole DDH4, with patchy sericite and massive or blebby chalcopyrite. Coarse molybdenite is also present. Interval from 158-164m returned 2.64 % Cu, 908 ppm Mo and 9 ppm Ag.(CR4994, Report on Griselda-Discoverer 28, Geopeko Ltd, May 1974).*

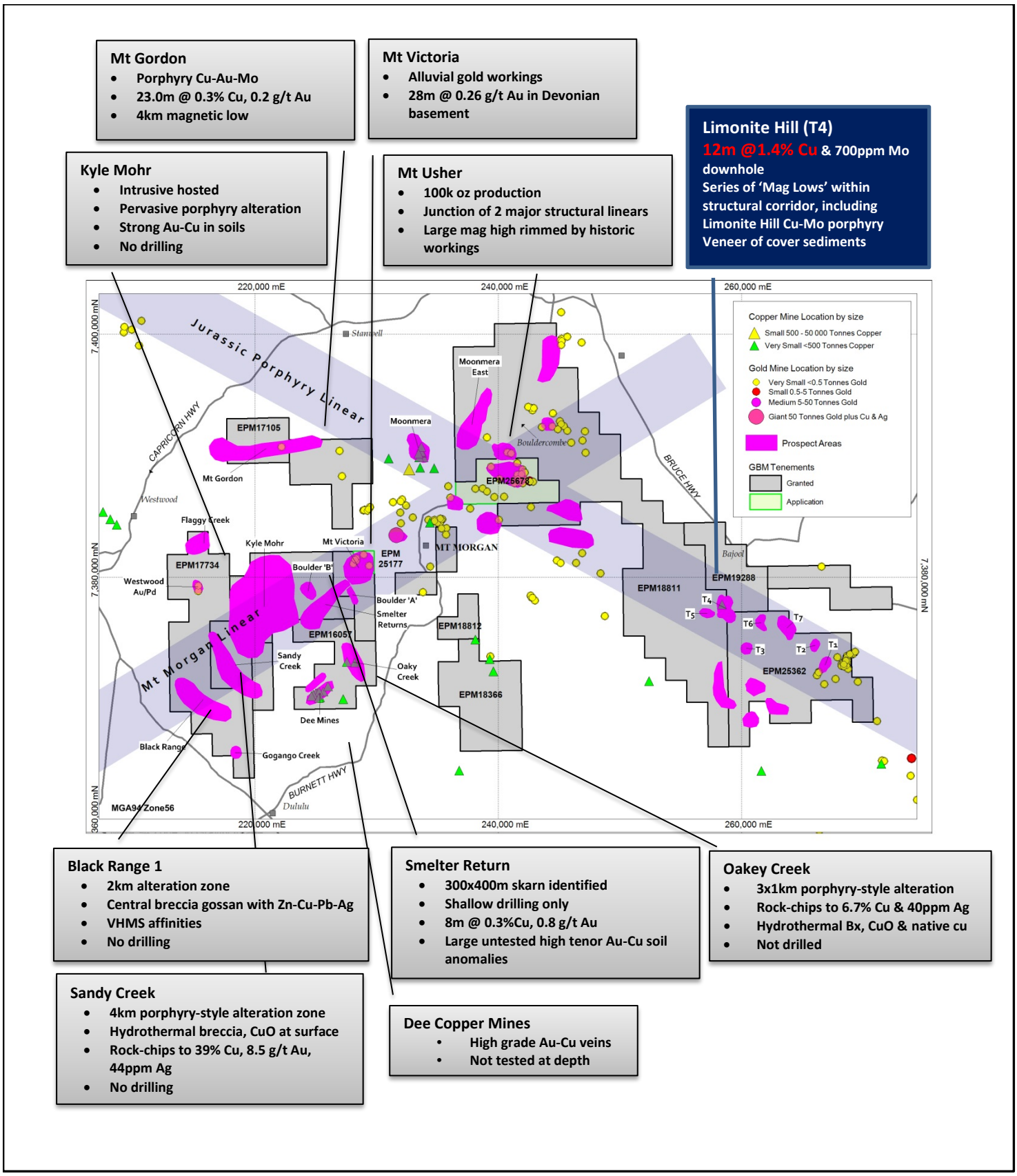
Another key target area identified as a high priority during the previous quarter contains a number of historic mines and is a target for porphyry style copper-gold mineralization. This area was applied for under EPM25678.

Priority targets for further work have been defined on a range of features including; soil, rock-chip and historic drilling, Cu-Au + Mo anomalism, presence of porphyry or IRGS alteration assemblages in surface rocks, geophysical signature, prospective host rocks, structural setting or proximity to Mt Morgan orebody, and size potential.

A number of key targets have been identified for further exploration including: Smelter Return, Limonite Hill and other buried targets within the Bajool Project, Sandy Creek and Oakey Creek and the Mt Gordon porphyry system.

Forward Program

The Company has formulated an initial work program and budget focused on the priority target areas. This program includes flying of low level airborne magnetic survey, location logging and sampling of previous Diamond drilling and further field mapping and sampling.



Figure; Mount Morgan Project area plan showing key targets and Tenement status.

GRAPHITE PROJECTS, Queensland – GBM 100% INTEREST

Sevastapol Graphite Project

The Company recently announced during the September Quarter, the definition of a very large graphitic shale deposit at its wholly-owned Mount Margaret project. The Sevastopol target is located within EPM16398 tenement and within four kilometres of the Ernest Henry mine, near Cloncurry in Queensland.

In August 2014, a single aircore drillhole (SVP001) was completed at Sevastopol with the aim to test the viability of the method through the historically difficult to penetrate thin, gravelly cover sequence over the prospect and to confirm grade and grainsize potential. The hole intersected strongly graphitic grey-black weathered shale in Proterozoic basement from near-surface (0.5m downhole) and bottomed in the same material upon refusal at 38m. Analysis returned 37.5m @ 8.0 % TGC from 0.5m including 19m @ 10.4 % TGC *(refer ASX announcement 22 September 2014)*.

Petrographic analysis completed in September 2014 of four graphitic shale samples from the deep historic diamond hole at the west side of the prospect and from SVP001 showed crystalline, platy graphite crystals occurring in the groundmass and occupying pore spaces within silicates and ranging in size from 2-20 microns.

Further analysis of historic drilling data showed some potential for coarser-grained zones within the prospect. Chips logged as intensely weathered, coarse mica schists within the chargeability anomaly were possibly graphite-bearing so a program of 15 RC aircore or hammer holes was planned across the prospect on the existing 500m-spaced IP lines and at nominal 200m centres. Drilling was problematic due to the palaeo river gravels, the program beginning in late October 2014 and taking 4 weeks to complete. Initial attempts to use RC methods through the cover sequence were abandoned and mud-rotary equipment then employed to pre-collar to basement. Of the 15 holes attempted, including the initial test hole, ten reached planned depth or close to it (>44m). Three did not penetrate through the cover due to repeated failure in the gravels. Two reached basement but terminated early due to ground conditions. A drillhole plan with grade and lithology callouts and a selection of drilling cross-sections are included below.

Of the ten that reached planned depth, a total of five intersected graphitic units:

SVP001: 37.5m @ 8.1% TGC from 0.5m.

SVP006: 4m @ 4.3% TGC from 14m.

SVP009: 24m @ 5.4% TGC from 20m.

SVP011: 17m @ 7.9 % TGC from 32m

SVP012: 47.7m @ 8.2% TGC from 24m

The best intersection from the RC program (SVP012; estimated visually prior to assay receipt) was chosen for extension by diamond tail for metallurgy purposes. The diamond tail was completed to 71.7m downhole producing 22.1m of HQ core, half of which was sent for assay and half stored for future metallurgy analysis if required (approximately 90kg).

The widely spaced drilling completed by GBM in conjunction with historical data clearly demonstrate potential for a very large graphite deposit with samples indicating much of this would be at grades of 8% TGC or better. The prospect is favourably located close to existing infrastructure and is obscured by shallow cover over much of the prospect area. The average TGC grade across the five reported significant intersections at Sevastopol was 7.5 % TGC. Grade is generally very consistent throughout the prospect within the top 70m (downhole) of the graphitic shales reflecting a uniform distribution of fine graphite within the groundmass of the shale units. The single deep historic diamond hole which intersects a shale unit from approximately 190m to 345m downhole confirms the graphite potential to significant depth. Assays from selected intervals throughout the intersection prove TGC grade remains consistent with depth.

Milo Project – Graphite Mineralisation

A review of GBM's geological mapping and samples from the Milo IOCG Project confirmed that large areas of graphitic shale existed within the project area. Field mapping, core examination and sampling was undertaken to evaluate the potential for graphite mineralisation in proximity to the existing Milo Deposit which contains a large polymetallic metal resource (refer to GBM Resources 2014 Annual Report).

A total of 76 rock chips were collected across the Milo, Milo Western Gossan and Milo North Prospects in two campaigns of mapping and sampling targeting graphitic units during November and December 2014. Of the total, 69 were submitted for TGC analysis at ALS Brisbane. Of these, one third reported TGC above 10% including nine above 15%. The peak result was 23.2% TGC. The figure below indicate that most of the high-grade samples above 10% are associated with two large roughly east-west trending fold structures; an anticline located on the western side of the Milo pit outline with the hinge close to drill collar MIL007 (Zone 2), and a syncline immediately south of the Milo Western Gossan prospect (Zone 1). Both zones show similar lithological characteristics and TGC tenor and may relate to the same folded and faulted shale package. They both have significant size potential with unfolded strike lengths of over 500m and maximum widths of 80m. Both sets of limbs are open along strike and require further mapping and sampling.

Zone 3 is located within the old Milo Western Gossan prospect (GBM hole BTD014). Graphitic shale is present with complex geometry within and on the margins of the Cu-bearing shear zone. The graphitic unit has a strike of greater than 800m, open to the north-west and possibly the east. However, TGC tenor is significantly less than for Zones 1 and 2; less than 10% returned from all rock chip samples and most below 4%.

The initial round of rock-chip sampling returned a high grade (21%) assay from strongly graphitic shale on the old drill pad for MIL007. As this result was more than double the average grade observed from drilling at Sevastopol, further investigation of the area was warranted. MIL007 drill logs showed a zone of black graphitic shale from surface to 45m downhole. Pulps from the RC pre-collar were found and sent for TGC analysis at ALS Brisbane in November. More than two thirds of the pulps assayed over 10% TGC with six of those above 20% (peak 25.7% TGC). There is a general increase in grade towards the base of the intersection, the contact with non-graphitic units, which based on the surface mapping interpretation is the outer boundary of a shale unit near the hinge of an anticline. This tends to support the rock-chip sampling where the best grades are associated with the same side of the shale. As no bulk sample was preserved from MIL007, an HQ diamond drill hole was completed in December, twinning MIL007 to 22.5m (MIL021). The entire sample was preserved for potential metallurgical use should the project progress.

Forward Program

The discovery of higher grade graphite at GBM's Milo Project will be evaluated in parallel with the Sevastapol graphite Prospect. Samples have been submitted for petrographic examination and qualitative size determination. This data will be reviewed before and may impact future programmes on both projects.

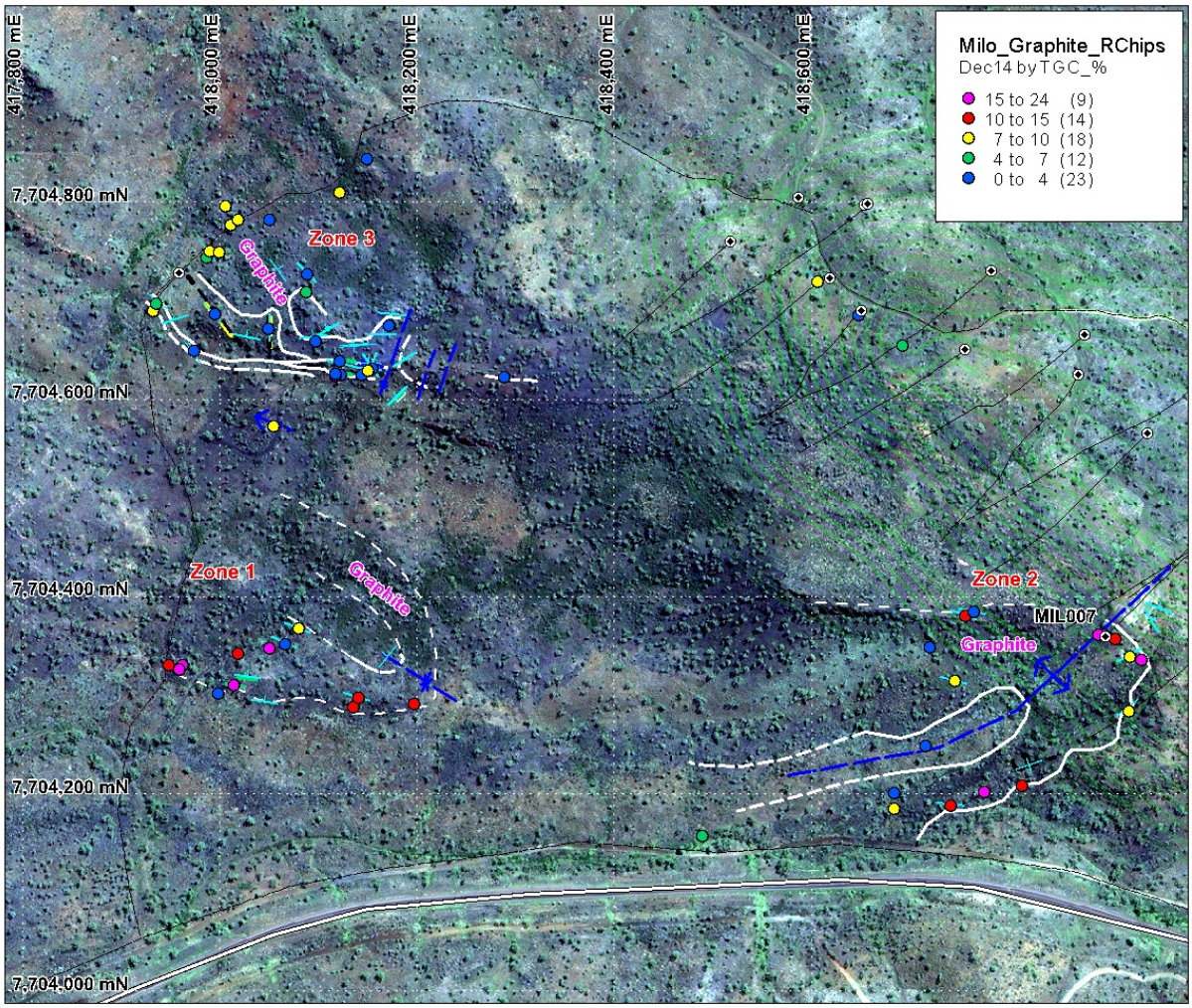


Figure: Milo rock-chip sampling showing all GBM drill collars with projected drill traces. Milo pit shells in green. Samples to north from Milo North U prospect. . Interpreted graphite zones showing prominent fold structures controlling graphitic shale geometry at Zones 1 and 2. Zone 2 overlaps the pit shell boundary (just visible in green). Zone 3 corresponds to Milo Western Gossan prospect.

LUBUK MANDI GOLD MINE PROJECT, MALAYSIA – GBM 40% INTEREST

(Refer ASX announcements 26 November 2013, 31 January 2014, 25 February 2014, 12 May 2014 and 23 June 2014 for Lubuk Mandi JORC 2012 disclosures). The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and the form and context of the announcement have not been materially modified.

The Lubuk Mandi Gold Mine is located on the east coast of the Malaysian Peninsula in the state and Sultanate of Terengganu, approximately 7 km south of the state capital city Kuala Terengganu. Gold was discovered in 1989 at the site and initially worked as alluvial deposits along a 2 km strike length prior to hard rock mining at Lubuk Mandi. A CIP/CIL plant operated between 1993 and 1999, producing over 107,000 ounces of gold and approximately 11,000 ounces of silver. All mining was by open pit methods.

Construction of the tailings treatment plant was nearing completion at the end of December 2014 with commissioning now scheduled to commence on the 1st of February 2015. The stage one tailings storage facility is completed to a stage where it is now available for use in readiness for commencement of tailings processing.

Estimation of a preliminary hardrock resource estimate has been based on phase 1&2 programs. Phase 3 is to be schedule after the commissioning of the tailing plant .

GBM's Malaysian Joint Venture partners are working to develop the Lubuk Mandi Mine to a sufficient scale to incorporate this operation into a new Company to be listed on the Catalyst Board of the Singapore Stock Exchange.

Tailing Gold Production

Commissioning

Construction of the tailings treatment plant is almost complete and at the time of writing commissioning of this plant is underway. Joint Venture partner AASB have contracted Core Process Engineering, to assist in commissioning. Core is a Brisbane based specialist metallurgical and design consultancy which completed metallurgical testwork for the Lubuk Mandi tailings resource. The plant is currently designed to treat the tailings resource which contains an estimated 35,000 ounces of gold over approximately 30 months.

On site works including waste storage facility, power supply, water supply and plant are advanced to the point where production can commence. All reagents were on site by mid-January 2015 and a commissioning program commenced.

Photograph; Lubuk Mandi tailings treatment plant in foreground with existing tailings dam(back left) and new stage 1 waste storage facility (back right). Taken 5 November 2014.

Indicated + Inferred					
		Contained Gold		Grade	
	Tonnes	Grammes	Ounces	ppm Au	% Tonnage
Indicated	1,445,000	1,009,000	32,400	0.70	94%
Inferred	87,000	72,000	2,300	0.80	6%
Total	**1,532,000**	**1,081,400**	**34,800**	**0.70**	**100%**

Table: Lubuk Mandi Tailings Dam Resource Table (Refer ASX release 26 November 2013).

Hard Rock Resource

In 2014 GBM carried out a two phase, 29 hole drill program over the deposit to verify and validate historical drilling and to better understand the gold mineralization and geology beneath the existing Lubuk Mandi open pit. GBM geological staff supervised drilling and sampling and constructed a geological and mineralization model for the deposit. Skandus Pty. Ltd. estimated a resource based on the combined historical and new drilling data from 158 holes and found that the deposit contains a total resource of **1.9Mt at an average grade of 1.4 g/t Au containing an estimated 87,200 ounces of gold**.

This report is summarised in the table below.

Classification	Tonnes	Ounces	Grade
Indicated	1,643,000	77,100	1.5
Inferred	312,000	10,100	1.0
Total	**1,955,000**	**87,200**	**1.4**

Table: Lubuk Mandi resource based on a block gold grade cutoff of 0.3g/tAu (Please note figures are rounded to the nearest 1000t, 0.1 g/t and 100 oz's).

The geological model identified a number of targets and further drilling (phase3) under the North end of the pit has the potential to increase the resource. This is planned to be funded from the tailings treatment operation which is currently being commissioned by AASB. Key areas of the resource are discussed below, and further details are provided in the JORC table 1 for Lubuk Mandi at the end of this report.

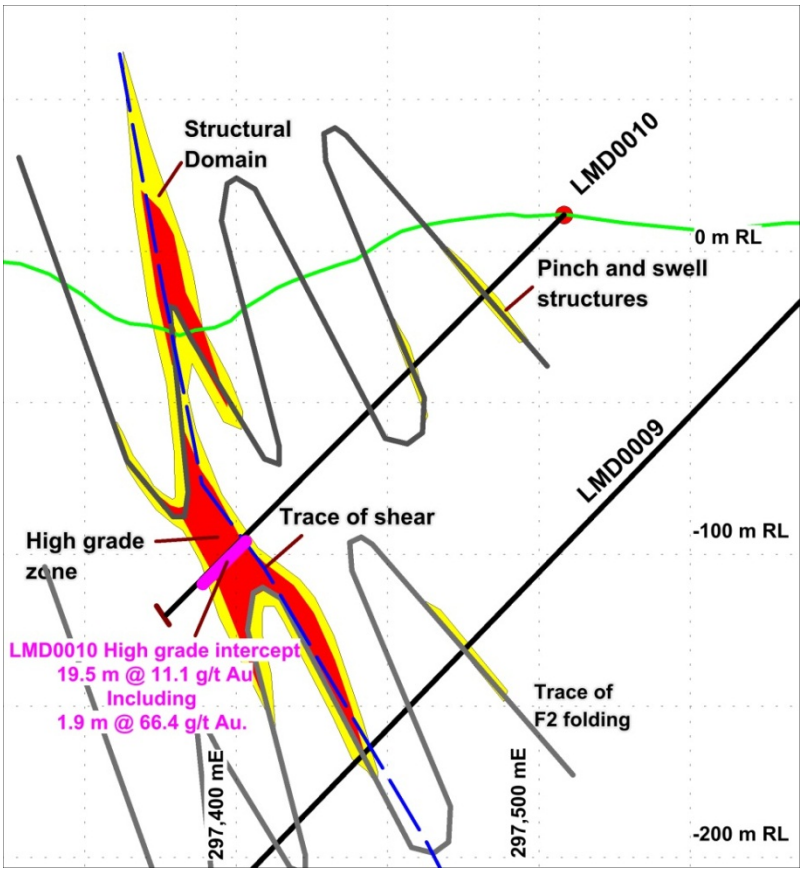
Geology and Mineralisation

The lithology at Lubuk Mandi is dominated by mostly grey laminated phyllite and shale units with occasional siltstone and sandstone beds. Individual beds range from a few millimetres to around 15 cm. Rare thicker sandstone units up to 1.5m wide are present. Previous investigation identifies the country rock as generally low-grade, chloritic altered metasediments of Carbonaceous age.

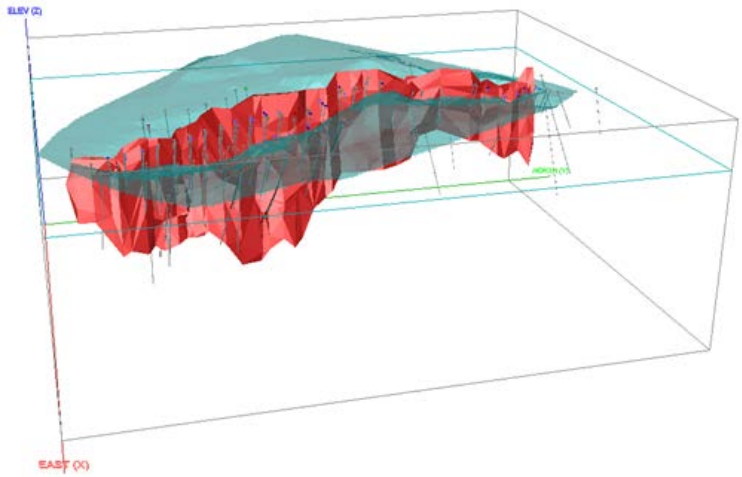
Due to intense tectonic deformation, continuous successions of beds can be difficult to trace beyond outcrop scale. Primary carbonaceous layers were identified during mapping (as opposed to shear related graphite) and mapping identified a relatively common sulphide rich pelite bed with a yellow-green weathered surface.

Over 800 detailed structural observations were made throughout the Lubuk Mandi mine area in attempt to understand the trend and extent of mineralised features. At least four distinct deformation events were characterised and mapped. Deformation events are phases of tectonic activity that result in significant change in the structure orientation or form of local and regional rocks through processes of collision or extension. These regional events result in localised representations of folding, mineralisation or shearing.

Gold mineralisation at Lubuk Mandi is primarily associated with sheared-brecciated massive quartz veins surrounded by sulphide rich metasediments that contain up to 5% pyrite, trace of arsenopyrite, galena and occasional sphalerite. Silicification is well develop surrounding highly deformed and brecciated wall rock. Significant hanging wall related deformation and stock work veining is associated with thrusting, whereas the footwall to mineralisation is mostly undeformed (See figure 8). Historic reports suggest mineralised quartz zones are up to 8 m in width; however veins are known to significantly pinch and swell on all observed scales.



Figure; Structural Model for Lubuk Mandi interpretive cross section 578360N. Mineralisation is controlled by faulting and folding. Low grade structural zones trace out both limbs of the F2 folds with high grade zones focussed at the break out from the hinge zone between successive folds. Smaller mineralised lensoidal zones occur along the trace of the F2 surface distal to the main shear.



Photograph; Main lode mineralised quartz vein (Vein width of approximately 1 m). Veins are sub-parallel to the beddings. Figure; wireframe of main lode structural zone, drill holes and current pit surface and pre-mining land surface.

Resource Estimation

The main lode structural outline encompassing the hinge zone mineralisation and limb mineralization which roughly equates to a minimum 0.2 Au ppm grade boundary, this was used to constrain the block estimation and data used to estimate the blocks. Surveyed UTM topography was used to code the blocks into mined and remnant ore.

Assay data for Au was in 1m sample intervals with some smaller intervals at structural and lithological breaks. After reviewing the average sampled length it was decided that compositing to 2m was a suitable length to obtain equal weight samples and decluster the data. The data was extracted to Mid-point intercepts after being coded for main structural zone. Block size is 25m (north) x 5m (east) x 5m (elevation) guidance for block size came from kriging neighbourhood analysis and previous mine practise.

Due to the nature of the structural controls, descriptive statistics and the ability to well constrain the data, it was decided that ordinary kriging, with a cross sectional polygonal model and inverse distance model for verification would be a suitable methodology for this estimate and deposit style.

Reconciliation of previously reported ore mined of 107k ounces mined, plus the 34k ounces in tailings giving a total of 141,000 ounces, approximates closely to an estimated 146k (2.9% difference) ounces in the current block model. Grade control data located in the site office at Lubuk Mandi included detailed production level plans for every level in the pit, showing blast hole composites and 0.2 ppm outlines that match the tenor and distribution of estimated blocks from phase 1 and 3 drilling as well as drill hole assays from phase 1, 3, 7 and 8 drilling. The grade control data shapes also support the structural main zone modelled from all four phases of drilling.

Compliance Statement

The information in this report that relates to Mineral Resources is based on information compiled by Scott McManus, a Competent Person who is a Member of the Australian Institute of Geoscientists. Scott McManus is employed by Skandus Pty Ltd. Scott McManus and Skandus Pty Ltd have no interest in GBM Resources Ltd or ANGKA ALAMJAYA SDN BHD and is retained on a contract basis.

Scott McManus has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Scott McManus consents to the inclusion in the report of the matters based on the information compiled by him in the form and context in which it appears.

Reliance on other Competent People

The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of the company. Mr. Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Report and all work leading up to the report has been compiled and or supervised by Scott McManus as Competent Person in accordance with the JORC 2012 code.

Antap GeoResources, Malaysia (Antap) and GBM Staff supervised the phase 7 drill contractor (Drill Corp Malaysia) and carried out the logging, sampling, sample security and dispatch of samples under the Supervision of Scott McManus and Neil Norris, a competent person and Executive Director- Exploration for GBM Resources Ltd.

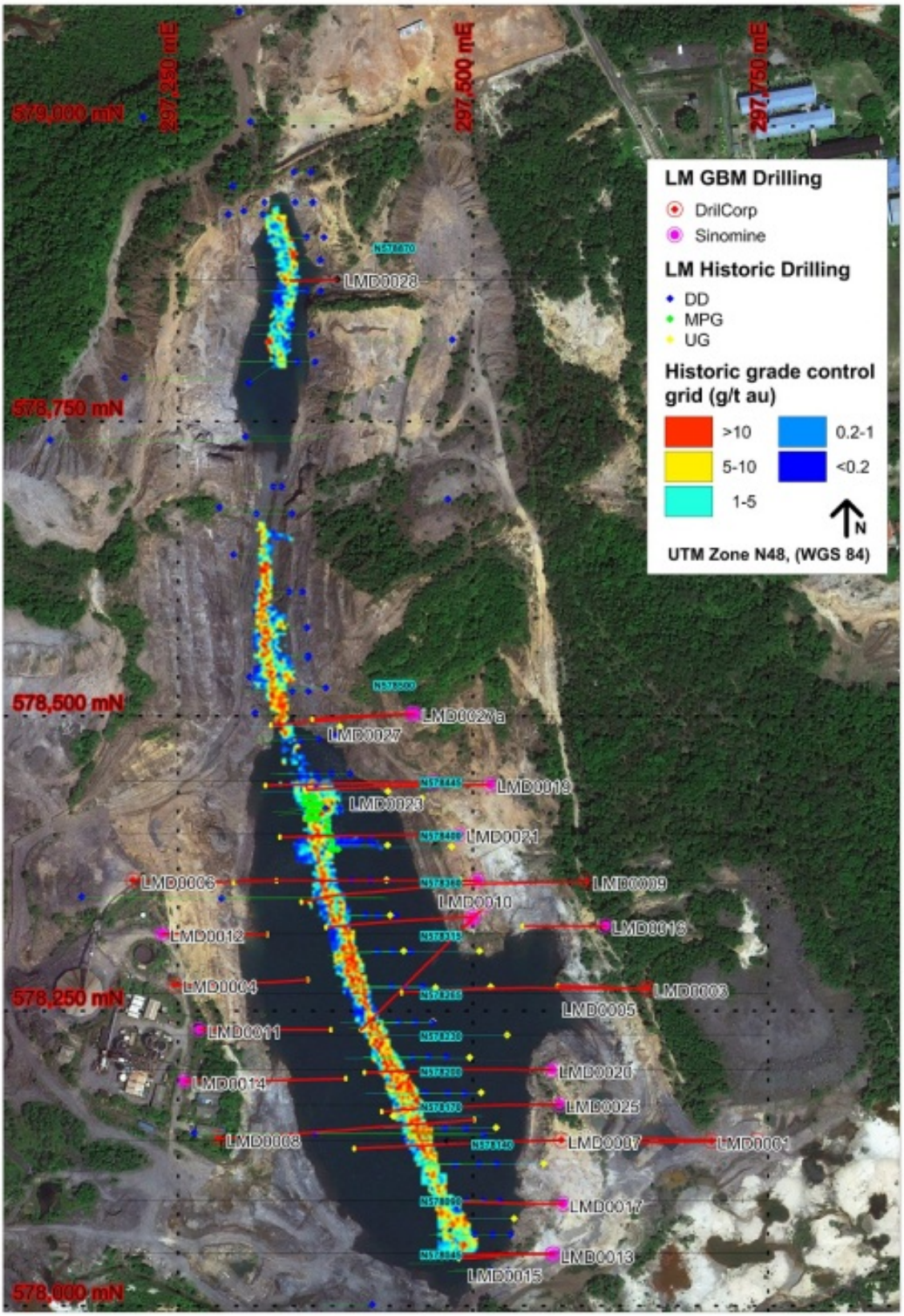
ANGKA ALAMJAYA SDN BHD staff in consultation with Antap and GBM staff have supervised the phase 8 drill contractor (Sinomine) Antap and AK staff in consultation with GBM staff have carried out the logging, sampling, sample security and dispatch of samples under the Supervision of Scott McManus and Neil Norris.

GBM Staff have managed the data and database as well as QAQC review of assays and logging under the Supervision of Neil Norris and with close liaison with Scott McManus.

Scott McManus of Skandus Pty Ltd, carried out the statistics, ordinary kriged block model estimate, inverse distance squared block model estimate and compilation of this report.
GBM Staff carried out the geology and wireframe interpretation under the Supervision of Scott McManus and Neil Norris.

Forward Program

Commissioning of the tailings treatment plant is scheduled to commence in February and the commencement of gold production will be the main focus of activity in the coming quarter



Figure; Lubuk Mandi Drill plan showing GBM and historic drillhole traces and historic grade control blast hole drilling of the ore zone in the centre of the pit.

Mount Isa Region Copper Gold Projects

Pan Pacific Copper/ Mitsui Farm-in Projects

(Through their Australian Subsidiary, Cloncurry Exploration & Development Pty Ltd (CED) may earn 51% of the projects by expending $15M on exploration over 6 years)

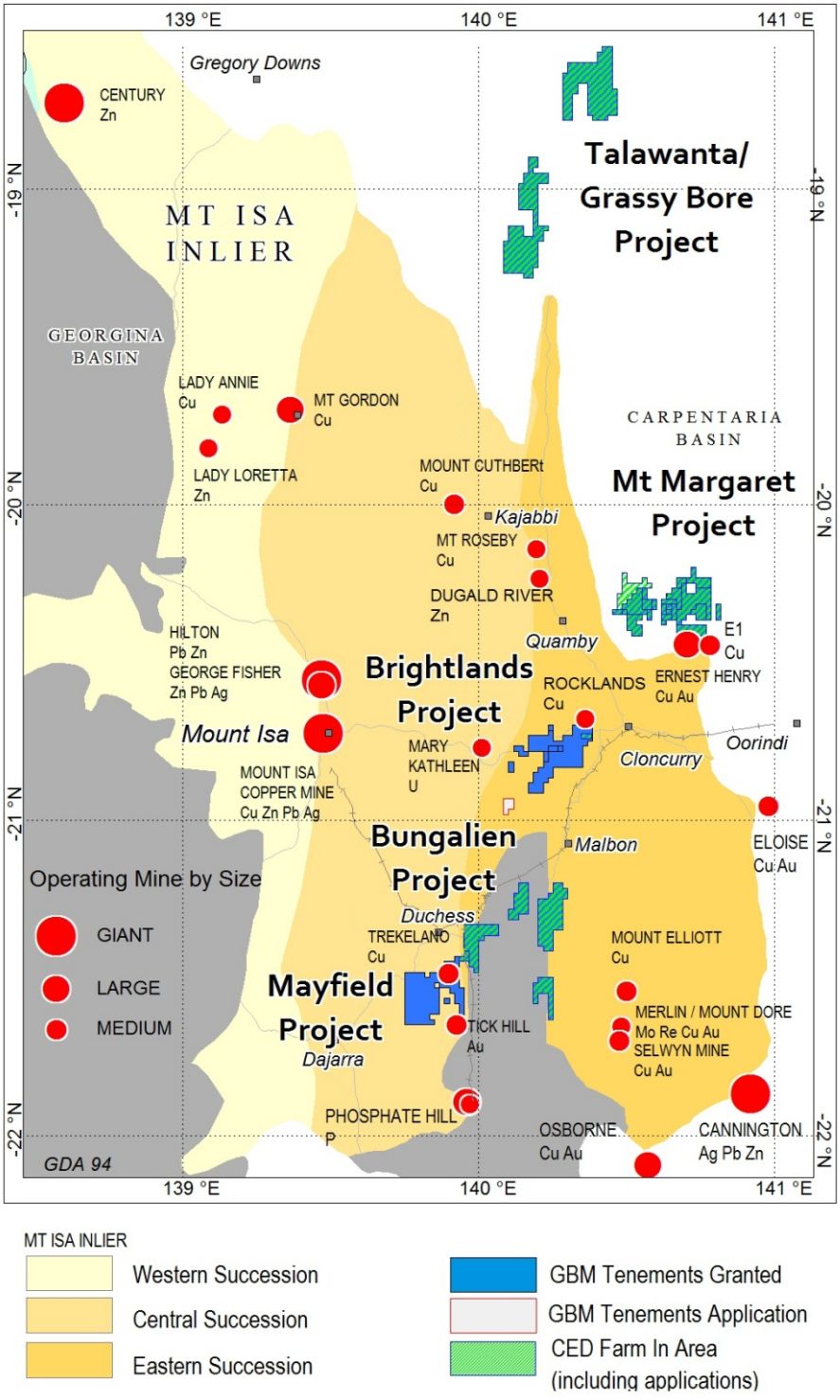


Figure: Location map showing Farm-in Areas.

Activity Overview:

Exploration activity during the December Quarter is summarised below.

At Bungalien Project activities in the December Quarter included the drilling of RC drill-hole BBR001 at Burke Bore, and the generation of updated magnetic and gravity inversion models for 'Bronzewing Bore' and 'The Brothers' to identify drill targets for future testing at these prospects. A second RC drillhole was postponed due to the onset of wet weather.

At Mount Margaret Project an IP programme was completed to supplement previously obtained historical data covering the FC2W and FC2NW target areas. This programme included ten lines for a total of 32.2 line kilometres of surveying testing five basement targets considered prospective for IOCG style mineralisation. A drilling programme was designed but deferred due to the early onset of the wet season. Diamond drillhole MMA009 was completed at FC2SE to a depth of 438 metres testing an area of elevated copper and gold geochemistry associated with interpreted continuation of a north east trending magnetic linear which extends through the Ernest Henry Cu-Au Mine several kilometres to the south west structural and lithological.

Bungalien Project

Tenements: EPM 18207, Bungalien 2; EPM 18208, Horse Creek 2; EPM 17849, Limestone Creek; and EPM 25213, 'The Brothers'.

The main focus of exploration efforts in the Bungalien tenement has been investigation of IOCG-style mineralization intersected in scout drill-holes at the Bronzewing Bore Prospect beneath 300-400m of overlying cover. Recent efforts have been aimed at advancing Bronzewing Bore through geophysical surveying and modelling and drill-testing. Efforts have also been directed towards identifying potential drill targets beneath deep cover at the nearby 'The Brothers' Prospect, and also at the Burke Bore Prospect (beneath shallow cover) which lies to the north of Bronzewing Bore

Burke Bore Prospect

RC Drilling:

Three priority collar positions have been selected, for scout drill-testing of an overlapping magnetic and gravity anomaly adjacent to a strong MMI Ag anomaly, with drilling of two holes completed in the 2014 program.

The 3 proposed holes are: anomaly, 150-200m, BB-B_Prop 1A (1st priority) testing overlapping Magnetic and Gravity highs to 150-200m, BB-B_Prop 2 (2nd priority) testing the centre of a strong Ag anomaly between 150-200m and BB-B_Prop 1 (contingency collar position) testing the centre of broad basement magnetic

The first hole of the RC drill program at Burke Bore, drill hole BBR001 (BB_Prop1A), commenced on the 27th November and was completed on the 1st December 2014. BBR001 reached a depth of 193m with the basement intercepted at a depth of 152m.

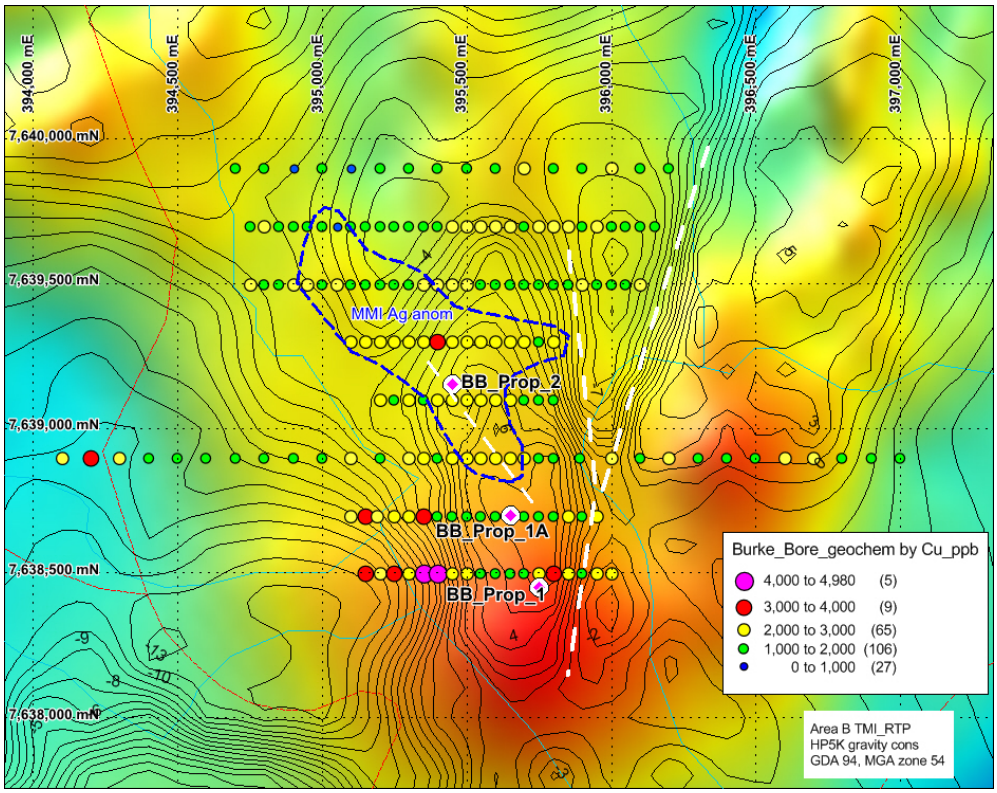


Figure: Burke Bore Prospect: Thematic map of MMI Cu at Site B over TMI_RTP image and HP5k residual gravity contours. MMI Ag anomaly shown as blue dashed enclosure. RC drill-hole BBR001 at site BB_Prop_1A.

Drill-hole BBR001 (-65 ° Dip, 045° Az [mag]) was the priority target designed to test overlapping Magnetic and Gravity highs. The lithology was logged as red rock altered medium grained quartz k-feldspar rich Wimberu granite (<1% mt) which transitioned to weakly foliated porphyritic felsic volcanic at 165 m. There was strong alteration and appearance of specular hematite from 190 m.

The delivery of the RC samples from BBR001 to ALS happened on the 10th December after some difficulty in accessing and retrieving the samples from the drill site due to the heavy rain and flooding in the Duchess area. The assay results for BBR001 are due sometime in early to mid-January 2015.

The second RC drill-hole BBR002 (BB-B_Prop 2, 150m), was deferred to 2015 as a result of the unpredicted early start to the wet season.

The RC drill program at Burke Bore is still ongoing and with only one of two holes completed and the geochemical results outstanding. The magnetic and gravity character of Burke Bore is similar to Bronzewing Bore and is interpreted that the coincident magnetic and gravity highs at Burke Bore could be indicating magnetite-associated copper mineralisation within or adjacent to Wimberu Granite as found at Bronzewing Bore

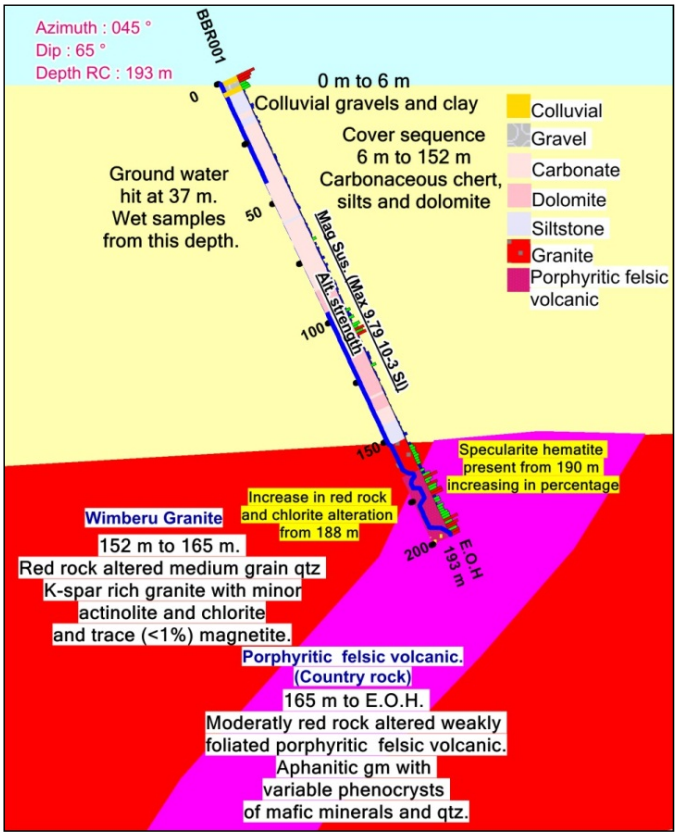


Figure: Burke Bore Prospect: Drill log section showing logged lithology (annotated) and basement interpretation.

Mount Margaret West Project

The Mount Margaret group of tenements consist of Mt Malakoff Ext (EPM 16398) Dry Creek (EPM 18172) Dry Creek Ext (EPM 18174) Cotswold (EPM 16622), Mt Marge (EPM 19834), Tommy Creek EPM 25545 and Corella EPMA 25544.

The Mount Margaret tenements are in an area of shallow cover (<100m) over Proterozoic rocks that include the host to the nearby Ernest Henry Cu-Au-magnetite mine. A number of named IOCG prospects are located within the CED JV tenements and these have been explored by other companies to varying degrees. Exploration by the CED has been focussed on examining the historical work (drilling, geophysics, soil sampling) conducted by companies such as Chevron, BHP, WMC, MIMEX and Xstrata in the hope of identifying gaps in the previous exploration efforts and to identify and explore new areas that have been virtually untested (e.g. FC2_West).

FC2W Prospect

The IP program initially comprised of 13 E-W lines (200m dipoles) during August and October 2014. The survey lines were designed to test the basement units around 5 prospective target areas (A, B, C, D & E) within the FC2W prospect area. The IP survey was carried out in 2 Stages, both of which were amended and described in more detail in previous reports. In summary, a total of 10 lines (ca 32km) of IP were collected in the combined surveys and all lines surveyed with dipole – dipole array using 200m dipoles (See Fig below). The final survey included:

- Stage 1 - completed between the 29th August and the 10th September and comprised of 6 lines for a total of 18.2 line kms;
- Stage 2 - completed between the 14th – 23rd October and comprised of 4 new lines for a total of 14 line kms – included in the line kms is extensions to the 2 most northern lines completed in Stage 1.

Analysis demonstrated the data to be of good quality and provided confidence that the 200m dipole survey was seeing into basement. All lines were inverted (2D) and the pronounced anomaly near the eastern end of the northernmost three lines (designated FC2NW) was also inverted in 3D.

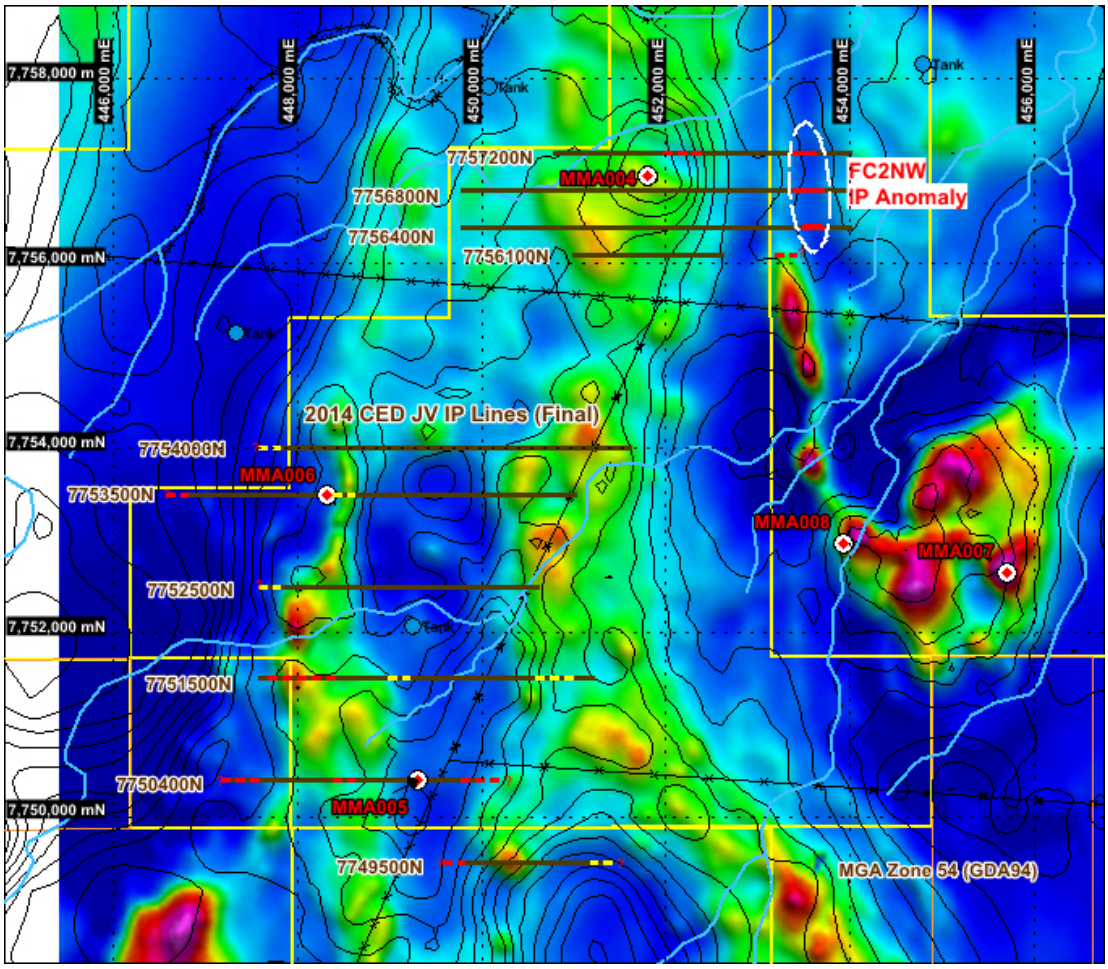


Figure: FC2W Prospect: All completed IP lines from stages 1 and 2 of the 2014 program by the CED JC (black east-west lines). IP anomalies indicated by red line, probable (red dashed) and possible (yellow dashed) IP anomalies also indicated. Background image is TMI-RTP with residual gravity contours, HP10k filter (Aug14). Also shown are collars for JV drilling at FC2W and FC2.

A significant 'definite' anomaly is well defined and has been designated FC2NW IP Anomaly (white oval shape in the figure above), and has been selected for initial drill testing.

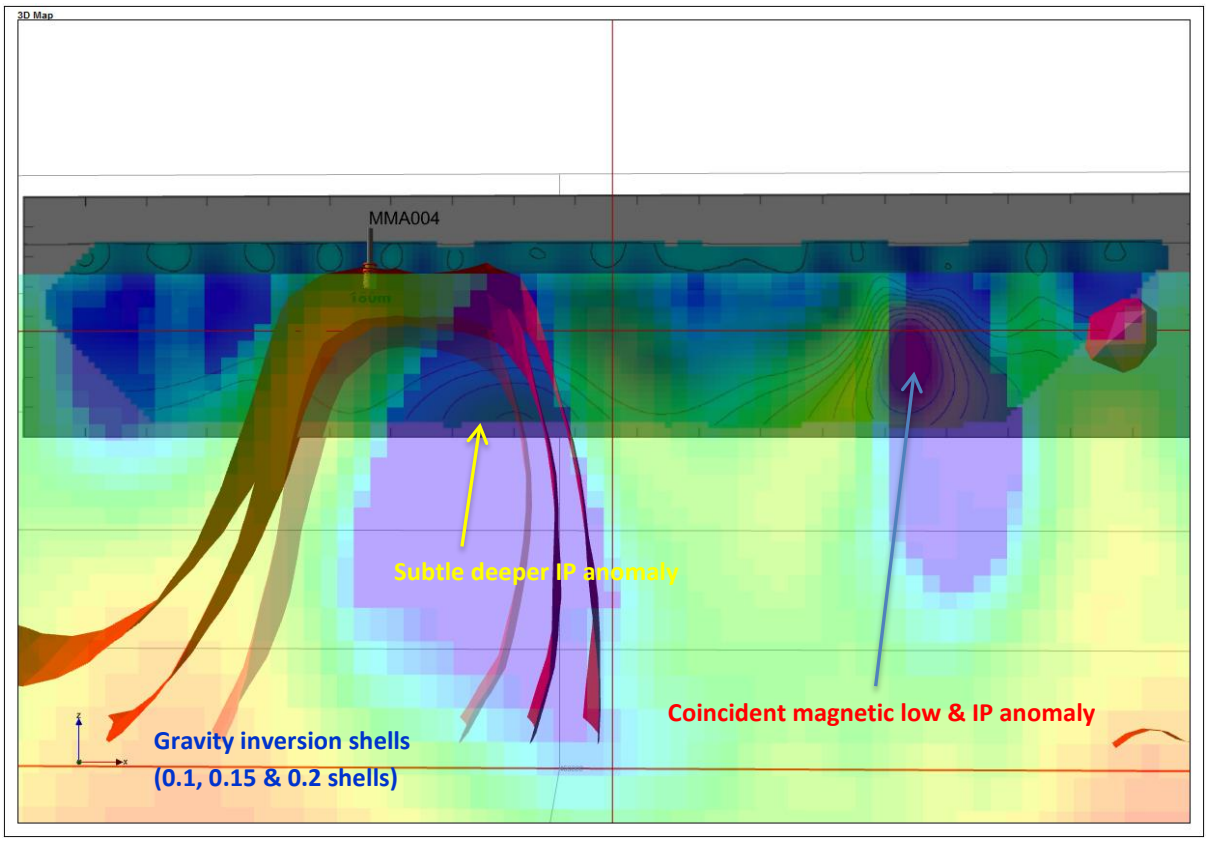


Figure: FC2NW Prospect: East-West slice (looking north) through the May14 MMGT regional magnetics voxel model at 7757070N. Image is clipped to +-150 to pick up MMA004 intersecting latest gravity inversion shells (0.1, 0.15 & 0.2 g/cc density contrast shells), and the recent inversion of JV IP line 7757200N (extended to depth to show deep weak chargeability anomaly). Image neatly shows the coincident mag low and IP anomalies and their relative position right on the flank of the gravity high. N.B. Some distortion due to wide clipping.

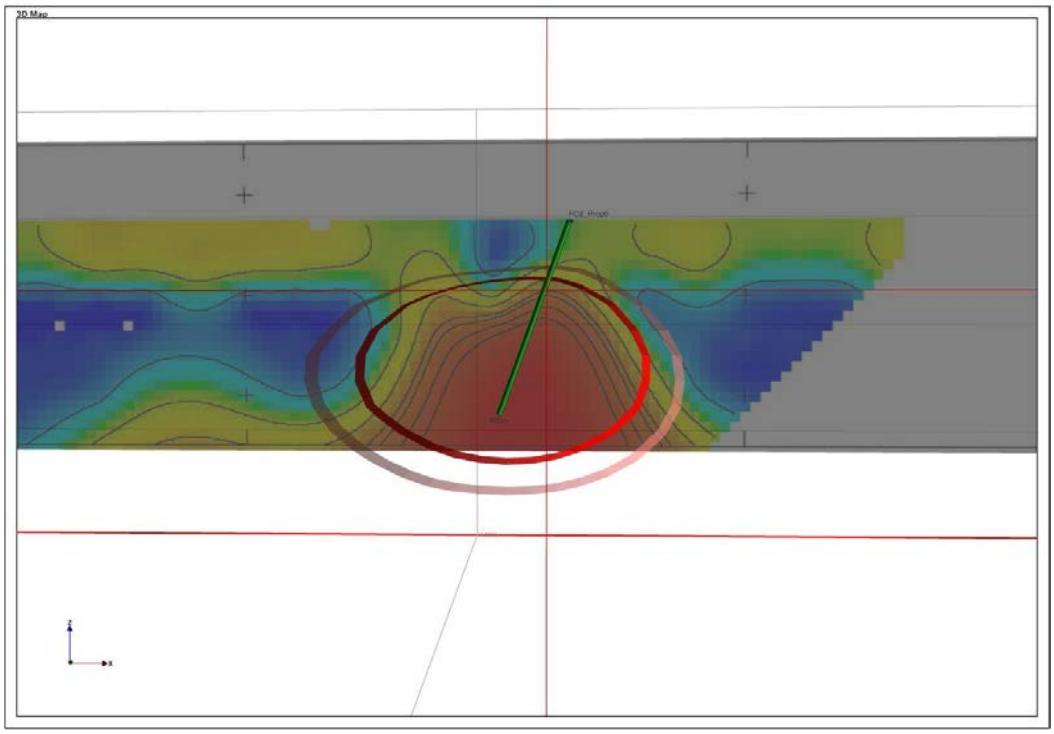


Figure: FC2NW Prospect: East-West slice (looking north) through 3DIP model showing chargeability model (pink and red msec chargeability shells) and 2D IP inversion model and contours along CED JV IP line 7756750mN (MGA co-ordinates). The trace of the proposed drill hole (FC2_Prop6) is also shown.

The identified target area, located within a coincident magnetic low and pronounced IP anomaly, flanks the gravity high to the west at the drill site MMA004 which was logged as an anomalous Cu rich gabbro (See figures above). The weakly magnetic host rock is likely a reduced meta-sediment (carbonaceous) running parallel to the N-S trending magnetic ridge. The geophysical data suggests mineralisation is likely disseminated with minor or no magnetite and therefore not a magnetite associated sulphide mineralisation deposit type. A subtle deeper IP feature to the north of MMA004 in FC2W is also evident in the models and may be worthy of further exploration work in 2015.

As a result of the consistent rain pattern over the FC2NW drill site a decision was made to defer the drilling to 2015.

FC4SE Prospect

Drill-hole (MMA009) was completed on the 30th October 2014 to a final depth of 438m. The hole was drilled as mud-rotary until 74.8m (just into basement) and then as diamond. This hole was designed to test a geological target (derived from historic drilling) adjacent to overlapping, circular, magnetic and resistivity lows as described in detail in previous updates (Figure below). The historic drilling intersected some brecciation and minor Au and Cu mineralisation in a number of holes. MMA009 was designed to intersect a NE-trending lineament that extended back to the SW where it is interpreted to coincide with the footwall sheer-zone of the Ernest Henry Mine.

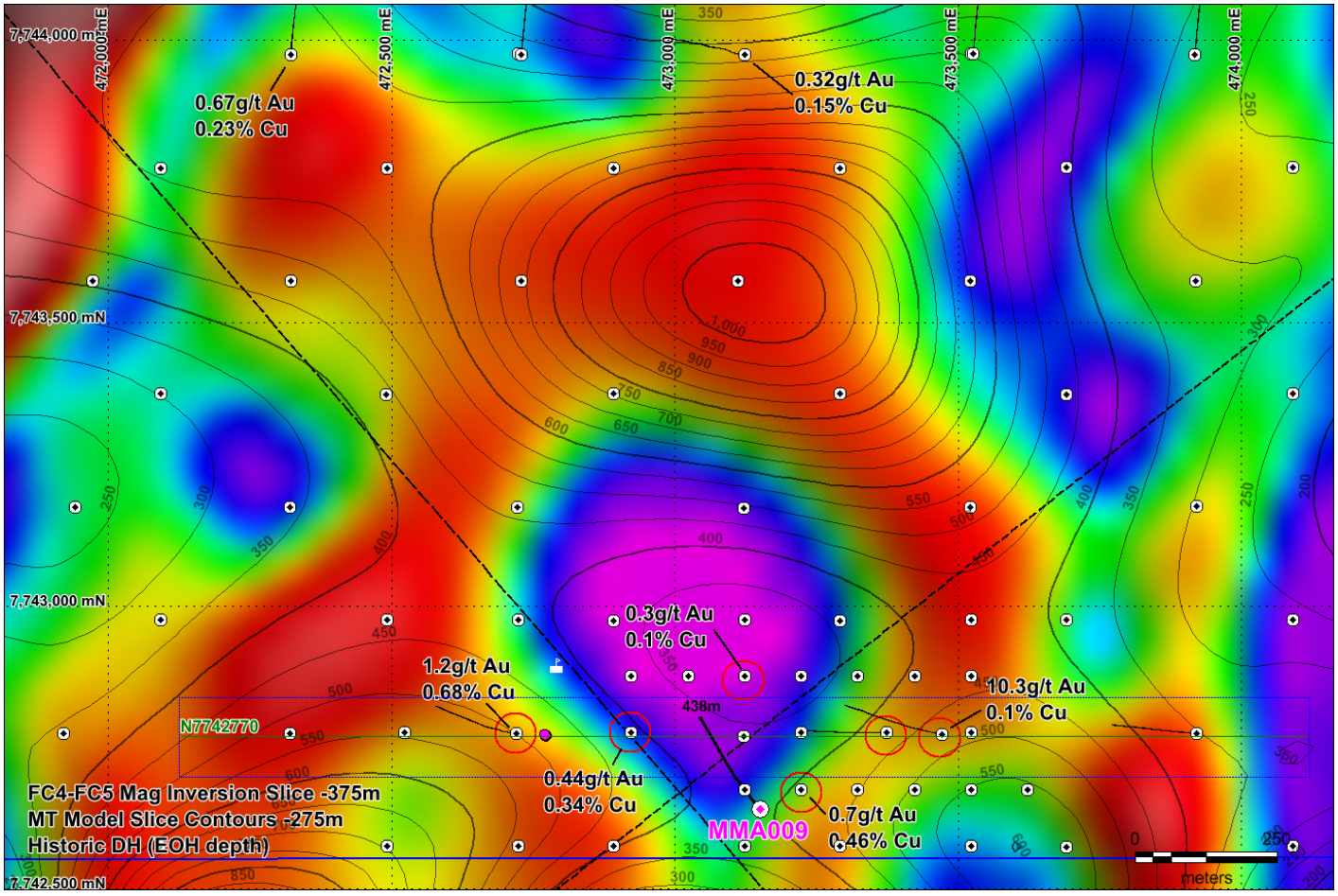


Figure: FC4SE Prospect: MMA009 drill hole location shown (pink dot) adjacent to the southern edge of magnetic low and the MT conductivity anomalies. Slice at -375m RL from JV 3D inversion based on detailed airborne magnetic data. Contours are derived from a slice at -275m through the JV 3D MT resistivity inversion. Historic drilling shown with EOH depth and callouts for DH Cu/Au anomalism. Dashed lines are interpreted structural linears – NE trending linear can be traced in the magnetics and gravity data back to the approximate EHM footwall shear position.

Hole ID	MGA54_E	MGA54_N	RL	Azimuth	Dip	EOH_Depth	Intercept From_m	Intercept To_m	Intercept Length_m	Grade %TGC
BBR001	395650	7638700	350	45	-65	193	Assays Not Yet Received			
MMA009	473150	7742640	149	320	-65	438	NSI			

Table: Drillihole details for CED JV projects.

MMA009 was primarily logged as a granitic to intermediate igneous rock with brecciation (predominantly carbonate infill) well-developed locally, variable quartz and an increase in mafic minerals at depth (See figure below). Alteration occurs locally, predominantly as carbonate and/or pink to red feldspar. The top of the hole was comprised of a strong pink feldspar altered and veined felsic unit to 107m. The presence of sulphides was minimal with weak pyrite (disseminated/vein type) locally throughout and visible chalcopyrite (vein type) from 215m – 272m. A 10 metre thick chlorite-rich fault was intersected near the bottom of the hole. No significant mineralisation was observed in this fault zone.

A total of 89 samples (including duplicates and standards) have been submitted to ALS for geochemical analysis. The sampling of MMA009 was selective and not all the collected MR or diamond core was sampled for this drill-hole. The Mud-rotary chips through the basement unconformity were sampled as 2m composites and the diamond core was intermittently sampled as either a 2m half-core composite or a 1m half-core interval based upon lithology and visible sulphide mineralisation zones.

Drilling Results (MMA009):

Analysis of the assay results for MMA009, although subdued, do indicate by the combination of elements in a number of intervals that a favourable hydrothermal system may have been operating in the favourable structural sites interpreted around the prospect area and confirmed by drilling. The table below provides the maximum assay results for a select number of elements.

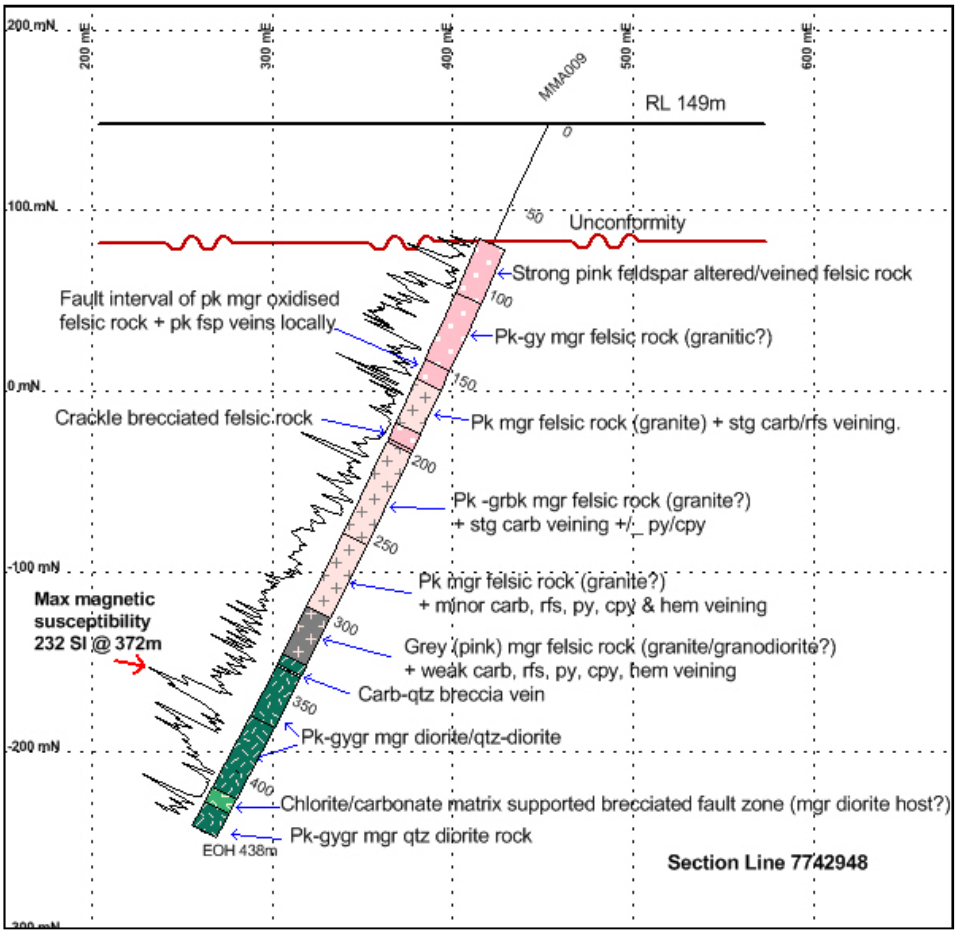


Figure: FC4SE Prospect: Drill Log section N7742948 for MMA009, showing magnetic susceptibility linegraph and logged down-hole lithology with annotated comments.

Maximum Cu of 294ppm occurred over a 2m interval from 214-216m and is associated with Au (0.12ppm), max Mo (42ppm) and also S of 0.51 wt %. The max S assay result was 1.6wt % at 236-237m and is associated with max Co (233ppm), max As (11.2ppm), and also has Cu of 212ppm and Ce (208ppm), Mo (17.4ppm) and trace Au (0.05ppm).

Element	Assay Result	Sample Interval (m)	Lithological Host
Cu	294(ppm)	214-216m	Red fsp/carb/sulphide bx
Ag	0.31 (ppm)	68-70m	MR cover
Au	0.16 (ppm)	296-298m	Pink fsp/carb veins in granitic rock
Mo	42 (ppm)	214-216m	Red fsp/carb/sulphide bx
Co	233 (ppm)	236-237m	Carb vein in granitic rock
U	12.7 (ppm)	252-253m	Red fsp altn in granitic rock
S	1.6%	236-237m	Carb vein in granitic rock
Fe	7.93% / 6.76%	68-70m / 214-216m	Red fsp/carb/sulphide bx

Table: FC4SE Prospect: Table showing maximum assay results for selected elements from the MR-DD hole MMA009.

Figure: FC4SE Prospect – MMA009 drill site looking towards EHM; Drilling contractor is Q-Ex Drilling.

Forward Program

All results from the 2014 field season will be compiled and reviewed while field work is impracticable due to the onset of the wet season. Planning of the 2015 programme will also be undertaken during this period.

TENEMENT SUMMARY

Throughout the quarter the required payments and reports have been lodged as necessary. Technical reports continue to be lodged and are up to date in line with the Department requirements.

- Cotswold EPM16622 transfer from Newcrest Mining completed.
- Tommy Creek EPM25544 granted for two two years.
- The Brothers EPM25213 granted for 5 years.
- Lake Bolac2 EL5423 relinquished.
- Bajool EPMA25362 granted for 3 years.

The Company is still awaiting the Mayfield (EPM19483) transfers from Newcrest Mining Limited. Relevant documents have been sent to the Department.

During the quarter ended 31 December 2014 there were no changes to beneficial interests in respect of exploration assets subject to farm-in agreements.

GBM holds a 40% interest in the Lubuk Mandi mineral assets via its 40% ownership of Angka Alamjaya Sdn Bhd, a Malaysian company which holds the mining concession for the Lubuk Mandi Gold Project.

Project / Name	Tenement No.	Owner	Interest	Status	Granted	Expiry	Approx Area (km^2)	sub-blocks
Victoria								
Malmsbury								
Belltopper	EL4515*[1]	GBMR/Belltopper Hill	100%	Granted	06-Oct-05	05-Oct-15	25	25
Lauriston	EL5120	GBMR	100%	Granted	17-Dec-08	16-Dec-15	8	8
Willaura								
Willaura	EL5346	GBMR	100%	Granted	02-Jun-11	01-Jun-16	8	8
Lake Bolac2	EL5423	GBMR	100%	Granted	03-Dec-12	02-Dec-17	218	218
Yea								
Monkey Gully	EL5293	GBMR	100%	Granted	23-Mar-11	22-Mar-16	316	316
Tin Creek	EL5292	GBMR	100%	Granted	23-Mar-11	22-Mar-16	329	329
Rubicon	EL5347	GBMR	100%	Granted	27-Feb-12	26-Feb-17	104	104
Queensland								
Mount Morgan								
Dee Range	EPM16057	GBMR	100%	Granted	27-Sep-07	26-Sep-14	46	14
Boulder Creek	EPM17105	GBMR	100%	Granted	26-Mar-08	25-Mar-15	88	27
Black Range	EPM17734	GBMR	100%	Granted	20-May-09	19-May-16	81	25
Smelter Return	EPM18366	GBMR	100%	Granted	21-Jun-12	20-Jun-17	98	30
Limonite Hill	EPM18811	GBMR	100%	Granted	21-Nov-12	20-Nov-17	260	80
Limonite Hill East	EPM19288	GBMR	100%	Granted	31-Oct-13	30-Oct-18	29	9
Mt Hoopbound	EPM18812	GBMR	100%	Granted	26-Jul-12	25-Jul-17	23	7
Mt Victoria	EPM25177	GBMR	100%	Appl'n			3	1
Bajool	EPMA25362	GBMR	100%	Appl'n			110.50	34
Mountain Maid	EPMA25678	GBMR	100%	Appl'n			26	8
Mount Isa Region								
Talawanta - Grassy Bore								
Talawanta2	EPMA19255	GBMR*[2]/Isa	100%	Granted	26-Aug-14	25-Aug-19	325	100
Grassy Bore2	EPMA19256	GBMR*[2]/Isa	100%	Granted	27-Jun-14	26-Jun-18	322	99
Mount Margaret								
Mt Malakoff Ext	EPM16398	GBMR*[2, 4]/Isa	100%	Granted	19-Oct-10	18-Oct-15	85	26
Cotswold	EPM16622	GBMR*[2, 4]/Isa	100%	Granted	30-Nov-12	29-Nov-17	46	14
Mt Marge	EPM19834	GBMR/Isa	100%	Granted	04-Mar-13	03-Mar-18	3	1
Dry Creek	EPM18172	GBMR/Isa	100%	Granted	13-Jul-12	12-Jul-17	189	58
Dry Creek Ext	EPM18174	GBMR/Isa	100%	Granted	25-Oct-11	24-Oct-14	39	12
Corella	EPMA25545	GBMR/Isa	100%	Appl'n			59	18
Tommy Creek	EPMA25544	GBMR/Isa	100%	appl'n			33	10
Brightlands								
Brightlands	EPM14416	GBMR*[2]/Isa	100%	Granted	5-Aug-05	4-Aug-14	254	78
Brightlands West	EPM18051	GBMR/Isa	100%	Granted	22-Oct-13	21-Oct-18	7	2
Brightlands West Ext.	EPMA18672	GBMR/Isa	100%	Appl'n			16	5
Wakeful	EPM18454	GBMR/Isa	100%	Granted	23-Jan-12	22-Jan-17	13	4
Highway	EPM18453	GBMR/Isa	100%	Granted	23-Jan-12	22-Jan-17	20	6
Bungalien								
Limestone Creek	EPM17849	GBMR/Isa	100%	Granted	20-Oct-10	19-Oct-15	59	18
Bungalien 2	EPM18207	GBMR*[2]/Isa	100%	Granted	24-May-12	23-May-17	163	50
Horse Creek 2	EPM18208	GBMR*[2]/Isa	100%	Granted	2-Aug-12	1-Aug-17	163	50
The Brothers	EPMA25213	GBMR/Isa	100%	Appl'n			10	3
Mayfield								
Mayfield	EPMA19483	GBMR*[2, 4]/Isa	100%	Granted	11-Mar-14	10-Mar-19	302	93
Malaysia								
Lubuk Mandi	ML1/2007 & ML2/2007	AASB*[5]	0%	Granted		March 2017	2.215	

Note *[1] *subject to a 2.5% net smelter royalty to vendors.*

*[2] *subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.*

*[3] *For Q'ld tenements, 1 sublock ~3.2km^2. Underlined areas indicate the tenement is contained in new application area.*

*[4] *subject to approval by DME of transfer from Newcrest.*

*[5] *GBM holds approximately 40% of AASB*

*[6] *Chumvale prospect within GBM's Brightlands tenement*

Figure; GBM Tenement summary table as at 31 December 2014

CORPORATE

1. The Company announce during the quarter, that it has signed a non-binding Co-operation Agreement with state-owned enterprise Jiangxi Centre Mining Co. Limited ("Jiangxi"). Jiangxi is a Business Unit of the Jiangxi Provincial Bureau of Coal Geology, a large Chinese industrial conglomerate actively engaged in mineral exploration, mineral development, engineering construction and property development in and around the Jiangxi Province and globally. It's mineral exploration projects include the commodities of coal, coal bed methane, gas, vanadium, copper, gold, rare earths, salt and iron ore.

   The Agreement is intended to establish a relationship between GBM and Jiangxi to accelerate co-operation in mineral exploration and development in Australia.

   Jiangxi Provincial Bureau of Coal Geology, was established in 1963 and has 13 division-level units with over 6,000 employees and is based in the Jiangxi Province.

   Jiangxi Provincial Bureau of Coal Geology has been actively carrying out overseas geological prospecting and engineering contracting, and has opened up foreign markets in Ethiopia, Zambia, Kenya, Togo, Liberia, Ghana, the Philippines, Indonesia and Laos. The Company currently has overseas construction projects under construction to the value of $1.5 billion.

2. During the December quarter the Company completed the share placement, initially announced on 5 August 2014, by the issue of 10 million ordinary fully paid shares and 43 million listed GBZO options exercisable at 3.5 cents each and expiring 30 June 2016.

3. The Company spent a total of $1,136,000 in the quarter, of which $831,000 was for exploration and $305,0000 for administration costs. Cash at 31 December 2014 was $1.25 million.

For Further information please contact:

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Managing Director
GBM Resources Limited
Tel: 08 9316 9100

Media
Karen Oswald
Marko Communications
Tel: 0423 602 353

Explanatory notes:

Competent Person's Statement for Exploration Results included in this report that were previously reported pursuant to JORC 2004: This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Mr Norris is a full-time employee of the company, and is a holder of shares and options in the company. Mr Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and the form and context of the announcements have not been materially modified.

Checklist of Assessment and Reporting Criteria (JORC Code Table 1)

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. 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.*	The project was sampled using HQ triple tube diamond drill holes (DD).
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Collar locations were recorded using a GPS by GBM with approximately 10m horizontal accuracy. DD drilling was used to obtain samples and will be suitable for resource estimation. All the samples collected were diamond sawed into two parts namely for assaying and reference (or metallurgical analysis if required). Samples were sent to Australia for analyses. Bulk density tests were carried out on site. The sampling techniques used adhere to GBM Resources Limited standard operating procedures for exploration drill product logging and sampling and are of a standard sufficient for resource estimation. Samples were recovered in a standard wireline core barrel with inner split or 'triple' tube. Samples were pushed out from the core barrel, with the top half split was split and the core placed in a plastic core tray of suitable dimension. Samples were from HQ and PQ size barrel. All were dispatched to ALS Group of Australia for processing. To ensure compliance to QAQC requirements, field duplicates were inserted at every 24m, blanks at 25m while standards at every 50m.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information	Diamond core was PQ and HQ size, usually sampled to 1 m intervals, and cut by GBM (Antap – Malaysian Geological Contractors operating to GBM SOPS and under GBM Direction) into half core by diamond saw cutting, sent to lab, which prepared the samples using industry standard procedures for Fire Assay using the ALS Au-AA25 method.

Criteria	JORC Code explanation	Commentary
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond drilling accounts for 100% of the drilling used in the resource and comprises of HQ and PQ sized triple tube core. Hole depths range to approximately 280 m. Drill core was oriented using a Coretell orientation tool to assist in future structural interpretation (except LMD010). Historical drilling used in the resource report is all HQ triple tube core and is un orientated.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	GBM Drill sample recovery was logged and monitored on a metre by metre basis.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Larger diameter HQ and PQ size core was used to provide more improved recovery and triple tube drilling employed to preserve core in a more coherent state for logging and also to improve recovery in very broken or clayey lithologies.
	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 relationship expected between sample recovery and grade. Sample recoveries were consistently above 95%. Historical drilling recoveries used in the resource report are unknown.
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 was carried out on all diamond drillholes, lithology, grain size, colour, Oxidation, percentage of lithology and percentage and presence of pyrite and structural and basic geotechnical measurements were all recorded. There is only limited logging available for historical drilling.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of diamond core samples recorded , lithology, grain size, colour, Oxidation, percentage of lithology and percentage and presence of pyrite. DD core was photographed after mark up, before sampling with Wet photos recorded.
	The total length and percentage of the relevant intersections logged	All GBM drillholes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core was sub sampled by splitting it in half longitudinally with a diamond saw. Half went for assay and the other was retained for reference and future measurement and checking or metallurgical testing.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	All samples were Core.

Criteria	JORC Code explanation	Commentary
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample Preparation followed ALS standard methodologies for gold fire assays at their Brisbane Lab. Historical drilling was prepared and analyzed at the mine or SEDC Labs.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	GBM Field QC procedures involved the use of OREAS reference material as assay standards and blanks, along with field duplicates. (4 samples per 100)
	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.	GBM Field Duplicates were taken to ensure representative sampling. Results are routinely checked to ensure that the sampling is representative. Duplicates are taken every 25 metres
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Larger diameter core sizes employed are considered appropriate to the grain size of the gold and in line with general industry practice for orogenic style gold deposits. Field duplicates are routinely checked to ensure that they reported within acceptable limits.
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.*	ALS Au-AA25 is an acceptable industry standard for gold assays. A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven. 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 10 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards. The technique is total.
	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.	No geophysical tools were used to determine any element concentrations used in this resource estimate. Grind size checks were performed by the labs and reported as part of their due diligence.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures. GBM Resources staff used an industry accepted QAQC methodology incorporating laboratory in house QAQC and additional blind field duplicates, blanks and matrix specific reference material (Standards). Standards selected were at appropriate grade ranges for the material being assayed. Gold assays were determined by Au-AA25 and the 5m composite multi-elements were determined by ME-ICP61 at ALS Laboratories in Australia. These methods and sample preparation methods are appropriate for the nature of the samples. Data was analyzed and graphed using Data Shed QAQC add ins and reviewed by company staff and Skandus. All batches passed with one passing with a 'manual' pass. Two sets of 105 samples from high grade zones throughout the GBM drilling were sent for SGS and Bureau Veritas (BV) for check assay comparison. Both SGS and BV checks show a good correlation with ALS results. Repeats are available for historical assays.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections inspected in the field by staff geologists to confirm nature of mineralization and verify integrity of sampled intervals
	The use of twinned holes.	No twinned holes have been to date. There are plans to drill twinned holes in future programs now that the geological interpretation is well defined.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	GBM personnel rotated during the drill campaign and over saw the sampling and assaying procedure by Antap. All Data, data entry procedures, data verification and data storage has been carried out in accordance with GBM SOPS, with field techniques carried out by Antap personnel and overseen by GBM staff. Final Data verification and data storage has been managed by GBM Data Management staff in Australia using industry standard Data Shed. Skandus carried out its own validation checks and found there to be no validation issues.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used in this estimate.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar surveys (were carried out by hand held GPS until certified surveyors using DGPS are available more accurately to locate drill collars, No local grids are in use. Down hole surveys were carried out at approximately 30 metres using a singleshot downhole survey camera. Historical data collars were not able to be checked. No local grids are in use, with The grid system used is WGS84 UTM Zone 54.
	Specification of the grid system used.	The grid system used is WGS84 UTM Zone 54.
	Quality and adequacy of topographic control.	Topographic control was verified against a 2009 EDM total station survey carried out over the entire project by Permint (State Govt Economic body with jurisdiction over mining projects)
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The nominal drillhole spacing is 20 m (northing) by 20 m (easting).
	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.	15m in Y and X and approximately 15m the Z dimension in the southern pit area, in the north it is between 20 and 25 m in all three dimensions. For the size of the deposit and expected mining block, it gives good coverage of the mineralised zone and at a suitable spacing to estimate 5(east) x 25(north) x 5(elevation) metre blocks, which under current plans is a suitable size for the type of excavation likely to be used. Variography (when combined with historical drilling) has provided continuity ranges of 113 m towards -70° -> 080° and 57m towards 170°, so all holes are spaced within continuity of the variograms.
	Whether sample compositing has been applied.	Assaying has been to variable lengths due to breaks in mineralization and lithologies. The Mean length is 1.1m. Assays where composited to 2m down hole within the wireframes.

Criteria	JORC Code explanation	Commentary
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.*	Drillhole direction has been established at as close to perpendicular to the interpreted mineralised structures as practicable. There is no evidence at this stage or reason to believe that sampling is biased. Two historical drill holes that run down the structure have been excluded from the estimate.
	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 has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security.*	Antap followed GBM sampling SOPs and ensured sample security until the samples were dispatched to ALS labs. GBM supervised Antap's adherence to the security SOPs.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Skandus carried out a review of the sampling techniques and data and found it appropriate.

SECTION 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status		The Lubuk Mandi Gold Mine is located 17 km south of Kuala Terengganu in the district of Marang. The nearest township is Marang some 5km south of the mine. The mine is linked to the main Kuala Terengganu – Kuantan highway and accessible via dirt road from a village called Kampung Rhu. The tenement is surrounded by private land plots with an average size of 4 acres per lot. Nearest school and residential areas are located 2 or 3 kilometres away. There is a brick factory located nearby on the way to the mine.
	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 tenement is comprised of two mining certificates namely ML 1/2007 and ML 2/2007 with a combined area of 221.53 hectares. Each ML is a 5 years lease and currently valid until 5th march 2017. The leases are renewable for every five years onwards. However, the current operator ANGKA ALAMJAYA SDN BHD, is given the concession by the land owner, PMINT for unlimited periods of lease for mining rights based on a Concession Agreement signed on 30 October 2012. The mining certificates ML 1/2007 and ML 2/2007 are subleased by Perbadanan Memajukan Iktisad Negeri Terengganu (PMINT) to ANGKA ALAMJAYA SDN BHD through the agreement that empowered ANGKA ALAMJAYA SDN BHD the total control of the operation of the leases. GBM Resources has entered into a Joint Venture agreement during 2013 with ANGKA ALAMJAYA SDN BHD to explore and operate the leases.
	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 tenure is currently secured via JV, Concession Agreement and Mining Licence Permit. The permit is a mining licence. There are no known impediments.
Exploration done by other parties		In late 1980's the discovery of gold in the area has led to one the biggest gold rushes in Malaysia. It lasted for several years until the government intervened after some miners perished due to unsafe mining condition and methods. During the rush it was said local miners were working on a 2 metre wide quartz vein with grade ranging from 5 to 7 g/t Au within a 2km long zone. The state government through the subsidiary of PMINT, the Permint Mineral Sdn Bhd, developed the site into an open pit mine from 1992-1999. In 1992 CIP and CIL plants were commissioned. In 1998 the mine was reported to have produced 2,800 kg of gold and 300 kg of silver valued at RM80 million since its operation in 1992. Total production was 107,753.82 oz Au.
	Acknowledgment and appraisal of exploration by other parties.	Historically there has been 108 Diamond holes (DD Prefix), 3 wall continuous Chip 'holes' and 21 Holes drilled to ascertain the 'underground' potential of the project (UG Prefix) in 1996-1997. There are also 26 grade control holes drilling in 2008 or 2009 by the previous operator it is suspected these holes are either Reverse circulation, open hole or blast hole (MPG prefix). There is also detailed bench plans with grade control blast drilling available. The previous operator drilled 27 banka holes on the tailings project during 2004, but the entire report is not available. However collar positions and depth to basement data is available as well as 5ft gold samples for four holes. Due to loss or unavailable reports it is unclear on the quality and total work undertaken on the project. No historical work has been reported in a JORC compliant manner.

Criteria	JORC Code explanation	Commentary
Geology	*Deposit type, geological setting and style of mineralisation.*	The project geology belongs to the Carboniferous Sungai Perlis Beds. The mine's lithology is dominated by slate and phylitte units strike at 3400-3500 dipping steeply to the east. In places there are intrusive dykes. A major fault zone striking NNW (3400-3500) is sub-parallel to the bedding. This fault is thought to be the main control of gold mineralisation and emplacement of gold bearing quartz veins. Extensive zones of shearing and brecciation are apparent in the pit. Gold mineralisation is hosted within a few metres wide to stringers of mesothermal quartz veins that are structurally controlled. Gold is found along the contact between the quartz vein and the host rock. These veins are sub-parallel to the beddings, dipping steeply to the east on a one kilometre long zone. There was a single 100m long, sub-vertical 3.5m wide quartz lode exposed on the northern wall of the pit. Visible gold was observed in chloritised altered quartz float near the vein. Smaller veins are found parallel to the bedding plane and also to the main trend of the major structures. Other minerals found in the quartz veins are pyrite, pyrrhotite, chalcopyrite and arsenopyrite. Alterations such as silicification, argillisation, chloritisation and sericitisation are common but not extensive.

Criteria	JORC Code explanation	Commentary
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:* *o easting and northing of the drill hole collar* *o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *o dip and azimuth of the hole* *o down hole length and interception depth* *o hole length.*	Refer to additional table outlining Drill hole Details, all GBM drilled holes have been released previously during the 2014 reporting year. GBM Resources Quarterly Report 30th June 2014.
	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.	Information is included
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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	These results have not been reported as exploration results please refer to GBM reporting through out 2014 for reporting of drill holes as Exploration Results GBM Resources Quarterly Report 30th June 2014.. Please see section 3 for relevant treatment of data for resource estimation.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Mineralisation is steeply dipping to vertical.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Drillholes are oriented as close to normal to strike as possible.
	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').	

Criteria	JORC Code explanation	Commentary
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.*	Refer to attached Maps and Plans.
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.*	These results have not been reported as exploration results, this section is not relevant. Please refer to GBM reporting throughout 2014 for reporting of drill holes as Exploration Results GBM Resources Quarterly Report 30th June 2014.. Please see section 3 for relevant treatment of data for resource estimation.
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.*	These results have not been reported as exploration results there is no other substantive exploration data relevant to the Lubuk Mandi, this section is not relevant. Please refer to GBM reporting throughout 2014 for reporting of drill holes as Exploration Results GBM Resources Quarterly Report 30th June 2014.. Please see section 3 for relevant discussion of bulk density of data for resource estimation.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	No further exploration work is currently planned.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Refer to attached Diagrams.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Antap, recorded all their details on paper log sheets and then transcribed them in to a spreadsheet template for transmittal to GBM Australia. Antap is well versed in data quality techniques and did verification between paper and data to ensure there were no transcription errors. Spreadsheet templates were then emailed direct to GBM staff who imported the spreadsheets using pre-defined import schemes into Data Shed to reduce further transcription issues. GBM staff then ran validation checks on data to ensure it complied with look up table values and that numeric values were within expected bounds.
	Data validation procedures used.	Skandus, on receiving an export of the data also ran validation checks in MS Access using a suite of tools Skandus developed as well as running validation checks in Gemcom and Snowdens Analsyer Skandus found no issues.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	Scott McManus (Skandus), the competent person undertaking the resource estimation visited site in 2001 with the previous operator to review the project for another client as well as during GBM phase 2 drilling in July 2014. Neil Norris the Competent person taking responsibility for the field work and activities of GBM Resource and Antap has made 4 visits to site in 2013 for a total of 3 weeks and 3 visits for a total of 2 weeks in 2014 at site.
	If no site visits have been undertaken indicate why this is the case.	Site visits undertaken.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The confidence in the geological interpretation is considered good, with good reconciliation of blast hole data within the mined portion of the interpretation.
	Nature of the data used and of any assumptions made.	Lithology, structure, alteration and grade was used to assist in the interpretation process. 0.2ppm was also taken to be the threshold of mineralized structure vs un mineralized.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	A broad structural zone has been modeled, modeling of the high grade reefs and hinge zones would allow for more accurate local representation of grade but still give the same amount of contained metal.
	The use of geology in guiding and controlling Mineral Resource estimation.	Geology has guided the interpretation of the high grade hinges as well as the overall mineralized structural package.
	The factors affecting continuity both of grade and geology.	The structure is consistent over the total package however grade is extremely variable due to the numerous tight hinge zones contained within the package.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The dimensions of the deposit are 950m (east north) by 2m (thick east) and 150m down dip. The top of the resource is exposed along the entire strike in the existing pit.

Criteria	JORC Code explanation	Commentary
Estimation and modeling techniques		Grade estimation using Ordinary Kriging using Gemcom. Due to the nature of the gold mineralization this is an appropriate method for this type of deposit.
	The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	Drillhole sample data was flagged using domain codes generated from three dimensional mineralization domains. Statistical analysis determined that there was no extreme grade values. Directional variograms were modelled. Nugget values were medium to high. Grade continuity was characterized by short to moderate ranges. Estimation searches for all elements were set to the ranges of the variogram for each domain. Variogram parameters used was a nugget of 0.24 and sill of 0.76 with major range of 113m, Semi Major of 57m and minor of 12m The variograms orientation using gemcom ADA angles was [80,-70,170]
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	The summary results of previous resource estimates for the tailings material by previous owners are available. These results were compared with the current OK results. 3 results have a good comparison whilst the last and 4th is double the current estimate. None of the previous work was JORC compliant and used various ID2 and OK methodologies. There is good Comparison however with an ID2 and a Polygonal check estimate undertaken by Skandus.
	The assumptions made regarding recovery of by-products.	No assumptions have been made regarding recovery of any by-products. Although production records show 11,000 ounces of silver produced from 1995 to 199.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	Sulphur, Carbon and Arsenic have also been sampled in the GBM drilling but not in the historical drilling. There is not enough data to model, although there is systematic data available in the tailings material.

Criteria	JORC Code explanation	Commentary
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Assay data for Au was composited to 2m to obtain equal weights. The data was extracted to Mid-point intercepts after being coded for the main structural package. Block size is 25m (north) x 5m (east) x 5m (elevation) guidance for block size came from kriging neighbourhood analysis and previous mine practise. Block model origin is ;X =297,300 (bottom left); Y =577,900 (Bottom right); Z=100 (Top left). With 60 columns, 65 rows and 68 levels Descriptive statistics, Cumulative frequency graphs and Variography were carried out on the assay 2m intervals. There is a lower grade population so future work highlighting the high grade hinge zones may allow separation of the two populations. Using the Variography as a base, the search ellipse used for the estimate was 113m 57m and 12 m orientated using Gemcom ADA orientation 80,-70,170. Due to the nature of the data, previous estiamtes, descriptive statistics and the ability to well constrain the low grade structural package, it was decided that ordinary kriging with two other models - inverse distance squared and cross sectional polygonal model for verification would be a suitable methodology for this estimate and deposit style. This resultant resource estimate was compared against section blocks, reconciled against production and graphs constructed in all three directions against composite data.
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed in this estimate.
	Any assumptions about correlation between variables.	As the historical data only includes Au, no assumptions or correlation was undertaken.
	Description of how the geological interpretation was used to control the resource estimates.	The geological interpretation was used to inform the creation of the mineralisation domains. These domain were used as hard boundaries to select sample populations for variography and estimation. No blocks were estimated outside the geological interpretation.
	Discussion of basis for using or not using grade cutting or capping.	Due to the coefficient of variance being greater than 1.2 It was determined that assays required top cutting or capping. The disintegrating high grade tails method was used to select 40ppm as an appropriate high grade cap.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Visual checking of each estimated attribute was undertaken against the extracted midpoint values to ensure accurate estimation and to check for errors in the process. Issues if found were corrected. Plans and sections of estimated blocks for each attribute were produced. With drill hole data and checked to ensure the block estimates were reasonable. Using Gems Geomodel 2D sectional module, a Cross sectional length Weighted average grade was created for each 50 m section, constrained by the wireframes. Reconciliation of the model versus production and production grade control blast hole samples. Graphs of 2m Composites vs Block estimates in X, Y and Z directions were compared.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnages are estimated on a dry basis.

Criteria	JORC Code explanation	Commentary
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied*	A Block cut off of 0.3ppm Au has been used for reporting as it is assumed that lower grade material down to 0.3 au ppm will be reprocessed if a heap leach pad is utilised. Especially as the mill capital set up for the tailings operation will be able to be used with just the addition of a crushing and grinding circuit. The Economics of this is still to be evaluated.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Current mining assumption is that the current pit be extended and the new mill being built for the tailings material will be suitable for use with the addition of only a crushing and grinding circuit. It is expected the heap leaching will be used and mining cut off will be similar to historical mining cut offs of about 0.3 ppm. There is suitable space on the current lease for heap leach pads.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	At the report date metallurgical testing has not been undertaken, historical metallurgical testing and production reports are being sourced for review.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made*	No assumptions have been made.

Criteria	JORC Code explanation	Commentary
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Bulk density was undertaken on drill 'core' intercepts using wet and dried material. 50 representative samples were taken from each lithology and weathering type.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,	All measurements were performed with Archimedes principle.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	The results produced a tight spread and so a value of 2.68 was determined as suitable for mineralized rock.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories*	The Mineral Resource classification is based on the nature of the deposit, grade variability, size and ranges of continuity in Variography a 25m spacing from data points is appropriate for classifying the data as indicated. Estimation and continuity parameters have been utilized during the classification process.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	This resource relies on a significant amount of historical data that has no physical evidence (i.e. core) and often is lacking documentation such as lab assay sheets, logging sheets or survey sheets. Phase 1 drilling is reliant only on a data set compiled by the operator Sumber Lubuk Sdn Bhd. Phase 3 drilling was a data set delivered in then operators microlynx format and is supported by print outs in an appendix of a report describing the work undertaken (Ibrahim et al 1997). Neither the Phase 1 or Phase 3 drilling had QAQC systems in place that is now expected for JORC or NAT Inst 43-101 compliant reporting. It is unknown how many drill holes had down hole surveys. However, there is a wealth of secondary information that support the veracity of the drilling as a whole. Reconciliation: 107k ounces mined, 34k ounces in tailings approximates an estimated 146k (2.9% difference) ounces in the block model based on predominantly Phase 1 and Phase 3 drilling. Grade Control Data: Detailed production level plans for every level in the pit, showing blast hole composites and 0.2 ppm outlines that match the tenor and distribution of estimated blocks from phase 1 and 3 drilling as well as drill hole assays from phase 1, 3, 7 and 8 drilling. The grade control data shapes also support the structural main zone modeled from all four phases of drilling. Limited Lab QAQC and Geological Repeats: Lab QAQC data viewed for the banka drilling, and grade control during Sumber Lubuk Sdn Bhd limited mining phase as well as repeat data for the phase 3 drilling all carried out in the SEDC laboratories and mine site laboratory is reasonable. Knowledge of previous workers: Skandus has knowledge of Eupene enterprises and their general work practices on other sites in Malaysia close to the same period as phase 3 drilling, and would rate the work that has being carried out as adhering to industry best practice, with checking and verification of data, logging and data entry at all stages as well as surveys and down hole surveys. The main Structural lode: can be interpreted through all phases of drilling and is supported by geological surface mapping.
	Whether the result appropriately reflects the Competent Person's view of the	The Mineral Resource estimate appropriately reflects the view of the Competent Persons.

	deposit.	
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No Audits or reviews have been carried out yet.

Criteria	JORC Code explanation	Commentary
	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used	The statement relates to global estimates of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	There is high accuracy and confidence based on previous production data.

Cloncurry Project (CED JV)
Checklist of Assessment and Reporting Criteria (JORC Code Table 1)

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. 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.*	Drilling: NQ2 tube diamond drilling (DD) and/or reverse circulation (RC) drilling using a 5.5" face sampling hammer.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Drilling: Collar locations were recorded using a GPS by GBM staff with approximately 5m horizontal accuracy. DD and RC drilling was used to obtain samples and will be suitable for resource estimation should this become necessary. All the samples collected were diamond sawed into two parts (DD) or spear sampled on-site (RC) for assaying and metallurgical analysis. The sampling techniques used adhere to GBM Resources Limited standard operating procedures for exploration drill product logging and sampling and are of a standard sufficient for resource estimation. For DD, samples were recovered in a standard NQ2-size wireline core barrel. Samples were pushed out from the core barrel, with the top half split and the core placed in a plastic core tray of suitable dimension. For RC, samples were collected in 1m or 2m intervals into standard polypropylene bags and spear sampled. All were dispatched to ALS Group of Australia for processing. To ensure compliance to QAQC requirements, field duplicates were inserted at every 24m, blanks at 25m and standards at every 50m
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information	Drilling: All RC samples were spear sampled at 1m intervals and bagged on-site. Diamond core was NQ2 size, sampled to selective 1 m intervals, and cut by GBM staff into half core by diamond saw cutting, sent to lab, which prepared the samples using industry standard procedures for Fire Assay and Multi-element analysis

Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	All diamond drilling was completed using NQ2 size equipment. Angled holes were surveyed using Ranger multi-shot equipment and all core oriented using a Coretell orientation tool to assist in structural interpretation. Where unconsolidated cover material was expected, mud-rotary techniques were used for pre-collar drilling. Holes were drilled using a 300mm spade bit for PVC case setting followed by a 119mm PCD. All RC drilling was completed using 5.5" face-sampling hammers.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Drill sample recovery was logged and monitored on a metre by metre basis.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	RC Drilling: For RC drilling, the use of twin-wall tubes and face-sampling bits and cyclone cleanliness particularly with wet sample maximises sample representativeness. Diamond Drilling: where broken ground is encountered, split tube or triple tube drilling methods may be employed to improve core recovery.
	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 relationship expected between sample recovery and grade, however this will be reviewed when sufficient results are available. Sample recoveries were consistently above 95%.
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.*	Diamond Drilling: Geological logging was carried out on all diamond drillholes; lithology, structural measurements, minerals, alteration, magnetic susceptibility, oxidation, and basic geotechnical measurements were all recorded. RC Drilling: Lithology, minerals, alteration, magnetic susceptibility, and oxidation were recorded.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging was qualitative with the exception of magnetic susceptibility readings and structural measurements on diamond core. DD core was photographed after mark up, before sampling with Wet and Dry photos recorded.
	The total length and percentage of the relevant intersections logged	All drillholes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core was sub sampled by splitting it in half longitudinally with a diamond saw. Half went for assay and the other was retained for future metallurgical testing.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Dry RC chips were spear sampled at the rig directly from polypropylene bags as per industry standard immediately after completion of each drill hole.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation followed ALS standard methodologies for gold fire assays and multi-element analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field QC procedures involved the use of OREAS reference material as assay standards, along with field duplicates and blanks. (one QA/QC set per 25 samples).
	Measures taken to ensure that the	Field Duplicates were taken to ensure representative

	sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	sampling. Results are routinely checked to ensure that the sampling is representative. Duplicates are taken every 25 metres for drilling product.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Drilling sample sizes employed are considered in line with general industry practice.
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.*	ALS Au-AA25: A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven. 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 10 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards. ALS ME-MS61: a 0.5g sample is subjected to near-total digestion by a four-acid mixture and finished with a combination of ICP Mass Spectrometry (MS) and Atomic Emission Spectroscopy (AES).
	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.	No geophysical tools were used to determine any element concentrations from drilling samples.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures. GBM Resources staff used an industry accepted QAQC methodology incorporating laboratory in house QAQC and additional blind field duplicates, blanks and matrix specific reference material (Standards). Standards selected were at appropriate grade ranges for the material being assayed. Assays are determined by Au-AA25 and multi-elements are determined by ME-ICP61 at ALS Laboratories. These assay and sample preparation methods are industry standard and appropriate for the nature of the samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.*	Verification by independent personnel and completion of twinned holes will be required if the project progresses further to resource drill-out.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All Data, data entry procedures, data verification and data storage has been carried out by GBM staff in accordance with GBM Standard Operating Procedures (SOPs). GBM SOP's meet industry best practice standards. Final Data verification and data storage has been managed by GBM Data Management staff using industry standard Data Shed software. Field duplicates are reviewed to ensure they fall within acceptable limits.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used.

Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar surveys were completed by hand held GPS. If required in the future licenced surveyors using DGPS systems are available. No local grids are in use. Down hole surveys were carried out approximately every 30 metres using a Ranger downhole survey tool.
	Specification of the grid system used.	The grid system used is GDA94 MGA Zone 55
	Quality and adequacy of topographic control.	Topographic control was provided by Queensland 1:250k mapsheet 50m gridded contour data.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drilling is of a 'scout' exploration nature only.
	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.	At this time drilling is not adequate to estimate a resource.
	Whether sample compositing has been applied.	As all assays are equal weight 1m samples no compositing is carried out.
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.*	Drillhole orientation is determined where possible perpendicular to interpreted potential mineralised structures. Due to the nature of scout drilling of buried geophysical targets, this is often not feasible.
	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 has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security.*	Field staff followed GBM sampling SOPs and ensured sample security until the samples were dispatched to ALS laboratories.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews were completed.

SECTION 2 Reporting of Exploration Results

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.*	In 2010 GBM entered a major Farm In Agreement for the Cloncurry Project with multinational companies Pan Pacific Copper and Mitsui Corporation. The JV is at the beginning of the fifth year of an initial six year farm-in period. To date the JV has spent over $10.5M on exploration within the Project tenements. Under the Farm-in Agreement, Pan Pacific / Mitsui, through their co-established Australian subsidiary Cloncurry Exploration and Development Pty Ltd ("CED"), can spend up to A$55 million on the development of new copper–gold exploration and mining projects in northwest Queensland. The exploration budget for the year ending 31 March 2015 is approximately $2.2M. The GBM/CED Cloncurry Project comprises 13 granted EPM's and one application area held by GBM's subsidiary company Isa Tenements Pty Ltd. The tenement area, granted and under application, totals almost 1,500 km^2.
	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 project tenure is secured via EPM. All EPM applications are in process with no competing applications lodged. No known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration within the Mt Margaret project area has historically focussed on Roll-front Uranium and IOCG deposit styles. No exploration for economic graphite deposits has taken place in the Mount Margaret area prior to GBM. The very large historical Mount Fort Constantine Joint Venture tenements have been explored by a number of companies prior to WMC. Early work by CRAE, Chevron, Teton and then ANZ Exploration, between 1974 and 1979, concentrated on exploring for roll-front uranium deposits in the Mesozoic cover sequences. Chevron in particular drilled a large number of holes, many of which intersected basement. BHP pegged most of the current lease area as the Mount Margaret tenement from 1984 - 1986 because the area contained the largest undrilled magnetic anomalies in the Mount Isa block. A number of holes were drilled to basement without success exploring for magnetite skarn and ironstone-gold deposits. Hunter Resources were granted the tenements covering the EPM 8648 area in March 1990 and entered a joint venture with WMC, who managed the project. WMC identified 7 target areas, FC1 - 7 with TEM, as being prospective for Starra style magnetic iron oxide hosted Cu-Au mineralisation. During 1991 drilling identified ore grade intersections at FC5, subsequently named 'Ernest Henry'. In February 1992 the current tenements were granted to the WMC/Hunter Resources JV. MIMEX joined the JV in place of Hunter Resources during 1993, although WMC continued to manage the project until 1996 when MIMEX assumed management and sole funding of the project. In 2003 Xstrata assumed management of exploration of the project until 2006. Western Mining Corporation (WMC), MIM Exploration Pty Ltd (MIMEX) and Xstrata Copper Exploration Pty Ltd (Xstrata) completed extensive exploration activities over many of the Mt Margaret tenements (FC1 to FC15 and other prospects outside GBM tenement areas). Activities included regional and prospect scale aeromagnetic, ground magnetic, gravity, TEM (transient electromagnetic), IP-resistivity (induced polarization) and MIMDAS IP-resistivity and MT (magnetotelluric) geophysical surveys, along with soil geochemical analysis, and field inspections.

		Xstrata commenced a comprehensive program of systematic regional-style IP-resistivity surveying in July 2003, designed to seek large sulphide systems in those areas of Mount Fort Constantine EPM 8648 not previously surveyed with either WMC IP-resistivity or MIMEX IP. Xstrata also conducted additional prospect scale ground magnetics, gravity and drilling. Most of the sub-blocks over the EPM8648 were relinquished by Xstrata and Newcrest post 2006. Newcrest Mining Limited (NML) acquired the Mt Margaret West EPM 14614 (now Dry Creek tenement - EPM 18172) and carried out work primarily restricted to reviewing geological, geophysical and geochemical data from previous drilling, due to the scarcity of outcrop within this tenement. Previously RC and core drill holes were scan logged, and samples submitted for Petrology to assist in understanding the mineralisation and geology of the area. During 2006 22 RC holes were drilled within the Mt Margaret West EPM 14614. NML determined that significant potential remains for a discovery of economic gold-copper mineralisation within the area.
Geology	*Deposit type, geological setting and style of mineralisation.*	Geologically the Mount Isa Inlier is divided into three broad tectonic units: the Western and Eastern Fold Belts and the intervening Kalkadoon-Leichardt Belt (KLB). The Western Fold Belt (WFB) is subdivided into the Lawn Hill Platform, Leichardt River Fault Trough, Ewen Block and Myally Shelf. The Eastern Fold Belt (EFB) is subdivided into the Mary Kathleen, Quamby-Malbon and Cloncurry-Selwyn zones and the KLB includes the western parts of the Wonga Belt and Duchess Belt. In the Mt Isa Inlier, a deformed and metamorphosed Proterozoic basement of mixed sedimentary and igneous rocks older than 1870Ma is overlain by Proterozoic supracrustal rocks which are subdivided into four major sequences each separated by unconformities. Cover Sequence 1, which is confined mainly to the KLB comprises a basal sequence of subaerial felsic volcanics deposited between 1870–1850Ma; Cover Sequences 2, 3 and 4 comprise mainly fluviatile and shallow marine/lacustrine sedimentary rocks and bimodal volcanics that were deposited between 1790–1720Ma, 1680–1620Ma and ~1620–1590Ma, respectively. Two major tectonostratigraphic events are recognised in the Mt Isa Inlier. The first was the Barramundi Orogeny which at 1870Ma regionally deformed the basement. The second involved two periods of crustal extension between 1790–1760Ma and 1680–1670Ma lead to basin formation. This period was terminated between 1620–1550Ma by regional compressional deformation and post orogenic granite emplacement resulting in folding and high and low angle faulting and regional metamorphism to amphibolite facies. Granites and mafic intrusions were emplaced at various times before 1100Ma. With those older than 1550Ma being generally metamorphosed and deformed. The major granite plutons are grouped into a number of batholiths, from west to east are the Sybella (~1670Ma) in the WFB, Kalkadoon (~1860Ma), Ewen (~1840Ma) and the Wonga (1740-1670Ma) Batholiths in the KLB, and the late to post tectonic Naraku (~1500Ma) and Williams (~1500Ma) Batholiths in the EFB. Other smaller granitic intrusions include the Weberra (~1700Ma), Big Toby (~1800Ma) and Yeldham (~1820Ma) granites. Most of the gold and copper produced to date in the Mt Isa Inlier has come from intrusive and/or shear and fault controlled deposits in the EFB.
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*	Refer to additional table outlining Drillhole Details

	holes: o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	
	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.	Information is included.
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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	When reported, downhole averages are length weighted arithmetic grades of consecutive samples. No cutting is performed at this time. No metal equivalents have been reported for this project.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Due to the early stage of exploration the geometry of mineralisation has yet to be determined.
	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').	Due to the early stage of exploration and modelling, reporting of true widths is not considered appropriate.
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.*	Refer to attached Maps and Plans.
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.*	Results for all intersections of known or interpreted mineralised zones are reported in the report.

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.*	These are very early stage exploration results, however details of setting and factors considered relevant are included in report.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work will be planned following a detailed review of available results. This is likely to include further drill testing of the project areas.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The extents of the interpreted mineralised zones are shown on figures included in the report.

Cloncurry Project (Milo Graphite)
Checklist of Assessment and Reporting Criteria (JORC Code Table 1)

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. 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.*	Drilling: NQ2 tube diamond drilling (DD) and/or reverse circulation (RC) drilling using a 5.5" face sampling hammer. Rock-chip Sampling: surface outcrop grab-sampling of random chips using hand-held hammer.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Drilling: Collar locations were recorded using a GPS by GBM staff with approximately 5m horizontal accuracy. DD and RC drilling was used to obtain samples and will be suitable for resource estimation should this become necessary. For RC drilling, all the samples collected were spear sampled on-site (RC) for assaying and metallurgical analysis. For DD, the full core was retained for future metallurgical testing. The sampling techniques used adhere to GBM Resources Limited standard operating procedures for exploration drill product logging and sampling and are of a standard sufficient for resource estimation. For DD, samples were recovered in a standard NQ2-size wireline core barrel. Samples were pushed out from the core barrel, with the top half split and the core placed in a plastic core tray of suitable dimension. For RC, samples were collected in 2m intervals into standard polypropylene bags and spear sampled. All RC samples were dispatched to ALS Group of Australia for processing. To ensure compliance to QAQC requirements, field duplicates were inserted at every 24m, blanks at 25m and standards at every 50m Rock-chip Sampling: sample sites were selected based on lithological representivity and the same sampling technique employed at each site where possible.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information	Drilling: All RC samples were spear sampled at 1m intervals, composited to 2m and bagged on-site. Existing pulps were dispatched to ALS Laboratories which prepared the samples using industry standard procedures for Total Graphitic Carbon (TGC) analysis. Diamond core was retained in full for metallurgical testing. Rock-chip Sampling: samples were chipped from outcrop or subcrop using a geological hammer, bagged into labelled calico bags, dispatched to ALS Laboratories which prepared the samples using industry standard procedures for Total Graphitic Carbon (TGC) analysis.

Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	RC Drilling: RC hammer drilling was completed using HQ size twin-tube reverse circulation equipment and a 5.5" face-sampling hammer. All holes were collared with an angled plunge and surveyed using Ranger multi-shot equipment. Where unconsolidated cover material was expected, mud-rotary (MR) techniques were used for pre-collar drilling to top of basement. MR holes were drilled using a 300mm spade bit for PVC case setting followed by a 119mm PCD. Diamond Drilling: All diamond drilling was completed using NQ2 size equipment. Angled holes were surveyed using Ranger multi-shot equipment. Core was not oriented.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Drill sample recovery was logged and monitored on a metre by metre basis.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	RC Drilling: For RC drilling, the use of twin-wall tubes and face-sampling bits and cyclone cleanliness particularly with wet sample maximises sample representativeness. Diamond Drilling: where broken ground is encountered, split tube or triple tube drilling methods may be employed to improve core recovery.
	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 relationship expected between sample recovery and grade, however this will be reviewed when sufficient results are available. Sample recoveries were generally above 95%.
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.*	For RC drilling; lithology, minerals, alteration, and oxidation were recorded. An estimate of graphite content was also recorded. Geological logging was carried out on all diamond drillholes; lithology, structural measurements, minerals, alteration, magnetic susceptibility, oxidation, and basic geotechnical measurements were all recorded.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging was qualitative with the exception of magnetic susceptibility. DD core was photographed after mark up, before sampling with Wet and Dry photos recorded.
	The total length and percentage of the relevant intersections logged	All drillholes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Full core was retained for future metallurgical testing.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Drilling: Dry RC chips were spear sampled at the rig directly from bulk polypropylene bags immediately after completion of each drill hole. Rock-chip Sampling: A representative grab sample from each sample site.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation followed ALS standard methodologies for Total Graphitic Carbon analysis.

	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Standard spear-sampling techniques were used to maximise sample representivity.
	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.	Field Duplicates were taken to ensure representative sampling. Results are routinely checked to ensure that the sampling is representative. Duplicates are taken every 25 metres for drilling product.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Drilling and rock-chip sample sizes employed are considered in line with general industry practice.
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.*	ALS method C-IR18: Graphitic C is determined by digesting sample in 50% HCl to evolve carbonate as CO2. Residue is filtered, washed, dried and then roasted at 425C. The roasted residue is analysed for carbon by high temperature Leco furnace with infra-red detection.
	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.	No geophysical tools were used to determine any element concentrations from drilling samples.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures. Assays are determined by method C-IR18. These assay and sample preparation methods are industry standard and appropriate for the nature of the samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No sampling verification has been undertaken at this early stage.
	The use of twinned holes.	No twinned holes were drilled for validity at this early stage.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All Data, data entry procedures, data verification and data storage has been carried out by GBM staff in accordance with GBM Standard Operating Procedures (SOPs). GBM SOP's meet industry best practice standards. Final Data verification and data storage has been managed by GBM Data Management staff using industry standard Data Shed software.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar surveys were completed by hand held GPS. If required in the future licenced surveyors using DGPS systems are available. No local grids are in use. Down hole surveys were carried out approximately every 30 metres using a Ranger downhole survey tool.
	Specification of the grid system used.	The grid system used is GDA94 MGA Zone 55
	Quality and adequacy of topographic control.	Topographic control was provided by Queensland 1:250k mapsheet 50m gridded contour data.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drilling is of a 'scout' exploration nature only.

	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.	At this time drilling is not adequate to estimate a resource.
	Whether sample compositing has been applied.	Sample compositing was carried out for all RC drill holes from 1m intervals to 2m composites. Sample length weighting was used where required for intersection calculations.
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.*	Drillhole orientation is determined where possible perpendicular to interpreted potential mineralised structures. Due to the nature of scout drilling of buried geophysical targets, this is often not feasible.
	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 has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security.*	Field staff followed GBM sampling SOPs and ensured sample security until the samples were dispatched to ALS laboratories.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews have undertaken at this early point.

SECTION 2 Reporting of Exploration Results

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 Milo Project area lies entirely within EPM14416 Brightlands tenement. The EPM is 100% owned by Isa Tenements Pty Ltd, a wholly-owned subsidiary of GBM Resources Ltd. The tenement is subject to a 2 % net smelter royalty payable to Newcrest Mining Ltd.
	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 project tenure is secured via EPM. No known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Within the EPM there has been a total of 23 previous Exploration Permits since 1970 with a total of 17 companies completing activities in the area ranging from uranium, phosphate, and base metal exploration. All of these companies since 1990 have targeted IOCG deposits of the Ernest Henry - Starra - Osborne styles. Extensive rock chip sampling, stream sediment surveys and soil surveys have been completed.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Brightlands project is located in the Quamby-Malbon zone of the Eastern Fold Belt (EFB) of the Mount Isa Inlier. The western margin of EPM14416 is crossed by the regional north-northeast-trending Ballara-Corella River Fault Zone. The Mitakoodi Culmination comprising three north-northeast-trending folds; the Bulonga anticline, Wakefull syncline and Duck Creek anticline also occurs within parts of the EPM. In addition the east-north-easterly trending Cloncurry Flexure also passes through the Milo Prospect area. This feature is considered to be a fundamental long lived structural zone which may have controlled basin margins during deposition and remained active throughout a large part of the tectonic evolution of the region. The Duck Creek anticline is composed of rocks of the Mid Proterozoic Malbon Group and in the south the Lower Proterozoic Tewinga group. The north-west corner of the EPM covers a zone of overlying Mid Proterozoic Mary Kathleen Group which is intruded by the Tommy Creek and Naraku Granites. These units are composed of the following rock types; Mary Kathleen Group: o Corella Formation Calc-silicates and meta-siltstone o Overhang Jaspilite Jaspilite, limestone, shale Malbon Group o Mitakoodi Quartzite Quartzite, siltstone and basalt o Timberoo Member Siltstone, sandstone, limestone o Marraba Volcanics Meta-basalt, sandstone,siltstone Tewinga Group o Argylla Formation Acid volcanics with quartzite The Brightlands area, and the area further south hosts 32 of the 38 recorded alluvial gold occurrences in the entire Mt Isa Block. Brightlands hosts several small alluvial gold deposits in the drainages running into Butchers and Chinaman's creeks, which drain areas of the Chumvale Breccia. It is also remarkable that many of the rock chip samples taken in the area have an unusually high gold to copper ratio, which is also rare elsewhere.

		The Milo project is interpreted to be an IOCG breccia with a REE enriched halo. 'Base metal' (Cu-Au-Ag-Mo-Co-U+/-Pb/+-Zn) mineralisation occurs as moderately to steeply east dipping, sulphide rich breccia zones striking north – south. These zones are probably structurally (fault) controlled. The current drilling pattern does not allow unequivocal interpretation of the geometry of these zones. The mineralogy of the base metal zonation has not been fully described, but logging has identified massive to semi-massive pyrite with lesser amounts of (in order of abundance) pyrrhotite, chalcopyrite and sphalerite. The sulphide rich zone forms a large, well defined body up to 200 metres wide. Economic base – precious metal grades are variable within the sulphide rich zone. Metal zonation is apparent within the base metal zone, with areas high in one element of the base metal association not necessarily high in others. The metal zonation has not been resolved. A zone of REE-P2O5 enrichment defined by La assays encloses and forms a halo to the base metal mineralisation. The REE zone occurs as a moderately to steeply east dipping, north – south striking zone with a width of 100 m to 200m. This zone is very continuous at low grades (<200 ppm TREE).
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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	Refer to additional table outlining Drill hole Details
	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.	Information is included.
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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	When reported, downhole averages are length weighted arithmetic grades of consecutive samples. No cutting is performed at this time. No metal equivalents have been reported for this project.

Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Due to the early stage of exploration the geometry of mineralisation has yet to be determined.
	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').	Due to the early stage of exploration and modelling, reporting of true widths is not considered appropriate.
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.*	Refer to attached Maps and Plans.
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.*	Results for all intersections of known or interpreted mineralised zones are reported in the report.
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.*	These are very early stage exploration results, however details of setting and factors considered relevant are included in report.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work will be planned following a detailed review of available results. This is likely to include further rock-chip sampling, mapping to define graphitic units and drill testing of the project area.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The extents of the interpreted mineralised zones are shown on figures included in the report.

Cloncurry Project (Sevastopol Graphite)
Checklist of Assessment and Reporting Criteria (JORC Code Table 1)

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. 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.*	Sampled using HQ tube aircore (AC) or hammer reverse circulation (RC) drilling using a 4" tri-wing bit for AC or a 4.5" face-sampling hammer bit for RC, or NQ2 size diamond drilling.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Collar locations were recorded using a GPS by GBM staff with approximately 5m horizontal accuracy. DD and RC/AC drilling was used to obtain samples and will be suitable for resource estimation should this become necessary. All the samples collected were diamond sawed into two parts (DD) or riffle split on-site (RC) for assaying and metallurgical analysis. The sampling techniques used adhere to GBM Resources Limited standard operating procedures for exploration drill product logging and sampling and are of a standard sufficient for resource estimation. For DD, samples were recovered in a standard NQ2-size wireline core barrel. Samples were pushed out from the core barrel, with the top half split and the core placed in a plastic core tray of suitable dimension. For RC, samples were collected in 1m intervals into standard 10 litre plastic buckets then composited into 2m intervals and riffle split on-site to produce a nominal 2-3kg sample. All were dispatched to ALS Group of Australia for processing. To ensure compliance to QAQC requirements, field duplicates were inserted at every 25m.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information	All AC and RC samples were riffle split to 2m composites and bagged on-site. Diamond core was NQ2 size, sampled to 1 m intervals, and cut by GBM staff into half core by diamond saw cutting, sent to lab, which prepared the samples using industry standard procedures for Total Graphitic Carbon (TGC) analysis.

Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	RC/AC Drilling: Aircore and RC hammer drilling was completed using HQ size twin-tube reverse circulation equipment and a 4" tri-wing bit or 4.5" face-sampling hammer. All holes were collared with an angled plunge and no down-hole surveys were completed. Where unconsolidated cover material was expected, mud-rotary techniques were used for pre-collar drilling to top of basement. Holes were drilled using a 300mm spade bit for PVC case setting followed by a 119mm PCD. Diamond Drilling: All diamond drilling was completed using NQ2 size equipment. Angled holes were surveyed using Ranger multi-shot equipment. Core was not oriented.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Drill sample recovery was logged and monitored on a metre by metre basis.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	RC Drilling: For AC/RC drilling, the use of twin-wall tubes and face-sampling bits and cyclone cleanliness particularly with wet sample maximises sample representativeness. Diamond Drilling: where broken ground is encountered, split tube or triple tube drilling methods mayu be employed to improve core recovery.
	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 relationship expected between sample recovery and grade, however this will be reviewed when sufficient results are available. Sample recoveries were consistently above 95%.
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.*	For AC/RC drilling; lithology, minerals, alteration, and oxidation were recorded. An estimate of graphite content was also recorded. Geological logging was carried out on all diamond drillholes; lithology, structural measurements, minerals, alteration, magnetic susceptibility, oxidation, and basic geotechnical measurements were all recorded.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging was qualitative. DD core was photographed after mark up, before sampling with Wet and Dry photos recorded.
	The total length and percentage of the relevant intersections logged	All drillholes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core was sub sampled by splitting it in half longitudinally with a diamond saw. Half went for assay and the other was retained for future metallurgical testing.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Dry RC or AC chips were riffle split at the rig immediately after completion of each drill hole.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation followed ALS standard methodologies for Total Graphitic Carbon analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Standard riffle-split techniques were used to maximise sample representivity.

	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.	Field Duplicates were taken to ensure representative sampling. Results are routinely checked to ensure that the sampling is representative. Duplicates are taken every 25 metres for drilling product.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Drilling sample sizes employed are considered in line with general industry practice.
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.*	ALS method C-IR18: Graphitic C is determined by digesting sample in 50% HCl to evolve carbonate as CO2. Residue is filtered, washed, dried and then roasted at 425C. The roasted residue is analysed for carbon by high temperature Leco furnace with infra-red detection.
	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.	No geophysical tools were used to determine any element concentrations from drilling samples.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures. Assays are determined by method C-IR18. These assay and sample preparation methods are industry standard and appropriate for the nature of the samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.* *The use of twinned holes.*	Verification by independent personnel and completion of twinned holes will be required if the project progresses further to resource drill-out.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All Data, data entry procedures, data verification and data storage has been carried out by GBM staff in accordance with GBM Standard Operating Procedures (SOPs). GBM SOP's meet industry best practice standards. Final Data verification and data storage has been managed by GBM Data Management staff using industry standard Data Shed software.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar surveys were completed by hand held GPS. If required in the future licenced surveyers using DGPS systems are available. No local grids are in use. Down hole surveys were carried out approximately every 30 metres using a Ranger downhole survey tool.
	Specification of the grid system used.	The grid system used is GDA94 MGA Zone 55
	Quality and adequacy of topographic control.	Topographic control was provided by Queensland 1:250k mapsheet 50m gridded contour data.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drilling is of a 'scout' exploration nature only.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the	At this time drilling is not adequate to estimate a resource.

	Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	
	Whether sample compositing has been applied.	Sample compositing was carried out for all AC/RC drill holes from 1m intervals to 2m composites. Sample length weighting was used where required for intersection calculations.
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.*	Drillhole orientation is determined where possible perpendicular to interpreted potential mineralised structures. Due to the nature of scout drilling of buried geophysical targets, this is often not feasible.
	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 has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security.*	Field staff followed GBM sampling SOPs and ensured sample security until the samples were dispatched to ALS laboratories.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits were undertaken.

SECTION 2 Reporting of Exploration Results

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.*	In 2010 GBM entered a major Farm-in Agreement for the Cloncurry Project with multinational companies Pan Pacific Copper and Mitsui Corporation. The GBM/CED Cloncurry Project comprises ten granted EPM's and five application areas held by GBM's subsidiary company Isa Tenements Pty Ltd. The tenement area, granted and under application, totals almost 1,500 km^2. An agreement was reached in August 2014 to exclude the exploration rights to graphite from the CED Joint Venture for the Sevastopol and Rhea prospect areas. The exploration rights for graphite in these areas are 100% legally and beneficially owned by Isa Tenements Pty Ltd, a wholly-owned subsidiary of GBM Resources Ltd, and are excluded from the target minerals of the Farm-in Agreement.
	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 project tenure is secured via EPM. All APM applications are in process with no competing applications lodged. No known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Exploration within the Mt Margaret project area has historically focussed on Roll-front Uranium and IOCG deposit styles. No exploration for economic graphite deposits has taken place in the Mount Margaret area prior to GBM. The very large historical Mount Fort Constantine Joint Venture tenements have been explored by a number of companies prior to WMC. Early work by CRAE, Chevron, Teton and then ANZ Exploration, between 1974 and 1979, concentrated on exploring for roll-front uranium deposits in the Mesozoic cover sequences. Chevron in particular drilled a large number of holes, many of which intersected basement. BHP pegged most of the current lease area as the Mount Margaret tenement from 1984 - 1986 because the area contained the largest undrilled magnetic anomalies in the Mount Isa block. A number of holes were drilled to basement without success exploring for magnetite skarn and ironstone-gold deposits. Hunter Resources were granted the tenements covering the EPM 8648 area in March 1990 and entered a joint venture with WMC, who managed the project. WMC identified 7 target areas, FC1 - 7 with TEM, as being prospective for Starra style magnetic iron oxide hosted Cu-Au mineralisation. During 1991 drilling identified ore grade intersections at FC5, subsequently named 'Ernest Henry'. In February 1992 the current tenements were granted to the WMC/Hunter Resources JV. MIMEX joined the JV in place of Hunter Resources during 1993, although WMC continued to manage the project until 1996 when MIMEX assumed management and sole funding of the project. In 2003 Xstrata assumed management of exploration of the project until 2006. Western Mining Corporation (WMC), MIM Exploration Pty Ltd (MIMEX) and Xstrata Copper Exploration Pty Ltd (Xstrata) completed extensive exploration activities over many of the Mt Margaret tenements (FC1 to FC15 and other prospects outside GBM tenement areas). Activities included regional and prospect scale aeromagnetic, ground magnetic, gravity, TEM (transient electromagnetic), IP-resistivity (induced polarization) and MIMDAS IP-resistivity and MT (magnetotelluric) geophysical surveys, along with soil geochemical analysis, and field inspections. Xstrata commenced a comprehensive program of systematic regional-style IP-resistivity surveying in July 2003, designed to

		seek large sulphide systems in those areas of Mount Fort Constantine EPM 8648 not previously surveyed with either WMC IP-resistivity or MIMEX IP. Xstrata also conducted additional prospect scale ground magnetics, gravity and drilling. Most of the sub-blocks over the EPM8648 were relinquished by Xstrata and Newcrest post 2006. Newcrest Mining Limited (NML) acquired the Mt Margaret West EPM 14614 (now Dry Creek tenement - EPM 18172) and carried out work primarily restricted to reviewing geological, geophysical and geochemical data from previous drilling, due to the scarcity of outcrop within this tenement. Previously RC and core drill holes were scan logged, and samples submitted for Petrology to assist in understanding the mineralisation and geology of the area. During 2006 22 RC holes were drilled within the Mt Margaret West EPM 14614. NML determined that significant potential remains for a discovery of economic gold-copper mineralisation within the area.
Geology	*Deposit type, geological setting and style of mineralisation.*	Geologically the Mount Isa Inlier is divided into three broad tectonic units: the Western and Eastern Fold Belts and the intervening Kalkadoon-Leichardt Belt (KLB). The Western Fold Belt (WFB) is subdivided into the Lawn Hill Platform, Leichardt River Fault Trough, Ewen Block and Myally Shelf. The Eastern Fold Belt (EFB) is subdivided into the Mary Kathleen, Quamby-Malbon and Cloncurry-Selwyn zones and the KLB includes the western parts of the Wonga Belt and Duchess Belt. In the Mt Isa Inlier, a deformed and metamorphosed Proterozoic basement of mixed sedimentary and igneous rocks older than 1870Ma is overlain by Proterozoic supracrustal rocks which are subdivided into four major sequences each separated by unconformities. Cover Sequence 1, which is confined mainly to the KLB comprises a basal sequence of subaerial felsic volcanics deposited between 1870–1850Ma; Cover Sequences 2, 3 and 4 comprise mainly fluviatile and shallow marine/lacustrine sedimentary rocks and bimodal volcanics that were deposited between 1790–1720Ma, 1680–1620Ma and ~1620–1590Ma, respectively. Two major tectonostratigraphic events are recognised in the Mt Isa Inlier. The first was the Barramundi Orogeny which at 1870Ma regionally deformed the basement. The second involved two periods of crustal extension between 1790–1760Ma and 1680–1670Ma lead to basin formation. This period was terminated between 1620–1550Ma by regional compressional deformation and post orogenic granite emplacement resulting in folding and high and low angle faulting and regional metamorphism to amphibolite facies. Granites and mafic intrusions were emplaced at various times before 1100Ma. With those older than 1550Ma being generally metamorphosed and deformed. The major granite plutons are grouped into a number of batholiths, from west to east are the Sybella (~1670Ma) in the WFB, Kalkadoon (~1860Ma), Ewen (~1840Ma) and the Wonga (1740-1670Ma) Batholiths in the KLB, and the late to post tectonic Naraku (~1500Ma) and Williams (~1500Ma) Batholiths in the EFB. Other smaller granitic intrusions include the Weberra (~1700Ma), Big Toby (~1800Ma) and Yeldham (~1820Ma) granites. Most of the gold and copper produced to date in the Mt Isa Inlier has come from intrusive and/or shear and fault controlled deposits in the EFB.
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*	Refer to additional table outlining Drillhole Details below.

	holes: o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.*	
	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.	Information is included.
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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	When reported, downhole averages are length weighted arithmetic grades of consecutive samples. No cutting is performed at this time. No metal equivalents have been reported for this project.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Due to the early stage of exploration the geometry of mineralisation has yet to be determined.
	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').	Due to the early stage of exploration and modelling, reporting of true widths is not considered appropriate.
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.*	Refer to attached Maps and Plans.
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.*	Results for all intersections of known or interpreted mineralised zones are reported in the report.

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.*	These are very early stage exploration results, however details of setting and factors considered relevant are included in report.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Further work will be planned following a detailed review of available results. This is likely to include further drill testing of this project area.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The extents of the interpreted mineralised zones are shown on figures included in the report.

Hole ID	MGA54_E	MGA54_N	RL	Azimuth	Dip	EOH_Depth	Intercept From_m	Intercept To_m	Intercept Length_m	Grade %TGC
SVP001	469283	7743175	149	-	-90	38	**0.5**	**37.5**	**37.5**	**8.1**
SVP002	468589	7744169	149	90	-70	27	NSI			
SVP002A	468601	7744168	149	-	-90	16	NSI			
SVP003	469390	7744168	149	90	-70	13	NSI			
SVP003A	469388	7744171	149	-	-90	50	NSI			
SVP004	469095	7743170	149	90	-70	9	NSI			
SVP005	468788	7744170	149	90	-70	54	NSI			
SVP006	**469189**	**7744173**	**149**	**90**	**-70**	**51**	**14**	**18**	**4**	**4.3**
SVP007	468688	7743671	149	90	-70	49	NSI			
SVP008	469088	7743672	149	90	-70	50	NSI			
SVP009	**468884**	**7743175**	**149**	**90**	**-70**	**44**	**24**	**44**	**20**	**5.4**
SVP010	468290	7743179	149	90	-70	51	NSI			
SVP011	**468190**	**7742675**	**149**	**90**	**-70**	**49**	**32**	**49**	**17**	**7.9**
SVP012	**468490**	**7743175**	**149**	**90**	**-70**	**49.6**	**24**	**71.7**	**47.7**	**8.2**
SVP013	468690	7743175	149	90	-70	22	NSI			
SVP014	468488	7743675	149	90	-70	21	NSI			
SVP015	469284	7743677	149	90	-70	26	NSI			

Table; location and results from Sevastopol drilling programme.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01, 01/06/10, 17/12/10

Name of entity

GBM Resources Limited

ABN 91 124 752 745

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for: (a) exploration and evaluation (including JV Farm-in spend)	(831)	(1,800)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(305)	(562)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	10	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other - Grants and JV management fees	81	148
	- R&D concession refund	-	-
	Net Operating Cash Flows	(1,045)	(2,203)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a)prospects	(50)	(50)
	(b)equity investments	-	-
	(c) other fixed assets	(1)	(1)
	(d) bonds	(3)	(23)
1.9	Proceeds from sale of: (a)prospects	-	-
	(b)equity investments	-	-
	(c)other fixed assets	-	-
	(d) bonds redeemed	15	15
1.10	Loans to other entities	(62)	(266)
1.11	Loans repaid by other entities	-	200
1.12	Other - JV Farm-in contributions received	675	1,233
	Net investing cash flows	574	1,108
1.13	Total operating and investing cash flows (carried forward)	(471)	(1,095)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(471)	(1,095)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	159	2,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	(21)	(210)
	Net financing cash flows	138	1,790
	Net increase (decrease) in cash held	(333)	695
1.20	Cash at beginning of quarter/year to date	1,555	527
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	1,222	1,222

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	164
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Director remuneration – fees and salaries.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Expenditure for the quarter of $557,787 ($1,167,824 year to date) incurred by other entities under joint venture farm-in agreements on projects held by the Company has been included at 1.2(a).

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation (including CED JV expenditure)	325
4.2	Development	
4.3	Production	
4.4	Administration	250
	Total	**575**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	1,123	1,456
5.2	Deposits at call	99	99
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	1,222	1,555

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	EL5423		100%	Nil
6.2	Interests in mining tenements acquired or increased	EPM25544 EPM25213 EPM25362 EPM25678		Nil Nil Nil Nil	100% 100% 100% 100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	-			
7.2	Changes during quarter	-			
7.3	**+Ordinary securities**	485,194,121	485,194,121		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	10,000,000 -	10,000,000 -		
7.5	**+Convertible debt securities** (*description)*	-	-		
7.6	Changes during quarter	-	-		
7.7	**Options** *(description and conversion factor)*	177,746,562	177,746,562	*Exercise price* $0.035	*Expiry date* 30 Jun 2016
7.8	Issued during quarter	43,000,000	43,000,000	$0.035	30 Jun 2016
7.9	Exercised during quarter	-	-		
7.10	Expired during quarter	-	-		
7.11	**Debentures** *(totals only)*	-	-		
7.12	**Unsecured notes** *(totals only)*	-	-		
7.13	**Performance Share Rights** *(description and vesting dates)*	-	-	*Vesting date*	*Expiry date*
7.14	Issued during quarter	-	-		
7.15	Exercised during quarter	-	-		
7.16	Expired during quarter	-	-		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: 

..... Date: 30 January 2015
Company Secretary

Print name: Kevin Hart

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6:Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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