

6 October 2015

## Phase 2 Drilling Commences at the Mount Margaret West Project, NW Queensland

### HIGHLIGHTS:

- **Drilling has commenced at the Mount Margaret West Project, located in the North West Queensland Mineral Province.**
- **Target style Iron-Oxide Copper-Gold (IOCG) mineralisation.**
- **Up to 800 metres of diamond drilling planned to test two coincident IP-gravity-magnetic anomalies within 8 kilometres of the Ernest Henry mine.**
- **The Phase 2 program will be completed in October with results expected during November.**
- **The Bungalien and Mount Margaret Projects are part of the Farm-in Joint Venture with Pan Pacific Copper Co., Ltd. and Mitsui & Co., Ltd.**

Australian resources company GBM Resources Limited (ASX: GBZ) (“**GBM**” or “**the Company**”) is pleased to announce the commencement of Phase 2 of the diamond drilling program at the Mount Margaret West project, located adjacent to the Ernest Henry mine, Cloncurry, Queensland.

The Phase 2 program is designed to intercept two high-order geophysical anomalies defined recently from careful analysis of historic and Company data. The target style is IOCG-type copper-gold mineralisation. Both targets are obscured beneath thin cover sediments and will be tested by combination RAB/diamond drill holes.

The Mount Margaret West project is part of a Farm-in Joint Venture (Joint Venture) with leading Japanese companies, Pan Pacific Co., Ltd. (PPC) and Mitsui & Co., Ltd. (Mitsui) through their Australian registered subsidiary Cloncurry Exploration & Development Pty. Ltd. (CED). Under the agreement CED can earn 51% of the Joint Venture projects via \$15M expenditure on exploration during the initial six-year farm-in period.

### Drilling Program

Four individual targets were defined within a large and complex gravity and magnetic high located approximately eight kilometres north of Ernest Henry mine. The gravity data collected by GBM shows this anomaly is one of the most intense in the Mount Margaret West project area, however this data was not available to previous explorers and as a result the area has been subjected to sparse and generally shallow drilling in the past. Much of the historic drilling failed to intersect the gravity or magnetic intensity peaks. This leaves open for the Joint Venture the opportunity for discovery of very large IOCG-style mineralising systems.

ASX Code: **GBZ**

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Reprocessing of pre-existing induced polarization (IP) geophysical data across the prospect highlighted two of the four targets where an IP chargeability response coincides with strong gravity and magnetic anomalies. These two targets will be tested by diamond core drill holes up to 400 metres in depth. Drilling of the southern target (FC12\_Prop1 in the figure below) has commenced and both drill holes are expected to be completed by mid-October with assay results then due during November.

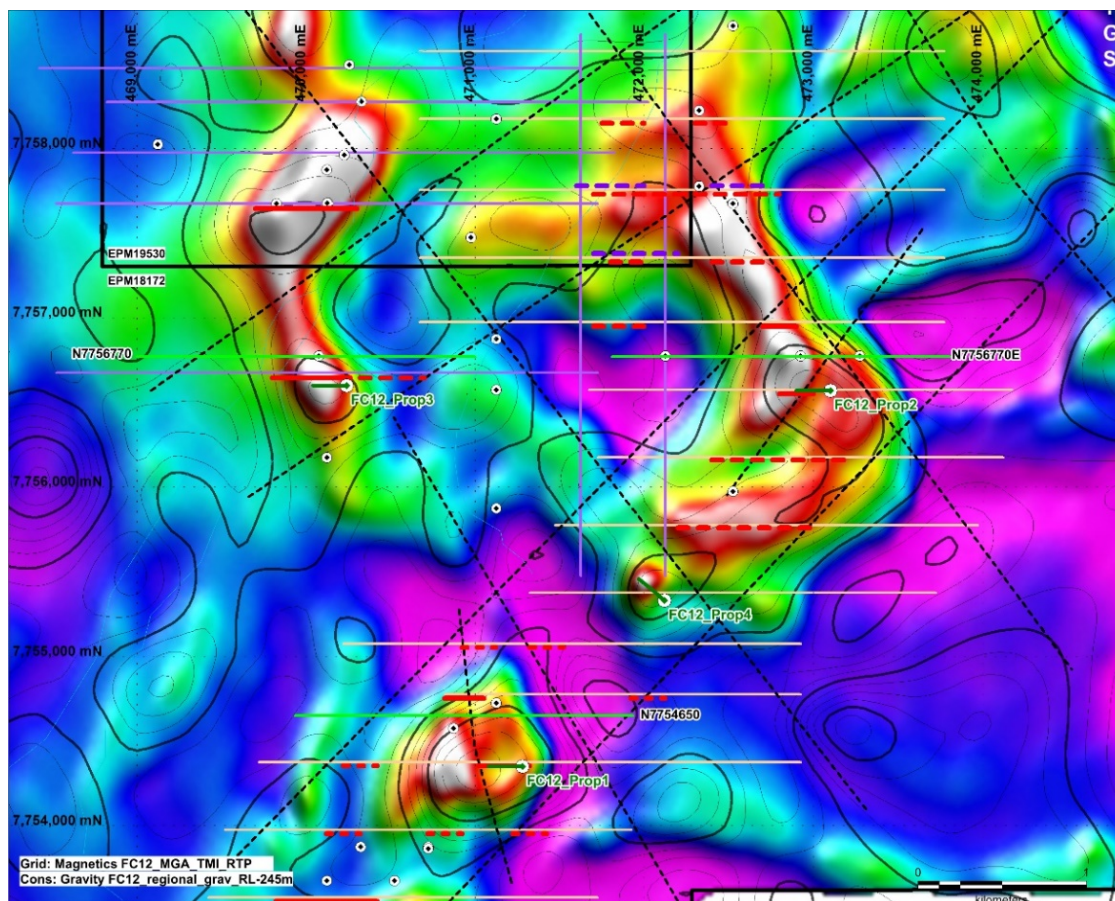


Figure: Mt Margaret West project. Image showing proposed drill collar locations for 4 proposed target areas at FC12. FC12\_Prop1 and Prop3 will be completed during the Phase 2 program. Background is TMI-RTP magnetics with gravity contours.

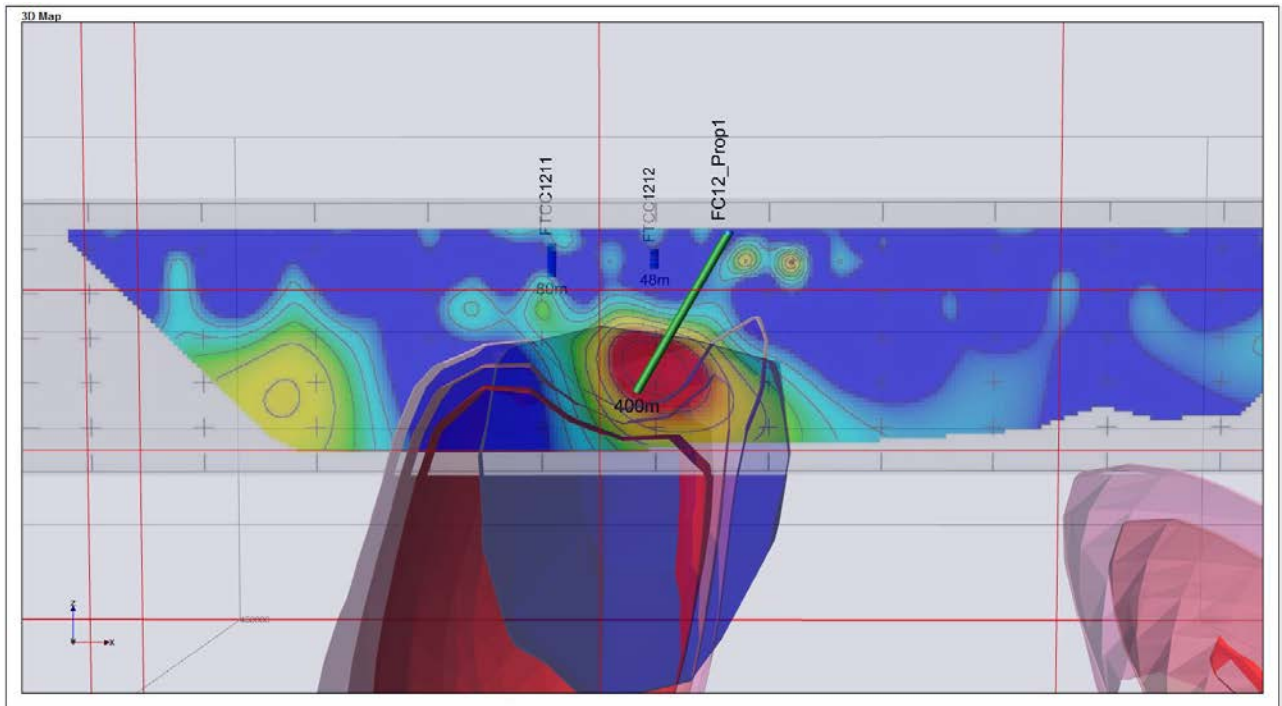
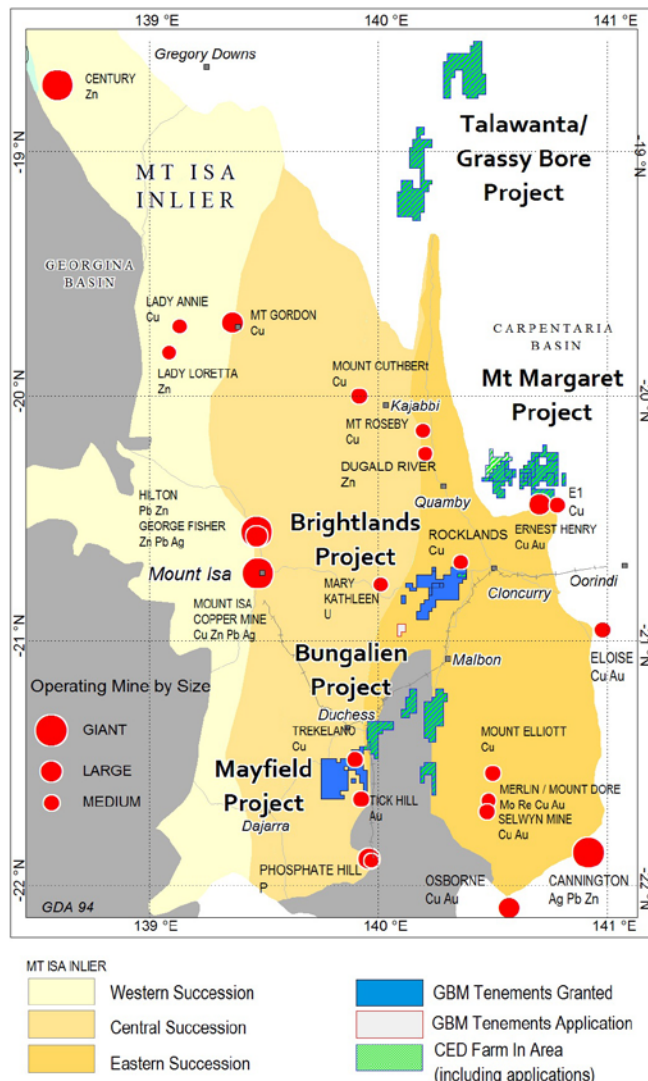


Figure: Mt Margaret West project. 2D section showing the coincident IP chargeability (gridded section), gravity (blue shell) and magnetic (red shells) profiles. Section has a 400m north clip to capture shallow historic holes (located 200m and 350m north of section line).



Figure; CED Farm In Tenements in the Cloncurry Region, part of the North West Queensland Mineral Province.

For further information please visit [www.gbmr.com.au](http://www.gbmr.com.au) or contact:

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**Notes**

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 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.