

GB Energy Limited is a focused uranium explorer with exploration licences in South Australia

Directors

Executive Chairman
Mr Graeme Kirke
Directors
Mr Stuart Rechner
Mr Patrick Glovac

Operations

Company Secretary/CFO
Ms Anna MacKintosh
Consulting Geologist
Mr Nick Burn

Issued Capital

Ordinary Shares
905,955,825

Share Price at 9 November 2015

\$0.004

Securities Exchange Listing

Australian Securities Exchange
Code: GBX

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ASX Announcement 27 November 2015

Exploration Update

GB Energy (ASX: GBX) is pleased to provide the following update on our South Australian exploration activities.

STUART SHELF COPPER-GOLD-URANIUM

Following completion of 3D inversion modelling of geophysical data, two potential drill targets were identified based on coincident density and magnetic susceptibility anomalies. Unfortunately, these targets are at significant depth and would require deep, expensive drilling to test.

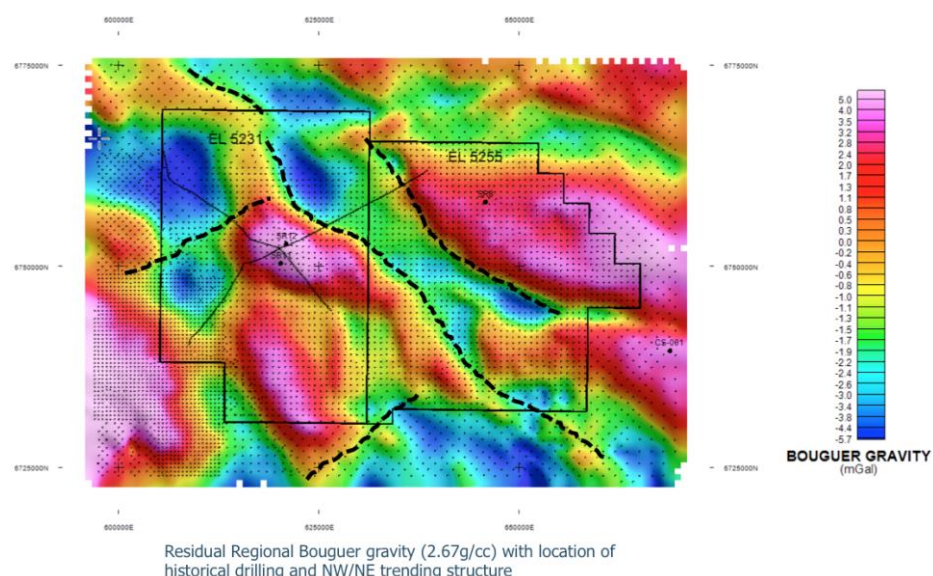


Figure 1: Stuart Shelf project area gravity interpretation

Deep drilling of this nature is severely constrained by capital markets current aversion to funding exploration risk. The same factors are at work when seeking joint venture partners.

In June 2015, GB Energy surrendered the least prospective areas of the western Stuart Shelf tenement (EL 5231) reducing the area from 945km² to 472km². Both EL 5231 and EL 5255 remain in good standing with expiry dates of 1 May 2017 and 27 May 2017 respectively. The Company continues to seek a method to extract value for shareholders.

MT DENISON URANIUM-COPPER

At Mt Denison, GB Energy has recently conducted a detailed ground gravity survey and an airborne magnetic / radiometric survey. The survey covered an area of Mt Denison that is under sedimentary cover (see Figure 2). Final data has been received and interpretation completed. GB Energy has identified several gravity targets of interest that warrant further investigation.

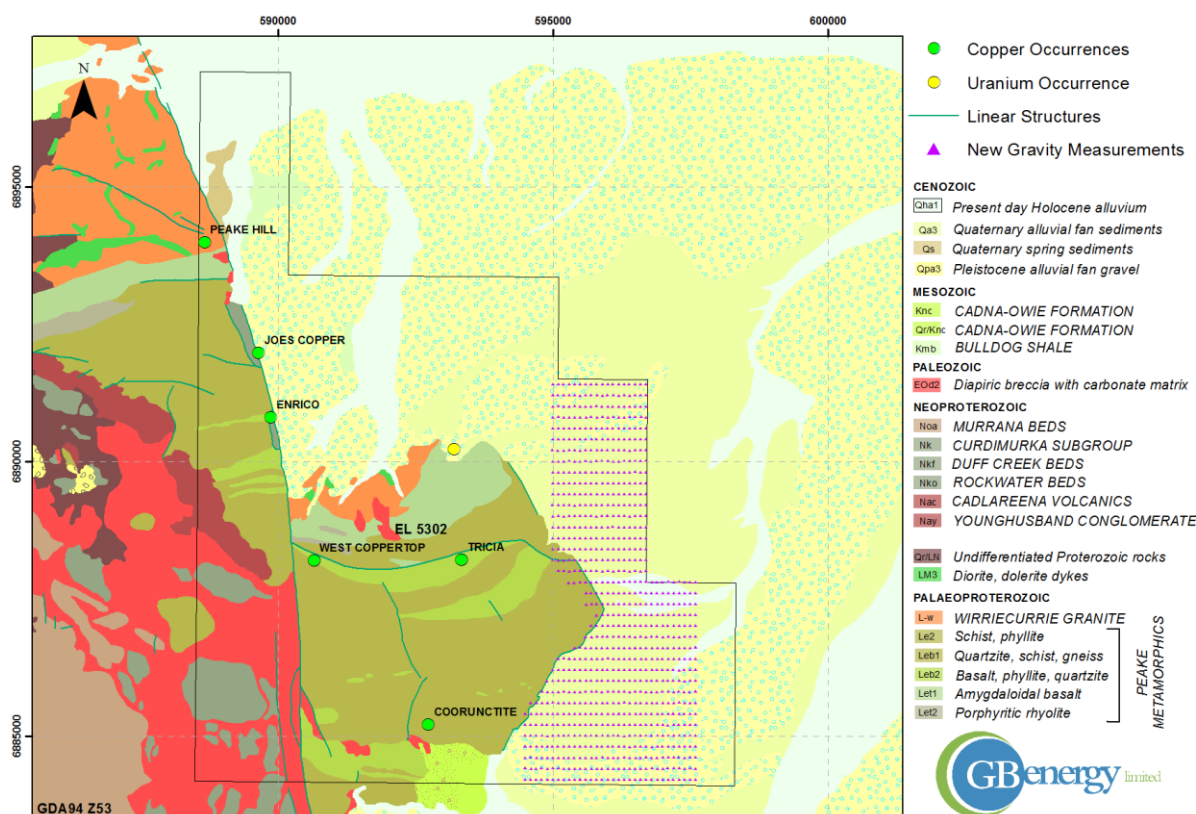


Figure 2: Mt Denison gravity survey location showing surface geology and mineral occurrences

GB Energy is exploring potential joint venture partners to assist in drill testing targets at Mt Denison and will also seek government co-funding in the new year.

OTHER OPPORTUNITIES

Due to the difficult market conditions, we continue to evaluate opportunities including more advanced exploration projects that are in distress

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Barry Bourne, who is engaged as a consultant by the Company through geophysical / geological consultancy Terra Resources Pty Ltd. Mr Bourne is a fellow of the Australian Institute of Geoscientists; a member of the Australian Society of Exploration Geophysicists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results. Mr Bourne consents to the inclusion in the report of matters based on information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

| Criteria | Commentary |
|--|---|
| Sampling techniques | Not applicable – this announcement concerns geophysical surveys. |
| Drilling techniques | Not applicable – no drilling undertaken. |
| Drill sample recovery | Not applicable – no drilling undertaken. |
| Logging | Not applicable – no drilling undertaken. |
| Sub-sampling techniques and sample preparation | Not applicable – no drilling undertaken. |
| Quality of assay data and laboratory tests (Equipment used) | Gravity Survey: Scintrex CG-5 Gravity meters Magnetic Survey: (i) Geometrics Cs vapour magnetometer assembly, G823B with precision counter; (ii) Billingsley TFM100G2 vector magnetometer; (iii) Geometrics portable proton precession base magnetometers. |
| Verification of sampling and assaying | Not applicable – no drilling undertaken. |
| Location of data points | All recent gravity surveys (>1995) in South Australia are controlled by fast static / RTK GPS methods with a horizontal and vertical accuracy of +/- 5cm. Data that is <1995 was removed when a reasonable spread of recent data exists (due to elevation data largely acquired barometrically). The coordinates and gravity readings were supplied in GDA Datum, coordinates MGA94 Zone 53, height in Australian Height Datum and Observed gravity Isogal 84 (IGSN-71). |
| Data spacing and distribution | Existing 2007 South Australian PACE gravity survey stations were situated at 1500m intervals with adjacent lines offset by half station spacing (750m). The reported gravity survey at the Stuart Shelf Cu-Au-U project consisted of two phases: a main survey grid comprising of 1,344 gravity stations acquired on a regional 1500m station grid with stations located equidistant from the existing 2007 survey; and two semi-detailed gravity traverses comprising of 278 stations acquired at 250m intervals coincident with two existing seismic lines. Stations were read to ~0.01mGals and reduced to Bouguer Anomalies at 2.67 g/cc density. The reported magnetic at the Stuart Shelf Cu-Au-U project data survey consisted of 140 line kms flown over two existing seismic lines and a merged dataset sourced from Geoscience Australia's Geophysical Archive Data Delivery System (GADDS). |
| Orientation of data in relation to geological structure | Regular spaced gravity data has been deemed suitable to identify and model IOCG type targets. |
| Sample security | Not applicable – no sampling undertaken. |
| Audits or reviews | Data corrections and validation was undertaken daily by the gravity / magnetic contractor plus a consultant geophysicist has reviewed and checked the data. Geophysical data were downloaded via the GADDS and SARIG data delivery services and reviewed by a consultant geophysicist. Pre 1995 gravity data was excluded as experience has shown this data is unreliable. |

JORC Code, 2012 Edition – Table 1

Section 2 Reporting of Exploration Results

| Criteria | Commentary |
|--|---|
| Mineral tenement and land tenure status | <p><i>Stuart Shelf Cu-Au-U (EL5231 granted 2 May 2013, EL5255 granted 28 May 2013)</i> 100% held by GBE Exploration Pty Ltd (a wholly owned subsidiary of GBX) Location: Billa Kalina area (160km ESE of Coober Pedy) Determined Native Title holder: Arabana People Within Woomera Prohibited Area green zone Great Artesian Basin springs may occur within the project area Tenements in good standing with no known impediments</p> <p><i>Mount Denison U-Cu (EL5302 granted 9 July 2013)</i> 100% held by GBE Exploration Pty Ltd (a wholly owned subsidiary of GBX) Location: Peake Hill area (60km SE of Oodnadatta) Determined Native Title holder: Arabana People Great Artesian Basin springs and Lake Eyre mound springs exist within the project area Tenement in good standing with no known impediments</p> |
| Exploration done by other parties | <p><i>Stuart Shelf Cu-Au-U</i> GBX has reviewed the work of previous explorers who targeted various commodities in the project area. There has been little advanced exploration with the only drilling conducted by Newmont Pty Ltd / Dampier Mining Co Ltd in the late 1970s. These three holes (SR8, SR11, SR12) all failed to reach basement.</p> <p><i>Mount Denison U-Cu</i> Previous uranium exploration by Australasian Mining Corp Ltd, Uranex (Australia) Pty Ltd and others primarily focused on occurrences in the outcropping basement. The only drillhole targeting sedimentary uranium in the project area (LHDH15, Chevron Exploration Corporation, 1973) ended at 86.9m in reduced Cadna-owie Formation. The project area also contains several old copper workings from the early 1900s which were explored by Australasian Mining Corp Ltd in the early 1970s.</p> |
| Geology (Target deposit type) | <p><i>Stuart Shelf Cu-Au-U</i>: Olympic Dam or Prominent Hill iron-oxide copper-gold (uranium) deposit style on the eastern margin of the Gawler Craton. <i>Mount Denison Cu-U</i>: Sedimentary-hosted uranium in Mesozoic sediments adjacent to radiogenic Proterozoic Peake Denison Inlier; and Olympic Dam or Prominent Hill iron-oxide copper-gold (uranium) deposit style on the eastern margin of the Gawler Craton.</p> |
| Drill hole Information | Not applicable – no drilling undertaken. |
| Data aggregation methods | Not applicable – no drilling undertaken. |
| Relationship between mineralisation widths and intercept lengths | Not applicable – no drilling undertaken. |
| Diagrams | The reported images display structural features interpreted from gravity and magnetic data overlain on a residual regional Bouguer gravity (2.67g/cc) image. |
| Balanced reporting | Not applicable – no drilling undertaken. |
| Other substantive exploration data | All relevant finalised exploration data has been included. Further details of geophysical data interpretation will be provided in due course. |
| Further work | Further work is outlined under “Next Steps” |