

29 January 2016

REPORT FOR THE QUARTER ENDED 31st December 2015

Highlights

Completion of the non-renounceable entitlement offer:

- **The successful completion of the non-renounceable entitlement offer ('Offer'), which closed on 17 December 2015, raised a total of \$1.395 million before costs of the Offer. The funds will be used to progress the evaluation and development of its 100% owned Mt Coolon Gold Project.**

Mount Coolon Gold Project:

- **Eight major gold mineralising systems identified at the Mount Coolon Gold Project.**
- **45 exploration prospects associated within these areas identified in a review of historical exploration data.**
- **GBM will continue to systematically process historical data, prioritising prospects with potential for oxide or high-grade epithermal gold mineralisation.**

Forward work program at Mt Coolon Gold Project includes:

- Commence a scoping study which will evaluate the potential to develop a heap leach gold mine based initially on oxide resources in the Eugenia and Bimurra Prospect areas.
- Additional drilling to convert part of the Bimurra exploration target (refer ASX announcement 21 September 2015) to Resource category.
- Metallurgical testwork on material from both prospects and mining studies will also be undertaken together with an overview of environmental, groundwater, cultural heritage and community matters.
- Targeting extensions at the Koala Deposit which has Indicated Resources of 205,000 tonnes grading 5.9g/t for 39,600 ounces of gold, and the Glen Eva pit which has an Indicated Resource of 132,000 tonnes grading 7.8g/t for 33,000 ounces (refer ASX announcement 27 August 2015).

ASX Code: GBZ

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SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the quarter. The Company has now completed 52 consecutive months with no LTI's and 98 consecutive months with no significant environmental incidents. GBM is committed to continuously improving safety and environment systems with the clear aim of achieving zero harm. Review of the company's safety management system continued throughout the quarter.

100% GBM Gold Projects

Mount Coolon Gold Project, Queensland

Following the detailed review of the gold resources at Mount Coolon last quarter and the generation of an exploration target estimate for the Bimurra prospect, GBM has continued to process and interpret the considerable volume of historic data available for the Mount Coolon project. The focus for the quarter has been to assess the exploration potential of the project area including the gold systems hosting the defined resources at Eugenia, Koala and Glen Eva.

GBM geologists have identified eight key mineralising systems which will be systematically assessed. Auriferous mineralising systems identified in the Mount Coolon Project tenements frequently contain multiple individual prospects, anomalies or targets for future exploration. Mineralising systems are located within broad north westerly trending structural corridors which have been identified as regionally significant and are considered favourable for formation of gold deposits. Key areas that have been identified are summarised and illustrated as follows:

Koala System - Centred on the high-grade Koala Gold Mine, and operated as a high-grade underground gold mine by the early pre-cursor to Western Mining Corporation, Gold Mines of Australia. The total production from underground mining to 1940 was 303,408 tonnes @ 18.4g/t Au, for 179,475 ounces of gold & 60,000 ounces of silver. A further 270,000 tonnes averaging 5.6 g/t Au yielded 53,000 ounces of gold from open cut mining in the 1990's. The Koala Gold Mine currently has an underground Resource estimated at 267,000 tonnes averaging 5.7 g/t Au and containing 49,300 ounces of gold. GBM believe that drilling may not have tested the limits of mineralisation either at depth or along strike. The known mineralisation has been mined and prospected over a strike length in excess of one kilometre. In addition, a number of structural targets exist in the area nearby which hold potential to host structural repeats of the Koala Gold Mine setting.

Glen Eva Gold Mine - Yielded 37,200 ounces of gold from 154,000 tonnes averaging 7.5 g/t Au from open cut mining during the 1990's. The Deposit currently hosts a Resource estimated at 154,000 tonnes averaging 7.5 g/t Au containing 37,200 ounces of gold. This high-grade Deposit remains open at depth, and exploration along strike does not appear to have penetrated the shallow cover that obscures the extensions to the mineralisation. A number of prospects have been generated in close proximity to the Glen Eva Gold Mine by mapping, geophysical analyses and soil sampling including; Four Posts, Fence, Serpent and Arsenic Anomaly. More distal prospects include Eastern Siliceous Zone, Canadian-Blackbutt, Last Stand and Porcupine each show evidence of gold mineralisation and alteration and remain to be investigated in detail by GBM.

Eugenia System - The Eugenia Deposit Resource was recently upgraded by GBM to a total estimated Resource of 5.0 million tonnes, averaging 1.0g/t Au containing 164,000 ounces, including an oxide Resource containing 1.7 million tonnes, averaging 1.0 g/t Au and containing an estimated 53,000 ounces of gold (ASX Release dated 27 August 2015). It is considered likely that exploration completed to date has not adequately tested the system limits, or the potential for a possible high-grade feeder zone to the mineralisation. In addition, exploration by previous explorers have demonstrated gold mineralisation at prospects located in close proximity including Boundary, Boundary North and Quarry.

Bimurra Prospect - GBM have estimated an Exploration Target range for the Perseverance-Elizabeth area of the Bimurra Prospect of between 10 million tonnes at an average grade of 0.7 g/t Au, containing an estimated 230,000 ounces of gold and 4 million tonnes at an average grade of 1.2 g/t Au, containing an estimated 120,000 ounces of gold. There is also evidence of high-grade epithermal veins with intersections including a 0.5 metre interval which returned 51.5 g/t Au from 79 metres in hole DDHBIMS57(refer ASX release dated 21st September 2015). It should be noted that the potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

In addition, the Bimurra system hosts a number of prospects and mineral occurrences with characteristics typical of low sulphidation epithermal systems. Prospects identified to date include Blenheim, Hilltop, Perseverance, Elizabeth, Bimurra east, Cap Creek, Ramillies, Bungobine Peak and Bimurra North East. The system is located on the intersection of a north west structural corridor and a north east trending corridor which hosts the 3 million ounce Wirralie Gold Mine.

Conway System - Contains multiple prospects and is considered to hold potential for both bonanza epithermal vein style deposits and bulk tonnage low grade disseminated deposits. Prospects identified by previous explorers include: Wobegong, Red Flag Hill, Quartz Reef Hill, Split Hill, Bustard Egg Hill, Mill Hill, Big Sinter Hill, and Sinter Valley. High-grade results have been reported by previous explorers including 2m @27.0 g/t Au and 2m @9.3 g/t Au at Wobegong Prospect (refer Drummond Gold Ltd. IPO Prospectus 6 November 2007). Future work by GBM will seek to verify previous drill results and include them in a database to support analyses and interpretation.

Verbena Sinter - Located 15 kilometres south east of Mount Coolon and Koala Gold Mine on the same structural corridor. The sinter outcrops over a 1.5 kilometre strike length and up to 600 metres wide. Rock chip sampling and shallow Reverse Circulation (RC) drilling have in the past confirmed the presence of gold mineralisation, but no Resource has been substantiated. It is considered possible that an improved understanding of the nature of the hydrothermal system operating at the Verbena Sinter may lead to future discovery of epithermal gold mineralisation at this prospect.

Project	Location	Resource Category									Total			Cut-off
		Measured			Indicated			Inferred			000' t	Au g/t	Au ozs	
		000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs				
Koala	Hecorina Pit				15	2.6	1300				15	2.6	1300	None
	Underground Extension				205	5.9	39600	62	5.3	10600	267	5.7	49300	3
	Tailings	305	1.6	15,800	11	1.6	500	6	1.5	300	322	1.6	16,700	None
	Total	305	1.6	15,800	231	5.5	40,400	68	5.0	10,900	604	3.5	67,200	0
Eugenia	Oxide				1445	0.93	43,300	252	1.19	9,700	1,698	0.97	53,000	0.4
	Sulphide				2306	0.89	66,100	1,007	1.39	45,200	3,313	1.04	111,300	0.4
	Total				3,751	0.9	109,400	1,260	1.4	54,900	5,011	1.0	164,200	0.4
Glen Eva	Below pit.				132	7.8	33,200	21	5.9	4,000	154	7.5	37,200	3.0
Total		305	1.6	15,800	4,114	1.4	183,000	1,349	1.6	69,800	5,769	1.4	268,600	

Table; Mount Coolon Gold Project Global Resource Summary August 2015. Please not rounding (1000's tonnes, 100's ounces, 0.1 g/t) may cause minor variations to totals.

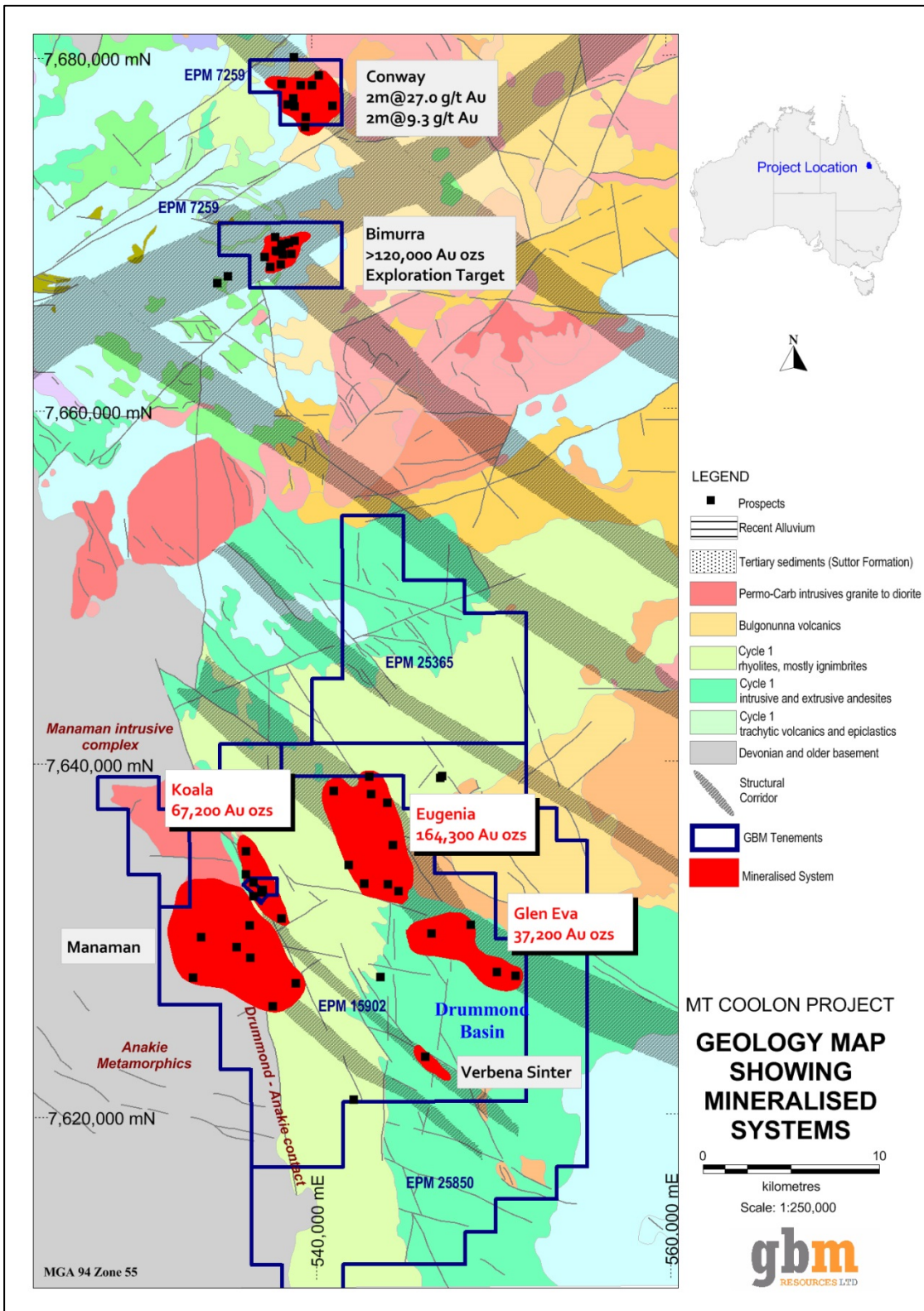


Figure: Mt Coolon Geology Map with tenement boundaries

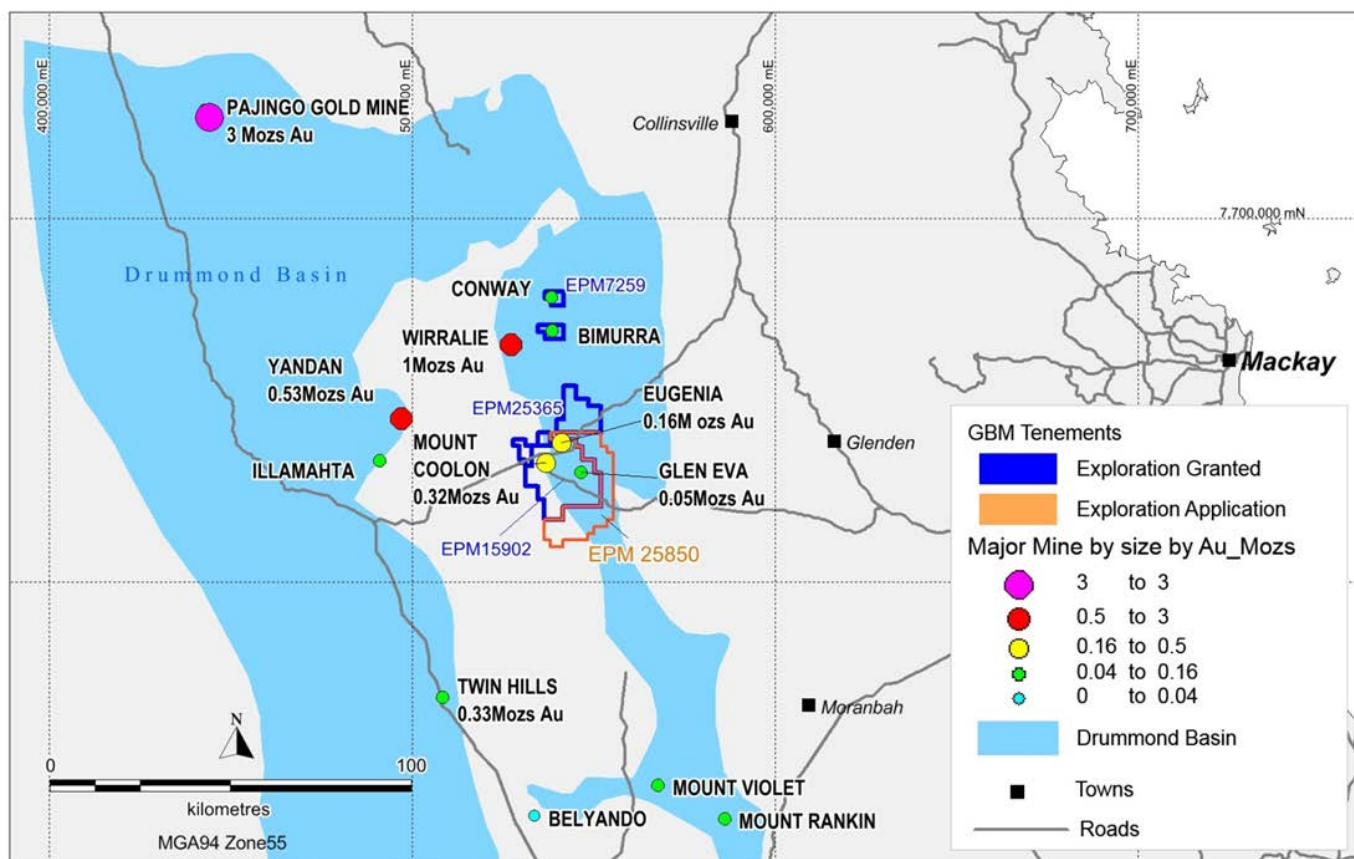


Figure: Mt Coolon project tenement group location plan.

Background to Mount Coolon Project.

In January 2015 GBM announced the signing of a binding Share Sale Agreement with Drummond Gold Limited (ASX: DGO) pursuant to which GBM acquired a 100% interest in all of the issued capital of Mt Coolon Gold Mines Pty Ltd. This transaction was completed during April (refer ASX release dated 13 April 2015). The project is located 250km west of Mackay in Queensland in the northern Drummond Basin. The Drummond Basin is an established gold mining region with past production of more than 4.5 Mozs and a total known gold endowment of over 7.5 Mozs of gold. Deposit styles range from bonanza grade epithermal veins (eg. Pajingo 3.0 M ozs) to bulk tonnage intrusive related gold deposits (eg Mt Leyshon 2.1 M ozs).

The tenement package includes four granted Mining Leases, three granted exploration permits and one exploration permit application covering a total area of 761 km². Independent review of these tenements has confirmed that all are in good standing and key mining licences have recently been renewed until 2024.

Future Work

Forward work program at Mt Coolon Gold Project includes:

1. Completion of a scoping study which will evaluate the potential to develop a heap leach gold mine based initially on oxide resources in the Eugenia and Bimurra Prospect areas.

The scoping study will include additional drilling to convert part of the Bimurra exploration target (refer ASX announcement 21 September 2015) to Resource category.

Metallurgical testwork on material from both prospects and mining studies will also be included along with an overview of environmental, groundwater, cultural heritage and community matters.

2. Target extensions at the Koala Deposit which has Indicated Resources of 205,000 tonnes grading 5.9g/t for 39,600 ounces of gold, and the Glen Eva pit which has an Indicated Resource of 132,000 tonnes grading 7.8g/t for 33,000 ounces (refer ASX announcement 27 August 2015).

The Company believes these targeted deposits have high potential to achieve gold production in the short to medium term.

Mount Isa Region Copper Gold Projects

Pan Pacific Copper/ Mitsui Farm-in Projects

The Farm-in Agreement with multinational companies Pan Pacific Copper and Mitsui Corporation is in the final year of an initial six year farm-in period. The exploration budget for the year ending 31 March 2016 is approximately A\$2.2M. 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 to earn up to a 90% interest in the projects.

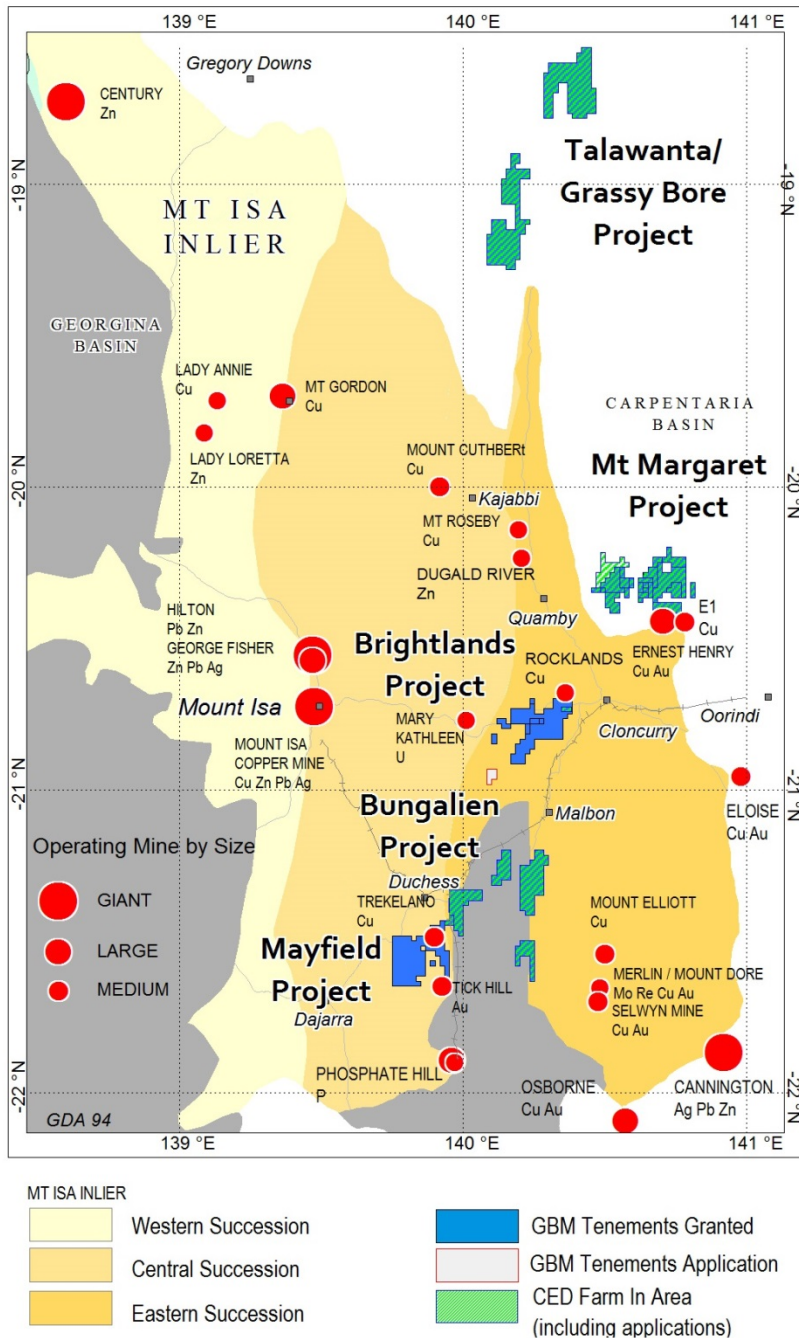


Figure: Location map showing Farm-in Areas.

Activity Overview

The Mount Margaret project area was the focus of activity during the December quarter. Two scout diamond drill holes were completed on the FC12 prospect targeting two coincident gravity-magnetic anomalies, both located under thin cover sediments. Downhole Induced Potential (IP) surveys of three diamond drill holes at FC2 and FC12 prospects were also completed. Analysis of historic IP and magnetic-gravity data in the recently acquired Tommy Creek tenement highlighted one priority and two subordinate targets, all of which have never been drill tested.

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 (EPM 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 at Mount Margaret and these have been explored by other companies to varying degrees. Exploration by the CED to date has been focussed on reviewing the historical work (drilling, geophysics, soil sampling) conducted by companies such as Chevron, BHP, WMC, MIMEX and Xstrata with the aim to identify gaps in the previous exploration efforts and to delineate and explore new areas that remain untested.

At Mount Margaret in 2015, priority was given to two high-ranked prospect areas (FC2 and FC12), both displaying classic IOCG-style anomalous magnetic and gravity signatures and inadequate historic drill testing through thin cover sediments. A total of 5 moderate depth drillholes have been completed by the JV across both prospects, including two at FC12 during this reporting period. As a result of this drilling program, FC2 remains highly prospective for the discovery of economic Cu-Au mineralisation whilst FC12 has been downgraded due to poor assay results and unfavourable host rock lithology.

FC2 Prospect.

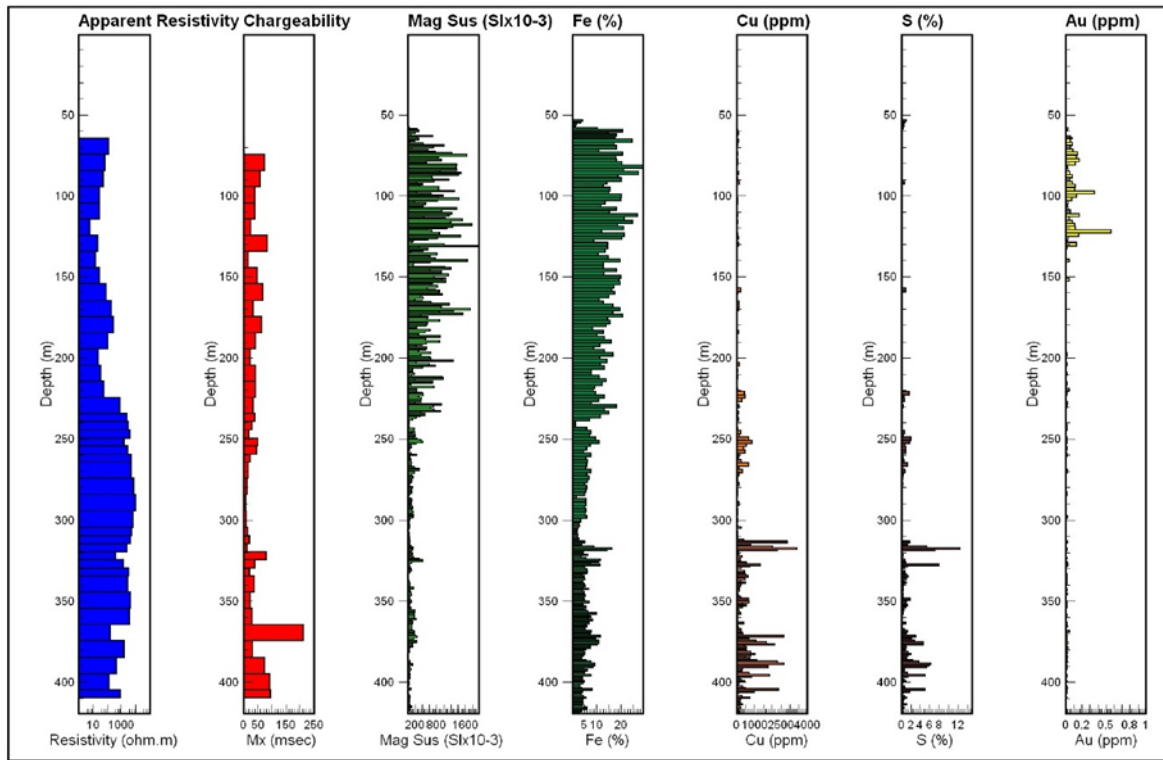
A down-hole induced polarization (DHIP) survey of MMA010, drilled in the September quarter, was carried out late in October. Hole MMA010 targeted an IP anomaly generated from a 3DIP survey over the 2014 drill-hole MMA007. Highly anomalous Cu mineralization was intersected in MMA010 below 300m downhole, along with intense magnetite alteration higher in the hole. The hole was successfully surveyed from just below the unconformity to the bottom of the hole at 419.4m.

The results of the DHIP survey are displayed alongside magnetic susceptibility readings and DH assay results for Fe, Cu, S and Au in the multi-plot presented below.

The survey indicated a broad zone of moderate chargeability and lower resistivity in the basement above ca 250m down the drill-hole. This zone is coincident with the zone of high magnetite as indicated by the down-hole magnetic susceptibility profile (see figure below). The main chargeability peaks and associated dips in resistivity occur below 300m DH where magnetite content is low. These peaks occur in the high-Cu zone and can be correlated with Cu and S (+Fe) as chalcopyrite and pyrite. Encouragingly, the IP response is increasing near the bottom of the hole, suggesting that the Cu-mineralization may be continuing beyond the E.O.H.

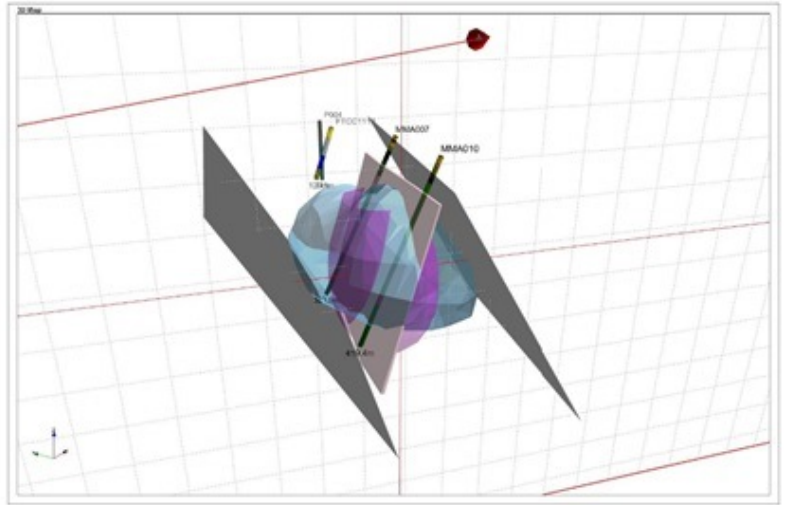
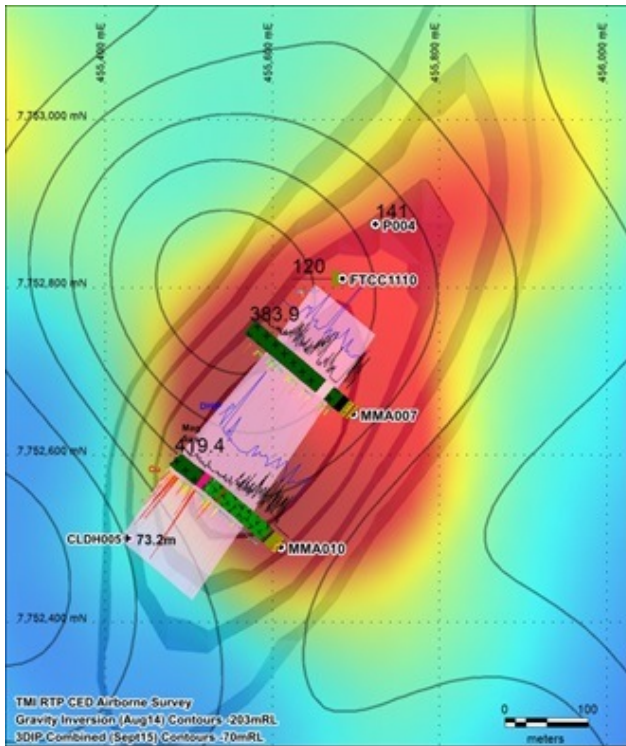
The DHIP survey has confirmed that the Cu mineralization is detectable, however it also demonstrated at low-grades it would be difficult to differentiate from zones of high-magnetite.

MMA010 - DHIP, MagSus, Assays



FC2 Prospect: Down-hole multi-plot for drill-hole MMA010. From left: Resistivity, Chargeability, magnetic susceptibility, Fe (wt %), Cu (ppm), S (wt %), Au (ppm).

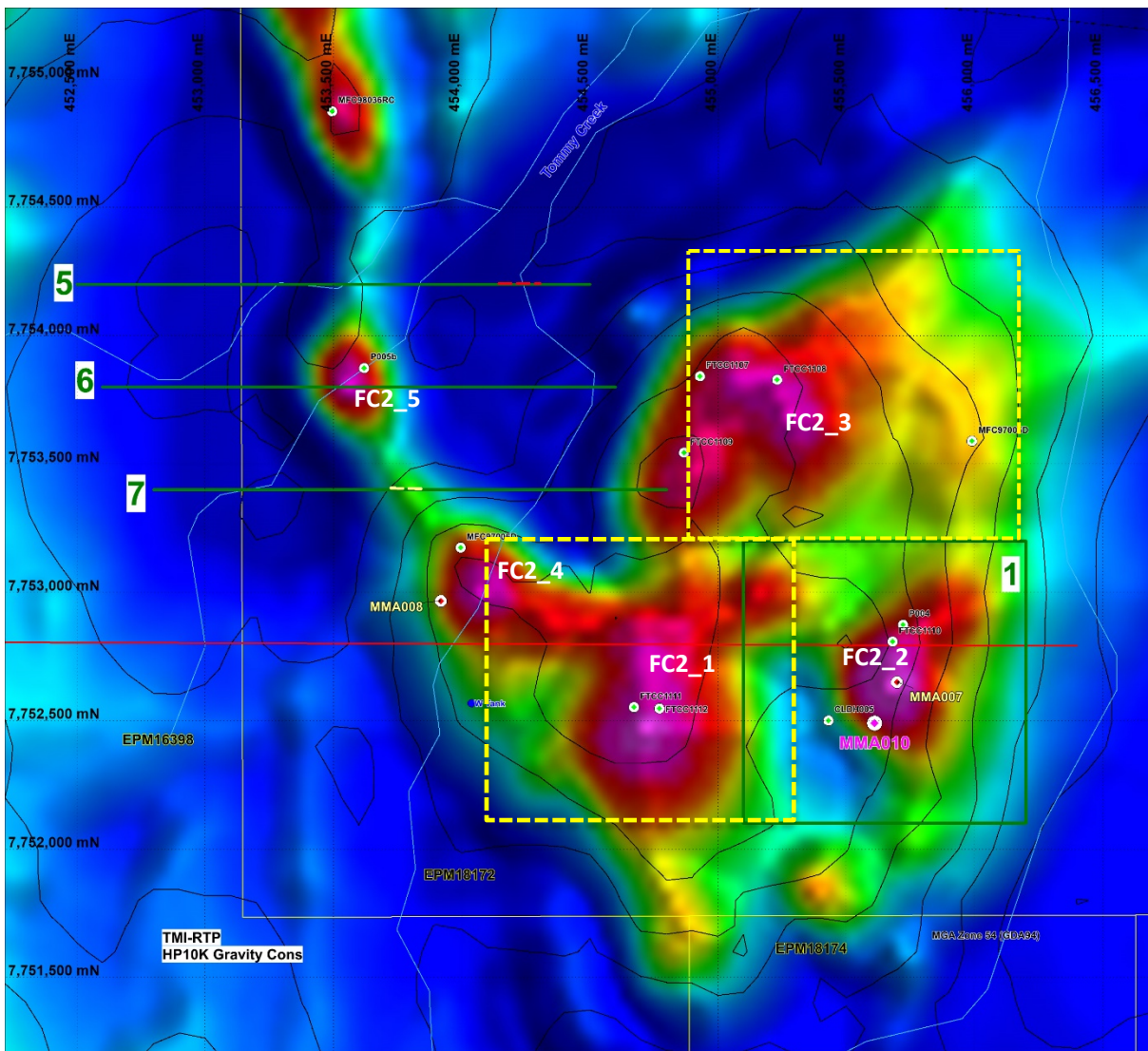
Structural analysis of downhole measurements from holes MMA007/010 and of gridded potential field and 3D electrical geophysical data indicates a dominant NE-trending moderate SE dipping orientation, very similar to the bounding structures at Ernest Henry. A similar set of bounding footwall-hanging wall faults can be interpreted at FC2 which enclose the coincident magnetic and chargeable anomaly. Mineralised vein sets also dominantly dip to the SE in both holes. A felsic lense intersected in both drill holes is interpreted in 3D to dip to the NW which may indicate the mineralisation event cross-cuts the host lithology.



FC2 Prospect: 2D plan view of MMA007, MMA010 area (left) with 3D horizontal slice of the 3DIP contours at -70m RL and 3D gravity inversion model contours at -203mRL, background image is TMI_RTP. A felsic lense identified in both holes MMA007 and MMA010 has been added to the model and projected to the surface. The image on the right is a 3D view (looking ENE) showing shells for 3DIP, 3D magnetic and 3D gravity models, drill-holes, interpreted bounding structures, and with the addition of the felsic lense. Note that when snapped to the drill-holes the strike of the lense is parallel to the IP anomaly but dips steeply to the NW.

The very encouraging results from both the 3DIP survey conducted over the FC2_2 target area (includes MMA007) and the subsequent drilling of the diamond drill-hole MMA010, 200m SW of MMA007, provides the impetus to conduct further exploration work over this highly prospective area in 2016. The 3DIP survey defined a clear target and testing of that target resulted in a significant intersection of highly anomalous Cu mineralization. Other areas within the greater FC2 anomaly are also highly prospective and poorly-tested. The next phase of work would see the completion of infill gravity over the prospect and further 3DIP surveys given the success of the technique at identifying sulphides at MMA007-010.

The figure below shows the FC2 prospect area and proposed 3DIP survey boundaries.

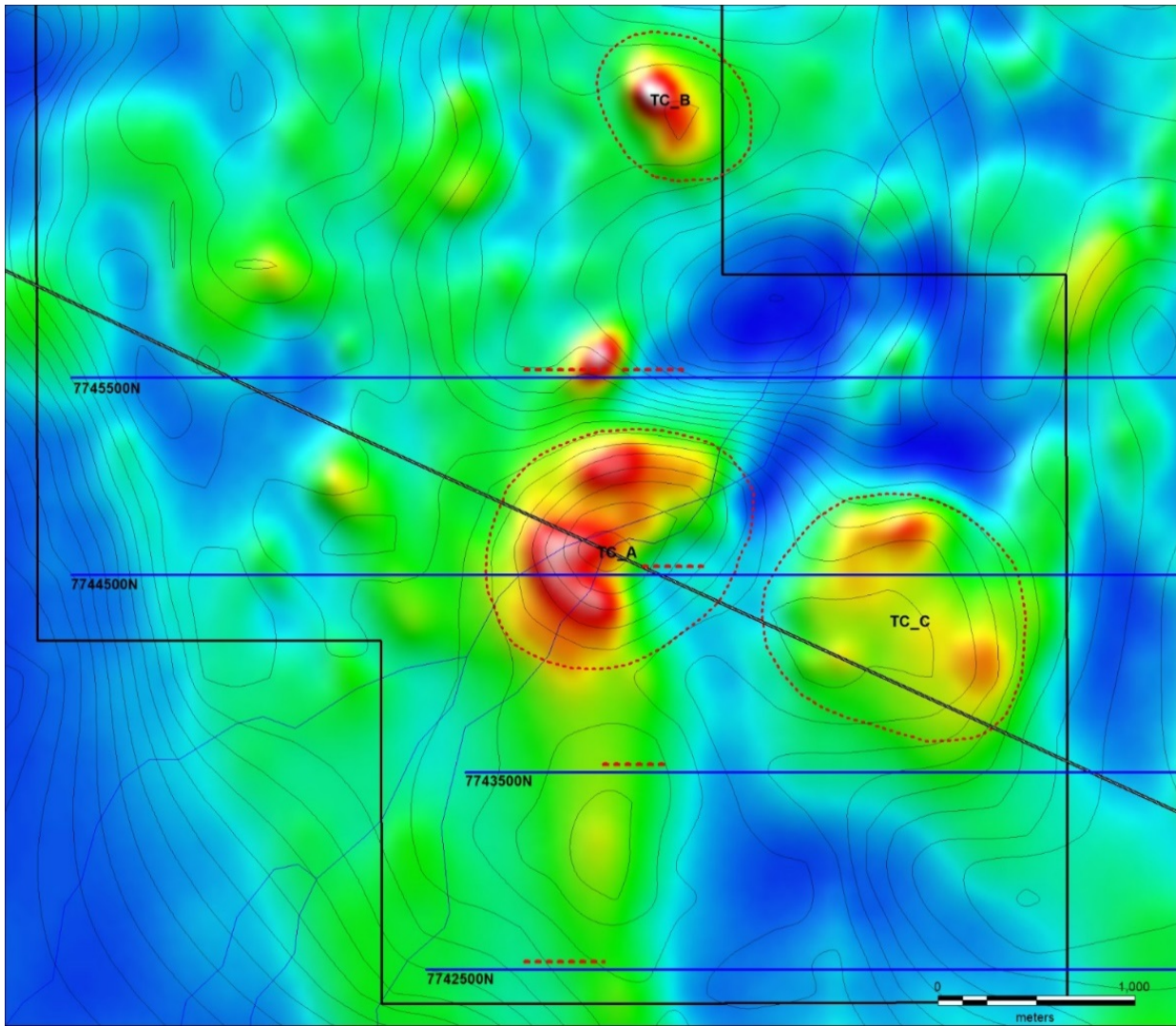


FC2: Possible additional 3DIP survey blocks (yellow dashed enclosures) over background image of TMI-RTP, HP10K filter contours (0.5mGal intervals) with JV IP line (red) & drill collars, and historical drill collars. Green square represents 3DIP 2015 survey area.

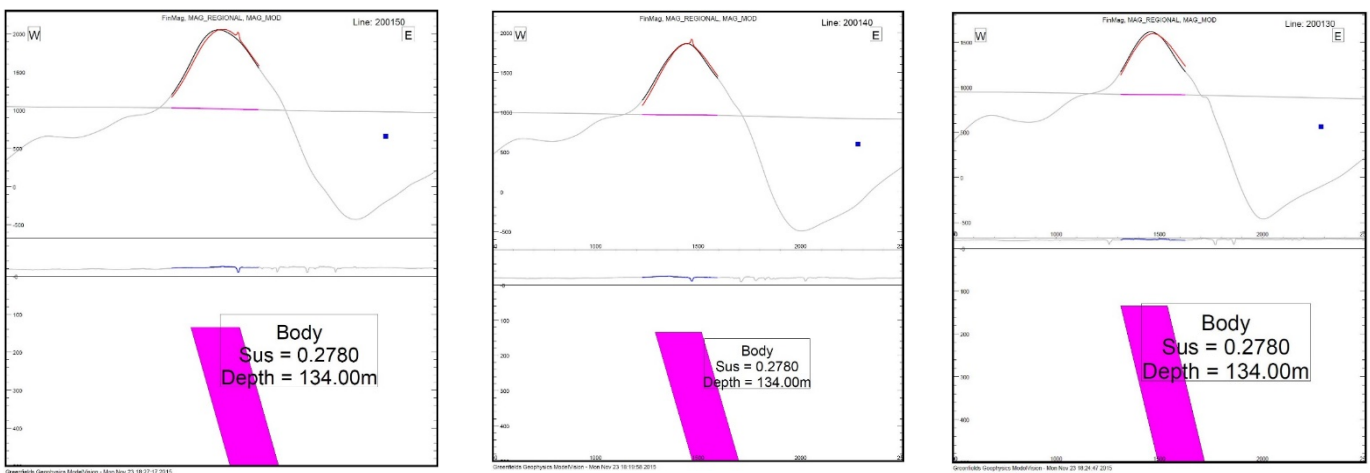
Tommy Creek Prospect.

EPM 25545 was selected to cover a cluster of three coincident gravity-magnetic anomalies located immediately south of the FC2W prospect area. Analysis of historic data showed gravity coverage was sparse and no drilling had taken place. The JV subsequently completed a detailed gravity survey which highlighted anomaly TC-A as a large 3 mgal circular anomaly with overlapping complex magnetic signature. Reprocessing of regional Search IP data indicated the presence of a weak chargeability anomaly near the centre of the gravity bullseye. This anomaly may be related to a water pipeline that bisects the anomaly although a similar response was recorded on lines immediately north and south, some distance from the pipeline.

As no drilling has been completed in the vicinity of the Tommy Creek prospect, airborne magnetic flight line data was modelled to give an indication of depth of cover. A good fit was obtained between modelled and observed data giving an estimated depth to top of anomaly TC-A of 100-150m. See figures below.



Tommy Creek Prospect– The priority targets TC_A, B & C with Xstrata IP survey lines and possible anomalies (red dashes) and NW-SE trending EHM pipeline; Background image is merged TMI-RTP and updated June15 HP10K Gravity Contours.



Tommy Creek Prospect: Modelled and observed magnetic flight-line data for three flight-lines over target TC_A. Magnetics has been modelled using a simple tabular magnetic body as shown. Flight lines modelled are, from left: 7744700mN (200150), 7744650mN (200140), 7744600mN (200130).

Forward Program

The March quarter will see preparation for the 2016 field program, should the JV partners commit to further work beyond the initial farm-in period of the Joint Venture. The focus is likely to be on refining targets within the greater FC2 anomaly at Mount Margaret using gravity and IP geophysical methods prior to further drill testing. An infill gravity program will be designed for Tommy Creek and scout drill testing of TC-A considered. At FC12, the remaining prospectivity will be assessed, particularly the anomalous molybdenum response at MMA013.

Bungalien Project

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

The only work completed at Bungalien during the December quarter was the rehabilitation of existing drill collar locations at Burke Bore prospect.

TENEMENT SUMMARY

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

Additional information was submitted to the Department supporting the renewal of EL 4515, outcome is pending.

The Mt Morgan Group Project Status which was granted in March 2015 was amended to include three recently granted licences, this was approved in early January 2016. Likewise the Mt Margaret Group Project Status which was recently granted in October 2015 was amended to include 2 additional tenements, this was also approved in early January 2016.

An application for Project Status for the Mt Coolon group of tenements was submitted; this will consolidate and simplify future expenditures and relinquishment for this group of tenements.

Project / Name	Tenement No.	Owner	Manager	Interest	Status	Granted	Expiry	Application Date	Approx Area (km ²)	sub-blocks	State
Victoria											
Malmsbury											
Belltopper	EL4515	GBMR ^{*1} /Belltopper Hill	GBMR	100%	Granted	06-Oct-05	05-Oct-15		25	25	Vic
Willaura											
Willaura	EL5346	GBMR	GBMR	100%	Granted	02-Jun-11	01-Jun-16		8	8	Vic
Lake Bolac2	EL5423	GBMR	GBMR	100%	Granted	03-Dec-12	02-Dec-17		218	218	Vic
Yea											
Monkey Gully	EL5293	GBMR	GBMR	100%	Granted	23-Mar-11	22-Mar-16		86	86	Vic
Tin Creek	EL5292	GBMR	GBMR	100%	Granted	23-Mar-11	22-Mar-16		91	91	Vic
Rubicon	EL5347	GBMR	GBMR	100%	Granted	27-Feb-12	26-Feb-17		104	104	Vic
Queensland											
Mount Morgan											
Dee Range	EPM16057	GBMR	GBMR	100%	Granted	27-Sep-07	26-Sep-16		46	14	Q'ld
Boulder Creek	EPM17105	GBMR	GBMR	100%	Granted	26-Mar-08	25-Mar-17		88	27	Q'ld
Black Range	EPM17734	GBMR	GBMR	100%	Granted	20-May-09	19-May-16		81	25	Q'ld
Smelter Return	EPM18366	GBMR	GBMR	100%	Granted	21-Jun-12	20-Jun-17		98	30	Q'ld
Limonite Hill	EPM18811	GBMR	GBMR	100%	Granted	21-Nov-12	20-Nov-17		260	80	Q'ld
Limonite Hill East	EPM19288	GBMR	GBMR	100%	Granted	31-Oct-13	30-Oct-18		29	9	Q'ld
Mt Hoopbound	EPM18812	GBMR	GBMR	100%	Granted	26-Jul-12	25-Jul-17		23	7	Q'ld
Mt Victoria	EPM25177	GBMR	GBMR	100%	Granted	26-Aug-14	25-Aug-17		3	1	Q'ld
Bajool	EPM25362	GBMR	GBMR	100%	Granted	27-Nov-14	26-Nov-17		111	34	Q'ld
Mountain Maid	EPM25678	GBMR	GBMR	100%	Granted	09-Apr-15	08-Apr-18		26	8	Q'ld
Mount Isa Region											
Talawanta - Grassy Bore											
Talawanta2	EPM19255	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	26-Aug-14	25-Aug-19		325	100	Q'ld
Grassy Bore2	EPM19256	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	27-Jun-14	26-Jun-18		322	99	Q'ld
Mount Margaret											
Mt Malakoff Ext	EPM16398	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	19-Oct-10	18-Oct-20		85	26	Q'ld
Cotswold	EPM16622	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	30-Nov-12	29-Nov-17		46	14	Q'ld
Mt Marge	EPM19834	GBMR/Isa Tenements	GBMR	100%	Granted	04-Mar-13	03-Mar-18		3	1	Q'ld
Dry Creek	EPM18172	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	13-Jul-12	12-Jul-17		189	58	Q'ld
Dry Creek Ext	EPM18174	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	25-Oct-11	24-Oct-16		39	12	Q'ld
Corella	EPM25545	GBMR/Isa Tenements	GBMR	100%	Granted	20-Mar-15	19-Mar-17		59	18	Q'ld
Tommy Creek	EPM25544	GBMR/Isa Tenements	GBMR	100%	Granted	11-Nov-14	10-Nov-16		33	10	Q'ld
Brightlands											
Brightlands	EPM14416	GBMR ^{*2} /Isa Brightlands	GBMR	100%	Granted	5-Aug-05	4-Aug-16		254	78	Q'ld
Brightlands West	EPM18051	GBMR/Isa Brightlands	GBMR	100%	Granted	22-Oct-13	21-Oct-18		7	2	Q'ld
Brightlands West Ext.	EPMA18672	GBMR/Isa Brightlands	GBMR	100%	Appl'n			04-May-10	16	5	Q'ld
Wakeful	EPM18454	GBMR/Isa Brightlands	GBMR	100%	Granted	23-Jan-12	22-Jan-17		7	2	Q'ld
Highway	EPM18453	GBMR/Isa Brightlands	GBMR	100%	Granted	23-Jan-12	22-Jan-17		10	3	Q'ld
Bungalien											
Limestone Creek	EPM17849	GBMR/Isa Tenements	GBMR	100%	Granted	20-Oct-10	19-Oct-20		49	15	Q'ld
Bungalien 2	EPM18207	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	24-May-12	23-May-17		120	37	Q'ld
Horse Creek 2	EPM18208	GBMR ^{*2} /Isa Tenements	GBMR	100%	Granted	2-Aug-12	1-Aug-17		163	50	Q'ld
The Brothers	EPM25213	GBMR/Isa Tenements	GBMR	100%	Granted	16-Oct-14	15-Oct-19		10	3	Q'ld
Mayfield											
Mayfield	EPM19483	GBMR ^{*2,4} /Isa Tenements	GBMR	100%	Granted	11-Mar-14	10-Mar-19		302	93	Q'ld
Mt Coolon											
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	Granted	13-Jun-08	12-Jun-18		325	100	Q'ld
Mt Coolon East	EPM25850	GBMR/MCGM	GBMR	100%	Granted	07-Sep-15	06-Sep-20		260	80	Q'ld
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	Granted	18-Sep-14	17-Sep-19		146	45	Q'ld
Conway	EPM7259	GBMR/MCGM	GBMR	100%	Granted	18-May-90	17-May-19		39	12	Q'ld
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	Granted	30-May-74	31-Jan-24		0.7		Q'ld
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	31-Jan-24		0.0		Q'ld
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	31-Jan-24		1.0		Q'ld
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	Granted	05-Dec-96	31-Dec-16		1.3		Q'ld
									4103.29		

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 subblock ~3.2km². 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 December 31st 2015.

CORPORATE

1. The Company spent a total of A\$958,000 in the quarter, of which A\$703,000 was for exploration and A\$255,000 for administration costs. Cash at 31 December 2015 was A\$1.3 million.

2. Non-Renounceable Entitlement Issue

The successful completion of the non-renounceable entitlement offer ('Offer'), which closed on 17 December 2015, raised a total of \$1.395 million before costs of the Offer and the funds will be used to progress the evaluation and development of its 100% owned Mt Coolon Gold Project.

During the December quarter the Company issued 41,063,104 ordinary fully paid shares at 1.5 cents each pursuant to the Offer. The placement of the Offer shortfall was completed subsequent to the end of the December quarter with the issue of a further 51,919,250 ordinary fully paid shares.

3. During the December quarter Mr Frank Cannavo resigned as a director of the Company.

For Further information please contact:

Peter Thompson
Managing Director
GBM Resources Limited
Tel: 08 9316 9100

Media
Karen Oswald
Marko Communications
Tel: 0423 602 353

Explanatory notes:

The information in this report that relates to Exploration Results and Exploration Targets 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.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the respective announcements and all material assumptions and technical parameters underpinning the resource estimates with those announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

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

Quarter ended ("current quarter")

ABN 91 124 752 745

31 December 2015

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation (including JV Farm-in spend)	(703)	(1,793)
(b) development	-	-
(c) production	-	-
(d) administration	(255)	(436)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – JV and farm-in management fees	44	117
- Option fee income	-	100
- Sundry income	33	37
Net Operating Cash Flows	(877)	(1,969)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	-	-
(d) bonds	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
(d) bonds redeemed	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	57
1.12 Other - JV Farm-in contributions received	369	974
Other – Refundable payments received	350	500
Net investing cash flows	719	1,531
1.13 Total operating and investing cash flows (carried forward)	(158)	(438)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(158)	(438)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	616	616
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)	(7)	(7)
	Net financing cash flows	609	609
	Net increase (decrease) in cash held	451	171
1.20	Cash at beginning of quarter/year to date	828	1,108
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,279	1,279

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	101
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 \$540,079 (\$1,112,479 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 ¹	350
4.2 Development	
4.3 Production	
4.4 Administration	200
Total	550

¹The forecast cash outflows for the period include expenditure on the farm-in projects subject to the agreement with Mitsui and Pan Pacific. Subsequent to the end of the December quarter the Company raised \$778,789 upon completion of the allotment of the shortfall securities arising from the non-renounceable entitlement issue which closed on 17 December 2015.

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	1,176	728
5.2 Deposits at call	103	100
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,279	828

Appendix 5B
Mining exploration entity quarterly report

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			
6.2	Interests in mining tenements acquired or increased			

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 <i>(description)</i>	-		
7.2	Changes during quarter	-		
7.3	+Ordinary securities	598,957,225	598,957,225	
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	41,063,104 -	41,063,104 -	
7.5	+Convertible debt securities <i>(description)</i>	-	-	
7.6	Changes during quarter	-	-	
7.7	Options <i>(description and conversion factor)</i>	177,746,562	<i>Exercise price</i> \$0.035	<i>Expiry date</i> 30 Jun 2016
7.8	Issued during quarter	-	-	
7.9	Exercised during quarter	-	-	
7.10	Expired during quarter	-	-	
7.11	Debentures <i>(totals only)</i>	-	-	
7.12	Unsecured notes <i>(totals only)</i>	-	-	

+ See chapter 19 for defined terms.

7.13 Performance Share Rights <i>(description and vesting dates)</i>	-	-	<i>Vesting date</i>	<i>Expiry date</i>
7.14 Issued during quarter	-	-		
7.15 Exercised during quarter	-	-		
7.16 Expired during quarter	-	-		

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: 

 Company Secretary

Date: 29 January 2016

Print name: Kevin Hart

+ See chapter 19 for defined terms.

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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