

ASX Announcement

6 September 2016

Company Announcements Office
Australian Securities Exchange
Level 4 20 Bridge St
Sydney NSW 2000

Non-Renounceable Entitlement Issue – Notification to Shareholders

Please find attached a copy of the notification to Shareholders mailed in respect of the non-renounceable entitlement offer of options as advised to ASX today.

For further information please visit www.gbmr.com.au or contact:

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ASX Code: GBZ

COMPANY DIRECTORS

Peter Thompson
Managing Director/ Executive
Chairman

Neil Norris
Exploration Director – Executive

Hun Seng Tan
Non-Executive Director

CONTACT DETAILS

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6th September 2016

Dear Shareholder

GBM Resources Limited Entitlement Issue – Notification Details

On 5th September 2016 the Company announced an opportunity for the holders of shares in the Company (Shareholders) to participate in a non-renounceable pro-rata Entitlement issue.

Pursuant to the Entitlement Issue, the Company will issue up to 203,391,744 new options (**New Options**) at 0.3 cents per option (**Offer**) to raise up to \$610,175 (before costs). The New options will be offered on the basis of one (1) New Option for every four (4) shares held in the capital of the Company at the Record Date (**Entitlement**).

The New options will be exercisable at \$0.05, expiring on 30th September 2019, and upon exercise, the shares issued will be fully paid and will rank equally with the company's existing issued Shares. The Company will make an application to the Australian Securities Exchange Limited (**ASX**) for official quotation of the New Options.

All eligible holders of fully paid shares on the Company's Register as at 5.00pm (WST) on **9th September 2016 (Record Date)** are entitled to take up this offer.

The Prospectus and Appendix 3B has been lodged with the ASX and is available on the ASX website (asx.com.au) and on the Company's website (www.gbmr.com.au).

The Company has also lodged a Prospectus in relation to the Offer at the Australian Securities and Investments Commission and this document will be dispatched to shareholders of the Company on **13th September 2016**.

The capital structure on completion of the Offer will be as follows:

Shares	Number
Shares on issue at date of Prospectus	813,566,975
Shares issued pursuant to the Offer	-
Total Shares on issue after completion of the Offer	813,566,975

Options	Number
Listed exercisable at 0.5 cents on or before 30 th September 2019	Nil
Options issued pursuant to the Offer	203,391,744
Total Options on issue after completion of the Offer	203,391,744

Offer not Underwritten

The Offer is not underwritten.

Key dates

With respect to the Entitlement Issue, the Company will accept applications until **5.00pm WST on Thursday 6th October 2016 (Closing Date)** or any other date the Directors in their absolute discretion determine, subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable law. An indicative timetable for the Entitlement Issue is as follows:

Lodgement of Prospectus with ASIC	Monday 5 th September 2016
Lodgement of Prospectus and Appendix 3B with ASX	Tuesday 6 th September 2016
Notice sent to Shareholders	Tuesday 6 th September 2016
Ex Date	Wednesday 8 th September 2016
Record Date for determining Entitlements	5pm (WST) Friday 9 th September 2016
Prospectus dispatched to Shareholders	Tuesday 13 th September 2016
Closing Date*	5pm (WST) Thursday 6 th October 2016
Options quoted on a deferred settlement basis	Friday 7 th October 2016
Notify ASX of under-subscriptions	Tuesday 11 th October 2016
Despatch date/Options entered into Shareholders' security holdings	Thursday 13 th October 2016
Date of despatch of holding statements*	Friday 14 th October 2016

- * Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the New Options.

For further information on your entitlement please contact myself at (08) 9316 9100 or the Company's share registry.

A Prospectus, Entitlement and Application Form will be mailed to Shareholders within four business days of the record date.

Yours sincerely
GBM RESOURCES LIMITED

Kevin Hart
Company Secretary