

ASX Announcement
26 October 2016

GB Energy Limited is an exploration company focused on energy metals

Directors

Chairman
Mr Stuart Rechner
Executive Director
Mr Nick Burn
Director
Dr David Detata

Operations

CFO/Company Secretary
Ms Anna MacKintosh
Lead Consultant
Mr James Allchurch

Issued Capital

Ordinary Shares
905,955,825
Unlisted Options
75,000,000

**Share Price – 26
October 2016**

\$0.004

**Securities Exchange
Listing**

Australian Securities
Exchange
Code: GBX

Further Contact:

Mr Nick Burn
Executive Director
GB Energy Ltd
Tel: 08 6555 0320
Fax: 08 9325 1238
www.gbenergy.com.au

Quarterly Activities Report

Quarter Ended 30 September 2016

GB Energy (ASX: GBX) (“the Company”) is pleased to provide the following summary of activities conducted in the September quarter.

GB ENERGY AWARDED \$200,000 DRILLING GRANT FOR MT DENISON

In August the Company was awarded \$200,000 in PACE Discovery Drilling co-funding from the Government of South Australia for its Mt Denison Copper-Gold-Uranium project.

GB Energy has completed detailed ground gravity and airborne magnetic / radiometric surveys over the project area identifying several targets of interest beneath sedimentary cover.

GB Energy already has a Native Title Mining Agreement for Exploration in place and has commenced work on drilling approvals.

Ni-Cu-PGE AND U TENEMENT APPLICATIONS LODGED IN NT

During the quarter, the Company lodged applications for Exploration Licences EL31275 and EL31391 “Indiana” in the East Arunta Region of the Northern Territory.

GB Energy selected the project area within the Irindina Province of the East Arunta Region based on prospectivity for Nickel-Copper-Platinum Group Elements (Ni-Cu-PGE) in mantle-derived mafic-ultramafic intrusions.

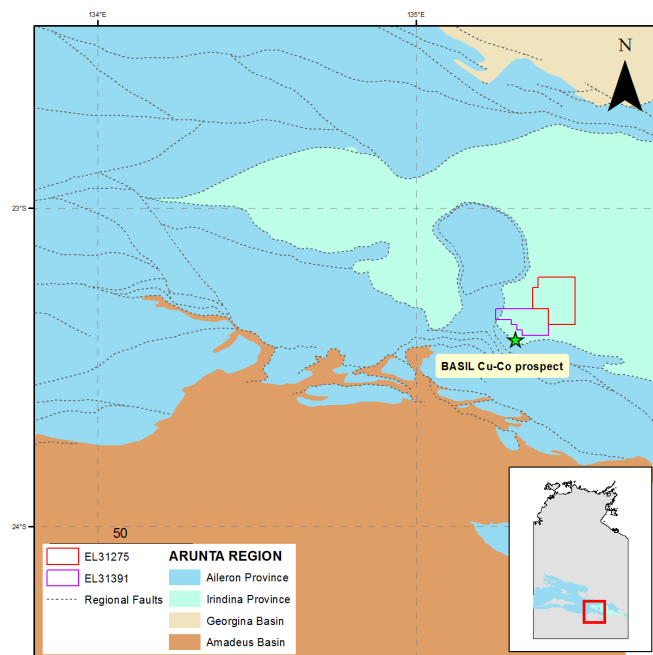


Figure 1: Regional Geology of Indiana Project showing ELA31275 and ELA31391

ELA31275 contains the Blackadder and Baldrick Cu-Ni-PGE prospects over outcropping copper-bearing gabbro intrusions and lies approximately 15km NE of the Basil Copper-Cobalt sulphide prospect defined by Mithril Resources Ltd.¹

The area is also known to contain outcropping pegmatites and historic mica workings. The Northern Territory Geological Survey (NTGS) and neighbouring explorers have noted Lithium-Caesium-Tantalum (LCT) type pegmatites in the province². No previous lithium exploration has been recorded in the area according to the NTGS database.

During the September 2016 quarter the Company also lodged applications ELA31392 and ELA31393 in the Ngalia Basin of the Northern Territory. The intracratonic Ngalia Basin is known to host significant sandstone-hosted and palaeochannel uranium mineralisation, including the Bigrlyi tabular sandstone-hosted uranium vanadium deposit.³

Exploration licence applications EL31275, EL31391, EL31392 and EL31393 will be subject to the standard processes of the Northern Territory Department of Mines and Energy and grant cannot be guaranteed.

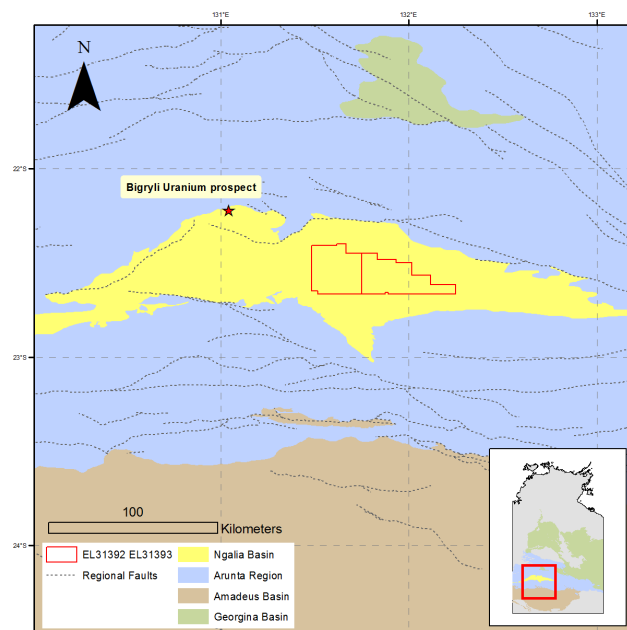


Figure 2: Regional Geology showing new applications ELA31392 and ELA31393

GB ENERGY NOT TO PROCEED WITH BITTERWASSER OPTION

On 19 May 2016, the Company announced it had entered into an Option Agreement which, if exercised and subject to regulatory approvals, provided the right to farm-in to a 70% interest in the Bitterwasser Lithium Clay Project (Bitterwasser Project) in Namibia. Following completion of due diligence, on 19 September 2016, the Company advised that it will not be exercising the Option to farm-in to the Bitterwasser Project.

¹ www.mithrilresources.com.au/pdfs/2012-03-20-22144220120321_JORC_Basil_Cu-Co_Resource.pdf

² Frater KM, 2005. Tin-tantalum pegmatite mineralisation of the Northern Territory. Northern Territory Geological Survey, Report 16

³ www.energymetals.net/projects-nt-bigrlyi

SEDIMENT AND BRINE SAMPLING COMPLETE AT LAKE GREGORY

Subsequent to the end of the September 2016 quarter the Company has completed initial field reconnaissance and sediment/brine sampling work at the Lake Gregory project in South Australia. Lake Gregory was targeted following review of a Geoscience Australia prospectivity analysis which identified the potential of Lake Gregory to host lithium brines, potash and uranium mineralisation.

GB Energy completed a sampling programme that included the excavation of nine hand-dug pits across Lake Gregory to a total depth of between 0.8 metres below ground surface (mbgs) and 1.1mbgs. Highly saline water was recovered from five of the nine pits using a peristaltic pump. Water levels ranged from 0.69mbgs to 1mbgs. Sediment samples from the pits as well as surface sediments and waters were also collected and submitted for analysis.

A detailed analytical suite has been designed to ascertain the potential for lithium, potassium and other important elements in the brine water beneath Lake Gregory.

CORPORATE - APPOINTMENT OF EXPLORATION MANAGER AND BOARD CHANGES

Shortly after the end of the Quarter, GB Energy appointed Mr Nick Burn BSc (Hons) MBA MAIG as Exploration Manager and Executive Director. Mr Burn has over 25 years' experience in the minerals exploration industry including extensive operational experience throughout Australia. Mr Burn was previously CEO of ASX-listed uranium explorer Regalpoint Resources Ltd and Exploration Manager for Energy Metals Ltd.

GB Energy Executive Chairman Mr Graeme Kirke resigned from the Board effective 10 October 2016. Mr Stuart Rechner will assume the role of Chairman effective 10 October 2016.

TENEMENT SCHEDULE (Disclosure per ASX Listing Rule 5.3.3)

Tenements held at end of the quarter by GB Energy and subsidiary companies

TENEMENT	LOCATION	NAME	INTEREST
EL 5231	South Australia	Stuart Shelf	100%
EL 5255	South Australia	Stuart Shelf	100%
EL 5302	South Australia	Mt Denison	100%
EL 5391	South Australia	Lake Blanche	100%
EL 5778	South Australia	Lake Gregory	100%
ELA31275	Northern Territory	Indiana	Application
ELA31391	Northern Territory	Indiana	Application
ELA31392	Northern Territory	Ngalia	Application
ELA31393	Northern Territory	Ngalia	Application
E45_4572	Western Australia	Kintyre North	Application
E80_5012	Western Australia	Mt Angelo	Application
E80_5013	Western Australia	Armanda River	Application

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information reviewed by Mr Nick Burn who is an employee of the Company and is a director of the Company. Mr Burn is a member of the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation, the types of deposits under consideration and the 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 Burn consents to the inclusion of the information in the form and context in which it appears.