

30 October 2009

The Manager  
Company Announcements  
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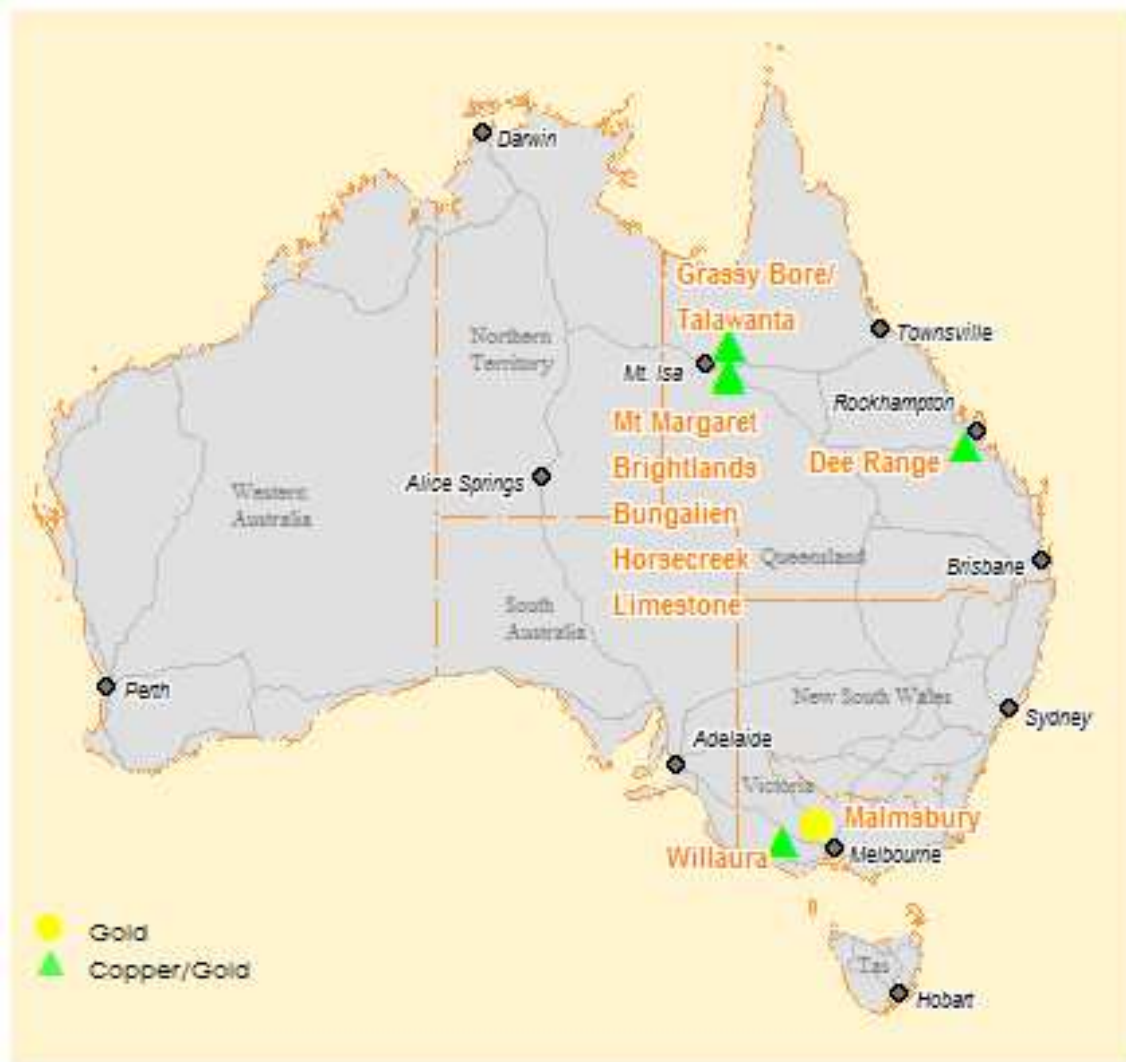
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## **REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

***Exploration Focus in the quarter has been on the Brightlands Copper Gold Project, Mt Isa, Northern Queensland.***

### ***Key Highlights:***

- ***RC drill programme at the Tiger Prospect confirmed copper mineralisation and the continuity of the structure over a strike of 1.5 kilometres. All holes completed, intersected a major fault system being part of the Rocklands Fault system.***
- ***An additional major zone of strongly developed ironstone breccia called "T2", has been located south west of the Tiger zone and is persistent over 3 kilometres, potentially extending the size of the Rocklands system in the Tiger area.***
- ***Sub-Audio Magnetic (SAM) geophysical survey is currently being completed on the Tiger Prospect and T2 zones. A 2000m diamond drilling program is planned on the Tiger Prospect for November.***
- ***Induced Polarisation (IP) has been completed with data received to date confirming that the Tiger prospect is showing a strong geophysical response at depth. This response may indicate a significant increase in the intensity of sulphide mineralisation/alteration at depth.***
- ***1012 metre RC drill programme at the Tambourine Prospect was completed over 2 zones. 10 of the thirteen holes intersected highly anomalous copper mineralisation. Zone 2 recorded peak values up to 13.8% copper and 2.6ppm for gold. Drilling at Zone 1 confirmed continuous copper mineralisation over a 600 m strike with levels up to 3.3% copper and 0.3ppm gold. SAM geophysical survey is planned to identify target zones of potential sulphide mineralisation for follow up drilling.***
- ***No significant safety or environmental incidents occurred in the quarter.***



PROJECT LOCATION  
SEPTEMBER QUARTER 2009

## SAFETY & ENVIRONMENT

**No significant safety or environmental incidents were reported during the quarter. The company has no LTI's for the financial year. The company has now completed 21 months with no significant environmental or safety incidents.**

GBM will continue to target zero injuries and environmental incidents in line with the company's policy of striving to achieve the highest standards in safety and environmental management.

### Mount Isa Region Copper Gold Projects

During the September quarter the company remained focused on progressing its IOCG targets in the Eastern Succession of the Isa Region, in particular, the Brightlands Project where initial drill testing of the Tiger and Tambourine prospects was completed during the quarter.

A comprehensive data review for the Mount Margaret Project area, located north of Ernest Henry Mine, is nearing completion at the end of the quarter. A further six exploration permit applications were lodged to consolidate our tenement groups, acquire additional prospective areas and simplify tenement administration. This has resulted in our tenement holding in the region increasing to 3369 square kilometres and importantly, including several new targets for evaluation for IOCG style deposits.

The Mount Isa Region Tenements represent over 60% of the company's exploration areas.

The prospectivity of the Eastern Succession of the Mount Isa Region to host world class deposits was again highlighted this quarter by; discovery of further near surface bonanza grade mineralisation at Ivanhoe Australia's Mo-Rh Merlin project, continuing positive news from Cudoco's drilling of the nearby Rocklands Cu-Co Deposit and progress on a major underground feasibility study at the massive Ernest Henry Cu-Au Mine. GBM remains strongly committed to our strategy of exploring in the Mount Isa Inlier. Importantly, GBM's tenement package is highly focussed on the Eastern Succession which continues to yield new and exciting mineral discoveries of world class deposits.

The key target remains Iron Oxide Copper Gold (IOCG) and gold mineralisation.

#### **1. Brightlands Cu Au Project**

Initial shallow reverse circulation drill testing of the Tiger and Tambourine Prospects was completed during the quarter. Induced Polarisation (IP) survey has been completed and a Sub - Audio Magnetic (SAM) survey is currently in progress at the Tiger Prospect.

These prospects are the first of five high priority targets identified for detailed evaluation as a result of GBM's review of existing exploration data and a detailed lithostructural review of the Brightlands project (completed during the March quarter). Rock chip sampling, additional soil sampling and geological mapping is planned at Milo (field work in progress) and Fine Gold Gully areas.

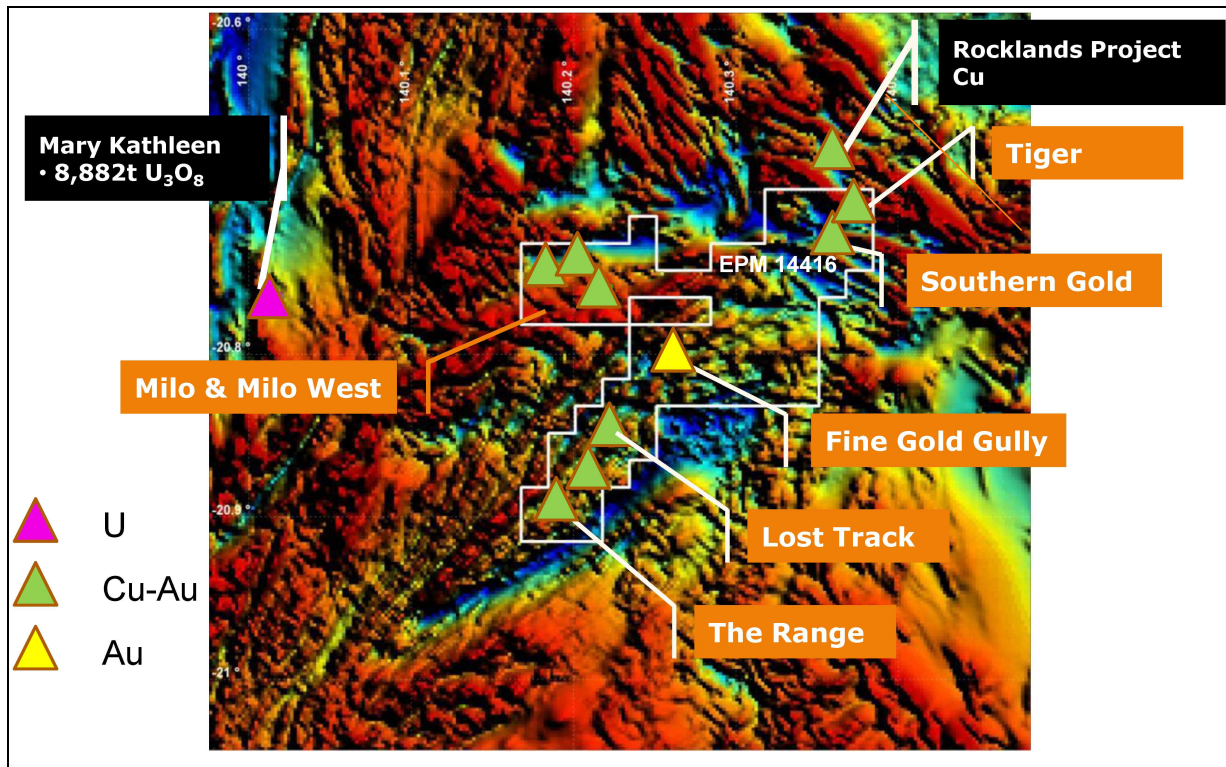


Figure Brightlands EPM 14416, key prospect areas over TMI image.

### **Tiger Prospect**

The recent Reverse Circulation drilling programme was incomplete with nine of the twenty planned holes attempted before the program was aborted. All holes were inclined at around 60° from horizontal and with the exception of hole BTRC003 were drilled to bearing 315°. Of the nine holes RC drilled, two were abandoned in the target fault zone with one of these resulting in lost hammer and rod-string. Drilling in the seven completed holes intersected highly fractured zones containing cavities in excess of two metres thick and accompanied by strong water flows, estimated to be above 20,000 litres per hour in many cases. Drilling conditions resulted in slower than optimal penetration rates, equipment loss and limited wet samples. As a result the programme was terminated early with a view to plan future drilling to utilise diamond drilling to probe the mineralised fault system at depth.

Samples were collected on one metre down hole intervals and a split of approximately 2kg submitted to ALS Mt Isa for multi element (35 elements) ME-ICP41 and gold analyses fire assay with a aqua regia AAS finish (method Au-AA21).

Drilling has confirmed the location, continuity and general orientation of the strongly developed fault zone previously mapped and sampled in the area. While drilling at this stage remains on broadly spaced centres, interpretation of surface and drilling results highlights the continuity of this structure over a strike length of 1.5 kilometres in the Brightlands Project area. The difficult drilling conditions being a direct result of the highly fractured and altered nature of rocks within this structural zone. Field drill sections confirm a moderate to steep easterly dip for the fault zone.

Wall rock lithology varies from sandstone dominated in the north to a silicified calc-silicate sedimentary sequence to the south. Fine to medium grained amphibolite horizons were also intersected in drilling.

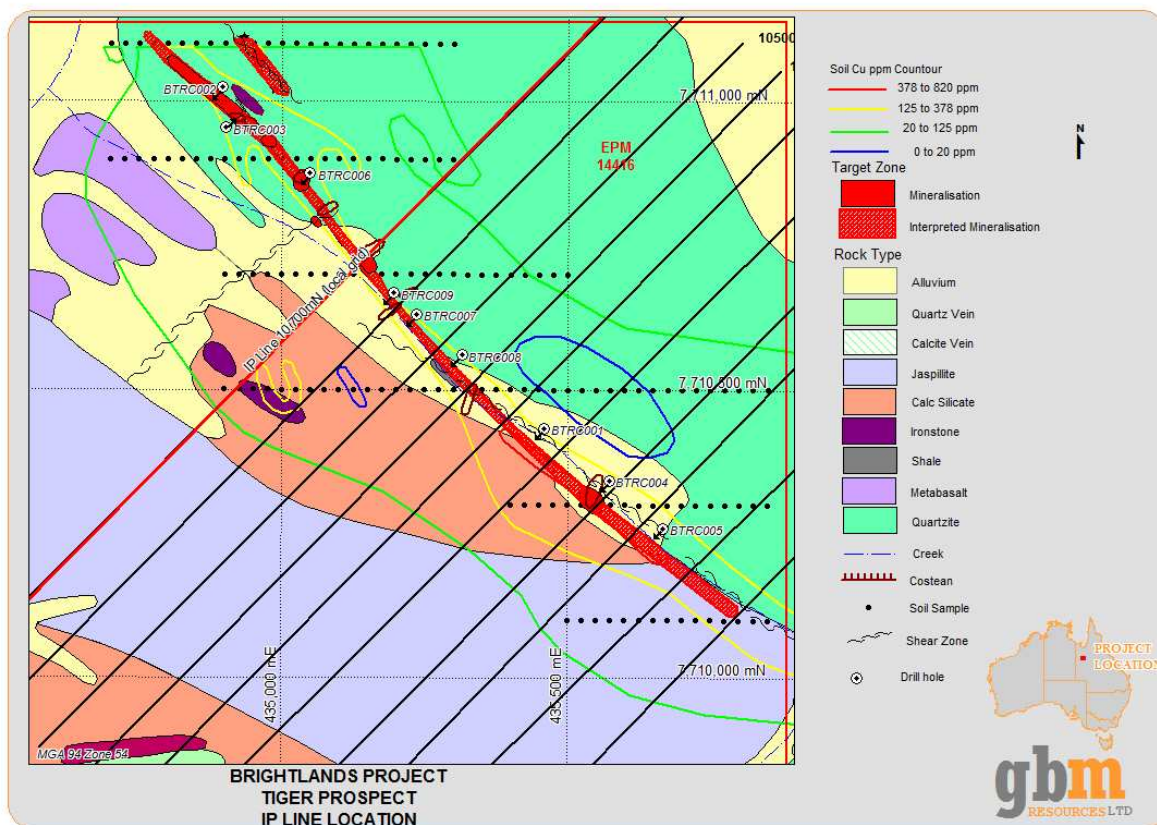
The mineralised zone is marked by strong quartz carbonate veining and variable carbonate alteration associated with vein and disseminated sulphide mineralisation. In general the depth of weathering was shallower than expected with fresh rock intersected at around 30 metres below surface; deeper weathering in the fault zone may exist in some locations. Intersections in the oxide zone encountered strongly ferruginous zones with minor malachite staining. Holes intersecting the mineralised zone below the base of oxidation encountered strong pyrite and pyrite-magnetite mineralisation with trace chalcopyrite.

Of nine holes drilled, seven intersected a strongly developed mineralised fault zone.

Hole ID	East	North	Downhole Depth		Downhole Interval	Average*		peak value	
	(mga94)	(mga94)	from (m)	to (m)	(m)	Cu (%)	Co (ppm)	Cu (%)	Co (ppm)
BTRC001	435460	7710433	18	26	8	0.15	170	0.21	285
BTRC002	434895	7711025	15	33	18	0.17	138	0.53	352
BTRC003	434901	7710955		nsi					
BTRC004	435573	7710343		nsi					
BTRC005	435667	7710260		nsi					
BTRC006	435049	7710876	18	34	16	0.21	91	0.45	387
BTRC007	435235	7710631	13	34	21	0.15	171	0.57	301
BTRC008	435315	7710560	13	25	12	0.11	147	0.15	322
BTRC009	435195	7710668	7	20	13	0.13	250	0.24	522

\* Using nominal 0.1% (1000ppm) Cu cutoff, Co averaged over same interval as Cu.

Reconnaissance mapping in the area has identified a strongly developed ironstone breccia zone (T2) located 1300 metres south west of the Tiger area which is persistent over at least 3 kilometres. Ferruginous breccia containing variably magnetite, hematite and martite up to 15 metres wide outcrop sporadically over a long strike length. These outcrops are associated in areas with wide (up to 3m observed) zones of massive coarsely granular calcite. Geological mapping and rock sampling of the broader Tiger area is currently in progress.



### Geophisic Survey Programmes include:

**The Sub-Audio Magnetic (SAM) geophysical survey is in progress** at the Tiger Prospect which will be used to identify target zones for drilling. SAM will also survey the possible extension to Tiger, a strongly developed ironstone breccia zone (T2) south west of the Tiger zone which is persistent over at least 3 kilometres.

**The Tiger Prospect Induced Polarisation (IP) geophysical survey has been completed** with field data received to date confirming that the Tiger Prospect, covering a 1.5 kilometre strike, shows a strong geophysical response at depth. The geophysical response observed in data from the IP survey so far is consistent with the response expected from the target style and type of mineralisation being sought (disseminated to semi massive Cu sulphide mineralisation) at the Tiger Prospect.

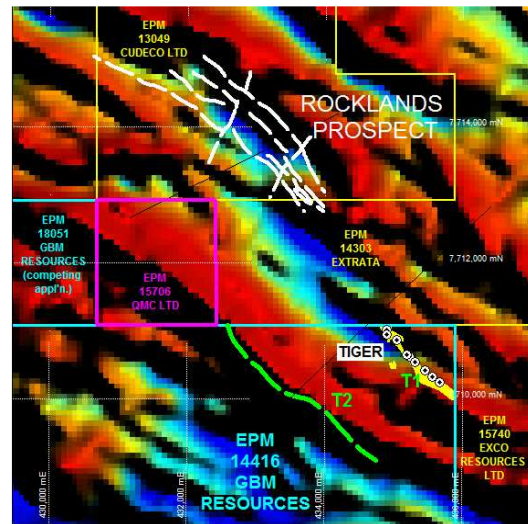
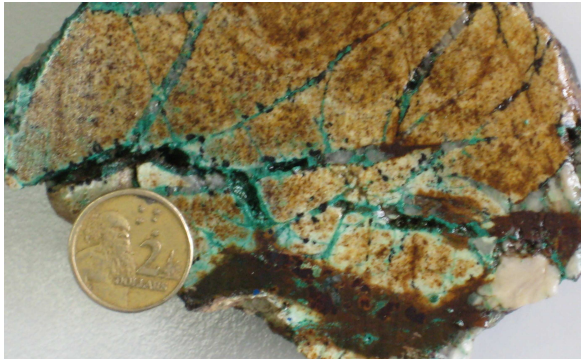
The Tiger Prospect is located on the southern extension of a structural trend which is a major fault system being part of the Rocklands Fault system. The Tiger Prospect is considered a prospective host to similar mineralisation. Geophysical surveys (both SAM and IP) have been designed to provide additional information to assist in targeting diamond drilling to test the zone at depth.

Key observations from IP data available from the survey so far are:

- Chargeability models show a consistent highly chargeable response along the Tiger fault zone. Chargeability in this situation is likely to reflect the intensity of disseminated sulphide mineralisation.
- Chargeability increases significantly below 100 metres from surface. Drilling indicated that weathering only extended to around 30 metres from surface, and generally only

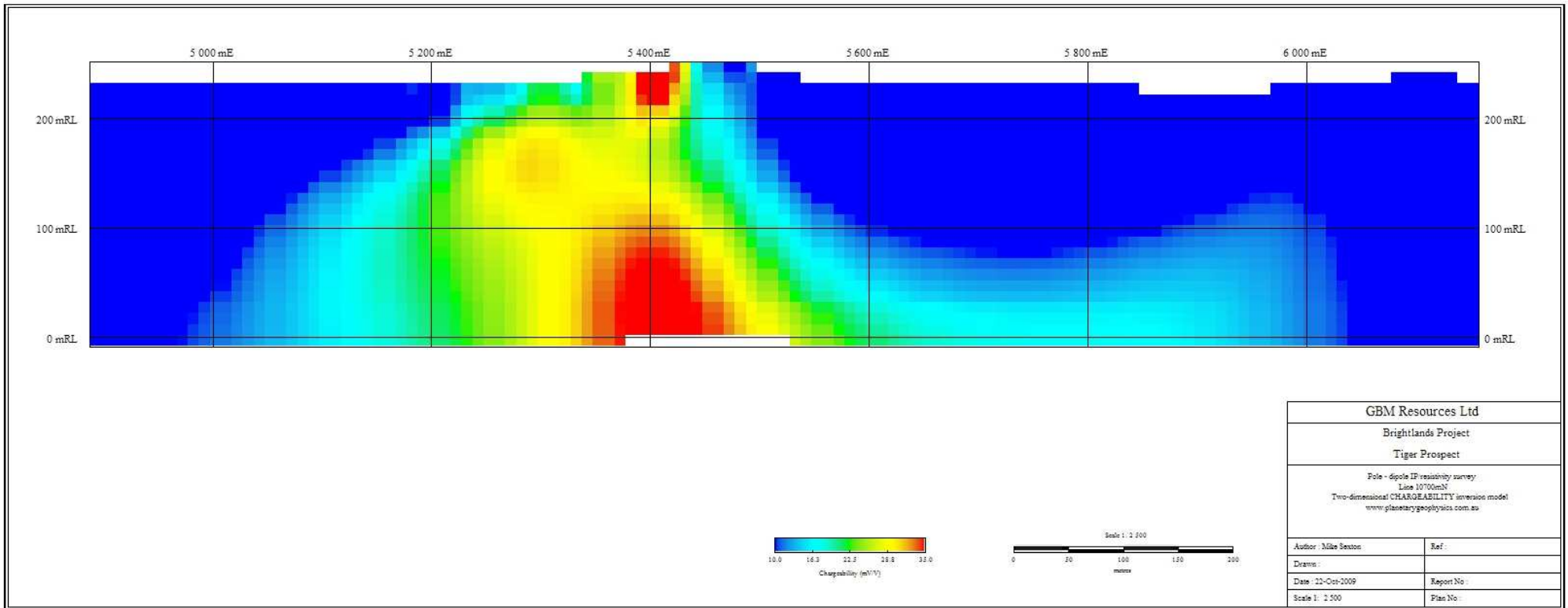
tested the mineralised zone to around 40 metres from surface. This response may indicate significant increase in intensity of sulphide mineralisation at this depth.

- Resistivity data shows a consistent zone of low resistivity (more conductive rock) associated with the chargeability high. This is also consistent with elevated sulphide content



*Photograph. Malachite (Cu carbonate mineral) filling fractures and disseminated throughout altered quartzite.*

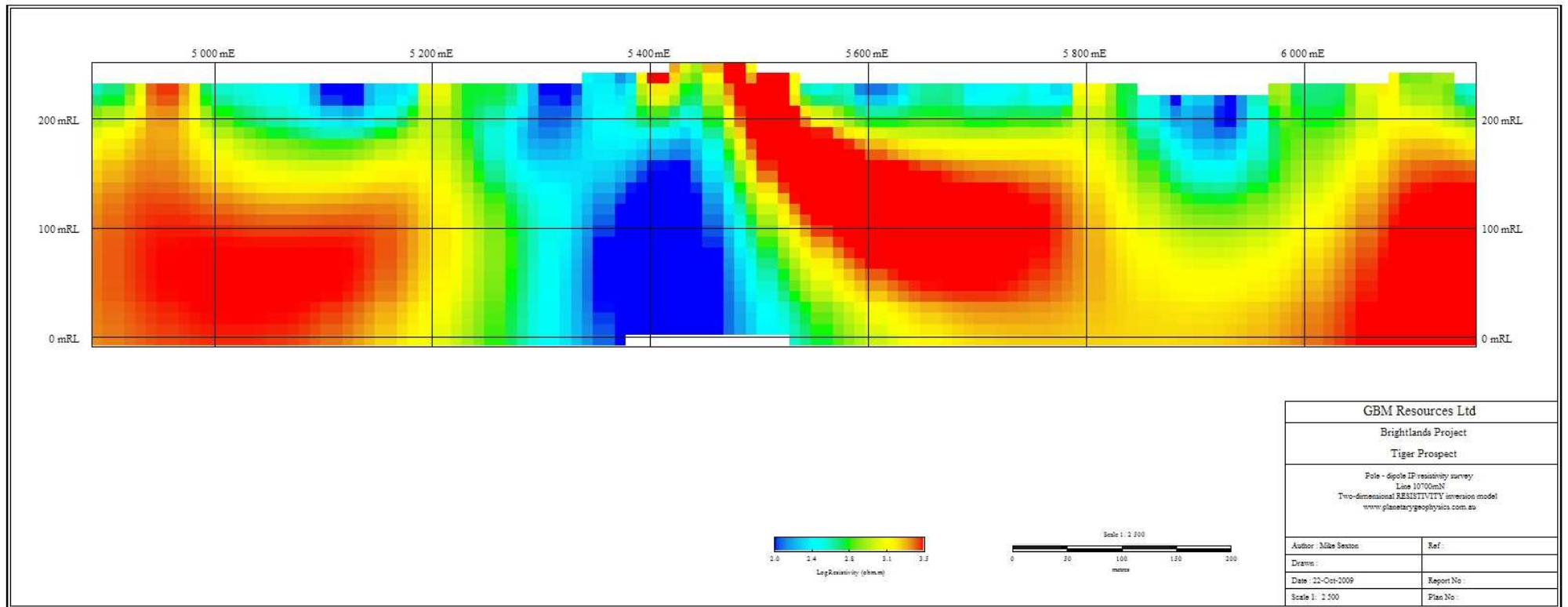
*Figure. Location of Tiger prospect over regional total magnetic intensity image*



GBM Resources Ltd	
Brightlands Project	
Tiger Prospect	
Pole - dipole IP resistivity survey Line 10700mN Two-dimensional CHARGEABILITY inversion model <a href="http://www.planetarygeophysics.com.au">www.planetarygeophysics.com.au</a>	
Author: Mike Sexton	Ref:
Drawn:	
Date: 22-Oct-2009	Report No:
Scale 1: 2 500	Plan No:

This figure shows data on one line for section 10,700N (local) grid showing strong chargeability (IN RED) at depth centred around the Tiger Fault zone (~5,400E).





This figure shows data on the same one line for section 10,700N (local) grid showing low resistivity (IN BLUE), being more conductive rock, at depth centred around the Tiger Fault zone (~5,400E).

*Note: The geophysical response observed in data from the IP survey so far is consistent with the response expected from the style and type of mineralisation being sought in the Tiger Prospect. Initial drill testing of mineralisation at Tiger Zone, completed during September demonstrated the existence of a strong fault zone with associated sulphide mineralisation which returned highly anomalous copper values. It should be noted however that conductivity and chargeability measurements can be in response to a variety of different bedrock characteristics, and if the response is a sulphide source as is interpreted here, no distinction between various copper bearing and non copper bearing sulphides can be made from this geophysical data.*

## **Tambourine Prospect**

During the quarter, the maiden drilling programme testing the Tambourine Cu –Au Prospect was completed. This series of 13 RC drill holes represents the first drilling ever undertaken in on this Prospect.

### **Key outcomes are:**

- Zones of highly anomalous (>1000ppm or 0.1%) Cu mineralisation were intersected in 10 of the thirteen holes drilled
- Peak values of up to 13.8% Cu are in line with surface samples and confirm that at least narrow zones of high grade mineralisation do occur.
- Gold values in zone 2 are in line with surface samples with peak value of 2.6 ppm associated with high grade copper mineralisation are also in line with surface sampling results.
- Drilling has confirmed the presence of continuous mineralisation at levels up to 3.3% Cu and 0.3ppm Au associated with a steeply east dipping structure defining zone 1 over 600m strike length.

### **Geological mapping and interpretation to date suggests the following;**

- Mineralisation is intimately associated with fine to medium grained metamorphosed mafic intrusive rocks (meta-dolerite and met-gabbro) in both mineralised zones.
- In Zone One mineralisation occurs both at the margin of the intrusive as zones of tourmalinite with elevated gold and copper values in surface sampling, and as cross cutting quartz carbonate veins with pervasive haloes of alteration and mineralisation.
- In Zone Two strong zones of quartz carbonate veining and associated alteration host disseminated copper and gold mineralisation. Mineralisation seems to penetrate the intrusive body and may relate to structural zones cutting across the host rock
- The host rock in zone two appears to define open folds with a shallow north plunge. The mineralisation intersected is near the crest of an anticline and the down plunge, northward continuation of this may represent a valid exploration target.
- The area lies on or adjacent to major regional fault structures identified in the structural review conducted earlier this year. These structures would appear to link to deep seated possibly mantle tapping regional structures indentified in recent research by the pmd-CRC.

**Further exploration is** required to fully determine the potential of the area. This is planned to include a SAM geophysical survey covering Zones 1 and 2 in conjunction with further geological mapping, compilation and interpretation over the area. Priority targets identified will be drill tested.

Hole ID	East	North	Declination	Downhole Depth* <sup>2</sup>		Downhole Interval	Average*		peak value		Comments
	(mga94)	(mga94)	(degrees)	from (m)	to (m)	(m)	Cu (%) <sup>*3</sup>	Au <sup>*4</sup> (ppm)	Cu ( %)	Au (ppm)	
BRRC001	417284	7690215	-60	42	48	6	0.12	0.05	1.67	0.11	Zone 2
BRRC002	417267	7690168	-60		nsi						Zone 2
BRRC003	417289	7690289	-60	12	23	11	0.3	0.08	1.72	0.65	Zone 2
				31	40	9	2.2	0.43	13.8	2.59	Zone 1
BRRC004	416719	7689871	-60	10	20	10	0.1	0.01	0.19	0.06	Zone 1
BRRC005	416746	7689908	-60	26	29	3	0.3	0.1	0.75	0.28	Zone 1
BRRC006	416791	7689939	-60		nsi						Zone 1
BRRC007	416836	7689974	-60	60	64	4	1.78	0.1	3.33	0.3	Zone 1
BRRC008	416823	7689985	-60	39	42	3	0.17	0.03	0.3	0.01	Zone 1
BRRC009	416932	7690082	-60	52	58	6	0.22	0.03	0.73	0.1	Zone 1
BRRC010	416881	7699053	-60	35	37	2	0.14	0.09	0.16	0.14	Zone 1
BRRC011	416836	7689973	-75		nsi						Zone 1
BRRC012	416588	7689723	-60	24	27	3	0.33	0.05	0.57	0.1	Zone 1
BRRC013	417318	7690256	-60	28	36	8	0.13	0.02	0.28	0.12	Zone 2

\* Using nominal 0.1% (1000ppm) Cu cutoff, Au averaged over same interval as Cu.

\*<sup>2</sup> All samples taken at 1m downhole intervals

\*<sup>3</sup> Cu analyses by ALS method ICP41 and OG46 where Cu above 1%.

\*<sup>4</sup> Au analyses by ALS method AA21 and AA25 where Au above 1ppm.

Table: Tambourine drilling, significant intersections summary.

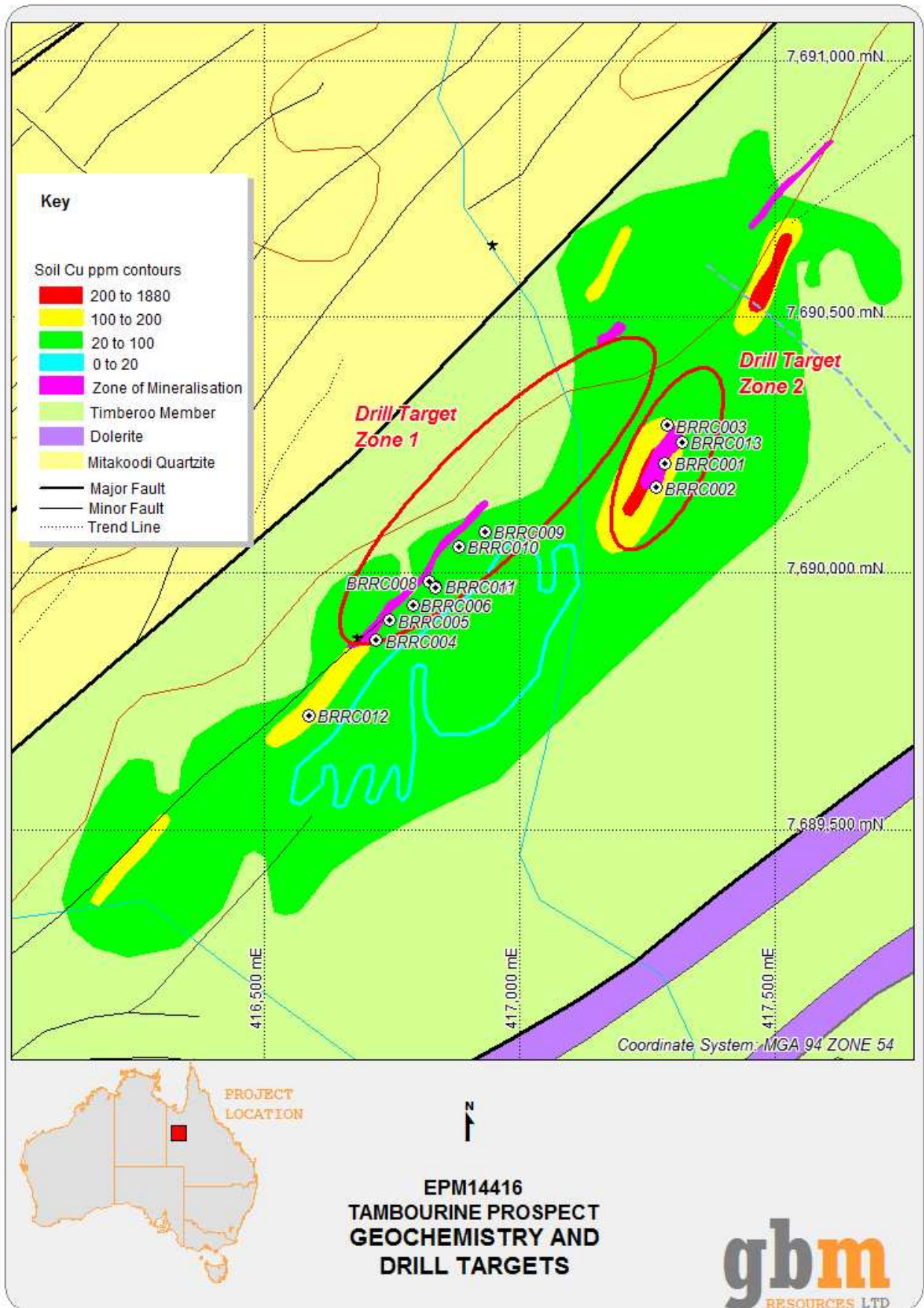


Figure: Tambourine Drill location Plan

## **Other Prospects**

Further field work to progress Milo and other priority targets in the Brightlands Project area to drill ready are scheduled to continue during the December Quarter. This will include;

- **Southern Gold** – Extensive areas in the Chumvale Breccia hosting widespread anomalous base metal and gold values at surface
- **Fine Gold Gully**- interpreted by previous owner, Newcrest, as being in a similar stratigraphic position as the Tick Hill Mine (470,000t @ 28g/t Au) with a large coherent +100ppb Au geochemical anomaly, one hole drilled over weaker (30ppb in soil) geochemical response returned 6m @ 0.2g/t Au and 0.23% Cu.

## **2. Mt Margaret Cu Au Project**

Additional exploration areas have been included in new applications for the Mount Margaret Project area. Data review is nearing completion, but has required significant resources as these areas have been subjected to significant exploration in the past, and recently application areas contain additional target areas.

These tenements are situated in the same geophysical/geological domain, and are geographically close as Ernest Henry and are centred on a series of magnetic anomalies that surround prospective granites. The project area is located within a highly mineralised district with Ernest Henry and E1 deposits located within this domain. This area also appears likely to host genuine IOCG targets of substantial size and intensity.

## **Isa Region Summary Outlook**

- Brightlands- complete IP and SAM surveys at Tiger prospect, and SAM at Tambourine with follow up diamond drilling at Tiger during the December quarter. Field evaluation of other priority targets during December quarter ready for ranking and drill testing in the first half of 2010.
- Completion of Mount Margaret Project data review and initial target ranking.
- Bungalien, Malbon2 and Horse Creek- compilation of drill data and results. Soil sampling of additional phosphate target areas has been re-scheduled for the first half of 2010 calendar year with the focus remaining on the Brightlands Project area.
- Talawanta/Grassy Bore –progress data review to include recently acquired application areas, prospect ranking and upgrade IOCG targets associated with significant magnetic features.

## ***Dee Range Copper Gold Project***

The Dee Range Copper Gold Project now includes four exploration permits areas in proximity to the Mount Morgan Mine which produced 8M ounces of gold and over 400,000 tonnes of copper in a mining history spanning more than 100 years. This is a world-class deposit and the project area contains a number of Cu-Au anomalies from previous exploration that remain unexplained in a highly prospective geological setting.

### **Project Outlook**

Field inspection including field mapping with rock and or soil sampling of the target areas is required. This is now planned to be completed during December quarter with a geological team now in place due to commence work in the coming weeks if conditions permit. Survey design will be undertaken pending results of field inspection.

## **VICTORIA EXPLORATION**

### ***1. Malmsbury Gold Project***

Soil sampling completed during the March Quarter defined a Gold-Antimony-Molybdenum-Stibnite anomaly at Belltopper Hill which lies within the Malmsbury Project. Belltopper Hill hosts a number of zones of auriferous mineralisation including the Leven Star Zone for which GBM recently announced an increased gold resource of 0.8Mt containing an estimated 104,000 ounces of gold at an average grade of 4.0 g/t Au.

Mineralisation at Belltopper Hill was discovered along with the nearby Drummond North Goldfield during the 1880's and these areas have yielded over 90,000 ounces of gold from hardrock mining, and an unknown quantity of gold from extensive alluvial areas on and around Belltopper Hill. Belltopper Hill is a prominent landform resulting from the resistive nature of the metamorphism and silicification of the area. These features have been interpreted to indicate the emplacement of a granitic intrusive below Belltopper Hill, a potential source for gold and other metals associated with numerous gold mines in the area. This interpretation is supported by the existence of a subtle magnetic high over the area.

This feature was interpreted from high quality airborne magnetic survey data available as part of the Victorian Governments VIMP initiatives. The area is interpreted to be centre of an IRGS, such systems may host one or more of a range of deposit styles, including large disseminated and stockwork style deposits.

Intrusive Related Gold Systems (IRGS) elsewhere in the world host world class gold deposits which include many large deposits (+3 M ozs Au) such as Fort Knox, Donlan Creek, Cadia-Ridgeway, Kidston and Pogo. **GBM have targeted the Malmsbury Project as a potential host to a IRGS.** IRGS may contain a range of deposit styles including distal structurally hosted U-As deposits to intrusive hosted breccia, sheeted vein and disseminated style deposits.

Significant trends in the Belltopper Prospect soil sampling programme (reported previously) are summarized below;

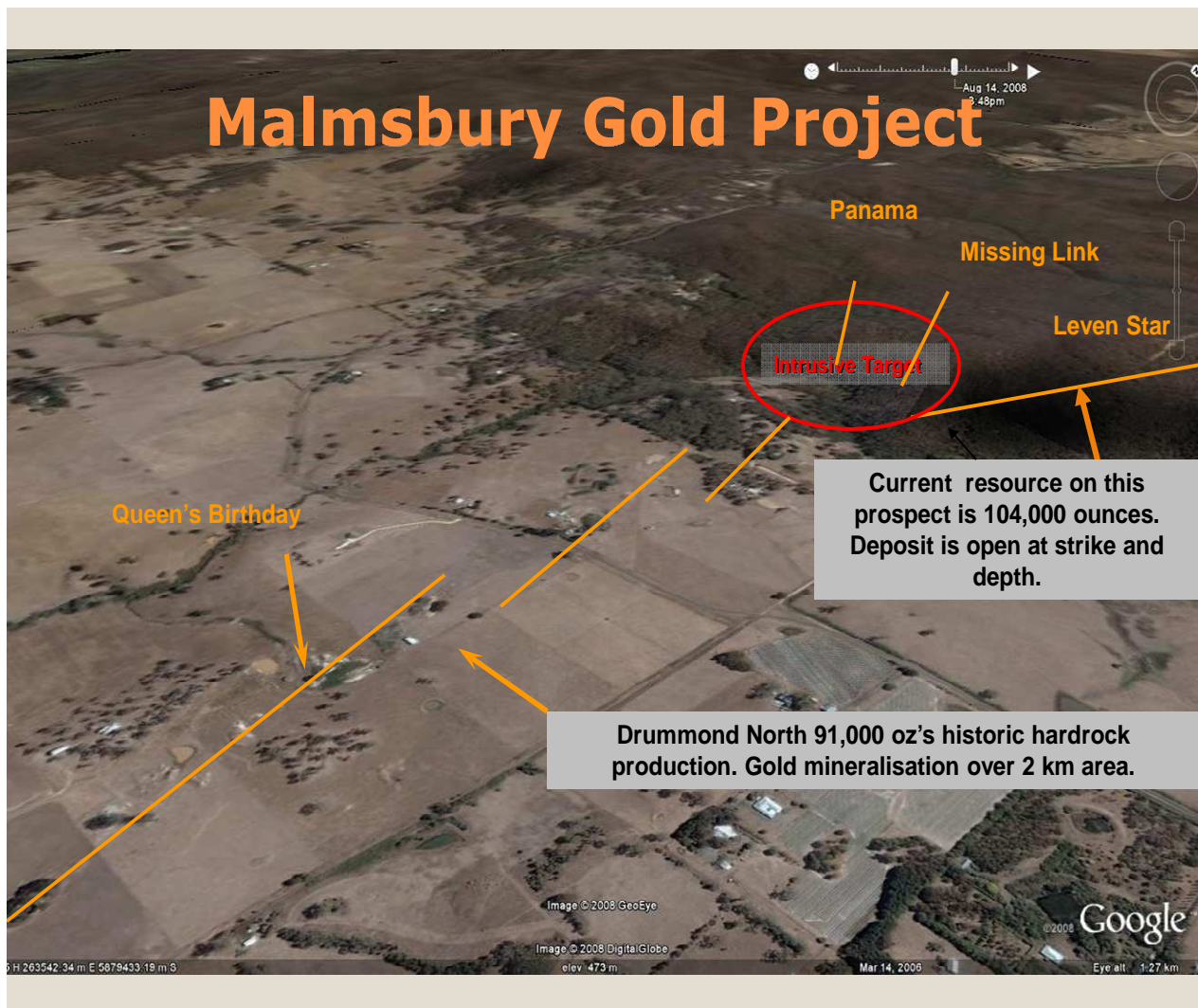
- Gold defines a strong anomaly at 50 ppb centred on the intersection of known mineralisation but trending north wards to areas not previously drill tested.
- Arsenic defines a very similar pattern to gold, both reflecting the strong structural controls known to operate in the area.

- Antimony (Sb) closely follows the Au distribution pattern.
- Molybdenum defines a discrete ovoid pattern centred near south east margin of the magnetic feature, and very close to the Missing Link mineralised zone.
- Bismuth distribution pattern very closely reflects molybdenum.

The broader distribution of Au, As and Sb in association with structurally hosted mineralisation comparison is consistent with the metal zoning to be expected in an IRGS. This model would also predict the tighter distribution of Mo and Bi in closer proximity to an intrusive body. The coincidence of the Mo-Bi anomalies with the magnetic feature is further supportive of an intrusive body at depth in this vicinity.

### Project Outlook

Progress on the Malmsbury Project has been pushed out while field programmes focussed on the Brightlands Project. However, work is planned to recommence during the December and March quarters. Compilation and interpretation of soil results to assist in targeting drilling which will be undertaken with the assistance of a Rediscover Victoria Drilling grant for 50% of drilling costs up to \$132,000. This will be completed in the second half of 2009.



## ***2. Willaura Copper Gold Project***

Previous exploration has identified three discrete magnetic features with coincident geochemical anomalies considered worthy of further investigation for intrusive related gold mineralisation. These anomalies are located in the Stavely region of western Victoria. The Stavely Belt is considered by the Company as one of Australia's most under-explored volcanic terrains with exploration results previously released by Beaconsfield Gold representing some of the first high grade gold and base metal intersections in this terrain and confirming the prospectivity of the region for IRGD style deposits.

Further success by Beaconsfield Gold who recently reported an initial resource containing 47,000t copper in the supergene zone at Thursdays Gossan, and in addition, high grade porphyry hosted gold mineralisation at the nearby Fairview Au Prospect further supports the prospectivity of this terrain.

The company was successful in receiving funding as part of the Rediscover Victoria Strategic Drilling Initiative. This funding is for 50% of direct drilling costs up to \$56,000 to test three coincident geochemical and magnetic anomalies with two holes each.

### **Project Outlook**

Extension of ground magnetic grid over anomaly 'C' and modelling of anomaly is required prior to planning drill hole testing. Field inspection of the northern continuation of anomaly 'A' to assist target development and drill hole planning is required. A number of other significant geochemical and geophysical anomalies remain to be tested within the project area. These will be reassessed in light of data from the current program. It is planned to complete ground magnetic and follow-up IP surveys (Induced Polarization) to identify possible disseminated sulphide deposits with a view to determining the priority for any future drill testing.



## TENEMENT SUMMARY

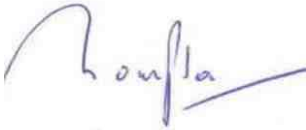
Six new exploration permit applications were lodged during the quarter. These titles cover some new areas which contain potential targets for IOCG style mineralisation. The new applications will also replace some existing licences, serving to consolidate the fragmented nature of these groups and further simplifying administration and reporting of these tenement groups.

Project / Name	Tenement No.	Owner	GBMR Equity	Manager	Granted	Expiry	Approx Area* <sup>3</sup> (km <sup>2</sup> )	Status	State
<b>Victoria</b>									
<b>Malmsbury</b>									
Belltopper	EL4515* <sup>1</sup>	GBMR	100%	GBMR	6/10/2005	5/10/2010	25	Granted	Vic
Lauriston	EL5120	GBMR	100%	GBMR	17/12/2008	16/12/2013	143	Granted	Vic
<b>Willaura</b>									
Lake Bolac	EL4631	GBMR	100%	GBMR	21/03/2002	20/03/2009	98	Granted	Vic
Woorndoo	EL4751	GBMR	100%	GBMR	19/11/2003	18/11/2010	29	Granted	Vic
<b>Queensland</b>									
<b>Dee Range</b>									
Dee Range	EPM16057	GBMR	100%	GBMR	27-Sep-07	26-Sep-12	178	Granted	Q'ld
Boulder Creek	EPM17105	GBMR	100%	GBMR	26-Mar-08	25-Mar-10	178	Granted	Q'ld
Mt Morrissey	EPM17163	GBMR	100%	GBMR	23-Apr-08	23-Apr-10	161	Granted	Q'ld
Black Range	EPMA17734	GBMR	100%	GBMR			180	Appl'n	Q'ld
<b>Mount Isa Region</b>									
<b>Talawanta - Grassy Bore</b>									
Talawanta	EPM15406	GBMR* <sup>2</sup>	100%	GBMR	15-Jan-08	14-Jan-11	<u>325</u>	Granted	Q'ld
Grassy Bore	EPM15681	GBMR* <sup>2</sup>	100%	GBMR	28-Sep-07	28-Sep-10	<u>325</u>	Granted	Q'ld
Talawanta	EPM 18290	GBMR	100%	GBMR			455	Appl'n	Q'ld
Grassy Bore	EPM 18291	GBMR	100%	GBMR			455	Appl'n	Q'ld
<b>Mount Margaret</b>									
Mt Margaret W. Ext	EPM1627	GBMR* <sup>2</sup>	100%	GBMR	31-Jul-07	30-Jul-12	<u>36</u>	Granted	Q'ld
Mt Margaret West	EPM14614	GBMR* <sup>2</sup>	100%	GBMR	2-Aug-05	1-Aug-10	<u>129</u>	Granted	Q'ld
Mt Malakoff Ext	EPM16398	GBMR* <sup>2</sup>	100%	GBMR			84	Appl'n	Q'ld
Cotswold	EPM16622	GBMR* <sup>2</sup>	100%	GBMR			45	Appl'n	Q'ld
Dry Creek	EPM 18172	GBMR	100%	GBMR			227	Appl'n	Q'ld
Dry Creek Extended	EPM 18174	GBMR	100%	GBMR			39	Appl'n	Q'ld
<b>Brightlands</b>									
Brightlands	EPM14416	GBMR* <sup>2</sup>	100%	GBMR	5-Aug-05	4-Aug-10	251	Granted	Q'ld
Brightlands West	EPM18051	GBMR	100%	GBMR			99	Appl'n	Q'ld
<b>Bungalien</b>									
Bungalien	EPM14355	GBMR* <sup>2</sup>	100%	GBMR	13-Oct-04	12-Oct-09	<u>61</u>	Granted	Q'ld
Horse Creek	EPM15150	GBMR* <sup>2</sup>	100%	GBMR	13-Jul-06	12-Jul-09	<u>80</u>	Granted	Q'ld
Limestone Creek	EPM17849	GBMR	100%	GBMR			72	Appl'n	Q'ld
Malbon 2	EPM14120	GBMR* <sup>2</sup>	100%	GBMR	24-Aug-04	23-Aug-10	<u>15</u>	Granted	Q'ld
Bungalien 2	EPM18207	GBMR	100%	GBMR			325	Appl'n	Q'ld
Horse Creek 2	EPM18208	GBMR	100%	GBMR			325	Appl'n	Q'ld
<b>Totals</b>							<b>3369</b>		
<p>Note *<sup>1</sup> subject to a 2.5% net smelter royalty to vendors.</p> <p>*<sup>2</sup> subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd.</p> <p>*<sup>3</sup> For Q'ld tenements, 1 sublock ~3.2km<sup>2</sup>. Underlined areas indicate the tenement is contained in new application area.</p>									

## CORPORATE

The Company spent \$ 501,000 in the quarter of which \$ 288,000 was for exploration and \$ 213,000 on administration costs. Cash at the end of the quarter totals \$ 1.47 million. Forecast exploration expenditure for the December 2009 quarter is estimated at \$ 410,000.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'P Thompson', with a long horizontal flourish extending to the right.

Peter Thompson  
Managing Director

*Note: The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of 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 2004 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.*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

**GBM Resources Limited**

Quarter ended ("current quarter")

**ABN 91 124 752 745**

**30 September 2009**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors	--	--
1.2 Payments for: (a) exploration and evaluation	(288)	(288)
(b) development	--	--
(c) production	--	--
(d) administration	(213)	(213)
1.3 Dividends received	--	--
1.4 Interest and other items of a similar nature received	2	2
1.5 Interest and other costs of finance paid	--	--
1.6 Income taxes paid	--	--
1.7 Other – Option fees paid	--	--
<b>Net Operating Cash Flows</b>	<b>(499)</b>	<b>(499)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	--	--
(b)equity investments	--	--
(c) other fixed assets	--	--
1.9 Proceeds from sale of: (a)prospects	--	--
(b)equity investments	--	--
(c)other fixed assets	--	--
1.10 Loans to other entities	--	--
1.11 Loans repaid by other entities	--	--
1.12 Other (provide details if material)	--	--
<b>Net investing cash flows</b>	<b>--</b>	<b>--</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(499)</b>	<b>(499)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(499)	(499)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	456	456
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)	(58)	(58)
	<b>Net financing cash flows</b>	398	398
	<b>Net increase (decrease) in cash held</b>	(101)	(101)
1.20	Cash at beginning of quarter/year to date	1,570	1,570
1.21	Exchange rate adjustments to item 1.20	--	--
1.22	<b>Cash at end of quarter</b>	1,469	1,469

**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	\$134
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions	
	\$11k Director fees \$123k Executive Director fees All payments relating to Directors and Associates were on normal commercial terms.	

**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

Nil.

- 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

Nil.

**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	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

+ See chapter 19 for defined terms.

**Estimated cash outflows for next quarter**

		\$A'000
4.1	Exploration and evaluation	410
4.2	Development	Nil
<b>Total</b>		<b>410</b>

**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	1,327	1,174
5.2	Deposits at call	142	397
5.3	Bank overdraft	Nil	Nil
5.4	Other (provide details)	Nil	Nil
<b>Total: cash at end of quarter (item 1.22)</b>		<b>1,469</b>	<b>1,571</b>

**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			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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 <b>Preference securities</b> <i>(description)</i>	Nil			
7.2 Changes during quarter	Nil			
7.3 <b>+Ordinary securities</b>	136,798,504	111,223,504		
7.4 Changes during quarter				
(a) Increases through issues	26,000,000 1,200,000	2,000,000 1,200,000	\$0.02 \$0.03	
(b) Decreases through returns of capital, buy-backs	Nil			
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil			
7.6 Changes during quarter	Nil			
7.7 <b>Options</b> <i>(description and conversion factor)</i>	3,730,000 20,000,000 40,379,552	Nil Nil 40,379,552	<i>Exercise price</i> \$0.25 \$0.22 \$0.25	<i>Expiry date</i> 30 June 2010 30 June 2010 30 June 2010
7.8 Issued during quarter	Nil	Nil	<i>Exercise price</i>	<i>Expiry date</i>
7.9 Exercised during quarter	Nil	Nil		
7.10 Expired during quarter	Nil	Nil		
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## 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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

..... Date: 30 October 2009  
Company Secretary

Print name: Stuart Usher

## 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 1022: Accounting for Extractive Industries* and *AASB 1026: 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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