

19 January 2009

The Manager
Company Announcements
Australian Securities Exchange Ltd
Level 5, 20 Bridge Street
Sydney NSW 2000



ABN 91 124 752 745
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Dear Sir,

76% boost to Victorian Gold Resource

A 76% increase to an Inferred Resource of 104,000 ounces of gold has been announced by GBM Resources Limited (ASX code: "GBZ") for one of the key targets at its Malmsbury Gold Project in central Victoria.

The enhanced resource emerged from a just completed review of the Malmsbury Gold Project after its initial drilling on the project area in 2008.

Key findings of the review included:

1. The Inferred Resource for the Leven Star prospect located on Belltopper Hill has increased from 59,000 ounces to 104,000 ounces of gold. This deposit is open both at strike and depth.
2. The 2008 diamond drilling and field work programs, plus historical data now support the conclusion that the Malmsbury Gold Project has potential to emerge as a major gold system in a world-class gold province.
3. A one kilometre deep diamond drill hole is under consideration in 2009 to test the potential for a large tonnage Intrusive Related Gold System (IRGS) at Leven Star and will be partly funded by a grant from the Victorian Department of Primary Industries.
4. Possible extensions to the Malmsbury Gold Project can now be pursued following the granting last month of the adjoining exploration licence area, EL5120.

Leven Star Prospect

The 6 hole diamond drilling program that last year targeted the Leven Star Zone prospect, part of the Malmsbury Project in central Victoria, has resulted in the deposit's Inferred Resource increasing to 0.8 Mt at an average grade of 4.0 g/t Au containing 104,000 ounces of gold using a 2.5 g/t Au cut off grade (see table 1).

The increase is largely attributable to extending the resource model to depth based on information from GBZ's diamond drilling programs completed during 2008. The resource is considered open both to depth and along strike. Details of the parameters used are contained in the resource statement which can be accessed on GBM Resources' website.

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Cut-off : 2.5 g/t Au			
Resource Classification	Tonnes (x10³)	Au (g/t)	Au (x10³ ounces)
Inferred	820	4.0	104

Note: Cut-off grades reflect anticipated underground mining production costs.

Table 1: Leven Star Gold Resource Estimate

Resource Potential of the Malmsbury Gold Project emerging as a major gold system

A recently completed review by GBZ staff of Malmsbury's available historical and recent exploration and mining data has confirmed a known gold endowment of 195,000 ounces in the near surface (approximately 150 metres from surface) portion of the structurally controlled mineralised zones explored or mined to date.

This endowment comprises 91,000 ounces of historic production and 104,000 ounces of the current Leven Star Resource. At this time, historical production from a number of shafts in the project area is still unknown.

Many zones remain to be drill tested and resources evaluated. The current estimate of gold endowment is considered incomplete in the near-surface environment. The attached Long Project figure demonstrates the potential size of the gold mineralization.

Numerous goldfields exist within the prolific Bendigo Zone of central Victoria.

In many cases, mining and resources extend to depths well in excess of one kilometre, or more than seven times the depth which contains the 0.2M ounce gold endowment confirmed at Malmsbury to date.

Previously reported drill hole, MD8A, intersected gold mineralisation in the Leven Star Zone at approximately 300 metres below surface, confirming that mineralisation extends well below the known resources.

GBZ believes that the Malmsbury Gold Project is emerging as a potential major gold system in a world- class gold province. Modern exploration is now revealing in the surrounding area, deposits that were difficult for prospectors to discover or exploit in the past, including Northgate's Fosterville Gold deposits which now have a known gold endowment of 4 million ounces and growing as exploration continues to define further resources.

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Rediscover Victoria Grant to further test potential for Large Gold Tonnage (IRGD).

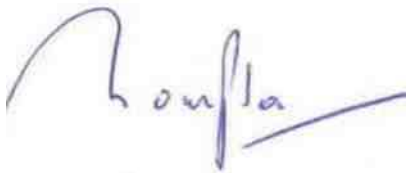
As a result of its successful application for a grant through the Rediscover Victoria Drilling Initiative, GBZ in 2009 will consider to test at depth the gold mineralising system in the Malmsbury Gold Project - Drummond North area, with a deep (approximately 1 kilometre) drillhole. A large tonnage IRGD remains the long-term target for GBZ in Malmsbury.

The Drummond North Goldfield includes a number of structurally controlled mineralised zones (Leven Star, Queen's Birthday, O'Connors, Missing Link etc.) which while significant in their own right, may be proximal to a major IRGD. Previous mineralogical and alteration studies have recorded features indicative of an IRGD. Petrographic and geochemical data collected during the Company's 2008 drilling are interpreted to further support this conclusion. IRGD deposits include a number of +3Moz deposits and continue to represent an attractive exploration target style for GBZ.

New EL5120 granted

Exploration Licence EL5120 was applied for soon after listing in 2007 to cover possible extensions to the Malmsbury Project - Drummond North Goldfield, and also allow investigation of several other areas of gold mineralisation located by reviewing historical records of the geological Survey of Victoria. This licence provides a strategic ground holding allowing GBZ to explore the area on a system based approach.

Yours Sincerely,



Peter Thompson
Managing Director

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Neil Norris, who is a Member 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.

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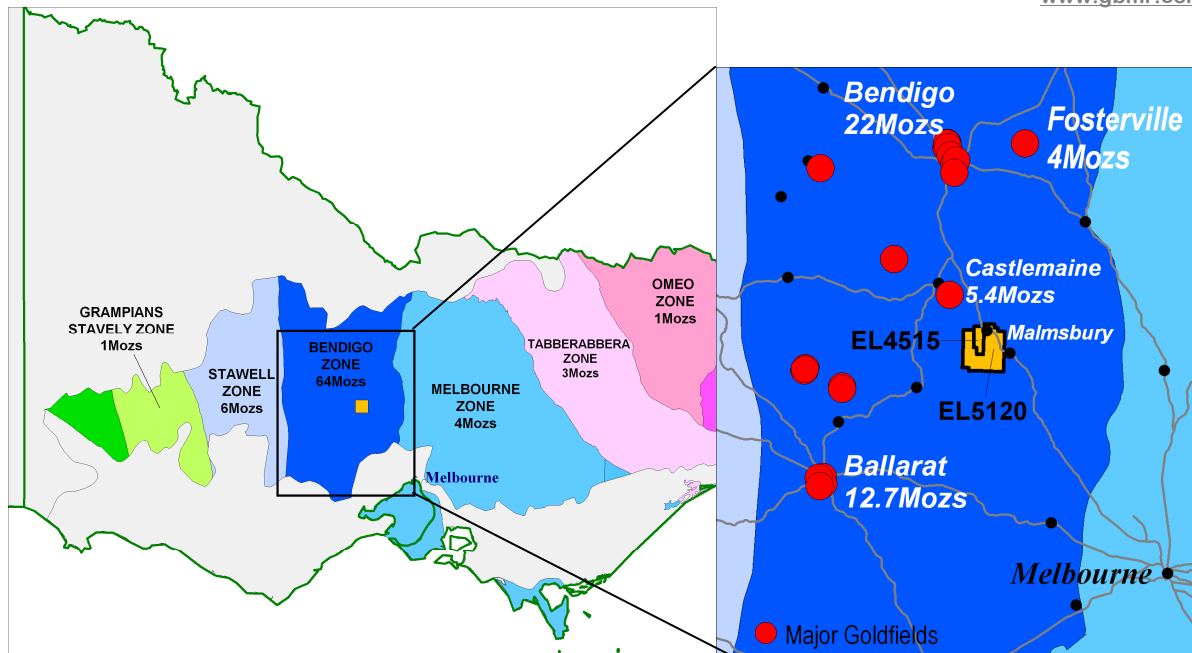
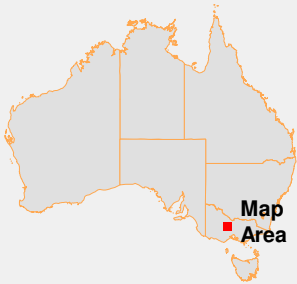
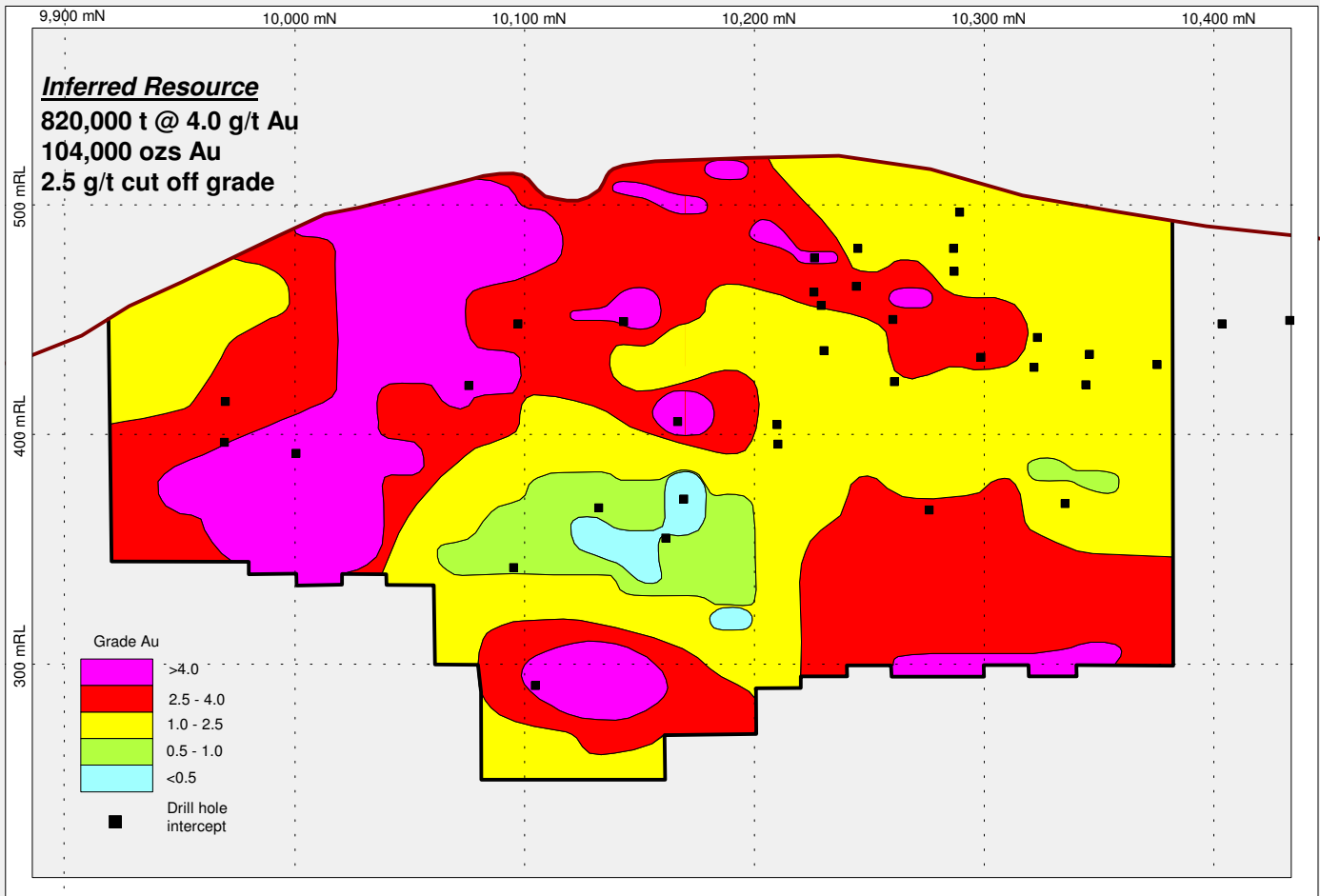


Figure 1. Gold production from geologic zones of Victoria, inset location of EL5120 and nearby major production centres.

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MALMSBURY PROJECT
Leven Star
Resource Upgrade
December 2008



