

Announcement
14 June 2011

Significant RC Results advance the Milo IOCG Prospect at Brightlands Copper Gold Project, North-West Queensland.

HIGHLIGHTS:

- **Significant RC Results-MIL 007 recorded 158m@ 0.7% Cu equivalent including 82m@1.2% and 43m@1.5% Cu equivalent. MIL008 recorded 9m@1.4% Cu equivalent.**
- **Both holes ended in mineralisation and will be extended with the current diamond drilling.**
- **RC drill holes MIL007 and MIL008 have extended the Milo mineralisation to the north and west of previous drilling. Drilling has now intersected the significantly mineralised breccia over 500 metres, with the structure open along strike and at depth.**
- **The RC holes show higher grades across copper, gold, silver, molybdenum, cobalt and uranium.**
- **Confirmation that the new Milo discovery is another large poly-metallic, IOCG (Iron Oxide Copper Gold) find in the Mount Isa Region.**

Australian resources company **GBM Resources Limited** (ASX:GBZ) (“**GBM**” or “the Company”) advises that its 2 RC holes drilled at the Milo Prospect have returned significant results over broad intervals for copper gold silver, cobalt, molybdenum and uranium.

The company is currently progressing a ten hole diamond drilling program on its Milo Prospect within its Brightlands Copper Gold Project in North-West Queensland. Positive results from the current Milo program will provide the basis for a preliminary feasibility study in 2012.



Photograph; Diamond Drill Rig extending the depth at the RC hole MIL008. Leached carbonate gossan in the foreground.

Drillhole MIL008 has returned significant intersections which has increased the strike length of known mineralisation by more than 100 metres from previous drilling undertaken by GBM. This drillhole ended (at the limit of rig capacity) in mineralisation and is currently being extended by diamond drilling to fully evaluate the width of the zone intersected and to explore for depth continuation of other zones recognised in surface outcrops.

Higher grade mineralisation intersected in MIL007 has extended the width of the mineralised zone previously tested from the east by holes BTD008 and BTD022. This is the highest grade intersection drilled by GBM at Milo to date, and importantly is the only hole to test the western shale / calc-silicate breccia contact. This intersection is located at shallow depth, commencing approximately 30m from surface.

Hole ID	Interval m	Length m	Cu %	Au ppm	Co ppm	Ag ppm	Mo ppm	U ppm	Cu Equiv* %
MIL007	42 to 204	158	0.24	0.09	273	5.6	131	135	0.7
	incl. 46 to 128	82	0.37	0.15	356	9.8	233	244	1.2
	incl. 80 to 123	43	0.52	0.24	470	17.5	283	218	1.5
MIL008	151 to 177	26	0.26	0.10	278	6.2	190	178	0.8
	incl. 167 to 176	9	0.44	0.24	369	16.3	285	242	1.4
	187 to 204*	17	0.18	0.06	261	2.8	213	186	0.7

* end of RC drilling

Table: Summary of significant intersections for RC drillholes MIL007 and 008

Milo has been interpreted by GBM Resources as a breccia hosted IOCG discovery. This is supported by a recently completed petrographic study which identified multiple stages of hydrothermal alteration and mineralisation. Furthermore, identification of a variety of fragment compositions supports the potential of a deep rooted breccia zone at Milo. This study also identified occurrences of allanite, a mineral which is associated with extensive rare earth (REE) and uranium mineralisation at the nearby Mary Kathleen uranium mine.

A budget of \$2.5 million has been assigned to the Brightlands Cu-Au project, supporting a programme which is scheduled to run through to November 2011. This extensive drilling program is being undertaken to expand and progress the potential development of Milo and other prospects within the Brightlands Cu-Au Project area.

Diamond drilling is progressing well with 5 of the holes completed, and the remainder of this stage expected to be completed in early July. Further drilling results are expected to be available by the end of June or early July.

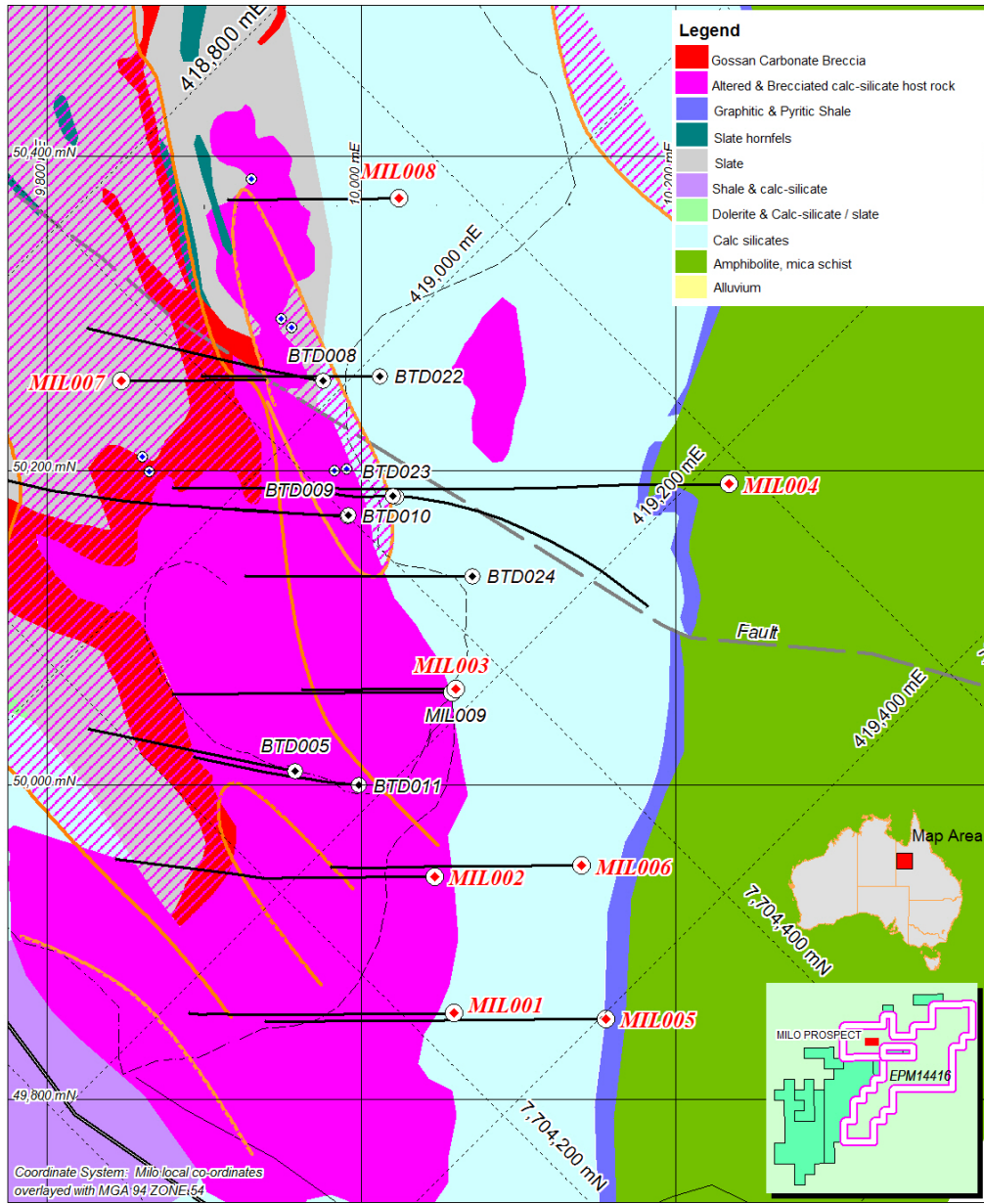
Current exploration is building upon significant results returned at Milo last year which confirmed potential for a large Iron Oxide Copper Gold system (IOCG). The data from that work provided GBM Resources with the basis for an initial Exploration Target*³ of between 30-80 million tonnes (Mt) of mineralised material which averaged between 0.8% and 1.2% Cu equivalent*¹.

The Milo Prospect is located on the regionally significant structural trend, the 'Cloncurry Flexure' in the Eastern Succession of the Mt Isa Inlier. Metamorphic rocks of the Eastern Succession host the world-class Ernest Henry IOCG Deposit and recent exploration has resulted in significant new discoveries of IOCG-style mineralisation.

For further information please contact:

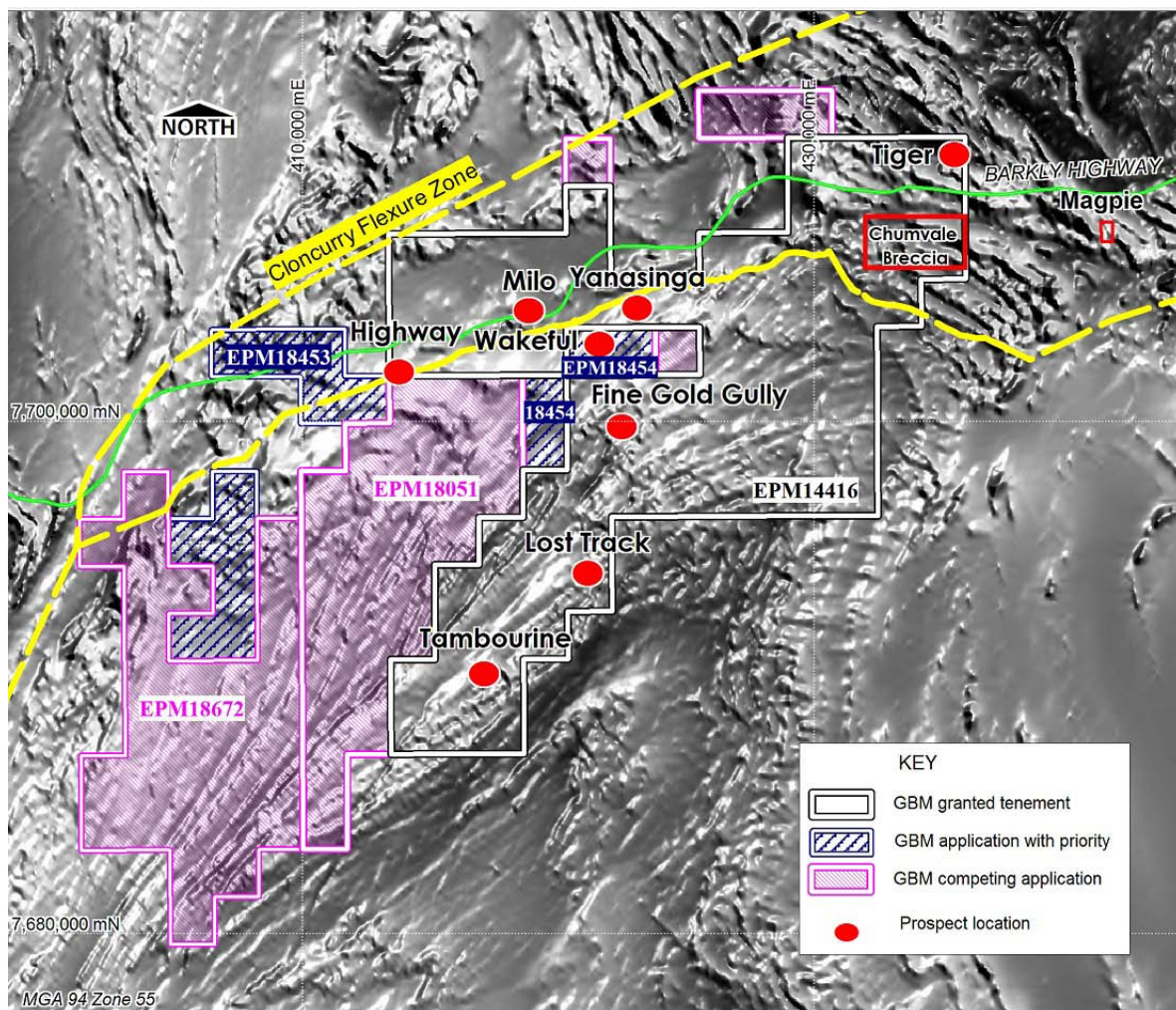
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EPM14416 Brightlands Project
Milo Prospect
Drillhole Location Plan





Brightlands Project area showing prospects over TMI RTP magnetic image.

*¹ Copper Equivalent calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. However it is the company's opinion that elements considered here have a reasonable potential to be recovered. It should also be noted that current state and federal legislation may impact any potential future extraction of Uranium. Prices and conversion factors used are summarised below, rounding errors may occur.

Commodity	Price	Units	unit value	unit	Conversion factor (unit value/Cu % value)
copper	6836	US\$/t	68.36 US\$/%		1.0000
gold	1212	US\$/oz	38.97 US\$/ppm		0.5700
cobalt	40000	US\$/t	0.04 US\$/ppm		0.0006
silver	18	\$/oz	0.58 US\$/ppm		0.0085
uranium	40	US\$/lb	0.08 US\$/ppm		0.0012
molybdenum	38000	US\$/t	0.04 US\$/ppm		0.0006

*² Intersections quoted are length weighted averages of results for individual sample intervals. Samples were taken at 1 metre intervals in RC drilling by multistage splitter and generally 1 metre intervals of half sawn core with maximum of 2 metres for diamond drilling. Analyses were completed by ALS in Mt Isa for all elements other than gold by ME-ICP61, over limit (>1%) Cu by Cu-OG46 and AU by Au-AA25 in Brisbane. Holes generally range in declination from 50° to 70° to 225° MGA at Milo and 80° to 270° MGA at Tiger. Mineralised zones are interpreted to dip steeply in the opposite direction, holes are therefore drilled approximately perpendicular to the interpreted strike of mineralised zones.

⁴³ It should be noted that this is an exploration target only, potential quantity and grade is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. The tonnage estimate is based on a 475 metre strike length with an average combined width of 80 metres and depth of 500 metres being the volume broadly tested by drilling to date. A nominal bulk density of 3.0 t/m³ was assumed. An accuracy of +/- 50% was assumed to provide a tonnage range reflecting the conceptual nature of this target estimate. Grade ranges represent the range of downhole intersections available over significant widths to date.

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.