

19 January 2012

ASX Announcement

GBM Acquires Highly Prospective Exploration Permit In North West Queensland Mineral Province

HIGHLIGHTS:

- **IOCG-style targets identified in previous exploration.**
- **Preliminary research has identified copper mineralisation in previous drilling; including 79m at 0.27% Cu at the Clarries Prospect, and base metal mineralisation at the Maiden Creek Prospect; including 48m averaging 1.23% Zn, 0.17% Pb, 0.1% Cu and 7.4 g/t Ag.**
- **Permit surrounds the Trekelano copper-gold mine being explored by Ivanhoe Australia and is adjacent to the bonanza grade Tick Hill gold mine previously worked by MIM.**

Australian resources company **GBM Resources Limited** (ASX: **GBZ**) (“**GBM**” or “**the Company**”) is pleased to advise it has finalised agreements with Newcrest Operations Limited (NOL) to purchase Exploration Permit EPM1411 in the highly prospective North West Mineral Province in Queensland.

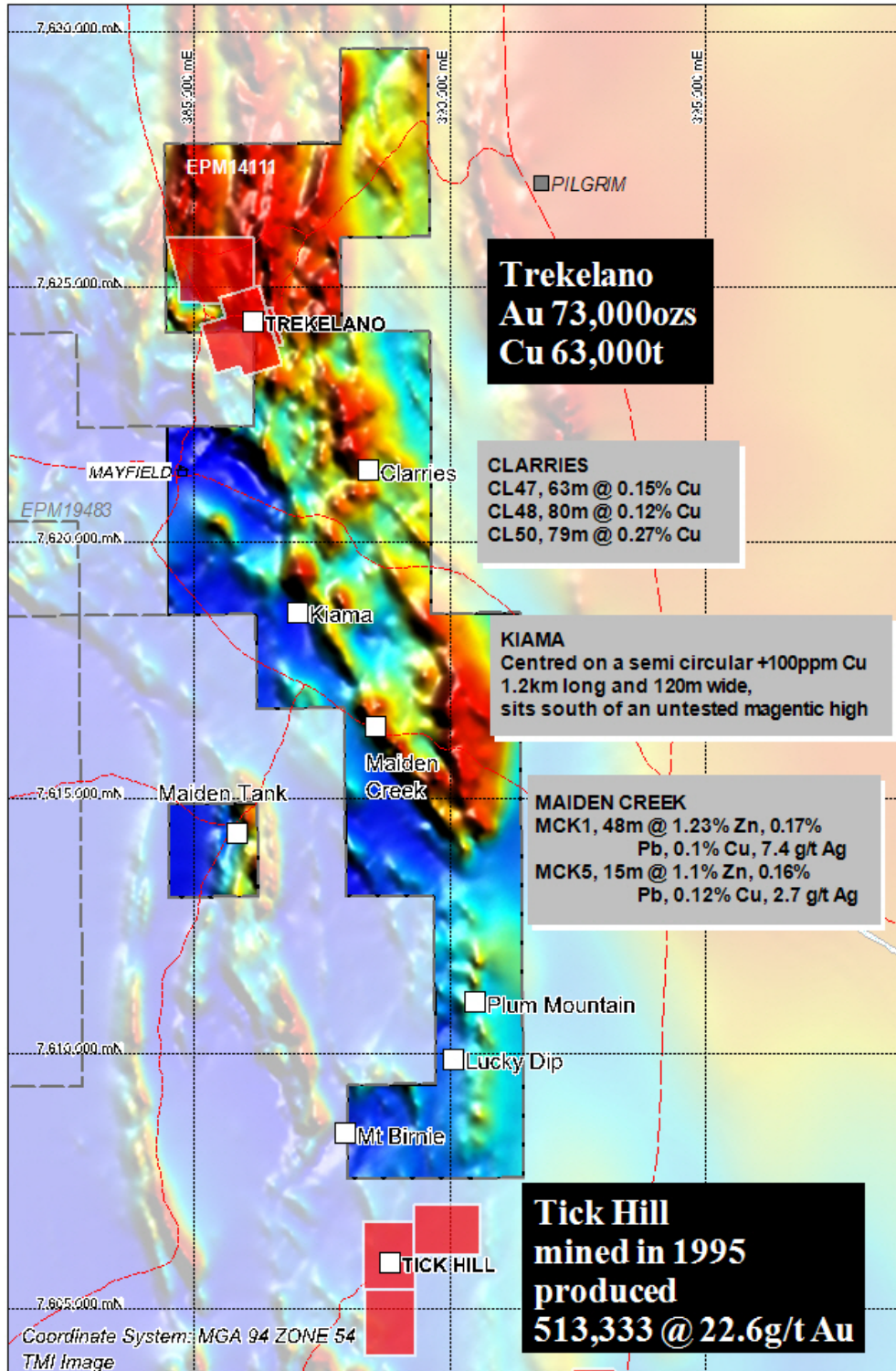
Granted licence EPM14111, located to the south of Cloncurry, surrounds the Trekelano copper mine and extends southwards to within close proximity of the Tick Hill gold mine.

The Trekelano copper mine is a high grade, structurally hosted copper gold deposit with a known metal inventory*¹ (production and resources) of 63,000tonnes of copper and 73,000 ounces of gold.

Trekelano is currently being explored by Ivanhoe Australia which recently reported high grade copper intersections, including 44metres @ 5.7% Cu and 1.4 g/t Au (*TRNQ53, Presentation to Global Resources Conference 26-27 September 2011*). The Tick Hill gold mine has produced*² 513,333 ounces from 705,000 tonnes of ore at an average grade of 22.6 g/t Au, ranking it as one of the most significant, high grade gold producers in Australia’s modern mining era.

Preliminary research by GBM Resources has identified a number of promising results in data obtained from open file exploration reports. These include significant copper intersections from the Clarries Prospect and base metal intervals from drilling at Maiden Creek (see table below). In addition, a soil geochemical survey at Kiama indentified a semi-circular feature at plus 100ppm Cu.

This 1.2 kilometre long, 120 metres wide prospect is located immediately south of an untested magnetic high.



N
EPM1411
MAYFIELD PROJECT
**LOCATION PLAN
& HIGHLIGHTS**



The agreement with Newcrest requires GBM to make a cash payment of \$10,000 and to expend \$100,000 on exploration of the area within 18 months of the title being transferred. Newcrest also retains a 2% royalty over minerals produced from the licence area. The agreement is subject to approval by the Queensland Department of Employment, Economic Development and Innovation.

GBM considers this tenement to hold considerable potential for future discovery and this acquisition further enhances the Company's extensive and prospective holdings in Queensland's world class North West Mineral Province.

This includes GBM Resources "flagship" Milo Project, which is emerging as a large tonnage, Iron Oxide Copper Gold (IOCG) discovery.

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Notes;

*1 Trekelano metal inventory based on figures form Newcrest Annual Report for EPM1411 2006.

*2 Tick Hill Gold Mine production from MIM Holdings Annual reports in Diatreme Resources Limited website.

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

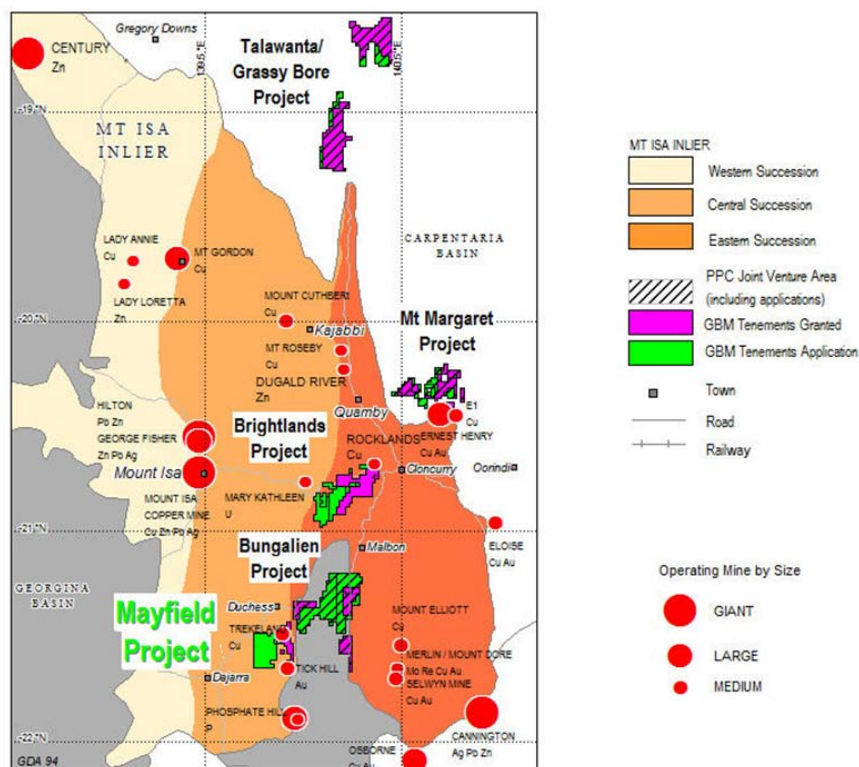


Figure: Location diagram for Mayfield EPM1411 and application EPM19483.

Hole ID	Grid ID (MGA)	East	North	Final Depth	Dip	Magnetic Azimuth	Drilling Type	Prospect	Report DEEDI Cr No
CL47	MGA94_54	388347	7621309	83	-60	75	RC	Clarries	28545
CL48	MGA94_54	388367	7621214	85	-60	75	RC	Clarries	28545
CL50	MGA94_54	388327	7621409	79	-60	60	RC	Clarries	28545
MCK1	MGA94_54	388594	7616369	108	-60	170	RC	Maiden Ck	28545
MCK5	MGA94_54	388630	7616304	75	-60	10	RC	Maiden Ck	28545

Table: Selected historic drillhole survey details

Hole ID	from	to	length	Cu (ppm)	Pb (ppm)	Zn (ppm)	Ag (ppm)
CL47	20	83	63	1499			
CL48	5	85	80	1196			
CL50	0	79	79	2673			
MCK1	60	108	48	980	1692	12250	7.4
MCK5	30	45	15	1245	1607	10967	2.7

Table: Selected drillhole intersections from open file company reports.