



GBM GOLD
LTD

(ABN 59 119 956 624)

RESOURCE UPDATE

12/3/2013

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RESOURCE UPDATE

GBM Gold Ltd (“GBM”) presents this report as a summary update of its JORC Resource and Exploration Target values for each of its current projects.

Some review and alterations have taken place within the project portfolio and an updated presentation is contained herein for the major resource areas.

Inglewood Project

Inglewood & Wedderburn MIN’s and EL’s

Wilson Hill Project

Wilson Hill EL

Goldsborough Project

Harvest Home (HH) EL & MINA

Queen’s Birthday (QB)

Avoca-Fiddlers Creek Project

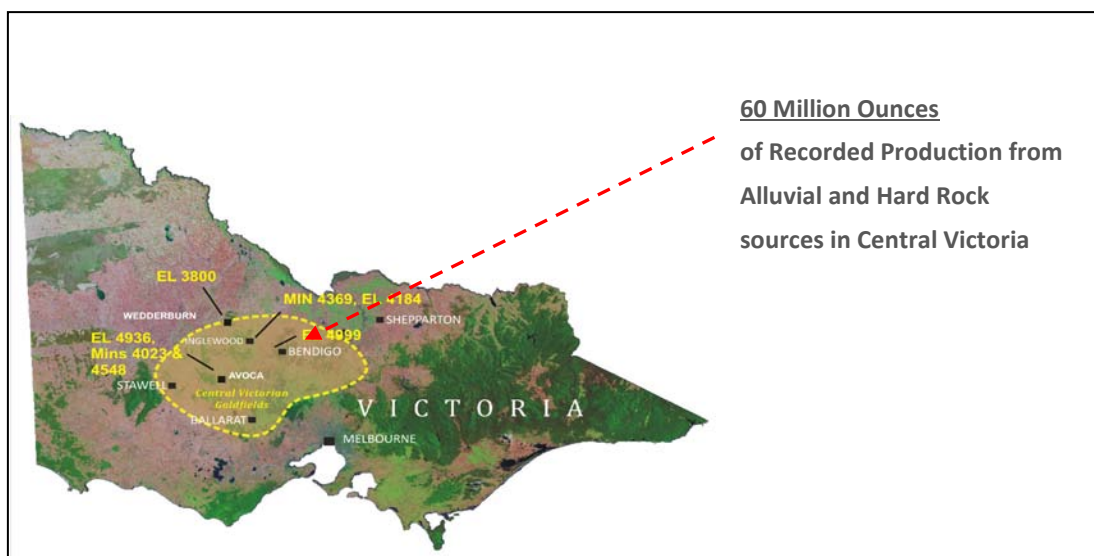
Fiddlers Creek Mins

Avoca EL

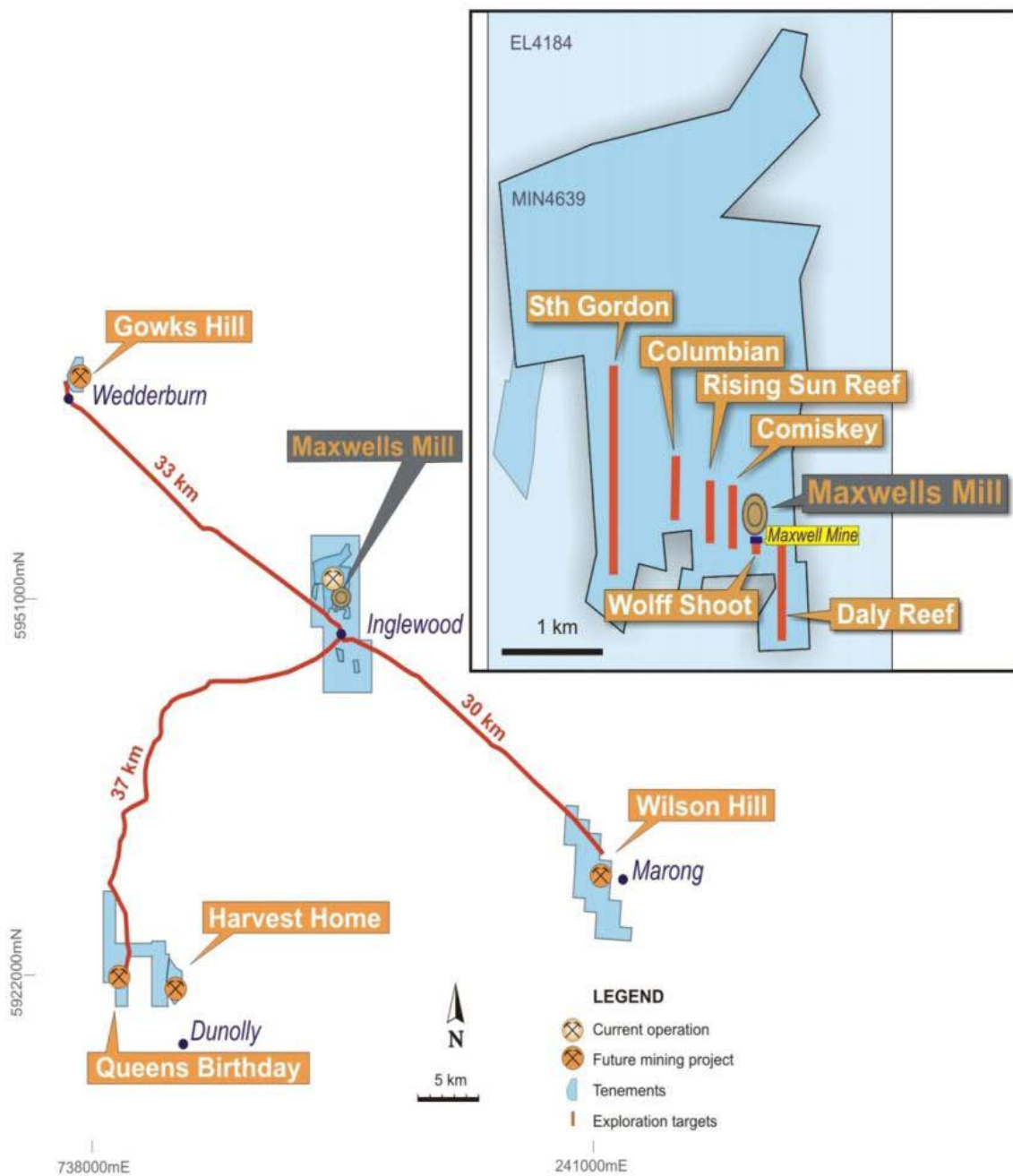
Beavis Industrial Minerals Project (under sale & purchase agreement)

WA 1395

Notes: MIN = Mining Licence - granted by the Department of Primary Industries (DPI)
MINA = Mining Licence Application – application to DPI, yet to be granted
EL = Exploration Licence – granted by DPI
WA = Work Authority - granted by DPI



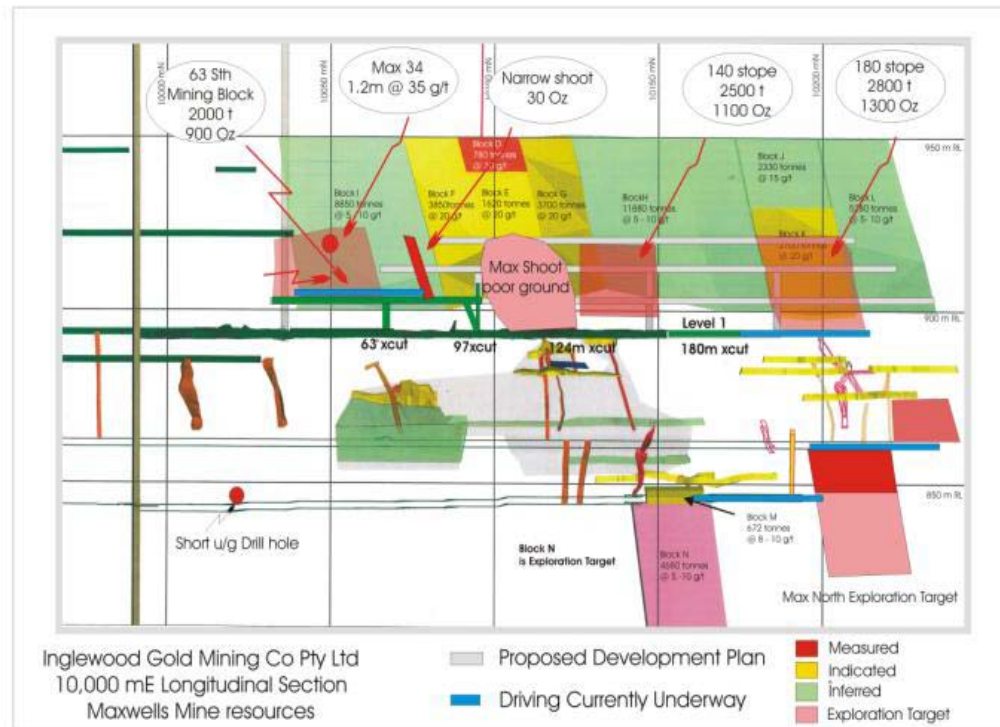
Inglewood, Goldsborough and Wilson Hill Projects



Inglewood Project

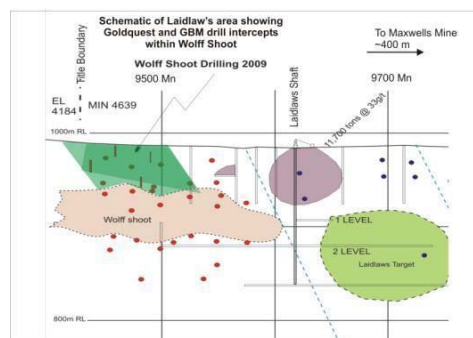
- Maxwells Mine : Further expansion of the Maxwells Mine in to :
 - Level 1, sublevel 1> 2, 63S & 63N
 - Level 1 Sublevel 1>140mN
 - Level 1, sublevel 0, 180N
 - and Level 2 sublevel 1 200N

Schematic Long Section of the Maxwells Mine:



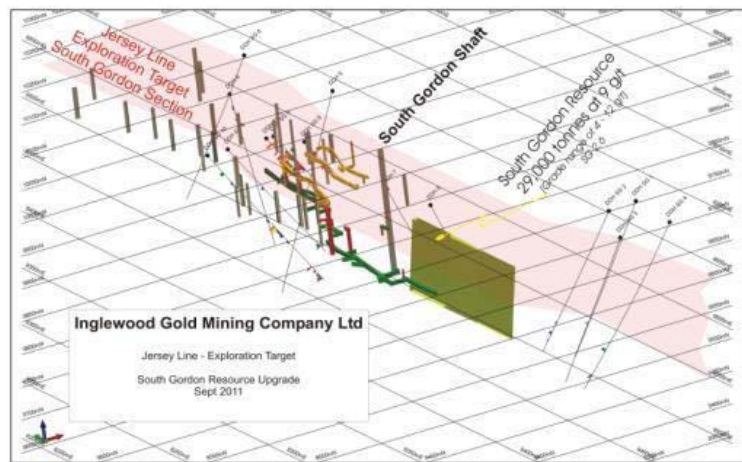
- Wolff shoot: Planning work continued for development of the Wolff Shoot area, focused on its surface expression but more importantly the high grade underground pod at 50-80m below surface. Work involved analysis of :
 - the process for accessing the near surface deposit of ~15,000t for 1,100 oz;
 - more importantly the best means of accessing the Wolff Shoot underground Resource of 19,500t at 19g/t (for 11,900 oz) which has been defined from drilling at 25m intersections at a depth of 50-80m.

Three options have been identified and are being comparatively costed (i) restoration of existing drives at level's 1, 2 or 3 from Maxwell shaft, (ii) restoration of the old Laidlaw shaft for either ore &/or man access; or (iii) a new mini decline from surface.



Wolff Shoot Long section showing drill pattern

- Numerous lines of reef forming large near surface Exploration Target:
Work continued on further defining the numerous surface Exploration Targets on the Inglewood tenement, from analysis of historical records and exploration data, with the aim of providing long term, close to Mill feed sources. At present this Exploration Target totals 2-4m tons of 3-5g/t for 150,000 to 300,000oz (refer table pg 11 of this report for full Exploration Target parameters). Notable results were:
 - Drilling, exploration and analysis of the Daley reef which has identified a +1 g/t anomaly over 400m of the outcropping reef. Further analysis is ongoing to define a resource
 - Analysis of existing Cominsky reef drilling (completed by Goldquest N.L) and estimation of an Inferred resource of 21,000 ounces.
 - Jersey - South Gordon – Ophir: a 1.5 Km long, 20 metre wide fault zone with regular high grade shoots. Past drilling has outlined significant widths at low grades indicating a bulk mining target of magnitude

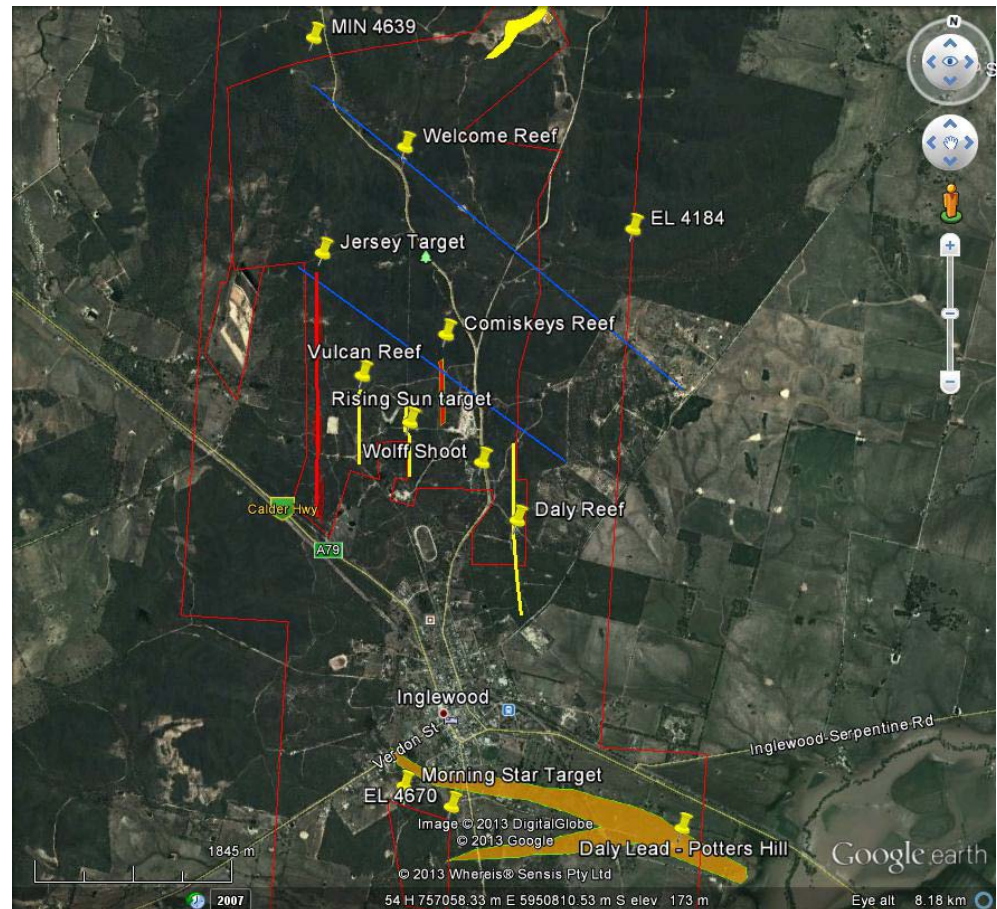


Sth Gordon Area, Jersey Line, Daley reef.

- Geological work has identified several mineralisation styles which are being applied to the goldfield to refine target models.



Drilling at Daley reef in 2011

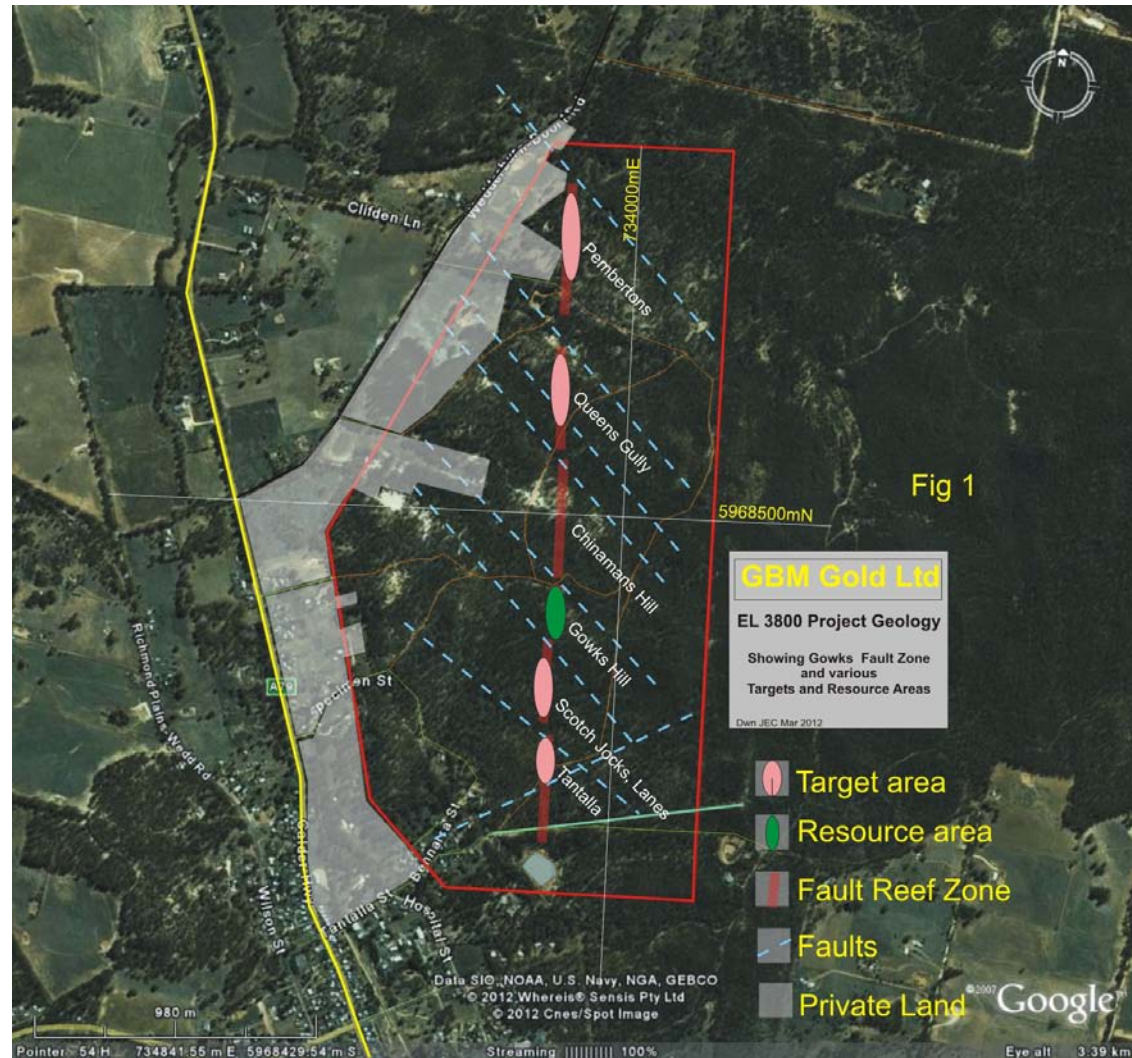


EL 4184 and MIN 4639 at Inglewood showing Exploration Target areas

Wedderburn EL & MINA – (exploration licence and mining licence under application)

- Gowks Hill : Further planning approvals and drilling at Gowks Hill resource block :
 - Significant further drill programme carried out, with assay and analysis work carrying over from the first half of the year to the second half and ongoing. Late in the second half of the financial year a Resource upgrade and mine planning announcement is expected to be made re Gowks Hill.
 - Additionally a bulk sample work plan variation was submitted in the first half and it is intended to take and process this bulk sample before financial year end.
 - Granting of a mining licence re Gowks Hill was progressed in the first half and it is expected to be granted and registered to the GBM group before financial year end.
 - A Work Plan was commenced in the first half year to detail the mining of Gowks Hill. This continues in process at the date of this report.
- Queens Gully: Exploration Target identified
 - Analysis of previous drill data has shown a Northern extension of the Gowks Fault to an area known as Queen's gully. At present this is in Exploration Target status, but in the second half of the financial year work will be carried out to further test and model this extension aiming to take it to Resource in order to supplement the Gowks Hill resource.
 - Further planning approvals and drilling will be undertaken to dovetail this into the Gowks Hill Mining Model.

- Tantalla Target: Exploration Target identified
 - Field work has identified a southern extension of the Gowks Fault Zone currently named the Tantalla target. The structure is shown to be semi continuous over 1.2 Km of strike with several high grade shoots within.



Tantalla Structural Zone showing relation of mineralisation to cross structures

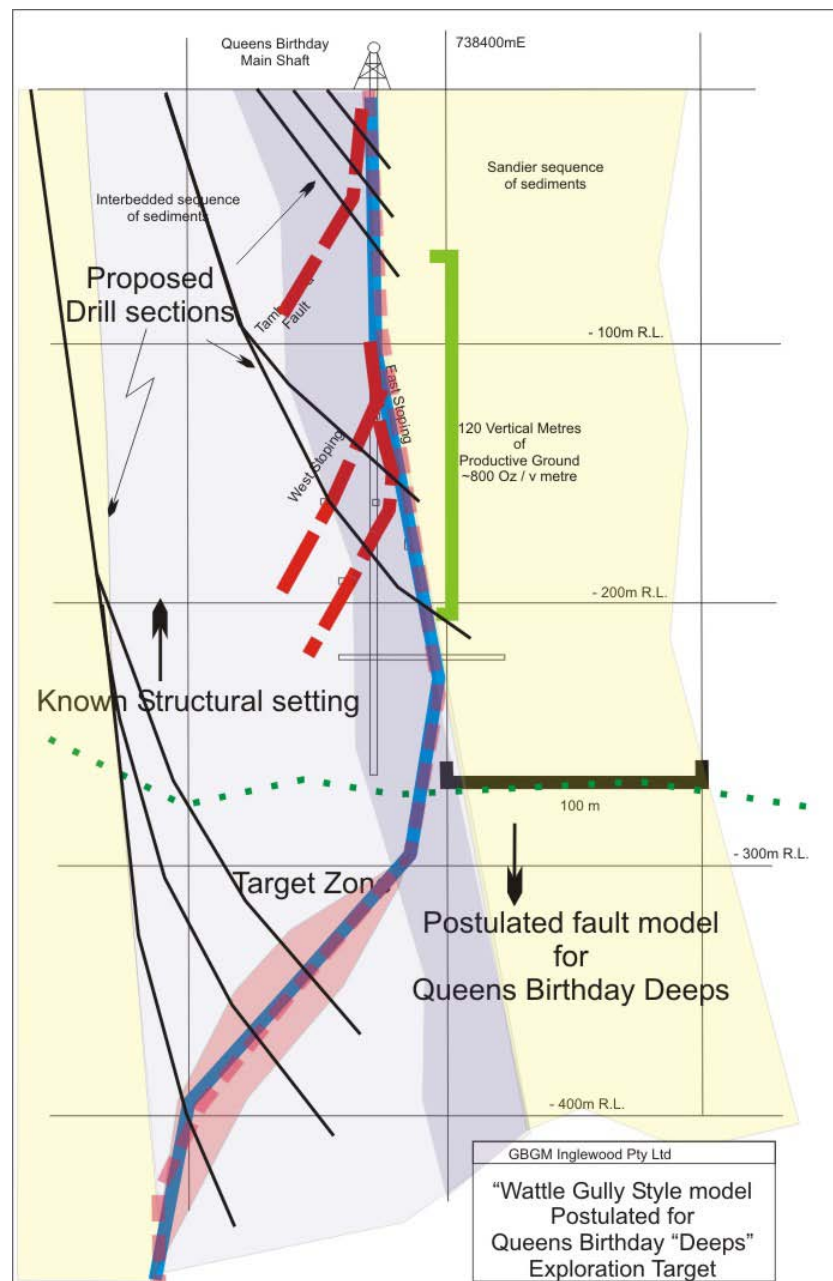
Goldsborough Project

Harvest Home (HH) EL & MINA- (exploration licence & mining licence under application)

- The Harvest Home Inferred Resource block is ~ 1M tonnes at 2.4 g/t for 80,000 oz
- It is held within a JV of which a GBM group company is 50% stakeholder

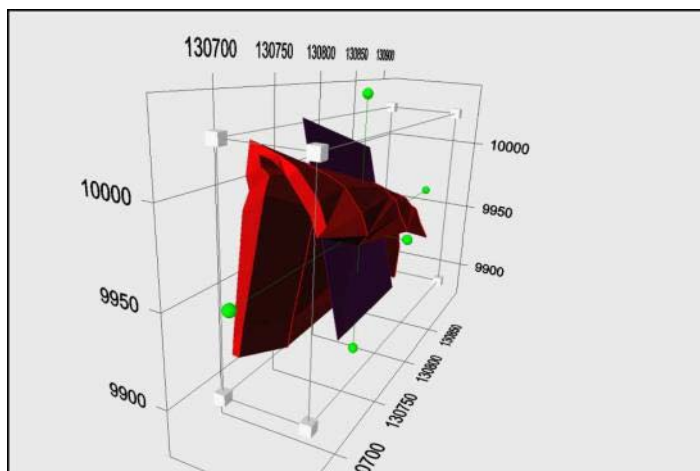
Queen's Birthday (QB) EL (exploration licence)

- The Queen's Birthday tenement has a defined 200,000 oz Exploration Target.
- Whilst a GBM group company owns the title it has a 50% JV interest
- A WPV is being assessed to allow for drill testing shallow and deep targets along with extensions to previously mined structures



Wilson Hill project – Wilson Hill EL (Exploration licence)

- GBM has consolidated the Wilson Hill data base by collection and storage of the 17 pallets of core completed by WMC in the 1980's.
- Further analysis of this data was carried out, targeted at proving the Bendigo geological model applies to Wilson Hill.
- Planning work was advanced in respect of the intended locations of a substantial drill programme designed to convert a significant amount of the Exploration Target at Wilsons Hill to Resource in the next 18 months, subject to funding availability for same.
- The aim of the program is to assess the “Bendigo Style “ Mineralisation model by testing the 250 metre “horizon” on all structural folds at Wilson Hill



Modelling by EMS P/L on WMC drilling at Wilson Hill



EL 4999 Wilson Hill near Bendigo

EXPLORATION TARGET- INGLEWOOD, WILSON HILL AND GOLDSBOROUGH PROJECTS

Open Pit Targets

Inglewood Project		Exploration Target table									
Exploration Target Parameters		Open Cuts to 50 metres Depth									
Inglewood Tenements											
Open-Cut targets	Strike m	Width L m	Width H m	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H
Cominsky -south	800	3	5	50	2	276,000	460,000	1	3	14,753	44,259
Farrell Reef - o/c	150	2	3	30	2	15,525	31,050	2	5	1,494	4,979
Welcome - o/c	100	2	3	70	2	24,150	48,300	1	3	1,549	4,647
Daly-o/c	650	2	3	50	2	112,125	224,250	2	3	10,788	21,576
Jersey	1,000	3	4	50	2	345,000	460,000	3	5	44,259	73,765
Exhibition	600	3	5	50	2	207,000	345,000	2	5	22,130	55,324
Robbie Burns	350	3	5	50	2	120,750	201,250	3	5	19,363	32,272
Rising Sun	250	3	5	50	2	86,250	143,750	3	5	13,831	23,052
Humboldt	250	3	5	50	2	86,250	143,750	3	5	13,831	23,052
Total Inglewood open cut						1,273,050	2,057,350	2	4	141,998	282,927
Wedderburn Tenements											
Strike m	Width L m	Width H m	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H	
Gowks Hill	250	3	6	50	2.3	86,250	172,500	1.5	5	4,149	27,662
Queens Gully	100	3	6	50	2.3	34,500	69,000	1.5	5	1,660	11,065
Lanes Reef	350	3	6	50	2.3	120,750	241,500	1.5	5	5,809	38,727
Total Wedderburn Open Cut						241,500	483,000	1.5	5	11,618	77,453
Wilson Hill - Bendigo											
Strike L	Strike H	Width	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H	
Wilson reef	250	320	6	50	2.4	181,125	231,840	4	6	23,236	44,613
Total Wilson Hill Open Cut						181,125	231,840			23,236	44,613
Goldsborough Project											
Strike L	Strike H	Width	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H	
GBM 50%											
Queens Birthday Open Cut Total	400	600	2	50	2.3	92,000	138,000	2	4	5,901	17,704
Harvest Home	200	350	2	50	2.3	46,000	80,500	2	4	2,951	10,327
Total Goldsborough Open Cut						138,000	218,500			8,852	28,031
Total Open Cut Exploration Target						1,833,675	2,990,690			185,704	433,024

EXPLORATION TARGET- INGLEWOOD, WILSON HILL AND GOLDSBOROUGH PROJECTS
Underground Targets

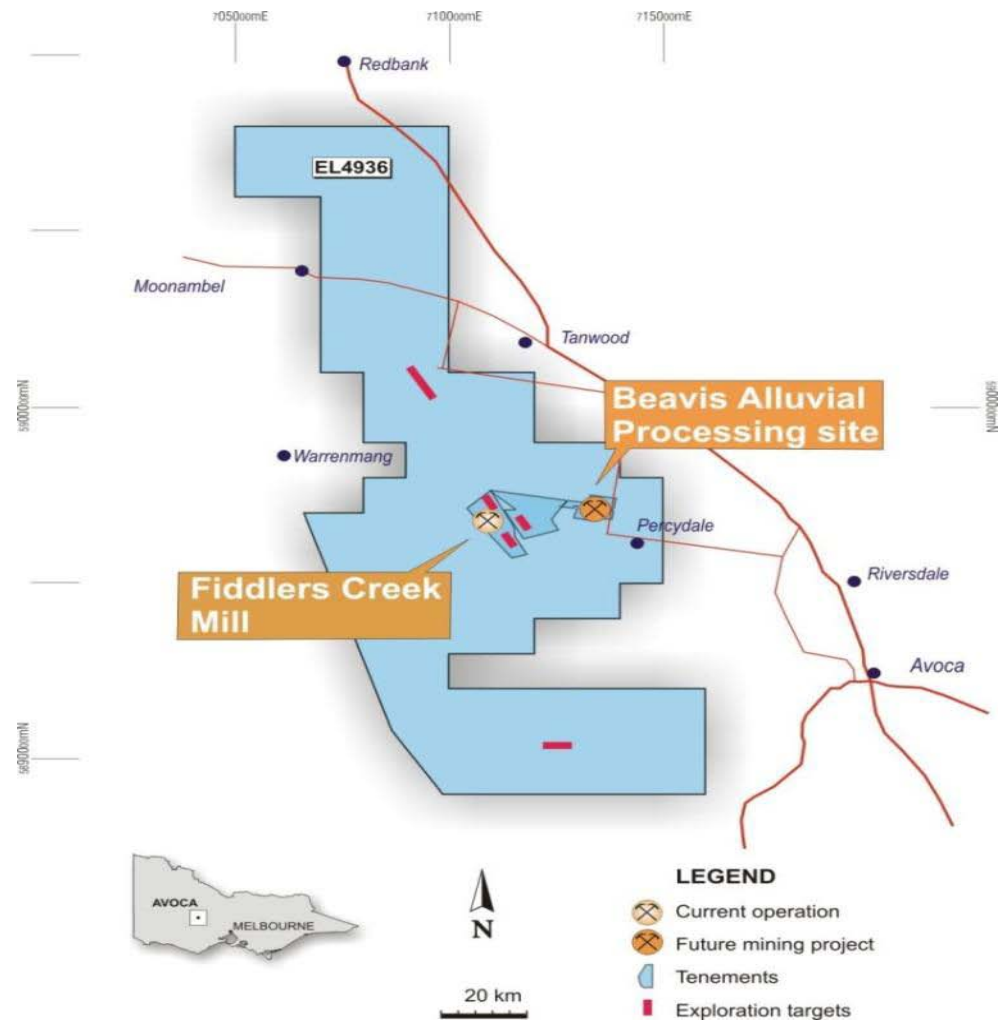
Underground Exploration Target - Extensions and Repetitions to known Mineralisation to 500 metres below surface											
Inglewood Underground	Strike	Width L m	Width H m	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H
Underground											
Max / Max North Deeps	100	1	1.5	200	2.5	50,000	75,000	12	20	19,243	48,108
Columbian deeps	200	1	1.5	200	2.5	100,000	150,000	15	25	48,108	120,269
Cominsky - u/g	100	1	1.5	200	2.5	50,000	75,000	12	20	19,243	48,108
Jersey	200	1	1.5	200	2.5	100,000	150,000	15	25	48,108	120,269
March Unity - Morning Star - u/g	200	1	1.5	200	2.5	100,000	150,000	20	30	64,144	144,323
Rock of Cashel	100	1	1.5	200	2.5	50,000	75,000	8	12	12,829	28,865
Kelverton u-g	100	1	1.5	200	2.5	50,000	75,000	12	20	19,243	48,108
Old Inglewood	100	1	1.5	200	2.5	50,000	75,000	12	20	19,243	48,108
Ophir et al	100	1	1.5	200	2.5	50,000	75,000	12	20	19,243	48,108
Total Inglewood Underground						600,000	900,000	13	21	269,403	654,266
Wilson Hill - Bendigo	Strike	Width L m	Width H m	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H
250m R.L											
Wilsons a/c	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Albion	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Slate	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Total 250m						360,000	540,000			69,275	207,826
500m R.L											
Wilsons	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Albion	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Greys	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Slate	400	600	8	15	2.5	120,000	180,000	6	12	23,092	69,275
Total 500m						480,000	720,000			92,367	277,101
Total Wilson Hill Underground	Note: some rounding has occurred									161,642	484,926
Goldsborough Underground	Strike L	Strike H	Width	Height	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H
Queens Birthday Underground											
Underground South Extent	75	150	1.5	170	2.6	49,725	99,450	6	12	9,569	38,275
QB deeps	300	600	1.5	180	2.6	210,600	421,200	6	12	40,526	162,104
Total Goldsborough Underground						260,325	520,650	6	12	50,095	200,378
Total Underground Exploration Target values										481,140	1,339,570
All measurements in metres			31.18 g/Ounce								
SG estimated on local experience			Dimensions based on existing workings								
TOTAL Open Pit & Underground Exploration Target values						3,273,675	5,150,690			666,844	1,772,594

AVOCA-FIDDLERS CREEK

GBM owns, via two subsidiary companies GBM Avoca Pty Ltd and GBM Fiddlers Creek Pty Ltd, two MIN's covering the Fiddlers Creek Gold Mine area plus an overlying EL covering the Avoca-Percydale gold field.

At Fiddlers Creek the group has a small (~10 tph) crushing and gravity recovery circuit located above the Fiddlers Creek mine.

ADJOINING BEAVIS+FIDDLERS CREEK PROCESSING SITE





Fiddlers Ck Crushing circuit, Ball Mill – concentration circuit in background

RESOURCE - AVOCA-FIDDLERS CREEK TENEMENTS

Fiddlers Creek Project – 2 x MIN (mining licences)

- Further analysis of drill data relating to a downward extension of the existing Fiddlers Creek mine Resource has been undertaken and an extension to the existing resource is under review. The drill result is likely to allow an increase in the Indicated tonnes along with an increase in the Inferred resource as well
- Discovery and testing of surface anomaly showing potential for a small open cut resource nearby the Mill.
- A mini feasibility study is to be finalised to assess viability of a small decline access to this underground resource to provide a limited initial ore feed to the gravity mill.

Avoca EL (exploration licence)

- Various further areas of interest defined for future review as potential alluvial and hardrock sources.
- Follow up on historical research outlining several shallow targets with +3 g/t surface potential. An exploration target as shown (refer table herein for full parameters, with target ranging from ~70 to 300K ounces) has been estimated for this project based on historical reports on sampling.
- While initial workings focussed on individual quartz veins and reefs, these have been shown to be part of larger fault zones with potential to carry mineralisation over 10+ metre widths.
- Work plan variations for drilling to test the new mineralisation model are being prepared.

RESOURCE, AVOCA-FIDDLERS CREEK

Resources									
Fiddlers Creek	Measured			Indicated			Inferred		
	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces	Tonnes	Au (g/t)	Ounces
<u>Tailings (sg 1.6)</u>									
Sub TOTAL Tails									
<u>Hard Rock</u>									
Fiddlers Ck Mine	877	13	374	5,413	6	981	10,637	5	1,774
Fiddlers Hanging wall							10,080	8	2,586
Below 920 m R.L.							7,200	8	1,847
Footwall							11,520	8	2,956
Sub TOTAL - u/g	877	13	374	5,413	6	981	39,437	7	9,163
Grand Total for Fiddlers Creek							45,727	7	10,518

EXPLORATION TARGET - AVOCA-FIDDLERS CREEK

Avoca - Fiddlers Ck											
Exploration Target table											
Exploration Target Estimate criteria Open pits to 50 metres											
Projects	Strike L	Strike H	Height	Width	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H
Min 4023	75	150	50	2	2.3	17,250	34,500	4	10	2,213	11,065
Min 4548	100	200	50	2	2.3	23,000	46,000	4	10	2,951	14,753
Beavis Extension	500	750	200	2	1.5	300,000	450,000	0.5	1	4,811	14,432
Alluvial No 1 Gully	1000	1500	5	100	1.5	750,000	1,125,000	0.65	1	15,635	36,081
						1,050,000	1,575,000	1	2	25,609	76,331
EL 4936											
Targets	Strike L	Strike H	Height	Width	S.G	Tonnes L	Tonnes H	Grade L	Grade H	Ounces L	Ounces H
Mt Warrenmang	200	500	120	15	2.5	900000	2250000	0.75	1.5	21,648	108,242
Halls Reef	300	600	35	6	2.5	157500	315000	1.5	4	7,577	40,411
Bannisters	500	1000	35	10	2.5	437500	875000	1	3	14,031	84,189
Total						1495000	3440000			43,257	232,842
Grand Total Avoca Exploration Target						2,545,000	5,015,000			68,866	309,173

BEAVIS PROJECT - FREEHOLD LAND COVERED BY WA 1395 -
(UNDER SALE AGREEMENT)

RESOURCE - AVOCA-FIDDLERS CREEK TENEMENTS

- Inferred Resource of 33,000 oz in the basal layer from 25 metres and in excess of 2 million cubic metres of silica based industrial products



Beavis Project showing historical diggings and company property boundary



- *Drilling at Beavis*

Status

- Approvals obtained for trial screening of various grades of gravels and sands in the remnant mining heaps
- Planning and approvals needed for Beavis project to go to full scale production
- Conceptual pit plan & plant design outlined for processing gravel at ~100m³/hr
- Analysis compiled of the potential uses of the silica and kaolin industrial products
- Project sold for A\$5m with \$750,000 paid and balance payable \$250k pm over 17m

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by John Cahill, who is a Member the Australian Institute of Geoscientists.

John Cahill is an employee of Kralcopic P/L, a wholly owned subsidiary of GBM Gold Ltd. John Cahill has sufficient experience which is relevant to the style of mineralization 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'. John Cahill consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

DIRECTORS

The directors of the Company are:

- **Mr Ian W Smith (BSc)** *Executive Chairman*
- **Mr Eric Ng**, *Independent Non-Executive Director, Member of the Audit & Remuneration committee*
- **Mr Stuart D Hall (B.Bus, ACA)** , *Independent Non-Executive Director, Member of the Audit & Remuneration committee*
- **Mr Paul H. K. Chan**, *Independent Non-Executive Director*
- **Mr Andy Lai**, *Independent Non-Executive Director*

COMPANY SECRETARY

Mr Stuart D. Hall

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