

15 April 2013



**Attention: Kobe Li**  
Adviser, Listings  
ASX Compliance Pty Limited  
Level 4, Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

**By Email**

Dear Kobe

**Appendix 3Z lodgement re John Ernest Royer Cahill and non-compliance with LR 3.19A and 3.19B – GBM Gold Ltd (“GBM”)**

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Whilst GBM makes every effort to comply with the Listing Rules, it acknowledges that in this instance it has not complied with the timing of LR 3.19 A and 3.19B.

Both the director involved and GBM simply overlooked the filing requirement at the time. In early April it was realised that the 3Z had not been filed and the matter was immediately corrected.

1. The reason why the filing was overlooked at the time was that :
  - (i) a number of key staff had been away at the time; and
  - (ii) others were fully focused on corporate activity and getting the half year report completed and filed.As a result the filing of the 3Z was overlooked.
2. The company has the following arrangements in place with its directors :
  - (i) Before trading any shares Directors are required to notify the Company Secretary and/or Chairman of their intention to trade – to ensure that the Company does not view they would be doing so in a restricted period and/or that there is not some other reason why they should not be trading at the time.
  - (ii) Written permission (email) to trade (or not) is given by the company in all cases.
  - (iii) Assuming permission to trade is given, the Director is reminded to advise the Company Secretary of all trades and of the requirement to file a 3Y report if there is a change to a notifiable interest.
  - (iv) Each month at board meetings Directors are required to report on any change in their interests, including any share dealings – especially those which give rise to any change in notifiable interest
3. The following additional steps have been put in place as a result of your letter of 12 April 2013
  - (i) A Director appointment & Resignation “tick list” has now been put in place, a copy of which has been given to the company secretary and Administration manager. This is to be followed each time a Director is either appointed or resigns – and should minimise potential for any breaches of LR 3.19A.1 and LR 3.19A.3 in future.

- (ii) In addition to the above “tick list” – which is applicable to Appendix 3X and 3Z filings - a memo has been circulated to Directors to remind them of the 5 business day timing requirement of obligations under LR3.19A, and especially LR 3.19A.2 and the 3Y disclosure.

As a further matter :

- (iii) Each director has also been requested to double check their most recent 3Y filing to ensure that that filing is accurate and current. If as a result any Director’s present 3Y filing is found to be inaccurate or non-current due to share movements (issues, sales, purchases), then a further 3Y will be filed in respect of that Director to correct the matter - accompanied by a voluntary disclosure notice from GBM of any such non-compliance found.

The company is confident that its existing arrangements plus the above further steps should minimise the potential for future issues to arise in this regard.

Yours Sincerely  
GBM Gold Ltd



Ian Smith  
Executive Chairman



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12 April 2013

Mr Ian Smith  
Executive Chairman  
GBM Gold Ltd

By Email

Dear Ian,

**GBM Gold Ltd (the "Company")**

We refer to the following;

1. The Appendix 3Z lodged by the Company with ASX on 10 April 2013 for Mr John Ernest Royer Cahill;
2. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times.*

- *On the date that the entity is admitted to the official list.*
- *On the date that a director is appointed.*

*The entity must complete Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.*

3.19A.2 *A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) including whether the change occurred during a closed period where prior written clearance was required and, if so, whether prior written clearance was provided. The entity must complete Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.*

3.19A.3 *The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.*

3. Listing rule 3.19B which states as follows.

*An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.*



4. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendix 3Z indicates that Mr Cahill ceased to be a director of the Company on 22 February 2013. It appears that the Notice should have been lodged with ASX by 1 March 2013. Consequently, the Company may be in breach of listing rules 3.19A and/or 3.19B. It also appears the director concerned may have breached section 205G of the Corporations Act.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions:

1. Please explain why the Appendix was lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail at [Zheng.Li@asx.com.au](mailto:Zheng.Li@asx.com.au) or by facsimile on facsimile number (03) 9614 0303. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than half an hour before the start of trading (**i.e. before 9.30 a.m. E.S.T.) on Wednesday, 17 April 2013.**

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and should separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

*Sent electronically without signature*

Kobe Li  
**Senior Adviser, Listings (Melbourne)**