

ASX Announcement

31 October 2013

ACTIVITIES REPORT FOR THE QUARTER ENDED 30th SEPTEMBER 2013

Key Highlights:

Lubuk Mandi Gold Mine Project Malaysia

- Settlement completed under the Acquisition and Joint Venture Agreement.
- First Tranche of SDG\$ 3 million secured.
- Completion of Tailings Project drilling and Resource Estimate: JORC compliant resource of 1.5M tonnes containing 34,700 ounces of gold. 94% is classified as Indicated.
- Stage 3 of tailings metallurgical test work in progress. Tailings plant construction to begin next quarter.
- Completion of detailed mine lease geological mapping and design of Phase 1 hard rock drilling program. Drilling to commence early next quarter.

Mount Morgan Gold and Copper Project

Oakey Creek Prospect

- Significant, semi-continuous copper-in-soil anomaly, >2.5 km in length and open to the north.
- Very large and intense porphyry-style propylitic alteration zone associated with soil and rock-chip mineralisation and hydrothermal breccia development.

Pan Pacific/Mitsui Farm-in Projects NW Queensland

- Completion of infill Magnetotelluric (MT) surveys over Bronzewing Bore and Mount Margaret FC4S prospects. Modelling in process.
- Scout drill testing completed of geophysical/geochemical targets at Mount Margaret FC2 West prospect. IOCG-style alteration and minor mineralisation intersected.

ASX Code: GBZ

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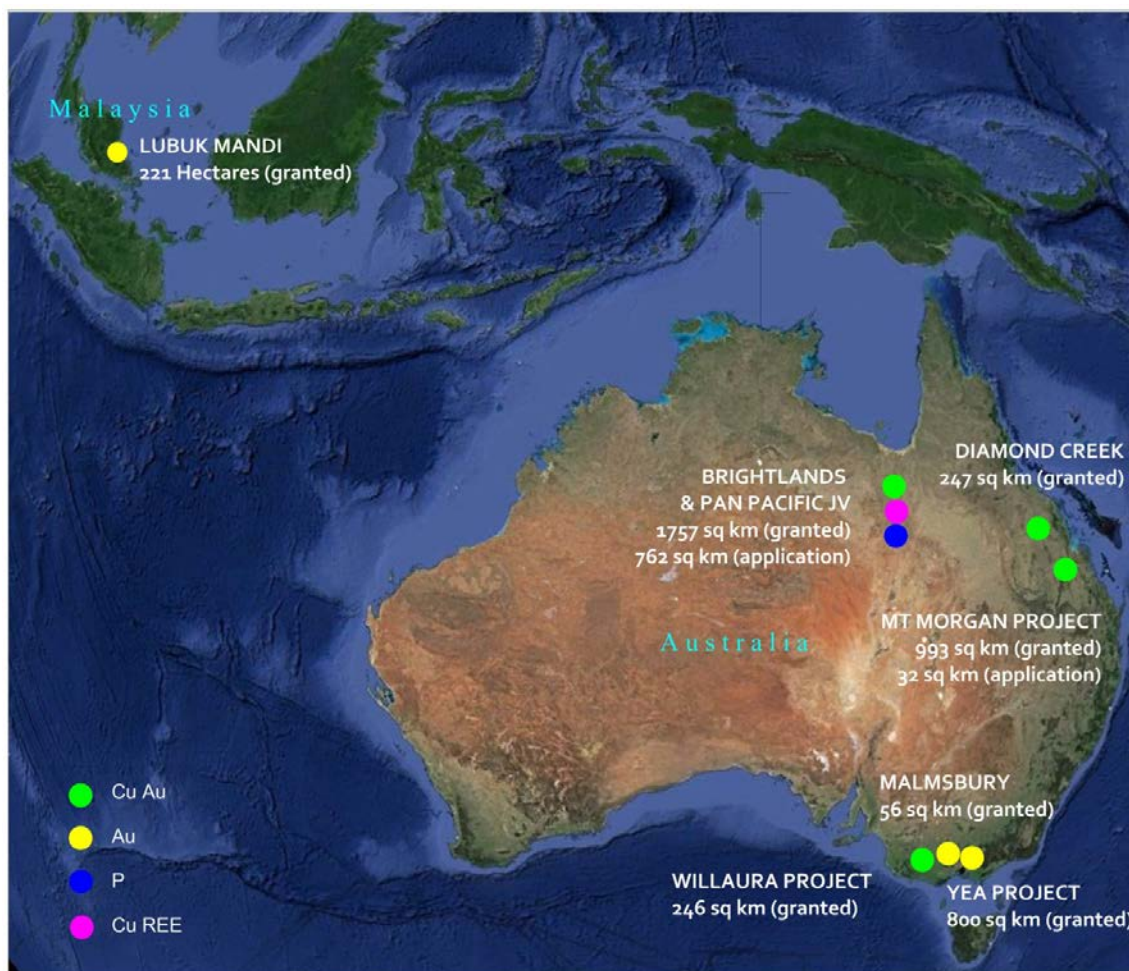


Figure: GBM Resources Project Location Plan.

SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the quarter. The Company has now completed 27 consecutive months with no LTI's and 71 consecutive months with no significant environmental incidents.

GBM is committed to maintaining an incident free record and will continue to target zero injuries and environmental incidents in line with the Company's policy of striving to achieve the highest standards in safety and environmental management.

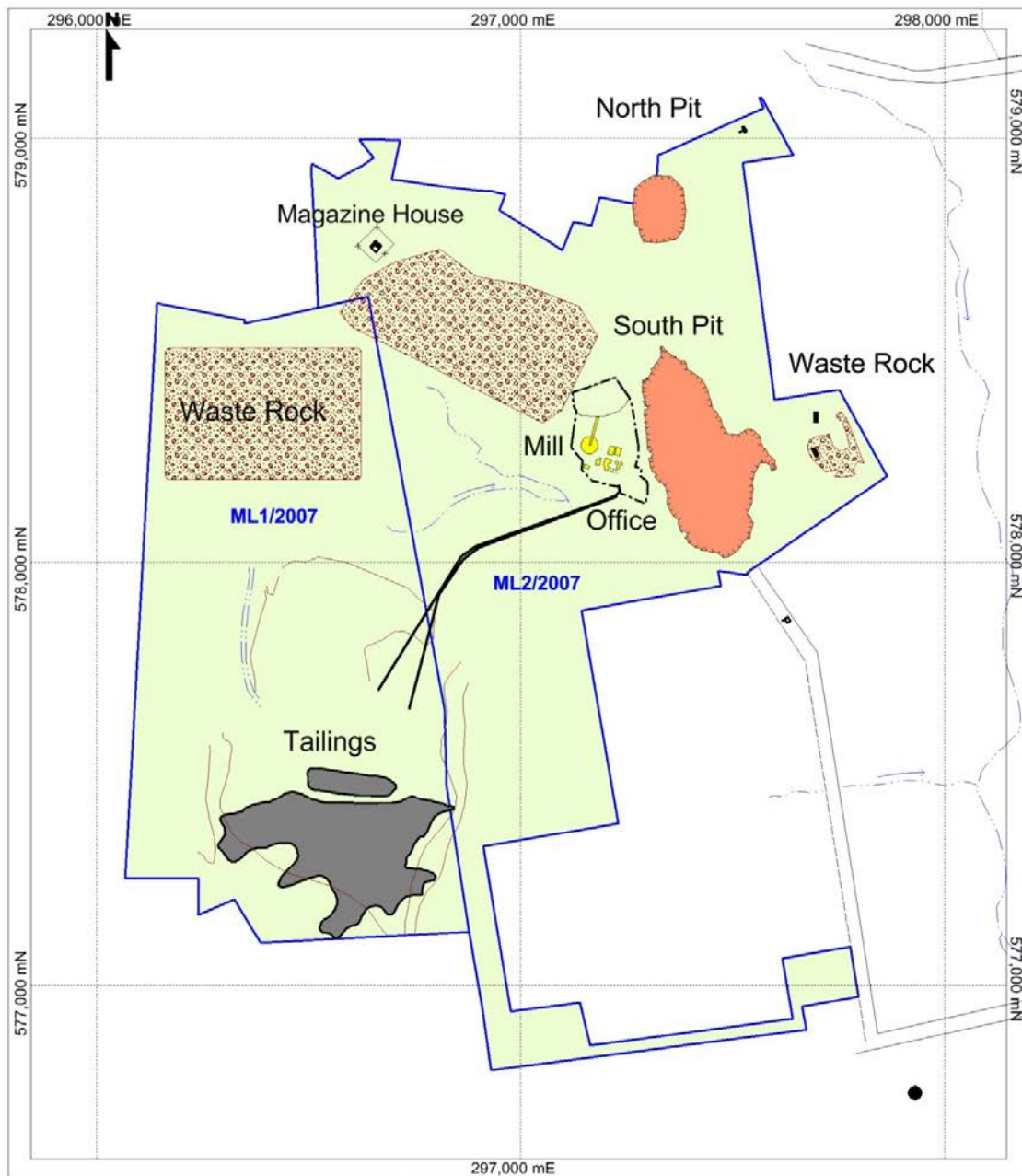
LUBUK MANDI GOLD PROJECT, MALAYSIA

GBM completed the acquisition of its interest in Angka Alamjaya Sdn Bhd (**AASB**), owner of the mining concession for the Lubuk Mandi Gold Mine in Peninsular Malaysia, as previously announced on 11 June 2013.

Pursuant to the Acquisition and Joint Venture Agreement with AASB, GBM acquired approximately 40% of AASB by issuing 15% of ordinary shares in GBM. Shareholders approved the transaction at a General Meeting held on 22 July 2013.

AASB and GBM have agreed a total budget of up to SGD\$8 million to be used for completion of resource estimation programs, metallurgical testing, plant design, capital equipment purchase and plant construction to commence retreatment of tailings. The total budget also includes provisional IPO costs for listing in Singapore. The first Tranche of SGD\$3million has been secured by AASB.

The Lubuk Mandi Gold Mine is located on the east coast of the Malaysian Peninsula in the state and sultanate of Terengganu, approximately 7 km south of the state capital city Kuala Terengganu. Gold was discovered in 1989 at the site and initially worked as alluvials along a 2 km strike length prior to hard rock mining at Lubuk Mandi. A CIP/CIL plant operated between 1993 and 1999, producing over 107,000 ounces of gold and approximately 11,000 ounces of silver. All mining was by open pit methods.



Coordinate System: WGS84 UTM Zone 48 N



Lubuk Mandi
SITE MAP
MUSTER POINT LOCATIONS



Figure: Lubuk Mandi Gold Mine site layout plan.

The redevelopment plan at Lubuk Mandi is to define and exploit a mine tailings resource and concurrently assess the potential of hard rock gold mineralisation below the existing open pits and within the mine lease environs. Field work began in earnest during the September quarter with the focus drilling the two main tailings dams on the mine leases. A detailed mapping program to assist hard rock drill program design was also completed during the quarter.

Tailings Dam Redevelopment

GBM’s initial assessment and development plan identified an exploration target** for the Tailings Dam Project of between 1 Mt at 0.7 g/t Au containing 23,000 ounces of gold and 1.4Mt at 0.9 g/t Au containing 38,000 ounces of gold based on limited available data from previous operators at the site (Refer ASX release 11 June 2013). A total of 29 drill holes were completed on a 50 metre grid pattern and sampled every one metre interval which yielded 439 samples to be used for further analyses, resource estimation and Stage 3 Metallurgical Test Work (figure below).



Figure: Tailings drilling collar plan showing outline of the two dams used in the resource model (pink). Completed collars shown as black symbols with Depth to Basement annotated in dark blue and average gold grade for each hole in light blue. The average gold grade excludes assays from basement material.

**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 an Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The final resource estimate for the tailings is 1.5M tonnes containing 34,800 ounces of gold at an average grade of 0.7 g/t Au. Of this 94% is classified as indicated with the remaining 6% inferred reflecting a lack of sampling data due largely to access conditions on the dam. The table below summarises the resource estimate.

Indicated & Inferred					
	Contained Gold				
	Tonnes	Grammes	Ounces	Grade Au ppm	% Tonnage
Indicated	1,445,000	1,009,000	32,400	0.70	94
Inferred	87,000	72,000	2,300	0.80	6
Total	1,532,000	1,081,400	34,700	0.70	100

Table: Resource estimate for Lubuk Mandi tailings project

A program of shallow hand auger drilling of a series of tailings, or 'overflow' dams, located directly north of the main dams is presently underway and should be completed in early October. A total of 26 holes are planned on a nominal 50m grid across the three dams. The dams are expected to be shallow, however gold grades may be significant, and given the large area covered by these dams, considerable extra tonnage may be viable for treatment.

Hard Rock Drilling Project

Following detailed mapping by GBM geologists during the quarter, a program of diamond drilling was planned to test a series of targets on the primary mine lease in the vicinity of the southern pit. The program will be split into several phases with the aim to provide an initial broad understanding of structural and lithological control on mineralisation and assess the main targets for prospectivity. Follow-up drilling will then be planned based on interpretations and assay results from Phase 1.

A total of 155 holes have been drilled within the mine lease at Lubuk Mandi. This historic drilling was used to create a geological target estimate in May 2013 for the main mineralised shear zone, including the mined resource and intercepts beneath the current base of the southern pit. The exploration target numbers were approximately half that reported from total mine production which suggests a problem with gold recovery in the diamond drilling method at Lubuk Mandi. Free gold occurs at the margins of soft graphitic shale and quartz and would be easily washed out by standard twin tube diamond drilling techniques.

The planned diamond program will employ large-diameter HQ triple tube drilling equipment which should ensure excellent recovery, even in soft, broken shear zones. Phase 1 will test three targets; redrilling of selected historic intercepts beneath the south pit on the main shear, the Eastern Shear Zone (ESZ) and the Western Shear Zone (WSZ).

For the main shear, drilling is planned to test the main mineralized zone on two sections chosen to intersect down-dip extensions of mineralisation below the best areas (width and grade) of in-pit mineralisation defined by historic drilling.

The ESZ is a zone of intensely sheared and brecciated graphitic shale and quartz up to 60m wide on the east margin of the south pit. This structure has never been drilled but a small, shallow embayment in the pit is a result of late mining of this zone. A series of historic rock chips reporting up to 16 g/t Au show excellent potential of the ESZ along strike of the pit embayment to the north. To the south, the shear zone appears covered by late alluvial sediments and may continue sub-parallel to the pit axis.

The WSZ was defined from recent mapping work by GBM geologists. It appears to be a sub-parallel shear of lesser width and lower graphitic carbon content than the ESZ. A couple of intersections exist within the WSZ at the top of historic holes collared at the west margin of the pit. Two deep east-plunging historic holes should have intersected the WSZ at between 100-150m below surface if the dip of the shear is similar to the main lode (80-85 degrees). No significant intersection was reported in either hole however. This may mean the WSZ is a shallow target only pinching out with depth or that the shear has a shallower east dip than expected.

A total of 10 holes are planned on three east-west sections for 2,080m. This will produce four intersections on the WSZ and the main lode each plus six intersections on the ESZ. The plan incorporates multiple intersections on individual sections, allowing for better interpretation of structure geometry and depth continuity. See the proposed collar plan below.

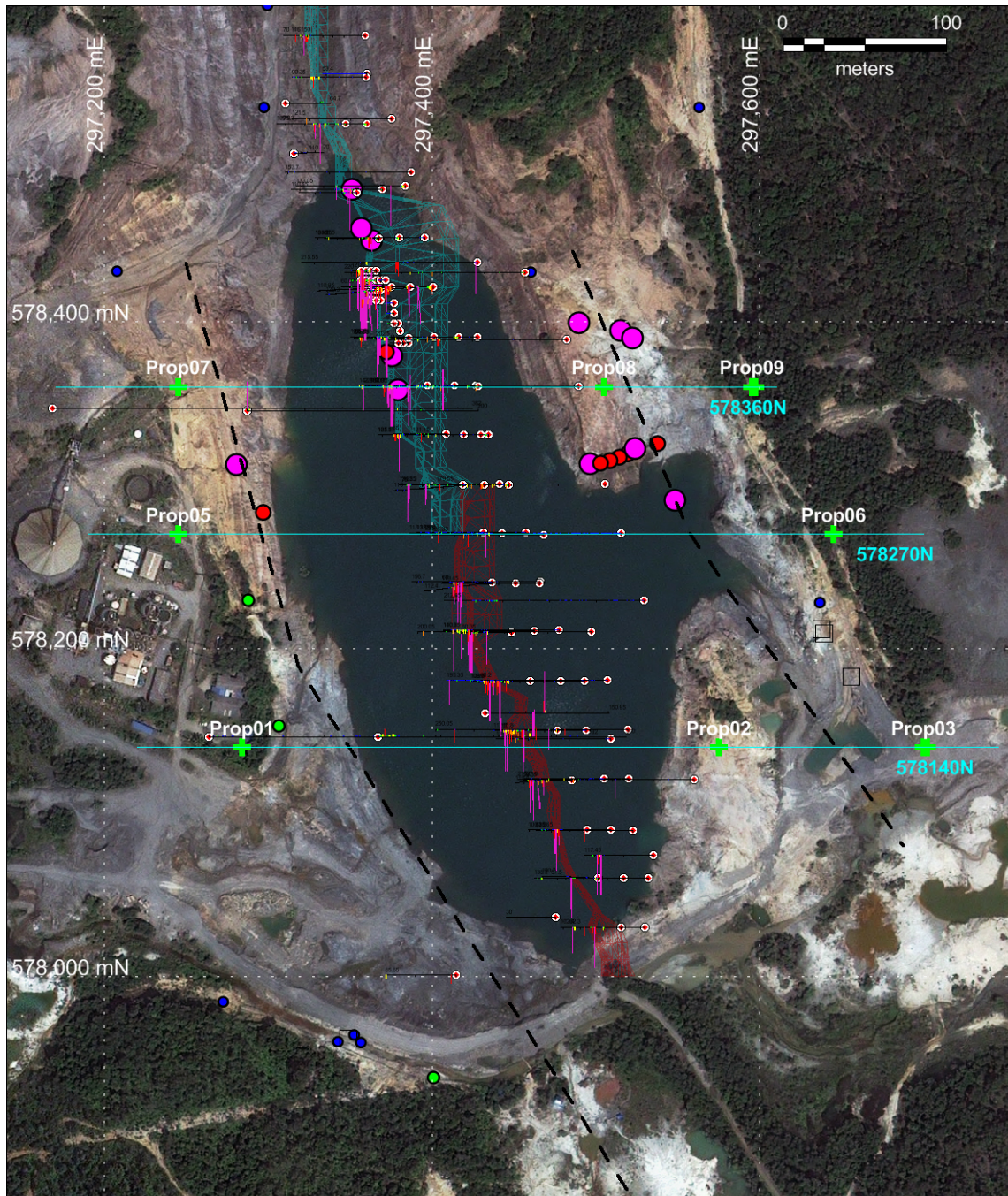


Figure: Lubuk Mandi south pit showing mined resource wireframes through centerline of pit, historic drillholes with downhole gold histograms, rock-chip samples coded for gold (red 0.1-1 g/t Au, pink >1 g/t Au), proposed drill collars (green crosses) and section lines (blue).

QUEENSLAND EXPLORATION ACTIVITIES

Mount Isa Region Copper Gold Projects

Brightlands Project, 100% GBM

Following the successful completion of the Scoping Study for Milo, announced earlier in the year, GBM will focus in 2014 on delineating near-Milo targets to supply high-grade feedstock to the Milo Project. A number of geochemical/structural/historical targets exist within the current extent of the GBM soil sampling grid surrounding Milo. No field work was completed on the Brightlands Project this quarter due to the Company focus on the Cloncurry Joint Venture and Malaysian operations; however target evaluation and program planning activities continued.

Pan Pacific Copper/ Mitsui Farm in Projects

This Farm In Agreement is at the end of the second quarter of the fourth year of an initial six year farm-in period. The exploration budget for the year ending 31 March 2014 is approximately \$2.5M. Under the Farm-in Agreement, Pan Pacific / Mitsui, through their co-established Australian subsidiary Cloncurry Exploration and Development Pty Ltd ("CED"), can spend up to A\$55 million on the development of new copper-gold exploration and mining projects in northwest Queensland.

Activity Overview:

The September quarter saw the completion of a Gravity survey at FC15 and Bronzewing Bore prospects, an MT survey at Landing Ground prospect, MMI soils at FC2 prospect and drilling at the FC2_W prospect. The quarter also saw the commencement of the MT infill survey at FC4_S prospect.

Three scout holes were drilled into gravity/magnetic anomalies at the FC2_West prospect in the September quarter. The first hole was completed in early July at Site 'B' (to 180m), the second hole at Site 'A' (to 195m) in early September and the third hole at Site 'C' (to 297m) in mid-September.

The submission and return of assay results for drill-core samples from four drill holes (MMA002 [2012], MMA003, MMA004 & BNG007) occurred in this quarter along with the submission and return of assay results for the MMI soil samples (516) collected from FC2. Analysis and interpretation of MMI soils assay results and drainage influences for FC2_West infill, FC2, FC12 and FC15 prospects within the Mount Margaret project area were reviewed.

Magnetic and gravity inversion models were produced for FC2_West, FC2 and Landing Ground prospects, the historical MIM aeromagnetic data for FC2_West was located and plotted, and the detailed gravity data from the recent 2013 survey completed over FC15 in early September was processed. Preliminary 3DMT resistivity models were generated for Landing Ground, FC4_South and Bronzewing Bore prospects in September.

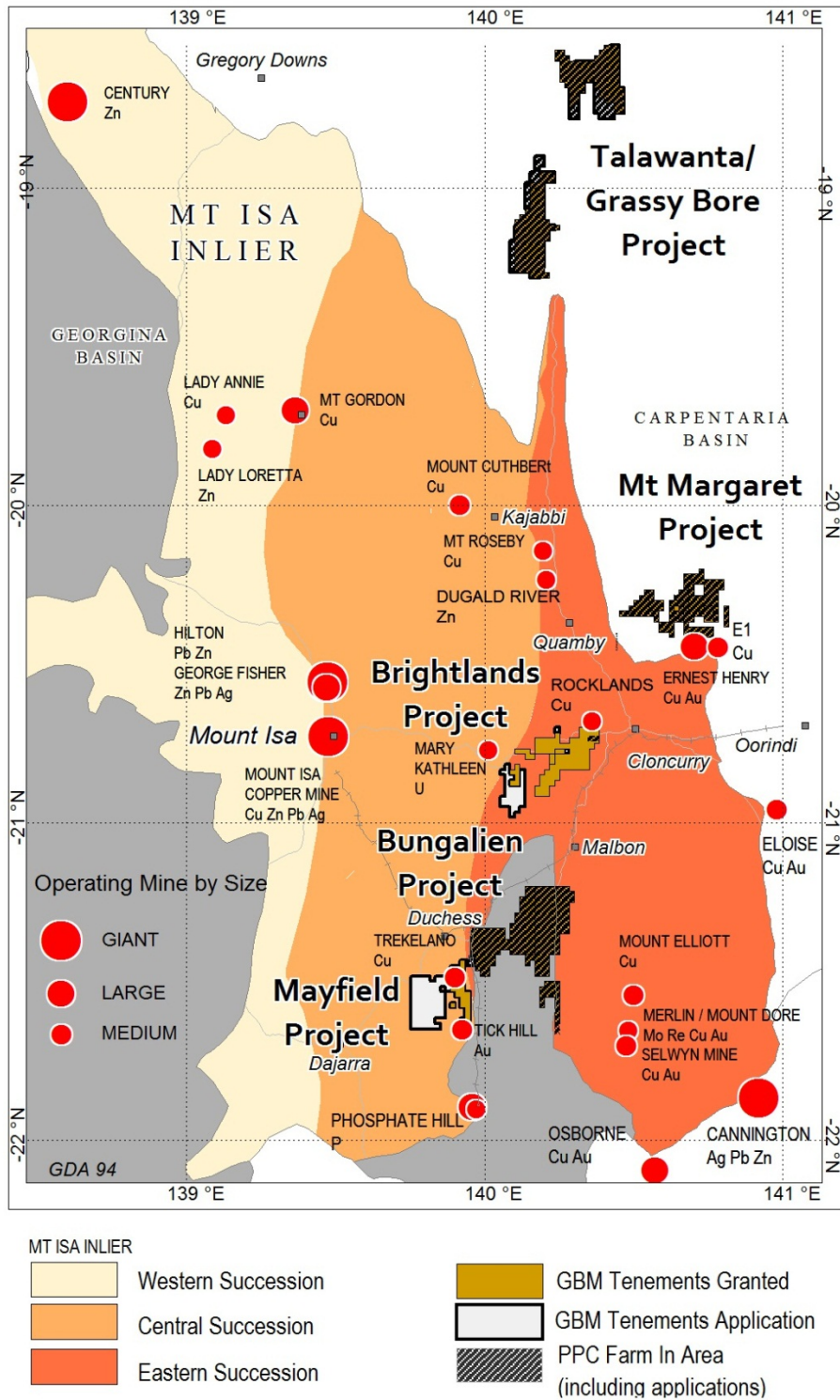


Figure: Location map showing Farm in Areas.

Bungalien Project

The Bungalien group of tenements to the south of Cloncurry includes the Bungalien 2, Horse Creek 2 and Limestone Creek tenements. Exploration by the JV prior to 2013 has been concentrated on Bronzewing Bore, Malbon 2, Boomerang Bore and Burke bore prospects. The largest part of the exploration budget to date has been focussed on an identified IOCG target beneath 300-400m of cover at the Bronzewing Bore prospect where anomalous Cu (\pm Au) mineralisation has been intersected in five scout drill-holes. The 2013 program builds on the existing results at Bronzewing Bore through additional geophysics and drilling, and aims to advance the Burke Bore prospect through IP surveys, MMI soil surveys and scout RC drilling.

Bronzewing Bore Prospect

Work completed during the quarter at Bronzewing Bore consisted of production of an updated 3D MT resistivity inversion model, completion of a 30 point gravity survey at the southern end of the project and analysis of structural and assay data from drill hole BNG007 (drilling completed last quarter).

The geochemical results for 123 1m drill-core samples from BNG007 were received from ALS and the best intersection from the analyses is a 5 metre interval from 457 to 462m DH that averages 0.25 % Cu and 0.03ppm Au, within which the metre interval from 459 to 460m DH returned 1.00 % Cu and 0.1ppm Au (see table below).

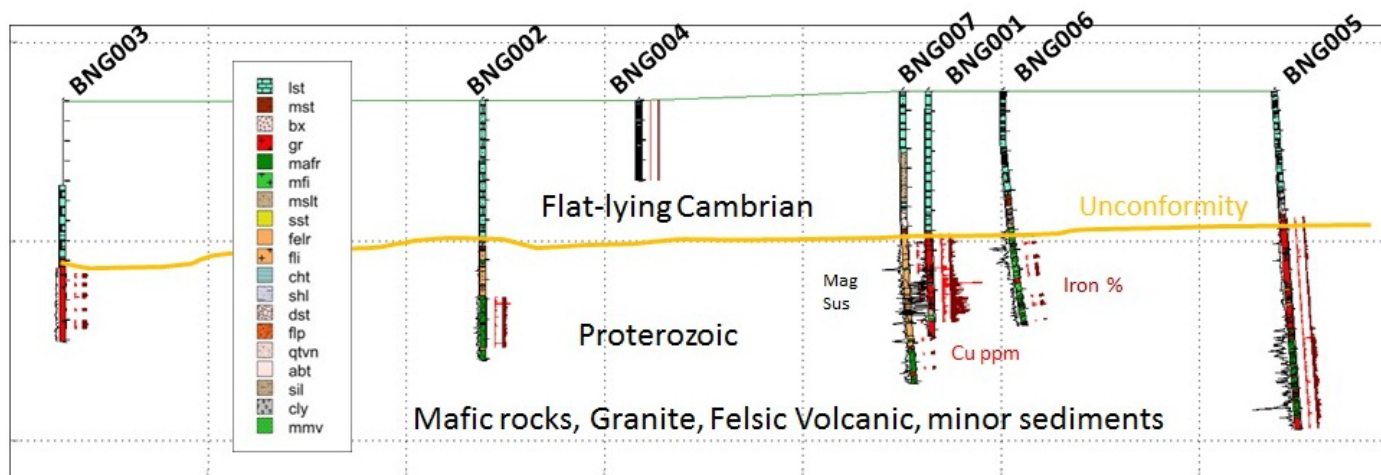


Figure: Updated long section (south-north) through the Bronzewing Bore prospect that includes BNG007 completed late in the June Quarter. Lithology is plotted down-hole, with magnetic susceptibility on the left of the hole and Cu and Fe assay data plotted on the right.

All of the significant Cu results in the analyses are accompanied by Au. An average calculated Au content for the results normalised to a Cu content of 1% would be between 0.1 to 0.3 ppm (note: the highest Au content in the assay results is 0.1ppm). This indicates that if a significant IOCG-style Cu resource was identified in the prospect area, it would be likely to be accompanied by Au. Very rare Mo was observed in the core and a high of 66.4ppm Mo was returned for the metre interval from 514 to 515m downhole.

Hole ID	From m.	To m.	Interval m.	Cu %	Au ppm
BNG007	449	451	2	0.20	0.04
BNG007	457	462	5	0.25	0.03
Including	459	460	1	1.00	0.1
BNG007	509	510	1	0.23	0.07
BNG007	537	540	3	0.12	0.03

Table of selected Cu-Au assay intervals from drill-hole BNG007 at the Bronzewing Bore prospect.

Structural analysis of drillhole BNG007 was completed during the quarter using veins, lithological contacts, and foliations in the basement measured from orientated drill core. Collectively the data confirms the dominant NNW-SSE striking and moderate to steeply east dipping structural grain in the basement at the site of BNG007. This same trend can be seen in the regional magnetics (marking the western boundary of the higher magnetic zone) and in detailed gravity over the prospect area where a subtle NNW striking gravity high runs through the BNG007 collar position.

The mineralization in drill-hole BNG007 is typically hosted in or near mafic lenses. This suggests that either the mafic lenses are the source of the Cu in the veins, or that the reduced mafic rocks form a suitable chemical trap for the deposition of the mineralization when intercepted by Cu-Au bearing veins. Either of these mechanisms could create an orebody if a suitable hydrothermal system is operating in the area. The most likely sites for mineralization would occur at lithological contacts involving mafic rocks where both geochemical and structural traps are present.

The mineralization intercepted in BNG007 does not appear to be sufficient to explain the apparent resistivity anomaly indicated in the 3DMT inversion model.

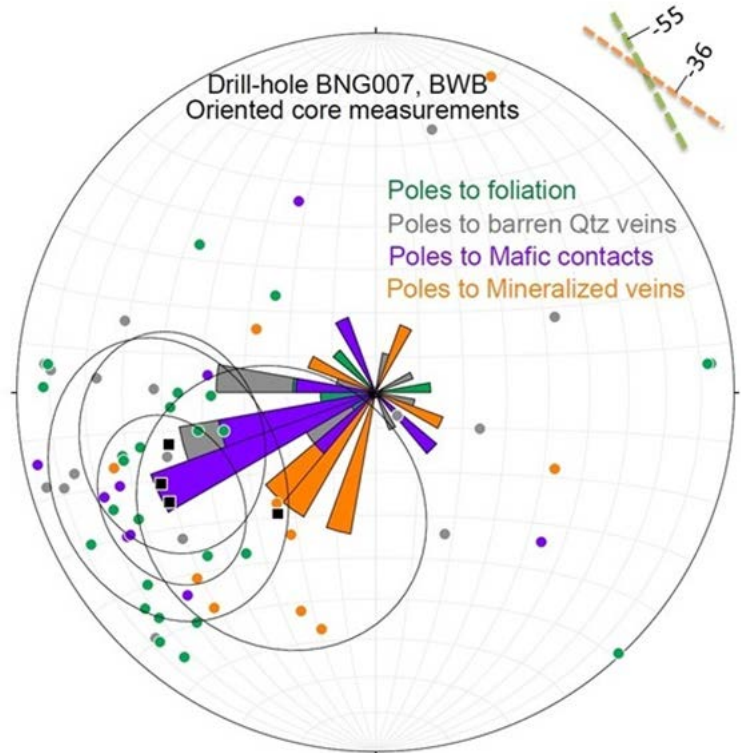
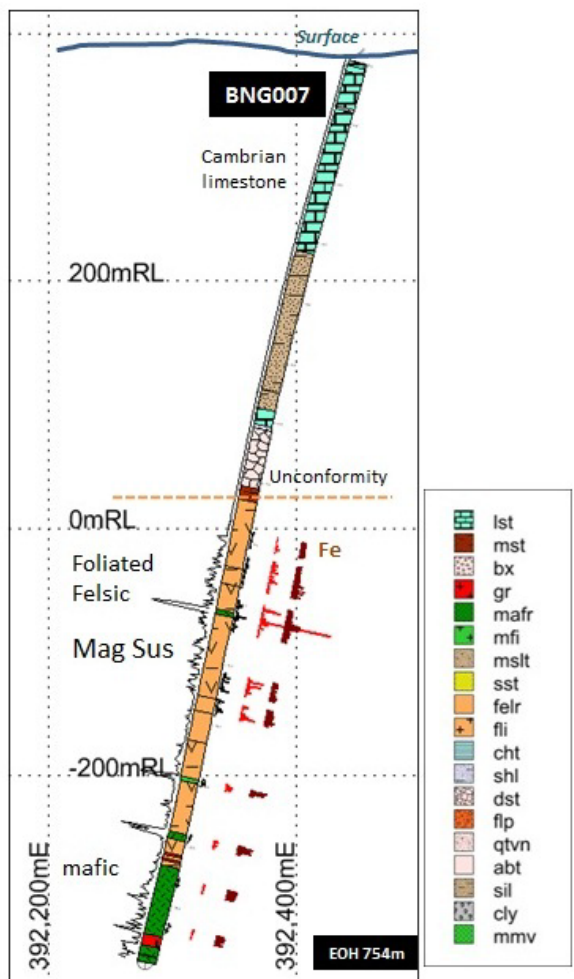


Figure: (Left) Down-hole log of lithology, magnetic susceptibility (left) and (right, in order) Au, Cu and Fe assay results for the 123 selected 1m sample intervals from hole BNG007 at BWB. Peak Cu is 1.00 wt %, peak Au is 0.1 ppm, peak Fe is 13.35 wt %. (Right) Rose diagrams, contours and Fisher Mean Vectors for poles to foliations, barren quartz veins, mafic rock contacts and mineralized veins in drill-hole BNG007. Note close overlap of all bar the mineralized veins.

MagnetoTellurics (MT) Survey:

A preliminary updated 3DMT resistivity model was provided by Quantec Geoscience to include the extension and infill survey data (27 points) collected in late June 2013 at Bronzewing Bore. The new data confirmed the apparent resistivity anomaly at the northern edge of the original grid. The infill points around drill-hole BNG007 sharpened the apparent anomalous area with BNG007 appearing to intersect the target in the new model.

Analysis of the preliminary data suggests further data capture at the north and south margins of the model will be required to close off the anomalies at the grid extremities. This survey extension will be completed early next quarter.

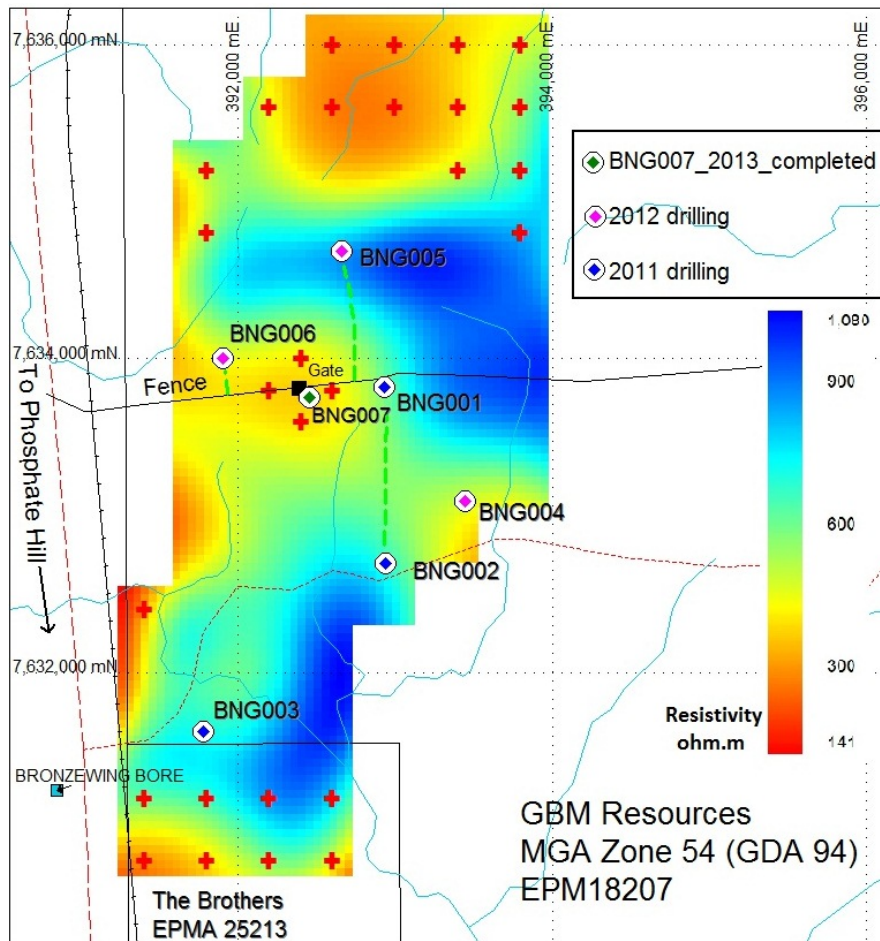


Figure: Bronzewing Bore Prospect; depth slice at -175mRL through the preliminary updated 3DMT resistivity model incorporating additional survey points collected in June 2013 (red crosses). All JV drill collars are also shown.

Burke Bore Prospect

A number of areas of interest were selected in the Burke Bore area after a ground-gravity survey was completed in 2012. The three selected target areas have coincident or near-coincident gravity and magnetic anomalies (see figure below). As the cover is likely to be shallow in the Burke Bore area (probably ca 100m or less) induced polarization (IP) surveys were recommended to better define the collar positions. A proposal for IP surveys over targets A, B and F has been prepared along with a trial MMI partial leach soil survey and is scheduled to be completed during the December quarter.

Scout drill-collar positions will be chosen after the results of the IP survey and the assay results from the trial MMI soil survey lines have been analyzed and interpreted for the selected target areas. Drilling of the selected targets is scheduled for late next quarter.

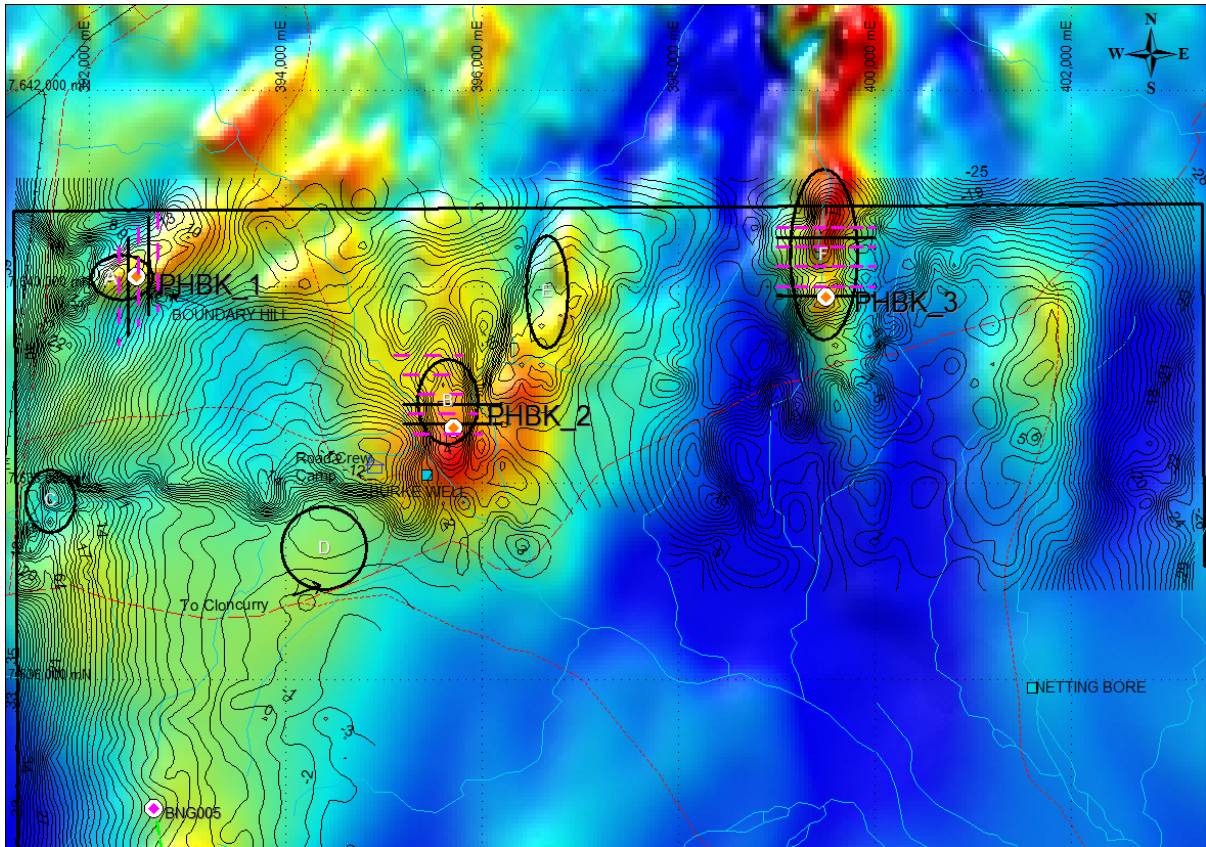


Figure: Burke Bore prospect area with areas of interest A to F (as defined by geophysics) over TMI_RTP image with residual gravity contours. IP lines over anomalies A, B, and F are shown as black lines and planned MMI soil survey shown as dashed pink lines. Three possible collar positions are provisional only.

Forward Programme

Exploration activity in the December quarter at Bungalien will include completion of the 3DMT resistivity model over the Bronzewing Bore prospect, Downhole IP survey in BNG007 at Bronzewing Bore, completion of trial MMI soil and IP geophysical surveys at Burke Bore, and drill testing of selected targets at Burke Bore.

Mount Margaret West Project

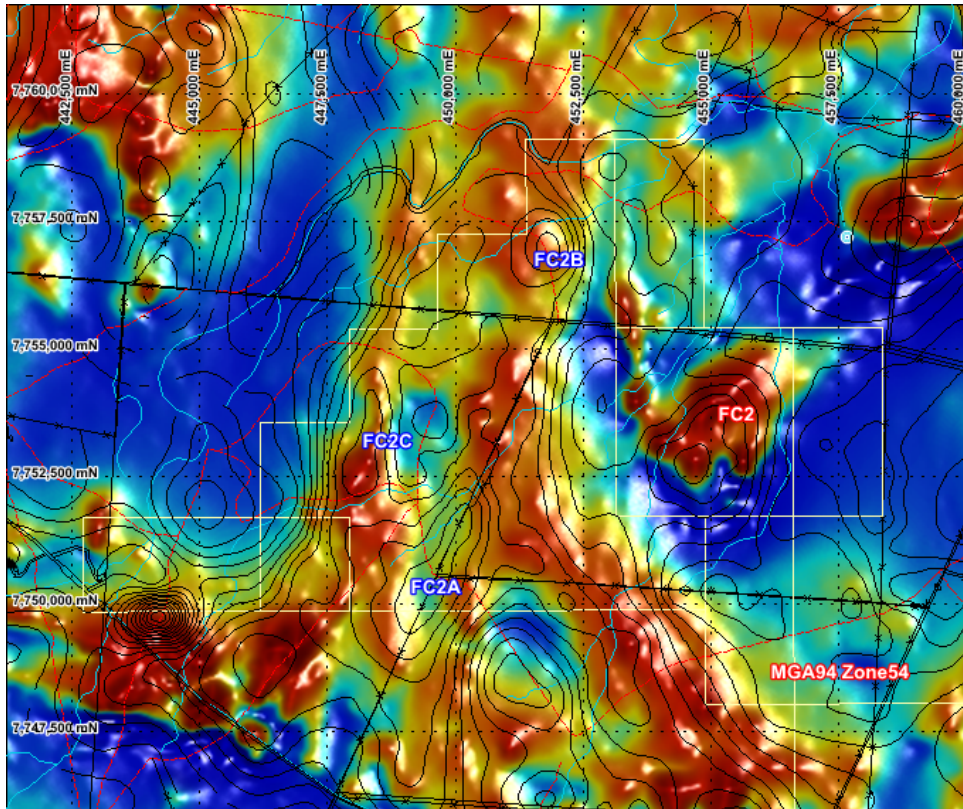
The Mount Margaret group of tenements consists of Mt Malakoff Ext (EPM 16398) Dry Creek (EPM 18172) Dry Creek Ext (EPM 18174) Cotswold (EPM 16622) and Mt Marge (EPM 19834).

The Mount Margaret tenements are in an area of shallow cover (<100m) over Proterozoic rocks that include the host to the nearby Ernest Henry Cu-Au-magnetite mine. A number of named IOCG prospects are located within the CED JV tenements and these have been explored by other companies to various degrees. Exploration by the CED JV aims to identify and explore new areas that have been under explored to date (e.g. FC2_West).

In 2011 and 2012, the CED JV conducted an extensive MMI soils program over FC2W (including infill) and the western edge of FC2, and over FC12 and FC15; completed two (2) MR-DD holes at FC4S; and geophysics (MT, IP, Gravity) within the Mt Margaret group of tenements. In 2013 to the end of the June Quarter one MR-DD hole and MT and DHIP surveys, along with some MMI soil survey work had been completed.

FC2 West Prospect

The FC2W prospect is characterised by two parallel magnetic belts, structural features and an offset strong gravity anomaly, and prior to 2013 was relatively under-explored with no recent or historical drilling recorded over the area. Work completed during the quarter consisted of processing and modelling new and historic data, drill program planning and scout drill testing of generated targets (FC2 West A, B, C).



FC2W: Target areas Sites 'A' (FC2A), 'B' (FC2B) and 'C' (FC2C). Background TMI with gravity contours (0.5mgal) and landowner boundaries (black lines) and EPM's (white lines).

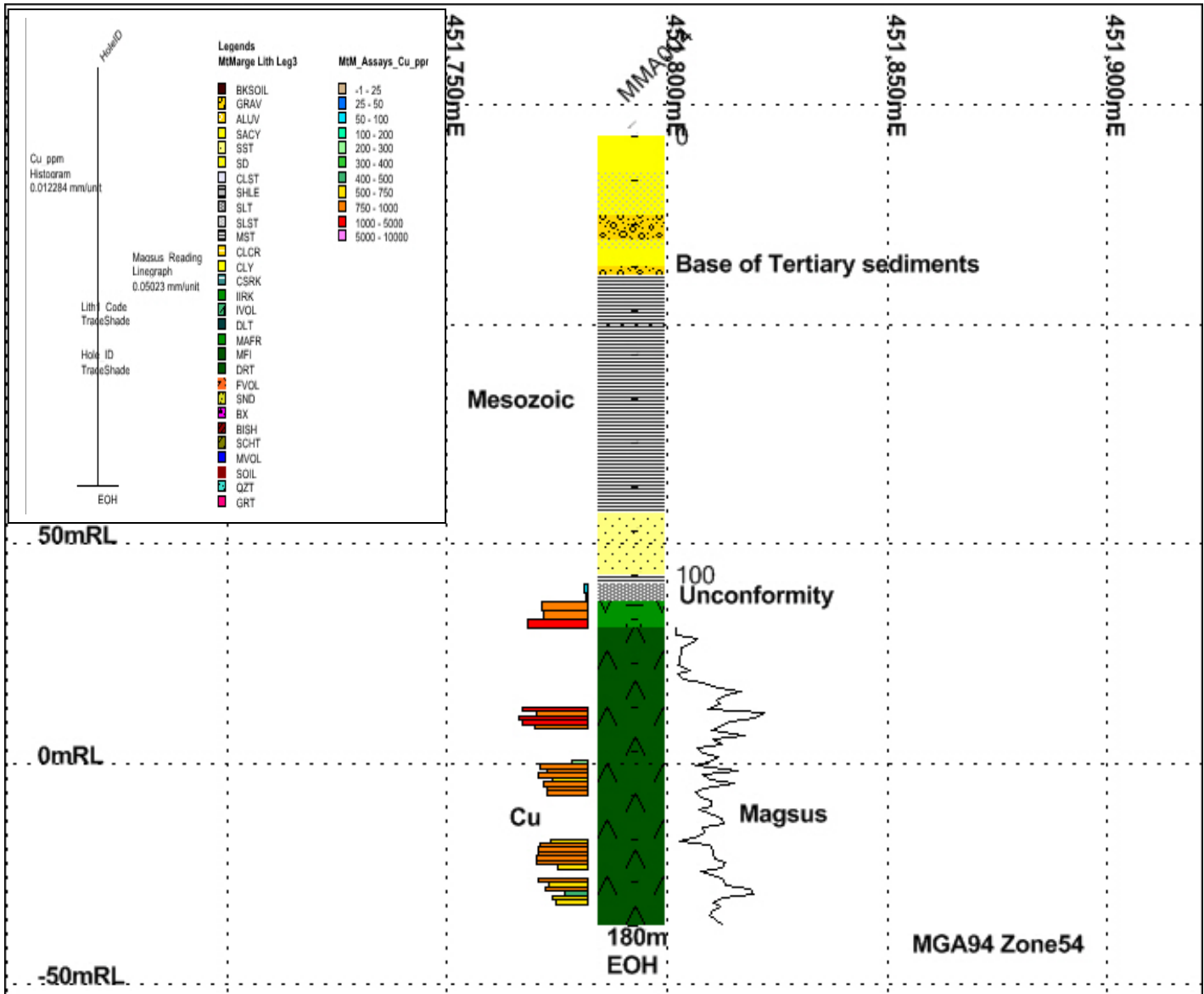
A total of three holes for 672.3m were drilled at FC2 West during the quarter as single-hole scout tests of three separate geophysical/geochemical targets. All holes were completed using Mud-Rotary through the cover sediments and Diamond tails in basement. A drilling summary table is included below.

Hole_ID	Prop_ID	Easting	Northing	Azimuth_Mag	Dip	RL	Depth_m
MMA004	FC2W_B	451792	7756953	Vertical	-90	143	180m
MMA005	PHO_A1	449307	7750406	90	-80	149	195.2
MMA006	PHO_C1	448315	7753498	84	-75	149	297.1

Table: Drilling summary table for FC2 West.

MMA004 (Site B)

Scout drill-hole MMA004 testing a strong circular gravity anomaly, intersected medium-grained phenocrystic mafic igneous rock (meta-dolerite) with minor magnetite and weak sulphides locally. Assay results for strongly anomalous Cu are shown on the section below. Copper exceeded 0.1 wt % in a number of core samples with a peak of 0.13 wt % between 132-133m DH. Titanium and vanadium peaks of 3.21 wt % and 0.18 wt % respectively occurred in the same interval.



FC2W: Down-hole lithological log and section for MMA004, with Cu ppm (left) and magnetic susceptibility (right). The unconformity is at 105m DH.

MMA005 (Site A):

The scout drill-hole MMA005 at Site 'A' was sited to test a strong gravity anomaly with adjacent gold and copper anomalism in MMI soils. The basement was intercepted at 56m. The basement lithology is predominantly a fine to medium grained grey green and pink mafic rock with a variable spotted and mottled texture locally, weak to strong pink feldspar and weak to moderate chlorite alteration locally as well. Variable very weak to minor carbonate, magnetite, amphibole and pink feldspar veining is also evident locally. The rock has weak patchy magnetite throughout and weak pyrite and trace to very weak chalcopyrite (150 – 164m).

The strong 2 mgal gravity anomaly does not appear to have been satisfactorily tested for this drill hole. Rock types intersected likely have insufficient density to explain the anomaly.

The diamond core is currently being cut and sampled and will be dispatched to the ALS lab by mid-October.

MMA006 (Site C):

The scout drill-hole MMA006 at Site 'C' was designed to test an apparent N-S trending magnetic anomaly with an associated gravity ridge, adjacent to MMI soil anomalies. The basement was intercepted at approximately 30m. The drill hole, stopped at 297.1 metres, showed an increase in magnetics with depth and minor increase in visible sulphides typically associated with increased magnetism.

The basement lithology is primarily a fine grained grey-green and pink weak to very strongly pink feldspar altered foliated mafic rock unit with variable weak to strong banding locally. A medium grained very strongly altered pink feldspar felsic (mafic?) interval is evident between 83 and 90m downhole. Magnetite appears to be mostly constrained to the darker bands/foliations and shows significant spikes at 227m, 274m and 288m.

Results are yet to be received for MMA006; expected early November.

FC2 Prospect

The FC2 prospect is defined by a strong magnetic and gravity anomaly which appears folded and faulted in 3D geophysical inversion models. Historic drilling intersected high-Fe ironstones, anomalous copper mineralisation and strong IOCG-style alteration at the ironstone contacts. The setting has affinities with Starra and Osborne ironstone-hosted copper and gold mineralisation.

A 498 sample Mobile Metal Ion soils program at FC2 was started in late April and completed in early July. An additional 18 repeat samples were collected in late July to test the reliability/reproducibility of the MMI method and the assay results. The assay results were received in August and September.

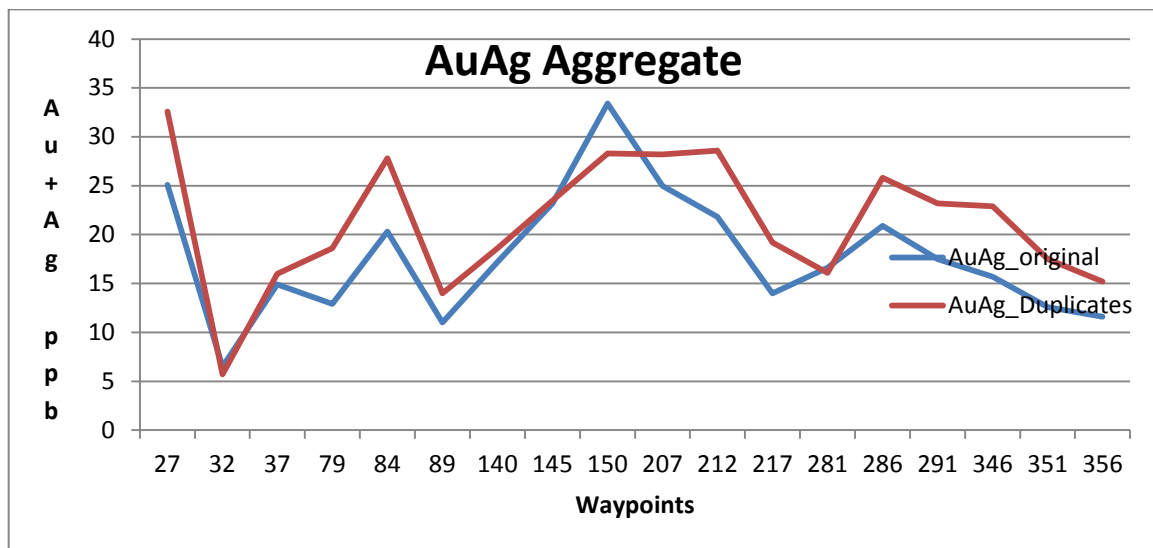


Chart: Comparison of Au & Ag assay aggregates of original MMI samples with duplicate MMI samples (18 repeats).

A comparison of the assay results for the 18 original samples and the 18 repeat samples indicate a good correlation between the samples collected from the same waypoints several weeks apart. This provides confidence in the reliability and reproducibility of the MMI method over time and the sample assay data. (See chart above).

The anomalous areas for Au, AuAg, Cu, BM Response Ratios (RR) show a reasonably strong correlation over the central part of the main sample area in the south and the top end of the NW trending magnetic ridge line in the north. The RR anomalies in the southern central sample area are also coincident with the TMI-RTP magnetic highs and are adjacent to and north-east of the main gravity high. See figures below.

Further analysis and interpretation of the MMI data and the geophysical data is required to determine prospective drill targets.

FC4S Prospect

During the quarter, a single diamond drill hole was completed at FC4S prospect along with a second round of infill MT surveying in the eastern portion of the prospect area. The prospect has seen much historic exploration due to its proximity to the Ernest Henry Cu-Au-magnetite mine, located within 4km of the JV lease boundary.

Drillhole MMA003 was completed during the last quarter and a geological summary of the hole reported. Assay results for the hole were received during the September quarter and are discussed below. The hole was designed to follow up the promising low grade Cu intersection in MMA001 drilled during 2012, targeting an interpreted east dipping mineralised system of Ernest Henry affinity.

Down-hole magnetic susceptibility readings from MMA003 indicate that the hole did pass through an area of very high magnetic response that would satisfy the modelled susceptibility as an east-dipping slab. No further drilling of the weak anomalous Cu shear zone at MMA001 is therefore being considered for the 2013 exploration program.

Forward Programme

The forward programme at Mt Margaret will consist of generating revised MT inversion models for FC4S and subsequent drill planning and execution, reprocess historic IP MIMDAS data at FC2 West, FC12 and FC15, assess targets at FC12 and scout drill test, conduct DHIP of recent drill holes at FC2 West, and complete a small MMI soil survey at FC6.

QUEENSLAND EXPLORATION ACTIVITIES

Mount Morgan Copper Gold Project

The Mount Morgan Project tenement block covers over 800 km² and is considered by GBM to be highly prospective for the discovery of large Gold Copper systems. The Mount Morgan Project is located 40km south west of Rockhampton in Queensland in close proximity to the world class Mt Morgan Copper-Gold mine which produced in excess of 8.0M ounces of gold (Au) and 400,000 tonnes of copper (Cu) metal.

No field work was completed at Mt Morgan during the quarter, however a number of soil assays were received and the results are being interpreted and integrated with mapping work completed last quarter.

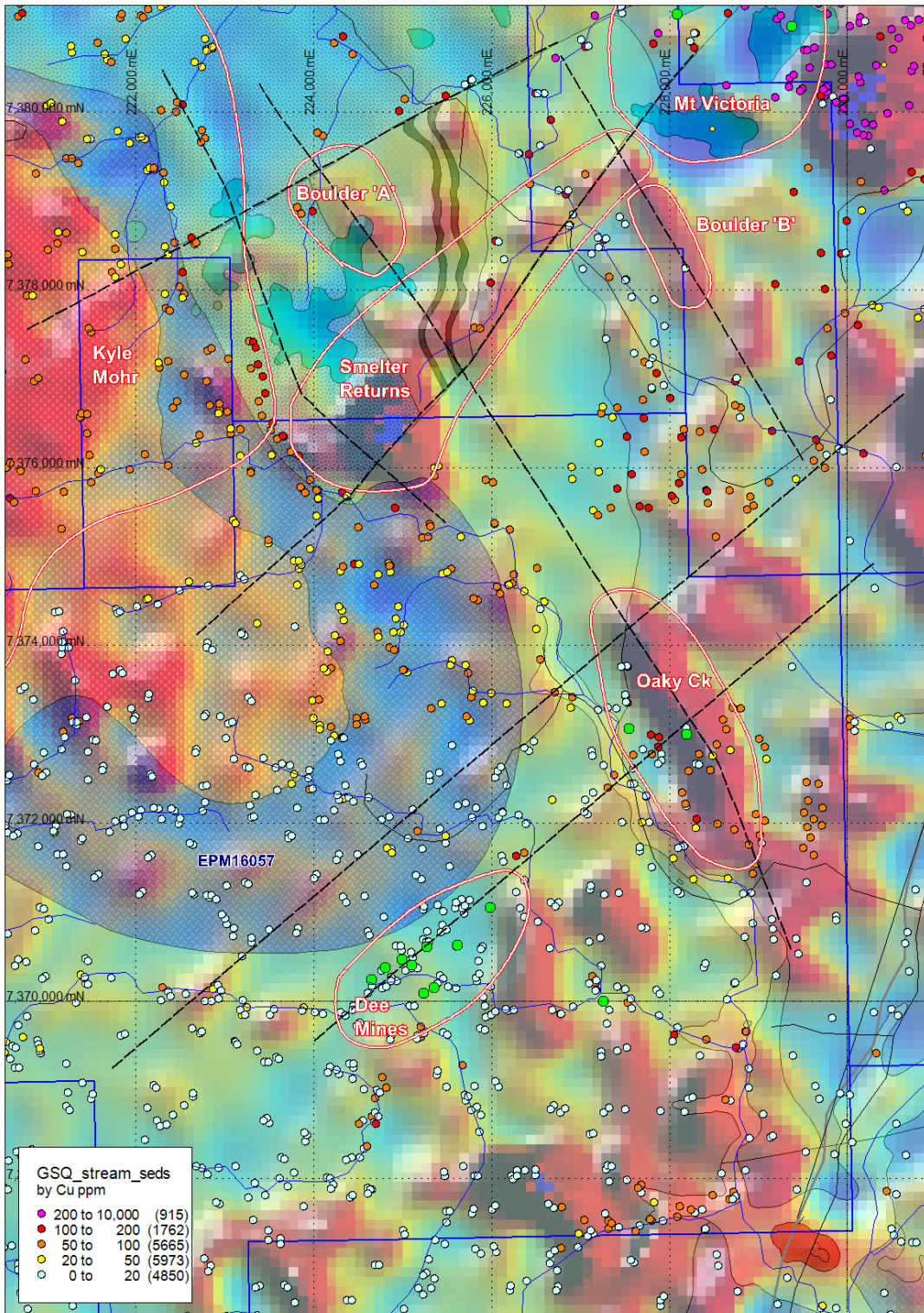


Figure: GBM prospects and targets west of Mt Morgan mine. Background image is state airborne radiometrics K:Th data. Green dots are historic Cu or Au occurrences.

Oakey Creek Prospect

The Oakey Creek prospect was selected for an initial field work phase following ranking of numerous Radiometric K:Th targets defined in 2012 along with the presence of some historic copper oxide workings. The figure above shows GBM prospects west of Mt Morgan on the radiometrics image and the location of Oakey Creek relative to Smelter Return.

Reconnaissance mapping at Oakey Creek revealed an extensive zone of porphyry-style propylitic alteration consisting of epidote, k-spar, quartz, carbonate and specularite completely replacing the host fine-grained volcanic rock. The alteration zone is at least 3.2km x 1km in size, and is parallel to and partly overlapping the radiometric anomaly. The linear nature of the alteration zone and its orientation suggests fault control to the system. Pods or dykes of a felsic feldspar porphyry rock are scattered throughout the alteration zone and may have a genetic relationship to the alteration and mineralisation.

Localised zones of intense copper-bearing hydrothermal breccia were also observed within the main alteration envelope. The breccia is dominated by a quartz, epidote and hematite matrix hosting angular fine grain green clasts up to 10 cm. Copper oxide and native copper is primarily hosted at the boundaries of the angular clasts. The copper in soil anomaly generally correlates well with the broad alteration zone and the breccia. The anomaly is open to the north where alteration is known to continue beyond the extent of the current soil grid.

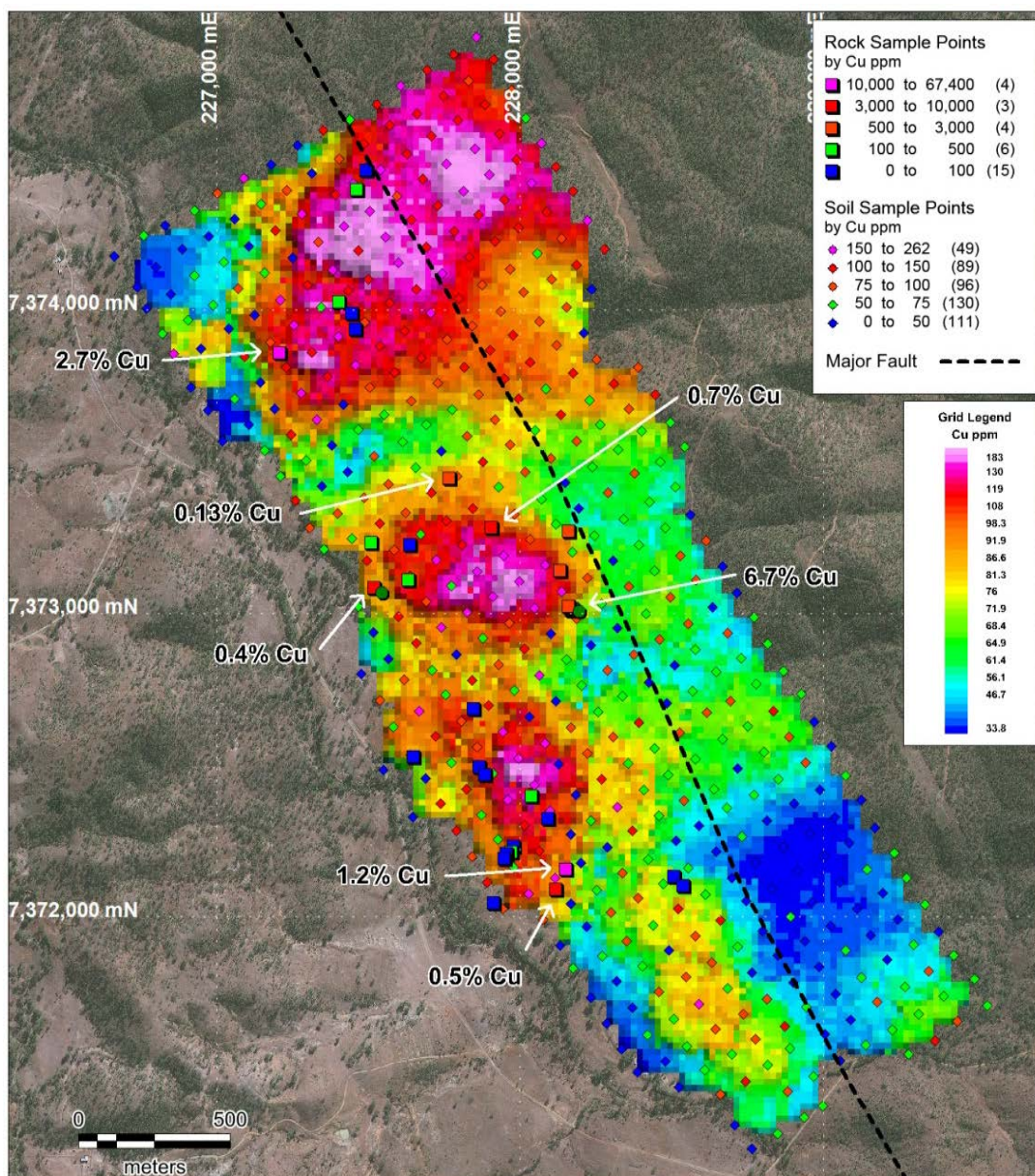


Figure: Copper in soil at Oakey Creek prospect. Gridded (Kriged) Cu soil data with rock-chip sample points and Cu assay callouts. GeoEye satellite image as background.

Rock-chip sampling within the alteration and breccia units produced a number of assays returning greater than 0.3% Cu. The best results were 6.74% Cu, 39.8 ppm Ag, and 52 ppb Au. Anomalous gold in soil is also present within the soil survey area with a peak assay of 0.2ppm Au and 31 of the total sample set returning greater than 100ppb Au. The pattern of gold in soil does not correlate particularly well with copper and the low level gold response in the rock-chip samples means more work is required to understand the gold anomalism at Oakey Creek.

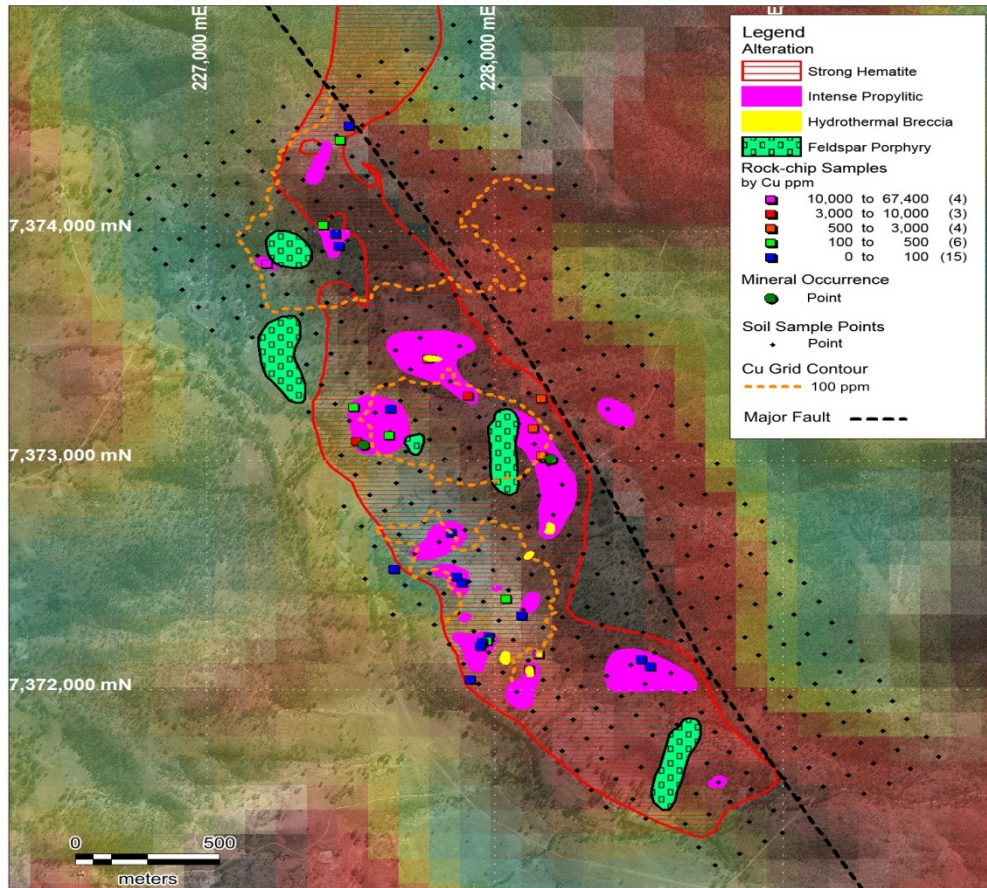


Figure: Alteration distribution at Oakey Creek prospect. Broad and continuous zone of hematite alteration encloses extensive areas of intense propylitic-style alteration with localised hydrothermal breccia development. Merged radiometric K:Th image and GeoEye satellite image as background.

Smelter Return Prospect

Data compilation and field work by GBM during 2011/12 confirmed the Smelter Returns area and the host wedge of Devonian volcanics trending NE towards Mt Morgan as prospective for large porphyry Cu-Au deposits. A very large area of highly anomalous gold- and copper-in-soil geochemistry has been defined, along with widespread porphyry-style alteration with a low-temperature mineral assemblage. The prospect area geology and mineralisation setting is, however, difficult to interpret due to terrain, structural complexity and lithological variation. Ongoing work at Smelter Return is required to understand the implications of the soil anomalism and direct further exploration efforts.

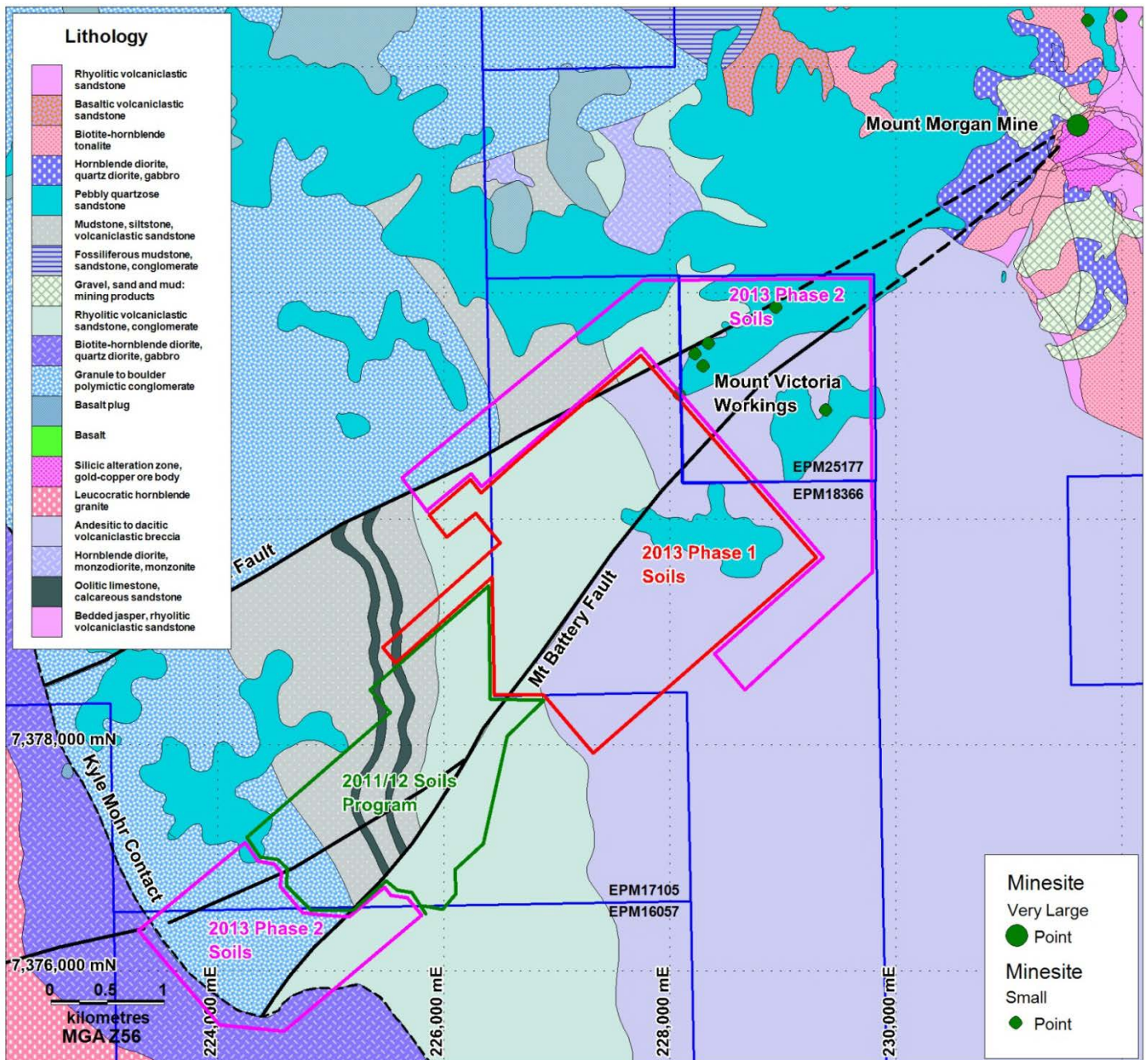


Figure: Smelter Return prospect area with State mapped geology background. Completed and planned soil programs shown. Phase 1 2013 program completed to date.

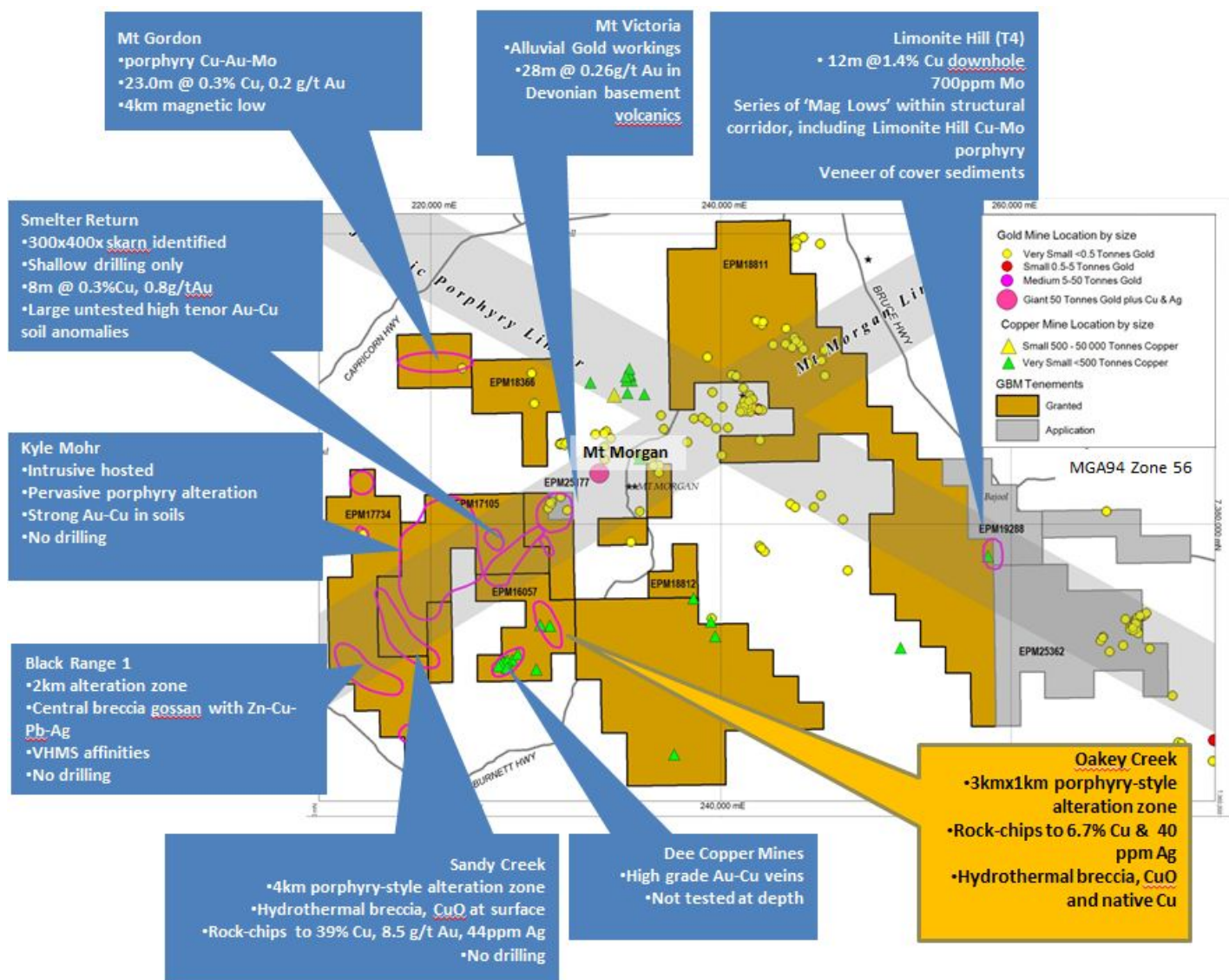
Forward Programme

Analysis and interpretation of mapping and assay data will continue for Smelter Return and Oakey Creek. More work is required to understand the relationships between geochemistry and alteration at both prospects and some further alteration zonation mapping will likely be necessary to resolve these relationships.

The forward program at Oakey Creek will see extensions to the current soil grid in order to close out the anomaly to the north along with continued detailed mapping and rock-chip sampling. Ground Induced Potential (IP) geophysical surveys will then be considered to help define targets within the large alteration zone for drill testing.

Planned work for the next quarter includes; close-out soil sampling and detailed alteration zone mapping at Sandy Creek prospect, detailed Niton sampling at Kyle Mohr and field evaluation of magnetic features at Dee Copper Mines.

Target generation work from state geophysical data and historic exploration data compilation will be undertaken for GBM's recently granted large EPM's located south and east of Mt Morgan.



Figure; Mount Morgan Project area plan showing key targets and Tenement status.

VICTORIAN EXPLORATION ACTIVITIES

No field work was completed on GBM's Victorian projects during the quarter.

TENEMENT SUMMARY

Throughout the quarter required payments and reports have been lodged as necessary. During the quarter a single application, EPMA 25362 (Bajool), in the Mt Morgan region of Queensland was submitted.

During the quarter, nil relinquishments were requested for EPM 16398 (Mt Malakoff) and EPM 18174 (Dry Creek Extended). Relinquishments during the quarter were undertaken at, EPM 19193 (Diamond Creek) consisting of 38 sub-blocks and 6 sub-blocks at EPM 17849 (Limestone Creek). A nil relinquishment was approved on EPM 18172 (Dry Creek).

Project / Name	Tenement No.	Owner	GBMR Equity	Granted	Expiry	Approx Area (km ²)	sub-blocks/grats	Status
Victoria								
Malmsbury								
Belltopper	EL4515* ¹	GBMR/Belltopper Hill	100%	06-Oct-05	05-Oct-13	25	25	Granted
Lauriston	EL5120	GBMR	100%	17-Dec-08	16-Dec-13	31	31	Granted
Willaura								
Lake Bolac	EL4631	GBMR	100%	21-Mar-02	20-Mar-14	20	20	Granted
Willaura	EL5346	GBMR	100%	02-Jun-11	01-Jun-14	8	8	Granted
Lake Bolac2	EL5423	GBMR	100%	03-Dec-12	02-Dec-17	218	218	Granted
Yea								
Monkey Gully	EL5293	GBMR	100%	23-Mar-11	22-Mar-16	316	316	Granted
Tin Creek	EL5292	GBMR	100%	23-Mar-11	22-Mar-16	329	329	Granted
Rubicon	EL5347	GBMR	100%	27-Feb-12	26-Feb-17	155	155	Granted
Queensland								
Drummond Basin								
Diamond Creek	EPM 19193	GBMR	100%	27-Jun-11	26-Jun-14	124	38	Granted
Dee Range								
Dee Range	EPM16057	GBMR	100%	27-Sep-07	26-Sep-14	46	14	Granted
Boulder Creek	EPM17105	GBMR	100%	26-Mar-08	25-Mar-15	88	27	Granted
Bajool	EPM25362	GBMR	100%			110.50	34	Appl'n
Black Range	EPM17734	GBMR	100%	20-May-09	19-May-14	81	25	Granted
Smelter Return	EPM18366	GBMR	100%	21-Jun-12	20-Jun-17	195	60	Granted
Limonite Hill	EPM18811	GBMR	100%	21-Nov-12	20-Nov-17	260	80	Granted
Limonite Hill East	EPMA19288	GBMR	100%			29	9	Appl'n
Mt Hoopbound	EPM18812	GBMR	100%	26-Jul-12	25-Jul-17	23	7	Granted
Mt Victoria	EPMA25177	GBMR	100%			3	1	Appl'n
Mount Isa Region								
Talawanta - Grassy Bore								
Talawanta	EPM15406	GBMR* ² /Isa Tenements	100%	15-Jan-08	14-Jan-13	325	<u>100</u>	Renewal
Grassy Bore	EPM15681	GBMR* ² /Isa Tenements	100%	28-Sep-07	27-Sep-15	325	<u>100</u>	Granted
Talawanta2	EPMA19255	GBMR/Isa Tenements	100%			325	100	Proposal
Grassy Bore2	EPMA19256	GBMR/Isa Tenements	100%			322	99	Appl'n
Mount Margaret								
Mt Malakoff Ext	EPM16398* ⁴	GBMR* ² /Isa Tenements	100%	19-Oct-10	18-Oct-15	85	26	Granted
Cotswold	EPM16622* ⁴	GBMR* ^{2,4} /Isa	100%	30-Nov-12	29-Nov-17	46	14	Granted
Mt Marge	EPM19834	GBMR/Isa Tenements	100%	04-Mar-13	03-Mar-18	3	1	Granted
Dry Creek	EPM18172	GBMR/Isa Tenements	100%	13-Jul-12	12-Jul-17	228	70	Granted
Dry Creek Ext	EPM18174	GBMR/Isa Tenements	100%	25-Oct-11	24-Oct-14	39	12	Granted
Brightlands								
Brightlands	EPM14416	GBMR* ² /Isa Brightlands	100%	5-Aug-05	4-Aug-14	254	78	Granted
Brightlands West	EPMA18051	GBMR/Isa Brightlands	100%			7	2	Proposal
Brightlands West Ext.	EPMA18672	GBMR/Isa Brightlands	100%			98	30	Appl'n
Wakeful	EPM18454	GBMR/Isa Brightlands	100%	23-Jan-12	22-Jan-17	13	4	Granted
Highway	EPM18453	GBMR/Isa Brightlands	100%	23-Jan-12	22-Jan-17	36	11	Granted
Bungalien								
Limestone Creek	EPM17849	GBMR/Isa Tenements	100%	20-Oct-10	19-Oct-15	78	24	Granted
Bungalien 2	EPM18207	GBMR/Isa Tenements	100%	24-May-12	23-May-17	325	100	Granted
Horse Creek 2	EPM18208	GBMR/Isa Tenements	100%	2-Aug-12	1-Aug-17	325	100	Granted
The Brothers	EPMA25213	GBMR/Isa Tenements	100%			10	3	Appl'n
Mayfield								
Mayfield	EPMA19483	GBMR* ^{2,4} /Isa	100%			302	93	Proposal
Mayfield2	EPM14111* ⁴	GBMR* ^{2,4} /Isa	100%	9-Aug-05	8-Aug-11	<u>84</u>	<u>26</u>	Renewal

Figure; Tenement summary table

CORPORATE

The Company spent \$1.34M in the quarter, of which \$945,000 was for exploration and \$395,000 for administration costs. Cash at 30 September 2013 was \$1.4 million.

Equity Securities Issued During the Quarter:

The following equity securities of the Company were issued during the quarter:

- 64,746,562 listed GBZO options, exercisable at 3.5 cents each on or before 30 June 2016, pursuant to a priority entitlement offer, raising \$323,732 before costs;
- 50,000,000 listed GBZO options, pursuant to shareholder approval as attaching securities to the Company's share placement completed in June 2013;
- 20,000,000 listed GBZO options, to Alvito Capital Holdings Inc for corporate advisory and promotional services provided to the Company; and
- 57,779,118 ordinary fully paid shares issued to nominees of the shareholders of Angka Alamjaya Sdn Bhd (AASB), for a 40% interest in AASB.

Appointment of Director

On 2 September 2013 the Company appointed Mr Chiau Woei Lim as a Non-Executive Director of GBM Resources Limited.

Mr Lim is managing director and shareholder of Angka Alamjaya SDN BHD (AASB) which owns the Lubuk Mandi Gold Mine in Malaysia. Mr Lim has a wealth of experience in quarrying, construction and property development.

For Further information please contact:

Peter Thompson
Managing Director
GBM Resources Limited
Tel: 08 9316 9100

Media;
Karen Oswald
Walbrook IR
Tel: 0423 602 353

Explanatory notes:

^{*1}. All soil samples were collected from the top of B-horizon (nominally 150mm depth) and sieved at the collection point where possible. The minus 2mm fraction was then assayed at SGS Laboratories Perth by partial leach proprietary method MMI-M.

^{*2}. Based on a nominal 500ppm cut-off, holes were vertical RC or Diamond drillholes sampled in two metre intervals and analysed by methods G001/4 and PM219 at ALS laboratory Townsville (Alston, A. J., January 1994. Annual Report, Dominion Mining Ltd, QDEX No. CR25805A) or ALS Brisbane methods PM209 and IC588 (Dielemans, P., December 2001. Final Report for EPM9382, Newcrest Mining Ltd, QDEX No. CR33269A).

^{*3} Rock-chip samples were collected from in-situ outcrop or subcrop and dispatched to ALS Laboratories in Brisbane where they were then pulverised and assayed via methods ME-ICP41 and Au-AA23.

The information in this report that relates to Exploration Results and Mineral Resources (Malmsbury) 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.

The information in this report that relates to Mineral Resources (Milo) is based on information compiled by Kerrin Allwood, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Allwood is a full-time employee of the Geomodelling Pty. Ltd a New Zealand based consultancy. Mr Allwood 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 Allwood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources (Lubuk Mandi Tailings) is based on information compiled by Scott McManus, who is a Member of The Australasian Institute of Geoscientists. Mr McManus is a full-time employee of Skandus. Mr. McManus 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McManus consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/01, 01/06/10, 17/12/10

Name of entity

GBM Resources Limited

Quarter ended ("current quarter")

ABN 91 124 752 745

30 September 2013

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation (including JV Farm-in spend)	(945)	(945)
(b) development	-	-
(c) production	-	-
(d) administration	(395)	(395)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	8	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Grants and JV management fees - R&D concession refund	106 -	106 -
Net Operating Cash Flows	(1,226)	(1,226)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other - JV Farm-in contributions received	884	884
Net investing cash flows	884	884
1.13 Total operating and investing cash flows (carried forward)	(342)	(342)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(342)	(342)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	324	324
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	(122)	(122)
	Net financing cash flows	202	202
	Net increase (decrease) in cash held	(140)	(140)
1.20	Cash at beginning of quarter/year to date	1,522	1,522
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,382	1,382

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	123
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	<i>Director remuneration – fees and salaries.</i>	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

- 57,779,118 ordinary fully paid shares to acquire a 40% interest in Angka Alamjaya Sdn Bhd, a Malaysian company holding the mining rights to the Lubuk Mandi Gold Project, fair value of shares issued was \$2,831,177; and
- 20,000,000 listed GBZO options issued to Alvito Capital Holdings Inc as consideration for the provision of corporate advisory and promotional services, fair value of the options issued was \$400,000.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Expenditure for the quarter of \$634,223 (\$634,223 year to date) incurred by other entities under joint venture farm-in agreements on projects held by the Company has been included at 1.2(a).

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	
4.3 Production	
4.4 Administration	250
Total	450

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,247	1,390
5.2 Deposits at call	135	132
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,382	1,522

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	n/a		
6.2	Interests in mining tenements acquired or increased	n/a		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 +Ordinary securities	385,194,121	385,194,121		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	57,779,118 -	57,779,118 -		
7.5 +Convertible debt securities <i>(description)</i>	-	-		
7.6 Changes during quarter	-	-		
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	134,746,562	134,746,562	\$0.035	30 Jun 2016
7.8 Issued during quarter	134,746,562	134,746,562	\$0.035	30 Jun 2016
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 Debentures <i>(totals only)</i>	-	-		
7.12 Unsecured notes <i>(totals only)</i>	-	-		
7.13 Performance Share Rights <i>(description and vesting dates)</i>	-	-	<i>Vesting date</i>	<i>Expiry date</i>
7.14 Issued during quarter	-	-		
7.15 Exercised during quarter	-	-		
7.16 Expired during quarter	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: 
.....
Company Secretary

Date: 31 October 2013

Print name: Kevin Hart

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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