GBM RESOURCES LTD
ABN 91 124 752 745

ASX Announcement

26 November 2013

Lubuk Mandi – Reissued Announcement

Please find attached a reissued announcement in respect of the Lubuk Mandi Gold Project Tailings Resource Estimate originally released to ASX on 24 October 2013.

This reissued announcement has been amended to include the Table 1 disclosure as required by the 2012 edition of the JORC Code.

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ASX Announcement

24th October 2013

Completion of Resource Estimate on Tailings Supports Redevelopment of the Lubuk Mandi Gold Mine in Malaysia

Highlights:

- **A total JORC compliant Resource of 1.5M tonnes containing 34,700 ounces of gold.**
- **94% of the total resource tonnage has been classified as Indicated.**
- **The contained gold is on the upper end of the target range of 38,000 ounces.**
- **Commencement of hard rock drilling program is on schedule for this month.**
- **Final stage of metallurgical test work program in progress.**

Australian resources company GBM Resources Limited (ASX: GBZ) (GBM or the Company) is pleased to announce that it has finalized the resource estimate for the Tailings Dam Project, located at the Lubuk Mandi Gold Mine in Terengganu State in Peninsular Malaysia.

The total resource 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 lack of sampling data largely due to access conditions on the dam.

Indicated + Inferred					
		Contained Gold		Grade	
	Tonnes	Grammes	Ounces	ppm Au	% 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**	**34,800**	**0.70**	**100%**

(All resources reported by ASX listed companies must comply with the JORC Code.)

ASX Code: GBZ

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GBM Chairman Peter Thompson said "The successful estimation of indicated resource at Lubuk Mandi is a key milestone for the project as it potentially underpins the redevelopment to achieve recommencement of hard rock mining at the Mandi gold mine. The resource blocks indicate that 83% are above 0.5 g/t of gold, indicating a relatively tight grade distribution, adding further confidence in the economic retreatment of the Tailings Dam."

Redevelopment plan key milestones are:

- Retreatment of tailings dam to achieve production by April 2014.
- Complete hard rock drilling program and achieve exploration target between 174,000 ounces and 443,000 ounces.
- Complete Initial public offering of the Lubuk Mandi on the Singapore Stock Exchange (SXG) in 2014.
- Post Listing on SXG, recommence open cut operations and re commission the existing Carbon-in-Pulp plant.

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 release11 June 2013).

Completion of a 29 hole core drilling programe during September 2013 provided data for estimation of a resource by independent consultant Skandus. The drill program tested the Tailings Dam on a 50 metre grid pattern yielding 439 tailings samples which were analysed to provide the primary database. Samples were logged and split by local geological consultants Antap and submitted to ALS in Brisbane. Individual one metre samples were submitted for fire assay Au-AA25 and for the mulit-element analysis five metre composites were analysed by inductively coupled plasma technique ME-ICP61. The resource estimate uses inverse distance weighting to assign grades to blocks of 5 metres and 25 metres by 25 metres in plan. A bulk density of 1.5t/m3 was used based on field measurements.

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***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 information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member 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 2012 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 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.

About GBM Resources

GBM Resources Limited (ASX: GBZ) is an Australian resources company actively building a gold portfolio of projects within Malaysia and the east coast of Australia.

GBM Resources has a major interest (40%) in the historic Lubuk Mandi Gold Mine in Peninsular in Malaysia which covers 221 hectares and includes over an estimated million tonnes of tailings, which has significant potential for early gold production through the development and recommencement of the mining operations with joint venture partners Angka Alamjaya Sdn Bhd (AASB).

Malaysia is a premier mining country with a stable political regime with production cash costs among the lowest in the world.

The Company also plans to complete an Initial Public Offering of the Lubuk Mandi Project on the Singapore Stock Exchange during 2014.

Checklist of Assessment and Reporting Criteria (JORC Code Table 1)

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The project was sampled using HQ triple tube diamond drill holes (DD). The Tailings deposit was drilled on a nominal 50 m x 50 m grid spacing. A total of 29 DD holes were drilled for 423 m. Holes were drilled Vertically.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Collar locations were recorded using a Differential GPS by GBM with 0.6m to 1m horizontal accuracy. DD drilling was used to delineate the resource, with Historical Banka (Augur drilling) used to validate the interpretation. All the samples collected were divided into two parts namely for assaying and metallurgical analysis. Some were collected for bulk density sample. Only "assay" and "met" samples were sent to Australia. Bulk density tests were carried out on site. The sampling techniques used adhere to GBM Resources Limited standard operating procedures for exploration tailings drill product logging and sampling. Samples were recovered in a standard wireline core barrel with inner split tube. Samples were pushed out from the core barrel, with the top half split was split and the core placed on a half cut PVC tube of similar size. All samples were from HQ size barrel. Core was split using a knife and placed immediately in labelled plastic bags. All of these collected samples were placed in a bucket marked by their sample group types namely "assay" (for analysis) and "met" (for metallurgy). All were dispatched to ALS Group of Australia for processing. Three batches of shipments were made. To ensure compliance to QAQC requirements, field duplicates were inserted at every 24m, blanks at 25m while standards at every 50m.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	Diamond core was HQ size, sampled to 1 m intervals, and cut by GBM (Antap – Malaysian Geological Contractors operating to GBM SOPS and under GBM Direction) into half core by manual cutting, sent to lab, which prepared the samples using industry standard procedures for Fire Assay using the ALS Au-AA25 method.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond drilling accounts for 100% of the drilling in the resource area and comprises of HQ sized triple tube core. Hole depths range from 5 m to 23 m. No core orientation has been performed to date.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Drill sample recovery was logged and monitored on a metre by metre basis.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Issues early on led to the use of the Core lifting device and the complete abandonment of one hole. Core recovery whilst problematic in a wet unconsolidated material improved dramatically after introduction of the finger core lifter.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	There is no relationship between sample recovery and Bias. After the finger lifter was employed all holes had 80-100% Recovery. One hole with less than this was abandoned and re drilled.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging was carried out on all diamond drillholes, lithology, grain size, colour, Oxidation, percentage of lithology and percentage and presence of pyrite were all recorded.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of diamond core samples recorded, lithology, grain size, colour, Oxidation, percentage of lithology and percentage and presence of pyrite. DD core was photographed after mark up, before sampling with Wet photos recorded.
	The total length and percentage of the relevant intersections logged	All drillholes were logged in full. (423 m)
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core was sub sampled by splitting it in half. Half went for assay and the other for metallurgical testing.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Not applicable.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample Preparation followed ALS standard methodologies for gold fire assays at their Brisbane Lab.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field QC procedures involved the use of OREAS reference material as assay standards and blanks, along with field duplicates. (5 samples per 50)
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Field Duplicates were taken to ensure representative sampling. Results indicate that the sampling was representative.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are appropriate to the grain size of the gold. Each metre was also panned to determine the amount of coarse gold in the sample to help determine a suitable metallurgical extraction process. All field duplicates have reported within acceptable limits.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	ALS Au-AA25 is an acceptable industry standard for gold assays. A prepared sample is fused with a mixture of lead oxide, sodium carbonate, borax, silica and other reagents as required, inquarted with 6 mg of gold-free silver and then cupelled to yield a precious metal bead. The bead is digested in 0.5 mL dilute nitric acid in the microwave oven. 0.5 mL concentrated hydrochloric acid is then added and the bead is further digested in the microwave at a lower power setting. The digested solution is cooled, diluted to a total volume of 10 mL with de-mineralized water, and analyzed by atomic absorption spectroscopy against matrix-matched standards. The technique is total.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to determine any element concentrations used in this resource estimate. Grind size checks were performed by the labs and reported as part of their due diligence.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures. GBM Resources staff used an industry accepted QAQC methodology incorporating laboratory in house QAQC and additional blind field duplicates, blanks and matrix specific reference material (Standards). Standards selected were at appropriate grade ranges for the material being assayed. Gold assays were determined by Au-AA25 and the 5m composite multi-elements were determined by ME-ICP61 at ALS Laboratories in Australia. These methods and sample preparation methods are appropriate for the nature of the samples. Data was analyzed and graphed using Data Shed QAQC add ins and reviewed by company staff and Skandus. All batches passed with one passing with a 'manual' pass. No check sampling has occurred yet, but there will be additional checks available from the field splits sent as Metallurgical samples, however they will also be processed by the same ALS laboratory.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	No independent verification of significant intersections has been carried out. Although comparison against historical Banka Holes has been found to be acceptable. When Met assays return a comparison will be made against geology vs met Assays samples halves.
	The use of twinned holes.	No twinned holes have been to date. Although comparison has been made to historical Banka holes drilled on 25m centers.

Criteria	JORC Code explanation	Commentary
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	GBM personnel rotated during the drill campaign and over saw the sampling and assaying procedure by Antap. All Data, data entry procedures, data verification and data storage has been carried out in accordance with GBM SOPS, with field techniques carried out by Antap personnel and overseen by GBM staff. Final Data verification and data storage has been managed by GBM Data Management staff in Australia using industry standard Data Shed. Skandus carried out its own validation checks and found there to be no validation issues. Due to the low gold values no twinned holes were drilled (except for one hole where there was very poor recovery), nor were any intervals or samples verified or re sampled apart from field duplicates and the duplicates sent for met testing. Field duplicates are within acceptable limits and the metallurgical samples are currently still being processed. Checks were made against the four historical banka holes with 5ft Assay intercepts and against the entire suite of banka holes to check depth of tailings. The Banka holes all had a set RL of 60, but from the sections in the following figures it can be seen that the assays on 25m metre spacing's are similar to the 50m spacing. There is anecdotal evidence that one to two metres of lower grade material has been deposited since the banka drilling was carried out which would account for lower values in the tops of GBM holes.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used in this estimate.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar surveys (Except for LTD020 and LTD025) were carried out by certified surveyors using DGPS, under supervision of GBM and Antap personnel. The two excepted holes were estimated using hand held GPS and elevations corrected from nearby holes with an expected 0.6 m to 1 m horizontal accuracies and 1.0 – 1.6 m vertical. No local grids are in use, with The grid system used is WGS84 UTM Zone 54. No Down hole surveys were carried out due to the short nature of the holes – no hole extended past 30 metres.
	Specification of the grid system used.	The grid system used is WGS84 UTM Zone 54.
	Quality and adequacy of topographic control.	Topographic control was verified against a 2009 EDM total station survey carried out over the entire project by Permint (State Govt Economic body with jurisdiction over mining projects)
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The nominal drillhole spacing is 50 m (northing) by 50 m (easting).

Criteria	Criteria	Criteria
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The data spacing is 50m in X and Y dimensions and every 1m in the Z. For the size of the deposit and expected mining block, it gives good coverage of the tailings dam and at a suitable spacing to estimate 25 x 25 m blocks, which under current plans is a suitable size for the type of excavation likely to be used. Variography has provided continuity ranges of 50 m towards 350° and 60m towards 080°, so all holes are spaced within continuity of the variograms. Data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and classifications applied.
	Whether sample compositing has been applied.	As all assays are equal weight 1m samples no compositing has been carried out on gold values, although sample composites were produced to 5m for the assaying of other elements.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Due to the nature of the tailings material the orientation of the data is suitable as it is normal to any layering that might occur as a process in the creation of the tailings material.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias has been identified in the data at this point.
Sample security	*The measures taken to ensure sample security.*	Antap followed GBM sampling SOPs and ensured sample security until the samples were dispatched to ALS labs. GBM supervised Antap's adherence to the security SOPs.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Skandus carried out a review of the sampling techniques and data and found it appropriate.

SECTION 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status		The Lubuk Mandi Gold Mine is located 17 km south of Kuala Terengganu in the district of Marang. The nearest township is Marang some 5km south of the mine. The mine is linked to the main Kuala Terengganu – Kuantan highway and accessible via dirt road from a village called Kampung Rhu. The tenement is surrounded by private land plots with an average size of 4 acres per lot. Nearest school and residential areas are located 2 or 3 kilometres away. There is a brick factory located nearby on the way to the mine.
	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The tenement is comprised of two mining certificates namely ML 1/2007 and ML 2/2007 with a combined area of 221.53 hectares. Each ML is a 5 years lease and currently valid until 5th march 2017. The leases are renewable for every five years onwards. However, the current operator ANGKA ALAMJAYA SDN BHD, is given the concession by the land owner, PMINT for unlimited periods of lease for mining rights based on a Concession Agreement signed on 30 October 2012. The mining certificates ML 1/2007 and ML 2/2007 are subleased by Perbadanan Memajukan Iktisad Negeri Terengganu (PMINT) to ANGKA ALAMJAYA SDN BHD through the agreement that empowered ANGKA ALAMJAYA SDN BHD the total control of the operation of the leases. GBM Resources has entered into a Joint Venture agreement during 2013 with ANGKA ALAMJAYA SDN BHD to explore and operate the leases.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenure is currently secured via JV, Concession Agreement and Mining Licence Permit. The permit is a mining licence. There are no known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	In late 1980's the discovery of gold in the area has led to one the biggest gold rushes in Malaysia. It lasted for several years until the government intervened after some miners perished due to unsafe mining condition and methods. During the rush it was said local miners were working on a 2 metre wide quartz vein with grade ranging from 5 to 7 g/t Au within a 2km long zone. The state government through the subsidiary of PMINT, the Permint Mineral Sdn Bhd, developed the site into an open pit mine from 1992-1999. In 1992 CIP and CIL plants were commissioned. In 1998 the mine was reported to have produced 2,800 kg of gold and 300 kg of silver valued at RM80 million since its operation in 1992. Total production was 107,753.82 oz Au. Historically there has been 108 Diamond holes (DD Prefix), 3 wall continuous Chip 'holes' and 21 Holes drilled to ascertain the 'underground' potential of the project (UG Prefix) in 1996-1997. There are also 26 grade control holes drilling in 2008 or 2009 by the previous operator it is suspected these holes are either Reverse circulation, open hole or blast hole (MPG prefix). The previous operator drilled 27 banka holes on the tailings project during 2004, but the entire report is not available. However collar positions and depth to basement data is available as well as 5ft gold samples for four holes. Due to loss or unavailable reports it is unclear on the quality and total work undertaken on the project. No historical work has been reported in a JORC compliant manner.
Geology	*Deposit type, geological setting and style of mineralisation.*	The project geology belongs to the Carboniferous Sungai Perlis Beds. The mine's lithology is dominated by slate and

phylitte units strike at 3400-3500 dipping steeply to the east. In places there are intrusive dykes. A major fault zone striking NNW (3400-3500) is sub-parallel to the bedding. This fault is thought to be the main control of gold mineralisation and emplacement of gold bearing quartz veins. Extensive zones of shearing and brecciation are apparent in the pit.

Gold mineralisation is hosted within a few metres wide to stringers of mesothermal quartz veins that are structurally controlled. Gold is found along the contact between the quartz vein and the host rock. These veins are sub-parallel to the beddings, dipping steeply to the east on a one kilometre long zone. There was a single 100m long, sub-vertical 3.5m wide quartz lode exposed on the northern wall of the pit. Visible gold was observed in chloritised altered quartz float near the vein. Smaller veins are found parallel to the bedding plane and also to the main trend of the major structures.

Other minerals found in the quartz veins are pyrite, pyrrhotite, chalcopyrite and arsenopyrite. Alterations such as silicification, argillisation, chloritisation and sericitisation are common but not extensive.

The tailing profile can be divided into three main zones namely the upper layer, middle layer and basement rocks. This separation was made is based on physical characteristics of the samples.
The upper layer is chiefly siltySAND (SiSd) with deposition range between 2 to 3 meters. Typically it is dry, light to dark grey, over 60 percent sand with occurrences of fines and organic materials in places.
The middle layer is a mixture of siltyCLAY (SiCy), clayedSILT (CySi) and siltySAND (SiSd).

- siltyCLAY is typically wet, sticky with high plasticity. It is mostly found at the upper level of the middle layer.
- clayedSILT (CySi) is distinguished by the a higher silt content. At a glance it resembles siltyCLAY. Typically it is wet, sticky and
- siltySAND is found as dark grey to dark brown sandy unit at the lower level of the mid layer. It is wet but less sticky.

The bottom layer in most holes formed by siltySAND (SiSd) and siltyCLAY(SiCy) in contact with the basement rock. Quartz fragments were observed in some holes.

Criteria	JORC Code explanation	Commentary
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* *o easting and northing of the drill hole collar* *o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *o dip and azimuth of the hole* *o down hole length and interception depth* *o hole length.*	Refer to additional table outlining Drill hole Details
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Information is included
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	These results have not been reported as exploration results, this section is not relevant. Please see section 3 for relevant treatment of data for resource estimation.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.*	Mineralisation is flat laying, mineralised intercepts if reported would be true width.
	If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.	Drill hole angle is normal to the geometry.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	

Criteria	JORC Code explanation	Commentary
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to attached Maps and Plans.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	These results have not been reported as exploration results, this section is not relevant. Please see section 3 for relevant treatment of data for resource estimation.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	These results have not been reported as exploration results there is no other substantive exploration data relevant to the Lubuk Mandi tailings material, this section is not relevant. Please see section 3 for relevant discussion of bulk density of data for resource estimation.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	No further exploration work is planed.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	The extents of the tailings material is well defined. No extensions are possible.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

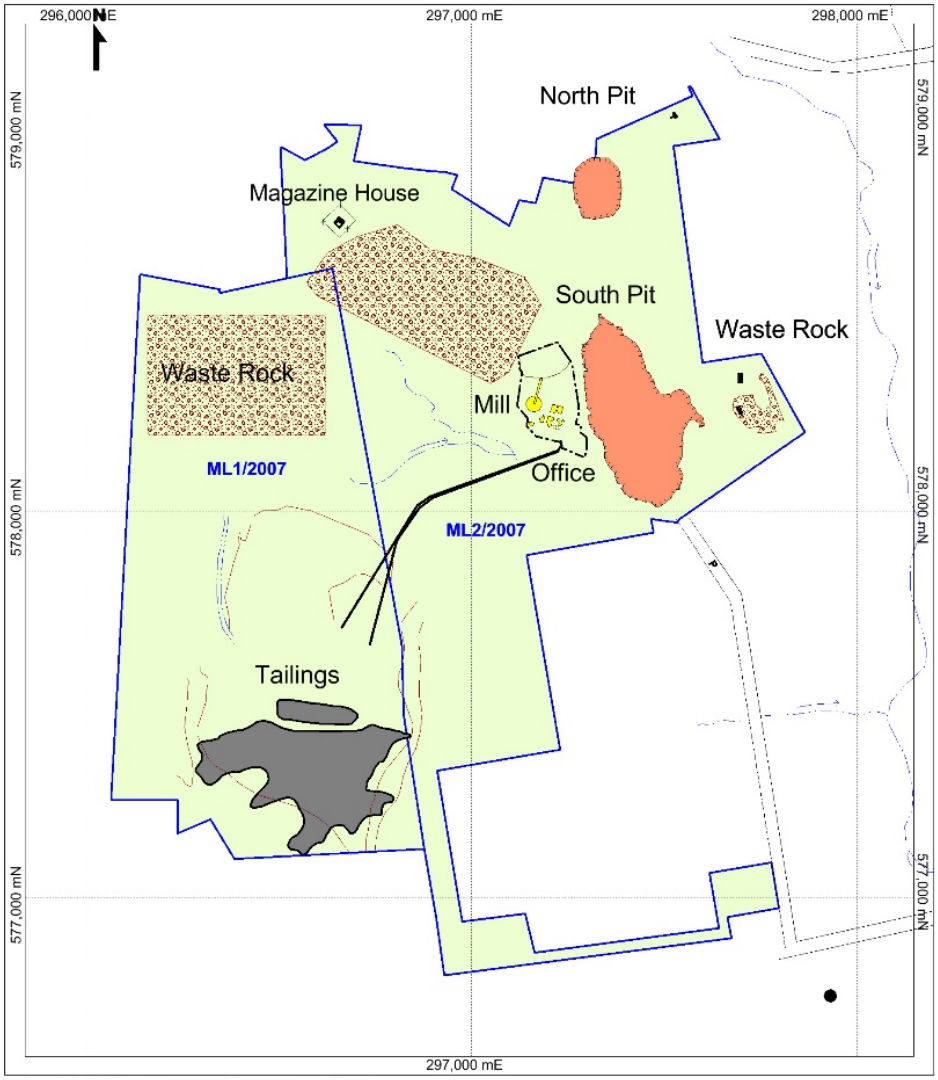
Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	Antap, recorded all their details on paper log sheets and then transcribed them in to a spreadsheet template for transmittal to GBM Australia. Antap is well versed in data quality techniques and did verification between paper and data to ensure there were no transcription errors. Spreadsheet templates were then emailed direct to GBM staff who imported the spreadsheets using pre-defined import schemes into Data Shed to reduce further transcription issues. GBM staff then ran validation checks on data to ensure it complied with look up table values and that numeric values were within expected bounds.
	Data validation procedures used.	Skandus, on receiving an export of the data also ran validation checks in MS Access using a suite of tools Skandus developed as well as running validation checks in Gems 6.5. Skandus found no issues.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.*	Scott McManus (Skandus), the competent person undertaking the resource estimation visited site in 2001 with the previous operator to review the project for another client. Whilst he has not been back to site recently he has kept in close touch with the field team led by Antap and GBM geologists and been kept advised of all sampling and drilling activities as well as participated in discussion on the QAQC methodology to be adopted for the assays. Neil Norris the Competent person taking responsibility for the field work and activities of GBM Resource and Antap has made 4 visits to site in 2013 for a total of 3 weeks at site
	If no site visits have been undertaken indicate why this is the case.	Not applicable.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	The confidence in the geological interpretation is considered good, due to the nature of the deposit (tailings material). Identification of two different zones by Antap in the strata has not shown to be evident in the geochemistry of the tailings.
	Nature of the data used and of any assumptions made.	Lithology was used to assist in the interpretation process.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The tailings material is homogenous and is not effected by alternative interpretations.
	The use of geology in guiding and controlling Mineral Resource estimation.	Identification of the basement and sap rock in core has been beneficial in the resource estimate and has been used to bound the estimates lower limits, whilst the edges of the tailings dam has been determined by survey.
	The factors affecting continuity both of grade and geology.	The grade and mineralization is consistent over the area of the tailings material.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The dimensions of the deposit are roughly 500m (east west) by 380m (north south) and 15m average thickness.

Criteria	JORC Code explanation	Commentary
Estimation and modeling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Grade estimation using Inverse distance squared using Gems. Due to the nature of the tailings material this is an appropriate method for this type of deposit. Drillhole sample data was flagged using domain codes generated from three dimensional mineralization domains. Statistical analysis determined that there was no extreme grade values. Directional variograms were modelled. Nugget values were low. Grade continuity was characterized by short to moderate ranges. Small or poorly sampled domains where robust variography could not be generated used the variography of a geologically similar domain. Estimation searches for all elements were set to the ranges of the variogram for each domain.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	The results of previous resource estimates for the tailings material by previous owners are available. These results were compared with the results from the October 2013 Resource Estimate. There is good Comparison however the historical resource was not JORC compliant and its methodology was by Polygonal methods.
	The assumptions made regarding recovery of by-products.	No assumptions have been made regarding recovery of any by-products.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	Sulphur, Carbon and Arsenic have also been modeled.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	Assay data for Au was in 1m sample intervals, so no compositing to obtain equal weights was required. The data was extracted to Mid-point intercepts after being coded for either the North section or southern section of the tailings dam (102 and 101 respectively). Assays for deleterious material were done on 5m composites, these will also be modelled when the assays become available. Block size is 25m x 25m x 5m and is thought that this might be close to the bench size used for mining. Block model origin is ; X =296,280 (bottom left), Y =577,100 (Bottom right) & Z=60 (Top left) With 23 columns, 18 rows and 9 levels Descriptive statistics, Cumulative frequency graphs and Variography were carried out on the assay 1m intervals. There is not enough data for the northern Domain, but for the southern Domain it looks like there is a main population and then a smaller one at extremely low levels. It was not expected that Variography would produce relevant results with the tailings material, but the variograms showed that there was some correlation in the data past 50m to confirm the drill spacing as relevant and provided a basis for construction of a search ellipse. If budgets allow it would be good to do a small 25m infill area to test assumptions – or to at least re-assay pulps from the Banka drilling program if they could be found. Variography was only done for zone 101 as there was not enough samples for zone 102. Using the Variography as a base, the search ellipse used for the estimate was 50m towards 350°, 60 m towards 080° and 5 m down hole. Due to the nature of the tailings material, descriptive statistics and the ability to well constrain the data, it was decided that inverse distance squared, with a cross sectional polygonal model for verification would be a suitable methodology for this estimate and deposit style. This resultant resource estimate was compared against section blocks, and final result to check final resource numbers.

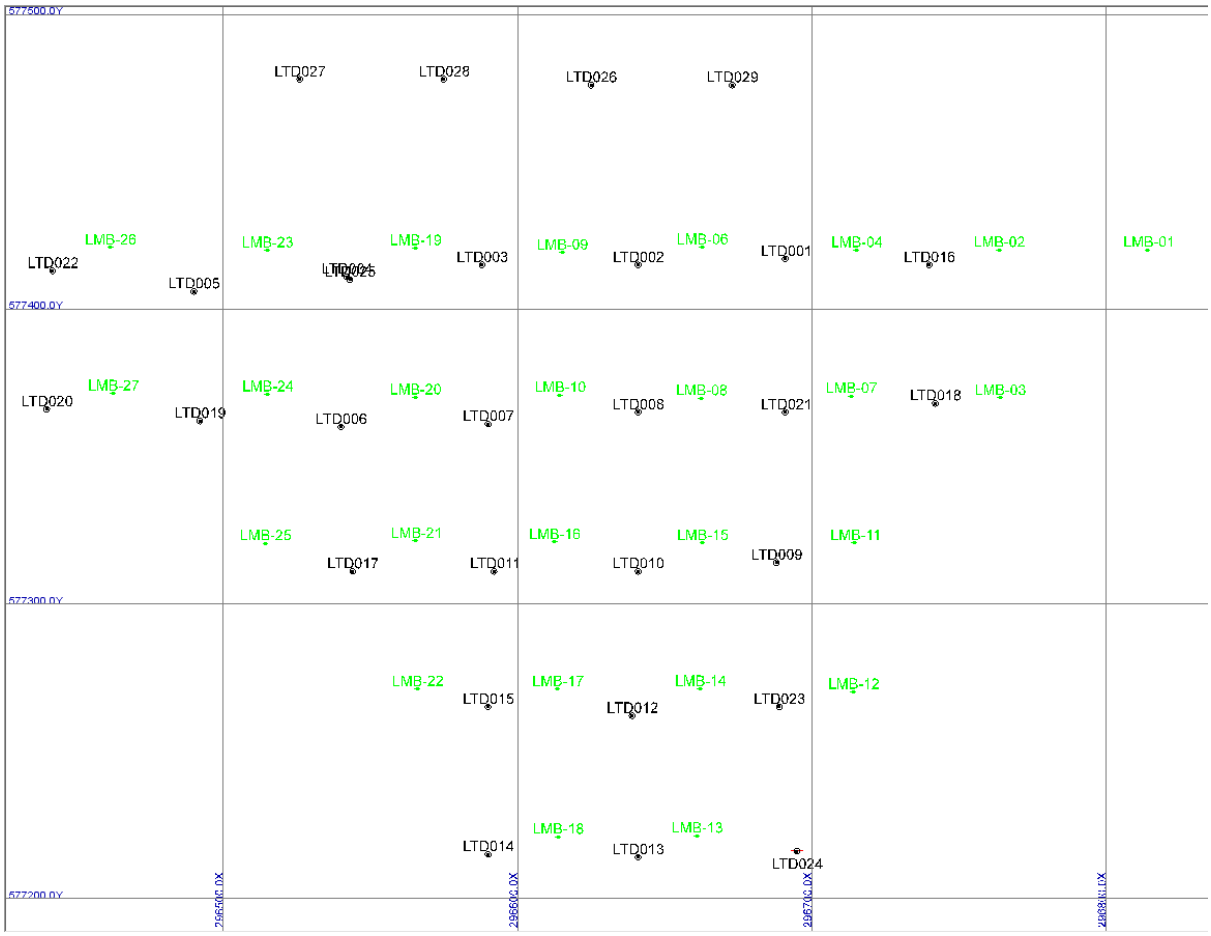
Criteria	JORC Code explanation	Commentary
	Any assumptions behind modelling of selective mining units.	No selective mining units were assumed in this estimate.
	Any assumptions about correlation between variables.	Statistical analysis was carried out to determine the correlation between each element. This analysis showed a variable relationship between elements. As such, variograms for estimation were determined individually for each element.
	Description of how the geological interpretation was used to control the resource estimates.	The geological interpretation was used to inform the creation of the mineralisation domains. These domain were used as hard boundaries to select sample populations for variography and estimation.
	Discussion of basis for using or not using grade cutting or capping.	Due to the coefficient of variance being less than 1.2 a top cut is not suitable or needed.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Visual checking of each estimated attribute was undertaken against the extracted midpoint values to ensure accurate estimation and to check for errors in the process. Issues if found were corrected. Plans and sections of estimated blocks for each attribute were produced. With drill hole data and checked to ensure the block estimates were reasonable. Using Gems Geomodel 2D sectional module, a Cross sectional length Weighted average grade was created for each 50 m section, constrained by the wireframes. The resultant resource confirmed the block model estimate.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	The tonnages are estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied*	A Block cut off of 0.2 has been used for reporting as it is assumed that all material, including the lower grades down to 0.2 au ppm will be reprocessed especially as it will be difficult to separate the material during excavation. This will allow for the capture of all deleterious material as well as the gold.

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	Current mining assumptions are that the material will just need to be excavated and trucked to the processing plant due to the material being unconsolidated tailings material. A gravity circuit will be used to capture coarse gold and floatation will be used to create a gold concentrate for shipping.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	At the report date metallurgical test work is still on going, but current thinking is that a flotation circuit will be used create a gold concentrate from fine material after screening.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made*	No assumptions have been made.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Bulk density was undertaken on drill 'core' intercepts using Dried material. Due to its nature it is on unconsolidated material and thus Vugs were not an issue.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,	All measurements were performed with Archimedes principle.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	The results produced a large spread and so a value of 1.5 was determined as suitable for compacted unconsolidated sediment which was also close to an average value.

Criteria	JORC Code explanation	Commentary
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories*	The Mineral Resource classification is based on good confidence in the geological and grade continuity, along with 50 m by 50 m spaced drillhole density (with correlation to historical Banka holes on 25m infill). Estimation and continuity parameters have been utilised during the classification process.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The input data is comprehensive in its coverage of the mineralisation and does not favour or misrepresent in-situ mineralisation. The definition of the mineralised zones is based on geological and mineralisation continuity, producing a robust model of mineralised domains. Historical Banka (Infill) drilling supports the interpretation. The validation of the block model shows good correlation of the input data to the estimated grades.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The Mineral Resource estimate appropriately reflects the view of the Competent Persons.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No Audits or reviews have been carried out yet.
	Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code.
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used	The statement relates to global estimates of tonnes and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	No production data is available.



Tenement Location and siting of Tailings resource outline



Historic Banka Hole Collars - Green, GBM Collars in Black

Actual Hole ID	Propose Hole ID	Coordinate		Propose Depth (m)	Actual Depth (m) / EOH
		Easting	Northing		
-	LM01	-	-	6.0	-
LTD22	LM02	296442	577413	15.0	20.0
LTD05	LM03	296490	577406	21.0	22.0
LTD04	LM04	296542	577411	24.0	20.0
LTD25	LM04	296543	577410	24.0	23.0
LTD03	LM05	296588	577415	24.0	23.0
LTD02	LM06	296641	577415	16.0	15.0
LTD01	LM07	296691	577417	9.0	11.0
LTD16	LM08	296740	577415	12.0	16.7
-	LM09	-	-	9.0	-
LTD20	LM10	296440	577366	6.0	10.0
LTD19	LM11	296492	577362	15.0	9.0
LTD06	LM12	296540	577360	18.0	17.0
LTD07	LM13	296590	577361	24.0	23.0
LTD08	LM14	296641	577365	24.0	19.0
LTD21	LM15	296691	577365	12.0	5.5
LTD18	LM16	296742	577368	9.0	13.25
LTD17	LM17	296544	577311	15.0	20.0
LTD11	LM18	296592	577311	24.0	21.0
LTD10	LM19	296641	577311	24.0	15.0
LTD09	LM20	296688	577314	18.0	16.0
LTD15	LM21	296590	577265	12.0	20.0
LTD12	LM22	296639	577262	18.0	12.0
LTD23	LM23	296689	577265	15.0	16.0
LTD14	LM24	296590	577215	6.0	9.0
LTD13	LM25	296641	577214	9.0	5.0
LTD24	LM26	296695	577216	9.0	12.6
LTD27	LM27	296526	577478	12.0	6.1
LTD28	LM28	296575	577478	15.0	10.0
LTD26	LM29	296625	577476	15.0	8.3
LTD29	LM30	296673	577476	12.0	9.0

Table of collars, coordinates. All holes were vertical (-90° Dip to 000° Azimuth)