

23 April 2013

ASX Announcement

\$2.5M Exploration Budget for GBM Farm-in Projects in NW Queensland

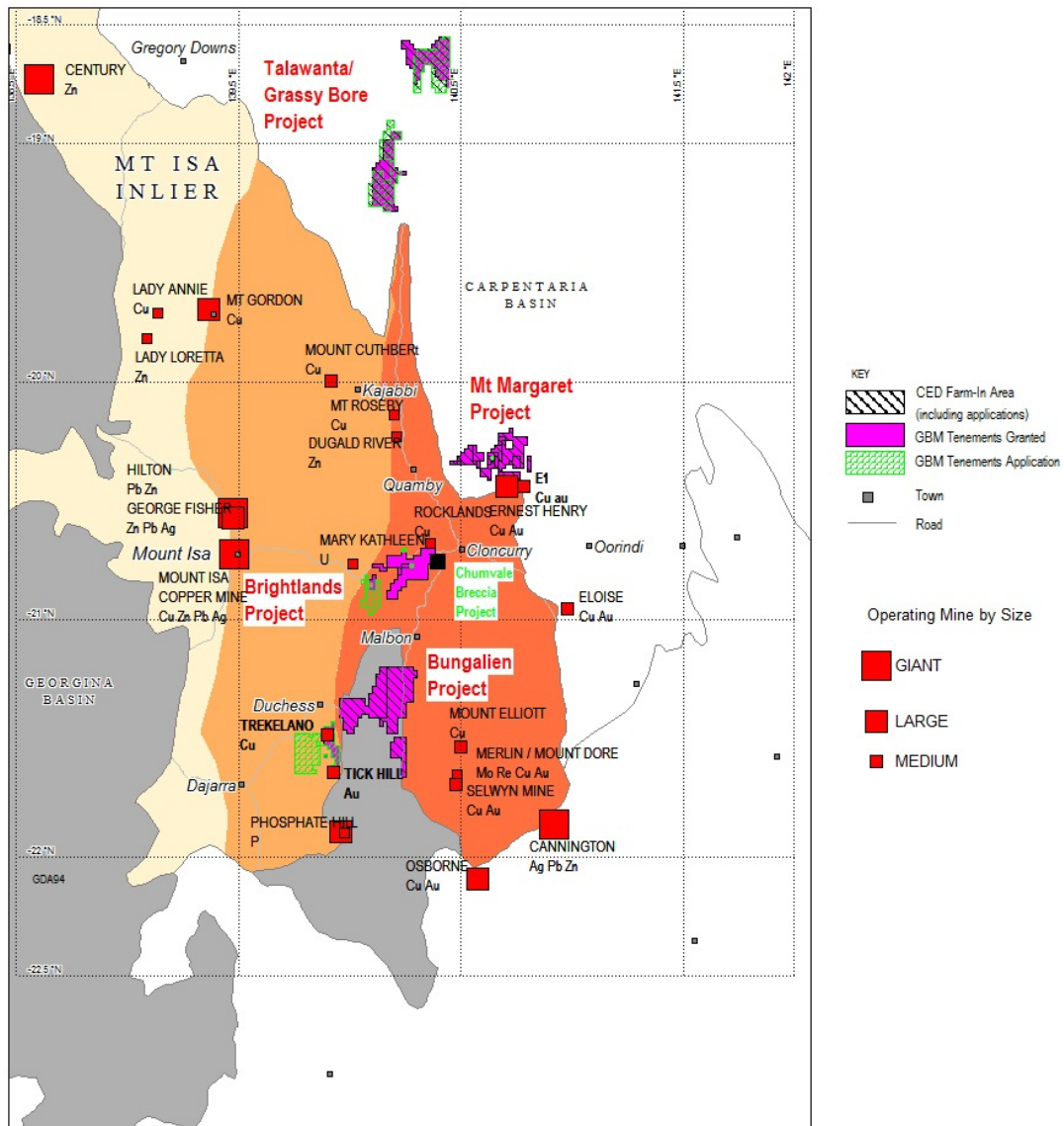
HIGHLIGHTS:

- **Pan Pacific Copper Co., Ltd. and Mitsui & Co., Ltd. have approved a \$2.5M exploration budget for the 2013/14 year.**
- **Drilling a number of high order targets is expected to commence during May, with up to ten targets to be tested this year.**
- **Priority prospects include Bronzewing Bore (Bungalien Project) and Mount Margaret West Project .**
- **GBM to manage the exploration programmes on behalf of its partners.**

Australian resources company **GBM Resources Limited** (ASX: **GBZ**) (“**GBM**” or “**the Company**”) is pleased to advise the approval of a \$2.5M budget to undertake further exploration of IOCG style targets on four projects in the Cloncurry area in the NW Queensland Mineral Province under a Farm-in Joint Venture with leading Japanese companies, Pan Pacific Co., Ltd. (PPC) and Mitsui & Co., Ltd. (Mitsui).

This is the fourth year of a six year Farm-in under which PPC and Mitsui , through their Australian subsidiary Cloncurry Exploration & Development Pty. Ltd. (CED), can earn 51% of the projects by expending \$15M on exploration. GBM and CED’s exploration is focused on the discovery of world-class gold and copper-gold deposits in these project areas.

The projects are located in the Eastern Succession of the Mount Isa Inlier which is host to a number of significant Cu-Au deposits of which Xstrata’s Ernest Henry Mine (219Mt @ 1.1% Cu and 0.51g/t Au^{#1}) is the largest discovery to date. Large areas of this terrain are covered and remain largely unexplored.



Figure; CED Farm In Tenements in the North West Queensland Mineral Province.



Photograph; Drilling of hole MMA001 at the FC4S Target (Mt Margaret West) near the Ernest Henry Mine (dumps in background) during October 2012. Further drilling is planned in this area in 2013.

During the current field season up to ten key targets will be drill tested, while a number of others will be subject to geophysical and geochemical surveys. Key targets for drilling include;

- FC4S adjacent to the Ernest Henry Copper Gold Mine where previous drilling intersected copper mineralisation and 'red-rock' alteration. Geophysical modelling suggests this intersection is on the periphery of a strong magnetic feature.
- FC4S(E), where deep penetrating MT geophysics has identified three strong conductivity targets below the surficial cover.
- Bronzewing Bore, where initial drilling resulted in the discovery of IOCG style copper mineralisation over an interval of 219 metres down-hole averaging 842ppm Cu. Subsequent geophysical surveys and modelling defined a compelling target for further drill testing.

After 3 years of field exploration and scout drilling the potential for a commercial discovery has greatly improved and the programs approved support this goal.

GBM Resources entered into a Farm-out agreement with leading Japanese companies, PPC and Mitsui in April 2010 covering a number of tenements in North West Queensland.

Under the Farm-in agreement PPC and Mitsui can outlay up to A\$55 million through their Australian registered JV company CED. Projects subject to this agreement include the Talawanta-Grassy Bore Project, Bungalien Project and the Mount Margaret West Project. GBM remains as operator of the projects.

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Notes

#1 2011, North West Queensland Mineral and Energy Province Report, Geological Survey of Queensland, DEEDI. pp 69.

The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of the company. Mr Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.