

15 May 2019

Dear Shareholder,

NON-RENOUNCEABLE RIGHTS ISSUE – NOTIFICATION TO INELIGIBLE SHAREHOLDERS

On 10 May 2019 GBM Gold Limited (ASX:GBM) (**Company** or **GBM**) announced a non-renounceable pro rata offer to shareholders with a registered address in Australia or New Zealand (**Eligible Shareholders**) of approximately 1,118,319,556 fully paid ordinary shares on the basis of 1 New Share for every existing Share held as at 5:00pm (AEDT) on 21 May 2019, at an issue price of \$0.006 per new share to raise up to approximately \$6.7 million (before costs) (**Rights Issue**).

Sanston Securities Australia Pty Limited has been appointed corporate advisor to the Rights Issue and to place shortfall shares on a best endeavours' basis. Certain directors have agreed to fully participate in the Rights Issue, with the balance of the offer under the Rights Issue underwritten by Nex Kiwi Group Holdings Limited. Funds raised under the Rights Issue will be used to repay debt, advance the Company's projects and for working capital.

The Company has decided that it is unreasonable to make offers under the Rights Issue to shareholders with a registered address outside Australia or New Zealand (**Ineligible Shareholders**), having regard to the number of such shareholders, their holdings and the compliance costs required to offer the Shares under the Rights Issue to those shareholders.

However, you are invited to contact Kit Foo Chye of Sanston Securities (kitfoo.chye@sanston.com.au or +61 437 779 092) if you may wish to subscribe for Shares under the Rights Issue. Shortfall Shares will be placed firstly to existing Shareholders and then to other investors introduced by Sanston Securities and finally to Nex Kiwi.

This letter is not an offer of securities where it would be unlawful to do so.

Yours faithfully,



Eric JP Ng
Chairman