



# **GBM Gold Ltd**

## **2016 Annual General Meeting**

### **Company Update**

**John Harrison – Director & CEO**  
**Bendigo**  
**23 November 2016**



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- (ii) planned production and operating costs profiles
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The Company estimates its Mineral Resources and Ore Reserves in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition ("JORC Code"), which governs such disclosures by companies listed on the Australian Securities Exchange.



# Company Information



## Trading Information

ASX Code	GBM
Number of shares on issue	1,075,784,944
Share price at November 2016	\$0.008
Market Capitalisation	\$8,606,280
Cash as at 31 October 2016	\$221,000

## Major Shareholders

Silver Bright International Development Limited	18.6%
Monex Boom Securities (HK) Ltd	13.1%
Chasen Holdings Ltd	7.0%
JP Morgan Nominees Australia Limited	6.7%
Silver Bright Investments Limited	6.0%

**GBM performance chart 2014 to 2016**





# Board & Management



**Mr Eric J P Ng**  
Chairperson

Eric has been the Principal Consultant of Chadway Management Service Pte Ltd since 1982. He is responsible for providing operational management, planning and executing growth strategies, merger and acquisitions activities and corporate finance services to companies in Singapore and the region including Australia.

Eric is currently the Lead Independent Director of Chasen Holdings Ltd (listed on the Singapore Exchange), an Independent Director of Richfield International Ltd and the Executive Director of WAG Ltd, (both listed on the Australian Securities Exchange). At Chasen Eric chairs the Audit Committee and is a member of the Remuneration and Nominations Committees.

**Mr John Harrison**  
CEO, Director

John was appointed to the Board in May 2013. John is a mining and civil engineer with extensive experience in mining and exploration in Victoria, South Australia, Queensland, New South Wales, Tasmania, Western Australia and New Zealand. John's expertise is in management, project evaluation, planning and mining operations. During his career he has managed engineering and operational teams, operated open pit and underground mines, evaluated exploration and mining projects and lectured in mining engineering. He is a Member of the Institution of Engineers (Australia) and a Fellow of the Australasian Institute of Mining and Metallurgy.

**Mr Paul Chan**  
Director

Paul has accumulated over 30 years of experience investing and operating businesses in China, Asia and the US. With his extensive business background and knowledge in the Asia Pacific region, Paul joined Prestige International Investment Ltd, an investment banking firm based in the US, in 1996, in charge of project investment in Asia.

Paul joined Yorkshire Capital Limited as Project Director in 2001. He has been responsible for accessing project feasibility, corporate restructuring, business and financial advisory for various projects. In recent years, Paul has been focusing on gold mining projects and has been involved in reviewing, accessing, structuring, advising and fund raising for mining projects in base metals and other natural resources worldwide.



# Board and Management



**Mr Andy Lai**  
Director

Andy was appointed to the Board on 17 October 2011. Andy, Managing Director of Yorkshire Capital Limited a merchant bank operation since 1993, has been responsible for numerous IPO and RTO cases worldwide and numerous M&A and financing projects with total value of over US\$3 billion. In recent years, his focus has been on mining and resources business covering financing, investment & M&A initiatives. He is an MBA from the Chinese University of Hong Kong.

**Ms Linda Lau**  
Independent Director

Linda was appointed to the Board on 9 July 2013. Ms Lau has a Bachelor of Arts Asian Studies and a Diploma of Business communications and has experience in commercial and corporate practice in Australia and China and has been an Australian citizen for forty five years. Ms Lau has had an interesting career having served as a senior consultant and executive for major Australian and international corporations and in particular resources and mining companies. Ms Lau does not hold any other listed company directorships.

**Ms Jianping Wang**  
Director

Ms Wang was appointed to the Board on 4 November 2016 and brings a wealth of experience in the mining and finance sectors. Ms Wang holds a Bachelor of Business Administration from the Guangdong Business School. She is an experienced manager and investor with over 30 years' experience investing and operating companies and businesses in Greater China and Hong Kong. In particular, she has been involved in the mining sector since 1999. More recently she has been a consultant with an investment company with resource projects in China.

**Mr Andrew Chan**  
Director  
and  
Company Secretary

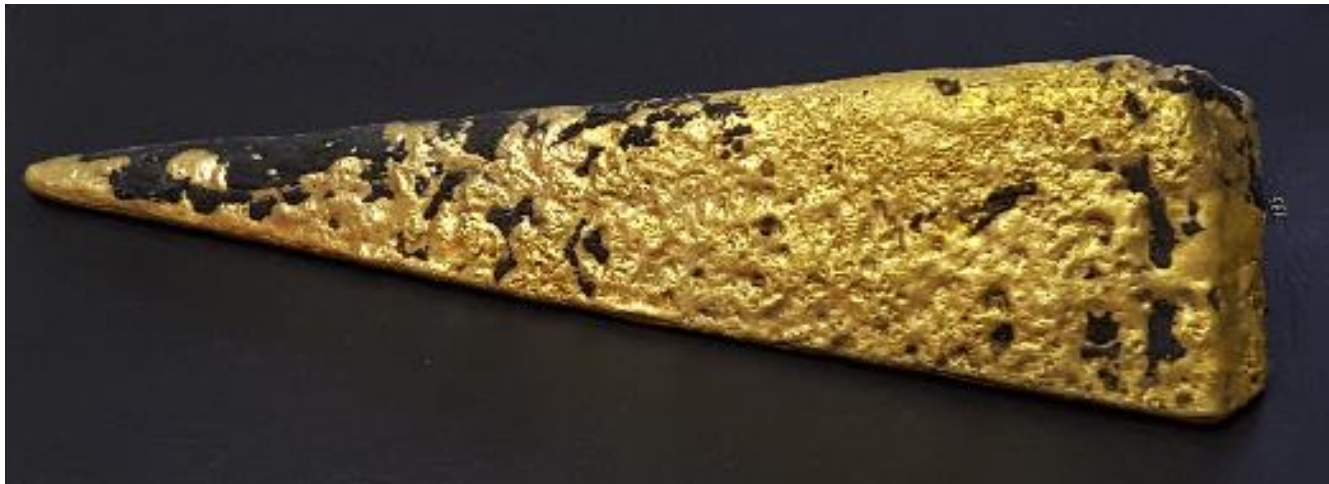
Andrew was appointed to the Board on 1 July 2014. Mr Chan holds a Bachelor of Arts and a Bachelor of Laws degrees. Mr Chan's background is as a corporate and commercial lawyer for 10 years. He has worked both in private practice and in-house in the resources sector, in a variety of roles. Mr Chan has advised a number of Australian and international companies in the resources sector.



# About GBM Gold



- The Company, originally Greater Bendigo Gold Mines was founded in 1989.
- GBM Gold has been based in Bendigo since listing on the ASX in April 2007.
- Inglewood Gold Mine was the major asset, it was sold to MG Gold in 2014.
- The sale of Inglewood gave the opportunity to purchase the Bendigo Gold Project.
- The purchase was secured on 17 May 2016 with the payment of \$1.1 million to Unity, the first payment of four annual deferred bond payments totalling \$5.908 million to repay cash provided by Unity to meet the rehabilitation obligations at Bendigo.
- GBM Gold now holds Unity's mining and exploration tenements, equipment and facilities, Kangaroo Flat Gold Plant, buildings and freehold land in the Bendigo area.



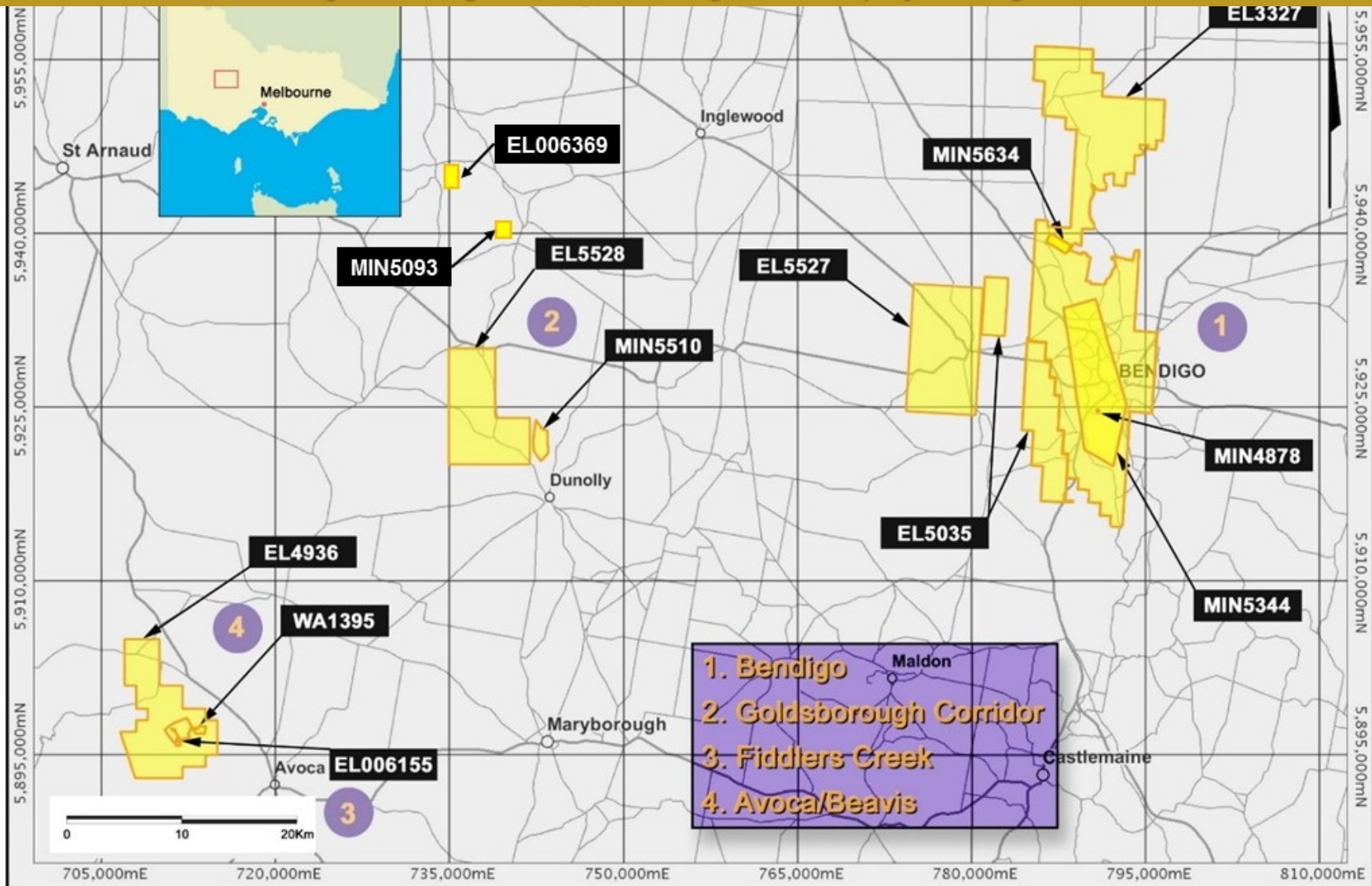
GBM carried out a clean-up of the Kangaroo Flat Gold Processing Plant to recover gold remaining in the Kangaroo Flat Gold Processing Plant and produced a 62 ounce (1.94kg) gold dore bar.



# GBM Gold Projects



GBM is focusing on Bendigo and Goldsbrough Corridor projects to generate cash flow





# Bendigo - Gold in Sand Dams



- The Kangaroo Flat plant processed 750,000 tonnes of ore
- Two tailings products were produced, flotation and leached
- The flotation tailings were split into fine and coarse sand and stored in separate dams
- Test-work confirmed appreciable residual gold grade in the coarse sand

Fine Sand

Coarse Sand

- Total estimated contained gold in the coarse sand is up to 7,000 ounces



# Gold Processing



- GBM will reprocess the 425,000 tonnes of coarse sand to recover the contained gold
- It will use an integrated washing and concentrating process to produce a heavy mineral concentrate
- After treatment, the coarse sand is amenable to reuse in a number of industrial applications



Processing to commence in early 2017

*Photos: Sand Dam operation in 2009*

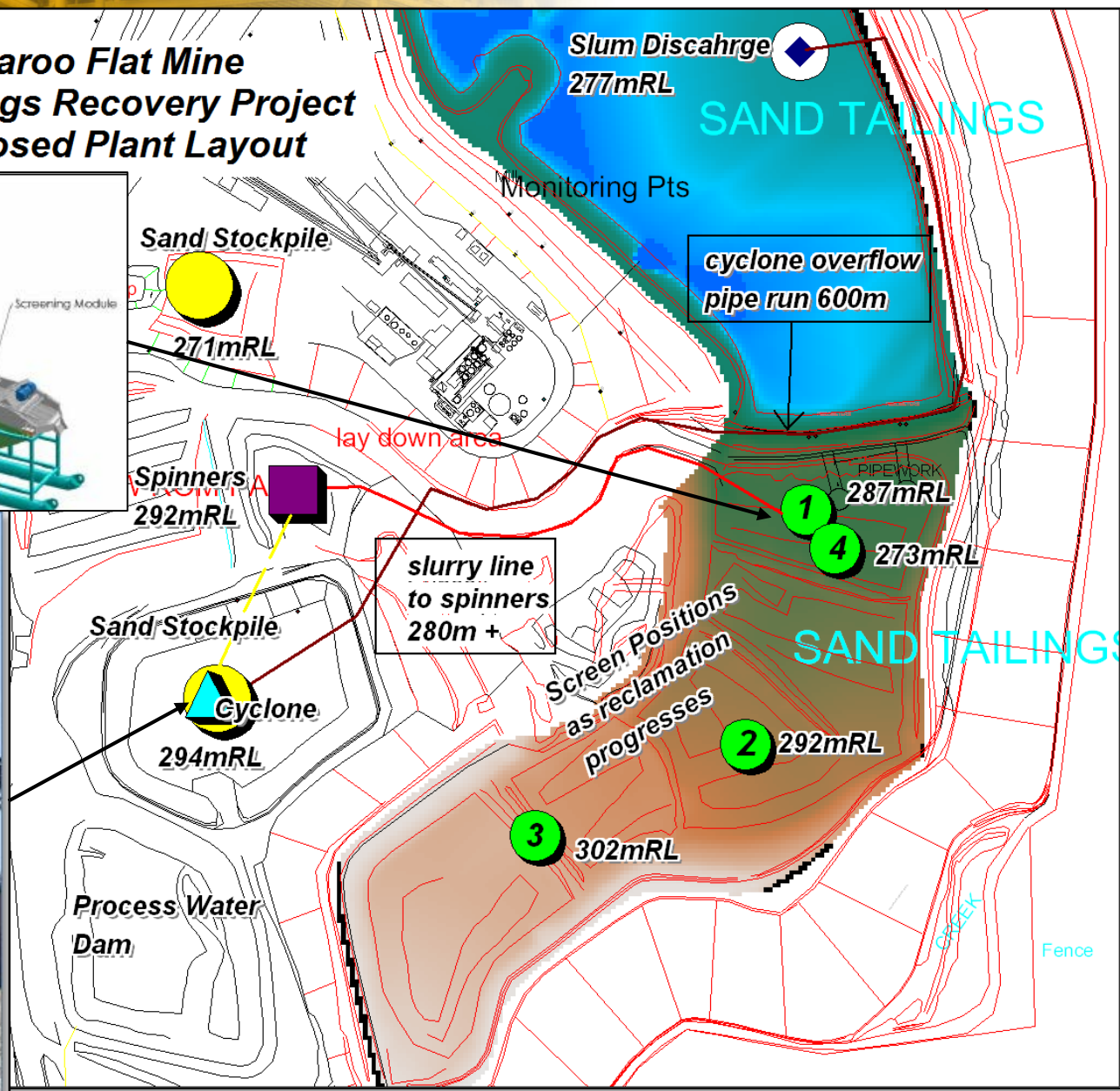
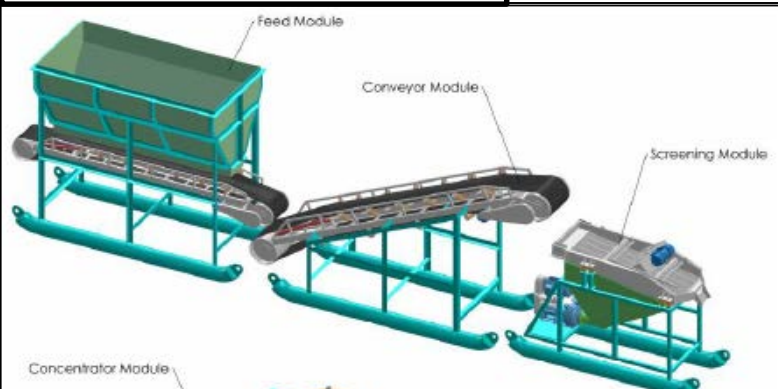


# Kangaroo Flat Recovery Process



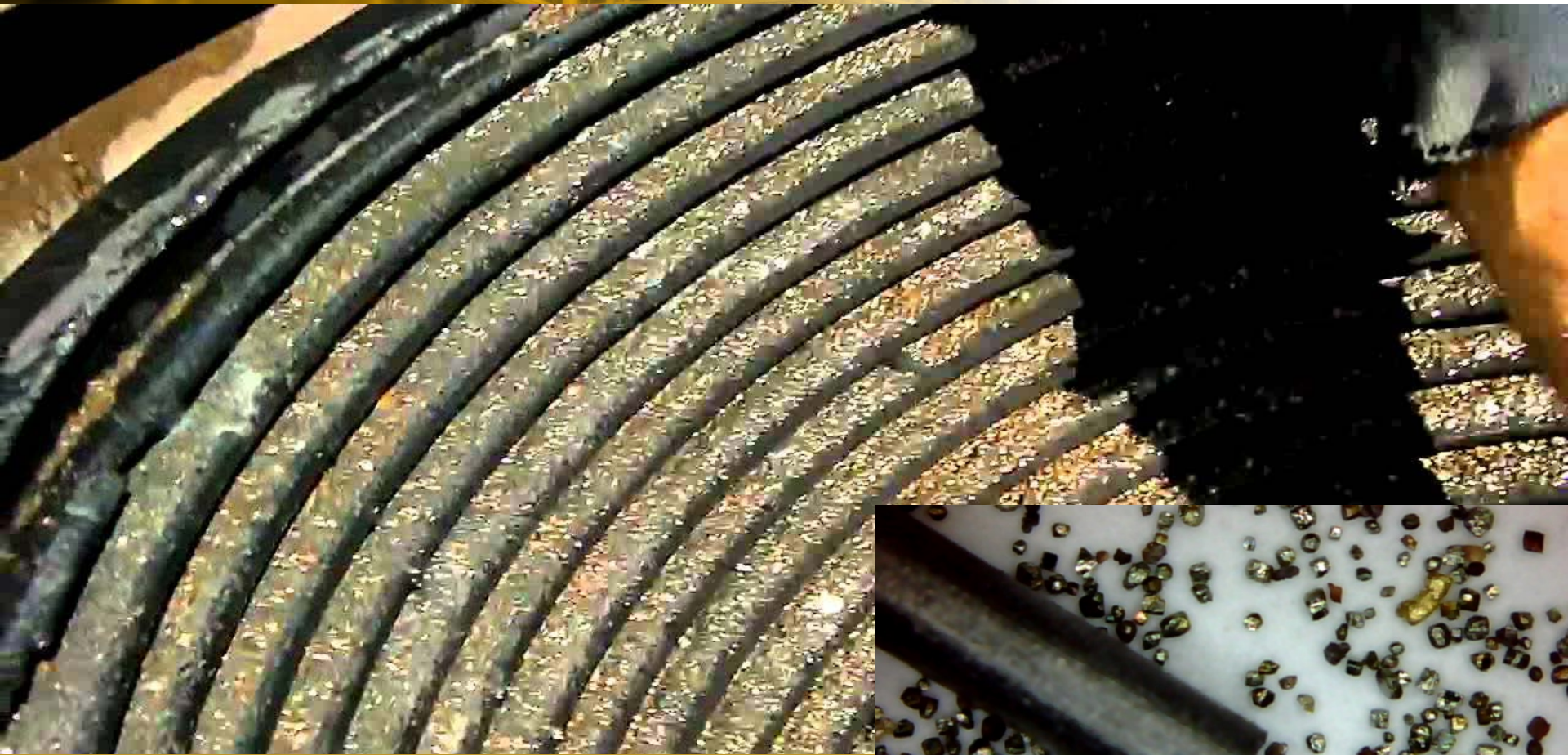
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## Kangaroo Flat Mine Tailings Recovery Project Proposed Plant Layout

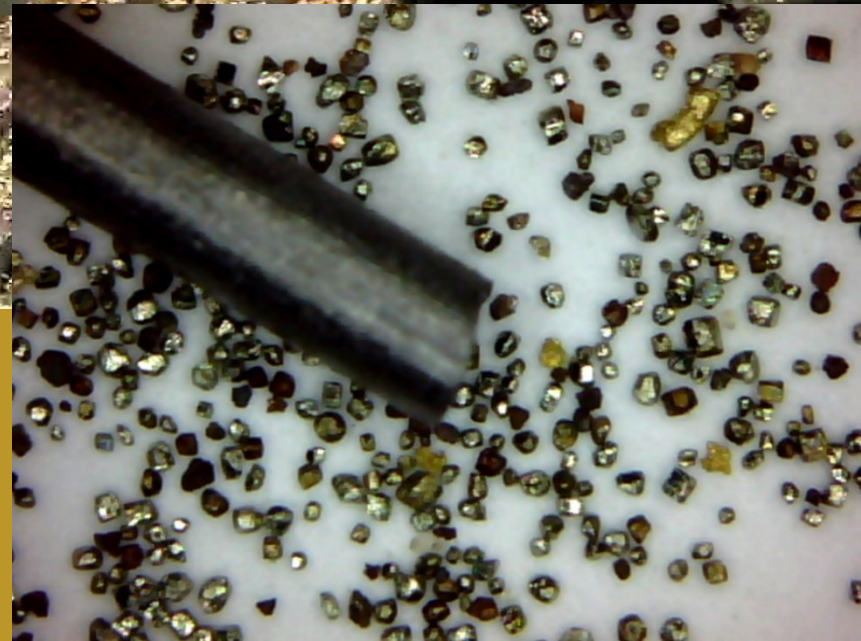




# Gold Processing Method



- Concentrator removes gold and heavy metals contained in the sand by centrifugal force
- Concentrator can remove particles down to 0.03mm in size
- Inset shows an 0.7mm lead and particles removed by the concentrator

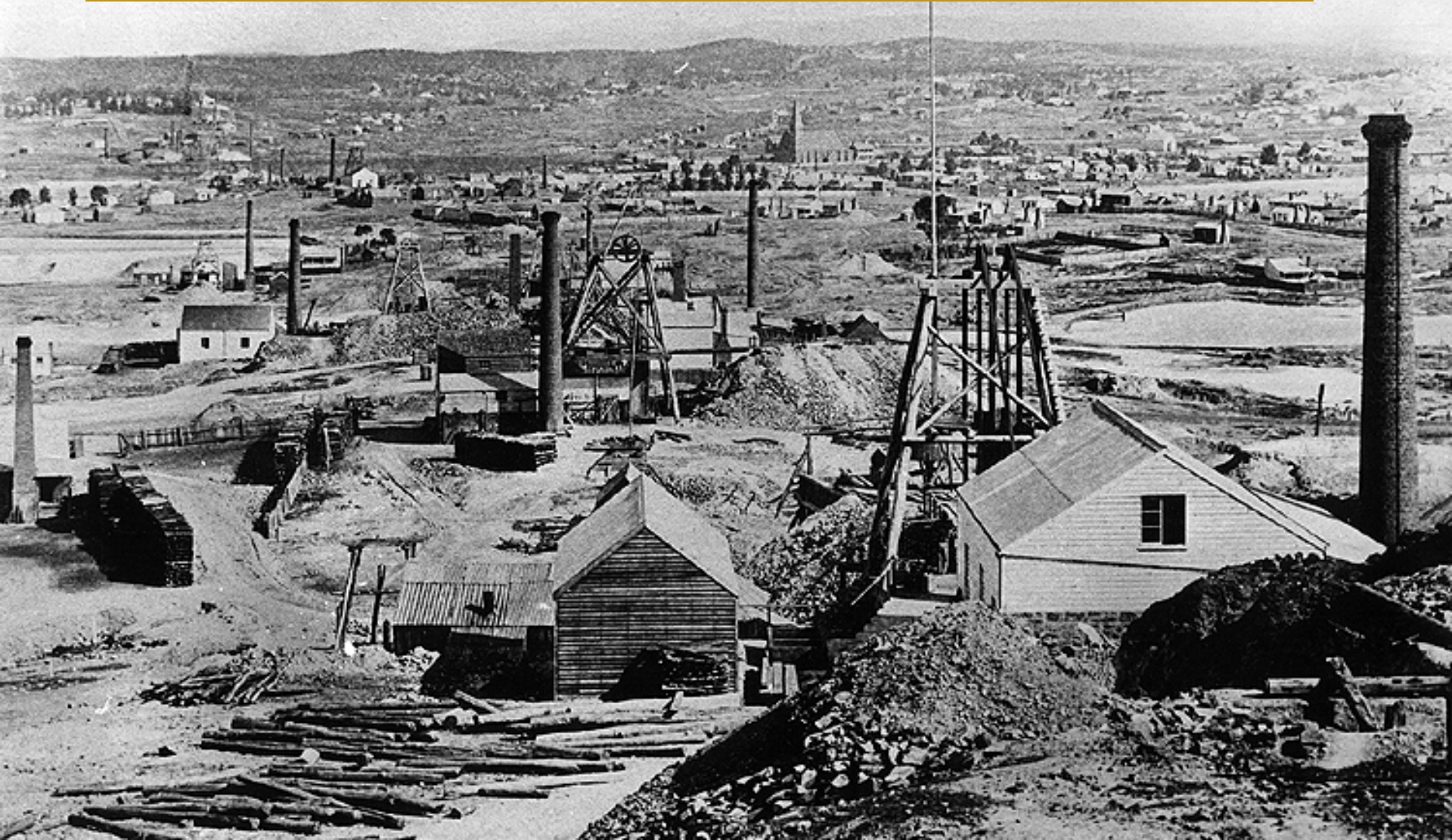




# Bendigo Tailings



- Over five thousand shafts were sunk at Bendigo during the hundred and fifty years of mining
- 40 million tonnes of 'quartz reef' ore were mined

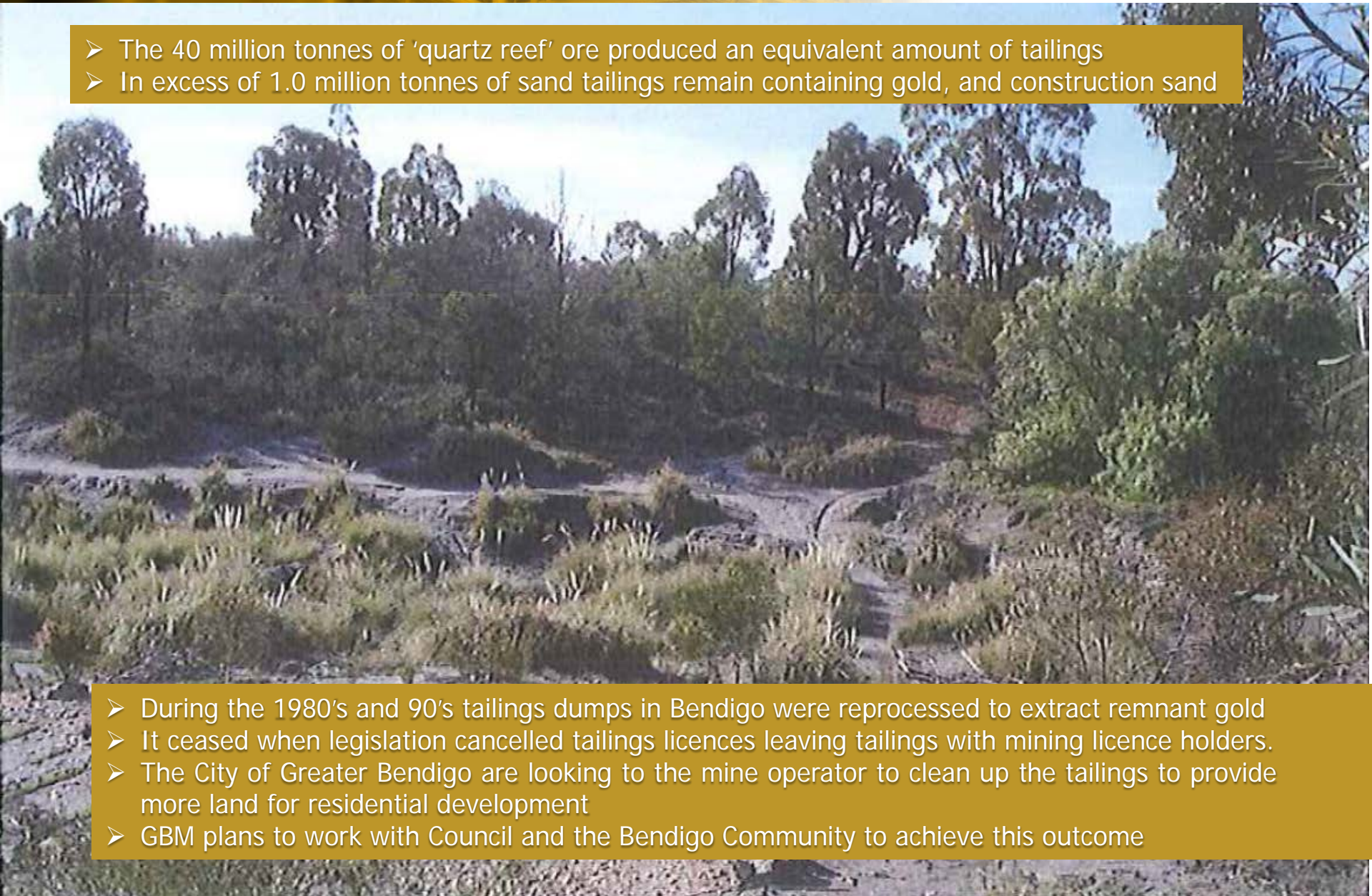




# Bendigo Tailings



- The 40 million tonnes of 'quartz reef' ore produced an equivalent amount of tailings
- In excess of 1.0 million tonnes of sand tailings remain containing gold, and construction sand



- During the 1980's and 90's tailings dumps in Bendigo were reprocessed to extract remnant gold
- It ceased when legislation cancelled tailings licences leaving tailings with mining licence holders.
- The City of Greater Bendigo are looking to the mine operator to clean up the tailings to provide more land for residential development
- GBM plans to work with Council and the Bendigo Community to achieve this outcome



# Goldsborough Corridor – Harvest Home Open Pit Mine



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An operational project with open pit and underground ore resources



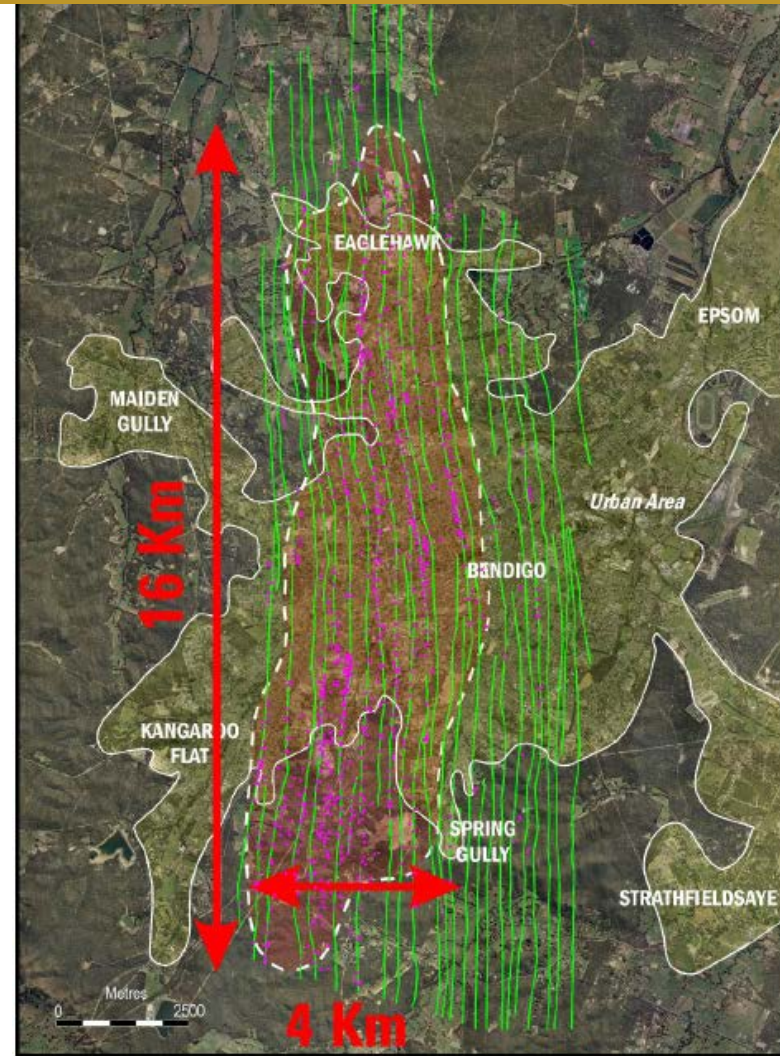
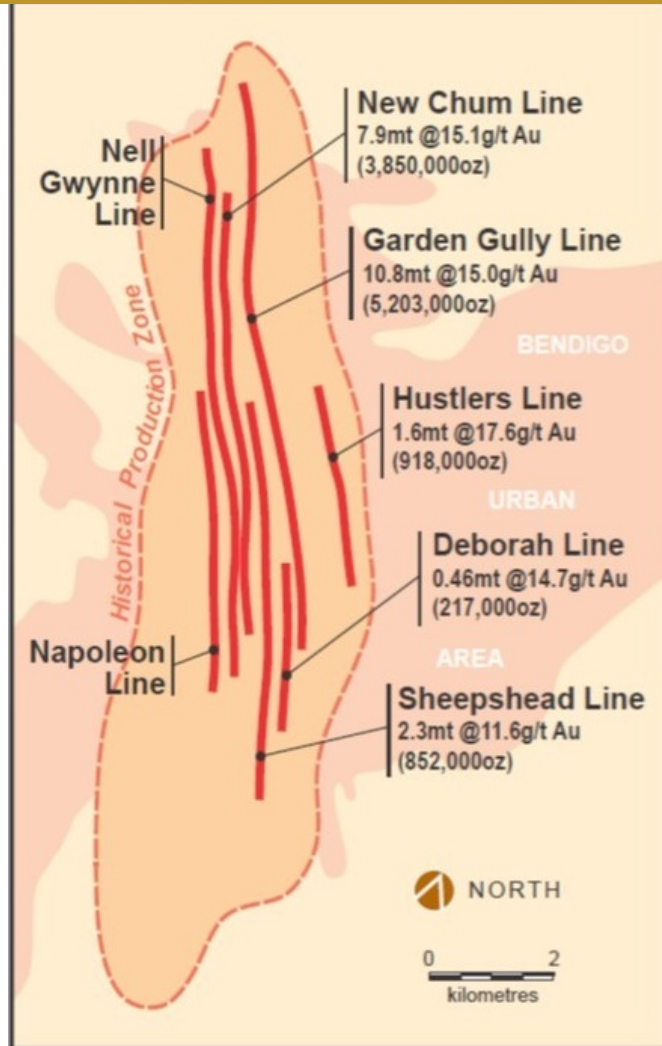
GBM is planning to mine 44,000 tonnes of ore in the next stage of this pit in early 2017



# Bendigo – Largely Unexplored



- Garden Gully, New Chum, Hustlers, Sheepshead and Deborah Reefs produced 50% of gold mined
- The other lines of reef are largely unexplored and have significant exploration potential
- GBM is focusing on these reefs

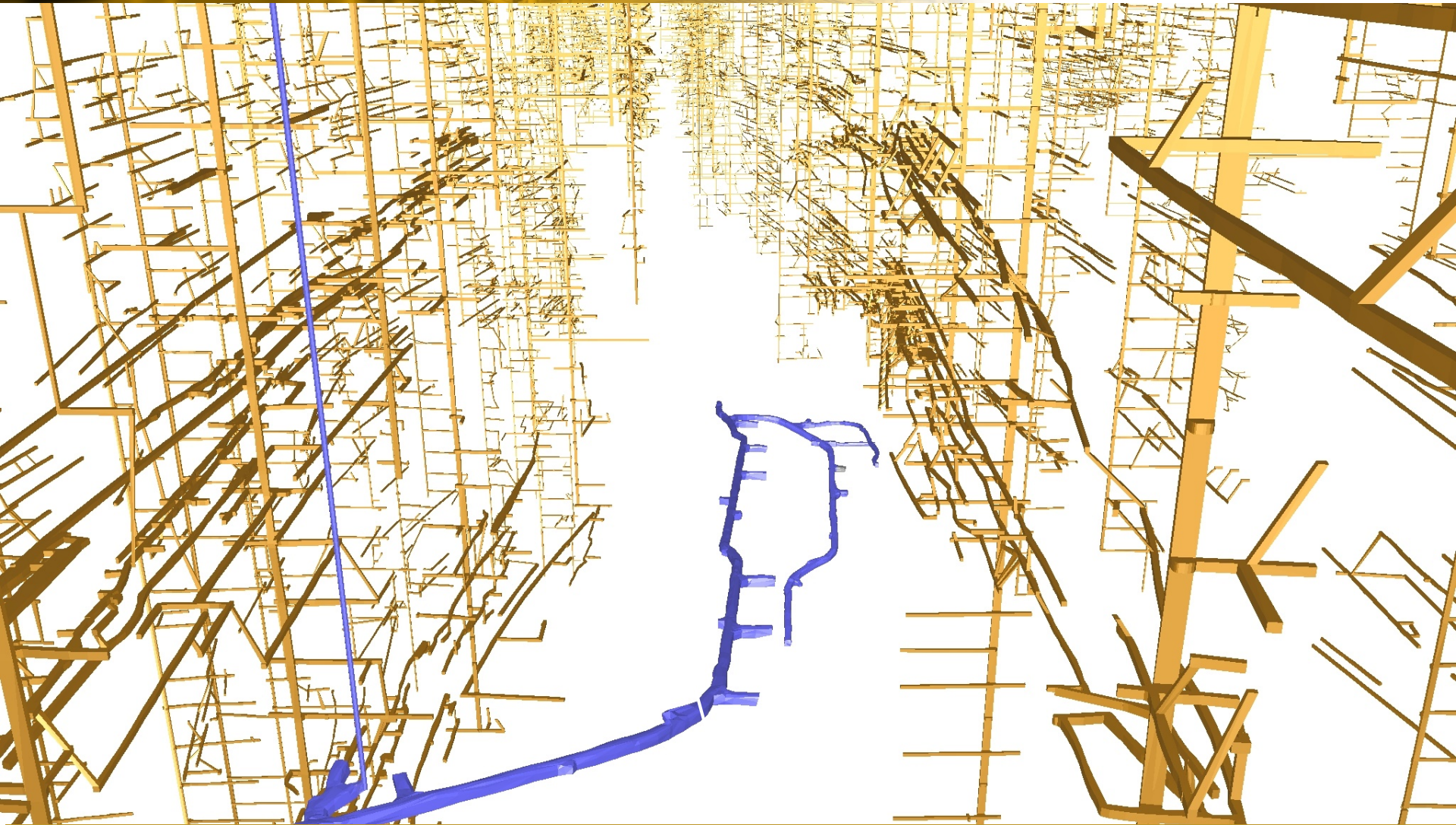




# Bendigo - Exploration Database



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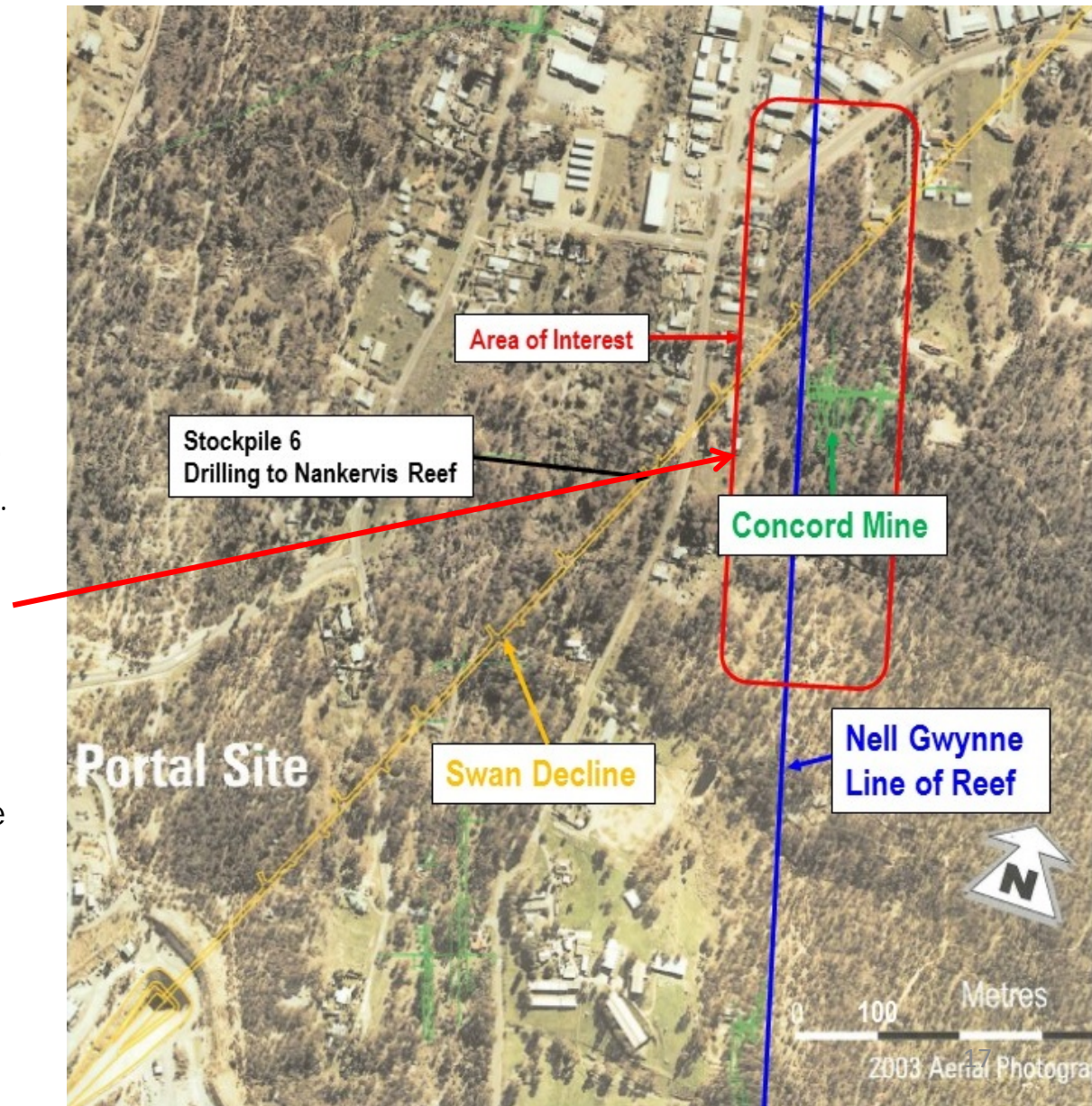
- GBM is using the \$40 million Bendigo exploration database to evaluate exploration targets.
- It has identified a near mine exploration target on the Nell Gwynne Line of Reef.



# GBM Near Mine Target

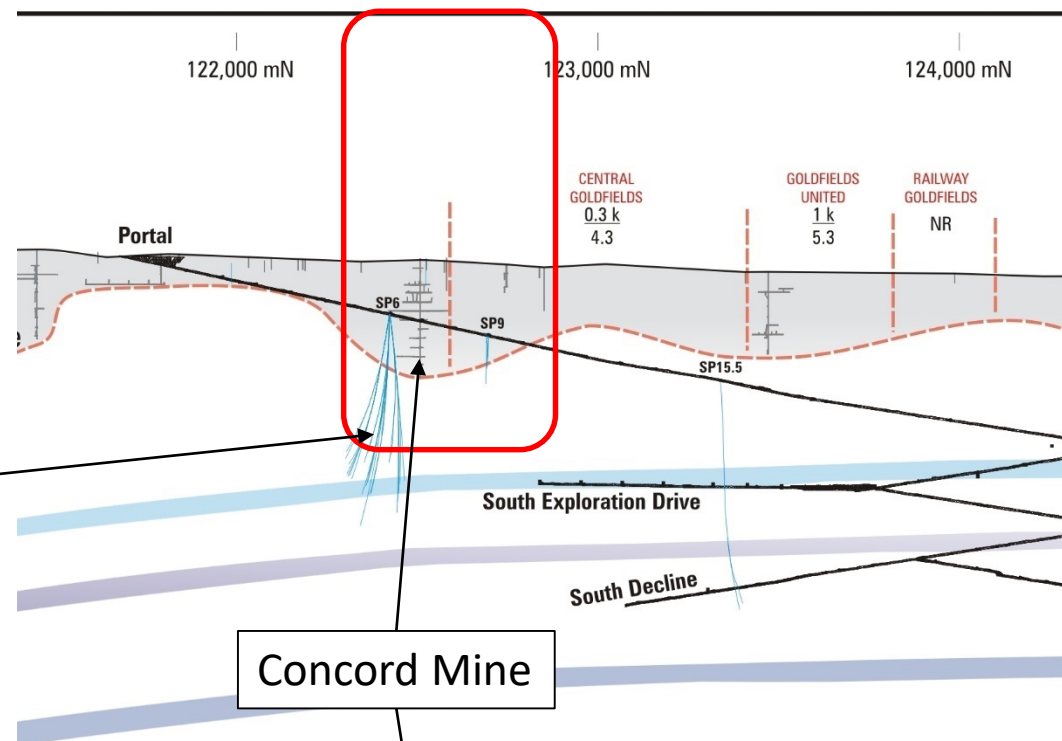
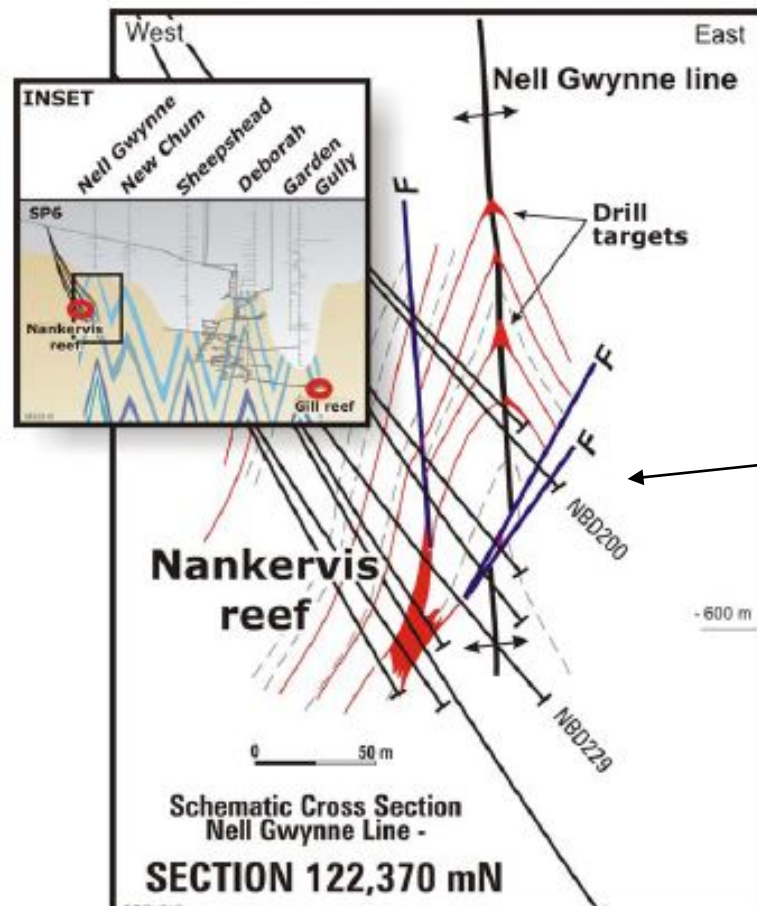


1. The exploration target is on the Nell Gwynne Line of Reef near the old Concord Mine.
2. It is only 1,100 metres from the start of the decline.
3. There are favourable geological structures within metres of the decline.
4. The area was partly explored in 2009 when Nankervis Reef was discovered.
5. A drilling and development program is planned for this site.
6. The previous owner found Gill Reef on the Garden Gully line and mined 70,000 ounces of gold.
7. A similar find on the Nell Gwynne line would establish GBM in the goldfield.





# Nell Gwynne Line of Reef



- Research suggests that a structure worked in the historic Concord Mine may correspond with the Central Nell Gwynne Reef worked profitably further to the north.
- This structure is estimated to be within tens of metres of the decline and is an area of pitch reversal and double folding which tends to favour localised enrichment.
- The aim is to develop this exploration target into a mineable resource.



# KF Gold Processing Plant



GBM Gold Ltd

ABN: 38 147 300 418

- A strategic review by GBM has identified assets not required for operations.
- One of those assets is the 600,000 tpa Kangaroo Flat Gold Processing Plant.



- The processing plant is much larger than the production capacity of the goldfield making parts of the plant surplus to requirements.
- Expressions of interest for the sale of these parts of the plant have been sought.
- The sections remaining will still have the capacity to process ore on site.



# Water Treatment Plant



- Mining operations and dewatering by Unity Mining ceased in 2011.
- GBM has no short term need to dewater.
- In 2015, the Victorian Government accepted responsibility for disposal of groundwater.
- The government determined the best method of disposing of groundwater is through a treatment plant using reverse osmosis to remove contaminants (the Coliban Solution).
- GBM has a reverse osmosis plant at its New Moon site that was part of the dewatering infrastructure for the Bendigo Goldfield.
- GBM has signed a five year lease with Coliban Water for them to use the reverse osmosis plant.





# Woodvale Evaporation Ponds



- The site became redundant after the Victorian Government made the decision that the Woodvale Evaporation Ponds would not be used for mine water disposal.
- GBM holds free-hold title to the land at Woodvale (179Ha).
- The Company is implementing a program to rehabilitate Ponds 6 & 7 over the next two years.
- GBM is targeting productive agricultural land as the end-use.
- When rehabilitation is complete options for the site will be considered.





# Summary



1. GBM Gold has purchased the Bendigo Goldfield.
2. It plans to implement environmental cleanup projects in Bendigo.
3. These projects will address the legacy of historical and modern mining.
4. There is a plan to utilize or dispose of redundant assets.
5. These projects will generate cash flow.
6. GBM is developing an exploration model for Bendigo.
7. It will utilize the \$30 to \$40 million of exploration data already in place.
8. GBM will progress towards the recommencement of underground mining.

