

ASX Announcement  
31 January 2014

**REPORT FOR THE QUARTER ENDED 31<sup>st</sup> December 2013**

## Key Exploration Highlights

### Lubuk Mandi Gold Mine Project Malaysia

- **Hard Rock Drilling**  
Phase 1 commenced in the quarter for a total of 2080 metres. Targets for initial testing include; beneath the pit depth, west and east shear zones. Phase 1 to be completed by February followed by Phase 2.
- **Tailing Dam Redevelopment**
  - Metallurgical test work has demonstrated overall gold recoveries from feed to gold bullion of up to 71%.
  - Process Treatment of the Dam will be by Flotation and CIL to produce gold on site.
  - Initial design completed.
  - Site works have commenced.
  - Gold production targeted for the September quarter.
- **Singapore Stock Exchange**  
The company continues to progress the plan to complete an Initial Public Offering of the Lubuk Mandi Gold Project on the Singapore Stock Exchange in 2014.
- **Pan Pacific/Mitsui Farm-in Projects NW Queensland**
  - Drilling of scout holes on target FC2W at Mount Margaret confirmed IOCG style alteration.
  - Extended gravity survey over 'The Brother' tenement at Bronzewing Bore highlights strong gravity feature.

ASX Code: GBZ

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Managing Director/ Executive Chairman

**Neil Norris**  
Exploration Director – Executive

**Cameron Switzer**  
Non-Executive Director

**Guan Huat (Sunny) Loh**  
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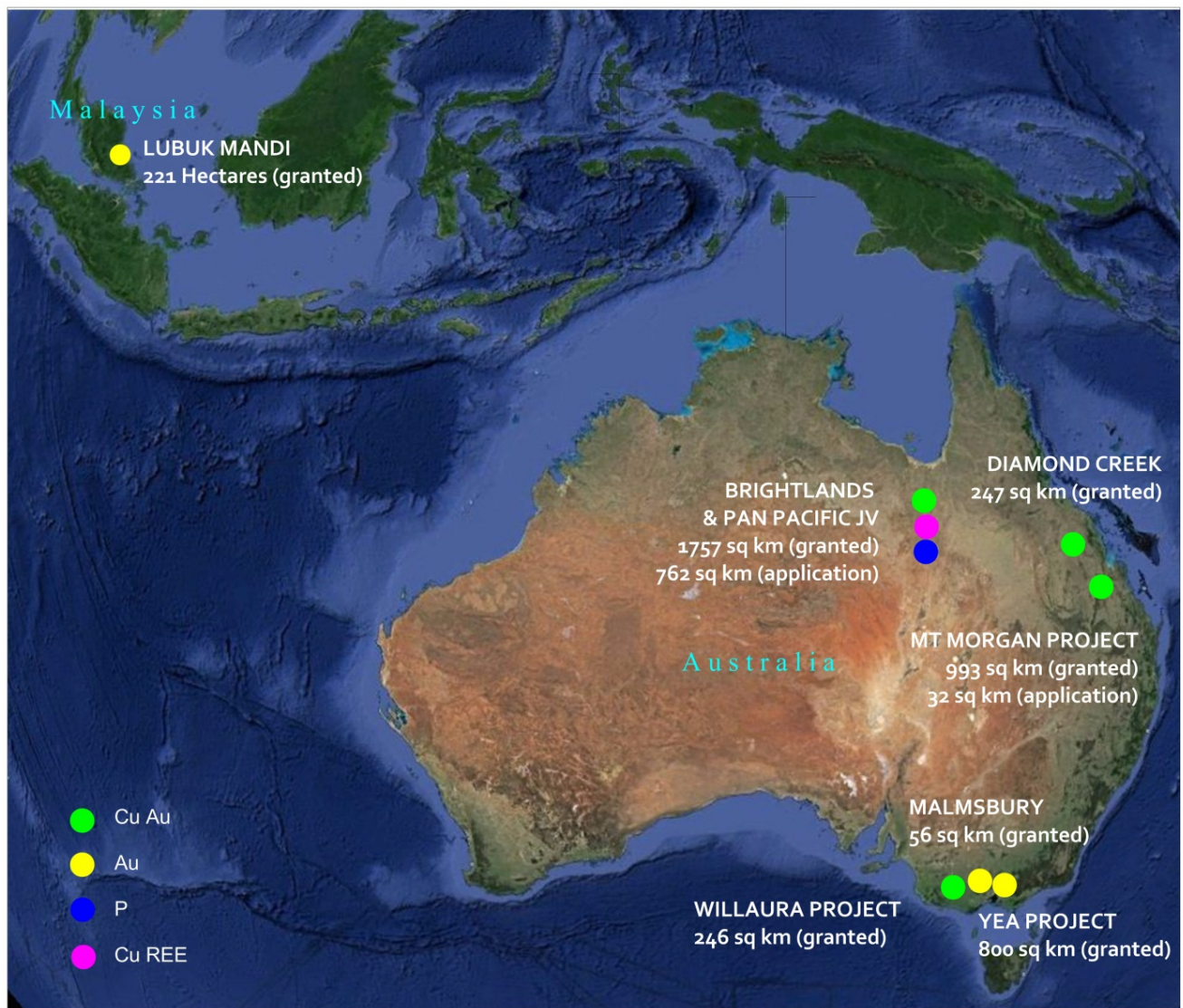


Figure: GBM Resources Project Location Plan.

## SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the quarter. The Company has now completed 30 consecutive months with no LTI's and 74 consecutive months with no significant environmental incidents.

GBM remains committed to maintaining an incident free record and will continue to target zero harm to our people and minimal impact upon the environments in which we work, in line with the Company's policy of striving to achieve the highest standards in safety and environmental management.

## LUBUK MANDI GOLD MINE PROJECT, MALAYSIA

During the September Quarter GBM completed the acquisition of approximately 40% interest in Angka Alamjaya Sdn Bhd (AASB), owner of the mining concession for the Lubuk Mandi Gold Mine in Peninsular Malaysia. Tranche one (SDG\$3M) of the required funding was also secured and work commenced with the estimation of a largely Indicated Resource for the Lubuk Mandi tailings of **1.5M tonnes containing 34,800 ounces of gold at an average grade of 0.7 g/t Au** (see ASX announcement 26 November 2013 - the Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and the form and context of the announcement have not been materially modified. All material assumptions and technical parameters underpinning the estimates continue to apply).

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%
<b>Total</b>	<b><u>1,532,000</u></b>	<b><u>1,081,400</u></b>	<b><u>34,800</u></b>	<b><u>0.70</u></b>	<b><u>100%</u></b>

Table: Lubuk Mandi Tailings Dam Resource Table

During the December Quarter Stage 2 and 3 metallurgical testwork and initial process plant design was completed. Stage one diamond drilling to test targets for gold mineralisation below and adjacent to the main pit commenced and was 50% complete at the end of the quarter. Drilling has recommenced and stage 1 is scheduled for completion in February with stage 2 intended to follow immediately.

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 alluvial deposits 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.

# Tailing Dam Redevelopment

## Metallurgy and Process Design

GBM commissioned Core Process Engineering Pty Ltd of Brisbane to complete a series of metallurgical tests and to deliver preliminary process design options for redevelopment of the Lubuk Mandi Gold Mine. Stage 3 included comprehensive metallurgical testing (summarised in figure below) which was conducted on representative samples from compositing of samples from core drilling of the tailings dam completed as part of the resource evaluation. Testing included a range of flotation tests including rougher, cleaner and scavenger cells and CIL leaching tests on both the flotation concentrates and original tailings composites.

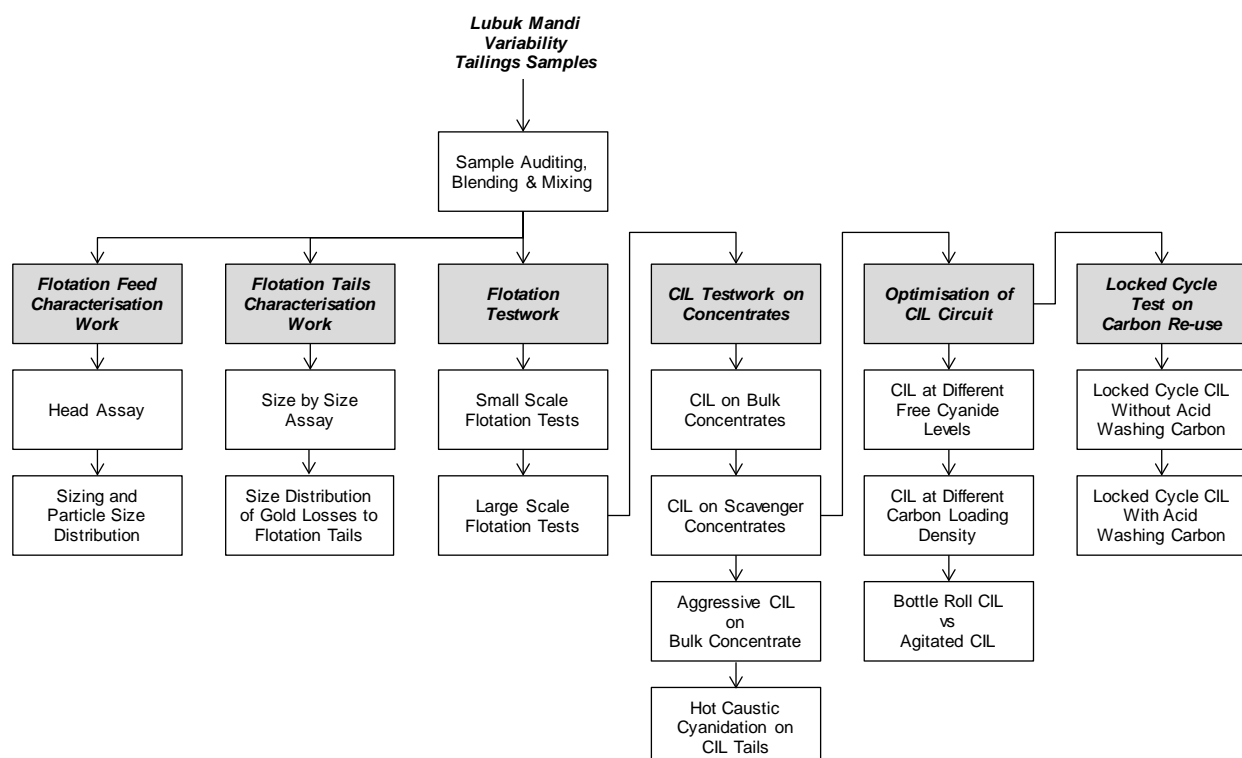
Key outcomes from this test work are summarised below;

- Flotation is confirmed as an effective means of upgrading gold concentration in Lubuk Mandi tailings deposit.
- Flotation is predicted to recover up to 91% gold recovery into a concentrate grading 3.3 to 7.8 g/t Au suitable for cyanide leaching.
- Gold Cyanidation - Results indicate that recoveries of up to 65 to 67%. Hot caustic leach recovered an additional 12.6%.
- Further optimisation tests will be required (including further concentrate production) to determine optimal grind size and cyanide levels.

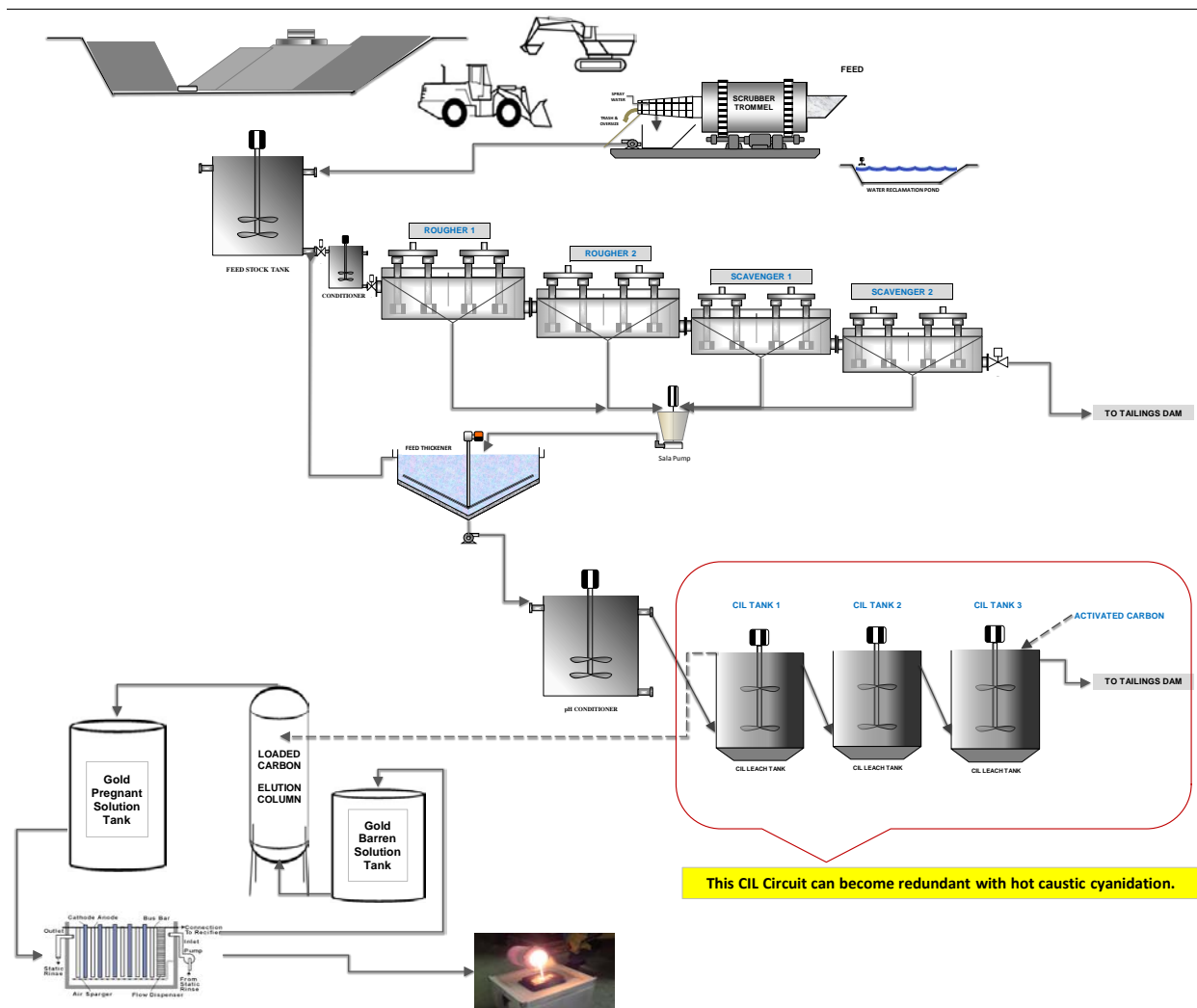
These tests confirmed that flotation was an effective means of beneficiating gold to produce a concentrate for leaching with the CIL process.

AASB and GBM personnel are now finalising capital and operating costs which has included visits to factories in China to source equipment. The lower cost of quality equipment now available from China will be integral to the successful development of the Lubuk Mandi Project. Negotiations are also underway with local service providers to finalise supply of power and other services for the project.

Construction is expected to start early in the March Quarter and is targeted for completion by the end of the June Quarter, with commissioning and initial gold production early in the September Quarter.



Figure; summary of Lubuk Mandi tailings testing programme.



Figure; Design option treatment of Lubuk Mandi tailings deposit.

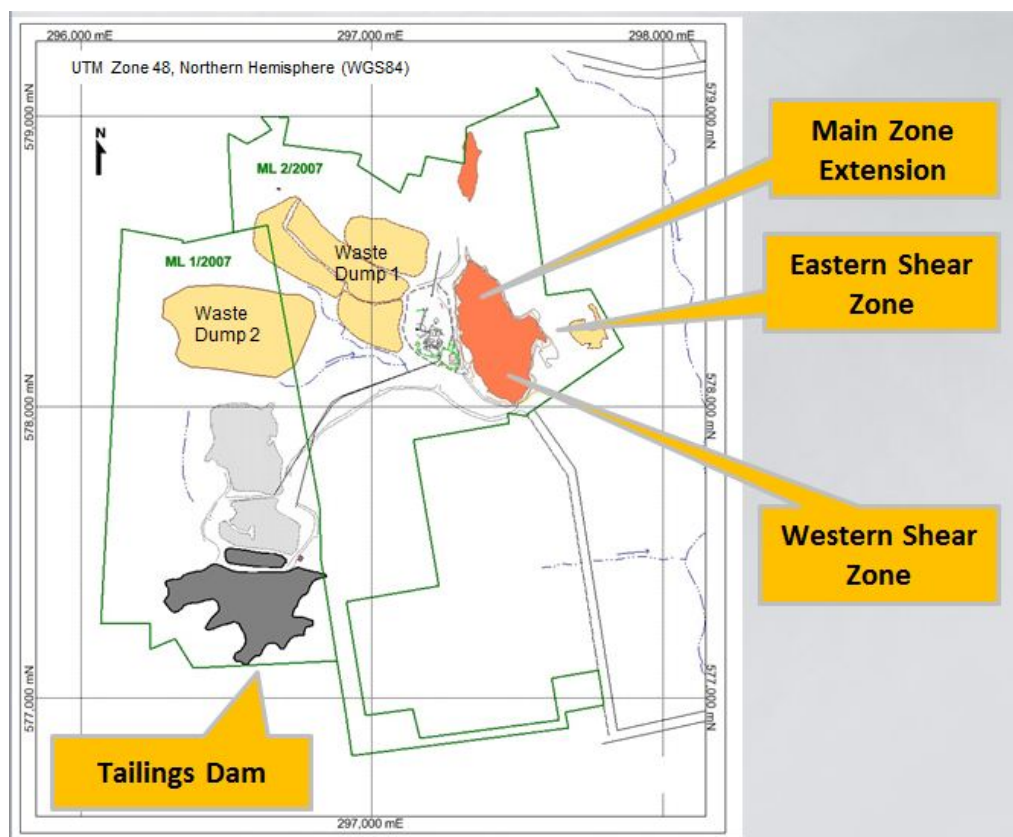


Figure: Lubuk Mandi Gold Mine site layout plan.

## Hard Rock Drilling Program

Drilling commenced at Lubuk Mandi on the 5th of November to test exploration targets below and adjacent to the existing Lubuk Mandi open cut. Phase one drilling involves ten planned holes comprising a total of 2080 metres of diamond drilling. During the quarter a total of 6 holes were completed for 1011 metres have been drilled so far. Four holes have intersected the Eastern Shear Zone (ESZ) on three sections (LMD0001, LMD0002, LMD0003 & LMD0005). Two holes have intersected the Western Shear Zone (WSZ) on two Sections (LMD0004 & LMD0006).

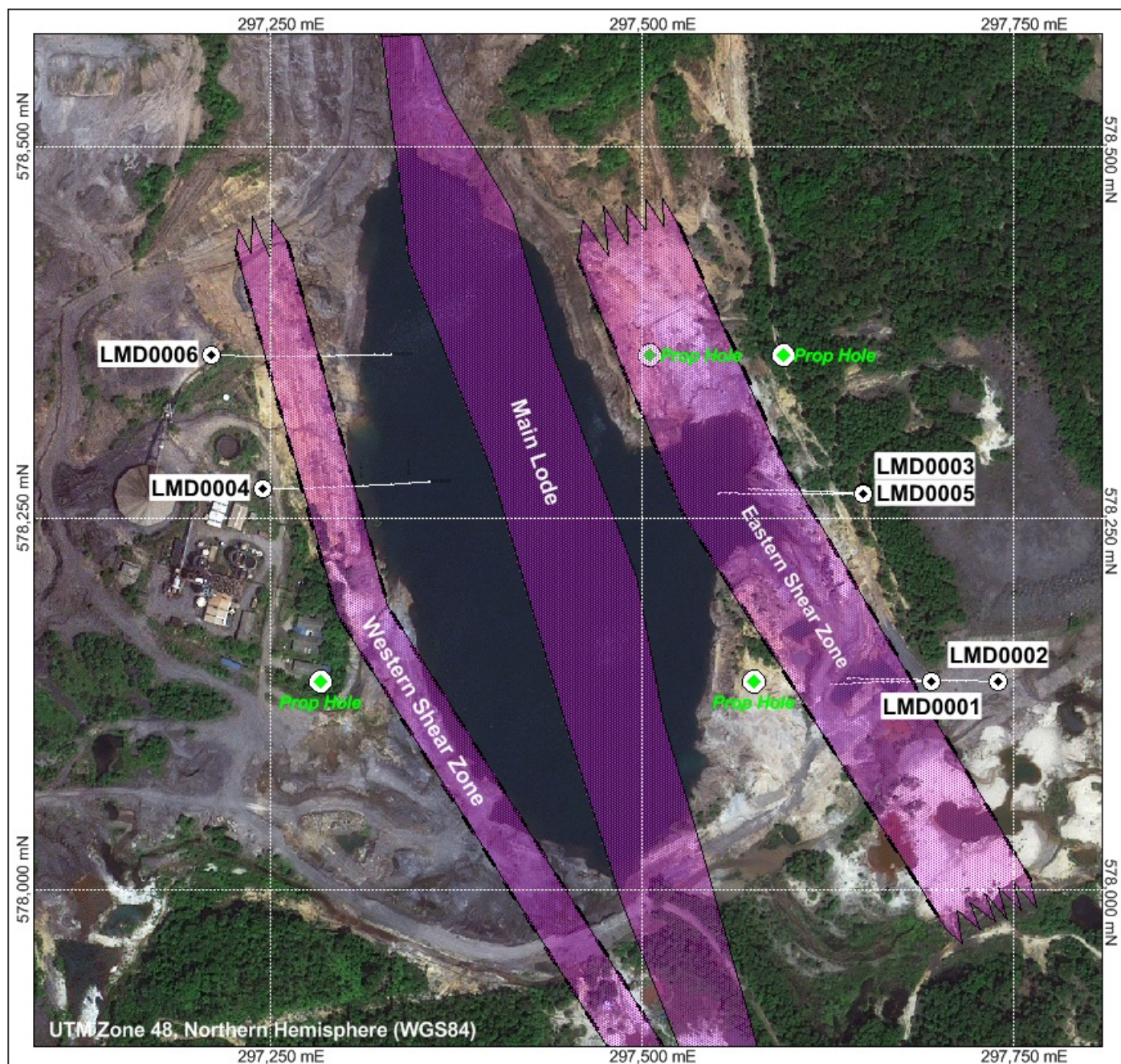


Figure : Lubuk Mandi Phase 1 holes. The trace of drilled holes. Planned drill collars and surface Au in rock chips. The three target zones highlighted by blue lines (ESZ, WSZ and Main Lode)

Three zones were scheduled for testing in the initial drill phase; the Main Lode, the Eastern Shear Zone (ESZ) and the Western Shear Zone (WSZ). Drilling of the ESZ and WSZ have been tested so far.

### Eastern Shear Zone

The **ESZ** is a zone of intensely sheared and brecciated graphitic shale and quartz veining up to 60 m 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. The high graphitic carbon content likely caused problems for gold recovery. 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 beyond the mine lease boundary into a large area of illegal mine workings.

Drilling has identified, an extensive tectonic breccia zone of up to 16 m (true stratigraphic width) surrounded by up to 20 meters of sheared and strongly deformed graphitic shale extends from the surface to a vertical depth of at least 150 m. The main ESZ appears to be semi continuous between drill holes along section (there is correlation between LMD0001 & LMD0002 and LMD0003 & LMD0005) and dips at an angle of between 75° and 80° towards the east. Strike appears to be NNW-SSE.

In some distinct zones, silicification postdates the strong graphitic carbon alteration and brecciation. Shearing is also likely to postdate the most prominent quartz veining event. Significant sulfides occurred throughout much of the ESZ.

The first batch of geochemistry results highlight that the southernmost portion of the ESZ (N578140) does not contain any significant gold intercepts. The maximum gold value in LMD0001 is 0.06 ppm Au. LMD0002 has a maximum gold value of 0.1 ppm Au at a depth of 145 m.

Hole_ID	Easting	Northi ng	Azi	Dip	RL	mFrom	mTo	Hole type	Hole dia	Grid_ID
LMD0001	297695	578140	270	-55	8.1	0	11.2	DD	PQ	WGS84_48
LMD0001	297695	578140	270	-55	8.1	11.2	125.8	DD	HQ	WGS84_48
LMD0002	297740	578140	270	-55	9.1	0	15.4	DD	PQ	WGS84_48
LMD0002	297740	578140	270	-55	9.1	15.4	183	DD	HQ	WGS84_48
LMD0003	297649	578267	270	-65	24	0	14.9	DD	PQ	WGS84_48
LMD0003	297649	578267	270	-65	24	14.9	193.8	DD	HQ	WGS84_48
LMD0004	297245	578270	90	-45	18.6	0	17.5	DD	PQ3	WGS84_48
LMD0004	297245	578270	90	-45	18.6	17.5	172.1	DD	HQ3	WGS84_48
LMD0005	297649	578266	270	-45	24	0	15.5	DD	PQ	WGS84_48
LMD0005	297649	578266	270	-45	24	15.5	140	DD	HQ	WGS84_48
LMD0006	297210	578360	90	-50	37.8	0	20.9	DD	PQ	WGS84_48
LMD0006	297210	578360	90	-50	37.8	20.9	197.9	DD	HQ	WGS84_48

Table: Drillhole summary table for Lubuk Mandi Phase I diamond drilling.

### Western Shear Zone

The **WSZ** was defined from recent mapping work by GBM geologists. Deformation and quartz stock working within the WSZ appears to be associated directly with the hanging wall of Mesoscale thrust related faults trending NNW-SSE. Recent rock chipping returned one sample from the hanging wall zone with 6.05 ppm Au. The strongly deformed WSZ runs somewhat parallel to the main lode and the ESZ. From initial investigation the WSZ has a steeper dip than the ESZ, dipping to the east between 80° and 85°. The WSZ has a much lower graphitic carbon content than the ESZ. Visible gold was observed at a depth of 115 m in LMD0004 on the WSZ. Three flakes, up to 1 mm in diameter were floating in the gouge material and were collected as specimen (See Figure ). The gold is hosted within moderately sheared shale with only moderate sulphides. The nature of this visible gold emphasises the importance of ensuring good recovery (using the triple tube set up) and that the core is collected from the drill site as soon as possible to keep it out of the rain.

Assay results for the two holes that intersect the WSZ (LMD0004 and LMD0006) are expected during February.

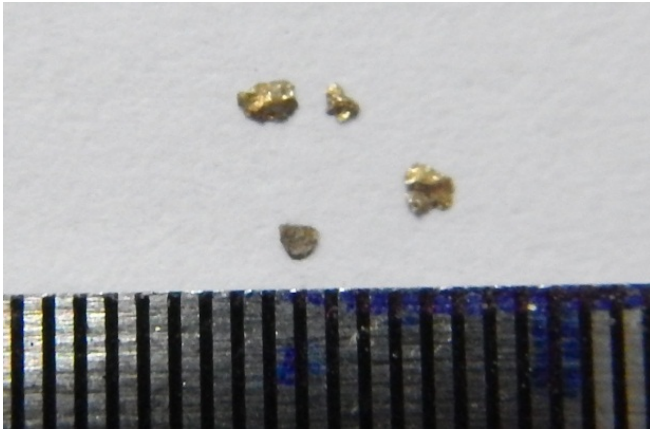


Figure: Visible Gold flakes found in LMD0004 at a depth of 115 m.

## QUEENSLAND EXPLORATION ACTIVITIES

### Mount Isa Region Copper Gold Projects

#### **Brightlands Project, 100% GBM**

Following the successful completion of the Scoping Study for Milo, announced in 2013, GBM continues to investigate options for funding the next stage of development at 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 major Farm In Agreement with multinational companies Pan Pacific Copper and Mitsui Corporation is now at the end of the third 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 to earn a 90% in the projects.

#### **Activity Overview:**

The December quarter saw the completion of MT infill surveys at Bronzewing Bore and FC4SE, a DDIP and MMI soil survey at Burke Bore, a DHIP survey at the FC2\_W and a MMI soil survey at FC6 prospect. The quarter also saw the completion of the rehabilitation of two drill sites at FC2\_West.

The drilling and return of assay results for drill-core samples from two drill holes (MMA005 and MMA006) occurred in this quarter along with the submission and return of assay results for the MMI soil samples (223) collected over the Burke Bore prospect in the Bungalien tenement.

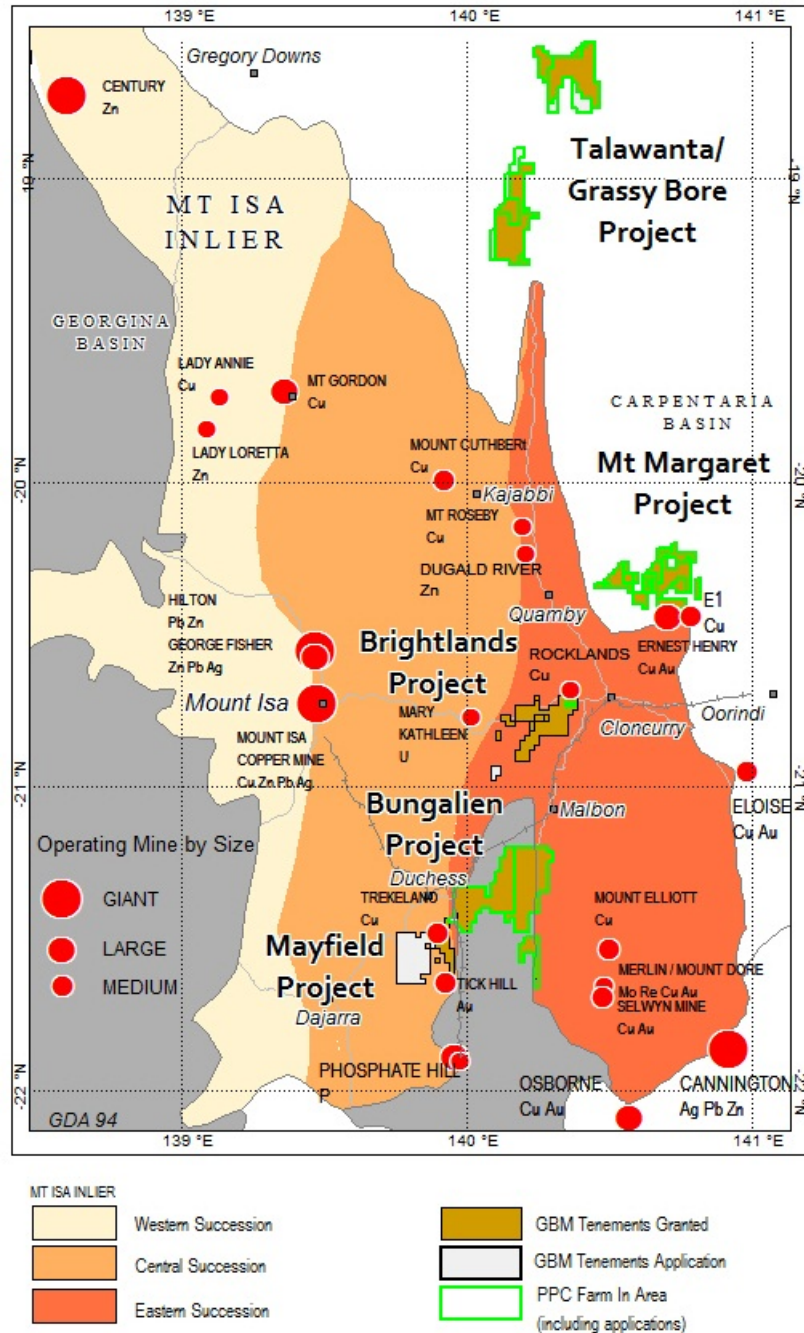


Figure: Location map showing Farm in Areas.

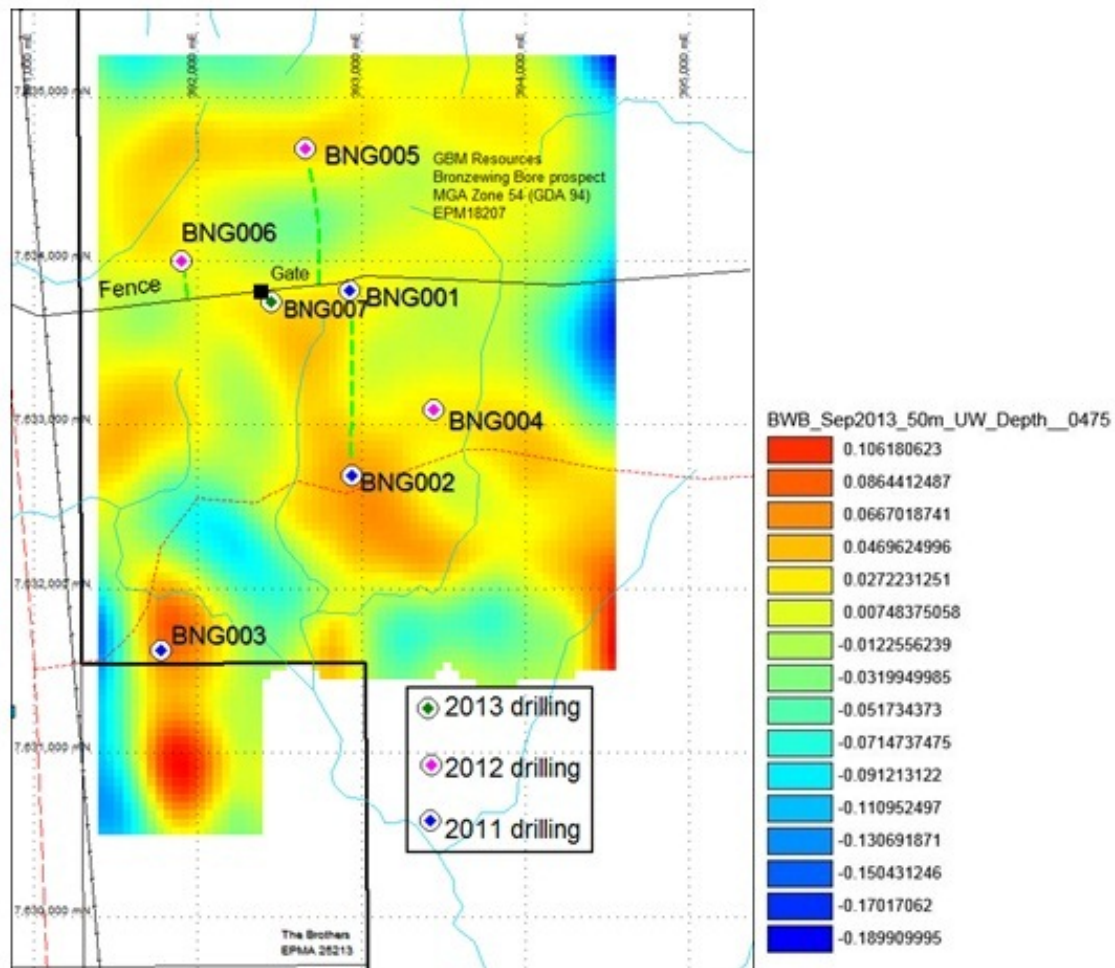
## Bungalien Project

The December Quarter exploration activities continued the focus on the identified IOCG prospect at Bronzewing Bore, and with advancement of the green-fields IOCG prospect of Burke Bore to the north. Drilling to date in the life of the JV has intercepted promising Cu-Au mineralization at Bronzewing Bore, whereas a detailed gravity survey indicated several areas of interest in the Burke Bore area. Three (3) scout RC drill-holes were planned and budgeted for at the Burke Bore prospect in 2013 but were delayed until 2014 while awaiting MMI soil results.

## Bronzewing Bore Prospect

Work completed during the quarter at Bronzewing Bore consisted of an MT survey extension and infill and a Gravity survey south of Bronzewing Bore.

GBM commissioned a new 3D gravity inversion model over the Bronzewing Bore area. The new model indicated a ca 0.8 mGal residual gravity anomaly to the south of BNG003. This anomaly has been termed 'The Brothers residual gravity anomaly'. This is the highest order anomaly in the area covered by the model and is currently being evaluated as a possible drilling target for the 2014 season.



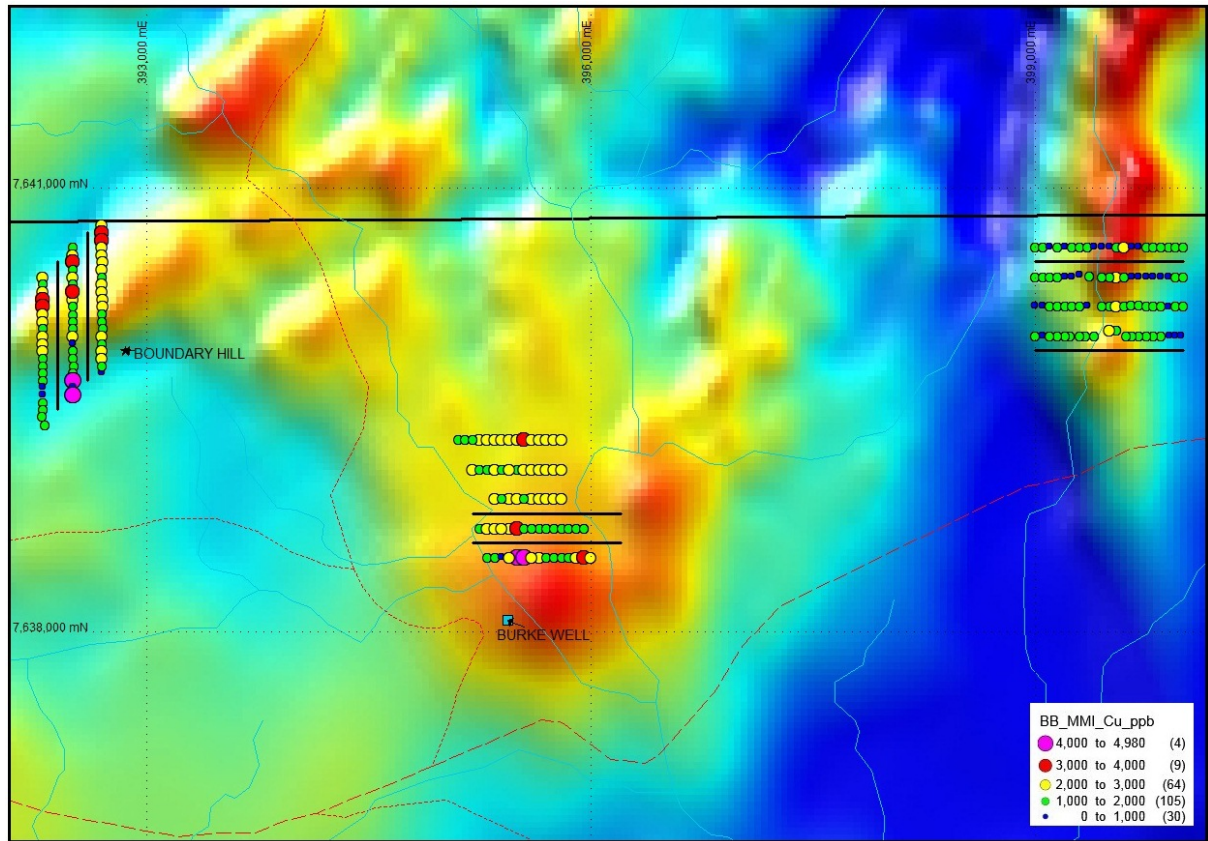
**Figure: Bronzewing Bore and The Brothers prospects: Horizontal depth slice at -475m (from surface) through the updated 3D gravity inversion model ('uw' model, unbiased). The Brothers Residual Gravity Anomaly is ca 800m south of BNG003.**

## Burke Bore Prospect

Six lines of induced polarization (IP) surveys were completed over three sites of interest (coincident or near-coincident gravity and magnetic anomalies assumed to be in the basement). The IP results support testing of the basement at two of the sites.

The geochemical assay results for a Mobile Metal Ion (MMI) soil survey over the 3 areas at the Burke Bore prospect were received in December. The surveys were designed to complement the IP surveys described above, and the existing gravity and magnetic data over Burke Bore.

The results of the MMI soil survey and pH survey will be combined with the IP results to generate scout drill targets over the three anomalies.



**Figure: Burke Bore Prospect: Thematic map of MMI soil assay Cu results for areas A (northwest), B (centre) and F (northeast) over background image of TMI RTP.**

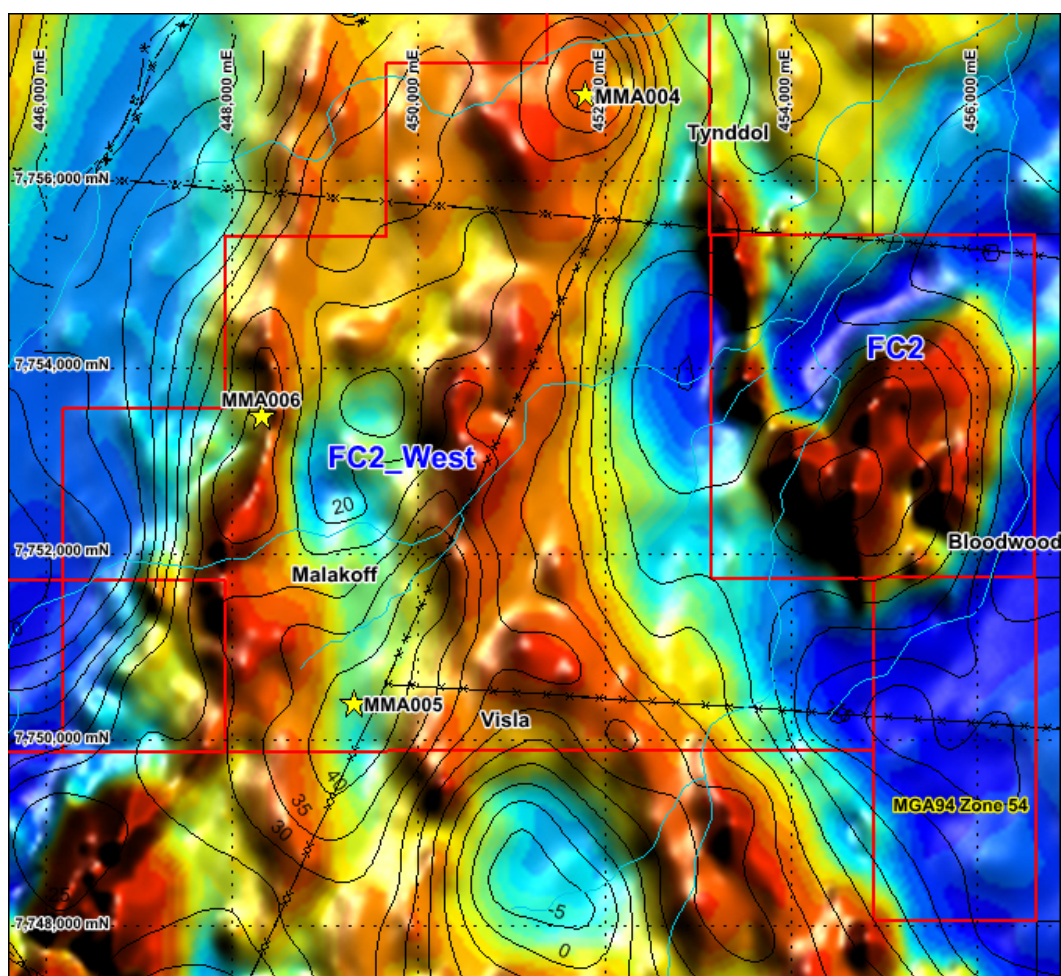
### Forward Programme

Exploration activity on the Bungalien Project for 2014 will involve analysing the MMI soil results over Burke Bore and integrate with IP results and other geophysics to suggest drill targets and comparing the soil pH results over the Burke Bore area with the MMI results.

### Mount Margaret West Project

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 within the Mt Margaret area has been focussed on examining the historical work (drilling, geophysics, soil sampling) conducted by such companies as Chevron, BHP, WMC, MIMEX and Xstrata to identify targets from the previous exploration efforts by these companies.

## FC2 West Prospect



**FC2W prospect showing drill-holes MMA004 (Site FC2B), MMA005 (Site FC2A) and MMA006 (Site FC2C). Background TMI-RTP with gravity contours (0.5mGal) and landowner boundaries (black lines) and EPM's (red lines).**

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.

The 2013 drilling program for FC2\_West proposed three 200metre deep mud-rotary and diamond tail drill-holes to test strong geophysical anomalies at sites 'FC2A' (MMA005), 'FC2B' (MMA004) and 'FC2C' (MMA006) (see image above).

Two of the three the three holes were drilled during the September quarter as single-hole scout tests of three separate coincident geophysical and geochemical targets for a total of 672.3m. A drilling summary table is included below.

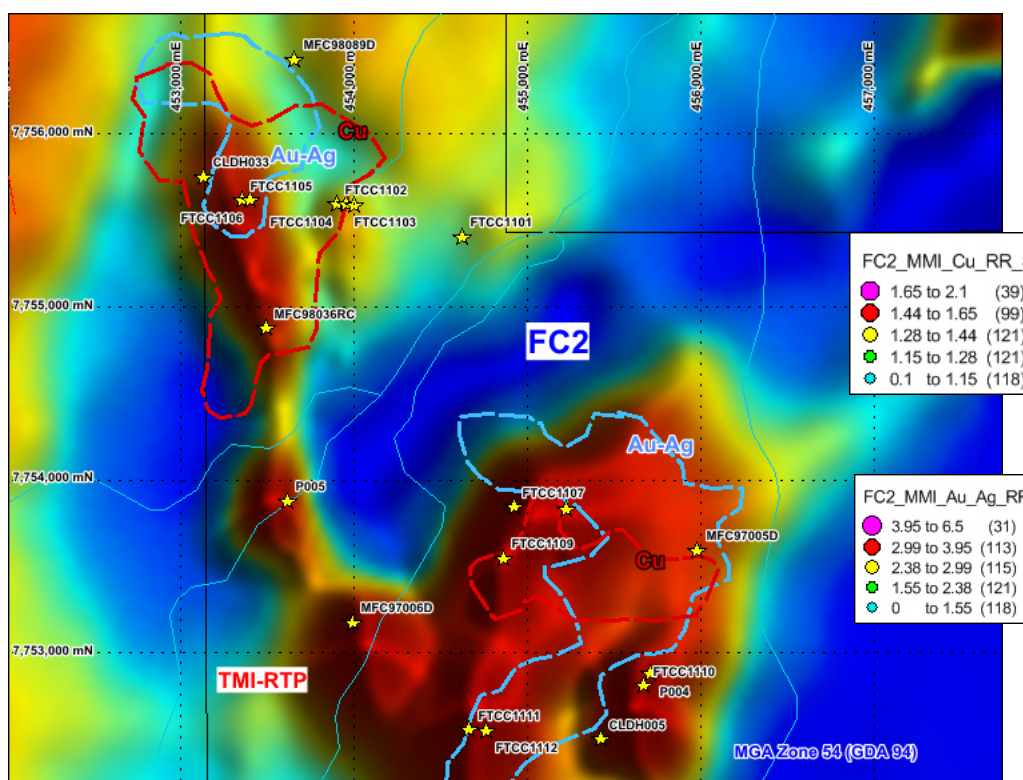
Hole_ID	Prop_ID	Easting	Northing	Azi	Dip	RL	mFrom	mTo	Hole type	Hole dia	Grid_ID
MMA004	FC2W_B	451792	7756953	90	-90	143	0	111.8	RM	119	MGA94_54
MMA004	FC2W_B	451792	7756953	90	-90	143	111.8	180	DD	NQ2	MGA94_54
MMA005	PHO_A1	449307	7750406	90	-80	149	0	75	RM	140	MGA94_54
MMA005	PHO_A1	449307	7750406	90	-80	149	75	195.2	DD	NQ2	MGA94_54
MMA006	PHO_C1	448315	7753498	84	-75	149	0	33.5	RM	140	MGA94_54
MMA006	PHO_C1	448315	7753498	84	-75	149	33.5	297.1	DD	NQ2	MGA94_54

*Table: Drilling summary table for FC2 West.*

Drillholes MMA005 and MMA006 reported anomalous copper values up to 1600ppm Cu in isolated samples. The holes, which were drilled 4 kilometres apart within a large prospect area with no prior drilling, confirmed lithological indicators (rock type, alteration, sulphides) for IOCG style deposits were present. Drilling confirmed that cover sequence in the area is less than 60 metres and Induced Polarisation geophysics should be an effective next step in locating conductivity features associated with IOCG style mineralisation.

## FC2 Prospect

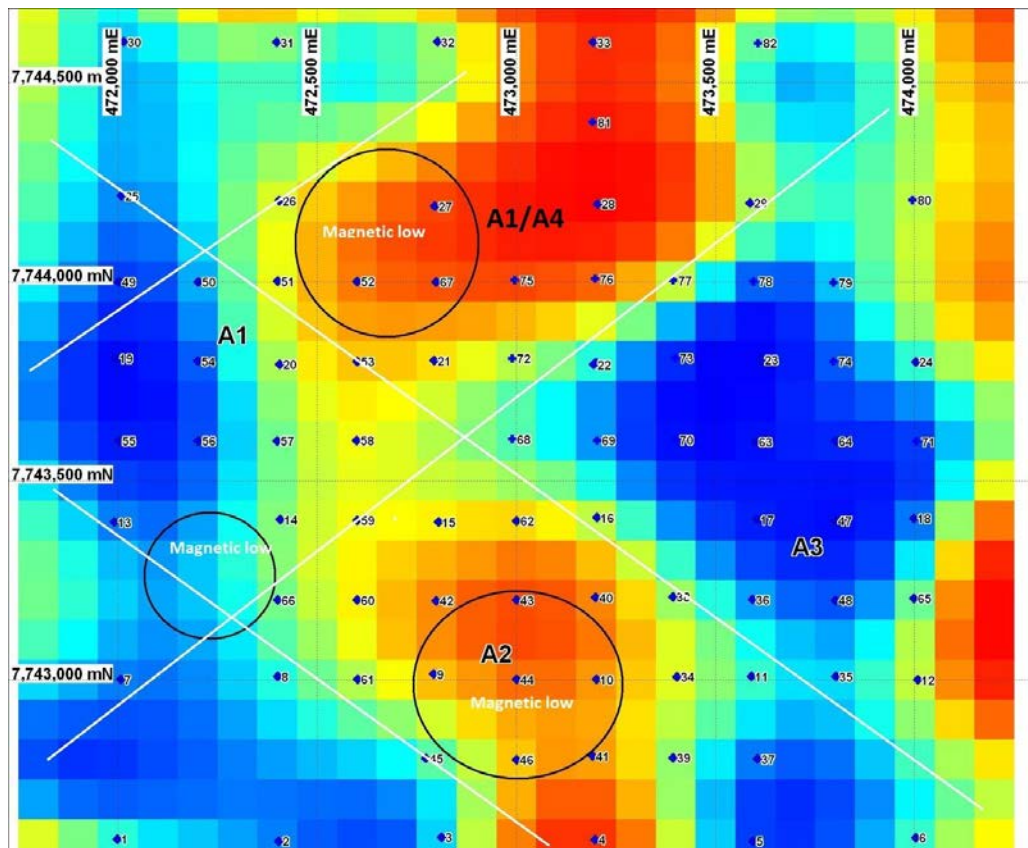
The MMI soils program conducted over the FC2 prospect and completed in early July 2013, is broadly influenced by the Tommy Creek drainage system and therefore a significant proportion of the MMI soils program is affected by the sediment overflow. The images provided below represent anomalous areas within the FC2 prospect considered to be residual terrain as opposed to transported terrain.



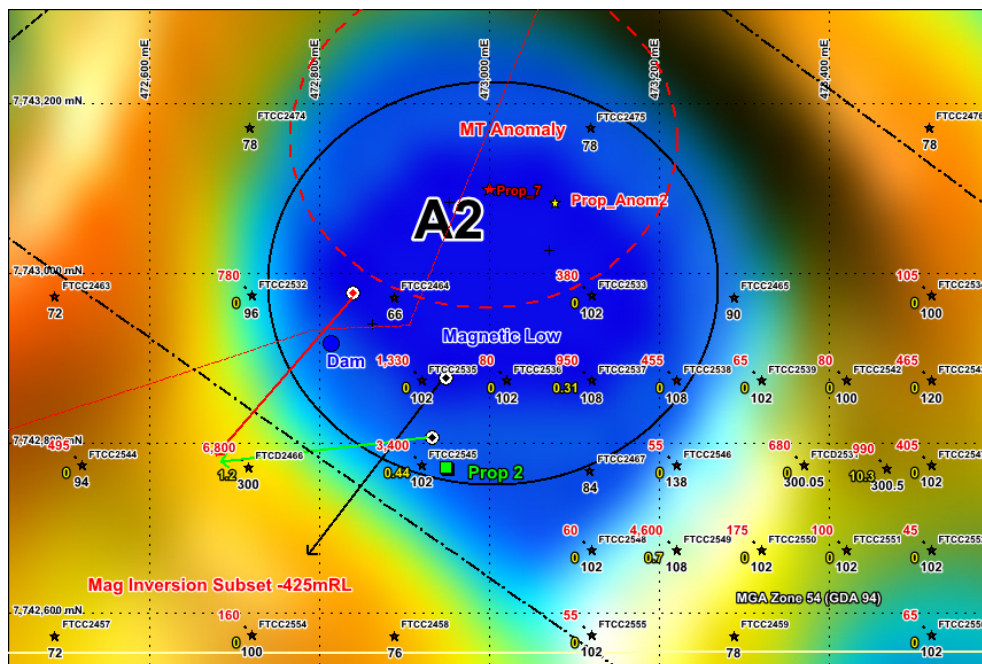
FC2 Prospect - showing the Cu (brown polygon) and Au-Ag (blue polygon) MMI anomalies overlaying background TMI-RTP image. Historical drill collars also shown as yellow stars.

Historical collars with EOH Lithology and Max Depth indicated over a background showing a magnetic inversion subset -247m RL (Depth of 390m) overlain by green polygons representing gravity inversion subset – 245mRL anomaly highs.





FC4S: - Horizontal Section through final 3DMT Res Model (2013) at a depth of 250m; Magnetic lows are indicated by black circles. White lines are interpreted structures. 2012/2013 MT survey points shown with MT anomalies A1, A2, A3 & A1/A4.

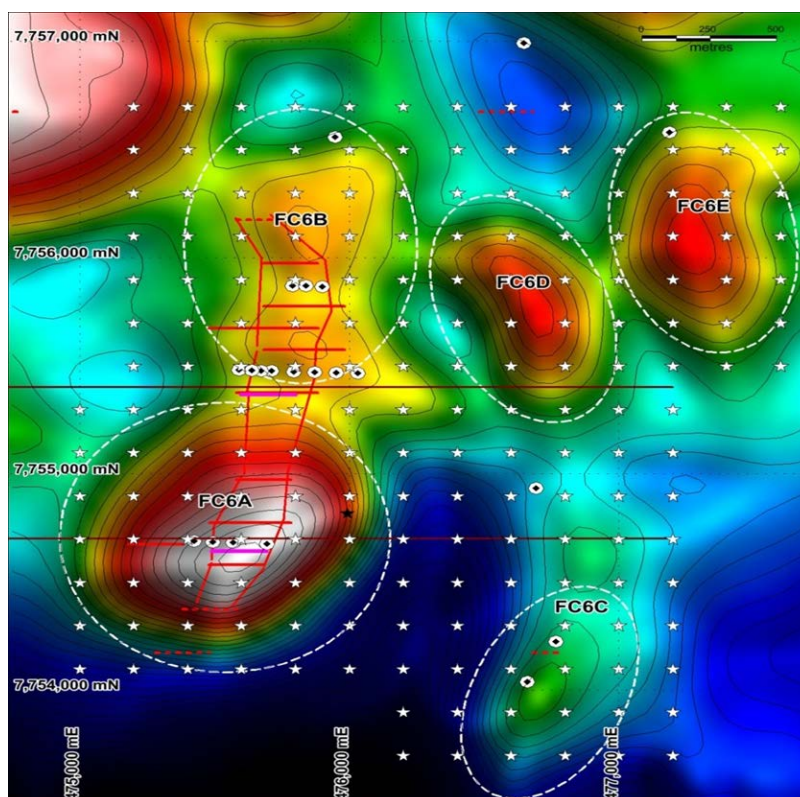


FC4S: - Background image of Mag Inversion Subset -425mRL (depth 575m) with historical drill collars showing final depth and selected collars showing anomalous Cu ppm (red) and Au g/t (yellow) intercepts, and interpreted structures. The red and black arrows represent possible geological drill targets to test the lithological boundary, inferred structure and the anomalous Cu/Au in adjacent drill holes.

## FC6 Prospect

A small MMI sample (187) program was conducted in the quarter. . The soil sampling grid was conducted with 200m sample spacing's and 200m line spacing's.

The MMI soil geochem results are pending.



**FC6 Prospect: Ground gravity grid image (BA) with gravity contours (residual gravity with 5k filter) and 187 samples MMI grid soil grid (white stars). Gravity anomaly targets identified in 2012.**

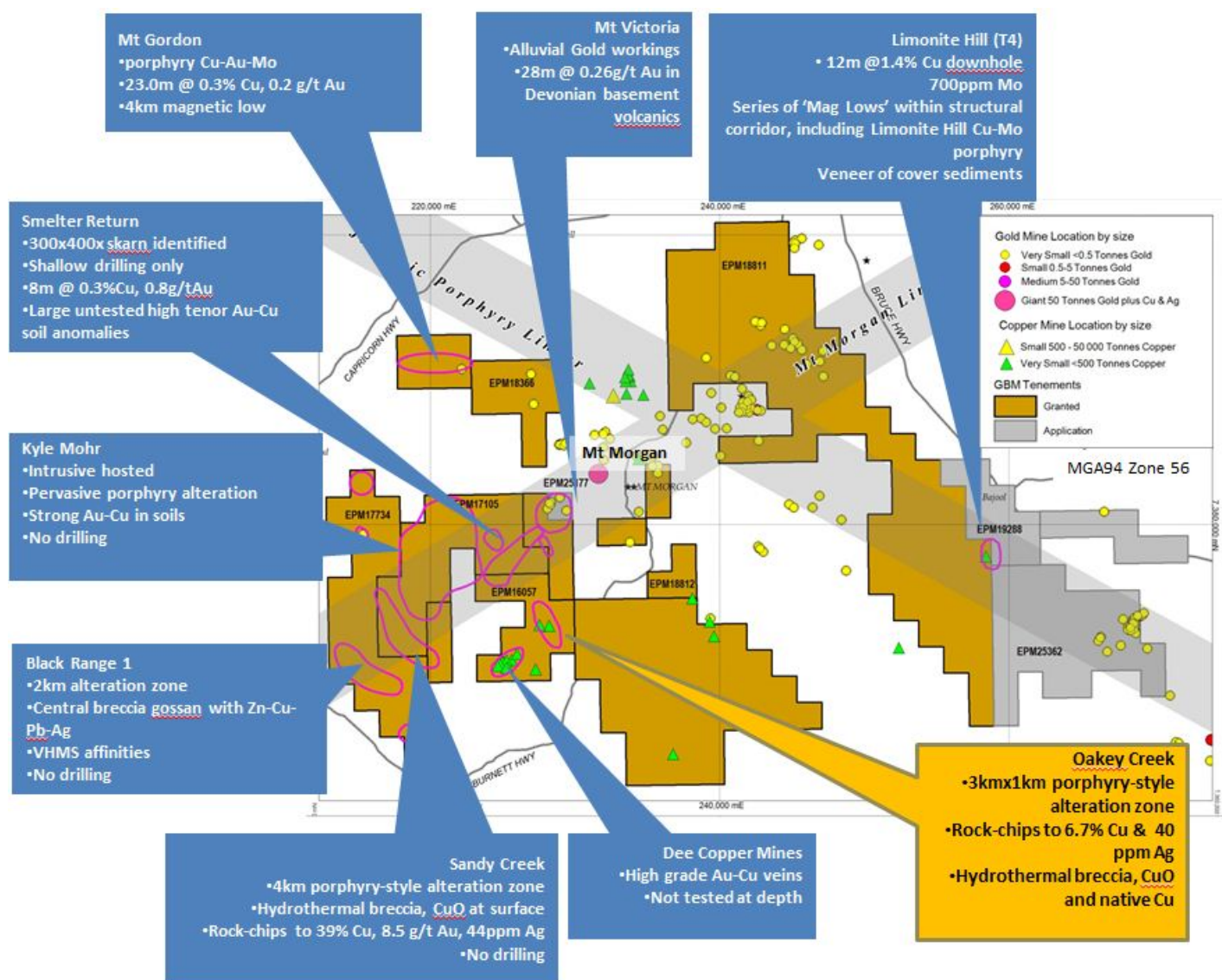
## Forward Programme

The 2014 program for Mt Margaret will include drill testing the 3DMT target at FC4\_South, process and analyse MMI soil geochem results from FC6, an IP program over Sites A, B, C, D & E at the FC2W prospect, generation of pseudosections of WMC data, reprocess and create 2D and 3D inversions of historical IP data (MIMDAS/WMC), followed by drill-testing the anomalies at FC12. Drill testing the gravity anomalies at FC4 and magnetic anomalies at FC12.

## QUEENSLAND EXPLORATION ACTIVITIES Mount Morgan Copper Gold Project

The Mount Morgan Project tenement block covers over 800 km<sup>2</sup> 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.



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

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

## VICTORIAN EXPLORATION ACTIVITIES

With the company focus shifting to the CED JV projects and Malaysia for the northern field season, no significant field work was completed on Victorian projects during the quarter.

## TENEMENT SUMMARY

Throughout the quarter required payments and reports have been lodged as necessary. During the quarter two tenements were granted; Brightlands West, EPM18051 consisting of two sub-blocks and Limonite Hill East, EPM19288 consisting of 9 sub-blocks. Renewals were also submitted for EL's 4515 and 5120 in the quarter.

During the quarter relinquishments were made on the following tenements; five sub-blocks relinquished on Highway, EPM18453 and seven graticules on Lauriston, EL5120 in lieu of a relinquishment on Malmsbury, EL451.

Nil relinquishment was approved for EPM18174.

During the quarter ended 31 December 2013 there were no changes to beneficial interests in respect of exploration assets subject to farm-in agreements.

GBM holds a 40% interest in the Lubuk Mandi mineral assets via its 40% ownership of Angka Alamjaya Sdn Bhd, a Malaysian company which holds the mining concession for the Lubuk Mandi Gold Project.

Project / Name	Tenement No.	Owner	Interest	Status
<b>Victoria</b>				
<b>Malmsbury</b>				
Belltopper	EL4515* <sup>1</sup>	GBMR/Belltopper Hill	100%	renewal
Lauriston	EL5120	GBMR	100%	renewal
<b>Willaura</b>				
Lake Bolac	EL4631	GBMR	100%	relinquished
Willaura	EL5346	GBMR	100%	Granted
Lake Bolac2	EL5423	GBMR	100%	Granted
<b>Yea</b>				
Monkey Gully	EL5293	GBMR	100%	Granted
Tin Creek	EL5292	GBMR	100%	Granted
Rubicon	EL5347	GBMR	100%	Granted
<b>Queensland</b>				
<b>Drummond Basin</b>				
Diamond Creek	EPM 19193	GBMR	100%	Granted
<b>Dee Range</b>				
Dee Range	EPM16057	GBMR	100%	Granted
Boulder Creek	EPM17105	GBMR	100%	Granted
Bajool	EPMA25362	GBMR	100%	Appl'n
Black Range	EPM17734	GBMR	100%	Granted
Smelter Return	EPM18366	GBMR	100%	Granted
Limonite Hill	EPM18811	GBMR	100%	Granted
Limonite Hill East	EPM19288	GBMR	100%	Granted
Mt Hoopbound	EPM18812	GBMR	100%	Granted
Mt Victoria	EPMA25177	GBMR	100%	Appl'n
<b>Mount Isa Region</b>				
<b>Talawanta - Grassy Bore</b>				
Talawanta	EPM15406	GBMR* <sup>2</sup> /Isa Tenements	100%	Renewal
Grassy Bore	EPM15681	GBMR* <sup>2</sup> /Isa Tenements	100%	Granted
Talawanta2	EPMA19255	GBMR* <sup>2</sup> /Isa Tenements	100%	Proposal
Grassy Bore2	EPMA19256	GBMR* <sup>2</sup> /Isa Tenements	100%	Appl'n
<b>Mount Margaret</b>				
Mt Malakoff Ext	EPM16398	GBMR* <sup>2, 4</sup> /Isa	100%	Granted
Cotswold	EPM16622	GBMR* <sup>2, 4</sup> /Isa	100%	Granted
Mt Marge	EPM19834	GBMR/Isa Tenements	100%	Granted
Dry Creek	EPM18172	GBMR/Isa Tenements	100%	Granted
Dry Creek Ext	EPM18174	GBMR/Isa Tenements	100%	Granted
<b>Brightlands</b>				
Brightlands	EPM14416	GBMR* <sup>2</sup> /Isa Brightlands	100%	Granted
Brightlands West	EPM18051	GBMR/Isa Brightlands	100%	Granted
Brightlands West Ext.	EPMA18672	GBMR/Isa Brightlands	100%	Appl'n
Wakeful	EPM18454	GBMR/Isa Brightlands	100%	Granted
Highway	EPM18453	GBMR/Isa Brightlands	100%	Granted
<b>Bungalien</b>				
Limestone Creek	EPM17849	GBMR/Isa Tenements	100%	Granted
Bungalien 2	EPM18207	GBMR* <sup>2</sup> /Isa Tenements	100%	Granted
Horse Creek 2	EPM18208	GBMR* <sup>2</sup> /Isa Tenements	100%	Granted
The Brothers	EPMA25213	GBMR/Isa Tenements	100%	Appl'n
<b>Mayfield</b>				
Mayfield	EPMA19483	GBMR* <sup>2, 4</sup> /Isa	100%* <sup>6</sup>	Proposal
Mayfield2	EPM14111	GBMR/Isa Tenements	100%* <sup>6</sup>	Granted
<b>Malaysia</b>				
Lubuk Mandi	ML1/2007 & ML2/2007	AASB* <sup>5</sup>	0%	Granted

Note \*<sup>1</sup> subject to a 2.5% net smelter royalty to vendors.

\*<sup>2</sup> subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.

\*<sup>3</sup> For Q'ld tenements, 1 subblock ~3.2km<sup>2</sup>. Underlined areas indicate the tenement is contained in new application area.

\*<sup>4</sup> subject to approval by DME of transfer from Newcrest.

\*<sup>5</sup> GBM holds approximately 40% of AASB

\*<sup>6</sup> Subject to grant of EPM19483 and transfer from Newcrest

## CORPORATE

Cash at 31 December 2013 was \$928,000.

### For Further information please contact:

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

Media  
Karen Oswald  
Walbrook IR  
Tel: 0423602353

### Explanatory notes:

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 holder of shares and options and is a full-time employee of the company. Mr Norris is a shareholder in 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 (Lubuk Mandi) 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.

### Competent Person's Statement for Exploration Results included in this report that were previously reported pursuant to JORC 2004:

This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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 holder of shares and options and 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.

## Lubuk Mandi Project -Checklist of Assessment and Reporting Criteria (JORC Code Table 1)

### SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	The project was sampled using PQ & HQ triple tube diamond drill holes (DD).
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i>	Collar locations were recorded using a GPS by GBM with approximately 10m horizontal accuracy. DD drilling was used to obtain samples and will be suitable for resource estimation should this become necessary.. All the samples collected were diamond sawed into two parts namely for assaying and metallurgical analysis. Samples were sent to Australia for analyses. Bulk density tests were carried out on site. The sampling techniques used adhere to GBM Resources Limited standard operating procedures for exploration drill product logging and sampling and are of a standard sufficient for resource estimation. Samples were recovered in a standard wireline core barrel with inner split or 'triple' tube. Samples were pushed out from the core barrel, with the top half split was split and the core placed in a plastic core tray of suitable dimension. I Samples were from HQ and PQ size barrel. All were dispatched to ALS Group of Australia for processing. To ensure compliance to QAQC requirements, field duplicates were inserted at every 24m, blanks at 25m while standards at every 50m.
	<i>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</i>	Diamond core was PQ and HQ size, usually 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 diamond saw cutting, sent to lab, which prepared the samples using industry standard procedures for Fire Assay using the ALS Au-AA25 method.
Drilling techniques	<i>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).</i>	Diamond drilling accounts for 100% of the drilling in the report period and comprises of HQ and PQ sized triple tube core. Hole depths range to approximately 280 m. Drill core was oriented using a Coretell orientation tool to assist in future structural interpretation.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	Drill sample recovery was logged and monitored on a metre by metre basis.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	Larger diameter HQ and PQ size core was used to provide more improved recovery and triple tube drilling employed to preserve core in a more coherent state for logging and also to improve recovery in very broken or clayey lithologies.
	<i>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.</i>	There is no relationship expected between sample recovery and grade, however this will be reviewed when sufficient results are available. Sample recoveries were consistently above 95%.
Logging	<i>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.</i>	Geological logging was carried out on all diamond drillholes, lithology, grain size, colour, Oxidation, percentage of lithology and percentage and presence of pyrite and structural and basic geotechnical measurements were all recorded.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	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.
	<i>The total length and percentage of the relevant intersections logged</i>	All drillholes were logged in full.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core was sub sampled by splitting it in half longitudinally with a diamond saw. Half went for assay and the other was retained for reference and future measurement and checking or metallurgical testing.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not applicable.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Sample Preparation followed ALS standard methodologies for gold fire assays at their Brisbane Lab.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QC procedures involved the use of OREAS reference material as assay standards and blanks, along with field duplicates. (4 samples per 100)
	<i>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.</i>	Field Duplicates were taken to ensure representative sampling. Results are routinely checked to ensure that the sampling is representative. Duplicates are taken every 25 metres
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Larger diameter core sizes employed are considered appropriate to the grain size of the gold and in line with general industry practice for orogenic style gold deposits. Field duplicates are routinely checked to ensure that they reported within acceptable limits.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>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.</p> <p>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.</p>
	<i>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.</i>	<p>No geophysical tools were used to determine any element concentrations used in this resource estimate.</p> <p>Grind size checks were performed by the labs and reported as part of their due diligence.</p>
	<i>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.</i>	<p>Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of the in house procedures.</p> <p>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.</p> <p>Gold assays are determined by Au-AA25 and also multi-elements are determined by ME-ICP61 at ALS Laboratories in Australia. These methods and sample preparation methods are appropriate for the nature of the samples.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Not applicable at this time
	<i>The use of twinned holes.</i>	Not required at this time
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<p>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.</p> <p>Field duplicates are reviewed to ensure they fall within acceptable.</p>
	<i>Discuss any adjustment to assay data.</i>	No adjustments or calibrations were made to any assay data used.

Criteria	JORC Code explanation	Commentary
Location of data points	<i>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.</i>	Collar surveys (were carried out by hand held GPS until certified surveyors using DGPS are available more accurately to locate drill collars, No local grids are in use. Down hole surveys were carried out at approximately 30 metres using a singleshot downhole survey camera.
	<i>Specification of the grid system used.</i>	The grid system used is WGS84 UTM Zone 54.
	<i>Quality and adequacy of topographic control.</i>	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	<i>Data spacing for reporting of Exploration Results.</i>	Drilling is on East West sections, however the drillhole spacing is variable at this early drilling stage.
	<i>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.</i>	At this time drilling is not adequate to estimate a resource.
	<i>Whether sample compositing has been applied.</i>	As all assays are equal weight 1m samples no compositing is carried out.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Drillhole direction has been established as close to perpendicular to the interpreted mineralised structures as practicable. There is no evidence at this stage or reason to believe that sampling is biased.
	<i>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.</i>	No orientation based sampling bias has been identified in the data at this point.
Sample security	<i>The measures taken to ensure sample security.</i>	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	<i>The results of any audits or reviews of sampling techniques and data.</i>	The competent person 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
<b>Mineral tenement and land tenure status</b>	<i>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.</i>	<p>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.</p> <p>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.</p> <p>GBM Resources has entered into a Joint Venture agreement during 2013 with ANGKA ALAMJAYA SDN BHD to explore and operate the leases.</p>
	<i>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.</i>	The tenure is currently secured via JV, Concession Agreement and Mining Licence Permit. The permit is a mining licence. There are no known impediments.
<b>Exploration done by other parties</b>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>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.</p> <p>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.</p> <p>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).</p> <p>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.</p>

Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The project geology belongs to the Carboniferous Sungai Perlis Beds. The mine's lithology is dominated by slate and phyllite 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 folding, shearing and brecciation are apparent in the pit.</p> <p>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 reported 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.</p> <p>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.</p>
Drill hole Information	<i>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:</i> <ul style="list-style-type: none"> <li><i>o easting and northing of the drill hole collar</i></li> <li><i>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>o dip and azimuth of the hole</i></li> <li><i>o down hole length and interception depth</i></li> <li><i>o hole length.</i></li> </ul>	Refer to additional table outlining Drill hole Details
	<i>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.</i>	Information is included
Data aggregation methods	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	When reported, downhole averages are length weighted arithmetic grades of consecutive samples. No cutting is performed at this time until sufficient data on grade distribution is available. No metal equivalents have been reported for this project.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Mineralisation is steeply dipping to vertical. Drillholes are oriented as close to normal to strike as possible and are estimated to be oriented approximately 45 degrees to normal in the vertical plane.
	<i>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').</i>	Due to the early stage of exploration and modelling, reporting of true widths is not considered appropriate.
Diagrams	<i>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.</i>	Refer to attached Maps and Plans.
Balanced reporting	<i>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.</i>	Results for all intersections of known or interpreted mineralised zones are reported in report tables.
Other substantive exploration data	<i>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.</i>	These are very early stage exploration results, however details of setting and factors considered relevant are included in report.
Further work	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	An additional four drillholes are planned in the current phase 1 programme. Details of Phase 2 will be dependant upon results of this programme.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	The extents of the interpreted mineralised zones are shown on figures included in the report.

# 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**

**31 December 2013**

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for: (a) exploration and evaluation (including JV Farm-in spend)	(417)	(1,362)
(b) development	-	-
(c) production	-	-
(d) administration	(212)	(607)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Grants and JV management fees	71	177
- R&D concession refund	-	-
<b>Net Operating Cash Flows</b>	<b>(551)</b>	<b>(1,777)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a)prospects	-	-
(b)equity investments	(8)	(8)
(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	(588)	(588)
1.11 Loans repaid by other entities	102	102
1.12 Other - JV Farm-in contributions received	591	1,475
<b>Net investing cash flows</b>	<b>97</b>	<b>981</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(454)</b>	<b>(796)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(454)	(796)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	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)
	<b>Net financing cash flows</b>	-	202
	<b>Net increase (decrease) in cash held</b>	(454)	(594)
1.20	Cash at beginning of quarter/year to date	1,382	1,522
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	928	928

**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

*Year to date includes the following transactions:*

- 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 \$548,659 (\$1,182,882 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).*

### 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	250
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	<b>400</b>

### 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	790	1,247
5.2 Deposits at call	138	135
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>928</b>	<b>1,382</b>

### 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	nil			
6.2 Interests in mining tenements acquired or increased	nil			

+ 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 <b>Preference securities</b> <i>(description)</i>	-			
7.2 Changes during quarter	-			
7.3 <b>+Ordinary securities</b>	385,194,121	385,194,121		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	-	-		
7.6 Changes during quarter	-	-		
7.7 <b>Options</b> <i>(description and conversion factor)</i>	134,746,562	134,746,562	<i>Exercise price</i> \$0.035	<i>Expiry date</i> 30 Jun 2016
7.8 Issued during quarter	-	-		
7.9 Exercised during quarter	-	-		
7.10 Expired during quarter	-	-		
7.11 <b>Debentures</b> <i>(totals only)</i>	-	-		
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	-	-		
7.13 <b>Performance Share Rights</b> <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 January 2014

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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