

ASX Announcement  
23 November 2010

## RC Pre-Collar Drilling Return Significant Poly- Metallic IOCG Mineralisation at Milo Prospect, Brightlands Copper-Gold Project, North-West Queensland

Australian resources company GBM Resources Limited (ASX:GBZ) ("GBM" or "the Company") advises that two of its four Reverse Circulation ( RC) pre-collar drilling have returned copper mineralisation over broad intervals with significant results for cobalt, molybdenum, uranium and gold.

Significant results from the RC pre-collars component of the 4 hole diamond program include 27 metres @ 1.2% and 9 metres @ 1.0% copper equivalent\*<sup>1</sup> (see table below).

These initial results continue to support that the Milo Prospect is a significant breccia hosted poly-metallic Iron Oxide Copper Gold system (IOCG). All diamond tails intersected zones of sulphide mineralisation. Results for the diamond drilling are expected next month.

Logging, sampling and interpretation are progressing, however conclusions based on observations to date from the current drilling include:

- Zones of higher grade mineralisation have been intersected. True widths are interpreted to be approximately 85% of down hole widths.
- Broad zones of strong sulphide mineralisation and milled breccia persist beyond the depths and strike drilled to date.
- Mineralisation remains poly-metallic with significant concentrations of Cu, Co, Au, Ag, Mo and U consistently observed in analyses.
- The Milo IOCG mineralising system remains open both at depth and along strike.
- To date GBM has only drilled 10 holes, mainly into the central 350 metres of the prospect area, with mineralisation defined previously by soil geochemistry and rock sampling extending over two kilometres.

| Hole ID | Interval<br>m     | Length<br>m | Cu<br>% | Au<br>ppm | Co<br>ppm | Ag<br>ppm | Mo<br>ppm | U<br>ppm | Cu Equiv*<br>% |
|---------|-------------------|-------------|---------|-----------|-----------|-----------|-----------|----------|----------------|
| BTD024  | 129 to 180*       | 51          | 0.19    | 0.11      | 181       | 3.6       | 140       | 104      | 0.6            |
|         | incl. 129 to 138  | 9.0         | 0.25    | 0.13      | 256       | 5.6       | 180       | 131      | 0.7            |
|         | Incl. 171 to 180  | 9.0         | 0.38    | 0.18      | 275       | 5.9       | 229       | 210      | 1.0            |
| BTD025  | 118 to 180*       | 62.0        | 0.22    | 0.10      | 236       | 4.3       | 183       | 136      | 0.7            |
|         | incl. 153 to 180* | 27.0        | 0.42    | 0.18      | 358       | 9.4       | 253       | 221      | 1.2            |

*Table: Summary of significant Intersection from RC component of recent Milo drilling programme. (\* mineralisation to end of RC drilling and continuing into diamond drilling component of this hole). Note, the other two pre-collars completed in this programme were planned to be drilled outside of the mineralised zone, with the diamond tail testing mineralisation at depth.*

Reverse circulation drilling is currently in progress at T2 (Tiger Prospect Area) where it is planned to drill ten angled reverse circulation drillholes for a total of approximately a 1000m of drilling . Drilling will test the strongest section of the soil geochemical anomaly and also the continuation of the strong SAM conductivity anomaly as it trends to the southeast. Results for this programme are expected to be available during December.

Further updates will be provided as information comes to hand.

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*Photograph: Drilling currently in progress at T2.*

<sup>\*1</sup> Copper Equivalent calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. However it is the company's opinion that elements considered here have a reasonable potential to be recovered. It should also be noted that current state and federal legislation may impact any potential future extraction of Uranium. Prices and conversion factors used are summarised below, rounding errors may occur.

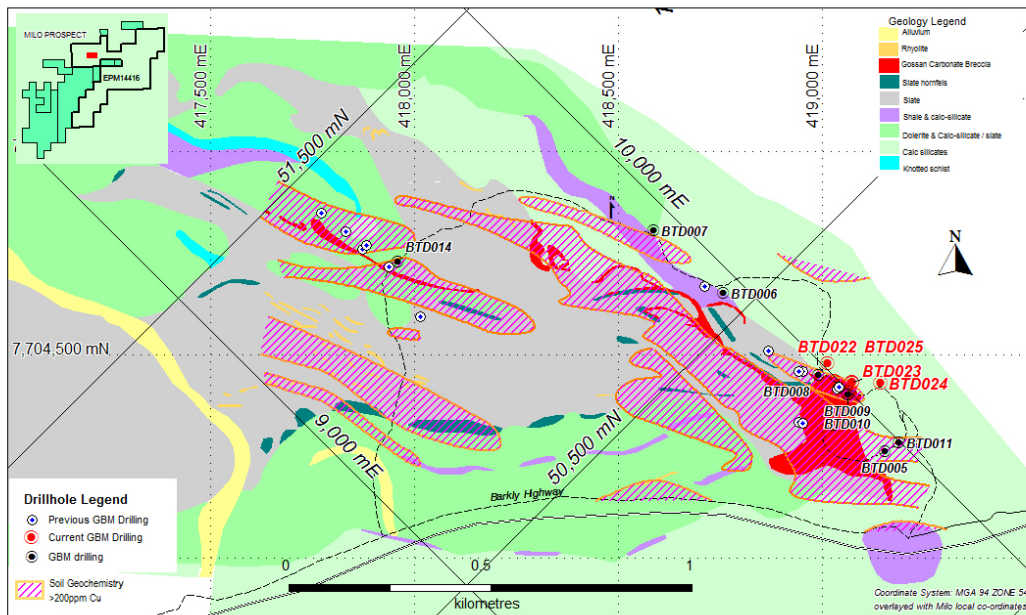
| Commodity  | Price           | unit value | unit    | Conversion factor<br>unit val/copper val |
|------------|-----------------|------------|---------|------------------------------------------|
| copper     | 8,557.20 A\$/t  | 85.572     | A\$/%   | 1.000000                                 |
| gold       | 1,370.71 A\$/oz | 44.069     | A\$/ppm | 0.514996                                 |
| cobalt     | 39,199.71 A\$/t | 0.039      | A\$/ppm | 0.000458                                 |
| silver     | 25.23 \$/oz     | 0.811      | A\$/ppm | 0.009480                                 |
| uranium    | 54.00 A\$/lb    | 0.109      | A\$/ppm | 0.001268                                 |
| molybdenum | 34,679.78 A\$/t | 0.035      | A\$/ppm | 0.000405                                 |

<sup>\*2</sup> Intersections quoted are length weighted averages of results for individual sample intervals. Samples were taken at 1 metre intervals in RC drilling by multistage splitter and generally 1 metre intervals of half sawn core with maximum of 2metres for diamond drilling. Analyses were completed by ALS in Mt Isa for all elements other than gold by ME-ICP61, over limit (>1%) Cu by Cu-OG46 and AU by Au-AA25 in Brisbane. Holes range in declination from 50° to 70° to 225° MGA which are interpreted to dip steeply to 045° MGA and are drilled approximately perpendicular to the interpreted strike of mineralised zones.

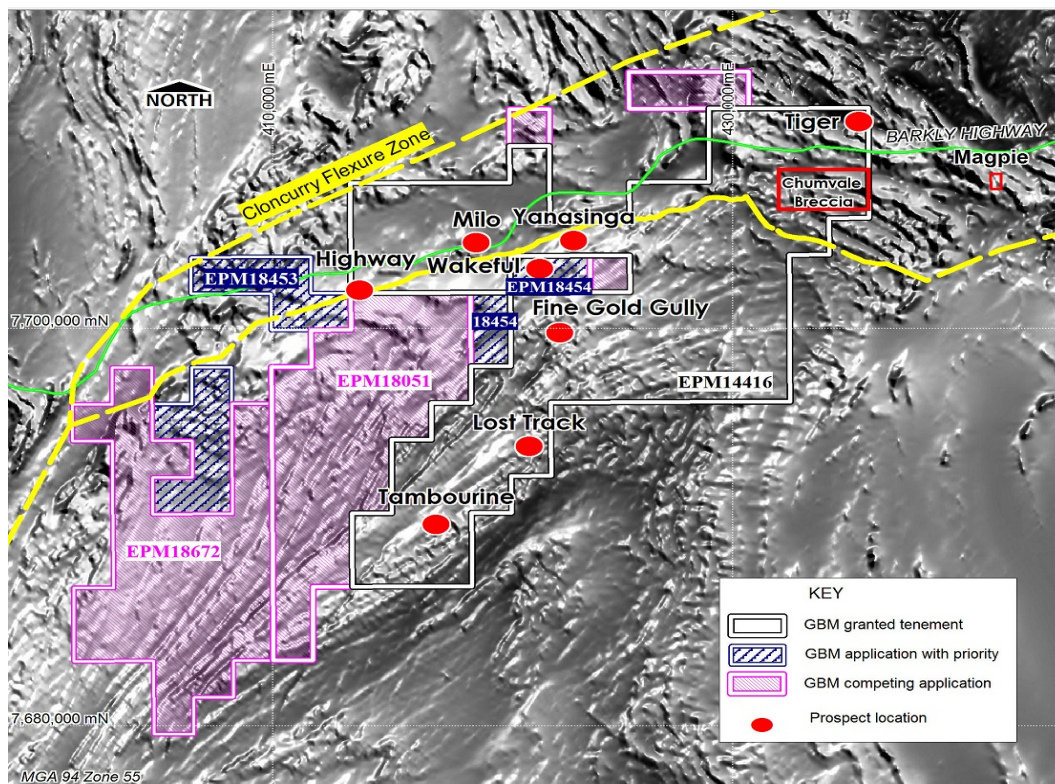
The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of the company. Mr. Norris has sufficient experience which 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 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.

| Hole ID | East<br>(MGA95) | North<br>(MGA95) | RL<br>(m.) | Azimuth | Declination | Depth<br>(m.) |
|---------|-----------------|------------------|------------|---------|-------------|---------------|
| BTD022  | 419013          | 7704475          | 304        | 225     | 75          | 343           |
| BTD023  | 419074          | 7704431          | 305        | 45      | 80          | 561           |
| BTD024  | 419145          | 7704428          | 311        | 225     | 70          | 352           |
| BTD025  | 419072          | 7704429          | 305        | 225     | 85          | 345           |

Table; location details for recently completed Milo drillholes.



**BRIGHTLAND PROJECT  
MILO PROSPECT  
DRILL HOLE  
LOCATION PLAN**



**Brightlands Project area showing prospects over TMI RTP magnetic image**