



ASX ANNOUNCEMENT

7 NOVEMBER 2013

GBM Group receives funding for Inglewood operation

GBM Gold Ltd (ASX: GBM) announces that its fully owned subsidiary Inglewood Gold Mining Company Pty Ltd (INGMCo) has received A\$1.5 million from Wilshire Asset Management SA (Wilshire) as the first tranche of payments under an amendment to the Inglewood Engagement Heads of Agreement (Inglewood Agreement). GBM expects a second, and final, tranche payment of A\$1.5 million by 15 November 2013.

The parties have executed a deed amending the original Inglewood Agreement. Under the revised deal, Wilshire will pay A\$4.5 million, which includes funds already received, for a 50% shareholding in INGMCo. Wilshire will also have an option to acquire up to 80% of the shareholding in INGMCo for a further investment of A\$4.5 million. This option may be exercised between 12 and 36 months from now.

Most importantly, these funds will provide capital for the upgrade of equipment and the resumption of gold producing operations at the Inglewood Project. As stated in GBM's quarterly activities and cashflow report, the Inglewood gold processing plant has been under care and maintenance, and the dewatering of the mine operations at Maxwells Mine has continued so that the mine is in good condition. The Company expects gold producing operations to recommence in the short term and for more upgrading of equipment and exploration in the medium term.

CEO of GBM John Harrison said he was pleased that the transaction had been finalised.

"We look forward to recommencing operations at Inglewood and working together with Wilshire to deliver results for both parties and GBM shareholders."

The parties also amended the Beavis Heads of Agreement to extend the timeframe for production testing until November 2014.

The negotiations with Wilshire coincided with the completion of the Company's Full Year Accounts which delayed their lodgement. The Annual Accounts will be released to the ASX immediately

following the auditor's report at which time the suspension will be lifted and the Company will resume trading.

About GBM Gold Ltd (ASX: GBM)

GBM Gold is a gold focused mining and exploration company with mining and exploration assets located in underexplored areas of one of Australia's most significant gold producing regions; the Central Victorian Goldfields.

The Company's operations are centred at Inglewood an historic primary gold producing area. It is here that GBM owns an underground mine and a 90,000 tonne per annum Gravity/CIP/CIL gold processing plant and 235,000 ounces of inferred open pit and underground gold resources.

GBM has five mining licences, one mining licence application, seven exploration licences and a 50% Joint Venture interest in another exploration licence in 5 project areas - Inglewood, Goldsbrough, Beavis-ISG, Fiddlers Creek-Avoca and Wilsons Hill.

GBM's corporate strategy is to develop a long term sustainable mining operation in Central Victoria to fund the Company's growth through the discovery and development of major gold deposits.

For more information please visit the Company website: www.gbmgold.com.au