

ASX Announcement

7 May 2024

Cloncurry Project: Drilling to Commence at Mt Margaret

KEY POINTS

- **Reverse Circulation drilling is about to commence (targeting 14 May 2024 start)** at the Mount Margaret Project located immediately north of the large Ernest Henry copper-gold mine (EHM), and part of the 44% owned Cloncurry Project Farm in/Joint Venture with Nippon Mining of Australia (NMA).
- **Fifteen drill holes** will test a series of targets along the Rhea Shear Zone thrust-faulted ironstone sequence, part of the extensive magnetic belt that hosts Ernest Henry.
- **The Rhea Shear Zone** is prospective for magnetite-shear zone-hosted Cu-Au mineralisation like the nearby mined E1 deposit and for Mt Dore style Cu-Au-Zn-Pb.

GBM Resources Limited (ASX:GBZ) (GBM or the Company) is pleased to announce that a reverse circulation (RC) drilling program will commence around 14 May 2024 at the Mount Margaret project, located near the Ernest Henry mine north of Cloncurry, Northwest Queensland. The Cloncurry Project is subject to a Farm-In/Joint Venture agreement with Nippon Mining of Australia (NMA, a wholly owned subsidiary of JX Metals Corporation (JXM)). Cloncurry Project exploration is fully funded by NMA who are currently entitled to a 56% interest in the Joint Venture.

The 15 hole program is designed to test a suite of targets located under thin sedimentary cover along the same magnetic belt of Fort Constantine Volcanics that hosts Ernest Henry approximately 5 km to the south. During the 2023 field season, GBM drilled a single diamond hole (MMA016) testing an EM plate anomaly associated with the magnetic belt. This hole intercepted a broad interval of intensely sheared and magnetite-biotite+chalcopyrite altered rock which returned an intersection of 40 m @ 0.32% Zn from 228 m with anomalous Cu and Pb (Refer ASX:GBZ release 26 July 2023).

Following this encouraging result, a new interpretation by GBM of the old MIM/Xstrata Rhea Shear Zone (RSZ) defined at least 12 km of strike length of this 100+ m wide 'ironstone' thrust fault within the JV holding (Figures 1 & 2). Analysis of earlier drilling completed by GBM and by prior explorers confirmed the association between the sheared magnetic belt and anomalous sulphide mineralisation. GBM's hole MMA001 for example, drilled in 2012 on the margin of the RSZ, intersected intense shearing fabric with pyrite and chalcopyrite throughout to over 600 m depth with a best result of 12 m @ 0.26 % Cu from 598 m (Refer ASX:GBZ release 31 January 2013 *). Soon after the discovery of EHM, WMC drilled FTCD1080 into the central zone of the RSZ where repeat thrusts form a stacked thrust block. This hole intersected "visible supergene Cu mineralisation from 80 -120 m down hole in the form of filament Cu seams, native Cu nuggets and minor bornite" (Mason 1995). Recent inspection of core from FTCD1080 by GBM geologists confirmed the presence of trace supergene Cu mineralisation *. Follow-up RC drilling by WMC intersected further visible supergene Cu nearby however did not locate their interpreted hypogene source (Mason 1995).

GBM considers the entire RSZ strike length within JV ground to be prospective for Cu-Au and Zn-Pb-Ag mineralisation and the Company has defined numerous targets along the unit. Priority targets have been selected from potential field geophysics based on the relative intensity of coincident magnetic and gravity response and structural complexity (refolding of the early shear fabric, later high-angle cross faulting and repeat thrust 'stacking'). A number of holes will also follow up the mineralisation intersected in MMA001 and FTCD1080. GBM consider the magnetic belt has potential to host an undiscovered IOCG deposit, applicable deposit models for targeting include the nearby E1 deposit (48.1 Mt @ 0.72% Cu & 0.21 g/t Au at 0.27% Cu cut-off (Exco 2010)) which is hosted by a similar sequence of sheared and magnetite-bearing Fort Constantine Volcanics, and the Mt Dore thrust-fault hosted deposit (110 Mt @ 0.55% Cu, 0.1 g/t Au, 0.3% Zn, 0.05% Pb (NMPDA 2021)) located south of Cloncurry. The 15 hole program testing these priority targets is scheduled to commence in mid-May.

GBM Managing Director & CEO, Peter Rohner, commented: *"Following previous drilling and geophysical work and resulting interpretation, it is good to finally be back drilling at our Mt Margaret Copper-Gold Project after a period of limited drilling activity."*

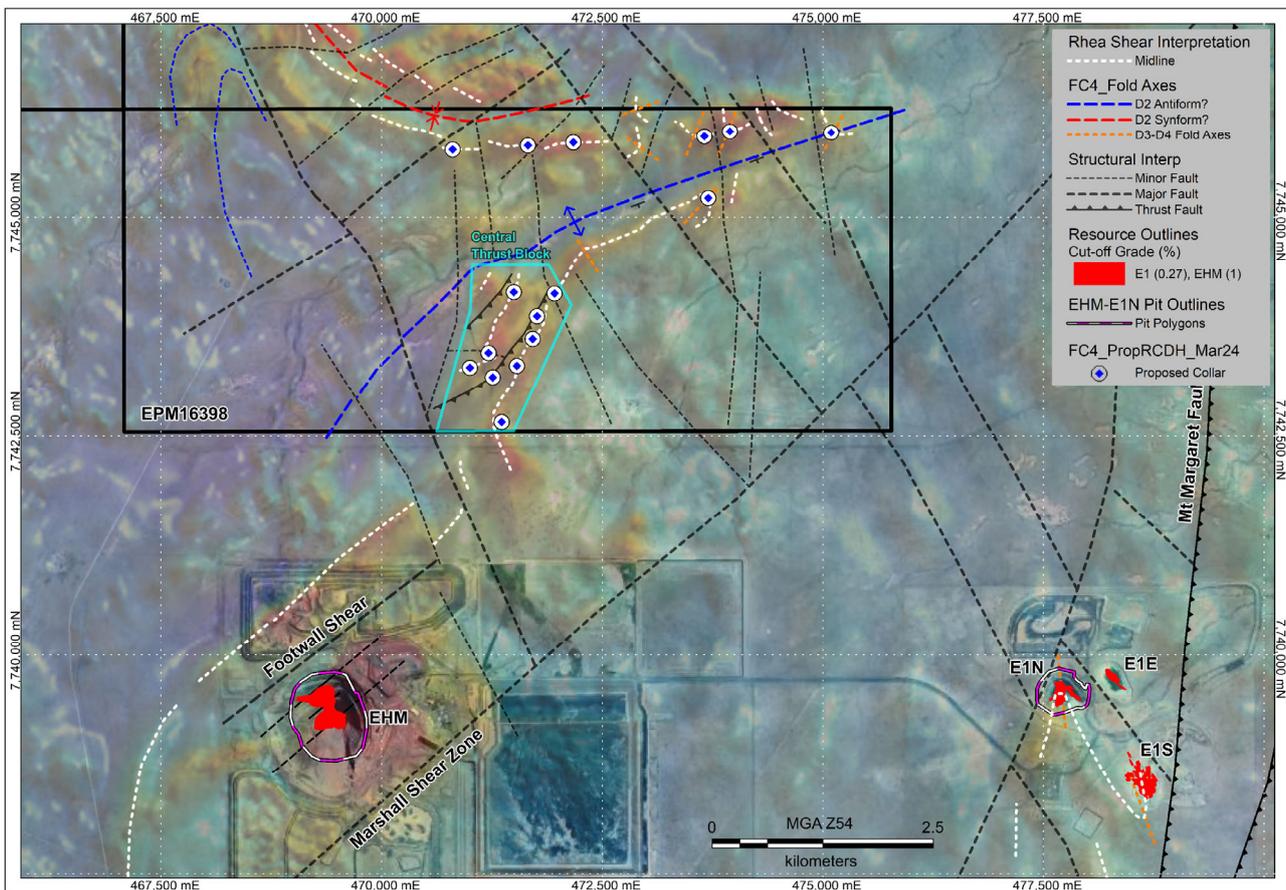


Figure 1: Proposed drill collar locations within the FC4 prospect area at Mt Margaret. The Ernest Henry and E1 pits and resource outlines are shown on background magnetics and satellite imagery.

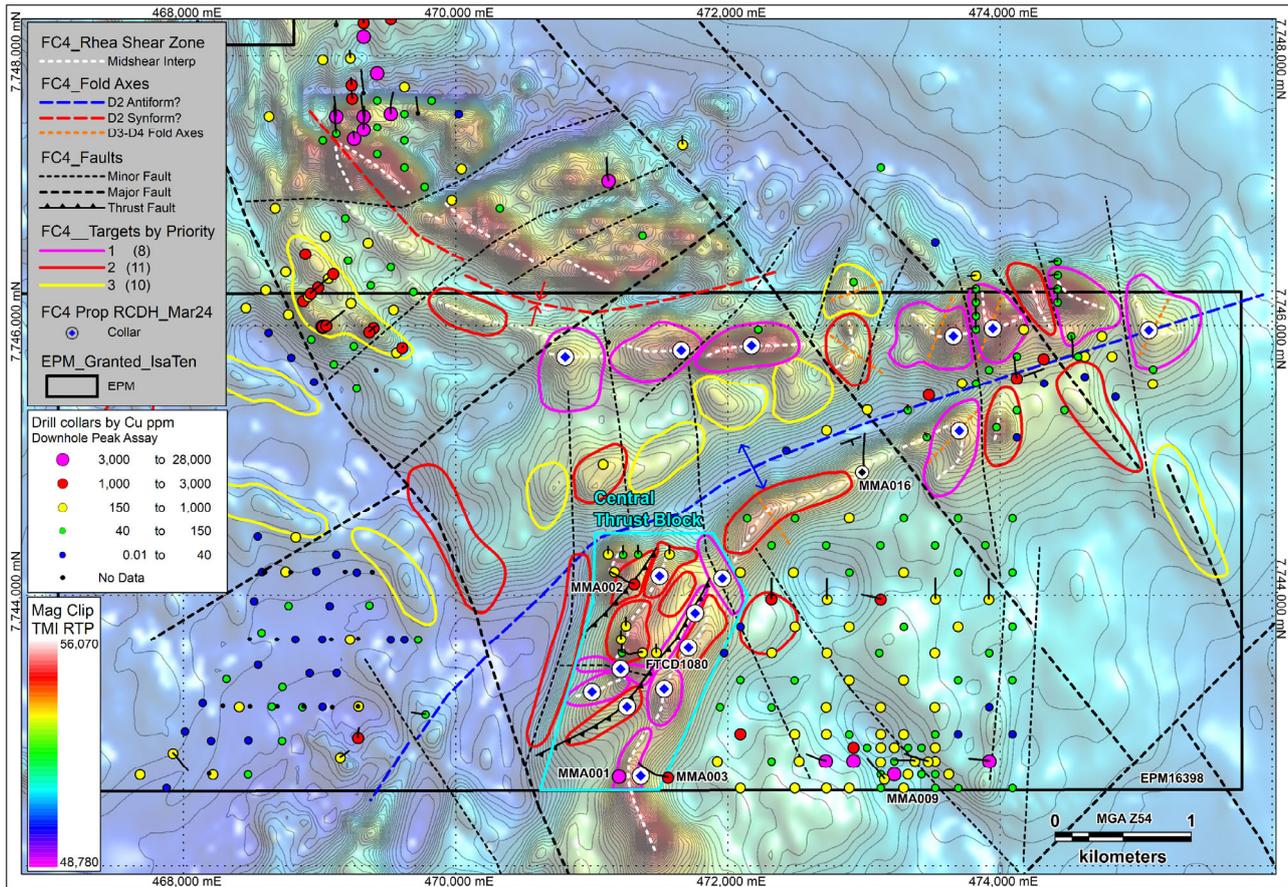


Figure 2: Proposed drill collar locations and targets by priority on TMI RTP magnetics.

References

EXCO Resources (2010). Investor Update Presentation dated April 2010.

Mason, R. et al (1995). Third twelve-monthly report Mt Fort Constantine Joint Venture – EPM’s 8331, 8648 for the period ending 13 February 1995.

Northwest Mineral Province Deposit Atlas (Selwyn Region Deposits) (2021). Current Resources and Historic Production for Mt Dore/Merlin provided by Chinova Resources, 2017.

This ASX announcement was approved and authorised for release by:

Peter Rohner, Managing Director

For further information please contact:

Investor enquiries

Peter Rohner

Managing Director

+61 8 9316 9100

peter.rohner@gbmex.com.au

About GBM Resources

GBM Resources Limited (ASX: GBZ) is a well-funded Queensland based mineral exploration and development company focused on the discovery of world-class gold and copper deposits in Eastern Australia. The company has a high calibre project portfolio, hosting district scale mineral systems, located in several premier metallogenic terrains.

GBM's flagship project in the Drummond Basin (QLD) holds ~1.84 Moz of gold in JORC resources (Mt Coolon, Yandan and Twin Hills). Some tenements in the Basin have recently become the subject of a A\$25m farm-in with Newmont. 2023 will see an expanded drilling program which is aiming to define 2-3 Moz and support GBM's transition into a mid-tier Australian gold company.

Separately GBM also holds tenements in the Mt Morgan district, in the Mt Isa Inlier in Queensland (JV with Nippon Mining Australia - 56%) and also holds a 100% interest in the White Dam Gold-Copper Project in South Australia. Divestment of these non-core assets is in progress.

Competent Persons Statement

The Company confirms that it is not aware of any new information or data that materially affects the information included in the respective announcements and all material assumptions and technical parameters underpinning the resource estimates within those announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

* The information in this report that relates to the referenced Exploration Results (ASX announcement 31 January 2013) 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 consultant of, and a shareholder 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.

APPENDIX 1: GBM Mineral Resource Estimate for the Drummond Basin Projects (Mt Coolon, Yandan and Twin Hills) along with other company interests

Deposit	Resource Category									Total			Cut-off
	Measured			Indicated			Inferred			000' t	Au g/t	Au oz	
	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	
Koala -ML													
Open Pit				670	2.6	55,100	440	1.9	26,700	1,120	2.3	81,800	0.4
UG Extension				50	3.2	5,300	260	4	34,400	320	3.9	39,700	2.0
Tailings	114	1.7	6,200	9	1.6	400				124	1.6	6,600	1.0
Sub Total	114	1.7	6,200	729	2.6	60,800	700	2.7	61,100	1,563	2.5	128,100	
Eugenia													
Oxide - Open Pit				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
Sulphide - Open Pit				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
Sub Total				1,790	1.1	65,900	1,639	1.1	58,200	3,430	1.1	124,100	
Glen Eva - ML													
Sub Total - Open Pit				1,070	1.6	55,200	580	1.2	23,100	1,660	1.5	78,300	0.4
Yandan - ML													
East Hill - Open Pit				4,860	1.5	240,000	7,900	0.8	203,000	12,800	1.1	443,000	0.4
Yandan South - Open Pit							900	0.6	16,000	900	0.6	16,000	0.3
Sub Total				4,860	1.5	240,000	8,800	0.8	219,000	13,700	1.0	459,000	
Illamahta													
Oxide - Open Pit							1,147	0.7	26,900	1,147	0.7	26,900	0.4
Sulphide - Open Pit							1,045	0.9	28,600	1,045	0.9	28,600	0.4
Sub Total							2,192	0.8	55,500	2,192	0.8	55,500	
Twin Hills - ML													
309 - Open Pit	830	2.8	73,900	5,480	1.3	235,200	3,650	1.1	129,800	9,960	1.4	438,900	0.4
309 - UG				190	4.0	24,500	480	3.9	59,900	670	3.9	84,400	2.0
Lone Sister - Open Pit				5,250	1.3	277,300	6,550	0.9	188,500	11,800	1.1	415,800	0.4
Lone Sister - UG				370	2.9	34,300	310	2.6	25,800	680	2.7	60,100	2.0
Sub Total	830	2.8	73,900	11,290	1.4	521,300	10,990	1.1	404,000	23,110	1.3	999,200	
Drummond Basin Total	944	2.6	80,100	19,739	1.5	943,200	24,901	1.0	820,900	45,655	1.26	1,844,200	
White Dam - ML													
Hannaford - Open Pit				700	0.7	16,400	1,000	0.8	26,900	1,700	0.8	43,300	0.2
Vertigo - Open Pit				300	1.0	9,400	1,400	0.6	29,000	1,700	0.7	38,400	0.2
White Dam North - Open Pit				200	0.5	2,800	1,000	0.6	17,600	1,200	0.5	20,400	0.2
Sub Total				1,200	0.7	28,600	3,400	0.7	73,500	4,600	0.7	101,900	
cut-off grade is 0.20 g/t Au for all, Vertigo is restricted to above 150RL (~70 m below surface)													
GBM Total												1,946,100	

The announcements containing the Table 1 Checklists of Assessment and Reporting Criteria relating to the 2012 JORC compliant Resources are:

- Koala/Glen Eva and Eugenia – GBM ASX Announcement, 4 December 2017, Mt Coolon Gold Project Scoping Study, note these resources have not been verified by Newmont and are on tenements subject to the 2022 farm-in agreement with Newmont (formerly Newcrest)
 - Yandan – GBM ASX Announcement, 23 December 2020, Mt Coolon and Yandan Combined Resources Total 852,000 oz, following completion of Yandan acquisition, GBM ASX Announcement, 14 March 2023, Results of Yandan Mineral Resource Update
 - Twin Hills – GBM ASX Announcements, 18 January 2019, Mt Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces, 2 February 2022, Significant Resource Upgrade at Twin Hills Project and 5 December 2022, Twin Hills Gold Project Upgrades to ~1 Moz Mineral Resource
 - White Dam – GBM ASX Announcement, 18 August 2020, White Dam Maiden JORC 2012 Resource of 102 koz
- a) The preceding statements of Mineral Resources conforms to the “Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition”
 - b) All tonnages are dry metric tonnes
 - c) Data is rounded to ('000 tonnes, 0.0 g/t and '000 ounces). Discrepancies in totals may occur due to rounding
 - d) Resources have been reported as both open pit and underground with varying cut-off based off several factors as discussed in the corresponding Table 1 which can be found with the original ASX announcement for each Resource