

ASX Announcement

4 January 2023

Letter to Shareholders

2022 HIGHLIGHTS

- **Significant Twin Hills Gold Project acquisition completed.**
- **Drilling and revised geological modelling of Twin Hills deposits delivers an upgraded total Mineral Resource Estimate (MRE) of 999 koz, including a significant increase in Measured and Indicated classification.¹**
- **A\$25m farm-in agreement on Mt Coolon Gold Project executed with Newcrest Mining to rapidly advance exploration of key targets.**
- **Asset divestments and convertible note funding secures portfolio in a challenging equity market for gold exploration and development businesses.**

Drummond Basin, QLD, Total MRE – 51 Mt at 1.12 g/t gold for 1,850,700 oz¹

Dear Shareholders,

Calendar 2022 was certainly a challenging year for GBM, along with nearly all listed gold exploration and development businesses.

Globally rising interest rates and inflation have caused, and continue to cause, volatility across all sectors of global capital markets. Historically, such circumstances would see investors move to commodities like gold as a safe haven. However this has not eventuated in 2022, apart from perhaps some incrementally positive signs during December. The precious metals sector has thus been a difficult environment to navigate over this period, with decreased trading volumes at times demonstrating general investor apathy towards the space.

There have however been some significant highlights at GBM through 2022:

- Consolidated ownership of another key asset in the Drummond Basin, QLD. The Twin Hills Gold Project was purchased having an initial resource of 633,000 koz gold (acquired for a highly competitive A\$5.53/ounce), which was subsequently expanded to 999,200 koz gold following further drilling and a revised evaluation of targeted mining approach at the Lone Sister deposit.
- Completed the asset sales of the Milo Project to Consolidated Uranium Inc. (TSXV:CUR) and the Mayfield Project to C29 Metals Ltd (ASX:C29) for in excess of A\$3 million in cash and shares.
- Advancement of several other asset sales processes that remain in progress.
- Executed a A\$25 million farm-in agreement with Newcrest on our Mt Coolon Project in order to rapidly advance exploration on key targets.

The asset sales, along with the recent A\$10 million convertible note facility with Collins St Asset Management Pty Ltd (Collins St), have provided GBM with sufficient funds to protect the strong asset base we have pulled together in the Drummond Basin, conduct further divestments in an orderly

¹ Refer Appendix 1 for references to relevant ASX announcements.

fashion and continue to advance our projects while gold equity markets remain muted. For more information on Collins St and GBM paste the following link into your browser:

<https://www.youtube.com/watch?v=6QP4P9ZWZn0>

We continue to be committed to driving shareholder value through gold resource expansion (including upgrading of resource confidence classifications) in the Drummond Basin and disposal of non-core assets.

Our exploration team has been working hard following the acquisition of the Yandan and Twin Hills Projects at identifying exciting targets across our premium, dominant tenement package in the Drummond Basin, which is supported by the farm-in agreement by Newcrest on a portion of these tenements.

As demonstrated in Figure 1, this hard work has delivered both substantial overall resource growth coupled with a significant increase in higher confidence Measured and Indicated Resources (to over 800 koz gold). Both these outcomes provide a strong basis for the Scoping Studies set to be commenced in 2023.

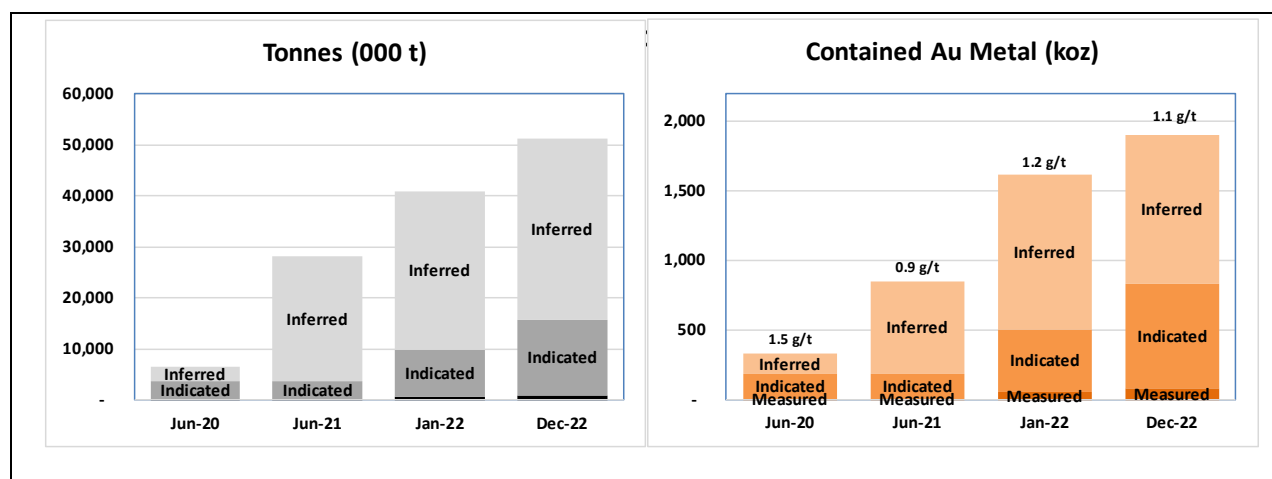


Figure 1: GBM's Drummond Basin Gold MRE increases over the last 3 years.

I would like to thank our exploration teams, our support staff, the traditional owners and station owners of the lands on which we work, along with the various consultants that provide support.

Looking towards 2023, GBM will resolutely continue to progress its growth strategy focused on:

- Adding immediate value to our resource base in strategic locations close to current resources (mainly near Twin Hills and Yandan).
- Pursuing “greenfields’ discoveries by technically driven, focused exploration in districts close to our current resources (particularly now that we have digested the large data sets that came with our recent acquisitions).
- Accelerating exploration across our significant landholding in the Drummond Basin via GBM-dedicated or JV expenditure.

GBM has excellent long-term growth opportunities centred on a dedicated focus to ongoing exploration across our premium project portfolio in the Drummond Basin. We are excited by the opportunities ahead of us and delivering significant newsflow from GBM and JV exploration programs throughout 2023.

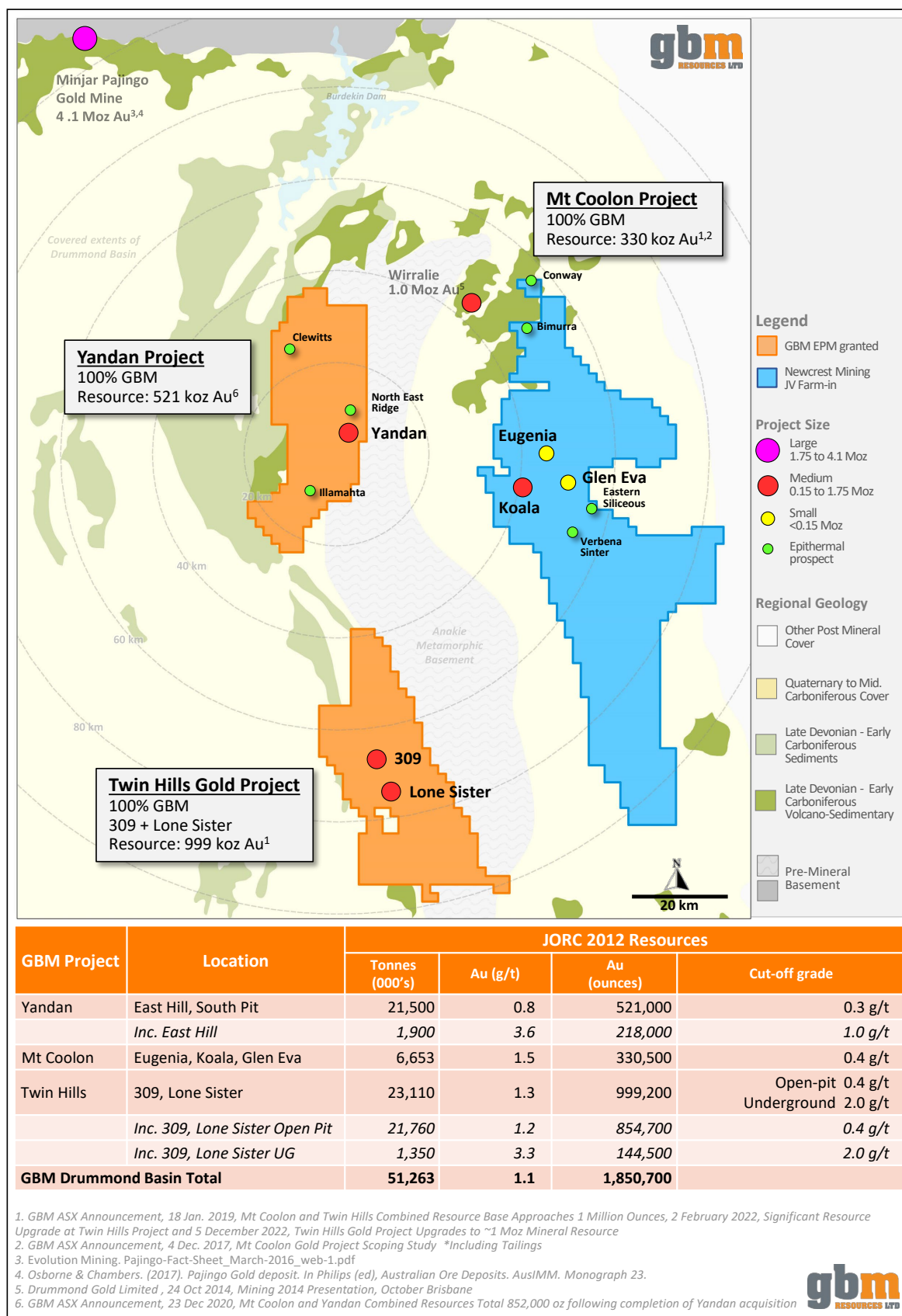


Figure 2: A map showing the distribution of GBM's tenements in the Drummond Basin including the recently announced farm-in agreement with Newcrest on the Mt Coolon Project (Note: Mt Coolon Project resources have not been verified by Newcrest).

We have made great strides in our growth strategy during 2022 and I believe that the future for GBM is bright – as evidenced by my participation in our recent placement. We also recently announced an opportunity for option holders to extend their option expiry under the Priority Option Offer Prospectus.

We are excited to be advancing the next phase of our story and the entire GBM Board and management team have resolute confidence that we are on the right path to success.

On behalf of the Board and the broader GBM team, I thank you for your support over the last year and look forward to updating you on GBM's exciting progress in 2023.

Yours faithfully,



Mr. Peter Rohner
Managing Director

This ASX announcement was approved and authorised for release by:

Peter Rohner, Managing Director

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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.

Its flagship project in the Drummond Basin (QLD) holds ~1.85 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 Newcrest. 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 it also holds tenements in the Mt Morgan district (subject to a vend into a TSX company) and in the Mt Isa Inlier in Queensland (JV with Nippon Mining Australia - 54%), and the Malmsbury Project (JV with Novo Resources Corp. - 50%, earning additional 10%) in the prolific Victorian Goldfields. This is complemented by the White Dam Gold-Copper Project in South Australia in which GBM now holds a 100% interest. Divestment of non-core assets will continue.

COMPETENT PERSON 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.

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							20,600	0.8	505,000	20,060	0.8	505,000	0.3
South Hill - Open Pit							900	0.6	16,000	900	0.6	16,000	0.3
Sub Total							21,500	0.8	521,000	21,500	0.8	521,000	
Twin Hills - ML													
309 - Open Pit	830	2.5	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	2.5	73,900	11,290	1.6	571,300	10,990	1.1	404,000	23,110	1.3	999,200	
Drummond Basin Total	944	2.6	80,100	14,879	1.6	753,200	35,409	0.9	1,067,400	51,263	1.12	1,850,700	
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 (~70m below surface)													
Malmsbury - RL													
Sub Total - UG							820	4.0	104,000	820	4.0	104,000	2.5
Sub Total - UG - GBM Share							410	4.0	52,000	410	4.0	52,000	2.5
GBM Total	2,004,600												

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 Newcrest and are on tenements subject to a recent farm-in agreement with Newcrest
 - Yandan – GBM ASX Announcement, 23 December 2020, Mt Coolon and Yandan Combined Resources Total 852,000 oz, following completion of Yandan acquisition
 - 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
 - Malmsbury – GBM ASX Announcement, 4 July 2019, Malmsbury Resource Upgraded to JORC 2012
- 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