

## ASX Announcement

21 February 2022

# Mayfield Project Area Sale

### KEY POINTS

- GBM has signed an exclusive Option Agreement (**Option**) with C29 Metals Limited (ASX: C29) for the sale of its Mayfield Project tenement (EPM 19483).

GBM Resources Limited (ASX: GBZ) (**GBM** or the **Company**) advises that it has executed a binding Option Agreement for the sale of its 100% owned Mayfield Project, in north-west Queensland, Australia (**Mayfield**).

The key terms of the Option Agreement are:

- C29 has an exclusive option for a minimum sixty (60) business days' to conduct due diligence on the Mayfield project; by paying an initial option fee of \$20,000 (plus GST) and a second \$20,000 (plus GST) when the Exploration Licence is renewed.
- Subject to C29 exercising the option, the following consideration will be made to the Vendor:
  - Cash payment of \$210,000 within fifteen (15) days of exercise of the Option; and
  - issue GBM or nominee the greater of 1.25 million C29 shares or the value of \$250,000 in C29 shares, based on a 7 day VWAP. C29 shares issue will remain in voluntary escrow for a period of 6 months.
- The option is conditional on the exploration licence being renewed, successful due diligence, and other ASX requirements.
- The project has an inherent 2% net smelter return royalty held by a third party.

**GBM Managing Director and CEO, Peter Rohner, commented:** *"GBM's focus is on the prospective Drummond Basin where large high grade epithermal gold deposits exist and is pleased to be progressing discussions with C29 Metals to sell the Mayfield Project and realise value for GBM's shareholders. Taking some consideration in C29 Metals shares shows GBM's support for the Mayfield Project and the prospectivity of the tenement, particularly following recent exploration success by Carnaby Resources to the north"*

**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 a number of premier metallogenic terrains.

Its 100% owned flagship project in the Drummond Basin (QLD) holds ~1.6 Moz of gold in JORC resources (Mt Coolon, Yandan and Twin Hills). 2022 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 cash generating 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 the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.*

*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 with those announcements continue to apply*

Figure 1: EPM 19483 Location in North West Qld, south of Duchess

