

ASX Announcement

30 July 2021

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 30 JUNE 2021

GBM Resources (ASX:GBZ) (**GBM** or the **Company**) advises of the release of its quarterly activities report for the period ended 30 June 2021.

HIGHLIGHTS

Acquisition of Twin Hills Gold Project

- GBM signed a Binding Tenement Sale Agreement (**TSA**) to acquire 100% of the Twin Hills Gold Project (**Twin Hills**) from Minjar Gold Pty Ltd (**Minjar**) on 19 July 2021.
- The Twin Hills deposits (Lone Sister and 309) have a JORC (2012) Mineral Resource Estimate of 6.9 million tonnes at 2.8 g/t Au for 633,000 ounces of contained gold on granted mining leases.
- The acquisition of Twin Hills further supports GBM's Drummond Basin "processing halo" strategy and is set to deliver another step change in the Company's resource base. Combined gold resources under GBM's 100% ownership in the Drummond Basin now total approximately 1.5 Moz across the Yandan, Mt Coolon and (to be settled) Twin Hills assets.
- Twin Hills is considered highly prospective for the discovery of additional mineralisation, with preliminary analysis suggesting high grade gold shoots at 309 and Lone Sister are likely to be open at depth.
- GBM is set to prioritise drilling at Twin Hills to test these targets following completion of the TSA.
- **The transaction consideration represents a highly competitive acquisition cost of A\$5.53 (approx. US\$4.26) per gold resource ounce.**

Formation Of the Malmsbury JV with Novo Completed

- The final condition precedent (FIRB approval) was completed with Novo Resources Corp (Novo). The formation of the joint venture with Novo who have a 50% interest in the Malmsbury Gold Project is now finalised.
- The completion consideration was the issue of 1,575,387 Novo shares to GBM which has now been allotted. The Novo shares are escrowed until 14 September 2021.
- Current market value of the consideration is approximately A\$3.5 million¹. These shares (once released from escrow) provide GBM with significant working capital flexibility.
- Key exploration programs at Malmsbury have been advancing during the formation period with the airborne Falcon gravity survey of the Retention Licence and field mapping programs. A diamond drilling program is planned to commence in September '21 quarter on the Leven Star resource.

1. Based on Novo 5 day VWAP at 29 July 2021 of CAD\$2.04 and CAD/AUD exchange rate of 1.08.

White Dam Gold- Copper Project

Option Exercised

GBM announced on 16 June 2021 that it has exercised its option to acquire 100% of the White Dam Gold-Copper Project (**White Dam**) in South Australia from Round Oak Minerals Pty Ltd.

Following completion GBM will have a 100% interest in the White Dam Operations which includes associated infrastructure, all leaching pads, gold processing plant, mining leases and other tenements. The exercise price is \$500k and replacement of \$1.9 million environmental bond.

Phase 1 RC Drilling

- Drilling program commenced in the quarter to focus on two of the three resource areas – Vertigo and White Dam North. The current JORC (2012) resources at White Dam total 4.6 Mt at 0.7 g/t Au for 101,900 ounces gold.
- The work is targeted at evaluating the magnitude of life extension (and expansion) potential available at the White Dam Gold -Copper Heap Leach Operation.
- Significant mineralised intercepts from the recent program at Vertigo include:
 - Hole V21-RC-035: 12 m @ 2.95 g/t Au & 0.94 % Cu from 67 m,
Incl. 5 m @ 5.44 g/t Au & 1.69 % Cu from 70 m
 - Hole V21-RC-033: 9 m @ 2.29 g/t Au & 0.58 % Cu from 61 m,
Incl. 4 m @ 4.16 g/t Au & 0.96 % Cu from 64 m
 - Hole V21-RC-012: 12 m @ 1.39 g/t Au & 0.42 % Cu from 46 m
 - Hole V21-RC-034: 13 m @ 1.24 g/t Au & 0.38 % Cu from 65 m
Incl. 2 m @ 4.57 g/t Au & 1.01 % Cu from 66 m
- Vertigo results to date highlight the potential of significant sulphide gold and copper mineralisation around the base of oxidation.
- Further results of the other 23 holes drilled at Vertigo are expected end of July 21 and will be reported in August 21.
- Drilling at Vertigo to date is confirming the objective for a potential cut back for oxide ore feed to be treated at the White Dam Heap Leaching Plant.
- The Phase 1 program total of 53 reverse circulation has been completed, 43 holes at the Vertigo Pit and 10 holes at the White Dam North resource.

Yandan Gold Project (Yandan)

Drilling Progress

- Phase 1 of the diamond and RC drilling program commenced in April 2021 targeting the Yandan Mine Corridor (YMC) which covers the extension of the high grade Yandan East mineralisation.
- For the quarter a total of 4,033 m of the planned program of 5,000 m has been completed. The Company expects to report on the Phase 1 drill results by mid-August.

Exploration Program 2021

- Infill drilling between the Main Pit and East Hill deposits to expand resources and upgrade a portion the inferred category of the resource commencing during the quarter.
- Upgrade the existing non-compliant resource at the Illamahta Prospect (oxide and sulphide) and review Northeast Ridge Prospect for oxide resources later in 2021.

The current JORC 2012 Mineral Resource estimate for the two deposits at Yandan, East and South Hill together total 21.5 Mt @ 0.8 g/t Au for 521,000 ounces gold.

Mt Morgan Gold - Copper Project Vend- In

GBM executed a binding tripartite Letter of Intent (LOI) for the sale of its 100% owned Mt Morgan Gold-Copper Project in Queensland (Mt Morgan) with Smartset Services Inc. (Canadian Company listed on TSXV: SMAR.P).

Key Transaction Benefits are:

- Scrip consideration sees GBM expected to own 47.5% of Smartset following signing of the definitive agreement.
- Disposal of a non-core asset into a focused vehicle delivers acceleration of exploration value unlock while allowing GBM to maintain focus on its flagship Drummond Basin gold assets.
- Alignment with a strong technical, corporate and capital markets partner in the Smartset team.
- Ongoing equity exposure to Mt Morgan value appreciation and future realisation.

GBM will convene a meeting of its shareholders in due course to seek approval of its security holders to proceed with the proposed transaction following completion of Smartset Services Inc. due diligence.

Cloncurry Farm -In JV (Nippon Mining)

- Fully funded exploration commences at GBM's North- West Mineral Province (QLD) JV Tenements.
- Exploration budget of \$0.75 million approved.
- Targeting copper and gold in the prospective Cloncurry Region north of Glencore's Ernest Henry Mine. Field activities to commence in September 2021.

SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the June '21 quarter. The Company has now completed 114 consecutive months with no LTI's and 160 consecutive months with no significant environmental incidents.

GBM's business continues to operate in full compliance with the COVID-19 advice from the Australian Government and relevant health authorities. The situation is constantly evolving and GBM continues to manage and assess the risks and impacts and mitigate what it can control regarding its operations. The Company believes it is sufficiently resourced to be able continue and complete the exploration programs as planned in 2021.

TWIN HILLS GOLD PROJECT, QUEENSLAND (100% Subject to Binding TSA)

The Company advised on the 19 July 2021 that it has signed a Binding Tenement Sale Agreement (**TSA**) to acquire 100% of the Twin Hills Gold Project (**Twin Hills**) from NQM Gold 2 Pty Ltd (**NQM**), a wholly owned subsidiary of Minjar Gold Pty Ltd (**Minjar**), which is in turn a wholly owned subsidiary of Jinan High-Tech Development Co. Ltd (**Jinan**), a public company listed on the Shanghai Exchange.

Key terms of the Twin Hills Acquisition:

1. Total consideration payable to NQM of ~A\$2 million, along with assuming the financial assurance in respect of the environmental authorities for the tenements (currently for an amount of ~A\$1.48 million).
2. Conditions precedent to be satisfied are obtaining indicative approval under the Mineral Resources Act 1989 (Qld) to transfer the Twin Hills tenements to GBM and other third party consents.
3. The conditions precedent must be satisfied within the next six months.

Key Outcomes of the Acquisition:

- The Twin Hills deposits (Lone Sister and 309) have a JORC (2012) Mineral Resource Estimate of 6.9 million tonnes at 2.8 g/t Au for 633,000 ounces of contained gold on granted mining leases (see Table 1)
- Both deposits have returned significant gold intersections from previous drilling, demonstrating potential for both bonanza gold grades and broad intersections of bulk mineable style gold mineralisation, hosted by an epithermal veinlet network and breccia matrix style of mineralisation.
- Twin Hills is considered highly prospective for the discovery of additional mineralisation, with preliminary analysis suggesting high grade gold shoots at 309 and Lone Sister may be open at depth. GBM is set to prioritise drilling at Twin Hills to test these targets following completion of the TSA.
- The acquisition of Twin Hills is consistent with GBM's Drummond Basin "processing halo" strategy and is set to deliver another step change in the Company's resource base.
- The transaction consideration represents a highly competitive acquisition cost of A\$5.53 (approx. US\$4.26) per gold resource ounce.
- The Twin Hills acquisition follows GBM's recently completed acquisition of the Yandan Gold Project from Aeris Resources Limited (ASX:AIS) (refer GBM ASX announcement 13 January 2021).
- Combined gold resources under GBM's ownership in the Drummond Basin now total approximately 1.5 Moz across the Yandan, Mt Coolon and (to be settled) Twin Hills assets (refer Figure 1).
- All are located within 70 km of GBM's proposed "Drummond Basin Processing Hub" centred on the Yandan ML's, which has significant infrastructure (i.e. water storage dams, tailings facilities, airstrip, leach pads and grid power).

- GBM's analysis of the deposit geometry and grade distribution suggests that the 309 and Lone Sister resources maybe be successfully mined via a combination of bulk minable open pit and bulk underground mining methods
- **Significant Down Hole Intersections include** (refer GBM ASX announcement 20 July 2021);
 - 309 Deposit**
 - THRC875: 140.6 m @ 5.2 g/t Au from 154 m incl. 8 m @ 81.8 g/t Au from 177 m
 - TRCD384: 190 m @ 2.3 g/t Au from 25 m incl. 27 m @ 7.3 g/t Au from 100 m
 - Lone Sister Deposit**
 - LRCD015: 146 m @ 9.8 g/t Au from 104 m incl. 28 m @ 45.2 g/t Au from 211 m
 - LRCD140: 254 m @ 1.2 g/t Au from 128 m incl. 12 m @ 4.1 g/t Au from 265 m
- GBM will prioritise drilling at the Twin Hills project to test these targets following completion of the acquisition.

Resource Summary

The 309 and Lone Sister deposits are low sulphidation, epithermal gold deposits hosted within the western arm of the Drummond Basin in Queensland. The Drummond Basin is host to a number of significant gold deposits and is considered by GBM to hold potential for further discoveries.

The 309 and Lone Sister gold deposits are located 7 kilometres apart and linked by a major north-south structural lineament. Both deposits have previously been interpreted as intrusion related, high gold fineness, low sulphidation epithermal gold deposits, sometimes exhibiting bonanza gold grades (as evidenced by the peak gold value in the 309 deposit of 2,940 g/t Au, with 300 individual metre samples exceeding 30 g/t Au, and a peak gold value of 939 g/t Au at Lone Sister).

GBM considers that potential depth extensions and strike repetition of both the 309 and Lone Sister deposits have not been adequately tested.

The 309 Deposit has been estimated to comprise 4.9 Mt averaging 2.4 g/t Au containing 372,900 ounces of gold and 471,000 ounces of silver (assuming open pit mining to 1050 RL, or a depth of approximately 200 m).

The Lone Sister Deposit is estimated at 2.0 Mt at an average grade of 4.0 g/t Au containing 260,000 ounces of gold and 604,000 ounces of silver (refer Table 1).

Table 1: Twin Hills Resource Summary for the 309 and Lone Sister Gold Deposits (rounded for reporting '000 tonnes, '00 ounces, 0.0 grade). See ASX GBM 18 January 2019 'Mount Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces'. Open Pit Resources (above 1050 RL) stated at 1.0 g/t Au cut-off and underground resources (below 1,050 RL) stated at 2.0 g/t Au.

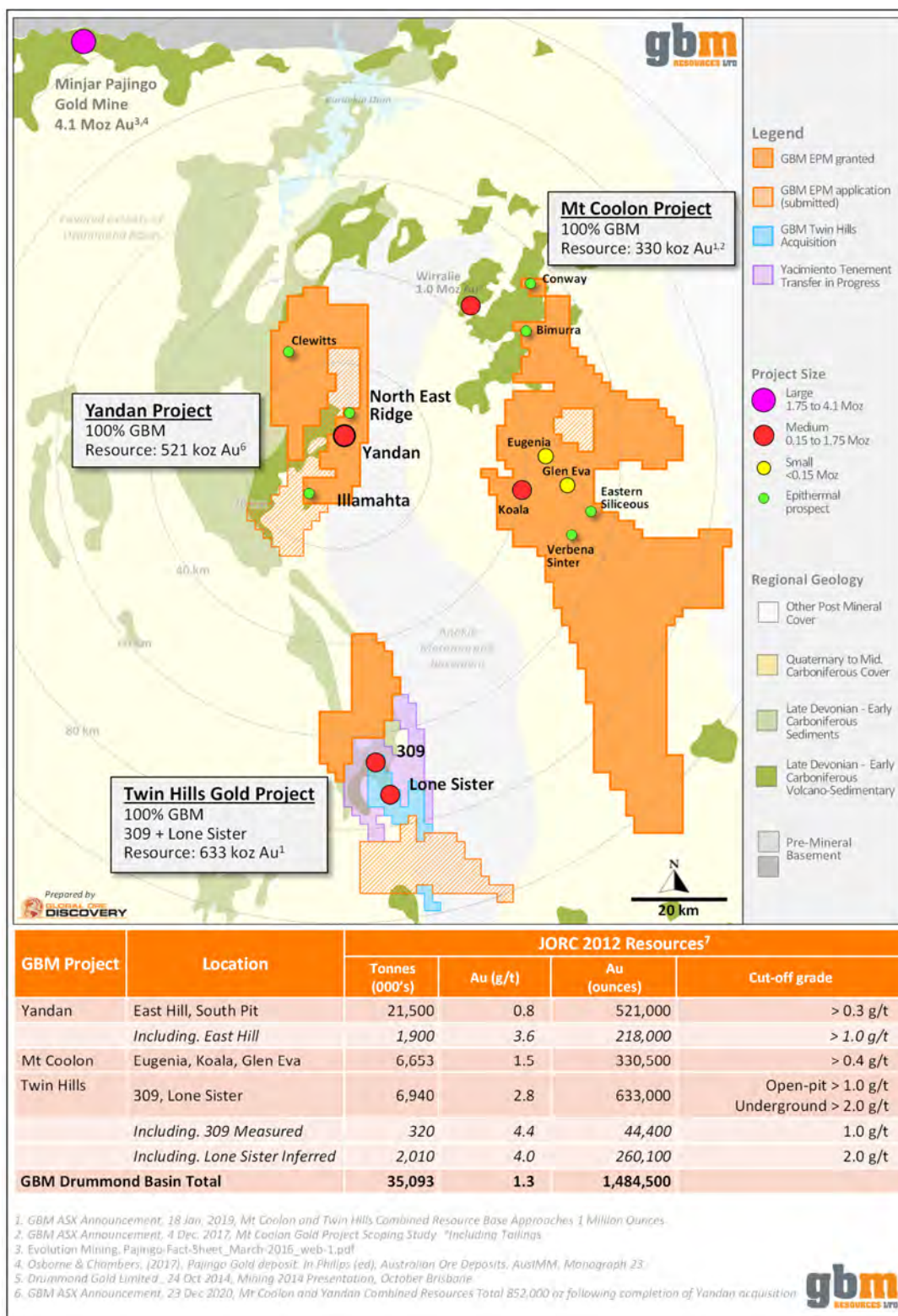
Category	Cutoff	Tonnage	Grade		Contained Metal	
	Au (g/t)	(t)	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
309 Deposit						
Open Pit (above 1050RL)						
Measured	1.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0	2,690,000	2.2	3.4	193,100	295,400
Inferred	1.0	1,300,000	1.4	1.7	58,500	70,100
Total open pit	1.0	4,310,000	2.1	3.1	296,000	430,500
Underground (below 1050 RL)						
Measured	2.0					
Indicated	2.0	110,000	4.8	3.4	16,800	11,900
Inferred	2.0	510,000	3.7	1.8	60,100	28,800
Total underground	2.0	620,000	3.9	2.0	76,900	40,700
Total 309 Deposit						
Measured	1.0 / 2.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0 / 2.0	2,800,000	2.3	3.4	209,900	307,300
Inferred	1.0 / 2.0	1,810,000	2.0	1.7	118,600	98,900
TOTAL	1.0 / 2.0	4,930,000	2.4	3.0	372,900	471,200

Lone Sister Deposit						
Measured	2.0					
Indicated	2.0					
Inferred	2.0	2,010,000	4.0	9.4	260,100	604,800
Total	2.0	2,010,000	4.0	9.4	260,100	604,800

Total Twin Hills						
Measured	1.0 / 2.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0 / 2.0	2,800,000	2.3	3.4	209,900	307,300
Inferred	1.0 / 2.0	3,820,000	3.1	5.7	378,700	703,700
TOTAL	1.0 / 2.0	6,940,000	2.8	4.8	633,000	1,076,000

Drummond Basin Consolidation and Processing Halo Strategy – now at ~1.5 Moz

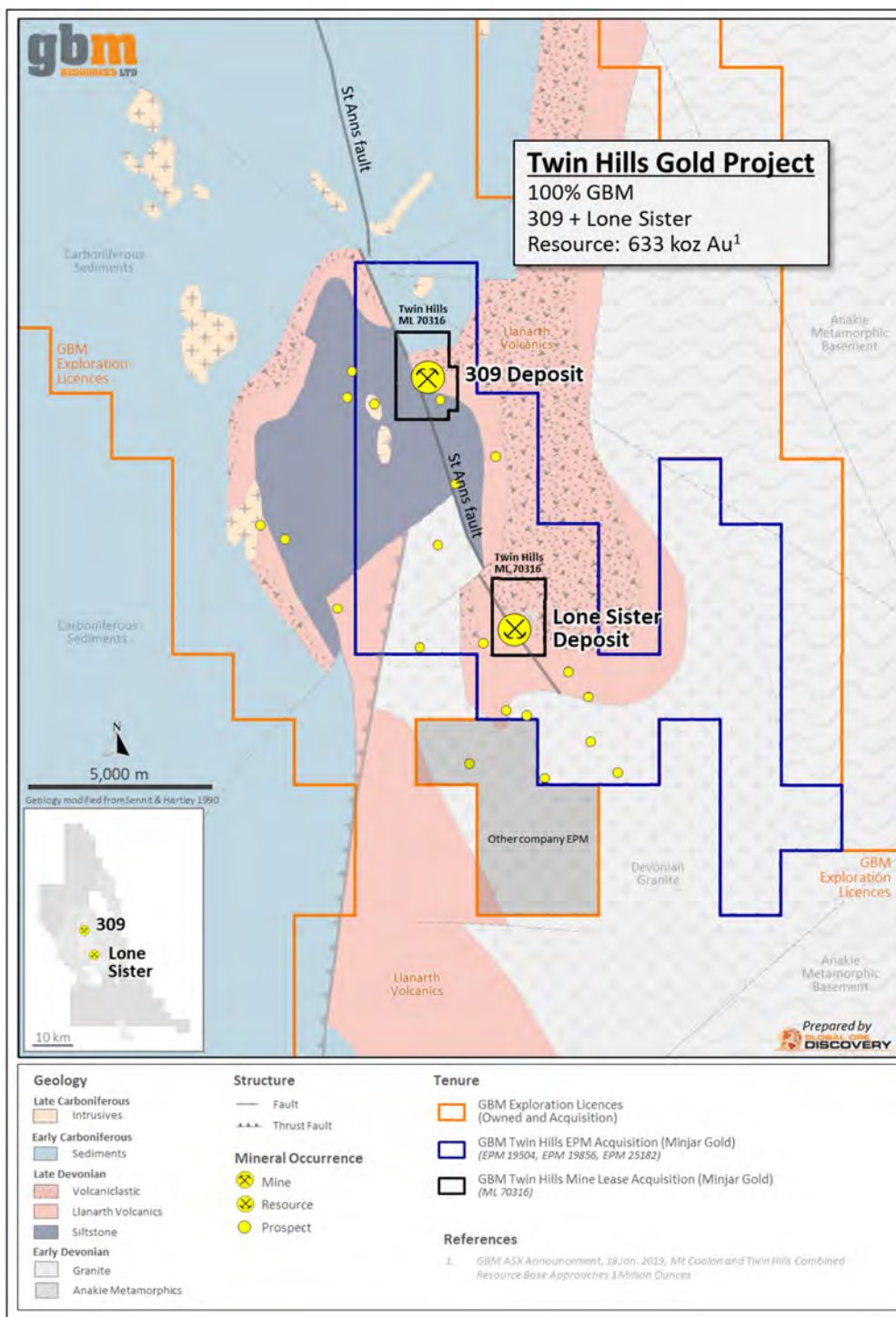
Figure 1: Drummond Basin Processing Halo and Resource Consolidation Summary



Twin Hills Geology and Exploration Potential – High Grade Shoots Open to Depth

Twin Hills is hosted by a sedimentary-volcanic package interpreted to have been deposited in a late Devonian age, structurally controlled, pull apart basin that formed along the margin of a Cambro-Ordovician age metamorphic basement high, the Anakie metamorphic inlier (refer Figure 2).

Figure 2: Geological setting of 309 and Lone Sister Deposits



Drilling Target Strategy (See ASX release dated 20 July 2021 for more detail under this heading)

GBM has commenced evaluation of the previous drilling at Twin Hills reassessing the deposit geology and applying geological cut offs consistent with a bulk mining concept to the mineralised intervals. This approach has outlined very encouraging broad (down hole) intersections of bulk minable style gold mineralisation as well as high grade gold intersections that together define coherent bodies of gold mineralisation. Selected down hole gold intersections are presented in Table 2.

A review of previous drilling shows the primary mineralised bodies at both 309 and Lone Sister are open to depth and in some cases along strike. The down hole and along strike projections of these shoots are compelling targets for the initial GBM drill program at 309 and Lone Sister.

Table 2: 309 and Lone Sister deposit Selected Down Hole Gold Drill Intersections (Refer GBM ASX announcement dated 20 July 2021).

309 Deposit Selected Length Weighted Au g/t Intersections including High Grade 1.0 g/t Au Intercepts														
Length Weighted Au g/t Intersections Nominal 0.3 g/t Au cut off									Including Maximum Intervals at 1.0 g/t Au cut off					
Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres	Lode		From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres
THRCD875	154	294.6	140.6	5.1	3.2	723.8	a	incl.	177	185	8	81.8	43.0	654.7
THRCD816	32	181	149	4.6	22.3	687.8	a	incl.	54	76	22	27.4	142.0	603.6
THRCD828	5	174	169	2.9	11.3	494.3	b	incl.	101	111	10	21.7	133.2	217.1
THRC761	75	146	71	6.3	20.8	445.4	b	incl.	111	125	14	16.4	54.7	228.9
TRCD384	25	215	190	2.3	4.0	437.2	b	incl.	100	127	27	7.3	10.3	198.1
THRCD827	236	408	172	2.1	0.8	361.8	a	incl.	382	396	14	11.0	2.4	154.4
THRCD843	106	262	156	2.3	2.4	360.2	a	incl.	108	119	11	13.0	20.0	143.4
THRCD826	241	315	74	4.7	2.3	350.7	a	incl.	269	274	5	65.5	29.4	327.3
THDD885	25	134	109	2.5	10.0	268.2	b	incl.	45	56	11	6.0	30.5	66.3
THRCD861	154	233.9	79.9	3.2	3.9	256.3	a	incl.	183.5	188.5	5	28.7	26.8	143.6
THRC781	20	109	89	3.0	9.2	270.6	a	incl.	56	81	25	9.9	29.0	247.3
THRCD844	84	236	152	1.3	0.9	199.8	a	incl.	201	214	13	7.1	2.4	92.0
THRCD873	147	261	114	1.9	3.9	213.1	a	incl.	194	206	12	8.9	11.6	107.2

Lone Sister Deposit Selected Length Weighted Au g/t Intersections including High Grade 1.0 g/t Au Intercepts														
Length Weighted Au g/t Intersections Nominal 0.3 g/t Au cut off									Including Maximum Intervals at 1.0 g/t Au cut off					
Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres	Lode		From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres
LRCD015	104	250	146	9.8	8.7	1433.3	a	incl.	211	239	28	45.2	41.3	1266.8
LRCD154	216	242	26	10.3	13.8	267.5	a	incl.	218	229	11	23.4	31.4	257.9
LRCD057	121	217	96	5.5	0.0	529.3	a	incl.	177	189	12	27.1	0.0	324.9
LRCD063	158	268	110	3.6	4.8	395.6	a	incl.	247	267	20	14.3	26.6	285.3
LRCD157	168	248	80	4.7	10.6	373.8	a	incl.	219	231	12	13.8	18.9	165.9
LRCD152	243	359	116	2.8	5.0	321.7	a	incl.	245	263	18	6.0	12.8	108.7
LRCD012	222	375	153	2.0	0.4	309.7	a	incl.	343	352	9	5.8	0.5	51.9
LRCD140	128	382	254	1.2	3.9	306.8	a	incl.	265	277	12	4.1	5.4	49.5
LRCD143	124	216	92	3.3	4.8	301.1	a	incl.	139	157	18	12.4	10.1	224.0
LRCD147	80	210	130	2.3	3.5	294.4	a	incl.	172	187	15	4.8	8.5	71.9
LRC180	8	106	98	1.4	0.0	137.0	a	incl.	19	25	6	8.5	1.5	51.2
LRCD064	24	132	108	1.3	0.0	139.3	a	incl.	85	101	16	5.6	0.0	89.5
LRCD134	69	137.93	68.93	2.4	10.0	164.9	a	incl.	75	86	11	3.9	23.5	42.4

Length weighted downhole intercepts were manually selected using a combination of logged geology and Au grade above 0.3 g/t Au. Internal dilution was typically < 2 m but may include intervals of 5 to 10 m in some instances. 1 g/t Au composite calculated with 1 g/t Au cut off grade and a maximum 2 m internal dilution @ 0.1 g/t Au. No high-grade cut was applied. Selected intercepts at 309 Deposit do not include intersections which have passed through mining voids (have been mined out), or were drilled sub-parallel to the interpreted strike of the Lode. No underground drilling has been used in composite calculations (UG prefix holes, drilled primarily within the mining void).

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

JV Formation Completed

GBM entered a Farm-in Agreement with Novo Resources Corp. (exercised 25 September 2020) for a 50% interest in the Malmsbury Project and the right to earn an additional 10% interest and initiate a Joint Venture with GBM by incurring A\$5 million in exploration expenditure over a four year period.

The final condition precedent (FIRB approval) was completed with Novo Resource Corp (Novo) and the formation of the JV with Novo is now finalised.

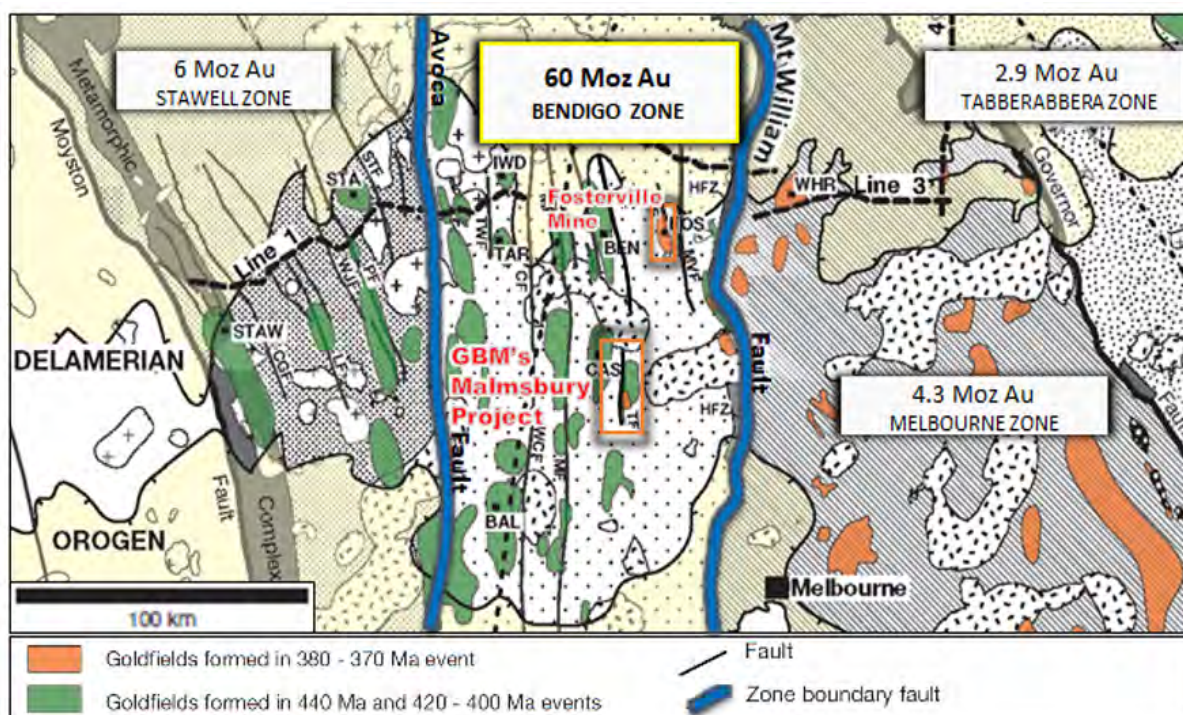
The completion consideration was the issue of 1,575,387 Novo shares to GBM which have been allotted and are escrowed until 14 september 2021.

Project Summary

The Malmsbury Gold Project is located in the prolific Bendigo Zone of the Victorian Goldfields, an area that has historically produced in excess of 60 Moz of gold from alluvial and hard rock production.

Malmsbury displays many of the characteristics of the epizonal orogenic gold deposit class that includes Kirkland Lake's Fosterville Mine. The cumulative 8.5 km strike extent of historic pits and mines, and evidence of high-grade gold mineralization are indicators of a large, fertile mineral system. The 1 km long Leven Star Trend, where GBM has outlined a 104,000 ounce (820 kt at 4.0 g/t Au) gold Inferred resource (see ASX:GBZ release, dated 4 July 2019), has only been drill tested to relatively shallow depths, with very limited modern exploration across the remainder of the goldfield until the last 12 months under the partnership with Novo.

Figure 3: Regional Tectonic Setting of the Victorian Goldfields



Exploration Program 2021

- Novo's exploration farm-in for an additional 10% project interest requires A\$5 million to be spend over 4 years (Refer GBM ASX announcement dated 14 May 2021).
- GBM and Novo have finalized the 2021 exploration program with a budget of up to \$1.8 million, initially focused on systematic structural mapping, electrical and potential field geophysics and low-detection limit multi-element soil surveys in conjunction with hyperspectral alteration analysis to provide a framework to prioritise targets for drill testing in the second half of 2021.
- The airborne Falcon gravity/magnetic survey was completed in the quarter- results pending.

WHITE DAM GOLD COPPER HEAP LEACH OPERATION (100% from 30 July 2021)

Option Exercised

GBM announced on 16 June 2021 that it **has exercised its option to acquire 100%** of the White Dam Gold-Copper Project (**White Dam**) in South Australia from Round Oak Minerals Pty Ltd.

As of 30 July 2021, GBM will have a 100% of White Dam Operations which includes associated infrastructure, all leaching, gold processing plant, mining leases (including all JORC resources) and other tenements. The exercise price is \$500k and replacement of \$1.9 million environmental bond. In addition Round Oak retains a 2% royalty on net sales of copper and gold into the future.

Previously GBM's 50% production interest in the White Dam JV was earned via the construction of a SART plant which is designed to extract copper from the gold leach solution, improving overall gold recoveries and lowering cyanidation costs. Since commissioning, the SART has operated above expectations with lower costs due to less cyanide usage and improved gold recoveries from the existing heaps.

Phase 1 RC Drilling Program

Initial assay results give increased confidence in the known oxide JORC Mineral Resource Estimate for Vertigo (see GBM ASX release dated 10 August 2020) and highlight the potential of significant sulphide gold and copper mineralisation around the base of oxidation. Once cyanide soluble copper assays are received, potential for this material to be heap leached will be examined.

The primary focus of the recent drilling at White Dam was at the Vertigo open pit (current resource 38 koz Au).

The objective of the program was to increase the confidence level, characterise and add to the oxide/transitional resources to support a cut back of the Vertigo pit wall to supply suitable ore for addition to the operational White Dam heap leach located approximately 1.8 km away. A smaller component of the drill program was completed at the nearby White Dam North resource.

RC Drilling Results (refer GBM ASX announcement dated 5 July 2021)

A total of 53 reverse circulation (RC) drill holes (4,041 m) have been drilled by GBM as part of Phase 1 of the planned drilling at White Dam, with 43 RC holes (3,270 m) drilled at Vertigo and 10 holes (771 m) drilled at White Dam North.

Assay results have now been received for 20 of the 43 holes drilled at Vertigo. Samples are currently in the laboratory for the remaining Vertigo holes and the completed 10 White Dam North holes. Remaining results are expected in August 2021.

Significant mineralised intersections logged as oxidised included:

- Hole V21-RC-022. 14 m @ 0.81 g/t Au & 0.29 % Cu from 37 m
- Hole V21-RC-035. 3 m @ 0.87 g/t Au & 0.38 % Cu from 38 m
- Hole V21-RC-028. 13 m @ 0.41 g/t Au & 0.11 % Cu from 28 m
- Hole V21-RC-027. 11 m @ 0.44 g/t Au & 0.07 % Cu from 26 m

Drilling results from the sulphide zone around the base of oxidation demonstrate significant gold and copper mineralisation potential with continuous economic grades identified across multiple drill holes and section lines.

The results broadly confirm the modelled mineralised zones, with significant mineralised intercepts logged as fresh (transition?) rock hosted include:

- Hole V21-RC-035: 12 m @ 2.95 g/t Au & 0.94 % Cu from 67 m,
Incl. 5 m @ 5.44 g/t Au & 1.69 % Cu from 70 m
- Hole V21-RC-033: 9 m @ 2.29 g/t Au & 0.58 % Cu from 61 m,
Incl. 4 m @ 4.16 g/t Au & 0.96 % Cu from 64 m
- Hole V21-RC-012: 12 m @ 1.39 g/t Au & 0.42 % Cu from 46 m
- Hole V21-RC-034: 13 m @ 1.24 g/t Au & 0.38 % Cu from 65 m
Incl. 2 m @ 4.57 g/t Au & 1.01 % Cu from 66 m

While geological logging of oxidisation/weathering gives an indication of the likely distribution of oxidised cyanide heap leachable and fresh sulphide mineralisation, additional geochemical work is underway to further characterise their extent. All mineralised intersections from the recent drilling will be assayed for cyanide soluble copper. This method will provide further insight into the distribution of oxidised, transition and fresh ore while also providing a better understanding of heap leachable copper contained within the current resource.

(Refer to Figures 4-6 for further details on drilling results and location and Figure 7 showing aerial photo of location of the JORC resources.)

Background

The White Dam Project is located in the Olary District of South Australia approximately 80 km west of Broken Hill. The deposits are of the IOCG classification (Au-Cu + Mo) and are hosted by high-grade metamorphic rocks and pegmatites of the Curnamona Group. Gold mineralisation is fine-grained (<60 microns) and predominantly found in biotite laminae and micro-fractures within medium-grained gneissic units.

Mining at White Dam took place between 2009 and 2017 during which time 7.5 Mt ore was mined from the Hannaford and Vertigo pits for 177,000 oz Au recovered. The current combined resource for the White Dam Project is 4.6 Mt at 0.7 g/t Au for 101,900 oz Au.

The Vertigo open cut is located within a granted mining lease (ML 6395) and the nearby White Dam North resource is enclosed within an advanced lease adjacent to ML 6395 (MPL 105).

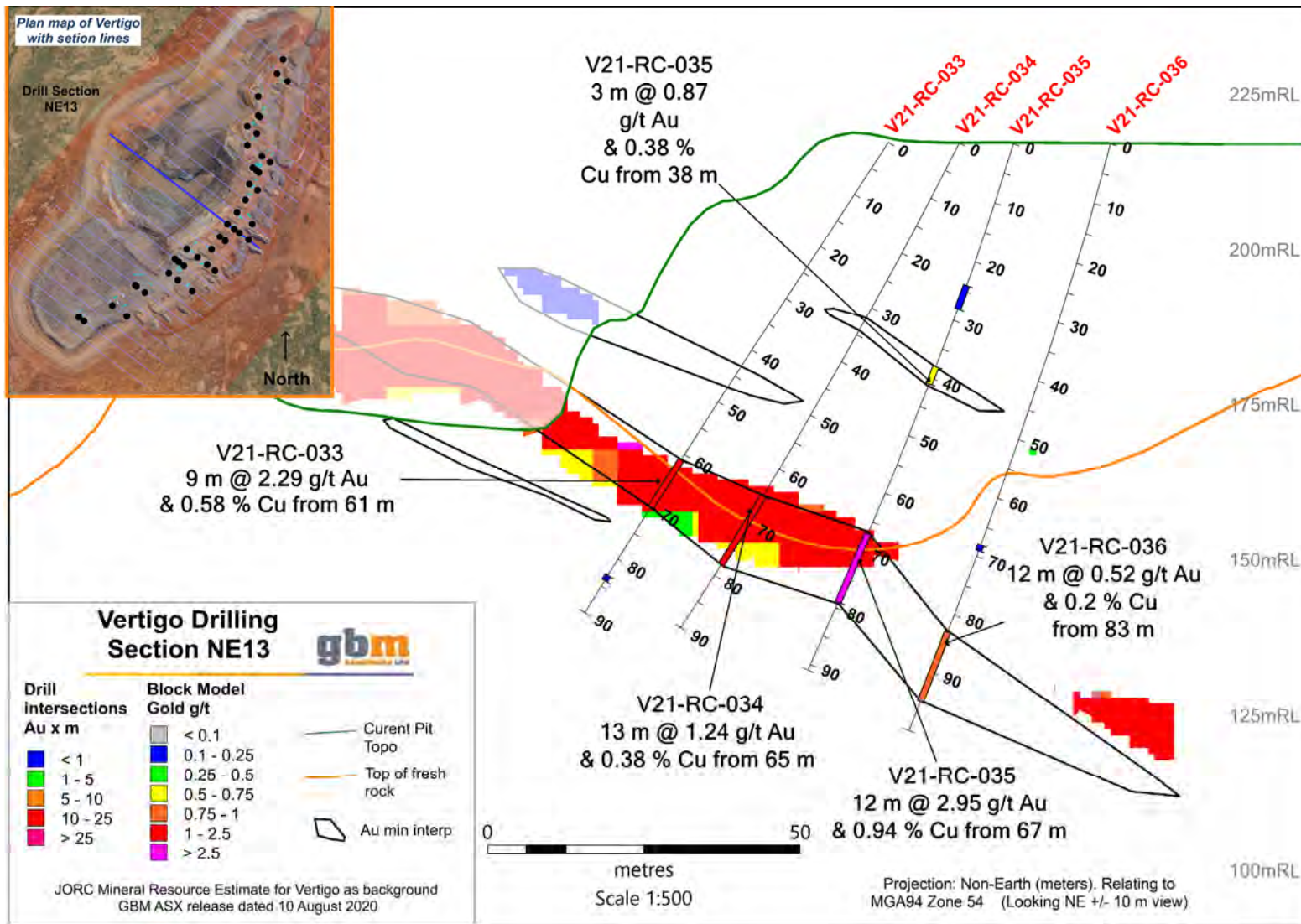


Figure 4: Vertigo Cross Section NE13
Showing four GBM drilled holes with significant intersections highlighted.

Figure 5: Drilling Completed at Vertigo Pit.

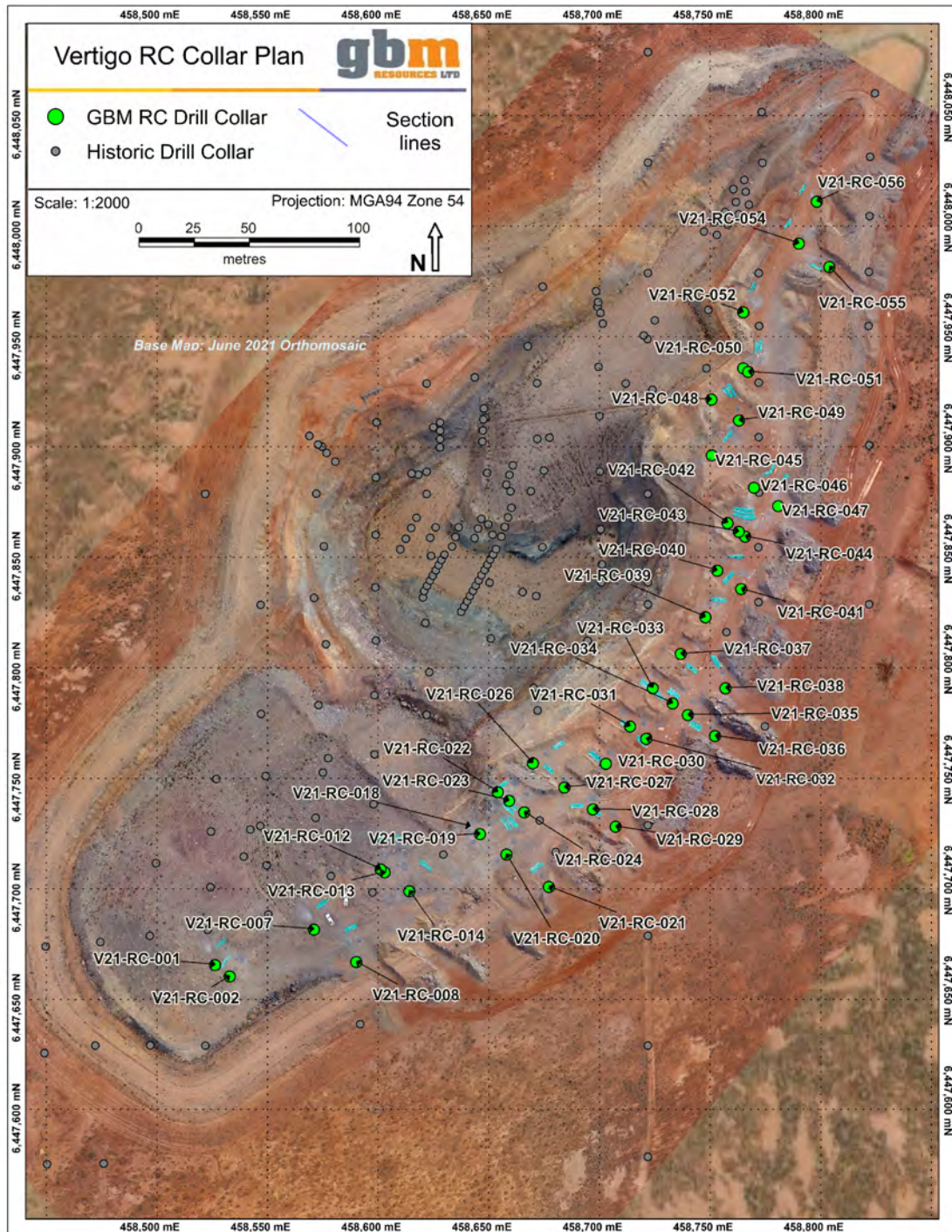


Figure 6: White Dam North drill collar plan.

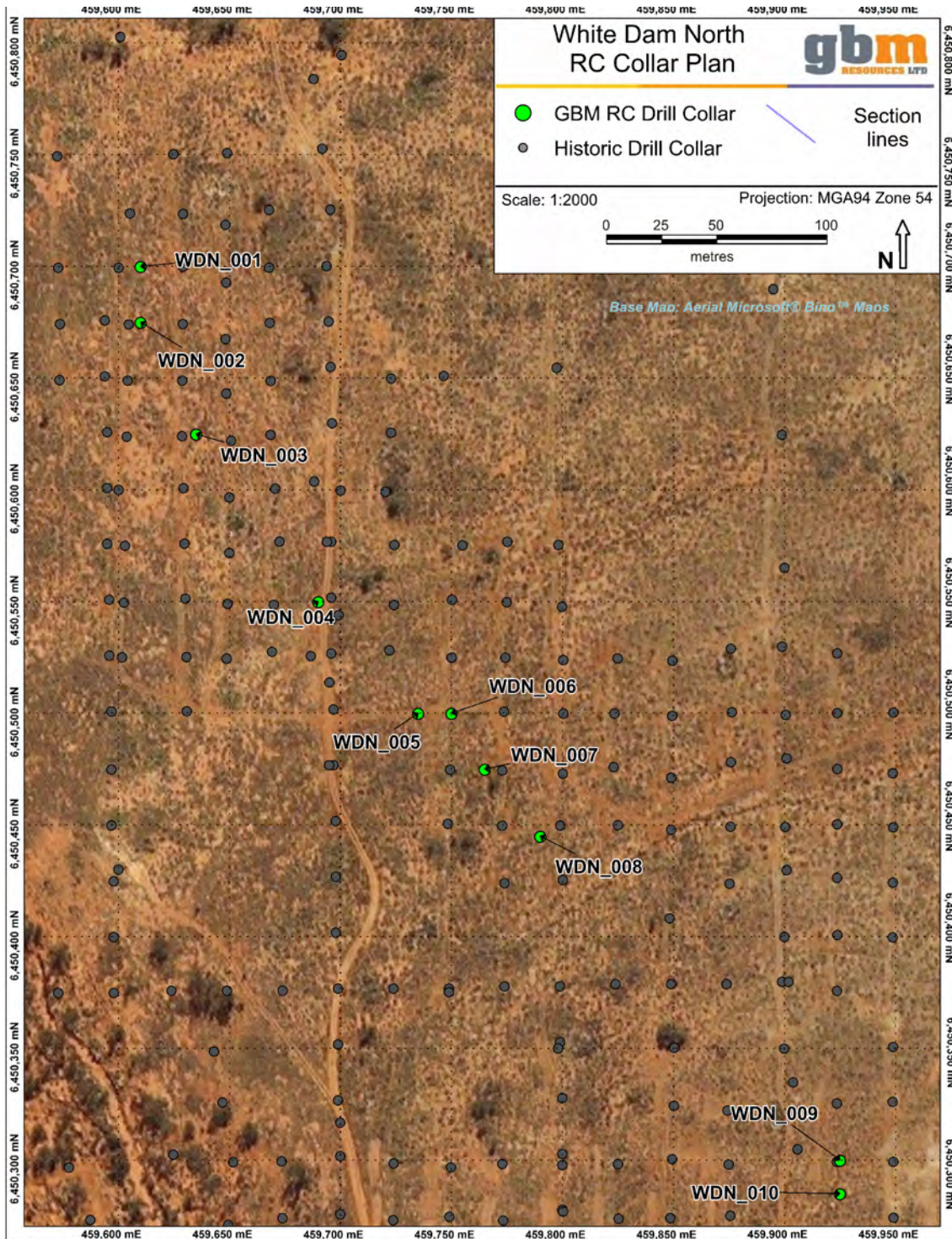


Figure 7: White Dam Project aerial photo with JORC Resources

¹ GBM ASX Announcement, 10 August 2020, White Dam JORC 2012 Resource of 102 koz, now 100% owned by GBM Resources following completion of the acquisition on 29 July 2021.

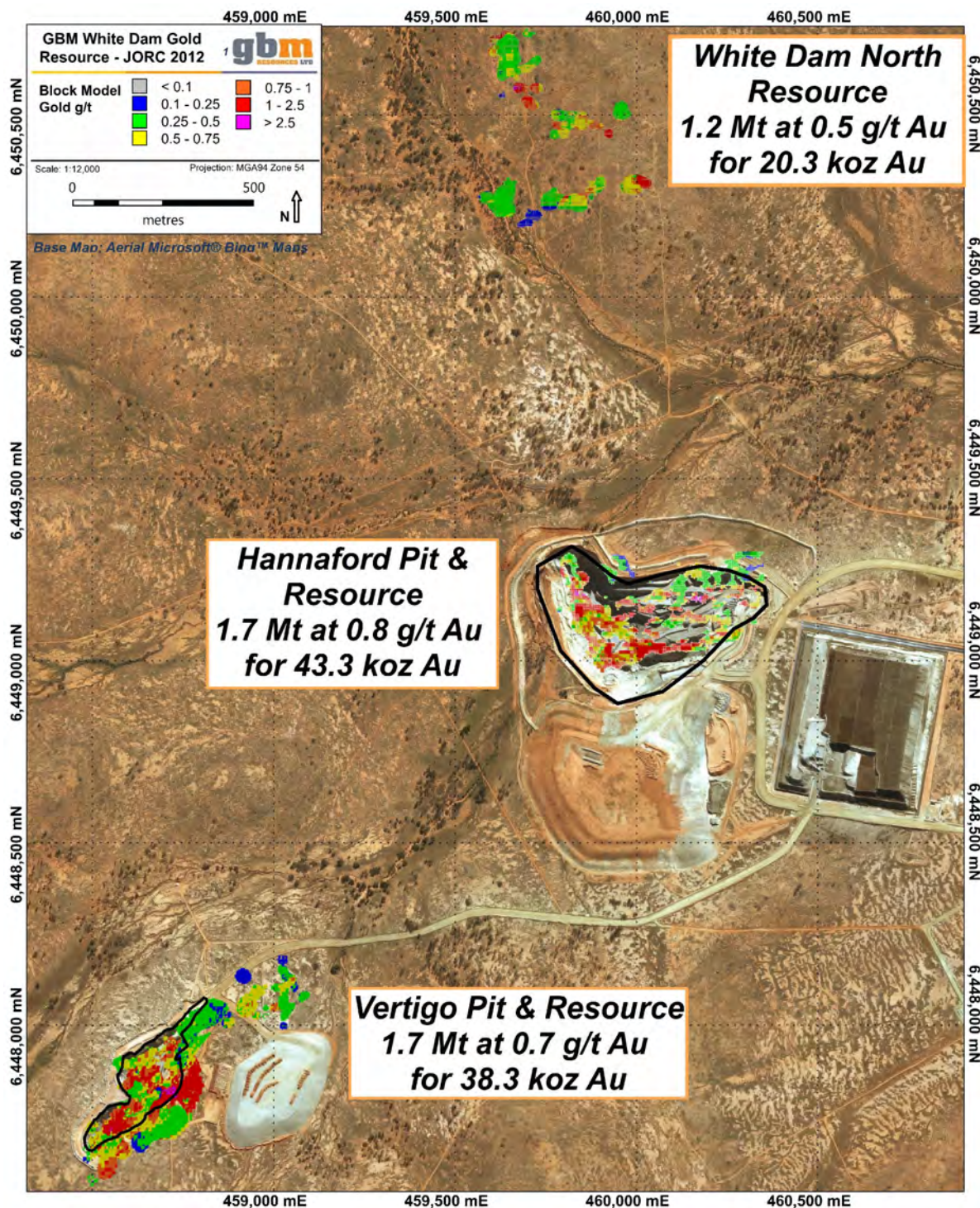


Table 3: GBM Mineral Resource Estimate for White Dam

Please note rounding ('000 tonnes, 0.0 g/t and '000 ounces). Cut-off grade is 0.20 g/t Au for all, Vertigo is restricted to above 150 m RL (~70 m below surface). See GBM ASX release dated 10 August 2020 for full report.

Area	Resource category	Quantity (tonnes)	Grade Au (g/t)	Contained Gold (ounces)
TOTAL	Measured	0	0.0	0
	Indicated	1,200,000	0.7	28,600
	Inferred	3,400,000	0.7	73,500
	Total	4,600,000	0.7	101,900
Hannaford	Measured	0	0.0	0
	Indicated	700,000	0.7	16,400
	Inferred	1,000,000	0.8	26,900
	Total	1,700,000	0.8	43,300
Vertigo	Measured	0	0.0	0
	Indicated	300,000	1.0	9,400
	Inferred	1,400,000	0.6	29,000
	Total	1,700,000	0.7	38,300
White Dam North	Measured	0	0.0	0
	Indicated	200,000	0.5	2,800
	Inferred	1,000,000	0.6	17,600
	Total	1,200,000	0.5	20,300

YANDAN and MT COOLON GOLD PROJECTS, QUEENSLAND (GBM 100% Interest)

Highlights for the quarter include:

- Yandan: Camp successfully recommissioned
- Yandan: Drilling commenced at Yandan during the quarter with 4,032.8 m completed over 10 holes, reporting of initial holes expected in early August.
- Illamahta: Initial reconnaissance completed and drill program planned.
- Eastern Siliceous – Glen Eva: Dipole – Dipole and 3D IP program completed.
- Eastern Siliceous – Glen Eva: CEI Round 4 report submitted and funding approved.
- Glen Eva: Small drilling program planned to follow up on 20GEDD011, along with the chargeability anomalies identified above.
- Koala: Structural model and new interpretation for controls on mineralisation at Koala compiled.
- Koala: Small drilling program planned to test new interpretation.
- Eugenia: Surface reconnaissance mapping completed.
- Eugenia: Drill program planned to test extensions to oxide resource.

Forward Program (July - September)

- Complete Yandan East Hill drilling program.
- Complete maiden Yandan main pit resource estimate.
- Update Yandan lithological and structural model.
- Review assays returned and update interpretation of controls on mineralisation.
- Produce domains for re-estimation of East Hill resources.
- Drilling to commence at Glen Eva-Eastern Siliceous Zone Trend on some highly intense chargeability/resistivity targets.

Illamahta

Twenty-one drill holes for 2,390m have been planned at Illamahta to test extensions to known oxide mineralisation and confirm existing high-grade intercepts (Figures 8 and 9). The planned drill program will investigate extensions to the known resource. Exploration for 'new' resources will be undertaken with a later program.

The drill holes have been pegged and we are currently in discussions with the landowner over access to drill.

Figure 8: A map showing proposed drill holes at Illamahta overlain on existing drilling and assays. Note that hole IL21AC is not shown as it is drilled from the same pad as IL21AD

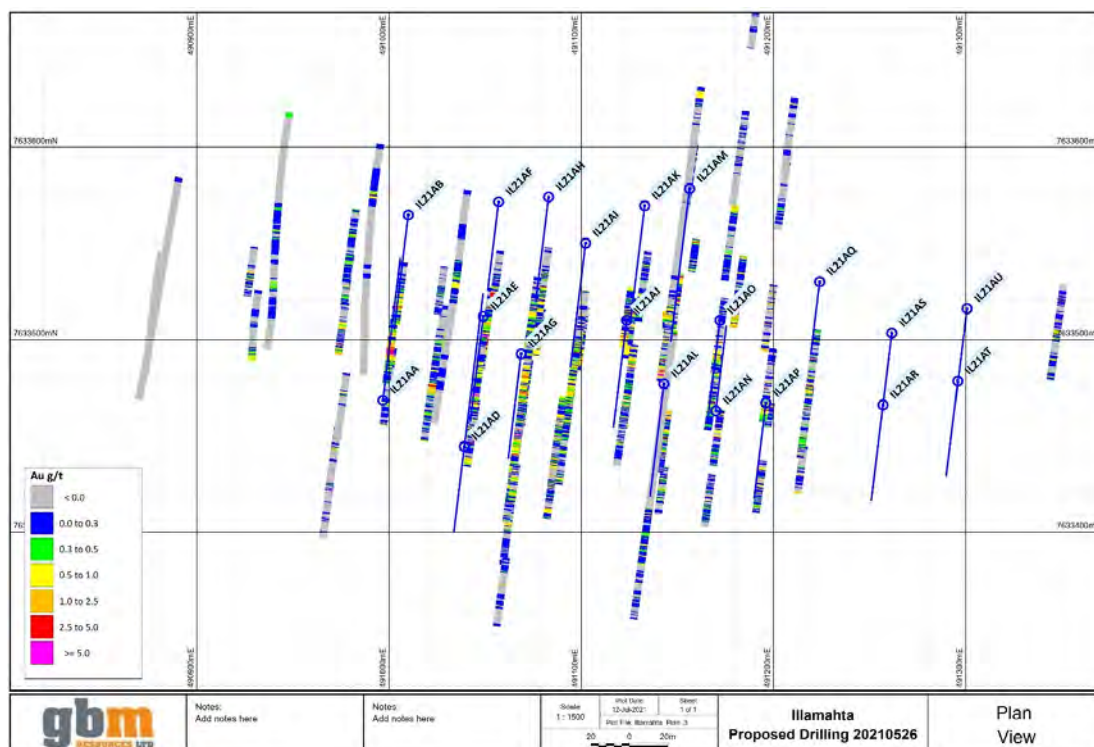
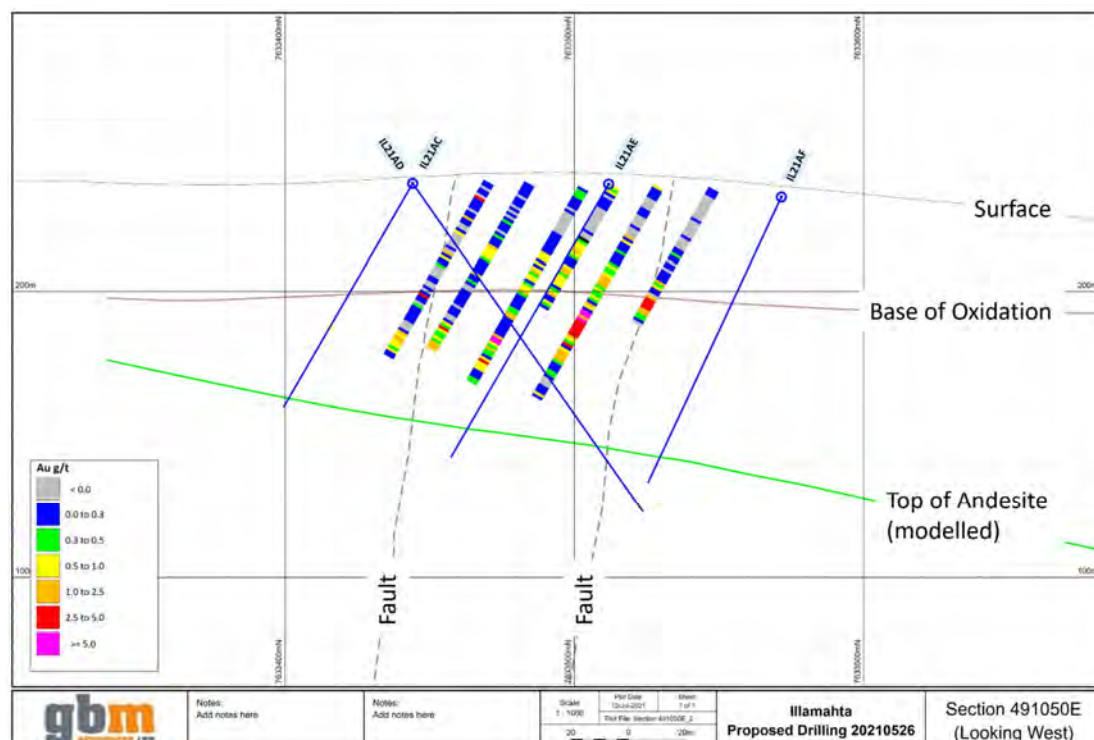


Figure 9: Cross-section 491050E showing proposed drill holes at Illamahta. The holes test north and south extensions to mineralisation in addition to targeting the down dip extension to the high-grade previously intercepted.



GLEN EVA

During the quarter work at Glen Eva focussed on completing the 2D dipole-dipole IP (DDIP) from the edge of the 3DIP program at Eastern Siliceous to the NW side of Glen Eva pit (Figure 10 and 11) with 44 line km of data collected. Final reports were received from both Zonge (geophysical operator) and Rama Geoscience (Geophysical consultant) and all sections and plans were imported into Micromine.

The results of the CEI0143 Mt Coolon 3DIP Project are very encouraging and detailed interpretation is ongoing. Preliminary observations show several subparallel NW-SE trending IP anomalies extending between Glen Eva and Eastern Siliceous (Figure 10).

Highly anomalous results in the centre of the survey lie directly along strike from Eastern Siliceous. Elsewhere in the Drummond Basin, the Yandan Main and Eugenia deposits contain significant sulphide in high level silica-pyrite veinlet and breccia zones and this anomaly could represent something similar with a silica pyrite vein and breccia zone extending NE from Eastern Siliceous and intensifying.

The DDIP shows a comparatively weak anomaly across the hanging wall alteration zone of the Glen Eva vein. This is partly due to the very high anomalism to the NE requiring the data to be stretched to fit but also reflects lower levels of sulphide (disseminated pyrite) in the alteration zone. An anomaly similar to the Glen Eva hanging wall is reflected in the 3DIP data to the NW of Eastern Siliceous and may represent the southern extension of the Glen Eva system or another subparallel LSE vein system.

Figure 10. A map showing 150 m chargeability depth slice of the 2DDDIP and 3DIP data and data collection lines overlain on aerial imagery. Note the location of Glen Eva pit and Eastern Siliceous Zone to the south east.

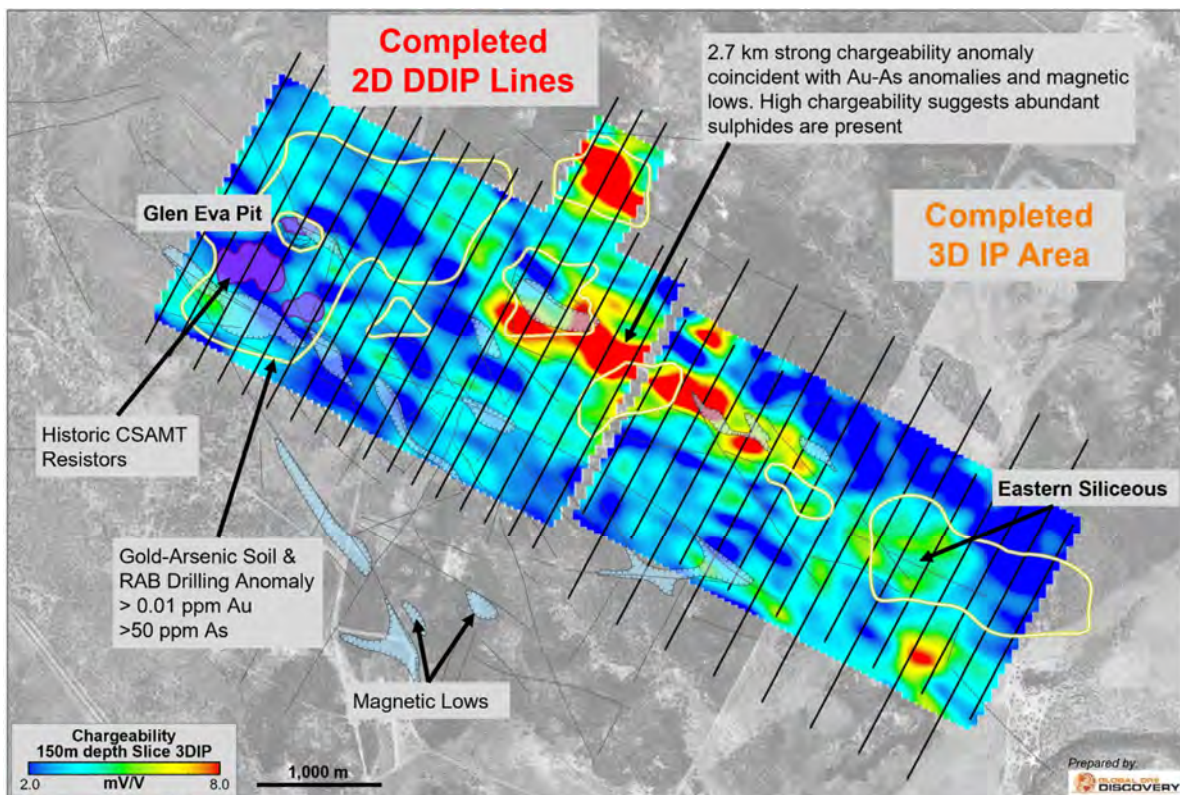
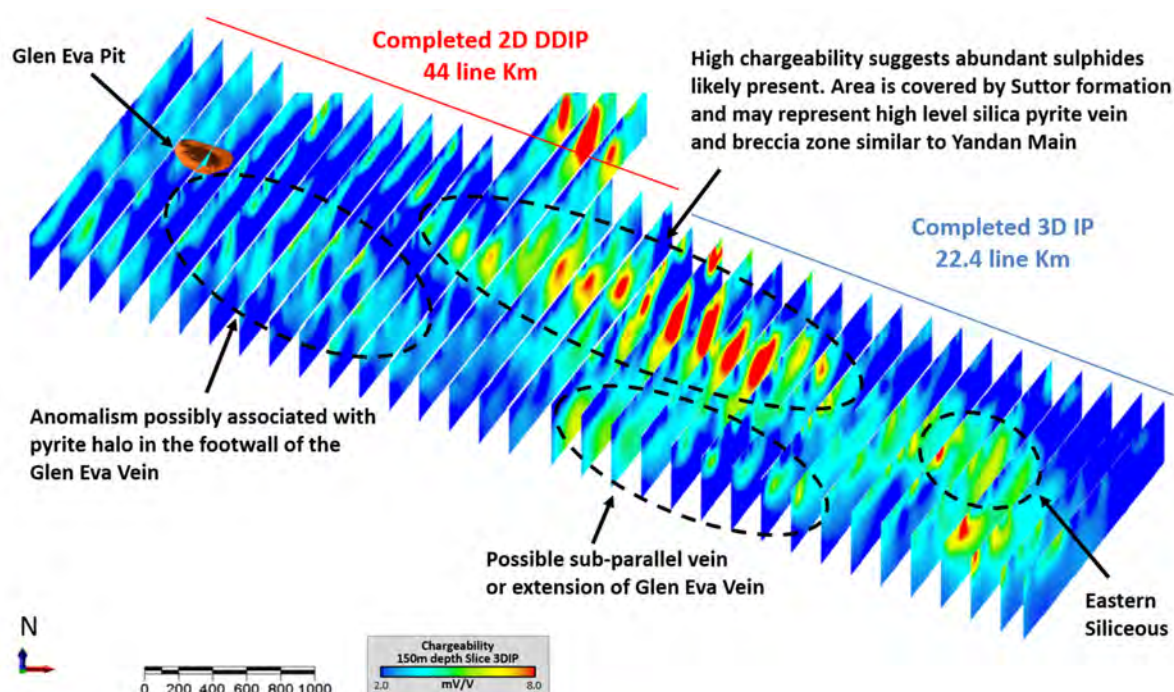


Figure 11. A 3D plan of modelled DDIP and 3DIP invertability chargeability stacked sections. Note the location of Glen Eva pit and Eastern Siliceous.



The best drill hole from the 2020 drill program was 20GERD0011 that intersected a >10 m thick quartz vein and moderate grade gold. This vein represents the strike extension of the main Glen Eva vein and is the only intercept of this structure within 100 m. Follow up of this intersection remains a high priority target and 4 drill holes have been planned to test both the up and down dip and strike extension of the vein. Proposed collars have been pegged and access to all collars is good. Additional holes are also planned in the central zone which is highlighted by the high chargeability.

Table 4: November 2017 Resource Summary for the MCGP updated to include new JORC 2012 resource estimate for Yandan. Please note rounding (1,000's tonnes, 100's ounces, 0.1 g/t) may cause minor variations to totals.

For full details, please refer to ASX announcement dated 4 December 2017 and 23 December 2020.

Project	Location	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				
Koala	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
	Total	114	1.7	6,200	729	2.6	60,800	700	2.7	61,100	1,563	2.5	128,100	
Eugenia	Oxide				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
	Sulphide				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
	Total				1,790	1.1	65,900	1,639	1.1	58,200	3,430	1.1	124,100	
Glen Eva	Total Open Pit				1,070	1.6	55,200	580	1.2	23,100	1,660	1.5	78,300	0.4
Yandan	East Hill							20,600	0.8	505,000	20,060	0.8	505,000	0.3
	South Hill							900	0.6	16,000	900	0.6	16,000	0.3
	Total							21,500	0.8	521,000	21,500	0.8	521,000	
Total		114	1.7	6,200	3,590	1.6	181,900	24,419	0.8	663,400	28,153	0.9	851,500	

MOUNT MORGAN GOLD-COPPER PROJECT, QUEENSLAND (100%, Subject to Vend in)

GBM advised on the 18 June 2021 that it has executed a binding tripartite Letter of Intent (**LOI**) for the sale of its 100% owned Mt Morgan Gold-Copper Project in Queensland, Australia (**Mt Morgan**).

GBM will convene a meeting of its shareholders in due course to seek approval of its security holders to proceed with the proposed transaction.

Overview

- Binding LOI executed with Smartset Services Inc. (Canadian Company listed on TSXV: SMAR.P) for sale of Mt Morgan Project.
- Smartset to also acquire four gold and copper projects in north-eastern NSW from private Canadian company, Great Southern Gold Corp.
- Scrip consideration sees GBM expected to own 47.5% of Smartset (prior to concurrent C\$8 million equity raising by Smartset).
- Smartset to undertake systematic, well-funded exploration of the Mt Morgan Project targeting discovery of large-scale gold and copper deposits.
- Key transaction conditions precedent include: due diligence, TSXV, ASX and requisite shareholder approvals, completion of the Smartset equity raising and other customary conditions.

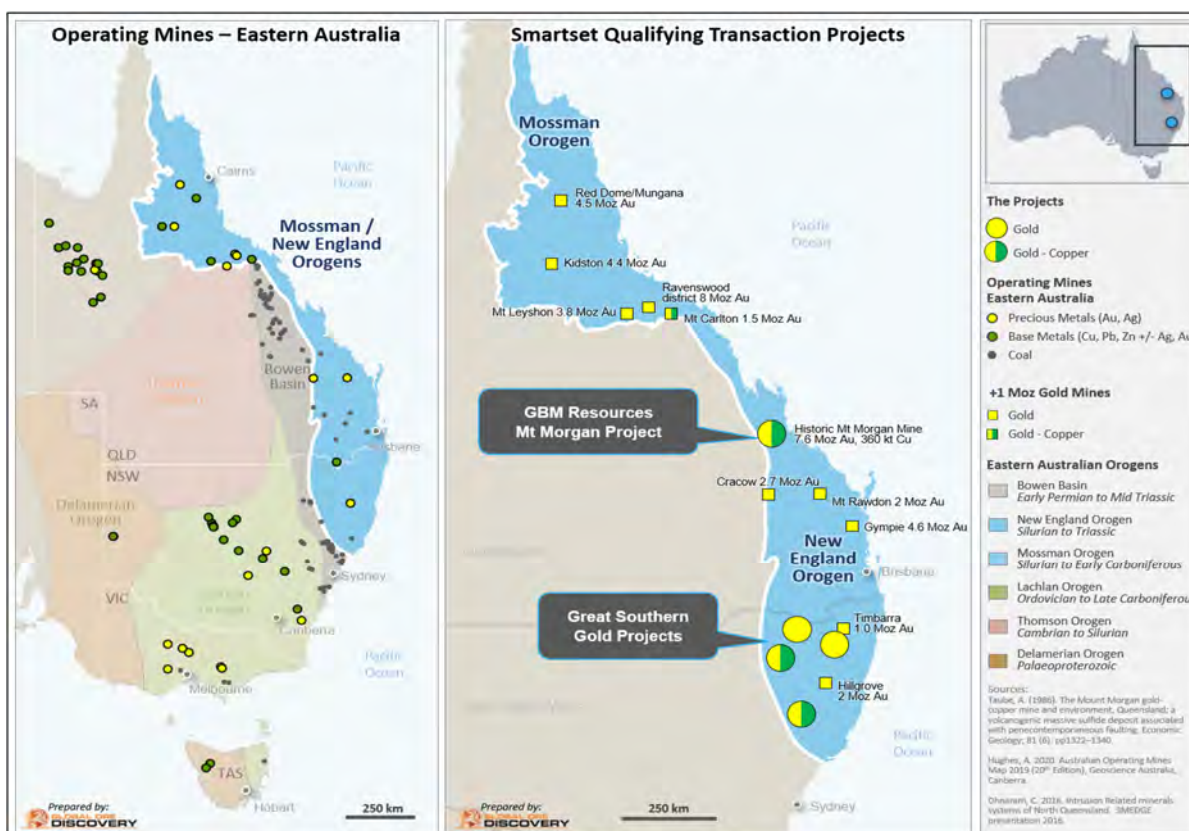
Transaction Benefits

- Disposal of a non-core asset into a focused vehicle delivers acceleration of exploration value unlock while allowing GBM to maintain focus on its flagship Drummond Basin gold assets.
- Alignment with a strong technical, corporate and capital markets partner in the Smartset team.
- Ongoing equity exposure to Mt Morgan value appreciation and future realisation.
- Listed equity provides enhanced future transacting flexibility for GBM and greater value transparency for GBM shareholders with respect to their ownership interest in Mt Morgan.

Asset Consolidation Opportunity

The Eastern States of Australia are underlain by a collage of geologic orogens that formed over 500 ma period and from the Cambrian to Triassic periods, along the margin of the supercontinent Gondwana. Mt Morgan is focused within Devonian to Triassic arcs of the Mossman and New England Orogens that have a significant gold pedigree with over 40 Moz ^{1 2} of gold delineated in historic production and current reserves from eleven (11), + 1 Moz Au deposits (Figure 12) that include Mt Morgan intrusive related Au-Cu, Intrusion Related Gold Systems (IRGS), Epithermal gold and Orogenic Gold deposits.

Figure 12: Eastern Australian operating mines and projects



The historic Mt Morgan Mine is the single largest deposit in the New England Orogen and remains one of the largest gold deposits in Australia. The Mt Morgan Mine operated for over 90 years producing 50 Mt of ore from a single body of mineralization, averaging 4.75 g/t Au and 0.72 % Cu, for a total 7.65 M oz gold and 361 kt of copper³.

The genesis of the deposit remains contested, but geoscience consultants, Global Ore Discovery, consider that the Mt Morgan deposit is a magmatic related gold-copper deposit that is genetically linked to a Devonian age intrusive complex outcropping in the mine area and over a large area within the GBM claims. The deposit geology suggests mineralization formed in a submarine island arc setting and produced a shallow epigenetic deposit with hybrid epithermal to porphyry transition characteristics.

Smartset Strategy

Smartset's stated intention is to undertake systematic, well-directed and well-funded exploration of the Mt Morgan Project for large scale gold and copper deposits. GBM and Smartset plan to collaborate to acquire regional coverage of high-resolution airborne magnetics and EM geophysics over a large area of the Devonian target stratigraphy.

(See ASX release dated 18 June 2021 for more explanation on the assets and consolidation strategy)

¹ Morrison, G. and Beams, S., Intrusion-related gold systems of the Charters Towers Province, North Queensland.

² https://www.dpi.nsw.gov.au/_data/assets/pdf_file/0005/266522/New_England_Orogen_Deposits.pdf

³ Taube, A., 1986. The Mount Morgan gold-copper mine and environment, Queensland; a volcanogenic massive sulfide deposit associated with penecontemporaneous faulting. *Economic Geology* 1986;; 81 (6): 1322–1340. doi: <https://doi.org/10.2113/gsecongeo.81.6.1322>

CLONCURRY COPPER FARM-IN PROJECTS, QUEENSLAND (46.0% GBM)

GBM confirm that an exploration budget of \$0.75 million has been approved for the Cloncurry Farm-In Projects in the Mount Isa Region of Queensland.

JV Funding Status

- Fully funded exploration commences again at GBM's North- West Mineral Province (QLD) JV Tenements and is planned to recommence in the September quarter 2021.
- Exploration budget of \$0.75 million approved and will commence in coming months.
- Targeting copper and gold in the prospective Cloncurry Region north of Glencore's Ernest Henry Mine.

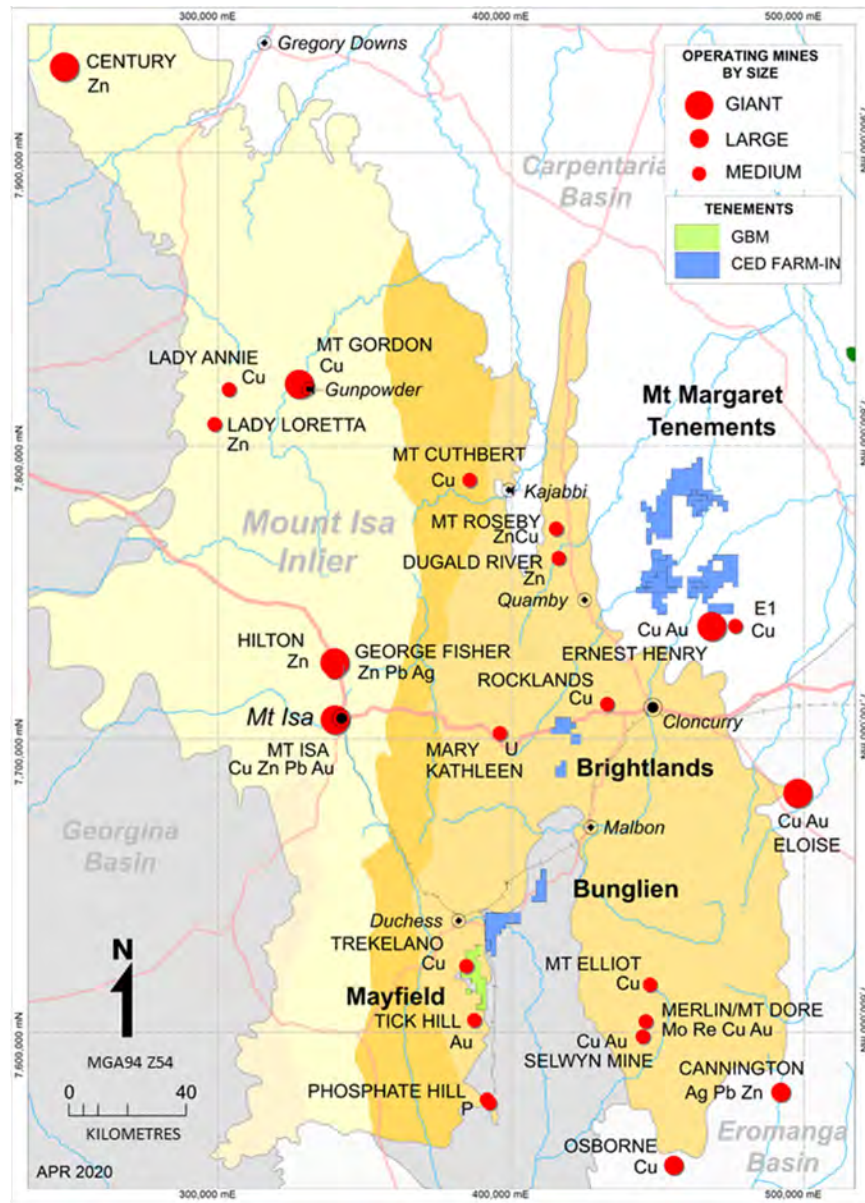
JV Background

Joint venture partner Nippon Mining of Australia (NMA, a wholly owned subsidiary of JX Nippon Mining & Metals Corporation (JXNMM)) currently holds a 53.9% interest in the Farm-In/Joint Venture acquired in 2020 (see GBM Annual report 2020 and Pan Pacific Copper Co., Ltd. (PPC) press release 12 February 2020). This venture was originally formed in 2010 with (PPC and held by PPC subsidiary Cloncurry Exploration and Development Pty Ltd (CED). JXNMM was a majority partner in PPC along with Mitsui Mining and Smelting Co., Ltd.

Total project expenditure to date has been \$16.9 million exploring for Iron-Oxide-Copper-Gold (IOCG) and more recently Iron-Sulphide-Copper-Gold (ISCG) style deposits in the Cloncurry Region of the North- West Mineral Province of Queensland.

GBM remains the manager of the Joint Venture and retains a free carried interest of 10% through to completion of a bankable feasibility study. The JV includes the Mount Margaret and Bungalien Projects (see Figure 13).

Figure 13: Location of GBM and Farm in Tenements in the Cloncurry Region.



TENEMENT SUMMARY

Throughout the Quarter reports and statutory payments have been lodged as required. GBM announced it's intention to exercise 100% interest in the White Dam Project, however tenements have not yet been transferred and are not listed below. On 19 July 2021 GBM announced signing a binding agreement with Minjar Gold Proprietary Limited to purchase Twin Hills Gold Project. Mineral tenements related to this project will be added to the tenement summary when transferred to GBM.

Project / Name	Tenement No.	Owner	Manager	Interest	Interest	Status	Granted	Expiry	Application Date	Approx Area
31-Mar-21 30-Jun-21										(km ²)
Victoria										
Malmsbury										
Drummond	RL006587	GBMR/Belltopper Hill	GBMR	100%	100%	Granted	23-Jun-20	22-Jun-30	15-Nov-17	6.7
Queensland										
Mount Morgan (Project)										
Mt Morgan West	EPM27096	GBMR	GBMR	100%	100%	Granted	28-Aug-19	27-Aug-24		325
Mt Morgan East	EPM27097	GBMR	GBMR	100%	100%	Granted	11-Jan-21	10-Jan-26		299
Mt Morgan Central	EPM27098	GBMR* ²	GBMR	100%	100%	Granted	16-Dec-20	15-Dec-25		325
Mount Usher	EPM27865	GBMR	GBMR	100%	100%	Application				
Mount Usher	MDL2020	GBMR	GBMR	100%	100%	Application				
Project Area										975
Mount Isa Region										
Mount Margaret (Project Status)										
Mt Malakoff Ext	EPM16398	GBMR* ^{2,4} /Isa Tenements	GBMR	46.07%	45.97%	Granted	19-Oct-10	18-Oct-23		78
Cotswold	EPM16622	GBMR* ^{2,4} /Isa Tenements	GBMR	46.07%	45.97%	Granted	30-Nov-12	29-Nov-22		16
Dry Creek	EPM18172	GBMR* ^{2,4} /Isa Tenements	GBMR	46.07%	45.97%	Granted	13-Jul-12	12-Jul-23		163
Dry Creek Ext	EPM18174	GBMR* ^{2,4} /Isa Tenements	GBMR	46.07%	45.97%	Granted	25-Oct-11	24-Oct-22		23
Mt Marge	EPM19834	GBMR* ⁴ /Isa Tenements	GBMR	46.07%	45.97%	Renewal App	04-Mar-13	03-Mar-21		3
Tommy Creek	EPM25544	GBMR* ⁴ /Isa Tenements	GBMR	46.07%	45.97%	Granted	11-Nov-14	10-Nov-22		33
Corella	EPM25545	GBMR* ⁴ /Isa Tenements	GBMR	46.07%	45.97%	Granted	20-Mar-15	19-Mar-23		46
Middle Creek	EPM27128	GBMR* ⁴ /Isa Tenements	GBMR	46.07%	45.97%	Granted	28-Jan-20	27-Jan-25		35
Sigma	EPM27166	GBMR* ⁴ /Isa Tenements	GBMR	46.07%	45.97%	Granted	28-Jan-20	27-Jan-25		287
Brightlands										
Brightlands	EPM14416	GBMR* ² /Isa Brightlands	GBMR	100%	100%	Renewal App	5-Aug-05	4-Aug-21		65
Bungalien										
Bungalien 2	EPM18207	GBMR* ^{2,4} /Isa Tenements	GBMR	46.07%	45.97%	Granted	24-May-12	23-May-23		120
The Brothers	EPM25213	GBMR* ² /Isa Tenements	GBMR	46.07%	45.97%	Granted	16-Oct-14	15-Oct-21		7
Mayfield										
Mayfield	EPM19483	GBMR* ² /Isa Tenements	GBMR	100%	100%	Granted	11-Mar-14	10-Mar-22		91
Project Area										966
Mt Coolon										
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	100%	Granted	13-Jun-08	12-Jun-23		299
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	100%	Granted	18-Sep-14	17-Sep-21		85
Mt Coolon East	EPM25850	GBMR/MCGM	GBMR	100%	100%	Granted	07-Sep-15	06-Sep-23		176
Conway	EPM7259	GBMR/MCGM	GBMR	100%	100%	Granted	18-May-90	17-May-22		39
Bulgonunna	EPM26842	GBMR/MCGM	GBMR	100%	100%	Granted	15-Aug-19	14-Aug-24		325
Black Creek	EPM26914	GBMR/MCGM	GBMR	100%	100%	Granted	15-Aug-19	14-Aug-24		325
Sullivan Creek	EPMA27555	GBMR/MCGM	GBMR	100%	100%	Granted	15-Sep-20	14-Sep-25		325
Bellevue	EPMA27556	GBMR/MCGM	GBMR	100%	100%	Application			15-Jul-20	325
Pasha	EPMA27557	GBMR/MCGM	GBMR	100%	100%	Granted	15-Sep-20	14-Sep-25		325
Sutton	EPMA27558	GBMR/MCGM	GBMR	100%	100%	Application			15-Jul-20	325
Yandan East	EPMA27591	GBMR/MCGM	GBMR	100%	100%	Application			09-Jul-20	231
Clewitts	EPMA27592	GBMR/MCGM	GBMR	100%	100%	Application			09-Jul-20	322
Twin Hills Sth	EPM27594	GBMR/MCGM	GBMR	100%	100%	Application			13-Jul-20	325
Twin Hills Nth	EPM27597	GBMR/MCGM	GBMR	100%	100%	Application			16-Jul-20	273
Whynot	EPM27598	GBMR/MCGM	GBMR	100%	100%	Application			17-Jul-20	65
Yandan North	EPMA27644	GBMR/MCGM	GBMR	100%	100%	Application			01-Sep-20	325
Yandan	EPM8257	Straits Gold	GBMR	100%	100%	Granted	02-Sep-91	01-Sep-21		74.75
Yandan West	ML1095	Straits Gold	GBMR	100%	100%	Renewal App	27-Jun-91	30-Jun-21		
Yandan East	ML1096	Straits Gold	GBMR	100%	100%	Renewal App	27-Jun-91	30-Jun-21		
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	100%	Granted	30-May-74	31-Jan-24		0.71
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	100%	Granted	27-Jan-94	31-Jan-24		0.05
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	100%	Granted	27-Jan-94	31-Jan-24		0.98
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	100%	Granted	05-Dec-96	31-Jan-24		1.30
Project Area										4089
TOTALS										6061

Note

*² subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.

*³ Approximately 16km² which was the area of previous EPM19849 Moonmerra, is subject to 1% smelter royalty and other conditions to Rio Tinto

*⁴ subject to Farm In by Cloncurry Exploration and Development, a subsidiary of Pan Pacific Copper Ltd.

CORPORATE

- During the quarter the Group finalised the acquisition of exploration permit applications adjacent to the Yandan and Twin Hills projects for consideration of 2 million ordinary fully paid shares in the Company (issued 6 July 2021). The shares are subject to a voluntary escrow period to 6 January 2022;
- During the quarter the Group issued 1.9 million unlisted options to employees pursuant to the terms and conditions of the GBM Resources Limited Incentive Option Plan; and
- During the quarter the Group issued 228,122 ordinary fully paid shares in consideration for geological consulting services provided.

Related party transactions

Included in Section 6 of the Appendix 5B for the quarter are amounts paid to directors and their related parties of:

- Remuneration of Directors – approximately A\$154,000
- Office rent \$6,000 to Ironbark Pacific Pty Ltd, an entity associated with Mr Peter Mullens
- Metallurgical services \$14,000 to Core Metallurgy, an entity associated with Mr Peter Rohner

Information Provided in Accordance with ASX Listing Rules 5.3.1 and 5.3.2

In accordance with ASX Listing Rule 5.3.1, the Company confirms that there have been no material developments or changes to its exploration activities. A summary of the specific activities undertaken in each project area are provided in the relevant sections of this activity report.

A total of \$3.2 million as incurred in respect of project related expenditure which was focussed on ongoing exploration and resource drilling, and geophysical and geochemical studies at its Yandan, Mt Coolon and Malmsbury gold projects.

In accordance with ASX Listing Rule 5.3.2, the Company advises that there were no changes to Production activities during the June '21 quarter with heap leach production continuing under the Company's interest in the White Dam Gold-Copper heap leach project (50% interest in production cash flow), refer to the relevant section above for further details regarding the White Dam production activities. Total expenditure incurred in respect of the Company's share of production activities for the quarter was \$367,000.

No Mining Development activities were conducted during the June '21 quarter.

This ASX announcement was approved and authorised for release by Peter Rohner, Managing Director.

For further information please contact:

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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 estimate with those announcements continue to apply and have not materially changed.

The information in this report that relates to Exploration Results, Exploration Targets and Mineral Resources is based on information compiled by Peter Mullens, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Peter Mullens is an employee of the company and is a holder of shares and options in the company. Mr Mullens has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mullens consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GBM Resources Limited

ABN

91 124 752 745

Quarter ended ("current quarter")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	249	1,460
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(329)	(1,266)
	(d) staff costs	(86)	(657)
	(e) administration and corporate costs	(201)	(995)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	9
1.5	Interest and other costs of finance paid	(1)	(40)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives (Cash Flow Boost)	-	50
1.8	Other (incl farm in management fee)	-	12
1.9	Net cash from / (used in) operating activities	(364)	(1,427)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements (option fee)	(35)	(45)
	(c) property, plant and equipment	(26)	(551)
	(d) exploration & evaluation	(2,268)	(6,462)
	(e) investments	,	,
	(f) other non-current assets		
	- bonds/deposits	(19)	(45)
	- JV earn-in (plant and equipment)	-	(175)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	592
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Farm-in partner exploration contributions	-	101
2.6	Net cash from / (used in) investing activities	(2,348)	(6,585)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	13,002
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	61
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(33)	(749)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(3)	(3)
3.10	Net cash from / (used in) financing activities	(33)	12,311

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,429	1,382
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(364)	(1,427)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,348)	(6,585)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(36)	12,311

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(5)	(5)
4.6	Cash and cash equivalents at end of period	5,676	5,676

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	5,650	8,403
5.2	Call deposits	26	26
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,676	8,429

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	84
6.2	Aggregate amount of payments to related parties and their associates included in item 2	89

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(364)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,268)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,632)
8.4 Cash and cash equivalents at quarter end (item 4.6)	5,676
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	5,676
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.2
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2021.

Authorised by: The Board of GBM Resources Limited.
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash*

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Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.