



GBM RESOURCES LIMITED

ACN 124 752 745

NOTICE OF GENERAL MEETING

TIME: 9.00 am (WST)

DATE: Friday, 7th August 2009

PLACE: Royal Perth Golf Club
Seminar Room
Labouchere Road
South Perth, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (+61 8) 6424 8637.

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

The General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 9am (WST) on Friday, 7th August 2009 at:

Royal Perth Golf Club
Seminar Room
Labouchere Road
South Perth, Western Australia

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- (a) post to Advanced Share Registry Services, PO Box 1156 Nedlands WA 6909; or
- (b) facsimile to Advanced Share Registry Services on facsimile number (+61 8) 9389 7871,

so that it is received not later than 9.00am (WST) on 5 August 2009.

Proxy Forms received later than this time will be invalid.

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Shareholders will be held at 9.00am (WST) on 7 August 2009 at the Royal Perth Golf Club.

The Explanatory Statement to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Statement and the Proxy Form are part of this Notice of Meeting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company at 5.00pm (WST) on 5th August 2009.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the Glossary.

AGENDA

1. RESOLUTION 1 – PLACEMENT – SHARES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue up to 25,000,000 Shares on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – ISSUE OF SHARES TO GREENDAY CORPORATE PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 1,000,000 Shares to Greenday Corporate Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ISSUE OF SHARES TO EPIC CORPORATE SOLUTIONS PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 400,000 Shares to Epic Corporate Solutions on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. RESOLUTION 4 – ISSUE OF SHARES TO BARRACK & ASSOCIATES

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the Directors to allot and issue 800,000 Shares to Barrack & Associates on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, and any associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – NEIL NORRIS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 13.3 of the Constitution and for all other purposes, Neil Norris, a Director who was appointed on 3rd April 2009 and who retires at this General Meeting, and being eligible, is re-elected as a Director.”

6. RESOLUTION 6 – ISSUE OF SHARES TO DIRECTOR – CAMERON SWITZER

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,800,000 Shares to Mr Cameron Switzer (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Switzer (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. RESOLUTION 7 – ISSUE OF SHARES TO DIRECTOR – PETER MAY

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 1,000,000 Shares to Mr Peter May (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr May (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – ISSUE OF SHARES TO DIRECTOR – PETER THOMPSON

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Shares to Mr Peter Thompson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Thompson (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 – ISSUE OF SHARES TO DIRECTOR – NEIL NORRIS

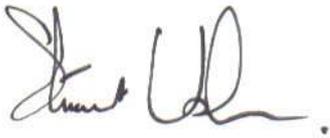
To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

“That, subject to the passing of Resolution 5, for the purposes of Section 208 of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Directors to allot and issue 3,000,000 Shares to Mr Neil Norris (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Mr Norris (or his nominee) or any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the Proxy Form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

DATED: 7 JULY 2009

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Stuart Usher', with a small dot at the end of the signature.

STUART USHER
GBM RESOURCES LIMITED
COMPANY SECRETARY

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared for the information of the Shareholders in connection with the business to be conducted at the General Meeting to be held at 9.00am (WST) on 7 August 2009 at Royal Perth Golf Club.

This purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

1. RESOLUTION 1 – PLACEMENT - SHARES

1.1 General

Resolution 1 seeks Shareholder approval for the allotment and issue of 25,000,000 Shares at an issue price of \$0.02 per Share (**Share Placement**).

None of the subscribers pursuant to this issue will be related parties of the Company.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Directors to issue the Shares pursuant to the Share Placement during the period of 3 months after the General Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

1.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Share Placement:

- (a) the maximum number of Shares to be issued is 25,000,000 (**Placement Shares**);
- (b) the Shares will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that allotment will occur on the same date;
- (c) the issue price will be \$0.02 per Share;
- (d) the Placement Shares will be issued to clients of Cygnet Capital Pty Ltd;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Share Placement for exploration activities on the Brightlands Copper Gold Project near Mount Isa in Queensland.

2. RESOLUTION 2 – ISSUE OF SHARES TO GREENDAY CORPORATE PTY LTD

2.1 General

Resolution 2 seeks Shareholder approval for the allotment and issue of 1,000,000 Shares to Greenday Corporate Pty Ltd (**Greenday**) (the **Greenday Shares**).

Shareholder approval is required pursuant to Listing Rule 7.1.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The Company is seeking shareholder approval for the proposed issue of Greenday Shares under Resolution 2. The effect of this Resolution will be to permit the Directors to issue the Greenday Shares at any time within 3 months of the General Meeting (or a longer period if approved by ASX) without impacting the Company's 15% capacity.

2.2 Technical information required by ASX Listing Rule 7.1

Listing Rule 7.3 requires that the following information be provided to shareholders

- (a) the purpose of the issue of the Greenday Shares is to provide consideration for the corporate advisory fee for the successful management of the Entitlement Issue that closed on the 22 June 2009;
- (b) the Greenday Shares will be allotted and issued to Greenday;
- (c) the maximum number of Greenday Shares to be issued is 1,000,000 at the issue price of 2 cents per share;
- (d) the issue of the Greenday Shares will take place no later than 3 months after the date of the General Meeting (or a longer period, if approved by ASX) and it is intended that allotment will occur on the same date;
- (e) no consideration will be payable for the issue of the Greenday Shares;
- (f) the Greenday Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) no funds shall be raised by the issue of the Greenday Shares.

3. RESOLUTION 3 – ISSUE OF SHARES TO EPIC CORPORATE SOLUTIONS PTY LTD

3.1 General

Resolution 3 seeks Shareholder approval for the allotment and issue of 400,000 Shares to Epic Corporate Solutions Pty Ltd (**Epic**) at an issue price of \$0.03 per Share (the **Epic Shares**).

Shareholder approval is required pursuant to Listing Rule 7.1.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The Company is seeking shareholder approval for the proposed issue of Epic Shares under Resolution 3. The effect of this Resolution will be to permit the Directors to issue the Epic Shares at any time within 3 months of the General

Meeting (or a longer period if approved by ASX) without impacting the Company's 15% capacity.

3.2 Technical information required by ASX Listing Rule 7.1

Listing Rule 7.3 requires that the following information be provided to shareholders:

- (a) the Company outsources the functions of Chief Financial Officer and Company Secretary to Epic and has negotiated a 30% reduction in fees from 1 April 2009 to 31 March 2010. The Epic Shares are being issued in part consideration for these services in lieu of cash. These are part of the cost reduction initiatives resulting in annualised savings of \$400,000 to the Company;
- (b) the Epic Shares will be allotted and issued to Epic;
- (c) the maximum number of Epic Shares to be issued is 400,000;
- (d) the issue of the Epic Shares will take place no later than 3 months after the date of the General Meeting (or a longer period, if approved by ASX) and it is intended that allotment will occur on the same date;
- (e) the issue price will be \$0.03 per Epic Share; a 50% premium to the Entitlement Issue;
- (f) the Epic Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) no funds shall be raised by the issue of the Epic Shares.

4. RESOLUTION 4 – ISSUE OF SHARES TO BARRACK & ASSOCIATES

4.1 General

Resolution 4 seeks Shareholder approval for the allotment and issue of 800,000 Shares to Barrack & Associates (**B & A**) at an issue price of \$0.03 per Share (the **B & A Shares**).

Shareholder approval is required pursuant to Listing Rule 7.1.

A summary of ASX Listing Rule 7.1 is set out in Section 1.1 above.

The Company is seeking shareholder approval for the proposed issue of B & A Shares under Resolution 4. The effect of this Resolution will be to permit the Directors to issue the B & A Shares at any time within 3 months of the General Meeting (or a longer period if approved by ASX) without impacting the Company's 15% capacity.

4.2 Technical information required by ASX Listing Rule 7.1

Listing Rule 7.3 requires that the following information be provided to shareholders:

- (a) the Company outsources the functions of administration, accounting and taxation to B & A and has negotiated a 30% reduction in fees from 1 April 2009 to 31 March 2010. The B&A Shares are being issued in part

consideration for these services in lieu of cash. These are part of the cost reduction initiatives resulting in annualised savings of \$400,000 to the Company;

- (b) the B & A Shares will be allotted and issued to B & A;
- (c) the maximum number of B & A Shares to be issued is 800,000;
- (d) issue of the B & A Shares will take place no later than 3 months after the date of the General Meeting (or a longer period, if approved by ASX) and it is intended that allotment will occur on the same date;
- (e) the issue price will be \$0.03 per B & A Share; a 50% premium to the Entitlement Issue;
- (f) the B & A Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (g) no funds shall be raised by the issue of the B & A Shares.

5. RESOLUTION 5 – RE-ELECTION OF DIRECTOR – NEIL NORRIS

Clause 13.3 of the Constitution allows the Directors to appoint at any time a person to be a Director as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election.

Mr Neil Norris will retire in accordance with clause 13.3 of the Constitution and being eligible seeks re-election.

6. RESOLUTIONS 6, 7, 8 AND 9 – ISSUE OF SHARES TO DIRECTORS

6.1 Background

The Company implemented cost reduction initiatives on 1 April 2009 for 12 months in which salaries for the Managing Director and Exploration Manager (recently appointed Exploration Director) were reduced by 30%. Further, all director fees were reduced by 30% from 1 April 2009 to 31 March 2010 which form part of the annualised savings of \$400,000 to the Company. These savings will directly improve the cash position of the Company and positively reflects the commitment by executive management and the Board in achieving the objectives of the Company.

Resolutions 6 to 9 seek Shareholder approval for the allotment and issue of a total of 8,800,000 Shares to Cameron Switzer, Peter May, Peter Thompson and Neil Norris (**Related Parties**) in lieu of historical and future fees for the period between 1 April 2009 to 31 March 2010. The issue price will be at 3 cents per share a 50% premium to the Entitlement Offer.

Messrs Switzer, May, Thompson and Norris are related parties of the Company because they are Directors of the Company (for Mr Norris, this issue is subsequent to his appointment as a Director under Resolution 5).

6.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in Sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in Sections 210 to 216 of the Corporations Act.

6.3 ASX Listing Rule 10.11

In addition, ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

The issue of Shares to the Directors in lieu of their fees (the **Director Remuneration Shares**) requires the Company to obtain Shareholder approval because the issue of Director Remuneration Shares constitutes giving a financial benefit to Related Parties of the Company.

It is the view of the Directors that the exceptions set out in Sections 210 to 216 of the Corporations Act and ASX Listing Rule 10.12 may not apply in the current circumstances. Accordingly, Shareholder approval is sought for the issue of Director Remuneration Shares to the Related Parties.

6.4 Shareholder Approval (Chapter 2E of the Corporations Act and Listing Rule 10.11)

Pursuant to and in accordance with the requirements of Sections 217 to 227 of the Corporations Act and ASX Listing Rule 10.13, the following information is provided in relation to the proposed issue of Director Remuneration Shares:

- (a) the related parties are Messrs Cameron Switzer, Peter May, Peter Thompson and Neil Norris, and they are related parties by virtue of being Directors;
- (c) the maximum number of Shares to be issued are:

| Related Party | Shares |
|----------------------|---------------|
| Mr Switzer | 1,800,000 |
| Mr May | 1,000,000 |
| Mr Thompson | 3,000,000 |
| Mr Norris | 3,000,000 |

- (d) the Director Remuneration Shares will be issued to the Related Parties no later than 1 month after the date of the General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules) and it is anticipated the Director Remuneration Shares will be issued on one date;

- (e) the Director Remuneration Shares will be issued for nil cash consideration, accordingly no funds will be raised;
- (f) the Director Remuneration Shares will be issued on the same terms and conditions as all other fully paid ordinary shares of the Company;
- (g) in the 12 months before the date of this Notice the highest, lowest and latest trading price of Shares on ASX are as set out below:

| | |
|---------|------------|
| Highest | 15.0 cents |
| Lowest | 1.6 cents |
| Last | 5.0 cents |

- (h) if Shareholders approve the issue of Director Remuneration Shares, the effect will be to dilute the shareholding of existing Shareholders by approximately 7.43% (based on there being 109,598,504 Shares on issue at the date of this Notice);
- (i) there may be a perceived benefit given to the Directors if the trading price of the Company's Shares is greater than the issue price of the Director Remuneration Shares as at the date they are issued;
- (j) the relevant interests of the Related Parties in securities of the Company are set out below;

| Related Party | Shares | Options |
|----------------------|------------------------|------------------------|
| Mr Switzer | 4,593,750 ¹ | 4,346,875 ² |
| Mr May | 1,097,250 ³ | 1,032,350 ⁴ |
| Mr Thompson | 6,562,580 ⁵ | 4,937,525 ⁶ |
| Mr Norris | 6,250,000 ⁷ | 3,093,635 ⁸ |

¹ 2,756,250 Shares held in the name of Carpentaria Corporation Pty Ltd <Daikoku Investments A/C> of which Mr Switzer is both a director and beneficiary 1,837,500 Shares held in the name of Carpentaria Corporation Pty Ltd <Cameron Switzer Super Fund> of which Mr Switzer is both a director and beneficiary

² 1,000,000 held in the name of Carpentaria Corporation Pty Ltd <Daikoku Investments A/C> of which Mr Switzer is both a director and beneficiary, exercisable at 25 cents expiring 30 June 2010, 1,9,68,750 held in the name of Carpentaria Corporation Pty Ltd <Daikoku Investments A/C> of which Mr Switzer is both a director and beneficiary, exercisable at 22 cents expiring 30 June 2010 and 1,378,125 held in the name of Carpentaria Corporation Pty Ltd < Cameron Switzer Super Fund > of which Mr Switzer is both a director and beneficiary, exercisable at 25 cents expiring 30 June 2010.

³ Held in the name of Health & Technology Developments Pty Ltd of which Mr May is both a director and beneficiary exercisable at 25 cents expiring 30 June 2010.

⁴ The following Options are held in the name of Health & Technology Developments Pty Ltd of which Mr May is both a director and beneficiary.

⁵ 5,729,166 Shares held in the name of Superfine Nominees Pty Ltd <PW & CL Superannuation Fund> of which Mr Thompson is both a director and beneficiary.

833,413 Shares held in the name of Regalquest Investments Pty Ltd of which Mr Thompson is both a director and shareholder.

⁶ The following Options are held in the name of Superfine Nominees Pty Ltd <PW & CL Superannuation Fund> of which Mr Thompson is both a director and a beneficiary:

- (i) 1,718,750 Options exercisable at 25 cents expiring 30 June 2010; and
- (ii) 1,718,750 Options exercisable at 22 cents expiring 30 June 2010.

The following Options are held in the name of Regalquest Investments Pty Ltd of which Mr Thompson is both a director and shareholder:

- (i) 250,000 Options exercisable at 22 cents expiring 30 June 2010; and
- (ii) 1,250,025 Option exercisable at 25 cents expiring 30 June 2010.

⁷ 3,750,000 Shares held in the name of De Gracie Nominees Pty Ltd <The Le Havre A/C> of which Mr Norris is both a director and beneficiary 2,500,000 Shares held in the name of North Atlantic Superannuation Fund of which Mr Norris is both a director and beneficiary.

⁸ 500,000 held in the name of Neil Norris, exercisable at 25 cents expiring 30 June 2010, 2,593,635 held in the name of Gracie Nominees Pty Ltd <The Le Havre A/C> of which Mr Norris is both a director and beneficiary, exercisable at 25 cents expiring 30 June 2010.

- (k) the remuneration and emoluments from the Company to the Related Parties for both the current financial year and previous financial year are set out below:

| Related Party | Current Financial Year | Previous Financial Year |
|----------------------|-------------------------------|--------------------------------|
| Mr Switzer | \$33,163 | \$43,801 |
| Mr May | \$33,729 | \$54,973 |
| Mr Thompson | \$205,083 | \$104,886 |
| Mr Norris | \$37,564 | Nil |

- (l) the trading history of the Shares on ASX in the 12 months before the date of this Notice of General Meeting is set out below:

| | Price | Date |
|---------|--------------|---------------|
| Highest | \$0.15 | 5 August 2008 |
| Lowest | \$0.016 | 3 April 2009 |
| Last | \$0.050 | 6 July 2009 |

- (m) the primary purpose of the issue of Director Remuneration Shares to Cameron Switzer is to be provided in lieu of historical and future fees for the period between 1 April 2009 to 31 March 2010. The Board (other than Cameron Switzer) does not consider that there are any significant opportunity costs to the Company or benefits foregone by the

Company in issuing the Director Remuneration Shares upon the terms proposed;

- (n) the primary purpose of the issue of Director Remuneration Shares to Peter May is to be provided in lieu of historical and future fees for the period between 1 April 2009 to 31 March 2010. The Board (other than Peter May) does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Remuneration Shares upon the terms proposed;
- (o) the primary purpose of the issue of Director Remuneration Shares to Peter Thompson is to be provided in lieu of historical and future fees for the period between 1 April 2009 to 31 March 2010. The Board (other than Peter Thompson) does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Remuneration Shares upon the terms proposed;
- (p) the primary purpose of the issue of Director Remuneration Shares to Neil Norris is to be provided in lieu of historical and future fees for the period between 1 April 2009 to 31 March 2010. The Board (other than Neil Norris) does not consider that there are any significant opportunity costs to the Company or benefits foregone by the Company in issuing the Director Remuneration Shares upon the terms proposed; and
- (q) the Board acknowledges the issue of Director Remuneration Shares to contrary to Recommendation 9.3 of the ASX Good Corporate Governance and Best Practice Recommendations. However, the Board considers the issue of Director Remuneration Shares to Messrs Switzer, May, Thompson and Norris reasonable in the circumstances, given the necessity to attract the highest calibre of professionals to the Company, whilst maintaining the Company's cash reserves.

Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the Director Remuneration Shares to the Related Parties as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Director Remuneration Shares to the Related Parties will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

7. ENQUIRIES

Shareholders are required to contact Stuart Usher on (+ 61 8) 6424 8637 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Company means GBM Resources Limited (ACN 124 752 745).

Constitution means the Company's constitution.

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice of Meeting.

General Meeting means the meeting convened by the Notice of Meeting.

Notice of Meeting or **Notice of General Meeting** means this notice of general meeting including the Explanatory Statement.

Option means an option to acquire a Share.

Resolutions means the resolutions set out in the Notice of Meeting, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

PROXY FORM

**APPOINTMENT OF PROXY
GBM RESOURCES LIMITED
ACN 124 752 745**

GENERAL MEETING

I/We

of

being a member of GBM Resources Limited entitled to attend and vote at the General Meeting, hereby

Appoint

Name of proxy

OR the Chair of the General Meeting as your proxy

or failing the person so named or, if no person is named, the Chair of the General Meeting, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, as the proxy sees fit, at the General Meeting to be held at 9 am (WST) on 7 August 2009 at the Royal Perth Golf Club, and at any adjournment thereof.

If no directions are given, the Chair will vote in favour of all the Resolutions.

If the Chair of the General Meeting is appointed as your proxy, or may be appointed by default, and you do **not** wish to direct your proxy how to vote as your proxy in respect of **Resolutions 1 to 9** please place a mark in this box.

By marking this box, you acknowledge that the Chair of the General Meeting may exercise your proxy even if he has an interest in the outcome of Resolutions 1 to 9 and that votes cast by the Chair of the General Meeting for Resolutions 1 to 9 other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on Resolutions 1 to 9 and your votes will not be counted in calculating the required majority if a poll is called on Resolutions 1 to 9.

OR

Voting on Business of the General Meeting

ABSTAIN

- Resolution 1 – Placement - Shares
- Resolution 2 – Issue of Shares to Greenday Corporate Pty Ltd
- Resolution 3 – Issue of Shares to Epic Corporate Solutions Pty Ltd
- Resolution 4 – Issue of Shares to Barrack & Associates
- Resolution 5 – Re-Election of Director – Neil Norris
- Resolution 6 – Issue of Share to Director – Cameron Switzer
- Resolution 7 – Issue of Share to Director – Peter may
- Resolution 8 – Issue of Share to Director – Peter Thompson
- Resolution 9 – Issue of Share to Director – Neil Norris

FOR AGAINST

| | | |
|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Signature of Member(s): _____

Date: _____

Individual or Member 1

Member 2

Member 3

**Sole
Secretary**

Director/Company

Director

Director/Company Secretary

Contact Name: _____ **Contact Ph (daytime):** _____

GBM RESOURCES LIMITED
ACN 124 752 745

Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a Proxy):** A member entitled to attend and vote at a General Meeting is entitled to appoint not more than two proxies to attend and vote on a poll on their behalf. The appointment of a second proxy must be done on a separate copy of the Proxy Form. Where more than one proxy is appointed, such proxy must be allocated a proportion of the member's voting rights. If a member appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes. A duly appointed proxy need not be a member of the Company.
2. **(Direction to Vote):** A member may direct a proxy how to vote by marking one of the boxes opposite each item of business. Where a box is not marked the proxy may vote as they choose. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing Instructions):**
 - **(Individual):** Where the holding is in one name, the member must sign.
 - **(Joint Holding):** Where the holding is in more than one name, all of the members should sign.
 - **(Power of Attorney):** If you have not already provided the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual members from attending the General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the General Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to Advanced Share Registry Services, PO Box 1156 Nedlands WA 6909; or
 - (b) facsimile to Advanced Share Registry Services on facsimile number +61 89389 7871,

so that it is received not later than 9am am (WST) on 5 August 2009.

Proxy forms received later than this time will be invalid.