

22 June 2010

The Manager
Company Announcements
Australian Securities Exchange
Level 5, 20 Bridge Street
Sydney NSW 2000

Dear Sirs

Exploration to Commence on Pan Pacific Copper A\$55 million Farm- in Agreement

GBM Resources Limited (ASX:GBZ) is pleased to advise that all Conditions Precedent under the Farm-in Agreement with Pan Pacific Copper Co., Limited. ('PPC') have now been completed.

The exploration farm-in budget for the financial year (ending April 2011) of \$1.17 million has been approved by PPC. The expenditure for the subsequent year is forecasted to be \$2.5 million. The exploration programs will commence next month.

On 15 April 2010 the company announced to the ASX the execution of a binding Farm-in Agreement with PPC in relation to five project areas in the Mt. Isa region of North Queensland.

Under the Farm-in Agreement, PPC could spend up to A\$55m on the development of new copper–gold exploration and mining projects in northwest Queensland.

During the farm-in period GBM will manage all exploration activities for PPC at the Mt Isa projects, which cover 1,580 square kilometres of ground in the Eastern Succession of the Mount Isa Inlier. These areas are considered highly prospective for large Iron Oxide Copper Gold style deposits.

The finalization of the Farm-in Agreement with PPC represents a major step in realising value from GBM's extensive tenement portfolio in the Mount Isa region.

Yours sincerely

Peter Thompson
Managing Director

About Pan Pacific Copper Co., Limited.

PPC is the world's largest buyer of copper concentrate procuring in the order of 2 million tonnes per annum with annual sales revenue over A\$7 billion.

PPC (whose shareholders are Nippon Mining & Metals and Mitsui Mining & Smelting) is an integrated copper business involved in the full value chain including the procurement and development of copper resources, the production of refined copper and related by-products and the marketing of those products in Japan, Korea, other countries and in particular to meet the increasing demand from China.

Farm-in Projects Areas

The Mt Isa projects (see map) subject to this Agreement are;

1. Talawanta
2. Grassy Bore
3. Mt Margaret
4. Bungalien(excluding phosphate rights); and
5. the Chumvale Breccia prospect located within the Brightlands tenement representing less than 3.0% of the area of the tenement.

PPC farm in areas are shown in red:

