

ASX Announcement
21 September 2010

Phosphate Deal Secures GBM Resources with \$1.8m in Funding

Australian resources company GBM Resources Limited (ASX code: GBZ) (“GBM” or “the Company”) is pleased to announce that it has entered into a binding agreement with Swift Venture Holdings Corporation (SVH) over the company’s phosphate assets located southeast of Mount Isa in North Queensland.

Under terms of the agreement SVH will acquire a 70% interest in the phosphate assets by subscribing for a placement of 17.8 million shares at an issue price of A\$0.10 and 17.8 million options exercisable at A\$0.20 on or before 30 June 2013. The total subscription amount of A\$1.78 million is to be settled within 7 days.

Of the SVH placement funds, A\$280,000 of working capital will be allocated to phosphate exploration in which GBM will manage on behalf of SVH. GBM retains a 30% free carried interest until completion of a bankable feasibility study.

The original terms of the option agreement was announced on 8 July 2010 and can be viewed on the Company’s website www.gbmr.com.au.

Key differences from the prior phosphate agreement are:

1. GBM increases its retained interest to 30%, a 10% increase.
2. A\$280,000 of GBM’s working capital will be allocated to phosphate exploration which reduces its commitment from the previous A\$600,000. All future exploration expenditure will be met by SVH.
3. The Company has reduced the share subscription by 10.2 million shares and options.

Greenday Corporate has acted as advisors to the phosphate transaction.

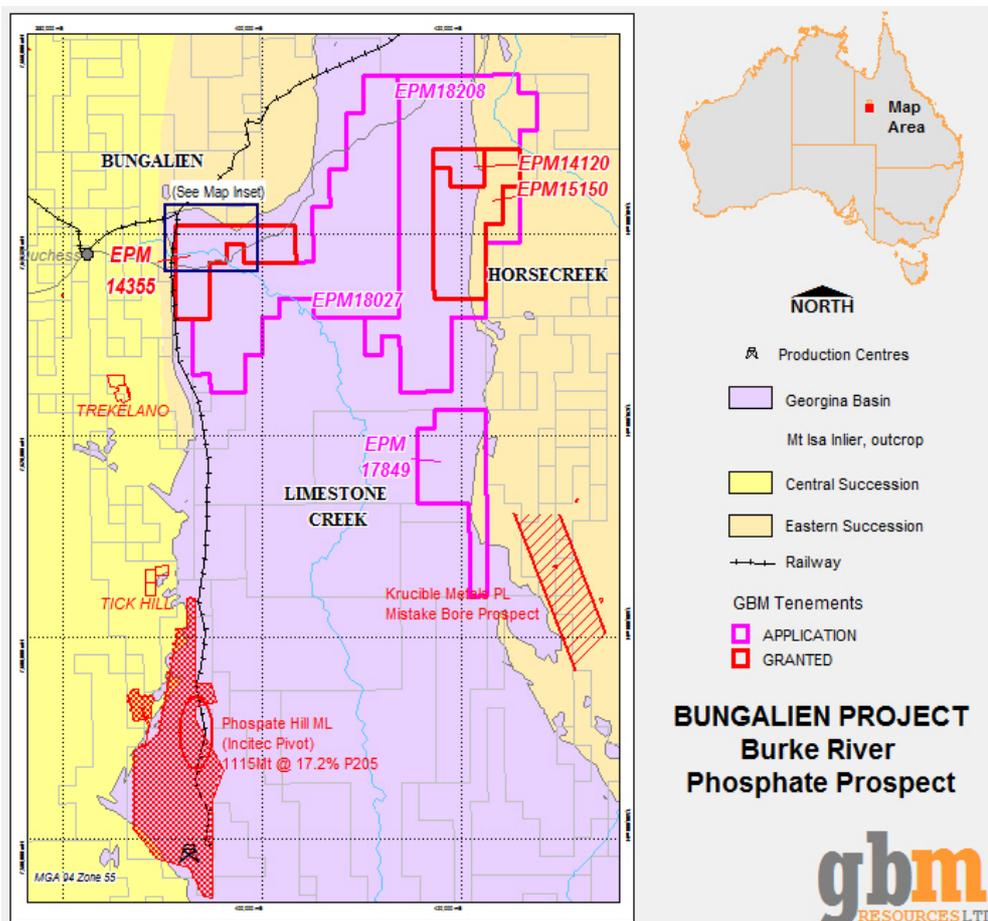
This transaction completes the Company’s successful funding strategies in recent months, whereby together the placement, priority offer and joint venturing its phosphate rights have raised gross proceeds of A\$3 million at a significant premium to the current market price for GBM shares. The company is now fully funded for its exploration activities into next year.

GBM’s core focus remains the copper gold assets in northern Queensland with the remaining funds to be used on exploration activities at its flagship Brightlands copper gold Project and the gold exploration assets at Malmsbury in central Victoria.

Phosphate Projects (EPM14355,14120 &15150 and EPMA 17849,18207 &18208)

In 2008 drilling completed by GBM, confirmed widespread phosphate mineralisation at the Bungalien tenement. Peak phosphate values of more than 22% P₂O₅ were among some of the strongest results from the 1,000 metre Reverse Circulation program.

Bungalien and the other projects are contained within the area's phosphate-rich Beetle Creek Formation, part of the broader Georgina Basin mineralised footprint near Mount Isa.



Note; The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of the company. Mr Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.



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