

ASX Announcement
2 October 2012

GBM ATTRACTS UP TO \$3.1M IN BACKING FROM SINGAPOREAN CONSORTIUM

Australian resources company GBM Resources Limited (**ASX: GBZ**) (“GBM” or “the Company”) is pleased to announce it has secured an agreement to place up to 19.9% of shares in the capital of the company with a Singaporean Consortium led by Lion Resources Development Pte Ltd. If fully completed, the agreement will raise up to approximately A\$3.1 million.

The Placement will be made in two tranches. The placement of the first tranche of 20 million shares at 5 cents per share for \$ 1.0 million has been completed. This is a 11% premium to GBM’s last closing price. Tranche 1 falls within GBM’s existing 15% placement capacity.

The second tranche provides the consortium a 90 day option period to increase their holding to 19.9% of the company’s ordinary shares - which will be approximately 41.4 million shares at 5 cents per share raising \$2.1 million under the second tranche option. The second tranche option is subject to Shareholder approval at the AGM to be held late November 2012.

This funding initiative is a significant outcome for the company. Key Highlights are as follows:

- Introduction of a major investment group as new shareholders. This new consortium can potentially underwrite the Company’s future growth plans.
- This funding allows the company to complete additional work for development of the Milo Rare Earths – IOCG Project in Queensland, to progress work on its Gold assets and to provide working capital.

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