

ASX Announcement
14 May 2013

GBM Signs MOU To Acquire Interest in Malaysian Gold Project

Australian resources company GBM Resources Limited (**ASX: GBZ**) (“GBM” or “the Company”) advises that it has entered into a Memorandum of Understanding (“MOU”) with Angka ALamjaya Sendirian Berhad (AASB) over the Lubuk Mandi Gold Mine located near the State capital of Terengganu , Malaysia.

The MOU is non-binding and the parties have agreed to negotiate in good faith and best endeavours to agree binding terms with a view to undertaking a Share Swap Arrangement between GBM and AASB whereby GBM will acquire a majority stake in AASB.

GBM has an exclusive due diligence period to 31 May 2013.

The Lubuk Mandi Gold Mine, which was previously owned and operated by government body Terengganu State Economic Development, in the mid 90’s, produced 108,000 ounces of gold from two shallow pits. The associated processing plant is rated at 300,000t/p.a and involves single stage crushing to a stockpile and mill. The mine and processing plant have been on care and maintenance since 2000.

The project area covers 404.7 hectares and includes 1.3 million tonnes of tailings which have the potential for further gold recovery.

The Due diligence process is currently underway and some of the key outcomes being investigated include an early start up scenario, requirements to achieve a Resource, funding options and valuation.

GBM believes this project represents an excellent opportunity to transit from explorer to producer and is being supported in this strategy by its major Singaporean shareholders.

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