

29th October 2013

Significant Copper-in-Soil Anomaly and Porphyry-style Alteration Zone Defined at Mt Morgan Gold-Copper Project, QLD.

HIGHLIGHTS:

- **Significant, semi-continuous copper-in-soil anomaly, >2.5 km in length and open to the north**
- **Extensive scattered copper oxide along with native copper observed in outcrop**
- **Very large and intense porphyry-style propylitic alteration zone associated with soil and rock-chip mineralisation and hydrothermal breccia development**
- **Significant NW-trending regional structure defined by K:Th radiometric anomaly**

Australian resources company **GBM Resources Limited** (ASX: **GBZ**) ("**GBM**" or "**the Company**") is pleased to advise that recent work at its Mount Morgan Project has defined a significant and extensive zone of porphyry-style hydrothermal alteration with associated copper mineralisation at the Oakey Creek prospect.

The Company ranked the prospect area for attention on the strength of a linear K:Th airborne radiometric anomaly parallel to the regional structural trend along with the presence of historic copper oxide workings. Reconnaissance mapping revealed an extensive zone of porphyry-style propylitic alteration consisting of epidote, k-spar, quartz, carbonate and specularite completely replacing the host fine-grained volcanic rock.

The alteration zone is at least 3.2km x 1km in size, and is parallel to and partly overlapping the radiometric anomaly. The linear nature of the alteration zone and its orientation suggests fault control to the system. Pods or dykes of a felsic feldspar porphyry rock are scattered throughout the alteration zone and may have a genetic relationship to the alteration and mineralisation.

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Localised zones of intense copper-bearing hydrothermal breccia were also observed within the main alteration envelope. The breccia is dominated by a quartz, epidote and hematite matrix hosting angular fine grain green clasts up to 10 cm. Copper oxide and occasional native copper is primarily hosted at the boundaries of the angular clasts. The copper-in-soil anomaly generally correlates well with the broad alteration zone and the breccia. The anomaly is open to the north where alteration is known to continue beyond the extent of the current soil grid.

Rock-chip sampling within the alteration and breccia units produced a number of assays returning greater than 0.3% Cu. The best results were 6.74% Cu, 39.8 ppm Ag, and 52 ppb Au. Anomalous gold in soil is also present within the soil survey area with a peak assay of 0.2ppm Au and 31 of the total sample set returning greater than 100ppb Au. The pattern of gold in soil does not correlate particularly well with copper and the low level gold response in the rock-chip samples means more work is required to understand the gold anomalism at Oakey Creek.

The forward program at Oakey Creek Prospect will see extensions to the current soil grid in order to close out the anomaly to the north along with continued detailed mapping and rock-chip sampling. Ground Induced Potential (IP) geophysical surveys will then be considered to help define targets within the large alteration zone for drill testing.

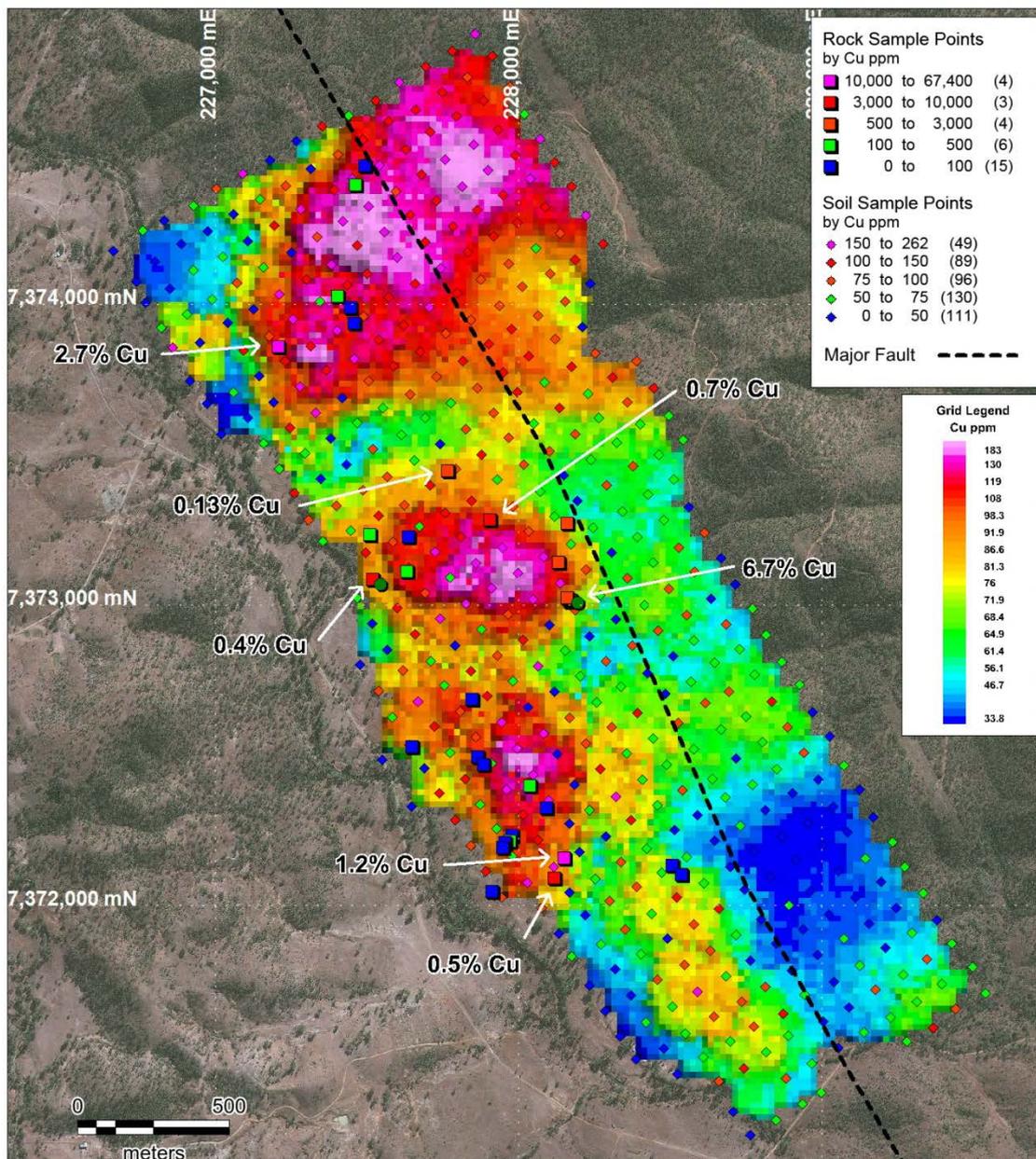


Figure 1: Copper in soil at Oakey Creek prospect. Gridded (Kriged) Cu soil data with rock-chip sample points and Cu assay callouts. GeoEye satellite image as background.

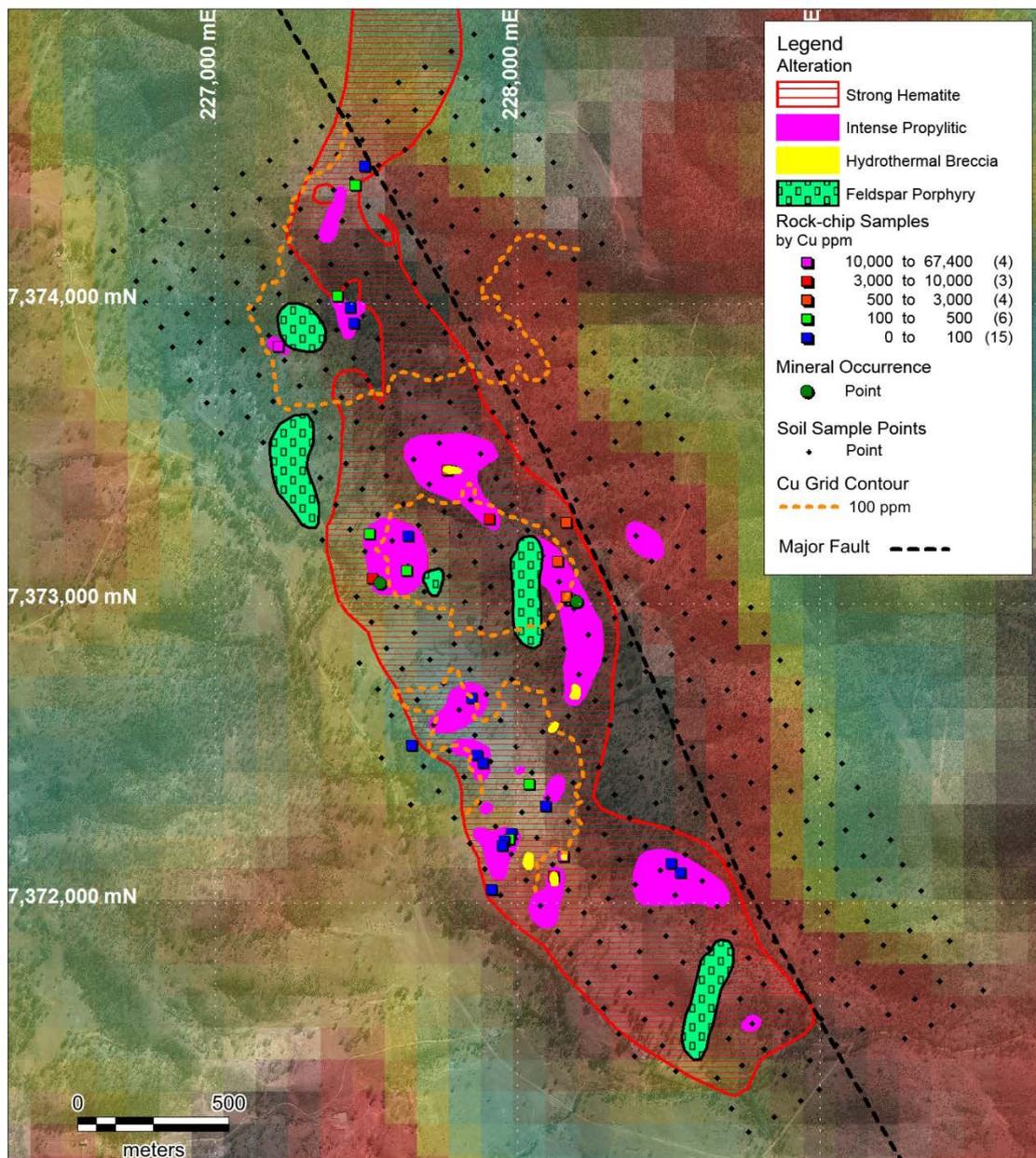


Figure 2: Alteration distribution at Oakey Creek prospect. Broad and continuous zone of hematite alteration encloses extensive areas of intense propylitic-style alteration with localised hydrothermal breccia development. Merged radiometric K:Th image and GeoEye satellite image as background.

The Mt Morgan Project

The Mount Morgan Project is located 40km south west of Rockhampton in Queensland in close proximity to the world class Mt Morgan Copper-Gold mine which produced in excess of 8.0M ounces of gold (Au) and 400,000 tonnes of copper (Cu) metal. The Mount Morgan mine retains the record for the largest gold production of any individual mine in Eastern Australia.

The project area includes nine licenses (six granted) covering over 800 km². Within these existing titles, numerous targets are defined ranging from early stage stream sediment anomalies to drill ready geophysical / geochemical targets (figure 3).

Historic exploration in the Mount Morgan area has primarily focused on the discovery of a Mount Morgan analogue which has, up until recently, been interpreted by many as a VHMS (massive sulphide) type. Until recent GBM work, no activity targeting intrusion related systems had been completed nor had there been thorough examination and interpretation of geophysical datasets or detailed compilation of existing exploration data.

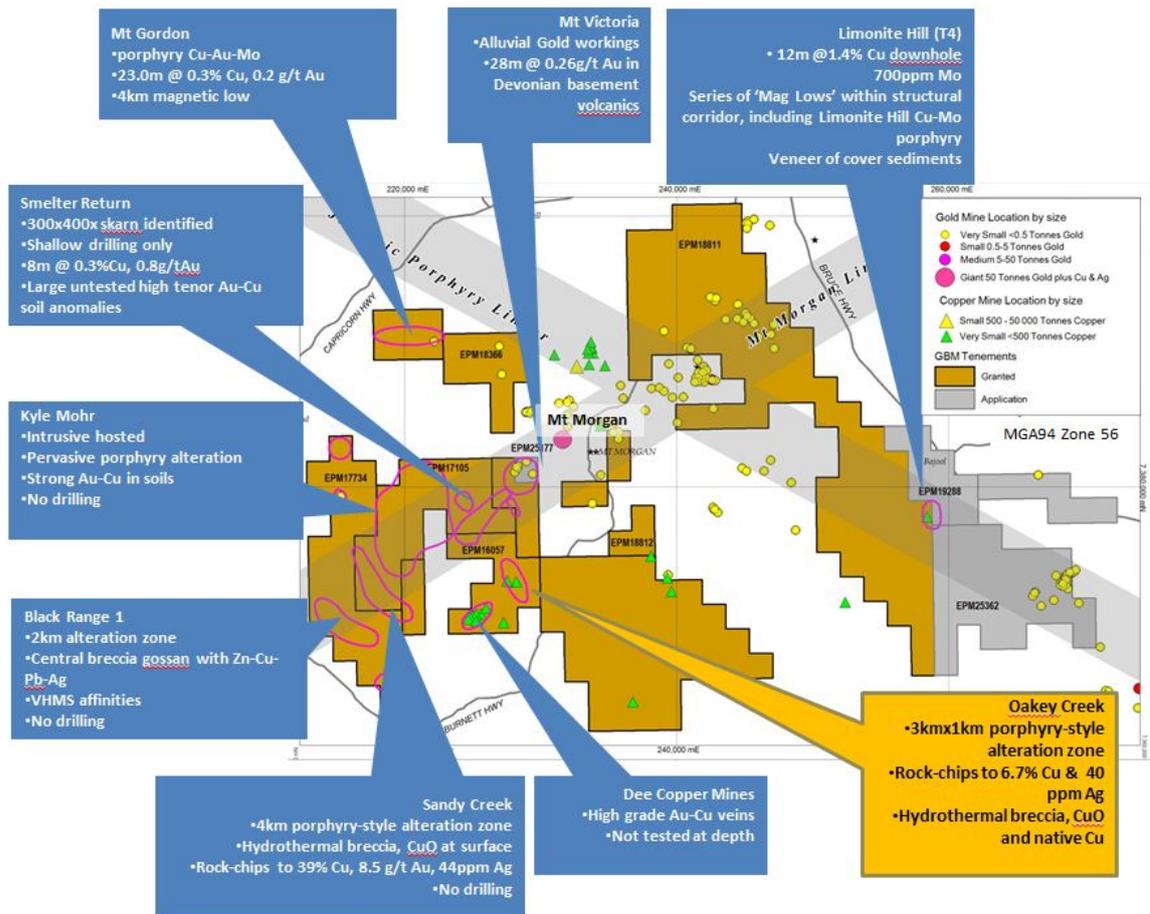


Figure 3: Mount Morgan project tenement and prospect location plan. Oakey Creek prospect highlighted with yellow callout.

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Notes

1. All soil samples were collected from the base of A-horizon (nominally 150mm depth) and sieved at the collection point. The minus 200µ fraction was then pulped and assayed at ALS Laboratories Brisbane by methods ME-ICP61 and Au-AA23.

2. All rock-chip samples were collected from outcrop or subcrop. The samples were then sent to ALS Laboratories Brisbane for pulping and assay by methods ME-ICP61 and Au-AA23.

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.