

8 July 2010

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

Dear Sirs

Option to Acquire GBM's Queensland Phosphate Assets

GBM Resources Limited (ASX code: "GBZ") is pleased to announce that Singapore based investor, Swift Venture Holdings Corporation (SVH) has taken an option over GBM's phosphate assets located southeast of Mount Isa in North Queensland.

Under the terms of the agreement SVH can acquire an 80% interest in the phosphate assets by subscribing for a placement of 28 million shares at an issue price of A\$0.10 and 28 million options exercisable at A\$0.20 on or before 30 June 2013. The total subscription value to be paid by SVH is A\$2.8 million.

SVH has paid A\$280,000 for the 60 day option and has until 30 August in which to complete due diligence and pay the balance of funds totalling A\$2.52 million.

Of the placement funds, \$600,000 will be allocated to phosphate exploration in which GBM will manage on behalf of SVH. GBM will retain a 20% free carried interest until completion of a bankable feasibility study.

If the option is not exercised GBM will retain the option payment and issue SVH with 2.8 million fully paid ordinary shares at an issue price of A\$0.10 cents per ordinary share and 2.8 million options exercisable at A\$0.20 on or before 30 June 2013.

Essentially, the phosphate assets have been leveraged to potentially raise funds at a premium to GBM's current market price. GBM's core focus remains the copper gold assets in northern Queensland and in particular the priority on the Brightlands copper gold project and the gold exploration assets at Malmsbury in central Victoria.

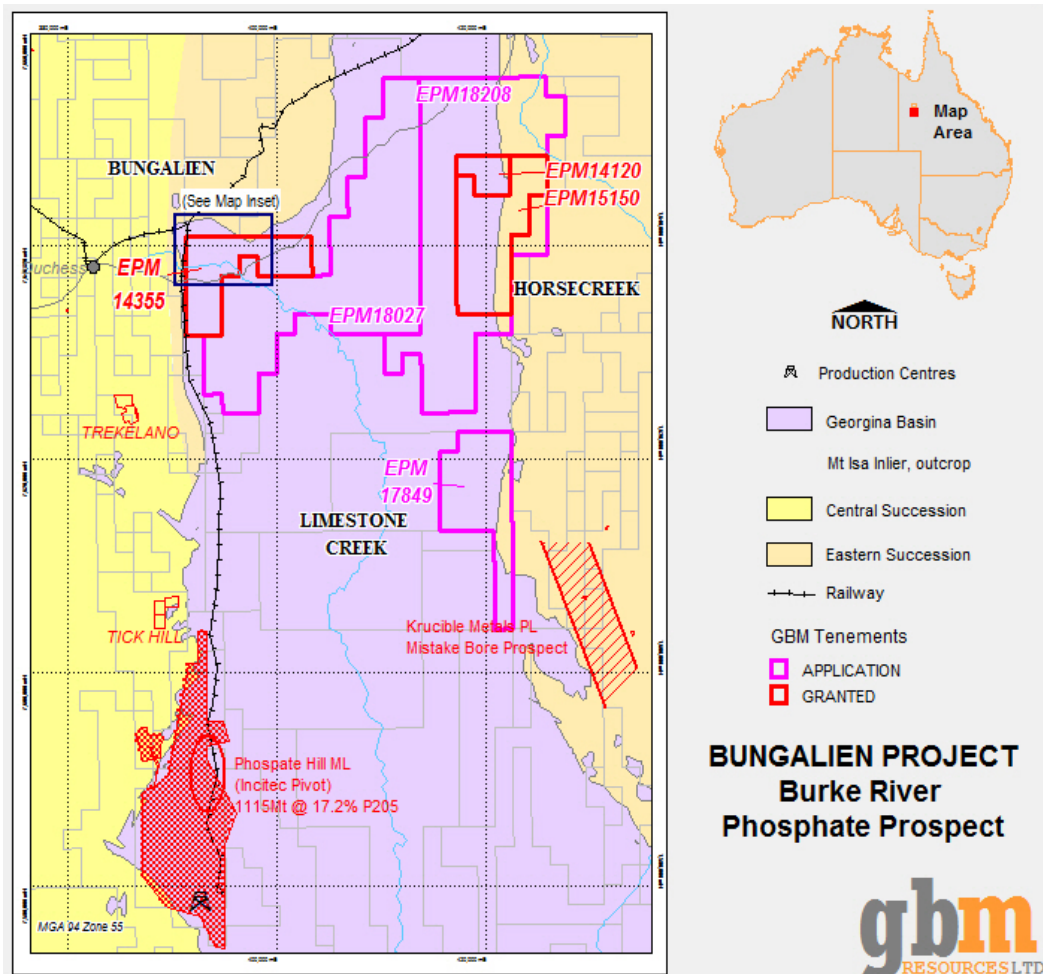
Yours sincerely

Peter Thompson
Managing Director

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

Drilling completed by GBM Resources in December 2008, 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.