

12 July 2013

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

Dear Sir/Madam

PRIORITY ENTITLEMENT ISSUE PROSPECTUS AND APPENDIX 3B

Please find attached a prospectus in relation to a pro rata non-renounceable priority entitlement issue on the basis of 1 option for every 2 expired options held by qualifying optionholders as at 30 June 2013. The options pursuant to this Offer will be issued at \$0.005 each, to raise up to \$323,732 before costs of the Offer.

The Company will make an application to the Australian Securities Exchange (ASX) for official quotation of the Options.

The issue of Options under the Prospectus is conditional on shareholders of the Company approving the issue of the Options at the General Meeting to be held on 22 July 2013.

With respect to the Priority Offer, the Company will accept applications until 5.00pm WST on Tuesday 13 August 2013 or such other date the Directors in their absolute discretion determine, subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable law. An indicative timetable for the Priority Offer is as follows:

Record Date (5.00pm)	30 June 2013
Lodgement of Prospectus with ASIC	12 July 2013
Prospectus despatched to Qualifying Optionholders	16 July 2013
General Meeting (to approve issue of Options under this Prospectus)	22 July 2013
Closing Date of Offer	13 August 2013
Despatch date	16 August 2013

GBM Resources Limited



Kevin Hart
Company Secretary

GBM RESOURCES LIMITED
ACN 124 752 745

PRIORITY ENTITLEMENT ISSUE PROSPECTUS

For a pro rata non-renounceable priority entitlement issue on the basis of one (1) Option for every two (2) Expired Options held by Qualifying Optionholders at an issue price of \$0.005 per Option, to raise up to approximately \$323,732 (**Entitlement Issue**).

The issue of Options under this Prospectus is conditional on Shareholders approving the issue of the Options at the General Meeting.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Options being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Options offered by this Prospectus should be considered as speculative.

TABLE OF CONTENTS

1.	SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES	1
2.	CORPORATE DIRECTORY.....	5
3.	DETAILS OF THE OFFER.....	6
4.	PURPOSE AND EFFECT OF THE OFFER.....	11
5.	RIGHTS ATTACHING TO OPTIONS AND UNDERLYING SECURITIES.....	15
6.	RISK FACTORS	18
7.	ADDITIONAL INFORMATION	24
8.	AUTHORITY OF DIRECTORS.....	29
9.	DEFINITIONS	30

1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

TIMETABLE AND IMPORTANT DATES*

Record Date	5.00pm (WST) 30 June 2013
Lodgement of Prospectus with ASIC	12 July 2013
Prospectus despatched to Qualifying Optionholders	16 July 2013
General Meeting (to approve issue of Options under this Prospectus)	22 July 2013
Closing Date of Offer	5.00pm (WST)13 August 2013
Despatch of holding statements	16 August 2013

* These dates are indicative only and may be changed without notice. The Company reserves the right to extend the Closing Date or close the Offer early without notice.

IMPORTANT NOTES

Qualifying Optionholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 12 July 2013 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 12 August 2014 (**Expiry Date**). No Options will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Options offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

FOREIGN JURISDICTIONS

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

Foreign offer restrictions

This Prospectus may not be released or distributed outside Australia except to persons who subscribed for Options under the Offer who are resident in [New Zealand and Singapore].

Shareholders resident in Australia, [New Zealand or Singapore] holding Securities on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other country. In particular, any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

New Zealand

The Offer is being made in New Zealand pursuant to the *Securities Act (Overseas Companies) Exemption Notice 2013* (NZ).

The Offer and the content of the Prospectus are principally governed by Australian rather than New Zealand law. In the main, the Corporations Act sets out how the Offer must be made.

There are differences in how securities are regulated under Australian law and the taxation treatment of Australian securities is not the same as for New Zealand securities.

Singapore

This document and any other materials relating to the Options have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of securities, may not be issued, circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you were (i) an existing holder of the Company's options at the Record Date of the Offer, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person (as defined in section 275(2) of the SFA). In the event that you are not an investor falling within this category set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Currency Risk

The Offer may involve a currency exchange risk. The currency for the Options is Australian dollars. The value of the Options will go up or down according to changes in the exchange rate between that currency and currencies in foreign jurisdictions. These changes may be significant.

General

If you are uncertain about whether this investment is appropriate for you, you should seek the advice of an appropriately qualified financial adviser.

As noted in the Prospectus at Section 3.8, the Company will apply to the ASX for quotation of the Options offered under this Prospectus. If quotation is granted, the Options offered under this Prospectus will be able to be traded on the ASX. If you wish to trade the Options through that market, you will have to make arrangements for a participant in that market to sell the Options on your behalf. As the ASX does not operate in [New Zealand or Singapore], the way in which the market operates, the regulation of participants in that market, and the information available to you about the securities and trading may differ from securities markets that operate in [New Zealand or Singapore].

RISK FACTORS

Potential investors should be aware that subscribing for Securities in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 6 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Securities in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

DIRECTORS' INTEREST IN SECURITY HOLDINGS

The relevant interest of each of the Directors in the securities of the Company as at the date of the Prospectus, together with their respective Entitlement, is set out in the table below.

Name	Shares	Options Expired	New Option Entitlement	Remuneration (\$) ¹
Cameron Switzer	6,693,375	4,346,875	2,173,437	27,000
Sunny Loh	12,067,131	17,800,000	8,900,000	27,000
Neil Norris	9,550,000	3,093,635	1,546,818	225,000
Peter Thompson	9,862,582	4,937,525	2,468,763	225,000

1. Remuneration from 1 July 2012 to 31 March 2013 (inclusive of superannuation)

The Board recommends all Optionholders take up their Entitlement.

DETAILS OF SUBSTANTIAL HOLDER

Based on publically available information as at 8 July 2013 those persons having a relevant interest in 5% or more of the Shares on issue are as follows

Shareholder	No. of shares	%
Chew Leok Chuan	19,900,000	6.08

ELECTRONIC PROSPECTUS

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Entitlement and Acceptance Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

2. CORPORATE DIRECTORY

Directors

Mr Peter Thompson , Executive Chairman

Mr Neil Norris, Executive Director

Mr Sunny Loh, Non Executive Director

Mr Cameron Switzer, Non Executive Director

Company Secretary

Mr Kevin Hart

Registered Office

Suite 8
7 The Esplanade
Mount Pleasant, WA 6153

Principal Place of Business

Suite 8
7 The Esplanade
Mount Pleasant, WA 6153

General Enquiries:

Telephone: (08) 9316 9100

Facsimile: (08) 9315 5475

Share Registry*

Advanced Share Registry Services
150 Stirling Highway
Nedlands WA 6008

Telephone: (08) 9389 8033

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Auditor*

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

3. DETAILS OF THE OFFER

3.1 Offer

By this Prospectus the Company offers for subscription, on a non-renounceable basis, one (1) new Option for every two (2) Expired Options held by Qualifying Optionholders on the Record Date at an issue price of \$0.005 per Option. Fractional entitlements will be rounded up to the nearest whole number.

The Offer is subject to and conditional upon shareholders of the Company approving the issue of the Options under this Prospectus at the General Meeting to be held on 22 July 2013. If this shareholder approval is not obtained, the Offer will not proceed and all application monies will be refunded without interest.

The Options issued under this Prospectus will be exercisable at \$0.035 on or before 30 June 2016. The full terms of the Options are set out in Section 5.1 of this Prospectus.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of Options to be issued pursuant to the Offer is approximately 64,746,562 Options. The Offer will raise approximately \$323,732 (if fully subscribed). The purpose of the Offer and the use of funds raised are set out in Section 4 of this Prospectus.

3.2 How to Accept the Offer

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
 - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
 - (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
 - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
 - (ii) attach your cheque for the appropriate application monies (at \$0.005 per Option); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a Qualifying Optionholder may not sell or transfer all or part of their Entitlement.

3.3 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to “**GBM Resources Limited – Option Entitlement Account**” and crossed “Not Negotiable”.

Your completed Entitlement and Acceptance Form and cheque must reach the Company’s share registry at the address set out on the Entitlement and Acceptance Form by no later than 5:00pm (WST) on the Closing Date.

The Offer is non-renounceable. Accordingly, a Qualifying Optionholder may not sell or transfer all or part of their Entitlement.

3.4 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Options which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than [4.00pm] (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Options (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

3.5 Minimum Subscription

There is no minimum subscription in respect of the Offer.

3.6 Underwriting

The Offer is not underwritten.

3.7 Shortfall

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall. Qualifying Optionholders who wish to apply for Options above their Entitlement can complete the relevant boxes on the Entitlement and Acceptance form accompanying this Prospectus and return it, together with a cheque for the value of those Shortfall Options (at \$0.005 per Option) to the Company.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Options offered pursuant to the Shortfall Offer shall be \$0.005 being the price at which the Entitlement has been offered to Qualifying Optionholders

pursuant to this Prospectus. The Shortfall shall be placed at the discretion of the Company within three (3) months after the Closing Date. The Company reserves the right to allot to an applicant a lesser number of Shortfall Options than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall.

3.8 Australian Securities Exchange Listing

Application for official quotation by ASX of the Options offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as modified by the ASIC), the Company will not issue any Options and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Options is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

3.9 Allotment of Options

Options issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date. The Company will allot the Options on the basis of a Qualifying Optionholder's Entitlement. Where the number of Options issued is less than the number applied for, or where no allotment is made, surplus application monies will be refunded without any interest to the applicant as soon as practicable after the Closing Date.

Pending the allotment and issue of the Options or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

3.10 Overseas Qualifying Optionholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Qualifying Optionholders, the number and value of Securities these Qualifying Optionholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Securities will not be issued to Qualifying Optionholders with a registered address which is outside Australia, New Zealand or Singapore.

Qualifying Optionholders resident in New Zealand or Singapore should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to exercise their Entitlements under the Offer.

3.11 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Securities offered pursuant to this Prospectus.

3.12 Clearing House Electronic Sub-Register System (CHESS) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHESS, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Options allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

3.13 Privacy Act

If you complete an application for Options, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of Options, facilitate distribution payments and corporate communications to you as a holder of Options and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Options, the Company may not be able to accept or process your application.

3.14 Enquiries

Any questions concerning the Offer should be directed to Mr Kevin Hart, Company Secretary, on +61 9 9316 9100.

4. PURPOSE AND EFFECT OF THE OFFER

4.1 Purpose of the Offer

The purpose of the Offer is to raise approximately \$323,732 (before expenses). The proceeds of the Offer, are planned to be used in accordance with the table set out below:

Proceeds of the Offer	\$
Ongoing exploration and working Capital	299,149
Expenses of the Offer ¹	24,583
Total	323,732

Notes:

1. Refer to Section 7.5 of this Prospectus for further details relating to the estimated expenses of the Offer.

4.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$299,149 immediately after completion of the Offer after deducting the estimated expenses of the Offer; and
- (b) increase the number of Options on issue by approximately 64,746,562 Options following completion of the Offer.

4.3 Consolidated Balance Sheet

The unaudited Balance Sheet as at 31 March 2013 and the unaudited Pro Forma Balance Sheet as at 31 March 2013 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Options pursuant to the Offer in this Prospectus are issued.

The unaudited Balance Sheets have been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

**Consolidated Balance Sheet and Pro Forma Balance Sheet as at 31 March 2013
(unaudited)**

	Note	31 March 2013 Actual \$	31 March 2013 Pro-forma \$
CURRENT ASSETS			
Cash and cash equivalents	i	1,066,793	2,265,942
Trade and other receivables		11,121	11,121
TOTAL CURRENT ASSETS		1,077,914	2,277,063
NON-CURRENT ASSETS			
Bonds and deposits		43,608	43,608
Plant and equipment		463,373	463,373
Exploration and evaluation costs	ii	13,492,961	14,648,543
TOTAL NON-CURRENT ASSETS		13,999,942	15,155,524
TOTAL ASSETS		15,077,856	17,432,587
CURRENT LIABILITIES			
Trade and other payables		198,089	198,089
TOTAL CURRENT LIABILITIES		198,089	198,089
TOTAL LIABILITIES		198,089	198,089
NET ASSETS		14,879,767	17,234,496
EQUITY			
Issued capital	iii	20,191,596	22,282,176
Option reserve	iv	698,146	299,149
Share based payment reserve	v	943,971	-
Accumulated Losses	vi	(6,953,946)	(5,346,829)
TOTAL EQUITY		14,879,767	17,234,496

**Notes to Consolidated Balance Sheet and Pro Forma Balance Sheet as at
31 March 2013 (unaudited)**

\$

(i) Cash and cash equivalents	
Cash and cash equivalents as at 31 March 2013	1,066,793
Share placement 50 million shares at \$0.02*	1,000,000
Capital raised from options issued as per the Offer	323,732
Share issue costs on share placement	(100,000)
Costs associated with the Offer	(24,583)
	2,265,942

*On 11 June 2013 the Company announced a placement of 50 million shares at 2 cents per share, plus 50 million attaching options (options are subject to shareholder approval). The share placement was completed on 28 June 2013.

(ii) Exploration and evaluation costs	
Exploration and evaluation costs as at 31 March 2013	13,492,961
Issue of shares to acquire interest in AASB (Lubuk Mandi Project) – 57,779,118 shares @ \$0.02 per share**	1,155,582
	14,648,543

Subject to shareholder approval, the Company will issue up to 57,779,118 ordinary fully paid shares to acquire a 40% interest in a Malaysian company, Angka Alamjaya Sendirian Berhad (AASB**), pursuant to a binding terms sheet as announced to ASX on 11 June 2013. The Notice of Meeting refers to the issue of 58,634,036 Shares in consideration for the acquisition. However, only 57,779,118 shares will be issued. AASB is the registered holder of the concession entitling it to carry out mining operations at the Lubuk Mandi Gold Mine.

(iii) Issued Capital	
Issued capital as at 31 March 2013	20,191,594
Share placement 50 million shares at \$0.02	1,000,000
Issue of shares to acquire interest in AASB (Lubuk Mandi Project) – 57,779,118 shares @ \$0.02 per share	1,155,582
Transfer from the share based payments reserve on the exercise of performance rights	35,000
Share issue costs on share placement	(100,000)
	22,282,176

(iv) Options reserve	
Options reserve as at 31 March 2013	698,146
Transfer to accumulated losses on the expiry of options at 30 June 2013	(698,146)
Options issued as per the Offer	323,732
Costs associated with the Offer	(24,583)
	299,149

(v) Share based payment reserve	
Share based payment reserve as at 31 March 2013	943,971
Transfer to issued capital on the exercise of performance rights	(35,000)
Transfer to accumulated losses on the expiry of options at 30 June 2013	(908,971)
	-

(vi) Accumulated losses	
Accumulated losses as at 31 March 2013	(6,953,946)
Transfer from the options reserve on the expiry of options at 30 June 2013	698,146
Transfer from the share based payments reserve on the expiry of options at 30 June 2013	908,971
	(5,346,829)

4.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

Shares

	Number
Shares on issue at date of Prospectus ¹	327,415,003
Shares issued to acquire 40% interest in AASB (Lubuk Mandi) – subject to Shareholder approval ¹	57,779,118
Shares offered pursuant to the Offer	Nil
Total Shares on issue after completion of the Offer	385,194,121

¹ The Notice of Meeting refers to the issue of 58,634,036 Shares in consideration for the acquisition. However, only 57,779,118 shares will be issued.

Options

	Number
Options on issue at date of Prospectus	Nil
Options attaching to Share Placement – subject to Shareholder approval	50,000,000
Options offered pursuant to the Offer	64,746,562
Total Options on issue after completion of the Offer	114,746,562

5. RIGHTS ATTACHING TO OPTIONS AND UNDERLYING SECURITIES

5.1 Rights Attaching to Options

Entitlement

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

Exercise Price

Subject to reconstruction of capital, the amount payable upon exercise of each Option will be \$0.035 (**Exercise Price**).

Expiry Date

Each Option will expire at 5.00pm (WST) on 30 June 2016 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

Notice of Exercise

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Exercise Date

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

Timing of issue of Shares on exercise

Within 15 Business Days after the later of the following:

- (a) the Exercise Date; and
- (b) when excluded information in respect to the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case no later than 20 Business Days after the Exercise Date, the Company will:

- (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under 0(b) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

Shares issued on exercise

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

Quotation of Shares issued on exercise

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

Reconstruction of capital

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

Participation in new issues

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

Change in exercise price

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

Transferability

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

5.2 Rights Attaching to Shares (being the underlying securities)

The following is a summary of the more significant rights and liabilities attaching to Shares. Full details of the rights attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(a) Notice of Meetings

Each Shareholder is entitled to receive notice of general meetings of the Company. Except in certain circumstances, Shareholders are entitled to be present in person, or by proxy, attorney or representative to speak or to vote at general meetings of the Company or to join in demanding a poll. Shareholders may requisition general meetings in accordance with the Corporations Act.

(b) Voting

At a general meeting, on a show of hands, every person present who is either; a member, a proxy, an attorney or a representative of a Shareholder has one vote. At the taking of a poll, every Shareholder present in person or by proxy, attorney or representative has one vote for each Share held.

(c) Dividends

The Directors may from time to time authorise and pay dividends out of the profits of the Company. Dividends are payable in proportion to the number of Shares held by Shareholders.

(d) Winding Up

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or any part of the property of the Company. The liquidator may also, with the sanction of a special resolution, vest the whole or any part of the property in a trustee on trust for Shareholders.

(e) Transfer of Shares

A Shareholder may transfer Shares by a written transfer or by a transfer effected under a computerised or electronic system recognised by the Listing Rules or by the Corporations Act. The Directors may refuse to register a transfer of Shares where the Listing Rules permit the Company to do so. On any refusal to register a transfer of Shares, the Company must give written notice to the transferee and the reasons for the refusal.

(f) Allotment of Shares

The Directors may, subject to the Constitution, allot new Shares with such terms and conditions as they think fit.

6. RISK FACTORS

6.1 Introduction

Applicants should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Options. Potential Applicants should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Options pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Company's Securities.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

6.2 Risks Specific to the Company

(a) **Completion of Acquisition of Interest in Angka Alamjaya Endirian Berhad (AASB)**

The Company proposes, pursuant to a signed binding terms sheet, to acquire an interest in AASB, which is the registered holder of the Lubuk Mandi Gold Mine mining concession.

The completion of the proposed acquisition of the interest in AASB is subject to Shareholder approval and the execution of a binding acquisition and joint venture agreement by the Company and AASB.

(b) **Recommissioning of Lubok Mandi's Gold Mine In Peninsula Malaysia**

The decision to commence recommissioning of the Lubuk Mandi Gold Mine is subject to detailed assessment of many risks including, but not limited to, metallurgical and mineralogical studies, implications of environmental and other local laws and approvals processes, economic and other technical and development factors.

Any commencement of the recommissioning of the Lubuk Mandi Gold Mine after assessment will continue to be subject to the risks stated above, and may be specifically exposed to risks associated with movements in commodity prices and foreign exchange rates, changes to local laws and approvals during and after the development process, access to capital, and other technical and development implementation factors.

(c) **Dilution Risk**

On completion of the Offer, there will be a further 64,746,400 options on issue (assuming the Prospectus is fully subscribed and no other options are granted or exercised). If these Options are converted into shares there will be a dilutionary effect such that the existing Shareholders will hold 83% of the outstanding issued Shares. However, each Option has an exercise price of \$0.035 which means that the Company will receive additional funds of up to approximately \$2,266,124 upon exercise of the Options, if all Options are exercised.

(d) **Future Capital Requirements**

The Company's ongoing activities will require substantial expenditure. There can be no guarantee that the funds raised through the Offer, will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

(e) **Sovereign risk**

The Company's projects are subject to the risks associated in operating in a foreign country. These risks may include economic, social or political instability or change, hyperinflation, currency non-convertibility or instability and changes of law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, mine safety, labour relations as well as government control over mineral properties or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

6.3 Industry Specific Risks

(a) **Operating Risks**

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- (i) adverse geological conditions;
- (ii) limitations on activities due to seasonal weather patterns and cyclone activity;
- (iii) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- (iv) mechanical failure of operating plant and equipment;
- (v) industrial and environmental accidents, industrial disputes and other force majeure events;
- (vi) unavailability of aircraft or drilling equipment to undertake airborne electromagnetic and other geological and geophysical investigations;

- (vii) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and
- (viii) inability to obtain necessary consents or approvals.

(b) **Commodity Price Volatility and Exchange Rate Risks**

The revenue the Company may derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australia dollar as determined in international markets.

(c) **Mineral Resource Estimates Risk**

Mineral Resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

(d) **Native Title and Title Risks**

Both the *Native Title Act 1993* (Cth), related State Native Title legislation and Aboriginal Land Rights and Aboriginal Heritage legislation may affect the Company's ability to gain access to prospective exploration areas or obtain production titles.

Compensatory obligations may be necessary in settling Native Title claims if lodged over any tenements acquired by the Company. The existence of outstanding registered Native Title claims means that the grant of a tenement in respect of a particular tenement application may be significantly delayed or thwarted pending resolution of future act procedures in the Native Title Act. The level of impact of these matters will depend, in part, on the location and status of the tenements acquired by the Company. At this stage it is not possible to quantify the impact (if any) which these developments may have on the operations of the Company.

(e) **Environmental Risks and Regulations**

The Company's projects are subject to Commonwealth and State laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, these

projects would be expected to have a variety of environmental impacts should development proceed.

The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws and industry standards. Areas disturbed by the Company's activities will be rehabilitated as required by the conditions attaching to the Tenements.

(f) **Legislative changes, Government policy and approvals**

Changes in government regulations and policies may adversely affect the financial performance of the Company. For example, any increased expenditure requirements under local mining regulations may impact on the Company's actual financial statements. The Company's capacity to explore and mine, in particular the Company's ability to explore and mine any reserves, may be affected by changes in government policy, which are beyond the control of the Company.

(g) **Reliance on Key Personnel and Employees**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(h) **Force Majeure**

The Company's projects now or in the future may be adversely affected by risks outside the control of the Company including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

(i) **Exploration**

The mineral tenements of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

(j) **Mine development**

Possible future development of a mining operation at any of the Company's projects is dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services.

If the Company commences production, its operations may be disrupted by a variety of risks and hazards which are beyond its control, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement of hazardous weather

conditions and fires, explosions or accidents. No assurance can be given that the Company will achieve commercial viability through the development or mining of its projects and treatment of ore.

(k) **Tenure and access**

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

Tenements are subject to the applicable mining acts and regulations. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

6.4 **General Risks**

The value of the Company's securities are affected by a number of general factors which are beyond the control of the Company and its Directors including those set out below.

(a) **Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

(b) **Market conditions**

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Security Investments**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

(d) **Dividends**

Any future determination as to the payment of dividends by the Company will be at the discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

(e) **Investment Speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus. Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that an investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.

7. ADDITIONAL INFORMATION

7.1 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the financial statements of the Company for the financial year ended 30 June 2012 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for

the year ended 30 June 2012 lodged with ASIC before the issue of this Prospectus; and

- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2012 audited financial statements:

Date	Description of Announcement
03/07/2013	Notice of Initial Substantial Holder
02/07/2013	Appendix 3B – Expiry of Options
28/06/2013	Appendix 3B and s708 Notice
26/06/2013	Change of Directors' Interest Notice
21/06/2013	Notice of Extraordinary General Meeting
20/06/2013	Change of Directors' Interest Notice
14/06/2013	Boardroom Radio Webcast
11/06/2013	Appendix 3B - Share Placement Tranche 1
11/06/2013	Share Placement and Option Priority Offer
11/06/2013	Malaysian Gold Project - Binding Term Sheet
30/05/2013	Notice of Expiry of Listed Options
14/05/2013	MOU to Acquire Interest in Malaysian Gold Project
10/05/2013	GBM Resources Strategy Review
30/04/2013	Quarterly Activities Report and Appendix 5B
23/04/2013	\$2.5M Exploration Budget for GBM Farm in Projects
11/04/2013	Exploration Commenced at Mt Morgan Gold Copper Project
14/03/2013	Half Year Financial Statements
22/02/2013	Placement Option Update
13/02/2013	Boardroom Radio Webcast
04/02/2013	Appendix 3B - Exercise of Performance Rights
31/01/2013	Quarterly Activities Report and Appendix 5B
21/01/2013	Research Report
20/12/2012	Appendix 3Y - Change of Directors' Interest Notice
20/12/2012	Appendix 3B - Shares Issued to Acquire Phosphate Rights
26/11/2012	Resources Roadshow Presentation
23/11/2012	Results of Annual General Meeting
22/11/2012	Milo Scoping Study Confirms Strong Commercial Opportunity
31/10/2012	Quarterly Activities Report and Appendix 5B
22/10/2012	Annual Report and Notice of AGM
08/10/2012	Boardroom Radio Webcast
08/10/2012	Bungalien Phosphate Rights Acquired
03/10/2012	Appendix 3B - Share Placement

Date	Description of Announcement
02/10/2012	\$3.1 Million Funding Agreement
28/09/2012	Annual Financial Statements

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.gbmr.com.au.

7.2 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options Expired	New Option Entitlement ¹	Remuneration (\$) ²
Cameron Switzer	6,693,375	4,346,875	2,173,437	27,000
Sunny Loh	12,067,131	17,800,000	8,900,000	27,000
Neil Norris	9,550,000	3,093,635	1,546,818	225,000
Peter Thompson	9,862,582	4,937,525	2,468,763	225,000

Notes:

1. Each of the Directors has indicated that it is their present intention to subscribe for their full Entitlement under the Offer.
2. Remuneration from 1 July 2012 to 31 March 2013 (inclusive of superannuation)

The Constitution of the Company provides that the non-executive Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares. The Company paid to the Directors a total of \$708,025 the year ended 30 June 2011 and \$662,026 for the year ended 30 June 2012. In addition to the above, the Directors have been paid remuneration totalling \$504,000 from the end of the previous financial year until 31 March 2013. Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

7.3 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- (c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$5,000 for services in relation to this Prospectus.

7.4 Legal Proceedings

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

7.5 Estimated Expenses of Offer

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are as follows:

	\$
ASIC fees	2,010
ASX fees	2,573
Legal expenses	5,000
Printing and other expenses	<u>15,000</u>
Total	24,583

7.6 Market Price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.030 on 5 March 2013

Lowest: \$0.017 on 8 May 2013

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.027 on 11 July 2013.

7.7 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

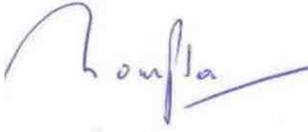
The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8. AUTHORITY OF DIRECTORS

8.1 Directors' Consent

Each of the Directors of GBM Resources Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act

Dated the 12 day of July 2013



**PETER THOMPSON
CHAIRMAN
Signed for and on behalf of
GBM Resources Limited**

9. **DEFINITIONS**

AASB means Angtha Alamjaya Sendirian Berhad.

Applicant means a Qualifying Optionholder or other party instructed who applies for Options pursuant to the Offer.

ASIC means the Australian Securities and Investments Commission.

ASX means the ASX Limited (ACN 008 624 691) or the Australian Securities Exchange (as the context requires).

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means a day on which trading takes place on the stock market of ASX.

Closing Date means the closing date of the Offer, being 5.00pm (WST) on 13 August 2013 (unless extended).

Company means GBM Resources Limited (ACN 124 752 745).

Constitution means the Company's Constitution as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001*(Cth).

Directors means the directors of the Company at the date of this Prospectus.

Dollar or "\$" means Australian dollars.

Entitlement means the entitlement of a Qualifying Optionholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Expired Options means the listed Options trading under ASX Code "GBZOA" that had an exercise price of \$0.20 each and an expiry date of 30 June 2013.

General Meeting means the general meeting of Shareholders that has been convened for 22 July 2013 to approve, inter alia, the issue of the Options under this Prospectus.

Issue means the issue of Options offered by this Prospectus.

Listing Rules or **ASX Listing Rules** means the Listing Rules of the ASX.

Notice of Meeting means the notice of meeting in relation to the General Meeting announced 21 June 2013.

Offer means the offer of Options pursuant to the Prospectus on the basis of one (1) Option for every two (2) Expired Options held by a Qualifying Optionholder on the Record Date at an issue price of \$0.005 per Option, to raise approximately \$323,732.

Official List means the official list of ASX.

Option means an option to acquire a Share.

Prospectus means this prospectus.

Qualifying Optionholder means any person or entity that held Expired Options on the Record Date.

Quotation and **Official Quotation** means official quotation on ASX.

Record Date means 5.00pm (WST) on 30 June 2013.

Securities means Shares and Options.

Share means a fully paid ordinary share in the capital of the Company.

Share Placement means the placement of 50 million Shares at \$0.02 per Share, plus 50 million free attaching Options (Options subject to Shareholder approval), completed on 28 June 2013.

Shareholder means a shareholder of the Company.

Shortfall means those Options under the Offer not applied for by Qualifying Optionholders under their Entitlement on or prior to the Closing Date.

Shortfall Application Form means the shortfall application form attached to or accompanying this Prospectus.

WST means Western Standard Time.

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

GBM Resources Limited

ABN

91 124 752 745

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 64,746,562 (depending upon acceptances) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Options expiring 30 June 2016 exercisable at \$0.035 each |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>No</p>
<p>5 Issue price or consideration</p>	<p>\$0.005 (0.5 cents) per option</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Proceeds from the Offer will be used to fund ongoing exploration programs and for general working capital purposes. Options issued pursuant to a Priority Entitlement Issue Prospectus lodged with ASIC on 12 July 2013.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>23 November 2012</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Up to 64,746,562 (depending upon acceptances)							
6f	Number of securities issued under an exception in rule 7.2	Nil							
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/a							
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a							
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Yes – see annexure 1 attached							
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	To be advised							
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;">327,415,003</td> <td style="vertical-align: top;">Ordinary shares (GBZ)</td> </tr> <tr> <td style="vertical-align: top;">Up to 64,746,562 (depending upon acceptances)</td> <td style="vertical-align: top;">Options expiring 30 June 2016 exercisable at \$0.035 each</td> </tr> </tbody> </table>	Number	+Class	327,415,003	Ordinary shares (GBZ)	Up to 64,746,562 (depending upon acceptances)	Options expiring 30 June 2016 exercisable at \$0.035 each	
Number	+Class								
327,415,003	Ordinary shares (GBZ)								
Up to 64,746,562 (depending upon acceptances)	Options expiring 30 June 2016 exercisable at \$0.035 each								

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Yes
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 for 2
14	+Class of +securities to which the offer relates	Listed options held at the Record Date (GBZOA)
15	+Record date to determine entitlements	30 June 2013
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Entitlements will be rounded up.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries with the exception of Australia, New Zealand and Singapore.

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	13 August 2013
20	Names of any underwriters	N/a
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	N/a
23	Fee or commission payable to the broker to the issue	N/a
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/a
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	22 July 2013
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	16 July 2013
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/a
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/a
31	How do ⁺ security holders sell <i>part</i> of their entitlements	N/a

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

- through a broker and accept for the balance?
- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company secretary

Date: 12 July 2013

Print name:

Kevin Hart

== == == == ==

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	236,181,003
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p><u>Under 7.2 exception:</u></p> <ul style="list-style-type: none"> – 10,884,000 share purchase plan; – 350,000 performance rights exercised. <p><u>Issued with shareholder approval:</u></p> <ul style="list-style-type: none"> – 20,000,000 share placement; – 10,000,000 issued to acquire assets <p><u>No. securities becoming fully paid:</u></p> <p>Nil.</p>
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	277,415,003

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	41,612,250
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Share placement 35,000,000 ordinary fully paid shares
“C”	35,000,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	41,612,250
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	35,000,000
Total [“A” x 0.15] – “C”	6,612,250 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	277,415,003
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	27,741,500
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	– Share placement - 15,000,000 ordinary fully paid shares
“E”	15,000,000

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	27,741,500
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	15,000,000
Total ["A" x 0.10] – "E"	12,741,500 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.