

Stage 2 Hard Rock Drilling Commenced at Lubuk Mandi Gold Mine in Malaysia

Highlights:

- **Stage 2 of the Hardrock Drilling programme at the Lubuk Mandi Gold Project has commenced.**
- **Drill testing will focus on the Main Pit area targets including Main Lode, Western Shear Zone and the Eastern shear Zone.**
- **The programme will involve up to 18 drillholes and an estimated 3,000 metres of diamond drilling.**
- **This programme is designed to test the resource potential below and adjacent to the Lubuk Mandi Main pit which yielded approximately 110,000 ounces of gold.**
- **This follows encouraging geology in Stage 1 drilling including diamond drillhole LMD010 intersected visible gold mineralisation in Main Shear Zone.**

Australian resources company GBM Resources Limited (ASX: GBZ) (GBM or the Company) is pleased to announce that Stage 2 drilling has commenced at the Lubuk Mandi Gold Project. At present there is one diamond drill rig on site with an additional two rigs to be mobilized later during May.

This programme is designed to test the resource potential below and adjacent to the main pit and is planned comprise up to 18 drill holes and 3,000 metres of diamond drilling. Site preparation for the first 14 of these holes is now in progress. Stage 2 drilling is scheduled to be completed by July.

Stage 1 of GBM's drilling programme comprised ten drill holes for a total of 2,080m. The Stage 1 drilling programme included four planned intersections of the MSZ. In all holes intersecting the MSZ quartz veining has been intersected and gold mineralisation has been observed in two of the four drillholes completed. Analyses for samples from this programme are now being processed at ALS Brisbane laboratory and analyses are expected to be completed during June.

ASX Code: GBZ

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Photograph; Drilling of hole LMD011 testing the Western Shear Zone. The Lubuk Mandi Main pit is behind the rig (obscured by vegetation).

Stage1 drillhole LMD010 intersected the interpreted MSZ from 162.4 to 176.6 metres down hole (see ASX announcement 25 February 2014). This 14.2 metre interval was characterized by strongly quartz veined and sheared host sediments with individual quartz veins up to 3 metres down hole width. Visible gold mineralisation was observed in at least 4 instances throughout this intersection. It should be noted that no estimation of grade should be made on the basis of these observations; however it is significant in that it demonstrates clearly the existence of gold mineralisation in the MSZ below the pit. This is the first material from the MSZ available to GBM. The MSZ is significant in that it yielded over 100,000 ounces of gold from the overlying open pit from mining during the 1990's.

During 2013 the Company was successful in defining a gold-in-tailings resource at Lubuk Mandi Gold Mine of 1.5M tonnes at 0.7 g/t Au for 34,800 contained ounces of gold (see ASX announcement 26 November 2013). Site preparation for the tailings retreatment plant is now well advanced and construction of key tanks expected to be commenced during May.

Indicated + Inferred					
	Contained Gold			Grade	
	Tonnes	Grammes	Ounces	ppm Au	% Tonnage
Indicated	1,445,000	1,009,000	32,400	0.70	94%
Inferred	87,000	72,000	2,300	0.80	6%
Total	1,532,000	1,081,400	34,800	0.70	100%

Table: Lubuk Mandi Tailings Dam Resource Table

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The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

About GBM Resources

GBM Resources Limited (ASX: GBZ) is an Australian resources company actively building a gold portfolio of projects within Malaysia and the east coast of Australia.

GBM Resources has a major interest (40%) in the historic Lubuk Mandi Gold Mine in Peninsular in Malaysia which covers 221 hectares and includes over an estimated million tonnes of tailings, which has significant potential for early gold production through the development and recommencement of the mining operations with joint venture partners Angka Alamjaya Sdn Bhd (AASB).

Malaysia is a premier mining country with a stable political regime with production cash costs among the lowest in the world.

The Company also plans to complete an Initial Public Offering of the Lubuk Mandi Project on the Singapore Stock Exchange during 2014.