

ASX Announcement

13 July 2015

Drilling Commences at Two Key Copper Gold Targets, NW Queensland

HIGHLIGHTS:

- Drilling commenced at two of GBM's key Iron Oxide Copper Gold (IOCG) targets in the North West Queensland Mineral Province
- The Brothers IOCG Target, is associated with the Bungalien Project with intense magnetic anomalies feature
- The second Target, FC2 lies within the Mount Margaret West Project and a second diamond drill rig has commenced drilling to test a coincident magnetic and chargeability
- The Drilling is expected to comprise over 2,000 metres and be completed during the September quarter
- The Bungalien and Mount Margaret Projects are part of the Farm-in Joint Venture with Pan Pacific Copper Co., Ltd. and Mitsui & Co
- GBM to manage the exploration programmes on behalf of its JV partners.

Australian resources company GBM Resources Limited (ASX: GBZ) ("GBM" or "the Company") is pleased to advise the commencement of a diamond drilling program on the first two of a number of key copper gold targets to be tested during the September quarter. These targets are part of the Bungalien and Mount Margaret Projects subject to Farm-in Joint Venture (Joint Venture) with leading Japanese companies, Pan Pacific Co., Ltd. (PPC) and Mitsui & Co., Ltd. (Mitsui).



Photograph: Drilling underway at The Brothers Prospect, drillhole BNG003.

ASX Code: **GBZ**

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The recent budget approval of \$2.0M will support further exploration of IOCG style targets on four projects in the Cloncurry region during the remainder of 2015 and early 2016. Currently two diamond drill rigs are operating testing targets defined by systematic exploration over the past five years in targeting the discovery of IOCG style deposits in the NW Queensland Mineral Province.

Bungalien Project

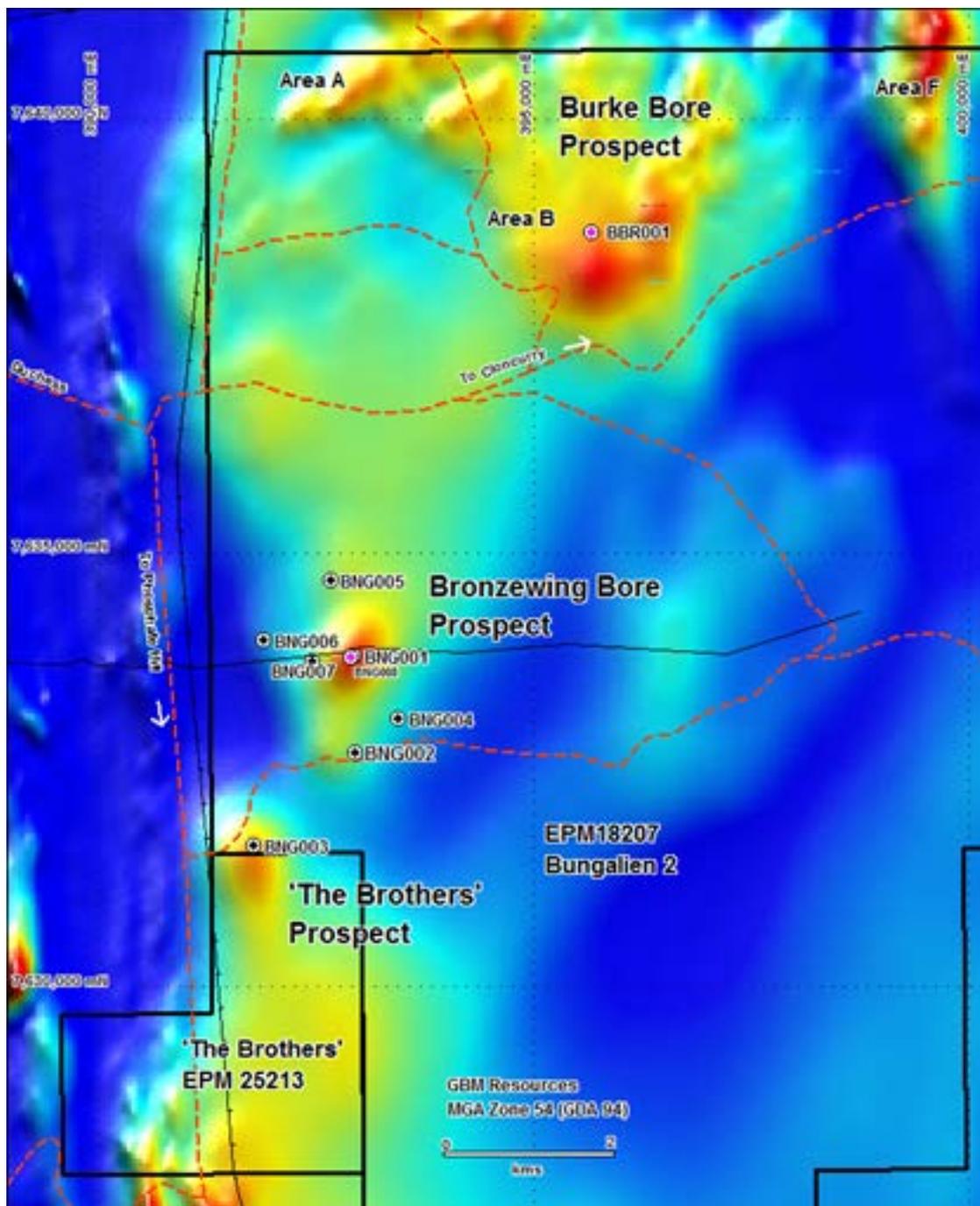


Figure: Part of the Bungalien Project area showing target locations and drill collars over background image of TMI RTP

The first target, The Brothers IOCG Target is similar to the Bronzewing Bore Prospect where mineralization was first discovered by GBM and the Joint Venture (announced to the ASX on the 2nd of September 2011) when drillhole BNG001 intersected 200m averaging almost 0.1% Cu, including 24m averaging 0.28% Cu. This broad interval of copper mineralization and associated 'IOCG style' alteration may represent a halo style intersection. The Bronzewing Bore discovery is a new generation 'blind' discovery relying initially on geophysics to 'see' through the overlying sediments of the Georgina Basin which completely cover the basement in this area.

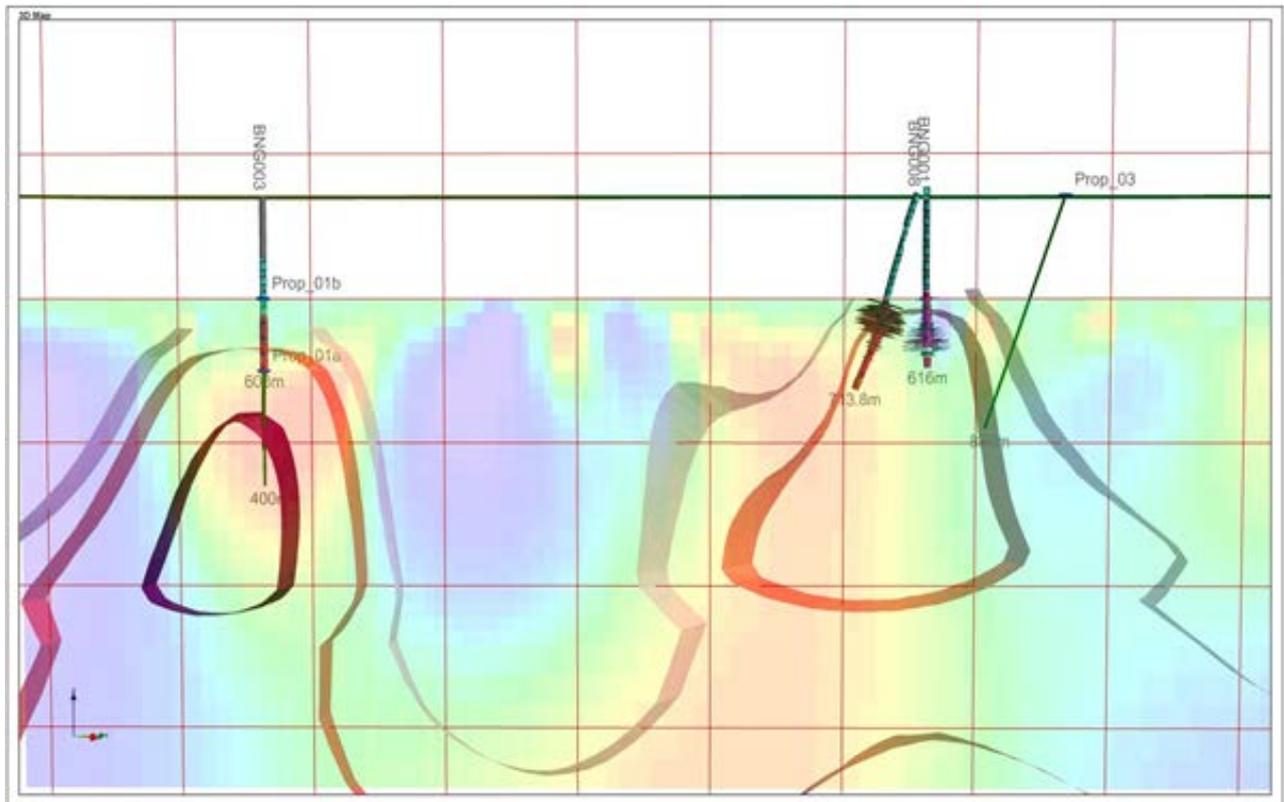


Figure: Bungalien Project. The Bronzewing Bore Prospect and The Brothers' Prospect. A section along 207° looking WNW through the 3D magnetic inversion model (shells) and voxel gravity model (background image). Drill traces for existing holes BNG001, 8 and 3 (including the extension now in progress) shown. Drill-lithology modulated in thickness for magnetic susceptibility.

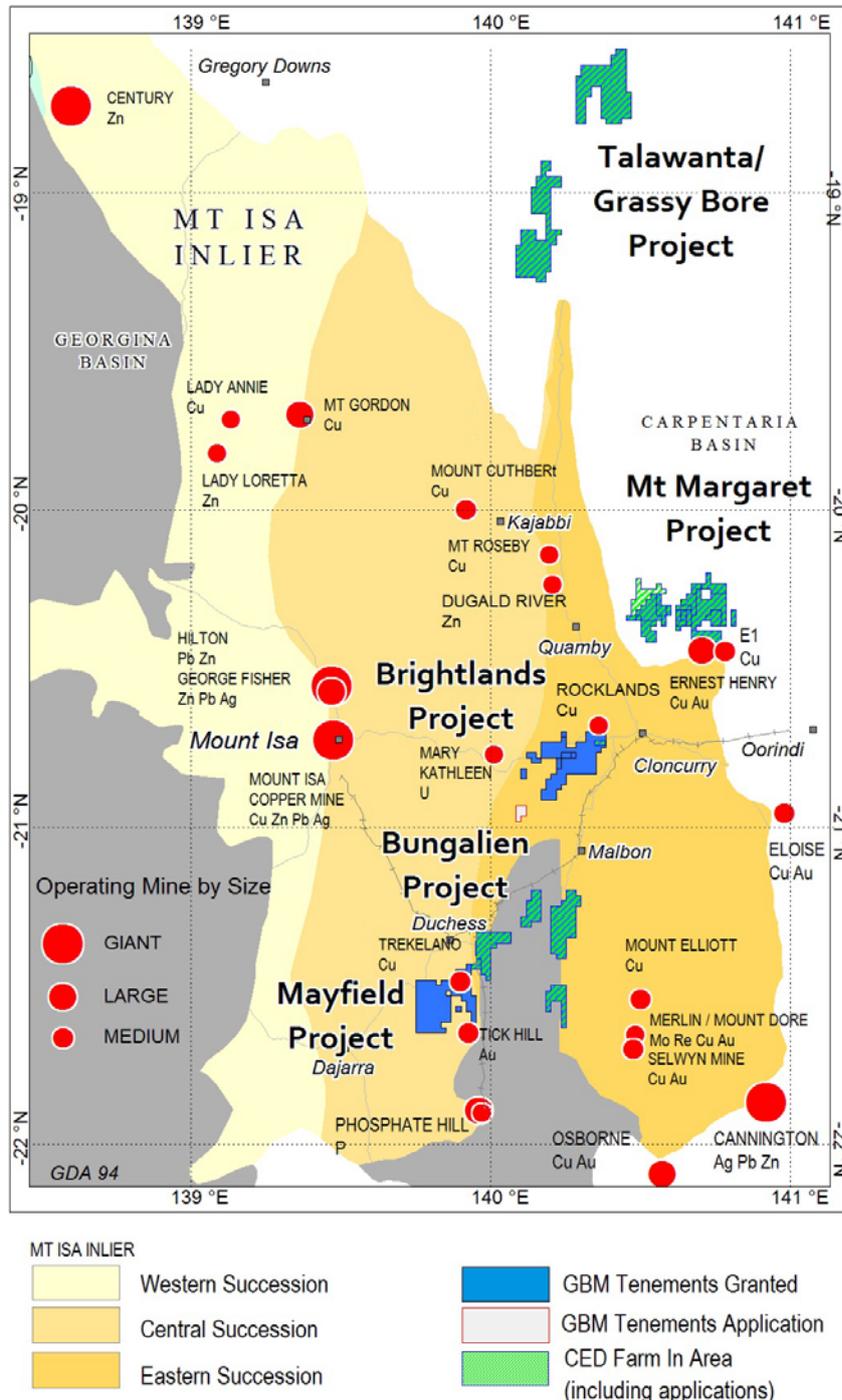
The Brothers IOCG Target magnetic feature is considered stronger than that observed at Bronzewing Bore, and is one of three such features identified in the area. Drilling is now underway to test this feature to a total depth of 1,000 metres below surface. Previously completed hole BNG003 was terminated at the capacity of the rig at that time. Drillhole BNG003 will be extended utilising advanced directional drilling techniques to further test The Brothers' Prospect area.



Photograph: - Drilling in progress at drillhole MMA010 testing an IOCG target the FC2Prospect in the Mount Margaret Project.

Mount Margaret West Project

Drilling is also underway at the second target, FC2 Target area in the Mount Margaret Project currently testing a chargeability anomaly associated with a completed magnetic and gravity high. The FC2 Target is obscured by overlying younger sediments which are expected to be less than 100 metres thick. The Mount Margaret West Project area comprises a number of exploration permits adjacent to the large Ernest Henry Copper mine.



Figure; CED Farm In Tenements in the Cloncurry Region, part of the North West Queensland Mineral Province.

Under the Farm-in agreement PPC and Mitsui can outlay up to A\$55 million through their Australian registered JV company, Cloncurry Exploration & Development Pty Ltd (CED) to earn up to a 90% interest in the projects. Projects subject to this agreement include the Talawanta-Grassy Bore Project, Bungalien Project and the Mount Margaret West Project. GBM is operator and manager of the projects.

For further information please visit www.gbmr.com.au or contact:

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Notes

Competent Person's Statement for Exploration Results included in this report that were previously reported pursuant to JORC 2004. This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Mr Norris is a full-time employee of the company, and is a holder of shares and options in 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.