

13 September 2016

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

NON-RENOUNCEABLE ENTITLEMENT ISSUE – SUPPLEMENTARY PROSPECTUS

Please find attached a supplementary prospectus lodged today with the Australian Securities and Investments Commission pursuant to a non-renounceable entitlement offer announced to ASX on 6 September 2016.

Yours sincerely

GBM RESOURCES LIMITED

Kevin Hart
Company Secretary

ASX Code: GBZ

COMPANY DIRECTORS

Peter Thompson
Managing Director/ Executive
Chairman

Neil Norris
Exploration Director – Executive

Hun Seng Tan
Non-Executive Director

CONTACT DETAILS

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GBM RESOURCES LTD
ACN 124 752 745

SUPPLEMENTARY PROSPECTUS

1. IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 5 September 2016 (**Prospectus**), issued by GBM Resources Ltd (ACN 124 752 745) (**Company**).

This Supplementary Prospectus dated 13 September 2016 was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at www.gbmr.com.au.

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

2. REASONS FOR SUPPLEMENTARY PROSPECTUS

The purpose of this Supplementary Prospectus is to provide further explanation of the dispersion strategy which the Company has in place to prevent any change of control arising from the issue of the Shortfall Options.

3. AMENDMENTS TO THE PROSPECTUS

Section 4.6 of the Prospectus is deleted and replaced with the following:

"Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to the Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Option to be issued under the Shortfall Offer shall be \$0.003 being the price at which Options have been offered under the Offer.

Eligible Shareholders who wish to subscribe for Options above their Entitlement are invited to apply for additional Options under the Shortfall Offer by contacting the Company. Shortfall Options will be allocated in priority to Eligible Shareholders who apply for Shortfall Options under the Shortfall Offer. Where upon completion of the Offer there remains unallocated Shortfall Options, the Company intends to retain the services of a broker to allocate the unallocated Shortfall Options to additional investors.

The Company reserves the right to issue to an applicant for Shortfall Options a lesser number of Shortfall Options than the number applied for. If the number of Shortfall Options issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on any Application Monies refunded.

No Eligible Shareholder or investor will be issued any Shortfall Options if, as a result of such issue, as at the date of issue, on exercise of the Shortfall Options, their voting power in the Company would increase from 20% or below to more than 20% or from a starting point that is above 20% and below 90%.

The Directors reserve the right to issue Shortfall Options at their absolute discretion.”

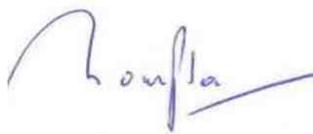
4. PROVISION OF SUPPLEMENTARY PROSPECTUS TO INVESTORS

A copy of this Supplementary Prospectus will be available on the Company's website at www.gbmr.com.au.

5. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.



**Mr Peter Thompson
Executive Chairman
For and on behalf of
GBM Resources Limited**