

30th April 2019

REPORT FOR THE QUARTER ENDED 31st MARCH 2019

SAFETY AND ENVIRONMENT

No LTI or environmental incidents were reported during the March Quarter. The Company has now completed 89 consecutive months with no LTI's and 135 consecutive months with no significant environmental incidents.

MT COOLON GOLD PROJECT

During the March quarter the Company continued to undertake desktop development studies at its Mt Coolon Gold Project. and completed a resource estimate at the Twin Hills gold project (refer ASX announcement January 2019). The Twin Hills project is subject to a conditional tenement sale agreement refer ASX announcement 4 April 2019 for further details.

PAN PACIFIC COPPER FARM-IN PROJECTS, MOUNT ISA REGION, QUEENSLAND (47.1% GBM)

Introduction

The 2019 exploration programme and a \$0.64M exploration budget have been approved by our Farm-In partners Cloncurry Exploration and Development (CED is wholly owned by Pan Pacific Copper Company Limited). The work programme includes geological mapping, soil sampling, geophysical surveys and drilling at the Bungalien and Mount Margaret West Projects.

Work during the June quarter will consist of data interpretation, target generation and 2019 program planning.

The two new exploration permit applications within the broader Mt. Margaret Project area (Middle Creek (EPMA 27128) and Sigma (EPM 27166)) are progressing through the approval process. These application areas host a suite of defined targets and prospects considered prospective for the discovery of IOCG and ISCG (Iron-Sulphur-Copper-Gold).

Forward Program

Work during the June quarter will consist of data interpretation, target generation, geological mapping, soil sampling and geophysics at the Bungalien and Mount Margaret West Projects.

ASX Code: GBZ

COMPANY DIRECTORS

Peter Thompson
Managing Director/ Executive Chairman

Sunny Loh
Non-Executive Deputy Chairman

Neil Norris
Exploration Director – Executive

Hun Seng Tan
Non- Executive Director

CONTACT DETAILS

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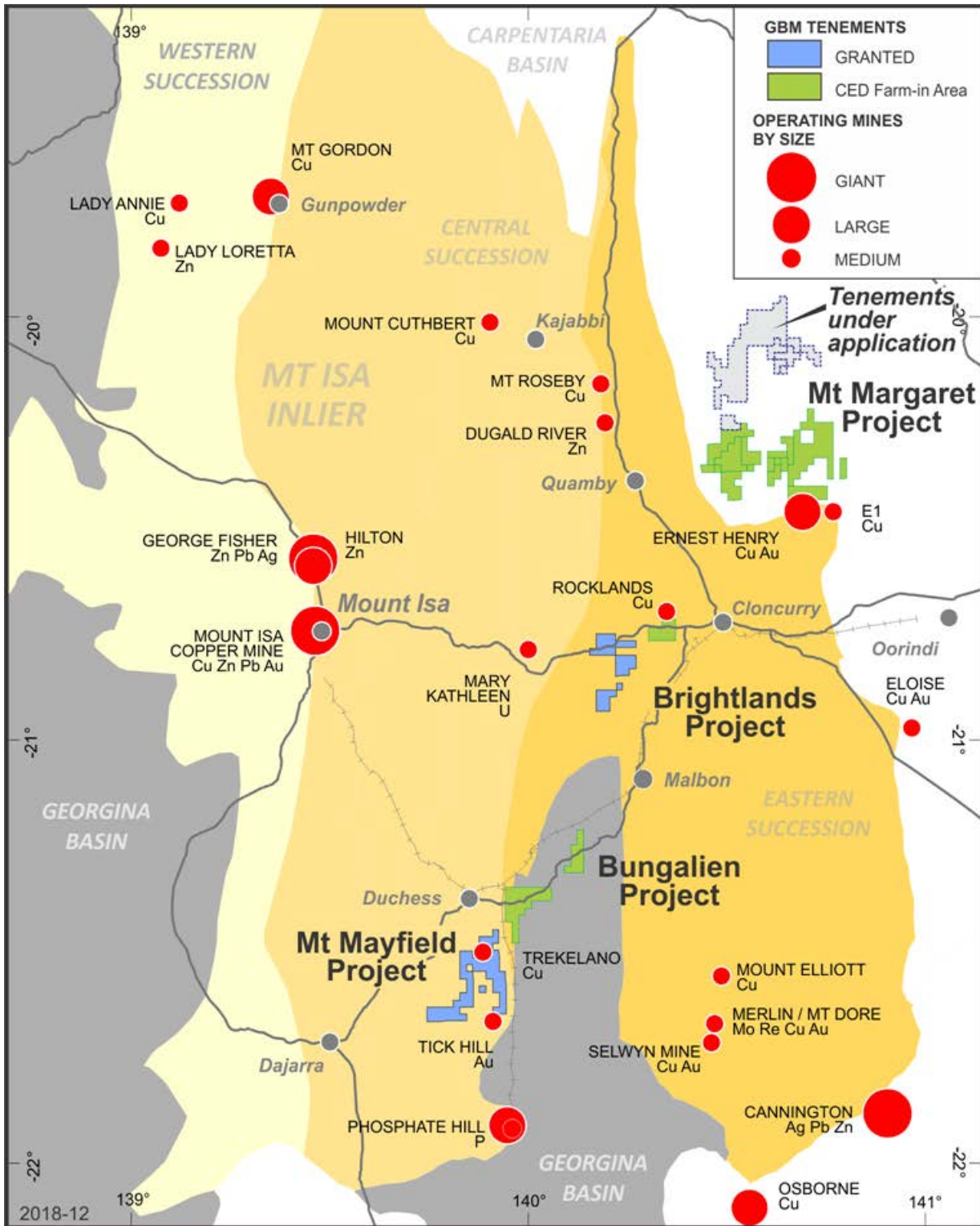


Figure 1; Location map showing Farm-in Areas and GBM tenements in the North West Mineral Province, Queensland.

MOUNT MORGAN COPPER-GOLD PROJECT, QUEENSLAND

The new exploration permit applications (EPM27096 Mt Morgan West, EPM27097 Mt Morgan East and EPM27098 Mt Morgan Central) are progressing through the approval system. These applications include additional prospective areas along with all areas currently held in granted EPM's. In addition to adding new prospective areas and making GBM's landholding the key strategic holding in the area surrounding the historic Mount Morgan Cu-Au Mine, this merging of 10 tenements into 3 new licences will assist in significantly reduce the administration workload for this project. The Company will seek partners to support this programme.

TENEMENT SUMMARY

Throughout the March Quarter reports and payments have been lodged as required. Technical reports continue to be lodged and are up to date and in line with the Department requirements.

GBM submitted, in November 2017, to the Department of Jobs, Precincts & Regions (DJRP) a Retention Licence application for the Malmsbury Gold Project. During the quarter a request for further information and some modifications to the proposed programme was received and a response returned to the Department by GBM. The Retention Licence application is still being processed by the DJRP

Project / Name	Tenement No.	Owner	Manager	Interest	Interest	Status	Granted	Expiry	Application Date	Approx Area
				31-Dec-18	31-Mar-19					
Victoria										
Malmsbury										
Drummond	RL6587	GBMR ^{*1} /Belltopper Hill	GBMR	100%	100%	Application			15-11-2017	6.7
Yea										
Monkey Gully	EL5293	GBMR	GBMR	100%	100%	Granted	23-Mar-11	22-Mar-21		25
Queensland										
Mount Morgan (Project)										
Dee Range	EPM16057	GBMR	GBMR	100%	100%	Granted	27-Sep-07	26-Sep-20		36
Boulder Creek	EPM17105	GBMR	GBMR	100%	100%	Granted	26-Mar-08	25-Mar-21		88
Black Range	EPM17734	GBMR	GBMR	100%	100%	Granted	20-May-09	19-May-20		49
Smelter Return	EPM18366	GBMR	GBMR	100%	100%	Granted	21-Jun-12	20-Jun-19		62
Limonite Hill	EPM18811	GBMR	GBMR	100%	100%	Granted	21-Nov-12	20-Nov-19		107
Mt Hoopbound	EPM18812	GBMR	GBMR	100%	100%	Granted	26-Jul-12	25-Jul-19		23
Limonite Hill East	EPM19288	GBMR	GBMR	100%	100%	Granted	31-Oct-13	30-Oct-20		3
Mt Victoria	EPM25177	GBMR	GBMR	100%	100%	Granted	26-Aug-14	25-Aug-19		3
Bajool	EPM25362	GBMR	GBMR	100%	100%	Granted	27-Nov-14	26-Nov-20		88
Mountain Maid	EPM25678	GBMR	GBMR	100%	100%	Granted	09-Apr-15	08-Apr-18		26
Mt Morgan West	EPM27096	GBMR	GBMR	100%	100%	Application			01-Nov-18	325
Mt Morgan East	EPM27097	GBMR	GBMR	100%	100%	Application			01-Nov-18	325
Mt Morgan Central	EPM27098	GBMR	GBMR	100%	100%	Application			01-Nov-18	325
Moonmera	EPM19849	GBMR ^{*3}	GBMR	100%	100%	Granted	12-Apr-13	11-Apr-21		16
Mount Usher	ML100184	GBMR	GBMR	100%	100%	Application				6
Mount Isa Region										
Mount Margaret (Project Status)										
Mt Malakoff Ext	EPM16398	GBMR ^{*2,4} /Isa	GBMR	47.2%	47.1%	Granted	19-Oct-10	18-Oct-20		85
Cotswold	EPM16622	GBMR ^{*2,4} /Isa	GBMR	47.2%	47.1%	Granted	30-Nov-12	29-Nov-22		16
Dry Creek	EPM18172	GBMR ^{*2,4} /Isa	GBMR	47.2%	47.1%	Granted	13-Jul-12	12-Jul-19		189
Dry Creek Ext	EPM18174	GBMR ^{*2,4} /Isa	GBMR	47.2%	47.1%	Granted	25-Oct-11	24-Oct-20		23
Mt Marge	EPM19834	GBMR ^{*4} /Isa Tenements	GBMR	47.2%	47.1%	Granted	04-Mar-13	03-Mar-21		3
Corella	EPM25545	GBMR ^{*4} /Isa Tenements	GBMR	47.2%	47.1%	Granted	20-Mar-15	19-Mar-19		46
Tommy Creek	EPM25544	GBMR ^{*4} /Isa Tenements	GBMR	47.2%	47.1%	Granted	11-Nov-14	10-Nov-18		33
Middle Creek	EPM27128	GBMR/Isa Tenements	GBMR	100%	100%	Application			03-Dec-18	35
Sigma	EPM27166	GBMR/Isa Tenements	GBMR	100%	100%	Application			02-Jan-19	287
Brightlands										
Brightlands	EPM14416	GBMR ^{*2} /Isa Brightlands	GBMR	100%	100%	Granted	5-Aug-05	4-Aug-19		127
Bungalien										
Bungalien 2	EPM18207	GBMR ^{*2} /Isa Tenements	GBMR	100%	100%	Granted	24-May-12	23-May-19		120
The Brothers	EPM25213	GBMR/Isa Tenements	GBMR	100%	100%	Granted	16-Oct-14	15-Oct-19		10
Mayfield										
Mayfield	EPM19483	GBMR ^{*2} /Isa Tenements	GBMR	100%	100%	Granted	11-Mar-14	10-Mar-19		172
Mt Coolon										
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	100%	Granted	13-Jun-08	12-Jun-23		325
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	100%	Granted	18-Sep-14	17-Sep-19		85
Mt Coolon East	EPM25850	GBMR/MCGM	GBMR	100%	100%	Granted	07-Sep-15	06-Sep-20		176
Conway	EPM7259	GBMR/MCGM	GBMR	100%	100%	Granted	18-May-90	17-May-19		39
Bungonunna	EPM26842			100%	100%	Application			27-Mar-2018	325
Black Creek	EPM26314			100%	100%	Application			9-May-2018	325
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	100%	Granted	30-May-74	31-Jan-24		0.7
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	100%	Granted	27-Jan-94	31-Jan-24		0.0
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	100%	Granted	27-Jan-94	31-Jan-24		1.0
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	100%	Granted	05-Dec-96	31-Jan-24		1.3
TOTALS										3935

Note

*¹ subject to a 2.5% net smelter royalty to vendors.

*² subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.

*³ subject to 1% smelter royalty and other conditions to Rio Tinto

Figure 2; GBM Tenement summary table as at 31st of March 2019.

CORPORATE

1. The Company spent a total of A\$412,000 in the quarter, of which A\$292,000 was for exploration and project development and A\$126,000 for corporate and administration costs. Cash as at 31 March 2019 was \$201,000.
2. During the quarter the Company issued 18.8 million unlisted options to employees pursuant to the terms of the Company's Incentive Option Plan. The options are exercisable at 0.9 cents each and expire 31 January 2023.

For Further information please contact:

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

GBM Resources Limited

ABN

91 124 752 745

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(292)	(1,064)
(b) development	-	-
(c) production	-	-
(d) staff costs	(46)	(139)
(e) administration and corporate costs	(80)	(452)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (incl. farm-in management fee)	4	126
1.9 Net cash from / (used in) operating activities	(412)	(1,524)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets – bonds/deposits	-	(54)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets – bonds/deposits	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Farm-in partner exploration contributions	129	314
2.6	Net cash from / (used in) investing activities	129	260
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares and options	-	1,135
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(21)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1,114
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	484	351
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(412)	(1,524)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	129	260
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,114
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	201	201

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	165	448
5.2 Call deposits	36	36
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	201	484

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	58
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Remuneration and fees paid to directors.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

N/a

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation ¹	200
9.2 Development	-
9.3 Production	-
9.4 Staff costs ²	170
9.5 Administration and corporate costs	120
9.6 Other	-
9.7 Total estimated cash outflows	490

The Company is cognisant of the fact that additional funding will be required to meet short and medium term working capital requirements and is assessing various capital raising opportunities. On 30 April the Company entered into a trading halt pending an announcement regarding a proposed capital raising that is material to the Company.

¹ Estimated exploration outflows are dependent on available cash resources.

² Estimated staff costs include termination and unused employee leave benefits amounting to approximately \$115,000.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	none			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	none			

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 

Company secretary

Date: 30 April 2019

Print name: Kevin Hart

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.