

9th February 2012

ASX Announcement

GBM Resources discovers large copper-gold prospect in Central Queensland

HIGHLIGHTS:

- **New porphyry-style copper and gold mineralisation discovered near Mt Morgan.**
- **Large Cu-Au soil anomaly coincident with zoned alteration envelope**
- **Rock-chip assays to 39% Cu, 8.5g/t Au and 44ppm Ag.**
- **Drill testing will commence in 2012 drilling season**

Australian resources company **GBM Resources Limited** (ASX: **GBZ**) (“**GBM**” or “**the Company**”) is pleased to advise that recent surface sampling and mapping activity in the Mount Morgan project area has defined a large zone of anomalous copper and gold with coincident porphyry-style hydrothermal alteration. The Mount Morgan Project is located 40km south west of Rockhampton in Queensland in close proximity to the world class Mt Morgan Copper-Gold mine, which produced in excess of 8.0M ounces of gold (Au) and 400,000 tonnes of copper (Cu) metal.

Rock-chip sampling across the prospect, (refer to as the “Sandy Creek prospect”) has returned 14 samples greater than 0.5% Cu with peak assays of 39% Cu, 8.5g/t Au and 44ppm Ag. The central alteration zone is approximately 1,500m x 700m.

Following further detailed mapping and sampling the prospect will be ready for drill testing during the 2012 field season. It is envisaged the initial drill program will comprise four to six inclined RC holes of maximum depth 200m. The drilling at Sandy Creek will form part of a regional prospect evaluation program by GBM during 2012 in the Mt Morgan area.

The Mount Morgan Project and Sandy Creek Prospect Summary

The Project area includes eight licenses (five granted) covering over 1,000 km². Within these existing titles, numerous targets have been defined, ranging from early stage stream sediment anomalies to drill ready geophysical / geochemical targets.

Historic exploration in the Mt Morgan area has primarily focused on the discovery of a Mt Morgan analogue which has, up until recently, been interpreted by many as a VHMS (massive sulphide) type. Until recent GBM work, no activity targeting intrusion related systems had been completed nor had there been thorough examination and interpretation of geophysical datasets or detailed compilation of existing exploration data.

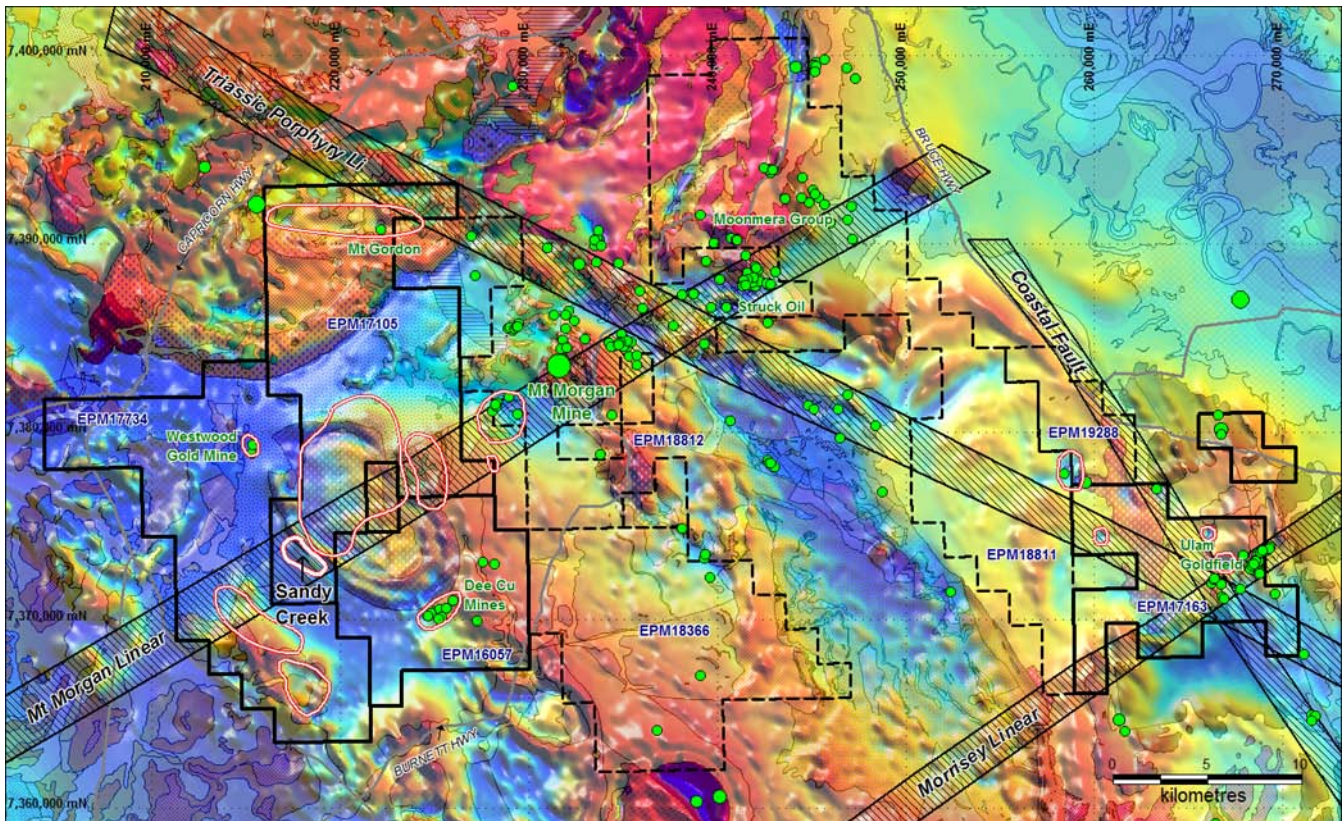


Figure 1: GBM tenement and prospect location plan showing historic mines (green dots), major structural lines, and GBM defined prospects (red/white) on state magnetics and geology. Sandy Creek prospect in south-west corner.

Initial data compilation and interpretation of the Sandy Creek area by GBM staff in 2011 noted that the prospect is spatially associated with a strong and discrete radiometric anomaly adjacent to a major north-east trending fault which is of similar orientation to the Mt Morgan / Mt Chalmers mineralised structural linear. A number of linear magnetic features adjacent to and parallel with the nearby Kyle Mohr Intrusive Complex margin also trend through the prospect. Some affinities with the geological setting of the Mt Morgan orebody were also noted

Initial results from a GBM ridge and spur sampling program across the radiometric anomaly area were encouraging. Clustered anomalous Au-Cu in soils along with a broad zone of hematite-chlorite-altered intermediate volcanics, in places brecciated, and some strong rock-chip numbers from Cu-gossan and banded rhyolites were reported (peak 39% Cu,

8.6g/t Au, 20ppm Ag). Three phases of grid soil sampling were then completed, pushing further south east to cover increasingly intense alteration within the intermediate volcanics. Results received to date show a broad correlation between Cu-in-soils and alteration. Au-in-soil is also anomalous and appears to show more structural control.

The intense central alteration zone is approximately 1,500m x 700m. A variety of igneous intrusives and volcanic dykes occur within the alteration envelope, including porphyritic monzonite, granite and dacite. Of the 102 rock-chip assays received to date from across the prospect, 21 have returned greater than 0.2% Cu and 14 of those have returned greater than 0.5% Cu.

The figures below show current surface sampling assay results and alteration / lithology interpretations from the Sandy Creek prospect.

Based on alteration and mineral assemblage, the diversity of volcanic and intrusive rock types, the proximity to a large intrusive system and a complex faulted setting the Sandy Creek prospect has been interpreted as a large porphyry copper-gold system.

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

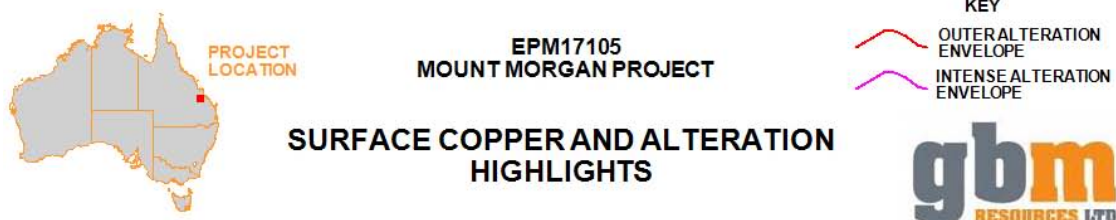
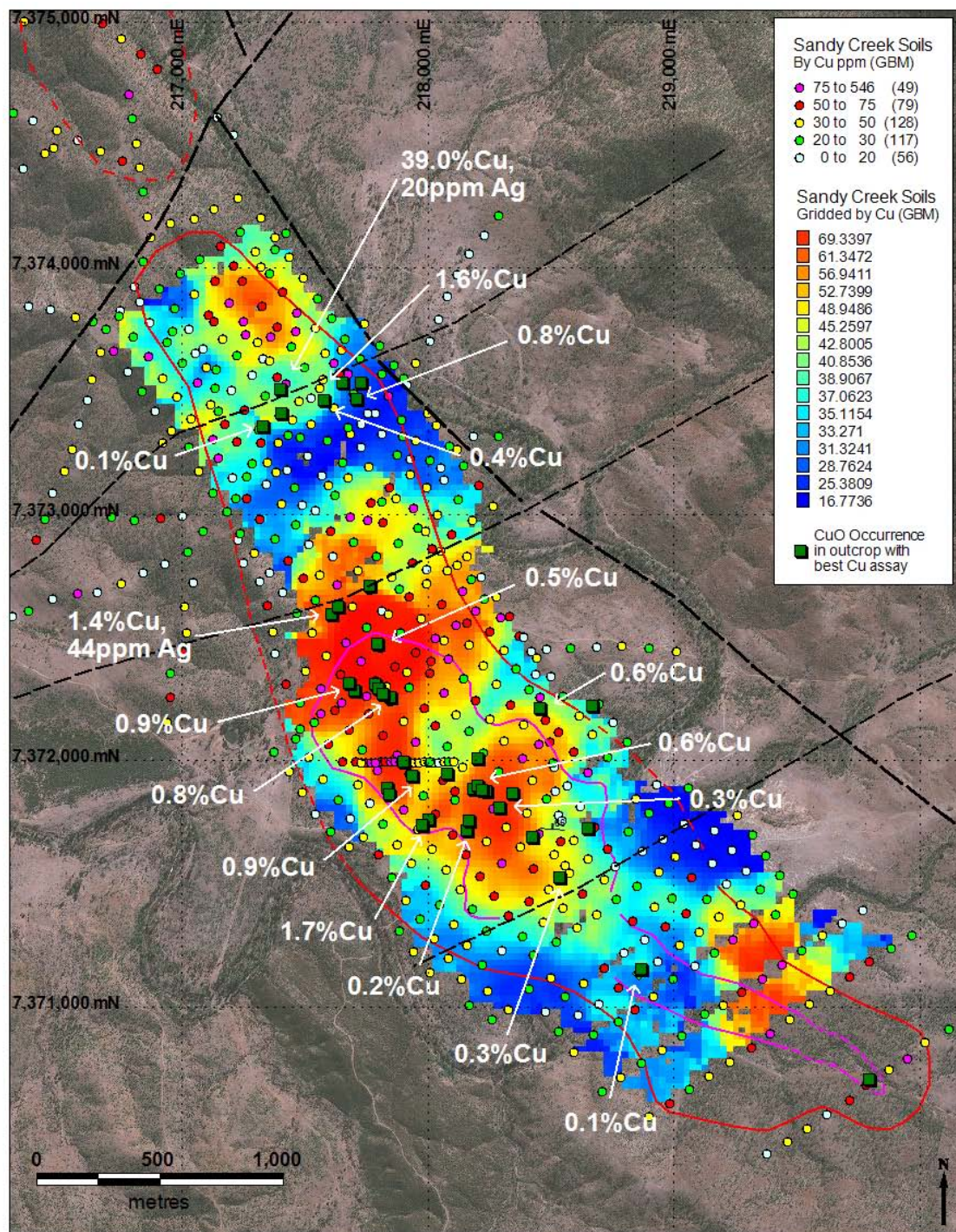
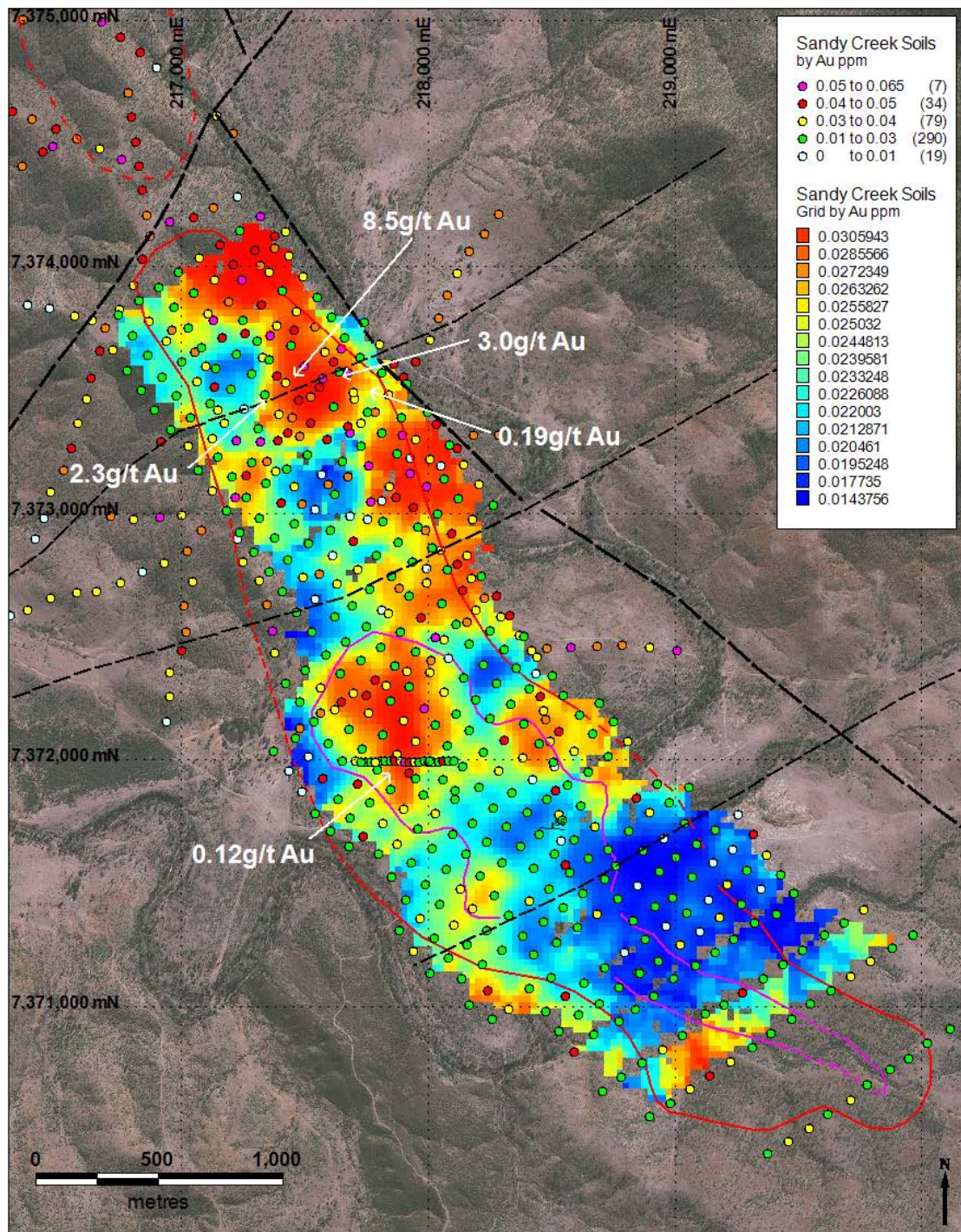


Figure 2: Copper in soil and rock chips at Sandy Creek.



EPM17105
MOUNT MORGAN PROJECT

SURFACE GOLD AND ALTERATION HIGHLIGHTS

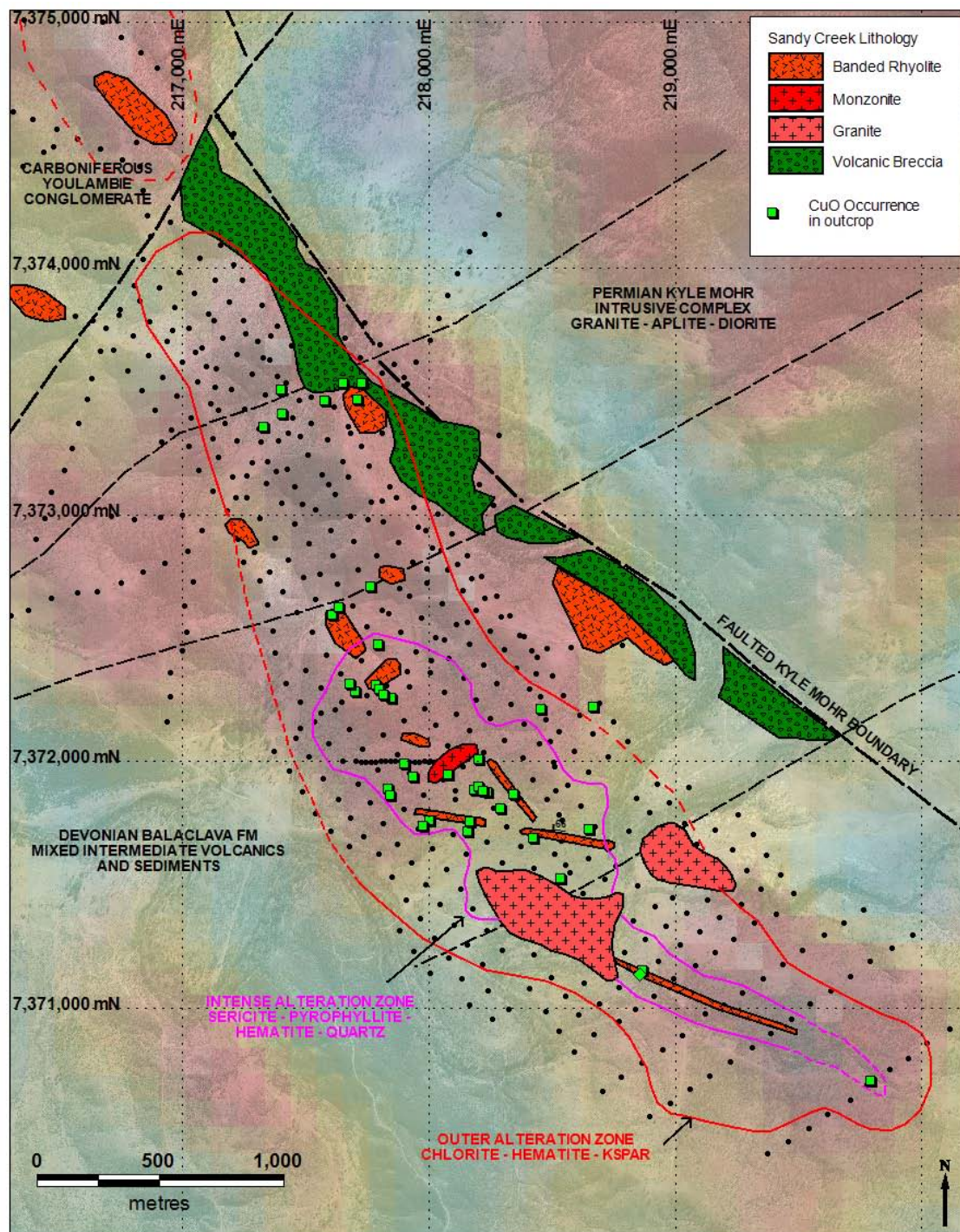
KEY

OUTER ALTERATION ENVELOPE

INTENSE ALTERATION ENVELOPE

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Figure 3: Gold in soil and rock chips at Sandy Creek.



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Figure 4: Simple mapped geology and alteration zones at Sandy Creek. Note coincident K:Th anomaly in background.