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ASX Announcement
19 October 2020

Significant increase in resources with strategic acquisition of Yandan Gold Project and completion of conditional placement to raise A$5.4M

- **GBM Resources Limited (ASX:GBZ) (GBM or the Company) advises it has signed a Binding Heads of Agreement (HoA) to acquire 100% of the Yandan Gold Project, through the purchase of all issued share capital in Straits Gold Pty Limited from Aeris Resources Limited (ASX:AIS) (Aeris).**
- The Yandan Project produced approximately 350,000 oz gold[1,3] and currently **contains a JORC 2004 Mineral Resource estimate of 8.56 Mt at 1.5 g/t Au for 401,000 ounces of gold[2,3]** and includes established mine infrastructure such as power, water dams and access to the Suttor River, tailings and previous plant footprint strategically located ~40 km west of GBM's flagship Mount Coolon Gold Project in the Drummond Basin.
- **Terms of Placement and Yandan Acquisition:**
  - As consideration for the Yandan Project acquisition, **GBM will issue AIS fully paid ordinary shares to the value of A$3.0 million** (22.22 million shares at 13.5 cents).
  - **AIS will also subscribe for fully paid ordinary shares in GBM to the value of A$1.0m**, with any shares issued to be escrowed for 12 months. The Yandan Project acquisition and share issue and placement will be subject to Shareholder approval at the Company's Annual General Meeting (AGM) scheduled for 30 November 2020.
  - **GBM is currently updating the Yandan Mineral Resource estimate to meet JORC 2012 standards.**
  - **GBM has also closed a Conditional Placement to raise approximately A$5.4 million** subject to Shareholder approval at an Extraordinary General Meeting (EGM) to be held on 22 October 2020 via the issue of 40 million shares at 13.5 cents (refer notice of meeting lodged with ASX 18 September 2020).

Aeris Resources will own approximately 7.4% of the issued and outstanding ordinary shares of GBM following the completion of the proposed placement and acquisition.

Cautionary Statement – JORC 2004 Mineral Resources

- the estimates of Mineral Resources are not reported in accordance with the JORC Code 2012;
- a Competent Person has not done sufficient work to classify the estimates of Mineral Resources in accordance with the JORC Code 2012;
- it is possible that following evaluation and/or further exploration work the currently reported estimates may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012;
- that nothing has come to the attention of GBM that causes it to question the accuracy or reliability of the former owner's estimates; but
- GBM has not independently validated the former owner's estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates

[1] Yandan Gold Deposit, Drummond Basin, QLD, R.N. Carver and L.M Chenoweth, CRC LEME 2003
[2] Refer cautionary statement on 2004 JORC resources
[3] Drummond Gold (ASX:DGO) Quarterly Report 31 Decemeber 2010
https://web.archive.org/web/20110302012833/http://www.drummondgold.com.au/pdf_news/february_2011/20110127_Quarterly_Report_for_31_December2010.pdf

Cautionary Statement – Ownership
The Yandan assets, including the Yandan Mineral Resource, are not owned by GBM and are subject to the binding HoA which was signed with AIS in 19 October 2020 to acquire a 100% interest in the Yandan Gold Project. Certain conditions precedent have to be satisfied by GBM and AIS by 14 December 2020

Peter Rohner, Managing Director and CEO, commented:

"This acquisition represents an important milestone in the Company's Drummond Basin "processing halo" strategy and delivers a step change in the company's resource base, with GBM now controlling JORC (2004, 2012) compliant Mineral Resources in excess of 700,000 ounces of gold at the Mt Coolon and Yandan Projects, predominantly on registered mining leases with established mine infrastructure. We also welcome the support and investment by Aeris into GBM to advance this prospective asset, along with the strong support for our Placement to advance our Mount Coolon Gold Project."

GBM Yandan project acquisition

Key terms of the HoA are summarised as follows:

1. **Consideration**

   Consideration payable by GBM to Aeris to purchase 100% of Straits Gold Pty Ltd (ACN 072 498 081) consists of:

   I. The issue and allotment of 22,222,223 million fully paid ordinary shares (Consideration Shares), subject to shareholder approval, in the capital of GBM, representing $3 million at an issue price of $0.135 (Initial Share Price) and
   II. GBM will grant to Aeris a 1.5% Net Smelter Royalty (NSR) on the first 300,000 oz of gold equivalent produced from ML1095, ML1096 and EPM8257. This NSR will be registered as security over the Project's Mining and Exploration Licences.

2. **Aeris subscription**

   Aeris will also subscribe to a Placement of A$1.0 million of fully paid ordinary shares in the capital of GBM, at the same share price (Initial Share Price) or lower if the GBM share price is less than 80% of the Initial Share Price at the time of completion. GBM is seeking shareholder approval for the issue of the Aeris Subscription shares at the Company's upcoming AGM.

3. **Environmental bond**

   The Environmental Bond will remain in place with Department of Environment and Science (DES). Straits Gold Pty Ltd will continue with a cash backed bank guarantee to meet its rehabilitation liability under the Environmental EPML00771913.

   Any future increase of the bond due to increased site activities or by changes to environmental calculations by DES on the Environmental EPML00771913 will be the sole liability of GBM.

4. **Conditions precedent**

   - Aeris obtaining all necessary approvals for the transactions contemplated by this Binding HoA from its financiers
   - Aeris and GBM (acting reasonably) entering into a Definitive Agreement consistent with the terms set out in the Binding HoA, including respective board approvals.

- GBM obtaining shareholder approvals for the transactions contemplated by this Binding HoA, including the approval for the issue of the Consideration Shares pursuant to Listing Rule 7.1
- Aeris and GBM obtaining all authorisations, including from ASIC or ASX in accordance with the Listing Rules, that may be required to facilitate the sale and purchase of the Straits Gold Shares by GBM
- Any approvals required by the Minister for Natural Resources, Mines and Energy (QLD) approving the change in effective control of Straits Gold from Aeris to GBM in accordance with the Mining Act and on conditions reasonably acceptable to Aeris and GBM

5. Settlement process

The Consideration and Placement fully paid ordinary shares once issued by GBM will remain in voluntary escrow for a period of 12 months from the date of executing the Definitive Agreements.

If by 14 December 2020 (or such other date as mutually agreed in writing between the Aeris and GBM (End Date), the Conditions are not satisfied or waived, the agreement constituted by the Binding HoA will be at an end and the Parties will be released from their obligations under this HoA.

Capital raising to support activity

Consistent with the recent notice of meeting (lodged 18 September 2020) which sought approval for the issue of 40,000,000 fully paid ordinary shares in GBM, the Company will issue 40,000,000 shares at an issue price A$0.135 per share, to raise A$5.4 million before costs in new equity funds (Placement). The issue of these shares is subject to Shareholder approval at an Extraordinary General Meeting (EGM) being held on 22 October 2020.

GBM was supported in the by Henslow Pty Ltd (Henslow) and Bell Potter Securities Limited (Bell Potter) which acted as Joint Lead Managers to the placement.

GBM is pleased to announce the placement was strongly supported by a range of institutional and retail investors.

Appendix 3B with respect to the proposed issues of consideration and placement shares will be lodged with ASX immediately following this announcement.

Use of funds:

Accelerated exploration programs at Mt Coolon Gold Project	A$4.28 m
Assessment of potential project acquisitions and project generation activities	A$0.65 m
Working capital	A$0.11 m
Costs of the issue	A$0.35 m
Total	**A$5.40 m**

The joint lead managers will receive a total fee of 6% of total funds raised pursuant to the share placement. No fees are payable to advisers in respect of the issue of consideration and placement shares to Aeris pursuant to the HoA.

This ASX announcement was approved and authorised for release by:

Peter Rohner, Managing Director

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About GBM Resources

GBM Resources Limited is a mineral exploration and development company focused on the discovery of world-class gold and copper deposits in Eastern Australia. The company has a high calibre project portfolio, hosting district scale mineral systems, located in a number of premier metallogenic terrains including the Drummond Basin, Mt Morgan district and the Mt Isa Inlier in Queensland, and the Malmsbury Project in the prolific Victorian Goldfields. Along with the recently formed JV on the White Dam Gold Project in South Australia in which it holds a 50% interest (in cashflow only).

COMPETENT PERSON STATEMENT

The information in the market announcement provided is an accurate representation of the available data and studies for the material mining project. The information was compiled by Peter Mullens, who is a Fellow of The Australasian Institute of Mining and Metallurgy (Membership No. 107138). Mr Mullens is a holder of shares and options in the company and is a full-time employee of the company. Mr Mullen 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Mullens consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Where the Company refers to Mineral Resource Estimates in this report (referencing previous releases it has made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate with that announcement continue to apply and have not materially changed.

The information in this announcement regarding Straits Exploration Results and Mineral Resources has been extracted from various Straits and Drummond Gold, ASX announcements which are available on the ASX website. GBM confirms that it is not aware of any new information or data that materially affects the information in the original reports. Nothing has come to the attention of GBM that causes it to question the accuracy or reliability of the data.

Exploration results for Yandan Project (previously reported under JORC 2004):

- The Exploration Results for Yandan have been reported by former owners.
- The source and date of the Exploration Results reported by the former owners have been referenced in the body of this announcement where Exploration Results have been reported.
- The Exploration Results for Yandan have been reported under previous editions of the JORC Code and the reporting of these Exploration Results may not conform to the requirements of the JORC Core 2012.
- Nothing has come to the attention of GBM that causes it to question the accuracy or reliability of the former owner's Exploration Results.
- A summary of the work programs on which the Exploration Results quoted in this announcement are included in Appendix 1.
- There are no more recent Exploration Results or data relevant to the understanding of the Exploration Results.
- An assessment of the additional exploration or evaluation work that is required to report the Exploration Results in accordance with JORC Code 2012 will be taken following acquisition. The further exploration or evaluation work will be funded from the Company's existing funding resources.

Cautionary Statement – exploration results

The exploration results reported above have not been reported in accordance with JORC Code 2012 and a Competent Person has not done sufficient work to disclose the Exploration Results in accordance with the JORC Code 2012. It is possible that following further exploration work that the confidence in the prior reported Exploration Resources may be reduced when reported under the JORC Code 2012, however nothing has come to the attention of GBM that causes it to question the accuracy or reliability of the former owner's Exploration Results.

Yandan Project gold assets

The Yandan Project is located approximately 40 km to the west of the township of Mount Coolon and 155 km southeast of Charters Towers, north Queensland. Tenure covers an area of approximately 75 km^2 and comprises one exploration permit (EPM 8257) and two granted mining leases (ML1095, ML1096). See Figure 1.

Yandan Project Resources – East Hill and South Pit

Within the Yandan project is a JORC 2004 Mineral Resource of 8.56 Mt at 1.5 g/t Au for 401,000 ounces of gold[2,3] has been estimated at East Hill and South Pit. The Mineral Resources can be divided into open pit and underground components.

Mine	Location	Estimated Gold Resource and Category									Total			cut-off
		measured			indicated			inferred						
		'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	Au g/t
Yandan	East Hill - Open Pit							5,041	0.9	145	5,041	0.9	145	0.5
	East Hill - Underground							3,518	2.3	256	3,518	2.3	256	1.0
Total								8,559	1.5	401	8,559	1.5	401	

Note: as reported on 27 January 2011 by Drummond Gold Limited in Quarterly Report to 31 December 2010

Work will be undertaken to convert the JORC 2004 Mineral Resource to JORC 2012 Resource as quickly as possible. The potential for additional discovery and further Resource growth is considered high, particularly in the higher grade, potential underground zone.

The East Hill resources remain open at depth down plunge from the currently defined system.

Cautionary Statement - Resources

Please note that these estimates of Mineral Resources or Ore Reserves are not reported in accordance with the JORC Code 2012. A Competent Person has not done sufficient work to classify the estimates of Mineral Resources or Ore Reserves in accordance with the JORC Code 2012. It is possible that following evaluation and/or further exploration work the currently reported estimates may materially change and hence will need to be reported afresh under and in accordance with the JORC Code 2012. Nothing has come to the attention of the acquirer that causes it to question the accuracy or reliability of the former owner's estimates but the acquirer has not independently validated the former owner's estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates.

In respect of the acquisition of JORC 2004 Mineral Resource Estimate pursuant to the proposed transaction the Company provides the following information:

- The Mineral Resource Estimates have been reported by Drummond Gold Limited;
- The source and date of the reporting of the Mineral Resource Estimates has been included in the body of this announcement where resources have been reported;
- The Mineral Resource Estimates have been reported under JORC Code 2004 and the reporting of these Mineral Resource Estimates may not conform to the requirements of JORC Code 2012;
- The Company is not reporting an Ore Reserve Estimate in respect of the proposed acquisition;
- Nothing has come to the attention of GBM that causes it to question the accuracy or reliability of the former owner's Resource Estimates or the modifying factors, including the economic modifying factors, used by the former owner. However, completion of the acquisition is subject to a due diligence review. A summary of GBM's assessment of the significant modifying factors used by the former owner are included in Appendix 3);
- At this stage GBM is not able to provide a summary of the work programs on which the estimates were based other than as included in this announcement (refer Appendix 3);

[4] ASX release – SRQ, Straits Press Release 9 Aug 2005. Yandan east Hill Discovery
[5] ASX release – SRQ, Straits Quarterly Report period ending March 31 2006

- There are no more recent estimates or data relevant to the reported mineralisation available to the entity;
- The Company will undertake sufficient exploration and evaluation work to report the mineral resources in accordance with JORC 2012 following completion of acquisition of the assets and completion of due diligence at which point it will have an understanding of the work required, which is expected to involve a thorough review of the input data, geological modelling and estimation processes. This is expected to be completed within the first 3 months post acquisition as the Company has already engaged a consultant to upgrade the Mineral Resource to meet requirements of JORC Code 2012.
- The required exploration and evaluation work will be funded from existing financial resources of the Company.

To the level that the announcement states (Drummond Gold – 31 December 2010 Quarterly Report issued on 27 January 2011 along with Hellman and Schofield supporting Resource Estimate report), it is the view of GBM that the mineral resource estimate is reliable, with acceptable drilling, sampling and estimation techniques described.

Geology

East Hill – sits to the east of the old Main Pit that was mined by Ross Mining. A small open pit was mined on the East Hill resource.

At East Hill three phases of gold mineralisation have been observed associated with silica forming vein arrays. In places the mineralised silica halo is extensive with zones in excess of 100 m not uncommon. Mineralisation can be classified as occurring in either:

i. Massive silica generally low grade gold mineralised, rarely high grade.

ii. Massive silica-pyrite low grade gold mineralised.

iii. Crustiform banded silica-adularia-calcite low to more commonly high grade gold mineralised. Strong buddingtonite alteration common.

The structural and mineralisation history of the East Hill area is interpreted to be as follows:

a) Basin inversion at end of Drummond Basin cycle 1 deposition results in dextral and reverse faulting on northeast listric faults with the formation of northeast anticlinal fault warps and steep east tension structures. At East Hill the proximity of the basement basin margin accentuates the deformation.

b) Hydrothermal fluids generated by an unknown heat source up flow predominantly in east structures, concentrated at the intersection with northeast faults. Alteration of the host rock occurs above the boiling zone in a zonation from silica-adularia outward to clays.

c) At East Hill massive silica veining, low grade Au mineralised, is deposited from upwelling fluids in tension fracturing in approximately 070º and 110º orientations and the alteration zonation is overprinted variably by silica-illite.

d) Silica-pyrite veining, As and Sb rich low grade Au mineralisation, is deposited by hydrothermal brecciation at East Hill and porosity dissolution infill at Main Pit and South Pit.

e) Late in the deformation at East Hill, crustiform banded veining with high grade Au, is deposited in approximately 110º striking tension fractures by upwelling fluid boiling and interspersed episodes of mixing with recharge cool carbonate fluid.

f) Hydrothermal system waning results in kaolinite-siderite alteration overprint by downdrawn carbonate fluids.

g) Post-mineralisation deformation results in normal faulting on northeast listric structures and sinistral faulting on steep east structures truncating mineralisation.

A selection of the historic drilling includes: (for related results see Appendix 1)

Drill Hole	From (m)	To (m)	Length (m)	Au g/t
YAN 005 [4]	211.0	387.6	176.6	2.4
Includes	300.5	328.0	27.5	8.1
Includes	361.5	370.0	8.5	10.2
YAN 011 [5]	294.5	378.0	83.5	3.8
Includes	310.7	332.0	21.3	9.8
YAN 013 [5]	214.3	311.0	96.7	0.8
YAN 014 [5]	275.0	396.0	121.0	0.6
YAN 016 [5]	222.1	406.5	185.0	1.0
Includes	307.4	332.0	24.7	2.8
Includes	344.6	356.0	11.4	5.0
YAN 017 [5]	276.6	368.0	91.4	1.0
Includes	291.2	299.7	8.5	5.2
YAN 018 [5]	355.0	375.0	20.0	1.5
YAN 022 [5]	283.0	371.0	88.0	7.9
YAN 023 [5]	286.4	321.9	35.5	1.1

Previous mining and development

The Drummond basin has been explored for gold by a number of companies since the beginning of the 1980's. Companies previously holding the Yandan tenements include the following:

- WMC ~1985-1992 (tenement consolidated as EPM 8257 in 1991).
- Ross Mining NL (RSM) (1993-2000).
- Ashburton Minerals and Delta Gold (2000).
- Normandy Mining/Newmont Australia. Normandy Mining (which became Newmont Australia) (2000-2002).

The discovery of Yandan resulted from a regional exploration program undertaken by WMC between 1985 and 1992, which resulted in the discovery of all the main prospects within the tenement. This was followed by regional reconnaissance and additional work on prospects conducted by RSM. No significant additional discoveries were made from RSMs exploration efforts.

RSM recovered 365,000oz Au from the Yandan Gold Mine through a combination of CIP and dump leach operations from 1992 to 1998. The last gold bar was poured from the CIP operations in April 1999 and the plant was subsequently relocated in June of that year. Delta Gold completed a take-over of RSM in 2000.

On 26 February 2004, Straits Exploration (Australia) Pty Ltd, a wholly owned subsidiary of Straits Resources Ltd, entered into an Option and Joint Venture Agreement with Wirralie Mines Pty Ltd, a wholly owned subsidiary of Ashburton Minerals Ltd with respect to EPM8257 and ML1095.

Ashburton Minerals Ltd subsequently decided to sell Wirralie Mines Pty Ltd in October 2005, and Straits exercised its pre-emptive right as part of the Joint Venture to purchase the Yandan tenements (EPM8257, ML1095 and ML1096). The transfer of the exploration licence to Straits Exploration (Australia) Pty Ltd was effective from 3 May 2006.

As part of a corporate reconstruction within the Straits group, it was decided to transfer the tenement from Straits Exploration (Australia) Pty Ltd to Straits Gold Pty Ltd. The transfer of the exploration licence to Straits Gold Pty Ltd was effective from 2 August 2006 for ML1095 and ML1096, and 26 September for EPM8257.

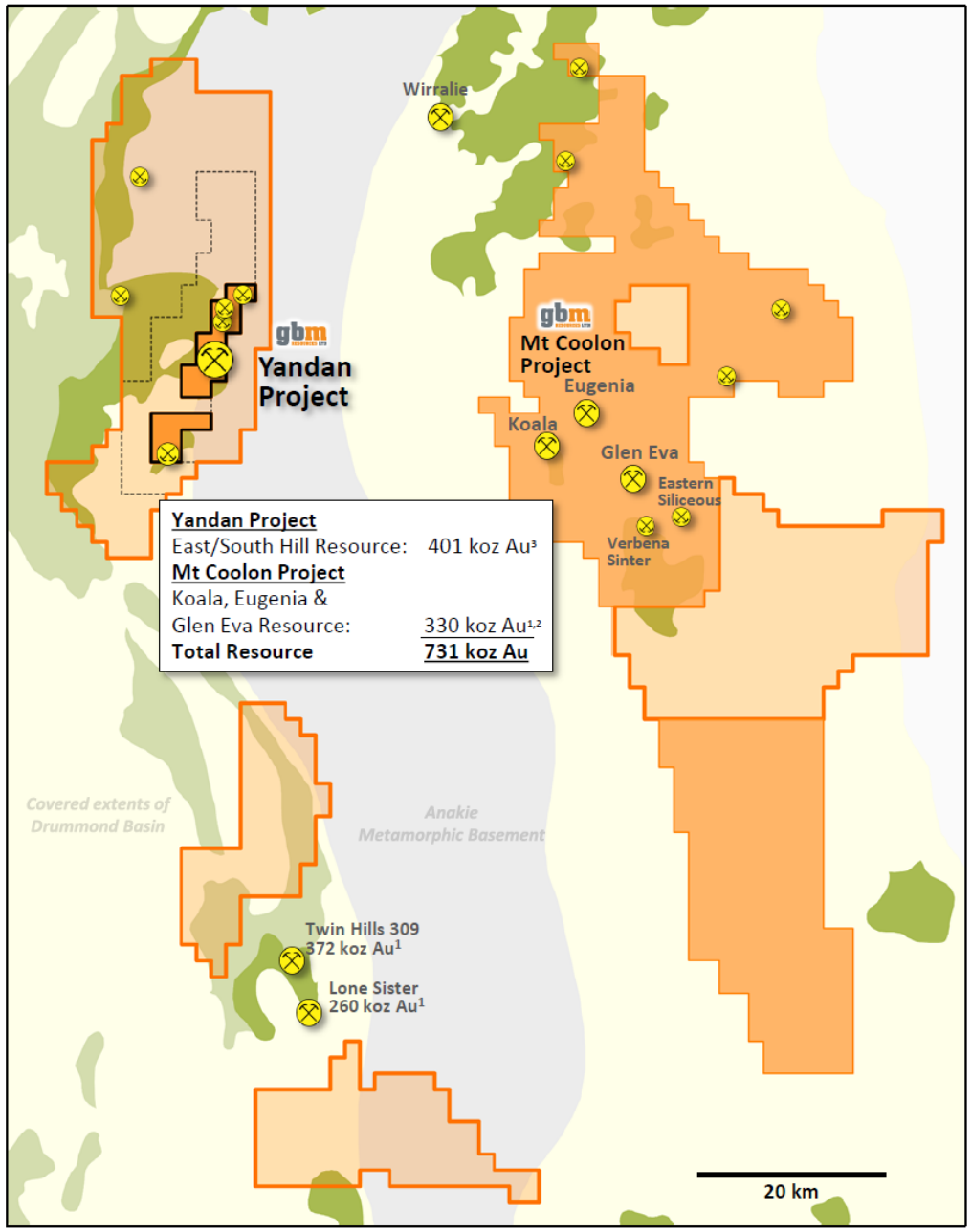
In May 2009, Drummond Gold entered a Farm In Agreement with Straits Resources for the Yandan Project tenements. The agreement specified $1M expenditure within the initial 12 months after which Drummond could withdraw from the agreement.

Drummond undertook exploration activities at Yandan during 2010, focused on drilling at East Hill to test for extensions. Hellman & Schofield completed a mineral resource upgrade as a result, defining a JORC compliant (2004) resource of 8.56Mt at 1.5 g/t Au. In July 2011, Drummond formally withdrew from the Heads of Agreement for the farm in and joint venture with Straits for the Yandan project in July 2011.

Site infrastructure

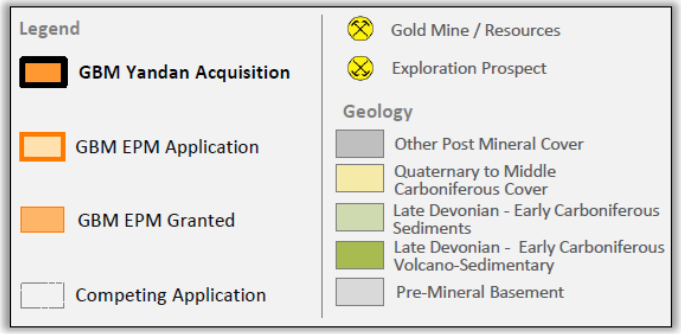
Significant infrastructure exists at the site such as power, water dams and access to the Suttor River, tailings and previous plant footprint and GBM considers this site to be key for its centralised processing hub strategy (as Ross Mining also did from 1994 to 1999). See Figure 2.

Figure 1: GBM Resources Mt Coolon and Yandan Acquisition



Mt Coolon District Gold Resources	Tonnes (000's)	Au (g/t)	Au oz (000's)
GBM Mt Coolon District			
Koala – Sulphide + Transition + Oxide + Tailings [2, ML]	1,554	2.56	128.1
Glen Eva – Sulphide [2, ML]	1,660	1.47	78.3
Eugenia – Sulphide + Oxide [2, EL]	3,429	1.12	124.0
GBM Mt Coolon Sub Total	6,643	1.54	330.4
Yandan East and South – combined open pit + underground [3, ML]	8,559	1.5	401
GBM Mt Coolon + Yandan Total	15,202	1.49	731.4

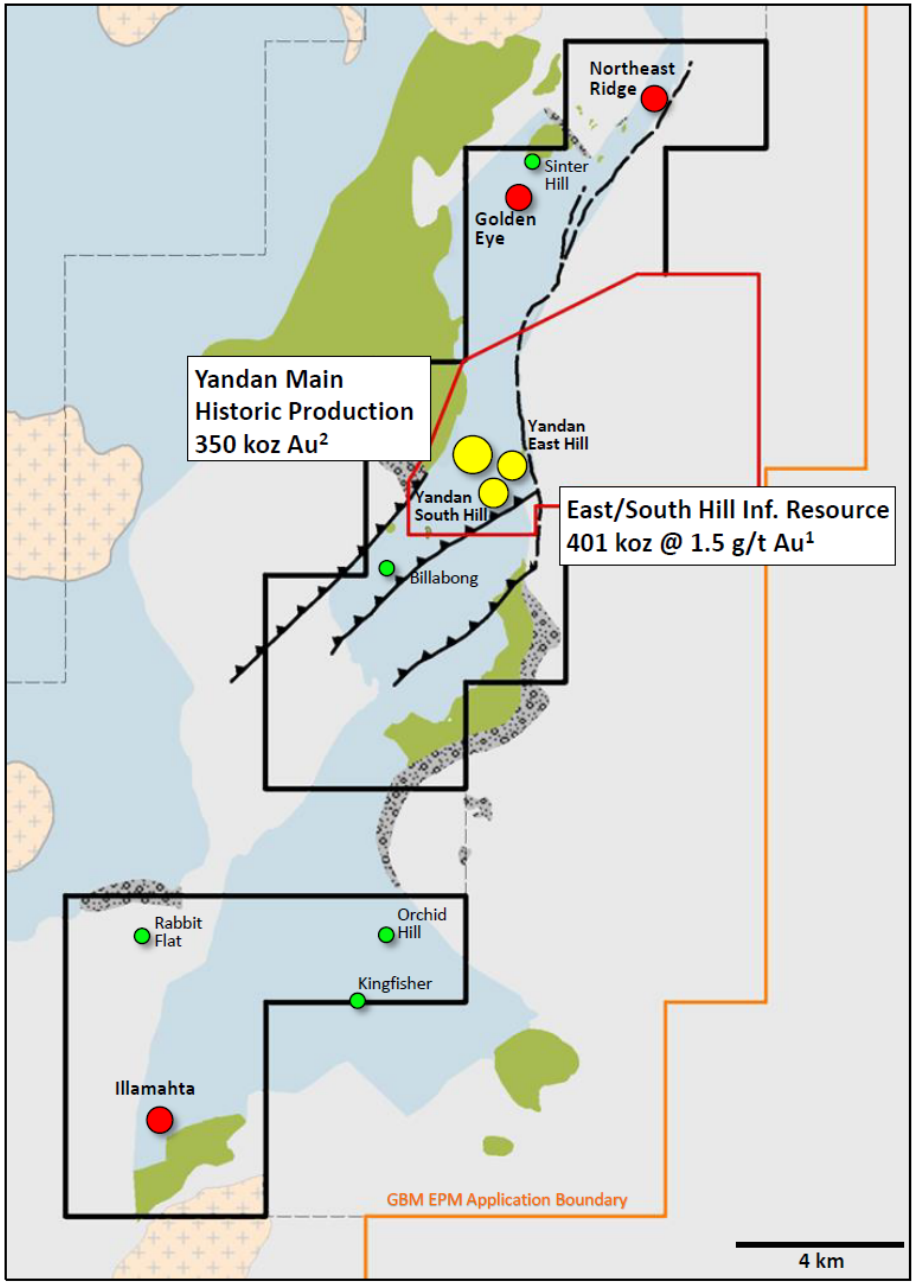
Third Party Resources within 70 kms of Mt Coolon	Tonnes (000's)	Au (g/t)	Au oz (000's)
Twin Hills + Lone Sister [1, ML]	6,940	2.83	633.0

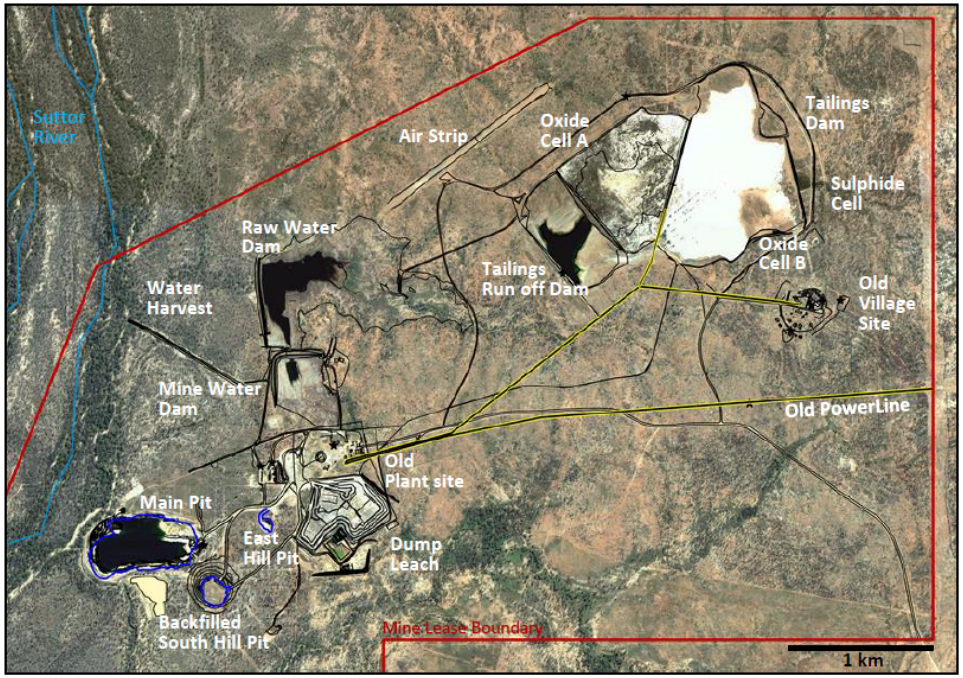


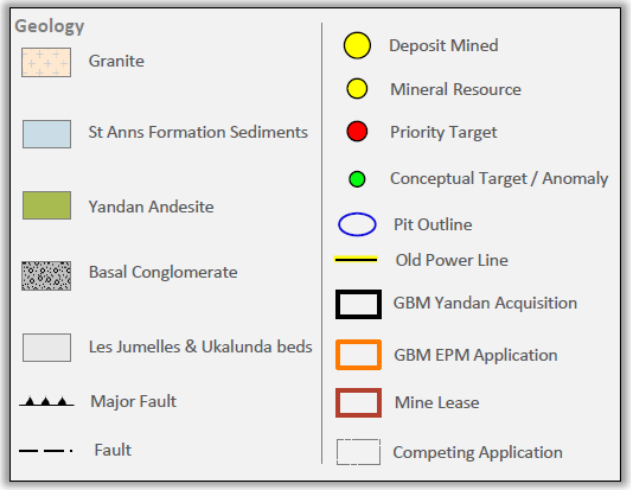
1. GBM ASX Announcement, 18 Jan. 2019, Mt Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces
*2. GBM ASX Announcement, 4 Dec. 2017, Mt Coolon Gold Project Scoping Study *Including Tailings*
3. H&S 2010 Combined Open pit and underground 0.5 g/t Au cutoff and 1.0 g/t Au cutoff respectively

Prepared by GLOBAL ORE DISCOVERY

Figure 2: Yandan Gold Project and Mine Infrastructure







1. H&S 2010 Combined open pit and underground 0.5 g/t Au cutoff and 1.0 g/t Au cutoff respectively
2. Straits Resources ASX Preliminary final report - 31 December 2006

Prepared by GLOBAL ORE DISCOVERY

APPENDIX 1 – HISTORICAL DRILLING RESULTS

Straits Resources and Drummond Gold exploration programs

Exploration has continued on the Yandan East area since the late 1980's when Western Mining held the project. In total, 4 different companies have drilled 100 reverse circulation and diamond drill holes into the Yandan East project for a total of 21,281.1 metres. Holes have ranged in depth from 50 metres to 500 metres. The main companies drilling at Yandan East were Western Mining in the late 1980's, Ross Mining in the mid 1990's when they mined the adjacent Yandan Main pit. Straits Resources completed three small drill programs from 2004 through to 2006 when the high grade zone of mineralisation was discovered at depth below the Yandan East Pit. Finally, Drummond Gold held the project under option from 2008 through to 2010. Drummond completed 11 holes for 3,925.1 metres.

Company	Years - Drill Programs	No. Drill Holes	Metres
Drummond Gold	2009/ 2010	11	3925.1
Straits Resources	2004/2005/2006	31	11292.0
Ross Mining	Mid 1990's	48	4048.0
Western Mining	Late 1980's	10	2016.0
TOTAL		**100**	**21281.1**

Note, all drilling from the Yandan East and Yandan South pits are included in this table above. Extensive drilling was completed by Western Mining and Ross Mining on the main pit zone at Yandan itself which are not included in this tabulation.

Drill Hole	Company	Year	Northing	Easting	Dip	Azimuth	From	To	Length	Au g/t	Source
YAN 005	Straits Resources	2005	7644890	497615	-57	360	211	387.6	176.6	2.4	Straits Press Release 9 Aug 2005. Yandan east Hill Discovery
Includes							300.5	328	27.5	8.1	
plus							361.5	370	8.5	10.2	
YAN 011	Straits Resources	2006	7645098	497621	-60	360	294.5	378	83.5	3.8	Straits Quarterly Report period ending March 31 2006
Includes							310.7	332	21.3	9.8	
YAN 013	Straits Resources	2006	7644850	497575	-60	3	214.3	311	96.7	0.8	Straits Quarterly Report period ending March 31 2006
YAN 014	Straits Resources	2006	7644850	497535	-60	351	275	396	121.0	0.6	Straits Quarterly Report period ending March 31 2006
YAN 016	Straits Resources	2006	7644920	497655	-59	360	222.1	406.5	185.0	1.0	Straits Quarterly Report period ending March 31 2006
Includes							307.4	332	24.7	2.8	
							344.6	356	11.4	5.0	
YAN 017	Straits Resources	2006	7644890	497535	-60.6	347.5	276.6	368	91.4	1.0	Straits Quarterly Report period ending March 31 2006
Includes							291.2	299.7	8.5	5.2	
YAN 018	Straits Resources	2006	7644890	497455	-62.4	346.5	355	375	20.0	1.5	Straits Quarterly Report period ending March 31 2006
YAN 022	Straits Resources	2006	7644880	497655	-62	360	283	371	88.0	7.9	Straits Quarterly Report period ending March 31 2006
YAN 023	Straits Resources	2006	764920	497695	-63.5	1	286.4	321.9	35.5	1.1	Straits Quarterly Report period ending March 31 2006
	Broad envelopes calculated with a 0.5 g/t Au lower cut.										
	Higher grades calculated with a 2 g/t Au lower cut, 8m max. internal waste.										
	Intercepts calcualted and reported by Straits Resources.										
EHRCD003	Drummond Gold	2009	7644956	497654	-65	360	222	228.5	6.5	3.3	Calculated by Peter Mullens from Drummond assay drill data base.
							266.1	276.3	10.2	1.8	AA
							290.1	327	36.9	5.8	AA
EHRCD006	Drummond Gold	2009	7644918	497595	-60	358	307	320.2	13.2	2.1	Calculated by P J Mullens from Drummond Gold data base
							323	331	8.0	2.3	AA
							334.7	336	1.3	2.0	AA
							341	347	6.0	2.8	AA
	Higher grade intervals with 1.0 g/t Au lower cut.										
	Maximum intenral dilution 4 metres										
	Calculated by P J Mullens who is a fellow of The Australian Institute of Mining and Metallurgy and has sufficient experience to complete resource calculations according to 2012 JORC compliance.										
	P J Mullens Fellow AUSIMM, membership number 107138.										
	Note remaining 9 Drummond Holes were targetd outside the high grade zone at depth at Yandan east Project.										

APPENDIX 2 – GBM MINERAL RESOURCE ESTIMATE FOR MOUNT COOLON GOLD PROJECT

Mount Coolon Gold Project Resources

The Mount Coolon Project is located in the Drummond Basin in Queensland. Tenements and resources are owned by 100% owned subsidiary, Mount Coolon Gold Mines Pty. Ltd.

Project	Location	Resource Category									Total			Cut-off
		Measured			Indicated			Inferred						
		000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	
Koala	Open Pit				670	2.6	55,100	440	1.9	26,700	1,120	2.3	81,800	0.4
	Underground Extension				50	3.2	5,300	260	4	34,400	320	3.9	39,700	2.0
	Tailings	114	1.6	6,200	9	1.6	400				124	1.6	6,600	1
	Total	**114**	**1.7**	**6,200**	**729**	**2.6**	**60,800**	**700**	**2.7**	**61,100**	**1,563**	**2.5**	**128,100**	
Eugenia	Oxide				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
	Sulphide				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
	Total				**1,790**	**1.1**	**65,900**	**1,639**	**1.1**	**58,200**	**3,430**	**1.1**	**124,100**	
Glen Eva	Open Pit				1,070	1.6	55,200	580	1.2	23,100	1,660	1.5	78,300	0.4
Total		**114**	**0.0**	**6,200**	**3,590**	**1.6**	**181,900**	**2,919**	**1.5**	**142,400**	**6,653**	**1.5**	**330,500**	

Table: November 2017 Resource Summary for the MCGP. Please note rounding (1,000's tonnes, 100's ounces, 0.1 g/t) may cause minor variations to totals. For full details please refer to *ASX release dated the 4th of December 2017.*

GBM confirms that it is not aware of any new data or information that materially affects the information disclosed in this presentation and previously released by GBM in relation to Mineral Resource estimates on its tenure. All material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

APPENDIX 3 – EAST HILL GOLD DEPOSIT – Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• Validation of the drill hole database was carried out by Straits Resources This has not been reviewed by H&SC. • H&S-compiled its own 'resource' Access database from the supplied database as a check for any issues and connected it to the Surpac Mining software for error checking • Responsibility for the drilling data resides with GBM • Checks completed by H&S include: o Data was imported into an Access database with indexed fields, including checks for duplicate entries, unusual assay values and missing data. o Additional error checking using the Surpac database audit option for incorrect hole depth, sample/logging overlaps and missing downhole surveys. o Manual checking of logging codes for consistency, plausibility of drill hole trajectories and assay grades. Modifications made to lithology codes for easier use in interpretation. • Assessment of the data confirms that it is suitable for resource estimation.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• No site visit was completed by H&S or H&SC personnel.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The East Hill mineralisation included in the current estimates comprises two relatively broad east-west striking mineralised zones, designated by H&S as the North (East Hill) and South (South Pit) domains. Previous open pit mining exploited portions of each of these zones to around 50 metres depth, and the remnant mineralisation is dominantly fresh. The estimates do not include mineralisation below or adjacent to the previously mined main Yandan Pit in the northwest of the current study area. • Interpretation of the drillhole database allowed for the generation of 3D mineral constraining solids and geological surfaces for a set of 25m

Criteria	JORC Code explanation	Commentary
		spaced N-S sections. • Outlines capturing zones of continuous mineralisation with composited gold grades above approximately 0.2 g/t were digitised on cross sections aligned with the drilling traverses. In addition to the two mineralised domains, the current estimates include a background domain which contains only rare, isolated mineralised drill results. • The North domain interpreted for the current study is truncated at its base by a surface representing a listric fault, which was supplied by DGO. There is considerable vertical grade variation, with zones of notably higher grades centred at around 120mRL and -70 mRL separated by approximately 80 vertical metres of material with few high grade composites. • The supplied geological logs included oxidation logging for only recent Drummond diamond holes. These holes target deeper mineralisation and do not intersect near-surface mineralisation, so little information is available to interpret the oxidation profile within the mineralised zones. As stipulated by DGO, the current estimates assume that the base of oxidation lies 30 metres below the pre-mining surface. • There is no evidence of gold enrichment or depletion in the oxide zone. • Geological understanding appears to be reasonable and appropriate for resource estimation. There is a good level of confidence in the geological interpretation, based on the relative ease in which various geological domains could be interpreted. • Alternative interpretations are possible for the mineral zone definition but are unlikely to significantly affect the estimates. • The style of mineralisation and the orebody type means there is both a strong stratabound and structural control to the grade and geological continuity.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The sulphide open pit Mineral Resource for the North domain is 400m in strike by 300m in plan width by 370m vertical depth. The sulphide zone begins at roughly the 170mRL, 30m below the surface, in places just below the historic RSM pit, with a lower limit around the -200mRl which is approximately 400m below the original surface. • The higher grade zone associated with the underground model measures 300m in strike by 200m in plan width by 250m in depth

Criteria	JORC Code explanation	Commentary
		beginning at the 100mRL approximately 100m below surface and extending to the -150mRL approximately 350m below surface . • The sulphide open pit Mineral Resource for the South pit measures 400m in strike by 100m in plan width. It reaches the -50mRL roughly 250m below surface.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Gemcom software was used for data compilation, calculating and coding of composite values, and GS3M the resource estimation software developed by H&S was used for resource estimation. The resulting estimates were imported into Gemcom models for model validation and resource reporting. • The gold block grade was estimated using Multiple Indicator Kriging (MIK) • H&SC considers MIK to be an appropriate estimation technique for this type of gold deposit. • There is no correlation between gold and any other elements e.g. Cu, Ag, Pb & Zn due to a lack of assay data for those elements. Some arsenic sample data was available but appeared to show no correlation with gold grades. • H&S created two mineral domains, based on a 0.2g/t Au cut off and a background domain, which contains only rare, isolated mineralised drill results. • A base of oxidation surface was used to sub-domain the mineral domains and was treated as a soft boundary. • The mineral wireframes were used to extract a total of 11,060 2m composites for subsequent gold grade interpolation. The coefficients of variation (CV) for gold for each mineral domain were variable with the North domain having a CV of 6.85 for the fresh composites and a CV of 1.15 for the oxide material. The South domain has CVs around a more modest 0.8 with the background domain having CVs of 2.06 and 2.52 for oxide and fresh composites respectively. • No top cutting was applied to the composite data. Composite grades from the fresh portion of the north mineralised domain include a maximum value of 271.88 g/t which is markedly higher than the next highest grade of 57.85 g/t and significantly influences the mean grade

Criteria	JORC Code explanation	Commentary
		of upper indicator class of this domain. The class mean grade assigned to this subset of 20.12 g/t was derived from the class mean excluding the highest grade composite. All other class grades were determined from class mean grades. • No assumptions were made regarding the recovery of by-products. • The variogram models used for the current estimates were modelled from a combined dataset of mineralised domain composites. Although grade continuity within the mineralised domains is not well defined by the current sample spacing, the available data does show strongest grade continuity plunging towards the west consistent with trends shown in the raw data. • Drill holes are on a regular spaced grid with a nominal spacing of 25m by 20m (tighter in some near surface areas) expanding and becoming more irregular with depth. Block dimensions for the open pit model are 25mx15mx5m (E, N, RL respectively) and are in line with the MIK estimation methodology. A selected mining unit (SMU) of 6m by 4m by 2.5m was used to reflect the proposed mining strategy for the open pit scenario. For the underground model a block size of 25mx15mx20m (E, N, RL respectively) was used • The mineral wireframes were used to control the limit of the grade interpolation ie the boundaries between the mineral domains and the background domain are treated as hard boundaries. The oxidation boundary is treated as a soft boundary • The search criteria adopted for the current estimates represent a compromise between providing reasonably robust local estimates, and estimating a reasonably large proportion of the potentially mineralised areas. Uncertainty in the current estimates related to the use of broad search passes relative to mineralisation continuity and panel dimensions is captured by classifying the current estimates as Inferred. Modelling used an expanding search pass strategy with the initial search radii based on the drill spacing increasing to take in the geometry of the mineralisation and the variography. Modelling consisted of one estimation run with 3 passes. The minimum search used was 75m by 22.5m by 7.5m (X, Y & Z) for Pass 1 expanding to

Criteria	JORC Code explanation	Commentary
		97.5m by 29.25m by 9.75m for Passes 2 and 3. The minimum number of data was 16 samples and 4 octants for Passes 1 and 2 decreasing to a minimum of 8 data and 2 octants for Pass 3. The search parameters for the underground model were 75m by 22.5m by 20m (X, Y & Z) for Pass 1 expanding to 97.5m by 29.25m by 26m for Passes 2 and 3. The minimum number of data was 16 samples and 4 octants for Passes 1 and 2 decreasing to a minimum of 8 data and 2 octants for Pass 3. • The maximum extrapolation of the estimates is 100m. • The estimation procedure was reviewed as part of an internal H&SC peer review. • No deleterious elements or acid mine drainage has been factored in. • The final block model was reviewed visually by H&S and it was concluded that the block model fairly represents the grades observed in the drill holes. H&S also validated the block model statistically using a variety of histograms and summary statistics and comparison with a previous resource estimate and historical and recent production. • H&S completed an in-house check Ordinary Kriged model which produced reasonable results comparable to the MIK model. • Validation confirmed the modelling strategy as acceptable with no significant issues. • The deposit has been mined in small near surface zones but no production data was supplied and thus no reconciliation data is available.
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• Tonnages are estimated on a dry weight basis; moisture not determined.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The open pit resource estimates are reported as recoverable resources for a 0.5 g/t Au cut off and a partial percent volume adjustment for the mineral wireframe and the base of complete oxidation surface. The cut off is based on advice by GBM and H&SC's experience with similar type of deposits. • The underground resource estimates are reported as E-type resource estimates for a 1 g/t cut off grade with a partial percent volume

Criteria	JORC Code explanation	Commentary
		adjustment for the mineral wireframe. The cut off is based on advice by GBM and H&SC's experience. • The cut-off grades at which the resources estimates are quoted reflects an intended bulk-mining approach. • Initial tests by H&S based on a cut off of 1.0 g/t cut off suggest that, although the estimates do include isolated blocks with apparently little potential economic viability, aggregating the estimates within a wireframe capturing continuous mineralisation does not significantly influence the estimates.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• H&SC's understanding of the bulk mining scenario is based on information supplied by GBM. • The deposit is very close to the historic Yandan Mine which was mined as an open pit operation from 1993 to 1996 by Ross Mining yielding 221,028 oz from a heap leach and CIL plant. • The SMU (6mx4mx2.5m) is the effective minimum mining dimension for this estimate. • The open pit resource estimates have been reported as recoverable resources and thus any internal dilution has been factored in with the modelling and as such is appropriate to the block size. • The underground resource estimates have been reported as E-type estimates which is appropriate for underground extraction. Using a defined shape for continuous mineralisation had very limited impact on the size of the resource estimates
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• SRL completed some testwork in 2007 with the conclusions that recoveries by cyanidation increased with Au grade ranging from 59% for the lowest Au grade to 95% for the highest Au grade. Gravity separation followed by cyanidation did not significantly increase recovery. The As rich sample had a low cyanidation recovery of 18%. • No penalty elements have been identified in the work so far.
Environmental factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual*	• The area lies within flat terrain with broad drainage features. • The area is covered with sparse vegetation typical of that part of North Central Queensland.

Criteria	JORC Code explanation	Commentary
	economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	• The area is on a fully permitted mine lease. • The low sulphidation deposit is likely to have relatively limited amount of sulphide waste from mining the sulphide resource. Limestone outcrops are within 5km that can be used to treat any sulphidic waste or acid mine drainage. • Environmental monitoring programmes are in progress.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vughs, porosity, etc.), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• The resource estimates utilise an average bulk density of 2.0t/m^3 for the oxide zone, 2.65t/m^3 for the sulphide portion of the resource, , based on the median value of the pit and diamond core measurements. • Density data supplied for the current estimates comprises results for 11 samples collected from the Yandan pit during mining and 355 immersion measurements from diamond core. • No description of the measurement technique for the in-pit samples was provided, and the relevance of these samples to the East Hill mineralisation is unclear. The internal Ross Mining memorandum supplied with these data specified that they were collected from around 155 and 157 mRL, which approximates the interpreted base of oxidation at 30 metres below surface. • Interval lengths specified for the diamond core density samples range from 0.3 to 2.0 metres and average 0.8 metres. All of these samples are from down-hole depths of greater than 155 metres and test only fresh mineralisation. • Gold assays which are available for all but one of the diamond core density samples, show that they have been generally collected from unusually high grade mineralisation. There does not appear to be a strong relationship between gold grade and density, suggesting that these samples are reasonably representative of the density of fresh mineralisation. • The default densities are considered reasonable for the resource estimation.
Classification	• *The basis for the classification of the Mineral Resources into*	• Classification of Mineral Resources is based on the pass category

Criteria	JORC Code explanation	Commentary
	varying confidence categories. • *Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person's view of the deposit.*	generated from the grade interpolation which is a result of the data spacing, variography and geological interpretation. • Additional factors have been taken into consideration split into positives and negatives: o Positive factors ➢ A reasonably well understood geological model ➢ Appropriate drilling and sampling techniques used ➢ A reasonable drillhole database ➢ Reasonably well drilled deposit in parts with sufficient close spaced drilling. o Negative factors ➢ Lack of documentation for the sampling methods and analytical techniques for the drilling. ➢ Lack of sample recoveries for both DD and RC drilling ➢ Lack of verification of historical data ➢ No surveyed surface topography was provided ➢ No base of oxidation surface was provided ➢ No up to date digital geological map was provided ➢ No QAQC data was supplied ➢ Limited density data; default values were used for the different oxidation zones. • Based on all the above considerations the Mineral Resources have been classified as Inferred (Passes 1, 2 & 3). • The classification appropriately reflects the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• No external audits or reviews of the Mineral Resource estimates have been completed. • H&SC completed an internal review Mineral Resource estimates
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical*	• The relative accuracy and confidence level in the Mineral Resource estimates are considered to be in line with the generally accepted accuracy and confidence of the nominated Mineral Resource categories. This has been determined on a qualitative, rather than quantitative,

Criteria	JORC Code explanation	Commentary
	procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	basis, and is based on the Competent Person's experience with similar deposits. • The geological nature of the deposit, composite/block grade comparison and the modest coefficients of variation lend themselves to a reasonable level of confidence in the resource estimates. • The Mineral Resource estimates are considered to be reasonably accurate globally, but there is some uncertainty in the local estimates where there is wider drillhole spacing, and with the accurate position of the base of oxidation for separating oxide resource from sulphide resource.