



ASX/ MEDIA RELEASE

30/10/2012

GBM announces Notice of Meeting posted for AGM to be held 30 November 2012

GBM Gold Ltd (GBM) announces that on Friday it posted to all Shareholders the Notice of Meeting for the upcoming AGM – which is to be held at its premises at 2H Thistle St, Bendigo on 30 November 2012.

A copy of the Notice of meeting accompanies this release.

Additionally a hard copy of the Annual report was dispatched to those who have requested the same. All others can download a copy of the Annual Report from either the ASX or GBM websites.

ENDS

About GBM Gold Ltd (ASX: GBM)

GBM Gold Ltd (GBM) is focused on becoming a strong gold production company, with a growing focus on surface accessed production.

The initial focus has been on building a solid gold production base in Central Victoria, Australia from its various Resource projects in the region. Within each of its Resource projects are one or more granted tenements, each containing a number of well defined Resource blocks and/or Exploration Targets. The various Resource projects are at a mix of development stages, from production through to later or earlier analysis, exploration or development phases.

GBM has highly experienced teams focused on the requirements of its operations, a centralised geology team as well as Bendigo based management, finance and administration personnel.

GBM is also focused on acquiring a few select international gold assets to provide strong resource and revenue growth in future.

For more information please visit the Company website: www.gbmgold.com.au

Notice of Annual General Meeting and Explanatory Statement

The Annual General Meeting of

GBM GOLD LTD

ABN 59 119 956 624

will be held on

Friday 30 November 2012

at

*2H Thistle Street
Golden Square
Bendigo, Victoria, 3555*

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

For personal use only

CONTENTS

Item	Page
Notice of Annual General Meeting	3
Explanatory Statement	7
Explanatory Statement for Resolution 1 – Adoption of Remuneration Report	7
Explanatory Statement for Resolution 2 – Ratification of Previous Share placements	8
Explanatory Statement for Resolution 3 – Appointment of Auditor	9
Explanatory Statement for Resolution 4 – Re-appointment of Eric Ng as a Director	9
Explanatory Statement for Resolution 5 – Re-appointment of Wayne Johnson as a Director	9
Explanatory Statement for Resolution 6 – Increase of Non-Executive Directors' Fees	10
Explanatory Statement for Special Resolution 7 – Approval of 10% Placement Facility	10
Glossary	15
Proxy Form	16
Appointment of Corporate Representative Form	18

ACTION REQUIRED BY SHAREHOLDERS

Step 1

Read the notice of Annual General Meeting and the Explanatory Statement. The Explanatory Statement sets out details in relation to the resolutions. This information is important.

Step 2:

Vote on the resolutions. Your vote is important. You may cast your vote by:

- attending and voting at the meeting to be held at 2H Thistle Street, Golden Square, Victoria, 3555 on *30 November 2012* commencing at 11:00am (AEDT); or
- completing and returning the enclosed proxy form so as to be received by the Company at its registered office by 12:00pm (AEDT) on *28 November 2012*.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting ('AGM') of Shareholders of GBM Gold Ltd ('Company') will be held at 2H Thistle Street, Golden Square, Victoria, 3555 on 30 November 2012 commencing at 11:00am (AEDT). The Explanatory Statement which accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered.

BUSINESS

Accounts

To receive and consider the financial report of the Company for the period ending 30 June 2012 and the related Directors' Report, Directors' Declaration and Auditor's Report.

Resolution 1 - Adoption of Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution as an ordinary resolution, with or without amendment:

"That the Remuneration Report set out in the Directors' Report for the year ending 30 June 2012 be adopted."

Notes to this Resolution:

- This Resolution is advisory only and does not bind the Company or its Directors.
- If 25% or more of the votes cast vote against the adoption of the Remuneration Report at two consecutive AGMs then Shareholders will be required to vote at the second of those AGMs on a further resolution ("Spill Resolution"). The Spill Resolution will be that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must put themselves up for re-election.

Resolution 2 – Ratification of Previous Share Placements

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That for the purposes of ASX Listing Rules 7.4, and all other purposes ratification and approval is given for the issue and allotment of 81,250,000 fully paid ordinary shares in the capital of the Company at an issue price of 1.2 cents per share to the persons described in the Explanatory Statement."

Resolution 3 - Appointment of Auditor

To consider and, if thought fit, to pass the following Resolution as an ordinary Resolution with or without amendment:

"That Moore Stephens being qualified to act as Auditor of the Company and having consented to act as Auditor of the Company, be appointed as the Auditor of the Company and that the Directors be authorised to agree their remuneration."

Resolution 4 - Retirement and Election of Eric Ng as a Director

Eric Ng retires in accordance with clause 3.6 of the Constitution of the Company and being eligible, offers himself for election.

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"That Eric Ng, who ceases to hold office in accordance with Rule 3.6 of the Company's Constitution, being eligible offers himself for election, be re-appointed as a Director of the Company."

Resolution 5 - Retirement and Election of Wayne Johnson as a Director

Wayne Johnson retires in accordance with clause 3.6 of the Constitution of the Company and being eligible, offers himself for election.

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"That Wayne Johnson, who ceases to hold office in accordance with Rule 3.6 of the Company's Constitution, being eligible, be re-appointed as a Director of the Company."

Resolution 6 – Directors' Fees

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of Rule 10.2 of the Constitution of the Company and ASX Listing Rule 10.17, the aggregate amount of Directors' Fees be increased from \$100,000 to \$200,000."

Special Resolution 7 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass the following Resolution as a Special Resolution with or without amendment:

"That pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Shares up to 10% of the issue capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement."

Voting Exclusion Statement

For the purposes of:

- 1 **Resolution 2** (Listing Rule 7.5) The Company will disregard any votes cast on this resolution by or on behalf of any person who participated in the issue or an associate of such person.
- 2 **Resolution 6** (Listing Rule 10.7) The Company will disregard any votes cast on this resolution by or on behalf of any Director of the Company or their associates.
- 3 **Resolution 7** The Company will disregard any votes on this Resolution by a person (and associates of that person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, if this Resolution is passed.

The Company, however, need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the chairperson of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Accompanying Explanatory Statement

The Explanatory Statement accompanying this Notice of Annual General Meeting is incorporated in and forms part of this Notice of Annual General Meeting.

Shareholders are referred to the Glossary in the Explanatory Statement which contains definitions of capitalised terms used in this Notice of Annual General Meeting and Explanatory Statement.

Voting by Proxy

- (a) Right to appoint - Each Shareholder has the right to appoint a proxy to attend and vote for the Shareholder at this meeting.
- (b) Two proxies - To enable a Shareholder to divide their voting rights a Shareholder may appoint two proxies. Where two proxies are appointed:
 - i) a separate Proxy Form should be used to appoint each proxy, and
 - ii) the Proxy Form may specify the proportion, or the number of votes that the proxy may exercise, and if it does not do so the proxy may exercise half of the votes.
- (c) Who may be a proxy - A Shareholder can appoint any other individual or body corporate to be their proxy. A proxy need not be a Shareholder of the Company. The proxy appointed can be described in the Proxy Form by an office held, for example, 'the Chair of the Meeting'.
- (d) Signatures of individuals - In the case of Shareholders who are individuals, the Proxy Form must be signed:
 - i) if the Shares are held by one individual, by that Shareholder, or
 - ii) if the Shares are held in joint names, by any one of them.
- (e) Signatures on behalf of companies - in the case of Shareholders who are companies, the Proxy Form must be signed:
 - i) if it has a sole director who is also sole company secretary, by that director (and stating that fact next to, or under, the signature on the Proxy Form), or
 - ii) in the case of any other company, by either two directors or a director and company secretary.

The use of the common seal of the company, in addition to those required signatures, is optional.
- (f) Other authorised person - If the person signing the Proxy Form is doing so under power of attorney, or is an officer of a company outside of (e) above but authorised to sign the Proxy Form, the power of attorney or other authorisation (or a certified copy of it), as well as the Proxy Form, must be received by the Company by the times and date at the place in (g) below.
- (g) Lodgement place and deadline - A Proxy Form accompanies this notice. To be effective, Proxy Forms (duly completed and signed) must be received by the Company, not later than 12:00pm (AEDT) 28 November 2012. Proxies may be lodged:

- by hand to GBM Gold Ltd, 2H Thistle Street, Golden Square, Victoria, 3555; or
- i) by post to GBM Gold Ltd, PO Box 2709, Bendigo, Victoria, 3552, or
 - ii) by facsimile to +613 5444 0036, together with a business hours telephone number.
- (h) A Proxy Form accompanies and forms part of this Notice of Annual General Meeting.

“Snap-shot” Time

The Directors have determined that all shares that are quoted on ASX at 7:00pm (AEDT) on 28 November 2012 shall, for the purposes of determining voting entitlements at the Annual General Meeting, be taken to be held by the persons registered as holding the shares at that time.

Corporate Representative

Any corporate Shareholder who has appointed a person to act as its corporate representative at the meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the meeting or handed in at the meeting when registering as a corporate representative. An Appointment of Corporate Representative form is enclosed if required.

By Order of the Board of Directors

Ian Smith

Chairman of the Board

GBM Gold Ltd

22 October 2012

EXPLANATORY STATEMENT

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the resolutions in the accompanying Notice of Annual General Meeting. This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

Financial Statements and Reports

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ending 30 June 2012 will be laid out before the meeting. These reports can also be accessed on the Company's website at www.gbmgold.com.au.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company.

Shareholders will also be given a reasonable opportunity to ask the Auditor questions about the conduct of the audit and the preparation and content of the Auditor's report.

Resolution 1 - Adoption of Remuneration Report

Section 298 of the Corporations Act requires that the annual Directors' Report contains a Remuneration Report prepared in accordance with section 300A of the Corporations Act.

By way of summary, the Remuneration Report:

- (a) discusses the Company's remuneration policy and the process for determining the remuneration of its executive officers and employees;
- (b) addresses the relationship between the Company's remuneration policy and the performance of the Company; and
- (c) sets out the remuneration details for each Director and each of the executive officers of the Company named in the Remuneration Report for the financial year ended 30 June 2012.

Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. Pursuant to section 250R(3), the vote on this Resolution is advisory only and does not bind the Board or the Company.

The Board is submitting its Remuneration Report to Shareholders for consideration and adoption by way of a non-binding resolution.

The Remuneration Report is set out in the Company's 2012 Annual Report.

Appropriate time will be allowed for consideration of the Remuneration Report.

Directors and other Key Management Personnel of the Company and their closely related parties are excluded from voting on this Resolution. There are no other voting exclusions applicable to this Resolution.

The definition of "closely related parties" includes certain family members, dependents and companies controlled by the Key Management Personnel and is defined in section 9 of the Corporations Act.

Under the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive AGMs, Shareholders will be required to vote at the second of those AGMs on a resolution that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director and CEO) must be put up for re-election.

The Chairman of the meeting is able to vote undirected proxies in the non binding vote if the shareholder provides express authorisation for the Chairman to exercise the proxy.

Resolution 2 – Ratification of Previous Share Placements

On or around 29 June 2012, the Company issued 72,916,667 shares by private placement to Sterlington Resources Ltd and MSVV Limited. On 24 October 2012 a further 8,333,333 shares were issued to MS VV Limited.

The issue of shares was part of the re-financing arrangements announced to the market 5 May 2012.

ASX Listing Rule 7.1

Under ASX Listing Rule 7.1, the prior approval of Shareholders was not required to issue the shares because those shares, when aggregated with the securities issued in the previous 12 months (other than the securities issued with Shareholder approval), did not exceed 15% of the number of securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting subsequently approves a previous issue of securities (and provided the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of ASX Listing Rule 7.1.

Ratification is now sought for the issue of Shares to Sterlington Resources Ltd, and MSVV Limited pursuant to ASX Listing Rule 7.4 in order to reinstate the Company's capacity to issue up to 15% of its issued capital to enable the Company to consider additional funding initiatives over the next 12 months consistent with the provisions of ASX Listing Rule 7.1 and the Corporations Act.

The Board unanimously recommends the ratification and approval of the issue and recommend that Shareholders vote in favour of Resolution 4.

ASX Listing Rule 7.5 sets out a number of matters which must be included in a notice of meeting seeking an approval under ASX Listing Rule 7.4. For the purposes of ASX Listing Rule 7.5, the following information is provided in relation to the placement and this Resolution:

- 72,916,667 plus 8,333,333 being a total of 81,250,000 shares were issued and allotted.
- The shares were issued at an issue price of \$0.012 per share.
- The shares rank equally with existing shares on issue.
- The shares were issued to Sterlington Resources Ltd and MSVV Limited.
- The funds raised by the issue were used predominantly for the payment of creditors, and the advancement of gold production at the Company's Inglewood site.

- A voting exclusion statement is included in the Notice.

Resolution 3 - Appointment of Auditor

The Company has received the resignation of BMS Audit (NSW-VIC) Pty Ltd (formerly BDO Audit (NSW-VIC) Pty Ltd) as Auditor of the Company. The appointment of BMS Audit will lapse, in accordance with section 327B(2)(b) of the Corporations Act, at the AGM. It is proposed that Moore Stephens be appointed as Auditor of the Company pursuant to section 327B of the Corporations Act.

Moore Stephens has consented to act in this capacity and all other requirements of the Corporations Act in relation to the appointment of auditors have been, or at the date of this Notice, are being met.

In accordance with section 328B(1) of the Corporations Act, the Company has received a nomination from a Member for Moore Stephens to be appointed as the Company's Auditor.

The Board recommends that Members vote in favour of the Resolution.

Resolution 4 - Re-appointment of Mr Eric Ng as a Director

It is a requirement of the Constitution that each year one third of directors, or if that is not a whole number, the whole number nearest to one third of the directors retire. The retirement occurs automatically at the AGM and directors are eligible for election if they wish.

Mr Eric Ng, ceases to hold office at the end of this Annual General Meeting pursuant to rule 3.8 of the Company's Constitution, and being eligible, offers himself for re-election as a Director of the Company.

A brief bio for Mr Eric Ng is given below.

Eric Ng

Mr Ng has been the Principal Consultant of Chadway Management Service Pte Ltd since 1982. He is responsible for providing operational management, planning and executing growth strategies, merger and acquisitions activities and corporate finance services to companies in Singapore and the region.

He also advises on business growth and globalisation strategies, capital market and corporate governance issues and is an active capital market intermediary matching capital with business. Chadway also provides advisory services for companies in their listing via an IPO or RTO on SGX and ASX.

Other than Mr Eric Ng, the Directors unanimously recommend that Shareholders vote in favour of this resolution. Mr Eric Ng makes no recommendation.

Resolution 5 – Re-appointment of Wayne Johnson as a Director

It is a requirement of the Constitution that each year one third of directors, or if that is not a whole number, the whole number nearest to one third of the directors retire. The retirement occurs automatically at the AGM and directors are eligible for election if they wish.

Mr Wayne Johnson, ceases to hold office at the end of this Annual General Meeting pursuant to rule 3.8 of the Company's Constitution, and being eligible, offers himself for re-election as a Director of the Company.

A brief bio for Mr Wayne Johnson is given below.

Wayne Johnson

Wayne has over 25 years business and financial transaction experience gained in Australia, New Zealand, Asia and North America.

Wayne has founded and helped manage a range of businesses from start-ups through to public listings and has been responsible for a number of large business sales in the financial services, technology and telecommunications industries to multinational buyers.

Wayne provides a wealth of experience in mergers and acquisitions, corporate advisory and general business development to the board. Wayne is the principal of Nobleman Ventures, a corporate advisory and investment firm based from Sydney. He is also the Chairman of ASX listed Cape Range Limited and an Independent Director of SmartPay Limited listed on the NZX.

Other than Mr Wayne Johnson, the Directors unanimously recommend that Shareholders vote in favour of this resolution. Mr Wayne Johnson makes no recommendation.

Resolution 6 – Increase in Non-Executive Directors' Fees

The aggregate amount of non-executive directors' fees is currently set at \$100,000 per annum.

The Constitution of the Company provides in Rule 10.2 that the fees of the non-executive directors for a financial year must not exceed the amount fixed before the end of that financial year by ordinary resolution.

To allow for future increases in directors' fees and to allow for additional non executive director appointments, the Company proposes increasing the aggregate limit to \$200,000.

Directors and other Key Management Personnel of the Company and their closely related parties are excluded from voting on this Resolution in accordance with section 250BD of the Corporations Act.

A voting exclusion statement is included in this Notice in accordance with ASX Listing Rule 10.17.

The Directors do not provide a recommendation in respect of this resolution.

Special Resolution 7 – Approval of 10% Placement Facility

Listing Rule 7.1A enables Eligible Entities to issue Equity Securities up to 10% of its issue share capital through placements over a 12 month period after the AGM ('**10% Placement Facility**'). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Formula

The formula for calculating the number of Equity Securities capable of being issued under Listing Rule 7.1A is provided in 7.1A.2 and is provided below.

(A x D) – E

A is the number of shares on issue 12 months before the date of issue or agreement:

- (i) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;
- (ii) plus the number of partly paid shares that become fully paid in the 12 months;

(iii) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;

(iv) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under the Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

Conditions of Approval

Approval under Listing Rule 7.1A is subject to the following:

- (a) Shareholder approval by way of Special Resolution at an AGM; and
- (b) the Company qualifying as an Eligible Entity. The Company is an Eligible Entity if the Company is outside the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less.

The Company is an Eligible Entity.

Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of this Notice, has on issue one (1) class of Equity Securities, namely, Ordinary Shares. The class of Equity Securities which is the subject of Resolution 2 is Ordinary Shares.

Minimum Issue Price

The minimum price at which the Shares may be issued for the purposes of Listing Rule 7.1A.3 is 75% of the volume weighted average price for Shares in that particular class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (a) the date on which the price at which the Shares are to be issued is agreed; or
- (b) if the Shares are not issued within five (5) Trading Days of the date in paragraph (a), the date on which the Shares are issued.

The Risks associated with the Issue

The possible risks associated with an issue of Shares under Listing Rule 7.1A.2 may include:

- the market price for Shares in that class may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
- the Shares may be issued at a price that is at a discount to the market price for those Shares on the issue date.

Listing Rule 7.3A.2 requires the Company to provide a table demonstrating the potential dilution effect based on three different assumed prices of the Company's Shares and three different numbers of Shares on issue in the Company (Variable 'A' in Listing Rule 7.1 and 7.1A). For convenience, we will refer to the latter as Variable 'A'.

The following table shows the dilution of existing Shareholdings on the basis of the current market price of Shares and the current number of Shares for Variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 (described above) as at the date of this Notice.

The table also shows:

- two examples where Variable 'A' has increased by 50% and 100%. The number of ordinary Shares on issue may increase as a result of issues of ordinary Shares that do not require Shareholder approval or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary Shares has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		0.008 50% decrease in issue price	0.016 Issue price	0.032 100% increase in issue price
Current Variable A 667,784,944	10% Voting Dilution	66,778,494	66,778,494	66,778,494
	Funds raised	\$534,228	\$1,068,456	\$2,136,912
50% increase in current Variable A 1,001,677,416	10% Voting Dilution	100,167,742	100,167,742	100,167,742
	Funds raised	\$801,342	\$1,602,684	\$3,205,368
100% increase in current Variable A 1,335,569,888	10% Voting Dilution	133,556,989	133,556,989	133,556,989
	Funds raised	\$1,068,456	\$2,136,912	\$4,273,824

**This table has been prepared on the following assumptions:

- The Company issues the maximum number of Shares available under the 10% Placement Facility.
- No Listed Options are exercised into Shares before the date of the issue of Shares.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the AGM.
- The table shows only the effect of issues of Shares under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

- (f) The issue of Shares under the 10% Placement Facility consists only of Shares, to the exclusion of all Options.
- (g) The issue price is \$0.016, being the closest price of the Shares on ASX at the time of this Notice.

10% Placement Period

The date by which the Shares may be issued pursuant to Listing Rule 7.1A.1 is the earlier of:

- (a) the date that is 12 months after the date of the AGM at which the approval is obtained;
- (b) the date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 or 11.2;

or such longer period allowed by the ASX.

The approval pursuant to Listing Rule 7.1A will cease to be valid in the event that Shareholders approve a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).

The Purposes of Issue

The purposes for which the Company may issue Shares pursuant to Listing Rule 7.1A include the following:

- advancing the production of Gold at the Company's Inglewood site and at its other project areas;
- the issue of Shares for non-cash consideration for the acquisition of new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; and
- the issue of Shares for cash consideration for the acquisition of new assets or investments (including expense associated with such acquisition, continued exploration and feasibility study expenditure on the Company's current assets and /or general working capital).

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Shares.

The Company's Allocation Policy

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of allottees of Shares will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the methods of raising funds that are available to the Company including but not limited to, rights issue or other issue in which existing Shareholders can participate;
- (b) the effect of the issue of the Shares on the control of the Company;
- (c) the financial situation and solvency of the Company; and
- (d) advice from corporate, legal, financial and broking advisors (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who

are not related parties or associates of a related party of the Company provided that such persons are Exempt Persons.

A voting exclusion statement is included in this Notice.

Shareholder Approval

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A.

Board Recommendation

The Board recommends that Members vote in favour of this Resolution.

For personal use only

Glossary

AEDT means Australian Eastern Daylight Time, Co-ordinated Universal Time (“UTC”) Time (GMT+11)

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691).

Board means the board of Directors.

Business Day means a trading day on the financial market operated by ASX.

Constitution means the constitution of the Company.

Company means GBM Gold Ltd (ACN 119 956 624).

Corporations Act means Corporations Act 2001 (Cth).

Directors mean directors of the Company.

Exempt Persons means persons to whom offers are exempt from disclosure requirements under the Corporations Act because of section 708 of the Corporations Act or because the offers are not received in Australia. Exempt Persons include Sophisticated, Professional and Institutional Investors.

Explanatory Statement means this explanatory statement.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

Listing Rule and **Listing Rules** means one or more of the official Listing Rules of ASX.

Notice means the Notice of Annual General Meeting accompanying this Explanatory Statement.

Resolution means a resolution contained in the Notice.

Share means an ordinary fully paid share in the capital of the Company.

Shareholder or **Member** means a shareholder entered on the register of members of the Company.

GBM GOLD LTD

ACN 119 956 624, 2H Thistle Street, Golden Square, Victoria, Vic 3555.

ANNUAL GENERAL MEETING

To be held at the 2H Thistle Street, Golden Square, Victoria, 3555 at 11:00am on 30 November 2012.

 Please read under 'VOTING BY PROXY', at the end of the Notice of Annual General Meeting, as to completion and lodgement of this Proxy Form.

I/We

of

being a member of GBM Gold Ltd ACN 119 956 624 (Company) hereby appoint

..... of

..... as my/our proxy or failing him or her the chairman of the general meeting of the Company to be held on Friday 30 November 2012 at 2H Thistle Street, Golden Square, Victoria, 3555 to vote for me/us at the meeting and at any adjournment of it.

If you wish to appoint two proxies state here the percentage or number of your voting rights applicable to this form: percent or number of shares

Tick the appropriate box to indicate your voting instructions.

Resolution	For	Against	Abstain
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Ratification of Previous Share Placements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Re-appointment of Mr Eric Ng as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Re-appointment of Mr Wayne Johnson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Increase in Non-Executive Directors' Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For personal use only

For personal use only

Important Information in respect of Resolution 6

If the Chairman of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy in respect of a resolution, please place a mark in the box immediately to the right.

By marking this box, you acknowledge that the Chairman of the meeting may exercise your proxy even if he has an interest in the outcome of Resolution 6 and that votes cast by the Chairman of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest.

If you do not mark this box, and have not directed your proxy how to vote, the Chairman will not cast your votes on Resolution 6 and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Other than in respect of Resolution 6, I/We understand that if I/we have not directed my/our proxy how to vote, my/our proxy may vote or abstain from voting as he or she thinks fit. The chairman of the meeting intends to vote undirected proxies **in favour** of each item of business.

DATED

If the Shareholder is an individual:

Signature

If the Shareholder is a company:
Affix common seal (if required by Constitution)

Director/Sole Director and Secretary

Director/Secretary

Print name

Print name

For personal use only

Appointment of Corporate Representative (only complete if Applicable) -

Section 250D of the Corporations Act 2001

Shareholder Details

This is to certify that by a resolution of the directors of:

..... (Shareholder Company),
[insert name of Shareholder company]

the Shareholder Company has appointed:

.....,
[insert name of corporate representative]

in accordance with the provisions of section 250D of the Corporations Act 2001, to act as the body corporate representative of that company at the meeting of the members of GBM Gold Ltd to be held on 30 November 2012 at 11:00am (AEDT), and at any adjournments of that meeting.

DATED 2012

Please sign here

Executed by the Shareholder Company
in accordance with its constituent documents
)

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

)
)

.....
Signed by authorised representative

.....
Name of authorised representative (print)

.....
Position of authorised representative (print)

Instructions for Completion

1. Insert name of appointor Shareholder Company and the name or position of the appointee (eg "John Smith" or "each director of the Shareholder Company").
2. Execute the Certificate following the procedure required by your Constitution or other constituent documents.
3. Print the name and position (eg director) of each company officer who signs this Certificate on behalf of the company.
4. Insert the date of execution where indicated.
5. Send or deliver the Certificate to GBM Gold Ltd's registered office at 2H Thistle Street, Golden Square, Victoria, Vic 3555, or fax the Certificate to the registered office at +61 3 5444 0036 or bring it to the Annual General Meeting.