

30 April 2008

The Manager  
Company Announcements  
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**REPORT FOR THE QUARTER ENDED 31 MARCH 2008**

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**Highlights:**

**Victoria**

- **Hole MD01 returned 3.9m @ 9.5g/t Au at 100m below the currently quoted Inferred Resource of 59,000oz on Leven Star Prospect at the Malmsbury Project.**
- **2,287m of diamond drilling has been completed on the Malmsbury gold project.**
- **First stage drilling on anomaly 'A' completed at the Willaura copper/gold project.**

**Queensland**

- **Research covering two new licence applications surrounding the Dee Range project has identified multiple Cu Au and Au targets.**
- **Agreement reached with Carpentaria Exploration Limited on Redbank Nickel Project.**

**Corporate**

- **1 for 2 Loyalty Option Issue completed.**
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## Summary of Key Exploration Activities:

### Malmsbury gold project (near Castlemaine, Vic)

- 7 diamond holes (MD01 - MD07) were completed for a total of 2,287 metres.
- Results from drill hole MD01 returned an intersection of 9.5 g/t Au over a downhole interval of 3.9 metres interpreted as the depth continuation of the Leven Star Zone.
- MD07 (directed towards the southwest) has intersected strongly altered and mineralised zones similar in character to those intersected in the previous holes that were directed to the east. This mineralisation is likely to form part of the Missing Link mineralised zone.
- MD08 (in progress) has intersected mineralised zones similar in character to those intersected in the previous holes that were drilled from Belltopper Hill.

### Willaura copper /gold project ( near Lake Bolac, Vic)

- First stage drilling to test Anomaly 'A' on the Willaura Project (EL4631 Lake Bolac) was completed in March. Drilling confirmed the presence of a magnetite-bearing fine-grained intrusive rock. Sample analysis is being undertaken.

### Dee Range copper /gold project ( SW of Rockhampton, Qld )

- Detailed review continued throughout the quarter which resulted in additional target areas being identified. GBM has three project areas in the district and multiple Cu Au and Au targets have been identified including Smelter Returns, Mt Gordon/ Salsbury and Ulam Gold.

### Safety

- No reportable incidents were recorded on the Company's projects during the quarter.

## EXPLORATION

### 1.1 Malmsbury Gold Project 100% (EL4515 Belltopper & Lauriston ELA5120)

Diamond drill holes MD01-07 for total of 2,287 metres were completed in the quarter. All intersected broad zones of quartz stockwork with associated pervasive sericite and pyrite alteration which further confirms the interpretation that these zones all form part of an extensive hydrothermal system.

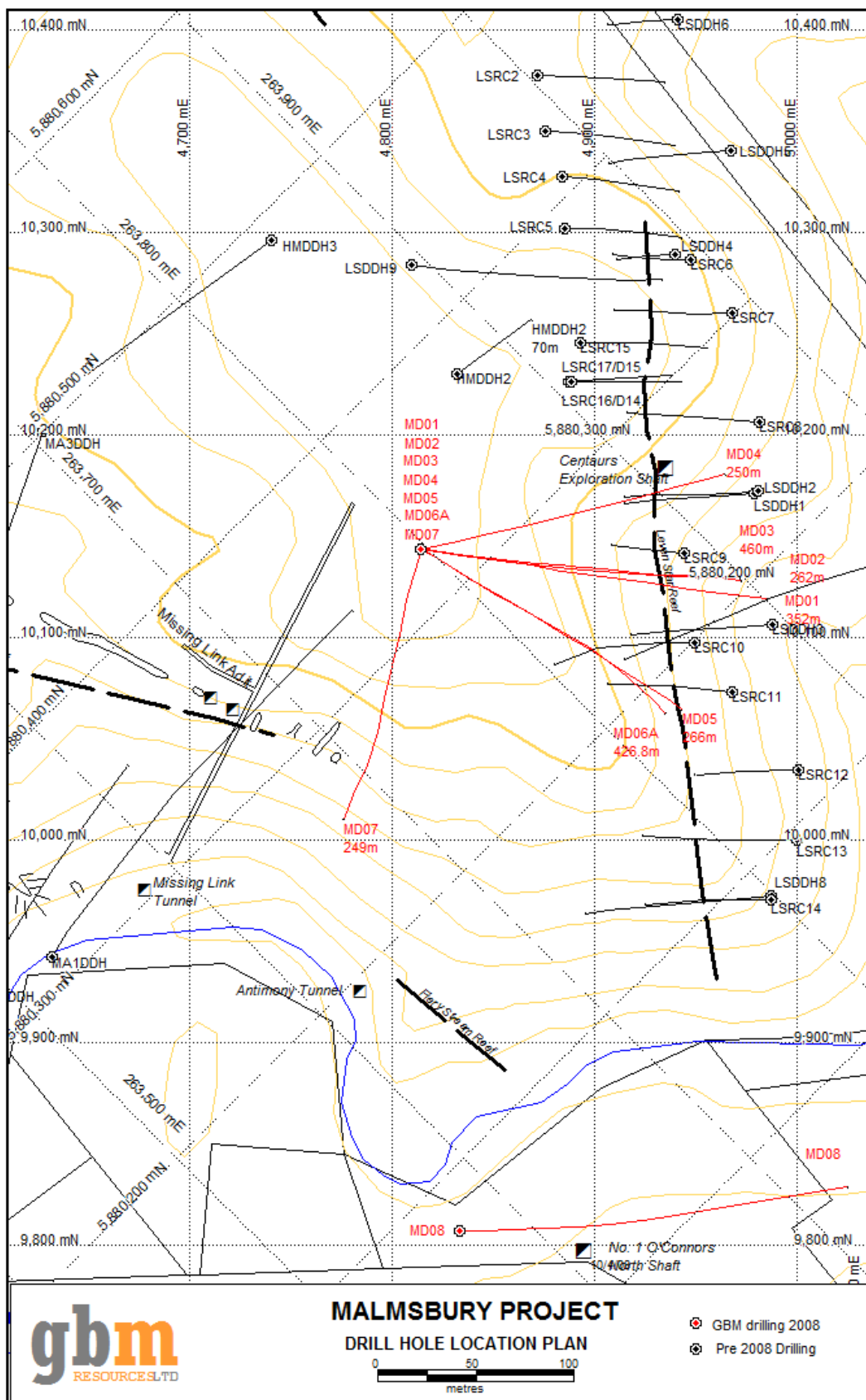
Preliminary assays for gold have been received for hole MD01 which averaged 9.5 g/t gold for a 3.9m downhole zone from 263m depth. This is interpreted as the depth continuation of the steeply dipping Leven Star Zone some 100 metres below the current Inferred Resource. AMC Consultants Pty Ltd identified an Inferred Resource containing 59,000 ounces from 305,000 tonnes at an average grade of 6.0g/t gold (previously published). The resource lies only 80 metres from the surface and remains open along strike.

Gold mineralisation in drillhole MD01 is associated with highly anomalous concentrations of arsenic and antimony and is hosted in both quartz veins and altered, mineralised wallrock. This is consistent with previous research that has shown that the Leven Star mineralisation has distinctive gold-sulphide association and sulphide-carbonate alteration that are indicative of hydrothermal systems and may be associated with an intrusive related gold deposit

(IRGD). Results available to date from holes MD2, 3 and 4 confirm the strong association with alteration and geochemistry seen in MD01. Results include the following downhole intervals 1.0 metre @ 2.5g/t Au from 190 metres in MD02, 2.0 metres @1.0 g/t Au in MD03 and 2.5 metres @ 1.0 g/t Au in MD04. (Malmsbury drillhole results are length weighted averages from fire assay of half diamond core).

Core logging and sampling is continuing and will provide further valuable structural, mineralogical and lithological data necessary for constraining geological and mineralisation models as part of the resource estimation process. Currently sampling and analyses for 4 recent holes is in progress.

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**Drill Hole Location Plan - Leven Star Prospect at Belltopper Hill on the Malsbury Project**

The long projection (Refer to graphic on page 6) of the Malmsbury Project demonstrates the spatial relationship of the Drummond North goldfield located south of Belltopper Hill. The Drummond North fields produced 98,000 tonnes grading 29 g/t Au or approximately 91,000 ounces of gold in the late 19th century.

Review of historical records covering the Drummond North Goldfield has confirmed that the mineralisation has many features in common with Belltopper Hill. Gold at both locations is associated with antimony and arsenic mineralisation and extends into the hangingwall and footwall of discrete mineralised structures.

Mining at the Drummond North goldfield appears to have commenced on a significant scale in the 1880's and continued profitably until the early 1900's. The bulk of the 91,000 ounces of production from the area was derived from this NNW trending gold system. Reports reviewed to date show that this productive goldfield has never been tested by drilling or modern exploration and this area will be a target for our future drilling plans.

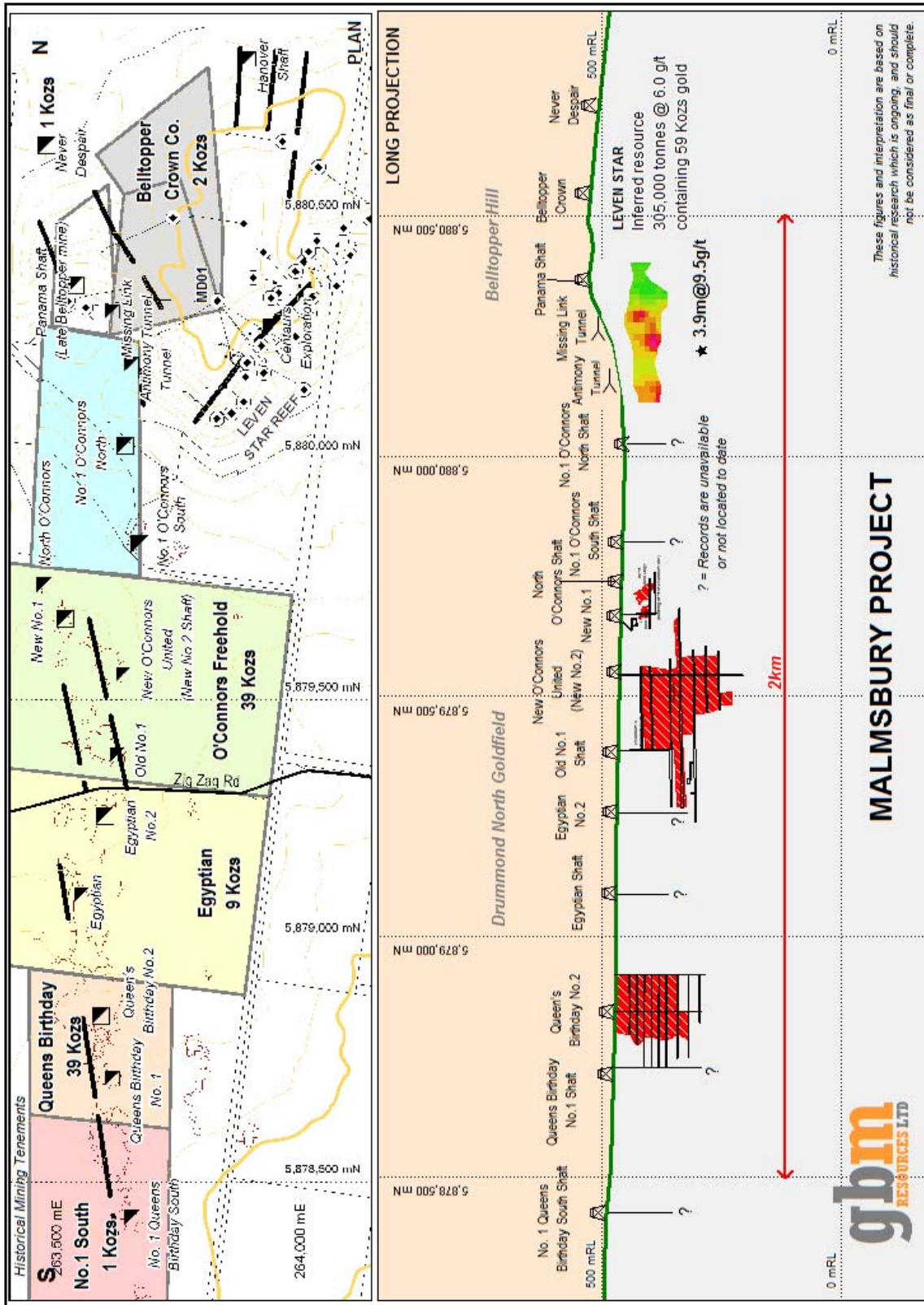
Descriptions of mineralisation from historical reports combined with the spatial relationship with the Belltopper Hill area are further evidence that these areas are part of one large hydrothermal system which now contains over three kilometres of reefs which have been exploited by historical gold mining activity. Historical descriptions also further confirm the development of multiple reefs throughout the goldfield.

#### **Project Outlook:**

The work plan variation allowing for drilling on all previous drill sites on Belltopper Hill has been submitted and approved. Drilling during the June quarter will include holes to the south of Belltopper Hill where similar alteration and mineralisation has been observed to that in holes drilled from the previous site on Belltopper Hill.

Depending on access it is planned to drill scout holes to test the Drummond North Goldfield south of Belltopper Hill. GBM is currently sourcing a track mounted diamond rig which will be more suited to operating on Belltopper Hill and specifically to commence a 3,000 metre drilling program by September this year.

Data compilation, both from historical reports and new field mapping will be used to further develop an improved mineralisation model of the large hydrothermal system in the area. These programs will further define the potential for increasing the known resource and for identifying the longer term "IRGD" target.



## 1.2 Willaura Copper Gold Project 100%(EL4631 Lake Bolac, EL4751 Woomdoo & EL5033 Ararat)

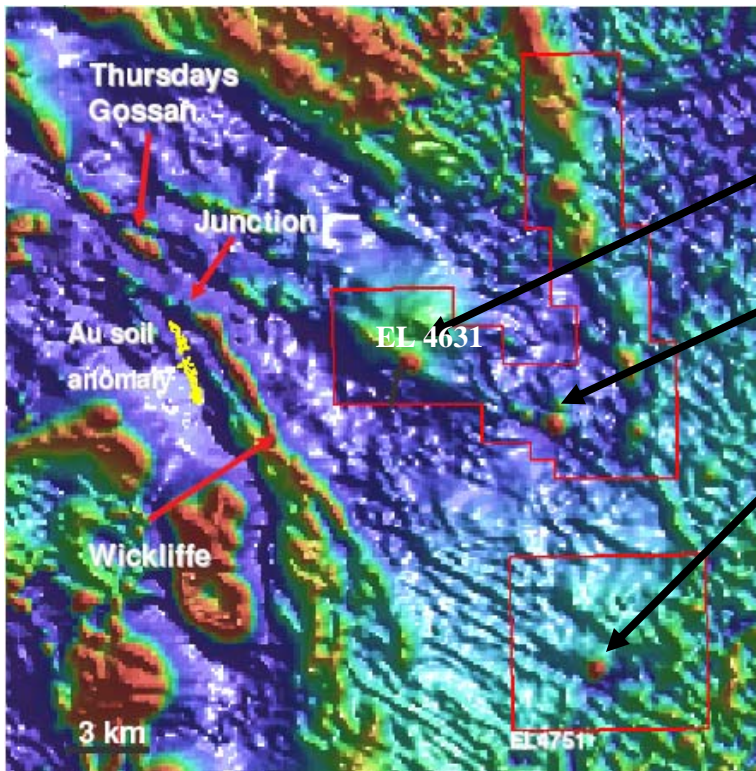
During the quarter the Company took the opportunity to drill two diamond holes at the Willaura project between the demobilisation and mobilisation of the contractors' diamond rig on Belltopper Hill.

The holes targeted the magnetic anomaly on EL4631. A combined total of 452m for drill hole WDD001 and WDD002 were completed in March. Both holes traversed a thin layer of basalt cover before passing through gravels and clays, finally passing into basement at around 60 metres. The magnetic anomaly is explained by a thick mafic intrusive breccia which is strongly magnetic.

The second drill hole WDD002 tested the core of the magnetic anomaly drilling from east to west, successfully penetrating the mafic intrusive breccia intersected in hole WDD001. The breccia appears to form a 'ring dyke', the core of which consists of highly broken Glenthompson Group sandstone and shale with narrow micro-granite intrusive dykes or fault slices displaying weak alteration. A source for the elevated geochemical values in the area is yet to be established. Samples will be selected for analyses during the next quarter.

### Project Outlook:

A number of significant geochemical and geophysical anomalies remain to be tested within the project area. These will be reassessed in light of data from the current programme with a view to determining priority for future testing of these anomalies.



Anomaly A  
Au Geochemistry  
Est. Depth 53m

Anomaly B  
Au Cu geochemistry  
Est. depth 146m

Anomaly C  
Au Cu geochemistry  
Est. depth 58m

**Modelling of aeromagnetic anomalies using Encom Technology's QickMag PRO.**

**The structure hosting the Thursday's Gossan and Junction porphyry copper-gold deposits can be clearly traced on the imagery as trending SE through EL4631.**



***Diamond drilling recently at Willaura***

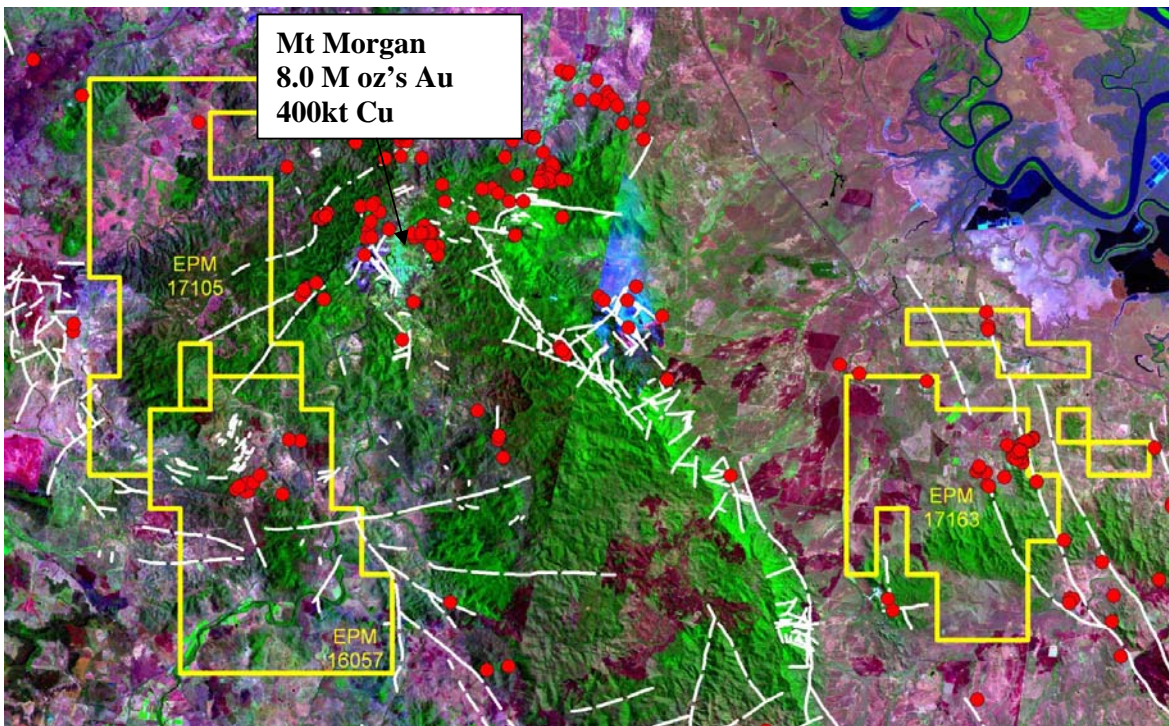


***The drill sites at Willaura were completely rehabilitated which has resulted in approval and hand back to the land owner.***



### 1.3 Dee Range Copper Gold Project 100% (EPM 16057 Dee Range, EPM 17105 Boulder Creek and EPMA 17163 Mt Morrissey)

Activities during the quarter included extension of a detailed examination of previous exploration history in the region. As a result of this ongoing evaluation, additional target regions were identified and acquired in two additional title applications lodged during the previous quarter. GBM Resources now has three project areas in the district (EPM 16057, EPM 17105 and EPMA 17163) and has identified multiple Cu Au and Au targets. These are shown in the following figure.



**Satellite image of the Mount Morgans area showing licence and application areas against interpreted structural trends and mineral occurrence data from the Queensland DME database.**

Compilation of this study will be completed during the June 2008 quarter. However, areas of significant interest have already been outlined and include the following:

**Smelter Returns:** Located on EPM17105 and 16057, this prospect has been mapped by previous companies as a garnet skarn with numerous pyritic microgranite dykes. Outcrop dimensions define an area 300m by 30m within which sampling of the skarn has returned up to 1.95ppm Au with associated anomalous Cu and Zn. Shallow percussion drilling of this zone by Dominion Mining in the oxide zone targeting open pittable Au mineralisation returned 8m @ 0.82 g/t Au and 0.3% Cu (Hole DRP008). No deeper drill testing (>80m) has been completed.

**Mt Gordon / Salisbury:** Located on EPM 17105, this prospect area was originally defined and evaluated by BHP Exploration in 1968 as a low grade porphyry Cu Mo Prospect. Drilling of at least 37 percussion holes and several diamond holes returned low order results in sericite–pyrite–quartz altered granodiorite. Several geochemical anomalies have yet to be

tested. The significance of this system will be determined during the June quarter once drill holes and previous surveys can be located. A significant magnetic low associated with this alteration is observed.

Ulam Gold: A significant cluster of gold workings with associated Cu and Pb anomalism is observed on EPMA 17163. Alteration associated with these veins and breccias is typical of many skarns or intrusive related systems. Spatially associated with these occurrences is a discrete ovate magnetic low in a zone comprising younger cover sequences. This magnetic feature is interpreted to represent an intrusive and will be evaluated in the next quarter.

Dee Copper Mines: A series of veins and vein stockwork systems are observed with narrow sub economic drill results. These veins ascribe a geometry that indicates a possible intersection point that requires surface examination and evaluation.

Other highly anomalous stream sediment samples and rock chip results over other areas within the title area also require evaluation.

#### **Project Outlook:**

Completion of the review of a vast amount of previous exploration data and field review to further validate target areas is planned for the June quarter

## **1.4 Other Development Activities**

### **Redbank Nickel Prospect (includes EPM 14840 Redbank)**

GBM reached agreement with Carpentaria Exploration Limited (CAP) for GBM to earn up to an 80% interest in the Redbank Nickel Project, 140 km northwest of Townsville.

The project mineral target is a nickel laterite with a very similar signature to the nearby historic Greenvale nickel laterite complex.

This agreement provides a low cost entry into the nickel sector to complement our gold and base metals programs. Stage 1 involves scout drilling the main target by the end of April 2008 and if successful, GBM can elect to earn a 51% interest by contributing expenditure of \$1.0 million within 18 months of completing stage 1.

The scout drilling program is planned for early in the June quarter. From this program, GBM will review the data and make a decision on whether or not to proceed with the joint venture.

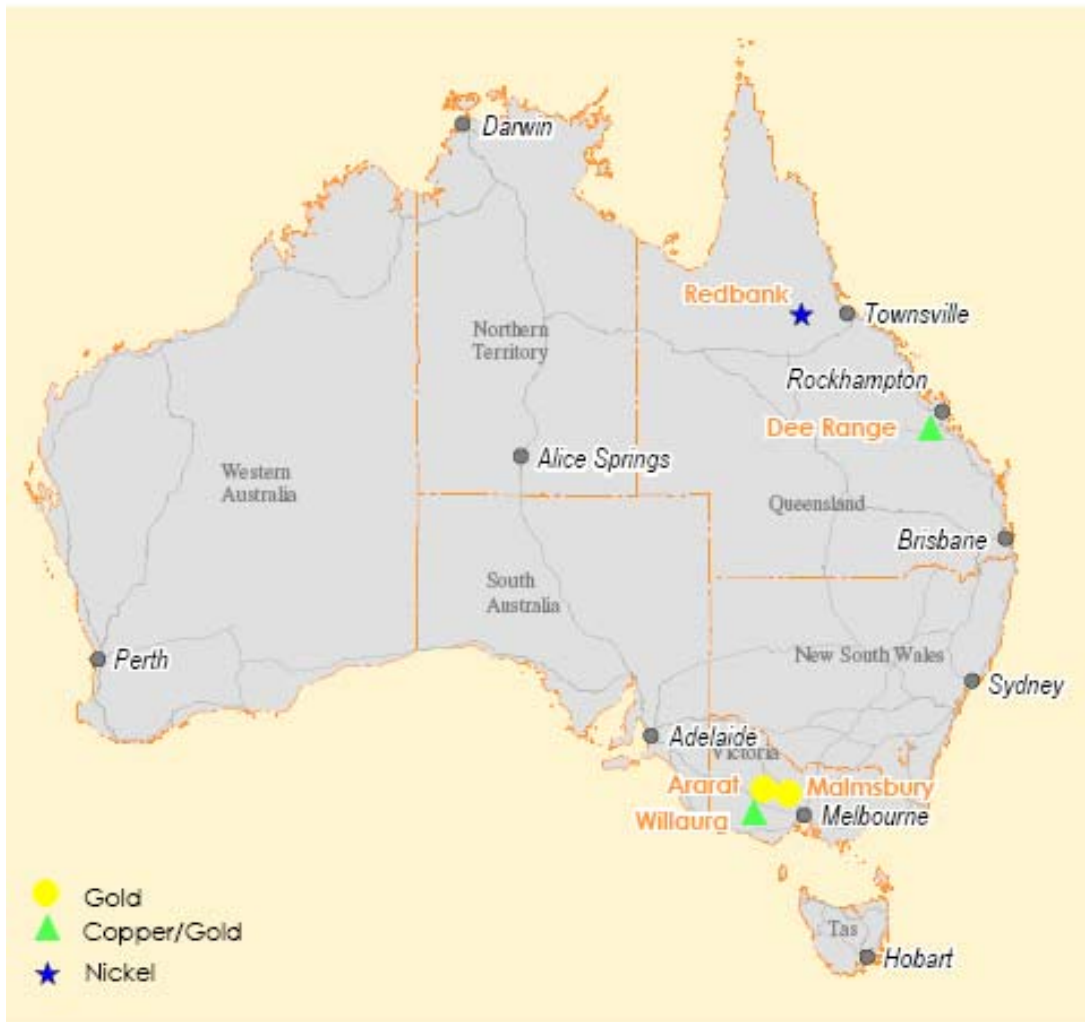
### **Broadhurst Option**

GBM entered into an exclusive option to purchase agreement in November 2007 relating to tenements E45/3135 and E45/3138. The option agreement was extended until 31 March this year to enable the Company to complete its due diligence.

GBM has advised the vendor that it will not be proceeding with the acquisition of these tenements.

## Tenement Summary

Project	Area	Tenement No.	Interest	Status	State
Malmsbury	Belltopper	EL4515	100%	Granted	Victoria
	Lauriston	EL5120	100%	Application	Victoria
Willaura	Lake Bolac	EL4631	100%	Granted	Victoria
	Woorndoo	EL4751	100%	Granted	Victoria
	Ararat	EL5033	100%	Application	Victoria
Dee Range	Dee Range	EPM16057	100%	Granted	Queensland
	Boulder Creek	EPM17105	100%	Application	Queensland
	Mt Morrissey	EPMA17163	100%	Application	Queensland



PROJECT LOCATION  
MARCH QUARTER 2008

## Corporate

### Share Placement

It was previously reported that Singapore based Alvito Capital Holdings had completed a placement to raise A\$1.75 million. The final placement with Alvito Capital is 7.5 million ordinary shares at 20 cents each which raised A\$1.50 million for the Company.

GBM believes that in light of the current market sentiment that the overseas support from a significant broking group endorses the Company's projects and corporate objectives. This placement underpins the Company's working capital requirements and increases our opportunities to invest in new projects.

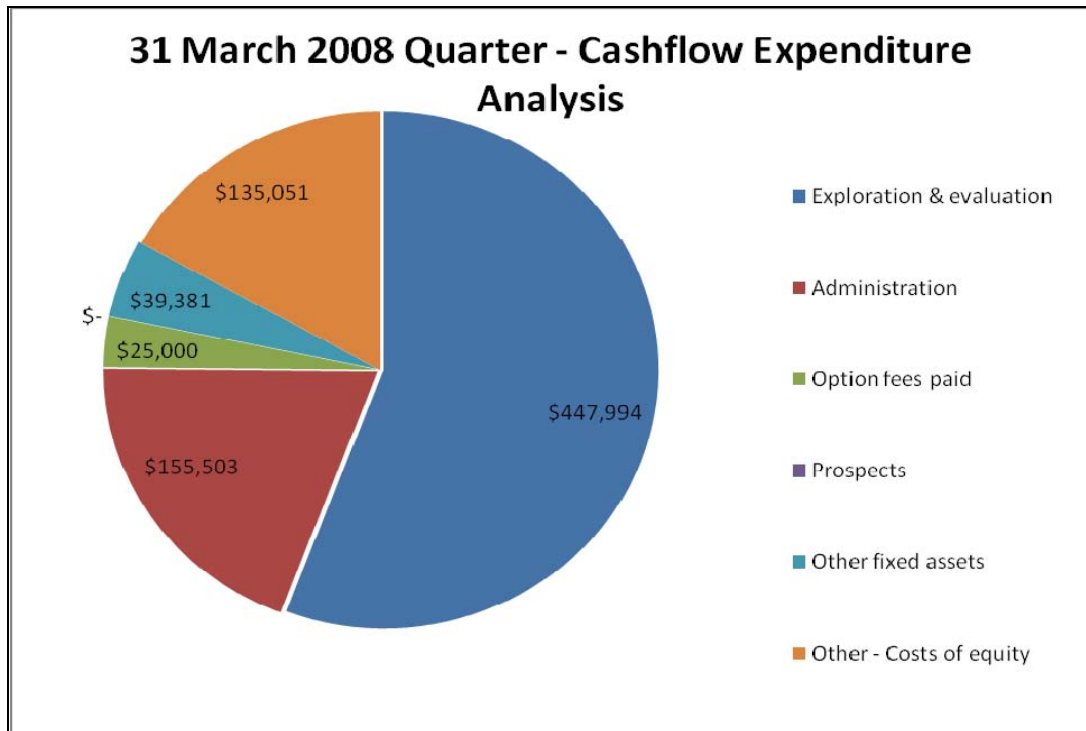
### Loyalty Option Issue

The Company completed a one for two non renounceable entitlement issue of Options as proposed in GBM's IPO prospectus. The offer consisted of an entitlement issue of 32,897,552 Options at an issue price of one (1) cent per Option and raised approximately \$329,000. The options have an exercise price of \$0.25 and expire on 30 June 2010.

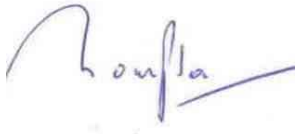
The Options were officially quoted on 19 March on the ASX.

### Expenditure

The Company had expenditure of \$802,929 in the quarter represented by the various outflows in the following pie chart. Cash at the end of the quarter totalled \$3.8million. Forecast exploration expenditure for the June quarter is estimated at \$550,000.



Yours Sincerely

A handwritten signature in blue ink, appearing to read 'P. Thompson', with a long horizontal stroke extending to the right.

Peter Thompson  
Managing Director

*Note; The information in this report that relates to Exploration Results is based on information compiled by Neil Norris, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Norris is a full-time employee of the company. Mr Norris has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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