



ASX/ MEDIA RELEASE

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Beavis Project Update

At its Beavis project GBM Gold has recently undertaken a further round of drilling to confirm initial results obtained last year.

The aim of this program was to complete the drillholes that failed to reach the basement in last year's drilling programme due to hard ground conditions. In many instances, the basal wash layer contained significant sized boulders and cobbles which the aircore blade failed to penetrate.

All holes in this new program reached basement successfully with the deployment of an RC hammer and with the wash thicknesses observed in drilling, the Resource previously estimated is likely to be increased.

This work will allow a detailed model of the gravel wash to be prepared for mine planning.

This program outlined an area of significance where two separate streams have confluenced together with thick wash sequences resulting.



All Search Drilling P/L Rig at Beavis Project

Collected samples are being analysed by both laboratory and field methods to give a “recovered grade” estimate.

- Samples are to be screened at 5mm and the fine fraction split for a BLEG analysis and the remainder panned to obtain grade estimates.
- Panned concentrates will be fired for total gold weight.
- Planning is underway for bulk samples to be collected for further product assessment.

Very fine visible gold has been observed in sampling to date as well as significant clean white sands and gravels.

Initial design for a washing plant has been undertaken with a gold recovery module incorporated into the washed sands process stream.

A work plan to undertake a significant test pit is being formulated to enable bulk samples to be excavated to test all parameters of the materials for sale and gold recovery.

Competent Person Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by John Cahill, who is a Member the Australian Institute of Geoscientists.

John Cahill is the Resource Director of GBM Gold Limited John Cahill has sufficient experience which is relevant to the style of mineralization 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’. John Cahill consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About GBM Gold Ltd (ASX: GBM)

GBM Gold Ltd (GBM) is focused on building a strong gold production base from what are at present 5 gold projects in Central Victoria, Australia.

Within each of these 5 projects - Inglewood, Goldsbrough, Beavis-ISG, Wilsons Hill and Fiddlers Creek-Avoca - are one or more granted exploration or mining licences, each containing a number of well defined Resource blocks and/or Exploration Targets. The various projects are at a mix of development stages, with some projects in production and others in later or earlier analysis, exploration or development phases.

GBM has highly experienced teams focused on the requirements of its operating areas, a centralised geology team with strong background in the Central Victoria style of mineralisation as well as Bendigo based management, finance and administration personnel.

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