gbm RESOURCES LTD

ABN 91 124 752 745

ANNUAL REPORT 2015

Mt Coolon Gold Mines
268,000 ozs Au Resource

2015

Lubuk Mandi
Construction of
Tailings treatment Plant

Mount Morgan
New tenement

2014

Lubuk Mandi
TailingsResource 34k ozs

Lubuk Mandi
Acquisition

2013

Mayfield
Cu Au targets

Monkey Gully, Yea
IRGS
tungsten and molybdenite

Mount Morgan, Sandy Creek
New Cu-Au porphyry-style mineralization
Acquired Limonite Hill
IRGS-porphyry

2012

Bronzewing Bore
IOCG Discovery

Milo
REE_Cu-U Resource defined

2011

Mitsui Corporation joint
Cloncurry Farm In-Joint Venture

2010

Pan Pacific Copper Cloncurry
Farm In –Joint Venture Agreement

Malmsbury
104,000 ozs Au Resource

2009

Burke Bore
Phosphate identified

Mt Morgan
New tenements acquired

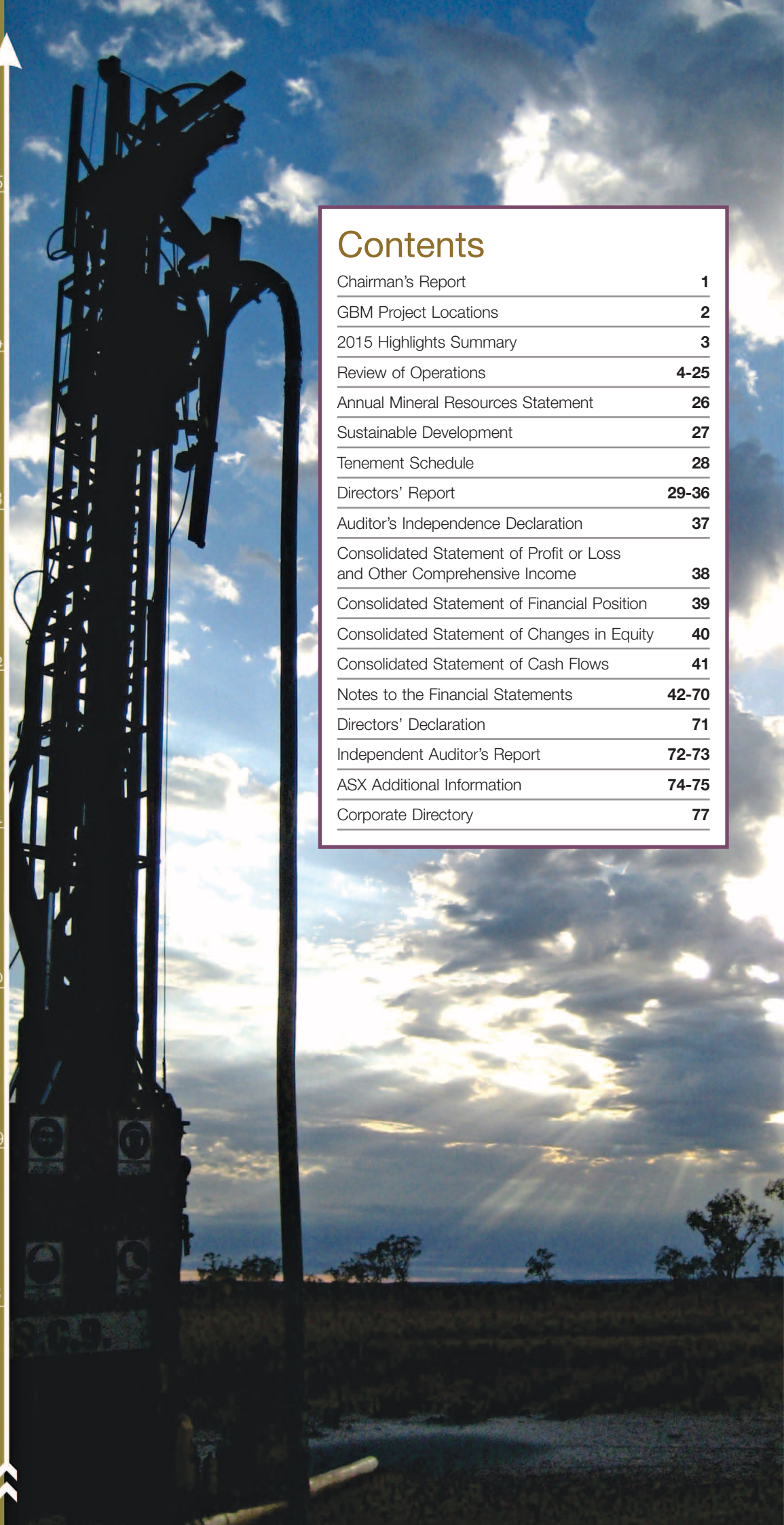
Mt Isa Tenement Purchase
Bungalien, Brightlands,
Mount Margaret, and
Talawanta-Grassy Bore

2008

Malmsbury
Drilling commences

2007

GBM lists on ASX



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Chairman's Report

Dear Fellow Shareholders

It gives me great pleasure to bring you our Company's Annual Report for 2015.

Against the backdrop of a poor capital market environment, 2015 saw pivotal success for GBM Resources Limited ("GBM" or "the company") as it continues to focus on its course of securing the company's long term future by acquiring near-term gold production assets that will compliment and support our exploration strategy .

The Company in April this year acquired Mount Coolon Gold Mines Pty Ltd from Drummond Gold Limited. The project is located in the Drummond Basin, an established gold mining region with a known gold endowment of over 7 million ounces of gold. The combined mining and exploration tenements of Mount Coolon have a defined resource containing over 270,000 ounces of gold. The Company has moved quickly since the acquisition to upgrade the confidence levels of the key Eugenia resource and add further resources from known project areas. The company has upgraded most of the Eugenia resource to an Indicated category and has identified significant gold mineralisation for the Bimurra prospect.

We now remain focused on investigating options to move the Mt Coolon Project towards gold production. A scoping study to evaluate the feasibility of commencing a heap leach operation to extract gold from oxide resources at Eugenia and Bimurra is being planned.

Importantly, this Project re-enforces GBM's commitment to development and early production gold assets.

In keeping with this strategy the Company is also pleased to advise that the Lubuk Mandi Gold Mine in Malaysia is on track for listing in December this year with all IPO documents soon to be lodged with the Singapore Exchange for their approval. If successful GBM's pre IPO interest of 26.7% will add significant value to the Company.

The Company has also been active in exploration in the North West Queensland Mineral Province with commencement of a drilling program over 2,000 metres at two of our key Iron Oxide Copper Gold (IOCG) targets, the Brother and FC2 targets which are part of the Bungalien and Mount Margaret Projects and are subject to the Pan Pacific/Mitsui Farm-in Joint Venture. This follows from the recent budget approval of $2 million to support further exploration of IOCG style targets on four of our projects in the Cloncurry region during the remainder of 2015 and early 2016. Currently two diamond drill rigs are operating testing targets defined by systematic exploration.

Significant progress was achieved at our Mount Morgan Copper Gold Project this year with world renowned Independent expert Dr Greg Corbett of CMC Consulting confirming 'proof of concept' for the Company's intrusive-related/porphyry style exploration strategy within the Mount Morgan Project.

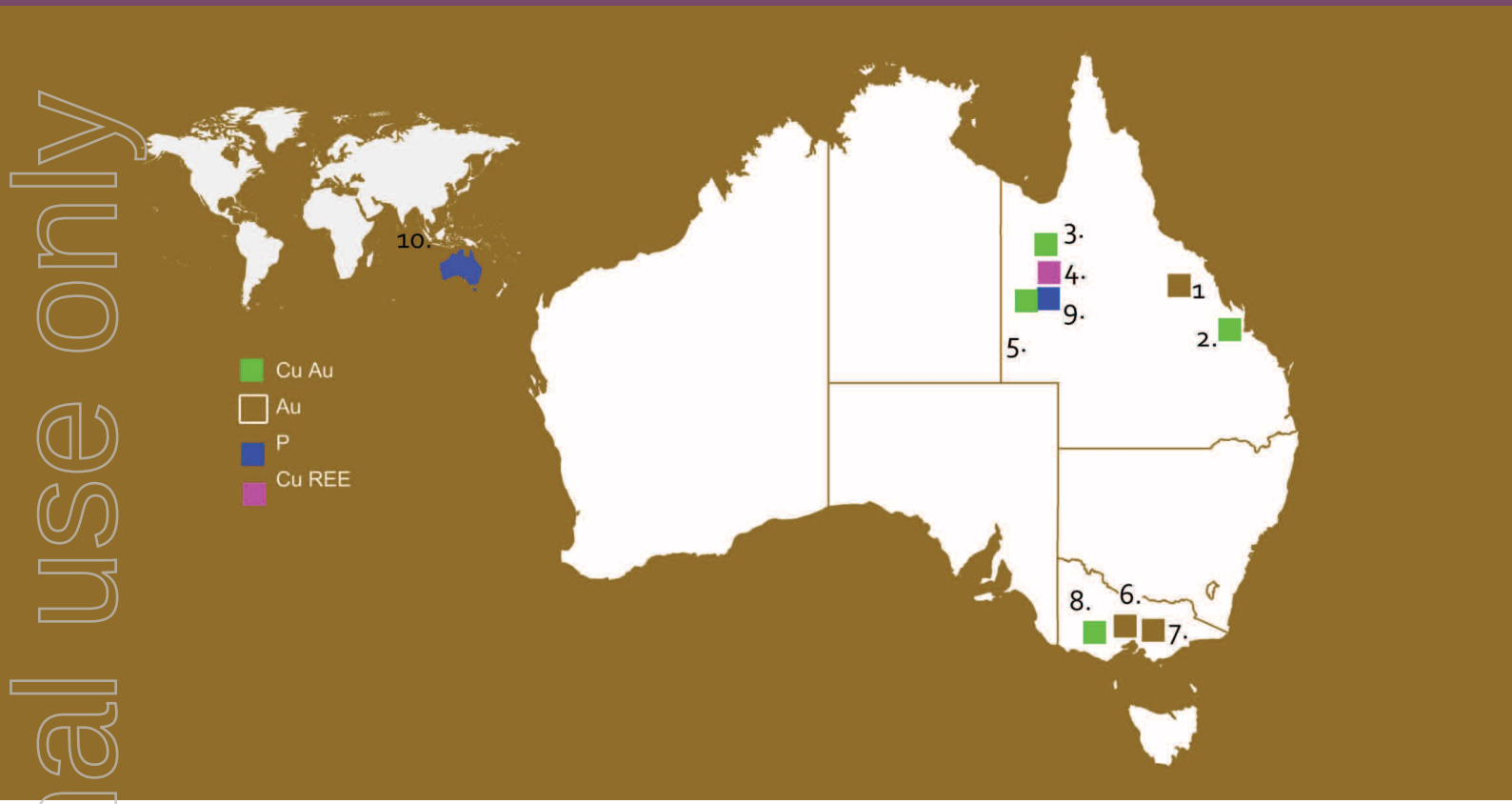
Our excellent record continues with a zero harm record in safety and environment. This is the fourth consecutive year that GBM has achieved zero harm, a record the Board and management are proud to uphold and continue to commit to the Company's operations in a safe, sustainable, socially and environmentally responsible manner – now and into the future.

On behalf of the Board I would like to thank all our shareholders, employees, contractors and suppliers who have contributed to our achievements during the year.

Yours sincerely

Peter Thompson
Executive Chairman

Project Snapshot



GBM Project Locations

1. **Mount Coolon Gold Mines Pty Ltd**
   100% wholly-owned
   Project area 773 km^2
   Target Epithermal and IRGS Gold
   Defined Resources totalling 264,000 ozs gold
   Plus additional exploration target between 120,000-230,000 ounces of gold

2. **Mount Morgan**
   100% wholly-owned
   Project area 764 km^2 (granted)\
   Target Copper-Gold Porphyry

3. **Pan Pacific Copper and Mitsui Corporation Farm-In Projects**
   100% moving to 49% GBM
   Project area 1,486 km^2
   Target IOCG

4. **Brightlands**
   100% wholly-owned
   Project area 309 km^2
   Defined Cu-U-Mo-REE-P Resource containing 108,000t TREEYO,97,000t Cu 14 M lbs U_3O_8

5. **Mayfield**
   100% wholly-owned
   Project area 302 km^2
   Target IOCG

6. **Malmsbury**
   100% wholly-owned
   Project area 33 km^2
   Defined Resource containing 104,000 ozs gold

7. **Yea**
   100% wholly-owned
   Project area 749 km^2
   Target IRGS

8. **Willaura**
   100% wholly-owned
   Project area 226 km^2
   Target Cu-Au porphyry

9. **Bungalien**
   100% owned
   Project area 385 km^2
   Target rock phosphate

10. **Lubuk Mandi**
    26.7% Equity investment
    Tailing treatment gold operations
    Strategy list on Singapore exchange in 2015

2015 Highlights Summary

Vision

GBM Resources Limited (GBM) remains strongly focused on delivery of shareholder value through discovery, acquisition and development in key commodities of gold and copper. The Company is committed to achieving this in a safe and responsible manner with the highest regard for the environment and communities in which we operate.

Company highlights for the 2015 financial year

- **Zero LTI's and environmental incidents during the year.- GBM has now sustained a record of zero LTI's and environmental incidents for last four years. It is the company's goal to maintain a record of zero harm.**
- **Acquired 100% of Mount Coolon Gold Mines Pty Ltd from Drummond Gold Limited. Tenement package lies in the Drummond Basin in Queensland, one of Australia's most prominent gold regions for epithermal vein and stockwork style gold deposits.**
- **Additional resources containing an estimated 268,000 ounces of gold acquired with Mount Coolon Gold Mines Pty Ltd.**
- **Significant advancement with exploration understanding of the Mount Morgan Project area, magnetic survey confirming additional and known targets as holding potential for hydrothermal magnetite destruction associated with porphyry intrusion. The concept of porphyry copper-gold mineralisation is supported by an independent world renowned porphyry and epithermal expert Dr Greg Corbett of CMC.**
- **In conjunction with Farm-In partners Pan Pacific Copper and Mitsui Corporation, GBM continued to explore under cover for IOCG mineralisation in the Concurry area. Exploration resulted in at least eight high-priority targets being identified, and which remain to be drill tested.**
- **At Lubuk Mandi Gold Mine in Peninsular Malaysia, GBM defined an initial hardrock resource and the company's joint venture partners Angka Alamjaya SDN. BHD. (AASB) completed construction of a 300,000tpa tailings treatment plant. The proposed public listing of AASB on the Singapore Stock Exchange offers a significant value upgrade for GBM and remains on track for completion during the 2015 calendar year.**

Drilling at 'The Brothers' Prospect, hole BNG003b

Review of Operations

1.0 Strategy

The Board and management of GBM Resources continually review the company's vision, and the strategy in place to realise this vision. The ongoing downturn in the minerals industry has re-enforced the need for GBM to maintain a sharp focus on near term production . This downturn is, as predicted, resulting in opportunities for companies able to acquire quality assets at realistic prices. During the year, GBM has successfully acquired a significant gold project in the Drummond Basin though the purchase of Mount Coolon Gold Mines Pty Ltd (MCGM) and is in the process of evaluating the production and growth opportunities that this presents.

GBM recognises a number of key drivers to both short and long-term exploration success. These are summarised briefly in the seven points below;

- Identify opportunities for early production and cashflow in deposits with potential for major resource growth.
- Focus on the discovery of world-class gold and copper-gold deposits.
- Competent, rapid and cost effective evaluation of discoveries.
- Apply a systematic approach to mineral exploration.
- Explore in regions with historic production offers a higher probability of new discovery.
- Strengthen GBM's executive and technical capabilities.
- Maximise in-ground exploration expenditure.

These seven drivers are of increased relevance in the current industry downturn if the Company is to achieve success and capitalise on the opportunities that are presented. The company's approach to development and production will also seek to minimise capital and maximise operating efficiencies while striving for zero harm to our people and the environments in which we operate. We will reduce risk by completing relevant and targeted testwork and detailed planning. In exploration we aim to reduce risk by joint venturing with experienced companies to progress projects with potential for world-class discoveries.

Mount Coolon – Glen Eva Pit

2.0 Introduction

The Company now holds nine key project areas covering an area of greater than 4,600 square kilometres.

Key projects:

- **Mount Coolon Gold Mines Pty Ltd**
- **Lubuk Mandi in Malaysia (through the companies 26.7% holding in AASB**
- **Mount Morgan**
- **Brightlands (including Milo)**
- **Mount Margaret West**
- **Bungalien**
- **Talawanta/Grassy Bore**
- **Malmsbury**
- **Yea and Willaura Projects**

Historic working at Koala Gold Mine

This portfolio contains projects ranging from those with near-term production potential to grass roots prospects. In the process of constructing this portfolio, GBM has identified and exhausted a number of acquisition opportunities and reviewed numerous exploration properties and proposals. At three of these projects, our Farm In partners Pan Pacific Copper and Mitsui Corporation of Japan are on schedule to earn a 51% interest in the Mount Margaret West, Bungalien and Talawanta/Grassy Bore along with a small area in the Brightlands Project referred to as Chumvale Breccia. These projects contain multiple high order exploration targets under cover.

While such under-cover targets represent the future of exploration as targets in exposed areas are depleted, testing these targets is challenging the use of available geology and our programmes are pushing the limits of available technology. Recognition of this at an early stage led to the strategic decision to seek suitable partners to support this exploration programme. Our partners in Pan Pacific Copper and Mitsui have proved an excellent choice, not only having the financial strength and long term vision to support these programmes, they have provided strong technical and management input in a truly collegiate fashion. This has enhanced the effectiveness of these programmes and has undoubtedly raised the probability of ultimate success.

The addition of Mount Coolon Gold Mines Pty Ltd resource base and exploration tenure in the Drummond Basin has provided another potential short-term gold production scenario for GBM. The Drummond Basin is an area which has proven fertile for discovery of epithermal and intrusive related gold systems with over 7 million ounces of gold endowment already demonstrated, and the tenure acquired does hold potential for further significant discoveries both at the known deposits, and a number of exploration prospects already identified.

GBM's gold projects now contain an estimated 404,000 ounces of gold at Mount Coolon, Malmsbury and Lubuk Mandi (26%). The Company holds an extensive portfolio of mineral exploration tenements including licences and applications covering an area of greater than 2,000 square kilometres in the Northwest Mineral Province, Lachlan Fold Belt and Drummond Basin, all fertile mineral terrains.

The value of the Lubuk Mandi Gold deposit has been substantially upgraded by the delineation and estimation of gold resources and the subsequent construction of a tailings treatment plant. This value is set to be unlocked as this project moves toward listing on the Singapore exchange in 2015.

The resources at Mount Coolon offer potential for near-term gold production in Australia. The Company's exploration focus remains squarely on the discovery of significant gold and copper-gold deposits. This may be achieved with the financial and technical assistance of new joint venture partners in the future.

Review of Operations

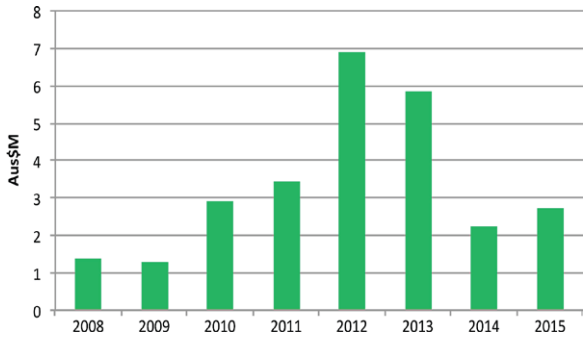
3.0 Exploration Expenditure and Activity

The key focus this year has been on rapidly upgrading the resources acquired with Mount Coolon Gold Mines to enable a scoping study to be commenced. This has involved GBM management compiling and reviewing a significant database of geological, geochemical and spatial data to satisfy the more rigorous requirements of the JORC (2012) code and to upgrade the largest deposit (Eugenia) to indicated level. Currently the Company is reviewing tenders for a scoping study to evaluate the feasibility of re-commencing gold production at Mount Coolon, including potential for a heap leach operation to extract gold from oxide resources at the largest deposit (Eugenia).

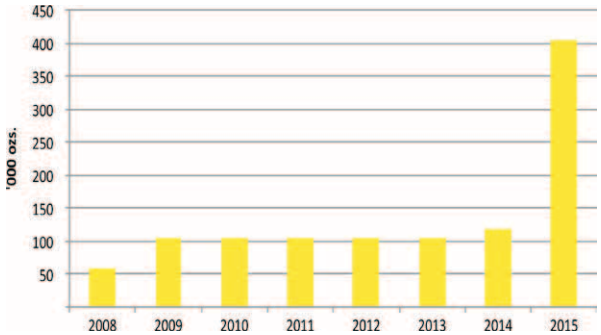
In addition the search for large IOCG deposits in the Cloncurry region included completion of induced polarisation surveys (50 line kilometres), MMI soil geochemistry (255 samples) and drilling 4 diamond drill holes (1,200 metres) at Mount Margaret West Project, an extended gravity survey and drilling of one diamond 714 metre drill hole in the Bungalien Project.

At the Lubuk Mandi Gold Mine in Malaysia, the Company continues to provide limited technical support to our partners as they completed construction of the tailings retreatment plant and advanced toward listing on the Singapore Stock Exchange (SGX).

Total exploration expenditure on the Company's tenements for 2015 was A$2.7 million compared to a total of A$2.3 million in the 2014 year. This does not include the estimated A$1.9 acquisition cost of Mount Coolon Gold Mines. In a time when exploration expenditure has sharply declined globally, GBM has sustained a significant level of exploration activity and strives to maintain a low cost base for exploration activities and ensure that the in-ground component is maximised. These factors continue to position GBM well for future discovery and value creation.



Graph 1: GBM resources annual exploration expenditure.



Graph 2: GBM resource total gold in resources (including Malmsbury, Mount Coolon and beneficial share of Lubuk Mandi).

The growth in GBM's share of gold in resources accelerated this year with the acquisition of Mount Coolon Gold Mines. The total gold contained in GBM's published resource now totals 404,000 ounces.

Rod Pull at BNG003b

4.0 Mount Coolon Gold Project

(ML1029, ML1085, ML1086, ML10227, EPM7259, EPM15902, EPM25850, EPM25365)

Near-term production potential based on gold resources containing 268,000 ounces of gold. Medium and longer term potential associated with epithermal and IRGS targets in the Drummond Basin which is a major gold province and has a known gold endowment of over 7 million ounces of gold.

GBM finalised the purchase of Mount Coolon Gold Mines Pty Ltd from Drummond Gold (ASX: DGO) for cash consideration of A$850,000 and 50 million ordinary fully paid shares (ASX release dated 13 April 2015). Mt Coolon Gold Mines Pty Ltd holds a group of mining tenements located 250km west of Mackay in Queensland in the northern Drummond Basin and is now a wholly-owned subsidiary of GBM. Included in the acquisition is a modern site office, four man camp, workshop, a range of exploration and maintenance equipment and field vehicles all located in the township of Mount Coolon.

The Drummond Basin has been a major gold producer since the recognition of the significance of epithermal mineralising systems lead to the discovery of a number of gold deposits in the 1980's including Wirralie, Pajingo and Yandan. A gold endowment in excess of 7 million ounces has been identified in the Drummond Basin to date. Deposit styles range from bonanza grade epithermal veins (eg. Pajingo 3.0 million ounces) to bulk tonnage intrusive related gold deposits (eg. Mt Leyshon 2.1 Million ounces).

The tenement package includes four granted Mining Leases, three granted exploration permits and one exploration permit application covering a total area of 773 km^2. Independent review of these tenements has confirmed that all are in good standing and key mining licences have recently been renewed until 2024.

RESOURCES

Mount Coolon Gold Mines Pty Ltd projects host resources containing a total of 268,000 ounces of gold (these resources are tabulated below). The resource was published by GBM in an ASX release on 27 August 2015. The inventory is comprised of three deposits of which the largest, Eugenia contains 63% of the total defined resource and is considered to be of immediate potential by GBM. Eugenia (previously referred to as Police Creek) is considered to represent the upper levels of a low sulphidation epithermal system.

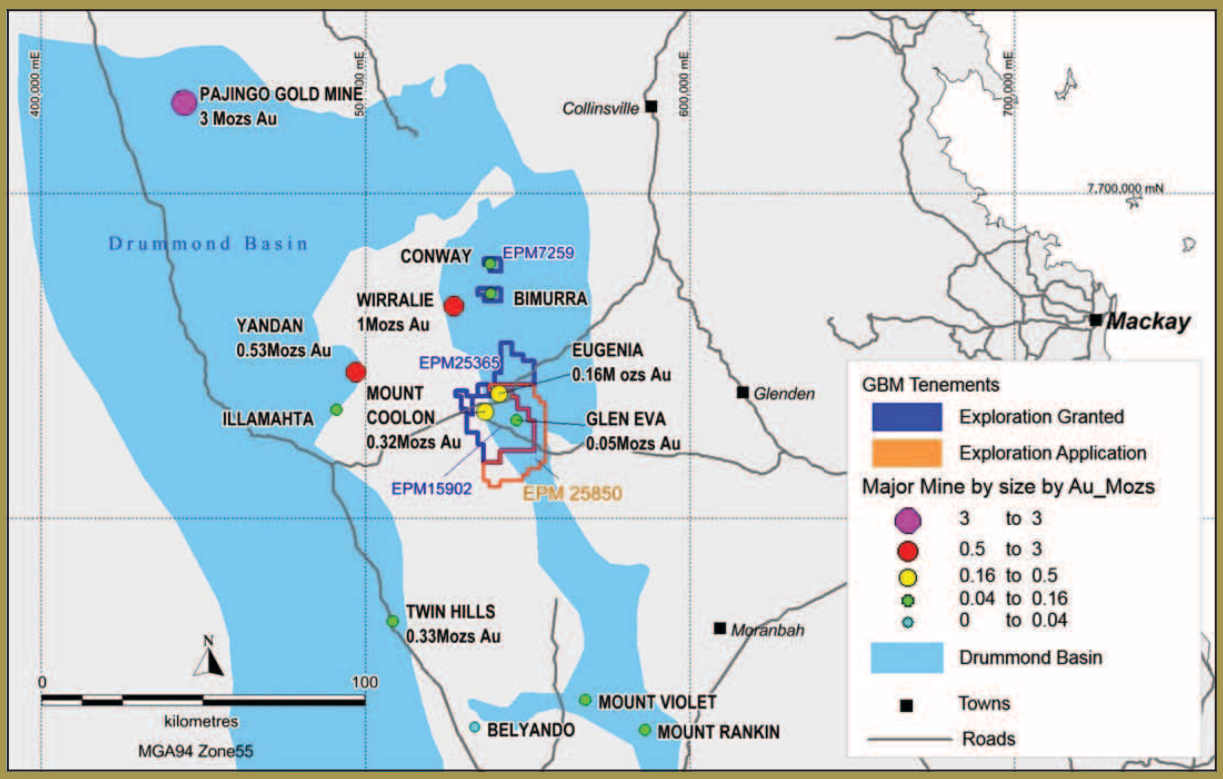


Figure 1: Mt Coolon Project tenement group and prospect location plan.

Review of Operations

4.0 Mount Coolon Gold Project continued

Mineralisation is hosted by quartz veins and sulphide stringers and breccias forming a broad mineralised zone dipping gently to the west. Mineralisation is hosted by a thick dacitic ignimbrite unit. The area is extensively covered by shallow, post mineralisation sediments beneath which potential to extend the deposit with further drilling exists. In addition, to date no feeder zone has been identified and potential exists for the discovery of high grade fissure veins through further exploration.

The Resource inventory also includes mineralisation at Koala and nearby Golden Bar and Footwall Reef prospects that are associated with the original mining areas at Mount Coolon. These areas are considered to be part of the same epithermal, or possibly intrusive related, gold system hosted within volcanic and sub-volcanic andesitic rocks of the basal Drummond Basin Cycle 1 sequence. A well-developed vertical zonation indicates the mineralisation is open to depth and along strike to the south and the deposit is considered to hold potential for further resource additions.

In addition, the Glen Eva resource is part of a low sulphidation quartz-adularia-pyrite gold epithermal vein system located in the basal sequence (Cycle 1) of the Drummond Basin. Mineralisation occurs under the pit as colloform and crustiform quartz veins within hydrothermal brecciated dacitic volcanics. The system is structurally complex with several episodes of mineralisation. The lode is between 3-6m in true width, is continuous for 330m of strike and is intersected in drillholes at vertical depths up to 120m below surface. A typical high level bonanza fissure vein, the significant sinter volume suggests significant depth continuity and size potential beyond the current drilling extent.

The Mount Coolon Gold Mines Pty Ltd acquisition provided an opportunity to rapidly upgrade the confidence levels of the key Eugenia resource, and to quickly add further resources from known project areas.

This is supported by the recent ASX release on 21 September 2015 regarding gold mineralisation at the Bimurra prospect where the Company has estimated an exploration target range for the Bimurra mineralisation of between 10M tonnes at an average grade of 0.7 g/t Au containing an estimated 230,000 ounces of gold and 4M tonnes at an average grade of 1.2 g/t Au containing an estimated 120,000 ounces of gold. It should be noted that the potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

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	Hecorina Pit				15	2.6	1,300				15	2.6	1,300	None
	Underground Extension				205	5.9	39,600	62	5.3	10,600	267	5. 7	49,300	3
	Tailings	305	1.6	15,800	11	1.6	500	6	1.5	300	322	1.6	16,700	None
	Total	**305**	**1.6**	**15,800**	**231**	**5.5**	**40,400**	**68**	**5.0**	**10,900**	**604**	**3.5**	**67,200**	**0**
Eugenia	Oxide				1,445	0.9	43,300	252	1.2	9,700	1,698	1.0	53,000	0.4
	Sulphide				2,306	0.9	66,100	1,007	1.4	45, 200	3,313	1.04	111,300	0.4
	Total				**3,751**	**0.9**	**109,400**	**1,260**	**1.4**	**54,900**	**5,011**	**1.0**	**164,300**	**0.4**
Glen Eva	Below pit				132	7.8	33,200	21	5.9	4,000	154	7.5	37,200	3.0
Total		**305**	**1.6**	**15,800**	**4,114**	**1.4**	**183,000**	**1,349**	**1.6**	**69,800**	**5,769**	**1.4**	**268,600**	

Table 1: Mount Coolon Gold Mines Pty Ltd consolidated gold resources (for full details please refer to ASX announcement dated 27 August 2015).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the respective announcements and all material assumptions and technical parameters underpinning the resource estimate with those announcements continue to apply and have not materially changed.

5.0 Mount Morgan Intrusive Related Gold Project

(EPM16057, EPM17105, EPMA17734, EPMA18366, EPM18811, EPM19288, EPM18812, EPM25177, EPM25362 & EPM25678)

Exploration Opportunity with potential for copper-gold porphyry style discoveries in under-explored terrain adjacent to the 8 million ounce Mount Morgan Gold-Copper Mine.

The Mount Morgan Project tenements host multiple high-order geochemical and geophysical anomalies surrounding the world-class Mount Morgan Gold-Copper deposit which produced in excess of 8 million ounces of gold and 400,000 tonnes of copper.

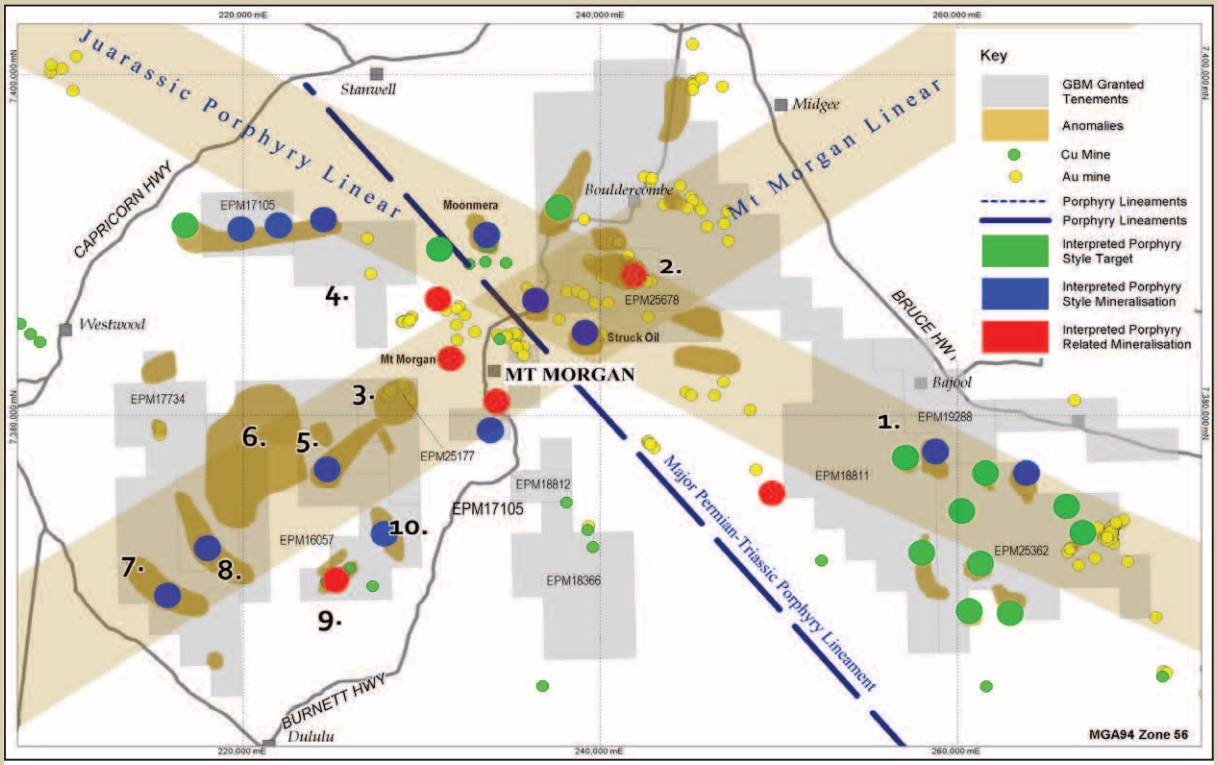
GBM has progressively acquired ground since project inception in 2007 and now holds the dominant tenement position in terms of area covered in the vicinity of the mine. The wholly-owned project incorporates ten granted leases totaling over 760km^2 with the most recent EPM granted in April this year (EPM25678 Mountain Maid).

Historic exploration since the 1960's has produced a sizeable data library. GBM has invested considerable time collating and interpreting historic surface, geophysical and drilling data, using this information to progressively refine exploration models for the area.

The Company has completed extensive geochemical sampling and mapping of a number of high-order targets and many are now at or near drill-testing stage.

Many of the key targets have now been identified for further exploration including: Smelter Return, Limonite Hill and other buried targets within the Bajool Project, Sandy Creek and Oakey Creek and the Mt Gordon porphyry system.

These priority targets for further work have been defined on a range of features including; soil, rock-chip and historic drilling, Cu-Au + Mo anomalism, presence of porphyry or IRGS alteration assemblages in surface rocks, geophysical signature, prospective host rocks, structural setting or proximity to Mt Morgan orebody, and size potential.



1. Limonte Hill
– 12m @ 1.4% Cu & 700 pm Mo
– Series of "Mag Lows" within structural corridor, including Limonite Hill Cu-Mo porphyry
– Veneer of cover sediments

2. Mt. Usher
– 100k oz Au production from alluvial and hard rock
– Junction of 2 major structural linears
– Large mag high rimmed by historic workings

3. Mt. Victoria
– Alluvial gold workings
– 28m @ 0.26 g/t Au in Devonian basement

4. Mt. Gordon
– Porphyry Cu-Au-Mo
– 23m @ 0.3% Cu, 0.2 g/t Au
– 4km magnetic low

5. Smelter Returns
– 300x400m skarn indentified
– Shallow drilling only
– 8m @ 0.3% Cu, 0.8 g/t Au
– Large untested high tenor Au-Cu soil anomalies

6. Kyle Mohr
– Intrusive hosted
– Pervasive porphry alteration
– Strong Au-Cu in soils
– No drilling

7. Black Range 1
– 2km alteration zone
– Central breccia gossan with Zn-Cu-Pb-Ag

8. Sandy Creek
– 4km porphyry-style alteration zone
– Hydrothermal breccia CuO at surface
– Rock-chips to 39% Cu, 8.59 g/t Au 44ppm Ag
– No drilling

9. Dee Copper Mines
– High grade Au-Cu veins
– Not tested at depth

10. Oakey Creek
– 3x1km porphyry-style alteration
– Rock-chips to 6.7% Cu & 40 ppm Ag
– Not drilled

Figure 2: Mount Morgan Project area plan showing key targets and Tenement status.

Review of Operations

BAJOOL – LIMONITE HILL PROJECT

Exploration during 2015 focused on the Bajool area located east of the Mt Morgan Gold Mine. The Bajool project encompasses a series of at least 13 magnetic lows within the Bajool Diorite complex. These lows are interpreted to result from magnetite destruction associated with porphyry hydrothermal alteration and copper, molybdenum and sometimes gold mineralisation. Most magnetic low targets are buried under thin cover sediments but where they do outcrop, evidence of porphyry-style mineralisation is readily apparent. Limonite Hill and San Jose are well-known examples and have been subjected to little exploration in the past.

GBM completed a detailed airborne magnetic survey during the period, covering most of the Bajool Complex within the tenement boundaries. The survey parameters were designed to produce high definition of the numerous magnetic low anomalies distributed throughout the complex. A number of magnetic high anomalies have also been defined from the recent survey and these may represent skarn or replacement mineralisation in reactive host rocks at the margin of the porphyry intrusives.

A structural interpretation of the magnetic data (RTP and Analytic Signal) indicates a complex intrusive history of pulsed phases and cross-cutting boundaries, hornfelsing of host rocks, and a complex fault pattern including a number of large through-going shear zones. Some of the more significant magnetic low anomalies are associated with interpreted structural intersections, loci for emplacement of mineralised porphyry stocks or apophyses.

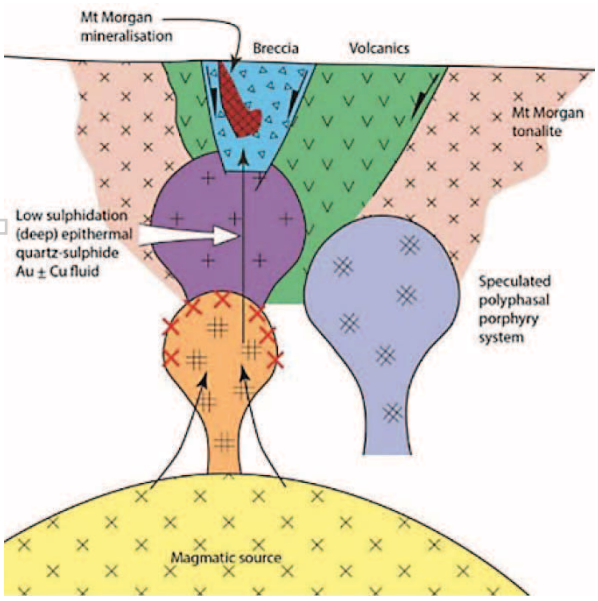


Figure 3: Conceptual model in which Mt Morgan mineralisation developed within a collapse breccia pipe overlying a poly-phase porphyry intrusion source (Menzies & Corbett, 2015).

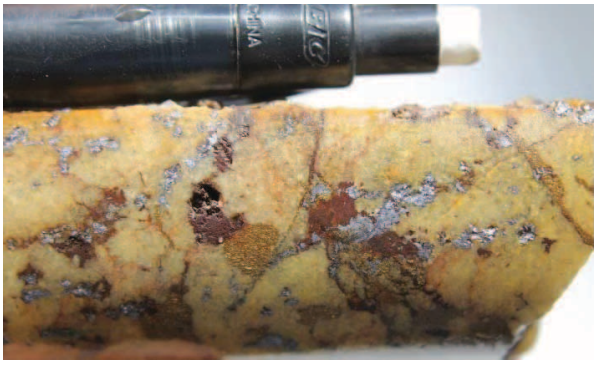


Photo 1: Massive quartz vein with chalcopyrite-molybdenite rosettes which reported 6m 2.64%Cu + 908ppm Mo from 158m. This photo is take at 164.0m depth in drill hole 12/28-4 bored into Limonite Hill prospect. (CR4994, Report on Griselda-Discoverer 28, Geopeko Ltd, May 1974).

Core from drillhole DDH4 from the Limonite Hill Prospect was located in the government core library in Brisbane and a summary log completed. This hole was drilled in 1973 and predates many recent advances in understanding intrusive related mineralised systems. The hole returned 12 metres averaging 1.4% Cu and 0.07% Mo. (refer GBM Report for the Quarter ended 31 December 2014). Geological logging of this hole confirmed alteration, mineralisation and vein styles which suggest a porphyry Cu-Mo system is present at Limonite Hill, hosted by a polyphase intermediate to felsic igneous intrusive and volcanic complex. Observations from the drill core and available data suggest the system is exposed at a high level, and that the core of the mineralising system may remain intact.

PORPHYRY-RELATED EXPLORATION MODEL

As a follow-up to the re-logging of historic core and the acquisition of detailed airborne magnetic and radiometric data from the Limonite Hill and Bajool project area, GBM contracted Dr Greg Corbett from CMC Consulting to interpret drill core from beneath and surrounding the Mount Morgan Gold Mine and to review a number of GBM prospects at surface and from historic drilling. The purpose of the review was to confirm and support the Company's intrusive-related/porphyry-style exploration strategy within the Mount Morgan project.

The existence of Permian to Triassic age porphyry-style Cu-Au +-Mo mineralisation within the project area is well established. However, much of the historic exploration effort has been directed towards discovery of VHMS deposits fitting the accepted deposit model for the Mount Morgan orebody.

Dr Corbett interpreted the Mt Morgan quartz-sulphide mineralisation as low-sulphide deep epithermal style derived from a buried magmatic source related to either the nearby Devonian poly-phase tonalite complex or a Permian intrusive. The quartz sulphide mineralisation at the Lihir Gold Mine in PNG is also interpreted to have been derived from an underlying porphyry Cu-Au source. The intrusive source at Mt Morgan may be localised on a splay fault off the NE-trending Slide Fault which transects the mine pit. Splay faults localise many porphyry Cu-Au ore systems such as Chuquicamata, Frieda, Ridgeway and Cadia East.

Field examination of prospects such as Sandy Creek, Oakey Creek and Limonite Hill (Bajool area) prospects confirmed GBM's interpretation of porphyry-related alteration, vein style and mineralisation at these prospects. Many of the Company's prospects display classic propyllitic alteration assemblages, 'D'-vein type quartz-sulphide vein styles, or epithermal-style disseminated quartz-sulphide and metal assemblages. The evidence from GBM's exploration to date, with confirmation from independent experts in the field strongly support the existence of porphyry systems beneath the present day surface.

GBM consider the Mount Morgan Project as highly prospect and worthy of a substantial exploration programme. GBM will continue to investigate options to further fund and explore this project including joint venture and farm-in options.

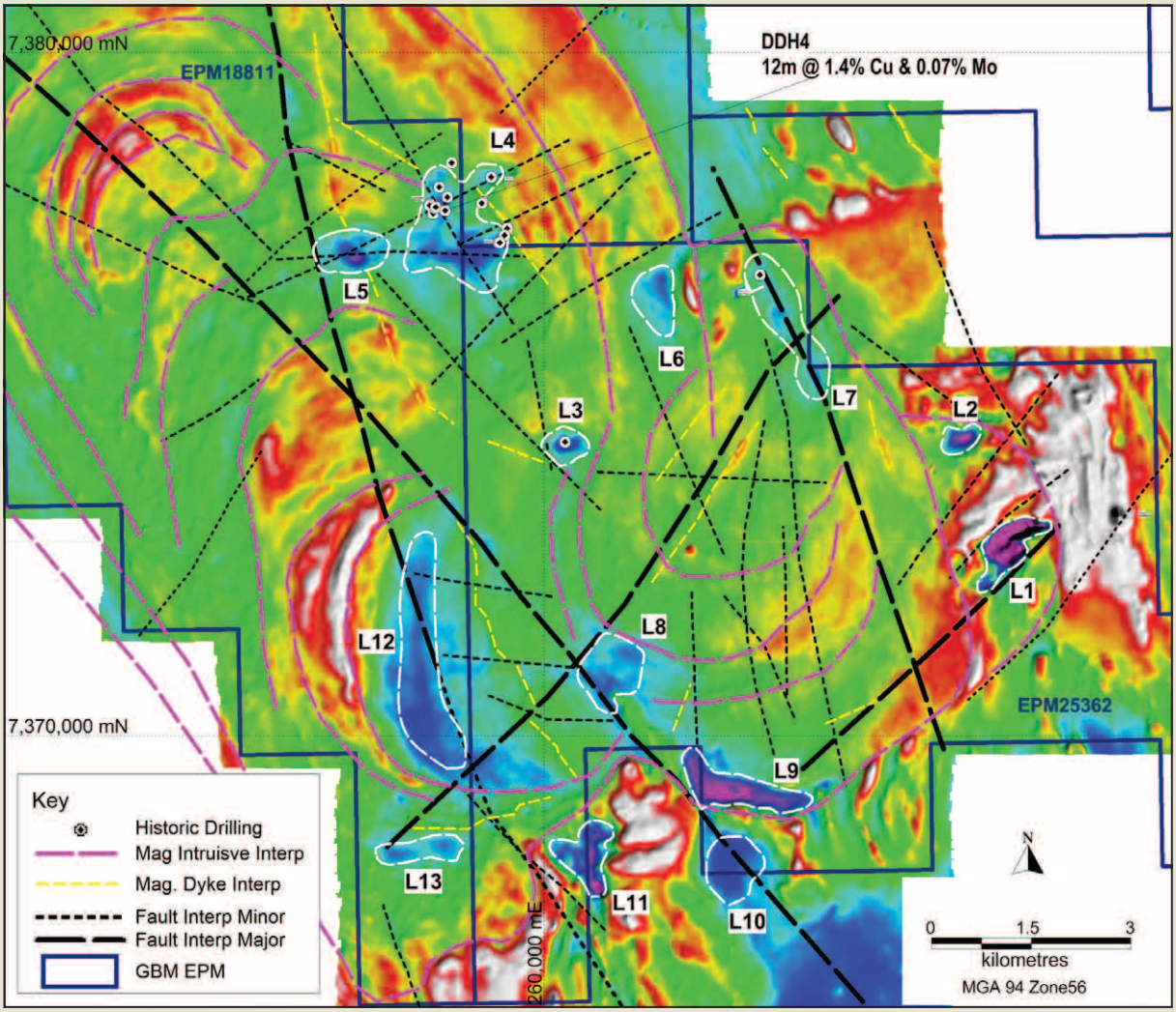


Figure 4: GBM airborne magnetic survey data. Image is Total Magnetic Intensity Reduced to Pole (TMI RTP). Interpreted intrusive margins showing complex pulsed and cross-cutting history. Fault interpretation from RTP and Analytic Signal (AS) data indicates many mag low anomalies are associated with fault intersections and dilatant structural settings (L5 Limonite Hill, L4 Ultima, L7 San Jose, L1 Ulam Goldfield).

Review of Operations

6.0 Lubuk Mandi Gold Project

Near term production opportunity for gold production from tailings and open cut mining. GBM retains 26.7% equity in project moving to listing is Singapore during 2015.

The Lubuk Mandi Gold Mine is located on the east coast of the Malaysian Peninsula in the state and Sultanate of Terengganu, approximately 7 km south of the state capital city Kuala Terengganu. Gold was discovered in 1989 at the site and initially worked as alluvial deposits along a 2 km strike length prior to hard rock mining at Lubuk Mandi. A CIP/CIL plant operated between 1993 and 1999, producing over 107,000 ounces of gold and approximately 11,000 ounces of silver. All mining was by open pit methods.

Lubuk Mandi Commissioning

Lubuk Mandi Commissioning of flotation cells

GBM completed drilling and resource estimation for the tailings from the previous mining operations resulting in the announcement in October 2013 (re-issued in November) of a JORC compliant resource comprising 1.5Mt with an average grade of 0.7g/t Au containing an estimated 34,800 ounces of gold. GBM subsequently commissioned metallurgical testwork and preliminary plant design that demonstrated the practicality of re-treating these tailings utilising a combination of the proven technologies of flotation and carbon in pulp to extract the gold. AASB completed final design and constructed a modified and downscaled version of the design completed by GBM and its associated consultants.

As reported in the company's March 2015 Quarterly Report, that while there were still some design modifications to be completed, performance during commission confirmed that the plant can operate at design capacity, head grades are in line with resource estimates and that recoveries in line with metallurgical testwork can be achieved. However since that time the tailings treatment plant has experienced ongoing operational issues, resulting largely from the design modifications and failure to secure suitably qualified key professionals in the management team. As a result, the Lubuk Mandi tailings treatment plant commissioning phase has been extended to address these issues. The Company has been informed that the plant resumed operations at a 500tpd rate on 21 July and production is expected to ramp up to 1000tpd as soon as it is confirmed that all components are operating as required.

GBM's Malaysian Joint Venture partners are working to incorporate this operation into a new Company to be listed on the Catalyst Board of the Singapore Stock Exchange.

7.0 Brightlands and Milo IOCG REE Project

Exploration opportunity with multiple targets for copper-gold mineralisation. In addition the Milo IOCG system already with an estimated resource containing 97,000 tonnes of copper, 14 million pounds of U_3O_8 and 108,000 tonnes of TREEYO with significant exploration upside.

The Milo Project on Brightlands EPM14416 is located due east of Mount Isa, and just 20 km west of Cloncurry on the Barkly Highway, far northwest Queensland. Brightland contains numerous targets for structurally hosted and IOCG style copper and gold copper mineralisation. Previous exploration by GBM has successfully delineated a large polymetallic resource at Milo. However many targets remain to be fully evaluated, and the Milo area still holds potential for significant resource extension.

Mineralisation at Milo is hosted in a northwest striking, highly brecciated and altered rock coincident with magnetic highs within a broader magnetic low anomaly that has been interpreted as a possible buried granite source for the IOCG & REE mineralisation. The REE and yttrium mineralisation (REEY) appears to overprint and envelope the IOCG style Cu-Au-Ag-Mo-U-Co mineralisation. Drilling shows that the mineralisation dips steeply to the east, is possibly fault related, and that higher grade copper mineralisation plunges to the north. The mineralisation at Milo is considered to be closely linked to the Cloncurry Flexure, a regionally significant deep structural feature in the region.

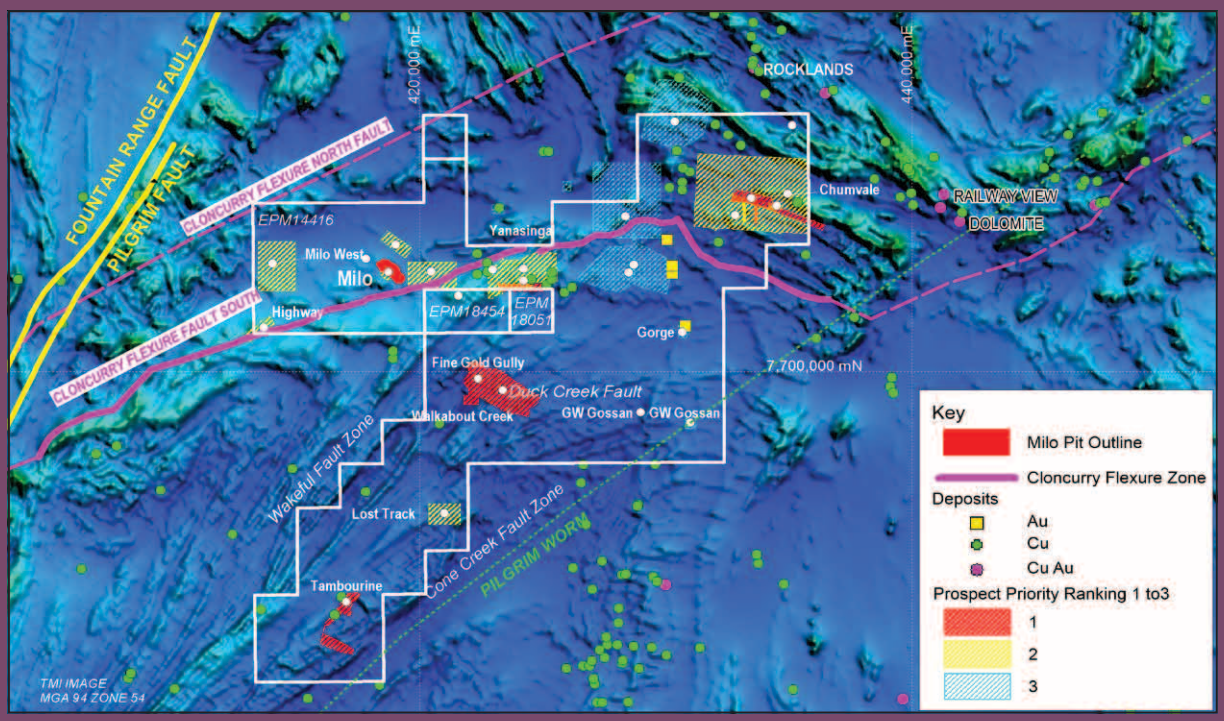


Figure 5: Brightlands tenement group showing major regional structures over detailed TMI RTP image with prospects and target areas.

The scoping study released by GBM in November 2012 highlighted that Milo hosts a significant polymetallic resource containing rare earth oxides, copper, phosphate and uranium. This resource remains open at depth and along strike. In addition, geochemical surveys confirm the existence of a number of additional targets in the Milo area with similar geochemical signatures. GBM believe that Milo is part of a very large mineralising system and that significant future exploration is warranted. In the case of the Milo West target, the geochemical response is more intense than the Milo area itself. These anomalies are considered to be part of the large system operating at Milo and represent high priority targets for future exploration.

Despite considerable drilling already completed over a significant strike length, the Milo mineralisation is still open-ended to the north, south and at depth. Drilling from the 2012 drilling program intersected some high grade Cu mineralisation including 2 metres @ 6.19% Cu at 163 metres downhole in MIL015, one of the most southern drill holes. A number of parallel zones of coincident Cu-Au-La soil anomalism have been defined north west of the resource area and adjacent to drillhole BTD014 where peak downhole grades of 4,550 ppm Cu, 650ppm La, and 0.7 ppm Au were returned. It is likely that these anomalous zones will extend further with additional soil sampling, that they may be structurally related, and that drill testing may discover new mineralisation.

Additionally, there is a large Cu-La soil geochemical anomaly west of the Milo prospect that returned peak assay results of 1.44% Cu, 0.35 ppm Au, and 120 ppm La that is associated with a coincident strong magnetic and topographic high.

A total of 1,594 soil samples and 295 rock samples have been collected on the Milo prospect to date.

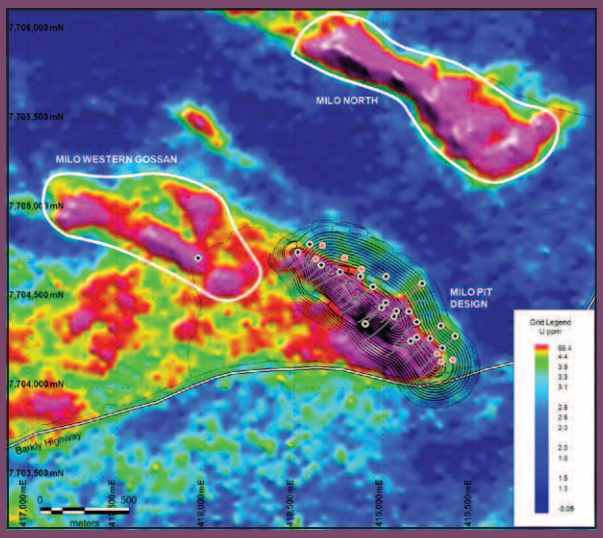


Figure 6: Milo conceptual pit outline over soil uranium geochemistry highlighting the location of additional high priority target area to the west of the known deposit.

From the data collected it is possible that the total strike length of the Milo mineralisation could extend for up to two kilometres. Further soil sampling and follow-up drilling will be required to determine the full extent of mineralisation.

The Milo mineral resource estimates were based on data from 31 holes drilled in a roughly 100m by 50m grid pattern. The drilling has delineated continuous Cu and REE mineralisation over a strike length of 1 kilometre and up to 200 metres wide. The resource is still open-ended to the north, south and at depth. These holes total 11,572m, comprising 3,503m of RC drilling and 8,069m of DD drilling. Of the total, 9,878m was sampled at largely 1 metre intervals and assayed for a comprehensive suite of elements.

Review of Operations

A zone of TREEYO-P_2O_5 enrichment overprints and forms a halo to the base metal mineralisation. The REE zone occurs as a moderate to steeply east dipping, northwest striking zone with a width of 100m to 200m. This zone is very continuous at low grades (<200 ppm TREEYO) and has a simple shape

					LREEO							HREEY			
	cutoff (TREEYO ppm)	tonnes (Mt)	TREEYO (ppm, t)	P205 (%, t)	Ce02 (ppm, t)	La203 (ppm, t)	Nd203 (ppm, t)	Pr203 (ppm, t)	Sm203 (ppm, t)	Eu203 (ppm, t)	Gd203 (ppm, t)	Y203 (ppm, t)	Dy203 (ppm, t)	Er203 (ppm, t)	Others (ppm, t)
Grades	300	176	620	0. 75	260	150	80	24	12	4	10	52	8	5	9
Contained Metal			108,000	1,330,000	46,140	26,460	13,850	4,230	2,170	710	1,780	9,150	1,480	850	1,620

Table 2: Milo Inferred TREEYO resource, at a 300ppm TREEYO cut-off. Red designates elements assessed as being in critical supply by the US Dept. of Energy, Dec 2011: Critical Materials Strategy, P4.

The inferred resource for copper and associated metals is estimated at a 0.1% copper equivalent cut-off as 88 Mt at 0.11% Cu, 0.04g/t Au, 1.6g/t Ag, 65ppm Mo, 130ppm Co and 60ppm U, containing 300Kt of CuEq metal.

While commodity prices have continued to fall since the initial resource estimation for Milo, the Company believes that the long term nature of the project and the positive outlook for the key commodities to be produced, combined with favourable exchange rate movements provide support for the future development of Milo.

Resource Classification	cutoff (CuEQ %)	tonnes (Mt)	CuEQ (%, t)	Au (ppm, ozs)	Cu (ppm, t)	Ag (ppm, ozs)	Mo (ppm/t)	Co (ppm/t)	U_3O_8 (ppm/Mlbs)
Inferred	0.10	88.4	0.34	0.04	1,090	1.63	65	130	72
Contained Metal			301,000	126,000	96,500	4,638,000	5,700	11,700	14.0

Table 3: Inferred copper equivalent resource (above 0.1% copper equivalent).

For a complete summary please refer to ASX announcement dated 22 November 2012, 'Scoping Study Confirms Strong Commercial Opportunity at GBM's Milo IOCG-REE Project'.

Explanatory Notes: ** Copper Equivalent calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. However it is the company's opinion that elements considered here have a reasonable potential to be recovered. It should also be noted that current state and federal legislation may impact any potential future extraction of Uranium. Prices and conversion factors used are summarised below, rounding errors may occur.*

Commodity	Price	Units	Unit Value	Unit	Conversion Factor (unit value/Cu % value)
Copper	6,836	US$/t	68.36	US$/%	1.0000
Gold	1,212	US$/oz	38.97	US$/ppm	0.5700
Cobalt	40,000	US$/t	0.04	US$/ppm	0.0006
Silver	18	$/oz	0.58	US$/ppm	0.0085
Uranium	40	US$/lb	0.08	US$/ppm	0.0012
Molybdenum	38,000	US$/t	0.04	US$/ppm	0.0006

Table 4: Milo copper equivalent prices and conversion factors (see explanatory note above).

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The information in this report that relates to Mineral Resources (Milo) is based on information compiled by Kerrin Allwood, who is a Member of The Australasian Institute of Geoscientists Mining and Metallurgy. Mr Allwood is a full-time employee of Geomodelling Pty. Ltd. a New Zealand based consultancy Mr Allwood 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 Allwood consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

8.0 Mayfield IOCG Project

Exploration opportunity with high order copper-gold geochemical and drilling anomalies adjacent to the high grade Tick Hill Gold Mine and Trekelano copper mine in Queensland's North West Mineral Province.

The Mayfield Project is located approximately 150 km SE of Mount Isa within the Mary Kathleen Zone of the Eastern Succession.

The dominant Proterozoic geology consists of Argylla and Corella Formation volcanics and sediments, located adjacent to the Pilgrim Fault Zone, a very large, strike slip fault system that extends over 200 km to the north. At either end of the project sit the Trekelano Cu-Au mine with a resource (2006) of 3.1Mt @ 2.1% Cu and 0.64g/t Au, and the Tick Hill mine which produced 470,000t averaging 28g/t Au.

The structural setting and fertile Corella Formation rocks combine to produce a highly prospective belt with numerous IOCG-style Cu-Au and base-metal occurrences defined within. Almost the entire Pilgrim Fault Zone is currently under lease and recent work by various companies, including Hammer Metals at their Kalman project, supports the potential for discovery within the Mayfield project.

The project area consists of a single large tenement with an area of 302 km^2, EPM19483 Mayfield. Within the tenement at least three mineralisation styles have been defined by previous workers; mylonite-hosted gold only (e.g. Tick Hill, figure below), ironstone-hosted magnetic Cu-Au (e.g. Trekelano, figure below) and Zn-Pb-Ag mineralisation (Delta Maiden Creek Prospect). Much of the Proterozoic host to mineralisation in the project area is obscured beneath thin alluvial or Cambrian cover. Extensive regional soil sampling indicates that the magnetic anomalies (generally concealed beneath the cover) are associated with Cu-Au or base metal mineralisation along much of their strike length at Mayfield.

Numerous prospects and targets have been identified from review of the historic exploration data. However, whilst good coverage by conventional soil sampling was completed along with extensive close-spaced RAB sampling of top basement, deeper drill testing by reverse circulation or diamond drilling methods is very limited, and often absent entirely from defined prospects.

Most tested targets were generated by the soil sampling or electro-magnetic geophysical survey methods. No detailed gravity surveying appears to have been completed by any company and the magnetics data was a secondary target generation tool. As such, there is considerable scope to make better use of modern potential field data for future IOCG exploration.

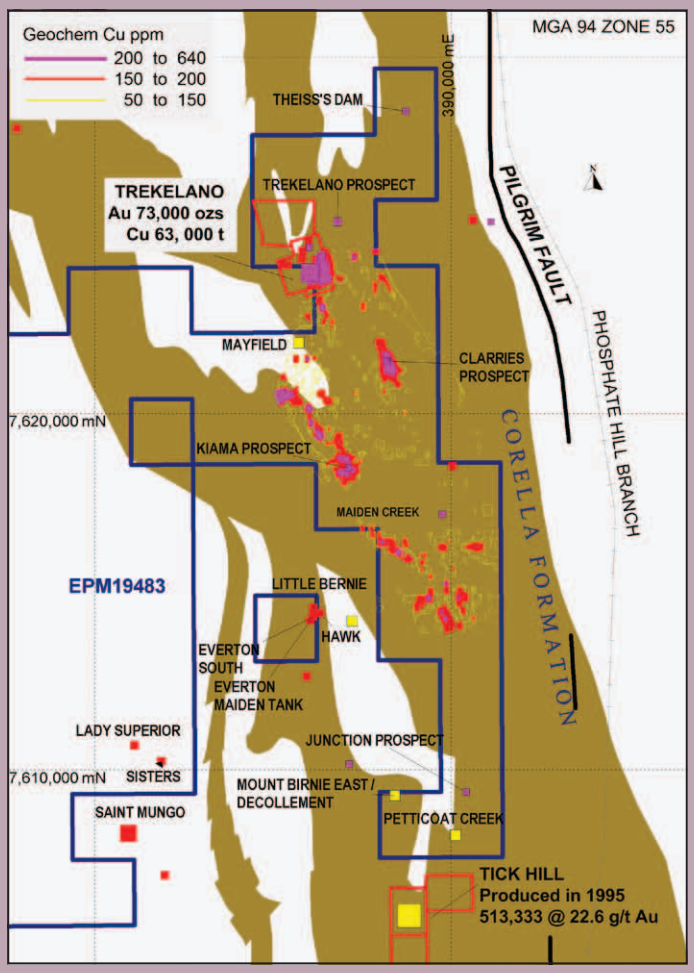

Figure 7: Mayfield Project; Prospects and copper anomalism in soils and RAB drilling along the magnetic belt hosting Trekelano mine.

Review of Operations

9.0 Gold Projects located within the Lachlan Fold Belt; Yea, Malmsbury and Willaura Intrusive Related Gold Systems (IRGS)

Exploration opportunity for the discovery of IRGS in the fertile Lachlan Fold Belt of Eastern Australia.

GBM holds three projects with potential for discovery of IRGS and porphyry style mineralisation within the Lachlan Fold Belt of eastern Australia which hosts a number of world class gold and copper gold deposits which include the Cadia and Cowal Gold Mines which have known gold resources of 44 million ounces and 5 million ounces respectively.

Recently developed and evolving tectonic models developed for Eastern Australia offer new orogenic gold and base metal opportunities in the Lachlan and Delamarian Fold Belts of Eastern Australia. Victoria may host parts of two mineralised arc systems. In the west, a Cambrian Andean-style system – the Miga Arc which would include the Willaura Project area, and in the east, the Ordovicain Macquarie Arc which to the north is host to giant porphyry Cu-Au ore systems at Cadia and North Parkes.

Porphyry systems worldwide are known to form clusters and already additional systems are known in Western Victoria, this is a new and exciting mineral province at the early stages of exploration by modern, system based approach. Through the Willaura Project, GBM is well positioned for discovery in this area.

GBM has long recognised that the Lachlan Fold Belt hosts many intrusive related mineral systems and this supports the potential of the Yea, Malmsbury and Willaura Projects.

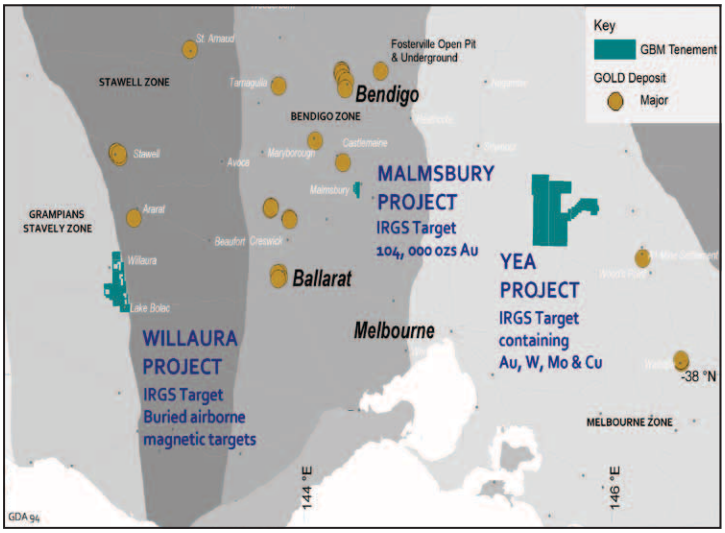

Figure 8: Lachlan Fold Belt project locations.

9.1 YEA PROJECT

(EL5292, EL5293 & 5347)

Significant tungsten-molybdenum drill intersections associated with an unexplored Intrusive Related Gold System represent a rare exploration opportunity.

The first drill hole completed by GBM in 2012 intersected Tungsten and Molybdenum mineralisation which is coarse grained of significant grade. Monkey Gully is a new Tungsten Molybdenum discovery, and the area still retains potential for IRGS style gold mineralisation.

The Yea Project tenements are 100% owned by GBM and were acquired by GBM after it recognised potential for IRGS in an area which contained a number of interesting targets for gold and other minerals. The target for this project is large IRGS-style Au, W, Mo, Cu deposits related to the Marysville Igneous Complex and hosted within the Black Range Granodiorite and its associated hornfelsed sedimentary envelope south-east of Yea.

The most advanced prospect is at Monkey Gully where GBM has identified a previously unknown polyphase intrusive complex. Tungsten and Molybdenum drill intercepts within a large geochemical corridor requires further testing. GBM completed one diamond drillhole in 2012, results for Tungsten and Molybdenum from GBM's drilling at Monkey Gully Include 17metres averaging 0.15% W2O3 and 262ppm Mo and 2 metres averaging 0.27% W_2O_4 and 1,067ppm Mo. The peak value for tungsten was 5,030ppm from 166 to 167 metres and for molybdenum 1,850ppm from 131 to 132 metres. Logging of the two hole drill program confirmed the existence of a stockwork of thin quartz comprised of several generations of veining. Molybdenum and tungsten mineralisation was observed as coarse molybdenite and scheelite with associated pyrrhotite and chalcopyrite. The mineralisation is within and adjacent to an interpreted high temperature vein set consistent with observations of occasional surface outcrops. (refer GBM Resources Ltd. Quarterly Report, September 2011).

Results from the Company's soil sampling programs indicate that W-Mo-Cu soil anomalism extends for at least 1,000m in a NW orientation across the prospect. Detailed mapping in 2012 revealed a series of narrow parallel tonalite and dacite dykes in the centre of the prospect, parallel to the soil anomaly strike and the regional structural grain. A program of ridge and spur soil and rock-chip sampling was completed in the Monkey Gully area concurrently with the drilling.

The program was designed to test whether a larger IRGS system is present beneath Monkey Gully and the nearby existing Mumbil Au-Bi-W prospect. Mumbil is a zone of high-grade gold mineralisation defined by soil sampling and trenching located 2km NE of Monkey Gully (within GBM's EL5293). GBM's recent work confirmed anomalous Au at the Mumbil prospect in tourmalinised metasediments hosting extensive comb quartz veining (0.67g/t Au peak) and anomalous Au-As-Bi in soils in the area between the two prospects.

The drilling results at Monkey Gully when considered with the extensive Au-As soil anomalism and Au-Bi in tourmaline-altered metasediments within the prospect area are significant for tungsten and molybdenum alone, and are considered strongly supportive of the existence of an IRGS in the Monkey Gully area.

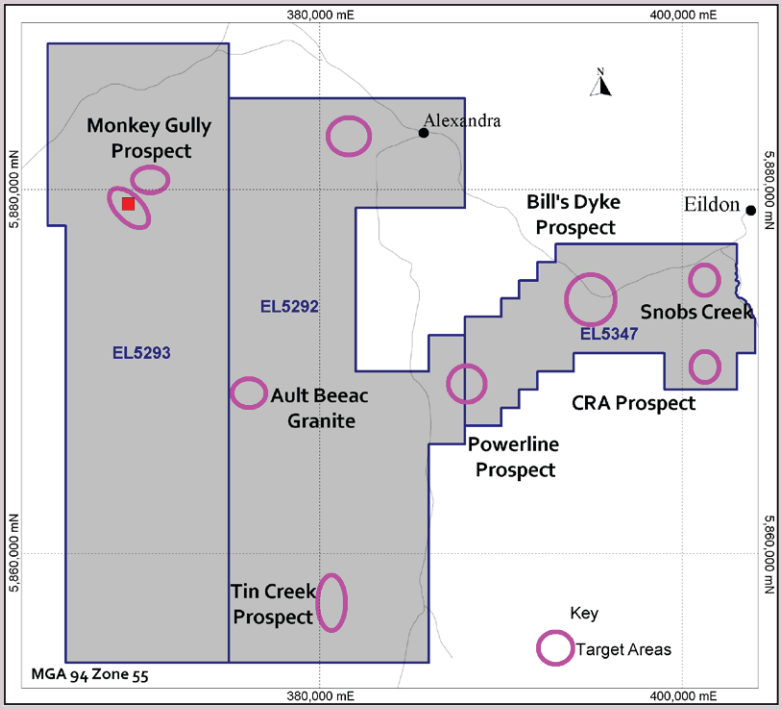

Figure 9: Yea Project tenement location plan showing target locations.

9.2 MALMSBURY PROJECT

(EL4515 and EL5120)

Exploration opportunity with 104,000 ounces of gold already in resources and significant exploration upside.

GBM drilled a one kilometre deep diamond hole which strongly supported the conclusion that the Malmsbury Gold Project is part of a large Intrusive Related Gold System (IRGS) centred on Belltopper Hill (drilled in March 2010 with assistance from the Victorian Government RDV grants program). IRGS systems are known to persist to much greater depths in other regions and GBM considers the Malmsbury Project (located in Central Victoria) has the potential to host a large IRGS in a world class gold province.

Surface geology at Malmsbury reveals a large area of alteration and mineralisation associated with a demonstrated endowment of almost 200,000 ounces within 200 metres of surface. This endowment comprises 91,000 ounces of historical production and 104,000 ounces of the current Leven Star Resource. At this time, historical production from a number of shafts in the project area is still unknown. Many zones remain to be drill tested and resources evaluated. The current estimate of gold endowment is considered incomplete in the near-surface environment. This endowment is based on mineralisation within a 2 kilometre section of the Drummond North Goldfield which remains open in all directions.

Structural geology studies previously commissioned by GBM note a valid comparison of the architecture of the fault and reef system at Malmsbury with the Fosterville System which hosts a known and growing endowment of 3 million ounces of gold, and identified additional strong North East trending structures similar to the Leven Star Zone. This is also supported by reprocessed magnetic data which highlights a clear complex magnetic feature with a similar trend. An extensive soil sampling program confirmed an intense geochemical anomaly centred over the historic workings of Belltopper Hill. In addition to gold, coincident anomalism in elements including Bismuth (a signature mineral of IRGS) further support the existence of a large IRGS in the Malmsbury Project area.

Review of Operations

9.2 MALMSBURY PROJECT continued

Completion of a 12 hole diamond drilling program during 2008 which targeted the Leven Star Zone, part of the Malmsbury Project, resulted in the deposit's Inferred Resource increasing to 0.8 Mt at an average grade of 4.0 g/t Au containing 104,000 ounces of gold using a 2.5 g/t Au cut off grade (see table below). This cut off was chosen to reflect a grade, which based on experience is considered to be applicable to extraction by underground mining methods.

This resource is contained within a 450 metre section of the Leven Star Zone within the Drummond North Goldfield which has an identified strike length of over 4,000 metres. The resource is considered open both to depth and along strike. Details of the parameters used are contained in the resource statement.

Resource Classification	Tonnes ($x10^3$)	Au (g/t)	Au ($x10^3$ ounces)
Inferred	820	4.0	104

Note: Cut-off grade of 2.5g/t Au anticipated to reflect underground mining production costs. Sources; GBM Resources 2009A, GBM Resources 2009B, Allwood 2008,

Table 5: 2008 Leven Star Gold Resource Estimate.

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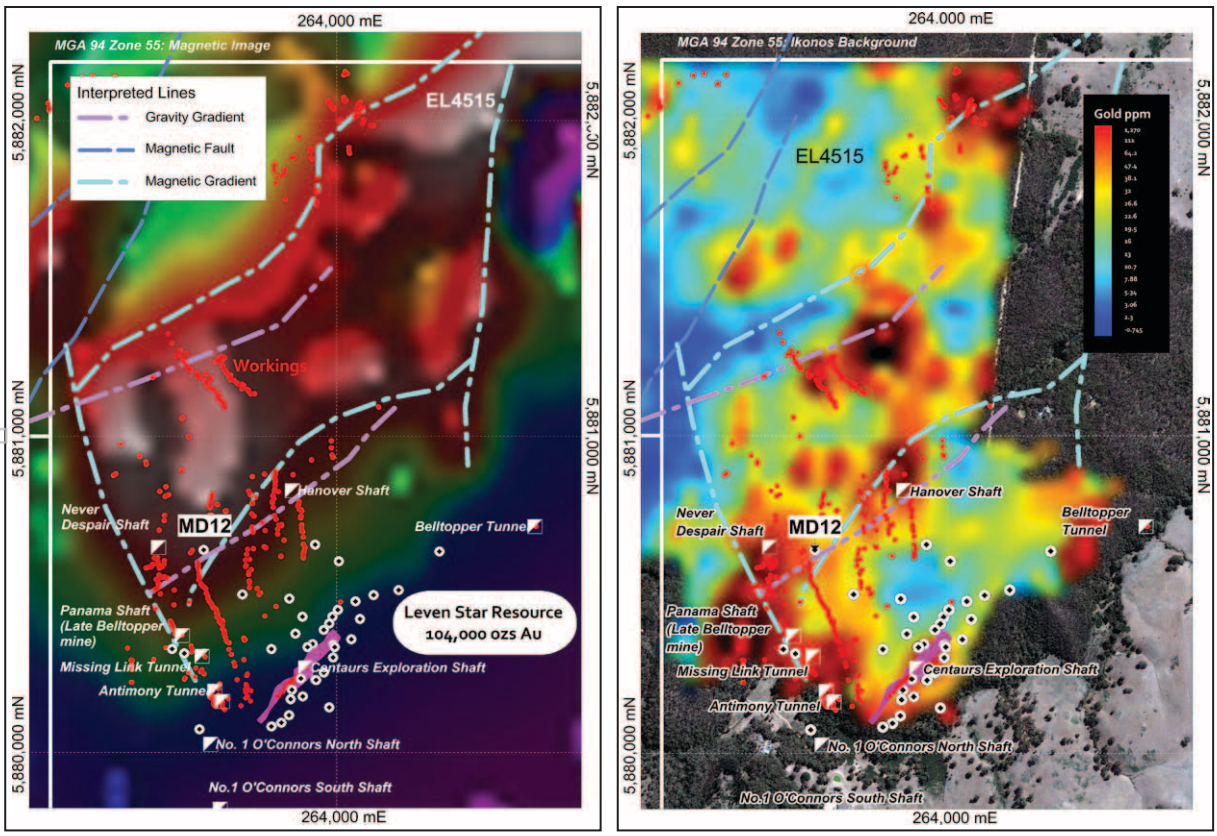


Figure 10: Malmsbury plans showing magnetic feature and major cross structures related to gold mines and resources (left) and related to gold soil geochemistry (right). Gold in soils defines a strong anomaly at 50 ppb centred on the intersection of known mineralisation, but trending northwards to areas not previously drill tested.

9.3 WILLAURA PROJECT
(EL4631 and EL5346)

Exploration targets prospective for porphyry style copper-gold mineralisation in a newly interpreted Andean style volcanic arc.

The Willaura Project is located within the Stavely Belt in Western Victoria. This region is now in the focus of exploration companies due to the recent interpretation of the area as an ancient Andean style arc, now referred to as the Miga Arc.

The region has a number of identified porphyry copper occurrences, recent exploration and ore system modeling by several companies continues to be tested by deep drilling. In addition, the Geological Survey of Victoria in conjunction with Geoscience Australia have recently completed a 14 hole programme to further understand the mineral potential of this region. Both the government surveys and companies, including Stavely Minerals Ltd have provided expert interpretation strongly supporting the potential for porphyry copper mineralisation to occur in the region.

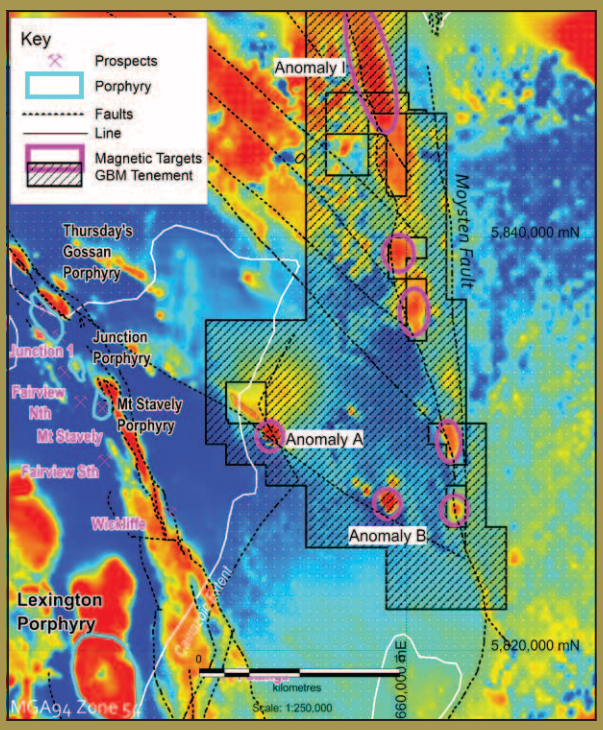


Figure 11: Willaura tenement plan showing location of key target areas and detail of magnetic features defining target areas in the Willaura Project area.

GBM's Willaura Project area is located within the GSV's 'Stavely Arc Base Metal-Gold Fairway' and straddles one of the state's major deep crustal structures, the Moysten Fault and lies within the newly identified Miga Arc (similar area to the Stavely Grampians Strucural Zone).

GBM holds two granted exploration licences within the Willaura Project covering an area of approximately 226 km^2 included in granted exploration licences. The Company is targeting a large copper-gold system in the Stavely Grampians Zone. The Project recognises the prospective and under-explored nature of the Stavely-Grampians Zone as a potential host to intrusive related Cu-Au deposits of the Mount Lyell or Cadia styles. Discrete magnetic features covered by recent basalt cover offer potential for new discoveries. Due to the extensive tertiary basalt and recent alluvium covering much of the Willaura target area, modern and advanced "deep seeing" exploration techniques must be employed to identify suitable drill targets.

10.0 Pan Pacific Copper and Mitsui Farm-In Iron-Oxide-Copper-Gold (IOCG) Style Projects in the Mount Isa Region

Fully funded exploration opportunity for the discovery of large IOCG style deposits 'under cover' in the prolific North West Mineral Province of Queensland.

GBM, in association with our partners Pan Pacific Copper and Mitsui Corporation of Japan, continue to explore for large IOCG deposits under cover in the North West Mineral Province of Queensland. This Farm-In Agreement is currently in it's sixth year of operation. This exploration programme is seeking to discover ore-bodies containing more than 2 million tonnes of copper and or over 1 million ounces of contained gold in areas where the ancient Proterozoic Mount Isa Inlier basement is covered by younger sediments. This programme has achieved success in the discovery of IOCG style mineralisaiton at the Bronzewing Bore Prospect in the Bungalien Project, and in addition a number of high order targets have been identified in the Mount Margaret West Project area.

The fertile nature of the North West mineral Province for base metal and other minerals make it one of the most prospective exploration terrains world wide, however there are virtually no discoveries in the covered potions this terrain. GBM and our partners recognise this as presenting a tremendous opportunity for discovery by applying rapidly evolving modern exploration technology to these areas. The potential for hidden deposits in the covered portions of the NW Mineral Province continues to be supported by Queensland and Federal Government backed initiates including UNCOVER, and a new collaborative venture to promote and facilitate and expediate exploration targeting in such regions throughout Australia.

The following sections summarise the setting and progress on the key projects that form part of the Pan Pacific and Mitsui Farm-In Agreement.

Review of Operations

10.1 BUNGALIEN – HORSE CREEK PROJECT

(EPM17849, EPM18207, EPM18208 & EPMA25213)

Includes the Bronzewing Bore IOCG discovery and other high order targets for IOCG style mineralisation.

The project area consists of; EPM18207 Bungalien 2, EPM18208 Horse Creek 2, and EPM17849 Limestone Creek, and EPM25213 The Brothers and covers an area of 384 km^2 located approximately 100km southwest of Cloncurry, Queensland. The Bungalien 2 and Horse Creek 2 tenements were granted in 2012 and incorporated and replaced the existing enclosed permits with new titles.

The Bungalien project is located adjacent to the major Pilgrim Fault within the Mount Isa Block Eastern Fold Belt. The Proterozoic basement lies beneath up to 500m of Georgina Basin cover rocks and is dominated by felsic volcanics, mafic volcanics and quartzite intruded by a large pluton and associated stocks of Wimberu Granite. The Wimberu Granite is a member of the 1550-1500Ma Williams Batholith plutonic suite which has a close spatial relationship to copper-gold mineralisation in the Eastern Succession. Nearby to the west of the project area lie the Trekelano (Cu-Au) and Tick Hill (Au) deposits, and to the east the Mount Dore mineralised corridor which contains past and producing Cu-Au deposits including Starra, Mount Dore, Mount Elliot, and the Merlin Mo-Re deposit.

Historical focus west of the Pilgrim Fault and difficulties associated with exploring beneath the Georgina Basin cover sequence resulted in minimal past exploration within the Bungalien Project area. Joint Venture activity at Bungalien has been driven by the acquisition and interpretation of geophysical data due to the cover thickness. Eight deep diamond drill holes have been completed at Bungalien since program inception, all targeting potential-field or electrical geophysical anomalies. All drill holes have intersected IOCG-style alteration (magnetitie-Kspar-albite-actinolite-carbonate) and a number have returned significant low-grade mineralised intercepts.

Following the completion of drill hole BNG008 at Bronzewing Bore prospect late in the 2014 field season, early work in 2015 focussed on a review of assay and downhole data at Bronzewing Bore and the construction of a working exploration model for the prospect. The magnetic and gravity inversion models for Bronzewing

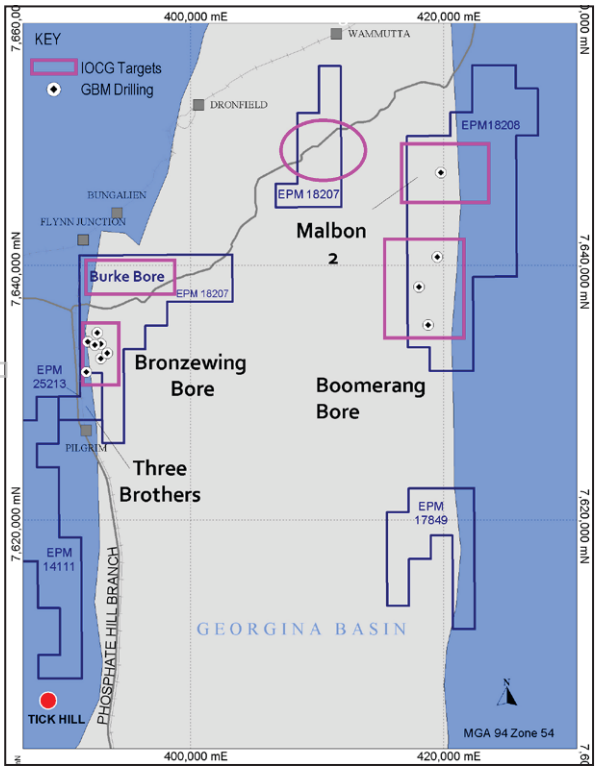


Figure 12: Bungalien Project Area tenement location plan showing the extent of Georgina Basin cover sequence and IOCG target locations.

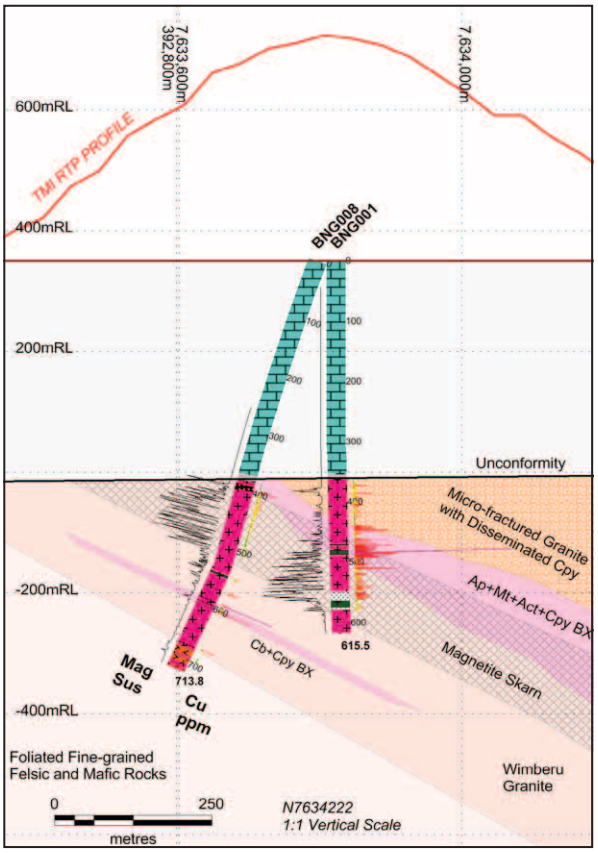


Figure 13: Bronzewing Bore Prospect – Geological interpretation through BNG001 and BNG008. Magnetic susceptibility downhole trace on left, copper assays on right.

Bore and The Brothers were updated and subjected to a target generation exercise. One RC drill hole was completed at Burke Bore, testing a magnetic anomaly beneath relatively shallow cover. A detailed work program for the sixth and final field season of the initial farm-in period was generated in the third quarter.

Bronzewing Bore Prospect diamond drill hole (BNG008) was designed based on an analysis of previous drilling and the 3D inversion models of magnetic, gravity and MT data. The hole was targeted at a presumed NW-SE trending structural contact zone between Wimberu Granite and older felsic and mafic volcanics.

The drill hole reached a final depth of 713.8m in early July and assay results were received in August. An intense magnetite skarn and breccia zone in Wimberu Granite of similar width and intensity occurs in both BNG008 and the nearby hole, BNG001. BNG008 reached the main contact zone with foliated felsic volcanic/shallow intrusive country rock at a down-hole depth of ca 680m. Apatite-rich High REE associated with P and Cu occurs near the upper skarn boundary in both holes (see figures below). The disseminated Chalcopyrite in Wimberu Granite in BNG001 could be indicating a broader mineralised zone remains to be tested to the NNE.

Of the eight holes now drilled into the basement at Bronzewing Bore, all have intersected anomalous copper mineralisation associated with IOCG-style mineralisation, veining and alteration. The best visible intersections occur within holes BNG001, BNG005 and now BNG008 and the prospectivity for large IOCG deposits remains high under deep cover at Bronzewing Bore.

10.2 MOUNT MARGARET WEST PROJECT

(EPM16398, EPM16622, EPM19834, EPMA18172, EPM18174, EPMA25544 & EPMA25545)

Multiple IOCG targets under shallow cover adjacent to the Ernest Henry Gold Copper Mine.

The Mount Margaret West group of tenements consist of Mt Malakoff Ext EPM16398, Dry Creek EPM18172, Dry Creek Ext EPM18174, Mt Marge EPM19834 and Cotswold EPM16622 (all granted). Tenements Tommy Creek EPMA25544 and Corella EPMA25545 were granted late in 2014. The project area contains multiple targets considered prospective for IOCG style mineralisation.

In very close proximity to the Mt Margaret West tenements, less than four kilometres south from EPM16398, lies Ernest Henry. Ernest Henry was discovered in 1991 using aeromagnetics and has a global resource estimated at 220Mt @ 1.2% Cu and 0.4 g/t Au containing 2.6M tonnes of copper and 2.8M ounces of gold. The mineralisation is located in an ovate SSE plunging breccia pipe with dimensions measuring 300m by 250m. The breccia has been intersected at depths of 1200m below surface to date with consistent mineralisation over this entire distance.

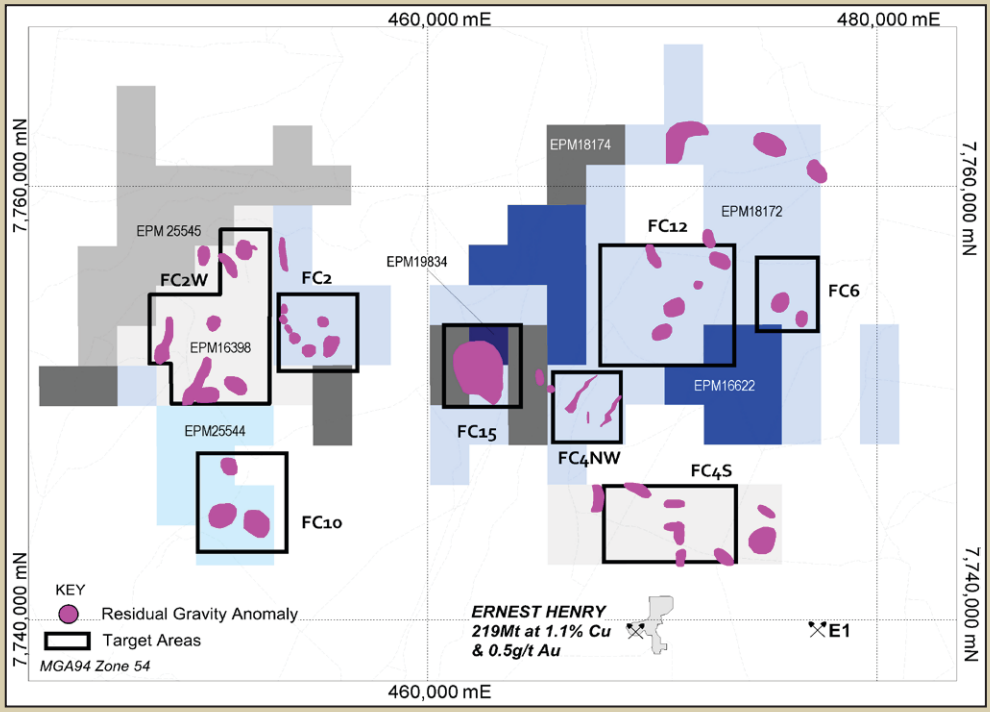


Figure 14: Mount Margaret West tenement and target plan.

Review of Operations

10.2 MOUNT MARGARET WEST PROJECT continued

The exploration strategy is to identify areas with promising structural settings, host lithology and/or encouraging drill results associated with near contiguous magnetic and/or gravity highs that hold scope for further discovery. Due to the almost complete cover by Palaeozoic sediments up to 100m thick across the project, emphasis is placed on the generation of new geophysical data and the reprocessing of historic data using modern techniques to generate drill targets.

Work at Mount Margaret during the year included the completion of a number of ground-based geophysical surveys, production of 3D geophysical inversions, soil sampling and the drilling of three diamond drill holes. The major elements of the field program included: drilling of three diamond holes at FC2 (two) and FC4SE (one) for a total of 1,199.7m., completion of the 14-line Dipole-dipole IP program across FC2 and FC2W started in 2014, a 1 km^2 3DIP survey over part of FC2 and the creation of a detailed inversion model, extension of the FC2 ground gravity survey south to cover the new Tommy Creek lease, production of magnetic and gravity 3D inversion models from merged historic and JV data, completion of an MMI soil program at FC2W.

FC2 and FC2W Prospects

Initial analysis of the historic geophysical and drilling data over the FC2 magnetic-gravity anomaly suggested the prospect may be prospective for Starra/Selwyn-style ironstone-hosted gold and copper mineralisation.

More recent work indicates the potential for Ernest Henry-style mineralisation based on the structural setting, lithology and large scale of the magnetic and gravity anomalies at FC2. Previous work completed in the area included extensive ground gravity surveying and MMI soil sampling, a detailed airborne magnetic survey, a short IP survey and the drilling of three diamond holes at FC2W.

No ground-based historic exploration had taken place at FC2W and only minimal drill testing of the FC2 anomaly was undertaken. The JV focus since work began has therefore been target generation from data acquisition and interpretation. This work continued during the period. A large 3-stage Dipole-dipole IP program consisting of 14 east-west lines was completed across much of the prospect area. This work, in conjunction with reprocessing of historic WMC and MIMDAS IP data, produced a series of chargeability anomalies which were progressively ranked for drill testing.

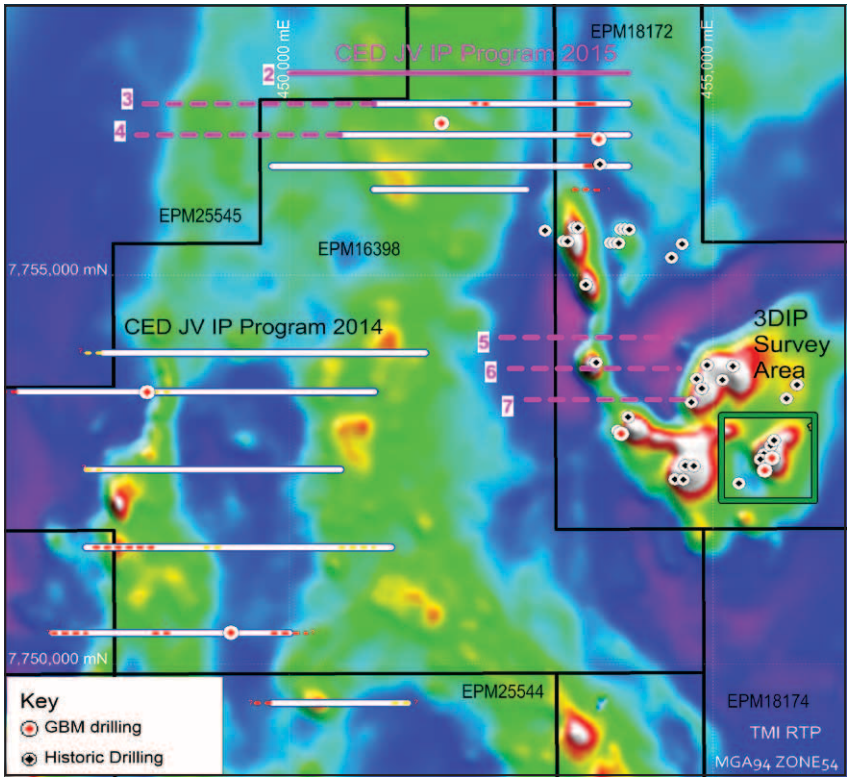


Figure 15: FC2/FC2W Prospects showing complex high magnetic and gravity areas- potentially reflecting IOCG style alteration and mineralisation. 2015 IP program (pink 2DIP lines and green 3DIP square) showing priority ratings from 1 to 7. CED JV 2013, 2014 collars with background TMI-RTP 2014 IP program (white lines) with anomalies highlighted (red – significant; recognisable – red/yellow dashed lines). One 2012 CED JV IP line (red) and historical FC2 collars also shown.

Two diamond drill holes were completed at FC2 during the period for a total of 761.7m. MMA007 was designed to test an overlapping magnetic/gravity/IP chargeability anomaly at the SE margin of FC2. It was the priority target of six defined from geophysical analysis. The hole intersected a medium to fine-grained mafic intrusive unit with intense to moderate Magnetite-Actinolite veining (± Feldspar) and alteration. Magnetite content varies from < 5% to up to 30% locally. The magnetite is due to hydrothermal concentration/remobilisation in a Fe-rich oxidised mafic rock unit and is therefore not a Banded Iron Formation as suggested in historical reports.

Strong to intense magnetite veining and alteration is evident across several intervals, and sulphides (pyrite, chalcopyrite, minor covellite) are typically associated with veining and are present throughout the hole. Copper is anomalous throughout the basement (peak 0.13% Cu), correlating well with both downhole magnetic susceptibility, sulphur percentage and downhole IP chargeability.

Drill hole MMA008 intersected a broadly banded magnetite-actinolite-red feldspar altered calc-silicate unit with variable modest to very strong magnetite. An intense magnetite bearing interval is evident down-hole from ca 150m to 250m. Copper is anomalous in the strong magnetite zone with a peak assay of 0.25%. The area is considered to have been upgraded by the widespread IOCG style alteration and elevated copper values in this area and further work is required.

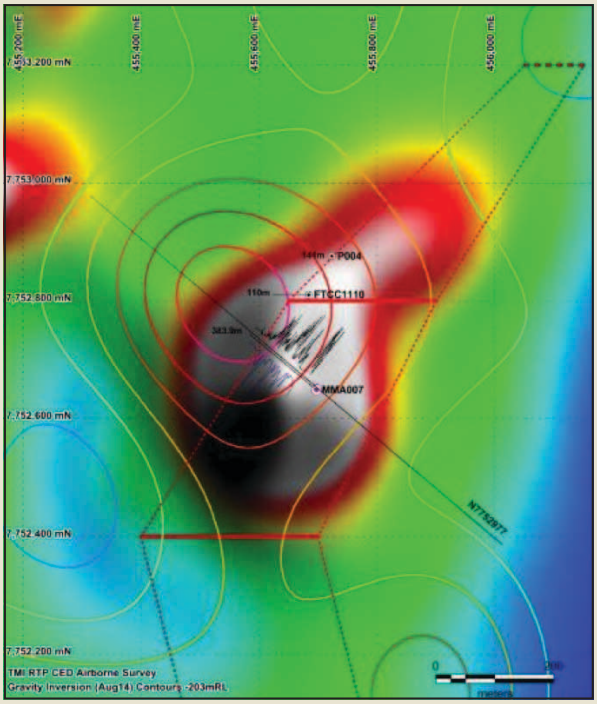


Figure 16: FC2 Prospect: Plan shows Magnetic Susceptibility (black) and Chargeability (blue) down-hole projected to surface for drill collar MMA007 with final depth; Background is airborne TMI-RTP overlain by gravity inversion contours (-203 mRL), MIMDAS anomalies (red lines) and historical collars with max depth.

11.0 Milo and Sevastapol Graphite Prospects

Between August and December 2014 a program of drilling, rock-chip sampling, mapping and petrographic analysis was completed at the Sevastopol and Milo prospects within EPM's 16398 and 14416 respectively, located within the Cloncurry district, NW Queensland. The program was initially designed to determine the lateral extent, grade and grain-size of known graphitic shale units at Sevastopol. This information would then be used to estimate an exploration target range for graphitic carbon and provide the basis for further resource definition drilling work if warranted.

Initial drilling at Sevastopol returned promising grade and thickness potential (37.5m @ 8.1% TGC from surface to end of hole). Estimated grain-size was very fine, however given the encouraging grade and deposit size potential, a follow-up program of 14 RC holes was completed with the aim of identifying areas of possible increased grain-size within the prospect. Late in the Sevastopol program it became clear that the consistently very fine grain-size of the graphite crystals would be an impediment to the economics of the prospect and it was decided to assess the graphite potential at the company's Milo REE-U-Cu asset.

The presence of graphitic shale in the Proterozoic sequence at Milo had been established during the Company's resource drilling work. A program of surface mapping and rock-chipping defined extensive graphitic horizons at surface within and surrounding the proposed pit boundary. High-grade TGC (peak 23.2% TGC) was returned across the prospect from rock-chip assays. Re-assaying of RC drill chips from an existing GBM drill hole returned an intersection of 45m @ 12.5% TGC from surface, a very encouraging result (refer GBM Resources Ltd. Quarterly Report, December 2014). As no bulk sample had been preserved from the existing hole, the decision was made to twin the hole with a short diamond hole for metallurgical sample collection purposes.

Reflected light microprobe petrology results from a suite of rock-chip and diamond core samples indicated the graphite grain-size at Milo is extremely fine (generally less than 20 um), downgrading the prospectively of the area for economic graphite mineralisation. No further work is planned on the graphite prospects at this stage.

Review of Operations

12.0 Bungalien Phosphate Project

Exploration opportunity for discovery of phosphate resources in the Beetle Creek formation, host to Australia's largest phosphate mine at Phosphate Hill. Phosphate occurrence already confirmed by GBM drilling.

GBM has completed 43 shallow RC drill holes for a total of 1,436 metres during two stages on the Bungalien Phosphate project, confirming the wide extent of phosphate mineralisation in the area (refer ASX release dated 5 March 2009).

Peak phosphate results returned values exceeding 25% P_2O_5 and include many intersections of significant widths of greater than 10% P_2O_5 mineralisation.

In addition phosphate mineralisation was intersected in scout drill holes on GBM's Horse Creek EPM18208 and Limestone Creek EPM17849 tenements; PRC026 on Horse Creek intersected 7m @ 4.19% P_2O_5, and PRC024 on Limestone Creek intersected 9m @ 2.14% P_2O_5. These holes demonstrate that further substantial areas of these large tenements hold potential for untested phosphate mineralisation at shallow depths. No further exploration was completed during the year.

Bungalien Project remains a highly prospective area for discovery of rock phosphate resources. The Georgina Basin sediments which overlay the Proterozoic basement continues to emerge as one of the world's major phosphate provinces with phosphate resources currently identified totalling over three billion tonnes.

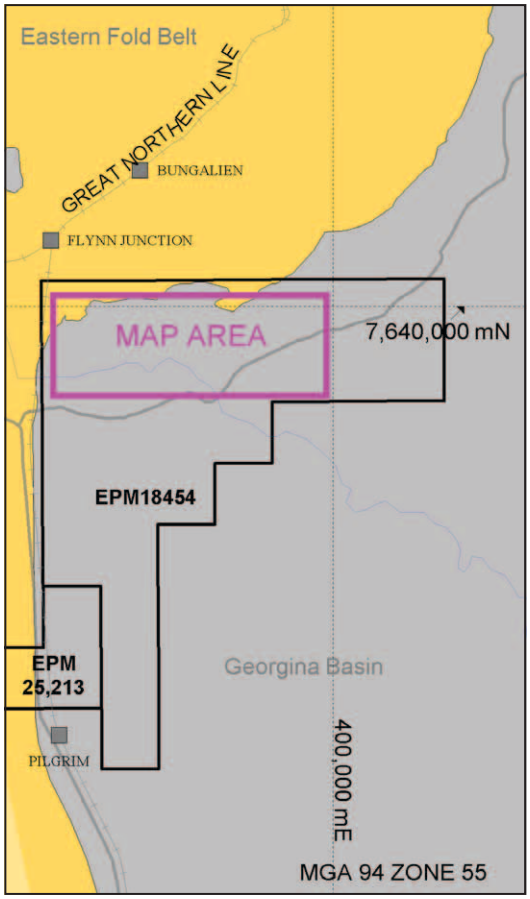


Figure 17: Location of the Burke Bore phosphate project within EPM18207.

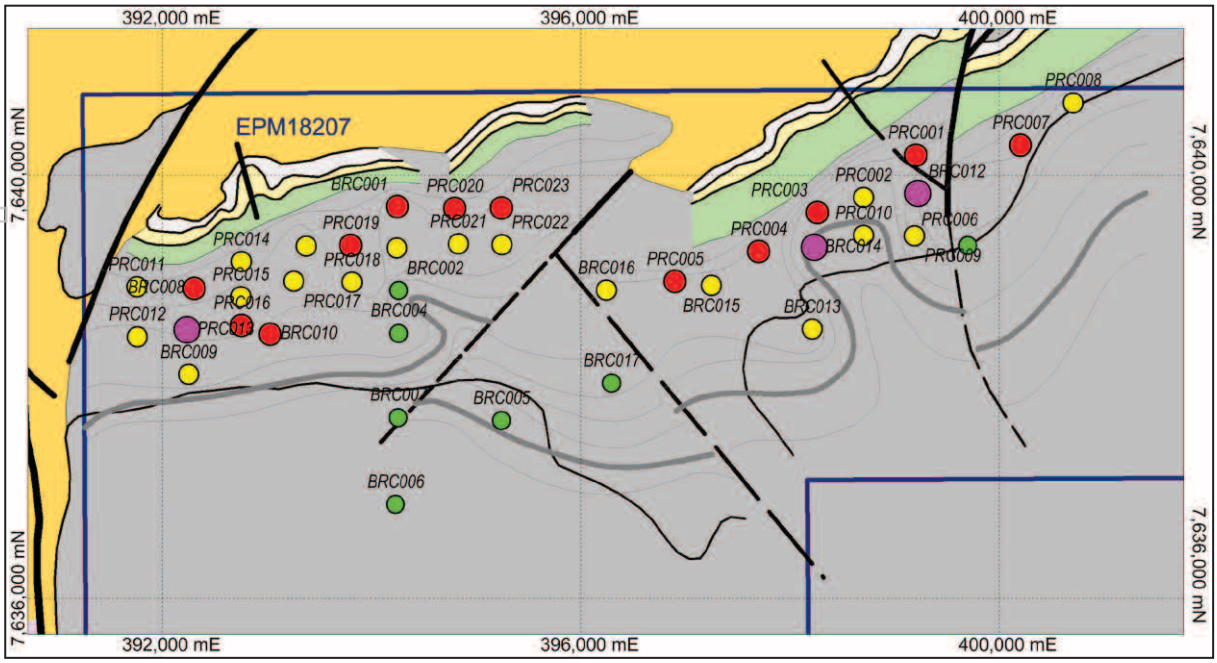


Figure 18: Drill hole location, best grades and geology of the Burke Bore phosphate prospect.

13.0 Tenements

Throughout the year GBM Resources tenement portfolio has grown to include 44 tenements in ten project areas; seven licences in Victoria and 37 in Queensland, two of which are applications (EPMA18672 and EPMA25365), forming a total of 4,595km^2 in the Country's most prospective areas.

During the reporting period GBM acquired Mt Coolon Gold Mines Pty Ltd, the tenement package included four granted mining leases, two granted exploration permits and one exploration permit application covering a total of 773 km^2. In addition seven new tenements were granted during the reporting period. Three in the Mt Morgan region, Central Queensland (EPM 25177, EPM 25362 and EPM25678) and four in the Mt Isa region, North West Queensland (EPM 19255, EPM 25545, EPM25544 and EPM 25213). On grant of overlying application EPM19255, Talawanta2, EPM 15406, Talawanta was conditionally surrendered.

All of these licences and applications (see tenement schedule) are held 100% by the Company (or its wholly owned subsidiaries). However, a farm-in agreement exists between GBM Resources and Cloncurry Exploration and Development Pty. Ltd. (owned by Pan Pacific Copper and Mitsui Corporation), and subsequently all tenements in the Talawanta-Grassy Bore, Mount Margaret and Bungalien Projects are subject to a farm in agreement. Application EPMA18672 is a competing application and GBM has priority.

In addition GBM has signed agreements with Newcrest to acquire EPM19483 Mayfield in the Mount Isa area. This is subject to the transfer being approved by the Queensland Department.

A summary of GBM's tenements is provided in Table 6 on page 28 of this report.

Abbreviations

CuEq	*Copper Equivalent, as defined in note in Milo Section.*
EM	*Electro Magnetic (geophysical surveys)*
IP	*Induced Polarisation (geophysical surveys)*
RC	*Reverse circulation drilling*
REE(O)	*Rare Earth Elements (oxides). There are 14 rare earth elements: Lanthanum (La), Cerium (Ce), Praseodymium (Pr), Neodymium (Nd), Samarium (Sm), Europium (Eu), Gadolinium (Gd), Terbium (Tb), Dysprosium (Dy), Holmium (Ho), Erbium (Er), Thulium (Tm), Ytterbium (Yb), Lutetium (Lu) but excluding Promethium (Pm).*
TREEY(O)	*Total Rare Earth element and Yttrium (oxides) (Yttrium (Y) is not always considered as a Rare Earth Element but does have many similar properties.*

Exploration Results previously reported under JORC 2004

Competent Person's Statement for Exploration Results included in this report that were previously reported pursuant to JORC 2004: This information has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The information in this report that relates to Exploration Targets and Exploration Results is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Mr Norris is a full-time employee of the company, and is a holder of shares and options in 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.

Exploration Results and Mineral Resources previously reported under JORC 2012

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

Annual Mineral Resources Statement

The following Annual Statement of Mineral resources statement reflects GBM's mineral the Company's resources as at 30 June 2015. Details of the competent person for each of these resources is provided separately in the relevant section of this annual report.

For the purpose of preparing this Annual Statement of Mineral resources as at 30 June 2015, GBM has completed a review of each resource taking into account long term metal price, foreign exchange rates, cost assumptions based on current industry conditions, any changes that may affect the capability for these resources to be exploited or which may result in material changes to cut-off grades and physical mining parameters.

Mount Coolon Gold Mines Limited

Details of the Mount Coolon resources can be located in ASX release dated 27 August 2015.

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	Hecorina Pit				15	2.6	1,300				15	2.6	1,300	None
	Underground Extension				205	5.9	39,600	62	5.3	10,600	267	5. 7	49,300	3
	Tailings	305	1.6	15,800	11	1.6	500	6	1.5	300	322	1.6	16,700	None
	Total	**305**	**1.6**	**15,800**	**231**	**5.5**	**40,400**	**68**	**5.0**	**10,900**	**604**	**3.5**	**67,200**	**0**
Eugenia	Oxide				1,445	0.9	43,300	252	1.2	9,700	1,698	1.0	53,000	0.4
	Sulphide				2,306	0.9	66,100	1,007	1.4	45, 200	3,313	1.04	111,300	0.4
	Total				**3,751**	**0.9**	**109,400**	**1,260**	**1.4**	**54,900**	**5,011**	**1.0**	**164,300**	**0.4**
Glen Eva	Below pit				132	7.8	33,200	21	5.9	4,000	154	7.5	37,200	3.0
Total		**305**	**1.6**	**15,800**	**4,114**	**1.4**	**183,000**	**1,349**	**1.6**	**69,800**	**5,769**	**1.4**	**268,600**	

Malmsbury Gold Project Resources

For original release refer to ASX release dated 19 January 2009.

Resource Classification	Tonnes	Au (g/t)	Au (ozs)
Inferred	820,000	4.0	104,000

Note: there has been no change in the resource for the Malmsbury Project from the previous year.

Milo IOCG Project

Details of the Milo resource can be located in ASX release dated 9 August 2012.

TREEYO Inferred Resource

	cutoff (TREEYO ppm)	tonnes (Mt)	TREEYO (ppm, t)	P205 (%, t)	LREEO							HREEY			
					Ce02 (ppm, t)	La203 (ppm, t)	Nd203 (ppm, t)	Pr203 (ppm, t)	Sm203 (ppm, t)	Eu203 (ppm, t)	Gd203 (ppm, t)	Y203 (ppm, t)	Dy203 (ppm, t)	Er203 (ppm, t)	Others (ppm, t)
Grades	300	176	620	0. 75	260	150	80	24	12	4	10	52	8	5	9
Contained Metal			108,000	1,330,000	46,140	26,460	13,850	4,230	2,170	710	1,780	9,150	1,480	850	1,620

Copper Equivalent Resource

Resource Classification	cutoff (CuEQ %)	tonnes (Mt)	CuEQ (%, t)	Au (ppm, ozs)	Cu (ppm, t)	Ag (ppm, ozs)	Mo (ppm/t)	Co (ppm/t)	U_3O_8 (ppm/Mlbs)
Inferred	0.10	88.4	0.34	0.04	1,090	1.63	65	130	72
Contained Metal			301,000	126,000	96,500	4,638,000	5,700	11,700	14.0

Note: There has been no change to Milo Resources during the current reporting year.

The information in this Annual Mineral Resources Statement is based on and fairly represents information and supporting documentation prepared by the competent persons named in the relevant sections of this report.

The information in this Annual Mineral Resources Statement as a whole that relates to Mineral Resources 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 holder of shares and options in the company and 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 2012 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.

Sustainable Development

The safety and health of our employees, contractors, consultants and visitors at work is a core value of GBM Resources. No other business objective has higher priority.

GBM Resources is committed to providing a safe and healthy work environment for all employees, contractors, consultants and visitors and requires that safety should not be compromised for any other business priority. We expect and monitor, consultants, suppliers, visitors and contractors of GBM Resources to have the same high standards of safety and health as we do.

At GBM Resources Ltd we aspire to zero harm to our people and the protection of the environment by creating a safe and sustainable environment for all of our staff and stakeholders. GBM Resources aims to be among the safest mineral explorers in the industry. Wherever we operate we will develop, implement and maintain an integrated health, safety and environment management system that drives continual improvement.

GBM has been a signatory to the Australian minerals industry framework for sustainable development, Enduring Value, since 2008. Enduring Value recognises that the future of our industry is inseparable from the global pursuit of sustainable development.

SAFETY & TRAINING

GBM continues to develop and improve the safety management system which is already proving very effective. The company aims to cooperate with government and the community stakeholders on occupational health and safety issues and contribute to the development of relevant occupational health and safety, legislation standards and research, when needed.

Focus for the current year was placed on identifying and analysing minor incidents that have potential for more serious consequences to determine why incidents occur and to put in place measures to reduce the likelihood of incidents recurring. This was completed in conjunction with ongoing reviews of GBM's Risk Register and procedures continued throughout the year.

During the current year refresher First Aid Courses were undertaken during the year for all staff members to ensure the maximum capability to deal with injuries should they occur.

COMMUNITY & ENVIRONMENT

- Identify the cultural values, traditions and beliefs of the communities and to respect and respond to those values and belief systems.
- Be open and transparent in all dealings with communities and in describing and explaining potential social environmental impacts that might occur
- Ensure that communities are fairly compensated for any activities undertaken on their properties.

GBM Resources is committed to monitoring and managing the environmental impacts of our activities to secure a sustainable environmental future for communities surrounding our sites, even after the activities cease. During this year the company reviewed and finalised rehabilitation of sites tested over four years ago to ensure that no significant long term impacts were sustained.

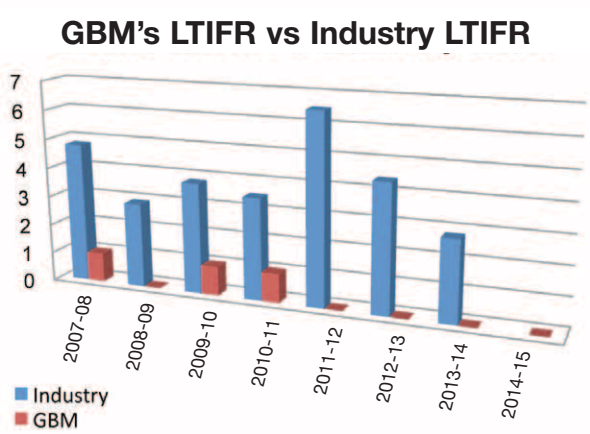
The company continues to integrate environmental management into all facets of our business and to inform and consult with the community about GBM's activities and projects as we continually strive to improve overall environmental performance

STATISTICS/ACHIEVEMENTS

No lost time injuries or medically treated injuries were sustained during the 2014/15 field season. During the 12 month reporting period the total recordable injury frequency rate per million hours worked was maintained at 0.0 based on combined GBM and contractors working hours of 23,966. This compares to the 2013/14 average LTIFR published by Safe Work Australia for the Exploration sector of 2.8. Safety performance is measured in terms of near misses, Lost Time Injuries (LTIs) and Medically Treated Injuries (MTIs). Within GBM Resources, all staff are accountable for implementing these procedures.

Whilst GBM's excellent results of zero LTI's, MTI's and Environmental Incidents is an indication of the Company's stringent and high Safety and Environment standards, the company recognises that complacency cannot be allowed to develop. The company will continue to develop and improve it's systems and strive to maintain a record of zero harm.

GBM also achieved a record of no environmental incidents for the year. A record it is equally determined to maintain by continuing to improve and develop the systems already in place.



Graph 3: GBM's year-on-year safety performance against industry average.

Tenement Schedule

Project/Name	Tenement No.	Owner	Manager	Interest	Status	Granted	Expiry	Approx Area (km²)	Sub-blocks	State	JV
VICTORIA											
Malmsbury											
Belltopper	EL4515	GBMR*1/Belltopper Hill	GBMR	100%	Granted	06-Oct-05	05-Oct-15	25	25	Vic	
Lauriston	EL5120	GBMR/Belltopper Hill	GBMR	100%	Granted	17-Dec-08	16-Dec-15	8	8	Vic	
Willaura											
Willaura	EL5346	GBMR	GBMR	100%	Granted	02-Jun-11	01-Jun-16	8	8	Vic	
Lake Bolac2	EL5423	GBMR	GBMR	100%	Granted	03-Dec-12	02-Dec-17	218	218	Vic	
Yea											
Monkey Gully	EL5293	GBMR	GBMR	100%	Granted	23-Mar-11	22-Mar-16	316	316	Vic	
Tin Creek	EL5292	GBMR	GBMR	100%	Granted	23-Mar-11	22-Mar-16	329	329	Vic	
Rubicon	EL5347	GBMR	GBMR	100%	Granted	27-Feb-12	26-Feb-17	104	104	Vic	
QUEENSLAND											
Mount Morgan											
Dee Range	EPM16057	GBMR	GBMR	100%	Granted	27-Sep-07	26-Sep-16	46	14	Q'ld	
Boulder Creek	EPM17105	GBMR	GBMR	100%	Granted	26-Mar-08	25-Mar-17	88	27	Q'ld	
Black Range	EPM17734	GBMR	GBMR	100%	Granted	20-May-09	19-May-16	81	25	Q'ld	
Smelter Return	EPM18366	GBMR	GBMR	100%	Granted	21-Jun-12	20-Jun-17	98	30	Q'ld	
Limonite Hill	EPM18811	GBMR	GBMR	100%	Granted	21-Nov-12	20-Nov-17	260	80	Q'ld	
Limonite Hill East	EPM19288	GBMR	GBMR	100%	Granted	31-Oct-13	30-Oct-18	29	9	Q'ld	
Mt Hoopbound	EPM18812	GBMR	GBMR	100%	Granted	26-Jul-12	25-Jul-17	23	7	Q'ld	
Mt Victoria	EPM25177	GBMR	GBMR	100%	Granted	26-Aug-14	25-Aug-17	3	1	Q'ld	
Bajool	EPM25362	GBMR	GBMR	100%	Granted	27-Nov-14	26-Nov-17	111	34	Q'ld	
Mountain Maid	EPM25678	GBMR	GBMR	100%	Granted	09-Apr-15	08-Apr-18	26	8	Q'ld	
MOUNT ISA REGION											
Talawanta-Grassy Bore											
Talawanta2	EPM19255	GBMR*2/Isa Tenements	GBMR	100%	Granted	26-Aug-14	25-Aug-19	325	100	Qld	CED JV
Grassy Bore2	EPM19256	GBMR*2/Isa Tenements	GBMR	100%	Granted	27-Jun-14	26-Jun-18	322	99	Qld	CED JV
Mount Margaret											
Mt Malakoff Ext	EPM16398	GBMR*2 /Isa Tenements	GBMR	100%	Granted	19-Oct-10	18-Oct-15	85	26	Q'ld	CED JV
Cotswold	EPM16622	GBMR*2 /Isa Tenements	GBMR	100%	Granted	30-Nov-12	29-Nov-17	46	14	Q'ld	CED JV
Mt Marge	EPM19834	GBMR/Isa Tenements	GBMR	100%	Granted	04-Mar-13	03-Mar-18	3	1	Q'ld	CED JV
Dry Creek	EPM18172	GBMR*2/Isa Tenements	GBMR	100%	Granted	13-Jul-12	12-Jul-17	189	58	Q'ld	CED JV
Dry Creek Ext	EPM18174	GBMR*2/Isa Tenements	GBMR	100%	Granted	25-Oct-11	24-Oct-16	39	12	Q'ld	CED JV
Corella	EPM25545	GBMR/Isa Tenements	GBMR	100%	Granted	20-Mar-15	19-Mar-17	59	18	Q'ld	CED JV
Tommy Creek	EPM25544	GBMR/Isa Tenements	GBMR	100%	Granted	11-Nov-14	10-Nov-16	33	10	Q'ld	CED JV
Brightlands											
Brightlands	EPM14416	GBMR*2/Isa Brightlands	GBMR	100%	Granted	5-Aug-05	4-Aug-16	254	78	Q'ld	CED JV*5
Brightlands West	EPM18051	GBMR/Isa Brightlands	GBMR	100%	Granted	22-Oct-13	21-Oct-18	7	2	Q'ld	
Brightlands West Ext.	EPMA18672	GBMR/Isa Brightlands	GBMR	100%	Appl'n			16	5	Q'ld	
Wakeful	EPM18454	GBMR/Isa Brightlands	GBMR	100%	Granted	23-Jan-12	22-Jan-17	13	4	Q'ld	
Highway	EPM18453	GBMR/Isa Brightlands	GBMR	100%	Granted	23-Jan-12	22-Jan-17	20	6	Q'ld	
Bungalien											
Limestone Creek	EPM17849	GBMR/Isa Tenements	GBMR	100%	Granted	20-Oct-10	19-Oct-15	49	15	Q'ld	CED JV
Bungalien 2	EPM18207	GBMR*2/Isa Tenements	GBMR	100%	Granted	24-May-12	23-May-17	163	50	Q'ld	CED JV
Horse Creek 2	EPM18208	GBMR*2/Isa Tenements	GBMR	100%	Granted	2-Aug-12	1-Aug-17	163	50	Q'ld	CED JV
The Brothers	EPM25213	GBMR/Isa Tenements	GBMR	100%	Granted	16-Oct-14	15-Oct-19	10	3	Q'ld	CED JV
Mayfield											
Mayfield	EPM19483	GBMR*2,4/Isa Tenements	GBMR	100%	Granted	11-Mar-14	10-Mar-19	302	93	Q'ld	
Mt Coolon											
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	Granted	13-Jun-08	12-Jun-18	325	100	Q'ld	
Mt Coolon East	EPMA25850	GBMR/MCGM	GBMR	100%	Appl'n			260	80	Q'ld	
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	Granted	18-Sep-14	17-Sep-19	146	45	Q'ld	
Conway	EPM7259	GBMR/MCGM	GBMR	100%	Granted	18-May-90	17-May-19	39	12	Q'ld	
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	Granted	30-May-74	31-Jan-24	0.7		Q'ld	
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	31-Jan-24	0.0		Q'ld	
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	Granted	27-Jan-94	31-Jan-24	1.0		Q'ld	
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	Granted	05-Dec-96	31-Dec-16	1.3		Q'ld	

Notes: *1 subject to a 2.5% net smelter royalty to vendors.
*2 subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.
*3 For Q'ld tenements, 1 sublock ~3.2km². Underlined areas indicate the tenement is contained in new application area.
*4 subject to approval by DME of transfer from Newcrest.
*5 GBM holds approximately 40% of AASB.
*6 Chumvale prospect within GBM's Brightlands tenement.

Table 6: GBM Resources Limited tenement summary at 30 June 2015.

Directors' Report

The Directors present their report together with the consolidated financial statements for the Company and its controlled entities ('Group') for the financial year ended 30 June 2015.

Directors

The names of Directors in office at any time during or since the end of the year are:

Peter Thompson
BBus, CPA, FCIS
Executive Chairman

Experience
Mr Thompson is a CPA qualified accountant and Fellow of Governance Institute of Australia. He has over 35 years experience in the mining industry in Australia, UK and South America. He has held senior roles with several major companies including Xstrata Plc, MIM Holdings Ltd and Mt Edon Gold Mines.

Since 2000, Mr Thompson has been involved in the development of various infrastructure projects, including mine and refinery expansions and establishment of infrastructure including roads, rail, port and power utilities.

Mr Thompson has held no other directorships of listed companies in the last 3 years.

Neil Norris
BSc (Hons), MAusIMM, MAIG, MAICD
Exploration Director – Executive

Experience
Mr Norris is a geologist with over 30 years' experience gained in Australia and overseas. Prior to joining GBM, he was Group Exploration Manager for Perseverance Corporation Limited and spent over ten years with Newmont Australia Limited holding senior positions in both mining and exploration areas. A key achievement was his development of the geological models which contributed to the discovery of the Phoenix ore body at Fosterville. Mr Norris was also involved in the discovery of the world class Cadia and Ridgeway deposits. Mr Norris has a track record in the successful identification of mineral deposits and his experience will greatly advance GBM's exploration efforts.

Mr Norris has held no other directorships of listed companies in the last 3 years.

Frank Cannavo
Non-Executive Director (appointed 5 August 2014)
(Executive Director from 5 August 2014 to 15 April 2015)

Experience
Mr Cannavo is an experienced public company director with significant business and investment experience working with exploration companies in the mining industry, and has been instrumental in assisting several listed and unlisted companies achieve their growth strategies through the raising of investment capital and the acquisition of assets.

Previously, Mr Cannavo was a founding director of Fortis Mining Ltd (resigned 23 December 2011). Following completion of the acquisition of the Kazakhstan potash projects, Fortis Mining Ltd was renamed to Kazakhstan Potash Corporation Ltd (ASX: KPC). He was also previously a director of a Great Western Exploration Ltd (resigned 11 October 2013), a public listed company on the ASX with mining interests in Western Australia. In addition, he has been a director of several other ASX-listed companies including Hannans Reward Ltd (resigned 24 March 2009), Motopia Ltd (resigned 8 August 2011) and ATOS Wellness Ltd (resigned 14 January 2011).

Mr Cannavo has held no other directorships of listed companies in the last 3 years.

Hun Seng Tan
Non-Executive Director (appointed 15 April 2015)

Mr Tan has over 30 years' experience in the process engineering sector both in China and Singapore. He was founder of BMS Technology PL, a manufacturer for the hard disk industry in Singapore and China. Mr Tan led BMS Technology in a successful merger and later 100% acquisition of that company by Nidec Corporation of Japan which is listed on both the New York and Tokyo stock exchanges.

Mr Tan holds a Master of Business Administration from University of Hull, United Kingdom and obtained his Advanced Diploma in Management Study and Production Engineering. Mr Tan has a proven track record in business development and extensive business relations in China and the Asia capital markets.

Mr Tan has held no other directorships of listed companies in the last 3 years.

Directors' Report

Directors (continued)

Former Directors

Chiau Woei Lim
MBA
Non-Executive Director (resigned 30 July 2015)

Experience
Mr Lim is managing director and major shareholder of Angka Alamjaya SDN BHD (AASB) which owns the Lubuk Mandi Gold Mine in Malaysia. Mr Lim has a wealth of experience in quarrying, construction and property development.

He holds a MBA from Leicester University UK and science degree in Electrical and Computer Engineering from Oklahoma State University, USA.

Mr Lim has held no other directorships of listed companies in the last 3 years.

Cameron Switzer
BSc (Hons), MAusMM, MAIG
Non-Executive Director (resigned 5 August 2014)

Experience
Mr Switzer is a geologist with over 24 years of experience gained in 11 countries. He has held senior positions with a number of major mining companies including Senior Project Geologist at Newcrest Mining Ltd's Telfer gold mine in Western Australia and Geology Manager at Acacia Resources Ltd's Union Reef Gold Mine in the Northern Territory. Mr Switzer was also Principal Geologist with MIM Exploration Ltd for seven years during which time he gained broad experience with a range of deposits and geological and operating environments. Mr Switzer has a strong skill base in Cu Au and most recently coal.

Mr Switzer has a track record in the successful identification of mineral deposits, highly successful project generation, exploration management, validation of resources and the subsequent commercialisation of resources. Mr Switzer is a geological consultant based in Queensland.

Mr Switzer is also the President and CEO of TSX.V listed entity WCB Resources Ltd, a junior explorer focussed in the Asia Pacific Region.

Mr Switzer has held no other directorships of listed companies in the last 3 years.

Guan Huat (Sunny) Loh
BBA, MBA, ACIS
Non-Executive Director (resigned 5 August 2014)

Experience
Mr Loh is the Managing Director of Swift Venture Holdings Corporation, an investment Company focussed on investing in small to mid-sized listed companies and resources based companies in Asia.

Mr Loh is the Vice Chairman and Board Member of Shanghai Fortune Capital, a professional investment banking firm based in Shanghai, which has a focus on the restructuring and disposal of state owned companies, as well as merger and acquisition advisory services.

Mr Loh has held no other directorships of listed companies in the last 3 years.

Company Secretary

Mr Kevin Hart
BComm, FCA

Mr Hart is a Chartered Accountant and was appointed to the position of Company Secretary on 3 February 2010. He has over 30 years' experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

He is currently a partner in an advisory firm which specialises in the provision of company secretarial services to ASX listed entities.

Meetings of Directors

During the financial year, the following meetings of Directors (including committees) were held:

	Directors' Meetings	
	Number Eligible to Attend	Number Attended
P Thompson	3	3
C Switzer (resigned 5/8/14)	1	1
N Norris	3	3
G Loh (resigned 5/8/14)	1	1
C Lim	3	3
F Cannavo (appointed 5/8/14)	2	2
H Tan (appointed 15/4/15)	1	1

Principal Activities

The principal activity of the Group during the financial year was gold and copper exploration in Australia.

Operating and Financial Review

During the financial year the Group's activities were focussed on exploration at its Queensland IOCG prospects under the farm-in agreement with Mitsui and Pan Pacific, and on the acquisition of the Mt Coolon Gold Project from Drummond Gold Limited.

Operating Results

The net loss after income tax attributable to members of the Group for the financial year to 30 June 2015 amounted to $4,545,251 (2014: $6,680,236). Including in the loss for the financial year is $2,996,328 in respect of exploration costs written off and expensed (2014: $3,510,5587), and the Company's share of the net loss of its equity accounted associate amounting to $630,691 (2014: $2,208,466).

Financial Position

At the end of the financial year, the Group had $1,107,721 (2014: $527,372) in cash on hand and on deposit. Carried forward exploration and evaluation expenditure was $10,355,613 (2014: $10,569,552).

Equity Securities on Issue

	30 June 2015	30 June 2014
Ordinary fully paid shares	**557,894,121**	385,194,121
Options over unissued shares	**177,746,562**	134,746,562

Ordinary Fully Paid Shares

During the year ended 30 June 2015 the Company issued the following ordinary fully paid shares:

- 100,000,000 shares to professional and sophisticated investors pursuant to a share placement at 2.0 cents per share;
- 50,000,000 shares in part consideration for the acquisition of the issued capital of Mt Coolon Gold Mines Pty Ltd at a deemed price of 2.3 cents per share; and
- 22,700,000 shares to professional and sophisticated investors pursuant to a share placement at 2.5 cents per share.

No shares have been issued between the end of the financial year and the date of this report.

Options over Ordinary Shares

At 30 June 2015, there were 177,746,562 options to acquire ordinary shares on issue.

During the year ended 30 June 2015, no options were issued pursuant to the terms of the Company's Option Plan.

During the year ended 30 June 2015, the following options were issued by the Company:

- 43,000,000 options issued, exercisable at 3.5 cents each on or before 30 June 2016, pursuant to a share placement as attaching securities.

During the year ended 30 June 2015 no ordinary shares were issued on exercise of options.

There were no options lapsed unexercised during the financial year.

No options have been issued, exercised or cancelled between the end of the financial year and the date of this report.

Performance Share Rights

The Company's Performance Share Rights Plan was approved by Shareholders at the Company's Annual General Meeting held on 30 November 2012.

At 30 June 2015, there were nil performance share rights to acquire ordinary shares on issue.

During the year ended 30 June 2015, there were no performance share rights issued, becoming vested, exercised or cancelled.

No performance share rights have been issued, becoming vested, exercised or cancelled between the end of the financial year and the date of this report.

Significant Changes in State of Affairs

Other than the following, there were no significant changes in the state of affairs of the Group during the financial year, not otherwise disclosed in this Directors' Report or in the Review of Operations.

- During the year the Company acquired a 100% interest in the share capital of Mount Coolon Gold Mines Pty Ltd from Drummond Gold Limited for consideration of 50,000,000 ordinary fully paid shares and $850,000 cash.

Directors' Report

Events Subsequent to Balance Date

Other than the following, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years:

- On 30 July 2015 the Company accepted the resignation of Mr Chiau Woei Lim as a director of the Company.

Dividends

No dividends were paid during the year and the Directors recommend that no dividends be paid or declared for the financial year ended 30 June 2015.

Likely Developments and Expected Results of Operations

Comments on expected results of the operations of the Company are included in this report under the Review of Operations.

Disclosure of other information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

Environmental Issues

The Group holds participating interests in a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2015.

Remuneration Report (Audited)

The remuneration report is set out in the following manner:

- Policies used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share based compensation

Remuneration Policy

The Board of Directors is responsible for remuneration policies and the packages applicable to the Directors of the Company. Whilst the broad remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains, and motivates people of the highest quality, the Board has consciously been focused on conserving the Company's funds to ensure the maximum amount is spent on exploration, and this is reflected in the modest level of Director fees.

The policy of the Group is to offer competitive salary packages which provide incentive to Directors and executives and are designed to reward and motivate. Total remuneration for all Non-Executive Directors was voted on by shareholders, whereby it is not to exceed in aggregate $200,000 per annum. Non-Executive Directors receive fees agreed on an annual basis by the Board.

At the date of this report, the Company had not entered into any remuneration packages with Directors or senior executives which include performance-based components.

Remuneration Report (Audited) (continued)

Details of Remuneration for Directors and Executive Officers

The remuneration of each Director of the Company and relevant executive officers (together known as Key Management Personnel or KMP) are set out in the attached Table.

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and senior executives. The Board of Directors obtains independent advice when appropriate in reviewing remuneration packages.

During the year, there were no senior executives who were employed by the Company for whom disclosure is required.

2015	Short term		Post Employment	Share Based Payments		
Remuneration of KMP Directors	Salary and fees $	Other $	Super-annuation $	Options/ shares $	Total $	Share Based Payments as % of remuneration %
P Thompson[1]	**207,500**	**–**	**19,712**	**–**	**227,212**	**–**
C Switzer	**3,000**	**–**	**–**	**–**	**3,000**	**–**
N Norris[1]	**193,700**	**11,124**	**18,401**	**–**	**223,225**	**–**
G Loh	**3,000**	**–**	**–**	**–**	**3,000**	**–**
C Lim	**–**	**–**	**–**	**–**	**–**	**–**
F Cannavo	**119,917**	**–**	**10,252**	**–**	**130,169**	**–**
H Tan	**16,000**	**–**	**–**	**–**	**16,000**	**–**
Total Directors	**543,117**	**11,124**	**48,365**	**–**	**602,606**	

[1] During the 2015 financial year total remuneration payable to the Executive Directors Peter Thompson and Neil Norris continued to be paid on a temporary reduced basis. As a further cost reduction program for the 2016 financial year no further remuneration is being paid to executive or non-executive directors of the Company, until such time as the Board considers that the Company has sufficient cash resources. This is a temporary measure to ensure that the current strategies in place are achieved by the Company.

2014	Short term		Post Employment	Share Based Payments		
Remuneration of KMP Directors	Salary and fees $	Other $	Super-annuation $	Options/ shares $	Total $	Share Based Payments as % of remuneration %
P Thompson[2]	214,136[3]	–	19,808	–	233,944	–
C Switzer	36,000	–	–	–	36,000	–
N Norris[2]	198,296[3]	20,037	18,342	–	236,675	–
G Loh	36,000	–	–	–	36,000	–
C Lim	–	–	–	–	–	–
Total Directors	484,432	20,037	38,150	–	542,619	

[2] From 1 July 2013 total remuneration payable to the Executive Directors Peter Thompson and Neil Norris was reduced on a temporary basis, by $90,000 per annum as part of the Company's cash conservation measures implemented during the 2012/13 financial year. From 1 April 2014 to 31 July 2015 remuneration payable to the Executive Directors was further reduced, on a temporary basis, to $125,000 per annum, exclusive of superannuation.
[3] Includes payments for unused annual leave.

See disclosure relating to service agreements for further details of remuneration of executive directors.

Directors' Report

Remuneration Report (Audited) (continued)

Options Provided as Remuneration

During the years ended 30 June 2014 and 30 June 2015 no options have been granted and issued to KMP of the Company.

No shares were issued to KMP of the Company in respect of the exercise of options previously granted as remuneration.

Service Agreements

Remuneration and other terms of employment for the Executive Directors are set out in Service Agreements:

Peter Thompson – Executive Chairman

The service agreement has a term of 12 months from 1 September 2015. Total remuneration under the contract of $300,000 per annum inclusive of superannuation has been temporarily reduced to $235,425 per annum as part of the Company's cost reduction program. As a further cost reduction effort no remuneration will be paid from 1 October 2015, which was voluntarily adopted by the Chairman. This reduced remuneration level will remain in place until otherwise decided by the Board.

The Service agreement contains certain provisions typically found in contracts of this nature. The Company may terminate the Service Agreement without cause by providing nine months written notice to the individual or by making a payment in lieu of notice. The Service Agreement may be terminated immediately in the case of serious misconduct.

The Service Agreement is subject to annual review.

There is no specific cash bonus or other performance based compensation contemplated in the agreement. Long term and short term incentives, may be awarded subject to Board discretion.

Neil Norris – Exploration Director

The service agreement has a term of 12 months from 1 September 2015. Total remuneration under the contract of $300,000 per annum inclusive of superannuation has been temporarily reduced to $217,000 per annum as part of the Company's cost reduction program. As a further cost reduction effort no remuneration will be paid from 1 October 2015, which was voluntarily adopted by the Exploration Director. This reduced remuneration level will remain in place until otherwise decided by the Board.

The Service agreement contains certain provisions typically found in contracts of this nature. The Company may terminate the Service Agreement without cause by providing nine months written notice to the individual or by making a payment in lieu of notice. The Service Agreement may be terminated immediately in the case of serious misconduct.

The Service Agreement is subject to annual review.

There is no specific cash bonus or other performance based compensation contemplated in the agreement. Long term and short term incentives, may be awarded subject to Board discretion.

Frank Cannavo – Executive Director

Mr Cannavo resigned from his executive role on 15 April 2015.

The executive services agreement was effective for a term of 7 months to 28 February 2015. Total remuneration paid under the contract was $118,161 inclusive of superannuation.

There were no termination benefits payable on termination of the executive service contract.

Share Based Compensation

At the date of this report the Company has not entered into any agreements with KMP which include performance based components. Options issued to Directors are approved by shareholders and were not the subject of an agreement or issued subject to the satisfaction of a performance condition.

Options are issued to provide an appropriate level of incentive using a cost effective means given the Company's size and stage of development.

Remuneration Report (Audited) (continued)

DIrectors' Interests

The relevant interest of each Director in the ordinary shares and options issued by the Company as notified by the Directors to the Australian Securities Exchange at the date of this report, is set out in the table below.

Ordinary Shares Director	Ordinary shares held at 1 July 2014	Movement during the financial year	Ordinary shares held at 30 June 2015	Ordinary shares held at the date of the Directors' Report
P Thompson	9,862,582	–	9,862,582	9,862,582
C Switzer (resigned 5/8/14)	6,693,750	(6,693,750)[2]	–	–
N Norris	9,550,000	–	9,550,000	9,550,000
G Loh[1] (resigned 5/8/14)	13,856,708	(13,856,708)[2]	–	–
C Lim (appointed 2/9/13)	24,077,285	–	24,077,285	24,077,285
F Cannavo (appointed 5/8/14)	–	–	–	–
H Tan (appointed 15/4/2015)	–	16,000,000	16,000,000	16,000,000

[1] Shares acquired on market.

[2] Shares held on ceasing to be a director of the Company on 5 August 2014.

Options Director	Options held at 1 July 2014	Movement during the financial year	Options held at 30 June 2015	Options held at the date of the Directors' Report
P Thompson	2,468,763	–	2,468,763	2,468,763
C Switzer (resigned 5/8/14)	1,878,126	(1,878,126)[3]	–	–
N Norris	1,546,818	–	1,546,818	1,546,818
G Loh (resigned 5/8/14)	8,900,000	(8,900,000)[3]	–	–
C Lim (appointed 2/9/13)	–	–	–	–
F Cannavo (appointed 5/8/14)	–	–	–	–
H Tan (appointed 15/4/15)	–	–	–	–

[3] Options held on ceasing to be a director of the Company on 5 August 2014.

Loans to Directors and Executives

There were no loans entered into with Directors or executives during the financial year under review.

Other Transactions with Key Management Personnel

During the financial year the Company incurred costs on behalf of its associate Angka Alamjaya Sdn Bhd (AASB), a Company associated with Mr Chiau Woei Lim, in respect of AASB's operations on a reimbursable basis.

During the 2015 financial year an amount of $296,963 (2014: $1,237,364) was incurred by the Company on behalf of AASB, and a total of $700,020 (2014: $732,491) has been reimbursed to the Company by AASB. At 30 June 2015 an amount of $101,856 is outstanding.

Other than the above, there are no transactions with Directors, or Director related entities or associates.

End of Remuneration Report

Directors' Report

Indemnification and Insurance of Officers and Auditors

During the year, the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

Other than the above, the Group has not, during or since the end of the financial year, given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums for the Directors, officers or auditors of the Company or the controlled entity.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

Non-Audit Services

No non-audit services were provided by the external auditors in respect of the current or preceding financial year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001, is set out on the following page.

Signed in accordance with a resolution of the Board of Directors.

Dated this 29th day of September 2015

Peter Thompson
Executive Chairman

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of GBM Resources Limited for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
29 September 2015

L Di Giallonardo
Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
Revenue	3	**287,393**	273,469
Consulting and professional services		**(254,656)**	(184,573)
Corporate and project assessment costs	30	**(84,963)**	(111,716)
Share of net loss of associate	11	**(630,691)**	(2,208,466)
Depreciation	4	**(38,192)**	(36,439)
Employee benefits expense	4	**(410,865)**	(315,813)
Impairment expense	8	**(58,499)**	–
Exploration expenditure written off and expensed	4	**(2,996,328)**	(3,510,587)
Other share based payments	15	**–**	(400,000)
Travel expenses		**(156,020)**	(164,043)
Administration and other expenses		**(202,430)**	(169,792)
Loss before income tax		**(4,545,251)**	(6,827,960)
Income tax benefit	5	**–**	147,724
Loss for the year		**(4,545,251)**	(6,680,236)
Other comprehensive income		**–**	–
Total comprehensive loss for the year		**(4,545,251)**	(6,680,236)
		Cents	Cents
Basic loss per share	6	**(0.9)**	(1.8)
Diluted loss per share	6	**(0.9)**	(1.8)

The accompanying notes form part of these financial statements

Consolidated Statement of Financial Position

As at 30 June 2015

	Note	Consolidated 2015 $	2014 $
Current assets			
Cash and cash equivalents	21	**1,107,721**	527,372
Trade and other receivables	7	**123,655**	570,943
Assets held for sale	8	**–**	308,499
Total Current Assets		**1,231,376**	1,406,814
Non-current assets			
Trade and other receivables	7	**411,857**	30,936
Exploration and evaluation expenditure	9	**10,355,613**	10,569,552
Property, plant and equipment	10	**205,171**	100,033
Investments accounted for using the equity method	11	**–**	630,691
Total Non-current Assets		**10,972,641**	11,331,212
TOTAL ASSETS		**12,204,017**	12,738,026
Current liabilities			
Trade and other payables	12	**616,596**	446,066
Total Current Liabilities		**616,596**	446,066
Non-current liabilities			
Provision for rehabilitation	13	**396,054**	–
Total Non-current Liabilities		**396,054**	–
TOTAL LIABILITIES		**1,012,650**	446,066
NET ASSETS		**11,191,367**	12,291,960
Equity			
Issued capital	14	**27,372,099**	23,927,441
Option reserve	16	**323,733**	323,733
Share based payments reserve	16	**400,000**	400,000
Accumulated losses	16	**(16,904,465)**	(12,359,214)
TOTAL EQUITY		**11,191,367**	12,291,960

The accompanying notes form part of these financial statements

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2015

Consolidated	Note	Issued capital $	Option reserve $	Share based payments reserve $	Accumulated losses $	Total $
Balance at 1 July 2013		21,118,244	–	–	(5,678,978)	15,439,266
Share based payments	16	–	–	400,000	–	400,000
Shares issued (net of costs)	14	2,809,197	–	–	–	2,809,197
Options issued pursuant to priority entitlement offer	16	–	323,733	–	–	323,733
Loss attributable to members of the Company	16	–	–	–	(6,680,236)	(6,680,236)
Balance at 30 June 2014		23,927,441	323,733	400,000	(12,359,214)	12,291,960
Balance at 1 July 2014		**23,927,441**	**323,733**	**400,000**	**(12,359,214)**	**12,291,960**
Shares issued (net of costs)	**14**	**3,444,658**	**–**	**–**	**–**	**3,444,658**
Loss attributable to members of the Company	**16**	**–**	**–**	**–**	**(4,545,251)**	**(4,545,251)**
Balance at 30 June 2015		**27,372,099**	**323,733**	**400,000**	**(16,904,465)**	**11,191,367**

The accompanying notes form part of these financial statements

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
Cash flows from operating activities			
Interest received		**20,502**	21,416
Research and development concession refund		**–**	147,724
JV management fee income		**250,375**	250,447
Payments to suppliers and employees		**(1,188,788)**	(942,688)
Net cash flows (used in) operating activities	21(c)	**(917,911)**	(523,101)
Cash flows from investing activities			
Payments for bonds and security deposits		**(23,640)**	–
Proceeds on redemption of bonds and security deposits		**14,595**	14,277
Payments on acquisition of equity investments	30	**(800,000)**	(7,980)
Funds provided by JV partner under Farm-in agreement		**2,086,461**	2,087,059
Payments for exploration and evaluation, including JV Farm-in spend		**(2,740,369)**	(2,261,651)
Proceeds on sale of property, plant and equipment		**264,452**	–
Payments to acquire property, plant and equipment		**(954)**	–
Payments made on behalf of associate		**(296,963)**	(1,237,364)
Proceeds received on reimbursement by associate		**700,020**	732,491
Net cash flows (used in) investing activities		**(796,398)**	(673,168)
Cash flows from financing activities			
Proceeds from the issue of shares and options	14	**2,567,500**	323,733
Share issue costs		**(272,842)**	(121,980)
Net cash flows from financing activities		**2,294,658**	201,753
Net increase/(decrease) in cash and cash equivalents		**580,349**	(994,516)
Cash and cash equivalents at the beginning of the financial year	21(a)	**527,372**	1,521,888
Cash and cash equivalents at the end of the financial year	21(a)	**1,107,721**	527,372

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the Year Ended 30 June 2015

1. Statement of Significant Accounting Policies

GBM Resources Limited ('the Company') is a listed public company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2015 comprises the Company and its subsidiaries (together referred to as the 'Group').

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards and Interpretations. The financial report has also been prepared on an historical cost basis, unless otherwise stated. The financial report is presented in Australian dollars.

Adoption of New and Revised Standards –
Changes in accounting policies on initial application of accounting standards
In the year ended 30 June 2015, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

Going Concern Basis for Preparation of Financial Statements
The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. The ability of the Group to continue to adopt the going concern assumption will depend on future successful capital raisings, the successful exploration and subsequent exploitation of the Group's tenements and/or sale of non-core assets.

As at 30 June 2015 the Group has cash assets of $1,107,721, and total current liabilities at that date amounting to $616,596. The loss for the 2015 financial year was $4,545,251 of which $2,996,328 related to the write off of previously capitalised exploration costs and $630,691 to the Group's share of the net loss of its Associate. Operating cash outflows for the year were $917,911. During the year to 30 June 2015 the Company successfully raised $2,294,658 (net of costs) and will be required to raise additional funds in order to meet its budgeted expenditure.

The Group's operations in Mt Isa North Queensland, pursuant to the farm-in arrangement with Pan Pacific and Mitsui are fully funded until 31 March 2016 at which point Pan Pacific and Mitsui will have earned a 51% joint venture interest in the farm-in assets.

The Group continues to engage with potential partners to fund the advance of the Mt Coolon gold project, Mt Morgans copper-gold project and the Milo IOCG project, and the Group retains a 26.7% interest in its Associate Angka Alamjaya Sdn Bhd that is currently in the process of listing on the Singapore Securities Exchange.

In addition the Group has implemented a number of cost reduction strategies which include, following a period of reduced director remuneration, the cessation of the payment of director remuneration from 1 October 2015 until such time as the Board considers that sufficient cash resources are available.

The Directors will continue to manage the Group's activities with due regard to current and future funding requirements.The directors reasonably expect that the Company will be able to raise sufficient capital to fund the Group's exploration and working capital requirements, and that the Group will be able to settle debts as and when they become due and payable. On this basis the Directors are therefore of the opinion that the use of the going concern basis is appropriate in the circumstances.

Should the Company be unable to raise the required funding, there is a material uncertainty that may cast significant doubt on whether the company will be able to continue as a going concern and therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

1. Statement of Significant Accounting Policies (continued)

b) Statement of Compliance

The financial report was authorised for issue on 29 September 2015.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

c) Principles of Consolidation

The consolidated financial statements comprise the financial statements of GBM Resources Limited and its subsidiaries as at 30 June each year (the Group). The financial statements for the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which the control is transferred out of the Group.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition. Minority interests represent the portion of profit and loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position.

d) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest Revenue

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Management Fees

Revenue from farm-in management fees is recognised at the time the fees are invoiced.

e) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

1. Statement of Significant Accounting Policies (continued)

e) Income Tax (continued)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are re-assessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

f) Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

g) Financing Costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method.

Borrowing costs are expensed as incurred and included in net financing costs.

h) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are initially recognised at their fair value or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the general policy on borrowing costs – refer Note 1(g).

Finance leased assets are depreciated on a straight line basis over the estimated useful life of the asset.

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1. Statement of Significant Accounting Policies (continued)

i) Cash and Cash Equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at bank and in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

j) Trade and Other Receivables

Trade receivables, which generally have 30-90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. An allowance for doubtful debts is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

k) Plant and Equipment

Plant and equipment is stated at cost, less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Property and improvements	10-40 years
Office furniture and equipment	2.5-20 years
Plant and equipment	0-40 years
Motor Vehicles	8 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

ii) De-recognition and Disposal

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is de-recognised.

1. Statement of Significant Accounting Policies (continued)

l) Investments and Other Financial Assets

Financial assets in the scope of AASB 139 Financial Instruments: Recognition and Measurement are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale investments, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transactions costs. The Group determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this designation at each financial year-end.

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date that the Group commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets under contracts that require delivery of the assets within the period established generally by regulation or convention in the marketplace.

i) Financial Assets at Fair Value through Profit or Loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

ii) Held-to-Maturity Investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity.

Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are de-recognised or impaired, as well as through the amortisation process.

iii) Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

iv) Available-for-Sale Investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument that is substantially the same; discounted cash flow analysis and option pricing models.

v) Investment in Associated Entities

The Group's investment in its associate is accounted for using the equity method of accounting in the consolidated financial statements, after initially being recognised at cost. The associate is an entity in which the Group has significant influence and which is neither a subsidiary nor a joint venture. Significant influence is the power to participate in the financial and operating decisions of the investee but is not control or joint control over those policies.

Under the equity method, the investment in the associate is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill relating to an associate is included in the carrying amount of the investment and is not amortised.

1. Statement of Significant Accounting Policies (continued)

l) Investments and Other Financial Assets (continued)

v) Investment in Associated Entities (continued)

After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate.

Goodwill included in the carrying amount of the investment in an associate is not tested separately; rather the entire carrying amount of the investment is tested for impairment as a single asset. If an impairment is recognised, the amount is not allocated to the goodwill of the associate.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the associate, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivable and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with AASB 139. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

When a Group entity transacts with its associate, profits and losses resulting from those transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied: (i) the rights to tenure of the area of interest are current; and (ii) at least one of the following conditions is also met:

a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or

b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

1. Statement of Significant Accounting Policies (continued)

n) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a re-valuation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at re-valued amount, in which case the reversal is treated as a re-valuation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

o) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

p) Interest Bearing Liabilities

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are de-recognised.

q) Employee Benefits

i) Wages, Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and non-accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

ii) Long Service Leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

1. Statement of Significant Accounting Policies (continued)

r) Share Based Payments

Equity Settled Transactions:
The Group provides benefits to employees (including senior executives) of the Group in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined by using a Black and Scholes model. Share rights are valued at the underlying market value of the ordinary shares over which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of GBM Resources Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The charge or credit to the consolidated statement of comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, the cumulative expense recognised in respect of that award is transferred from its respective reserve to accumulated losses. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

s) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t) Earnings Per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit or loss attributable to members of the Company for the reporting period, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus element.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion, by the weighted average number of ordinary shares and potential dilutive ordinary shares, adjusted for any bonus element.

1. Statement of Significant Accounting Policies (continued)

u) Business combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 139, or AASB 137 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, with the corresponding gain or loss being recognised in profit or loss.

v) Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales for such asset (or disposal groups) and the sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a complete sale within one year from the date of classification.

1. Statement of Significant Accounting Policies (continued)

v) Non-current assets (or disposal groups) held for sale (continued)

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest om it former subsidiary, after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with AASB 139 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method.

Non-current assets (and disposal groups) are classified as held for sale and measured at the lower of their carrying amount and fair value less costs to sell.

w) Provision for restoration and rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

x) Parent entity financial information

The financial information for the parent entity, HLB Limited, disclosed in Note 31 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

y) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Accounting for capitalised mineral exploration and evaluation expenditure

The Group's accounting policy is stated at 1(m). A regular review is undertaken of each area of interest to determine the reasonableness of continuing to carry forward costs in relation to that area of interest.

Share based payments

The Group uses independent advisors to assist in valuing share based payments.

Estimates and assumptions used in these valuations are disclosed in the notes in periods when these share based payments are made.

2. Financial Risk Management

The Group has exposure to a variety of risks arising from its use of financial instruments. This note presents information about the Group's exposure to the specific risks, and the policies and processes for measuring and managing those risks. Further quantitative disclosures are included throughout this financial report. The Board of Directors has overall responsibility for the risk management framework.

a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments.

Trade and other receivables

The Group has no investments and the current nature of the business activity does not result in trading receivables. The receivables that the Group recognises through its normal course of business are short term in nature and the most significant (in quantity) is the receivable from the Australian Taxation Office and interest receivable. The risk of non recovery of receivables from this source is considered to be negligible.

Cash deposits

The Group's primary banker is Commonwealth Bank. At balance date all operating accounts and funds held on deposit are with this bank. The Directors believe any risk associated with the use of only one bank is mitigated by its size and reputation. Except for this matter the Group currently has no significant concentrations of credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Group's current and future operations, and consideration is given to the liquid assets available to the Group before commitment is made to future expenditure or investment.

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising any return.

Currency risk

The Group is not exposed to any currency risk other than the respective functional currencies of each Company within the Group, the Australian dollar (AUD).

Interest rate risk

As the Group has significant interest bearing assets, the Group's income and operating cash flows are materially exposed to changes in market interest rates. The assets are short term interest bearing deposits, and no financial instruments are employed to mitigate risk (Note 19 – Financial Instruments).

d) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors capital expenditure and cash flows as mentioned in (b).

3. Revenue

	Note	Consolidated 2015 $	2014 $
Gain on disposal of assets		**14,452**	–
Interest income		**21,194**	23,022
Joint venture management fee		**250,375**	250,447
Other income		**1,372**	–
		287,393	273,469

4. Expenses

	Note	Consolidated 2015 $	2014 $
Employee expenses			
Gross employee benefit expense:			
Wages and salaries		**1,267,405**	1,264,570
Directors' fees		**4,000**	102,000
Superannuation expense		**120,515**	116,359
Other employee costs		**70,530**	17,543
		1,462,450	1,500,472
Less amount allocated to exploration		**(1,051,585)**	(1,184,659)
Net consolidated statement of comprehensive income employee benefit expense		**410,865**	315,813
Depreciation expense:			
Property and improvements	10	**3,667**	–
Office equipment and software	10	**11,834**	18,027
Site equipment	10	**5,239**	2,083
Motor vehicles	10	**17,452**	16,329
		38,192	36,439
Exploration costs:			
Unallocated exploration costs		**120,977**	121,118
Exploration costs written off	9	**2,875,351**	3,389,469
		2,996,328	3,510,587

5. Income Tax

	Consolidated 2015 $	2014 $
a) Income tax recognised in profit and loss		
The prima facie tax benefit on the operating result is reconciled to the income tax provided in the financial statements as follows:		
Accounting loss before income tax from continuing operations	**(4,545,251)**	(6,680,236)
Income tax benefit calculated at 30%	**(1,363,575)**	(2,004,071)
Share based payments	**–**	120,000
Share of net loss of equity accounted associate	**189,207**	662,540
Capital raising costs claimed	**(63,578)**	(58,908)
Exploration costs written off	**862,605**	1,016,841
Unused tax losses and temporary differences not recognised as deferred tax assets	**375,341**	263,598
R&D tax concession	**–**	(147,724)
Income tax (benefit) reported in the consolidated statement of comprehensive income	**–**	(147,724)

The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

b) Unrecognised deferred tax assets and liabilities		
The following deferred tax assets and liabilities have not been brought to account:		
Unrecognised deferred tax assets relate to:		
Losses available for offset against future taxable income	**6,348,935**	5,718,137
Capital raising costs	**96,473**	78,199
Accrued expenses and liabilities	**23,054**	35,960
Provisions	**118,816**	–
	6,587,278	5,832,296
Unrecognised deferred tax liabilities relate to:		
Exploration expenditure	**(3,106,684)**	(3,170,866)
Net unrecognised deferred tax asset	**3,480,594**	2,661,430

The deductible temporary differences and tax losses do not expire under current tax legislation. Potential deferred tax assets attributable to tax losses carried forward have not been brought to account because the Directors do not believe it is appropriate to regard realisation of the future tax benefit as probable.

The potential future income tax benefit will only be obtained if:

i) the Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Division 170 of the Income Tax Assessment Act 1997;

ii) the Group companies continue to comply with the conditions for deductibility imposed by the law; and

iii) no changes in tax legislation adversely affect the Group in realising the benefits.

6. Loss Per Share

	Consolidated 2015 $	2014 $
Loss used in calculation of loss per share	**(4,545,251)**	(6,680,236)
	Cents	Cents
Basic loss per share	**(0.9)**	(1.8)
	#	#
Weighted average number of shares used in the calculation of earnings per share	**487,748,368**	375,696,184

Options and performance share rights
Options and share rights to acquire ordinary shares granted by the Company and not exercised at the reporting date have been included in the determination of diluted earnings per share to the extent to which they are dilutive.

7. Trade and Other Receivables

	Consolidated 2015 $	2014 $
Current		
Amounts due from farm-in partner	**–**	29,932
Amounts due from Associate (Note 25)	**101,816**	504,873
GST recoverable	**20,882**	36,138
Other debtors	**957**	–
	123,655	570,943
Non-current		
Security and environmental bonds[1]	**411,857**	30,936
	411,857	30,936

[1] Included in non-current assets at 30 June 2015 is an amount of $371,183 in respect of security deposits paid to the Queensland State Government in respect of the exploration licences and mining leases recognised on acquisition of Mt Coolon Gold Mines Pty Ltd (refer Note 30).

8. Assets Held for Sale

Land reclassified as held for sale	**–**	308,499
Reconciliation:		
Balance at the start of the financial year	**308,499**	–
Reclassified from non-current assets	**–**	308,499
Impairment charge	**(58,499)**	–
Sale of asset	**(250,000)**	–
Balance at the end of the financial year	**–**	308,499

During the 2014 financial year the Board made the decision to dispose of the freehold land held at its Malmsbury Gold Project in Victoria. The carrying value of $308,499 was reclassified from non-current assets (property, plant and equipment) to current assets, (assets held for sale).

During the 2015 financial year the Company recognised an impairment charge of $58,499 in respect of the reclassified asset to its estimated recoverable value of $250,000 at the time of this assessment. The sale of the property was completed prior to 30 June 2015. The total proceeds received upon settlement were $264,452, the profit on sale is therefore $14,452, after taking into account the previous impairment charge of $58,499.

9. Exploration and Evaluation Expenditure

	Note	Consolidated 2015 $	2014 $
Exploration and evaluation phase:			
Capitalised costs at the start of the financial year		**10,569,552**	13,740,089
Fair value of exploration costs recognised on acquisition of Mt Coolon Gold Mines Pty Ltd (Note 30)		**1,880,984**	–
Costs capitalised during the financial year		**780,428**	218,932
Capitalised costs written off during the financial year (Note 4)		**(2,875,351)**	(3,389,469)
Capitalised costs at the end of the financial year		**10,355,613**	10,569,552

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or alternatively, sale of the respective areas.

10. Property, Plant and Equipment

Carrying values at 30 June:

Property and improvements:			
Cost		**193,117**	–
Depreciation		**(104,989)**	–
		88,128	–
Office equipment and software:			
Cost		**172,211**	153,402
Depreciation		**(164,031)**	(141,114)
		8,180	12,288
Site equipment and plant:			
Cost		**221,124**	22,545
Depreciation		**(170,015)**	(8,883)
		51,109	13,662
Motor vehicles:			
Cost		**161,638**	130,633
Depreciation		**(103,884)**	(56,550)
		57,754	74,083
Total		**205,171**	100,033

Reconciliation of movements:

Land:			
Opening net book value		**–**	308,499
Transferred to assets held for sale	8	**–**	(308,499)
Closing net book value		**–**	–
Property and improvements:			
Opening net book value		**–**	–
Net book value of assets recognised on acquisition of Mt Coolon Gold Mines Pty Ltd	30	**91,795**	–
Depreciation	4	**(3,667)**	–
Closing net book value		**88,128**	–

	Note	Consolidated 2015 $	2014 $
10. Property, Plant and Equipment (continued)			
Reconciliation of movements: (continued)			
Office equipment and software:			
Opening net book value		**12,288**	30,315
Net book value of assets recognised on acquisition of Mt Coolon Gold Mines Pty Ltd	30	**6,772**	–
Cost of additions		**954**	–
Depreciation	4	**(11,834)**	(18,027)
Closing net book value		**8,180**	12,288
Site equipment and plant:			
Opening net book value		**13,662**	15,745
Net book value of assets recognised on acquisition of Mt Coolon Gold Mines Pty Ltd	30	**42,686**	–
Depreciation	4	**(5,239)**	(2,083)
Closing net book value		**51,109**	13,662
Motor vehicles:			
Opening net book value		**74,083**	90,412
Net book value of assets recognised on acquisition of Mt Coolon Gold Mines Pty Ltd	30	**1,123**	–
Depreciation	4	**(17,452)**	(16,329)
Closing net book value		**57,754**	74,083
Total		**205,171**	100,033

11. Investments Accounted for Using the Equity Method

a) Carrying value of investments

Associated companies	**–**	630,691

b) Details of associated companies

Name	Country of Incorporation	Shares	Ownership Interest 30 June 2015 %	Ownership Interest 30 June 2014 %	Carrying Amount of investment 30 June 2015 $	Carrying Amount of investment 30 June 2014 $
Angka Alamjaya Sdn Bhd (AASB)	Malaysia	Ord	**26.7%**	40%	**–**	630,691

During the comparative period the Company acquired a 40% interest in the ordinary share capital of Angka Alamjaya Sdn Bhd (AASB), a Malaysian company that holds the mining concession for the Lubuk Mandi Gold Project in Malaysia. Consideration for the acquisition was 57,779,118 fully paid GBM Resources Ltd shares at a fair value of 4.9 cents per share (Note 24).

During the current period, AASB issued further shares (to shareholders other than GBM) which has resulted in GBM's interest in AASB reducing to 26.7%. GBM has no contracted or other obligation to fund the operations of AASB, and therefore recognises its share of the losses of AASB to the extent of its initial investment in AASB only.

11. Investments Accounted for Using the Equity Method (continued)

	Note	Consolidated 2015 $	2014 $
c) Movements during the period in equity accounted investments in associated companies			
Balance at the beginning of the financial period		**630,691**	–
Initial investment in AASB during the period – issue of 57,779,118 ordinary fully paid shares @ 4.9 cents per share	14	**–**	2,831,177
Share of AASB loss after tax for the financial period		**(630,691)**	(2,208,466)
Other movements for the financial period[1]		**–**	7,980
Balance at the end of the financial period		**–**	630,691

[1] Other costs for the financial period relate to costs associated with the acquisition of the initial 40% interest in the share capital of Angka Alamjaya Sdn Bhd (AASB).

d) Associate's summarised statement of comprehensive income			
Revenue		**–**	–
Loss from continuing operations		**(1,966,749)**	(1,001,584)
Other comprehensive income for the period		**–**	–
Total comprehensive loss for the period		**(1,966,749)**	(1,001,584)
e) Associate's summarised assets and liabilities			
Current assets		**2,213,589**	2,267,480
Non-current assets		**13,305,168**	5,956,287
Current liabilities		**(2,495,874)**	(1,661,466)
Non-current liabilities[1]		**(8,595,572)**	(4,985,573)
Net assets		**4,427,311**	1,576,728

[1] Note, non-current liabilities include convertible debt funding of $8,595,572 (2014: $4,985,573).

f) Reconciliation of the above summarised financial information to the carrying amount of the investment in Associate recognised in the consolidated financial statements			
Net assets of Associate		**4,427,311**	1,576,728
Other changes in net assets of Associate[1]		**(4,427,311)**	–
Proportion of Group's ownership interest in Associate		**26.7%**	40%
Carrying amount of the Group's ownership interest in Associate		**–**	630,691

[1] Note, the Company's Associate issued shares during the financial year for project acquisition and fund raising purposes, resulting in an increase in its net assets. The Company has not recognised an increase in the carrying value of its investment in its Associate in respect of these changes.

12. Trade and Other Payables

	Note	Consolidated 2015 $	2014 $
Current			
Acquisition costs payable[1]	30	**50,000**	–
Unspent farm-in contribution liability[2]		**216,129**	–
Trade creditors		**232,093**	290,049
Sundry creditors and accruals		**41,527**	101,149
Employee leave liabilities		**76,847**	54,868
		616,596	446,066

[1] Acquisition costs payable to Drummond Gold Limited pursuant to the acquisition of Mt Coolon Gold Mines Pty Ltd (Note 30).

[2] Liability recognised for farm-in contributions received by the Company prior to the end of the financial year for which corresponding project costs had not yet been incurred at that date.

13. Provisions

Non-current			
Rehabilitation provision[1]	30	**396,054**	–

[1] A provision for rehabilitation was recognised during the 2015 financial year on acquisition of Mt Coolon Gold Mines Pty Ltd (Note 30).

14. Issued Capital

	Issue price	2015 No.	2014 No.	2015 $	2014 $
Issued capital at the balance date		**557,894,121**	385,194,121	**27,372,099**	23,927,441
Movements in issued capital:					
On issue at the start of the year		**385,194,121**	327,415,003	**23,927,441**	21,118,244
Shares issued to acquire interest in AASB (Note 11)	$0.049	**–**	57,779,118	**–**	2,831,177
Share placement	$0.02	**100,000,000**	–	**2,000,000**	–
Share placement	$0.025	**22,700,000**	–	**567,500**	–
Shares issued to acquire interest in Mt Coolon Gold Mines Pty Ltd (Note 30)	$0.023	**50,000,000**	–	**1,150,000**	–
Share issue costs		**–**	–	**(272,842)**	(21,980)
On issue at the end of the reporting year		**557,894,121**	385,194,121	**27,372,099**	23,927,441

Shares Subject to Restriction Agreement

At balance date there were no ordinary shares subject to any restrictions.

15. Options and Performance Rights

	2015 No.	2014 No.
Details of the Company's Incentive Option Scheme are provided at Note 17.		
a) Options over unissued shares		
Options on issue at the balance date	**177,746,562**	134,746,562
Movements in options:		
Options on issue at the start of the year	**134,746,562**	–
Options issued for corporate services (Note 16)	**–**	20,000,000
Options issued pursuant to priority entitlement offer	**–**	64,746,562
Options issued attaching to share placement[1]	**43,000,000**	50,000,000
Options on issue at the end of the reporting year	**177,746,562**	134,746,562

[1] Options exercisable at 3.5 cents each and expiring 30 June 2016 issued as attaching securities to share placements.

i) Options Issued, Exercised and Expired During the Year
During the financial year the Company issued and granted 43,000,000 options over unissued shares (2014: 134,746,562), which attached to the placement shares.
During the year, no options over unissued shares were exercised (2014: Nil).
During the year, no options were cancelled on expiry of their exercise term (2014: Nil).

ii) Options on Issue at the Balance Date
The number of options outstanding over unissued ordinary shares at 30 June 2015 is 177,746,562 (2014: 134,746,562).

iii) Subsequent to the Balance Date
No options have been issued, exercised or cancelled between the end of the financial year and the date of this report.

iv) Basis and assumptions used in the valuation of options granted in the period
Options issued during the financial year were issued as free attaching securities to a share placement and no fair value attributed to them in this financial report.

b) Performance Share Rights
Details of the Company's Performance Rights Plan are provided at Note 17.

i) Performance share rights Issued, Exercised and Expired during the Year
During the financial year the Company granted nil performance share rights (2014: nil).
During the year, no vested share rights were exercised into ordinary fully paid shares (2014: nil).
No unvested performance share rights were cancelled on cessation of employment (2014: nil).

ii) Performance share rights on Issue at the Balance Date
The number of share rights, vested unexercised and un-vested at 30 June 2015 is nil (2014: nil).

iii) Subsequent to the Balance Date
No share rights have been granted, exercised or cancelled subsequent to the reporting date.

iv) Basis and assumptions used in the valuation of share rights granted in the period
Share rights are valued at the underlying market value of the ordinary shares over which they are granted.

16. Reserves and Accumulated Losses

	Consolidated 2015 $	2014 $
Share based payments reserve[i]		
Opening balance	**400,000**	–
Share based payments – options issued for corporate services (Note 15)	**–**	400,000
Closing balance	**400,000**	400,000
Option reserve[ii]		
Opening balance	**323,733**	–
Options issued pursuant to priority entitlement offer (Note 15)	**–**	323,733
Closing balance	**323,733**	323,733
Accumulated losses		
Opening balance	**(12,359,214)**	(5,678,978)
Net loss attributable to the members of the Company	**(4,545,251)**	(6,680,236)
Closing balance	**(16,904,465)**	(12,359,214)

i) Share based payments reserve
The share based payments reserve represents the fair value of performance share rights and options, issued as consideration for services to employees or consultants as remuneration, or to third parties for the acquisition of assets, goods or services.

ii) Option reserve
The option reserve represents the proceeds received on the issue of options.

17. Employee Benefits

Details of the Company's performance right and share option plans, under which performance rights and options are issuable to employees, directors and consultants are summarised below. Details of share rights and options issued to Directors and executives are set out in the Remuneration Report that forms part of the Directors' Report.

Incentive Option Plan
The Company has a formal option plan for the issue of options to employees, directors and consultants, which was last approved by shareholders at the Company's Annual General Meeting on 30 November 2010. Options are granted free of charge and are exercisable at a fixed price in accordance with the terms of the grant. Options over unissued shares are issued under the terms of the Plan at the discretion of the Board.

There are no options on issue under the Incentive Option Plan at 30 June 2015 (2014: nil). Refer to Note 15(a).

Performance Rights Plan
The Company has a formal plan for the issue of performance share rights to employees, which was approved by shareholders at the Company's Annual General Meeting on 30 November 2010. Share rights are granted free of charge and are exercisable into ordinary fully paid shares in accordance with the terms of the grant. Share rights are issued to employees under the terms of the Plan at the discretion of the Board.

There are no share rights on issue under the Performance Rights Plan at 30 June 2015 (2014: nil). Refer to Note 15(b).

18. Segment Reporting

Operating segments are identified and segment information disclosed, where appropriate, on the basis of internal reports reviewed by the Company's Board of Directors, being the Group's Chief Operating Decision Maker, as defined by AASB 8.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. The Group's activity is mineral exploration and resource development within Australia, and mineral exploration and resource development in Malaysia (via the investment in an associate).

The reportable segments are represented as follows:

	Australia $	Malaysia $	Consolidated $
30 June 2015			
Revenue			
Joint venture management fee	**250,375**	**–**	**250,375**
Total segment revenue	**250,375**	**–**	**250,375**
Segment net operating loss after tax	**(3,914,560)**	**(630,691)**	**(4,545,251)**
Other revenue – unallocated	**–**	**–**	**37,018**
Share of loss of associates and joint ventures	**–**	**(630,691)**	**(630,691)**
Depreciation	**(38,192)**	**–**	**(38,192)**
Exploration expenditure written off and expensed	**(2,996,328)**	**–**	**(2,996,328)**
Segment assets	**12,204,017**	**–**	**12,204,017**
Capital expenditure during period	**954**	**–**	**954**
Investment in acquisition of subsidiary	**2,000,000**	**–**	**2,000,000**
Segment liabilities	**(1,012,650)**	**–**	**(1,012,650)**
Segment non-current assets	**10,972,641**	**–**	**10,972,641**
30 June 2014			
Revenue			
Joint venture management fee	250,447	–	250,447
Total segment revenue	250,447	–	250,447
Segment net operating loss after tax	(4,471,770)	(2,208,466)	(6,680,236)
Other revenue – unallocated	–	–	23,022
Share of loss of associates and joint ventures	–	(2,208,466)	(2,208,466)
Depreciation	(36,439)	–	(36,439)
Exploration expenditure written off and expensed	(3,510,587)	–	(3,510,587)
Income tax benefit	147,724	–	147,724
Segment assets	12,107,335	630,691	12,738,026
Capital expenditure during period	218,932	–	218,932
Segment liabilities	446,066	–	446,066
Segment non-current assets	10,700,521	630,691	11,331,212

19. Financial Instruments

Credit risk
The Directors do not consider that the Group's financial assets are subject to anything more than a negligible level of credit risk, and as such no disclosures are made. Refer to Note 2(a).

Impairment losses
The Directors do not consider that any of the Group's financial assets are subject to impairment at the reporting date. No impairment expense or reversal of impairment charge has occurred during the reporting period, other than the recording of an impairment charge of $58,499 in relation to the asset held for sale (Note 8).

Currency risk
The Group does not have any direct exposure to foreign currency risk, other than in respect of its impact on the economy and commodity prices generally. Refer to Note 2 (c).

Liquidity risk
The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements. Refer to Note 2(b):

Consolidated	Carrying amount $	Contractual cash flows $	6 months or less $	6-12 months $	1-2 years $	2-5 years $	More than 5 years $
30 June 2015							
Trade and other payables	**616,596**	**616,596**	**616,596**	**–**	**–**	**–**	**–**
	616,596	**616,596**	**616,596**	**–**	**–**	**–**	**–**
30 June 2014							
Trade and other payables	290,049	290,049	290,049	–	–	–	–
	290,049	290,049	290,049	–	–	–	–

The Group does not have any interest bearing liabilities to report a weighted average interest rate.

Interest rate risk
At the reporting date the interest profile of the Group's interest-bearing financial instruments were:

	Consolidated	
	2015 $	2014 $
Fixed rate instruments:		
Financial liabilities	**–**	–
	–	–
Variable rate instruments:		
Financial assets	**1,107,721**	527,372
	1,107,721	527,372

Fair value sensitivity analysis for fixed rate investments
The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

19. Financial Instruments (continued)

Cash flow sensitivity analysis for variable rate instruments
A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit and Loss		Equity	
	100bp increase $	100bp decrease $	100bp increase $	100bp decrease $
30 June 2015				
Variable rate instruments	**11,077**	**(11,077)**	**11,077**	**(11,077)**
30 June 2014				
Variable rate instruments	5,274	(5,274)	5,274	(5,274)

Fair values

Fair values versus carrying amounts
The carrying amounts of financial assets and liabilities as described in the consolidated statement of financial position represent their estimated net fair value.

20. Commitments

a) Exploration
The Group has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As at balance date, total exploration expenditure commitments on tenements held by the Group have not been provided for in the financial statements. These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements.

Minimum expenditure requirements for the following 12 months on the Group's exploration licences as at 30 June 2015, including licences subject to farm-in arrangements are approximately $2,886,800 (2014: $1,756,500).

b) Operating Lease Commitments
The Group has no operating lease commitments.

c) Contractual Commitment
The Group has no contractual commitments.

21. Notes to the Statement of Cash Flows

	Consolidated	
	2015 $	2014 $
a) Cash and cash equivalents		
Cash at bank and on hand	**1,007,721**	438,765
Bank at call cash account	**100,000**	88,607
Total cash and cash equivalents	**1,107,721**	527,372

The Bank at call account holds funds at call subject to certain trading restrictions and pays interest at an average of 3.30% (2014:3.30%), and matures on 24 September 2015.

21. Notes to the Statement of Cash Flows (continued)

	Consolidated 2015 $	2014 $
b) Cash balances not available for use		
Included in cash and cash equivalents are amounts pledged as guarantees for the following:		
Corporate credit card facility	**100,000**	88,607

Also included in cash and cash equivalents as at 30 June 2015 are amounts of $216,129 (2014: nil) in respect of funds received from the Company's farm-in partner and for which costs had not been incurred at that date. This amounts has been recognised as a liability as at 30 June 2015 (Note 12).

c) Reconciliation of Loss from Ordinary Activities after Income Tax to Net Cash Used In Operating Activities		
Profit/(Loss) after income tax	**(4,545,251)**	(6,680,236)
Add (less) non-cash items:		
Gain on sale of assets	**(14,452)**	–
Impairment charge	**58,499**	–
Depreciation	**38,192**	36,439
Share based payments	**–**	400,000
Exploration expenditure written off and expensed	**2,996,328**	3,510,587
Share of net loss of equity accounted associate	**630,691**	2,208,466
Changes in assets and liabilities:		
Increase/(decrease) in trade creditors and accruals	**(84,338)**	(295)
(Increase)/decrease in sundry receivables	**2,420**	1,938
Net cash flow from operations	**(917,911)**	(523,101)

Material non-cash transactions

2015
During the 2015 financial year the Company issued 50,000,000 ordinary fully paid shares at a fair value of 2.3 cents per share to Drummond Gold Limited as part consideration for the acquisition of a 100% interest in the issued capital of Mt Coolon Gold Mines Pty Ltd.

2014
During the 2014 financial year the Company completed the following material non-cash settled transactions:

- Issued 20,000,000 listed GBZO options, exercisable at 3.5 cents each and expiring 30 June 2016, in consideration for corporate advisory and public relations services. The fair value of the options issued amounted to $400,000.
- Issued 57,779,118 ordinary fully paid shares to nominees of Angka Alamjaya Sdn Bhd (AASB) for a 40% interest in the issued capital of AASB, a Company which holds the mining concession for the Lubuk Mandi Gold Project in Malaysia. The fair value of the shares issued amounted to $2,831,177 (Note 11).

22. Auditor's Remuneration

Amounts received or receivable by HLB Mann Judd for:		
– Audit and review of financial reports	**29,000**	30,100

23. Controlled Entities

	2015 %	2014 %
a) Particulars in Relation to Ownership of Controlled Entities		
Belltopper Hill Pty Ltd	**100**	100
Syndicated Resources Pty Ltd	**100**	100
Willaura Minerals Pty Ltd	**100**	100
Isa Brightlands Pty Ltd	**100**	100
Isa Tenements Pty Ltd	**100**	100
Bungalien Phosphate Pty Ltd	**100**	100
Mt Coolon Gold Mines Pty Ltd	**100**	–

	$	$
b) GBM Resources Limited – Investments in Controlled Entities		
Belltopper Hill Pty Ltd	**596,850**	596,850
Syndicated Resources Pty Ltd	**100**	100
Willaura Minerals Pty Ltd	**–**	–
Isa Brightlands Pty Ltd	**1**	1
Isa Tenements Pty Ltd	**1**	1
Mt Coolon Gold Mines Pty Ltd	**2,000,000**	
Bungalien Phosphate Pty Ltd	**10**	10
	2,596,962	596,962

During the 2015 financial year, the Company acquired a 100% interest in the issued capital of Mt Coolon Gold Mines Pty Ltd for consideration of $850,000 cash plus 50,000,000 ordinary fully paid shares.

c) Loans to/(from) Controlled Entities		
Belltopper Hill Pty Ltd	**2,241,115**	2,288,211
Syndicated Resources Pty Ltd	**–**	–
Willaura Minerals Pty Ltd	**–**	–
Isa Brightlands Pty Ltd	**7,741,121**	7,672,176
Isa Tenements Pty Ltd	**1,577,361**	1,368,324
Mt Coolon Gold Mines Pty Ltd	**164,606**	–
Bungalien Phosphate Pty Ltd	**–**	–
d) Contribution to Consolidated Result		
GBM Resources Limited	**(1,676,101)**	(3,968,535)
Belltopper Hill Pty Ltd[1]	**–**	(1,254,868)
Syndicated Resources Pty Ltd	**–**	–
Willaura Minerals Pty Ltd	**–**	–
Isa Brightlands Pty Ltd[1]	**(2,650,531)**	(88,514)
Isa Tenements Pty Ltd[1]	**(209,036)**	(1,368,319)
Mt Coolon Gold Mines Pty Ltd	**(9,583)**	–
Bungalien Phosphate Pty Ltd	**–**	–
Total	**(4,545,251)**	(6,680,236)

[1] Contribution to net result by subsidiary companies relates to previously capitalised exploration costs written off during the financial year.

24. Key Management Personnel Disclosures

a) Details of Key Management Personnel

The following were key management personnel of the Group at any time during the year and unless otherwise stated were key management personnel for the entire year.

Non-Executive Directors
Cameron Switzer – Non-Executive Director (resigned 5 August 2014)
Guan Huat Loh – Non-Executive Director (resigned 5 August 2014)
Chiau Woei Lim – Non-Executive Director
Hun Seng Tan – Non-Executive Director (appointed 15 April 2015)
Frank Cannavo – Non-Executive Director (15 April 2015 to current)

Executive Directors
Peter Thompson – Managing Director/Executive Chairman
Neil Norris – Exploration Director
Frank Cannavo – Executive Director (appointed 5 August 2014 to 15 April 2015)

	Consolidated	
	2015	2014
	$	$
Total remuneration paid to key management personnel during the year:		
Short-term benefits	**554,241**	504,469
Post-employment benefits	**48,365**	38,150
	602,606	542,619

b) Other Transactions and Balances with Key Management Personnel

During the 2014 financial year the Company issued 57,779,118 ordinary fully paid shares to nominees of Angka Alamjaya Sdn Bhd (AASB) to acquire a 40% interest in the issued capital of AASB, a Company associated with Mr Chiau Woei Lim. As a nominee of AASB, Mr Lim received 24,077,285 shares in GBM Resources. Mr Lim is a shareholder and director of AASB. The fair value of shares issued to nominees of AASB to acquire the 40% interest was $2,831,177 (Note 11).

Other than the above, there are no transactions with Directors, or Director related entities or associates, other than those reported in Note 25.

25. Related Party Transactions

Total amounts receivable and payable from entities in the wholly-owned group (see Note 23 for details of controlled entities) at balance date:

Non-Current Receivables		
Loans to controlled entities	**11,724,203**	11,268,711
Non-Current Payables		
Loans from controlled entities	**–**	–

Transactions with Associate – Angka Alamjaya Sdn Bhd (AASB)

During the financial year the Company incurred costs of $296,963 (2014: $1,237,364) in respect of AASB's operations on a reimbursable basis. As at 30 June 2015 an amount of $700,020 (2014: $732,491) has been reimbursed to the Company, and an amount of $101,816 (2014: $504,873) is outstanding as at 30 June 2015 (Note 7).

26. Events Subsequent to Balance Date

Other than the following, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years:

- On 30 July 2015 the Company accepted the resignation of Mr Chiau Woei Lim as a director of the Company.

27. Dividends

There are no dividends paid or payable during the year ended 30 June 2015 or the 30 June 2014 comparative year.

28. Contingencies

i) Contingent liabilities
There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2015 or 30 June 2014.

ii) Native Title and Aboriginal Heritage
Native title claims have been made with respect to areas which include tenements in which the Group has an interest. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

iii) Contingent assets
There were no material contingent assets as at 30 June 2015 or 30 June 2014.

29. Prior Period Adjustment – Investment in Associate

The share of the net loss of, and carrying value of the investment in, the Company's associate, which is accounted for using the equity method (refer Note 7) has been re-stated in these financial statements for the comparative period ended 30 June 2014.

The amounts re-stated are as follows:

	Original Comparative Amount	Re-stated Comparative Amounts
Share of net associate loss for the year ended 30 June 2014	$(400,634)	$(2,208,466)
Carrying value of investment in associate as at 30 June 2014	$2,438,523	$630,691
Accumulated losses at 30 June 2014	$(10,551,382)	$(12,359,214)

The amounts stated in the interim financial statements for the 12 months ended 30 June 2014 were prepared on the basis of financial information provided by the Company's associate, Angka Alamjaya Sdn Bhd (AASB).

Audited financial statements for AASB for the period ended 31 December 2013 were signed on 21 January 2015. The Company noted a material difference between the original financial information provided by AASB and that presented in the audited financial statements, and has accordingly reflected a correction to the comparative amounts in the current financial statements. The difference in the share of loss to be recognised is as a result of a change in accounting treatment of a number of significant items plus the identification of additional expenses incurred prior to the 30 June 2014.

30. Acquisition of Subsidiary – Mt Coolon Gold Mines Pty Ltd

During the 2015 financial year the Company completed the acquisition of the issued capital of Mt Coolon Gold Mines Pty Ltd from Drummond Gold for the total consideration of $850,000 plus 50,000,000 ordinary fully paid shares. The acquisition has been accounted for as an asset acquisition rather than a business combination.

Consideration
The fair value of consideration provided for the acquisition was:

Details		Fair Value ($)
Cash payable	$850,000	$850,000
Shares transferred	50 million shares at fair value of 2.3 cents per share[1]	$1,150,000
Total Consideration Payable		**$2,000,000**

[1] The fair value of the shares was determined as the listed share price of the Company's shares as at 10 April 2015, being the trading day prior to completion of the transaction.

At the date of this report an amount of $50,000 was payable to Drummond Gold Limited pursuant to the transactions pending completion of administrative matters (Note 12).

Acquisition related costs
Costs incurred by the Company in relation to the acquisition of Mt Coolong Gold Mines Pty Ltd amounting to $84,963 have been included as an expense in the Statement of Profit or Loss and Other Comprehensive Income. As the acquisition is being reinstated for as an asset acquisition, the Company was entitled to capitalise these costs, however has resolved to expense them.

Identifiable assets acquired and liabilities assumed
The following table sets out the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

	$
Security Deposits (Note 7)	371,183
Other receivables	1,511
Property, plant and equipment[(i)]	142,376
Capitalised exploration costs (Note 9)	1,880,984
Rehabilitation provision (Note 13)	(396,054)
Total net assets acquired	**2,000,000**

i) Included in the identifiable property, plant and equipment assets are the following specific net book values (Note 10):

	$
Property and improvements	91,795
Office equipment and software	6,772
Site equipment and plant	42,686
Motor vehicles	1,123
Total property, plant and equipment	**142,376**

Statement of Cash Flows	$
Total cash consideration	850,000
Less: amount payable (Note 12)	(50,000)
Total cash paid	**800,000**

31. Parent Entity Information

	2015 $	2014 $
Financial position		
Assets		
Current assets	**1,230,271**	1,406,756
Non-current assets	**10,577,944**	11,331,270
Total Assets	**11,808,215**	12,738,026
Liabilities		
Current liabilities	**(616,848)**	(446,066)
Non-current liabilities	**–**	–
Total Liabilities	**(616,848)**	(446,066)
NET ASSETS	**11,191,367**	12.291.960
Equity		
Issued capital	**27,372,099**	23,927,441
Option reserve	**323,733**	323,733
Share based payments reserve	**400,000**	400,000
Accumulated losses	**(16,904,465)**	(12,359,214)
TOTAL EQUITY	**11,191,367**	12,291,960
Financial performance		
Loss for the year	**(4,545,251)**	(6,680,236)
Other comprehensive income	**–**	–
Total comprehensive loss	**(4,545,251)**	(6,680,236)

Contingent liabilities
For full details of contingent liabilities see Note 28.

Commitments
For full details of commitments see Note 20.

Directors' Declaration

For the Year Ended 30 June 2015

1. In the opinion of the Directors:

   (a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year then ended; and

      ii. complying with Accounting Standards and Corporations Regulations 2001.

   (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   (c) the financial statements and notes are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2015.

This declaration is made in accordance with a resolution of the Board of Directors.

Peter Thompson
Executive Chairman

Dated this 29th day of September 2015

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of GBM Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of GBM Resources Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the Group. The Group comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1(b), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

HLB Mann Judd

Accountants | Business and Financial Advisers

Auditor's opinion

In our opinion:

(a) the financial report of GBM Resources Limited is in accordance with the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(b).

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1(a) to the financial report which indicates that the ability of the Group to continue as a going concern is dependent on the ability to raise sufficient capital to meet its exploration and working capital requirements. Should the Company not be able to raise sufficient capital, there is a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of GBM Resources Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
29 September 2015

ASX Additional Information

Pursuant to the Listing Rules of the Australian Securities Exchange Limited, the shareholder information set out below was applicable as at 30 September 2015.

a. Distribution of Equity Securities

	Listed Shares (GBZ)		Listed Options (GBZO)	
Range	Number of Holders	Securities Held	Number of Holders	Securities Held
1 – 1,000	50	9,657	2	1,800
1,001 – 5,000	75	289,467	3	10,500
5,001 – 10,000	135	1,188,734	3	23,750
10,001 – 100,000	461	19,242,467	21	854,857
100,001 and over	268	537,163,796	84	176,855,655
	989	**557,894,121**	**113**	**177,746,562**

There are 322 shareholders holding less than a marketable parcel of shares.

b. Substantial Shareholders

An extract of the Company's register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

Shareholder	Shares Held	% of Issued Capital
Drummond Gold Limited	50,000,000	8.96%

c. Twenty Largest Shareholders

Shareholder	Shares Held	% of Issued Capital
UOB Kay Hian Pte Ltd <Clients A/c>	191,205,629	34.27%
Citicorp Nominees Pty Ltd	69,446,011	12.45%
Drummond Gold Limited	50,000,000	8.96%
HSBC Custody Nominees (Australia) Limited	23,709,021	4.25%
Chew Leok Chuan	19,900,000	3.57%
BNP Paribas Nominees Pty Ltd	14,644,190	2.63%
Richgroup Holdings International Pte Ltd	10,000,000	1.79%
Superfine Nominees Pty Ltd	9,862,582	1.77%
RHB Securities Singapore Pte Ltd	8,445,973	1.51%
Swift Venture Holdings Corporation	8,366,708	1.50%
Lay Hong Lim	6,943,346	1.25%
Cheng Ee Huang	5,500,000	0.99%
Neil Norris <North Atlantic S/F A/c>	4,800,000	0.86%
De Gracie Nominees Pty Ltd <Le Havre A/c>	3,750,000	0.67%
Kevin James Hendry	2,833,334	0.51%
KH & RL Payne	2,421,666	0.43%
Vissing Holdings Pty Ltd	2,300,001	0.41%
Foundation Asset Pty Ltd	2,183,333	0.39%
Thong Kum Cheong	2,000,000	0.36%
Ivan Perry Wu	2,000,000	0.36%
Total	**440,311,794**	**78.92%**

d. Twenty Largest Option Holders

Optionholder	Options Held	% of Issued Options
UOB Kay Hian	29,400,000	15.54%
Constance Tan Cai Ai	22,400,000	12.60%
Chew Leok Chuan	10,000,000	5.63%
Swift Venture Holdings Corporation	8,900,000	5.01%
KH & RL Payne	7,917,286	4.45%
Bell Potter Nominees Limited	6,702,188	3.77%
Sung Yoon Chon	6,270,500	3.53%
Lay Hong Lim	6,108,000	3.44%
Sung Yoon Chon	5,725,000	3.22%
Alvito Capital Holdings Inc	5,615,000	3.16%
Tan Hong Huat	4,894,000	2.75%
Jason Separovic	4,800,000	2.70%
Rosegate Investments Pty Ltd	3,000,000	1.69%
JM & SM Separovic	3,000,000	1.69%
Au Sai Chuen	2,600,000	1.46%
Sin Yew Seng (2004) Pte Ltd	2,500,000	1.41%
John Saunders	2,460,709	1.38%
Timewise Holdings Pty Ltd	2,350,000	1.32%
ABN Amro Clearing Sydney Nominees Pty Ltd	2,200,000	1.24%
Beachstone Nominees Pty Ltd	2,150,000	1.21%
Total	**138,992,683**	**78.20%**

e. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

f. Restricted Securities

There are no restricted securities.

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Quartz veining at Limonite Hill, Mount Morgan Project

Corporate Directory

Directors
Peter Thompson – *Executive Chairman*
Hun Seng Tan – *Non-Executive Director*
Neil Norris – *Executive Director – Exploration Director*
Frank Cannavo – *Non-Executive Director*

Company Secretary
Kevin Hart

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Securities Exchange Listing
GBM Resources Limited
– shares and options are listed
on the Australian Securities Exchange
(ASX Code: GBZ, GBZO)

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