

ASX Release

28 February 2018

Update on Twin Hills Gold Project Acquisition and Ore Purchase Agreement with Minjar Gold

GBM Resources Limited (ASX: GBZ) (**GBM or the Company**) advises on the status of the Twin Hills Gold Project Acquisition and Ore Purchase Agreement with Minjar Gold Pty Ltd.

1. Acquisition of the Twin Hills Gold Project

GBM signed a Heads of Agreement with Minjar Gold Pty Ltd (**Minjar**) on 22 December 2017 to acquire a 100% interest in the Twin Hills Gold Project. GBM is nearing completion of its due diligence process and the execution of the Sale and Purchase Agreement has now been scheduled for 29 March 2018. The anticipated acquisition of Twin Hills is set to further underwrite planned development of the Mt Coolon Gold Project, potentially doubling its resource base and providing significant additional exploration opportunity.

2. Ore Purchase Agreement

GBM signed a non-binding term sheet with Minjar on 19 December 2017 under which the parties envisage Mt Coolon ore mined by GBM being trucked to the Pajingo Gold Operations for processing by Minjar. The commercial terms are based on an open book approach with net proceeds from gold sales being split 50:50 between the parties.

Drafting of the binding Ore Purchase Agreement is nearing completion and planned execution of this Agreement has now also been scheduled for 29 March 2018 in order to align with the Twin Hills timeline. The anticipated Ore Purchase Agreement is set to greatly reduce development risks and funding requirements for the Mt Coolon Gold Project.

Investor enquiries:

Peter Thompson
Managing Director
GBM Resources Limited
+61 8 9316 9100

Media enquiries:

Michael Vaughan
Fivemark Partners
+61 422 602 720
michael.vaughan@fivemark.com.au

Minjar Gold Pty Ltd is a mid-tier gold company producing 230,000 ounces annually from its Golden Dragon, Pajingo and Southern Cross Operations. Minjar is a wholly owned subsidiary of Shandong Tyan Home Co Ltd, a listed company on the Shanghai Stock Exchange.

ASX Code: **GBZ**

COMPANY DIRECTORS

Peter Thompson
Managing Director/ Executive
Chairman

Neil Norris
Exploration Director – Executive

Hun Seng Tan
Non- Executive Director

CONTACT DETAILS

Principal & Registered Office
Suite 8, 7 The Esplanade,
Mt Pleasant, WA 6153

Exploration Office
10 Parker Street,
Castlemaine, Victoria 3450

Website
www.gbmr.com.au

Email
info@gbmr.com.au
Phone
+61 (8) 9316 9100

Fax
+61 (8) 9315 5475

Phone (Exploration Office)
+61 (3) 5470 5033

