

ASX Announcement

21 October 2024

\$12 Million Sale and Farm-in Agreement on Twin Hills Signed

KEY POINTS

- GBM Resources Limited (GBM or Company) has executed a long form Farm-in Agreement with Wise Walkers Limited (Wise Walkers) to earn up to a 70% joint venture interest in the Twin Hills Gold Project (Twin Hills) in relation to the Heads of Agreement signed and announced on 15 July 2024. Refer to area highlighted in pale green in Appendix 3.
- GBM to receive a total A\$6 million in cash consideration and Wise Walkers to sole fund further exploration of A\$6 million over an 18-month period to earn a 70% interest.
- GBM will retain a 30% interest free carried to a decision to mine.

GBM is pleased to advise that Wise Walkers, who are a significant and supportive shareholder with an interest of ~9.6% of the Company's issued shares, has entered into a Farm-in Agreement to advance the Twin Hills Gold Project to a decision to mine.

Highlights Include:

- i. There will be a reduction in expenditure costs by the Company as pursuant to the Farm-in Agreement Wise Walkers would be responsible for sole-funding exploration expenditure up to a maximum of \$6 million during the farm-in period.
- ii. The Company will manage the farm-in exploration spend of \$6 million.
- iii. The farm-in exploration expenditure has to be completed within a period of 18 months, during which time the Company will aim to expedite the development of Twin Hills.
- iv. The consideration payable for the Farm-in Agreement includes a \$6 million cash component providing for certainty of value.
- v. The \$6 million cash component of the total consideration payable provides an immediate cash injection to allow the Company to pursue its current projects and improve its financial position by reducing the Collins St Convertible Notes debt owing.
- vi. The Transaction allows the Company, together with Wise Walkers, to advance the Twin Hills project to a decision to mine. The Company retains its 30% interest and has no further funding obligation during this phase.
- vii. The remaining conditions precedent outstanding are:
 1. GBM Shareholders approving the Farm-in transaction by resolution at the Annual General Meeting of Shareholders scheduled for late November 2024 (If required); and
 2. Newmont exercising or waiving its "Right of First Refusal" to match the Farm-in transaction over the next ~60 days.
- viii. Foreign Investment Review Board approval for the transaction has been received by Wise Walkers.

Wise Walkers has paid GBM an exclusivity fee of A\$1 million. A further A\$2 million has been received at GBM's solicitor's trust account from Wise Walkers, with the remaining A\$3 million cash payment to be paid by Wise Walkers following satisfaction of the Conditions Precedent. (refer Appendix 1 for a summary of the material terms and conditions).

GBM Managing Director and CEO, Peter Rohner, commented:

'GBM has continued to look to realise value from the advancement of assets for GBM's shareholders. GBM's focus continues to be on the prospective Drummond Basin where large high grade epithermal gold deposits exist and where it has expanded JORC resources to ~ 1.84 Moz of gold. This Farm-in agreement and the agreement with Newmont on the Mt Coolon Project, provides funding and support to advance these two large prospective tenement packages. The sale component of this agreement provides the necessary funding to repay the Convertible Note when completed. GBM will now focus on advancing the Yandan Gold Project. Wise Walkers has been a supportive shareholder, and recent discussions have demonstrated significant opportunities in which they can assist to grow value'

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About Twin Hills Mineral Resources

The combined resource at Twin Hills of 23.11 Mt @ 1.3 g/t Au and 6.5 g/t Ag for 999,200 oz Au and 4,824,600 oz Ag with 60% of the resource now in Measured and Indicated categories.

Lone Sister - Mineral Resource Estimate (MRE)

The MRE for Lone Sister deposit comprises 12.48 Mt @ 1.2 g/t Au for 475,900 oz Au with 55% of the resource now in Measured and Indicated categories (Table 1). GBM considers Twin Hills as a stand-alone operation and the estimate includes open pit style resources that have captured most of the previously unreported gold mineralisation.

The Lone Sister ore body is currently defined for 350 m along strike, over 400 m in height, and is approximately 150 m wide. The broadly tabular shape directly reflects mineralisation that is preferentially hosted within a rhyolite dyke with some evidence for limited mineralisation having formed within specific lithological units adjacent to the dyke. Higher grade gold mineralisation displays a distinct plunge to the north and remains open at depth.

Gold mineralisation manifests as quartz-pyrite veinlets and disseminated pyrite with higher grades associated with increased vein density and higher pyrite percentage. Silicification is also significantly increased around mineralisation.

309 - Mineral Resource Estimate (MRE)

The MRE for 309 deposit comprises 10.63 Mt @ 1.5 g/t Au for 523,300 oz Au with 64% of the resource now in Measured and Indicated categories (Table1).

Currently defined gold mineralisation extends from surface downward for 380 m, along strike in a WNW direction for 380 m and NNE for 330 m. Overall, the system dips steeply to the south and plunges to the east with high grade gold mineralisation remaining open at depth.

A variety of hydrothermal mineralisation styles are present at 309. On surface, sinter crops out along an arcuate trend that rings near surface gold mineralisation. The complex shape of the 309 ore body is the result of both structural controls on fluid flow and hydrothermal processes.

At depth gold mineralisation is predominantly focused along WNW and, to a lesser extent, NNE structural zones as stockwork veins and breccia fill. The best grades form in two 50 -70 m high layers broadly sub-parallel to bedding and presumably the palaeo surface.

The uppermost of the two zones contains abundant bladed fluorite-chalcedony-quartz veins and breccia fill. GBM interprets this zone to represent a boiling and / or fluid mixing zone with associated abundant silicification potentially having formed a cap that allowed later gold rich fluids to be concentrated.

Deposit	MRE Category	Cutoff (Au g/t)	Tonnes	Au (g/t)	Ag (g/t)	Au oz	Ag oz
309 Deposit	309 Open Pit (above ORL)						
	Measured	0.4	830,000	2.8	5.3	73,900	141,900
	Indicated	0.4	5,480,000	1.3	2.4	235,200	421,100
	Inferred	0.4	3,650,000	1.1	1.7	129,800	198,000
	Total open pit	0.4	9,960,000	1.4	2.4	438,900	761,000
	309 Underground (below ORL)						
	Measured	2.0	-	-	-	-	-
	Indicated	2.0	190,000	4.0	2.2	24,500	13,400
	Inferred	2.0	480,000	3.9	1.8	59,900	28,600
	Total underground	2.0	670,000	3.9	1.9	84,400	42,000
	309 Total						
	Measured	0.4 / 2.0	830,000	2.8	5.3	73,900	141,900
	Indicated	0.4 / 2.0	5,670,000	1.4	2.4	259,700	434,500
Inferred	0.4 / 2.0	4,130,000	1.4	1.7	189,700	226,600	
309 Total	0.4 / 2.0	10,630,000	1.5	2.3	523,300	803,000	
Lone Sister Deposit	Lone Sister Open Pit (above ORL)						
	Measured	0.4	-	-	-	-	-
	Indicated	0.4	5,250,000	1.3	15.2	227,300	2,559,200
	Inferred	0.4	6,550,000	0.9	6.5	188,500	1,370,700
	Total open pit	0.4	11,800,000	1.1	10.4	415,800	3,929,900
	Lone Sister Underground (below ORL)						
	Measured	2.0	-	-	-	-	-
	Indicated	2.0	370,000	2.9	4.3	34,300	51,800
	Inferred	2.0	310,000	2.6	4.0	25,800	39,900
	Total underground	2.0	680,000	2.7	4.2	60,100	91,700
	Lone Sister Total						
	Measured	0.4 / 2.0	-	-	-	-	-
	Indicated	0.4 / 2.0	5,620,000	1.4	14.5	261,600	2,611,000
Inferred	0.4 / 2.0	6,860,000	1.0	6.4	214,300	1,410,600	
Lone Sister Total	0.4 / 2.0	12,480,000	1.2	10.0	475,900	4,021,600	
Twin Hills Total	Twin Hills Open Pit (above ORL)						
	Measured	0.4	830,000	2.8	5.3	73,900	141,900
	Indicated	0.4	10,730,000	1.3	8.6	462,500	2,980,300
	Inferred	0.4	10,200,000	1.0	4.8	318,300	1,568,700
	Total open pit	0.4	21,760,000	1.2	6.7	854,700	4,690,900
	Twin Hills Underground (below ORL)						
	Measured	2.0	-	-	-	-	-
	Indicated	2.0	560,000	3.3	3.6	58,800	65,200
	Inferred	2.0	790,000	3.4	2.7	85,700	68,500
	Total underground	2.0	1,350,000	3.3	3.1	144,500	133,700
	Twin Hills Total						
	Measured	0.4 / 2.0	830,000	2.8	5.3	73,900	141,900
	Indicated	0.4 / 2.0	11,290,000	1.4	8.4	521,300	3,045,500
Inferred	0.4 / 2.0	10,990,000	1.1	4.6	404,000	1,637,200	
Twin Hills Total	0.4 / 2.0	23,110,000	1.3	6.5	999,200	4,824,600	

Table 1: Summary of the Twin Hills Gold Project MRE showing Au and Ag resources.

This ASX announcement was approved and authorised for release by:

The Board of Directors

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About GBM Resources

GBM Resources Limited (ASX:GBZ) is a Queensland based mineral exploration and development company focused on the discovery of world-class gold and copper deposits in Eastern Australia. The company has a high calibre project portfolio, hosting district scale mineral systems, located in several premier metallogenic terrains.

GBM's flagship project in the Drummond Basin (QLD) holds ~1.84 Moz of gold in JORC resources (Mt Coolon, Yandan and Twin Hills). Some tenements (see Appendix 3) in the Basin are subject to a A\$25m farm-in with Newmont. 2024 will see an expanded drilling program which is aiming to define 2-3 Moz and support GBM's transition into a mid-tier Australian gold company.

Separately GBM also holds tenements in the Mt Morgan district, in the Mt Isa Inlier in Queensland (JV with Nippon Mining Australia – 56%) and the of White Dam Gold-Copper Project in South Australia. Divestment of these non-core assets is in progress.

About Wise Walkers

Wise Walkers Limited was founded in 2012 and mainly engaged in equity investment, asset management, strategic planning, project consulting, with assets under management exceeding A\$1 billion.

Wise Walkers has extensive resources in the Asia-Pacific region (especially Hong Kong, Singapore, and Australia), and is active in major financial capital markets such as Hong Kong and Singapore. Wise Walkers has established long-term and good partnerships with well-known enterprises. Wise Walkers has vast experience and a proven track record in acquisition of Australian enterprises and has successfully assisted these enterprises to scale up their operations.

Competent Persons Statement

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 estimates within those announcements continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from the original market announcements.

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Appendix 1: Farm-in Agreement Summary of Material Terms

Parties	Wise Walkers Limited (A company incorporated in Hong Kong) (Wise Walkers) GBM Resources Ltd (ACN 124 752 745) (GBM) Mt Coolon Gold Mines Pty Ltd (ACN 118 550 593) (MCGM)
Tenements	EPM 19504, EPM 19856, EPM 25182, EPM 27594, EPM 27597, EPM 27974, EPM 28140, EPM 27554 and ML 70316.
Conditions precedent	The earning of the Farm-in Interest is conditional upon: (a) MCGM, GBM and Wise Walkers obtaining any waiver, approvals or consents required to complete its obligations under the Farm-in Agreement, including a waiver by Newmont of its right of first refusal in relation to the Tenements and the consent of CSCN (or otherwise as required under the Convertible Note Agreement or CSCN Security) for Wise Walkers to lodge the relevant caveats by the Condition Date; and (b) GBM shareholders approving by resolution at an extraordinary general meeting of shareholders the Farm-in Agreement and Joint Venture, as required, (together, the Conditions).
Earn-in requirements:	Upon satisfaction (or waiver) of the Conditions, and during the Farm-in Period, Wise Walkers (and/or its Related Bodies Corporate) must fund at least \$1,000,000 per quarter of Exploration Expenditure on the Tenements, up to a maximum of \$6,000,000 to earn a 70% interest in the Tenements (Minimum Commitment).
Farm-in Period	Farm-in Period means the period commencing upon the date of the Cash Payment (defined below) and ending on the earlier of: (a) the date by which Wise Walkers has funded the Minimum Commitment (defined below); and (b) the date on which Wise Walkers withdraws or is deemed to have withdrawn from the Farm-in Agreement.
Consideration	In consideration for the Farm-in Interest, Wise Walkers agrees to: (a) pay GBM a total of \$6,000,000 in cash comprising: (i) a \$1,000,000 exclusivity fee which has been paid to GBM's nominated bank account, which is non-refundable except where the Conditions are not satisfied before the date that is 6 months from the date of the Farm-in Agreement (Condition Date) (Exclusivity Fee); (ii) a \$2,000,000 deposit which has been paid to GBM's solicitors' trust account, \$750,000 of which has been temporarily released to GBM (Deposit Fee); and (iii) \$3,000,000 to be paid to GBM's nominated bank account within 5 Business Days of satisfaction of the Conditions (Cash Payment); and (b) expend a further \$6,000,000 during the Farm-in Period, comprising at least \$1,000,000 per quarter of Exploration

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	Expenditure on the Tenements, up to a maximum of \$6,000,000 after the Conditions are satisfied.
Return of fees paid	If the Conditions are not satisfied or waived by the parties on or before the Condition Date, the Exclusivity Fee and Deposit Fee will promptly be returned in full to Wise Walkers.
Caveats	Wise Walkers may lodge caveats over the Tenements by the Condition Date however Wise Walkers must consent to any dealings with the Tenements which is permitted or required pursuant to the Farm-in Agreement.
Establishment of Joint Venture	From the JV Establishment Date, the participants will form a joint venture, the incorporated or unincorporated nature of which is to be determined by the parties following execution of the Farm-in Agreement, between MCGM and/or GBM and Wise Walkers (or its Nominee) to be established and governed by the Joint Venture Agreement.
Termination	<p>The Farm-in Agreement may be terminated:</p> <ul style="list-style-type: none"> (a) in the event Wise Walkers satisfies the Minimum Commitment, at any time Wise Walkers withdraws from the farm-in and the Farm-in Agreement prior to acquiring the Farm-in Interest; (b) in the event Wise Walkers fails to meet any payment obligations pursuant to the Farm-in Agreement prior to the JV Establishment Date, and MCGM or GBM have given written notice to Wise Walkers which, within 5 business days of receipt of the notice, payment is not made, Wise Walkers will be deemed to have withdrawn from the farm-in and Farm-in Agreement.
Assignment	<p>During the Farm-in Period, the parties must not assign or grant any security interest in respect of (or purport to assign or grant any security interest in respect of any of its right, title and interest in the JV Assets, any or all of its rights and obligations under this Agreement, or after the JV Establishment Date, the whole or any part of its JV Interest.</p> <p>During the Farm-in Period, the parties may assign the whole (but not part) of its right, title and interest in all of the JV Assets or the whole (but not part) of its rights and obligations under the Farm-in Agreement to a Related Body Corporate as part of an internal corporate restructure, provided that:</p> <ul style="list-style-type: none"> (a) the assignee must first execute a deed of accession on terms acceptable by the other parties, pursuant to which it accedes to and agrees to be bound by the terms of the Farm-in Agreement; (b) the assignee must obtain all necessary regulatory authorisations, approvals and consents for the assignment of the JV Assets; and (c) the assignee must, in the reasonable opinion of the other parties (after reasonable supporting evidence has been

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	<p>provided), be financially and technically competent to perform its obligations under the Farm-in Agreement and not suspected of any breach or non-compliance with clause 14 of the Farm-in Agreement (Business Standards).</p>
<p>Dilution</p>	<p>In the event any or all of the Exploration Expenditure is not funded by Wise Walkers during the Free Carry Period and is funded by GBM, Wise Walkers will be subject to dilution in accordance with a formula to be set out in the Joint Venture Agreement which will be on an industry standard basis.</p>

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APPENDIX 2: GBM Mineral Resource Estimate for the Drummond Basin Projects (Mt Coolon, Yandan and Twin Hills) along with other company interests

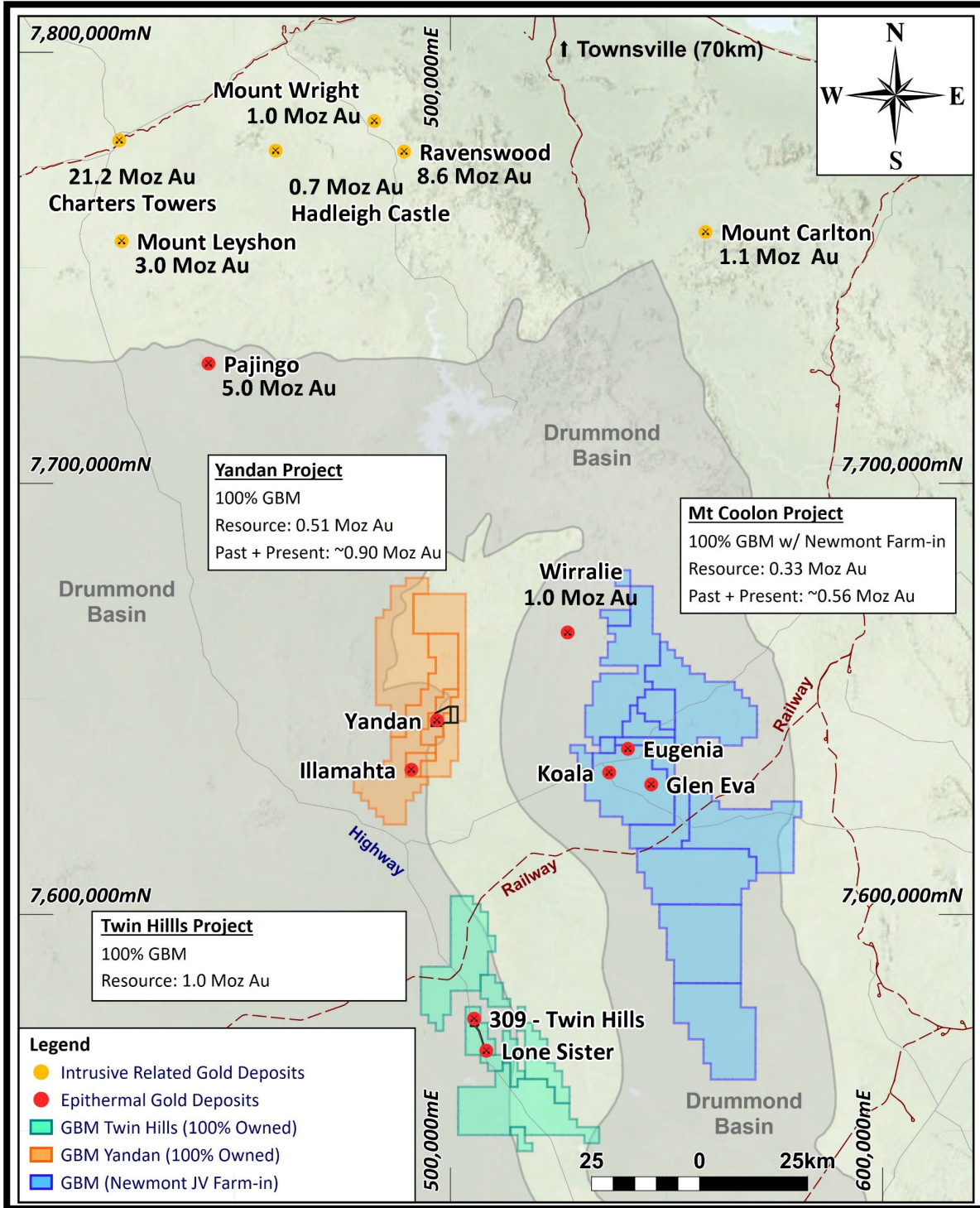
Deposit	Resource Category									Total			Cut-off
	Measured			Indicated			Inferred			000' t	Au g/t	Au oz	
	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	
Koala - ML (subject to the 2022 farm-in agreement with Newmont, formerly Newcrest)													
Open Pit				670	2.6	55,100	440	1.9	26,700	1,120	2.3	81,800	0.4
UG Extension				50	3.2	5,300	260	4	34,400	320	3.9	39,700	2.0
Tailings	114	1.7	6,200	9	1.6	400				124	1.6	6,600	1.0
Sub Total	114	1.7	6,200	729	2.6	60,800	700	2.7	61,100	1,563	2.5	128,100	
Eugenia (subject to the 2022 farm-in agreement with Newmont, formerly Newcrest)													
Oxide - Open Pit				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
Sulphide - Open Pit				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
Sub Total				1,790	1.1	65,900	1,639	1.1	58,200	3,430	1.1	124,100	
Glen Eva - ML (subject to the 2022 farm-in agreement with Newmont, formerly Newcrest)													
Sub Total - Open Pit				1,070	1.6	55,200	580	1.2	23,100	1,660	1.5	78,300	0.4
Yandan - ML													
East Hill - Open Pit				4,860	1.5	240,000	7,900	0.8	203,000	12,800	1.1	443,000	0.4
Yandan South - Open Pit							900	0.6	16,000	900	0.6	16,000	0.3
Sub Total				4,860	1.5	240,000	8,800	0.8	219,000	13,700	1.0	459,000	
Illamahta													
Oxide - Open Pit							1,147	0.7	26,900	1,147	0.7	26,900	0.4
Sulphide - Open Pit							1,045	0.9	28,600	1,045	0.9	28,600	0.4
Sub Total							2,192	0.8	55,500	2,192	0.8	55,500	
Twin Hills - ML													
309 - Open Pit	830	2.8	73,900	5,480	1.3	235,200	3,650	1.1	129,800	9,960	1.4	438,900	0.4
309 - UG				190	4.0	24,500	480	3.9	59,900	670	3.9	84,400	2.0
Lone Sister - Open Pit				5,250	1.3	277,300	6,550	0.9	188,500	11,800	1.1	415,800	0.4
Lone Sister - UG				370	2.9	34,300	310	2.6	25,800	680	2.7	60,100	2.0
Sub Total	830	2.8	73,900	11,290	1.4	521,300	10,990	1.1	404,000	23,110	1.3	999,200	
Drummond Basin Total	944	2.6	80,100	19,739	1.5	943,200	24,901	1.0	820,900	45,655	1.26	1,844,200	
White Dam - ML													
Hannaford - Open Pit				700	0.7	16,400	1,000	0.8	26,900	1,700	0.8	43,300	0.2
Vertigo - Open Pit				300	1.0	9,400	1,400	0.6	29,000	1,700	0.7	38,400	0.2
White Dam North - Open Pit				200	0.5	2,800	1,000	0.6	17,600	1,200	0.5	20,400	0.2
Sub Total				1,200	0.7	28,600	3,400	0.7	73,500	4,600	0.7	101,900	
cut-off grade is 0.20 g/t Au for all, Vertigo is restricted to above 150RL (~70 m below surface)													
GBM Total												1,946,100	

The announcements containing the Table 1 Checklists of Assessment and Reporting Criteria relating to the 2012 JORC compliant Resources are:

- Koala/Glen Eva and Eugenia – GBM ASX Announcement, 4 December 2017, Mt Coolon Gold Project Scoping Study, note these resources have not been reviewed or verified by Newmont and are on tenements subject to the 2022 farm-in agreement with Newmont (formerly Newcrest)
 - Yandan – GBM ASX Announcement, 23 December 2020, Mt Coolon and Yandan Combined Resources Total 852,000 oz, following completion of Yandan acquisition, GBM ASX Announcement, 14 March 2023, Results of Yandan Mineral Resource Update
 - Twin Hills – GBM ASX Announcements, 18 January 2019, Mt Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces, 2 February 2022, Significant Resource Upgrade at Twin Hills Project and 5 December 2022, Twin Hills Gold Project Upgrades to ~1 Moz Mineral Resource
 - White Dam – GBM ASX Announcement, 18 August 2020, White Dam Maiden JORC 2012 Resource of 102 koz
- a) The preceding statements of Mineral Resources conforms to the “Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition”
 - b) All tonnages are dry metric tonnes
 - c) Data is rounded to ('000 tonnes, 0.0 g/t and '000 ounces). Discrepancies in totals may occur due to rounding
 - d) Resources have been reported as both open pit and underground with varying cut-off based off several factors as discussed in the corresponding Table 1 which can be found with the original ASX announcement for each Resource

APPENDIX 3: GBM holds 4,667 km² of mining and exploration tenure across 23 granted EPMs and 7 Mining Leases within the Drummond Basin, Australia's pre-eminent epithermal gold terrain. This includes granted mining leases at Twin Hills, Yandan, and Mt Coolon. Along with a key JV with Newmont on the Mt Coolon tenements.

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Mt Coolon Project tenements (blue above) subject to Newmont Farm-in include; EPM's 15902, 25365, 25850, 7259, 26842, 26914, 27555, 27556, 27557, 27558, 27598 and ML's 10227, 1029, 1085, 1086.