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GME appoints Azure Capital as adviser

GME Resources Limited (GME) is pleased to announce the appointment of Azure Capital ("**Azure**") to assist in examining and developing strategic options in relation to the NiWest Nickel Laterite Project. This will include a review of the project scope, funding arrangements and potential strategic alliances.

As previously announced, the NiWest Project is a nickel laterite deposit with an existing defined resource of 109Mt at 0.93% nickel and 0.07% cobalt, containing 1.0Mt nickel and 67,000t cobalt. This resource was defined in 2009 and represents a significant global nickel laterite deposit due to its size, relatively high grade, its location in a favourable mining jurisdiction and close proximity to major infrastructure.

Over the past 3 years, GME has spent over \$20 million on resource development and feasibility studies to understand the options for developing the NiWest Project. From these studies, GME's assessment is that the most economically attractive processing option is a heap leach processing plant. Whilst this is a relatively new processing technique for nickel laterites, there are heap leach plants planned by European Nickel plc at its Çaldag Project in Turkey and Rusina Mining at its Acoje Project in the Philippines. European Nickel's recent offer to acquire Rusina Mining highlights its confidence in the heap leach process.

Most importantly heap leach for laterites has been successfully developed by Minara Resources at its Murrin Murrin Project located adjacent to the NiWest Project.

Azure is a leading, independent, West Australia based corporate adviser, with a strong focus on the resources sector. The firm founded in 2004 is jointly chaired by John Poynton and Mark Barnaba and has grown to become ranked 2nd (by volume of deals) in the Australian Mining M&A league table. Azure's broad mandate is to examine the alternatives available to the GME and to advise and assist in executing a strategy which will maximise the value for the GME's shareholders.

In order to align Azure with shareholders, as part of the engagement GME will issue Azure 2 tranches of unlisted share options; 5,000,000 options with an exercise price of \$0.13 and 5,000,000 options with an exercise price of \$0.18. Both tranches will expire on 28 February 2012.



Yours Faithfully

A handwritten signature in black ink, appearing to read 'David Varcoe'.

David Varcoe
Managing Director

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stephen Hyland who is a member of The Australasian Institute of Mining and Metallurgy. Mr Hyland is a Principal Consultant with Ravensgate Minerals Industry Consultants who consults to the Company. Mr Hyland has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves. Mr Hyland consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.