

Resource Update

06 April 2011



Highlights

- Resource upgrades completed for four project areas at Hepi, Mt Kilkenny, Mertondale and Waite Kauri following recent drilling.
- **Resource upgrades of between 4% and 18% were achieved at Hepi, Mt Kilkenny and Waite Kauri.** These results are very pleasing and add significantly to the high grade nature of the resources.
- Further work is planned for 2011 to drill and target additions to the resource base in particular the higher grade ore zones at these and other deposits.
- Higher grade resources add directly to the value of the major project and represent opportunities for ore sales to other nickel plants in the region ahead of the development of GME's standalone project.

Results

A total of 64 holes for 1850 metres of Reverse Circulation (RC) drilling were recently completed over the 4 project areas at Hepi, Mt Kilkenny, Mertondale and Waite Kauri. The program targeted high grade extensions and infill zones. Very promising results including 25 metres at 1.46%Ni at Mt Kilkenny and 6 metres at 1.98%Ni at Hepi were observed (see ASX announcement 19 November 2010).

The resources were modelled by independent group Ravensgate Minerals Industry Consultants. The opportunity was also taken to update mineralization wireframes to better represent the assay and logging data. A revised technique was used to estimate grade based on 1 metre composite samples used in ordinary kriging interpolation. Updated resource tables reported from the various block models at varying cut-off grades (COG) are shown below. (Table 1 & 2)

About GME Resources

GME Resources is a Perth-based nickel company focused on the development of its 100%-owned NiWest Project, located in the Leonora district of Western Australia.

GME has the potential to become a top 10-global nickel producer with its NiWest Project resource totalling over 100 million tonnes of ore containing over 1 million tonnes of nickel – making it one of the most exciting undeveloped laterite nickel projects in Australia.

The bankable feasibility study (BFS) is underway for a project capable of supplying 30,000 to 35,000 tonnes of Nickel metal and 1,400 tonnes of cobalt per year.

Quick Facts

ASX Code	GME
ASX Share Price (A\$)	0.10
Market Cap (A\$m)	30

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Resource Upgrades Apr 2011			
Project	COG (%Ni)	Tonnage Change	Contained Metal Change
Hepi	1.00%	10%	12%
	1.20%	15%	18%
Mt Kilkenny	1.00%	1%	1%
	1.20%	10%	11%
Waite Kauri	1.00%	1%	1%
	1.20%	4%	4%
Mertondale	1.00%	-10%	-11%
	1.20%	-7%	-10%

Table 1 Change in resource tonnes and contained metal. (Change based on comparing the previously released figures calculated in 2008/09)

Hepi, Mt Kilkenny and Waite Kauri are three of the more advanced projects in the NiWest Ni-Co laterite portfolio. Mertondale which had a reduction in tonnage is a less well developed project based on wider spaced drilling. Mertondale requires more drilling work to realise its full potential and at present it represents only 2% of the NiWest resource base.

0.7% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
TOTAL	Measured	45.86	0.96	0.06	441,692	28,229
	Indicated	32.28	0.92	0.06	295,631	18,502
	Inferred	30.32	0.89	0.06	270,250	19,600
	Combined	108.46	0.93	0.06	1,007,573	66,331

0.8% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
TOTAL	Measured	34.22	1.04	0.07	355,198	23,037
	Indicated	22.41	0.99	0.06	222,273	14,189
	Inferred	19.09	0.96	0.06	184,038	11,303
	Combined	75.73	1.01	0.06	761,509	48,529

1.0% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
TOTAL	Measured	19.21	1.19	0.08	228,996	15,215
	Indicated	8.47	1.14	0.08	96,299	6,461
	Inferred	5.07	1.14	0.07	57,741	3,786
	Combined	32.74	1.17	0.08	383,036	25,463

1.2% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
TOTAL	Measured	7.43	1.37	0.09	101,534	6,681
	Indicated	2.23	1.31	0.09	29,165	1,981
	Inferred	1.29	1.28	0.09	16,591	1,106
	Combined	10.96	1.34	0.09	147,290	10,067

Table 2 Updated global nickel resources for the NiWest Project at varying cut-off grades as reported from the block model.

The block model was developed by Ravensgate using MineSight software, the block size used was 20 x 20 x 2 metres. Grades are estimated into the blocks using ordinary kriging.

NiWest Nickel Project

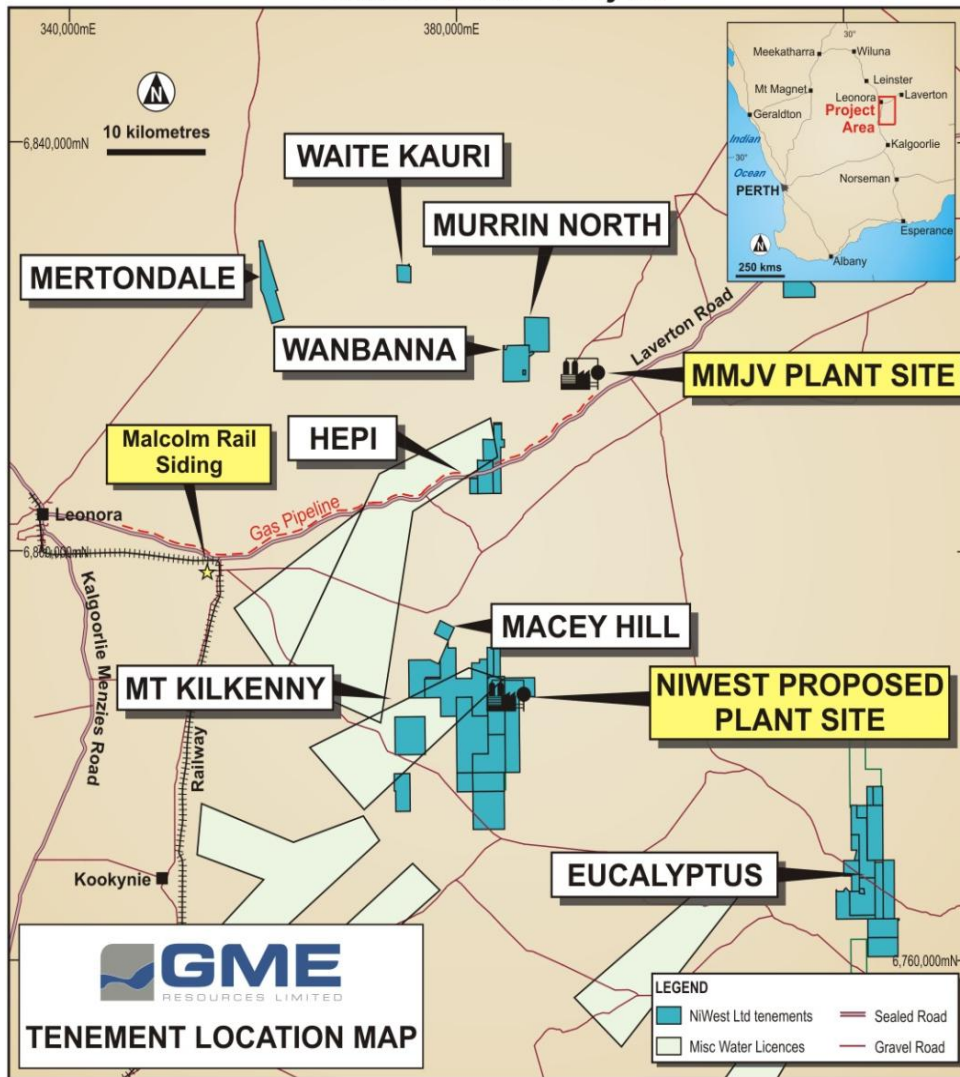


Figure1 NiWest Project Location map.

David Varcoe

DAVID VARCOE

MANAGING DIRECTOR

Date: 06 April 2011

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.