



**ABN 62 009 260 315**

8 January 2013

ASX ANNOUNCEMENT

**1 FOR 6 NON RENOUNCEABLE ENTITLEMENT ISSUE**

In accordance with our estimated timetable the Company received confirmation from its mailing house that Offer Documents for the 1 for 6 Non-renounceable Entitlement Issue were dispatched to shareholders today 8 January 2013

As a reminder, the indicative timetable for the entitlement issue is set out below

**Key Terms**

Announcement of offer	17 December 2012
Record Date (for determining shareholder's entitlements to receive an issue of new shares under the Entitlement Issue)	4 January 2013
Entitlement and Acceptance form and Offer Document dispatched to Shareholders	8 January 2013
Closing date of entitlement issue	1 February 2013
Notify ASX of under subscriptions	6 February 2013
Dispatch of Shareholder Statements	8 February 2013

Attached is a copy of the Offer Booklet sent to shareholders

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mark Pitts', is enclosed in a thin black rectangular box.

**MARK PITTS**  
Company Secretary



ABN 62 009 260 315

# NON RENOUNCEABLE ENTITLEMENT ISSUE OFFER BOOKLET

A Non Renounceable Pro Rata Offer of up to  
57,195,899 shares at 2.6 cents each  
to Eligible Shareholders, on the basis of  
1 share for every 6 shares  
held at the Record Date, to raise up to \$1,487,093

THIS OFFER CLOSSES AT 5.00PM WST ON 1 FEBRUARY 2013.  
VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.

Please read the instructions in this Offer and on the accompanying  
Entitlement and Acceptance Form regarding the acceptance of your entitlement.

This is an important document and requires your immediate attention. It should be read in its entirety.  
If you are in doubt about what to do, you should consult your professional adviser without delay.  
The securities offered by this Offer are of a speculative nature.



**ABN 62 009 260 315**

**LETTER FROM THE CHAIRMAN**

21 December 2012

Dear Shareholder

On behalf of the Directors of GME Resources Limited, I invite you to make a further investment in your Company.

The Company is pleased to offer eligible shareholders the right to participate in a 1:6 non renounceable Entitlement Issue of 57,195,899 new shares at an issue price of 2.6 cents per share to raise up to \$1,487,093.

The Company intends to utilise the funds raised from the Entitlement Issue so that it can continue to advance its nickel and gold projects.

The funds will be used to accelerate work on the Devon Gold Project located at Linden in the north eastern Goldfields of WA. The Company recently announced drilling results that included numerous near surface high grade gold intercepts. These encouraging results further enhance the probability of developing the Devon Gold Project which has the potential to deliver an important economic benefit to the Company. Funds from this capital raising will used to accelerate mining studies and environmental permitting so that the Company can advance the development of this resource in the near term.

The Company will continue the study into the development of a standalone world class scale nickel-cobalt project and intends to undertake further metallurgical test work and related activities, resource drilling and consequent resource recalculations, other activities towards approval and development of the nickel project. The current resource contains over one million tonnes of nickel metal and is fully JORC compliant.

The Entitlement Issue is not underwritten, the Directors have however reserved the right to place the shortfall.

Accordingly, I encourage your participation in this Entitlement Issue. Should you wish to discuss any aspect of this capital raising please do not hesitate to contact myself, my fellow Directors or the Company Secretary, Mark Pitts on (08) 9316 9809

Yours faithfully

A handwritten signature in black ink, appearing to read 'Michael Perrott', written in a cursive style.

**Mr Michael Perrott AM**  
**Chairman**

## Entitlement Issue Offer Document

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### 1. Introduction

GME Resources Limited (GME Resources or the Company) is making a non renounceable pro-rata offer of shares to shareholders of GME Resources with a registered address in Australia or New Zealand to raise up to \$1,487,093.

This is an important document and requires your immediate attention. It should be read in its entirety.

The Offer is being made under section 708AA of the Corporations Act. This document is not a prospectus and does not contain all of the information that would ordinarily be contained in a prospectus.

Shareholders should be aware that investment in GME Resources involves many risks which may be higher than risks associated with investments in other companies. Investors should consider the investment in GME Resources speculative. If you are in doubt what to do or whether to accept the Offer you should consult your stockbroker, accountant, solicitor or other professional adviser without delay.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Offer Document. Any information or representation not so contained may not be relied on as having been authorised by GME Resources in connection with the Offer.

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### 2. Details of Offer

#### 2.1 Offer

GME Resources is making a non renounceable pro-rata offer of shares each at an issue price of \$0.026 to persons registered as the holder of shares on the Record Date whose registered address is in Australia or New Zealand<sup>1</sup> (Eligible Shareholders) on the basis of one share for every six shares held at the Record Date (Offer). Where the determination of the entitlement of any Eligible Shareholder results in a fraction of a share, such fraction will be rounded down to the nearest whole share. The Offer is not underwritten.

GME Resources will accept Entitlement and Acceptance Forms until 5.00pm WST on the Closing Date in the Timetable below or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the ASX Listing Rules.

Your entitlement is shown on the Entitlement and Acceptance Form accompanying this Offer Document. You may accept the Offer only by applying for shares on a personalised Entitlement and Acceptance Form sent with this Offer Document.

You may accept all or only part of your entitlement.

Acceptance of a completed Entitlement and Acceptance Form by GME Resources creates a legally binding contract between the applicant and GME Resources for the number of shares accepted or deemed to be accepted by the applicant. The Entitlement and Acceptance Form does not need to be signed by the applicant to be legally binding. The Offer and contract formed on acceptance are governed by the applicable law of Western Australia.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

Shares offered by this Offer Document are expected to be issued, and security holder statements dispatched, on the date specified in the Timetable.

It is the responsibility of applicants to determine their allocation prior to trading in the shares. Applicants who sell shares before they receive their holding statements will do so at their own risk.

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<sup>1</sup>Please note that, pursuant to the Securities Act (Overseas Companies) Exemption Notice 2002, those New Zealand shareholders at the Record Date who cease to hold shares between that date and the date on which the Offer opens (8 January 2013) are no longer eligible to participate in the Offer.

## 2.2 Timetable

Announcement of Offer and lodgement of Appendix 3B and Section 708AA Notice	17 December 2012
Notice to shareholders	20 December 2012
Record Date	4 January 2013
Offer Opens; Offer Document and Entitlement and Acceptance Form despatched to Eligible Shareholders	8 January 2013
Closing Date	1 February 2013
Notify ASX of shortfall	6 February 2013
Anticipated date for the issue of the shares and dispatch of holding statements	8 February 2013
Commencement of trading of the shares	8 February 2013

Subject to the ASX Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the shares.

## 2.3 Entitlement trading

The pro-rata offer of shares is non renounceable, which means that Eligible Shareholders may not sell or transfer all or any part of their entitlement to subscribe for shares.

## 2.4 Shortfall shares

The Entitlement Issue is not underwritten. If the Offer is not fully subscribed the Directors reserve the right to issue the shortfall shares at their absolute discretion. The issue price for each shortfall share will be \$0.026.

## 2.5 ASX quotation and Deferred Settlement Trading

Application will be made to ASX for the official quotation of the shares to be issued under the Offer. If permission is not granted by ASX for the official quotation of the shares to be issued under the Offer, GME Resources will repay, as soon as practicable, without interest, all application monies received pursuant to the Offer. There will be no trading of shares on a deferred settlement basis. Trading of the shares will, subject to ASX approval, occur on or about the date specified in the Timetable.

## 2.6 Taxation implications

The Directors do not consider it appropriate to give shareholders advice regarding the taxation consequences of subscribing for shares under this Offer Document. GME Resources, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to shareholders. As a result, shareholders should consult their professional tax adviser in connection with subscribing for shares under this Offer Document.

## 2.7 Overseas shareholders

This Offer Document does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. It is intended only to make an offer to shareholders resident in Australia or New Zealand. The Company has formed this view after an examination of the register which indicated over 98% of holders reside in Australia or New Zealand and will be eligible to participate in the offer.

Therefore the Company is of the view that it is unreasonable to make an offer to shareholders outside of Australia and New Zealand (Excluded Shareholders) having regard to:

- (a) the number of shareholders outside of Australia and New Zealand;
- (b) the number and value of the securities to be offered to shareholders outside of Australia and New Zealand; and
- (c) the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

However, in accordance with section 615 of the Corporations Act, the Company will appoint an ASIC approved nominee (**Nominee**) to arrange for the sale on ASX of the shares which may have been issued to Excluded Shareholders. The Nominee will direct the net proceeds (if any, after deduction of the issue price and the costs of sale) to the Company to facilitate pro rata payments of any net proceeds to Excluded Shareholders.

The Nominee will have the absolute and sole discretion to determine the timing and the price at which the shares issued to it may be sold and the manner in which any sale is made. Any interest earned on the proceeds of the sale of these shares will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the Company.

The proceeds of sale (if any) will be paid in Australia dollars to the Excluded Shareholders for whose benefit the shares have been sold in proportion to their shareholdings (after deducting brokerage, commission and other expenses).

If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company.

Notwithstanding that the Nominee may sell the shares. Excluded Shareholders may nevertheless receive no net proceeds if the Issue Price plus the costs of the sale are greater than the sale proceeds.

Neither the Company nor the Nominee will be liable for a failure to obtain any net proceeds, or to see the shares at any particular price.

The distribution of this Offer Document in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Offer Document should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia or New Zealand should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

The Offer to New Zealand investors is being made pursuant to the New Zealand Securities Act (Overseas Companies) Exemption Notice 2002.

No person is authorised to give information or to make any representation in connection with this Offer Document which is not contained in the Offer Document. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Offer Document.

In making representations in this Offer Document regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Members of the public in Australia and New Zealand who are not existing shareholders on the Record Date are not entitled to apply for any shares.

## **2.8 Effect of Offer on control of the Company**

Control will be affected by the level of applications under the Entitlement Issue. Based on current disclosures made by substantial shareholders in the Company the maximum percentage shareholding any existing shareholder could attain through taking up their entitlement would be 34.8% (an increase from 31.8%).

The final percentage interests held by substantial shareholders of the Company is entirely dependent on the extent to which other shareholders take up their entitlements. The Company expects that the potential effect of the issue of shares under the Entitlement Issue on the control of the Company will be minimal.

## **2.9 Privacy**

GME Resources collects information about each applicant provided on an Entitlement and Acceptance Form for the purposes of processing the application and, if the application is successful, to administer the applicant's security holding in GME Resources.

By submitting an Entitlement and Acceptance Form, each applicant agrees that GME Resources may use the information provided by an applicant on the Entitlement and Acceptance Form for the purposes in this privacy disclosure statement and may disclose it for those purposes to the share registry, GME Resources' related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Entitlement and Acceptance Form, GME Resources may not be able to accept or process your application.

An applicant has a right to gain access to the information that GME Resources holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to GME Resources' registered office.

## **2.10 Enquiries**

Enquiries concerning the Entitlement and Acceptance Form can be obtained by contacting Computershare Investor Services Pty Limited by telephone - 1300 263821 (within Australia) and 03 9415 4873 (outside Australia). The address for Computershare Investor Services Pty Limited is:

Computershare Investor Services Pty Limited, GPO Box 505, Melbourne, VIC 3001.

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### 3. Capital Structure on Completion of the Issue

#### *Assuming Full Subscription*

Issued Capital	Notes	Number of Shares	Number of Options
Issued capital at the date of this Offer		343,175,391	Nil
Offer	1	57,195,899	Nil
<b>Total securities after the Issue</b>		<b>400,371,290</b>	Nil

1 Assumes that the Offer is fully subscribed.

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### 4. Use of Funds

The funds to be raised from the Offer will be applied to the following areas:

Use of Funds	Full Subscription
<b>Total Raised in the Offer</b>	1,487,093
Costs of Offer	25,000
<b>Net amount raised</b>	<b>1,462,093</b>
Feasibility Study and project evaluation	800,000
Working Capital	662,093
<b>Funds Applied</b>	<b>1,462,093</b>

Refer to the Letter from the Chairman for further details of the use of the funds raised under the Offer.

To the extent that the funds raised fall below the level shown above, the Directors will determine the most appropriate level of expenditure by category and project area, however, the shortfall will be deducted firstly from Feasibility Study and project evaluation. The Directors are of the opinion that on completion of the Offer there will be sufficient working capital for the Company to meet its stated objectives.



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## **5. Risk Factors**

Potential investors in the Company should be aware that subscribing for shares involves a number of risks. The risk factors outlined in this Section and elsewhere in this Offer should be carefully considered by investors when evaluating an investment in the Company. In addition, investors should appreciate that the value of shares and options on ASX may rise or fall depending on a range of factors beyond the control of the Company. This is especially the case with companies undertaking mining and exploration activities.

Any of the factors set out in this Section or any other factors identified in this Offer may materially affect the financial performance of the Company and the market price of the shares. To that extent the shares carry no guarantee with respect to the payment of dividends, return on capital or the price at which those shares will trade on the ASX.

The Directors consider that an investment in the Company should be considered speculative due to:

- the recent volatility in publicly listed entities on world stock markets generally, and of mining and exploration companies in particular; and
- the speculative nature of mining and exploration activities.

While the Company plans to take prudent measures to safeguard from, or mitigate its exposure to these risks, many of the risks are outside of the Company's control.

There are a number of risk factors that investors should consider before deciding whether or not to invest in the shares. The principal risk factors include, but are not limited to, the following:

### **5.1 Security Investments**

Applicants should be aware that there are risks associated with any securities investment. The prices at which the shares trade may be above or below the Offer Price, and may fluctuate in response to a number of factors.

Further, the stock market and in particular the market for mining and exploration companies have experienced price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that these trading prices will be sustained. These factors may materially affect the market price of the shares, regardless of the Company's operational performance. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **5.2 Exploration and Development Risks**

Mineral exploration and mining are high risk enterprises, only occasionally providing high rewards. In addition to the normal competition for prospective ground, and the high average costs of discovery of an economic deposit, factors such as demand for commodities, stock market fluctuations affecting access to new capital, sovereign risk, environmental issues, labour disruption, project financing difficulties, foreign currency fluctuations and technical problems all affect the ability of a company to profit from any discovery.

There is no assurance that exploration and development of the mineral interests held by the Company, or any other projects that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be profitably exploited.

### **5.3 Resource Estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when made may change significantly when new information becomes available.

In addition, resource estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate. Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

### **5.4 Title**

All of the tenements in which the Company holds or may earn an interest in, will be subject to applications for renewal. The renewal of the term of each tenement is at the discretion of the responsible Minister.

If a tenement is not renewed, the Company may suffer significant damage through loss of the opportunity to develop and discover any mineral resources on that tenement.

## **5.5 Native Title Risks**

Some or all of the mining tenements held by the Company may be subject to native title claims in the future. Should a native title claim be lodged in respect to one of the Company's mining tenements, it may have a material adverse effect on the Company's business and its financial condition and performance.

## **5.6 Policies and Legislation**

Any material adverse changes in government policies or legislation affecting mining and exploration activities may affect the viability and profitability of the Company.

## **5.7 Joint Venture Parties and Contractors**

The Directors are unable to predict the risk of:

- financial failure or default by a participant in any joint venture to which the Company is, or may become, a party; or
- insolvency or other managerial failure by any of the contractors used by the Company in its exploration or other activities; or
- insolvency or other managerial failure by any of the other service provider used by the Company for any activity.

## **5.8 Future Capital Needs and Additional Funding**

The future capital requirements of the Company will depend on many factors including the results of any future exploration and work programs, and the ability to successfully exploit identified mineral deposits. The Company believes its available cash and the net proceeds of this Offer should be adequate to fund the continued exploration and development of the projects and other Company objectives as stated in this Offer.

Should the Company require additional funding there can be no assurance that additional financing will be available on acceptable terms, or at all. Any inability to obtain additional finance, if required, would have a material adverse effect on the Company's business and its financial condition and performance.

## **5.9 Operating Risks**

Many of the Company's mineral assets are in a pre-development phase. As a result, the Company will be subject to all the risks inherent in the establishment of new mining operations. No assurances can be given to the level of viability that the Company's operations may achieve.

The operations of the Company, if and when it commences production, may be disrupted by a variety of risks and hazards which are beyond the control of the Company, including environmental hazards, industrial accidents, technical failures, labour disputes, unusual or unexpected rock formations, flooding and extended interruptions due to inclement or hazardous weather conditions, fire, explosions and other incidents beyond the control of the Company.

These risks and hazards could also result in damage to, or destruction of, production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. While the Company currently intends to maintain insurance within ranges of coverage consistent with industry practice, no assurance can be given that the Company will be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims.

## **5.10 Commodity Price Volatility**

It is anticipated that any revenues derived from mining will primarily be derived from the sale of nickel and cobalt. Consequently, any future earnings are likely to be closely related to the price of these commodities and the terms of any off-take agreements which the Company enters into.

Nickel and cobalt prices may fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for nickel, cobalt, copper and gold, forward selling by producers, and production cost levels in other nickel, copper and gold producing regions.

Moreover, nickel and cobalt prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates, currency and exchange rate fluctuations, and global and regional demand for, and supply of, the metals as well as general global economic conditions. These factors may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

#### **5.11 Environmental Risks**

The Company's projects are subject to Western Australian and Federal Australian laws and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mining projects, these projects would be expected to have a variety of environmental impacts should development proceed. The Company intends to conduct its activities in an environmentally responsible manner and in accordance with applicable laws.

#### **5.12 Economic Risk**

Changes in customer preference or the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors which may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption in Australia, the rate of growth of Australia's gross domestic product, interest rates and the rate of inflation.

#### **5.13 Reliance on Key Personnel**

The Company is reliant on a number of key employees. The loss of one or more of its key personnel could have an adverse impact on the business of the Company.

#### **5.14 Tax Reform**

The Australian Government has indicated that it may introduce further tax reform. The introduction and scope of this further tax reform is uncertain. Until the precise nature of this reform is determined, the Company is not able to give any assurance as to the impact on its operating and financial performance.

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## **6. Action Required by Shareholders**

### **6.1 Acceptance of shares under this Offer Document**

Should you wish to accept all of your entitlement to subscribe for shares, then applications for shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document, in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

**If you are using the BPay facility as per the instruction on the Entitlement and Acceptance form you do not need to return the form as your acceptance and details are recorded electronically.**

If you wish to pay manually, please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided and attach a cheque for the amount indicated on the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms must be accompanied by a cheque in Australian dollars, crossed 'Not Negotiable' and made payable to 'GME Resources Limited' and lodged at any time after the issue of this Offer Document and on or before the Closing Date at GME Resources' share registry (by post) at the address in section 2.10 above.

### **6.2 If you do not wish to take up your entitlement or you wish to take up only part of your entitlement**

Should you wish to only take up part of your entitlement, then applications for shares under this Offer Document must be made on the Entitlement and Acceptance Form which accompanies this Offer Document in accordance with the instructions referred to in this Offer Document and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Unless you are using the BPay Facility, please complete the Entitlement and Acceptance Form by filling in the details in the spaces provided, including the number of shares you wish to accept and the amount payable (calculated at \$0.026 per share accepted), and attach a cheque for the appropriate application monies.

If you do not wish to accept any of your entitlement, you are not obliged to do anything. In that case, shares not accepted by the Closing Date will become shortfall shares and you will receive no benefit.