

# QUARTERLY REPORT



June 2013

## Corporate

In June, long term Director Geoff Motteram tendered his resignation as a director of the Company. Mr Motteram served as director for over 15 years and was instrumental in the development of a number of innovative metallurgical processes that will be utilised in the development of the Company's NiWest Nickel Laterite Heap Leach Project.

The Company would like to recognise the importance of Mr Motteram's technical input over a significant period of time and wish him well in retirement.

## Nickel Heap Leach Project

The Company's 100% owned "NiWest" nickel laterite project is located at Murrin Murrin in the North Eastern Goldfields of Western Australia. The project hosts a JORC (2004) compliant resource of over 100 million tonnes of nickel Laterite. Over 75% of the resource is classified at measured and indicated categories (Table 1).

Large scale column test work completed to date indicate the laterites contained in the NiWest resource are amenable to processing by heap leach method with nickel extraction rates above 70%.

Recent successful metallurgical test work simulating Heap Leach – Direct Solvent Extraction combined with the Company's acid regeneration process provides a positive outcome that has the potential to change the project economics.

The Company has appointed metallurgical consultants Mworx Pty Ltd to complete a review of the previously completed Pre-Feasibility Study and the partially completed Bankable Feasibility Study. In addition to this, Mworx are working on refinements to the flow sheet that will be incorporated in the next phase of metallurgical test work.

## Devon Gold Project

The Devon Gold Project, located at Linden in the North Eastern Goldfields hosts resource (JORC 2004) of 52,000 ounces (Table 2). High grade gold mineralisation which can be mined by open pit extends from surface down and is open at depth and to the North and South.



### About GME Resources

GME Resources is a Perth-based nickel exploration 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.

A study is underway for a project capable of producing 30,000 tonnes of Nickel metal and 1,400 tonnes of cobalt per year from a large scale Heap Leaching operation.

Work at the project during the quarter was limited to metallurgical test work to establish recovery rates and rehabilitation of drill sites.

## Tenement Rationalisation

Following the sustained down turn and weakness in the market, the Company completed a review of its tenement holding and has relinquished a number of non – core tenements in an effort to conserve cash. None of the tenements relinquished contain resources and are not required for the future development of its projects.

The Company looks forward to providing further operational updates as required.



Date: 26 July 2013

**JAMIE SULLIVAN**

**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.*

# NiWest Nickel Project

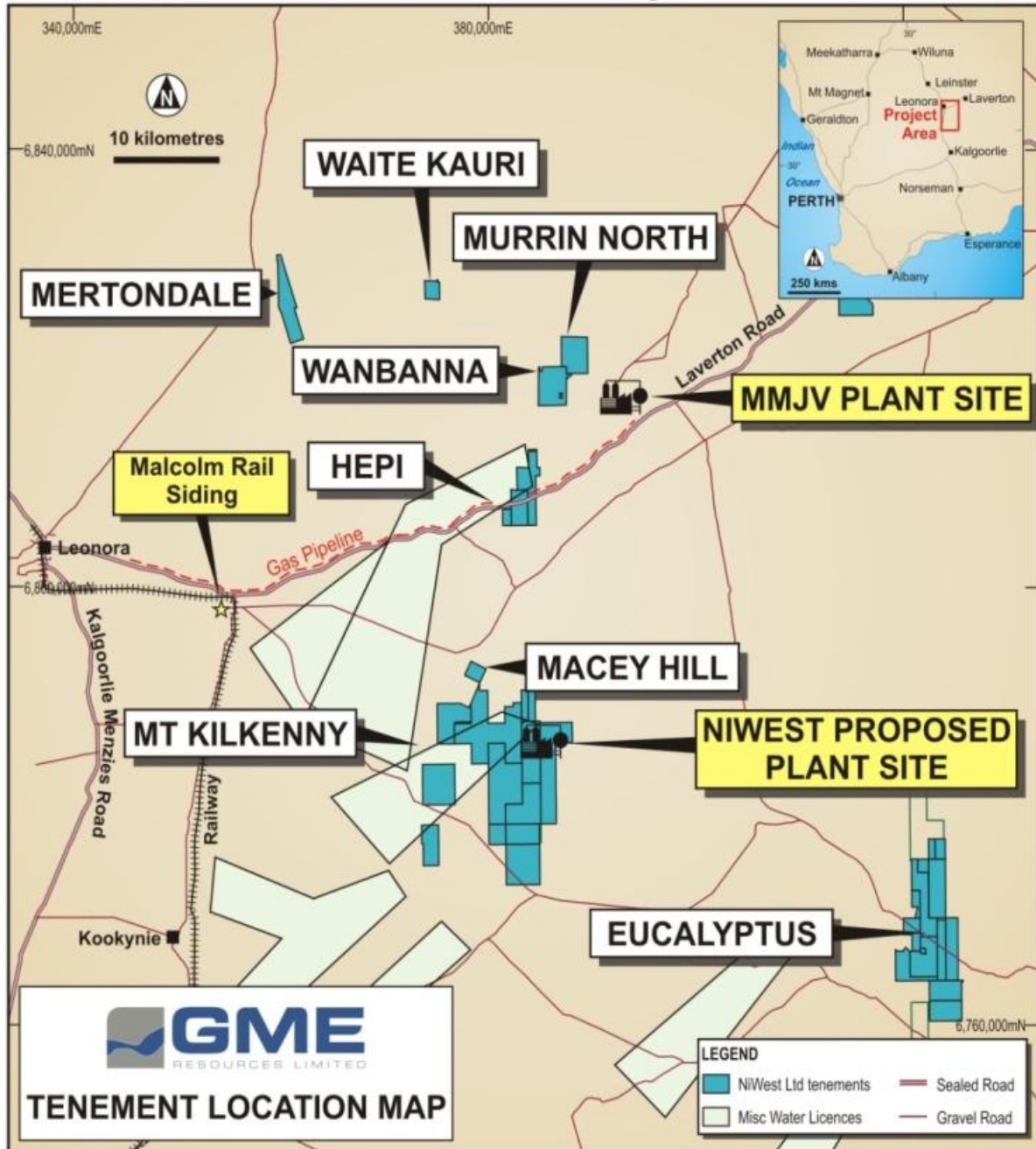


Table 1 : Global resources for the NiWest Nickel Laterite Project at varying cut-off grades. (JORC 2004)

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

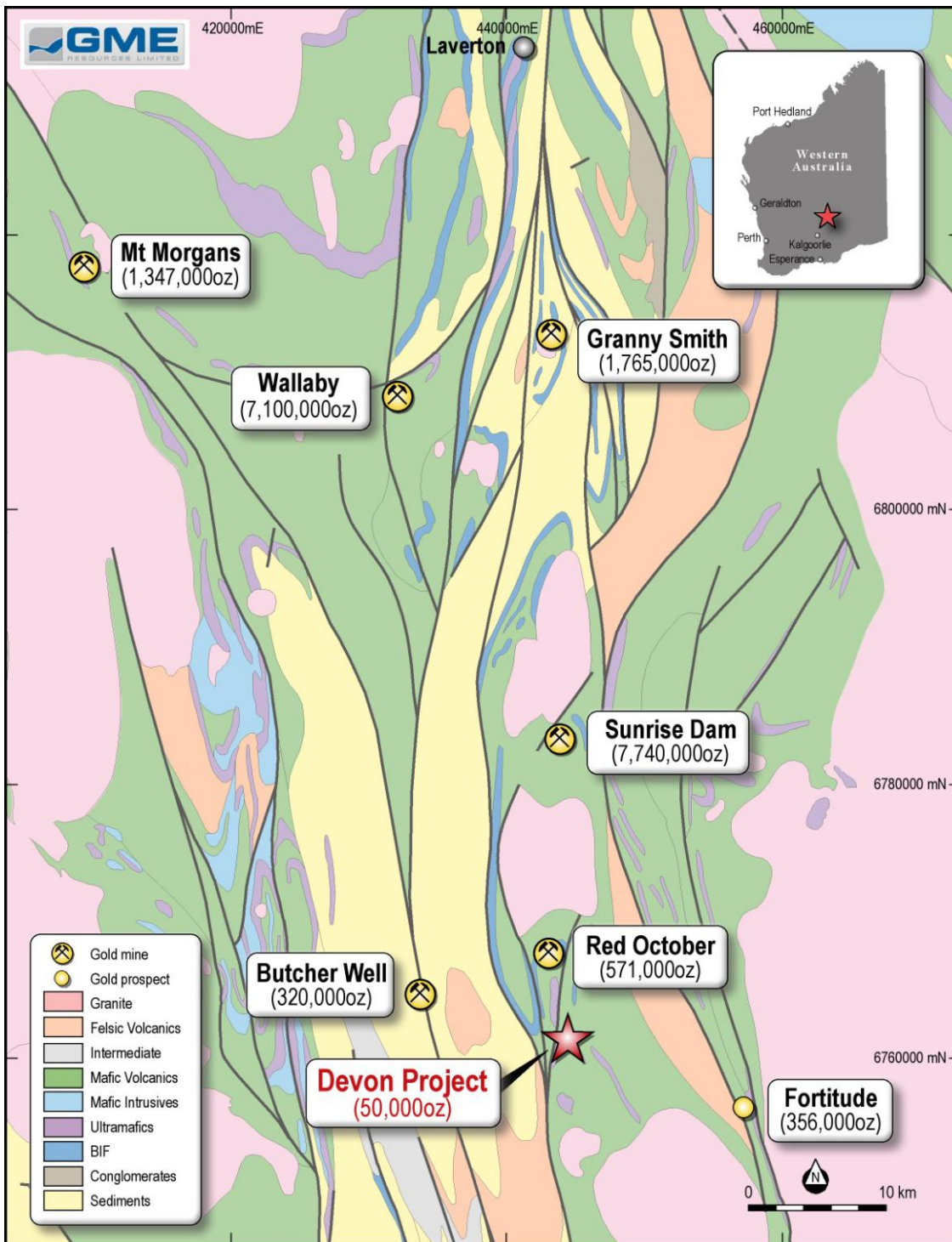
  

1.2% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
TOTAL	Measured	7.43	1.37	0.09	101,534	6,681
	Indicated	2.23	1.31	0.09	29,165	1,981
	Inferred	1.29	1.28	0.09	16,591	1,106
	Combined	10.96	1.34	0.09	147,290	10,067

Table 2 : Devon Mine Resource (JORC 2004)

JORC Classification	Tonnes	Grade g/t	Contained Ounces Gold
Measured	0	-	0
Indicated	346,165	3.07	34,171
Inferred	157,145	3.52	17,786
<b>Total</b>	<b>503,310</b>	<b>3.21</b>	<b>51,957</b>

## Devon Location Plan



The Devon Gold Project is situated over the Laverton Greenstone Belt within the Central Laverton Domain of the Laverton Tectonic Zone. The Sunrise Dam (>7.7 million ounces) and Red October (>0.5 million ounces) and Wallaby/Granny Smith deposits (>.8.8 million ounces) deposits occur to the north of the Devon Gold Mine.



# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

GME Resources Ltd

ABN

62 009 260 315

Quarter ended ("current quarter")

30 June 2013

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(133)	(962)
(b) development	-	-
(c) production	-	-
(d) administration	(44)	(319)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	14	27
1.5 Interest and other costs of finance paid	-	-
1.6 Research & Development refund received	-	77
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(163)</b>	<b>(1,177)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	2
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>-</b>	<b>2</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(163)</b>	<b>(1,175)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(163)	(1,175)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	1,079
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	-	1,079
	<b>Net increase (decrease) in cash held</b>	(163)	(96)
1.20	Cash at beginning of quarter/year to date	925	858
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	762	762

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(58)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	150
4.2 Development	
4.3 Production	
4.4 Administration	100
<b>Total</b>	<b>250</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	762	925
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>762</b>	<b>925</b>

+ See chapter 19 for defined terms.



**Appendix 5B**  
**Mining exploration entity quarterly report**

---

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E37/878	NiWest Ltd	100%	0
	E38/2394	Golden Cliffs NL	100%	0
	E39/1267	Golden Cliffs NL	100%	0
	E39/1604	Golden Cliffs NL	100%	0
	M39/570	NiWest Ltd	100%	0
	M39/616	NiWest Ltd	100%	0
	M39/665	NiWest Ltd	100%	0
	M39/804	NiWest Ltd	100%	0
	M39/845	NiWest Ltd	100%	0
	P39/5093	Golden Cliffs NL	100%	0
	P39/5094	Golden Cliffs NL	100%	0
	P39/5149	Golden Cliffs NL	100%	0
	6.2 Interests in mining tenements acquired or increased	NIL		

---

+ See chapter 19 for defined terms.

### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b>	NIL			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	384,663,864	384,663,864		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities (description)</b>	NIL	NIL		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options (description and conversion factor)</b>				
7.8 Issued during quarter	-			
7.9 Exercised during quarter	-			
7.10 Expired during quarter	-			
7.11 <b>Debentures (totals only)</b>	-			
7.12 <b>Unsecured notes (totals only)</b>	-			

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: .....  
(Director/Company secretary)

Date: .....26 July 2013.....

Print name: .....MARK PITTS.....

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==

---

+ See chapter 19 for defined terms.