

QUARTERLY REPORT

December 2016



Highlights

Devon Gold Mine

- Low grade ore stock piles processed
- Rehabilitation work near complete
- Total profit from operation - \$5.94M

NiWest Nickel - Cobalt Laterite Project

- Metallurgical test program on flow sheet design re commences
- Flow sheet design modified to include Ni/Co sulphate production suitable for Lithium ion battery market
- Resource Update (JORC2012) underway

Murrin Murrin Gold Project J/V

- Detailed mining study on Malcolm Challenger Project in progress

Devon Gold Mine

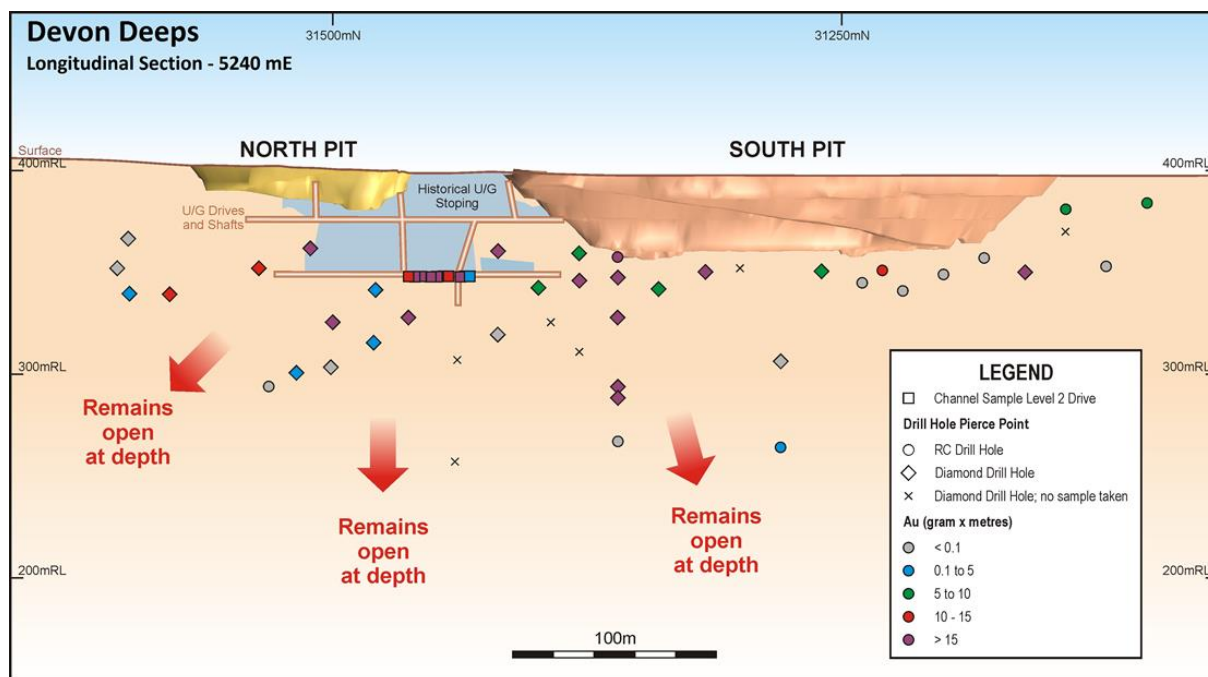
Mining and processing operations at Devon have now concluded and rehabilitation work at the site is scheduled to be completed in February.

The successful development generated \$5.94M million profit (including development costs) which commenced with a trial mine mine in June 2015 and followed by the development of a larger open pit mine from February 2016 to August 2016.

During the quarter the Company processed a further 19,700 tonnes of low grade stock piles averaging 1.61 g/t which generated additional profit of \$335,000.

The development leaves the Company in a relatively strong financial position to pursue further initiatives on both its Gold and Nickel assets over the next year.

The Company is currently reviewing the potential for the development of underground resources at Devon. As indicated on the following long section, mineralisation extends well below the current pit floor and remains open and untested at depth.



NiWest Nickel/Cobalt Laterite Project

The NiWest project is at an advanced stage and will be development ready once the flow sheet design has been finalised. The project is unique in that the nickel and cobalt can be extracted efficiently using uncomplicated low capital heap leaching methods as opposed to the conventional capital intensive autoclave processing circuit.

In addition to the extensive metallurgical / geotechnical test programs and studies based on heap leach technology, the Company has also completed a significant body of work in relation to advancing other aspects of the project, including, mine planning, environmental studies, water resource permitting and approval for a trial mine and demonstration heap leach program at the Hepi Project.

Previous studies have determined that defined resources at the NiWest Ni/Co project support a long life heap leaching operation that has the potential to transform the Company into a significant supplier of nickel and cobalt products. (Refer ASX Announcement 11 Dec 2013).

The Company's development strategy is based on establishing a heap leaching operation aligned to the availability of key leaching reagents that can be sourced locally. Current research has identified potential reagent suppliers in the area that have the capacity to support a heap leach operation.

As foreshadowed in previous reports, the Company has now recommenced metallurgical test work on the development of a suitable project flow sheet for the NiWest Ni/Co Laterite Project. The test work program is focused on the production of high quality nickel and cobalt sulphates.

The Company believes that a project development of this nature has the potential to generate significant market interest with Lithium – ion battery manufacturers. Nickel and cobalt in sulphate format is required as precursor material in the production of many of the cathodes in the rapidly emerging automotive and mobile storage battery market.

The metallurgical program will continue to develop process routes for the economic removal of iron, solution neutralisation and solvent extraction steps. Batch testing has recommenced and once optimum parameters have been set the program will move into continuous piloting. The program will also include development of the Company's patented acid regeneration technology which has potential to reduce overall acid consumption by 30%.

During the reporting period the Company commenced work on updating the NiWest Resource estimate to JORC 2012. This work is nearing completion and an update will be provided in due course.

Murrin Murrin Gold Project Joint Venture.

As announced on the 14 July 2016, the Company, through its 100% owned subsidiary Golden Cliffs NL (GCNL) has entered into a binding Terms Sheet with Kumarina Resources Pty Ltd whereby GCNL can earn up to 50% interest in the project.

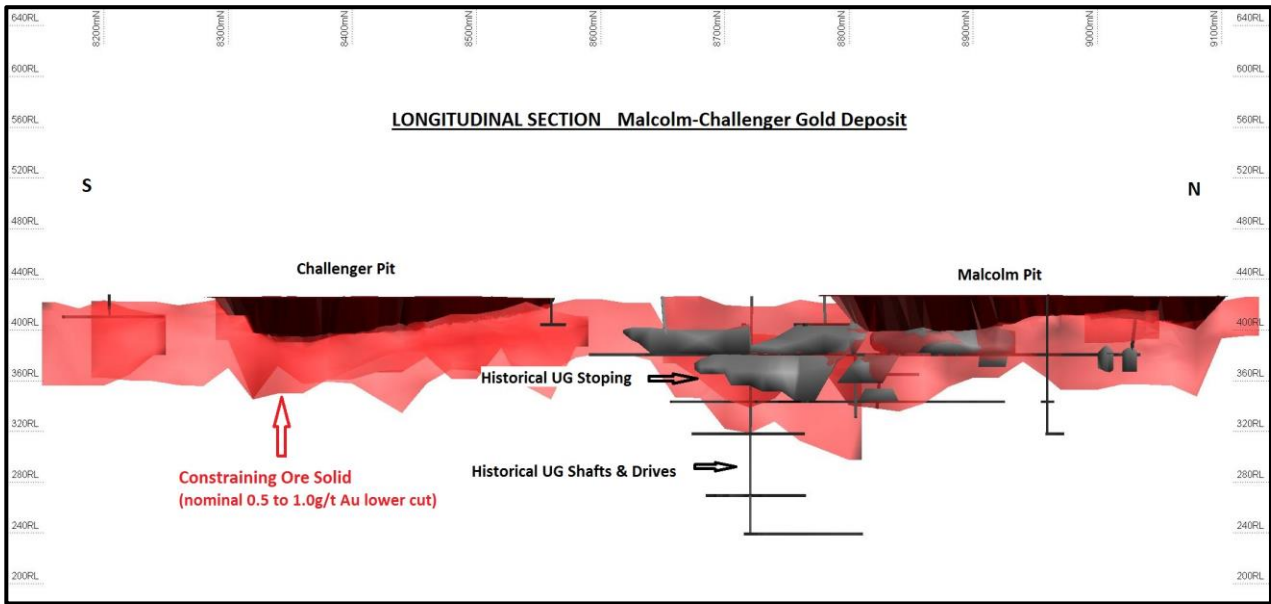
The Murrin Murrin Gold Project hosts the Malcolm Challenger gold deposits that contain a JORC 2012 indicated resource estimate of 547,000 tonnes at 3.12 grams per tonne for 54,875 ounces. (Refer ZER ASX announcement, 22 Jan 2014) and is considered to be at an advanced stage of exploration. The Malcolm Challenger deposit has the potential to be developed in a similar fashion to the Devon Gold project.

The project area also hosts a number of other gold prospects that have been drill tested and provide walk up targets for future exploration.

Malcolm Challenger Deposit

The Joint Venture completed an RC drilling program in September 2016 designed to test the robustness of critical, moderate to high grade gold mineralisation highlighted by previous optimisation studies. These relatively shallow zones of gold mineralisation lie below and adjacent to two shallow open pits at the historic Malcolm and Challenger gold workings. The program confirmed the robustness for a majority of these zones returning significant economic intersection of gold mineralisation up to 14 m @ 11.7 g/t Au from 37 metres. (Refer to ASX Announcement dated 4 October 2016)

The results from the program have been incorporated into the Company's data base, along with further database validation and corrections, incorporating the determination and utilisation of a more accurate grid transformation. Also during the quarter, as part of the process to update the resource model, the company has refined the digital terrain model (DTM), created 3D model of historical underground workings and updated a constraining ore solid.



The updated resource will be used for initial mining studies based around the potential development of an open pit with processing of ore undertaken at a third party plant in the region. The study is expected to be completed in the March quarter.

The Company looks forward to providing further updates as these programs are completed.

JAMIE SULLIVAN

MANAGING DIRECTOR

25 January 2017

Competent Person Statements

NiWest Nickel Project

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stephen Hyland of Ravensgate Resource Consultants. Mr Hyland is a fellow 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. This Mineral Resource Estimate has not been updated to JORC 2012 on the basis that the available information has not materially changed since the last review.

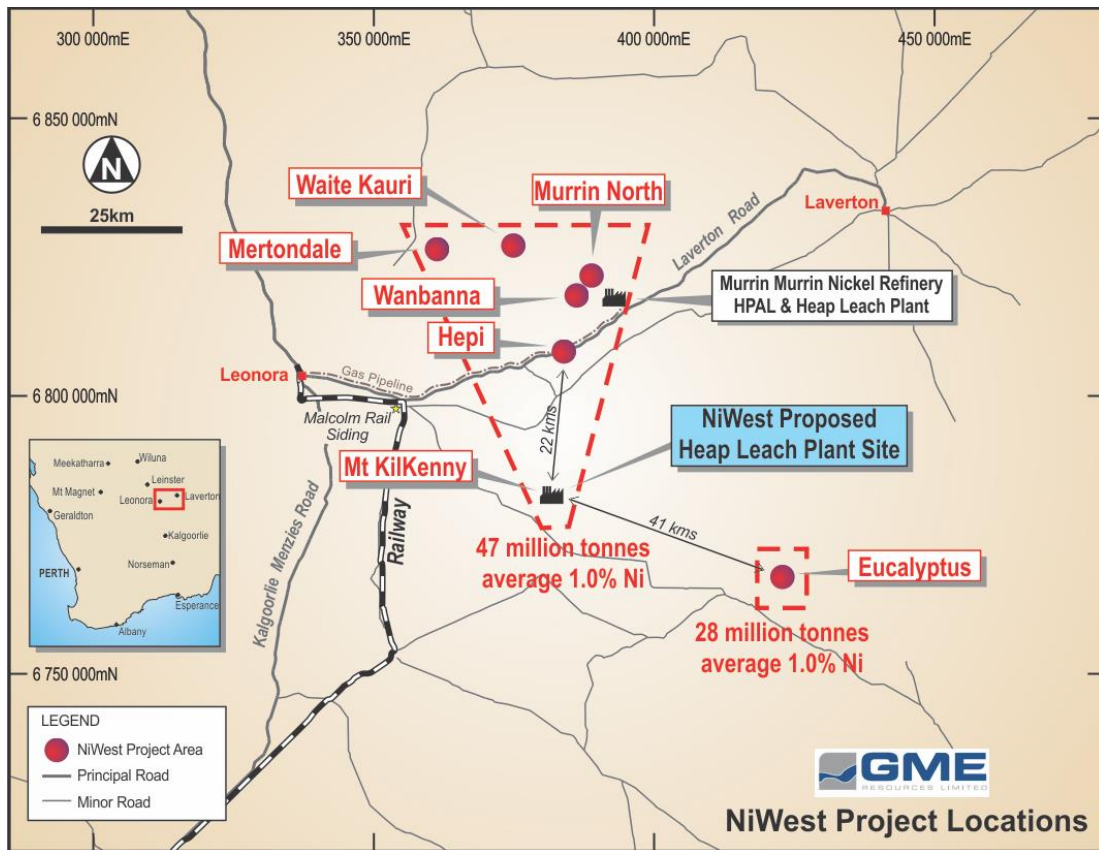
The information in this announcement that relates to Processing / Engineering and related operating and capital cost estimates is based on information reviewed by Mr David Readett (B.E. Met Eng., FAusIMM, CP (Met)). Mr Readett is an independent consulting engineer working through a Company known as MWorx Pty Ltd. Mr Readett is a Chartered Professional Metallurgical Engineer and has 25 years of relevant experience in this area of work. Mr Readett consents to the inclusion in this announcement of the matters based on information provided by him and in the form and context in which it appears.

Devon and Murrin Murrin Gold Projects

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Mark Gunther who is a member of The Australasian Institute of Geoscientists. Mr Gunther is a Principal Consultant with Eureka Geological Services. Mr Gunther 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Gunther consents to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

Forward Looking Statement *This announcement contains statements related to our future business and financial performance and future events or developments involving GME Resources (GME) that may constitute forward-looking statements. These statements may be identified by words such as "potential", "exploitable", "proposed open pit", "evaluation", "expect," "future," "further," "operation, "development, "plan," "permitting", "approvals", "processing agreement" or words of similar meaning. Such statements are based on the current expectations and certain assumptions of GME management & consultants, and are, therefore, subject to certain risks and uncertainties. A variety of factors, many of which are beyond GME's control, affect our operations, performance, business strategy and results and could cause the actual results, performance or achievements of GME to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.*

APPENDIX 1 NiWest Project Plan and Resource Statement



NiWest Resource Estimate (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

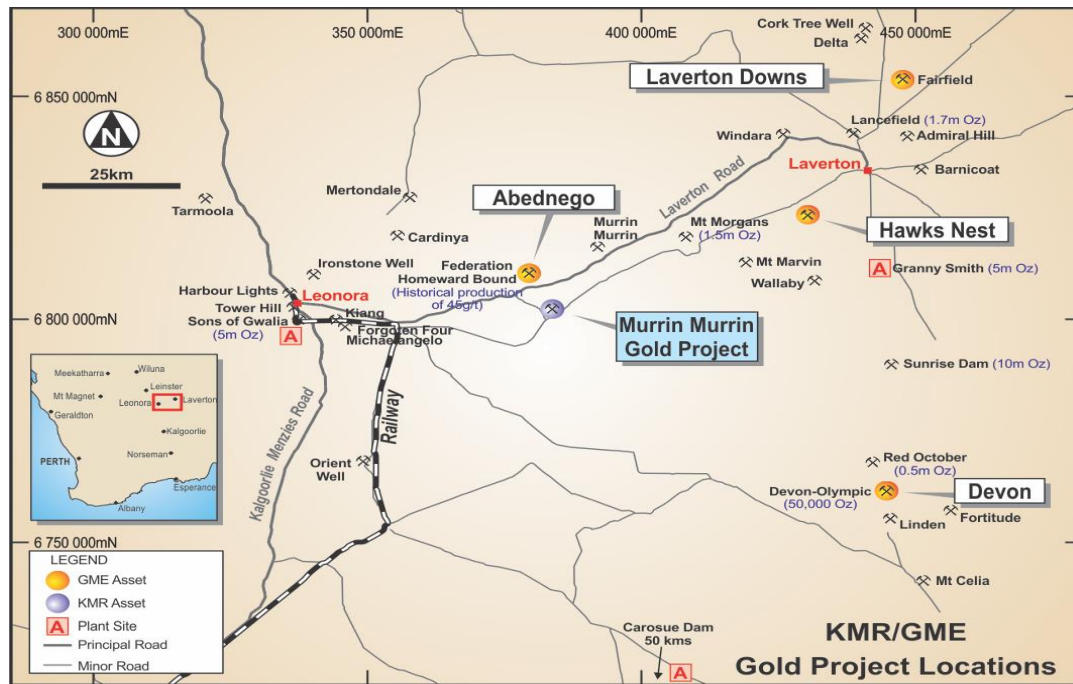
0.8% COG	CATEGORY	Tonnes (Millions)	%Ni	%Co	Ni Metal (tonnes)	Co Metal (tonnes)
TOTAL	Measured	34.22	1.04	0.07	355,198	23,037
	Indicated	22.41	0.99	0.06	222,273	14,189
	Inferred	19.09	0.96	0.06	184,038	11,303
	Combined	75.73	1.01	0.06	761,509	48,529

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

(This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last updated).

Appendix 2 Golden Cliffs NL Project Plan



Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/13, 01/09/16

Name of entity

GME RESOURCES LIMITED

ABN

62 009 260 315

Quarter ended ("current quarter")

31 DECEMBER 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from mining operations – ore sales	1,191	5,720
1.2 Payments for		
(a) exploration & evaluation	(427)	(623)
(b) development	-	-
(c) production	(752)	(2,455)
(d) staff costs	(17)	(42)
(e) administration and corporate costs	(163)	(549)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	110	110
1.9 Net cash from / (used in) operating activities	(54)	2,169

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(3)	(3)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
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4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	3,752	1,529
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(54)	2,169
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(3)	(3)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	3,695	3,695

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	876	937
5.2 Call deposits	2,819	2,815
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,695	3,752

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	110
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	17
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	350
9.2	Development	
9.3	Production	
9.4	Staff costs	48
9.5	Administration and corporate costs	90
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	488

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	P39/4730 P39/4731 P39/4732 P39/4733	Direct	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased		Nil		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Company secretary)

Date:

25 JANUARY 2017

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity

+Rule 5.5

SCHEDULE OF TENEMENTS

Project	Tenements	Interest at Beginning of Period	Interest at End of Period
Abednego West	P39/4730-4733 M39/427, M39/0825 P39/5557 -5559	Golden Cliffs 100% Golden Cliffs 100% Golden Cliffs 100%	Nil Golden Cliffs 100% Golden Cliffs 100%
Eucalyptus	M39/744 M39/289, M39/430 M39/344 M39/666 and M39/674 M39/313, M39/568, M39/802 - 803 P39/5459 E39/1795, E39/1859, E39/1860	NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100%	NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100% NiWest 100%
Hawks Nest	M38/218	Golden Cliffs 100%	Golden Cliffs 100%
Hepi	M39/717 - 718, 819	NiWest 100%	NiWest 100%
Laverton Downs	M38/1266	Golden Cliffs 100%	Golden Cliffs 100%
Linden	M39/1077 – 1078 E39/1760 ML 39/500	Golden Cliffs 100% GME 10% / 90% Exterra Resources	Golden Cliffs 100% GME 10% / 90% Exterra Mining
Mertondale	M37/591	NiWest 100%	NiWest 100%
Mt Kilkenny	M39/878 – 879, E39/1784 E39/1794, E39/1831 E39/1873 P39/5508,5509,5510,5528	NiWest 100% NiWest 100% NiWest 100%	NiWest 100% NiWest 100% NiWest 100%
Murrin Murrin	M39/426, 456, 552, 553 and 569	GlenMurrin 100% Nickel laterite royalty 20 cents per tonne	Golden Cliffs rights to non-nickel laterite tonne 20 cents per
Murrin North	M39/758	NiWest 100%	NiWest 100%
Waite Kauri	M37/1216 P37/8427-8428	NiWest 100% NiWest 100%	NiWest 100% NiWest 100%
Wanbanna	M39/460	NiWest 80% / 20% Wanbanna Pty Ltd	NiWest 80% / 20% Wanbanna Pty Ltd
Murrin Murrin Gold Project	M39/397 - 400, M39/1068	Golden Cliffs NL 0% (Earn In up to 50%)	Golden Cliffs NL 0% (Earn In up to 50%)
Misc. Licences	L37/175, L31/46, L40/25 L39/215, L39/177, L37/205 L39/222, L39/235, L39/237,	NiWest 100% NiWest 100% Golden Cliffs 100%	NiWest 100% NiWest 100% Golden Cliffs 100%

LEGEND

E:	Exploration Licence	M:	Mining Lease
P:	Prospecting Licence	L:	Miscellaneous Lease
PLA:	Prospecting Licence Application	MLA:	Mining Lease Application
ELA:	Exploration Licence Application		