



GME RESOURCES LIMITED

ABN 62 009 260 315

REPORT FOR THE QUARTER ENDING 30 September 2005

HIGHLIGHTS

Further high grade results at Murrin North and Mt Kilkenny central

- **Murrin North**
 - 19 metres averaging 1.60% nickel
 - Including 2 metres averaging 4.20% nickel

- **Mt Kilkenny**
 - 12 metres averaging 2.08% Ni and 0.15%Co
 - 7 metres averaging 2.20% Ni and 0.16% Co

6300 metres of RC drilling completed this quarter

Renounceable rights issue raises \$1.7 million

CORPORATE OVERVIEW

Rights Issue

The company is pleased to advise that the one for fifteen rights issue announced in June raised an additional \$1,696,000 in working capital. Almost ninety percent of these rights were taken up by the shareholders.

Approximately 50% of the funds will be committed to fund the infill and resource expansion drilling planned this year.

EXPLORATION REVIEW

During the reporting period the company completed two reverse circulation drilling campaigns for a total 6306 metres. Results of the work programs undertaken at the respective projects are detailed below.

Murrin North

The Murrin North project is located approximately 4km to the north west of the Murrin Murrin nickel refinery. The project contains an inferred resource of 2.7 million tonnes grading 1.26% nickel and 0.11% cobalt.

Two campaigns of drilling were undertaken at the Murrin North project during this reporting period. The first program, completed in August, was to continue infill drilling of the resource and to test down dip extensions of the high grade nickel intercept recorded in the May 2005 program, (2 metres averaging 4.66% nickel in hole MNRC090).

A further significant high grade intercept of **2 metres, averaging 4.20% nickel**, within an 19 metre interval averaging 1.60% nickel, was intersected in hole MNRC128. Hole MNRC128 was centered 15 metres east of hole MNRC090 and was positioned to test the down dip extension of the previous high grade intercept. In addition to the above result, a significant number of holes drilled along the 1.5 kilometre strike intercepted mineralization greater than 1.20% nickel.

The third phase of infill drilling comprising ten angle holes and fifteen vertical holes was completed in late September. Angle holes were drilled to test for continuity of high grade mineralization encountered in holes MNRC090 and MNRC128 (4.66%Ni and 4.20% Ni) below the base of oxidization. The remaining vertical holes were drilled to complete the infill program. Drilling at the resource is now on 100 metres x 100 metres centres which is sufficient to upgrade the resource from inferred to indicated status. Final results from this program have not yet been collated and will be released in due course.

Significant results from the August drill program at Murrin North are listed in the table below.

Murrin North Project

1% Nickel Cut Off

Hole Number	E-GDA94	N-GDA94	From	To	Intercept	Ni%	Co%
MNRC108	387878	6820508	33	45	12	1.32	0.09
MNRC109	387933	6820447	19	25	6	1.72	0.07
MNRC112	387986	6820667	24	28	4	1.67	0.20
MNRC113	388046	6820772	28	48	20	1.39	0.11
MNRC114	388077	6820743	26	38	12	1.47	0.06
MNRC116	388166	6820798	27	32	5	1.37	0.14
MNRC117	388110	6820859	25	28	3	1.19	0.31
MNRC119	388250	6820989	27	31	4	1.26	0.07
MNRC122	388468	6821052	18	26	8	1.11	0.04
MNRC123	388415	6821120	28	44	16	1.45	0.06
MNRC128	388611	6821345	37	55	19	1.60	0.06
MNRC128	388611	6821345	53	55	2	4.20	0.03
MNRC131	388708	6821365	31	40	9	1.18	0.10
MNRC134	388877	6821490	36	49	13	1.35	0.10
MNRC135	388826	6821551	32	41	9	1.28	0.09

Mt Kilkenny

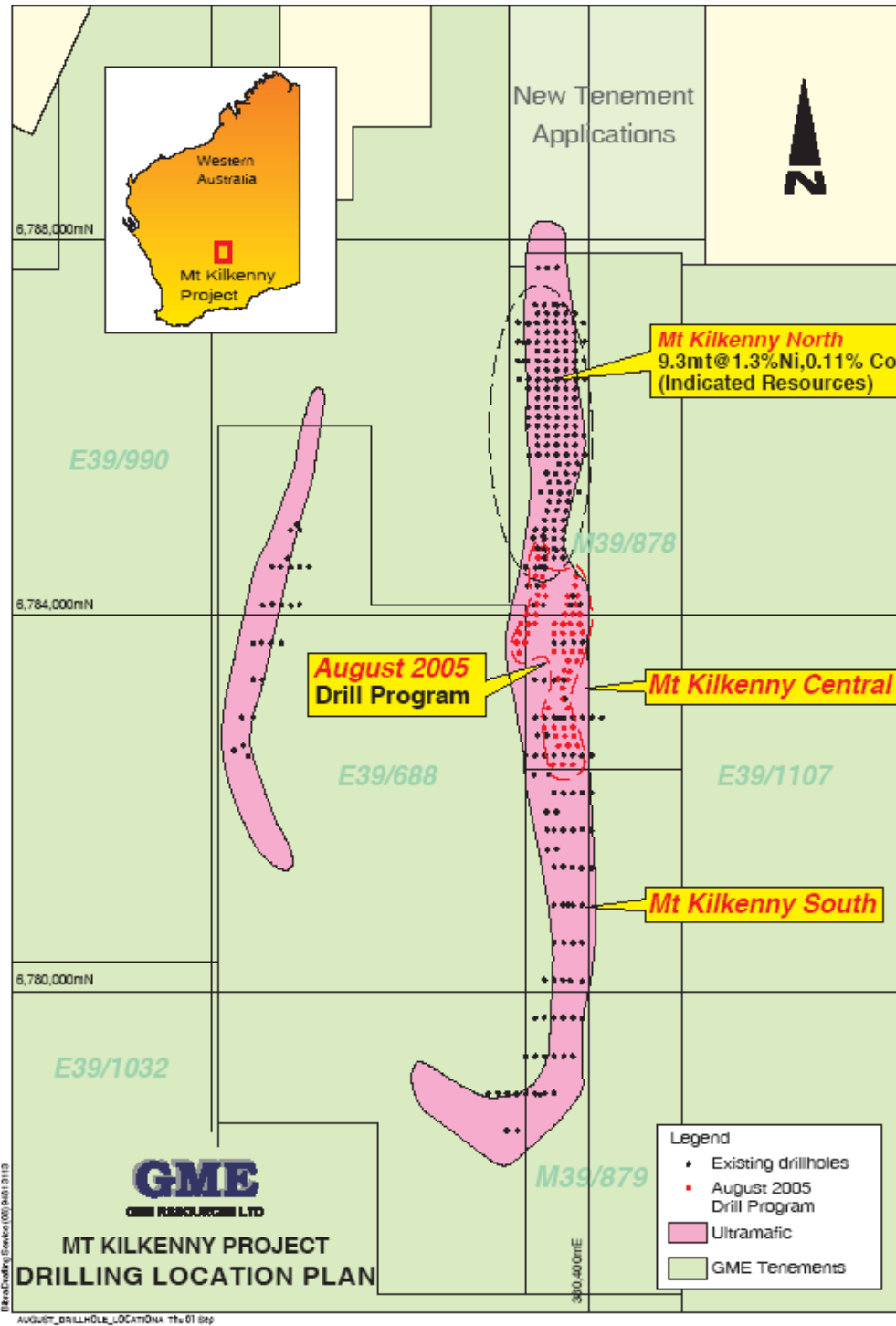
The Mt Kilkenny project is located approximately 35 kilometres south of the Murrin nickel refinery. The project contains an indicated resource quoted at 9.3 million tonnes grading 1.30% nickel and 0.11% cobalt.

The program undertaken in August was designed to test strike continuity of laterised ultramafics in the Mt Kilkenny Central zone. Significant near surface high grade mineralization was intercepted in the drilling in two discrete continuous ultramafic zones. The drill program was undertaken on 100 metres by 100 metres grid pattern, which is sufficient to calculate a resource statement at indicated status. Results from the drilling are listed in the following table.

Mt Kilkenny Central

1% nickel cut off grade

Hole Number	E-GDA94	N-GDA94	From	To	Intercept	Ni%	Co%
MKCO131	383648	6782595	8	13	5	1.32	0.16
MKCO135	383716	6782698	12	33	21	1.28	0.07
MKCO151	383881	6783602	5	27	22	1.37	0.06
MKCO154	383599	6783600	3	5	5	1.20	0.15
MKCO159	383315	6783798	11	27	16	1.15	0.06
MKCO160	383600	6783797	12	20	8	1.37	0.05
MKCO161	383694	6783798	11	25	14	1.35	0.14
MKCO161	383694	6783798	32	42	10	1.21	0.05
MKCO163	383903	6783805	35	42	7	1.68	0.17
MKCO163	383903	6783805	43	54	11	1.36	0.06
MKCO166	383696	6783894	13	35	22	1.11	0.09
MKCO167	383607	6783900	19	31	12	2.08	0.15
MKCO169	383324	6783894	8	12	4	1.45	0.20
MKCO170	383248	6783898	3	10	7	1.25	0.07
MKCO173	383717	6784002	18	31	13	1.48	0.20
MKCO178	383417	6784102	5	29	24	1.28	0.05
MKCO179	383432	6784205	9	31	22	1.22	0.10
MKCO181	383747	6784190	8	15	7	2.20	0.16
MKCO181	383747	6784190	19	39	20	1.40	0.05
MKCO182	383798	6784200	21	41	20	1.23	0.05
MKCO184	383826	6784301	9	23	14	1.30	0.09



Eucalyptus Project

Eucalyptus South

In September the company completed 936 metres of RC drilling on laterised ultramafic covering three kilometres of strike to the south of the Camelback resource located at the Eucalyptus project. Drilling was carried out on 200 metres line spacing and 100 metres hole centers. The program was designed to test previous wide spaced drilling where high grade mineralisation had been recorded. Mineralisation was encountered in drilling over approximately two kilometers of the strike. Final results from this program will be released once all data has been collated.

Resource Statement March 2005

In March 2005 the company released an updated resource statement for its nickel laterite projects. With the completion of infill drilling to indicated classification at the Murrin North and Mt Kilkenny Central projects, the company intends to release an updated resource statement in the near future.

Total Resources at various cut off grades

Ni Cut-off	Million Tonnes	Grade Ni	Grade Co
0.50%	227.55	0.81%	0.05%
0.70%	128.10	1.00%	0.06%
1.00%	40.85	1.25%	0.10%
1.10% **	23.14	1.30%	0.09%
1.20% **	18.17	1.38%	0.10%

** Indicated / Inferred resources at Mt Kilkenny & Eucalyptus only

High Grade Resource by project at 1% cut off grade

Project	Category	Million Tonnes	% Ni	% Co
Mt Kilkenny	Indicated	9.30	1.30	0.11
Mt Kilkenny	Inferred	3.25	1.13	0.08
Eucalyptus	Indicated	9.25	1.24	0.08
Eucalyptus	Inferred	9.46	1.19	0.06
Waite Kauri	Measured	1.30	1.33	0.14
Murrin North	Inferred	2.70	1.26	0.11
Hepi	Inferred	2.60	1.26	0.10
Mertondale	Inferred	1.20	1.24	0.08
Macey Hill	Inferred	0.30	1.40	0.15
Duck Hill	Inferred	1.50	1.27	0.30
Total	Indicated	19.85	1.27	0.10
Total	Inferred	21.00	1.23	0.10
Combined	Ind & Inf	40.85	1.25	0.10

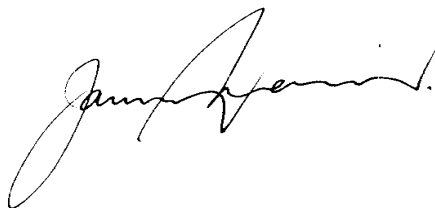
Planned Exploration

The company has now received final aeromagnetic data for the Mt Kilkenny and Eucalyptus projects. Analysis of the data has identified a number of prospective unexplored areas within the Mt Kilkenny project. Follow up field work will be undertaken to ascertain the potential of these areas. As was anticipated, aeromagnetic data for the Eucalyptus area has provided enhanced definition of the ultramafic structures which will greatly improve the targeting of the high grade mineralisation at this project.

Drill programs are now being planned for Mt Kilkenny, Eucalyptus and Hepi projects. Field work involving line clearing and surveying is in progress in anticipation of a drilling program commencing in December.

Other Projects

No field work was undertaken on any of the company's gold projects during the quarter. Whilst the company is focused on its nickel laterite projects, the board continues to evaluate opportunities located in the region.



JAMIE SULLIVAN
MANAGING DIRECTOR

Date: 21 October 2005

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Bill Hill and Mr Steve Goertz, both whom are members of The Australasian Institute of Mining and Metallurgy. Mr Hill is self employed and consults to the Company as and when required, Mr Goertz is a former employee. Both Messrs Hill and Goertz have sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activity which they are 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. Both Mr Hill and Mr Goertz consent to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

TENEMENT DIRECTORY

Tenements held at 30th September 2005.

Project	Tenements	Company Interest	Comments
Abednego West	MLA39/427 MLA39/824 MLA 39/825 MLA39/823	Golden Cliffs 100%	Placer Royalty
Chain Bore	MLA37/581	GME 100%	
Clermont	EPMA11575, EPMA11806, EPMA12164	GME 40%	Joint Venture with Australian Gold Fields NL (in Liquidation)
Duck Hill	E31/100 converted to MLA31/214	Niwest 50%	Murchison Metals 50%
Eucalyptus	P39/3459 - 3460 converted to MLA39/744 EL39/703 ML39/666 ML39/430 and ML39/344 ML39/665 - 666 and ML 39/674 M39/313 ML 39/568, 39/570, 39/616 and 39/802 M39/289 E39/480 converted to MLA39/803 - 804	Anglo 100% NiWest 100% NiWest 100% nickel rights	Niwest 100% nickel rights Oldcity Pty Ltd Nickel Royalty
Hawks Nest	M38/218, P38/2515 converted to MLA 38/683	GME 100%	
Ilgarari	E52/1452	100% rights to non copper minerals	Copper Royalty
Laverton Downs	E38/506 converted to MLA38/587 - 588 and 38/782 - 784	Millennium Minerals	100% nickel rights
Leonora East	P37/4106 converted to MLA37/566 P37/5330 - 5333, P37/5477 converted to MLA37/1059 MLA37/876	Golden Cliffs 100%	Teckcominco earning 70%
Linden	P39/3417 - 3418 converted to MLA39/797 - 798 P39/2974 - 2976 converted to MLA 39/500	GME100% GME 10%	90% Haoma Mining NL
Macey Hill	ML39/845	NiWest 100%	
Mertondale	P37/4201 - 37/4205 converted to MLA37/591	NiWest 100%	
Mt Kilkenny	E39/688 ML39/878 – 879, ELA 39/1107- 09 E39/990 J/V JINDALEE RESOURCES	NiWest 100%	EARNING UP TO 70%
Mt Morgan South	MLA39/702 - 703, MLA 39/481, MLA39/777	GME 100%	
Murrin Murrin	MLA39/554 and MLA39/457	Golden Cliffs 100%	
Murrin Murrin (Minara Resources)	MLA39/426, 456, 552, 553 and 569	100% rights to non nickel laterite	Nickel laterite royalty 20 cents per tonne
Murrin Murrin HEPI	ML 39/717 - 718 ML39/819	Niwest 100%	

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Project	Tenements	Company Interest	Comments
Murrin Murrin North	ML39/758 MLA39/757 and MLA39/759	Niwest 100%	
Pyke Hill	EL39/633	GME 100%	
Waite Kauri	P37/4149 converted to MLA37/580 P37/5264 converted to MLA37/1091 PLA37/5555	Niwest 100%	

LEGEND:

<i>E:</i> Exploration Licence	<i>P:</i> Prospecting Licence	<i>EPM:</i> Exploration Permit for Minerals	<i>PLA:</i> Prospecting Licence Application
<i>M:</i> Mining Lease	<i>ELA:</i> Exploration Licence Application	<i>EPMA:</i> Exploration Permit for Minerals Application	<i>MLA:</i> Mining Lease Application

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

GME RESOURCES LIMITED

ABN

62 009 260 315

Quarter ended ("current quarter")

30 SEPTEMBER 2005

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(403)	(403)
(b) development	-	-
(c) production	-	-
(d) administration	(104)	(104)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	9	9
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	(8)	(8)
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(506)	(506)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a)prospects	-	-
(b)equity investments	-	-
(c)other fixed assets	-	-
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 from other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(506)	(506)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(506)	(506)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,696	1,696
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	-	-
	Net financing cash flows	1,696	1,696
	Net increase (decrease) in cash held	1,190	1,190
1.20	Cash at beginning of quarter/year to date	350	350
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,540	1,540

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	49
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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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

NIL

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

NIL

+ 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	N/A	
3.2 Credit standby arrangements	N/A	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	300
4.2 Development	-
Total	300

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	529	529
5.2 Deposits at call	1,011	1,011
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,540	1,540

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	N/A		
6.2	Interests in mining tenements acquired or increased	N/A		

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	202,807,215	202,807,215		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	11,307,831	11,307,831		
7.5 +Convertible debt securities <i>(description)</i>	NIL			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	<i>Unlisted options</i> 2,000,000 2,000,000 1,000,000	- - -	<i>Exercise Price</i> \$0.20 per option \$0.30 per option \$0.40 per option	<i>Expiry Date</i> 30 June 2007 30 June 2007 30 June 2007
7.8 Issued during quarter	NIL			
7.9 Exercised during quarter	NIL			
7.10 Expired during quarter	NIL			
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ 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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

 21 October 2005

Sign here: Date:

(Company secretary)

Print name: MARK PITTS
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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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.

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