



Hepi Grade Control Drilling Delivers High Nickel Grades and Robust Trial Pit Designs

HIGHLIGHTS

- Grade control drilling completed at the Hepi trial pit with excellent results including:
 - *23m @ 2.50% Ni including 15m @ 3.08% Ni (GC036)*
 - *20m @ 2.58% Ni including 6m @3.19% Ni (GC046)*
 - *26m @ 2.46% Ni (GC045)*
 - *18m @ 2.39% Ni (GC047)*
- Results confirm high grade nature of the Hepi resource and support the resource modelling methodology for the overall NiWest Project.
- Resource optimisation completed providing a number of pit shells which exceed the requirements for the trial pit.
- Trial pit design selected for the Heap Leach Trial scheduled to commence in the last quarter of this year .

GME Resources Ltd (ASX: GME – “GME” or “the Company”) is pleased to announce the successful completion of a program of close-spaced grade control drilling and resource validation at the **Hepi Deposit**, part of its 100%-owned **NiWest Nickel Laterite Project** in Western Australia. The drilling, which returned significant widths of high-grade mineralisation, was completed in preparation for the forthcoming Heap Leach Trial at Hepi.

A total of 3600 metres of Reverse Circulation (RC) drilling was completed over a small area of the larger Hepi project. Some of the better intercepts from the grade control drilling program are **23m at 2.50% Ni including 15m at 3.08% Ni (GC036), 20m at 2.58% Ni including 6m @3.19% Ni (GC046), 26m @ 2.46% Ni (GC045) and 18m @ 2.39% Ni (GC047)**. (see Fig. 1 and Table 1 attached).

The dual purpose of the grade control drilling program was to provide the detailed resource information required to design the Hepi trial pit and to validate the resource estimation techniques being used for the greater Niwest Project.

The ongoing program of resource validation and enhancement at the NiWest Project is a core component in GME’s objective of developing a world-class nickel laterite project.

The Hepi Heap Leach Trial comprising mining and processing is scheduled to commence in the last quarter of this year. The 6-month trial will consist of a single heap of approximately **4,000 tonnes of ore** designed to confirm the scale-up of laboratory column testing to a full-scale leach pad.

The optimised pit shells, which provide more high-grade ore than is required by the trial, also open up the possibility of mining additional ore for further testing or potential sale at commercial rates (see Fig. 2 attached).

Importantly, the grade control drilling provided a **117% positive reconciliation** in metal over the original resource model (0.8% cut-off grade). This suggests that the Geological model is very robust in the Hepi area.

The forthcoming Hepi Heap Leach Trial represents a key component of the recently announced **expanded development strategy** for the NiWest Project which is based on a heap leach project delivering 30-35,000 tonnes per annum of nickel metal. The NiWest Project is located near Leonora in Western Australia (see Fig. 3 attached).

The expanded development strategy follows the positive outcome of a Pre-Feasibility Study, ongoing test work, a major resource review and also a general industry acceptance of heap leaching as a preferred technical and economic treatment route for laterite nickel ores.

Commenting on the grade control results, GME's Managing Director, David Varcoe, said: "These very high-grade results demonstrate the quality and robustness of the NiWest resource base. The project is continuing to move ahead on a number of fronts, with pit designs now completed for the Heap Leach Trial.

"This follows the recent acquisition of major components for the trial which have been relocated to Kalgoorlie for testing and commissioning." Mr Varcoe added.



David Varcoe
Managing Director

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Stephen Hyland, Mr Bill Hill and Mr Steve Goertz who are members 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 Hill is self employed and consults to the Company as and when required, Mr Hill 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 Hill, Mr Goertz and Mr Hyland consent to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

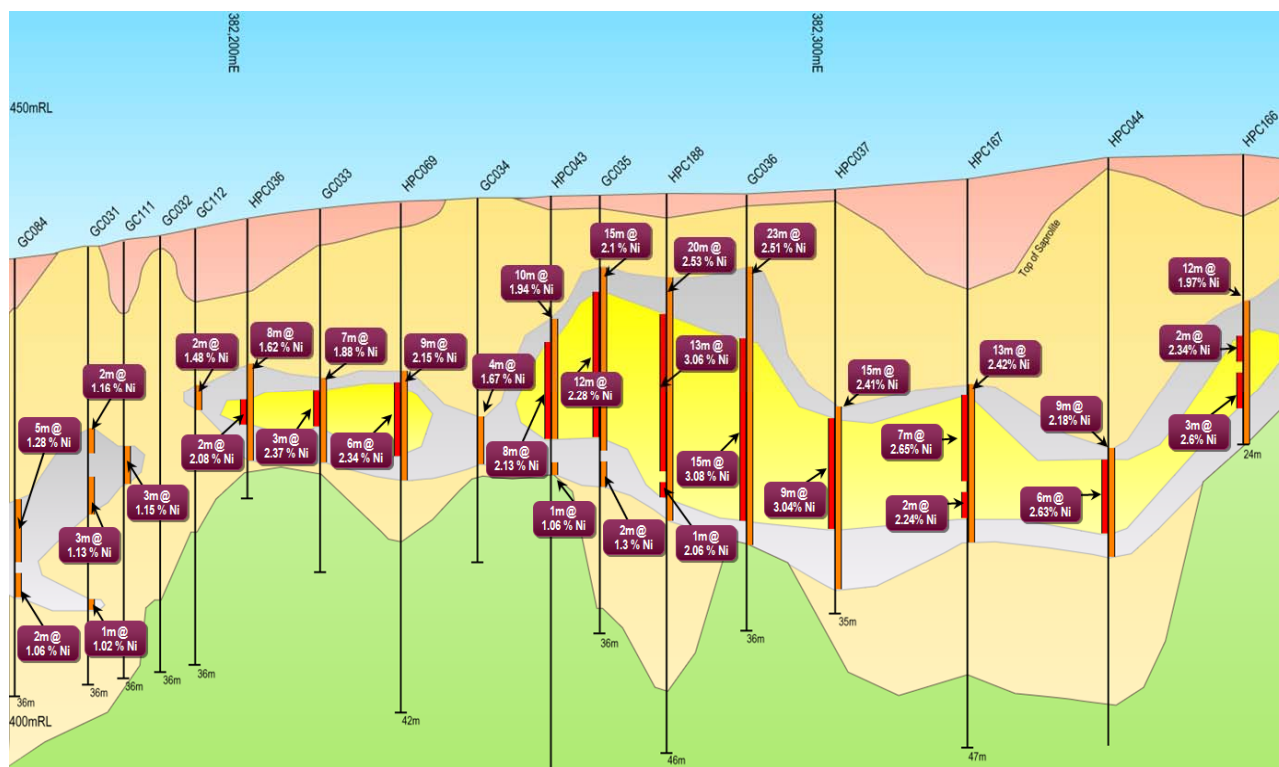


Figure 1 – Cross section through the grade control model

Significant Intercepts from the drilling are shown in the following table:

Hole Number	Northing	Easting	From	To	Thickness Metres	Ni%	Co%
GC045	382,275	6,806,537	4	30	26	2.46	0.087
GC036	382,288	6,806,550	6	29	23	2.5	0.139
including					15	3.08	
GC046	382,287	6,806,537	8	28	20	2.58	0.154
including					6	3.19	
GC044	382,262	6,806,538	9	29	20	2.32	0.05
GC047	382,300	6,806,537	14	32	18	2.39	0.11
GC020	382,300	6,806,562	14	31	17	2.32	0.133
including					7	3.03	
GC018	382,288	6,806,575	8	26	18	2.19	0.088
GC021	382,287	6,806,563	11	26	15	2.57	0.097
including					5	3.28	

Table 1 Hepi Grade control drilling summary of best intercepts (does not include all results)

The total drilling programme undertaken consisted of 118 holes for 3,612 metres of RC drilling to an average depth of 31 metres. One metre samples were taken. The grade control area measured approximately 150 by 100 metres. The Hepi deposit is hosted within the laterite developed from weathered Achaean serpentinised- peridotite rocks. Locally the deposit is within the Murrin domain in the Norseman-Wiluna greenstone belt.

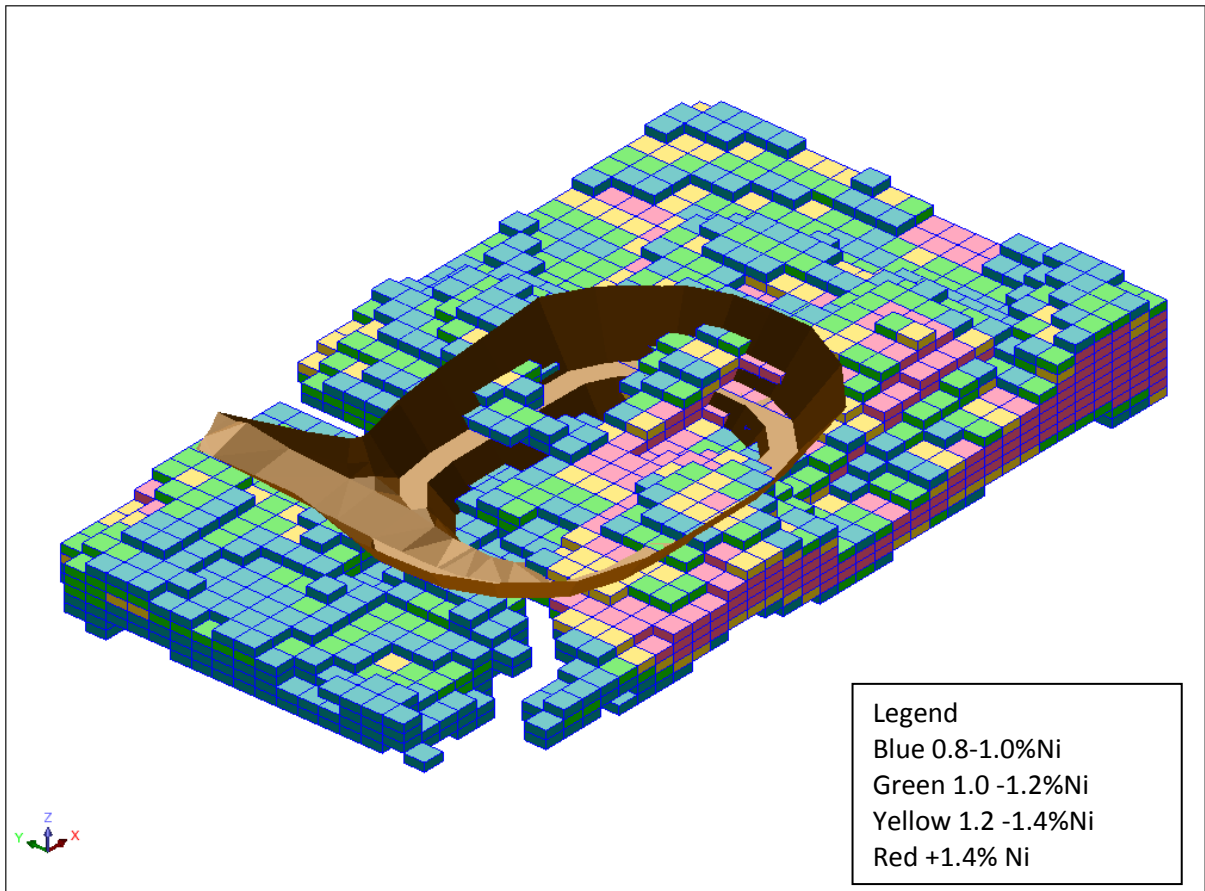


Figure 2 – Hepi Trial pit design showing ore blocks

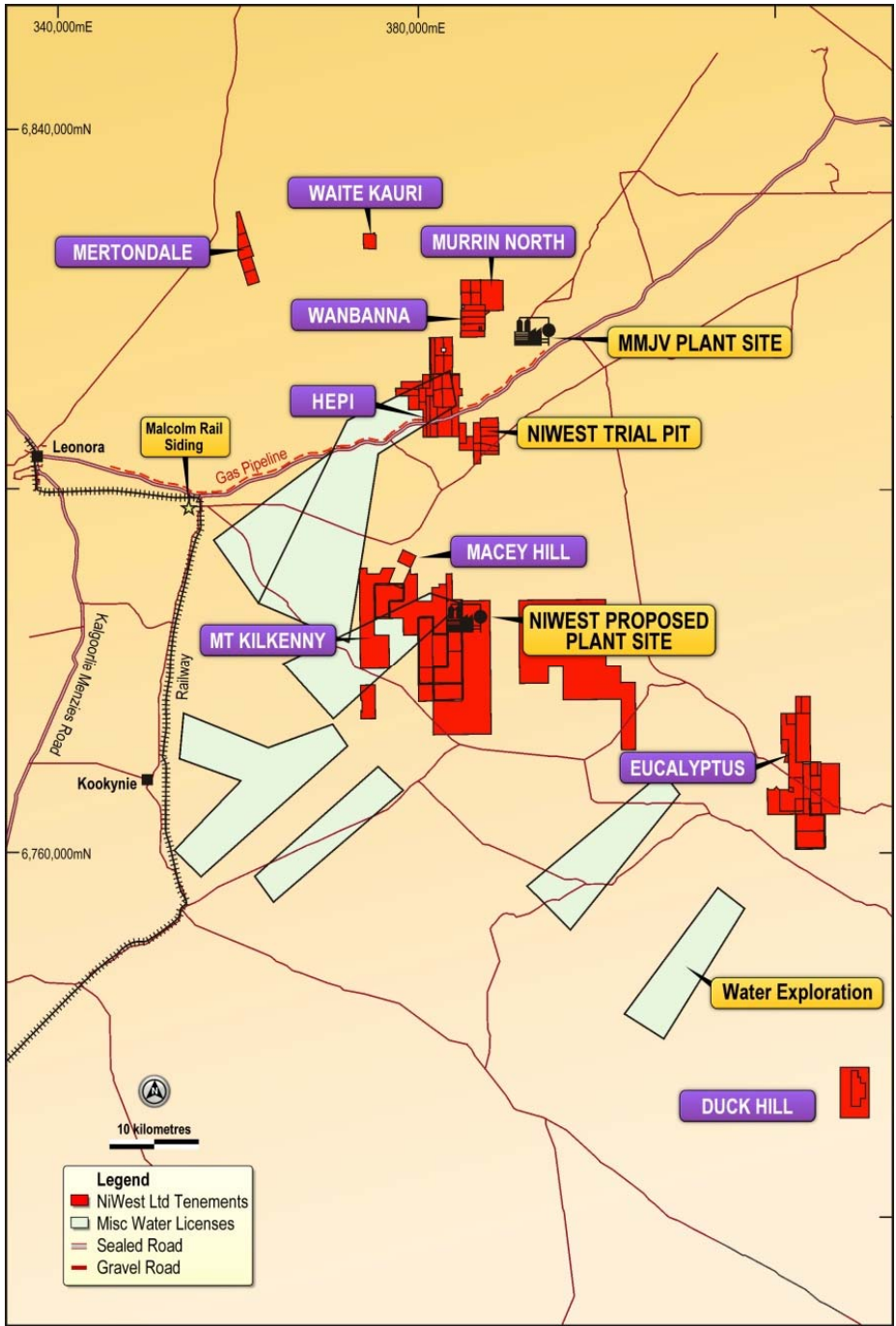


Figure 3 Location of the Hepar project