



ABN 62 009 260 315

13 April 2010

ASX ANNOUNCEMENT

1 FOR 10 NON RENOUNCEABLE ENTITLEMENT ISSUE

GME Resources Limited (GME or the Company) is pleased to announce a 1:10 non-renounceable entitlement issue (the Issue) at 7 cents per share, to raise up to approximately \$1.92 million.

The pricing has been set at 7 cents to provide an incentive for all Shareholders to participate in the capital raising. The proceeds of the Issue will be used to advance the company's Niwest nickel project as detailed below.

Key terms of the offer are set out below.

Key Terms

Nature of offer	Non-renounceable Entitlement Issue of new shares
New share issue price	A\$0.07 per new share
Offer ratio	1 new share for every 10 existing shares held on record date
Number of new shares to be issued	Up to 27,463,842 new shares
Amount to be raised under the Entitlement Issue	Up to approximately A\$1.92 million before costs of the offer

Eligible Shareholders

Shareholders with registered addresses inside Australia or New Zealand who hold ordinary shares in the Company (Existing Shares) as at 5.00pm AWDT on 22 April 2010 (Eligible Shareholders) will be entitled to participate in the Issue.

All Eligible Shareholders will be offered 1 new ordinary share in the Company (New Share) for every 10 Existing Share held by the Eligible Shareholder, at an issue price of \$0.07 per New Share (Offer). This represents a discount of approximately 22.5% to the volume weighted average price (VWAP) of GME's shares for the ten trading days before the announcement (10 day VWAP is 8.8 cents).

The Directors reserve the right to place sufficient of the shortfall at their absolute discretion (subject to the ASX Listing Rules) to meet the minimum requirements of the Company.



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Key dates

Key dates for the Issue are set out in the following table. The dates are indicative only and GME reserves the right to vary them, subject to the Corporations Act 2001 (Act) and the ASX Listing Rules.

Announcement of Entitlement Issue and Cleansing Statement given to ASX	13 April 2010
Record date for determining entitlements to New Shares	22 April 2010
Invitation to participate in Entitlement Issue and Entitlement Acceptance Forms dispatched to Eligible Shareholders	28 April 2010
Closing Date and final time for receipt of Entitlement and Acceptance Forms and payment in full for New Shares	14 May 2010
Issue of New Shares and Holding Statements dispatched to Shareholders	21 May 2010

Information provided in relation to the Entitlement Issue

The Issue is being made without disclosure to investors under Part6D.2 of the Act, in accordance with section 708AA of the Act.

Eligible Shareholders will not receive a prospectus in relation to the Issue but will receive a written invitation providing details on how to take up their entitlement under the offer. Any decision to acquire New Shares should only be made after making independent enquiries and consulting relevant professional advisers, such as stockbrokers, financial advisers, accountants or solicitors. Eligible Shareholders should have regard to publicly available information about GME before deciding whether or not to acquire New Shares.

Copies of the Company's announcements to ASX can be obtained from its website www.gmeresources.com.au or from the ASX website www.asx.com.au. The Company's ASX code is GME.

Information about the use of proceeds from the Offer

Funds raised net of offer costs will be directed to further high grade ore definition and progressing a number of development options with the assistance of consultants including the assessment of the feasibility of a small scale heap leach project that may offer quick start-up and an early revenue stream for the Company. Funds will also be used to cover the holding costs relating to its project tenements.

Capital structure on completion of the Offer

The following table shows the proposed capital structure of the Company on completion of the Entitlement Issue. The exact number of New Shares to be issued may vary and will be dependant on the number of Eligible Shareholders and their entitlements, and the level of acceptances under the Entitlement Issue.



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Shares	Number
Existing Shares on issue at the date of this announcement	274,638,425
Maximum number of New Shares to be issued under the Offer	27,463,842
Maximum total shares on issue after the Offer²	302,102,267
Existing options to acquire shares on issue at the date of this announcement ¹	12,000,000

¹ The options on issue are not quoted, and their terms do not provide for participation in pro rata issues. As at the date of this announcement a letter had been circulated to all Option holders providing notice of the Issue and advising that in order to participate they need to exercise their option.

² Assumes that no options are exercised prior to the record date

Additional information

New Shares, once issued, will rank equally with the Company's Existing Shares on issue.

The rights and obligations attached to shares in the Company are set out in GME's Constitution which may be examined free of charge by appointment between 9.00am and 5.00pm on normal business days at the registered office of the Company at 467 Canning Highway Como WA; and in certain circumstances, regulated by the Act, the ASX Listing Rules and the general law.

Foreign shareholders

Shareholders with registered addresses outside of Australia and New Zealand are not eligible to participate in the Offer.

Enclosure

The attached Appendix 3B and a Notice pursuant to s708AA(2)(f) of the Corporations Act (Cth) provide a summary of the proposed Entitlements Issue.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mark Pitts', is written in a cursive style.

MARK PITTS
Company Secretary