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ASX Announcement – 28 June 2006

The Companies Announcement Office
Australian Stock Exchange
Level 10 Exchange Centre
20 Bond Street
SYDNEY NSW 2000

Dears Sirs,

NIWEST NICKEL HEAP LEACH PROJECT ADVANCES

- **Bottle roll tests results demonstrate Nickel recoveries up to 85% from saprolite ores**
- **Re- logging indicates considerable saprolite zones within NiWest Nickel Project**
- **Drilling upgrades Hepi Project and identifies additional resource potential**
- **Renounceable Rights Issue to advance Heap Leach Development**

NiWest Nickel Project - Heap Leach Initiatives

The Company is pleased to announce positive results from metallurgical test work on saprolite nickel samples from its NiWest Nickel Project located in the North Eastern Goldfields of Western Australia.

Results from bottle roll tests undertaken by SGS Lakefield Oretest, show that nickel extraction at termination (after 62 days) reached as high as 85% for saprock ores at Mt Kilkenny and 72% at Hepi.

Average extraction of nickel from all samples tested from Hepi, Mt Kilkenny and Waite Kauri over 62 days was 66% Ni. Average acid consumption was 464 kg per tonne which was below the 500 kg/tonne expected. Results from test work are detailed under *Metallurgical Results*.

The results are considered a significant break through and provide the Company with confidence to move forward to evaluate the potential for the development of a Heap Leach Project on high grade (+1.3% Nickel) saprolite ore types.

Whilst the results of bottle roll tests to date indicate rapid leach rates at acceptable acid consumption, they have been performed on agglomerated RC drill returns. Further testwork is now required to demonstrate that the high grade saprock material identified at Hepi, Mt Kilkenny and Waite Kauri can form stable heaps and maintain good solution percolation. The lack of clays present indicates that percolation through the NiWest saprock material will be good. Large diameter core drilling will be conducted to obtain in situ samples from each project area for use in 4 metre Column

Tests. These tests will run for up to six months and simulate actual heap leach percolation, extraction rates and acid consumptions.

Resource calculations to date do not distinguish between saprolite and smectite clays zones. All prior drilling is now being re-logged to differentiate potential high grade saprolite from high grade smectite clays. This will allow the Company to establish separate resource calculations for each ore type. Initial re-logging indicates considerable saprolite material within NiWest Nickel Project.

Two current nickel laterite heap leach developments, European Nickel's Caldag Project and Murrin Murrin's Scats Heap Leach, both rely on good percolation through competent material lacking inherent clays.

Metallurgical Results

The Company engaged SGS Lakefield Oretest Pty Ltd to undertake bottle roll tests from three separate resource areas where low clay saprolite and saprock ore types had been identified within the NiWest Nickel Project.

At Hepi and Mt Kilkenny Central, ore intersections from multiple holes were collected, to provide a representation across each saprolite resource. Samples were then classified into three separate ore types and a composite sample made up for test work. The test from Waite Kauri was one composite sample made up of the entire ore zone from drill hole WKR301. Each composite sample was analysed for chemical composition, nickel grade and then agglomerated with sulphuric acid prior to commencement of test work. The samples were rolled in bottles with sulphuric acid for 62 days to simulate heap leaching conditions.

A summary of the bottle roll leach results are listed below.

Acid Bottle Roll Test Summary 62 Days			Head Grade		Extraction %		Acid Add'n
Composite Sample	Ore Type	Av Thickness	Ni %	Co%	Ni	Co	Kg/T
HEPI Comp 1	Saprolite Trans	2.10m	1.44	0.04	62.7	50.5	377
HEPI Comp 2	Saprolite	4.20m	1.98	0.14	60.9	36.7	429
HEPI Comp 3	Saprock	2.70m	1.48	0.08	72.2	38.8	600
MK Comp 1	Clay Trans	4.00m	1.33	0.14	54.2	39.7	447
MK Comp 2	Saprolite	7.20m	1.45	0.09	63.2	33.9	429
MK Comp 3	Saprock	7.90m	1.17	0.04	85.3	55.3	558
WK Comp 1	Saprolite/Saprock	21.00m	2.04	0.09	62.7	75.3	409

Drilling Results

Hepi Project

The Company is pleased to advise that the recent drilling program at Hepi has resulted in upgrading the resource to measured category. Drill hole spacing over the majority of the mineralisation is now on 50 metre by 50 metre grid. Drilling was extended further east and south to cover sections of the resource where mineralization was not closed out. Twelve holes were also drilled over a prospective area 1000 metres north of the main zone.

The best intersection to the east was 15 metres averaging 1.65% Ni and on the southern extent the best result was 10 metres averaging 1.50%Ni. Drilling on the hill 1000 metres to the north of the main zone was also successful, with ten of the twelve holes intersecting saprolite mineralization with grades greater than 1% Ni. The best result recorded to the north was eight metres averaging 1.45% Ni. An updated resource statement for the NiWest Nickel Project taking the Hepi resource into

account is detailed in APPENDIX 2. Significant results from the May drilling program are listed in APPENDIX 1.

Hepi Resource at 1% Nickel Cut off Grade

Category	Tonnes	Nickel%	Cobalt %
Measured	1,108,000	1.44	0.10
Indicated	584,000	1.30	0.11
Inferred	348,000	1.09	0.11
Combined	2,020,000	1.34	0.10

Eucalyptus Project

The drill program at Eucalyptus was designed to test the strike extent of the mineralisation intersected in previous drilling (Hole EBC189 10 metres 1.43% Ni) and test a section of strike between the Central and Northern resources that had been poorly tested by RAB drilling.

Results from drilling along strike from hole EBC189 have increased the resource potential in this area. Near surface high grade mineralisation was intersected over 800 metres of strike and up to 100 metres in width. A number of holes recorded grades in excess of 1.2% Nickel. The best result was from hole EBC335, which intersected 20 metres averaging 1.36% Ni and 0.095% Co from 5 metres.

Follow up drilling will be undertaken to test the strike extent to the south and quantify the resource. Significant results from the drill program are shown in APPENDIX 1 and a plan of the Eucalyptus Project is shown in APPENDIX 3

Mt Kilkenny Project

Ten holes were drilled at Mt Kilkenny South on existing lines to test for narrow channels of mineralisation that may have been missed by previous drilling. Results were mostly low grade with the exception of hole MKC203 located on the southern most line of drilling at the Mt Kilkenny Project, which intersected 18 metres grading 1.35% nickel from 12 metres.

Renounceable Rights Issue

GME Resources Ltd is pleased to announce a one for fifteen Renounceable Rights issue at 15 cents. The issue which is not underwritten will raise a maximum of \$2,028,072 if all of the rights are taken up. An appendix 3B is attached. Details of the issue, a disclosure document and timetable will be released in due course.

The funds raised from the issue will be used to accelerate metallurgical test programs and bring forward development studies for a high grade (+1.3% Ni) Saprock Heap Leach Project on the Company's NiWest Nickel Project.

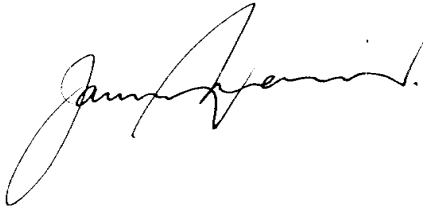
Metallurgical work will be overseen by the Company's Technical Director Mr Geoff Motteram. Mr Motteram is a metallurgical engineer with extensive experience in the development of projects in the Australian resources industry including initiation of the Murrin Murrin Nickel Laterite Project.

Ongoing Work Programs

Drilling will commence in July for the collection of metallurgical samples. The program which involves drilling to recover core samples is planned for Waite Kauri, Hepi and Mt Kilkenny Central project areas. Cored samples of ore will be categorized and then prepared for column tests.

Re-logging of prior drilling for better definition of the saprock potential is expected to generate targets for expansion of the high grade saprolite resources.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jamie Sullivan', with a stylized flourish at the end.

Jamie Sullivan
Managing Director

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 Geortz who 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 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 and Mr Geortz consent to the inclusion in the report of the matters based on information provided in the form and context in which it appears.

APPENDIX 1 May 2006 Drilling Results**HEPI PROJECT****1% NICKEL CUT OFF GRADE**

Hole	GDA94E	GDA94N	From	To	Interval	Ni %	Co %
HPC083	382230	6806662	9	13	4	1.340	0.137
HPC084	382270	6806653	11	15	4	1.198	0.114
HPC085	382318	6806657	15	21	6	1.386	0.074
HPC086	382359	6806658	13	31	18	1.075	0.035
HPC087	382390	6806652	17	23	6	1.155	0.072
HPC088	382443	6806666	13	16	3	1.063	0.075
HPC089	382498	6806656	14	26	12	1.250	0.092
HPC090	382547	6806660	20	23	3	1.070	0.085
HPC090	382547	6806660	25	27	2	1.130	0.110
HPC091	382596	6806658	12	27	15	1.653	0.077
HPC092	382644	6806657	8	11	3	1.110	0.064
HPC093	382138	6806155	20	30	10	1.491	0.073
HPC094	382164	6806212	15	23	8	1.404	0.112
HPC095	382109	6806205	14	16	2	1.170	0.174
HPC096	382056	6806213	5	9	4	1.075	0.083
HPC097	382038	6806253	26	30	4	1.393	0.058
HPC098	382060	6806330	22	27	5	1.258	0.016
HPC098	382060	6806330	33	36	3	1.220	0.108
HPC099	382159	6806296	29	34	5	1.205	0.112
HPC102	382168	6806500	14	27	13	1.711	0.101
HPC103	382229	6806495	12	21	9	1.622	0.089
HPC106	382377	6806499	10	18	8	1.136	0.060
HPC108	382340	6806715	10	18	8	1.279	0.092
HPC109	382424	6806711	9	17	8	1.176	0.063
HPC110	382521	6806707	12	18	6	1.324	0.108
HPC112	382623	6806706	4	13	9	1.299	0.081
HPC113	382397	6806752	11	15	4	1.148	0.077
HPC114	382446	6806755	12	14	2	1.255	0.103
HPC115	382497	6806757	12	15	3	1.080	0.097
HPC117	382606	6806762	9	14	5	1.213	0.105
HPC118	382666	6806772	19	21	2	1.070	0.079
HPC123	382959	6807865	15	21	6	1.162	0.148
HPC124	383009	6807853	11	16	5	1.336	0.236
HPC125	383059	6807861	10	13	3	1.117	0.107
HPC127	383024	6807955	12	17	5	1.038	0.103
HPC128	383078	6807951	18	25	7	1.264	0.110
HPC130	383054	6808050	11	19	8	1.238	0.089
HPC131	383078	6808060	13	19	6	1.142	0.088
HPC132	382938	6807802	13	15	2	1.110	0.145
HPC133	382968	6807815	8	16	8	1.337	0.183
HPC134	383027	6807803	3	8	5	1.138	0.182
HPC135	383075	6807801	15	20	5	1.214	0.092

EUCALYPTUS PROJECT**1% NICKEL CUT OFF GRADE**

Hole	GDA94E	GDA94N	From	To	Interval	Ni %	Co %
EBC352	422309	6766890	1	5	4	1.080	0.037
EBC352	422309	6766890	19	20	1	1.030	0.086
EBC355	422313	6767094	4	18	14	1.215	0.037
EBC360	422200	6767300	1	11	10	1.255	0.058
EBC361	422127	6767302	12	20	8	1.325	0.083
EBC365	422203	6767500	5	25	20	1.346	0.095
EBC371	422354	6768708	11	13	2	1.028	0.037
EBC375	422156	6773097	16	27	11	1.182	0.052
EBC378	421885	6773096	19	26	7	1.194	0.049
EBC378	421885	6773096	30	33	3	1.293	0.033
EBC379	421841	6773098	12	20	8	1.057	0.104
EBC381	422088	6772741	18	20	2	1.165	0.086
EBC382	422008	6772745	4	6	2	1.010	0.078
EBC394	421707	6770886	5	8	3	1.303	0.069
EBC399	421831	6769906	28	36	8	1.325	0.092
EBC400	421906	6769904	10	18	8	1.099	0.089
EBC400	421906	6769904	24	27	3	1.123	0.067
EBC400	421906	6769904	30	33	3	1.083	0.044
EBC400	421906	6769904	39	40	1	1.120	0.027
EBC402	422063	6769903	30	31	1	1.770	0.069
EBC402	422063	6769903	34	37	3	1.287	0.080
EBC402	422063	6769903	48	50	1	1.090	0.043
EBC409	421779	6766596	1	3	2	1.117	0.085

MT KILKENNY PROJECT**1% NICKEL CUT OFF GRADE**

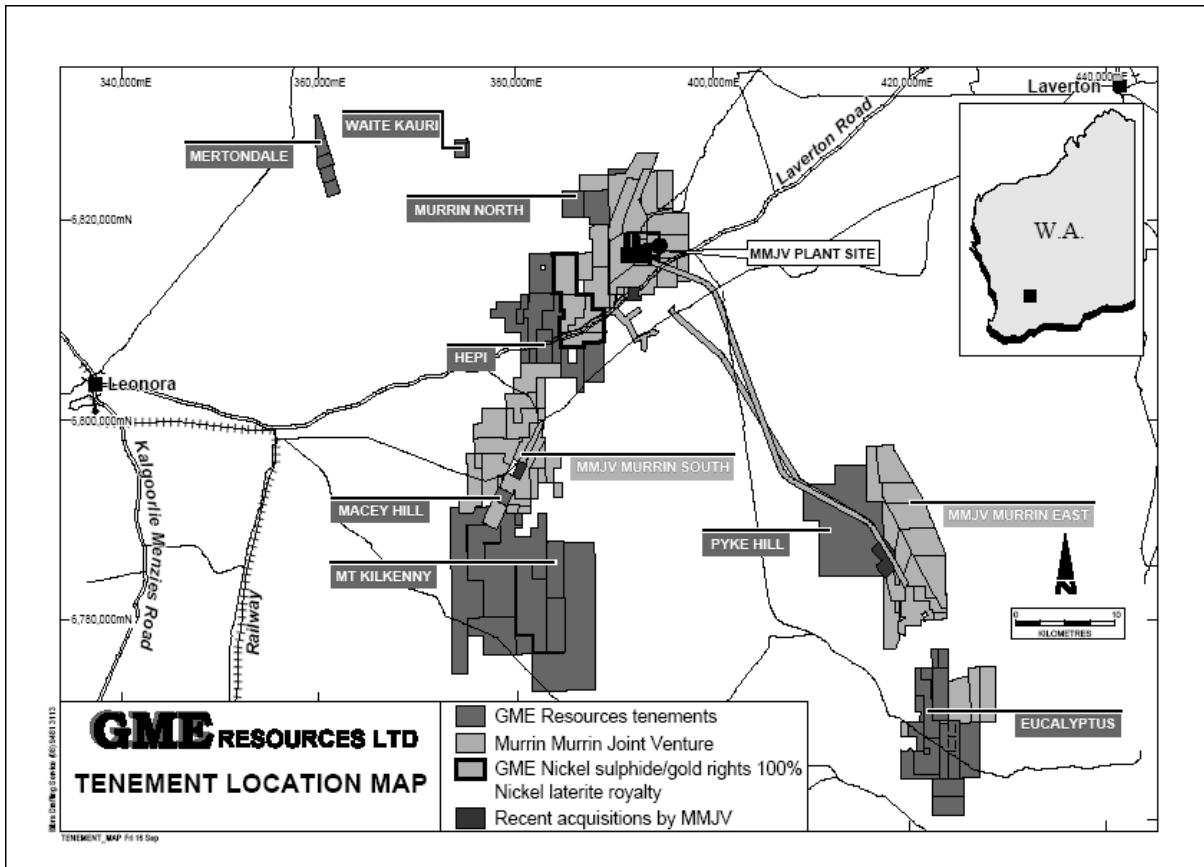
Hole	GDA94E	GDA94N	From	To	Interval	Ni %	Co %
MKC199	383885	6779861	2	6	4	1.138	0.087
MKC203	383294	6778660	11	29	18	1.352	0.049

APPENDIX 2 NIWEST NICKEL PROJECT RESOURCE STATEMENT – JUNE 2006

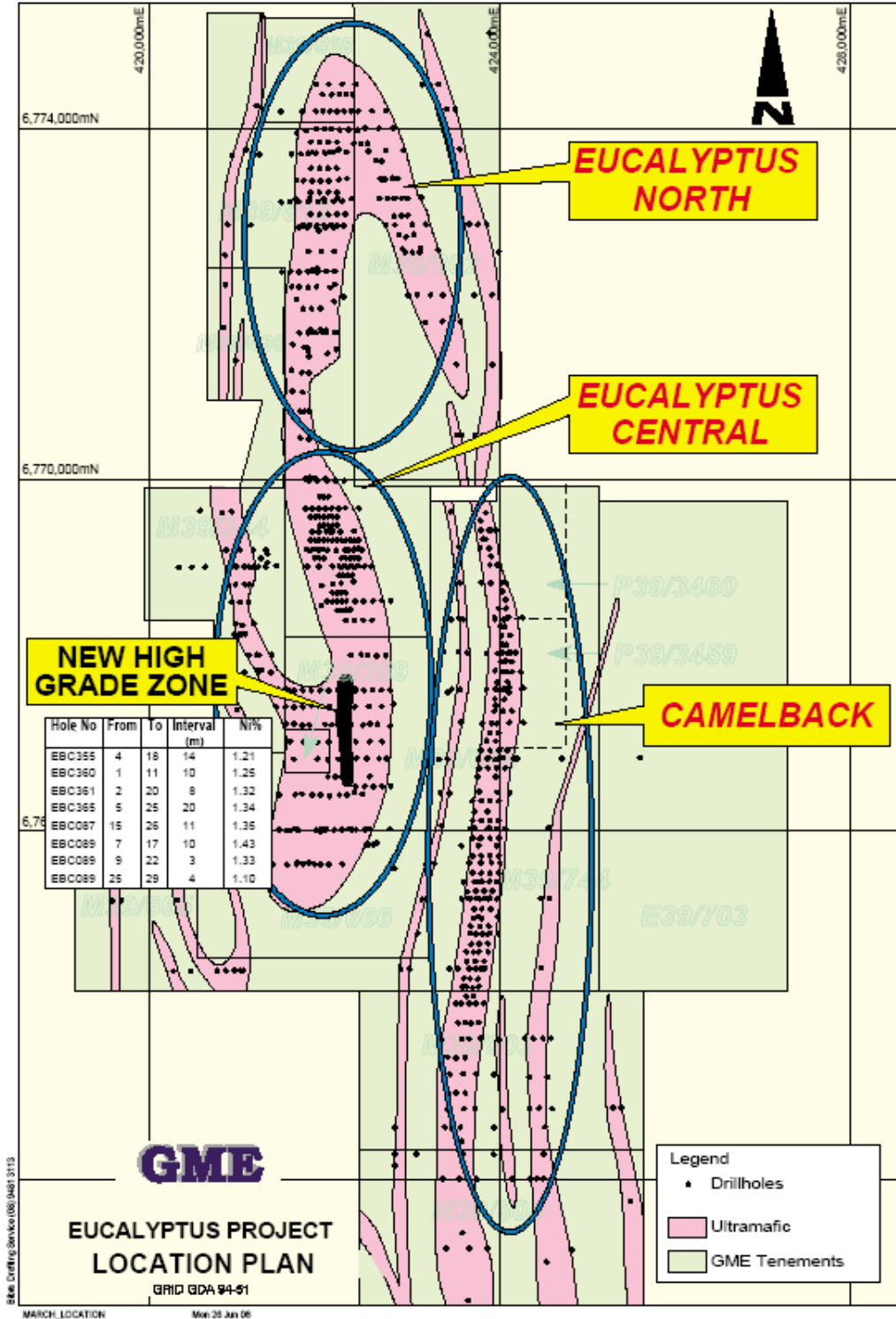
All Project areas at 1% Nickel cut off grade

Project	Category	Million Tonnes	% Ni	% Co
Mt Kilkenny	Indicated	13.73	1.29	0.10
Mt Kilkenny	Inferred	1.38	1.14	0.07
Eucalyptus	Indicated	17.10	1.24	0.08
Eucalyptus	Inferred	7.10	1.16	0.09
Waite Kauri	Measured	1.30	1.33	0.14
Murrin North	Indicated	2.15	1.34	0.09
Murrin North	Inferred	0.97	1.14	0.11
Hepi	Measured	1.10	1.44	0.10
Hepi	Indicated	0.58	1.30	0.11
Hepi	Inferred	0.35	1.09	0.11
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/Measured	35.96	1.28	0.09
Total	Inferred	12.80	1.18	0.12
Total	Combined	48.76	1.25	0.10

NiWest Nickel Project



APPENDIX 3 EUCALYPTUS PROJECT



Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

GME RESOURCES LTD

ABN

62 009 260 315

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 13,520,481
(To be confirmed depending on acceptances) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | N/A |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>15 cents each</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. Metallurgical test work; 2. Ongoing exploration and resource delineation; and 3. Working capital 				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>To be advised</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;"> <p>216,327,696 (To be confirmed depending on acceptances)</p> </td> <td style="text-align: center;"> <p>Ordinary fully paid</p> </td> </tr> </tbody> </table>	Number	+Class	<p>216,327,696 (To be confirmed depending on acceptances)</p>	<p>Ordinary fully paid</p>
Number	+Class				
<p>216,327,696 (To be confirmed depending on acceptances)</p>	<p>Ordinary fully paid</p>				

+ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	5,000,000	Options to acquire ordinary securities
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Renounceable
13	Ratio in which the +securities will be offered	One for fifteen
14	+Class of +securities to which the offer relates	Ordinary fully paid
15	+Record date to determine entitlements	To be advised
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Any fraction will be rounded up to the nearest whole number
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Channel Islands, United Kingdom, Hong Kong, Ireland, Israel, Malaysia, Saudi Arabia, Singapore, Taiwan, United States. Their entitlements will be sold through a nominee to be advised.
19	Closing date for receipt of acceptances or renunciations	To be advised

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	No
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	To be advised
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Option holders will be sent a notice as at the date of this announcement.
28	Date rights trading will begin (if applicable)	To be advised
29	Date rights trading will end (if applicable)	To be advised
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	Through a broker
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Sell either entitlements in full or in part through a broker and accept balance, if any.

⁺ See chapter 19 for defined terms.

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

--

40 Do the +securities rank equally in all
 respects from the date of allotment
 with an existing +class of quoted
 +securities?

If the additional securities do not
 rank equally, please state:

- the date from which they do
- the extent to which they
 participate for the next dividend,
 (in the case of a trust,
 distribution) or interest payment
- the extent to which they do not
 rank equally, other than in
 relation to the next dividend,
 distribution or interest payment

--

41 Reason for request for quotation
 now

Example: In the case of restricted securities, end of
 restriction period

(if issued upon conversion of
 another security, clearly identify that
 other security)

--

	Number	+Class
42 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



28 June 2006

Sign here: Date:
(Company secretary)

Print name: MARK PITTS
.....

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+ See chapter 19 for defined terms.