

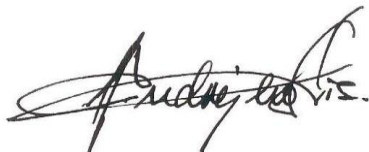
9 June 2011

ASX ANNOUNCEMENT

Consolidation of capital will not proceed

Further to G B Energy Limited (**GB Energy**)'s announcement dated 8 June 2011, GB Energy clarifies that as a result of the offer under its prospectus dated 18 April 2011 not achieving minimum subscription, the consolidation of its capital as approved by the GB Energy members and as referred to in GB Energy's announcement dated 13 May 2011 will not proceed.

Yours sincerely



Andrew J Andrejewskis
Managing Director