

## **GB Energy Limited (ASX: GBX)**

### **Quarterly Activities Report for Quarter Ended**

**30 June 2011**

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#### **Review of Operations**

##### **Australia**

On the March 2011 Quarterly Report, the company announced that it had reached an agreement with Cooper Energy Limited (ASX: COE) to acquire a package of interests in a number of petroleum licences (PELs) in onshore South Australia.

To pay for the acquisition and to provide working capital for the farmin interests, the company proposed to raise up to \$21 million through the issue of shares.

The Notice of Meeting for a General Meeting of shareholders was lodged with the ASX and despatched to shareholders on 14 April. This meeting was held on 13 May 2011 in Perth and all resolutions were passed on a show of hands.

On 19 April 2011, GB Energy lodged a prospectus with Australian Securities and Investments Commission to raise up to \$21 million.

The prospectus outlined an indicative timetable which was subject to change.

GB Energy advised that the Closing Date of the Offer was extended from 5.00pm (WST) on 20 May 2011 to 5.00pm (WST) on Wednesday 8 June 2011, subject to the right of Directors to close the Offer early.

GB Energy's securities were suspended from 19 April to the date at which ASX would have determined that GB Energy has re-complied with Chapters 1 and 2 of the ASX Listing Rules.

On 8 June 2011, the company announced that the level of applications received was significantly below that required to enable the minimum subscription level of the Offer to be reached. This response occurred despite an active marketing program within Australia.

On 10 June, as a result of the minimum subscription level of the Offer not being reached, the share sale agreement and the farmouts with respect to the proposed transaction with Cooper Energy Limited were terminated.

The Directors then applied to the ASX for the lifting of the suspension on its securities. A number of submissions were made culminating with a meeting with officers of the ASX on 7 July 2011.

The suspension was lifted and trading in the Company's securities resumed on 11 July 2011.

## **Slovakia**

GB Energy continued to review options for maximising value from its interests in several uranium exploration projects in Slovakia. These options include the sale of the projects or the development of select projects via joint venture arrangements. The Company's current position with respect to specific exploration tenements in Slovakia is as follows:

- *Vitaz II*

By 30 June 2011 the Company will have spent 49,000 AUD on exploration activity associated with the project, exceeding the minimum exploration expenditure required to retain the tenement and providing useful data for progressing the project. A program for the period ended 30 June 2012 is currently in development and should be finalised by the end of this month.

- *Kluknava*

Following an assessment of the technical merit of the project, the Company's in-country consultant was working on obtaining the necessary approvals to renew the exploration license.

- *Vikartovce and Zemplin*

Based on advice from its in-country consultant, the Company is unlikely to seek renewal of these licenses.

## **Subsequent Events**

### **Corporate Matters.**

On 25<sup>th</sup> July 2011, Mr Andrew J Andrejewskis and Mr Paul Young resigned as directors of the company and Mr Graeme Kirke was appointed Managing Director. This more closely aligns Board expertise with its' Slovak uranium exploration assets.

### **Kluknava**

On the 28<sup>th</sup> July 2011, GB Energy announced the commencement of the exploration program on its Kluknava I license in Slovakia. We expect the programme to be completed by the end of the December 2011 quarter, at an approximate cost of AUD

165,000. Upon completion of the program, the Kluknava I license should be renewed for a further four years.

### **New Projects**

GB Energy Ltd continues to review project opportunities.



**Graeme Kirke**  
**Managing Director**  
**GB Energy Ltd**