



ASX Release

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The Manager
ASX Limited
Company Announcements Office

GB ENERGY LIMITED (ASX: GBX) QUARTERLY ACTIVITIES REPORT FOR QUARTER ENDED 31 March 2010

Highlights

- **Appointment of Experienced Mining Executive, Mr Nick Burn as Manager – Business Development**
- **GB Energy to Focus on Progressing East European Uranium Assets**
- **Corporate Strategy to Identify and Acquire New Resource Assets and Project Opportunities in Minerals and Petroleum**



Review of Operations

Slovak Uranium Project – 100% interest

During 2009, GB Energy conducted reconnaissance exploration over its three Exploration Licences in the Slovak Republic. These licences are 100% owned by its Slovak subsidiary, Crown Energy sro. The licences cover Permian age meta-sedimentary and meta-volcanic sequences within the Slovakian rich uranium belt.

Within this belt, Canadian company Tournigan Energy Ltd is undertaking a Pre-Feasibility Study on the **Kuriskova uranium deposit** (Indicated Resources of 1.2 million tonnes grading 0.558% U₃O₈ for 14.7 million pounds U₃O₈ and Inferred Resources of 3.8 million tonnes grading 0.215% U₃O₈ for 17.9 million pounds U₃O₈). Elsewhere, Tournigan is re-evaluating the geological model for the previously mined **Novoveska Huta** deposit (historical resource of 12 million tonnes grading 0.075% U₃O₈ for 19.97 million pounds of U₃O₈).

Kluknava Licence

The Kluknava licence is located 25km north-west of the Kuriskova deposit. Ground radiometric surveys (over 57 km) and follow-up gamma spectrometer surveys completed last year identified **12 uranium anomalies over a strike length of 4km** of Permian meta-sediments and meta-volcanics, including several uranium anomalies previously identified by the Soviets in the 1960s and 1970s. Within this anomalous zone, Anomalies 57 and 58 were selected for detailed follow up with gamma spectrometer and radon-in-soil surveys. These anomalies were confirmed as uranium in origin **with a peak value of U 0.0773% (equivalent)**. Radon soil measurements indicate the potential for deeper mineralised structures.

Vikartovce Licence

This licence is located 20km west-northwest of the Novoveska Huta uranium deposit. Ground radiometric surveys (over 70km) plus localised follow-up gamma spectrometry and radon surveys undertaken last year failed to identify anomalies worthy of further exploration. However, high radon gas-in-soil measurements remain unexplained, and are possibly related to a deeper primary source. Old uranium mining areas within the licence at Kravany, Spisske Bystre, Vikartovce South and Vikartovce were not explored during this program. Historical Soviet data from these areas has yet to be sourced and reviewed.

Zemplin Licence

The Zemplin licence is located in eastern Slovakia within an isolated Permian meta-sedimentary/meta-volcanic belt. Land access issues prevented the completion of ground surveys over the entire licence area.



However, a limited orientation radon soil survey was completed in the vicinity of a 1977 Soviet drill hole which intersected **2.1m at U 0.061% from 300m**. It was concluded that the soil conditions were not suitable for soil radon gas measurements, with follow-up exploration work still warranted based on the strong historical results achieved in the Soviet era.

Vitaz II Licence Application

Based on the results of the Kluknava reconnaissance exploration program, GB Energy has lodged an Exploration Licence Application along strike to the north-west to cover radiometric anomalies previously identified by the Soviets, extending the prospective zone to a total of 13km within the two adjoining licences.

Summary & Outlook

The Company is encouraged by the results of the 2009 program, which was broadly designed to substantiate previous Soviet exploration results. While the program was of a reconnaissance nature and was partly impacted by land access issues, this represented the first ground surveys to be conducted over these Exploration Licences since the 1980s.

GB Energy notes that Tournigan's Kuriskova and Novoveska Huta uranium deposits are substantially blind and were discovered by geophysical and geochemical prospecting during the Soviet era. However, the application of modern exploration methodology for uranium in Slovakia is still in its infancy.

The first pass GB Energy programs have confirmed that the Licences cover geological formations comparable to Kuriskova and Novoveska Huta. Uranium mineralisation has been confirmed within the Kluknava licence and the potential for buried mineralisation has been confirmed at Vikartovce and Zemplin. Old uranium mining areas within Vikartovce have yet to be investigated.

GB Energy regards the Slovak uranium belt as one of the most underexplored uranium provinces in the world with significant potential for high-grade discoveries, as demonstrated by Tournigan's discovery of a high grade zone within the Kuriskova deposit which assayed 2.16% U₃O₈ over 6.5 metres.

Protean Power Pty Ltd (Administrators Appointed) – 49% interest

The Deed of Settlement signed between the parties in December 2009 resulted in GB Energy withdrawing as the sole funder of Protean Power Pty Ltd (Protean). The withdrawal of funding by GB Energy resulted in Protean not having sufficient funds to continue their research and development. As a result GB Energy impaired their investment as at 31 December 2009, recording an impairment loss of \$765,002 (2008: Nil). On the 29 January 2010, Protean announced it was in voluntary administration.



New Projects

During the period GB Energy continued to assess project opportunities within the mineral resource and petroleum sectors. These included advanced projects (both in Australia and overseas) covering a range of commodities as well as more greenfields opportunities. GB Energy will continue to actively search for new resource projects which have the potential to grow the Company and create wealth for our shareholders with all deal structures contemplated, from joint venture farm-in through to direct project equity or corporate acquisition.

For further information please contact:

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The information in this announcement that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ross Ashton, who is a Member of The Australasian Institute of Mining and Metallurgy. Ross Ashton is a director of GB Energy Limited and has sufficient experience which is relevant to the style of mineralisation 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 Exploration Results, Mineral Resources and Ore Reserves'. Ross Ashton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.