

GVM Metals Limited
(previously, "Golden Valley Mines Limited")
(Incorporated and registered in Australia)
(Registration number ACN 008 905 388)
Share code on the JSE Limited: GVM ISIN: AU000000GVM1
Share code on the Australian Stock Exchange Limited: GVM
ISIN: AU000000GVM1
("GVM" or 'the Company')

ANNOUNCEMENT (Released on ASX on 24 May 2007)

GVM Metals Limited advises that pursuant to the Company's recent announcements dated 20 February 2007 and 10 April 2007 and receipt of cleared funds, a total of 45 686 274 fully paid ordinary shares in the Company have now been issued and allotted, raising total gross proceeds of approximately British Pound 15,200,000.

An Appendix 3B will follow under separate cover.

Secondary Trading Notice Pursuant to Paragraph
708A(5)(e) of the Corporations Act 2001("Act")

The Act restricts the on-sale of securities issued without disclosure, unless the sale is exempt under section 708 or 708A of the Act. By giving this notice, a sale of the Shares noted above will fall within the exemption in section 708(A)(5) of the Act.

The Company hereby notifies ASX under paragraph
708(5)(e) of the Act that:

- (a) the Company issued the Shares without disclosure to investors under Part 6D.2 of the Act;
- (b) as at 24 May 2007, the Company has complied with the provisions of Chapter 2M of the Act as they apply to the Company, and section 674 of the Act; and
- (c) as at 24 May there is no information:
 - (i) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
 - (ii) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - (B) the rights and liabilities attaching to

the relevant shares.

AUTHORISED BY:

Blair Sergeant
Company Secretary

Appendix 3B

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

Rule 2.7,3.10,3.3.10.4,3.3.10.5

Name of entity

GVM Metals Limited

ABN

98 008 905 388

We (the entity) give ASX the following information.

PART 1 - All issues

1	Class of securities issued or to be issued	Shares
2	Number of securities issued or to be issued (if known) or maximum number which may be issued	45 686 274
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)	Fully paid ordinary
4	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	Yes

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

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5 Issue price or consideration

8,333,333 shares at 30 pence each(GBP0.30);and 37,352,941 shares at 34 pence each (GBP0.34)

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

To raise a total of approximately GBP15,200,000 to be applied as follows:

GBP2,500,000 to acquire a 50% interest in Baobab JV

GBP12,700,000 to be used in funding and completing the CoAL acquisition

7 Dates of entering securities into uncertificated holdings or despatch of certificates

24 May 2007

8 Number and class of all securities quoted on ASX (including the securities in clause 2 if applicable)

Number	Class
139,245,602	Fully paid ordinary shares

9 Number and class of all securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	Class
9,000,000	Options excisable at 50 cents each on

	or about 30 September 2011
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10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (Interests)

Not applicable

PART 2 - Bonus issue or Pro rata issue

Questions 11 to 33 - Not applicable

PART 3 - Quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Questions 35 to 42 - Not applicable

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 the 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 we request that the securities be quoted..
- 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.

Sign HereDate 25 May, 2007
(Company Secretary)

Print name: BLAIR SERGEANT

www.gvm.com.au

25 May 2007

South African Sponsor to GVM
PricewaterhouseCoopers Corporate Finance (Pty) Ltd