



GB GLOBAL MINING AG

## **CORPORATE NEWS**

### **GBGM Company Update**

**September 24<sup>th</sup>, 2008 Zug Switzerland.**

Over the past several months, the Company has been diligently proceeding with several financing avenues while completing the structural and environmental requirements to fulfill the previous and recent Mining Mandates as issued by the Ministry of mines and resources of the Ecuador Government.

Events of the past several months, as instituted by the Ecuador Government through its Ministry of Mines and Resources have, for the most part strengthened the possibilities of GBGMAG to become one of the largest Gold producing corporations in all of Ecuador. Recent political intervention, at the time mandating the halt of all further exploration activities in Ecuador, left an open window of opportunity for GBGMAG to further expand its facilities and initiate final terms and extensions on several open agreements for the acquisition of ongoing production facilities and operating mines. GBGMAG management maintains that the potential for growth and moving forward has been focused less on its exploration possibilities and more on corporate expansion through production facility acquisition, operating mine acquisition, equipment upgrading and the refurbishment of the Santa Fe Mining Company's Buza production plant. Completing all of this will undertake the fulfillment of its agreements with Minera Del Pacifico.

To continue with this agenda will move GBGMAG into the forefront as a leader in gold production in Ecuador. The financial obligations of GBGMAG to complete on the Minera Del Pacifico agreement, is structured in four phases:

#### **SUMMARY of PHASE I, PHASE II and PHASE III**

- Funding Date October 1<sup>st</sup> of 2008
- PHASE One complete January 30, 2009
- Phase Two complete July 1, 2009
- Phase Three complete October 30, 2009
- Santa Fe Mill to 400 tons per day floatation built and modernized
- La Fatima to be producing 125 tons per day
- Muluncay Floatation Facility to be producing 300 tons per day
- Environmental Phase One and Two complete and filed in Quito
- 50 Hectares acquired for Main Production Plant
- October 1<sup>st</sup>, 2009 Muluncay Operations producing 825 tons per day

## **SUMMARY of PHASE IV**

Acquire the 17 level deep mine of Portovelo and bring up current production to 400 tons per day in mine and processing capacity. Current mining has opened level 5 and reaching into the 7th level blocking reserve areas and accumulating mining blocks and chipped reserves.

**Legal Description** – MINESADCO S.A. Company, holder of 100% of the mining rights of the areas of CASA NEGRA, ORMOVIRO and CHUNCHI; joint owner of the areas of SAN JUAN, CIRUELO UNIFICADO and B1/2, exploitation and operation mining rights in a portion of the area called DAVID, leasehold of the American Shaft and the Incline shaft and their infrastructure, machinery and equipment, an ore processing plant called ORQUIDEA DE LOS ANDES, infrastructure with machinery and equipment and two parcels of land. All these properties are located in the administrative district of Portovelo in El Oro province, Ecuador. Currently being mined for 130 tons per day and being processed at Yellow River Processing Plant.

Phase I COST: **\$1,621,000 USD**  
Phase II COST: **\$3,311,000 USD**  
Phase III COST: **\$7,870,000 USD**  
Phase IV COST: **\$25,000,000 USD**

**\$12,802,000 USD TOTAL CAPITAL BUDGET**

**\$25,200,000 USD TOTAL ASSET PURCHASE**

The Company has initiated several financing opportunities and while International Financial Markets have been fragile and over exposed, certain Joint-Venture financial opportunities have been exposed to GBGMAG management which are now being reviewed. In addition to these corporate capital investment opportunities and due to the required due-diligence needed with regard to consummating one of these opportunities, GBGMAG management is now opening to current shareholders and other interested investors a further opportunity to participate in the future growth of GBGMAG's Ecuador operations. A copy of this most recent Private Placement Memorandum can be found at the GBGMAG website [www.gbglobalminingag.com](http://www.gbglobalminingag.com) .

On July 24<sup>th</sup>, 2008 the exposure to Ecuador's exploration and mining opportunities and the confirmation of the corporate confidence in the current political situation in Ecuador was put to rest with the Kinross Gold Corporations public offer to acquire the assets of Aurelian Resources for US\$ 1.2B. Aurelian's listed assets are a confirmed resource of 13M ounces Au. This offer, which was just recently accepted by the majority of Aurelian Resources' shareholders, has now put the international spotlight back on mining and exploration in Ecuador. GBGMAG Management firmly believes that with one production facility (Santa Fe Mining Company's Buza Plant) already completed and an additional four production facilities under option to be acquired by GBGMAG, through its agreements with Minera Del Pacifico, it would now give the Company the ability to not only develop and expand on current mining opportunities but also initiate and expand on Gold, Copper and Silver production.. At close of this financing opportunity, GBGMAG would be set apart from a simple exploration corporation, of which in Ecuador, Aurelian, Dynasty, IamGold and many others are, to that of a major gold producer in Ecuador. Once the complete package of GBGMAG agreements are completed, the comparable

physical infrastructure represented by GBGMAG at that time, would cost tens of millions of dollars and take several years of development by others to replicate.

Management believes that with proper funding in place and the additional options and agreements with Minera Del Pacifico closed, they will firmly establish the current estimated resources of approximately 7 – 9 million ounces Au. These resource estimates do not include the additional estimates of both Ag (Silver) and Cu (Copper). As well, it is important to note that production facilities are already established with the previous acquisition and refurbishing of the SantaFe Mining Company's Buza production facility. This plant has a current output capacity of 250 TPD and an expansion capability of approximately 600 TPD.

GBGMAG management believes that this project is an opportunity to participate in what would become one of, if not the largest Gold producer in Ecuador and one of the larger production companies in all of South America. Recent free trade agreements between the United States and Columbia and the United States and Peru are signaling a greater opportunity for collateral business in Ecuador, which reformed to US currency in 2000. As well, the most recent political activity of the Ecuador Government concerning Mining and Resources sector in Ecuador has now been made public, a copy of which has now been posted on the GBGMAG website, signifies the Ecuador Governments' interests to initiate strong international investment for the Mining Industry of Ecuador.

The Company's Management continues to move forward with its mandate to consummate the final agreements and terms with Minera Del Pacifico, while reviewing several Joint-Venture and financial investment opportunities to complete on this mandate. In unison with this mandate, the Company must continue to carry on daily operations and has allowed for the opportunity of current shareholders and other interested financial investors to participate in the GB Global Mining AG Private Placement being offered, details of which can be reviewed on the Company's website [www.gbglobalminingag.com](http://www.gbglobalminingag.com)

*This news release may contain forward-looking statements ... Therefore all readers of this information are cautioned that the forward- looking statements are inherently uncertain, including statements related to possible opportunities for growth strategies and statements that are not statements of historical fact, which may or may not be based on GB Global Mining AG management's estimates, assumptions, projections or beliefs. The forward-looking statements in this news release are subject to various risks, uncertainties and other factors that could cause GB Global Mining AG actual results or achievements to differ materially from those expressed in or implied by forward looking statements. Forward-looking statements are based on the beliefs, opinions and expectations of GB Global Mining AG Management at the time they are made, and GB Global Mining AG does not assume any obligation to update its forward-looking statements if those beliefs, opinions or expectations, or other circumstances, should change. Readers are cautioned not to place undue reliance on forward-looking statements.*