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NEWS RELEASE

GOLD BULLION INCREASES PRIVATE PLACEMENT GRANTS STOCK OPTIONS

October 5, 2010 - Gold Bullion Development Corp. (the "Company", TSX.V: GBB) announces that it has amended the terms of a non-brokered private placement (the "Private Placement") announced on September 22, 2010.

The Company has amended the terms of the Private Placement to increase the number of units (the "Units") for sale from 11,111,111 Units to a maximum of 14,814,814 Units, at a price of \$0.54 per Unit, for gross proceeds of up to \$8,000,000. Each Unit will consist of one common share in the capital of the Company and one-half of a transferable share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share in the capital of the Company for a period of one year from the date of issuance, at a purchase price of \$0.75 per share.

The Company will pay finder's fees to arm's length parties ("Finders") in connection with the Private Placement, equal to 8% of the gross subscription proceeds realized from the sale of Units by the respective Finder, payable in cash and in addition, at the discretion of the Company, will issue non-transferable share purchase warrants ("Finder's Warrants") equal to 8% of the number of Units sold by the respective Finder. Each Finder's Warrant will entitle the holder to purchase an additional common share in the capital of the Company for a period of one year from the date of issuance, at a purchase price of \$0.75 per share. Certain directors, officers and insiders of the Company may participate in the Private Placement. The securities issued will be subject to a hold period of four months and one day.

Proceeds of the Private Placement will be used for the development of the Company's Granada Gold Property in northwestern Quebec. The Private Placement will be subject to approval by the TSX Venture Exchange.

The Company has also granted incentive stock options to a director of the Company to purchase 900,000 common shares in the capital of the Company, exercisable at a price of \$0.48 per share for a period of five years.. All options are subject to a four month hold period and are granted in accordance with the terms of the Company's Stock Option Plan and the policies of the TSX Venture Exchange.

About Gold Bullion Development Corp.

Gold Bullion Development Corp. is a TSX Venture listed junior natural resource company focusing on the exploration and development of mineral properties, all of which are located in Canada. The Company is currently focused on the advancement of its Granada Gold Mine Property in Rouyn-Noranda, Quebec and Castle Silver Mine Property in Gowganda, Ontario.

Frank J. Basa
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