GBM RESOURCES LTD

ABN 91 124 752 745

ANNUAL REPORT 2020

CORPORATE DIRECTORY

GBM Resources Limited (**GBM** or the **Company**)

ASX Code
GBZ and GBZOB (Listed Options)

Directors
Peter Mullens - Executive Chairman
Peter Rohner - Managing Director and CEO
Sunny Loh - Non-Executive Deputy Chairman
Peter Thompson - Executive Director
Brent Cook - Non-Executive Director

Company Secretary
Kevin Hart

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Corporate Governance
The Company is transitioning to the 4th Edition of the ASX Corporate Governance Recommendations.
A summary statement reporting against the 3rd Edition of the ASX Corporate Governance Recommendations which has been approved by the Board together with current policies and charters is available on the Company website at https://www.gbmr.com.au/about/corporate-governance/

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CHAIRMAN'S REPORT

Dear Shareholder,

On behalf of the Board of GBM Resources, I am pleased to present the 2020 Annual Report for the Company.

It has been a corporately transformative year for GBM. Key developments over the period include:

- Acquisition of Millstream Resources Pty Ltd (with its 50% cashflow earn-in interest in the White Dam Gold-Copper Heap Leach Operation, along with an option to acquire 100% of the assets);
- Appointment of a highly experienced Managing Director and CEO (Peter Rohner) and Executive Chairman (myself, Peter Mullens) with proven track records of value creation;
- Recruitment of a leading Senior Advisor, Technical and Business Development (Stephen Nano) possessing a strong network into North American gold markets;
- Completion of a 1-for-10 share capital consolidation; and
- Raising of A$8.7 million in new equity to accelerate exploration and development activities.

The result is a restructured, recapitalised and revitalised GBM. The timing of this transformation has aligned with the backdrop of a difficult global environment and an accompanying sharp rise in the A$ gold price.

The starting point for the value growth and realisation journey we are embarking upon is our asset base. We are focussed on the discovery of world-class gold and copper deposits. To that end, our high-calibre project portfolio, hosting district-scale mineral systems, is located in a number of premier metallogenic terrains across eastern Australia. It is an excellent base from which to capitalise on.

The new GBM management team has been busy since taking the reins. Significant achievements to date include:

- Execution of a strategic JV agreement and share swap with Novo Resources Corporation (TSX-V: NVO) in March 2020 covering GBM's 100%-owned Malmsbury Gold Project in the central Victorian goldfields. Novo subsequently exercised its option to purchase a 50% interest in the Malmsbury Project in late September 2020, with the exercise consideration of 1.58 million Novo shares holding a market value of approximately A$6.1 million. The orogenic gold mineralisation present at Malmsbury bears many similarities to ore deposits being mined at the nearby 8 Moz Fosterville Gold Mine. The partnership with Novo is expected to greatly accelerate potential discovery and resource delineation timeframes at Malmsbury.
- Completion of GBM's 50% earn-in at the White Dam Gold-Copper Heap Leach Operation in South Australia via successful construction and commissioning of the Sulphidisation-Acidification-Recycling-Thickening (**SART**) Plant on site. The SART Plant is designed to extract copper from the gold leach solution, thereby improving overall gold recoveries at White Dam. First copper concentrate and gold production from the SART Plant were achieved during the September 2020 quarter. We also released a maiden JORC 2012 resource of 102 koz gold at White Dam in August 2020. The project contains a large exploration tenement package with considerable potential for further resource accretion.

- Commencement of a focussed 5,000 metres diamond and RC drilling program at our 100%-owned Mt Coolon Gold Project in the Drummond Basin, Queensland. This program is primarily testing key extensional targets at the Koala, Glen Eva and Eugenia deposits. We have also commenced surface exploration on priority Mt Coolon 'pipeline' prospects, centred on the Glen Eva – Eastern Siliceous Zone (ESZ) corridor where reconnaissance drilling by previous explorers reported significant gold intersections. There are a number of known epithermal alternation systems hosting gold that we believe hold potential to establish a plus 1-million ounce resource base and 'processing halo' at Mt Coolon.

I would like to take this opportunity to thank the entire GBM team, including our key contract partners and consultants. The 2020 financial year has been a challenging one globally with the emergence of COVID-19 as a large-scale social and business interruption threat. Our team has worked constructively and effectively in mitigating risks and running efficiently in this operating environment.

Finally, thank you to all our shareholders for their loyalty and belief in the future of GBM. I am excited about the opportunities that are in front of us and I look forward to enjoying them with you over the coming years.

Stay safe and well.

Peter Mullens

Executive Chairman

OUR VISION

GBM Resources Limited is focused on delivering value to our shareholders through discovery, acquisition and development of projects in key commodities of gold and copper in Australia.

OUR VALUES

We are committted to achieving our vision in a safe and responsible manner with the highest regard for the environment and communiities in which we operate. The Board endorse the core values of GBM as summarised below.

SAFETY

We take care of our safety, health and wellness by recognising, assessing and managing risk to continue our goal of zero harm.

SUSTAINABILITY

We have the highest regard and support for the environment and local communities in which we operate.

INTEGRITY

We behave ethically and respect each other and the customs, cultures and laws in which we operate.

RESPONSIBILITY

We deliver on our commitments and work together with all stakeholders.

GBM REPOSITIONED FOR SUCCESS WITH RE-ENERGISED CORPORATE PROFILE WITH NEW STRATEGIC FOCUS

- *New team with a proven track record.*
- *New business objective to create shareholder wealth through discovery of world class gold and gold-copper resources.*
- *New business development model with a focus to acquire and consolidate district scale gold - copper opportunities in Eastern Australia's world class metallogenic provinces.*
- *Mt Coolon Gold Project targeting +1 million ounce resource in Australia's premier low sulphidation epithermal gold province.*
- *Farm-in and Option to Purchase White Dam gold-copper heap leach operation giving potential early cash flow.*
- *Applying Joint Venture funding model to increase spend and accelerate discovery on Malmsbury and Mt Morgan Projects.*
- *Expanding shareholder base into European and North American Funds and re-engaging with the Australian capital markets.*

COMPANY HIGHLIGHTS IN 2020

The restructure of GBM commenced in this Financial Year and covers the following major events to-date:

CORPORATE

- ***Board Restructure and Management***

  *Executive Board appointments with **Mr Peter Rohner** as Managing Director (Grad Dip Applied Finance & Investment, BSc Metallurgy) and **Peter Mullens** as Executive Chairman (BSc Geology, Fellow of the AusIMM). Both appointments bring extensive project operational experience, with specific expertise in developing resource assets and a track record in building significant value.*

  *Appointment of **Stephen Nano** as Senior Advisor, Technical and Business Development (Chartered Professional Geologist and Fellow of the AusIMM). Mr Stephen Nano brings over 30 years of industry experience as well as an extensive network from his international career as a successful exploration geologist.*

  *Recent appointment of Non-Executive Director, **Mr Brent Cook**. Brent Cook is an economic geologist with over 40 years' experience in exploration, mining and finance. During his career as advisor/analyst he has worked on nearly every deposit type in over 60 countries and is currently based in Utah USA.*

- ***Consolidation of Capital***

  At the Company's AGM on 25 November 2019, for every 10 shares held and 10 options held were respectively consolidated into 1 share or 1 option At 30 September 2020, the Company had on issue a total of 329,271,211 ordinary fully paid shares, 50,770,890 listed options exercisable at $0.11 expiring 6 July 2023 and 28,138,152 unlisted securities (unlisted options, performance rights and convertible notes).

- ***Equity Raisings***

  The Company raised gross proceeds of $8.69 million which funded GBM acquiring a 50% interest in the White Dam Gold Copper Heap Leach Operation and places the Company in a strong funding position to advance exploration and development of the Mt Coolon and Malmsbury Gold Project assets.

  The equity raisings were from Share Placements of gross proceeds of $5.62 million and further monies of $3.07 million from the Non-Renounceable Entitlement Issue and Short fall offer.

COMPANY HIGHLIGHTS IN 2020

PROJECTS SNAPSHOT

- ***Mt Coolon Gold Project and within the Drummond Basin, Queensland***
  GBM's 'processing halo' strategy aims to build a +1 million ounce resource base within a 70 km radius of the Mt Coolon Gold Project and to build on the existing gold resource of 330 koz.

  The strategy incorporates:
  - *The current exploration program incorporating 5,000 metres of drilling under way in Q4 to test priority drill targets adjacent to the existing Koala, Glen Eva and Eugenia resources.*
  - *Applications for 10 new exploration licences lodged covering 2,840 km^2 of prospective ground in the Drummond Basin which is Australia's premier Low Sulphidation Epithermal gold province. 2 of with have recently been granted.*
  - *Staking of prospective ground to control potential extensions of the Mt Coolon gold corridor and to build district-scale holdings centred on key gold systems within the 'processing halo' radius.*
  - *Building a pipeline of quality exploration targets within the Mt Coolon region with new applications that can be systematically advanced to drill testing.*
  - *Reviewing potential opportunities to acquire existing resources within the 70 km radius of Mt Coolon.*

- ***Malmsbury Gold Project, Victoria***
  - *A strategic partnership with Novo Resources Corp. (a Canada Listed –* TSX-V: NVO*) commenced when Novo exercised its Option to Purchase and Exploration Farm - In Agreement whereby Novo purchased a 50% interest in Malmsbury via the issue of 1,575,387 Novo shares to GBM and can earn an additional 10% by spending A$5 million over a 4 year period. The Option to Purchase was exercised on 24 September2020 and the value of Novo shares to GBM at that date total approximately $6.1 million.*
  - *Retention Licence 006587 for Malmsbury has been granted by Department of Jobs, Precincts and Regions for a period of 10 years from the 23 June 2020.*
  - *Stage 1 Field activities have commenced in Q4 and includes sampling, mapping, soil surveys, with drilling and metallurgical testwork likely in 2021.*
  - *Orogenic gold mineralisation present at Malmsbury bears many similarities to ore deposits being mined at the nearby 8 Moz. Fosterville Gold Mine. The Company recognises the underexplored nature of the goldfield and considers it highly prospective in character and considers it to hold potential for discovery of further significant gold mineralisation.*

COMPANY HIGHLIGHTS IN 2020

- ***White Dam Gold Copper Heap Leach Operation, South Australia***

  On 1 July 2020 a Joint Venture agreement with Round Oak Minerals Pty Ltd commenced in which GBM earns a 50% in cashflow of the gold and copper production from the White Dam Project. Under the agreement GBM also has the option to purchase 100% of the White Dam Project which includes the tenements and the gold plant between 1 January 2021 and 30 June 2021.

  GBM's 50% JV interest was earnt via the construction of a Sulphidisation-Acidification-Recycling-Thickening (SART) Plant at White Dam. The SART Plant is designed to extract copper from the gold leach solution, thereby improving overall gold recoveries and providing copper product revenue.

  Key events:

  Initial JORC 2012 resource calculated at 101,900 ounces of gold which has the potential to be amenable to heap leach extraction.

  Maiden Gold pour scheduled in October 2020. Associated copper expected to be a valuable by-product with operation of the SART Plant.

  The White Dam Gold-Copper Project contains a large exploration tenement package with considerable potential for further resource accretion.

COVID-19

GBM's business continues to operate in full compliance with the COVID-19 advice from the Australian Government and relevant health authorities.

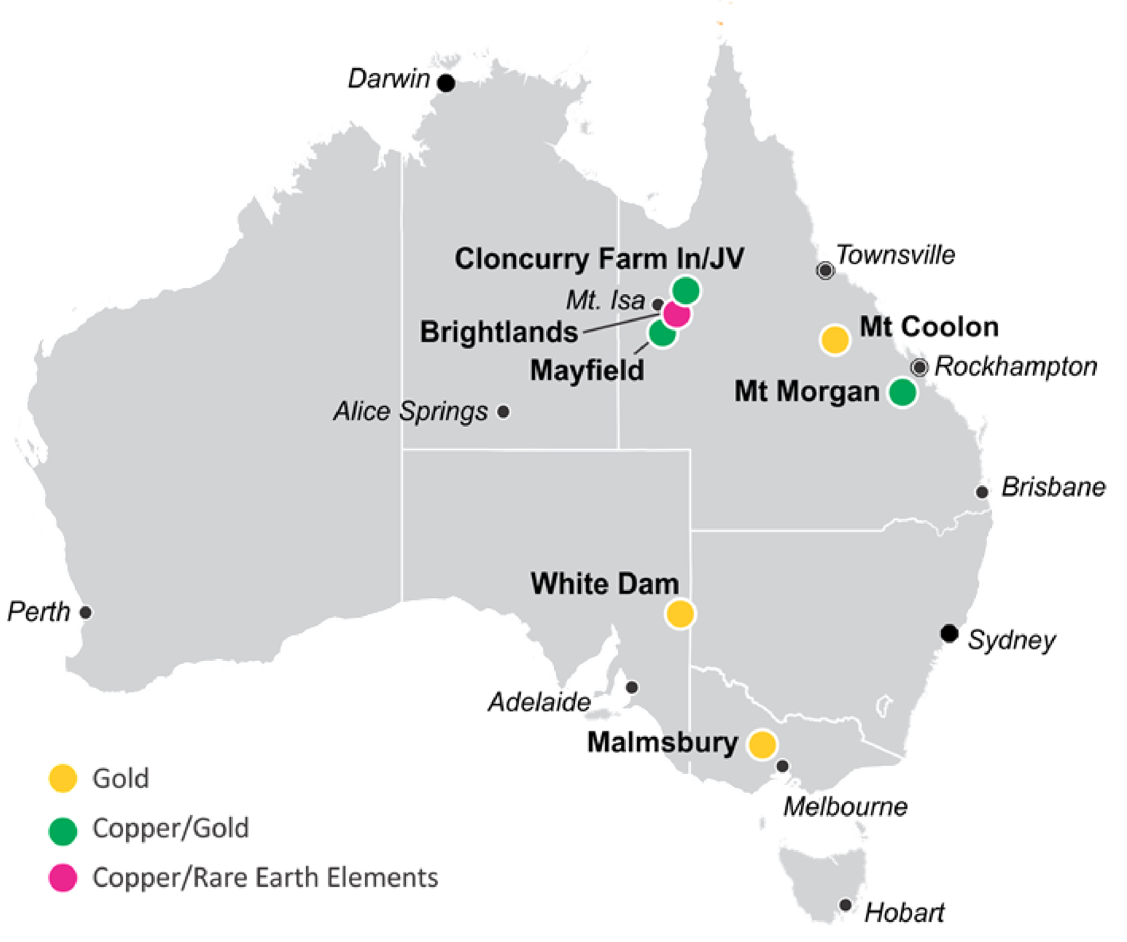
The situation is evolving, and whilst there are currently no significant impacts, there remains some uncertainty and risks with potential impacts on the White Dam JV Heap Leach Operation and our exploration programs in the second half of 2020.

SUSTAINABLE DEVELOPMENT

GBM has been a signatory to the Mineral Council of Australia's 'Enduring Value: The Australian Minerals Industry Framework for Sustainable Development' since 2008 and reconfirmed this commitment again in 2016. Our excellent record continues of zero LTI's and environmental incidents this year – this is the tenth year that GBM has achieved zero harm. This is a credit to our people and an indication of the Company's stringent and high safety and environment standards.

PROJECT LOCATION AND COMMODITY SUMMARY

The Company holds a diversified portfolio of tenements – located in world-class gold and copper regions in Australia.



QUEENSLAND

Mount Coolon Gold Project
100% wholly-owned
Project area: 1,251 km^2 granted and 2,840 km^2 application
Commodity: Epithermal and IRGS Gold
Resources: Totalling 330,500 ounces of gold

Mount Morgan
100% wholly-owned
Project area: 351 km^2 granted and 656 km^2 application
Commodity: Gold and Copper-Gold Porphyry, VMS

Brightlands
100% wholly-owned
Project area: 65 km^2 granted
Commodity: Defined Cu-U-Mo-REE-P
Resource: containing 108,000 t TREEYO,97,000t Cu 14 M lbs U3O8
Pan Pacific Copper Joint Venture Projects
46% owned by GBM.
Project area: 810 km^2
Commodity: IOCG, ISCG

Mayfield
100% wholly-owned
Project area 91 km^2
Commodity: IOCG

SOUTH AUSTRALIA

White Dam Gold Copper Joint Venture
50% cashflow JV by GBM
Commodity: Gold- Copper
Resource: Totalling 101,900 ounces of gold

VICTORIA

Malmsbury
100% wholly-owned
Project area: 6.7 km^2
Commodity: Orogenic Gold Mineralisation
Resource: containing 104,000 oz gold

REVIEW OF OPERATIONS

GBM is committed to developing the Mount Coolon Gold Project (MCGP) in the under-explored Drummond Basin epithermal gold province in Queensland. The Company's current applications cover an additional 2,840 km^2 and having identified a number of other deposits and high quality exploration targets which may be viewed as stranded assets, together could be consolidated into a 'processing halo' with MCGP in achieving an accelerated strategy to build a + 1 million ounce resource.

The Company believes that the successful acquisition of Millstream and formation of the White Dam Joint Venture has provided GBM with the opportunity to generate cash, while assessing opportunities to restart mining operations and explore other associated tenements.

The maiden gold pour at White Dam is scheduled in October 2020 and has the potential to develop where it can support the Company's working capital requirements and add to the ongoing development of MCGP. GBM has the option to purchase a 100% of the White Dam Project which covers the tenements and gold plant by 30 June 2021.

The Strategic partnership with Novo is an example of the North American JV model to accelerate exploration on the Malmsbury Gold Project which is likened to the nearby 8 Moz Fosterville Gold Mine.

In addition, the Company has high calibre gold-copper assets at Mount Morgan, Mayfield and Brightlands – Milo in the premier metallogenic provinces of Eastern Australia.

In line with the Company's vision, our exploration efforts are focussed on developing and expanding our known resources and securing tenements and projects that improve the quality and potential of our highly prospective tenement holdings within, Australia.

MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

The MCGP hosts a known resource (JORC 2012) containing 330,500 ounces of gold in three separate, open pit deposits. GBM has identified exploration upside in each of these deposits along with a number of exploration prospects within the granted 1,251 square kilometre tenement package. The Company's current applications cover an additional 2,840 km^2 and believes that MCGP could become a 'processing halo' for future consolidation of several known gold deposits within the region. GBM's 'processing halo' strategy is focused on consolidating a + 1 Million ounce resource base.

The MCGP is located within the Drummond Basin, one of Queensland's most prolific gold provinces. The Basin's past production of more than 4.5 million ounces of gold and has a total known gold endowment in excess of 7.5 million ounces of gold. The Drummond Basin is an established gold mining region which has proven fertile for discovery of epithermal and intrusive relation gold systems.

Mineralisation in the Drummond Basin is typified by low sulphidation epithermal style precious metal deposits. Examples include Pajingo (3.0 Moz), Wirralie (1.1 Moz), Yandan (0.6 Moz) and Koala (0.36 Moz). Epithermal mineralisation is typified by very fine-grained gold, sometimes occurring in electrum, in quartz veins and or breccias. These deposits are variously interpreted to have formed in locally extensional jogs or bends of transform fault systems.

The Project is located 250 km to the West of Mackay in North Queensland, the tenement package covers a total area of over 1,251 km^2 granted and a further 2,840 km^2 in applications that holds potential for further significant discoveries.

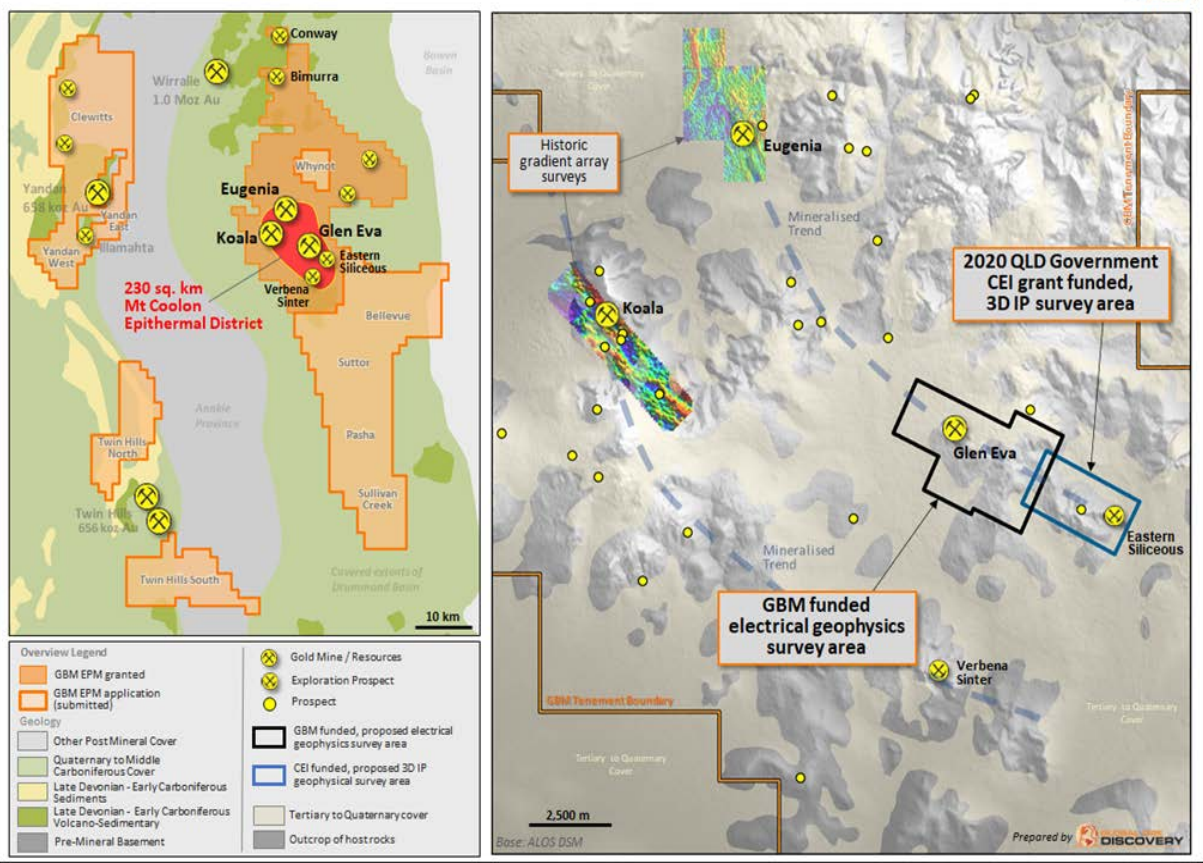
MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

Exploration and Drilling Program

Drilling program is resource growth focussed with 5,000 m diamond and RC drilling program underway. GBM has also commenced surface exploration on priority Mt Coolon "pipeline" prospects, centred on the Glen Eva - Eastern Siliceous Zone (ESZ) corridor where reconnaissance drilling by previous explorers has reported significant gold drill intersections.

GBM has been awarded a Collaborative Exploration Initiative (CEI) grant of A$184,000 (from State of Queensland acting through the Department of Natural Resources, Mines and Energy) to part fund a 15 km^2 electrical geophysical survey already in progress at the Glen Eva - ESZ corridor (see Figure1 below).

Figure 1: GBM Drummond Basin tenements and electrical geophysical survey program



Koala Deposit Program

Approximately 2,000 m of drilling in up to 8 holes has been planned at the Koala Deposit to test down dip extensions of high grade shoots outlined by historic resource drilling (see Figure 2), including drill intersections of up to 2.6 m at 12.3 g/t Au (Hole KLRD0024 from 206.4 m down hole) and 8.2 m at 6.0 g/t Au (Hole UD003 from 79.2 m down hole) (refer GBM ASX announcement dated 27 April 2017).

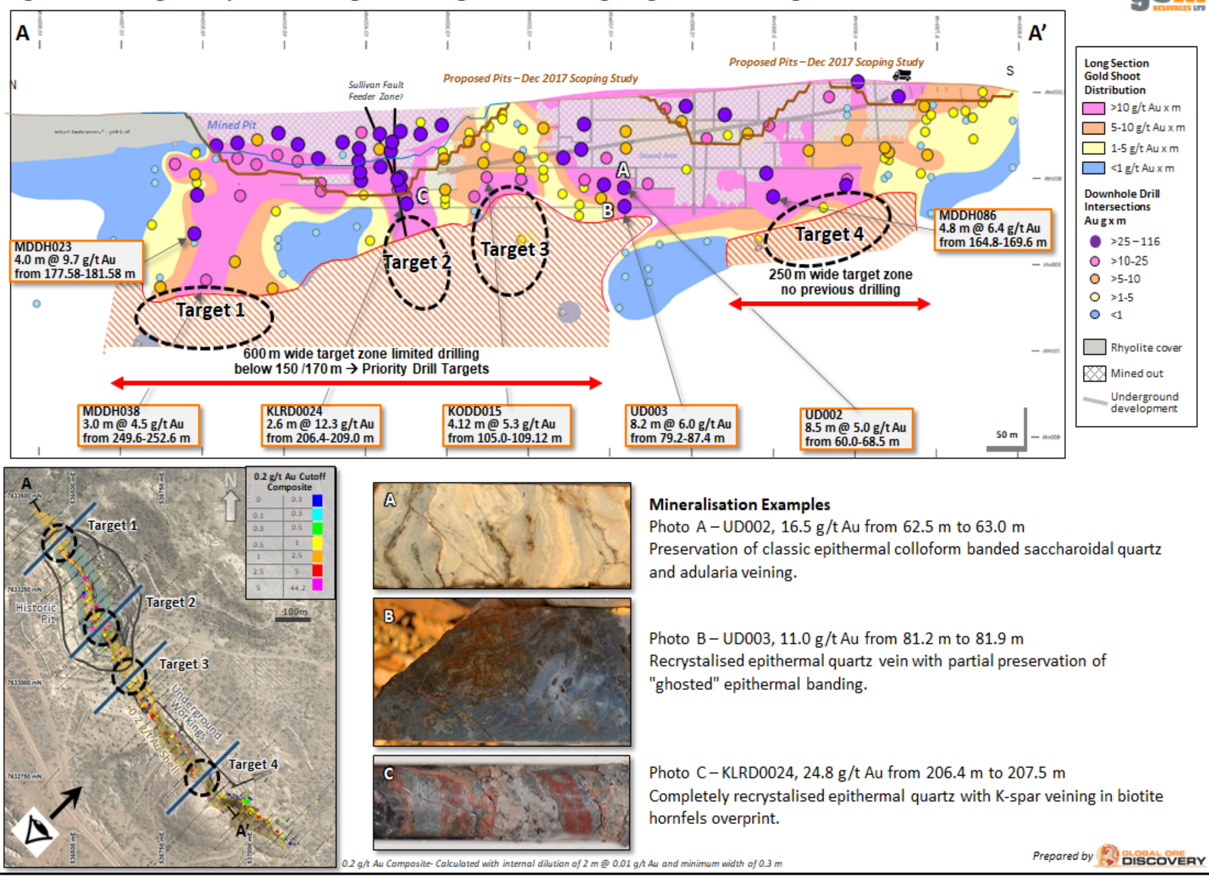
MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

Koala Deposit Program (continued)

The majority of the planned drill holes will be focused on the northern end of the Koala vein zone, where grade distribution and gold shoot geometry suggest the presence of an approximate 600 m long target zone. This zone may represent the principal hydrothermal fluid up-flow during formation of the gold deposit, presenting the potential for high-grade mineralisation and greater depth extent for mineralisation in this area.

The dimensions and shoot geometry of the Koala mineralisation show strong similarities to the larger 5.0 Moz Pajingo LSE deposit in the northern Drummond basin. The Pajingo vein system has a strike length of 2.25 km, with mineralised shoots displaying over 250 m of vertical extent [1]. The strike extents of the Koala vein zone are largely covered by post mineral sequences that have only been drill tested intermittently, and mineralised shoots within the deposit have been drilled to an average depth of only 150 m down dip.

Figure 2: Koala gold deposit drill targets on long section with gold gram x metres grade distribution



MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

Glen Eva Deposit Program

The planned program at the Glen Eva Deposit includes 6 holes for a total of 1,500 m (see Figure 3). These holes are designed to test conceptual targets at depth beneath the existing pit and current resource. Analysis of grade distribution, alteration geometry and fault zones of the Glen Eva mineralisation has defined a 3D model that shows strong similarities to the nearby Yandan East deposit, where previous drilling defined a body of mineralisation (4 Mt @ 2.4 g/t Au for 300 koz gold [2]) lying approximately 170m below the existing pit floor.

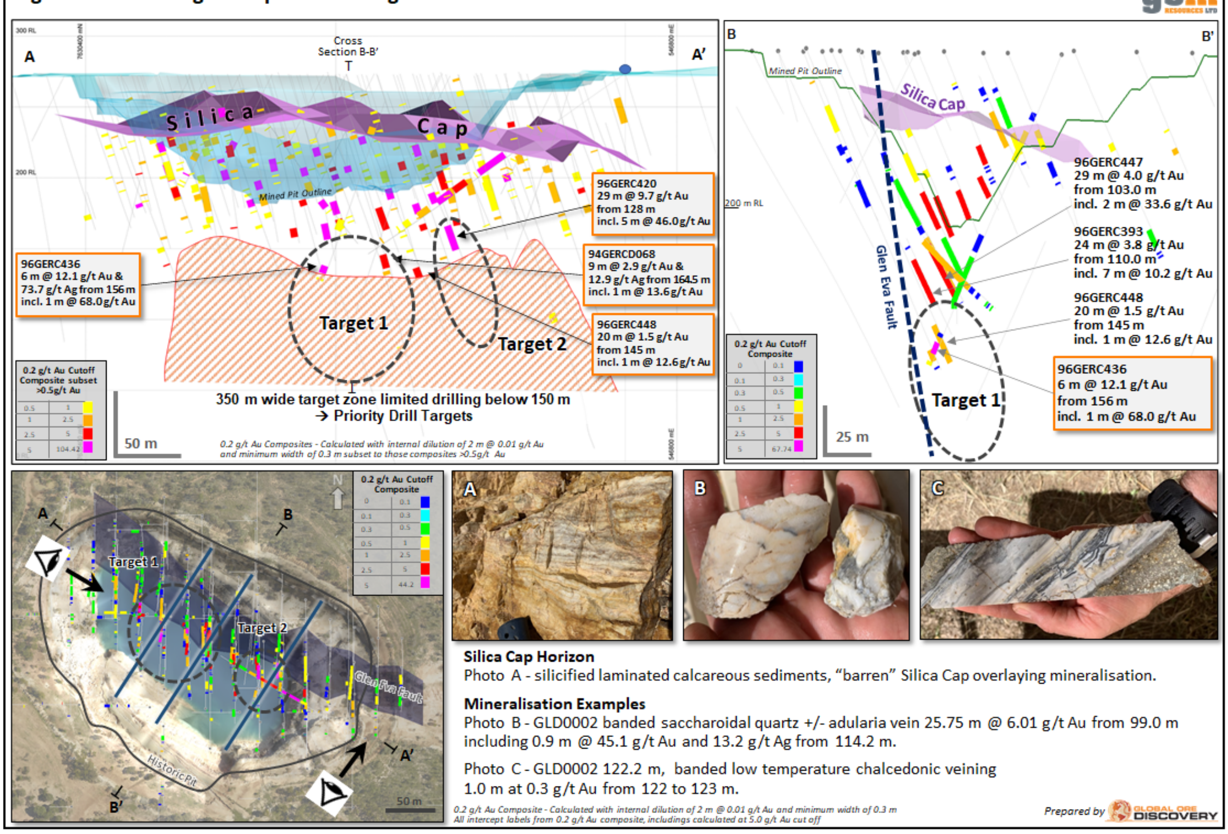


Figure 3: Glen Eva gold deposit drill targets

(Refer GBM ASX announcement dated 27 April 2017 for drill holes in Figure 3 above).

At Glen Eva, modelling of the historic drilling has identified an approximate 350 m long target zone, significantly larger than the footprint of the Yandan East deposit, underlying the existing Glen Eva pit at depths of 150 to 170 m below the pit base. The top of the target zone is defined by a series of high-grade gold intersections that have not been systematically tested to depth. Intersections include 6.0 m at 12.1 g/t Au including 1.0 m of 68.0 g/t Au (Hole 96GERC436 from 156 m down hole), and 9.0 m at 2.9 g/t Au including 1.0 m at 13.6 g/t Au (Hole 94GERCD068 from 164.5 m down hole) (refer GBM ASX announcement dated 27 August 2015).

These intercepts may represent leakage from an underlying zone of high grade mineralisation.

MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

Glen Eva Deposit Program (continued)

Picture below shows drilling underway next to the Glen Eva pit.

Photograph 1: Drilling next to Glen Eva pit

Eugenia Deposit Program

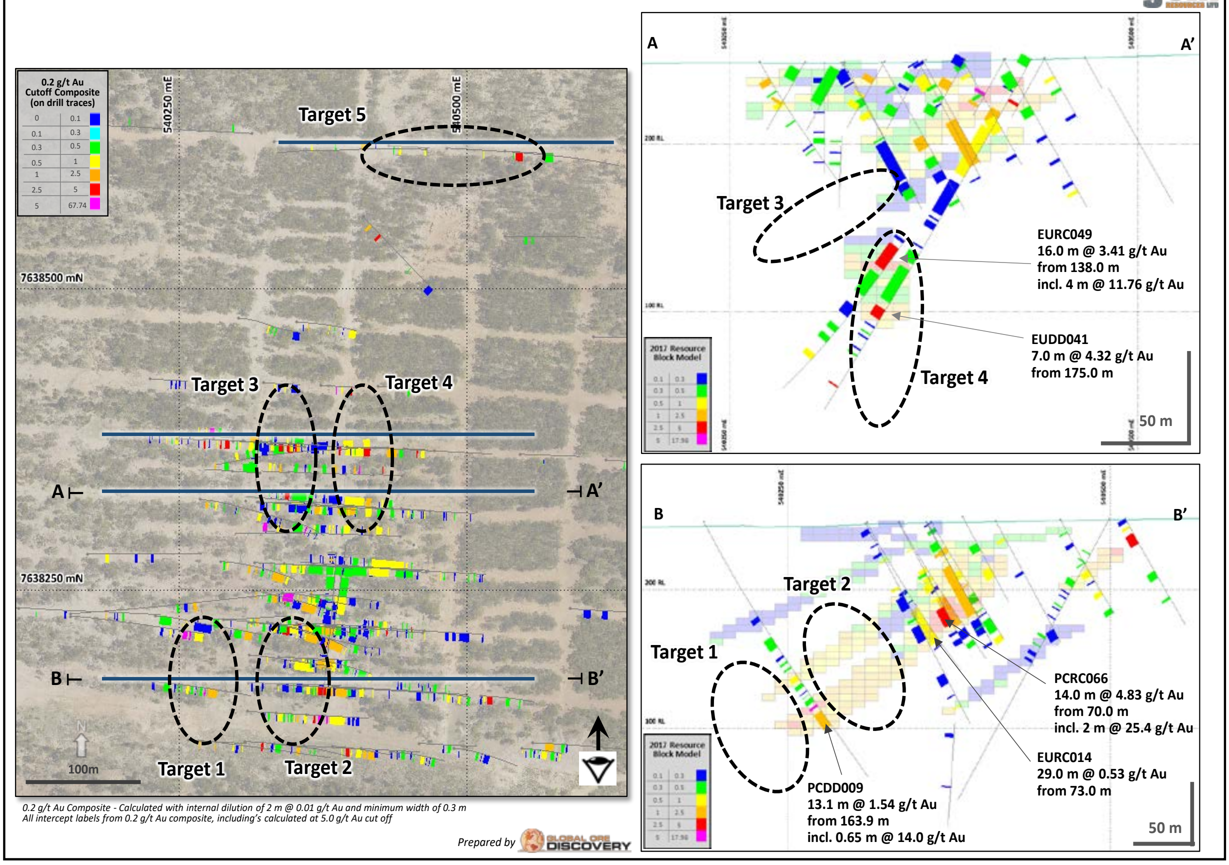
Planned drilling at the Eugenia Deposit includes up to 7 holes totalling approximately 1,500 m (see Figure 4). These holes will test down dip projections of the shallowly west dipping tabular bodies of mineralisation that define the current largely oxide resource. Several planned holes also target the down dip projections of historic intersections of up to 16.0 m at 3.41 g/t Au, including 4.0 m at 11.76 g/t Au (Hole EURCO49 from 138 m down hole) (refer GBM ASX announcement dated 27 August 2015).

These potentially represent higher grade feeder structures to the known tabular bodies defining the Eugenia resource.

MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

Eugenia Deposit Program (continued)

Figure 4: Eugenia gold deposit drill targets



Mt Coolon Pipeline Prospects

The Mt Coolon district "footprint" – as defined by the aerial extents of known gold deposits, anomalous gold in drilling, rock chips and soils samples – is more than 230 km^2. This large epithermal district hosts many prospects that have not been systematically explored for gold deposits using modern exploration technologies and deposit models. The Mt Coolon Project area also includes significant epithermal gold prospects at Bimurra and Conway that have returned gold in drill intersections from previous exploration, but have seen little exploration since the 1990's.

GBM is in the process of evaluating the extensive historic exploration database for Mt Coolon, Bimurra and Conway, in order to rank known prospects into a "project pipeline" for further exploration. A preliminary ranking has been undertaken, identifying the 7 km long Glen Eva - Eastern Siliceous Zone (ESZ) corridor as a priority for initial exploration.

MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

Mt Coolon Pipeline Prospects (continued)

The ESZ prospect is a 1.7 km long by 700 m wide area of intense silica-illite-pyrite altered rhyolite domes, dome margin breccias and mixed sedimentary pyroclastic rocks, that partially outcrop as a low rise in a window through post mineral cover sequences. Gold mineralisation occurs in a series of sub-metre wide, up to 850 m long chalcedonic veinlet zones with classic high-level epithermal characteristics.

During the 1990's a 700 m by 300 m area of the ESZ was the focus of a shallow reverse circulation drill program. Average drilling depths were 105 m and reached a maximum depth of 243 m. No significant exploration has been undertaken in the ESZ since the late 1990's.

GBM has commenced a surface exploration program of geological mapping, rock chip sampling, alteration modelling and electrical geophysics over a 7 km long corridor that encompasses the Glen Eva Deposit and the ESZ.

References

[1] *Hoschke T. Sexton M. (2005). Geophysical exploration for epithermal gold deposits at Pajingo, North Queensland, Australia. Exploration Geophysics* ***36****, 401-406.*

[2] *Aeris Resources. Yandan Mineral Resource Estimate, (https://www.aerisresources.com.au/wp-content/uploads/2019/12/Annual-Report-30-June-2019-Mineral-Resources-and-Ore-Reserves.pdf*

Table 1: Mt Coolon Gold Project and regional resources

Mt Coolon District Gold Resources	Tonnes (000's)	Au (g/t)	Au oz (000's)
GBM Mt Coolon District			
Koala Tailings [1, ML]	124	1.6	6.6
Koala – Sulphide + Transition + Oxide [1, ML]	1,430	2.6	121.5
Glen Eva – Sulphide [1, ML]	1,660	1.47	78.3
Eugenia – Oxide [1, EL]	1,482	1.08	51.6
Eugenia – Sulphide [1, EL]	1,947	1.16	72.4
GBM Sub Total	**6,643**	**1.54**	**330.4**
Third Party Resources within 70kms of Mt Coolon	**Tonnes (000's)**	**Au (g/t)**	**Au oz (000's)**
Yandan East [2, ML]	4,000	2.4	300.0
Twin Hills + Lone Sister [2, ML]	6,940	2.8	633.0
Other Company Gold Resource Sub Total	**10,940**	**2.6**	**933.0**

1. *GBM ASX Announcement, 4 December 2017, Mt Coolon Gold Project Scoping Study*

2. *GBM ASX Announcement, 18 January 2019, Mt Coolon and Twin Hills Combined Resource Base Approaches 1 Million Ounces and https://www.aerisresources.com.au/wp-content/uploads/2019/12/Annual-Report-30-June-2019-Mineral-Resources-and-Ore-Reserves.pdf*

MOUNT COOLON GOLD PROJECT (MCGP) *(100% OWNED GBM)*

2017 Scoping Study and Current Gold Price

GBM completed a Scoping Study on the MCGP *(refer ASX Release 4th of December 2017)*. This study demonstrates that the redevelopment of the MCGP with its current resources has the potential to generate a strong positive cash flow. Based on a gold price of A$1,667, the Scoping Study demonstrated the potential economic viability of mining the Koala, Glen Eva and Eugenia resources using a combination of Heap Leaching and CIL processing. The Life of Mine highlight's summary is included in the table below.

Table 2: Life of Mine Highlights

Au Produced - LOM		
Pre-Tax Cash Flow	A$M	60.5
Production Life	Years	5.5
Pre-production and CIL/HL Plant Capital	A$M	25.2
Operating Cash Cost (C1)	A$/oz	909
AISC Cost (all-in-sustaining)	A$/oz	1,020

The current gold price of + A$2,600 per ounce gold has increased significantly from the scoping study gold price assumption of A$1,667 per ounce, an increase of A$933 per ounce which potentially adds another A$145 million in forecast gold revenue and may further support the viability of the LOM production of 155,000 ounces.

Of the gold production detailed in this study, 72% of Au is from Indicated Resources based on updated mineral resources estimates for the Koala, Glen Eva and Eugenia Deposits. The Koala and Glen Eva deposits are on granted mining leases. It is also significant that the resource areas remain open and are considered to hold high potential to extend mine life. The Scoping Study was completed by independent consultants, Mining One Pty Ltd with input from GBM and other external consultants.

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

A strategic partnership with Novo Resources Corp (a Canada Listed – TSX-V: NVO) was completed when Novo exercised its Option to Purchase and Exploration Farm - In Agreement whereby Novo will earn a 50% interest in Malmsbury via the issue of 1,575,387 Novo shares to GBM and can earn an additional 10% by spending A$5 million over a 4 year period. The Option to Purchase was exercised on the 24 September 2020 and the value of Novo shares to GBM at that date totals approximately $6.1 million.

The Retention Licence RL006587 has been granted by Department of Job, Precincts and Regions (DJPR) for a period of 10 years from the 23 June 2020.

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

The licence area covers a strike length of over 4.5 km and includes the 1 km long Leven Star Trend, where GBM has outlined a 104,000 ounce Inferred gold resource (820 kt at 4.0 g/t Au) [1]. This is in addition to nineteenth century gold production from the Drummond North and Belltopper Hill Goldfields. Available records from the Victorian Geological Survey database show approximately 100,000 oz of high-grade hard rock production from these fields.

Orogenic gold mineralisation present at the Malmsbury Project bears many similarities to ore deposits being mined at the nearby 8 Moz. Fosterville Gold Mine. The Company recognises the underexplored nature of the goldfield and considers it highly prospective in character and considers it to hold potential for discovery of further significant gold mineralisation.

The program of work and milestones have been agreed with DJPR will require expenditure of $4.7 million over the initial ten year period. Exploration activities have commenced with core from historic drilling programs being collected from other sites and moved to GBM's core shed for relogging and additional sampling of previously unrecognized mineralized zones. Planning of the Stage 1 exploration program has been completed and field activities commenced in August 2020. Other work to be completed in this program will include; geological mapping and sampling, digital reconstruction of previous mines from historic data, soil surveys, drilling and metallurgical testwork.

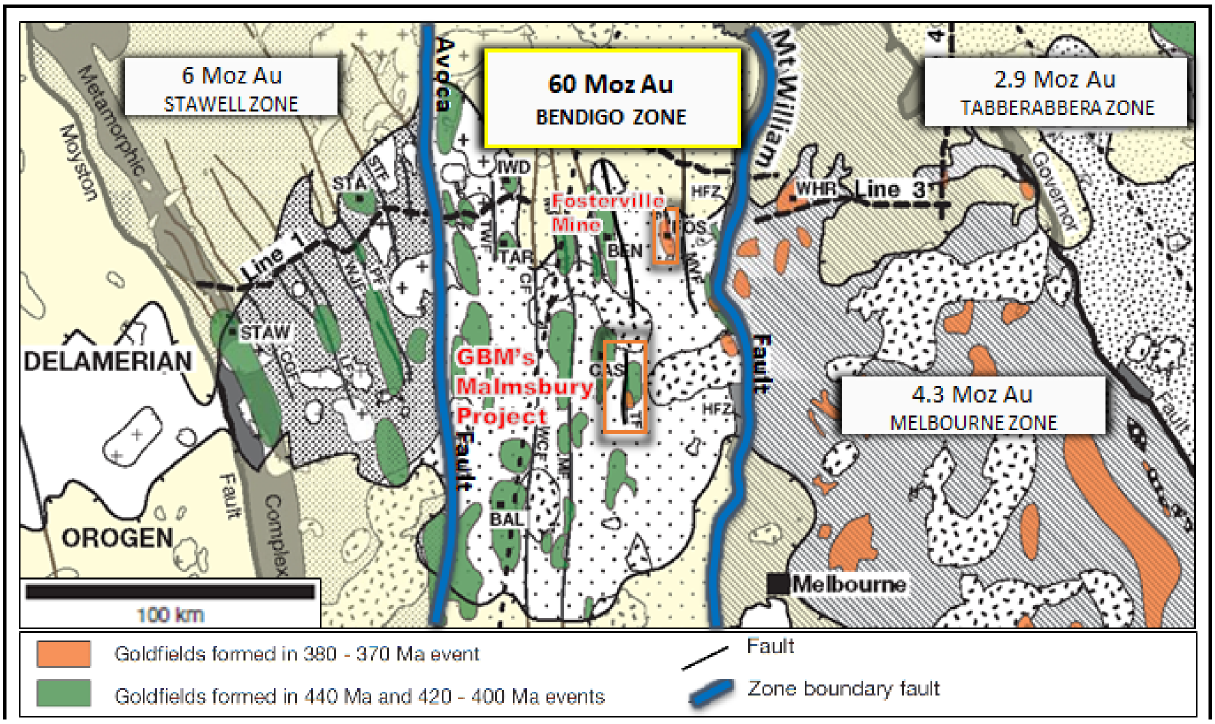


Figure 5: Regional Tectonic Setting of the Victorian Goldfields

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

Exploration Farm-In Agreement with Novo Resources Corp (Novo)

Earn-in period

1. Upon exercise of its JV option and acquisition of a 50% interest in the Malmsbury Project, Novo has the right to earn an additional 10% interest by incurring A$5 million in exploration expenditure over a four-year period.

2. Minimum annual earn-in expenditure is as follows:
   i. At least A$1 million in the first year;
   ii. At least an additional A$1.25 million in the second year;
   iii. At least an additional A$1.25 million in the third year; and
   iv. At least an additional A$1.25 million in the fourth year.

   Earn-in expenditure incurred in a year which surpasses the minimum required amount shall be credited against the subsequent year.

3. If Novo does not incur the requisite earn-in expenditure profile during the earn-in period then its interest in the Malmsbury Project will decrease to 49%.

4. Upon Novo reaching the A$5 million expenditure requirement it will have the right to earn into a 60% interest in the Malmsbury Project and initiate a joint venture with GBM.

5. For a 60-day period following the date on which the joint venture is initiated by Novo, GBM must elect to either:
   i. Retain its 40% interest by contributing to 40% of exploration and development expenditure going forward; or
   ii. Allow Novo to continue sole spending but with GBM's interest being diluted to 25% upon Novo delivering a preliminary economic assessment (PEA) within 3 years from the joint venture initiation date. This PEA must include, at minimum, a 1 Moz gold resource of which at least 60% must be in the Indicated classification.

6. In the event that GBM elects to dilute (i.e. option (ii)), Novo shall earn its additional 15% interest (taking it to 75%) from the date that it delivers the PEA and shall continue to fund all expenditure on the Malmsbury Project up until a decision to mine is made. Subsequent to a decision to mine, GBM shall reimburse 25% of any development expenditure incurred by Novo from a maximum of 80% of Malmsbury Project cash flows.

7. Novo and GBM shall negotiate a royalty arrangement whereby, subsequent to a decision to mine, GBM will be entitled to receive a 2.5% net smelter returns royalty. The Malmsbury Project is encumbered by certain pre-existing royalties; where such an encumbrance is present, Novo shall only be required to pay a 2.5% net smelter returns royalty in aggregate, with only any residual amount between pre-existing royalty rights and the 2.5% threshold being paid to GBM.

REVIEW OF OPERATIONS

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

Project Review

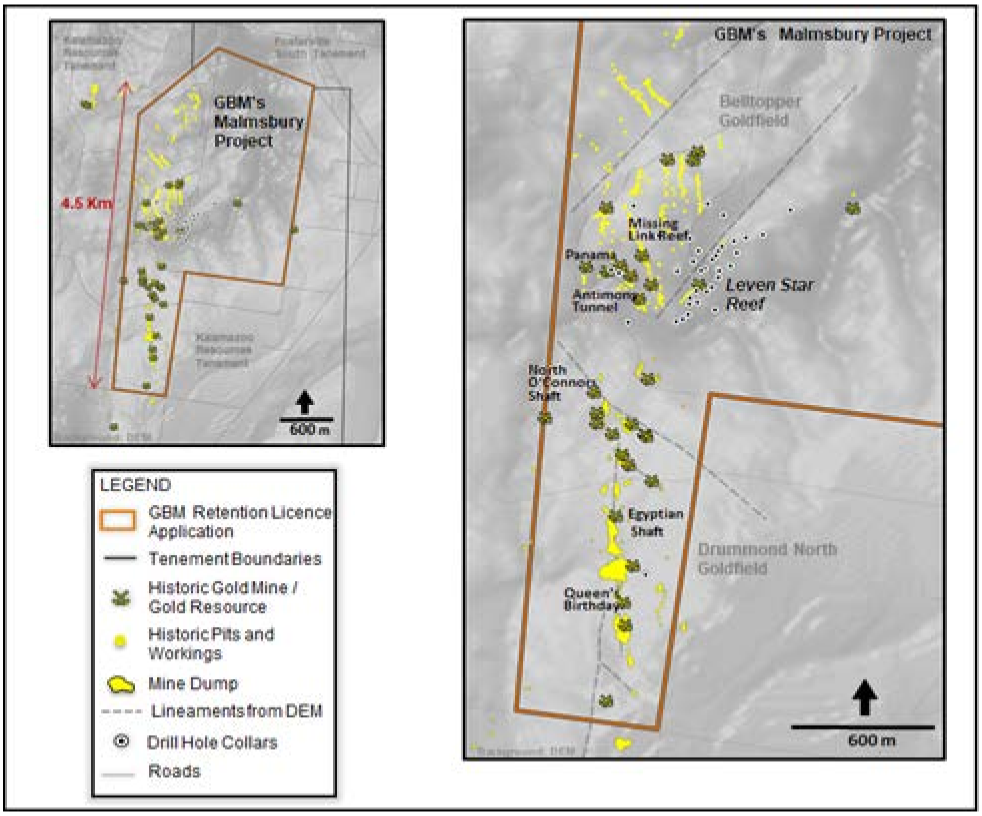


Figure 6: Tenement outline of Malmsbury Gold Project

GBM has undertaken a hyperspectral alteration vectoring study from existing drill core and integrated analysis of all the historic data. This is set to facilitate design of an exploration program and prioritisation of targets for the planned field work.

Initial observations of drill core and of vein and wall rock on historic mine dumps has:

- Confirmed the presence of an early wall rock hosted disseminated and veinlet style gold-arsenopyrite mineralisation, and later vein hosted gold-antimony mineralisation, consistent with mineralisation styles developed at the Fosterville Mine, located 55 km north of the Malmsbury Project.
- Identified vein textures and alteration styles consistent with the high-level epizonal orogenic gold deposit class that can produce high grade gold mineralisation, as seen at Kirkland Lake Gold's (TSX:KL) Fosterville Mine, and in recent drill results reported from the Kalamazoo Resources (ASX:KZR) Castlemaine Gold Project, which adjoins the Malmsbury Project.

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

Leven Star Prospect

Reviewing the Leven Star Reef prospect drill results at lower cut off grades (0.25 g/t Au, versus the 2.5 g/t Au used for the prior Leven Star resource) has highlighted the presence of broader gold halos to the known mineralised trends, and previously unreported parallel zones of near surface gold mineralisation in the wall rock (refer GBM ASX announcement dated 4 July 2019 for drill hole details).

These results include (downhole intersections)

Table 3

0.25 g/t Au cut off					
Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Au Gram Metres
LSDDH6	27.70	35.40	7.7	3.11	23.9
LSRC16/D14	60.80	63.80	3	3.71	11.1
LSRC16/D14	68.60	72.80	4.2	2.92	12.2
LSRC16/D14	88.75	101.10	12.35	2.38	29.4

2.5 g/t Au cut off					
Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Au Gram Metres
LSDDH6	28.70	31.70	3	3.76	11.3
LSRC16/D14	62.00	63.80	1.8	6.00	10.8

JORC 2012 Resource and Recalculation of Gold Grades at 0.25 g/t Cut Off

In July 2019, GBM announced a JORC 2012 compliant Inferred resource of 820 kt at 4.0 g/t Au (at 2.5 g/t cut off) for total contained gold of 104,000 oz (refer ASX announcement 4 July 2019). The resource was based on 36 drill holes that tested the Leven Star structure to a maximum depth of 365 m, with the majority of holes (~85%) intersecting the structure at depths less than 100 m below surface. The resource "daylights" in the area of the historic Leven Star workings with mineralised drill intersections within a few tens of metres of surface. The resource and the mineralised trend are open below the depth of drilling and potentially along strike.

For comparison, the gold system at Fosterville daylighted where it was historically mined via hand dug open pits the 1900's. The modern underground Fosterville resource has to date been drill tested to depths in excess of 1600 m below surface and remains open below that depth.

The drill intersections from the Malmsbury Leven Star Reef Prospect were recently recalculated at a 0.25 g/t Au cut off (Table 4). This has highlighted a number of zones where the gram x metre product (gold grade in g/t x width in metre) has increased by between 20 to 112%, and new zones of previously unreported gold mineralisation have been identified with down hole widths in excess of 10 m and grades in excess of 2 g/t Au.

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

Downhole intersections at 0.25 g/t Au cut off [1] and greater than 10 Au gram metres						Downhole intersections at 2.5 g/t Au cut off [1] and greater than 10 Au gram metres						% Change [3] Au gm (2.5 to 0.25)	Intersection Constrained by Sample Interval [4]
Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Au gm [2]	Hole ID	From (m)	To (m)	Interval (m)	Au (g/t)	Au gm [2]		
LSDDH1	84.35	92.00	7.65	7.14	54.6	LSDDH1	84.35	87.20	2.85	17.90	51.0	7	No
LSDDH6	27.70	35.40	7.7	3.11	23.9	LSDDH6	28.70	31.70	3	3.76	11.3	112	No
LSDDH8	66.30	70.40	4.1	13.10	53.7	LSDDH8	66.30	70.40	4.1	13.10	53.7	0	No
LSDDH9	186.10	194.70	8.6	5.38	46.3	LSDDH9	190.10	193.10	3	11.43	34.3	35	Yes
LSRC10	24.00	28.00	4	3.84	15.4	LSRC10	24.00	27.00	3	4.75	14.2	8	No
LSRC11	50.00	60.00	10	5.26	52.6	LSRC11	50.00	56.00	6	6.17	37.0	0.03	No
						LSRC11	58.00	60.00	2	6.98	14.0		No
LSRC13	81.00	89.00	8	2.82	22.6	LSRC13	81.00	83.00	2	9.43	18.9	20	No
LSRC14	51.00	61.00	10	3.57	35.7	LSRC14	54.00	57.00	3	9.38	28.1	27	No
LSRC15	66.00	73.00	7	5.44	38.1	LSRC15	67.00	69.00	2	15.95	31.9	19	No
LSRC16/D14	60.80	63.80	3	3.71	11.1	LSRC16/D14	62.00	63.80	1.8	6.00	10.8	3	No
LSRC16/D14	68.60	72.80	4.2	2.92	12.2							>100	No
LSRC16/D14	88.75	101.10	12.35	2.38	29.4							>100	Yes
LSRC17/D15	49.40	55.05	5.65	4.29	24.3	LSRC17/D15	50.70	55.05	4.35	4.96	21.6	13	No
LSRC17/D15	67.05	73.40	6.35	5.04	32.0	LSRC17/D15	71.00	73.40	2.4	8.06	19.3	66	No
LSRC5	80.00	93.00	13	2.99	38.9	LSRC5	82.00	87.00	5	5.12	25.6	52	No
LSRC6	17.00	33.00	16	2.62	42.0	LSRC6	27.00	32.00	5	5.29	26.5	59	No
LSRC7	47.00	53.00	6	8.93	53.6	LSRC7	47.00	51.00	4	12.85	51.4	4	No
LSRC8	93.00	106.00	13	2.44	31.8	LSRC8	93.00	94.00	1	12.10	12.1	0.12	Yes
						LSRC8	102.00	106.00	4	4.05	16.2		No
LSRC9	26.00	31.00	5	5.23	26.1	LSRC9	26.00	30.00	4	6.46	25.8	1	No
MD01	262.00	267.95	5.95	6.48	38.6	MD01	264.00	266.91	2.91	12.02	35.0	10	No

NOTES
1) 0.25 g/t Au and 2.5 g/t Au cut offs calculated with internal dilution of 1 m @ 0.1 g/t Au. All assays below detection limit are multiplied by -0.5
2) 'gm' = Gram Metre and is calculated using Au (g/t) x Downhole Interval (m)
3) % Change Au gm between Au gm 2.5 g/t Au cut off and Au gm 0.25 g/t Au cut off
4) Intersection is constrained by historic sampling interval
5) Hole ID nomenclature – DDH = Diamond Drill Hole, RC = Reverse Circulation and LSRCx/Dx = RC top with Diamond tail
6) For holes LSRC16/D14 and LSRC17/D15, calculated intersections occur within the DDH component of hole

Table 4: Length Weighted Average Downhole Gold Intersections – Leven Star Reef Drilling

In some cases, these wider lower grade gold intervals are constrained by the limit of current assay sampling in the core. Unsampled zones of alteration, veining and sulphide mineralisation were noted in historic drill core. Relogging of the historic core and sampling of these potentially mineralised intervals will be one of the objectives of the renewed exploration program at Malmsbury.

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

	Bendigo (B)	Fosterville (F)	Malmsbury (M)	Notes
Tectonic Setting	Bendigo (B), Fosterville (F) and Malmsbury (M) occur within the Bendigo Zone (60 Moz Au) the most fertile structural zone of the Victoria Goldfields (Stawell Zone - 6 Moz Au, Melbourne Zone – 4.3 Moz, Tabberabbera Zone 2.9 Moz). The difference in endowment in the Bendigo Zone compared to other zones is interpreted to be the result of it having a basement with >25 km thickness of mafic igneous lithologies with a thin Precambrian lithosphere. Mineralisation is spatially associated with deep penetrating listric shaped north south faults where regional fold culminations have controlled fluid flow [7].			
Production, Reserves and Resources	22 Moz Au (hard rock and alluvial) [8]	~2 Moz (historic production prior to Lower Phoenix etc.). Total Resource including lower Phoenix 6.8 Moz Au [4]	Historic production totalled ~98 kt @ 29 g/t for 91 koz Au. Average grades from Panama and Belltopper tunnel were 87.5 g/t Au and 64.8 g/t Au respectively. JORC 2012 GBM resource of 820 kt @ 4 g/t Au for 104 koz Au [2]	Historic production records suggest potential for very high-grade mineralisation at **M** associated with antimony veins (supergene influence on grade unknown). Historic and current resources of ~200 koz Au at **M** indicates it is significantly underexplored and the potential of the field remains undefined.
Strike Length of Field	~12km	~7km	~4.5km	
Peak Metamorphic Grade	Greenschist Facies [9]	Sub-Greenschist facies [3]	Sub-Greenschist facies [10]	Peak metamorphic grades are lower at F and M suggesting formation at shallow crustal levels i.e. Epizonal
Temperature of Mineralising Fluids	Moderate to high temperature hydrothermal fluids 325-375°C [11]	Low-moderate temperature hydrothermal fluids 180-270°C [12]	Low-moderate temperature hydrothermal fluids 180-220°C [10]	F and **M** mineralisation is formed at a similar temperature range and approximately 125°C lower than **B** consistent with F and **M** forming at a shallow Epizonal crustal level.
Depth of Formation	Deep 8 -12km [11] (Mesozonal)	Shallow 2.6-5.7km [12] (Epizonal)	Shallow 1-2.5km [10] (Epizonal)	F and **M** systems developed at shallower crustal levels than **B**
Age of Mineralisation	~440 Ma [8]	~380 Ma [13]	~370 Ma [10]	F and **M** systems are a similar age and 60-70 million years younger than the **B** system and the age of **F** and **M** mineralisation overlaps with emplacement of late Devonian granite to granodiorite.
Lithology	Metasandstone and shales	Metasandstone and shales	Metasandstone and shales	**B, F** and **M** have similar host rock type
Mineralisation Style 1	Nuggety gold in quartz veins with pyrite, arsenopyrite, galena, sphalerite, chalcopyrite, tetrahedrite, boulangerite and pyrrhotite with occasional Ni Cu sulphides [11,14]	Disseminated gold and arsenopyrite in wall rocks.	Disseminated gold and arsenopyrite in wall rocks.	F has an early refractory gold-arsenopyrite wall rock hosted mineralisation with later high grade fine dusty visible gold +/- stibnite in quartz carbonate veins that forms the Lower Phoenix style mineralisation. **B** has nuggety gold-arsenopyrite in crystalline quartz.
Mineralisation Style 2 and 3		Visible gold in quartz veins with +/- stibnite, arsenopyrite, Fe-poor sphalerite, galena, tetrahedrite, chalcopyrite, breithauptite, tennantite and bournonite [3]	Visible gold in quartz veins with +/- stibnite, arsenopyrite, sphalerite, galena, tetrahedrite, chalcopyrite, breithauptite, Bi-Te phases [10,15]	
Gold Pathfinder Association	**Au-As** +/- Pb, Zn, Sb, Cu, Ni	**Au-As-Sb** +/- Zn, Pb ,Cu, Ni	**Au-As-Sb** +/- Zn, Pb, Cu, Ni, Bi, Te	F and **M** system later bonanza grade free gold is associated with antimony sulphide minerals (e.g. Stibnite) this is not observed at **B**
Alteration Associated with Mineralisation	K-White Mica +/- carbonate [16]	K-white mica + carbonate associated proximal to gold bearing veins [16]. Shallow illite and kaolinite alteration [17]	Hylogger hyperspectral scans on MD12 and MD08a mapped K-white mica + carbonate with veining and localised kaolinite + dickite +/- ammonium alunite [15]	F and **M** have evidence of low-moderate temperature weakly to moderately acid hydrothermal fluids that may have resulted from H_2S phase separation or boiling. Alteration at **B** does not contain minerals that indicate low-moderate temperature acid fluids
Orogenic Gold Type [18]	Mesozonal	Epizonal	Epizonal	F and **M** both display characteristics of shallow orogenic Epizonal style of mineralisation while **B** has characteristics of deeper Mesozonal style orogenic gold mineralisation

Table 5: High-Level Comparative of Bendigo, Fosterville and Malmsbury Projects within the Bendigo Zone

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

At the terrain scale, the similarities include the setting within the BZ and the association with the late Devonian age (360 to 370 Ma) cycle of mineralisation and intrusives, that post-date the main BZ mineralisation (including the giant Bendigo mining camp) by 60 to 70 Ma. The fault and fold geometries, and relationships to large north-south trending and west dipping faults (shown in deep seismic transects to tap the lower crust) are also seen at both mining districts. At the deposit scale, vein textures, mineralisation styles and geochemical signatures of early gold-arsenopyrite with later higher-grade gold-antimony are seen at the Fosterville and Malmsbury districts.

The gold mineralisation in the central Victorian Goldfields is considered to belong to the globally significant orogenic gold deposit class (refer following Figure 7). Deposit characteristics indicate that Fosterville and Malmsbury belong to a sub-type of this deposit class, epizonal orogenic gold that is formed at relatively shallow crustal levels (2-3 km) and has recently been recognised as a priority target type for large-scale high-grade gold deposits. In the BZ, the temporal association of this cycle of mineralisation to the late Devonian intrusive event may also suggest an additional contribution of metal and heat from these intrusives to these gold deposits.

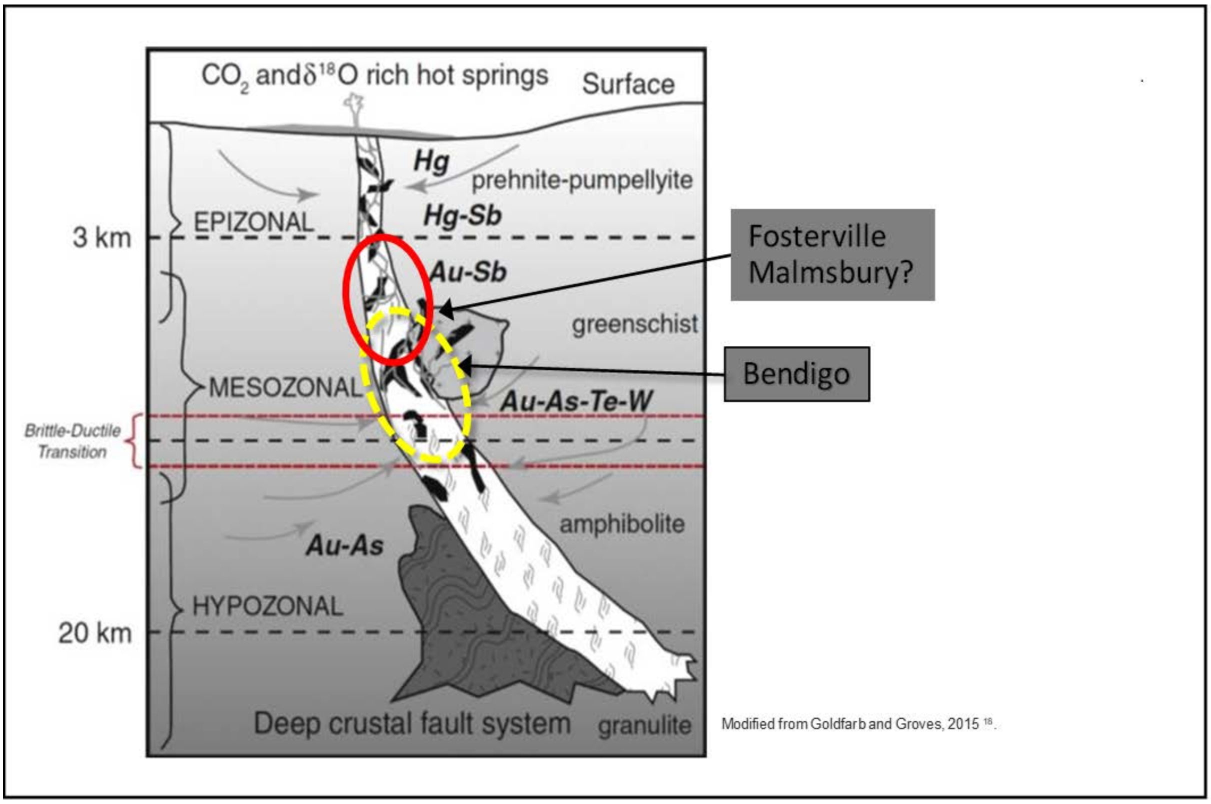


Figure 7: Orogenic Gold Model – Depth of Formation

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

The 6.7 square km Malmsbury Retention Licence application covers the historic Belltopper and Drummond North goldfields, that combined have a known north-south strike extent of over 4.5 km (refer above Figure 7). Previous exploration by GBM has outlined multiple trends of historic mines and pits within the field that have a cumulative strike extent of over 8.5 km.

Nineteenth century gold production records were not well documented in Australia, however available records from the Victorian Geological Survey database show approximately 100,000 oz of high-grade hard rock production from the field, with approximately 76,000 ounces at +18 g/t Au produced from O'Connor's and Queens Birthday mines in the Drummond field. Incomplete records show smaller scale but very high-grade gold production from the Belltopper goldfield with average production grades of 87.5 g/t Au and 64.8 g/t Au for the Panama and Belltopper Tunnel mines, respectively. The longest line of workings in the Belltopper field is the 450 m long Missing Link line. There are few production records from these workings, however a record of early batches of production of near surface ore average approximately 180 g/t Au, confirming the presence of multi-ounce ore near surface in at least part of this trend. The Missing Link Line has only been tested by one drill hole to date.

Significant antimony was recorded to accompany the high-grade gold production in the Belltopper field at the Panama and Belltopper Tunnel mines. This suggests that some of the historic high gold grades were in part hypogene (primary-sulphide bearing), as opposed to near surface supergene enrichment. The presence and economic significance of this mineralisation style at Malmsbury will need to be confirmed with exploration drilling.

An initial review of select mineralised intersections of core from the Leven Star Reef Prospect has highlighted the presence of metasandstone and shale hosted disseminated and veinlet gold-arsenopyrite mineralisation as halos to veins or as separate zones of mineralisation (refer following figures).

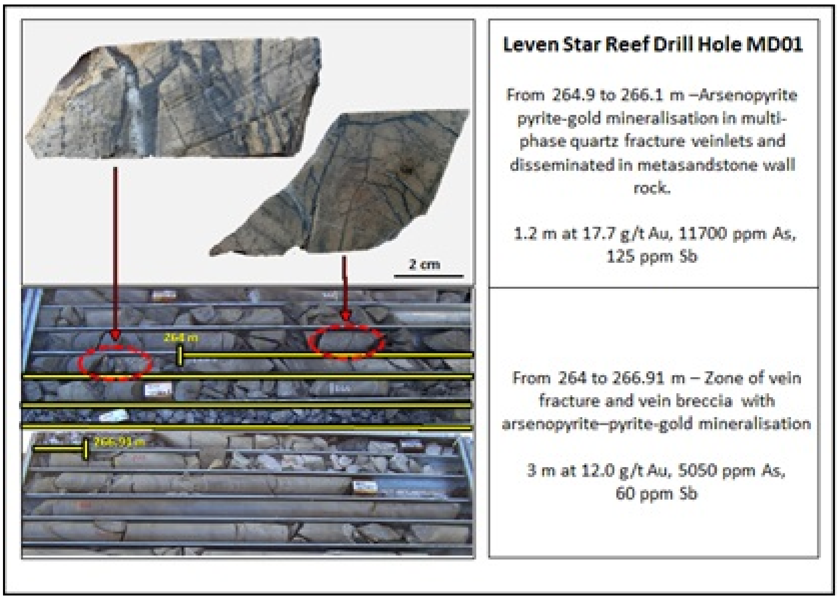


Figure 8: Leven Star Reef Drill Holes MD01 – Core Photos

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

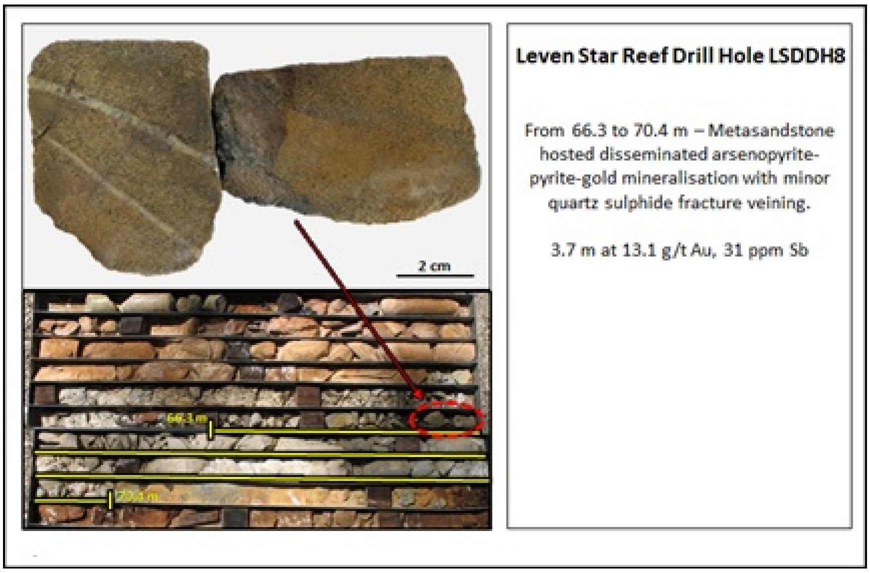


Figure 9: Leven Star Reef Drill Hole LSDDH8 – Core Photos

There is also evidence in the core of banded crustiform veinlets that are associated with assays of up to 20.1 g/t Au, 1,100 ppm As (arsenic) and 2,150 ppm Sb (antimony), confirming the presence of both the gold-arsenic and gold-antimony phases of mineralisation (refer following figure).

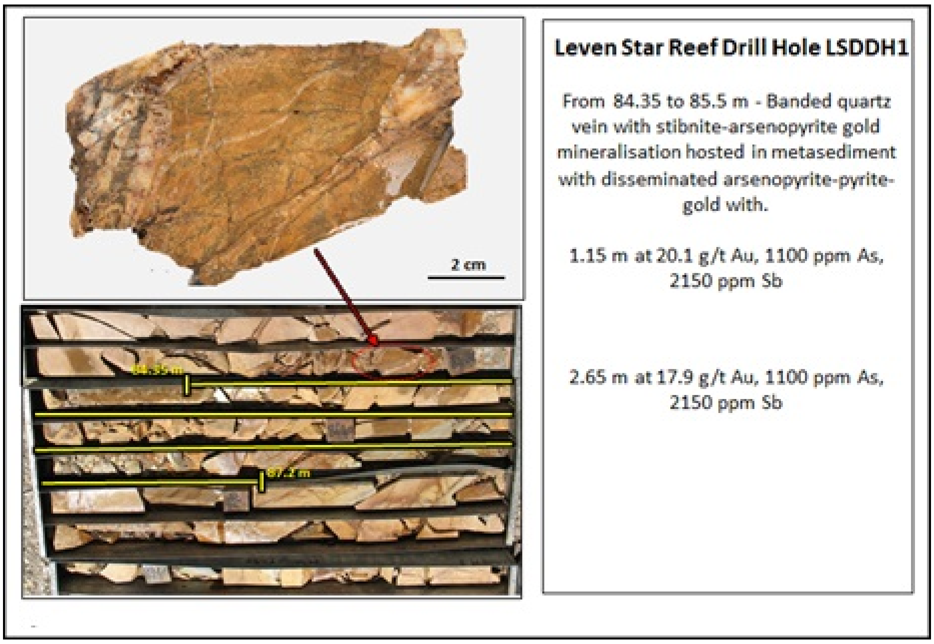


Figure 10: Leven Star Reef Drill Hole LSDDH1 – Core Photos

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

A review of the quartz vein textures, sulphide mineralogy and wall rock from historic mine dumps in the Belltopper section of the field, identified laminated quartz-sulphide, altered wall rock breccia clast in veins, crystal lined vughs, and veins with trails of disseminated arsenopyrite-pyrite-fine antimony and needle-like arsenopyrite (refer following figures).

A – Laminated quartz with fine grained arsenopyrite-pyrite bands – Belltopper Hill
B – Quartz sulphidevein with trails of arsenopyrite-pyrite and fine-grained needle of stibnite/arsenopyrite – Belltopper Hill
C – Banded quartz vein with iron oxide (after sulphides) and central zone of vein breccia with wall rock clasts – Belltopper Hill
D – Stamper Battery footings - Belltopper Hill

Figure 11: Examples of Mineralisation Textures from Historic Mine Dumps in the Belltopper Section of the Goldfield

MALMSBURY GOLD PROJECT, VICTORIA (GBM 50%)

These vein textures and sulphide species are characteristic of the high-level epizonal orogenic gold deposit class, that includes the high-grade Fosterville Mine. While there has not been modern systematic assay sampling of the dump material to determine gold content at Belltopper, the extent and continuity of mine workings and the presence of foundations for historic stamper batteries with associated areas of tailings, attest to the high grade nature of the ore historically mined in this area. These observations confirm the prospectivity of the Malmsbury Project for the discovery of further significant gold resources.

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WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% CASHFLOW INTEREST)

The Company executed the Joint Venture Agreement **(JV)** on the White Dam Gold-Copper Heap Leach Operation (**White Dam**) with Round Oak Minerals Pty Ltd (**Round Oak)** on 1 July 2020.

From 1 July 2020, GBM shares 50% of the gold and copper production from White Dam under the JV with Round Oak (see GBM ASX Release 23 July 2020). Under this agreement, GBM also has the option to purchase 100% of the White Dam Project which includes the tenements and gold plant between 1 January 2021 and 30 June 2021.

GBM's 50% JV interest was earnt via the construction of a Sulphidisation-Acidification-Recycling-Thickening (SART) Plant at White Dam. The SART Plant is designed to extract copper from the gold leach solution, thereby improving overall gold recoveries.

White Dam's maiden gold pour is scheduled in October 2020. Associated copper concentrate from the SART plant is expected to be a valuable by-product for the JV.

The White Dam Project is located approximately 50 km west of Broken Hill within the Curnamona Province of South Australia. The region is host to numerous gold and base metal occurrences including Havilah Resources' (ASX: HAV) Kalkaroo Copper-Gold Deposit, which contains 1.1 million tonnes of copper, 3.1 million ounces of gold and 23,200 tonnes of cobalt (see HAV ASX Release 7 March 2018), and is located approximately 40 km north of the White Dam Project.

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

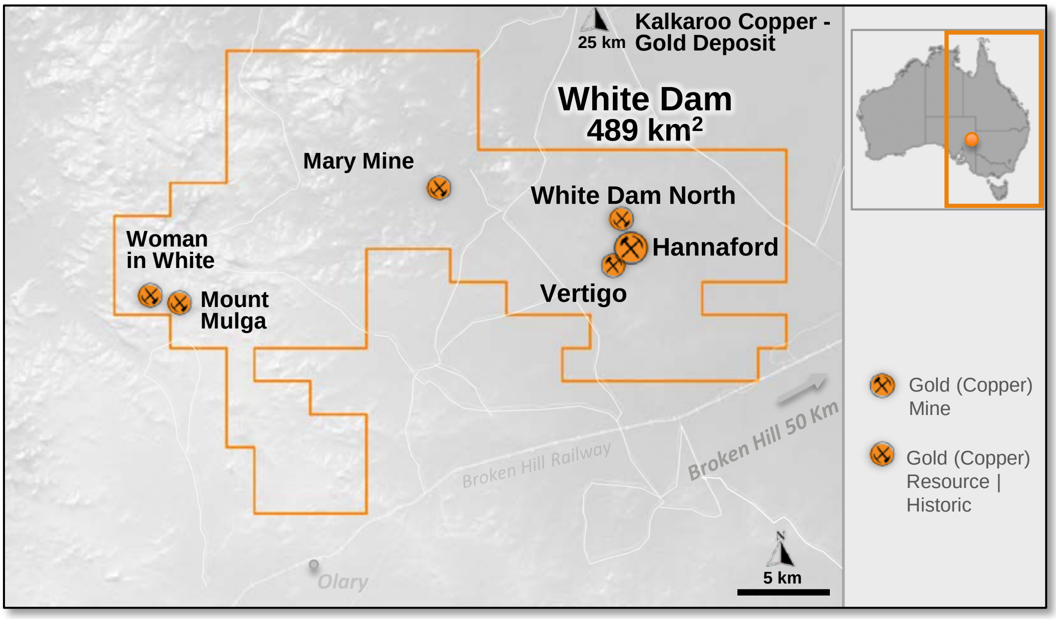


Figure 12 : Location map of the White Dam Gold-Copper Project and Heap Leach Operation

NEW SART PLANT CONSTRUCTED

Process ponds and new SART Plant infrastructure

Photograph 2: Process ponds and new SART plant

REVIEW OF OPERATIONS

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

Cautionary Statement

GBM has entered into a production joint venture regarding the White Dam Gold-Copper Heap Leach Operation, and has no current ownership of the White Dam tenements and existing processing infrastructure. Acquisition of these assets is subject to successful exercise of an option.

EXISTING GOLD PLANT

Photograph 3: Existing Gold Plant

Maiden JORC 2012 Resource

New estimates of mineral resources have been made for the Hannaford, Vertigo and White Dam North deposits, which together form the resource base of White Dam.

The combined resource of these three deposits is 4.6 Mt averaging 0.7 g/t Au containing an estimated 101,900 ounces of gold. This resource has been estimated to satisfy the requirements of JORC 2012.

Of the 101,900 ounces of contained ounces of gold, 28% are classified as indicated and the balance is inferred. Importantly, 59,000 ounces (or 58%) of the contained gold is contained in oxidized portions of these deposits, similar to the material that has already been mined and successfully leached in the current operations. This material has the potential to be amenable to heap leach extraction and further studies will be completed to determine the viability of extraction of this material.

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

Table 6 : White Dam Resources. Please note rounding ('000 tonnes, 0.0 g/t and '000 ounces). Cut-off grade is 0.20 g/t Au for all, Vertigo is restricted to above 150 m RL (~70 m below surface)

Area	Resource category	Quantity (tonnes)	Grade Au (g/t)	Contained Gold (ounces)
TOTAL	Measured	0	0.0	0
	Indicated	1,200,000	0.7	28,600
	Inferred	3,400,000	0.7	73,500
	Total	**4,600,000**	**0.7**	**101,900**
Hannaford	Measured	0	0.0	0
	Indicated	700,000	0.7	16,400
	Inferred	1,000,000	0.8	26,900
	Total	**1,700,000**	**0.8**	**43,300**
Vertigo	Measured	0	0.0	0
	Indicated	300,000	1.0	9,400
	Inferred	1,400,000	0.6	29,000
	Total	**1,700,000**	**0.7**	**38,300**
White Dam North	Measured	0	0.0	0
	Indicated	200,000	0.5	2,800
	Inferred	1,000,000	0.6	17,600
	Total	**1,200,000**	**0.5**	**20,300**

Copper is expected to be a valuable by- product from White Dam with the commissioning of the SART plant. Copper grades have not been reported with the gold resource as there are insufficient copper data to reliably estimate copper grades.

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

White Dam: Geological Setting

White Dam is located in the Proterozoic Curnamona Province, which forms part of the Meso-Neoarchean aged Gawler Craton. This province is made up of the Mount Babbage Inlier, Mount Painter Inlier, and Olary Domain in South Australia and the Broken Hill Domain in New South Wales. The lithology and the stratigraphy of the Curnamona Province are correlated with rocks in the adjacent Broken Hill Domain (refer Carthew 2011).

Mineralisation in the southern Curnamona Province shows strong, regional, stratigraphy parallel, metallogenic Zoning. There is particular difference above and below the regional redox boundary which occurs at the location of the 'Bimba Suite'. In the Olary Domain, stratiform and fracture-controlled to locally metasomatic stratabound Cu±Au±Ag±Mo±Co bearing sulphides are often very prospective in upper formations of the Lower Wilyama Supergroup (see figure 2), particularly where it is magnetite rich or grades into iron formation. Major prospects associated with this zone are at Walparuta, Dome Rock Mine, Waukaloo, Burdens Dam, White Dam, Kalkaroo and Benagerie–Portia.

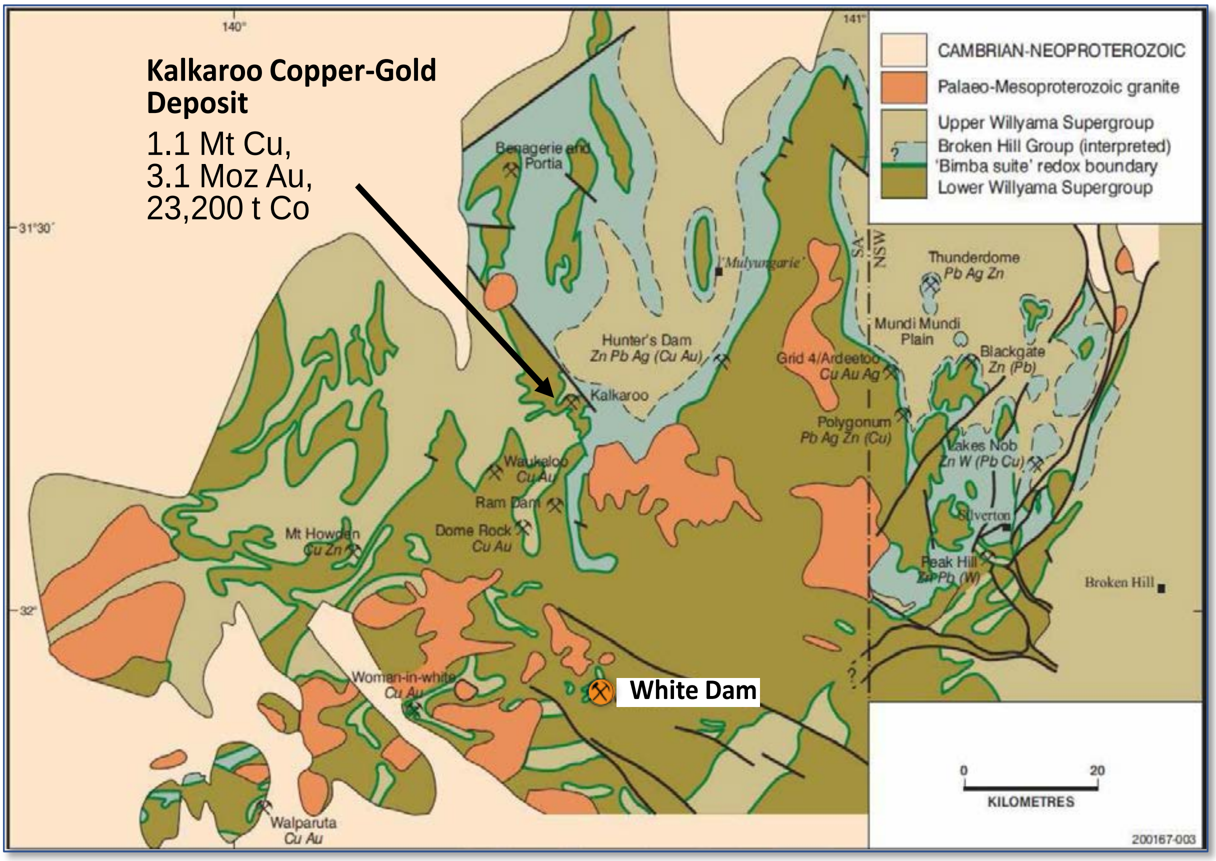


Figure 13: Regional redox boundary in the southern Curnamona Province (from Lehy & Conor, 2000) [1].

The White Dam Project is comprised of three resource areas and numerous prospects and exploration targets defined by previous explorers in the region. The three known resources are Hannaford, Vertigo and White Dam North. Both Hannaford and Vertigo have been mined to provide ore for the current heap leach operation at White Dam Project site.

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

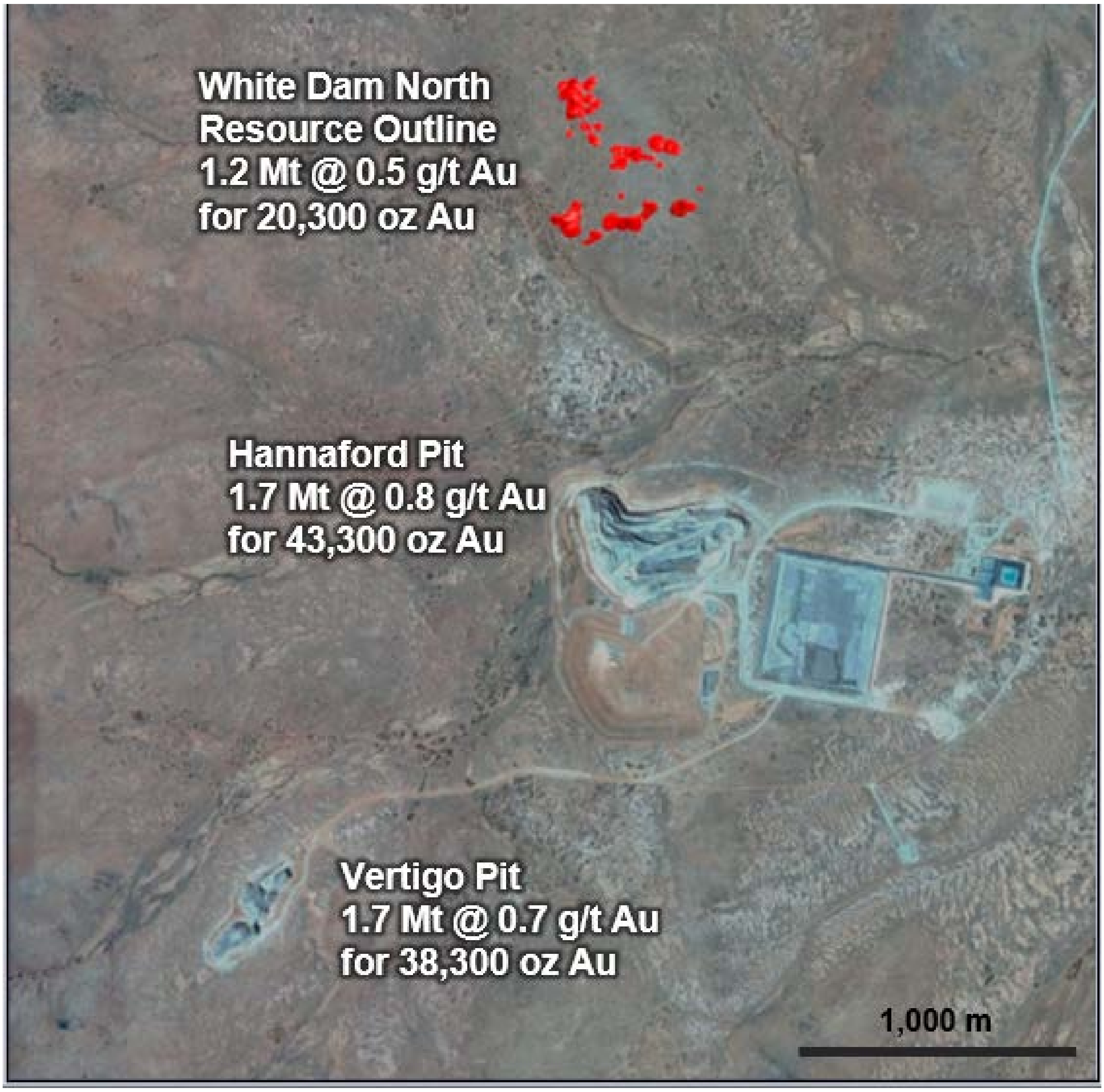


Figure 14: Aerial Photo Showing Pits and Deposits at White Dam Project

Hannaford Deposit

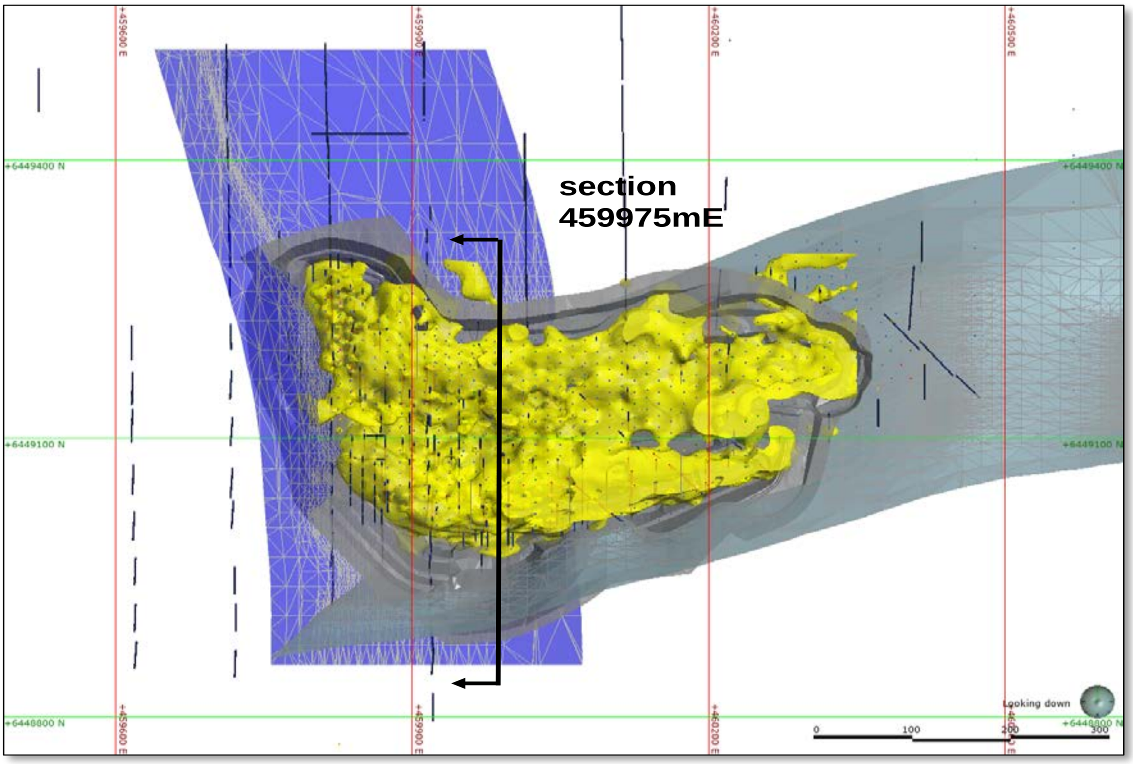
The deposit sits at the confluence of 2 significant structures, the NNW trending West Fault and the ENE trending South Fault. The South Fault defines the contact between mineralised gneiss and barren albitite. Rock types represented in the Hannaford pit include schist (pelite) and gneiss (psammite), tuff, felsic volcanics, minor amphibolites (volcanics), pegmatite and calc-silicates.

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

The gold – copper mineralisation at Hannaford has previously been interpreted as occurring in a favourable unit that has been folded into a tight to isoclinally folded recumbent fold with a gently north dipping axial plane overprinted by later gentle folds with sub-vertical east striking axial planes.

This interpretation seems to have been based only on the geometry of the gold mineralisation. An alternate interpretation is that gold mineralisation occurs in two styles: the first a favourable unit gently folded with sub-vertical east striking axial planes and the second a steeply dipping zone occurring along the south fault with the intersection of these two zones giving the appearance of the recumbent tight fold previously interpreted. In practice both interpretations result in a similar mineralisation shape so the impact on the resource estimate is minimal. However, the two interpretations do have significant implications for the exploration potential.

Figure 15: Plan view of the Hannaford Pit showing the key fault structures, gold mineralised shell and location of section shown below.



WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

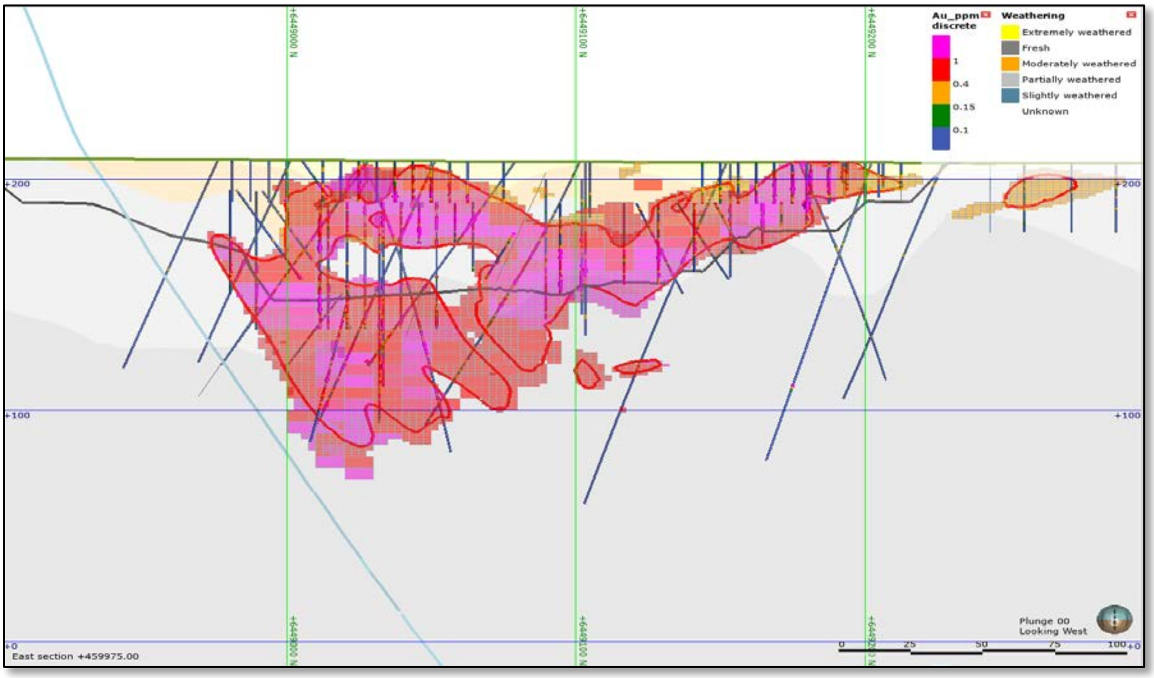


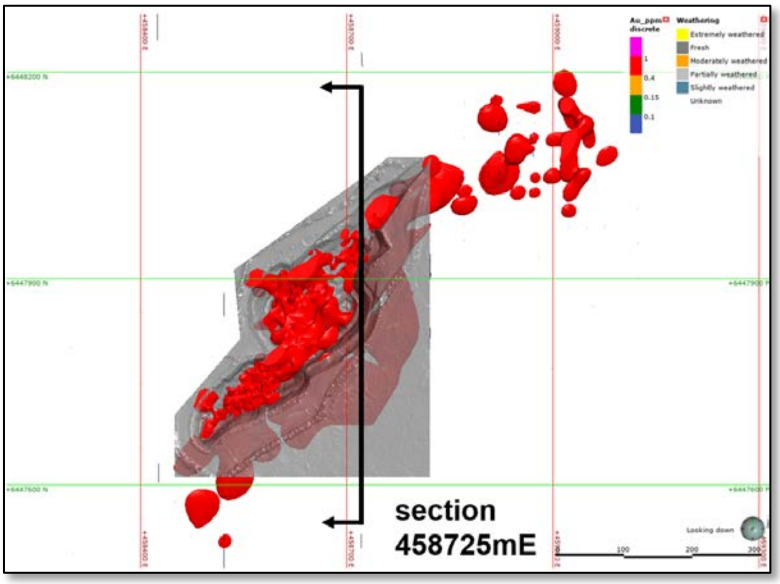
Figure 16: Hannaford cross section 459975mE showing weathering zones and block model Au grades extending well below the existing pit outline. Mineralisation is constrained by the limit of drilling.

Vertigo Deposit

The Vertigo deposit occurs as a series of tabular gently to moderately south dipping zones on or associated with the interpreted Vertigo Fault. In places gold mineralisation is associated with a contact between gneiss and albitite, although it is not clear how important this observation is as there is also gold mineralisation away from the contact. Flat-lying mineralisation occurs near the base of oxidation and while there is known supergene Cu mineralisation here (chalcocite), it is unclear whether supergene Au enrichment has developed.

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

Figure 17: Plan view of the Vertigo deposit showing gold grade shells and location of section shown below.



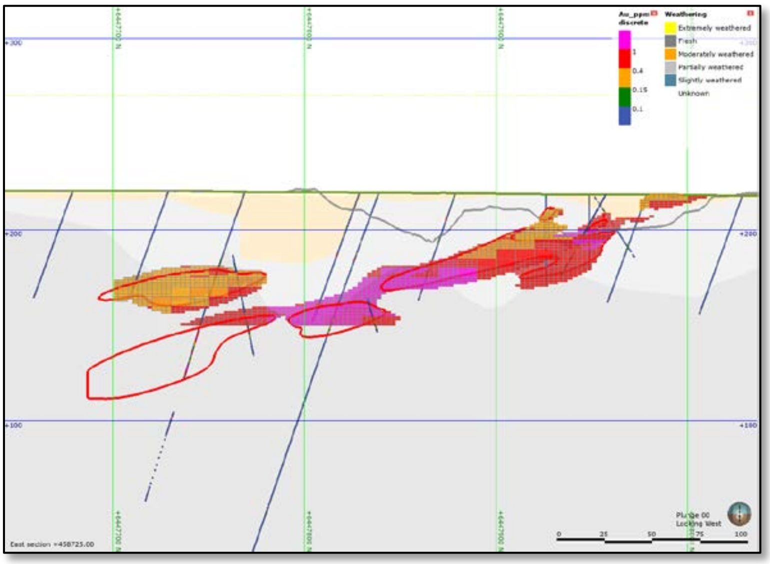


Figure 18: Vertigo cross section 458725mE showing gold block model grades and drill hole locations. Note resources only reported from above 150 m RL due to assumed economic constraints.

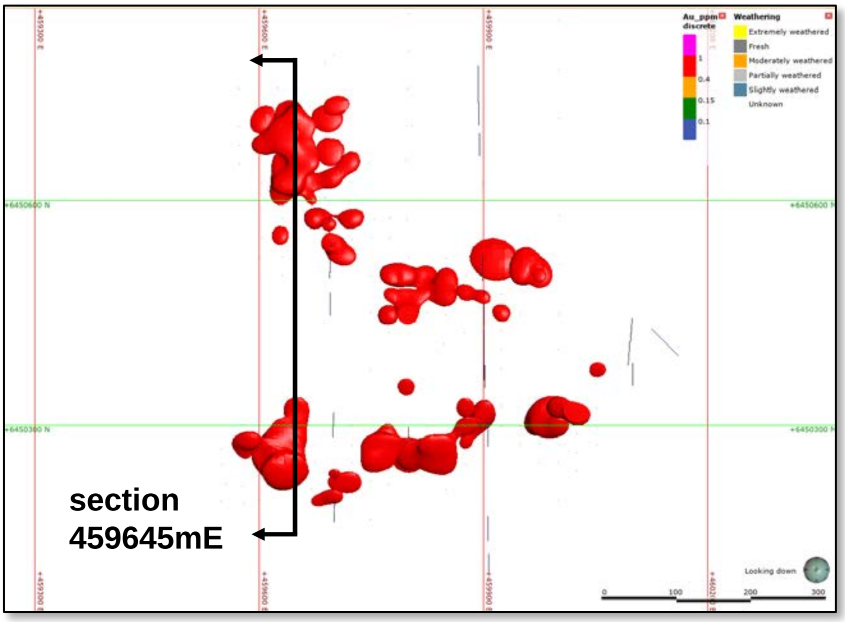
WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

Figure 19: Existing shallow Vertigo Pit facing south west, mineralisation extends gently downward from the south eastern (left) side of the pit

White Dam North Deposit

The geology of the White Dam North deposit is poorly known as the only available data is the logging of mostly weathered RC chips. The gold mineralisation occurs in two zones, a northern zone and a southern zone. Both zones strike roughly east-west and are near flat lying. The northern zones dips very gently to the north and the southern zone gently to the south.

Figure 20: Plan of the White Dam North deposit showing gold grade shells and location of section shown below.



WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

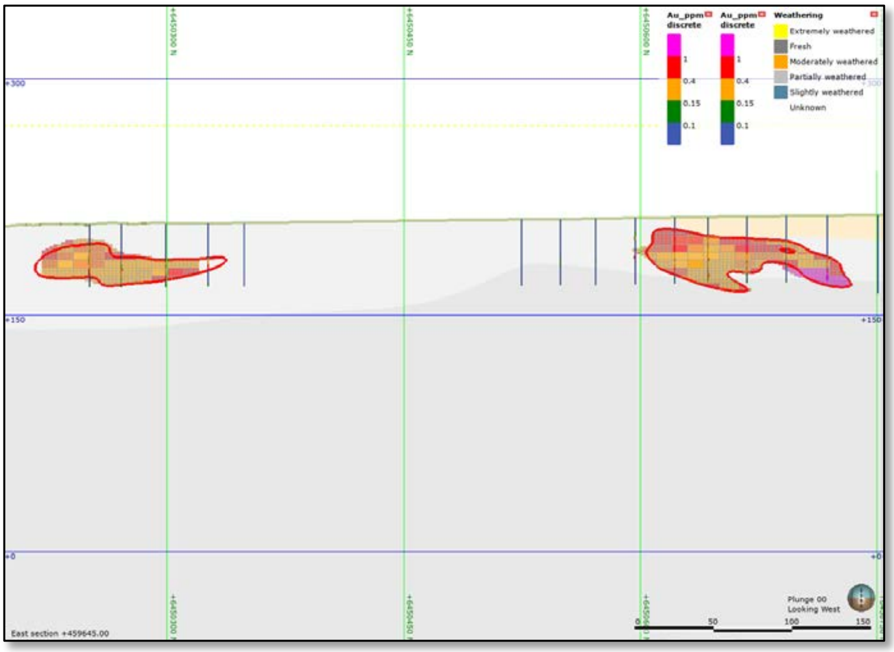


Figure 21: White Dam North cross section 459645mE through the two key lenses of mineralisation. The weathering profile clearly shows the mineralisation is oxidized throughout this deposit.

Previous work has identified strong potential for the discovery and exploitation of additional resource ounces in addition to the presence of unmined resources in both the Hannaford and Vertigo open pits. Key areas for resource accretion are;

- The White Dam North modelled open pit mineralisation.
- A number of structural trends in the vicinity of White Dam which have not been drilled.
- Regional prospectivity of the broader tenement package.

The introduction of the SART process will enhance the economics (and future optimisations) on mineralisation which may have been considered uneconomic in the past.

Previous owner, Exco Resources Ltd commissioned independent consultant, Salva Resources Pty Ltd to review the prospectivity of tenements and prioritise targets. It ranked White Dam North, Rolling, White Dam high-grade intersection 'feeder' shoot and Vertigo down dip, as high potential and high priority targets. The consultant recommended the scoping of drilling programmes to test these high potential targets. Salva also noted that while gold is the target commodity, the tenements were prospective for other commodities such as molybdenum and rhenium and iron ore.

REVIEW OF OPERATIONS

WHITE DAM GOLD COPPER HEAP LEACH JOINT VENTURE (50% INTEREST)

JV Agreement
Under the JV Agreement, the following financial arrangement applies:

- GBM and Round Oak will contribute 50% of all capital and operating costs associated with White Dam;
- GBM and Round Oak will each be entitled to 50% of all gold, copper and other metals produced from White Dam; and
- Any increase in financing costs incurred by Round Oak as a result of an increase in rehabilitation bond shall be funded by GBM.

Round Oak has also granted GBM the option to acquire 100% (being the remaining 50%) of the White Dam for an exercise price of A$500,000 plus a 2% royalty on any copper and gold production revenue. In the event of option exercise, GBM would also assume the environmental liabilities for eventual White Dam closure, currently standing at A$1.9 million. The option is exercisable between 1 January 2021 and 30 June 2021.

Opportunity for GBM
White Dam has the potential to provide GBM with cashflow generation while allowing for assessing opportunities to restart mining operations at White Dam to exploit remnant open pit mineralisation, other previously defined mineralised zones and explore other associated tenements.

White Dam, located in South Australia is approximately 50 km south-west of Broken Hill. It is a heap leach operation that, since 2010, has produced approximately 175,000 oz of gold from heap leaching of 7.5 Mt of ore at 0.94 g/t Au (which was mined from two open pits). While further work is required to confirm and quantify the opportunity in detail, there does appear strong potential to extend the life of the operation. It is worth noting the current gold price of around A$2,700/oz compares with a price of approximately A$1,650/oz at the time of the most recent mining campaign at White Dam in 2016/17.

The White Dam operation continues to produce gold (~2,000 oz in calendar 2019) from the existing heaps and has sufficient water to maintain production activities.

In summary, entering the White Dam JV is expected to deliver GBM the following key benefits and opportunities:

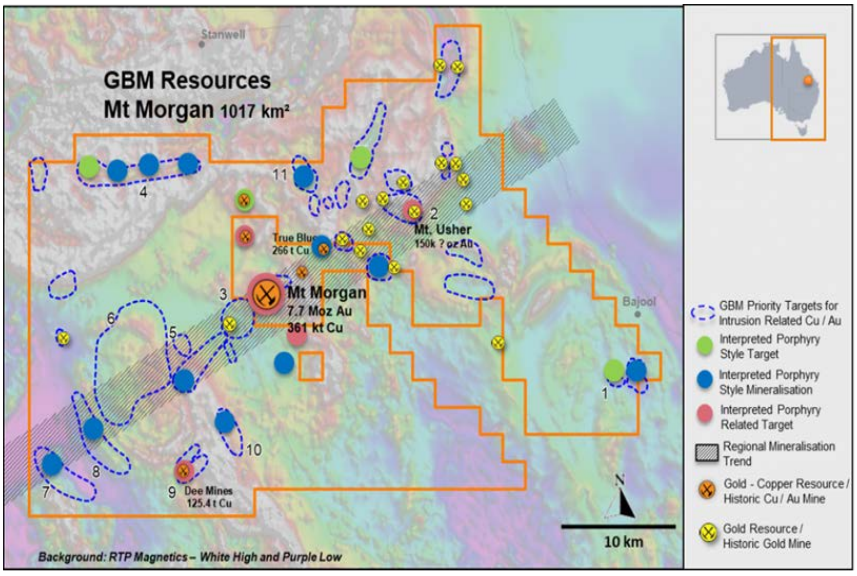
- **An attractively priced acquisition of an asset interest, expected to deliver short term cashflow generation.**
- **Asset optimisation through improved gold and copper recovery via the SART Plant completion.**
- **An established and experienced operational team.**
- **A gold recovery plant with the ability to be relocated to GBM's 100% owned Mt Coolon Project to support its possible development (should GBM exercise its option to acquire 100% of the White Dam JV).**
- **Significant potential exploration upside from extension of existing pits and exploration of identified structural and geochemical targets for new gold discoveries.**

MOUNT MORGAN PROJECT, QUEENSLAND (*100% OWNED GBM*)

The Mount Morgan Project is adjacent to the world-class Mount Morgan Gold Mine which has produced over 8 million ounces of gold and 400,000 tonnes of copper and remains one of the largest known porphyry copper systems in Eastern Australia.

The tenement package is located approximately 250 km to the west of Mackay in north Queensland. Key summary points include:

- The tenements surround the world class Mt Morgan gold copper mine.
- Tenement package complied over a number of years includes 351 km^2 granted and 656 km^2 in applications.
- The origin of the Mt Morgan deposit remains topical:
  - Syngenetic exhalative
  - Epigenetic replacement
  - Deep LSE epithermal related to a concealed porphyry
- GBM has undertaken a systematic review of previous exploration, ground follow-up and surface exploration in key defining 11 porphyry, epithermal and skarn targets, including Mt Usher with a concealed magnetic high rimmed by historic gold workings.



1. Limonite Hill
   - 12m @ 1.4% Cu & 700 ppm Mo
   - Limonite Hill Cu-Mo porphyry
   - Series of "Mag Lows" within structural corridor
   - Veneer of cover sediments

2. Mt. Usher
   - 100 koz Au production from alluvial and hard rock
   - Junction of 2 major structural linears
   - Large mag and high rimmed by historic working

3. Mt. Victoria
   - Alluvial gold workings
   - 28m@ 0.26 g/t Au in Devonian basement

4. Mt. Gordon
   - Porphyry Cu-Au-Mo
   - 23m @ 0.3% Cu, 0.2 g/t Au
   - Shallow drilling only

5. Smelter Returns
   - 300x400m skarn identified
   - Shallow drilling only
   - 8m @ 0.3% Cu, 0.8 g/t Au
   - Large untested high tenor
   - Au-Cu soil anomalies

6. Kyle Mohr
   - Intrusive hosted
   - Pervasive porphyry alteration
   - Strong Au-Cu in Soils
   - No drilling

7. Black Range
   - 2km alteration zone
   - Central breccia gossan with Zn-Cu-Pb-Ag

8. Sandy Creek
   - 4km porphyry-style alteration zone
   - Hydrothermal breccia CuO at surface
   - Rock chips to 39% Cu, 8.5g/t Au 44ppm Ag
   - No drilling

9. Dee Copper Mines
   - High grade Au-Cu veins
   - Porphyry-related 'D-veins?'
   - Not tested at depth

10. Oakey Creek
    - 3x1km porphyry-style alteration
    - Rock-chips to 6.7% Cu & 40ppm Ag
    - Not drilled.

11. Moonmera
    - 3x2km porphyry system
    - Crackle veins, pebble breccias
    - Pervasive low-grade Cu-Mo
    - Discrete high-grade zones
    - Large-tonnage potential

Figure 22: Mt Morgan

CLONCURRY EXPLORATION & DEVELOPMENT Ltd (CED) JOINT VENTURE (GBM 46.2% Interest at 30 June 2020)

The Joint Venture targets Iron Oxide Copper Gold (IOCG) and Iron Sulphide Copper Gold (ISCG) style systems in the Mount ISA Region.

The Farm In/Joint Venture with Pan Pacific Copper Ltd (PPC) subsidiary Cloncurry Exploration and Development Pty Ltd (CED) has operated since 2010. Project expenditure to date has been $16M exploring for Iron-Oxide-Copper-Gold (IOCG) and more recently Iron-Sulphide-Copper-Gold (ISCG) style deposits in the Cloncurry Region of the North West Mineral Province of Queensland. PPC interest in the Farm -In and JV has been transferred to JX Nippon Australia Limited (refer to PPC press release 12th of February 2020). Due to the restructure of PPC, the budget for year commencing 2020 has been delayed with work expected to commence in October 2020.

GBM remains the manager of the Joint Venture and retains a free carried interest of 10% through to completion of a bankable feasibility study. The JV includes the Mount Margaret West and Bungalien Projects.

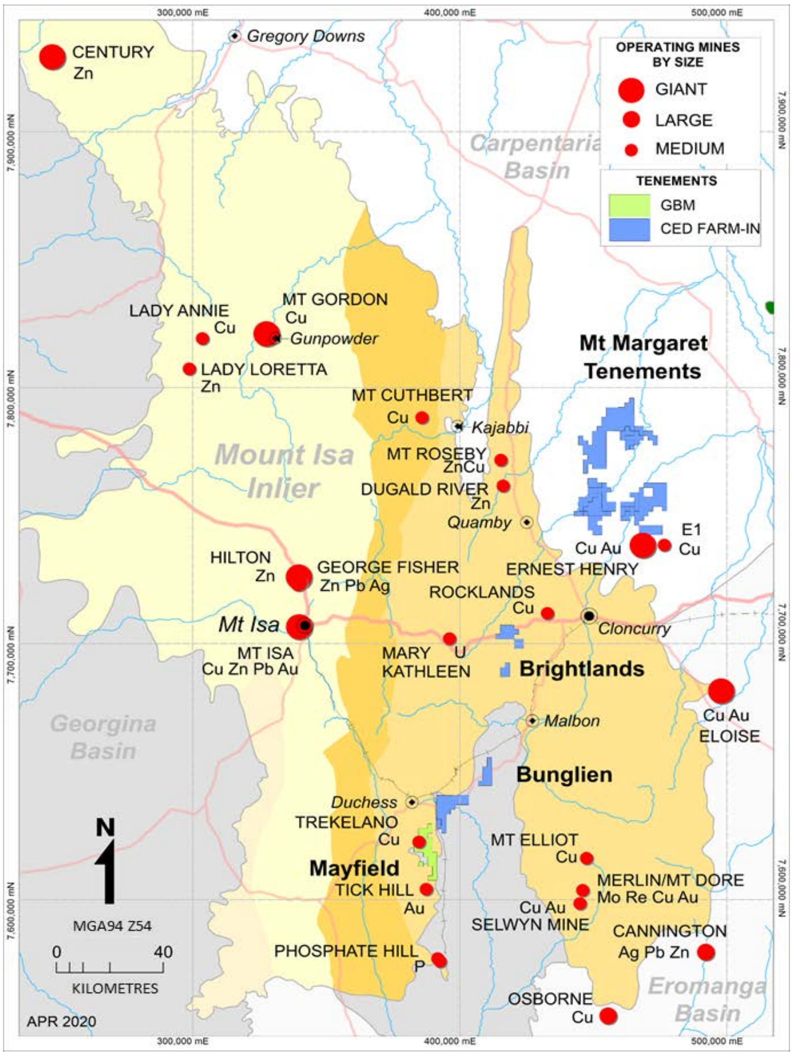


Figure 23: Tenement locations within the North West Mineral Province.

MAYFIELD IOCG PROJECT (100% owned GBM)

The Mayfield Project is located approximately 150 km south east of Mount Isa within the Mary Kathleen Zone of the Eastern Succession.

At either end of the project sit the Trekelano Cu-Au mine with a resource (2006) of 3.1 million tonnes @ 2.1% Cu and 0.64 g/t Au, and the Tick Hill mine which produced 470,000 tonnes averaging 28 g/t Au.

The structural setting and fertile Corella Formation rocks combine to produce a highly prospective belt with numerous IOCG-style Cu-Au and base-metal occurrences defined within. Almost the entire Pilgrim Fault Zone is currently under lease and recent work by various companies, including Hammer Metals at their Kalman Project, supports the potential for discovery within the Mayfield Project.

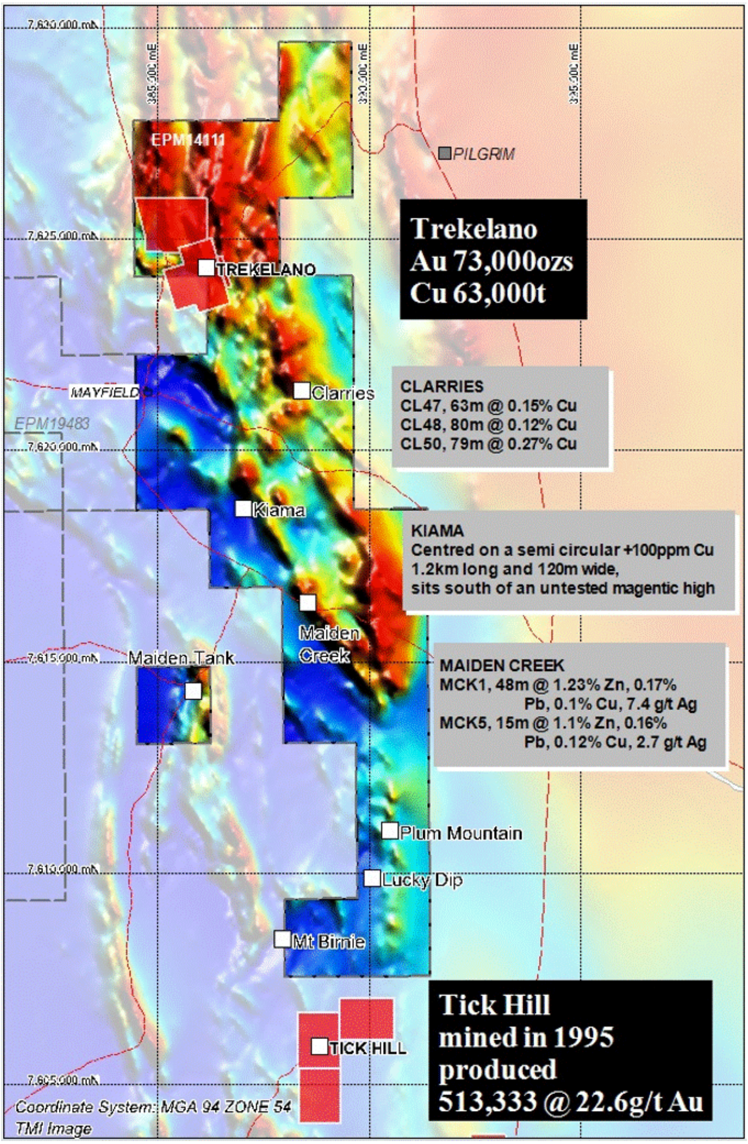


Figure 24: Mayfield Project

BRIGHTLANDS AND MILO IRON-OXIDE COPPER-GOLD (IOCG) REE PROJECT (100% owned GBM)

The Milo IOCG system with an estimated resource containing 97,000 tonnes of copper, 14 million pounds of U_3O_8 and 108,000 tonnes of TREEYO shows significant exploration upside.

The Milo Project on Brightlands EPM14416 is located due east of Mount Isa, approximately 20 kilometres west of Cloncurry on the Barkley Highway, far northwest Queensland. Brightland contains numerous targets for structurally hosted and IOCG style copper and gold copper mineralisation.

Previous exploration by GBM has successfully delineated a large polymetallic resource at Milo. However, many targets remain to be fully evaluated, and the Milo area still holds potential for significant resource extension.

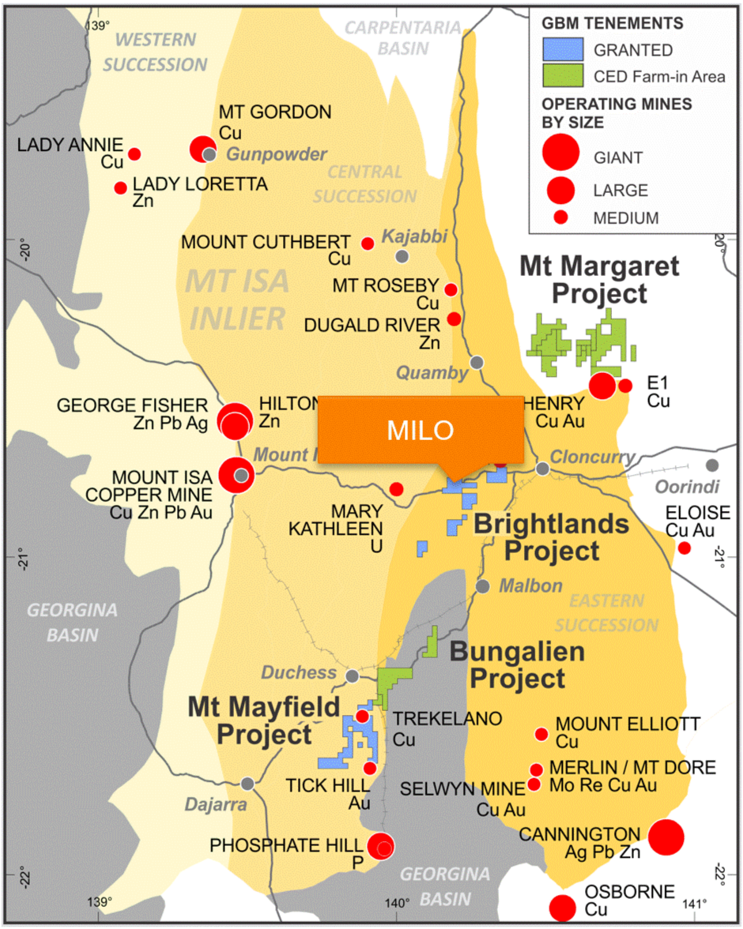


Figure: 25

RESOURCES TENEMENT SCHEDULE

Project / Name	Tenement No.	Owner	Manager	Interest 31-Mar-20	Interest 30-Jun-20	Status
Victoria						
Malmsbury						
Drummond	RL6587	GBMR/Belltopper Hill	GBMR	100%	100%	Granted
Yea						
Monkey Gully	EL5293	GBMR	GBMR	100%	100%	Granted
Queensland						
Mount Morgan (Project						
Smelter Return	EPM18366	GBMR	GBMR	100%	100%	Renewal App
Limonite Hill	EPM18811	GBMR	GBMR	100%	100%	Renewal App
Mt Hoopbound	EPM18812	GBMR	GBMR	100%	100%	Renewal App
Limonite Hill East	EPM19288	GBMR	GBMR	100%	100%	Granted
Moonmera	EPM19849	GBMR*[3]	GBMR	100%	100%	Granted
Mt Victoria	EPM25177	GBMR	GBMR	100%	100%	Granted
Mountain Maid	EPM25678	GBMR	GBMR	100%	100%	Renewal App
Mt Morgan West	EPM27096	GBMR	GBMR	100%	100%	Granted
Mt Morgan East	EPM27097	GBMR	GBMR	100%	100%	Application
Mt Morgan Central	EPM27098	GBMR	GBMR	100%	100%	Application
Mount Usher	ML100184	GBMR	GBMR	100%	100%	Application
Project Area						
Mount Isa Region						
Mount Margaret (Project Status)						
Mt Malakoff Ext	EPM16398	GBMR*[2,4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Cotswold	EPM16622	GBMR*[2,4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Dry Creek	EPM18172	GBMR*[2,4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Dry Creek Ext	EPM18174	GBMR*[2,4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Mt Marge	EPM19834	GBMR*[4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Tommy Creek	EPM25544	GBMR*[4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Corella	EPM25545	GBMR*[4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Middle Creek	EPM27128	GBMR*[4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Sigma	EPM27166	GBMR*[4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Brightlands						
Brightlands	EPM14416	GBMR*[2]/Isa Brightlands	GBMR	100%	100%	Granted
Bungalien						
Bungalien 2	EPM18207	GBMR*[2,4]/Isa Tenements	GBMR	46.3%	46.2%	Granted
The Brothers	EPM25213	GBMR*[2]/Isa Tenements	GBMR	46.3%	46.2%	Granted
Mayfield						
Mayfield	EPM19483	GBMR*[2]/Isa Tenements	GBMR	100%	100%	Granted
Project Area						
Mt Coolon						
Mt Coolon	EPM15902	GBMR/MCGM	GBMR	100%	100%	Granted
Mt Coolon North	EPM25365	GBMR/MCGM	GBMR	100%	100%	Granted
Mt Coolon East	EPM25850	GBMR/MCGM	GBMR	100%	100%	Granted
Conway	EPM7259	GBMR/MCGM	GBMR	100%	100%	Granted
Bulgonunna	EPM26842	GBMR/MCGM	GBMR	100%	100%	Granted
Black Creek	EPM26914	GBMR/MCGM	GBMR	100%	100%	Granted
Sullivan Creek	EPMA27555	GBMR/MCGM	GBMR	100%	100%	Application
Belleview	EPMA27556	GBMR/MCGM	GBMR	100%	100%	Application
Pasha	EPMA27557	GBMR/MCGM	GBMR	100%	100%	Application
Suttor	EPMA27558	GBMR/MCGM	GBMR	100%	100%	Application
Yandan East	EPMA27591	GBMR/MCGM	GBMR	100%	100%	Application
Clewitts	EPMA27592	GBMR/MCGM	GBMR	100%	100%	Application
Twin Hills Sth	EPMA27594	GBMR/MCGM	GBMR	100%	100%	Application
Twin Hills Nth	EPMA27597	GBMR/MCGM	GBMR	100%	100%	Application
Whynot	EPMA27598	GBMR/MCGM	GBMR	100%	100%	Application
Yandan North	EPMA27644	GBMR/MCGM	GBMR	100%	100%	Application
Koala 1	ML 1029	GBMR/MCGM	GBMR	100%	100%	Granted
Koala Camp	ML 1085	GBMR/MCGM	GBMR	100%	100%	Granted
Koala Plant	ML 1086	GBMR/MCGM	GBMR	100%	100%	Granted
Glen Eva	ML 10227	GBMR/MCGM	GBMR	100%	100%	Granted
Project Area						
TOTALS						

Note

[2] subject to a 2% net smelter royalty is payable to Newcrest Mining Ltd. On all or part of the tenement area.

[3] subject to 1% smelter royaly and other conditions to Rio Tinto

[4] subject to Farm In by Cloncurry Exploraiton and Develoment, a subisdiary of Pan Pacific Copper Ltd.

Table 7: GBM Tenements summary table as at 24th September 2020.

2020 ANNUAL MINERAL RESOURCES STATEMENT

The following Annual Statement of Mineral Resources statement reflects the Company's mineral resources (including wholly owned subsidiary companies) as at the 30th of June 2020. The Company holds a right to a production share from the White Dam Mine, but does not have any claim to the mineral resources at this time and these are not included.

For the purpose of preparing this Annual Statement of Mineral resources as at 30th of June 2020, GBM has completed a review of each resource taking into account long term metal price, foreign exchange rates, cost assumptions based on current industry trends and conditions, any changes that may affect the capability for these resources to be exploited or which may result in material changes to cut-off grades and physical mining parameters. It should be emphasised that this is a summary only and for further detail the reader is referred to the respective ASX releases.

In relation to commodities key to GBM's resource base the company holds the following views;

- Operating costs in the industry have moved in in different directions during the last 12 months. While labour costs appear to have edged upwards, fuel prices trended slightly upwards during 2019 but dropped sharply in 2020 with the impact of the Coronavirus pandemic and remain at levels lower than at the end of the commodities boom offsetting any other upward price movements.

- Gold price finished the year at US$1,782 after starting the year at US$1,409 and has since moved to US$1,927 (4 September 2020) after reaching a peak of US$1,927 on 6th August. Forecasts appear to be closer to consensus than in previous with most forecasting the price to increase further in the short to medium term. Importantly for GBM, the long-term upward trend which has continued since 2006 in AUD gold prices appears to be continuing and may support a review of price assumptions for resource estimates in the future.

- The copper price opened the year at US$5,998/t and finished at US$6,038/t, reaching a low of US$4,617 on 23rd March 2020. However since the end of the financial year prices have moved steeply upwards to US$6790/t. Commentators continuing to forecast copper to enter a period of production shortfall in the long term putting upward pressure on prices, this has been accelerated in the short term by the effects of the Coronavirus in key producing countries. It should be highlighted that copper remains an important component of the technological revolution including new battery and motor technology.

- The REE market remains complex, however REE demand continues to grow and prices for almost all REE appears to have stabilised with those REE metals deemed as critical experiencing increases during the last twelve months. Uncertainty over the level and availability of REE production sourced from China has intensified throughout the year as a result of US trade restriction and ongoing concern over illegal mining. This uncertainty continues to support forecasts of a resultant supply shortage and price increases in the critical REE elements, particularly Neodymium, in the medium to longer term.

- The decline of the Australian dollar in relation to the US dollar appears to have stabilised throughout the year with the Australian Dollar finishing the year at US$0.68 moving from US$0.70 at 30th June 2019. At the time of writing the Australian dollar has strengthened and is trading around US$0.72. This stabilisation of our currency at these levels, in conjunction with recovering metal prices has resulted in significant improvement in the outlook for Australian ore deposits, gold deposits in particular.

2020 ANNUAL MINERAL RESOURCES STATEMENT

The company believes that, considering the outlook for commodity prices and other factors, there is a reasonable expectation that resources at all projects will eventually support mining operations.

Mount Coolon Gold Project Resources

The Mount Coolon Project is located in the Drummond Basin in Queensland. Tenements and resources are owned by the Company's 100% owned subsidiary, Mount Coolon Gold Mines Pty. Ltd.

Project	Location	Resource Category									Total			Cut-off
		Measured			Indicated			Inferred						
		000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	000' t	Au g/t	Au ozs	
Koala	Open Pit				670	2.6	55,100	440	1.9	26,700	1,120	2.3	81,800	0.4
	Underground Extension				50	3.2	5,300	260	4	34,400	320	3.9	39,700	2.0
	Tailings	114	1.6	6,200	9	1.6	400				124	1.6	6,600	1
	Total	**114**	**1.7**	**6,200**	**729**	**2.6**	**60,800**	**700**	**2.7**	**61,100**	**1,563**	**2.5**	**128,100**	
Eugenia	Oxide				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
	Sulphide				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
	Total				**1,790**	**1.1**	**65,900**	**1,639**	**1.1**	**58,200**	**3,430**	**1.1**	**124,100**	
Glen Eva	Open Pit				1,070	1.6	55,200	580	1.2	23,100	1,660	1.5	78,300	0.4
Total		**114**	**0.0**	**6,200**	**3,590**	**1.6**	**181,900**	**2,919**	**1.5**	**142,400**	**6,653**	**1.5**	**330,500**	

Table 8: Summary for the MCGP. Please note rounding (1,000's tonnes, 100's ounces, 0.1 g/t) may cause minor variations to totals. For full details please refer to ASX release dated the 4th of December 2017.

There have been no changes in the Mount Coolon resources since the last Annual Statement of Mineral Resources as at 30 June 2019.

The company considers that any minor increases in mining and operating costs that may have occurred through the year are greatly outweighed by the increase in gold price in Australia resulting from a favourable combination of commodity price and currency movements.

The information in this report that relates to Koala and Glen Eva Mineral Resources is based on information compiled by Kerrin Allwood, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Refer ASX announcement dated 4 December 2017.

The information in this report that relates to the Eugenia Mineral Resource is based on information compiled by Scott McManus, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Refer ASX announcement dated 4 December 2017.

Malmsbury Gold Project Resources

The Malmsbury Gold Project is located within the Bendigo structural zone of Victoria. During the year this resource was reviewed and upgraded to comply with the requirements of JORC 2012. This has not resulted in any change to the reported resource. For details please refer to ASX release dated 4th of July 2019 (CP K Allwood). For original release refer to ASX release dated 19th of January 2009 (CP K Allwood).

Resource Classification	Tonnes	Au (g/t)	Au (oz)	Cut Off (g/t Au)
Inferred	**820,000**	**4.0**	**104,000**	**2.5**

There has been no change in the resource for the Malmsbury Project from the previous year other than the reclassification to be reported under JORC 2012.

The Company considers that any minor increases in mining and operating costs that may have occurred through the year are greatly outweighed by the increase in gold price in Australia resulting from a favourable combination of commodity price and currency movements.

The information in this report that relates to Malmsbury Mineral Resource is based on information compiled by Kerrin Allwood, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists.

Milo IOCG Project Resources

The Milo Deposit is located in the North West Mineral Province of Queensland. Details of the Milo resources are detailed in ASX release dated 22nd of November 2012 (CP K. Allwood). Milo is one of only 8 deposits in Australia*[1] to contain more than 100 kt of REE & Yt. Rare earth minerals are deemed as critical minerals in Australia*[2]. Critical minerals projects have been prioritised in Cooperative Research Centres Projects. Government funding is being made available to help Australian companies take advantage of the sector's potential, which is a focus of the Australian Government's national critical minerals strategy.

The Company acknowledges that significant price changes have occurred since the completion of the Milo Scoping study. However recent significant upward movements in gold and copper prices, further amplified by the current AUD/USD exchange rate which at year end was around US$0.70 compared with US$0.90 used in the scoping study and stabilisation and increases for some critical REE support the Company's view that this resource is capable of eventual economic extraction.

Milo - TREEYO Inferred Resource

					LREEO							HREEY			
	cutoff (TREEYO ppm)	tonnes (Mt)	*TREEYO (ppm, t)*	P2O5 (%, t)	CeO2 (ppm, t)	La2O3 (ppm, t)	Nd2O3 (ppm, t)	Pr2O3 (ppm, t)	Sm2O3 (ppm, t)	Eu2O3 (ppm, t)	Gd2O3 (ppm, t)	Y2O3 (ppm, t)	Dy2O3 (ppm, t)	Er2O3 (ppm, t)	Others (ppm, t)
Grades	300	176	620	0.75	260	150	80	24	12	4	10	52	8	5	9
Contained Metal			108,000	1,330,000	46,140	26,460	13,850	4,230	2,170	710	1,780	9,150	1,480	850	1,620

There has been no change to the Milo TREEYO resource estimate during the current reporting year.

Milo - Copper Equivalent Resource

Resource Classification	cutoff (CuEQ %)	tonnes (Mt)	CuEQ (%, t)	Au (ppm, ozs)	Cu (ppm, t)	Ag (ppm, ozs)	Mo (ppm/ t)	Co (ppm/t)	U3O8 (ppm/ Mlbs)
Inferred	0.10	88.4	0.34	0.04	1090	1.63	65	130	72
Contained Metal			301,000	126,000	96,500	4,638,000	5,700	11,700	14.0

There has been no change to the copper equivalent resource estimate during the current reporting year.

The information in this report that relates to the Milo Mineral Resources is based on information compiled by Kerrin Allwood, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists.

Explanatory Notes

** Copper Equivalent calculation represents the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowance is made for recovery losses that may occur should mining eventually result. However, it is the Company's opinion that elements considered here have a reasonable potential to be recovered. It should also be noted that current state and federal legislation may impact any potential future extraction of Uranium. Prices and conversion factors used in the resource estimate are summarised below, rounding errors may occur.*

Commodity	Price	Units	unit value	unit	Conversion factor (unit value/Cu % value)
copper	6836	US$/t	68.36	US$/%	1.0000
gold	1212	US$/oz	38.97	US$/ppm	0.5700
cobalt	40000	US$/t	0.04	US$/ppm	0.0006
silver	18	$/oz	0.58	US$/ppm	0.0085
uranium	40	US$/lb	0.08	US$/ppm	0.0012
molybdenum	38000	US$/t	0.04	US$/ppm	0.0006

References

[1] Huleatt, M.B., 2019. Australian Resource Reviews: Rare Earth Elements 2019. Geoscience Australia, Canberra.

[2] Mudd, G. M., Werner, T. T., Weng, Z.-H., Yellishetty, M., Yuan, Y., McAlpine, S. R. B., Skirrow, R. and Czarnota K., 2018. Critical Minerals in Australia: A Review of Opportunities and Research Needs. Record 2018/51. Geoscience Australia, Canberra. http://dx.doi.org/10.11636/Record.2018.051

The information in this Annual Mineral Resources Statement is based on and fairly represents information and supporting documentation prepared by the competent persons named in the relevant sections of this report.

The information in this Annual Mineral Resources Statement as a whole that relates to Mineral Resources is based on information compiled by Neil Norris, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Norris is a holder of shares and options in the company and is a full-time employee of the company. Mr Norris 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Norris consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

SUSTAINABLE DEVELOPMENT

The Board of GBM has reviewed the Company's Health and Safety and Environment Policies and have reaffirmed a strong commitment to maintaining the environment and to providing a safe and healthy work environment for all of its employees, contractors, consultants and visitors at all sites. GBM remains a signatory to the Mineral Council of Australia's 'Enduring Value: The Australian Minerals Industry Framework for Sustainable Development' since 2008 and reconfirmed this commitment again in 2016. Our excellent record continues with zero LTI's and environmental incidents again this year – this is the tenth successive year that GBM has achieved zero harm.

Credit for this record must go to our people and is a clear indication of the Company's shared aspiration to maintain stringent and high safety and environment standards. Our aim is always to operate in a safe and environmentally responsible manner meeting industry's highest standards.

The Board, Management and Staff of GBM support and promote the Company's Core Values (see page 6) in all endeavours. We are committed to upholding the Company's key values which include developing strong and lasting relationships with our employees, and with the communities in which we operate. The Company is committed to maintaining regular and open communication with the landholders and stakeholders in the areas we operate.

Safety

GBM's strong commitment to safety ensures that all employees, including employees of contractors, suppliers and consultants, are fully instructed, trained and assessed in their activities by providing the facilities, equipment, tools, procedures, safety programs and training for employees to carry out their assigned tasks in a safe and appropriate manner.

The Company and our Staff are proud to achieve the results of zero LTI's, MTI's and Environmental Incidents. The Company's will strive to maintain and improve these high Safety and Environment standards.

Protection of the environment and the health and safety of its people remain at the core of GBM's culture. The Company manages risk through the identification, elimination, monitoring and control of hazards, by implementing procedures accordingly, whilst reviewing performance on a daily basis. GBM seeks continuous improvement in safety and health performance by maintaining best practice procedures and taking into account evolving knowledge and technology.

This year has been challenging for all industries across Australia as we cope with managing a highly contagious virus that has the potential to cause serious harm within our communities and to our workforce. GBM has in place COVID Safe plans and supports all efforts to minimise the impact of the pandemic.

GBM recognises the importance of communication and consultation with all staff and stakeholders to foster a culture of commitment to health, safety and the environment by promoting healthy lifestyles through appropriate awareness and training programs.

SUSTAINABLE DEVELOPMENT

Community & Environment
GBM Resources is committed to monitoring and managing the environmental impacts of our activities to secure a sustainable environmental future for communities surrounding our sites.

GBM continually strives to improve its environmental performance and complies with the environmental laws and regulations as a minimum standard. GBM proactively manages and assesses environmental risks on a site-specific basis to achieve planned environmental outcomes.

GBM informs and consults with the community about its activities and projects on a regular basis.

During 2020 FY, GBM completed monitoring on the disturbed areas around the Tiger Prospect, part of the Brightlands Project with inspection of drill sites from 2010 confirming that no lasting disturbance has occurred and that the mixture of native vegetation and grassland had recovered on these sites. At the Mount Coolon Project, following results from the initial two surveys last year which confirmed that rehabilitation completed by previous operators has been largely successful, the Company has commenced the new Progressive rehabilitation and Closure Planning Process introduced by the Queensland Government. This process will include developing detailed plans for some areas will require further remedial action and a rehabilitation strategy is being developed to ensure this is completed to the highest standards. The Company will continue to monitor this and to undertake minor remediation and additional rehabilitation on areas where these surveys identify it is necessary.

Statistics / Achievements:
- No lost time injuries were sustained during the 2019/20 field season.
- No medically treated injuries were sustained during operations in 2019/20.
- No environmental incidents occurred during the reporting period.

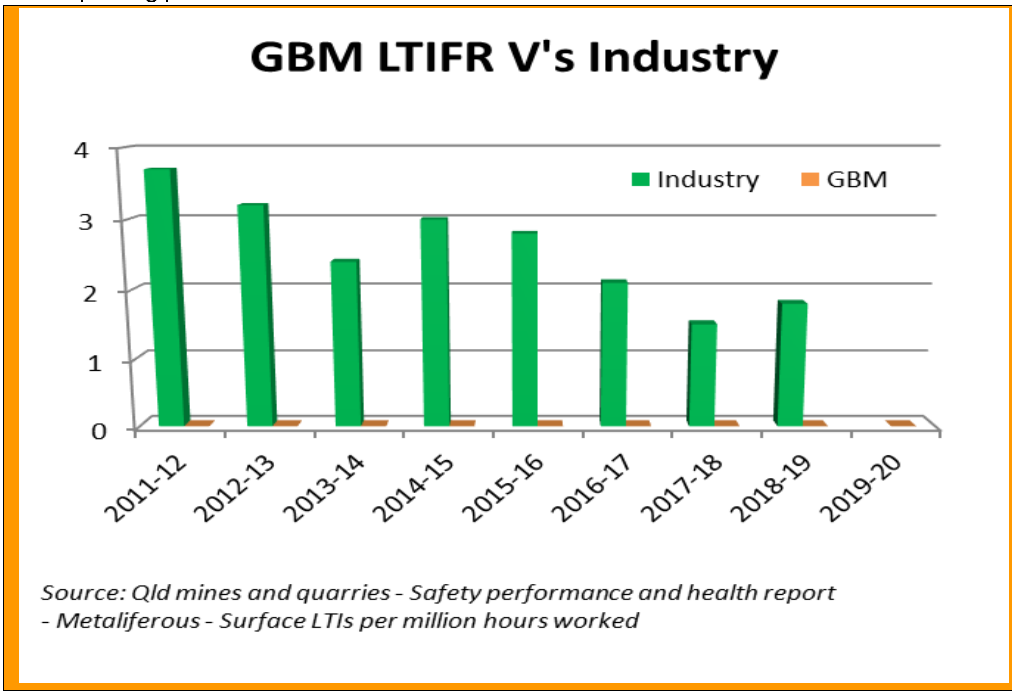


Figure 26: GBM LTIFR v's Industry

Photograph 4: Rehabilitated drill site for hole BTD015 drilled at the Company's Brightlands project in April 2010. This area was relinquished during the year and this photograph taken as part of the Company's final inspection.

DIRECTORS' REPORT

The Directors present their report together with the consolidated financial statements for the Company and its controlled entities ('Group') for the financial year ended 30 June 2020.

DIRECTORS

The names of Directors in office at any time during or since the end of the year are:

Peter Mullens – B.Sc (Geology), Fellow AUSIMM
Executive Chairman (appointed 9 October 2019, effective 25 November 2019)

Mr. Mullens has over 35 years' experience in the mining industry from early exploration to development and mine production. He has been involved with major companies having worked for Rio Tinto and Mt Isa Mines at world class Broken Hill and Mt Isa Ag, Pb, Zn mines located in Australia.

Mr Mullens has been closely involved in companies raising in excess of USD $250 million since 2002. He is currently Non-Executive Chairman of Royal Road Minerals (TSX-RYR) who are exploring in Colombia. In addition, he has a part time position with a Uranium Explorer, NX Gold Limited (TSX-NXN) as General Manager Australia.

He has had a history of success with junior exploration companies over the last 20 years including acquiring Aquiline Resources' Argentinean projects and the resulting sale to Pan American Silver for CAD $ 630 million in 2009, Chief Geologist and director for Laramide Resources, and co-founder and director of Lydian Resources (TSX-LYD) which discovered the 4 million-ounce Amulsar Gold Deposit located in Armenia.

In the last 3 years Mr Mullens was a director of GPM Metals, a company listed on the TSX (from March 2018 to June 2019).

Peter Rohner – B.Sc (Metallurgy), Grad Dip Applied Finance & Investment,
Managing Director (appointed 25 November 2019)

Mr Rohner has over 30 years' experience in the mining industry. In particular, he has been heavily involved in mineral process technology development including development of the Jameson flotation cell, IsaMill fine grinding and, more recently, significant involvement in further development of Glencore's Albion Process (fine grind oxidative leach) technology.

Mr Rohner is currently a Technical Director of both the Core Group, which provides metallurgical processing solutions to its global clients, and Stibium China Holdings Ltd, which owns a producing gold asset in South Africa. He is also a director of Stibium Mining Pty Ltd and in the last 3 years a former director of Tartana Resources Limited (from 29 September 2017 to 12 August 2020).

Peter Thompson – B.Bus, CPA, FCIS
Executive Director (resigned Executive Chairman and Managing Director 25 November 2019)

Experience
Mr Thompson is a CPA qualified accountant and Fellow of Governance Institute of Australia. He has over 35 years' experience in the mining industry in Australia, UK and South America. He has held senior roles with several major companies including Xstrata Plc, MIM Holdings Ltd and Mt Edon Gold Mines.

Since 2000, Mr Thompson has been involved in the development of various infrastructure projects, including mine and refinery expansions and establishment of infrastructure including roads, rail, port and power utilities. Mr Thompson was appointed as a non-executive director of Nova MSC Berhad, a Malaysian public company on 1 June 2017.

Mr Thompson has held no other directorships of listed companies in the last 3 years.

Mr Guan Huat (Sunny) Loh – BBA, ACS, ACIS, MBA
Non-Executive Deputy Chairman

Mr Loh's expertise lies in corporate strategy, finance markets, investor relations and capital restructures. Mr Loh holds a BBA from National University of Singapore and an MBA of Strategic Marketing from the University of Hull. He is also an Associate of the Institute of Chartered Secretaries and Administrators.

Mr Loh has been appointed to the role of Deputy Chairperson. In this role he will further support the Board through interaction with the Company's overseas shareholder base, and via evaluation of additional funding and corporate options to further develop and grow GBM. Mr Loh is a substantial shareholder in GBM. He has a long and supportive relationship with the Company as both a shareholder and, previously, as a Non-Executive Director.

Mr Loh has not been a director of any other ASX listed company in the last 3 years.

Neil Norris – B.Sc (Hons), MAIMM, MAIG
Exploration Director - Executive (resigned 17 September 2020)

Experience
Mr. Norris is a geologist with over 25 years' experience gained in Australia and overseas. Recently he was Group Exploration Manager for Perseverance Corporation Limited and spent over ten years with Newmont Australia Limited holding senior positions in both mining and exploration areas. A key achievement was his development of the geological models which contributed to the discovery of the Phoenix ore body at Fosterville. Mr. Norris was also involved in the discovery of the world class Cadia and Ridgeway deposits. Mr. Norris has a track record in the successful identification of mineral deposits and his experience will greatly advance GBM's exploration efforts.

Mr Norris has held no other directorships of listed companies in the last 3 years.

Brent Cook – B.Sc (Geology)
Non-Executive Director (appointed 17 September 2020)

Experience
Mr. Cook is an economic geologist with over 40 years' experience in exploration, mining and finance. During his career he has worked on numerous deposit types in over 60 countries. From 1999 to 2003, Mr Cook was chief analyst at Global Resource Investments (now Sprott Global) and an advisor to three micro-cap junior exploration funds. Since 2003 Mr Cook has also acted as an independent advisor and mining analyst, working with a number of junior mining companies, money management groups and individual investors. From 2008 to 2016 he was owner and author of the resource investment letter Exploration Insights. Mr Cook brings a wealth of knowledge from his experiences within the Financial and Mining sectors.

Mr Cook has held no other directorships of listed companies in the last 3 years.

COMPANY SECRETARY

Mr Kevin Hart – B.Comm FCA

Mr Hart is a Chartered Accountant and was appointed to the position of Company Secretary on 3 February 2010. He has over 30 years' experience in accounting and the management and administration of public listed entities in the mining and exploration industry.

He is currently a partner in an advisory firm which specialises in the provision of company secretarial services to ASX listed entities.

MEETINGS OF DIRECTORS
During the financial year, the following meetings of Directors (including committees) were held:

	DIRECTORS' MEETINGS	
	Number Eligible to Attend	Number Attended
P Mullens	**9**	**9**
P Rohner	**8**	**8**
P Thompson	**12**	**12**
N Norris	**12**	**12**
S Loh	**12**	**11**

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was exploration in respect of its gold projects in Australia and the construction of the White Dam Sulphidisation-Acidification-Recycling-Thickening (SART) Plant in South Australia. Corporate activities included the consolidation of the Group's ordinary share capital and subsequent capital raising. At the Company's Annual General Meeting on 25 November 2019, shareholders approved that every 10 shares held and 10 options held be consolidated into 1 ordinary share or 1 option. During the latter half of the financial year corporate activities focussed on equity raisings from share placements, a non-renounceable entitlement issue and shortfall offer.

OPERATING AND FINANCIAL REVIEW

Corporate

During the financial year there was a restructuring of the Board of Directors with the appointment of Peter Rohner as Managing Director and Peter Mullens as Executive Chairman. Subsequent to year end Brent Cook, an economic geologist was appointed as an independent non-executive Director of the Company.

Exploration

Planning for the current exploration program, incorporating 5,000 metres of drilling, commenced at the Mt Coolon Gold Project in Queensland with priority drill targets identified adjacent to the existing Koala, Glen Eva and Eugenia resources.

A strategic partnership with Novo Resources Corp (a Canadian Listed – TSX-V:NVO) was completed with Novo having a six month due diligence period to exercise an option to acquire a 50% interest in the Malmsbury Project in Victoria. Subsequent to year end, Novo exercised the option. Refer to Subsequent Events section of the Directors' Report.

White Dam Plant Construction

In December 2019, the Company completed the acquisition of a 100% interest in Millstream Resources Pty Ltd (Millstream). Millstream may earn an initial 50% interest in the White Dam Gold-Copper Heap Leach Project (with an option to acquire a 100% interest) pursuant to a joint venture agreement with Round Oak Minerals Pty Ltd. The focus for the second half of the financial year was the construction of the White Dam SART plant in order to earn the initial interest in the White Dam Project. In July staged commissioning activities commenced as circuits in the plant were progressively completed. Receipt of revenue from the heap leach operation is expected to commence in quarter four of calendar year 2020.

COVID-19

GBM's business continues to operate in full compliance with the COVID-19 advice from the Australian Government and relevant health authorities.

The situation is evolving, and whilst there are currently no significant impacts, there remains some uncertainty and risks with potential impacts on the White Dam JV Heap Leach Operation and our exploration programs in the second half of 2020.

Operating Results

The net loss after income tax attributable to members of the Group for the financial year to 30 June 2020 amounted to $1,198,012 (2019: $4,239,459) and included $225,562 (2019: $3,156,526) in respect of exploration costs written off, impaired and expensed.

Financial Position

At the end of the financial year, the Group had $1,382,072 (2019: $332,540) in cash on hand and on deposit. Carried forward exploration and evaluation expenditure was $10,848,146 (2019: $9,644,180).

EQUITY SECURITIES ON ISSUE

	30 June 2020	30 June 2019 (pre-consolidation)
Ordinary fully paid shares	**225,038,134**	1,090,596,975
Options over unissued shares	**25,954,152**	222,191,744
Rights over unissued shares	**1,128,000**	-

EQUITY SECURITIES ON ISSUE (CONTINUED)

Ordinary Fully Paid Shares

During the financial year, following approval by shareholders at the Company's Annual General Meeting, the issued capital of the Company was consolidated on the basis that every 10 shares be consolidated into 1 share and every 10 options be consolidated into 1 option.

During the 2020 financial year the Company issued 115,978,314 ordinary fully paid shares at a weighted average of 3.9 cents per share (post-consolidation basis). Of the shares issued, 82,148,305 shares were issued pursuant to share placements; 15,000,000 shares were issued as consideration for the acquisition of Millstream Resources (note 11); 9,090,909 shares were issued to Novo Resources Corporation as part of a share swap (note 15) and 9,739,100 shares were issued to directors in lieu of accrued salaries (note 15).

Subsequent to the end of the financial year 104,233,077 fully paid ordinary shares were issued.

Options over Ordinary Shares

At the date of this report, unissued shares of the Group under option are:

Date Granted	Expiry Date	Exercise Price	Number of options at 30 June 2020	Number of options at date of report
5 February 2019	31 January 2023	$0.085[1]	1,880,000	1,880,000
17 December 2019	16 December 2022	$0.05	8,000,000	8,000,000
6 April 2020	6 April 2023	$0.105[2]	16,074,152	16,074,152
6 July 2020	6 July 2023	$0.11	-	50,770,890
15 September 2020	14 September 2024	$0.21	-	300,000

[1] In accordance with ASX Listing Rule 6.22.2 and following completion of the Entitlement Offer, the exercise price for each option was reduced from 9 cents to 8.5 cents.

[2] In accordance with ASX Listing Rule 6.22.2 and following completion of the Entitlement Offer, the exercise price for each option was reduced from 11 cents to 10.5 cents.

During the year, no options were exercised and 203,391,744 options were cancelled (pre-consolidation basis) on expiry date.

Subsequent to 30 June 2020 and the date of this report, a total of 51,445,867 options were issued: 51,145,867 expiring on 6 July 2023 with an exercise price of $0.11 and 300,000 expiring on 14 September 2024 with an exercise price of $0.21. Of these options, 374,977 options with an exercise price of $0.11 and expiring 6 July 2023, have been exercised. No options have been cancelled since the end of the financial year.

Performance Rights over Ordinary Shares

During the year ended 30 June 2020, the Company granted 1,128,000 performance rights under a consultancy agreement, with 564,000 rights vesting on 1 July 2020, 282,000 rights vesting on 30 September 2020 and the remainder of the rights vesting on 30 December 2020. Since 30 June 2020 and the date of this report, 564,000 performance rights have been exercised and converted into ordinary shares, and a further 1,250,000 performance rights have been issued. No performance rights have been cancelled since the end of the financial year.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Other than as stated in the Operational and Financial Review section above, there were no other significant changes in the state of affairs of the Group during the financial year, not otherwise disclosed in this Directors' Report or in the Review of Operations.

EVENTS SUBSEQUENT TO BALANCE DATE

Other than as stated below, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

- In July 2020 the Company raised approximately $5.6 million (before costs) via an entitlement offer and share placement, resulting in the issue of 102,291,583 fully paid ordinary shares at an issue price of 5.5 cents per share and 51,145,867 options exercisable at 11 cents and expiring 6 July 2023.
- Since the end of the financial year, in addition to the shares and options issued pursuant to the entitlement offer and share placement, a further 300,000 options, 1,250,000 performance rights and 1,002,517 shares were issued. Subsequent to year end, 374,977 options and 564,000 performance rights were exercised. Refer to Directors' Report – Equity Securities on Issue for further detail.
- In July, the Company executed the Joint Venture agreement on the White Dam Gold-Copper Heap Leach Operation in South Australia with Round Oak Minerals Pty Limited.
- In early September, a 5,000 m diamond and RC drilling program commenced at the Company's 100% owned Mt Coolon Gold Project in northern Queensland.
- On 17 September, Mr Neil Norris resigned as Executive Director and Mr Brent Cook was appointed as Independent Non-Executive Director of the Company.
- On 24 September, Novo Resources Corp exercised its option to earn an initial 50% in the Malmsbury Gold Project. The exercise consideration is the issue of 1,575,387 Novo shares (to be escrowed for a 4 month period) to the Company at settlement which is subject to certain conditions relating to the transfer of the Project interest. Novo has the right to earn an additional 10% interest in Malmsbury by incurring $5 million in exploration expenditure over a four year period.

The impact of the coronavirus (COVID-19) pandemic is ongoing. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. It is not practicable to estimate the potential impact, positive or negative, after the reporting date.

DIVIDENDS

No dividends were paid during the year and the Directors recommend that no dividends be paid or declared for the financial year ended 30 June 2020.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Comments on expected results of the operations of the Company are included in this report under the Review of Operations.

Disclosure of other information regarding likely developments in the operations of the Company in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

ENVIRONMENTAL ISSUES

The Group holds participating interests in a number of exploration tenements. The various authorities granting such tenements require the tenement holder to comply with the terms of the grant of the tenement and all directions given to it under those terms of the tenement.

There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2020.

REMUNERATION REPORT (AUDITED)

The remuneration report is set out in the following manner:

- Policies used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share based compensation

Remuneration Policy

The Board of Directors is responsible for remuneration policies and the packages applicable to the Directors of the Company. Whilst the broad remuneration policy is to ensure that packages offered properly reflect a person's duties and responsibilities and that remuneration is competitive and attracts, retains, and motivates people of the highest quality, the Board has consciously been focused on conserving the Company's funds to ensure the maximum amount is spent on exploration, and this is reflected in the modest level of Director fees.

The policy of the Group is to offer competitive salary packages which provide incentive to Directors and executives and are designed to reward and motivate. Total remuneration for all Non-Executive Directors was voted on by shareholders, whereby it is not to exceed in aggregate $200,000 per annum. Non-Executive Directors receive fees agreed on an annual basis by the Board.

At the date of this report, the Company had not entered into any remuneration packages with Directors or senior executives which include specific performance-based components. Long term and short term incentives, may be awarded subject to Board discretion.

Details of Remuneration for Directors and Executive Officers

The remuneration of each Director of the Company and relevant executive officers (together known as Key Management Personnel or KMP) are set out in the table below.

Remuneration levels are competitively set to attract and retain appropriately qualified and experienced Directors and senior executives. The Board of Directors obtains independent advice when appropriate in reviewing remuneration packages.

During the year, there were no senior executives who were employed by the Company for whom disclosure is required.

2020	*Short term*		*Post Employment*	*Share Based Payments*		
Directors	*Salary and fees $*	*Other $*	*Super - annuation $*	*Options / shares $*	*Total $*	*Performance Based Payments as % of remuneration %*
P Mullens	**50,400**	**-**	**4,788**	**108,358**	**163,546**	**-**
P Rohner	**50,400**	**-**	**4,788**	**108,358**	**163,546**	**-**
P Thompson[1, 2]	**112,462**	**-**	**10,684**	**-**	**123,146**	**-**
S Loh	**48,000**	**-**	**-**	**-**	**48,000**	**-**
N Norris[1, 2]	**108,187**	**8,176**	**10,278**	**-**	**126,641**	**-**
Total Directors	**369,449**	**8,176**	**30,538**	**216,716**	**624,879**	**-**

[1] During the year and following shareholder approval, 5,291,467 ordinary shares were issued to P Thompson and 4,447,633 ordinary shares were issued to N Norris in lieu of accrued and unpaid salaries of $158,744 and $133,429 respectively. The table above does not include the share based payment as the accrued salaries were disclosed as remuneration in the year in which they were accrued.

[2] Post employment entitlements were paid in July 2020. Refer to the service agreements for further detail.

REMUNERATION REPORT (AUDITED)

2019	*Short term*		*Post Employment*	*Share Based Payments*		
Directors	*Salary and fees* $	*Other* $	*Super - annuation* $	*Options / shares* $	*Total* $	*Performance Based Payments as % of remuneration* %
P Thompson[1]	224,000	-	21,280	-	245,280	-
S Loh	28,000	-	-	-	28,000	-
N Norris[1]	207,173	14,865	19,681	-	241,719	-
H Tan	48,000	-	-	-	48,000	-
Total Directors	507,173	14,865	40,961	-	562,999	-

[1] Included in director remuneration in the table above for 2019 are amounts of $288,175 that were accrued for payment as at 30 June 2019.

See disclosure relating to service agreements for further details of remuneration of executive directors.

Options Provided as Remuneration

During the year ended 30 June 2020 and following shareholder approval, 8,000,000 unlisted options over unissued shares of the Company were issued to directors, with 50 per cent each being issued to Messrs Peter Mullens and Peter Rohner. No options were issued to KMP of the Company in the previous financial year.

No shares were issued to KMP of the Company in respect of the exercise of options previously granted as remuneration.

Key management personnel have the following interests in unlisted options over unissued shares of the Company.

Name	**Balance at beginning of the year**	**Received during the year as remuneration**	**Other changes during the year**	**Balance at the end of the year**	**Vested and exercisable at the end of the year**
P Mullens	-	4,000,000	-	4,000,000	4,000,000
P Rohner	-	4,000,000	-	4,000,000	4,000,000

Further details of the options granted are disclosed in Note 18 to the financial report.

Service Agreements

Remuneration and other terms of employment for the Executive Directors are set out in Service Agreements:

<u>Peter Mullens – Executive Chairman</u>

Mr Mullens received a base salary inclusive of statutory superannuation of $91,980 per annum from the commencement of the agreement until 30 June 2020, at which time the agreement expired and was renewed. On 1 July Mr Mullens entered into a 3 year service agreement with the Company with a base salary inclusive of statutory superannuation of $180,000 per annum which is subject to annual review.

The Service agreement contains certain provisions typically found in contracts of this nature. The Company may terminate the Service Agreement without cause by providing six months written notice to the individual or by making a payment in lieu of notice. The Service Agreement may be terminated immediately in the case of serious misconduct.

There is no specific cash bonus or other performance based compensation contemplated in the agreement. Long term and short term incentives, may be awarded subject to Board discretion.

REMUNERATION REPORT (AUDITED)

Peter Rohner – Managing Director

Mr Rohner received a base salary inclusive of statutory superannuation of $91,980 per annum from the commencement of the agreement until 30 June 2020, at which time the agreement expired and was renewed. On 1 July Mr Rohner entered into a 3 year service agreement with the Company with a base salary inclusive of statutory superannuation of $250,000 per annum which is subject to annual review.

The Service agreement contains certain provisions typically found in contracts of this nature. The Company may terminate the Service Agreement without cause by providing six months written notice to the individual or by making a payment in lieu of notice. The Service Agreement may be terminated immediately in the case of serious misconduct.

There is no specific cash bonus or other performance based compensation contemplated in the agreement. Long term and short term incentives, may be awarded subject to Board discretion.

Peter Thompson – Executive Director

Under an original service agreement dated December 2010, Mr Thompson was entitled to $300,000 per annum inclusive of superannuation which had been temporarily reduced to $245,280 per annum as part of the Company's cost reduction program.

The Service agreement contains certain provisions typically found in contracts of this nature. Under the original agreement, the Company may terminate the Service Agreement without cause by providing nine months written notice to the individual or by making a payment in lieu of notice. The Service Agreement may be terminated immediately in the case of serious misconduct. There is no specific cash bonus or other performance based compensation contemplated in the agreement. Long term and short term incentives, may be awarded subject to Board discretion.

As part of the Board restructure, Mr Thompson stepped down from his executive roles and entered into an amended service agreement effective from 25 November 2019 to 31 July 2020. Under the terms of the amended agreement, Mr Thompson receives a base salary inclusive of statutory superannuation of $91,980 per annum with no accrued leave entitlements and is entitled to a redundancy payment of $104,000, in addition to amounts disclosed in the remuneration table, which was settled in July 2020. The notice period is one month.

Neil Norris - Exploration Director

Under an original service agreement dated December 2010, Mr Norris was entitled to $300,000 per annum inclusive of superannuation which had been temporarily reduced to $226,854 per annum as part of the Company's cost reduction program.

The Service agreement contains certain provisions typically found in contracts of this nature. Under the original agreement, the Company may terminate the Service Agreement without cause by providing nine months written notice to the individual or by making a payment in lieu of notice. The Service Agreement may be terminated immediately in the case of serious misconduct. There is no specific cash bonus or other performance based compensation contemplated in the agreement. Long term and short term incentives, may be awarded subject to Board discretion.

As part of the Board restructure, Mr Norris stepped down from his executive role and entered into an amended service agreement effective from 25 November 2019 to 31 July 2020. Under the terms of the amended agreement, Mr Norris receives a base salary inclusive of statutory superannuation of $91,980 per annum with no accrued leave entitlements and is entitled to a redundancy payment of $80,000, in addition to amounts disclosed in the remuneration table, which was settled in July 2020. The notice period is one month.

Share Based Compensation

At the date of this report the Company has not entered into any agreements with KMP which include performance based components. Options issued to Directors are approved by shareholders and were not the subject of an agreement or issued subject to the satisfaction of a performance condition.

Options may be issued to provide an appropriate level of incentive using a cost effective means given the Company's size and stage of development.

REMUNERATION REPORT (AUDITED)

DIRECTORS' INTERESTS

The relevant interest of each Director in the ordinary shares and options issued by the Company as notified by the Directors to the Australian Securities Exchange at the date of this report, is set out in the table below.

Ordinary shares

Director	Ordinary shares held at 1 July 2019 [1]	Received during the year as remuneration	Movement during the financial year	Ordinary Shares held at 30 June 2020	Ordinary shares held at the date of the Directors' Report
P Thompson [2]	2,420,000	-	5,291,467	7,711,467	7,711,467
S Loh	6,081,115	-		6,081,115	6,081,115
N Norris [2]	2,414,167	-	4,447,633	6,861,800	6,861,800
P Mullens [3]	--	-	7,575,758	7,575,758	7,975,758
P Rohner [4]	--	-	6,594,263	6,594,263	7,692,265

[1] Ordinary shares at the beginning of the financial year have been re-stated on a post consolidation basis where every 10 shares has been converted into 1 share.

[2] Movement during the year represents shares received in lieu of accrued salaries. The salaries were shown as remuneration in the year in which they were accrued.

[3] Movement during the year represents initial holding on appointment as a Director on 9 October 2019.

[4] Movement during the year includes 1,563,152 initial holding on appointment as a Director on 25 November 2019.

Options

Director	Options held at 1 July 2019	Received during the year as remuneration	Movement during the financial year	Options held at 30 June 2020	Options held at the date of the Directors' Report
P Thompson [1]	2,800,000	-	(2,800,000)	-	-
S Loh [1]	23,983,198	-	(23,983,198)	-	-
N Norris [1]	2,556,250	-	(2,556,250)	-	-
P Mullens	-	4,000,000	200,000	4,000,000	4,200,000
P Rohner	-	4,000,000	406,144	4,000,000	4,406,144

[1] Cancellation of unexercised options on expiry date

LOANS TO DIRECTORS AND EXECUTIVES

There were no loans entered into with Directors or executives during the financial year ended 30 June 2020.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

During the year, the Company incurred costs of $126,219 with Core Metallurgy Pty Ltd an entity associated with Mr Peter Rohner, for project consulting fees relating to White Dam Project design and construction. At 30 June 2020, a balance of $13,628 was owing to Core Metallurgy Pty Ltd.

Office rent of $10,000 and consulting fees of $11,430 were incurred with Ironbark Pacific Pty Ltd, an entity associated with Mr Peter Mullens. At 30 June 2020, a balance of $10,827 was owing to Ironbark Pacific Pty Ltd.

End of Remuneration Report

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

During the year, the Company paid an insurance premium to insure certain officers of the Company. The officers of the Company covered by the insurance policy include the Directors named in this report.

The Directors and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the officers in their capacity as officers of the Company. The insurance policy does not contain details of the premium paid in respect of individual officers of the Company. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

Other than the above, the Group has not, during or since the end of the financial year, given an indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums for the Directors, officers or auditors of the Company or the controlled entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the Corporations Act 2001.

NON-AUDIT SERVICES

No non-audit services were provided by the external auditors in respect of the current or preceding financial year.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001, is set out on the following page.

Signed in accordance with a resolution of the Board of Directors.

Dated this 30th day of September 2020

PETER MULLENS
Executive Chairman

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of GBM Resources Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia	**D I Buckley**
30 September 2020	**Partner**

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2020

		Consolidated	
	Note	**2020** **$**	2019 $
Interest income		**801**	5,332
Other revenue	3	**104,192**	148,513
Fair value gain on investments		**366,061**	-
Consulting and professional services		**(391,973)**	(116,929)
Corporate and project assessment costs		**-**	(77,393)
Depreciation and amortisation expenses	4	**(7,932)**	(18,959)
Employee expenses	4	**(620,596)**	(732,762)
Exploration expenditure expensed and written off	4	**(225,562)**	(3,156,526)
Travel expenses		**(55,192)**	(75,592)
Finance costs		**(73,427)**	-
Administration and other expenses		**(294,384)**	(215,143)
Loss before income tax		**(1,198,012)**	(4,239,459)
Income tax benefit	5	**-**	-
Loss for the year		**(1,198,012)**	(4,239,459)
Other comprehensive income		**-**	-
Total comprehensive loss for the year		**(1,198,012)**	(4,239,459)
		Cents	Cents
Basic loss per share	6	**(0.7)**	(4.0)
Diluted loss per share	6	**(0.7)**	(4.0)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

		Consolidated	
		2020	2019
	Note	**$**	$
Current assets			
Cash and cash equivalents	22	**1,382,072**	332,540
Trade and other receivables	7	**32,240**	7,298
Total Current Assets		**1,414,312**	339,838
Non-current assets			
Trade and other receivables	7	**808,408**	802,021
Exploration and evaluation expenditure	8	**10,848,146**	9,644,180
Property, plant and equipment	9	**697,524**	73,141
Financial assets	10	**794,833**	-
Total Non-current Assets		**13,148,911**	10,519,342
TOTAL ASSETS		**14,563,223**	10,859,180
Current liabilities			
Borrowings	12	**705,833**	350,000
Trade and other payables	13	**902,790**	711,944
Total Current Liabilities		**1,608,623**	1,061,944
Non-current liabilities			
Provision for rehabilitation	14	**754,258**	754,258
Total Non-current Liabilities		**754,258**	754,258
TOTAL LIABILITIES		**2,362,881**	1,816,202
NET ASSETS		**12,200,342**	9,042,978
Equity			
Issued capital	15	**36,986,753**	32,915,823
Option reserve	17	**-**	610,175
Accumulated losses	17	**(25,149,324)**	(24,561,487)
Share based payment reserve	17	**362,913**	78,467
TOTAL EQUITY		**12,200,342**	9,042,978

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

Consolidated	Note	Issued capital $	Option reserve $	Accumulated losses $	Share based payment reserve $	Total $
Balance at 1 July 2018		31,795,094	610,175	(20,322,028)	-	12,083,241
Shares issued (net of costs)	15	1,120,729	-	-	-	1,120,729
Loss attributable to members of the Company	17	-	-	(4,239,459)	-	(4,239,459)
Other comprehensive income		-	-	-	-	-
Total comprehensive loss for the year		-	-	(4,239,459)	-	(4,239,459)
Options issued as remuneration		-	-	-	78,467	78,467
Balance at 30 June 2019		32,915,823	610,175	(24,561,487)	78,467	9,042,978
Balance at 1 July 2019		**32,915,823**	**610,175**	**(24,561,487)**	**78,467**	**9,042,978**
Shares issued (net of costs)	**15**	**4,070,930**	**-**	**-**	**-**	**4,070,930**
Loss attributable to members of the Company	**17**	**-**	**-**	**(1,198,012)**	**-**	**(1,198,012)**
Other comprehensive income		**-**	**-**	**-**	**-**	**-**
Total comprehensive loss for the year		**-**	**-**	**(1,198,012)**	**-**	**(1,198,012)**
Performance rights issued		**-**	**-**	**-**	**67,720**	**67,720**
Options expired		**-**	**(610,175)**	**610,175**	**-**	**-**
Options issued as remuneration		**-**	**-**	**-**	**216,726**	**216,726**
Balance at 30 June 2020		**36,986,753**	**-**	**(25,149,324)**	**362,913**	**12,200,342**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated 2020 $	2019 $
Cash flows from operating activities			
Interest received		**732**	3,631
Other income		**5,832**	-
Government assistance		**50,000**	-
JV management fee income		**48,390**	48,514
Interest and other costs of finance paid		**(67,594)**	-
Payments to suppliers and employees		**(928,092)**	(847,289)
Net cash flows used in operating activities	22(c)	**(890,732)**	(795,144)
Cash flows from investing activities			
Payments for bonds and security deposits		**(6,318)**	(53,832)
Funds provided by JV partner under Farm-in agreement		**405,513**	528,505
Payments for exploration and evaluation, including JV Farm-in spend		**(1,269,939)**	(1,262,487)
Proceeds on sale of exploration assets		**-**	100,000
Payments to acquire property, plant and equipment		**(566,163)**	-
Net cash flows used in investing activities		**(1,436,907)**	(687,814)
Cash flows from financing activities			
Proceeds from the issue of shares		**3,172,259**	1,135,150
Share issue costs		**(145,088)**	(21,090)
Proceeds from issue of convertible notes		**350,000**	350,000
Net cash flows provided by financing activities		**3,377,171**	1,464,060
Net increase/(decrease) in cash and cash equivalents		**1,049,532**	(18,898)
Cash and cash equivalents at the beginning of the financial year		**332,540**	351,438
Cash and cash equivalents at the end of the financial year	22(a)	**1,382,072**	332,540

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

GBM Resources Limited ('the Company') is a listed public company domiciled in Australia. The consolidated financial report of the Company for the financial year ended 30 June 2020 comprises the Company and its subsidiaries (together referred to as the 'Group').

The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

a) Basis of Preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, and Australian Accounting Standards and Interpretations. The financial report has also been prepared on an historical cost basis, unless otherwise stated. The financial report is presented in Australian dollars. For the purpose of preparation of the consolidated financial statements the Company is a for-profit entity.

Going Concern Basis for the Preparation of Financial Statements

The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As at 30 June 2020 the Group has cash assets of $1,382,072, and total current liabilities at that date amounting to $1,608,623 (including a convertible note liability of $705,833). The loss for the 2020 financial year was $1,198,012 and operating cash outflows were $890,732.

Subsequent to the end of the financial year the Company raised a further $5.6 million pursuant to a non-renounceable pro-rata entitlement offer and share placement.

The Directors will continue to manage the Group's activities with due regard to current and future funding requirements. The directors reasonably expect that the Company will be able to raise sufficient capital to fund the Group's exploration and working capital requirements if required, and that the Group will be able to settle debts as and when they become due and payable.

Adoption of New and Revised Standards - Changes in accounting policies on initial application of accounting standards

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial year.

AASB 16 Leases

AASB 16 Leases replaced existing accounting requirements for leases under AASB 117 Leases. Under AASB 16, the Group accounts for operating leases as a lessee results in the recognition of a right-of-use (ROU) asset and an associated lease liability on the statement of financial position. The lease liability represents the present value of future lease payments, with the exception of short term and low value leases. An interest expense is recognised on the lease liabilities and a depreciation charge recognised for the ROU assets.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Refer to note 1(h) for the Group's accounting policy on the adoption of AASB 16 Leases.

New standards and interpretations not yet adopted

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2020. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Statement of Compliance

The financial report was authorised for issue on 30 September 2020.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

c) Principles of Consolidation

The consolidated financial statements comprise the financial statements of GBM Resources Limited and its subsidiaries as at 30 June each year (the Group). The financial statements for the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which the control is transferred out of the Group.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition. Non-controlling interests represent the portion of profit and loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statement of financial position.

d) Revenue Recognition

Revenue is recognised to the extent that control has passed and it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Interest Revenue
Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

Management Fees
Revenue from farm-in management fees is recognised at the time the fees are invoiced for services rendered.

e) Income Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are re-assessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.
Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss. Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

f) Other Taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

g) Financing Costs

Net financing costs comprise interest payable on borrowings calculated using the effective interest method. Borrowing costs are expensed as incurred and included in net financing costs, where there is no qualifying asset.

h) Leases

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Right-of-use asset

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

i) Cash and Cash Equivalents

Cash and short-term deposits in the consolidated statement of financial position comprise cash at bank and in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

j) Trade and Other Receivables

Trade receivables, which generally have 30–90 day terms, are recognised at fair value and then are subsequently measured at amortised cost and carried at original invoice amount less an allowance for any expected credit loss. The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics, they have been grouped based on the days past due. Bad debts are written off to the allowance when the debt is considered uncollectible.

k) Plant and Equipment

Plant and equipment is stated at cost, less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Property and improvements	10 – 40 years
Office furniture and equipment	2.5 - 20 years
Plant and equipment	0 - 40 years
Motor Vehicles	8 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying value of an asset or cash-generating units exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

(ii) De-recognition and Disposal

An item of property, plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is de-recognised.

l) Financial Instruments

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, it's carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

(i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or

(ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Fair value hierarchy

All assets and liabilities measured at fair value are classified using a three level hierarchy based on the lowest level of input that is significant to the entire fair value measurement, being Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly unforced transaction between independent, knowledgeable and willing market participants at the measurement date and is based on the fair value hierarchy

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12 month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

m) Exploration and Evaluation Expenditure

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:

(a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; or

(b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortised of assets used in exploration and evaluation activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

n) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at re-valued amount (in which case the impairment loss is treated as a re-valuation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at re-valued amount, in which case the reversal is treated as a re-valuation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

o) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

p) Interest Bearing Liabilities

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised.

Where borrowings contain a conversion option and the number of shares to be issued is fixed the amount of borrowing is initially recognised at fair value of a similar liability that does not have an equity conversion option. The equity conversion feature is the residual. Subsequently the borrowing is measured at amortised cost and the equity portion is not remeasured.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) Employee Benefits

(i) Wages, Salaries, Annual Leave and Sick Leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and non-accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(ii) Long Service Leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

r) Share Based Payments

Equity Settled Transactions:

The Group provides benefits to employees (including senior executives) of the Group in the form of share based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined by using a Black and Scholes model. Share rights are valued at the underlying market value of the ordinary shares over which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of GBM Resources Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The charge or credit to the consolidated statement of profit or loss and other comprehensive income for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition. If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, the cumulative expense recognised in respect of that award is transferred from its respective reserve to accumulated losses. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

s) Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

t) Earnings Per Share

Basic earnings/loss per share ("EPS") is calculated by dividing the net profit or loss attributable to members of the Company for the reporting period, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus element.

Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after tax effect of financing costs associated with dilutive potential ordinary shares and the effect on revenues and expenses of conversion, by the weighted average number of ordinary shares and potential dilutive ordinary shares, adjusted for any bonus element.

u) Business Combinations

The acquisition method of accounting is used to account for all business combinations, including business combinations involving entities or business under common control, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Where the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or liability is remeasured at subsequent reporting dates in accordance with AASB 9, or AASB 137 'Provisions, Contingent Liabilities and Contingent Assets', as appropriate, with the corresponding gain or loss being recognised in profit or loss.

v) Provision for Restoration and Rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of development activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning sites, removing facilities and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the balance date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each balance date.

The initial estimate of the restoration and rehabilitation provision is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

w) Parent Entity Financial Information

The financial information for the parent entity, GBM Resources Limited, disclosed in Note 30 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

x) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Accounting for capitalised mineral exploration and evaluation expenditure

The Group's accounting policy is stated at 1(m). A regular review is undertaken of each area of interest to determine the reasonableness of continuing to carry forward costs in relation to that area of interest.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share based payments

The Group uses independent advisors to assist in valuing share based payments.

Estimates and assumptions used in these valuations are disclosed in the notes in periods when these share based payments are made.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. This consideration extends to the nature of the Group's activities, staffing and geographic regions in which the Group operates. The situation continues to be monitored and there does not currently appear to be direct material impact upon the financial statements as at the reporting date as a result of the Coronavirus (COVID-19) pandemic.

y) Government assistance and grants

Assistance received from the government by way of grant or other forms of assistance designed to provide an economic benefit to the Group, is presented in the statement of financial position as deferred income, in instances where the grant is related to assets. In all other cases, grant money is presented in the profit and loss as other income. Grants are recognised when there is reasonable assurance that conditions will be complied with and the grant will be received.

2. FINANCIAL RISK MANAGEMENT

The Group has exposure to a variety of risks arising from its use of financial instruments. This note presents information about the Group's exposure to the specific risks, and the policies and processes for measuring and managing those risks. Further quantitative disclosures are included throughout this financial report. The Board of Directors has overall responsibility for the risk management framework.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from transactions with customers and investments.

Trade and other receivables

The current nature of the business activity does not result in trading receivables. The receivables that the Group recognises through its normal course of business are short term in nature and the most significant (in quantity) is the receivable from the Australian Taxation Office and interest receivable. The risk of non recovery of receivables from this source is considered to be negligible.

Cash deposits

The Group's primary banker is Commonwealth Bank. At balance date all operating accounts and funds held on deposit are with this bank. The Directors believe any risk associated with the use of only one bank is mitigated by its size and reputation. Except for this matter the Group currently has no significant concentrations of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance resources to finance the Group's current and future operations, and consideration is given to the liquid assets available to the Group before commitment is made to future expenditure or investment.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising any return.

Currency risk

The Group is not exposed to any currency risk other than the respective functional currencies of each Company within the Group, the Australian dollar (AUD).

Interest rate risk

The Group is not exposed to significant interest rate risk and no financial instruments are employed to mitigate risk (Note 20 – Financial Instruments).

Equity price risk

The Group was not exposed to any material equity price risk during the financial year (Note 20 – Financial Instruments).

(d) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors capital expenditure and cash flows as mentioned in (b).

		Consolidated	
		2020	2019
	Note	**$**	$
3. OTHER REVENUE AND OTHER GAINS/LOSSES			
Other Revenue			
Gain on disposal of exploration assets		**-**	100,000
Joint venture management fee		**48,390**	48,513
Government grant income		**50,000**	-
Other income		**5,802**	-
		104,192	148,513
4. EXPENSES			
Employee expenses			
Gross employee benefit expense:			
Wages and salaries[1]		**475,599**	866,966
Directors' fees		**148,800**	76,000
Superannuation expense[1]		**53,930**	71,923
Share based remuneration		**275,160**	78,467
Other employee costs		**22,740**	24,636
		976,229	1,117,992
Less amount allocated to exploration		**(355,633)**	(385,230)
Net consolidated statement of profit or loss and other comprehensive income employee benefit expense		**620,596**	732,762

[1] Prior year includes accrued salary expense of $263,173 and accrued superannuation of $25,001. The accrued salary expense was settled through the issue of ordinary shares (refer to the remuneration report).

4. EXPENSES (CONTINUED)

	Note	Consolidated 2020 $	2019 $
Depreciation expense:			
Property and improvements	9	**2,644**	2,962
Office equipment and software	9	**1,604**	1,932
Site equipment	9	**2,880**	4,632
Motor vehicles	9	**804**	9,433
		7,932	18,959
Exploration costs:			
Unallocated exploration costs expensed		**106,540**	124,538
Exploration costs written off	8	**119,022**	3,031,988
		225,562	3,156,526

Consulting and professional services expenditure includes share-based payments of $67,720 (2019: nil).

5. INCOME TAX

a) Income tax recognised in profit or loss

	2020 $	2019 $
The prima facie tax benefit on the operating result is reconciled to the income tax provided in the financial statements as follows:		
Accounting loss before income tax from continuing operations	**(1,198,012)**	(4,239,459)
Income tax benefit calculated at 27.5% (2019: 27.5%)	**(329,453)**	(1,165,851)
Share based payments	**94,292**	21,578
Capital raising costs claimed	**(34,724)**	(33,141)
Exploration costs written off and impaired	**32,731**	833,797
Unrealised movement in fair value of financial asset	**(100,667)**	-
Unused tax losses and temporary differences not recognised as deferred tax assets	**337,821**	343,617
Income tax (benefit) reported in the consolidated statement of profit or loss and other comprehensive income	**-**	-

The tax rate used in the above reconciliation is the corporate tax rate of 27.5% payable by Australian corporate entities on taxable profits under Australian tax law.

5. INCOME TAX (CONTINUED)

	Consolidated 2020 $	2019 $
b) Unrecognised deferred tax assets and liabilities		
The following deferred tax assets and liabilities have not been brought to account:		
Unrecognised deferred tax assets relate to:		
Losses available for offset against future taxable income	**9,317,684**	8,598,138
Capital raising costs	**86,076**	37,858
Accrued expenses and leave liabilities	**107,113**	149,564
Rehabilitation provisions	**207,421**	207,421
	9,718,294	8,992,981
Unrecognised deferred tax liabilities relate to:		
Exploration expenditure	**(2,983,240)**	(2,652,150)
Net unrecognised deferred tax asset	**6,735,054**	6,340,831

The deductible temporary differences and tax losses do not expire under current tax legislation. Potential deferred tax assets attributable to tax losses carried forward have not been brought to account because the Directors do not believe it is appropriate to regard realisation of the future tax benefit as probable.

The potential future income tax benefit will only be obtained if:

(i) the Group derives future assessable income of a nature and an amount sufficient to enable the benefit to be realised in accordance with Division 170 of the Income Tax Assessment Act 1997;
(ii) the Group companies continue to comply with the conditions for deductibility imposed by the law; and
(iii) no changes in tax legislation adversely affect the Group in realising the benefits.

	Consolidated 2020 $	2019 $
6. EARNINGS/(LOSS) PER SHARE		
Loss used in calculation of earnings/(loss) per share	**(1,198,012)**	(4,239,459)
	Cents	Cents
Basic and diluted loss per share	**(0.7)**	(4.0)
	#	#
Weighted average number of shares used in the calculation of earnings per share[1]	**162,301,589**	105,773,922

[1] The weighted average number of shares is calculated on a post-consolidation basis.

Options and performance share rights
Options and share rights to acquire ordinary shares granted by the Company and not exercised at the reporting date have been included in the determination of diluted earnings per share to the extent to which they are dilutive. There are no options or share rights on issue at 30 June 2020 that are considered to be dilutive.

		Consolidated	
		2020	2019
		$	$
7. TRADE AND OTHER RECEIVABLES			
Current			
GST recoverable		**30,612**	4,271
Other debtors		**1,628**	3,027
		32,240	7,298
Non-current			
Security and environmental bonds[1]		**808,408**	802,021
		808,408	802,021

[1] Included in non-current assets at 30 June 2020 is an amount of $762,829 (2019: $762,829) in respect of security deposits paid to the Queensland State Government in respect of the exploration licences and mining leases recognised on acquisition of Mt Coolon Gold Mines Pty Ltd.

There is no expected credit loss in relation to the trade and other receivables at the balance date.

The carrying amount of trade and other receivables are assumed to approximate their fair values due to their short-term nature.

8. EXPLORATION AND EVALUATION EXPENDITURE			
Exploration and evaluation phase:			
Capitalised costs at the start of the financial year		**9,644,180**	11,983,627
Acquisition costs capitalised (note 11)		**524,415**	-
Exploration and evaluation costs incurred (excluding joint venture costs incurred)		**905,113**	855,718
Capitalised rehabilitation costs (note 14)		**-**	47,351
Less: previously capitalised costs written off [1]	4	**(119,022)**	(3,031,988)
Less: exploration costs not capitalised	4	**(106,540)**	(210,528)
Capitalised costs at the end of the financial year		**10,848,146**	9,644,180

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or alternatively, sale of the respective areas.

[1]Capitalised costs written off during the year relate to areas of interest where substantive expenditure is neither budgeted nor planned.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

	Note	Consolidated 2020 $	2019 $
9. PROPERTY, PLANT AND EQUIPMENT			
Carrying values at 30 June:			
Property and improvements:			
Cost		**193,117**	193,117
Depreciation		**(132,836)**	(130,192)
		60,281	62,925
Office equipment and software:			
Cost		**176,223**	176,223
Depreciation		**(175,065)**	(173,461)
		1,158	2,762
Site equipment and plant:			
Cost		**134,910**	134,910
Depreciation		**(131,140)**	(128,260)
		3,770	6,650
Motor vehicles:			
Cost		**130,633**	130,633
Depreciation		**(130,633)**	(129,829)
		-	804
Mine properties-Capital Work in Progress:			
Cost		**632,315**	-
Depreciation		**-**	-
		632,315	-
Total		**697,524**	73,141
Reconciliation of movements:			
Property and improvements:			
Opening net book value		**62,925**	65,887
Depreciation	4	**(2,644)**	(2,962)
Closing net book value		**60,281**	62,925
Office equipment and software:			
Opening net book value		**2,762**	4,695
Depreciation	4	**(1,604)**	(1,933)
Closing net book value		**1,158**	2,762
Site equipment and plant:			
Opening net book value		**6,650**	11,821
Net book value of disposals		**-**	(539)
Depreciation	4	**(2,880)**	(4,632)
Closing net book value		**3,770**	6,650
Motor vehicles:			
Opening net book value		**804**	10,238
Depreciation	4	**(804)**	(9,433)
Closing net book value		**-**	804
Mine properties-Capital Work in Progress:			
Opening net book value		**-**	-
Additions	4	**632,315**	-
Closing net book value		**632,315**	-
Total		**697,524**	73,141

	Consolidated 2020 $	2019 $
10. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS		
Balance at the start of the financial year	**-**	-
Investments acquired [1]	**428,772**	-
Gain on investment recognised through profit or loss[2]	**366,061**	-
Balance at the end of the financial year	**794,833**	-

[1] Fair value of 197,907 fully paid ordinary shares received from Novo Resources Corp (Novo), a TSX-V listed company, under a share swap agreement with the Company. In exchange, the Company issued Novo 9,090,909 fully paid ordinary shares plus 4,545,454 options with an exercise price of A$0.11 per share with an expiry date of 6 April 2023.

[2] Adjustment to carrying value of investment in Novo based on TSX closing price and the AUD/CAD exchange rate at 30 June 2020. The gain on the investment has been recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Investments designated at fair value through profit or loss have been measured at Level 1 in the fair value hierarchy. Refer to accounting policy at note 1(l).

11. ACQUISITION OF MILLSTEAM RESOURCES PTY LTD

During the period the Group completed the acquisition of a 100% interest in the issued capital of Millstream Resources Pty Ltd (Millstream). Millstream may earn an initial 50% interest in the White Dam Heap Leach Project in South Australia pursuant to a joint venture agreement with Round Oak Limited.

Consideration for the acquisition of Millstream Resources Pty Ltd was 15,000,000 ordinary fully paid shares at a price of 3.5 cents per share (total consideration $525,000).

	$
Acquisition consideration	**525,000**
Net assets acquired:	
GST recoverable	**660**
Trade payables	**(75)**
	585
Fair value attributed to exploration assets	**524,415**

This acquisition has been treated as an acquisition of assets.

	Note	Consolidated 2020 $	2019 $
12. BORROWINGS			
Current			
Convertible note liability		**705,833**	350,000
Balance at the start of the financial year		**350,000**	-
Proceeds from drawdown		**350,000**	350,000
Interest accrued		**73,219**	-
Principal and Interest repayments		**(67,386)**	-
Balance at the end of the financial year		**705,833**	350,000

The Company entered into a convertible note agreement during the 2019 financial year for funding of up to $700,000. The convertible notes pay interest at 10% per annum (paid quarterly) and are repayable on or before 30 November 2020.

The face value of the notes are $10, and are convertible at any time by the holder into fully paid ordinary shares in the capital of the Company at a conversion price of $0.03. The conversion option has an immaterial fair value at the balance date. The convertible notes are secured by way of a mortgage over the issued share capital of Mt Coolon Gold Mines Pty Ltd which holds the Mt Coolon Gold Project. The carrying amount of the Mt Coolon Gold Project at the balance date is approximately $8.3 million.

The convertible note is a level 2 financial instrument within the fair value hierarchy.

	Note	Consolidated 2020 $	2019 $
13. TRADE AND OTHER PAYABLES			
Current			
Unspent funds received from farm-in partner		**62,895**	112,779
Acquisition costs payable[1]		**12,500**	12,500
Trade creditors[2]		**309,389**	39,014
Sundry creditors and accruals[3]		**393,816**	356,412
Employee liabilities		**20,071**	191,239
Share subscription liability		**104,119**	-
		902,790	711,944

[1] Acquisition costs payable to Drummond Gold Limited pursuant to the acquisition of Mt Coolon Gold Mines Pty Ltd.

[2] Trade payables are non-interest bearing and are normally settled on 30 day terms.

[3] Includes $184,000 accrued director remuneration (2019: $352,629).

14. PROVISIONS

	2020 $	2019 $
Non-current		
Rehabilitation provision[1]	**754,258**	754,258

[1] An additional $47,351 provision for rehabilitation was recognised in the 2019 financial year following an environmental approval assessment (note 8).

	2020 No.	2019 No.	2020 $	2019 $
15. ISSUED CAPITAL				
Issued capital at the balance date	**225,038,134**	1,090,596,975	**36,986,753**	32,915,823
Movements in issued capital:				
On issue at the start of the year	**1,090,596,975**	863,566,975	**32,915,823**	31,795,094
Share purchase plan[1]	**-**	47,030,000	**-**	235,150
Share placement[1]	**-**	180,000,000	**-**	900,000
Share placement[2]	**90,909,091**	--	**300,000**	-
Share consolidation[6]	**(1,063,355,337)**	-	**-**	-
Share placement[3]	**36,153,400**	-	**1,084,602**	-
Shares issued to directors[4]	**9,739,100**	-	**350,608**	-
Shares issued to acquire subsidiary[5]	**15,000,000**	-	**525,000**	-
Share placement[7]	**13,846,600**	-	**415,398**	-
Share placement[8]	**23,057,396**	-	**1,268,157**	-
Share swap Novo Resources[9]	**9,090,909**	-	**428,772**	-
Share issue costs	**-**	-	**(301,607)**	(14,421)
On issue at the end of the reporting year	**225,038,134**	1,090,596,975	**36,986,753**	32,915,823

[1] Placement Shares issued at 0.5 cents per share.
[2] Placement Shares issued at 0.33 cents per share.
[3] Placement Shares issued at 3 cents per share.
[4] Shares issued to directors at a deemed price of 3.6 cents per share in lieu of payment of accrued salaries.
[5] Shares issued at 3.5 cents per share in consideration for the acquisition of a 100% interest in the issued capital of Millstream Resources Pty Ltd – refer note 11.
[6] Share consolidation on a 1:10 basis, as approved at the Company's 2019 Annual General Meeting.
[7] Placement Shares issued at 3 cents per share.
[8] Placement Shares issued at 5.5 cents per share.
[9] Share swap with Novo Resources Corp (Novo) where they Company received in exchange 197,907 fully paid ordinary shares in Novo.

The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value. There is no limit to the authorised share capital of the Company.

Shares Subject to Restriction Agreement
At balance date there were no ordinary shares subject to any restrictions.

	2020 No.	2019 No.
16. OPTIONS		

Details of the Company's Incentive Option Scheme are provided at Note 18.

(a) Options over unissued shares

	2020 No.	2019 No.
Options on issue at the balance date	**25,954,152**	222,191,744
Movements in options:		
Options on issue at the start of the year (pre-consolidation)	**222,191,744**	203,391,744[1]
Cancelled during the year [1]	**(203,391,744)**	
Adjustment on consolidation of capital	**(16,920,000)**	
Issued to directors (note 18)	**8,000,000**	
Options issued [3]	**16,074,152**	
Options issued pursuant to the GBM Resources Incentive Option Plan	**-**	18,800,000[2]
Options on issue at the end of the reporting year	**25,954,152**	222,191,744

[1] Listed options exercisable at 5 cents each and expiring 30 September 2019 issued pursuant to a non-renounceable entitlement offer.

[2] Unlisted options exercisable at 8.5 cents (initially 0.9 cents) and expiring 31 January 2023 (refer note 18).

[3] Listed options exercisable at 10.5 cents each and expiring 6 April 2023 issued pursuant to a non-renounceable entitlement offer.

	Note	Consolidated 2020 $	2019 $
17. RESERVES AND ACCUMULATED LOSSES			
Option reserve[1]			
Opening balance		**610,175**	610,175
Transfer to accumulated losses on expiry of options		**(610,175)**	-
Closing balance		**-**	610,175
Accumulated losses			
Opening balance		**(24,561,487)**	(20,322,028)
Transfer from option reserve on expiry of options		**610,175**	-
Net loss attributable to the members of the Company		**(1,198,012)**	(4,239,459)
Closing balance		**(25,149,324)**	(24,561,487)
Share based payments reserve[2]			
Opening balance		**78,467**	-
Change during the financial year		**284,446**	78,467
Closing balance		**362,913**	78,467

17. RESERVES AND ACCUMULATED LOSSES (CONTINUED)

[1] *Option reserve*

The option reserve represents the proceeds received on the issue of options.

[2] *Share based payments reserve*

The share based payments reserve represents the fair value of vested equity instruments issued as remuneration or consideration.

18. SHARE BASED PAYMENTS

Details of the Company's incentive performance right and option plans, under which performance rights and options are issuable to employees, directors and consultants are summarised below. Details of share rights and options issued to Directors and executives are set out in the Remuneration Report that forms part of the Directors' Report. The plan was last approved by shareholders at the Company's Annual General Meeting on 25 November 2019.

Incentive Options

Options are granted free of charge and are exercisable at a fixed price in accordance with the terms of the grant. Options over unissued shares are issued under the terms of the Plan at the discretion of the Board.

Options granted during the year

During the year the Company granted 8,000,000 options (2019: 18,800,000 pre-consolidation) over unissued shares, which have been valued as follows using the Black-Scholes valuation model and expensed in the financial statements over the periods that they vest:

Grant date	Options issued	Exercise price	Expiry date	Volatility[1]	Interest rate	Value $
25 Nov 19	8,000,000	5 cents	16 Dec 22	111.8%	0.82%	$216,727

[1] Historical volatility has been used as the basis for determining expected share price volatility.

Options exercised during the year

During the year the Company issued no shares (2019: nil) on the exercise of unlisted options.

Options cancelled during the year

During the year no unlisted options (2019: nil) were cancelled upon termination of employment, or on the expiry of the exercise period.

Options on issue under the plan at balance date

The number of options outstanding over unissued ordinary shares at 30 June 2020 is 9,880,000 as follows.

Grant date	Exercise price	Expiry date	Balance at 30 June	Vested and Exercisable at 30 June
5 Feb 19	8.5 cents	31 Jan 23	1,880,000[1]	1,880,000
25 Nov 19	5 cents	16 Dec 22	8,000,000	8,000,000

[1] Prior to the consolidation of capital on a 10 for 1 basis, there were 18,800,000 options on issue at 9 cents. Following completion of the Entitlement Offer, and in accordance with ASX Listing Rule 6.22.2, the exercise price for each option was reduced from 9 cents to 8.5 cents.

Subsequent to balance date

Subsequent to balance date 300,000 unlisted options were issued. The options have an exercise price of $0.21 each and expire on 14 September 2024.

18. SHARE BASED PAYMENTS (CONTINUED)

Reconciliation of movement of options

Set out below is a summary of options granted under the plan:

	2020		2019	
	No.	**WAEP (cents)**	No.	WAEP (cents)
Options outstanding at the start of the year	**18,800,000**	**0.09**	-	
Consolidation of capital adjustment	**(16,920,000)**	**0.09**	-	-
Options granted during the year	**8,000,000**	**5.0**	18,800,000	0.09
Options outstanding at the end of the year	**9,880,000**	**5.8**	18,800,000	0.09

Weighted average contractual life
The weighted average contractual life for un-exercised options is 29.8 months (2019: 43 months).

Performance Rights
Performance rights granted during the year
During the year the Company granted 1,128,000 performance rights (2019: nil) over unissued shares, which have been valued at the Company's share price at grant date and expensed in the financial statements over the periods that they vest. The performance rights vest in 3 tranches as follows: 564,000 rights vesting on 1 July 2020; 282,000 rights vesting on 30 September 2020 and 282,000 rights vesting on 30 December 2020. An amount of $67,720 has been expensed in the current financial year.

During the year no shares were issued on the exercise of performance rights and no performance rights were cancelled.

Subsequent to balance date
Subsequent to balance date, the Company issued 564,000 shares on the exercise of performance rights. In addition, a further 1,250,000 performance rights were issued with an expiry date of 30 September 2022.

19. SEGMENT REPORTING

Operating segments are identified and segment information disclosed, where appropriate, on the basis of internal reports reviewed by the Company's Board of Directors, being the Group's Chief Operating Decision Maker, as defined by AASB 8.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics.

The Group's core activity is mineral exploration and resource development within Australia. The reportable segments are as per the primary financial statements.

20. FINANCIAL INSTRUMENTS

Credit risk

The Directors do not consider that the Group's financial assets are subject to anything more than a negligible level of credit risk, and as such no disclosures are made (note 2(a)).

Impairment losses

The Directors do not consider that any of the Group's financial assets are subject to impairment at the reporting date. No impairment expense or reversal of impairment charge has occurred during the reporting period.

Currency risk

The Group does not have any direct exposure to foreign currency risk, other than in respect of its impact on the economy and commodity prices generally (note 2 (c)).

Liquidity risk

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements (note 2(b)):

Consolidated	Carrying amount $	Contractual cash flows $	6 months or less $	6-12 months $	1-2 years $	2-5years $	More than 5 years $
30 June 2020							
Borrowings	**705,833**	**735,292**	**735,292**	**-**	**-**	**-**	**-**
Trade and other payables	**703,204**	**703,204**	**703,204**	**-**	**-**	**-**	**-**
	1,409,037	**1,438,496**	**1,438,496**	**-**	**-**	**-**	**-**
30 June 2019							
Borrowings	350,000	385,292	17,646	367,646	-	-	-
Trade and other payables	395,426	395,426	395,426	-	-	-	-
	745,426	780,718	413,072	367,646	-	-	-

Interest rate risk

At the reporting date the interest profile of the Group's interest-bearing financial instruments were:

	Consolidated	
	2020 **$**	2019 $
Fixed rate instruments:		
Financial liabilities	**(700,000)**	(350,000)
	(700,000)	(350,000)
Variable rate instruments:		
Financial assets	**1,382,072**	332,540
	1,382,072	332,540

The Group is not materially exposed to interest rate risk on its variable rate investments.

20. FINANCIAL INSTRUMENTS (CONTINUED)

Fair values

Fair values versus carrying amounts
The carrying amounts of financial assets and liabilities not measured at fair value on a recurring basis, as described in the consolidated statement of financial position represent their estimated net fair value.

21. COMMITMENTS

(a) Exploration
The Group has certain obligations to perform minimum exploration work on mineral leases held. These obligations may vary over time, depending on the Group's exploration programmes and priorities. As at balance date, total exploration expenditure commitments on tenements held by the Group have not been provided for in the financial statements. These obligations are also subject to variations by farm-out arrangements or sale of the relevant tenements.

Minimum expenditure requirements for the following 12 months on the Group's exploration licences as at 30 June 2020, including licences subject to farm-in arrangements are approximately $1,115,000 (2019: $1,821,500).

(b) Lease Commitments

During the financial year, premises in Queensland and Victoria were leased on a month by month basis or under short term leases of 12 months or less. The Group has availed itself of the exemption in AASB 16 Leases to not capitalise these leases. An amount of $19,612 has been expensed in relation to short term leases.

(c) Contractual Commitment

The Group has no contractual commitments.

	Consolidated 2020 $	2019 $

22. NOTES TO THE STATEMENT OF CASH FLOWS

a) Cash and cash equivalents

	2020 $	2019 $
Cash at bank and on hand	**1,356,030**	326,403
Bank at call cash account	**26,042**	6,137
Total cash and cash equivalents	**1,382,072**	332,540

b) Cash balances not available for use

Included in cash and cash equivalents are amounts pledged as guarantees for the following:

	2020 $	2019 $
Corporate credit card facility	**26,042**	**6,137**

c) Reconciliation of Loss from Ordinary Activities after Income Tax to Net Cash Used in Operating Activities

	2020 $	2019 $
Loss after income tax	**(1,198,012)**	(4,239,459)
Add (less) non-cash items:		
Profit on sale of exploration assets	**-**	(100,000)
Share based payments-employees	**275,160**	78,467
Share based payments-suppliers	**67,720**	-
Depreciation	**7,932**	18,959
Fair value gain on financial assets	**(366,061)**	-
Exploration expenditure written off, expensed and impaired	**225,562**	3,156,526
Changes in assets and liabilities:		
Increase/(decrease) in trade creditors and accruals	**121,909**	271,065
(Increase)/decrease in sundry receivables	**(24,942)**	19,298
Net cash flows used in operations	**(890,732)**	(795,144)

	Consolidated 2020 $	2019 $
23. AUDITOR'S REMUNERATION		
Amounts received or receivable by HLB Mann Judd for:		
- Audit and review of financial reports	**31,775**	**31,300**

	2020 %	2019 %
24. CONTROLLED ENTITIES		
a) Particulars in Relation to Ownership of Controlled Entities		
Belltopper Hill Pty Ltd	**100**	100
Syndicated Resources Pty Ltd	**100**	100
Willaura Minerals Pty Ltd	**100**	100
Isa Brightlands Pty Ltd	**100**	100
Isa Tenements Pty Ltd	**100**	100
Koala Quarries Pty Ltd*	**100**	100
Mt Coolon Gold Mines Pty Ltd	**100**	100
Millstream Resources Pty Ltd	**100**	-

*Formerly Bungalien Phosphate Pty Ltd

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and not disclosed in the note. Details of transactions between the Group and other related parties are disclosed in note 26.

25. KEY MANAGEMENT PERSONNEL DISCLOSURES

a) Details of Key Management Personnel

The following were key management personnel of the Group at any time during the year and unless otherwise stated were key management personnel for the entire year.

Non-Executive Director
Guan Huat Loh – Non-Executive Director

Executive Directors

Peter Thompson – Executive Director
Neil Norris – Exploration Director (resigned 17 September 2020)
Peter Rohner – Managing Director (appointed 25 November 2019)
Peter Mullens – Executive Chairman (appointed 9 October 2019)

25. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)

Total remuneration paid to key management personnel during the year:

	Consolidated	
	2020	2019
	$	$
Short-term benefits	**377,625**	522,038
Post-employment benefits	**30,538**	40,961
Share based payments	**216,716**	-
	624,879	562,999

b) Other Transactions and Balances with Key Management Personnel

There are no other transactions with Directors, or Director related entities or associates, other than those reported in note 25 and note 26. As at 30 June 2020 an amount of $184,000 (2019: $352,629) has been accrued for payment to Key Management Personnel in respect of remuneration or entitlements.

26. RELATED PARTY TRANSACTIONS

a) Total amounts receivable and payable from entities in the wholly-owned group (see Note 24 for details of controlled entities) at balance date:

Non-Current Receivables		
Loans to controlled entities	**19,081,662**	17,737,919
Non-Current Payables		
Loans from controlled entities	**-**	-

b) Transactions with Directors

During the year $126,219, was paid to Core Metallurgy Pty Ltd an entity associated with Mr Peter Rohner, for project consulting fees relating to White Dam Project design and construction. At 30 June 2020, a balance of $13,628 was owing to Core Metallurgy Pty Ltd.

Office rent of $10,000 and consulting fees of $11,429 were paid to Ironbark Pacific Pty Ltd, an entity associated with Mr Peter Mullens. At 30 June 2020, a balance of $10,827 was owing to Ironbark Pacific Pty Ltd.

27. DIVIDENDS

There are no dividends paid or payable during the year ended 30 June 2020 or the 30 June 2019 comparative year.

28. EVENTS SUBSEQUENT TO BALANCE DATE

Other than as stated below, there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

- In July 2020 the Company raised approximately $5.6 million (before costs) via an entitlement offer and share placement, resulting in the issue of 102,291,583 fully paid ordinary shares at an issue price of 5.5 cents per share and 51,145,867 options exercisable at 11 cents and expiring 6 July 2023.
- Since the end of the financial year, in addition to the shares and options issued pursuant to the entitlement offer and share placement, a further 300,000 options, 1,250,000 performance rights and 1,002,517 shares were issued. Subsequent to year end, 374,977 options and 564,000 performance rights were exercised. Refer to Directors' Report – Equity Securities on Issue for further detail.
- In July, the Company executed the Joint Venture agreement on the White Dam Gold-Copper Heap Leach Operation in South Australia with Round Oak Minerals Pty Limited.
- In early September, a 5,000 m diamond and RC drilling program commenced at the Company's 100% owned Mt Coolon Gold Project in northern Queensland.
- On 17 September, Mr Neil Norris resigned as Executive Director and Mr Brent Cook was appointed as Independent Non-Executive Director of the Company.
- On 24 September, Novo Resources Corp exercised its option to earn an initial 50% in the Malmsbury Gold Project. The exercise consideration is the issue of 1,575,387 Novo shares (to be escrowed for a 4 month period) to the Company at settlement which is subject to certain conditions relating to the transfer of the Project interest. Novo has the right to earn an additional 10% interest in Malmsbury by incurring $5 million in exploration expenditure over a four year period.

The impact of the coronavirus (COVID-19) pandemic is ongoing. The situation is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided. It is not practicable to estimate the potential impact, positive or negative, after the reporting date.

29. CONTINGENCIES

(i) Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2020 or 30 June 2019.

(i) Native Title and Aboriginal Heritage

Native title claims have been made with respect to areas which include tenements in which the Group has an interest. The Group is unable to determine the prospects for success or otherwise of the claims and, in any event, whether or not and to what extent the claims may significantly affect the Group or its projects. Agreement is being or has been reached with various native title claimants in relation to Aboriginal Heritage issues regarding certain areas in which the Group has an interest.

(iii) Contingent assets

There were no material contingent assets as at 30 June 2020 or 30 June 2019.

	2020 $	2019 $
30. PARENT ENTITY INFORMATION		
Financial position		
Assets		
Current assets	**1,411,374**	337,463
Non-current assets	**12,397,767**	9,767,711
Total Assets	**13,809,141**	10,105,174
Liabilities		
Current liabilities	**(1,608,799)**	(1,062,196)
Non-current liabilities	**-**	-
Total Liabilities	**(1,608,799)**	(1,062,196)
NET ASSETS	**12,200,342**	9,042,978
Equity		
Issued capital	**36,986,753**	32,915,823
Option reserve	**-**	610,175
Accumulated losses	**(25,149,324)**	(24,561,487)
Share based payment reserve	**362,913**	78,467
TOTAL EQUITY	**12,200,342**	9,042,978
Financial performance		
Loss for the year	**(1,198,012)**	(4,239,459)
Other comprehensive income	**-**	-
Total comprehensive loss	**(1,198,012)**	(4,239,459)

Contingent liabilities
For full details of contingent liabilities see Note 29.

Commitments
For full details of commitments see Note 21.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2020

1. In the opinion of the Directors:

   a) the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:

      i. giving a true and fair view of the Group's financial position as at 30 June 2020 and of its performance for the year then ended; and

      ii. complying with Accounting Standards and Corporations Regulations 2001.

   b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   c) the financial statements and notes are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2020.

This declaration is made in accordance with a resolution of the Board of Directors.

PETER MULLENS
Executive Chairman

Dated this 30th day of September 2020

INDEPENDENT AUDITOR'S REPORT
To the members of GBM Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of GBM Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

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HLB MANN JUDD
ADVISORY AND ACCOUNTING

Key Audit Matter	How our audit addressed the key audit matter
Carrying value of exploration and evaluation expenditure Note 8 in the financial report	
The Group has capitalised exploration and evaluation expenditure of $10,848,146 as at 30 June 2020. Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most audit effort, required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements.	Our procedures included but were not limited to the following: - We obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure; - We considered the Directors' assessment of potential indicators of impairment; - We obtained evidence that the Group has current rights to tenure of its areas of interest; - We substantiated a sample of additions to exploration expenditure during the year; and - We examined the disclosures made in the financial report.
Accounting for acquisition of Millstream Note 11 of the financial report	
During the year the Group completed the acquisition of Millstream Resources Pty Ltd (Millstream). Millstream may earn an initial 50% interest in the White Dam heap leach project in South Australia pursuant to a joint venture agreement with Round Oak Limited. Our audit procedures determined that the accounting for this acquisition was a key audit matter due to the materiality of the impact on the financial statements and the judgement involved in classification of the SART plant asset and commencement of the Joint Venture.	Our procedures included but were not limited to the following: - We read the sale and purchase agreement to understand key terms and conditions; - We agreed the fair value of the gross consideration paid to supporting information; - We considered the allocation of the excess of the value of the consideration over the net assets acquired to exploration and evaluation expenditure; - We assessed the classification of the constructed plant asset; - We analysed the Joint Venture accounting and the commencement of Joint Venture operations in line with commencing of commissioning of the plant; and - We assessed the adequacy of the Group's disclosures in the financial report with respect to this asset acquisition.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT

HLB MANN JUDD
ADVISORY AND ACCOUNTING

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of GBM Resources Limited for the year ended 30 June 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
30 September 2020

DI Buckley

D I Buckley
Partner

ASX ADDITIONAL INFORMATION

Pursuant to the Listing Rules of the Australian Securities Exchange Limited, the shareholder information set out below was applicable as at 23 September 2020.

a. Distribution of Equity Securities

	Quoted Shares (GBZ)		Quoted Options (GBZOB)	
Range	**Number of Holders**	**Securities Held**	**Number of Holders**	**Securities Held**
1 – 1,000	241	127,664	42	13,187
1,001 – 5,000	275	794,619	45	124,997
5,001 – 10,000	149	1,154,918	21	161,947
10,001 – 100,000	364	13,934,845	114	5,501,391
100,001 and over	238	313,259,165	83	44,969,368
	1,267	**329,271,211**	**305**	**50,770,890**

There are 421 shareholders holding less than a marketable parcel of shares.

b. Substantial Shareholders

The Company has no Substantial Shareholders (those who hold 5% or more of the issued capital) on its register.

c. Twenty Largest Holders – Ordinary Shares (GBZ)

Shareholder	Shares Held	% of Issued Capital
Citicorp Nominees Pty Ltd	52,656,513	15.99%
Crescat Global Macro Master Fund Ltd	14,563,535	4.42%
Syndicate Minerals Pty Ltd	14,100,000	4.28%
Beatons Creek Gold Pty Ltd	11,363,637	3.45%
BNP Paribas Nominees Pty Ltd <DRP>	9,648,020	2.93%
BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client>	9,382,419	2.85%
JP Morgan Nominees Pty Ltd	9,073,035	2.76%
Longru Zheng	8,871,860	2.69%
Mullens Family Super Fund	7,975,758	2.42%
HSBC Custody Nominees (Australia) Limited	7,209,106	2.19%
P Rohner & F Murdoch < Melueca A/c>	5,715,698	1.74%
De Gracie Nominees Pty Ltd <Le Havre Family A/c>	5,321,800	1.62%
National Federal Capital Limited	5,000,000	1.52%
Chew Leok Chuan	4,159,823	1.26%
HSBC Custody Nominees (Australia) Limited	4,097,566	1.24%
Nico Civelli	4,000,000	1.21%
Bradley Green	4,000,000	1.21%
Superfine Nominees Pty Ltd	4,000,000	1.21%
Weijin Chen	3,952,010	1.20%
Li Rongzhi	3,500,000	1.06%
Total	**188,590,780**	**57.28%**

ASX ADDITIONAL INFORMATION

c. Twenty Largest Holders – Quoted Options (GBZOB)

Shareholder	Options Held	% of Issued Capital
Crescat Global Macro Master Fund Ltd	7,281,768	14.34%
Citicorp Nominees Pty Ltd	3,181,057	6.27%
BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client>	2,442,862	4.81%
Syndicate Minerals Pty Ltd	2,050,000	4.04%
First Investment Partners Pty Ltd	1,900,000	3.74%
Nico Civelli	1,818,182	3.58%
Nicholas McDonald	1,468,000	2.89%
Jekor Pty Ltd	1,191,000	2.35%
Beatons Creek Gold Pty Ltd	1,136,364	2.24%
Accent Capital Gmbh	1,000,000	1.97%
Crescat Long/Short Fund L P	900,000	1.77%
Kah Chan	800,000	1.58%
Chunyan Niu	767,086	1.51%
Bull Markets Media Gbmh	750,000	1.48%
Belinda Martin	695,338	1.37%
HSBC Custody Nominees (Australia) Limited	626,500	1.23%
Jack Thomas Johns	622,500	1.23%
Jose Leviste Jnr	600,000	1.18%
Altor Capital Management Pty Ltd	500,000	0.98%
Annlew Investments Pty Ltd	500,000	0.98%
Total	**30,230,657**	**59.56%**

d. Unquoted Securities

Details of Security	Securities on Issue	Number of Holders
Options (exercisable at $0.085 expiring 31 January 2023)	1,880,000	2
Options (exercisable at $0.05 expiring 16 December 2022)	8,000,000	2
Options (exercisable at $0.105 expiring 6 April 2023)	16,074,152	4
Options (exercisable at $0.21 expiring 14 September 2024)	300,000	1
Convertible notes ($10 expiring 30 November 2020)	70,000	1
Performance Rights (vesting 31 September 2020)	282,000	1
Performance Rights (vesting 31 December 2020)	282,000	1
Performance Rights (vesting 30 September 2020)	1,250,000	1

e. Voting Rights

In accordance with the Company's Constitution, voting rights in respect of ordinary shares are on a show of hands whereby each member present in person or by proxy shall have one vote and upon a poll, each share will have one vote.

f. Restricted Securities

There are no restricted securities.