gbm RESOURCES LTD

ABN 91 124 752 745

ANNUAL REPORT 2021

Drilling at Yandan Gold Project

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
Brent Cook - Non Executive Director
Peter Thompson - Non Executive Director

Company Secretary
Kevin Hart
Dan Travers

Registered Office
Suite 8, 7 The Esplanade
Mt Pleasant WA 6153
Australia
Telephone: +61 8 9316 9100
Facsimile: +61 8 9 315 5475

Victoria Exploration Office
Unit 11, 21 High Street
Harcourt VIC 3453
Australia
Telephone: +61 3 5470 5033
Postal Address
PO Box 658, Castlemaine VIC 3450

Principal Office
Level 5, Suite 502
303 Coronation Drive
Milton QLD 4064
Australia
Telephone: +61 493 239 674
Postal Address
PO Box 1295, Milton QLD 4064

Website
www.gbmr.com.au

Media
Fivemark Partners
L2/79 Hay Street
Subiaco WA 6008
Australia

Auditor
HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000
Australia

Share Registry
Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000
Australia

Stock Exchange
ASX Limited
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000
Australia

Solicitors
Steinepreis Paganin – Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000
Australia

Corporate Governance
The Company is transitioning to the 4th Edition of the ASX Corporate Governance Recommendations.

A summary statement reporting against the 4th 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/

CONTENTS

CHAIRMAN'S REPORT

Dear Fellow Shareholders,

It is my pleasure to present the GBM Resources Annual Report for 2021.

It has been a tumultuous year for the world at large. The COVID-19 pandemic has thrown challenges at us all through this period and GBM has been no exception. However, I am proud to say that our people have been equal to these challenges and have continued to deliver outstanding outcomes. I would therefore like to begin by saying thank you to all our personnel and contractors – your hard work and diligence through the trying circumstances of the past 12 months have enabled GBM to continue its upwards march. Most importantly, you have achieved these outcomes in a safe and responsible manner and with the highest regard for the environment and communities in which we operate. You have, and thus GBM has, lived our values.

The past year has been an incredibly busy one for GBM. Our Drummond Basin consolidation strategy has advanced rapidly. In the process, it has delivered an approximate 400% increase in GBM controlled gold resources (to 1.5 Moz). Key drivers of this step-jump included the acquisitions of the high-grade Twin Hills deposits from Minjar Gold (binding sale agreement announced in July 2021) and the Yandan deposits from Aeris Resources (completed in January 2021).

Concurrent with this regional consolidation push has been acceleration of our own exploration activities at Yandan and Mt Coolon. This includes a 2,500 m diamond drilling program being commenced in August 2021 at Glen Eva following encouraging drill results from the 2020 field program and recent 2D/3D IP geophysical survey outcomes. The IP surveys confirmed the extension of the Glen Eva hydrothermal system along strike for over 6 km to the outcropping mineralisation at the Eastern Siliceous prospect. The current drilling program is testing key targets over this expanded strike extent.

In June 2021, we announced the exercise of our option to acquire the White Dam Gold-Copper Operations in South Australia, with this transaction being completed in July 2021. GBM now holds a 100% interest in White Dam including all associated infrastructure, leaching, process plant, mining leases (including all resources) and other tenements. The White Dam Operations JV produced 1,394 ounces of gold and 95 tonnes of copper-in-concentrate over approximately 13 months to 30 July 2021. Building on recent drilling results, we are now progressing a number of operating and production enhancements at White Dam targeted at further optimising and expanding gold and copper production from the existing heap leach operation while reviewing the recent drilling results and evaluation options for further mining operations

A key business development initiative during the year was the joint venturing of our Malmsbury Project in Victoria with leading Canadian gold explorer, Novo Resources Corporation (completed in May 2021). We believe strongly in the potential of Malmsbury to hold substantial Fosterville-style gold deposits. The combination with Novo is a powerful one in terms of leveraging their financial firepower and technical knowledge base into this asset. We are excited about what this joint venture can deliver for both parties over coming years.

CHAIRMAN'S REPORT

Another significant portfolio initiative was the execution (in June 2021) of a binding Letter of Intent (LOI) for the sale of our 100%-owned Mt Morgan Gold-Copper Project in Queensland. This binding LOI was executed with Smartset Services Inc, a Canadian company listed on the TSX-V that possesses an impressive team of explorationists. Following satisfaction of remaining conditions precedent (including Smartset raising C$8 million in new equity), GBM is set to own a substantial shareholding in a well-funded vehicle set to pursue aggressive evaluation of the Mt Morgan tenements. This transaction offers the twin benefits of accelerating potential exploration value unlock and delivering greater value transparency with respect to this asset.

I would also like to take this opportunity to say thank you to our loyal shareholder base. We have raised approximately A$20.5 million in new equity over the 15 months to 30 September 2021 to further our growth ambitions. These funding initiatives have been very well supported by both existing and newer shareholders. To all our shareholders, thank you for your ongoing belief in the GBM assets and team.

Finally, I would like to say thank you to my fellow Board members for their diligence and work ethic over the past year. It is greatly appreciated.

I look forward to further interacting with you at our upcoming 2021 Annual General Meeting.

Yours faithfully,

Peter Mullens
Executive Chairman
GBM Resources Limited

OUR STRATEGY AND VALUES

Assemble, Explore and Develop world class high grade gold resources to maximise value to our Shareholders.

OUR VALUES

We are committtted 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 endorses 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.

Photo: Managing Director and CEO ,Peter Rohner (L) and Executive Chairman, Peter Mullens at the Brisbane Office.

OUR STRATEGY AND VALUES

DELIVERING ON STRATEGY

- *Consolidation of the Drummond Basin so far has increased gold resources by 400%.*
- *800% increase in GBM's market value since the Company restructure in November 2019.*
- *Acquisition of the high-grade Twin Hills resources and the potential bulk mineable Yandan resources add significant upside in the consolidation of gold in the Drummond Basin with the aim to define 2-3 million ounce gold resource.*
- *Exploration activities have identified 13 Epithermal Gold systems in the Drummond Basin - such systems are characterised by concentration of precious metals like gold in lode deposits potentially delivering "Bonanza Gold Veins".*
- *Joint ventured (Fosterville style gold) Malmsbury Project in Victoria with global Canadian company Novo Resources Corp.*
- *Advancing high potential copper/gold tenements in NW Queensland mineral province.*
- *100% ownership of the White Dam Gold and Copper Heap Leach Operation - cash generating.*
- *Continuing to grow the shareholder base into European and North American Funds and further developing the Australian capital markets.*

SHARE PRICE PERFORMANCE SINCE NOVEMBER 2019

(https://www.marketindex.com.au/asx/gbz/advanced-chart).

SIGNIFICANT HIGHLIGHTS IN FINANCIAL YEAR 2021

Drummond Basin Growth Strategy

During the year the Company acquired the Yandan and Twin Hills Gold Projects. Both acquisitions were significant transactions in supporting GBM'S 'processing halo 'strategy to build 2-3 million ounces in the basin which will provide an entry into a mid-tier Australian gold company.

- ***Yandan Gold Project***

  Acquisition of Yandan was completed on 13 January 2021 with GBM issuing to Aeris Resources Ltd (Aeris) fully paid ordinary shares in the Company to the value of A$3 million, being 22,222,222 shares at $0.135.

  As part of the settlement, Aeris also completed a A$1 million placement in the Company in which a further 7,407,407 fully paid shares were issued at $0.135. Placement shares are voluntarily escrowed for 12 months form the date of issue.

  A JORC (2012) Mineral Resource estimate for the two deposits at Yandan, East and South Hill together total 521,000 ounces of gold.

- ***Twin Hills Gold Project***

  *On 19 July 2021 the Company signed a Binding Tenement Sale Agreement (**TSA**) to acquire 100% of the Twin Hills Gold Project (**Twin Hills**) from NQM Gold 2 Pty Ltd (**NQM**), a wholly owned subsidiary of Minjar Gold Pty Ltd (**Minjar**). Settlement is scheduled on or before 30 November 2021.*

  Total consideration payable to NQM of ~A$2 million, along with assuming the financial assurance in respect of the environmental authorities for the tenements (currently for an amount of ~A$1.48 million).

  The Twin Hills deposits (Lone Sister and 309) have a JORC (2012) Mineral Resource Estimate of 6.9 million tonnes at 2.8 g/t Au for 633,000 ounces of contained gold on granted mining leases.

The Combined gold resources under GBM's ownership in the Drummond Basin now total approximately 1.5 Moz across the Yandan, Mt Coolon and (to be settled) Twin Hills assets.

Formation of the Malmsbury JV with Novo completed

GBM entered a Farm-in Agreement with Novo Resources Corp. (exercised 25 September 2020) for a 50% interest in the Malmsbury Project and the right to earn an additional 10% interest and initiate a Joint Venture with GBM by incurring A$5 million in exploration expenditure over a four year period.

The final condition precendent (FIRB approval) was completed in May 2021 with Novo Resource Corp. (Novo) and the formation of the JV with Novo is now finalised. The completion consideration was the issue of 1,575,387 Novo shares to GBM which is valued approximately A$3.0 million.

GBM and Novo have finalized the 2021 exploration program with a budget of up to $1.8 million. Drilling of targets generated from this years' exploration activities is expected to start in November 2021

SIGNIFICANT HIGHLIGHTS IN FINANCIAL YEAR 2021

Option Exercised on White Dam Gold Copper Project

GBM announced on 16 June 2021 that it has exercised its option to acquire 100% of the White Dam Gold-Copper Project (White Dam) in South Australia from Round Oak Minerals Pty Ltd.

As of 30 July 2021, GBM has a 100% interest in White Dam Operations which includes associated infrastructure, all leaching, gold processing plant, mining leases (including all JORC resources) and other tenements. The exercise price was $500 k and replacement of $1.9 million environmental bond.

Previously GBM's 50% production interest in the White Dam JV was earnt via the construction of a SART plant which is designed to extract copper from the gold leach solution, improving overall gold recoveries and lowering cyanidation costs. Since commissioning, the SART has operated above expectations with lower costs due to less cyanide usage and improved gold recoveries from the existing heaps.

Mount Morgan Gold - Copper Project Vend - In

*GBM advised on the 18 June 2021 that it has executed a binding tripartite Letter of Intent (**LOI**) for the sale of its 100% owned Mt Morgan Gold-Copper Project in Queensland, Australia (**Mt Morgan**).*

GBM will seek shareholder approval to proceed with the proposed transaction at this year's Annual General Meeting.

Overview

- *Binding LOI executed with Smartset Services Inc. (Canadian Company listed on TSXV: SMAR.P) for sale of Mt Morgan Project.*
- *Scrip consideration sees GBM expected to own 47.5% of Smartset (prior to concurrent C$8 million equity raising by Smartset).*
- *Disposal of a non-core asset into a focused vehicle delivers acceleration of exploration value unlock while allowing GBM to maintain focus on its flagship Drummond Basin gold assets.*
- *Listed equity provides enhanced future transacting flexibility for GBM and greater value transparency for GBM shareholders with respect to their ownership interest in Mt Morgan.*

Equity Raisings

The Company (on 15th September 2021) successfully raised gross proceeds of $7 million which supports GBM acquiring the Twin Hills Gold Project and working capital requirements. The Company remains in a strong funding position to advance its exploration and development strategies for 2021/2022.

Directors, Mr Peter Mullens and Mr Peter Rohner intend to, subject to shareholder approval, subscribe for 1,000,000 and 3,000,000 Shares respectively, raising a further $400,000, taking the total gross raising to $7,400,000.

A total of 27,577,292 Shares were issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1 and 42,422,708 Shares were issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1A.

The participation by directors Mr Peter Mullens and Mr Peter Rohner, are on the same terms as the placement completed on 15 September 2021 and is subject to shareholder approval at the Company's Annual General Meeting.

SIGNIFICANT HIGHLIGHTS IN FINANCIAL YEAR 2021

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 constantly evolving and GBM continues to manage and access the risks and impacts and mitigate what it can control regarding its operations. The Company believes it is sufficiently resourced to be able continue and complete the exploration programs as planned in 2021 and into 2022.

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 nineth 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 portfolio of tenements – located in world-class gold and copper regions in Australia

QUEENSLAND

Drummond Basin

Mount Coolon Gold Project
100% wholly- owned
Epithermal breccia / quartz - Gold
Resources totalling 330,500 ounces of gold

Yandan Gold Project
100% wholly - owned
Epithermal disseminated bulk tonnage - Gold
Resources totalling 521,000 ounces of gold

Twin Hills Gold Project
100% wholly - owned (subject to completion)
Epithermal electrum / quartz - Gold
Resources totalling 633,000 ounces of gold

Mount Morgan
100% wholly - owned
Gold and Copper-Gold Porphyry, VMS

Brightlands
100% wholly - owned
Defined Cu-U-Mo-REE-P

Cloncurry Copper Joint Venture
46% owned by GBM.
Iron Oxide Copper Gold, Iron Sulphur Copper Gold

Mayfield
100% wholly - owned
Iron Oxide Copper Gold

SOUTH AUSTRALIA

White Dam Gold Copper Project
100% wholly - owned
Gold- Copper Heap leach operation
Resource totalling 101,900 ounces of gold

VICTORIA

Malmsbury JV
50% owned
Orogenic Gold Mineralisation
Resource totalling 104,000 ounces of gold

REVIEW OF OPERATIONS

DRUMMOND BASIN

Consolidation Strategy Overview

GBM in the last 12 months has successfully consolidated three historic gold producers being Mount Coolon, Yandan and Twin Hills. These three key mining assets have never been held under single ownership and were previously mined at periods of much lower gold prices. These 3 gold assets held by GBM, is a significant step in realising the Drummond Basin "processing halo strategy" with now a combined resource base of 1.5 million ounces.

All are located within 70 km of the Yandan mining lease which has the potential to be the processing centre due to its significant infrastructure which includes water storage dams, tailings facilities, airstrip, leach pads and access to grid power.

The Mount Coolon, Yandan and Twin Hills gold assets are all 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.

GBM considers there is high potential for new discoveries and to substantially increase and upgrade the gold resources at each of the projects. Exploration activities to date have identified 13 Epithermal Gold systems in the Drummond Basin. Such systems are characterised by concentration of precious metals like gold in lode deposits potentially delivering "Bonanza Gold Veins".

The Company has a significant tenement position with 3,513 km^2 granted and a further 686 km^2 in applications in the Drummond Basin.

GBM's 'processing halo' strategy is focused on consolidating a 2–3-million-ounce gold resource for the Drummond Basin which has the potential to transition GBM into a genuine mid-tier Australian gold company.

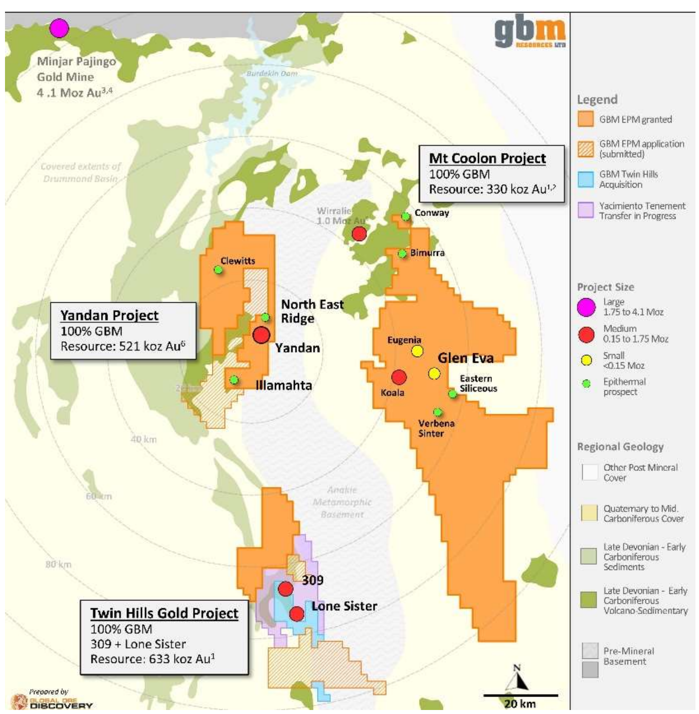


Figure 1: Drummond Basin "processing halo" and resource consolidation.

REVIEW OF OPERATIONS

DRUMMOND BASIN

Mount Coolon Gold Project (MCGP)

The known resources at MCGP contain 330,500 ounces of gold over 3 separate open cuts deposits namely, Koala, Glen Eva which are on granted mining leases and Eugenia which is on an EPM.

The Glen Eva deposit has been the key focus in the year and an initial program was completed in November 2020, drilling a total of 3,415 m in 11 holes at Glen Eva and a further 3 holes at the Koala prospect. The program also included a 66 line km 3D and 2D Induced Potential (IP) geophysics surveys to test a +6 km long section of the Glen Eva – Eastern Siliceous gold Trend (**GEES**).

The Company advised in August 2021 that a 2,500 m diamond drill program had commenced at Glen Eva following up the previous encouraging drill results and the significant results from the 2D and 3D IP geophysical surveys. Drilling is targeting the epithermal vein system that has extended the known strike from the current pit a further 400 m to the south-east (SE) and will also test the key IP targets between Glen Eva and the GEES.

Glen Eva - Drilling

The 2020 Glen Eva drilling program intersected multiple zones of anomalous gold-silver-telluride mineralisation with low base metals reporting to wide epithermal quartz veins in 8 of the 11 holes drilled (Refer ASX:GBZ release 29 January 2021). The most south-eastern hole of the 2020 program, 20GEDD011, returned the best gold-silver results (on a gram x metre basis) of the program and intersected colloform textured “ginguro bands” and fine bladed texture “pulses” of mineralisation within a 13.4 metre wide (down hole) epithermal vein that returned 8.9 m @ 1.66 g/t Au and 18.6 g/t Ag from 281.1 m. This intersection confirmed the Glen Eva structure remains strongly dilated along strike, hosting large veins with pulses of high grade gold and silver mineralisation to the SE.

Multi-element geochemical and spectral data was collected on all 2020 drill holes and the work mapped clay species and the distribution of key elements around the Glen Eva vein. Mineralogy collected from spectral alteration studies and 4-acid digest geochemistry shows that fluid flow is coming from the SE and highlights a SE plunging base to a potential boiling zone as mapped by the presence/absence of adularia (Figure 3).

The current drilling program is testing up and down dip and strike extensions of the vein intersected in 20GEDD011. Drill hole 21GEPD012 was drilled 200 m to the SE of 20GEDD011 and intersected a 10 m wide zone of veining. With this intersection, GBM has significantly extended the known strike length of the Glen Eva vein (Refer ASX:GBZ release 30 August 2021). A follow up hole will be drilled below hole 21GEPD012. Drilling will also test IP anomalies further to the SE shown in Figure 5.

DRUMMOND BASIN
MCGP

Glen Eva – Drilling (continued)

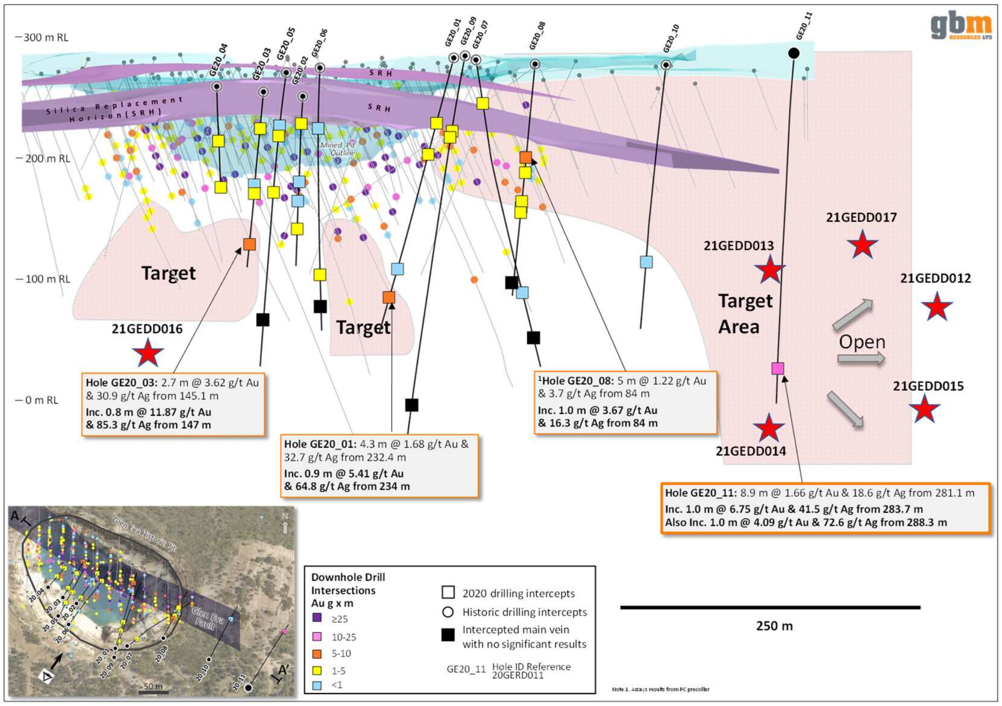


*Figure 2: A long section along the Glen Eva vein showing the current drilling (completed but awaiting assays – red stars), 2020 drill holes and historic drilling. Also shown are g*m intercepts.*

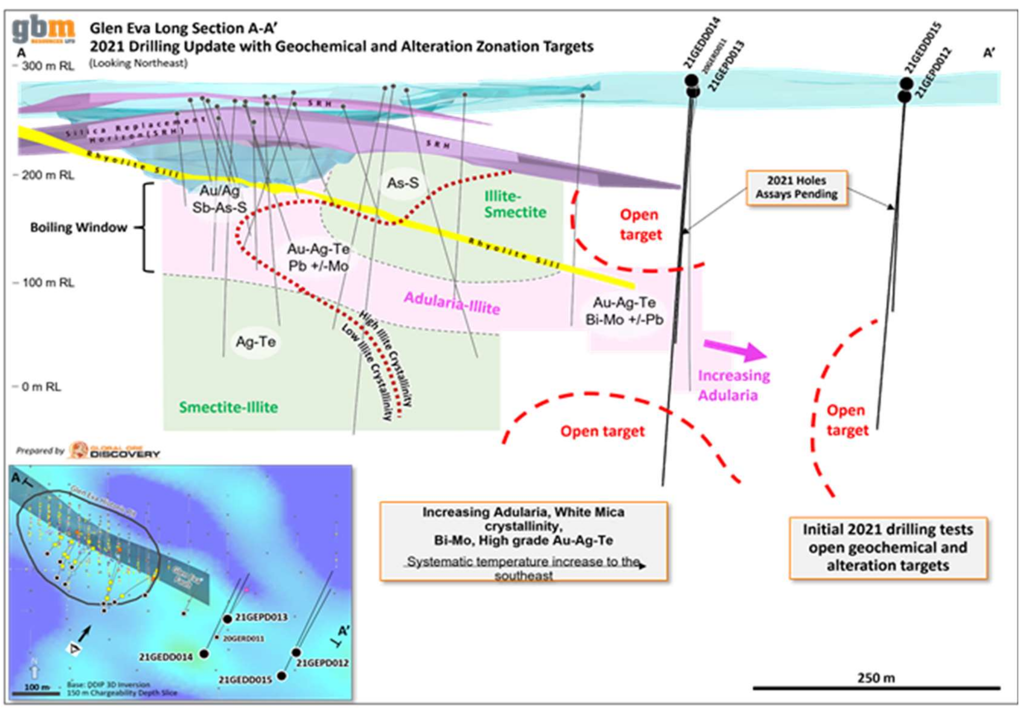


Figure 3: A long section through the Glen Eva vein showing the distribution of alteration minerals and selected pathfinder elements. Mineralising fluids are interpreted to have travelled from SE to NW. Note that current drilling is testing down plunge to the SE.

DRUMMOND BASIN
MCGP

Glen Eva – Eastern Siliceous (GEES) Trend - IP Geophysics

The GEES trend is a +6 km long WNW striking mineralised corridor defined by a series of structures evident in detailed aeromagnetic data, mapped alteration, surface geochemistry and an alignment of gold prospects, including the Glen Eva resource (JORC 2012, 78,300 oz Au) and historic production during 1990's of 154 kt at 7.5 g/t Au for 37 koz (Refer ASX:GBZ release 10 December 2015) at the NW end and the Eastern Siliceous prospect at the SE end of the trend (Figure 4).

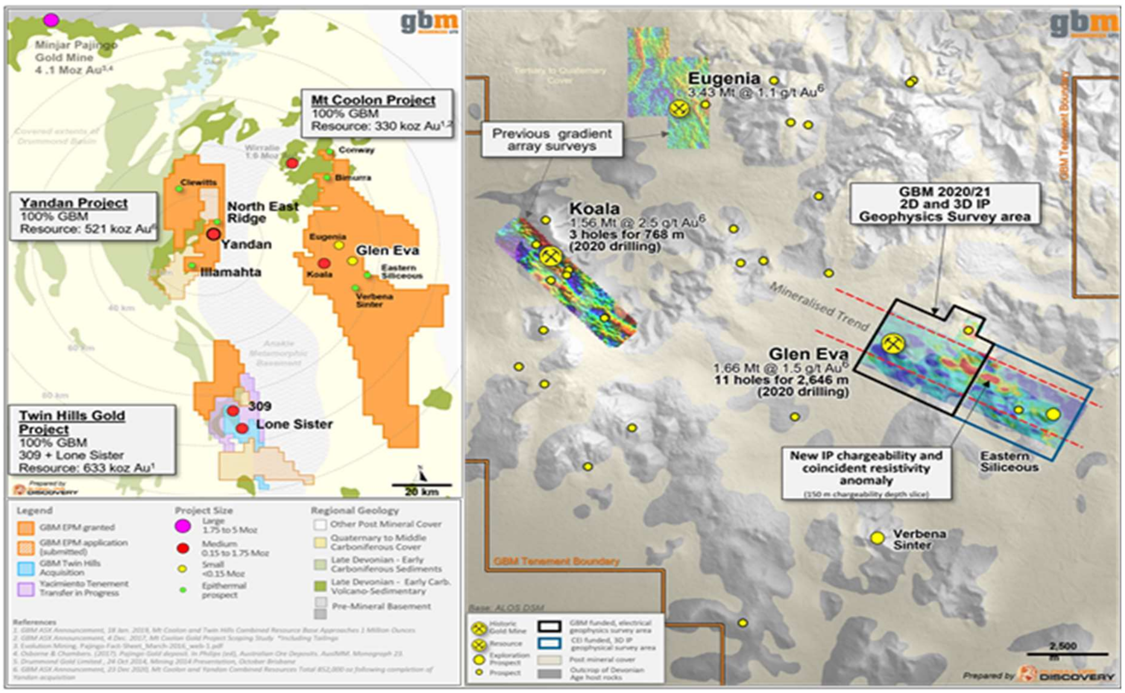


Figure 4: Maps showing GBM's tenement holdings in the Drummond Basin (left) and the location of the Glen Eva trend between Glen Eva and Eastern Siliceous (right).

In the year, GBM completed approximately 66 line kilometres of 2D and 3D IP geophysical surveys, partly funded by an A$184 k Queensland Government CEI grant (Refer ASX:GBZ release 9 September 2020), to test the GEES trend for mineralisation concealed by post mineral cover. The results are presented in Figure 5 and confirm the extension of the hydrothermal system between Glen Eva and Eastern Siliceous with the identification of a large, open ended, +5 mv/v (peak value 10 mv/v) chargeability and coincident resistivity anomaly localised at a permissive structural intersection in the centre of the GEES trend. Post mineral cover in the area of the anomaly, means the area has not been previously tested by soil geochemistry or drilling. Chargeability and resistivity anomalies of the scale and magnitude identified in the GEES trend may represent the pyrite – argillic wall rock alteration halo to an epithermal vein zone, highlighting the geophysics anomaly as a key target for drilling.

REVIEW OF OPERATIONS

DRUMMOND BASIN
MCGP

Glen Eva – Eastern Siliceous (GEES) Trend - IP Geophysics (continued)

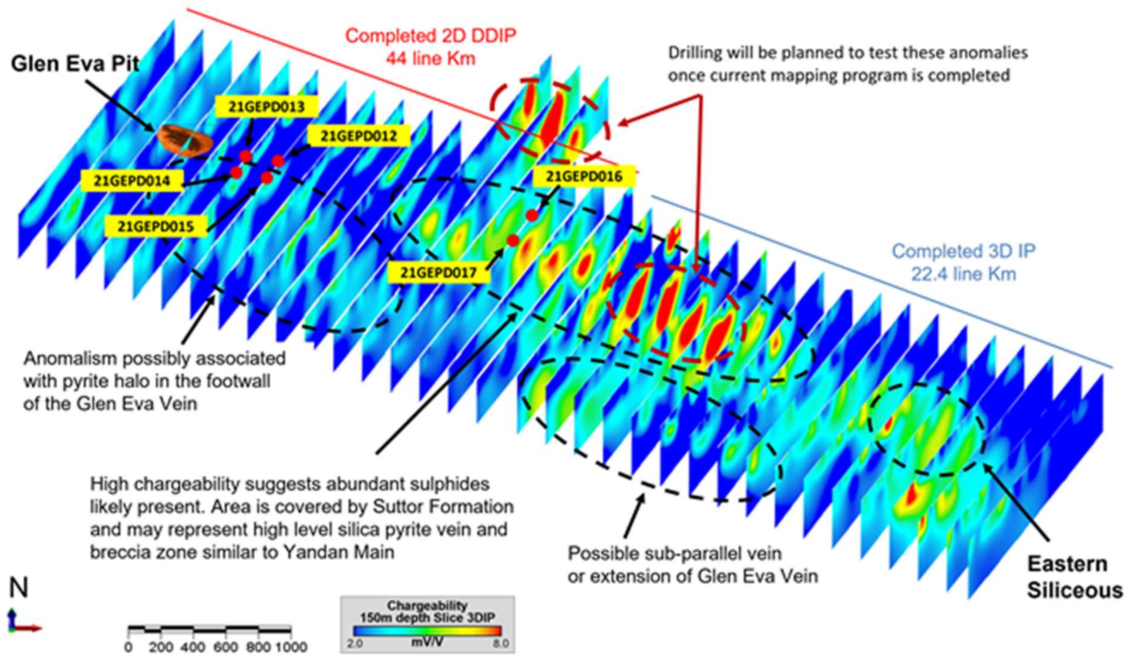


Figure 5: A diagram showing stacked chargeability sections along the Glen Eva Trend. Note the location of drill collars for the current drill program.

Targets identified along the GEES trend is a key exploration focus of 2021/22.

DRUMMOND BASIN
Yandan Gold Project (Yandan)

Yandan was acquired in January 2021 and the JORC (2012) Mineral Resource is estimated for the two deposits at Yandan, East and South Hill total of 521,000 gold ounces. GBM considers Yandan to be under explored and very prospective for further gold discoveries.

The most significant gold deposits known to date at the project are localized along a 1.2 km long EW oriented structural trend of Low Sulphidation Epithermal (LSE) gold deposits, the Yandan Mine Corridor (YMC) that includes the Yandan Main, South Pit and East Hill deposits. Detailed 3D structural and stratigraphic framework and deposit scale alteration and geochemical vectoring models have been completed across the YMC.

The Phase 1 diamond and RC drilling program commenced in April 2021 on East Hill with a focus being on the YMC. At completion of Phase 1 drilling in July 2021 a total of 13 holes were drilled for 5,676 m (including daughter holes).

REVIEW OF OPERATIONS

DRUMMOND BASIN
Yandan (continued)

Key Outcomes of Phase 1 Drilling Include:

- Significant results were received in holes:
  - 21YEDD006A 214.1m @ 1.6 g/t Au from 236 m, including 26 m @ 5.4 g/t Au from 321 m.
  - 21YEDD007 189 m @ 2.0 g/t Au from 255 m, including 16 m @ 4.6 g/t Au from 328 m.

- Drilling focused on the East Hill mineralization and confirmed the high-grade core to the resource, along with the broader lower grade zones.

- Potential for the boundaries of the resource have also been extended with 21YEDD002 returning 30 m @ 1.06 g/t Au from 274 m that sits outside the current resource model.

- GBM targeted the drilling program with a newly developed geology model that has now been validated.

- **Drilling has confirmed the potential to further expand the current gold resources at East Hill and it is expected that a significant component of the resource will be upgraded to the 'indicated' category under the JORC (2012) Resource Estimate for Yandan.**

A range of excellent results were returned from the Phase1 drilling program and are presented in Table 1 below. (Location drill holes shown on Figure 6). (Refer ASX:GBZ release 16 August 2021).

Table 1. Significant drilling results from the recently completed East Hill drilling program.

Drill Hole	From (m)	To (m)	Interval (m)	Gold Grade (Au g/t)	g*m
21YEDD001	307.0	322.1	15.1	0.53	8
	329.5	340.0	10.5	0.50	5
	368.0	380.0	12.0	0.67	8
21YEDD002	157.0	224.0	67.0	0.43	29
	274.0	304.0	**30.0**	**1.06**	**32**
	343.0	363.0	20.0	0.40	8
21YEDD003	234.7	239.0	4.4	0.92	4
	260.0	310.0	**50.0**	**1.00**	**50**
	369.0	384.0	15.0	1.26	19
	393.0	427.5	34.5	0.63	22
21YEDD004	421.0	484.0	**63.0**	**0.96**	**60**
21YEDD005A	362.0	406.0	**44.0**	**0.93**	**41**
	431.0	448.0	17.0	1.02	17

DRUMMOND BASIN
Yandan (continued)

Drill Hole	From (m)	To (m)	Interval (m)	Gold Grade (Au g/t)	g*m
	481.0	507.0	26.0	0.60	16
21YEDD005B	156.0	165.0	9.0	0.53	5
21YEDD006A	235.5	450.1	**214.6**	**1.56**	**335**
incl.	235.5	267.0	**31.5**	**1.34**	**42**
incl.	272.0	350.0	**78.0**	**2.25**	**176**
incl.	321.0	347.0	**26.0**	**5.37**	**140**
incl.	354.0	450.1	**96.1**	**1.20**	**115**
21YEDD006B	223.0	292.0	**69.0**	**0.81**	**56**
21YEDD007	255.0	444.0	**189.0**	**2.01**	**380**
incl.	328.0	344.0	**16.0**	**4.64**	**74**
incl.	367.0	377.0	**10.0**	**5.31**	**53**
incl.	382.7	386.0	**3.3**	**13.92**	**46**
incl.	404.0	415.0	**11.0**	**6.98**	**77**
incl.	437.9	443.0	**5.1**	**8.43**	**43**
21YEDD007A	203.0	276.0	73.0	0.41	30
	287.0	312.0	25.0	0.39	10

Drill holes 21YEDD006A and 21YEDD007 returned the most significant results with:

21YEDD006A

- **214.1 m @ 1.56 g/t Au** from 236 m including,
  - 31 m @ 1.35 g/t Au from 236 m,
  - **19 m @ 7.09 g/t Au** from 321 m, and
  - 96 m @ 1.2 g/t Au from 354 m

And 21YEDD007

- **189 m @ 2.01 g/t Au** from 255 m including,
  - **16 m @ 4.64 g/t Au** from 328 m
  - **10 m @ 5.31 g/t Au** from 367 m
  - **3.3 m @ 13.92 g/t Au** from 382.7 m
  - **11 m @ 6.98 g/t Au** from 404 m
  - **5.1 m @ 8.43 g/t Au** from 437.9 m

REVIEW OF OPERATIONS

DRUMMOND BASIN

Yandan (continued)

Drilling was targeted using a newly developed geological model that has now been validated. Drilling intersected extensive zones of brecciation with silica-pyrite infill overlying with increasing depth

(1) chalcedonic veins with a similar mineralogy to the breccia fill,

(2) colloform and bladed textured carbonate veins and

(3) veins with bladed carbonate replaced by silica and colloform and crustiform textures that also host the best gold grades.

The mineralised system forms as sheeted veins that strike broadly east for a length of approximately 400 m and dip to the south, terminating against a flat lying listric fault. The veins are typically < 10 cm wide but up to 1.5 m thick and returned assays of up to 347 g/t Au over 1 m from 335.5 m in YAN010. (Refer ASX: GBZ release 23 December 2020).

Elsewhere in the Drummond Basin (e.g., Pajingo, Koala, Glen Eva) the main vein trend is NW, this orientation has been identified at Yandan but is yet to be fully explored and will be investigated in future programs.

The high-grade quartz veins which occur adjacent to the listric fault are surrounded up dip by a large, lower grade zone of stockwork veining, brecciation, and alteration approximately 400 m by 200 m by 200 m in dimension.

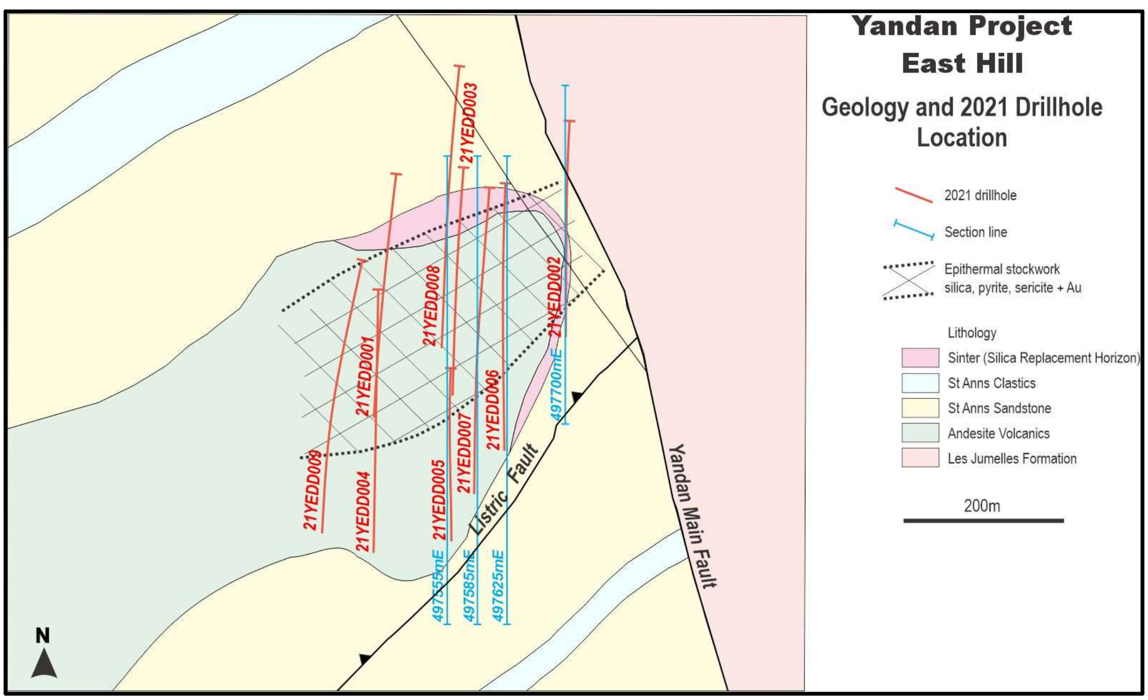


Figure 6. Geological plan of Yandan East Hill drill program.

REVIEW OF OPERATIONS

DRUMMOND BASIN
Yandan (continued)

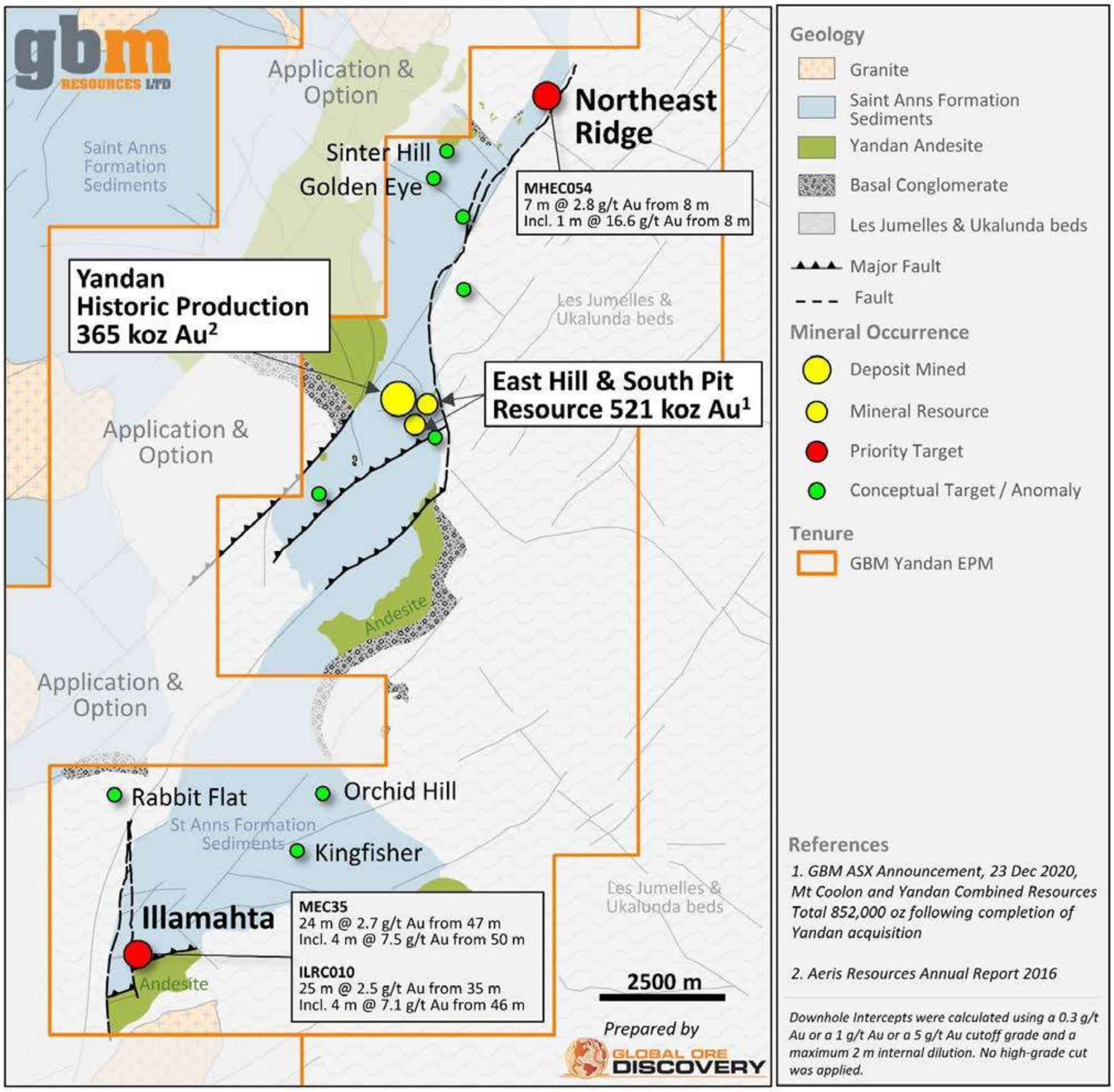


Figure 7. Detailed location of the Yandan Project area including key deposits located at North East Ridge and Illamahta.

Key Regional Exploration Targets

Illamahta
Illamahta is an LSE gold prospect located at the southern end of the Yandan Trough only 11 km from the Yandan Mine. The prospect is localised in a structural and stratigraphic setting that is the mirror image of the YMC. Mapped alteration extends over an area 1.5 km long by 700 m wide and comprises strong argillisation, decalcification and silicification developed in the upper Saint Anns sediments. Analysis of the previous exploration results has outlined 250 m by 100 m open-ended (See Figure 8), shallow oxide and hypogene body of gold mineralization developed in an east-west (EW) orientated zone of "Yandan Main" style stratabound veinlets and disseminations within the upper Saint Anns sediments.

DRUMMOND BASIN

Yandan (continued)

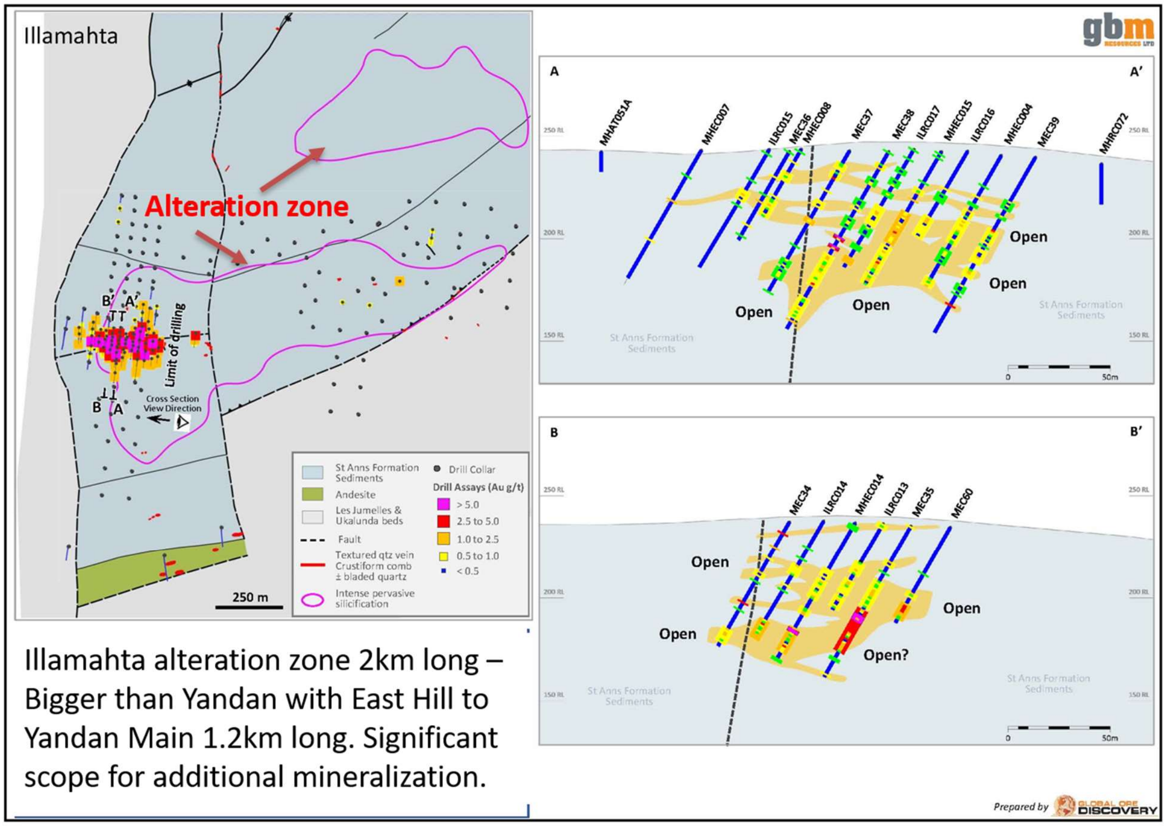


Figure 8. A map and two cross sections showing previous drilling and scope for additional resources to be defined. Note that most of the drilling has been concentrated in the area of the initial discovery and that the alteration footprint is substantially larger.

North East Ridge (NE Ridge)

NE Ridge prospect is located 6 km north of YMC and is a 2 km long x 500 m wide north-east (NE) trending zone of intermittently outcropping silica - illite alteration and mineralisation (See Figure 9). The prospect was discovered 1989 and 54 RC and core holes for a total of approx. 5,900 m have been drilled with best intersection of 7 m at 2.8 g/t Au, including 1 m at 16.6 g/t Au (Refer ASX: GBZ release 31 March 2021). Mineralisation at NE Ridge occurs in poorly banded chalcedonic veinlets similar to those seen in the lower grade top of the East Hill deposit.

The project is undertested for near surface gold mineralization and prospective for the discovery of higher-grade mineralization in permissive structural and stratigraphic settings at depth.

Detailed mapping and sampling will be completed across NE Ridge in the coming months followed by geophysics (IP) and a small (1,000 m) drill program next year.

REVIEW OF OPERATIONS

DRUMMOND BASIN
North East Ridge (continued)

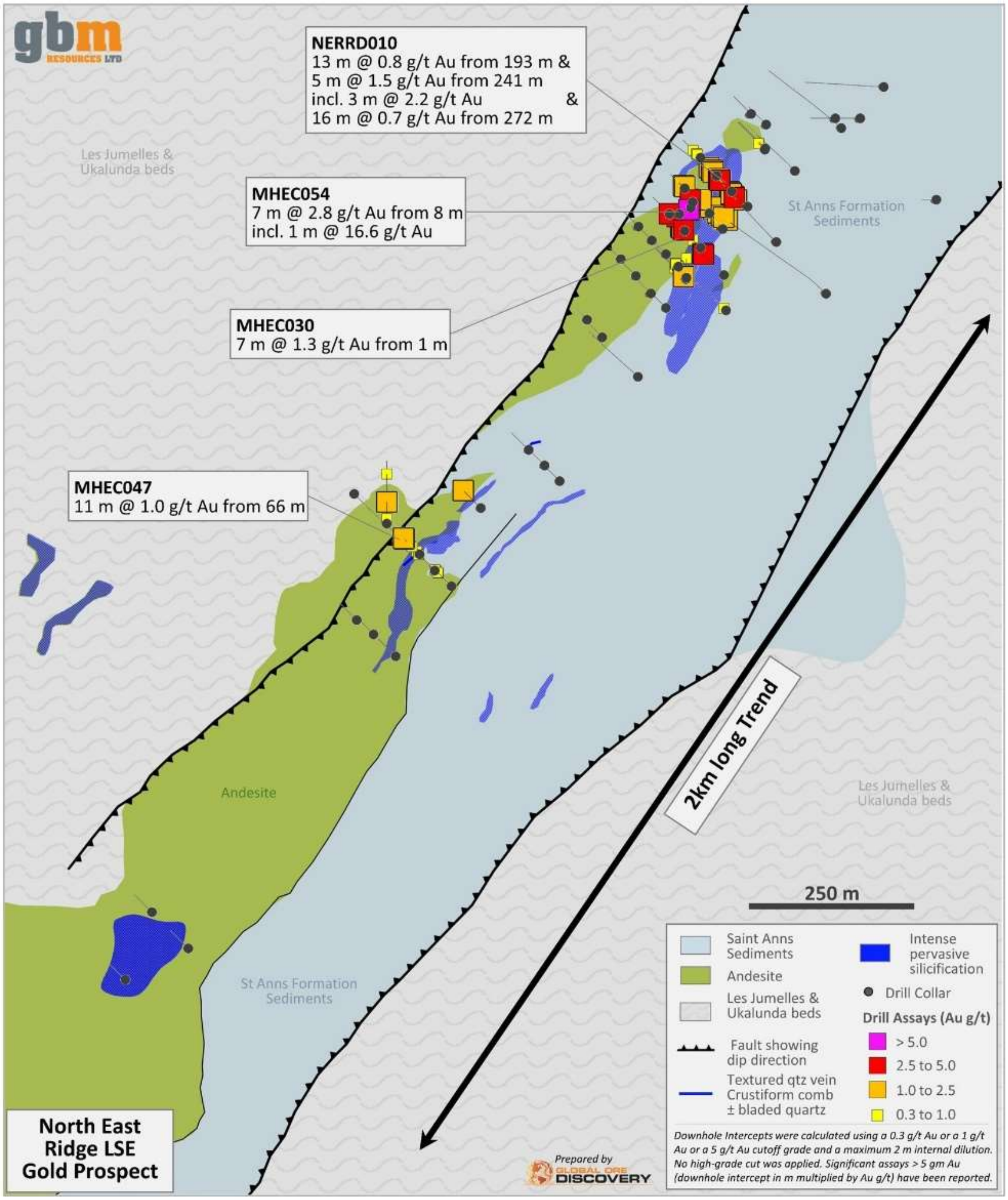


Figure 9. A geological map of NE Ridge prospect. Note that the prospect is bound by basin margin faults.

The exploration focus in 2021/2022 is to continue to infill between the main pit and the East Hill deposits (YMC) to expand resources, upgrade the existing non-compliant resource at the Illamahta deposit and complete field work on the NE Ridge for resource potential.

REVIEW OF OPERATIONS

DRUMMOND BASIN

Twin Hills Gold Project (Twin Hills)

GBM announced on 19 July 2021 that it has signed a Binding Tenement Sale Agreement (TSA) to acquire 100% of the Twin Hills Gold Project (Twin Hills) (Refer ASX:GBZ release 19 July 2021). Settlement is scheduled on or before the 30 November 2021.

The Twin Hills deposits (Lone Sister and 309) have a JORC (2012) Mineral Resource Estimate of 6.9 million tonnes at 2.8 g/t Au for 633,000 ounces of contained gold on granted mining leases.

- Both deposits have returned significant gold intersections from previous drilling, demonstrating potential for both bonanza gold grades and broad intersections of bulk mineable style gold mineralisation, hosted by an epithermal veinlet network and breccia matrix style of mineralisation.

- Twin Hills is considered highly prospective for the discovery of additional mineralisation, with preliminary analysis suggesting high grade gold shoots at 309 and Lone Sister may be open at depth. GBM is set to prioritise drilling at Twin Hills to test these targets following completion of the TSA.

- GBM's analysis of the deposit geometry and grade distribution suggests that the 309 and Lone Sister resources maybe be successfully mined via a combination of bulk minable open pit and bulk underground mining methods.

- Significant Down Hole Intersections include;
  309 Deposit
    - THRCD875: 140.6 m @ 5.2 g/t Au from 154 m incl. 8 m @ 81.8 g/t Au from 177 m
    - TRCD384: 190 m @ 2.3 g/t Au from 25 m incl. 27 m @ 7.3 g/t Au from 100 m

  Lone Sister Deposit
    - LRCD015: 146 m @ 9.8 g/t Au from 104 m incl. 28 m @ 45.2 g/t Au from 211 m
    - LRCD140: 254 m @ 1.2 g/t Au from 128 m incl. 12 m @ 4.1 g/t Au from 265 m

Resource Summary (Refer ASX: GBZ release 20 July 2021)
The 309 and Lone Sister deposits are low sulphidation, epithermal gold deposits hosted within the western arm of the Drummond Basin in Queensland. The Drummond Basin is host to a number of significant gold deposits and is considered by GBM to hold potential for further discoveries.

The 309 and Lone Sister gold deposits are located 7 kilometres apart and linked by a major north-south (NS) structural lineament. Both deposits have previously been interpreted as intrusion related, high gold fineness, low sulphidation epithermal gold deposits, sometimes exhibiting bonanza gold grades (as evidenced by the peak gold value in the 309 deposit of 2,940 g/t Au, with 300 individual metre samples exceeding 30 g/t Au, and a peak gold value of 939 g/t Au at Lone Sister). (Refer ASX:GBZ release 19 January 2019).

REVIEW OF OPERATIONS

DRUMMOND BASIN

Twin Hills (continued)

GBM considers that potential depth extensions and strike repetition of both the 309 and Lone Sister deposits have not been tested.

The 309 Deposit has been estimated to comprise 4.9 Mt averaging 2.4 g/t Au containing 372,900 ounces of gold and 471,000 ounces of silver (assuming open pit mining to 1050 RL, or a depth of approximately 200 m).

The Lone Sister Deposit is estimated at 2.0 Mt at an average grade of 4.0 g/t Au containing 260,000 ounces of gold and 604,000 ounces of silver (Refer to Table 2).

Table 2: Twin Hills Resource Summary for the 309 and Lone Sister Gold Deposits (rounded for reporting '000 tonnes, '00 ounces, 0.0 grade). See ASX GBM 18 January 2019 'Mount Coolon and Twin Hills Combined Resource Base Approaches 1 million Ounces'. Open Pit Resources (above 1050 RL) stated at 1.0 g/t Au cut-off and underground resources (below 1,050 RL) stated at 2.0 g/t Au.

Category	Cut-off	Tonnage	Grade		Contained Metal	
	Au (g/t)	(t)	Au (g/t)	Ag (g/t)	Au (oz)	Ag (oz)
309 Deposit						
Open Pit (above 1050RL)						
Measured	1.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0	2,690,000	2.2	3.4	193,100	295,400
Inferred	1.0	1,300,000	1.4	1.7	58,500	70,100
Total open pit	1.0	4,310,000	2.1	3.1	296,000	430,500
Underground (below 1050 RL)						
Measured	2.0					
Indicated	2.0	110,000	4.8	3.4	16,800	11,900
Inferred	2.0	510,000	3.7	1.8	60,100	28,800
Total underground	2.0	620,000	3.9	2.0	76,900	40,700
Total 309 Deposit						
Measured	1.0 / 2.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0 / 2.0	2,800,000	2.3	3.4	209,900	307,300
Inferred	1.0 / 2.0	1,810,000	2.0	1.7	118,600	98,900
TOTAL	1.0 / 2.0	4,930,000	2.4	3.0	372,900	471,200

DRUMMOND BASIN

Twin Hills (continued)

Category	Cut-off Au (g/t)	Tonnage (t)	Grade Au (g/t)	Grade Ag (g/t)	Contained Metal Au (oz)	Contained Metal Ag (oz)
Lone Sister Deposit						
Measured	2.0					
Indicated	2.0					
Inferred	2.0	2,010,000	4.0	9.4	260,100	604,800
TOTAL	2.0	2,010,000	4.0	9.4	260,100	604,800
Total Twin Hills						
Measured	1.0 / 2.0	320,000	4.4	6.4	44,400	65,000
Indicated	1.0 / 2.0	2,800,000	2.3	3.4	209,900	307,300
Inferred	1.0 / 2.0	3,820,000	3.1	5.7	378,700	703,700
TOTAL	1.0 / 2.0	6,940,000	2.8	4.8	633,000	1,076,000

Twin Hills Geology and Exploration Potential – High Grade Shoots Open to Depth

Twin Hills is hosted by a sedimentary-volcanic package interpreted to have been deposited in a late Devonian age, structurally controlled, pull apart basin that formed along the margin of a Cambro-Ordovician age metamorphic basement high, the Anakie metamorphic inlier (Refer to Figure 10).

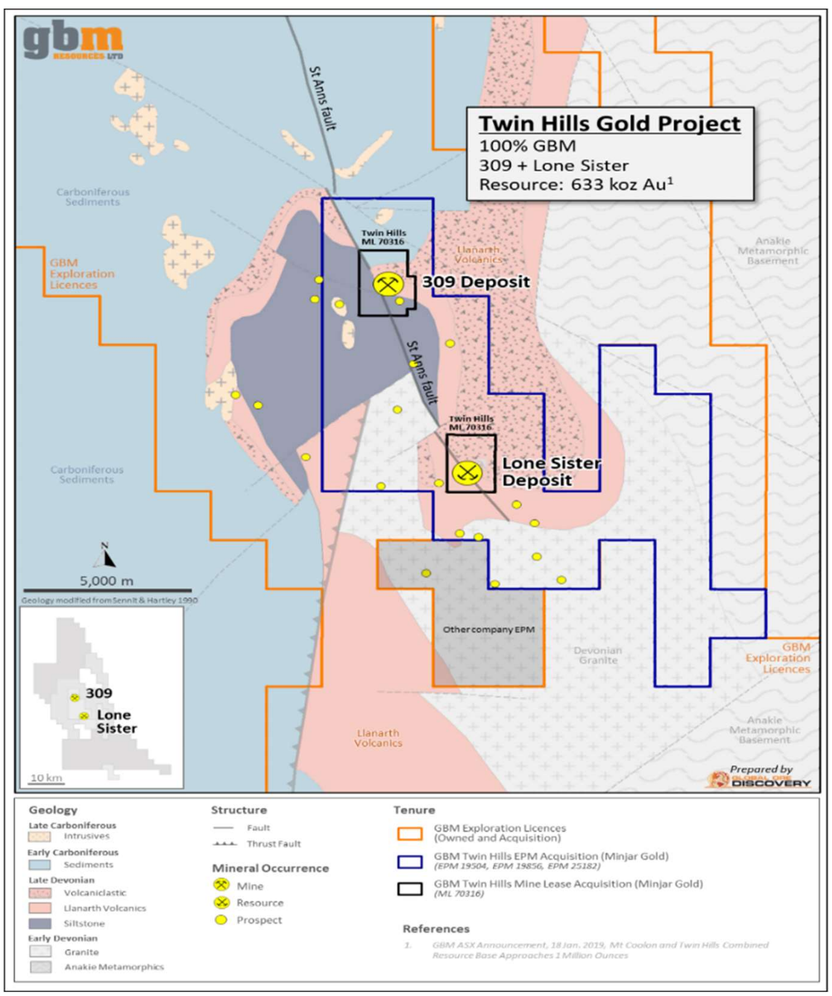


Figure 10: Geological setting of 309 and Lone sister deposits

REVIEW OF OPERATIONS

DRUMMOND BASIN

Twin Hills (continued)

Gold-silver mineralisation is temporally and probably genetically linked to subvolcanic to volcanic felsic domes and related breccia pipes. The age of mineralisation at Lone Sister and by association the related domes has been shown to be early Carboniferous (341 to 346 ma).

Mineralisation at the Twin Hills project, 309 and Lone Sister deposits (Figure 10) belongs to the felsic dome related, high gold fineness, low sulphidation quartz sulphide class of mineralisation that has produced a number of notable high value gold deposits including the high-grade Sleeper deposit and large bulk minable style deposits like Round Mountain in Nevada. This class of deposit usually develops an early phase of quartz-sulphide gold mineralisation followed by later stages of very high-grade often free gold quartz and or gold electrum chalcedony events, as is seen at Twin Hills, that are important to the deposit economics.

GBM's preliminary interpretation shows that the Twin Hills deposits are characterised by the 309 (phreatomagmatic to phreato-hydrothermal) milled matrix breccia body and the Lone Sister breccia and veinlet zone that is hosted within a rhyolite feeder dyke to a flow dome and the adjacent wall rock sediments. Better gold mineralisation in these deposits is strongly associated with epithermal quartz breccia matrix fill and cross cutting quartz facture veinlet networks, forming discontinuous veinlet corridors that crosscut the host rock. GBM believes that the 309 and Lone Sister deposit characteristics are better suited to open pit or underground bulk mining approach.

Drilling Target Strategy 2021/2022

GBM has commenced evaluation of the previous drilling at Twin Hills reassessing the deposit geology and applying geological cut-offs consistent with a bulk mining concept to the mineralised intervals. This approach has outlined very encouraging broad (down hole) intersections of bulk minable style gold mineralisation as well as high grade gold intersections that together define coherent bodies of gold mineralisation. Selected down hole gold intersections are presented in Table 3.

Note: a very high-grade intercept in Hole TRCD728 below was not included in Table 3 on the following page as GBM believes this intercept was drilled sub-parallel to a mineralised shoot. At a 1.0 g/t Au cut-off, 158 m @ 34.6 g/t Au from 174 m incl. 15 m @ 359.5 g/t Au from 221 m at a 5.0 g/t Au cut-and incl. 2.0 m @ 2,545 g/t Au from 222m.

Long sections displaying the gold grade multiplied by the down hole length of the gold intersection (gram x metre) for the primary mineralised body at 309 and Lone Sister outline large strongly mineralised shoots that initial interpretations show are open to depth and in some cases along strike.

The down hole and along strike projections of these shoots are compelling targets for the initial GBM drill program at 309 and Lone Sister in 2021-22.

REVIEW OF OPERATIONS

DRUMMOND BASIN

Twin Hills (continued)

Table 3: 309 and Lone sister Deposits Selected Down Hole Gold Drill Intersections. (Refer ASX: GBZ release 20 July 2021)

309 Deposit Selected Length Weighted Au g/t Intersections including High Grade 1.0 g/t Au Intercepts

Length Weighted Au g/t Intersections Nominal 0.3 g/t Au cut off									Including Maximum Intervals at 1.0 g/t Au cut off					
Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres	Lode		From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres
THRCD875	154	294.6	140.6	5.1	3.2	723.8	a	incl.	177	185	8	81.8	43.0	654.7
THRCD816	32	181	149	4.6	22.3	687.8	a	incl.	54	76	22	27.4	142.0	603.6
THRCD828	5	174	169	2.9	11.3	494.3	b	incl.	101	111	10	21.7	133.2	217.1
THRC761	75	146	71	6.3	20.8	445.4	b	incl.	111	125	14	16.4	54.7	228.9
TRCD384	25	215	190	2.3	4.0	437.2	b	incl.	100	127	27	7.3	10.3	198.1
THRCD827	236	408	172	2.1	0.8	361.8	a	incl.	382	396	14	11.0	2.4	154.4
THRCD843	106	262	156	2.3	2.4	360.2	a	incl.	108	119	11	13.0	20.0	143.4
THRCD826	241	315	74	4.7	2.3	350.7	a	incl.	269	274	5	65.5	29.4	327.3
THDD885	25	134	109	2.5	10.0	268.2	b	incl.	45	56	11	6.0	30.5	66.3
THRCD861	154	233.9	79.9	3.2	3.9	256.3	a	incl.	183.5	188.5	5	28.7	26.8	143.6
THRC781	20	109	89	3.0	9.2	270.6	a	incl.	56	81	25	9.9	29.0	247.3
THRCD844	84	236	152	1.3	0.9	199.8	a	incl.	201	214	13	7.1	2.4	92.0
THRCD873	147	261	114	1.9	3.9	213.1	a	incl.	194	206	12	8.9	11.6	107.2

Lone Sister Deposit Selected Length Weighted Au g/t Intersections including High Grade 1.0 g/t Au Intercepts

Length Weighted Au g/t Intersections Nominal 0.3 g/t Au cut off									Including Maximum Intervals at 1.0 g/t Au cut off					
Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres	Lode		From (m)	To (m)	Interval (m)	Au g/t	Ag g/t	Au Gram Metres
LRCD015	104	250	146	9.8	8.7	1433.3	a	incl.	211	239	28	45.2	41.3	1266.8
LRCD154	216	242	26	10.3	13.8	267.5	a	incl.	218	229	11	23.4	31.4	257.9
LRCD057	121	217	96	5.5	0.0	529.3	a	incl.	177	189	12	27.1	0.0	324.9
LRCD063	158	268	110	3.6	4.8	395.6	a	incl.	247	267	20	14.3	26.6	285.3
LRCD157	168	248	80	4.7	10.6	373.8	a	incl.	219	231	12	13.8	18.9	165.9
LRCD152	243	359	116	2.8	5.0	321.7	a	incl.	245	263	18	6.0	12.8	108.7
LRCD012	222	375	153	2.0	0.4	309.7	a	incl.	343	352	9	5.8	0.5	51.9
LRCD140	128	382	254	1.2	3.9	306.8	a	incl.	265	277	12	4.1	5.4	49.5
LRCD143	124	216	92	3.3	4.8	301.1	a	incl.	139	157	18	12.4	10.1	224.0
LRCD147	80	210	130	2.3	3.5	294.4	a	incl.	172	187	15	4.8	8.5	71.9
LRC180	8	106	98	1.4	0.0	137.0	a	incl.	19	25	6	8.5	1.5	51.2
LRCD064	24	132	108	1.3	0.0	139.3	a	incl.	85	101	16	5.6	0.0	89.5
LRCD134	69	137.93	68.93	2.4	10.0	164.9	a	incl.	75	86	11	3.9	23.5	42.4

Length weighted downhole intercepts were manually selected using a combination of logged geology and Au grade above 0.3 g/t Au. Internal dilution was typically < 2 m but may include intervals of 5 to 10 m in some instances. 1 g/t Au composite calculated with 1 g/t Au cut off grade and a maximum 2 m internal dilution @ 0.1 g/t Au. No high-grade cut was applied. Selected intercepts at 309 Deposit do not include intersections which have passed through mining voids (have been mined out), or were drilled sub-parallel to the interpreted strike of the Lode. No underground drilling has been used in composite calculations (UG prefix holes, drilled primarily within the mining void).

REVIEW OF OPERATIONS

Malmsbury Gold Project JV (Malmsbury)

JV Formation

GBM entered a Farm-in Agreement with Novo Resources Corp. (option exercised on 25 September 2020) for a 50% Joint Venture interest in Malmsbury and the right for Novo Resources Corp. **(Novo)** to earn an additional 10% interest by incurring A$5 million in exploration expenditure over a four year period (Refer ASX:GBZ release 15 January 2021).

The final condition precendent (FIRB approval) was completed in May 2021 with Novo and the formation of the JV is now finalised. The completion consideration to GBM was the issue of 1,575,387 Novo shares which have been issued and are now out of the escrow period. Current market value of the consideration is approximately A$3.0 million.

Overview

The Malmsbury Gold Project is located in the prolific Bendigo Zone of the Victorian Goldfields, an area that has historically produced in excess of 60 Moz of gold from alluvial and hard rock production.

The Malmsbury Retention Licence RL006587 was granted by Department of Economic Development, Jobs, Transport and Resources (DEDJTR) for a period of 10 years from the 23 June 2020.

Malmsbury displays many of the characteristics of the epizonal orogenic gold deposit class that includes Kirkland Lake's Fosterville Mine. The cumulative 8.5 km strike extent of historic pits and mines, and evidence of high-grade gold mineralization are indicators of a large, fertile mineral system.

The 1 km long Leven Star Trend, where GBM has outlined a 104,000 ounce (820 kt at 4.0 g/t Au) gold Inferred resource (refer ASX: GBZ release 4 July 2019), has only been drill tested to relatively shallow depths, with very limited modern exploration across the remainder of the goldfield until the last 12 months under the partnership with Novo.

The JV 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.

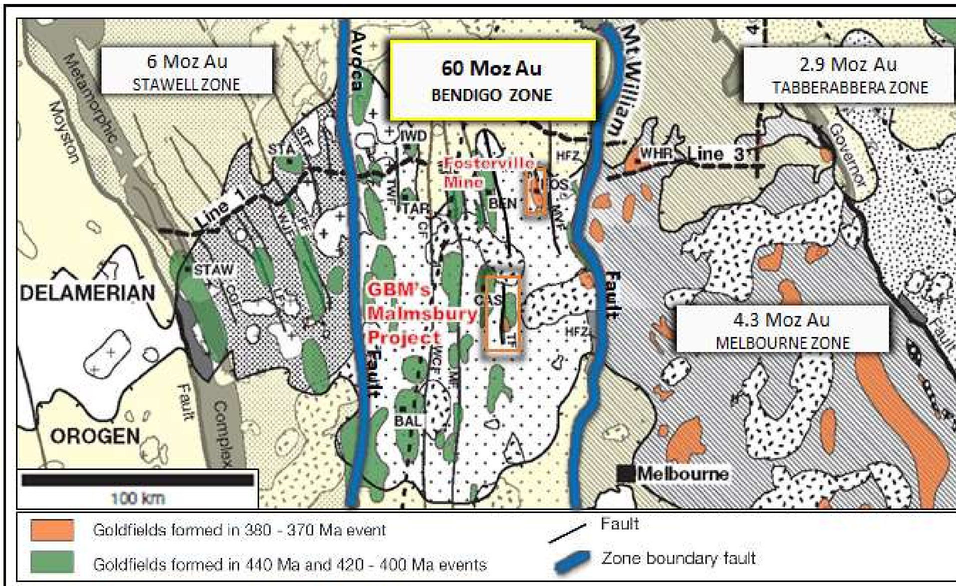


Figure 1: Regional Tectonic Setting of the Victorian Goldfields
Modified from William et al, 2010

Figure 11: Regional geological and tectonic setting and location of the Malmsbury Gold Project.

REVIEW OF OPERATIONS

Malmsbury (continued)

Exploration Activities
Field activities commenced in the later part of 2020 and consisted of surface sampling across the retention licence, re-logging and sampling of historical drill core, hyperspectral analysis of surface samples and capture of high-resolution airborne imagery and LiDAR terrain data.

Detailed mapping focused on the mineralisation and structural setting on and around Belltopper Hill. Areas mapped include Panama, Missing Link, Never Despair, Leven Star, O'Conner's, Hanover and un-named workings in the north (Figure 12).

Stage 1 Results and Outcomes Include:

- Orientation soil sampling programme (414 samples from 167 sites), mine dump and outcrop rock sampling (339 samples), relogging and sampling of historic drill core (756 samples), high-resolution airborne imagery and LiDAR terrain data.

- A new interpretation of alluvial and deep lead workings at the Belltopper Hill field, estimated to have produced in excess of 60,000 oz Au, has been completed using LiDAR data and old Geological Survey/Parish maps. The distribution of the leads indicates gold is sourced from the partially eroded upper levels of reef system, suggesting that these reefs are more significant as hosts to gold mineralisation than previously thought.

- Orientation surveys has shown soil sampling techniques are highly effective at delineating zones of gold mineralisation in the Belltopper Hill and is also at the Drummond North Goldfield where soil sampling has not been used before. This initial survey provided evidence that at least one mineralised zone may extend further than indicated from the surface workings. Systematic soil sampling is planned for the 2021 program.

- Encouraging Rockchip gold assays confirm the presence of wide-spread gold mineralization cross the project with 166 samples (49% all samples – Table 4) assaying > 0.5 g/t, averaging 3.82 g/t Au and 20 samples (5.9%) assaying > 5.0 g/t averaging 19.7 g/t Au. Results included a peak assay of 180.0 g/t Au from a select sample of narrow quartz veinlets outcropping at the Missing Link line of workings.

- Rockchip multielement assays and geological observation confirm the presence of a disseminated gold – arsenic and a vein related high grade gold – antimony phase of mineralization as seen at the nearby Kirkland Lake Fosterville mine.

- Systematic assaying of unsampled sections of previously drilled core has expanded the width and highlighted a number of new gold anomalous zones, with best results of 4.85 m @ 1.77 g/t Au from 97 m in hole LSDD1, highlighting a wider zone of gold mineralization at the Leven Star Trend than previously recognized.(Refer ASX:GBZ release 15 January 2021)

Malmsbury (continued)

Table 4. Malmsbury mine dump and rock chip gold assay results. (Refer ASX:GBZ release 15 January 2021)

Rock Chip Au Assays - All samples			
Total Samples Mullock/Outcrop/Subcrop/Float = 339 with peak assay of 180 g/t gold			
# Samples	% of samples	Au g/t	Avg. Au g/t
258 Samples	76.1	≥ 0.1 g/t	2.5
166 Samples	49	≥ 0.5 g/t	3.8
111 Samples	32.7	≥ 1.0 g/t	5.4
41 Samples	12.1	≥ 3.0 g/t	11.5
20 Samples	5.9	≥ 5.0 g/t	19.7

Mapping since mid-January has included detailed 1:500 scale fact mapping of approximately 1.35 km^2, including a large proportion of the known main historic mineralized trends in the Belltopper Hill Area. Areas mapped include Panama, Missing Link, Never Despair, Leven Star, O'Conner's North and un-named trends in the north. Numerous outcrops have been mapped in conjunction with several hundred structural readings. **Over 450 individual historic bedrock workings and over 200 costeans have also been mapped and the data is currently being compiled and digitized.**

The geology includes a N-S to NNE trending interbedded sequence of shale, siltstone, sandstone and granulestone, truncated by abundant N-S to WNW trending mineralized faults generally dipping steeply to moderately to the east to north-east (NE). Occasional NE trending faults, such as the Leven Star are also present. The deep crustal structure, the Taradale Fault is interpreted to transect the western edge of the Licence area .

Stage 2 of the surface rock sampling program continued during the second half of the year. Sampling now has a two-part focus:

- Areas of historical workings identified in the LiDAR survey data and not sampled in Stage 1.
- Outcrop locations not associated with workings and identified during the mapping program.

A total of 166 samples have been collected to date for Stage 2 (including 10 QA/QC samples), most from historical workings. This programme will build on the encouraging results from Stage 1 rockchip gold assays already collected which confirm the presence of wide-spread gold mineralization cross the project.

Rockchip multielement assays and geological observation confirm the presence of a disseminated gold – arsenic and a vein related high grade gold – antimony phase of mineralization as seen at the nearby Kirkland Lake Fosterville mine.

Malmsbury (continued)

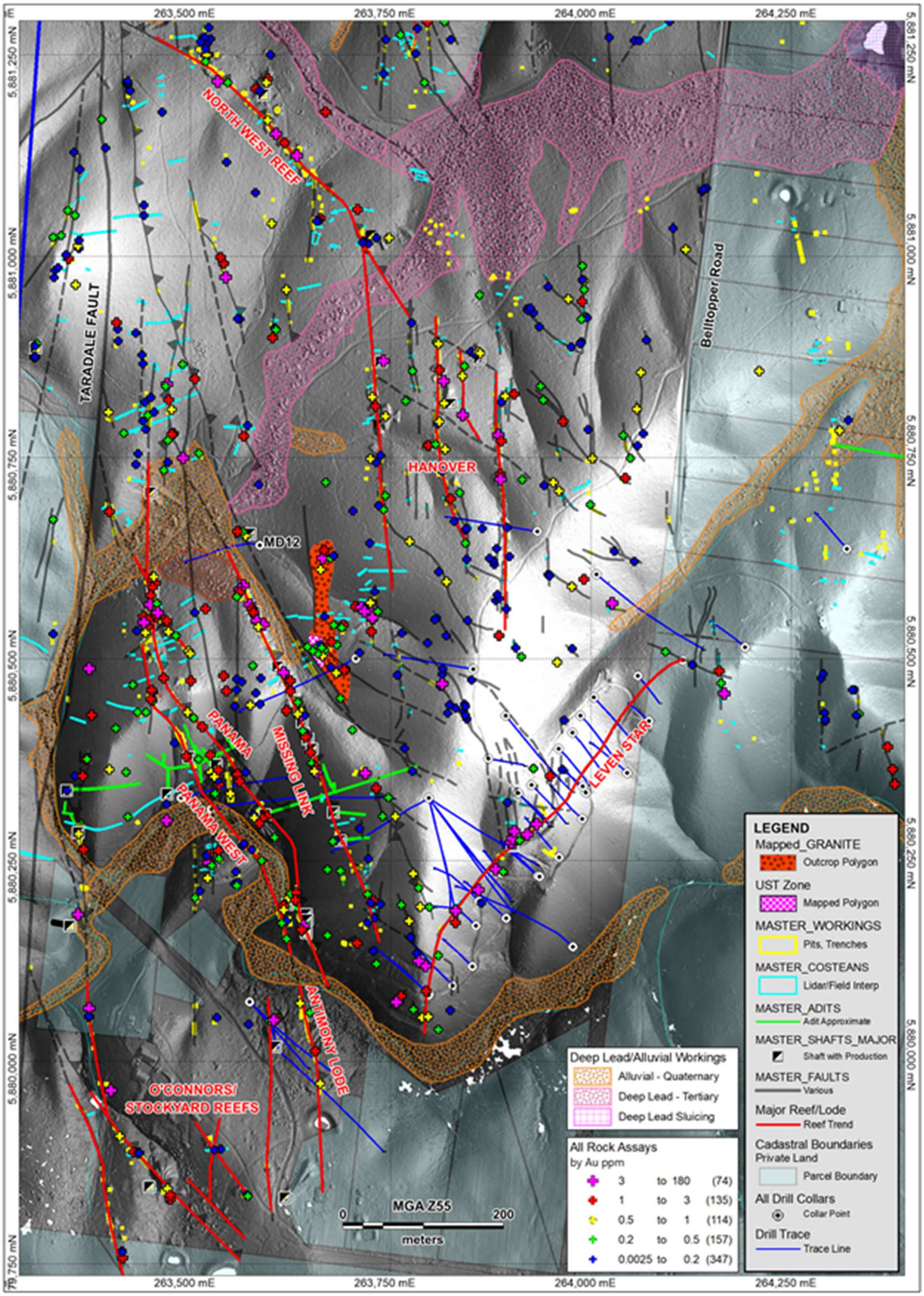


Figure 12: Southern Belltopper Hill area showing main cluster of workings with historical production and deep lead/alluvial workings, over Lidar image. JV mapped structures and Belltopper Granite are shown along with rock chip sample points (Au).

REVIEW OF OPERATIONS

Malmsbury (continued)

Exploration Program for 2021/2022

The forward program at Malmsbury will see completion of a large conventional soil sampling program over most of the lease area. This program follows on from and is informed by results from the orientation program completed last year and is currently in progress. Inversion modelling of the recently acquired Falcon potential field data will take place this quarter and should assist with understanding anomaly geometry, particularly the gravity low beneath Belltopper Hill.

A statutory Work Plan was lodged earlier in the year for drilling on the Leven Star resource has been approved. This will be the first phase of drilling at Malmsbury and will comprise around 500 metres of diamond drilling to test for high grade shoot extensions near the Leven Star/Missing Link structural intersection zone on the south face of the hill. A second and third phase of drilling is budgeted and will test targets including the Queens and Egyptian Reefs on the Drummond North Goldfield. These drilling programs are planned to start in November 2021. This Goldfield has historical production of around 90,000 ounces and is to date tested by only one drill hole.

The drilling will also provide samples for metallurgical testwork for Au-As-Sb lode hosted mineralisation. This Phase 1 program is expected to commence in November this year. Phase 2 and 3 drilling of up to 2,800 metres of diamond drilling will include Fosterville-type targets along the Drummond field will be informed by the soil results, potential field modelling, surface data synthesis and 3DIP survey data if completed.

White Dam Gold - Copper Project (White Dam)

Overview

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

From 1 July 2020, GBM shared 50% of the gold and copper production from White Dam under the JV with Round Oak. Under this agreement, GBM also had the option to purchase all the White Dam assets 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.

GBM announced on 16 June 2021 that it has exercised its option to acquire 100% of the White Dam in South Australia from Round Oak Minerals Pty Ltd.

As 30 July 2021, GBM has a 100% interest in White Dam which includes associated infrastructure, all leaching, gold processing plant, mining leases (including all JORC resources) and other tenements. The exercise price was $500 k and replacement of a $1.9 million environmental bond.

REVIEW OF OPERATIONS

White Dam (continued)

White Dam is located in South Australia, approximately 50 km SW of Broken Hill. It is a heap leach operation that, since 2010, has produced approximately 175,000 oz of gold from two open cuts by heap leaching of 7.5 Mt of ore at 0.94 g/t Au. The current unmined JORC (2012) resource for White Dam Project is 4.6 Mt at 0.7 g/t Au for 101,900 oz Au.

The two open cuts are the Vertigo, located within a granted mining lease (ML 6395) and the second is the nearby White Dam North which is enclosed within an advanced lease adjacent to ML 6395 (MPL 105).

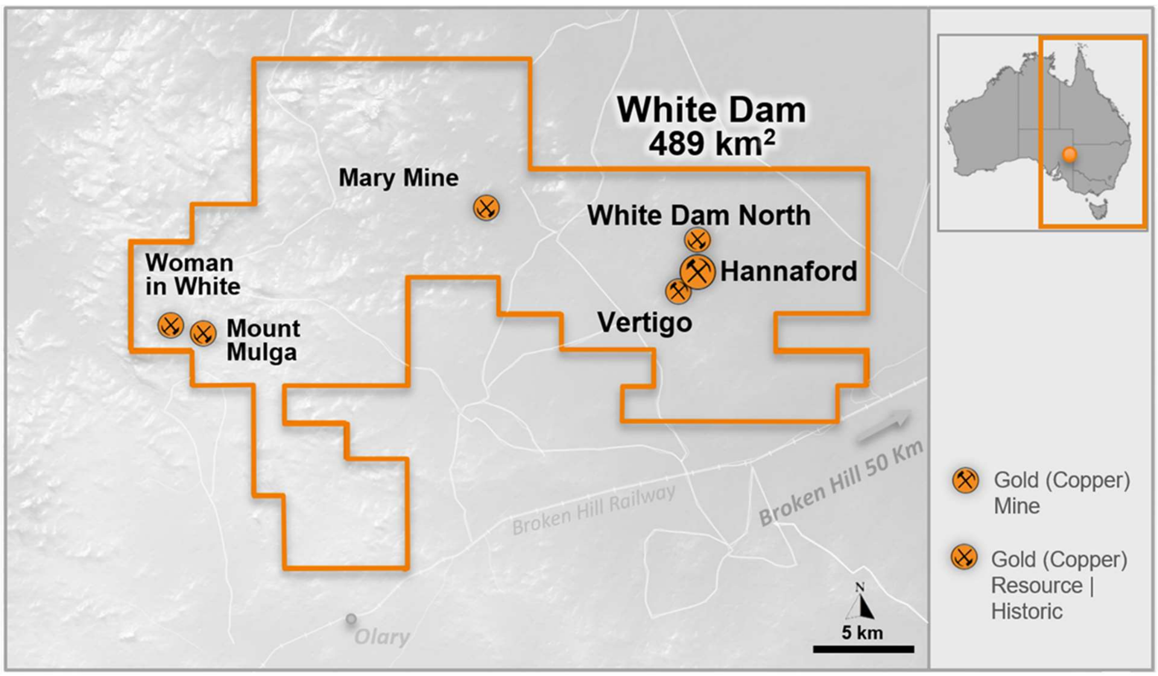


Figure 13: Location map of the White Dam Gold-Copper Heap Leach Operation

Since commissioning, the SART plant has operated above expectations with lower costs due to less cyanide usage and improved gold recoveries from the existing heaps.

The White Dam JV between Round Oak Minerals and GBM commenced on 1 July 2020. It has produced a total of 1394 gold ounces to 30 June 2021 together with approximately 95 tonnes of copper in concentrate stockpile at the White Dam site. Gold revenue sales totalled $2.92 million resulting in net income from the joint venture of $878k. Gold and copper inventory on hand total $618K.

White Dam (continued)

The White Dam JV is finalising smelter terms in Australia for the sale of copper concentrate and is expected to be delivered to the customer in the December 2021 quarter.

Table 5: White Dam JV gold sales by quarter

Calendar quarter	Gold sold (oz)
September 2020	100
December 2020	347
March 2021	560
June 2021	387

Note: Minor silver production and sales not shown.

As of 30 July 2021, GBM has a 100% interest of all assets and production from the White Dam Operations.

Figure 14: White Dam Gold Plant and Associated Infrastructure.

White Dam (continued)

Phase 1 RC Drilling

The initial focus of the program was on the Vertigo open cut, which has a current JORC (2012) Mineral Resource estimate of 1.7 Mt at 0.7 g/t Au for 38,300 ounces gold.

The key objectives of the Phase 1 RC drilling at White Dam were:

- Upgrading Inferred category resource material (improving resource confidence) in these zones;
- Increasing overall resources in these zones; and
- Providing additional copper assay data.

The drilling results from this program, combined with the resultant resource outcomes, are inputs into a study being undertaken with respect to mining and treatment of additional material at White Dam. This work is designed to evaluate and capture the magnitude of potential life extension (and expansion) opportunity available at White Dam. White Dam also contains a broader exploration tenement package with considerable potential for further resource accretion given further exploration.

A total of 53 reverse circulation (RC) drill holes (4,041 m) have been drilled by GBM as part of Phase 1 of the planned drilling at White Dam, with 43 RC holes (3,270 m) drilled at Vertigo and 10 holes (771 m) drilled at White Dam North.

Assay results have now been received for 20 of the 43 holes drilled at Vertigo. Samples are currently in the laboratory for the remaining Vertigo holes and the completed 10 White Dam North holes. Remaining results are expected in the December 2021 quarter.

Significant mineralised intersections logged as oxidised included: (Refer ASX:GBZ release 5 July 2021)

- Hole V21-RC-022. 14 m @ 0.81 g/t Au & 0.29 % Cu from 37 m
- Hole V21-RC-035. 3 m @ 0.87 g/t Au & 0.38 % Cu from 38 m
- Hole V21-RC-028. 13 m @ 0.41 g/t Au & 0.11 % Cu from 28 m
- Hole V21-RC-027. 11 m @ 0.44 g/t Au & 0.07 % Cu from 26 m

Drilling results from the sulphide zone around the base of oxidation demonstrate significant gold and copper mineralisation potential with continuous economic grades identified across multiple drill holes and section lines.

The results broadly confirm the modelled mineralised zones, with significant mineralised intercepts logged as fresh rock hosted include:

- Hole V21-RC-035: 12 m @ 2.95 g/t Au & 0.94 % Cu from 67 m,
  Incl. 5 m @ 5.44 g/t Au & 1.69 % Cu from 70 m
- Hole V21-RC-033: 9 m @ 2.29 g/t Au & 0.58 % Cu from 61 m,
  Incl. 4 m @ 4.16 g/t Au & 0.96 % Cu from 64 m
- Hole V21-RC-012: 12 m @ 1.39 g/t Au & 0.42 % Cu from 46 m
- Hole V21-RC-034: 13 m @ 1.24 g/t Au & 0.38 % Cu from 65 m
  Incl. 2 m @ 4.57 g/t Au & 1.01 % Cu from 66 m

White Dam (continued)

While geological logging of oxidisation/weathering gives an indication of the likely distribution of oxidised cyanide heap leachable and fresh sulphide mineralisation, additional geochemical work is underway to further characterise their extent. All mineralised intersections from the recent drilling are being assayed for cyanide soluble copper. This method will provide further insight into the distribution of oxidised, transition and fresh ore while also providing a better understanding of heap leachable copper contained within the current resource.

Host mineralisation of the Vertigo Open cut gold-copper mineralisation is primarily hosted within a biotite gneiss rock with distinctive white feldspar and translucent blue quartz. This unit is interpreted to be intermediate to mafic intrusive in origin. The upper mineralised zones are interpreted to be hosted within an intercalated sequence of quartzite and biotite rich gneissic units of sedimentary origin with occasional layers of pyroxene rich hornfels and microgranite.

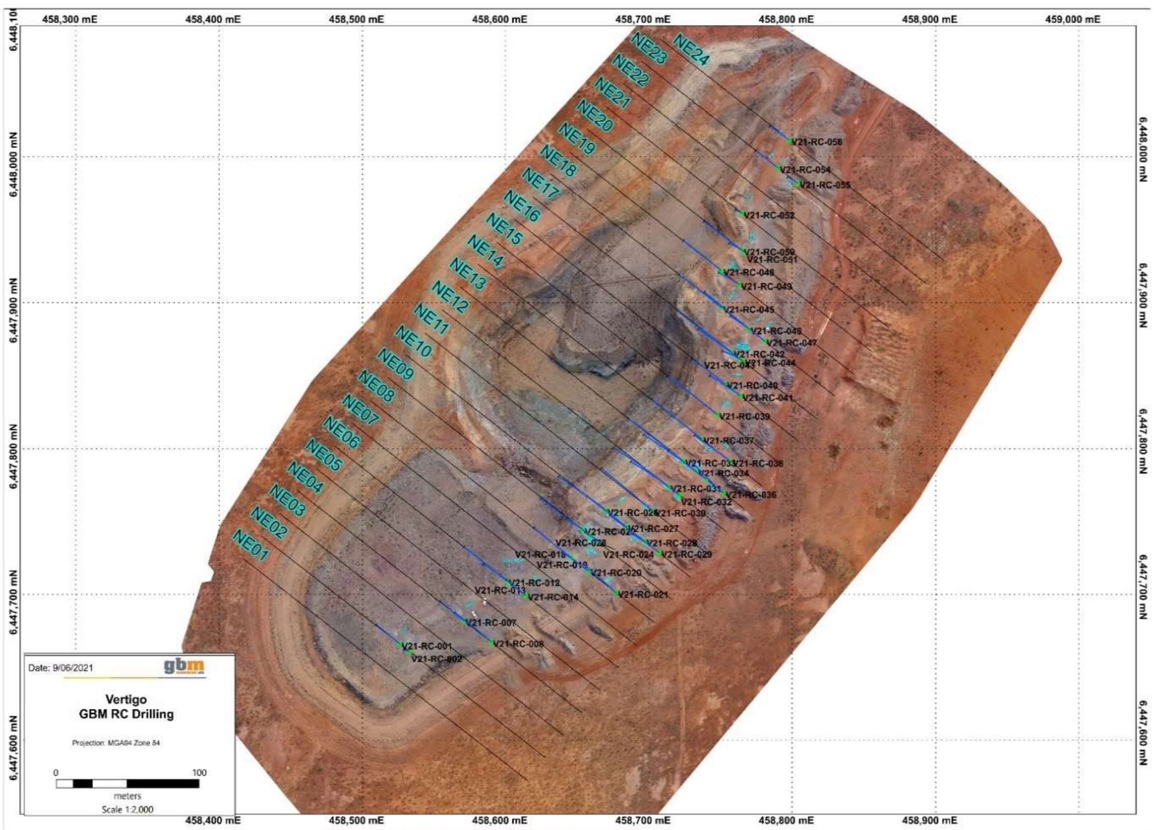


Figure 15: Drilling Completed at Vertigo Pit

White Dam (continued)

Development activities 2021/2022

GBM is progressing a number of operating and production enhancements which together will further optimise and expand gold and copper production from the existing heap leach operation.

GBM has initiated studies to evaluate the potential to mine resources at current metal prices, utilising the capacity of the SART plant to recover copper and regenerate cyanide. Future increase production if economic, will rely on only funding mining costs and working capital as the infrastructure, including heaps and a gold processing plant is already in place. This provides GBM with optionality and a low cost/risk further development opportunity.

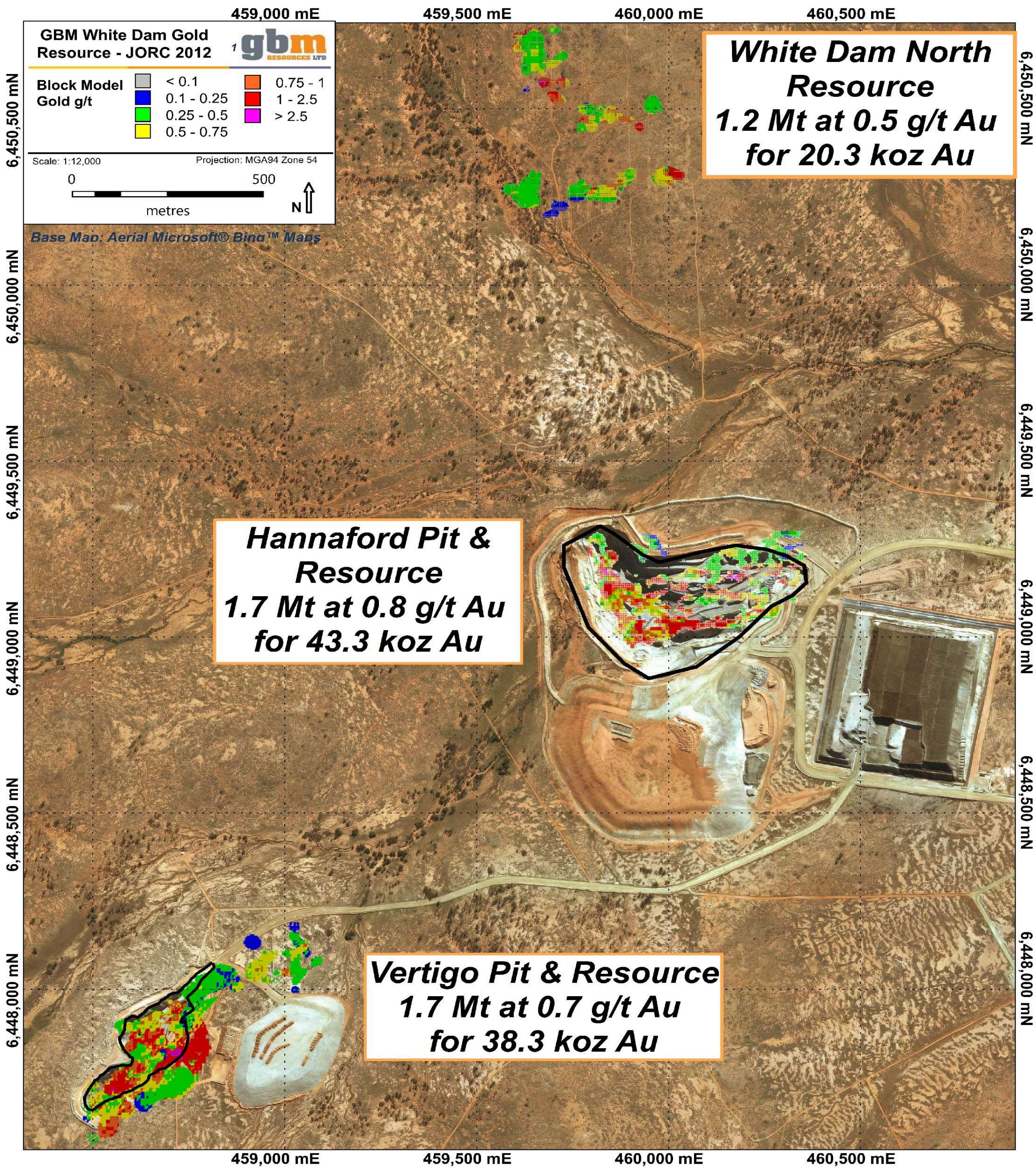


Figure 16: White Dam Project aerial photo with JORC (2012) Resources

REVIEW OF OPERATIONS

MOUNT MORGAN GOLD-COPPER PROJECT (Mount Morgan 100%, Subject to Vend in)

GBM advised on the 18 June 2021 that it has executed a binding tripartite Letter of Intent (**LOI**) for the sale of its 100% owned Mt Morgan Gold-Copper Project in Queensland (which includes the recently acquired EPM 17850), Australia (**Mt Morgan**). See Figure 17.

GBM will seek shareholder's approval to proceed with the proposed transaction at this year's Annual General meeting.

Transaction Overview

- Binding LOI executed with Smartset Services Inc. (Canadian Company listed on TSXV: SMAR.P) for sale of Mt Morgan Project.
- Smartset to also acquire four gold and copper projects in north-eastern NSW from private Canadian company, Great Southern Gold Corp.
- Scrip consideration sees GBM expected to own 47.5% of Smartset (prior to concurrent C$8 million equity raising by Smartset).
- Smartset to undertake systematic, well-funded exploration of the Mt Morgan Project targeting discovery of large-scale gold and copper deposits.
- Key transaction conditions precedent include, due diligence, TSXV, ASX and requisite shareholder approvals, completion of the Smartset equity raising and other customary conditions.

Transaction Benefits

- Disposal of a non-core asset into a focused vehicle delivers acceleration of exploration value unlock while allowing GBM to maintain focus on its flagship Drummond Basin gold assets.
- Alignment with a strong technical, corporate and capital markets partner in the Smartset team.
- Ongoing equity exposure to Mt Morgan value appreciation and future realisation.
- Listed equity provides enhanced future transacting flexibility for GBM and greater value transparency for GBM shareholders with respect to their ownership interest in Mt Morgan.

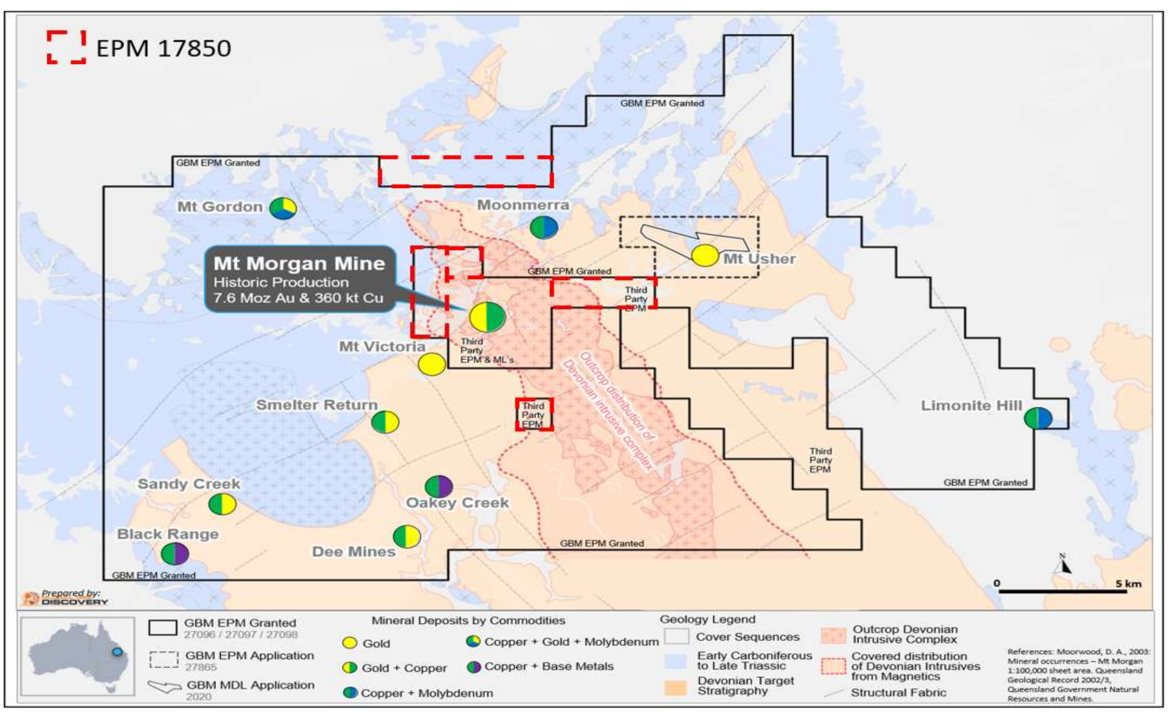


Figure 17: GBM's Mt Morgan project tenements and prospects to be vended in to Smartset and EPM17850 that has recently been acquired - highlighted in Red.

REVIEW OF OPERATIONS

MOUNT MORGAN (continued)

Asset Consolidation Opportunity

The Eastern States of Australia are underlain by a collage of geologic orogens that formed over 500 ma period and from the Cambrian to Triassic periods, along the margin of the supercontinent Gondwana. Mt Morgan is focused within Devonian to Triassic arcs of the Mossman and New England Orogens that have a significant gold pedigree with over 40 Moz of gold delineated in historic production and current reserves from eleven (11), + 1 Moz Au deposits (Figure 18) that include Mt Morgan intrusive related Au-Cu, Intrusion Related Gold Systems (IRGS), Epithermal gold and Orogenic Gold deposits.

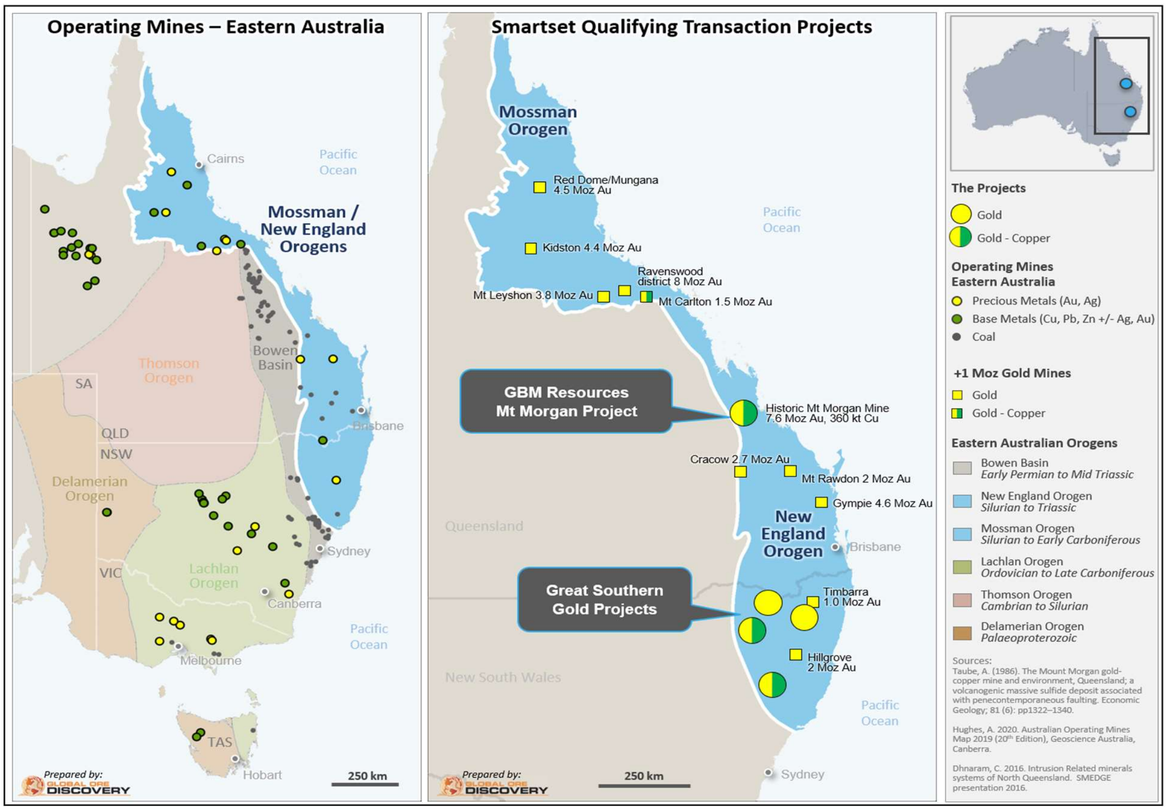


Figure 18: Eastern Australian operating mines and projects

The historic Mt Morgan Mine is the single largest deposit in the New England Orogen and remains one of the largest gold deposits in Australia. The Mt Morgan Mine operated for over 90 years producing 50 Mt of ore from a single body of mineralization, averaging 4.75 g/t Au and 0.72 % Cu, for a total 7.65 Moz gold and 361 kt of copper.

The genesis of the deposit remains contested, but geoscience consultants, Global Ore Discovery, consider that the Mt Morgan deposit is a magmatic related gold-copper deposit that is genetically linked to a Devonian age intrusive complex outcropping in the mine area and over a large area within the GBM claims. The deposit geology suggests mineralization formed in a submarine island arc setting and produced a shallow epigenetic deposit with hybrid epithermal to porphyry transition characteristics.

REVIEW OF OPERATIONS

MOUNT MORGAN (continued)

Smartset Strategy
Smartset's stated intention is to undertake systematic, well-directed and well-funded exploration of the Mt Morgan Project for large scale gold and copper deposits. GBM and Smartset plan to collaborate to acquire regional coverage of high-resolution airborne magnetics and EM geophysics over a large area of the Devonian target stratigraphy.

(Refer ASX:GBZ release 18 June 2021 for more explanation on the assets and consolidation strategy).

CLONCURRY FARM -IN JOINT VENTURE - NIPPON MINING OF AUSTRALIA (46% Interest)

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

Overview
Joint venture partner Nippon Mining of Australia (NMA, a wholly owned subsidiary of JX Nippon Mining & Metals Corporation (JXNMM)) currently holds a 53.9% interest in the Farm-In/Joint Venture acquired in 2020 (Refer to GBM Annual report 2020 and Pan Pacific Copper Co., Ltd. (PPC) press release 12 February 2020). This venture was originally formed in 2010 with (PPC and held by PPC subsidiary Cloncurry Exploration and Development Pty Ltd (CED). JXNMM was a majority partner in PPC along with Mitsui Mining and Smelting Co., Ltd.

Total project expenditure to date has been $16.9 million 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 mainly north of the Ernest Henry Copper/Gold Mine.

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 and Bungalien Projects (see Figure 19).

JV Budget Approved 2021
GBM completed a successful trial Moving Loop Electro-Magnetic survey (MLEM) program in 2019 at Mt Margaret, which indicated the method will penetrate conductive cover throughout the eastern half of the project and which generated a series of basement conductors in this area. The MLEM survey planned for this year will follow up on the 2019 work and is planned to produce detailed ground EM data over selected target areas.

A budget of $0.75 million has been approved by the JV Management Committee. This will support the proposed MLEM follow up program and will also include an allowance for limited drill testing of priority targets generated by the EM. Work has commenced in September 2021.

REVIEW OF OPERATIONS

CLONCURRY FARM -IN JOINT VENTURE - NIPPON MINING OF AUSTRALIA (46% Interest)

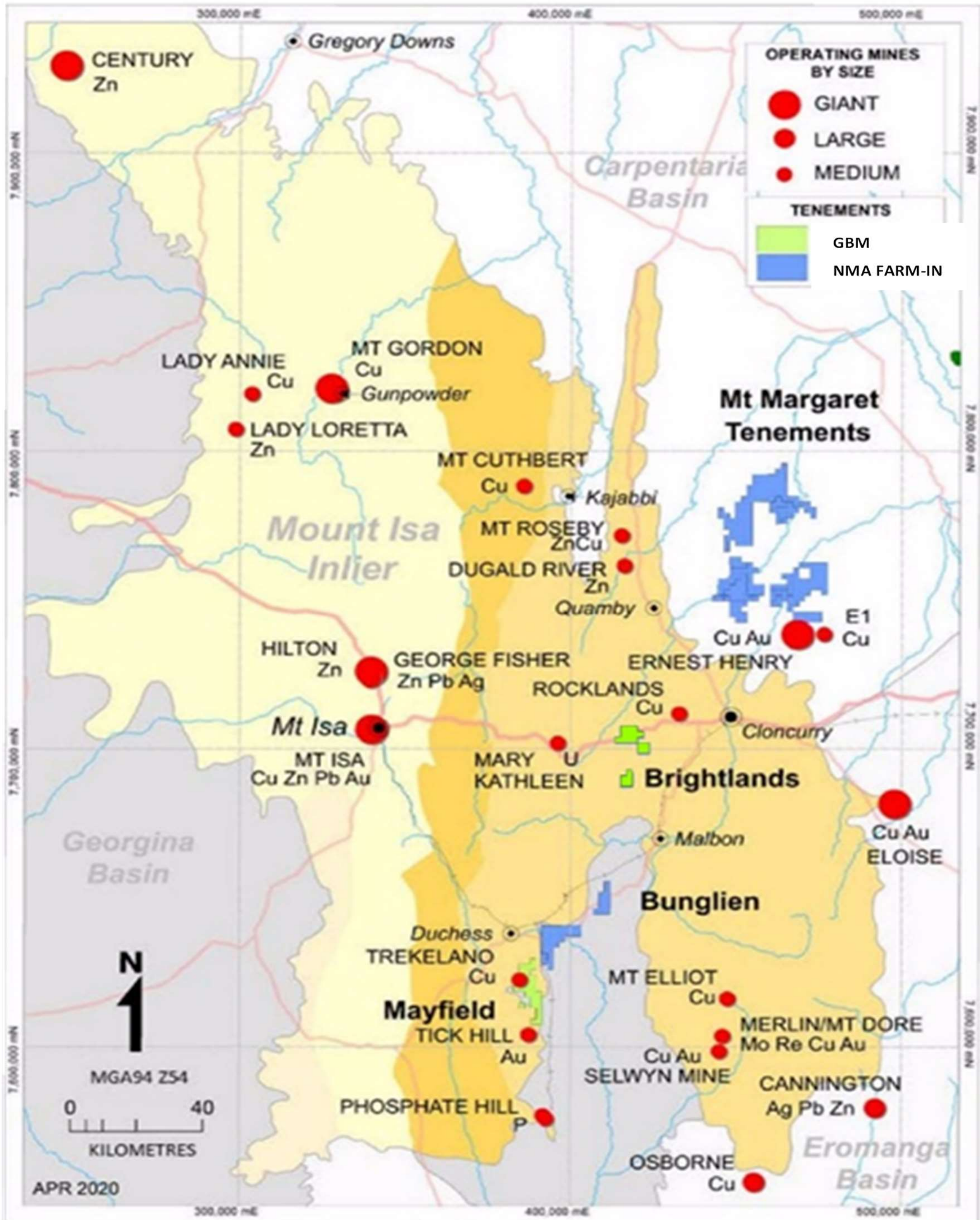


Figure 19: Location of GBM and Farm in Tenements in the Cloncurry Region.

REVIEW OF OPERATIONS

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.

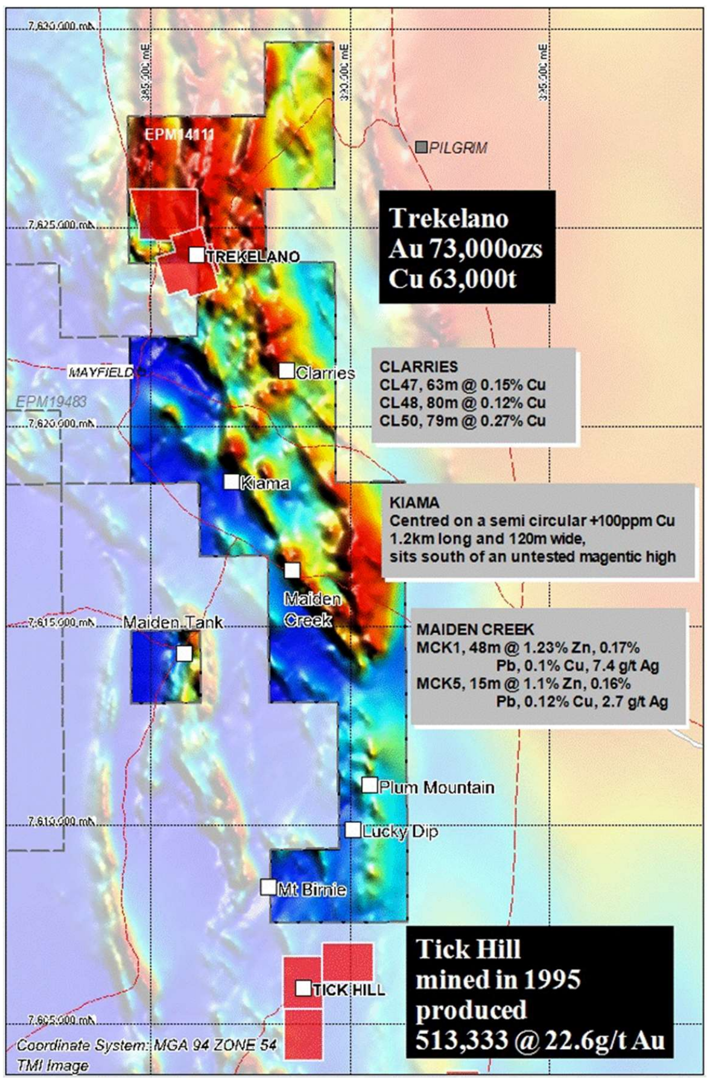


Figure 20: Location of GBM Mayfield Tenement.

GBM is in discussions with several parties to dispose of this tenement.

REVIEW OF OPERATIONS

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. Brightlands 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. Following a review GBM considers this project to be non-Core and has elected to dispose of the tenement.

GBM has recently signed a non-binding Proposal (Proposal) with Consolidated Uranium Inc. (Canadian Company listed on TSXV: CUR) for the sale of Brightlands Milo tenement EPM 14416. Refer ASX:GBZ release 17 September 2021 for more details.

TENEMENT SCHEDULE

Project / Name	Tenement No.	Owner	Manager	Interest 31-Mar-21	Interest 30-Jun-21	Status
Victoria						
Malmsbury						
Drummond	RL006587	GBMR/Belltopper Hill/Novo	GBMR	50%	50%	Granted
South Australia						
Project Area						
White Dam						
	EL6299	GBMR (Exco/Polymetals)	GBMR	100%	100%	Renewal App
	EL6435	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	EL6565	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	ML6395	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	MPL107	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	MPL106	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	MPL105	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	MPL95	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	MPL6275	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
	MPL139	GBMR (Exco/Polymetals)	GBMR	100%	100%	Granted
Queensland						
Mount Morgan (Project						
Mt Morgan West	EPM27096	GBMR	GBMR	100%	100%	Granted
Mt Morgan East	EPM27097	GBMR	GBMR	100%	100%	Granted
Mt Morgan Central	EPM27098	GBMR*[2]	GBMR	100%	100%	Granted
Mount Usher	EPM27865	GBMR	GBMR	100%	100%	Application
Mount Usher	MDL2020	GBMR	GBMR	100%	100%	Application
Project Area						
Mount Isa Region (QLD)						
Mount Margaret (Project Status)						
Mt Malakoff Ext	EPM16398	GBMR*[2, 4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Cotswold	EPM16622	GBMR*[2, 4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Dry Creek	EPM18172	GBMR*[2, 4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Dry Creek Ext	EPM18174	GBMR*[2, 4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Mt Marge	EPM19834	GBMR*[4]/Isa Tenements	GBMR	46.07%	45.97%	Renewal App
Tommy Creek	EPM25544	GBMR*[4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Corella	EPM25545	GBMR*[4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Middle Creek	EPM27128	GBMR*[4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Sigma	EPM27166	GBMR*[4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
Brightlands						
Brightlands	EPM14416	GBMR*[2]/Isa Brightlands	GBMR	100%	100%	Renewal App
Bungalien						
Bungalien 2	EPM18207	GBMR*[2,4]/Isa Tenements	GBMR	46.07%	45.97%	Granted
The Brothers	EPM25213	GBMR*[2]/Isa Tenements	GBMR	46.07%	45.97%	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	EPM27555	GBMR/MCGM	GBMR	100%	100%	Granted
Belleview	EPM27556	GBMR/MCGM	GBMR	100%	100%	Granted
Pasha	EPM27557	GBMR/MCGM	GBMR	100%	100%	Granted
Suttor	EPM27558	GBMR/MCGM	GBMR	100%	100%	Granted
Yandan East	EPM27591	GBMR/MCGM	GBMR	100%	100%	Granted
Clewitts	EPM27592	GBMR/MCGM	GBMR	100%	100%	Granted
Twin Hills Sth	EPM27594	GBMR/MCGM	GBMR	100%	100%	Application
Twin Hills Nth	EPM27597	GBMR/MCGM	GBMR	100%	100%	Granted
Whynot	EPM27598	GBMR/MCGM	GBMR	100%	100%	Granted
Yandan North	EPM27644	GBMR/MCGM	GBMR	100%	100%	Application
Gunjulla	EPM27974	GBMR/MCGM	GBMR	100%	100%	Application
Yacimiento	EPM27554	GBMR	GBMR	100%	100%	Granted
Yandan	EPM8257	GBMR/Straits Gold	GBMR	100%	100%	Granted
Yandan West	ML1095	GBMR/Straits Gold	GBMR	100%	100%	Renewal App
Yandan East	ML1096	GBMR/Straits Gold	GBMR	100%	100%	Renewal App
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] Approximately 16km^2 which was the area of previous EPM19849 Moonmera, is 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.*

2021 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 30 September 2021. This section of the Annual Report includes relevant information set out in that Statement. Events that have occurred in the three months ending 30 September 2021 that are likely to impact on resources in the future including ongoing exploration and acquisitions are noted.

The GBM combined gold resources from all projects at the 30 September 2021 are estimated to contain 1.0 million ounces of gold. This is the first time in the Company's history that resources have reached the 1 Moz milestone. There is every expectation that this will significantly increase during the 2022 financial year as the impact of ongoing exploration and acquisitions take effect. This represents an increase estimated total contained gold of 444,900 ounces or 79% from the previous year with the increase entirely due to (1) the acquisition of the Yandan Gold Project 521,000 ounces and (2) acquisition of the White Dam Gold Project 101,900 ounces. The resource for Milo has not been included this year as it is a JORC 2004 Resource and has not been upgraded to JORC 2012 at this time.

For the purpose of preparing this Annual Statement of Mineral Resources (ASMR) as at 30 September 2021, 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 of the Company's resources and for further detail the reader is referred to the respective ASX releases listed at the end of this section.

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

- Operating costs in the industry have again moved in in different directions during the last 12 months. Labour costs have continued to edge further upwards, while average diesel fuel prices were down during 2021 by approximately 10%.

- Gold price finished the year US$1,762 after starting the year at US$1,776 and has since moved to US$1,796 (14 September 2021) after reaching a peak of US$2,038 on 9 August 2020. Forecasts appear to remain in agreement 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$6,038/t and finished at US$9,347/t, reaching a high of US$10,538 on 10 May 2021. Since the end of the financial year copper prices have eased slightly. Commentators continuing to forecast copper to enter a period of production shortfall in the long term putting upward pressure on prices, the effects of the Coronavirus in key producing countries has continued to impact negatively on production capacity. It should be highlighted that copper remains an important component of the technological revolution including new battery and motor technology. Since the commissioning of the SART plant during 2020, copper is now a by-product of gold production at the Company's White Dam Gold Mine.

- The Australian dollar has traded in a range from 0.70 USD to 0.80 USD throughout the year and in relation to the US dollar appears to have stabilised throughout the year with the Australian Dollar finishing the year at 0.75 USD moving from 0.68 USD at 30 June 2020. At the time of writing the Australian dollar is trading around 0.74 USD. This stabilisation of our currency at these levels, in conjunction with ongoing strong metal prices has resulted in a positive outlook for Australian ore deposits, including gold deposits.

2021 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.

Changes Since 30 September 2021 Mineral Resource and Ore Reserve Statement
GBM is not aware of any new information or data that materially affects the information contained in the “Annual Mineral Resource and Ore Reserve Statement – 30 September 2021” other than changes due to ongoing exploration to extend mineralisation. These changes are summarised by province below:

1. At Yandan, exploration drilling continued and a resource re-estimation is planned during 2022 Financial year.
2. Recently completed drilling at the White Dam Gold Project is likely to support a re-estimation of resources during 2022 Financial year.

A binding agreement for the acquisition of the Twin Gold Mine was announced on the 19 July 2021. However, as the acquisition has not been completed, the resources for this project have not been included in this ASMR (Refer ASX:GBZ release 19 July 2021 ‘Transformational Acquisition of Twin Hills Gold Project’).

Drummond Basin 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. There have been no changes in the Mount Coolon resources since the last Annual Statement of Mineral Resources as at 30 June 2020.

During 2021 GBM completed the acquisition of the Yandan Gold Project (also located in the Drummond Basin) and completed a re-estimation of the project resources compliant with JORC 2012. Yandan Project tenements are owned by the Company’s 100% owned subsidiary Straits Gold Pty Ltd.

The Company considers that any minor increases in mining and operating costs that may have occurred through the year have been outweighed by the increase in average gold price in Australia resulting from a favourable combination of commodity price and minor currency movements. The company believes that, considering the outlook for commodity prices and other factors, there is a reasonable expectation that resources at the Drummond Basin projects will eventually support mining operations.

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:GBZ release 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:GBZ release 4 December 2017.

The information in this report that relates to the Yandan Gold Project is based on information compiled by Ian Taylor, who is a Member of The Australasian Institute of Mining and Metallurgy and The Australasian Institute of Geoscientists. Refer ASX:GBZ release 23 December 2020.

2021 ANNUAL MINERAL RESOURCES STATEMENT

White Dam Gold Project Resources

The White Dam Project is located approximately 50 kilometres west of Broken Hill within the Curnamona Province of South Australia. This project includes an active heap leach gold operation which is produced 1,394 ounces of gold during the 2021 financial year. GBM announced that it had acquired 100% interest in the project on 30 July 2021 after earning rights to a share of production from the project from 30 June 2020. GBM announced a JORC (2012) compliant gold resource for the White Dam project on the 10 August 2020 (CP K Allwood). Information contained within this report that relates to the White Dam resource is based on information contained within that release.

The Company considers that any minor increases in mining and operating costs that may have occurred through the year have been outweighed by the increase in average gold price in Australia resulting from a favourable combination of commodity price and minor currency movements. The company believes that, considering the outlook for commodity prices and other factors, there is a reasonable expectation that resources at the White Dam Project will eventually support renewed mining operations.

The information in this report that relates to the White Dam 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:GBZ release 18 August 2020.

Malmsbury Gold Project Resources

The Malmsbury Gold Project is located within the Bendigo structural zone of Victoria. There has been no change during the year to 30 September 2021, this resource was reviewed and upgraded to comply with the requirements of JORC 2012 during 2020 reporting period. For details, Refer ASX:GBZ release 4 July 2019 (CP K Allwood). For original release refer ASX:GBZ release 19 of January 2009 (CP K Allwood).

The Company considers that any minor increases in mining and operating costs that may have occurred through the year have been outweighed by the increase in average gold price in Australia resulting from a favourable combination of commodity price and minor currency movements. The company believes that, considering the outlook for commodity prices and other factors, there is a reasonable expectation that resources at the Malmsbury Project will eventually support mining operations.

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.

2021 ANNUAL MINERAL RESOURCES STATEMENT

GBM Resources Limited – Mineral Resources at 30 September 2021

Table 6: GBM consolidated table of Mineral Resources at 30 September 2021. (All tonnages are dry metric tonnes, data is rounded to ('000 tonnes, 0.0 g/t and '000 ounces). Discrepancies in totals may occur due to rounding. Resources have been reported as both open pit and underground with varying cut-off based on several factors as discussed in the corresponding Refer 1 (which can be found with the original ASX announcement for each of the resources).

Deposit	Resource Category									Total			Cut-off
	Measured			Indicated			Inferred						
	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	000' t	Au g/t	Au oz	
Koala													
Open Pit				670	2.6	55,100	440	1.9	26,700	1,120	2.3	81,800	0.4
UG Extension				50	3.2	5,300	260	4	34,400	320	3.9	39,700	2.0
Tailings	114	1.7	6,200	9	1.6	400				124	1.6	6,600	1.0
Sub Total	**114**	**1.7**	**6,200**	**729**	**2.6**	**60,800**	**700**	**2.7**	**61,100**	**1,563**	**2.5**	**128,100**	
Eugenia													
Oxide - Open Pit				885	1.1	32,400	597	1.0	19,300	1,482	1.1	51,700	0.4
Sulphide - Open Pit				905	1.2	33,500	1,042	1.2	38,900	1,947	1.2	72,400	0.4
Sub Total				**1,790**	**1.1**	**65,900**	**1,639**	**1.1**	**58,200**	**3,430**	**1.1**	**124,100**	
Glen Eva													
Sub Total - Open Pit				**1,070**	**1.6**	**55,200**	**580**	**1.2**	**23,100**	**1,660**	**1.5**	**78,300**	0.4
Yandan													
East Hill - Open Pit							20,600	0.8	505,000	20,060	0.8	505,000	0.3
South Hill - Open Pit							900	0.6	16,000	900	0.6	16,000	0.3
Sub Total							**21,500**	**0.8**	**521,000**	**21,500**	**0.8**	**521,000**	
Drummond Basin Total	**114**	**1.7**	**6,200**	**3,589**	**1.6**	**181,900**	**24,419**	**0.8**	**663,400**	**28,153**	**0.9**	**851,500**	
White Dam													
Hannaford - Open Pit				700	0.7	16,400	1,000	0.8	26,900	1,700	0.8	43,300	0.2
Vertigo - Open Pit				300	1.0	9,400	1,400	0.6	29,000	1,700	0.7	38,400	0.2
White Dam North - Open Pit				200	0.5	2,800	1,000	0.6	17,600	1,200	0.5	20,400	0.2
Sub Total				**1,200**	**0.7**	**28,600**	**3,400**	**0.7**	**73,500**	**4,600**	**0.7**	**101,900**	
cut-off grade is 0.20 g/t Au for all, Vertigo is restricted to above 150RL (~70m below surface)													
Malmsbury													
Sub Total - UG							**820**	**4.0**	**104,000**	**820**	**4.0**	**104,000**	2.5
Sub Total - UG -GBM Share							**410**	**4.0**	**52,000**	**410**	**4**	**52,000**	2.5
GBM Total	**114**	**1.7**	**6,200**	**4,789**	**1.4**	**210,500**	**28,229**	**0.9**	**788,900**	**33,163**	**0.9**	**1,005,400**	

The announcements containing the Table 1 Checklists of Assessment and Reporting Criteria relating to each of the 2012 JORC compliant Resources are:

- Koala/Glen Eva and Eugenia – Refer ASX:GBZ release 4 December 2017, Mt. Coolon Gold Project Scoping Study.
- Yandan – Refer ASX:GBZ release 23 December 2020, Mt Coolon and Yandan Combined Resources Total 852,000 oz, following completion of Yandan acquisition.
- White Dam – Refer ASX:GBZ release 18 August 2020, White Dam Maiden JORC 2012 Resource of 102 koz.
- Malmsbury – Refer ASX:GBZ release July 2019, Malmsbury Resource Upgraded to JORC 2012.

2021 ANNUAL MINERAL RESOURCES STATEMENT

Competent Person Statement

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 preceding statements of Mineral Resources conforms to the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 Edition".

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 in the company and is an 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

Sustainable Development

The Board of GBM has reviewed the Company's Health and Safety and Environment Policy's 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. Over the past 18 months the Company has grown substantially with additional Directors, the acquisition of the White Dam Gold Mine and the Yandan Gold Project and increased staffing levels however the revitalised Board and new management team remain committed to the principles of the MCA Enduring Values statement. 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 it 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 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 goal is unchanged from that which has driven us forward over many years - to create a work environment where everyone can work safely and healthily every day, both physically and emotionally. We encourage each individual employee to take responsibility for their own safety and the safety of others with training support as identified. We continue to strive to create an environment where everyone is empowered to share their concerns, insights and learnings with others, no matter where our people are or what they do. We can all make a difference.

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, and Environmental Incidents. However, we recognise that complacency is not acceptable and the Company's will continue to strive to maintain and improve these high Safety and Environment standards.

Protection of the environment and the health and safety of our 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 daily. GBM seeks continuous improvement in safety and health performance by maintaining best practice procedures and considering evolving knowledge and technology.

This year has again 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's policies and procedures proved successful, and our workplaces have remained COVID-19 free throughout the year.

SUSTAINABLE DEVELOPMENT

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.

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 relevant government departments and community about its activities and projects on a regular basis.

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 which 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. Included in this was fencing of historical mine voids as a further protective measure.

In addition, GBM actively rehabilitates drill site as soon as practical once drilling is completed, as shown below.

Figure 21: Drill Location at Mt Coolon (Before Drilling, After Drilling and After Rehabilitation).

Following the acquisition of the Yandan Gold Project (which came with a number of legacy environmental issues since operations ceased in the 1990's), GBM immediately moved to improve the site and comply with requirements as set by the Queensland Government. Items upgraded at Yandan include additional monitoring and base line water bores (see below), fencing of tailings and seepage ponds to control livestock access, parthenium weed and prickly acacia control on the mining lease along with vehicle wash down protocols to eliminate any transfer of weeds between our landholder properties.

Since acquiring the White Dam Gold Mine in South Australia, GBM has commenced an upgrade of the site in terms of general site clean-up and finalised the rehabilitation of drilling sites.

SUSTAINABLE DEVELOPMENT

Figure 22: New Yandan Reference Water Bores Installed (10 m and 30 m depth).

Figure 23: Black swans on newly fenced Raw Water Dam, access gate to Dam.

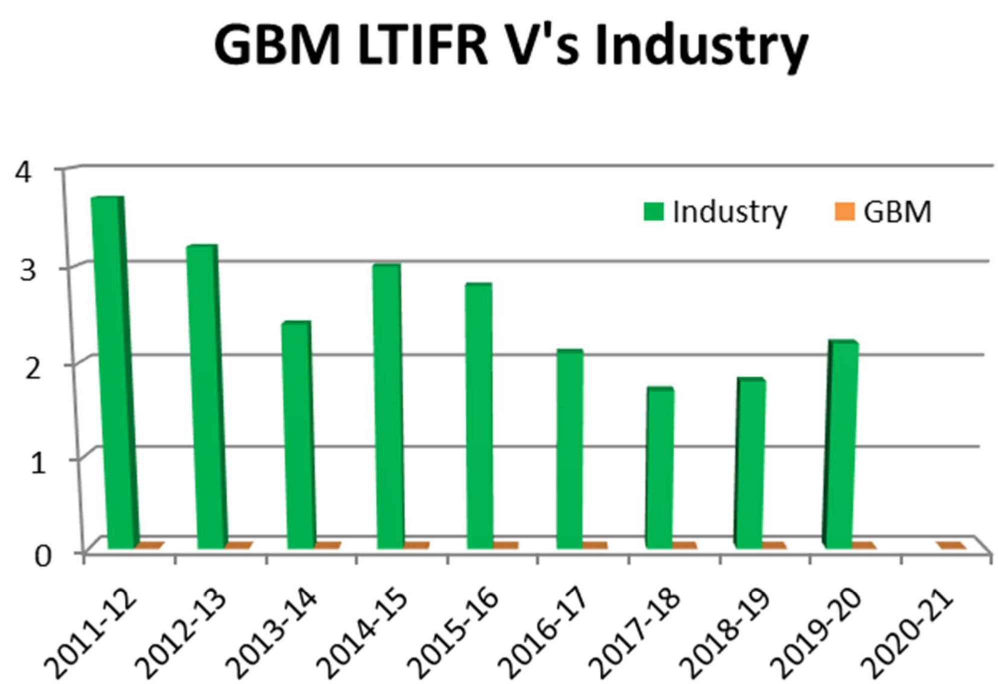
Traditional Owners

GBM continues to consult with the Native Title holders (the Jangga People) about our exploration activities. Meetings between the company and their Board occurred to introduce the company and conduct clearances for drill pads at Yandan.

SUSTAINABLE DEVELOPMENT

Achievements:

- No lost time injuries were sustained during the 2020/21 field season.
- Three medically treated injuries were sustained during operations in 2020/21 (one GBM staff member and two drilling contractors' staff members needed minor treatments).
- No environmental incidents occurred during the reporting period, except for the legacy issues taken on because of the Yandan Gold Project acquisition.



Source: Qld mines and quarries - Safety performance and health report - Metaliferous - Surface LTIs per million hours worked

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 2021.

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

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 a Non-Executive Director of E2 Metals (ASX-E2M) who is exploring in Argentina.

Mr Mullens 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

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 also currently a Technical Director of the Core Group, which provides metallurgical processing solutions to its global clients. He is also a director of Stibium Mining Pty Ltd and in the last 3 years a former director of Tartana Resources Limited (from September 2017 to August 2020) and Stibium China Holdings Ltd (from October 2018 to August 2021).

Peter Thompson – *B.Bus, CPA, FCIS*
Non-Executive Director

Mr Thompson is a CPA qualified accountant and Fellow of Governance Institute of Australia. He has over 40 years' experience in the mining industry in Australia, UK and South America in senior roles with several international mining companies.

Mr Thompson was appointed as an independent 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.

DIRECTORS' REPORT

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. He has a long and supportive relationship with the Company as both a shareholder and, previously, as a Non-Executive Director.

Mr Loh was appointed as an Executive Director of Nova MSC Berhad, a Malaysian public listed company on 1 April 2021.

Mr Loh 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)

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.

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

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.

COMPANY SECRETARIES

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.

Dan Travers – B.Sc (Hons), FCCA
(appointed 19 November 2020)

Mr Travers is a Fellow of the Association of Chartered Certified Accountants and was appointed to the position of Joint Company Secretary on 19 November 2020. Mr Travers is an employee of Endeavour Corporate, which specialises in the provision of company secretarial and accounting services to ASX listed entities in the mining and exploration industry.

DIRECTORS' REPORT

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	**10**	**10**
P Rohner	**10**	**10**
P Thompson	**10**	**10**
S Loh	**10**	**10**
B Cook	**8**	**8**
N Norris	**2**	**2**

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was exploration in respect of its gold projects in Australia and participation in the White Dam Gold Copper production joint venture. Corporate activities focussed on various equity raisings and strategic acquisitions and disposals to further the Group's Drummond Basin growth strategy.

OPERATING AND FINANCIAL REVIEW

Corporate

The Group is continuing to grow its shareholder base into European and North American Funds and is further developing the Australian capital markets. During the year the Group raised $13.1 million (before costs) from various equity raisings. The Group finalised its acquisition of Straits Gold Pty Ltd (owner of the Yandan tenements) and exercised its option to acquire 100% of the White Dam Gold-Copper Project.

Exploration

The Group focussed on its Drummond Basin growth strategy during the financial year. The "processing halo" strategy is directed at consolidating/finding a 2-3 million ounce gold resource for the Drummond Basin which can potentially transit the Group into a mid-tier Australian gold company. Exploration activities focussed on the Mount Coolon and Yandan projects which are both located within the Drummond Basin, and to date, exploration activities have identified 13 Epithermal Gold systems in the Drummond Basin.

White Dam Production Joint Venture

In July 2020, commissioning activities commenced as circuits in the White Dam Sulphidisation-Acidification-Recycling-Thickening (SART) Plant in South Australia were progressively completed. Production commenced during the financial year with the Group receiving approximately $1.5 million of revenue from its share of gold sales.

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 planned exploration programs.

Operating Results

In the financial year to 30 June 2021, the Group made a net profit after income tax of $267,851 (2020: loss $1,198,012). The profit included $1,460,014 revenue from gold sales, $2,815,279 profit from the sale of assets and costs of $953,108 (2020: $225,562) in respect of exploration costs written off, impaired and expensed.

Financial Position

At the end of the financial year, the Group had $5,676,340 (2020: $1,382,072) in cash on hand and on deposit. Carried forward exploration and evaluation expenditure was $19,574,428 (2020: $10,848,146).

DIRECTORS' REPORT

EQUITY SECURITIES ON ISSUE

	30 June 2021	30 June 2020
Ordinary fully paid shares	**433,246,182**	225,038,134
Options over unissued shares	**80,746,765**	25,954,152
Rights over unissued shares	-	1,128,000

Subsequent to the end of the financial year, the Company issued 3,562,500 ordinary shares for the acquisition of exploration permits and a further 70,000,000 ordinary shares to institutional and sophisticated investors to raise $7 million (before costs).

Options over Ordinary Shares

At the date of this report, there are 80,746,140 unissued shares of the Group under option as follows:

Date Granted	Expiry Date	Exercise Price	Number of options at 30 June 2021	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	50,591,988	50,591,988
15 September 2020	14 September 2024	$0.21	300,000	300,000
12 February 2021	11 February 2025	$0.18	2,000,000	2,000,000
29 April 2021	11 February 2025	$0.18	1,900,000	1,900,000

[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, 55,345,867 options were issued (comprising of 51,145,867 options exercisable at $0.11 and expiring 6 July 2023; 300,000 options exercisable at $0.21 and expiring 14 September 2024 and 3,900,000 options exercisable at $0.18 expiring 11 February 2025) and 553,254 options, with an exercise price of $0.11 and expiring 6 July 2023, were exercised. No options were cancelled during the financial year.

Subsequent to 30 June 2021 and up to the date of this report, 625 options with an exercise price of $0.11 were exercised. No options have been issued or cancelled since the end of the financial year.

Performance Rights over Ordinary Shares

During the year ended 30 June 2021, the Company granted 1,250,000 performance rights under a consultancy agreement with the rights vesting on 30 September 2020 and expiring on 30 September 2022. During the year, 2,378,000 rights were exercised and converted into ordinary shares. Since 30 June 2021 and up to the date of this report, 595,654 performance rights have been issued pursuant to the terms and conditions of the Company's Performance Rights and Option Plan. No performance rights have been cancelled or exercised 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.

DIRECTORS' REPORT

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.

- On 6 July 2021 the Company issued 2,000,000 ordinary shares to complete its acquisition of EPM27554 from Yacimiento Pty Ltd.
- In July 2021, a binding term sheet was executed with Native Mineral Resources for the acquisition of EPM17850 for a consideration comprising a cash payment of $35,000 and $200,000 in GBM shares (1,562,500 ordinary shares were issued on 20 August 2021). The Letter of Intent for the sale of the Mt Morgan Project to Smartset Services Inc was amended to include this new tenement as part of the Mt Morgan sale.
- In July 2021, the Company executed a binding Tenement Sale Agreement for the purchase of a 100% interest in the Twin Hills Project for a cash consideration of approximately $2 million, along with assuming the financial assurance in respect of the environmental authorities for the tenements (currently for an amount of approximately $1.48 million).
- In June 2021, the Group exercised its option to acquire 100% of the White Dam Gold Copper Project. The payment of $500,000 exercise price, replacement of $1.94 million environmental bonds and the transfer of the relevant Round Oak Minerals Pty Ltd subsidiaries (which owned the White Dam assets) was settled in July 2021.
- In September 2021, the Group signed a non-binding proposal with Consolidated Uranium Inc (a Canadian company listed on TSXV: CUR) for the sale of its Brightlands Milo tenement EPM 14416. Subject to satisfactory due diligence, CUR will offer consideration comprising a cash payment of CAD $500,000 plus a minimum of CAD $1.5 million of CUR's shares (or 750,000 CUR shares if the share price is above CAD $2.00 per share).
- On 22 September 2021, 70,000,000 ordinary shares in the Company were issued to institutional and sophisticated investors to raise a total of $7,000,000 (before costs).
- Since the end of the financial year, 73,563,125 shares (listed above) and 595,654 performance rights were issued. Subsequent to year end, 625 options were exercised. Refer to Directors' Report – Equity Securities on Issue for further detail.

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 2021.

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 2021.

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.

2021	*Short term*	*Post Employment*		*Share Based Payments*		
Directors	*Salary and fees* $	*Super - annuation* $	*Termination benefits* $	*Options / shares* $	*Total* $	*Performance Based Payments as % of remuneration* %
P Mullens	164,384	15,616	-	-	180,000	-
P Rohner	228,310	21,690	-	-	250,000	-
P Thompson	87,325	3,990	104,000	-	195,315	-
S Loh	48,000	-	-	-	48,000	-
B Cook[1]	37,973	-	-	35,355	73,328	-
N Norris[2]	22,330	665	80,000	-	102,995	-
Total Directors	588,322	41,961	184,000	35,355	849,638	-

[1] Appointed 17 September 2020

[2] Resigned 17 September 2020

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

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.

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

Options Provided as Remuneration

During the year ended 30 June 2021 and following shareholder approval, 300,000 unlisted options over unissued shares of the Company were issued to Director Mr Brent Cook.

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**
P Mullens	4,000,000	-	-	4,000,000	4,000,000
P Rohner	4,000,000	-	-	4,000,000	4,000,000
B Cook	-	300,000	-	300,000	300,000

Further details of the options granted are disclosed in Note 20 to the financial report.

Service Agreements

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

Peter Mullens – Executive Chairman

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 2020, 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. 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. 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.

REMUNERATION REPORT (AUDITED)

The Service Agreement may be terminated immediately in the case of serious misconduct.

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**.** 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. 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.

Peter Thompson – Non-Executive Director

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

The Company entered into a non-executive director employment contract with Mr Thompson commencing 1 January 2021. Mr Thompson receives non-executive director fees of $84,000 per annum inclusive of statutory superannuation.

Neil Norris - Exploration Director

As part of the Board restructure in November 2019, 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 received a base salary inclusive of statutory superannuation of $91,980 per annum with no accrued leave entitlements and was entitled to a redundancy payment of $80,000 which was paid in July 2020.

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, being 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 2020	Received during the year as remuneration	Movement during the financial year	Ordinary Shares held at 30 June 2021	Ordinary shares held at the date of the Directors' Report
P Thompson	7,711,467	-	(700,000)	7,011,467	7,011,467
S Loh	6,081,115	-	-	6,081,115	6,081,115
N Norris [1]	6,861,800	-	(6,861,800)	-	-
P Mullens	7,575,758	-	400,000	7,975,758	7,975,758
P Rohner	6,594,263	-	1,241,678	7,835,941	7,835,941
B Cook	-	-	-	-	-

[1] Movement during the year relates to the holding at cessation of directorship.

Options

Director	Options held at 1 July 2020	Received during the year as remuneration	Movement during the financial year	Options held at 30 June 2021	Options held at the date of the Directors' Report
P Thompson	-	-	-	-	-
S Loh	-	-	-	-	-
N Norris	-	-	-	-	-
P Mullens	4,000,000	-	200,000	4,200,000	4,200,000
P Rohner	4,000,000	-	456,144	4,456,144	4,456,144
B Cook	-	300,000	-	300,000	300,000

LOANS TO DIRECTORS AND EXECUTIVES

There were no loans entered into with Directors or executives during the financial year ended 30 June 2021.

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

During the year, the Company incurred costs of $20,060 (2020: $126,219) with Core Metallurgy Pty Ltd an entity associated with Mr Peter Rohner, for project consulting fees relating to White Dam. At 30 June 2021, a balance of $528 (2020: $13,628) was owing to Core Metallurgy Pty Ltd.

Office rent of $12,000 (2020: $10,000) was incurred with Ironbark Pacific Pty Ltd, an entity associated with Mr Peter Mullens. No consulting fees were incurred this financial year (2020: $11,430). At 30 June 2021, there was no amount owing to Ironbark Pacific Pty Ltd (2020: $10,827).

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 2021

PETER MULLENS
Executive Chairman

AUDITOR'S INDEPENDENCE DECLARATION

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 2021, 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
30 September 2021

M R Ohm
Partner

hlb.com.au

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

		Consolidated	
		2021	2020
	Note	**$**	$
Share of joint venture income		**1,460,014**	-
Share of joint venture expenses		**(1,020,842)**	-
Net income from joint venture	31	**439,172**	-
Interest income		**9,407**	801
Gain on sale of assets	4	**2,815,279**	-
Other revenue	4	**314,874**	104,192
Employee expenses	5	**(783,727)**	(620,596)
Consulting and professional services		**(473,597)**	(391,973)
Interest and finance costs		**(34,096)**	(73,427)
Exploration expenditure expensed and written off	5	**(953,108)**	(225,562)
Depreciation and amortisation expenses	5	**(130,562)**	(7,932)
Fair value (loss)/gain on investments	12	**(363,615)**	366,061
Administration and other expenses		**(572,176)**	(349,576)
Profit/(loss) before income tax		**267,851**	(1,198,012)
Income tax benefit	6	**-**	-
Profit/(loss) for the year		**267,851**	(1,198,012)
Other comprehensive income		**-**	-
Total comprehensive income/(loss) for the year		**267,851**	(1,198,012)
		Cents	Cents
Basic earnings/(loss) per share	7	**0.7**	(0.7)
Diluted earnings/(loss) per share	7	**0.7**	(0.7)

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	Consolidated 2021 $	2020 $
Current assets			
Cash and cash equivalents	23	**5,676,340**	1,382,072
Trade and other receivables	8	**1,030,582**	32,240
Prepayments		**22,913**	-
Asset held-for-sale	13e	**241,654**	-
Inventories	9	**673,654**	-
Total Current Assets		**7,645,143**	1,414,312
Non-current assets			
Trade and other receivables	8	**5,932,649**	808,408
Exploration and evaluation expenditure	10	**19,574,428**	10,848,146
Property, plant and equipment	11	**1,380,604**	697,524
Capitalised option costs	13b	**45,000**	-
Financial assets	12	**3,516,640**	794,833
Total Non-current Assets		**30,449,321**	13,148,911
TOTAL ASSETS		**38,094,464**	14,563,223
Current liabilities			
Borrowings	14	**20,304**	705,833
Trade and other payables	15	**2,394,223**	902,790
Total Current Liabilities		**2,414,527**	1,608,623
Non-current liabilities			
Borrowings	14	**43,415**	-
Provision for rehabilitation	16	**6,296,101**	754,258
Total Non-current Liabilities		**6,339,516**	754,258
TOTAL LIABILITIES		**8,754,043**	2,362,881
NET ASSETS		**29,340,421**	12,200,342
Equity			
Issued capital	17	**53,575,033**	36,986,753
Accumulated losses	19	**(24,881,473)**	(25,149,324)
Share based payment reserve	19	**646,861**	362,913
TOTAL EQUITY		**29,340,421**	12,200,342

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

Consolidated	Note	Issued capital $	Option reserve $	Accumulated losses $	Share based payment reserve $	Total $
Balance at 1 July 2019		32,915,823	610,175	(24,561,487)	78,467	9,042,978
Shares issued (net of costs)	17	4,070,930	-	-	-	4,070,930
Loss attributable to members of the Company	19	-	-	(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
Balance at 1 July 2020		**36,986,753**	**-**	**(25,149,324)**	**362,913**	**12,200,342**
Shares issued (net of costs)	**17**	**15,575,384**	**-**	**-**	**-**	**15,575,384**
Profit attributable to members of the Company	**19**	**-**	**-**	**267,851**	**-**	**267,851**
Other comprehensive income		**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the year		**-**	**-**	**267,851**	**-**	**267,851**
Exercise of convertible notes		**700,000**	**-**	**-**	**-**	**700,000**
Exercise of options/rights		**312,896**	**-**	**-**	**(252,038)**	**60,858**
Vesting of options/rights		**-**	**-**	**-**	**535,986**	**535,986**
Balance at 30 June 2021		**53,575,033**	**-**	**(24,881,473)**	**646,861**	**29,340,421**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021

	Note	Consolidated 2021 $	2020 $
Cash flows from operating activities			
Cash receipts from joint venture gold sales		**1,460,014**	-
Payments to suppliers and employees		**(3,044,332)**	(928,092)
Recognition of share of joint venture operating cash assets		**126,207**	-
Interest received		**9,407**	732
Other income		**-**	5,832
Government assistance		**50,000**	50,000
JV management fee income		**12,072**	48,390
Interest and other costs of finance paid		**(39,929)**	(67,594)
Net cash flows used in operating activities	23(c)	**(1,426,561)**	(890,732)
Cash flows from investing activities			
Payments for bonds and security deposits		**(44,592)**	(6,318)
Funds provided by JV partner under Farm-in agreement		**100,600**	405,513
Payments for exploration and evaluation, including JV Farm-in spend		**(6,462,120)**	(1,269,939)
Payments for acquisition of tenements		**(45,000)**	-
Proceeds on sale of investments		**591,618**	-
Payments to acquire property, plant and equipment		**(792,539)**	(566,163)
Net cash flows used in investing activities		**(6,652,033)**	(1,436,907)
Cash flows from financing activities			
Proceeds from the issue of shares		**13,062,663**	3,172,259
Share issue costs		**(748,668)**	(145,088)
Proceeds from borrowings		**66,895**	-
Repayment of borrowings		**(3,176)**	-
Proceeds from issue of convertible notes		**-**	350,000
Net cash flows provided by financing activities		**12,377,714**	3,377,171
Net increase in cash held		**4,299,120**	1,049,532
Cash and cash equivalents at the beginning of the financial year		**1,382,072**	332,540
Effect of foreign exchange on cash and cash equivalents		**(4,852)**	-
Cash and cash equivalents at the end of the financial year	23(a)	**5,676,340**	1,382,072

The accompanying notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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 2021 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 2021 the Group has cash assets of $5,676,340 and total current liabilities at that date amounting to $2,414,527. The profit for the 2021 financial year was $267,851 and operating cash outflows were $1,426,561.

Subsequent to the end of the financial year the Company raised a further $7 million (before costs) from a share placement with sophisticated and institutional investors.

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.

The following Accounting Standards and Interpretations are most relevant to the Group:

<u>Conceptual Framework for Financial Reporting (Conceptual Framework)</u>

The Group has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the Group's financial statements.

New standards and interpretations not yet adopted

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group for the reporting year ended 30 June 2021. There are no material new or amended Accounting Standards which will materially affect the Group.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

b) Statement of Compliance

The financial report was authorised for issue on 30 September 2021.

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.

Gold Sales
With the sale of gold bullion, control is determined to occur when physical bullion from a contracted sale is transferred from the Company's account into the account of the buyer. Revenue from gold sales is recognised at this point.

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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 to 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) Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is determined on a weighted average basis and includes all costs incurred, based on a normal production capacity, in bringing each product to its present location and condition. Cost of inventories comprises direct labour, materials, contractor expenses, depreciation and an allocation of overhead. Net realisable value is the estimated future sales price of the product produced based on the estimated gold and copper price less the estimated costs of completion and the estimated costs necessary to make the sale.

l) 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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

(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.

m) 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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

n) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

o) 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.

p) Trade and Other Payables

Trade payables and other payables are carried at amortised cost 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.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

q) 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.

r) 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.

s) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

t) 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.

u) 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.

v) 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

1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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.

w) 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.

x) Parent Entity Financial Information

The financial information for the parent entity, GBM Resources Limited, disclosed in Note 31 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.

1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

y) 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(n). 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.

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.

Rehabilitation Provision

A provision has been made for the anticipated costs for future rehabilitation of land explored. The Group's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision.

z) 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.

aa) Joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The Group considers the White Dam Production Joint Venture as a joint operation and has recognised its share of jointly held assets, liabilities, revenue and expenses. These have been incorporated in the financial statements under the appropriate classifications. Details of these interests are shown in Note 31.

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.

2. FINANCIAL RISK MANAGEMENT (CONTINUED)

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.

(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 21 – 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).

3. 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 has two operating segments, these being is mineral exploration and resource development within Australia and production of minerals in Australia.

3. SEGMENT REPORTING (CONTINUED)

The following tables present revenue and profit information and certain asset and liability information regarding operating segments for the financial year. In the comparative period, the Group operated in the one segment of mineral exploration.

30 June 2021	Mineral Exploration $	Mineral Production $	Consolidated $
Interest income	9,407	-	**9,407**
Other income	3,130,153	1,460,014	**4,590,167**
Segment income	3,139,560	1,460,014	**4,599,574**
Segment expenses	(3,310,881)	(1,020,842)	**(4,331,723)**
Segment profit/(loss)	(171,321)	439,172	**267,851**
Current assets	6,612,595	1,032,548	**7,645,143**
Non-current assets	30,449,321	-	**30,449,321**
Current liabilities	(2,005,292)	(409,225)	**(2,414,517)**
Non-current liabilities	(6,339,516)	-	**(6,339,516)**
Net assets	28,717,108	623,323	**29,340,421**

	Note	Consolidated 2021 $	Consolidated 2020 $
4. OTHER REVENUE AND OTHER GAINS/LOSSES			
Other Revenue			
Gain on disposal of exploration assets [1]		**2,813,622**	-
Gain on disposal of investments		**1,657**	-
Joint venture management fee		**75,924**	48,390
Government grant income		**234,000**	50,000
Other income		**4,950**	5,802
		3,130,153	104,192

[1] Gain on disposal of a 50% interest on the Malmsbury Gold Project (refer Note 13d)).

	Note	Consolidated 2021 $	2020 $
5. EXPENSES			
Employee expenses			
Gross employee benefit expense:			
Wages and salaries[1]		**1,273,571**	475,599
Directors' fees		**504,218**	148,800
Superannuation expense[1]		**159,272**	53,930
Share based remuneration		**351,668**	275,160
Other employee costs		**46,225**	22,740
		2,334,954	976,229
Less amount allocated to exploration		**(1,551,227)**	(355,633)
Net consolidated statement of profit or loss and other comprehensive income employee benefit expense		**783,727**	620,596
Depreciation expense:			
Property and improvements	11	**2,645**	2,644
Office equipment and software	11	**32,620**	1,604
Site equipment	11	**30,523**	2,880
Motor vehicles	11	**2,978**	804
Mine properties	11	**61,796**	-
		130,562	7,932
Exploration costs:			
Unallocated exploration costs expensed		**953,108**	106,540
Exploration costs written off	10	**-**	119,022
		953,108	225,562

Consulting and professional services expenditure includes share-based payments of $57,103 (2020: $67,720).

6. INCOME TAX

a) Income tax recognised in profit or loss

	Consolidated 2021 $	Consolidated 2020 $
The prima facie tax benefit on the operating result is reconciled to the income tax provided in the financial statements as follows:		
Accounting profit/(loss) before income tax from continuing operations	**267,851**	(1,198,012)
Income tax expense/(benefit) at 26% (2020: 27.5%)	**69,641**	(329,453)
Non-deductible share based payments	**106,280**	94,292
Non-assessable income	**(13,000)**	-
Capital raising costs claimed	**(63,276)**	(34,724)
Exploration costs written off and impaired	**-**	32,731
Unrealised movement in fair value of financial asset	**94,540**	(100,667)
Unused tax losses and temporary differences not brought to account	**(194,185)**	337,821
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 26% (2020: 27.5%) payable by Australian corporate entities on taxable profits under Australian tax law.

b) Unrecognised deferred tax assets and liabilities

	Consolidated 2021 $	Consolidated 2020 $
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	**10,057,409**	9,317,684
Capital raising costs	**172,065**	86,076
Accrued expenses and leave liabilities	**135,722**	107,113
Rehabilitation provisions	**1,636,986**	207,421
	12,002,182	9,718,294
Unrecognised deferred tax liabilities relate to:		
Exploration expenditure	**(4,926,420)**	(2,983,240)
Net unrecognised deferred tax asset	**7,075,762**	6,735,054

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 2021 $	2020 $
7. EARNINGS/(LOSS) PER SHARE		
Profit/(loss) used in calculation of earnings/(loss) per share	**267,851**	(1,198,012)
	Cents	Cents
Basic earnings/(loss) per share	**0.7**	(0.7)
Diluted earnings/(loss) per share	**0.7**	(0.7)
	#	#
Weighted average number of shares used in:		
Calculation of basic earnings/(loss) per share	**390,621,589**	162,301,589
Calculation of diluted earnings/(loss) per share	**409,860,204**	162,301,589

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 2021 $	2020 $
8. TRADE AND OTHER RECEIVABLES		
Current		
Trade receivables	**223,796**	-
Refundable exploration costs – Novo[1]	**452,366**	-
GST recoverable	**136,168**	30,612
Other debtors	**218,252**	1,628
	1,030,582	32,240
Non-current		
Security and environmental bonds[2]	**5,932,649**	808,408
	5,932,649	808,408

[1] Amounts refundable to the Group from Novo Resources Corp in respect of exploration activities undertaken at the Malmsbury project since the exercise of the option (Note 13d).

[2] Included in non-current assets at 30 June 2021 is an amount of $765,806 (2020: $762,829) in respect of security deposits paid to the Queensland State Government in respect of the exploration licences and mining leases held by Mt Coolon Gold Mines Pty Ltd. On acquisition of Straits Gold Pty Ltd, a security bond of $5,077,151, held for rehabilitation purposes, was recognised in non-current assets.

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.

	Consolidated 2021 $	2020 $
9. INVENTORIES		
Copper on hand	**538,667**	-
Gold on hand	**80,047**	-
Reagents and consumables	**54,940**	-
	673,654	-

	Note	Consolidated 2021 $	2020 $
10. EXPLORATION AND EVALUATION EXPENDITURE			
Exploration and evaluation phase:			
Capitalised costs at the start of the financial year		**10,848,146**	9,644,180
Acquisition costs capitalised (note 12(a))		**2,999,998**	524,415
Exploration and evaluation costs incurred (excluding joint venture costs incurred)		**7,331,097**	905,113
Capitalised rehabilitation costs (note 14)		**464,694**	-
Less: costs relating to tenements sold or to be sold[1]		**(1,116,399)**	-
Less: previously capitalised costs written off [1]	5	**-**	(119,022)
Less: exploration costs not capitalised	5	**(953,108)**	(106,540)
Capitalised costs at the end of the financial year		**19,574,428**	10,848,146

The 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 relate to areas of interest where substantive expenditure is neither budgeted nor planned.

	Note	Consolidated 2021 $	2020 $
11. PROPERTY, PLANT AND EQUIPMENT			
Carrying values at 30 June:			
Property and improvements:			
Cost		**193,117**	193,117
Depreciation		**(135,481)**	(132,836)
		57,636	60,281
Office equipment and software:			
Cost		**281,499**	176,223
Depreciation		**(207,685)**	(175,065)
		73,814	1,158
Site equipment and plant:			
Cost		**611,824**	134,910
Depreciation		**(161,663)**	(131,140)
		450,161	3,770
Motor vehicles:			
Cost		**252,850**	130,633
Depreciation		**(133,611)**	(130,633)
		119,239	-
Mine properties-Capital Work in Progress:			
Cost		**741,550**	632,315
Depreciation		**(61,796)**	-
		679,754	632,315
Total		**1,380,604**	697,524

11. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Consolidated 2021 $	2020 $
Reconciliation of movements:			
Property and improvements:			
Opening net book value		**60,281**	62,925
Depreciation	5	**(2,645)**	(2,644)
Closing net book value		**57,636**	60,281
Office equipment and software:			
Opening net book value		**1,158**	2,762
Additions		**105,276**	-
Depreciation	5	**(32,620)**	(1,604)
Closing net book value		**73,814**	1,158
Site equipment and plant:			
Opening net book value		**3,770**	6,650
Additions		**476,914**	-
Depreciation	5	**(30,523)**	(2,880)
Closing net book value		**450,161**	3,770
Motor vehicles:			
Opening net book value		**-**	804
Additions		**122,217**	
Depreciation	5	**(2,978)**	(804)
Closing net book value		**119,239**	-
Mine properties-Capital Work in Progress:			
Opening net book value		**632,315**	-
Additions		**109,235**	632,315
Depreciation	5	**(61,796)**	-
Closing net book value		**679,754**	632,315
Total		**1,380,604**	697,524

	Consolidated	
	2021	2020
	$	$

12. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	2021 $	2020 $
Balance at the start of the financial year	**794,833**	-
Investments acquired [1]	**3,688,367**	428,772
Shares transferred [2]	**(13,338)**	
Disposal of investments [3]	**(589,607)**	-
(Loss)/gain on investment recognised through profit or loss[4]	**(363,615)**	366,061
Balance at the end of the financial year	**3,516,640**	794,833

[1] Fair value of 1,575,387 (2020: 197,907) fully paid ordinary shares received from Novo Resources Corp (Novo), a TSX-V listed company. Shares acquired in the current financial year are consideration shares for the acquisition by Novo of a 50% interest in the Malmsbury Gold Project (refer note 13(d)). Shares acquired in the comparative period were received 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] The transfer of 5,937 shares as consideration for services received.

[3] The fair value of 191,970 Novo shares sold in March 2021.

[4] Adjustment to carrying value of investment in Novo based on TSX closing price and the AUD/CAD exchange rates at 30 June for each reporting period. The loss or 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).

13. ACQUISITIONS AND DISPOSALS

a) *Acquisition - Straits Resources Pty Ltd*

During the financial year, the Group completed the acquisition of the total issued share capital of Straits Gold Pty Ltd (Straits Gold) which owns a 100% interest in the Yandan Gold Project. The $3 million acquisition consideration was in the form of 22,222,222 fully paid ordinary shares in the Company at a price of 13.5 cents per share. This acquisition has been treated as an acquisition of assets.

	$
Acquisition consideration	**3,000,000**
Net assets acquired:	
Environmental bond	**5,077,151**
Rehabilitation provision	**(5,077,149)**
	2
Fair value attributed to exploration assets	**2,999,998**

13. ACQUISITIONS AND DISPOSALS (CONTINUED)

b) <u>Acquisition of Exploration Permits</u>

During the financial year, the Company entered into an agreement with Yacimiento Pty Ltd (YPL) to acquire exploration permit application EPM 27554 and the abandonment of EPM27643 in the Drummond Basin for a non-refundable cash option payment of $45,000 and the issue of 2,000,000 ordinary shares in the Company. The option payment was made during the financial year and has been capitalised in the financial statements. The transaction was completed in July 2021 with the issue of 2,000,000 ordinary shares to YPL at an issue price of 13 cents per share.

c) <u>Acquisition – White Dam Gold Copper Project</u>

During the comparative period, the Group completed the acquisition of a 100% interest in the issued capital of Millstream Resources Pty Ltd (Millstream). Millstream acquired an initial 50% interest in the White Dam heap leach project in South Australia pursuant to a joint venture agreement with Round Oak Limited (refer note 31).

Under the terms of the joint venture agreement, the Company has the option to acquire 100% of the White Dam Project (plant, equipment and tenements) for an exercise price of $500,000 plus a 2% royalty on any copper and gold production revenue. During the current reporting period, the Company exercised its option and completion of the acquisition of 100% interest in the White Dam heap leach project occurred on 30 July 2021. From this date forward, the Company will be responsible for 100% of site costs and entitled to 100% of gold and copper production.

d) <u>Sale of 50% interest in Malmsbury Gold Project</u>

During the reporting period the Group entered into a strategic partnership with Novo Resources Corp. (Novo).

Novo exercised an option to acquire a 50% interest in the Malmsbury Gold Project on 24 September 2020 and entered into a further earn-in arrangement. Consideration for the acquisition of the 50% interest is 1,575,387 Novo shares. Completion of the sale occurred on 14 May 2021 resulting in a profit to the company of approximately $2.8 million.

In addition to the acquisition of an initial 50% interest, Novo has entered into an earn-in arrangement with the Group to earn an additional 10% interest by incurring A$5 million (less up to A$250,000 to be reimbursed to the Group for expenditure incurred during the option period) in exploration expenditure over a four-year period.

The Group has recognised a receivable of $452,366 at 30 June 2021 in respect of exploration costs incurred and reimbursable by Novo (note 8).

e) <u>Sale of Mt Morgan Gold Project</u>

During the reporting period the Group executed a binding Letter of Intent with Canadian listed company, Smartset Services Inc. (Smartset), for the sale of the Mt Morgan Gold-Copper Project, subject to shareholder approval. Smartset will issue the Company 20,079,545 shares in Smartset as consideration. In addition, Smartset will make a cash payment with respect to any amount paid by the Company on obtaining native title and landholder access and compensation agreements, and on exploration expenditures for Mt Morgan between the date of the execution of the LOI until transaction completion (to a maximum of C$250,000).

At balance date, capitalised exploration and evaluation expenditure of $241,654, representing the capitalised carrying value of the Mt Morgan Gold Project, has been categorised on the Statement of Financial Position as assets-held-for-sale.

	Note	Consolidated 2021 $	Consolidated 2020 $
14. BORROWINGS			
Current			
Convertible note liability [1]		**-**	705,833
Vehicle loan [2]		**20,304**	-
		20,304	705,833
Non-Current			
Vehicle loan [2]		**43,415**	-
Balance at the start of the financial year		**705,833**	350,000
Proceeds from drawdown		**66,895**	350,000
Interest accrued		**-**	73,219
Principal and Interest repayments		**(709,009)**	(67,386)
Balance at the end of the financial year		**63,719**	705,833

[1] 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 were repayable on or before 30 November 2020.

The notes were converted on 27 October 2020 into 23,333,333 fully paid ordinary shares in the capital of the Company at a conversion price of $0.03.

The convertible notes were 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 mortgage has been discharged.

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

[2] The Company entered into a loan agreement to finance 2 motor vehicles. The loan has a term of 3 years and is secured over the vehicles financed which have a net book value of $74,669.

	Note	Consolidated 2021 $	Consolidated 2020 $
15. TRADE AND OTHER PAYABLES			
Current			
Unspent funds received from farm-in partner		**-**	62,895
Acquisition costs payable[1]		**12,500**	12,500
Trade creditors[2]		**1,798,741**	309,389
Sundry creditors and accruals[3]		**533,208**	393,816
Employee liabilities		**49,774**	20,071
Share subscription liability		**-**	104,119
		2,394,223	902,790

[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] Prior year Includes $184,000 accrued director remuneration.

	Note	Consolidated 2021 $	2020 $
16. PROVISIONS			
Non-current			
Rehabilitation provision[1]		**6,296,101**	754,258

[1] An additional $464,694 provision for rehabilitation was recognised in the 2021 financial year following an environmental approval assessment for Mt Coolon Gold Pty Ltd (note 10).

Rehabilitation costs of $5,077,149 were recognised on the acquisition of Straits Gold Pty Ltd (note 13a).

	Issue price	2021 No.	2020 No.	2021 $	2020 $
17. ISSUED CAPITAL					
Issued capital at the balance date		**433,246,182**	**225,038,134**	**53,575,033**	**36,986,753**
Movements in issued capital:					
Balance at the start of the year		**225,038,134**	1,090,596,975	**36,986,753**	32,915,823
Share consolidation[1]		-	(1,063,355,337)	-	-
Share placement	$0.033	-	90,909,091	-	300,000
Share placement	$0.030	-	50,000,000	-	1,500,000
Shares issued to directors[2]		-	9,739,100	-	350,608
Shares issued to acquire subsidiary[3]		**22,222,222**	15,000,000	**3,000,000**	525,000
Share placement	$0.055	**46,407,371**	23,057,396	**2,552,405**	1,268,157
Share swap Novo Resources[4]		-	9,090,909	-	428,772
Entitlement issue	$0.055	**55,884,212**	-	**3,073,632**	-
Share placement	$0.135	**55,407,407**	-	**7,480,000**	-
Shares issued in lieu of payment for services[5]		**2,022,249**	-	**205,247**	-
Shares on exercise of options[6]		**553,254**	-	**60,858**	-
Shares on exercise of rights[6]		**2,378,000**	-	**252,038**	-
Shares issued on convertible note exercise[7]		**23,333,333**	-	**700,000**	-
Share issue costs		-	-	**(735,900)**	(301,607)
Balance at the end of the reporting year		**433,246,182**	225,038,134	**53,575,033**	36,986,753

[1] Share consolidation on a 1:10 basis, as approved at the Company's 2019 Annual General Meeting.
[2] Shares issued to directors at a deemed price of 3.6 cents per share in lieu of payment of accrued salaries.
[3] 2021: shares issued at 13.5 cents per share in consideration for the acquisition of a 100% interest in the issued capital of Straits Gold Pty Ltd. 2020: 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 13.
[4] Share swap with Novo Resources Corp (Novo) where they Company received in exchange 197,907 fully paid ordinary shares in Novo.
[5] Shares issued to consultant in lieu of cash payment for services – 509,904 shares at 5.5 cents per share; 492,613 shares at 6.7 cents per share; 387,152 shares at 11.3 cents per share; 404,458 shares at 15.9 cents per share and 228,122 shares at 15.7 cents per share.
[6] Shares issued on exercise of quoted options exercisable at 11 cents and expiring on 6 July 2023.
[7] Shares issued on the conversion of a convertible note at 3 cents per share. Refer to note 14.

17. ISSUED CAPITAL (CONTINUED)

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 7,407,407 ordinary shares subject to a 12 month restriction until 15 January 2022.

	2021 No.	2020 No.

18. OPTIONS

Details of the Company's Incentive Option Scheme are provided at Note 20.

(a) Options over unissued shares

Options on issue at the balance date	**80,746,765**	25,954,152
Movements in options:		
Options on issue at the start of the year (2020: pre-consolidation)	**25,954,152**	222,191,744
Cancelled during the year [1]	**-**	(203,391,744)
Adjustment on consolidation of capital	**-**	(16,920,000)
Issued to directors (note 20)	**300,000**	8,000,000
Options issued [3]	**-**	16,074,152
Options issued [4]	**51,145,867**	-
Options issued pursuant to the employee Incentive plan (note 20)	**3,900,000**	-
Options exercised	**(553,254)**	-
Options on issue at the end of the reporting year	**80,746,765**	25,954,152

[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.

[4] Listed options exercisable at 11 cents each and expiring 6 July 2023 issued pursuant to a non-renounceable entitlement offer and a share placement in July 2020.

	Note	Consolidated 2021 $	2020 $
19. RESERVES AND ACCUMULATED LOSSES			
Option reserve[1]			
Opening balance		-	610,175
Transfer to accumulated losses on expiry of options		-	(610,175)
Closing balance		-	-
Accumulated losses			
Opening balance		**(25,149,324)**	(24,561,487)
Transfer from option reserve on expiry of options		-	610,175
Net profit/(loss) attributable to the members of the Company		**267,851**	(1,198,012)
Closing balance		**(24,881,473)**	(25,149,324)
Share based payments reserve[2]			
Opening balance		**362,913**	78,467
Vesting expense of options/rights		**535,986**	284,446
Options/rights exercised during the year		**(252,038)**	-
Closing balance		**646,861**	362,913

[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.

20. SHARE BASED PAYMENTS

Details of the Company's incentive Performance Rights and Option Plan ("Plan"), 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 adopted and approved by shareholders at a General Meeting on 16 June 2020.

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 4,200,000 options (2020: 8,000,000) 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 $
15 Sep 20	300,000	$0.21	14 Sep 24	158.4%	0.40%	$35,354
12 Feb 21	2,000,000	$0.18	11 Feb 25	122.3%	0.11%	$176,792
29 Apr 21	1,900,000	$0.18	11 Feb 25	107.5%	0.10%	$139,521

[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 (2020: nil) on the exercise of unlisted options.

20. SHARE BASED PAYMENTS (CONTINUED)

Options cancelled during the year
During the year no unlisted options (2020: 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 issued under the Plan and outstanding over unissued ordinary shares at 30 June 2021 is 14,080,000 as follows.

Grant date	Exercise price	Expiry date	Balance at 30 June	Vested and Exercisable at 30 June
5 Feb 19	$0.085	31 Jan 23	1,880,000[1]	1,880,000
25 Nov 19	$0.05	16 Dec 22	8,000,000	8,000,000
15 Sep 20	$0.21	14 Sep 24	300,000	300,000
12 Feb 21	$0.18	11 Feb 25	2,000,000	2,000,000
29 Apr 21	$0.18	11 Feb 25	1,900,000	1,900,000

[1] Prior to the consolidation of capital on a 10 for 1 basis, there were 18,800,000 options on issue at 9 cents. **F**ollowing 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 no unlisted options were issued, exercised or cancelled and 625 listed options were exercised.

Reconciliation of movement of options

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

	2021		2020	
	No.	**WAEP (cents)**	No.	WAEP (cents)
Options outstanding at the start of the year	**9,880,000**	**5.8**	18,800,000	0.09
Consolidation of capital adjustment	**-**	**-**	(16,920,000)	0.09
Options granted during the year	**4,200,000**	**17.1**	8,000,000	5.0
Options outstanding at the end of the year	**14,080,000**	**9.1**	9,880,000	5.8

Weighted average contractual life

The weighted average contractual life for un-exercised options is 25.3 months (2020: 29.8 months).

Performance Rights

Performance rights granted during the year
During the year the Company issued 1,250,000 performance rights, vesting on 30 September 2020. The performance rights have been recognised at 11.5 cents each based on the underlying share price at the date of grant. The performance rights expense has been allocated to capitalised exploration in respect of the services provided.

During the year 2,378,000 shares were issued on the exercise of performance rights and no performance rights were cancelled. There were no performance rights over unissued ordinary shares at 30 June 2021.

Subsequent to balance date
Subsequent to balance date, the Company issued 595,654 performance rights with an expiry date of 26 August 2025.

21. 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 $	2-5 years $	More than 5 years $
30 June 2021							
Borrowings	**63,719**	**73,611**	**12,990**	**12,990**	**25,980**	**21,651**	-
Trade and other payables	**2,394,223**	**2,394,223**	**2,394,223**	-	-	-	-
	2,457,942	**2,467,834**	**2,407,213**	**12,990**	**25,980**	21,651	-
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	-	-	-	-

Interest rate risk

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

	Consolidated	
	2021 **$**	2020 $
Fixed rate instruments:		
Financial liabilities	**(63,719)**	(700,000)
	(63,719)	(700,000)
Variable rate instruments:		
Financial assets	**5,676,340**	1,382,072
	5,676,340	1,382,072

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

21. 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.

22. 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 2021, including licences subject to farm-in arrangements are approximately $2,573,000 (2020: $1,115,000).

(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 $32,500 (2020: $19,612) has been expensed in relation to short term leases.

(c) Contractual Commitment

During the financial year the Group entered into a number of transactions that were not settled until after 30 June 2021. Refer to notes 13 and 29 for any commitments outstanding at 30 June 2021.

	Consolidated 2021 $	2020 $

23. NOTES TO THE STATEMENT OF CASH FLOWS

a) Cash and cash equivalents

	2021 $	2020 $
Cash at bank and on hand	**5,650,272**	1,356,030
Bank at call cash account	**26,068**	26,042
Total cash and cash equivalents	**5,676,340**	1,382,072

b) Cash balances not available for use

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

	2021 $	2020 $
Corporate credit card facility	**26,068**	26,042

c) Reconciliation of Profit/(loss) from Ordinary Activities after Income Tax to Net Cash Used in Operating Activities

	2021 $	2020 $
Profit/(loss) after income tax	**267,851**	(1,198,012)
Add (less) non-cash items:		
Profit on sale of assets	**(2,815,279)**	-
Share based payments-employees	**351,668**	275,160
Share based payments-suppliers	**57,103**	67,720
Depreciation	**130,562**	7,932
Fair value loss/(gain) on financial assets	**363,615**	(366,061)
Exploration expenditure written off, expensed and impaired	**953,108**	225,562
Changes in assets and liabilities:		
Increase/(decrease) in trade creditors and accruals	**507,354**	121,909
(Increase)/decrease in prepayments	**(22,913)**	-
(Increase)/decrease in inventories	**(673,654)**	-
(Increase)/decrease in sundry receivables	**(545,976)**	(24,942)
Net cash flows used in operations	**(1,426,561)**	(890,732)

	Consolidated 2021 $	2020 $

24. AUDITOR'S REMUNERATION

	2021 $	2020 $
Amounts received or receivable by HLB Mann Judd for:		
- Audit and review of financial reports	**39,873**	31,775

25. CONTROLLED ENTITIES

a) Particulars in Relation to Ownership of Controlled Entities

	2021 %	2020 %
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**	100
Straits Gold Pty Ltd	**100**	-

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 27.

26. 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 Sunny Loh – Non-Executive Director
Peter Thompson – Non-Executive Director
Brent Cook – Non-Executive Director (appointed 17 September 2020)

Executive Directors
Peter Rohner – Managing Director
Peter Mullens – Executive Chairman
Neil Norris – Exploration Director (resigned 17 September 2020)

Total remuneration paid to key management personnel during the year:

	Consolidated	
	2021 $	2020 $
Short-term benefits	**588,322**	377,625
Post-employment benefits	**225,961**	30,538
Share based payments	**35,355**	216,716
	849,638	624,879

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 26 and note 27.

	Consolidated	
	2021	2020
	$	$
27. RELATED PARTY TRANSACTIONS		
a) Total amounts receivable and payable from entities in the wholly-owned group (see Note 25 for details of controlled entities) at balance date:		
Non-Current Receivables		
Loans to controlled entities	**23,030,571**	19,081,662
Non-Current Payables		
Loans from controlled entities (Belltopper Hill PL)	**1,280,622**	-

b) Transactions with Directors

During the year, the Group incurred costs of $20,060 (2020: $126,219) with Core Metallurgy Pty Ltd an entity associated with Mr Peter Rohner, for project consulting fees relating to White Dam. At 30 June 2021, a balance of $528 (2020: $13,628) was owing to Core Metallurgy Pty Ltd.

Office rent of $12,000 (2020: $10,000) was incurred with Ironbark Pacific Pty Ltd, an entity associated with Mr Peter Mullens. No consulting fees were incurred this financial year (2020: $11,430). At 30 June 2021, there was no amount owing to Ironbark Pacific Pty Ltd (2020: $10,827).

28. DIVIDENDS

There are no dividends paid or payable during the year ended 30 June 2021 or the 30 June 2020 comparative year.

29. 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.

- On 6 July 2021 the Company issued 2,000,000 ordinary shares to complete its acquisition of EPM27554 and EPM27643 from Yacimiento Pty Ltd.
- In July 2021, a binding term sheet was executed with Native Mineral Resources for the acquisition of EPM17850 for a consideration comprising a cash payment of $35,000 and $200,000 in GBM shares (1,562,500 ordinary shares were issued on 20 August 2021). The Letter of Intent for the sale of the Mt Morgan Project to Smartset Services Inc was amended to include this new tenement as part of the Mt Morgan sale.
- In July 2021, the Company executed a binding Tenement Sale Agreement for the purchase of a 100% interest in the Twin Hills Project for a cash consideration of approximately $2 million, along with assuming the financial assurance in respect of the environmental authorities for the tenements (currently for an amount of approximately $1.48 million).
- In June 2021 the Group exercised its option to acquire 100% of the White Dam Gold Copper Project. The payment of $500,000 exercise price, replacement of $1.94 million environmental bonds and the transfer of the relevant Round Oak Minerals Pty Ltd subsidiaries (which owned the White Dam assets) was settled in July 2021.

29. EVENTS SUBSEQUENT TO BALANCE DATE (CONTINUED)

- In September 2021 the Group signed a non-binding proposal with Consolidated Uranium Inc (a Canadian company listed on TSXV: CUR) for the sale of its Brightlands Milo tenement EPM 14416. Subject to satisfactory due diligence, CUR will offer consideration comprising a cash payment of CAD $500,000 plus a minimum of CAD $1.5 million of CUR's shares (or 750,000 CUR shares if the share price is above CAD $2.00 per share).
- On 22 September 2021, 70,000,000 ordinary shares in the Company were issued to institutional and sophisticated investors to raise a total of $7,000,000 (before costs).
- **Since the end of the financial year, 73,563,125 shares (listed above) and 595,654 performance rights were issued. Subsequent to year end, 625 options were exercised. Refer to Directors' Report – Equity Securities on Issue for further detail.**

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.

30. CONTINGENCIES

(i) Contingent liabilities

There were no material contingent liabilities not provided for in the financial statements of the Group as at 30 June 2021 or 30 June 2020.

(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 2021 or 30 June 2020.

31. WHITE DAM JOINT VENTURE

During the reporting period the Group recognised the following amounts in profit or loss in respect of its 50% interest in the production from the White Dam gold-copper joint venture:

	2021	2020
	$	$
Revenue from sale of gold	**1,460,014**	-
Company share of JV operational costs	**(1,020,842)**	-
Net income from joint venture activities	**439,172**	-

At the end of the reporting period the Group recognised the following assets and liabilities in its Statement of Financial Position in respect of its proportional interest in the White Dam gold-copper joint venture:

	2021	2020
Assets		
Cash and cash equivalents	**126,207**	-
Trade and other receivables	**187,287**	-
GST receivable	**22,487**	-
Prepayments	**22,913**	-
Inventories	**673,654**	-
Total share of joint venture assets	**1,032,548**	-
Liabilities		
Trade payables	**(406,627)**	-
Accrued expenses	**(2,598)**	-
Total share of joint venture liabilities	**(409,225)**	-
Share of joint venture net assets	**623,323**	-

32. PARENT ENTITY INFORMATION

	2021 $	2020 $
Financial position		
Assets		
Current assets	**6,605,767**	1,411,374
Non-current assets [1]	**24,783,548**	12,397,767
Total Assets	**31,389,315**	13,809,141
Liabilities		
Current liabilities	**(2,005,479)**	(1,608,799)
Non-current liabilities	**(43,415)**	-
Total Liabilities	**(2,048,894)**	(1,608,799)
NET ASSETS	**29,340,421**	12,200,342
Equity		
Issued capital	**53,575,033**	36,986,753
Accumulated losses	**(24,881,473)**	(25,149,324)
Share based payment reserve	**646,861**	362,913
TOTAL EQUITY	**29,340,421**	12,200,342
Financial performance		
Profit/(loss) for the year	**267,851**	(1,198,012)
Other comprehensive income	**-**	-
Total comprehensive income/(loss)	**267,851**	(1,198,012)

[1] The Company has recognised a provision against the investment in subsidiary holdings to the extent that parent company net assets exceed those of the Group.

Contingent liabilities

For full details of contingent liabilities see Note 30.

Commitments

For full details of commitments see Note 22.

DIRECTORS' DECLARATION
FOR THE YEAR ENDED 30 JUNE 2021

1. In the opinion of the Directors:

   a. 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 2021 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.

b. 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 2021.

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

PETER MULLENS
Executive Chairman

Dated this 30th day of September 2021

HLB MANN JUDD
ADVISORY AND ACCOUNTING

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 2021, 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 2021 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.

Key Audit Matter	How our audit addressed the key audit matter
Accounting for Joint Arrangement Refer to Note 31	
The Group holds a 50% interest in the White Dam project in South Australia pursuant to a joint venture agreement accounted for as a joint operation. Our audit procedures determined that the	Our procedures included but were not limited to the following: - We reviewed the relevant agreements to understand the key terms and conditions;

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HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street, Perth WA 6000 / PO Box 8124 Perth BC WA 6849
T: +61 (0)8 9227 7500 **E:** mailbox@hlbwa.com.au

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Key Audit Matter	How our audit addressed the key audit matter
Accounting for the Joint Arrangement Refer to Note 31	
accounting for the joint operation was a key audit matter due to its materiality, the estimation involved with the valuation of the finished goods inventory and the importance for users' understanding of the financial statements.	- We performed stocktake procedures to confirm the existence of inventory at year end; - We assessed the net realisable value of inventory and assumptions involved to available market pricing; - We ensured management had correctly applied AASB 11 *Joint Arrangements* and determined the form of arrangement as either a joint operation or joint venture; - We analysed the accounting for the joint operation with respect to the Company's share of assets and liabilities; and - We assessed the adequacy of the Group's disclosures in the financial report with respect to the joint operation.
Carrying value of exploration and evaluation expenditure Refer to Note 10	
The Group has capitalised exploration and evaluation expenditure of $19,574,428 as at 30 June 2021. 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.

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 financial statement for the year ended 30 June 2021, but does not include the financial report and our auditor's report thereon.

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.

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ADVISORY AND ACCOUNTING

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.

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.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

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 2021.

In our opinion, the Remuneration Report of GBM Resources Limited for the year ended 30 June 2021 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

M R Ohm
Partner

Perth, Western Australia
30 September 2021

ASX ADDITIONAL INFORMATION

Pursuant to the Listing Rules of the Australian Securities Exchange Limited, the shareholder information set out below was applicable as at 4 October 2021.

a. Distribution of Equity Securities

	Quoted Shares (GBZ)			Quoted Options (GBZOB)		
Range	Number of Holders	Securities Held	% Held	Number of Holders	Securities Held	% Held
1 – 1,000	58	15,637	0.00%	40	12,054	0.02%
1,001 – 5,000	142	575,647	0.11%	37	102,484	0.20%
5,001 – 10,000	197	1,554,856	0.31%	16	122,968	0.24%
10,001 – 100,000	538	22,017,363	4.34%	104	5,178,272	10.24%
100,001 and over	387	482,645,804	95.23%	82	45,176,210	89.30%
	1,322	**506,809,307**	**100%**	**279**	**50,591,988**	**100%**

There are 146 shareholders holding less than a marketable parcel of shares.

b. Substantial Shareholders

An extract of the Company's register of Substantial Shareholders (who hold 5% or more of the issued capital) is set out below:

Shareholder	Shares Held	% of Issued Capital
Straits Mineral Investment Pty Ltd	33,129,629	6.54%
Kok Yong Lim	26,027,668	5.10%

ASX ADDITIONAL INFORMATION

c. Twenty Largest Holders – Ordinary Shares (GBZ)

Shareholder	Shares Held	% of Issued Capital
Citicorp Nominees Pty Limited	92,684,501	18.29%
Straits Mineral Investments Pty Ltd	33,129,629	6.54%
BNP Paribas Nominees Pty Ltd <LB Au Noms Retail client DRP>	28,208,200	5.57%
Syndicate Minerals Pty Ltd	19,990,000	3.94%
Beatons Creek Gold Pty Ltd	11,363,637	2.24%
Longru Zheng	8,871,860	1.75%
Mullens Family Super Fund Pty Ltd <Mullens Family S/F A/C>	7,975,758	1.57%
HSBC Custody Nominees (Australia) Limited	7,671,497	1.51%
BNP Paribas Nominees Pty Ltd Six Sis Ltd <DRP A/C>	7,558,355	1.49%
BNP Paribas Noms Pty Ltd < DRP >	7,365,888	1.45%
National Nominees Limited	5,993,972	1.18%
BNP Paribas Nominees Pty Ltd Acf Clearstream	5,479,171	1.08%
Mr Peter Rohner + Ms Fiona Jane Murdoch <Melueca A/C>	5,359,374	1.06%
De Gracie Nominees Pty Ltd <Le Havre Family A/C>	5,261,800	1.04%
HSBC Custody Nominees (Australia) Limited	5,130,935	1.01%
National Federal Capital Limited	5,000,000	0.99%
Superfine Nominees Pty Ltd <PW & CL Super Fund A/C>	5,000,000	0.99%
Weijun Chen	3,952,010	0.78%
Mr Nico Oliver Civelli	3,500,000	0.69%
Li Rongzhi	3,500,000	0.69%
Total	**272,996,587**	**53.87%**

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	14.39%
Citicorp Nominees Pty Limited	3,434,245	6.79%
BNP Paribas Nominees Pty Ltd <LB Au Noms Retailclient DRP>	2,510,170	4.96%
Syndicate Minerals Pty Ltd	2,050,000	4.05%
Jekor Pty Ltd <Jekor S/F A/C>	1,980,000	3.91%
Mr Nicholas Dermott Mcdonald	1,829,681	3.62%
Mr Nico Oliver Civelli	1,818,182	3.59%
Beatons Creek Gold Pty Ltd	1,136,364	2.25%
Annlew Investments Pty Ltd <Annlew Investments Pl Sf A/C>	1,000,000	1.98%
Accent Capital GMBH	1,000,000	1.98%
Torres Investments Pty Ltd	1,000,000	1.98%
HSBC Custody Nominees (Australia) Limited	915,000	1.81%
Crescat Long/Short Fund L P	900,000	1.78%
Mrs Belinda Martin	791,241	1.56%
Mr Andrew David Walker + Mrs Angela Rosemary Walker	767,401	1.52%
HSBC Custody Nominees (Australia) Limited	626,500	1.24%
Jose Leviste Jnr <BP Portfolio Lending A/C>	600,000	1.19%
Dinwoodie Investments Pty Ltd <Dinwoodie Investments A/C>	500,000	0.99%
Mr Bradley William Green	500,000	0.99%
Nelson Enterprises Pty Ltd <Cavan Street A/C>	500,000	0.99%
Total	**31,640,552**	**62.54%**

ASX ADDITIONAL INFORMATION

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) [1]	16,074,152	4
Options (exercisable at $0.21 expiring 14 September 2024)	300,000	1
Options (exercisable at $0.18 expiring 11 February 2025)	3,900,000	10
Performance Rights expiring 26 August 2025	595,654	7

[1] Citicorp Nominees Pty Limited holds 10,340,907 (64.33%) and Beatons Creek Gold Pty Ltd holds 4,545,454 (28.28%) options in this class of securities.

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

The Company has the following securities subject to voluntary escrow on issue:

Class	Number	Restriction Period
Shares	2,000,000	Restricted for 16 months until 6 January 2022
Shares	7,407,407	Restricted for 12 months until 15 January 2022