GIBB RIVER
DIAMONDS

ANNUAL REPORT

For the year ending 30 June 2022

ABN 51 129 185 550

Dear Fellow Shareholder,

I am pleased to present the Annual Report of Gibb River Diamonds Limited ('GIB' or the 'Company') for the year ended 30 June 2022.

The Company is very pleased with progress at Edjudina and especially the discovery of the higher grade cores at the Neta Lodes Prospect which have returned some excellent drilling results. GIB will continue to progress drilling programs at Edjudina with the aim of adding value at the Neta Prospect and targeting new discoveries.

The Company announced on 24 March 2021, the entering into of a two year Option Agreement with ASX listed Burgundy Diamond Mines Limited (ASX: BDM), which confers the right for Burgundy to acquire 100% of the Ellendale Diamond Project, WA.

GIB believes the Ellendale Option sale was an excellent deal for our shareholders. The deal has already provided significant funding for the Company, with the potential for considerably more should the Option be exercised. Under this scenario, GIB will retain excellent upside exposure through a 1.5% gross revenue royalty on any diamonds obtained from the Ellendale tenements.

GIB also holds a 20% equity in tenement E69/2820 which lies approximately 100km north-east of Wiluna, WA and hosts the highly prospective Iroquois Zinc-Lead Prospect. GIB looks forward to our joint-venture partners re-commencing drilling at Iroquois as per their ASX announcements. The Company believes that the project holds considerable potential to add significant value to the GIB share price.

The Company is well funded with $2.1 million cash on hand as of 30 June 2022 and is in an excellent financial position to continue exploration in the year ahead. Further cash and share payments will be received by the Company should the Ellendale option be exercised, which the board believes is likely.

Yours Sincerely

Jim Richards

Jim Richards
Executive Chairman

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1.0 Edjudina Gold Project GIB 100%

During the 2021-22 financial year, GIB conducted three drill programs over the Edjudina Gold Project (E31/1179) in Western Australia. These successful drilling programs have led to further drilling being planned for execution in 2022-23.

The Company is very pleased with progress at Edjudina and especially the discovery of the higher grade cores at the Neta Lodes Prospect which have returned some excellent drilling results. GIB will continue to progress drilling programs at Edjudina with the aim of adding value through discovery.

The Edjudina Gold Project is 145km north east of Kalgoorlie and is located in the heart of the Eastern Goldfields of WA. The project comprises multiple parallel lines of nearly continuous historic gold workings over a 13km strike in which high grade veins have been worked[1]. A haul road owned and operated by Northern Star Resources Limited runs through the north of the project tenement directly to the Carosue Dam milling complex 45 km to the south-west.

Figure 1: Edjudina Gold Project – Location Map

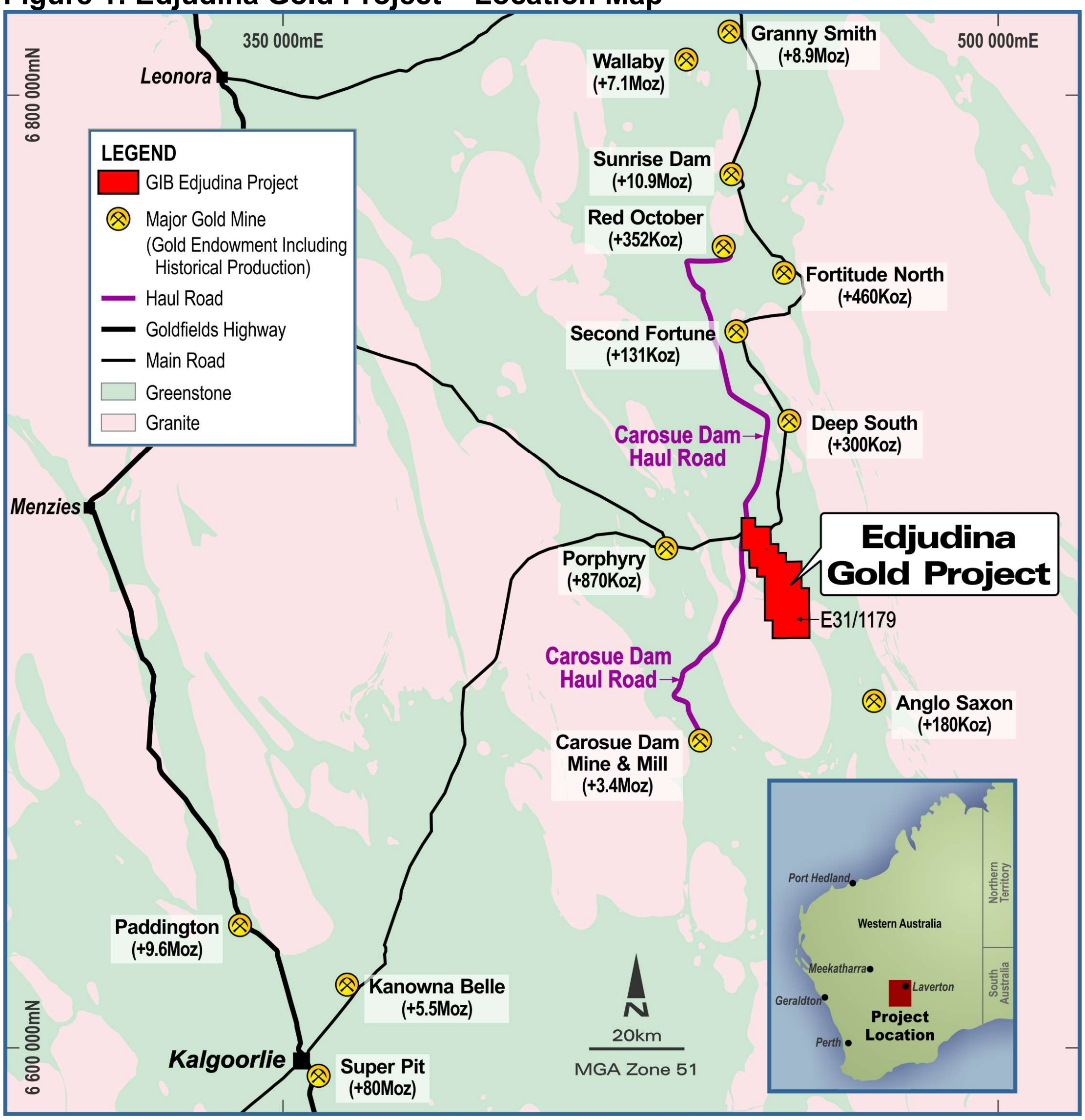
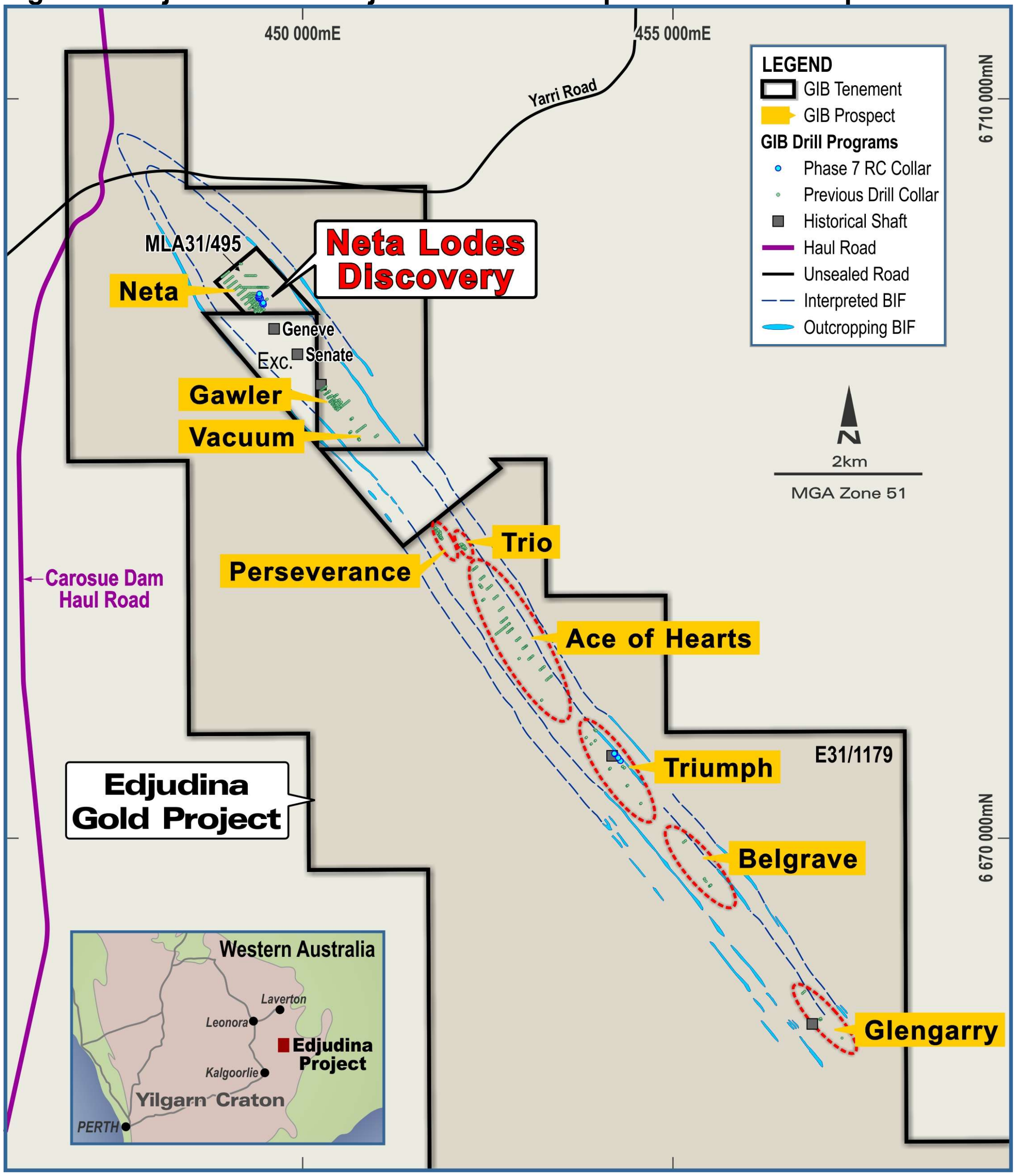


Figure 2: Edjudina Gold Project – Drilled Prospects Location Map



1.1 Neta Lodes Discovery - Geology and Mineralisation

The Neta Lodes gold discovery is centered on a series of lodes mainly to the west of the historic Neta mineshaft. The prospect is an exciting discovery that is mineralised from surface, with grades, geometry and location which indicate potential for bulk open pit mining.

Drilling during the 2021-22 financial year identified an entirely new style of mineralisation a Neta, a north-plunging shoot with consistent structure and grade.

This shoot, now named the 'Carlsen Shoot', is an ovoid shaped body 25m to 30m wide, 30 to 60m in (true) thickness, plunging 55 degrees to the north. The shoot appears to be continuous, from surface and remaining open at 170m TVD (true vertical depth). There is a strong possibility Edjudina will be host to more of these mineralised shoots, and consequently this style of target will be an important part of future drilling campaigns.

The last set of drill results reported in the 2021-22 year was from the Phase 7 RC drill program. These results were used to compile the following summary figures of Neta and the Carlsen Lodes.

Figure 3: Neta Prospect Plan View – Phase 7 Drilling Results Highlights

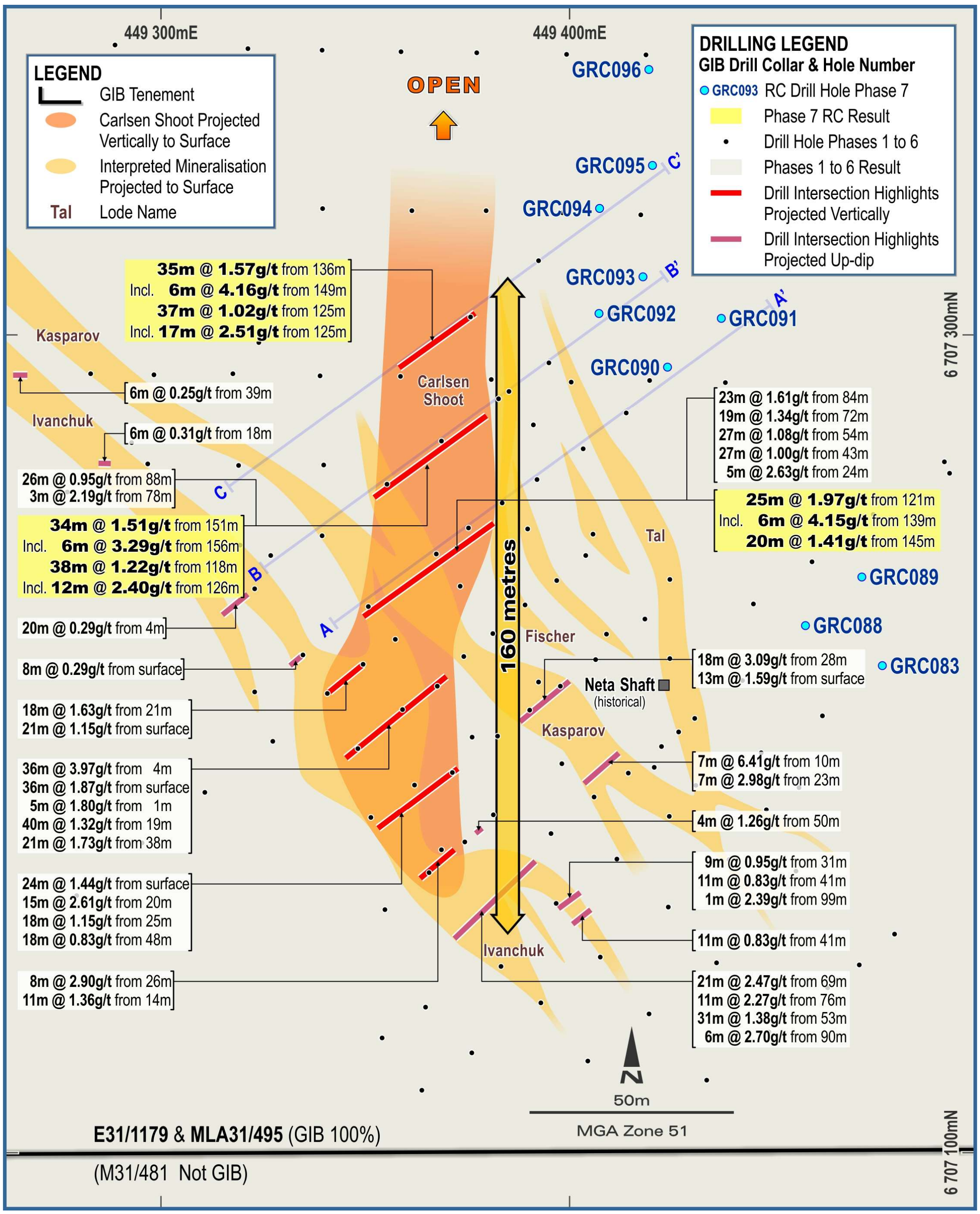


Figure 4: Neta Prospect Section B – B'

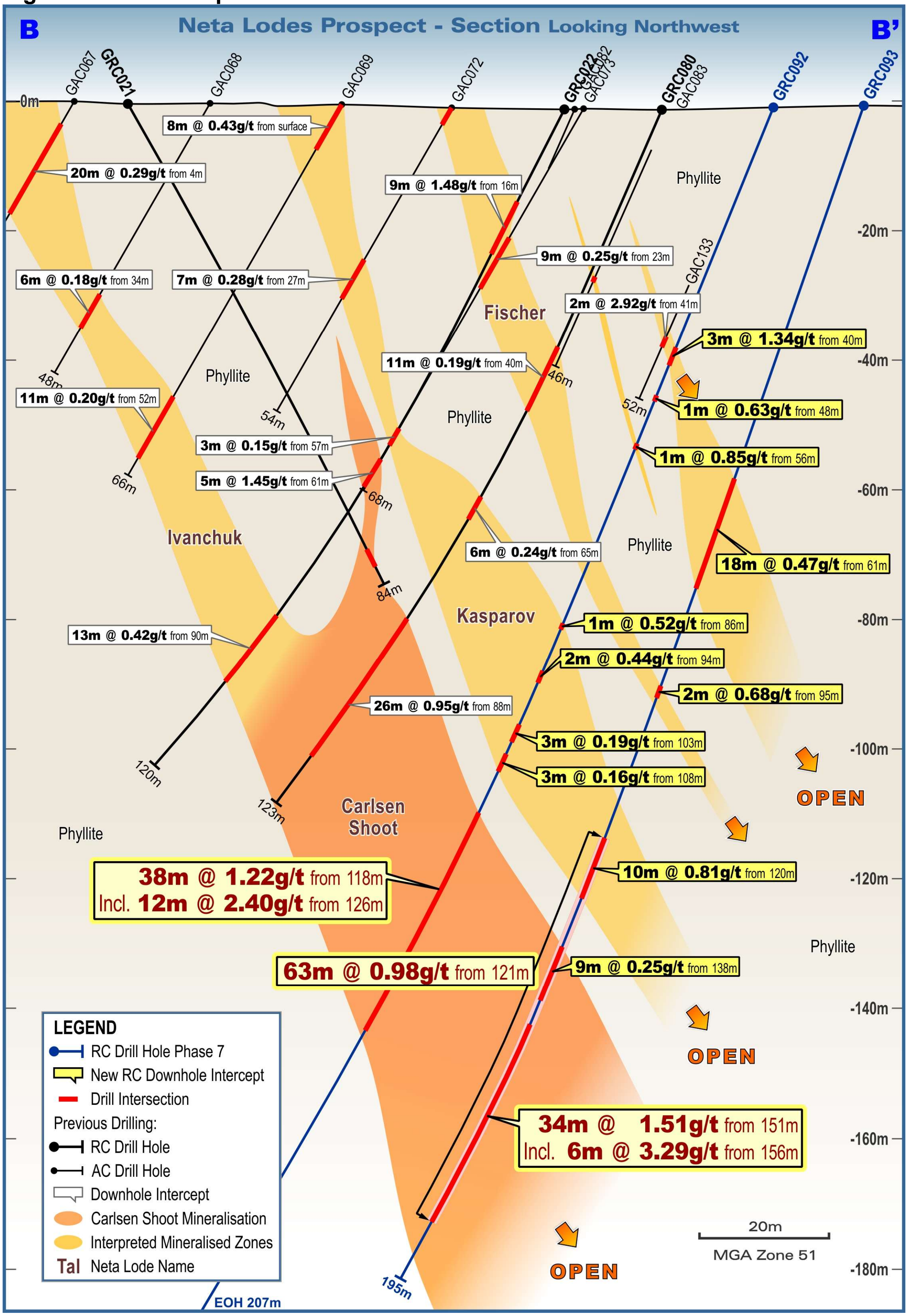
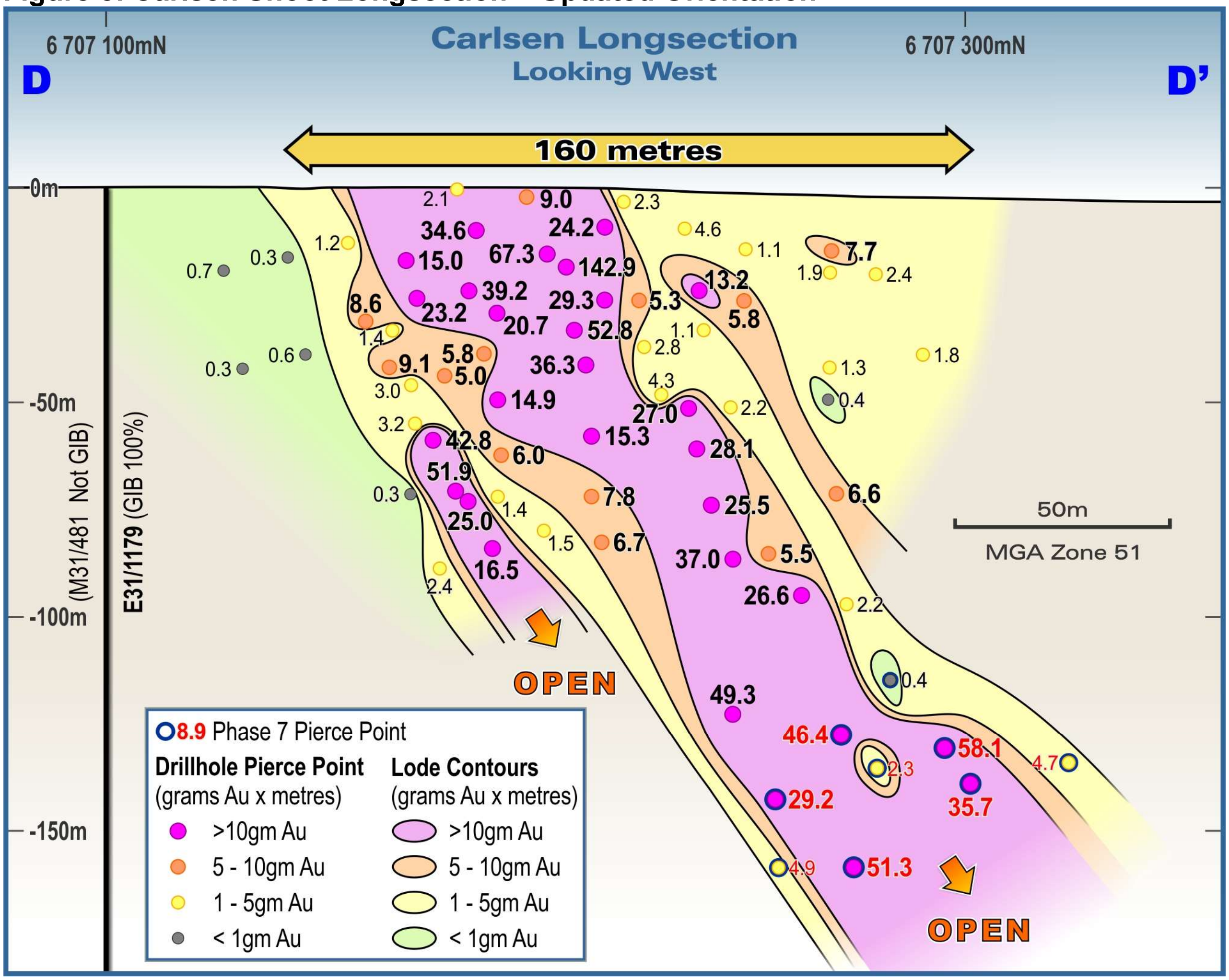


Figure 5: Carlsen Shoot Longsection – Updated Orientation



1.2 Neta Prospect Metallurgical Testing

During the last quarter, two samples of higher grade and deeper, fresh, mineralised material from the Phase 7 RC drilling were added to the ongoing metallurgical testwork program. This now gives a more representative package of metallurgical samples and the Company looks forward to reporting the results from this testwork once all the tests have been completed and have been assessed by our metallurgical consultants Orway Mineral Consultants ('OMC').

These new metallurgical studies are important in assisting the Company to better understand and advance the Edjudina Gold Project.

1.3 Edjudina Gold Project – Other Prospects

During the year, various other prospects were tested at Edjudina with some encouraging results.

At the Triumph Prospect, the Phase 6 drilling returned 4m @ 4.56g/t from 21m (including 1m @ 13.80 g/t), and 3m @ 2.29g/t from 14m, with the consistency of this mineralisation, and the identification of high-grade zones within the mineralised envelope are highly encouraging. The subsequent Phase 7 drilling returned 6 m @ 1.06 g/t from 13m in a composite sample.

At the Ace of Hearts prospect, a ~2km long target under alluvial cover, the Phase 6 drilling returned 3m @ 1.20g/t from 20m, which is very encouraging for a first pass reconnaissance program and provides an excellent target for follow-up shallow aircore drilling.

Numerous other untested drill targets remain along the ~13km long strike of old gold workings at the Edjudina Project.

2.0 Ellendale Diamond Project GIB 100% (under option)

The Company announced on 24 March 2021, the entering into of a two year Option agreement with ASX listed Burgundy Diamond Mines Limited (ASX: 'BDM' or 'Burgundy'), which confers the right for Burgundy to acquire 100% of the Ellendale Diamond Project, WA.

The total transaction consideration was for $6.7 million in cash, 16 million BDM shares, and a 1.5% gross revenue royalty. The cash and shares component consists of three staged payments over two years, with the third payment to exercise the Option.

The first payment was made in March 2021 ($1.7 million in cash and the issue to GIB of 4 million fully paid ordinary shares in BDM). The second payment to GIB was made in late March 2022 (A$1 million in cash (plus GST) and issue to GIB of 5 million fully paid ordinary shares in BDM).

The third Payment to GIB (and to exercise the Option), is due in late March 2023 and will result in BDM purchasing the Ellendale Diamond Project. BDM are to pay GIB A$4 million in cash and issue to GIB 7 million fully paid ordinary shares in BDM (at BDM's election).

Should Burgundy elect not to proceed with the third payment to GIB as detailed above, then (excepting conditions precedent), the Option will not have been exercised and GIB will retain 100% of the Ellendale Diamond Project.

2.1 Ellendale Project Update

During the year, BDM released an investor presentation to the ASX (30 May 2022), in which BDM announced the following regarding the Ellendale Diamond Project:

- Bulk sampling program to start Q3 2022
- Containerised XRT process plant shipped to site June 2022
- Initial small scale production in Q4 2022
- Incremental expansion steps from 2023

Figure 6: From BDM Presentation 30 May 2022

GIB welcomes this operational progress at Ellendale and notes that the Company's 1.5% gross revenue royalty is payable on any production by BDM, including any production prior to the exercise of the Option.

3.0 Highland Plains Phosphate Project GIB 100%

The Highland Plains Phosphate Project has a JORC (2004) compliant Inferred Resource of 56 million tonnes at 16% P_2O_5, at a 10% P_2O_5 cut-off (GIB/POZ ASX release dated 31 March 2009[1]). The project is 100% owned by GIB with no private royalties.

Contained within this Global Resource (above) is an Inferred Resource of 14 million tonnes at 20% P2O5 (above a 15% P_2O_5 cut-off), confined to the western portion of the Global Resource. This is named the Western Mine Target Zone (WMTZ).

3.1 Further Work

The Company is seeking a strategic investment partner to assist GIB to progress the Highland Plains Phosphate Project. Further work to progress the Project through feasibility studies and into production would include:

- Additional drilling and assay work to upgrade the Highland Plains deposit to a JORC (2012) Indicated and Inferred Resource
- Metallurgical Bench Scale testwork to assess beneficiation effects on lower head grade material and to determine the engineering properties of the material
- Metallurgical pilot plant testing of bulk samples for phosphate grade and purity enhancement
- Geological modelling to define and constrain areas containing elevated impurities
- Further logistical studies and modelling
- Mine planning and optimisation
- Budgeting, planning and timelines to production
- Publishing a Scoping Study leading into a full Bankable Feasibility Study (if required)

3.2 Highland Plains Metallurgy

GIB has conducted and previously reported a number of beneficiation (upgrading) studies of the rock phosphate mineralisation at Highland Plains. The best of these flotation tests to date gives a beneficiated grade of 32.3% P_2O_5 (upgraded from 23.4% P_2O_5) at 76% recovery[5]:

By way of reference, in the international market, rock phosphate is commonly traded with grades of between 29% and 32% P_2O_5, with premium product grades above 34% P_2O_5.

Table 1: Optimised Metallurgical Result – Highland Plains Phosphate

		P_2O_5%	SiO_2%	Al_2O_3%	Fe_2O_3%	Recovery P_2O_5%
Test 1	Input Material	23.4	30.8	4.3	4.2	
	Coarse Fraction	37.4	6.3	0.5	0.7	53.1
	Coarse and Fine Fractions	32.3	12.3	4.3	1.8	75.8

1.4 Highland Plains - Minor Elements

All phosphate deposits have varying levels of impurities. Previously reported work at Highland Plains has indicated impurity levels for a 22.9% P_2O_5 (un-beneficiated) rock as being:

C (0.20%); S (0.06%); F (1.82%); Cl (112ppm); Cd (4ppm) and U (38ppm)[2]

The levels of these contaminants could be considered low.

Pb: A limited number (74) of phosphate bearing sample pulps were previously assayed for further trace elements including Pb (POZ/GIB Quarterly Report to ASX dated 1 October 2012). Elevated lead values occurred in isolated areas proximal to the base of the lower phosphate beds where they directly overlie basement Proterozoic rocks; this effect is possibly related to post-mineralisation groundwater movement concentrating lead at the geological unconformity. These areas of elevated lead could potentially be mitigated through selective mining practices or beneficiation[7].

Further drill and assay work is required to model these impurities within the overall resource.

Impurity levels for specific elements for 34.8% P_2O_5 (beneficiated product) were reported in the GIB/POZ ASX Release dated 19 March 2010[3].

3.3 Rock Phosphate Prices

There has been a significant re-rating in rock phosphate prices over the last twelve months. The World Bank Pink Sheet average monthly price for June 2022, quotes the rock phosphate price as US$287.5/tonne. This is significantly up from US$107.50/tonne from the Pink sheet April-June 2021 price. (Phosphate rock price is for f.o.b. North Africa, grade is not quoted).

4.0 Iroquois Zn/Pb Project — GIB 20% Free-carry to BFS

GIB holds a 20% equity in tenement E69/2820 which lies approximately 100km north-east of Wiluna, WA[8]. The 20% GIB equity is free carried to completion of a Bankable Feasibility Study (BFS).

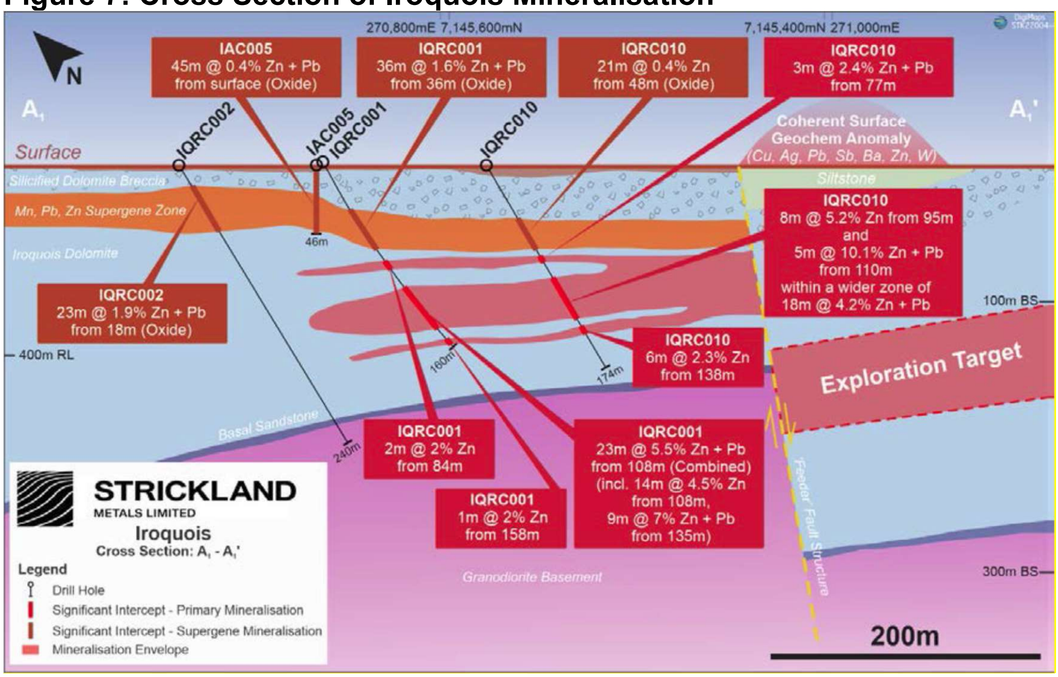
E69/2820 is highly prospective for Zn-Pb-Ag-Mn mineralisation of a similar style recently defined by Rumble Resources Ltd (ASX: RTR) at their Earaheedy Project some 30km to the north-west of Iroquois.

STK has previously announced various excellent zinc-lead drilling results at the Iroquois Project situated on the STK-GIB Joint Venture tenement, these include:

- IQRC004: 3m @ 7.6% Zn from 65m (within a broader 14m @ 2.2% Zn)
- IQRC005: 10m @ 3.7% Zn from 123m (within a broader 20m @ 2.4% Zn)

The Company believes that the project holds considerable potential to add significant value to the GIB share price. GIB looks forward to STK re-commencing drilling at Iroquois as per their ASX announcements.

Figure 7: Cross Section of Iroquois Mineralisation



5.0 Annual Report Summary

During the 2021-22 year, the Company announced some exciting results from the Phases 5, 6 and 7 drilling programs at the Edjudina Gold Project in WA. This drilling identified an entirely new style of mineralisation, a north-plunging shoot with consistent structure and grade. The Company is excited about the potential for new gold discoveries in the year ahead.

The Ellendale Diamond Project continues to be developed into a producing operation by the Project Option Holder Burgundy Diamond Mines. The Company is excellently placed to continue to monetise this project through the third Option Payment (and to exercise the Option), which is due in late March 2023 (at BDM's election) and also the ongoing 1.5% gross revenue royalty which GIB will continue to hold over the Project should the Royalty be exercised.

There has been a significant re-rating in rock phosphate prices over the last twelve months. The World Bank Pink Sheet average monthly price for June 2022, quotes the rock phosphate price as US$287.5/tonne, up from US$107.50/tonne in June 2021. GIB is the 100% holder of the Highland Plains Phosphate Project in the Northern Territory, and has recently received a number of enquiries regarding this Project. GIB is actively seeking partners to progress the Highland Plains Project.

GIB looks forward to STK re-commencing drilling at the Iroquois Project as per their ASX announcements. With ongoing activity in the area by Rumble Resources Limited, the Company believes that the Iroquois Project holds considerable potential to add significant value to the GIB share price.

GIB has $2.1 million cash on hand as of 30 June 2022 and is in an excellent financial position to conduct an active drilling and exploration program during the year ahead. Further cash and share payments will be received by the Company should the Ellendale option be exercised.

Jim Richards
Executive Chairman

Enquiries To: Mr Jim Richards +61 8 9422 9555

References:

[1]Maiden JORC Resource at Highland Plains; POZ/GIB ASX Release dated 31 March 2009

[2]Quarterly Report; POZ/GIB ASX Release dated 29 October 2009

[3]Metallurgical Update (#4); POZ/GIB ASX Release dated 19 Mar 2010

[4]Quarterly Report; POZ/GIB ASX Release dated 29 July 2010

[5]Quarterly Report; POZ/GIB ASX Release dated 29 Oct 2010

[6]Further Positive Results from Metallurgical Testing (#2); POZ/GIB ASX Release dated 21 Dec 2010

[7]Quarterly Report; POZ/GIB ASX Release dated 1 October 2012

[8]GIB Acquires Option to Purchase the Historic and High Grade Edjudina Gold Project in the Eastern Goldfields of WA; GIB ASX Release dated 16 July 2020

[9]Triumph Project Exploration Report; Nexus Minerals Limited dated 15 August 2019

[10]Major Drilling discovery at Edjudina; GIB ASX Release dated 8 October 2020

[11]Excellent Metallurgical Recoveries from Bottle Roll Testing of the Neta Lodes Gold Discovery; GIB ASX Announcement dated 26 November 2020

[12]Neta Lodes Prospect Strike doubles; GIB ASX Announcement dated 21 December 2020

[13]Phase 3 Drilling Expands Gold Discovery at Edjudina; GIB ASX Announcement dated 6 April 2021

[14]Phase 4 Drilling Discovers New Shallow Lodes at Edjudina, WA; GIB ASX Announcement dated 28 June 2021

[15]Iroquois Lead-Zinc Prospect (WA). First Drilling Results; Phosphate Australia Limited (now GIB) ASX Announcement dated 7 November 2011

[16]Iroquois Lead-Zinc Prospect (WA). First Drilling Results; Phosphate Australia Limited (now GIB) ASX Announcement dated 7 November 2011

[17]High Grade Mississippi Valley-Type Zinc-Lead Discovery in Earaheedy Basin; Strickland Metals Limited; ASX Announcement dated 14 October 2021

[18]Iroquois Zinc-Lead Project Update; Strickland Metals Limited; ASX Announcement dated 27 July 2022

For a further list of references for the Edjudina Gold Project used in previous releases refer to GIB ASX Announcement dated 25 August 2020

Appendix A – Mineral Resources and Ore Reserves (MROR) Statement

Summary

This statement represents the Mineral Resources and Ore Reserves (MROR) statement for Gibb River Diamonds Limited as at 30 June 2022.

This MROR statement has been compiled and reported in accordance with the guidelines of the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (2012 JORC Code).

This statement is to be reviewed and updated annually in accordance with Section 15 of the 2012 JORC Code. The nominated annual review date for this MROR statement is 30 June 2022. The information in this statement has been extracted from the relevant reports as indicated below in each Mineral Resource table. The Company's Mineral Resources remained unchanged in 2022 at Highland Plains.

The Highland Plains Mineral Resource Estimates (MRE)'s were prepared and first disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company confirms that the form and context in which the Competent Person's findings are presented here have not been materially modified.

Mineral Resources

The Highland Plains Phosphate Project in the NT has a JORC Code (2004) Inferred Resource of 56 million tonnes at 16% P_2O_5 (above a 10% P_2O_5 cut-off).

Contained within the Global Resource (above) is estimated an Inferred Resource of 14 million tonnes at 20% P2O5 (above a 15% P_2O_5 cut-off), confined to the western portion of the Global Resource.

The Project is 100% owned by GIB and has no private royalties.

The Highland Plains Mineral Resource was first reported 31 March 2009 in accordance with the 2004 JORC Code (available to view at www.gibbriverdiamonds.com). The original report was prepared by Cube Consulting Pty Ltd.

Governance Summary

The Mineral Resource estimate listed in this report are subject to GIB's governance arrangements and internal controls. GIB's Mineral Resource estimate is derived by a Competent Person (CP) with the relevant experience in the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking and has been classified and reported in accordance with the JORC Code.

Competent Persons Statement and Disclaimer

The information in this report that relates to previously reported exploration results at the Ellendale Diamond Project is based on information compiled by Mr. Jim Richards who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr. Richards is a Director of Gibb River Diamonds Limited. Mr. Richards 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 Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Richards consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Information in this report that relates to the Highland Plains Mineral Resource is based on information compiled by Jim Richards who is a member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Jim Richards is a director of Gibb River Diamonds Limited and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a competent Person as defined in the December 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Richards consents to the inclusion in this report of the Information, in the form and context in which it appears.

The interpretations and conclusions reached in this report are based on current geological theory and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities and, however high these probabilities might be, they make no claim for complete certainty. Any economic decisions that might be taken on the basis of interpretations or conclusions contained in this report will therefore carry an element of risk.

It should not be assumed that the reported Exploration Results will result, with further exploration, in the definition of a Mineral Resource.

Forward-looking statements are statements that are not historical facts. Words such as “expect(s)”, “feel(s)”, “believe(s)”, “will”, “may”, “anticipate(s)” and similar expressions are intended to identify forward-looking statements. These statements include, but are not limited to statements regarding future production, resources or reserves and exploration results. All of such statements are subject to certain risks and uncertainties, many of which are difficult to predict and generally beyond the control of the Company, that could cause actual results to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements.

These risks and uncertainties include, but are not limited to: (i) those relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, (ii) risks relating to possible variations in reserves, grade, planned mining dilution and ore loss, or recovery rates and changes in project parameters as plans continue to be refined, (iii) the potential for delays in exploration or development activities or the completion of feasibility studies, (iv) risks related to commodity price and foreign exchange rate fluctuations, (v) risks related to failure to obtain adequate financing on a timely basis and on acceptable terms or delays in obtaining governmental approvals or in the completion of development or construction activities, and (vi) other risks and uncertainties related to the Company’s prospects, properties and business strategy. Our audience is cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof, and we do not undertake any obligation to revise and disseminate forward-looking statements to reflect events or circumstances after the date hereof, or to reflect the occurrence of or non-occurrence of any events.

Appendix B - Interests In Mining Tenements at June 30 2022

Table 1: Western Australia

Lease	State	Status	Held at end of quarter %	Acquired during the quarter %	Disposed of during the quarter %	Beneficial interests in farm-in or farm-out agreements at the end of the quarter
E04/2415	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
E04/2416	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
E04/2665	WA	Granted	100%	0%	0%	Application: Under Option to BDM
E04/2666	WA	Granted	100%	0%	0%	Application: Under Option to BDM
E04/2685	WA	Application	100%	0%	0%	Application: Under Option to BDM
M04/465	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
M04/466	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
M04/467	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
M04/475	WA	Application	100%	0%	0%	Application: Under Option to BDM
M04/476	WA	Application	100%	0%	0%	Application: Under Option to BDM
M04/477	WA	Application	100%	0%	0%	Application: Under Option to BDM
P04/277-287	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
E69/2820	WA	Granted	20%	0%	0%	JV with Strickland Metals Limited – GIB 20% Free Carry to BFS
L04/98	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
L04/100	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
L04/105	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
LO4/106	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
L04/107	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
L04/115	WA	Granted	100%	0%	0%	Granted: Under Option to BDM
L04/116	WA	Granted	100%	100%	0%	Granted: Under Option to BDM
E31/1179	WA	Granted	100%	100%	0%	Granted
M31/495	WA	Application	100%	100%	0%	Application: GIB 100%

Table 2: Northern Territory

Lease	Mineral Field	Location	Status	Held at end of quarter %	Acquired during the quarter %	Disposed of during the quarter %	Beneficial interests in farm-in or farm-out agreements at the end of the quarter
EL25068	NT	Highland Plains	Granted	100%	0%	0%	GIB 100%:

GIBB RIVER DIAMONDS LIMITED
ABN 51 129 158 550

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2022

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CORPORATE DIRECTORY

Directors
Jim Richards
Executive Chairman

Tom Reddicliffe
Non-Executive Director

Grant Mooney
Non-Executive Director
& Company Secretary

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DIRECTORS' REPORT
30 JUNE 2022

The Directors present their report together with the financial report on Gibb River Diamonds Limited ("GIB" or "the Company") for the year ended 30 June 2022. In order to comply with the provisions of the Corporations Act 2001, the Directors' report is as follows.

DETAILS OF DIRECTORS

The names and particulars of the directors of the Company holding office during the year and to the date of this report are:

MR JAMES (JIM) RICHARDS
B.Sc. Hons (Geology), MAusIMM
Executive Chairman

Jim Richards is a geology graduate of the University of London. He is a Perth based Company director and geologist with 24 years' experience in exploration for a wide variety of commodities.

Prior to the ASX listing of Phosphate Australia Limited (now Gibb River Diamonds Limited), Mr Richards was the chief executive officer and director of United Minerals Corporation NL ("UMC"). At UMC, Mr Richards led the technical team that discovered the high-grade iron 'Railway Deposit' in the Pilbara. BHP Billiton acquired the Railway Deposit in February 2010 by a take-over of UMC for AUD$204 million.

Mr Richards has considerable overseas experience including running his own alluvial diamond dredging operation in Guyana, South America and work on the Omai gold project (that became a major mine) also in Guyana. Other resources work includes operating in Indonesia and two years spent in both Laos and Pakistan.

Previous employers and clients have included Newmont Mining Corporation, BHP Billiton Limited and Woodside Energy Limited. Prior to his corporate career, Mr Richards served as a regular officer in the British Army Parachute Regiment.

MR GRANT MOONEY
B.Bus, CA
Non-executive Director & Company Secretary

Grant Mooney is the principal of Perth-based corporate advisory firm Mooney & Partners, specialising in corporate compliance administration to public companies. Mr Mooney has gained extensive experience in the areas of corporate and project management since commencing Mooney & Partners in 1999. His experience extends to advice on capital raisings, mergers and acquisitions and corporate governance.

Currently, Mr Mooney serves as a director to several ASX listed companies across a variety of industries including technology and resources. He is a director of Carnegie Clean Energy Limited, Aurora Labs Limited, Barra Resources Limited, Accelerate Resources Limited, Riedel Resources Limited, SRJ Technologies Limited and Talga Resources Limited. Mr Mooney is a member of the Chartered Accountants Australia and New Zealand.

MR TOM REDDICLIFFE
BSc (Hons), MSc (Geol), FAusIMM
Non-executive Director

Tom Reddicliffe is a geologist with some 36 years of largely Australian focused diamond exploration and evaluation experience having graduated with an Honours degree in geology in 1974 from the University of Queensland. He is currently a Fellow of the Australian Institute of Mining and Metallurgy.

Mr Reddicliffe joined Ashton Mining Limited in 1976, and worked with the AEJV exploration teams at both Ellendale and Argyle. He was appointed the Australian Exploration Manager of Ashton Mining Limited in 1991 and remained in that position up until Ashton was taken over by Rio Tinto in late 2000. During his position as exploration manager with Ashton Mining Limited, Mr Reddicliffe was credited with discovering the Merlin diamond pipes in the Northern Territory in 1993 which became a renowned producer of large, good quality white diamonds. Merlin produced Australia's largest diamond - the 104.73 carat gemstone Jungiila-Bunajina.

After his tenure with Ashton Mining Limited, Mr Reddicliffe joined Striker Resources (renamed North Australian Diamonds Limited in 2004) as Technical Director from 2003 and was appointed CEO in 2007. Mr Reddicliffe stepped down from the Board of North Australian Diamonds Limited in mid-2011.

DIRECTORSHIP OF OTHER LISTED COMPANIES

Directorships of other listed companies held by directors in the three years immediately before the end of the year are as follows:

Director	Company	Year of directorship
Grant Mooney	Accelerate Resources Limited	1 June 2017 to the present
	Greenstone Resources Limited	29 November 2002 to 19 August 2022
	Carnegie Clean Energy Limited	19 February 2008 to the present
	Riedel Resources Limited	31 October 2018 to present
	Talga Resources Limited	20 February 2014 to the present
	Aurora Labs Limited	25 March 2020 to the present
	SRJ Technologies Limited	2 June 2020 to present

DIRECTORS’ SHARE AND OPTION HOLDINGS

At the date of this report, the direct and indirect interest of the Directors in the shares and options of the Company were:

Director	Ordinary Shares	Ordinary Shares purchased during year	Options (Unlisted)	Options granted during year
James Richards *(i)*	41,683,592	1,583,307	7,000,000	5,000,000
Grant Mooney *(ii)*	9,400,516	126,628	4,000,000	2,000,000
Tom Reddicliffe *(iii)*	Nil	Nil	4,000,000	2,000,000

(i) *James Richards holds 33,339,515 shares in his own name and 5,000,000 unlisted options. Llangurig Super Pty Ltd <Jim Richards Super Fund A/c>, in which James Richards is a director and beneficiary holds 8,344,077 shares and 2,000,000 unlisted options.*

(ii) *Grant Mooney holds 2,238,888 shares in his own name. Samantha Mooney, spouse of Grant Mooney holds 13,333 shares and Mooney & Partners Pty Ltd of which Grant Mooney is the sole director holds 1,271,628 shares. Ocean Flyers Pty Ltd <S&G Mooney Super Fund>, in which Grant Mooney is a director and beneficiary holds 5,876,667 shares. Grant Mooney holds 4000,000 options in his own name.*

(iii) *Tom Reddicliffe holds 4,000,000 options in his own name.*

PRINCIPAL ACTIVITIES

The principal activity of the Company is mineral exploration.

OPERATING RESULTS

The loss from ordinary activities after income tax of the Company for the year ended 30 June 2022 was ($23,954) (2021 profit: $1,976,790).

DIRECTORS' REPORT
30 JUNE 2022

REVIEW OF OPERATIONS

The Company is pleased to present its annual Review of Operations for the year ended 30 June 2022.

1.0 Edjudina Gold Project (Western Australia) GIB 100%

During the year, the Company conducted three drill programs over the Edjudina Gold Project located in the Eastern Goldfields region of Western Australia.

These drilling programs at Edjudina were successful and have led to further programs being planned for execution in 2022-23.

The Company is very pleased with progress at Edjudina and especially the discovery of the higher grade cores at the Neta Lodes Prospect which have returned some excellent drilling results. GIB will continue to progress drilling programs at Edjudina with the aim of adding value through discovery.

2.0 Ellendale Diamond Project (Western Australia) GIB 100%

On 24 March 2021, the Company announced the entering into of a two year Option agreement with ASX listed Burgundy Diamond Mines Limited (ASX: BDM), which confers the right for Burgundy to acquire 100% of the Ellendale Diamond Project, WA.

This Option covers all tenements pegged by GIB in the Ellendale Diamond Province, including over the historic Ellendale Diamond Mine and Blina Diamond Project and the associated data.

The total transaction consideration is $6.7 million in cash, 16 million BDM shares, and a 1.5% gross revenue royalty. The cash and shares components consist of three staged payments over two years; with the third payment to exercise the Option. During the year, the second tranche payment of $1 million in cash and $5 million fully paid shares in BDM was made. The third (and final) tranche payments are due in March 2023 and are required to proceed with the transaction and are at Burgundy's election.

3.0 Iroquois Zinc Lead Project (Western Australia) GIB 20%

GIB retains a 20% interest in E69/2820 which lies approximately 100km north-east of Wiluna, WA. The 20% GIB project equity is free carried up to the completion of a bankable feasibility study. This tenement is a part of Strickland Metals Limited's (ASX:'STK'; previously Alloy Resources Limited) historic Earaheedy Zn-Pb Project. Drilling on this project by STK has met with considerable success and further drilling is planned in 2022-23.

4.0 Highland Plains Phosphate Project (Northern Territory) GIB 100%

The Highland Plains Phosphate Project has a JORC compliant Inferred Resource of 53 million tonnes at 16% P2O5. Substantial amounts of drilling and scoping study work have been done by GIB at Highland Plains with proposed solutions for beneficiation to higher grades and product transport logistics using a slurry pipeline. GIB is currently seeking interested parties with a view to an equity partner for Highland Plains.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than described elsewhere in this report, there was no significant change in the state of affairs of the Company during the year.

SIGNIFICANT EVENTS SUBSEQUENT TO END OF YEAR

There was no matter or circumstance subsequent to the end of the year that has significantly affected the operations of the Company, the results of operations or the state of affairs in future financial years.

DIRECTORS' REPORT
30 JUNE 2022

FUTURE DEVELOPMENTS

The Company intends to continue mineral exploration activities while considering new project acquisitions and joint venture opportunities.

ENVIRONMENTAL REGULATION

The Company is required to carry out its activities in accordance with the Mining Laws and regulations in the areas in which it undertakes its exploration activities. The Company is not aware of any matter that requires disclosure with respect to any significant environmental regulation in respect of its operating activities.

SHARE OPTIONS

At the date of this report, the following options are outstanding in respect of unissued ordinary shares in Gibb River Diamonds:

Number of Shares Under Options	Exercise Price	Expiry Date
500,000	9.0 cents	20 November 2022
5,500,000	9.0 cents	22 November 2022
1,000,000	9.0 cents	22 November 2022
6,000,000	7.5 cents	30 November 2023
1,000,000	7.5 cents	30 November 2023
1,250,000	10.0 cents	1 March 2024
9,000,000	11.0 cents	31 August 2025

No shares (2021: Nil) were issued during or since the end of the financial year as a result of the exercise of options.

INDEMNIFYING OFFICER OR AUDITOR

During the year, the Company paid a premium in respect of a contract insuring the directors of the Company, the Company secretary and all executive officers of the Company and related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the amount of the premium.

The Company has not indemnified or agreed to indemnify the auditor of the Company or of any related body corporate against a liability incurred as the auditor.

DIVIDENDS

No dividends have been paid or declared since the start of the year, and the directors do not recommend the payment of a dividend in respect of the year.

DIRECTORS' MEETINGS

There were six (6) Directors' meetings held during the year ended 30 June 2022. The names of directors who held office during the year and their attendance at Board meetings is detailed below:

Director	Number Attended	Number Eligible to Attend
Jim Richards	6	6
Grant Mooney	6	6
Tom Reddicliffe	6	6

There were also four (4) circular resolution passed by the Board of Directors during the year. (2021: four (4))

As at the date of this report an Audit Committee of the Board of Directors did not exist due to the Directors of the Board having a close involvement in the operations of the Company. There are no other sub-committees of the Board.

DIRECTORS' REPORT
30 JUNE 2022

REMUNERATION REPORT (AUDITED)

This report details the amount and nature of remuneration of each director of the Company. Other than directors, there were no executive officers of the Company during the year.

Remuneration Policy

The remuneration policy is to provide a fixed remuneration component and a specific equity related component. The Board believes that this remuneration policy is appropriate given the stage of development of the Company and the activities, which it undertakes and is appropriate in aligning director objectives with shareholder and business objectives. At this point in the Company's development, the Board does not believe it is appropriate to link director and executive officers' remuneration with Company performance.

The remuneration policy in regards to settling terms and conditions for the executive directors has been developed by the Board taking into account market conditions and comparable salary levels for companies of similar size and operating in similar sectors.

Directors receive a superannuation guarantee contribution required by the Government, which during the year was 10% and do not receive any other retirement benefit.

The Board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payment to the non-executive directors and reviews their remuneration annually, based on market practices, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at a General Meeting. Fees for non-executive directors are not linked to the performance of the Company.

The following were Key Management Personnel of the Company during the year:

- James Richards *(Executive Chairman)*
- Grant Mooney *(Non-Executive Director and Company Secretary)*
- Tom Reddicliffe *(Non-Executive Director) (appointed 24 March 2020)*

Details of remuneration provided to Key Management Personnel during the year are as follows:

		Short-term employee benefits		Post-employment benefits	Share-based payments		
		Salary & Fees $	Bonus $	Super-annuation $	Options $	Total $	% of Total consisting of Options
James Richards	**2022**	**175,000**	**-**	**17,500**	**250,000**	**442,500**	**56%**
	2021	140,000	-	13,300	206,600	359,900	57%
Grant Mooney (1)	**2022**	**78,000**	**-**	**3,000**	**100,000**	**181,000**	**55%**
	2021	64,750	-	2,138	206,600	273,488	76%
Tom Reddicliffe	**2022**	**30,000**	**-**	**3,000**	**100,000**	**133,000**	**75%**
	2021	22,500	-	2,138	206,600	231,238	89%
TOTAL	**2022**	**283,000**	**-**	**23,500**	**450,000**	**756,500**	**59%**
TOTAL	2021	227,250	-	17,576	619,800	864,626	72%

(1) Amounts paid to Grant Mooney include Director's fees of $30,000 (2021: $22,500) and fees paid to a related party, Mooney & Partners, in respect of company secretarial services totalling $48,000 plus GST (2021: $42,250 plus GST).

There are no contracts to which a Director is a party or under which the Director is entitled to a benefit other than as disclosed in the financial report.

DIRECTORS' REPORT
30 JUNE 2022

REMUNERATION REPORT (AUDITED) (CONTINUED)

Value of options issued to Key Management Personnel

During the financial year, the following share-based payment arrangements were in existence for Key Management Personnel:

Options Series	Grant Date	Expiry Date	Grant Date Fair Value	Vesting Date
Issued 12 November 2021 exercisable @ $ 0.11	12/11/2021	31/8/2025	$0.05	12/11/2021
Issued 1 December 2020 exercisable @ $ 0.075	1/12/2020	30/11/2023	$0.1033	1/12/2020

There were 9,000,000 (2021: 6,000,000) options issued to Key Management Personnel during the year.

The Board reviews the remuneration packages of all key management personnel on an annual basis. The maximum remuneration of non-executive Directors is to be determined by Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. At present the maximum aggregate remuneration of non-executive Directors is $400,000 per annum. The apportionment of non-executive Director Remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. Remuneration is not linked to specific service or performance criteria. Directors' fees were substantially reduced during the previous year as a result of COVID-19 and they were revised during the current year.

Remuneration levels, shares and options granted are not dependent upon any performance criteria as the nature of the Company's operations are exploration, and they are not generating profit.

The Company did not use remuneration consultants during the year or prior year.

Key management personnel equity holdings
Fully paid ordinary shares issued by Gibb River Diamonds Limited

The movement during the reporting year in the number of ordinary shares in the Company held, directly, indirectly or beneficially, by each specified director is as follows:

Director	Opening Balance 1 July 2021	Granted as compensation	Received on exercise of options	Other movement during the year	Closing Balance 30 June 2022
James Richards (i)	40,100,285	-	-	1,583,307	41,683,592
Grant Mooney (ii)	9,273,888	-	-	126,628	9,400,516
Tom Reddicliffe	-	-	-	-	-

Executive unlisted share options issued by Gibb River Diamonds Limited

The movement during the reporting year in the number of unlisted options over ordinary shares in the Company held, directly, indirectly or beneficially, by each specified director is as follows:

2022

Director	Balance as at beginning of year 1 July 2021	Exercised	Granted as compensation	Balance vested at 30 June 2022	Vested but not exercisable	Vested and exercisable 30 June 2022
James Richards *(i)*	2,000,000	-	5,000,000	**7,000,000**	-	7,000,000
Grant Mooney *(ii)*	2,000,000	-	2,000,000	**4,000,000**	-	4,000,000
Tom Reddicliffe *(iii)*	2,000,000	-	2,000,000	**4,000,000**	-	4,000,000

(i) James Richards holds 33,339,515 shares in his own name and 5,000,000 unlisted options. Llangurig Super Pty Ltd <Jim Richards Super Fund A/c>, in which James Richards is a director and beneficiary holds 8,344,077 shares and 2,000,000 unlisted options.

(ii) Grant Mooney holds 2,238,888 shares in his own name. Samantha Mooney, spouse of Grant Mooney holds 13,333 shares and Mooney & Partners Pty Ltd of which Grant Mooney is the sole director holds 1,271,628 shares. Ocean Flyers Pty Ltd <S&G Mooney Super Fund>, in which Grant Mooney is a director and beneficiary holds 5,876,667 shares. Grant Mooney holds 4,000,000 options in his own name.

(iii) Tom Reddicliffe holds 4000,000 options in his own name.

DIRECTORS' REPORT
30 JUNE 2022

REMUNERATION REPORT (AUDITED) (CONTINUED)

Services Agreements

Executive Chairman James (Jim) Richards has an employment contract commencing on 1 October 2013 which continues on a month by month basis with one month's termination notice. The Contract provides for a director's fee of $180,000 per annum plus statutory superannuation, but this fee was reduced to $160,000 plus statutory superannuation on 1/8/13 as part of cost reductions in the Company. This was reduced to $80,000 plus superannuation on 1/3/2020 as part of further cost reductions in the Company. On 1 September 2020 the fee was reinstated to $160,000 plus statutory super. On 1 January 2022 the directors fee was revised to $190,000 plus statutory super.

Non-Executive Director Grant Mooney has a Services Agreement commencing on 14 October 2008 which continues on a month by month basis with one month's termination notice. The Contract provides for a director's fee of $45,000 per annum plus statutory superannuation, but this fee was reduced to $25,000 per annum plus statutory superannuation on 1/8/13 as part of cost reductions in the Company. This was reduced to $15,000 per annum plus superannuation on 1/3/2020 as part of further cost reductions in the Company. On 1 September 2020 the fee was reinstated to $25,000 plus statutory super. On 1 January 2022 the directors fee was revised to $35,000 plus statutory super.

Non-Executive Director Tom Reddicliffe has a letter of appointment for no fixed term commencing on 24 March 2020. The Contract provides for a director's fee of $15,000 per annum plus statutory superannuation. On 1 September 2020 the fee was increased to $25,000 plus statutory super. On 1 January 2022 the directors fee was revised to $35,000 plus statutory super.

Mooney & Partners Pty Ltd, a company associated with Grant Mooney has a services contract with the Company to provide company secretarial and administrative services to the Company for a period of 3 years commencing on 1 September 2009 which expired on 1 September 2012 and continues on a month by month basis with one month's termination notice. The Contract provides for an annual fee of $96,000 per annum plus GST, but this fee was reduced to $48,000 per annum plus GST on 1/8/13 as part of cost reductions in the Company. This fee was reduced to $24,000 per annum plus GST on 1/3/2020. On 1 September 2020, the fee was reinstated to $48,000 per annum plus GST,

No director or member of senior management are entitled to any termination payment apart from remuneration payable up to and including the termination date and any amounts payable due upon accrued leave.

END OF REMUNERATION REPORT

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of the court to bring proceedings on behalf of the Company or 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 any part of those proceedings. The Company was not a party to such proceedings during the year.

NON-AUDIT SERVICES

During the year there were no non-audit services provided by HLB Mann Judd, nor its related entities.

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 page 8.

Signed on 28 September 2022 in accordance with a resolution of the Board, made pursuant to Section 298(2) of the Corporations Act 2001.

On behalf of the Directors:

Jim Richards

Grant Mooney

JAMES RICHARDS
Executive Chairman

GRANT MOONEY
Non-executive Director

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Gibb River Diamonds Limited for the year ended 30 June 2022, 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
28 September 2022

D I Buckley
Partner

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Note	30 June 2022 $	30 June 2021 $
Revenue			
Interest	3	1,873	2,375
Government Grant income	3	-	77,000
Other income	3	2,210,000	3,267,257
Total Revenue		**2,211,873**	**3,346,632**
Exploration expenditure expensed		(142,875)	(82,641)
Impairment of exploration expenditure	12	(5,170)	(20,085)
Employee benefits expense	6	(196,384)	(121,946)
Accounting, tax and audit		(61,367)	(48,418)
Company secretarial		(48,000)	(42,000)
Depreciation expense	4	(48,155)	(36,464)
Rental expenses	4	(20,721)	(16,037)
Administration expenses		(107,325)	(130,037)
Share based payments	4	(480,625)	(830,107)
Net loss on disposal of fixed assets		(18,329)	-
Net fair value loss on financial assets at fair value through profit or loss	11	(1,106,876)	(42,107)
Total Expenses		**(2,235,827)**	**(1,369,842)**
Profit/(Loss) before income tax expense		(23,954)	1,976,790
Income tax benefit/(expense)	5	-	-
Profit/(Loss) after income tax expense		**(23,954)**	**1,976,790**
Other comprehensive income		-	-
Total Comprehensive Income/(Loss) for the year		**(23,954)**	**1,976,790**
		Cents	**Cents**
Basic earnings/(loss) per share (cents per share)	23	(0.011)	0.972
Diluted earnings/(loss) per share (cents per share)	23	(0.011)	0.953

The accompanying notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	30 June 2022 $	30 June 2021 $
CURRENT ASSETS			
Cash and cash equivalents	8	2,109,364	2,317,256
Trade and other receivables	9	29,885	59,023
Prepayments		42,420	28,828
TOTAL CURRENT ASSETS		2,181,669	2,405,107
NON-CURRENT ASSETS			
Property, plant and equipment	10	217,183	452,507
Environmental bond		21,859	21,859
Financial assets at fair value through profit or loss	11	1,370,188	1,267,063
Exploration and evaluation expenditure	12	5,597,429	4,632,648
TOTAL NON-CURRENT ASSETS		7,206,659	6,374,077
TOTAL ASSETS		**9,388,328**	**8,779,184**
CURRENT LIABILITIES			
Trade and other payables	13	198,056	115,211
Lease liability	14	29,048	25,206
Provisions	15	137,483	89,052
TOTAL CURRENT LIABILITIES		364,587	229,469
NON-CURRENT LIABILITIES			
Lease liability	14	25,757	8,402
TOTAL NON-CURRENT LIABILITIES		25,757	8,402
TOTAL LIABILITIES		**390,344**	**237,871**
NET ASSETS		**8,997,984**	**8,541,313**
EQUITY			
Issued capital	17	18,175,635	18,175,635
Reserves	18	1,713,875	1,250,650
Accumulated losses	19	(10,891,526)	(10,884,972)
TOTAL EQUITY		**8,997,984**	**8,541,313**

The accompanying notes form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Ordinary Shares $	Options Reserve $	Accumulated Losses $	Total $
Balance as at 1 July 2020	**15,749,292**	**547,443**	**(13,332,312)**	**2,964,423**
Profit for the year	-	-	1,976,790	1,976,790
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	1,976,790	1,976,790
Shares issued for the year	1,839,000	-	-	1,839,000
Options expensed for the year	-	1,340,257	-	1,340,257
Options exercised for the year	616,500	(166,500)	-	450,000
Options expired unexercised	-	(470,550)	470,550	-
Share issue costs	(29,157)	-	-	(29,157)
Balance as at 30 June 2021	**18,175,635**	**1,250,650**	**(10,884,972)**	**8,541,313**
Balance as at 1 July 2021	**18,175,635**	**1,250,650**	**(10,884,972)**	**8,541,313**
Loss for the year	-	-	(23,954)	(23,954)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	-	(23,954)	(23,954)
Options expired unexercised	-	(17,400)	17,400	-
Options expensed for the year	-	480,625	-	480,625
Balance as at 30 June 2022	**18,175,635**	**1,713,875**	**(10,891,526)**	**8,997,984**

The accompanying notes form part of these financial statements.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	Note	30 June 2022 $	30 June 2021 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(532,251)	(420,630)
Government grants received		-	77,000
Interest received		1,640	364
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	8	**(530,611)**	**(193,045)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(3,611)	(13,779)
Payments for exploration and evaluation expenditure		(969,951)	(1,093,548)
Payments for tenement acquisition		-	(440,000)
Receipt from sale of property, plant and equipment		220,000	-
Receipt for sale of royalty		-	325,000
Receipt for option fee payment		1,100,000	1,700,000
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		**346,438**	**477,673**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	1,096,500
Proceeds from exercise of options		-	450,000
Share issue costs		-	(29,157)
Payments for leases		(23,719)	(17,600)
NET CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES		**(23,719)**	**1,499,743**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		(207,892)	1,634,150
Cash and cash equivalents at the beginning of the year		2,317,256	683,106
Cash and cash equivalents at the end of the year	8	**2,109,364**	**2,317,256**

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 1. CORPORATE INFORMATION

Gibb River Diamonds Limited is a for-profit company limited by shares domiciled and incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Limited.

The address of the registered office and the principal place of business are disclosed on the contents page.

The nature of the operations and principal activities of the Company are described in Note 20 and the Review of Operations at the front of the annual report.

Note 2. SUMMARY OF ACCOUNTING POLICIES

(a) Statement of Compliance

The Financial Report for the Company for the year ended 30 June 2022 was authorised for issue in accordance with a resolution of the Directors on 28 September 2022.

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).

(b) Basis of preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. For the purposes of preparing the financial report the Company is a for-profit entity.

The financial statements have been prepared on a historical cost basis, except for selected non-current assets and financial assets which have been measured at fair value as explained in the relevant accounting policies. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The functional currency is Australian Dollars and rounding is made to the nearest dollar.

Accounting policies have been consistently applied to all financial years presented unless specially stated below.

(c) Adoption of New and Revised Standards

In the year ended 30 June 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period. The Company has assessed the impact of these new standards and has determined that there is no material impact on the financial statements.

Standards and Interpretations in issue not yet effective

The Directors have also reviewed all Standards and Interpretations in issue not yet effective for the year ended 30 June 2022. There are none which have a material impact on the Company.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and investments in money market instruments that have original maturities of 4 months or less, readily convertible to known amounts of cash and are subject to insignificant risk of changes in values.

(e) Employee benefits

Employee benefits provisions are made for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within one year are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits expected to be settled beyond one year are measured as the present value of the estimated future cash outflows to be made by the Company in respect of services provided by employees up to reporting date.

Defined contribution plans

Contribution to defined contribution superannuation plans are expensed when incurred.

Note 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

(f) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables. Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(g) Income tax

Current tax

Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the year. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior years is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax

Deferred tax is accounted for using the liability method. Temporary differences are differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

In principle, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year

Current and deferred tax is recognised as an expense or income in the profit or loss, except when it relates to items credited or debited to profit or loss (whether in other comprehensive income or directly in equity), in which case the deferred tax is also recognised outside profit or loss, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or excess.

(h) Payables

Trade payables and other accounts payable are recognised when the Company becomes obliged to make future payments resulting from the purchase of goods and services.

(i) Property, plant and equipment

Plant and equipment and leasehold improvements are stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item.

Depreciation is provided on property, plant and equipment and is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the term of the lease or estimated useful life, whichever is the shorter, using the straight line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting year.

The following estimated useful lives are used in the calculation of depreciation:

- Furniture & Fittings - 10 years
- Vehicles - 12 years
- Plant & equipment - 3 years
- Buildings & improvements - 7 years

Note 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

(j) Provisions

Provisions are recognised when the Company has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

(k) Revenue recognition

Interest revenue

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

Rental income

Rental income is recognised in the period in which it is earned.

(l) Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant. Fair value is measured by use of a Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting term, based on the Company's estimate of shares that will eventually vest.

In relation to the acquisition of assets the fair value of the equity issued is used to approximate the fair value of the asset acquired where the fair value of the project has not otherwise been determined reliability.

(m) Exploration and evaluation

Exploration and evaluation expenditure costs are accumulated in respect of each separate area of interest.

Exploration and evaluation costs are carried forward where the right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations, in, or in relation to, the area of interest are continuing.

These assets are considered for impairment on a six-monthly basis, depending on the existence of impairment indicators including:

- the period for which the Company has the right to explore in the specific area has expired during the year or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Accumulated costs in relation to an abandoned area are written off in full against profit/(loss) in the year in which the decision to abandon the area is made.

Projects are classified as held for sale if their carrying amount will be recovered, principally through a sales transaction rather than through continued use. They are measured at the lower of their carrying value and fair value less costs of disposal. The asset must be available for immediate sale in their present condition and their sale must be highly probable.

When a decision is made to proceed with development in respect of a particular area of interest, the accumulated costs for the relevant area of interest are tested for impairment and the balance is then transferred to development assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

(n) Development Costs

Development costs related to an area of interest are carried forward to the extent that they are expected to be recouped either through sale or successful exploitation of the area of interest.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences. When production commences, carried forward development costs are amortised on a units of production basis over the life of the economically recoverable reserves.

(o) Provision for restoration and rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of exploration, development, production, transportation or storage 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 cost of removing facilities, abandoning sites/wells 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 reporting date, based on current legal and other requirements and technology. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date. The initial estimate of the restoration and rehabilitation provision relating to exploration, development and milling/production facilities is capitalised into the cost of the related asset and depreciated/amortised on the same basis as the related asset, unless the present obligations arises from the production of inventory in the year, in which case the amount is included in the cost of production for the year. 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.

(p) Financial instruments

<u>Debt and equity instruments</u>

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangements.

<u>Transaction costs on the issue of equity instruments</u>

Transactions costs arising on the issue of equity instruments are recognised directly in equity as reduction of the proceeds of the equity instruments to which the costs relate. Transaction costs are the costs that are incurred directly in connection with the issue of those equity instruments and which would not have been incurred had those instruments not been issued.

<u>Recognition and derecognition</u>

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

<u>Classification and initial measurement of financial assets</u>

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.
The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

SUMMARY OF ACCOUNTING POLICIES (Continued)

(p) Financial instruments (continued)

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

The category also contains an equity investment. The Company accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss.

The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaced AASB 139's 'incurred loss model'.

Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.
- '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Company 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 Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assesses 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.

Note 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

(p) Financial instruments (continued)

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Derecognition of financial assets

A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Company has transferred substantially all of the risks and rewards of control of the asset.

(q) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash inflows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) 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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

(r) Right of Use Assets

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, as applicable, any lease payments made at or before the commencement date net of any lease incentive 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.

(s) Leased assets

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 of, if that rate cannot be readily determined, the Company'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 where 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 rate are expensed in the period to which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest rate 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 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 2. SUMMARY OF ACCOUNTING POLICIES (Continued)

(t) Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial report based on the grant date historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Share based payments

The values of amounts recognised in respect of share-based payments have been estimated based on the grant date fair value of the options. To estimate the fair value an option pricing model has been used. There are many variable assumptions used as inputs into the model (which have been detailed in Note 17. If any of these assumptions or estimates were to change this could have a significant effect on the amounts recognised.

Exploration expenditure

Exploration expenditure is capitalised where the Company holds a current tenement. The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of resources or reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the view that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Company based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the Company operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Company unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(u) Research and Development expenditure

From 1 July 2016, the Australian Government has provided a tax incentive for eligible research and development expenditure. Management has assessed its research and development activities and expenditures to determine which are likely to be eligible under the scheme.

The Company records the benefit of this credit only when all qualifying research has been performed and the Company has obtained sufficient evidence from the relevant government authority that the credit will be granted.

(v) Issued 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. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

(w) Earnings/(loss) per share

Basic earnings/(loss) per share is calculated as net profit/(loss) attributable to members of the Company, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/(loss) per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 3. Revenue

	30 June 2022	30 June 2021
Interest received from financial institutions	1,873	2,375
	1,873	2,375
Government Grant Funding		
Cashflow boost	-	50,000
Jobkkeeper	-	27,000
	-	77,000
Other Income		
Option fees	2,210,000	2,942,257
Royalty sale	-	325,000
	2,210,000	3,267,257
Total Revenue	2,211,873	3,346,632

Note 4. Profit/(Loss)

Expenses	30 June 2022 $	30 June 2021 $
Depreciation of non-current assets	48,155	36,464
Rental expense on operating leases	20,721	16,037
Share based payment expenses	480,625	830,107

Note 5. Income Tax

Income tax expense

		30 June 2022 $	30 June 2021 $
(a)	The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax expense as follows:		
	Profit/(Loss) from continuing operations before tax	(23,954)	1,976,790
	Income tax expense/(benefit) calculated at 25% (2021: 30%)	**(5,988)**	**593,037**
	Non-deductible expenses	120,391	249,162
	Non assessable income	-	(15,000)
	Temporary differences not brought to account as a deferred tax asset	(9,075)	(383,960)
	Tax losses not brought to account as a deferred tax asset/(realisation of prior tax losses not bought to account)	(105,328)	(443,239)
	Income tax benefit at effective rate of 0% (2020: 0%)	-	-
(b)	**Exploration**		
	Exploration and Evaluation	964,401	849,099
	Add: Other	15,955	8,779
	Recognised deferred tax liabilities	980,356	857,878
(c)	**Deferred tax assets**		
	Temporary differences	482,311	225,001
	Tax losses – revenue	498,045	632,878
	Recognised deferred tax assets	980,356	857,878

The deferred tax assets and deferred tax liabilities are recognised and fully offset.

Not recognised:		
Unrecognised temporary tax losses	-	-
Unrecognised tax losses	7,249,545	8,368,910
Total deferred tax assets not recognised	7,249,545	8,368,910
Tax effect of unrecognised tax losses	1,812,386	2,510,673

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 5. Income Tax (continued)

The net deferred tax asset arising from the tax losses has not been recognised as an asset in the Statement of Financial Position because recovery is not probable.

The taxation benefit of tax losses not brought to account will only be obtained if:
(i) assessable income is derived of a nature and of an amount sufficient to enable the benefits to be realised;
(ii) conditions for deductibility imposed by the law are complied with; and
(iii) no changes in tax legislation adversely affect the realisation of the benefit from the deductions.

Note 6. Management & Employee Personnel Compensation

The compensation paid to Key Management Personnel of the Company is set out below. Please refer to the remuneration report in the directors' report for further information:

	30 June 2022 $	30 June 2021 $
Short-term employee benefits	283,000	227,250
Post-employment benefits	23,500	17,576
Share-based payments	450,000	619,800
	756,500	864,626

The compensation paid to employees of the Company is set out below. It is less than the total amount paid to Key Management Personnel due to the allocation of exploration costs to capitalised Exploration and Evaluation expenditure.

Employee compensation

	30 June 2022 $	30 June 2021 $
Wages, salaries excluding allocation to exploration	152,735	112,327
Superannuation	43,649	9,619
Total as per employee benefit expense	196,384	121,946
Share-based payments	480,625	750,764
Total employee compensation	677,009	872,710

Note 7. Auditor's Remuneration

Amounts received, or due and receivable by the auditors, HLB Mann Judd, for audit or review of the financial reports	24,487	23,567

Note 8. Cash and Cash Equivalents

Cash at bank and on hand(1)	2,109,364	2,317,256

(1) Cash at Bank includes $45,000 (2019: $45,000) held as security for credit cards. The term of the deposit is greater than 4 months however the amount is not material to reclassify.

CASH FLOW INFORMATION

Reconciliation of the loss from continuing operations after income tax to the net cash flows from operating activities.

Profit/(Loss) from continuing operations after income tax	(23,954)	1,976,790
- Impairment of exploration expenditure	5,170	(20,085)
- Revaluation of financial assets	1,106,875	(1,190,150)
- Non-operating income	(2,310,000)	(2,195,000)
- Loss on disposal of property, plant and equipment	18,329	-
- Depreciation expense	48,155	36,464
- Share based payments	480,625	830,107
- Employee benefits accrued/(paid out)		25,744
- (Increase)/Decrease in debtors	(13,592)	(12,853)
- (Increase)/Decrease in prepayments	29,069	(30,499)
- Increase/(Decrease) in trade creditors and provisions	128,712	66,216
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	(530,611)	(193,045)

Note 9. Trade and Other Receivables

Current	30 June 2022 $	30 June 2021 $
Trade debtors	4,216	17,336
Other debtors	25,000	40,410
Interest receivable	669	1,277
	29,885	59,023

There is no expected credit loss at balance date.

There are no overdue but not impaired trade and other receivables.

Note 10. Property, Plant and Equipment

	30 June 2022 $	30 June 2021 $
Cost	384,778	611,858
Accumulated depreciation	(167,595)	(159,351)
	217,183	452,507
Land and Buildings	31	93
Plant and Equipment	163,057	418,060
Fixtures & Fittings	580	746
Right of use asset	53,515	33,608
	217,183	452,507

	Land & buildings	Plant & equipment	Fixtures & Fittings	Right of use asset	Total
Cost					
Balance as at 30 June 2020	**443**	**538,423**	**10,053**	**-**	**548,919**
Additions	-	12,527		50,412	62,939
Disposals	-	-	-	-	-
Balance as at 30 June 2021	**443**	**550,950**	**10,053**	**50,412**	**611,858**
Additions	-	3,283		58,379	61,662
Disposals/reversal on lease termination	-	(238,329)	-	(50,412)	(288,741)
Balance as at 30 June 2022	**443**	**315,904**	**10,053**	**58,379**	**384,779**
Accumulated Depreciation					
Balance as at 30 June 2020	**(287)**	**(113,134)**	**(9,466)**	**-**	**(122,887)**
Depreciation	(63)	(19,756)	159	(16,804)	(34,464)
Disposals	-	-	-	-	-
Balance as at 30 June 2021	**(350)**	**(132,890)**	**(9,307)**	**(16,804)**	**(159,351)**
Depreciation	(63)	(19,957)	(164)	(17,971)	(48,155)
Disposals/reversal on lease termination	-	-	-	39,910	39,910
Balance as at 30 June 2022	**(413)**	**(152,847)**	**(9,471)**	**(4,865)**	**(122,887)**
Net written down value 30 June 2021	**93**	**418,060**	**746**	**33,608**	**452,507**
Net written down value 30 June 2022	**31**	**163,057**	**580**	**53,515**	**217,183**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 11. Financial Assets at fair value through profit or loss

Equity financial assets are recognised and all gains and losses are reflected in profit or loss as fair value through profit or loss.

	30 June 2022 $	30 June 2021 $
Listed shares [(1)]	1,370,188	1,267,063
	1,370,188	1,267,063

The net loss from financial assets at fair value through profit or loss for the year being the difference in closing values of listed share and unlisted options was $1,106,875 (2021: $42,107).

(1) Listed shares are valued at fair value according to closing ASX share price on the last trading day of each period.

Note 12. Exploration and Evaluation Expenditure

Exploration and evaluation phase:	30 June 2022 $	30 June 2021 $
Opening balance exploration and evaluation expenditure	4,632,648	1,826,365
Exploration and evaluation expenses capitalised during year	969,951	2,826,368
Less: Impairment	(5,170)	(20,085)
Closing balance exploration and evaluation expenditure	5,597,429	4,632,648

During the year the Directors recognised an impairment on previously capitalised expenditure on specific tenements due to the tenements no longer being held.

The Company's title to certain mining tenements is subject to Ministerial approval and may be subject to outcomes of native title issues (Refer Note 24).

Included within the balance of exploration and evaluation expenditure is a carrying amount of $1,311,953 (2021: $1,245,632) relating to the Ellendale Diamond Project. The Ellendale Diamond Project is subject to a 2 year option agreement with Burgundy Diamond Mines Limite3d (refer to 2.0 review of operations). There are no other material assets or liabilities associated with the project should Burgundy Diamond Mines Ltd exercise its option in late March 2023.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective area.

Note 13. Trade and Other Payables

	30 June 2022 $	30 June 2021 $
Trade creditors	126,443	26,968
Other creditors	71,613	88,243
	198,056	115,211

The average credit period on purchases is 30 days. There is no interest charged on payables.

Note 14. Lease Liability

	30 June 2022 $	30 June 2021 $
Current liability	29,048	25,206
Non-Current Liability	25,757	8,402
Total Lease liability	54,805	33,608
Balance on initial application/Opening balance	33,608	50,412
Principal repayments	(26,311)	(17,600)
Add finance charges	1,728	796
Adjustments to lease on signing new lease	45,780	-
	54,805	33,608

Note 15. Provisions

	30 June 2022 $	30 June 2021 $
Employee entitlements – annual & long service leave	137,483	89,052

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 16. Non-cash investing and financing activity

	30 June 2022 $	30 June 2021 $
Additions to the right-of-use assets	7,966	52,800
Shares and Options issued [1]	-	1,233,250
Total	7,966	1,286,050

[1] Issue of 5,500,000 shares and 5,500,000 options for the acquisition of the Edjudina Project. The shares were valued at $742,500 (refer to note 17) and the options were valued at $486,750 (refer note 18). In addition, 1,000,000 options were issued to acquire a data pack for the Ellendale project. The options were valued at $23,400 (refer note 18). The amounts above have been capitalised to exploration and evaluation expenditure in 2021 financial period.

[1] On 24 March 2021, the Company entered into a 2 year option agreement with Burgundy Diamond Mines Limited, which confers the right for Burgundy to acquire 100% of the Ellendale Diamond Project. The first payment upon entering the agreement the Company received $1.7 million cash and 4,000,000 ordinary shares in Burgundy Diamond Mines, which were initially valued at $1,232,257. The second payment after 1 year on 24 March 2022 was $1 million cash and 5,000,000 ordinary share in Burgundy Diamond Mines, which were initially valued at $1,210,000. The 9,000,000 total shares were revalued to $1,260,000 at year end.

Note 17. Issued Capital

(a) Issued Shares

	Number	$
Opening Balance 1 July 2020	**179,079,445**	**15,749,292**
Share purchase plan 8 September 2020	21,930,000	1,096,500
Exercise of options 28 October 2020	5,000,000	616,500
Shares issued at deemed price of $0.135 1 December 2020[1]	5,500,000	742,500
Share issue costs	-	(29,157)
Closing Balance 30 June 2021	**211,509,445**	**18,175,635**
No Movements		
Closing Balance 30 June 2022	**211,509,445**	**18,175,635**

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

[1] Issued to acquire the Edjudina Gold Project, the share were valued at the date of issue to acquire the project in which control passed to the Company.

(b) Options on Issue

Details of options on issue during the year are detailed below.

Expiry date	20 Nov 2021 [1]	22 Nov 2022 [2]	22 Nov 2022 [3]	30 Nov 2023 [4]	1 March 2024 [5]	12 Nov 2024 [6]	Weighted average exercise price $	Weighted average contractual life remaining Months
Exercise Price	**$0.09 Employee**	**$0.09 Vendor**	**$0.09 Vendor**	**$0.075 Directors & Employee**	**$0.10 Employees**	**$0.11 Directors**		
Opening 1/7/21	500,000	5,500,000	1,000,000	7,000,000	-	-	0.082	31.03
Expired	(500,000)	-	-	-			0.09	-
Issued	-	-	-	-	1,250,000	9,000,000	0.011	32.30
Closing 30/6/22	-	5,500,000	1,000,000	7,000,000	1,250,000	9,000,000	0.094	21.66

The above-mentioned options have the following key terms

1. *Employees' options are exercisable at $0.09 each, by the expiry date noted above. The options vest immediately.*
2. *Vendor options are exercisable at $0.09 each, by the expiry date noted above. The options are subject to a 6 month escrow period. Issued to acquire the Edjudina Gold Project.*
3. *Vendor options are exercisable at $0.09 each, by the expiry date noted above. Issued to acquire a data pack in relation to the Ellendale Diamond project,*
4. Director and Employees' *options are exercisable at $0.075 each, by the expiry date noted above. The options vest immediately.*
5. Employees' *options are exercisable at $0.10 each, by the expiry date noted above. The options vest immediately.*
6. Director *options are exercisable at $0.011 each, by the expiry date noted above. The options vest immediately.*

The weighted average contractual life of options remaining as at 30 June 2022 is 21.66 months (2021: 31.03 months).

Note 18. Reserves

Nature and purpose of reserves
Option reserves
This reserve is used to record the value of equity benefits provided to employees, consultants and Directors as part of their remuneration.

	30 June 2022 $	30 June 2021 $
Opening Balance	1,250,650	547,443
Options expensed during year	480,625	1,340,257
Less options exercised during the year	-	(166,500)
Less expired options	(17,400)	(470,550)
Closing balance	1,713,875	1,250,650

The Option Reserves arises as the share options granted vest over the vesting period. Amounts are transferred out of the reserve and into issued capital when the options are exercised.

Using the Black & Scholes options valuation and methodology, the fair value of the options was calculated as at the grant date. The following inputs were used:

INPUT	DIRECTOR & EMPLOYEE OPTIONS	VENDOR OPTIONS	VENDOR OPTIONS	EMPLOYEE OPTIONS	DIRECTOR OPTIONS
Exercise price	$0.075	$0.09	$0.09	$0.010	$0.11
Share price	$0.14	$0.14	$0.051	$0.064	$0.090
Grant date	1/12/2020	1/12/2020	29/5/2020	2/3/2022	11/11/2021
Expected volatility (i)	100%	100%	100%	84.33%	84.33%
Expiry date	30/11/2023	22/11/2022	22/11/2022	1/03/2024	22/11/2022
Expected dividends	Nil	Nil	Nil	Nil	Nil
Risk free interest rate	0.25%	0.25%	0.25%	0.10%	0.10%
Value per option	$0.1033	$0.0885	$0.0234	$0.02	$0.05
Number of options	7,000,000	5,500,000	1,000,000	1,250,000	9,000,000
Value of options	$723,100	$486,750	$23,400	$30,625	$450,000

(i) Volatility using the Black & Scholes method was determined by reviewing similar companies for a similar period.

Note 19. Accumulated losses

	30 June 2022 $	30 June 2021 $
Balance at the beginning of the year	(10,844,972)	(13,332,312)
Net profit/(loss) for the year	(23,954)	1,976,790
Transfer from share option reserve (expired options)	17,400	470,550
Balance at the end of the year	(10,891,526)	(10,844,972)

Note 20. Statement of Operations by Segment

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company operates solely in the natural resources exploration industry in Australia and has determined that this is the only operating segment. The Company is predominantly involved in mineral exploration and development.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 21. Related Party Transactions

(a) Key management personnel compensation

Details of key management personnel compensation are disclosed in Note 6 to the financial statements.

(b) Transactions with director related entities

During the year, Mooney & Partners Pty Ltd, a company associated with Grant Mooney was paid for Company secretarial services provided to the Company totalling $48,000 (2021: $42,250). This amount is included in Mr Mooney's remuneration in the remuneration report.

Note 22. Financial Instruments

(a) Overview

The Company's principal financial instruments comprise receivables, payables, cash, equity investments and short-term deposits. The main risks arising from the Company's financial instruments are interest rate risk, credit risk, liquidity risk and commodity prices risk.

This note presents information about the Company's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and the management of capital. All financial assets and liabilities are held at amortised cost, with the exception of financial assets at fair value through profit or loss (Note 11).

(b) Interest rate risk

The Company's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective average interest rates in classes of financial assets and liabilities is as follows:

2022	Average Effective Interest Rate %	Fixed Interest Rate $	Floating Interest Rate $	Non-Interest Bearing $	Total $
Financial assets:					
Operating accounts	-	-	-	154,079	154,079
Savings accounts	0.01%	-	359,361	-	359,361
Term deposits	0.89%	1,595,923	-	-	1,595,923
Receivables	-	-	-	29,885	29,885
Financial assets	-	-	-	1,370,188	1,370,188
		1,595,923	**359,361**	**1,554,152**	**3,509,436**
Financial liabilities:					
Accounts payable	-	-	-	198,056	198,056
Lease Liability current	4.6%	29,048	-	-	29,048
Lease Liability non- current	4.6%	25,757	-	-	25,757
		54,805	**-**	**198,056**	**252,861**

2021	Average Effective Interest Rate %	Fixed Interest Rate $	Floating Interest Rate $	Non-Interest Bearing $	Total $
Financial assets:					
Operating accounts	-	-	-	9,673	9,673
Savings accounts	0.01%	-	272,695	-	272,695
Term deposits	0.10%	2,034,888	-	-	2,034,888
Receivables	-	-	-	59,023	59,023
Financial assets	-	-	-	1,267,063	1,267,063
		2,034,888	**272,695**	**1,335,759**	**3,643,342**
Financial liabilities:					
Accounts payable	-	-	-	115,211	115,211
Lease Liability current	4.6%	25,206	-		25,206
Lease Liability non- current	4.6%	8,402	-		8,402
		33,608	**-**	**115,211**	**148,749**

The Company's exposure to interest rate risks is not material.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 22. **Financial Instruments (continued)**

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from cash and cash equivalents and trade and other receivables.

There are no significant concentrations of credit risk within the Company. The carrying amount of the Company's financial assets represents the maximum credit risk exposure, as represented below:

9,	2022 $	2021 $
Cash and cash equivalents	2,109,364	2,317,256
Trade and other receivables	29,885	59,023
	2,139,249	**2,376,279**

(d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Board's approach to managing liquidity is to ensure, as far as possible, that the Company will always have sufficient liquidity to meet its liabilities when due, by insuring sufficient liquid funds are available on short term maturities.

The maturity of all current financial assets and liabilities is less than six months. The only other is the non-current lease liability which is not material.

(e) Commodity price risk

The Company is exposed to commodity price risk. Commodity prices can be volatile and are influenced by factors beyond the Company's control. As the Company is currently engaged in exploration and business development activities, no sales of commodities are forecast for the next 12 months, and accordingly, no hedging or derivative transactions have been used to manage commodity price risk.

(f) Fair Value

The net fair value of financial assets and financial liabilities approximate their carrying value. Net fair value and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and in the notes to and forming part of the financial statements.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three (3) levels of a fair value hierarchy. The three (3) levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value on a recurring basis.

30 June 2022	Level 1	Level 2	Level 3	Total
Financial Assets:				
Listed Shares	1,370,188	-	-	1,370,188
Net fair value:	**1,370,188**	**-**	**-**	**1,370,188**

30 June 2021	Level 1	Level 2	Level 3	Total
Financial Assets:				
Listed Shares	1,267,063	-	-	1,267,063
Net fair value:	**1,267,063**	**-**	**-**	**1,267,063**

There were no transfers between Level 1 and Level 2 in 2022.
Fair values of these listed securities have been estimated by reference to quoted bid prices in active markets at the reporting date and are categorised within Level 1 of the fair value hierarchy above.

At balance date the majority of the Company's equity price risk relates to its holding in Burgundy Diamond Mines Limited. The 12 month volatility of the Burgundy stock was 89%.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

Note 23. Earnings/(loss) per Share

	2022 Cents	2021 Cents
Basic earnings/(loss) per share (cents per share)	(0.011)	0.972
Diluted earnings /(loss) per share (cents per share)	(0.011)	0.953

Basic Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:	2022 $	2021 $
Earnings/(loss) after income tax expense	(23,954)	1,976,790

	2022 No.	2021 No.
Weighted average number of ordinary shares	211,509,445	203,428,157
Weighted average number of dilutive ordinary shares	211,509,445	207,493,911

Note 24. Significant Events Subsequent to Year End

There was no matter or circumstance subsequent to the end of the year that has significantly affected the operations of the Company, the results of operations or the state of affairs in future financial years.

Note 25. Contingent Liabilities

In June 1992 the High Court of Australia held in the Mabo case that the common law of Australia recognises a form of native title. The full impact that the Mabo decision may have on tenements held by the Company is not yet known. The Company is aware of native title claims that have been lodged with the National Native Title Tribunal ("the Tribunal") over several areas in the Northern Territory in which the Company holds interests. The native title claims have been accepted by the Tribunal for determination under section 63(1) of the Native Title Act 1993 (Commonwealth). There is no information at balance date known to Directors which would result in an impairment trigger or potential loss of tenements.

Note 26. Exploration Expenditure Commitments

The Company has minimum statutory commitments as conditions of tenure of certain mining tenements. Whilst these obligations may vary, a reasonable estimate of the minimum commitment projected for the next 12 months if it is to retain all of its present interests in mining and exploration properties is $85,000 (2021: $60,000).

Note 27. Contingent Assets

The Company has an Option agreement with ASX listed Burgundy Diamond Mines Limited (ASX: BDM), which confers the right for Burgundy to acquire 100% of the Ellendale Diamond Project, WA. The third payment of $4 million in cash and $7 million fully paid shares in BDM to the Company is due in late March 2023 and will result in Burgundy purchasing the Ellendale Diamond Project.

DIRECTORS' DECLARATION

1. In the opinion of the directors of Gibb River Diamonds Limited ("the Company")

   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 Company's financial position as at 30 June 2022 and of its performance for the year then ended; and

      ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

   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 thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2022.

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

Jim Richards

JAMES RICHARDS
Chairman

Grant Mooney

GRANT MOONEY
Non-executive Director

Dated this 28th day of September 2022

INDEPENDENT AUDITOR'S REPORT

To the members of Gibb River Diamonds Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Gibb River Diamonds Limited ("the Company") which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the 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 Company is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2022 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 Company 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
Carrying amount of exploration and evaluation expenditure Refer to Note 12	
In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources,* the Company capitalises all exploration and evaluation expenditure, including acquisition costs and subsequently applies the cost model after recognition. Our audit focussed on the Company's assessment of the carrying amount of the capitalised exploration and evaluation asset, as this is one of the most significant assets of the Company.	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 values of each area of interest; ▪ We considered the Directors' assessment of potential indicators of impairment; ▪ We obtained evidence that the Company has current rights of tenure to its areas of interest; ▪ We examined the exploration budget for the year ending 30 June 2023 and discussed with management the nature of planned ongoing activities; ▪ We substantiated a sample of expenditure incurred to supporting documentation; and ▪ We examined the disclosures made in the financial report.
Ellendale Diamond Project Sale Option Refer to Note 3 and 16	
During the prior year, the Company entered into a two year option agreement with Burgundy Diamond Mines Limited ("Burgundy"), which conferred the right for Burgundy to acquire 100% of the Ellendale Diamond Project. The cash and shares components of the consideration for entering into the option agreement consisted of three staged payments over two years with the first payment being received during the prior period. This payment consisted of a $1.7 million plus GST cash payment and the receipt of 4 million Burgundy ordinary shares. The second payment was received during the period. This consisted of a $1 million plus GST cash payment and the receipt of 5 million Burgundy ordinary shares. This transaction is considered to be a key audit matter due to the significance of the transaction to users of the financial report.	Our procedures included but were not limited to the following: ▪ We reviewed management's position on the revenue recognised for the second payment; ▪ We considered management's recognition of the shares received in accordance with AASB 9 *Financial Instruments*; ▪ We assessed management's position on any potential future payments; 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 Company's annual report for the year ended 30 June 2022, 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.

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 Company 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 Company 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 Company'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 Company'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 Company 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.

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 2022.

In our opinion, the Remuneration Report of Gibb River Diamonds Limited for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
28 September 2022

D I Buckley
Partner

ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report. The information was prepared based on share registry information processed up to 28 September 2022.

Spread of Holdings			Number of holders	Ordinary Shares
1	-	1,000	73	31,441
1,001	-	5,000	161	525,166
5,001	-	10,000	267	2,220,302
10,001	-	100,000	690	26,612,750
100,001	-	and over	260	182,119,786

Total Number of Holders: 1,451

Number of shareholders holding less than a marketable parcel: 372

SUBSTANTIAL SHAREHOLDERS

Shareholder Name	Number of Shares
James Richards	32,783,068

VOTING RIGHTS

All ordinary shares carry one vote per share without restriction. Options for ordinary shares do not carry any voting rights.

STATEMENT OF QUOTED SECURITIES / TOTAL SHARES ON ISSUE

Listed on the Australian Securities Exchange are 211,509,445 fully paid shares.

COMPANY SECRETARY

The name of the Company Secretary is Grant Jonathan Mooney.

REGISTERED OFFICE

The registered office is at Suite 4, 6 Richardson Street, West Perth, Western Australia 6005.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement as at 30 June 2022 as approved by the Board can be viewed at
http://www.gibbriverdiamonds.com/irm/content/corporate-governance.aspx?RID=269

TWENTY LARGEST HOLDERS OF EACH CLASS OF QUOTED EQUITY SECURITIES (as at 28 September 2022)

ORDINARY FULLY PAID SHARES

Shareholder Name	Number of Shares	Percentage of Capital
MR JAMES MCARTHUR RICHARDS	32,783,068	15.5
LLANGURIG SUPER PTY LTD <JIM RICHARDS SUPER FUND A/C>	8,344,077	3.95
MR PHILIP ANDREW PILCHER	7,386,985	3.49
SZABO TRADING PTY LTD <NO 2 A/C>	6,831,520	3.23
OCEAN FLYERS PTY LTD <S & G MOONEY SUPER FUND A/C>	6,342,417	3
NEXUS MINERALS LIMITED	5,876,667	2.78
MR IANAKI SEMERDZIEV	5,000,000	2.36
MS ANNE MARIE HUTCHINGS	3,700,000	1.75
BNP PARIBAS NOMINEES PTY LTD SIX SIS LTD <DRP A/C>	3,656,000	1.73
SZABO TRADING PTY LTD	2,579,256	1.22
MR DALE LEONARD ANDREWS & MRS JILLIAN PATRICIA ANDREWS <DOG STAR S/F A/C>	2,492,000	1.18
MR GRANT JONATHAN MOONEY	2,366,576	1.12
MR PAUL SCIANCALEPORE & MRS PAULINE SCIANCALEPORE	2,238,882	1.06
MR ALAN PAUL CARTMELL	2,000,000	0.95
CORONA LAND HOLDINGS PTY LTD <HUMBERSTON SUPER FUND A/C>	2,000,000	0.95
LATERAL MINERALS PTY LTD <SUNGOLD SUPER A/C>	2,000,000	0.95
MR TIMOTHY STUART QUICK	2,000,000	0.95
MR GRANT STEPHEN BAMBRY	1,722,669	0.81
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,612,000	0.76
MR WARWICK CRUMBLIN & MRS MARY CRUMBLIN	1,520,010	0.72
Total	**102,452,127**	**48.46**

HOLDERS OF SECURITIES IN AN UNQUOTED CLASS
OPTIONS

Option Holder Name	Consultant Options Expiring 28 November 2022 @ 9.0 cents each	Director & Employee Options Expiring 30 November 2023 @ 7.5 cents each	Employee Options Expiring 31 August 2025 @ 10.0 cents each	Director Options Expiring 31 August 2025 @ 11.0 cents each	Total	Percentage of Options
NEXUS MINERALS LIMITED	5,000,000	-	-	-	5,000,000	21.05
MR JAMES MCARTHUR RICHARDS			5,000,000		5,000,000	21.05
THOMAS REDDICLIFFE	-	2,000,000	2,000,000		4,000,000	16.84
MR GRANT JONATHAN MOONEY	-	2,000,000	2,000,000		4,000,000	16.84
LLANGURIG SUPER PTY LTD	-	2,000,000	-		2,000,000	8.42
KRSP PTY LTD	1,000,000	-	-		1,000,000	4.21
MS KYLIE LOUISE TAME	-	750,000	0		750,000	3.16
MICHAEL DENNY				750,000	750,000	3.16
COXSROCKS PTY LTD	500,000				500,000	2.11
TAMARA MAXINE GRAY	-	250,000	-	250000	500,000	2.11
TYRONE BODY				250000	250,000	1.05
Total	**6,500,000**	**7,000,000**	**9,000,000**	**1,250,000**	**23,750,000**	**100**