



BLACK ROCK
MINING LIMITED

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
30 JUNE 2022

For professional use only

For personal use only

BLACK ROCK MINING LIMITED

ABN: 59 094 551 336

CORPORATE DIRECTORY

DIRECTORS

Richard Crookes
Chairman Non-Executive

John de Vries
Chief Executive Officer,
Managing Director

Ian Murray
Non-Executive Director

Gabriel Chiappini
Non-Executive Director

COMPANY SECRETARY
James Doyle

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Level 1, 1 Walker Avenue,
West Perth Western Australia, 6005
T: +61 (08) 6383 6200
www.blackrockmining.com.au

AUDITOR

Deloitte Touche Tohmatsu
Tower 2, Brookfield Place
123 St Georges Terrace
Perth Western Australia, 6000
T: +61 (08) 9365 7000
F: +61 (08) 9365 7001

SHARE REGISTRY

Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth Western Australia, 6000
T: +61 1300 787 272
F: +61 (08) 9323 2033
E: web.queries@computershare.com.au

STOCK EXCHANGE LISTING

The Company's shares are quoted on the Australian Securities Exchange (ASX). The Home Exchange is Perth.

ASX CODE BKT – ordinary shares

01 CHIEF EXECUTIVE OFFICER'S REPORT

05 DIRECTORS' REPORT

17 AUDITOR'S INDEPENDENCE DECLARATION

18 CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

19 CONSOLIDATED STATEMENT OF FINANCIAL POSITION

20 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

21 CONSOLIDATED STATEMENT OF CASH FLOWS

22 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

47 DIRECTORS' DECLARATION

48 INDEPENDENT AUDITOR'S REPORT

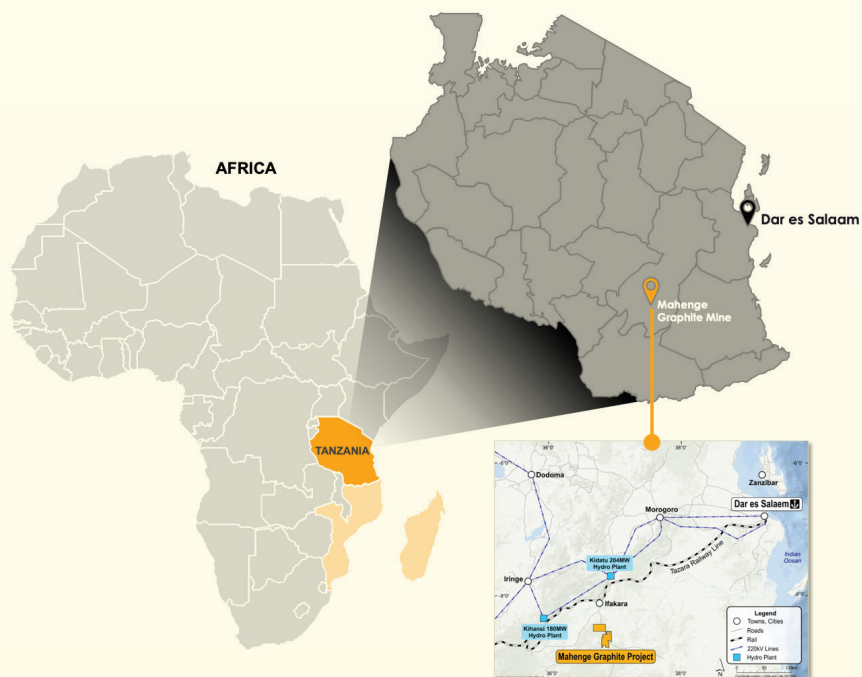
52 ADDITIONAL INFORMATION

For personal use only

CHIEF EXECUTIVE OFFICER'S REPORT

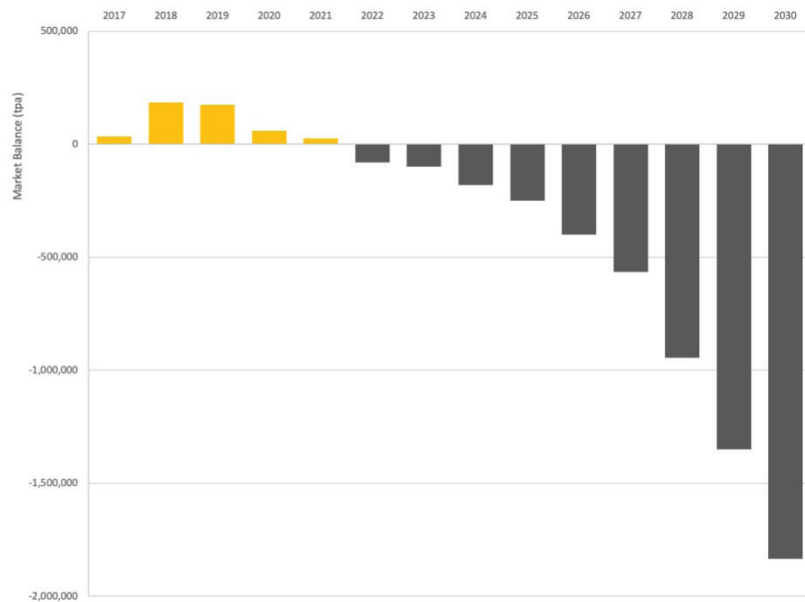
Black Rock Mining is well positioned as a premium player in East Africa's emerging Graphite hub to take advantage of the strong outlook for natural Graphite.

Mahenge Graphite Project At the beginning of this financial year, I wrote that the demand for graphite was entering a unprecedented period driven by the demand for clean energy technologies. Over the year, this sentiment has grown faster and larger than we anticipated, with market analysts now predicting structural deficits in natural graphite supply by the end of this calendar year, 2022. A synchronised global technology change is underway which is expected to drive strong demand for battery materials. Graphite will play a substantial role in this transition to a renewables future and this represents a significant opportunity for all Black Rock Mining stakeholders.



Strong outlook for natural graphite

Structural deficits in natural graphite predicted from 2022 of ~80kt forecast in 2022, expected to grow to ~400ktpa by 2026



With one of the largest graphite resources in the world, the Mahenge Graphite Project is on track to become a meaningful producer of graphite into a growing global market. The Mahenge Graphite Project has a number of unique advantages that underpin its credentials to deliver a significant new sustainable and green source of graphite:

- > Ability to produce very high grade graphite concentrate (up to 99% Total Graphitic Carbon);
- > Simple extraction and operating process with dry stack tailings (no acid, low environmental footprint, and low technical risk);
- > Good access to key infrastructure – rail, port access, grid power, and water allows for sustained lower cost operation;
- > Upstream focused business model and modular market entry and growth strategy for a highly economic mine operation;
- > Commercially validated product qualified by real customers in the global supply chain (strategic partnership with POSCO and binding off-take agreements); and
- > Substantially permitted with Tanzanian Government mandate in place.

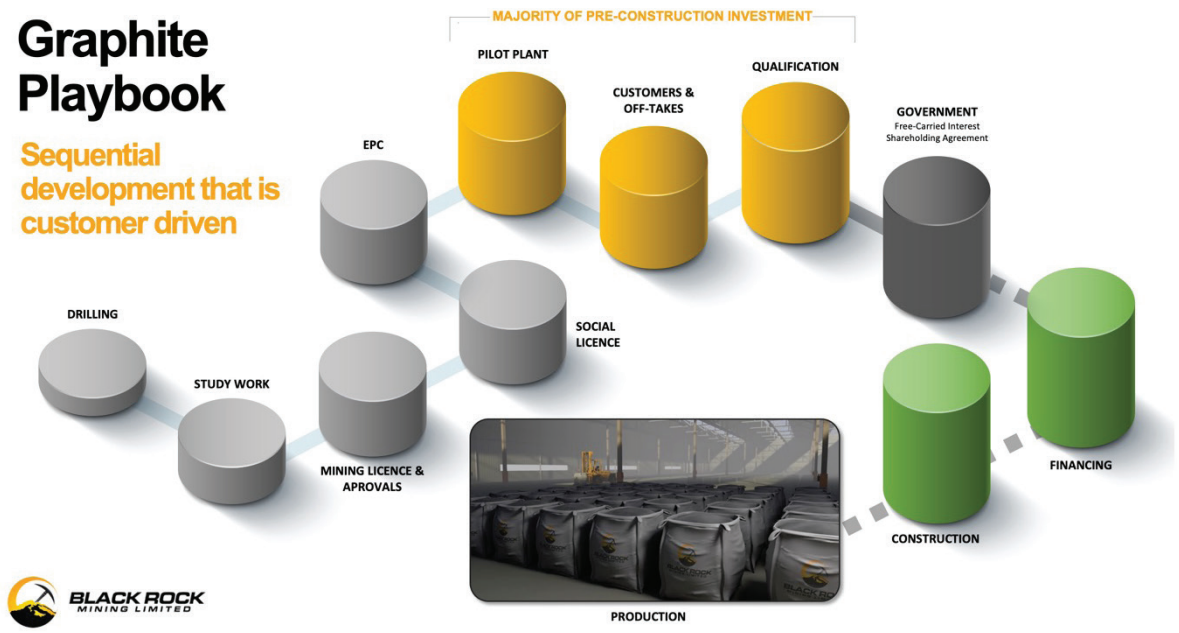
Focused on becoming a graphite producer

The development pathway for a graphite mine is highly customer led. This means that the majority of time is spent on customer engagement and qualification – very different to a base metals project where most of the focus is on drilling. With this in mind, during the year the Company completed a large-scale 500 tonne processing plant campaign as part of customer qualification works. An important milestone which demonstrated a whole of orebody qualification to provide high confidence with customers and financiers in the Project's ability to supply a high quality commercial grade product over the long term. Critically, this also represented the largest undertaken global graphite qualification campaign and has put large volumes of product in the hands of existing and potential new partners in North America, Asia and Europe.

Following this, Black Rock Mining signed a Framework Agreement with the Government of Tanzania at a ceremony held in Dar es Salaam on 13th December 2021 – confirming an agreed 16% Free Carried Interest shareholding and commitment to jointly develop the world-class Mahenge Graphite Project. At the time I said that reaching agreement with the Tanzanian Government was a watershed moment for the Company. Not only does the partnership with the Government signal clear intent for the Mahenge Graphite Project to be built, it also demonstrates strong alignment with the people of Tanzania providing project certainty to all broader stakeholders.

Graphite Playbook

Sequential development that is customer driven



Switching to our other strategic partner, in POSCO, the Company signed a term sheet for a US\$10m prepayment and offtake for all of the Mahenge Graphite Project's Module One planned fines production (-100#). This built on POSCO's earlier 15% equity investment in Black Rock Mining and continued to show the market strong end user confidence in Mahenge's high purity graphite and development pathway. Two existing Chinese Pricing and Volume Agreements for the supply of large flake concentrate (>+100 mesh) were also converted to binding Term Sheets. These also included a prepayment commitment (via a binding Letter of Credit), and importantly are price indexed to published indices.

The Mahenge Graphite Project now has the largest measured graphite mineral resource globally, following the completion of an infill drill program and bulk metallurgical sampling. The Company announced a 25% increase in Measured Mineral Resource which confirms the first 10 years of the mine plan (including all of Module One and Two) is now underpinned by the highest confidence mineral resource category.

In recent months, the Company has been working through a Front End Engineering Design ("FEED") process that aims to optimise process plant design, tender for long lead equipment items, provide updated Capex and Opex for cost and schedule certainty; and

ultimately support the finalisation of the debt finance process. CPC Engineering was awarded the engineering design contract and an integrated project management team is currently responsible for the FEED process in parallel with detailed engineering. The team has a particular focus on earthworks as the initial priority to ensure the Company can be construction ready in the coming months.

Tanzanian activities

I'm pleased to note that the Company commenced the compensation process pursuant to the Mahenge Graphite Project Resettlement Action Plan post year end. This effectively begins the process to deliver a higher standard of living with vastly improved amenities to all project affected persons in priority areas covering Modules One and Two. Importantly, as the Company is nearing finalisation of the FEED process, the timing of resettlement compensation means that Black Rock Mining is on track to access ground for potential start of early works programs ahead of planned commencement of mine construction, subject to making a final investment decision.

Local engagement and project execution activities accelerated with the announcement of initial leadership appointments under Black Rock Mining's 84% owned joint-venture company, Faru Graphite Corporation (Faru).

Faru was established in partnership with the Tanzanian Government to jointly develop the Mahenge Graphite Project. Tanzanian CEO, Mr Alimiya (Ali) Osman was appointed, along with Mr Asa Mwaipopo as Non-Executive Director. Mr Ted Silkiluwasha and Mr Danstan Mtajura Daud also joined as government appointed Directors, along with Black Rock Mining Directors Mr Ian Murray as Non-Executive Director and myself as Executive Chairman.

Having worked closely with the government and our partners in Tanzania, the Company is fortunate to be able to attract and recruit world class Tanzanian citizens that supports our desire to co-develop local capability to drive positive outcomes for Tanzania and our investors.

Tying the year together, the Company is now in a great position as it focuses on completing financing activities ahead of making a final investment decision with respect to the Mahenge Graphite Project, and consequent commencement of development. Having achieved stated milestones through the year, including established agreements with credible and blue chip customers, government support and project de-risking activities, Black Rock Mining has been able to demonstrate additional confidence for lenders and financiers with a strong platform as the Company now progresses activities associated with securing debt financing.



ABOVE MD/CEO JOHN DE VRIES ON SITE AT MAHENGE DURING THE JUNE QUARTER.

LEFT MD/CEO JOHN DE VRIES AND FARU CEO ALIMIYA (ALI) OSMAN PRESENTING THE INITIAL RAP PAYMENT CEREMONIAL CHEQUE TO LOCAL VILLAGE LEADERS AND GOVERNMENT OFFICIALS.

Corporate

During the year, Black Rock Mining strengthened its balance sheet with a A\$25m placement to new and existing institutional and sophisticated investors. This means that the Company is appropriately funded with A\$26.1m in cash as at 30 June 2022 as we aim to finalise debt financing ahead of planned construction activities.

With the focus on building-out organisational capabilities, Black Rock Mining made a number of key appointments through the year, including:

- Stuart McIntyre – GM Corporate Development
- Greg Wheeler – Chief Commercial Officer
- Paul Sims – Chief Financial Officer
- James Doyle – Company Secretary
- Post June 30 the Company has appointed Raelene Wyatt as General Manager – People, Culture and Sustainability

The Company also secured a new corporate office to accommodate the expanded team, completing the move in February 2022.

Environmental, Social and Governance

The Company is committed to maintaining the highest possible standards of Environmental, Social and Governance ("ESG"). Concurrent to the FEED process the Company is progressing an Independent Technical Expert review of our compliance with both the International Finance Corporations performance standards ("IFC PS") and the version 4 of the Equator Principles ("EP4"). Significant baseline studies, stakeholder engagement and investment has been made by the Company this year to assess the environmental and social impacts of both the project and the associated infrastructure. Compliance with the IFC PS and EP4 not only differentiates the Company in increasingly discerning offtake, investment and financial markets, but it facilitates the constructive and proactive engagement with stakeholders to achieve the best outcomes for the environment and the communities in which we work.

The Company has commenced compensation and resettlement activities ("RAP") at the Mahenge Graphite Project. The RAP is compliant with the IFC PS and EP4, and to date the process and outcomes have been enthusiastically received by the Project Affected Persons.

On a personal note, I would like to thank you, our shareholders for your incredible support. The spotlight on graphite is beginning to grow brighter, and I believe that the expected global market demand will bring substantial opportunities for Black Rock Mining that will ultimately deliver value for all stakeholders. Graphite will play a critical role as part of global decarbonisation and clean energy strategies, and I look forward to executing on our plans over the next year as we aim to transition again from explorer to producer.

John de Vries

CEO AND MANAGING DIRECTOR

DIRECTORS' REPORT

The Directors of Black Rock Mining Limited ("Company" or "Black Rock Mining") submit herewith the annual report of the Company and its subsidiary entities ("Consolidated Entity") for the financial year ended 30 June 2022. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

INFORMATION ABOUT THE DIRECTORS

The names and details of the Directors of Black Rock Mining during the financial year are:

NAME	PARTICULARS															
Richard Crookes <i>Non-Executive Chairman</i>	<p>Mr Crookes has over 30 years' experience in the resources and investments industries. He is a geologist by training having worked in the industry most recently as the Chief Geologist and Mining Manager of Ernest Henry Mining in Australia (now Glencore). Mr Crookes was most recently an Investment Director at EMR Capital and prior to that he was an Executive Director in Macquarie Bank's Metals Energy Capital (MEC) division where he managed all aspects of the Bank's principal investments in mining and metals companies as well as the origination of numerous project finance transactions. Mr Crookes has extensive experience in deal origination, evaluation, structuring, and completing investment entry and exits for both private and public resource companies in Australia and overseas, as well as execution of Project Finance transactions in Africa.</p> <p>Mr Crookes is a member of both the Audit and Remuneration Committees.</p> <p>Mr Crookes held directorships with the following listed companies in the three years immediately prior to the date of this report.</p> <table><thead><tr><th>NAME</th><th>DATE APPOINTED</th><th>DATE RESIGNED</th></tr></thead><tbody><tr><td>Highfield Resources Limited</td><td>April 2013</td><td>March 2022</td></tr><tr><td>Lithium Power International Ltd</td><td>November 2018</td><td>Current</td></tr><tr><td>Barton Gold Holdings Ltd</td><td>February 2021</td><td>May 2022</td></tr></tbody></table>	NAME	DATE APPOINTED	DATE RESIGNED	Highfield Resources Limited	April 2013	March 2022	Lithium Power International Ltd	November 2018	Current	Barton Gold Holdings Ltd	February 2021	May 2022			
NAME	DATE APPOINTED	DATE RESIGNED														
Highfield Resources Limited	April 2013	March 2022														
Lithium Power International Ltd	November 2018	Current														
Barton Gold Holdings Ltd	February 2021	May 2022														
Ian Murray <i>Non-Executive Director</i>	<p>Mr Murray is a Non-Executive Director of Black Rock Mining. Mr Murray graduated with a Bachelor of Commerce (BCom) in 1987 from the University of Cape Town, a fellow of the Institute of Chartered Accountants of Australia and New Zealand, and is a member of the Australian Institute of Company Directors. He has held senior management positions for companies such as KPMG, Price Waterhouse, Bioclones, DRDGold Ltd, and Gold Road Resources. More recently, as Chief Executive Officer and Managing Director, he successfully delivered Gold Road Resources' (ASX:GOR) Gruyere Project, and has significant African experience through DRDGold.</p> <p>Mr Murray is a member of the Audit Committee and Chair of the Remuneration Committee.</p> <p>Mr Murray held directorships with the following listed companies in the three years immediately prior to the date of this report.</p> <table><thead><tr><th>NAME</th><th>DATE APPOINTED</th><th>DATE RESIGNED</th></tr></thead><tbody><tr><td>Matador Mining Ltd</td><td>May 2020</td><td>Current</td></tr><tr><td>Geopacific Resources Ltd</td><td>September 2019</td><td>July 2022</td></tr><tr><td>Todd River Resources Ltd</td><td>September 2020</td><td>October 2021</td></tr><tr><td>Jupiter Mines Limited</td><td>February 2022</td><td>Current</td></tr></tbody></table>	NAME	DATE APPOINTED	DATE RESIGNED	Matador Mining Ltd	May 2020	Current	Geopacific Resources Ltd	September 2019	July 2022	Todd River Resources Ltd	September 2020	October 2021	Jupiter Mines Limited	February 2022	Current
NAME	DATE APPOINTED	DATE RESIGNED														
Matador Mining Ltd	May 2020	Current														
Geopacific Resources Ltd	September 2019	July 2022														
Todd River Resources Ltd	September 2020	October 2021														
Jupiter Mines Limited	February 2022	Current														
John de Vries <i>Managing Director and CEO</i>	<p>Mr de Vries has over 30 years' experience in the mining industry. He started his career in 1984 working for WMC Resources and held operational roles such as Underground Manager, Senior Mining Engineer and Manager Mining. In 1998, he moved to AMC Consultants to become a Principal Mining Engineer responsible for Mine Optimisation. In 2003, he joined Orica Mining Services as Global Business Manager, Advanced Mining Solutions, before moving to BHP Billiton in 2007 as the Manager Strategic Mine Planning.</p> <p>Most recently from 2011 to 2015, he was General Manager Technical Services for St Barbara. After his success with St Barbara, Mr de Vries took an 18-month sabbatical before joining Black Rock Mining.</p> <p>Mr de Vries holds a Bachelor of Engineering, Mining, a Master of Science in Mineral Economics, a Graduate Diploma in Economic Geology, a Graduate Diploma in Financial Markets and is Advisory Committee Member-Mining of MRIWA. Mr de Vries holds a WA First Class Mine Managers Certificate of Competency. He is a member of the AusIMM, a fellow of FINSIA and a member of SME.</p> <p>Mr de Vries does not currently hold any other directorships, nor has he in the past three years.</p>															

INFORMATION ABOUT THE DIRECTORS - CONTINUED

NAME	PARTICULARS															
Gabriel Chiappini <i>Non-Executive Director</i>	<p>Mr Chiappini is an experienced ASX director and has been active in the capital markets for 18 years. Mr Chiappini has assisted in raising in excess of A\$400m in funding and has provided investment and divestment guidance to a number of companies. Mr Chiappini specialises in start-up companies and assists companies with their growth and strategic direction. Mr Chiappini is a member of the Australian Institute of Company Directors and Chartered Accountants Australia & New Zealand.</p> <p>Mr Chiappini is Chair of the Audit Committee and a member of the Remuneration Committee.</p> <p>Mr Chiappini held directorships with the following listed companies in the 3 year immediately prior to the date of this report.</p> <table><thead><tr><th>NAME</th><th>DATE APPOINTED</th><th>DATE RESIGNED</th></tr></thead><tbody><tr><td>Invictus Energy Limited</td><td>August 2015</td><td>Current</td></tr><tr><td>Eneabba Gas Limited</td><td>September 2016</td><td>April 2021</td></tr><tr><td>Gefen International A.I. Ltd</td><td>July 2021</td><td>August 2022</td></tr><tr><td>Black Dragon Gold Corp Ltd</td><td>March 2022</td><td>Current</td></tr></tbody></table>	NAME	DATE APPOINTED	DATE RESIGNED	Invictus Energy Limited	August 2015	Current	Eneabba Gas Limited	September 2016	April 2021	Gefen International A.I. Ltd	July 2021	August 2022	Black Dragon Gold Corp Ltd	March 2022	Current
NAME	DATE APPOINTED	DATE RESIGNED														
Invictus Energy Limited	August 2015	Current														
Eneabba Gas Limited	September 2016	April 2021														
Gefen International A.I. Ltd	July 2021	August 2022														
Black Dragon Gold Corp Ltd	March 2022	Current														

The above-named directors held office during the whole of the financial year and since the end of the financial year

INFORMATION ABOUT COMPANY SECRETARY

James Doyle	<p>Mr Doyle is an experienced advisory and governance professional specialising in the provision of company secretarial and corporate advisory services to public and private companies across a range of sectors including resources, industrials and information technology. Mr Doyle is currently employed by Emerson CoSec, a national corporate advisory, compliance and governance service provider, with clients predominantly in the mineral exploration, development and production sector and acts as company secretary to a number of ASX- listed companies.</p>
--------------------	---

PRINCIPAL ACTIVITIES

Black Rock Mining is an Australian-based Company listed on the Australian Securities Exchange. The principal activity of the Company during the year was to explore and develop mineral resources.

REVIEW AND RESULTS OF OPERATIONS AND ACTIVITIES

Results of Operations

The consolidated loss after tax for the year ended 30 June 2022 was \$6,076,894 (2021: \$2,850,250).

The principal activities during the year included:

- Ongoing discussion with the potential financiers and debt advisors.
- Ongoing Front End Engineering Design ("FEED") process and re-estimating the capital and operating costs at the Mahenge Graphite Project as part of financing process.
- Awards Engineering Design Contract to CPC Engineering for Mahenge Graphite Mine.
- Completion of a Placement to Institutional and Sophisticated Investors to raise A\$25m.
- Appointment of Mr James Doyle as Company Secretary who replaced Mr Gabriel Chiappini who resigned from the role of Company Secretary.
- Appointment of Mr Greg Wheeler as Chief Commercial Officer.
- Appointment of experienced resources executive, Mr Paul Sims, as Chief Financial Officer.
- JORC Compliant Mineral Resource Estimate and Ore Reserve update, posting a 25% increase in Measured Mineral Resource.
- Term Sheet executed with POSCO comprising US\$10m prepayment commitment, repayable via delivery of product, and an offtake agreement for 100% of planned fines production (-#100) from module one of the Mahenge Graphite Project.
- Executed the Framework Agreement with the United Republic of Tanzania ("Tanzanian Government") to jointly develop the Mahenge Graphite mine.
- Appointment of Mr Steuart McIntyre as General Manager, Corporate Development.
- Binding Term Sheets for the supply of large flake graphite concentrate agreed with the Company's existing offtake customers, Taihe Soar (Dalian) Supply Chain Management and Qingdao Yujinxi New Material Co Ltd.
- Memorandum of Understanding signed with United States Clean Tech Graphite Processing company Urbix, Inc, for an innovative supply chain partnership collaboration on battery anode processing.

Corporate and Financial Position

Consolidated net assets at yearend were \$55,018,502 against \$33,163,048 at the close of the prior year. Total cash held at yearend was \$26,093,637 (2021: \$11,298,422).

DIVIDENDS

No dividend has been paid since the end of the previous financial year and no dividend is recommended for the current year.

CHANGES IN THE STATE OF AFFAIRS

Other than the above, there have not been any significant changes in the State of Affairs of the Company or Consolidated Entity. Black Rock Mining remains focused on developing its Graphite Mahenge Project in Tanzania. The Consolidated Entity is progressing towards the development phase, following the execution of the Free Carried Interest with the Tanzanian Government in December 2021 and significant capital raising in May 2022.

SUBSEQUENT EVENTS

Other than the below, the Directors are not aware of any matter or circumstance that has significant or may significantly affect the operation of the Company or Consolidated Entity, or the results of those operations, or the state of affairs of the Company or Consolidated Entity in subsequent financial years.

On 18 July 2022, the Company announced the senior appointments for the Tanzanian leadership team under the Company's 84% owned joint venture company, Faru Graphite Corporation ("Faru"), established in partnership with the Tanzanian Government to develop the Mahenge Graphite Mine. Faru CEO, Mr Alimiya (Ali) Osman was appointed, along with Mr Asa Mwaipopo as Non-Executive Director of Faru. Mr Ted Silkiluwasha and Mr Danstan Mtajura Daud also joined as government appointed Directors of Faru, along with Black Rock Mining Directors Mr John de Vries and Mr Ian Murray who were appointed as Executive Chairman and Non-Executive Director of Faru, respectively.

On 25 July 2022, the Company announced it had commenced initial resettlement activities for its agreed Resettlement Action Plan at the Mahenge Graphite Project. Refer note 28 in the financial statements for further information.

Following receipt of notification of the approval of the Special Mining Licence ("SML") for the Mahenge Graphite Project on 2 September 2022, Faru was formally awarded SML 676/2022 for the Mahenge Graphite Project on 5 September 2022.

On 9 August 2022, the Company, and one of its subsidiaries, Mahenge Resources Limited (incorporated in Tanzania), received a form of referral of an employment dispute to the Commission for Mediation and Arbitration in Tanzania from a former Tanzanian based consultant. Whilst the matter is in the preliminary stages, based on legal advice received to date, the Group believes the claim is spurious, and the amount claimed is ambit, and consequently the matter will be vigorously defended. Accordingly, it is not practicable at this stage to estimate the amount, if any, of any liability that may arise from this matter.

On 9 September 2022, the Company announced that Faru had signed a Conditional Framework Agreement (Agreement) with US-based Urbix, Inc (Urbix) for material from Module Two of the Mahenge Graphite Project. Under the terms of the Agreement, the parties will collaborate in establishing a new supply chain suited to the localisation and Environment, Social and Governance demands of the United States of America and European battery industries.

FUTURE DEVELOPMENTS

Black Rock Mining remains focused on developing its Mahenge Graphite Project in Tanzania. Subject to the Board of Black Rock Mining making a final investment decision, the Company or Consolidated Entity will move into its development phase and looks forward to executing on its strategy to develop and bring the Mahenge Graphite Project into production and in parallel, penetrate the battery materials supply chain.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company is currently updating the Environment and Social Impact Assessment report in accordance with the legal and regulatory requirements of the Tanzanian Government and the relevant international finance institution environmental and social standards; namely the International Finance Corporation Performance Standards and the Equator Principles.

Entities in the Consolidated Entity have complied with all environmental requirements up to the date of this report.

SHARE OPTIONS

Share options granted to Directors

No options were granted to the Directors during the year.

Share options on issue

The details of the options as at the date of this report are as follows:

ISSUING ENTITY	NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	EXERCISE PRICE OF OPTION	EXPIRY DATE OF OPTIONS
Black Rock Mining Ltd	3,000,000	Ordinary	\$0.150	18-Nov-22
Black Rock Mining Ltd	7,600,000	Ordinary	\$0.150	28-Oct-22
Black Rock Mining Ltd	30,236,635	Ordinary	\$0.084	10-Aug-23
Black Rock Mining Ltd	5,000,000	Ordinary	\$0.079	4-Nov-23
Black Rock Mining Ltd	11,000,000	Ordinary	\$0.116	21-Dec-23
Black Rock Mining Ltd	1,000,000	Ordinary	\$0.116	24-Jan-24
Black Rock Mining Ltd	1,500,000	Ordinary	\$0.200	1-Jun-24
Black Rock Mining Ltd	1,500,000	Ordinary	\$0.224	1-Jul-24
Black Rock Mining Ltd	3,000,000	Ordinary	\$0.290	25-Oct-24
Black Rock Mining Ltd	1,500,000	Ordinary	\$0.400	26-April-25
	65,336,635			

Option holders do not have any right by virtue of the option to participate in any share issue of the Company or any related body corporate.

PERFORMANCE RIGHTS

Performance rights granted to Directors

During and since the end of the financial year, no new performance rights were granted to Directors of the Company.

Performance rights on issue

As at the date of this report, no performance rights are on issue.

INFORMATION ABOUT THE DIRECTORS

The following table sets out each Director's relevant interest in shares or options over shares of the Company as at the date of this report:

DIRECTOR		NUMBER	EXPIRY DATE	EXERCISE PRICE
Richard Crookes	- Ordinary shares	6,266,150		
	- Unlisted Options	213,079	10-Aug-23	\$ 0.084
	- Unlisted Options	2,000,000	21-Dec-23	\$ 0.116
	- Unlisted Options	2,400,000	28-Oct-22	\$ 0.150
John de Vries	- Ordinary shares	10,460,078		
	- Unlisted Options	252,121	10-Aug-23	\$ 0.084
	- Unlisted Options	5,000,000	21-Dec-23	\$ 0.116
	- Unlisted Options	3,600,000	28-Oct-22	\$ 0.150
Ian Murray	- Ordinary shares	5,466,801		
	- Unlisted Options	194,548	10-Aug-23	\$ 0.084
	- Unlisted Options	2,000,000	21-Dec-23	\$ 0.116
	- Unlisted Options	3,000,000	18-Nov-22	\$ 0.150
Gabriel Chiappini	- Ordinary shares	11,004,807		
	- Unlisted Options	424,555	10-Aug-23	\$ 0.084
	- Unlisted Options	2,000,000	21-Dec-23	\$ 0.116
	- Unlisted Options	1,600,000	28-Oct-22	\$ 0.150

INDEMNIFICATION OF OFFICERS

The Company gave indemnity and held the following liability cover in place during the course of the financial year:

1. Agreements to indemnify Mr Richard Crookes (Non-Executive Chairman), Mr John de Vries (Executive Director), Mr Gabriel Chiappini (Non-Executive Director) and Mr Ian Murray (Non-Executive Director), in respect of any liabilities incurred by them while acting in the normal course of business as a Director of the entity and to insure them against certain risks they are exposed to as Directors of the Company.
2. Pursuant to the above, the Company has paid premiums to insure the Directors and executive management against liabilities incurred in the conduct of the business of the Company and has provided right of access to the Company records.
3. In accordance with common commercial practice, the insurance policy prohibits disclosure of the premium and the nature of the liability insured against.
4. The Company has not provided any insurance for an auditor of the Company.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each Director (while they were Director, committee member or invitee). During the financial year nine Directors' meetings were held:

DIRECTOR	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Richard Crookes	9	9
Ian Murray	9	9
John de Vries ⁽¹⁾	4	9
Gabriel Chiappini	9	9

(1) Mr de Vries attended the Audit Committee meetings and the Remuneration Committee meetings as an invitee.

NON-AUDIT SERVICES

During the year no non-audit services were provided by the Auditor (or by another person or firm on the Auditors behalf).

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's independence declaration is included after this report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of 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 party to any such proceedings during the year.

REMUNERATION REPORT (AUDITED)

This remuneration report, which forms part of the Directors' report, sets out information about the remuneration of Black Rock Mining's key management personnel for the financial year ended 30 June 2022. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any Director (whether executive or otherwise) of the Consolidated Entity. The prescribed details for each person covered by this report are detailed below under the following headings:

- key management personnel
- remuneration policy
- relationship between the remuneration policy and Company performance
- remuneration of key management personnel
- key terms of employment contracts
- other information

Key management personnel

The key management personnel of the Consolidated Entity during or since the end of the financial year were:

Richard Crookes	Non-Executive Chairman	Appointed 16 October 2017
Ian Murray	Non-Executive Director	Appointed 2 May 2019
John de Vries	Chief Executive Officer & Managing Director	Appointed 16 March 2017
Gabriel Chiappini	Non-Executive Director	Appointed 21 March 2012

Remuneration policy

The Board of Directors is responsible for determining and reviewing compensation arrangements for Directors and the executive team. The Board assesses the appropriateness of the nature of the amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and Executive team and that each staff member's remuneration package properly reflects that person's duties and responsibilities.

The Board may, however, exercise its discretion in relation to approving incentive bonuses, options and performance rights.

REMUNERATION REPORT (AUDITED) - CONTINUED

Elements of Director and executive remuneration

Remuneration packages contain the following key elements:

- Short term benefits – salaries / fees
- Annual leave and long service leave benefits
- Post-employment benefits – superannuation
- Share based payments

No non-monetary short-term benefits, prescribed retirement benefits or other post-employment benefits were paid. The following table discloses the remuneration of the Directors and executives of the Company:

	SHORT TERM EMPLOYEE BENEFITS - SALARY AND FEES	OTHER	POST EMPLOYMENT BENEFITS - SUPERANNUATION	SHARE BASED PAYMENT (SHARES) (i)	SHARE BASED PAYMENT (OPTIONS)	TOTAL	% LINKED TO PERFORMANCE
	\$		\$		\$	\$	
Richard Crookes	100,000	-	10,000	-	34,900	144,900	-
Ian Murray	66,000	-	6,600	-	32,914	105,514	-
John de Vries	386,432	169,701 ⁽ⁱ⁾	23,577	-	76,603	656,313	19% ⁽ⁱⁱ⁾
Gabriel Chiappini	72,600	-	-	-	31,351	103,951	-
	625,032	169,701	40,176	-	175,768	1,010,678	-

(i) Annual leave benefit (\$46,057), long service leave (\$23,644) and bonus awarded (\$100,000).

(ii) Calculated as a percentage of the 2021 financial year total remuneration.

	SHORT TERM EMPLOYEE BENEFITS - SALARY AND FEES	OTHER	POST EMPLOYMENT BENEFITS - SUPERANNUATION	SHARE BASED PAYMENT (SHARES) (i)	SHARE BASED PAYMENT (OPTIONS)	TOTAL	% LINKED TO PERFORMANCE
	\$		\$		\$	\$	
Richard Crookes	52,083	-	9,500	47,917	74,665	184,165	-
Ian Murray	34,375	-	6,270	31,625	85,309	157,579	-
John de Vries	238,637	21,900 ⁽ⁱ⁾	28,500	61,363	170,660	521,060	-
Gabriel Chiappini	31,226	22,000 ⁽ⁱⁱⁱ⁾	-	41,044	69,920	164,190	-
	356,321	43,900	44,270	181,949	400,554	1,026,994	-

(i) Annual leave benefits.

(ii) From the period 1 July 2020 to 30 April 2021, in response to the COVID-19 pandemic, the Directors of Black Rock Mining agreed to defer a portion of their fees and be issued with shares in lieu of fees.

(iii) Out of scope consultancy services provided during the financial year.

For personal use only

REMUNERATION REPORT (AUDITED) - CONTINUED

Key Terms of Employment Contracts

The Directors and executive are employed under contracts, which have no fixed term.

The contract binding the Executive Director may be terminated by the individual or the Board by giving six months' notice in writing to terminate the Employment Agreement under which his services are contracted.

The Non-Executive Directors are bound by letter of appointments. The contract of the Non-Executive Director may be terminated at any time by them by notice in writing or by shareholders acting by majority vote.

Managing Director and Chief Executive Officer Employment Contract

Effective 10 September 2019, Mr John de Vries was promoted to the position of the Managing Director and Chief Executive Officer and was employed under an Executive Services Agreement with the material terms and conditions detailed below. In February 2022 the Board revised Mr de Vries' total fixed remuneration to A\$410,000 per annum (2021: A\$330,000) for the financial year ending 30 June 2022.

<i>Status</i>	Full time
<i>Term</i>	Rolling contract
<i>Notice period</i>	6 months' notice by either party, notice period extends to 12 months under certain circumstances
<i>Total Fixed Remuneration</i>	A\$410,000 per annum
<i>Leave</i>	20 days annual leave, 8 weeks long service leave after 10 years' service
<i>Short Term Incentive (STI)</i>	Ability to earn up to 50% of base salary as an STI per annum. During the year the Board agreed to award Mr de Vries a A\$100,000 STI for his performance during the financial year 2021 paid in cash.
<i>Long Term Incentives (LTI)</i>	Ability to earn up to 50% of base salary as an LTI. No options were granted to Mr de Vries during the financial year. LTI to be reviewed annually.
<i>Other Benefits</i>	Indemnity & Access Deed D&O Insurance

Share based payment arrangements

Options

No options were granted during the year, affecting key management personnel remuneration (2021: 11,000,000)

Details of unissued shares or interests under option held by key management personnel at the date of this report, excluding those subject to shareholder approval, are:

ISSUING ENTITY	NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	EXERCISE PRICE OF OPTION	EXPIRY DATE OF OPTIONS
Black Rock Mining Ltd	1,084,303	Ordinary	\$0.084	10 August 2023
Black Rock Mining Ltd	11,000,000	Ordinary	\$0.116	21 December 2023
Black Rock Mining Ltd	7,600,000	Ordinary	\$0.150	28 October 2022
Black Rock Mining Ltd	3,000,000	Ordinary	\$0.150	18 November 2022

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of the Company.

Performance rights

No new performance rights were issued during the reporting period.

Other information

Financial Transactions with key management personnel

During the financial year the following amounts were paid to key management personnel for services. These payments have been disclosed in the remuneration table above:

DIRECTOR	VALUE \$	DESCRIPTION
Gabriel Chiappini	72,600	Amounts to Laurus Corporate Services, a Company Mr Chiappini is a shareholder and Director of, for the provision of Company Secretarial and Non-executive Director services.

REMUNERATION REPORT (AUDITED) - CONTINUED

Relationship between Company Performance and Remuneration Policy

Remunerations levels are not dependent upon any performance criteria as the nature of the Consolidated Entity's operations is exploration and they are not generating profit.

The table below sets out summary information about the Company's earnings and movements in shareholder wealth for the five years to 30 June 2022:

	2022	2021	2020	2019	2018
Income (\$'s)	3,336	52,162	2,870	7,939	24,183
Net loss before tax (\$'s)	(6,076,894)	(2,850,250)	(3,387,285)	(2,864,024)	(2,053,080)
Net loss after tax (\$'s)	(6,076,894)	(2,850,250)	(3,387,285)	(2,864,024)	(2,053,080)
Share Price at start of year	\$0.140	\$0.048	\$0.084	\$0.037	\$0.066
Share Price at year end	\$0.145	\$0.140	\$0.048	\$0.084	\$0.037
Loss per share	\$0.0074	\$0.0040	\$0.0054	\$0.0054	\$0.0055

Movement in shares

The aggregate number of shares of the Company held directly, indirectly or beneficially by Directors and other key management personnel of the Company or their personally related entities are as follows:

2022	1 JULY 2021	EXERCISE OF OPTIONS	OTHER CHANGES	30 JUNE 2022
Richard Crookes	3,766,150	2,500,000	-	6,266,150
Ian Murray	6,716,062	1,600,000	(2,849,261)	5,466,801
John de Vries	5,460,078	5,000,000	-	10,460,078
Gabriel Chiappini	8,504,807	2,500,000	-	11,004,807

Movement in unlisted options

The aggregate numbers of unlisted options of the Company held directly, indirectly or beneficially by specified Directors and other key management personnel of the Company or their personally related entities are as follows:

2022	1 JULY 2021	OPTIONS GRANTED FREE ATTACHING	OPTIONS GRANTED AS REMUNERATION	OPTIONS LAPSED	OPTIONS EXERCISED	OTHER	30 JUNE 2022	VESTED AND EXERCISABLE AT 30 JUNE 2022	UNVESTED
Richard Crookes	7,113,079	-	-	-	(2,500,000)	-	4,613,079	3,813,079	800,000
Ian Murray	6,962,151	-	-	-	(1,600,000)	(167,603)	5,194,548	5,194,548	-
John de Vries	13,852,121	-	-	-	(5,000,000)	-	8,852,121	7,652,121	1,200,000
Gabriel Chiappini	6,524,555	-	-	-	(2,500,000)	-	4,024,555	3,491,222	533,333

END OF REMUNERATION REPORT

**DIRECTORS'
REPORT**

The Director's report is signed in accordance with a resolution of Directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors.

Richard Crookes

Richard Crookes
CHAIRMAN

30 September 2022

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2
Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

The Board of Directors
Black Rock Mining Limited
Level 1, 1 Walker Avenue
West Perth WA 6005

30 September 2022

Dear Board Members

Auditor's Independence Declaration to Black Rock Mining Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Black Rock Mining Limited.

As lead audit partner for the audit of the financial report of Black Rock Mining 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:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



David Newman
Partner
Chartered Accountants

For personal use only

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTE	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
		\$	\$
Interest income		3,336	1,056
Other income		-	51,106
Administrative expense		(459,728)	(124,406)
Employee benefit expense	6	(1,488,916)	(419,079)
Share based payment expense		(541,975)	(952,436)
Consulting expense		(2,570,961)	(1,349,126)
Depreciation and amortisation expense		(48,181)	(14,172)
Net foreign currency exchange differences		423,581	232,205
Travel		(408,382)	(21,976)
Other expenses from ordinary activities		(298,425)	(253,422)
Write off exploration expenditure	11	(687,243)	-
Loss before tax		(6,076,894)	(2,850,250)
Income tax benefit	7	-	-
LOSS FOR THE YEAR		(6,076,894)	(2,850,250)
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		1,423,068	(1,332,410)
Items not reclassified through profit or loss		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF BLACK ROCK MINING		(4,653,826)	(4,182,660)
Loss for the year attributable to owners of the Company		(6,076,894)	(2,850,250)
Total comprehensive loss attributable to the owners of the Company		(4,653,826)	(4,182,660)
Loss per share			
Basic and diluted loss per share	25	(0.0074)	(0.0040)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTES	AS AT 30/06/2022 \$	AS AT 30/06/2021 \$
Assets			
Current assets			
Cash and bank balances	8	26,093,637	11,298,422
Trade and other receivables	9	761,288	145,003
Other assets	10	234,348	-
Total current assets		27,089,273	11,443,425
Non-current assets			
Exploration & evaluation asset	11	29,748,305	22,164,704
Property, plant and equipment	12,13	595,788	23,512
Total non-current assets		30,344,093	22,188,216
Total assets		57,433,366	33,631,641
Liabilities			
Current liabilities			
Trade and other payables	15	1,688,230	386,879
Lease liabilities	13	52,085	-
Provisions	16	68,106	81,714
Total current liabilities		1,808,421	468,593
Non-current liabilities			
Lease liabilities	13	484,619	-
Provisions	16	121,824	-
Total non-current liabilities		606,443	-
Total liabilities		2,414,864	468,593
Net assets		55,018,502	33,163,048
Equity			
Issued capital	17	100,907,652	74,940,347
Foreign currency translation reserve	18	1,347,223	(75,845)
Share based payment reserve	18	1,318,908	1,077,067
Accumulated losses	19	(48,555,281)	(42,778,521)
Total equity		55,018,502	33,163,048

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

For personal use only

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		ISSUED CAPITAL	ACCUMULATED LOSSES	SHARE BASED PAYMENT RESERVE	FOREIGN CURRENCY RESERVE	TOTAL EQUITY
	NOTE	\$	\$	\$	\$	\$
Loss for the year		-	(2,850,250)	-	-	(2,850,250)
Other comprehensive income for the year, net of tax		-	-	-	(1,332,410)	(1,332,410)
Total comprehensive income for the year		-	(2,850,250)	-	(1,332,410)	(4,182,660)
Issue of ordinary shares – Capital raisings		14,050,467	-	-	-	14,050,467
Shares issued to Directors and management in lieu of salaries and fees – December 2020		172,065	-	-	-	172,065
Shares issued to Directors and management in lieu of salaries and fees – June 2021		104,134	-	-	-	104,134
Issue of ordinary shares – Services rendered		-	-	-	-	-
Cost of share capital issued		(376,108)	-	-	-	(376,108)
Cost of share based payments		-	-	676,238	-	676,238
Expired options transferred to accumulated losses		-	732,043	(732,043)	-	-
Balance at 30 June 2021	17, 18, 19	74,940,347	(42,778,521)	1,077,067	(75,845)	33,163,048
Loss for the year		-	(6,076,894)	-	-	(6,076,894)
Other comprehensive income for the year, net of tax		-	-	-	1,423,068	1,423,068
Total comprehensive income for the year		-	(6,076,894)	-	1,423,068	(4,653,826)
Issue of ordinary shares – Capital raisings		25,000,000	-	-	-	25,000,000
Exercise of options		2,339,569	-	-	-	2,339,569
Cost of share capital issued		(1,372,264)	-	-	-	(1,372,264)
Cost of share based payments		-	-	541,975	-	541,975
Expired options transferred to accumulated losses		-	300,134	(300,134)	-	-
Balance at 30 June 2022	17, 18, 19	100,907,652	(48,555,281)	1,318,908	1,347,223	55,018,502

The above consolidated statement of changes in equity should be read in conjunction with accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

		FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	NOTE	\$	\$
Cash flow from operating activities			
Payments to suppliers and employees		(4,137,798)	(2,089,474)
Interest received		3,336	1,056
Government grant income		-	51,106
Net cash flows used in operating activities	8	(4,134,462)	(2,037,312)
Cash flow from investing activities			
Capitalised exploration expenditure	11	(7,391,496)	(817,679)
Payments for security deposits		(5,892)	(3,600)
Payments for property, plant and equipment		(63,821)	(5,742)
Net cash flows used in investing activities		(7,461,209)	(827,021)
Cash flows from financing activities			
Proceeds from issue of shares and options		27,339,569	14,050,467
Payment of share issue costs		(1,372,264)	(376,108)
Net cash flows provided by financing activities		25,967,305	13,674,359
Net increase/(decrease) in cash held		14,371,634	10,810,026
Cash and cash equivalents at the beginning of the financial year		11,298,422	722,097
Effect of exchange movement on cash balances		423,581	(233,701)
Cash and cash equivalents at the end of the year	8	26,093,637	11,298,422

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

For personal use only

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Statement of compliance

These financial statements are general purpose financial statements, which have been prepared in accordance with the *Corporations Act 2001*, Accounting Standards and Interpretations, and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the financial statements and notes of the Company and the Group comply with International Financial Reporting Standards ('IFRS').

The financial statements were authorised for issue by the Directors on 30 September 2022.

Going Concern

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The Group has incurred net losses of \$6,076,894 (30 June 2021: \$2,850,250) and experienced net cash outflows from operating activities of \$4,134,462 (30 June 2021: \$2,037,312) and net cash outflows from investing activities of \$7,461,209 (30 June 2021: \$827,021) for the year ended 30 June 2022. As at 30 June 2022 the Group had cash and cash equivalents of \$26,093,637 following the completion of a capital raise in May 2022.

During the financial year the Group deployed its working capital into its graphite prospects in Mahenge, Tanzania by undertaking a number of work streams including but not limited to:

- Continued activities associated with FEED, completion of its Spherical Purified Graphite Production Trial, and commencement of detailed design work;
- Commencement of work to upgrade the Environmental and Social Impact Assessment; and
- Finalisation of the Framework Agreement and Free Carry Interest ("FCI") Agreement with the Tanzanian Government.

Additionally, the Group commenced implementing the Resettlement Action Plan process in July 2022 with the payment of agreed compensation to the affected people.

Management have prepared a cash flow forecast for the period ending 30 September 2023 reflecting the Group's key objectives. This cash flow forecast indicates that the Group is not required to raise additional capital to meet the Group's stated strategic objectives and for general working capital.

The forecast assumes expenditure on programmes required to advance the Mahenge Graphite Project towards a final investment decision, including the commencement of stages one and two of Resettlement Action Plan, which commenced post year end, refer to note 28 for further information. However, the cash flow forecast does not assume that development activities at the Mahenge Graphite Project commence in the period ending 30 September 2023. Should a Final Investment Decision be made with respect to the Mahenge Graphite Project, the cash flow forecast will be updated to identify any additional funding required for development, be this in the form of debt or equity, or a combination of both.

The Directors believe that the going concern basis of preparation is therefore appropriate.

2 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

2.1 Amendments to Accounting Standards that are mandatorily effective for the current reporting period

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting period.

2.2 Impact of changes to Australian Accounting Standards and Interpretations

(i) Other new accounting standards

The following new or amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

- AASB 2018-6 Amendments to Australian Accounting Standards: Definition of a Business;
- AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material;
- AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework;
- AASB 2019-3 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform;
- AASB 2019-5 Amendments to Australian Accounting Standards – Disclosure of the Effect of New IFRS Standards Not Yet Issued in Australia; and
- AASB 2020-4 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions.

(ii) Application of new and revised accounting standards

At the date of the authorisation of the financial statements, the Group has not applied the following new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective:

- AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between and Investor and its Associate or Joint Venture;
- AASB 2015-10 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and AASB 2017-5 Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections;
- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2020-6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current – Deferral of Effective Date;
- AASB 2020-3 Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments;
- AASB 2020-8 Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform – Phase 2;
- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates; and
- AASB 2021-3 Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions beyond 30 June 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of AASB 2, leasing transactions that are within the scope of AASB 117, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in AASB 102 'Inventories' or value in use in AASB 136 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3.2 Comparative financial information

Employee Benefit Expense in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2022 have been reclassified to provide users a better understanding of the nature of the expenditure incurred in prior periods and to ensure consistency of classification with the current period.

The following amounts have been reclassified in the consolidated statement of profit or loss and other comprehensive income for the year ended 30 June 2021, from Employee Benefit Expenses, to the following expense categories:

- Consulting expense: \$375,474

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3.4 Revenue Recognition

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

3.4.1 Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.5 Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Australian dollars ("A\$"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purpose of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Australian dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3.6 Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of the settlement.

Liabilities recognised in respect of long term benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

3.7 Share-based payment transactions

The Company provides benefits to employees and others (i.e. consultants) of the Company in the form of share-based payment transactions, whereby employees and others render services in exchange for shares or rights over shares ("Equity-settled transactions").

There is currently one plan in place to provide these benefits being an Employee Share Option Plan ("ESOP"), which provides benefits to Directors, senior executives and staff. The cost of these equity-settled transactions is measured by reference to fair value at the date at which they are granted.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Black Rock Mining ("market conditions").

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

3.8 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

3.8.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3.8.2 Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax liabilities and assets are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3.8 Taxation - CONTINUED

3.8.3 Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Black Rock Mining implemented the tax consolidation legislation.

The head entity, Black Rock Mining, and any controlled entities in the tax-consolidation group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax-consolidation group continues to be a stand-alone entity in its own right.

In addition to its own current and deferred tax amounts, Black Rock Mining also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax-consolidation group.

3.9 Property, Plant and Equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any impairment in value.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If any such indication exists where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

Depreciation

Depreciable non-current assets are depreciated over their expected economic life using the straight-line method. Profits and losses on disposal of non-current assets are taken into account in determining the operating loss for the year. The depreciation rate used for each class of assets sits between the following range:

Plant and equipment: 6%-33%

3.10 Leased assets

The Company entered into a commercial lease for its Australian based business premises, Level 1, 1 Walker Ave West Perth on 10 December 2021.

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group;
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3.10 Leased assets - CONTINUED

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities.

3.11 Exploration Expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, otherwise costs are expensed.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made. During the period A\$687,243 was written off in relation to prospecting licences 10426/2014 and 10111/2012. Both these tenements were surrendered in February 2022 following investigation into the tenement holding economically viable graphite deposits. No exploration and evaluation impairments arose in the year ended 30 June 2021.

Where a decision is made to proceed with development, accumulated expenditure is tested for impairment and transferred to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on a discounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

3.12 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible 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). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

3.12 Impairment of tangible and intangible assets other than goodwill - CONTINUED

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.13 Financial Instruments

Trade and Other Receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

If collection of amounts is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. As the majority of trade and other receivables are short term in nature, their carrying value is assumed to be the same as their fair value. Financial assets at fair value through other comprehensive income (FVOCI) comprise equity securities which are not held for trading and which the Group has irrevocably elected at initial recognition is this category.

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. If there is objective evidence of impairment, the cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously not recognized in the profit or loss which is removed from equity and recognised in profit and loss.

Cash and Cash Equivalent

Cash and cash equivalents includes cash on hand and deposits held at call which are subject to insignificant risk of changes in value.

Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

3.14 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 the asset or as part of an item of the expense.
- 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.

3.15 Government grants

Grants from the government are recognised at their fair value where there is a reasonable likelihood that the grant will be received and the Group will comply with all attached conditions. Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Deferral and presentation of government grants Government grants are deducted in calculating the carrying amount of the related grant asset. The grant is recognised in profit or loss over the life of a depreciable asset by way of a reduced depreciation expense.

During the year, the Company did not receive any Government grants (2021: \$51,106) in relation to cashflow boost grants.

For personal use only

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 CRITICAL ACCOUNTING JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the application of the Group's accounting policies, which are described in note 3, the Directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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.

4.1 Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations, that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4.1.1 Framework Agreement

The Group entered into a Framework Agreement and Shareholders Agreement with the Tanzanian Government on 13 December 2021. Under these agreements, the Faru Graphite Corporation Limited was established with Mahenge Resources Limited (UK) holding 84% and the Tanzanian Government 16%. The Special Mining Licence ("SML") over the project tenements was granted on 5 September, 2022. There was minimal activity within the Faru entity for the year ended 30 June, 2022 as the Group waited for the SML to be granted. Until the SML was granted all rights of tenure remained current under existing prospecting and mining licences.

4.2 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.2.1 Impairment

The consolidated entities assess impairment at each reporting date by evaluating conditions specific to the consolidated entities that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The Group's policy on the capitalisation of exploration and evaluation expenditure is detailed in note 3.11 and Impairment at note 3.12.

4.2.2 Share based payments

The Consolidated Entities measure the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate model. One of the inputs into the option valuation model is volatility of the underlying share price.

5 SEGMENT REPORTING

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on the geographical location of resources being explored for and evaluated. The Group's principal activity and focus is that of Graphite in Tanzania.

5.1 Segment revenues and results

2022	GRAPHITE	CORPORATE	CONSOLIDATED
Interest	-	3,336	3,336
Other income	-	-	-
Total income	-	3,336	3,336
Loss before tax	(1,708,162)	(4,368,732)	(6,076,894)
Fixed asset additions	-	625,296	625,296
Write off of exploration expenditure	(687,243)	-	(687,243)
Loss on disposal of equipment	(3,063)	(1,776)	(4,839)
Depreciation	(3,500)	(44,681)	(48,181)
2022	GRAPHITE	CORPORATE	CONSOLIDATED
Total segment assets	30,093,032	27,340,334	57,433,366
Total segment liabilities	(387,912)	(2,026,952)	(2,414,864)
2021	GRAPHITE	CORPORATE	CONSOLIDATED
Interest	-	1,056	1,056
Other income	-	51,106	51,106
Total income	-	52,162	52,162
Loss before tax	(571,827)	(2,278,423)	(2,850,250)
Fixed asset additions	-	5,742	5,742
Depreciation	(6,341)	(7,832)	(14,172)
2021	GRAPHITE	CORPORATE	CONSOLIDATED
Total segment assets	22,187,809	11,443,832	33,631,641
Total segment liabilities	(66,289)	(402,304)	(468,593)

6 EXPENSES

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Employment benefit expense		
Director fees	796,949	271,949
Wages and salaries	452,498	56,161
Annual leave, superannuation, long service leave and on costs	239,469	90,969
	1,488,916	419,079

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7 INCOME TAXES

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
(a) Income tax (benefit)/expense		
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss for the year	(6,076,894)	(2,850,250)
Loss from operations	(6,076,894)	(2,850,250)
Prima facie tax benefit at 25% (2021: 26%)	(1,519,223)	(741,065)
Share based payments	135,494	247,633
Non-deductible expenditure	325,934	149,364
Non-assessable cash flow boost	-	(13,288)
Exploration expenditure written off	108,634	-
Movement in unrecognised temporary differences	(95,072)	(94,775)
Unused tax losses for which no deferred tax asset has been recognised	1,044,233	452,131
Income tax benefit	-	-
(c) Recognised deferred tax assets and liabilities		
Recognised deferred tax assets comprise:		
Other temporary differences	44,427	131,722
40-880 tax balance	531,991	-
Tax losses available for offset against future taxable income	4,479,637	1,991,101
	5,056,055	2,122,823
Recognised deferred tax liabilities comprise:		
Exploration and evaluation	4,916,101	2,058,566
Unrealised foreign exchange movements	118,818	64,257
Net ROU asset/liability	21,136	-
	5,056,055	2,122,823

Unrecognised deferred tax assets

Unused tax losses for which no deferred tax asset has been recognised are \$11,983,587 (2021: 20,431,162). Potential tax benefit is \$2,995,897 (2021: \$5,312,102).

(d) Franking credits

The Company has no franking credits available as at 30 June 2022 (2021: Nil).

(e) Tax Consolidation

The Company and any wholly owned Australian resident entities have formed a tax-consolidated group with effect from 1 July 2004 and are therefore taxed as a single entity from that date. The head company of the consolidated group is Black Rock Mining.

8 CASH AND CASH EQUIVALENTS

For the purposes of the consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the consolidated statement of cash flows can be reconciled to the related items in the consolidated statement of financial position as follows:

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Cash and bank balances	26,093,637	11,298,422
	26,093,637	11,298,422

Reconciliation of loss for the year to net cash flows from operating activities

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Loss after income tax	(6,076,894)	(2,850,250)
Depreciation and amortisation of non-current assets	48,181	14,172
Share based payments to key management personnel	541,975	952,436
Net foreign exchange gain	(423,581)	(232,205)
Exploration write off	687,243	-
	(5,223,076)	(2,115,847)
<i>Movements in working capital:</i>		
(Increase)/decrease in trade and other receivables	(844,740)	(51,635)
(Decrease)/increase in trade and other payables	1,848,782	(108,268)
Increase in employee entitlements provision	84,572	(21,902)
	1,088,614	(78,535)
Net cash used in operating activities	(4,134,462)	(2,037,312)

Non Cash transactions

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
<i>Operating Activity</i>		
Options vested during the year in relation to services rendered by employees and consultants	300,135	676,237
Payment for services rendered by employees and consultants through the issue of shares	-	276,199
	300,135	952,436

9 TRADE AND OTHER RECEIVABLES

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Prepayments	221,451	34,495
GST and VAT	398,279	55,308
Restricted cash (bank guarantees, security deposits)	141,558	55,200
Balance at end of the year	761,288	145,003

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 OTHER ASSETS

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Tenement licence fee	234,348	-
Balance at end of year	234,348	-

During the year the Company, through its subsidiary Mahenge Resources Limited (incorporated in Tanzania), entered into an option agreement for the purchase of copper tenements in Tanzania. Subsequent to year end, due diligence has been completed and the tenements are in the process of being transferred to Mahenge Resources Limited.

11 EXPLORATION AND EVALUATION ASSET

In the exploration phase

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Balance at beginning of year	22,164,704	22,770,344
Expenditure incurred during the year (at cost)	7,460,495	753,095
Expenditure written off during the year	(687,243)	-
Foreign exchange effect	810,349	(1,358,735)
Balance at end of year	29,748,305	22,164,704

Reconciliation of Expenditure incurred during the year (at cost):

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Cash paid for exploration and evaluation	7,391,496	817,679
Accruals in prior year	(42,741)	(107,325)
Accruals in current year	111,740	42,741
Total expenditure incurred during the year (at cost)	7,460,495	753,095

The ultimate recoupment of capitalised exploration expenditure is dependent upon the successful development and/or commercial exploitation or, alternatively through the sale of the respective underlying licenses.

The balance of \$29,748,305 (2021: \$22,164,704) at reporting date represents the carrying value of its Graphite assets in Tanzania.

12 PROPERTY, PLANT & EQUIPMENT

	PLANT & EQUIPMENT	OFFICE EQUIPMENT	RIGHT OF USE	TOTAL
	\$	\$	\$	\$
Cost at 30 June 2021	31,351	44,502	-	75,853
Accumulated depreciation at 30 June 2021	(22,226)	(30,115)	-	(52,341)
Carrying amount at 30 June 2021	9,125	14,387	-	23,512
Additions	-	63,821	561,475	625,296
Disposals	(2,449)	(2,390)	-	(4,839)
Depreciation and amortisation	(3,500)	(13,489)	(31,192)	(48,181)
Balance at 30 June 2022	3,176	62,329	530,283	595,788

13 LEASES

In December 2021 the Company entered into a lease for the current business premises of Level 1, 1 Walker Avenue, West Perth with access granted from 10th of January 2022. This lease is reflected on the balance sheet as a right of use asset and a lease liability and is classified in a consistent manner to property, plant and equipment detailed at note 12.

RIGHT-OF-USE-ASSET	REMAINING TERM	ADDITIONS	DEPRECIATION	CARRYING VALUE
Premises: Level 1, 1 Walker Ave, West Perth	30 months	561,475	31,192	530,283

Lease liabilities

	30 JUNE 2022	30 JUNE 2021
	\$	\$
Current	52,085	-
Non Current	484,619	-
Total	536,704	-

14 SUBSIDIARIES

Details of the Group's material subsidiaries at the end of the reporting period are as follows:

NAME OF SUBSIDIARY	PLACE OF INCORPORATION AND OPERATION	PROPORTION OF OWNERSHIP INTEREST AND VOTING POWER HELD BY THE GROUP	
		FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
Mahenge Resources Limited	Tanzania	100%	100%
Mahenge Resources Limited	United Kingdom	100%	-
Faru Graphite Corporation Limited	Tanzania	84%	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 TRADE AND OTHER PAYABLES

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Current		
Trade creditors	1,182,351	143,193
Accruals	399,182	180,714
Other liabilities	106,697	62,972
Total current trade creditors and other payables	1,688,230	386,879

Included in trade creditors and accruals is an amount of \$111,740 (2021: \$42,741) relating to exploration expenditure.

16 PROVISIONS

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Current		
Annual leave	68,106	81,714
Total current provision	68,106	81,714
Non Current		
Annual leave	98,180	-
Long service leave	23,644	-
Total non current provision	121,824	-

Non current annual and long service leave provisions are in relation to the Managing Director's leave provisions.

17 ISSUED CAPITAL

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
977,255,646 ordinary shares issued and fully paid (30 June 2021: 849,264,173)	100,907,652	74,940,347
	100,907,652	74,940,347

Fully paid ordinary shares

	NUMBER OF SHARES	SHARE CAPITAL
		\$
Balance at 30 June 2020	628,943,708	60,989,789
Shares issued under 11 August 2020 Rights Issue (\$0.042 per share) – Cash	39,308,982	1,650,977
Shares issued under Placement 12 October 2020 (\$0.049 per share) – Cash	40,816,327	2,000,000
Shares issued under Placement 28 May 2021 (\$0.077 per share) – Cash	126,020,001	9,731,551
Shares issued to Directors and Consultants 30 December 2020 (0.042 per share) – Non-cash	4,096,779	172,065
Shares issued to Directors and Consultants 23 June 2021 (0.0968 per share) – Non-cash	1,292,353	104,134
Shares issued upon exercise of options – (various price per share) – Cash	8,786,023	667,939
Less: capital raising costs	-	(376,108)
Balance at 30 June 2021	849,264,173	74,940,347
Shares issued under Placement 6 May 2022 (\$0.24 per share) – Cash	104,166,668	25,000,000
Shares issued upon exercise of options – (\$0.10 per share) – Cash	17,000,000	1,700,000
Shares issued upon exercise of options – (\$0.15 per share) – Cash	1,600,000	240,000
Shares issued upon exercise of options – (\$0.084 per share) – Cash	5,224,805	399,569
Less: capital raising costs	-	(1,372,264)
Balance at 30 June 2022	977,255,646	100,907,652

Options

UNLISTED OPTIONS	OPENING BALANCE	EXERCISED IN YEAR	GRANTED IN YEAR	EXPIRED IN YEAR	CLOSING BALANCE
	NO.	NO.	NO.	NO.	NO.
Expiring 7 Nov 2021 at \$0.10	13,000,000	(13,000,000)	-	-	-
Expiring 18 Dec 2021 at \$0.10	3,000,000	(3,000,000)	-	-	-
Expiring 14 Mar 2021 at \$0.20	5,000,000	-	-	(5,000,000)	-
Expiring 31 Oct 2021 at \$0.10	1,000,000	(1,000,000)	-	-	-
Expiring 28 October 2022 at \$0.15	9,200,000	(1,600,000)	-	-	7,600,000
Expiring 18 November 2022 at \$0.15	3,000,000	-	-	-	3,000,000
Expiring 10 August 2023 at \$0.084	35,522,958	(5,224,805)	-	-	30,298,153
Expiring 4 November 2023 at \$0.0785	5,000,000	-	-	-	5,000,000
Expiring 21 December 2023 at \$0.116	11,000,000	-	-	-	11,000,000
Expiring 24 January 2024 at \$0.116	1,000,000	-	-	-	1,000,000
Expiring 1 July 2024 at \$0.224	-	-	1,500,000	-	1,500,000
Expiring 1 June 2024 at \$0.20	1,500,000	-	-	-	1,500,000
Expiring 25 October 2024 at \$0.29	-	-	3,000,000	-	3,000,000
	88,222,958	(23,824,805)	4,500,000	(5,000,000)	63,898,153

The weighted average exercise price of options at 30 June 2022 is \$0.12 (2021: \$0.11).

The weighted average remaining contractual life of options as at 30 June 2022 is 427 days (2021: 580 days).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18 RESERVES (NET OF INCOME TAX)

Reserves

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Share based payments reserve ⁽ⁱ⁾	1,318,908	1,077,067
Foreign translation reserve ⁽ⁱⁱ⁾	1,347,223	(75,845)
	2,666,131	1,001,222

(i) Share Based Payments Reserve

The share based payments reserve comprises any equity settled share based payment transactions and other options transactions. The reserve will be reversed against share capital when the underlying rights are exercised.

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Balance at the beginning of the year	1,077,067	1,132,872
Add: Amounts expensed in the current year	541,975	676,238
Less: Options expired in the current year	(300,134)	(732,043)
	1,318,908	1,077,067

(ii) Foreign Translation Reserve

The foreign translation reserve arises on the consolidation of the Group's overseas subsidiary, Mahenge Resources Limited (incorporated in Tanzania). Refer to consolidated statement of changes in equity for reconciliation of movement.

19 ACCUMULATED LOSSES

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Balance at beginning of the year	42,778,521	40,660,314
Net loss attributable to members	6,076,894	2,850,250
Transfer from share option reserve	(300,134)	(732,043)
Balance at end of year	48,555,281	42,778,521

20 SHARE BASED PAYMENTS

(a) Employee Share Incentive Scheme

The establishment of the Black Rock Mining Employee Share Incentive Option Plan ("the Plan") was initially approved by special resolution at a General Meeting of shareholders of the Company held on 21 November 2006 and approval renewed by shareholders on 18 November 2009 and 28 November 2013. All eligible Directors, executive officers and employees of Black Rock Mining are eligible to participate in the Plan.

The Plan allows the Company to issue options to eligible persons. The options can be granted free of charge and are exercisable at a fixed price calculated in accordance with the Plan.

The fair value of the equity-settled share options granted is estimated as at the date of grant using a Black Scholes model taking into account the terms and conditions upon which the options were granted.

During the year, the share based payment expense recognised in the consolidated statement of profit and loss totaled \$541,975 (2021: \$952,436).

Share based payment arrangements relating to Directors and employees:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	NUMBER OF OPTIONS AT THE BEGINNING OF THE YEAR	OPTIONS GRANTED THIS YEAR	OPTIONS EXERCISED THIS YEAR	OPTIONS LAPSED EXPIRED THIS YEAR	NUMBER OF OPTIONS AT THE END OF THE YEAR	OPTIONS EXERCISABLE AT THE END OF THE YEAR	FAIR VALUE AT GRANT DATE
7/11/2018	7/11/2021	\$0.10	10,000,000	-	10,000,000	-	-	-	\$0.0132
8/11/2018	31/10/2021	\$0.10	1,000,000	-	1,000,000	-	-	-	\$0.0094
2/05/2019	2/05/2022	\$0.15	1,500,000	-	-	-	1,500,000	1,500,000	\$0.0408
2/05/2019	2/05/2022	\$0.15	1,500,000	-	-	-	1,500,000	1,500,000	\$0.0271
28/10/2019	28/10/2022	\$0.15	9,200,000	-	1,600,000	-	7,600,000	5,066,667	\$0.0268
4/11/2020	4/11/2023	\$0.0785	5,000,000	-	-	-	5,000,000	5,000,000	\$0.0245
23/11/2020	21/12/2023	\$0.116	11,000,000	-	-	-	11,000,000	11,000,000	\$0.0388
25/01/2021	24/01/2024	\$0.116	1,000,000	-	-	-	1,000,000	1,000,000	\$0.1018
1/06/2021	1/06/2024	\$0.20	1,500,000	-	-	-	1,500,000	1,500,000	\$0.0646
1/07/2021	1/07/2024	\$0.224	-	1,500,000	-	-	1,500,000	1,000,000	\$0.0643
25/10/2021	25/10/2024	\$0.29	-	3,000,000	-	-	3,000,000	1,000,000	\$0.0968
			41,700,000	4,500,000	12,600,000	-	33,600,000	28,566,667	

Share based payment arrangements relating to Directors and Employees:

EMPLOYEES

Grant date	1-Jul-21
Number of options	1,500,000
Method	Black Scholes
Grant date share price (cents)	5.6
Exercise price (cents)	22.4
Expected volatility	81%
Option life (years)	3 years
Dividend yield	Nil
Risk-free interest rate	0.3%

EMPLOYEES

Grant date	25-Oct-21
Number of options	3,000,000
Method	Black Scholes
Grant date share price (cents)	20.4
Exercise price (cents)	29
Expected volatility	87%
Option life (years)	3 years
Dividend yield	Nil
Risk-free interest rate	0.1%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20 SHARE BASED PAYMENTS - CONTINUED

The following reconciles the outstanding share options granted under the Plan at the beginning and end of the financial year.

	2022		2021	
	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE (CENTS)	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE (CENTS)
Balance at the beginning of the financial year	41,700,000	0.120	43,200,000	0.114
Granted during the financial year:				
- Directors	-	-	11,000,000	0.116
- Employees & consultants	4,500,000	0.268	7,500,000	0.108
Expired during the year				
- Directors	-	-	(15,000,000)	0.100
- Employees & consultants	-	-	(5,000,000)	0.100
Exercised				
- Directors	(11,600,000)	0.105	(15,000,000)	0.100
- Employees	(1,000,000)	0.100	(15,000,000)	0.100
Balance at the end of the financial year	33,600,000	0.145	41,700,000	0.120
Vested and Exercisable at the end of the year	28,566,667	0.133	33,200,000	0.124

Expected volatility is based on the movement of the underlying share price around its average price over the expected term of the option.

Balance at end of the financial year

The share options outstanding and exercisable at the end of the financial year under the Plan had a weighted average exercise price of \$0.145 (2021: \$0.120) and a weighted average remaining contractual life of 446 days (2021: 564 days).

21 KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of Black Rock Mining during the year were:

Richard Crookes	Non-Executive Chairman	Appointed – 16 October 2017
Ian Murray	Non-Executive Director	Appointed – 2 May 2019
John de Vries	Chief Executive Officer & Managing Director	Appointed – 16 March 2017
Gabriel Chiappini	Non-Executive Director Company Secretary	Appointed – 21 March 2012

Details of the remuneration of key management personnel are set out as follows:

	FOR THE YEAR ENDED 30 JUNE 2022	FOR THE YEAR ENDED 30 JUNE 2021
	\$	\$
Short-term employee benefit	625,032	356,321
Post-employment benefits	40,177	44,270
Share-based payments	175,768	582,503
Bonus	100,000	-
Other	69,701	43,900
	1,010,678	1,026,994

22 REMUNERATION OF AUDITORS

Auditor of the parent entity

During the year the following fees were paid or were payable for services provided by the Auditor of the Company, its network firms and non-related audit firms:

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Audit or review of the financial statements (Parent Auditor)	74,553	46,050
Audit or review of the financial statements (Other group entities Auditor)	13,139	8,963
	87,692	54,993

The Auditor of Black Rock Mining is Deloitte Touche Tohmatsu.

23 RELATED PARTY TRANSACTIONS

Remuneration details for Directors and Executives are included in the Remuneration Report and have been audited.

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

During the reporting period the following costs were incurred to key management personnel for services in addition to those shown elsewhere in this note:

DIRECTOR	VALUE \$	DESCRIPTION
Gabriel Chiappini	72,600	Amounts to Laurus Corporate Services, a Company Mr Chiappini is a shareholder and Director of, for the provision of Company Secretarial and Non-executive Director services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24 EXPENDITURE COMMITMENTS

a. Exploration

The Company's subsidiary, 84% owned Faru Graphite Corporation Limited, has license conditions with the Tanzanian Energy and Minerals Department, the subsidiary is obliged to pay the below amounts per square kilometer to keep its tenements in good standing.

The license costs per annum are as follows:

PROJECT NAME	LICENSE TYPE	LICENSE NUMBER	AREA KM ²	RATE PER KM ²	TOTAL
Mahenge North	Special Mining Licence	SML 676/2022	34.96	USD 5,000	USD 174,800
Mahenge North	Prospecting License	PL 21382/2022*	108.00	USD 100	USD 10,800
Mahenge Southwest	Prospecting License	PL 10427/2014~	55.29	USD 200	USD 11,058
			198.25		USD 196,658

* Application pending

~ Renewal pending

During the period the Company surrendered its prospecting licences 10426/2014 and 10111/2014 following a detailed review of each tenements holding economically viable graphite deposits.

As part of the original conditions to acquire the exploration licences there were minimum exploration expenditure commitments. These have all been met by 30 June 2022.

As part of the contract to acquire the graphite exploration licences, under certain milestone conditions the Company will be obliged to make additional payments. These payments are subject to the following conditions:

Exploration licence PL10427/2014

- \$250,000 cash or equivalent number of fully paid Black Rock Mining shares (at the election of the vendor) upon announcement of a JORC compliant resource of greater than 250,000 tonnes of contained graphite at >9% TGC is announced. Issue price of shares to be calculated based on the preceding seven (7) day VWAP; and
- \$375,000 cash and the equivalent value (\$375,000) in Black Rock Mining Shares to be paid when a JORC compliant Resource with greater than 1,000,000 tonnes of contained graphite at >9% total graphite content at any of the Projects is announced by Black Rock Mining on the ASX. The issue price of BKT Shares is to be calculated based on the VWAP of Black Rock Mining Shares in the 5 days prior to the release of the announcement.

The required targets have not been met and hence no liability has been recognised.

Exploration Program

There are no commitments to exploration as at the date of this report.

b. Capital Commitments

As at 30 June 2022, the Group has capital commitments of \$11,543,397 for the Resettlement Action Plan (2021: Nil).

Subsequent to year-end the Group commenced the Resettlement Action Plan compensation process, which at the date of this report has resulted in the following capital commitments related to this process. Refer to note 28 for further information.

	FOR THE YEAR ENDED 30 JUNE 2022	FOR THE YEAR ENDED 30 JUNE 2021
	\$	\$
Within one year	9,218,563	-
One to five years	2,324,834	-
After 5 years	-	-
	11,543,397	-

c. Lease Commitments

Refer to note 13.

d. Contractual Commitments

As at 30 June 2022, the Group had contractual expenditure commitments of \$1,277,429. (June 2021: Nil)

25 LOSS PER SHARE

The following reflects the profit/ (loss) and share details used in the calculation of basic and diluted profit/ (loss) per share:

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Profit/(Loss) used in calculating basic and diluted loss per share	(6,076,894)	(2,850,250)
Weighted average number of ordinary shares used in calculating basic and diluted profit/(loss) per share:	822,569,805	707,527,614
Basic and diluted profit/(loss) per share	(\$0.0074)	(\$0.0040)

The consolidated entity's options potentially dilute basic earnings per share in the future. However, they have been excluded from the calculations of diluted earnings per share because they are anti-dilutive for the years presented.

26 FINANCIAL INSTRUMENTS

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balances. The Group's overall strategy remains unchanged from 2021.

The Group holds the following financial instruments, all of which the fair value is equal to the carrying value:

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
Financial assets		
Cash and cash equivalents	26,093,637	11,298,422
Trade and other receivables	761,288	145,003
Total financial assets	26,854,925	11,443,425
Financial liabilities		
Trade and other payables	(1,688,230)	(386,879)
Lease liabilities	(52,085)	-
Provisions	(68,106)	(81,714)
Total financial liabilities	(1,808,421)	(468,593)
Net financial instruments	24,976,765	10,974,832

The capital structure of the Group consists of net debt (current liabilities offset by cash and bank balances as detailed in notes 8 and 15) and equity of the Group (comprising issued capital, reserves and accumulated losses as detailed in notes 17, 18 and 19).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26 FINANCIAL INSTRUMENTS - CONTINUED

a. Capital Management

The main focus of the Group's capital management policy is to ensure adequate working capital to fund the development activities of its Mahenge Graphite Project. This is done through the close monitoring of cash flow projections.

The Group's working capital as at balance date was:

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Cash and bank balances	26,093,637	11,298,422
Trade and other receivables	761,288	145,003
Trade and other payables	(1,740,315)	(386,879)
	25,114,610	11,056,546

Refer to Going Concern assumption disclosure for further details on working capital management.

Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group does not use derivative financial instruments.

Risk management is the responsibility of the Board of Directors.

Market risk

Foreign exchange risk

The Group transacts in US Dollars and Tanzanian Shillings in relation to its Tanzanian operations is exposed to foreign exchange currency movements arising from various currency exposures, primarily with respect to the US Dollar and the Tanzanian Shilling.

Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations.

The Group's exposure to foreign currency risk at the reporting date was as follows:

Group sensitivity

The parent entity advances funds to the Tanzanian subsidiary in US Dollars. The foreign exchange is recognised in the parent entity.

The consolidated entity's pre-tax loss for the year would have been \$109,927 higher/lower (2021: \$72,293 higher/ lower) had the Australian dollar strengthened/weakened by 10% against the US Dollar.

Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk through cash and cash equivalents \$26,093,637 (2021: \$11,298,422).

At 30 June 2022, if the interest rates had weakened/strengthened by 100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been \$334 lower/higher (2021: \$106 lower/higher) mainly as a result of interest income decreases/increases.

26 FINANCIAL INSTRUMENTS - CONTINUED

Credit risk

Credit risk is managed on a group basis. Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and committed transactions.

Cash and cash equivalents are held with recognisable banking and financial institutions. The maximum exposure to credit risk for cash and cash equivalents is the carrying value.

Other receivables are due from third parties considered credit worthy. The maximum exposure to credit risk for other receivables at the reporting date is the carrying amount. The ageing analysis of receivables is as follows:

DEBTOR	< 30 DAYS
Other receivables	\$398,279
Restricted Cash	\$141,558

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash to ensure that the Group's liabilities can be settled as and when they become due.

Maturities of financial liabilities

The tables below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

CREDITOR	<1 MONTH
Trade payables	\$1,182,351

Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. The carrying values less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

27 CONTINGENT LIABILITIES

There were no material contingent liabilities as at 30 June 2022 (2021: Nil)

28 EVENTS AFTER THE REPORTING DATE

Other than the below, the Directors are not aware of any matter or circumstance that has significant or may significantly affect the operation of the Consolidated Entity or the results of those operations, or the state of affairs of the Consolidated Entity in subsequent financial years.

On 18 July 2022, the Company announced the senior appointments for the Tanzanian leadership team under the Company's 84% owned joint venture company, Faru Graphite Corporation ("Faru"), established in partnership with the Tanzanian Government to develop the Mahenge Graphite Mine. Faru CEO, Mr Alimiya (Ali) Osman was appointed, along with Mr Asa Mwaipopo as Non-Executive Director of Faru. Mr Ted Silkiluwasha and Mr Danstan Mtajura Daud also joined as government appointed Directors of Faru, along with Black Rock Mining Directors Mr John de Vries and Mr Ian Murray who were appointed as Executive Chairman and Non-Executive Director of Faru, respectively

On 18 July 2022 the Company commenced the Resettlement Action Plan compensation process. The total estimated cost of the plan is \$11,543,397 over four stages.

These stages comprise:

- Stage 1: Compensation payments for affected persons to relocate – Ulanzi Mine and Plant Area (\$2,589,087)
- Stage 2: Compensation payments for affected persons to relocate – Cascade Mine Area (\$6,629,476)
- Stage 3: Costs for removal of graves (\$344,503)
- Stage 4: Top up payments to align the compensation with the Equator Principles (\$1,980,331).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28 EVENTS AFTER THE REPORTING DATE - CONTINUED

Subsequent to year-end the company has commenced negotiations, signing contracts and making initial payments with affected persons under Stage 1. Following completion of Stage 1, the Group expects to commence Stage 2 of the Resettlement Action Plan compensation process, no payments have been entered into with respect to this Stage at the date of this report.

On 9 August 2022, the Company, and one of its subsidiaries, Mahenge Resources Limited (incorporated in Tanzania), received a form of referral of an employment dispute to the Commission for Mediation and Arbitration in Tanzania from a former Tanzanian based consultant. Whilst the matter is in the preliminary stages, based on legal advice received to date, the Group believes the claim is spurious, and the amount claimed is ambit, and consequently the matter will be vigorously defended. Accordingly, it is not practicable at this stage to estimate the amount, if any, of any liability that may arise from this matter.

On 2 September 2022 the Company was informed that the SML for the Mahenge Graphite Project had been approved. Faru was subsequently issued the SML on 5 September 2022.

On 9 September 2022, the Company announced that Faru had signed a Conditional Framework Agreement (Agreement) with US-based Urbix, Inc (Urbix) for material from Module Two of the Mahenge Graphite Project.

29 PARENT ENTITY INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to note 3 for a summary of significant account policies.

Financial Position

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Assets		
Current assets	26,744,717	11,428,880
Non-current assets	12,464,909	7,500,645
Total assets	39,209,626	18,929,525
Liabilities		
Current liabilities	1,420,510	402,304
Non-current liabilities	606,443	-
Total liabilities	2,026,953	402,304
Equity		
Issued capital	100,907,653	74,940,348
Retained earnings	(66,379,174)	(57,490,194)
Reserves	2,654,194	1,077,067
Total equity	37,182,673	18,527,221

Financial performance

	FOR THE YEAR ENDED 30/06/2022	FOR THE YEAR ENDED 30/06/2021
	\$	\$
Loss for the year	4,503,134	3,424,607
Other comprehensive income	-	-
Total comprehensive loss	4,503,134	3,424,607

Commitments and contingent liabilities are consistent with Notes 24 and 27.

DIRECTORS' DECLARATION

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;
- (c) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Consolidated Entity; and
- (d) the Directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors made pursuant to s.295(5) of the *Corporations Act 2001*.

On behalf of the Directors

Richard Crookes

Richard Crookes
CHAIRMAN

30 September 2022

For personal use only



Deloitte Touche Tohmatsu
ABN 74 490 121 060

Tower 2
Brookfield Place
123 St Georges Terrace
Perth WA 6000
GPO Box A46
Perth WA 6837 Australia

Tel: +61 8 9365 7000
Fax: +61 8 9365 7001
www.deloitte.com.au

Independent Auditor's Report to the members of Black Rock Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Black Rock Mining Limited (the Company) and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (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 confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 for 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.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
<p>Accounting for Exploration and Evaluation Assets</p> <p>As at 30 June 2022, the carrying value of exploration and evaluation assets amounts to \$29,748,305 including additions of \$7,460,495 as disclosed in Note 11.</p> <p>Significant judgement is applied in determining the treatment of exploration and evaluation expenditure including:</p> <ul style="list-style-type: none"> • whether the conditions for capitalisation are satisfied; • which elements of exploration and evaluation expenditure qualify for capitalisation; • the Group’s intentions and ability to proceed with a future work program; • the likelihood of licence renewal or extension; and • the expected or actual success of resource evaluation and analysis. <p>The timing of when assets are transferred from exploration and evaluation to property, plant and equipment often involves significant judgement due to the assessment of technical feasibility and commercial viability being unique for each project / area of interest.</p>	<p>Our procedures associated with exploration and evaluation expenditure incurred during the year included, but were not limited to:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of processes and controls associated with the capitalisation of exploration and evaluation expenditure; and • Testing on a sample basis, exploration and evaluation expenditure to confirm the nature of the costs incurred, and the appropriateness of the classification between asset and expense. <p>Our procedures associated with the carrying value of exploration and evaluation assets included, but were not limited to:</p> <ul style="list-style-type: none"> • Evaluating the design and implementation of processes and controls in respect of assessing the recoverability of exploration and evaluation assets; • Evaluating management’s impairment indicator assessment, including consideration as to whether any of the following events exist at the reporting date which may indicate that exploration and evaluation assets may not be recoverable: <ul style="list-style-type: none"> ○ obtaining a schedule of the area of interest held by the Group and confirming whether the rights to tenure of that area of interest remained current at balance date; ○ holding discussions with management as to the status of ongoing exploration programs in the respective area of interest; and ○ assessing whether any facts or circumstances existed to suggest impairment testing was required. • Assessing the accuracy of amounts written off where an impairment trigger was identified by management. <p>Our procedures associated with the classification of Exploration & Evaluation Assets included, but were not limited to:</p> <ul style="list-style-type: none"> • Holding discussions with management in relation to any commitments entered into; • Reviewing board or directors minutes, investor presentations released by the Company, and corporate budgets to assess whether these would indicate that a final investment decision has been made; and • Performing subsequent events procedures to identify if any final investment decision has been made after the reporting date, including assessing the impact of commencing stages one and two of the Resettlement Action Plan. <p>We also assessed the appropriateness of the disclosures in Note 11 and Note 24 to the financial statements.</p>

Deloitte.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 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 we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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, actions taken to eliminate threats or safeguards applied.

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 on pages 12 to 15 of the Directors' Report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of Black Rock Mining 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.

DELOITTE TOUCHE TOHMATSU

David Newman

Partner

Chartered Accountants

Perth, 30 September 2022

ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange and shown elsewhere in this report is set out below. The information is current as at 16 September 2022.

Distribution - Ordinary Fully Paid Shares

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	176	52,578	0.01
1,001 - 5,000	589	1,914,501	0.20
5,001 - 10,000	466	3,826,170	0.39
10,001 - 100,000	1,783	70,689,318	7.23
100,001 Over	731	900,836,596	92.17
Rounding			0.00
Total	3,745	977,319,163	100.00

Unmarketable parcels

	MINIMUM PARCEL SIZE	HOLDERS	UNITS
Minimum \$ 500.00 parcel at \$ 0.2100 per unit	2,381	338	353,706

Voting Rights

The voting rights for each class of security on issue are:

Ordinary Fully Paid Shares

Each ordinary shareholder is entitled to one vote for each share held.

Options

The holders of options have no rights to vote at a general meeting of the company.

Largest Shareholders

RANK	NAME	UNITS	% UNITS
1	POSCO LTD	126,020,001	12.89
2	EYEON INVESTMENTS PTY LTD <EYEON INVESTMENTS FAMILY A/C>	53,000,000	5.42
3	COPULOS SUPERANNUATION PTY LTD <COPULOS PROVIDENT FUND A/C>	33,000,000	3.38
4	CITICORP NOMINEES PTY LIMITED	30,174,882	3.09
5	UBS NOMINEES PTY LTD	28,323,071	2.90
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	23,928,892	2.45
7	DANIEL TURNER CAPITAL PTY LTD <DANIEL TURNER FAMILY A/C>	20,424,256	2.09
8	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	16,746,700	1.71
9	JAWAF ENTERPRISES PTY LTD <HALL FAMILY A/C>	13,700,000	1.40
10	WESTPARK OPERATIONS PTY LTD <WESTPARK OPERATIONS UNIT A/C>	13,561,674	1.39
11	SPACETIME PTY LTD <COPULOS EXEC S/FUND NO 1 A/C>	12,617,753	1.29
12	MR CHIN YONG CHONG	12,343,005	1.26
13	GASMERE PTY LTD	11,602,661	1.19
14	DANIEL TURNER HOLDINGS PTY LTD <DANIEL TURNER SUPERFUND A/C>	10,367,396	1.06
15	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	10,209,113	1.04
16	MR WARREN WILLIAM BROWN + MRS MARILYN HELENA BROWN	9,492,500	0.97
17	E & E HALL PTY LTD <E & E HALL P/L S/F A/C>	8,895,376	0.91
18	CITYWEST CORP PTY LTD <COPULOS SUNSHINE UNIT A/C>	8,721,422	0.89
19	TISDELL FAMILY SUPER PTY LTD <TISDELL FAMILY SUPER A/C>	7,939,734	0.81
20	EYEON NO 2 PTY LTD	7,761,746	0.79
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		458,830,182	46.95
Total Remaining Holders Balance		518,488,981	53.05

Substantial Shareholders

Substantial Shareholders as disclosed in substantial shareholder notices provided to the Company as at 16 September 2022.

NAME	NUMBER OF ORDINARY SHARES	PERCENTAGE (%)
POSCO ¹	126,020,001	12.90
Copulos Group ²	118,720,679	12.15

1. As lodged on 10 June 2022

2. As lodged on 1 June 2022

Distribution - Unlisted Options Expiring 04/11/23 at \$0.0785

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	2	5,000,000	100.00
Rounding			0.00
Total	2	5,000,000	100.00

1. Corporate Campaigns Pty Ltd holds 3,000,000 Options, comprising 60.00% of this class; Mr Raymond Hekima holds 2,000,000 Options, comprising 40.00% of this class.

Distribution - Unlisted Options Expiring 21/12/2023 at \$0.116

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	4	11,000,000	100.00
Rounding			0.00
Total	4	11,000,000	100.00

1. Mrs Karen Gail de Vries holds 5,000,000 Options, comprising 45.54% of this class.

Distribution - Unlisted Options Expiring 10/08/2023 at \$0.084

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	44	22,278	0.07
1,001 - 5,000	71	181,011	0.60
5,001 - 10,000	48	348,008	1.15
10,001 - 100,000	140	5,010,774	16.57
100,001 Over	60	24,672,564	81.60
Rounding			0.01
Total	363	30,234,635	100.00

For personal use only

ADDITIONAL INFORMATION

Distribution - Unlisted Options Expiring 28/10/2022 at \$0.15

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	3	7,600,000	100.00
Rounding			0.00
Total	3	7,600,000	100.00

1. Mr John de Vries holds 3,600,000 Options, comprising 47.37% of this class; Mr Richard Anthony Crookes holds 2,400,000 Options, comprising 31.58% of this class; Mrs Gabriel Chiappini & Mrs Rosa Chiappini <Gran Sasso Family A/C> holds 1,600,000 Options, comprising 21.05% of this class

Distribution - Unlisted Options Expiring 18/11/2022 at \$0.15

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	1	3,000,000	100.00
Rounding			0.00
Total	1	3,000,000	100.00

1. Murray Super Investments Pty Ltd <Murray Super Fund A/C> holds 3,000,000 Options, comprising 100.00 % of this class.

Distribution - Unlisted Options Expiring 25/10/2024 at \$0.29

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	1	3,000,000	100.00
Rounding			0.00
Total	1	3,000,000	100.00

1. Mining Securities Pty Ltd holds 3,000,000 Options, comprising 100.00 % of this class.

Distribution - Unlisted Options Expiring 26/04/2025 at \$0.40

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	1	1,500,000	100.00
Rounding			0.00
Total	1	1,500,000	100.00

1. Mr Paul Raymond Sims holds 1,500,000 Options, comprising 100.00 % of this class.

Distribution - Unlisted Options Expiring 1/06/2024 at \$0.20

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	1	1,500,000	100.00
Rounding			0.00
Total	1	1,500,000	100.00

1. IRX Advisors Pty Ltd holds 1,500,000 Options, comprising 100.00 % of this class.

Distribution - Unlisted Options Expiring 24/01/2024 at \$0.116

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	1	1,000,000	100.00
Rounding			0.00
Total	1	1,000,000	100.00

1. L39 Pty Ltd holds 1,000,000 Options, comprising 100.00 % of this class.

Distribution - Unlisted Options Expiring 1/07/2024 at \$0.224

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 100,000	0	0	0.00
100,001 Over	1	1,500,000	100.00
Rounding			0.00
Total	1	1,500,000	100.00

1. Mr Daniel Pantany holds 1,500,000 Options, comprising 100.00 % of this class.

On-market Buy-Back

Currently there is no on-market buy-back of the Company's securities

Securities Subject to Escrow

As at 16 September 2022 there are no securities currently subject to escrow.

Corporate Governance

Pursuant to the ASX Listing Rules, the Company's Corporate Governance Statement will be released in conjunction with this report. The Company's Corporate Governance Statement is available on the Company's website at: <https://blackrockmining.com.au/about-us/#corporate-governance>

ADDITIONAL INFORMATION

Annual Mineral Resources and Ore Reserves Statement

The Company's Exploration Results, Mineral Resource and Ore Reserve estimates are reported in accordance with the ASX Listing Rules and the requirements and guidelines of the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves – the JORC Code. The Company's Mineral Resource and Ore Reserve estimates for 30 June 2022 are listed in the tables below

As released on ASX on 3 February 2022 (refer to ASX Announcement: Black Rock Mining confirms 25% increase in Measured Mineral Resource, now the largest in class globally), following the completion of assays from the Company's 2019 infill metallurgical drilling and bulk sampling program, the JORC Compliant Mineral Resource Estimate and Ore Reserve at the Mahenge Graphite Project was updated, posting a 25% increase in Measured Mineral Resource. There was no change to the JORC Compliant Ore Reserve at the Mahenge Graphite Project.

Mineral Resource Estimate Table as at 30 June 2022

PROJECT	CATEGORY	TONNES	TGC	CONTAINED GRAPHITE
		(MT)	(%)	(MT)
Mahenge Graphite Project	Measured	31.8	8.6	2.7
	Indicated	84.6	7.8	6.6
	Inferred	96.7	7.4	7.2
	TOTAL	213.1	7.8	16.6

Note: Appropriate rounding applied

Mineral Resource Estimate Table as at 30 June 2021

PROJECT	CATEGORY	TONNES	TGC	CONTAINED GRAPHITE
		(MT)	(%)	(MT)
Mahenge Graphite Project	Measured	25.5	8.6	2.2
	Indicated	88.1	7.9	6.9
	Inferred	98.3	7.6	7.4
	TOTAL	211.9	7.8	16.6

Ore Reserve Estimate Table as at 30 June 2022

PROJECT	CATEGORY	TONNES	TGC	CONTAINED GRAPHITE
		(MT)	(%)	(MT)
Mahenge Graphite Project	Proved	-	-	-
	Probable	70.5	8.5	6.0
	TOTAL	70.5	8.5	6.0

Note: Appropriate rounding applied

Ore Reserve Estimate Table as at 30 June 2021

PROJECT	CATEGORY	TONNES	TGC	CONTAINED GRAPHITE
		(MT)	(%)	(MT)
Mahenge Graphite Project	Proved	-	-	-
	Probable	70.5	8.5	6.0
	TOTAL	70.5	8.5	6.0

Note: Appropriate rounding applied

Tenement Schedule as at 30 June 2022

LICENCE TYPE	LICENCE NUMBER	TOTAL AREAS (SQ KM)	DATE GRANTED	EXPIRY DATE	BKT OWNERSHIP
Prospecting Licence	PL10426/2014	N/A	02.02.2014	26/9/2022	100%
Prospecting Licence	PL10111/2014	N/A	02.02.2014	26/9/2022	100%
Prospecting Licence	PL11486/2020	118.37	25.09.2020	24.09.2024	84%
Prospecting Licence	PL10427/2014	55.29	02.02.2014	01.12.2029	100%
Mining Licence	ML611/2019	9.94	25.02.2019	24.02.2029	84%
Mining Licence	ML612/2019	9.79	25.02.2019	24.02.2029	84%
		193.39			

Governance and Internal Controls

The Company's geology department have a set of guidelines and working practices to control the Mineral Resources and Ore Reserves estimation and reconciliation process, as well as the quality of the data used. The Company's risk management program includes assessment of the risks associated with the estimations of Mineral Resources and Ore Reserves and the controls in place to ensure that robust Resource and reserve estimates are reported.

The Company, through its senior geological and mining engineering staff ensures that all Mineral Resource and Ore Reserves estimations are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed by a competent qualified geologist. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management. Mineral Resource and Ore Reserve estimates are prepared by appropriately qualified Competent Person. If there is a material change in the estimate of a Mineral Resource or Ore Reserve, the estimate and supporting documentation in question is reviewed by a suitably qualified Competent Person and announced to the ASX in accordance with the Listing Rules. The Company reports its Mineral Resources and Ore Reserves on an annual basis in accordance with the JORC Code 2012 Edition. The Company's Competent Persons are members of the Australasian Institute of Mining and Metallurgy (AUSIMM), and qualify as Competent Persons under the JORC Code 2012.

Competent Person Statement

The information in this report that relates to reporting of Exploration Results have been prepared by Mr Prisin Moshi. Mr Moshi is an employee of Black Rock Mining and has supervised recent drilling and exploration programs at the Mahenge Graphite Project. Mr Moshi is a member of the AUSIMM and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The information in this report that relates to Mineral Resources prepared by Mr Lauritz Barnes, consultant with Trepanier Pty Ltd. Mr Barnes is a member of the AUSIMM and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The information in this report that relates to the Ore Reserve Statement, has been compiled by Mr Beng Ko, under the direction of Mr John de Vries and in accordance with the guidelines of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code – 2012 Edition). Mesrrs de Vries and Ko are both employees of Black Rock Mining and members of the AUIMM. Mr de Vries takes overall responsibility for this information. Mr de Vries is a shareholder of the Company and holds options in the Company as part of his total remuneration package. Mr de Vries has the requisite experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves".

Mesrrs Moshi, Barnes and de Vries consent to the inclusion in this report of the matters based on the information in the form and context in which they appear.



BLACK ROCK
MINING LIMITED

For personal use only

www.blackrockmining.com.au