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(ABN 64 142 809 970)

**Annual Report**  
**30 June 2022**

# White Rock Minerals Ltd

## Corporate Directory

### DIRECTORS

Peter Mangano (Chairperson)

Matthew Gill (Managing Director and Chief Executive Officer)

Paul McNally (Non-Executive Director)

### COMPANY SECRETARY

Shane Turner

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### AUDITORS

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### BANKERS

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### LEGAL ADVISORS

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Melbourne Victoria 3000

# White Rock Minerals Ltd

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# White Rock Minerals Ltd

## Letter from the Chairperson & Managing Director

For the year ended 30 June 2022

Dear fellow Shareholders,

It gives me great pleasure to present the 2022 Annual Report for White Rock Minerals Limited (ASX: WRM; OTCQX:WRMCF), my first since moving into the Chairperson's role in June this year. This Annual Report offers us the opportunity to reflect on a period which saw our Company join the ranks of ASX-listed gold producers in Australia and continue to build a strong asset portfolio.

Your company achieved a significant milestone during the year with the acquisition of the Woods Point Gold Project in Victoria, which included the high-grade Morning Star Gold Mine, and a significant 660km<sup>2</sup> exploration land package. We achieved this by way of a merger with ASX-listed AuStar Gold (ASX: AUL).

We achieved a second significant milestone with the commencement of gold production from the recommencement of mining activities at the Morning Star Gold Mine and the restart of the surface milling operations – a milestone we have been working towards since we acquired the project and one which we are very proud to have accomplished. We were able to achieve this in just 12 months following the acquisition, which demonstrates our commitment to succeed.

Woods Point is in one of the World's premier high-grade gold producing regions in the Walhalla to Woods Point Goldfield, estimated to have yielded over 6 million ounces of gold production historically and we control a significantly under-explored 660km<sup>2</sup> tenement package within the core area. The Morning Star Gold Mine historically produced more than 880,000oz gold at >26 grams per tonne gold<sup>1</sup>, an impressively high gold grade. We hope to continue this trend of gold production in the years to come.

We have introduced modern exploration technologies to Woods Point, which to date has provided further evidence of the Region's exploration potential. Our diamond drilling has identified up to five potential gold production areas in the Morning Star Gold Mine and some notably high-grade results including **0.25m at 972g/t gold<sup>2</sup>** (31 ounces per tonne) from the Achilles Reef and **0.4m at 740g/t gold<sup>2</sup>** in the Gap Zone while the Exhibition Reef returned a result of **0.2m at 140g/t gold<sup>3</sup>**. Gold grade intersections over 200g/t gold have also been recorded from our drilling in the McNally reef<sup>4</sup> – testimony to the high-grade potential from the many unmined reefs we have uncovered. This gives us great confidence about production opportunities at Morning Star and recommissioning the existing gold processing plant has allowed us to achieve our objective of a low capital cost restart for the project and commence production of gold doré bars for sale.

We expect a steady ramp up in production at Morning Star as we recruit more personnel, re-capitalise parts of the operation, further develop gold reefs for production and increase our processing output. We will expand our volume of gold doré bars as we move from processing lower grade material to higher grade ore. Based on our projections, it is likely that gold grades from White Rock's underground production will place Morning Star in the top five of high-grade gold mines in Australia, which is an exciting proposition for our Company.

At our Red Mountain Project in Alaska, USA, we continue to grow our resources, delivering an updated Inferred Mineral Resource Estimate<sup>5</sup> of 21.3 million tonnes at 8.5% zinc equivalent<sup>6</sup> for 1.8Mt of contained zinc equivalent or 393g/t silver equivalent<sup>7</sup> for 207Moz of contained silver equivalent. This is based on the deposits at Dry Creek and West Tundra Flats (WTF) and it represented a 28% increase in high-grade tonnage and a 27% increase in global tonnage, a very significant up-lift, which was achieved from the addition of just another 12 drill holes. Considerable upside remains, especially at Dry Creek and we plan to undertake further drilling at Red Mountain to test targets such as Kiwi, where high-grade massive sulphide float (with grades recorded of up to **16% copper, 14% zinc, 20% lead and 316g/t silver**) were detected at surface<sup>8</sup>.

Adding to our portfolio, we acquired a new high-grade gold project in the Tintina Gold Province in Alaska late in the year, demonstrating our commitment to building a quality portfolio of high-grade precious metal assets. The White Gold Project complements our Red Mountain Project and has produced some impressive historic gold grade results from the Goldberg, Shalosky, Low and Hunter prospects, **such as 4m at 33.8g/t gold, 19m at 4g/t gold and 3.3m at 16.4g/t gold<sup>9</sup>**. We are undertaking a compilation and review of historical exploration data at White Gold to identify the best targets showing potential for high-grade gold deposits and initial exploration is likely to include field work ahead of any planned drilling.

At our advanced Mt Carrington Gold and Silver Project in New South Wales, we amended our earn-in and option to joint venture agreement with Thomson Resources Ltd (ASX: TMZ) which now focuses on further exploration and allows TMZ to earn up to 70% of the project in two stages. TMZ restated the Mineral Resource Estimate for the Strauss and Kylo deposits to include zinc and copper, along with gold and silver, which saw a 21% increase in tonnes and also increased gold and silver ounces.

We thank our Shareholders who participated in our capital raising activities during the year, including an Entitlement Offer which raised \$1.4 million and \$4.65 million from share placements. Our activities, including restarting gold production at Morning Star, were funded through this support and we look forward to delivering value from the Woods Point Gold Project over the years to come, as well as from our other projects.

White Rock Minerals Ltd  
Letter from the Chairperson & Managing Director  
For the year ended 30 June 2022

We would like to thank outgoing Chairperson Peter Lester, who retired as Chairperson and Director in June 2022 after nearly 10 years as a Director. He provided significant guidance and expertise to the White Rock leadership over that time, overseeing the development of several of our projects and the acquisition of Woods Point. We wish him well in his next endeavours. I am thrilled to have joined White Rock at such an exciting time in its growth and look forward to drawing on my years of experience in the mining industry and equity capital markets to guide White Rock through its next phase of development.

In closing, I thank our Board and Management team, including CEO and Managing Director Matt Gill, Lionel Musson our site GM at Woods Point and Shane Turner our CFO, as well as our staff and contractors, for their unwavering commitment to see White Rock achieve its goals over the past 12 months. It is pleasing to see how much progress we have achieved in this period and how we have built the foundations for an exciting future in gold production, as well as our other development opportunities.

We are excited about the future of White Rock Minerals based on what we have achieved in FY22, and we hope you will continue to share our journey as we continue to work towards and deliver on our plans over the year to come.



Peter Mangano  
Non-Executive Chairman



Matt Gill  
MD&CEO

<sup>1</sup> Refer Department of Primary Industries “Walhalla-Woods Point-Tallangalook Special map area geological report, Geoscience Victoria”, Geological Survey of Victoria Report 127, 2006.

<sup>2</sup> Refer WRM ASX announcement 27 July 2022 “972 g/t Gold Intercept, Gap Zone, Morning Star Gold Mine”

<sup>3</sup> Refer ASX Announcement 7 June 2022 “140 g/t Intercept, Exhibition Reef, Morning Star Gold Mine”

<sup>4</sup> Refer ASX Announcement 9 August 2022 “White Rock intersects 312g/t and 222g/t gold at the Morning Star Gold Mine, Victoria”

<sup>5</sup> Refer ASX Announcement 17<sup>th</sup> February 2022 - Significant Resource Update for Red Mountain VMS Project

<sup>6</sup> ZnEq=Zinc equivalent grade adjusted for recoveries and calculated with the formula (pricing units are detailed below):  
$$\text{ZnEq} = 100 \times \left[ \frac{(\text{Zn}\% \times 2,425 \times 0.9) + (\text{Pb}\% \times 2,072 \times 0.75) + (\text{Cu}\% \times 6,614 \times 0.70) + (\text{Ag} \times (21/31.1035) \times 0.70) + (\text{Au} \times (1,732/31.1035) \times 0.80)}{(2,425 \times 0.9)} \right]$$

<sup>7</sup> AgEq= Silver equivalent grade adjusted for recoveries and calculated with the formula (pricing units are detailed below):  
$$\text{AgEq} = 100 \times \left[ \frac{(\text{Zn}\% \times 2,425 \times 0.9) + (\text{Pb}\% \times 2,072 \times 0.75) + (\text{Cu}\% \times 6,614 \times 0.70) + (\text{Ag} \times (21/31.1035) \times 0.70) + (\text{Au} \times (1,732/31.1035) \times 0.80)}{(21/31.1035) \times 0.7} \right]$$

<sup>8</sup> Refer ASX Announcement 9 November 2021 – “Assays Confirm High Grade VMS at Keevy Trend & New EM Target”

<sup>9</sup> Refer ASX Announcement 11 April 2022 – “High-Grade Gold Prospects Staked in Alaska”

# White Rock Minerals Ltd

## Operations review

For the year ended 30 June 2022

White Rock Minerals Limited (ASX: WRM; OTCQX:WRMCF) has built a portfolio of exploration and development assets featuring highly sought-after commodities in some of the world's richest and well managed mining jurisdictions. These commodities include gold, silver and zinc in Australia (Victoria and NSW) and USA (Alaska).

During the year, the Company acquired the high-grade Woods Point Gold Project in Victoria, where it has now recommenced gold production in Q3 2022.

An overview of White Rock's activities at its high-value assets during the reporting period follows:

### WOODS POINT GOLD PROJECT, VICTORIA

White Rock acquired the Woods Point Gold Project by way of merger with ASX-listed AuStar Gold (ASX:AUL) in August 2021, bringing White Rock significantly closer to achieving its goal of becoming an important gold producer – with significant exploration upside.

Located in one of the world's premier high-grade gold producing regions (Figure 1), the centrepiece of the Woods Point acquisition is the Morning Star gold mine, which historically produced 883,000 ounces of gold at a grade of 26.5g/t Au<sup>1</sup>.

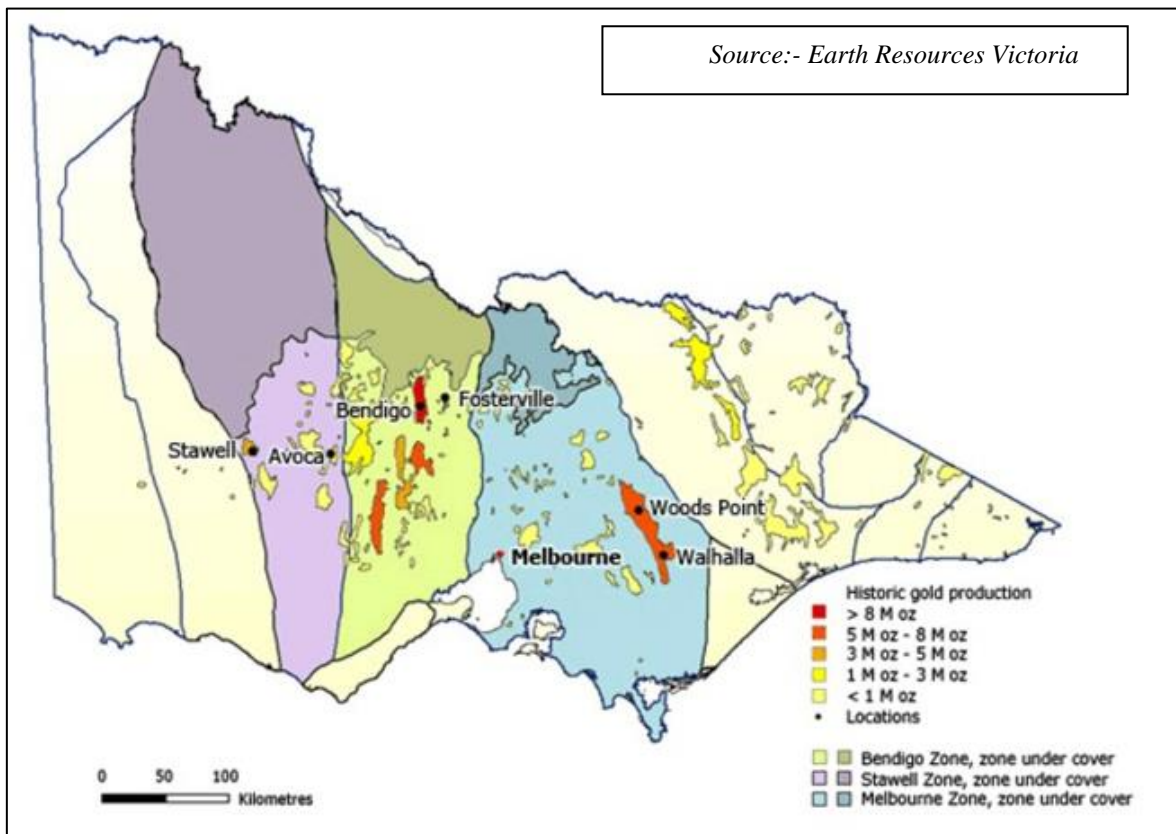


Figure 1: Major Victorian goldfields including the Woods Point – Walhalla goldfield, 100 kms east of Melbourne.

The asset acquisition included a functioning gold mine with a shaft and winder, an 80,000 tpa gravity gold processing plant, two mining licences (Morning Star and Rose of Denmark) and a dedicated and experienced site operating team.

<sup>1</sup> Refer Department of Primary Industries "Walhalla-Woods Point-Tallangalook Special map area geological report, Geoscience Victoria", Geological Survey of Victoria Report 127, 2006.

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Figure 2: Morning Star mine site with headframe and winder on the right and offices to the left



Figure 3: Gold processing plant at White Rock's Morning Star Gold Mine, NE Victoria

# White Rock Minerals Ltd

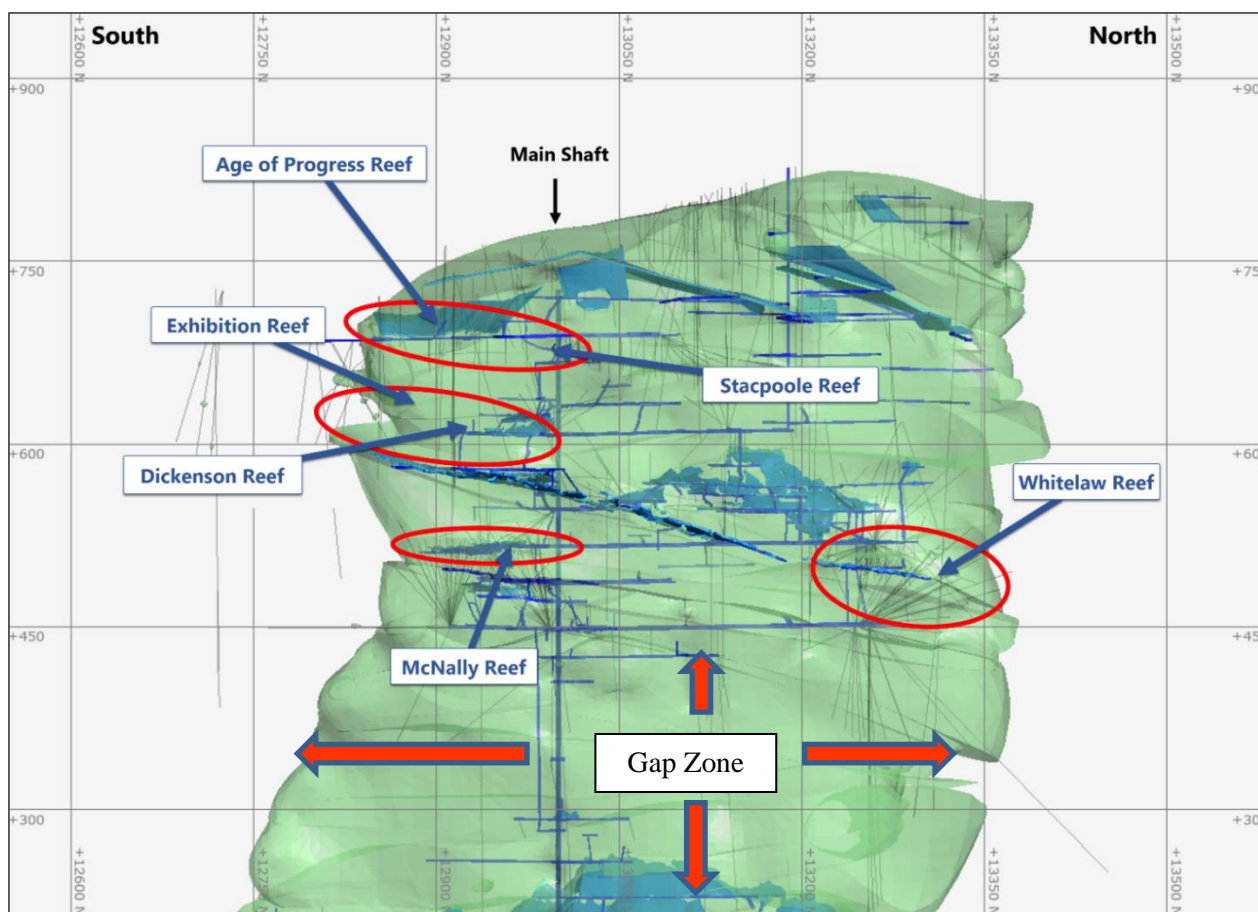
## Operations review

For the year ended 30 June 2022

Diamond drilling at the high-grade Morning Star Underground Gold Mine began soon after its acquisition, in October 2021, with more than 11,900 metres completed during the 2021/2022 reporting period. This drilling program focused on potential near-term production targets above 9 Level (where some 7,300 metres were drilled) and the medium-term under-explored Gap Zone between 9 Level and 14 Level (where some 4,600 metres were drilled). This program was very successful and identified up to five potential gold production areas at the mine above 9 Level, with mining successfully restarting in Q3 2022<sup>10</sup>. The initial five mining areas identified (Figure 4) are:

1. **Dickenson Reef** where development is currently underway ahead of planned mining scheduled to commence in the short term;
2. **Exhibition Reef** where an exploration rise will proceed off the Dickenson South development drive and is in progress;
3. **Stacpoole / Age of Progress Reefs** where an exploration rise will also proceed off the Dickenson South development and minor infrastructure requirements will allow mining to commence in the short term;
4. **McNally Reef** extensions where development is in place and mining has commenced; and
5. **Whitelaw Reef** where minor development is required and more substantial infrastructure is needed to enable mining to commence in the mid term.

The drilling program at the Mine also included a first-pass assessment of the Gap Zone - an area of significant exploration potential below 9 Level where 200 metres of vertical extent exists between areas of historic mining (Figure 4) and which has had little exploration drilling and no known production.



**Figure 4:** Long section view looking towards the west showing the Morning Star host dyke (green), historic mining and mine development (blue) and historic & current drill hole traces.

### Underground Mine Development

White Rock achieved a significant milestone with the commencement of gold production at Morning Star in Q3 2022<sup>11</sup>.

White Rock's immediate objective at the Morning Star Gold Mine was a low capital cost restart of gold production from multiple reef locations and this significant milestone was achieved in Q3 2022. The Company sought to achieve this by identifying and drilling areas of the dyke with potential to host multiple high-grade gold quartz reefs close to existing underground development infrastructure.

<sup>10</sup> WRM ASX announcement 12 July 2022 "Morning Star Gold Mine Ready to Rise Again"

<sup>11</sup> WRM ASX announcement 30 August 2022 "White Rock Recommences Gold Production at Morning Star Mine"



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## Operations review

### For the year ended 30 June 2022

Development has focused on establishing access to the lower (southern) levels of the McNally Reef on 7 level and 8 Level, material movement infrastructure with strike driving along the reef and the establishment of access to the Dickenson Reef in the upper Dickenson project area on 4 level.

The mining activities are focused on delivering high-grade tonnes to the gold plant for processing, sourced from multiple working faces underground across multiple mining areas.

Narrow vein mining techniques are being employed to reduce the amount of waste rock mined and processed. This ensures that the gold feed grade is as high as possible for the processing plant. Split face firing and benched drive development techniques are being utilised to reduce gold grade dilution, by firing the reef and waste separately. This selective mining technique aims to reduce the amount of waste rock hauled and processed without reducing recovered gold. Material movement and haulage routes are being optimised, with the purchase of additional mining equipment allowing greater flexibility and productivity in materials handling and movement. Multiple mining fronts within multiple mining areas also add flexibility to the mining schedule allowing resources to be deployed and optimised appropriately.

Planning with in-mine exploration activity will continue, looking to progress this activity from both the surface and underground, where drilling recently completed programs at Dickenson South (which successfully tested reefs including Stacpoole, Exhibition and Dickenson from surface), tested the McNally's and Whitelaw's reefs from underground, as well as a broad first pass assessment across the 600 metres of horizontal extent, testing the Gap Zone's potential to host significant mineralised quartz reefs.

The initial five areas successfully identified for mining above 9 Level from the recent diamond drilling program<sup>10</sup> are Dickenson South, Exhibition, Stacpoole, McNally and Whitelaw reefs.

#### 1. Dickenson South

During the reporting period, White Rock received noteworthy high-grade surface drilling assay results from the Dickenson South target area drilling program at Morning Star.

This target area, between surface and 6 Level, is within 100 metres of the existing shaft and accessible from multiple levels. White Rock's primary objective at the Morning Star Gold Mine is a low capital cost restart of gold production from multiple reef locations.

The recent drill program returned multiple high-grade gold intersections through the Dickenson Reef at a similar grade and thickness to historic high-grade drilling results (Figure 4), providing the Company with confidence that the Dickenson Reef could form one of multiple production areas in any restart scenario.

Of particular significance is that the Dickenson Reef shows strong potential for a significant "high-grade" zone to exist towards the southern margin of the dyke with high grades (>10g/t) encountered in four adjacent drill holes (21SDS003, 21SDS007, 22SDS010 & 20MS01), with thicknesses (0.6 to 1.6 metres) better than the average reef thickness through the deposit (0.4 to 0.6 metres)<sup>12</sup>.

Figure 5 highlights the area where a significant "high-grade" zone could extend for over 100 metres of strike and up to 50 metres down-dip. The Dickenson Reef "high-grade" target area includes the following intersections:

- **1.2 metres @ 24.4g/t gold** in 21SDS007 (true width)
- **0.6 metres @ 21.5g/t gold** in 21SDS003 (true width)
- **1.6 metres @ 10.6g/t gold** in 21SDS010 (true width)
- **0.7 metres @ 13.3g/t gold** in 20MS01 (true width)
- **2.4 metres @ 16.9g/t gold** in MS364 (true width)

<sup>12</sup> WRM ASX announcement 1 March 2022 "High-Grade Gold Drill Results - Morning Star Gold Mine, Vic"

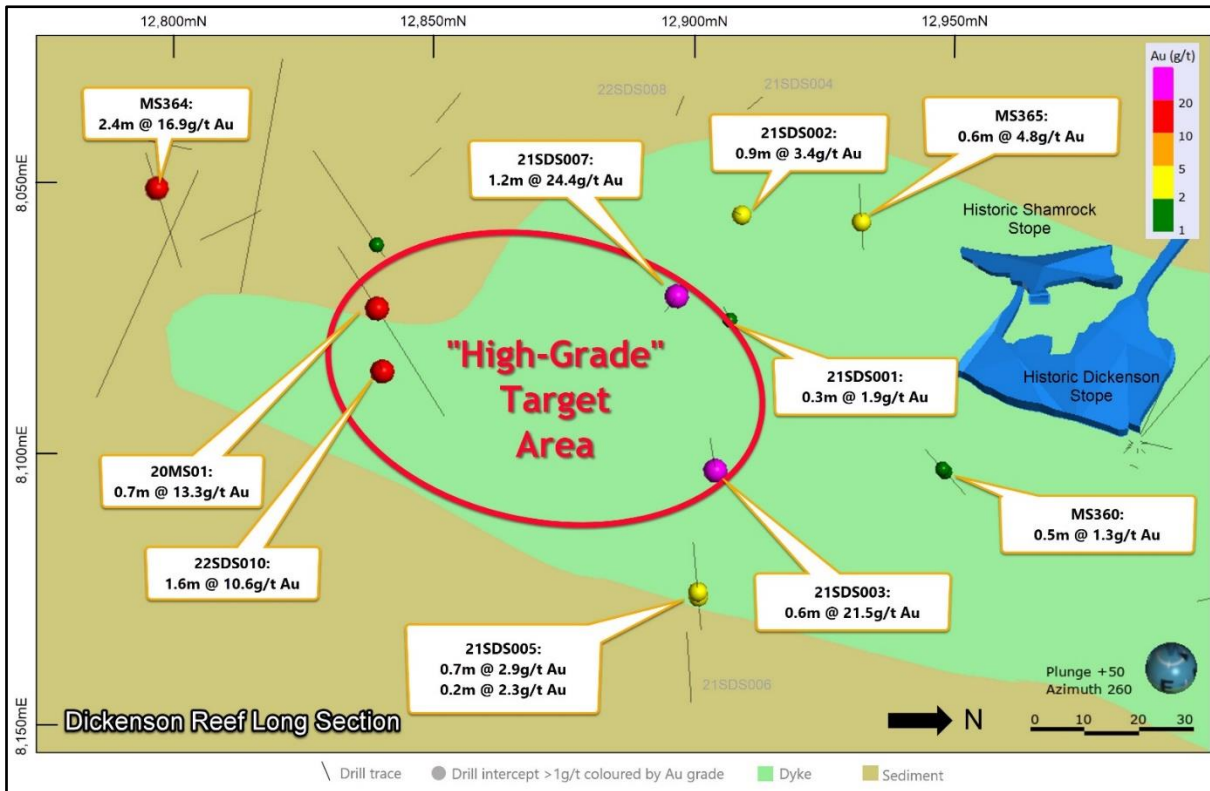


Figure 5: Long section view through the Dickenson reef showing current and historic true width drill intersection pierce points, the limited historic stoping and the potential “high-grade” target area at the southern end of the dyke.

## 2. Exhibition Reef

The Exhibition Reef is a parallel mineralised quartz structure above the Dickenson Reef at the southern end of the mine where access development is underway. It is located around 4 Level that includes a “high-grade” gold target area (Figure 6) that is potentially more than 100m in strike length and up to 40m down-dip<sup>3</sup>.

Drill intersection assay results from the Exhibition Reef included:

- **0.2m @ 140g/t gold** in 22SDS0012A (true width);
- **0.4m @ 35.9g/t gold** in 22SDS015 (true width);
- **0.4m @ 12.7g/t gold** in 21SDS005 (true width);
- **0.4m @ 21.2g/t gold** in L4001 (true width);
- **0.2m @ 13.1g/t gold** in 22SDS013 (true width).

Multiple mineralised intercepts through the Exhibition Reef provide encouragement that this area, close to the shaft and existing development between 3 Level and 4 Level, will provide an additional ore source.

<sup>3</sup> WRM ASX announcement 7 June 2022 “140 g/t Intercept, Exhibition Reef, Morning Star Gold Mine”

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**Figure 6:** Exhibition Reef long section plan view showing the Morning Star host dyke (green), historic mining and mine development (blue) and all historic & current drill hole traces with pierce point intersections. The “high-grade” target area with 100 metres of strike and 40 metres across strike extent is defined by drill intercept pierce points shown.

### 3. Stacpoole Reef

The 2022 drill program returned multiple high-grade gold intersections through the Stacpoole Reef in a number of contiguous drill holes, providing the Company with confidence that the Stacpoole Reef could form one of multiple production areas in any restart scenario. Following on from high-grade gold drill hole results at the Age of Progress and Whitelaw Reefs (ASX Announcement 18 January 2022), the Dickenson Reef (ASX Announcement 1 March 2022) and the Whitelaw Reef (ASX Announcement 7 March 2022), together with drilling adjacent to recent mining of the McNally Reef, these four areas underwent mine planning as part of the assessment process for the re-start of underground mining.

Of particular significance, the Stacpoole Reef shows strong potential for a significant “high-grade” zone to exist along the eastern margin of the dyke with high grades (>10g/t) encountered in multiple drill holes (21SDS007, 21SDS006, 22SAP005 & MSA24)<sup>13</sup>.

The prospective portion of the Stacpoole vein occurs where it merges with the Age of Progress Reef (Figure 4) with several significant true width mineralised intervals greater than three metres, often with a high-grade core greater than 10g/t gold.

Figure 7 highlights where the “high-grade” zone could extend for over 120 metres of strike and up to 20 metres down-dip. The Stacpoole Reef “high-grade” target area includes the following intersections:

- 3.8 metres @ 5.5g/t gold in 21SDS007 including **0.6 metres @ 19.5g/t gold** (true width)
- 3.7 metres @ 6.1g/t gold in 21SDS006 including **1.8 metres @ 10.0g/t gold** (true width)
- 5.3 metres @ 3.7g/t gold in 22SAP005 including **0.4 metres @ 20.1g/t gold** (true width)
- **1.1 metres @ 13.5g/t gold** in MSA24 (true width).

<sup>13</sup> WRM ASX announcement 24 March 2022 “Continuing High-Grade Drill Results - Morning Star Gold Mine”

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**Figure 7:** Long section view through the Stacpool Reef showing current and historic true width drill intersection pierce points, the limited historic stoping on the Age of Progress Reef and the potential “high-grade” target area along the eastern edge of the dyke where the Stacpool and Age of Progress Reef come together (refer Figure 2). Stacpool Reef intersections outlined in orange and Age of Progress intersections outlined in yellow.

#### 4. McNally Reef

White Rock completed an extensional diamond drilling program along strike from historic McNally Reef mining. The McNally Reef was the focus of the most recent underground mining activity at Morning Star, in production between January and September 2020, which saw approximately 7,600t at a grade of 12.3g/t gold processed through the mill, with an estimated 3,000 ounces recovered. This gold grade puts the Morning Star Gold Mine in the Top Five high-grade gold mines in Australia<sup>14</sup>.

White Rock has now completed pre-production activities which included an extensional drilling program targeting the McNally Reef to the north and south along strike of the 2020 mining activity. It completed 1,290m of diamond drilling (Figure 8).

Drilling highlights included<sup>4</sup>:

- **0.3m @ 222g/t Au** from 77.1m (22MNL9016) (true width 0.3m).
- **0.4m @ 35.9g/t Au** from 78.2m (22MNL9017) (true width 0.3m).
- **0.2m @ 312g/t Au** from 88.7m (22MNL0918) (true width 0.1m).

This drilling has highlighted a potentially significant high-grade gold zone to the south, close to existing development. On-reef mining of the McNally Reef has commenced.

<sup>14</sup> 2022 Q1 Aurum Analytics Quarterly Gold Report Final

<sup>4</sup> WRM ASX announcement 9 August 2022 “White Rock intersects 312g/t and 222g/t gold at the Morning Star Gold Mine, Victoria”

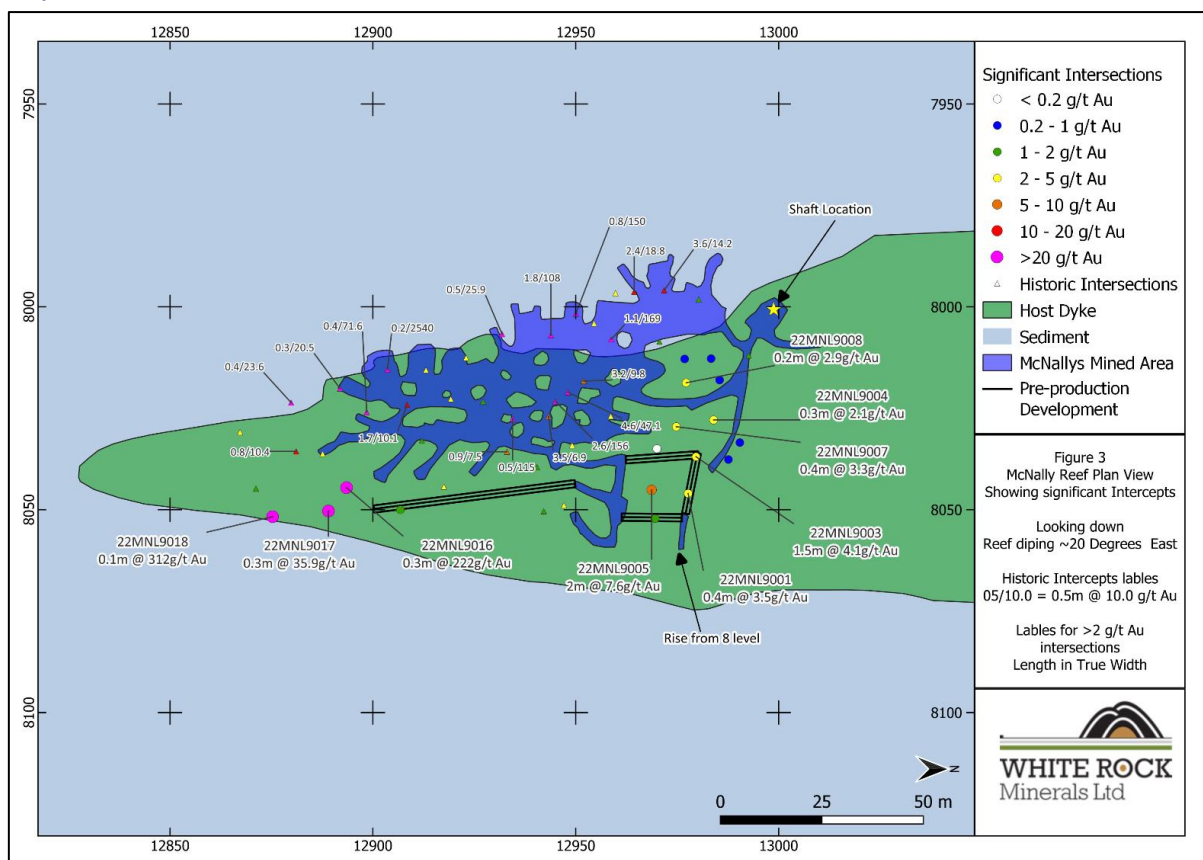


Figure 8: McNally Reef plan section showing recent and historic drill intercepts and planned and existing Mine development.

## 5. Whitelaw Reef

The Kenny's target area included the historic Whitelaw, Burns and Campbell quartz vein reefs, all of which come closer together towards the northern end of the Morning Star Dyke (Figure 4). Analysis of historic data (mining and exploration) highlighted Kenny's as an immediate high priority target for drilling.

Historic high-grade production from the Whitelaw Reef<sup>1</sup> (65,421 tonnes @ 31.2g/t gold for 65,600 ounces) was the focus of mining activities from 1920-1927, centred just off the main Morning Star shaft, which is still used for the current operations. As this historical mining extended north, the Burns and Campbell Reef splays were also exploited. The 2022 drilling campaign targeted the down plunge extensions of each of these reefs beyond the northern limits of historic production.

High-grade gold mineralisation was intersected at the Kenny's target area at the underground Morning Star Gold Mine<sup>15</sup> including:

- 1.0m at 34.2g/t from 19.8m (21L7006) Including **0.3m at 107g/t** from 20.2m
- 1.1m at 21.8g/t from 6.9m (21L7007)
- **0.3m at 320g/t** from 14.2m (21L7008)
- **2.2m at 27.5g/t** from 43.8m (21L7012)
- 4.1m at 21.2g/t from 52.0m (21L7012)
  - Including **0.6m at 66.4g/t** from 52.6m and
  - **0.7m at 60.6g/t** from 55.4m
- 1.5m at 21.95g/t from 8.3m (21L7021) Including **0.4m at 64.6g/t** from 9.4m.

During 2022, an underground drilling program comprising 526 metres was completed from 9 Level to provide infill definition of the Whitelaw "high-grade" target area along the eastern edge of the dyke. This program was a follow-up to an earlier program in 2021 where 27 holes for 1,002 metres were completed from 7 Level.

<sup>15</sup> WRM ASX announcement 7 March 2022 "Further High-Grade Gold Results - Morning Star Gold Mine, Vic"

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Together with previous historic drilling and underground face sampling of minor stoping, a "high-grade" gold target area of some 100 metres strike length and up to 30 metres across-strike width has been defined on the Whitelaw Reef. The Whitelaw Reef target area contains numerous high-grade drill intercepts (Figure 9).



**Figure 9:** Whitelaw Reef long section plan view showing the Morning Star host dyke (green), historic mining and mine development (blue) and all historic & current drill hole traces with pierce point intersections. The Whitelaw Reef structure extends to the northern margin of the dyke where there has only been limited historic mining. The "high-grade" target area with 100 metres of strike and 30 metres across-strike extent is defined by drill intercept pierce points shown.

### Gap Zone

The Woods Point Gold Project offers significant exploration upside in an area that is considered lightly explored in terms of the use of modern technology – and White Rock has already identified some of that exciting potential in recent times.

Through a historical quirk after mining recommenced post-WW2, 200 vertical metres of the mine known as 'the Gap Zone', between 10 Level and 14 level, has seen little modern exploration or mining and represents a significant opportunity that White Rock plans to explore (Figure 4).

The Gap Zone represents an area underground with 200 metres of vertical extent between areas of historic mining with historical production<sup>1</sup> of 883,000oz gold at 26.5g/t Au.

Above the Gap Zone, 500,000oz were produced from Levels 1-10, between 1861 and 1939. Below the Gap Zone, 300,000 ounces were produced from Levels 14-21, between 1940 and 1963.

As a part of the 2022 drilling program, White Rock completed drilling in the Gap Zone with the first phase returning **0.4m @ 740 g/t gold**<sup>16, 17</sup> (23 ounces per tonne) from a quartz reef interval with visible gold. A second significant intercept of **0.25m @ 972 g/t gold**<sup>17</sup> (31 ounces per tonne) in a quartz reef interval with abundant visible gold from the Achilles Reef followed. This confirmed White Rock's priority of targeting high-grade gold for drill testing in the Gap Zone.

<sup>16</sup> Refer WRM ASX announcement 17 May 2022 "Significant 621g/t Gold Drill Intercept at Morning Star Mine"

<sup>17</sup> Refer WRM ASX announcement 27 July 2022 "972 g/t Gold Intercept, Gap Zone, Morning Star Gold Mine"



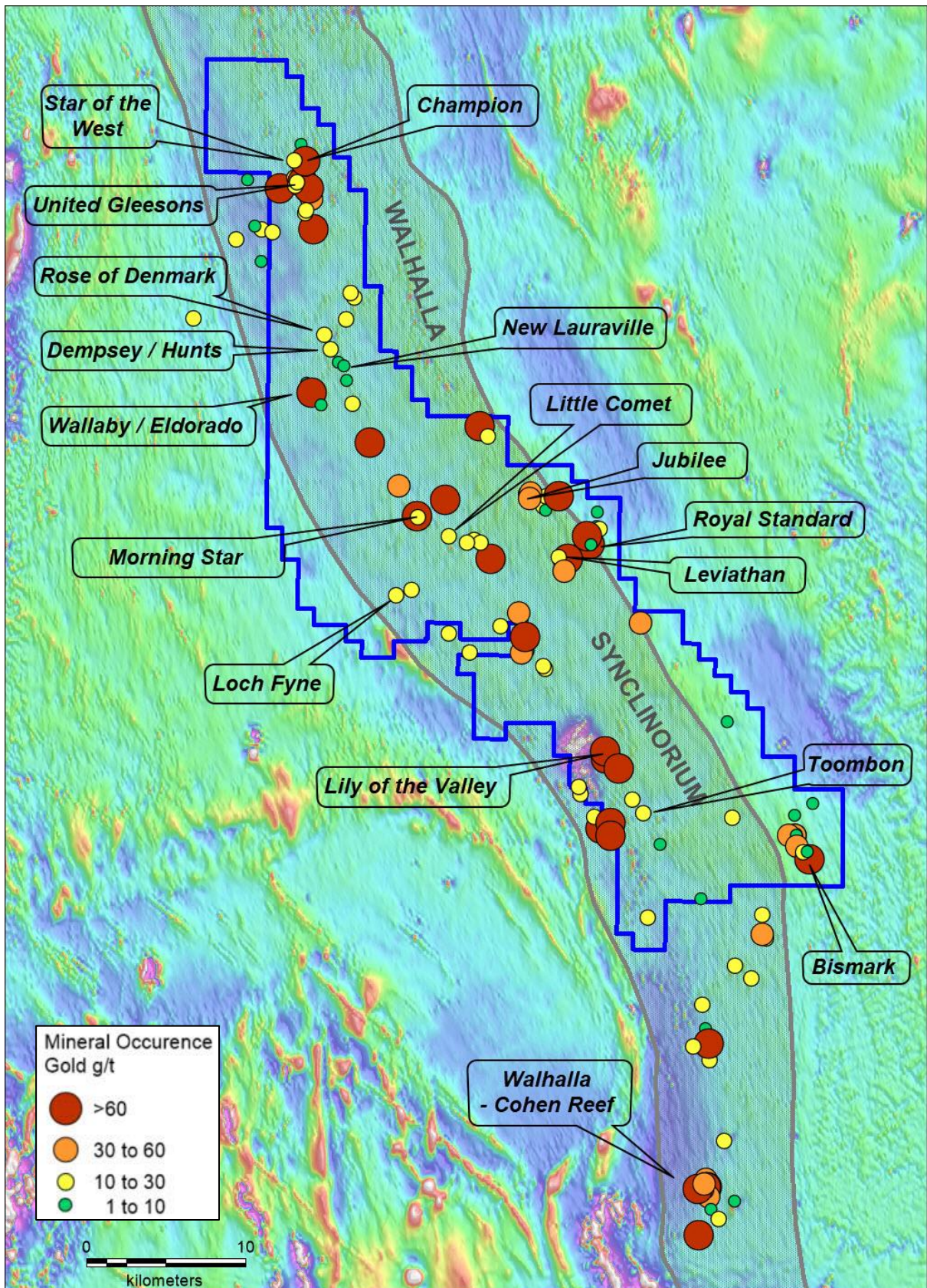
**Figure 10:** Visible gold within an interval that assayed 0.25 metres at 972g/t gold in diamond drill hole 22GZL9016 testing the Gap Zone at the Morning Star Gold Mine.

### Regional Upside

The Walhalla Synclinorium produced an estimated 6Moz of gold production historically<sup>1</sup>, and White Rock controls a 660 sq km tenement package covering the core area. The Company is committed to systematically assessing this significant tenement package using modern exploration methods to identify targets with the potential to host million-ounce gold quartz reef deposits.

The Company's land package contains 197 of the 320 gold mineral occurrences recorded in the Synclinorium, with 73 gold deposits recording production<sup>18</sup> at >10g/t gold, of which 34 are >30g/t gold (Figure 11). The majority of these have never been drilled with only eight gold prospects in White Rock's exploration tenements having records of drilling.

<sup>18</sup> Refer WRM ASX announcement 17 November 2021 "High Priority Gold Targets at Woods Point Gold Project"



**Figure 11:** Residual magnetic image (RTP) showing the distribution of gold mineral occurrences by gold grade in relation to the outline of White Rock's tenement holding (blue) and the Walhalla Synclinorium, host rock sequence to the majority of gold deposits in the area.



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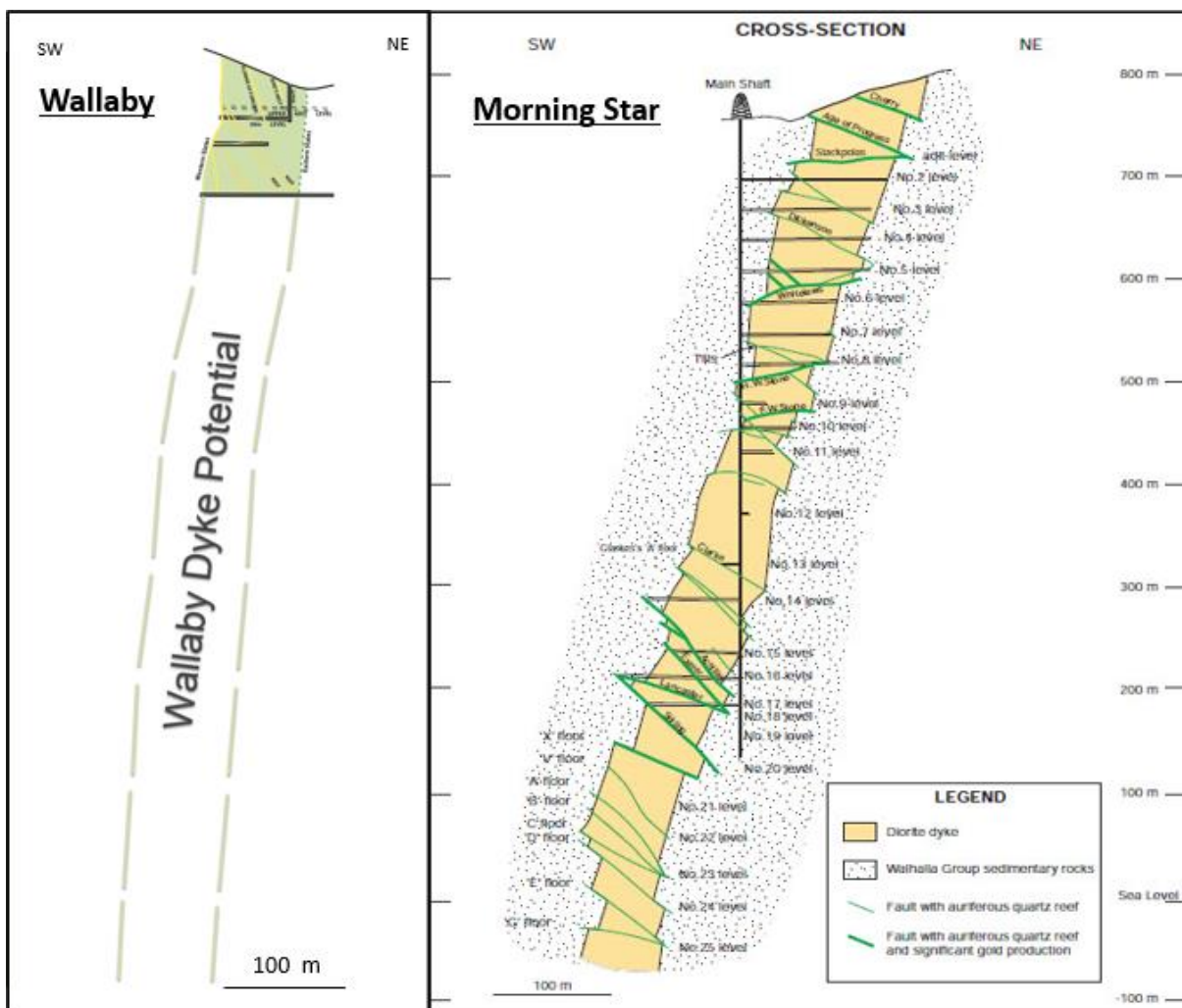
As the first modern explorers on historically proven ground, the Company sees great potential upside from this exploration programme and looks forward to progressing its plans during 2022-23, starting with the Wallaby-Eldorado-Shakespeare trend, stretching over 1.5km.

Wallaby-Eldorado-Shakespeare have combined production of 24,000 ounces gold with Eldorado recording production at **75g/t gold**. The Wallaby prospect is the most advanced and is drill ready with the mapped dyke having similar width and quartz reef distribution characteristics to Morning Star, as well as a dyke margin vertical quartz reef that could be analogous to the Cohens Reef at Walhalla, which yielded 1.5 Million ounces at 32g/t gold. Surface mapping and prospecting along strike to the south over the Eldorado and Shakespeare mines will proceed while drilling at Wallaby to better understand the overall strike extent and size potential of this area.

### Wallaby

A pipeline of high priority prospects has been identified, with the Wallaby deposit identified as one of the highest priority targets that is drill ready. Wallaby is a historic deposit that had minor production of 24,000 tonnes at 9g/t Au for 7,000 ounces gold from within 100 metres of surface above the water table. Dyke dimensions and quartz reef distribution allow comparisons with the Morning Star Gold Mine (past production > 850,000 ounces at >26g/t gold), suggesting similar potential, yet the Wallaby prospect has never been drill tested (Figure 12).

Exploration using geology, geochemistry and geophysics to map the geometry, distribution and continuity of both the dyke host and associated mineralisation could see the Wallaby prospect grow significantly. The Company has commenced the process to permit drilling at Wallaby with 5-10km of track access being planned.



**Figure 12:** Cross section comparison between the Morning Star mine and the Wallaby mine, highlighting the down-dip potential at the Wallaby mine that is drill ready. Morning Star has historic production of 883,000 ounces gold at 26.5g/t over 850 metres vertical extent.

# White Rock Minerals Ltd

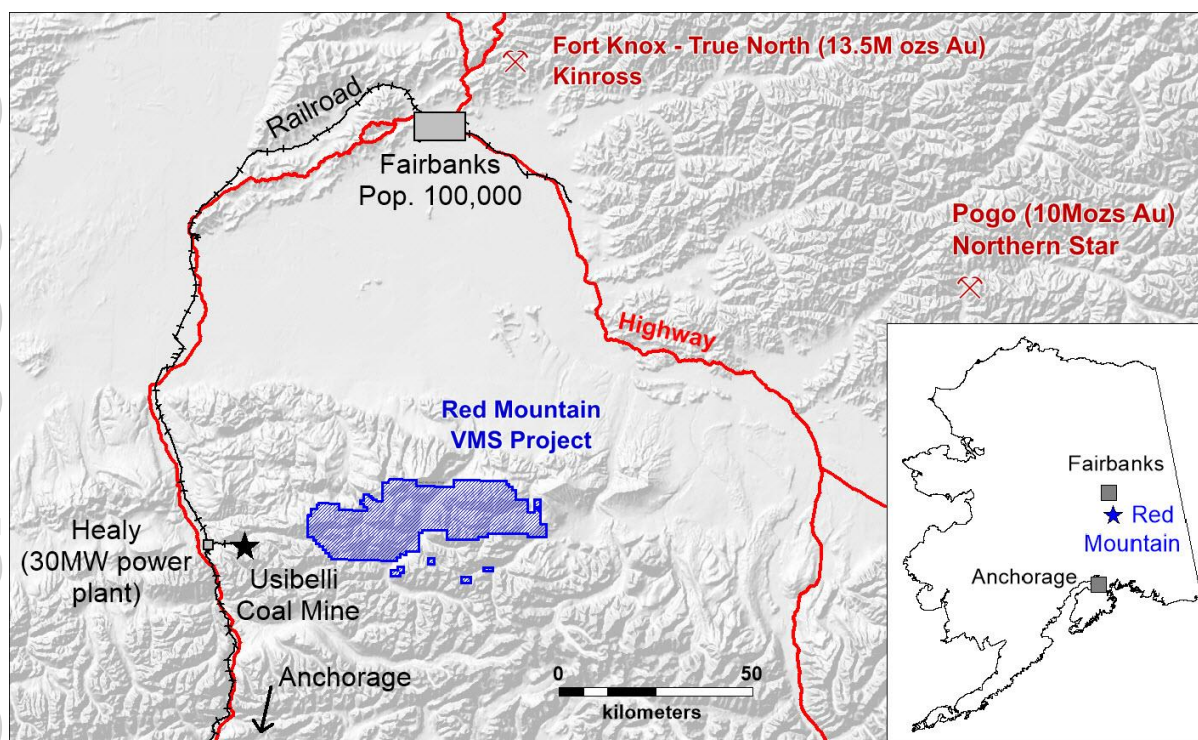
## Operations review

For the year ended 30 June 2022

### RED MOUNTAIN SILVER-ZINC VMS AND IRGS PROJECT, ALASKA

White Rock's 100%-owned Red Mountain Project is in the Bonfield District of central Alaska. The Company is exploring for Intrusion Related Gold System (IRGS) mineralisation and high-grade zinc and precious metals (silver and gold) volcanogenic massive sulphide (VMS) deposits.

The Company controls a significant land tenement package of 860 sq km that covers the district-wide prospective VMS stratigraphy as well as the large Last Chance IRGS gold target and separate White Gold project.



**Figure 13:** Location of Red Mountain project, Alaska. The project is located 320kms north of Anchorage and 100kms south of Fairbanks.

IRGS exploration is focused on the large Last Chance gold target located within the Tintina Gold Province, host to giant gold deposits including Donlin Creek (45 Moz Au), Fort Knox (13.5 Moz Au) and Pogo (10 Moz Au); which are all Cretaceous IRGS deposits.

VMS exploration is focussed on the East Bonfield District within the Yukon-Tenana Terrane.

A significant milestone for the project was achieved in February 2022, when White Rock announced an updated Inferred Mineral Resource estimate for its Red Mountain VMS project<sup>13</sup>.

The Red Mountain Project now comprises two significant deposits at Dry Creek and West Tundra Flats with a combined **high-grade Inferred Resource<sup>19</sup> of 11.6 million tonnes at 12.0% zinc equivalent<sup>20</sup> or 555g/t silver equivalent<sup>21</sup>**, at a 3% Zn cut-off.

The global Inferred Mineral Resource now totals **21.3 million tonnes at 8.5% zinc equivalent for 1.8Mt of contained zinc equivalent or 393g/t silver equivalent for 207Moz of contained silver equivalent**.

This represents an increase of 28% in high grade tonnage (27% increase in the global tonnage) on the previous Resource estimate and places Red Mountain as a significant zinc/silver Resource against a background of near all-time high zinc prices.

<sup>19</sup> Refer ASX Announcement 17<sup>th</sup> February 2022 - Significant Resource Update for Red Mountain VMS Project

<sup>20</sup> ZnEq=Zinc equivalent grade adjusted for recoveries and calculated with the formula (pricing units are detailed below):  

$$\text{ZnEq} = 100 \times \left[ \frac{(\text{Zn}\% \times 2,425 \times 0.9) + (\text{Pb}\% \times 2,072 \times 0.75) + (\text{Cu}\% \times 6,614 \times 0.70) + (\text{Ag} \times (21/31.1035) \times 0.70) + (\text{Au} \times (1,732/31.1035) \times 0.80)}{(2,425 \times 0.9)} \right]$$

<sup>21</sup> AgEq= Silver equivalent grade adjusted for recoveries and calculated with the formula (pricing units are detailed below):  

$$\text{AgEq} = 100 \times \left[ \frac{(\text{Zn}\% \times 2,425 \times 0.9) + (\text{Pb}\% \times 2,072 \times 0.75) + (\text{Cu}\% \times 6,614 \times 0.70) + (\text{Ag} \times (21/31.1035) \times 0.70) + (\text{Au} \times (1,732/31.1035) \times 0.80)}{((21/31.1035) \times 0.7)} \right]$$

White Rock Minerals Ltd  
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**Table 1 - Red Mountain February 2022 Inferred Mineral Resource Estimate  
(DC Main: 1% Zn Cut-off, WTF: 3% Zn Cut-off, DC Cu: 0.5% Cu Cut-off)**

Prospect	Tonnage Mt	ZnEq q %	AgEq q g/t	Zn %	Pb %	Ag g/t	Cu %	Au g/t	ZnEq kt	AgEq Moz	Zn kt	Pb kt	Ag Moz	Cu kt	Au koz
Dry Creek Main	14.2	5.8	267	2.9	1.0	44	0.1	0.5	820	121.7	405	146	20.1	19	212
West Tundra Flats	6.7	14.7	677	6.2	2.8	189	0.1	1.1	985	146.3	416	188	40.8	7	229
Dry Creek Cu Zone	0.4	2.7	126	0.2	0.03	4	1.1	0.1	11	1.58	0.8	0.1	0.05	4	1
<b>Total</b>	<b>21.3</b>	<b>8.5</b>	<b>393</b>	<b>3.9</b>	<b>1.6</b>	<b>89</b>	<b>0.1</b>	<b>0.6</b>	<b>1,816</b>	<b>269.6</b>	<b>822</b>	<b>334</b>	<b>60.9</b>	<b>31</b>	<b>442</b>

**Table 2 - Red Mountain February 2022 Inferred Mineral Resource Estimate at a 3% Zn Cut-off  
(contained within Table 1, not additional)**

Prospect	Tonnage Mt	ZnEq %	AgEq g/t	Zn %	Pb %	Ag g/t	Cu %	Au g/t	ZnEq kt	AgEq Moz	Zn kt	Pb kt	Ag Moz	Cu kt	Au koz
Dry Creek Main	4.9	8.4	393	4.5	1.6	58	0.2	0.5	406	60.2	217	79	9.1	10	80
West Tundra Flats	6.7	14.4	677	6.2	2.8	189	0.1	1.1	964	146.3	416	188	40.8	7	229
<b>Total</b>	<b>11.6</b>	<b>12.0</b>	<b>555</b>	<b>5.5</b>	<b>2.3</b>	<b>134</b>	<b>0.1</b>	<b>0.8</b>	<b>1,370</b>	<b>206.5</b>	<b>634</b>	<b>267</b>	<b>49.9</b>	<b>17</b>	<b>308</b>

Note:

The Dry Creek Mineral Resource estimate has been updated as a result of additional drilling programs conducted by WRM at the deposit since the maiden Mineral Resource estimate was reported in April 2017. The West Tundra Flats Mineral Resource estimate remains unchanged since the April 2017 estimate, apart from updating metal equivalent formulas. The Competent Person Statement in relation to Mineral Resources below applies to both Dry Creek and West Tundra Flats as of the date of this announcement.

The Mineral Resource has been compiled under the supervision of Mr. Shaun Searle who is a director of Ashmore Advisory Pty Ltd and a Registered Member of the Australian Institute of Geoscientists. Mr. Searle has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he has undertaken to qualify as a Competent Person as defined in the JORC Code.

All Mineral Resources figures reported in the table above represent estimates at February 2022. Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results. The totals contained in the above table have been rounded to reflect the relative uncertainty of the estimate. Rounding may cause some computational discrepancies.

Mineral Resources are reported in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition).

Red Mountain now has impressive overall base metal and precious metal content with 822,000t zinc, 334,000t lead, 60.9 million ounces silver and 442,000 ounces gold.

Drilling at Dry Creek doubled the high-grade Inferred Mineral Resource to 4.9 million tonnes at 8.4% zinc equivalent or 393g/t silver equivalent (at a 3% Zn cut-off) from just an additional 12 drill holes for 3,800 metres.

Mineralisation commences at surface and is open down dip with some of the highest-grade intersections being at depth, such as DC21-973:

- **5.8 metres at 11.5% zinc, 3.4% lead, 69g/t silver, 0.8g/t gold & 0.1% copper**, including
  - o 1.4 metres at 35% zinc, 12.2% lead, 237g/t silver, 2.9g/t gold & 0.3% copper.

#### Significant Upside

Numerous VMS targets remain to be tested on the Company's district-scale tenement package of 860 sq. km, including the exciting Kiwi prospect with massive chalcopyrite (copper sulphide) float assaying up to **16% copper, 8% zinc, 14% lead and 316g/t silver** and a strong conductor ready to drill<sup>22</sup>.

White Rock has shown the expansion potential of the project, already doubling the high-grade Dry Creek deposit with the addition of only 12 drill holes for 3,800 metres. Considerable upside remains, through additional drilling, to define thicker ore positions in the deposit, which is known to pinch and swell.

<sup>22</sup> Refer WRM ASX announcement 9 November 2021 "Assays Confirm High Grade VMS at Keevy Trend & New EM Target"

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Future drilling will also include testing of numerous quality targets including the Kiwi prospect where there is high grade massive sulphide float at surface and a strong conductor that was defined by fixed loop electromagnetics at the end of the 2021 field season, subsequent to drilling activities.

#### WHITE GOLD PROJECT, ALASKA

The Company acquired a new high-grade gold project identified within the Tintina Gold Province, Alaska, during the June 2022 Quarter<sup>23</sup>.

The acquisition of the White Gold project demonstrated White Rock's commitment to building a quality portfolio of high-grade precious metal assets in the world class Tintina Gold Province, to stand alongside our high-grade zinc-silver rich VMS deposit and large Last Chance IRGS project at Red Mountain.

The addition of this new high-grade gold project involved the staking of a contiguous block of mining claims across eight high-grade gold prospects that form the White Gold Project (Figure 14), within the Tintina Gold Province, which has some impressive historic results.

Highlights from historic exploration include:

##### Goldberg Prospect

- **18.0m @ 9.1g/t gold** including **4.0m @ 33.8g/t gold** in surface trenching.

##### Shalosky Prospect

- **19.0m @ 4.0g/t gold** including 2.6m @ 11.2/t gold in surface trenching.
- 27.1m @ 3.1g/t gold from 88.3m including 1.2m @ 23.1g/t gold (WG11-02).

##### Low Prospect

- **9.8m @ 8.6g/t gold** including 3.8m @ 14.3g/t gold in surface trenching.
- 20.0m @ 2.5g/t gold from 34.4m including 2.2m @ 17.4g/t gold (WG11-05).

##### Hunter Prospect

- 28.0m @ 3.0g/t gold including **3.3m @ 16.4g/t gold** in surface trenching.

The gold prospects were originally discovered in the mid-1990s while Inco was exploring for base metal mineralisation through their subsidiary American Copper & Nickel Company (ACNC).

<sup>23</sup> Refer WRM ASX announcement 11 April 2022 "High-Grade Gold Prospects Staked in Alaska"

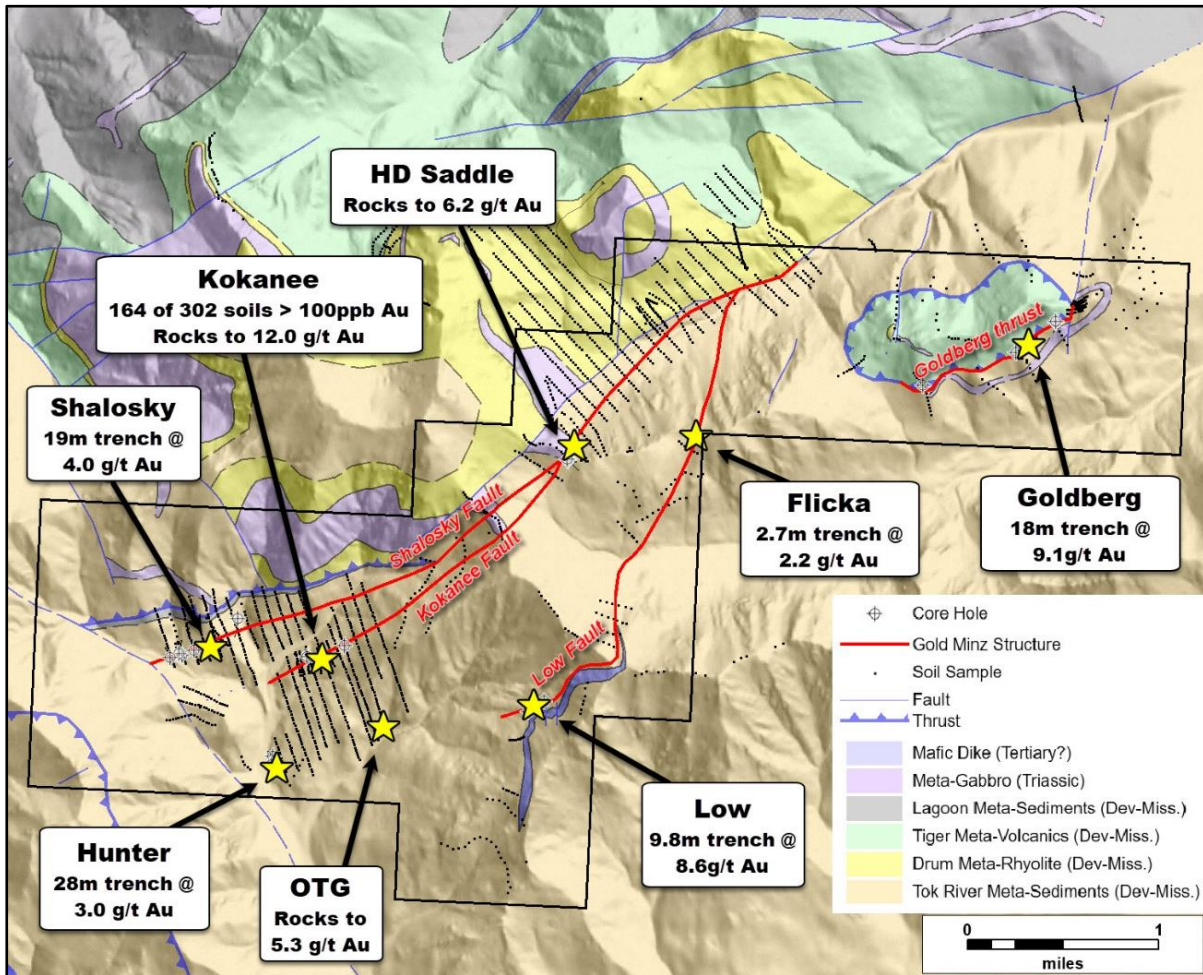


Figure 14: White Gold Project's prospect locations and surface exploration highlights on geology.

Little follow-up work on the gold prospectivity proceeded until Grayd Resource Corporation (Grayd) controlled the project (1999-2001). Surface exploration including soils, rock chip sampling and trenching was followed by a single drilling campaign funded by Placer Dome in 2001. A total of 11 diamond drill holes for more than 1,700 metres was completed at five prospects: Shalosky, Kokanee, Hunter, HD Saddle and Goldberg.

Rhyolite Resources staked the property in 2007 and following cursory due diligence sampling, undertook a second drilling campaign in 2011. A total of 14 diamond drill holes for over 2,200 metres was completed at three prospects: Hunter, Low and Shalosky. Recent desktop work has compiled and validated all the historic surface sampling and drilling into a digital database.

White Rock is currently undertaking a full compilation and desktop review of the historical exploration data to identify the best targets with the potential for a significant high-grade gold deposit. In parallel the company is assessing a range of options to fund possible exploration programmes that progress the priority targets. Exploration work is likely to include preliminary field due diligence ahead of drilling, provided funding and a drilling contractor can be secured.

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## MT CARRINGTON GOLD AND SILVER PROJECT, NSW

Mt Carrington is an advanced gold-silver epithermal project located in the southern New England Fold Belt, northern NSW, Australia.



Figure 15: Mt Carrington Project Location.

A 2020 Pre-Feasibility Study (PFS) Update (refer ASX Announcement 19th August 2020 “Exceptional Updated Gold Pre-Feasibility Study Results”) into the “Gold First” development stage declared an **Ore Reserve of 4.1 million tonnes at 1.3g/t gold for 174,000 ounces gold from within an overall Mineral Resource of 352,000 ounces gold**. There is also a **Silver Mineral Resource estimate totalling 23 million ounces**.

The gold pits are pre-stripped and there is considerable existing infrastructure including a tailings storage facility, freshwater dam, granted Mining Leases, access to State grid power and site office.

The PFS financial metrics for this project are robust. Using a conservative A\$2,300 per ounce, the 2020 Gold First PFS financial metrics demonstrate a **capital payback of just 14 months, an IRR greater than 80% and with free cash flow generated from the gold over its first 5 years of greater than A\$120M**.

In May 2022, White Rock Minerals and Thomson Resources Ltd (ASX:TMZ) announced<sup>24</sup> the finalisation and execution of a variation to amend the original Earn-in and JV Agreement entered into on May 1, 2021.

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### For the year ended 30 June 2022

This Amended Agreement now provides for a two-stage exploration earn-in and option to joint venture agreement focused on exploration activities on White Rock's Mt Carrington gold-silver-base metal project. Under the Amended Agreement Thomson will be able to earn up to 70% of the Project in two stages and, at Thomson's election, form a Joint Venture to then fund on a pro-rata basis, mine development and further exploration of the very prospective Mt Carrington leases for gold-silver and base metal mineralisation.

#### Amended Agreement Highlights

- Thomson and White Rock see greater benefit to both companies by capturing the polymetallic value of the known Mt Carrington deposits into Thomson's New England Fold Belt Hub and Spoke central processing concept (NEFBHS).
- The Amended Agreement now allows Thomson to focus expenditure on advancement of the "Mt Carrington Polymetallic Project" through exploration and development activities.
- Thomson will initially focus on integrating the known gold-silver-zinc-copper mineralisation at Mt Carrington into the Company's NEFBHS Mineral Resource Estimates (MRE's) where the Company is targeting an aggregate of +100 Moz Silver equivalent resource base to catalyse potential development of a central processing facility.
- Existing Mt Carrington metallurgical and JORC 2012 and 2004 MRE's for the Mt Carrington Project deposits will be updated under the JORC 2012 code to report combined gold-silver-zinc- copper mineralisation and incorporated into the NEFBHS centralised processing pathway study that is currently underway.
- The Amended Agreement changes the earn-in structure to now be a two-stage exploration earn- in and option to joint venture whereby Thomson can earn-in up to 70% of White Rock's Mt Carrington gold - silver – base metal project and at Thomson's election form a Joint Venture.
  - **Stage 1 – Thomson earning 51% in the Project:**
    - Thomson to complete at least \$5,000,000 in expenditure, comprising exploration activities, care and maintenance operational activities and care and maintenance minor capital works;
    - Term of Stage 1 is up to 3 years from 7 March 2022;
  - **Stage 2 – Thomson can elect to earn a further 19% in the Project:**
    - Thomson to complete at least a further \$2,000,000 in expenditure, comprising exploration activities, care and maintenance operational activities and care and maintenance minor capital works;
    - Term of Stage 2 is 2 years from the date of election to proceed with Stage 2;
- White Rock is free-carried through the exploration earn-in period. Thomson will continue management of the Project and will have sole responsibility for keeping the Project in good standing and funding the operational site care and maintenance costs (major capital items to be borne in equal shares by both companies) until formation of the Joint Venture, be that on a 51:49 or 70:30 basis.

#### Upgraded JORC 2012 Mineral Resource Estimate (MRE)

In June 2022, Thomson Resources restated the Mt Carrington Project Strauss and Kylo deposits Mineral Resource Estimates (MREs) to include zinc and copper, along with gold and silver, as an initial step in restating polymetallic MREs for all deposits in the Mt Carrington Project<sup>25</sup>.

The Thomson polymetallic MREs report unveiled a 21% increase in tonnes, 2% increase in gold ounces, 17% increase in silver ounces and 100% increase in the zinc and copper tonnes stated.

WRM MRE's reported in WRM ASX announcements only contained gold and silver. As such, this is the first MRE for Strauss and Kylo which includes zinc and copper as well as gold and silver. The Thomson Strauss and Kylo polymetallic MRE's deliver an Indicated and Inferred Mineral Resource of **6.0 Mt at 1.17 g/t Au, 1.59 g/t Ag, 0.33% Zn, 0.06% Cu, for a contained 225 Koz gold, 306 Koz silver, 19.8 kt zinc and 3.5 Kt copper.**

<sup>24</sup> Refer ASX announcement 23 May 2022 "Restructure of MTC JV- Silver-Gold Polymetallic Opportunity"

<sup>25</sup> Refer TMZ ASX announcement 22 June 2022 "TMZ: Updated Polymetallic MRE for Mt Carrington Strauss"

# White Rock Minerals Ltd

## Operations review

### For the year ended 30 June 2022

#### CORPORATE

##### Capital raisings

In December 2021, White Rock Minerals announced the successful completion of the Placement to institutional and sophisticated investors, with 9,375,000 Shares issued at \$0.24 per Share, raising \$2.25 million.

A non-renounceable Entitlement Offer followed, offering 1 for 4 pro-rata fully paid ordinary shares to existing eligible Shareholders. 5,849,367 shares were issued under this offer, raising \$1.4 million.

In May 2022, White Rock Minerals announced the successful completion of the Placement to institutional and sophisticated investors, with 15,979,003 Shares issued at \$0.15 per Share, raising \$2.4 million.

The proceeds from the Placement and Entitlement Offer were used for in-mine and regional exploration activities at the high-grade Woods Point Gold Project in Victoria, recapitalisation of the Morning Star Gold Mine and gold processing facility and for care and maintenance of the mine and working capital.

##### Capital structure

On 30 July 2021, the Company issued 44,898 fully paid ordinary shares to a Consultant for services rendered.

On 23 August 2021, the Company issued 52,892,926 fully paid ordinary shares and 7,847,115 WRMOA listed options as consideration for the acquisition of all equity in AuStar Gold Limited pursuant to its Scheme of Arrangement and the Merger between the Company and AuStar Gold Limited.

##### Board and Management changes

White Rock appointed Mr Peter Mangano as non-executive Chairperson following the retirement of Mr Peter Lester in June 2022. Mr Mangano has more than 30 years' experience working in Resources and Energy sector in Capital Markets, Investment and Fund Management.

On 27 August 2021, the Company appointed AuStar Gold Limited Directors, Paul McNally and Christopher Wellesley as Non-executive Directors of the Company. Mr Wellesley has since resigned from the role, along with UK-based non-executive Director Jeremy Gray

On 5 October 2021, the Company appointed AuStar Gold Limited Chief Financial Officer, Toni Griffith, as Chief Financial Officer of the Company, with Shane Turner stepping down from the role and becoming Commercial Manager while retaining the role of Company Secretary.

In August 2022, Mr Turner was re-appointed to the Chief Financial Officer role following the resignation of Ms Griffith.

##### Change of Auditor

Hall Chadwick was appointed as auditor in February 2022 after undertaking a tender process, following the resignation of KPMG.

##### DTC approval

White Rock secured Depository Trust Company (DTC) approval to allow real time electronic clearing and settlement in the USA for its OTCQX-quoted ordinary shares through the Depository Trust & Clearing Corporation in the United States.

This simplifies trading for North American investors and enhances liquidity of the Company's shares on the OTCQX by greatly broadening the pool of brokerage firms that will allow their clients to trade the stock.



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**Table 3: White Rock Minerals Ltd Tenement schedule as at 30 June 2022**

Country/State	Project	Tenement ID	Area
Australia/NSW	Mt Carrington	EL6273, MPL24, MPL256, MPL259, SL409, SL471, SL492, ML1147, ML1148, ML1149, ML1150, ML1200, MPL1345, ML5444, GL5477, GL5478, ML5883, ML6004, ML6006, ML6242, ML6291, ML6295, ML6335	183km <sup>2</sup>
Australia/Victoria	Woods Point	MIN 5009, MIN 5299, EL 6321, EL 6364, ELA 6853	660km <sup>2</sup>
USA/Alaska	Red Mountain	ADL621625-621738 (114), ADL623337-623342 (6), ADL624104-624627 (524), ADL721002-721010 (9), ADL721029-721038 (10), ADL721533-721615 (83), ADL721624, ADL721625, ADL626740-626873 (134), ADL627166-627303 (138), ADL627305-627540 (236), ADL629460-629518 (59)	836km <sup>2</sup>
USA/Alaska	White Gold	ADL800256-293 (38)	24km <sup>2</sup>

The Mt Carrington Project comprises 22 Mining Leases and one Exploration Licence. All tenements are held 100% by White Rock (MTC) Pty Ltd, a wholly owned subsidiary of White Rock Minerals Ltd. The Mt Carrington Project is subject to a binding three-stage Earn-In and Option to Joint Venture Agreement with ASX-listed Thomson Resources Ltd.

The Woods Point Gold Project comprises two Mining Leases, two Exploration Licences and one Exploration Licence Application. All tenements are held 100% by Morning Star Gold NL, a 95% owned subsidiary of AuStar Gold Limited, which is a 100% subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

The Red Mountain Project comprises 1,315 Mining Claims. All tenements are held 100% by White Rock (RM) Inc., a wholly owned subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

The White Gold Project comprises 38 Mining Claim applications. All tenements are held 100% by White Rock (RM) Inc., a wholly owned subsidiary of White Rock Minerals Ltd. All tenements have had location certificates lodged and recorded, and currently await adjudication. No farm-in or farm-out agreements are applicable.

# White Rock Minerals Ltd

## Directors' report

### For the year ended 30 June 2022

The Directors present their report together with the financial statements of White Rock Minerals Ltd ("the Company") and its subsidiaries (the "Group" or "White Rock"), for the financial year ended 30 June 2022 and the Independent Auditor's Report thereon.

#### 1. Board of Directors

The Board has three members, two of whom are independent non-executive directors. The non-executive directors are considered to be independent of management and free from any business relationship or other circumstance that could materially interfere with the exercise of objective, unfettered or independent judgement. Further information on the process for assessing independence is included in the Board Charter on the Company's website.

The Board considers that a diversity of skills, backgrounds, knowledge and experience is required in order to effectively govern the business. The Board actively works to ensure that executive and non-executive directors continue to have the right balance of skills, experience, independence and Company knowledge necessary to discharge their responsibilities in accordance with the highest standards of governance. Non-executive directors contribute operational experience; understanding of the sectors in which we operate; knowledge of world capital markets; and an understanding of the health, safety, environmental and community challenges that we face. The Board members work together as a whole to oversee strategy for the Group and to monitor pursuit of the corporate objective. In addition, the Board has direct access to members of senior management.

The Directors of the Company at any time during or since the end of the financial year are:

Name, qualifications and independence status	Experience, special responsibilities and other directorships
<b>Mr Peter Mangano</b> <b>Independent Non-Executive Director &amp; Chairperson</b> B.Sc (Hons), B.Com, CPA	Mr Mangano has over 35 years' experience, spanning both the mining industry and finance sector. He has held technical and business development roles in the mining industry with Renison Goldfields and Pasmaenco. Peter has worked across all aspects of the finance sector as a resource analyst, research director and corporate advisor; where he has held senior positions with HSBC, NatWest, Citigroup, CFGAM and Contango Capital. He has previously been a director of Real Energy Corporation Ltd. He became Chairperson on 20 June 2022.
<b>Mr Peter Lester</b> <b>Independent Non-Executive Director &amp; Chairperson</b> B.E (Mining), MAusIMM, MAICD	Mr Lester has over 40 years' experience in the mining industry and has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana Limited, Kidman Resources Ltd, Doray Minerals Limited and Citadel Resource Group Limited. Mr Lester's experience covers operations, project and business development and general corporate activities. Mr Lester is a non-executive chairman of Helix Resources Ltd. Mr Lester joined the Board of White Rock Minerals Ltd on 12 April 2013 and is a member of the Audit Committee. He ceased as Chairperson on 20 June 2022.
<b>Mr Matthew Gill</b> <b>Managing Director and Chief Executive Officer</b> B.E (Hons, Mining), M Eng Sc, FAusIMM, GAICD	Matthew Gill is a mining engineer with over 35 years' experience. He has a strong technical, operational and executive management background; having worked as an underground miner, mine planning engineer, supervisor, general manager and Managing Director in Australia, Papua New Guinea, India, Ghana and Bolivia. He holds three First Class Metalliferous Mine Manager's Certificates of Competency and has been instrumental in the successful development of three gold mines (Porgera, Beaconsfield and Ballarat). He is a three-time winner of the Australian Mine Manager of the Year Award and received the AusIMM Leadership Award in 2008. Previously, Group Chief Operating Officer for Singapore-listed LionGold Corp, he has also worked for Castlemaine Goldfields, Rio Tinto, WMC, Placer Pacific and Renison Goldfields.  Mr Gill has held the role of Chief Executive Officer from 29 March 2016 and on 1 August 2016 was appointed as Managing Director. He was previously a Non-Executive Director of AuStar Gold Ltd.
<b>Mr Jeremy Gray</b> <b>Independent Non-Executive Director</b> B.C (Hons, Finance)	Mr Gray has more than 25 years in mining investment including appointments as the Global Head of Basic Materials at Standard Chartered Bank Plc, Head of Metals and Mining Research at Morgan Stanley in London and the Head of Mining Research at Credit Suisse in London. Mr. Gray serves as a Director of Chancery Asset Management, Singapore. Mr. Gray is a Non-Executive Director of Axiom Mining Limited. Mr Gray was appointed to the White Rock board on 5 May 2017. He ceased as a Director on 7 June 2022.

White Rock Minerals Ltd  
 Directors' report (continued)  
 For the year ended 30 June 2022

Name, qualifications and independence status	Experience, special responsibilities and other directorships
<b>Mr Paul McNally</b> <b>Independent Lead Non-Executive Director</b>	Mr McNally has more than 30 years experience in business strategy and management encompassing every facet of establishing private companies, business development, fiscal control, people leadership and corporate growth through to mergers and joint ventures with both private and publicly listed entities. He has served on the Board of a number of Industry associations and has been a business advisor and mentor to numerous small to medium-sized businesses for more than 10 years. Mr McNally was appointed to the White Rock Board on 27 August 2021 as part of the merger with AuStar Gold Limited.
<b>Mr Christopher Wellesley</b> <b>Independent Non-Executive Director</b>	Mr Wellesley is a highly experienced banking and capital markets executive with board and not-for-profit expertise, comprising three decades of senior roles within tier-one institutions in London and Hong Kong, working with clients in the resources, energy and funds management sectors. In addition, Chris has an extensive network of senior, key relationships across the UK capital markets as well as demonstrated capital raising, corporate and financial markets expertise and deep commitment and involvement in a range of private philanthropic activities. Mr Wellesley was appointed to the White Rock Board on 27 August 2021 as part of the merger with AuStar Gold Limited. He ceased as a Director on 7 June 2022.

## 2. Company Secretary

Mr Shane Turner commenced as Company Secretary in August 2015. Mr Turner is a Chartered Accountant with over 30 years' experience. He has extensive experience in Business Advisory, Initial Public Offerings, ongoing compliance and Corporate Governance. Mr. Turner is employed by RSM Australia and is a Non-Executive Director and Company Secretary of MRG Metals Ltd.

## 3. Directors' meetings

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the financial year are:

Director	Board Meetings		Audit Committee Meetings	
	A	B	A	B
Mr Matthew Gill*	15	15	2	2
Mr Peter Lester	14	13	2	2
Mr Peter Mangano	1	1	-	-
Mr Jeremy Gray	14	14	2	2
Mr Paul McNally	13	13	2	2
Mr Christopher Wellesley	12	12	2	2

A – Number of meetings attended

B – Number of meetings held during the year whilst the Director held office.

\* Attended the Audit Committee meeting by invitation

## 4. Corporate governance statement

White Rock Minerals Ltd ("White Rock") has adopted comprehensive systems of control and accountability as the basis for the administration of corporate governance. The Board is committed to administering the policies and procedures openly and with integrity, pursuing the true spirit of corporate governance commensurate with White Rock's needs. To the extent they are applicable, White Rock has adopted the Corporate Governance Principles and Recommendations as published by ASX Corporate Governance Council, fourth edition. As White Rock's activities develop in size, nature and scope, the size of the Board and implementation of additional corporate governance structures will be given further consideration.

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 4. Corporate governance statement (continued)

Consistent with ASX Listing Rule requirements, these Corporate Governance Principles are available on White Rock's website under a clearly marked Corporate Governance section that can be accessed at the following address:

<https://www.whiterockminerals.com.au/corporate-governance>

The corporate governance statement as published at the above address is current as at 29 September 2022 and has been approved by the Board of Directors.

White Rock has a policy concerning trading in its shares by Directors and other designated persons, a copy of that Trading Policy is available on White Rock's website.

White Rock has a Whistleblower Policy and a Bribery & Anti Corruption Policy and they are available on White Rock's website.

### 5. Principal activities

The principal activities of the Group during the course of the financial year were minerals exploration, evaluation and development in Australia and the United States of America. During the year, the Group added minerals development in Australia as a result of the acquisition of AuStar Gold Ltd and the Morning Star Gold Mine. Subsequent to the end of the financial year, the Group commenced gold production at the Morning Star Gold Mine.

### 6. Operating and financial review

The statement of comprehensive income shows a loss after tax of \$7,276,094 (2021 loss after tax: \$9,703,051) for the year. As at 30 June 2022 the Group had a cash position of \$2,409,863 (2021: \$15,929,745). The Group has no bank debt. Additional information as to the review of business activities, likely developments for financial year 2022 and environmental regulation and management are included in the Introduction, Letter from the Chairperson and Managing Director and Operations Review sections which form part of the Directors report and are included earlier within the Annual Report.

### 7. Risks to Company Strategy

#### Financial risks

The Company currently has limited operating revenue as it has just begun gold production and this takes time to gear up to full production. The Company may need to raise additional funds in the future to advance the Woods Point Gold Project, to fund further exploration and development at the Company's other projects and there is no assurance that the Company will be able to secure additional funding, whether debt, equity or otherwise, on acceptable terms, or at all. If the Company is unable to raise sufficient funds, it may consider other funding alternatives. These alternatives could include additional equity funding, debt funding, joint venture or farm-in arrangements, streaming finance, convertible loans or asset sales. During the year the Company entered into a Joint Venture on its Mt Carrington project. Subsequent to the end of the year, the Company entered into a Convertible Note and Equity Facility after obtaining Shareholder approval. No other alternatives have been determined at present and any need to implement one of these alternatives would be considered if the need arises having regard to the circumstances at that time. There is no assurance that White Rock will be able to implement any specific alternative. Any additional equity funding may have a dilutionary impact on a shareholder's holding in White Rock, or a negative impact on White Rock's share price.

If the Company is unable to obtain additional funding as needed, it may be required to reduce the scope or suspend its proposed work program for the Woods Point Gold Project, Mt Carrington and/or Red Mountain Projects.

#### Mt Carrington risks

As announced to ASX on 23 May 2022, the Company restructured its joint venture agreement (**JVA**) with Thomson Resources Ltd (**Thomson**) in relation to an earn-in and joint venture to focus expenditure on advancement of the Mt Carrington Polymetallic Project through exploration and development activities. There is no guarantee that the earn-in and joint venture contemplated by the JVA will proceed, or if it does proceed, that Thomson will elect to continue with the earn-in up to 70%.

The Mt Carrington pre-feasibility study (**PFS**) is insufficient to provide assurance of an economic development case at this stage and there is no certainty that the conclusions of the PFS will be realised. The material assumptions relating to the PFS are estimates and are subject to change, which may affect the viability of the Mt Carrington project. Mineral development is a high risk undertaking and successful development cannot be guaranteed.

#### Exploration risks

The business of exploration for gold, silver and zinc and other minerals and their development involves a significant degree of risk and depends on factors that include successful exploration and the establishment of Resources and Reserves (within the meaning of the JORC

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 7. Risks to Company Strategy (continued)

Code) and completion of feasibility and other studies in relation to such projects and the Company may not be successful in doing so. Notwithstanding the experience, knowledge and careful evaluation a company brings to an exploration project, there is no assurance that recoverable mineral resources will be identified. Even if identified, other factors such as technical difficulties, geological conditions, adverse changes in government policy or legislation or lack of access to sufficient funding may mean that the resource is not economically recoverable or may otherwise preclude a company from successfully exploiting the resource. Accordingly, there is no assurance that future exploration expenditure will result in discoveries or upgrade existing mineralisation to the stage where such can be successfully commercially exploited.

#### Mineral Resources

Exploration involves a significant degree of risk and exploration operations can be hampered by force majeure circumstances and cost overruns for unforeseen events, including unexpected variations in geology, labour availability, COVID-19 restrictions and equipment malfunction.

Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, operational cost, metal price, mining control, dilution or other relevant issues.

The category of reported Inferred Mineral Resources is the lowest level of confidence under the JORC Code. The evaluation of these resources with the intention of upgrading resource categories and converting them to reserves is impacted by a number of issues, including mining dilution, metallurgical recovery and grade variability. There can be no guarantee that the resources will be developed to the point of production.

#### Development risks

Mineral development is a high risk undertaking and successful development cannot be guaranteed. The Company's financial performance will substantially depend on the accuracy of the cost estimates for the re-start of the Woods Point Gold Project, for the definitive feasibility study and environment impact statement for Mt Carrington, working capital requirements and the duration of these works programs. The cost and time forecasts are estimates only, based on assumptions including those in relation to study costs, scope and duration, the approvals process and timeline estimated, and operational issues, all of which are subject to uncertainty. An increase in capital/operating costs, an increase in the study timelines, and delays in obtaining any necessary approvals and to planned projects could have an adverse impact on the performance of the Company.

Capital/operating cost estimates for the Woods Point Gold Project and the Mt Carrington Project are also based on assumptions and are subject to uncertainty. An increase in capital/operating costs and/or an increase in the study timeline could have an adverse impact on the Company's performance.

#### Operating risks

Due to the nature of the mineralisation at the Morning Star Gold Mine, the Company does not have current Mineral Resources on which mining and production plans can be based as is often the case in nuggety, narrow vein gold mineralisation. The Company is focused on building its resource inventory, and as further information becomes available through additional drilling, fieldwork and analysis, the estimates if any are likely to change. This may result in alterations to any development plans which may, in turn, adversely affect the Company's operations. The variables on which estimates of resources and reserves are made include a number of factors and assumptions such as tonnages and the gold grade, historical production, assumed effects of regulation by government agencies, assumptions regarding future prices and future capital and operating costs, all of which may vary considerably from those initially planned or used in determining any such resources or reserves. Changes in any underlying assumptions that affect either the cost of recovery or the viability of recovery of any resource will affect any calculation of reserves.

Operations at the Morning Star Gold Mine may be affected by various factors, including failure to achieve predicted grades or production rates, operational and technical difficulties, difficulties in operating plant and equipment, mechanical failure or plant breakdown, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment, availability of sufficient and suitably qualified personnel, tailings disposal capacity constraints, failure to secure approvals to amendments to work plans required for the operations, capacity to process and mine and the additional capital investment, if any, required to upgrade or replace existing plant and equipment as required by the business or operations. Losses resulting from any of these risks could have a materially adverse effect on the Company's financial resources or could result in a total loss of the assets affected, and accordingly, may affect the market price of the Company's Shares.

Following construction of the Mt Carrington Project, operations may be affected by various factors, including failure to achieve predicted grades or production rates, operational and technical difficulties, difficulties in commissioning and operating plant and equipment,

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 7. Risks to Company Strategy (continued)

mechanical failure or plant breakdown, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages in labour or increases in the costs of consumables, spare parts, plant and equipment.

Losses resulting from any of these risks could have a material adverse effect on the Company's financial resources or could result in a total loss of the assets affected, and accordingly, may affect the market price of the shares.

#### Contractual risk

All companies operate through a series of contractual relationships with operators, technical experts, project managers, suppliers, customers and contractors generally. All contracts carry risks associated with the performance by the parties of their obligations as to time and quality of work performed. To the extent that third parties default in their obligations under such documents, it may be necessary for the Company to take legal action which may be costly and no guarantee can be given that a legal remedy will ultimately be granted on appropriate terms. In the event that the Company wishes to vary, terminate or amend contractual relationships due to the Company's circumstances or requirements of the operations, it may incur penalties and liabilities or such action may lead to legal action with the consequences as mentioned previously.

#### Upgrading Resource Categories and Conversion of Resources to Reserves

Reserve and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development plans which may, in turn, adversely affect the Company's operations. The variables on which estimates of resources and reserves are made include a number of factors and assumptions such as historical production, assumed effects of regulation by government agencies, assumptions regarding future prices and future capital and operating costs, all of which may vary considerably from those initially planned or used in determining any such resources or reserves. Changes in any underlying assumptions that affect either the cost of recovery or the viability of recovery of any resource will affect any calculation of Reserves.

#### Commodity Prices

Fluctuations in the market price for gold, silver and zinc could have an adverse impact on the Company's future financial performance.

#### Tenement Title

Interests in tenements in Australia and the United States of America (USA) are governed by Federal and State legislation and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments as and when they arise.

Further, mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements will be renewed or approved. Renewal of the term of a granted tenement is at the discretion of the relevant government authority. Renewal conditions may include increased expenditure or work commitments or compulsory relinquishment of the areas comprising the Company's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the Company.

#### Native Title & Aboriginal Heritage

The Company is aware of registered native title claims over the area of its Australian tenements which, though subject to relevant agreements, may possibly affect future operations or performance. No guarantee can be given that these native title rights (nor any native title rights over areas in which the Company may in future acquire an interest in) will not affect the Company.

In exploring or applying for certain tenements, a company must observe the provisions of native title legislation (where applicable) and Aboriginal heritage legislation which protects Aboriginal sites and objects of significance. In certain circumstances the consent of registered native title claimants must be obtained prior to carrying out certain activities on land to which their claim relates. It is possible that the conditions imposed by native title claimants on such consent may be on terms unacceptable to either company. If any known, or as yet undiscovered, Aboriginal heritage sites are present on tenements of a company there is a risk that the presence of such sites may limit or prevent exploration or mining activity on the affected areas of those tenements. The failure to obtain the approval of the relevant minister to impact Aboriginal heritage sites can result in offences being committed and significant fines or orders to stop work being made.

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 7. Risks to Company Strategy (continued)

#### Reliance on Key Personnel

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its directors and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these key personnel ceases their involvement with the Company.

#### Environmental risks

The operations and proposed activities of the Company are subject to Australian and USA State and Federal laws and regulations concerning the environment. As with most exploration and development projects, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent in White Rock's activities which could subject the Company to extensive liability.

Environmental planning, rehabilitation requirements and legacy issues associated with historical mining, may all result in significant liability and require various approvals. The Company's operational, development and exploration programs are also subject to approvals by various and multiple government departments responsible to monitor and control exploration and mining. Where approvals or variations to existing approvals, work plans, licences or permits are required, there is a risk that these approvals may not be forthcoming, either at all or in a timely manner, or that they may not be able to be obtained on acceptable terms.

While it may be reasonably expected that all requisite approvals will be forthcoming, and whilst obligations for expenditure may be predicated on any requisite approvals being obtained, it cannot be guaranteed that any or all requisite approvals will be obtained.

A failure to obtain any approval would mean that the ability to amend existing workplans, undertake proposed development plans or infrastructure upgrades, participate in or develop any project, or possibly acquire any project, may be limited or restricted either in part or absolutely, which may have a material adverse effect on the Company.

#### Occupational Health and Safety

The mining industry has become subject to increasing occupational health and safety responsibility and liability. The potential for liability is a constant risk. If the Company fails to comply with necessary OH&S legislative requirements, it could result in fines, penalties and compensation for damages as well as reputational damage.

#### COVID-19

The outbreak of the coronavirus disease (COVID-19) is impacting global economic markets. The nature and extent of the effect of the outbreak on the performance of the Company remains unknown. The Company's Share price may be adversely affected in the short to medium term by the economic uncertainty caused by COVID-19. Further, any governmental or industry measures taken in response to COVID-19 may adversely impact the Company's operations and are likely to be beyond the control of the Company.

COVID-19 safe work practices have and will continue to be adopted in relation the Company's operations, however, COVID-19 restrictions on movement and activities may adversely affect the Company's operations.

The Directors are monitoring the outbreak of COVID-19 closely and have considered the impact of COVID-19 on the Company's business. However, the situation is continually evolving, and the consequences are therefore inevitably uncertain.

#### General and Economic risks

The future prospects, operating and financial performance of the Company may be affected by a variety of factors, including, changes in investor sentiment and overall performance of the Australian and international stock markets, general economic conditions, movements in interest and inflation rates and currency exchange rates, changes in legislation and government, fiscal, monetary and regulatory policies including foreign investment and those relating to the mining industry, which may affect the Company's exploration, development and production activities, as well as the Company's ability to fund those activities.

General economic conditions may also affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as the general economic outlook, interest rates and inflation rates, currency fluctuations, changes in investor sentiment toward particular market sectors, the demand for, and supply of, capital, terrorism or other hostilities; and government fiscal, monetary and regulatory policies.

None of the Company, its directors or officers warrant the future performance of either Company or any return on an investment in the Company.

#### Trading Liquidity

The Company is a small company in terms of market capitalization and it may not be covered by a broad base of research analysts. As a consequence there may be relatively few buyers and sellers of securities on the ASX at any given time and the market price may be

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 7. Risks to Company Strategy (continued)

highly volatile, particularly in times of share market turbulence or negative investor sentiment. This may present difficulties for shareholders seeking to liquidate their holdings.

#### **Political risk, commodity price volatility and exchange rate risks**

The revenue the Company derives through the sale of commodities is exposed to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company.

Such factors include supply and demand fluctuations for gold, silver or zinc, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company regarding the Woods Point Gold Project and Mt Carrington is and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar, as determined by international markets.

#### **Market Perceptions**

Shares are a speculative investment and are vulnerable to macroeconomic changes including sudden changes in the market's perception of a company's value. Positive financial returns are not guaranteed and the share price may be affected by various factors, many of which may be outside of the Company's control. These can include investor sentiment and general market conditions. In particular, the share price of the Company can be affected by factors including, among other things, exploration and assay results, domestic and foreign government policy, litigation and dispute matters, and the retention and reimbursement of key personnel.

In addition, the Company does not have a large market capitalisation compared to larger companies listed on ASX and may have a low trading volume compared to these other companies. This may result in increased volatility of the price of the shares, compared to the market as a whole or indices such as the S&P ASX 200 index.

Changes in the share price may impact on the value of the Company's shares generally. It cannot be guaranteed by the Company that the Company will generate positive returns, or that the share price will increase or be maintained.

#### **Changes in Political Environment and International Conflicts**

The Company's share price and ability to generate returns to investors can be affected by changes in legislation, domestic or foreign governments and government policy. Events may occur within or outside Australia that could impact upon the world economy, the operations of the Company and the market price of its shares. These events include war, acts of terrorism, civil disturbance, political intervention and natural events such as earthquakes, floods, fires and poor weather. In particular, government policies can have a sudden and material impact on the Company if it results in new defence or security projects being announced, or alternatively if such projects are cancelled or postponed.

#### **Litigation and Insurance risk**

All companies are (or will be) exposed to risks of litigation which may have a material adverse effect. The Company could become exposed to litigation from employees, regulators or third parties. To the extent that such risks are not covered by insurance, an adverse outcome in litigation or the cost of responding to potential or actual litigation may have a material adverse impact on financial performance.

The Company maintains insurance coverage that is substantially consistent with mining and exploration industry practice. However, there is no guarantee that such insurance or any future necessary coverage will be available to it at economically viable premiums (if at all) or that, in the event of a claim, the level of insurance carried now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect the Company's business.

#### **Unknown risks**

Additional risks and uncertainties not currently known to the Company may also have a material adverse effect on the Company's financial and operational performance and the information set out in this section does not purport to be, nor should it be construed as representing, an exhaustive list of the risks affecting the Company.



# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 8. Significant changes in the state of affairs

#### Acquisition of AuStar Gold Ltd

During the year the Company acquired 100% of the issued capital of AuStar Gold Limited, which in turn owns 95% of Morning Star Gold NL, which in turn owns the Woods Point Gold Project. This acquisition brings White Rock significantly closer to achieving its goals of becoming an important gold producer – with significant exploration upside. Gold production commenced in Q3 2022. Refer Operations Review for further details.

#### Revised Earn-In and Joint Venture Agreement on Mt Carrington Project

During the year the Company announced a variation to a 3 stage Earn-In and Option to Joint Venture (“**Joint Venture Agreement**”) on the Mt Carrington Project. Refer Operations Review for further details.

#### Equity Raisings & Capital Structure

On 23 August 2021, the Company issued 52,892,926 fully paid ordinary shares and 7,847,115 WRMOA listed options as consideration for the acquisition of all equity in AuStar Gold Limited pursuant to its Scheme of Arrangement and the Merger between the Company and AuStar Gold Limited.

In December 2021, White Rock announced the successful completion of the Placement to institutional and sophisticated investors, with 9,375,000 Shares issued at \$0.24 per Share, raising \$2.25 million.

A non-renounceable Entitlement Offer followed, offering 1 for 4 pro-rata fully paid ordinary shares to existing eligible Shareholders. 5,849,367 shares were issued under this offer, raising \$1.4 million.

In May 2022, White Rock announced the successful completion of the Placement to institutional and sophisticated investors, with 15,979,003 Shares issued at \$0.15 per Share, raising \$2.4 million.

#### Board and Management changes

White Rock appointed Mr Peter Mangano as non-executive Chairperson following the retirement of Mr Peter Lester in June 2022. Mr Mangano has more than 30 years' experience working in Resources and Energy sector in Capital Markets, Investment and Fund Management.

On 27 August 2021, the Company appointed AuStar Gold Limited Directors, Paul McNally and Christopher Wellesley as Non-executive Directors of the Company. Mr Wellesley has since resigned from the role, along with UK-based non-executive Director Jeremy Gray

On 5 October 2021, the Company appointed AuStar Gold Limited Chief Financial Officer, Toni Griffith, as Chief Financial Officer of the Company, with Shane Turner stepping down from the role and becoming Commercial Manager while retaining the role of Company Secretary.

In August 2022, Mr Turner was re-appointed to the Chief Financial Officer role following the resignation of Ms Griffith.

#### Change of Auditor

Hall Chadwick was appointed as auditor in February 2022 after undertaking a tender process, following the resignation of KPMG.

#### DTC approval

White Rock secured Depository Trust Company (DTC) approval to allow real time electronic clearing and settlement in the USA for its OTCQX-quoted ordinary shares through the Depository Trust & Clearing Corporation in the United States.

This simplifies trading for North American investors and enhances liquidity of the Company's shares on the OTCQX by greatly broadening the pool of brokerage firms that will allow their clients to trade the stock.

In the opinion of the Directors there were no further significant changes in the state of affairs of the Group during the year ended 30 June 2022.

### 9. Dividends paid or recommended

The Directors do not recommend the payment of a dividend and no amount has been declared or paid by way of a dividend to the date of this report.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

### For year ended 30 June 2022

#### 10. Events subsequent to reporting date

On 12 August 2022, White Rock announced the successful completion of the Placement to a sophisticated investor, with 10,000,000 Shares issued at \$0.11 per Share, raising \$1.1 million. 5,000,000 free attaching unlisted Options with exercise price of \$0.11 and expiry date of 27 January 2023 were issued on 6 September 2022.

On 16 August 2022, Ms Toni Griffith resigned as Chief Financial Officer, a role she had held since October 2021. Mr Shane Turner was re-appointed as Chief Financial Officer, a role he held prior to Ms Griffith's appointment.

On 30 August 2022, White Rock announced recommencement of Gold Production at the Morning Star Gold Mine.

On 6 September 2022, White Rock announced the issue of 200,000 fully paid ordinary shares to a Consultant.

On 6 September 2022, White Rock announced the issue of 7,989,502 unlisted options with an exercise price of \$0.15 and an expiry date of 30 January 2023, as approved by Shareholders a General Meeting held on 5 September 2022, to those Shareholders that participated in the May 2022 Placement.

On 6 September 2022, White Rock lodged a Prospectus for a Loyalty Options issue to Eligible Shareholders on a 1 for 2 basis of shares held on the Record Date of 19 September 2022.

On 7 September 2022, White Rock announced that it had executed a \$7.5 million Convertible Securities Agreement and a \$22.5 million Equity Placement Agreement with Obsidian Global Partners, LLC after receiving Shareholder approval at a General Meeting held on 5 September 2022.

On 9 September 2022, White Rock announced the issue of 8,882,529 fully paid ordinary shares in connection with the execution of the Convertible Securities Agreement and Equity Placement Agreement.

On 9 September 2022, White Rock announced the issue of 1,695,250 convertible notes raising \$2.5 million.

On 23 September 2022, 91,801,262 listed options pursuant to the Loyalty Options Prospectus were issued with an exercise price of \$0.12 and an expiry date of 31 January 2023.

#### 11. Likely developments

Likely developments are the continued gold production at the Morning Star Gold Mine and minerals exploration on the tenements owned or controlled by the Group.

The Company is extremely cognisant of the spread of the Coronavirus and the safety and wellbeing of our staff and contractors is our highest priority. We have been able to continue to operate and explore having put in place measures appropriate to minimise any impact of the Coronavirus.

The Group's goals for 2023 are included in the Introduction, Letter from the Chairman and Managing Director, Review of operations and Exploration projects sections which form part of the Directors report and are included earlier within the Annual Report.

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 12. Directors' interests

The relevant interest of each Director in the shares or options over such instruments issued by the companies within the Group and other related bodies corporate, at the date of this report is as follows:

	White Rock Minerals Limited	
	Ordinary shares	Options over ordinary shares
Mr Peter Mangano	-	-
Mr Matthew Gill	285,876	152,875
Mr Paul McNally	6,539,268	3,269,635

### 13. Share options

#### 13.1 Options and performance rights granted

During the financial year, no options were granted to or received by Directors.

During the financial year, no performance rights were granted to Directors.

#### 13.2 Unissued shares under option

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

Expiry date	Exercise price	Number of shares
28 February 2023	\$2.40	12,000
31 December 2024	\$1.00	1,000,000
4 November 2022	\$1.00	923,659
27 January 2023	\$0.11	5,000,000
30 January 2023	\$0.15	7,989,502
31 January 2023	\$0.12	91,801,262
8 November 2024	\$0.77	9,010,364
<b>Total</b>		<b>115,736,787</b>

At the date of this report, unissued ordinary shares of the Company under option of a performance right are:

Expiry date	Number of shares
6 November 2022	450,000
<b>Total</b>	<b>450,000</b>

#### 13.3 Shares issued on exercise of options

During or since the end of the financial year, no ordinary shares of the Company were issued as a result of the exercise of options.

#### 13.4 Options and performance rights on issue

The options on issue at the date of this report are:

Security Code	Class	Number of shares
WRMO	LISTED OPTIONS EXPIRY 04/11/22 @ \$1.00	923,659
WRMOB	LISTED OPTIONS EXPIRY 31/01/23 @ \$0.12	91,801,262
WRMAZ	UNLISTED OPTIONS EXPIRY 28/02/23 @ \$2.40	12,000
WRMAAC	UNLISTED OPTIONS EXPIRY 31/12/2024 @ \$1.00	1,000,000
WRMAAD	UNLISTED OPTIONS EXPIRY 30/01/2023 @ \$0.15	7,989,502
WRMAAE	UNLISTED OPTIONS EXPIRY 08/11/2024 @ \$0.77	9,010,364
WRMAAF	UNLISTED OPTIONS EXPIRY 27/01/2023 @ \$0.11	5,000,000
<b>Total</b>		<b>115,736,787</b>

White Rock Minerals Ltd  
 Directors' report (continued)  
 For the year ended 30 June 2022

13.4 Options and performance rights on issue (continued)

The performance rights on issue at the date of this report are:

Expiry date	Number of shares
6 November 2022	450,000
<b>Total</b>	<b>450,000</b>

14. Performance rights

No performance rights were granted during the year and those on issue at the date of this report are:

2021	Held at 1 July 2021	Acquisitions	Conversion	Held at 30 September 2022
<b>Executives</b>				
Mr Matthew Gill	250,000	-	-	250,000
Mr Rohan Worland	200,000	-	-	200,000

15. Indemnification and insurance of Officers

The Company provides insurance to cover legal liability and expenses for the Directors and Executive Officers of the Company. The Directors and Officers Liability Insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the Officers in their capacity as Officers. Disclosure of the nature of the liability cover and the amount of the premium is subject to a confidentiality clause under the insurance policy.

The Company has entered into an agreement with the Directors and certain Officers to indemnify these individuals against any claims and related expenses, which arise as a result of their work in their respective capacities.

The Company has not provided any insurance or indemnity for the auditor of the Company.

16. Non-audit services

Details of amounts paid or payable to the auditor of the Group and its related practices for audit and non-audit services during the year are set out below.

	2022	2021
	\$	\$
<b>Auditors of the Company</b>		
Audit and review of financial statements – Hall Chadwick	51,050	-
Audit and review of financial statements – KPMG	16,001	49,283
Other services	-	-

17. Remuneration Report – audited

The following were key management personnel (KMP) of the Group at any time during the reporting period and unless otherwise indicated were key management personnel for the entire period.

Name	Position held	Appointment/Resignation detail
<b>Non-Executive Directors</b>		
Mr Peter Lester	Non-Executive Director	Appointed 12 April 2013
	Chairperson	Resigned 20 June 2022
Mr Peter Mangano	Non-Executive Chairperson	Appointed 20 June 2022
Mr Jeremy Gray	Non-Executive Director	Appointed 5 May 2017
		Resigned 7 June 2022
Mr Christopher Wellesley	Non-Executive Director	Appointed 27 August 2021
		Resigned 7 June 2022
Mr Paul McNally	Non-Executive Director	Appointed 27 August 2021

White Rock Minerals Ltd  
Directors' report continued)

For the year ended 30 June 2022

**17. Remuneration Report –  
audited (continued)**

Executives		
Mr Rohan Worland	Exploration Manager	Appointed 26 March 2010 Resigned 9 June 2022
Mr Matthew Gill	Managing Director Chief Executive Officer Chief Operating Officer	Appointed 1 August 2016 Appointed 29 March 2016 Appointed 25 May 2015
Ms Toni Griffith	Chief Financial Officer	Appointed 1 September 2021

**17.1 Principles of compensation**

Remuneration is referred to as compensation throughout this report. Key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company and the Group, including Directors of the Company and Executives. Key management personnel comprise the Directors of the Company and Executives of the Group that are named in this report.

Compensation levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and Executives. Compensation levels for the 2022 financial year were determined by considering the number of employees, market capitalisation and Company's financial position. Compensation is also set having regard to remuneration of Directors and Executives in other ASX listed exploration companies.

The compensation structures are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. Compensation packages include a mix of fixed and variable compensation and short-term and long-term performance-based incentives.

**17.1.1 Fixed compensation**

Fixed compensation consists of base compensation as well as leave entitlements and employer contributions to defined contribution superannuation funds. Compensation levels are reviewed annually by the Board through a process that considers individual and overall performance and financial position of the Group.

**17.1.2 Performance linked compensation**

Performance linked compensation includes both short-term and long-term incentives and is designed to reward key management personnel for meeting or exceeding their financial and personal objectives.

**17.1.3 Short-term incentive bonus**

The short-term incentive (STI) is a discretionary bonus provided in the form of cash, which is determined based on an assessment of key performance indicators, including share price performance, business growth, exploration success and safety, environment and community matters. Short term bonuses are at the discretion of the Board and subject to satisfactory cash reserves being available.

**17.1.4 Long-term incentive**

The long-term incentive (LTI) is provided as options over ordinary shares of the Company. Due to the nature of the Company at this time the Board believes this is appropriate, having regard to the exercise price of options being set at a premium to the share price at the date of the grant and the need to retain senior executives. All options granted to the Managing Director and Chief Executive Officer and the Exploration Manager lapse if they are not exercised within 60 days of departure of the holder from the Company unless the Board exercises its discretion to permit the options to remain on foot after departure until the expiry date. The Board retains the right to vary the conditions associated with options granted under the LTI at its discretion.

**17.1.5 Service agreements**

Service agreements for executives are negotiated taking into consideration the funding position of the Group at the time of contract negotiations. The service agreements in place during the period for KMP executives included the following terms:

Exploration Manager – Independent contractor agreement, unlimited in term but capable of termination by either party on three months' notice.

Managing Director and Chief Executive Officer – Independent contractor agreement, unlimited in term but capable of termination by either party on three months' notice.

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### Remuneration Report – audited (continued)

The employment contracts outline the components of compensation and contractor fees paid to the key management personnel but do not prescribe how compensation levels are modified. Compensation levels for ongoing contracts are reviewed each year to take into account cost-of-living changes, any change in the scope of the role performed by the executive and any changes required to meet the principles of the compensation policy. Compensation for short term independent contractor agreements are reviewed upon re-negotiation or extension to take into account these factors.

#### 17.1.6 Non-Executive Directors

Total compensation for all Non-Executive Directors is not to exceed \$300,000 per annum and is set with reference to fees paid to other Non-Executive Directors of comparable companies. Non-Executive Directors' base fees for the 2022 financial year were \$45,000 per annum, whilst the Chairperson's base fee was \$75,000. In addition, Non-Executive Directors are entitled to statutory superannuation benefits on base fees.

The Chairperson and Non-Executive Directors do not receive performance related remuneration. Directors' fees cover all main Board activities and membership of committees.

#### 17.1.7 Services provided by remuneration consultants

During the current period, no services were provided by remuneration consultants in relation to remuneration of key management personnel.

#### 17.1.8 Consequences for shareholder wealth

In considering the Group's performance and impacts for shareholder wealth, the Board has regard to the geological finds and the following measures in respect of the current and previous financial years. .

	2022	2021	2020	2019	2018
Net profit/(loss) attributable to equity holders of the parent	\$(7,276,094)	\$(9,703,051)	\$12,393,191	\$(1,524,462)	\$(2,712,281)
Closing share price at period end	\$0.10	\$0.51	\$0.010	\$0.006	\$0.008
Closing cash balance	\$2,409,863	\$15,929,745	\$2,789,660	\$3,894,291	\$1,980,321

White Rock Minerals Ltd  
Directors' report (continued)

For the year ended 30 June 2022

17. Remuneration report - audited (continued)

17.2 Directors' and Executive's remuneration (Group)

Details of the nature and amount of each major element of remuneration for each Director of the Company, and other key management personnel of the Group are:

		Short term		Total \$	Post-employment	Other long term benefits	Share based payments	Termination Benefits	Total \$	Proportion of remuneration related %	Value of options/rights as a proportion of remuneration %
		Salary & fees \$	STI cash bonus \$ (B)		Super-annuation benefits \$	\$	Fair Value Options/Rights \$ (A)				
<b>Non-Executive Directors</b>											
Mr Peter Lester (Ceased 20/6/22)	2022	79,167	-	79,167	7,917	-	-	-	87,084	-	-
	2021	66,250	-	66,250	6,294	-	-	-	72,544	-	-
Mr Jeremy Gray (Ceased 7/6/22)	2022	41,490	-	41,490	4,132	-	-	-	45,622	-	-
	2021	63,333	-	63,333	3,642	-	-	-	66,975	-	-
Mr Paul McNally (Commenced 27/8/21)	2022	41,247	-	41,247	-	-	-	-	41,247	-	-
Mr Christopher Wellesley (Commenced 27/8/21, Ceased 7/6/22)	2022	34,625	-	34,625	-	-	-	-	34,625	-	-
Mr Peter Mangano (Commenced 20/6/22)	2022	-	-	-	-	-	-	-	-	-	-
<b>Executive Directors</b>											
Mr Matthew Gill – Managing Director,	2022	396,667	72,000	468,667	39,516	-	37,917	-	546,100	20%	7%
Chief Executive Officer & Chief Operating Officer	2021	360,000	40,000	400,000	34,200	-	24,620	-	458,820	14%	5%
<b>Executives</b>											
Mr Rohan Worland – Exploration Manager	2022	271,473	35,000	306,473	27,027	-	30,333	-	363,833	18%	8%
	2021	205,480	30,000	235,480	19,520	-	19,696	-	274,696	18%	7%
Ms Toni Griffith – Chief Financial Officer (Commenced 1/09/21)	2022	207,954	-	207,954	20,790	-	-	-	228,744	-	-
<b>Total</b>	2022	1,072,623	107,000	1,179,623	99,382	-	68,250	-	1,347,255	13%	5%
	2021	716,729	70,000	786,729	65,952	-	44,316	-	896,997	13%	5%

White Rock Minerals Ltd  
 Directors' report (continued)  
 For the year ended 30 June 2022

17. Remuneration Report – audited (continued)

Notes in relation to the table of Directors' and Executive's remuneration

- A. The fair value of the unlisted options granted as compensation was calculated at the date of grant using the binomial option pricing model. The fair value of options granted is allocated to each reporting period evenly over the period from the grant date to the vesting date (when the service condition is satisfied).

The following factors and assumptions were used in determining the fair value of options at grant date:

Grant Date	Option life	Fair value per option	Option Exercise price	Share price on grant date	Expected volatility	Risk free interest rate
28 February 2018	5.00 years	\$0.71	\$2.40	\$1.20	105%	2.405%

- B. The minimum value of the STI cash bonus is nil. The maximum value cannot be quantified as the STI cash bonus is at the Board's discretion.
- C. The following summarises performance rights which were on foot during the current period.

	Grant date	Vesting date end	No of rights	Expiry date
Tranche 1 (A)	06/11/2020	06/11/2022	150,000	06/11/2022
Tranche 2 (B)	06/11/2020	06/11/2022	150,000	06/11/2022
Tranche 3 (C)	06/11/2020	06/11/2022	150,000	06/11/2022
<b>Total</b>			<b>450,000</b>	

Each right entitles the holder to subscribe for 1 ordinary share in the Company.

The table below shows the key inputs used in the rights pricing models to determine the fair value at grant date:

	(A)	(B)	(C)
Number of rights	150,000	150,000	150,000
Exercise price	\$0.00	\$0.00	\$0.00
Spot price	\$0.495	\$0.495	\$0.495
Expected volatility	95%	95%	95%
Market vesting condition – 10 day consecutive share price	\$1.00	\$1.37	\$1.72
Risk free interest rate	0.080%	0.080%	0.080%
Dividend yield	0%	0%	0%
Vesting period	06/11/2022	06/11/2022	06/11/2022



White Rock Minerals Ltd  
 Directors' report (continued)  
 For the year ended 30 June 2022

17. Remuneration Report – audited (continued)

17.3 Equity Instruments

All options refer to options over ordinary shares of White Rock Minerals Ltd, which are exercisable on a one-for-one basis.

17.3.1 Options over equity instruments granted as compensation

During 2018 the following options (which remain on issue as at 30 June 2022) over ordinary shares in the Company were granted:

	Number of options granted	Grant date	Vesting date	Fair value per option at grant date	Exercise price per option	Expiry date	Number of options vested
<b>Directors</b>	-	-	-	-	-	-	-
<b>Executives</b>							
Mr Rohan Worland	12,000	28/02/2018	28/02/2020	\$0.71	\$2.40	28/02/2023	12,000

The options were provided to the recipients in return for their services. No options were granted as compensation during the current year.

During the 2021 year the following performance rights were granted (which remain on issue as at 30 June 2022) over ordinary shares in the Company:

	Number of rights granted	Grant date	Vesting period	Fair value per right at grant date	Exercise price per right	Expiry date	Number of rights vested
<b>Directors</b>	-	-	-	-	-	-	-
<b>Executives</b>							
Mr Matthew Gill	250,000	06/11/2020	2 years	\$0.30	\$0.00	06/11/2022	-
Mr Rohan Worland	200,000	06/11/2020	2 years	\$0.30	\$0.00	06/11/2022	-

17.3.2 Exercise of options granted as compensation

During the current or comparative reporting periods, there were no shares issued to key management personnel on the exercise of options previously granted as compensation.

White Rock Minerals Ltd  
 Directors' report (continued)  
 For the year ended 30 June 2021

17. Remuneration Report – audited (continued)

17.3.3 Analysis of movements in options

The movement during the reporting period in the number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

2022	Note	Held at 1 July 2021 (A)	Lapsed during year	Acquisitions during year (D)	Granted as compensa tion	Held at 30 June 2022 (B)	Vested during year	Vested and exercisable at 30 June 2022 (B)(C)
<b>Non-Executive Directors</b>								
Mr Peter Lester	(i)	11,319	-	-	-	11,319	-	-
Mr Jeremy Gray		-	-	-	-	-	-	-
Mr Paul McNally		785,085	(785,085)	-	-	-	-	-
Mr Christopher Wellesley		-	-	-	-	-	-	-
Mr Peter Mangano		-	-	-	-	-	-	-
<b>Executives</b>								
Mr Matthew Gill	(ii)	24,877	(23,490)	8,490	-	9,877	-	9,877
Mr Rohan Worland	(iii)	26,566	(14,890)	2,890	-	14,566	-	14,566
Ms Toni Griffith		-	-	-	-	-	-	-
2021	Note	Held at 1 July 2020 (A)	Lapsed during year	Acquisitions during year (D)	Granted as compensa tion	Held at 30 June 2021 (B)	Vested during year	Vested and exercisable at 30 June 2021 (B)(C)
<b>Non-Executive Directors</b>								
Mr Peter Lester		17,686	(6,367)	-	-	11,319	-	11,319
Mr Jeremy Gray		-	-	-	-	-	-	-
Mr Stephen Gorenstein		-	-	-	-	-	-	-
<b>Executives</b>								
Mr Matthew Gill		59,433	(34,556)	-	-	24,877	-	24,877
Mr Rohan Worland		41,343	(14,777)	-	-	26,566	-	26,566

(A) Where the individual was not key management personnel at the beginning of the period, balance reflects number of instruments at the date they became key management personnel.

(B) Where the individual was not key management personnel at the end of the period, balance reflects number of instruments at the date they ceased to be key management personnel.

(C) Options held by key management personnel were vested and exercisable at 30 June.

(D) Acquisitions during year, other than granted as compensation, were made in connection with acquisitions from the KMP taking up entitlements under the Entitlement Issue.

Options included in the table above that were held by related parties on behalf of key management personnel are disclosed below.

(i) 11,319 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.

(ii) 9,877 held indirectly by the M & C Gill Super Fund.

(iii) 812 held indirectly through Worland Pty Ltd ATF Worland Super Fund. 369 held by Lynsey Jane Cuthbert.

The movement during the reporting period, by value based on the fair value at grant date, of options over ordinary shares in the Company held by each key management person, is detailed below.

	Granted in year \$	Vested in the year \$ (A)	Value of options exercised in year \$	Lapsed in year \$ (A)
<b>Non-Executive Directors</b>				
Mr Peter Lester	-	-	-	-
Mr Jeremy Gray	-	-	-	-
Mr Paul McNally	-	-	-	-
Mr Christopher Wellesley	-	-	-	-
Mr Peter Mangano	-	-	-	-
<b>Executives</b>				
Mr Matthew Gill	-	-	-	15,600
Mr Rohan Worland	-	-	-	7,560
Ms Toni Griffith	-	-	-	-
	-	-	-	<b>23,160</b>

(A) Calculated based on the original fair value at grant date.

# White Rock Minerals Ltd

## Directors' report (continued)

For the year ended 30 June 2022

### 17. Remuneration Report – audited (continued)

#### 17.3.4 Analysis of movements in shares held by KMP

The movement during the reporting period in the number of ordinary shares in White Rock Minerals Ltd held, directly, indirectly or beneficially, by key management personnel, including their related parties, is as follows:

2022	Note	Held at 1 July 2021 (A)	Acquisitions	Sales	Held at 30 June 2022 (B)
<b>Non-Executive Directors</b>					
Mr Peter Lester	(i)	151,560	37,890	-	189,450
Mr Jeremy Gray		-	-	-	-
Mr Paul McNally	(ii)	5,231,414	1,307,854	-	6,539,268
Mr Christopher Wellesley		-	-	-	-
Mr Peter Mangano		-	-	-	-
<b>Executives</b>					
Mr Matthew Gill	(iii)	174,075	111,801	-	285,876
Mr Rohan Worland	(iv)	1,381	2,340	-	3,721
Ms Toni Griffith		-	-	-	-

2021 (C)	Note	Held at 1 July 2020 (A)	Acquisitions	Sales	Held at 30 June 2021 (B)
<b>Non-Executive Directors</b>					
Mr Peter Lester		84,893	66,667	-	151,560
Mr Stephen Gorenstein		116,667	100,000	-	216,667
<b>Executives</b>					
Mr Matthew Gill		74,075	100,000	-	174,075
Mr Rohan Worland		19,231	166,667	(184,517)	1,381

(A) Where the individual was not key management personnel at the beginning of the period, balance reflects number of instruments at the date they became key management personnel.

(B) Where the individual was not key management personnel at the end of the period, balance reflects number of instruments at the date they ceased to be key management personnel.

Shares that were held by related parties of key management personnel and included in the table above are disclosed below.

- (i) 189,450 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.
- (ii) 4,395,693 held indirectly by McNally Clan Investments Pty Ltd and 2,143,575 indirectly held by McNally Clan Super Fund.
- (iii) 285,876 held indirectly by the M & C Gill Super Fund.
- (iv) 2,340 held indirectly by Worland Pty Ltd ATF Worland Family A/c.

#### 17.3.5 Analysis of movements in performance rights held by KMP

2022	Held at 1 July 2021	Acquisitions	Conversion	Held at 30 June 2022
<b>Executives</b>				
Mr Matthew Gill	250,000	-	-	250,000
Mr Rohan Worland	200,000	-	-	200,000
Ms Toni Griffith	-	-	-	-

Refer further detail at Note 21.

#### 17.4 Other transactions with key management personnel

A number of key management persons, or their related parties, hold positions in other entities that result in them having control or joint control over the financial or operating policies of those entities.

Some of these entities transacted with the Group during the year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

From time to time, Directors of the Group, or their related entities, may provide services to the Group. These services are provided on terms that might be reasonably expected for other parties and are trivial or domestic in nature.

White Rock Minerals Ltd  
Directors' report (continued)  
For the year ended 30 June 2022

**18. Lead Auditor's Independence Declaration**

The lead auditor's independence declaration is set out on page 84 and forms part of the Directors' report for the year ended 30 June 2022.

Dated at Sydney this 30<sup>th</sup> day of September 2022.

Signed in accordance with a resolution of the Directors:



Peter Mangano  
Chairman

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White Rock Minerals Ltd  
Consolidated Statement of Financial Position  
As at 30 June 2022

	Note	2022 \$	2021 \$
<b>Current Assets</b>			
Cash and cash equivalents	6	2,409,863	15,929,745
Trade and other receivables	7	11,006	65,023
Prepayments		231,445	264,516
Inventories	8	313,134	-
Investments in listed shares		19,000	120,000
<b>Total current assets</b>		<b>2,984,448</b>	<b>16,379,284</b>
<b>Non-current assets</b>			
Trade and other receivables	7	978,000	978,000
Exploration and evaluation assets	9	61,968,224	37,097,618
Property, plant and equipment	10	4,164,002	258,503
<b>Total non-current assets</b>		<b>67,110,226</b>	<b>38,334,121</b>
<b>Total assets</b>		<b>70,094,674</b>	<b>54,713,405</b>
<b>Current Liabilities</b>			
Trade and other payables	11	1,749,466	2,232,011
Employee benefits and other provisions		232,664	13,483
Lease liability		67,494	-
Borrowings	32	435,000	-
<b>Total current liabilities</b>		<b>2,484,624</b>	<b>2,245,494</b>
<b>Non-current liabilities</b>			
Employee benefits		-	23,161
Lease liability		106,525	-
Provision for rehabilitation	12	6,881,466	6,700,000
<b>Total non-current liabilities</b>		<b>6,987,991</b>	<b>6,723,161</b>
<b>Total liabilities</b>		<b>9,472,615</b>	<b>8,968,655</b>
<b>Net assets</b>		<b>60,622,059</b>	<b>45,744,750</b>
<b>Equity</b>			
Issued capital	13(i)	95,090,592	73,227,894
Reserves	13(iii)	196,086	567,663
Accumulated losses		(34,592,892)	(28,050,807)
<b>Equity attributable to the members of the consolidated entity</b>		<b>60,693,786</b>	<b>45,744,750</b>
Non-controlling interest		(71,727)	-
<b>Total equity</b>		<b>60,622,059</b>	<b>45,744,750</b>

The notes on pages 49 to 82 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd  
Consolidated Statement of Comprehensive Income  
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
Net finance income	14	5,600	25,788
Revenue and other income	15	144,416	51,964
Administrative expenses		(828,508)	(927,550)
Depreciation expense	10	(530,201)	(5,591)
Compliance and regulatory expenses		(17,633)	-
Contract labour expenses	16	(1,273,882)	(901,471)
Consultancy and legal expenses		(117,678)	-
Employee benefits expense	17	(452,841)	(140,542)
Mining, processing and site administration		(3,739,352)	-
Marketing expense		(118,134)	(62,165)
Finance expense		(41,395)	-
Impairment of assets	9	(205,486)	(7,769,005)
Others		(101,000)	25,521
<b>(Loss)/Profit before tax</b>		<b>(7,276,094)</b>	<b>(9,703,051)</b>
Income tax (expense)/benefit	18	-	-
<b>Total (loss)/profit for the period after tax</b>		<b>(7,276,094)</b>	<b>(9,703,051)</b>
<b>Total comprehensive (loss)/profit attributable to:</b>			
Members of White Rock Minerals Ltd		(7,060,383)	-
Non-controlling interest		(215,711)	-
		<b>(7,276,094)</b>	<b>(9,703,051)</b>
Basic and diluted (loss)/profit per share (cents)	19	(4.88)	(13.33)

The notes on pages 49 to 82 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd  
Consolidated Statement of Changes in Equity  
For the year ended 30 June 2022

	Note	Issued capital	Reserves	Accumulated losses	Non-controlling interests	Total equity
		\$	\$	\$		\$
Balance at 1 July 2021		73,227,894	567,663	(28,050,807)	-	45,744,750
Issue of ordinary shares and share options		6,050,700	-	-	-	6,050,700
Transaction costs on share issue, net of tax		(606,809)	-	-	-	(606,809)
Acquisition of AuStar Gold Limited	31	16,396,807	78,471	-	143,984	16,619,262
Share based payments transactions		22,000	68,250	-	-	90,250
Transfers from share based payment reserve		-	(518,298)	518,298	-	-
Total comprehensive loss for the period		-	-	(7,060,383)	(215,711)	(7,276,094)
<b>Balance at 30 June 2022</b>		<b>95,090,592</b>	<b>196,086</b>	<b>(34,592,892)</b>	<b>(71,727)</b>	<b>60,622,059</b>
Balance at 1 July 2020		50,880,316	640,006	(18,539,415)	-	32,980,907
Issue of ordinary shares and share options		23,536,570	-	-	-	23,536,570
Transaction costs on share issue, net of tax		(1,188,992)	-	-	-	(1,188,992)
Share based payments transactions		-	119,316	-	-	119,316
Transfers from share based payment reserve		-	(191,659)	191,659	-	-
Total comprehensive loss for the period		-	-	(9,703,051)	-	(9,703,051)
<b>Balance at 30 June 2021</b>		<b>73,227,894</b>	<b>567,663</b>	<b>(28,050,807)</b>	<b>-</b>	<b>45,744,750</b>

The notes on pages 49 to 82 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd  
Consolidated Statement of Cash Flows  
For the year ended 30 June 2022

	Note	2022 \$	2021 \$
<b>Cash flows from operating activities</b>			
Cash paid to suppliers and employees		(7,147,434)	(862,936)
Other income received		250	35,000
Cash boost stimulus received		-	12,260
Interest received		5,600	25,788
Interest paid		(41,395)	-
Management fees received		11,107	4,704
<b>Net cash (used in) operating activities</b>	20	<b>(7,171,872)</b>	<b>(785,184)</b>
<b>Cash flows from investing activities</b>			
Exploration and evaluation payments		(10,500,289)	(7,860,546)
Proceeds received for farm-in to Joint Venture Agreement		118,809	435,000
Acquisition of AuStar Gold Limited, net of cash acquired		216,045	-
Acquisition of property, plant and equipment		(700,270)	(154,214)
<b>Net cash (used in) investing activities</b>		<b>(10,865,705)</b>	<b>(7,579,760)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital		6,050,700	22,870,532
Payments for transaction costs on issue of share capital		(584,809)	(1,188,992)
Lease payments		(33,228)	-
Repayment of borrowings		(323,055)	-
Red Mountain payments		(591,913)	(202,032)
<b>Net cash from/(used in) financing activities</b>		<b>4,517,695</b>	<b>21,479,508</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(13,519,882)</b>	<b>13,114,564</b>
Cash and cash equivalents at beginning of the year		15,929,745	2,789,660
Effect of movements in exchange rates on cash held		-	25,521
<b>Cash and cash equivalents at year end</b>	6	<b>2,409,863</b>	<b>15,929,745</b>

The notes on pages 49 to 82 are an integral part of these consolidated financial statements.



# White Rock Minerals Ltd

## Notes to the consolidated financial statements

For year ended 30 June 2022

### 1. Reporting entity

White Rock Minerals Ltd (the "Company") is a Company domiciled in Australia. The address of the Company's registered office is 12 Anderson Street West, Ballarat, Victoria, 3350. The financial statements of the Company as at and for the year ended 30 June 2022 comprise the Company and its controlled entities (together referred to as the "Group"). The Group is a profit orientated entity and primarily is involved in minerals development, exploration and evaluation in Australia and Alaska.

### 2. Basis of preparation

#### (a) Statement of compliance

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian Interpretations) adopted by the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*. The financial statements of the Group comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

The financial statements were approved by the Board of Directors on 30 September 2022.

#### (b) Basis of measurement

The Group financial statements have been prepared on the historical cost basis except for the following items measured at fair value:

- Share based payments as described in accounting policy note 3(h) and note 21

In addition, when assessing the recoverable amount of non-current assets and CGUs, the Group on occasion uses the fair value less cost of disposal (FVLCD), by reference to fair value in accordance with AASB 13.

#### Going concern

The Group recorded a loss after tax of \$7,276,094 and incurred operating cash outflows of \$7,171,872. The Group's financial position as at 30 June 2022 was as follows:

- The Group held cash of \$2,409,863;
- The Group's current assets of \$2,984,448 exceeded current liabilities of \$2,484,624 by \$499,824; and
- The Group has a liability for \$6,881,466 (refer Note 12) to the New South Wales Resources Regulator ("Resources Regulator"), a division of the New South Wales Department of Mining Exploration and Geoscience (MEG), for environmental rehabilitation at the Mt Carrington Project, which is currently classified as a non-current liability.

The Directors recognise that the Group currently has contributed \$978,000 by way of security deposits and bank guarantee (supported by a term deposit) (refer note 7). MEG have advised that additional payments are required to increase the rehabilitation amount contributed as follows:

- by 25 May 2023 to \$1,559,346;
- by 25 May 2024 to \$2,446,367; and
- by 25 May 2025 to 6,881,466.

The Mt Carrington Project is currently subject to an Earn-In and Option to Joint Venture Agreement with ASX-listed Thomson Resources Ltd (ASX:TMZ). If Thomson Resources Ltd reaches either the 51% or 70% stage of Earn-In, then they are required to reimburse the Group, security deposits made at the same % as earned in.

The Group has two activities, gold production (commenced subsequent to year end) and exploration. If gold production is not sufficient to meet outgoings, the Group will be reliant on equity raisings or funds from other external sources to fund its activities.

Current forecasts indicate that cash on hand at 30 June 2022 will not be sufficient to fund the planned full suite of exploration and operational activities over the period to the next expected signing date of the financial statements for the year ending 30 June 2023. Accordingly, the Group may be required to secure additional funding to undertake any planned exploration and operational activities.

On 30 August 2022, the Group announced that it had recommenced gold production at the Morning Star Gold Mine.

On 7 September 2022, the Group announced that it had entered into a \$30 million Convertible Securities Agreement (\$7.5 million) and Equity Placement Agreement (\$22.5 million). On 9 September 2022, the Group announced that it had received \$2.5 million by the partial drawing down on the convertible note facility.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 2. Basis of preparation (continued)

#### (b) Basis of measurement (continued)

##### Going concern (continued)

The Directors are confident that the Group will be able to secure sufficient funds, if required, by way of gold production, new capital raisings, potential other sources of funds (be that via joint ventures or asset sales) and funding from the Convertible Securities Agreement and the Equity Placement Agreement to ensure that the Group can meet essential operational and expenditure commitments for at least the next twelve months.

Accordingly, the financial statements for the year ended 30 June 2022 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its essential operating costs and pay its debts as and when they fall due for at least twelve months from the date of this report.

However, the Directors recognise that if the further funding required is not subsequently secured, the outcome of which is uncertain until such funding is secured, there is a material uncertainty as to whether the going concern basis of accounting is appropriate. As a result, the Group may be required to relinquish title to certain tenements, significantly curtail further expenditures and may have to realise its assets and extinguish its liabilities other than in the ordinary course of business and at amounts different from those stated in the financial report.

#### (c) Functional and presentation currency

The Group financial statements are presented in Australian dollars, which is the functional currency of all entities in the Group.

#### (d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the related accounting policy and/or in the following notes:

- note 2(b) Basis of measurement
- note 9 Exploration and evaluation assets
- note 12 Provision for environmental rehabilitation
- note 21 Share based payments

### 3. Significant accounting policies

#### (a) Changes in accounting policies

The Group has adopted all mandatory new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2021. The new, revised or amended standards or interpretations did not have a significant impact on the amounts or disclosures in the financial report. The revised, amended new standards did not have a material impact on the amounts or disclosures in the consolidated financial statements.

#### (b) Basis of consolidation

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

#### (c) Financial instruments

##### (i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (c) Financial instruments (continued)

##### (ii) Classification and subsequent measurement

###### *Financial assets*

On initial recognition, a financial asset is classified as measured at: amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

###### *Financial assets — Business model assessment*

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio lever because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated —e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (c) Financial instruments (continued)

##### (i) Classification and subsequent measurement (continued)

###### *Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

###### *Financial assets - Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

###### *Financial liabilities — Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (c) Financial instruments (continued)

##### (iii) Derecognition

###### *Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

###### *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

##### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

#### (d) Property, plant and equipment

##### (i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Any gains and losses on disposal of an item of property, plant and equipment are recognised in profit or loss.

##### (ii) Depreciation

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

- buildings 8-20 years
- plant and equipment 2-20 years
- motor vehicles 4 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (e) Exploration and evaluation

Exploration and evaluation expenditure, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit. Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred. For each area of interest, the expenditure is recognised as an exploration and evaluation asset where the following conditions are satisfied:

- the expenditures are expected to be recouped through successful development and exploitation of the area of interest or alternatively by its sale; or
- activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount. Exploration and evaluation assets are tested for impairment when any of the following facts and circumstances exist:

- the term of exploration license in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and a decision has been made to discontinue such activities in the specified area; or
- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. The cash generating unit is no larger than the area of interest. In the event that an area of interest is abandoned or if the Directors consider the expenditure to be of reduced value, accumulated costs carried forward are written off in the period in which that assessment is made. Each area of interest is reviewed at the end of each accounting period and accumulated costs are written off to the extent that they are not expected to be recoverable in the future.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

#### (f) Impairment

##### (i) Non-derivative financial assets

###### *Financial instruments and contract assets*

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (f) Impairment (continued)

##### (i) Non-derivative financial assets (continued)

###### *Financial instruments and contract assets (continued)*

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

###### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

###### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

###### *Presentation of allowance for ECL in the statement of financial position*

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (f) Impairment (continued)

##### (i) Non-derivative financial assets (continued)

###### *Write-off*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

##### (ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than biological assets, investment property, inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (g) Employee benefits

##### (i) Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Amounts recognised as a liability include related on-costs, such as superannuation, workers compensation, insurance and payroll tax.

##### (ii) Other long term benefits

Other long term benefits comprise the Groups obligation in respect of annual leave and long service leave and are measured as the present value of the future benefit expected to be paid to employees as a result of their service in the current and prior periods. In determining the amount recorded consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using a discount rate that reflects market yields at reporting date on prevailing bonds with terms of maturity that closely match the estimated future cash flows. The Group measures annual leave in respect of employees' service up to the reporting date at the amounts expected to be paid, inclusive of on costs, when the leave is expected to be taken.

#### (h) Share based payments

##### (i) Employee share based payments

Share based payments to employees and others providing similar services typically take the form of options to acquire ordinary shares in the Company. The fair value at grant date of share-based payment awards granted to employees and others providing similar services is recognised as an employee expense or capitalised as exploration and evaluation assets as appropriate, with a corresponding increase in equity, over the period that the holder for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

The fair value at grant date is independently determined using a binomial option pricing model that takes into account the exercise price, the term of the options, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

##### (ii) Non-employee share based payments

The Company may also issue securities by agreement to third party suppliers for the provision of services in lieu of cash. The fair value of any goods and services received by the Group under such arrangements is recognised as an increase in the share based payments reserve as the services are rendered or goods received where the Group, at its sole discretion, has the option to settle in equity instruments of the Company and intends to do so at inception of the agreement.

On completion of the arrangement, when shares are issued, the fair value of goods received or services provided is transferred from the share based payments reserve to issued capital. Where options are issued, the fair value will remain in the share based payments reserve until such a time as the options are exercised or lapse, whichever occurs earlier. The fair value of goods and services is measured with reference to the value of goods and services the Group would otherwise be expected to pay in cash to the supplier for identical services and is typically measured with reference to market observable prices of similar goods or services adjusted for any matters specific to the arrangement. Where the fair value of the goods or services received cannot be estimated reliably, the fair value recognised is measured by reference to the fair value of the equity instruments granted.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (i) Revenue

Under AASB 15, an entity recognises revenue when (or as) a performance obligation is satisfied, that is when 'control' of the good or services underlying the particular performance obligation is transferred to the customer. Determined the timing of the transfer of control – at a point in time or over time requires judgement.

Revenue is recognised in the income statement at a point in time when the significant risks and rewards of ownership have been transferred or services have been provided to the buyer, recovery of the consideration is probable, the associated costs and possible return can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

#### (j) Tax

##### (i) Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax impact is recognised in other comprehensive income or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future and the Group is able to control the timing of reversal. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

##### (ii) Tax consolidation

The Company and its wholly-owned Australian resident entities form a tax-consolidated group. As a consequence, all members of the tax-consolidated group are taxed as a single entity. The head entity within the tax-consolidated group is White Rock Minerals Ltd.

##### (iii) Goods and services tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the balance sheet.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (k) Finance income

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

#### (l) Other income

Research and Development tax income are accounted for as government grants and recognised when the Group becomes entitled to the grant upon the incurring of eligible expenditure. Management fee income is recognised over time as management services are provided.

#### (m) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options over ordinary shares of the Company.

#### (n) Segment reporting

The Group determines and presents operating segments based on the information that internally is provided to the Group's chief operating decision maker.

An operating segment is a component of the Group that engages in exploration activities which incurs expenses. An operating segment's expenditures are reviewed regularly by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

Segment expenditure that is reported to the Group's chief operating decision maker includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters) and head office expenses.

#### (o) Restoration and rehabilitation provision

The Group has obligations to restore and rehabilitate certain areas of property. A provision for rehabilitation and restoration is recognised in respect of the estimated cost of rehabilitation, decommissioning and restoration of areas of disturbance existing at reporting date, but not yet rehabilitated. Rehabilitation activities include dismantling infrastructure, removal and treatment of waste material, and land rehabilitation, including re-contouring, top-soiling and re-vegetation of the disturbed area. Provisions for the cost of the rehabilitation program are recognised at the time that environmental disturbance occurs (or is acquired). On an ongoing basis, additional disturbances will be recognised as a rehabilitation liability.

A corresponding asset is recognised in Property, Plant and Equipment or Exploration and Evaluation Assets only to the extent that it is probable that future economic benefits associated with the rehabilitation, will flow to the entity. Determining the cost of rehabilitation and restoration of the area of disturbance requires the use of significant estimates and assumptions, including the timing of the cash flows and expected life of the relevant area of interest, the application of relevant environmental legislation, and the future expected costs of rehabilitation, decommissioning and restoration. Changes in the estimates and assumptions used to determine the cost of rehabilitation, decommissioning and restoration could have a material impact on the carrying value of the site restoration provision and related asset. The provision is reviewed at each reporting date and updated based on the facts and circumstances available at the time.

#### (p) Presentation of financial statements

The Group applies revised AASB 101 *Presentation of Financial Statements*. The Group presents in the consolidated statement of changes in equity all owner changes in equity. All non-owner changes in equity are presented in the consolidated statement of comprehensive income.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 3. Significant accounting policies (continued)

#### (q) Leases

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (i.e. a lease with a remaining lease term of 12 months or less) and leases of low-value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options, if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs.

The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that the Group anticipates exercising a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

#### (r) New standards and interpretations not yet adopted

A number of new or revised standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2021 and early application is permitted; however, the Group has not early adopted the new or revised standards, amendments to standards and interpretations in preparing these consolidated financial statements. The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements.

Standard or interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2014 – 10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2022	30 June 2023
AASB 2020 – 3 Amendments to Australian Accounting Standards – Annual Improvements 2018 – 2020 and other Amendments	1 January 2022	30 June 2023
AASB 2020 – 6 Amendments to Australian Accounting Standards – Classification of Liabilities as Current and Non – Current	1 January 2023	30 June 2024
AASB 17 – Insurance Contracts	1 January 2023	30 June 2024
AASB 2021 – 2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates	1 January 2023	30 June 2024
AASB 2021 – 5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023	30 June 2024

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 4. Determination of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, both for financial and non-financial assets and liabilities.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of accounting standards, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Board of Directors.

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1; quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2; inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3; inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair values of trade and other receivables are estimated as the present value of future cash flows, discounted at the market rate of interest at the measurement date. Short-term receivables with no stated interest rate are measured at the original amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date

### 5. Segment reporting

The Group determines operating segments based on the information that internally is provided to the Chief Operating Decision Maker who is the Managing Director and Chief Executive Officer.

Operating segments are discrete components of the Group that engage in exploration activities and incur expenses. An operating segment's expenditures are reviewed regularly by the Group's Chief Operating Decision Maker to make decisions about resources to be allocated to the segment and assess its performance.

Segment expenditure that is reported to the Managing Director and Chief Executive Officer includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily Company's headquarters) and head office expenditure.

The Group consists of three operating segments and operates in three geographic locations, Mt Carrington - New South Wales, Australia, Woods Point – Victoria, Australia and Red Mountain - Bonnifield, Alaska, United States of America.

With the exception of the impairment which was attributable to the Mt Carrington segment (refer to note 9), no income or expenses were incurred by the operating segments. All other income and expenses incurred by the Group relate to corporate activities and are therefore unallocated to the operating segments.

### 6. Cash and cash equivalents

	2022	2021
	\$	\$
Bank balances	2,409,863	15,929,745
<b>Cash and cash equivalents</b>	<b>2,409,863</b>	<b>15,929,745</b>

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 7. Trade and other receivables

	2022	2021
	\$	\$
<b>Current</b>		
Other receivables	11,006	65,023
<b>Total current trade and other receivables</b>	<b>11,006</b>	<b>65,023</b>
<b>Non Current</b>		
Other receivables (i)	122,000	122,000
Restricted cash (ii)	856,000	856,000
<b>Total non current trade and other receivables</b>	<b>978,000</b>	<b>978,000</b>

- (i) Other receivables include \$122,000 (2021: \$122,000) of cash lodged with the New South Wales Government as security over the Group's performance of its environmental rehabilitation obligations.
- (ii) Restricted cash is placed on deposit to secure bank guarantees in respect of obligations for environmental performance bonds issued in favour of the New South Wales Government. These deposits earn interest at an average rate of 0.1% per annum (2021: 0.1%).

### 8. Inventories

	2022	2021
	\$	\$
Gold in stockpile	284,833	-
Gold in concentrate	28,301	-
<b>Total inventories</b>	<b>313,134</b>	<b>-</b>

### 9. Exploration and evaluation assets

	2022	2021
	\$	\$
<b>Mount Carrington:</b>		
<b>Carrying amounts</b>		
Balance at 1 July	20,905,328	23,101,981
Additions	217,110	488,352
Addition through increase in provision for rehabilitation	181,466	5,519,000
Payments received from Thomson Resources Ltd	(118,809)	(435,000)
Impairment of exploration assets	(205,486)	(7,769,005)
<b>Balance at 30 June</b>	<b>20,979,609</b>	<b>20,905,328</b>
<b>Red Mountain:</b>		
<b>Carrying amounts</b>		
Balance at 1 July	16,192,290	8,705,455
Additions	5,901,277	7,486,835
<b>Balance at 30 June</b>	<b>22,093,567</b>	<b>16,192,290</b>
<b>Woods Point:</b>		
<b>Carrying amounts</b>		
Balance at 1 July	-	-
Additions through business combinations (note 31)	14,401,526	-
Additions	4,493,522	-
<b>Balance at 30 June</b>	<b>18,895,048</b>	<b>-</b>
Total exploration and evaluation expenditure at cost	76,762,119	51,686,027
Total cumulative impairment losses	(14,793,895)	(14,588,409)
<b>Total Balance at 30 June</b>	<b>61,968,224</b>	<b>37,097,618</b>

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 9. Exploration and evaluation assets (continued)

Recoverability of the carrying amount of exploration and evaluation assets is dependent on the successful development and commercial exploitation or sale of the respective area of interest.

The Group capitalises exploration and evaluation expenditure in accordance with accounting policy note 3(e).

#### Mount Carrington

The recoverable amount of the Mount Carrington CGU was determined based on its Fair Value less Costs of Disposal (FVLCO) using a level 2 valuation technique.

The latest FVLCO valuation was included in an Independent Experts Report lodged with ASIC in June 2021 in the AuStar Gold Ltd Scheme Booklet. The preferred value was \$21 million.

Together with Property, Plant and Equipment at written down value as at 30 June 2022 of \$20,391; the combined value was \$21,000,000 as at 30 June 2022.

The key assumptions in the valuation are as follows:

#### *Project valuation (Probable)*

- Spot gold price- US\$ 1,739/oz
- Long Term forecast- Life of Mine (LOM)- US\$ 1,725/oz
- USD/AUD forecast LOM- 0.76-0.78
- Discount rate - 12.4%

#### *Mineral resources (Indicated and Inferred)*

- Comparable resource transactions - \$30/oz gold
- Spot gold price- US\$ 1,739/oz
- Spot gold silver- US\$ 26.89/oz

#### *Exploration Tenure*

- Exploration tenure- \$9,000/km<sup>2</sup>

The valuation included a number of significant assumptions including commodity prices, foreign exchange rates, the confidence level of known mineralisation measured in accordance with the JORC code, and expectations regarding exploration potential which can change significantly over short periods of time, and which may have a significant impact on the valuation if there was a change in assumption or new information became available. As a result, any variation in the key assumptions used to determine FVLCO would result in a change of the assessed FVLCO. If the variation in assumption had a negative impact on FVLCO, it could in the absence of other factors indicate a requirement for subsequent impairment of the exploration and evaluation asset in future periods.

#### Red Mountain

Exploration and evaluation expenditure, including the costs of acquiring licences, were capitalised during the year as no impairment indicators were present.

#### Woods Point

Exploration and evaluation expenditure, including the costs of acquiring licences (refer Note 31 – Acquisition of AuStar Gold Limited), were capitalised during the year as no impairment indicators were present.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 10. Property, plant and equipment

	2021				
	Land	Plant & Equipment	Motor Vehicles	Capital WIP	Total
	\$	\$	\$	\$	\$
<b>Cost</b>					
Balance at 1 July 2020	29,044	1,539,603	74,954	-	1,643,601
Additions	-	154,214	-	-	154,214
Disposals	-	-	-	-	-
Balance at 30 June 2021	29,044	1,693,817	74,954	-	1,797,815
<b>Depreciation and impairment losses</b>					
Balance at 1 July 2020	18,002	1,326,125	74,954	-	1,419,081
Depreciation charged to the income statement	-	5,591	-	-	5,591
Depreciation capitalised to exploration projects	-	114,640	-	-	114,640
Disposals	-	-	-	-	-
Balance at 30 June 2021	18,002	1,446,356	74,954	-	1,539,312
<b>Carrying amounts</b>					
At 1 July 2020	11,042	213,478	-	-	224,520
<b>At 30 June 2021</b>	<b>11,042</b>	<b>247,461</b>	<b>-</b>	<b>-</b>	<b>258,503</b>

	2022				
	Land	Plant & Equipment	Motor Vehicles	Capital WIP	Total
	\$	\$	\$	\$	\$
<b>Cost</b>					
Balance at 1 July 2021	29,044	1,693,817	74,954	-	1,797,815
Acquisition of AuStar Gold Limited (note 31)	1,252,040	2,316,289	71,474	-	3,639,803
Additions	321,277	533,970	-	52,270	907,517
Disposals	-	-	-	-	-
Balance at 30 June 2022	1,602,361	4,544,076	146,428	52,270	6,345,135
<b>Depreciation and impairment losses</b>					
Balance at 1 July 2021	18,002	1,446,356	74,954	-	1,539,312
Depreciation charged to the income statement	150,016	368,252	11,933	-	530,201
Depreciation capitalised to exploration projects	-	111,620	-	-	111,620
Disposals	-	-	-	-	-
Balance at 30 June 2022	168,018	1,926,228	86,887	-	2,181,133
<b>Carrying amounts</b>					
At 1 July 2021	11,042	247,461	-	-	258,503
<b>At 30 June 2022</b>	<b>1,434,343</b>	<b>2,617,848</b>	<b>59,541</b>	<b>52,270</b>	<b>4,164,002</b>



## White Rock Minerals Ltd

### Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

#### 11. Trade and other payables

	2022 \$	2021 \$
<b>Current</b>		
Trade payables	1,204,986	488,319
Accrued expenses	491,298	1,045,851
Other payables	8,305	5,928
Payments to settle acquisition of Red Mountain acquisition	-	591,913
Payments received for future exploration	44,877	100,000
	<b>1,749,466</b>	<b>2,232,011</b>
<b>Non Current</b>		
<b>Total</b>	<b>1,749,466</b>	<b>2,232,011</b>

#### 12. Provision for environmental rehabilitation

	2022 \$	2021 \$
<b>Opening balance</b>	6,700,000	1,181,000
Provisions made during the year	181,466	5,519,000
<b>Closing balance</b>	<b>6,881,466</b>	<b>6,700,000</b>

In connection with the renewal of the 22 Mining Leases, the Resources Regulator, a division of the New South Wales Department of Mining Exploration and Geoscience (MEG) required a review of the Mt Carrington Rehabilitation Plan and a re-assessment of the Rehabilitation Cost Estimate. The Resources Regulator consented to the Group engaging an Environmental Consultant to carry out a detailed assessment of the Mt Carrington Rehabilitation Plan and associated Rehabilitation Cost Estimate. This work was completed during the reporting period and submitted to the Regulator. The Regulator has advised that the security amount as determined under the Mining Act 1992 will be \$6,881,466. This amount has been provided for in the financial statements.

The Group currently has contributed \$978,000 by way of security deposits and bank guarantee (supported by a term deposit) (refer note 7). MEG have advised that additional payments are required to increase the amount of rehabilitation contributed as follows:

- by 25 May 2023 to \$1,559,346;
- by 25 May 2024 to \$2,446,367; and
- by 25 May 2025 to 6,881,466.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 13. Equity

#### (i) Movements in issued capital:

	Date of issue	No of shares	Issue price (cents)	\$
<b>Opening balance at 1 July 2020</b>		<b>2,351,946,204</b>		<b>50,880,316</b>
Issue of Ordinary Shares – Options conversion	16/07/2020	222,223	1.0	2,222
Issue of Ordinary Shares – Options conversion	16/07/2020	100,000	2.0	2,000
Issue of Ordinary Shares – Corporate mandate	16/07/2020	100,000,000	0.3	300,000
Capital Raising - Placement	16/07/2020	1,479,750,000	0.3	4,439,303
Capital Raising – Share Purchase Plan	22/07/2020	3,333,333,416	0.3	10,000,000
Consolidation – 1 for 100	03/08/2020	(7,265,351,843)		-
Consolidation – 1 for 100	03/08/2020	72,654,305		-
Issue of Ordinary Shares - Consultant	25/09/2020	47,619	63.0	30,000
Consolidation Adjustment - Rounding	25/11/2020	109		-
Issue of Ordinary Shares – Options conversion	26/03/2021	5,251	200.0	10,502
Capital Raising – Corporate mandate	28/04/2021	-		174,000
Capital Raising - Placement	30/04/2021	16,820,664	51.0	8,578,543
Less costs associated with Capital Raisings		-	-	(1,188,992)
<b>Closing balance at 30 June 2021</b>		<b>89,527,948</b>		<b>73,227,894</b>

	Date of issue	No of shares	Issue price (cents)	\$
<b>Opening balance at 1 July 2021</b>		<b>89,527,948</b>		<b>73,227,894</b>
Issue of Ordinary Shares – Consultant	30/07/2021	44,898	49.0	22,000
Issue of Ordinary Shares – AuStar Gold Limited	23/08/2021	52,892,926	31.0	16,396,807
Issue of Ordinary Shares – Placement	10/12/2021	9,375,000	24.0	2,250,000
Issue of Ordinary Shares – Options conversion	10/12/2021	2	77.0	1
Issue of Ordinary Shares – Entitlement offer	02/02/2022	5,849,367	24.0	1,403,849
Issue of Ordinary Shares – Placement	11/05/2022	15,979,003	15.0	2,396,850
Less costs associated with Capital Raisings		-	-	(606,809)
<b>Closing balance at 30 June 2022</b>		<b>173,669,144</b>		<b>95,090,592</b>

The Company does not have any franking credits available for utilisation.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 13. Equity (continued)

#### (ii) Options on issue:

2021	Date of issue	No. options 1 July 2020	Issued/ (Lapsed) (Exercised)	(Cancelled)/ Replaced	No. options 30 June 2021	Ex. price (cents)	Expiry date
Issue of options - consultant	13/04/2016	1,400,000	(1,400,000)	-	-	3.5	30/09/2020
Issue of options – Red Mountain	22/04/2016	6,384,359	(6,384,359)	-	-	3.5	22/04/2021
Issue of options - consultant	28/11/2017	3,000,000	(3,000,000)	-	-	6.0	27/11/2020
Issue of options - director	28/11/2017	1,500,000	(1,500,000)	-	-	2.0	31/05/2021
Issue of options - director	28/11/2017	1,500,000	-	-	1,500,000	2.0	31/05/2022
Consolidation – 1 for 100	03/08/2020			(1,500,000)	(1,500,000)		
Consolidation – 1 for 100	03/08/2020			15,000	15,000	200.0	31/05/2022
Issue of options - consultant	13/12/2017	5,000,000	(5,000,000)	-	-	2.0	12/12/2020
Issue of options - consultant	13/12/2017	5,000,000	(5,000,000)	-	-	3.0	12/12/2020
Issue of options - consultant	13/12/2017	5,000,000	(5,000,000)	-	-	4.0	12/12/2020
Issue of options - executive	28/02/2018	1,200,000	(1,200,000)	-	-	2.0	28/02/2021
Issue of options - executive	28/02/2018	1,200,000	-	-	1,200,000	2.2	28/02/2022
Consolidation – 1 for 100	03/08/2020			(1,200,000)	(1,200,000)		
Consolidation – 1 for 100	03/08/2020			12,000	12,000	220.0	28/02/2022
Issue of options - executive	28/02/2018	1,200,000	-	-	1,200,000	2.4	28/02/2023
Consolidation – 1 for 100	03/08/2020			(1,200,000)	(1,200,000)		
Consolidation – 1 for 100	03/08/2020			12,000	12,000	240.0	28/02/2023
Issue of options – entitlement issue	26/04/2018	65,072,255	(65,072,255)	-	-	2.0	26/03/2021
Issue of options – entitlement issue	27/04/2018	27,727,789	(27,727,789)	-	-	2.0	26/03/2021
Issue of options – placement	11/05/2018	79,912,067	(79,912,067)	-	-	2.0	26/03/2021
Issue of options – Sandfire	11/07/2018	104,166,667	-	-	104,166,667	2.0	10/07/2021
Consolidation – 1 for 100	03/08/2020			(104,166,667)	(104,166,667)		
Consolidation – 1 for 100	03/08/2020			1,041,667	1,041,667	200.0	10/07/2021
Issue of options - entitlement issue	19/07/2018	85,693,062	(85,693,062)	-	-	2.0	26/03/2021
Issue of options – entitlement issue	19/11/2019	66,407,355	(222,223)		66,185,132	1.0	04/11/2022
Issue of options – entitlement issue	13/02/2020	13,666,668			13,666,668	1.0	04/11/2022
Issue of options – corporate mandate	16/07/2020		12,500,000		12,500,000	1.0	04/11/2022
Consolidation – 1 for 100	03/08/2020			(92,351,800)	(92,351,800)		
Consolidation – 1 for 100	03/08/2020			923,637	923,637	100.0	04/11/2022
Consolidation Adjustment - Rounding	25/11/2020		22		22	100.0	04/11/2022
Issue of options – placement	19/11/2019	100,000,000	-		100,000,000	1.0	31/12/2024
Consolidation – 1 for 100	03/08/2020			(100,000,000)	(100,000,000)		
Consolidation – 1 for 100	03/08/2020			1,000,000	1,000,000	100.0	31/12/2024
		<b>575,030,222</b>	<b>(274,611,733)</b>	<b>(297,414,163)</b>	<b>3,004,326</b>		

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 13. Equity (continued)

2022	Date of issue	No. options 1 July 2021	Issued/ (Lapsed) (Exercised)	(Cancelled)/ Replaced	No. options 30 June 2022	Ex. price (cents)	Expiry date
Issue of options - director	28/11/2017	15,000	(15,000)	-	-	2.00	31/05/2022
Issue of options - executive	28/02/2018	12,000	(12,000)	-	-	2.20	28/02/2022
Issue of options - executive	28/02/2018	12,000	-	-	12,000	2.40	28/02/2023
Issue of options – Sandfire	11/07/2018	1,041,667	(1,041,667)	-	-	2.00	10/07/2021
Issue of options – entitlement issue	19/11/2019	923,659	-	-	923,659	1.00	04/11/2022
Issue of options – placement	19/11/2019	1,000,000	-	-	1,000,000	1.00	31/12/2024
Issue of options – AuStar Gold Limited	23/08/2021	-	7,847,115	-	-	0.77	31/12/2021
Options converted	23/08/2021		(2)	-	-	0.77	31/12/2021
Options lapsed	23/08/2021		(7,847,113)	-	-	0.77	31/12/2021
Issue of options – placement	08/11/2021	-	9,010,364	-	9,010,364	0.77	08/11/2024
		<b>3,004,326</b>	<b>7,941,697</b>	<b>-</b>	<b>10,946,023</b>		

#### Performance rights on issue as at 30 June 2022:

	Grant date	Vesting date end	No of rights	Expiry date
Tranche 1	06/11/2020	06/11/2022	150,000	06/11/2022
Tranche 2	06/11/2020	06/11/2022	150,000	06/11/2022
Tranche 3	06/11/2020	06/11/2022	150,000	06/11/2022
<b>Total</b>			<b>450,000</b>	

#### (iii) Movements in share option reserve

	\$
<b>Opening balance at 1 July 2020</b>	640,006
Share based payments expensed	119,316
Options lapsed during the period	(191,659)
<b>Closing balance at 30 June 2021</b>	<b>567,663</b>
<b>Opening balance at 1 July 2021</b>	567,663
Acquisition of AuStar Gold Limited (refer note 31)	78,471
Share based payments expensed	68,250
Options lapsed during the period	(518,298)
<b>Closing balance at 30 June 2022</b>	<b>196,086</b>

The share option reserve comprises amounts recognised on issue of options to shareholders, suppliers, employees, Directors, or contractors for services rendered as well as assets acquired. Refer to note 21 for additional details in relation to share based payments.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 14. Finance income and expense

	2022	2021
	\$	\$
Finance income – interest income on bank deposits	5,600	25,788
<b>Net finance income</b>	<b>5,600</b>	<b>25,788</b>

### 15. Revenue and other income

	2022	2021
	\$	\$
Other revenue	250	35,000
Cash boost stimulus	-	12,260
Revenue from services - management fees (Mount Carrington project)	11,107	4,704
Foreign exchange gain	133,059	-
<b>Total revenue and other income</b>	<b>144,416</b>	<b>51,964</b>

### 16. Contract labour expenses

	2022	2021
	\$	\$
Contract labour expenses incurred	1,414,480	1,069,850
Contract labour expenses capitalised to exploration assets	(72,348)	(124,063)
Share based payments expense	(68,250)	(44,316)
<b>Total contract labour expense</b>	<b>1,273,882</b>	<b>901,471</b>

Contract labour expenses predominantly represent expenditure for senior executives who are employed under contract arrangements.

### 17. Employee benefits expense

	2022	2021
	\$	\$
Wages and salaries incurred	528,001	271,879
Employee benefits expenditure capitalised to exploration assets	(61,613)	(124,668)
Decrease in liability for annual leave	-	(8,933)
Decrease/(increase) in liability for long service leave	(13,547)	2,264
<b>Total employee benefits expense</b>	<b>452,841</b>	<b>140,542</b>

### 18. Income taxes

<b>Income tax expense/(benefit) - Numerical reconciliation between tax expense and pre-tax accounting profit/(loss)</b>	<b>2022</b>	<b>2021</b>
	\$	\$
Profit/(loss) before tax for the period	(7,276,094)	(9,703,051)
Income tax expense/(benefit) using the domestic corporation tax rate of 25% (2021 26%)	(1,819,023)	(2,522,793)
Increase in income tax due to:		
(Non-assessable income)/Non-deductible expenses	51,372	2,168,119
Tax losses and temporary differences not brought to account	1,767,651	354,674
<b>Total income tax expense/(benefit) on pre-tax net loss</b>	<b>-</b>	<b>-</b>

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 18. Income taxes

#### Tax losses carried forward

As discussed in accounting policy note 3(j), deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. The Group is in a net tax loss position and accordingly, after making an assessment of the future ability to utilise deferred tax assets, no tax assets are recognised in the balance sheet.

Tax losses for which no deferred tax asset was recognised are as follows:

	2022		2021	
	Gross Amount	Tax Effect	Gross Amount	Tax Effect
	\$	\$	\$	\$
Tax losses	42,021,538	10,505,384	30,502,131	7,930,554

### 19. Earnings/(Loss) per share

	2022	2021
<b>Loss per share</b>		
	\$	\$
Profit/(Loss) for the year attributable to owners of the Company	(7,060,383)	(9,703,051)
	<b>No. of shares</b>	<b>No. of shares</b>
Weighted average number or ordinary shares on issue at 30 June	144,616,411	72,801,330
	<b>cents per share</b>	<b>cents per share</b>
Basic earnings/(loss) per share – cents	(4.88)	(13.33)
Diluted earnings/(loss) per share – cents (a)	(4.88)	(13.33)

#### (a) Diluted earnings/(loss) per share

The calculation of diluted earnings/(loss) per share at 30 June 2022 and at 30 June 2021 is the same as basic earnings/(loss) per share. In accordance with *AASB133 – Earnings per share*, all options over issued capital of the Company have been excluded as it is not considered economic for holders to exercise their options during the current period based on the average market value of the Company's shares.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 20. Reconciliation of cash flows from operating activities

	2022 \$	2021 \$
<b>Cash flows from operating activities</b>		
(Loss)/profit before tax for the period	(7,276,094)	(9,703,051)
<i>Adjustments for non cash items:</i>		
Depreciation	530,201	5,591
Share based payments transactions (employees/consultants)	68,250	119,316
Fair value changes on listed securities	101,000	-
Impairment of assets	205,486	7,769,005
Foreign exchange (gain)/loss	(133,059)	(25,521)
<b>Operating loss before changes in working capital and provisions</b>	<b>(6,504,216)</b>	<b>(1,834,660)</b>
(Increase)/decrease in trade and other receivables	69,610	(36,580)
(Increase)/decrease in inventories	(93,176)	-
(Increase)/decrease in prepayments	198,895	(193,390)
Increase/(decrease) in trade and other payables	(926,002)	1,286,114
Increase/(decrease) in provisions	83,017	(6,668)
<b>Net cash used in operating activities</b>	<b>(7,171,872)</b>	<b>(785,184)</b>

### 21. Share based payments

Share based payments for the year ended 30 June 2022 comprise share based payments to directors, key management personnel and consultants.

The fair value of unlisted share options and performance rights granted is measured based on the binomial options pricing model. Measurement inputs to option pricing models include share price on grant date, exercise price of the instrument, expected volatility, weighted average expected life of the instruments, expected dividends, and the risk-free interest rate. The expected volatility is determined based on historical volatility of the Company's share price over a period of time determined with reference to the option life. Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

#### (a) Share based payments to directors and key management personnel - options

	2022 \$	2021 \$
Share based payments recognised in the income statement (i)	-	30,000
<b>Total share-based payments charge</b>	<b>-</b>	<b>30,000</b>

(i) Share based payments recognised in the income statement represent the fair value of shares granted to a consultant.

The following summarises share based payments which were on foot during the current and comparative period.

	Grant date	Vesting date	No of options	Expiry date
Key management personnel (A)	28/11/2017	01/06/2019	15,000	31/05/2022
Key management personnel (B)	28/02/2018	28/02/2019	12,000	28/02/2022
Key management personnel (C)	28/02/2018	28/02/2020	12,000	28/02/2023
<b>Total</b>			<b>39,000</b>	

Each option entitles the holder to subscribe for 1 ordinary share in the Company.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 21. Share based payments (continued)

#### (a) Share based payments to directors and key management personnel - options (continued)

The table below shows the key inputs used in the option pricing models to determine the fair value at grant date:

Fair value at grant date	\$0.71
Share price at date of grant	\$1.20
Exercise price	\$2.40
Expected volatility	105%
Option life (years)	5.0
Risk free interest rate	2.405%
Expiry date	28/02/2023

#### (b) Share based payments to directors and key management personnel – performance rights

	2022	2021
	\$	\$
Share based payments recognised in the income statement (i)	68,250	44,316
<b>Total share-based payments charge</b>	<b>68,250</b>	<b>44,316</b>

- (i) Share based payments recognised in the income statement represent the fair value of rights granted to directors and key management personnel providing similar services measured by reference to the fair value of the equity instruments granted determined using the binomial option pricing model and recognised evenly as an expense between the grant date and the vesting date.

The following summarises share based payments which were on foot during the current and comparative period.

	Grant date	Vesting date end	No of rights	Expiry date
Tranche 1 (A)	06/11/2020	06/11/2022	150,000	06/11/2022
Tranche 2 (B)	06/11/2020	06/11/2022	150,000	06/11/2022
Tranche 3 (C)	06/11/2020	06/11/2022	150,000	06/11/2022
<b>Total</b>			<b>450,000</b>	

Each right entitles the holder to subscribe for 1 ordinary share in the Company.



# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 21. Share based payments (continued)

#### (b) Share based payments to directors and key management personnel – performance rights (continued)

The table below shows the key inputs used in the rights pricing models to determine the fair value at grant date:

	(A)	(B)	(C)
Number of rights	150,000	150,000	150,000
Exercise price	\$0.00	\$0.00	\$0.00
Spot price	\$0.495	\$0.495	\$0.495
Expected volatility	95%	95%	95%
Market vesting condition – 10 day consecutive share price	\$1.00	\$1.37	\$1.72
Risk free interest rate	0.080%	0.080%	0.080%
Dividend yield	0%	0%	0%
Vesting period	06/11/2022	06/11/2022	06/11/2022

### 22. Financial risk management and financial instruments

#### (i) Capital Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, or issue new shares. The Group's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities.

There were no changes in the Group's approach to capital management during the period. Risk management policies and procedures are established with regular monitoring and reporting.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

#### (ii) Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Group's receivables and cash balances. The Group manages credit risk by investing surplus cash with reputable banks.

Management monitors the exposure to credit risk on an ongoing basis. The Company does not require collateral in respect of financial assets.

The maximum exposure to credit risk at the end of the reporting period is as follows:

	Carrying Amount	
	2022	2021
	\$	\$
Cash and cash equivalents	2,409,863	15,929,745
Restricted bank cash deposits classified as other receivables	856,000	856,000
Trade and other receivables	133,006	187,023
	<b>3,398,869</b>	<b>16,972,768</b>

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 22. Financial risk management and financial instruments (continued)

#### (iii) Liquidity risk

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

The following are the contractual maturities of financial liabilities:

Financial liabilities Group	Carrying amount \$	Contractual cash flows \$	Less than one year	Amounts are due and payable			
				1-2 years	2-3 years	3-4 years	4-5 years
<b>2022</b>							
Trade and other payables	1,749,466	(1,749,466)	(1,749,466)	-	-	-	-
Lease liability	174,019	(174,019)	(67,494)	(70,293)	(36,232)	-	-
Borrowings	435,000	(435,000)	(435,000)	-	-	-	-
	<b>2,358,485</b>	<b>(2,358,485)</b>	<b>(2,251,960)</b>	<b>(70,293)</b>	<b>(36,232)</b>		
<b>2021</b>							
Trade and other payables	2,232,011	(2,232,011)	(2,232,011)	-	-	-	-
	<b>2,232,011</b>	<b>(2,232,011)</b>	<b>(2,232,011)</b>				

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 22. Financial risk management and financial instruments (continued)

#### (iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or amounts to be paid or received arising from its financial obligations. The Group's objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's exposure to market risk relates primarily to foreign exchange rates applicable to the Group's foreign currency denominated obligations recognised in the balance sheet.

Foreign exchange risk refers to the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates. The primary foreign currency exposure is to the USD.

The Group manages its exposure in respect of US dollar denominated liabilities in the short to medium term by holding cash in US dollars. Long term obligations denominated in US dollars remain fully exposed to movements in the AUD against USD.

Management monitors the exposure to foreign exchange risk on an ongoing basis by regularly reviewing forward foreign exchange rates applicable to its foreign currency denominated obligations.

The Group's exposure to assets and liabilities to US dollars at 30 June 2022 is set out below (Australian dollar equivalents):

	30 June 2022	30 June 2021
Reported exchange rate	0.69	0.75
Cash	465,802	4,975,928
Trade and other receivables	-	-
Trade and other payables	(98,468)	(1,905,318)
<b>Total exposure</b>	<b>367,334</b>	<b>3,070,610</b>

The table below shows the effect on profit after income tax expense and total equity from USD currency exposures, had the rates been 10% higher or lower than the year end rate. Whilst directors cannot predict movements in foreign exchange rates, a sensitivity of 10% is considered reasonable taking in to account the current level of exchange rates and the volatility observed on a historical basis.

	30 June 2022		30 June 2021	
	Increase/(Decrease) in profit after income tax	Increase/(Decrease) in Equity	Increase/(Decrease) in profit after income tax	Increase/(Decrease) in Equity
Foreign exchange rates - 10%	40,814	40,814	341,179	341,179
Foreign exchange rates + 10%	(33,395)	(33,395)	(279,146)	(279,146)

The Group also has exposure to market risk relating to interest rates applicable to the Group's cash and cash equivalents and restricted deposits. The Group's restricted deposits are held in term deposits which mature in less than 3 months with fixed interest rates. The term deposits are recognised at amortised cost and therefore not subject to interest rate risk. The effect of changes in interest rates at 30 June 2022 would not have a significant impact on the Group's financial results as largely all cash deposits have fixed interest rate terms.

At balance date, the Group has no financial liabilities exposed to variable interest rate risks.

#### (v) Impairment losses

None of the Group's receivables are past due.

#### (vi) Fair value

The financial assets and financial liabilities included in assets and liabilities approximate their fair values. The fair value of financial liabilities is determined using a discounted cash flow. The listed shares of \$19,000 held in Thomson Resources Ltd are subject to fair value risk.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 23. Commitments

#### (i) Exploration expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet minimum expenditure requirements associated with maintaining right to tenure. These obligations are expected to be fulfilled in the normal course of operations. Mining interests may be relinquished or joint ventured to reduce this amount. The various State governments have the authority to defer, waive or amend the minimum expenditure requirements.

	2022 \$	2021 \$
<b>Exploration expenditure commitments</b>		
<b>Mount Carrington (1)</b>		
Not later than one year	-	-
Later than one year but not later than five years	-	-

Note (1) Under the Joint Venture Agreement with Thomson Resources Ltd, Thomson Resources Ltd are responsible for commitments.

	2022 \$	2021 \$
<b>Red Mountain</b>		
Not later than one year	785,600	530,800
Later than one year but not later than five years	3,142,401	2,123,200

	2022 \$	2021 \$
<b>Woods Point</b>		
Not later than one year	902,900	-
Later than one year but not later than five years	3,878,400	-

#### (ii) Capital commitments

The Group does not have any material commitments to acquire property, plant and equipment at balance date.

### 24. Contingencies

The Directors are of the opinion that there are no matters for which further provision is required in relation to any contingencies, as it is not probable that a future sacrifice of economic benefit will be required or the amount is not capable of reliable measurement.

The Group's bankers have provided guarantees amounting to \$856,000 (2021: \$856,000) to certain government bodies as security over the Group's performance of rehabilitation obligations on certain tenements. Under the agreement, the Group has indemnified the bank in relation to these guarantees. The guarantees are backed by collateral deposits amounting to \$856,000 as at 30 June 2022 (2021: \$856,000). Provision for such environmental rehabilitation activities recorded by the Group are set out in note 12.

### 25. Key management personnel disclosures

The key management personnel compensation included in "Employee Benefits Expense" (see note 17), "Contract Labour Expenses" (see note 16) and "Exploration and Evaluation Assets" (see note 9) are as follows:

	2022 \$	2021 \$
Short term employee benefits	1,179,623	786,729
Post-employment benefits	99,382	65,952
Options/Share based payments	68,250	44,316
	<b>1,347,255</b>	<b>896,997</b>

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 25. Key management personnel disclosures (continued)

#### (a) Key management personnel compensation and equity disclosures

Analysis of movements in shares held by KMP

The movement during the reporting period in the number of ordinary shares in White Rock Minerals Ltd held, directly, indirectly or beneficially, by key management personnel, including their related parties, is as follows:

2022	Note	Held at 1 July 2021 (A)	Acquisitions	Sales	Held at 30 June 2022 (B)
<b>Non-Executive Directors</b>					
Mr Peter Lester (i)		151,560	37,890	-	189,450
Mr Jeremy Gray		-	-	-	-
Mr Paul McNally (ii)		5,231,414	1,307,854	-	6,539,268
Mr Christopher Wellesley		-	-	-	-
Mr Peter Mangano		-	-	-	-
<b>Executives</b>					
Mr Matthew Gill (iii)		174,075	111,801	-	285,876
Mr Rohan Worland		1,381	2,340	-	3,721
Ms Toni Griffith		-	-	-	-

2021	Note	Held at 1 July 2020 (A)	Acquisitions	Sales	Held at 30 June 2021 (B)
<b>Non-Executive Directors</b>					
Mr Peter Lester	(i)	84,893	66,667	-	151,560
Mr Stephen Gorenstein	(ii)	116,667	100,000	-	216,667
<b>Executives</b>					
Mr Matthew Gill	(iii)	74,075	100,000	-	174,075
Mr Rohan Worland		19,231	166,667	(184,517)	1,381

(A) Where the individual was not key management personnel at the beginning of the period, balance reflects number of instruments at the date they became key management personnel.

(B) Where the individual was not key management personnel at the end of the period, balance reflects number of instruments at the date they ceased to be key management personnel.

Shares that were held by related parties of key management personnel and included in the table above are disclosed below.

- (i) 189,450 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.
- (ii) 4,395,693 held indirectly by McNally Clan Investments Pty Ltd and 2,143,575 indirectly held by McNally Clan Super Fund.
- (iii) 285,876 held indirectly by the M & C Gill Super Fund.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 25. Key management personnel disclosures (continued)

#### (a) Key management personnel compensation and equity disclosures (continued)

##### Analysis of movements in options

The movement during the reporting period in the number of options over ordinary shares in the Company held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

2022	Note	Held at 1 July 2021 (A)	Lapsed during year	Acquisitions during year (D)	Granted as compensa tion	Held at 30 June 2022 (B)	Vested during year	Vested and exercisable at 30 June 2022 (B)(C)
<b>Non-Executive Directors</b>								
		11,319	-	-	-	11,319	-	11,319
		-	-	-	-	-	-	-
		785,085	(785,085)	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Executives</b>								
		24,877	(23,490)	8,490	-	9,877	-	9,877
		26,566	(14,890)	2,890	-	14,566	-	14,566
		-	-	-	-	-	-	-

2021 (E)	Note	Held at 1 July 2020 (A)	Lapsed during year	Acquisitions during year (D)	Granted as compensa tion	Held at 30 June 2021 (B)	Vested during year	Vested and exercisable at 30 June 2021 (B)(C)
<b>Non-Executive Directors</b>								
	(i)	17,686	(6,367)	-	-	11,319	-	11,319
		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
<b>Executives</b>								
	(ii)	59,433	(34,556)	-	-	24,877	-	24,877
	(iii)	41,343	(14,777)	-	-	26,566	-	26,566

(A) Where the individual was not key management personnel at the beginning of the period, balance reflects number of instruments at the date they became key management personnel.

(B) Where the individual was not key management personnel at the end of the period, balance reflects number of instruments at the date they ceased to be key management personnel.

(C) Options held by key management personnel were vested and exercisable at 30 June.

(D) Acquisitions during year, other than granted as compensation, were made in connection with acquisitions from the KMP taking up entitlements under the Entitlement Issue.

Options included in the table above that were held by related parties on behalf of key management personnel are disclosed below.

(i) 11,319 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.

(ii) 9,877 held indirectly by the M & C Gill Super Fund.

(iii) 812 held indirectly through Worland Pty Ltd ATF Worland Super Fund. 369 held by Lynsey Jane Cuthbert.

##### Analysis of movements in performance rights

The movement during the reporting period in the number of performance rights held, directly, indirectly or beneficially, by each key management person, including their related parties, is as follows:

2022	Held at 1 July 2021	Acquisitions	Conversion	Held at 30 June 2022
<b>Executives</b>				
Mr Matthew Gill	250,000	-	-	250,000
Mr Rohan Worland	200,000	-	-	200,000

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 26. Related parties

#### (a) Identity of related parties

The Company has a related party relationship with its subsidiaries (see note 27) and with its key management personnel (see note 25 and note 32).

#### (b) Key management personnel and director transactions

A number of key management personnel, or their related parties, hold positions in other companies that result in them having control or joint control over these companies.

A number of these companies transacted with the Group during the year. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related companies on an arm's length basis.

At 30 June 2022 the Company had the following outstanding balances payable for fees for services provided by key management personnel during the year ended 30 June 2022:

- Mr Matthew Gill \$36,833
- Mr Rohan Worland \$8,000
- Ms Toni Griffith \$19,000
- Mr Paul McNally \$4,583
- Mr Peter Mangano \$1,986

The outstanding balances are not secured and will be settled in cash.

As at 30 June 2022, the Group had a borrowing from Mr Paul McNally (refer note 32).

### 27. Group entities

	Country of Incorporation	Ownership Interest	
		2022	2021
<b>Parent entity</b>			
White Rock Minerals Ltd	Australia		
<b>Subsidiaries</b>			
White Rock (MTC) Pty Ltd	Australia	100%	100%
White Rock (New England) Pty Ltd	Australia	100%	100%
Atlas Resources Pty Ltd	Australia	100%	100%
AuStar Gold Limited	Australia	100%	-
Morning Star Gold NL	Australia	95%	-
White Rock (RM) Inc	United States of America	100%	100%

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 28. Parent entity disclosures

As at, and throughout, the year ending 30 June 2022 the parent company of the Group was White Rock Minerals Ltd.

	2022	2021
	\$	\$
<b>Result of the parent entity</b>		
Profit/(Loss) for the period	(4,115,966)	1,757,688
Other comprehensive income	-	-
Total comprehensive loss for the period	(4,115,966)	1,757,688
<b>Financial position of the parent entity at year end</b>		
Current assets	1,927,711	15,975,840
<b>Total assets</b>	<b>55,240,868</b>	<b>29,983,250</b>
Current liabilities	162,140	296,788
<b>Total liabilities</b>	<b>162,140</b>	<b>319,949</b>
<b>Total equity of the parent entity comprising of:</b>		
Share capital	95,090,592	73,227,894
Reserves	196,086	567,663
Accumulated losses	(40,207,949)	(44,323,915)
Transfers from share based payment reserve	-	191,659
<b>Total equity</b>	<b>29,054,680</b>	<b>29,663,301</b>

(Loss)/Profit for the year ending 30 June 2022 of the parent company of the Group includes write-back of investments in and loans to subsidiaries of \$1,531,220 (2021 write back: \$4,573,902).

Loans are made by the Company to its wholly owned subsidiaries. Loans outstanding between the Company and its subsidiaries have no fixed date of repayment but are repayable at call and are non-interest bearing. As at 30 June 2022, such loans totalled \$26,657,970 (2021: \$20,306,774). At 30 June 2022, the parent company of the Group has recorded a provision of \$16,768,217 (2021: \$15,236,996) against loans outstanding from its subsidiaries.

#### Parent entity contingent liabilities

The Directors of the Company are of the opinion that there are no matters for which provision is required in the books of the Company in relation to any contingencies, as it is not probable that a future sacrifice of economic benefit will be required. Note 24 contains details of Group contingent liabilities.

#### Parent entity commitments

The Company does not have any commitments outstanding for capital expenditure at period end.

### 29. Deed of cross guarantee

On 1 June 2016 the Company entered into a Deed of Cross Guarantee with its 100% owned Australian subsidiary White Rock (MTC) Pty Ltd. The Deed of Cross Guarantee when effected provides a guarantee by the Company over the liabilities of the White Rock (MTC) Pty Ltd. The Deed of Cross Guarantee was not in effect as at 30 June 2022 and does not take effect until the Deed is submitted by the Holding Entity (White Rock Minerals Ltd) to the Australian Securities and Investments Commission (ASIC). Subsequent to 30 June 2022 and up to the date of this report the Deed of Cross Guarantee together with other required certificates have not been lodged with ASIC.

On 23 June 2022 the Company entered into a Deed of Cross Guarantee with its 100% owned Australian subsidiary AuStar Gold Limited (**AuStar**). ASIC has granted relief from the requirement for AuStar to prepare a separate financial report for the period ended 30 June 2022 (and related matters) on the same terms as contained in *ASIC Corporations (Wholly-owned Companies) Instrument 2016/785*, despite that it was a disclosing entity for part of the FY2022 financial year. The Deed of Cross Guarantee provides a guarantee by the Company over the liabilities of AuStar. The Deed of Cross Guarantee was in effect as at 30 June 2022.



# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 30. Auditor's remuneration

	2022 \$	2021 \$
<b>Auditors of the company</b>		
Audit and review of financial statements – Hall Chadwick	51,050	-
Audit and review of financial statements - KPMG	16,001	49,283
Other services	-	-

### 31. Acquisition of AuStar Gold Limited

On 23 August 2021, the Group completed a 100% acquisition of Auster Gold Limited, an ASX listed gold miner with principal projects (Morning Star Gold mine and Rose of Denmark mine) located in Woods Point Victoria. The details of purchase consideration and net assets acquired are summarised below.

	Fair value \$
Purchase consideration	
- Ordinary shares issued	16,396,807
- Options issued	78,471
<b>Total purchase consideration</b>	<b>16,475,278</b>
Cash and cash equivalents	216,045
Trade and other receivables	15,593
Inventories	219,958
Other assets	165,824
Property, plant and equipment	3,639,803
Exploration and evaluation assets	14,401,526
Trade and other payables	(1,168,429)
Provisions	(113,003)
Borrowings	(758,055)
<b>Net identifiable assets acquired</b>	<b>16,619,262</b>
Non-controlling interest	(143,984)
<b>Net assets acquired</b>	<b>16,475,278</b>

The fair value of ordinary shares issued was based on the listed share price of the Company at 23 August 2021 of \$0.31 per share. The fair value of listed options issued was based on the listed option price of the Company at 31 August 2021 of \$0.01 per option, being the first trade since issue.

The Group incurred acquisition-related costs of \$336,783 on legal fees and due diligence costs. These costs have been included in administrative expenses.

Business combinations are initially accounted for on a provisional basis as permitted under AASB 3 Business Combinations. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the Group taking into consideration all available information at the reporting date and may change on finalisation of the acquisition accounting within twelve months from acquisition date.

# White Rock Minerals Ltd

## Notes to the consolidated financial statements (continued)

For year ended 30 June 2022

### 32. Borrowings

	2022 \$	2021 \$
Opening balance	-	-
Acquisition of Austar Gold Limited (note 31)	758,055	-
Repayments	(323,055)	-
<b>Closing balance</b>	<b>435,000</b>	<b>-</b>

Borrowings at 30 June 2022 relates to a loan advanced by Mr Paul McNally with Austar Gold Limited on an unsecured basis, with no fixed term attracting an interest rate of 8% per annum.

### 33. Subsequent events

On 12 August 2022, White Rock announced the successful completion of the Placement to a sophisticated investor, with 10,000,000 Shares issued at \$0.11 per Share, raising \$1.1 million. 5,000,000 free attaching unlisted Options with exercise price of \$0.11 and expiry date of 27 January 2023 were issued on 6 September 2022.

On 16 August 2022, Ms Toni Griffith resigned as Chief Financial Officer, a role she had held since October 2021. Mr Shane Turner was re-appointed as Chief Financial Officer, a role he held prior to Ms Griffith's appointment.

On 30 August 2022, White Rock announced recommencement of Gold Production at the Morning Star Gold Mine.

On 6 September 2022, White Rock announced the issue of 200,000 fully paid ordinary shares to a Consultant.

On 6 September 2022, White Rock announced the issue of 7,989,502 unlisted options with an exercise price of \$0.15 and an expiry date of 30 January 2023, as approved by Shareholders a General Meeting held on 5 September 2022, to those Shareholders that participated in the May 2022 Placement.

On 6 September 2022, White Rock lodged a Prospectus for a Loyalty Options issue to Eligible Shareholders on a 1 for 2 basis of shares held on the Record Date of 19 September 2022.

On 7 September 2022, White Rock announced that it had executed a \$7.5 million Convertible Securities Agreement and a \$22.5 million Equity Placement Agreement with Obsidian Global Partners, LLC after receiving Shareholder approval at a General Meeting held on 5 September 2022.

On 9 September 2022, White Rock announced the issue of 8,882,529 fully paid ordinary shares in connection with the execution of the Convertible Securities Agreement and Equity Placement Agreement.

On 9 September 2022, White Rock announced the issue of 1,695,250 convertible notes raising \$2.5 million.

On 23 September 2022, 91,801,262 listed options pursuant to the Loyalty Options Prospectus were issued with an exercise price of \$0.12 and an expiry date of 31 January 2023.

### 34. Likely developments

Likely developments are the continued gold production at the Morning Star Gold Mine and minerals exploration on the tenements owned or controlled by the Group.

The Company is extremely cognisant of the spread of the Coronavirus and the safety and wellbeing of our staff and contractors is our highest priority. We have been able to continue to operate and explore having put in place measures appropriate to minimise any impact of the Coronavirus.

The Group's goals for 2023 are included in the Introduction, Letter from the Chairman and Managing Director, Review of operations and Exploration projects sections which form part of the Directors report and are included earlier within the Annual Report.

# White Rock Minerals Ltd

## Directors' declaration

- 1 In the opinion of the directors of White Rock Minerals Ltd ("the Company"):
- (a) the consolidated financial statements and notes and the Remuneration report, identified within the Directors' report, are in accordance with the Corporations Act 2001, including:
    - (i) giving a true and fair view of the Group's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
    - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
  - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2022.
- 3 The directors draw attention to Note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Dated at Melbourne this 30<sup>th</sup> day of September 2022

Signed in accordance with a resolution of the Directors:



Peter Mangano  
Chairman

WHITE ROCK MINERALS LIMITED  
ABN 64 142 809 970  
AND CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C OF  
THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF  
WHITE ROCK MINERALS 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 White Rock Minerals Limited. As the lead audit partner for the audit of the financial report of White Rock Minerals 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 as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

*Hall Chadwick*

HALL CHADWICK (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000



**DREW TOWNSEND**  
Partner  
Dated: 30 September 2022

WHITE ROCK MINERALS LIMITED  
ABN 64 142 809 970  
AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S AUDIT REPORT TO THE MEMBERS OF  
WHITE ROCK MINERALS LIMITED

**Opinion**

We have audited the financial report of White Rock Minerals Limited (the company) and controlled entities (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 consolidated 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 White Rock Minerals Limited and controlled entities is in accordance with the Corporations Act 2001, including:

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

**Basis of Opinion**

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

We confirm that the independence declaration required by the Corporation 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.

**Emphasis of Matter – Material Uncertainty Related to Going Concern**

We draw attention to Note 1(b) in the financial report, which indicates that the group incurred a net loss of \$7,276,094 during the year ended 30 June 2022 and as of that date, the group incurred operating cash outflows of \$7,171,872. As stated in Note 1(b), these events or conditions, along with other matters as set forth in Note 1(b), indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

**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 year ended 30 June 2022. 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.

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WHITE ROCK MINERALS LIMITED  
 ABN 64 142 809 970  
 AND CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S AUDIT REPORT TO THE MEMBERS OF  
 WHITE ROCK MINERALS LIMITED

Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p><b>Carrying value of exploration and evaluation assets</b></p> <p><i>Refer to Note 9 Exploration and evaluation assets, Note 2(d) Use of estimates and judgements</i></p>	<p>Our audit procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the design and implementation of the processes and controls associated with the capitalisation of exploration and evaluation expenditure, and those associated with the assessment of impairment indicators.</li> <li>• Examined the group's intention and right to explore in the relevant area of interest by reviewing internal and external information that was made available to us including but not limited to exploration budgets, ASX announcements, directors' minutes and supporting documentation relating to exploration licenses and tenure.</li> <li>• Assessed whether any facts or circumstances existed to suggest impairment testing was required.</li> <li>• Assessed management's determination of the group's cash-generating units ("CGUs").</li> <li>• Involved Hall Chadwick's valuation experts to evaluate the methodologies used by the group and its experts and review mathematical accuracy of the cash flow forecasts.</li> <li>• Evaluated management's key assumptions used in the cash flows forecasts to determine the recoverability of exploration assets and agreed relevant data to supporting documents.</li> <li>• Challenged management on the base options used in the cash flow forecast by considering the information and data obtained externally by us.</li> </ul>

The carrying value of exploration and evaluation expenditure is assessed for impairment by the group when facts and circumstances indicate that the capitalised exploration and evaluation expenditure may exceed its recoverable amount.

The determination as to whether there are any indicators to require the capitalised exploration and evaluation expenditure to be assessed for impairment involves a number of judgements.

Due to the significance of carrying value to the group's financial report (representing 88% of total group's assets) and level of judgement involved in assessing whether there are impairment indicators present and in determining the recoverable amount of the capitalised exploration and evaluation assets, we considered this to be a key audit matter.

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INDEPENDENT AUDITOR'S AUDIT REPORT TO THE MEMBERS OF  
 WHITE ROCK MINERALS LIMITED

- 
- Performed sensitivity analysis around the key assumptions of discount rates, forward commodity prices and forward foreign exchange rates used in the cash flow forecasts and assessed the sensitivity and likelihood of a change of these assumptions that would result in the exploration assets to be impaired or otherwise.
  - Reviewed the adequacy of the group's disclosure in relation to the carrying value of exploration and evaluation assets.
- 

***Information Other than the Financial Report and Auditor's Report Thereon***

The directors are responsible for the other information. The other information comprises the information included in the group's annual report for the year ended 30 June 2022 but does not include the financial report and the 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 the 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 Australia Accounting Standards and the Corporations Act 2001 and for such internal control as 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 group's ability 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 Responsibility for the Audit of the Financial Report***

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

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

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WHITE ROCK MINERALS LIMITED  
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INDEPENDENT AUDITOR'S AUDIT REPORT TO THE MEMBERS OF  
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- 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 director's 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 audit. We remain solely responsible for our audit opinion.

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

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

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

**Report on the Remuneration Report**

We have audited the remuneration report included in the directors' report for the year ended 30 June 2022.

In our opinion, the remuneration report of White Rock Minerals Limited for the year ended 30 June 2022 complies with s 300A of the Corporations Act 2001.

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WHITE ROCK MINERALS LIMITED  
ABN 64 142 809 970  
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INDEPENDENT AUDITOR'S AUDIT REPORT TO THE MEMBERS OF  
WHITE ROCK MINERALS LIMITED

**Responsibilities**

The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 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.



HALL CHADWICK (NSW)  
Level 40, 2 Park Street  
Sydney NSW 2000



**DREW TOWNSEND**  
Partner  
Dated: 30 September 2022

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## White Rock Minerals Ltd

### Additional shareholder information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

#### a) Substantial shareholders of the Company as at 22 September 2022

Name of Ordinary Shareholder	Number of Shares	% of Shares Held
BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client DRP>	20,133,404	10.45%
Citicorp Nominees Pty Limited	11,666,210	6.05%
Hamish Brown	11,000,000	5.71%

#### b) Listing of 20 largest shareholders as at 22 September 2022

Rank	Name	Designation	Number of Shares Held	% of Issued Capital
1	BNP Paribas Nominees Pty Ltd	IB AU Noms Retail Client DRP A/C	20,133,404	10.45%
2	Citicorp Nominees Pty Limited		11,666,210	6.05%
3	Hamish Brown		11,000,000	5.71%
4	Obsidian Global GP LLC		7,774,155	4.03%
5	HSBC Custody Nominees (Australia) Limited		7,339,301	3.81%
6	BNP Paribas Noms Pty Ltd	DRP A/C	7,024,316	3.64%
7	Merrill Lynch (Australia) Nominees Pty Limited		6,076,633	3.15%
8	Leet Investments Pty Ltd		4,690,000	2.43%
9	McNally Clan Investments Pty Ltd		4,395,693	2.28%
10	HSBC Custody Nominees (Australia) Limited – A/C 2		3,566,522	1.85%
11	Leet Investments Pty Ltd	Super Fund A/C	3,305,353	1.71%
12	Keith Knowles		2,311,000	1.20%
13	Parks Australia Pty Ltd		2,230,201	1.16%
14	Paul McNally & Vivian McNally	McNally Clan Super Fund A/C	2,143,575	1.11%
15	SH Berdoukas Pty Ltd	Tambo Super Fund A/C	1,986,404	1.03%
16	HSBC Custody Nominees (Australia) Limited		1,901,534	0.99%
17	S & T Gardner Pty Ltd	Gardner Family A/C	1,647,091	0.85%
18	Kevin Banks-Smith		1,352,404	0.70%
19	Adrosaga Partners (Asia) Pte Ltd		1,293,365	0.67%
20	Kenneth Hall	Hall Park A/C	1,200,000	0.62%
<b>Total</b>			<b>103,037,161</b>	<b>53.46%</b>

#### c) Distribution of shareholders as at 22 September 2022

Range	Total Holders	Units	% of Issued Capital
1-1,000	2,554	592,396	0.31%
1,001-5,000	984	2,541,713	1.32%
5,001-10,000	473	3,579,253	1.86%
10,001-100,000	891	31,053,797	16.11%
100,001 - over	244	154,984,514	80.41%
<b>Total</b>	<b>5,146</b>	<b>192,751,673</b>	<b>100.00%</b>

#### d) Number of shareholders holding less than a marketable parcel as at 22 September 2022

3,631

#### e) Voting rights

On a show of hands every shareholder of fully paid ordinary shares present in person or by proxy shall have one vote and upon a poll, each share shall have one vote.

#### f) Stock exchange listing

White Rock Minerals Ltd is listed on the Australian Stock Exchange. The Company's listed ASX codes are WRM and WRMO.

## White Rock Minerals Ltd

### Additional shareholder information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

#### g) Listing of 20 largest quoted option holders as at 22 September 2022

Rank	Name	Designation	Number of Options Held	% of Quoted Options
1	HSBC Custody Nominees (Australia) Limited		116,666	12.63%
2	Martin Place Securities Pty Ltd		115,617	12.52%
3	Mark Ishkanian		86,721	9.39%
4	Simon Cichello		68,030	7.37%
5	Liam Cipollone		66,763	7.23%
6	David Kenley		30,001	3.25%
7	Law Family Super Fund Pty Ltd	Law Family Super Fund A/C	30,000	3.25%
8	Leet Investments Pty Ltd		30,000	3.25%
9	Amber Rodgers		19,000	2.06%
10	David Kenley	Kenley Super Plan A/C	16,667	1.80%
11	Shiranee Ellis		16,534	1.79%
12	Ross Bailey & Clare Vallis & Bvond Trust Limited	Kwik One A/C	15,000	1.62%
13	Esther Cynthia Erlich & Daniel Irving Erlich	Esther Erlich Superfund A/C	13,334	1.44%
14	Leet Investments Pty Ltd	Super Fund A/C	11,667	1.26%
15	PNS (Holdings) Pty Ltd	PNS Super Fund A/C	11,319	1.23%
16	BNP Paribas Nominees Pty Ltd	IB AU Noms Retail Client DRP A/C	10,489	1.14%
17	B & J Crofts SMSF Pty Ltd	B & J Crofts SMSF A/C	10,000	1.08%
18	Fiona Riewoldt		10,000	1.08%
19	Clare Vallis		10,000	1.08%
20	Matthew Gill & Carmel Gill	M & C Gill Super Fund A/C	9,877	1.07%
<b>Total</b>			<b>697,685</b>	<b>75.54%</b>