



WHITE ROCK
Minerals Ltd

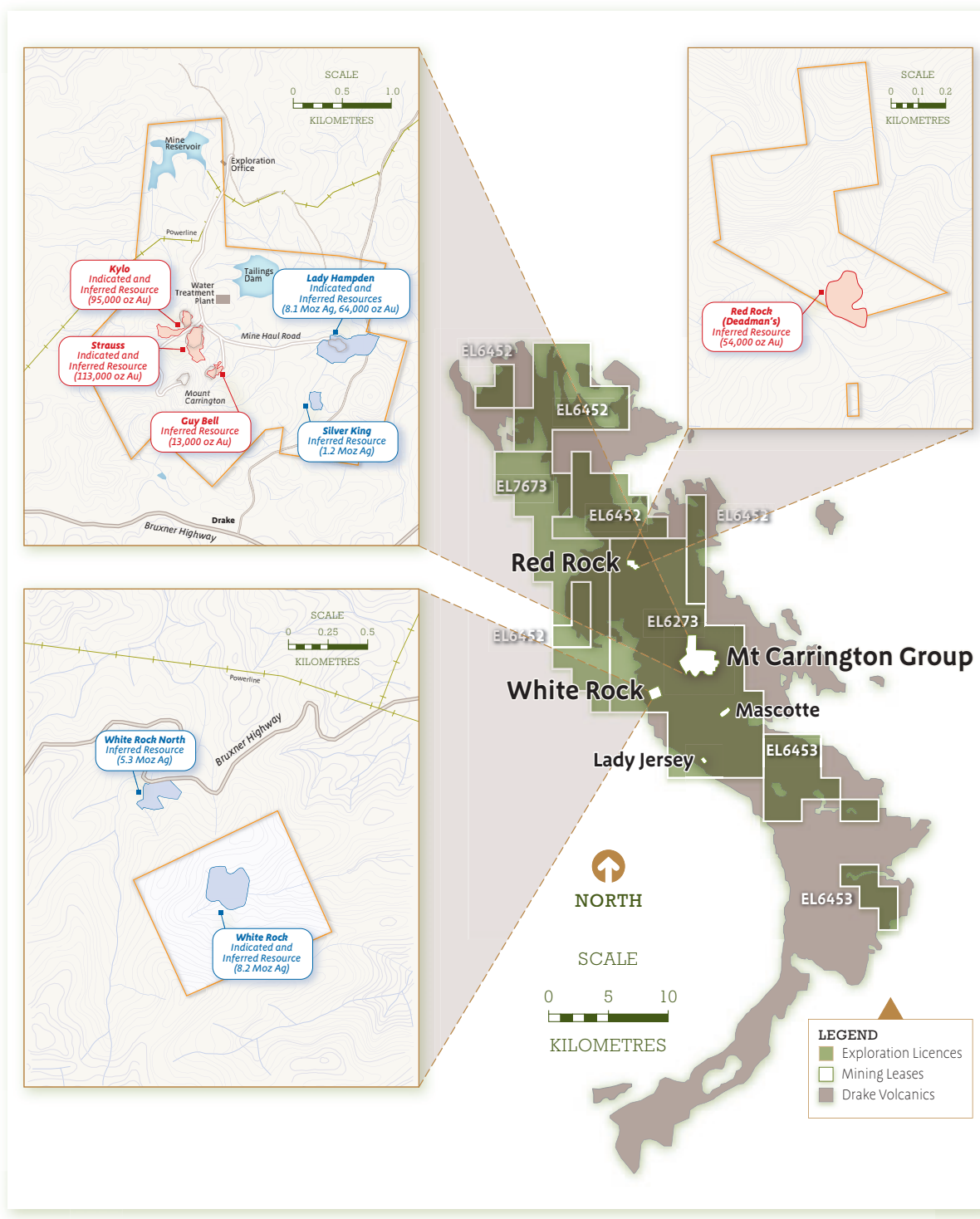
ACN 142 809 970

Annual Report 2014

Figure 1: Project location.



Figure 2: Mt Carrington Mining Leases and gold-silver Resource location.



WHITE ROCK MINERALS LTD Annual Report for the year ended 30 June 2014

Corporate Directory

Directors

Brian Phillips (*Chairperson*)
Geoffrey Lowe (*Managing Director and Chief Executive Officer*)
Steven Olsen (*Non-Executive Director*)
Peter Lester (*Non-Executive Director*)

Company Secretary

Andrew Dart

Principal and Registered Office

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Auditors

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Melbourne Victoria 3000

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927 Sturt Street
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Legal Advisors

Baker McKenzie
181 William Street
Melbourne Victoria 3000

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Annual
Report **2014**

Introduction: Profile

White Rock Minerals Ltd ("White Rock" or "The Company") is an Australian minerals exploration and development company with activities focussed in the New England Fold Belt of northern New South Wales.

White Rock owns the Mt Carrington project near Drake, which contains an Inferred and Indicated Mineral Resource estimate of 338,000 ounces gold and 23.5 million ounces silver, reported in accordance with the JORC code (2004). The Resources are located on granted Mining Leases with developed infrastructure.

White Rock maintains a vision and strategy to create and enhance shareholder value by developing a mining operation at Mt Carrington based on the exploitation of the near-surface gold-silver Resource base and refurbished existing site infrastructure.

The current Mineral Resource inventory formed the basis for a scoping study which was conducted in mid-2012, the results of which were considered to be sufficiently positive to support further technical studies and data collection for preparation of an Environmental Impact Statement (EIS) in 2014/15. A detailed review of the 2012 scoping study was commenced in July 2014 to incorporate updated gold and silver metal prices and cost assumptions, and evaluate a staged mining approach.

The Mt Carrington Mining Leases are enveloped by a large portfolio of Exploration Licences with demonstrated potential for epithermal and intrusion-related gold, silver and copper mineralisation. White Rock has generated and refined an extensive exploration target portfolio at Mt Carrington since 2010. A number of regional and near-mine targets have been tested, and new shallow gold-silver Mineral Resources were defined at the Red Rock Prospect in 2013.

Whilst exploration for shallow gold and silver deposits has been the Company's main focus to date, the potential for the project to host significant intrusion-related copper mineralisation has also been recognised. Recent work has focussed on characterising this potential, and has resulted in the definition of a number of targets for drilling in 2014/15.

White Rock's Board and management team comprises a small group of highly experienced mineral industry professionals with global proficiency in exploration, project development, mining and corporate management.

Highlights for the year ended 30 June 2014

Discoveries: Drilling on the main central leases at Lead Block identified a new zone of silver-gold mineralisation, providing encouragement that additional Resources will continue to be defined as Mt Carrington is developed.

Resource Upgrade: Infill drilling at the White Rock silver deposit resulted in an upgrade to a new Indicated Resource of **1.7Mt @ 77g/t Ag for 4,214,000oz Ag**. The overall Indicated and Inferred Resource for the deposit now stands at **4.4Mt @ 58g/t Ag for 8,192,000oz Ag**, which is slightly more tonnes at an overall slightly lower grade than the previous estimate (4.1Mt @ 62g/t Ag for 8,194,000oz Ag).

Economic Studies: A review of the 2012 mining scoping study has been initiated to determine the high level metrics for a staged low cost open pit gold-only operation. This has been done in light of relatively stable gold prices and a softening market with respect to cost structures, which presents a near term opportunity to advance the exploitation of the gold deposits. Ongoing studies include environmental baseline studies, pre-feasibility technical programs and the initiation of the permitting application process. The Mt Carrington Conceptual Project Development Plan was approved by the NSW Department of Trade and Investment (Division of Resources and Energy) in late 2013, providing confidence that the Mt Carrington project is on the path to development.

Exploration Target Pipeline: Desktop and field evaluations into the potential for porphyry hosted copper mineralisation on the main Mt Carrington leases were concluded following a collaboration with various independent experts. A program to explore the porphyry concept was developed, which will include deep penetrating geophysics and drilling planned for 2014/15.

Environmental Rehabilitation Program: The environmental rehabilitation program continued on the Mt Carrington Mining Leases, designed to support the long term environmental sustainability of the Leases.

Community Engagement Program: Initiatives to support and benefit the local Drake community continued, including site visits and fundraising support for several community organisations. A revised land access agreement was negotiated and executed with the NSW Forestry Commission, providing certainty of access for exploration for the life of the Exploration Licences.

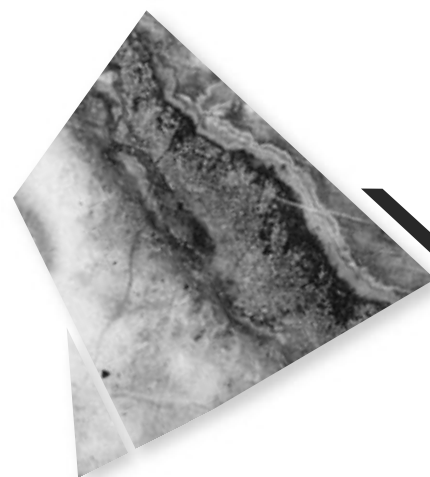
Equity Fundraising: A 1:1 non-renounceable Rights Issue was completed with approximately 47million shares issued raising \$1.9million before costs in September 2013 to assist in funding the exploration and development activities. One cash and equity drilling agreement was undertaken in August 2013, an arrangement that reduces the Company's cash commitment while progressing the ongoing exploration program.

2015 Strategy

Development Studies: The Company intends to build on the revised 2014 scoping study and undertake pre-feasibility and definitive feasibility studies to determine optimal development strategies for the gold and silver Resources. The required regulatory approvals process will also be progressed with a view to securing development consent, subject to financing.

Exploration and Resource Enhancement: It is proposed to test further the highest priority near-mine exploration targets at Mt Carrington, particularly the recently developed porphyry copper targets. This may be processed through a joint venture or farm-in arrangement. The current Resource base will continue to undergo assessment to enhance the JORC confidence levels, increase the value of the Resources and upgrade to JORC (2012) compliance.

Project Evaluation: The Company will continue to evaluate corporate and project opportunities aimed at providing funding necessary to progress the Mt Carrington project into feasibility studies, realise the existing project value, or identify additional projects which can add value to the Company's asset base.



For the year ended 30 June 2014

Dear Fellow Shareholder,

The past year has been one of measured progress and cautious optimism for White Rock Minerals, as we continue along the path from explorer to developer and eventually to producer. The operating environment for junior mineral resource companies in Australia and indeed globally has been severely limiting in the past twelve months with traditional sources of equity funds restricted by a shift in investor interest away from the sector. Despite this environment White Rock has continued to progress and enhance the Mt Carrington gold-silver project in order to prepare it for full feasibility and development studies, along with renewed exploration, once the market sentiment turns positive again.

The White Rock Board believes that our shareholder interests are best served by continuing to add value to the project and working to align the interests of the Company, stakeholders and regulators, while carefully monitoring cash reserves and expenditure. This process will ensure the project can be moved swiftly into feasibility and development when metal prices and financing allow.

To this end, it is pleasing that a number of objectives were met in the past twelve months, which are highlighted in this report. Of particular note is the acceptance by the NSW Department of Trade and Investment of the Mt Carrington Conceptual Project Development Plan (CPDP). The CPDP represents the first step in the regulatory process for project development consent, and opens the door for the Company to liaise with the NSW Department of Planning in the preparation of an Environmental Impact Statement. This is proposed to be progressed in the next twelve months, and will involve compilation of a large amount of environmental baseline data which we have been collecting on site for the past two years.

The White Rock team has also worked hard on the development of conceptual porphyry copper targets on the main Mining Leases at Mt Carrington. The occurrence of near surface copper mineralisation and small-scale historical copper mines at Mt Carrington has long been recognised by White Rock as the possible 'tip of the iceberg' to a larger copper mineral system. An evaluation of this concept by White Rock exploration staff and external consultants has added solid structure to the geological model, and has resulted in the definition of a number of targets to be refined with deep-penetrating modern geophysics and tested with drilling in 2014/15. The discovery of a significant copper resource could add a new dimension to the Mt Carrington project.

The completion of a high level mining scoping study on the gold and silver Resource base in mid 2012 provided a positive basis for commencing pre-feasibility studies at Mt Carrington. In light of relatively stable gold prices and a softening mining services market since 2012, a review of this study commenced in July 2014 to determine the high level metrics for a staged low cost open pit gold start-up operation. The review is in progress. A second-stage silver operation would follow utilising the same processing route and thereby reducing capital expenditure. A significant upgrade in the confidence level for the White Rock silver Resource this year adds depth to the silver development options.

In parallel with exploration and resource development studies, the environmental management and community engagement activities on the project continue in earnest. The Company recognises that these activities and the resulting positive impacts on the local community will have the long term benefit of securing community acceptance for development of the project. The Company continues to manage the water balance in the tailings storage facility through operation of the waste water treatment plant. This year a sprinkler system was added to assist in evaporation of the storage facility water, supplementing the existing water treatment process.

The trend of the equity markets in Australia through 2013 and into 2014 had been to continue moving away from the Resources sector. In the last few months there appears to be some evidence that this trend is now reversing and that quality projects will again enjoy funding support, albeit at limited levels. The task of attracting investors and funding at severely depressed share prices continues to be extremely challenging for the smaller companies in the sector. We maintain the belief, as stated last year, that companies with tangible assets, sound mineral resources and a realistic business strategy will continue to be successful in retaining long term shareholders and attracting support of new investors.

The current market has also underpinned a marked rise in the number of opportunities to assess mineral projects which are available both in Australia and globally, at somewhat reduced value expectations. The Company will continue to evaluate corporate and project opportunities aimed at providing funding necessary to progress the Mt Carrington project into feasibility status, realise the existing project value, or identifying additional projects which can add value to the Company's asset base.

We would like to thank our technical and management staff who remain focussed on advancing the technical and corporate activities, and who continue to have faith that despite a tough market we are on track to realise a gold and silver mining operation at Mt Carrington.

Yours sincerely,



Brian Phillips
Chairman



Geoffrey Lowe
Managing Director
and Chief Executive Officer

WHITE ROCK MINERALS LTD

Review of Operations for the year ended 30 June 2014

Over the past 12 months White Rock has continued to advance the Mt Carrington project towards development. Prefeasibility-related programs have continued with the majority of baseline information required for the EIS now collected as a prelude to the permitting process. In addition, technical work towards development has continued with the White Rock silver Resource upgraded to Indicated & Inferred categories, providing a similar level of confidence to the Resources at Strauss, Kylo and Lady Hampden. The Resource confidence is now sufficient to proceed to feasibility studies.

Metallurgical test work has continued to refine and optimise the process flow sheet prior. A haulage transport study has also been completed, confirming an efficient route for haulage of ore from the White Rock silver deposit to the proposed central processing plant in line with the scoping study assumptions. The Company has also continued exploration with initial and follow-up drilling of a number of targets on the main central leases, and at the White Rock and Red Rock mining leases. This work has provided encouragement for further follow-up drilling. In addition, preparation for testing of the conceptual porphyry copper potential has advanced, and several parties have shown an interest in participating in the program.

The principal activities completed by White Rock in the past year are summarised below:

July 2013	Results from Resource infill drilling completed at the White Rock deposit in June 2013 returned a number of significant silver-mineralised intersections in line with expectations, as well as several gold-mineralised intersections not previously identified.
August 2013	A drilling services agreement was executed with Titeline Drilling Pty Ltd in late August providing the opportunity to undertake exploration drilling of new near-mine targets.
September 2013	Initial drilling at Lead Block on the main Central Leases at Mt Carrington returned promising results from a broad zone of strongly anomalous near-surface gold and silver mineralisation with results including 52m @ 27g/t Ag & 0.2g/t Au from 24m (including 3m @ 216g/t Ag from 37m). A 1:1 non-renounceable Rights Issue was completed with approximately 47million shares issued raising \$1.9million before costs.
October 2013	Follow-up drilling at the Red Rock Prospect highlighted the potential extension to the Resource at the Deadman's Zone with results including 45.5m @ 0.7g/t Au & 23g/t Ag from surface (including 10m @ 1.2g/t Au from surface). Follow-up drilling of the gold anomalism identified at the south-west end of the White Rock silver deposit returned further promising results including 42.7m @ 0.5g/t Au & 23g/t Ag from 107m (including 6.7m @ 1.2g/t Au & 23g/t Ag from 113m).
November 2013	The White Rock silver deposit was upgraded following drilling completed in June 2013. The new estimate includes an Indicated Resource of 1.7Mt @ 77g/t Ag for 4,214,000oz Ag within an overall Indicated & Inferred Resource of 4.4Mt @ 58g/t Ag for 8,192,000oz Ag . The global Resource has slightly more tonnes at a slightly lower grade than the previous estimate (4.1Mt @ 62g/t Ag for 8,194,000oz Ag). A haulage transport study was completed to determine the most economic and practical solution for haulage of silver ore from the White Rock deposit to the main (Central) Mining Leases, a distance of 4km.
December 2013	The Conceptual Project Development Plan (CPDP) for Mt Carrington was approved by the NSW Department of Trade & Investment (Resources and Energy Division) and referred to the Department of Planning and Infrastructure. This is the first important step in the development and permitting process for the project.
January 2014	Desktop and field evaluations into the potential for porphyry hosted copper mineralisation on the main Mt Carrington leases were concluded following collaboration with various independent experts. A program to explore the porphyry concept was developed, which will include deep penetrating geophysics and drilling.
February – June 2014	A number of corporate and project-level opportunities were generated and evaluated by the Company. Several opportunities continue to be assessed as at the end of June.
June 2014	A technical consulting group was engaged to undertake a review of the Mt Carrington 2012 scoping study with the objective of determining the high level metrics for a staged low cost open pit gold-only operation as a start-up. The review was initiated on the basis of relatively stable gold prices and a softening market with respect to cost structures presenting a near term opportunity to advance the exploitation of the gold deposits.

New England Fold Belt

White Rock's exploration projects are located in the New England Fold Belt which straddles the eastern portion of the state border between New South Wales and Queensland and covers an area of approximately 320,000km² (refer Figure 1, inside front cover).

The New England Fold Belt contains a number of significant historical and currently-producing mineral deposits of diverse variety. In excess of 30M oz Au have been produced from deposits within the belt, and White Rock considers the region to be highly prospective for intrusion-related gold-copper systems, epithermal gold-silver systems and porphyry copper-gold systems. Deposits in Queensland include the Mt Morgan copper-gold deposit (production in excess of 7.6M oz Au), the high grade Gympie gold deposit (5M oz Au), and Mt Rawdon gold deposit (in excess of 2M oz Au). In New South Wales almost 6,000 metalliferous occurrences have been documented including the Hillgrove deposit (1.1M oz Au).

Mt Carrington Gold-Silver Project, Drake District NSW

BACKGROUND

The Mt Carrington project is located near the township of Drake in northern NSW and comprises four Exploration Licences ("ELs") and 22 mining leases covering a combined area of 467km² (refer Figure 2, inside front cover).

The project covers a significant portion of the Drake Volcanic belt with a strike length in excess of 60km. The belt has been subject to sporadic exploration since the 1960s for gold, silver, copper, zinc, lead, molybdenum, tin and tungsten, however no systematic exploration using modern techniques was undertaken on the area of the current ELs from 1994 until 2008. It is considered that potential within the ELs at Mt Carrington is very high for a variety of precious and base metal deposits.

The mining leases held by White Rock cover an area of 940 hectares and contain the historic Drake Au-Ag-Cu-Zn mineral field. The field has seen intermittent exploration and small-scale mining from the late 1800s to the late 1980s, however the previous mining endeavours are considered to have only scratched the surface. Until White Rock's involvement, no systematic evaluation of the current Mineral Resources on the leases had been undertaken for more than 16 years.

The Mining Leases were renewed in December 2010 for a period of ten years, providing security of tenure to underpin any future development.

The leases also contain significant infrastructure and assets which are owned by White Rock. These include a tailings dam, freshwater dam, waste water treatment plant, road network, high voltage power supply, and office and accommodation facilities.

Mineral Resource Expansion and Upgrade

In 2013 infill diamond drilling was completed to provide information required to revise and upgrade the 2008 Inferred Resource estimate for the White Rock silver deposit. The deposit is one of eight gold and/or silver Resources held by the Company at Mt Carrington. White Rock is located on a small group of Mining Leases situated 8km south-west of the central Mining Lease (refer Figure 1, inside front cover).

Drilling was undertaken on the Inferred Resource within the optimised pit shell based on the Scoping Study completed in 2012 and provided a successful outcome with the contained metal in new global Inferred and Indicated Resource approximately equivalent to the earlier Inferred Resource.

The upgraded global Resource at White Rock now stands at **4.4Mt @ 58g/t Ag for 8,192,000oz Ag**. The Indicated Resource stands at **1.7Mt @ 77g/t Ag for 4,214,000oz Ag**, a significantly higher grade compared with the overall Resource, and represents over 50% of the original Inferred Resource. The global Resource has slightly more tonnes at an overall slightly lower grade than the previous estimate (4.1Mt @ 62g/t Ag for 8,194,000oz Ag).

Importantly, the drilling completed to upgrade the Resource has resulted in a much more robust interpretation of the geology, alteration and mineralisation of the White Rock deposit. In addition the core samples will provide sufficient material to finalise the metallurgical testwork optimisation process during the feasibility study, as well as enable a precious metal concentrate to be generated for marketing purposes, an important part of the final feasibility assessment.

The updated Mineral Resource estimate for the Mt Carrington project is presented in Table 1 (Page 6).

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Exploration Projects for the year ended 30 June 2014 (Continued)

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

Mineral Resource Expansion and Upgrade (Continued)

MT CARRINGTON JORC (2004) MINERAL RESOURCES – JUNE 2014						
Silver Dominant Resources						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Indicated	Lady Hampden	1,840,000	0.6	37,000	69	4,056,000
	White Rock	1,710,000	–	–	77	4,214,000
	Sub-Total	3,550,000	0.3	37,000	72	8,270,000
Inferred	Lady Hampden	2,470,000	0.3	27,000	51	4,023,000
	White Rock	2,660,000	–	–	47	3,978,000
	White Rock North	3,180,000	–	–	52	5,314,000
	Silver King	640,000	–	–	59	1,218,000
	Sub-Total	8,950,000	0.1	27,000	51	14,533,000
Total	Lady Hampden	4,310,000	0.5	64,000	58	8,079,000
	White Rock	4,370,000	–	–	58	8,192,000
	White Rock North	3,180,000	–	–	52	5,314,000
	Silver King	640,000	–	–	59	1,218,000
	Total	12,500,000	0.2	64,000	57	22,803,000
Gold Dominant Resources						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Indicated	Strauss	1,240,000	1.4	57,000	3.8	153,000
	Kylo	1,590,000	1.2	59,000	2.6	133,000
	Sub-Total	2,830,000	1.3	116,000	3.1	286,000
Inferred	Strauss	1,260,000	1.4	56,000	2.6	104,000
	Kylo	760,000	1.5	35,000	1.8	43,000
	Red Rock	1,630,000	1.0	54,000	3.5	182,000
	Guy Bell	160,000	2.5	13,000	4.9	24,000
	Sub-Total	3,810,000	1.3	158,000	2.9	353,000
Total	Strauss	2,500,000	1.4	113,000	3.2	257,000
	Kylo	2,350,000	1.3	95,000	2.3	176,000
	Red Rock	1,630,000	1.0	54,000	3.5	182,000
	Guy Bell	160,000	2.5	13,000	4.9	24,000
	Total	6,640,000	1.3	275,000	3.0	639,000
Total Resources						
Category		Tonnes		Gold ounces		Silver ounces
Indicated		6,380,000		153,000		8,556,000
Inferred		12,760,000		185,000		14,886,000
Total		19,140,000		338,000		23,442,000

Table 1: Mt Carrington Mineral Resource Estimate Summary June 2014.

All Au-dominant resources have been estimated using a cut-off of 0.5g/t except Red Rock, which uses a cut-off of 0.7g/t.

All Ag-dominant resources have been estimated using a cut-off of 25g/t.

The estimates have been rounded in accordance with the guidance of the JORC (2004) code.

1 troy ounce = 31.1 grams.

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

Development Studies

The Company continued with a number of development activities for the mineral Resource inventory designed to de-risk technical issues highlighted in the 2012 scoping study, add value to the mineral Resource base in preparation for feasibility studies, and determine environmental benchmarks for EIS preparation.

Development studies undertaken during 2013/14 included;

- › Continuation of specialist environmental baseline studies. Field and desktop studies were progressed for terrestrial and aquatic ecology, waste rock characterisation, ground water and surface water monitoring and sampling, dust monitoring and meteorological observations.
- › Metallurgical test work on the Lady Hampden Ag-Au deposit aimed at optimising the metal recoveries utilising the flotation-Carbon in Leach flow sheet developed in the scoping study base case scenario, and to ensure higher levels of confidence are reached in the design of the flow sheet for the feasibility study. The test work is staged, and is providing encouragement with increased levels of metal recovery for silver, and a better understanding of the mineralogy of the silver and gold in the deposit.
- › A haulage transport study was completed to determine the most economic and practical solution for the proposed haulage of silver ore a distance of 4km from the White Rock deposit to the main (Central) Mining Leases. The study has provided a number of alternative haulage scenarios which will be reviewed in future feasibility studies.
- › A Conceptual Project Development Plan (CPDP) for Mt Carrington was submitted to the NSW Department of Trade & Investment (Resources and Energy Division), with a meeting held with representatives from the Division to present the CPDP in late 2013. The CPDP was approved by the Resources and Energy Division in December, and referred to the Department of Planning and Infrastructure. This represents an important first step in the development and permitting process for the project, and liaison with the Department of Planning and Infrastructure will commence in 2014/15 to progress to the next stage of fulfilling Director General's Requirements.

In June 2014 the company began a revision of the 2012 Scoping Study. A technical consulting group was engaged to undertake a review of the 2012 scoping study of the gold and silver Resource base, with the objective of determining the high level metrics for a staged low cost open pit gold-only operation as a start-up. The review was initiated on the basis of relatively stable gold prices and a softening of capital cost structures presenting a near term opportunity to advance the exploitation of the gold deposits.

Red Rock Prospect Exploration Drilling

The Red Rock Prospect is located 15km north of the main Mt Carrington Mining Leases (refer Figure 2, inside front cover). Prospect mapping and sampling at Red Rock in 2011 confirmed and further defined the dimensions of an extensive hydrothermal system with considerable gold-silver metal potential. Previous drilling at Red Rock was relatively shallow with some high grade gold intersections (e.g. 7m @ 26g/t Au from 53m in drillhole RED003). Surface rock chip sampling also returned high grade values to 99g/t Au and 2,240g/t Ag. Red Rock was the first of the regional targets to undergo drill testing by White Rock in early 2012.

Initial drilling identified several zones of shallow gold, silver and zinc mineralisation in stockwork quartz veining adjacent to the historic 'Deadman's' mine workings. There were several programs of follow up drilling completed in late 2012 and the first half of 2013, and the results confirmed the potential for a substantial shallow gold-silver Resource to be defined to the immediate south of Deadman's.

An independent Resource estimate for the Red Rock Prospect was completed in June 2013 by Ravensgate Mining Industry Consultants, who estimated a maiden Inferred Resource of **1.6 Mt at 1.0 g/t Au using a 0.7 g/t Au cut-off**. The Resource is based on 47 exploration holes, 20 of which were diamond holes completed by the Company in 2012/13. The estimate was prepared and reported in accordance with the guidelines of the JORC Code (2004).

A six-hole drilling program was completed at the Red Rock Prospect in October. This was designed to investigate the interpreted southern extension to the 54,000oz Au Resource defined at the Deadman's Zone in July 2013, along with an initial test of geochemical targets along strike of the historical mine workings at the Main Shaft and Cliff Workings.

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Exploration Projects for the year ended 30 June 2014 (Continued)

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

Red Rock Prospect Exploration Drilling (Continued)

Two drillholes in this program returned promising assay results and define a broad zone of gold mineralisation from surface, immediately to the south of and consistent with the Deadman's Resource model. The drilling defines a potential 50 metre extension to the current 300 metre by 100 metre mineralised zone at Deadman's, and the extension is open along strike and at depth.

The drilling also returned substantial silver grades from drillhole RRDD025 which potentially will add value to an updated Mineral Resource for Red Rock.

Table 2 (below) summarises the significant intersections returned from drilling at Red Rock this year:

DRILLHOLE ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
RRDD024	1.8	42	40.8	0.5	5	0	0.1	0.2
	1.8	3	1.2	2.6	4	0	0.1	0
	48	79.6	31.6	0.3	2	0	0.1	0.5
RRDD025	0	45.5	45.5	0.7	23	0.1	0.1	0.1
including	8	9	1	2.7	10	0	0.1	0
including	22	28	6	0.8	105	0.1	0	0
RRDD026	24	26	2	0.1	16	0	0.1	0.1
	36	37	1	0	10	0	0.1	0.4
	49	51	2	0.1	15	0	0.1	0.5
RRDD027	44	45	1	0.8	0	0	0	0
RRDD028	2	6	4	0.1	11	0	0.3	0.2
	30	31	1	0.2	6	0	0.2	0.8
	37	38	1	0.4	5	0	0.4	1.3
	70	71	1	0.2	7	0	0.0	0.0
	79	80	1	0.2	5	0	0.0	0.6
RRDD029	1.7	6	4.3	0.5	2	0	0	0
	10	13	3	0.3	8	0	0.1	0
	28.6	32	3.4	0.3	4	0	0.1	0.8
	50	52	2	0.4	2	0	0.1	0.5
	56	57	1	0.3	2	0	0.1	0.6
	62	63	1	0.2	4	0	0.2	0.7
	90	91	1	0.0	23	0	0.1	0.1

Table 2: Red Rock result highlights from drillholes RRDD024-029.

(Intercept cut-off grade of 0.2g/t Au, 10 g/t Ag; maximum internal dilution of 3m).

WHITE ROCK MINERALS LTD

Exploration Projects for the year ended 30 June 2014 (Continued)

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

White Rock Silver Deposit Exploration Drilling

The White Rock deposit is one of eight gold and/or silver Resources held by the Company at Mt Carrington. White Rock is located on a small group of Mining Leases situated 8km south-west of the central Mining Lease (refer Figures 1 and 2, inside front cover). The deposit contains an Indicated and Inferred Resource of **4.4Mt @ 58g/t Ag for 8.2Moz Ag**.

Previous infill drilling in early 2013 on the White Rock deposit returned a number of gold intersections of note, located in a coherent zone on the south-west margin of the silver Resource. These results are very encouraging, as the White Rock deposit had been previously considered to be relatively un-prospective for gold.

Follow up drilling was undertaken with 3 holes drilled testing the lateral extent of, and geological controls on, the gold zone and an associated strong geophysical IP chargeability feature in the vicinity. Strong results were returned from drillhole WRDD020 (extended) and WRDD029 (extended) including an intersection of high level silver from 101m downhole, considered to be on the margin of the Inferred Resource.

Table 3 (below) summarises the significant intersections returned from drilling at White Rock this year:

DRILLHOLE ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
WRDD020	85	86	1	0	15	0	0	0
	107	149.7	42.7	0.5	23	0.1	0.6	2.1
<i>including</i>	113	114	1	2.7	32	0.2	1.3	4.9
<i>including</i>	118.7	119.7	1	2.1	152	0.1	3.8	7
WRDD029	101	106	5	0	66	0	0.1	0.2
<i>including</i>	101	102	1	0.1	233	0	0.1	0.2
	123	124	1	0.1	13	0	0.3	1.7
	129	130	1	0.2	6	0	0	0
	137	138	1	0.2	3	0	0	0.3
	167	169	2	0.5	4	0	0	0.1
	188	189	1	0.3	1	0	0	0
WRDD033	37	42	5	0.1	16	0	0.1	0.1
	94	99	5	0	29	0	0	0.1
<i>including</i>	98	99	1	0	110	0	0.1	0.3
	110	120	10	0.1	15	0	0	0
	124	134	10	0	12	0	0	0
	156	157	1	0	12	0	0	0
	184	211	27	0.1	11	0	0.3	0.6
	228	235	7	0.1	12	0	0	0
WRDD029	101	106	5	0	66	0	0.1	0.2
<i>including</i>	101	102	1	0.1	233	0	0.1	0.2
	123	124	1	0.1	13	0	0.3	1.7
	129	130	1	0.2	6	0	0	0
	137	138	1	0.2	3	0	0	0.3
	167	169	2	0.5	4	0	0	0.1
	188	189	1	0.3	1	0	0	0

Table 3: Assay results from White Rock drillholes WRDD020 (ext), WRDD029 (ext) and WRDD033.
(Intercept cut-off grade of 0.2g/t Au, 10 g/t Ag; maximum internal dilution of 3m).

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

Central Lease Porphyry Copper Target Development

A desktop and field evaluation was completed to assess the potential for porphyry hosted copper mineralisation on the main Mt Carrington leases. The evaluation involved expert geological consultants and provided strong encouragement for future drill testing. A program to test the porphyry concept has been developed.

The Mt Carrington Resource base on the Central Leases comprises a number of epithermal Au-Ag deposits as shown in Figure 1 (inside front cover). A lateral and vertical metal zonation of these deposits is evident whereby distal Ag-rich deposits (e.g. Lady Hampden) occur in the north-east of the leases, progressing westward to Au-Zn dominant deposits (Kylo & Strauss) to Au-Cu deposits (Mt Carrington).

Further south and west of Mt Carrington are a number of more discrete zones of quartz-chalcopyrite (copper) veins at the All Nations, Pioneer and Gladstone Hill prospects (refer Figure 2, inside front cover and Figure 3, inside back cover). These veins are interpreted to be analogous to 'D-veins' found marginal to porphyry Cu-Au deposits. 'D veins' are the last stage of vein formation typically occurring within the wall rocks outside the source porphyry intrusion. The veins mark the progression from deeper porphyry Cu (Au-Mo) mineralisation to shallow epithermal Au-Ag mineralisation, and may provide a vector to hidden porphyry copper deposits.

A number of deeper drillholes in the vicinity of the Strauss, Kylo, Mt Carrington, Pioneer, All Nations and Gladstone prospects, as well as several holes targeting geophysical chargeability/resistivity anomalies in the southwest area of the Mining Leases have intersected interpreted D-veins with significant Cu, vein textures and multi-element geochemistry analogous with a porphyry source at depth.

The zonation observed at Mt Carrington implies increasing temperature of metal-bearing ore fluids and proximity to a porphyry source at depth to the southwest. A similar zonation with depth is seen at some of the deposits, of which the Strauss Au deposit is the best example. The gold deposit at Strauss strikes north-south and plunges gently to the south, and Cu development in the deposit increases both to the south and with depth.

Interpretation of previous exploration results continued in preparation for a program of deep penetrating geophysics and drilling to assess the potential for porphyry hosted copper mineralisation on the main Mt Carrington leases.

Central Lease Exploration Drilling

Drilling on the Central Leases was undertaken on several targets defined from surface geochemistry, geological mapping, IP geophysics and coexistent historical mine workings. Targets were tested at the Lead Block and Kelly's Prospects and the Mt Carrington pit.

Drilling undertaken along the Lead Block trend (located 1km southeast of the Strauss gold deposit and open pit) (refer Figure 3, inside back cover) has returned promising results from a broad zone of strongly anomalous near-surface gold and silver mineralisation. The defined zone is supported by mineralisation observed in surrounding historical drilling. The drilling underpins a new interpretation of a steep easterly-dipping zone of gold-silver mineralisation, together with adjacent similar oriented higher grade zones.

The mineralised zone at Lead Block is also coincident with a geophysical chargeability feature that extends at depth from the 'host' volcanoclastic unit into the more coherent underlying andesite unit. The chargeability feature provides a focus for future drill targeting of continuous and more substantial gold-silver mineralisation potentially located on this contact zone, as well as gold-silver zones potentially hosted by discrete structures that may focus mineralisation within the andesite.

Follow-up drilling is planned which will also examine the potential for a shallow silver and gold Resource along strike to the north and south. Definition of new near-surface Resources will complement existing plans for development at Mt Carrington.

Table 4 (Page 11) summarises the significant intersections returned from drilling at Lead Block this year.

WHITE ROCK MINERALS LTD

Exploration Projects for the year ended 30 June 2014 (Continued)

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

Central Lease Exploration Drilling (Continued)

DRILLHOLE ID	From (m)	To (m)	Interval (m)	Au (g/t)	Ag (g/t)	Cu (%)	Pb (%)	Zn (%)
LBDD001	No significant assays							
LBDD002	34	86	52	0.2	27	–	–	–
<i>including</i>	37	40	3	0.2	216	–	–	–
<i>including</i>	75	86	11	0.6	12	–	–	0.1
<i>including</i>	76	80	4	1.0	23	–	–	0.2
LBDD003	38	39	1	0.8	–	–	–	–
	84	88	4	0.8	2	–	–	–
	100	101	1	1.5	–	–	–	–
LBDD004	0	5	5	0.4	27	–	0.5	–
	9	11	2	0.1	25	–	–	0.2
	23	24	1	0.9	6	–	–	0.2
	63	70	7	0.6	9	–	–	0.1
<i>including</i>	67	70	3	1.1	15	–	–	0.2
LBDD005	No significant assays							
LBDD006	No significant assays							
KEDD001	0	3	3	0.4	1	0.1	–	–
	32	33	1	–	7	0.5	–	–
MCDD007	10	14	4	–	3	0.3	–	–
	81	85	5	–	3	0.3	0.1	1.4
	150	156.1	6.1	–	2	0.5	–	0.5
	193	194	1	–	4	0.9	–	0.1

Table 4: Assay results from Lead Block drillholes LBDD001-LBDD006, Kelly's drillhole KEDD001 and Mt Carrington drillhole MCDD007. (Intercept cut-off grade of 0.2g/t Au, 10 g/t Ag; maximum internal dilution of 3m).

Mt Carrington Gold-Silver Project, Drake District NSW (Continued)

Environmental Management and Rehabilitation

White Rock maintains an environmental management program on the Mt Carrington mining leases. It is focused on structured rehabilitation of remnants of the 1980's mining venture on the main leases, and includes remediation works on the old ore pad, waste rock dumps, roads, stormwater drains and diversion channels.

The primary focus is the treatment of water contained in the tailings dam, and the prevention of overflow of untreated water into the natural drainage systems in the district. To meet this objective, a waste water treatment plant was commissioned in November 2010 to facilitate treatment of the tailings dam water. The plant operates for 10 hours per day, from 3 -5 days per week removing all contaminants from the tailings dam water.

The treatment plant allows for release of the treated water into the local drainage system at a rate of 500,000 litres per day. The water quality is monitored and independently analysed off site. Treated water is of significantly better quality than the benchmark determined by the Australian and New Zealand Environment Conservation Council. Compliance water sampling is undertaken on a monthly basis for 21 catchment sites in the Drake district.

In excess of 500ML of high quality water has been released since the plant commenced operating. Continued operation of the plant will reduce the risk of overflow of untreated tailings dam water. A number of other initiatives are being implemented to augment the water treatment plant, and continue to maintain a regulated water balance. This year saw the establishment of an innovative sprinkler system to assist in evaporation of water from the storage facility, supplementing the existing water treatment process.



Risks to Company Strategy

ECONOMIC RISKS

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

If activities cannot be funded, there is a risk that tenements may have to be surrendered or not renewed. Furthermore, share market conditions may 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 (a) general economic outlook; (b) interest rates and inflation rates; (c) currency fluctuations; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; (f) terrorism or other hostilities; and (g) government fiscal, monetary and regulatory policies.

TENEMENT TITLE

Interests in tenements in Australia 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 tenement renewals will be 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.

MARKET CONDITIONS

The market price of the shares in the Company can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

ENVIRONMENTAL RISKS

The operations and proposed activities of the Company are subject to Australian State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, 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 the Company's activities which could subject the Company to extensive liability.

NATIVE TITLE

The Company is aware of a registered native title claim over the area of its tenements which may materially affect its future operations or performance. No guarantee can be given that this native title claim (nor any native title rights over areas in which the Company may in future acquire an interest) will not affect the Company.

Risks to Company Strategy (Continued)

POLITICAL RISK, COMMODITY PRICE VOLATILITY AND EXCHANGE RATES RISKS

In the event that the Company establishes a mining operation, the revenue it will derive through the sale of commodities exposes the potential income of the Company 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 or copper, technological advancements, forward selling activities and other macro-economic factors. Furthermore, prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are 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.

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.

*Competent Persons Report

The information in this report that relates to Exploration Results is based on information compiled by Mr Rohan Worland who is a Member of the Australian Institute of Geoscientists. Mr Worland is engaged by White Rock Minerals Ltd as a technical consultant. Mr Worland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Worland consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The gold and silver Resource figures for White Rock, Red Rock, Strauss, Kylo, Lady Hampden, Silver King and White Rock North have been taken from Resource estimates of February 2012, July 2013 and November 2013 prepared by Ravensgate Minerals Industry Consultants on behalf of White Rock Minerals Ltd and authored by Mr Don Maclean. This information was prepared and first disclosed under the JORC Code 2004 as per ASX releases by White Rock Minerals Ltd on 13 February 2012, 11 July 2013 and 20 November 2013. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The gold and silver Resource figures for Guy Bell have been taken from the Resource estimate of October 2008 prepared by Mining One Pty Ltd on behalf of Rex Minerals Ltd and authored by Dr Chris Gee. This information was prepared and first disclosed under the JORC Code 2004 as per the ASX release by Rex Minerals Ltd on 10 December 2008. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.



WHITE ROCK MINERALS LTD

Tenements Schedule for the year ended 30 June 2014

Tenement	Locality	Lease Status	Area Type	Current Area	Grant Date
EL6452	North Carrington	Granted	km ²	136	21/07/2007
EL6273	Central Carrington	Granted ¹	km ²	183	15/07/2004
EL6453	South Carrington	Granted	km ²	57	21/07/2007
EL7673	Boorook	Granted	km ²	90	21/12/2010
MPL24	Mt Carrington	Granted	km ²	0.5119	02/04/1976
MPL256	Mt Carrington	Granted	km ²	0.5473	25/02/1987
MPL259	Mt Carrington	Granted	km ²	1.514	23/03/1988
SL409	Mt Carrington	Granted	km ²	0.4745	08/09/1967
SL471	Mt Carrington	Granted	km ²	0.5666	16/07/1969
SL492	Mt Carrington	Granted	km ²	0.0214	10/10/1969
ML1147	Mt Carrington	Granted	km ²	3.564	27/11/1985
ML1148	Mt Carrington	Granted	km ²	0.0315	27/11/1985
ML1149	Mt Carrington	Granted	km ²	0.5119	27/11/1985
ML1150	Mt Carrington	Granted	km ²	0.30	27/11/1985
ML1200	Mt Carrington	Granted	km ²	0.0875	23/03/1988
MPL1345	Mt Carrington	Granted	km ²	0.0081	26/10/1967
ML5444	Mt Carrington	Granted	km ²	0.0268	07/01/1955
GL5477	Mt Carrington	Granted	km ²	0.0247	08/10/1946
GL5478	Mt Carrington	Granted	km ²	0.0040	08/10/1946
ML5883	Mt Carrington	Granted	km ²	0.1133	04/06/1964
ML6004	Mt Carrington	Granted	km ²	0.1616	12/07/1965
ML6006	Mt Carrington	Granted	km ²	0.0809	29/06/1964
ML6242	Mt Carrington	Granted	km ²	0.1619	09/09/1970
ML6291	Mt Carrington	Granted	km ²	0.259	25/05/1971
ML6295	Mt Carrington	Granted	km ²	0.2388	24/05/1971
ML6335	Mt Carrington	Granted	km ²	0.1951	20/04/1972

¹ This licence was offered for renewal by the Department of Trade and Investment – Titles Branch (DTI) NSW in September 2014.

Directors' Report for the year ended 30 June 2014

The Directors present their report together with the financial report of White Rock Minerals Ltd ("the Company") and its subsidiaries (the "Group" or "White Rock"), for the financial year ended 30 June 2014 and the auditors' report thereon.

1. BOARD OF DIRECTORS

The Board has four members of which three, including the Chairman, 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 the 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. The 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
Mr Brian Phillips Independent Chairperson (AWASM-Mining (C Eng), FAusIMM, MIMMM)	Mr Phillips is a mining engineer with over 40 years' corporate and operating experience in the mining industry in Australia and overseas. Mr Phillips has been a Director since 2010 and is a member of the Audit Committee. He is the non-executive chairman of Panoramic Resources Limited and non-executive chairman of Indophil Resources NL.
Mr Steven Olsen Independent Non-Executive Director (B.Sc.(Hons), M.Sc.(MinEx), Grad.Dip (F&I), MAusIMM)	Mr Olsen has over 20 years' experience in the resources industry with a background of 15 years working as a mine geologist and exploration geologist, predominantly in Western Australia and Canada, on nickel and gold deposits. Mr Olsen has had continued exploration success for both nickel and gold mineralisation throughout his career. Mr Olsen's qualifications include a B.Sc. (Hons) University of Melbourne, a Masters in Mineral Exploration from Queens University, Ontario and a Graduate Diploma of Applied Finance and Investment from the Securities Institute of Australia. He is the founding Managing Director of Rex Minerals Ltd and is currently a non-executive Director of Rex. Mr Olsen is also executive chairman of Cedar River Group Pty Ltd. Mr Olsen has been a White Rock Director since 2010 and is Chairperson of the Audit Committee.
Mr Peter Lester Independent Non-Executive Director B.E (Mining), MAusIMM, MAICD)	Mr Lester has over 35 years' experience in the mining industry, and has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana 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 director of Chesser Resources Limited, Toro Energy Ltd, Accessio Resources Pty Ltd and Nord Gold NV. Mr Lester joined the Board of White Rock Minerals Ltd on 12 April 2013. Mr Lester was formerly a non-executive director of Castlemaine Goldfields Ltd.
Mr Geoffrey Lowe Managing Director and Chief Executive Officer (B.Sc, MAusIMM)	Mr Lowe is a geologist with over 26 years' experience in both greenfields and near mine exploration for gold and copper in Australia. His career includes 18 years with the Normandy Mining Group and Newmont Australia Limited where he held geological and senior management positions in Queensland, Northern Territory and South Australia, followed by two years with Leviathan Resources Ltd and Perseverance Corporation Ltd. Mr Lowe joined Rex Minerals Ltd as Exploration Manager in August 2007, establishing and managing the exploration portfolio and programs for Rex up to June 2010. Mr Lowe led the exploration team responsible for the discovery and delineation of the Hillside copper-gold deposit in South Australia, and was appointed executive director – exploration for Rex Minerals Ltd in February 2010. In 2008 he introduced the Mt Carrington project into the Rex portfolio, and managed the re-validation of the current Inferred Resources and generation of current exploration targets. Mr Lowe resigned from his position at Rex in June 2010 to take up the position of Managing Director of White Rock Minerals Ltd. Mr Lowe has been a Director of White Rock Minerals since 2010. Mr Lowe is also a non-executive director of Cape Clear Minerals Pty Ltd.

WHITE ROCK MINERALS LTD

Directors' Report for the year ended 30 June 2014 (Continued)

2. COMPANY SECRETARY

Mr Andrew Dart commenced as Company Secretary on 1 July 2013. Mr Dart is a CPA and also the Chief Financial Officer for the Company, he has over 10 years' experience in both the public and private sectors. Prior to being appointed to the role of Chief Financial Officer and subsequently Company Secretary, Mr Dart previously held senior finance roles at Rex Minerals Ltd and Central Highlands Region Water Corporation.

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 Brian Phillips	8	8	2	2
Mr Steven Olsen	8	8	2	2
Mr Geoffrey Lowe ¹	8	8	2	2
Mr Peter Lester	8	8	2	2

A – Number of meetings attended.

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

¹ Mr Lowe is not a member of the Audit Committee however is invited to, and attends meetings as appropriate.

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 incorporating the 2014 Amendments as published by ASX Corporate Governance Council. 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.

In addition to this and consistent with ASX Listing Rule requirements, 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.

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The following summarises White Rock's position in regard to Corporate Governance.

Recommendation	Comment
4.1 LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT	
4.1.1 Companies should establish the functions reserved to the Board and those delegated to executives and disclose those functions.	<p>The Board recognises the importance of distinguishing between the respective roles and responsibilities of the Board and management. The respective roles and responsibilities of the Board and the Managing Director are set out in White Rock's Board Charter.</p> <p>The primary responsibility of the Board is to protect and advance the interest of Shareholders. To fulfil this role, the Board has overall responsibility for developing and approving White Rock's corporate strategy and monitoring implementation of the strategy, appointing the Managing Director, monitoring executives' performance and approving White Rock's risk and audit framework. The Board is also responsible for White Rock's general corporate governance matters, including matters such as disclosures and the appointment and monitoring of any committees set up by the Board.</p> <p>The Managing Director has primary responsibility to the Board for the affairs of White Rock. The Managing Director's responsibilities include implementing and monitoring (together with the Board) the strategic and financial plans for White Rock, managing the appointment of executive positions, being the primary channel of communication and point of contact between the executives and the Board, providing strong leadership to, and effective management of, White Rock and otherwise carrying out the day to day management of White Rock.</p>
4.1.2 Companies should undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election as a director.	<p>White Rock ensures appropriate checks are undertaken prior to appointing directors such as a person's character, experience, education, criminal record and bankruptcy record. For candidates standing for re-election, information will be provided to shareholders to enable them to make an informed decision.</p>
4.1.3 Companies should have a written agreement with each director and executive setting out the terms of their appointment.	<p>Upon appointment directors and executives receive a written agreement which sets out appropriate employment details to ensure a clear understanding of the role, responsibilities and expectations.</p>
4.1.4 The company secretary should be accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.	<p>The company secretary plays a role in supporting the effectiveness of the Board and its committees. Each director should be able to communicate directly with the company secretary and vice versa.</p>

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Comment
<p>4.1.5 Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress in achieving them.</p> <p>Companies should disclose in each Annual Report:</p> <ul style="list-style-type: none"> › the measurable objectives for achieving gender diversity set by the Board in accordance with the diversity policy and progress towards achieving them; and › the proportion of women employees in the whole organisation, women in executive positions and women on the Board. 	<p>White Rock's Code of Conduct sets out White Rock's policy concerning diversity. In summary, White Rock's policy concerning diversity is as follows:</p> <p>White Rock recognises that diversity is an economic driver of competitiveness for companies and it strives to promote an environment and culture conducive to the appointment of well qualified persons so that there is appropriate diversity to maximise the achievement of corporate goals. The objectives for achieving diversity are included in the corporate governance statement in the Annual Report. In order to promote gender diversity, White Rock will engage in reviews and reporting to the Board about the proportion of women at White Rock and strategies to address diversity. White Rock intends to recruit the most qualified persons for each position and considers persons from a diverse pool of qualified candidates.</p> <p>The objectives for achieving diversity are:</p> <p>Maintain women representing 20% of the total workforce and senior management as the Company moves through the next phases of its development.</p> <p>During each Director selection and appointment process, the professional search firm supporting the Board will provide at least one credible and suitably experienced female candidate.</p> <p>During the year ended June 2014, women made up 13% of the total workforce. There are currently no women as executives or on the Board of White Rock. The Board recognises this current disparity, however acknowledges that due to the size of the company, such measures may be difficult to achieve at various stages of operation.</p> <p>White Rock is committed to recruiting and promoting individuals based on competence and attracting the best people in their fields.</p>
<p>4.1.6 Companies should disclose the process for evaluating the performance of the Board, its committees and individual Directors.</p>	<p>This recommendation is satisfied in as much as the details have been included in the Annual Report and the Board Charter as to whether a performance evaluation for the Board, its committees and directors has taken place in the reporting period and whether it was in accordance with the process disclosed.</p> <p>The Directors consider that due to the size of White Rock and its Board, such a formal review procedure is not appropriate at this point in time and has instead adopted a self-evaluation process to measure its own performance.</p>

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Comment
<p>4.1.7 Companies should disclose the process for evaluating the performance of executives.</p>	<p>White Rock's goals for the year are set out in the Annual Report and these are used as the basis for evaluating performance of executives. Performance evaluations are undertaken annually by the Managing Director. The Managing Director's performance evaluation is also undertaken annually, by the Board.</p> <ul style="list-style-type: none"> the Annual Report will disclose whether a performance evaluation for executives has taken place in the reporting period and whether it was in accordance with the process disclosed. <p>It is intended that:</p> <ul style="list-style-type: none"> an explanation of any departure from Recommendations 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6 or 4.1.7 will be included in the corporate governance statement in the Annual Report.
<p>4.2 STRUCTURE THE BOARD TO ADD VALUE</p>	
<p>4.2.1 The Board should establish a nomination committee.</p>	<p>The Board has not adopted a charter relevant to the specific functions of a nomination committee. Given the size of White Rock and the Board, and straight forward structure of White Rock, the Directors consider that any efficiencies achieved by the establishment of a nomination committee would be minimal, thereby not making its establishment cost effective. White Rock has Board processes in place which address matters that would otherwise be considered by a nomination committee.</p>
<p>4.2.2 Companies should have and disclose a Board skills matrix setting out the mix of skills the Board currently has or is looking to achieve in its membership.</p>	<p>The following material is included in the Annual Report or on White Rock's website:</p> <ul style="list-style-type: none"> the skills, experience and expertise relevant to the position of Director held by each Director in office at the date of the Annual Report; a statement as to the mix of skills and diversity for which the Board is looking to achieve in membership of the Board.
<p>4.2.3 Companies should provide the information indicated in the Guide to reporting on Principle 2.</p>	<p>The following material is included in the Annual Report or on White Rock's website:</p> <ul style="list-style-type: none"> the names of the Directors considered by the Board to constitute independent Directors and White Rock's materiality thresholds; the existence of any of the relationships listed in Box 2.3 of the Guide (regarding director independence) and an explanation of why the Board considers a Director to be independent, notwithstanding the existence of those relationships; the period of office held by each Director in office at the date of the Annual Report; an explanation of any departures from Recommendations 4.2.1, 4.2.2, 4.2.3, 4.2.4, 4.2.5 or 4.2.6.

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Comment
4.2.4 A majority of the Board should be independent Directors.	This recommendation is satisfied. Having a majority of independent Directors maximises the likelihood that the decisions of the Board will reflect the best interests of the entity and its shareholders and not be biased towards any other interests or associates.
4.2.5 The Chair of the Board should be an independent Director and, in particular should not be the same person as the Chief Executive Officer of the entity.	This recommendation is satisfied. Having an independent chair can contribute to a culture of openness and constructive challenge that allows for a diversity of views to be considered by the Board. Good governance demands an appropriate separation between those charged with managing a listed entity and those responsible for overseeing its managers.
4.2.6 Companies should have a program for inducting new Directors and provide appropriate professional development opportunities to develop and maintain the skills and knowledge needed to perform their role effectively.	<p>This recommendation is satisfied in as much as should a new Director be appointed, White Rock's Board Charter and other corporate governance documentation together with updated financial statements will be provided to the new Directors together with a formal letter of appointment which will set out details in respect of, amongst other matters:</p> <ul style="list-style-type: none"> • White Rock's financial, strategic, operational and risk management position; • each Director's rights, duties and responsibilities; and • the role of the Board and executives. <p>White Rock also supports ongoing professional development and will include in the Annual Report or on the website a statement as to whether there is a procedure agreed by the Board for Directors to take independent professional advice at the expense of White Rock.</p>
4.3 ACT ETHICALLY AND RESPONSIBLY	
<p>4.3.1 Companies should establish a code of conduct and disclose the code or a summary of the code as to:</p> <ul style="list-style-type: none"> › the practices necessary to maintain confidence in the Company's integrity; › the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders; and › the responsibility and accountability of individuals for reporting and investigating reports of unethical practices. 	<p>This recommendation is satisfied. White Rock's Code of Conduct is publicly available on White Rock's website in a clearly marked corporate governance section. This sets out White Rock's expectations for the conduct of White Rock's Directors, executives and employees, including in relation to business conduct, personal and professional conduct (such as confidentiality, personal behaviour and respect for others).</p>

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Comment
4.4 SAFEGUARD INTEGRITY IN CORPORATE REPORTING	
<p>4.4.1 The Board should establish an Audit Committee, the Committee should be structured so that it:</p> <ul style="list-style-type: none"> ➤ Has at least 3 members, all of whom are non-executive Directors and a majority of independent Directors; ➤ Is chaired by an independent chair who is not chair of the Board; ➤ Has a formal charter. 	<p>This recommendation is satisfied. The members of the Audit Committee are Brian Phillips, Steven Olsen, and Peter Lester the majority of whom are independent Directors. Steven Olsen is the independent Chair of the Audit Committee (and he is not Chair of the Board).</p> <p>The following material is intended to be made publicly available on White Rock's website in a clearly marked corporate governance section:</p> <ul style="list-style-type: none"> • the audit committee charter, including information on procedures for the selection and appointment of the external auditor, and for the rotation of external audit engagement partners. <p>The following material is included in the corporate governance statement in the Annual Report:</p> <ul style="list-style-type: none"> • the names and qualifications of those appointed to the audit committee and their attendance at meetings of the committee (contained within the Directors' Report).
<p>4.4.2 The Board should disclose whether it has received assurance from the chief executive officer and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.</p>	<p>This recommendation is satisfied. A declaration is provided to the Board before approving the Half year and Annual accounts that in the opinion of the CEO and CFO the financial records of the entity have been properly maintained and that the financial statements comply with appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that opinion has been formed on the basis of a sound system of risk management and internal controls which are operating effectively.</p>
<p>4.4.3 Companies should ensure that its external auditor attends its AGM and is available to answer questions from shareholders relevant to the audit.</p>	<p>This recommendation is satisfied, the Company ensure a representative from its auditor is in attendance at each AGM to take any questions relevant to the audit as it considers this an important safeguard for the integrity of the corporate reporting process.</p>
4.5 MAKE TIMELY AND BALANCED DISCLOSURE	
<p>4.5.1 Companies should establish written policies designed to ensure compliance with its continuous disclosure requirements under the ASX Listing Rules.</p>	<p>This recommendation is satisfied. White Rock has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability for compliance. White Rock's Continuous Disclosure Policy sets out White Rock's policies and procedures with regard to the reporting of material price sensitive information to the ASX subject to confidentiality carve-out aspects and White Rock's procedures in this regard.</p> <p>The policies or a summary of those policies designed to guide compliance with Listing Rule disclosure requirements are publicly available on White Rock's website in a clearly marked corporate governance section.</p>

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Comment
4.6 RESPECT THE RIGHTS OF SHAREHOLDERS	
4.6.1 Companies should provide information about itself and its governance to investors via its website.	<p>White Rock's disclosure of the following information via its website provides sufficient information about itself and governance practices and includes:</p> <ul style="list-style-type: none"> • an overview of the entity's current business, history and structure; • its constitution, Board charter and corporate governance policies and materials; • announcements, reports and information released through to the ASX company announcements platform; • notices of meetings to shareholders; and • provision of all relevant documentation released on White Rock's website.
4.6.2 Companies should design and implement an investor relations program to facilitate effective two-way communication with investors.	<p>White Rock places a high priority on communications with its Shareholders. Although White Rock does not have a standalone communications policy, White Rock considers that its Continuous Disclosure Policy, together with disclosures through its website, should be sufficient to promote effective communications with shareholders.</p>
4.6.3 Companies should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of shareholders.	<p>White Rock recognises shareholder meetings are an important forum for communication between an entity and shareholders. They provide an opportunity for an entity to impart to shareholders a greater understanding of its business, as well as to discuss areas of concern or interest.</p>
4.6.4 Companies should give shareholders the option to receive communications from, and send communications to, the entity and its security register electronically.	<p>White Rock and its security register offer electronic communication options to shareholders for speed, convenience, and environmental friendliness.</p>
4.7 RECOGNISE AND MANAGE RISK	
4.7.1 Companies should establish a committee for the oversight and management of material business risks.	<p>Although there is no standalone risk management committee or policy, the Board Charter provides that it is the Board's responsibility to approve White Rock's risk and audit framework, systems of risk management and internal control, as well as approving compliance with any risk and audit policies and protocols in place at the time.</p>
4.7.2 The Board or a committee should review the entity's risk management framework at least annually to satisfy itself it continues to be sound and disclose whether such a review has taken place.	<p>The Board will perform a review of its risk management framework annually, and ensure that management has reported to the Board to satisfy itself that it continues to operate within the risk appetite set.</p>
4.7.3 Companies should disclose if it has an internal audit function, or if it does not, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	<p>Given the size and structure of White Rock and the Board, the Directors consider that currently an internal audit function is not required. The Board Charter provides that it is the Board and Audit committee's responsibility to oversee and evaluate systems of risk management and internal control.</p>

4. CORPORATE GOVERNANCE STATEMENT (CONTINUED)

Recommendation	Comment
4.7.4 Companies should disclose whether it has any material exposure to economic, environmental, and social sustainability risks and, if it does, how it manages or intends to manage those risks.	White Rock discloses various material risks to company strategy, and how it manages those risks within the Directors' Report section of its Annual Report.
4.8 REMUNERATE FAIRLY AND RESPONSIBLY	
4.8.1 The Board should establish a Remuneration Committee that; <ul style="list-style-type: none"> › Has at least 3 members, all of whom are non-executive Directors and a majority of independent Directors; › Is chaired by an independent chair who is not chair of the Board; › Has a formal charter. 	This recommendation is not satisfied. Given the size of White Rock and the Board, and straight forward structure of White Rock, the Directors consider that any efficiencies achieved by the establishment of a remuneration committee and charter would be minimal, thereby not making its establishment cost effective. White Rock has Board processes in place which address matters that would otherwise be considered by a remuneration committee.
4.8.2 Companies should separately disclose its policies and practices regarding the remuneration of Non-Executive Director's from that of Executive Directors and executives.	This recommendation is satisfied. White Rock's principles of compensation are set out in its Annual Report within the audited Remuneration Report section.
4.8.3 Companies which have an equity-based remuneration should have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the scheme.	As per White Rock's principles of compensation, it offers at its discretion to Executive Director's, Non-Executive Director's and staff, equity based remuneration in the form of options to purchase shares in the company. This incentive assists in aligning their interests with those of shareholders.

5. PRINCIPAL ACTIVITIES

The principal activity of the Group during the course of the financial year was minerals exploration and evaluation in Australia. There were no significant changes in the nature of the Group's principal activities during the year.

6. OPERATING AND FINANCIAL REVIEW

The statement of comprehensive income shows a loss after tax of \$1,211,903 (2013 loss: \$364,820) for the year. The increase in loss when compared to the comparative period was due to a reduced research and development tax credit and higher expenditure incurred on project development given the number of corporate and project opportunities assessed in line with a review of the Company's strategic direction. The Group has no bank debt. As at 30 June 2014 the Group had a cash position of \$1,880,285 (2013: \$2,886,881). The cash position reduced by \$1 million over the course of the financial year, with net proceeds from equity raised of \$1.85 million, and cash inflows on receipt of Research and Development Rebates \$1.4 million, offset by further investment in exploration expenditure and cash paid to fund operations.

Additional information as to the review of business activities, likely developments for financial year 2015 and environmental regulation and management are included in the Introduction, Letter from the Chairman and the Managing Director and Chief Executive Officer, 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 for the year ended 30 June 2014 (Continued)

7. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 22 July 2013, White Rock announced an Entitlement Offer, with existing shareholders being eligible to subscribe for 1 share for every 1 they owned. This was completed in September 2013 with the Company receiving \$1.9 million.

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 2014.

8. 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.

9. EVENTS SUBSEQUENT TO REPORTING DATE

On 11 July 2014 White Rock issued 2,366,164 fully paid ordinary shares at 1.7 cents per share to Lion Capital Advisory Pty Ltd as consideration for corporate advisory services provided from May to June 2014. The nature of this arrangement is likely to continue as further services are provided by Lion Capital.

On 1 August 2014 a total of 6,050,000 employee options lapsed due to passing the option expiry date without exercise.

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

10. LIKELY DEVELOPMENTS

Likely developments are the continued minerals exploration on the tenements owned or controlled by the Group.

The Group's goals for 2015 are included in the Introduction, Letter from the Chairman and the Managing Director and Chief Executive Officer, Review of operations and Exploration projects sections which form part of the Directors' report and are included earlier within the Annual Report.

11. 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 Brian Phillips	621,412	–
Mr Steven Olsen	2,900,001	–
Mr Peter Lester	250,000	–
Mr Geoffrey Lowe	463,690	2,500,000

12. SHARE OPTIONS**12.1 Options granted to Directors and Officers of the Company**

During or since the end of the financial year, the Company granted options over unissued ordinary shares in the Company to the following Directors and officers of the Company as part of their remuneration. All options were granted during the 2014 financial year.

	Number of options granted
Directors	
Mr Brian Phillips	–
Mr Steven Olsen	–
Mr Peter Lester	–
Mr Geoffrey Lowe	2,500,000
Executives	
Mr Rohan Worland	–
Mr Andrew Dart	–

12.2 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
31 May 2016	\$0.045	1,166,666
31 May 2017	\$0.050	1,166,667
31 May 2018	\$0.055	1,166,667
31 May 2016	\$0.037	833,333
31 May 2017	\$0.041	833,333
31 May 2018	\$0.045	833,334
Total		6,000,000

All options expire on the expiry date, unless the options have not been exercised and the employee leaves the Company in which case the options will lapse if they are not exercised within 60 days of departure unless the Board exercises its discretion to permit the options to remain on foot until the expiry date. The Board retains the right to vary these conditions at its discretion.

12.3 Shares issued on exercise of options

During or since the end of the financial year the Company has not issued any ordinary shares as a result of the exercise of options.

13. 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.

Directors' Report for the year ended 30 June 2014 (Continued)**14. NON-AUDIT SERVICES**

During the year KPMG, the Group's auditor, has performed certain other services which are listed in the table below in addition to the audit and review of the financial statements.

The Board has considered the non-audit services provided during the year by the auditor and is satisfied that the provision of those non-audit services by the auditor is compatible with, and did not compromise, the auditor independence requirements of the Corporations Act 2001. The non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of amounts paid to the auditor of the Group, KPMG, and its related practices for audit and non-audit services during the year are set out below:

KPMG Australia	2014 \$	2013 \$
Audit and review of financial statements	40,000	38,500
Other services		
> Review of Research and Development Claim	60,000	70,000

15. REMUNERATION REPORT – AUDITED

The following were key management personnel 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
Non-Executive Directors		
Mr Brian Phillips	Chairperson	Appointed 26 March 2010
Mr Steven Olsen	Non-executive Director	Appointed 26 March 2010
Mr Peter Lester	Non-executive Director	Appointed 12 April 2013
Executive Director		
Mr Geoffrey Lowe	Managing Director and Chief Executive Officer (MD&CEO)	Appointed 26 March 2010
Executives		
Mr Rohan Worland	Exploration Manager	Appointed 1 July 2010 ¹
Mr Andrew Dart	Chief Financial Officer and Company Secretary	Appointed 1 April 2013

¹ Mr Worland ceased as an employee of White Rock Minerals on 28 February 2014. He now provides services under a consultancy arrangement.

There have been no further changes to key management personnel (KMP) between 1 July 2014 and the date of this report.

15.1 Principles of compensation

Remuneration is referred to as compensation through 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 2014 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.

15.1.1 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.

15.1.2 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.

15. REMUNERATION REPORT – AUDITED (CONTINUED)

15.1 Principles of compensation (Continued)

15.1.3 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 the satisfactory cash reserves being available.

15.1.4 Long-term incentive

The long-term incentive (LTI) is provided as options over ordinary shares of the Company. Options granted to employees currently vest immediately and only lapse in the event of the employee leaving the Company unless the Board exercises its discretion to permit the options to remain on foot after departure until expiry, or when they expire, whichever occurs earlier. 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. The Board retains the right to vary the conditions associated with options granted under the LTI at its discretion. During 2014 the Board exercised its right to permit options granted to certain employees (including Mr Rohan Worland who was a KMP until 28 February 2014) who departed the company to allow options previously granted to them to remain on foot beyond 60 days from departure. This did not impact the remuneration provided to the employees measured in accordance with Australian Accounting Standards as the modification was to a condition subsequent to the date the options initially vested.

15.1.5 Service agreements

It is the Group's policy that employment contracts for executives, excluding the Chief Executive Officer are unlimited in term but capable of termination on three months' notice and that the Group retains the right to terminate the contract immediately, by making payment equal to three months' pay in lieu of notice. The Group has negotiated contracts with each executive, excluding the Chief Executive Officer that are capable of termination on three months' notice. The Group retains the right to terminate a contract immediately by making payment equal to three months' pay in lieu of notice. The key management personnel are also entitled to receive on termination of employment their statutory entitlements of accrued annual and long service leave, together with any superannuation benefits.

The employment contract outlines the components of compensation paid to the key management personnel but does not prescribe how compensation levels are modified year to year. Compensation levels 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.

Mr Geoffrey Lowe, MD & CEO, has a contract of employment which ends 30 June 2016. The contract specifies the duties and obligations to be fulfilled by the Chief Executive Officer and provides that the Board and MD & CEO will consult and agree objectives for achievement each year.

At any time prior to 30 June 2016 the service contract can be terminated either by the Group or the MD & CEO providing three months' notice. The Group retains the right to terminate a contract immediately by making payment equal to three months' pay in lieu of notice. These terms were considered market practice at the time the terms were agreed.

The MD & CEO has no entitlement to termination payment in the event of removal for misconduct or gross negligence.

Discretionary bonus payments are allowable under the current management employment contracts including to the MD & CEO for meeting and/or exceeding performance milestones and upon approval by the Board.

15.1.6 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 are presently \$40,000 per annum, whilst the Chairperson's base fee is \$65,000. In addition Non-Executive Directors are entitled to statutory superannuation benefits on base fees. There has been no change in directors' base fees over the last four years.

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

15.1.7 Services provided by remuneration consultants

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

15.1.8 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 indices in respect of the current financial year and previous financial years.

	2014	2013	2012	2011	IPO Oct 2010
Net profit/(loss) attributable to equity holders of the parent	\$(1,211,903)	\$(364,820)	\$(1,468,940)	\$(1,341,287)	\$-
Closing share price at period end	\$0.015	\$0.035	\$0.09	\$0.23	\$0.30
Closing cash balance	\$1,880,285	\$2,886,881	\$2,617,429	\$5,299,693	\$-

Directors' Report for the year ended 30 June 2014 (Continued)**15. REMUNERATION REPORT – AUDITED (CONTINUED)****15.2 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			Post employment	Other long-term benefits ⁴	Share-based payments		Termination Benefits	Total \$	Proportion of remuneration performance related %	Value of options as proportion of remuneration %
		Salary & fees ³ \$	STI cash bonus ^(B) \$	Total \$			Super-annuation benefits \$	Fair Value Options ^(A) \$				
Directors												
Non-Executive Directors												
Mr Brian Phillips (Chairperson)	2014	65,000	-	65,000	6,012	-	-	-	-	71,012	-	-
	2013	65,000	-	65,000	5,850	-	-	-	-	70,850	-	-
Mr Steven Olsen	2014	40,000	-	40,000	3,700	-	-	-	-	43,700	-	-
	2013	40,000	-	40,000	3,600	-	-	-	-	43,600	-	-
Mr Peter Lester	2014	40,000	-	40,000	3,700	-	-	-	-	43,700	-	-
	2013	8,667	-	8,667	780	-	-	-	-	9,447	-	-
Executive Directors												
Mr Geoffrey Lowe – Managing Director and Chief Executive Officer	2014	281,004	-	281,004	24,960	5,396	27,417	-	-	338,777	8%	8%
	2013	270,800	12,000	282,800	23,311	5,894	-	-	-	312,005	4%	-
Executives												
Mr Andrew Dart ²	2014	135,582	-	135,582	12,487	2,698	-	-	-	150,767	-	-
	2013	32,588	-	32,588	2,700	665	8,420	-	-	44,373	19%	19%
Former Executives												
Mr Rohan Worland – Exploration Manager ¹	2014	140,110	-	140,110	15,804	(13,251)	-	55,250	197,913	-	-	-
	2013	213,496	10,000	223,496	19,080	4,777	24,558	-	271,911	13%	9%	
Total	2014	701,696	-	701,696	66,663	(5,157)	27,417	55,250	845,869			
	2013	630,551	22,000	652,551	55,321	11,336	32,978	-	752,186			

¹ Mr Worland ceased being an employee of White Rock Minerals on 28 February 2014. He now provides his services under a consultancy arrangement.

² Mr Dart became a member of the Group's key management personnel on 1 April 2013 and was appointed Company Secretary from 1 July 2013.

³ Salary & fees includes amounts earned by directors or key management personnel measured in accordance in Australian Accounting Standards which includes cash salary as well as accrued annual leave entitlements.

⁴ Represents the net accrual for long service leave which will only be paid in cash if key management personnel meet the required service conditions in accordance with relevant state based legislation. Long service leave is measured in accordance with Australian Accounting Standards and has not been paid in cash. Negative amounts presented represents forfeiture of accrued long service leave measured in accordance with Australia Accounting Standards due to failure to meet the minimum statutory service period.

15. REMUNERATION REPORT – AUDITED (CONTINUED)

15.2 Directors' and Executive's remuneration (Group) (Continued)

Notes in relation to the table of Directors' and Executive's remuneration (refer table on Page 29):

- ^(A) The fair value of the unlisted options granted was calculated at the date of grant using the Black Scholes Option Pricing Model. As the options granted vest immediately the fair value is allocated to the reporting period in which the grant occurs.

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
29 November 2013	2.5 years	\$0.011	\$0.037	\$0.030	65%	2.84%
29 November 2013	3.25 years	\$0.012	\$0.041	\$0.030	65%	3.00%
29 November 2013	3.5 years	\$0.011	\$0.045	\$0.030	65%	3.08%

- ^(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. As no STI Cash bonus was issued in 2014, no STI cash bonus is included as remuneration for any member of KMP. Accordingly, the percentage vested is nil and the portion forfeited is 100%.

15.3 Equity Instruments

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

15.3.1 Options over equity instruments granted as compensation

Details on options over ordinary shares in the Company that were granted and vested as compensation to each key management person during the part of the reporting period they were KMP are as follows:

	Number of options granted during 2014	Grant and vesting date	Fair value per option at grant date	Exercise price per option	Expiry date	Number of options vested during 2014
Directors						
Mr Brian Phillips	–	–	–	–	–	–
Mr Steven Olsen	–	–	–	–	–	–
Mr Peter Lester	–	–	–	–	–	–
Mr Geoffrey Lowe	833,333	29/11/2013	\$0.011	\$0.037	31/05/2016	833,333
	833,333	29/11/2013	\$0.012	\$0.041	31/05/2017	833,333
	833,334	29/11/2013	\$0.011	\$0.045	31/05/2018	833,334
Executives						
Mr Rohan Worland	–	–	–	–	–	–
Mr Andrew Dart	–	–	–	–	–	–

Options currently vest immediately and only lapse in the event of the employee leaving the Company unless the Board exercises its discretion to permit the options to remain on foot after departure until expiry, or when they expire, whichever occurs earlier. No options have been granted since the end of the financial year. The options were provided to the recipients in return for their services during the period.

Directors' Report for the year ended 30 June 2014 (Continued)**15. REMUNERATION REPORT – AUDITED (CONTINUED)****15.3 Equity Instruments (Continued)****15.3.2 Modification of terms of equity-settled share-based payment transactions**

The terms of some equity-settled share-based payment transactions (including options and rights granted as compensation to a key management person) have been modified during the current period. Refer to section 15.1.4 for a description of the modification of the circumstances under which options previously granted as compensation which vested in prior periods would lapse if an employee left the company. As the modification referred to in 15.1.4 are post vesting conditions for previously granted compensation. This does not impact the remuneration for any of the key management personnel in 2014.

15.3.3 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.

15.3.4 Analysis of movements in options

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

2014	Note	Held at 1 July 2013 ^(A)	Exercised during year	Granted as compensation	Vested during year	Held at 30 June 2014 ^(B)	Vested and exercisable at 30 June 2014 ^(C)
Directors							
Mr Brian Phillips	(i)	1,000,000	–	–	–	1,000,000	1,000,000
Mr Steven Olsen	(ii)	1,000,000	–	–	–	1,000,000	1,000,000
Mr Geoffrey Lowe	(iii)	2,000,000	–	2,500,000	2,500,000	4,500,000	4,500,000
Mr Peter Lester		–	–	–	–	–	–
Executives							
Mr Andrew Dart		600,000	–	–	–	600,000	600,000
Mr Rohan Worland		2,600,000	–	–	–	2,600,000	2,600,000

2013	Note	Held at 1 July 2012 ^(A)	Exercised during year	Granted as compensation	Vested during year	Held at 30 June 2013 ^(B)	Vested and exercisable at 30 June 2013 ^(B)
Directors							
Mr Brian Phillips	(i)	1,000,000	–	–	–	1,000,000	1,000,000
Mr Steven Olsen	(ii)	1,000,000	–	–	–	1,000,000	1,000,000
Mr Geoffrey Lowe	(iii)	2,000,000	–	–	–	2,000,000	2,000,000
Mr Peter Lester		–	–	–	–	–	–
Executives							
Mr Andrew Dart		–	–	600,000	600,000	600,000	600,000
Mr Rohan Worland		850,000	–	1,750,000	1,750,000	2,600,000	2,600,000

^(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) On 1 August 2014 1,000,000 options held by Brian Phillips, 1,000,000 held by Steven Olsen, 2,000,000 held by Geoff Lowe and 850,000 held by Rohan Worland lapsed without exercise. No options held by key management personnel are vested but not exercisable at 30 June 2013 or 30 June 2014.

Options that were held by related parties of key management personnel are disclosed below.

⁽ⁱ⁾ Held indirectly through Thylacine Pty Ltd as trustee for the Brian Phillips Superannuation Fund.

⁽ⁱⁱ⁾ 500,000 held indirectly through S&S Olsen Pty Ltd as trustee for the Olsen Family Trust; and 500,000 held indirectly through SSO Super Pty Ltd as trustee for the SSO Super Fund.

⁽ⁱⁱⁱ⁾ Held indirectly through Corthoon Pty Ltd as trustee for the G and V Lowe Family Trust.

WHITE ROCK MINERALS LTD

Directors' Report for the year ended 30 June 2014 (Continued)

15. REMUNERATION REPORT – AUDITED (CONTINUED)

15.3 Equity Instruments (Continued)

15.3.4 Analysis of movements in options (Continued)

The movement during the reporting period, by value, of options over ordinary shares in the Company held by each key management person, is detailed below:

	Granted in year \$ ^(A)	Value of Options Exercised in year \$	Lapsed in year \$
Directors			
Mr Brian Phillips	–	–	–
Mr Steven Olsen	–	–	–
Mr Peter Lester	–	–	–
Mr Geoffrey Lowe	27,417	–	–
Executives			
Mr Rohan Worland	–	–	–
Mr Andrew Dart	–	–	–
Total	27,417		

^(A) The fair value of the unlisted options granted was calculated at the date of grant using the Black Scholes Option Pricing Model. As the options vest immediately the fair value of the grant is allocated to the reporting period in which the grant occurs.

15.3.5 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:

2014	Note	Held at 1 July 2013 ^(A)	Acquisitions	Sales	Held at 30 June 2014 ^(B)
Directors					
Mr Brian Phillips	(i)	310,706	310,706	–	621,412
Mr Steven Olsen	(ii)	2,900,001	–	–	2,900,001
Mr Geoffrey Lowe	(iii)	231,845	231,845	–	463,690
Mr Peter Lester	(v)	–	250,000	–	250,000
Executives					
Mr Andrew Dart		–	–	–	–
Mr Rohan Worland	(iv)	299,058	299,058	–	598,116

2013	Note	Held at 1 July 2012 ^(A)	Acquisitions	Sales	Held at 30 June 2013 ^(B)
Directors					
Mr Brian Phillips		310,706	–	–	310,706
Mr Steven Olsen		2,900,001	–	–	2,900,001
Mr Geoffrey Lowe		231,845	–	–	231,845
Mr Peter Lester		–	–	–	–
Executives					
Mr Andrew Dart		–	–	–	–
Mr Rohan Worland		299,058	–	–	299,058

Directors' Report for the year ended 30 June 2014 (Continued)

15. REMUNERATION REPORT – AUDITED (CONTINUED)

15.3 Equity Instruments (Continued)

15.3.5 Analysis of movements in shares held by KMP (Continued)

^(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 are disclosed below.

⁽ⁱ⁾ 321,412 held indirectly through Thylacine Pty Ltd as trustee for the Brian Phillips Superannuation Fund.

⁽ⁱⁱ⁾ 2,750,001 held indirectly through S&S Olsen Pty Ltd as trustee for the Olsen Family Trust.
150,000 held indirectly through SSO Super Pty Ltd as trustee for the SSO Super Fund.

⁽ⁱⁱⁱ⁾ 300,000 held indirectly through Corthoon Pty Ltd as trustee for the G and V Lowe Family Trust and
163,690 held indirectly by the Lowe Family Super Fund.

^(iv) 65,002 held indirectly through Worland Superfund.

^(v) 250,000 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.

15.4 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.

16. LEAD AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration is set out on page 61 and forms part of the Directors' report for the year ended 30 June 2014.

Dated at Ballarat this 12th day of September 2014.

Signed in accordance with a resolution of the Directors:



Geoffrey Lowe
Managing Director and Chief Executive Officer

WHITE ROCK MINERALS LTD

Consolidated Statement of Financial Position as at 30 June 2014

	Note	2014 \$	2013 \$
Current Assets			
Cash and cash equivalents	6	1,880,285	2,886,881
Trade and other receivables	7	964,235	2,027,266
Prepayments	8	7,977	19,237
Total current assets		2,852,497	4,933,384
Non-current assets			
Exploration and evaluation assets	9	24,574,387	22,037,445
Property, plant and equipment	10	947,593	993,533
Total non-current assets		25,521,980	23,030,978
Total assets		28,374,477	27,964,362
Current Liabilities			
Trade and other payables	11	200,424	562,096
Employee benefits	12	78,222	103,684
Total current liabilities		278,646	665,780
Non-current liabilities			
Employee benefits	12	34,477	50,377
Provision for rehabilitation	13	954,000	951,000
Deferred tax liability	14	1,552,058	1,668,164
Total non-current liabilities		2,540,535	2,669,541
Total liabilities		2,819,181	3,335,321
Net assets		25,555,296	24,629,041
Equity			
Issued capital	15(i)	31,468,401	29,139,160
Reserves	15(iii)	963,534	1,177,657
Accumulated losses	15(iv)	(6,876,639)	(5,687,776)
Total equity		25,555,296	24,629,041

The notes on pages 38 to 59 are an integral part of these consolidated financial statements.

WHITE ROCK MINERALS LTD

Consolidated Statement of Comprehensive Income for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Finance income	16	101,306	108,797
Gain on disposal of fixed assets		21,565	–
Administrative expenses		(409,589)	(488,731)
Project development		(500,708)	(84,077)
Depreciation expense		(39,519)	(39,250)
Employee benefits expense	17	(707,692)	(609,792)
Marketing expense		(193,706)	(194,435)
(Loss) before tax		(1,728,343)	(1,307,488)
Income tax (expense)/benefit	18	516,440	942,668
Total (loss) for the period after tax		(1,211,903)	(364,820)
Total comprehensive (loss) attributable to members of White Rock Minerals Ltd		(1,211,903)	(364,820)
(Loss) per share attributable to members of White Rock Minerals Ltd			
Basic and diluted (loss) per share (cents)	19	(0.68)	(0.36)

The notes on pages 38 to 59 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 2014

	Attributable to equity holders of the Company			
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2012	24,129,475	870,040	(5,322,956)	19,676,559
Issue of ordinary shares	5,158,000	–	–	5,158,000
Transaction costs on share issue, net of tax	(148,315)	–	–	(148,315)
Share based payments transactions	–	307,617	–	307,617
Transfers from share based payments reserve	–	–	–	–
Total comprehensive loss for the period	–	–	(364,820)	(364,820)
Balance at 30 June 2013	29,139,160	1,177,657	(5,687,776)	24,629,041
Balance at 1 July 2013	29,139,160	1,177,657	(5,687,776)	24,629,041
Issue of ordinary shares	2,372,468	(463,000)	–	1,909,468
Transaction costs on share issue, net of tax	(43,227)	–	–	(43,227)
Share based payments transactions	–	271,917	–	271,917
Transfers from share based payment reserve	–	(23,040)	23,040	–
Total comprehensive loss for the period	–	–	(1,211,903)	(1,211,903)
Balance at 30 June 2014	31,468,401	963,534	(6,876,639)	25,555,296

The notes on pages 38 to 59 are an integral part of these consolidated financial statements.

WHITE ROCK MINERALS LTD

Consolidated Statement of Cash Flows for the year ended 30 June 2014

	Note	2014 \$	2013 \$
Cash flows from operating activities			
Cash paid to suppliers and employees		(1,774,376)	(1,429,038)
Interest received		113,369	99,845
Net cash (used in) operating activities	20	(1,661,007)	(1,329,193)
Cash flows from investing activities			
Exploration and evaluation payments		(2,537,017)	(3,045,505)
Acquisition of property, plant and equipment		(83,702)	(116,763)
Proceeds from sale of fixed assets		24,035	–
Transfer of cash to other receivables		–	(32,300)
Proceeds from R&D tax incentive		1,403,381	505,091
Net cash (used in) investing activities		(1,193,303)	(2,689,477)
Cash flows from financing activities			
Proceeds from issue of share capital		1,909,468	4,500,000
Transaction costs on issue of share capital		(61,754)	(211,878)
Net cash from financing activities		1,847,714	4,288,122
Net increase / (decrease) in cash and cash equivalents		(1,006,596)	269,452
Cash and cash equivalents at beginning of the year		2,886,881	2,617,429
Cash and cash equivalents at year end	6	1,880,285	2,886,881

The notes on pages 38 to 59 are an integral part of these consolidated financial statements.

1. REPORTING ENTITY

White Rock Minerals Ltd (the "Company") is a Company domiciled in Australia. The address of the Company's registered office is 24 Skipton Street, Ballarat, Victoria, 3350. The financial statements of the Company as at and for the year ended 30 June 2014 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 exploration and evaluation in Australia.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements are general purpose financial statements which has 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 12 September 2014.

(b) Basis of measurement

The Group financial statements have been prepared on the historical cost basis.

Going concern

The Group recorded a loss after tax of \$1,211,903, and net cash outflows from operating and investing activities of \$2,854,310 for the year ended 30 June 2014. The Group's position as at 30 June 2014 was as follows:

- The Group has available cash reserves of \$1,880,285;
- The Group's current assets (excluding restricted cash of \$951,288 as detailed in note 7) of \$1,901,209 exceeded current liabilities of \$278,646 by \$1,622,563;
- The Group's main activity is exploration and as such it does not presently have a source of operating income, rather it is reliant on equity raisings or funds from other external sources to fund its activities.

The Group plans to minimise or cease discretionary expenditure on lower priority projects with the aim of focussing expenditure on essential commitments only. On this basis the Group forecasts indicate that the cash on hand as at 30 June 2014 will be sufficient to fund planned activities during the next 12 months.

The Group also continues to review new project areas for possible acquisitions, which would require separate funding to meet any acquisition cost and to fund further activities.

The Group's position as at 31 August 2014 was as follows:

- The Group has available cash reserves of \$1,448,438.
- The Group continues to have a positive working capital position

There has been no material change from the position at 31 August 2014 to the date of issue of these financial statements.

The Company has previously been successful in raising cash through equity raisings as and when required to support the Group's activities. If required, the Directors believe they can obtain the continued support of the Company's major shareholders and a number of brokers that have supported the Company's previous capital raisings.

Accordingly, the financial statements for the year ended 30 June 2014 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 operating costs and pay its debts as and when they fall due for at least twelve months from the date of authorisation of these financial statements.

However, the Directors acknowledge that material uncertainty remains over the Group's ability to meet its funding requirements, where future funding is uncertain until secured, given the present cash position. If for any reason the Group is unable to continue as a going concern, then this could impact the Group's ability to realise assets at their recognised values, in particular the value of exploration assets and to extinguish liabilities in the normal course of business at the amounts stated in the consolidated financial statements.

(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 9 Exploration and evaluation expenditure
- note 13 Provision for rehabilitation
- note 21 Share based payments
- notes 23, 24 Commitments and Contingencies

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Changes in accounting policies

Except as described below, the accounting policies applied in these financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 30 June 2013.

The Group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2013:

- AASB 10 *Consolidated Financial Statements (2011)* (see (i))
- AASB 11 *Joint Arrangements* (see (ii))
- AASB 13 *Fair Value Measurement* (see (iii))
- AASB 119 *Employee Benefits (2011)* (see (iv))
- AASB 2011-4 *amendments to AASB 124 Amendments to Australia Accounting Standards to Remove Individual Key Management Personnel Disclosure* (see (v))

The nature and effect of these changes are further explained below.

(i) Subsidiaries

As a result of AASB 10 (2011), the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. AASB 10 (2011) introduces a new control model that is applicable to all investees, by focusing on whether the Group has power over an investee, exposure or rights to variable terms from its involvement with the investee and ability to use its power to affect those returns. In particular, AASB 10 (2011) requires the Group consolidate investees that it controls on the basis of de facto circumstances.

The application of the new accounting policy and adoption of the new accounting policy did not have any impact on the amounts recorded in the financial statements.

(ii) Joint arrangements

As a result of AASB 11, the Group has changed its accounting policy for its interests (if any) in joint arrangements. Under AASB 11, the Group classifies its interests in joint arrangements as either joint operations or joint ventures depending on the Group's rights to the assets and obligations for the liabilities of the arrangements. When making this assessment, the Group considers the structure of the arrangements, the legal form of any separate vehicles, the contractual terms of the arrangements and other facts and circumstances. Previously the structure of the arrangement was the sole focus of classification.

The application of the new accounting policy did not result in any changes to the accounting treatment as the Group does not have any joint arrangements.

(iii) Fair value measurement

AASB 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other AASBs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurement date. It also replaces and expands the disclosure requirements about fair value measurements in other AASBs, including AASB 7 *Financial Instruments: Disclosures*. In accordance with the transitional provision of AASB 13, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures. Notwithstanding the above, the change had no significant impact on the measurements of the Group's assets and liabilities.

(iv) Measurement of employee benefits

As a result of AASB 119 (2011), the Group has changed its accounting policy with respect to the measurement of annual leave. Previously annual leave was classified as a short term employee benefit and measured at the amount payable at balance date. The Group now 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 in the future. The change in accounting policy did not have a material impact on the financial position or performance of the group.

(v) Key Management Personnel disclosures

As a result of amendments to AASB 124 and Regulation 2M.3.03 of the Corporations Act 2001 additional individual disclosures about equity transactions, loans and other transactions are no longer required to be disclosed in the notes to the financial statements. These disclosures are included in the Remuneration Report. Aggregate disclosures about transactions with KMP are still included in the notes to financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basis of consolidation

(i) Subsidiaries

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. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(c) Financial instruments

The Group classifies non-derivative financial assets into the following categories:

- financial assets at fair value through profit or loss
- held-to-maturity financial assets
- loans and receivables; and
- available-for-sale financial assets

The Group classifies non-derivative financial liabilities into the other financial liabilities category.

(i) Non-derivative financial assets and financial liabilities – recognition and derecognition

The Group initially recognises loans and receivables and debt securities issued (if any) on the date when they are originated. All other financial assets and financial liabilities are initially recognised on the trade date.

The Group derecognises a financial asset when the contractual rights to the cash flows from the assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognised financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

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

(ii) Non-derivative financial assets – measurement

Financial assets at fair value through profit or loss

A financial asset is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognised in profit or loss as incurred. Financial assets at fair value through profit or loss are measured at fair value and changes therein, including any dividend income, are recognised in profit or loss.

Held-to-maturity financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Loans and receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents comprise cash balance and call deposits with an original maturity of three months or less. In the statement of cash flows, cash and cash equivalents include bank overdrafts that are repayable on demand and form an integral part of the Groups cash management.

Available-for-sale financial assets

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses and foreign currency differences on debt instruments, are recognised in OCI and accumulated in the fair value reserve. When these assets are derecognised, the gain or loss in equity is reclassified to profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (Continued)

(iii) Non-derivative financial liabilities – measurement

Non-derivative financial liabilities include trade and other payables and are initially recognised at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

(iv) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(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 (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

(iii) 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 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.

(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.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Exploration and evaluation (Continued)

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 shall not be 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.

(f) Impairment

(i) *Non-derivative financial assets*

Financial assets not classified as at fair value through profit or loss, are assessed at each reporting date to determine whether there is objective evidence of impairment.

Objective evidence that financial assets are impaired includes:

- default or delinquency by a debtor;
- restructuring of an amount due to the Group on terms that the Group would not consider otherwise;
- indication that a debtor or issuer will enter bankruptcy;
- adverse changes in the payment status of borrowers or issuers;
- the disappearance of an active market for a security; or
- observable data indicating that there is a measureable decrease in expected cash flows from a group of financial assets.

Financial assets measured at amortised cost

The Group considers evidence of impairment for these assets measured at both an individual asset and a collective level. All individually significant assets are individually assessed for specific impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not individually identified. Assets that are not individually significant are collectively assessed for impairment. Collective assessment is carried out by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised impairment loss is reversed through profit or loss.

(ii) *Non-financial assets*

The carrying amounts of the Group's non-financial assets other than Exploration and Evaluation assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to dispose. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of 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 groups of assets (the "cash-generating unit"). Any goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Impairment (Continued)

(ii) Non-financial assets (Continued)

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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.

(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) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(iii) 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 national government bonds with terms of maturity that closely match the estimated future cash flows.

(h) Share based payments

(i) Employee share based payments

Employee share based payments 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 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 employees become unconditionally entitled to the awards. The amount recognised is adjusted to reflect the number of awards 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 Black-Scholes 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 parties 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 shares and intends to do so at inception of the agreement. On completion of the arrangement shares are issued and the amount transferred from the share based payments reserve to issued capital based on the fair value of goods received or services provided.

(i) Revenue

Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred 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.

Revenues are recognised at fair value of the consideration received or receivable net of the amount of GST. Exchanges of goods or services of the same nature and value without any cash consideration are not recognised as revenue.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(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 are part of 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.

(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) 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 granted to employees of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**(m) Segment reporting**

The Group determines and presents operating segments based on the information that internally is provided to the Managing Director and Chief Executive Officer, who is 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 Managing Director and Chief Executive Officer 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 the Company's headquarters) and head office expenses.

(n) Restoration and rehabilitation provision

The consolidated entity 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 recontouring, topsoiling and revegetation 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.

(o) Presentation of financial statements

The consolidated entity applies revised AASB 101 Presentation of Financial Statements (2007). The consolidated entity 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.

(p) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 July 2014. Those which may be relevant to the group are set out below. The group does not plan to adopt these standards early.

- *AASB 9 Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transitional Disclosures.* The new standards which become mandatory for the Group's 2019 financial statements could change the classification and measurement of financial assets and financial liabilities. The new standards are not expected to have significant impact on the financial statements.
- *IFRS 15 Revenue from Contracts with Customers.* IFRS 15 applies to contracts with customers and presents two approaches to revenue recognition as well as enhanced disclosure requirements. During the year ended 30 June 2015, the AASB are expected to issue a final standard, with implementation expected during the year ended 30 June 2018. The new standard is not expected to have significant impact on the financial statements unless the Group commences operations which may result in customer contracts.
- *Amendments to IFRS 11 Accounting for Acquisitions of Interests in Joint Operations.* The amendments require business combination accounting to be applied to acquisitions of interests in a joint operation that meet the definition of a business. The standard will become mandatory for the Group's 2017 financial statements and are not expected to have significant impact on the financial statements.
- *Amendments to IAS 16 and IAS 38 Methods of depreciation and amortisation.* The amendments clarify the acceptable methods of depreciation and amortisation in relation to amortisation methods for intangible assets. The standard which will become mandatory for the Group's 30 June 2017 financial statements clarifies that revenue-based depreciation for property plant and equipment cannot be used. The amendments to the standard are not expected to have significant impact on the financial statements.

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

Fair value, which is determined for disclosure purposes, is calculated based on the present value of any future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

5. SEGMENT REPORTING

The Group consists of one operating segment and operates in one geographic location, Mt Carrington, Australia. Note 9 contains details of exploration expenditure capitalised on the operating segment. No income or expenses were incurred by the operating segment. All income and expenses incurred by the group relate to corporate activities and are therefore unallocated to the operating segment.

WHITE ROCK MINERALS LTD

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)

6. CASH AND CASH EQUIVALENTS

	2014 \$	2013 \$
Bank balances	1,880,285	2,886,881
Cash and cash equivalents	1,880,285	2,886,881

All cash and cash equivalents are available for use by the Group.

7. TRADE AND OTHER RECEIVABLES

	2014 \$	2013 \$
Current		
Other receivables (i)	12,947	1,075,978
Restricted cash (ii)	951,288	951,288
Total current trade and other receivables	964,235	2,027,266

(i) Other receivables at 30 June 2013 include a refundable tax offset of \$984,521 receivable from the Australian Taxation Office relating to research and development activities.

(ii) Restricted cash is placed on deposit to secure bank guarantees in respect of obligations for environmental performance bonds issued in favour of the NSW Minister for Mineral Resources. These deposits earn interest at an average rate of 3.7% per annum.

8. PREPAYMENTS

	2014 \$	2013 \$
Prepayments	7,977	8,237
Prepayments – Drilling contract (i)	–	11,000
Total prepayments	7,977	19,237

(i) Remaining value at balance date from shares issued to suppliers for drilling services yet to be provided.

9. EXPLORATION AND EVALUATION ASSETS

	2014 \$	2013 \$
Carrying amounts		
Balance at 1 July	22,037,445	17,609,850
Acquisitions	–	–
Additions	2,536,942	4,427,595
Disposals	–	–
Balance at 30 June	24,574,387	22,037,445

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

WHITE ROCK MINERALS LTD

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)

10. PROPERTY, PLANT AND EQUIPMENT

	2014			
	Land \$	Plant & Equipment \$	Motor Vehicles \$	Total \$
Cost				
Balance at 1 July 2013	29,044	1,163,914	92,156	1,285,114
Additions	–	27,496	49,240	76,736
Disposals	–	(2,953)	(30,999)	(33,952)
Adjustments	–	7,591	11,425	19,016
Balance at 30 June 2014	29,044	1,196,048	121,822	1,346,914
Depreciation and impairment losses				
Balance at 1 July 2013	–	212,599	78,982	291,581
Depreciation charged to the income statement	–	39,519	–	39,519
Depreciation capitalised to exploration projects	–	56,218	24,516	80,734
Disposals	–	(2,953)	(28,576)	(31,529)
Adjustments	–	7,591	11,425	19,016
Balance at 30 June 2014	–	312,974	86,347	399,321
Carrying amounts				
At 1 July 2013	29,044	951,315	13,174	993,533
At 30 June 2014	29,044	883,074	35,475	947,593

	2013			
	Land \$	Plant & Equipment \$	Motor Vehicles \$	Total \$
Cost				
Balance at 1 July 2012	29,044	1,075,150	92,156	1,196,350
Additions	–	99,315	–	99,315
Disposals	–	(10,551)	–	(10,551)
Balance at 30 June 2013	29,044	1,163,914	92,156	1,285,114
Depreciation and impairment losses				
Balance at 1 July 2012	–	138,307	49,181	187,488
Depreciation charged to the income statement	–	39,250	–	39,250
Depreciation charged to exploration projects	–	43,211	29,801	73,012
Disposals	–	(8,169)	–	(8,169)
Balance at 30 June 2013	–	212,599	78,982	291,581
Carrying amounts				
At 1 July 2012	29,044	936,843	42,975	1,008,862
At 30 June 2013	29,044	951,315	13,174	993,533

11. TRADE AND OTHER PAYABLES

	2014 \$	2013 \$
Current		
Trade payables	65,739	255,356
Accrued expenses	134,685	306,740
Total trade and other payables	200,424	562,096

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)**12. EMPLOYEE BENEFITS**

	2014 \$	2013 \$
Current		
Liability for annual leave	78,222	103,684
Non-current		
Liability for long service leave	34,477	50,377
Total employee benefits liabilities	112,699	154,061

13. PROVISION FOR REHABILITATION

	2014 \$	2013 \$
Opening balance	951,000	919,000
Provisions made during the year	3,000	32,000
Provisions utilised during the year	–	–
Closing balance	954,000	951,000

The amount of the provision has been determined with reference to the NSW Department of Trade & Investment (Resources & Energy) bond required to be lodged, and is determined based on planned and actual activity on the various tenements interests. An independent assessment of the rehabilitation obligation associated with mining leases representing the primary element of the rehabilitation provision was undertaken by an external consultant in 2009. The group monitors environmental disturbance and updates its assessment where material changes in planned rehabilitation techniques are identified or activities increase the size of the environmental footprint.

14. DEFERRED TAX LIABILITIES

	2014 \$	2013 \$
Tax losses	5,457,605	4,640,429
Exploration deductions and other timing differences	(7,009,663)	(6,308,593)
Total deferred tax (liabilities)	(1,552,058)	(1,668,164)

WHITE ROCK MINERALS LTD

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)

15. EQUITY

<i>(i) Movements in issued capital:</i>	Date of issue	No of shares	Issue price \$	\$
Opening balance at 1 July 2013		134,055,531		29,139,160
Issue of Ordinary Shares – Drilling agreement	02/07/2013	2,566,667	0.12	308,000
Capital Raising – Rights issue	09/09/2013	47,736,710	0.04	1,909,468
Less costs associated with Rights issue				(61,754)
Issue of Ordinary Shares – Drilling agreement	29/11/2013	3,875,000	0.04	155,000
Deferred tax credit recognised in equity				18,527
Closing balance at 30 June 2014		188,233,908		31,468,401

	Date of issue	No of shares	Issue price \$	\$
Opening balance at 1 July 2012		87,475,531		24,129,475
Capital Raising – Placement	11/01/2013	15,000,000	0.10	1,500,000
Less costs associated with placement				(76,051)
Capital Raising – Placement	09/04/2013	25,000,000	0.12	3,000,000
Less costs associated with placement				(135,827)
Issue of Ordinary Shares – Drilling agreement	19/04/2013	6,580,000	0.10	658,000
Deferred tax credit recognised in equity				63,563
Closing balance at 30 June 2013		134,055,531		29,139,160

<i>(ii) Movements in options on issue:</i>	Date of issue	No of options	Exercise price \$	Expiry date
Opening balance as at 1 July 2013		9,910,000		
Issue of Options – director	29/11/2013	833,333	0.037	31/05/2016
Issue of Options – director	29/11/2013	833,333	0.041	31/05/2017
Issue of Options – director	29/11/2013	833,334	0.045	31/05/2018
Lapse of Options – employee		(360,000)		30/04/2014
Closing balance as at 30 June 2014		12,050,000		

	Date of issue	No of options	Exercise price \$	Expiry date
Opening balance as at 1 July 2012		6,410,000		
Issue of Options – employees	20/06/2013	1,166,666	0.045	31/05/2016
Issue of Options – employees	20/06/2013	1,166,667	0.050	31/05/2017
Issue of Options – employees	20/06/2013	1,166,667	0.055	31/05/2018
Closing balance as at 30 June 2013		9,910,000		

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)**15. EQUITY (CONTINUED)**

<i>(iii) Movements in share based payment reserve:</i>	\$
Opening balance at 1 July 2013	1,177,657
Employee share based payments	27,417
Employee options lapsed during the period	(23,040)
Transfers from share based payments to issued capital	(463,000)
Contractor share based payments	244,500
Closing balance at 30 June 2014	963,534

	\$
Opening balance at 1 July 2012	870,040
Employee share based payments	49,117
Contractor share based payments	258,500
Closing balance at 30 June 2013	1,177,657

The share based payments reserve comprises amounts recognised on issue of share based payments to suppliers or employee's for services rendered. Refer to note 21 for additional details in relation to total employee share based payments.

<i>(iv) Movements in accumulated losses:</i>	\$
Opening balance at 1 July 2013	5,687,776
Loss for the period	1,211,903
Transfers in from share based payments reserve	(23,040)
Closing balance at 30 June 2014	6,876,639
Opening balance at 1 July 2012	5,322,956
Loss for the period	364,820
Closing balance at 30 June 2013	5,687,776

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

16. FINANCE INCOME AND EXPENSE

	2014 \$	2013 \$
Finance income – interest income on bank deposits	101,306	108,797
Finance expense	–	–
Net finance income	101,306	108,797

WHITE ROCK MINERALS LTD

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)

17. EMPLOYEE BENEFITS EXPENSE

	2014 \$	2013 \$
Wages and salaries incurred	1,685,846	1,595,351
Employee benefits expenditure capitalised to exploration	(964,209)	(1,030,176)
Share based payments expense	27,417	49,117
Increase/(decrease) in liability for annual leave	(25,462)	(6,418)
Increase/(decrease) in liability for long service leave	(15,900)	1,918
Total employee benefits expense	707,692	609,792

18. INCOME TAX EXPENSE/(BENEFIT)

NUMERICAL RECONCILIATION BETWEEN TAX EXPENSE AND PRE-TAX ACCOUNTING LOSS

	2014 \$	2013 \$
Loss before tax for the period	(1,728,343)	(1,307,488)
Income tax using the domestic corporation tax rate of 30% (2013: 30%)	(518,503)	(392,246)
Increase in income tax due to:		
Non-deductible expenses	20,633	101,765
Under/over adjustment prior year	36,825	(324,921)
Difference in tax value for shares issued for exploration activities	84,225	-
Benefit of refundable R&D Offset	(139,620)	(327,266)
Total income tax expense/(benefit) on pre-tax net loss	(516,440)	(942,668)

19. LOSS PER SHARE

	2014 cents	2013 cents
Loss per share		
Basic (loss) per share – cents	(0.68)	(0.36)
Diluted (loss) per share – cents	(0.68)	(0.36)

(a) Basic loss per share

The calculation of basic earnings/(loss) per share (EPS) at 30 June 2014 was based on the loss attributable to ordinary equity holders of \$1,211,903 (2013 loss: \$364,820) and a weighted average number of ordinary shares outstanding during the period ended 30 June 2014 of 177,320,374 (2013: 101,414,432)..

(b) Diluted loss per share

The calculation of diluted earnings/(loss) per share at 30 June 2014 and at 30 June 2013 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.

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)**20. RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES**

	2014 \$	2013 \$
Cash flows from operating activities		
Loss before tax for the period	(1,728,343)	(1,307,488)
<i>Adjustments for non cash items:</i>		
Depreciation	39,519	39,250
Share based payments transactions	67,417	8,420
(Profit)/loss on disposal of property, plant and equipment	(21,565)	2,382
Operating loss before changes in working capital and provisions	(1,642,972)	(1,257,436)
(Increase)/decrease in trade and other receivables	51,033	(62,563)
(Increase)/decrease in prepayments	259	(2,596)
(Decrease)/increase in trade and other payables	(93,879)	(2,098)
(Decrease)/increase in employee benefits	24,552	(4,500)
Net cash (used in)/from operating activities	(1,661,007)	(1,329,193)

During the financial year, the Group had the following non-cash investing and financing activities which are not reflected in the statement of cash flows (refer note 15):

- On 2 July 2013 the company issued shares to the value of \$308,000 as part consideration for drilling services performed between April and August 2013.
- On 29 November 2013 the company issued shares to the value of \$155,000 as part consideration for drilling services performed between September and October 2013.

21. SHARE BASED PAYMENTS

The Company has a share option plan that entitles employees to options to purchase shares in the Company.

The following options were granted during the financial year ending 30 June 2014:

Employees entitled	Grant date	No of options	Expiry date
Key management personnel ^(A)	29/11/2013	833,333	31/05/2016
Key management personnel ^(B)	29/11/2013	833,333	31/05/2017
Key management personnel ^(C)	29/11/2013	833,334	31/05/2018
Total		2,500,000	

The following options were granted during the financial year ending 30 June 2013:

Employees entitled	Grant date	No of options	Expiry date
Key management personnel ^(D)	20/06/2013	783,333	31/05/2016
Key management personnel ^(E)	20/06/2013	783,333	31/05/2017
Key management personnel ^(F)	20/06/2013	783,334	31/05/2018
Other employees ^(D)	20/06/2013	383,333	31/05/2016
Other employees ^(E)	20/06/2013	383,334	31/05/2017
Other employees ^(F)	20/06/2013	383,333	31/05/2018
Total		3,500,000	

Each option entitles the holder to subscribe for 1 ordinary share in the Company. All options are vested and fully exercisable at balance date.

Options expire on the expiry date, unless the options have not been exercised and the employee leaves the Company, in which case the options will lapse if they are not exercised with 60 days of departure unless the Board exercises its discretion to vary the terms of these options. These options do not entitle the holder to participate in any share issue of the Company or any other related entity.

21. SHARE BASED PAYMENTS (CONTINUED)**(a) Fair value of share options and assumptions**

The fair value of the unlisted employee share options is determined at the date of the grant using the Black Scholes option pricing model. Measurement inputs 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 (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

The options vest immediately upon being granted, as a result the fair value of the options is allocated to the reporting period in which they are granted.

The table below shows the key inputs used in the Black Scholes option pricing model to determine the fair value at grant date and therefore the amount recognised as an expense.

Employees entitled	(A)	(B)	(C)	(D)	(E)	(F)
Fair value at grant date	\$0.011	\$0.012	\$0.011	\$0.012	\$0.014	\$0.016
Share price at date of grant	\$0.030	\$0.030	\$0.030	\$0.037	\$0.037	\$0.037
Exercise price	\$0.037	\$0.041	\$0.045	\$0.045	\$0.050	\$0.055
Expected volatility	65%	65%	65%	62%	62%	62%
Option life (years)	2.5	3.25	3.5	2.5	3.5	4.5
Risk free interest rate	2.84%	3.00%	3.08%	2.65%	2.73%	2.92%
Expire date	31/05/2016	31/05/2017	31/05/2018	31/05/2016	31/05/2017	31/05/2018

The common method for valuing options is the Black Scholes option pricing model. The Black Scholes option pricing model looks at the past share price as an indicator of the future share price. The Black Scholes option pricing model assumes that high volatility in the share prices is an indicator for a higher valuation as there is a greater chance of the share price moving significantly (upwards or downwards). The model also assumes that the options are exercised at or near the expiry date of the options.

(b) Share based payment recognised as employee expenses

	2014 \$	2013 \$
Share options granted and recognised in the income statement	27,417	8,420
Share options granted and capitalised to exploration projects	-	40,697
Total share based payments charge	27,417	49,117

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. The Group currently has no external borrowings.

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, and arises principally from the Group's receivables and cash balances. The Group manages credit risk by investing surplus cash with a reputable Australian bank.

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

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)**22. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)****(ii) Credit risk (Continued)**

At reporting date, cash is held with a reputable financial institution. The maximum exposure to credit risk at the end of the reporting period is as follows:

	Carrying Amount	
	2014 \$	2013 \$
Cash and cash equivalents	1,880,285	2,886,881
Trade and other receivables	964,235	2,027,266
	2,844,520	4,914,147

(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 groups cash position and forecast future expenditures.

The following are the contractual maturities of financial liabilities:

Financial liabilities Group	Carrying amount \$	Contractual cash flows \$	Amounts are due and payable	
			6 months or less \$	More than 6 months \$
2014				
Trade and other payables	200,424	(200,424)	(200,424)	-
	200,424	(200,424)	(200,424)	-

Financial liabilities Group	Carrying amount \$	Contractual cash flows \$	Amounts are due and payable	
			6 months or less \$	More than 6 months \$
2013				
Trade and other payables	562,096	(562,096)	(562,096)	-
	562,096	(562,096)	(562,096)	-

(iv) Market risk

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

The Group's exposure to market risk relates primarily to interest rates applicable to the Group's cash and cash equivalents and restricted deposits.

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

The following sensitivity analysis is based on cash balances which are subject to variable interest rates. Based on the average cash balance throughout the year and actual interest rates applicable, if interest rates had moved, as illustrated in the table below, with all other variables constant, loss for the year would have been affected as follows:

	Profit or loss higher/(lower)		Equity higher/(lower)	
	2014 \$	2013 \$	2014 \$	2013 \$
Group				
+1% (100 basis points)	38,562	30,911	-	-
-1% (100 basis points)	(38,562)	(30,911)	-	-

The movements in profit or loss are due to higher/lower interest earnings from variable rate cash balances.

22. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)**(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.

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.

	2014 \$	2013 \$
Exploration expenditure commitments		
Not later than one year	957,500	948,000
Later than one year but not later than five years	3,830,000	3,792,000

(ii) Capital commitments

The Group does not have any material commitments to acquire PP&E at balance date.

(iii) Operating lease commitments

The Group leases office facilities under an operating lease, the lease agreements typically run for a period of two years with options to renew the lease after that date. The current lease agreement runs until June 2016.

	2014 \$
Future minimum lease payments	
Less than one year	28,765
Between one and five years	28,765
More than five years	–

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 \$954,000 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 \$951,000 as at 30 June 2014 (2013: \$951,000). Provision for such environmental rehabilitation activities recorded by the group are set out in note 13.

25. KEY MANAGEMENT PERSONNEL DISCLOSURES

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

	2014 \$	2013 \$
Short term employee benefits	701,696	737,075
Post employment benefits	66,663	62,899
Share based payments	27,417	32,978
Termination benefits	55,250	–
Other long term benefits	(5,157)	6,695
	845,869	839,647

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)**25. KEY MANAGEMENT PERSONNEL DISCLOSURES (CONTINUED)****(a) Key management personnel compensation disclosures**

Information regarding individual Directors and Executives compensation and some equity instrument disclosures as permitted by Corporation Regulations 2M.3.03 are provided in the Remuneration Report section of the Directors' Report on pages 27 to 33.

No member of key management personnel has entered into any other contract or related party transactions with the Group since the end of the previous financial year and there were no contracts involving Directors' interests existing at year end.

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).

(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.

During the year ended 30 June 2014 the group was provided services to the value of \$68,000 by Cedar River Services Pty Ltd, a related entity of Mr Steven Olsen. The agreed services related those provided by Mr Worland to White Rock Minerals Ltd in his ongoing capacity as an exploration consultant, all services were provided under normal commercial terms.

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 2014, such loans totalled \$10,117,048 (2013: \$7,557,823).

27. GROUP ENTITIES

	Country of Incorporation	Ownership Interest 2014	Ownership Interest 2013
Parent entity			
White Rock Minerals Ltd	Australia		
Subsidiaries			
White Rock (MTC) Pty Ltd	Australia	100%	100%
White Rock (New England) Pty Ltd	Australia	100%	100%

WHITE ROCK MINERALS LTD

Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)

28. PARENT ENTITY DISCLOSURES

As at, and throughout, the year ending 30 June 2014 the parent company of the Group was White Rock Minerals Ltd.

	2014 \$	2013 \$
Result of the parent entity		
Loss for the period	(1,211,903)	(384,820)
Other comprehensive income	–	–
Total comprehensive loss for the period	(1,211,903)	(384,820)
Financial position of the parent entity at year end		
Current assets	2,852,496	4,933,384
Total assets	27,396,595	26,910,961
Current liabilities	254,755	563,368
Total liabilities	1,841,289	2,281,909
Total equity of the parent entity comprising of:		
Share capital	31,468,401	29,139,160
Reserves	963,534	1,177,657
Accumulated losses	(6,876,629)	(5,687,766)
Total equity	25,555,306	24,629,051

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 2014, such loans totalled \$10,117,048 (2013: \$7,557,823).

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 White Rock Minerals Ltd 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. Note 24 contains details of group contingent liabilities.

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

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Notes to the consolidated financial statements for the year ended 30 June 2014 (Continued)

29. AUDITORS' REMUNERATION

Auditors of the company - KPMG Australia	2014 \$	2013 \$
Audit and review of financial statements	40,000	38,500
Other services (i)	60,000	70,000

- (i) During the current and prior periods KPMG, the Company's auditor, provided non-audit services to the Group in the form of review of the Group's research and development claim.

30. SUBSEQUENT EVENTS

On 11 July 2014 White Rock issued 2,366,164 fully paid ordinary shares at 1.7 cents per share to Lion Capital Advisory Pty Ltd as consideration for corporate advisory services provided from May to June 2014.

On 1 August 2014 a total of 6,050,000 employee options lapsed due to passing the option expiry date without exercise.

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

WHITE ROCK MINERALS LTD

Directors' Declaration for the year ended 30 June 2014

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 2014 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 2014.
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 Ballarat this 12th day of September 2014.

Signed in accordance with a resolution of the Directors:



Geoffrey Lowe
Managing Director and Chief Executive Officer



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of White Rock Minerals Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2014 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink, appearing to read 'Alison Kitchen', written over the printed name and title.

Alison Kitchen
Partner

Melbourne
12 September 2014



Independent auditor's report to the members of White Rock Minerals Ltd

Report on the financial report

We have audited the accompanying financial report of White Rock Minerals Ltd (the company), which comprises the consolidated statement of financial position as at 30 June 2014, and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 30 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In note 2, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

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

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.



Auditor's opinion

In our opinion:

- (a) the financial report of the Group is 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 2014 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- (b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

Material uncertainty regarding continuation as a going concern

Without modifying our opinion, we draw attention to note 2(b) to the financial statements, which states that the Group has sufficient funds to continue as a going concern during the next twelve months. However, expenditure is limited to essential commitments only unless further funds are raised, to ensure sufficient cash funds are available during the next twelve months from the date of this report. Accordingly, the Group will be required to raise additional equity, consider alternate funding sources or a combination of the foregoing, which is materially uncertain until secured.

These conditions, as set forth in Note 2(b) indicate the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern. If the Group is unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts other than as stated in the financial report.

Report on the remuneration report

We have audited the Remuneration Report included in pages 27 to 33 of the directors' report for the year ended 30 June 2014. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of White Rock Minerals Ltd for the year ended 30 June 2014, complies with Section 300A of the *Corporations Act 2001*.

Alison Kitchen
Partner

Melbourne
12 September 2014

KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Liability limited by a scheme approved under Professional Standards Legislation.

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 31 August 2014

Name of Ordinary Shareholder	Number of Shares	% of Shares Held
Avalon Venture Corporation	80,000,000	41.97%
Greenstone Property Pty Ltd	15,463,586	8.11%

b) Listing of 20 largest shareholders as at 31 August 2014

Rank	Name	Designation	Number of Shares Held	% of Issued Capital
1	Avalon Venture Corporation		80,000,000	41.97%
2	Greenstone Property Pty Ltd		15,463,586	8.11%
3	Titeline Services P/L		6,000,000	3.15%
4	Silverstone Investment Holdings P/L	Silverstone Inv A/C	5,203,333	2.73%
5	Grand South Development Limited		3,033,334	1.59%
6	S & S Olsen PL		2,750,001	1.44%
7	Lion Capital Advisory		2,366,194	1.24%
8	Melville AG + ES	Melville Fam Super	2,259,018	1.19%
9	Esther Erlich C + DI	Esther Erlich S/F	2,100,000	1.10%
10	Exwere Inv P/L		1,980,512	1.04%
11	Selkirk James R + VG	J & V Selkirk S/F	1,700,000	0.89%
12	Banlona PL		1,672,000	0.88%
13	Silverstone Drilling Services		1,575,000	0.83%
14	Natalie Laufmann		1,287,501	0.68%
15	Stone Poneys Nominees PL	Chapman S/F A/C	1,094,999	0.57%
16	Wang Yue		825,939	0.43%
17	Katut PL	Alan & Dianne S/F	810,000	0.42%
18	Hewson John Sutton + RA	Hewson S/F A/C	800,000	0.42%
19	Citicorp Nom PL		793,370	0.42%
20	Stone Poneys Nominees PL	Chapman Inv Fund	750,000	0.39%
Total			132,464,787	69.50%

c) Distribution of shareholders as at 31 August 2014

Range	Total Holders	Units	% of Issued Capital
1-1,000	422	188,945	0.10%
1,001-5,000	445	1,138,007	0.60%
5,001-10,000	231	1,827,975	0.96%
10,001-100,000	546	18,845,623	9.89%
100,001 – over	158	168,599,552	88.46%
Total	1,802	190,600,102	100.00%

d) Number of shareholders holding less than a marketable parcel as at 31 August 2014

1,400

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 ASX code is **WRM**.

Figure 3: Mt Carrington near-mine targets.

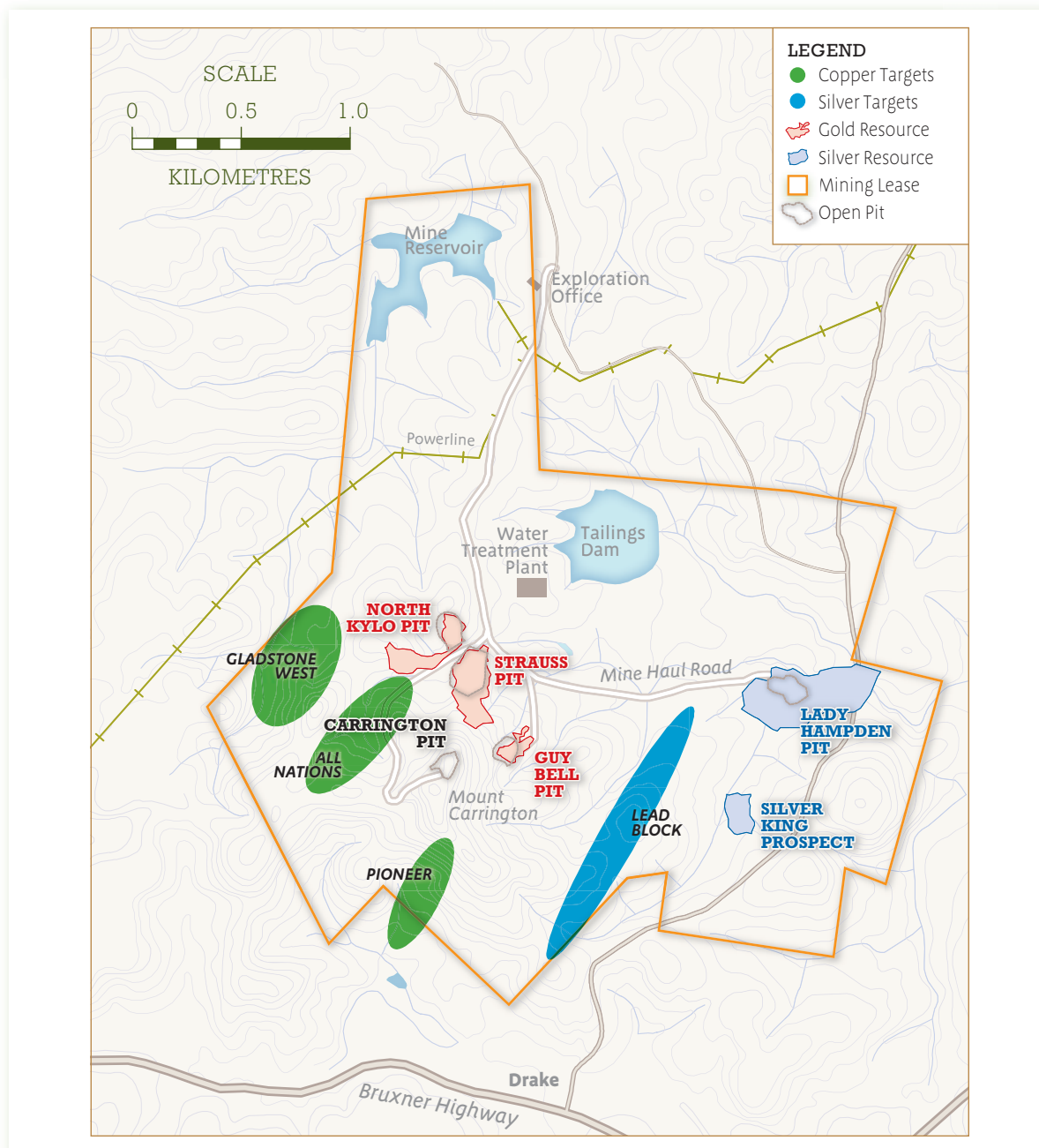
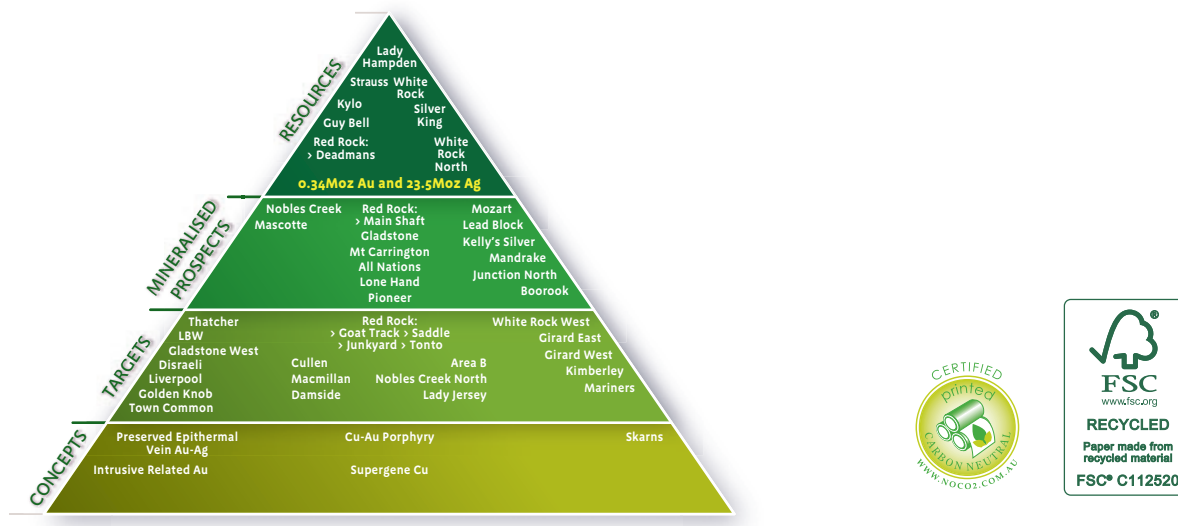


Figure 4: Mt Carrington regional and near-mine prospect pyramid.





ACN 142 809 970

Annual Report 2014

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