BLACK ROCK MINING LIMITED

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2020

BLACK ROCK MINING LIMITED
ABN: 59 094 551 336

CORPORATE DIRECTORY

DIRECTORS	**Richard Crookes** Non-Executive Chairman **John de Vries** Chief Executive Officer, Managing Director **Ian Murray** Non- Executive Director **Gabriel Chiappini** Non-Executive Director
COMPANY SECRETARY	**Gabriel Chiappini**
PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE	45 Ventnor Avenue, West Perth Western Australia, 6005 T: +61 (0)8 9389 4415 F: +61 (0)8 9389 4400 www.blackrockmining.com.au
AUDITOR	Deloitte Touche Tohmatsu Tower 2, Brookfield Place 123 St Georges Terrace Perth Western Australia, 6000 T: +61 (0)8 9365 7000 F: +61 (0)8 9365 7001
SHARE REGISTRY	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace Perth Western Australia, 6000 T: 1300 787 272 F: +61 (0)8 9323 2033 E: web.queries@computershare.com.au
STOCK EXCHANGE LISTING	The Company's shares are quoted on the Australian Securities Exchange (ASX). The Home Exchange is Perth.
ASX CODE	BKT – ordinary shares

A SNAPSHOT OF THE **MAHENGE GRAPHITE PROJECT**

US$1.2B
Post-tax, ungeared real NPV_{10}

US$116M
Phase 1 development capex

US$1,301/t
Basket graphite price (net FOB)

SIMPLE OPEN PIT MINE DEVELOPMENT WITH OUTSTANDING FORECAST RETURNS

45%
Post-tax, ungeared, real IRR

350ktpa
Phase 4 output (4Mtpa ROM)

US$494/t
LOM All-In-Sustaining-Cost

83ktpa
Phase 1 output (1Mtpa ROM)

95 - 99%+ TGC purity
59% +80 mesh, 41% -80
Concentrate product

26 years
Initial operating life

Following release of the Enhanced Definitive Feasibility Study (DFS) on the Mahenge Graphite Project in July 2019 (see Black Rock ASX release dated 25 July 2019, *Mahenge Enhanced DFS with Executive Summary*), Black Rock confirms that it is not aware of any new data or information that materially affects the results of the Enhanced DFS. All material assumptions and technical parameters, including in the estimation of Mineral Resources or Ore Reserves, underpinning the estimates in the Enhanced DFS continue to apply and have not materially changed.
The estimated Ore Reserves and Mineral Resources underpinning the production and financial forecasts in the Enhanced DFS were prepared by Competent Persons in accordance with the requirements in Appendix 5A (JORC Code).

CHIEF EXECUTIVE OFFICER'S REPORT

Black Rock Mining Limited (ASX: BKT) continued to advance the development of the Mahenge Graphite project in Tanzania, delivering on a number of key milestones during the year. Heading into a transformative year the company is well positioned to capitalize on the foundation for success put in place over the last three years.

Black Rock has built a solid foundation that has distinguished and validated its "Crawl, Walk, Run, Sprint" development strategy. At its core, the geology and geographical advantages at Mahenge provide for a very unique opportunity of a high-grade large flake graphite deposit, supported by rail access to deep water ports and access to grid power. Continued focus on de-risking the project and aligning partner supply chain has proved pivotal in differentiating the operating model for Mahenge.

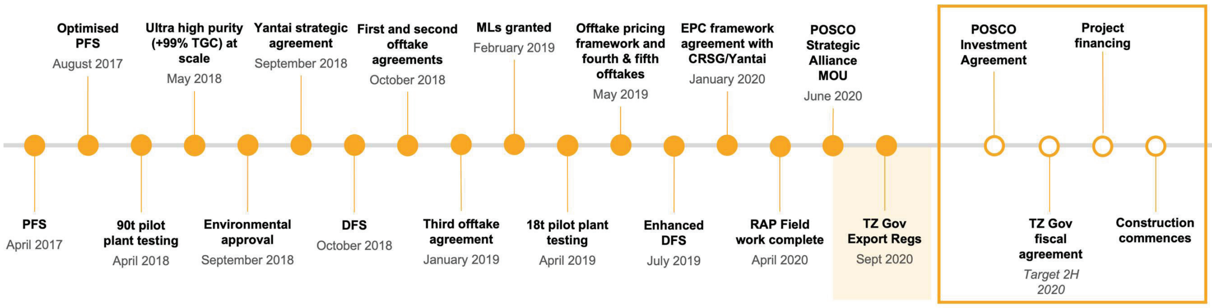
Early in the year, the Company released an enhanced Definitive Feasibility Study (eDFS), effectively an optimized version of the original Definitive Feasibility Study (DFS) now including a fourth production module. This enhancement was done in response to customer demand for a more aggressive ramp up. The development sequence was also compressed for modules to be commissioned annually after first production, subject to funding and confirmed demand, targeted steady state annual production was to increase from 250,000 to 340,000 tonnes. This delivered a revised set of financial metrics which saw a forecasted increase of 30% to NPV_{10} rising to US$1.16Bn, IRR of 44.8% (after tax and Free Carried Interest), with no material change to capex for module one of US$116m[1]. Importantly, the scale and significance of the Mahenge Graphite project was evident with the eDFS forecasting a stable state EBITDA (after year 5) of US$306M per annum at our basket price of $1,301 per tonne for 97.5% concentrate. The Company continues to believe that Mahenge is the best undeveloped graphite project globally.

During the year, Black Rock has focused heavily on development and validation, with a particular view on channel development. This required the Company to put material in the hands of customers to try it. In August 2019, Black Rock announced that its battery anode pre-cursor production trial delivered industry leading results, with spheronising yields of up to 53% and final purity of 99.98% Total Graphitic Carbon as reported by Loss on Ignition (LOI). This significantly exceeded industry standard for battery anode materials of 35-45% and 99.95% respectively.

This achievement was critically important as it demonstrated that the flow sheet developed preserved the integrity of the flake (does not impair spheronising performance), and secondly, it talked to the alignment with our partner value chain as it demonstrated to offtake partners that they could achieve industry leading performance using Mahenge Graphite flake in their existing commercial facilities.

By January 2020, Black Rock entered into a non-binding Cooperation Framework Agreement (CFA) with state-owned enterprise (SOE), China Railway Seventh Group Co. Ltd (CRSG), a wholly owned subsidiary of China Railway Group Limited, one of the largest construction companies globally. This delivered a proven EPC partner with substantial African (including Tanzanian) build experience, along with a significant reduction of upfront capital and overall build execution risk. In combination with our equipment supplier Yantai Jinyuan, total deferred payment terms are approximately US$35M of the

1 *Refer ASX 24th July 2019 Mahenge DFS Enhanced with Addition of Fourth Module – Forecast capex has been estimated as a Class 3 estimate with accuracy of ± 10% as defined by AACE*



US$116M module one development capital estimate in the eDFS[2]. This approach delivers around 30% of the net capital cost for Module 1 being deferred and payable only after effective plant completion (and over a trailing 12-month period from that point).

Turning to Tanzania, over recent years, Black Rock has adopted a deliberate whole of government approach to create a positive platform for engagement. This culminated in April 2020, with formal advice from the Government of the United Republic of Tanzania inviting Black Rock to commence formal negotiations on the structure and nature of their 16% Free Carried Interest (FCI) in the Mahenge Graphite project. Formal negotiations on FCI continue post year end with a Draft Framework Agreement (DFA) received from the Government of Tanzania.

As a further sign of the deep engagement forged in Tanzania, Black Rock completed field activities associated with the Mahenge Resettlement Action Plan (RAP), with the resettlement and compensation process agreed with >98% of Project Affected Persons (PAP's). A total of 148 meetings were held in the Mahenge community since December 2019, with work overseen by Government Officials to ensure accuracy and compliance with legislation. Being able to secure a 98% acceptance rate should be considered as community validation of our project's social licence to operate.

The Company partnered with the community in Ulanga District to support school children by providing 6.5 tons of maize and 1.1 tons of beans to primary and secondary schools in the District.

The Company also teamed up with the villages in the project area to construct three village offices. This has strengthened the relationship with the project hosts with the mission being, "we build our future together". We have supported the National Torch Relay for the third year running by proving tracksuits to local school children participating in the parade.

Black Rock Mining has enjoyed a proud history in delivering on Environmental, Social and Governance (ESG) initiatives through the Company's Corporate Social Responsibility (CSR) program in Mahenge. Our social licence to operate is fundamental to delivering benefits to all stakeholders. The Mahenge Graphite project will see the creation of 970 jobs over the project life, along with many downstream benefits to local communities. This is a legacy the Company is eager to deliver. A successful RAP further differentiates Mahenge's brand of clean graphite, to now include socially responsible graphite.

With Black Rock's presence in Tanzania validated, the Company was pleased to announce market validation by entering into a Strategic Alliance & Development Memorandum of Understanding (MOU) with the POSCO Group for the development of the Mahenge Graphite Project.

POSCO is one of the world's largest producers of anode feedstock and a major participant in the global Lithium-ion Battery (LiB) industry.

The MOU with POSCO outlines the key terms under which Black Rock and POSCO plan to progress to a binding Investment Agreement. The Investment Agreement anticipates an initial investment of up to US$10m by way of a subscription for shares and/or convertible notes in Black Rock, and was subject to a 90-day due diligence period, later extended to 20th November 2020. The MOU also allows for POSCO to obtain the right to a long-term offtake arrangement for up to 100% of fines (sub #100 mesh). This is expected to be up to 40,000 tonnes per annum[3] at full production rates for module one.

The proposed alliance with POSCO is potentially a major de-risk event for the project, considering POSCO's financial capacity and global significance in the LiB market. The partnership also provides for geographic diversity, and validates Black Rock's approach to upstream assets as opposed to competing with downstream partners such as POSCO. The other point here, is that Black Rock is the first junior miner to put their product into the hands of a battery major.

Black Rock continues to be pleased with the level of interest and engagement with potential financiers. In June 2020, TIB Development Bank Limited (formerly known as Tanzania Investment Bank) initiated due diligence on the project.

2 *Following release of the Enhanced DFS in July 2019, the Company confirms that it is not aware of any new data or information that materially affects the results of the Enhanced DFS and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed*

3 *Refer ASX release 24th July 2019 – Mahenge DFS Enhanced with Addition of Fourth Module*

Our position in developing the Mahenge Graphite Project is that for this project to be successful, we need local Tanzanian businesses to participate with Black Rock in developing the project.

Having a number of conditions precedent activities in the advanced stage, such as the POSCO alliance, Government of Tanzania FCI and RAP, has meant that the Company is able to pursue real and meaningful discussions with respect to securing the least dilutive, risk adjusted option for our Shareholders.

Like many companies, Black Rock experienced our own challenges associated with the Covid-19 pandemic. The impact to date on Black Rock's normal operations was limited to capital markets and the ability for Company executives to travel to Tanzania and Asia. More recently, we have seen this impact extend to due diligence work with POSCO related to travel to site and logistics associated with the movement of material for testwork. Tanzania has not adopted a lock down strategy, although it has limited some public gatherings.

Black Rock turned the market uncertainty into an opportunity to modify our approach interacting with investors, shareholders and stakeholders from presenting at meetings and investment conferences, to instead leverage our digital capabilities and present directly to you, wherever you are. The Company launched BKT-TV, our first foray into developing and managing our own media broadcasts. This has been hugely successful, which we intend to continue to develop to amplify our communication on the development of the Mahenge Graphite project.

We continue to believe that Mahenge is the best natural flake graphite in the world. We have proven this through our extensive test work and in having it validated by potential customers and the market.

During the year, Black Rock Mining raised capital totalling A$3 million through a placement taken up by the Board, Institutional and Sophisticated Investors. We would like to recognize and thank new and existing shareholders who supported Black Rock throughout the year.

I would also like to personally thank the Board of Directors for their support over the past year and thank our staff and management for their contributions during what was a challenging but critical year.

I look forward to the outcome of our financing discussions and moving into construction for our Mahenge project in 2020.

John de Vries
CHIEF EXECUTIVE OFFICER

DIRECTORS' REPORT

The Directors of Black Rock Mining Limited ("Company" or "Black Rock Mining") submit herewith the annual report of the Company and its subsidiary entities ("Consolidated Entity") for the financial year ended 30 June 2020. In order to comply with the provisions of the *Corporations Act 2001*, the directors report as follows:

INFORMATION ABOUT THE DIRECTORS

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

NAME	PARTICULARS
Richard Crookes Non-Executive Chairman	Mr Crookes has over 30 years' experience in the resources and investments industries. He is a geologist by training having worked in the industry most recently as the Chief Geologist and Mining Manager of Ernest Henry Mining in Australia (now Glencore). Mr Crookes was most recently an Investment Director at EMR Capital and prior to that he was an Executive Director in Macquarie Bank's Metals Energy Capital (MEC) division where he managed all aspects of the Bank's principal investments in mining and metals companies as well as the origination of numerous project finance transactions. Mr Crookes has extensive experience in deal origination, evaluation, structuring, and completing investment entry and exits for both private and public resource companies in Australia and overseas, as well as execution of Project Finance transactions in Africa. Mr Crookes is a member of both the Audit and Remuneration Committees. Mr Crookes held directorships with the following listed companies in the 3 years immediately prior to the date of this report.

NAME	DATE APPOINTED	DATE RESIGNED
Highfield Resources Limited	April 2013	Current
Lithium Power International Limited	November 2018	Current

NAME	PARTICULARS
Ian Murray Non-Executive Director	Mr Murray is a Non-Executive Director of Black Rock Mining. Mr Murray graduated with a Bachelor of Commerce (BCom) in 1987 from the University of Cape Town, a member of both the South African Institute of Chartered Accountants and the Institute of Chartered Accountants of Australia and New Zealand, and is a member of the Australian Institute of Company Directors. He has held senior management positions for companies such as KPMG, Price Waterhouse, Bioclones, DRDGold Limited, and Gold Road Resources Limited (ASX:GOR). More recently, as Chief Executive Officer and Managing Director, he successfully delivered Gold Road Resources Limited's Gruyere Project, and has significant African experience through DRDGold. Mr Murray is a member of the Audit Committee and Chair of the Remuneration Committee. Mr Murray held directorships with the following listed companies in the 3 years immediately prior to the date of this report.

NAME	DATE APPOINTED	DATE RESIGNED
Gold Road Resources Limited	October 2007	January 2019
Gascoyne Resources Limited	October 2018	October 2018
Matador Mining Limited	May 2020	Current
Geopacific Resources Limited	September 2019	Current
Todd River Resources Limited	September 2020	Current

NAME	PARTICULARS
John de Vries Managing Director CEO	Mr de Vries has over 30 years' experience in the mining industry. He started his career in 1984 working for WMC Resources and held operational roles such as Underground Manager, Senior Mining Engineer and Manager Mining. In 1998, he moved to AMC Consultants to become a Principal Mining Engineer responsible for Mine Optimisation. In 2003, he joined Orica Mining Services as Global Business Manager, Advanced Mining Solutions, before moving to BHP Billiton in 2007 as the Manager Strategic Mine Planning. Most recently from 2011 to 2015, he was General Manager Technical Services for St Barbara Limited. After his success with St Barbara Limited, Mr de Vries took an 18-month sabbatical before joining Black Rock Mining. Mr de Vries holds a Bachelor of Engineering, Mining, a Master of Science in Mineral Economics, a Graduate Diploma in Economic Geology, a Graduate Diploma in Financial Markets and is Advisory Committee Member-Mining of MRIWA. Mr de Vries holds a WA First Class Mine Managers Certificate of Competency. He is a member of the AusIMM, a fellow of FINSIA and a member of SME. Mr de Vries does not currently hold any other directorships, nor has he in the past 3 years.

INFORMATION ABOUT THE DIRECTORS *(CONTINUED)*

NAME	PARTICULARS
Gabriel Chiappini Non-Executive Director and Company Secretary	Mr Chiappini is an experienced ASX director and has been active in the capital markets for 18 years. Mr Chiappini has assisted in raising in excess of AUD $400m in funding and has provided investment and divestment guidance to a number of companies. Mr Chiappini specialises in start-up companies and assists companies with their growth and strategic direction. Mr Chiappini is a member of the Australian Institute of Company Directors and Chartered Accountants Australia & New Zealand. Mr Chiappini is Chair of the Audit Committee and a member of the Remuneration Committee. Mr Chiappini held directorships with the following listed companies in the 3 year immediately prior to the date of this report.

NAME	DATE APPOINTED	DATE RESIGNED
Invictus Energy Limited	August 2015	Current
Eneabba Gas Limited	September 2016	Current
Fastbrick Robotics Limited:		
- Non-Executive Director	December 2011	August 2018
- Non-Executive Chairman	March 2012	November 2015

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

INFORMATION ABOUT COMPANY SECRETARY

Gabriel Chiappini Refer above for an overview of Mr Chiappini's experience and expertise.

PRINCIPAL ACTIVITIES

Black Rock Mining is an Australian-based company listed on the Australian Securities Exchange. The Company owns graphite tenure in the Mahenge region of Tanzania.

The Company reports a JORC compliant Mineral Resource Estimate of 211.9m tonnes at 7.8% TGC for 16.6m tonnes of contained Graphite, making this one of the largest JORC compliant flake graphite Mineral Resource Estimates globally.

Over 50% of the Mineral Resource is in the Measured and Indicated categories. In October 2017, Black Rock Mining announced results of a Definitive Feasibility Study (PFS). The study confirms Mahenge's potential as a long-life, low capex, high margin operation.

The Company has proceeded with permitting and was granted Environmental Impact Assessment Certificate, Reg No. EC/EIA/2018/0352 in August 2018. Mining licenses ML 611/2019 and ML612/2019 were granted in February 2019.

The Definitive Feasibility Study estimated a post-tax, unlevered, internal rate of return ("IRR") for the Project of 42.8%; and a net present value (NPV) using a discount rate of 10% (NPV10) of US$895m. Black Rock Mining confirms, the key assumptions used in the DFS have not materially changed and that the material assumptions continue to apply for the optimised study released in August 2019.

Black Rock Mining confirms that it's DFS has allowed for the proposed Tanzanian legislative changes relating to 16% free carry position of the Tanzanian Government and the royalty rate increasing to 4.3%. Black Rock Mining has commenced a structured financing process to identify and deploy funds for development the Mahenge Graphite Project. Black Rock Mining has executed a non-binding Memorandum of Understanding (MOU) with Korean industrial group, POSCO, to potentially form a Strategic Alliance & Development Relationship for the development of the Mahenge Graphite Project.

For further information on the Company's development pathway, please refer to the Company's website at the following link: http://www.blackrockmining.com.au

REVIEW AND RESULTS OF OPERATIONS AND ACTIVITIES

Results of Operations

The consolidated loss after tax for the year ended 30 June 2020 was $3,387,285 (2019: $2,864,024).

Principal activities during the year included:

- Completed a large-scale spheronising and purification trial using 400kg of sub-80 mesh concentrate that was generated during the March 2019 Pilot Plant run.
- Completed an equity placement to raise A$3 million via the issuance of 42,857,143 new shares at an issue price of A$0.07 per share.
- Released its Mahenge Graphite Project Enhanced DFS (eDFS), building on the original DFS released in October 2018. The DFS was enhanced to include a fourth production module, a compressed development schedule and an increased schedule contingency.
- Received written formal advice from the Government of the United Republic of Tanzania (Government) confirming preparations to commence formal negotiations on the structure and nature of their 16% Free Carried Interest (FCI) in Black Rock Mining's Mahenge Graphite Project.
- Entered into a non-binding Cooperation Framework Agreement (CFA) with a Chinese state-owned enterprise (SOE), China Railway Seventh Group Co. Ltd (CRSG), a wholly owned subsidiary of China Railway Group Limited.
- Successfully commenced and completed a Resettlement Action Plan.
- Executed a non-binding Memorandum of Understanding (MOU) with Korean industrial group, POSCO, to potentially form a Strategic Alliance & Development Relationship for the development of the Mahenge Graphite Project.
- TIB Development Bank Limited (TIB) (formerly known as Tanzania Investment Bank) commenced due diligence on the Company's Mahenge Graphite Project.

Corporate and Financial Position

Consolidated net assets at year-end were $22,718,912 against $22,406,840 at the close of the prior year.
Total cash held at year-end was $722,097 (2019: $1,907,467).

DIVIDENDS

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

CHANGES IN THE STATE OF AFFAIRS

There have not been any significant changes in the State of Affairs of the Company. Black Rock Mining remains focused on developing its Graphite Mahenge Project in Tanzania (the Project). The Company is progressing towards the development phase, finalising negotiations with the Government of Tanzania on the Free Carried Interest and securing financing for the Project.

SUBSEQUENT EVENTS

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

- On 31 July 2020 Black Rock Mining announced, that further to the announcement on 29 April 2020, that it had progressed formal negotiations to resolve the structure and nature of the Free Carried Interest (FCI) with the Government of the United Republic of Tanzania (Tanzanian Government). On 8 September 2020 Black Rock Mining announced that its potential Strategic Alliance and Development partner, POSCO Limited (POSCO), is making meaningful progress on due diligence activities, including battery manufacture and extended battery performance testing and had extended the due diligence process to 20 November 2020.
- On 11 August 2020 Black Rock Mining announced, that the fully underwritten non-renounceable Entitlement Offer to raise approximately $1.65 million as announced by the Company on 3 July 2020, settled with all the securities under the offer allotted. Under the terms of the Entitlement Offer Eligible Shareholders were entitled to apply for one (1) New Share at an issue price of $0.042 (4.2 cents) for every sixteen (16) shares held on the Record Date. Each New Share issued under the terms of the Entitlement Offer receive one (1) free attaching New Option exercisable at $0.084 (8.4 cents), expiring three (3) years after the issue date. Under the Entitlement Offer the Company offered a maximum of 39,308,982 new shares to raise approximately $1.65 million.

DIRECTORS' REPORT

SUBSEQUENT EVENTS *(CONTINUED)*

- On 8 September 2020 Black Rock Mining announced that its potential Strategic Alliance and Development partner, POSCO Limited (POSCO), is making meaningful progress on due diligence activities, including battery manufacture and extended battery performance testing and had extended the due diligence process to 20 November 2020.
- On 15 September 2020 Black Rock Mining announced that the Government of Tanzania had officially published regulations concerning graphite concentrate exports, having issued Government Notice 687 of 2020 "The Mining (Value Addition) Regulations, 2020". The updated regulation continues the policy of maintaining a minimum graphite concentration of 65% total graphitic carbon and payment of royalties as conditions of export. The 2020 regulations revoke the 2019 "The Mining (Mineral Value Addition) Guidelines of 2019. Black Rock Mining has demonstrated in two independent pilot plant operations that Mahenge can produce graphite concentrate at grades of up to 98% Carbon by LOI thereby confirming Black Rock Mining's Definitive Feasibility Study view that Mahenge graphite concentrate is suitable for export.
- During March 2020 and up until the date of this report, Australia and much of the World has been impacted by the spread of the COVID-19 virus. COVID-19, announced as a global pandemic by the World Health Organization on 11 March 2020, is a non- adjusting subsequent event which has the potential to significantly impact business activity and economic conditions worldwide after reporting date. While the exact economic impact on the business cannot be estimated, the Group has taken action to continue to pursue its projects. To date, there has been no significant impact on the current operations of the business or the financial position as at 30 June 2020.

FUTURE DEVELOPMENTS

Black Rock Mining remains focused on developing its Graphite Mahenge Project in Tanzania. The Company is now moving into its development phase and looks forward to executing on its strategy to develop and bring Mahenge into production and in parallel, penetrate the battery materials supply chain.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The exploration activities of entities in the Consolidated Entity are subject to environmental regulations imposed by various regulatory authorities, particularly those relating to ground disturbance and the protection of rare and endangered flora and fauna.

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

SHARE OPTIONS

Share options granted to directors

During the year 9,200,000 million share options were granted to the directors of the Company. Refer to table on page 14.

Share options on issue

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

ISSUING ENTITY	NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	EXERCISE PRICE OF OPTION	EXPIRY DATE OF OPTIONS
Black Rock Mining Limited	13,000,000	Ordinary	$0.10	7 November 2021
Black Rock Mining Limited	5,000,000	Ordinary	$0.07	9 July 2021
Black Rock Mining Limited	5,000,000	Ordinary	$0.20	14 March 2021
Black Rock Mining Limited	3,000,000	Ordinary	$0.10	18 December 2021
Black Rock Mining Limited	1,000,000	Ordinary	$0.10	31 October 2021
Black Rock Mining Limited	3,000,000	Ordinary	$0.15	18 November 2022
Black Rock Mining Limited	9,200,000	Ordinary	$0.15	28 October 2022

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

PERFORMANCE RIGHTS

Performance rights granted to directors

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

Performance rights on issue

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

INFORMATION ABOUT THE DIRECTORS

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

DIRECTOR		NUMBER	GRANT DATE	EXPIRY DATE	EXERCISE PRICE
Richard Crookes	- Ordinary shares	2,705,357			
	- Unlisted Options	2,500,000	7-Nov-18	7-Nov-21	$0.10
	- Unlisted Options	2,400,000	29-Oct-19	28-Oct-22	$0.15
John de Vries	- Ordinary shares	4,033,928			
	- Unlisted Options	5,000,000	7-Nov-18	7-Nov-21	$0.10
	- Unlisted Options	3,600,000	28-Oct-19	28-Oct-22	$0.15
Ian Murray	- Ordinary shares	5,794,420			
	- Unlisted Options	3,000,000	18-Nov-19	18-Nov-22	$0.15
	- Unlisted Options	1,600,000	28-Oct-19	28-Oct-22	$0.15
Gabriel Chiappini	- Ordinary shares	6,892,857			
	- Unlisted Options	2,500,000	7-Nov-18	7-Nov-21	$0.10
	- Unlisted Options	1,600,000	28-Oct-19	28-Oct-22	$0.15

INDEMNIFICATION OF OFFICERS AND AUDITOR

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

1. Agreements to indemnify Mr Richard Crookes (Non-Executive Chairman), Mr John de Vries (Managing Director), Mr Gabriel Chiappini (Non-Executive Director) and Mr Ian Murray (Non-Executive Director), in respect of any liabilities incurred by them while acting in the normal course of business as a director of the entity and to insure them against certain risks they are exposed to as directors of the Company.
2. Pursuant to the above, the Company has paid premiums to insure the directors and executive management against liabilities incurred in the conduct of the business of the Company and has provided right of access to the Company records.
3. In accordance with common commercial practice, the insurance policy prohibits disclosure of the premium and the nature of the liability insured against.

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

DIRECTORS' REPORT

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each Director (while they were director or committee member). During the financial year seven (7) Board meetings were held:

DIRECTOR	NUMBER ELIGIBLE TO ATTEND	NUMBER ATTENDED
Richard Crookes	7	7
Ian Murray	7	7
John de Vries	7	7
Gabriel Chiappini	7	7

NON-AUDIT SERVICES

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

AUDITOR'S INDEPENDENCE DECLARATION

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

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not party to any such proceedings during the year.

REMUNERATION REPORT (audited)

This remuneration report, which forms part of the Directors' Report, sets out information about the remuneration of Black Rock Mining's key management personnel for the financial year ended 30 June 2020. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the Consolidated Entity, directly or indirectly, including any director (whether executive or otherwise) of the Consolidated Entity. The prescribed details for each person covered by this report are detailed below under the following headings:

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

Key management personnel

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

Richard Crookes	Non-Executive Chairman	Appointed 16 October 2017
Ian Murray	Non-Executive Director	Appointed 2 May 2019
John de Vries	Chief Executive Officer & Managing Director	Appointed 16 March 2017
Gabriel Chiappini	Non-Executive Director & Company Secretary	Appointed 21 March 2012 Appointed 12 July 2013

Remuneration policy

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

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

Elements of director and executive remuneration

Remuneration packages contain the following key elements:

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

REMUNERATION REPORT (audited) *(CONTINUED)*

Elements of director and executive remuneration *(CONTINUED)*

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

2020	SHORT TERM EMPLOYEE BENEFITS - SALARY AND FEES	OTHER (i)	BONUS	POST EMPLOYMENT BENEFITS - SUPERANNUATION	SHARE BASED PAYMENT (OPTIONS AND RIGHTS)	TOTAL	% LINKED TO PERFORMANCE
	$			$	$	$	
Richard Crookes	100,000	-	-	9,500	56,303	165,803	-
Ian Murray	66,000	-	-	6,270	68,828	141,098	-
John de Vries	303,500	27,375	-	25,000	84,130	440,005	-
Gabriel Chiappini	72,270	-	-	-	56,084	128,354	-
	541,770	27,375	-	40,770	265,345	875,260	

(i) Other relates to annual leave benefits earnt during the year

During the June 2020 financial year, in response to the COVID pandemic, the Directors of Black Rock Mining agreed to defer a portion of their fees. Refer to the section titled "Amounts owing to Directors" below for a summary of the amounts owing to each Director at the end of financial year.

2019	SHORT TERM EMPLOYEE BENEFITS - SALARY AND FEES	OTHER (iii)	BONUS (iv)	POST EMPLOYMENT BENEFITS - SUPERANNUATION	SHARE BASED PAYMENT (OPTIONS AND RIGHTS)	TOTAL	% LINKED TO PERFORMANCE
	$			$	$	$	
Richard Crookes	108,333	-	-	10,292	50,808	169,433	-
Ian Murray (i)	11,000	-	-	1,045	8,647	20,692	-
John de Vries	302,645	23,088	75,000	25,000	86,383	512,116	-
Stephen Copulos (ii)	20,833	-	-	-	32,350	53,183	-
Gabriel Chiappini	49,000	-	-	-	59,366	108,366	-
	491,811	23,088	75,000	36,337	237,554	863,790	

(i) Appointed 2 May 2019

(ii) Resigned 7 November 2018

(iii) Other relates to accrual of annual leave benefits

(iv) On 10 September 2019 the Company announced that the Board had agreed to award John de Vries a $75,000 short term incentive for his performance during the 2019 financial year to be paid 50% cash and 50% in Black Rock Mining ordinary shares (shares subject to shareholder approval). At the date of this report no bonus had been awarded for the 30 June 2020 financial year.

REMUNERATION REPORT (audited) *(CONTINUED)*

Amounts owing to Directors

During the June 2020 financial hear, in response to the COVID pandemic, the Directors of Black Rock Mining agreed to defer a portion of their fees. Below is a summary of the amounts owing at the end of the financial year.

	2020	2019
	$	$
Richard Crookes	**36,500**	-
Ian Murray	**24,090**	-
John de Vries	**105,192**	-
Gabriel Chiappini	**30,815**	-
	196,597	-

Key Terms of Employment Contracts

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

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

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

Managing Director and Chief Executive Officer Employment Contract

Effective 10 September 2019, Mr John de Vries was promoted to the position of the Managing Director and Chief Executive Officer and was employed under an Executive Services Agreement with the material terms and conditions being:

Status	Full time
Term	Rolling contract
Notice period	6 months' notice by either party, notice period extends to 12 months under certain circumstances
Salary	$300,000 per annum plus superannuation (same as current salary)
Superannuation	Statutory Rate
Leave	20 days annual leave
Short Term Incentive (STI)	Ability to earn up to 50% of base salary as an STI per annum. For the FY19 period the board has agreed to award John de Vries a $75,000 STI for his performance during FY19 to be paid 50% cash and 50% in BKT ordinary shares (shares subject to shareholder approval).
Long Term Incentives (LTI)	Ability to earn up to 50% of base salary as an LTI. For the FY20 year, 3,600,000 unlisted options issued at nil consideration that will vest in three equal tranches over 12, 18 & 24 months and be exercisable at $0.15 each and expire three years from date of grant. These options are subject to shareholder approval. LTI to be reviewed annually.
Other Benefits	Indemnity & Access Deed D&O Insurance

REMUNERATION REPORT (audited) *(CONTINUED)*

Share based payment arrangements

Options

As approved at the 2019 Annual General Meeting, the following options were granted during the year, affecting key management personnel remuneration:

	NUMBER OF SHARE OPTIONS (i)
Richard Crookes	2,400,000
Ian Murray	1,600,000
John de Vries	3,600,000
Gabriel Chiappini	1,600,000
	9,200,000

(i) Expiry: 28 October 2022, Exercise price: $0.15, Vesting conditions: 33.3% on 28 October 2020, 33.3% on 28 October 2021 and 33.4% on 28 October 2022 subject to remaining as a director, executive or consultant of the Company. Fair value per share option was $0.0268 computed using a Black & Scholes model.

The options above (9.2 million) pertain only to those issued to key management personnel during the year and represent only a portion of the total options issued during the year which are disclosed above.

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

ISSUING ENTITY	NUMBER OF SHARES UNDER OPTION	CLASS OF SHARES	EXERCISE PRICE OF OPTION	EXPIRY DATE OF OPTIONS
Black Rock Mining Limited	10,000,000	Ordinary	$0.10	7 November 2021
Black Rock Mining Limited	9,200,000	Ordinary	$0.15	28 October 2022
Black Rock Mining Limited	3,000,000	Ordinary	$0.15	18 November 2022

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

Performance rights

No new performance rights were issued during the reporting period.

Other information

FINANCIAL TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

During the financial year the following amounts were paid to Key Management Personnel for services. These payments have been disclosed in the remuneration table above:

	VALUE $	DESCRIPTION
Gabriel Chiappini	72,270	Amounts to Laurus Corporate Services, a Company Mr Chiappini is a shareholder and director of, for the provision of Company Secretarial and Non-executive Director services.

REMUNERATION REPORT (audited) *(CONTINUED)*

Relationship Between Company Performance and Remuneration Policy

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

The table below sets out summary information about the Company's earnings and movements in shareholder wealth for the 5 years to 30 June 2020:

	2020	2019	2018	2017	2016
Revenue ($'s)	**2,870**	7,939	24,183	187,548	11,602
Net loss before tax ($'s)	**(3,387,285)**	(2,864,024)	(2,053,080)	(2,590,371)	(1,349,305)
Net loss after tax ($'s)	**(3,387,285)**	(2,864,024)	(2,053,080)	(2,590,371)	(1,349,305)
Share Price at start of year	**$0.084**	$0.037	$0.066	$0.066	$0.028
Share Price at year end	**$0.048**	$0.084	$0.037	$0.066	$0.066
Loss per share	**$0.00545**	$0.00539	$0.00547	$0.1176	$0.005

Movement in shares

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

	1 JULY 2019	PURCHASES	OTHER CHANGES	30 JUNE 2020
Richard Crookes	**2,062,500**	**642,857**	**-**	**2,705,357**
Ian Murray	**1,508,706**	**4,285,714**	**-**	**5,794,420**
John de Vries	**3,212,500**	**285,714**	**535,714 (i)**	**4,033,928**
Gabriel Chiappini	**6,250,000**	**642,857**	**-**	**6,892,857**

(i) On 10 September 2019 the Company announced that the board had agreed to award John de Vries a $75,000 short term incentive for his performance during the 2019 financial year to be paid 50% cash and 50% in Black Rock Mining's ordinary shares (shares subject to shareholder approval) at a deemed price of $0.07 per share

Movement in unlisted options

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

	1 JULY 2019	OPTIONS GRANTED FREE ATTACHING	OPTIONS GRANTED AS REMUNERATION	OPTIONS LAPSED	OTHER CHANGES	30 JUNE 2020	VESTED AND EXERCISABLE AT 30 JUNE 2020	VESTED DURING THE YEAR
Richard Crookes	**7,500,000**	**-**	**2,400,000**	**-**	**-**	**9,900,000**	**8,300,000**	**2,500,000**
Ian Murray	**-**	**-**	**1,600,000**	**-**	**3,000,000 (i)**	**4,600,000**	**2,033,333**	**1,500,000**
John de Vries	**10,000,000**	**-**	**3,600,000**	**-**	**-**	**13,600,000**	**11,200,000**	**5,000,000**
Gabriel Chiappini	**7,500,000**	**-**	**1,600,000**	**-**	**-**	**9,100,000**	**8,033,333**	**2,500,000**

(i) Ian Murray was granted options in the June 2019 financial year with the corresponding expense recognised in that period, however the issue of these options was subject to shareholder approval which was obtained at the AGM held on the 28 October 2019

REMUNERATION REPORT (audited) *(CONTINUED)*

Movement in listed options

There were no movements in listed options of the Company held directly, indirectly or beneficially by specified Directors and other Key Management Personnel of the Company or their personally related entities during the financial year.

Movement in performance rights

There were no movements in performance rights of the Company held directly, indirectly or beneficially by specified Directors and other Key Management Personnel of the Company or their personally related entities during the financial year.

END OF REMUNERATION REPORT

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

On behalf of the Directors.

Richard Crookes

Richard Crookes
CHAIRMAN

Perth, 29 September 2020

AUDITOR'S INDEPENDENCE DECLARATION

Deloitte.

Deloitte Touche Tohmatsu
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The Board of Directors
Black Rock Mining Limited
45 Ventnor Avenue
West Perth, WA 6005

29 September 2020

Dear Board Members

Auditor's Independence Declaration to Black Rock Mining Limited

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

As lead audit partner for the audit of the financial report of Black Rock Mining Limited for the year ended 30 June 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ian Skelton
Partner
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	FOR THE YEAR ENDED 30/06/2020 $	FOR THE YEAR ENDED 30/06/2019 $
Interest income		**2,870**	7,939
Other revenue		**-**	-
Administrative expenses		**(286,725)**	(317,152)
Employee benefit expense		**(1,111,253)**	(707,158)
Share based payment expense		**(374,246)**	(431,311)
Consulting expense		**(1,165,297)**	(1,014,579)
Depreciation and amortisation expense		**(18,630)**	(10,675)
Net foreign currency exchange differences		**(4,641)**	(5,071)
Other expenses from ordinary activities		**(315,131)**	(368,949)
Impairment of investments		**-**	(17,068)
Loss on disposal of investment		**(114,232)**	-
Loss before tax		**(3,387,285)**	(2,864,024)
Income tax benefit	6	**-**	-
LOSS FOR THE YEAR		**(3,387,285)**	(2,864,024)
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		**480,079**	912,109
Items not reclassified through profit or loss		**-**	26,807
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF BLACK ROCK MINING LIMITED		**(2,907,206)**	(1,925,108)
Loss for the year attributable to owners of the Company		**(3,387,285)**	(2,864,024)
Total comprehensive loss attributable to the owners of the Company		**(2,907,206)**	(1,925,108)
Loss per share			
Basic and diluted loss per share	19	**(0.00545)**	(0.00539)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2020

	NOTE	AS AT 30/06/2020 $	AS AT 30/06/2019 $
Assets			
Current assets			
Cash and bank balances	7	**722,097**	1,907,467
Other receivables		**93,368**	170,361
Total current assets		**815,465**	2,077,828
Non-current assets			
Exploration & evaluation asset	9	**22,770,344**	20,978,368
Property, plant and equipment		**31,941**	43,379
Total non-current assets		**22,802,285**	21,021,747
Total assets		**23,617,750**	23,099,575
Liabilities			
Current liabilities			
Trade and other payables	10	**839,026**	658,011
Provisions		**59,812**	34,724
Total current liabilities		**898,838**	692,735
Total liabilities		**898,838**	692,735
Net assets		**22,718,912**	22,406,840
Equity			
Issued capital	11	**60,989,789**	58,086,890
Foreign currency translation reserve	12	**1,256,565**	796,853
Share based payment reserve	12	**1,132,872**	796,126
Accumulated losses	13	**(40,660,314)**	(37,273,029)
Total equity		**22,718,912**	22,406,840

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	ISSUED CAPITAL $	ACCUMULATED LOSSES $	ASSET REVALUATION RESERVE $	SHARE BASED PAYMENT RESERVE $	FOREIGN CURRENCY RESERVE $	TOTAL EQUITY $
Balance at 1 July 2018	11, 12, 13	**52,371,878**	**(36,461,185)**	**87,714**	**2,400,333**	**(115,255)**	**18,283,485**
Loss for the year		-	(2,864,024)	-	-	-	**(2,864,024)**
Other comprehensive income for the year, net of tax		-	-	-	-	912,109	**912,109**
Fair value movement		-	-	26,807	-	-	**26,807**
Total comprehensive income for the year		-	(2,864,024)	26,807	-	912,109	**(1,925,108)**
Issue of ordinary shares		5,999,500	-	-	-	-	**5,999,500**
Cost of share capital issued		(382,348)	-	-	-	-	**(382,348)**
Costs of share based payments		66,660	-	-	364,651	-	**431,311**
Performance rights converted to ordinary shares		31,200	-	-	(31,200)	-	**-**
Options expired not vested during the period		-	1,737,809	-	(1,737,809)	-	**-**
Performance rights expired not vested during the period		-	199,850	-	(199,850)	-	**-**
Asset revaluation reserve attributable to investments disposed of		-	114,521	(114,521)	-	-	**-**
Balance at 30 June 2019	11, 12, 13	**58,086,890**	**(37,273,029)**	**-**	**796,126**	**796,853**	**22,406,840**
Loss for the year		-	(3,387,285)	-	-	-	**(3,387,285)**
Other comprehensive income for the year, net of tax		-	-	-	-	480,079	**480,079**
De-recognition of subsidiary		-	-	-	-	(20,367)	**(20,367)**
Total comprehensive income for the year		-	(3,387,285)	-	-	459,712	**(2,927,573)**
Issue of ordinary shares		2,590,000	-	-	-	-	**2,590,000**
Bonus shares issued to John de Vries		37,500	-	-	-	-	**37,500**
Placement shares issued to directors		410,000	-	-	-	-	**410,000**
Cost of share capital issued		(134,601)	-	-	-	-	**(134,601)**
Costs of share based payments		-	-	-	336,746	-	**336,746**
Total distributions to owners of Company recognised directly in equity		2,902,899	-	-	336,746	-	**3,239,645**
Balance at 30 June 2020	11, 12, 13	**60,989,789**	**(40,660,314)**	**-**	**1,132,872**	**1,256,565**	**22,718,912**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	**FOR THE YEAR ENDED 30/06/2020 $**	FOR THE YEAR ENDED 30/06/2019 $
Cash flow from operating activities			
Payments to suppliers and employees		**(2,516,341)**	(2,272,737)
Net cash flows used in operating activities	7	**(2,516,341)**	(2,272,737)
Cash flow from investing activities			
Capitalised exploration expenditure		**(1,529,353)**	(3,487,680)
Interest received		**2,870**	7,939
Payments for property, plant and equipment		**(3,679)**	(34,425)
Proceeds on disposal of investment		**-**	294,810
Government grants received		**-**	-
Payments for security deposits		**-**	(6,620)
Net cash flows used in investing activities		**(1,530,162)**	(3,225,976)
Cash flows from financing activities			
Proceeds from issue of shares and options		**3,000,000**	5,999,500
Payment of share issue costs		**(134,601)**	(382,348)
Net cash flows provided by financing activities		**2,865,399**	5,617,152
Net (decrease)/increase in cash held		**(1,181,104)**	118,439
Cash at the beginning of the financial year		**1,907,467**	1,788,150
Effect of exchange movement on cash balances		**(4,266)**	878
Cash and cash equivalents at the end of the year	7	**722,097**	1,907,467

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 GENERAL INFORMATION

Statement of compliance

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

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

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

The financial statements were authorised for issue by the directors on 29 September 2020.

Going Concern

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

The Group has incurred net losses of $3,387,285 (30 June 2019: $2,864,024) and experienced net cash outflows from operating activities of $2,516,341 (30 June 2019: $2,272,737) and net cash outflows from investing activities of $1,530,162 (30 June 2019: $3,225,976) for the year ended 30 June 2020.

During the financial year the Group deployed its working capital into its graphite prospects in Mahenge, Tanzania in order continue its Front End Engineering Design work and complete its Spherical Purified Graphite Production Trial. The Group has also completed its Resettlement Action Plan, which is key in its progression towards the development of the project. The Directors have prepared a cash flow forecast reflecting the Group's key objectives, which indicates the Group needs to raise additional capital to invest in the Company's stated strategic objectives.These additional funds may be raised from the negotiation of an Investment Agreement with POSCO, with whom Black Rock Mining have entered a Strategic Alliance & Development Memorandum of Understanding. The Investment Agreement anticipates an investment of up to US$10m by way of subscription for shares and/or convertible notes in Black Rock Mining. Funds may also be raised through equity raisings.

In August 2019 the Company completed a placement of 37,000,001 ordinary shares at $0.07 per share to raise $2.590 million with a further 5,857,142 shares issued in October 2019 to directors and management that were subject to shareholder approval which raised a further $410,000. Subsequent to year end in August 2020, the Company completed an additional placement of 39,308,982 ordinary shares at $0.042 per share to raise $1.65 million.

The cash flow forecast for the period ending 30 September 2021 indicates that the Group is required to raise additional capital. Management intend on completing a raising of at least $1.1 million by March 2021 in order to continue its planned preparation for the construction on its graphite prospects in Tanzania and to fund working capital. This assumes no slowing down or deferment of costs.

Based on the Company's history of raising capital and subject to the general market conditions, the Directors are confident of the Company's ability to raise additional capital as required. Based on this and on the cash flow forecasts, the Directors believe that the going concern basis of preparation is appropriate.

Should the Group be unable to obtain funding through capital raising or alternative sources, or otherwise reduce its operational spending in line with available cash resources, there is a material uncertainty that may cast significant doubt as to whether the Group will be able to continue as a going concern and therefore, whether it will realise its assets and extinguish its liabilities as and when they fall due.

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

2 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

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

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

New and revised standards and amendments thereof and interpretations effective for the current reporting period that are relevant to the Group include:

- AASB 16 Leases
- Interpretation 23 Uncertainty over Income Tax Treatments
- AASB 2017-7 Amendments – Long-term Interests in Associates and Joint Venture Amendments to IAS 28 and Illustrative Example – Long-term Interests in Associates and Joint Ventures
- AASB 2018-1 Amendments – Annual Improvements 2015-2017 Cycle
- AASB 2018-2 Amendments – Plan Amendment, Curtailment or Settlement (AASB 119)

The adoption of the aforementioned standards have resulted in an immaterial impact on financial statements of the Group as at 30 June 2020. A discussion on the impact of the adoption of AASB 16 is included below.

AASB 16 Leases

AASB 16 Leases has replaced the previous accounting requirements for leases under AASB 117 Leases. Under the previous requirements, leases were classified based on their nature as either finance leases, which were recognised on the Statement of Financial Position, or operating leases, which were not recognised on the Statement of Financial Position.

Under AASB 16 Leases, the Group's accounting for operating leases as a lessee will result in the recognition of a right-of-use (ROU) asset and an associated lease liability on the Statement of Financial Position. The lease liability represents the present value of future lease payments, with the exception of short-term and low value leases. An interest expense will be recognised on the lease liabilities and a depreciation charge will be recognised for the ROU assets. There will also be additional disclosure requirements under the new standard.

The Group's adoption of AASB 16 has resulted in no impact to the financial statements of the Group due to the fact that the Group has not entered into any transactions or arrangements that would be accounted for as a lease under the new standard.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

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

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

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

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

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

The principal accounting policies are set out below.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

3.2 Basis of consolidation

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

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

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

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

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

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

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

3.3 Revenue Recognition

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

3.3.1 Interest income

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

3.4 Foreign currencies

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

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

3.4 Foreign currencies *(CONTINUED)*

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

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

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

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

3.5 Employee benefits

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

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

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

3.6 Share-based payment transactions

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

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

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

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

3.7 Taxation

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

3.7.1 Current tax

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

3.7 Taxation *(CONTINUED)*

3.7.2 Deferred Tax

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

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

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

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

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

3.7.3 Current and deferred tax for the year

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

Black Rock Mining implemented the tax consolidation legislation.

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

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

3.8 Property, Plant and Equipment

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

Plant and equipment

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

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

Depreciation

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

Plant and equipment:	7.5% - 67%

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

3.9 Exploration Expenditure

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

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

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

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

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

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

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

3.10 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(CONTINUED)*

3.11 Financial Instruments

Trade and Other Receivables

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

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

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

Cash and Cash Equivalent

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

Trade and Other Payables

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

3.12 Goods and Services Tax

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

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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

4 CRITICAL ACCOUNTING JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

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

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

4.1 Critical judgements in applying accounting policies

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

4 CRITICAL ACCOUNTING JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

4.2 Key sources of estimation uncertainty

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

4.2.1 Impairment

The consolidated entities assess impairment at each reporting date by evaluating conditions specific to the consolidated entities that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The Group's policy on the capitalisation of exploration and evaluation expenditure is detailed in note 3.9 and Impairment at note 3.10.

4.2.2 Share based payments

The Consolidated Entities measure the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate model. One of the inputs into the option valuation model is volatility of the underlying share price, which is estimated on the one-year history of the share price and has been estimated as approximately 109%.

5 SEGMENT REPORTING

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

5.1 Segment revenues and results

2020	GRAPHITE	CORPORATE	CONSOLIDATED
Interest	**-**	**2,870**	**2,870**
Total revenue	**-**	**2,870**	**2,870**
Loss before tax	**(723,507)**	**(2,663,778)**	**(3,387,285)**
Fixed asset additions	**-**	**3,679**	**3,679**
Depreciation	**(9,923)**	**(8,707)**	**(18,630)**

2020	GRAPHITE	CORPORATE	CONSOLIDATED
Total segment assets	**22,787,191**	**830,559**	**23,617,750**
Total segment liabilities	**(408,675)**	**(490,163)**	**(898,838)**

2019	GRAPHITE	CORPORATE	CONSOLIDATED
Interest	-	7,939	7,939
Total revenue	-	7,939	7,939
Loss before tax	(214,771)	(2,649,253)	(2,864,024)
Fixed asset additions	17,835	16,589	34,424
Depreciation	4,445	6,230	10,675

2019	GRAPHITE	CORPORATE	CONSOLIDATED
Total segment assets	14,590,461	8,509,114	23,099,575
Total segment liabilities	78,714	614,021	692,735

6 INCOME TAXES

		FOR THE YEAR ENDED 30/06/2020 $	FOR THE YEAR ENDED 30/06/2019 $
(a)	**Income tax (benefit)/expense**		
	Current tax	**-**	-
	Deferred tax	**-**	-
		-	-
(b)	**Numerical reconciliation of income tax expense to prima facie tax payable**		
	Loss for the year	**(3,387,285)**	(2,864,024)
	Loss from operations	**(3,387,285)**	(2,864,024)
	Prima facia tax benefit at 27.5% (20189: 27.5%)	**(931,504)**	(787,607)
	Share based payments	**83,283**	100,279
	Non-deductible expenditure	**199,295**	69,566
	Capital loss - Loan forgiveness	**555,441**	-
	Movement in unrecognised temporary differences	**(52,681)**	(59,127)
	Unused tax losses for which no deferred tax asset has been recognised	**146,166**	676,889
	Income tax benefit	**-**	-
(c)	**Recognised deferred tax assets and liabilities**		
	Recognised deferred tax assets comprise:		
	Other temporary differences	**165,642**	184,450
	Tax losses available for offset against future taxable income	**1,749,602**	1,586,989
		1,915,244	1,771,439
	Recognised deferred tax liabilities comprise:		
	Exploration and evaluation	**1,916,303**	1,769,357
	Unrealised foreign exchange movements	**(1,059)**	2,082
	Other financial assets	**-**	-
		1,915,244	1,771,439

Unrecognised deferred tax assets

Unused tax losses for which no deferred tax asset has been recognised are $18,455,947 (2019: $16,622,065) all of which originate within Australia. Potential tax benefit is $5,075,386 (2019: $4,571,068).

Unused tax losses for which no deferred tax asset has been recognised are US$8,877,401 (2019: US$6,942,844) all of which originate within Tanzania. Potential tax benefit is US$2,663,220 (2019: US$1,371,320).

(d) Franking credits

The Company has no franking credits available as at 30 June 2020 (2019: Nil).

(e) Tax Consolidation

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

7 CASH AND CASH EQUIVALENTS

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Cash and bank balances	**722,097**	1,907,467
	722,097	1,907,467

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Loss after income tax	**(3,387,285)**	(2,864,024)
Depreciation and amortisation of non-current assets	**18,630**	10,675
Share based payments to key management personnel	**374,246**	431,311
Net foreign exchange loss	**4,641**	5,071
Loss on disposal of investment	**114,232**	-
Impairment of investments	**-**	17,068
Interest revenue transferred to investing activity	**(2,870)**	(7,939)
	(2,878,406)	(2,407,838)
Movements in working capital:		
Decrease/(increase) in trade and other receivables	**76,993**	(22,682)
Increase in trade and other payables	**259,984**	144,613
Increase in employee entitlements provision	**25,088**	13,170
Net cash used in operating activities	**(2,516,341)**	(2,272,737)

7.2 Non Cash transactions

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Operating Activity		
Options vested during the year in relation to services rendered by employees and consultants	**336,746**	-
Payment for services rendered by employees through the issue of shares	**37,500**	-
Financing activity		
Performance rights exercised into shares	**-**	31,200

8 SUBSIDIARIES

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

NAME OF SUBSIDIARY	PLACE OF INCORPORATION AND OPERATION	PROPORTION OF OWNERSHIP INTEREST AND VOTING POWER HELD BY THE GROUP	
		FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
Mahenge Resources Limited	Tanzania	**100%**	100%
Green Rock Energy International Pty Ltd	Australia	**-**	100%
Green Rock (Vulcan) Energy Kft	Hungary	**-**	100%

9 EXPLORATION AND EVALUATION ASSET

In the exploration phase

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2018
	$	$
Balance at beginning of year	**20,978,368**	16,574,559
Expenditure incurred during the year (at cost)	**1,529,353**	3,487,680
Foreign exchange effect	**262,623**	916,128
Balance at end of year	**22,770,344**	20,978,368

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Cash paid for exploration and evaluation	**1,458,591**	3,686,379
Accruals in prior year	**(36,563)**	(235,262)
Accruals in current year	**107,325**	36,563
Research and development offset received	**-**	-
Total expenditure incurred during the year (at cost)	**1,529,353**	3,487,680

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

The balance of $22,770,344 (2019: $20,978,368) at reporting date represents the carrying value of its Graphite assets in Tanzania.

10 TRADE AND OTHER PAYABLES

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Trade creditors	**295,795**	284,159
Accruals	**523,605**	310,650
Other liabilities	**19,626**	63,202
	839,026	658,011

Included in trade creditors and accruals is an amount of $107,325 (2019: $36,563) relating to exploration expenditure.

11 ISSUED CAPITAL

	FOR THE YEAR ENDED 30/06/2020 $	FOR THE YEAR ENDED 30/06/2019 $
628,943,708 ordinary shares issued and fully paid (30 June 2019: 585,550,851)	**60,989,789**	58,086,890
	60,989,789	58,086,890

11.1 Fully paid ordinary shares

	NUMBER OF SHARES	SHARE CAPITAL $
Balance at 30 June 2018	443,734,701	52,371,878
Shares issued 6 September 2018 ($0.032 per share) – Cash	78,125,000	2,500,000
Shares issued 5 November 2018 ($0.033 per share) – Non-cash	220,000	7,260
Shares issued 22 November 2018 ($0.032 per share) – Cash	15,625,000	500,000
Shares issued 14 December 2018 ($0.039 per share) – Non-cash	800,000	31,200
Shares issued 18 March 2018 ($0.065 per share) – Cash	46,146,150	2,999,500
Shares issued 18 March 2018 ($0.066 per share) – Non-cash	900,000	59,400
Less: capital raising costs	-	(382,348)
Balance at 30 June 2019	585,550,851	58,086,890
Shares issued under Placement 22 August 2019 ($0.07 per share) – Cash	37,000,001	2,590,000
Shares issued to Directors – 28 October 2019 ($0.07 per share) – Cash	5,857,142	410,000
Shares issued to Director – 31 December 2019 ($0.07 per share) – Non-cash	535,714	37,500
Less: capital raising costs	-	(134,601)
Balance at 30 June 2020	628,943,708	60,989,789

11.2 Options

UNLISTED OPTIONS	OPENING BALANCE NO.	EXERCISED IN YEAR NO.	GRANTED IN YEAR NO.	EXPIRED IN YEAR NO.	CLOSING BALANCE NO.
Expiring 12 April 2020 at $0.20	5,000,000	-	-	(5,000,000)	-
Expiring 31 August 2020 at $0.10	6,250,000	-	-	-	6,250,000
Expiring 31 August 2020 at $0.10	6,250,000	-	-	-	6,250,000
Expiring 31 August 2020 at $0.10	6,250,000	-	-	-	6,250,000
Expiring 31 August 2020 at $0.10	6,250,000	-	-	-	6,250,000
Expiring 7 Nov 2021 at $0.10	13,000,000	-	-	-	13,000,000
Expiring 18 Dec 2021 at $0.10	3,000,000	-	-	-	3,000,000
Expiring 14 Mar 2021 at $0.20	5,000,000	-	-	-	5,000,000
Expiring 9 Jul 2021 at $0.07	5,000,000	-	-	-	5,000,000
Expiring 31 Oct 2021 at $0.10	1,000,000	-	-	-	1,000,000
Expiring 2 May 2022 at $0.10	3,000,000	-	-	-	3,000,000
Expiring 28 October 2022 at $0.15	-	-	9,200,000	-	9,200,000
	60,000,000	-	9,200,000	(5,000,000)	64,200,000

The weighted average exercise price of options at 30 June 2020 is $0.11.

The weighted average remaining contractual life of options as at 30 June 2020 is 369 days (2019: 634 days).

12 RESERVES (NET OF INCOME TAX)

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Reserves		
Share based payments reserve (i)	**1,132,872**	796,126
Foreign currency translation reserve (ii)	**1,256,565**	796,854
	2,389,437	1,592,980

(i) Share Based Payments Reserve

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Balance at the beginning of the year	**796,126**	2,400,333
Add: Share based payments to consultants	**-**	13,224
Add: Amounts expensed in the current year	**336,746**	351,427
Less: Options expired in the current year	**-**	(1,737,809)
Less: Options vested during the period	**-**	-
Less: Performance rights expired not vested during the year	**-**	(199,850)
Less: Performance rights vested and exercised	**-**	(31,200)
	1,132,872	796,126

(ii) Foreign Currency Translation Reserve

The foreign currency translation reserve arises on the consolidation of the Group's overseas subsidiary, Mahenge Resources Limited.

13 ACCUMULATED LOSSES

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Balance at beginning of the year	**37,273,029**	36,461,185
Net loss attributable to members	**3,387,285**	2,864,024
Transfer from share option reserve	**-**	(1,937,659)
Transfer from asset revaluation reserve	**-**	(114,521)
Balance at end of year	**40,660,314**	37,273,029

14 SHARE BASED PAYMENTS

(a) Employee Share Incentive Scheme

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

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

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

The share based payment arrangements that were in existence during current and prior-reporting periods is detailed in note 14 (i). During the year, the shared based payment expense recognised in the consolidated statement of profit and loss totaled $374,246 (2019: $431,311).

Share based payment arrangements relating to Directors and employees:

GRANT DATE	EXPIRY DATE	EXERCISE PRICE	NUMBER OF OPTIONS AT THE BEGINNING OF THE YEAR	OPTIONS GRANTED THIS YEAR	OPTIONS EXERCISED THIS YEAR	OPTIONS LAPSED, EXPIRED THIS YEAR	NUMBER OF OPTIONS AT THE END OF THE YEAR	OPTIONS EXERCISABLE AT THE END OF THE YEAR	FAIR VALUE AT GRANT DATE
17-10-17	31-08-20	$0.10	1,250,000	-	-	-	1,250,000	1,250,000	$0.0259
17-10-17	31-08-20	$0.10	1,250,000	-	-	-	1,250,000	1,250,000	$0.0259
17-10-17	31-08-20	$0.10	1,250,000	-	-	-	1,250,000	1,250,000	$0.0259
17-10-17	31-08-20	$0.10	1,250,000	-	-	-	1,250,000	1,250,000	$0.0259
28-10-17	31-08-20	$0.10	3,750,000	-	-	-	3,750,000	3,750,000	$0.0122
28-11-17	31-08-20	$0.10	3,750,000	-	-	-	3,750,000	3,750,000	$0.0140
28-11-17	31-08-20	$0.10	3,750,000	-	-	-	3,750,000	3,750,000	$0.0193
28-11-17	31-08-20	$0.10	3,750,000	-	-	-	3,750,000	3,750,000	$0.0259
08-11-18	31-10-21	$0.10	1,000,000	-	-	-	1,000,000	1,000,000	$0.0094
07-11-18	07-11-21	$0.10	10,000,000	-	-	-	10,000,000	10,000,000	$0.0132
02-05-19	02-05-22	$0.15	1,500,000	-	-	-	1,500,000	1,500,000	$0.0408
02-05-19	02-05-22	$0.15	1,500,000	-	-	-	1,500,000	1,500,000	$0.0271
28-10-19	28-10-22	$0.15	-	9,200,000	-	-	9,200,000	9,200,000	$0.0268

Mr Crookes

TRANCHE	TRANCHE A	TRANCHE B	TRANCHE C
Grant date	28-Oct-19	28-Oct-19	28-Oct-19
Number of options	800,000	800,000	800,000
Method	Black & Scholes	Black & Scholes	Black & Scholes
Grant date share price (cents)	5.6	5.6	5.6
Exercise price (cents)	15	15	15
Expected volatility	109%	109%	109%
Option life (years)	3.00 years	3.00 years	3.00 years
Dividend yield	Nil	Nil	Nil
Risk-free interest rate	0.74%	0.74%	0.74%

14 SHARE BASED PAYMENTS *(CONTINUED)*

(a) Employee Share Incentive Scheme *(CONTINUED)*

Mr de Vries

TRANCHE	TRANCHE A	TRANCHE B	TRANCHE C
Grant date	28-Oct-19	28-Oct-19	28-Oct-19
Number of options	1,200,000	1,200,000	1,200,000
Method	Black & Scholes	Black & Scholes	Black & Scholes
Grant date share price (cents)	5.6	5.6	5.6
Exercise price (cents)	15	15	15
Expected volatility	109%	109%	109%
Option life (years)	3.00 years	3.00 years	3.00 years
Dividend yield	Nil	Nil	Nil
Risk-free interest rate	0.74%	0.74%	0.74%

Mr Chiappini

TRANCHE	TRANCHE A	TRANCHE B	TRANCHE C
Grant date	28-Oct-19	28-Oct-19	28-Oct-19
Number of options	533,333	533,333	533,333
Method	Black & Scholes	Black & Scholes	Black & Scholes
Grant date share price (cents)	5.6	5.6	5.6
Exercise price (cents)	15	15	15
Expected volatility	109%	109%	109%
Option life (years)	3.00 years	3.00 years	3.00 years
Dividend yield	Nil	Nil	Nil
Risk-free interest rate	0.74%	0.74%	0.74%

Mr Murray

TRANCHE	TRANCHE A	TRANCHE B	TRANCHE C
Grant date	28-Oct-19	28-Oct-19	28-Oct-19
Number of options	533,333	533,333	533,333
Method	Black & Scholes	Black & Scholes	Black & Scholes
Grant date share price (cents)	5.6	5.6	5.6
Exercise price (cents)	15	15	15
Expected volatility	109%	109%	109%
Option life (years)	3.00 years	3.00 years	3.00 years
Dividend yield	Nil	Nil	Nil
Risk-free interest rate	0.74%	0.74%	0.74%

14 SHARE BASED PAYMENTS *(CONTINUED)*

(a) Employee Share Incentive Scheme *(CONTINUED)*

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

	2020		2019	
	NUMBER OF OPTIONS	**WEIGHTED AVERAGE EXERCISE PRICE (CENTS)**	NUMBER OF OPTIONS	WEIGHTED AVERAGE EXERCISE PRICE (CENTS)
Balance at the beginning of the financial year	**34,000,000**	**10.44**	20,000,000	10.00
Granted during the financial year:				
- Directors	**9,200,000**	**15.00**	13,000,000	11.15
- Employees	**-**	**-**	1,000,000	10.00
Forfeited/Expired	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Balance at the end of the financial year	**43,200,000**	**11.41**	34,000,000	10.44
Vested and Exercisable at the end of the year	**43,200,000**	**11.41**	20,000,000	10.00

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

Balance at end of the financial year

The share options vested and exercisable at the end of the financial year under the Plan had a weighted average exercise price of $0.1141 (2019: $0.1000) and a weighted average remaining contractual life of 396 days (2019: 428 days).

15 KEY MANAGEMENT PERSONNEL COMPENSATION

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

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

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

	FOR THE YEAR ENDED 30 JUNE 2020 $	FOR THE YEAR ENDED 30 JUNE 2019 $
Short-term employee benefit	**569,145**	491,811
Post-employment benefits	**40,770**	36,337
Share-based payments	**265,345**	237,554
Bonus	**-**	75,000
Other	**-**	23,088
	875,260	863,790

16 REMUNERATION OF AUDITORS

Auditor of the parent entity

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Audit or review of the financial statements (Parent auditor)	**37,275**	28,605
Audit or review of the financial statements (Other group entities auditor)	**11,153**	10,512
	48,428	39,117

The auditor of Black Rock Mining is Deloitte Touche Tohmatsu.

17 RELATED PARTY TRANSACTIONS

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

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

During the reporting period the following costs were incurred to Key Management Personnel for services in addition to those shown elsewhere in this note:

DIRECTOR	VALUE $	DESCRIPTION
Gabriel Chiappini	72,270	Amounts to Laurus Corporate Services, a Company Mr Chiappini is a shareholder and director of, for the provision of Company Secretarial and Non-executive Director services.

18 EXPENDITURE COMMITMENTS

a. Exploration

As part of the Company's license conditions with the Tanzanian Energy and Minerals Department, the Company is obliged to pay the below amounts per square kilometer to keep its tenements in good standing.

The license costs per annum are as follows:

PROJECT NAME	LICENSE TYPE	LICENSE NUMBER	AREA KM²	RATE PER KM²	TOTAL
Mahenge North	Mining License	ML 611/2019	9.94	USD 2,000	USD 19,880
Mahenge North	Mining License	ML 612/2019	9.79	USD 2,000	USD 19,580
Mahenge North	Prospecting License	PL 13752/2019	118.37	USD 100	USD 11,837
Makonde	Prospecting License	PL 10111/2014	12.55	USD 150	USD 1,883
Mahenge East	Prospecting License	PL 10426/2014	77.46	USD 150	USD 11,619
Mahenge Southwest	Prospecting License	PL 10427/2014	111.6	USD 150	USD 16,740

As part of the original conditions to acquire the exploration licences there were minimum exploration expenditure commitments. These have all been met by 30 June 2020.

18 EXPENDITURE COMMITMENTS *(CONTINUED)*

a. Exploration *(CONTINUED)*

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

Exploration licence PL10111/2014, PL10426/2014 and PL10427/2014

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

Exploration Program

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

b. Capital Commitments

The Group has no capital commitments (2019: Nil).

c. Operating Lease Commitments

On 1 June 2020 the Company extended the license agreement for its service office at 45 Ventnor Avenue, West Perth with the following applicable terms and conditions:

Commencement date:	1 June 2020
Expiry date:	31 May 2021
Monthly License fee:	$4,200 ex. GST
Notice period:	from 1 June 2020 either party may terminate the license by providing 60 days notice.

The Group has assessed its operating lease and determined that it does not fulfil the requirements of AASB 16.

At 30 June 2020 the Company had a commitment under the license of $48,855 ex GST all of which is due and payable within 12 months. The Company was granted rent relief for two months reducing its commitment by $3,780 (ex GST).

d. Contractual Commitments

As at 30 June 2020, the Group had no contractual expenditure commitments in place. (June 2019: Nil)

19 LOSS PER SHARE

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Profit/(Loss) used in calculating basic and diluted loss per share	**(3,387,285)**	(2,864,024)
Weighted average number of ordinary shares used in calculating basic and diluted profit/(loss) per share:	**621,227,172**	530,943,396
Basic and diluted profit/(loss) per share	**($0.00545)**	($0.00539)

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

20 FINANCIAL INSTRUMENTS

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balances. The Group's overall strategy remains unchanged from 2019.

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

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
Financial assets		
Cash and cash equivalents	**722,097**	1,907,467
Other receivables	**93,368**	170,361
Total financial assets	**815,465**	2,077,828
Financial liabilities		
Trade and other payables	**(839,026)**	(658,011)
Provisions	**(59,812)**	(34,724)
Total financial liabilities	**(898,838)**	(692,735)
Net financial instruments	**(83,373)**	1,385,093

The capital structure of the Group consists of net debt (current liabilities offset by cash and bank balances as detailed in note 7) and equity of the Group (comprising issued capital, reserves and accumulated losses as detailed in notes 11,12 and 13).

a. Capital Management

The main focus of the Group's capital management policy is to ensure adequate working capital to fund the exploration and development activities of its various geothermal projects. This is done through the close monitoring of cash flow projections.

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

	FOR THE YEAR ENDED 30/06/2020 $	FOR THE YEAR ENDED 30/06/2019 $
Cash and bank balances	**722,097**	1,907,467
Other receivables	**93,368**	170,361
Trade and other payables	**(839,026)**	(658,011)
	(23,561)	1,419,817

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

Financial risk management

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

Risk management is the responsibility of the Board of Directors.

20 FINANCIAL INSTRUMENTS *(CONTINUED)*

Market risk

Foreign exchange risk

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

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

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

Group sensitivity

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

The consolidated entity's pre-tax loss for the year would have been $72,293 higher/lower (2019: $19,811 higher/ lower) had the Australian dollar strengthened/weakened by 10% against the US Dollar.

Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk through cash and cash equivalents $722,097 (2019: $1,907,467).

At 30 June 2020, if the interest rates had weakened/strengthened by 100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been $287 lower/higher (2019: $794 lower/ higher) mainly as a result of interest income deceases/increases.

Credit risk

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

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

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

DEBTOR	< 30 DAYS
Other receivables	$20,704
Restricted Cash	$45,000

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

Liquidity risk

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

Maturities of financial liabilities

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

CREDITOR	<1 MONTH
Trade payables	$295,795

Fair value estimation

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

21 CONTINGENT LIABILITIES

There were no material contingent liabilities as at 30 June 2020. (2019: Nil)

22 EVENTS AFTER THE REPORTING DATE

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

- On 31 July 2020 Black Rock Mining announced, that further to the announcement on 29 April 2020, that it had progressed formal negotiations to resolve the structure and nature of the Free Carried Interest (FCI) with the Government of the United Republic of Tanzania (Tanzanian Government). On 8 September 2020 Black Rock Mining announced that its potential Strategic Alliance and Development partner, POSCO Limited (POSCO), is making meaningful progress on due diligence activities, including battery manufacture and extended battery performance testing and had extended the due diligence process to 20 November 2020.
- On 11 August 2020 Black Rock Mining announced, that the fully underwritten non-renounceable Entitlement Offer to raise approximately $1.65 million as announced by the Company on 3 July 2020, settled with all the securities under the offer allotted. Under the terms of the Entitlement Offer Eligible Shareholders were entitled to apply for one (1) New Share at an issue price of $0.042 (4.2 cents) for every sixteen (16) shares held on the Record Date. Each New Share issued under the terms of the Entitlement Offer receive one (1) free attaching New Option exercisable at $0.084 (8.4 cents), expiring three (3) years after the issue date. Under the Entitlement Offer the Company offered a maximum of 39,308,982 new shares to raise approximately $1.65 million.
- On 8 September 2020 Black Rock Mining announced that its potential Strategic Alliance and Development partner, POSCO Limited (POSCO), is making meaningful progress on due diligence activities, including battery manufacture and extended battery performance testing and had extended the due diligence process to 20 November 2020.
- On 15 September 2020 Black Rock Mining announced that the Government of Tanzania had officially published regulations concerning graphite concentrate exports, having issued Government Notice 687 of 2020 "The Mining (Value Addition) Regulations, 2020". The updated regulation continues the policy of maintaining a minimum graphite concentration of 65% total graphitic carbon and payment of royalties as conditions of export. The 2020 regulations revoke the 2019 "The Mining (Mineral Value Addition) Guidelines of 2019. Black Rock Mining has demonstrated in two independent pilot plant operations that Mahenge can produce graphite concentrate at grades of up to 98% Carbon by LOI thereby confirming Black Rock Mining's Definitive Feasibility Study view that Mahenge graphite concentrate is suitable for export.
- During March 2020 and up until the date of this report, Australia and much of the World has been impacted by the spread of the COVID-19 virus. COVID-19, announced as a global pandemic by the World Health Organization on 11 March 2020, is a non- adjusting subsequent event which has the potential to significantly impact business activity and economic conditions worldwide after reporting date. While the exact economic impact on the business cannot be estimated, the Group has taken action to continue to pursue its projects. To date, there has been no significant impact on the current operations of the business or the financial position as at 30 June 2020.

23 PARENT ENTITY INFORMATION

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

Financial Position

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
	$	$
Assets		
Current assets	**814,881**	2,049,141
Non-current assets	**7,000,315**	6,454,731
Total assets	**7,815,196**	8,503,872
Liabilities		
Current liabilities	**490,164**	614,019
Non-current liabilities	**-**	-
Total liabilities	**490,164**	614,019
Equity		
Issued capital	**60,989,790**	58,086,890
Retained earnings	**(54,797,630)**	(50,993,163)
Reserves	**1,132,872**	796,126
Total equity	**7,325,032**	7,889,853

Financial performance

	FOR THE YEAR ENDED 30/06/2020	FOR THE YEAR ENDED 30/06/2019
		$
Loss for the year	**3,804,467**	18,868,356
Other comprehensive income	**-**	-
Total comprehensive loss	**3,804,467**	18,868,356

Commitments and contingent liabilities are consistent with Note 21.

DIRECTORS' DECLARATION

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;

(b) in the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as stated in note 1 to the financial statements;

(c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Consolidated Entity; and

(d) the directors have been given the declarations required by s.295A of the *Corporations Act 2001*.

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

On behalf of the Directors

Richard Crookes

Richard Crookes
CHAIRMAN

Perth, 29 September 2020

INDEPENDENT AUDITOR'S REPORT

Deloitte.

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Black Rock Mining Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

(i) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

(ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report which indicates that the Group incurred net losses of $3,387,285, experienced net cash outflows from operating activities of $2,516,341 and net cash outflows from investing activities of $1,530,162 for the year ended 30 June 2020. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Our procedures in relation to going concern included, but were not limited to:

- Inquiring of management and the directors in relation to events and conditions that may impact the assessment on the Group's ability to pay its debts as and when they fall due;
- Challenging the assumptions reflected in management's cash flow forecast, including the timing of expected cash flows, including the uncertainty in relation to the impact of COVID-19 on the Group
- Assessing the impact of events occurring after balance date on the financial statements; and
- Assessing the adequacy of the disclosure related to going concern in Note 1 to the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter

Carrying value of Exploration and Evaluation Assets
As at 30 June 2020, the carrying value of exploration and evaluation assets amounts to $22,770,344 including additions of $1,791,976 as disclosed in Note 10.
 	
Significant judgement is applied in determining the treatment of exploration and evaluation expenditure including:
• whether the conditions for capitalisation are satisfied;
• which elements of exploration and evaluation expenditure qualify for capitalisation;
• the Group's intentions and ability to proceed with a future work programme;
• the likelihood of licence renewal or extension; and
• the expected or actual success of resource evaluation and analysis.
	Our procedures associated with exploration and evaluation expenditure incurred during the year included, but were not limited to:
	
	• obtaining an understanding of the key controls associated with the capitalisation or expensing of exploration and evaluation expenditure; and
	
	• testing on a sample basis, exploration and evaluation expenditure to confirm the nature of the costs incurred, and the appropriateness of the classification between asset and expense.
	
	Our procedures associated with the carrying value of exploration and evaluation assets included, but were not limited to:
	
	• obtaining an understanding of the key controls associated with the identification of indicators of impairment;
	
	• evaluating management's impairment indicator assessment, including consideration as to whether any of the following events exist at the reporting date which may indicate that exploration and evaluation assets may not be recoverable:
	  ○ obtaining a schedule of the areas of interest held by the Group and confirming whether the rights to tenure of those areas of interest remained current at balance date;
	  ○ holding discussions with management as to the status of

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	ongoing exploration programmes in the respective areas of interest; and ○ assessing whether any facts or circumstances existed to suggest impairment testing was required. We also assessed the appropriateness of the disclosures in Note 10 to the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of the Directors for the Financial Report

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

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 16 of the Directors' Report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of Black Rock Mining Limited, for the year ended 30 June 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Ian Skelton
Partner
Chartered Accountants
Perth, 29 September 2020

ADDITIONAL ASX INFORMATION

ORDINARY FULLY PAID SHARES

Range of units *as at 22 September 2020*

RANGE	TOTAL HOLDERS	UNITS	% UNITS
1 - 1,000	142	50,271	0.01
1,001 - 5,000	158	467,407	0.07
5,001 - 10,000	172	1,392,723	0.21
10,001 - 100,000	890	37,149,562	5.56
100,001 Over	528	629,192,726	94.15
Rounding			**0.00**
Total	**1,890**	**668,252,689**	**100.00**

Unmarketable parcels

	MINIMUM PARCEL SIZE	HOLDERS	UNITS
Minimum $ 500.00 parcel at $ 0.0560 per unit	8,929	403	1,230,838

Top 20 Shareholders *as at 22 September 2020*

RANK	NAME	UNITS	% UNITS
1	EYEON INVESTMENTS PTY LTD <EYEON INVESTMENTS FAMILY A/C>	57,590,637	8.62
2	COPULOS SUPERANNUATION PTY LTD <COPULOS PROVIDENT FUND A/C>	42,700,395	6.39
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <ST A/C>	18,152,455	2.72
4	DANIEL TURNER CAPITAL PTY LTD <DANIEL TURNER FAMILY A/C>	,572,917	2.63
5	CITICORP NOMINEES PTY LIMITED	14,760,339	2.21
6	JAWAF ENTERPRISES PTY LTD <HALL FAMILY A/C>	14,651,875	2.19
7	WESTPARK OPERATIONS PTY LTD <WESTPARK OPERATIONS UNIT A/C>	13,561,674	2.03
8	GASMERE PTY LTD	13,153,383	1.97
9	E & E HALL PTY LTD <E & E HALL P/L S/F A/C>	12,506,142	1.87
10	SPACETIME PTY LTD <COPULOS EXEC S/FUND NO 1 A/C>	11,687,500	1.75
11	MR CHIN YONG CHONG	11,011,307	1.65
12	MR WARREN WILLIAM BROWN + MRS MARILYN HELENA BROWN	10,250,000	1.53
13	DANIEL TURNER HOLDINGS PTY LTD <DANIEL TURNER SUPERFUND A/C>	8,957,396	1.34
14	RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	8,811,363	1.32
15	CHRIKIM PTY LTD <GEOFFREY WRIGHT INCOME A/C>	8,101,060	1.21
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,808,959	1.17
17	TISDELL FAMILY SUPER PTY LTD <TISDELL FAMILY SUPER A/C>	7,800,000	1.17
18	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	7,627,489	1.14
19	CITYWEST CORP PTY LTD <COPULOS SUNSHINE UNIT A/C>	6,356,027	0.95
20	BASSCOTT PTY LTD <THE A ABRAHAMS FAMILY A/C>	5,980,128	0.89
	Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)	**299,041,046**	**44.75**
	Total Remaining Holders Balance	**369,211,643**	**55.25**

Substantial holders

NAME	UNITS	% UNITS
Copulos Group	131,657,021	19.7

ADDITIONAL ASX INFORMATION

Mahenge Graphite Project

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange (ASX:BKT). The Company has a 100% interest in the Mahenge Graphite Project (the "Project") located in Tanzania. The Project has a JORC compliant Mineral Resource Estimate of 212m tonnes at 7.8% TGC. It also has Ore Reserves of 70m tonnes at 8.5% TGC. The Ore Reserves support a mine life of up to 350k tonnes of graphite per annum for a reserve life of 16 years. Since the release of the Mineral Resource Estimate, the Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource Estimate.

In October 2018, the Company released a Definitive Feasibility Study (DFS) for the Project, which was based on strong customer demand. This DFS was enhanced in July 2019, and demonstrates exceptional financial metrics including:

- Low Capex: Lowest peak capital expenditure of US$116M for phase one*
- High Margin: AISC margin of 63.1%;
- Low Technical Risk: Substantial pilot plant operations run of 110 tonnes; and
- Superior Economics: IRR of 44.8% with NPV10 of US$1.16bn (A$1.65bn**)

Following release of the Enhanced DFS in July 2019, the Company confirms that it is not aware of any new data or information that materially affects the results of the Enhanced DFS and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

In February 2019, the Company announced receipt of its mining licence for the DFS project. In May 2019, the Company announced it had substantially allocated planned production with up to 255k tonnes per annum of graphite committed to sale by year three of production, through Pricing Framework Agreements. The Company is progressing these agreements into binding offtake commitments.

The Company is currently advancing financing discussions and detailed engineering with a view to commencing construction of the mine.

JORC Compliant Mineral Resource Estimate and Ore Reserve

	TONNES	GRADE	CONTAINED GRAPHITE
	(MT)	(% TGC)	(MT)
Ore Reserves			
- Proven	0.0	0.0	0.0
- Probable	70.0	8.5	6.0
Total Ore Reserves	**70.0**	**8.5**	**6.0**
Mineral Resources			
- Measured	25.5	8.6	2.2
- Indicated	88.1	7.9	6.9
Total Measured & Indicated	**113.6**	**8.1**	**9.1**
- Inferred	98.3	7.6	7.4
Total Measured, Indicated & Inferred	**211.9**	**7.8**	**16.6**

* *Forecast Capex has been classified as a Class 3 estimate with accuracy of ±10% as defined by AACE*

** *$AUD/USD 0.70*

Competent Person(s) Statement

The information in this report that relates to Exploration Results and Mineral Resource Statements is based on information compiled by John de Vries, who is a member of the AusIMM. He is an employee of Black Rock Mining. John de Vries 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 2004 and 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

The information that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd) and Mr Aidan Patel (Consultant with Patel Consulting Pty Ltd). Mr Barnes and Mr Patel are members of the Australian Institute of Mining and Metallurgy and have sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barnes, Mr Patel and Mr de Vries consent to the inclusion in this report of the matters based on their information in the form and context in which they appear.

The Ore Reserves have been compiled by Black Rock Mining, under the direction of Mr John de Vries, who is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy. Mr de Vries is a full-time employee of Black Rock Mining and holds performance rights in the company as part of his total remuneration package. Mr de Vries has sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves".

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