WESTERN MINING NETWORK LIMITED

ABN: 63 144 079 667

& CONTROLLED ENTITIES

ANNUAL FINANCIAL REPORT

For the year ended 30 June 2015

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CORPORATE DIRECTORY

DIRECTORS

Christopher Clower
Budi Santoso
Gordon Lewis
Melly Sah Bandar

SECRETARY

Adrien Wing

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DIRECTORS' REPORT

Your Directors present their report on Western Mining Network Limited and its controlled entities (referred hereafter as "the Company") for the financial year ended 30 June 2015.

Directors

The names of the Directors of the Company in office during the financial year and up to the date of this report are:

- Christopher Clower	Executive Chairman	
- Paulus Irawan	Executive Director	Resigned 1 April 2015
- Roger Pooley	Non-Executive Director	Resigned 8 September 2015
- Budi Santoso	Executive Director	Appointed 8 December 2014
- Melly Sah Bandar	Non-Executive Director	Appointed 1 April 2015
- Gordon Lewis	Executive Director	Appointed 13 July 2015

Unless noted above, all directors have been in office since the start of the financial year to the date of this report.

Company Secretary

The following persons held the position of company secretary during the financial period:

- David Palumbo — Resigned 23 December 2014
- Mark Langan — Resigned 20 August 2015
- Adrien Wing — Appointed 20 August 2015

Details of the company secretaries' experience are set out below under 'Information on Directors'

Principal Activities

The principal activity of the Company during the year was the acquisition and exploration and evaluation of resource based projects within Indonesia.

Operating Results

Loss after income tax for the financial year was $10,277,078 (2014: $1,481,539).

Financial Position

The net assets of the Company at 30 June 2015 are $40,239,308 (2014: $9,024,905).

The Company's working capital Surplus/(deficit), being current assets less current liabilities is ($222,001) at 30 June 2015 (2014: Surplus $1,754,864).

Dividends Paid or Recommended

No dividends were paid during the period and no recommendation is made as to dividends.

Significant Changes in State of Affairs

The Company continues to focus on its strategy to build Asia's first integrated carbon company. As a result management has been focused on the development of our existing Tamboli project, our graphite related acquisition and partnerships in Korea and the acquisition of a major new graphite resource in Kalimantan at Balai Sebut (PT Grafindo Nusantara). The Company has also taken steps to curtail its other activities to maximise resources available for the development of our graphite projects. Specifically the following significant changes in the state of affairs occurred during the year:

- **Tamboli Project**

  At the Extraordinary General Meeting held on 23 October 2014 the shareholders approved a transaction with the Milestone Group. Subsequently, WMN issued shares to the Milestone Group, bringing in five new substantial shareholders. On 7 November WMN issued 78,967,006 shares valued at $24,479,772 for the initial consideration of the Tamboli Project. WMN have also provided for the achievement of market capitalisation hurdles of $50m and $80m by providing for $15,162,913 for the issue of shares at balance date.

  On August 3rd, 2015 the company was granted an IUP-OP (Ijin Usaha Pertambangan - Operasi Produksi) for Tamboli. This certificate is valid until August 3rd 2020 and can be extended by two further periods of five years.

- **PT Grafindo Nusantara**

  Subsequent to the year-end, on the 13th July WMN announced the signing of a Heads of Agreement to acquire 100% of GFN from existing shareholders in return for issuance of twenty five million newly issued shares. The Heads of Agreement allowed a period of sixty days for the signing of definitive documents which period has now been extended by the parties to allow an additional 30 days to allow for the preparation of the final versions of the definitive legal documentation.

  PT Graphindo Nusantara which owns two graphite tenements in Jangkang district West Kalimantan, one held by PT Trans Sulawesi Tenggara (TST), which consists of 80.5 hectares of land for mining and the second by PT Trans Sulawesi Sejahtera (TSS) , consisting of 10,000 hectares of exploration ground. An additional 25 hectares of land has been acquired at the TSS property to accommodate a campsite, processing plant, road and tailings facility.

  SRK has released a resource statement related to this work which identified 7.968 kT of inferred resource with a mean total graphite content of 12.7% giving a total graphite content of more than one million tonnes.

- **Carbon Nano-Material Technology Co., Ltd**

On 19 June 2015 the Company announced a Memorandum of Understanding to acquire up to 51% stakes in stages of Carbon Nano-Material Technology Co., Ltd ("CNT"), which is located in Pohang, South Korea. WMN is continuing to develop its partnership with CNT and intends to extend the term of the MoU to allow a broader scope of co-operation to take account of developments on both sides including the Company's acquisition of Grafindo.

- **Persada Tenement**

On 25 July 2014, WMN through its wholly owned subsidiary PT. WMNI completed the acquisition of 75% of the shares of PT. Persada Bumi Rawas (PT. PBR), pursuant to Master Agreement. PT. PBR directly holds a 100% interest in IUP Exploration No. 540/307.19/Distamben dated 12 August 2009 and issued by Regent of Buol (Persada Tenement).

Due to the Company's focus on graphite and graphite related industries the Board has decided that this business is now non-core and so management plans to find a partner or a buyer to take over the development of this project.

- **Genesis Project**

The Genesis Project consists of one tenement covering an area of approximately 3,000 hectares in the Province of Central Sulawesi and was considered prospective for manganese. Due to the Company's focus on graphite and graphite related industries the Board has decided that this business is now non-core and so during the year management attempted to find a partner or a buyer to take over the development of this project. Those efforts were unsuccessful and as a result the Company has decided to relinquish this tenement.

Review of Operations

Tamboli Project

At the Extraordinary General Meeting held on 23 October 2014 the shareholders approved a transaction with the Milestone Group. Subsequently, WMN issued shares to the Milestone Group, bringing in five new substantial shareholders.

PT. Mekongga Sejahtera ("Mekongga") completed its first phase core drilling program over approximately 9.5ha of its 98.04ha tenement with outstanding initial assay results. The initial diamond drill holes at the Mekongga graphite deposit intercepted 825.79m of graphite mineralisation. 15 diamond holes were drilled for a total of 1,000m at a 50m to 100m spacing and depths ranging from 10m to 100m per hole. Weighted average total carbon content for three of the holes are: 21.27%, 14.67%, and 14.54%. The highest interception grade was 32.44% at 2.6m depth from the surface taken at one of the drill holes. We also identified existence of flake graphite observed in drill cores.

On 7 November WMN issued 78,967,006 shares valued at $24,479,772 for the initial consideration of the Tamboli Project. WMN have also provided for the achievement of market capitalisation hurdles of $50m and $80m by providing for $15,162,913 for the issue of shares at balance date. The market capitalisation hurdle of $100m has not been provided for at balance date.

WMN signed a Heads of Agreement with a consortium of three Korean companies to fast track development of Tamboli project and has now expanded that cooperation to include all the Company's efforts in the graphite sector. The very and relevant experience this consortium has in graphite beneficiation and processing as well as proprietary knowledge of what specifications are required, very current knowledge in terms of the uses of graphite carbon powder by their consumers and the facilitation of contacts and dialogues with those customers, are helping WMN lay the foundations for the development of its integrated carbon business.

Should resource definition proceed as anticipated, PT Eagle Rich Nusantara plans to own an industrial estate and graphite beneficiation plant, which will be constructed in the immediate area.

On August 3rd, 2015 the company was granted an IUP-OP (Ijin Usaha Pertambangan - Operasi Produksi) for Tamboli. This certificate is valid until August 3rd 2020 and can be extended by two periods of five years. Further to the grant of this license the Company will continue to work to develop the Tamboli project in coordination with the development of the PT Grafindo project at Balai Sebut. Specifically the Company will undertake some independent quality and metallurgical investigations and continue its work with Mining One to develop the resource definition and then progress to scoping study, pilot plant and further permitting.

PT Grafindo Nusantara

Subsequent to the year-end, on the 13th July WMN announced the signing of a Heads of Agreement to acquire 100% of GFN from existing shareholders in return for issuance of twenty five million newly issued shares. The Heads of Agreement allowed a period of sixty days for the signing of definitive documents which period has now been extended by the parties to allow an additional 30 days to allow for the preparation of the final versions of the definitive legal documentation.

PT Graphindo Nusantara owns two graphite tenements in Jangkang district West Kalimantan, one held by PT Trans Sulawesi Tenggara (TST), which consists of 80.5 hectares of land for mining and the second by PT Trans Sulawesi Sejahtera (TSS) , consisting of 10,000 hectares of exploration ground. An additional 25 hectares of land has been acquired at the TSS property to accommodate a campsite, processing plant, road and tailings facility.

This acquisition will add to the portfolio of graphite mining assets the company is acquiring to build an integrated carbon business with its South Korean partners. In combination with the Tamboli asset in Central Sulawesi, it strengthens the company's long-term plan to use Indonesian graphite to feed into what is planned to be a larger downstream portfolio of business in Asia.

Several years of extensive research have been done on the TST project, leading to a high level of confidence in the quality of product that can be produced. PT GFN has developed a strategic alliance with several leading universities in Indonesia and has funded several research projects on graphite based technologies and graphene applications. The company also has an experienced mining and geological team in place, with the capability of moving the project into the development phase and beyond.

The projects are located in the Jangkang district of West Kalimantan Province. Ready access can be made to the site via the Provincial capital, Pontianak, followed by travel along a mostly asphalt road over a distance of 215 kilometres.

The TST concession is located in the eastern part of what is known as the Northwest Kalimantan Domain (NKD). The geology of the area comprises a combination of igneous, metamorphic and deformed sedimentary sequences, with common occurrences of slate, mudstone, siltstone, sandstone, shale, quartzite, phyllite and schist. These rocks are interspersed and in places dominated by thin, black carbonaceous units containing high-grade graphite. The sequence is underlain by marine, calcareous sediments and volcanic rocks have been deformed and metamorphosed to produce the heat and pressure required for graphite formation.

SRK Consultants completed a JORC resource for the Balai Sebut deposit in November 2013. Their estimate is based on an 89-diamond hole program, resulting in 4,720 metres of drilling over an area initially defined by geophysics.

SRK released the following resource statement related to this work, as announced on ASX on *13 July 2015 - WMN to Acquire Grafindo Nusantara with 8mt Graphite Resource.*

Balai Sebut Mineral Resource Statement - November 2013

Category	Tonnage (kt)	Mean TGC (%)	TGC (kt)
Inferred	7,968	12.7	1,009

This estimate based on a cut-off grade of 4% TGC, using a bulk density value of 2.31 g/cm3. TGC estimates are based on XRD analysis only, from a total of 901 samples.

In contrast to the Tamboli deposit in Central Sulawesi, the Balai Sebut deposit hosts mostly flake graphite, which open up new downstream markets for the mine products.

A Mining Licence for graphite has been granted for this project by the Indonesian government, which is valid for 20 years commencing July, 2013. Preliminary mine studies have confirmed a low strip ratio open pit mine can be developed at Balai Sebut. Early work on the metallurgical aspects of the project suggest a conventional grinding and flotation plant can be used to extract the ore and produce high value products to suit the carbon downstream market.

Since the Balai Sebut project is more advanced in terms of both permitting and resource definition the Company intends to push forward with its development in parallel with that of Mekongga and the expectation is that pilot production will commence first at Balai Sebut.

Carbon Nano-Material Technology., Co Ltd

On 19 June 2015 the Company announced a Memorandum of Understanding to acquire up to a 51% in Carbon Nano-Material Technology Co., Ltd ("CNT") which is located in Pohang, South Korea. CNT is a manufacturer of various refined graphite and graphene carbon materials including Carbon Nano Tubes, Multi-walled Carbon Nano Tubes, Graphite Nano Fibers and Cell Carbon Nano Fibers. CNT hold several patent and has further patents pending relating to process for the manufacturer of these materials at significantly lower cost than other manufacturers.

CNT is already selling value added graphite products in the market using its proprietary portfolio of technologies and the alliance with WMN will both assure CNT of stable supplies of graphite and help enhance Company's own manufacturing and R&D capacity. In turn WMN is extending its reach into the downstream sector and acquiring valuable technology and expertise to help it derive greater revenue and higher margins from its resource base. This alliance furthers the Company's strategy to build an integrated carbon company rather than just being producer of a refined but still commodity product. WMN is continuing to develop its partnership with CNT and intends to extend the term of the MoU to allow a broader scope of co-operation to take account of developments on both sides including the Company's acquisition of Grafindo. The first concrete step in this broader cooperation is expected to be the use of various different grades of concentrate to be produced by the planned Balai Sebut pilot plant in CNT's advanced manufacturing processes.

Genesis Project (51% owned by WMN)

The Genesis Project consists of one tenement covering an area of approximately 3,000 hectares in the Province of Central Sulawesi and was considered prospective for manganese. WMNI's 51% owned subsidiary PT. GBU held an Ijin Usaha Pertambangan Produksi (Mining Production License) over the Genesis Project.

During the year, WMN continued its discussions with the only two manganese smelters in Java with a view to sell manganese from the Genesis tenement. These discussions did not however result in any agreement and having not been successful in identifying any other potential buyers or development partners the Company has decided to relinquish this tenement to free up additional resources for the development of our core graphite business.

Persada Tenement (75% owned by WMN)

On 25 July 2014, WMN through its wholly owned subsidiary PT. WMNI completed the acquisition of 75% of the shares of PT. Persada Bumi Rawas (PT. PBR), pursuant to Master Agreement. PT. PBR directly holds a 100% interest in IUP Exploration No.

540/307.19/Distamben dated 12 August 2009 and issued by Regent of Buol (Persada Tenement).

The Persada Tenement holds clean and clear status with tenure expiring on 12 August 2016, covers an area of 5,000 hectares in the Buol region of Central Sulawesi, Indonesia and is considered to be prospective for gold.

Subsequent to year-end, newly appointed management are reviewing available data with a view to determining an appropriate development strategy for the asset.

Competent Person Statement

The information in this report, which relates to Exploration Results, Mineral Resources or Ore Reserves, is based on information compiled by Mr Budi Santoso, who is a competent person. Mr Santoso is the Executive Director and Chief Technical Officer at Western Mining Network Limited and has over 26 years of experience in the mining industry, ranging from green field exploration to mine development and operation.

Information on Directors

Christopher Clower
Executive Chairman

Background
Mr Clower has 17 years of investment banking experience, 7 of which were spent specialising in natural resources in Indonesia. Mr Clower was previously Head of South East Asia Corporate Finance at Merrill Lynch Investment Banking Division. At Merrill Lynch, Mr Clower raised in excess of US$2 billion for Indonesian natural resources clients between 2005 and 2009. Prior to his role at Merrill Lynch, Mr Clower held executive positions with Deutsche Bank and Bankers Trust Investment Banking, Corporate Finance Divisions.

Mr Clower holds an MBA (Honors) from University of Chicago and a BS in Nuclear Engineering from North Western University.

Interest in shares and options

Ordinary shares	500,000

Directorships held in other listed entities
None

Paulus Irawan
Executive Director (Resigned 1 April 2015)

Interest in shares and options

Ordinary shares	10,000

Directorships held in other listed entities in the past three years
None

Roger Pooley
Non-Executive Director (Resigned 8 September 2015)

Interest in shares and options
Nil

Directorships held in other listed entities in the past three years
None

Budi Santoso
Executive Director (Appointed 8 December 2014)

Background
Mr Santoso has more than 26 years of experience in the mining industry, ranging from green field exploration to mine development and operation. He brings significant industry expertise to the executive team and increases the Company's ability to achieve its corporate

objective of evolving from a mineral exploration company to a graphite producer and downstream industry owner and operator.

Interest in shares and options
Nil

Directorships held in other listed entities in the past three years
None

Melly Sah Bandar
Non-Executive Director (Appointed 1 April 2015)

Background
Ms Sah Bandar joined the Board after having served in various senior strategy and financial leadership positions in property, transportation, telecommunication, FMCG and Oil and Gas industry. She has worked in USA, Indonesia and Australia. Prior to joining the Board of WMN, Ms Sah Bandar worked at Lend Lease, Sydney Airport Corporation, Stockland, First Data International, Coca-Cola Amatil and Atlantic Richfield Company. Ms Sah Bandar currently serves on the Board of Gowrie NSW as Treasurer and Chair the Audit, Risk and Investment Committee. Ms Sah Bandar holds a Master of Science from Indiana State University, Indiana, USA and BSc (Commerce) from Padjadjaran University, Bandung, Indonesia. Melly is a member of Australian Institute of Company Director (AICD).

Interest in shares and options
Nil

Directorships held in other listed entities in the past three years
None

Gordon Lewis
Executive Director (Appointed 13 July 2015)

Background
Mr Lewis has over 40 years of experience managing both junior and major mining operations. He has worked extensively within Australia, South East Asia, Central Asia and South America. He held senior management positions at Bougainville Copper mine in Papua New Guinea and was the founding Mining Manager at Rio Tinto's Kelian Gold Project in Indonesia. He also led development projects in Malaysia, Sulawesi, Argentina and at Gedabek in Azerbaijan. Since 2001, Mr Lewis was filled the positions of Country Manager, Chief Operating Officer, Chief Executive and Managing Director within the junior mining sector.

Interest in shares and options
Nil

Directorships held in other listed entities in the past three years
Executive Director, Robust Resources Limited to April, 2014

COMPANY SECRETARY

David Palumbo (Resigned 23 December 2014)
Secretary

Mark Langan (Resigned 20 August 2015)
Secretary

Adrien Wing (Appointed 20 August 2015)
Secretary

Adrien Wing, CPA
Mr Adrien Wing is a qualified Certified Financial Accountant. He practiced in the audit and corporate division of a chartered accounting firm before working with a number of public companies listed on the Australian Securities Exchange as a corporate accounting consultant and company secretary.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Western Mining Network Limited and for the executives receiving the highest remuneration.

1. Employment Agreements

Mr David Putnam appointed to the Company as Chief Executive Officer on 13 July 2015.

Mr Putnam's contract is for a term of 1 year from the commencement date with the option to extend for a further 1 year. Under the terms of the agreement, Mr Putnam's annual salary is US$300,000. Upon his appointment, Mr Putnam received 5,000,000 options to acquire fully paid ordinary shares in the Company exercisable at $0.345 on or before 12 July 2018 and will be entitled to receive options on the terms below:

Number of Options	Vesting Date	Exercise Price	Expiry Date
5,000,000	13 January 2016	$0.345	12 January 2019
5,000,000	13 July 2016	$0.345	12 July 2019
5,000,000	13 January 2017	$0.345	12 January 2020
5,000,000	13 July 2017	$0.345	12 July 2020

The Company may terminate Mr Putnam's contract by giving Mr Putnam a minimum of 3 months written notice or by paying Mr Putnam 3 months' salary in lieu of notice. Mr Putnam may terminate the contract by giving 3 months written notice to the Company.

Mr Budi Santoso currently works for the Company in an executive capacity.

Mr Santoso's contract is for a term of 2 years from the commencement date with the option to extend for a further 1 year. Under the terms of the agreement, Mr Santoso's annual salary is $90,000.

The Company may terminate Mr Santoso's contract by giving Mr Santoso a minimum of 3 months written notice or by paying Mr Santoso 3 months' salary in lieu of notice. Mr Santoso may terminate the contract by giving 3 months written notice to the Company.

Mr Christopher Clower currently works for the Company in an executive capacity.

Mr Clower's contract is for a term of 2 years from the commencement date with the option to extend for a further 1 year. Under the terms of the agreement, Mr Clower's annual salary is $90,000.

The Company may terminate Mr Clower's contract by giving Mr Clower a minimum of 3 months written notice or by paying Mr Clower 3 months' salary in lieu of notice. Mr Clower may terminate the contract by giving 3 months written notice to the Company.

Mr Gordon Lewis was appointed to the Company in an executive capacity on 14 July 2015 with an annual salary of $120,000.

Appointments of non-executive directors are formalised in the form of service agreements between themselves and the Company. Their engagements have no fixed term but cease on their resignation or removal as a director in accordance with the Corporations Act. They are entitled to receive directors' fees of $30,000 per annum plus superannuation.

2. Remuneration policy

The Company's remuneration policy has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Company's financial results. The board believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

- The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed by the board
- All executives receive a base salary (which is based on factors such as length of service and experience), superannuation and are entitled to the issue of share options. The remuneration committee reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors.

The performance of executives is measured against criteria agreed annually with each executive and is based predominantly on the forecast growth of the Company's shareholders' value. The board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance that results in long-term growth in shareholder wealth.

Executives are also entitled to participate in the employee share and option arrangements.

Any executive director, who opts to be Australian resident for tax purposes, receives a superannuation guarantee contribution required by the government, which was 9.5%. No other retirement benefits are paid.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed, or capitalised to exploration expenditure if appropriate. Options, if given to directors and executives in lieu of remuneration, are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to non-executive directors is subject to approval by shareholders at the Annual General Meeting. Fees for non-executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee share option plan.

3. Options issued as part of remuneration for the year ended 30 June 2015

No options (2014:nil) were issued to Directors as part of their remuneration during the period.

4. Details of remuneration for the year ended 30 June 2015:

The remuneration for each key management personnel of the Company during the period was as follows:

2015	Short-term Benefits	Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Perfor-mance Related	% of Options as Remunera tion
Key Management Person	**Cash, salary & commissions**	**Super-annuation**	**Other**	**Equity**	**Options**			
	$	$	$	$	$	$	%	%
Directors								
Chris Clower	97,500	-	-	-	-	97,500	-	-
Paulus Irawan	67,500	6,413	-	-	-	73,913	-	-
Roger Pooley	30,000	2,850	-	-	-	32,850	-	-
Budi Santoso	52,500	-	-	-	-	52,500	-	-
M. Sah Bandar	7,500	713	-	-	-	8,213	-	-
	255,000	**9,976**	**-**	**-**	**-**	**264,976**	**-**	**-**

2014	Short-term Benefits	Post-employment Benefits	Other Long-term Benefits	Share based Payment		Total	Perfor-mance Related	% of Options as Remunera tion
Key Management Person	**Cash, salary & commissions**	**Super-annuation**	**Other**	**Equity**	**Options**			
	$	$	$	$	$	$	%	%
Directors								
Chris Clower	75,000(1)	-	-	-	-	75,000	-	-
Paulus Irawan	75,000(1)	6,938	-	-	-	81,938	-	-
Roger Pooley	21,250	1,966	-	-	-	23,216	-	-
Kent Hunter(2)	2,500	225	-	-	-	2,725	-	-
	173,750	**9,129**	**-**	**-**	**-**	**182,879**	**-**	**-**

(1) Chris Clower and Paulus Irawan were paid a reduced salary of $3,750 per month over the period February to May 2014.

(2) Director fees were paid to Mining Corporate Advisory Services Pty Ltd, an entity associated with Kent Hunter.

5. Equity holdings of key management personnel

Shareholdings

Number of shares held by key management personnel during the financial year ended 30 June 2015 was as follows:

30 June 2015	Balance at beginning of year	Granted during the year	Options exercised	Net change other	Balance at end of year
Directors					
Chris Clower	500,000	-	-	-	500,000
Paulus Irawan	10,000	-	-	-	10,000*
Roger Pooley	-	-	-	-	-
Budi Santoso	-	-	-	-	-
M. Sah Bandar	-	-	-	-	-
	510,000	-	-	-	510,000

* Balance of shares at resignation

Option holdings

Number of options held by key management personnel during the financial year ended 30 June 2015 was as follows:

30 June 2015	Balance at beginning of year	Granted as remuneration	Options exercised/ expired	Net change other	Balance at end of year
Directors					
Chris Clower	-	-	-	-	-
Paulus Irawan	-	-	-	-	-
Roger Pooley	-	-	-	-	-
Budi Santoso	-	-	-	-	-
M. Sah Bandar	-	-	-	-	-
	-	-	-	-	-

6. Other Key Management Personnel Transactions

The Company incurred the following transactions with related parties:

During the year ended 30 June 2015, Roger Pooley, was paid or due to be paid $16,763 (2014: $Nil) for consulting services.

All transactions were made on normal commercial terms and condition and at market rates.

"End of Remuneration Report (Audited)"

After Balance Date Events

On 13 July 2015, WMN signed Head of Agreement (HoA) to acquire 100% of PT Grafindo Nusantara (GFN), Indonesia's leading private graphite company with eight million tonnes ore of JORC resources in West Kalimantan, in return for issuance of twenty five million newly issued shares. The Heads of Agreement allowed a period of sixty days for the signing of definitive documents which period has now been extended by the parties to allow an additional 30 days to allow for the preparation of the final versions of the definitive legal documentation.

On the same day, Mr Gordon Lewis, and Mr David Putnam were appointed as an Executive Director and Interim CEO, respectively.

On 3 August 2015, the Company was granted a Production License (Izin Usaha Pertambangan Operasi Produksi) for PT Mekongga Sejahtera, which is valid for 5 years to August 2020. The Company has an option to extend the license for additional 2 by 5 years. The license allows the Company to construct, produce, transport, sell and processes the ore.

On 28 September 2015 the Company entered into a lead manager and broker mandate to raise up to $1,000,000 (before costs) via a placement on a best endeavours basis.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Future Developments

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Meetings of Directors

During the financial period, 6 meetings of directors and 2 Audit Committee Meetings were held. Attendances by each director during the period were as follows:

	Directors' Meetings		Audit Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Paulus Irawan	3	3	2	2
Christopher Clower	6	5	2	1
Roger Pooley	6	5	2	1
Budi Santoso	5	5	2	2
Melly Sah Bandar	3	3	1	1
Gordon Lewis	n/a	n/a	n/a	n/a

Environmental Issues

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

The directors have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the directors have determined that the NGER Act will have no effect on the Company for the current, nor subsequent, financial year. The directors will reassess this position as and when the need arises.

Options

At the date of this report, there are 406,250 Fifty Series and 1,406,250 Sixty Series Options outstanding.

During the year ended 30 June 2015, no ordinary shares of Western Mining Network Limited were issued on the exercise of options.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate.

Proceedings on Behalf of 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 a party to any such proceedings during the year.

Indemnifying of Officers

The Company has entered into deeds of indemnity with each director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each director against all loss and liability incurred as an officer of the Company, including all liability in defending any relevant proceedings.

Non-Audit Services

There were no fees paid or payable to the external auditors for non-audit services provided during the year ended 30 June 2015.

Auditor's Declaration of Independence

The auditor's independence declaration for the year ended 30 June 2015 has been received and is included within the financial statements.

Signed in accordance with a resolution of directors.

Christopher Clower
Executive Chairman
30 September 2015

Bentleys
THINKING AHEAD

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To The Board of Directors

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

As lead audit director for the audit of the financial statements of Western Mining Network Limited and its controlled entities for the financial year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours faithfully

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 30th day of September 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $	2014 $
Revenue	2	14,365	5,581
Administration expenses		(257,604)	(49,087)
Corporate compliance expenses		(259,037)	(157,924)
Employee benefits expense		(513,724)	(256,799)
Exploration expenditure not capitalised		(954,173)	(1,018,996)
Occupancy costs		(14,986)	-
Impairment of Exploration	8	(8,186,375)	-
Travel expenses		(105,544)	(4,314)
Loss before income tax benefit		**(10,277,078)**	**(1,481,539)**
Income tax expense	3	-	-
Loss for the year		**(10,277,078)**	**(1,481,539)**
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		940,472	(1,766,072)
Total comprehensive loss		**(9,336,606)**	**(3,247,611)**
Loss attributable to:			
Members of the parent entity		(10,063,670)	(1,479,419)
Non-controlling interest		(213,408)	(2,120)
		(10,277,078)	**(1,481,539)**
Total comprehensive loss attributable to:			
Members of the parent entity		(9,123,198)	(3,245,491)
Non-controlling interest		(213,408)	(2,120)
		(9,336,606)	**(3,247,611)**
Basic loss per share (cents per share)	4	(7.57)	(2.81)
Diluted loss per share (cents per share)	4	(7.57)	(2.81)

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	2015 $	2014 $
ASSETS			
Current Assets			
Cash and cash equivalents	5	182,580	2,179,428
Trade and other receivables	6	274,131	146,711
Other assets	7	12,125	13,666
Total Current Assets		**468,836**	**2,339,805**
Non-Current Assets			
Other assets	7	15,585	499,405
Exploration and evaluation expenditure	8	41,091,017	6,767,612
Plant and equipment	9	88,628	3,024
Total Non-Current Assets		**41,195,230**	**7,270,041**
Total Assets		**41,664,066**	**9,609,846**
LIABILITIES			
Current Liabilities			
Trade and other payables	10	200,350	584,941
Other Liabilities	12	488,487	-
Total Current Liabilities		**688,837**	**584,941**
Non-Current Liabilities			
Deferred Consideration	11	735,921	-
Total Non-Current Liabilities		735,921	-
Total Liabilities		**1,424,758**	**584,941**
Net Assets		**40,239,308**	**9,024,905**
EQUITY			
Issued capital	13	53,381,471	12,663,797
Reserves	14	3,769,834	2,829,362
Accumulated losses		(16,468,757)	(6,405,087)
Non-controlling interest	15	(443,240)	(63,167)
Total Equity		**40,239,308**	**9,024,905**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2015

	Issued Capital $	Foreign translation reserve $	Options reserve $	Accumulated Losses $	Non-controlling interest $	Total $
Balance at 1 July 2013	9,897,685	832,643	3,470,595	(4,925,668)	(61,047)	9,214,208
Loss for the period	-	-	-	(1,479,419)	(2,120)	(1,481,539)
Other Comprehensive Income	-	(1,766,072)	-	-	-	(1,766,072)
Total Comprehensive Income	-	(1,766,072)	-	(1,479,419)	(2,120)	(3,247,611)
Recognition of non-controlling interest	-	-	-	-	-	-
Shares issued during the year	2,766,112	-	-	-	-	2,766,112
Options issued during the year	-	-	292,196	-	-	292,196
Balance at 30 June 2014	**12,663,797**	**(933,429)**	**3,762,791**	**(6,405,087)**	**(63,167)**	**9,024,905**

	Issued Capital $	Foreign translation reserve $	Options reserve $	Accumulated Losses $	Non-controlling interest $	Total $
Balance at 1 July 2014	12,663,797	(933,429)	3,762,791	(6,405,087)	(63,167)	9,024,905
Loss for the period	-	-	-	(10,063,670)	(213,408)	(10,277,078)
Other Comprehensive Income	-	940,472	-	-	-	940,472
Total Comprehensive Income	-	940,472	-	(10,063,670)	(213,408)	(9,336,606)
Shares yet to be issued	15,162,914					15,162,914
Shares issued during the year (net)	25,554,760	-	-	-	-	25,554,760
Recognition of non-controlling interest	-	-	-	-	(166,665)	(166,665)
Balance at 30 June 2015	**53,381,471**	**7,043**	**3,762,791**	**(16,468,757)**	**(443,240)**	**40,239,308**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2015

	Note	2015 $ Inflows/ (Outflows)	2014 $ Inflows/ (Outflows)
Cash flows from operating activities			
Interest received		14,365	5,581
Payments to suppliers and employees		(1,503,342)	(405,524)
Exploration and evaluation expenditure		(1,659,562)	(1,209,364)
Net cash (used in) operating activities	18(a)	(3,148,539)	(1,609,307)
Cash flows from investing activities			
Payment from Property, Plant and Equipment		(13,491)	
Net cash inflow on acquisition of entities		162,528	-
Net cash (used in) investing activities		149,037	-
Cash flows from financing activities			
Proceeds from issue of shares		968,672	2,778,273
Payment of share issue costs		-	(19,251)
Proceeds from issue of options		-	292,196
Net cash provided by financing activities		968,672	3,051,218
Net increase (decrease) in cash held		(2,030,830)	1,441,911
Effects of exchange rate changes on balance sheet held in foreign currencies		33,982	-
Cash at beginning of the financial period		2,179,428	737,517
Cash and cash equivalents at period end	5	**182,580**	**2,179,428**

The accompanying notes form part of these financial statements.

1. Statement of Significant Accounting Policies

These financial statements and notes represent those of Western Mining Network Limited (the "Company"). Western Mining Network is a listed public Company, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 30 September 2015 by the directors of the Company.

Basis of Preparation

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected financial assets for which the fair value basis of accounting has been applied. All amounts are presented in Australian dollars unless otherwise stated.

Going Concern

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

The Consolidated Entity incurred a loss for the year of $10,277,078 (2014: $1,481,539) including impairment losses of $8,186,375 and net cash outflows from operating activities of $3,148,539 (2014: $1,609,307). As at 30 June 2015 the Consolidated Entity had a working capital deficit of $220,001 (2014: $1,754,864 surplus).

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern.

The ability of the Consolidated Entity to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cashflow in line with available funds.

As documented in note 28, during and subsequent to year end the Company has entered into memorandums of understanding in relation to the proposed acquisition of:

- PT Grafindo Nusantara ("GFN") which has an 8 million tonne JORC compliant graphite resource in West Kalimantan; and
- Up to a 51% stake in stages of Carbon Nano-Material Technology Co Ltd ("CNT") a manufacturer of refined graphite and graphene carbon materials.

Subsequent to year-end the Company has also entered into a lead manager and broker mandate to raise up to $1,000,000 (before costs) via a placement on a best endeavours basis.

Based on the activities above and in particular the prospectivity of its existing and proposed acquisition of near development projects, the Board and Interim CEO is confident of raising capital as and when required to fund its activities.

The directors have prepared a cash flow forecast, which indicates that the Company will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Should the Consolidated Entity be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Consolidated Entity be unable to continue as a going concern and meet its debts as and when they fall due.

Accounting Policies

The following is a summary of the material accounting policies adopted by the Company in the preparation of the financial report.

a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expense of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. 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.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. When assets of the subsidiary are carried at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the Group had directly disposed of the relevant assets (i.e. reclassified to profit or loss or transferred directly to retained earnings as specified by applicable Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139 'Financial Instruments: Recognition and Measurement' or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

b) **Income Tax**

The income tax expense (revenue) for the period comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well unused tax losses. Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c) **Exploration and evaluation expenditure**

Costs incurred with respect to the acquisition of rights to explore for each identifiable area of interest are capitalised on the statement of financial position. Costs incurred with respect to ongoing exploration activities are expensed as incurred in the statement of profit or loss and other comprehensive income.

Capitalised 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.

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

When production commences, the capitalised 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.

d) **Plant and Equipment**

Items of plant and equipment are measured on the cost basis.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the Company commencing from the time the asset is held ready for use. The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	**Depreciation Rate**
Office Furniture and Fixture	20%
Telecommunication Equipment	20%
Computer and Other Electronic Equipment	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss. When re-valued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

e) **Leases**

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset are classified as finance leases.

Finance leases are capitalised by recording an asset and a liability at the lower of the amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight-line basis over the shorter of their estimated useful lives or the lease term. Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

f) **Financial Instruments**

Initial recognition and measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transaction costs where the instrument is not classified as 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

Classification and subsequent measurement

Finance instruments are subsequently measured at either of fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and reduction for impairment, and adjusted for any cumulative amortisation of the difference between the amount initially recognised and the maturity amount calculated using the effective interest method.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Company does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit and loss

Financial assets are classified 'at fair value through profit or loss' when they are held for trading for the purpose of short term profit taking, where they are derivatives not held for hedging purposes, or designated as such to avoid an accounting mismatch or to enable performance valuation where a Company of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in the carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period. (All other loans and receivables are classified as non-current assets).

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Company's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period. (All other investments are classified as current assets).

If during the period the Company sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire held-to-maturity investments category would be tainted and reclassified as available-for-sale.

(iv) Available for sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those, which are expected to mature within 12 months after the end of the reporting period. (All other financial assets are classified as current assets).

(v) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Fair Value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value of all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment

At each reporting date the Company assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the statement of comprehensive income.

De-recognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity is no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

g) **Impairment of Assets**

At the end of each reporting date, the Company assesses whether there is any indication that an asset may be impaired. The assessment will include the consideration of external and internal sources of information including dividends received from subsidiaries, associate or jointly controlled entities deemed to be out of pre-acquisition profits. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed.

Impairment testing is performed annually for intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

h) **Employee Benefits**

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within a 12 month period have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity-settled compensation

The Company operates equity-settled share-based payment employee share and option schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using a Black –Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting date such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

i) **Provisions**

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

j) **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. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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

For the purpose of presenting 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 (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, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are reattributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly controlled entities 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.

k) **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of 3 months or less.

l) **Borrowing Costs**

All borrowing costs are recognised as expense in the period in which they are incurred.

m) **Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

n) **Interests in joint operations**

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and

- its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the AASBs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Company is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Company's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Company does not recognise its share of the gains and losses until it resells those assets to a third party.

o) **Deferred Consideration**

Deferred consideration as part of an acquisition of a project is recognised at the acquisition date fair value with reference to the relevant milestones pursuant to the contract.

p) **Fair Value of Assets and Liabilities**

The Group measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. Fair value is the price the Group would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share-based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instruments, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

Valuation techniques

In the absence of an active market for an identical asset or liability, the Group selects and uses one or more valuation techniques to measure the fair value of the asset or liability, The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

Fair value hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 2
Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3
Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

The Group would change the categorisation within the fair value hierarchy only in the following circumstances:

(i) if a market that was previously considered active (Level 1) became inactive (Level 2 or Level 3) or vice versa; or

(ii) if significant inputs that were previously unobservable (Level 3) became observable (Level 2) or vice versa.

When a change in the categorisation occurs, the Group recognises transfers between levels of the fair value hierarchy (i.e. transfers into and out of each level of the fair value hierarchy) on the date the event or change in circumstances occurred.

q) **Revenue**

Revenue from the sale of goods is recognised upon the delivery of goods to customers.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

r) **Critical Accounting Estimates and Judgments**

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

Environmental Issues
Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors understanding thereof. At the current stage of the Company's development and its current environmental impact the directors believe such treatment is reasonable and appropriate.

Taxation

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Company as they pertain to current income taxation legislation, and the directors understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

Exploration and Evaluation Expenditure

Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current. These costs are carried forward in respect of an area that has not at balance date reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, refer to the accounting policy stated in note 1(c).

s) Application of new and revised Accounting Standards

At the date of authorisation of the financial statements, the Standards and Interpretations that were issued but not yet effective are listed below.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 9 'Financial Instruments', and the relevant amending standards	1 January 2018	30 June 2019
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	1 January 2017	30 June 2018
AASB 2014-3 'Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations'	1 January 2016	30 June 2017
AASB 2014-4 'Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation'	1 January 2016	30 June 2017
AASB 2014-6 'Amendments to Australian Accounting Standards – Agriculture: Bearer Plants'	1 January 2016	30 June 2017
AASB 2014-9 'Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements'	1 January 2016	30 June 2017
AASB 2014-10 'Amendments to Australian Accounting Standards – Sale or	1 January 2016	30 June 2017

Contribution of Assets between an Investor and its Associate or Joint Venture'		
AASB 2015-1 'Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012-2014 Cycle'	1 January 2016	30 June 2017
AASB 2015-2 'Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101'	1 January 2016	30 June 2017
AASB 2015-3 'Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality'	1 July 2015	30 June 2016
AASB 2015-4 'Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent'	1 July 2015	30 June 2016
AASB 2015-5 'Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception'	1 January 2016	30 June 2017

	2015 $	2014 $
2. *Revenue*		
Interest received	14,365	5,581
3. *Income tax benefit*		
Net loss before tax	(10,277,078)	(1,481,539)
Income tax benefit on above at 30%	(3,083,123)	(444,462)
Increase/(decrease) in income tax due to the tax effect of:		
Non-deductible expenses	456,716	330,123
Current year capital losses not recognised	120,659	4,500
Current year tax losses not recognised	-	127,764
Movement in unrecognised temporary differences	2,521,892	(1,875)
Deductible equity raising costs	(16,144)	(16,050)
Income tax reported in the statement of comprehensive income	-	-
(b) Unrecognised deferred tax assets		
Deferred tax assets have not been recognised in respect of the following:		
Tax revenue losses	600,524	479,866
Deductible temporary differences	12,109	26,295
Tax capital losses	4,500	4,500
	617,133	510,661

4. *Earnings per share*	**Cents per Share**	**Cents per Share**
Basic/diluted loss per share	(7.57)	(2.81)
The loss and weighted average number of ordinary shares used in this calculation of basic/diluted loss per share are as follows:		
	$	**$**
Loss	(10,063,670)	(1,479,419)
	Number	**Number**
Weighted average number of ordinary shares for the purposes of basic/ diluted loss per share	133,011,799	52,564,130

As the Company is in a loss position the options outstanding at 30 June 2015 have no dilutive effects on the earnings per share calculation.

5. *Cash and cash equivalents*

	2015 $	2014 $
Cash at bank	182,580	2,179,428

6. *Trade and other receivables*

	2015 $	2014 $
Current		
GST receivable	16,848	3,027
Other receivables	257,283	-
Option conversion funds receivable	-	143,684
	274,131	146,711

As at 30 June 2015, current trade and other receivables do not contain amounts which are past due and not impaired. It is expected that these amounts will be received when due.

7. *Other assets*

	2015 $	2014 $
Current		
Prepayments	12,125	13,666
Non-Current		
Other Assets	15,585	-
Deposits paid for PT. Persada Bumi Rawas (i)	-	499,405
	15,585	499,405

(i) A 75% interest in PT. Persada Bumi Rawas was acquired on 25 July 2014. Refer to Note 20: Acquisition of Subsidiaries.

8. *Exploration and evaluation expenditure*

	2015 $	2014 $
Carrying amount at the beginning of the year	6,767,612	8,467,574
Projects acquired during period - Tamboli[2]	41,091,016	-
Projects acquired during period – Persada[1]	648,396	-
Effect of foreign currency exchange differences	770,368	(1,699,962)
Impairment Loss[3]	(8,186,375)	-
Carrying amount at the end of the year	41,091,017	6,767,612

The value of the Company's interest in exploration expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

1. During the year the Company completed the acquisition of PT Persada. Deposits paid as at 30 June 2014 have been reclassified to exploration expenditure on completion of the transaction. Refer to notes 7 and 20 for more details.
2. During the year the Company completed the "Tamboli Transaction" comprising the option to acquire 75% of PT Mekongga, a 40% interest in PT Eagle Rich with an option to acquire a further 59%. The consideration payable pursuant to the contract was as follows:

Initial instalment – 78,967,006 ordinary shares	24,479,772
Deferred Consideration (refer notes 11 and 13(e))	15,898,836
Total Consideration	40,378,608

The acquisitions result in control over the entities and have been consolidated into this financial report.

3. During the year the Company performed a review of its projects, and given the major focus of the Company has shifted to its near development graphite projects, it was resolved to impair the Genesis and Persada projects resulting in an impairment loss of $8,186,375. The Company's Genesis Project was relinquished during the period, and the Company are currently considering its options with respect to the Persada Project.

9. *Plant and equipment*

	2015 $	2014 $
Plant and Equipment		
At Cost	137,911	15,735
Accumulated Depreciation	(49,283)	(12,711)
	88,628	3,024

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial period:

Plant and Equipment		
Opening balance	3,024	8,689
Additions	13,492	
Additions through acquisition of Tamboli Project	101,480	-
Depreciation	(34,597)	(4,256)
Effect of foreign currency exchange differences	5,230	(1,409)
Closing balance	88,628	3,024

10. *Trade and other payables*

Current		
Trade payables and accruals	200,350	584,941

11. *Deferred Consideration*

	2015 $	2014 $
Option Exercise Price[1]	735,921	-
Balance at 30 June 2015	735,921	-

1. Pursuant to the Tamboli Transaction the Company is obligated to issue the following tranches of shares to the vendor providing the following market capitalisation hurdles are met within 5 years of acquisition date:

Hurdle #	Market Capitalisation Hurdle	Ordinary shares to be issued
1	$50,000,000	17,548,224
2	$80,000,000	21,935,279
3	$100,000,000	65,805,838

Hurdles 1 and 2 were met during the year, however the shares have not been issued and as such are classified as equity instruments (refer note 13). Hurdle 3 is not considered probable at this stage, with the fair value of the deferred consideration estimated to be nil at balance date.

2. Being the exercise price of the options to acquire 75% of PT Mekongga and a further 59% in PT Eagle Rich. The options do not have an expiry date and are exercisable at the discretion of Western Mining Network Limited.

12. Other Liabilities

	2015 $	2014 $
Current		
Other Liabilities	395,957	-
Loans [1]	92,530	-
	488,487	-

1. The loan is unsecured and non-interest bearing, with no fixed terms of repayment.

13. *Issued capital*	**2015**	**2014**
	$	$
(a) Issued and paid up capital		
164,746,512 (2014: 58,706,635) Ordinary shares fully paid of no par value	53,381,471	12,663,797

(b) Movement in ordinary shares on issue	**2015 Number**	**2015 $**	**2014 Number**	**2014 $**
Balance at beginning of period	58,706,635	12,663,797	49,747,440	9,987,685
Shares issued during the year:				
- 22 November 2013	-	-	1,000,000	100,000
- 28 November 2013	-	-	1,101,464	110,146
- 11 December 2013	-	-	1,352,500	135,250
- 26 March 2014	-	-	3,000,000	300,000
- 25 June 2014	-	-	2,505,231	250,523
- Unissued shares at 30 June 2014 (e)	-	-	-	2,026,037
Transaction costs relating to share issues	-	-	-	(155,844)
Shares issued during the year:				
- 8 July 2014	19,057,290	-	-	-
- 14 July 2014	1,203,081	-	-	-
-7 November 2014	78,967,006	24,479,760	-	-
-7 November 2014	5,000,000	250,000	-	-
-28 April 2015	812,500	325,000	-	-
- 5 June 2015	1,000,000	500,000	-	-
Unissued shares at 30 June 2015 (e)	-	15,162,914	-	-
Balance at end of period	**164,746,512**	**53,381,471**	**58,706,635**	**12,663,797**

The issue of shares on 8 July 2014 and 14 July 2014 relate to the exercise of options where the proceeds on exercise ($1,870,193) were recognised in the period ended 30 June 2014.

(c) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

13. *Issued capital (continued)*

(d) Capital Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The Company's capital includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Due to the nature of the Company's activities, being mineral exploration, the Company does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Company's capital risk management is the current working capital position against the requirements of the Company to meet exploration programmes and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The net working capital position of the Company at 30 June 2015 was a deficit of $220,001 (2014: $1,754,864 surplus) and the net decrease in cash held during the year was $2,030,830 (2014: $1,441,911). The Company's capital includes ordinary share capital and financial liabilities, supported by financial assets.

(e) Unissued Shares

Pursuant to the Tamboli Transaction (refer note 20) the Company is obligated to issue the following tranches of shares to the vendor providing the following market capitalisation hurdles are met within 5 years of acquisition date:

Hurdle #	Market Capitalisation Hurdle	Ordinary shares to be issued
1	$50,000,000	17,548,224
2	$80,000,000	21,935,279
3	$100,000,000	65,805,838

Hurdles 1 and 2 were met during the year, however the shares have not been issued and as such the value of the shares at each milestone date of $15,162,914 have been classified as equity instruments. Hurdle 3 is not considered probable at this stage, with the fair value of the deferred consideration estimated to be nil at balance date.

As at 30 June 2014, the Company had received $1,882,353 in option exercise notices which had not yet been converted into ordinary shares. The Company also had an underwriting agreement in place for any unexercised options at 30 June 2014 and has therefore recognised a receivable of $143,684. The Company issued 19,057,290 and 1,203,081 ordinary shares on 8 July 2014 and 14 July 2014 respectively.

(f) Share Options

At 30 June 2015, the Company has the following share options on issue:

- 406,250 Fifty Series options exercisable at $0.50 on or before 30 June 2016;

- 1,406,250 Sixty Series options exercisable at $0.60 on or before 30 June 2017;

Options carry no rights to dividends and have no voting rights.

14. *Reserves*

	2015 $	2014 $
Foreign currency translation	7,043	(933,429)
Options reserve	3,762,791	3,762,791
	3,769,834	2,829,362

Options reserve		
Reserve at the beginning of the year	3,762,791	3,470,595
Options issued under entitlement issue prospectus	-	292,196
Reserve at end of year	3,762,791	3,762,791

The options reserve arises on the grant of share options to directors as part of their remuneration and to consultants for services provided, as well as for funds raised for the issue of options.

Foreign currency translation reserve		
Reserve at the beginning of the year	(933,429)	832,643
Exchange differences arising on translating foreign operations	940,472	(1,766,072)
Reserve at end of year	7,043	(933,429)

Exchange differences relating to the translation of the results and net assets of the Company's foreign operations from their functional currencies to the Company's presentation currency (i.e. Australian dollars) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

15. *Non-controlling interest*

Balance at the beginning of year	(63,167)	(61,047)
Non-controlling interests arising on the acquisition of		
PT. PBR	70,805	-
PT. MKG and ERN	(237,470)	
Share of loss for the year	(213,408)	(2,120)
Balance at the end of year	(443,240)	(63,167)

16. *Auditors' remuneration*

Amounts, received or due and receivable by auditors for:		
- an audit or review services	48,806	22,732

17. *Key Management Personnel (KMP) and Related Party Transactions*

(a) Key Management Personnel

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Company's key management personnel for the year ended 30 June 2015.

The totals of remuneration paid to KMP of the Company during the year are as follows:

	2015 $	2014 $
Short term	255,000	173,750
Post-employment	9,976	9,129
	264,976	182,879

(b) Other transactions

The Company incurred the following transactions with related parties:

During the year ended 30 June 2015, Roger Pooley, was paid or due to be paid $16,763 (2014: $Nil) for consulting services.

18. *Cash Flow Information*

(a) Reconciliation of Cash Flow from Operations with Loss after Income Tax

Loss after income tax	(10,277,078)	(1,481,539)
Non cash flows in loss:		
Depreciation	34,597	4,256
Impairment of exploration	8,186,375	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	(271,104)	19,612
- (increase)/decrease in other assets	18,651	(406,433)
- increase/(decrease) in trade and other payables	(839,980)	254,797
	(3,148,539)	(1,609,307)

(b) Non Cash Investing & Financing Activities

There were no non-cash investing or financing activities entered into by the Company during the year.

19. *Controlled Entities*

	Country of Incorporation	2015	2014
Subsidiaries of Western Mining Network Limited:			
PT. WMN Indonesia	Indonesia	100%	100%
PT. Genesis Berkat Utama	Indonesia	51%	51%
PT. Persada Bumi Rawas	Indonesia	75%	0%
PT. Mekongga Sejahtera	Indonesia	0%[1]	0%
PT. Eagle Rich Nusantara	Indonesia	40%[1]	0%

1. On 23 October 2014 the Company completed the acquisition of the Tamboli Project comprising the option to acquire 75% of PT Mekongga, a 40% interest in PT Eagle Rich with an option to acquire a further 59%. Pursuant to the contractual arrangements, Western Mining Network Limited has access to returns associated with ownership interest and is deemed to have control over PT Mekongga and PT Eagle Rich and as such in accordance with Australian Accounting Standards have been consolidated on their fully exercised basis being 75% (PT Mekongga) and 99% (PT Eagle Rich).

20. ACQUISITION OF SUBSIDIARIES

Persada

On 21 July 2014, the Group completed the acquisition of a 75% equity interest in PT. Persada which holds a gold exploration licence in Indonesia. A summary of the consideration and acquisition date balance sheet is as follows:

Consideration transferred	2015
	$
Deposits paid in previous period	499,405
Deposits in period to 30 June 2015	361,405
Total Consideration	**860,810**
Net assets acquired	
Cash and cash equivalents	429,170
Other assets	1,098
Trade and other payables	(147,050)
Net assets	283,219
Non-controlling interest	70,804
Acquisition of exploration expenditure (refer note 8)	**648,396**

Tamboli Project

On 23 October 2014 the Company completed the acquisition of the Tamboli Project comprising the option to acquire 75% of PT Mekongga, a 40% interest in PT Eagle Rich with an option to acquire a further 59%. Pursuant to the contractual arrangements, Western Mining Network Limited is deemed to have control over PT Mekongga and PT Eagle Rich. A summary of the consideration and net assets acquired are as follows:

Consideration transferred	**2015**
	$
78,967,006 ordinary shares (refer note 13)	24,479,772
Deferred consideration (refer note 11/13(e))	15,898,836
Total Consideration	**40,378,608**
Net assets acquired	
Cash and cash equivalents	94,762
Other assets	31,597
Property, plant and equipment	101,480
Trade and other payables	(1,177,717)
Net assets	(949,878)
Non-controlling interest	(237,470)
Acquisition of exploration expenditure (refer note 8)	**41,091,017**

21. *Commitments*

The Company has no commitments as at 30 June 2015.

22. *Financial reporting by segments*

The Company has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. During the period, the Company operated in two geographical segments being Australia and Indonesia, and two business segments being mineral exploration and treasury.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Company.

Inter-segment transactions

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

Segment assets
Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities
Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Company as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items
The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- head office and other administration expenditure

(a) Segment performance

	Exploration $	Treasury $	Total Operations $
Year Ended 30 June 2015			
Revenue			
Interest revenue	-	14,365	14,365
Total segment revenue	-	14,365	14,365
Reconciliation of segment result to net loss before tax			
Unallocated revenue			
Total revenue	**-**	14,365	14,365
Segment net profit/(loss) before tax	**(954,173)**	14,365	**(939,808)**
Reconciliation of segment result to net loss before tax			
Unallocated items:			
- Impairment of Exploration			(8,186,375)
- Other			(1,150,895)
Net loss before tax from continuing operations			**(10,277,078)**

	Exploration $	Treasury $	Total Operations $
Year Ended 30 June 2014			
Revenue			
Interest revenue	-	5,581	5,581
Total segment revenue	-	5,581	5,581
Reconciliation of segment result to net loss before tax			
Unallocated revenue			
Total revenue	**-**	**5,581**	**5,581**
Segment net profit/(loss) before tax	**(1,018,996)**	**5,581**	**(1,013,415)**
Reconciliation of segment result to net loss before tax			
Unallocated items:			
- other			(468,124)
Net loss before tax from continuing operations			**(1,481,539)**

(b) Segment assets

	Exploration $	Treasury $	Total Operations $
As at 30 June 2015			
Segment assets	**41,091,017**	**182,580**	**41,273,597**
Segment asset increases/(decreases) for the period:			
- cash and cash equivalents	-	(1,996,848)	(1,996,848)
- exploration and evaluation expenditure	34,323,405	-	34,323,405
Reconciliation of segment assets to total assets			
Unallocated items:			
- trade and other receivables			274,131
- other assets			27,710
- plant and equipment			88,628
Total assets			**41,664,066**

	Exploration $	Treasury $	Total Operations $
As at 30 June 2014			
Segment assets	**6,767,612**	**2,179,428**	**8,947,040**
Segment asset increases/(decreases) for the period:			
- cash and cash equivalents	-	1,441,911	1,441,911
- other financial asset	-	-	-
- exploration and evaluation expenditure	(1,699,962)	-	(1,699,962)
Reconciliation of segment assets to total assets			
Unallocated items:			
- trade and other receivables			146,711
- other assets			513,071
- plant and equipment			3,024
Total assets			**9,609,846**

(c) Segment liabilities

	Exploration $	Treasury $	Total Operations $
As at 30 June 2015			
Segment liabilities	**735,921**	**-**	**735,921**
Reconciliation of segment liabilities to total liabilities			
- Trade and Other Payables			200,350
- Other liabilities			488,487
Total liabilities from continuing operations			**1,424,758**

	Exploration $	Treasury $	Total Operations $
As at 30 June 2014			
Segment liabilities	**250,000**	**-**	**250,000**
Reconciliation of segment liabilities to total liabilities			
- Trade and Other Payables			334,941
Total liabilities from continuing operations			**584,941**

d) Assets by geographical location

	Indonesia $	Australia $	Total Assets $
As at 30 June 2015			
Segment assets	41,586,236	77,830	41,664,066
As at 30 June 2014			
Segment assets	7,270,041	2,339,805	9,609,846

23. *Financial risk management*

Overview

The Company has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

Trade and other receivables

As the Company has just started operations, it does not have trade receivables and therefore is not exposed to credit risk in relation to trade receivables.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	2015 **$**	**2014** **$**
Financial assets		
Cash and cash equivalents – AAA rated counterparties	182,580	2,179,428
Receivables – other	274,131	146,711
	456,711	2,326,139

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

The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Market risk
Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The Company is exposed to interest rate risk as it invests funds at floating interest rates.

Maturity profile of financial instruments
The following table details the Company's exposure to interest rate risk as at 30 June:

			Fixed interest rate maturing in:			
	Average interest rate	**Floating interest rate**	**<1 year**	**1 – 5 years**	**Non-interest bearing**	**Total**
	%	**$**	**$**	**$**	**$**	**$**
2015						
Financial assets						
Cash and cash equivalents	2.5%	182,580	-	-	-	182,580
Trade and other receivables	N/A	-	-	-	274,131	274,131
		182,580	-	-	274,131	456,711
Financial liabilities						
Trade and other payables	N/A	-	-	-	200,350	200,350
Deferred consideration	N/A				735,921	735,921
Other liabilities	N/A				488,487	488,487
		-	-	-	1,424,758	1,424,758

Net financial assets		**182,580**	**-**	**-**	**(1,150,627)**	**(968,047)**

	Average interest rate %	Floating interest rate $	<1 year $	1 – 5 years $	Non-interest bearing $	Total $
2014						
Financial assets						
Cash and cash equivalents	3%	2,179,428	-	-	-	2,179,428
Trade and other receivables	N/A	-	-	-	146,711	146,711
		2,179,428	-	-	146,711	2,326,139
Financial liabilities						
Trade and other payables	N/A	-	-	-	584,941	584,941
		-	-	-	584,941	584,941
Net financial assets		**2,179,428**	**-**	**-**	**(438,230)**	**1,741,198**

Interest rate risk sensitivity analysis

The effect on loss and equity as a result of a 2% increase in the interest rate, with all other variables remaining constant would be a decrease in loss by $3,652 (2014: $43,589) and an increase in equity by $3,652 (2014: $43,589). The effect on loss and equity as a result of a 2% decrease in the interest rate, with all other variables remaining constant would be an increase in loss by $3,652 (2014: $43,589) and an decrease in equity by $3,652 (2014: $43,589).

Fair value of financial instruments

The Directors consider that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair value. There are no financial assets or liabilities which are required to be measured at fair value on a recurring basis.

24. *Contingent liabilities and contingent assets*

During the year the Company entered into an agreement for the engineering, procurement and construction of a processing and purification plant capable of producing commercial grade graphite powder at the Company's Tamboli Project. The agreement is for an estimated sum of US$9.8 million however is contingent upon the company successfully closing funding on the project.

Pursuant to the Tamboli Transaction (refer note 20) the Company is obligated to issue the following tranches of shares to the vendor providing the following market capitalisation hurdles are met within 5 years of acquisition date:

Hurdle #	Market Capitalisation Hurdle	Ordinary shares to be issued
1	$50,000,000	17,548,224
2	$80,000,000	21,935,279
3	$100,000,000	65,805,838

Hurdles 1 and 2 were met during the year, with the shares yet to be issued. Hurdle 3 is required to be issued if the market capitalisation of the company reaches $100 million.

In the opinion of the Directors, the Company has no other contingent liabilities or assets as at 30 June 2015 (2014: nil).

25. *Parent entity disclosures*

Financial position	2015 $	2014 $
Assets		
Current assets	77,830	2,298,104
Non-current assets	40,239,308	7,196,483
Total assets	40,317,138	9,494,587
Liabilities		
Current liabilities	57,315	469,682
Non-Current liabilities	735,922	-
Total liabilities	793,237	469,682
Equity		
Issued capital	53,381,471	12,663,797
Accumulated losses	(17,620,361)	(7,401,683)
Reserves	3,762,791	3,762,791
Total equity	39,523,901	9,024,905
Financial performance		
Profit/(loss) for the year	(10,218,678)	(2,745,007)
Total comprehensive income	(10,218,678)	(2,745,007)

Refer to Note 21 for commitments of the parent which are the same as the Group.

26. *Events Subsequent to Period End*

On 13 July 2015, WMN signed Head of Agreement (HoA) to acquire 100% of PT Grafindo Nusantara (GFN), Indonesia's leading private graphite company with 8 million tonnes ore of JORC resources in West Kalimantan, in return for issuance of twenty five million newly issued shares. The Heads of Agreement allowed a period of sixty days for the signing of definitive documents which period has now been extended by the parties to allow an additional 30 days to allow for the preparation of the final versions of the definitive legal documentation.

On the same day, Mr Gordon Lewis, and Mr David Putnam were appointed as an Executive Director and Interim CEO, respectively.

On 3 August 2015, the Company received a Production License (Izin Usaha Pertambangan Operasi Produksi) for PT Mekongga Sejahtera, which is valid for 5 years to August 2020. The Company has an option to extend the license for additional 2 by 5 years. The license allows the Company to construct, produce, transport, sell and processes the ore.

On 28 September 2015 the Company entered into a lead manager and broker mandate to raise up to $1,000,000 (before costs) via a placement on a best endeavours basis.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

DIRECTORS' DECLARATION

The directors of the Company declare that:

1. the financial statements and notes are in accordance with the *Corporations Act 2001* and:
   a) comply with Accounting Standards and the Corporations Regulations 2001; and
   b) give a true and fair view of the Company's financial position as at 30 June 2015 and its performance for the year ended on that date; and
   c) are in accordance with International Financial Reporting Standards, as stated in note 1 to the financial statements; and
2. the Chief Executive Officer and Company Secretary have each declared that:
   a) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
   b) the financial statements and notes for the financial year comply with the Accounting Standards; and
   c) the financial statements and notes for the financial year give a true and fair view;
3. 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.

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

Christopher Clower
Executive Chairman
30 September 2015

Bentleys
THINKING AHEAD

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Independent Auditor's Report

To the Members of Western Mining Network Limited

We have audited the accompanying financial report of Western Mining Network Limited ("the Company") and Controlled Entities ("the Consolidated Entity"), which comprises the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Consolidated Entity, comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors Responsibility for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standards AASB 101: *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

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

Independence

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

Opinion

In our opinion:

a. The financial report of Western Mining Network Limited is in accordance with the *Corporations Act 2001*, including:

   i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

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

b. The financial statements also comply with *International Financial Reporting Standards* as disclosed in Note 1.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial report which indicates that the Consolidated Entity incurred a net loss of $10,277,078 (after impairment losses of $8,186,375) during the year ended 30 June 2015. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty which may cast significant doubt about the ability of the Consolidated Entity to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2015. 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.

Opinion

In our opinion, the Remuneration Report of Western Mining Network Limited for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Bentleys

BENTLEYS
Chartered Accountants

DOUG BELL CA
Director

Dated at Perth this 30th day of September 2015

The following additional information is required by the ASX Limited in respect of listed public companies and was applicable at 15 September 2015:

1. **Shareholding**

a. **Distribution of Shareholders**

Category (size of holding)	Shareholders	Ordinary Shares
	Number (as at 15 September 2015)	
1 – 1,000	29	7,354
1,001 – 5,000	89	268,225
5,001 – 10,000	125	1,126,623
10,001 – 100,000	266	10,870,967
100,001 – and over	111	152,472,343
	620	164,745,512

b. The number of shareholdings held in less than marketable parcels is 51 shareholders amounting to 39,416 shares.

c. There are no restricted securities at 15 September 2015.

d. The names of substantial shareholders listed in the company's register as at 15 September 2015 are:

Shareholder	Ordinary Shares	% Held of Total Ordinary Shares
Citicorp Nominees Pty Limited	25,356,742	15,391%

e. Voting Rights

The voting rights attached to the ordinary shares are as follows:

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

f. 20 Largest Shareholders as at 15 September 2015 — Ordinary Shares

		Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1.	CITICORP NOMINEES PTY LIMITED	25,356,742	15.391
2.	MR ANTON RIANTO	15,793,402	9.586
3.	MR HUSNI THAMRIN	15,793,401	9.586
4.	MR PETRUS ODANG YUSMAN	15,793,401	9.586
5.	MR AJI SETIADI	15,793,401	9.586
6.	MR YAP NENG FOO	14,993,401	9.101
7.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,904,097	4.798
8.	PROFESSOR YEW KWANG NG	2,688,000	1.632
9.	NATIONAL NOMINEES LIMITED	2,545,794	1.545
10.	LINKWELL LIMITED	2,106,512	1.279
11.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C/ 3	1,800,000	1.093
12.	JP MORGAN NOMINEES AUSTRALIA LIMITED	1,177,000	0.714
13.	COLIN KENNETH LOCKE	1,158101	0.703
14.	CAROLINA GUNAWAN	1,056,045	0.641
15.	REZA NOOR HASSAN	1,042,028	0.633
16.	BASAPA PTY LTD	1,000,000	0.607
17.	MR DAVID FRAZIER	1,000,000	0.607
18.	MR ANDREW GRAEME EDDY	949,000	0.576
19.	PROFESSOR YEW KWANG NG	850,000	0.516
20.	RHENADI ARINTON	792,967	0.481
		129,593,292	**78.662**

1. The name of the company secretary is Adrien Wing.

2. The address of the principal registered office in Australia is:
   Level 17, 500 Collins Street Melbourne VIC 3030.

3. Registers of securities are held at the following address:
   Advanced Share Registry, 110 Stirling Hwy, Nedlands, WA 6009

4. Stock Exchange Listing
   Quotation has been granted for all the ordinary shares of the company on all Member Exchanges of the ASX Limited.

5. Unquoted Securities
   The Company has no unquoted securities as at 15 September 2015.

6. Corporate Governance
   A copy of the Company's Corporate Governance Statement is available on the Company's website: http://www.westernmining.net/

SCHEDULE OF MINERAL TENEMENTS
AS AT 30 SEPTEMBER 2013

Project	***Tenement***	***Interest held by Western Mining Network Limited***
Persada	540/307.19/DISTAMBEN	75%
Tamboli Project	190/BKPMD – PTSP/VIII/2015	75%