BLACK ROCK
MINING LIMITED

FORMERLY GREEN ROCK ENERGY LIMITED

FINANCIAL REPORT

FOR THE YEAR ENDED
30 JUNE 2015

CORPORATE DIRECTORY

ABN: 59 094 551 336

DIRECTORS

Stephen Copulos
Chairman Non- Executive

Steven Tambanis
Managing Director

Gabriel Chiappini
Non-Executive Director

COMPANY SECRETARY

Gabriel Chiappini

PRINCIPAL PLACE OF BUSINESS AND REGISTERED OFFICE

Level 1, 35 Havelock Street,
West Perth Western Australia, 6005

Telephone: (+61 8) 9320 7550
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AUDITOR

Deloitte Touche Tohmatsu
Level 14, Woodside Plaza
240 St Georges Terrace,
Perth Western Australia, 6000

Telephone: (08) 9365 7000
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SHARE REGISTRY

Computershare Investor Services Pty Ltd Level
11, 172 St Georges Terrace
Perth Western Australia, 6000

Telephone: 1300 787 272
Facsimile: (08) 9323 2033
Email: web.queries@computershare.com.au

STOCK EXCHANGE LISTING

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

ASX CODE

BKT - ordinary shares
BKTOC - listed options

CHAIRMAN'S REVIEW

Dear Fellow Black Rock Mining Shareholders

It is my pleasure to be writing this letter in my capacity as your Chairman and the major shareholder in Black Rock Mining for the very first time.

Together with my fellow board members, Mr Steven Tambanis and Mr Gabriel Chiappini, our company has in a very short period undergone an enormous transformation. Our company is going through an exciting time with new management and transforming to a graphite resources company - beginning with the extensive graphite mineral rights that we secured in Tanzania during FY15.

Since the first ASX announcement in July 2014, to outline our Graphite Minerals Strategy, Black Rock Mining has assembled a highly prospective portfolio of graphite tenements that encompasses over 680km^2 of prospective ground in Tanzania. We have undertaken two drilling programmes at our primary mining licence PL 7802/2012 where we have identified three very strong prospects:

1. Epanko north
2. Cascade
3. Ulanzi

I am also pleased to report that we have achieved the key objectives outlined in our 2015 prospectus to identify key prospects and complete a significant investment in our Tanzanian assets. We are very confident in finalising our key objective to report a JORC resource on the Epanko north prospect in the near future. It was very encouraging to report to ASX recently that whilst finalising the infill drilling programme at Epanko north, that our on the ground team continued to expand the mineralised footprint at both Cascade and Ulanzi. As a result, we have confirmed that we will undertake a first pass drilling programme at both Cascade and Ulanzi. The early drill core assay samples coming back from Cascade are encouraging with best results of 60m@ 10.00% TGC including 22m@ 11.46% from RC42.

The Epanko north drill and trench data is currently being reviewed by external consultants to prepare a maiden JORC compliant resource. The Company's Mahenge graphite resources are expected to increase with additional resources from the current Ulanzi and Cascade drilling programme, of which each prospect has the potential to host stand-alone resources. Combined, the potential Ulanzi and Cascade prospects have over six times the mineralised footprint of Epanko north.

We also look forward to Black Rock Mining exploring its three other mining licences with the key prospect being Kituti which is located on PL 10426/2014. Exploration work has resumed at Kituti to better define the 22km strike length of graphitic structures within PL 10426/2014.

I would like to confirm that we will continue our search for additional excellent world-class graphite exploration assets and look forward to reporting our continued success.

The board is also very conscious of every dollar we spend and ensure that we gain the maximum value in executing our Strategy. We are fortunate to have Mr Steve Tambanis as our Managing Director who has spent considerable time in Tanzania developing relationships and managing an intensive exploration programme. Steve leads an excellent exploration team on the ground in Tanzania, who have performed admirably over the past year by delivering work to a very high standard that is realising the extensive potential of our Mahenge project.

I would like to thank you for your support as shareholders of Black Rock Mining and assist us building a stronger, focused mineral company for the benefit of all shareholders.

Yours sincerely

Stephen Copulos

Chairman

MANAGING DIRECTOR'S REPORT

During the year the Company's exploration efforts were focused on the key projects outlined below:

Exploration Activities

Graphite

The Company entered into an agreement in July 2014 to explore Mahenge north, a 300km2 graphite prospect at Mahenge, Tanzania. Work commenced in country during July 2014 with early stage results confirming good graphite potential at Epanko north, immediately to the north of Kibaran Resources (ASX:KNL) 23Mt graphite resource. A regional exploration programme highlighted additional graphite potential both within the Mahenge north tenement (Cascade, Ndololo) and also to the south, within the Mahenge Scarp region. Additional tenure was acquired to explore the Makonde and Kituti lodes, and the Company currently has four tenements with a total area of 680 km^2.

By December 2014 continued positive exploration results led to a decision to drill Epanko north, which commenced in January 2015, prior to the annual wet season. 2,200m of diamond and RC drilling was completed, confirming the potential of Epanko north to host a graphite resource.

Following the annual wet season, fieldwork resumed in early June 2015 to infill drill Epanko north and explore Kituti and Cascade. Mapping at Cascade significantly increased the graphite mineralised area from 400m x600m in size to over 1,300m in strike length and 800m in width.

Exploration work also resumed at Kituti to better define the 22km strike length of graphitic structures within the Mahenge southwest tenement. Graphite mineralisation at Kituti is visibly narrower but with coarser, higher grade mineralisation.

In the space of 12 months the company has enjoyed significant exploration success at Mahenge, drilling Epanko north and finding significant additional graphite occurrences within its 680km^2 tenement package. A maiden resource is expected for Epanko north by the end of 2015 and drill results from Cascade and Ulanzi are keenly awaited.

Activities subsequent to end of financial year

During July and August the Epanko north infill drill programme was completed with exploration activities focused on the new Cascade and Kituti prospects. Very good trenching and outcrop sampling results were returned from Cascade, leading to the discovery of a new high-grade graphite mineralised area called Ulanzi, 1km to the west. Whilst the results are early stage and require more sampling, Ulanzi has returned the highest surface sampling grades received to date by Black Rock Mining, with the first 140 test pits averaging 11.1% TGC. The Ulanzi mineralised footprint area is much larger than Epanko north and Cascade combined, which significantly increases the probability of finding a stand-alone graphite resource within this prospect.

During August access tracks were completed into Cascade and Ulanzi to prepare drill pads. Four RC holes were drilled at Cascade and eight at Ulanzi. Assay results were received from the first two Cascade holes on 17 September, returning:

- **RC41: 88m@ 9.68% TGC including 44m@ 11.09% TGC**
- **RC42: 60m@ 10.00% TGC including 22m@ 11.46% TGC**

These drill results are the best received since commencing exploration activities and strongly indicate that Cascade host's significant graphite mineralisation at good grades. Drilling is underway to test this.

At Ulanzi, eight holes were drilled by mid September with assays awaited.

Core from DD14, the first diamond hole drilled at Ulanzi, showing spectacular intergrowths of coarse flake graphite in core.

Tenure Summary

Tenement Name	Number	Area km2
Mahenge North	PL 7802/2012	292.41
Mahenge southwest	PL 10427/2014	208.67
Mahenge southeast	PL 10426/2014	154.96
Makonde	PL 10111/2014	24.83
	Total Area km2	**680.87**

Drill results 2015

January 2015 programme

Hole_ID	Easting_WGS84	Northing_WGS84	Elevation	Google RL	Collar_Dip	Collar_Azimuth	EOH_Depth	Intersection	Graphite TGC%	From-to	including
Reverse Circulation Holes Epanko North											
RC01	243959	9037548	1000	996	-60	270	115	48m @	8.40%	from 3-51m	
RC02	244008	9038193	915	894	-60	270	124	72m @	5.76%	from 34-106m	38m @6.52% TGC from 52-90m
RC03	243982	9038602	834	837	-57	290	45	22m @	5.43%	from 2-24m	
RC04	243973	9038520	831	832	-57	270	31	14m @	4.68%	from 5-19m	
RC05	243968	9038283	907	871	-60	270	113	67m @	5.64%	from 0-67m	28m @6.97% TGC from 4-32m
RC06	243968	9038044	944	919	-60	270	90.2	34m @	7.20%	from 4-38m	
RC07	243948	9037948	963	940	-60	270	88	28m @	5.32%	from 15-43m	
RC08	244016	9037503	983	978	-60	270	133	131m @	6.64%	from 2-133m	90m @7.11% TGC from 4-94m
RC09	243985	9037651	1004	994	-60	270	85	70m @	6.83%	from 6-76m	50m @7.34% TGC from 6-56m
RC10	243965	9037795	990	969	-60	270	22	16m @	7.53%	from 0-16m	
RC10R	243964	9037797	992	969	-60	270	133	72m	5.73%	from 0-72m	
RC11	243933	9037887	978	956	-60	270	133	24	5.18%	from 0-24m	
RC12	243919	9037699	1029	1001	-60	270	82	24m	8.94%	3-27m	
							1,194				
Diamond Holes Epanko North											
DD01	243995	9037597	984	984	-58	270	239.1	64m @	6.40%	from 8-72m	
DD02	243980	9037694	982	982	-60	270	232.6	68m @	6.71%	from 0-68m	
DD03	243983	9038097	905	905	-60	270	237.0	58m @	7.13%	from 4-62m	
DD04B	243977	9038651	830	830	-60	270	64.9	28m @	6.96%	from 6-34m	
							774				
Diamond Holes Kituti											
DD05	247161	9018989	440	440	-55	91	90.7	26m@	6.64%	from 56-82m	and 34m @ 5.17% from 2-36m
DD06	247463	9018330	425	425	-60	90	152.0	22m@	8.31%	from 91-113m	
							243				

Logging RC samples at Cascade, August 2015

2015 Drill Results (Cont'd)

June –September 2015

										INTERVAL	
									Graphite	WITH GRADE	INCLUDING
EPANKO NORTH						Hole			Interval		
RC Drilling	Easting	Northing	Elev.	Azim.	Dip	Depth	From	To	metres		
RC13	244615	9037581	1035	270	-56	37	2	26	24	24m@ 9.04%	
RC14	244609	9037530	1029	270	-56	22	0	16	16	16m@ 12.79%	
RC15	244609	9037530	1029	270	-90	71	0	66	66	66m @9.38%	
RC17	244018	9037551	999	270	-56	145	35	131	96	96m@ 6.51%	
RC19	244001	9037792	979	270	-56	82	0	62	62	62m @7.73%	38m@ 9.35% from 0-38m
RC20	243966	9037901	961	270	-60	94	0	66	66	66m @6.24%	18m@ 8.48 from 0-18m
RC22	244028	9038105	912	270	-56	88	70	86	16	16m @6.44%	
RC23	244011	9038061	924	270	-56	148	34	128	94	94m@ 5.84%	18m@ 7.22% and 8m@9.73%
RC24	244017	9037705	951	270	-56	150	36	110	74	74m@ 6.74%	30m@ 8.49% from 36-66m
RC25	244012	9037752	947	270	-45	140	32	112	80	80m@ 6.69%	30m@ 8.76% from 32-62m
RC26	243980	9037745	971	270	-49	97	0	72	72	72m@ 7.05%	20m@ 9.38% from 0-20m
RC27	243973	9037443	942	270	-47	109	0	80	80	80m@ 8.05%	64m@ 8.54% from 2-66m
RC28	243968	9037487	959	265	-53	88	0	78	78	72m@ 9.12%	50m@ 10.29% from 2-52m
RC29	243996	9037596	984	270	-57	50	12	50	38	38m@ 6.14%	24m@6.85 from 20-44m
RC30	243885	9037508	995	270	-56	47	0	32	32	28m@ 5.85%	
RC31	243898	9037554	1002	270	-57	43	0	34	34	34m@ 8.13%	
RC32	243900	9037597	1010	272	-59	46	0	34	34	34m@ 9.58%	22m@ 11.70% from 0-22m
RC33	243915	9037652	1015	272	-57	46	0	36	36	36m@ 8.34%	20m@ 9.58% from 0-20m
RC34	243919	9037747	1014	270	-57	43	0	36	36	26m@ 7.70%	
RC35	243939	9037586	1000	270	-54	64	2	52	50	50m@ 6.46%	28m@ 7.68% from 2-30m
RC36	243948	9037946	934	360	-90	102	4	62	58	58m@ 5.36%	38m@ 6.20% and 8m@7.65%
RC37	243954	9037989	918	270	-57	76	0	44	44	44m@ 4.41%	
RC38	243954	9037993	918	360	-88	109	38	92	54	54m@ 5.6%	18m@ 7.06% from 74-92m
RC39	243953	9037847	961	295	-56	64	0	60	60	60m@ 4.34%	14m@ 6.59% from 14-28m
RC40	243984	9037853	941	295	-54	118	0	90	90	90m@ 6.20%	44m@ 6.99% from 44-48m
Diamond Holes									INTERVAL	INTERVAL	
DD07B	244649	9037572	1010	290	-51	119.2	44	74	30	30m@ 12.15%	
DD10	244019	9037445	936	287	-61	206.2	36	172	136	136m@ 6.05%	
CASCADE DRILLING											
RC41	245300	9041857	887	270	-57	94	0	88	88	88m@ 9.68%	44m@ 11.09% from 32-76m
RC42	245259	9041849	886	270	-71	79	0	64	64	60m@ 10.00%	22m@ 11.46% from 4-26m

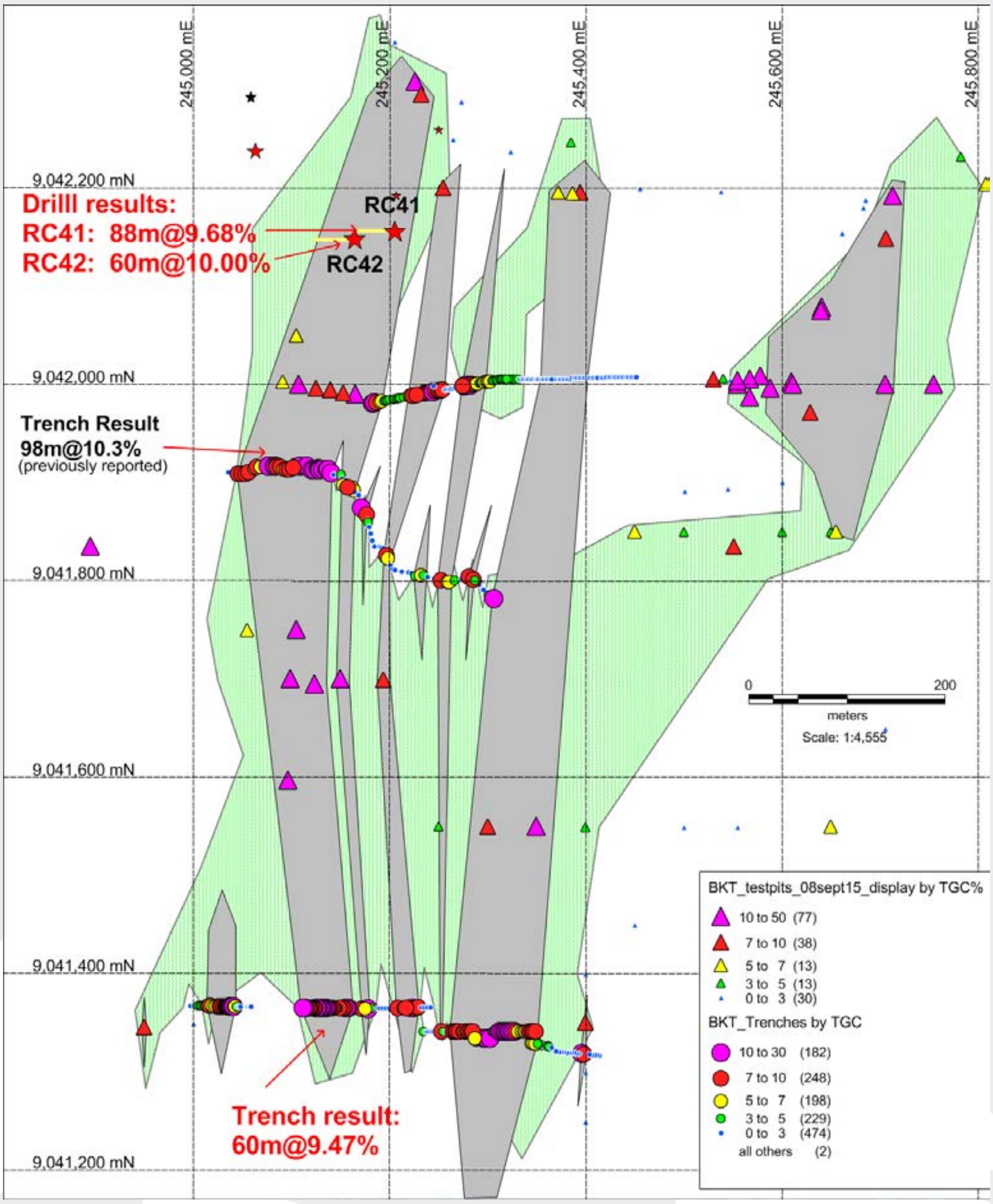
Cascade drilling RC41, August 2015.

Images

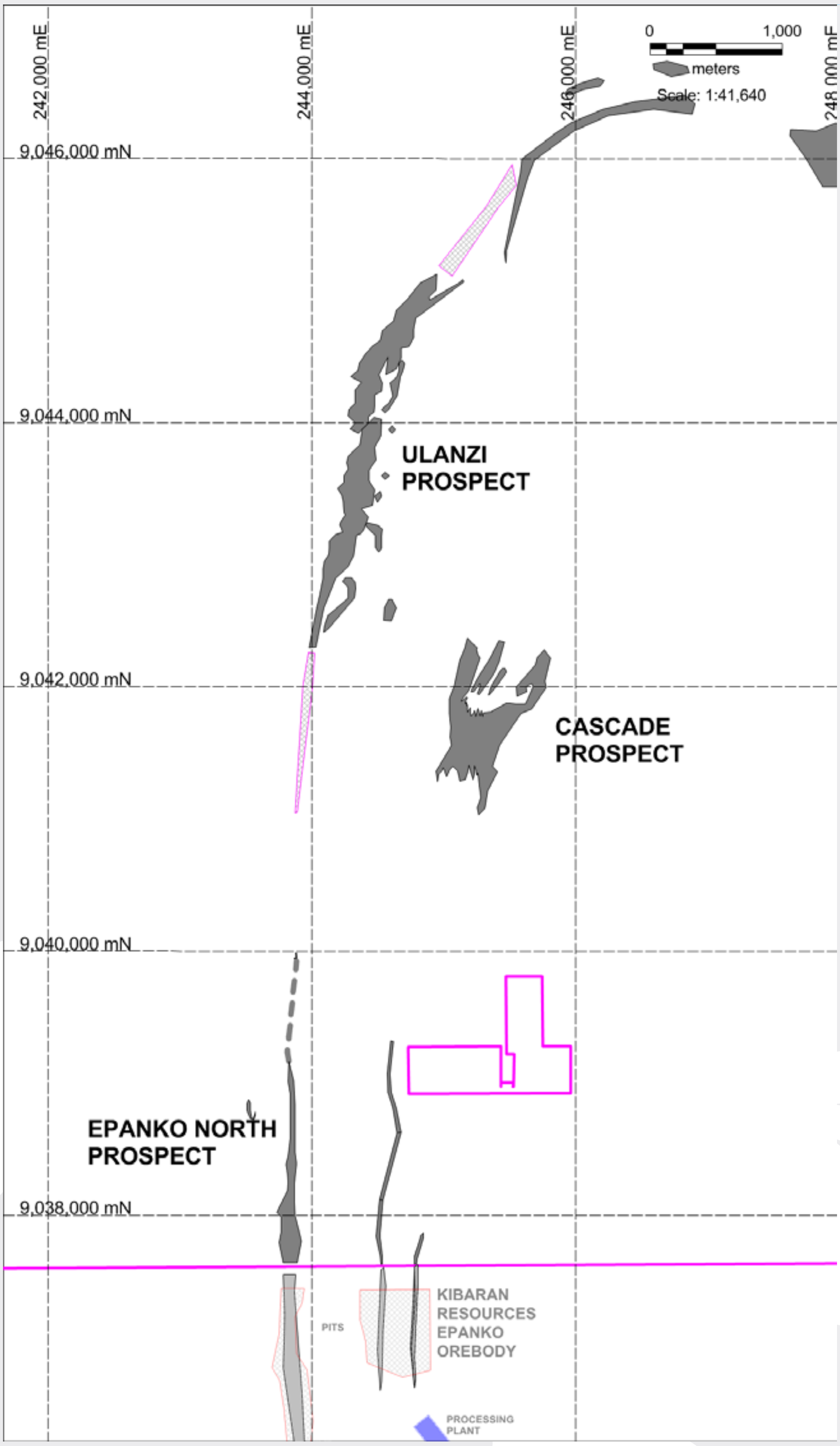
Coarse graphite flakes floating on water at Epanko northeast.

Trenching at Cascade

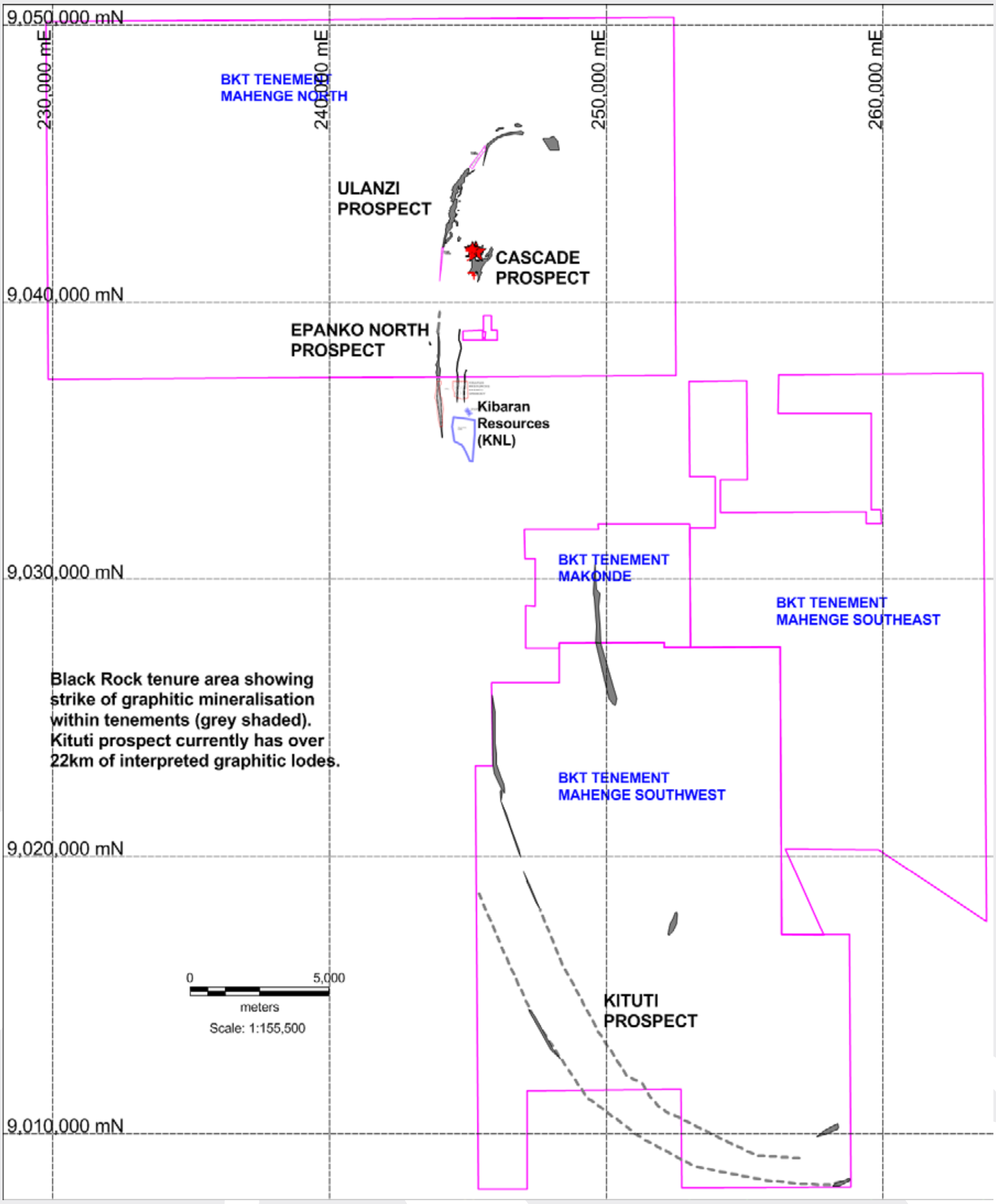
Cascade trench sampling



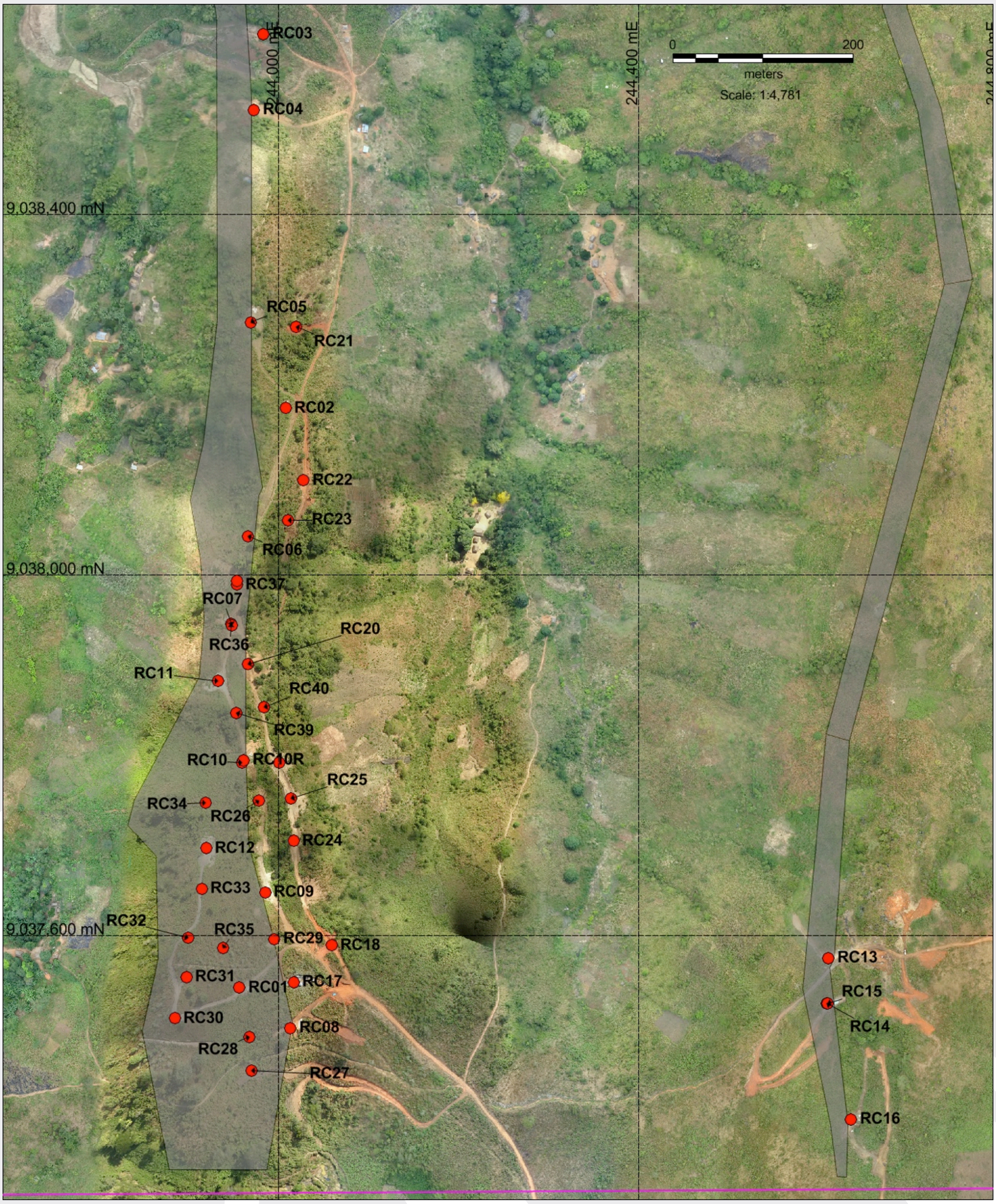
Cascade area showing graphite footprint in green, interpreted graphite lodes in grey and recent drill and trench results in red.



Locality map of Epanko north, Cascade and Ulanzi, showing outcropping graphite mineralisation.



Tenure map showing Black Rock Mining prospects and interpreted graphite mineralised structures.



Epanko north plan showing RC drill locations. Grey shaded area represents outcropping graphite gneiss.

Community work

The Company has enjoyed working closely with the local community since commencing exploration activities at Mahenge. We employ local people to assist with exploration work and have made significant efforts to be involved with the Mawenge Secondary College. The Black Rock Mining field team assisted refurbishing several classrooms at the school and donated maps & posters for the new geography classroom. The team recently donated a desktop computer and internet connection - the school's first computer for the children.

Before and after photos of the Geography classroom interior.

Photos of the Physics lab & Geography classroom building before and after renovation.

MANAGING DIRECTOR'S REPORT

Mawenge Secondary students looking at the world online with their new computer.

Ulanzi field crew


Outcropping graphite sample from Ulanzi

Yours sincerely

Stephen Tambanis
Managing Director

The Directors of Black Rock Mining Limited (formerly Green Rock Energy Limited) ("Company", "Black Rock" or "Black Rock Mining") submit herewith the annual report of the company and its subsidiary entities for the financial year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

INFORMATION ABOUT THE DIRECTORS

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

Name	Particulars
Stephen Copulos (Chairman)	Mr Copulos joins Black Rock Mining as a Non-Executive Chairman and is the Company's major shareholder and financial supporter. Mr Copulos has over thirty years' experience in a variety of businesses and investments across a wide range of industries including mining, manufacturing, property development, food and hospitality. He has been the Managing Director of the Copulos Group of companies, a private investment group, since 1997 and has extensive experience as a company director of both listed and unlisted public companies in Australia, the UK and USA. Mr Copulos held directorships with the following listed companies in the 3 years immediately prior to the date of this report.

Name	Date Appointed	Date Resigned
Collins Foods Limited	April 2013	October 2014
Crusader Resources Limited	March 2013	Current
Consolidated Zinc Limited	June 2015	Current

Name	Particulars
Steven Tambanis (Managing Director)	Mr Tambanis joins Black Rock Mining as its Managing Director, with his Executive position being effective from 1 January 2015. Mr Tambanis is a geologist and manager with extensive commercial and operation experience gained working with ASX listed mineral companies, including business development roles at WMC Resources and Goldminex Resources Limited where he held the position of Executive Director. He is on the Board of West Africa Gold Limited, an unlisted mineral exploration company. Over the past three years Mr Tambanis managed all aspects of that company's exploration activities, operations and administration, including the execution of a significant joint venture with ASX listed gold miner, Perseus Mining Limited (ASX: PRU).

Name	Date Appointed	Date Resigned
West African Gold Limited	June 2011	Current

Name	Particulars
Gabriel Chiappini (Non-Executive Director)	Mr Chiappini is a Chartered Accountant and member of the Australian Institute of Company Directors with over 18 years' experience in the commercial sector. Over the last 13 years Gabriel has held positions of Director, Company Secretary and Chief Financial Officer in both and Company Secretary) public and private companies with operations in Australia, the United Kingdom and the United States. He has assisted a number of companies list on the ASX and been involved with equity raisings exceeding AUD $300 million. Gabriel has a sound understanding of the ASX Listing Rules and in-depth knowledge of the Corporations Act. Mr Chiappini currently managers his own consulting firm specialising in providing Director, company secretarial, corporate governance and investor relation's services. He currently acts as a Director and Company Secretary for several companies listed on the ASX. Gabriel is currently Chairman of ASX listed company DMY Capital Limited and Non-Executive Director of Sunbird Energy Limited.

Mr Chiappini held directorships with the following listed companies in the 3 years immediately prior to the date of this report.

Name	Date Appointed	Date Resigned
DMY Capital Limited	15 December 2011	Current
Sunbird Energy Limited	12 August 2015	Current

Richard Beresford

Mr Beresford holds a BSc in Mechanical Engineering and an MSc in Technology and Development from Imperial College, London and is also a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Institute of Energy.

Mr Beresford has an engineering background and in excess of 30 years' experience in the international gas and renewable energy industries. This includes corporate experience with British Gas (now BG) in the UK and Indonesia, Woodside in Australia and China Light and Power (CLP) in Hong Kong.

Mr Beresford has been a director and company chairman of several listed and unlisted companies. He is currently non-executive Chairman of Liquefied Natural Gas Limited and non-executive director of Eden Energy Limited.

Name	Date Appointed	Date Resigned
Eden Energy Ltd	8 May 2007	Current
Liquefied Natural Gas Ltd	12 February 2004	Current

Barnaby Egerton-Warburton

Mr Egerton-Warburton holds a B.Ec and is currently Managing Director of US focused oil and gas developer and producer, Otis Energy Limited (ASX: OTE) and a Non-Executive Director of West Australian explorer InterMet Resources Limited (ASX: ITT). Barnaby has over 20 years of trading, investment banking, international investment and market experience with positions at JP Morgan, BNP Equities and Prudential Securities.

Name	Date Appointed	Date Resigned
Isignthis Limited	22 May 2009	Current
Eneabba Gas Limited	4 March 2015	Current
DMY Capital Limited	14 January 2015	Current

The above named directors held office during the whole of the financial year and since the end of the financial year except for:

Name	Resignation / Appointment Date
Mr Barnaby Egerton-Warburton	Resigned – 22 January 2015
Mr Stephen Copulos	Appointed – 22 January 2015
Mr Steven Tambanis	Appointed – 22 January 2015
Mr Richard Beresford	Resigned – 15 April 2015

PRINCIPAL ACTIVITIES

Black Rock Mining Limited is an Australian based company listed on the Australian Securities Exchange. The Company has graphite mining licences in the Mahenge region, Tanzania and has recently concluded its infill drilling programme at its Epanko North prospect to determine a JORC compliant resource.

The Company is building a skill and knowledge base to become an explorer, developer and diversified holder of graphite resources.

Shareholder value will be added by:

- Identifying and securing graphite projects with economic potential;
- Focusing on ground that can be commercialised quickly by converting into JORC compliant resource; and
- Taking these resources into production.

Our focus is on establishing a JORC resource at Epanko North, Mahenge, whilst further exploring and drilling the Ulanzi, Cascade, Kituti and Ndololo prospects.

REVIEW AND RESULTS OF OPERATIONS AND ACTIVITIES

Results of Operations

The consolidated loss after accounting after tax for the year ended 30 June 2015 was $995,121 (2014: $2,428,562). Revenue from continuing activities was $80,616 (2014: $26,538). During 2015, we incurred a loss as the Company transitioned from a Geothermal and Hydrocarbon focused company to a Graphite Resources focused company with additional costs incurred in the restructuring, divestment and conclusion of the re-compliance under ASX Listing Rule Chapters' 1 & 2. This refocusing to a Graphite Resources company culminated in March 2015 with the re-admittance back onto the ASX and conclusion of the company's $3.5 million prospectus.

Corporate and Financial Position

Consolidated net assets at year-end were $6,240,669 against $1,588,263 at the close of the prior year. Total cash held at year-end was $2,489,586 (2014: $801,258).

DIVIDENDS

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

During the year the Company's exploration efforts were focused on the key projects outlined below:

Exploration Activities

Tanzanian Graphite Assets
The Company entered into an agreement in July 2014 to explore Mahenge north, a 300km2 graphite prospect at Mahenge, Tanzania. Work commenced in country during July with early stage results confirming good graphite potential at Epanko north, immediately to the north of Kibaran Resources (ASX:KNL) 23Mt graphite resource. A regional exploration programme highlighted additional graphite potential both within the Mahenge north tenement (Cascade, Ndololo) and also to the south, within the Mahenge Scarp region. Additional tenure was acquired to explore the Makonde and Kituti lodes, and the Company currently has four tenements with a total area of 680 km^2.

By December 2014 continued positive exploration results led to a decision to drill Epanko north, which commenced in January 2015, prior to the annual wet season. The Company completed 2,200m of diamond and RC drilling, confirming the potential of Epanko north to host a graphite resource.

Following the annual wet season, fieldwork resumed in early June to infill drill Epanko north and explore Kituti and Cascade. Mapping at Cascade significantly increased the graphite mineralised area from 400m by 600m in size to over 1,300m in strike length and 800m in width.

Exploration work also resumed at Kituti to better define the 22km strike length of graphitic structures within the Mahenge southwest tenement. Graphite mineralisation at Kituti is visibly narrower but with coarser, higher grade mineralisation.

In the space of 12 months the company has enjoyed significant exploration success at Mahenge, drilling Epanko north and finding significant additional graphite occurrences within its 680km^2 tenement package. A maiden resource is expected for Epanko north by the end of 2015 and drill results from Cascade and Ulanzi are keenly awaited.

During July and August 2015, the Epanko north infill drill programme was completed with exploration activities focused on the new Cascade and Kituti prospects. Very good trenching and outcrop sampling results were returned from Cascade, leading to the discovery of a new high-grade graphite mineralised area called Ulanzi, 1km to the west. Whilst the results are early stage and require more sampling, Ulanzi has returned the highest surface sampling grades received to date by Black Rock, with the first 140 test pits averaging 11.1% TGC. The Ulanzi mineralised footprint area is much larger than Epanko north and Cascade combined, which significantly increases the probability of finding a stand-alone graphite resource within this prospect.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the year the Company completed its transition from a geothermal and hydrocarbon company to a graphite resources company. As part of this transition the company sought shareholder approval to:

- acquire 4 Graphite Tenements in Tanzania
- raise $3.5m via a prospectus offer of 5 cents per share
- Change of name to Black Rock Mining Limited
- Share consolidation of shares on a 1 for 20 basis; and
- Divestment and surrender of all non-Graphite related assets.

As part of the transition to Graphite Resources Company, the Company acquired a Tanzanian incorporated subsidiary called Mahenge Resources Limited.

The Company has undertaken an initial drilling programme in March 2015 for 2,200m of diamond and RC drilling. At the time of writing this report the Company was finalizing an infill-drilling programme for 4,000m of diamond and RC drilling to focus on the attainment of a maiden JORC resource.

SHARE OPTIONS

Share options granted to directors

During the year no share options were granted to the directors of the company.

Share options on issue

The details of the options are as follows:

	Closing balance at date of signing
Listed options	
Expiring 25 March 2017 at $0.05	40,145,000
	40,145,000

Share options on issue (continued)

	Closing balance at date of signing
Unlisted options	
Expiring 15 November 2015 at $0.40	95,000
Expiring 11 June 2016 at $0.16	100,000
Expiring 28 November 2016 at $0.06	375,000
Expiring 19 January 2018 at $0.20	3,300,003
	3,870,003

The exercise prices noted are at post share consolidation values.

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

PERFORMANCE RIGHTS

During and since the end of the financial year, 6,700,000 performance rights were granted to directors of the Company.

Director	No. of Performance Rights Granted	Issuing Entity	No. of Ordinary Shares under Option
Gabriel Chiappini	1,675,000	Black Rock Mining	1,675,000
Stephen Copulos	1,675,000	Black Rock Mining	1,675,000
Steven Tambanis	3,350,000	Black Rock Mining	3,350,000
	6,700,000		6,700,000

For full particulars of performance rights issued to directors as remuneration, refer to the remuneration report.

The performance rights holders do not have any right to participate in any share issue of the Company or any related body corporate.

CORPORATE STRUCTURE

Black Rock Mining Limited (ACN 094 551 336) is a company limited by shares that is incorporated and domiciled in Australia. It listed on the Australian Securities Exchange on 10 December 2003 and was previously assigned the ASX code GRK. The Company underwent a change on name on 24 March 2015 to Black Rock Mining Limited and was then assigned the ASX code BKT by the Australia Securities Exchange.

SUBSEQUENT EVENTS

On 4 August 2015 the Company announced to the ASX the discovery of a new mineralized graphite zone at its Mahenge North tenement in Tanzania. The new discovery has been called Ulanzi and is at least 2.5km long and 300m wide. The Company is currently trenching, sampling and planning a first pass exploratory drilling programme on this new discovery.

On the 11 August 2015, the Company announced to the ASX the offer to shareholders of small unmarketable parcel of shares. The closing date for the offer is 30 September 2015. As at the date of the offer all shareholders with holdings of 11,112 shares or less will receive an offer from the Company to have their shares acquired.

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

FUTURE DEVELOPMENTS

The Company has graphite tenements in the Mahenge region, Tanzania and is drilling its Epanko North prospect, Cascade prospect and Ulanzi prospect to determine if it can realize a JORC compliant resource.

The company is building a skill and knowledge base to become an explorer, developer and diversified holder of graphite resources. Shareholder value will be added by:

- identifying and securing graphite projects with economic potential;
- focusing on ground that can be commercialised quickly by converting into JORC compliant resources; and
- taking these resources into production

Our focus is on establishing a JORC resource at Epanko North, Mahenge, whilst further exploring and drilling the Kituti, Ulanzi, Cascade and Ndololo prospects.

ENVIRONMENTAL REGULATION AND PERFORMANCE

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

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

INFORMATION ABOUT THE DIRECTORS

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

Director	Number of ordinary shares	Number of options granted	Grant date	Expiry date	Exercise price	Performance Rights
Gabriel Chiappini	650,000					1,675,000
- Unlisted Options		75,000 100,000	24 Jan 13 11 Jun 12	28 Nov 16 11 Jun 16	$0.06 $0.16	
- Listed Options		250,000	27 Mar 15	25 Mar 17	$0.05	
Stephen Copulos	50,046,838					1,675,000
- Unlisted Options		1,291,080	28 Jul 14	19 Jan 18	$0.20	
- Listed Options		15,000,000	27 Mar 15	25 Mar 17	$0.05	
Steven Tambanis	2,000,000					
- Listed Options		1,000,000	27 Mar 15	25 Mar 17	$0.05	3,350,000

INDEMNIFICATION OF OFFICERS AND AUDITOR

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

1. Agreements to indemnify Mr S Copulos (Non-Executive Chairman), Mr S Tambanis (Managing Director), Mr G Chiappini (Non-Executive Director), Mr R Beresford (formerly Non-Executive Chairman), and Mr Barnaby Egerton-Warburton (formerly Non-Executive Director) in respect of any liabilities incurred by them while acting in the normal course of business as a director of the entity and to insure them against certain risks they are exposed to as directors of the Company.

2. Pursuant to the above the Company has paid premiums to insure the directors and executive management against liabilities incurred in the conduct of the business of the Company and has provided right of access to the Company records.

3. In accordance with common commercial practice, the insurance policy prohibits disclosure of the premium and the nature of the liability insured against.

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

DIRECTORS' MEETINGS

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

Director	Number eligible to attend	Number attended
Gabriel Chiappini	7	7
Stephen Copulos	4	4
Steven Tambanis	4	4
Richard Beresford	5	4
Barnaby Egerton-Warburton	3	3

NON-AUDIT SERVICES

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in note 26 to the financial statements.

The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 26 to the financial statements do not compromise the external auditor's independence for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

AUDITOR'S INDEPENDENCE DECLARATION

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

REMUNERATION REPORT

This remuneration report, which forms part of the directors' report, sets out information about the remuneration of Black Rock Mining Limited's key management personnel for the financial year ended 30 June 2015. The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity. The prescribed details for each person covered by this report are detailed below under the following headings:

- key management personnel
- remuneration policy
- relationship between the remuneration policy and company performance
- remuneration of key management personnel
- key terms of employment contracts

Recommendation 8.1 of the *ASX Corporate Governance Council's Corporate Governance Principles and Recommendations* states that the Board should establish a Remuneration Committee. The Board has formed the view that given the number of Directors on the Board, this function could be performed just as effectively with full Board participation. Accordingly, it was resolved that there would be no separate Board sub-committee for remuneration purposes and that a remuneration consultant would not be used.

This report details the amount and nature of remuneration of each Director of the Company and executive officers of the Company during the year.

The remuneration report for the year ended 30 June 2014 was adopted by the shareholders at the Annual General Meeting held on 28 November 2014. No specific comments were made regarding the remuneration report at the meeting.

Remuneration policy for directors and executives

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

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

Key management personnel details

The Directors of the consolidated entity during or since the end of the financial year were:

Stephen Copulos	(Chairman Non-Executive)	Appointed 22 January 2015
Steven Tambanis	(Managing Director)	Appointed 22 January 2015
Gabriel Chiappini	(Non-Executive Director) (Company Secretary)	Appointed 21 March 2012 Appointed 12 July 2013
Richard Beresford	(Chairman Non Executive)	Resigned 15 April 2015
Barnaby Egerton-Warburton	(Non-Executive Director)	Resigned 22 January 2015

Except as noted, the named persons held their current positions for the whole of the financial year and since the end of the financial year.

Elements of director and executive remuneration

Remuneration packages contain the following key elements:

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

No non-monetary short-term benefits, prescribed retirement benefits or other post-employment benefits were paid.

The following table discloses the remuneration of the Directors and executives of the Company:

2015	Short term employee benefits - salary and fees $	Post employment benefits - superannuation $	Share based payment $	Other benefits $	Total $
Stephen Copulos	41,667	-	19,134	-	60,801
Steven Tambanis	100,000	9,500	9,566	-	119,066
Gabriel Chiappini (i)	112,350	-	9,566	-	121,916
Richard Beresford	28,560	-	-	-	28,560
Barnaby Egerton-Warburton	18,384	1,745	-	-	20,129
	300,961	11,245	38,266	-	350,472

(i) During the year, Mr Chiappini took on an executive role for approximately 9 months to manage and lead the acquisition of the Graphite Portfolio, finalise the acquisitions, extension of vendor agreements through to 31 March 2015, management of the divestment of the company's non-core assets and management of prospectus to raise $3,500,000. Additional work also included successful ASX re-compliance as a graphite resources company and re-listing on the ASX on 31 March 2015.

2014	Short term employee benefits - salary and fees $	Post employment benefits - superannuation $	Share based payment $	Other benefits $	Total $
Richard Beresford	148,900	-	628	-	149,528
Gabriel Chiappini	97,738	-	311	-	98,049
Barnaby Egerton-Warburton	32,952	3,048	-	-	36,000
Nigel Hodder (i)	4,462	413	311	50,476	55,662
	284,052	3,461	1,250	50,476	339,239

(i) Nigel Hodder resigned as Company Secretary 10 July 2013, other benefits paid to Mr Hodder related to redundancy payment and payout of employee entitlements.

Employment Contracts

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

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

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

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

Employee Share Incentive Scheme

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

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

Share based payments arrangements

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

Director	Listed / Unlisted Options	Grant date	Date vested and exercisable	Expiry date	Exercise Price	Fair value per option at grant
Gabriel Chiappini	Unlisted Options	11 Jun 12	11 Jun 12	11 Jun 16	$0.16	$0.057
	Unlisted Options	11 Jun 12	11 Jun 13	11 Jun 16	$0.16	$0.057
	Unlisted Options	24 Jan 13	24 Jan 13	28 Nov 16	$0.06	$0.017
	Unlisted Options	24 Jan 13	28 Nov 13	28 Nov 16	$0.06	$0.017
	Listed Options	27 Mar 15	27 Mar 15	25 Mar 17	$0.05	$0.015
Stephen Copulos	Unlisted Options	28 Jul 14	28 July 14	19 Jan 18	$0.20	$0.007
	Listed Options	27 Mar 15	27 Mar 15	25 Mar 17	$0.05	$0.015
Steven Tambanis	Listed Options	27 Mar 15	27 Mar 15	25 Mar 17	$0.05	$0.015

NB: The exercise price and fair value have been adjusted for post share consolidation values.

1. The total value of options granted, exercised and lapsed during the year is calculated based on the following:

- Fair value of the option at grant date multiplied by the number of options granted during the year:
- Fair value of the option at the time of exercise multiplied by the number of options exercised during the year:
- Fair value of the option at the time of lapse multiplied by the number of options lapsed or cancelled during the year

2. The total value of options included in remuneration for the year is calculated in accordance with AASB 2 Share Based Payments which requires the following:

- The value of options is determined at grant date and is included in remuneration on a proportionate basis from grant date to vesting date. Where options immediately vest, the full value of the option is recognised in remuneration in the current year.

3. There are no further service or performance criteria that need to be met in relation to options granted.

The Board as a whole periodically assesses its current levels of remuneration relative to company performance, future projections/prospects and funding. The Board adjusts remuneration as necessary taking account of its projections and the constraints by which it is bound.

During the financial year the following number of options lapsed, in relation to options granted to key management personnel that were issued as part of their remuneration:

- Mr Richard Beresford, 300,000 options granted on 18 November 2009
- Mr Richard Beresford, 2,000,000 options granted on 16 November 2010

Performance rights

The aggregate number of performance rights issued during the year and held directly, indirectly or beneficially by specified Directors and other Key Management Personnel of the Company or their personally related entities are as follows:

Directors	Number of Performance Rights	Value of Performance Rights	Tranche A Performance Rights	Tranche B Performance Rights	Tranche C Performance Rights
Stephen Copulos	1,675,000	$77,050	558,334	558,333	558,333
Steven Tambanis	3,350,000	$154,100	1,116,667	1,116,667	1,116,666
Gabriel Chiappini	1,675,000	$77,050	558,334	558,333	558,333

Performance Right	Grant Date	Expiry Date	Fair Value at Grant Date
Tranche A	19 Feb 2015	31 Dec 2017	$0.050
Tranche B	19 Feb 2015	31 Dec 2017	$0.050
Tranche C	19 Feb 2015	31 Dec 2017	$0.038

The Performance Rights will vest upon satisfaction of the following milestones:

(i) Tranche A: The Company announces a JORC Code compliant resource of not less than 1,000,000 tonnes of contained graphite at 9% or more total graphite content from the Mahenge Projects;
(ii) Tranche B: The Company announces a JORC compliant resource of greater than 2,000,000 tonnes of contained graphite at 9% or more graphite content from the Mahenge Projects; and
(iii) Tranche C: From the date of receipt of the Performance Rights, the Company's 10 day VWAP is equal to or greater than $0.0875 for a period of 10 consecutive trading days.

Other Financial Transactions with Key Management Personnel

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

Director	Value $	Description
Steven Tambanis	$116,867	Consulting fees paid during the period 1 July 2014 to 31 December 2014, prior to signing of the Employment Agreement for geological services provided.
Stephen Copulos	$1,000,000	In December 2014 the Copulos Group extended a $1,000,000 converting loan to the Company. The loan was repaid via issue of shares in March 2015 together with a facility fee totalling $61,080.
	$61,080	Facility fee paid via issue of 1,221,598 ordinary shares at $0.05 as part of the Copulos Group loan agreement.
Gabriel Chiappini	$62,750	Payments to Laurus Corporate Services for financial services provided during the reporting period including but not limited to accounting, bookkeeping, tax and administration.

RELATIONSHIP BETWEEN COMPANY PERFORMANCE AND REMUNERATION POLICY

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

The table below sets out summary information about the Company's earnings and movements in shareholder wealth for the 5 years to 30 June 2015:

	2015	2014	2013	2012	2011
	$	$	$	$	$
Revenue	80,616	29,681	33,539	72,263	156,267
Net loss before tax	(995,121)	(2,428,562)	(6,060,248)	(10,282,213)	(3,342,341)
Net loss after tax	(995,121)	(2,428,562)	(5,970,061)	(9,936,493)	(2,725,910)
Share Price at start of year	$0.02	$0.02	$0.04	$0.030	$0.030
Share Price at year end	$0.03	$0.02	$0.02	$0.04	$0.30
Loss per share	$0.007	$0.026	$0.060	$0.200	$0.128

All share price and loss per share disclosures above are calculated following the 20-for-1 share consolidation during 2015.

Movement in shares

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

Key Management Personnel		**Ordinary Shares**			
2015 Directors	**1 July 2014**	**Purchases**	**Sales**	**Other Changes (i)**	**30 June 2015**
Stephen Copulos (ii)	22,222,222	48,935,726	-	(21,111,110)	50,046,838
Steven Tambanis	-	2,000,000	-	-	2,000,000
Gabriel Chiappini	3,000,000	500,000	-	(2,850,000)	650,000
Richard Beresford (iii)	2,659,258	-	-	(2,526,295)	132,963
Barnaby Egerton-Warburton (iii)	4,000,000	-	-	(3,800,000)	200,000

		Ordinary Shares			
2014 Directors	1 July 2013	Purchases	Sales	Other Changes	30 June 2014
Richard Beresford	2,659,258	-	-	-	2,659,258
Gabriel Chiappini	3,000,000	-	-	-	3,000,000
Barnaby Egerton-Warburton	-	4,000,000	-	-	4,000,000

(i) Other changes relate to the 20 for 1 share consolidation that took place during the reporting period.
(ii) Stephen Copulos was appointed 22 January 2015, the opening balance in shareholding relates to shares held prior to his appointment as director of the Company.
(iii) Richard Beresford and Barnaby Egerton-Warburton resigned as directors 15 April 2015 and 22 January 2015 respectively. The shareholding balance at 30 June 2015 relates to balances held post resignation date in the Company.

Movement in unlisted options

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

2015 Key Management Personnel

				Unlisted Options				
Directors	**1 July 2014**	**Options Granted Free attaching**	**Options Granted As Remuneration**	**Options lapsed**	**Other changes (i)**	**30 June 2015**	**Vested at 30 June 2015**	**Vested during the year**
Stephen Copulos	-	25,821,600	-	-	(24,530,520)	1,291,080	1,291,080	1,291,080
Steven Tambanis	-	-	-	-	-	-	-	-
Gabriel Chiappini	3,500,000	-	-	-	(3,325,000)	175,000	175,000	-
Richard Beresford (ii)	5,800,000	-	-	-	(5,625,000)	175,000	175,000	-
Barnaby Egerton-Warburton (ii)	-	-	-	-	-	-	-	-

(i) Other Changes relate to the 20 for 1 share consolidation that took place during the reporting period.
(ii) Richard Beresford and Barnaby Egerton-Warburton resigned as directors 15 April 2015 and 22 January 2015 respectively. The shareholding balance at 30 June 2015 relates to balances held post resignation date in the Company.

No options were exercised during the year.

				Unlisted Options				
Directors	1 July 2013	Options Granted Free attaching	Options Granted As Remuneration	Options lapsed	Other changes	30 June 2014	Vested at 30 June 2014	Vested during the year
Richard Beresford	5,800,000	-	-	-	-	5,800,000	5,800,000	1,500,000
Gabriel Chiappini	3,500,000	-	-	-	-	3,500,000	3,500,000	750,000
Barnaby Egerton-Warburton	-	-	-	-	-	-	-	-

Movement in listed options

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

			Listed Options			
2015 Directors	**1 July 2014**	**Options Exercised**	**Options Granted - Free Attaching**	**Sales**	**Other Changes**	**30 June 2015**
Stephen Copulos	-	-	15,000,000	-	-	15,000,000
Steven Tambanis	-	-	1,000,000	-	-	1,000,000
Gabriel Chiappini	-	-	250,000	-	-	250,000
Richard Beresford	-	-	-	-	-	-
Barnaby Egerton-Warburton	-	-	-	-	-	-

			Listed Options			
2014 Directors	1 July 2013	Options Exercised	Options Granted – Free Attaching	Sales	Other Changes	30 June 2014
Richard Beresford	-	-	-	-	-	-
Gabriel Chiappini	-	-	-	-	-	-
Barnaby Egerton-Warburton	-	-	-	-	-	-

No Key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold a position.

Movement in performance rights

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

Directors	1 July 2014	Performance Rights Granted	Performance Rights Exercised	Other Changes	30 June 2015
Stephen Copulos	-	1,675,000	-	-	1,675,000
Steven Tambanis	-	3,350,000	-	-	3,350,000
Gabriel Chiappini	-	1,675,000	-	-	1,675,000
Richard Beresford	-	-	-	-	-
Barnaby Egerton-Warburton	-	-	-	-	-

No performance rights were issued in 2014.

END OF REMUNERATION REPORT

PROCEEDINGS ON BEHALF OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company's corporate governance statement is contained in the Annual Report to be made available during October 2015.

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

On behalf of the Directors.

Gabriel Chiappini
Director

Perth, 29 September 2015

Deloitte Touche Tohmatsu
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The Board of Directors
Black Rock Mining Limited
Level 1, 35 Havelock Street
WEST PERTH WA 6005

29 September 2015

Dear Board Members

Black Rock Mining Limited (formerly Green Rock Energy Limited)

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

As lead audit partner for the audit of the financial statements of Black Rock Mining Limited (formerly Green Rock Energy Limited) 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:

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

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

Yours sincerely

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Neil Smith
Partner
Chartered Accountants

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated For the year ended 30/06/2015 $	For the year ended 30/06/2014 $
Continuing operations			
Investment income	4	80,616	26,538
Other gains and losses	7	-	56,144
Administration expenses		(122,809)	(42,381)
Employee benefit expense	6	(312,206)	(128,459)
Consulting expense		(537,177)	(253,795)
Depreciation and amortisation expense	6	(1,708)	(13,136)
Foreign currency exchange differences		32,091	-
Exploration expenditure		(51,293)	31,840
Other expenses from ordinary activities	6	(42,038)	(33,931)
Impairment of Exploration & Evaluation assets	17	-	(1,000)
Impairment of property, plant and equipment	16	(1,818)	-
Impairment of investment accounted for using the equity method	15	-	-
Share of net profits/(losses) of associates	15	-	-
Loss before tax		**(956,342)**	**(358,180)**
Income tax benefit	8	-	-
Loss for the year from continuing operations		(956,342)	(358,180)
Discontinued operations			
Loss for the year from discontinued operations	9	(38,779)	(2,070,383)
LOSS FOR THE YEAR		**(995,121)**	**(2,428,562)**
Other comprehensive income, net of income tax			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		406	2,197
Income tax on other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO MEMBERS OF BLACK ROCK MINING LIMITED		**(994,715)**	**(2,426,365)**
Loss for the year attributable to owners of the company		(995,121)	(2,428,562)
Total comprehensive income attributable to the owners of the company		(994,715)	(2,426,365)
Loss per share			
From continuing and discontinuing operations			
Basic and diluted loss per share	30	$0.0075	$0.0254
From continuing operations	30	$0.0072	$0.0048
Basic and diluted loss per share			

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015

	Note	Consolidated As at 30/06/2015 $	As at 30/06/2014 $
Assets			
Current assets			
Cash and bank balances	11	2,489,586	801,258
Trade and other receivables	12	80,027	24,896
Other financial assets	13	-	400,000
Assets classified as held for sale	10	412,383	-
Total current assets		2,981,996	1,226,154
Non-current assets			
Exploration & Evaluation asset	17	3,404,600	334,454
Property, plant and equipment	16	-	3,526
Other financial assets	18	105,300	105,300
Total non-current assets		3,509,900	443,280
Total assets		**6,491,896**	**1,669,434**
Liabilities			
Current liabilities			
Trade and other payables	19	243,531	81,171
Provisions	20	7,696	-
Total current liabilities		251,227	81,171
Total liabilities		**251,227**	**81,171**
Net assets		**6,240,669**	**1,588,263**
Equity			
Issued capital	21	36,274,617	31,311,043
Reserves	22	812,358	1,247,528
Accumulated losses	23	(30,846,306)	(30,970,308)
Total equity		**6,240,669**	**1,588,263**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2015

	Note	Issued Capital $	Accumulated Losses $	Share Based Payment Reserve $	Foreign Currency Reserve $	Total Equity $
Balance as at 1 July 2013		31,226,631	(28,541,746)	1,304,613	(61,260)	3,928,238
Loss for the year		-	(2,428,562)	-	-	(2,428,562)
Other comprehensive income for the year, net of tax		-	-	-	2,197	2,197
Total comprehensive income for the year		-	(2,428,562)	-	2,197	(2,426,365)
Issue of ordinary shares		84,412	-	-	-	84,412
Cost of share based payments		-	-	1,978	-	1,978
Balance at 30 June 2014		**31,311,043**	**(30,970,308)**	**1,306,591**	**(59,063)**	**1,588,263**
Loss for the year		-	(995,121)	-	-	**(995,121)**
Other comprehensive income for the year, net of tax		-	-	-	406	**406**
Total comprehensive income for the year		-	(995,121)	-	406	**(994,715)**
Issue of ordinary shares		5,987,628	-	-	-	**5,987,628**
Reallocation to option reserve of free attaching options		(645,281)	-	645,281	-	**-**
Cost of share capital issued		(378,773)	-	-	-	**(378,773)**
Options expired during the year		-	1,119,123	(1,119,123)	-	**-**
Cost of share based payment		-	-	38,266	-	**38,266**
Balance at 30 June 2015	**21,22,23**	**36,274,617**	**(30,846,306)**	**871,015**	**(58,657)**	**6,240,669**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2015

	Note	Consolidated For the year ended 30/06/2015 $	For the year ended 30/06/2014 $
Cash flow from operating activities			
Payments to suppliers and employees		(1,019,776)	(715,397)
Exploration expenditure		(75,005)	(61,902)
Research and development tax concession		-	90,187
Net cash flows used in operating activities	11.1	(1,094,781)	(687,112)
Cash flow from investing activities			
Exploration expenditure		(2,075,394)	(547,771)
Interest received		80,873	29,681
Proceeds on sale of investment		30,000	1,218,444
Loan repaid/(received) by Third Party		400,000	(400,000)
Net cash flows (used in)/provided by investing activities		(1,564,521)	300,354
Cash flows from financing activities			
Proceeds from issue of shares and options		3,683,486	-
Payment of share issue costs		(367,253)	-
Proceeds from borrowings		1,000,000	-
Net cash flows provided by financing activities		4,316,233	-
Net increase/(decrease) in cash held		1,656,931	(386,758)
Cash at the beginning of the financial year		801,258	1,178,576
Exchange movement		31,397	9,440
Cash and cash equivalents at the end of the year	11	**2,489,586**	**801,258**

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

1 APPLICATION OF NEW AND REVISED ACCOUNTING STANDARDS

Standards and Interpretations mandatorily effective for the current year

In the current year, the Group has applied a number of amendments to AASBs and a new Interpretation issued by the Australian Accounting Standards Board (AASB) that are mandatorily effective for an accounting period that begins on or after 1 July 2014, that were relevant for comparing current year end. The impact of the adoption of these new and revised standards and interpretations did not have a material impact on amounts and disclosures in the financial statements.

Standards and Interpretations in issue not yet adopted

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 Interest 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 2014-9 '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 Contribution of Assets between an Investor and its Associate or Joint Venture'	1 January 2016	30 June 2017
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 Withdrawal of ASSB 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

The impact of these recently issued or amended Standards and Interpretations have not been determined as yet by the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

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

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

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

The financial statements were authorised for issue by the directors on 25 September 2015

Black Rock Mining Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the official list of the Australian Securities Exchange.

2.2 Going Concern

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

The consolidated entity has incurred net losses after taxes of $995,121 (30 June 2014: $2,428,562) and experienced net cash outflows from operating activities of $1,094,781 (30 June 2014: $687,112) and cash outflows from exploration and evaluation expenditure of $2,075,394 (30 June 2014: $547,771) for the year ended 30 June 2015.

The Directors have prepared a cash flow forecast for the period ending 30 September 2016, which indicates that the consolidated entity is required to raise a minimum of $450,000 of additional capital in order to continue its planned exploration programme for its graphite exploration assets in Tanzania and to fund working capital. This includes discretionary spending totalling $660,000 to advance its Mahenge Graphite projects.

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

Should the company and the consolidated entity be unable to obtain funding through capital raising or alternative sources, or otherwise reduce its operational spending in line with available cash resources, there is a material uncertainty whether the company and the consolidated entity will be able to continue as going concerns and therefore, whether they will realise their assets and extinguish their liabilities as and when they fall due.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.3 Basis of Preparation

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

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

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

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

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

The principal accounting policies are set out below.

2.4 Basis of consolidation

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

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

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint 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.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with AASB 5. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Investments in associates and joint ventures

The requirements of AASB 139 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with AASB 136 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with AASB 136 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with AASB 139. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales for such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower of cost, their previous carrying amount and fair value less costs to sell.

2.7 Revenue Recognition

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

2.7.1 <u>Interest income</u>

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Foreign currency translation

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

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

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

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.10 Provisions for Employee Entitlements

Liabilities for wages and salaries, annual leave and other current employee entitlements expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

Liabilities for long service leave and other noncurrent employee entitlements expected to be settled in more than 12 months of the reporting date are recognised in other noncurrent payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Contributions to employee superannuation plans are charged as an expense as the contributions are paid or become payable.

2.11 Share-based payment transactions

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

There is currently one plan in place to provide these benefits being an Employee Share Option Plan ("ESOP"), which provides benefits to Directors, senior executives and staff.

The cost of these equity-settled transactions is measured by reference to fair value at the date at which they are granted. An external valuer using the Black-Scholes model determines the fair value.

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Taxation

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

2.12.1 Current tax

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

2.12.2 Deferred Tax

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Taxation (continued)

2.12.3 Current and deferred tax for the year

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

Black Rock Mining Limited and its wholly owned Australian controlled entities have implemented the tax consolidation legislation.

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

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

2.13 Property, Plant and Equipment

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

Plant and equipment

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

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

Depreciation

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

Plant and equipment: 7.5% - 40%

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Exploration Expenditure

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

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

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

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

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

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

2.15 Impairment

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

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

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

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Financial Instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.16.1 Effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

2.16.2 Financial assets at FVTPL
Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 ‘Financial Instruments: Recognition and Measurement’ permits the entire combined contract to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the ‘other gains and losses’ line item.

2.16.3 Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are included in other financial assets (note 13) in the statement of financial position.

2.16.4 Available-for-sale financial assets
Listed shares held by the Group that are traded in an active market are classified as AFS and are stated at fair value. At reporting date, the consolidated entity did not hold any listed shares. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve, with the exception of impairment losses, interest calculated using the effective interest method, and foreign exchange gains and losses on monetary assets, which are recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Financial Instruments (continued)

2.16.4 Available-for-sale financial assets (continued)
Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

2.16.5 Derecognition of financial assets
The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.16.6 Subsequent measurement
Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the statement of profit or loss and other comprehensive income within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the statement of profit or loss and other comprehensive income as part of revenue from continuing operations when the consolidated entity's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for- sale are analyzed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Financial Instruments (continued)

2.16.7 Impairment of financial assets
Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets that are carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt securities, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss are not reversed through the statement of profit or loss and other comprehensive income.

2.17 Goods and Services Tax

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

i. where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.
ii. for receivables and payables which are recognised inclusive of GST.

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

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

2.18 Segment information

Operating segments have been identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. The chief operating decision maker has been identified as the Board of Directors of the Company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Cash and Cash Equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, which are readily convertible to cash on hand and which are used in the cash management function on a day-to-day basis.

2.20 Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 14 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written-off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written-off against the allowance account. Subsequent recoveries of amounts previously written-off are credited against other expenses in the statement of profit or loss and other comprehensive income.

2.21 Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

2.22 Contributed Equity

Issued capital is recognised as the fair value of the consideration received by the Company.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received

2.23 Earnings per share

2.23.1 Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

2.23.2 Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3.1 Critical judgements in applying accounting policies

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

3.1.1 Classification of Central European Geothermal Energy Private Company Limited as an associate

Note 15 describes that Central European Geothermal Energy Private Company Limited (CEGE) is an associated entity of the Group as the Company is not party to any contractual arrangements that would indicate control over CEGE nor does the Company have significant influence over CEGE. Accordingly, CEGE is defined as an associate of the Group and reported under the equity accounting method.

3.1.2 Classification and measurement of assets held for sale

Note 10 details that the consolidated entity entered into the binding agreement for the sale of its Ocean Hill Hydrocarbon Assets. As the sale is not yet complete, the directors have assessed that the asset will be classified as held for sale and measured at lower of its carrying value and fair value less cost to sell.

3.2 Key sources of estimation uncertainty

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

3.2.1 Impairment

The consolidated entities assess impairment at each reporting date by evaluating conditions specific to the consolidated entities that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. The Group's policy on the capitalization of exploration and evaluation expenditure is detailed in note 2.14 and Impairment at note 2.15. In considering if an impairment event has been triggered the company took into account positive results from exploration programme, expectation of a near term JORC resource, market capitalization being well in excess of capitalized exploration costs and the higher valuation of ASX listed Kibaran Resources Ltd. Kibaran Resources Ltd have the adjoining exploration licence to PL7802/2012 with a similar graphite profile to Black Rock, albeit Kibaran Resources being further advanced with their JORC status and bankable feasibility study.

3.2.2 Share based payments

The consolidated entities measure the cost of equity settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model. One of the inputs into the option valuation model is volatility of the underlying share price, which is estimated on the one-year history of the share price and has been estimated as approximately 80% to 122%.

3.2.3 Doubtful debts/recovery of provision

The Directors believe that the recovery of the intercompany loan from the head Company to the consolidated entities is dependent on the successful development and commercial exploration or, alternatively, the sale of the exploration assets held by the controlled entity.

4 INVESTMENT INCOME

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Interest received	80,616	26,538
	80,616	26,538

5 SEGMENT REPORTING

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance is focused on the geographical location of resources being explored for and evaluated. During the reporting period, the consolidated group changed its principal activity and focus to that of Graphite Company in Tanzania. It's geothermal and hydrocarbon activities in Hungary and Australia are now discontinued operations.

5.1 Operation segments

2015	Graphite	Corporate	Consolidated (from continuing operations)
Interest	-	80,616	80,616
Total revenue	-	80,616	80,616
Loss before tax (continuing operations)	(133,011)	(823,331)	(956,342)
Fixed asset additions	-	-	-
Depreciation	-	1,708	1,708
Impairment	-	1,817	1,817

2015	Graphite	Corporate	From Discontinuing operations	Consolidated
Total segment assets	3,404,599	2,565,139	522,158	6,491,896
Total segment liabilities	191,086	56,961	3,180	251,227

5 SEGMENT REPORTING (continued)

5.1 Operational segments (continued)

2014	Graphite	Corporate	Consolidated (from continuing operations)	
Interest	-	26,538	26,538	
Total revenue	-	26,538	26,538	
Loss before tax (continuing operations)	-	(358,180)	(358,180)	
Fixed asset additions	-	-	-	-
Depreciation	-	13,136	13,136	-
Impairment	-	-	-	

2014	Graphite	Corporate	From Discontinuing operations	Consolidated
Total segment assets	-	1,012,462	656,972	1,669,434
Total segment liabilities	-	63,335	17,836	81,171

5.2 Geographical segments

2015	**Tanzania**	**Australia**	**Hungary (discontinued)**	**Consolidated**
Interest	-	80,616	-	80,616
Total revenue	-	80,616	-	80,616
Non-current assets	3,404,599	105,300	-	3,509,900

5 SEGMENT REPORTING (continued)

5.2 Geographical segments (continued)

2014	Tanzania	Australia	Hungary (discontinued)	Consolidated
Interest	-	26,538	-	26,538
Total revenue	-	26,538	-	26,538
Non-current assets	-	439,784	3,526	443,280

6 EXPENSES

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Loss for the year from continuing operations has been arrived at after charging (crediting):		
6.1 Employee benefits expense:		
Salaries and wages	300,961	124,998
Post-employment benefits	11,245	3,461
	312,206	128,459
6.2 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	1,708	13,136
Total depreciation and amortisation expense	1,708	13,136
6.3 Operating lease rental expense		
Operating lease rental expense	-	1,146
	-	1,146
6.4 Finance Costs		
Facility fee	61,080	-
Interest expense	147	34
	61,227	34
6.5 Share based payments	38,266	15,818

7 OTHER GAINS AND LOSSES

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Other gains and losses		
Loss on disposal of exploration and evaluation assets	-	(33,000)
Gain on disposal of shares	-	89,144
	-	(56,144)

The gain on disposal of shares relates to the gain on sale of shares in Oil Basin Limited realised during the 2014 year of $89,144. The loss on disposal of exploration and evaluation assets relates to the discharge of the farm in commitment in the 2014 financial year.

8 INCOME TAXES RELATING TO CONTINUING OPERATIONS

(a) Income tax (benefit)/expense	**For the year ended 30/06/2015**	For the year ended 30/06/2014
	$	$
Current tax	-	-
Deferred tax	-	-
	-	-
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Loss from continuing operations	(956,342)	(358,180)
Prima facia tax benefit at 30% (2014: 30%)	(286,903)	(107,454)
Share based payments	11,480	-
Non-deductible expenditure	3,325	13,959
Movement in unrecognised temporary differences	(291,636)	81,615
Unused tax losses for which no deferred tax asset has been recognised	563,734	11,880
Income tax benefit	-	-
(c) Recognised deferred tax assets and liabilities		
Recognised deferred tax assets comprise:		
Other temporary differences	45,310	6,900
Tax losses available for offset against future taxable income	-	93,436
Deferred tax assets on temporary differences not recognised	(35,891)	-
	9,419	100,336
Exploration and evaluation	9,419	100,336
	9,419	100,336

8 INCOME TAXES RELATING TO CONTINUING OPERATIONS (continued)

Recognised deferred tax liabilities comprise:

Unrecognised deferred tax assets
Unused tax losses for which no deferred tax asset has been recognised are $16,335,207 (2014: $15,175,729). Potential tax benefit is $4,900,562 (2014: $4,552,719). The company are still in the process of reviewing the continuity of ownership test and same business test in determining whether these unrecognised tax losses can be utilised in future financial reporting periods.

(d) Franking credits

The Company has no franking credits available as at 30 June 2015 (2014: Nil).

(e) Tax consolidation

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

9 DISCONTINUED OPERATIONS

9.1 Disposal of oil and gas permit

On 22 October 2014, the Company announced that it had entered into an agreement to sell its interest in its Ocean Hill oil and gas permit. Whilst the sale of the Ocean Hill tenement to Eneabba Gas Limited is yet to complete, the completion date is imminent and subject to final native title approval condition precedent to be satisfied, with the most recent extension of the closing date to 31 December 2015. This disposal represents the final oil and gas assets held by the Company. The Company has now transitioned to a graphite resources focused company with its current operations based in Tanzania. Details of the assets and liabilities disposed of, and the calculation of the profit or loss on disposal, are disclosed at note 10.

9.2 Plan to wind up the geothermal business

The Company is currently attempting to wind up its Hungarian geothermal operations. The Group has not recognised any current year impairment losses in respect of the geothermal sector as this has been written off in prior financial years.

9.3 Analysis of profit for the year from discontinued operations

The combined results of the discontinued operations (i.e. hydrocarbon and geothermal) included in the loss for the year are set out below. The comparative profit and cash flows from discontinued operations have been re-presented to include those operations classified as discontinued in the current year.

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Loss for the year from discontinued operations		
Revenue	258	3,143
Expenses	(39,037)	(2,073,526)
Loss before tax	(38,779)	(2,070,383)
Attributable tax benefit	-	-
Loss for the year from discontinued operations (attributable to owners of the Company)	(38,779)	(2,070,383)

9.3 Analysis of profit for the year from discontinued operations

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Cash flows from discontinued operations		
Net cash inflows/(outflows) from operating activities	(1,066)	821
Net cash inflows/(outflows) from investing activities	(77,929)	(547,771)
Net cash inflows/(outflows) from financing activities	-	-
	(78,995)	(546,951)

The hydrocarbon business has been classified and accounted for at 30 June 2015 as a disposal group held for sale (see note 10).

10 ASSETS CLASSIFIED AS HELD FOR SALE

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Ocean Hill Hydrocarbon	412,383	-
	412,383	-

On 22 October 2014, the consolidated group announced that it had entered into a binding agreement to divest its Ocean Hill Hydrocarbon asset. The contracted consideration to be received consists of a combination of cash, shares in Eneabba Gas Limited and payment of costs on behalf of the company. The breakdown of the consideration amount is as follows:

- Upfront payment of $30,000 on signing of the binding agreement (received during 2015);
- Cash payment of $300,000; and
- 40,000,000 Eneabba Ordinary Shares.

This Agreement is subject to the following conditions precedent with only the remaining conditions required to be satisfied:

- Execution of the Amangu Native Titles Claimants of the Amangu Native Title Agreement to the satisfaction of Eneabba;
- All conditions required by the Department of Minerals and Petroleum being met to enable the grant of the Permit; and
- Obtaining any consent or approval (including any consent or approval under the Act) required transferring the Permit from the Vendor of Eneabba or its newly incorporated subsidiary, Ocean Hill Pty Ltd).

The Eneabba consideration shares issued to Black Rock Mining Limited are to be subject to escrow until 21 November 2015, being 12 months from the date of completion of due diligence by Eneabba. The Agreement was due to terminate on 30 April 2015 if the conditions precedent had not been satisfied, however this date has been extended to 31 December 2015. At 30 June 2015, the sale had not finalised as the conditions precedent are yet to be completed.

11 CASH AND CASH EQUIVALENTS

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

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Cash and bank balances	2,489,586	801,258
	2,489,586	801,258

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

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Loss after income tax	(995,121)	(2,428,562)
Depreciation and amortisation of non-current assets	1,708	13,136
Share based payments	38,266	39,600
Net foreign exchange gain/(loss)	(31,396)	33,620
Investment revenue recognised in profit or loss	(80,873)	(29,681)
Exploration expenditure written off	-	873,482
Gain on disposal of investment	-	(56,144)
Share of loss of associates	-	17,054
Impairment of assets	1,818	1,025,157
	(1,065,598)	(512,338)
Movements in working capital:		
Decrease/(increase) in trade and other receivables	(55,130)	(24,896)
Increase/(decrease) in trade and other payables	18,251	(93,222)
Increase/(decrease) in employee entitlements provision	7,696	(56,656)
Net cash used in operating activities	(1,094,781)	(687,112)

11.2 Non Cash transactions

Investing activity		
Payment for acquisition of Tanzanian Graphite Assets – through the issue of shares	(1,149,728)	-
Payment for services rendered by consultants	(93,334)	(51,412)
Payment for withdrawal from potential joint venture agreement	-	(33,000)
Financing activity		
Copulos Group Loan – converted into shares	(1,000,000)	-
Facility fee payment Copulos Group Loan – issue of shares	(61,080)	-
Total	(1,061,080)	-

12 TRADE AND OTHER RECEIVABLES

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Other receivables	80,027	24,048
Withholding tax receivable	-	848
	80,027	24,896

13 OTHER FINANCIAL ASSETS (CURRENT)

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Loan Receivable	-	400,000
	-	400,000

During the 2014 financial year the Group completed a $400,000 debt investment in Sunbird Energy Limited. The Group committed the debt investment on the following terms:

- The term of the loan facility if twelve months fixed from the date of the initial draw down, being 10 March 2014;
- All drawdown funds will attract interest at a rate of 20% p.a. which will be calculated daily and capitalised;
- Subject to Sunbird shareholder approval, the lender has the right to convert all or part of the drawn down balance and any unpaid interest into ordinary shares in Sunbird at the lesser of $0.25 per share, or the price of any capital raising completed by the company during the term;
- The funds have been loaned through a Trust arrangement with the Company being a secured beneficiary of that trust;
- If unconverted, all drawdown funds and any accrued interest will be repaid by Sunbird on or before the end of the term; and
- The loan facility is fully secured against Sunbird's ownership of Sunbird Energy (Ibhubesi) Pty Ltd, which holds 22.8% working interest in the Ibhubesi Gas Project.

On 12 March 2015, Sunbird Energy repaid the loan in full together with interest totalling $62,641.

14 SUBSIDIARIES

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

Name of subsidiary	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group	
		For the year ended 30/06/2015	For the year ended 30/06/2014
Green Heat Resources Pty Ltd	Australia	100%	100%
Green Rock Geothermal Pty Ltd	Australia	100%	100%
Green Rock Energy International Pty Ltd	Australia	100%	100%
Green Rock (Vulcan) Energy Kft	Hungary	100%	100%
GRE UWA Geothermal Pty Ltd	Australia	100%	100%
GRE UWA Corporation Pty Ltd	Australia	100%	100%
Mid West Geothermal Power Pty Ltd	Australia	100%	100%
Mahenge Resources Limited (i)	Tanzania	100%	0%

(i) Refer to Note 28 for acquisition of subsidiary during the year.

15 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting and are carried at cost after adjustments for share of losses.

Name of associate	**Place of incorporation and operation**	**Proportion of ownership interest and voting power held by the Group**	
		For the year ended 30/06/2015	For the year ended 30/06/2014
Central European Geothermal Energy Private Company Limited	Hungary	29%	46%

The percentage investment in CEGE by Black Rock Mining has reduced during the financial year, as Black Rock Mining has injected no additional funds into the company. The joint owner MOL Plc has continued to inject funds into CEGE during the reporting period to fund its minimum spend obligations.

Ownership interest
Name of entity
Country of

15.1 Movements during the year in investments accounted for using the equity method:

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Balance at beginning of the year	-	944,631
Share of loss after income tax	-	(17,054)
Impairment of asset value at reporting date	-	(927,577)
Carrying amount at reporting date	-	-

The Group acquired a one third share in Central European Geothermal Energy Private Company Limited (CEGE) on 30 July 2008. On 2 February 2009 the Group acquired an additional interest in CEGE. Green Rock Energy International Pty Ltd and MOL Plc now jointly own the geothermal company incorporated in Hungary. At 30 June 2014 the Board made the decision to impair the carrying value of the investment to nil as the economic benefits are unlikely to be realised.

The investment in CEGE was impaired in the prior reporting period and there is no change in the current reporting period. The asset was initially impaired, as the directors believe the costs to date will not be recovered and the Company has not been able to find a buyer for its shares in CEGE.

15 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (continued)

15.2 Equity accounted losses of associates are broken down as follows:

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Share of associates loss before income tax	-	17,054
Share of associates income tax expense	-	-
Share of associates loss after tax	-	17,054

15.3 Summarised presentation of aggregate assets, liabilities and performance of associates

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Current assets	165,445	662,818
Non-current assets	2,288,002	2,279,669
Total assets	2,453,447	2,942,487
Current liabilities	7,539	223,974
Non-current liabilities	-	-
Total liabilities	7,539	223,974
Net assets	2,445,908	2,718,513
Revenues	18,515	13,000
Loss after income tax of associates	(16,011)	(37,034)

15.4 Ownership interest in Central European Geothermal Energy Private Company Limited (CEGE) at that company's balance date was 28.97% (2014: 47%). The reporting date of Central European Geothermal Energy Private Company Limited (CEGE) is 31 December. The principal activity of Central European Geothermal Energy Private Company Limited (CEGE) is the development of geothermal resources in Hungary and the subsequent production and sale of geothermal generated electricity to the Hungarian market.

15.5 Capital and other expenditure commitments

The Group has no capital commitments.

15.6 Contingent liabilities

There are no contingent liabilities at 30 June 2015.

16 PROPERTY, PLANT AND EQUIPMENT

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Carrying amounts of:		
Plant and office equipment	-	3,526
	-	3,526

	Plant and office equipment	**Total**
Cost or valuation		
Balance as at 1 July 2013	342,741	342,741
Additions	-	-
Exchange movements	(2,722)	(2,722)
Balance as at 30 June 2014	340,019	340,019
Additions	-	-
Impairment of assets	(340,019)	(340,019)
Balance as at 30 June 2015	-	-

Accumulated depreciation and impairment	**Plant and office equipment**	**Total**
Balance as at 1 July 2013	(225,777)	(225,777)
Depreciation expense	(13,136)	(13,136)
Impairment of assets	(97,580)	(97,580)
Balance as at 30 June 2014	(336,493)	(336,493)
Depreciation expense	(1,708)	(1,708)
Impairment of assets	338,201	338,201
Balance as at 30 June 2015	-	-
Carrying amount at the end of the year		-

At reporting date, following review of the recoverability of the assets held by Black Rock Mining Limited, the directors of the Group made the decision to impair the assets to nil.

The following useful lives were used in the calculation of depreciation:

Plant and office equipment; 5 to 27 years

17 EXPLORATION AND EVALUATION ASSET

In the exploration phase	**For the year ended 30/06/2015**	For the year ended 30/06/2014
	$	$
Balance at beginning of year	334,454	660,165
Expenditure incurred during the year (at cost)	3,482,529	547,771
Assets reallocated to held for sale (cost) (Note 10)	(412,383)	-
Impairment of exploration and evaluation expenditure	-	(873,482)
Balance at end of year	3,404,600	334,454

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

The Group entered into an agreement with Eneabba Gas Limited to dispose of its interest in the Ocean Hill Oil and gas permit. During the year, the costs associated to Ocean Hill has been reallocated to a held for sale asset (refer note 10).

The remaining balance of $3,404,600 at reporting date represents the carrying value of its Graphite assets in Tanzania.

18 OTHER FINANCIAL ASSETS (NON-CURRENT)

	For the year ended 30/06/2015	For the year ended 30/06/2014
Other financial assets	**$**	$
	105,300	105,300

In compliance with the requirements of the South Australian Petroleum Act of 2000, the Company is required to lodge and maintain with the Minister, for the satisfaction of obligations arising under the Act or the Geothermal Exploration Licences (GELs) granted, security of $100,000. The security is to be lodged in cash or an unconditional irrevocable bank guarantee or a letter of credit from a financial institution approved by the Minister.

19 TRADE AND OTHER PAYABLES

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Trade creditors	189,566	52,744
Accruals	52,965	25,008
Other liabilities	1,000	3,419
	243,531	81,171

Included in trade creditors is an amount of $185,214 (2014: $36,650) relating to exploration expenditure and in-fill drilling programme at Epanko north.

20 PROVISIONS

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Current		
Employee entitlements	7,696	-
	7,696	-

21 ISSUED CAPITAL

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
207,835,612 ordinary shares issued and fully paid (30 June 2014: 1,941,273,090)	36,274,617	31,311,043
	36,274,617	31,311,043

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the company does not have a limited amount of authorised capital and issued shares do not have a par value.

The Company's shares are limited whereby the liability of its members is limited to the amount (if any) unpaid on the shares respectively held by them.

Ordinary shares have the right to receive dividends as declared and in the event of the winding-up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares held.

Ordinary shares, which have no par value, entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

21 ISSUED CAPITAL (continued)

21.1 Fully paid ordinary shares	Number of shares	Share capital $
Balance at 1 July 2013	1,868,546,502	31,226,631
Shares issued 11 July 2013 ($0.00136 per share)	9,542,111	11,812
Shares issued 14 August 2013 ($0.0011 per share)	30,000,000	33,000
Shares issued 5 March 2014 ($0.00119 per share)	33,184,477	39,600
Balance at 30 June 2014	1,941,273,090	31,311,043
Shares issued 10 July 2014 ($0.0010 per share)	33,333,333	33,333
Shares issued 17 July 2014 ($0.004 per share)	6,666,667	26,667
Shares issued 28 July 2014 ($0.003 per share) (i)	213,000,000	615,550
Shares issued 15 September 2014 ($0.004 per share)	8,000,000	32,000
Shares issued 7 January 2015 ($0.002 per share)	48,863,916	97,728
Shares issued 20 January 2015 ($0.004 per share)	16,666,667	66,667
Shares consolidation 3 February 2015 (20 for 1 consolidation)	(2,154,412,982)	-
Shares issued 27 March 2015 ($0.08 per share)	8,333,323	666,667
Shares issued 27 March 2015 ($0.08 per share)	4,000,000	320,000
Shares issued 31 March 2015 ($0.05 per share) (i)	71,221,598	3,026,910
Shares issued 19 May 2015 ($0.05 per share) (i)	10,890,000	456,824
Less: capital raising costs	-	(378,773)
Balance at 30 June 2015	**207,835,612**	**36,274,616**

(i) Free attaching options were issued as part of these capital raisings and the costs of $645,281 ($0.008 per share) relating to those free attaching options has been transferred to the share based payment reserve (refer note 22).

The following shares are subject to escrow for the periods as follows:

Securities	Restriction Period
2,388,264 Ordinary Fully Paid Shares	24 months from date of quotation
6,700,000 Unlisted Performance Rights	24 months from date of issue
14,776,518 Ordinary Fully Paid Shares	12 months from date of issue

21.2 Options

As at 30 June 2015, there were 3,870,003 unlisted (2014: 52,000,000) and 40,145,000 (2014: 819,823,128) listed unissued ordinary shares in respect of which options were outstanding.

	Opening balance	Exercised in year	Granted in Year	Consolidated in Year	Expired in year	Closing balance
Listed options						
Expiring 31 January 2015 at $0.012	819,823,128	-	-	-	(819,823,128)	-
Expiring 25 March 2017 at $0.05	-	-	40,145,000	-	-	40,145,000
	819,823,128	-	40,145,000	-	(819,823,128)	40,145,000

21 ISSUED CAPITAL (continued)

	Opening balance	Exercised in year	Granted in Year	Consolidated in Year	Expired in year	Closing balance
Unlisted options						
Expiring 16 November 2014 at $0.04	5,050,000	-	-	-	(5,050,000)	-
Expiring 18 November 2014 at $0.08	5,550,000	-	-	-	(5,550,000)	-
Expiring 15 November 2015 at $0.40 (i)	1,900,000	-	-	(1,805,000)	-	95,000
Expiring 18 March 2015 at $0.30 (i)	30,000,000	-	-	(28,500,000)	(1,500,000)	-
Expiring 11 June 2016 at $0.16 (i)	2,000,000	-	-	(1,900,000)	-	100,000
Expiring 28 November 2016 at $0.06 (i)	7,500,000	-	-	(7,125,000)	-	375,000
Expiring 19 January 2018 at $0.20	-	-	66,000,000	(62,699,997)	-	3,300,003
	52,000,000	-	66,000,000	(102,029,997)	(12,100,000)	3,870,003

(i) The exercise price has been adjusted for post consolidation values.

Weighted average exercise price	$0.023	-	$0.20	-	$0.09	$0.19

The weighted average remaining contractual life of options as at 30 June 2015 is 856 days (2014: 220 days).

22 RESERVES (NET OF INCOME TAX)

	For the year ended 30/06/2015	For the year ended 30/06/2014
Reserves	**$**	$
Share based payments reserve (i)	871,015	1,306,591
Foreign translation reserve (i)	(58,657)	(59,063)
	812,358	1,247,528

(i) Share Based Payments Reserve

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

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Balance at the beginning of the year	1,306,591	1,304,613
Add: Reallocation from share capital for free attaching options	645,281	-
Add: Amounts expensed in the current year	38,266	1,978
Less: Options expired	(1,119,123)	-
	871,015	1,306,591

22 RESERVES (NET OF INCOME TAX) (continued)

(i) Foreign Translation Reserve

The foreign translation reserve arises on the consolidation of the Group's overseas subsidiary company, Green Rock (Vulcan) Energy Kft.

23 ACCUMULATED LOSSES

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Balance at beginning of the year	30,970,308	28,541,746
Net loss attributable to members	995,121	2,428,562
Transfer to share option reserve	(1,119,123)	-
Balance at end of year	30,846,306	30,970,308

24 SHARE BASED PAYMENTS

(a) Employee Share Incentive Scheme

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

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

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

The share based payment arrangements that were in existence during current and prior-reporting periods is detailed in note 21. During the year, the shared based payment expense recognised in the consolidated statement of profit and loss totaled $38,266.

The following factors and assumptions were used in determining the fair value of options granted in the prior year:

	Messrs Beresford & Chiappini
Grant date	24 January 2013
Number of options:	
- R Beresford	3,000,000
- G Chiappini	1,500,000
Vesting conditions and dates	50% 24 January 2013 50% 28 November 2013
Grant date share price (cents)	0.10
Exercise prices (cents)	0.30
Expected volatility	120%
Option life	3.8 years
Dividend yield	-
Risk-free interest rate	2.50%

24 SHARE BASED PAYMENTS (continued)

(a) Employee Share Incentive Scheme (continued)

Share based payment arrangements relating to employees and directors:

Grant date	Expiry date	Exercise price	Number of options at the beginning of the year	Options granted this year	Options expired /lapsed this year	Share consolidation	Number of options at the end of the year	Options exercisable at the end of the year	Fair value at grant date
18/11/2009	18/11/2014	$0.08	4,550,000	-	(4,550,000)	-	-	-	$0.05
16/11/2010	16/11/2014	$0.04	4,300,000	-	(4,300,000)	-	-	-	$0.01
15/11/2011	15/11/2015	$0.40	1,900,000	-	-	(1,805,000)	95,000	95,000	$0.01
11/06/2012	11/06/2016	$0.16	2,000,000	-	-	(1,900,000)	100,000	100,000	$0.01
04/01/2013	28/11/2016	$0.06	7,500,000	-	-	(7,125,000)	375,000	375,000	$0.017

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

	2015		2014	
	Number of options	**Weighted Average Exercise Price (Cents)**	Number of options	Weighted Average Exercise Price (Cents)
Balance at the beginning of the financial year	20,250,000	3.00	20,250,000	3.00
Granted during the financial year:				
- Directors	-	-	-	-
- Employees	-	-	-	-
Forfeited/Expired	(8,850,000)	6.00	-	1.00
Share consolidation	(10,830,000)	13.00	-	-
Balance at the end of the financial year	570,000	13.00	20,250,000	3.00
Vested and Exercisable at the end of the year	**570,000**	**13.00**	20,250,000	3.00

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

Balance at end of the financial year

The share options outstanding and exercisable at the end of the financial year under the Plan had a range of exercise prices from 6 to 40 cents and a weighted average remaining contractual life of 424 days. (2014: 401 days)

24 SHARE BASED PAYMENTS (continued)

(b) Share Based Payments – Other

Date of Issue	No. Post-consolidation Shares	Fair Value at Issue Date	
10 Jul 2014	1,666,667	$0.001	Part of option fee to acquire Mahenge Resources Limited
17 Jul 2014	333,333	$0.004	Introduction fee and payment for services by geological consultants
15 Sept 2014	400,000	$0.004	Part of option fee consideration. Vendor agreement to extend the completion date of the Mahenge Resources Limited acquisition
7 Jan 2015	2,443,196	$0.002	Tanzanian exploration licences
20 Jan 2015	833,333	$0.004	In consideration for geological consultancy services provided
27 Mar 2015	8,333,323	$0.08	Issued under the Acquisition Agreement – Mahenge North Graphite Project – to vendors of the project
27 Mar 2015	4,000,000	$0.08	Issued under the Acquisition Agreement – Mahenge North Graphite Project – to current shareholders of Mahenge Resources Limited
31 Mar 2015	1,221,598	$0.05	Copulos Group facility fee payment

(c) Performance rights

The aggregate number of performance rights issued during the year and held directly, indirectly or beneficially by specified Directors and other Key Management Personnel of the Company or their personally related entities are as follows:

Directors	Number of Performance Rights	Value of Performance Rights	Tranche A Performance Rights	Tranche B Performance Rights	Tranche C Performance Rights
Stephen Copulos	1,675,000	$77,050	558,334	558,333	558,333
Steven Tambanis	3,350,000	$154,100	1,116,667	1,116,667	1,116,666
Gabriel Chiappini	1,675,000	$77,050	558,334	558,333	558,333

The Performance Rights will expire on the following dates:

- Tranche A Performance Rights not converted into a Share in the Company before 31 December 2017 will lapse;
- Tranche B Performance Rights not converted into a Share in the Company before 31 December 2017 will lapse; and
- Tranche C Performance Rights not converted into a Share in the Company before 31 December 2017 will lapse.

Performance Right	Grant Date	Expiry Date	Fair Value at Grant Date
Tranche A	19 Feb 2015	31 Dec 2017	$0.050
Tranche B	19 Feb 2015	31 Dec 2017	$0.050
Tranche C	19 Feb 2015	31 Dec 2017	$0.038

The Performance Rights will vest upon satisfaction of the following milestones:

(iv) Tranche A: The Company announces a JORC Code compliant resource of not less than 1,000,000 tonnes of contained graphite at 9% or more total graphite content from the Mahenge Projects;
(v) Tranche B: The Company announces a JORC compliant resource of greater than 2,000,000 tonnes of contained graphite at 9% or more graphite content from the Mahenge Projects; and
(vi) Tranche C: From the date of receipt of the Performance Rights, the Company's 10 day VWAP is equal to or greater than $0.0875 for a period of 10 consecutive trading days.

24 SHARE BASED PAYMENTS (continued)

	Messrs Copulos, Tambanis & Chiappini	
Grant date	31 March 2015	
Number of performance rights:		
- S Copulos	1,675,000	
- S Tambanis	3,350,000	
- G Chiappini	1,675,000	
Method	Black & Scholes	Monte Carlo Simulation
Tranches	A and B	C
Grant date share price (cents)	5	5
Exercise prices (cents)	Nil – subject to milestone hurdles (above)	Nil – subject to milestone hurdles (above)
Expected volatility	80%	80%
Rights life	3 years	3 years
Dividend yield	Nil	Nil
Risk-free interest rate	2.48%	2.48%

25 KEY MANAGEMENT PERSONNEL COMPENSATION

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

Stephen Copulos	Non-Executive Chairman	Appointed – 22 January 2015
Steven Tambanis	Managing Director	Appointed – 22 January 2015
Gabriel Chiappini	Non Executive Director	Appointed - 21 March 2012
	Company Secretary	Appointed - 12 July 2013
Richard Beresford	Executive Chairman	Appointed - 15 March 2013
		Resigned – 15 April 2015
Barnaby Egerton-Warburton	Non-Executive Director	Appointed – 15 March 2013
		Resigned – 22 January 2015

25 KEY MANAGEMENT PERSONNEL COMPENSATION (continued)

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

	For the year ended 30 June 2015	For the year ended 30 June 2014
	$	$
Short-term employee benefit	300,961	284,052
Post-employment benefits	11,245	3,461
Employee Entitlements on resignation of Key Management Personnel	-	50,476
Share-based payments	38,266	1,250
	350,472	339,239

26 REMUNERATION OF AUDITORS

Auditor of the parent entity

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

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Audit or review of the financial statements	41,077	45,416
Investigating Accountants Report	29,039	-
	70,116	45,416

The auditor of Black Rock Mining Limited is Deloitte Touche Tohmatsu.

27 RELATED PARTY TRANSACTIONS

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

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

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

Director	**Value $**	**Description**
Steven Tambanis	$116,867	Consulting fees paid during the period 1 July 2014 to 31 December 2014, prior to signing of the Employment Agreement for geological services provided.
Stephen Copulos	$1,000,000	In December 2014 the Copulos Group extended a $1,000,000 converting loan to the Company. The loan was repaid via issue of shares in March 2015 together with a facility fee totalling $61,080.
	$61,080	Facility fee paid via issue of 1,221,598 ordinary shares at $0.05 as part of the Copulos Group loan agreement.
Gabriel Chiappini	$62,750	Payments to Laurus Corporate Services for financial services provided during the reporting period including but not limited to accounting, bookkeeping, tax and administration.

28 BUSINESS COMBINATIONS

28.1 Subsidiaries acquired

	Principal Activity	Date of Incorporation	Proportion of shares acquired (%)	Consideration transferred
2015				**$**
Mahenge Resources Limited	Mahenge Graphite Project – holder of tenements	14 August 2014	100	$USD 50,000 option fee 400,000 post-consolidation shares for $32,000 $USD 110,000 completion consideration 4,000,000 post-consolidation shares for $320,000

Under the Share Sale Agreement signed in March 2015, the Company acquired the fully incorporated subsidiary, Mahenge Resources Limited. This has been treated as an asset acquisition within this report as Mahenge Resources Limited is a newly incorporated entity with no operations, other than the rights to the Mahenge Resources Graphite Tenements. The consideration paid has been capitalised in this report to exploration and evaluation assets on the balance sheet.

29 EXPENDITURE COMMITMENTS

29.1 Exploration

During the year the Company finalized the acquisition of 4 Graphite Exploration licences in Tanzania. As part of the license conditions with the Tanzanian Energy and Minerals Department the Company is obliged to pay USD$100 per square kilometer to maintain the license in good standing.

The license costs per annum are as follows:

Project Name	*License Type*	*License Number*	*Area km²*	*Rate per km²*	*Total*
Mahenge North Project	Graphite	PL 7802/2012	292.41	USD$100	USD$29,241
Makonde Project	Graphite	PL 10111/2014	24.83	USD$100	USD$2,483
Mahenge East Project	Graphite	PL 10426/2014	154.96	USD$100	USD15, 496
Mahenge Southwest Project	Graphite	PL 10427/2014	208.67	USD$100	USD$20,867

As part of the conditions to acquire the exploration licences there were minimum exploration expenditure commitments. The company has agreed to minimum exploration expenditure commitments totalling $1m to be acquitted over the first 12 months post settlement of the option agreements. On the Mahenge North Project, commit to spend a minimum of $500,000 on the Mahenge North Graphite Project in the first twelve months from exercise of the option. As at 30 June 2015, Black Rock Mining had already exceeded the minimum expenditure commitment.

As part of acquiring the 3 licences called Makonde, Mahenge East Project, Mahenge East Project and Mahenge Southwest Project the Company has agreed to spend a minimum of $500,000 in the first 12 months. The company confirms that during the first 12 months of ownership post exercise of option that it has met its minimum expenditure commitment. As at 30 June 2015, Black Rock Mining had approximately a further $180,000 to meet the minimum expenditure commitment to be achieved by 31 March 2016.

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

Exploration licence PL7802/2012

- $250,000 cash or equivalent number of fully paid Black Rock Mining shares (at the election of the vendor) upon announcement of a JORC compliant resource of greater than 250,000 tonnes of contained graphite at >7% TGC is announced;
- $250,000 cash or cash equivalent number of fully paid Black Rock Mining shares (at the election of the vendor) to be paid when the company share price exceeds a VWAP of $0.10 for a period of at least ten consecutive trading days; and
- $500,000 cash or cash equivalent number of fully paid Black Rock Mining shares (at the election of the vendor) upon announcement of a JORC compliant resource of greater than 1,000,000 tonnes of contained graphite at >7% TGC is announced.

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

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

With regards to the Company's South Australian Geothermal Permit now in the process of being relinquished, there may be a requirement for the Company to undertake remedial work on a previously drilled geothermal well. This exposure is covered by way of a cash backed bond ($105,300) that the South Australian Department for Manufacturing, Innovation, Trade, Resources and Energy. The Company estimates that the remedial work will total approximately $60,000.

29.2 Capital Commitments

The Group has no capital commitments (2014: Nil).

29.3 Operating Lease Commitments

As at 30 June 2015 and at the date of this report, there are no operating lease commitments (2014: Nil).

30 LOSS PER SHARE

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

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Loss used in calculating basic and diluted loss per share		
From continuing operations	956,342	455,760
From discontinued operations	38,779	1,972,802
	995,121	2,428,562
Weighted average number of ordinary shares used in calculating basic and diluted loss per share:	133,206,619	95,746,944
Basic and diluted loss per share		
From continuing operations	$0.0072	$0.0048
From discontinuing operations	$0.0003	$0.0206

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

31 FINANCIAL INSTRUMENTS

The Company's activities expose it to a variety of financial risks and market risks. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company does not hold any complex financial instruments. The financial instruments of the Company are all disclosed on an amortised cost basis.

31.1 Capital Management

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

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

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Cash and bank balances	2,489,586	801,258
Trade and other receivables	80,027	24,896
Other financial assets	-	400,000
Trade and other payables	(243,531)	(81,171)
	2,326,081	1,144,983

31.2 Financial risk management

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

Risk management is the responsibility of the Board of Directors.

31.3 Market risk

31.3.1 Foreign exchange risk

The Group transacts in US Dollars in relation to its Tanzanian operations and has a minority interest in a Geothermal operation in Hungary and is exposed to foreign exchange currency movements arising from various currency exposures, primarily with respect to the US Dollar and the Hungarian Forint.

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

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

Group sensitivity
The parent entity advances funds to the Tanzanian subsidiary in US Dollars. The foreign exchange is recognised in the parent entity. The parent entity also advances funds to the Hungarian subsidiary in Australian Dollars. In practical terms the Australian Dollar is converted to the Euro and the Hungarian Forint ("HUF"). The foreign exchange risk is recognized by the Hungarian subsidiary.

The consolidated entity's pre-tax profit for the year would have been $214,727 higher/$137,133 lower (2014: $3,895 higher/ $3,895 lower) had the Australian dollar strengthened/weakened by 10% against the US Dollar and the Hungarian Forint.

31 FINANCIAL INSTRUMENTS (continued)

31.3 Market risk (continued)

31.3.2 Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk through cash and cash equivalents $2,489,586 (2014: $801,258).

At 30 June 2015, if the interest rates had weakened/strengthened by 100 basis points from the year-end rates with all other variables held constant, post-tax profit for the year would have been $1,689 lower/higher (2014: $1,920 lower/higher) mainly as a result of interest income deceases/increases.

31.4 Credit risk

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

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

Other receivables are due from third parties considered credit worthy. The maximum exposure to credit risk for other receivables at the reporting date is the carrying amount as summarised at note 12. The ageing analysis of receivables is as follows:

Debtor	**< 30 days**
Trade receivable	80,027
	> 30 days
Other financial asset	-

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

31.5 Liquidity risk

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

31.5.1 Maturities of financial liabilities

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

Creditor	**<1 month**
Trade payables	155,358

31.6 Fair value estimation

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

32 CONTINGENT LIABILITIES

There were no material contingent liabilities as at 30 June 2015.

In compliance with the requirements of the South Australian Petroleum Act of 2000 the Company is required to maintain with the Minister, for the satisfaction of obligations arising under the Act or the Geothermal Exploration Licences (GELs) granted, security of $100,000. The security is to be lodged in cash or an unconditional irrevocable bank guarantee. The security lodged by the Company covers all South Australian GELs granted to the Company.

If on expiry of the GELs they are not renewed and the Minister is satisfied that there are no further obligations under the licences or the Act, the Minister will return the security to the Company.

33 EVENTS SUBSEQUENT TO BALANCE DATE

On 4 August 2015 the Company announced to the ASX the discovery of a new mineralized graphite zone at its Mahenge North tenement in Tanzania. The new discovery has been called Ulanzi and is at least 2.5km long and 300m wide. The Company is currently trenching, sampling and planning a first pass exploratory drilling prgramme on this new discovery.

On the 11 August 2015, the Company announced to the ASX the offer to shareholders of small unmarketable parcel of shares. The closing date for the offer is 30 September 2015. As at the date of the offer all shareholders with holdings of 11,112 shares or less will receive an offer from the Company to have their shares acquired.

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

34 PARENT ENTITY INFORMATION

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to note 2 for a summary of significant account policies.

Financial Position

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Assets		
Current assets	2,977,441	1,220,666
Non-current assets	3,511,104	2,670,724
Total assets	6,485,545	3,891,390
Liabilities		
Current liabilities	248,047	77,716
Non-current liabilities	-	-
Total liabilities	248,047	77,716
Equity		
Issued capital	36,274,616	31,311,042
Retained earnings	(30,905,133)	(28,803,959)
Reserves	871,015	1,306,591
Total equity	6,240,498	3,813,674

Financial performance

	For the year ended 30/06/2015	For the year ended 30/06/2014
	$	$
Loss for the year	3,220,298	1,371,175
Other comprehensive income	-	-
Total comprehensive loss	3,220,298	1,371,175

35 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 25 September 2015.

DIRECTORS' DECLARATION

The directors declare that:

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

(b) In the directors' opinion, the attached financial statements are in compliance with International Financial Reporting Standards, as noted in note 2.1 to the financial statements;

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

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

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

On behalf of the Directors

Gabriel Chiappini
Director

Perth, 29 September 2015

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Independent Auditor's Report to the Members of Black Rock Mining Limited (formerly Green Rock Energy Limited)

Report on the Financial Report

We have audited the accompanying financial report of Black Rock Mining Limited (formerly Green Rock Energy Limited), which comprises the statement of financial position as at 30 June 2015, the statement of profit or loss and other comprehensive income, the statement of cash flows and the statement of changes in equity for the year ended on that date, 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 as set out on pages 37 to 85.

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 2.1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the consolidated 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. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control, relevant to the company'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 company'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.

Deloitte.

Auditor's Independence Declaration

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Black Rock Mining Limited (formerly Green Rock Energy Limited), would be in the same terms if given to the directors as at the time of this auditor's report.

Opinion

In our opinion:

(a) the financial report of Black Rock Mining Limited (formerly Green Rock Energy 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*; and

(b) the consolidated financial statements also comply with International Financial Reporting Standards as disclosed in Note 2.1.

Material Uncertainty Regarding Continuation as a Going Concern

Without modifying our opinion, we draw attention to Note 2.2 in the financial report which indicates that the consolidated entity incurred a loss of $995,121 (2014: $2,428,562) and experienced net cash outflows from operating activities of $1,094,781 (2014: $687,112) and cash outflows from exploration expenditure of $2,075,394 (2014: $547,771) for the year ended 30 June 2015. These conditions, along with other matters as set forth in Note 2.2, indicate the existence of a material uncertainty which may cast significant doubt about the ability of the company and consolidated entity to continue as going concerns and therefore, whether they will realise their assets and extinguish their liabilities in the ordinary course of business.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 28 to 34 of 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 Black Rock Mining Limited (formerly Green Rock Energy Limited) for the year ended 30 June 2015, complies with section 300A of the *Corporations Act 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Neil Smith

Neil Smith
Partner
Chartered Accountants
Perth, 29 September 2015