



(ABN 64 142 809 970)

Annual Report 30 June 2019

White Rock Minerals Ltd

Corporate Directory

DIRECTORS

Peter Lester (Chairperson)
Matthew Gill (Managing Director and Chief Executive Officer)
Jeremy Gray (Non-Executive Director)
Stephen Gorenstein (Non-Executive Director)

COMPANY SECRETARY

Shane Turner

PRINCIPAL & REGISTERED OFFICE

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AUDITORS

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Melbourne Victoria 3008

BANKERS

ANZ Banking Group Limited
927 Sturt Street
Ballarat Victoria 3350

LEGAL ADVISORS

Baker McKenzie
181 William Street
Melbourne Victoria 3000



Figure 1: Mt Carrington Project Location.

White Rock Minerals Ltd

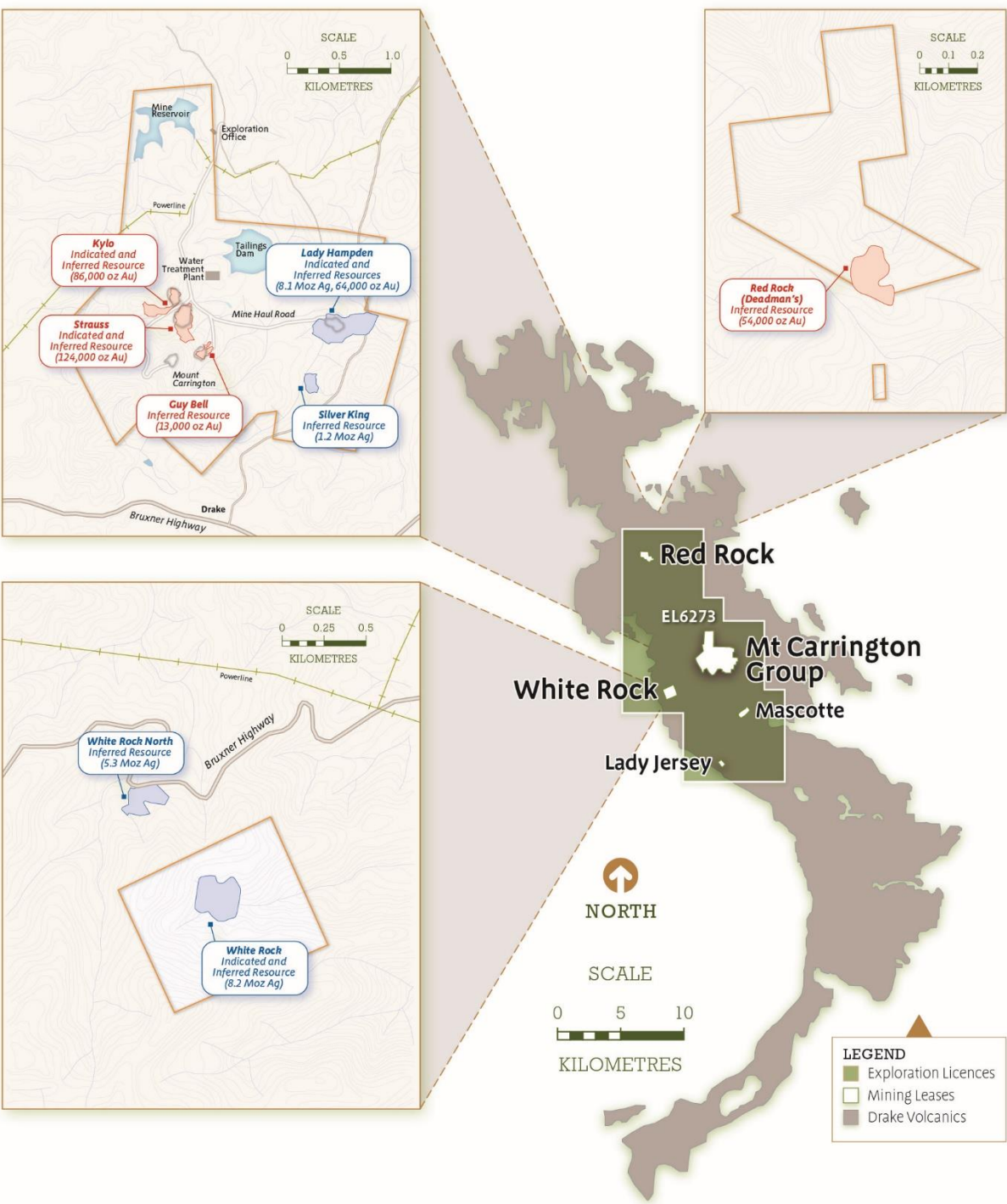


Figure 2: Mt Carrington Tenements.

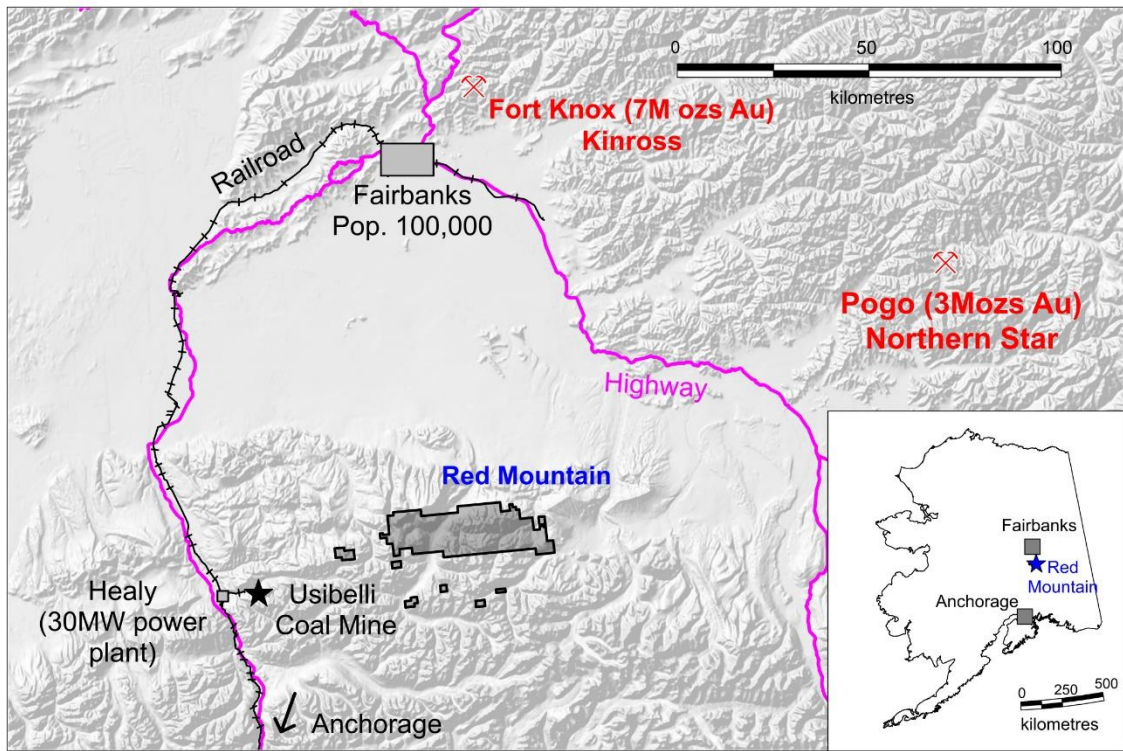


Figure 3: Red Mountain Project Location.

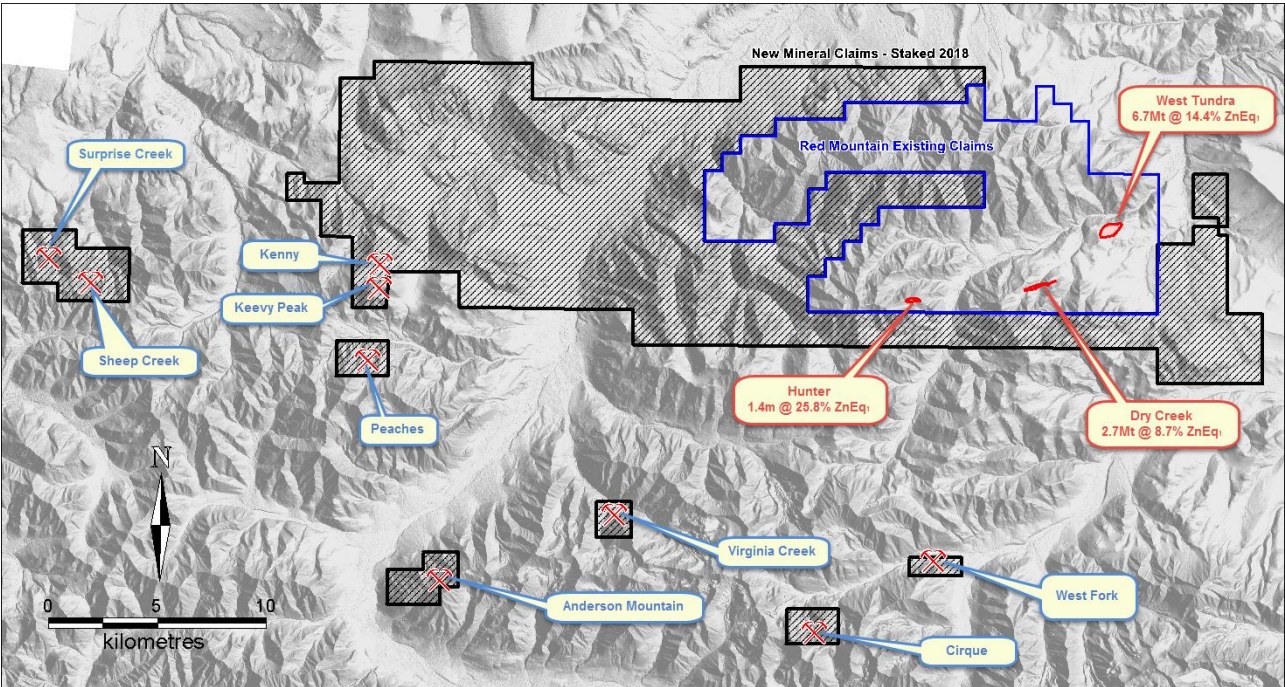


Figure 4: Red Mountain project tenement outline with locations for the Dry Creek and West Tundra Flats VMS deposits, the new Hunter VMS discovery and outlier VMS prospects explored historically.

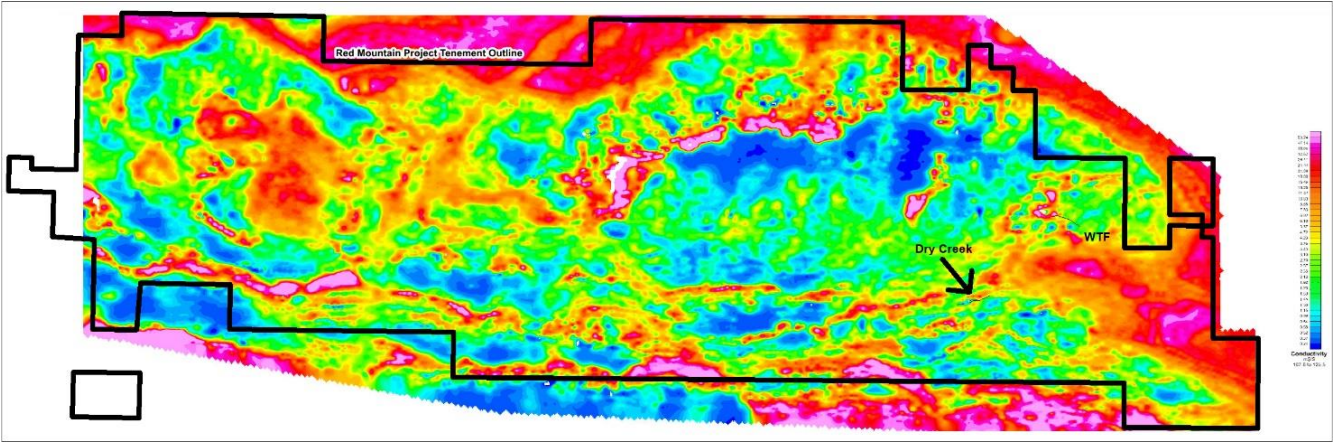


Figure 5: Conductivity depth slice of the 1D inversion model of the SkyTEM electromagnetics data at 120m below surface. The survey highlights conductivity features associated with VMS mineralisation at the Dry Creek and WTF deposits.

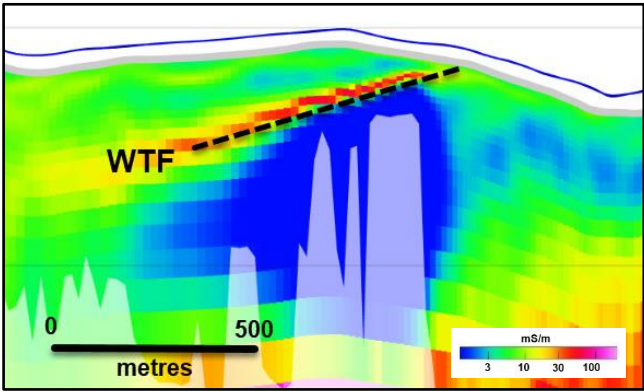


Figure 6: Profile section of 1D conductivity inversion model across the WTF deposit (looking west) from the SkyTEM airborne electromagnetics survey.

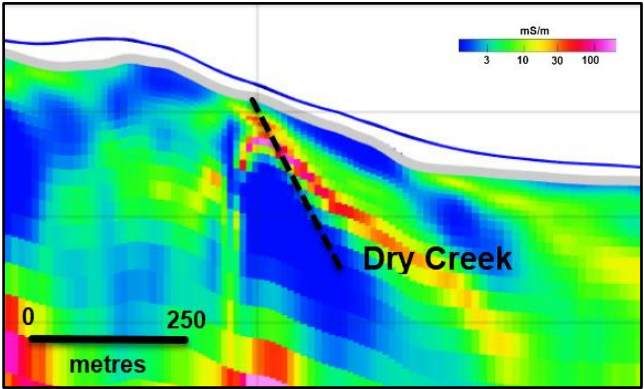


Figure 7: Profile section of 1D conductivity inversion model across the Dry Creek deposit (looking west) from the SkyTEM airborne electromagnetics survey.

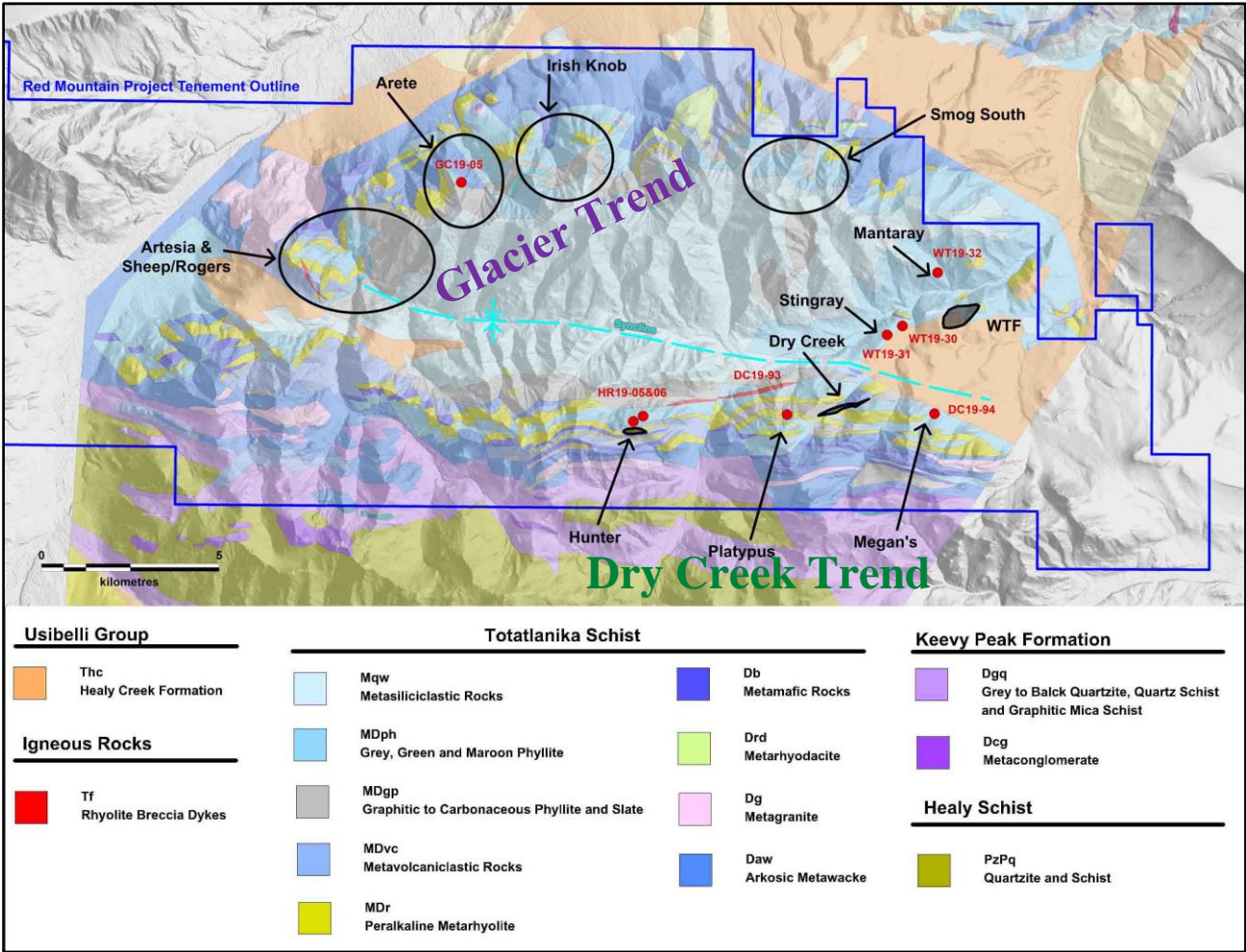


Figure 8: Location of 2019 drilling activities including upcoming targets along the Glacier Trend, on the DGGs geology map (after Freeman et al., 2016) and terrain surface with locations for the Dry Creek and WTF VMS deposits.

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White Rock Minerals Ltd

Introduction: Profile

For the year ended 30 June 2019

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

In 2016 the Company acquired 100% of the Red Mountain project, an advanced high-grade zinc-silver volcanogenic massive sulphide (VMS) exploration project in Alaska. This asset offers the potential for exploration success built around two existing deposits, Dry Creek and West Tundra Flats, in a highly prospective field and with exposure to two commodities in demand - zinc and silver. During 2017 the Company announced a maiden Inferred Mineral Resource estimate of **16.7Mt at a grade of 8.9% ZnEq¹**, with contained metal totalling 678,000t zinc, 286,000t lead, 53.5 million ounces silver and 352,000 ounces gold contained, reported in accordance with the JORC Code (2012).

The Company has secured a significant land package (475km²) around the Dry Creek and West Tundra Flats deposits where many lookalike conductivity targets have been identified within zones of anomalous surface geochemistry that are indicative of proximal VMS mineralisation. During 2019 the Company undertook its second field exploration campaign that included diamond drilling, surface geophysics and surface and airborne geochemistry on both the existing deposits and new target areas. These activities were funded by an earn-in joint venture with Sandfire Resource NL (ASX:SFR).

White Rock also owns 100% of the Mt Carrington gold and silver project near Drake, NSW, which contains an Indicated and Inferred Mineral Resource estimate of **341,000 ounces gold and 23.2 million ounces silver**. The Resources are located on granted Mining Leases with developed infrastructure.

White Rock maintains a vision and strategy to create and enhance shareholder value by developing a mining operation at Mt Carrington based on the exploitation of the near-surface gold-silver Resource base, refurbishing the existing site infrastructure and the establishment of a new processing plant. During 2017/18 the Company reported a positive Pre-Feasibility Study (PFS) for the first stage development of the gold dominant Resource declaring a maiden Reserve of 3.5Mt @ 1.4g/t Au for 159,000 ounces gold and with positive and robust economics. The project is now well placed to proceed through a Definitive Feasibility Study (DFS) in parallel with submission of an Environmental Impact Statement (EIS), with several environmental baseline studies in progress.

The Mt Carrington Mining Leases are enveloped by an Exploration Licence (183km²) with demonstrated potential for epithermal and intrusion-related gold, silver and copper mineralisation. White Rock has generated and refined an extensive exploration target portfolio at Mt Carrington since 2010.

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

Highlights For the year ended 30 June 2019

Exploration: White Rock entered into a strategic relationship with Sandfire Resources NL (ASX:SFR) (Sandfire) in relation to the Company's globally significant high-grade zinc VMS Red Mountain Project in Alaska (Red Mountain Project). Initially, Sandfire invested \$2.5 million for a placement of shares and options in July 2018. This relationship grew with the advancement of an unsecured convertible loan in August 2018 of \$1 million to enable extension of the 2018 drilling season at Red Mountain. In March 2019, the Company and Sandfire entered an earn-in joint venture on the Red Mountain project. Sandfire are required to contribute a minimum of \$6 million in the 2019 calendar year.

In November 2018, the tenement area at Red Mountain was more than tripled to 475km² following a successful field season and encouragement of the prospectivity of the Bonfield VMS district. Funded by Sandfire's earn-in, the second field season commenced in April 2019. In June, Sandfire agreed to fund an additional \$2 million on top of the \$6 million minimum for 2019 to enable exploration to continue until the end of the 2019 field season.

Economic Studies: At the end of 2017 the Company reported the key outcomes from the positive Pre-Feasibility Study (PFS) into the development of the first stage of its 100% owned Mt Carrington gold and silver project. The formal environmental approvals process and related studies have been on hold during the year as the Company focused on exploration at Red Mountain.

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

Community Engagement Program: At Mt Carrington the Company continues to keep the local Drake community, Tenterfield Council and local stakeholders informed and is ready to re-engage once feasibility and environmental approval studies have more clearly defined the Project description and processing route for the Mt Carrington project. The Company, together with a leading community engagement consultancy firm has developed a social impact assessment and community consultation strategy which is ready to be implemented once activities intensify when the formal permitting process begins.

1. *ZnEq = Zinc equivalent grades are estimated using long-term broker consensus estimates compiled by RFC Ambrian as at 20 March 2017 adjusted for recoveries from historical metallurgical test work and calculated with the formula: $ZnEq = 100 \times [(Zn\% \times 2,206.7 \times 0.9) + (Pb\% \times 1,922 \times 0.75) + (Cu\% \times 6,274 \times 0.70) + (Ag \text{ g/t} \times (19.68/31.1035) \times 0.70) + (Au \text{ g/t} \times (1,227/31.1035) \times 0.80)] / (2,206.7 \times 0.9)$* . White Rock is of the opinion that all elements included in the metal equivalent calculation have reasonable potential to be recovered and sold.

White Rock Minerals Ltd

Introduction: Profile (continued)

For the year ended 30 June 2019

Equity Fundraising: Equity capital raisings during the year comprised a placement to Sandfire and completion of the 2018 entitlement issue to Institutional and Sophisticated Investors. Approximately 380 million shares and 185 million unlisted options were issued raising \$4.25 million before costs.

2020 Strategy

Exploration and Resource Enhancement: White Rock intends to expand the known Resources at Red Mountain and to target new discoveries of high grade zinc-silver-lead-gold-copper mineralisation at the Red Mountain VMS project to build an inventory capable of supporting a new start-up operation in the coming years.

Development Studies: The Company intends to continue to advance the Mt Carrington project through definitive feasibility studies to determine the optimal development strategy for the gold and silver Resources at Mt Carrington and in parallel advance the regulatory approvals process with a view to securing development consent, subject to financing.

Project Evaluation: The Company will continue to evaluate corporate and project opportunities aimed at realising the value of the existing projects and identify additional projects which can add value to the Company's asset base and for its Shareholders.

White Rock Minerals Ltd

Letter from the Chairman & Managing Director

For the year ended 30 June 2019

Dear fellow Shareholders

The 2018/19 year started well with the announcement on 10 July 2018 that Sandfire Resources NL and White Rock had formed a strategic relationship to further explore White Rock's advanced Red Mountain high-grade zinc, silver, lead, gold VMS project in Alaska. The arrangement combined a \$2.5M share placement to Sandfire at 1.2 cents per share together with one option for every two shares and an option for Sandfire to enter into an earn-in joint venture. This earn-in joint venture requires Sandfire to commit to a minimum of A\$6M in the 2019 calendar year and a total of A\$20M to be spent over 4 years before they can earn 51% of the Red Mountain project. At that stage, Sandfire could elect to spend a further \$10M over two years to deliver a PFS and so reach 70% project equity. At that stage White Rock could elect to contribute or Sandfire could sole fund to earn a further 10% by completing a DFS after which White Rock may retain a 20% interest or dilute to 10%. Pleasingly, and what we believe is a great outcome for our Shareholders, Sandfire took up the joint venture option early in 2019, allowing a fully funded 2019 exploration and drill season to commence.

Considerable work had been done at the Red Mountain project by White Rock during the 2018 field season, with geophysics and geochemistry identifying several VMS targets in addition to the two known high-grade VMS deposits at West Tundra Flats and Dry Creek. White Rock conducted the initial exploration and drill campaign in 2018 until the JV agreement with Sandfire was signed in March 2019, after which Sandfire funded all activities. By June this year there was an active on-ground recon, mapping, sampling, geophysics and follow-up drill program underway with a subsequent agreement for Sandfire to commit an additional US\$1.5M this drill season above the A\$6M agreed expenditure.

Between July 2018 and early 2019, with your Company heavily focussed on extracting value from our Red Mountain project, work to take our advanced Mt Carrington gold/silver project in northern NSW beyond the announced PFS (December 2017) to commence a DFS and permitting was put on hold. This was in spite of aggressive worldwide marketing but against a background of volatile financial markets and a very poor investment sentiment for funding juniors in the mining sector which meant pursuing both projects at the same time was not possible.

At the time of writing, the Mt Carrington PFS demonstrated a JORC 2012 compliant maiden ore Reserve of 3.47Mt @ 1.4gAu/t for 159,000oz and a Gold First PFS that would deliver some 35,000oz gold per year over an initial Stage One of 4 ½ years (before any further mine life additions or the mining of the silver resources). If run at today's gold price, the PFS would show very strong financial returns with some \$110M in free cash generated from the gold first phase and a capital payback of just 8 months. The economics of Mt Carrington have never been better as we see record gold prices and an increasing silver price which could see a mine life extended by a further 3 years, with even better financial metrics delivered.

White Rock maintains a very considerable JORC 2012 resource base in gold, silver and zinc between both our advanced projects, with some 76Mozs of silver, 690Kozs of gold and 678kt of zinc contained in Indicated and Inferred categories. Against the backdrop of high gold and increasing silver prices and with zinc continuing to hold a steady price above US\$1.00/lb, your Company will continue to look for opportunities to take advantage of these conditions to move our projects further towards creating value for our Shareholders.

We thank our small dedicated team which has worked tirelessly to advance our projects at a time of strong prices for our commodities, yet continued difficult conditions for funding. The support the Company has enjoyed from our Shareholders and Stakeholders during the past year has been a source of encouragement to the Board and Management.

Yours sincerely,

Peter Lester
Chairman

Matthew Gill
Managing Director

White Rock Minerals Ltd

Review of operations

For the year ended 30 June 2019

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

July 2018	White Rock entered a strategic relationship with Sandfire Resources NL (ASX:SFR) (Sandfire) in relation to the Company's globally significant high-grade zinc VMS Red Mountain Project in Alaska (Red Mountain Project).
July 2018	At Red Mountain the Company drilled high grade zinc mineralisation as down-dip extensions to the known mineralisation at the Dry Creek deposit with drill hole DC18-77 intersecting 4.3m @ 4.8% Zn, 2.3% Pb, 1,435g/t Ag, 2.2g/t Au and 0.5% Cu for <u>43.2% ZnEq¹</u> at the Fosters lens, and drill hole DC18-79 intersecting 4.7m @ 19.5% Zn, 7.8% Pb, 466g/t Ag, 6.9g/t Au and 1.5% Cu for <u>49.7% ZnEq¹</u> at the Discovery lens.
August 2018	At Red Mountain the Company drilled high grade zinc mineralisation at the newly discovered Hunter prospect with drill hole HR18-01 intersecting 1.4m @ 17.4% Zn, 3.9% Pb, 90g/t Ag & 1.6% Cu for <u>25.8% ZnEq¹</u> from 48.2m down hole and drill hole HR18-02 intersecting 1.8m @ 13.8% Zn, 3.1% Pb, 56g/t Ag & 0.9% Cu for <u>19.5% ZnEq¹</u> from 60.8m down hole
September 2018	At Red Mountain, a regional stream programme was completed over the prospective stratigraphy centred on the regional Bonnifield syncline with 9 priority anomalies identified within areas of alteration for follow-up work in 2019.
November 2018	At Red Mountain, the Company more than tripled the tenement package to 475km ² across the highly prospective geological setting with claims staked over VMS mineral occurrences at Anderson Mountain, Virginia Creek, Cirque, West Fork, Peaches, Keevy Peak, Kenny, Sheep Creek and Surprise Creek.
December 2018	Sandfire exercised its option to enter into a Joint Venture agreement over the Red Mountain Project.
March 2019	White Rock and Sandfire signed an Earn-In and Joint Venture (JV) agreement to permit Sandfire to farm-in to the Red Mountain Project. Stage One will see Sandfire <u>fund A\$20M in exploration</u> on the project over the first four years to earn 51%. Sandfire can then elect to increase its interest to 70% by sole-funding a further A\$10M and by delivering a pre-feasibility study with an Ore Reserve. White Rock were appointed manager for the first year with an approved A\$6M budget for the 2019 exploration programme.
April 2019	At Red Mountain, a 3,000 line kilometre SkyTEM airborne electromagnetics (AEM) survey covering 500km ² was completed. The survey also included the collection of magnetics data. The new SkyTEM survey was the first modern high-powered time domain EM survey at Red Mountain with the capability of identifying conductivity anomalies to depths of 300m.
May 2019	At Red Mountain, field operations commenced with the focus on drill testing new targets with the potential to yield a significant discovery that will support a greenfields development scenario in addition to the two existing deposits of Dry Creek and West Tundra. Field exploration activities include diamond drilling, geological reconnaissance and surface geochemical sampling, ground electrical geophysics (CSAMT & MT) and down hole EM.
June 2019	At Red Mountain, final processed data from the AEM survey completed in April was received and integrated with other regional datasets including satellite Aster alteration, lithogeochemical alteration, surface geochemistry, geological mapping of prospective horizons and ground electrical geophysics (CSAMT, MT and down hole EM) to define high priority drill targets with lookalike characteristics to the known mineralisation at Dry Creek and WTF, as well as new compelling targets with typical VMS target attributes. A further A\$2M committed by Sandfire has allowed the extension of the exploration programme into September with 4,000 metres of diamond drilling planned to test new targets within the expanded A\$8M exploration programme.

White Rock Minerals Ltd

Exploration projects

For the year ended 30 June 2019

Mt Carrington Gold-Silver Project, Drake District NSW

Background

The Mt Carrington project is located near the township of Drake in northern NSW (Figure 1) and comprises one Exploration Licence ("EL6273") and 22 mining leases wholly contained within EL6273, covering a total area of 183km² as at 30 June 2019 (Figure 2).

The project covers a significant portion of the Drake Volcanic belt with a strike length in excess of 60km. The belt has been subject to sporadic exploration since the 1960's for gold, silver, copper, zinc, lead, molybdenum, tin and tungsten. However, no systematic exploration using modern techniques was undertaken on EL6273 from 1994 until 2008. It is considered that the potential for further discoveries within the EL6273 at Mt Carrington is very high for a variety of precious and base metal deposits.

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

The mining leases were renewed in December 2010 for a period of ten years, providing security of tenure to underpin any future development. The Company intends to seek renewal of these mining leases in the latter half of 2019.

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

Development Studies

The Company previously reported the key outcomes from the Company's Pre-Feasibility Study (PFS) into the development of the first stage of its 100% owned Mt Carrington gold and silver project, located in New South Wales (refer ASX Announcement "*White Rock's Mt Carrington gold - silver Project Pre-Feasibility Study Stage One*" dated 27 December 2017).

The outcomes confirmed the technical and financial viability of the initial project development and provide a very strong rationale to advance the project through a Definitive Feasibility Study (DFS) towards development.

Highlights:- Gold first, Silver later

- **Maiden Ore Reserve declared:- 3.47 million tonnes at 1.4g/t gold for 159,000 ounces gold,**

When compared to the 2016 Scoping Study (refer ASX dated 20 October 2016):-

- **The Gold First Stage mine life has been extended from an initial 3 years to 4 ½ years,**
- **The production rate increases 25% to 1,000,000 tpa,**
- **Gold production increases 30% to 35,000 ounces per annum, and**
- **Total gold produced increases 59% to 148,000 oz gold over this initial 4 ½ year Gold First Stage.**
- The Stage One Pre-feasibility study (PFS) confirms Mt. Carrington as a viable gold first project (Gold First) with significant potential upside in subsequent silver production and future gold and silver exploration.
- The PFS findings indicate a technically sound and financially viable project generating in excess of A\$36 million undiscounted cashflow over the initial 4 ½ year Gold First mine plan, with a strong Internal Rate of Return (IRR) of 34%.
- Initial development is to be based on the first three gold-only production open pits and a conventional whole-of-ore leach process plant with an annual throughput of 1 million tonnes.
- Maiden Ore Reserve of 3.47 million tonnes of material containing 159,000 oz gold, supporting a project producing at least 35,000 oz per year recovered gold for the proposed initial 4 ½ year operation.
- Total forecast capital expenditure of A\$35.7 million including a A\$4 million contingency.
- Estimated average all-in sustaining cost (AISC) of A\$1,236 per ounce over the initial 4 ½ year life of mine (LOM) with a payback of 22 months.
- Highly prospective near-mine exploration potential for both gold and silver, and additional "silver-only" Indicated Mineral Resources of over 8 million ounces of silver are available for the second stage of the Project's development (Stage Two).
- Stage Two presents an attractive opportunity to potentially increase the scale and overall life of the mine with minimal capital outlay. Stage Two is currently the subject of continuing studies.
- Directors have approved the Stage One PFS, with commencement of the Mt. Carrington Definitive Feasibility Study (DFS) to follow, subject to funding.

The compilation of the PFS included detailed economic analysis and further technical work building on previous studies which determined that the best "go-forward" case was a gold first initial stage capitalising on the existing pre-stripped gold pits, tailings dam

White Rock Minerals Ltd

Exploration projects (continued)

For the year ended 30 June 2019

Development Studies (continued)

and process water facilities with minimal capital expenditure to commence full rate production, based on a 1 mtpa process plant and 35,000 ounces of gold p.a. for the initial 4 ½ year mine plan.

The silver dominant Mineral Resource, containing some 8.3M ounces in the Indicated category (*refer ASX announcements 13 February 2012 & 20 November 2013*) is the subject of further mineralogy studies, metallurgical test work and concentrate sales discussions. Mining of these silver resources constitutes Stage Two of the Mt Carrington project.

The PFS confirms Mt Carrington as a viable and relatively fast start, modest capex and opex project that is technically sound and economically viable, generating over A\$36 million in undiscounted cash-flow over its initial stage 4 ½ year life. The forecast capital cost of A\$35.7 million including a A\$4 million contingency makes a modest capex start-up gold project. With this in place, the Stage Two silver phase will benefit from the already installed processing plant and associated infrastructure paid for by the Gold First stage of the project. This will further extend the life of the mine and further enhance the Project's financial metrics.

All technical analysis was done using a US\$1,275/ounce gold price and a foreign exchange rate of AUD:USD 0.75 (A\$1,700/oz).

As a key outcome from the PFS, WRM declared a maiden Ore Reserve in accordance with the JORC Code (2012) for the Mt Carrington Gold First project of 3.47 million tonnes of ore at a grade of 1.4 g/t gold containing 159,000 ounces of gold. Whilst this Stage One mine plan is small as a stand-alone project, its economic returns and payback period are viable, with free cashflow in excess of A\$36 million generated and a payback period of 22 months. Stage Two of the project will potentially increase the overall scale of the mine and project economics, with minimal capital requirements.

Based on the results of the PFS, the WRM Board approved the commencement of the Definitive Feasibility Study (DFS), subject to funding.

The PFS was compiled using a number of well-credentialed, independent and reputable consultants and engineering companies across Australia along with White Rock Minerals' personnel.

Mineral Resources

White Rock published an updated Mineral Resource estimate for the Mt Carrington project in October 2017 (refer ASX Announcement 9 October 2017). The Resource contains 341,000 oz gold and 23.2M oz silver in the Indicated and Inferred categories. The Mineral Resource is contained within 8 mineral deposits located on granted Mining Leases and Exploration Licences at Mt Carrington, as presented on Figure 2, and summarised in Table 1.

MT CARRINGTON MINERAL RESOURCES						
Gold Dominant						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Indicated	Strauss	2,070,000	1.5	103,000	1.7	115,000
	Kylo	2,010,000	1.3	85,000	1.4	92,000
	Sub-Total	4,080,000	1.4	188,000	1.6	207,000
Inferred	Strauss	380,000	1.7	21,000	2.4	30,000
	Kylo	30,000	1.1	1,000	1.5	2,000
	Sub-Total	410,000	1.7	22,000	2.3	31,000

The Strauss and Kylo Mineral Resource was prepared and reported in accordance with the JORC Code (2012) at a 0.5g/t Au cut-off (refer ASX Announcement 9 October 2017). All material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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Exploration projects (continued)

For the year ended 30 June 2019

MT CARRINGTON MINERAL RESOURCES						
Gold Dominant						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Inferred	Red Rock	1,630,000	1.0	54,000	3.5	182,000
	Guy Bell	160,000	2.5	13,000	4.9	24,000
	Sub-Total	1,790,000	1.2	67,000	3.6	206,000
Silver Dominant						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Indicated	Lady Hampden	1,840,000	0.6	37,000	69	4,056,000
	White Rock	1,710,000			77	4,214,000
	Sub-Total	3,540,000	0.3	37,000	73	8,270,000
Inferred	Lady Hampden	2,470,000	0.3	27,000	51	4,023,000
	White Rock	2,660,000			47	3,978,000
	White Rock North	3,180,000			52	5,314,000
	Silver King	640,000			59	1,218,000
	Sub-Total	8,950,000	0.1	27,000	51	14,533,000

Gold dominant Mineral Resources have been estimated using a cut-off of 0.5g/t Au except Red Rock, which uses a cut-off of 0.7g/t Au. All silver dominant Mineral Resources have been estimated using a cut-off of 25g/t Ag. The Red Rock, Guy Bell, Lady Hampden, White Rock, White Rock North and Silver King Mineral Resource was prepared and reported in accordance with the JORC Code (2004) as per ASX Announcements by White Rock Minerals Ltd on 13 February 2012, 11 July 2013 and 20 November 2013, and the ASX Announcement by Rex Minerals Ltd on 10 December 2008. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

MT CARRINGTON COMBINED MINERAL RESOURCES			
Category	Tonnes	Gold ounces	Silver ounces
Indicated	7,620,000	225,000	8,477,000
Inferred	11,150,000	116,000	14,770,000
Total	18,770,000	341,000	23,247,000

Table 1: Mt Carrington Mineral Resource Estimate Summary June 2019.

Environmental Management and Rehabilitation

White Rock maintains an environmental management program on the Mt Carrington mining leases. It is focused on structured rehabilitation of remnants of the 1980's mining venture on the main leases, and includes remediation works on the old ore pad, waste rock dumps, roads, stormwater drains and diversion channels. During 2018-19 work included erosion control and surface water diversion earthworks around old waste rock dumps and stockpiles.

The primary focus is the management of water contained in the tailings dam and the prevention of overflow of untreated water into the natural drainage systems in the district. To meet this objective, a waste water treatment plant was commissioned in November 2010 to facilitate treatment of the tailings dam water. In 2014 a sprinkler system was installed to assist in evaporation of water from the storage facility, supplementing the existing water treatment process. The sprinkler system was further upgraded in late 2015. During 2017, the reverse osmosis water treatment plant was re-commissioned to complement the expanded water sprinkler evaporation system, providing a more reliable water management and discharge process.

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

White Rock Minerals Ltd

Exploration projects (continued)

For the year ended 30 June 2019

Red Mountain Zinc-Silver Project, Alaska, USA

Background

The Red Mountain Project is located in central Alaska (Figure 3), 100km south of Fairbanks, in the Bonfield Mining District. The tenement package comprises 760 mining claims over a total area of 475km², covering the known Dry Creek and West Tundra Flats volcanogenic massive sulphide (“VMS”) deposits.

VMS deposits typically occur as a cluster of deposits (“camps”). Typically, deposits are evenly spaced within a camp. Within almost all camps, deposit sizes are normally distributed. In mature camps this means one “giant” (> 40Mt of ore, 1.8Mt of total base metal: upper 10% of all VMS deposits), two large (>10Mt ore, 550,000 tonnes of base metals: upper 25% of all deposits) and 3-8 small (<3.3Mt ore, 150,000 tonnes of base metal, 50% of all deposits) deposits /occurrences. Typical VMS camps consist of 4-8 deposits, each spaced about 4 to 6 km apart.

The Red Mountain Project includes the Fosters, Discovery (together referred to as Dry Creek) and West Tundra Flats (WTF) deposits (Figure 4). These are the most prominent occurrences in the Bonfield District and can be considered a single VMS camp.

At the Dry Creek deposit, two horizons containing massive sulphide mineralisation have been found. The Dry Creek North Horizon occurs near the upper part of the Mystic Creek and hosts the majority of mineralisation defined to date. The Dry Creek South Horizon occurs lower in the section. Both zones dip steeply north. The Dry Creek North Horizon can be traced for 4,500 metres. The central 1,400 metres (on the flanks of Red Mountain) host the Fosters and Discovery deposits.

At Discovery, mineralisation occurs as massive to semi-massive zinc-lead-silver rich sulphides within, and at the base of, an aphanitic, intensely quartz-sericite-pyrite altered, siliceous rock termed the “mottled meta-rhyolite”. This mineralisation is commonly associated with overlying stringer and disseminated chalcopyrite-pyrite mineralisation. At Fosters, mineralisation is hosted by a distinctive brown pyritic mudstone unit in the hangingwall of, and along strike from, the “mottled meta-rhyolite”.

The mineralisation comprises disseminations and wispy laminations of sulphides and zones of semi-massive to massive sulphides. Sulphides include pyrite, sphalerite, galena and chalcopyrite. Precious metals are typically enriched, especially in the footwall portion of the mineralization.

Mineralisation at Dry Creek pinches and swells along strike and down dip, as is typical of VMS deposits. True width intersections are up to 40 metres where there is evidence of growth faults, which typically act as feeders to the VMS system and can be important controls in localising thick mineralised accumulations. Identifying and targeting such growth faults along the VMS horizon will be an important part of exploration to expand and discover new deposits.

At the West Tundra Flats prospect the mineralized zone occurs at the base of a black chloritic schist unit that is at the base of the sedimentary Sheep Creek Member and at the very top of the metavolcanic Mystic Creek Member. Massive sulphide mineralisation is localised in a number of generally narrow exhalative units distinguished by semi-massive and massive sulphides including pyrite, sphalerite and galena. The massive sulphides are commonly rich in silver with erratic gold. The zone extends at least 1,000 metres northwest-southeast along strike and 1,600m down dip to the southwest. The horizon dips about 10° to the southwest, is 0.3 to 4.4 m thick and remains open down dip.

Previously, exploration on the Red Mountain project has comprised some 101 drill holes for 13,831m at Dry Creek and 26 drill holes for 5,349m at West Tundra Flats (ASX Announcement 15 February 2016).

Historical preliminary metallurgical test work on a composite sample of drill core intersections showed that the ore responded well to a traditional flotation scheme producing a bulk lead concentrate and a separate zinc concentrate with excellent metal recoveries. Zinc recoveries were in excess of 98% of the available zinc. Lead recoveries were approximately 75-80% of the available lead. Silver, copper and gold reported to the lead concentrate. Recoveries of these metals were in the range of 70% to 80%.

The zinc concentrate produced was of very high quality with grades ranging from 58% to 62%. Lead-copper concentrate produced by the test work contained approximately 33% lead, with dilution being primarily due to zinc. An evaluation of this concentrate indicated that the mineralogical makeup of the concentrate was simple, and reagent optimization should be capable of upgrading this concentrate to approximately 50% lead. Results from analysis of the zinc concentrate showed low selenium content at <0.01% and typical cadmium values at 0.15%.

Access to the Red Mountain project is by a ~20 minute direct flight from Fairbanks via helicopter or single engine fixed wing plane. Gravel roads extend to within 40 miles of the project area and winter trails can be used to supply freight to the area on a seasonal basis. Elevations range from 750 metres to 1,850 metres ASL over the claim area. The area has excellent infrastructure by Alaskan standards. The town of Healy is located 50 miles to the west on the Parks Highway and is home to a large 30 megawatt coal-fired power plant with rail transportation to ocean ports.

White Rock Minerals Ltd

Exploration projects (continued)

For the year ended 30 June 2019

Mineral Resources

In April 2017 White Rock completed a maiden Mineral Resource estimate for the Red Mountain project (ASX Announcement 26 April 2017). Highlights of the Mineral Resource are:

- High grade Inferred Mineral Resource of **9.1 million tonnes @ 12.9% ZnEq¹** for 1.2Mt of contained zinc equivalent at a 3% Zn cut-off.
- Total Inferred Mineral Resource of 16.7 million tonnes @ 8.9% ZnEq for 1.5Mt of contained zinc equivalent at a 1% Zn cut-off for Dry Creek, 3% Zn cut-off for West Tundra Flats & 0.5% Cu cut-off for Dry Creek Cu Zone.
- Impressive base metal and precious metal content with 678,000t zinc, 286,000t lead, 53.5 million ounces silver and 352,000 ounces gold.
- This Mineral Resource places the Red Mountain Project in the top quartile of undeveloped high-grade VMS (zinc, silver, gold) deposits globally².
- Mineralisation commences at surface and is open down dip.

Table 2 - Red Mountain June 2019 Inferred Mineral Resource Estimate

Prospect	Cut-off	Tonnage	ZnEq ¹	Zn	Pb	Ag	Cu	Au	ZnEq ¹	Zn	Pb	Ag	Cu	Au
		Mt	%	%	%	g/t	%	g/t	kt	kt	kt	Moz	kt	koz
Dry Creek Main	1% Zn	9.7	5.3	2.7	1.0	41	0.2	0.4	514	262	98	12.7	15	123
West Tundra Flats	3% Zn	6.7	14.4	6.2	2.8	189	0.1	1.1	964	416	188	40.8	7	229
Dry Creek Cu Zone	0.5% Cu	0.3	3.5	0.2	0.04	4.4	1.4	0.1	10	0.5	0.1	0.04	4	1
Total		16.7	8.9	4.1	1.7	99	0.2	0.7	1,488	678	286	53.5	26	352

Table 3 - Red Mountain June 2019 Inferred Mineral Resource Estimate at a 3% Zn Cut-off (contained within Table 2, not additional)

Prospect	Cut-off	Tonnage	ZnEq ¹	Zn	Pb	Ag	Cu	Au	ZnEq ¹	Zn	Pb	Ag	Cu	Au
		Mt	%	%	%	g/t	%	g/t	kt	kt	kt	Moz	kt	koz
Dry Creek Main	3% Zn	2.4	8.7	4.7	1.9	69	0.2	0.4	211	115	46	5.3	5	32
West Tundra Flats	3% Zn	6.7	14.4	6.2	2.8	189	0.1	1.1	964	416	188	40.8	7	229
Total		9.1	12.9	5.8	2.6	157	0.1	0.9	1,176	531	234	46.1	12	260

¹ ZnEq = Zinc equivalent grades are estimated using long-term broker consensus estimates compiled by RFC Ambrian as at 20 March 2017 adjusted for recoveries from historical metallurgical testing work and calculated with the formula $ZnEq = 100 \times [(Zn\% \times 2,206.7 \times 0.9) + (Pb\% \times 1,922 \times 0.75) + (Cu\% \times 6,274 \times 0.70) + (Ag \text{ g/t} \times (19.68/31.1035) \times 0.70) + (Au \text{ g/t} \times (1,227/31.1035) \times 0.80)] / (2,206.7 \times 0.9)$. White Rock is of the opinion that all elements included in the metal equivalent calculation have reasonable potential to be recovered and sold.

² Source: SNL, RFC Ambrian and company data.

Exploration

Red Mountain is a globally significant advanced exploration project centred on an established volcanogenic massive sulphide (“VMS”) district in Alaska where there are already two significant zinc-silver-lead-gold-copper deposits identified (Dry Creek and West Tundra Flats) providing White Rock with a Resource base of **16.7Mt at 8.9% ZnEq¹** including a high-grade component of **9.1Mt @ 12.9% ZnEq¹**.

2018 Field Season

During 2018 White Rock completed its first field season of on-ground exploration with a number of successful milestones in advancing the project towards proving up that the Bonnifield Mining District can indeed be an emerging new VMS camp of significance, containing zinc, silver, lead and gold. Highlights of the 2018 field season that extended from late May to early September included:

- A total of 24 drill holes for 4,111 metres of diamond core drilling was completed during 2018.
- Best drill intersection in the history of this project into the Discovery Lens at the Dry Creek deposit with **4.7m @ 19.5% Zn, 7.8% Pb, 466g/t Ag, 6.9g/t Au and 1.5% Cu for 49.7% ZnEq¹** (DC18-79)³.
- Down dip extension of the Fosters Lens at the Dry Creek deposit with **4.3m @ 4.8% Zn, 2.3% Pb, 1,435g/t Ag, 2.2g/t Au and 0.5% Cu for 43.2% ZnEq¹** (DC18-77)³ and remaining open down dip.
- Best drill intersection in the history of this project at the West Tundra deposit with **3.5m @ 15.1% Zn, 6.7% Pb, 518g/t Ag, 2.1g/t Au and 0.2% Cu for 35.2% ZnEq¹** (WT18-28)⁴.

White Rock Minerals Ltd

Exploration projects (continued)

For the year ended 30 June 2019

- Discovery and successful drill testing of the new Hunter prospect massive sulphide mineralisation with **1.4m @ 17.4% Zn, 3.9% Pb, 90g/t Ag & 1.6% Cu for 25.8% ZnEq¹ from 48.2m** (HR18-01)⁵. This discovery remains open east and west and down dip with massive sulphide mapped for over 500 metres along strike on the surface.
- Identification of 9 high priority geochemical anomalies⁶ from a detailed regional stream sediment program across the core area of regional prospectivity centred on the Bonnifield East syncline with particular emphasis on two distinct anomaly clusters; west of the known mineralisation at Dry Creek (the southern limb of the Bonnifield syncline) and in the Glacier Creek area with strong sulphide footwall alteration on the northern limb of the Bonnifield syncline. Strong base metal anomalism up to 1.1% zinc in streams indicates high prospectivity for outcropping massive sulphides.
- Successful orientation ground geophysics across known mineralisation with CSAMT accurately identifying massive sulphide mineralisation at Dry Creek and West Tundra enabling the technique to be a rapid reconnaissance tool for identifying drill targets within zones of anomalous geochemistry and favourable stratigraphy⁷. The CSAMT crew acquired 40 line km of new data along strike of Dry Creek and West Tundra.
- Successful application of portable XRF analysis of soil samples to deliver rapid target generation.
- Expansion of the tenement package⁸ with an area of 475km² now secured over the Bonnifield Mining District and additional prospective footwall stratigraphy, plus a number of additional historic VMS mineral occurrences at Anderson Mountain, Virginia Creek, Cirque, West Fork, Peaches, Keevy Peak, Kenny, Sheep Creek and Surprise Creek, not yet explored with modern techniques.

The successful progress of the 2018 exploration program resulted in the signing in July 2018 of a cornerstone investment and strategic relationship agreement with Sandfire Resources NL (ASX:SFR) (Sandfire) that included an option to enter a Joint Venture Agreement regarding the Red Mountain Project. Sandfire contributed \$2.5 million equity and a further \$1 million convertible loan unsecured to White Rock during 2018.

2019 Field Season

In March White Rock and Sandfire signed an Earn-In and Joint Venture (**JVA**) Agreement⁹ to permit Sandfire to farm-in to the Red Mountain Project. Stage One will see Sandfire fund A\$20M in exploration on the project over the first four years to earn 51%. Sandfire can then elect to increase its interest to 70% by sole-funding a further A\$10M and by delivering a pre-feasibility study with an Ore Reserve.

White Rock were appointed manager for the first year with an initial A\$6M exploration budget approved for the 2019 field season. Subsequently during the field season a further A\$2M was committed by Sandfire to extend the exploration programme into September with 4,000 metres of diamond drilling planned to test new targets in the expanded A\$8M exploration programme. The 2019 field exploration program developed in conjunction with Sandfire aims to drill test the maximum number of new targets possible within the Company's strategic 475km² belt-scale regional tenement package.

2019 field season activities commenced and/or completed included:

- A 3,000 line kilometre SkyTEM airborne electromagnetics (AEM) survey covering 500km². The new SkyTEM survey was the first modern high-powered time domain EM survey at Red Mountain with the capability of identifying conductivity anomalies to depths of 300m.
- Satellite spectral analysis including the assessment of hyperspectral data to identify and map alteration zonation.
- Regional whole rock lithogeochemical analysis of tenement-wide rock chip samples collected in 2018 and accessed from the Alaskan Geologic Survey to identify regional alteration zonation and assist in prioritising targets for detailed field exploration and drill testing.
- Detailed on-ground geological reconnaissance and soil geochemical sampling across regional target areas using a portable XRF analyser to deliver rapid target definition;
- Detailed electrical ground geophysics (CSAMT and MT) across the regional targets replicating the most rapid field acquisition electrical technique that successfully mapped conductivity associated with mineralisation at both of the two existing deposits: Dry Creek and WTF;
- A diamond drill program to test the best of the regional targets. These high-priority targets are defined by this multidisciplinary use of airborne EM, the 2018 stream geochemical anomalies that were identified⁶, new satellite defined alteration, whole rock lithogeochemical alteration, on ground soil & rock geochemistry and on ground electrical geophysics; and
- Selective down hole electromagnetics surveys to identify off-hole conductivity anomalies for follow-up drill testing.

Airborne Electromagnetics

In April a 3,000 line kilometre airborne electromagnetic (AEM) geophysical survey was flown over the core area (500km²) of the Red Mountain project. The AEM survey, completed by SkyTEM, used a state of the art data collection and processing system to identify potential VMS conductors within the Bonnifield East VMS district. The survey also included the collection of magnetics data.

White Rock Minerals Ltd

Exploration projects (continued)

For the year ended 30 June 2019

Final conductivity data (Figure 5) was integrated with surface geochemistry to prioritise a number of VMS targets for drill testing during the 2019 field season. Results from the AEM survey show a signature conductivity response at both the Dry Creek and WTF massive sulphide deposits. This knowledge is used to search for similar look alike responses elsewhere within the Company's tenement package. Figures 6 & 7 highlight the discrete nature of the conductivity anomalies, with the more subdued conductivity response in the range of 5-50mS/m considered one of the distinguishing features associated with mineralisation versus the stronger conductivity response typically associated with graphitic units within the stratigraphic sequence.

Surface Exploration: Reconnaissance Mapping, Geochemical Sampling and Ground Geophysics

During June surface geological reconnaissance and geochemical sampling progressed rapidly with 3,128 soil samples and 388 rock chip samples collected to the end of June across the two main prospect trends - the Glacier Trend to the northwest and the Dry Creek trend to the south (Figure 8).

Soil samples are analysed with a portable XRF to provide rapid geochemical results for identifying targets for ground electrical geophysics (CSAMT) and/or drill testing.

Rock chip sampling has included sampling of mineralised horizons and more systematic sampling of specific horizons and lithologic rock types for geochemical assessment to assist with vectoring towards likely massive sulphide accumulation within the stratigraphy.

Prospecting of the Glacier Trend (Figure 8), a spatially extensive alteration zone with 10km of strike, has identified sulphide accumulations, chert and iron formations, all believed to be proximal to horizons prospective for base metal rich massive sulphides along strike and down dip. Additional litho-geochemical analysis of rock chip data has assisted in prioritising areas of interest along the Glacier Trend through the identification of classic VMS vectors including low Na, Mg addition, high Ba, high Mn, the distribution of anoxic shales and hydrothermal alteration within sedimentary rocks. Additional rock chip data specifically characterising vectors associated with black shales and exhalite horizons is now being assessed in conjunction with identifying distinct conductivity responses from the AEM data to assist in drill targeting.

Initial ground electrical geophysics (CSAMT) to define conductivity features has focused on the northern limb of the synform along the Glacier Trend. A total of 9 lines have been completed that cover areas of interest at the Arete and Irish Knob prospects (Figure 8) where there is anomalous geochemistry, surface evidence of exhalative horizons and conductivity features identified from the AEM. Ground electrical geophysics also included a line of MT (magnetotellurics) undertaken to define the depth of the target horizon across the syncline between the high-grade West Tundra Flats and Dry Creek deposits. This technique is effectively mapping the depth of the prospective horizons across the syncline, with the depth of the hinge zone much shallower than first interpreted. Both the CSAMT and MT lines have provided confidence in the accuracy and precision of the AEM data to the degree that additional new targets on the shallow south dipping limb of the synform, such as those along the Glacier Trend, can be modelled and drilled without any additional ground electrical geophysics.

Diamond Drilling

Drilling commenced late May with a total of seven diamond drill holes were completed up to end of June 2019 with no significant massive sulphide mineralisation intersected. Drill hole and prospect locations are shown in Figure 8.

The first drill hole (WT19-30) tested a horizon 2 kilometres west along strike from the West Tundra Flats deposit, with associated surface geochemical anomalism and a coincident CSAMT conductivity feature. Drilling did not intersect any visual base metal mineralisation. A downhole EM survey detected an off-hole conductivity anomaly that coincides with a discrete conductivity anomaly identified in the AEM further to the west, and subsequently drilled (WT19-31) at Stingray. The conductivity anomaly is associated with a graphitic argillite beneath a zone of low level base metal mineralisation. Downhole EM probing did not detect any off hole conductors.

Two drill holes (HR19-05 & HR19-06) were completed at the Hunter prospect to test down dip and along strike (approximately 250m step-outs) of mineralisation intersected during the 2018 drill program⁹. Both drill holes intersected the target VMS horizon with thin intervals of massive sulphide and banded sulphide observed in both: 0.2m of massive sulphide in HR19-05 and 0.9m of banded pyrite-sphalerite in HR19-06. Downhole EM probing was completed on hole HR19-05 with no significant conductors identified.

At Megan's, DC19-94 intersected a broad fault zone with significant clay gouge. The footwall of the fault contains a number of narrow graphitic faults. The fault and graphitic zones correspond with the target conductivity zone identified in both CSAMT and the AEM. Alteration and low-level base metal mineralisation is evident in the footwall and hangingwall but no significant zones of mineralisation were intersected.

At Mantaray, a significant AEM anomaly located north of WTF and in a position interpreted to be close to the stratigraphic horizon hosting mineralisation at WTF, and extending into the footwall, was drilled by WT19-32. A sequence of graphitic argillite was intersected coincident with the conductivity target. No mineralisation was encountered.

At Platypus, DC19-93 targeted a weak conductivity anomaly identified by CSAMT associated with base metal surface geochemical anomalism and 250m along strike to the west of a narrow massive sulphide zone intersected in historic drilling. No significant mineralisation was intersected.

Drilling through the remainder of the 2019 field season includes planned testing of targets at Arete, Smog South, Sheep/Rogers, Artesia and a deep down dip extension at Dry Creek.

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Exploration projects (continued)

For the year ended 30 June 2019

³ Refer ASX Announcement 4th July 2018 “High Grade Zinc-Silver Drill Intersections Extend Mineralisation at Red Mountain”.

⁴ Refer ASX Announcement 18th June 2018 “Initial Drilling Delivers High Grade Zinc Results at Red Mountain”.

⁵ Refer ASX Announcement 20th August 2018 “High Grade Zinc Discovery at the Hunter Prospect, Red Mountain”.

⁶ Refer ASX Announcement 4th December 2018 “New Geochemical Anomalies Associated with VMS Alteration, Red Mountain”.

⁷ Refer ASX Announcement 20th June 2018 “New Massive Sulphide Mineralisation Drill Intercepts Coincident with Geophysics Anomalies at Red Mountain”.¹ Refer ASX Announcement 27th December 2018 “Sandfire Exercises Option to Enter Joint Venture on Red Mountain”.

⁸ Refer ASX Announcement 21st November 2018 “Expanded Land Holding with Additional High-Grade VMS Prospects, Red Mountain”.

⁹ Refer ASX Announcement 25th March 2019 “Joint Venture Agreement signed with Sandfire Resources”.

Competent Persons Report

No New Information or Data

This announcement contains references to exploration results, Mineral Resource estimates, Ore Reserve estimates, production targets and forecast financial information derived from the production targets, all of which have been cross-referenced to previous market announcements by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. In the case of Mineral Resource estimates, Ore Reserve estimates, production targets and forecast financial information derived from the production targets, all material assumptions and technical parameters underpinning the estimates, production targets and forecast financial information derived from the production targets contained in the relevant market announcement continue to apply and have not materially changed.

Tenement schedule

For the year ended 30 June 2019

Country/State	Project	Tenement ID	Area
Australia/NSW	Mt Carrington	EL6273, MPL24, MPL256, MPL259, SL409, SL471, SL492, ML1147, ML1148, ML1149, ML1150, ML1200, MPL1345, ML5444, GL5477, GL5478, ML5883, ML6004, ML6006, ML6242, ML6291, ML6295, ML6335	183km ²
USA/Alaska	Red Mountain	ADL611355, ADL611356, ADL611362, ADL611364, ADL611366, ADL611371, ADL621625-621738 (114), ADL623325-623330 (6), ADL623337-623342 (6), ADL624104-624627 (524), ADL721002-721010 (9), ADL721029-721038 (10), ADL721533-721615 (83), ADL721624, ADL721625	475km ²

Table 4 Tenements schedule

The Mt Carrington Project comprises 22 Mining Leases and one Exploration Licence. All tenements are held 100% by White Rock (MTC) Pty Ltd, a wholly owned subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

The Red Mountain Project comprised 760 Mining Claims. All tenements are held 100% by White Rock (RM) Inc., a wholly owned subsidiary of White Rock Minerals Ltd. The Red Mountain Project is subject to an Earn-in and Joint Venture Agreement with Sandfire Resources NL (refer ASX Announcement 25 March 2019).

White Rock Minerals Ltd

Directors' report

For the year ended 30 June 2019

The Directors present their report together with the financial statements of White Rock Minerals Ltd ("the Company") and its subsidiaries (the "Group" or "White Rock"), for the financial year ended 30 June 2019 and the Independent Auditors' Report thereon.

1. Board of Directors

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

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

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

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Mr Brian Phillips Independent Chairperson AWASM-Mining, C Eng, FAusIMM	Mr Phillips is a mining engineer with extensive corporate and operating experience in the mining industry in Australia and overseas. Mr Phillips has been a Director since incorporation in 2010 and was a member of the Audit Committee. He is the non-executive chairman of Panoramic Resources Limited. He retired being a Non-Executive Director on 31 December 2018.
Mr Peter Lester Independent Non-Executive Director & Chairperson B.E (Mining), MAusIMM, MAICD	Mr Lester has over 40 years' experience in the mining industry and has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana Limited, Doray Minerals Limited and Citadel Resource Group Limited. Mr Lester's experience covers operations, project and business development and general corporate activities. Mr Lester is a non-executive director of Nord Gold NV and Millenium Minerals Limited. Mr Lester joined the Board of White Rock Minerals Ltd on 12 April 2013 and is a member of the Audit Committee. He became Chairperson on 1 January 2019. Mr Lester was formerly a Non-Executive Director of Castlemaine Goldfields Ltd, Chesser Resources Limited, and Toro Energy Ltd and chairman of Kidman Resources Limited.
Mr Matthew Gill Managing Director and Chief Executive Officer B.E (Hons, Mining), M Eng Sc, FAusIMM, GAICD	Matthew Gill is a mining engineer with over 35 years' experience. He has a strong technical, operational and executive management background; having worked as an underground miner, mine planning engineer, supervisor, general manager and Managing Director in Australia, Papua New Guinea, India, Ghana and Bolivia. He holds three First Class Metalliferous Mine Manager's Certificates of Competency and has been instrumental in the successful development of three gold mines (Porgera, Beaconsfield and Ballarat). He is a three-time winner of the Australian Mine Manager of the Year Award and received the AusIMM Leadership Award in 2008. Previously, Group Chief Operating Officer for Singapore-listed LionGold Corp, he has also worked for Castlemaine Goldfields, Rio Tinto, WMC, Placer Pacific and Renison Goldfields. Mr Gill has held the role of Chief Executive Officer from 29 March 2016 and on 1 August 2016 was appointed as Managing Director. He is a Non-Executive Director of AuStar Gold Ltd.
Mr Ian Smith Independent Non-Executive Director B.E (Hons, Mining), B.F. (Admin), FIEAust, FAusIMM, MAICD	Mr Smith has more than 40 years' experience in the mining and services sector and has held some of the most senior positions in the Australian resources industry. Most recently he was Managing Director and Chief Executive Officer of Orica. Prior to that, Mr Smith was Managing Director and Chief Executive Officer of Newcrest for five years, growing the business to become Australia's biggest, and globally one of the largest gold mining companies, with responsibility for 16,000 employees and ten mines spread across four countries. Mr Smith has technical, operational, financial and strategic expertise, having also held senior and executive positions with Rio Tinto, Western Mining Corporation, Pasminco and CRA. He has represented the mining industry at the highest levels in Australia, being a past president of the Australian Mines & Metals Association and a past chairman of the Minerals Council of Australia. Mr Smith was appointed to the White Rock board on 3 February 2017 and retired on 28 February 2019.

White Rock Minerals Ltd
 Directors' report (continued)
 For the year ended 30 June 2019

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Mr Jeremy Gray Non-Independent Non-Executive Director B.C (Hons, Finance)	Mr Gray has more than 25 years in mining investment including appointments as the Global Head of Basic Materials at Standard Chartered Bank Plc, Head of Metals and Mining Research at Morgan Stanley in London and the Head of Mining Research at Credit Suisse in London. Mr. Gray serves as a Director of Chancery Asset Management, Singapore. Mr. Gray has been a Non-Executive Director of Axiom Mining Limited since July 2015 and is currently the Managing Director of ASX listed gold miner Orinoco Gold Ltd. Mr Gray was appointed to the White Rock board on 5 May 2017.
Mr Stephen Gorenstein Non-Independent Non-Executive Director B.Sc (Hons, Geology & Geophysics) Masters Accounting (Finance)	Mr Gorenstein has more than 15 years in capital markets including equity analyst roles at both Goldman Sachs JB Were and Bank of America Merrill Lynch. He also has extensive experience in mining business development and mergers and acquisitions. He serves as a Director and Partner of Jindalee Partners and has been a Non-Executive Director of Parazero Ltd since October 2018. Mr Gorenstein was appointed to the White Rock Board on 17 December 2018.

2. Company Secretary

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

3. Directors' meetings

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

Director	Board Meetings		Audit Committee Meetings	
	A	B	A	B
Mr Brian Phillips	4	4	1	1
Mr Matthew Gill*	9	9	2	2
Mr Peter Lester	9	9	2	2
Mr Ian Smith	5	5	1	1
Mr Jeremy Gray	9	9	2	2
Mr Stephen Gorenstein	5	5	1	1

A – Number of meetings attended

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

* Attended the Audit Committee meeting by invitation

4. Corporate governance statement

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

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

4. Corporate governance statement (continued)

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

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

The corporate governance statement as published at the above address is current as at 30 June 2019 and has been approved by the Board of Directors.

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

5. Principal activities

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

6. Operating and financial review

The statement of comprehensive income shows a loss after tax of \$1,524,462 (2018 loss: \$2,712,281) for the year. As at 30 June 2019 the Group had a cash position of \$3,894,291 (2018: \$1,980,321). During 2016 the Group acquired Atlas Resources Pty Ltd (Atlas) by way of the issue of shares and options and in turn, exercised the option held by Atlas to acquire the Red Mountain project by way of cash payments. The option exercise resulted in the assumption of liabilities for future cash payments as well as obligations to perform future exploration activities. The amounts outstanding at 30 June 2019 totalled \$1,047,047 (2018: \$1,089,886) and will become due over the period to 2020. The obligation to perform future exploration was met in full during the 2018 year due to the significant exploration carried out at the Red Mountain project. The Group has no bank debt. Additional information as to the review of business activities, likely developments for financial year 2019 and environmental regulation and management are included in the Introduction, Letter from the Chairman and Managing Director, Review of operations and Exploration projects sections which form part of the Directors report and are included earlier within the Annual Report.

7. Risks to Company Strategy

Economic risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities. If activities cannot be funded, there is a risk that planned activities may have to be reduced and tenements may have to be surrendered or not renewed. Furthermore, share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as (a) general economic outlook; (b) interest rates and inflation rates; (c) currency fluctuations; (d) changes in investor sentiment toward particular market sectors; (e) the demand for, and supply of, capital; (f) terrorism or other hostilities; and (g) government fiscal, monetary and regulatory policies.

Tenement title

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

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

Market conditions

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

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

7. Risks to Company Strategy (continued)

Environmental risks

The operations and proposed activities of the Company are subject to Australian and USA State and Federal laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds.

It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws, in order to minimise damage to the environment and risk of liability. Nevertheless, there are certain risks inherent in the Company's activities which could subject the Company to extensive liability.

Native title

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

Political risk, commodity price volatility and exchange rates risks

In the event that the Company establishes a mining operation, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for gold, silver, zinc, lead or copper, technological advancements, forward selling activities and other macro-economic factors. Furthermore, prices of various commodities are denominated in United States dollars, whereas certain income and expenditure of the Company is and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar, as determined by international markets.

Upgrading Resource Categories and Conversion of Resources to Reserves

Reserve and Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, Resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate.

8. Significant changes in the state of affairs

During the reporting year the Company raised \$4.2M (before costs). This included a Placement to Sandfire Resources Ltd "Sandfire" (ASX:SFR) and placing shortfall under an Entitlement Issue.

In March 2019, White Rock announced that it had signed a Joint Venture "JV" Agreement with Sandfire in relation to the Red Mountain project.

Under Stage One of the JV, Sandfire can earn up to 51% of the Red Mountain project by spending \$20 million on exploration over four years. This includes a commitment of \$6 million within the first year. Sandfire increased that commitment subsequent to year end to contribute another \$2 million towards exploration.

In the opinion of the Directors there were no further significant changes in the state of affairs of the Group during the year ended 30 June 2019.

9. Dividends paid or recommended

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

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

10. Events subsequent to reporting date

Rights issue

On 30 September 2019 the Group announced a pro-rata, non-renounceable entitlement offer to eligible shareholders of 2 new fully paid ordinary shares for every 3 shares held together with 1 option for every 3 new shares exercisable at \$0.01 (1 cent) expiring 4 November 2022, to raise up to \$5.4 million (before costs) (Entitlement Offer). The Entitlement Offer closes on 30 October 2019.

In addition to being able to apply for new shares under the Entitlement Offer Eligible shareholders will also have the opportunity to apply for additional new shares and options in excess of their entitlement that are not subscribed for by other eligible shareholders under the Entitlement Offer.

The Directors have reserved the right to place any shortfall within three months of the close of the entitlement offer.

Cartesian Royalty Holdings Pte Ltd options restructure

The Group has received a binding commitment from Cartesian Royalty Holdings Pte Ltd to take up its rights under the Entitlement Offer to the value of \$175,000.

In exchange for Cartesian's commitment, the Group has agreed, subject to shareholder approval, to cancel all of Cartesian's 153,846,154 existing options and issue 100,000,000 new replacement options with an exercise price of A\$0.01 (1 cent) and an expiry date of 31 December 2024. The terms of the current unlisted options held by Cartesian are as follows: 57,692,308 options with an exercise price of A\$0.018 and an expiry date of 20 July 2021, 19,230,769 options with an exercise price of A\$0.023 and an expiry date of 20 July 2021, 57,692,308 options with an exercise price of A\$0.018 and an expiry date of 28 February 2022 and 19,230,769 options with an exercise price of A\$0.023 and an expiry date of 28 February 2022.

11. Likely developments

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

The Group's goals for 2019 are included in the Introduction, Letter from the Chairman and Managing Director, Review of operations and Exploration projects sections which form part of the Directors report and are included earlier within the Annual Report.

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

12. Directors' interests

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

	White Rock Minerals Limited	
	Ordinary shares	Options over ordinary shares
Mr Peter Lester	5,093,540	636,693
Mr Matthew Gill	4,444,444	7,855,556
Mr Stephen Gorenstein	6,666,667	-
Mr Jeremy Gray	-	-

13. Share options

13.1 Options granted to Directors and Officers of the Company

No options were granted or received by Directors or Officers of the Company during the financial year.

13.2 Unissued shares under option to Directors and Officers of the Company

At the date of this report unissued ordinary shares to Directors and Officers of the Company under option are:

Expiry date	Exercise price	Number of shares
30 September 2019 ⁽¹⁾	\$0.030	1,400,000
30 September 2020 ⁽¹⁾	\$0.035	1,400,000
5 June 2020 ⁽¹⁾	\$0.020	1,500,000
31 May 2021 ⁽¹⁾	\$0.020	1,500,000
31 May 2022 ⁽¹⁾	\$0.020	1,500,000
28 February 2021 ⁽¹⁾	\$0.020	1,200,000
28 February 2022 ⁽¹⁾	\$0.022	1,200,000
28 February 2023 ⁽¹⁾	\$0.024	1,200,000
26 March 2021	\$0.020	1,470,102
Total		12,370,102

⁽¹⁾All options expire on the expiry date and will lapse if they are not exercised within 60 days of departure of the holder from the Company unless the Board exercises its discretion to permit the options to remain on foot until the expiry date. The Board retains the right to vary these conditions at its discretion.

13.3 Shares issued on exercise of options

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

14. Indemnification and insurance of Officers

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

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

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

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

15. Non-audit services

During the current and comparative years KPMG, the Group's auditor did not undertake any other services in addition to the audit and review of the financial statements.

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

	2019 \$	2018 \$
KPMG Australia		
Audit and review of financial statements	40,100	34,000
Other services	-	-

16. Remuneration Report – audited

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

Name	Position held	Appointment/Resignation detail
Non-Executive Directors		
Mr Brian Phillips	Chairperson	Resigned 31 December 2018
Mr Peter Lester	Non-Executive Director	Appointed 12 April 2013
	Chairperson	Appointed 1 January 2019
Mr Ian Smith	Non-Executive Director	Resigned 28 February 2019
Mr Jeremy Gray	Non-Executive Director	Appointed 5 May 2017
Mr Stephen Gorenstein	Non-Executive Director	Appointed 17 December 2018
Executives		
Mr Rohan Worland	Exploration Manager	Appointed 26 March 2010
Mr Matthew Gill	Managing Director	Appointed 1 August 2016
	Chief Executive Officer	Appointed 29 March 2016
	Chief Operating Officer	Appointed 25 May 2015

16.1 Principles of compensation

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

Compensation levels for key management personnel of the Group are competitively set to attract and retain appropriately qualified and experienced Directors and Executives. Compensation levels for the 2019 financial year were determined by considering the number of employees, market capitalisation and Company's financial position. Compensation is also set having regard to remuneration of Directors and Executives in other ASX listed exploration companies.

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

16.1.1 Fixed compensation

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

16.1.2 Performance linked compensation

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

16.1.3 Short-term incentive bonus

The short-term incentive (STI) is a discretionary bonus provided in the form of cash, which is determined based on an assessment of key performance indicators, including share price performance, business growth, exploration

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

16. Remuneration Report – audited (continued)

success and safety, environment and community matters. Short term bonuses are at the discretion of the Board and subject to satisfactory cash reserves being available.

16.1.4 Long-term incentive

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

16.1.5 Service agreements

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

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

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

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

16.1.6 Non-Executive Directors

Total compensation for all Non-Executive Directors is not to exceed \$300,000 per annum and is set with reference to fees paid to other Non-Executive Directors of comparable companies. Non-Executive Directors' base fees for the 2019 financial year were \$30,000 per annum, whilst the Chairperson's base fee was \$40,000. In addition, Non-Executive Directors are entitled to statutory superannuation benefits on base fees.

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

16.1.7 Services provided by remuneration consultants

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

16.1.8 Consequences for shareholder wealth

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

	2019	2018	2017	2016	2015
Net profit/(loss) attributable to equity holders of the parent	\$(1,524,462)	\$(2,712,281)	\$(3,230,784)	\$(1,701,358)	\$(16,017,736)
Closing share price at period end	\$0.006	\$0.008	\$0.015	\$0.018	\$0.023
Closing cash balance	\$3,894,291	\$1,980,321	\$3,289,929	\$258,846	\$354,021

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

16. Remuneration report - audited (continued)

16.2 Directors' and Executive's remuneration (Group)

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

		Short term			Post-employment	Other long term benefits	Share based payments				
		Salary & fees \$	STI cash bonus \$ (B)	Total \$	Super-annuation benefits \$	\$	Fair Value Options/Shares \$ (A)	Termination Benefits	Total \$	Proportion of remuneration related %	Value of options as a proportion of remuneration %
Non-Executive Directors											
Mr Brian Phillips (Chairperson to 31/12/18)	2019	19,998	-	19,998	1,900	-	-	-	21,898	-	-
	2018	40,000	-	40,000	3,800	-	-	-	43,800	-	-
Mr Peter Lester (Chairperson from 1/1/19)	2019	35,000	-	35,000	3,325	-	-	-	38,325	-	-
	2018	30,000	-	30,000	2,850	-	-	-	32,850	-	-
Mr Ian Smith (retired 28/2/19)	2019	22,500	-	22,500	2,138	-	-	-	24,638	-	-
	2018	30,000	-	30,000	2,850	-	-	-	32,850	-	-
Mr Jeremy Gray	2019	30,000	-	30,000	2,850	-	-	-	32,850	-	-
	2018	30,000	-	30,000	2,850	-	-	-	32,850	-	-
Mr Stephen Gorenstein (commenced 17/12/18)	2019	16,250	-	16,250	1,306	-	-	-	17,556	-	-
	2018	-	-	-	-	-	-	-	-	-	-
Executive Directors											
Mr Matthew Gill – Managing Director,	2019	360,000	20,000	380,000	34,200	-	9,530	-	423,730	7%	2%
Chief Executive Officer & Chief Operating Officer	2018	365,700	-	365,700	28,500	-	31,570	-	425,770	7%	7%
Executives											
Mr Rohan Worland – Exploration Manager	2019	205,479	10,000	215,479	19,521	-	10,382	-	245,382	8%	4%
	2018	204,518	-	204,518	19,404	-	8,887	-	232,809	4%	4%
Total	2019	689,227	30,000	719,227	65,240	-	19,912	-	804,379	6%	2%
	2018	700,218	-	700,218	60,254	-	40,457	-	800,929	5%	5%

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

16. Remuneration Report – audited (continued)

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

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

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

Grant Date	Option life	Fair value per option	Option Exercise price	Share price on grant date	Expected volatility	Risk free interest rate
28 November 2017	2.67 years	\$0.0080	\$0.020	\$0.016	110%	2.140%
28 November 2017	3.66 years	\$0.0090	\$0.020	\$0.016	110%	2.300%
28 November 2017	4.67 years	\$0.0104	\$0.020	\$0.016	110%	2.355%
28 February 2018	3.00 years	\$0.0056	\$0.020	\$0.012	105%	2.135%
28 February 2018	4.00 years	\$0.0063	\$0.022	\$0.012	105%	2.280%
28 February 2018	5.00 years	\$0.0071	\$0.024	\$0.012	105%	2.405%

- B. The minimum value of the STI cash bonus is nil. The maximum value cannot be quantified as the STI cash bonus is at the Board's discretion.

16.3 Equity Instruments

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

16.3.1 Options over equity instruments granted as compensation

During 2018 the following options over ordinary shares in the Company were granted. Some grants remain unvested due to fulfilment of the service condition which requires continuous employment until the vesting date:

	Number of options granted	Grant date	Vesting date	Fair value per option at grant date	Exercise price per option	Expiry date	Number of options vested
Directors	-	-	-	-	-	-	-
Executives							
Mr Matthew Gill	1,500,000	28/11/2017	28/11/2017	\$0.0080	\$0.020	05/06/2020	1,500,000
	1,500,000	28/11/2017	01/06/2018	\$0.0090	\$0.020	31/05/2021	1,500,000
	1,500,000	28/11/2017	01/06/2019	\$0.0104	\$0.020	31/05/2022	1,500,000
Mr Rohan Worland	1,200,000	28/02/2018	28/02/2018	\$0.0056	\$0.020	28/02/2021	1,200,000
	1,200,000	28/02/2018	28/02/2019	\$0.0063	\$0.022	28/02/2022	1,200,000
	1,200,000	28/02/2018	28/02/2020	\$0.0071	\$0.024	28/02/2023	-

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

16.3.2 Exercise of options granted as compensation

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

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

16. Remuneration Report – audited (continued)

16.3.1 Analysis of movements in options

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

2019	Note	Held at 1 July 2018 (A)	Lapsed during year	Acquisitions during year (D)	Granted as compensa tion	Vested during year	Held at 30 June 2019 (B)	Vested and exercisable at 30 June 2019 (B)(C)
Non-Executive Directors								
Mr Brian Phillips	(i)	666,667	-	-	-	-	666,667	666,667
Mr Peter Lester	(ii)	636,693	-	-	-	-	636,693	636,693
Mr Ian Smith	(iii)	1,111,112	-	-	-	-	1,111,112	1,111,112
Mr Jeremy Gray		-	-	-	-	-	-	-
Mr Stephen Gorenstein		-	-	-	-	-	-	-
Executives								
Mr Matthew Gill	(iv)	9,255,556	1,400,000	-	-	1,500,000	7,855,556	7,855,556
Mr Rohan Worland	(v)	4,377,853	500,000	-	-	1,200,000	3,877,853	2,677,853

2018	Note	Held at 1 July 2017 (A)	Lapsed during year	Acquisitions during year (D)	Granted as compens ation	Vested during year	Held at 30 June 2018 (B)	Vested and exercisable at 30 June 2018 (B)(C)
Non-Executive Directors								
Mr Brian Phillips		-	-	666,667	-	-	666,667	666,667
Mr Stephen Gorenstein		-	-	-	-	-	-	-
Mr Peter Lester		-	-	636,693	-	-	636,693	636,693
Mr Ian Smith		-	-	1,111,112	-	-	1,111,112	1,111,112
Mr Jeremy Gray		-	-	-	-	-	-	-
Executives								
Mr Matthew Gill		4,200,000	-	555,556	4,500,000	3,000,000	9,255,556	7,755,556
Mr Rohan Worland		1,583,334	1,083,334	277,853	3,600,000	1,200,000	4,377,853	1,977,853

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

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

(C) Options held by key management personnel were vested and exercisable at 30 June 2019.

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

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

(i) 666,667 held indirectly through Thylacine Pty Ltd as trustee for the Brian Phillips Superannuation Fund.

(ii) 636,693 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.

(iii) 1,111,112 held indirectly through Anamas Nominee Holdings Pty Ltd ATF Anamas Family Trust.

(iv) 555,556 held indirectly by the M & C Gill Super Fund.

(v) 150,000 held indirectly through Worland Pty Ltd ATF Worland Super Fund. 50,001 held by Lynsey Jane Cuthbert.

White Rock Minerals Ltd

Directors' report (continued)

For the year ended 30 June 2019

16. Remuneration Report – audited (continued)

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

	Granted in year \$	Vested in the year \$ (A)	Value of options exercised in year \$	Lapsed in year \$ (A)
Non-Executive Directors				
Mr Brian Phillips	-	-	-	-
Mr Peter Lester	-	-	-	-
Mr Ian Smith	-	-	-	-
Mr Stephen Gorenstein	-	-	-	-
Executives				
Mr Matthew Gill	-	15,600	-	14,560
Mr Rohan Worland	-	7,560	-	5,500
	-	23,160	-	20,060

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

16.3.4 Analysis of movements in shares held by KMP

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

2019	Note	Held at 1 July 2018 (A)	Acquisitions	Sales	Held at 30 June 2019 (B)
Non-Executive Directors					
Mr Brian Phillips	(i)	5,333,334	-	-	5,333,334
Mr Peter Lester	(iii)	5,093,540	-	-	5,093,540
Mr Ian Smith	(iv)	8,888,890	-	-	8,888,890
Mr Stephen Gorenstein	(ii)	6,666,667	-	-	6,666,667
Executives					
Mr Matthew Gill	(v)	4,444,444	-	-	4,444,444
Mr Rohan Worland	(vi)	1,153,820	-	-	1,153,820

2018	Note	Held at 1 July 2017 (A)	Acquisitions	Sales	Held at 30 June 2018 (B)
Non-Executive Directors					
Mr Brian Phillips		4,000,000	1,333,334	-	5,333,334
Mr Peter Lester		3,820,155	1,273,385	-	5,093,540
Mr Ian Smith		6,666,667	2,222,223	-	8,888,890
Executives					
Mr Matthew Gill		3,333,333	1,111,111	-	4,444,444
Mr Rohan Worland		598,116	555,704	-	1,153,820

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

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

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

- (i) 5,333,334 held indirectly through Thylacine Pty Ltd as trustee for the Brian Phillips Superannuation Fund.
- (ii) 6,666,667 held indirectly through Gorra & Co Pty Ltd as trustee for the Stephen and Renee Gorenstein Family Trust.
- (iii) 5,093,540 held indirectly through PNS (Holdings) Pty Ltd ATF PNS Super Fund.
- (iv) 8,888,890 held indirectly through Anamas Nominee Holdings Pty Ltd ATF Anamas Family Trust.
- (v) 4,444,444 held indirectly by the M & C Gill Super Fund.
- (vi) 365,002 held indirectly through Worland Pty Ltd ATF Worland Super Fund. 166,002 held by Lynsey Jane Cuthbert.

White Rock Minerals Ltd
Directors' report (continued)
For the year ended 30 June 2019

16. Remuneration Report – audited (continued)

16.4 Other transactions with key management personnel

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

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

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

17. Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 65 and forms part of the Directors' report for the year ended 30 June 2019.

Dated at Melbourne this 30th day of September 2019.

Signed in accordance with a resolution of the Directors:

A handwritten signature in black ink, appearing to read 'P. Lester', with a stylized flourish extending to the right.

Peter Lester
Chairman

White Rock Minerals Ltd
Consolidated Statement of Financial Position
As at 30 June 2019

	Note	2019 \$	2018 \$
Current Assets			
Cash and cash equivalents	6	3,894,291	1,980,321
Trade and other receivables	7	1,275,893	1,008,409
Prepayments	8	123,581	171,915
Total current assets		5,293,765	3,160,645
Non-current assets			
Exploration and evaluation assets	9	17,911,031	15,501,192
Property, plant and equipment	10	340,145	383,902
Total non-current assets		18,251,176	15,885,094
Total assets		23,544,941	19,045,739
Current Liabilities			
Trade and other payables	11	3,391,547	1,472,234
Employee benefits		34,132	32,568
Total current liabilities		3,425,679	1,504,802
Non-current liabilities			
Trade and other payables	11	764,450	956,129
Employee benefits		17,408	15,219
Provision for rehabilitation	12	1,181,000	978,000
Total non-current liabilities		1,962,858	1,949,348
Total liabilities		5,388,537	3,454,150
Net assets		18,156,404	15,591,589
Equity			
Issued capital	13(i)	48,452,534	44,799,836
Reserves	13(iii)	794,635	408,116
Accumulated losses		(31,090,765)	(29,616,363)
Total equity		18,156,404	15,591,589

The notes on pages 38 to 63 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Net finance (expense)/income	14	(7,799)	46,991
Other income	15	844,420	-
Administrative expenses		(639,658)	(715,393)
Depreciation expense	10	(5,296)	(1,200)
Contract labour expenses	16	(767,352)	(659,620)
Employee benefits expense	17	(135,623)	(144,470)
Marketing expense		(233,023)	(244,007)
Impairment of assets	9	(549,786)	(926,797)
Foreign exchange loss		(30,345)	(67,785)
Loss before tax		(1,524,462)	(2,712,281)
Income tax (expense)/benefit	18	-	-
Total loss for the period after tax		(1,524,462)	(2,712,281)
Total comprehensive loss attributable to members of White Rock Minerals Ltd		(1,524,462)	(2,712,281)
Loss per share attributable to members of White Rock Minerals Ltd			
Basic and diluted loss per share (cents)	19	(0.09)	(0.28)

The notes on pages 38 to 63 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd
Consolidated Statement of Changes in Equity
For the year ended 30 June 2019

	Attributable to equity holders of the Company				
	Note	Issued capital	Reserves	Accumulated losses	Total equity
		\$	\$	\$	\$
Balance at 1 July 2017		41,552,890	306,443	(26,936,266)	14,923,067
Issue of ordinary shares		3,601,242	-	-	3,601,242
Transaction costs on share issue, net of tax		(354,296)	-	-	(354,296)
Share based payments transactions		-	133,857	-	133,857
Transfers from share based payment reserve		-	(32,184)	32,184	-
Total comprehensive loss for the period		-	-	(2,712,281)	(2,712,281)
Balance at 30 June 2018		44,799,836	408,116	(29,616,363)	15,591,589
Balance at 1 July 2018		44,799,836	408,116	(29,616,363)	15,591,589
Issue of ordinary shares and share options		3,830,444	416,667	-	4,247,111
Transaction costs on share issue, net of tax		(177,746)	-	-	(177,746)
Share based payments transactions		-	19,912	-	19,912
Transfers from share based payment reserve		-	(50,060)	50,060	-
Total comprehensive loss for the period		-	-	(1,524,462)	(1,524,462)
Balance at 30 June 2019		48,452,534	794,635	(31,090,765)	18,156,404

The notes on pages 38 to 63 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd
Consolidated Statement of Cash Flows
For the year ended 30 June 2019

	Note	2019 \$	2018 \$
Cash flows from operating activities			
Cash paid to suppliers and employees		(1,637,689)	(1,562,359)
R&D refund received		267,616	-
Interest received		38,090	38,238
Management fees received		510,056	-
Net cash (used in) operating activities	20	(821,927)	(1,524,121)
Cash flows from investing activities			
Exploration and evaluation payments		(3,784,485)	(1,798,939)
Acquisition of property, plant and equipment		(71,700)	(5,297)
Refund/(Investment) in Security Bonds		-	10,000
Net cash (used in) investing activities		(3,856,185)	(1,794,236)
Cash flows from financing activities			
Proceeds from issue of share capital		4,094,094	3,500,042
Sandfire funding received		6,092,290	-
Sandfire funding expended		(3,271,346)	-
Payments for transaction costs on issue of share capital		(179,496)	(298,372)
Red Mountain payments		(143,460)	(1,192,922)
Net cash from financing activities		6,592,082	2,008,748
Net increase/(decrease) in cash and cash equivalents		1,913,970	(1,309,608)
Cash and cash equivalents at beginning of the year		1,980,321	3,289,929
Cash and cash equivalents at year end	6	3,894,291	1,980,321

The notes on pages 38 to 63 are an integral part of these consolidated financial statements.

White Rock Minerals Ltd

Notes to the consolidated financial statements

For year ended 30 June 2019

1. Reporting entity

White Rock Minerals Ltd (the “Company”) is a Company domiciled in Australia. The address of the Company’s registered office is 12 Anderson Street West, Ballarat, Victoria, 3350. The financial statements of the Company as at and for the year ended 30 June 2019 comprise the Company and its controlled entities (together referred to as the “Group”). The Group is a profit orientated entity and primarily is involved in minerals exploration and evaluation in Australia and Alaska.

2. Basis of preparation

(a) Statement of compliance

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

The financial statements were approved by the Board of Directors on 30 September 2019.

(b) Basis of measurement

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

- Exploration and Evaluation Assets and Property Plant and Equipment where the historical cost has been written down in accordance with applicable accounting standard requirements;
- Share based payments as described in accounting policy note 3(h) and note 21.

Going concern

The Group recorded a loss after tax of \$1,524,462. The Group’s financial position as at 30 June 2019 was as follows:

- The Group had cash reserves of \$3,894,291;
- The Group’s current assets (excluding restricted cash of \$856,000 and rehabilitation security bonds of \$122,000) of \$4,315,765 exceeded current liabilities of \$3,425,679 by \$890,086;
- The Group is required to make future payments as described in note 11 over the periods set out in note 22 (iii). These liabilities are payable in United States Dollars and expose the Group to movements in the United States Dollar against the Australia Dollar as described in note 22 (iv);
- The Group’s main activity is exploration and as such it does not presently have a source of operating income, rather it is reliant on equity raisings or funds from other external sources to fund its activities; and
- Under the Cartesian Financing Package the Company may access, subject to certain conditions precedent, additional funding as set out in note 22 (iii).

Current forecasts indicate that cash on hand as at 30 June 2019 will not be sufficient to fund the planned exploration, studies and operational activities during the next twelve months. Accordingly, the Group will be required to secure additional funding in order to undertake the planned exploration, studies and operational activities.

The Group’s position as at 31 August 2019 was as follows:

- The Group had cash reserves of \$3,864,199;
- The Group had trade and other payables of \$2,963,323; and
- There have been no other material changes to the Group’s assets or liabilities or non-cancellable commitments since 30 June 2019.

On 30 September 2019 the Group announced a pro-rata, non-renounceable entitlement offer to eligible shareholders of 2 new fully paid ordinary shares for every 3 shares held together with 1 option for every 3 new shares exercisable at \$0.01 (1 cent) expiring 4 November 2022, to raise up to \$5.4 million (before costs) (Entitlement Offer). The Entitlement Offer closes on 30 October 2019.

In addition to being able to apply for new shares under the Entitlement Offer, eligible shareholders will also have the opportunity to apply for additional new shares and options in excess of their entitlement that are not subscribed for by other eligible shareholders under the Entitlement Offer.

The Directors have reserved the right to place any shortfall within three months of the close of the Entitlement Offer.

The Directors are confident that the Group will be able to secure sufficient funds under the Entitlement Offer or by other means to ensure that the Group can meet essential operational and expenditure commitments for at least the next twelve months. This includes maintaining the Group’s tenements in good standing and paying its debts, as and when they fall due.

Accordingly, the financial statements for the year ended 30 June 2019 have been prepared on a going concern basis as, in the opinion of the Directors, the Group will be in a position to continue to meet its essential operating costs and pay its debts as and when they fall due for at least twelve months from the date of this report.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

2. Basis of preparation (continued)

(b) Basis of measurement (continued)

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

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

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

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

3. Significant accounting policies

(a) Changes in accounting policies

The Group has adopted all mandatory new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 July 2018. The new, revised or amended standards or interpretations did not have a significant impact on the amounts or disclosures in the financial report. The revised, amended new standards (AASB 15 *Revenue from contracts with customers* and AASB 9 *Financial instruments*) did not have a material impact on the amounts or disclosures in the consolidated financial statements.

(b) Basis of consolidation

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

3. Significant accounting policies (continued)

(c) Financial instruments

Policy applicable before 1 July 2018

Non-derivative financial assets and financial liabilities – recognition and de-recognition

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

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

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

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

Policy applicable post 1 July 2018

Classification and measurement of financial assets and financial liabilities

AASB 9 *Financial instruments* contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under AASB 9 is generally based on the business model in which a financial assets is managed and its contractual cash flow characteristics. AASB 9 eliminates the previous AASB 139 categories of held to maturity, loans and receivable and available for sale.

AASB 9 largely retains the existing requirements in AASB 139 for the classification and measurement of financial liabilities.

The adoption of AASB 9 has not had a material impact on the Group's consolidated financial statements.

The following table and the accompany notes below explain the original measurement categories under AASB 139 and the new measurement categories under AASB 9 for each class of the Company's financial assets and financial liabilities as at 1 July 2018.

	Original classification under AASB 139	New classification under AASB 9
Financial assets (a)		
Cash and cash equivalents	Loan and receivables	Amortised cost
Trade and other receivables	Loan and receivables	Amortised cost
Financial liabilities (b)		
Trade and other payables	Other financial liabilities	Other financial liabilities

a. Non derivative financial assets that were classified as held-to-maturity and loan and receivables under AASB 139 are now classified at amortised cost.

b. AASB 9 largely retains the existing requirements in AASB 139 for the classification and measurement of financial liabilities. The adoption of AASB 9 has not had a significant effect on the Company's accounting policies related to financial liabilities as the Group does not hold any financial liabilities, except for trade payables noted above.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

3. Significant accounting policies (continued)

(d) Property, plant and equipment

(i) Recognition and measurement

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

(ii) Depreciation

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

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

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

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

(e) Exploration and evaluation

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

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

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

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

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

3. Significant accounting policies (continued)

(f) Impairment

(i) Non-derivative financial assets

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

Financial assets

Policy applicable post 1 July 2018

AASB 9 replaces the 'incurred loss' model in AASB 139 with an 'expected credit loss' (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investment at FVOCI, but not to investment in equity instruments. Under AASB 9, credit losses are recognised earlier than under AASB 139.

The Group has determined that the application of AASB 9's impairment requirements as at 1 July 2018 has not resulted in a material impact on the Groups consolidated financial statements.

Policy applicable before 1 July 2018

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

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

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

(ii) Non-financial assets

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

The carrying amount of Exploration and Evaluation Assets is assessed for impairment in accordance with accounting policy note 3(e).

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to dispose. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An asset or CGU's fair value less costs to dispose is the amount obtainable from sale in an arm's length transaction between knowledgeable, willing parties less estimated costs of disposal. A fair value measurement of a non-financial asset takes into account a market participants ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

3. Significant accounting policies (continued)

amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Employee benefits

(i) Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a

result of past service provided by the employee and the obligation can be estimated reliably. Amounts recognised as a liability include related on-costs, such as superannuation, workers compensation, insurance and payroll tax.

(ii) Other long term benefits

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

(h) Share based payments

(i) Employee share based payments

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

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

(ii) Non-employee share based payments

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

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

(i) Revenue

Policy applicable pre 1 July 2018

Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred or services have been provided to the buyer, recovery of the consideration is probable, the associated

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

3. Significant accounting policies (continued)

costs and possible return can be estimated reliably, there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably.

Policy applicable post 1 July 2018

AASB 15 *Revenue from contracts with customers* replaces AAASB 111 *Construction contracts* and AASB 118 *Revenue*. AASB 15 contains a new set of principles on when and how to recognise and measure revenue as well as new requirements relating to presentation and disclosures.

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

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

The financial impact of adopting AASB 15 from 1 July 2018 is not material and accordingly, there is no impact on the current or prior periods.

(j) **Tax**

(i) **Income taxes**

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

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

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

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

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

(ii) **Tax consolidation**

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

(iii) **Goods and services tax**

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

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

3. Significant accounting policies (continued)

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

(k) Finance income

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

(l) Other income

Research and Development tax income is recognised at a point in time once approved by the tax authority. Management fees income is recognised over time as management services are provided (refer note 9).

(m) Earnings per share

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

(n) Segment reporting

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

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

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

(o) Restoration and rehabilitation provision

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

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

(p) Presentation of financial statements

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

(q) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning on or after 1 July 2019. None of those standards are expected to have a material effect on the reported amounts and disclosures. The Group does not plan to adopt these standards early.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

4. Determination of fair values

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

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

Significant valuation issues are reported to the Board of Directors.

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

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

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

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

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

5. Segment reporting

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

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

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

The Group consists of two operating segments and operates in two geographic locations, Mt Carrington, New South Wales, Australia and Red Mountain, Bonnifield, Alaska, United States of America.

Note 9 contains details of exploration expenditure capitalised on each operating segment. With the exception of the write down of capitalised exploration during the year of \$549,786 which was attributable to the Mt Carrington segment (refer to note 9), foreign exchange losses of \$30,345, loss on the reassessment of the discount rate of \$20,259 and loss on unwinding of present value discount of \$25,667 attributable to the Red Mountain segment, no income or expenses were incurred by the operating segments. All other income and expenses incurred by the Group relate to corporate activities and are therefore unallocated to the operating segments.

6. Cash and cash equivalents

	2019 \$	2018 \$
Bank balances	3,894,291	1,980,321
Cash and cash equivalents	3,894,291	1,980,321

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

7. Trade and other receivables

	2019 \$	2018 \$
Current		
Other receivables (i)	419,893	152,409
Restricted cash (ii)	856,000	856,000
Total current trade and other receivables	1,275,893	1,008,409

(i) Other receivables include \$122,000 (2018: \$122,000) of cash lodged with the New South Wales Government as security over the Group's performance of its environmental rehabilitation obligations. Other receivables also include a Research and Development Refund of \$246,435, which was received subsequent to the end of the year.

(ii) Restricted cash is placed on deposit to secure bank guarantees in respect of obligations for environmental performance bonds issued in favour of the New South Wales Government. These deposits earn interest at an average rate of 2.1% per annum.

8. Prepayments

	2019 \$	2018 \$
Prepayments	123,581	171,915
Total prepayments	123,581	171,915

Prepayments include \$79,210 (2018: \$136,097) in relation to services from corporate advisors for future capital raisings which will be released to equity as a cost of capital raising or expensed to the income statement in future periods if the capital raising does not occur.

9. Exploration and evaluation assets

	2019 \$	2018 \$
Mount Carrington:		
Carrying amounts		
Balance at 1 July	9,631,098	9,528,127
Additions	618,623	1,029,768
Impairment of exploration assets (i)	(549,786)	(926,797)
Balance at 30 June	9,699,935	9,631,098
Red Mountain:		
Carrying amounts		
Balance at 1 July	5,870,094	4,307,547
Additions	2,341,002	2,692,663
Application of expenditure against future payment obligations	-	(1,130,116)
Balance at 30 June (ii) / (iii)	8,211,096	5,870,094
Total exploration and evaluation expenditure at cost	37,608,608	34,648,983
Total impairment losses	(19,967,577)	(19,147,791)
Total Balance at 30 June	17,911,031	15,501,192

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

9. Exploration and evaluation assets (continued)

- (i) The Group capitalises exploration and evaluation expenditure in accordance with accounting policy note 3(e). The Group is aware of facts and circumstances that indicate the carrying value of capitalised exploration and evaluation could exceed the recoverable amount of the Mount Carrington Cash Generating Unit (CGU) and accordingly performed an impairment assessment resulting in a write down.

An impairment expense is recognised when the carrying amount exceeds the recoverable amount. The recoverable amount of the Mount Carrington CGU was determined based on its Fair Value less Costs to Dispose (FVLCTD) using a level 2 valuation technique.

An impairment assessment was conducted as at 30 June 2019 which resulted in the write down of \$549,786.

Following the write down the carrying value of the Mount Carrington CGU comprising capitalised exploration and evaluation expenditure and associated property, plant and equipment was \$10,015,000.

The Mount Carrington CGU contains shallow Indicated and Inferred Resources of gold and silver. Mount Carrington is located 5km from the township of Drake in northern NSW and comprises a footprint of granted Exploration Licences across 183 square kilometres and includes a tailings dam, freshwater dam, site office, water treatment plant and access to grid power.

The FVLCTD assessment was based on information from a number of sources including previous valuations prepared for the Company. At 30 June 2018 a valuation was prepared by an independent expert on behalf of the Group which supports the Group's valuation adopted. Since the date of the experts report there have been no material changes that would result in a further reduction in the carrying value.

In estimating a value for the CGU, the Group focussed primarily on observable market transactions involving similar resources to those associated with the CGU, and the broader exploration foot print of tenements held by the Group, including identified exploration targets associated with the CGU.

The costs to dispose in respect of the FVLCTD assessment have been estimated based on prevailing market conditions, although would not be expected to be material in the context of the CGU's value.

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

- (ii) The Company acquired Atlas Resources Pty Ltd on 22 April 2016, which held an option to acquire 100% interest in the Red Mountain project. Under the terms of the Share Purchase Agreement, the Company acquired all of the shares and options in Atlas. In return for the Atlas shares and options the Company in 2016 issued 63,843,587 shares to Atlas shareholders and 6,384,359 options to Atlas option holders.

In May 2016 the Group exercised the option to acquire Red Mountain tenements paying \$US40,000 and agreeing to make the following payments.

- US\$50,000 in each of years ended 31 December 2016 and 2017 (which have to date been paid)
- US\$100,000 in year ended 31 December 2018 (which has to date been paid)
- US\$200,000 in year ending 31 December 2019
- US\$550,000 in in year ending 31 December 2020

In addition the Group was required to undertake exploration activities totalling US\$1,200,000 as follows:

- US\$100,000 in the year ended 31 December 2016
- US\$200,000 in the year ended 31 December 2017
- US\$300,000 in the year ended 31 December 2018
- US\$600,000 in the year ending 31 December 2019

Amounts spent in excess of the annual amount are allowed to be carried forward and applied against future years. During the 2018 financial year the Group's cumulative exploration expenditure exceeded the aggregate required amount. Accordingly, the liability was extinguished and amounts in excess were recognised as an exploration asset.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

9. Exploration and evaluation assets (continued)

If the Group does not make the remaining payments due, the terms of the contract provide that the asset is required to be returned to the vendor.

As payments are made for liabilities and obligations assumed, these amounts are applied against the related liability.

The terms of the agreement also provide that the vendor is entitled to a 2% Net Smelter Royalty (NSR) with the option to reduce to 1% by payment of US\$2,000,000. Any further obligations under the NSR are not required to be recognised as a liability as the Group is able to control whether or not amounts are paid.

(iii) On 10 July 2018 the Group granted Sandfire Resources NL (Sandfire) an option to earn an interest in the Red Mountain project of:

- 51% by spending \$6,000,000 within twelve months of exercising its option to earn in and a further \$14,000,000 over the following three years;
- 70% by undertaking the activities required to achieve a 51% interest and spending a further \$10,000,000 and completing a pre-feasibility study over a further two years;
- 80% by undertaking the activities required to achieve a 70% interest and sole funding completion of a definitive feasibility study if White Rock elects not to contribute;
- 90% by undertaking the activities required to achieve a 80% interest and sole funding development of the Project if White Rock elects not to contribute.

In the first year White Rock will manage the expenditure to be funded by Sandfire and will be entitled to a management fee of 10% of the funds spent by Sandfire.

During 2019 Sandfire provided White Rock:

- \$1,000,000 which was required to be spent on the Red Mountain project, which if Sandfire elected to earn into the Red Mountain project would be set off against the expenditure requirement of year one. In the event Sandfire did not elect to earn in to the Red Mountain project, the funds advanced were required to be repaid or settled with shares to the value of \$1,000,000
- \$5,094,309 which must be spent on the Red Mountain project.

On 27 December 2018 Sandfire exercised their option to earn into the project.

The group recognises amounts received under the agreement initially as a liability. As expenditure is undertaken or management fees are earned, the liability is reduced and management fee income recognised on the basis that White Rock is acting as an agent for Sandfire in their undertaking expenditure on the Red Mountain project and earns a management fee for doing so.

Of the total funds received (\$6,602,346):

- \$330,368 was recognised as management fee income
- \$179,688 was recognised as deferred management fee
- \$4,297,053 was spent and applied against the liability
- \$1,797,257 remains an outstanding liability

At 30 June 2019 Sandfire has not yet earned any interest in the Red Mountain project.

On 25 March 2019 the Group and Sandfire entered into an Earn-In and Joint Venture Agreement ('joint venture agreement') to formalise the earn in agreement. The joint venture agreement requires the formation of a limited liability company ('LLC') with Sandfire obtaining a 15% membership interest in the LLC once the following criteria has been met:

- The LLC has been formed and qualified to do business in Alaska (LLC incorporated post the year end);
- Preparatory steps have been completed including the signing of the Contribution and Operating Agreement by both parties;
- Red Mountain assets have been transferred to the LLC; and
- Sandfire has met the minimum contribution requirements of A\$6,000,000.

At 30 June 2019 the criteria had not been met and accordingly Sandfire did not have any interests beyond those referred to above.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

10. Property, plant and equipment

	2019			
	Land	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Cost				
Balance at 1 July 2018	29,044	1,467,903	74,954	1,571,901
Additions	-	71,700	-	71,700
Disposals	-	-	-	-
Balance at 30 June 2019	29,044	1,539,603	74,954	1,643,601
Depreciation and impairment losses				
Balance at 1 July 2018	18,002	1,095,043	74,954	1,187,999
Depreciation charged to the income statement	-	5,296	-	5,296
Depreciation capitalised to exploration projects	-	110,161	-	110,161
Disposals	-	-	-	-
Balance at 30 June 2019	18,002	1,210,500	74,954	1,303,456
Carrying amounts				
At 1 July 2018	11,042	372,860	-	383,902
At 30 June 2019	11,042	329,103	-	340,145

	2018			
	Land	Plant & Equipment	Motor Vehicles	Total
	\$	\$	\$	\$
Cost				
Balance at 1 July 2017	29,044	1,462,606	74,954	1,566,604
Additions	-	5,297	-	5,297
Disposals	-	-	-	-
Balance at 30 June 2018	29,044	1,467,903	74,954	1,571,901
Depreciation and impairment losses				
Balance at 1 July 2017	18,002	986,775	74,954	1,079,731
Depreciation charged to the income statement	-	1,200	-	1,200
Depreciation capitalised to exploration projects	-	107,068	-	107,068
Disposals	-	-	-	-
Balance at 30 June 2018	18,002	1,095,043	74,954	1,187,999
Carrying amounts				
At 1 July 2017	11,042	475,831	-	486,873
At 30 June 2018	11,042	372,860	-	383,902

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

11. Trade and other payables

	2019 \$	2018 \$
Current		
Trade payables	253,204	479,117
Accrued expenses	877,976	847,446
Other payables	2,845	11,914
Payments to settle acquisition of Red Mountain acquisition ⁽¹⁾	282,597	133,757
Deferred income ⁽²⁾	177,668	-
Payments received for future exploration obligations ⁽²⁾	1,797,257	-
	3,391,547	1,472,234
Non Current		
Payments to settle acquisition of Red Mountain acquisition ⁽¹⁾	764,450	956,129
	764,450	956,129
Total	4,155,197	2,428,363

⁽¹⁾As referred to in note 9 the Group is required to pay the following amounts at 30 June 2019:

- US\$200,000 in the year ending 31 December 2019
- US\$550,000 in the year ending 31 December 2020

The below table is a reconciliation of movements in the Red Mountain liabilities during the period ended 30 June 2019.

	2019 \$	2018 \$
Opening balance	1,089,886	1,118,796
Payments made	(143,460)	(62,806)
Foreign exchange loss	54,695	44,548
Reassessment of discount rate	20,259	(20,193)
Unwinding of present value discount	25,667	9,541
Total	1,047,047	1,089,886
Current	282,597	133,757
Non-current	764,450	956,129
Total	1,047,047	1,089,886

⁽²⁾ Deferred income are management fees received in advance for managing the Red Mountain project that were unearned at year end. Payments received in advance for future exploration obligations are funds received from Sandfire in connection with the Red Mountain project that have not yet been spent on exploration activities at year end. Refer to note 9 for further details.

12. Provision for environmental rehabilitation

	2019 \$	2018 \$
Opening balance	978,000	978,000
Provisions made during the year	203,000	-
Closing balance	1,181,000	978,000

The amount of the provision relates to the Mt Carrington project and has been determined with reference to the NSW Department of Trade & Investment (Resources & Energy) bond required to be lodged and is determined based on planned activities on the various tenements held by the Group.

The Group monitors environmental disturbance and updates its assessment where changes in planned rehabilitation techniques are identified or activities increase the size of the environmental remediation footprint.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

13. Equity

(i) Movements in issued capital:

	Date of issue	No of shares	Issue price (cents)	\$
Opening balance at 1 July 2018		1,256,738,404		44,799,836
Issue of Ordinary Shares – Sandfire Resources Ltd	11/07/2018	208,333,334	1.0	2,083,333
Capital Raising – Entitlement Shortfall funds received	19/07/2018	171,386,123	1.0	1,713,861
Issue of Ordinary Shares Receivable – Corporate Mandate (i)		-	-	33,250
Less costs associated with Capital Raisings		-	-	(177,746)
Closing balance at 30 June 2019		1,636,457,861		48,452,534

	Date of issue	No of shares	Issue price (cents)	\$
Opening balance at 1 July 2017		870,642,696		41,552,890
Issue of Ordinary Shares – Corporate Advisory	02/10/2017	1,100,000	1.5	16,500
Issue of Ordinary Shares – Corporate Mandate	13/12/2017	6,050,000	1.4	84,700
Issue of Ordinary Shares – Corporate Mandate (i)	13/12/2017	30,000,000	-	-
Capital Raising – Placement funds received	16/02/2018	3,461,539	1.3	45,000
Capital Raising – Placement funds received	28/03/2018	159,824,134	1.0	1,598,241
Capital Raising – Entitlement Issue received	26/04/2018	130,144,353	1.0	1,301,444
Capital Raising – Entitlement Shortfall funds received	27/04/2018	55,495,647	1.0	554,956
Issue of Ordinary Shares – Options conversion	29/06/2018	20,035	2.0	401
Less costs associated with Capital Raisings				(354,296)
Closing balance at 30 June 2018		1,256,738,404		44,799,836

- (i) In December 2017 the Group entered into an Equity Placement Agreement with the Kentgrove Capital growth fund. Under the facility Kentgrove are issued and hold shares to be sold at the discretion of White Rock. There shares were initially issued to Kentgrove for no consideration and any shares held at the end of the agreement must be returned to White Rock. If on instruction from White Rock the shares are sold by Kentgrove on the market, the proceeds net of commission percentage must be remitted by Kentgrove to White Rock. The agreement expires on 11 December 2020. During the year 4,750,007 White Rock Minerals shares held by Kentgrove Capital Growth Fund were sold resulting in proceeds of \$33,250.

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

13. Equity (continued)

(ii) Options on issue:

2019	Date of issue	No. options 1 July 2018	Issued/ (lapsed)	No. options 30 June 2019	Ex. price (cents)	Expiry date
Issue of options - consultant	31/03/2015	500,000	(500,000)	-	4.5	30/03/2019
Issue of options - consultant	13/04/2016	1,400,000	(1,400,000)	-	2.5	30/09/2018
Issue of options - consultant	13/04/2016	1,400,000	-	1,400,000	3.0	30/09/2019
Issue of options - consultant	13/04/2016	1,400,000	-	1,400,000	3.5	30/09/2020
Issue of options – Red Mountain	22/04/2016	6,384,359	-	6,384,359	3.5	22/04/2021
Issue of options - placement	21/07/2016	17,610,778	-	17,610,778	1.8	21/07/2021
Issue of options - consultant	06/09/2016	8,000,000	-	8,000,000	2.5	30/04/2020
Issue of options - placement	06/09/2016	40,081,529	-	40,081,529	1.8	20/07/2021
Issue of options - placement	06/09/2016	19,230,769	-	19,230,769	2.3	20/07/2021
Issue of options - placement	28/02/2017	57,692,307	-	57,692,307	1.8	28/02/2022
Issue of options - placement	28/02/2017	19,230,769	-	19,230,769	2.3	28/02/2022
Issue of options - consultant	31/03/2017	3,000,000	(3,000,000)	-	3.0	31/03/2019
Issue of options - consultant	31/03/2017	3,000,000	-	3,000,000	6.0	31/03/2020
Issue of options - consultant	28/11/2017	3,000,000	-	3,000,000	4.0	27/11/2019
Issue of options - consultant	28/11/2017	3,000,000	-	3,000,000	6.0	27/11/2020
Issue of options - director	28/11/2017	1,500,000	-	1,500,000	2.0	05/06/2020
Issue of options - director	28/11/2017	1,500,000	-	1,500,000	2.0	31/05/2021
Issue of options - director	28/11/2017	1,500,000	-	1,500,000	2.0	31/05/2022
Issue of options - consultant	13/12/2017	5,000,000	-	5,000,000	2.0	12/12/2020
Issue of options - consultant	13/12/2017	5,000,000	-	5,000,000	3.0	12/12/2020
Issue of options - consultant	13/12/2017	5,000,000	-	5,000,000	4.0	12/12/2020
Issue of options - executive	28/02/2018	1,200,000	-	1,200,000	2.0	28/02/2021
Issue of options - executive	28/02/2018	1,200,000	-	1,200,000	2.2	28/02/2022
Issue of options - executive	28/02/2018	1,200,000	-	1,200,000	2.4	28/02/2023
Issue of options – entitlement issue	26/04/2018	65,072,255	-	65,072,255	2.0	26/03/2021
Issue of options – entitlement issue	27/04/2018	27,727,789	-	27,727,789	2.0	26/03/2021
Issue of options – placement	11/05/2018	79,912,067	-	79,912,067	2.0	26/03/2021
Issue of options – Sandfire	11/07/2018	-	104,166,667	104,166,667	2.0	10/07/2021
Issue of options - entitlement issue	19/07/2018	-	85,693,062	85,693,062	2.0	26/03/2021
		380,742,622		565,702,351		

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

13. Equity (continued)

2018	Date of issue	No. options 1 July 2017	Issued/ (lapsed)	No. options 30 June 2018	Ex. price (cents)	Expiry date
Issue of options employees/directors	20/06/2013	1,166,667	(1,166,667)	-	5.5	31/05/2018
Issue of options - director	29/11/2013	833,334	(833,334)	-	4.5	31/05/2018
Issue of options - consultant	31/03/2015	500,000	(500,000)	-	4.0	30/03/2018
Issue of options - consultant	31/03/2015	500,000	-	500,000	4.5	30/03/2019
Issue of options - consultant	13/04/2016	1,400,000	-	1,400,000	2.5	30/09/2018
Issue of options - consultant	13/04/2016	1,400,000	-	1,400,000	3.0	30/09/2019
Issue of options - consultant	13/04/2016	1,400,000	-	1,400,000	3.5	30/09/2020
Issue of options – Red Mountain	22/04/2016	6,384,359	-	6,384,359	3.5	22/04/2021
Issue of options - placement	21/07/2016	17,610,778	-	17,610,778	1.8	21/07/2021
Issue of options - consultant	06/09/2016	8,000,000	-	8,000,000	2.5	30/04/2020
Issue of options - placement	06/09/2016	40,081,529	-	40,081,529	1.8	20/07/2021
Issue of options - placement	06/09/2016	19,230,769	-	19,230,769	2.3	20/07/2021
Issue of options - placement	28/02/2017	57,692,307	-	57,692,307	1.8	28/02/2022
Issue of options - placement	28/02/2017	19,230,769	-	19,230,769	2.3	28/02/2022
Issue of options - consultant	31/03/2017	3,000,000	-	3,000,000	3.0	31/03/2019
Issue of options - consultant	31/03/2017	3,000,000	-	3,000,000	6.0	31/03/2020
Issue of options - consultant	28/11/2017	-	3,000,000	3,000,000	4.0	27/11/2019
Issue of options - consultant	28/11/2017	-	3,000,000	3,000,000	6.0	27/11/2020
Issue of options - director	28/11/2017	-	1,500,000	1,500,000	2.0	05/06/2020
Issue of options - director	28/11/2017	-	1,500,000	1,500,000	2.0	31/05/2021
Issue of options - director	28/11/2017	-	1,500,000	1,500,000	2.0	31/05/2022
Issue of options - consultant	13/12/2017	-	5,000,000	5,000,000	2.0	12/12/2020
Issue of options - consultant	13/12/2017	-	5,000,000	5,000,000	3.0	12/12/2020
Issue of options - consultant	13/12/2017	-	5,000,000	5,000,000	4.0	12/12/2020
Issue of options - executive	28/02/2018	-	1,200,000	1,200,000	2.0	28/02/2021
Issue of options - executive	28/02/2018	-	1,200,000	1,200,000	2.2	28/02/2022
Issue of options - executive	28/02/2018	-	1,200,000	1,200,000	2.4	28/02/2023
Issue of options – entitlement issue	26/04/2018	-	65,072,255	65,072,255	2.0	26/03/2021
Issue of options – entitlement issue	27/04/2018	-	27,747,824	27,747,824	2.0	26/03/2021
Issue of options – placement	11/05/2018	-	79,912,067	79,912,067	2.0	26/03/2021
Exercise of options-entitlement issue	29/06/2018	-	(20,035)	(20,035)	2.0	26/03/2021
		181,430,512		380,742,622		

(iii) Movements in share option reserve (continued):

	\$
Opening balance at 1 July 2018	408,116
Issue of options (i)	416,667
Share based payments expensed	19,912
Options lapsed during the period	(50,060)
Closing balance at 30 June 2019	794,635
Opening balance at 1 July 2017	306,443
Share based payments granted	133,857
Options lapsed during the period	(32,184)
Closing balance at 30 June 2018	408,116

(i) Options issued to Sandfire Resources N/L as part of the Earn-In and Joint Venture agreement. Refer to note 9.

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

14. Finance income and expense

	2019 \$	2018 \$
Finance income – interest income on bank deposits	38,137	36,339
Reassessment of discount rate on long term liabilities	(20,259)	20,193
Unwinding of present value discount on long term liabilities	(25,677)	(9,541)
Net finance income	(7,799)	46,991

The reassessment of the discount rate is in relation to the long term liabilities referred to in note 11.

15. Other income

	2019 \$	2018 \$
Research & development tax refund	514,052	-
Management fees – Red Mountain project	330,368	-
Total other income	844,420	-

16. Contract labour expenses

	2019 \$	2018 \$
Contract labour expenses incurred	928,782	870,968
Contract labour expenses capitalised to exploration assets	(141,518)	(170,891)
Share based payments expense	(19,912)	(40,457)
Total contract labour expense	767,352	659,620

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

17. Employee benefits expense

	2019 \$	2018 \$
Wages and salaries incurred	241,289	288,153
Employee benefits expenditure capitalised to exploration assets	(109,419)	(159,677)
Increase in liability for annual leave	1,564	7,888
Increase in liability for long service leave	2,189	8,106
Total employee benefits expense	135,623	144,470

18. Income taxes

Income tax expense/(benefit) - Numerical reconciliation between tax expense and pre-tax accounting loss	2019 \$	2018 \$
Loss before tax for the period	(1,524,462)	(2,712,281)
Income tax benefit using the domestic corporation tax rate of 27.5%	(419,227)	(745,817)
Increase in income tax due to:		
Non-deductible expenses	56,857	11,126
Carried forward tax losses not recognised	362,370	734,751
Total income tax expense/(benefit) on pre-tax net loss	-	-

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

19. Loss per share

	2019 cents	2018 cents
Loss per share		
Basic (loss) per share – cents	(0.09)	(0.28)
Diluted (loss) per share – cents	(0.09)	(0.28)

(a) Basic loss per share

The calculation of basic earnings/(loss) per share (EPS) at 30 June 2019 was based on the loss attributable to ordinary equity holders of \$1,524,462 (2018 loss: \$2,712,281) and a weighted average number of ordinary shares outstanding during the period ended 30 June 2019 of 1,621,727,404 (2018: 937,510,052).

(b) Diluted loss per share

The calculation of diluted earnings/(loss) per share at 30 June 2019 and at 30 June 2018 is the same as basic earnings/(loss) per share. In accordance with *AASB133 – Earnings per share*, all options over issued capital of the Company have been excluded as it is not considered economic for holders to exercise their options during the current period based on the average market value of the Company's shares.

20. Reconciliation of cash flows from operating activities

	2019 \$	2018 \$
Cash flows from operating activities		
Loss before tax for the period	(1,524,462)	(2,712,281)
<i>Adjustments for non cash items:</i>		
Depreciation	5,296	1,200
Share based payments transactions (employees)	19,912	65,357
Impairment of assets	549,786	926,797
Reassessment of discount rate on long term liabilities	45,936	(10,652)
Foreign exchange loss	30,345	67,785
Operating loss before changes in working capital and provisions	(873,187)	(1,661,794)
(Increase)/decrease in trade and other receivables	(267,334)	8,734
Decrease in prepayments	48,334	7,522
Increase in trade and other payables	266,507	105,423
Increase in employee benefits	3,753	15,994
Net cash used in operating activities	(821,927)	(1,524,121)

21. Share based payments

Share based payments for the year ended 30 June 2019 comprise share based payments to employees and others providing similar services and share based payments to suppliers for goods, including non-financial assets, or services received.

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

(a) Share based payments to employees and others providing similar services

	2019 \$	2018 \$
Share based payments recognised in the income statement (i)	19,912	40,457
Total share based payments charge	19,912	40,457

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

21. Share based payments (continued)

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

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

	Grant date	Vesting date	No of options	Expiry date
Key management personnel (A)	28/11/2017	Vested on grant date	1,500,000	05/06/2020
Key management personnel (B)	28/11/2017	01/06/2018	1,500,000	31/05/2021
Key management personnel (C)	28/11/2017	01/06/2019	1,500,000	31/05/2022
Key management personnel (D)	28/02/2018	Vested on grant date	1,200,000	28/02/2021
Key management personnel (E)	28/02/2018	28/02/2019	1,200,000	28/02/2022
Key management personnel (F)	28/02/2018	28/02/2020	1,200,000	28/02/2023
Total			8,100,000	

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

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

	(A)	(B)	(C)	(D)	(E)	(F)
Fair value at grant date	\$0.0080	\$0.0090	\$0.0104	\$0.0056	\$0.0063	\$0.0071
Share price at date of grant	\$0.016	\$0.016	\$0.016	\$0.012	\$0.012	\$0.012
Exercise price	\$0.020	\$0.020	\$0.020	\$0.020	\$0.022	\$0.024
Expected volatility	110%	110%	110%	105%	105%	105%
Option life (years)	2.67	3.66	4.66	3.0	4.0	5.0
Risk free interest rate	2.140%	2.300%	2.355%	2.135%	2.280%	2.405%
Expiry date	05/06/2020	31/05/2021	31/05/2022	28/02/2021	28/02/2022	28/02/2023

(b) Share based payments to suppliers

	2019 \$	2018 \$
Share based payments to corporate advisors recognised in the income statement	-	24,900
Share based payments to corporate advisors associated with capital raisings (ii)	-	68,500
Total share based payments charge	-	93,400

22. Financial risk management and financial instruments

(i) Capital Management

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

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

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

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

22. Financial risk management and financial instruments (continued)

(ii) Credit risk

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

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

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

	Carrying Amount	
	2019	2018
	\$	\$
Cash and cash equivalents	3,894,291	1,980,321
Restricted bank cash deposits classified as other receivables	856,000	856,000
Trade other receivables	419,893	152,409
	5,170,184	2,988,730

(iii) Liquidity risk

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

(iii) Liquidity risk (continued)

The following are the contractual maturities of financial liabilities:

Amounts are due and payable							
Financial liabilities Group	Carrying amount \$ ⁽¹⁾	Contractual cash flows \$ ⁽¹⁾	Less than one year	1-2 years	2-3 years	3-4 years	4-5 years
2019							
Trade and other payables	4,155,997	(4,178,429)	(4,099,715)	(785,714)	-	-	-
	4,155,997						
2018							
Trade and other payables	2,428,363	(2,488,524)	(1,473,777)	(270,599)	(744,148)	-	-
	2,428,363						

⁽¹⁾ The difference between the carrying amount and contractual cash flows is due to the impact of discounting contractual cash flows to present value.

Contingent funding arrangements

Cartesian Financing Package

Under Phase II of the Cartesian Financing Package, in exchange for US \$19,000,000 it is intended that White Rock will deliver to Cartesian Royalty Holdings ("CRH") a gold stream of 20% of gold equivalent (cash, gold or gold credits, to be chosen at CRH's election) produced at the Mt Carrington Project over a period of 84 months, subject to a minimum delivery requirement of 40,000 ounces of gold equivalent. It is anticipated that the minimum delivery requirement may be adjusted on a pro-rata basis depending on whether a higher or lower stream investment is required pursuant to the definitive feasibility study.

It is intended that White Rock will also grant CRH a Net Smelter Return royalty of 1.75% of all gold and silver production from the Mt Carrington tenements once the Phase II gold delivery minimum of 40,000 ounces gold equivalent has been repaid.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

22. Financial risk management and financial instruments (continued)

Phase II is subject to a number of conditions including:

- successful completion of the definitive feasibility study on Mount Carrington, environmental impact statement and full permitting;
- White Rock's decision to proceed with the construction of the Mt Carrington Project and draw on the Phase II streaming investment;
- satisfactory completion of due diligence by CRH;
- acceptance of the mine plan and capital expenditure included in the definitive feasibility study by CRH;
- White Rock securing access to grid power for 100% of the project power needs; and
- negotiation and execution of definitive documentation for the Phase II transactions.

If the Phase II investment proceeds, it is intended that:

- White Rock will agree to pay CRH an establishment fee of 3% of the total Phase II investment amount (which at White Rock's election may be satisfied by the issue of White Rock shares); and
- the Phase II investment will be secured against White Rock and its interests in the Mt Carrington Project for the duration of the streaming investment (subject to any ASX or other regulatory requirements or restrictions).

In the event that White Rock materially breaches its exclusivity obligations, or receives alternative funding for the construction of the Mt Carrington project, White Rock will be required to pay to CRH a break fee of US \$1,500,000.

(iv) Market risk

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

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

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

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

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

The Group's exposure to assets and liabilities to US dollars at 30 June 2019 is set out below (Australian dollar equivalents):

	30 June 2019	30 June 2018
Reported exchange rate	0.70	0.74
Cash	3,176,906	168,920
Trade and other receivables	-	-
Trade and other payables	(3,021,972)	(1,089,886)
Total exposure	(154,934)	(920,966)

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

	30 June 2019		30 June 2018	
	Increase/(Decrease) in profit after income tax	Increase/(Decrease) in Equity	Increase/(Decrease) in profit after income tax	Increase/(Decrease) in Equity
Foreign exchange rates - 10%	(16,984)	(16,984)	(102,507)	(102,507)
Foreign exchange rates + 10%	13,896	13,896	83,870	83,870

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

22. Financial risk management and financial instruments (continued)

The Group also has exposure to market risk relating to interest rates applicable to the Group's cash and cash equivalents and restricted deposits. The Group's restricted deposits are held in term deposits which mature in less than 3 months with fixed interest rates. The term deposits are recognised at amortised cost and therefore not subject to interest rate risk. The effect of changes in interest rates at 30 June 2019 would not have a significant impact on the Group's financial results as largely all cash deposits have fixed interest rate terms.

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

(v) Impairment losses

None of the Group's receivables are past due.

(vi) Fair value

The financial assets and financial liabilities included in assets and liabilities approximate their fair values. The fair value of financial liabilities is determined using a discounted cash flow.

23. Commitments

(i) Exploration expenditure commitments

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

	2019 \$	2018 \$
Exploration expenditure commitments		
Mount Carrington		
Not later than one year	91,000	91,000
Later than one year but not later than five years	364,000	364,000
Later than five years	-	-
	2019 \$	2018 \$
Red Mountain		
Not later than one year	434,000	124,000
Later than one year but not later than five years	1,736,000	496,000
Later than five years	-	-

(ii) Capital commitments

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

(iii) Operating lease commitments

The Group's office facilities under an operating lease ceased in June 2019.

	2019 \$	2018 \$
Future minimum lease payments		
Less than one year	-	29,557
Between one and five years	-	-
More than five years	-	-

24. Contingencies

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

The Group's bankers have provided guarantees amounting to \$856,000 (2018: \$856,000) to certain government bodies as security over the Group's performance of rehabilitation obligations on certain tenements. Under the agreement, the Group has indemnified the bank in relation to these guarantees. The guarantees are backed by collateral deposits amounting to \$856,000 as at 30 June 2019 (2018: \$856,000). Provision for such environmental rehabilitation activities recorded by the Group are set out in note 12.

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

25. Key management personnel disclosures

The key management personnel compensation included in “Employee Benefits Expenses” (see note 17), “Contactor Labour Expenses” (see note 16) and “Exploration and Evaluation” (see note 9) are as follows:

	2019 \$	2018 \$
Short term employee benefits	719,227	700,218
Post-employment benefits	65,240	60,254
Options/Share based payments	19,912	40,457
Other long term benefits	-	-
	804,379	800,929

(a) Key management personnel compensation disclosures

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

26. Related parties

(a) Identity of related parties

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

(b) Key management personnel and director transactions

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

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

At 30 June 2019 the Company had the following outstanding balances payable for fees for services provided by key management personnel during the year ended 30 June 2019:

- Mr Matthew Gill \$32,850
- Mr Rohan Worland \$26,250

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

Jeremy Gray was appointed as a Non-Executive Director on 5 May 2017. Jeremy is also the Managing Partner of Cartesian Royalty Holdings Pte Ltd and was involved in the Cartesian Royalty Financing Package agreement entered into on 19 July 2016 referred to in note 22(iii). The agreement was on an arm’s length basis and there have been no further transactions with Cartesian Royalty Holdings Pte Ltd since Jeremy was appointed as a Non-Executive Director of White Rock Minerals Ltd.

27. Group entities

	Country of Incorporation	Ownership Interest	
		2019	2018
Parent entity			
White Rock Minerals Ltd	Australia		
Subsidiaries			
White Rock (MTC) Pty Ltd	Australia	100%	100%
White Rock (New England) Pty Ltd	Australia	100%	100%
Atlas Resources Pty Ltd	Australia	100%	100%
White Rock (RM) Inc	United States of America	100%	100%

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

28. Parent entity disclosures

As at, and throughout, the year ending 30 June 2019 the parent company of the Group was White Rock Minerals Ltd.

	2019 \$	2018 \$
Result of the parent entity		
Loss for the period	(5,326,902)	(4,391,209)
Other comprehensive income	-	-
Total comprehensive loss for the period	(5,326,902)	(4,391,209)
Financial position of the parent entity at year end		
Current assets	5,079,937	3,000,339
Total assets	13,927,216	12,041,436
Current liabilities	2,112,421	206,646
Total liabilities	2,129,829	221,865
Total equity of the parent entity comprising of:		
Share capital	48,452,534	44,799,836
Reserves	794,625	408,116
Accumulated losses	(37,449,782)	(33,388,381)
Total equity	11,797,387	11,819,571

Loss for the year ending 30 June 2019 of the parent company of the Group includes write-down of investments in and loans to subsidiaries of \$4,428,498 (2018: \$2,674,076).

Loans are made by the Company to its wholly owned subsidiaries. Loans outstanding between the Company and its subsidiaries have no fixed date of repayment but are repayable at call, and are non-interest bearing. As at 30 June 2019, such loans totalled \$20,171,229 (2018: \$17,108,834). At 30 June 2019, the parent company of the Group has recorded a provision of \$19,810,898 (2018: \$16,655,664) against loans outstanding from its subsidiaries.

Parent entity contingent liabilities

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

Parent entity commitments

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

29. Deed of cross guarantee

On 1 June 2016 the Company entered into a Deed of Cross Guarantee with its 100% owned Australian subsidiary White Rock (MTC) Pty Ltd. The Deed of Cross Guarantee when effected provides a guarantee by the Company over the liabilities of the White Rock (MTC) Pty Ltd. The Deed of Cross Guarantee was not in effect as at 30 June 2019 and does not take effect until the Deed is submitted by the Holding Entity (White Rock Minerals Ltd) to the Australian Securities and Investments Commission (ASIC). Subsequent to 30 June 2019 and up to the date of this report the Deed of Cross Guarantee together with other required certificates have not been lodged with ASIC.

30. Auditors' remuneration

	2019 \$	2018 \$
Auditors of the company - KPMG Australia		
Audit and review of financial statements	40,100	34,000
Other services	-	-

White Rock Minerals Ltd

Notes to the consolidated financial statements (continued)

For year ended 30 June 2019

31. Subsequent events

Rights issue

On 30 September 2019 the Group announced a pro-rata, non-renounceable entitlement offer to eligible shareholders of 2 new fully paid ordinary shares for every 3 shares held together with 1 option for every 3 new shares exercisable at \$0.01 (1 cent) expiring 4 November 2022, to raise up to \$5.4 million (before costs) (Entitlement Offer). The Entitlement Offer closes on 30 October 2019.

In addition to being able to apply for new shares under the Entitlement Offer Eligible shareholders will also have the opportunity to apply for additional new shares and options in excess of their entitlement that are not subscribed for by other eligible shareholders under the Entitlement Offer.

The Directors have reserved the right to place any shortfall within three months of the close of the entitlement offer.

Cartesian Royalty Holdings Pte Ltd options restructure

The Group has received a binding commitment from Cartesian Royalty Holdings Pte Ltd to take up its rights under the Entitlement Offer to the value of \$175,000.

In exchange for Cartesian's commitment, the Group has agreed, subject to shareholder approval, to cancel all of Cartesian's 153,846,154 existing options and issue 100,000,000 new replacement options with an exercise price of A\$0.01 (1 cent) and an expiry date of 31 December 2024. The terms of the current unlisted options held by Cartesian are as follows: 57,692,308 options with an exercise price of A\$0.018 and an expiry date of 20 July 2021, 19,230,769 options with an exercise price of A\$0.023 and an expiry date of 20 July 2021, 57,692,308 options with an exercise price of A\$0.018 and an expiry date of 28 February 2022 and 19,230,769 options with an exercise price of A\$0.023 and an expiry date of 28 February 2022.

White Rock Minerals Ltd

Directors' declaration

- 1 In the opinion of the directors of White Rock Minerals Ltd ("the Company"):
 - (a) the consolidated financial statements and notes and the Remuneration report, identified within the Directors' report, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- 2 The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2019.
- 3 The directors draw attention to Note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Dated at Melbourne this 30th day of September 2019

Signed in accordance with a resolution of the Directors:



Peter Lester
Chairman



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

To the Directors of White Rock Minerals Ltd

I declare that, to the best of my knowledge and belief, in relation to the audit of White Rock Minerals Ltd for the financial year ended 30 June 2019 there have been:

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

KPMG

Gordon Sangster
Partner
Melbourne
30 September 2019



Independent Auditor's Report

To the shareholders of White Rock Minerals Ltd

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of White Rock Minerals Ltd (the Company).

In our opinion, the accompanying Financial Report of the Company is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year ended on that date; and
- complying with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- *Consolidated statement of financial position* as at 30 June 2019;
- *Consolidated statement of comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows* for the year then ended;
- Notes including a summary of significant accounting policies; and
- *Directors' Declaration*.

The **Group** consists of the Company and the entities it controlled at the year-end or from time to time during the financial year.

Basis for Opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with *the Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 2(b), "Basis of measurement" in the Financial Report.

The conditions set forth in Note 2(b) indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the Financial Report. Our opinion is not modified in respect of this matter.

In concluding there is material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Group's assessment of going concern. This included:

- reading minutes of meetings of the Board of Directors and correspondence with the Group's advisors and potential investors to evaluate the feasibility, quantum and timing of additional fund raising opportunities in particular with reference to the Group's history of raising funds;
- evaluating the underlying data used to generate the cash flow projections for consistency with other information tested by us and our understanding of the Group's intentions;
- analysing cash flow projections by assessing planned levels of expenditure for consistency of relationships and trends to the Group's historical results, results since year end, the Group's planned activities and our understanding of the business, industry and economic conditions impacting our Group;
- comparing the forecast minimum expenditure levels for the Group to maintain operations in the event funding referred to in Note 2(b) does not eventuate to cash balances at period end and subsequent to period end up to the date of the Auditor's Report; and
- evaluating the Group's going concern disclosures in the Financial Report by comparing them to our understanding of the circumstances, the events or conditions incorporated into the cash flow projection assessment, the Group's plan to address those conditions, and accounting standard requirements. We specifically focused on the principle matters giving rise to the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the Key Audit Matter.

Carrying value of exploration and evaluation assets at Mount Carrington \$9,699,935 (2018: \$9,631,098)	
Refer to Note 9 to the Financial Report	
The key audit matter	How the matter was addressed in our audit
<p>The carrying value of exploration and evaluation assets for the Mount Carrington area of interest is a Key Audit Matter due to:</p> <ul style="list-style-type: none"> • the significance of the activity to the Group's business and the carrying value being approximately 38% of total Group assets; 	<p>Our procedures included:</p> <ul style="list-style-type: none"> • evaluating the scope of work, objectivity and competence of the Group's external expert engaged to value the area of interest; • reading the Group's external expert's report to check consistency of the valuation method applied with industry practice and accounting standard requirements;

<ul style="list-style-type: none"> the judgement applied by the Group in applying the fair value less cost of disposal valuation method to estimate the value of the Mount Carrington area of interest. In particular the judgement we exercised in evaluating the consistency of this valuation methodology applied by the Group's external valuation experts in their report to industry practice and accounting standards; the judgement we applied in evaluating comparable transactions used in valuing Mount Carrington; and the judgement we applied in evaluating other sources of information relevant to the valuation of the area of interest including the Group's internal valuations, broker valuations and previous offers to purchase the area of interest. 	<ul style="list-style-type: none"> challenging the Group's valuation of the Mount Carrington area of interest by comparing the valuation to: <ul style="list-style-type: none"> the range of valuations ascribed for Mount Carrington by brokers from publically available broker reports; previous offers to purchase the asset and our understanding of industry trends since, previous valuation reports prepared for the Group by its external valuation experts; and internal cash flow model's prepared by the Group; challenging comparable transactions against external information, including research reports; recalculating the impairment charge against the recorded amounts disclosed and comparing to the Group's accounting policy; and assessing the disclosures in the Financial Report using our understanding of the issue obtained from our testing and against the requirements of the accounting standards.
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Other Information

Other Information is financial and non-financial information in White Rock Minerals Ltd.'s annual reporting which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not and will not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- implementing necessary internal control to enable the preparation of a Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error

- assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of White Rock Minerals Ltd for the year ended 30 June 2019, complies with *Section 300A of the Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A of the Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2019.

Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with *Australian Auditing Standards*.



KPMG



Gordon Sangster
Partner
Melbourne
30 September 2019

White Rock Minerals Ltd

Additional shareholder information

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

a) Substantial shareholders of the Company as at 12 September 2019

Name of Ordinary Shareholder	Number of Shares	% of Shares Held
Sandfire Resources NL	208,333,334	12.73%
HSBC Custody Nom Aust Ltd	143,055,771	8.77%
Lan Michael Hsiau Yun	99,000,000	6.05%

b) Listing of 20 largest shareholders as at 12 September 2019

Rank	Name	Designation	Number of Shares Held	% of Issued Capital
1	Sandfire Resources NL		208,333,334	12.73%
2	HSBC Custody Nom Aust Ltd		143,576,208	8.77%
3	Lan Michael Hsiau Yun		99,000,000	6.05%
4	Avalon Ventures Corporation		80,000,000	4.89%
5	Suetone Pty Ltd	AK Shadforth Fam A/C	78,350,000	4.79%
6	Greenstone Property Pty Ltd		31,848,764	1.95%
7	Kentgrove Capital Pty Ltd	Kentgrove CapGrow A/C	25,249,993	1.54%
8	Leet Inv Pty Ltd		23,200,000	1.42%
9	Jetosea Pty Ltd		21,595,432	1.29%
10	Superfos Pty Ltd	Foster Family S/F A/C	20,000,000	1.22%
11	Quality Life Pty Ltd	Viking Fund A/C	20,000,000	1.22%
12	Morgan Colin SJ + MC	Morgan S/F A/C	20,000,000	1.22%
13	Leet Inv Pty Ltd	Super Fund A/C	18,000,000	1.10%
14	Lion Capital Advisory Pty Ltd		15,095,089	0.92%
15	Morgan Monique Cecilia		14,000,000	0.86%
16	Shadsuper Pty Ltd	Shad S/F A/C	13,500,000	0.82%
17	Yavern Creek Holdins Pty Ltd		12,000,000	0.73%
18	Viking Kwok Wai Kin		11,374,000	0.70%
19	Nirvana Now Pty Ltd	Ray Walker Family A/C	10,500,000	0.64%
20	Embl Pty Ltd	EJM Super Fund A/C	10,000,000	0.61%
Total			875,122,820	53.47%

c) Distribution of shareholders as at 12 September 2019

Range	Total Holders	Units	% of Issued Capital
1-1,000	453	172,401	0.01%
1,001-5,000	392	980,359	0.06%
5,001-10,000	170	1,314,976	0.08%
10,001-100,000	644	31,250,022	1.91%
100,001 - over	842	1,602,740,103	97.94%
Total	2,501	1,636,457,861	100.00%

d) Number of shareholders holding less than a marketable parcel as at 12 September 2019

1,491.

e) Voting rights

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

f) Stock exchange listing

White Rock Minerals Ltd is listed on the Australian Stock Exchange. The Company's ASX code is WRM.