



Quarterly Report - Activities

for the quarter ended 30 September 2019

Highlights

- White Cliff sold Aucu Copper-Gold project in Kyrgyz Republic to RTG Mining Inc
- Prioritising exploration projects focusing on Coronation Dam and Ghan Well nickel-cobalt projects
- Farm out of Ironstone Gold Project

1 Kyrgyz Republic Aucu Copper-Gold Project

During the September quarter, the Company executed a binding conditional offer for the sale of the Company's 90% interest in the Aucu Copper-Gold project in Kyrgyzstan, to RTG Mining Inc ("RTG"), for US\$2.65 million. (ASX release 6 September 2019). A deposit of US\$200,000 was paid upon signing of the binding conditional offer.

On 15 October 2019, shareholders approved the transaction with RTG at a general meeting. Completion of the transaction occurred on 23 October 2019 and the Company received the remaining US\$1.95 million cash and was issued 10,312,577 RTG shares (subject to 12 months escrow).

2 Coronation Dam, Ghan Well and Cogia Well Cobalt and Nickel Projects (WCN 100%)

Following a recent review of its WA projects, the Company is prioritising its exploration towards the Coronation Dam and Ghan Well Cobalt-Nickel Projects. As announced on 25 March 2019, the nickel and cobalt Inferred Mineral Resource at Coronation Dam, reported above a cut-off grade of 0.8% nickel, consists of **5.7 million tonnes** grading **1.0% nickel and 0.08% cobalt**, containing 56,700 tonnes of nickel and 4,300 tonnes of cobalt.

The main zone of mineralisation extends over 1.4 km north-south and 750 metres east-west. The vertical thickness of mineralisation ranges from several metres to a maximum of 70 metres. Mineralisation starts at surface and dips shallowly to the west. The bulk of the higher-grade mineralisation is concentrated within the centre of the deposit. The deposit has only been shallowly drilled in most areas and remains open along strike and at depth.

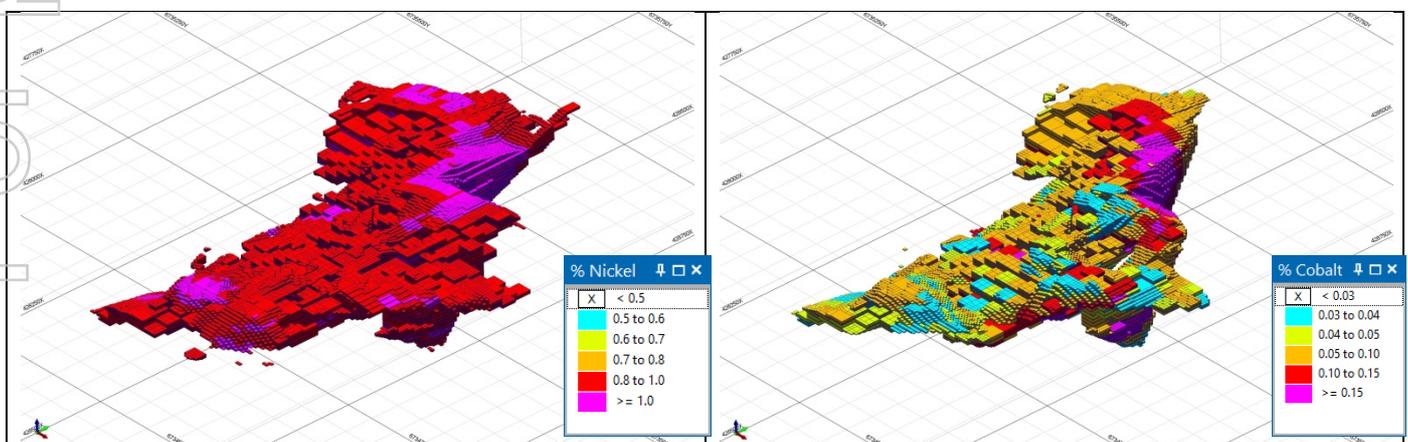


Figure 1: Oblique view looking north-west of the Inferred Mineral Resource blocks (nickel-left, cobalt-right) above a nickel cut-off grade of 0.8% nickel. Vertical exaggeration is set to 4.

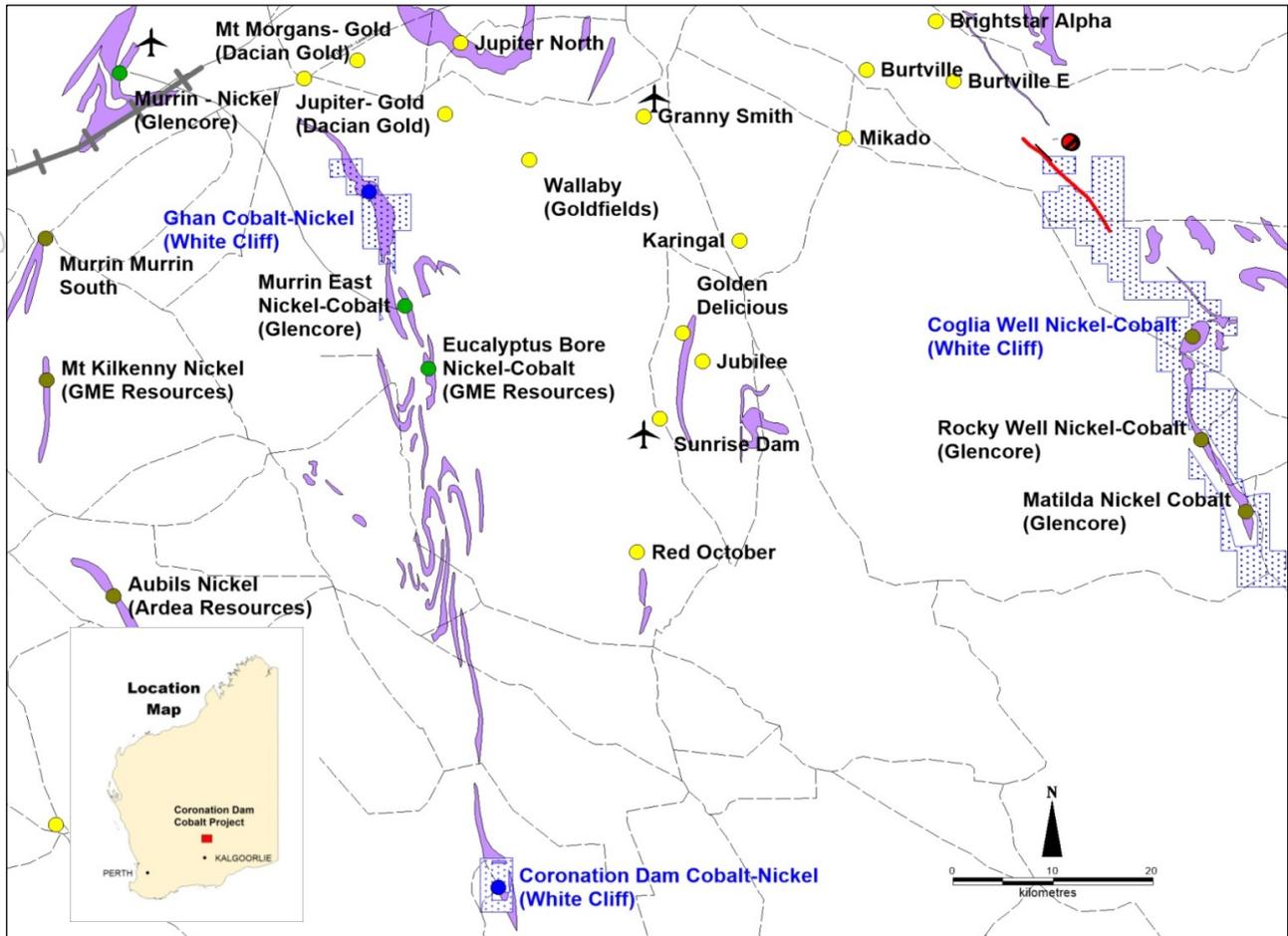


Figure 3: Location and infrastructure map of the Cogleia Well, Coronation Dam and Ghan Well nickel-cobalt projects. The area is serviced by rail, roads, towns, airports and Glencore’s nickel processing facility at Murrin Murrin.

3 Ironstone Gold Project

During the quarter the Company reported it has executed an agreement with Lorikeet Resources (WCM) Pty Ltd (“Lorikeet”), whereby Lorikeet could earn a 50% interest in E38/2693 (“Tenement”) by defining an Inferred Resources of 75koz of gold as defined under the 2012 JORC Code, within three years from the date of execution (“Agreement”).

Lorikeet has the ability to earn an additional 30% of the Tenement by defining an Indicated Resources of 100koz of gold as defined under the 2012 JORC Code, within five years from the date of execution of the Agreement. Lorikeet paid an option fee of \$15,000 cash to White Cliff.

Prior to a Decision to Mine, Lorikeet shall be responsible for the expenses associated with exploration and development, excluding any corporate, administrative and regulatory costs. Following a decision to mine, White Cliff may elect to contribute to its portion of the expenses associated with the development, or give notice electing to dilute its participating interest to a 3% Net Smelter Royalty on all minerals extracted and sold from the Tenement.

On 31 October 2019, Lorikeet served a notice to terminate the Agreement. As a result, the Company will retain 100% of the Tenement interest.

4 Tenement information

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
AP590	Chanach	Kyrgyz Republic	90%	-
E38/2484	Ironstone	Laverton	100%	-
E38/2552	Ironstone	Laverton	100%	-

E38/2693	Ironstone	Laverton	100%	Partial Surrender
E38/2877	Ironstone	Laverton	100%	Partial Surrender
E38/2847	Ironstone	Laverton	100%	
E63/1222	Lake Percy	Dundas	100%	Surrendered -
E63/1793	Lake Percy	Dundas	100%	-
E63/1716	Bremer Range	Dundas	100%	-
P63/1988	Bremer Range	Dundas	100%	-
P63/1989	Bremer Range	Dundas	100%	-
E63/1264	Bremer Range	Dundas	100%	-
E39/1479	Ghan Well	Laverton	100%	-
E39/1585	Red Flag	Laverton	100%	-
E31/1101	Coronation Dam	Leonora	100%	-

About White Cliff Minerals Limited

Cobalt-Nickel Projects:

Coronation Dam Cobalt Project (100%): The project consists of one tenement (16 km²) in the Wiluna-Norseman greenstone belt 90 km south of the Murrin Murrin nickel-cobalt HPAL plant. The tenement contains an Inferred Mineral Resource of **5.7 million tonnes at 1.0% nickel and 0.08% cobalt** above a cut-off grade of 0.8% nickel containing 56,700 tonnes of nickel and 4,300 tonnes of cobalt (ASX release 25 March 2019). Fresh rock, high grade nickel intersections, from the recent resource drilling, require testing with an electromagnetic survey across the ultramafic unit for potential nickel sulphide mineralisation.

Ghan Well Cobalt Project (100%): The project consists of one tenement (39 km²) in the Wiluna-Norseman Greenstone Belt, 25km southeast of the Murrin Murrin nickel-cobalt HPAL plant. The tenement contains an Inferred Mineral Resource of **1.3 million tonnes at 0.9% nickel and 0.07% cobalt** above a cut-off grade of 0.8% nickel, containing 11,700 tonnes of nickel and 900 tonnes of cobalt (ASX release 14 April 2019). Mineralisation is open along strike within an extensive ultramafic unit that contains zones of cobalt mineralisation associated with nickel mineralisation. Potential fresh rock nickel sulphide mineralisation remains untested.

Coglia Well Cobalt Project (100%): The project is made up of one tenement (E38/2693) in the Merolia Greenstone Belt 60 km south east of Laverton, Western Australia. The tenement contains extensive ultramafic units that host zones of lateritic cobalt and nickel mineralisation developed over an ultramafic unit. Drilling conducted by the Company has identified extensive nickel and cobalt grades including 17 metres at 0.11% cobalt and 1.0% nickel (ASX release 18 June 2018).

Bremer Range Cobalt Project (100%): The project covers 110.8 km² in the Lake Johnson Greenstone Belt that is prospective for basal contact nickel sulphide accumulation. Historic Electromagnetics data has been assessed and deemed ineffective at testing to the depth of Emily Ann and Maggie Hays nickel sulphide deposits.

Lake Percy Nickel Project (100%) The Lake Percy tenement, (E63/1793, covers the highly prospective Lake Johnston Greenstone Belt which hosts the Maggie Hays and Emily Ann Nickel Sulphide deposits 30km to the south.

Gold Projects:

Ironstone/Merolia Gold Project (100%): The project consists of 175 km² of the Merolia Greenstone belt consisting of the Ironstone, Comet Well and Burtville prospects. The project contains extensive basalt sequences that are prospective for gold mineralisation, including the Ironstone prospect where historical drilling has identified 24 m at 8.6 g/t gold. Numerous gold in soil anomalies and recent prospecting nugget finds broadly define a 22km long mineralised trend, known as the Comet Well Mineralised Trend (CWMT). RC drilling as part of the Joint Venture with Lorikeet Resources is currently underway within E39/2693.

Laverton Gold Project (100%): The project consists of one granted tenement (22 km²) in the Laverton Greenstone belt. The Red Flag prospect is located 20 km southwest of Laverton in the core of the structurally complex Laverton Tectonic zone immediately north of the Mt Morgan's Gold Mine (3.5 Moz) and 7 km northwest of the Wallaby Gold Mine (7 Moz).

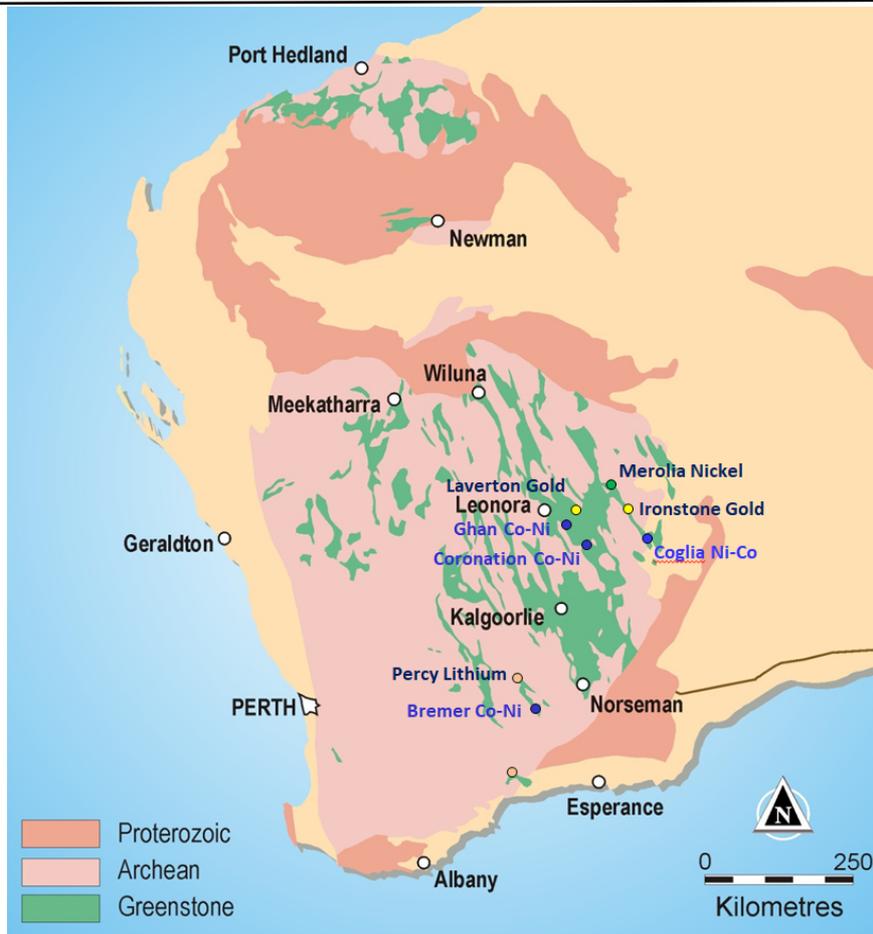


Figure 4: A regional geology and location plan of White Cliff Minerals Limited exploration projects in the Yilgarn Craton, Western Australia

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

WHITE CLIFF MINERALS LIMITED

ABN

22 126 299 125

Quarter ended ("current quarter")

30 September 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(291)	(291)
(b) development	-	-
(c) production	-	-
(d) staff costs	(26)	(26)
(e) administration and corporate costs	(100)	(100)
1.3 Dividends received	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other – (includes option fee received \$15,000 and GST refunds)	47	47
1.9 Net cash from / (used in) operating activities	(370)	(370)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
(c) investments	-	-
(d) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	259	259
(c) investments	-	-
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	259	259

3. Cash flows from financing activities	-	-
3.1 Proceeds from issues of shares		
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other – Return of Share Oversubscriptions	-	-
3.10 Net cash from / (used in) financing activities	-	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	369	369
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(370)	(370)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	259	259
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	1	1
4.6	Cash and cash equivalents at end of period	259	259

5.	Reconciliation of cash and cash equivalents at the end of the quarter to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	60	9
5.2	Call deposits	199	360
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter	259	369

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

37

Directors fees and wages of approximately \$20,875
 Company secretarial fees of approximately \$3,910
 Accounting and bookkeeping fees of approximately \$12,000

7. Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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8. Financing facilities available

Add notes as necessary for an understanding of the position

**Total facility amount
at quarter end
\$A'000**

**Amount drawn at
quarter end
\$A'000**

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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9. Estimated cash outflows for next quarter

\$A'000

9.1 Exploration and evaluation

150

9.2 Development

9.3 Production

9.4 Staff costs

35

9.5 Administration and corporate costs

110

9.6 Other (costs of disposal of Aucu Project)*

296

9.7 Total estimated cash outflows

591

*Costs of disposal of the Aucu Project were all paid as at the date of this report using proceeds of sale received from RTG.

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Mining exploration entity and oil and gas exploration entity quarterly report

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	E38/2693& E38/2877	Partial Surrender	100%	100%
		E63/1222	Surrendered	100%	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Director & Company Secretary

Date:

31 October 2019

Print name:

Nicholas Ong

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.