



White Cliff Minerals Limited

ABN 22 126 299 125

Half-Year Report
31 December 2021

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Corporate Information

Directors	Daniel Smith Nicholas Ong Ed Mead Michael Soucik Rob Sinclair
Company secretary	Nicholas Ong
Registered office and principal place of business	Level 8, 99 St Georges Terrace Perth, Western Australia 6000 Telephone: (08) 9486 4036 Facsimile: (08) 9486 4799 Website: www.wcminerals.com.au
Share registry	Computershare Investor Services Pty Ltd Level 11, 172 St George's Terrace Perth, Western Australia 6000
Auditors	HLB Mann Judd (WA Partnership) Level 4, 130 Stirling Street Perth, Western Australia 6000
Solicitors	Atkinson Corporate Lawyers Level 8, 99 ST Georges Terrace Perth, Western Australia 6000
ASX code	White Cliff Minerals Limited is listed on the Australian Securities Exchange (Shares: WCN, Options: WCNOE)

Directors' Report

Your Directors present their report on the Group consisting of White Cliff Minerals Limited ("White Cliff" or "the Company") and the entities it controlled during the half-year ended 31 December 2021.

Directors

The following persons were Directors of White Cliff during the whole of the period and up to the date of this report unless otherwise stated:

Michael Soucik – *Non-executive Chairman*
Nicholas Ong – *Non-executive Director*
Daniel Smith – *Non-executive Director*
Ed Mead – *Non-executive Director*
Rob Sinclair – *Non-executive Director*

Review of Operations

Exploration Summary

White Cliff controls tenement packages in Western Australia focusing on gold, copper, lithium and Rare Earth Elements (**REE**).

The Company is exploring several projects, namely the Reedy South Gold Project near Cue, the Midas copper-gold projects in the Paterson Province, the Yinnetharra Li/RE project in the Gascoyne region, the Diemals Li/REE project within the Southern Cross Belt, and the Ghan Well and Coronation Dam cobalt and nickel projects.

On 23 November 2021, the Company announced the acquisition of Magnet Resource Company Pty Ltd and Preston River Lithium Pty Ltd. The acquisition is complementary to the Company's own tenement applications and validates White Cliff's internal project generation, which targeted the right geological terrane, large land packages, and limited historical exploration. Combined with the Yinnetharra and Diemals projects, White Cliff will hold over 4,000km² of highly prospective lithium and rare earth tenure within proven jurisdictions and nearby to operating mines and/or recent discoveries. The acquisition of Magnet and Preston were completed on 28 February 2022.

Reedy South Gold Project (100%)

Project Overview

The Project covers 272km² of the highly prospective Cue goldfields, centred on the southern portion of the prolific Reedy Shear Zone, within the Meekatharra-Wyldgee greenstone belt (Figure 1). The Project comprises one granted mining lease (M20/446) covering the historic underground workings of Pegasus and King Cole, a granted exploration and prospecting license (E20/938 & P20/2289) and four exploration license applications (E20/969, E20/971, E20/972 & E20/974).

The Project is situated 40km north of Cue, via the Great Northern Highway and is 80km south of Meekatharra.

The Company announced a maiden mineral resource estimate (**MRE**) for the Reedy South Gold Project. The MRE, prepared by Auralia Mining Consultants, contains a JORC 2012 compliant resource of **779,000 tonnes at 1.7 g/t Au for 42,400 ounces of gold**. The Project is situated within the prolific Cue-Meekatharra gold district, home to Reedys (1.6moz) and Day Dawn

(2.6moz) gold deposits, with two mills operating within 60km of the Project. Following the preliminary due diligence, White Cliff believes in the potential of the current targets to host a regionally significant resource, particularly given the lack of systematic exploration. Historical exploration at the Reedy South Gold Project has been limited to surface prospecting, geochemistry, and broad spaced shallow drilling with exploration over the past decade constrained by funding.

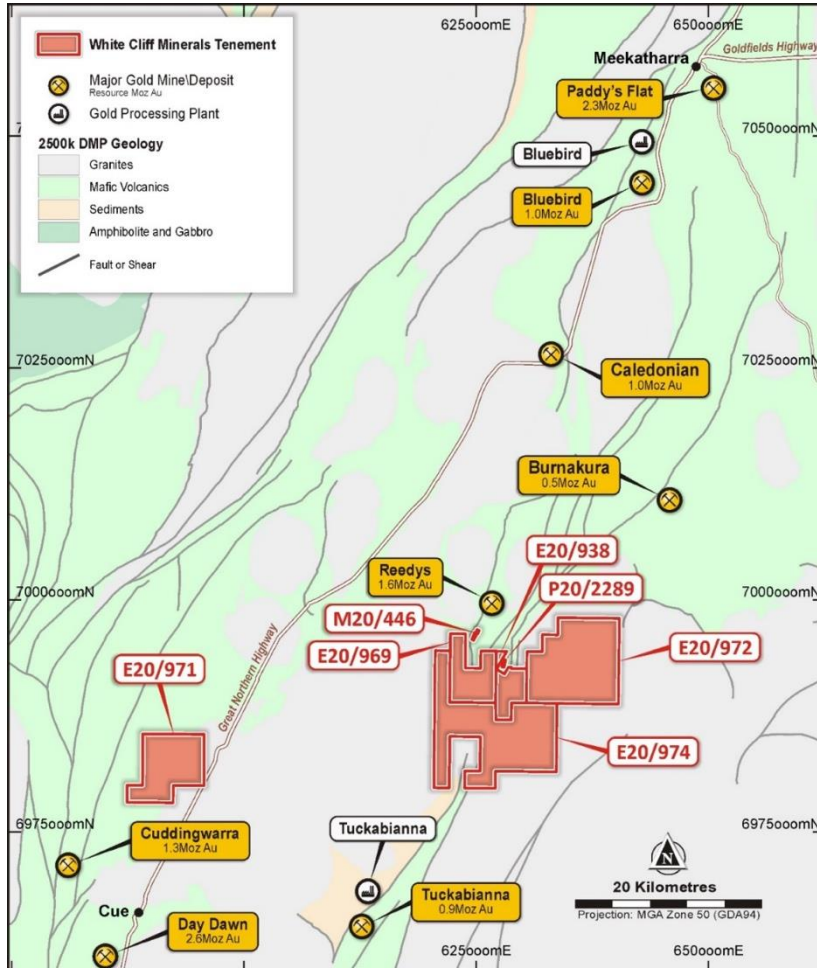


Figure 1: The Reedy South Gold Project Location

Soil Sampling and RC Drilling Programs

In July 2021, the Company announced the completion of a soil sampling program over the McCaskill Hill and Cracker Jack prospects and Pegasus deposit, which forms part of the Reedy South Gold Project. The sampling program highlighted several drilling targets.

Following the completion of a heritage survey at Cracker Jack and at McCaskill Hill in December 2021, a 74-hole, ~4,440m maiden reverse circulation (**RC**) drilling program was carried out at both prospects.

The close spaced soil geochemical sampling (lines 50m apart, samples 40m apart) within the Cracker Jack PL20/2289 prospect (Figure 2) tends to support the historical drilling which focused on the northern portion of the tenement. The gold responses both within Cracker Jack and McCaskill tend to be on the margins of the stronger magnetic responses caused by the banded

Iron Formations (**BIF**) consistent with the concept that mineralisation is along the rheology contrast of the BIF and surrounding mafics. This drilling target is highlighted in Figure 2.

A strike length of approximately 650m requires testing as weak gold anomalism occurs along the eastern margin of the BIF and the western margin of the eastern BIF is entirely untested.

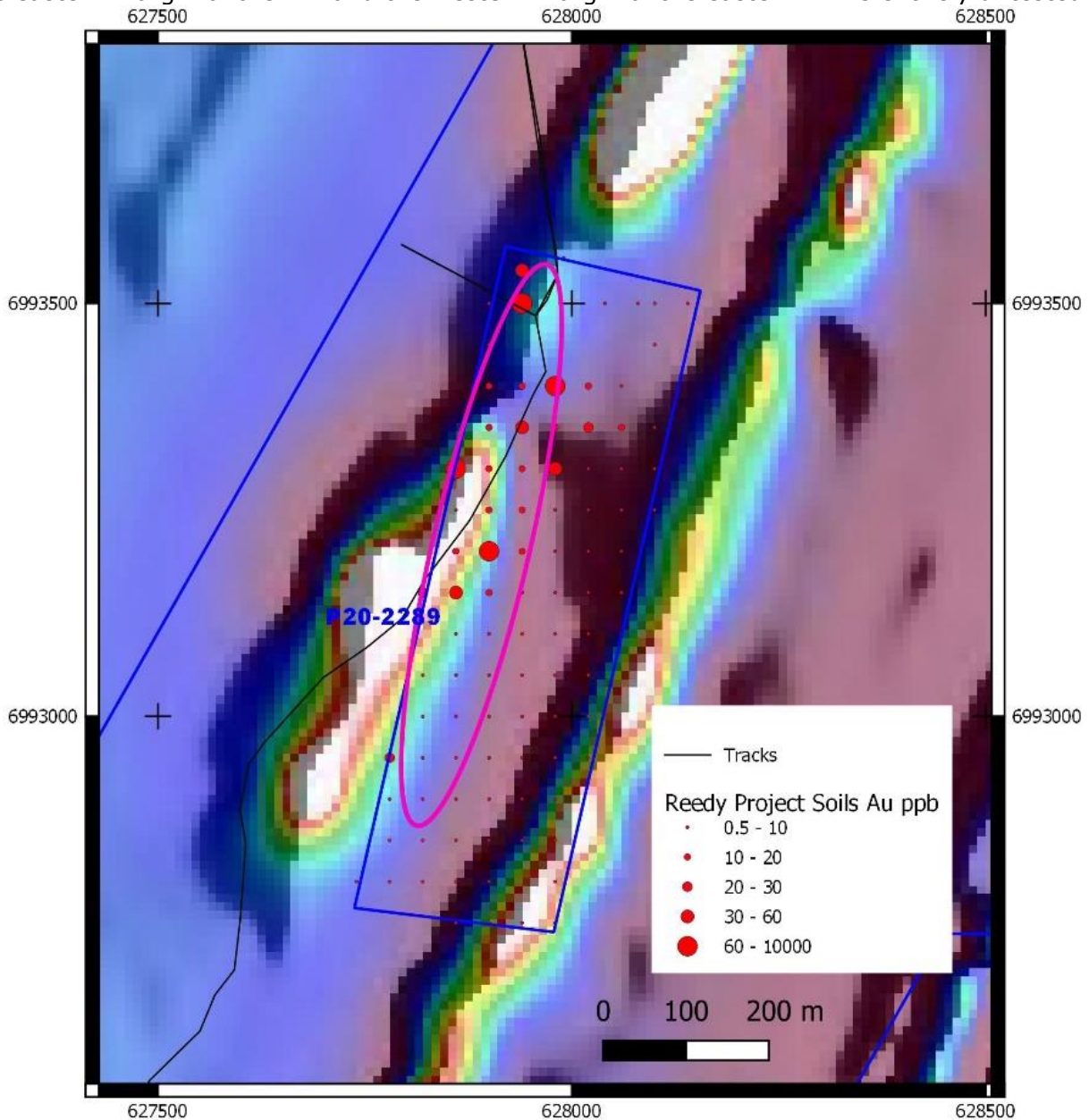


Figure 2: Cracker Jack prospect showing Initial Target Zone with Au geochemistry on RTP1VD magnetic data.

Mineralisation at McCaskill Hill is expected to be similar to Cracker Jack, which is thought to be controlled by quartz veining within the contact between BIF, mafics and ultramafics. Both areas are on the southern extension of the Burnakurra Shear Zone (BSZ), and shares geological similarities to the Reedy Shear Zone (**RSZ**).

A zone within the McCaskill Hill tenement soil samples shows a strongly elevated response for bismuth, molybdenum and tungsten but with negligible gold responses. This forms an entirely new northern target zone which covers elevated gold responses and the area of strongly elevated pathfinder elements in a zone where the BIF units show considerable disruption.

The maiden RC drilling program will target the area of strong gold responses along margins of the BIF units in the central area of McCaskill Hill and follow-up on the results from the RAB completed in by Gold Mines of Australia (WA) NL (**GMA**) where lesser response is shown by the gold geochemistry near the southern limits of the BIF units (Figure 3).

GMA data was partially tested by a RAB drilling program of 41 holes for 777m, being maximum depth of 20m or blade refusal. The best result from GMA drilling was 9m @ 1.54g/t from 8m to EOH in 94TTPH439 on the contact of the BIF (WAMEX A42903).

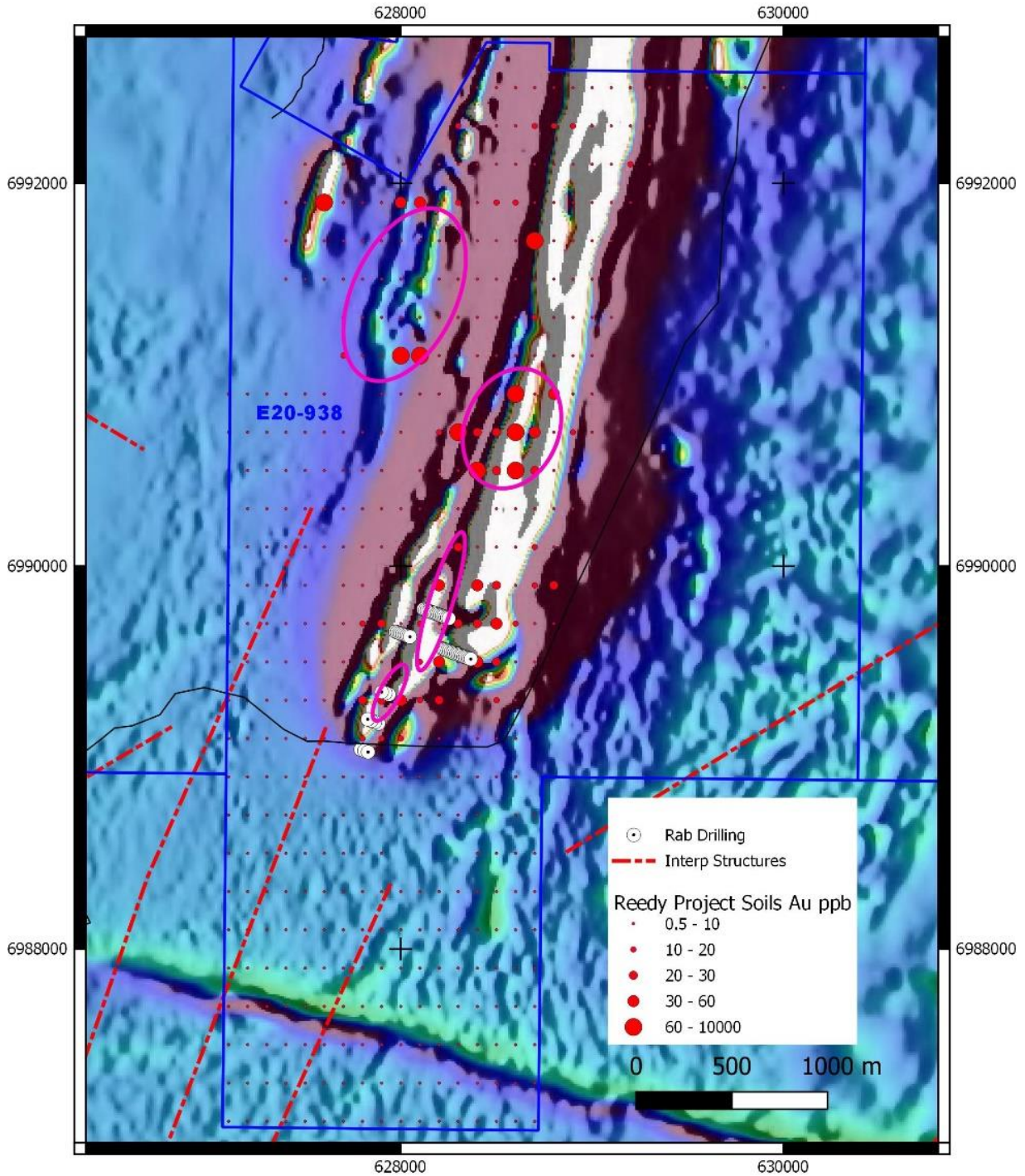


Figure 3: The McCaskill Hill prospect showing initial target zones with Au geochemistry on RTP1VD magnetic data.



Photograph 1: RC drill rig at the Cracker Jack prospect, part of the 100% owned Reedy South Gold Project.

Assay results from the RC drilling program are in transit to or have been delivered to ALS Laboratories in Perth for assay, with results expected in mid to late-March.

Lithium and Rare Earth Elements Projects

During half year, White Cliff's wholly owned subsidiary, Electrification Metals Pty Ltd, applied for 8 tenements prospective of lithium and REE covering ~3,000km² in Western Australia.

Yinnetharra - Li/REE (100% WCN) 574km²

Location and Tenure

The Yinnetharra Li/REE project consists of two tenement applications, E09/2628 and E09/2641, within the Gascoyne lithium region, located about 100km northeast of Gascoyne Junction and 85km south of Hastings Rare Earths (ASX:HAS) world-class Yangibana rare earths project (Figure 4).

Geological Setting

The project area is underlain by Durlacher Supersuite of the Mangaroon Orogeny consisting of multiple granitic intrusives, mainly the schistose Davey Well Granite, gneissic granites and schists. Multiple potentially REE bearing pegmatites of the Thirty Three Supersuite have been mapped within the area.

Exploration history and potential

Numerous lithium bearing pegmatites have been identified in the nearby Thirty Three Supersuite, a large northwest-southeast granite unit along the Ti Tree shear zone, known to host REE-bearing pegmatites in the basement. Arrow Minerals (ASX:AMD) uncovered rockchip results of up to 3.77% Li₂O at their Reid Well prospect at the Malinda Lithium project, 10km to the northwest of Yinnetharra. Rock chip samples collected by GSWA within E09/2628 reported strong responses in Cerium up to 332ppm as viewed on Geoview™.

In December 2021, a helicopter supported first pass field trip to Yinnetharra focusing on Li/REE elements has been completed and has identified numerous pegmatite dykes. The reconnaissance

trip to Yinnetharra took place over three days, with the Company targeting rock chip sampling from 14 sites, out of 20 targets areas identified through satellite imagery and historical sampling programs, such as carried out by GSWA.

The results returned from the randomly selected sites confirmed presence of pegmatites within all tenements visited and was a critical first step (refer to ASX announcement dated 11 January 2022). High-resolution air photography subsequently acquired by the Company has confirmed that there is a lot more sampling to be undertaken across a number of potential targets. White Cliff has now acquired high (0.5m) resolution WorldView-2, 3 and Geoeye-1 satellite data which will be used for planning for ongoing exploration for calendar year 2022.

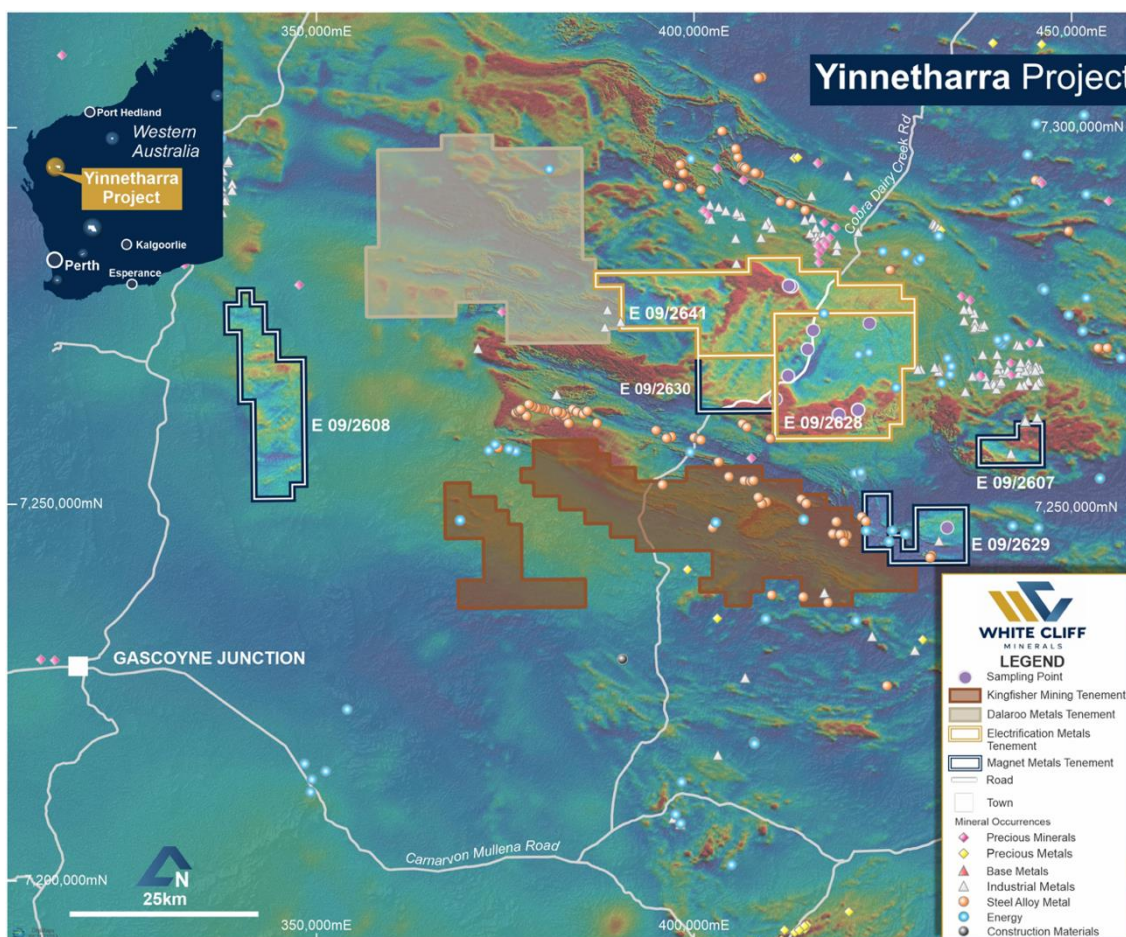


Figure 4: Yinnetharra (WCN 100%) Li/REE project, tenement location, including Magnet Resource' (Wabli Creek, Injinu Hills, Weedarra and Sandy Creek) with aeromagnetic data showing complexity of geology

Diemals - Li/REE (100% WCN) 2,427km²

Location and Tenure

The Diemals Li/REE project consists of 6 tenement applications, (E77/2880 to E77/2885) within the Southern Cross Belt, located 185km north of Southern Cross and 75km east of Paynes Find.

Geological Setting

The project area is underlain by deeply weathered granites west of the Southern Cross greenstone belt with recent reinterpretation of detailed aeromagnetic data by Nimy Resources suggesting the northern tip of the Forrestania greenstone belt terminates within the western tenement area.

Exploration history and potential

Large area located (Figure 5) near Diemals, located 185km north of Southern Cross and 75km east of Paynes Find. The area of the six tenements at Diemals (783 blocks) is effectively unexplored. Very strong Ce responses up to 1,860ppm in ferruginous lateritic material based on the laterite Geochemical database for the western Yilgarn Craton (YLA) published by the GSWA. Additional results suggest the responses are part of a westerly trending zone. The surface ferruginous concentration may represent REE mineralisation within the clay profile analogous to the inferred primary source of the clay hosted Koppamurra REE deposits held by AR3 Ltd in South Australia.

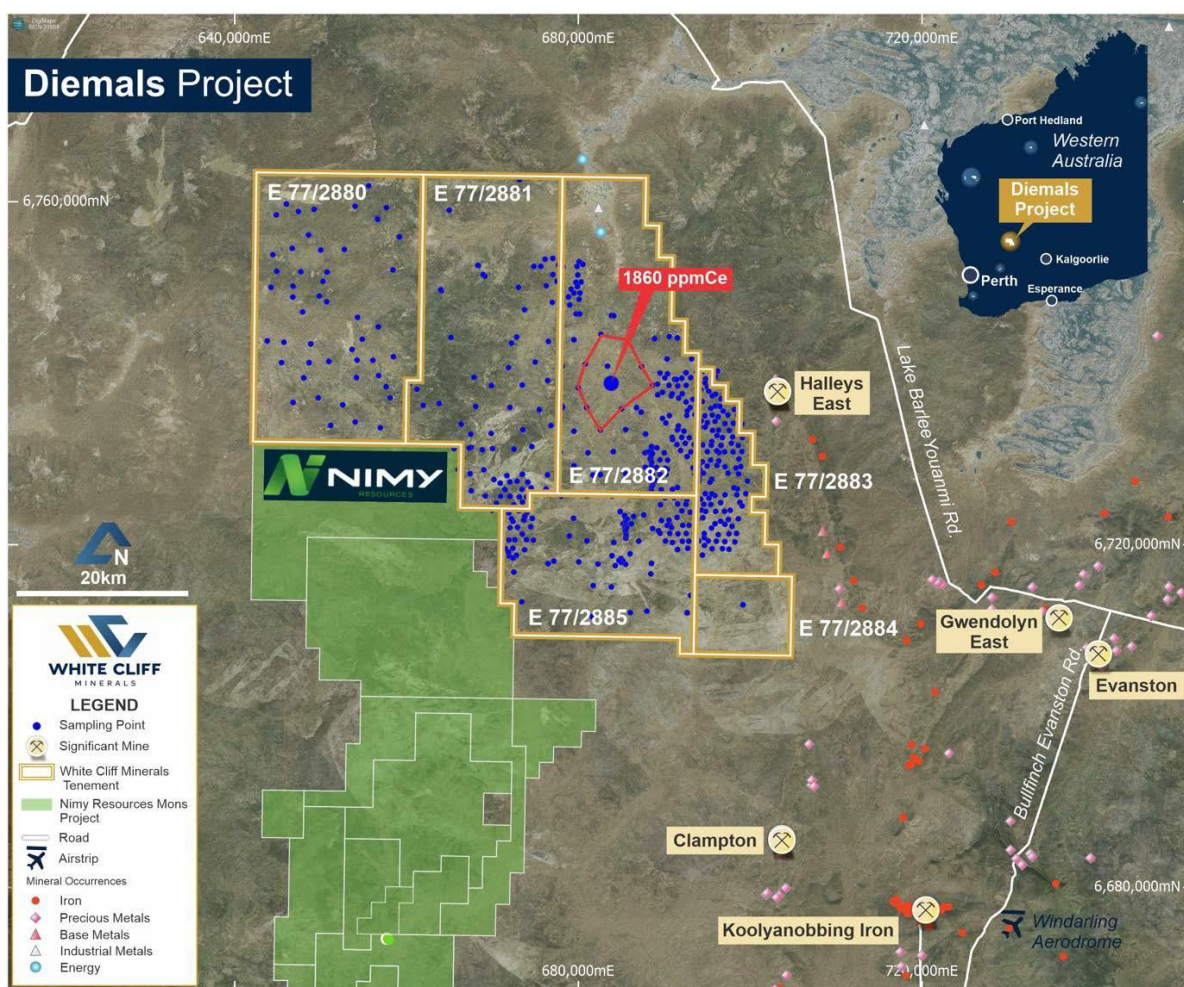


Figure 5: Diemals Li/REE project, tenement location, CSIRO sampling points and 1,860ppm Ce sample site for immediate follow up, and showing White Cliff tenement location relative to Nimy's Mons nickel sulphide project

Acquisition of Magnet and Preston River

On 23 November 2021, the Company announced the proposed acquisitions of Magnet Resource Company Pty Ltd (**Magnet**) and Preston River Lithium Pty Ltd (**Preston River**). The proposed acquisitions are complementary to the Company's own tenement applications and validates White Cliff's internal project generation, which targeted the right geological terrane, large land packages, and limited historical exploration. Combined with Yinnetharra and Diemals projects, White Cliff will hold over 4,000km² of highly prospective lithium and rare earth tenure within proven jurisdictions and nearby to operating mines and/or recent discoveries. The acquisitions of Magnet and Preston were completed on 28 February 2022.

Magnet Projects

Magnet holds one granted exploration license and six applications for exploration tenements in Western Australia (see Figure 6).

Injuni Hills (Application E09/2607)

The Injuni Hills project area is situated proximal to the Yinnietharra mineral field which contains numerous pegmatite bodies mineralised with tantalum and niobium and to a lesser extent uranium. Several companies have previously explored the Yinnietharra mineral field for lithium bearing pegmatites without success. However, the proximity of the project area to a field with numerous large pegmatite bodies bodes well for the discovery of lithium and / or Rare Earth Element mineralisation.

Initial exploration will comprise stream sediment geochemistry assaying for pegmatite elements including lithium and tantalum and also for Rare Earth Elements. This work will be followed up by gridded soil geochemistry if and as appropriate. This will be followed up by drill evaluation if required.

Weedarra (Application E09/2608)

The project area hosts no known mineralisation but is poorly explored, particularly for pegmatite minerals. Tantalum mineralisation does however occur and has previously been mined at Arthur River approximately 30 kilometres to the east of the project area. It is believed to be almost certain that the tenement area hosts pegmatite veins which may be mineralised with lithium and / or REE. The area remains essentially unexplored for these minerals and is considered to have considerable potential.

It is proposed that the tenement area first be evaluated by stream sediment geochemistry by assaying for pegmatite elements, particularly tantalum, caesium and lithium and also for REE. Any generated anomalies would be followed up by gridded soil geochemistry and thence, if applicable, by drill evaluation.

Sandy Creek (Application E09/2630)

The pegmatites occurring in the tenement area appear to be similar to those which host the REE, uranium, niobium and tantalum mineralisation at Wabli Creek approximately 20 kilometres to the southeast. A previous explorer has noted that the pegmatites often shed tantalite / columbite and beryl indicating that they are indeed mineralised. The area must therefore be considered to have significant potential for REE and other pegmatite minerals.

Initial exploration will focus on mapping and sampling of the known mapped pegmatites together with stream sediment sampling in an effort to locate further, unmapped mineralised pegmatites. This work will be followed up by gridded soil geochemistry in an effort to determine the size of the mineralised system and then by drilling where appropriate.

Wabli Creek (Application E09/2629)

The pegmatite within the excised area in the centre – north of the current tenement are known to contain up to 1% REE together with uranium, tantalum, niobium and tungsten. It is therefore reasonable to assume that at least some of the same swarm of pegmatites within the current project might also contain the same suite of elements in economic concentrations.

It is proposed that initial exploration will comprise stream sediment geochemistry and sampling of pegmatite outcrops where possible. This work will be followed up by gridded soil geochemistry and then by drilling if appropriate.

Gardner Range (Application E80/5684)

The Gardner Range project area contains sediments that are known to host unconformity – type uranium and REE mineralisation elsewhere in the region, most notably at Mount Mansbridge and Mount Mansbridge South to the immediate north of the tenement area. It is considered possible that similar REE mineralisations exist associated with the same unconformity in the tenement area. Available government radiometric data indicates radiometric anomalies similar to those occurring at Mount Mansbridge and Mount Mansbridge South within the tenement area.

It is proposed that exploration will commence with soil sampling on a wide grid in an effort to locate REE / uranium anomalies. If aeolian deposits prohibit soil geochemistry then a program of wide spaced auger drilling to bedrock is proposed. Any anomalies defined by the soil / auger geochemistry will then be drill tested.

Rat Hill (Application E46/1412)

Corundum is not usually an indicator of REE mineralisation but there are examples where corundum mineralisation is associated with high contents of the REE. Corundum has also been known to contain xenocrysts of REE minerals. It is therefore possible that the Rat Hill area might host significant REE mineralisation in close association with the corundum mineralisation. This possible association is 'left field' but the potential exists.

Initial exploration of the area will comprise mapping of the corundum occurrences and soil and rock chip geochemistry to determine if the corundum mineralisation is accompanied by REE mineralisation. This work will be followed up by drill evaluation if and as required.

Hines Hill (Granted E70/5875)

The project area contains two aeromagnetic anomalies which may be indicative of carbonatite intrusives. In addition, sampling by the GSWA in the Yilgarn craton defined a strong REE anomaly in the vicinity of the aeromagnetic anomalies. It is therefore believed that the project area may host previously unknown carbonatite intrusives with REE mineralisation potential.

Initial exploration should comprise auger drilling of each of the aeromagnetic anomalies in an effort to penetrate beneath the transported overburden. If this proves to be ineffective then it is recommended that aircore drillholes be completed into the magnetic anomalies.

Preston River

Preston River holds one application for an exploration tenement in Western Australia.

Preston River (Application E70/5871)

The Preston River tenement is situated only 30 kilometers north of the Greenbushes tin – tantalum – lithium field in similar geological terrane. In addition, the area has several major faults similar to those that seem to influence the siting of the mineralised Greenbushes pegmatites. It would therefore seem to be logical that the area is prospective for Greenbushes – type tin – tantalum – lithium mineralisation. The area has had only minimal previous exploration indicating considerable potential for mineralised pegmatites.

White Cliff proposed initial exploration will comprise stream sediment geochemistry focusing on pegmatite indicator elements, particularly caesium, tantalum and lithium, the three indicator elements for LCT-type pegmatites. This stream sediment geochemistry will be followed up by gridded soil geochemistry if and as required. Anomalies determined from the soil geochemistry will then be tested by drilling.



Figure 6: Yinnetharra, Diemals and other Li/REE Project location map in Western Australia

Corporate

Issue of Securities

On 2 December 2021, the Company issued 76,000,000 fully paid ordinary shares at \$0.012 per share to sophisticated investors raising \$912,000 before costs.

In February 2022, the Company issued 7,430,000 ordinary shares following conversion of 7,430,000 listed and unlisted options exercisable at \$0.015 each. The proceeds from exercise of options amount to \$111,450.

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On 28 February 2022, the Company announced the completion of the acquisitions of Magnet and Preston, resulting in the payment of an initial amount of \$75,000 and the issue of the following securities:

- 50 million fully paid ordinary shares (subject to 6 months voluntary escrow);
- 50 million unlisted options exercisable at \$0.035 each and expiring 30 June 2023;
- 10 Tranche 1 Performance Shares that, upon the First Milestone being met within 5 years of Completion, convert to that number of Shares which is the lesser of 29,166,666 Shares (being at an issue price of \$0.012) and the number determined by the following formula: Shares issued = \$350,000/10 Day VWAP; and
- 10 Tranche 2 Performance Shares that, upon the First Milestone being met within 5 years of Completion, convert to that number of Shares which is the lesser of 33,333,333 Shares (being at an issue price of \$0.012) and the number determined by the following formula: Shares issued = \$400,000/10 Day VWAP,

together, the (**Consideration Securities**). The issue of the Consideration Securities was approved by shareholders on 11 February 2022.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 15 and forms part of the directors' report for the half-year ended 31 December 2021.

This report is signed in accordance with a resolution of directors made pursuant to section 306(3) of the Corporations Act 2001.



Daniel Smith
Non-executive Director

Perth
15 March 2022

Competent Person Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Edward Mead, who is a member of the Australian Institute of Mining and Metallurgy. Mr Mead is a Director and consultant of the Company. Mr Mead has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Mead consents to the inclusion of this information in the form and context in which it appears in this report.

Exploration Results and Mineral Resource Reporting

The information in this report that relates to Mineral Resources is extracted from the following announcements: Maiden Gold Resource at Reedy South dated 29 October 2020.

The above announcements are available to view at <http://wcminerals.com.au/asx-announcements/>.

The Company is not aware of any new information that materially affects the information included in the above announcements relating to relating to Exploration Results and Mineral Resources and all material assumptions and technical parameters underpinning the exploration Mineral Resource estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from original market announcements

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of White Cliff Minerals Limited for the half-year ended 31 December 2021, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Perth, Western Australia
15 March 2022



L Di Giallonardo
Partner

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**Condensed Consolidated Statement of Profit or Loss and Other
Comprehensive Income
For the half-year ended 31 December 2021**

	Note	31 December 2021	31 December 2020
		\$	\$
Revenue			
Interest income		29	261
Other income		-	210,959
		29	211,220
Fair value (loss)/gain on financial assets	3	(252,767)	745,899
Consulting fees		(22,000)	(16,000)
Depreciation		(722)	(8,655)
Employee benefits		(21,238)	(62,004)
Exploration expenditure incurred		(395,373)	(620,693)
Foreign exchange losses		31,433	(77,779)
Other expenses		(191,530)	(201,121)
Share based payment expense	6	(22,472)	(1,011,430)
		(874,669)	(1,251,783)
Loss before income tax expense		(874,640)	(1,040,563)
Income tax benefit		-	-
Net loss for the period		(874,640)	(1,040,563)
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the period		(874,640)	(1,040,563)
		Cents	Cents
Basic and diluted loss per share (cents per share)		(0.17)	(0.21)

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

White Cliff Minerals Limited
ABN 22 126 299 125

Condensed Consolidated Statement of Financial Position
As at 31 December 2021

	Note	31 December 2021 \$	30 June 2021 \$
Current Assets			
Cash and cash equivalents		1,590,628	1,302,415
Financial assets held at fair value through profit or loss	3	557,908	858,016
Trade and other receivables		70,471	49,323
Prepayments		45,067	11,762
Total Current Assets		2,264,074	2,221,516
Non-Current Assets			
Plant and equipment		223	945
Exploration project acquisition costs	2	1,165,871	1,140,871
Total Non-Current Assets		1,166,094	1,141,816
Total Assets		3,430,168	3,363,332
Current Liabilities			
Trade and other payables		183,142	70,050
Deferred consideration	2	48,565	48,565
Total Current Liabilities		231,707	118,615
Non-current Liabilities			
Deferred consideration	2	42,989	92,989
Total Non-current Liabilities		42,989	92,989
Total Liabilities		274,696	211,604
Net Assets		3,155,472	3,151,728
Equity			
Issued capital	4	34,055,492	33,199,580
Reserves		1,664,593	1,642,121
Accumulated losses		(32,564,613)	(31,689,973)
Total Equity		3,155,472	3,151,728

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

White Cliff Minerals Limited
ABN 22 126 299 125

Condensed Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2021

	Issued capital \$	Accumulated losses \$	Reserves \$	Total equity \$
Opening balance as at 30 June 2021	33,199,580	(31,689,973)	1,642,121	3,151,728
Loss for the period	-	(874,640)	-	(874,640)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(874,640)	-	(874,640)
Shares issued during the year	912,000	-	-	912,000
Capital raising costs (cash)	(56,088)	-	-	(56,088)
Share based payments	-	-	22,472	22,472
Balance at 31 December 2021	34,055,492	(32,564,613)	1,664,593	3,155,472
Opening balance as at 30 June 2020	32,833,933	(29,679,481)	589,084	3,743,536
Loss for the period	-	(1,040,563)	-	(1,040,563)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(1,040,563)	-	(1,040,563)
Shares issued during the year	368,024	-	-	368,024
Capital raising costs (cash)	(3,300)	-	-	(3,300)
Share based payments	-	-	1,011,430	1,011,430
Balance at 31 December 2020	33,198,657	(30,720,044)	1,600,514	4,079,127

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

Condensed Consolidated Statement of Cash Flows
For the half-year ended 31 December 2021

	31 December 2021	31 December 2020
	Inflows/(Outflows)	Inflows/(Outflows)
	\$	\$
Cash flows from operating activities		
Interest received	30	261
Government grant receipts	-	10,000
Payments to suppliers and employees	(285,118)	(315,753)
Payments for exploration and evaluation	(286,385)	(668,331)
Net cash (outflow) from operating activities	(571,473)	(973,823)
Cash flows from investing activities		
Payments for tenement acquisitions	(75,000)	(488,201)
Proceeds from sale of tenements (net of disposal costs)	-	112,500
Proceeds from sale of equity investments	47,341	579,762
Net cash (outflow)/inflow from investing activities	(27,659)	204,061
Cash flows from financing activities		
Proceeds from the issue of securities	912,000	8,025
Capital raising costs	(56,088)	(3,300)
Net cash inflow from financing activities	855,912	4,725
Net (decrease)/increase in cash held	256,780	(765,037)
Cash at the beginning of the reporting period	1,302,415	2,150,887
Effects of exchange rate changes on cash held	31,433	(77,779)
Cash at the end of the reporting period	1,590,628	1,308,071

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

**Notes to the condensed consolidated financial statements
For the half-year ended 31 December 2021**

Note 1: Basis of preparation of interim report

Statement of compliance

This general purpose financial report for the interim half-year reporting period ended 31 December 2021 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001* and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 '*Interim Financial Reporting*'.

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by White Cliff Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Basis of preparation

The half-year report has been prepared on a historical cost basis, with the exception of equity instruments which are stated at fair value. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Going concern

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

Significant accounting judgments and key estimates

The preparation of half-year financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Note 1: Basis of preparation of interim report (cont)

In preparing this half-year report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group when compiling its annual 30 June 2021 financial statements.

Adoption of new and revised accounting standards

Standards and Interpretations applicable to 31 December 2021

In the half-year ended 31 December 2021 the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2021. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2021. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

Note 2: Exploration project acquisition costs

	Consolidated	
	Six months ended	Twelve months ended
	31 December 2021	30 June 2021
	\$	\$
Opening balance	1,140,871	222,486
Project acquisition costs (i)	-	990,325
Initial payment under acquisition agreement (ii)	25,000	-
Project disposal (iii)	-	(71,940)
Acquisition costs in respect of areas of interest in the exploration phase	1,165,871	1,140,871

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of the areas of interest.

(i) On 8 October 2020 the company completed the acquisition of the Reedy South Gold Project for a combination of cash consideration of \$550,000 (including deferred consideration of \$150,000) and the issue of 25 million shares valued at \$300,000. The deferred consideration is payable in \$50,000 instalments on the anniversary of completion for three years. During the period the first instalment of deferred consideration was paid. At balance date, the deferred consideration has a net present value of \$91,554 (30 June 2021: \$141,554).

On 8 October 2020 the Company completed the acquisition of tenements from Bonanza Resources Pty Ltd for consideration of the issue of 5 million shares valued at \$60,000 and reimbursement of costs.

Note 2: Exploration project acquisition costs (continued)

On 26 November 2020 the company completed the acquisition of the Cracker Jack Gold Project for cash consideration of \$29,206.

(ii) On 22 November 2021 the company signed an agreement to acquire a 100% interest in Magnet Resource Company Pty Ltd and Preston River Lithium Pty Ltd. The consideration is payable as follows:

- Cash of \$25,000 (plus GST) upon signing of the Acquisition Agreement and \$75,000 cash upon completion (plus GST). White Cliff has agreed to this payment which is predominately a re-imbusement of application fees, administration costs and the pre-payment of first year rents associated with the projects;
- 50 million fully paid ordinary shares (subject to 6 months voluntary escrow) and 50 million options exercisable at \$0.035 expiring 30 June 2023 to be issued upon approval at a meeting of shareholders (anticipated in Dec 2021);
- \$350k worth of WCN ordinary shares based on the greater of the then prevailing 10-day VWAP and a floor price (\$0.012) upon the Company receiving at least 10 rock-chip samples grading 1%+ lithium or minimum 800ppm Total Rare Earth Oxides (TREO) at any of the Magnet and Preston projects by no later than 5 years from completion; and
- \$400k worth of WCN ordinary shares based on the greater of then then prevailing 10-day VWAP and a floor price (\$0.012) upon achieving a drillhole intersection of greater than 10% lithium metre or 8,000ppm TREO metre by no later than 5 years from completion

(iii) On 17 December 2020 the Company completed the sale of the Merolia Gold Project for cash consideration of \$112,500 and 734,470 ordinary shares in Panther Metals PLC (valued at \$160,400 at the date of sale).

Note 3: Financial assets at fair value through profit or loss

	Six months ended 31 December 2021	Twelve months ended 30 June 2021
	\$	\$
RTG Mining Inc.		
Opening balance	685,830	1,392,198
Disposal of shares	(47,341)	(1,248,770)
Fair value (loss)/gain	(254,636)	542,402
Fair value at 31 December 2021	383,853	685,830
 Panther Metals PLC		
Opening balance	172,186	-
Panther Metals PLC shares received as consideration on sale of the Company's interest in the Meriolia Gold Project – at fair value	-	160,400
Fair value gain	1,869	11,786
Fair value at 31 December 2021	174,055	172,186
Total	557,908	858,016

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Note 4: Issued capital

	31 December 2021	30 June 2021
	\$	\$
(a) Ordinary shares issued		
593,196,399 (30 June 2021: 517,196,399) ordinary shares	34,055,492	33,199,580

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the parent entity, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

(b) Movements in ordinary shares

Date	Details	Number of shares	\$
30 June 2020		486,599,882	32,833,933
8 October 2020	Acquisition of Reedy South Project and Bonanza tenements	30,000,000	360,000
11 November 2020	Exercise of options	54,697	820
23 November 2020	Exercise of options	210,000	3,150
30 November 2020	Exercise of options	270,270	4,054
9 February 2021	Exercise of options	61,550	923
	Capital raising costs		(3,300)
30 June 2021		517,196,399	33,199,580
2 December 2021	Placement	76,000,000	912,000
	Capital raising costs		(56,088)
		593,196,399	34,055,492

Note 5: Options

	Number of options 31 December 2021	30 June 2021
(c) Options on issue		
Listed options exercisable at \$0.015 on or before 28 February 2024	291,272,071	291,272,071
Unlisted Options exercisable at \$0.015 expiring 31 January 2024	50,000,000	50,000,000
Unlisted options exercisable at \$0.047 each expiring 30 November 2023	45,000,000	45,000,000
	386,272,071	386,272,071

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(b) Movements in share options

	Number of options	
	Six months ended 31 December 2021	Twelve months ended 30 June 2021
Unlisted Gleneagle Series A Options to acquire ordinary fully paid shares at \$0.25 on or before 31 July 2020:		
Beginning of the period	-	5,000,000
Expired during the period	-	(5,000,000)
Balance at end of financial period	-	-
Unlisted Gleneagle Series B Options to acquire ordinary fully paid shares at \$0.25 on or before 31 July 2020:		
Beginning of the period	-	5,000,000
Expired during the period	-	(5,000,000)
Balance at end of period	-	-
Listed Options to acquire ordinary fully paid shares at \$0.015 on or before 28 February 2024:		
Beginning of the period	291,272,071	290,368,588
Issued during the year	-	1,500,000
Less: options exercised	-	(596,517)
Balance at end of period	291,272,071	291,272,071
Unlisted Options to acquire ordinary fully paid shares at \$0.045 on or before 30 September 2020:		
Beginning of the period	-	155,483,480
Issued during period	-	-
Expired during the year	-	(155,483,480)
Balance at end of period	-	-
Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.015 on or before January 2024 (see valuation details below)		
Beginning of the period	50,000,000	50,000,000
Issued during period	-	-
Balance at end of period	50,000,000	50,000,000

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(b) Movements in share options (cont)

	Number of options	
	Six months ended 31 December 2021	Twelve months ended 30 June 2021
Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.047 on or before 30 November 2023 (see valuation details below)		
Beginning of the period	45,000,000	-
Issued during period	-	45,000,000
Balance at end of period	45,000,000	45,000,000

Note 6: Share based payments

Share based payments consist of options and performance rights issued to directors and consultants. The expense is recognised in the Statement of Profit or Loss and Other Comprehensive Income and Statement of Changes in Equity over the vesting periods of the options and rights. The following share-based payment arrangements were in place during the current period:

Type	Number	Grant date	Expiry Date	Exercise price \$	Fair value
September 2020 Options	51,000,000	13/03/2019	28/02/2024	0.015	\$150,098 ¹
Director 2019 Options	50,000,000	27/11/2019	31/01/2024	0.015	\$186,375 ²
Director 2020 Options	45,000,000	30/11/2020	30/11/2023	0.047	\$988,957 ³
Broker Options	1,500,000	05/02/2021	28/02/2024	0.015	\$19,500 ⁴

¹ The September 2020 options were granted in respect to underwriting of the 2019 Rights Issue. The options vested immediately and the total value was recorded as a capital raising cost in the 2019 financial year.

² The Director 2019 options were granted to Messrs Ong and Smith including 10,000,000 options that were allocated to an unrelated nominee. The total value of \$186,275 is being expensed over the vesting period, with an amount of \$22,472 expensed in the current period.

³ The performance based incentive options were issued to directors during the year to 30 June 2021. These options vested immediately and the total value of \$988,957 was expensed in the 2021 year.

⁴ 1,500,000 quoted options were issued to brokers and valued using the option price of \$0.013 at grant date on 15 December 2020, being \$19,500. The total value of \$19,500 was expensed in the 2021 year.

Expensed during the current period:

	Consolidated
	2021
	\$
Director 2019 options	22,472
	22,472

Note 7: Contingent liabilities

There have been no changes in contingent liabilities since the last annual reporting period.

Note 8: Financial Instruments

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period. These equity instruments are valued using quoted prices in an active market.

The Directors consider that the carrying value of the current receivables and current payables are a reasonable approximation of their fair value.

Note 9: Subsequent events

In February 2022, the Company issued 7,430,000 ordinary shares following conversion of 7,430,000 listed and unlisted options exercisable at \$0.015 each. The proceeds from exercise of options amount to \$111,450.

On 28 February 2022, the Company announced the completion of the acquisitions of Magnet and Preston, resulting in the payment of a final amount of \$75,000 and the issue of the following securities:

- 50 million fully paid ordinary shares (subject to 6 months voluntary escrow);
- 50 million unlisted options exercisable at \$0.035 each and expiring 30 June 2023;
- 10 Tranche 1 Performance Shares that, upon the First Milestone being met within 5 years of Completion, convert to that number of Shares which is the lesser of 29,166,666 Shares (being at an issue price of \$0.012) and the number determined by the following formula: Shares issued = \$350,000/10 Day VWAP; and
- 10 Tranche 2 Performance Shares that, upon the First Milestone being met within 5 years of Completion, convert to that number of Shares which is the lesser of 33,333,333 Shares (being at an issue price of \$0.012) and the number determined by the following formula: Shares issued = \$400,000/10 Day VWAP,

together, the **Consideration Securities**. The issue of the Consideration Securities was approved by shareholders on 11 February 2022.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory and professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance as represented by the results of its operations, changes in equity and its cash flows for the half-year ended 31 December 2021; and
- (b) there are reasonable grounds to believe that White Cliff Minerals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to S305 (5) of the *Corporations Act 2001*.



Daniel Smith
Non-executive Director

Perth
15 March 2022

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of White Cliff Minerals Limited

Report on the Half-year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of White Cliff Minerals Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2021, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of White Cliff Minerals Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the company in accordance with the auditor independence requirements of 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the directors for the financial report

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

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Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2021 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
15 March 2022



L Di Giallonardo
Partner

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