



White Cliff Minerals Limited

ABN 22 126 299 125

Half-Year Report
31 December 2022

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Contents

Corporate information	3
Directors' report	4
Auditor's independence declaration	11
Condensed consolidated statement of profit or loss and comprehensive income	12
Condensed consolidated statement of financial position	13
Condensed consolidated statement of changes in equity	14
Condensed consolidated statement of cash flows	15
Notes to the condensed consolidated financial statements	16
Directors' declaration	24
Independent auditor's review report	25

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Corporate Information

Directors	Daniel Smith Nicholas Ong Ed Mead 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 2022.

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* (resigned 14 February 2023)

Nicholas Ong – *Non-executive Director*

Daniel Smith – *Non-executive Director*

Ed Mead – *Non-executive Director*

Rob Sinclair – *Non-executive Director*

Review of Operations

In Western Australia, the Company is exploring several projects with a primary focus on lithium and rare earth elements (**REE**). It also has Reedy South Gold Project, the Midas copper-gold project, and the Ghan Well and Coronation Dam cobalt and nickel projects (**Figures 1 and 2**).



Figure 1: White Cliff Minerals' Lithium and REE Projects Map



Figure 2: White Cliff Minerals' Gold, Copper and Nickel Projects Map

Yinnetharra - REE/Li Project

The Yinnetharra REE/Li project consists of six tenements (**Figure 3**), 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. The 6 tenements that make up the Yinnetharra Project are Yinnetharra (E09/2628), Minga Well (E09/2641), Wabli Creek (E09/2629), Injinu Hills (E09/2609), Weedarra (E09/2608) and Sandy Creek (E09/2630).

Lithium and REE's are being targeted within the project area, with recent results returning positive results for REE's. During the half year, White Cliff have completed rock chip and geochemical soil sampling programs. We have expedited some samples that looked encouraging, with returned assays up to 924ppm TREO for rock chips and a high background in soils of ~150ppm TREO (refer to ASX announcement dated 7 November 2022). Post the half year period, White Cliff announced the highest REE assay result of 3,912ppm TREO (with 26% being MREO) and lithium results up to 400ppm in the north west of the project indicate it is getting closer to potential lithium bearing pegmatites within a sedimentary sequence (refer to ASX announcement dated 15 February 2023).

In consultation with Southern Geoscience Consultants (SGC), the importance of having high resolution data has been confirmed as critical to locating outcropping mineralisation. The current dataset is regional 400m spaced, and with 574km² of tenements we recognise we have reached

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the limit of this dataset. A high resolution magnetic and radiometric survey at 50m spacing covering the entire project area is to start shortly and will form the basis of upcoming field trips.

The benefit of the work to date, is that the rock chip assays can be used to calibrate the radiometric data and will further assist targeting. Another aim of the survey is to target pegmatites in the northern part of Yinnetharra, for lithium, where explorers to the north of us are having success.

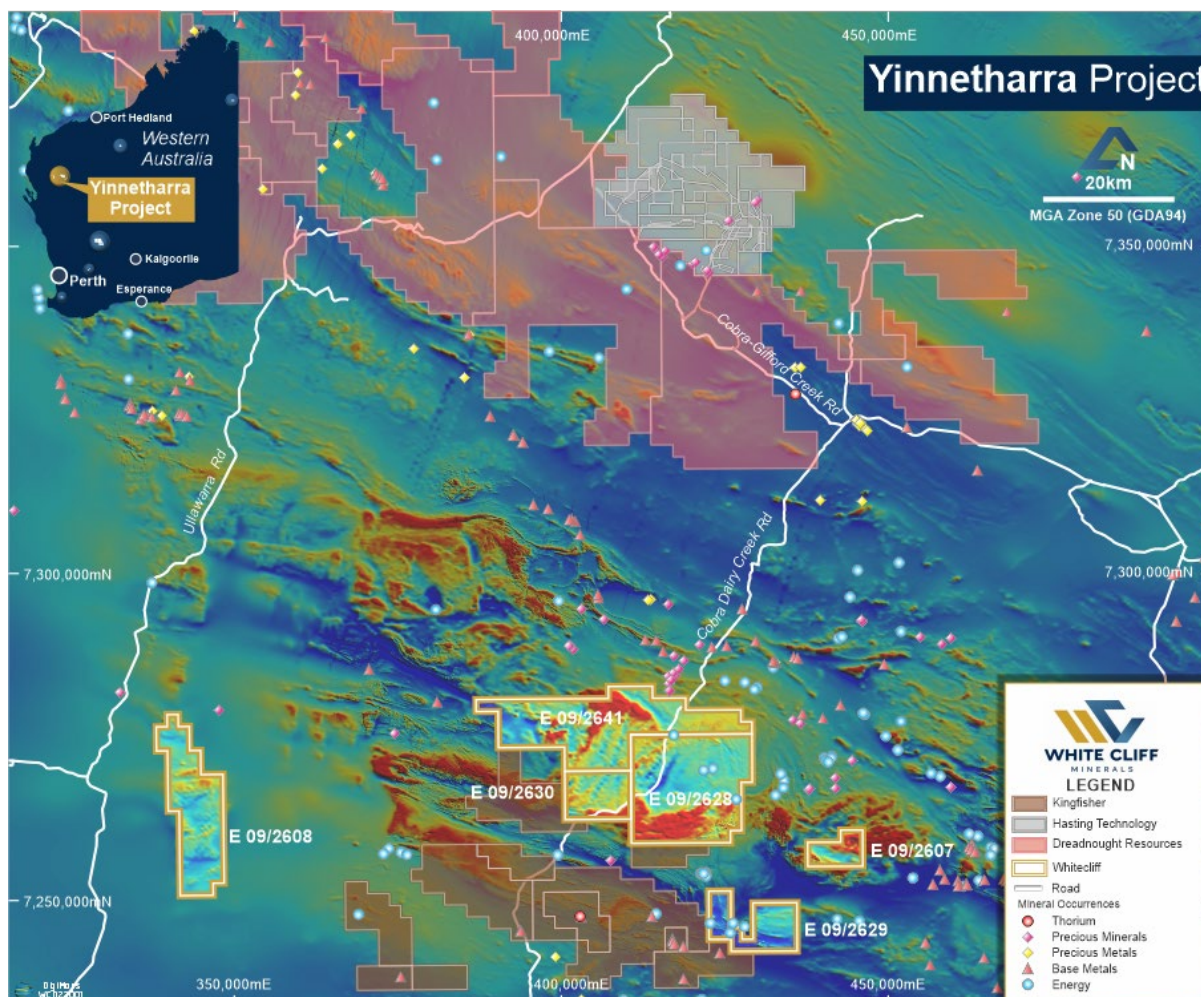


Figure 3: Yinnetharra (WCN 100%) REE/Li project. Kingfisher Mining to the south and contiguous to Wabli Creek E29/2629, with Dreadnought Resources Limited and Hasting Technology Metals Limited to the north.

Hines Hill - REE Project (100%)

The Company's Hines Hill REE project in the Wheatbelt region, WA (**Figure 4**), where maiden aircore drilling has discovered mineralised REE clays from surface. The results are extremely positive (Figure 3) and further geochemical sampling over the remaining magnetic features has also been completed, to grow the project potential. The Company has also undertaken a maiden geochemical sampling program over E70/6136 an addition to the Hines Hill project area which is contiguous to the west and increases the project size to ~576km².

Drilling of the most north-eastern magnetic feature (**Figure 4**), the Company intersected laterite, clays and basement geology (granitoid) with REE assays. The mineralised profile suggests a granitoid with high REE background is weathering and the resulting clays have equivalent or higher REE content due to reduction associated with weathering.

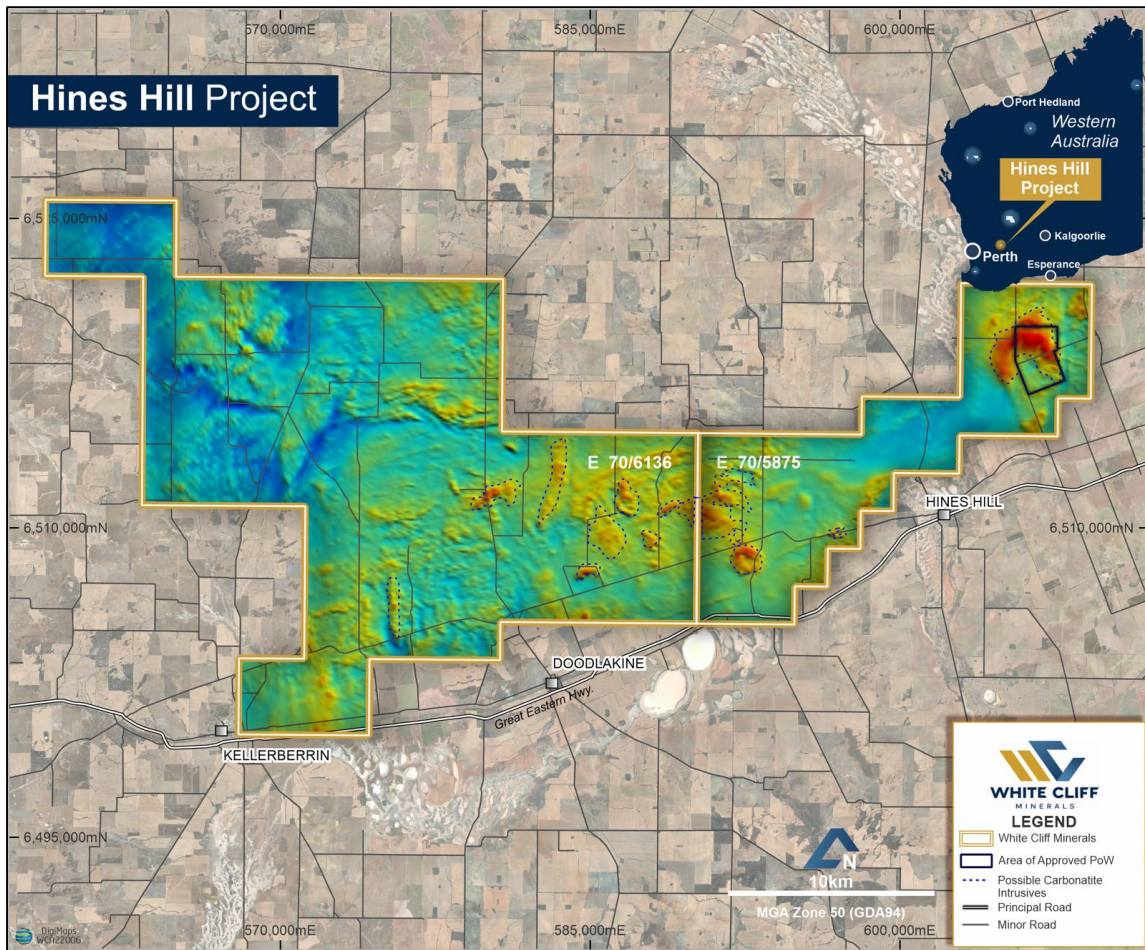


Figure 4: Hines Hill REE Project location map in WA, with the addition of tenement E70/6136(136 blocks) to original tenement E70/5875 (44 blocks increasing the project to ~576km²).

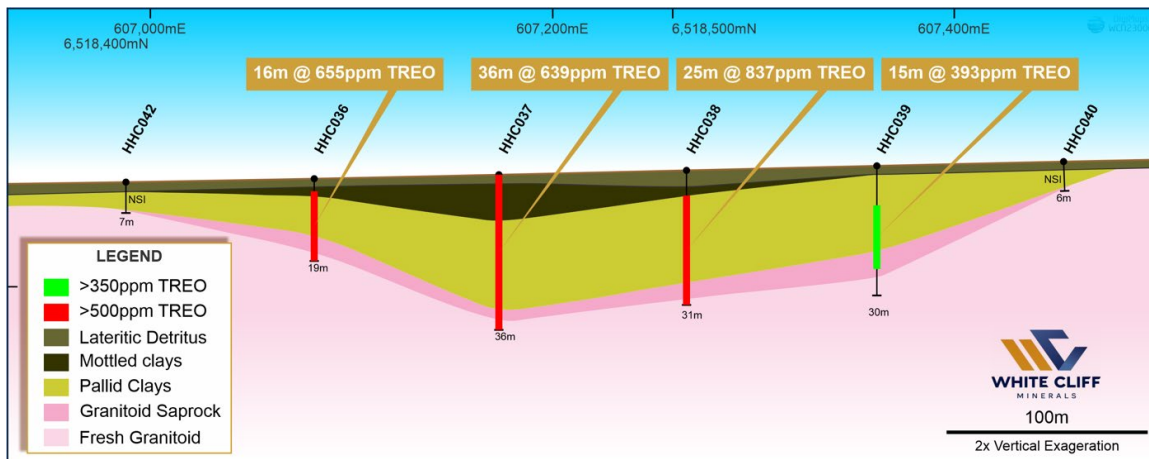


Figure 5: Hines Hill schematic drill section looking north.

The maiden aircore drilling program totalled 49 drillholes for 1,861 metres, ranging in depth from 8 metres to 92 metres. 716 samples (3 metre composite samples) were taken. The results of the drilling have returned positive intercepts for REE's with multiple zones of mineralisation intersected. Further drilling of the basement rocks will confirm the current interpretation of granitoid basement geology (see ASX announcement 16 January 2023). Significant results

include:

- **25m @ 837ppm TREO** (173ppm MREO) from 6m, including **3m @1602ppm TREO** from 6m (HHC038)
- **36m @ 639ppm TREO** (131ppm MREO) from surface, including **3m @1126ppm TREO** from 12m (HHC037)
- **16m @ 693ppm TREO** (inc 144ppm MREO) from 24m (HHC008)
- **12m @ 637ppm TREO** (inc 148ppm MREO) from 42m (HHC012)
- **13m @ 604ppm TREO** (inc 111ppm MREO) from 36m, including **4m @ 1182ppm TREO** from 45m (HHC029)

The Company has also conducted further roadside geochemical sampling (see ASX announcement 24 January 2023) which has successfully identified multiple priority target areas. The results are extremely positive, with many of the new targets associated with magnetic features. The Company has initiated the process for land access agreements over the new target areas, which will then allow Program of Work's (PoW's) for drilling to be submitted.

Further roadside conventional geochemical sampling was completed on E70/5875, and ELA70/6136 (applied for on 18 May 2022, and due to be granted) for a total of 1,326 samples.

The elevated geochemical results correspond with a number of generally elevated magnetic features as well as higher order magnetic features identified over the project area, with 10 main areas identified for immediate follow up. The data in conjunction with recent drilling results strongly suggests the magnetic features are related, however additional work is required.

Land access agreements with property owners will be negotiated over the new multiple target areas generated from the roadside geochemical program. E70/5875 is granted and has an approved PoW. ELA70/6136 is due to be granted and once Land access agreements are in place and the tenement is granted, PoW's will be submitted.

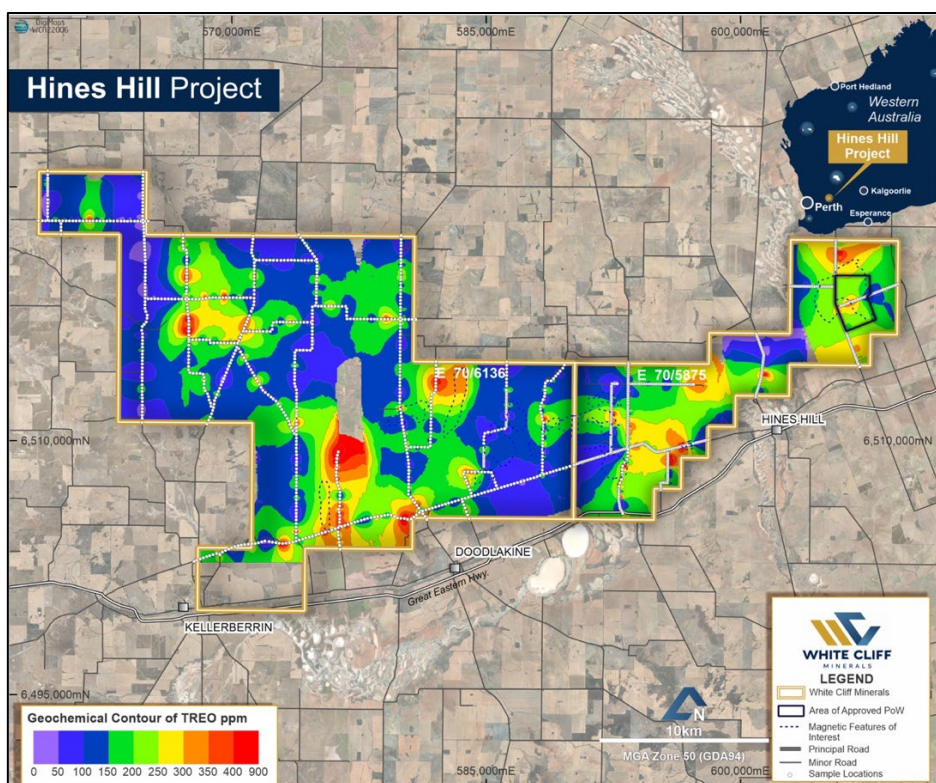


Figure 6: Hines Hill REE Project location map with results of roadside geochemical sampling indicating multiple areas of interest to follow up.

Results

The loss after tax for the half year ended 31 December 2022 was \$1,483,869 (31 December 2021: loss of \$874,640).

Corporate

Issue of Securities

On 12 September 2022, the Company issued 94,000,000 fully paid ordinary shares at \$0.018 per share to sophisticated investors raising approximately \$1.7 million before costs. Shareholders have ratified the issue of the placement shares at the Annual General Meeting (**AGM**) on 29 November 2022.

On 8 December 2022, the Company announced the completion of the acquisition Lake Tay REE project by acquiring Hurricane Prospecting Pty Ltd (**Hurricane**), resulting in the payment of \$30,000 cash and the issue of 5,681,818 fully paid ordinary shares (subject to 3 months voluntary escrow) to the vendors of Hurricane. Shareholders have ratified the issue of the consideration shares at the AGM on 29 November 2022.

On 30 January 2023, the Company issued 30,769,230 ordinary shares to the vendors of Magnet Resource Company Pty Ltd and Preston River Lithium Pty Ltd, following satisfaction of Tranche 2 performance milestone with the Company announcing drill intersection of 25m @ 837ppm TREO at the Hines Hill REE Project on 16 January 2023.

Mr Michael Soucik tendered his resignation effective from close of business 13 February 2023.

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 10 and forms part of the directors' report for the half-year ended 31 December 2022.

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 2023

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

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated half-year financial report of White Cliff Minerals Limited for the half-year ended 31 December 2022, 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 2023

B G McVeigh
Partner

hlb.com.au

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**Condensed Consolidated Statement of Profit or Loss and Other
Comprehensive Income
For the half-year ended 31 December 2022**

	Note	31 December 2022	31 December 2021
		\$	\$
Revenue			
Interest income		3,301	29
Other income		5,000	-
		8,301	29
Fair value loss on financial assets	3	(118,484)	(252,767)
Consulting fees		(12,000)	(22,000)
Depreciation		(1,159)	(722)
Employee benefits		(93,682)	(21,238)
Exploration expenditure incurred		(971,475)	(395,373)
Foreign exchange losses		-	31,433
Other expenses		(272,898)	(191,530)
Share based payment expense	6	(22,472)	(22,472)
		(1,492,170)	(874,669)
Loss before income tax expense		(1,483,869)	(874,640)
Income tax benefit		-	-
Net loss for the period		(1,483,869)	(874,640)
Other comprehensive income, net of tax		-	-
Total comprehensive loss for the period		(1,483,869)	(874,640)
		Cents	Cents
Basic and diluted loss per share (cents per share)		(0.22)	(0.17)

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 2022

		31 December 2022	30 June 2022
	Note	\$	\$
Current Assets			
Cash and cash equivalents		619,081	554,777
Financial assets held at fair value through profit or loss	3	223,796	342,280
Trade and other receivables		122,703	21,836
Prepayments		38,748	39,680
Total Current Assets		1,004,328	958,573
Non-Current Assets			
Plant and equipment		8,306	4,744
Exploration project acquisition costs	2	4,047,205	3,146,730
Total Non-Current Assets		4,055,511	3,151,474
Total Assets		5,059,839	4,110,047
Current Liabilities			
Trade and other payables		83,167	70,705
Deferred consideration		48,565	48,565
Total Current Liabilities		131,732	119,270
Non-current Liabilities			
Deferred consideration		-	42,989
Total Non-current Liabilities		-	42,989
Total Liabilities		131,732	162,259
Net Assets		4,928,107	3,947,788
Equity			
Issued and unissued capital	4	37,526,050	35,459,070
Reserves		2,647,916	2,250,708
Accumulated losses		(35,245,859)	(33,761,990)
Total Equity		4,928,107	3,947,788

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 2022

	Issued and unissued capital	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
Opening balance as at 30 June 2022	35,459,070	(33,761,990)	2,250,708	3,947,788
Loss for the period	-	(1,483,869)	-	(1,483,869)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(1,483,869)	-	(1,483,869)
Shares issued during the half-year	1,817,000	-	-	1,817,000
Capital raising costs (cash)	(113,746)	-	-	(113,746)
Shares to be issued on vested performance rights	738,462	-	-	738,462
Capital raising costs (share based payment)	(374,736)	-	374,736	-
Share based payments expense	-	-	22,472	22,472
Balance at 31 December 2022	37,526,050	(35,245,859)	2,647,916	4,928,107
	Issued and unissued 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 half-year	912,000	-	-	912,000
Capital raising costs (cash)	(56,088)	-	-	(56,088)
Share based payments expense	-	-	22,472	22,472
Balance at 31 December 2021	34,055,492	(32,564,613)	1,664,593	3,155,472

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 2022

	31 December 2022	31 December 2021
	Inflows/(Outflows)	Inflows/(Outflows)
	\$	\$
Cash flows from operating activities		
Interest received	3,301	30
Payments to suppliers and employees	(394,027)	(285,118)
Payments for exploration and evaluation	(1,039,964)	(286,385)
Net cash (outflow) from operating activities	(1,430,690)	(571,473)
Cash flows from investing activities		
Payments for tenement acquisitions	(80,000)	(75,000)
Payments for property, plant and equipment	(4,721)	-
Proceeds from sale of equity investments	-	47,341
Net cash (outflow) from investing activities	(84,721)	(27,659)
Cash flows from financing activities		
Proceeds from the issue of securities	1,692,000	912,000
Capital raising costs	(112,285)	(56,088)
Net cash inflow from financing activities	1,579,715	855,912
Net increase in cash held	64,304	256,780
Cash at the beginning of the reporting period	554,777	1,302,415
Effects of exchange rate changes on cash held	-	31,433
Cash at the end of the reporting period	619,081	1,590,628

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 2022**

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 2022 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 2022 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.

For the half-year ended 31 December 2022 the Group incurred a net loss of \$1,483,869 (2021: \$874,640), has a working capital surplus of \$872,596 (30 June 2022: \$839,303), a net cash outflow from operating activities amounting to \$1,430,690 (2021: \$571,473) and had cash available of \$619,081 (30 June 2022: \$1,590,628).

The Directors have reviewed the business outlook, cash flow forecasts and immediate capital requirements and are of the opinion that the use of the going concern basis of accounting is appropriate. Based upon this assessment, a capital raising, asset sale or significant reduction in operational expenditure will likely be required during the period of twelve months from the date of approval of these financial statements.

Should the Group not be successful in obtaining adequate funding, sell assets or adequately reducing operational expenditure as required, there is a material uncertainty that may cast significant doubt as to the ability of the Group to continue as a going concern and whether it will be able to realise its assets and discharge its liabilities in the ordinary course of business and at the amounts stated in the financial report.

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

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.

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 2022 financial statements.

Adoption of new and revised accounting standards

Standards and Interpretations applicable to 31 December 2022

In the half-year ended 31 December 2022 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 2022. 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 2022. 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 2022	30 June 2022
	\$	\$
Opening balance	3,146,730	1,140,871
Project acquisition costs	900,475	2,005,859
Acquisition costs in respect of areas of interest in the exploration phase	<u>4,047,205</u>	<u>3,146,730</u>

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.

On 24 October 2022 the Company completed the acquisition of the Lake Tay REE project for a combination of cash consideration of \$30,000, the issue of 5,681,818 White Cliff Minerals Limited shares valued at \$125,000 and a 1% NSR.

Note 2: Exploration project acquisition costs (continued)

On 11 February 2022, the Company completed the acquisition of Magnet Resource Company Pty Ltd (Magnet) and Preston River Lithium Pty Ltd (Preston), the holders of various prospective Lithium and Rare Earth Elements (REE's) Projects for a combination of cash consideration of \$110,000, and the issue of 50 million shares valued at \$1,200,000, 50 million options exercisable at \$0.035 expiring 30 June 2023 valued at \$564,007, 10 Tranche 1 performance shares, and 10 Tranche 2 performance shares as follows:

- \$350,000 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 (**First Milestone Payment**); and
- \$400,000 of WCN ordinary shares based on the greater of the 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 (**Second Milestone Payment**) (Note 6).

The Tranche 2 milestone payment of 30,769,230 shares valued at \$738,462 were issued on 30 January 2023 and are therefore included in exploration project acquisition costs at 31 December 2022 (refer Note 6).

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

	Six months ended 31 December 2022	Year ended 30 June 2022
	\$	\$
RTG Mining Inc.		
Opening balance	248,295	685,830
Disposal of shares	-	(56,395)
Fair value (loss)/gain	(85,130)	(381,140)
	<hr/>	<hr/>
Fair value at 31 December 2022 (Level 1)	163,165	248,295
	<hr/>	<hr/>
Panther Metals PLC		
Opening balance	93,985	172,186
Fair value (loss)/gain	(33,354)	(78,201)
Fair value at 31 December 2022 (Level 1)	60,631	93,985
	<hr/>	<hr/>
Total	223,796	342,280
	<hr/>	<hr/>

White Cliff Minerals Limited
ABN 22 126 299 125

Note 4: Issued and unissued share capital

	31 December 2022	30 June 2022
	\$	\$
(a) Ordinary shares issued		
753,285,180 (30 June 2022: 653,603,362) ordinary shares	36,787,588	35,459,070
30,769,230 fully paid ordinary shares – unissued (30 June 2022: nil)	738,462	-
	37,526,050	35,459,070

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 2021		517,196,399	33,199,580
2 December 2021	Placement	76,000,000	912,000
9 February 2022	Exercise of options	5,000,000	75,000
11 February 2022	Exercise of options	750,000	11,250
16 February 2022	Exercise of options	1,680,000	25,200
	Acquisition of Magnet Resources and Preston		
28 February 2022	River tenements ¹	50,000,000	1,200,000
7 April 2022	Exercise of options	14,000	210
	Acquisition of Abraxis Lithium Project ²	2,962,963	91,852
			(56,022)
30 June 2022		653,603,362	35,459,070
12 September 2022	Placement	94,000,000	1,692,000
	Acquisition of Lake Tay Project	5,681,818	125,000
25 October 2022	Capital raising costs (cash)	-	(113,746)
	Capital raising costs (share-based payments)	-	(374,736)
		753,285,180	36,787,588

(c) Movements in ordinary shares - unissued

Date	Details	Number of shares	\$
30 June 2022		-	-
31 December 2022	Shares to be issued (Note 6)	30,769,230	738,462
31 December 2022		30,769,230	738,462

White Cliff Minerals Limited
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Note 4: Issued and unissued share capital (cont)

The unissued shares relate to 30,769,230 shares to be issued to the vendors of Magnet Resources Company Pty Ltd and Preston River Lithium Pty Ltd following satisfaction of Tranche 2 performance milestone. The shares were issued on 30 January 2023.

	Number of options	
	31 December 2022	30 June 2022
(c) Options on issue		
Options exercisable at \$0.015 on or before 31 January 2024	45,000,000	45,000,000
Listed options exercisable at \$0.015 on or before 28 February 2024	288,828,071	288,828,071
Unlisted options exercisable at \$0.047 each expiring 30 November 2023	45,000,000	45,000,000
Unlisted options exercisable at \$0.035 each expiring 30 June 2023	50,000,000	50,000,000
Unlisted Options exercisable at \$0.025 on or before 5 December 2025	25,000,000	-
	453,828,071	428,828,071
(b) Movements in share options		
	Number of options	
	31 December 2022	30 June 2022
Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.015 on or before 31 January 2024 (see valuation details below)		
Beginning of the period	45,000,000	50,000,000
Issued during the year	-	-
Less: options exercised	-	(5,000,000)
Balance at end of period	45,000,000	45,000,000
Listed Options to acquire ordinary fully paid shares at \$0.015 on or before 28 February 2024:		
Beginning of the period	288,828,071	291,272,071
Issued during the year	-	-
Less: options exercised	-	(2,444,000)
Balance at end of period	288,828,071	288,828,071
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	45,000,000
Issued during the year	-	-
Balance at end of period	45,000,000	45,000,000
Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.035 on or before 30 June 2023 (see valuation details below)		
Beginning of the year	50,000,000	-
Issued during year	-	50,000,000
Balance at end of year	50,000,000	50,000,000

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(b) Movements in share options (cont)

Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.025 on or before 5 December 2025 (see valuation details below)

Beginning of the year	-	-
Issued during year	25,000,000	-
Balance at end of year	25,000,000	-

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	\$26,381 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	\$27,294 ⁴
Acquisition Options	50,000,000	28/02/2022	30/06/2023	0.035	\$564,007 ⁵
Broker Options	25,000,000	12/09/2022	5/12/2025	0.025	\$374,736 ⁶

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.

⁵ 50,000,000 unlisted options issued to the vendors of Magnet and Preston and valued using Black-Scholes model at acquisition date.

⁶ 25,000,000 unlisted options issued to brokers and valued using Black-Scholes model at grant date. The following assumptions were used in the valuation:

Underlying share price	\$0.024
Exercise price	\$0.025
Term (years)	3
Risk-free rate	3.24%
Dividend yield	Nil
Volatility	100%
Fair value per options	\$0.015
Number of options	25,000,000

Note 6: Share based payments (cont)

Share-based payment expense recognised in the statement of profit or loss:

Consolidated

	31 December 2022	31 December 2021
	\$	\$
Director 2019 options	22,472	22,472
	22,472	22,472

Share-based payments capitalised as exploration acquisition costs:

Consolidated

	Six months ended 31 December 2022	Year ended 30 June 2022
	\$	\$
Options	-	564,007
Shares	125,000	1,291,852
Unissued shares to be issued	738,462	-
	863,462	1,855,859

Share-based payments for share issue costs:

Consolidated

	Six months ended 31 December 2022	Year ended 30 June 2022
	\$	\$
Options	374,736	-
	374,736	-

Performance Rights

The below performance rights were on issue at 31 December 2022

Type	Number	Grant date	Expiry Date	Exercise price \$	Fair value
Tranche 1	10	1/12/2021	1/12/2026	-	-
Tranche 2	10	1/12/2021	1/12/2026	-	-

Tranche 1

\$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 (**First Milestone Payment**).

Note 6: Share based payments (cont)

Tranche 2

\$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 (**Second Milestone Payment**). This milestone was achieved during the period and the performance shares were converted to 30,769,230 ordinary shares on 30 January 2023. These shares have been included in unissued share capital at 31 December 2022 with a valuation of \$738,462 included in Project acquisition costs.

Note 7: Contingent liabilities

The Company has contingent consideration payable to the vendors of the Lake Tay REE project of a 1% Net Smelter Royalty on the Lake Tay tenement licences.

There have been no other 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

On 30 January 2023, the Company issued 30,769,230 ordinary shares to the vendors of Magnet Resource Company Pty Ltd and Preston River Lithium Pty Ltd, following satisfaction of Tranche 2 performance milestone with the Company announcing drill intersection of 25m @ 837ppm TREO at the Hines Hill REE Project on 16 January 2023.

Mr Michael Soucik tendered his resignation effective from close of business 13 February 2023.

Note 10: Related party transactions

There has been no new related party transaction arrangements in the half-year ended 31 December 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 2022; 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 2023

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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 consolidated half-year financial report of White Cliff Minerals Limited ("the company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2022, 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 2022 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.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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 2022 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.


Independence

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 2023



B G McVeigh
Partner

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