ASX and Media Release: 4 September 2017
ASX Code: WRM

WHITE ROCK Minerals Ltd
ACN 142 809 970

DJ Carmichael releases a Research Note on White Rock Minerals' Red Mountain Zinc – Silver VMS Project

ASX Code: WRM

Issued Securities
Shares: 870.6 million
Options: 181.4 million

Cash on hand (30 June 2017)
$3.2M

Market Cap (1 Sept 2017)
$13M at $0.015 per share

Directors & Management
Brian Phillips
Non-Executive Chairman

Matthew Gill
Managing Director &
Chief Executive Officer

Peter Lester
Non-Executive Director

Ian Smith
Non-Executive Director

Jeremy Gray
Non-Executive Director

Shane Turner
Company Secretary

Rohan Worland
Exploration Manager

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White Rock Minerals Ltd (**"White Rock"** or the **"Company"**) wishes to advise that DJ Carmichael have initiated coverage of the Company and have released a Red Mountain Zinc Project – Valuation Report.

This research report is available on the Company's website at the following link:
http://www.whiterockminerals.com.au/

and on DJ Carmichael's website at the following link:
https://www.djcarmichael.com.au/

MD&CEO Matt Gill said "The Company is very excited about the potential for its globally significant high grade zinc and silver VMS Project at Red Mountain. We acquired this polymetallic VMS Project in Alaska in April last year. Since then we have expanded our strategic land holding ten-fold to some 143km^2, interrogated the historical geochemical and geophysical databases using a combination of world experts in the fields of VMS mineralisation and electromagnetics, identified 30 conductors that are associated with geochemical anomalism, similar to the two known deposits at Dry Creek and West Tundra Flats and engaged RPM Global Holdings Limited ("RPM", formerly RungePincockMinarco Limited) who reported a maiden Mineral Resource estimate for the Red Mountain project in April this year (ASX Announcement 26 April 2017).

The Company has had two independent valuations of this project recently, initially by Independent Investment Research ("IIR") (ASX Announcement 11 July 2017) and now most recently by DJ Carmichael.

Both Reports value the Red Mountain zinc – silver project at A$52M, equivalent to 6 cents per White Rock share.

Importantly, the two deposits identified within the Company's extensive land holding, containing a high grade Inferred Mineral Resource of 9.1 million tonnes @ 12.9% ZnEq[1] for 1.2Mt of contained zinc equivalent at a 3% Zn cut-off, immediately places the Red Mountain zinc and silver project as one of the highest grade and more significant deposits of any zinc company listed on the ASX and an important VMS asset within a global context.

The Company holds 143km^2 of highly prospective ground that has remained in private hands for over a decade, has had no modern exploration and has 30, individual, undrilled VMS targets. There is good potential for additional discoveries to add to this maiden Mineral Resource base.

The Company is encouraged by the size, grade and prospectivity of its Red Mountain Project, as it presents the Company with a number of options with respect to further development."

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

WHITE ROCK
Minerals Ltd
ACN 142 809 970

No New Information or Data

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

For more information about White Rock and its Projects, please visit our website
www.whiterockminerals.com.au

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Date: 30 August, 2017

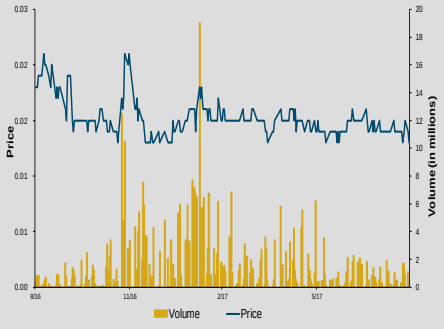
Recommendation:	**Speculative Buy**
Valuation:	
Red Mountain Project	**$0.06**

Company Information

ASX Code	WRM
Last Price ($)	$0.02
12-month share low	$0.01
12-month share high	$0.02
Shares on Issue (m)	871m
Market Capitalisation	$13m
Daily Volume	870k

CapIQ, DJC Research

12 Month Performance



Source: Capital IQ

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White Rock Minerals Ltd (WRM)

Red Mountain Zinc Project - Valuation

The Red Mountain Polymetallic Project is located 100km south of the city of Fairbanks in Alaska, United States. RPM Global Holdings Limited ("RPM", formerly Runge Pincock Minarco Limited) derived a maiden JORC 2012 resource estimate of 16.7Mt at a zinc equivalent grade of 8.9%. This immediately places Red Mountain as an important VMS asset within a global context and one that stands as a peer to the more well-known deposits such as Heron's Woodlawn deposit and Red River Resource's Thalanga project. We derive a valuation for the Red Mountain Project, using transactional-based and peer analysis-based methodologies of A$52.9m, but note the significant potential to increase the resource base from numerous, untested, high priority exploration targets.

KEY POINTS

- **A significant resource generated from historical data:** RPM produced a maiden Inferred JORC 2012 resource estimate for the Red Mountain polymetallic project in April 2017, compiled from three zones in two deposits. The resultant global resource of 16.7Mt at 8.9% zinc equivalent presents WRM with a number of options with respect to further development.

- **High grade component:** Within the existing global resource is a high-grade resource of 9.1Mt at 12.9% Zn equivalent (using a 3% Zn cut-off grade). This places Red Mountain as one of the highest grade and more significant deposits of any zinc company listed on the ASX.

- **Direct zinc deposit peers are going into production:** The closest direct peer to Red Mountain's global resource is Heron's (ASX:HRR) Woodlawn deposit, which is just started earthworks in preparation for imminent construction. The high grade resource's closest peer is the Thalanga Project, owned and operated by Red River Resources (ASX;RVR), also just about to start production.

- **Combination of valuation methodologies:** We undertook an analysis of recently completed transactions involving VMS deposits and analysed WRM's peer group on the ASX to derive a market-based valuation using enterprise value per tonne of Zn equivalent metal. We did not assume any value for exploration upside, or any value for WRM's gold and silver Mt Carrington project in NSW. We then cross-checked against a 1% of in-situ metal value, as a "rule-of-thumb" valuation methodology.

- **Plenty of upside:** WRM hold 143km^2 of highly prospective ground that has remained in private hands for over a decade, has had no modern exploration and has 30, individual, undrilled VMS targets. There is good potential for additional discoveries to add to the resource base.

- **Average valuation**: We averaged the results of the different valuation methodologies to derive an average of **A$52.9m**, equivalent to $0.06 per share.

Valuation Methodology	Implied Value (A$m)
Transactional	52.3
Market (Peer Group)	51.4
Rule of thumb (1% of in-ground value)	54.9
Average	**52.9**

Overview of WRM

WRM has two 100% owned projects. The Mt Carrington gold-silver project in NSW is undergoing an updated PFS, whilst the Red Mountain polymetallic project in Alaska has recently been the subject of a maiden JORC 2012 resource estimate

- White Rock Minerals Limited (WRM) is a mineral explorer and developer with two major, 100% owned, projects. The advanced, epithermal Mt Carrington gold-silver project in northern NSW, Australia and the recently acquired Red Mountain polymetallic project in Alaska, USA.

- Mt Carrington has already been the subject of a Pre-Feasibility Study, which is currently being upgraded and optimised whilst the project undergoes a number of approval and permitting processes. Mt Carrington has significant existing infrastructure having been mined historically and WRM has already obtained a funding proposal with NY-based Cartesian Royalty Holdings for US$19m, subject to a positive definitive feasibility study (DFS), all permits and approvals being in place and final negotiation of terms.

- The Red Mountain Polymetallic Project in Alaska, which is the subject of this note, was acquired in April 2016. The project is an advanced, zinc-dominated VMS (volcanogenic massive sulphide) exploration project located within 100km of Alaska's second largest city, Fairbanks (pop. 32,000).

- A recently conducted sizable maiden JORC 2012 resource estimate presents a number of strategic opportunities to WRM, from establishing a small starter operation to continued exploration on numerous existing and prioritised targets in order to grow the size and value of the project.

Red Mountain JORC Resources

The Red Mountain resource has been estimated entirely from historical data, immediately realising a significant resource

- RPM produced a maiden Inferred JORC 2012 resource estimate for the Red Mountain polymetallic project in April 2017, compiled from three zones in two deposits – West Tundra Flats (WTF), Dry Creek Main and Dry Creek Copper Zone.

- Historical information was used to compile the resource estimate which was conducted by RPM Global Holdings Limited (formerly RungePincocklMinarco Limited). Mineral resource outlines were created in Leapfrog but OK kriging was used as the estimate methodology utilising hard boundaries within mineralised envelopes based on geology, a cut-off grade of 1% Zn+Pb and a minimum mining width of 1m. A 3% zinc cut-off grade was employed for WTF reflecting the likelihood of an UG mining method if the project was exploited. Top cuts were required for silver assays within some domains at 300g/t and 500g/t and a 4g/t gold cut-off was used for one domain at Dry Creek.

Global Resource

Prospect	Cut-off	Tonnage (Mt)	Zn Eq (%Zn)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Au (g/t)
Dry Creek Main	1% Zn	9.7	5.3	2.7	1	41	0.2	0.4
West Tundra Flats	3% Zn	6.7	14.4	6.2	2.8	189	0.1	1.1
Dry Creek Cu Zone	0.5% Cu	0.3	3.5	0.2	0.04	4.4	1.4	0.1
Total		**16.7**	**8.9**	**4.1**	**1.7**	**99**	**0.2**	**0.7**

High Grade Resource (at 3% Zn Cut-off)

Prospect	Cut-off	Tonnage (Mt)	Zn Eq (%Zn)	Zn (%)	Pb (%)	Ag (g/t)	Cu (%)	Au (g/t)
Dry Creek Main	3% Zn	2.4	8.7	4.7	1.9	69	0.2	0.4
West Tundra Flats	3% Zn	6.7	14.4	6.2	2.8	189	0.1	1.1
Total		**9.1**	**12.9**	**5.8**	**2.6**	**157**	**0.1**	**0.9**

Note: Zn Equiv. grades calculated using metal prices of zinc = $2,206.7, lead = $1,922, copper $6,274, silver = $19.68/oz, gold = $1,227

Table 1. Red Mountain JORC Resource table Source: WRM
Note: The High Grade Resource sits entirely within the larger Global Resource

- In zinc-equivalent terms, the Red Mountain Deposit contains 1,488Kt in the total resource and 1,176Kt using the high-grade cut-off. The total metal contents across the five metals present in the mineralised material in the total resource are 678,000t zinc, 286,000t lead, 26,000t copper, 53.5Mozs silver and 352,000 ozs gold.

Global Resource - Metal tonnes

Prospect	Cut-off	ZnEq Kt	Zn kt	Pb kt	Ag Moz	Cu kt	Au Koz
Dry Creek Main	1% Zn	514	262	98	12.7	15	123
West Tundra Flats	3% Zn	964	416	188	40.8	7	229
Dry Creek Cu Zone	0.5% Cu	10	0.5	0.1	0.04	4	1
Total		**1,488**	**678**	**286**	**54**	**26**	**352**

High Grade Resource (at 3% Zn Cut-off) - Metal Tonnes

Prospect	Cut-off	ZnEq Kt	Zn kt	Pb kt	Ag Moz	Cu kt	Au Koz
Dry Creek Main	3% Zn	211	115	46	5	5	32
West Tundra Flats	3% Zn	964	416	188	41	7	229
Total		**1,176**	**531**	**234**	**46**	**12**	**260**

Note: Zn Equiv. grades calculated using metal prices of zinc = $2,206.7, lead = $1,922, copper $6,274, silver = $19.68/oz, gold = $1,227

Table 2. Red Mountain Resource in tonnes of metal and tonnes of Zn Equivalent Source: WRM

- The resource was classified as Inferred given the reliance on historical data, the relatively broad drill hole spacing over some of the zones, particularly WTF, and the limited density data from the mineralised zones.

Red Mountain project peer comparison

- We have looked at a range of ASX-listed zinc-dominant polymetallic VMS projects in which to compare the size and tenor of the Red Mountain mineralisation. Figure 1 below shows a number of peer projects. Whilst not exhaustive, Figure 1 below shows that the Red Mountain deposits stand up well against more widely known peer projects that provide the basis for substantial market capitalisations of their owner groups.

The Red Mountain resource can be compared to Woodlawn and Thalanga, both of which are currently entering production

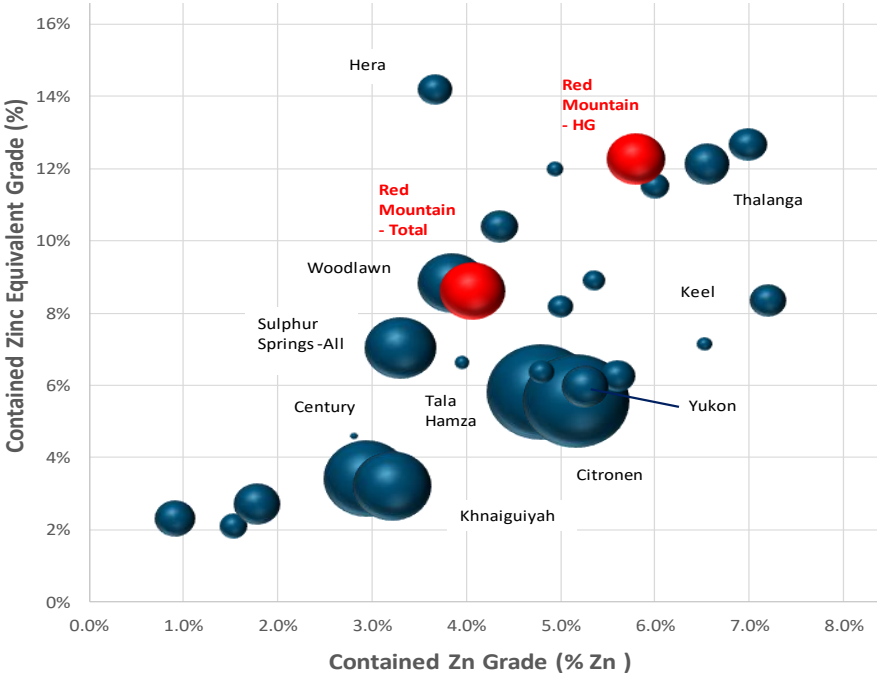

Figure 1. Zinc grade vs Zinc Equiv. grade vs contained Zn Equiv. metal (bubble size) DJC

Red Mountain ranks at the 24th percentile on a peer group that include 5 massive VMS projects. Without these in the peer universe, Red Mountain is well inside the top quartile of globally significant projects

- From Figure 1 above, Red Mountain is comparable in size and grade to Red River Resources' (ASX:RVR) Thalanga deposit in QLD and the global Red Mountain resource is equivalent in size and tenor to the well-known Woodlawn Project, currently under financial close prior to construction and owned by Heron resources (ASX:HRR).

- In our global universe of 35 polymetallic projects, the Red Mountain high grade resource ranks at the 24th percentile on zinc equivalent grade and at the 31st percentile in terms of contained zinc equivalent metal tonnes. This universe does however include Admiral Bay, the very large, but very deep, zinc deposit owned by Metalicity (ASX:MCT), which is a data outlier in our universe, plus four other large deposits with global resource tonnages in excess of 50Mt.

- If MCT and the other four large deposits with global resource tonnages in excess of 50Mt are removed, then the Red Mountain high grade resource ranks at the 17th percentile on zinc equivalent grade and at the 23rd percentile in terms of contained zinc equivalent metal tonnes – a globally significant project.

- The Global Red Mountain resource ranks at the 51st and 33rd percentile for zinc equivalent grade and contained zinc equivalent metal tonnes respectively.

- DJC used metal current metal prices for the calculation of equivalents and therefore results will vary from quoted equivalent grades in various company reports.

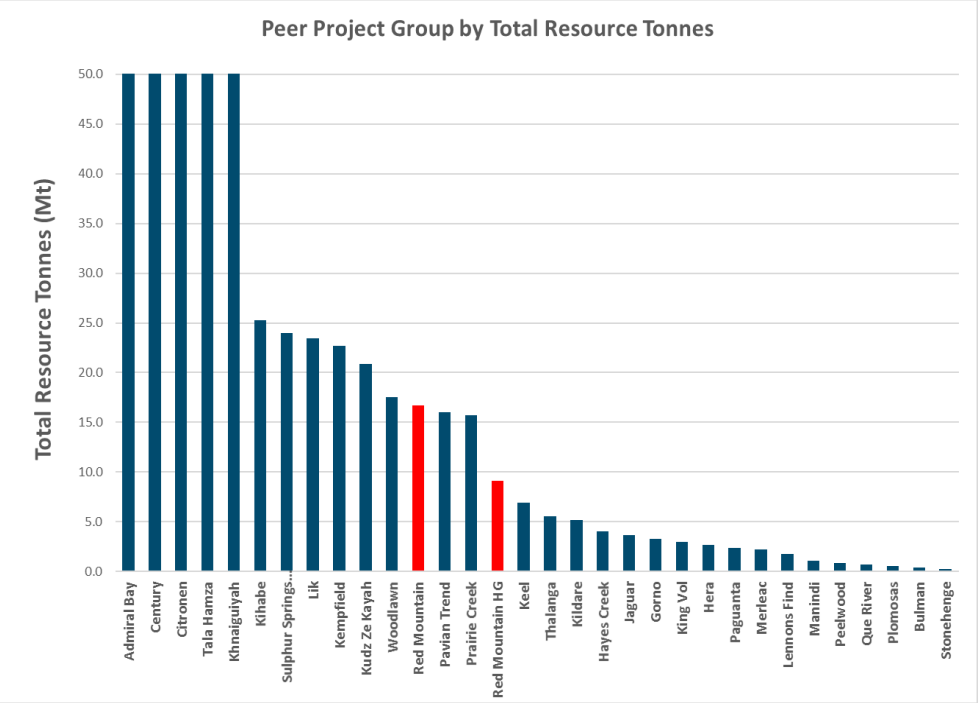

Figure 2. Total Resource tonnes project peer group comparison Source: DJC

- In terms of total resource tonnes, Red Mountain sits in the top half of projects in our universe and establishes itself as a direct peer to projects such as Kudz Ze Kayah (KZK), a privately owned but large project in the Yukon, Canada, Heron's Woodlawn deposit, CZC's Prairie Creek, also in Canada, Keel in Ireland, Thalanga in QLD and Kildare in Ireland. It is distinctly larger in size and grade compared to Energia's (ASX:EMX) Gorno Project in Northern Italy and it should also be noted that WRM has not yet conducted any exploration on the numerous look-a-like targets in the tenement package (see section on exploration potential below).

- Given the propensity of VMS deposits to occur in clusters we would expect that, over time, the resource base will grow beyond the current 16.7Mt. Should that occur, the Red Mountain deposit will sit firmly in the top quartile of our universe in terms of zinc equivalent metal tonnes.

- There is a good argument to say that the top five largest deposits, between Admiral Bay at 170Mt and Khnaiguiyah at 64Mt, are not direct peers as the mineralisation style and sheer scale of these projects are anomalous to VMS projects globally. The figure below, we believe, is a more representative peer group in terms of size, grade and jurisdiction.

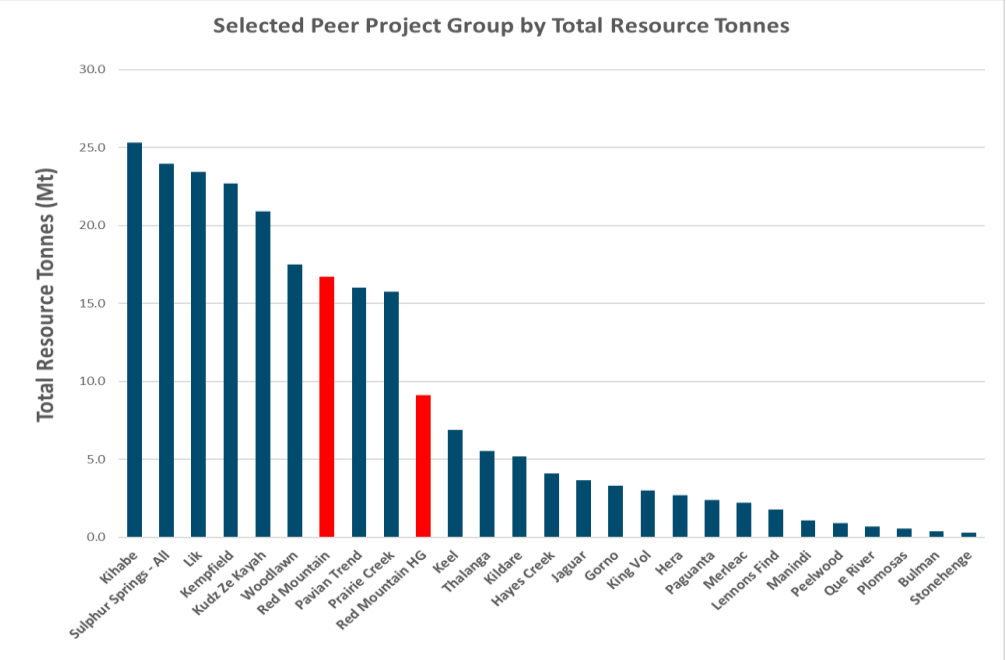

Figure 3. Selected peer group with anomalous sized projects removed Source: SNL/DJC

Red Mountain Valuation

- We have employed three methodologies to infer a valuation for the Red Mountain project. We have looked at recent M&A transactions of comparable zinc dominated projects to determine sales metrics based on Transaction value per resource tonne of contained zinc and transaction value per tonne of contained zinc equivalent.

- We also calculated the transaction value as a percentage of the in-ground value of contained zinc and the transaction value of the in-ground value of contained zinc equivalents. In addition,

a common "rule of thumb" applied to transactions of this nature is approximately 1% of the total in-situ (in-ground) value of the metals as a check.

- We have done a peer comparison analysis on ASX-listed zinc companies to determine what the market values zinc deposits at using enterprise value (EV) per contained zinc metal equivalents and using current metals pricing but without taking into account metallurgical recovery.

- Using the two methods plus the Rule of Thumb check, we have derived an average value over the three methods of A$52.9m.

Using three different valuation methodologies, we derive a value for Red Mountain of A$52.9m

Valuation Methodology	Implied Value (A$m)
Transactional	52.3
Market (Peer Group)	51.4
Rule of thumb (1% of in-ground value)	54.9
Average	**52.9**

Transaction-based methodology

- We chose 6 recent transactions that reflect the size of the Red Mountain project in terms of contained zinc and were in jurisdictions that could be seen as equitable to Alaska. There are two in the US, including one in Alaska, and one from each of Canada, Mexico, Australia and Ireland.

Property Name	Jurisdiction	Percentage acquired (%)	Contained Zinc (t)	Transaction Value ($m)	Price paid / T Resource (Zn)	Price paid / T resource Equiv.	Transaction Value / Res & Res T (%)	Transaction Value / Res & Res Equiv. (%)
LIK	Alaska, US	50	964,499	20.00	20.74	17.12	0.92%	0.60%
Bunker Hill	Idaho, US	100	485,000	30.28	62.43	19.00	2.15%	0.98%
Mel	Yukon, Canada	100	343,700	2.00	5.82	4.76	0.22%	0.18%
Campo Morado	Mexico	100	600,340	20.00	33.31	11.19	1.16%	0.39%
Paper Bark	Australia	100	277,000	17.80	48.19	44.60	2.29%	2.16%
Keel	Ireland	80	296,468	8.74	29.48	29.76	1.84%	1.41%
Average			**494,501**	**16.47**	**33.33**	**21.07**	**1.43%**	**0.95%**
Average without Mel				**19.36**	**38.83**	**24.33**	**1.67%**	**1.11%**

Implied Value for Red Mountain

Project	Jurisdiction	Ownership	Zn (t)	Zn Equiv. (t)	In-situ Value Zn (US$ '000)	In-situ value Zn Equiv. (US$'000)	Value @1.67% in-situ value Zn (US$'000)	Value @ 1.11% in-situ value Zn equiv (US$'000)
US$								
Red Mountain	Alaska, US	100	678,000	1,438,773	2,042,136	4,333,584	**34,152.0**	**41,341.7**
AU$	USD:AUD	0.79						
Red Mountain	Alaska, US	100	678,000	1,438,773	2,584,982	5,485,550	**43,230.4**	**52,331.2**
Implied Value per Share							**$ 0.050**	**$ 0.060**

Table 3. Implied valuation using transactional methodology Source: DJC

- The table above shows that the price paid per tonne of resource zinc equivalent metal averages US$21.07 / tonne across all 6 projects, or US$24.33 per tonne of resource equivalent by removing the lowest outlier.

Using a transactional-based valuation methodology, we derive a value for Red Mountain of A$52.3m

- Using zinc equivalents, which accounts for the value of all metals within each resource, the transaction value averages between 0.95% and 1.11% of the in-situ, or in-ground value – close to the "rule of thumb" of 1% of in-ground value – depending on whether Mel is included in the average.

The Red Mountain Project alone, without ascribing any value to White Rock's gold and silver project, is equivalent to 6cps.

- By using all 6 transactions, we derive a value of US$41.3m and US$48.1m by removing the Mel transaction. For the purpose of this exercise we will chose the lower value of US$41.3m. At current exchange rates, that converts to A$52.3m. This is equivalent to $0.06 per White Rock share.

Market – based valuation methodology

- In a market-based approach, we have assembled a list of peer ASX-listed companies whose assets are either solely based on zinc projects, or are dominated by zinc within their asset portfolio.

- There are 17 peer companies in our ASX zinc peer universe, of which only one company, Aurelia (ASX:AMI), is in production. Understandably then, AMI has a very high EV per resource tonne zinc equivalent and we therefore remove this outlier from our universe. Several others are also very close to production, with higher EV/ t Zn equivalents than exploration/development companies.

Using an EV/resource tonne zinc equivalent-based valuation methodology, we derive a value for Red Mountain of A$51.4m – undervalued when compared to its peers.

- WRM plots low on the EV/resource tonne zinc equivalent metric and therefore could be considered undervalued on this metric compared to the peer group. On this metric, Red Mountain would be valued at A$51.4m, very close to the A$52.3m implied value based on the transactional methodology above.

ASX Code	Project Name	Company Name	EV (A$m)	T Zn Equiv.	EV/Resource Tonne Zn Equiv	Zn Equiv. Grade (%)
AMI	Hera	Aurelia Metals Limited	172.2	382,753	449.97	14.2%
RVR	Thalanga	Red River Resources Limited	94.8	669,462	141.61	12.1%
CZL	Plomosas	Consolidated Zinc Limited	10.8	94,817	113.70	16.7%
NCZ	Century	New Century Resources Limited	285.9	2,533,728	112.83	3.4%
TZN	Tala Hamza	Terramin Australia Limited	352.4	3,987,689	88.37	5.8%
EMX	Gorno	Energia Minerals Limited	12.8	210,295	60.95	6.4%
VAR	Merleac	Variscan Mines Limited	5.4	253,806	21.26	11.5%
ARD	Kempfield	Argent Minerals Ltd	11.0	523,086	21.00	2.3%
HRR	Woodlawn	Heron Resources Limited	23.0	1,547,507	14.84	8.8%
IBG	Citronen	Ironbark Zinc Limited	49.8	3,931,794	12.67	5.6%
SBR	Border	Sabre Resources Limited	2.6	236,020	11.22	2.1%
VXR	Sulphur Springs	Venturex Resources Limited	15.6	1,687,536	9.27	7.0%
ZMI	Kildare	Zinc of Ireland Limited	3.9	434,946	8.97	8.4%
WRM - HG	Red Mountain	White Rock Minerals Ltd	8.4	1,117,127	7.52	12.3%
MTB	Kihabe	Mt Burgess Mining Limited	4.3	684,464	6.28	2.7%
WRM - Global	Red Mountain	White Rock Minerals Ltd	8.4	1,438,773	5.84	8.6%
OVR	Yukon	Overland Resources Limited	3.1	750,010	4.17	6.0%
MCT	Admiral	Metalicity Limited	14.0	11,560,860	1.21	6.8%
AUQ	Khnaiguiyah	Alara Resources Limited	2.2	2,061,600	1.08	3.2%

Average EV/ tonne Zn Equivalent without AMI	**$**	**35.71**
WRM Implied value based on EV/t Zn equivalent (A$m)	**$**	**51.38**

Table 4. ASX listed zinc companies by EV/t Zn equiv. Source: DJC

- The figure below shows the peer group and includes the enterprise value per tonne of zinc equivalent in resources and the equivalent zinc grade. There is only a loose correlation between EV/tonne of zinc equivalent and grade but statistically the correlation coefficient (R Value) between the two sets of data points is 0.486, which could be described as a moderate positive relationship.

The Enterprise Value of the Red Mountain project is low compared to its peers, with its grade close to best in class.

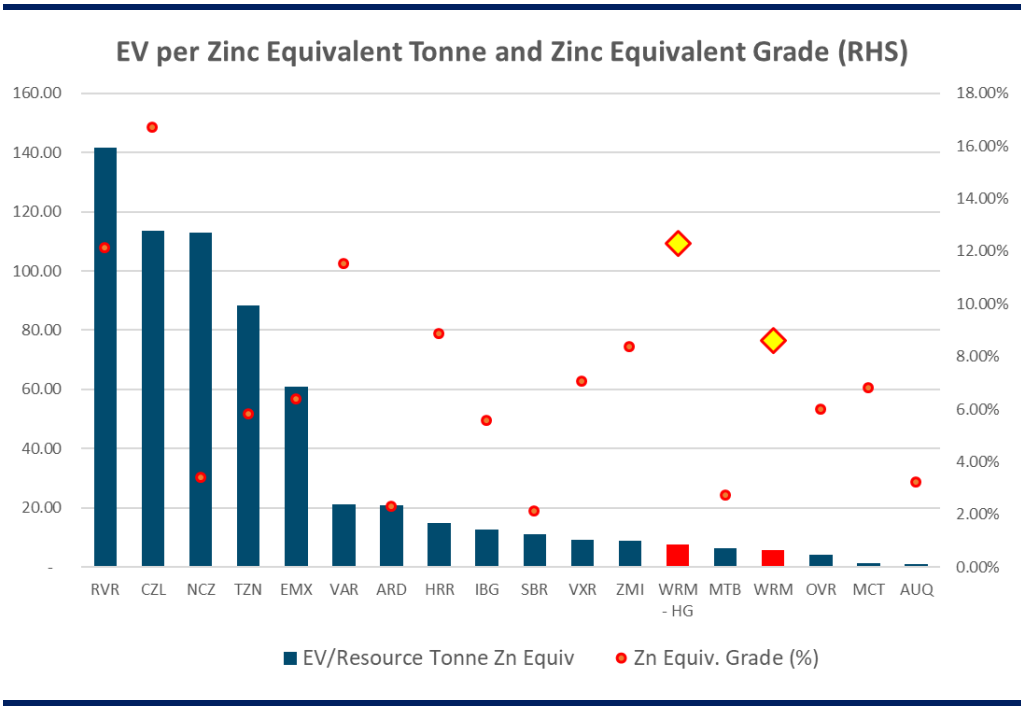

Figure 4. EV/t Zn equivalent for peer group with Zn equivalent resource grade Source: DJC

White Rock Minerals Valuation

- We have not performed an equity valuation for White Rock Minerals. WRM has the advanced Mt Carrington gold-silver asset in NSW, which we have not included in this valuation exercise. Mt Carrington is currently the subject of an updated PFS, which is likely to change a number of inputs to a financial model.

- We would prefer to wait until these were released before undertaking a more rigorous equity valuation for WRM based on the Red Mountain value expressed herein, plus a fundamental valuation on Mt Carrington using a discounted cash flow method.

- However, what we can say is that based on the metrics above, WRM, at the current share price of $0.014 and a market capitalisation of $12.2m (EV less than $10m), does appear to be under-valued with respect to our valuation exercise which infers a value for Red Mountain of $0.06 per share.

- We take the view that the application of modern exploration techniques and a well-designed and executed drill program in 2018 could add significant value to the Red Mountain project, and in turn, the value of WRM as a whole. An updated PFS for Mt Carrington could also significantly increase the fundamental value of that project.

Red Mountain Polymetallic Project

Location and tenure

- The project is located 100km south of the city of Fairbanks, Alaska's second largest city behind Anchorage, which lies 400km to the south. Major road and rail access is within 80km of the project to the west and north-east and the project is located approximately 60km from a major highway.

- Being in a sparsely populated region with no historic mining there are no community or environmental legacy issues in the immediate area. There is access to freshwater and Fairbanks is already established as a mining hub servicing the world class operations of Fort Knox (Kinross) and Pogo (Sumitomo).

- The tenements cover an area of 143km^2 totalling 224 mining claims. WRM has added significantly to the ground holding since acquiring the original tenement package. The combined tenement package covers 30 look-a-like targets to Dry Creek and West Tundra Flats, identified by a combination of conductive geophysics and geochemistry.

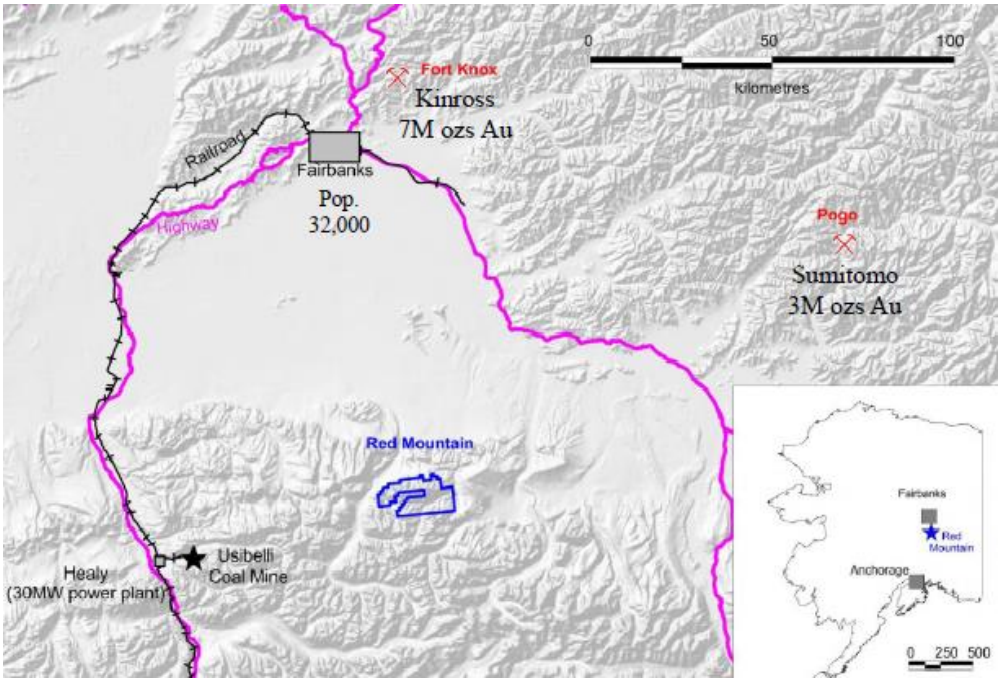

Figure 5. Location of Red Mountain project, Alaska Source: WRM

Acquisition Terms

The key terms of the acquisition were as follows:

- US$1.225m expenditure commitment over 4 years
- US$1.0m in cash payments over 5 years
- Metallogeny (vendor) retains the right to 10% of the proceeds of any sale of claims prior to commercial production
- A 2% NSR with an option to acquire 1% (50% of royalty) for US$2.0m

Remaining payments to Metallogeny total US$900,000 over the next 4 years and consist of US$50k in 2017; US$100k in 2018; US$200k in 2019 and US$550k in 2020.

Exploration history

- The Bonnifield District is known to be prospective for zinc, lead, silver, gold, copper and uranium. Low metal prices in the 1990's forced explorers to abandon the field and shelve projects.

- VMS mineralisation was first discovered at Dry Creek in 1975 and at WTF in 1981. A total of 101 drill holes for 42,215ft, had been completed at Dry Creek in 1996 and 26 holes drilled at WTF for 17,548ft.

- Grayd Resources Inc had conducted soils, mapping and geophysical surveys by 2000.

Geology

- The Dry Creek and West Tundra Flats deposits lie either side of an east-west trending synclinal axis. Dry Creek is steeply dipping to the north and WTF dips shallowly to the south west. The orientation of both deposits is thought to reflect the dip orientation of clastic and volcanogenic rocks on either side of the asymmetrical syncline.

- The VMS mineralisation is located in the Bonnifield District located in the western extension of the Yukon Tanana terrane. The Bonnifield Mining District includes more than a dozen VMS prospects and several gold-quartz vein prospects which are largely under-explored.

- In both deposits, massive sulphide mineralisation is exposed on surface and is open along strike and down dip. The VMS mineralisation is most often associated with the upper portions of the Totatlanika Schist which is of Devonian to early Carboniferous (Mississippian) age.

- The deposits are associated with Palaeozoic felsic siliciclastic and volcanic schists. The schists are intruded by Cretaceous granitic rocks along with Tertiary dykes and plugs of mafic and intermediate composition. Tertiary and Quaternary sediments with coal-bearing horizons overlie portions of the older successions.

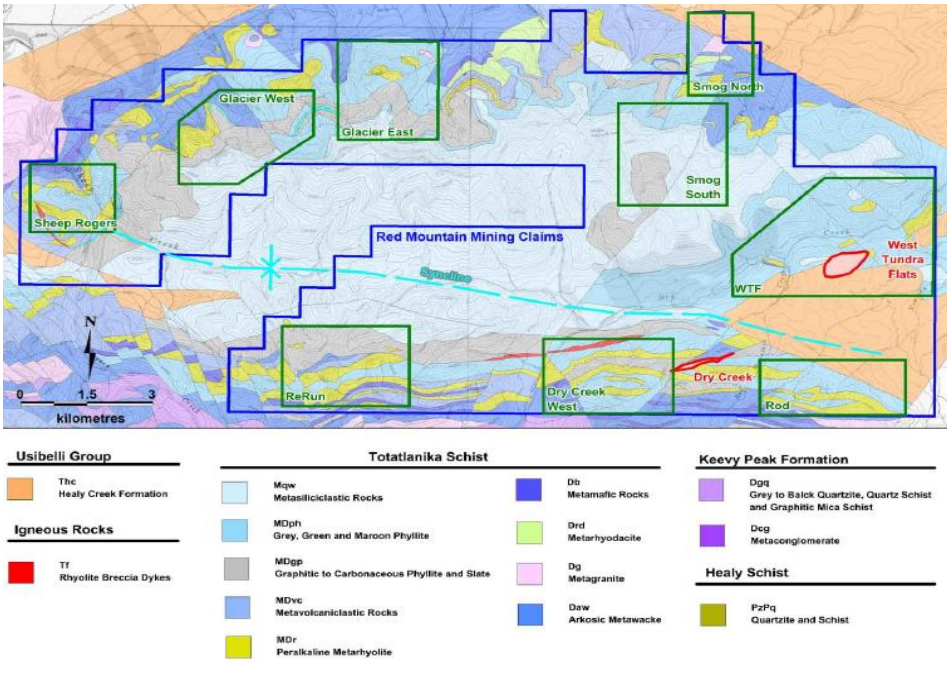

Figure 6. Local Geology with geochemical target areas Source: WRM

Dry Creek

- Dry Creek (DC) consists of two horizons of massive sulphide mineralisation. Dry Creek North hosts most of the mineralisation found to date and occurs near the upper part of the Mystic Creek Member.

- DC North can be traced for 4.5km with the central 1.4km hosting two lenses of VMS mineralisation, the Fosters and Discovery lenses. The lenses at DC North dip steeply to the north and are parallel or sub-parallel.

- Mineralisation occurs as semi-massive zinc-lead-silver rich sulphides with overlying stringer and disseminated chalcopyrite-pyrite mineralisation. This is located at or close to the base of an intensely quartz-sericite-pyrite altered siliceous rock, locally known as a “mottled meta-rhyolite”.

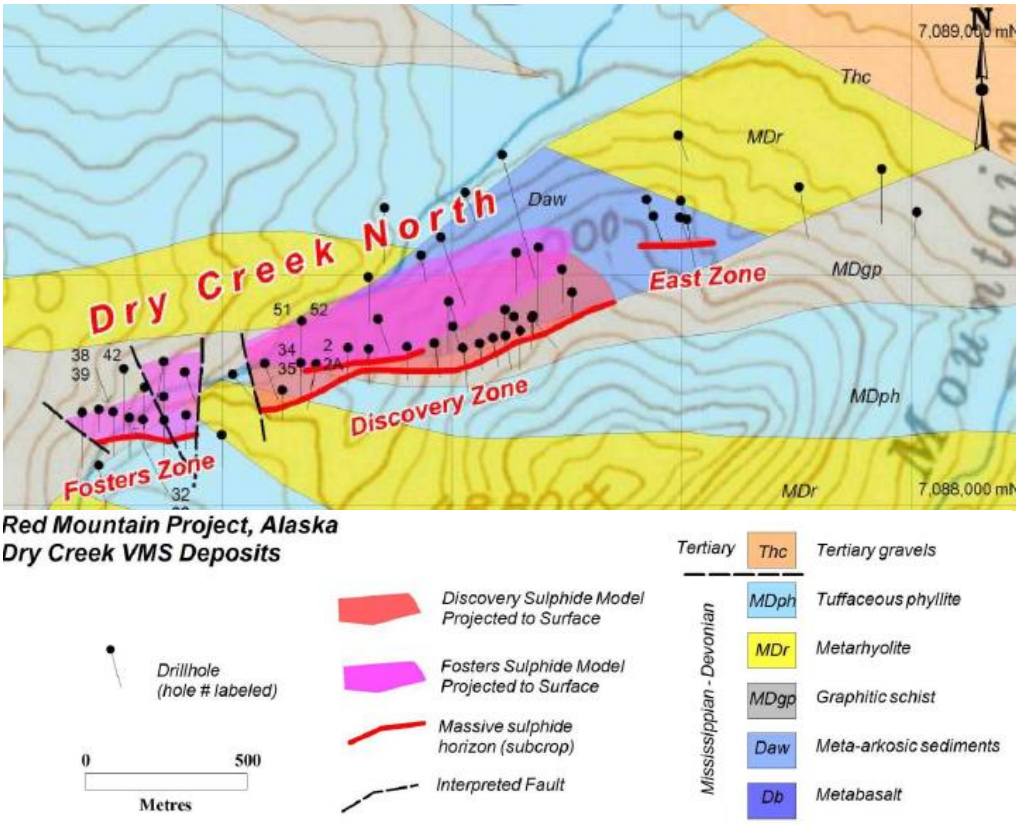

Figure 7. Dry Creek geology and lenses projected to surface Source: WRM

- At Fosters, mineralisation is hosted by a pyritic mudstone in the hanging wall and along strike of the meta-rhyolite.

- Typical of VMS deposits globally, the massive sulphide mineralisation pinches and swells in 3-D. Where growth faults occur, that may act as feeder structures, the mineralisation can be up to 40m in true width in the Fosters lens.

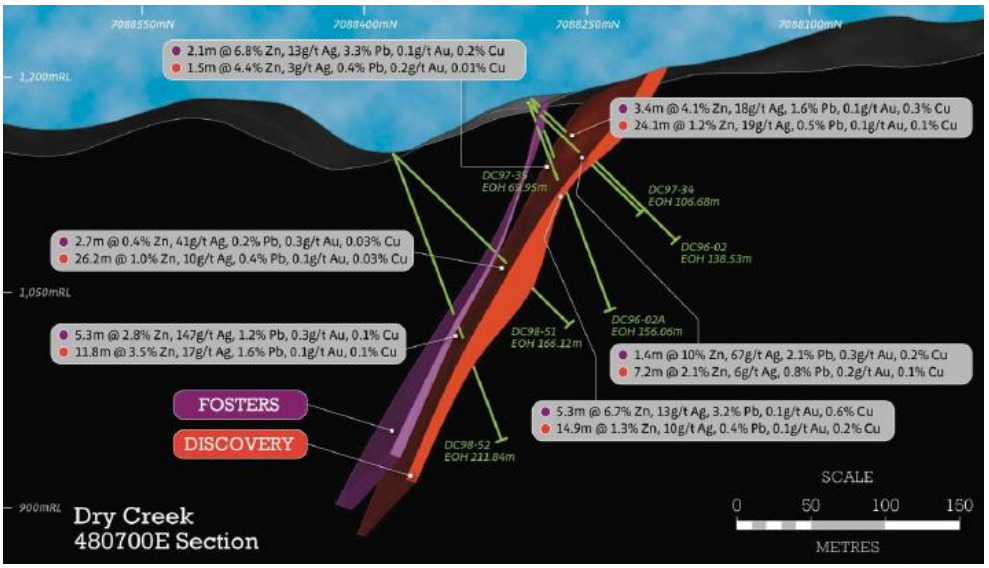

Figure 8. DC cross section at 480700E, looking East through lenses Source: WRM

West Tundra Flats

- At West Tundra Flats, mineralisation occurs at the base of a black chloritic schist that itself is at the base of the sedimentary Sheep Creek Member and at the very top of the metavolcanic Mystic Creek Member.

- WTF extends for at least 1000m NW-SE along strike and 1600m down dip to the southwest. The horizon dips shallowly at approximately 10° to the southwest and is between 0.3m and 4.4m in thickness and remains open down dip.

- Massive sulphide mineralisation is localised in a series of exhalative units distinguished by semi-massive and massive sulphides including sphalerite, pyrite and galena. The massive sulphides are commonly associated with very high silver grades with erratic gold distribution.

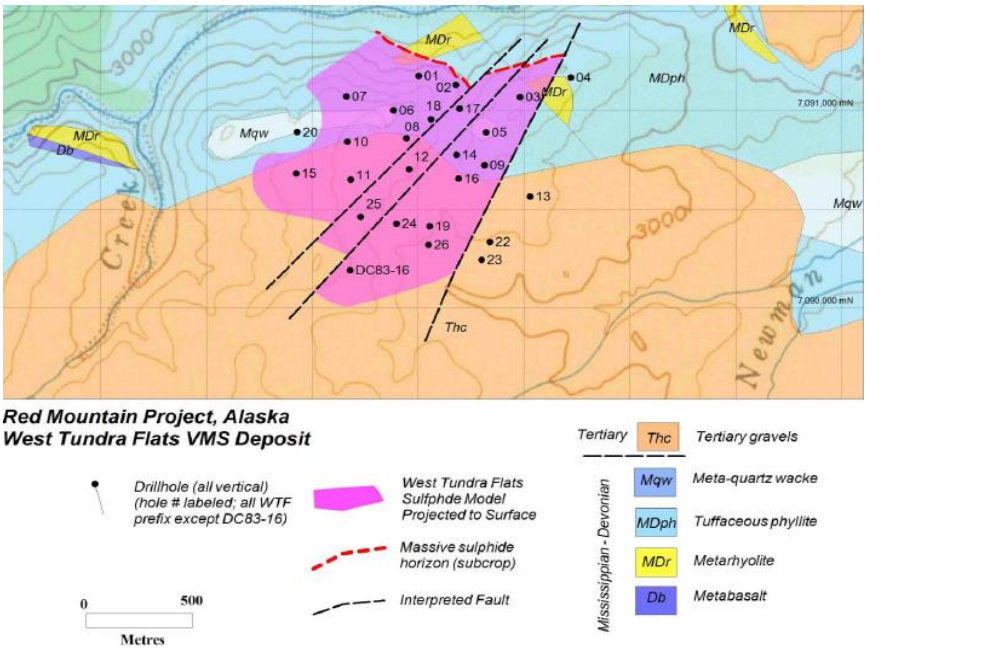

Figure 9. WTF mineralisation projected to surface with geology Source: WRM

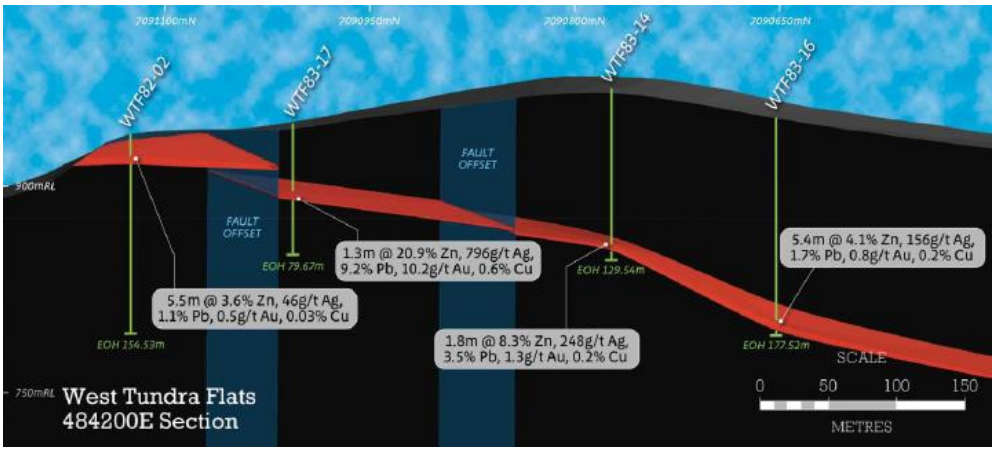

Figure 10. Cross section through WTF deposit Source: WRM

Exploration Potential

- The mineralisation at both Dry Creek and West Tundra Flats is open down-dip and in some portions along strike. There are two holes with good mineralised intercepts at Dry Creek South that are open in all directions. Additional drilling, particularly at Dry Creek South could add tonnage to the reported Mineral Resource.

- Historic geophysical data has been interrogated by White Rock utilising the services of Condor Consulting, with more recent airborne EM and magnetics (2007) flown by the Alaskan Geological Survey to define a suite of high priority targets. These targets exist at several centres on the tenement package but include along strike positions east and west of Dry Creek in addition to down dip opportunities at both deposits.

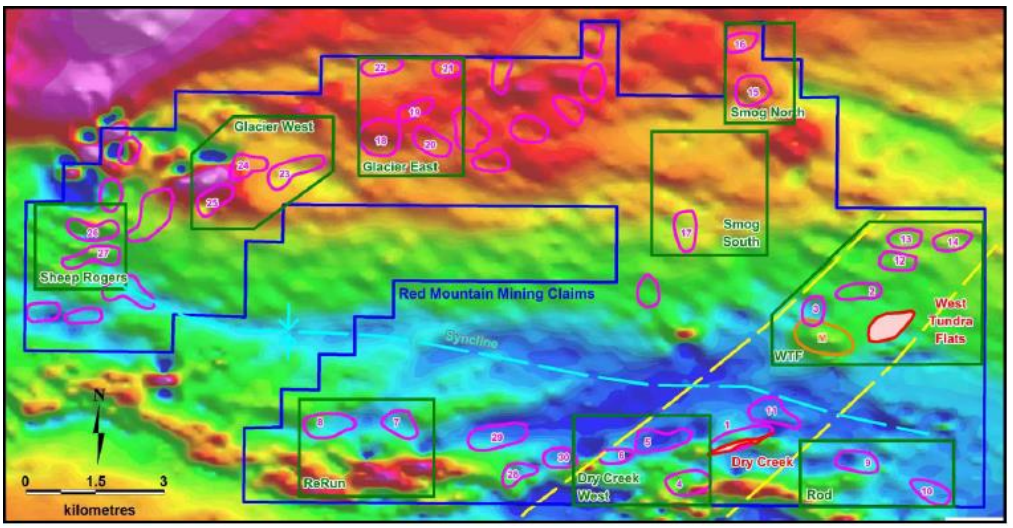

Figure 11. Conductivity anomalies (red circles) over magnetics Source: WRM

- A geochemical vectoring exercise was conducted for White Rock by globally recognised VMS expert Dr Jim Franklin using historic exploration reports together with public data. Approximately 30 targets have been identified from this work, based on alteration vectors where data has shown sodium depletion and barium addition in the footwall, combined with direct indicators of base and precious metal anomalism.

- Although the data was of insufficient quality to interrogate additional elements, each area displays extensive lateral and vertical footwall alteration and there is potential for a number of mineralised horizons inferred from existing indicators of base and precious metal mineralisation.

Significant exploration upside exists at Red Mountain

- Given the lack of any modern-day exploration, where techniques have advanced significantly in the last decade, and with no drilling having occurred since the 1990s, this presents Red Mountain as having significant exploration upside potential, especially when the overlay of the geophysics and geochem work has identified 30 targets of similar signature to the existing deposits at Dry Creek and WTF. This potential prospectivity is further enhanced when you consider VMS deposits are known to form in camps (clusters of deposits).

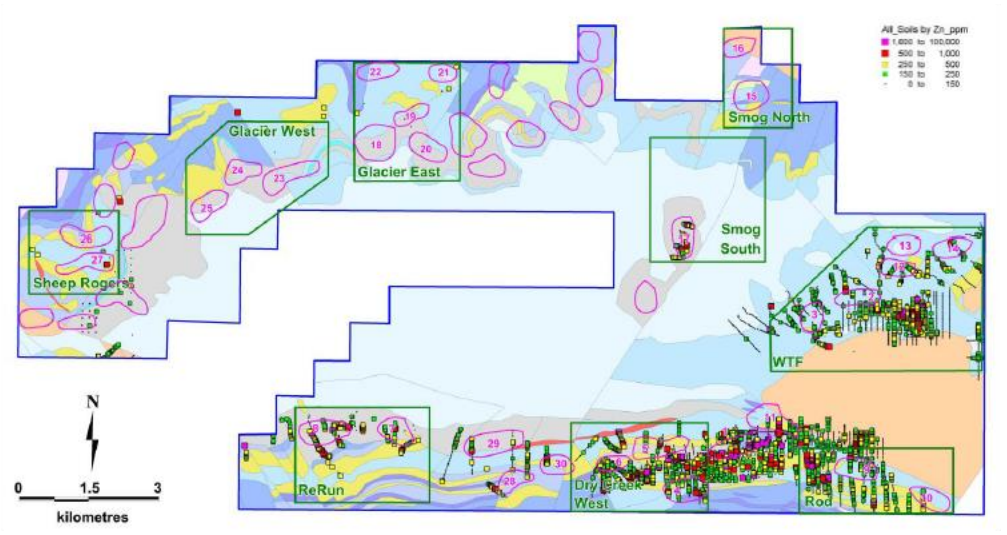

Figure 12. Zinc geochemistry on geology and conductors Source: WRM

Alaska as a mining jurisdiction

- Alaska rates as one of the better jurisdictions in the US for mining being host to several large, world-class mining assets, particularly for gold. Indeed, Alaska is the largest producer of gold in the US behind Nevada. The State also has enormous oil and gas reserves on the North Slope and coal mining has occurred over many decades.

- Alaska has a population of approximately 750,000 people, or a population density of just 1.3 people per square mile. It has a relatively high unemployment rate at circa 7.0%.

- Juneau, Alaska's capital city has a lower population than Anchorage, the State's largest city (300,000) and Fairbanks City and Fairbanks North Star Borough (~132,000 combined).

- The Fraser Institute, in its February 2017 survey on mining jurisdictions, ranked Alaska as the 14th (out of 104) best jurisdiction in the world to seek and develop a mine. Alaska ranked 6th in 2015 but ranked lower in 2016 purely on perceptions of Alaska's mineral potential.

- From a mining regulatory point of view, Alaska remains well placed at 23rd on the Policy Perception Index, falling in a group of peers that are found primarily in Europe, Canada, United States and Australia. In fact, Alaska ranks very highly on the fairness of regulators to apply the state rules with respect to mining projects, ranking 3rd out of all the US states on this metric and 28th overall globally.

- This seems to be largely the result of the Alaska Large Mine Permitting Team, a process enshrined in state law, to help companies hoping to develop a large mine in Alaska coordinate the numerous permits needed to do so.

Future infrastructure requirements for Red Mountain are unlikely to be a major hurdle.

- Crucial to mineral exploitation in Alaska is access to infrastructure. The Fraser Institute survey showed that many projects in Alaska have large infrastructure hurdles that increase up front capital costs and delay project development. Red Mountain is located within 80km of a major road and rail network and is a half an hour's journey of a major regional city at Fairbanks. Infrastructure issues for Red Mountain are unlikely to be a major hurdle, but will require attention through any planning process.

- The infrastructure "problem" has been an issue with project development in some of the large, world-class, undeveloped deposits in Alaska, such as Pebble and particularly Donlin Creek in central western Alaska.

- Environmental issues are another area that features heavily in Alaska. Recently, the Alaskan EPA lifted restrictions to the development of the giant copper-gold Pebble Creek mine. The owners of the 40Mozs Donlin Gold Project, Novagold and Barrick, are yet to make a final investment decision (FID), but the issuance of permits to develop Donlin would allay many of the concerns that mining executives have over project development in the State.

Zinc Market Overview

- Zinc is one of the best performing metals of 2017. Two years ago, it was generally accepted that a looming supply shortage in zinc was likely as investment in exploration and development over the last few years had not occurred due to low prices.

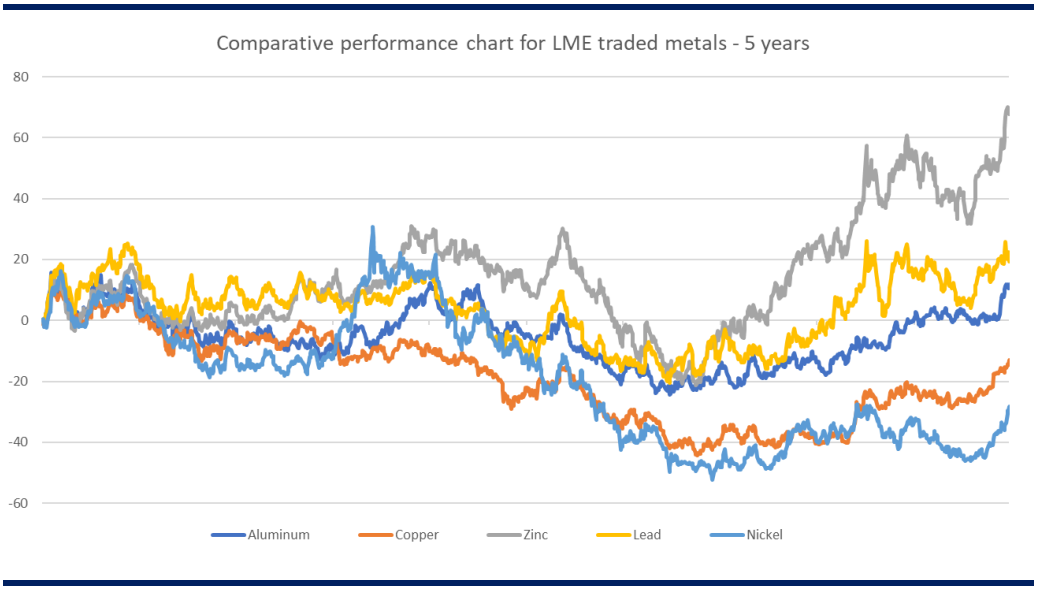

Figure 13. 5-Year performance comparison Source: Data SNL

- In addition, historically low zinc prices had also forced the closure of several operating zinc mines. Glencore reduced zinc production by circa 500,000 tonnes and some assets with high production rates, such as Lisheen in Ireland, operated by Vedenta, and then Century Mine in QLD, operated by MMG, came to the end of their mine life, removing significant supplies from the market.

- As demand for zinc continued to grow in line with industrial growth, particularly in China, warehouse stocks fell and prices rose.

- Demand is expected to grow over the next few years, out-stripping supply and leading to further pressure on global stocks. We would expect to see a supply response come from mines that were closed due to low prices, but even so, research indicates that at least until 2020, markets will be in a supply deficit.

Forecast at a glance (000 t)	2016	2017	2018	2019
Supply	13,682	13,787	13,960	14,308
Demand	13,852	14,079	14,288	14,470
Balance	-170	-292	-327	-162
3M Price (US$/t)	2,101	2,915	3,208	3,100

Sources: S&P Global Market Intelligence; LME.

Figure 14. Demand-Supply balance in zinc to 2019 Source: S&P Global

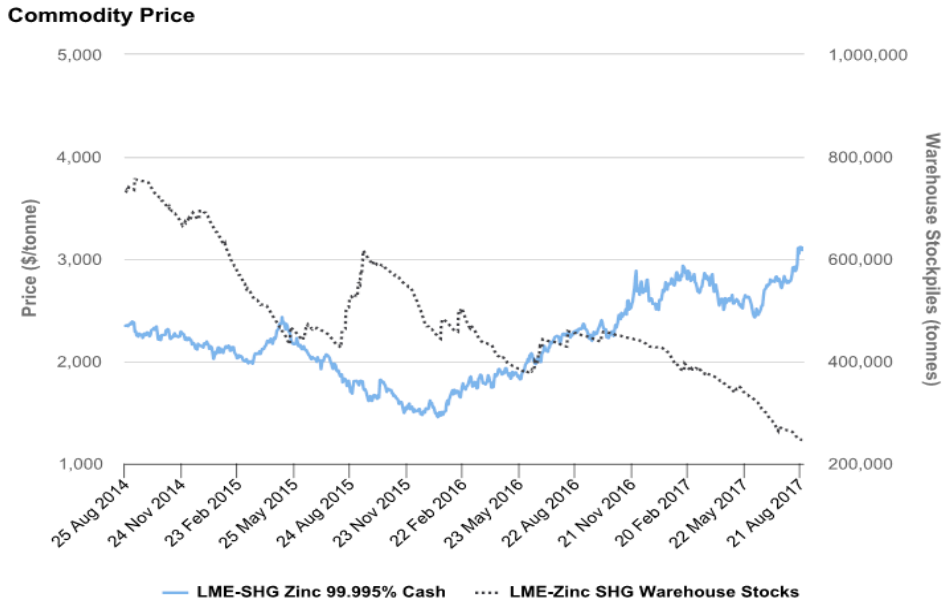

Figure 15. 3-yr Zn price and warehouse stocks Source: SNL

- Other global macro factors influencing the price of commodities currently include the value of the USD and the delay in the Fed normalising interest rates in the US. The lower USD has contributed to higher commodity prices, but in zinc's case, there are fundamental reasons why prices are likely to remain elevated over the medium term.

- Chinese growth in the demand for zinc has been fairly robust lately. July figures show 4.8% y-o-y and 6.2% y-o-y growth in automotive production and sales respectively, which has been supportive for zinc as it is used extensively in galvanising in the automotive industry. However, another key issue is that zinc supply within China fell 3.4% y-o-y in 1H17.

- In addition, strict month-long environmental checks taking place within the provinces that produce most of China's zinc in August, could result in further falls in mine supply.

- Overall, the outlook for zinc is robust and we expect see elevated zinc prices continue over the short to medium term. It should also be noted that copper prices have just risen through $3.00/lb. The CRU Group has long predicted a supply crunch in copper in 2018-2019 before a return to balance by the early 2020's. This will benefit polymetallic projects.

Board

Mr Brian Phillips – Non-Executive Chairman

Brian Phillips is a mining engineer with over 45 years' corporate and operating experience in the mining industry in Australia and overseas. Mr Phillips joined MPI Mines Limited in 1992 and was Managing Director of that company from October 2002 until December 2004, followed by two years as Chairman of Leviathan Resources Limited. He was a Non-Executive Director of Perseverance Corporation from January 2007 until February 2008, and was a Non-Executive Director of Tawana Resources NL until July 2009 and Rex Minerals Limited until June 2010. He is the currently a Chairman of Panoramic Resources.

Mr Matthew Gill– Managing Director, Chief Executive Officer

Matthew Gill is a mining engineer with over 30 years' experience. He has a strong technical, operational and executive management background; having worked as an underground miner, mine planning engineer, supervisor, general manager and managing director in Australia, Papua New Guinea, India, Ghana and Bolivia. He holds three First Class Metalliferous Mine Manager's Certificates of Competency and has been instrumental in the successful development of three gold mines (Porgera, Beaconsfield and Ballarat). He is a three-time winner of the Australian Mine Manager of the Year Award and received the AusIMM Leadership Award in 2008. Previously, he was Group Chief Operating Officer for Singapore-listed LionGold Corp. Also, he has worked for Castlemaine Goldfields, Rio Tinto, WMC, Placer Pacific and Renison Goldfields. Matthew also provides technical, leadership and risk management consultancy advice to industry, and is a Non-Executive Director of Mantle Mining Corporation.

Mr Peter Lester – Non-Executive Director

Peter Lester has over 40 years' experience in the mining industry, and has held senior executive positions with North Ltd, Newcrest Mining Limited, Oxiana Limited and Citadel Resource Group Limited. Mr Lester's experience covers operations, project and business development and general corporate activities. Mr Lester is chairman of Kidman Resources, and a non-executive director of Millennium Minerals Limited and Nord Gold NV.

Mr. Ian Smith – Non-Executive Director

Ian has more than 35 years' experience in the mining and services sector. Ian has held some of the most senior positions in the Australian resources industry, and was most recently MD and CEO of Orica. Prior to that, Ian was MD and CEO of Newcrest for five years, growing the business to become Australia's biggest, and globally one of the largest gold mining companies, with responsibility for 16,000 employees, and ten mines spread across four countries. Ian has technical, operational, financial and strategic expertise, having also held senior and executive positions with Rio Tinto, WMC, Pasminco and CRA. He has represented the mining industry at the highest levels in Australia, being a past president of the Australian Mines & Metals Association and a past chairman of the Minerals Council of Australia.

Mr. Jeremy Gray – Non-Executive Director

Jeremy has more than 23 years in mining investment including appointments as the Global Head of Basic Materials at Standard Chartered Bank Plc, Head of Metals and Mining Research at Morgan Stanley in London and the Head of Mining Research at Credit Suisse in London. Mr. Gray serves as a Director of Chancery Asset Management, Singapore. Mr. Gray has been a Non-Executive Director of Axiom Mining Limited since July, 2015.

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The recommendation made in this report is valid for four weeks from the stated date of issue. If in the event another report has been constructed and released on **White Rock Resources Limited**, the new recommendation supersedes this and therefore the recommendation in this report will become null and void.

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SPECULATIVE BUY – Potential 10% or more outperformance, high risk
BUY – Potential 10% or more outperformance
HOLD – Potential 10% underperformance to 10% over performance
SELL – Potential 10% or more underperformance
Period: During the forthcoming 12 months, at any time during that period and not necessarily just at the end of those 12 months.

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