

Chairman's Address

Good morning and welcome to this the 9th annual general meeting of White Rock Minerals.

For a number of reasons, the past year has been both interesting and tough for the small end of the resources sector where White Rock resides. However, despite these head winds, we have made significant and exciting advances towards broadening and strengthening our Company's resource base and quality.

With the completion of the "Gold First" pre-feasibility work at Mt Carrington in Northern New South Wales, announced at the end of last year, we now have a well-defined pathway of some 12 to 18 months and approximately \$3.5M to complete a definitive feasibility study, activate our community consultation strategy and in tandem complete and lodge our Environmental Impact Statement with the NSW Government. Once the subsequent approvals are received, we have the makings of an economically viable project ready to develop into an initial 4-plus years 35,000oz per annum gold producer generating an expected internal rate of return of 34%, a capital cost payback under two years and a free cash flow of \$36M over this initial "Gold First" period (*refer to announcement of 27 December 2017 for further details including the key assumptions applied in the project economic analysis*). With the project established and operating, it is expected that the gold operation can be followed by silver-focussed production for a further three years. During this initial operating period, our highly prospective mining and exploration tenements can be explored to secure further feed to extend the project's life and profitability.

Several non-binding indicative proposals to invest in Mt Carrington have been considered. The Company remains open to this type of approach, because with completion of the definitive feasibility study and all permits received, the US\$19M project funding term sheet from long term strategic partner Cartesian Royalty Holdings remains on the table to underpin the project's construction and development.

The second asset being advanced by the Company is our 100% owned Red Mountain high grade zinc-silver-lead-gold volcanogenic massive sulphide (VMS) project south of Fairbanks, in central Alaska. This year, beginning in the early northern hemisphere Spring (March), the project area was accessed by an ice-road using existing trails and an exploration base was established with accommodation, maintenance and administration facilities alongside an existing airstrip to facilitate fixed wing and helicopter services for personnel transport and supply.

Diamond drilling commenced in May, and continued until September, achieving some great results and which supported the high-grade tenor of the maiden JORC Resource announced last year; this maiden resource had already placed the Red Mountain Project in the top quartile of undeveloped high-grade zinc VMS projects in the world, with a Resource of 9.1Mt @ 12.9% ZnEq¹. The initial drill program focus was on infill and expansion of the high-grade maiden resource. Three of the diamond holes in this initial phase produced mineralised intercepts with outstanding assay results. At the Dry Creek deposit, one of the drill hole intercepts was the best ever achieved in the Discovery lens, intercepting 4.7m assaying 19.5% zinc, 7.8% lead, 466g/t silver, 6.9g/t gold, and 1.5% copper, for a 49.7% ZnEq grade, and a second intercept of 4.3m with a 43.2% ZnEq grade was also achieved. At the West Tundra deposit, a best ever intercept of 3.5m @ 15.1% Zn, 6.7% Pb, 518g/t Ag, 2.1g/t Au and 0.2% Cu for 35.2% ZnEq was also achieved.

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

In parallel with this drilling program, field activities included the application of simultaneous ground CSAMT geophysics, downhole electromagnetics, geological reconnaissance mapping and surface geochemical sampling programs, all supported by a field camp with the capacity for up to 25 personnel. These activities were professionally managed by our consultant geologists based out of Fairbanks and done without incident or accident.

A new VMS discovery was made at the Hunter prospect, where the extent of outcropping sulphides was confirmed with assays from diamond drill holes returning intercepts with ZnEq grades of 25.8% and 19.5%. This discovery remains open east and west and down dip with massive sulphide mapped for over 500 metres along strike on the surface.

The Company's extensive strategic tenement package of some 143km² provides continual exploration and discovery potential as drilling only occurred in the south-eastern corner of our land package, with follow-up drill targets already identified for next year. Further, the success of the geophysics tool used, and the regional recon work done this year, provides ample opportunity for ongoing exploration and discoveries for the year ahead. It is to be remembered that VMS deposits tend to come in camps – clusters – and our work in just our first field season has supported this model.

The potential of the Red Mountain project has been recognised by leading Australian copper miner Sandfire Resources. The Company and Sandfire entered into a strategic relationship in July and Sandfire now holds 12.7% of White Rock and has the right and exclusive option to enter into an earn-in joint venture agreement in relation to the Red Mountain Project, which option may be exercised prior to 31 December 2018. Broad earn-in terms have been agreed and include the right to earn an initial 51% of the Red Mountain project with a minimum expenditure of \$20M over 4 years. Sandfire can earn a further 20% through the expenditure of \$10M and the delivery of a pre-feasibility study within the following 2 to 3 years. With the exploration camp and equipment already in place, the next phase of the exploration program is ready to commence in the spring of 2019.

So, where does this place our Company for the year ahead?

We are operating in an investment environment that almost exclusively favours companies with operating mines and positive cash flow; exploration and developing companies find it a real challenge to attract the support to add value and evolve to an operating status. The uncertainty of markets and policy projected by national and international governments has led to investors adopting a cautious approach to investment. As is always the case, quality assets will attract support, and White Rock is well placed with its Mt Carrington and Red Mountain projects. The demand for, and pricing of, the metals that we can produce remain strong, and we have the management and support capability to continue to evolve our projects.

Your board would like to acknowledge the commitment and leadership of our MD and CEO Matt Gill. Despite the difficult investment environment, Matt continues as the outstanding leader of the Company, securing the funding and shareholder and stakeholder support that is going to result in White Rock reaching producer status.

We also thank our loyal shareholders and the legal, accounting, broking and other service groups for their continuing support and advice.

Brian Phillips, Chairman