

ASX Release: 27 January 2016

Quarterly Activities Report - for the period ended 31 December 2015

ASX Code: WRM

Issued Securities

Shares: 271.9 million

Options: 7 million

Cash on hand (31 Dec 2015)

\$0.4M

Market Cap (as at 27 Jan 2016)

\$3.8M at \$0.014 per share

Directors & Management

Brian Phillips

Non-Executive Chairman

Geoffrey Lowe

Non-Executive Director

Peter Lester

Non-Executive Director

Matthew Gill

Chief Operating Officer

Rohan Worland

Exploration Manager

Shane Turner

CFO & Company Secretary

For further information contact:

Matthew Gill or Shane Turner

Phone: 03 5331 4644

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www.whiterockminerals.com.au

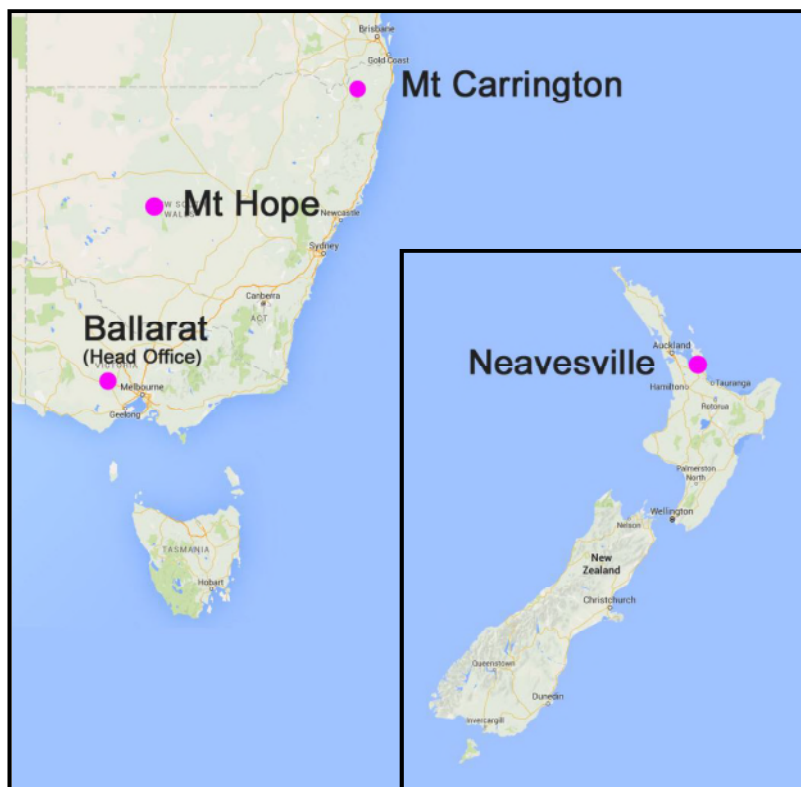
QUARTERLY ACTIVITY SUMMARY

Heads of Agreement with E2 Metals Limited

White Rock Minerals Ltd (ASX:WRM) announced a Heads of Agreement (HoA) providing for a merger with E2 Metals Limited by way of scheme of arrangement. As part of the HOA a placement to raise \$350,000 was made to a nominee of E2 to provide White Rock with funding to complete the transaction.

The merger transaction consideration is intended to be the issue of 3.25 White Rock shares for every E2 share for a total of 182,373,552 new WRM shares.

The merger of the two companies will bring together the Mt Carrington gold-silver development project and the advanced Neavesville (New Zealand) and Mt Hope (NSW) gold exploration projects to create a multi-asset precious metal company. Importantly, the merger transaction has attracted the interest of a new cornerstone investor with a vision of advancing the Mt Carrington project towards development. The addition of high grade gold exploration projects at Neavesville and Mt Hope provide upside potential along the path to building a new gold-silver production company with quality projects.



Heads of Agreement with E2 Metals Limited

White Rock Minerals Ltd announced a signed a Heads of Agreement with E2 Metals Limited (ACN 116 865 546) on 18th December 2015, providing for:

- a placement of 17,500,000 White Rock shares at a price of \$0.02 per share to a nominee of E2 Metals Limited raising \$350,000 (**Placement**); and
- a merger by way of a scheme of arrangement involving E2 and its shareholders, pursuant to which White Rock will acquire all of the ordinary shares in E2 (**Proposed Transaction**).

The shares under the Placement were issued to Capri Trading Pty Ltd on 21 December 2015.

It is intended that the consideration for the Proposed Transaction will be the issue of 3.25 White Rock Shares for every E2 share, with White Rock issuing a total of 182,373,552 new shares to E2 shareholders.

The Proposed Transaction is subject to a number of conditions including:

- completion of a capital raising by E2 of \$150,000;
- completion of due diligence by each party;
- negotiation and execution of definitive transaction documentation including a merger implementation agreement; and
- all necessary court, shareholder and other approvals for the Proposed Transaction as are required by law and the ASX Listing Rules.

White Rock and E2 have agreed to work towards entering into definitive documentation to implement the Proposed Transaction within a period of two months, or such later date as the parties agree.

COO Matt Gill said “The Board of White Rock welcomes the opportunity to team up with E2 Metals with the acquisition of E2’s assets in New Zealand and NSW. We see the Neavesville gold project in NZ as offering the opportunity to acquire an advanced gold and silver project with world class potential. Neavesville is only 25km north of the Waihi Mine which has historic production of over 7.6Moz gold. E2’s Mt Hope gold project, south of Cobar in NSW, also offers exploration potential in a region well known for its rich mineral endowment. The expanded asset base of the company should add value for shareholders, and allow the opportunity to benefit from the development of the Company’s cornerstone Mt Carrington gold-silver Project in northern NSW, while we follow-up on the high grade gold results from past drilling at both Neavesville and Mt Hope.”

E2 Metals Ltd is an Australian Public unlisted company focused on exploration of potentially major deposits in prospective areas within known goldfields. E2’s major assets are the Neavesville Project in the north island of New Zealand and the Mount Hope Project in New South Wales.

The Neavesville Project is located in the Hauraki Goldfield, an epithermal vein district that has recorded production of approximately 12 M oz of gold and 50 M oz of silver. The district includes the Waihi mine which is a major current gold producer and was recently acquired by OceanaGold Ltd. E2 holds EP 51767 located 25km north of Oceana Gold’s Waihi mine.

The Mount Hope Project is located in the Cobar Basin, and consists of three exploration licences: EL 6837, EL8058 and EL 8290 that cover 150km². There are numerous gold and copper prospects including Mt Solitary which has the potential for high grade gold mineralisation similar in style to other gold deposits at Cobar.

Heads of Agreement with Silver Mines Limited

White Rock Minerals Limited (ASX: WRM) and Silver Mines Limited (ASX: SVL) entered into a Heads of Agreement (HoA) (refer ASX Release dated 23 July 2015) whereby SVL agreed to provide WRM with funding in the order of \$A500,000 by way of two (2) private placements plus an interest free loan facility as part of a broader commitment by the parties to consider a corporate transaction. SVL completed the 2 placements, totaling \$200,000, but has not provided WRM with the unsecured loan facility.

The HoA was in place for a six-month term, ending 23 January 2016.

Subsequent to the end of the quarter, WRM decided not to extend the HoA. However, WRM and SVL remain in discussions aimed at considering a possible corporate transaction on a non-exclusive basis.

Corporate

A placement to Capri Holding Pty Ltd, a sophisticated investor, was completed in December with \$350,000 raised through the allotment of 17,500,000 shares at 2 cents per share. The placement to Capri forms part of the obligations under the HoA with E2.

A placement to Suetone Pty Ltd, a sophisticated investor based in Australia, was completed in November with \$150,000 raised through the allotment of 7,500,000 shares at 2 cents per share.

1,313,302 shares were issued to Directors in lieu of Directors' fees. The issue of these shares was approved at the 2015 Annual General Meeting on 17 November 2015.

A placement to Silver Mines Limited, a sophisticated investor based in Australia, was completed in October with \$75,000 raised through the allotment of 3,750,000 shares at 2 cents per share. This placement formed a part of the Heads of Agreement with Silver Mines.

As at 31 December 2015 the Company held \$0.4M in cash. The Loan Facility as contemplated in the HoA with Silver Mines, comprising an unsecured loan to the total of \$300,000, remained undrawn as at 31 December.

Outlook

The Mt Carrington project continues to be the cornerstone asset for WRM. While little work was completed during the December quarter, White Rock is continuing to hold discussions with a number of parties interested in partaking in funding options to advance the Mt Carrington project towards development. The recent stability in the Australian dollar gold and silver prices is seen as a catalyst for investors to assess near-term production opportunities in the precious metal space. White Rock is well placed to take advantage of this improved sentiment.

Current market conditions are resulting in a number of higher quality resource opportunities being presented. Project and corporate level opportunities that offer additional value to White Rock's growth continue to be evaluated.

White Rock Minerals Ltd Tenement schedule for the quarter ended 31 December 2015

Tenement	Locality	Lease Status	Area Type	Current Area	Grant Date
EL6273	Central Carrington	Granted	km ²	183	15/07/2004
EL7673	Boorook	Granted	km ²	90	21/12/2010
MPL24	Mt Carrington	Granted	km ²	0.5119	2/04/1976
MPL256	Mt Carrington	Granted	km ²	0.5473	25/02/1987
MPL259	Mt Carrington	Granted	km ²	1.514	23/03/1988
SL409	Mt Carrington	Granted	km ²	0.4745	8/09/1967
SL471	Mt Carrington	Granted	km ²	0.5666	16/07/1969
SL492	Mt Carrington	Granted	km ²	0.0214	10/10/1969
ML1147	Mt Carrington	Granted	km ²	3.564	27/11/1985
ML1148	Mt Carrington	Granted	km ²	0.0315	27/11/1985
ML1149	Mt Carrington	Granted	km ²	0.5119	27/11/1985
ML1150	Mt Carrington	Granted	km ²	0.30	27/11/1985
ML1200	Mt Carrington	Granted	km ²	0.0875	23/03/1988
MPL1345	Mt Carrington	Granted	km ²	0.0081	26/10/1967
ML5444	Mt Carrington	Granted	km ²	0.0268	7/01/1955
GL5477	Mt Carrington	Granted	km ²	0.0247	8/10/1946
GL5478	Mt Carrington	Granted	km ²	0.0040	8/10/1946
ML5883	Mt Carrington	Granted	km ²	0.1133	4/06/1964
ML6004	Mt Carrington	Granted	km ²	0.1616	12/07/1965
ML6006	Mt Carrington	Granted	km ²	0.0809	29/06/1964
ML6242	Mt Carrington	Granted	km ²	0.1619	9/09/1970
ML6291	Mt Carrington	Granted	km ²	0.259	25/05/1971
ML6295	Mt Carrington	Granted	km ²	0.2388	24/05/1971
ML6335	Mt Carrington	Granted	km ²	0.1951	20/04/1972

Table 1: Mt Carrington Tenement Schedule

All tenements are held 100% by White Rock (MTC) Pty Ltd, a wholly owned subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

No mining or exploration tenements were acquired or disposed of during the quarter. Refer to Figure 1 for location of these tenements.

About White Rock Minerals

White Rock is an Australian minerals exploration company focussed on the discovery and development of shallow gold, silver and copper deposits in the New England Fold Belt, northern NSW. White Rock's cornerstone asset is the 100% owned Mt Carrington project located 5 km from the township of Drake in northern NSW, 4 hour's drive SW of Brisbane and 2 hours west from Ballina.

The Mt Carrington Project hosts shallow Indicated and Inferred Mineral Resources totalling 338,000oz gold and 23.5Moz silver on granted Mining Leases with significant mining infrastructure in place.

Exploration at Mt Carrington is in progress to generate and drill test a number of prospective near-mine copper and gold targets within a tenement area of 470km² covering the under-explored Drake Volcanics.

Resources: The Mineral Resource inventory for Mt Carrington is contained in 8 separate gold and silver deposits (Figure 1) - Kylo, Strauss, Guy Bell, Red Rock, Lady Hampden, Silver King, White Rock and White Rock North deposits. The updated Resource estimate for all deposits at the Mt Carrington Project totals 0.34Moz Au and 23.5Moz Ag.

MT CARRINGTON INDICATED & INFERRRED MINERAL RESOURCE SUMMARY					
Gold Dominant Resources					
Resource Category	Tonnes	Au (g/t)	Gold Oz	Ag (g/t)	Silver Oz
Indicated	2,830,000	1.3	116,000	3.1	286,000
Inferred	3,810,000	1.3	158,000	2.9	353,000
Indicated & Inferred	6,640,000	1.3	275,000	3.0	639,000
Silver Dominant Resources					
Resource Category	Tonnes	Au (g/t)	Gold Oz	Ag (g/t)	Silver Oz
Indicated	3,550,000	0.3	37,000	72	8,270,000
Inferred	8,950,000	0.1	27,000	51	14,533,000
Indicated & Inferred	12,500,000	0.2	64,000	57	22,803,000
Total Resources					
Total	19,140,000		338,000		23,442,000

Mt Carrington Project - Mineral Resource Summary.

****Competent Persons Report***

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Rohan Worland who is a Member of the Australian Institute of Geoscientists. Mr Worland is engaged by White Rock Minerals Ltd as a technical consultant. Mr Worland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Worland consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Geophysical information in this report is based on exploration data compiled by Mr Terry Hoschke who is employed as a Consultant to the Company through the geophysical consultancy Alterrex Pty Ltd. Mr Hoschke is a member of the Australian Society of Exploration Geophysicists and the Australian Institute of Geoscientists with sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hoschke consents to the inclusion in the report of matters based on information in the form and context in which it appears.

The gold and silver Resource figures for White Rock, Red Rock, Strauss, Kylo, Lady Hampden, Silver King and White Rock North have been taken from Resource estimates of February 2012, July 2013 and November 2013 prepared by Ravensgate Minerals Industry Consultants on behalf of White Rock Minerals Ltd and authored by Mr Don Maclean. Mr Maclean is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of

mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.” Mr Maclean consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per ASX releases by White Rock Minerals Ltd on 13 February 2012, 11 July 2013 and 20 November 2013. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The gold and silver Resource figures for Guy Bell have been taken from the Resource estimate of October 2008 prepared by Mining One Pty Ltd on behalf of Rex Minerals Ltd and authored by Dr Chris Gee who is a professional geologist with more than 10 years’ experience in resource estimation. Dr Gee is a Competent Person as defined by the JORC Code. Mr Gee consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per the ASX release by Rex Minerals Ltd on 10 December 2008. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

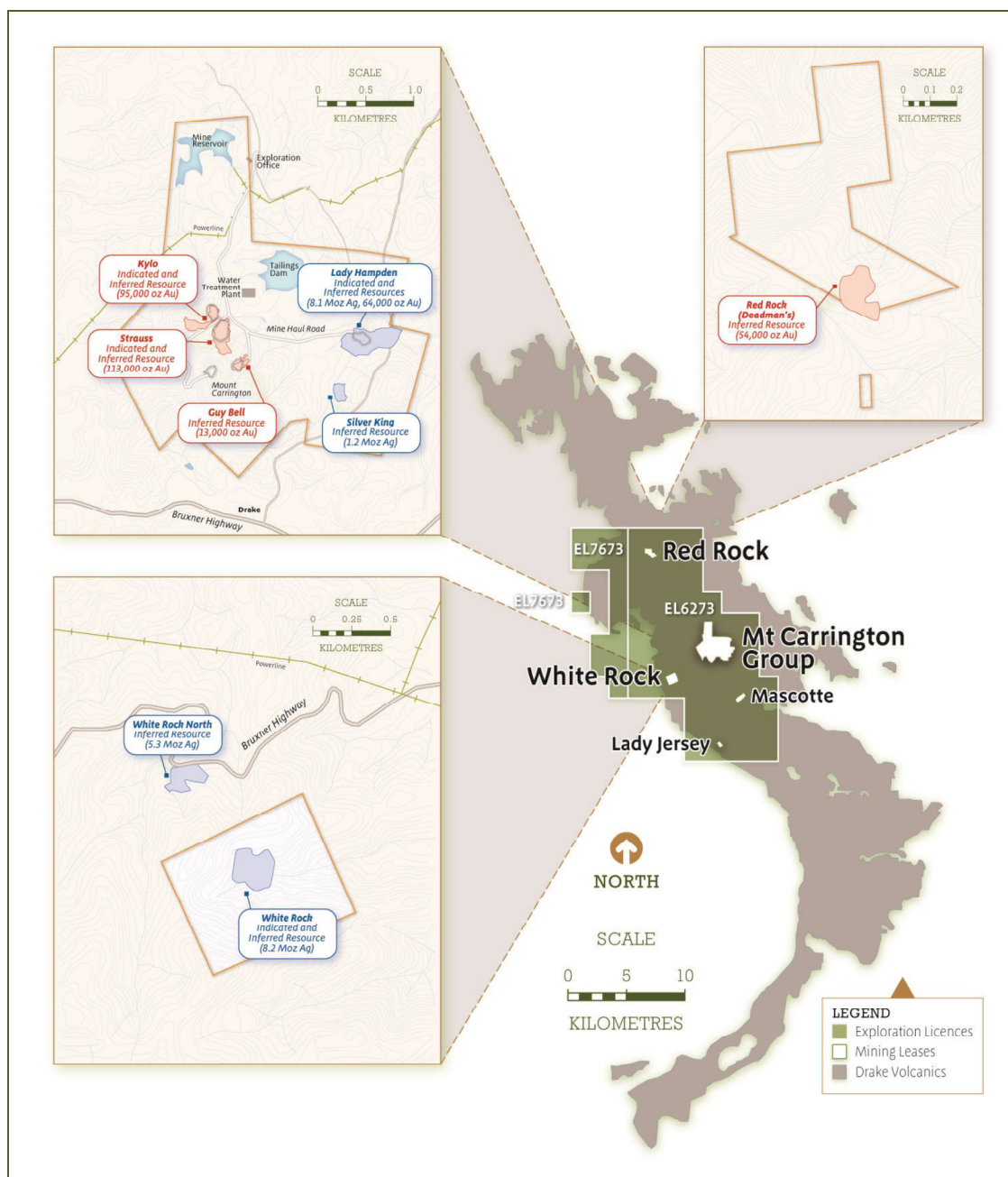


Figure 1: Mt Carrington Project Tenement and Resource Summary

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

WHITE ROCK MINERALS LTD

ABN

64 142 809 970

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 Months) \$A'000
1.1	Receipts from product sales and related debtors	0	12
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(85) (282)	(245) (508)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	6	13
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other – Govt Drilling Grant	13	26
Net Operating Cash Flows		(348)	(702)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(3)	(19)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material)		
Net investing cash flows		(3)	(19)
1.13	Total operating and investing cash flows (carried forward)	(351)	(721)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(351)	(721)
1.14	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	575	800
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	575	800
	Net increase (decrease) in cash held	224	79
1.20	Cash at beginning of quarter/year to date	209	354
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	433	433

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	21
1.24 Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Director Fees

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	
3.2 Credit standby arrangements	Nil	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	NIL
4.3 Production	NIL
4.4 Administration	200
Total	300

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	433	209
5.2 Deposits at call	NIL	NIL
5.3 Bank overdraft	NIL	NIL
5.4 Other (provide details)	NIL	NIL
Total: cash at end of quarter (item 1.22)	433	209

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities (description)	NIL	NIL		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	271,960,953	271,960,953		
7.4 Changes during quarter (a) Increases through issue	10,000,000 7,500,000 1,313,302 <u>17,500,000</u> 36,313,302	10,000,000 7,500,000 1,313,302 <u>17,500,000</u> 36,313,302	\$0.020 \$0.020 \$0.023 \$0.020	\$0.020 \$0.020 \$0.023 \$0.020
(b) Decreases				

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

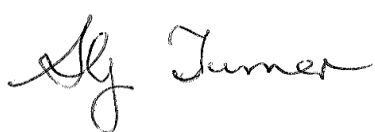
7.5	+Convertible debt securities <i>(description)</i>	NIL	NIL		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
		1,166,666	1,166,666	\$0.045	31/05/2016
		833,333	833,333	\$0.037	31/05/2016
		1,166,667	1,166,667	\$0.050	31/05/2017
		833,333	833,333	\$0.041	31/05/2017
		1,166,667	1,166,667	\$0.055	31/05/2018
		833,334	833,334	\$0.045	31/05/2018
		500,000	500,000	\$0.040	30/03/2018
		500,000	500,000	\$0.045	30/03/2019
		7,000,000	7,000,000		
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>	NIL	NIL		
7.12	Unsecured notes <i>(totals only)</i>	NIL	NIL		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:


(Company secretary)

Date: 27 January 2016

Print name: SHANE TURNER

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.