



White Cliff Minerals LTD

WHITE CLIFF MINERALS LIMITED

ACN 126 299 125

NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY MEMORANDUM

Date of Meeting: Friday, 28 November 2014

Time of Meeting: 10.30am (WST)

Place of Meeting: Suite 2, Level 1
47 Havelock Street
West Perth WA

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

WHITE CLIFF MINERALS LIMITED
ACN 126 299 125

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the seventh annual general meeting of shareholders of White Cliff Minerals Limited ACN 126 299 125 ("**Company**") will be held at Suite 2, 47 Havelock Street, West Perth, Western Australia at 10.30am (WST) on Friday, 28 November 2014.

The Explanatory Memorandum which accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered and contains a glossary of defined terms for terms that are not defined in full in this Notice of Annual General Meeting.

AGENDA

ANNUAL FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report, the Directors' Report and Auditor's Report for the Company and its controlled entities for the period ended 30 June 2014.

ORDINARY RESOLUTIONS

1. Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, the Remuneration Report for the Company and its controlled entities for the period ended 30 June 2014 be adopted."

The vote on this Resolution is advisory only and does not bind the Directors or the Company.

2. Re-election of Mr Langoulant as a Director

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That for the purposes of Listing Rule 14.4 and article 6.3 of the Constitution and for all other purposes, Mr Langoulant, being a Director who retires by rotation, and being eligible, offers himself for re-election, be re-elected as a Director."

3. Ratify issue of Convertible Notes

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby approve the issue of up to 500,000 Convertible Notes to Magna Equities II LLC made on 9 October 2014 in the manner and on the terms and conditions described in the Explanatory Memorandum."

4. Ratification of Past Share Issue

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders hereby approve and ratify the issue of 5,829,269 Shares to Magna Equities II LLC made on 14 October 2014 in the manner and on the terms and conditions contained in the Explanatory Memorandum."

5. Approve issue of Convertible Notes

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders hereby approve the issue of up to 1,000,000 Convertible Notes to Magna Equities II, LLC in the manner and on the terms and conditions described in the Explanatory Memorandum."

6. Approve 10% Placement Facility

To consider, and if thought fit, to pass the following resolution as a **special resolution**:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

7. Issue of Performance Rights to Director – Mr Michael Langoulant

To consider, and if thought fit, to pass the following resolution as a **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes the purposes, approval is given for the Company to issue 6,000,000 Performance Rights to Mr Michael Langoulant (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

8. Issue of Performance Rights to Director – Mr Todd Hibberd

To consider, and if thought fit, to pass the following resolution as a **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes the purposes, approval is given for the Company to issue 6,000,000 Performance Rights to Mr Todd Hibberd (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

9. Issue of Performance Rights to Director – Mr Rodd Boland

To consider, and if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 208 of the Corporations Act, Listing Rule 10.11 and for all other purposes the purposes, approval is given for the Company to issue 3,000,000 Performance Rights to Mr Rodd Boland (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

10. Re-insertion of Proportional Takeover Provisions

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a special resolution:

That for the purposes of sections 136(2) and 648G of the Corporations Act and for all other purposes, the Constitution be altered by reinserting the proportional takeover bid provisions as Schedule 5 of the Constitution in the form set out in Schedule 3 to the Explanatory Memorandum.

VOTING EXCLUSIONS

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes on the following Resolutions cast by or on behalf of the following persons:

Resolution	Excluded parties
Resolution 1	Members of the Key Management Personnel whose remuneration is detailed in the Remuneration Report and their closely related parties (which includes spouse, child, dependent, other family members and any controlled company).
Resolution 2	N/A
Resolution 3	A person who participated in the issue and an associate of that person.
Resolution 4	A person who participated in the issue and an associate of that person.
Resolution 5	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder if the resolution is passed, and any of their associates.
Resolution 6	Any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder if the resolution is passed, and any of their associates.
Resolution 7	Mr Langoulant and his associates.
Resolution 8	Mr Hibberd and his associates.
Resolution 9	Mr Boland and his associates.
Resolution 10	N/A

However, the Company need not disregard a vote on Resolutions 1, and 3 to 9 (inclusive) if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

- the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance a direction on the proxy form to vote as the proxy decides.

In relation to Resolutions 1, 7, 8 and 9, members of Key Management Personnel and their closely related parties (other than the Chairman of the Meeting) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairman of the Meeting may vote as proxy in accordance with an express authorisation on the Proxy Form.

BY ORDER OF THE BOARD

Michael Langoulant
Co-company Secretary

Dated: 23 October 2014

WHITE CLIFF MINERALS LIMITED

ACN 126 299 125

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be considered at the seventh Annual General Meeting of Shareholders to be held at Suite 2, 47 Havelock Street, West Perth, Western Australia at 10.30am (WST) on Friday, 28 November 2014.

The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. For the assistance of Shareholders, a glossary of defined terms is included at the end of this Explanatory Memorandum.

Full details of the business to be considered at this Annual General Meeting are set out below.

Annual financial statements and reports

The Corporations Act requires that the Annual Report (which includes the Annual Financial Report, Directors' Report and Auditor's Report) be laid before the Annual General Meeting.

There is no requirement for the Shareholders to approve the Annual Report. However, Shareholders will be given an opportunity to ask questions and make comments about the Annual Report or the Company generally but there will be no formal resolution submitted to the Meeting in respect of it.

Mr Norman Neill, as the auditor responsible for preparing the Auditor's Report for the year ended 30 June 2014 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have by mail to the Company Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005**, or by fax to **+61 8 9324 2977** so that it is received by no later than 10.30am (WST) on Friday, 21 November 2014. In accordance with section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing from members, being questions which the auditor considers relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

1. Resolution 1 – Adoption of Remuneration Report

The Remuneration Report of the Company for the financial period ended 30 June 2014 is set out on pages 24 to 28 of the Company's 2014 Annual Report. It sets out a range of matters relating to the remuneration of the Key Management Personnel, which includes the Directors, executives and senior managers of the Company.

Pursuant to section 250R(2) of the *Corporations Act 2001* (Cth), a resolution that the Remuneration Report be adopted must be put to vote at the Company's Annual General

Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

In accordance with the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s directors (other than the Managing Director) must go up for re-election.

At the Company’s previous annual general meeting the votes against the remuneration report was less than 25% of the votes cast on the resolution. As such, Shareholders do not need to consider a spill resolution at this Meeting.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

1.1 Voting exclusions

The Company will disregard any votes cast on this resolution by or on behalf of members of Key Management Personnel whose remuneration details are included in the Remuneration Report and any closely related parties of those persons.

Key Management Personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company’s Key Management Personnel for the financial year ended 30 June 2014. Their closely related parties are defined by the Corporations Act and include certain of their family members, dependants and companies they control.

If you appoint the Chairman as your proxy and have not directed him how to vote, you are expressly authorising the Chairman to cast your undirected proxy on this resolution in accordance with his stated intentions. The Chairman intends to vote all undirected proxies for this resolution.

If you appoint any other member of the Board, a member of senior management who is named in the Remuneration Report, or their closely related parties as your proxy, they will not be able to vote your proxy on this resolution unless you have directed them how to vote.

2. Resolution 2 – Re-election of Mr Langoulant as a Director

In accordance with the Listing Rules and article 6.3 of the Constitution, at every Annual General Meeting, one third of the Directors for the time being must retire from office and are eligible for re-election. The Directors to retire are:

- (a) those who have been in office for 3 years since their appointment or last re-appointment;
- (b) those who have been longest in office since their appointment or last re-appointment; or
- (c) if the Directors have been in office for an equal length of time, by agreement.

Mr Langoulant, being eligible for re-election pursuant to the Company’s constitution, offers himself for re-election.

Mr Langoulant was a foundation Board member and is currently the Company's Executive Chairman. He is a chartered accountant with 20 years' experience in corporate administration and fundraising for public companies. Mr Langoulant spent ten years with large international accounting firms, and has acted as chief financial officer, company secretary and non-executive director for a number of publicly listed companies. He has operated his own consultancy firm since 1994.

Further information regarding Mr Langoulant is set out in the Directors' Report of the Annual Report.

Apart from Mr Langoulant (who has an interest in the Resolution), the remaining Directors recommend to Shareholders that Mr Langoulant be re-elected.

3. Resolution 3 – Ratify issue of Convertible Notes

3.1 Background

On 30 September 2014 the Company entered into a convertible note agreement (**Convertible Note Agreement**) with Magna Equities II, LLC (**Magna**) pursuant to which Magna agreed to invest up to US\$4,000,000 in the Company by subscribing for unsecured convertible notes (**Convertible Notes**), each with a face value of \$US1, and which can be converted, subject to various restrictions, into fully paid ordinary shares in the Company (**Conversion Shares**).

The terms of each Convertible Note are as follows:

- convertible into one Share at a 20% discount to the average market price of Shares calculated over the 5 days on which sales in Shares are recorded (**5-day VWAP**) before the date of conversion;
- interest free;
- repayable in 12 months if not converted into Shares; and
- non-transferable with no voting rights.

Pursuant to the terms of the Convertible Note Agreement, on 10 October 2014 the Company issued 500,000 Convertible Notes to Magna of which 30,000 have been converted into ordinary shares.

As at the date of this notice Magna holds 470,000 Convertible Notes. The table below sets out the number of Conversion Shares that would be issued if the 470,000 Convertible Notes were converted into Conversion Shares at the current share price.

Share price	Conversion issue price	Convertible Notes converted	Conversion Shares issued	Amount raised \$A
\$0.011	\$0.0088	470,000	60,692,149	\$534,091

Note: Assumes that the 5-day VWAP is equal to the share price specified, and an \$A:\$US exchange rate of \$A1:\$US0.88.

3.2 Listing Rules information requirements

Listing Rule 7.1 permits entities to issue equity securities up to 15% of its issued capital over a 12 month period without shareholder approval. Listing Rule 7.4 provides that where shareholders subsequently approve securities that were issued under Listing Rule 7.1 then those securities will be treated as having been made with shareholder approval. The effect

of this rule is to refresh the 15% placement capacity under Listing Rule 7.1 and enables entities to retain the flexibility to issue equity securities in the future without prior shareholder approval.

This resolution seeks Shareholder approval to approve and ratify the Convertible Notes issued on 9 October 2014.

For the purposes of this resolution the following information is provided to Shareholders:

- (a) The number of Convertible Notes that were issued is 500,000.
- (b) The Convertible Notes were issued for US\$1 each.
- (c) The terms of the Convertible Notes are as follows:
 - convertible into one Share at a 20% discount to the 5-day VWAP before the date of conversion;
 - interest free;
 - repayable in 12 months if not converted into Shares; and
 - non-transferable with no voting rights.
- (d) The Conversion Shares were issued to Magna Equities II, LLC.
- (e) The Conversion Shares will be fully paid ordinary shares and will rank equally with all existing Shares.
- (f) A total of US\$500,000 was raised by the Convertible Note issue. The Company intends to use the funds to accelerate the Company's exploration programs in both Australia and Kyrgyzstan. No additional funds may be received upon the conversion of the Convertible Notes into Conversion Shares. However, the conversion of each Convertible Note into Conversion Shares extinguishes the US\$1 that would otherwise be payable by the Company to Magna Equities LLC pursuant to that Convertible Note.

3.3 Directors' recommendations

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

4. Resolution 4 – Ratify issue of Shares

4.1 Background

Resolution 4 seeks ratification and approval by Shareholders under Listing Rule 7.4 for the issue of 5,829,269 Shares to Magna on 14 October 2014.

The Shares were all issued pursuant to the Convertible Note Agreement. The Convertible Note Agreement is discussed in Section 3 above.

The purpose of seeking Shareholder approval and ratification of the issue of the Shares in Resolution 4 is to refresh the Company's 15% issuing capacity under Listing Rule 7.1.

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of equity securities if the equity securities will, when aggregated with the equity securities issued by a company during the previous 12 months, exceed 15% of the number of Shares on issue at the commencement of that 12 month period.

4.2 Listing Rule information

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided to Shareholders to enable them to consider and ratify the issue of the Shares in Resolution 4:

- (a) The number of Shares issued was 5,829,269.
- (b) The Shares were issued at an average price of \$0.01 per Share.
- (c) The Shares are fully paid ordinary shares and rank equally with all existing Shares.
- (d) The Shares were issued to Magna Equities II, LLC.
- (e) A total of approximately \$58,293 was raised by the issue, which funds were applied against fees related to the Convertible Note issue and to repay a portion of the Convertible Notes.

4.3 Directors' recommendations

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

5. Resolution 5 – Approve issue of Convertible Notes

5.1 Background

Resolution 5 seeks Shareholder approval under Listing Rule 7.1 for the issue, at the Company's own election of up to 1,000,000 Convertible Notes to Magna.

The Convertible Notes are proposed to be issued pursuant to the Convertible Note Agreement discussed in Section 3 above. The table below sets out the number of Conversion Shares that would be issued if all 1,000,000 Convertible Notes were issued to Magna and if all the 1,000,000 Convertible Notes were converted into Conversion Shares at the current share price.

Share price	Conversion issue price	Convertible Notes converted	Conversion Shares issued ²	Amount raised
\$0.011	\$0.0088	1,000,000	129,132,231	\$1,136,364

Note: Assumes that the 5-day VWAP is equal to the share price specified, and an A:\$US exchange rate of \$A1:\$US0.88.

5.2 Listing Rule information

Listing Rule 7.1 provides that a company must not, without prior approval of shareholders and subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those equity securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 5 will be to allow the Company to issue the Convertible Notes and the subsequent Conversion Shares pursuant to the conversion of those Convertible Notes during the period of 3 months after the date of the Meeting, without utilising the Company's 15% annual placement capacity.

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to the Convertible Note issue:

- (a) The maximum number of Convertible Notes to be issued is 1,000,000.
- (b) The Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).
- (c) The Convertible Notes will be issued at an issue price of US\$1 each.
- (d) The Convertible Notes will be issued to Magna Equities II, LLC.
- (e) The terms of the Convertible Notes are as follows:
 - convertible into one Share at a 20% discount to the 5-day VWAP before the date of conversion;
 - interest free;
 - repayable in 12 months if not converted into Shares; and
 - non-transferable with no voting rights.
- (f) A maximum of US\$1,000,000 will be raised by the issue of the Convertible Notes. The Company intends to use the funds raised towards continued exploration on the Company's exploration portfolio in Australia and the Kyrgyz Republic, and for general working capital. No additional funds may be received upon the conversion of the Convertible Notes into Conversion Shares. However, the conversion of each Convertible Note into Conversion Shares extinguishes the US\$1 that would otherwise be payable by the Company to Magna Equities LLC pursuant to that Convertible Note.

5.3 Directors' recommendations

The Directors unanimously recommend Shareholders vote in favour of Resolution 5.

6. Approve 10% Placement Facility

6.1 Background

Listing Rule 7.1A permits eligible entities that have obtained the approval of shareholders by special resolution at an annual general meeting to issue an additional 10% of issued capital by way of placements over a 12 month period (**10% Placement Facility**).

The Company is an eligible entity (being an entity with market capitalisation of less than \$300 million or less and is not included in the S&P/ASX 300 index) and seeks Shareholder approval under this resolution for the 10% Placement Facility.

6.2 Requirements of ASX Listing Rule 7.1A

- (a) Quoted securities

Any equity securities issued under the 10% Placement Facility must be in the same class as an existing class of equity securities of the Company that are quoted on ASX. As at the date of this Notice, the Company has one class of equity securities quoted on ASX being fully paid ordinary shares.

(b) Number of equity securities that may be issued

Listing Rule 7.1 permits the Company to issue 15% of issued capital over a 12 month period without shareholder approval. The 10% Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1. The effect of Shareholders passing this resolution is to allow the Company to issue up to 25% of its issued capital during the next 12 months without obtaining specific Shareholder approval before the placement.

The exact number of additional equity securities that the Company may issue under the 10% Placement Facility is not fixed but is calculated under a formula prescribed by the Listing Rules (set out below).

At the date of this Notice the Company has 454,878,883 Shares on issue. If all the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- (i) 68,231,832 equity securities under Listing Rule 7.1 (15% placement capacity); and
- (ii) 45,487,888 equity securities under Listing Rule 7.1A (10% Placement Facility).

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to paragraph 6.2(e) below).

(c) Minimum Issue Price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the volume weighted average price (VWAP) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (c)(i) above, the date on which the Equity Securities are issued.

(d) 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

(e) Formula for calculating the number of equity securities that may be issued under the 10% Placement Facility.

If this resolution is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of equity securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A	The number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue: • plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2, • plus the number of partly paid ordinary securities that became fully paid in the 12 months, • plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or Listing Rule 7.4, • less the number of fully paid ordinary securities cancelled in the 12 months.
D	10%
E	The number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

6.3 Information required under the Listing Rules

(a) Minimum price

The issue price of any equity security under the 10% Placement Facility will be no less than 75% of the volume weighted average price for securities in the same class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the securities are to be issued is agreed; or
- (ii) if the securities are not issued within five trading days of the date above, the date on which the securities are issued.

(b) Risk of economic and voting dilution

If this resolution is passed and the Company issues securities under the 10% Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution including the risk that:

- (i) the market price for equity securities in the same class may be significantly lower on the issue date of the new equity securities than on the date of this Meeting; and
- (ii) the new equity securities may be issued at a price that is at a discount to the market price for equity securities in the same class on

the issue date or the new equity securities may be issued consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of equity securities under the 10% Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares. The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue.

Variable A in Listing Rule 7.1A		Nominal issue price		
		\$0.01 (market price*)	\$0.0075 (25% decrease in market price)	\$0.005 (50% decrease in market price)
Current issued capital A = 454,878,883 Shares	Shares issued under LR 7.1A	45,487,888	45,487,888	45,487,888
	Voting dilution	10%	10%	10%
	Funds raised	\$500,367	\$375,275	\$250,183
	Economic dilution	0%	2.27%	4.55%
50% increase in issued capital A = 682,318,324 Shares	Shares issued under LR 7.1A	68,231,000	68,231,000	68,231,000
	Voting dilution	7.5%	7.5%	7.5%
	Funds raised	\$750,541	\$562,906	\$375,271
	Economic dilution	0%	2.27%	4.55%
100% increase in issued capital A = 909,757,766 Shares	Shares issued under LR 7.1A	90,975,000	90,975,000	90,975,000
	Voting dilution	5%	5%	5%
	Funds raised	\$1,000,725	\$750,544	\$500,363
	Economic dilution	0%	2.27%	4.55%

This table has been prepared on the following assumptions:

- (i) the latest available market price of Shares as at the date of the Notice was \$0.011;
- (ii) the Company issues the maximum number of equity securities available under the 10% Placement Facility
- (iii) existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the 10% Placement Facility;
- (iv) the Company issues Shares only and does not issue other types of equity securities (such as options) under the 10% Placement Facility; and
- (v) the impact of placements under Listing Rule 7.1 or following the exercise of options is not included in the calculations.

(c) Placement period

Equity securities may be issued under the 10% Placement Facility at any time after the date of this Meeting until that date that is 12 months after this Meeting. The approval to the 10% Placement Facility under this resolution will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

(d) Purposes for which equity securities may be issued

The Company may seek to issue equity securities under the 10% Placement Facility for the following purposes:

- (i) cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and
- (ii) non-cash consideration to acquire new assets or make investments. In these circumstances the Company provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(d) Allocation policy

The Company's allocation policy for the issue of equity securities under the 10% Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

At the date of this Notice the proposed allottees under the 10% Placement Facility have not been determined but may include existing substantial Shareholders, other Shareholders and/or new investors. None of the allottees will be a related party or an associate of a related party of the Company. Existing Shareholders may or may not be entitled to subscribe for equity securities under the 10% Placement Facility and it is possible that their shareholding will be diluted.

If the 10% Placement Facility is used to acquire new assets or investments then it is likely that the allottees will be the vendors of these assets/investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any equity securities under the 10% Placement Facility.

(e) Equity securities issued under previous placement facility approval

Shareholders approved an Additional Placement Facility at the 2013 annual general meeting.

The total number of equity securities issued in the 12 months before this Meeting is 371,320,953. These represent 120.52% of the total number of equity securities on issue at the commencement of that 12 month period.

The details for each separate issue of equity securities issued during the 12 months before this Meeting are set out in **Schedule 1** to this Explanatory Memorandum.

7. Issue of Performance Rights to Directors

Background

Resolutions 7 to 9 seek Shareholder approval for the purposes of section 208 of the Corporations Act and Listing Rule 10.11, for the issue of up to 15,000,000 performance rights (**Performance Rights**) to the Company's Directors on the terms and conditions set out below.

The primary purpose of the grant of the Performance Rights to the Directors is to provide a performance linked incentive component in the remuneration package for the Directors to motivate and reward the performance of the Directors in their respective roles as employees and Directors of, and consultants to, the Company.

7.1 Regulatory information requirements

Section 208 of the Corporations Act

Section 208 of the Corporations Act provides that a public company cannot give a "financial benefit" (including an issue of Securities) to a "related party" of the company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply or the holders of ordinary securities have approved the giving of the financial benefit to the related party at a general meeting.

The issue of Performance Rights to any of the Directors or their nominees constitutes the giving of a financial benefit to related parties of the Company for the purposes of section 208 of the Corporations Act.

The following information is provided in accordance with section 219 of the Corporations Act to enable Shareholders to assess the merits of Resolutions 7, 8 and 9.

(a) Related parties

Each of the following (or their nominees) is a related party of the Company within the meaning of that term in section 228 of the Corporations Act:

- (i) Mr Michael Langoulant – Executive Chairman;
- (ii) Mr Rodd Boland – Non-Executive Director; and
- (iii) Mr Todd Hibberd – Managing Director.

(b) Nature of the financial benefit

The nature of the financial benefit to be provided is the proposed issue of Performance Rights, the maximum numbers of which are as follows:

- (i) 6,000,000 Performance Rights to Mr Langoulant, comprising:
 - 3,000,000 Performance Rights in respect of Tranche 1; and
 - 3,000,000 Performance Rights in respect of Tranche 2;

- (ii) 6,000,000 Performance Rights to Mr Hibberd, comprising:
 - 3,000,000 Performance Rights in respect of Tranche 1; and
 - 3,000,000 Performance Rights in respect of Tranche 2;
- (iii) 3,000,000 Performance Rights to Mr Boland, comprising:
 - 1,500,000 Performance Rights in respect of Tranche 1; and
 - 1,500,000 Performance Rights in respect of Tranche 2.

(c) Value of financial benefit

An estimate of the value of the Performance Rights that are proposed to be granted to the Directors pursuant to Resolutions 7 to 9 using the Black-Scholes model is set out below:

Director	Value of Performance Rights
Michael Langoulant	\$36,234
Todd Hibberd	\$36,234
Rodd Boland	\$18,118
TOTAL	\$90,586

The estimated value of the Performance Rights is based upon the following assumptions and parameters:

- (i) a risk free rate of 2.5%;
- (ii) a market price of the underlying Shares of \$0.01, being the last sale price of the Shares on ASX on 21 October 2014;
- (iii) a dividend yield of nil%;
- (iv) a volatility factor of 100%;
- (v) the expiry date of the Performance Rights, being in respect of Tranche 1 , 31 December 2016, and in respect of Tranche 2, 31 December 2017;
- (vi) an expected issue date of 28 November 2014;
- (vii) an issue price of \$0.001 (although the issue price of the Performance Rights will in fact be nil, the Black-Scholes model requires an issue price to be input); and
- (viii) a discount of 33% to adjust for the lack of marketability and the probability that the Vesting Conditions may not be met.

(d) Directors' remuneration

The remuneration and emoluments from the Company to the Directors for the last two financial years, and the current financial year to date, are set out below:

Director	FY 2013		FY 2014		FY 2015 (to date)	
	Cash payments	Share based payments	Cash payments	Share based payments	Cash payments	Share based payments
Michael Langoulant	\$165,000	\$51,565	\$120,000	\$2,500	\$37,500	-
Todd Hibberd	\$260,000	\$59,498	\$190,360	\$3,500	\$62,787	-
Rodd Boland	\$60,000	\$15,866	\$36,000	\$2,000	\$12,000	-

(e) Security holdings

The relevant interests of the Directors in Securities are set out in the table below.

Director	Shares	Quoted Options*
Michael Langoulant	8,955,156	4,166,668
Todd Hibberd	17,497,736	4,666,668
Rodd Boland	1,010,000	2,250,000

* Options exercisable at \$0.03 each on or before 11 March 2017.

(f) Dilution

If the Performance Rights granted to the Directors vest, a total of 15,000,000 Shares would be issued. This will increase the number of Shares on issue from 454,878,883 (assuming that no Options or Convertible Notes are exercised and no other Shares are issued) with the effect that the shareholding of existing Shareholders would be diluted by an aggregate of 3.19%.

(g) Trading history

The most recent available data concerning the price of the Company's Shares traded on ASX over the 12 months prior to the date of this Notice is set out in the table below.

	High	Low	Last
Price	\$0.03	\$0.004	\$0.011
Date	28 January 2014	10 January 2014	23 October 2014

(h) Funds raised

The Performance Rights will be granted for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights upon the satisfaction of a Vesting Condition. Consequently, no funds will be raised by the Company in respect of the Performance Rights.

- (i) Directors interests in the proposed resolutions
- (i) Mr Michael Langoulant has a material personal interest in the outcome of Resolution 7.
- (ii) Mr Todd Hibberd has a material personal interest in the outcome of Resolution 8.
- (iii) Mr Rodd Boland has a material personal interest in the outcome of Resolution 9.
- (j) Any other information
- Other than as set out in this Explanatory Statement, the Directors do not consider there is any further information which Shareholders would reasonably require in order to decide whether or not it is in the Company's best interests to approve Resolutions 7, 8 and 9.

Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities, or other Securities with rights to conversion to equity, to a related party of that company without first obtaining shareholder approval. If Resolutions 7 to 9 are approved for the purposes of Listing Rule 10.11, then approval is not required under Listing Rule 7.1.

In accordance with Listing Rule 10.13, the following information is provided in to enable Shareholders to assess the merits of Resolutions 7 to 9 for the purposes of Listing Rule 10.11:

- (a) The related parties of the Company to which the Performance Rights may be issued are:
- (i) Mr Michael Langoulant or his nominee;
- (ii) Mr Rodd Boland or his nominee; and
- (iii) Mr Todd Hibberd or his nominee.
- (b) The maximum number of Performance Rights which may be issued is:
- (i) 6,000,000 Performance Rights to Mr Langoulant, comprising:
- 3,000,000 Performance Rights in respect of Tranche 1; and
 - 3,000,000 Performance Rights in respect of Tranche 2;
- (ii) 6,000,000 Performance Rights to Mr Hibberd, comprising:
- 3,000,000 Performance Rights in respect of Tranche 1; and
 - 3,000,000 Performance Rights in respect of Tranche 2;
- (iii) 3,000,000 Performance Rights to Mr Boland, comprising:
- 1,500,000 Performance Rights in respect of Tranche 1; and
 - 1,500,000 Performance Rights in respect of Tranche 2.
- (c) The Performance Rights will be granted to the Directors no later than 1 month after the date of the Meeting and it is anticipated the Performance Rights will be issued on one date.
- (d) The Performance Rights will be granted for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights upon the satisfaction of a Vesting Condition.

- (e) A summary of the terms and conditions attaching to the Performance Rights is set out in Section 7.2 below. The Shares to be issued upon vesting of the Performance Rights will rank equally with existing Shares.

7.2 Summary of the material terms of the Performance Rights

A summary of the terms and conditions attaching to the Performance Rights is set out below. The full terms and conditions attaching to the Performance Rights are set out in **Schedule 2** to this Explanatory Memorandum.

- (a) It is proposed that the Directors be granted one class of Performance Rights, for nil consideration.
- (b) Each Performance Right will vest as one Share as follows:

Tranche	Number of Performance Rights	Vesting Conditions
Tranche 1	7,500,000	The date (Tranche 1 Vesting Date), which must be before 31 December 2016, on which: (a) the Company (or a subsidiary) declares a mineral resource for a project, or (b) the Company (or a subsidiary) sells/joint ventures a project for an attributable value of at least \$5 million; or (c) an investor (including any current Shareholder) acquires at least 15% of the issued share capital of the Company (15% Acquisition). For the purpose of this Vesting Condition any Shares held as at the date of this Notice shall not count toward the calculation of the 15% Acquisition.
Tranche 2	7,500,000	The date (Tranche 2 Vesting Date), which must be before 31 December 2017, on which the market capitalisation of the Company is equal to or greater than \$15 million for a period of at least 10 consecutive trading days.

- (c) If a holder ceases to:
- (i) be a full-time or permanent part-time employee of the Company;
 - (ii) be a director or company secretary of the Company; or
 - (iii) otherwise hold a position in the Company that is approved by the Board,
- (Eligible Person)** in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:
- (iv) the Board must deem any Directors Performance Rights of the holder to have immediately lapsed and forfeited; and

- (v) any Directors Performance Rights that have vested will continue in existence in accordance with their terms of issue and any Shares issued on vesting will remain the property of the holder.

(d) In the event that a holder ceases to be an Eligible Person in circumstances where the cessation or termination arises because the holder:

- (i) unless the Board determines otherwise, voluntarily resigns his or her position as an Eligible Person (other than to take up employment with a subsidiary of the Company);
- (ii) wilfully breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of Eligible Persons;
- (iii) is convicted of a criminal offence which in the reasonable opinion of the Company might tend to injure the reputation or the business of the Company; or
- (iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,

then:

- (v) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (vi) any Performance Rights that have vested will continue in existence in accordance with their terms of issue and any Shares issued on vesting will remain the property of the holder.

(e) The Performance Rights will not lapse and be forfeited where the holder ceases to be an Eligible Person for the following reasons:

- (i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);
- (ii) retirement (being where the holder ceases being an Eligible Person due to reaching the legal age for retirement);
- (iii) redundancy (being where the holder ceases to be an Eligible Person due to the Company no longer requiring the holder's position to be performed by any person); or
- (iv) any other reason, other than a reason listed above, that the Board determines is reasonable to permit the holder to retain his Performance Rights,

and in those circumstances the related part Performance Rights will continue to be subject to the relevant Vesting Condition.

(f) The Performance Rights will automatically vest where:

- (i) a Court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and the

Shareholders of the Company approve the proposed compromise or arrangement at such meeting;

- (ii) a takeover bid:
 - A. is announced;
 - B. has become unconditional; and
 - C. the person making the takeover bid has a Relevant Interest (as that term is defined in the Corporations Act) in 50% or more of the Shares; or
- (iii) any person acquires a Relevant Interest (as that term is defined in the Corporations Act) in 50.1% or more of the Shares by any other means.

7.3 Directors' Recommendation

Mr Michael Langoulant has a material personal interest in the outcome of Resolution 7 and therefore declines to make a recommendation as to how Shareholders should vote on that Resolution. The Directors (other than Mr Langoulant) recommend Shareholders vote in favour of Resolution 7.

Mr Todd Hibberd has a material personal interest in the outcome of Resolution 8 and therefore declines to make a recommendation as to how Shareholders should vote on that Resolution. The Directors (other than Mr Hibberd) recommend Shareholders vote in favour of Resolution 8.

Mr Rodd Boland has a material personal interest in the outcome of Resolution 9 and therefore declines to make a recommendation as to how Shareholders should vote on that Resolution. The Directors (other than Mr Boland) recommend Shareholders vote in favour of Resolution 9.

8. Re-insertion of Proportional Takeover Provisions

8.1 Background

The Corporations Act permits a company's constitution to include a provision that enables it to refuse to register shares acquired under a proportional takeover bid unless shareholders approve the takeover bid. A proportional takeover is an off-market takeover offer that is sent by the bidder to all shareholders of a company offering to acquire a portion of each shareholder's shares in the Company.

Under the Corporations Act the proportional takeover provisions must be renewed by shareholder approval every three years to remain effective. Schedule 5 of the Constitution contains proportional takeover provisions but these provisions are not effective because they have not been renewed by Shareholders.

The Company seeks Shareholder approval to reinsert the proportional takeover provisions at Schedule 5 of the Constitution in the form set out in **Schedule 3** to this Explanatory Memorandum. If this resolution is passed then Schedule 5 of the Constitution will be reinserted and become effective as and from the date of approval for a period of three years.

8.2 Effect of Proportional Takeover Provisions

Having proportional takeover provisions in the Constitution ensures that if a proportional takeover bid is made, it will need to be put to a Shareholder's vote. If a proportional takeover bid is made, the Directors must ensure that a meeting is held more than 14 days

before the last day of the bid period at which Shareholders will consider a resolution whether to accept or reject the takeover bid. The resolution can only be approved by Shareholders if it is passed by a simple majority of votes. The bidder and its associates are not allowed to vote.

If the resolution is not passed, no transfer of Shares will be registered as a result of the takeover bid and the offer will be taken to have been withdrawn. If the resolution is not voted on the bid is taken to have been approved. If the bid is approved (or taken to have been approved) all valid transfers must be registered.

The proportional takeover provisions do not apply to full takeover bids.

8.3 Reason for Proportional Takeover Provisions

Without the proportional takeover provisions in the Constitution, there is a risk that control of the Company could pass without Shareholders having the opportunity to sell all of their Shares. As such, Shareholders may be left as minority holders. By including the proportional takeover provisions, Shareholders will be able to decide collectively whether a proportional takeover bid is acceptable to them.

8.4 No knowledge of any acquisition proposals

As at the date of this Notice, none of the Directors are aware of any proposal by any person to acquire or to increase the extent of a substantial interest in the Company.

8.5 Potential advantages and disadvantages

The Directors consider that the proportional takeover provisions have no potential advantages to them. They will continue to be able to make a recommendation to Shareholders on whether a potential takeover bid should be accepted or not.

The potential advantages of reinserting the proposed proportional takeover provisions in Schedule 5 include the following:

- (a) Shareholders have the right to decide by majority vote whether to accept or reject a proportional takeover bid;
- (b) it may help Shareholders to avoid being locked in as a minority holders following a proportional takeover and avoid the bidder acquiring control of the Company without paying an adequate control premium (ie. paying for all of the Shares);
- (c) it increases Shareholders' bargaining power and may assist in ensuring that any proportional takeover bid is adequately priced; and
- (d) knowing the view of the majority of Shareholders may help each individual Shareholder to assess the likely outcome of the takeover bid and assist in forming an opinion on whether to accept or reject an offer under the bid.

The Directors consider the potential disadvantages of reinserting the proposed proportional takeover provisions in Schedule 5 include the following:

- (e) proportional takeover bids for shares in the company may be discouraged;
- (f) Shareholders may lose an opportunity to sell some of their Shares at a premium; and
- (g) it may reduce the likelihood of a proportional takeover bid succeeding.

While the proportional takeover provisions were in effect there were no proportional takeover bids for the Company and the Directors are not aware of any potential bid that was discouraged by reason of Schedule 5.

8.6 Directors' Recommendation

The Directors do not consider that the potential disadvantages outweigh the potential advantages of the proportional takeover provisions in Schedule 5 of the Constitution over the next three years. The Directors recommend that Shareholders vote in favour of this resolution.

GLOSSARY OF TERMS

In this Explanatory Memorandum the following expressions have the following meanings:

\$A	Australian dollars.
\$US	United States dollars.
10% Placement Facility	has the meaning given in Section 6.1.
10% Placement Period	has the meaning given in Section 6.2(d)(ii).
ASX	ASX Limited ACN 008 624 691.
Annual Report	the Company's Annual Report including the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2014.
Auditor's Report	the independent auditor's report contained in the Annual Report.
Board	the Board of Directors of the Company.
Company	White Cliff Minerals Limited ACN 126 299 125.
Constitution	the Company's constitution from time to time.
Conversion Shares	Shares issued following the conversion of a Convertible Note into a Share.
Convertible Note Agreement	the convertible note agreement between the Company and Magna dated 30 September 2014.
Corporations Act	the <i>Corporations Act 2001 (Cth)</i> .
Directors	the directors of the Company from time to time.
Directors' Report	the directors' report contained in the Annual Report.
Equity Securities	has the meaning given in Chapter 19 of the Listing Rules.
Explanatory Memorandum	this explanatory memorandum that accompanies the Notice.
Key Management Personnel	those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Listing Rules	the Listing Rules of ASX.
Magna	Magna Equities II, LLC of 5 Hanover Square, New York, NY 10004, United States of America.
Meeting or Annual General Meeting	the annual general meeting of Shareholders of the Company convened by the Notice.

Notice or Notice of Annual General Meeting	the notice of annual general meeting which accompanies this Explanatory Memorandum.
Option	an option to acquire a Share.
Performance Right	a right to subscribe for a Share.
Proxy Form	the proxy form accompanying the Notice.
Remuneration Report	the remuneration report appearing in the Annual Report.
Resolution	a resolution referred to in the Notice.
Security	a Share or an Option.
Share	an ordinary share in the Company.
Shareholder	a shareholder of the Company.
WST	Western Standard Time, being the time in Perth, Western Australia.

Schedule 1

Equity securities issued 12 months prior to AGM

Date of issue	Equity Securities issued	Person	Issue price	Total cash consideration	Use of funds	Non-cash consideration and current value
25/03/2014	18,610,000 fully paid ordinary shares	Professional and sophisticated investors selected by Hartleys Limited as broker	\$0.009 each, being a discount to market price of 10%	\$167,490	The funds raised were used for trenching and drilling at the Chanach copper-gold project, exploration at the Lake Johnston nickel-copper project and exploration at the Merolia nickel and copper project	N/A
25/03/2014	9,305,002 options exercisable at \$0.03 on or before 11 March 2017	Professional and sophisticated investors selected by Hartleys Limited as broker	Nil; issued as free attaching options on the basis of 1 free attaching option for every 2 shares subscribed	Nil	N/A	Nil \$18,610
8/05/2014	114,690,000 fully paid ordinary shares	Professional and sophisticated investors selected by Hartleys Limited as broker	\$0.009 each, being a discount to market price of 10%	\$1,032,210	The funds raised were used for trenching and drilling at the Chanach copper-gold project, exploration at the Lake Johnston nickel-copper project and exploration at the Merolia nickel and copper project	N/A
19/05/2014	57,345,015 options exercisable at \$0.03 on or before 11 March 2017	Professional and sophisticated investors selected by Hartleys Limited as broker	Nil; issued as free attaching options on the basis of 1 free attaching option for every 2 shares subscribed	Nil	N/A	Nil \$114,690

Date of issue	Equity Securities issued	Person	Issue price	Total cash consideration	Use of funds	Non-cash consideration and current value
8/05/2014	55,800,000 fully paid ordinary shares	Participants in the Company's Share Purchase Plan selected on a first-come, first-served basis, each participant being a shareholder of the Company as at 11 March 2014	\$0.009 each, being a discount to market price of 10%	\$502,200	The funds raised were used for trenching and drilling at the Chanach copper-gold project, exploration at the Lake Johnston nickel-copper project and exploration at the Merolia nickel and copper project	N/A
19/05/2014	27,900,000 options exercisable at \$0.03 on or before 11 March 2017	Participants in the Company's Share Purchase Plan selected on a first-come, first-served basis, each participant being a shareholder of the Company as at 11 March 2014	Nil; issued as free attaching options on the basis of 1 free attaching option for every 2 shares subscribed	Nil	N/A	Nil \$55,800
8/05/2014	73,841,667 fully paid ordinary shares	T2 Gold Pty Ltd	\$0.01	Nil	N/A	A further 32.2% interest in the Chanach copper-gold project \$738,417

Date of issue	Equity Securities issued	Person	Issue price	Total cash consideration	Use of funds	Non-cash consideration and current value
19/05/2014	7,500,000 options exercisable at \$0.03 on or before 11 March 2017	2,500,000 options to Mr Michael Langoulant, 3,000,000 options to Mr Todd Hibberd, 2,000,000 options to Mr Rodd Boland	Nil	Nil	N/A	Services to the Company as a director \$15,000
10/10/2014	500,000 convertible notes, each convertible into fully paid ordinary shares at a 20% discount to the 5-day VWAP prior to conversion	Magna Equities II, LLC	US\$1 each	US\$500,000	Advancing the Chanch copper-gold project	N/A
14/10/2014	5,829,269 fully paid ordinary shares	Magna Equities II, LLC	\$0.01 each, being a discount to market of 9.09%	Nil	N/A	Payment pursuant to terms of convertible notes \$64,122*

* Current value based on a share price of \$0.011, being the share price of the Company as at the date of the Notice.

Schedule 2

Terms of Performance Rights

The terms and conditions of the Performance Rights are set out below:

- (a) **(Vesting Date):** The Performance Rights for each holder shall vest as follows:

Tranche	Number of Performance Rights	Vesting Conditions
Tranche 1	7,500,000	The date (Tranche 1 Vesting Date), which must be before 31 December 2016, on which: (a) The Company (or a subsidiary) declares a mineral resource for a project, or (b) The Company (or a subsidiary) sells/joint ventures a project for an attributable value of at least \$5 million; or (c) An investor (including any current Shareholder) acquires 15% of the issued share capital of the Company (15% Acquisition). For the purpose of this Vesting Condition any Shares held as at the date of this Notice shall not count toward the calculation of the 15% Acquisition.
Tranche 2	7,500,000	The date (Tranche 2 Vesting Date), which must be before 31 December 2017, on which the market capitalisation of the Company is equal to or greater than \$15 million for a period of at least 10 consecutive trading days.

- (b) **(Vesting):** At each Vesting Date, the Company shall notify the holder in writing that the relevant Performance Rights have vested (Vested Performance Rights).
- (c) **(Consideration):** The Performance Rights will be issued for nil cash consideration and no consideration will be payable upon the vesting of the Performance Rights on the Vesting Dates.
- (d) **(Automatic Vesting):** On the Vesting Date, each Performance Right will automatically vest into one Share.
- (e) **(Lapse of a Performance Right):** A Performance Right will lapse upon the earlier to occur of:
- (i) the last date by which the relevant Vesting Condition can be satisfied;
 - (ii) the Performance Right lapsing in accordance with rule (f); or
 - (iii) the Performance Right lapsing in accordance with a provision of rule (g).
- (f) **(Fraudulent or dishonest action):** If a holder ceases to be:
- (i) a full-time or permanent part-time employee of the Company;
 - (ii) a director or company secretary of the Company; or

(iii) otherwise hold a position in the Company that is approved by the Board,

(Eligible Person) in circumstances where the cessation or termination is specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:

- (i) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue and any Shares issued on vesting will remain the property of the holder.

(g) **(Ceasing to be an Eligible Person):** If a holder ceases to be an Eligible Person in circumstances where the cessation or termination arises because the holder:

- (i) unless the Board determines otherwise in accordance with rule (h)(iv), voluntarily resigns his or her position as an Eligible Person (other than to take up employment with a subsidiary of the Company);
- (ii) wilful breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of Eligible Persons;
- (iii) is convicted of a criminal offence which, in the reasonable opinion of the Company, might tend to injure the reputation or the business of the Company; or
- (iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,

then:

- (i) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue and any Shares issued on vesting will remain the property of the holder.

(h) **(Other circumstances where):** The Performance Rights will not lapse and be forfeited where the holder ceases to be an Eligible Person for one of the following reasons:

- (i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);
- (ii) retirement (being where the holder ceases being an Eligible Person due to reaching the legal age for retirement);
- (iii) redundancy (being where the holder ceases to be an Eligible Person due to the Company no longer requiring the holder's position to be performed by any person); or
- (iv) any other reason, other than a reason listed in rules (f) and (g) (other than (g)(i)), that the Board determines is reasonable to permit the holder to retain his Performance Rights,

and in those circumstances the Performance Rights will continue to be subject to the relevant Vesting Condition.

- (i) **(Takeover, Scheme of Arrangement or Change of Control):** the Performance Rights will automatically vest where:
 - (i) a Court orders a meeting to be held in relation to a proposed compromise or arrangement for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other company or companies and the Shareholders of the Company approve the proposed compromise or arrangement at such meeting;
 - (ii) a takeover bid:
 - (A) is announced;
 - (B) has become unconditional; and
 - (C) the person making the takeover bid has a Relevant Interest (as that term is defined in the Corporations Act) in 50% or more of the Shares; or
 - (iii) any person acquires a Relevant Interest (as that term is defined in the Corporations Act) in 50.1% or more of the Shares by any other means.
- (j) **(Share ranking):** All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.
- (k) **(Listing of Shares on ASX):** The Company will not apply for quotation of the Performance Rights on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the vesting of Performance Rights on ASX within the period required by ASX.
- (l) **(Transfer of Performance Rights):** Performance Rights are only transferable:
 - (i) with the consent of the Board; or
 - (ii) by force of law upon death to the Eligible Person's legal personal representative or upon bankruptcy to the Eligible Person's trustee in bankruptcy.
- (m) **(Pro rata issue of securities):** Subject to the Corporations Act and the ASX Listing Rules, if, during the term of any Performance Right, the Company makes a pro rata issue of securities to the Company's Shareholders by way of a rights issue, the holder shall be entitled to participate in the rights issue on the same terms as the Company's Shareholders as if the Performance Rights were vested prior to the record date for determining entitlement under the rights issue.

A holder will not be entitled to any adjustment to the number of Shares issued on the vesting of the Performance Right to which the holder is entitled as a result of the Company undertaking a rights issue.
- (n) **(Adjustment for bonus issue):** If securities are issued pro-rata to Shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the number of Performance Rights to which each holder is entitled, will be increased by that number of securities which the holder would have been entitled if the Performance Rights held by the holder were vested immediately prior to the record date of the bonus issue, and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the bonus issue.
- (o) **(Adjustment for reconstruction):** In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the number of Performance Rights to which each Eligible Person is entitled, will be adjusted in the manner determined by the Board to ensure that no advantage or disadvantage accrues to the holder as a result of such corporate actions and in any event in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

- (p) **(Dividend and Voting Rights):** the Related Parties are not entitled to vote nor to receive dividends as a result of their holding Performance Rights

Schedule 3

Proportional takeover provisions

Schedule 5 – Proportional Takeover Bid Approval

1. Definitions

In this Schedule:

Approving Resolution means a resolution to approve a proportional takeover bid in accordance with this Schedule.

Deadline means the 14th day before the last day of the bid period for a proportional takeover bid.

Voter means a person (other than the bidder under a proportional takeover bid or an associate of that bidder) who, as at the end of the day on which the first offer under that bid was made, held bid class securities for that bid.

2. Refusal of Transfers

2.1 Requirement for an Approving Resolution

- (a) The Company must refuse to register a transfer of Shares giving effect to a takeover contract for a proportional takeover bid unless and until an Approving Resolution is passed in accordance with this Schedule 5.
- (b) This Schedule 5 ceases to apply on the 3rd anniversary of its last adoption, or last renewal, in accordance with the Corporations Act.

2.2 Voting on an Approving Resolution

- (a) Where offers are made under a proportional takeover bid, the Directors must, call and arrange to hold a meeting of Voters for the purpose of voting on an Approving Resolution before the Deadline.
- (b) The provisions of this Constitution concerning meetings of Members (with the necessary changes) apply to a meeting held under paragraph 2.2(a).
- (c) Subject to this Constitution, every Voter present at the meeting held under paragraph 2.2(a) is entitled to one vote for each Share in the bid class securities that the Voter holds.
- (d) To be effective, an Approving Resolution must be passed before the Deadline.
- (e) An Approving Resolution that has been voted on is taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is taken to have been rejected.
- (f) If no Approving Resolution has been voted on as at the end of the day before the Deadline, an Approving Resolution is taken, for the purposes of this Schedule, to have been passed in accordance with this Schedule.

PROXY AND VOTING ENTITLEMENT INSTRUCTIONS

PROXY INSTRUCTIONS

Shareholders are entitled to appoint up to two individuals or bodies corporate to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at or sent by facsimile transmission to the Company Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005, +61 8 9324 2977**, not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual or body corporate named in the proxy form proposes to vote.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act.

The proxy may, but need not, be a Shareholder of the Company.

In the case of Shares jointly held by two or more persons, all joint holders must sign the proxy form.

A proxy form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 9.00pm (WST) on Wednesday, 26 November 2014. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

VOTING RESTRICTIONS THAT MAY AFFECT YOUR PROXY APPOINTMENT

Members of the Key Management Personnel (except for the Chairman) and their closely related parties are not able to vote your proxy on Resolutions 1 (Adoption of Remuneration Report) and Resolutions 7, 8 and 9 (Issues of Performance Rights to a Director) unless you have directed them how to vote. This exclusion does not apply to the Chairman if their appointment as proxy expressly authorises them to vote on matters of Key Management Personnel remuneration.

If you intend to appoint the Chairman, a Director or any other member of Key Management Personnel or any of their closely related parties as your proxy, you are encouraged to direct them how to vote on Resolutions 1, 7, 8 and 9.

HOW THE CHAIRMAN WILL VOTE UNDIRECTED PROXIES

At the date of this Notice, the Chairman intends to vote all undirected proxies FOR each of the Resolutions. In exceptional cases the Chairman's intentions may change subsequently and in this event, the Company will make an announcement to the market.

The Proxy Form expressly authorises the Chairman to exercise undirected proxies on all Resolutions including Resolutions 1 (Adoption of Remuneration Report) and Resolutions 7, 8 and 9 (Issues of Performance Rights to a Director) even though these Resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

QUESTIONS FROM SHAREHOLDERS

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Norman Neill, as the auditor responsible for preparing the Auditor's Report for the year ended 30 June 2014 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about the conduct of the audit; the preparation and content of the Auditor's Report; the accounting policies adopted by the Company in relation to the

preparation of financial statements; and the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have by mail to the Company Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005**, or by fax to **+61 8 9324 2977** so that it is received by no later than 10.30am (WST) on Friday, 21 November 2014.

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing, being questions which the auditor considers relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report for the year ended 30 June 2014. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

WHITE CLIFF MINERALS LIMITED
ACN 126 299 125

PROXY FORM

The Company Secretary

White Cliff Minerals Limited, Suite 2, 47 Havelock Street, West Perth WA 6005,

Facsimile +61 8 9324 2977

I/We _____

of _____

being a Shareholder/(s) of White Cliff Minerals Limited ("**Company**") and entitled to

_____ Shares in the Company

hereby appoint _____

of _____

or failing him/her/it _____

of _____

or failing him/her/it the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Suite 2, 47 Havelock Street, West Perth, Western Australia at 10.30am (WST) on Friday, 28 November 2014 and at any adjournment thereof in respect of _____ of my/our Shares or, failing any number being specified, **ALL** of my/our Shares in the Company.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is []%. (An additional proxy form will be supplied by the Company on request.)

If you wish to indicate how your proxy is to vote, please tick the appropriate places below. If no indication is given on a Resolution, the proxy may abstain or vote at his/her/its discretion.

In relation to undirected proxies, the Chairman intends to vote in favour of all of the Resolutions.

If the Chairman is my/our proxy, I/we expressly authorise the Chairman to vote on Resolutions 1, 7, 8 and 9 in his discretion (except where I/we have marked the voting boxes below) even though those Resolution are connected with the remuneration of a member of Key Management Personnel.

I/we acknowledge that the Directors (other than the Chairman) and other Key Management Personnel of the Company and their closely related parties will not cast any votes in respect of Resolutions 1, 7, 8 and 9 that arise from any undirected proxy that they hold.

I/we direct my/our proxy to vote as indicated overleaf:

		In favour	Against	Abstain*
Resolution 1	Adoption of Remuneration Report			
Resolution 2	Re-election of Director – Mr Michael Langoulant			
Resolution 3	Ratify issue of Convertible Notes			
Resolution 4	Ratify issue of Shares			
Resolution 5	Approve issue of Convertible Notes			
Resolution 6	Approve 10% Placement Facility			
Resolution 7	Issue of Performance Rights to Director - Mr Langoulant			
Resolution 8	Issue of Performance Rights to Director - Mr Hibberd			
Resolution 9	Issue of Performance Rights to Director - Mr Boland			
Resolution 10	Re-insertion of Proportional Takeover Provisions			

As witness my/our hand/s this day of 2014

Witness _____

Name (Printed)

Director

Name (Printed)	Name (Printed)

SIGNED for and on behalf of _____)
by _____)
under a Power of Attorney dated _____)
and who declares that he/she has not received _____)
any revocation of such Power of Attorney in the _____)
presence of : _____)

Signature of Witness