



13 June 2017

ASX Code: WCN

Aucu Gold Deposit-Exploration Update

White Cliff Minerals Limited (“White Cliff” or the “Company”) is pleased to provide an update on exploration progress at the Aucu gold project.

Summary

Heavy spring flooding and snow melt initially hampered project access during May but the exploration camp has now been established. The bulldozer and excavator have completed the access road between the camp and the high grade Quartz Zone and are currently completing drill rig access tracks at 50 metre intervals along the untested 200+ metre strike extension of the Quartz Zone (Figure 1). The Company expects the tracks to be completed in the next few weeks. The bulldozer will then clear multiple drill pads in preparation for drilling.

The Quartz Zone appears to extend at least 200 metres further south east of the existing drilling. Outcropping mineralised shear zones occur in a track cutting 50 metres southeast of the existing drilling with channel sample assay results of **2 metres at 5.4 g/t** and 1 metre at **0.7 g/t gold** within sandstone. Quartz veins outcrop a further 100 metres southeast of the channel samples.

Phase one drilling at the Quartz Zone consists of 15 holes (~1200 metres) of RC drilling. The drilling is targeting the Quartz Zone structure along strike from the existing drilling which defined an inferred resource of 244,000 tonnes at 9.5 g/t containing 75,000 ounces. Once the strike extent of the Quartz zone has been defined the Company will drill a series of deeper holes to test the mineralisation at depth.

The Company is currently finalising a drilling contract with contractor Geostandart LLC which has a 15 year history in the Kyrgyz Republic and is a substantial provider of drilling services to varied clients including several western domiciled exploration companies. Geostandart’s services includes diamond drilling, reverse circulation (RC) drilling, downhole surveying, directional drilling, mining related earthworks and road construction for multiple public and private companies in the Kyrgyz Republic. Geostandart is one of only two drilling companies in the Kyrgyz Republic able to conduct reverse circulation drilling.

Drilling Program

The 2017 Phase one drill program will consist of approximately 1,200 metres Reverse Circulation drilling between, 70 and 130 metres deep, at the Quartz Zone. It is anticipated that drilling will commence as soon as sufficient drill pads have been constructed (Figure 1).

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Subsequent drill programs will be conducted at the north western end of the Lower Gold Zone where drilling identified **6 metres at 38 g/t gold** in LGZ15-29a. This target is hosted in a quartz vein having the same orientation as the Quartz Zone. The vein has been mapped along strike for 250 metres. Several bulldozer tracks and drill pads need to be completed prior to drilling and these will be constructed once the Quartz Zone dozer program is completed.



Figure 1: View of the tracks over the high grade Quartz Zone (looking NW) with new access track in the process of being completed.

Project Access

Heavier than normal spring flooding and snow melt initially hampered project access during May. A section of the main access road to the Chanach valley from the Chatkal was washed away in spring flooding (figure 2). An alternative access road from the north was established to allow bulldozer and excavator access. The access track into the Aucu gold deposit is 23 kilometres long and runs along the bottom of Chanach valley. Unusually deep snow, up to 4 metres high in some drifts, had to be cleared from the Chanach access track (Figures 2-6). There is a partially completed elevated access road into the Chanach valley that was built in Soviet times. As the project advances the road will be re-established to provide all season access to the project.

Further up the Chanach valley the track crosses the Chanach River several times and flooding from snow melt had washed away parts of the track and altered the river crossings (figure 7). The bull dozer and excavator have successfully repaired the track to allow project access.

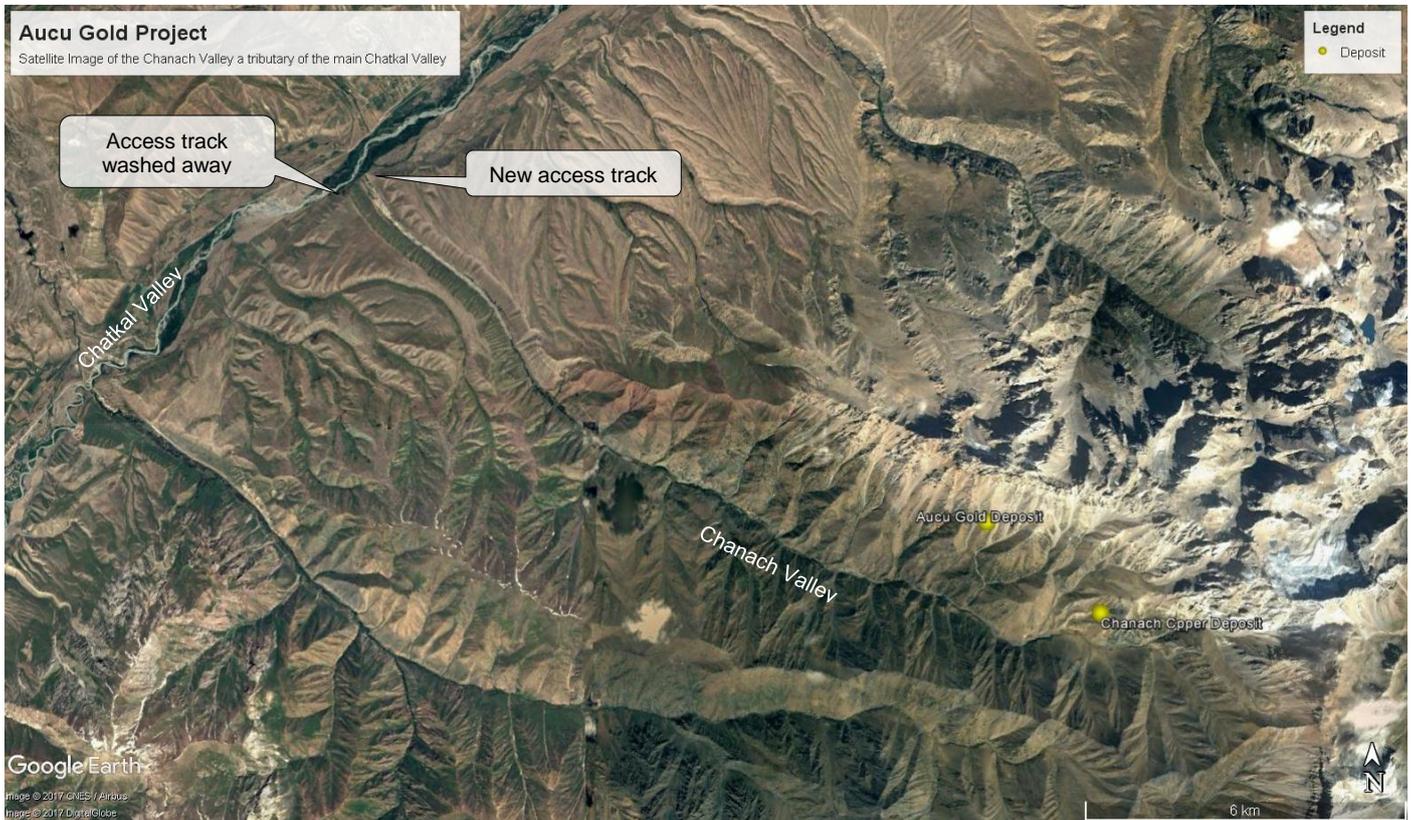


Figure 2: Satellite Image of the Chatkal Valley and Chanach valley showing project locations



Figure 3: Access road in main Chatkal valley washed away by the Chatkal River. An alternative access track has been established.

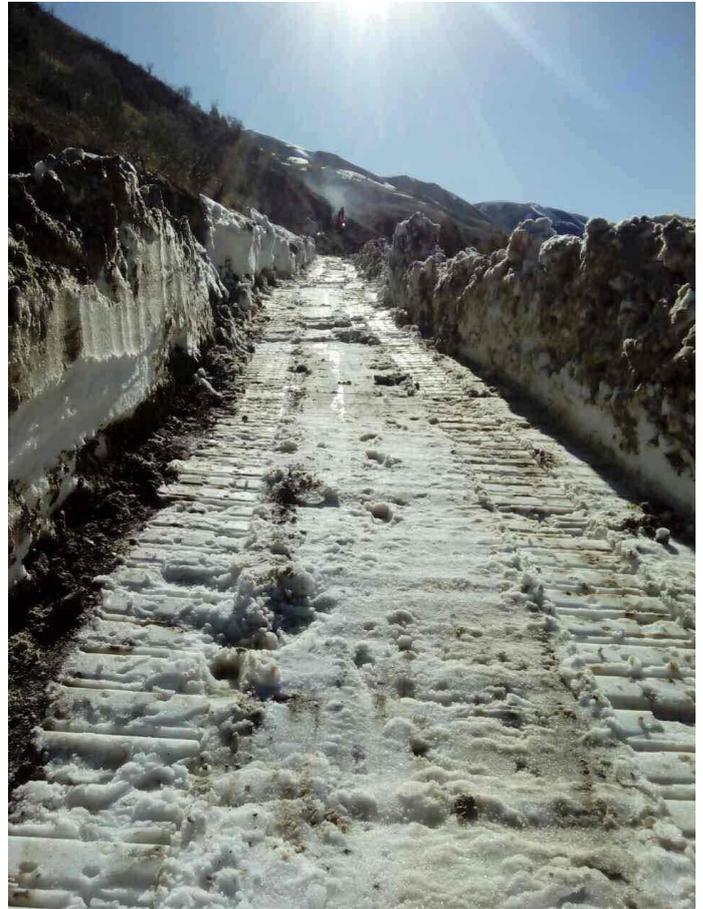


Figure 4: Looking up the Chanach valley towards the Camp

Figure 5: Looking back down the Chanach valley



Figure 6: Snowmelt water scouring river crossing track along the Chanach River.



Figure 7: Exploration camp established at the upper end of the Chanach valley.

Aucu Gold Deposit-Inferred Resource Summary

In April the Company reported an updated inferred resource reported in accordance with the JORC Code (2012) for the **Aucu** gold deposit (refer to ASX announcement 21 April 2017). The estimate above a cut-off grade of 1 g/t gold is:

1.8 million Tonnes grading **5.2 g/t gold**, for **302,000 ounces** of contained gold. The new resource represents a 93% increase in contained gold ounces and a 23% increase in average grade over the previous gold resource using the same cut-off grade reported in April 2015.

Importantly the new resource contains a new very high grade zone (Quartz Zone) of **244,000 tonnes at 9.5 g/t gold** containing **75,000 ounces of gold**, which starts at surface. Surface extensions of the high grade Quartz Zone have been identified and will be drilled in the coming field season.

This latest resource estimate also identified a new inferred copper resource reported in accordance with the JORC Code (2012), using a bottom cut of grade of 0.25% copper, of **608,000 tonnes at 0.64% copper**, containing **3,870 tonnes of copper**.

The new gold and copper resources start at surface, have only been drilled to 100 metres vertical depth and remain open along strike and at depth.

The reported gold resources represent less than 5% of mineralised faults identified by rock-chip sampling to date. Approximately 95% of the mineralised faults identified by rock chip sampling are still to be drilled. The gold bearing mineralised structures extend beyond the current resource estimate area over a length greater than 3,000 metres and occur as multiple lodes (Figure 8).

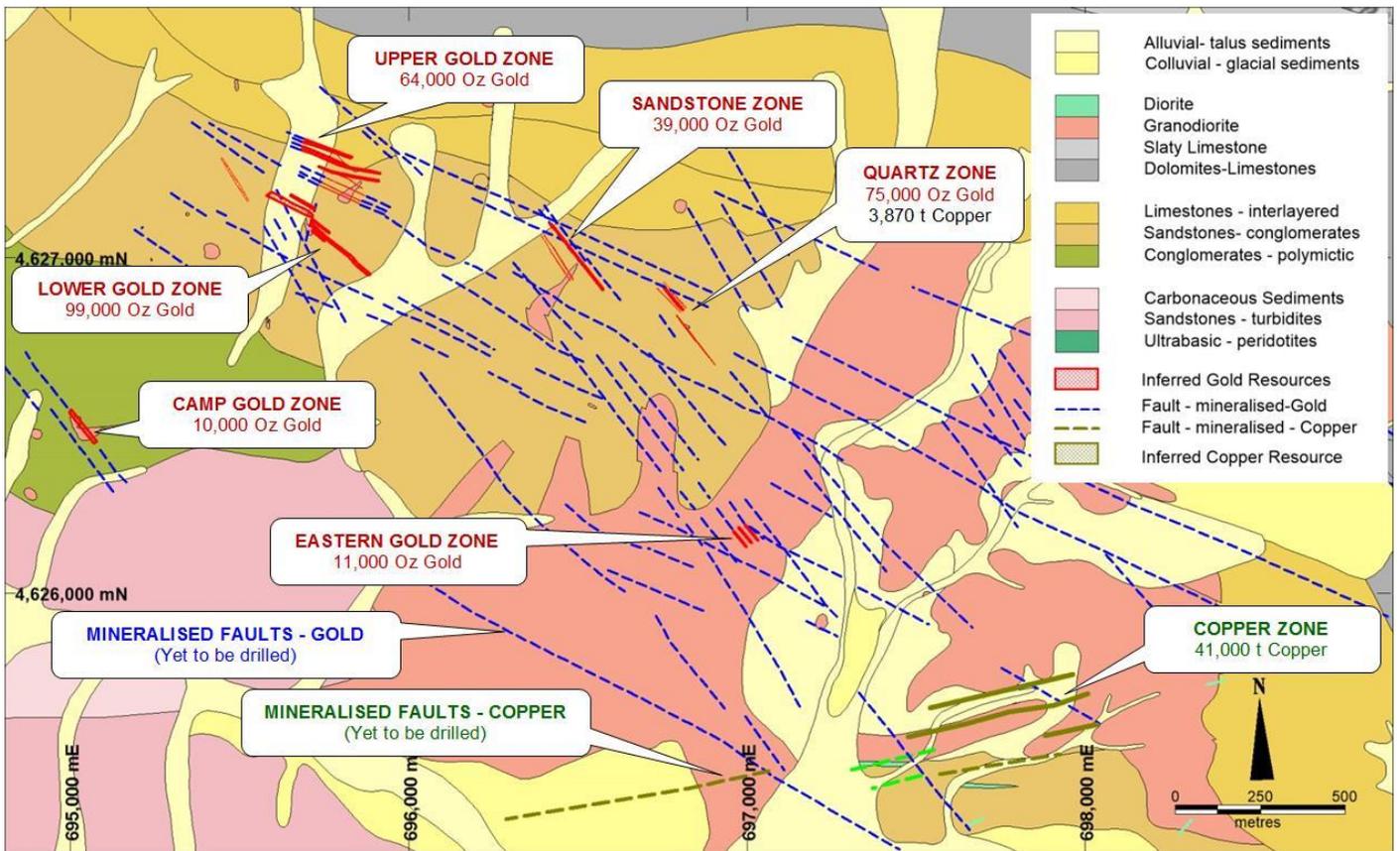
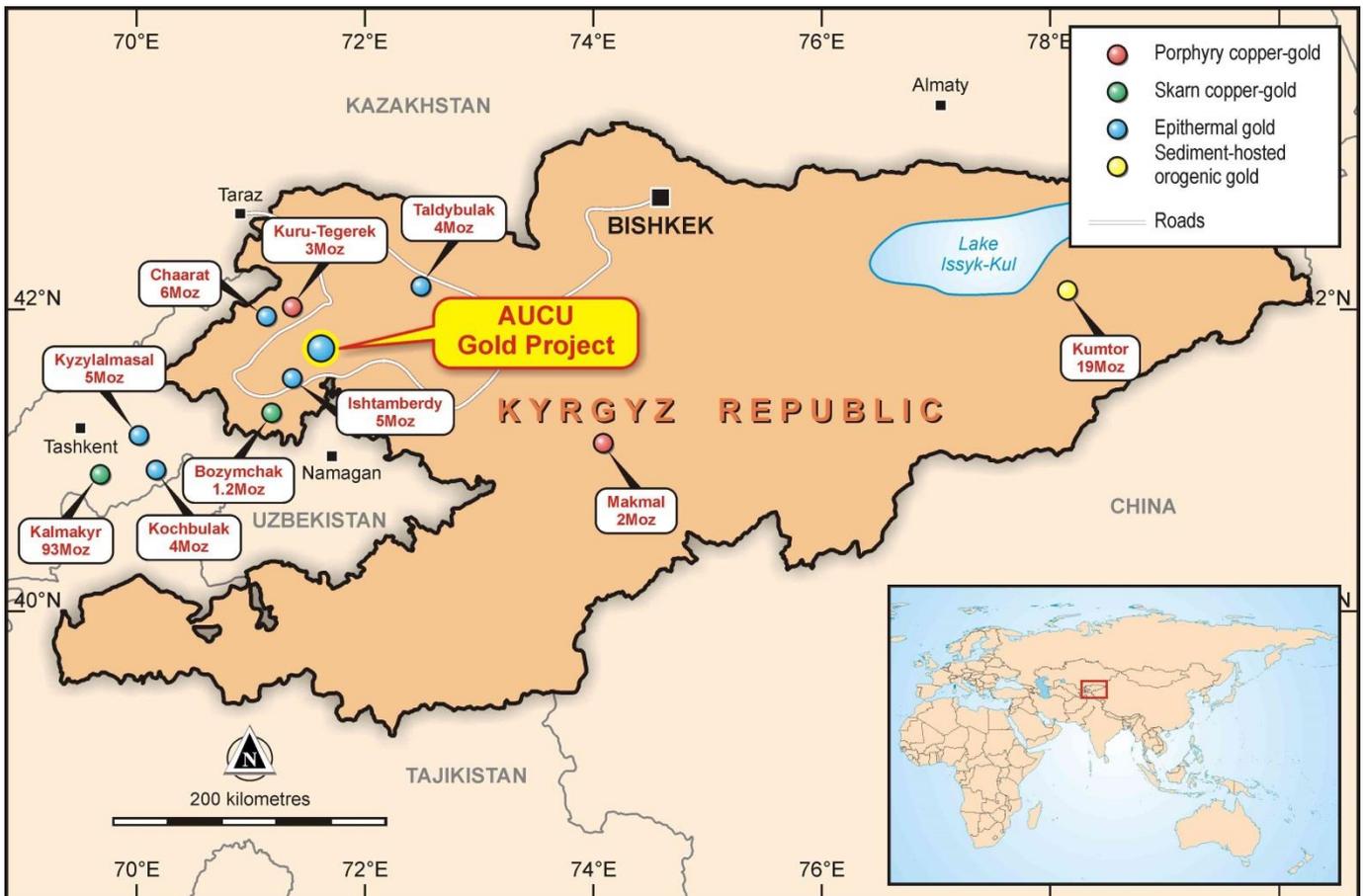


Figure 8: AUCU Geology map showing existing Inferred resource areas and un-drilling structures in blue.



Location Map: Northwest Kyrgyz Republic, Central Asia

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About White Cliff Minerals Limited

White Cliff Minerals Limited is a Western Australian based exploration company with the following main projects:

Kyrgyz Copper-Gold Project (90%): The Project contains extensive porphyry related gold and copper mineralisation starting at the surface and extending over several kilometres. Drilling during 2014-6 has defined a **gold deposit** currently containing an inferred resource of 1.8Mt at 5.2 g/t containing 302,000 ounces of gold and 608,000 tonnes at 0.64% copper containing 3,870 tonnes of copper. Drilling has also defined a significant **copper deposit** at surface consisting of 10Mt at 0.41% copper containing 40,000 tonnes of copper.

Extensive mineralisation occurs around both deposits demonstrating significant expansion potential. The project is located in the Kyrgyz Republic, 350km west-southwest of the capital city of Bishkek and covers 57 square kilometres. The Chanach project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan to western China.

Merolia Project (100%): The project consists of 771 square kilometres of the Merolia Greenstone belt and contains extensive ultramafic sequences including the Diorite Hill layered ultramafic complex, the Rotorua ultramafic complex, the Coglia ultramafic complex and a 51 kilometre long zone of extrusive ultramafic lava's. The intrusive complexes are prospective for nickel-copper sulphide accumulations possibly with platinum group elements, and the extrusive ultramafic rocks are prospective for nickel sulphide and nickel-cobalt accumulations. The project also contains extensive basalt sequences that are prospective for gold mineralisation including the Ironstone prospect where historical drilling has identified 24m at 8.6g/t gold.

Bremer Range (100%): The project covers over 127 square kilometres in the Lake Johnson Greenstone Belt, which contains the Emily Ann and Maggie Hayes nickel sulphide deposits. These mines contain approximately 140,000 tonnes of nickel. The project area has excellent prospectivity for both komatiite associated nickel-cobalt mineralisation and amphibolite facies high-grade gold mineralisation.

Lake Percy Lithium Project (100%) and Joint Venture (reducing to 30%): The Lake Percy tenement (E63/1222i) is the subject of a Joint Venture arrangement where Liantown Resources (LTR) can earn up to 70% via expenditure of \$1.75 Million. Substantial lithium anomalism has been identified within outcropping pegmatites and drilling will be conducted in 2017. The Company also holds 100% of the adjacent 20km² tenement (E63/1793) which also contains untested outcropping pegmatites.

Laverton Gold Project (100%): The project consists of 136 square kilometres of tenement applications in the Laverton Greenstone belt. The core prospects are Kelly Well and Eight Mile Well located 20km southwest of Laverton in the core of the structurally complex Laverton Tectonic zone immediately north of the Granny Smith Gold Mine (3 MOz) and 7 kilometres north of the Wallaby Gold Mine (7 MOz).

JORC Compliance

The Information in this update that relates to Exploration Results is based on information compiled by Mr Todd Hibberd, who is a member of the Australasian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the Company. Mr Hibberd has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Hibberd consents to the inclusion of this information in the form and context in which it appears in this report.

¹The Information in this report that relates to Mineral Resources is based on information compiled by Mr Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Glacken is a full time employee of Optiro Pty Ltd. Mr Glacken has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Glacken consents to the inclusion of this information in the form and context in which it appears in this report.