

# **White Cliff Minerals Limited**

ACN 126 299 125

## **Rights Issue Prospectus**

### **Offer**

For a non-renounceable pro rata offer of one (1) New Share for every four (4) Shares held by Shareholders registered at 5.00pm WST on the Record Date, at an issue price of \$0.008 per New Share to raise approximately \$916,945.

### **Offer is partially underwritten**

The Offer is partially underwritten up to an amount of \$600,000.

### **Offer period**

This Offer opens on **Tuesday, 23 December 2014** and closes at **5.00pm WST** on **Friday, 6 February 2015**. Valid acceptances must be received by the Closing Date.

### **Important Notice**

This document contains important information about the Offer. You should read the entire document. Please read the instructions in this document and the accompanying Entitlement and Acceptance Form regarding your Rights. You should speak to your professional advisors if you have any questions about the Offer or this Prospectus. The securities offered by this Prospectus should be considered speculative.

# Important information

## Prospectus

This Prospectus is dated 12 December 2014 and was lodged with ASIC on that date. Neither ASIC, ASX nor their officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level as disclosure as an initial public offering or "full form" prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

New Shares will not be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus. Application for quotation of the New Shares will be made to ASX within 7 days after the date of this Prospectus.

## Electronic prospectus

This Prospectus may be viewed in electronic form at [www.wcminerals.com.au](http://www.wcminerals.com.au) by Australian investors only. The electronic version of this Prospectus is provided for information purposes only. A paper copy of the Prospectus may be obtained free of charge on request during the Offer period by contacting the Company. The information on [www.wcminerals.com.au](http://www.wcminerals.com.au) does not form part of this Prospectus.

## Risk factors

Potential investors should be aware that subscribing for New Shares in the Company involves a number of risks. The key risk factors are set out in Section 1.2 and Section 5 of this Prospectus. These risks together with other general risks applicable to all investments in quoted securities not specifically referred to, may affect the value of Shares in the future. An investment in the Company should be considered speculative. Investors should consider these risk factors in light of personal circumstances and should consider consulting their professional advisers before deciding whether to apply for New Shares pursuant to this Prospectus.

## Overseas Shareholders

An offer is not being made to Shareholders with a registered address outside Australia or New Zealand. The distribution of this Prospectus and the Entitlement and Acceptance Form (including electronic copies) outside Australia or New Zealand may be restricted by law. If you come into possession of these documents, you should observe such restrictions and should seek your own advice about such restrictions. Please refer to Section 3.10 for more information.

## Publicly available information

Information about the Company is publicly available and can be obtained from ASIC and ASX (including ASX's website [www.asx.com.au](http://www.asx.com.au)). The contents of any website or ASIC or ASX filing by the Company

are not incorporated into this Prospectus and do not constitute part of the Offer. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest in New Shares or the Company.

The Company has not authorised any person to give any information or make any representation in connection with the Offer that is not contained in this Prospectus. Any information or representation not so contained may not be relied upon as having been authorised by the Company in connection with this Prospectus

## Forward looking statements

This Prospectus may contain forward-looking statements that have been based on current expectations about future acts, events and circumstances. Any forward-looking statements are subject to risks, uncertainties and assumptions that could cause those acts, events and circumstances to differ materially from the expectations described in such forward-looking statements. The Company cannot, and does not, give any assurance that the events described in such forward-looking statements will actually occur.

## Accepting the Offer

Applications for New Shares offered by this Prospectus can only be made by an original Entitlement and Acceptance Form. The Entitlement and Acceptance Form sets out the entitlement of an Eligible Shareholder to participate in the Offer. Please read the instructions in this Prospectus and on the accompanying Entitlement and Acceptance Form regarding the acceptance of your Rights.

By returning an Entitlement and Acceptance Form or lodging an Entitlement and Acceptance Form with your stockbroker or otherwise arranging for payment for your New Shares in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have received and read this Prospectus, you have acted in accordance with the terms of the Offer detailed in this Prospectus and you agree to all of the terms and conditions as detailed in this Prospectus.

## Defined terms

Certain terms and other terms used in this Prospectus are defined in the Glossary of defined terms in Section 9.

## Currency

All references in this Prospectus to "\$", "AUD" or "dollar" are references to Australian currency unless otherwise indicated.

## Reference to time

All references in this document to time relate to Western Standard Time in Perth, Western Australia.

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## Timetable

Event	Date
Announcement of Offer	12 December 2014
Prospectus lodged with ASIC and ASX	12 December 2014
Notice of Offer sent to Shareholders	16 December 2014
Ex-date (date from which Shares begin trading without the entitlement to participate in the Offer)	17 December 2014
Record Date (to identify Shareholders entitled to participate in the Offer)	19 December 2014
Prospectus and Entitlement and Acceptance Forms sent to Eligible Shareholders	23 December 2014
Offer opens (Opening Date)	23 December 2014
Last day to extend the Closing Date	3 February 2015
Offer closes (Closing Date)	6 February 2015
New Shares quoted on a deferred settlement basis	9 February 2015
Notice to ASX of Shortfall	11 February 2015
New Shares issued	13 February 2015
Dispatch of Holding Statements	16 February 2015
Quotation of New Shares on ASX commences	16 February 2015

The above dates are indicative only and may be subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX before the Closing Date.

# Corporate Directory

## Directors

Mr Michael Langoulant  
Executive Chairman

Mr Todd Hibberd  
Managing Director

Mr Rod Boland  
Non-Executive Director

## Company Secretaries

Mr Michael Langoulant

Ms Brooke White

## Registered and Principal Office

Suite 2, 47 Havelock Street  
WEST PERTH WA 6005

T: +61 8 9321 2233

F: +61 8 9324 2977

Email: [info@wcminerals.com.au](mailto:info@wcminerals.com.au)

Web: [www.wcminerals.com.au](http://www.wcminerals.com.au)

## ASX Codes

Shares – WCN

March 2017 Options – WCNOA

## Underwriter and Lead Manager

Emerald Partners Pty Ltd  
Level 10, 60 Carrington Street  
SYDNEY NSW 2000

T: +61 2 9251 5065

F: +61 2 9251 5067

## Solicitors to the Offer

Jackson McDonald  
Level 17  
225 St Georges Terrace  
PERTH WA 6000

T: +61 8 9426 6611

F: +61 8 9321 2002

## Auditors (for information purposes only)

HLB Mann Judd  
Level 4, 139 Stirling Street  
PERTH WA 6000

T: +61 8 9227 7500

F: +61 8 9227 7533

## Share Registry

Computershare Investor Services Pty  
Limited  
Level 2, 45 St Georges Terrace  
PERTH WA 6000

T: 1300 850 505 or +61 8 9415 4000

F: +61 8 9323 2033

## 1. Investment overview

The Company operates exploration projects in both Western Australia and the Kyrgyz Republic in Central Asia. The Company's two main projects are:

### *Chanach Copper-gold (88.7%) – Kyrgyz Republic.*

The project contains widespread gold and copper mineralisation with recent drilling identifying high grade **gold mineralisation** in multiple shear zones. 2014 drilling results include:

- 19 metres at 6.0 g/t gold including 8 metres at 9 g/t from 71 metres,
- 9 metres at 5.0 g/t gold from 111 metres,
- 8 metres at 6.7 g/t gold from 56 metres,
- 6 metres at 13.1 g/t gold including 1 metre at 23.1 g/t from 47 metres,
- 5 metres at 6.2 g/t from 82 metres,
- 4 metres at 13.6 g/t gold including 1 metre at 30.1 g/t from 50 metres,
- 3 metres at 8.2 g/t gold from 83 metres,
- 3 metres at 11.5 g/t from 36 metres,
- 4 metres at 23.8 g/t gold from 85 metres, and
- 2 metres at 22 g/t gold from 102 metres

Gold mineralisation starts at the surface, is high grade and has been identified to at least 100m vertical depth in two major structures, the Copper-Gold Zone (CGZ) and the Lower Gold Zone (LGZ) and is open along strike in both directions.

The **two** mineralised systems are parallel and approximately 100m apart interpreted to strike NNW (310 degrees) dipping steeply to the SSW (85 degrees). Rock chip sampling along strike on the adjacent hills to the northwest and southeast has identified mineralised quartz veins and shear zone in both directions. Mapping indicates that the gold mineralisation may extend a further two kilometres east to the Chanach Copper deposit. Further drilling is expected to expand the existing mineralised zone significantly with the aim of calculating an initial JORC compliant gold resource in 2015.

The Chanach project also contains extensive copper mineralisation covering an area of around 500 metres by 300 metres. Copper mineralisation occurs as chalcocite, bornite, chalcopyrite and the copper oxides malachite and azurite. Drilling results include:

- 80 metres at 0.5% copper including 10 metres at 1% copper,
- 180 metres at 0.2% copper and 0.15 g/t gold,
- 14 metres at 0.77% copper,
- 50 metres at 0.5% copper; with a
- Peak copper assay of 2.06% Cu associated with 0.35 g/t gold.

The copper deposit consists of an oxide zone and a sulphide zone and the majority of drill holes contain copper mineralisation at potential economic grades. Further drilling is expected to increase the size of the deposit significantly and allow for the calculation of a JORC compliant copper resource in 2015.

### *Merolia Nickel Sulphide Project, Western Australia (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 50 kilometre long zone of extrusive ultramafic lava's.

Soil sampling in 2014 over several prospects has identified strong nickel anomalies (up to 0.14% Ni) within ultramafic units adjacent to interpreted basal contacts or major faults. The Company is currently undertaking geophysical electromagnetic surveys to identify nickel sulphide targets for drilling in early 2015.

The project also contains extensive basalt sequences that are prospective for gold mineralisation including the Ironstone prospect where historical drilling has identified 24 metres at 8.6g/t gold.

*The information in this report that relates to exploration results for the Chanach Project and the Merolia Project were originally reported in the following ASX announcements in accordance with the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves:*

<i>Date</i>	<i>Announcement Name</i>
09 Dec 14	Drilling Defines further high grade mineralisation
06 Nov 14	Drilling Defines further high grade mineralisation
22 Oct 14	Drilling Extends high grade mineralisation
09 Oct 14	Drilling Intersects new mineralised zone: Assays up to 23 g/t Gold
29 Sept 14	Drilling Intersects visible gold; Assays up to 31 g/t Gold
10 Sept 12	Annual Report for year ended 30 June 2012
19 Aug 14	Four Significant nickel anomalies identified at Merolia Project
30 June 14	Significant nickel in soil anomaly identified at Merolia
29 Apr 14	Strong Nickel in Soil anomaly identified at Merolia

*The Company is not aware of any new information or data that materially affects the information included in the original market announcements.*

## 1.1 Purpose of the Offer

The purpose of the Offer is to raise funds up to \$916,945 (based on the number of Shares on issue at the date of this Prospectus). The funds raised from the Offer are planned to be used as follows.

Use of funds	Minimum (Underwritten Amount)	Maximum subscription
Exploration on Chanach copper-gold project	\$450,000	\$725,000
Working capital	\$94,000	\$116,945
Costs of the Offer	\$56,000	\$75,000
<b>Total</b>	<b>\$600,000</b>	<b>\$916,945</b>

Notes:

1. The table assumes that none of the existing Option holders exercise their Options, and none of the existing Note holders convert their Notes, before the Record Date and participate in the Offer.
2. There is no minimum subscription condition for the Offer to proceed. However the Offer is partly underwritten. Therefore the minimum amount that will be raised under the Offer is \$600,000, which is equal to the Underwritten Amount (assuming that the Underwriting Agreement is not terminated).
2. If funds raised are greater than the Underwritten Amount, the Company will allocate those funds first towards the costs of the Offer, then predominantly to continued exploration of its Chanach copper-gold project and then to general working capital. General working capital includes corporate administration and operating costs and may be applied to directors' fees, ASX and share registry fees, legal and audit fees, insurance and travel costs.
3. The costs of the Offer include the lead manager fee and underwriting fee. Please refer to Section 7.9 for further details about these fees.

The information in this table is a statement of present intention as at the date of this Prospectus. The exact amount of funds spent by the Company will depend on many factors that cannot be ascertained at this time.

On completion of the Offer the Board believes the Company will have sufficient funds to achieve these objectives.

The decision of the Board to undertake the Rights Issue to raise funds for exploration on the Chanach project is in response to concerns expressed by Shareholders about the convertible note facility with Magna Equities. At the Annual General Meeting of Shareholders held on 28 November 2014, the Board made a commitment that it would seek to raise funds from alternative sources to continue its exploration activities and that it would not drawdown further funds on the convertible note facility unless it had first obtained support from Shareholders. The Company requires funds to continue its exploration activities at the Chanach project.

## **1.2 Key risks**

The following risks have been identified as being key risks specific to an investment in the Company. These risks have the potential to have a significant adverse impact on the Company and may affect the Company's financial position, prospects and price of its listed securities.

### **(a) Future capital requirements**

The Company's ongoing activities may require substantial further financing in the future for its business activities. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the current market price (or an Option exercise price or Note conversion price) or may involve restrictive covenants which limit the Company's operations and business strategy.

Although the Directors believe that additional capital can be obtained, assurances cannot be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the Company's activities and could affect the Company's ability to continue as a going concern.

### **(b) Country risk**

The Company has a project located in the Kyrgyz Republic in Central Asia, which is a less developed country than Australia with associated political, economic, legal and social risks. There can be no assurance that the systems of government and the political systems the Kyrgyz Republic will remain stable. Further, there can be no assurance that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in the Kyrgyz Republic will not be amended or replaced in the future to the detriment of the Company's business and/or projects. The Directors are not aware of any such proposals as at the date of this Prospectus.

In addition to risks specific to the Company as described above, an investment in the Company is subject to mining industry specific and general investment risks as described in Section 5.4.

## **2. Details of the Offer**

### **2.1 The Offer**

The Company is making a non-renounceable pro rata offer of Shares (**New Shares**) to Eligible Shareholders (**Offer**).

Eligible Shareholders are entitled apply for one (1) New Share for every four (4) Shares held at 5:00pm on the Record Date at an issue price of \$0.008 per New Share. The issue price is payable in full on application.

The Company currently has on issue:

- (a) 458,472,633 Shares;
- (b) 102,050,017 quoted Options; and
- (c) 445,000 unquoted convertible Notes.

Based on the number of Shares on issue at the date of this Prospectus, a total of 114,618,158 New Shares are offered under this Offer to raise \$916,945 (before costs).

The Company's Option and Note holders may participate in the Offer if they exercise their Options or convert their Notes and become the registered holders of Shares before the Record Date. If any of the Options are exercised or Notes converted before the Record Date then the number of New Shares that may be issued under the Offer could increase. However, as the exercise price of the Options is considerably above the current market price of the Shares, the Company does not expect to issue further Shares pursuant to exercise of Options. The Company is also of the belief that there will be no conversion of Notes before the Record Date.

The purpose of the Offer and the intended use of the funds raised is set out in Section 1.

Information about how to accept your Rights and apply for the New Shares is set out in Section 3.

### **2.2 Non-Renounceable offer**

The Offer is non-renounceable. Accordingly, there will be no trading of rights on the ASX and you may not dispose of your rights to subscribe for New Shares under the Rights Issue to any other party. If you do not take up your entitlement to New Shares under the Rights Issue by the Closing Date, your right to participate in the Offer will lapse.

### **2.3 Entitlement and eligibility**

The Offer is made to Eligible Shareholders only. All Shareholders with a registered address in Australia or New Zealand and who are registered as the holder of Shares at 5:00pm on the Record Date are Eligible Shareholders.

The entitlement to participate is determined on the Record Date. The number of New Shares that an Eligible Shareholder may apply for is shown in the personalised Entitlement and Acceptance Form which accompanies this Prospectus. Fractional Rights will be rounded up to the nearest whole New Share.

To apply for New Shares under the Offer, you must complete your Entitlement and Acceptance Form and lodge it with payment for the New Shares or make payment by

the BPay® facility by 5:00pm on the Closing Date. Please see Section 3 for further information about accepting the Offer.

Your rights to participate in the Offer will lapse if you do not accept your Rights by the Closing Date. Any New Shares not applied for will form part of the Shortfall.

## **2.4 Opening Date and Closing Date**

The Offer will open on Tuesday, 23 December 2014 and will close at 5:00pm on Friday, 6 February 2015. Subject to compliance with the Listing Rules and the Corporations Act (as relevant), the Company reserves the right to close the Offer early or to extend the Closing Date.

## **2.5 Rights and liabilities of the New Shares**

The New Shares offered under this Prospectus will be fully paid and will rank equally with existing Shares on issue. A summary of the rights and liabilities attaching to the New Shares is set out in Section 6.

## **2.6 Minimum subscription**

There is no minimum subscription under the Rights Issue. However, as noted in section 2.7, the Rights Issue is partially underwritten by the Underwriter, subject to the terms and conditions of the Underwriting Agreement.

## **2.7 Offer is partly underwritten**

The Rights Issue is partially underwritten by Emerald Partners Pty Ltd (**Emerald or Underwriter**) up to an aggregate of \$600,000, subject to standard terms and conditions. The Underwriter is obliged to subscribe for up to 75,000,000 New Shares under the Shortfall (to the extent that the Shortfall Shares are not subscribed for by Eligible Shareholders or new investors).

The Company has also appointed Emerald as lead manager to manage the Offer and to seek to place the Shortfall with new investors in the Company. The Company has agreed to pay Emerald a 1% management fee on the total amount raised under the Rights Issue, a 5% underwriting fee on the amount underwritten and a 5% total capital raising fee in relation to investors introduced by Emerald who subscribe for the Shortfall.

Emerald has appointed two sub-underwriters who have agreed to subscribe for New Shares under the Offer and the Shortfall up to a maximum of 75,000,000 as set out in Section 2.8. Emerald is responsible for all sub-underwriting fees paid to the sub-underwriters.

A summary of the material terms of the Underwriting Agreement, including the events whereby the Underwriter may be released from its obligations under the Underwriting Agreement, are set out in section 7.5.

## **2.8 Sub-underwriting**

Entities controlled by the following Director and the Company's largest Shareholder have agreed with the Underwriter to accept their Rights under the Offer and to sub-underwrite part of the issue of New Shares under the Rights Issue in the following proportions:

	Commitment by the sub-underwriters	Number of New Shares to be acquired by the sub-underwriters
<i>Director</i>		
M Langoulant <sup>1</sup>	\$100,000	12,500,000
<i>Substantial Shareholder</i>		
A Igo <sup>2</sup>	\$500,000	62,500,000

Notes:

1. Lanza Holdings Pty Ltd (**Lanza Holdings**), an entity controlled by Mr Langoulant, has an existing interest in 10,755,156 Shares (2.35%). Lanza Holdings has agreed with the Underwriter to accept all of its Rights (\$21,510) and sub-underwrite the balance (\$78,490) up to a total commitment of \$100,000.
2. Mr Andy Igo (as trustee for the ADE Super Fund), is the Company's largest Shareholder with an existing interest in 89,300,000 Shares (19.48%). Mr Igo has agreed with the Underwriter to accept all of his Rights (up to \$178,600) and sub-underwrite the balance (\$321,400) up to a total commitment of \$500,000.

The Underwriter has agreed to pay a fee of 3% to each sub-underwriter for their sub-underwritten amount.

## 2.9 Shortfall offer

Any New Shares not applied for under the Offer will form the Shortfall.

The Shortfall offer is a separate offer under this Prospectus. The issue price of the New Shares forming the Shortfall is \$0.008 (equal to the issue price under the Offer).

Eligible Shareholders may apply for additional New Shares forming part of the Shortfall provided that they accept their Rights in full.

The Company will allocate Shortfall Shares in accordance with the following priorities:

- (a) first priority will be given to Eligible Shareholders who apply for 100% of their Rights provided that the issue of Shortfall Shares will not result in the applicant's voting power in the Company exceeding 20%;
- (b) second priority will be given to new investors to the Company who apply for Shortfall Shares before the Closing Date including parties introduced by Emerald provided that the issue of Shortfall Shares will not result in the applicant's voting power in the Company exceeding 20%;
- (c) third priority will be to the Underwriter or sub-underwriters up to the Underwritten Amount.

The Directors have discretion how to allocate the Shortfall Shares within each of the priorities outlined above and may scale back applicants in the event that applications exceed the actual number of Shortfall Shares.

The Directors reserve the right to place any Shortfall Shares remaining after the priority process above within 3 months of the close of the Offer. The Directors have discretion as to how to allocate the Shortfall.

The Company cannot guarantee that you will receive the number of Shortfall Shares applied for. If you do not receive any or all of the Shortfall Shares you applied for, the excess Application Monies will be returned to you without interest.

### **3. Accepting the Offer**

#### **3.1 Action you may take**

The number of New Shares to which you are entitled is shown on the personalised Entitlement and Acceptance Form accompanying this Prospectus. If you are an Eligible Shareholder you may:

- (a) accept your Rights in full;
- (b) accept your Rights in full and apply for additional New Shares under the Shortfall;
- (c) accept part of your Rights and allow the balance to lapse; or
- (d) allow all of your Rights to lapse.

#### **3.2 Accepting your Rights in full or in part**

If you wish to accept your Rights in full or in part, either:

- (a) complete the Entitlement and Acceptance Form for the number of New Shares you wish to apply for in accordance with the instructions on the form and return your completed form together with a cheque, bank draft, or money order for the Application Monies to the Share Registry; or
- (b) make a payment through the BPay® facility for the number of New Shares you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form.

Your Entitlement and Acceptance Form must be received by **5:00pm on the Closing Date**.

If you apply for more New Shares than your Rights, the Company will apply the excess payment to the Shortfall.

If you do not accept all of your Rights then the balance of your Rights will lapse and the New Shares that are not subscribed for will form part of the Shortfall.

#### **3.3 Accepting your Rights in full and applying for additional New Shares under the Shortfall**

If you wish to accept your Rights in full and apply for New Shares under the Shortfall either:

- (a) complete the Entitlement and Acceptance Form for all of your Rights and specify the number of additional New Shares you wish to apply for in accordance with the instructions on the form, and return your completed form together with a cheque, bank draft, or money order for the Application Monies to the Share Registry; or
- (b) make a payment through the BPay® facility for all of your Rights and the number of additional New Shares you wish to apply for in accordance with the instructions on the Entitlement and Acceptance Form.

Your Entitlement and Acceptance Form must be received by no later than **5:00pm on the Closing Date**.

The allocation and issue of New Shares under the Shortfall will be determined by the Directors in their discretion as set out in Section 2.8.

### **3.4 Allowing your Rights to lapse**

If you do not wish accept any of your Rights, you are not required to take any action. If you do nothing then your Rights will lapse. The New Shares not subscribed for will form part of the Shortfall.

If you do not take up all of your Rights, then your percentage shareholding in the Company will likely decrease.

### **3.5 Payment for New Shares**

The issue price of \$0.008 per New Share is payable in full on application. All payments must be made in Australian currency by cheque, bank draft, money order or by BPay®.

You must ensure that your completed Entitlement and Acceptance Form or payment by BPay® is received by **5:00pm on the Closing Date**. The Company is not responsible for any postal or delivery delays or delay in the receipt of BPay® payments.

Cheques must be drawn on an Australian bank or money order made payable in Australian dollars to **"White Cliff Minerals Limited Share Application Account"** and crossed "Not Negotiable".

BPay® payments should be made in accordance with the instructions on the Entitlement and Acceptance Form using the BPay® Biller Code and Customer Reference Number shown on the form. You can only make a payment via BPay® if you are a holder of an account with an Australian financial institution that supports BPay® transactions.

You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment. It is your responsibility to ensure that your BPay® payment is received by the Share Registry by **5:00pm on the Closing Date**.

The Customer Reference Number is used to identify your holding. If you have multiple holdings you will receive multiple Customer Reference Numbers. You must use each Customer Reference Number shown on each Entitlement and Acceptance Form to pay for each holding separately.

If you pay by BPay®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that form; and
- (b) if you do not pay for your Rights in full, you are deemed to have taken up your Rights in respect of such whole number of New Shares which is covered by your Application Monies.

### **3.6 Lodging your Entitlement and Acceptance Form**

Completed Entitlement and Acceptance Forms and cheques, bank drafts or money orders for the Application Monies must be lodged with either the Company or the Share Registry at the following addresses.

**To the Company:**

White Cliff Minerals Ltd  
Suite 2, 47 Havelock Street  
PERTH WA 6000  
PO Box 368 West Perth WA 6892

Fax: 08/9324 2977

Email: [info@wcminerals.com.au](mailto:info@wcminerals.com.au)

**To the Share Registry:**

Computershare Investor Services Pty Ltd  
GPO Box 505  
MELBOURNE VIC 3001

Acceptance of the Offer creates a legally binding contract between you and the Company for the number of New Shares that you have applied for, as accepted by the Company. The Entitlement and Acceptance Form does not need to be signed to be a binding acceptance of New Shares.

If the Entitlement and Acceptance Form is not completed correctly it may still be treated as valid. The Company's decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

The Company reserves the right (in its sole discretion) to:

- (a) reject any application that it believes comes from a person who is not an Eligible Shareholder; and
- (b) reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claim to be entitled to participate in the Offer proves to be false, exaggerated or unsubstantiated.

### **3.7 Issue of New Shares and quotation on ASX**

New Shares under the Offer will be issued as soon as practicable after the Closing Date, in accordance with the ASX Listing Rules and the timetable at page ii. New Shares issued under the Shortfall will be issued on a progressive basis. New Shares will not be issued until ASX grants permission for quotation of the New Shares.

Application for official quotation on ASX of the New Shares issued pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. The fact that ASX may agree to grant official quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares. If permission for quotation is not granted by ASX within 3 months after the date of this Prospectus, the New Shares will not be issued and Application Monies will be refunded (without interest) as soon as practicable.

It is your responsibility to determine your holdings before trading in New Shares. Any person who sells New Shares before receiving confirmation of their holding will do so at their own risk.

The Directors reserve the right not to proceed with the whole or any part of the Offer at any time before the issue of New Shares. In that event, relevant Application Monies will be refunded without interest.

### 3.8 No brokerage

Investors will not pay brokerage as a subscriber for New Shares under the Offer.

### 3.9 Holding of Application Monies

Application Monies will be held in a trust account until the New Shares are issued.

The trust account established by the Company for this purpose will be solely used for handling Application Monies. Any interest earned on Application Monies will be for the benefit of, and will remain the sole property of, the Company and will be retained by the Company whether or not the issue of New Shares takes place.

Applications and Application Monies may not be withdrawn once they have been received by the Company.

### 3.10 Excluded Shareholders

The Offer is not made to Shareholders on the Record Date with a registered address outside Australia or New Zealand (**Excluded Shareholders**). Neither the Prospectus nor the Entitlement and Acceptance Form constitutes an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

In making the decision to not extend the Offer to Excluded Shareholders the Company has taken into account the small number Shareholders outside Australia and New Zealand, the number and value of New Shares that would be offered to Shareholders outside Australia and New Zealand and the cost of complying with the legal requirements and requirements of regulatory authorities in the overseas jurisdictions.

The Offer in this Prospectus to Eligible Shareholders with an address in New Zealand is made in reliance on the *Securities Act (Overseas Companies) Exemption Notice 2013* (New Zealand). The New Shares are not being offered or sold to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand. This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

The Company is not required to determine whether or not any registered Eligible Shareholder is holding Shares on behalf of persons who are resident outside Australia or New Zealand (including nominees, custodians and trustees) or the identity or residence of any beneficial owners of Shares. Any Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia and New Zealand are responsible for ensuring that any dealing with New Shares issued under the Offer do not breach the laws and regulations in the relevant overseas jurisdiction, and should seek independent professional advice and observe any applicable restrictions relating to the taking up of Rights or the distribution of this Prospectus or the Entitlement and Acceptance Form.

The distribution of this Prospectus and the Entitlement and Acceptance Form (including electronic copies) outside Australia or New Zealand may be restricted by law and therefore persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **3.11 CHESS**

The Company participates in the Clearing House Electronic Sub-register System (CHESS). ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and the ASX Settlement Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Shares (CHESS Statement or Holding Statement).

If you are broker sponsored, ASX Settlement will send you a CHESS Statement.

The CHESS Statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub-register, your statement will be dispatched by the Share Registry and will contain the number of New Shares issued to you under this Prospectus and your security holder reference number.

A CHESS Statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

### **3.12 Privacy**

If you apply for New Shares you will be providing personal information to the Company and the Share Registry. The Company and the Share Registry collect, hold and use your personal information in order to assess your Application, service your needs as an investor, provide facilities and services that you request, carry out appropriate administration and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Share Registry.

Collection, maintenance and disclosure of certain personal information are governed by legislation including the Privacy Act (as amended), the Corporations Act and certain rules of ASX. If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application.

Under the Privacy Act, you may request access to your personal information held by, or on behalf of, the Company or the Share Registry. You can request access to your personal information by writing to the Company through the Share Registry.

### **3.13 Taxation implications**

There may be taxation implications in relation to the Offer and applying for New Shares. These taxation implications vary depending on your individual circumstances. You should consult your tax adviser in connection with the taxation implications of the Offer.

## 4. Effect of the Offer

### 4.1 Effect on Shareholders' equity and cash reserves

The principal effects of the Offer, assuming all Rights are accepted, will be to:

- (a) increase the total number of Shares on issue from 458,472,633 Shares as at the date of this Prospectus to 573,090,791 Shares (see Section 4.2); and
- (b) increase cash reserves by \$916,945 (before the costs of the Offer are paid), assuming maximum subscription (see Section 4.3).

### 4.2 Effect on capital structure

The capital structure of the Company following completion of the Offer is set out below:

<b>Capital Structure</b>	<b>Minimum (Underwritten Amount)<sup>1</sup></b>	<b>Maximum subscription</b>
<b>Shares</b>		
Shares currently on issue	458,472,633	458,472,633
Shares to be issued under the Offer	75,000,000	114,618,158
<b>Total number of Shares on issue on completion of the Offer</b>	<b>533,472,633</b>	<b>573,090,791</b>
<b>Options</b>		
Options on issue	102,050,017	102,050,017 <sup>2</sup>
Options to be issued under the Offer	Nil	Nil
<b>Total number of Options on issue on completion of the Offer</b>	<b>102,050,017</b>	<b>102,050,017</b>
<b>Notes</b>		
Notes on issue	445,000	445,000 <sup>3</sup>
Notes to be issued under the Offer	Nil	Nil
<b>Total number of Notes on issue on completion of the Offer</b>	<b>445,000</b>	<b>445,000</b>

Notes:

- 1. There is no minimum subscription condition for the Offer to proceed, however the Offer is partly underwritten. Therefore the minimum amount that will be raised under the Offer is \$600,000, which is equal to the Underwritten Amount (assuming that the Underwriting Agreement is not terminated).
- 2. Options are quoted options exercisable at \$0.03 each on or before 11 March 2017.
- 3. Each Note has a face value of US\$1.00 and is convertible into Shares in accordance with the note conditions.

At the Company's annual general meeting held on 28 November 2014, Shareholders approved the issue of 1 million Notes to Magna Equities (at the Company's discretion) and 15 million Performance Rights to the Directors. The Directors do not intend to draw down further funds on the convertible note facility without further

Shareholder support and as such it is unlikely that any of the Notes approved at the annual general meeting will be issued. The Company has not yet issued the Performance Rights to the Directors but intends to do so by 28 December 2014. Further details about the Performance Rights are set out in Section 7.7.

#### **4.3 Pro forma statement of financial position**

Set out below is:

- (a) the unaudited consolidated statement of financial position of the Company as at 30 September 2014; and
- (b) the unaudited pro forma consolidated statement of financial position of the Company as at 30 September 2014 incorporating the effect of the Offer, assuming all Rights are accepted.

These statements of financial position have been prepared to provide Shareholders with information on the assets and liabilities of the Company and the pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma information is presented in an abbreviated form; it does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

The pro forma statement of financial position has been prepared on the basis that the assets and liabilities of the Company have not been subject to any material change between 30 September 2014 and the completion of the Offer except for:

- (a) the issue of 500,000 US\$1 Notes of which US\$55,000 have been converted into Shares in accordance with the terms of the Notes;
- (b) at maximum subscription, the issue of 114,618,158 Shares at \$0.008 each under the Offer to raise \$916,945;
- (c) at the minimum (Underwritten Amount), the issue of 75,000,000 Shares at \$0.008 each under the Offer to raise \$600,000; and
- (d) estimated costs of the Offer of \$75,000 (at maximum subscription) and \$56,000 (at the minimum (Underwritten Amount)).

Allowance has not been made for expenditure incurred in the normal course of business from 30 September 2014 to the Closing Date.

	Unaudited accounts  30 Sept 2014  \$	Pro-forma Minimum (Underwritten Amount)  30 Sept 2014  \$	Pro-forma Maximum Subscription  30 Sept 2014  \$
<b>Current Assets</b>			
Cash and cash equivalents	712,089	1,256,089	1,550,434
Other receivables	11,494	11,494	11,494
Other assets	28,758	28,758	28,758
<b>Total Current Assets</b>	<b>752,341</b>	<b>1,296,341</b>	<b>1,590,686</b>
<b>Non-Current Assets</b>			
Exploration project acquisition costs	1,393,350	1,393,350	1,393,350
<b>Total Non-Current Assets</b>	<b>1,393,350</b>	<b>1,393,350</b>	<b>1,393,350</b>
<b>Total Assets</b>	<b>2,145,691</b>	<b>2,689,691</b>	<b>2,984,036</b>
<b>Current Liabilities</b>			
Trade and other payables	481,799	481,799	481,799
<b>Total Current Liabilities</b>	<b>481,799</b>	<b>481,799</b>	<b>481,799</b>
<b>Total Liabilities</b>	<b>481,799</b>	<b>481,799</b>	<b>481,799</b>
<b>Net Assets</b>	<b>1,663,892</b>	<b>2,207,892</b>	<b>2,502,237</b>
<b>Equity</b>			
Issued capital	16,822,494	17,366,494	17,660,839
Reserves	882,399	882,399	882,399
Accumulated losses	(16,041,001)	(16,041,001)	(16,041,001)
<b>Total Equity</b>	<b>1,663,892</b>	<b>2,207,892</b>	<b>2,502,237</b>

#### 4.4 Effect on control of the Company and potential dilution to Shareholders

The Offer will not have any effect on the control of the Company if all Eligible Shareholders accept their Rights in full.

At the date of this Prospectus, Mr Andy Igo and his associates have a relevant interest in 89,300,000 Shares, which is equal to voting power of 19.48%. If Eligible Shareholders accept only part of their Rights under the Offer, then Offer may have an effect on voting power because Mr Igo will be required to apply for some or all of the Shortfall under the sub-underwriting arrangements with the Underwriter. The voting power of Mr Igo will vary depending on the level take-up of Rights by Eligible Shareholders and the number of applications for the Shortfall Shares. The potential effect on voting power of Mr Igo and the other sub-underwriters is shown in the table below, assuming different levels of take up under the Offer.

Event	Shares held by the sub-underwriters	Voting power of the sub-underwriters %
<b>Mr Andy Igo &lt;ADE Super fund ac&gt;</b>		
Date of Prospectus	89,300,000	19.48
Completion of Offer:		
50% subscribed	151,800,000	26.70
25% subscribed	151,800,000	27.80
0% subscribed	151,800,000	28.46
<b>Lanza Holdings Pty Ltd</b>		
Date of Prospectus	10,755,156	2.35
Completion of Offer:		
50% subscribed	13,443,945	2.36
25% subscribed	13,443,945	2.46
0% subscribed	23,255,156	4.36

**Notes:**

1. The level of take up in this table assumes that the sub-underwriters accept all of their Rights under the Offer and that all other Eligible Shareholders accept their Rights at the different levels shown, eg a "50% take up" assumes that the sub-underwriters accept all of their Rights but all other Eligible Shareholders accept 50% of their Rights and a "0% take up" assumes that the sub-underwriters accept all of their Rights but all other Eligible Shareholders do not accept their Rights.
2. The table also assumes that there are no applications for Shortfall by Eligible Shareholders or other investors and the Shortfall is allocated in first priority to Mr Andy Igo and the balance (if any) is allocated to Lanza Holdings.

Mr A Igo <ADE Super Fund ac> is the Company's largest Shareholder. As shown in the table above, the shareholding interest of Mr A Igo <ADE Super Fund ac> could exceed 20% on completion of the Offer up to a maximum of 28.46%.

The Underwriter currently holds 1,191,665 Shares in the Company. In the event that it is required to apply for New Shares for the Underwritten Amount (75,000,000 New Shares), its relevant interest would increase from 0.26% to a maximum of 14.28%. This would occur if none of the sub-underwriters apply for the New Shares, no Eligible Shareholders apply under the Offer and none of the Shortfall is placed with new investors.

The proportional shareholding interest and voting power in the Company of Eligible Shareholders who do not accept part of their Rights will be diluted. The extent of that dilution will depend on the degree to which Eligible Shareholders as a whole accept their Rights.

The proportional shareholding interest and voting power of Excluded Shareholders may be diluted because those Shareholders are not entitled to participate in the Offer.

#### **4.5 Details of substantial shareholders**

Based on publicly available information as at the date of this Prospectus, Mr Andy Igo <ADE Super fund ac> is the only Shareholder in the Company with a relevant interest of 5% or more of the Shares on issue. As noted in Section 0, Mr Igo's voting power in the Company could increase under the Offer as he has agreed to sub-underwrite part of the Offer.

## **5. Risk factors**

### **5.1 Introduction**

The New Shares offered by this Prospectus should be viewed as speculative and investors should be aware of, and take into account, the risk factors involved.

This Section is not intended to be an exhaustive list of the considerations to be taken into account by investors in deciding whether to apply for New Shares, nor all of the risk factors to which the Company is exposed. Some of these risks can be mitigated by the use of safeguards and appropriate systems and actions, but many are outside the control of the Company and cannot be mitigated.

There are risks associated with investing in any form of business and with investing in the share market generally. All investors should consult their professional advisers if they are in any doubt as to any aspect of this Prospectus, the Offer or any matter relating to an investment in the Company.

### **5.2 Company specific risks**

Please refer to Section 1.2 for risks that have been identified as being key risks specific to an investment in the Company.

### **5.3 Mining industry risks relating to the Company**

Mineral exploration and mining may be hampered by circumstances beyond the control of the Company and are speculative operations which, by their nature, are subject to a number of inherent risks, including the following:

#### **(a) Exploration risks**

Mining exploration and development is a high risk undertaking. The success of the Company depends on the delineation of economically minable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the Company's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities.

Exploration on the Company's existing tenements may be unsuccessful, resulting in a reduction of the value of those tenements, diminution in the cash reserves of the Company and possible relinquishment of exploration tenements.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that cost estimates and underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

#### **(b) Resource estimates**

Resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource estimates are imprecise and depend, to some extent, on interpretations, which may prove to be

inaccurate and require adjustment. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and mining plans which may, in turn, adversely affect the Company's operations.

**(c) Ability to exploit successful discoveries**

It may not always be possible for the Company to exploit successful discoveries which may be made in areas in which the Company has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities or land beneficiaries that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the Company's.

**(d) Mining and development risks**

Profitability depends on successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and proficient financial management.

Mining and development operations can be hampered by force majeure circumstances, environmental considerations and cost overruns for unforeseen events.

**(e) Lease and licence risks**

Each licence or lease is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to, or its interest in, tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. Further, the Company cannot guarantee that renewals of valid tenements will be granted on a timely basis, or at all.

**(f) Title risks**

Interests in tenements are governed by legislation in their respective jurisdictions and are evidenced by the granting of licences or leases. Each licence or lease is for a specific term and carries with it reporting commitments, as well as other conditions requiring compliance. Consequently, the Company could lose title to or its interest in tenements if licence conditions are not met or if insufficient funds are available to meet expenditure commitments.

**(g) Environment and government approvals**

The operations and activities of the Company are subject to environmental laws and regulations. As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The Company attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws.

(h) **Native Title Risks**

The Company has tenement interests in Australia. Accordingly, both the *Native Title Act 1993* (Cth) (**Native Title Act**) and related State native title legislation and Aboriginal land rights and Aboriginal heritage legislation may affect the Company's ability to gain access to prospective exploration areas or obtain production titles.

Compensatory obligations may be necessary in settling native title claims if lodged over any tenements acquired by the Company. The existence of outstanding registered native title claims means that the grant of a tenement in respect of a particular tenement application may be significantly delayed or thwarted pending resolution of future act procedures in the Native Title Act. The level of impact of these matters will depend, in part, on the location and status of the tenements acquired by the Company. At this stage it is not possible to quantify the impact (if any) which these developments may have on the operations of the Company.

(i) **Realising value from projects**

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes, and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

The Directors have between them significant mineral exploration and operational experience. However, no assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

(j) **Joint venture parties, agents and contractors**

There is a risk of financial failure or default by a participant in any joint venture to which the Company is or may become a party or the insolvency or managerial failure by any of the contractors used by the Company in any of its activities or the insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(k) **Access risks**

Where mining tenements (or part thereof) are subject to private land, resource companies are required to negotiate access, compensation and mining agreements with the beneficial party in order to gain access to explore, develop and mine the resource. Negotiation and execution of such agreements are subject to the willingness of beneficial parties to co-operate with resource entities. Land use may also affect the timing of access to such land. As such, the Company maintains a high standard of co-operative working with beneficial title holders.

(l) **Mineral assemblage and consistency**

The value of, and ability to mine, a resource is partially dependent on the mineral assemblage and / or quality and surrounding geological and soil setting. Information is not always necessarily available at the commencement of exploration, and is established at varying stages throughout development. Such data can affect the Company's ability to successfully extract, treat or sell the product. The Company makes all efforts to determine this information at practical stages throughout exploration to reduce risks associated with mineral assemblage and quality.

(m) **Competition**

The Company competes with other companies, including major mining companies in Australia and internationally. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. There can be no assurance that the Company can compete effectively with these companies.

(n) **Insurance risk**

In certain circumstances the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company.

Insurance of all risks associated with mineral exploration and production is not always available and where available the costs can be prohibitive.

(o) **Key personnel**

Recruiting and retaining qualified personnel are important to the Company's success. The number of persons skilled in the exploration and development of mining properties is limited and competition for such persons is strong. There can be no assurance that there will be no detrimental impact on the Company if such persons employed cease their employment with the Company.

#### **5.4 General investment risks**

The following risks have been identified as being some general risks associated with an investment in the Company, noting its publicly listed status:

(a) **Equity market conditions**

Securities listed on the securities market, and in particular securities of mining and exploration companies, can experience extreme price and volume fluctuations that are often unrelated to the operating performances of such companies. The market price of securities may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general. These security market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance.

General factors that may affect the market price of securities include economic conditions in both Australia and internationally, investor sentiment, local and international share market conditions, changes in interest rates and

the rate of inflation, variations in commodity prices, the global security situation and the possibility of terrorist disturbances, changes to government regulation, policy or legislation, changes which may occur to the taxation of companies as a result of changes in Australian and foreign taxation laws, changes to the system of dividend imputation in Australia, and changes in exchange rates.

(b) **Liquidity risk**

There can be no guarantee that there will be an active market for the Shares or that the price of the Shares will increase. Noting the current state of equity capital markets, there has been and may continue to be relatively few buyers or sellers of Shares on ASX at any given time. This may affect the volatility of the market price of the Shares. It may also affect the prevailing market price at which Shareholders are able to sell their Shares.

(c) **Securities investment risk**

Investors should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of mining and exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

(d) **Potential acquisitions**

As part of its business strategy, the Company may make acquisitions of or significant investments in companies, products, technologies or resource projects. Any such future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies, products, technologies or resource projects.

(e) **Other risks**

Other risk factors include those normally found in conducting business, including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with the business or trade of the Company.

(f) **Price and exchange rate fluctuations**

The revenue derived through the sale of gold, copper or nickel exposes the potential income of the Company to price and exchange rate risks. Prices of gold, copper and nickel fluctuate and are affected by numerous factors beyond the control of the Company. These factors include world demand for such commodities, forward selling by producers and the level of production costs. Moreover, prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, these commodities.

## **6. Rights and liabilities attaching to New Shares**

The New Shares offered under this Prospectus will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares on issue.

The following is a broad summary (though not necessarily an exhaustive or definitive statement) of the rights and liabilities attaching to the Shares. Full details of the rights and liabilities attaching to the Shares are contained in the Constitution and in certain circumstances, are regulated by the Corporations Act, the Listing Rules, the ASX Settlement Rules and the common law.

The Constitution is available for inspection free of charge at the Company's registered office and can also be viewed at the Company's website ([http://wcminerals.com.au/content/uploads/2012/06/0\\_60506817.pdf](http://wcminerals.com.au/content/uploads/2012/06/0_60506817.pdf)).

### **(a) Share capital**

All issued ordinary fully paid shares rank equally in all respects.

### **(b) Voting rights**

At a general meeting of the Company, subject to the rights or restrictions attached to any Shares, every holder of Shares present in person, by an attorney, representative or proxy has 1 vote on a show of hands and on a poll, 1 vote for each Share held, and a proportionate vote for every partly paid Share.

A poll may be demanded by the Chairperson of the meeting, by any 5 Shareholders present having the right to vote at the meeting or by any Shareholder(s) representing no less than 5% of the total voting rights of all Shareholders having the right to vote on the resolution.

### **(c) Dividend rights**

Subject to the rights of persons entitled to Shares with special rights as to dividend (at present there are none), all dividends as declared by the Directors shall be payable on all Shares in proportion to the amount of capital paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividends is paid.

Dividends are payable as resolved by the Directors out of the profits of the Company, but only to the extent that the Company's assets exceed its liabilities by at least the amount of the dividend to be paid, it is fair and reasonable to the Shareholders as a whole and the payment of the dividend does not materially prejudice the Company's ability to pay its creditors.

The Directors may, before declaring any dividend, set aside out of the profits of the Company such amounts as they may determine as reserves. The Directors may direct that payment of the dividend be made wholly or in part by the distribution of specific assets or other securities of the Company.

### **(d) Rights on winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, distribute among the Shareholders the whole or any part of the property of the Company and may for that purpose set such value as the liquidator considers fair upon any property to be so divided and may

determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the Shareholders as the liquidator thinks fit. No Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

**(e) Transfer of Shares**

Shares in the Company may be transferred by such means in accordance with the Constitution, the Corporations Act, the Listing Rules and the ASX Settlement Rules.

The Company may refuse to register a transfer of Shares in certain circumstances permitted by the Constitution, the Listing Rules and ASX Settlement Rules.

**(f) Further increases in capital**

Subject to the Constitution, the Corporations Act, the Listing Rules, and any rights previously conferred on the holders of any existing Shares, the Company may allot, grant options over or otherwise dispose of all Shares to such persons, and on such terms and conditions, as the Directors determine.

**(g) Variation of rights attaching to Shares**

The rights attaching to any class of Shares (unless otherwise provided by their terms of issue) may be varied by a special resolution passed at a separate general meeting of the holders of those Shares of that class, or in certain circumstances, with the written consent of the holders of at least 75% of the issued Shares of that class.

**(h) General meeting**

Each holder of Shares will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Corporations Act and the Listing Rules.

## **7. Additional information**

### **7.1 Company is a disclosing entity**

This is a Prospectus for the offer of continuously quoted securities (as defined in the Corporations Act) of the Company and is issued pursuant to section 713 of the Corporations Act as a transaction specific prospectus. Accordingly, this Prospectus does not contain the same level of disclosure as an initial public offering prospectus.

The Company is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. As a listed company, the Company is subject to the Listing Rules which require it to immediately notify ASX of any information concerning the Company of which it is or becomes aware and which a reasonable person would expect to have a material effect on the price or value of Shares, subject to certain exceptions.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The New Shares to be issued under this Prospectus are in a class of securities that were quoted on the stock market of ASX at all times in the 12 months before the issue of this Prospectus.

### **7.2 Documents available for inspection**

The Company has lodged the following announcements with ASX since the lodgement of its annual report for the financial year ended 30 June 2014 (on 23 September 2014):

<b>Date</b>	<b>Description of ASX Announcements</b>
09/12/2014	Drilling defines Further High Grade Mineralisation
28/11/2014	Results of annual general meeting
24/11/2014	Amended Appendix 3B
21/11/2014	Appendix 3B
11/11/2014	Chanach Project Drilling Update
11/11/2014	Letter to Shareholders
06/11/2014	Drilling Defines Further High-Grade Gold Mineralisation
31/10/2014	Quarterly Reports for the period ended 30 September 2014
29/10/2014	Notice of Annual General Meeting
22/10/2014	Drilling Extends High-Grade Gold Mineralisation
17/10/2014	Appendix 3Y - Change of Director's Interest Notice
16/10/2014	Appendix 3B - Amended
15/10/2014	Initial Convertible note proceeds received
09/10/2014	Drilling Intersects New Mineralised Zones
02/10/2014	Form 604 Notice of change of interests of substantial holder
02/10/2014	White Cliff Minerals Secures US\$4,000,000 Financing
30/09/2014	Investor Presentation

Date	Description of ASX Announcements
30/09/2014	Trading Halt
29/09/2014	Drilling Intersects Visible Gold. Assays up to 31 g/t

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

Copies of documents lodged with ASX, in relation to the Company may be obtained from the Company's website at [www.wcminerals.com.au](http://www.wcminerals.com.au) or at ASX's website at [www.asx.com.au](http://www.asx.com.au).

The Company will provide a copy of each of the following documents, free of charge, to any person on request from the date of this Prospectus until the Closing Date:

- (a) the annual financial report of the Company for the financial year ended 30 June 2014, being the annual financial report of the Company most recently lodged with ASIC before the issue of this Prospectus; and
- (b) any documents used to notify ASX of information relating to the Company in the period from lodgement of the annual financial report referred to in paragraph (a) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

### 7.3 Litigation

As at the date of this Prospectus, the Company is not involved in any material legal proceedings and the Directors are not aware of any material legal proceedings pending or threatened against the Company.

### 7.4 Market price of shares

Information about the closing market price of Shares quoted on ASX during the 3 month period before the date of this Prospectus is set out in the table below.

	Price	Date
Highest	\$0.014	29/09/14
Lowest	\$0.006	09/12/14
Latest	\$0.009	12/12/14

\* [www.tradingroom.com.au](http://www.tradingroom.com.au).

### 7.5 Material contract – Underwriting Agreement

The Company and Emerald have entered into an Underwriting Agreement for the Offer whereby Emerald has agreed to underwrite the subscription of 75,000,000 New Shares for the Underwritten Amount of \$600,000.

Under the agreement, the Company must make and conduct the Offer in accordance with all relevant regulatory requirements. The Company has given various representations and warranties to the Underwriter and agreed to a moratorium period during the conduct of the Offer where it will not issue securities or reorganise its capital or undertake other significant corporate events, which are customary for an agreement of this nature.

Emerald has a discretion to terminate its obligations under the Underwriting Agreement on the occurrence of a number of events, which may occur before the issue of the Shortfall Shares. The termination events are of a type and form that is usual in underwriting agreements of this nature and include a fall in the S&P/ASX All Ordinaries Index fall by 15% or more of the level at the close of business before the date of the Underwriting Agreement and material adverse changes in respect of the Company or its assets.

The Company has agreed to pay Emerald an underwriting fee of 5% of the Underwritten Amount (\$30,000).

In addition, the Company has appointed Emerald to act as lead manager to the Offer to place the Shortfall with new investors. The Company will pay Emerald a management fee of 1% of the total amount raised under the Offer (\$9,170 at maximum subscription) and a capital raising fee of 5% on the amount of Shortfall Shares placed by Emerald with new investors to the Company (up to \$15,847).

The Company is also required to reimburse Emerald for all reasonable out of pocket expenses.

Emerald may procure sub-underwriters to sub-underwrite part of the Underwritten Amount as the Underwriter thinks fit. Any sub-underwriting fees are payable by the Underwriter.

## 7.6 Interests of Directors

Other than as set out in this Prospectus, no Director nor any entity in which such a Director is a partner or director, has or has had in the 2 years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Offer;
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any Director or proposed director or to any entity in which such a Director or proposed director is a partner or director, either to induce him or her to become, or to qualify as, a Director or otherwise for services rendered by him or her or by the entity in connection with the formation or promotion of the Company or the Offer.

## 7.7 Security holding interests of Directors

The relevant interest of each Director in the securities of the Company as at the date of this Prospectus is set out in the table below. This table includes securities that are held both directly and indirectly through their associates.

Director	Shares	Options <sup>1</sup>
Mr Michael Langoulant	10,755,156	4,166,668
Mr Todd Hibberd	18,397,736	4,666,668
Mr Rodd Boland	1,010,000	2,250,000

Notes:

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

Shareholders approved the issue of Performance Rights to the Directors at the annual general meeting held on 28 November 2014. The Performance Rights have not been issued at the date of this Prospectus but must be issued to the Directors before 28 December 2014. The number of Performance Rights to be issued to each of the Directors are 6 million to Mr Langoulant, 6 million to Mr Hibberd and 3 million to Mr Boland.

Directors or their associated entities who are registered as Shareholders on the Record Date may participate in the Offer. As noted in Section 2.8, Lanza Holdings is an entity controlled by Mr Langoulant that has agreed with the Underwriter to take up all of its Rights and to sub-underwrite part of the Offer. Details about the sub-underwriting arrangements are set out in Section 2.8.

## 7.8 Remuneration of Directors

The Constitution provides that the Directors may be paid for their services as Directors.

The remuneration paid to each Director during the past 2 financial years is as follows:

Director	Financial year up to 30 June 2014 Total (\$)	Financial year up to 30 June 2013 Total (\$)
Mr Michael Langoulant	122,500	231,565
Mr Todd Hibberd	193,360	339,458
Mr Rodd Boland	38,000	75,866

Notes:

1. The remuneration total includes the theoretical value of employee options issued to directors which may or may not result in a realised benefit for each director.

## 7.9 Expenses of the Offer

The total cash expenses of the Offer are estimated to be approximately \$75,000 at maximum subscription and \$56,000 if the minimum (Underwritten Amount) is raised. These costs include ASIC lodgement fee, ASX fees, legal expenses, underwriting fees, lead management fees and expenses, postage and printing.

## 7.10 Interests of experts and advisers

Other than as disclosed in this Prospectus, all other persons named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus do not have, and have not had in the 2 years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offer.

Emerald Partners Pty Ltd is the Lead Manager and Underwriter in respect of the Offer and will be paid such fees as are outlined at Section 7.5. Emerald Partners Pty Ltd has not received any fees from the Company over the period 2 years prior to the date of this Prospectus.

Jackson McDonald has acted as solicitors to the Company in relation to the Offer and is entitled to be paid approximately \$12,000 (plus GST) in respect of these services. In addition, Jackson McDonald has provided other legal services to the Company in the period 2 years prior to the date of this Prospectus and has been paid, or is entitled to be paid, fees totalling approximately \$43,048 (plus GST) for those other services.

#### **7.11 Consents and liability statements**

Jackson McDonald has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as solicitors to the Company in the form and context in which it is named.

Emerald Partners Pty Ltd has given and has not, before lodgement of this Prospectus with ASIC, withdrawn its consent to be named in this Prospectus as the Lead Manager and Underwriter of the Offer in the form and context in which it is named.

Each of Jackson McDonald and Emerald Partners Pty Ltd:

- (a) did not authorise or cause the issue of this Prospectus;
- (b) does not make, or purport to make, any statement in this Prospectus nor is any statement in this Prospectus based on any statement by any of those parties other than as specified in this Section; and
- (c) to the maximum extent permitted by law, expressly disclaims any responsibility or liability for any part of this Prospectus other than a reference to its name and a statement contained in this Prospectus with consent of that party as specified in this Section.

## **8. Directors' responsibility statement and consent**

The Directors state that they have made all reasonable enquiries and that on that basis have reasonable grounds to believe that any statements made by the Directors in this Prospectus are not misleading or deceptive and that in respect of any other statements made in the Prospectus by persons other than the Directors, the Directors have made reasonable enquiries and on that basis have reasonable grounds to believe that the persons making the statement or statements were competent to make such statements; those persons have given their consent before lodgement of this Prospectus with ASIC or, to the Directors' knowledge, before any issue of New Shares pursuant to this Prospectus.

Each Director has consented to the lodgement of this Prospectus with ASIC and has not withdrawn that consent.

This Prospectus is signed for and on behalf of the Company pursuant to a resolution of the Board by:

**Michael Langoulant**  
Chairman



for and on behalf of the Company

Dated: 12 December 2014

## 9. Glossary of Terms

<b>Applicant</b>	A person who makes an Application.
<b>Application</b>	An application for New Shares offered under this Prospectus.
<b>Application Monies</b>	The monies payable by Applicants in respect of Applications.
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>ASX</b>	ASX Limited (ACN 008 624 691) trading as the Australian Securities Exchange.
<b>ASX Settlement</b>	ASX Settlement Pty Ltd (ACN 008 504 532).
<b>ASX Settlement Rules</b>	The settlement rules of ASX Settlement.
<b>Board</b>	The board of Directors.
<b>Business Day</b>	Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.
<b>Closing Date</b>	The closing date of the Offer as set out in the timetable at page ii.
<b>Company</b>	White Cliff Minerals Limited (ACN 126 299 125).
<b>Constitution</b>	The constitution of the Company.
<b>Corporations Act</b>	<i>Corporations Act</i> 2001 (Cth).
<b>Director</b>	A director of the Company as at the date of this Prospectus.
<b>Eligible Shareholder</b>	A Shareholder with a registered address in Australia or New Zealand on the Record Date.
<b>Entitlement and Acceptance Form</b>	The entitlement and acceptance form accompanying this Prospectus.
<b>Excluded Shareholder</b>	A Shareholder as at the Record Date whose registered address is not situated in Australia or New Zealand.
<b>g/t</b>	Grams per tonne
<b>Lanza Holdings</b>	Lanza Holdings Pty Ltd (ACN 009 147 193).
<b>Listing Rules</b>	The listing rules of ASX.
<b>Magna Equities</b>	Magna Equities II, LLC, a US incorporated entity.
<b>New Shares</b>	The Shares offered under this Prospectus.

<b>Note</b>	An unquoted convertible note issued by the Company having a face value of US\$1.00 and being convertible into Shares at a conversion rate of a 20% discount to the average VWAP market price for Shares over the 5 trading days prior to conversion.
<b>Offer</b>	The pro rata non-renounceable offer by the Company to Eligible Shareholders to apply for one (1) New Shares for every four (4) Shares held on the Record Date.
<b>Option</b>	An option to subscribe for a Share.
<b>Privacy Act</b>	<i>Privacy Act 1988 (Cth).</i>
<b>Prospectus</b>	This prospectus.
<b>Record Date</b>	The date for identifying Shareholders entitled to participate in the Offer as set out in the timetable at page ii.
<b>Rights</b>	The number of New Shares that an Eligible Shareholder may apply for under the Offer determined by the number of Shares held on the Record Date.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Registry</b>	Computershare Investor Services Pty Limited.
<b>Shareholder</b>	A registered holder of a Share.
<b>Shortfall</b>	The number of New Shares not applied for under the Offer before the Closing Date.
<b>Underwriter</b>	Emerald Partners Pty Ltd (ACN 107 969 433).
<b>Underwritten Amount</b>	\$600,000.
<b>WST</b>	Western Standard Time.