



## Quarterly Report - Activities

for the quarter ended 30 June 2015

### Highlights

- **New mineralised zones identified at the Aucu Gold Deposit in Central Asia**
- **Drilling Commences at the Laverton Gold Project**
- **Company receives drill funding grant of up to \$150,000 for nickel targets**

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White Cliff Minerals Limited (“**White Cliff**” or “the **Company**”) is pleased to report its quarterly activities report for the June quarter 2015.

In Central Asia, exploration recommenced at the high grade Aucu gold deposit. Initial bulldozer road cuttings revealed two new mineralised zones approximately 600 metres along strike from the Upper Gold Zone. Panning of crushed samples revealed numerous particles of **visible gold**. In addition, 300 metres south of the existing Aucu gold resource, trenching revealed a new mineralised zone (named the Southern Gold zone (SGZ). Once again panning of surface samples revealed **visible gold**. In addition the Company commenced a detailed magnetic survey that has revealed several significant structures relating to the mineralising events. Assay results and the final magnetic survey results will be available in August.

In Western Australia the company completed a rotary air blast (RAB) drilling program at the Red Flag gold prospect near Laverton in WA. Results are expected in August.

An electromagnetic survey completed early in 2015 identified three nickel sulphide targets near the basal contact of a mafic-ultramafic intrusion at the McKenna prospect and a further two conductors were identified on the basal contact of an ultramafic unit at the Coggia prospect near Laverton, WA.

The Company has been awarded up to \$150,000 in drilling co-funding to test three nickel sulphide targets at the McKenna prospect near Laverton WA. The funding is part of the West Australian Governments Exploration Incentive Scheme

The cash position as at 30 June 2015 was \$452,000.

Todd Hibberd  
Managing Director  
30 July 2015

## 1 The Chanach Copper – Gold Project, Central Asia (88.7%)<sup>1</sup>

Following the announcement of maiden inferred resource estimates for the Aucu gold deposit and the Chanach copper deposit in the March quarter the Company commenced its 2015 field exploration program in the June quarter.

Exploration is initially focussed on extending the foot print of the inferred resource of **1.15 Million** tonnes grading **4.2 g/t gold** for **156,000 ounces** of contained gold at the **Aucu** gold deposit.

The Company commenced field work with new bull dozer cuts and trenches and immediately discovered two new mineralised zones interpreted to be extensions of the Aucu gold deposit. The zones comprise of a **12 metres wide shear zone** flanked by a **7 metre wide subsidiary structure** and a smaller two metre wide structures (Figure 1).

Several promising rock samples from the surface of the widest zone were crushed and panned with two samples yielding small particles of **visible gold**. The mineralised zones are orientated NW-SE (320 degrees) and occur 600 metres east of the upper gold zone (UGZ). It is too early to determine if these zones are part of the UGZ but if so would increase the known length of the UGZ to over 1000 metres.

In addition, a new mineralised zone has been discovered 300 metres south of the existing Aucu Gold resource. The new zone termed the **southern gold zone (SGZ)** has been trenched and samples collected. Rock samples for the surface of this zone have been crushed and panned on site and contain small particles of **visible gold**.

Channel samples have been collected across the zones and assay results will be available in August. The bulldozer is currently cutting additional roads to expose the mineralised structures in both the lower gold zone (LGZ) and UGZ along strike mainly on the eastern side in preparation for drilling in the September quarter.

### Magnetic Survey

Preliminary survey data has been collected over the main mineralised zones and has identified detailed structures that will improve drill targeting (Figure 2). The survey covers approximately 15 square kilometres and has successfully identified extensions to both the UGZ and LGZ as well as a new mineralised zone further south.

Completion of the magnetic survey and integration of the geological data into a single 3D model will assist finalising the location of this year's RC and diamond drilling positions. Drilling is expected to commence in August. The current program includes 2000-4000 metres of RC and diamond drilling that will test the deposit to depths of up to 200 vertical metres.

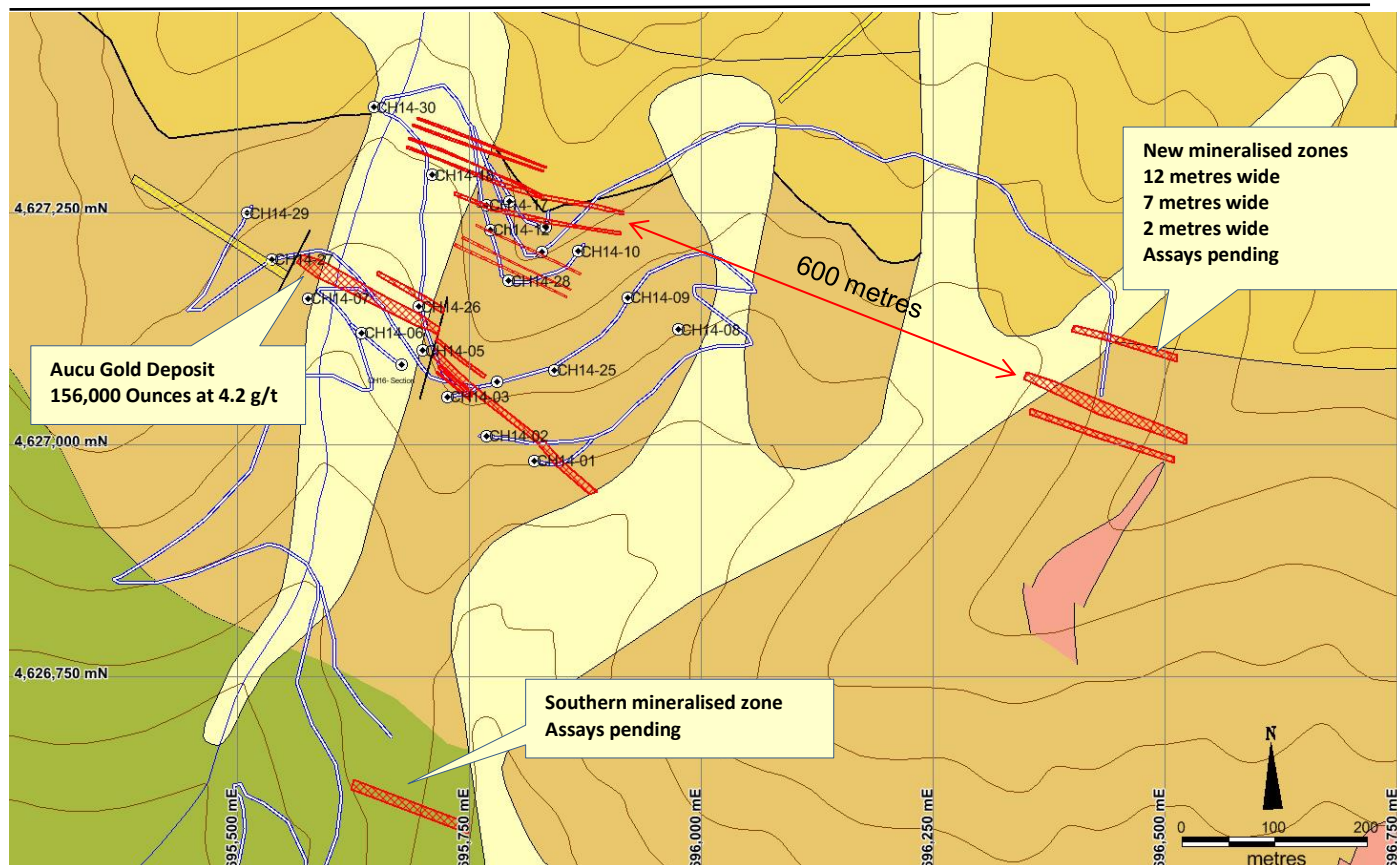


Figure 1 Location of new mineralised zones, 600 metres east of the Aucu gold deposit.

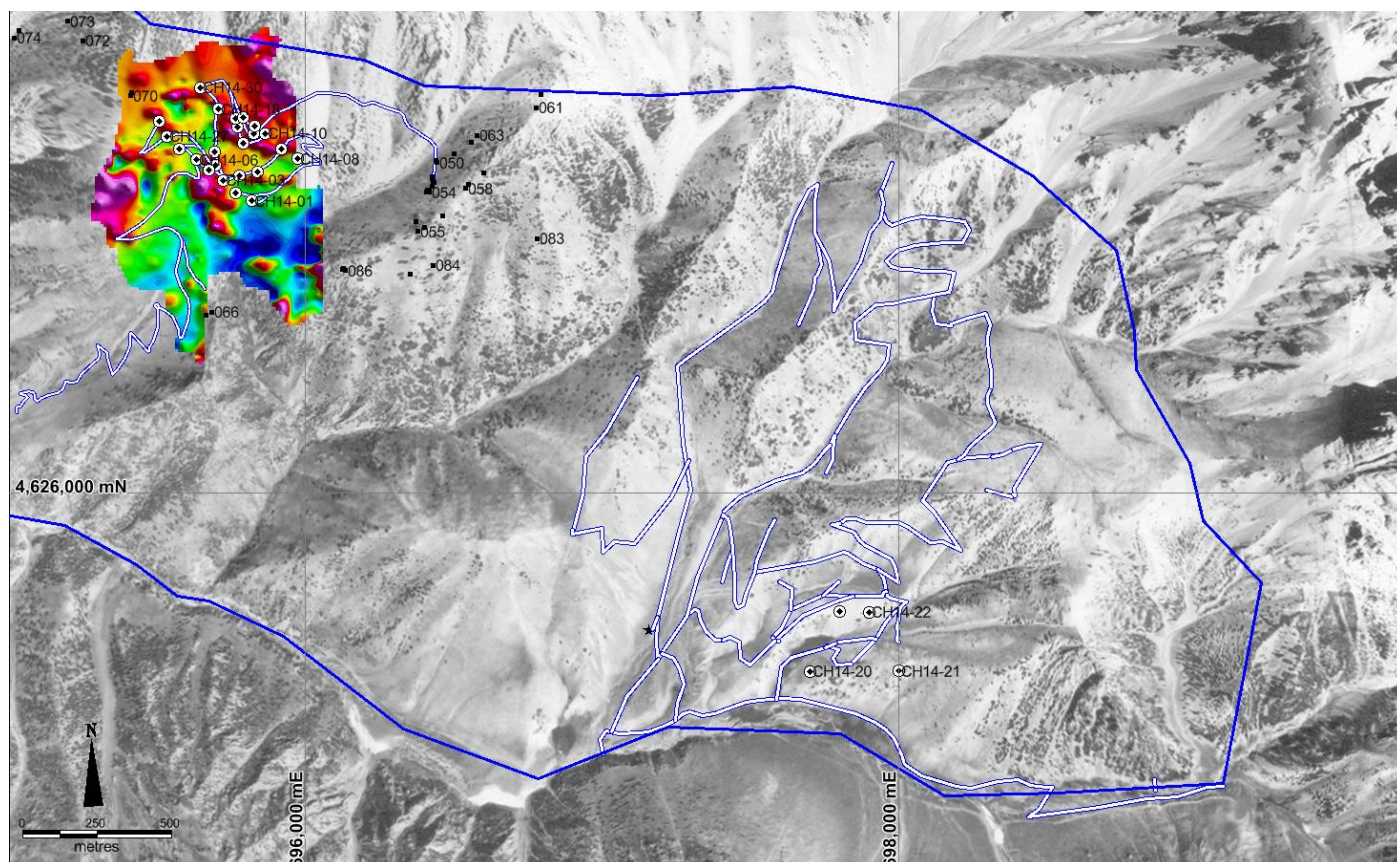
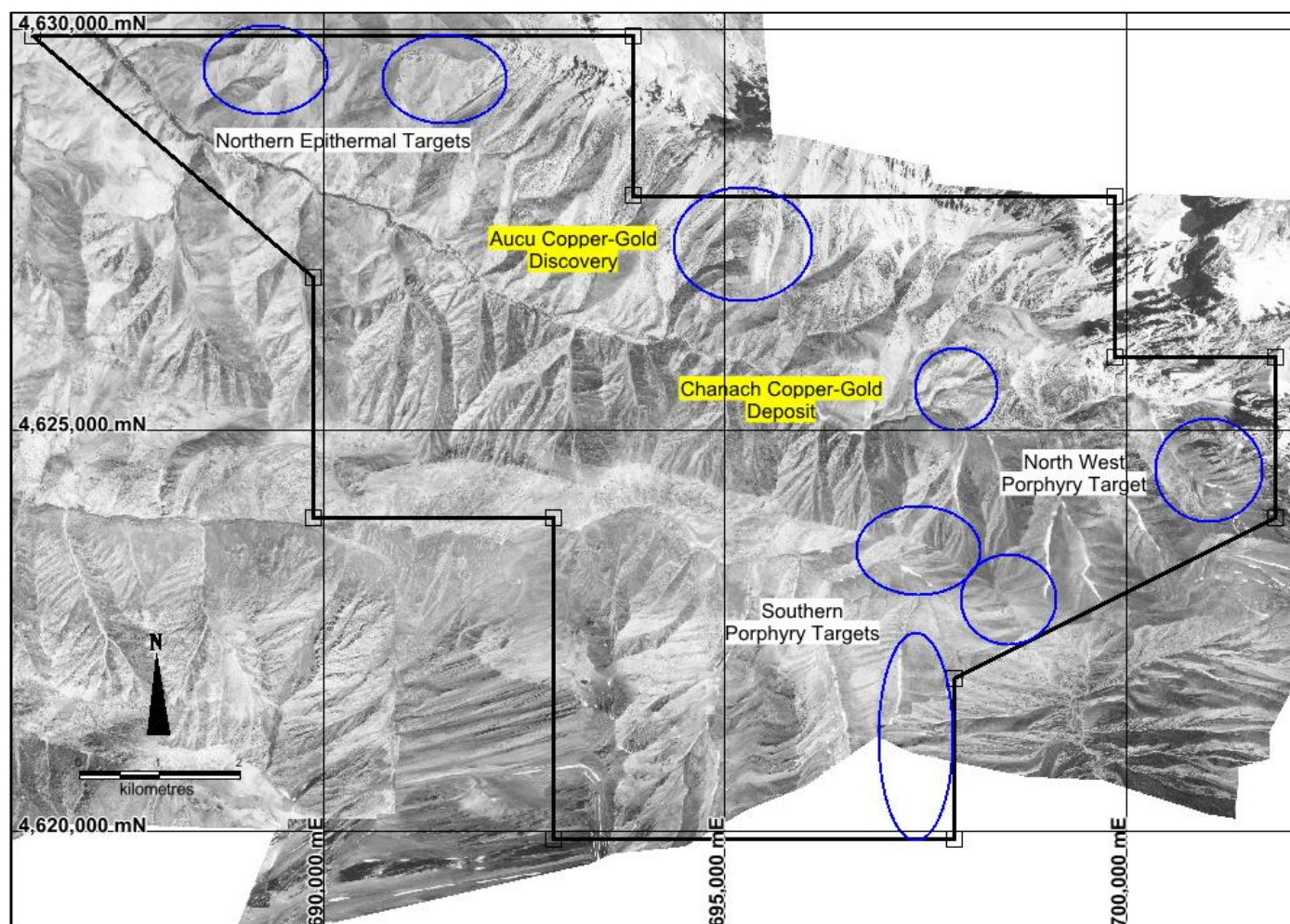


Figure 2 Preliminary magnetic data over existing Aucu gold deposit. Blue outline shows the entire survey area (survey ongoing).





**Figure 3** The surface outcropping Aucu high grade gold resource (red outlines) with exploration in 2015 planned to test the extensions shown in yellow.



**Figure 4** Map showing Chanach license outline and location of the Aucu copper-gold discovery 2.5 km to the NNW of the existing Chanach copper-gold deposit.

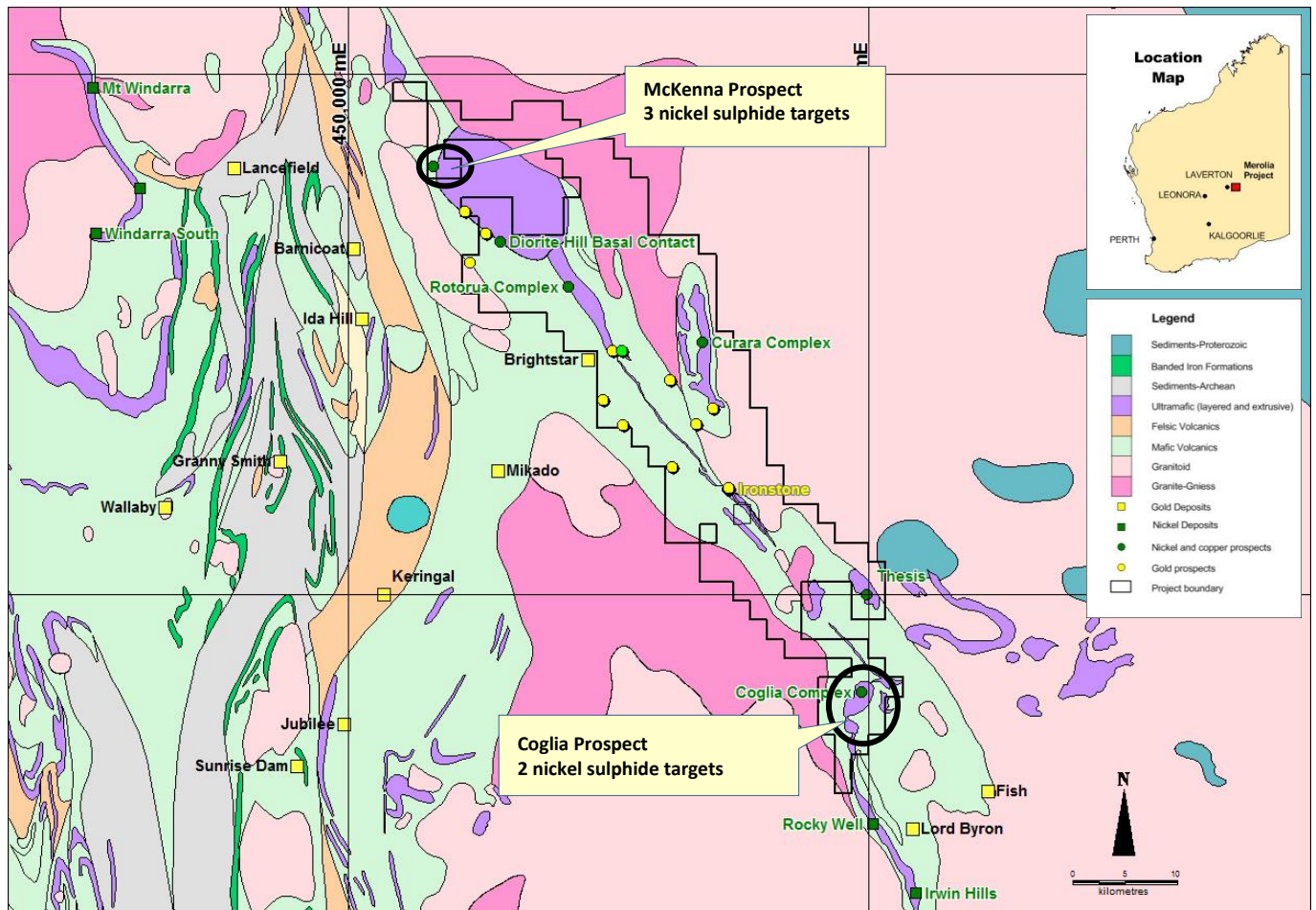


## 2 Merolia Nickel-Copper and Gold Project (100%)<sup>1</sup>

During the June quarter the Company was awarded a WA Government grant of up to \$150,000 under the auspices of the Exploration Incentive Scheme to assist with drilling costs for three compelling massive nickel sulphide targets identified at the McKenna nickel prospect 15km East of Laverton, Western Australia (Figures 5 and 6).

The margins of a layered mafic Intrusion and the feeder conduit are considered highly favourable positions for the concentration of massive nickel sulphides. The conductors are also associated with the margins of highly magnetic units and are coincident with very strong nickel-copper soil anomalies where the conductor is projected to surface.

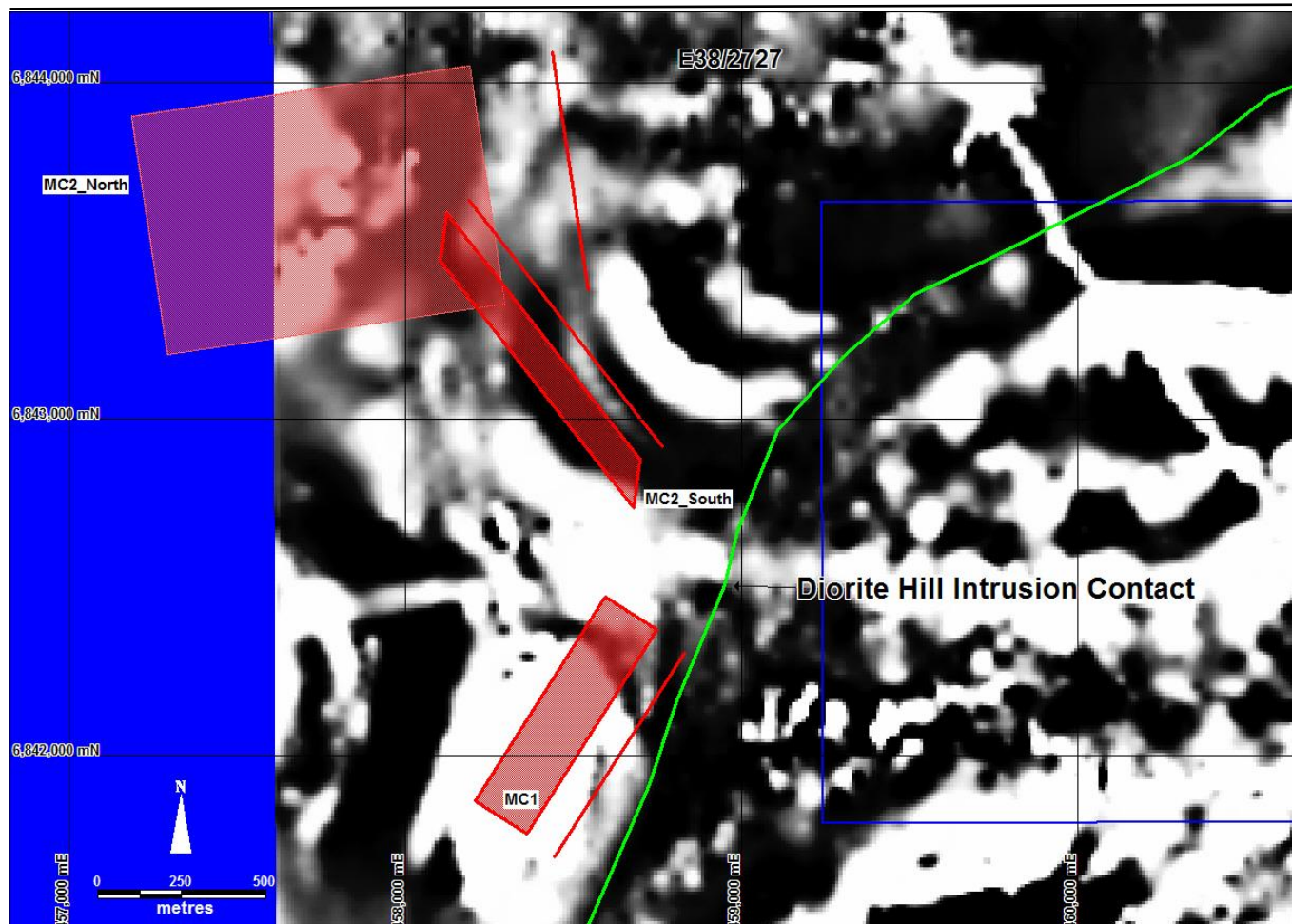
The Company also identified an additional two nickel sulphide targets at the Coglia prospect at the southern end of the Merolia project. The targets occur on the basal contact of the main ultramafic unit.



**Figure 5** The geological plan of the 771 km<sup>2</sup> Merolia Project showing magmatic nickel-copper sulphide prospects lode gold prospects and the locations of the current geophysical surveys.

### Project Background

The Merolia 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. 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.



**Figure 6** Plan views of conductive plates (red) where the red lines represent the position of the conductor when projected to surface. Note that surface projection occurs on contact of layered mafic-ultramafic intrusion.

### 3 Laverton Gold Project (100%)<sup>1</sup>

A first pass Rotary Air Blast (RAB) drilling program was completed at the Red Flag prospect 35km Southwest of Laverton, Western Australia during the June quarter (Figure 7).

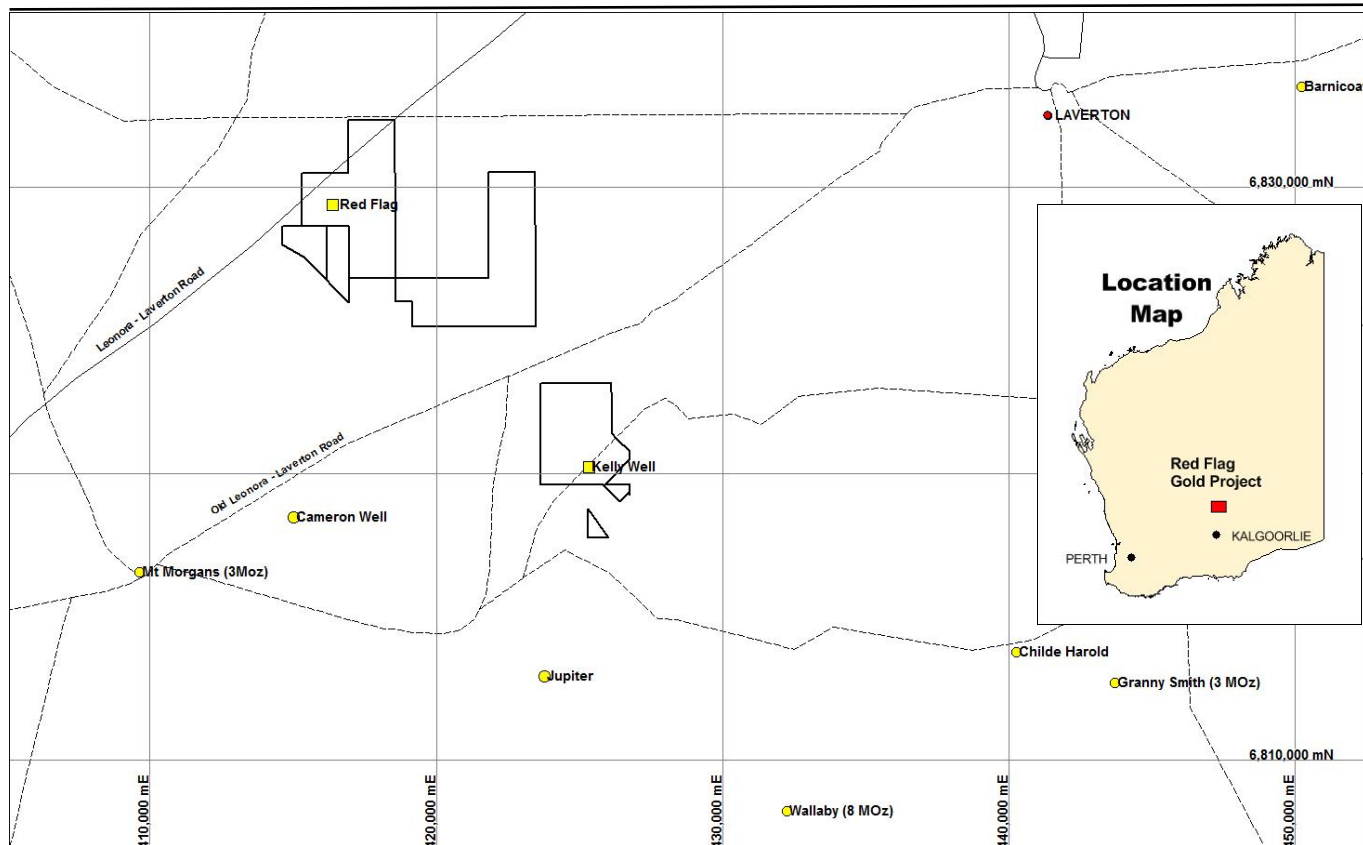
The 2,244 metre drilling program targeted two gold anomalies and identified alteration and minerals including quartz veining, sulphides, limonite and goethite in the target zones. These minerals are typically associated with Archean lode gold mineralisation.

The Red Flag West gold anomaly extends over 500 metres and occurs within a sedimentary sequence. Drilling encountered quartz veining with trace sulphides and goethite in the target zone (Figure 8). The Company collected 4 metre composite samples for analysis. Drilling was conducted on 50 metre spaced lines and 25 metre spaced holes.

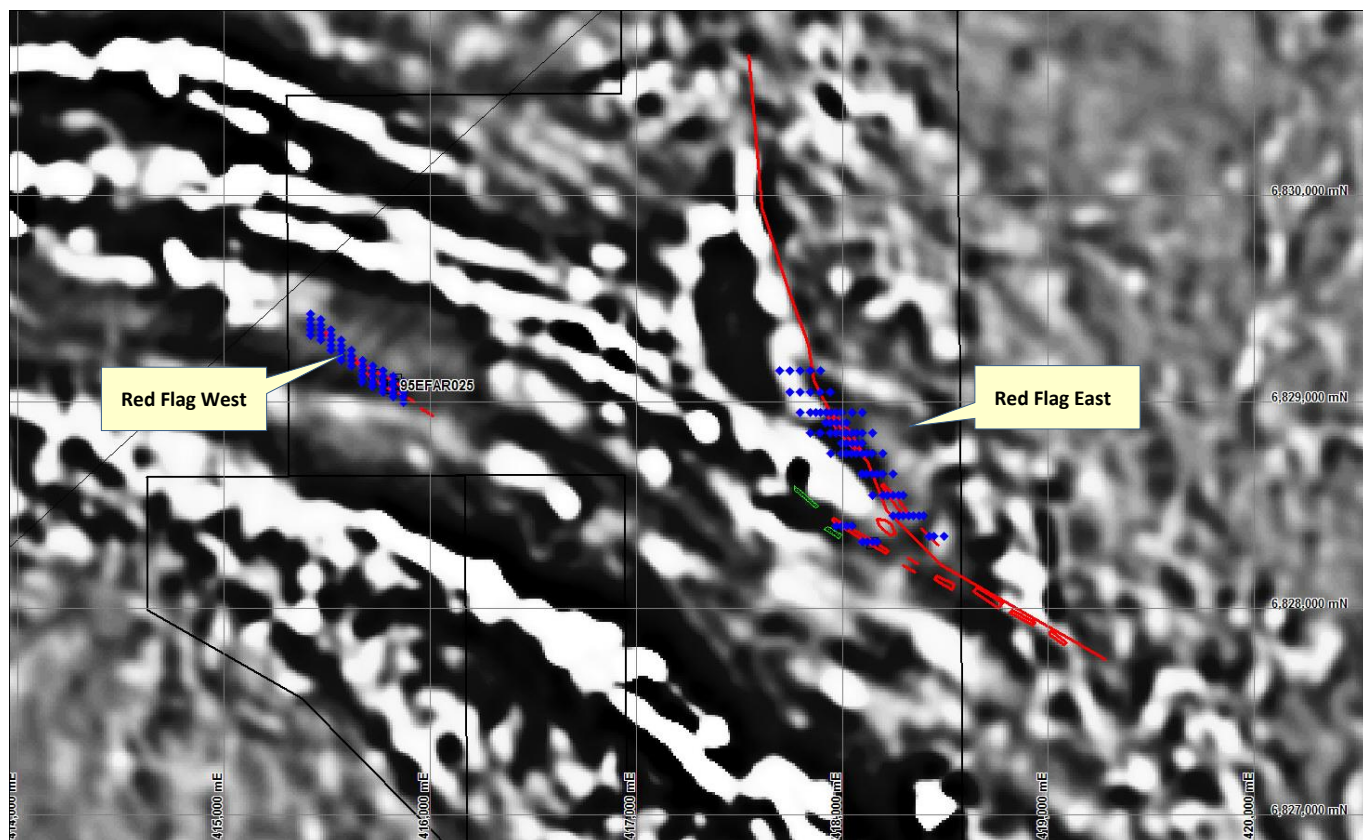
The Red Flag East gold anomaly extends over 2 km and along the contact of a basalt and intrusive felsic unit. Drilling tested a 600 metre section of this zone and encountered quartz veining on several lines. The Company collected 4 metres composite samples for analysis. Drilling was conducted on 50-100 metre spaced lines and 25-50 spaced drill holes (Figure 8).

Assay results are expected to be available in August.





**Figure 7** Red Flag prospects and regional gold mines and associated infrastructure near Laverton, WA.



**Figure 8** Magnetic image (second vertical derivative) showing proposed drilling (blue diamonds) and mineralised trends (red). Tenement outlines in black

## Project Background

The Laverton gold project consists of 136 square kilometres of tenement applications in the Laverton Greenstone belt. The core prospects are Kelly Well and Red Flag prospects located 35km southwest of Laverton in the centre



of the structurally complex Laverton Tectonic zone 25km northwest of the Granny Smith Gold Mine (3 MOz) and Wallaby Gold Mines (8MOz).

The Red Flag prospect consists of a series of strongly deformed mafic and felsic volcanics with banded iron and sediment units. Mineralisation is associated with shear zones running along contacts between units and along cross cutting faults which are responsible for the deposition of the 3 million ounce Mt Morgan's deposit. In general the fault structures at Red Flag are related to the regional fault system responsible for the deposition of the 8 million ounce Wallaby and 7 million ounce Sunrise Dam gold deposits.

## **4 Corporate**

During the June quarter the Company was awarded a WA Government grant of up to \$150,000 under the auspices of the Exploration Incentive Scheme to assist with drilling costs for three compelling massive nickel sulphide targets identified at the McKenna nickel prospect 15km East of Laverton, Western Australia

The Company also received a research and development (R&D) rebate for the 2013/ 2014 financial year of \$261,361.

## **5 Other Projects**

The Company is undertaking an extensive review of the Company's exploration projects and is currently compiling historical data for several prospects.

The Company completed soil sampling programs at the Bremer range nickel project and at the Ironstone Gold project. The samples are currently awaiting analysis and will be reported as they become available.



## 6 Tenement information

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
AP590	Chanach	Kyrgyzstan	88.7%	-
E39/1479	Ghan Well	Laverton	100%	-
E38/2484	Merolia	Laverton	100%	-
E38/2552	Merolia	Laverton	100%	-
E38/2583	Merolia	Laverton	100%	-
E38/2690	Merolia	Laverton	100%	-
E38/2693	Merolia	Laverton	100%	-
E38/2702	Merolia	Laverton	100%	-
E38/2727	Merolia	Laverton	100%	-
E38/2847	Merolia	Laverton	100%	-
E38/2848	Merolia	Laverton	100%	-
E38/2849	Merolia	Laverton	100%	-
E63/1222	Lake Johnston	Dundas	100%	-
E63/1264	Lake Johnston	Dundas	100%	-
P39/5262	Laverton	Laverton	100%	-
P39/5263	Laverton	Laverton	100%	-
E39/1585	Laverton	Laverton	100%	-
E39/1586	Laverton	Laverton	100%	-
E31/1015	Mt Remarkable	Leonora	100%	-

## About White Cliff Minerals Limited

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

**Kyrgyz Chanach Copper-Gold Project (88.7%):** The Project contains extensive porphyry related gold and copper mineralisation starting at the surface and extending over several kilometres. Drilling during 2014 has defined a major **gold discovery** with an initial inferred resource of 1.15Mt at 4.2 g/t containing 156,000 ounces of gold. 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 83 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 Nickel 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 Nickel Project (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 have a total resource of approximately 140,000 tonnes of contained nickel. The project area has excellent prospectivity for both komatiite associated nickel sulphides and amphibolite facies high-grade gold mineralisation.

**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 (7MOz).

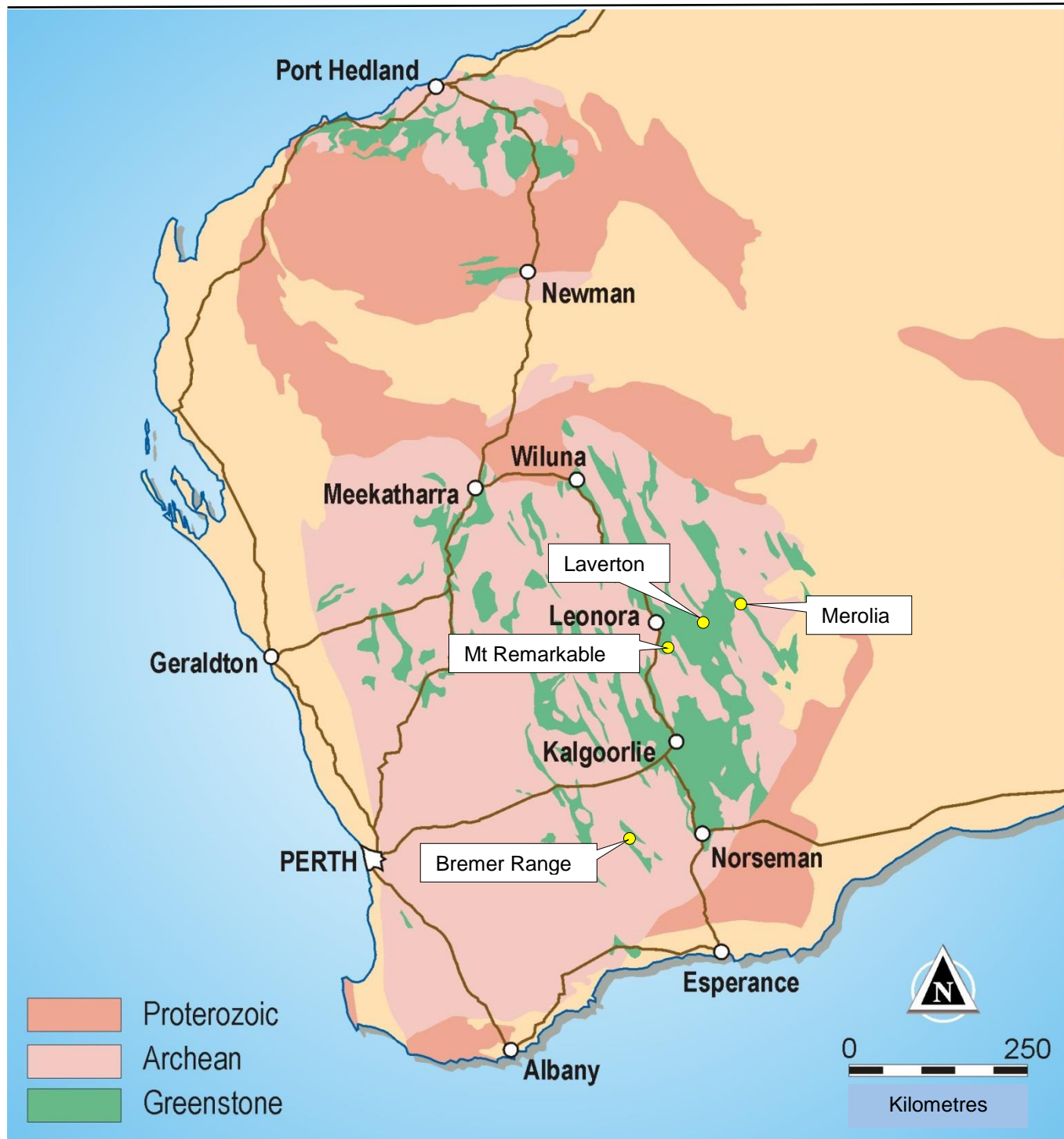
**Mount Remarkable Project (100%):** The project covers 185 square kilometres and is located approximately 170 km N-NE of Kalgoorlie and about 25 km SE of Kookynie in the Northern Goldfields. Included in the project area are the historic gold mining centres of Mt Remarkable and Yerilla which consists of several old workings. Major gold mines in the surrounding area include Sons of Gwalia, Tarmoola, Carosue Dam, Granny Smith, Wallaby and Sunrise Dam. The project includes several areas adjacent to and along strike from existing nickel deposits at Aublis, Yerilla and Boyce Creek. These deposits form Heron Resources' Yerilla Nickel Project which contains 135 Mt @ 0.77% Nickel and 0.05% Cobalt.

### JORC Compliance

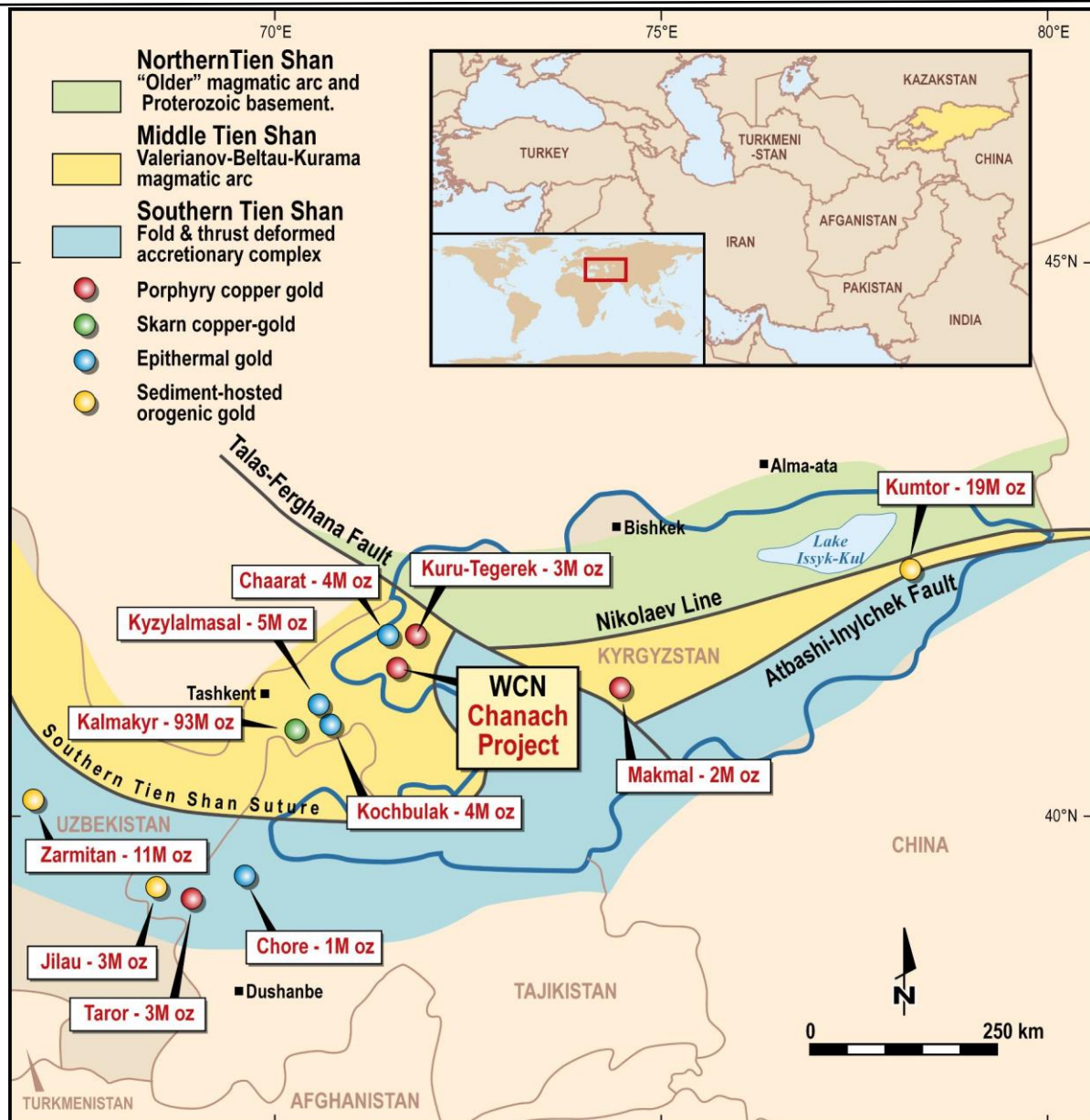
The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Todd Hibberd, who is a member of the Australian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the Company. Mr Hibberd has sufficient 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 'Australian Code for Reporting 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.

<sup>1</sup> The information relating to White Cliff Minerals past exploration results at Merolia, Laverton and Chanach and its assessment of exploration completed by past explorers was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.





**Tenement Map - Australia.** A regional geology and location plan of White Cliff Minerals Limited exploration projects in the Yilgarn Craton, Western Australia



**Central Asian Tenement Map** Chanach project location with regional geology with major gold deposits illustrated.



# Appendix 5B

## Mining exploration entity quarterly report

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

Name of entity

WHITE CLIFF MINERALS LIMITED

ABN

22 126 299 125

Quarter ended ("current quarter")

30 June 2015

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors		42
1.2	Payments for (a) exploration & evaluation	(461)	(2,005)
	(b) development		
	(c) production		
	(d) administration	(132)	(641)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received		8
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other - Government R&D refund	261	614
<b>Net Operating Cash Flows</b>		(332)	(1,982)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.9	Proceeds from sale of: (a) prospects		
	(b) equity investments		
	(c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other		
<b>Net investing cash flows</b>			
1.13	Total operating and investing cash flows (carried forward)	(332)	(1,982)

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(332)	(1,982)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	95	943
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	175	737
1.17	Repayment of borrowings	(54)	(210)
1.18	Dividends paid		
1.19	Other - capital raising costs	(3)	(75)
	<b>Net financing cash flows</b>	214	1,396
	<b>Net increase (decrease) in cash held</b>	(118)	(586)
1.20	Cash at beginning of quarter/year to date	572	1,002
1.21	Exchange rate adjustments to item 1.20	2	40
1.22	<b>Cash at end of quarter</b>	<b>456</b>	<b>456</b>

**Payments to directors of the entity and associates of the directors**

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

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	103
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

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

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

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$US'000	Amount used \$US'000
3.1	Loan facilities	
3.2	Credit standby arrangements	4,000

+ See chapter 19 for defined terms.



### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	200
4.2 Development	
4.3 Production	
4.4 Administration	100
<b>Total</b>	<b>300</b>

### Reconciliation of cash

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

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	357	38
5.2 Deposits at call	99	534
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.22)	<b>456</b>	<b>572</b>

### Changes in interests in mining tenements

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

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

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

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	586,169,855	586,169,855		
7.4 Changes during quarter (a) Increases through issues (b) Decreases	29,579,908	29,579,908	\$0.007-0.008	100%
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	265,000	-	\$US1 each	100%
7.6 Changes during quarter (a) Increases through issues (b) Decreases through conversions	(105,000)	- -	\$US1 each	
7.7 <b>Options</b> <i>(description and conversion factor)</i>	102,050,017	102,050,017	<i>Exercise price</i> \$0.03	<i>Expiry date</i> 11/3/2017
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act [or other standards acceptable to ASX \(see note 5\)](#).
- 2 This statement does /does not\* *(delete one)* give a true and fair view of the matters disclosed.

Sign here:



Company Secretary

Date: 30 July 2015

Print name: Brooke White

## Notes

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

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+ See chapter 19 for defined terms.