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ASX Code: WCN

White Cliff Joint Ventures Lithium Project

Highlights:

- White Cliff Minerals enters Joint Venture with Liontown Resources to farm out up to 70% of its Lake Percy Lithium Project, located approximately 430km east of Perth, Western Australia.
- Historical exploration has defined very large pegmatites up to 550m thick (at surface) and 3km long.
- Project located in an Archaean greenstone belt with known lithium-bearing pegmatites.
- Geological setting similar to other economic lithium occurrences in WA (e.g. Mt Caitlin, Greenbushes).

White Cliff Minerals Limited (“**White Cliff**” or the “**Company**”) is pleased to report that Liontown Resources (“**Liontown**”) (ASX:LTR) has agreed to a binding joint venture arrangement to explore the Company’s Lake Percy tenement (E63/1222) for lithium and other minerals in a rapidly emerging lithium province in the Lake Johnson-Forrestania district of Western Australia.

Under the joint venture, Liontown can earn up to 70% equity in the 41km² Lake Percy tenement (EL63/1222) located approximately 430km east of Perth Western Australia (**Figure 1**).

The Project is considered prospective for economic lithium mineralisation due to:

- the presence of very large pegmatite bodies which are up to 550m thick and 3km long (**Figure 2**); and
- its location at the northern end of Lake Johnson Greenstone Belt (**Figure 1**), which hosts several lithium-bearing pegmatites including ~20km to the south and a second area near the Maggie Hayes nickel deposits (see Poseidon Nickel (ASX:POS) ASX releases dated 23rd May and 9th June 2016).

The Project area has been extensively explored for nickel, including multiple phases of RC and diamond core drilling; however, there have been very few assays for lithium and the pegmatites have largely been ignored. Strong surficial weathering means that spodumene is unlikely to be preserved at surface and further drilling will be required to test for primary lithium mineralisation.

Recently announced lithium exploration results by other companies operating in region such as Kidman Resources (ASX: KDR), Poseidon Nickel (ASX:POS) and Marindi Metals (ASX: MZN) has further highlighted its lithium potential.

Exploration work will commence immediately on the Project with the initial phase comprising a review of previous drill data to assist with better defining the sub-surface extension of the pegmatites and geochemical sampling to test for pathfinder elements such as tantalum and niobium. Where possible, previous drill holes will be also be sampled to test for lithium in pegmatites that have already been intersected. This work will be used to define targets for drill testing.

Acquisition Terms

White Cliff Minerals has agreed to terms whereby Liontown may acquire up to 70% of the Lake Percy Project, on the following terms:

- by spending A\$1,000,000 on exploration within 3 years to earn 51% equity;

- at Liontown's election, it can increase its equity to 70% by spending an additional A\$750,000 before the 4th anniversary of the JV Agreement execution; and
- by committing to spending \$50,000 on exploration before having the right to withdraw from the joint venture.



Figure 1: Lake Percy Project location

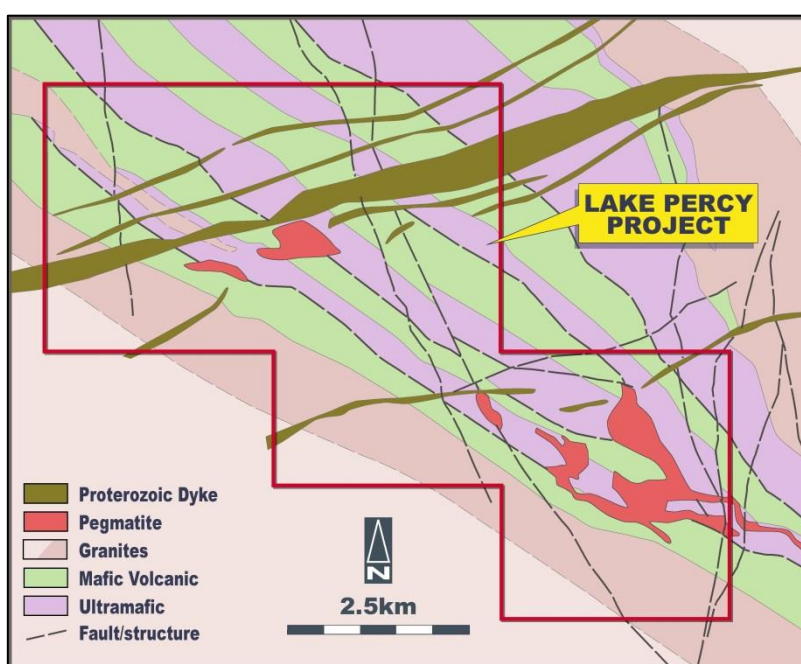


Figure 2: Lake Percy Project geology

White Cliff Minerals Exploration Strategy

The Lake Percy JV Agreement aligns with White Cliff's broader strategy of divesting non-core assets while retaining a free carried interest in these projects. The Company will continue to explore opportunities to extract value from its remaining non-core mineral assets.

This strategy will allow the Company to focus its human and cash resources on progressing and developing the high grade Aucu Gold deposit in Central Asia where current drilling is expected to define a substantial gold resource in 2016.

As previously announced, White Cliff has identified multiple high grade gold lodes exposed at surface with average grades of 45 g/t from initial drilling of this area in 2015.

Aucu Gold Deposit Summary

As previously reported, the Company announced a maiden inferred resource for the **Aucu** gold deposit above a cut-off grade of 1 g/t gold of **1.15 Million** tonnes grading **4.2 g/t gold** for **156,000 ounces** of contained gold. In 2015, drilling identified exceptional gold mineralisation to the east of the UGZ over a strike length of at least 500 metres. Results included:

- 8 metres at 55.2 g/t gold from 66 metres including 1 metre at 89.9 g/t gold
- 4 metres at 59.9 g/t gold from 66 metres including 1 metre at 189 g/t gold
- 2 metres at 43.5 g/t gold from 86 metres
- 1 metre at 103.4 g/t gold from 74 metres
- 3 metres at 41.4 g/t gold including 1 metre at 71 g/t gold
- 4 metres at 23.8 g/t gold from 85 metres
- 2 metres at 22 g/t gold from 102 metres
- 1 metre at 58 g/t gold

The average grade of the gold intersections across the UGZE is **45 g/t gold** from several lodes. In addition:

- Mineralisation outcrops at surface
- Mineralisation remains open in both directions and at depth

The company is currently conducting a 5000 metre diamond drilling campaign with an objective of defining a substantial mineral resource capable of being mined via open pit methods.

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About White Cliff Minerals Limited

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

Aucu Gold Project (89%): 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 Aucu gold project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan to western China.

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

Bremer Range (100%): The project covers over 127 square kilometres in the Lake Johnson Greenstone Belt, which contains the Emily Ann and Maggie Hayes nickel sulphide deposits. These mines 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 (7 MOz).

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