



QUARTERLY REPORT - ACTIVITIES

for the quarter ended 31 December 2020



HIGHLIGHTS

- ❖ Maiden JORC 2012 compliant resource of **779,000 tonnes at 1.7 g/t Au** for **42,400 ounces of gold**, Reedy South.
- ❖ Expanded footprint within the prolific Cue-Meekatharra goldfields through acquisition of Cracker Jack tenements and new applications.
- ❖ Maiden RC drilling program at Reedy South Gold Project, with significant results from the first 38 drill holes including:
 - o **11m @ 3.19 g/t Au** from 51m including **3m @ 8.87 g/t Au** (RSRC021)
 - o **7m @ 3.16 g/t Au** from 53m (RSRC010)
 - o **11m @ 2.29 g/t Au** from 21m (RSRC007)
 - o **6m @ 2.96 g/t Au** from 18m (RSRC014)
 - o **12m @ 1.49 g/t Au** from 77m (RSRC024)
 - o **13m @ 1.07 g/t Au** from 7m (RSRC022)
 - o **8m @ 1.44 g/t Au** from 27m (RSRC023)
 - o **7m @ 1.60g/t Au** from 48m including **3m @ 2.86 g/t Au** (RSRC033)
 - o **8m @ 1.06 g/t Au** from 48m and **16m @ 1.74 g/t Au** 72m (RSRC003)
 - o **7m @ 1.50 g/t Au** from 48m (RSRC004)
- ❖ Drilling of the remaining 5 deeper RC holes, which aims to extend mineralisation at depth at both King Cole and Pegasus, to commence in the coming weeks.
- ❖ Strong position with cash and listed shares of ~\$2.6 million
- ❖ Company is continuing discussions regarding the potential divestment of non-core projects

OPERATIONS

Reedy South Gold Project

The Project covers 272km² of the highly prospective Cue goldfields, centred on the southern portion of the prolific Reedy Shear Zone, within the Meekatharra-Wyldgee greenstone belt (**Figure 1**). The Project comprises one granted mining lease (M20/446) covering the historic underground workings of Pegasus and King Cole, a granted exploration and prospecting license (E20/938 & P20/2289) and four exploration license applications (E20/969, E20/971, E20/972 & E20/974).

The Project is situated 40km north of Cue, via the Great Northern Highway and is 80km south of Meekatharra.

ASX:WCN

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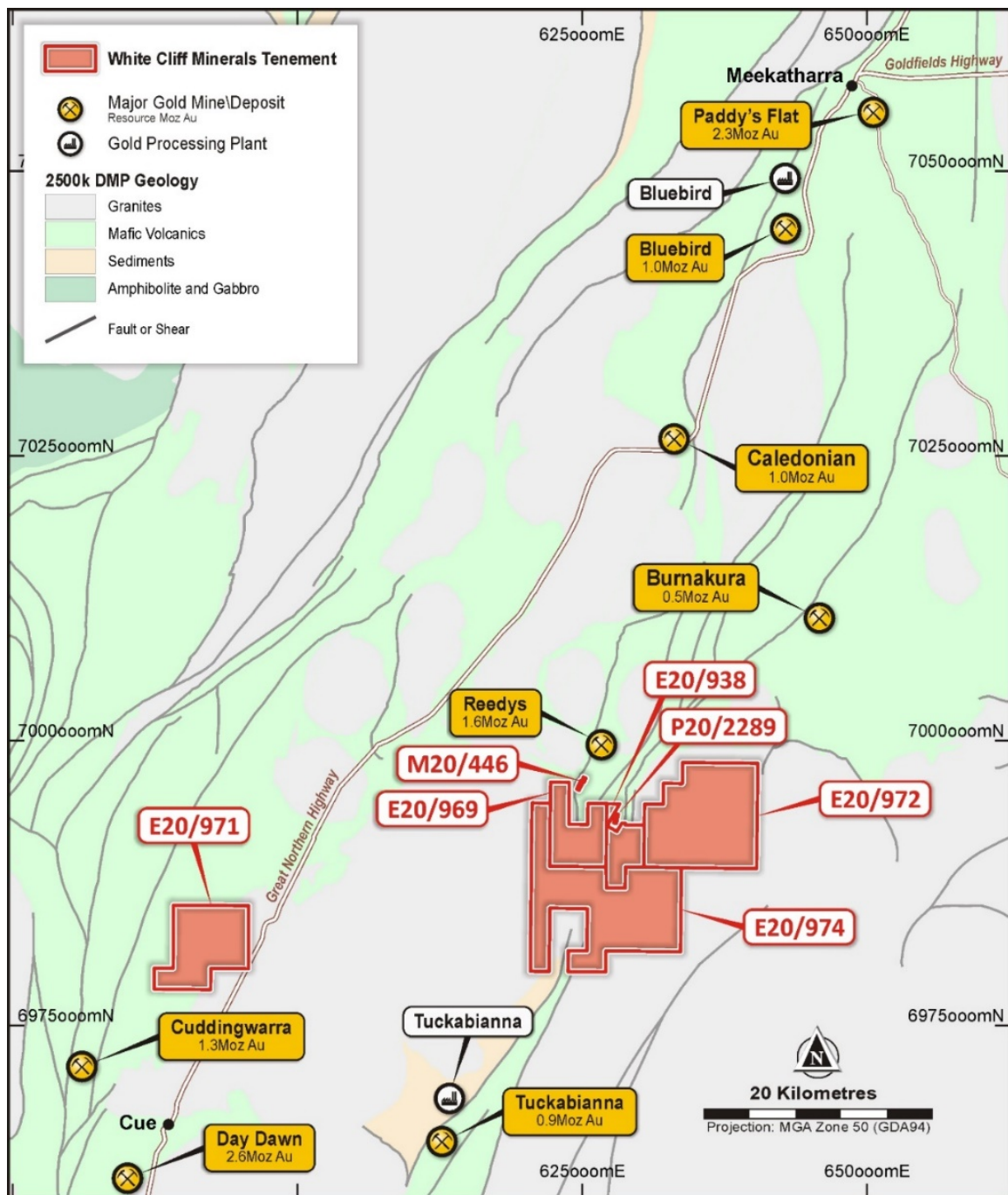


Figure 1: The Reedy South Gold Project over simplified geology

Maiden JORC Resource

On 29 October 2020 the Company announced a maiden mineral resource estimate (MRE) for the Reedy South Gold Project. The MRE, prepared by Auralia Mining Consultants, contains a JORC 2012 compliant resource of **779,000 tonnes at 1.7 g/t Au for 42,400 ounces of gold (Table 1)**. The Company commenced a maiden RC drilling program (~4,000m) in mid-November 2020 with the aim of extending known mineralisation at depth and along strike to feed into future resource upgrades and to target high grade ore shoots identified by previous drilling at Pegasus and King Cole prospects (**Figures 2 & 3**).

Classification	Tonnes	Grade	Ounces
Indicated	123,000	1.7g/t	6,600
Inferred	655,000	1.7g/t	35,800
TOTAL	779,000	1.7g/t	42,400

Table 1: Reedy South Mineral Resource Estimate 0.5g/t cut-off grade

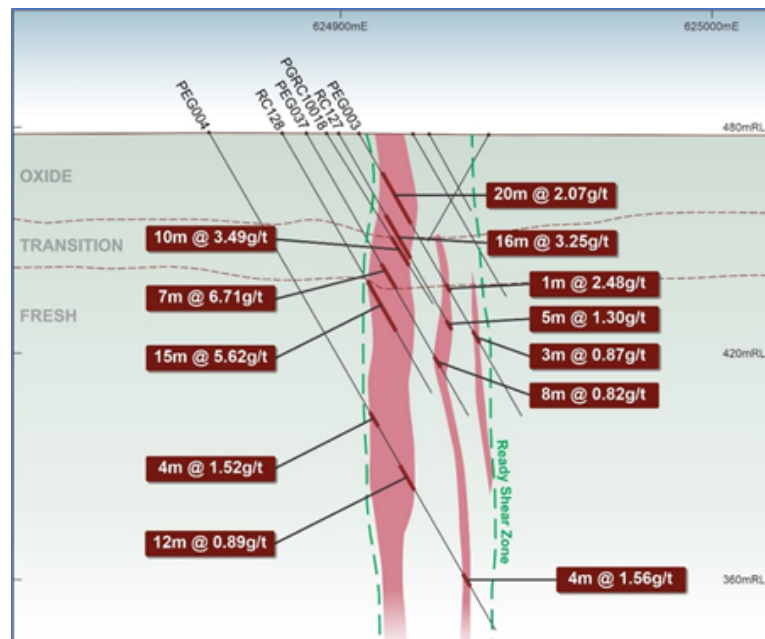


Figure 2: Cross section looking north (Pegasus prospect)

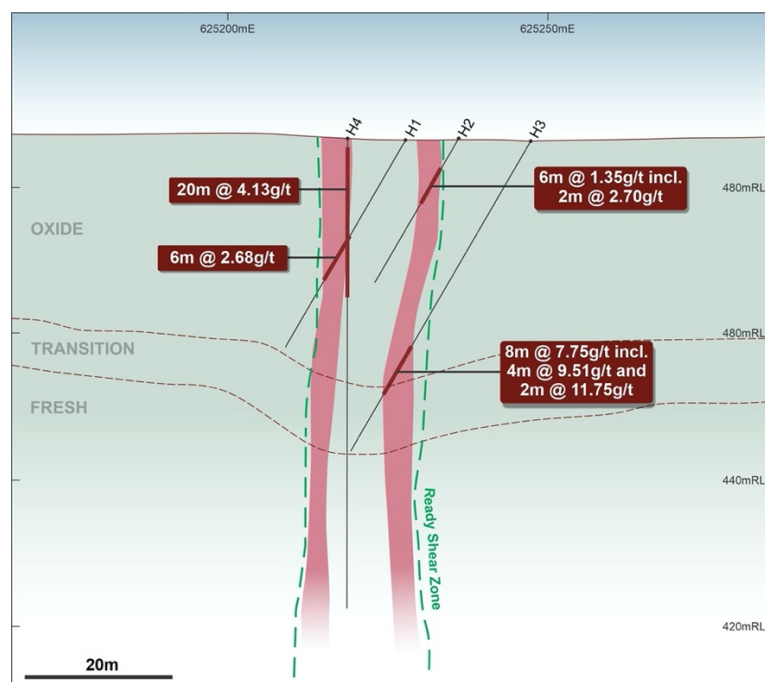


Figure 3: Cross section looking north (King Cole prospect)

RC Drilling Program

The Company commenced its maiden RC drilling program at the Reedy South Gold Project (M 20/446) in mid-November 2020. The program was upsized from 3,000 to 4,500m+ through the inclusion of a second, larger drill rig (**Photo 1**). The smaller RC rig was employed on shallower (~60-80m) infill drillholes and testing strike extensions, while the larger rig, rated to 350m, aims to target mineralisation at the Pegasus and King Cole prospects at depth. ~3,000 of the RC program was completed in the December quarter, with assays despatched to ALS Laboratory in Perth for fire assay. The balance of the RC program will be undertaken in early February. Significant results from the first 38 completed holes included:

- o **11m @ 3.19 g/t Au** from 51m including **3m @ 8.87 g/t Au** (RSRC021)
- o **7m @ 3.16 g/t Au** from 53m (RSRC010)
- o **11m @ 2.29 g/t Au** from 21m (RSRC007)
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- o **8m @ 1.06 g/t Au** from 48m and **16m @ 1.74 g/t Au** 72m (RSRC003)
- o **7m @ 1.50 g/t Au** from 48m (RSRC004)¹



Photo 1: Larger RC rig commenced drilling of deeper hole to test potential depth extensions, Reedy South Gold Project

¹ Refer announcements on 21 January & 25 January 2021

Airborne Magnetic Survey

The Company commenced an aeromagnetic survey comprising of ~6,100-line kilometres at 50m line spacing in December 2020 across the Company's Cue gold tenements. The results of the aeromagnetic survey, with interpretation to be undertaken by Southern Geoscience and CSA Global, will be incorporated with geological mapping and will drive follow-up soil sampling, trenching and first pass drilling to be commenced in the March quarter (**Figure 4**).

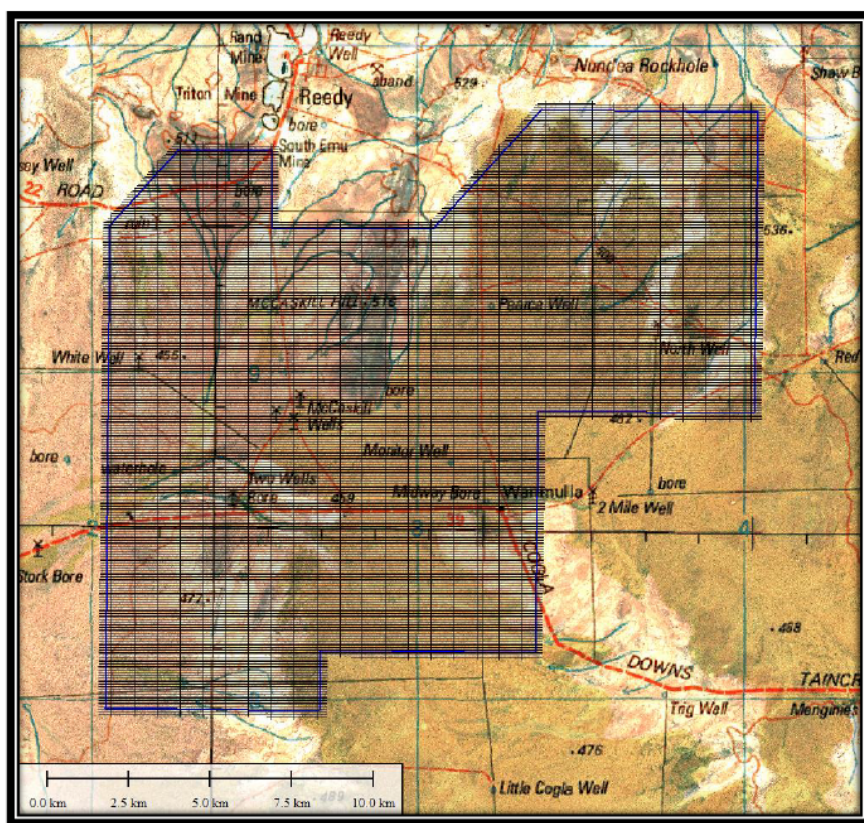


Figure 4: Aeromagnetic survey outline at Reedy South

Cracker Jack Project

On 26 November 2020, the Company announced the acquisition of the Cracker Jack gold project (P20/2289 & E20/938), which is situated ~10kms from the Company's Reedy South Gold Project. The Cracker Jack project covers 16km² of the highly prospective Meekatharra-Cue goldfields, including strike potential of the prospective Meekatharra-Wydegee greenstone belt.

Historic Drilling

The project area has been subject to historic drilling between 1993 and 2000, consisting of a mixture of RC and Rotary Air Blast (RAB) drilling undertaken by St Barbara Mines and Gold Mines of Australia. White Cliff is currently undertaking a review of verifiable historical data from WAMEX reports and the Geological Survey of Western Australia (GSWA). The Company will release the results of this review in due course.

Merolia Gold Project

On 15 December 2020, the Company announced that the the sale of the Company's 100% owned Merolia Gold Project to LSE-listed exploration company, Panther Metals PLC (**Panther**) has completed.

As announced 16 November 2020, the upfront consideration for the sale of Merolia was ~A\$274,000, consisting of A\$112,500 cash and 734,470 ordinary shares in Panther (50% of the consideration shares will be subject to 6 months voluntary escrow from the date of issue and other 50% will be subject to 12 months voluntary escrow from the date of issue). Additionally, White Cliff is entitled to an A\$1.25 per ounce of gold resource declared within the Merolia Gold Project area, in accordance with the JORC or equivalent reporting code(s).

Midas Cu-Au Projects (E45/5107 and E45/5112)

The Paterson Province comprises a Paleoproterozoic basement of Rudall Complex metamorphic rocks overlain by Neoproterozoic sediments of the Yeneena and northwestern Officer Basins, and Paleozoic Canning Basin sediments to the northeast. The province hosts several world-class deposits: Telfer gold- copper mine, Nifty copper mine and Kintyre uranium deposit. The recent Winu (Rio Tinto) and Havieron (Newcrest/Greatland Gold) discoveries are being considered as intrusion-related copper-gold mineralisation hosted in buried Yeneena Basin sediments on the Anketell Shelf.

The Midas Cu Au Projects are located on major granite dome structures and have highly prospective fault structures. E45/5107 lies some 80 kilometres south-southwest of the major Telfer Cu-Au gold mine. It straddles the contact between the Coolbro Sandstone in the east and the younger Broadhurst Formation in the west. The area is remote even by WA standards and has only been superficially explored in the past.

The Table Top project has surface geology which is approximately 80% outcrop, predominantly comprising Meso- to Neoproterozoic Coolbro Sandstone with minor remnant Permian Paterson Formation. The Coolbro Sandstone forms the basal unit of Yeneena Basin which overlies Paleoproterozoic granitic gneisses and metasediments of the Rudall Complex.

White Cliff announced the results of a maiden geochemical sampling program on 29 January 2021. The sampling program consisted of 502 samples targeting 5 of the 7 priority areas for gold and copper, generated by an internal review (**Figure 5**). The Ionic Leach™ and conventional soil sampling has highlighted anomalous copper results which are associated with structural features. The 2 priority areas that were not sampled will be followed up, when conditions permit.

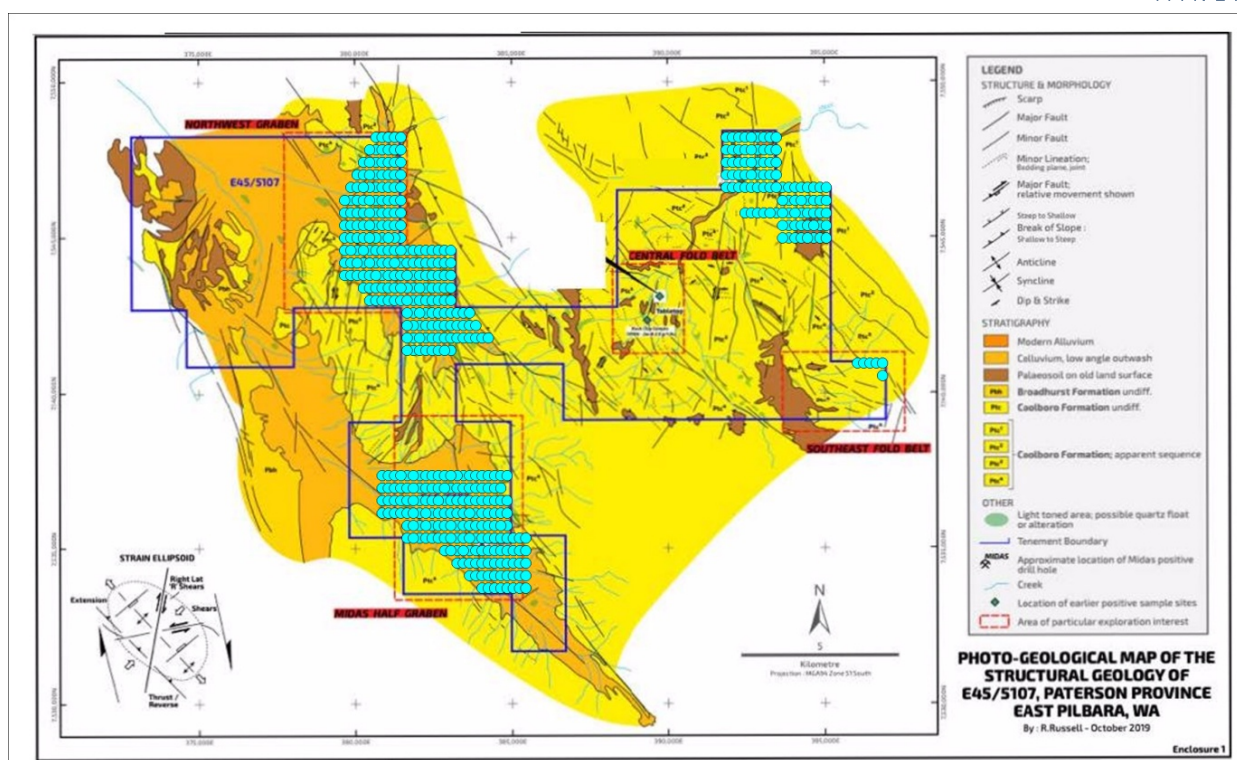


Figure 5: Grid sampling locations over priority targets, including the Coolbro Creek prospect at E45/5107, Midas Cu Au Project, Paterson Province

Summary of exploration Expenditure

In accordance with Listing Rule 5.3.1, the Company reports that there was \$561k exploration expenditure incurred during the December quarter.

CORPORATE

Cash Position

The Company's cash position including listed investments as at 31 December was approximately \$2.6 million. The Company retains sufficient funding to carry out its planned activities over the coming quarters.

Issue of Securities

On 8 October 2020, the Company issued 30,000,000 fully paid ordinary shares to the vendors of the Reedy South Gold Project. The consideration shares are subject to 6 months voluntary escrow.

On 1 December 2020, the Company issued 45,000,000 unlisted options exercisable at \$0.047 each expiring 30 November 2023 to directors following shareholder approval.

During the quarter, the Company has issued 534,967 shares following conversion of listed options (WCNOE).

Small Scale Sale Facility

On 19 October 2020, the Company announced that it had established a sale facility for shareholders with holdings valued at less than A\$500 (**Facility**). The Facility closed on 4 December 2020, with 4,548,610 ordinary shares from 1,075 shareholders acquired via the Facility.

Note 6 to Appendix 5B

Payments to related parties of the entity and their associates:

- Directors fees and wages of \$28,000
- Company secretarial fees of \$6,000
- Accounting and bookkeeping fees of \$6,613

This announcement has been approved by the Board of White Cliff Minerals Limited.

Further Information:

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Director & Company Secretary
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About White Cliff Minerals Limited

Gold Projects:

Reedy South Gold Project (100%): The Project covers 272km² of the highly prospective Cue goldfields, including 1km of strike along the prolific Reedy Shear Zone (RSZ). The Project comprises one granted mining lease (M20/446) covering the historic underground workings of Pegasus and King Cole, a granted exploration and prospecting license (E20/938 & P20/2289) and four exploration license applications (E20/969, E20/971, E20/972 & E20/974). The Project is situated 40km north of Cue, via the Great Northern Highway and is 80km south of Meekatharra. Reedy South hosts a MRE of 779,000 tonnes at 1.7 g/t Au for 42,400 ounces of gold (refer announcement dated 29 October 2020).

Midas Cu-Au Projects (100%): The project consists of two tenements covering 228km² of under-explored granite dome structures within the Paterson Province. It has highly prospective fault structures, and in the case of E45/5107 have significant historical stream sediment sampling programs around Coolbro Creek in the 80s returned 82g/t Au, with follow up rock-chip sampling in quartz veins at Table Top reported 2m@2.9g/t Au.

Cobalt-Nickel Projects:

Coronation Dam Cobalt Project (100%): The project consists of one tenement (16km²) in the Wiluna-Norseman greenstone belt 90km south of the Murrin Murrin nickel-cobalt HPAL plant. The tenement contains an Inferred Mineral Resource of **5.7 million tonnes at 1% nickel and 0.08% cobalt** containing 56,700 tonnes of nickel and 4,300 tonnes of cobalt (ASX release 25 March 2019). Mineralisation is open along strike within an extensive ultramafic unit that contains zones of cobalt mineralisation associated with nickel mineralisation.

Ghan Well Cobalt Project (100%): The project consists of one tenement (39km²) in the Wiluna-Norseman greenstone belt 25km southeast of the Murrin Murrin nickel-cobalt HPAL plant. The tenement contains an extensive ultramafic unit with zones of cobalt mineralisation associated with nickel mineralisation. The cobalt grades range from 0.01% to 0.75% and occur within a zone of manganiferous oxides within the regolith profile.

Tenement Information

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
M20/446	Reedy South	Cue	100%	Gained
E20/969	Reedy South	Cue	100%	Gained
E20/971	Reedy South	Cue	100%	Gained
E20/972	Reedy South	Cue	100%	Gained
P20/2289	Reedy South	Cue	100%	Gained
E20/938	Reedy South	Cue	100%	Gained
E20/974	Reedy South	Cue	100%	Gained
E45/5107	Midas Cu-Au	Paterson	100%	-
E45/5112	Midas Cu-Au	Paterson	100%	-
E38/2552	Ironstone	Laverton	100%	Sold
E38/2693	Ironstone	Laverton	100%	Sold
E38/2847	Ironstone	Laverton	100%	Sold
E39/1479	Ghan Well	Laverton	100%	-
E39/1585	Red Flag	Laverton	100%	Sold
E31/1101	Coronation Dam	Leonora	100%	-

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

WHITE CLIFF MINERALS LIMITED

ABN

22 126 299 125

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(561)	(626)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(33)	(42)
	(e) administration and corporate costs	(133)	(198)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	8	11
1.8	Other (provide details if material)	(120)	(126)
1.9	Net cash from / (used in) operating activities	(839)	(981)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(454)	(474)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	112	112
	(c) property, plant and equipment	-	-
	(d) investments	580	580
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	238	218

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	8	8
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(10)	(10)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(2)	(2)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,962	2,151
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(839)	(981)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	238	218
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(51)	(78)
4.6	Cash and cash equivalents at end of period	1,308	1,308

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	89	15
5.2	Call deposits	1,219	1,947
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,308	1,962

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	41
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <ul style="list-style-type: none"> - Directors fees and wages of approximately \$28,000 - Company secretarial fees of approximately \$6,000 - Accounting and bookkeeping fees of approximately \$6,613 		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(839)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(839)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,308
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,308
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.5
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes		
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: The Company has \$1.3 million worth of shares in RTG Mining (ASX:RTG) as at 31 December 2020. It can progressively sell these shares for working capital.		

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2021

Authorised by: White Cliff Minerals Limited Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.