

**ASX and Media Release: 28 November 2012**  
**ASX Code: WRM**

## **White Rock Minerals Ltd** **\$4.5M Cornerstone Share Placement**

### **Mt Carrington Resource Development Strategy Strengthened**

White Rock Minerals Ltd ('White Rock' or the 'Company') is pleased to announce the execution of the attached Subscription Agreement with Avalon Ventures Corporation ('Avalon') designed to underpin the progression of the Company's Resource expansion and development programs at the 100% owned Mt Carrington gold-silver project in northern NSW.

Under the Agreement 40m White Rock shares will be issued to Avalon to raise \$4.5m. Avalon is a Singapore-based special purpose company which also holds investments in mining interests in Mali.

The placement to Avalon comprises two tranches, as follows:

- Tranche 1 - \$1.5 million comprising 15 million shares at 10 cents each. This comprises 14.6% of White Rock's diluted share capital. This is conditional on White Rock freshening up its placement capacity at the 29 November 2012 AGM. Completion is scheduled for December 2012.
- Tranche 2 - \$3 million comprising 25 million shares at 12 cents each. This comprises a further 16.7% of White Rock's diluted share capital (31% in aggregate). As this aggregate percentage is more than 20%, this is conditional on specific White Rock shareholder approval, with an independent expert's report and supporting independent geologist's report and valuation to be prepared and distributed to shareholders for a meeting expected to be held in early 2013. It is also conditional on NSW ministerial approval, and FIRB approval. Completion is scheduled for early 2013. Following completion, Avalon has the right to nominate a director to the White Rock board.

White Rock is pleased to welcome Avalon as a cornerstone investor that will support the development of the Mt Carrington Mineral Resources (23.3Moz silver and 0.28Moz gold), with feasibility studies planned to commence in 2013 and production anticipated from late 2014.

White Rock Managing Director Geoffrey Lowe said "The inclusion of Avalon as a cornerstone shareholder onto the White Rock register will help the Company to realise the substantial potential that exists at Mt Carrington. The placement has been completed at an average 22% premium to the 30 day VWAP and an average 52% premium to the closing share price on Friday 23 November, demonstrating the quality and value of the Mt Carrington project. The funding will enable White Rock to move immediately into pre-feasibility studies at Mt Carrington, which will also include drilling focused on defining new gold and silver Resources at the Red Rock and Mozart prospects. The anticipated outcomes of this work will lead to a full feasibility study in the second half of 2013."

**For further information, please contact:**

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Amber Rivamonte (Company Secretary)  
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**About White Rock Minerals**

White Rock is an Australian minerals exploration company focussed on the discovery and development of shallow gold, silver and copper deposits in the New England Fold Belt, northern NSW. The Company is targeting deposit styles similar to those at Cracow, Mt Carlton and Mt Morgan.

White Rock's cornerstone asset is the 100% owned Mt Carrington project where shallow Indicated and Inferred Mineral Resources totalling 284,000oz gold and 23.3Moz silver (0.75Moz AuEq) have been defined in accordance with the JORC code.

A high level scoping study completed in July 2012 has demonstrated the potential for a medium-scale, low cost open pit operation with strong financial returns. The results of the study strongly support White Rock's vision of accelerating the development of a gold-silver operation at Mt Carrington in the next 18-24 months, subject to continued positive results from feasibility studies.

Exploration drilling at Mt Carrington is ongoing with the aim of extending the shallow Resource base, and to test a number of prospective regional and near-mine targets within a tenement area of 600km<sup>2</sup> over the under-explored Drake Volcanics.

**Competent Persons Report**

*The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Rohan Worland who is a Member of the Australian Institute of Geoscientists and is a full time employee of White Rock Minerals Ltd. Mr Worland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Worland consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The gold and silver Resource figures for Strauss, Kylo, Lady Hampden, Silver King and White Rock North have been taken from the resource estimate prepared by Ravensgate Minerals Industry Consultants on behalf of White Rock Minerals Ltd and authored by Mr Don Maclean. Mr Maclean is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Maclean consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.*

*The gold and silver Resource figures for White Rock and Guy Bell have been taken from the resource estimate report dated 1 October 2008 prepared by Mining One Pty Ltd on behalf of Rex Minerals Ltd and authored by Dr Chris Gee who is a professional geologist with more than 10 years' experience in resource estimation. Dr Gee is a Competent Person as defined by the JORC Code. Mr Gee consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.*

*\*AuEq and AgEq calculated at 50:1 Ag : Au using metal prices of Au @ \$1,500 per oz and Ag @ \$30per oz and does not account for mining or metallurgical recoveries.*

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## **Subscription Agreement**

**White Rock Minerals Limited**

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**Baker & McKenzie**  
ABN 32 266 778 912

Level 19  
181 William Street  
Melbourne VIC 3000  
Australia

G.P.O. Box 2119  
Melbourne VIC 3001  
Australia

Tel: +61 3 9617 4200  
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DX: 334 MELBOURNE VICTORIA  
[www.bakermckenzie.com](http://www.bakermckenzie.com)

Richard Lustig/Rick Troiano

*BAK.*

Date 28 November 2012

Parties The person named in item 1 of Schedule 1 of the address set out in item 2 of Schedule 1 (*Subscriber*)

White Rock Minerals Limited (ACN 142 809 970) of 24 Skipton Street,  
Ballarat, Victoria, 3350 Australia (*Company*)

## Recital

The Subscriber wishes to subscribe for, and the Company wishes to issue, the Placement Shares on the terms contained in this Agreement.

## Operative provisions

### 1 Definitions and interpretation

#### Definitions

1.1 In this Agreement, unless the context requires another meaning:

*Adviser* means in relation to an entity, a financier, financial adviser, corporate adviser, legal adviser or technical or other expert adviser or consultant who provides advisory services in a professional capacity to the market in general and who has been engaged by that entity.

*ASX* means ASX Limited or the stock exchange operated by it (as the context requires).

*ASX Listing Rules* means the official listing rules of the ASX.

*Board* means the board of directors of the Company.

*Business Day* means a day that is not a Saturday, Sunday or a public holiday or bank holiday in Melbourne or Singapore.

*Company Group* means the Company and each of its Subsidiaries.

*Company Permits* means the permits described in Schedule 3 which are subject to the condition set out in clause 4.1(b).

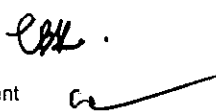
*Constitution* means the constituent documents of the Company in force from time to time.

*Corporations Act* means the *Corporations Act 2001* (Cth).

*Dollars* and \$ means the lawful currency of Australia.

*End Date* means the date set out in Item 9 of Schedule 1.

*Government Agency* means any government, government department or a governmental, semi-governmental, administrative, statutory or judicial entity, agency, authority, commission, department, tribunal, or person charged with the administration of a law or agency, whether in Australia, Singapore or elsewhere.



***Insolvency Event*** means any of the following:

- (a) an order is made, or a resolution is passed for the winding up, dissolution or administration of a Party or one of its Related Bodies Corporate;
- (b) a Party institutes any proceedings or arrangements for the liquidation of, or a receiver is appointed to, the Party or one of its Related Bodies Corporate;
- (c) a receiver, a receiver and manager, administrator or similar officer is appointed over or a distress or execution is levied over the assets of a Party or one of its Related Bodies Corporate;
- (d) a Party, or one of its Related Bodies Corporate, suspends payment of its debts or is unable to pay its debts as and when they fall due;
- (e) a Party, or one of its Related Bodies Corporate, makes or offers to make an arrangement with its creditors or a class of them; and
- (f) any analogous event occurs under the law of another country.

***Party*** means a party to this Agreement.

***Placement Consideration*** means the Tranche 1 Placement Consideration and Tranche 2 Placement Consideration.

***Placement Shares*** means the Tranche 1 Placement Shares and the Tranche 2 Placement Shares.

***Related Body Corporate*** has the meaning given to it in the Corporations Act.

***Representative*** means in relation to a Party or any of its Related Bodies Corporate, each of that Party's or the Related Body Corporate's:

- (a) officers and employees; and
- (b) Advisers and the Advisers' Related Bodies Corporate.

***Shares*** means fully paid ordinary shares in the capital of the Company.

***Subscriber Nominee Director*** means the person nominated in writing by the Subscriber to be appointed as a director of the Company at Tranche 2 Completion.

***Subsidiary*** has the meaning given to it in the Corporations Act.

***Tranche 1 Completion*** means completion under clause 3.

***Tranche 2 Completion*** means completion under clause 5.

***Tranche 1 Completion Date*** means the date set out in Item 7 of Schedule 1.

***Tranche 2 Completion Date*** means the date set out in Item 8 of Schedule 1.

***Tranche 1 Condition Precedent*** means the conditions in clause 2.1.

***Tranche 2 Conditions Precedent*** means the conditions in clause 4.1.

***Tranche 1 Placement Consideration*** means the amount set out in item 3 of Schedule 1.



*Tranche 2 Placement Consideration* means the amount set out in item 5 of Schedule 1.

*Tranche 1 Placement Shares* means the number of Shares in the Company as set out in item 4 of Schedule 1.

*Tranche 2 Placement Shares* means the number of Shares in the Company as set out in item 6 of Schedule 1.

## **Interpretation**

### **1.2 In this Agreement:**

- (a) unless the context otherwise requires, a reference:
  - (i) to the singular includes the plural and vice versa;
  - (ii) to a gender includes all genders;
  - (iii) to a document (including this Agreement) is a reference to that document (including any Schedules and Annexures,) as amended, consolidated, supplemented, novated or replaced;
  - (iv) to an agreement includes any agreement, agreement or legally enforceable arrangement or understanding whether written or not;
  - (v) to a person (including any Party) includes a reference to an individual, company, body corporate, association, partnership, firm, joint venture, trust or government agency as the case requires, and the person's successors, permitted assigns, executors and administrators;
  - (vi) to a law or a rule:
    - (A) includes a reference to any constitutional provision, subordinate legislation, treaty, decree, convention, statute, regulation, rule, ordinance, proclamation, by-law, judgment, rule of common law or equity or rule of any applicable stock exchange;
    - (B) is a reference to that law or rule as amended, consolidated, supplemented or replaced; and
    - (C) is a reference to any regulation, rule, ordinance, proclamation, by-law or judgment made under that law;
  - (vii) to liquidation includes official management, appointment of an administrator, compromise, arrangement, merger, amalgamation, reconstruction, winding-up, dissolution, assignment for the benefit of creditors, scheme, composition or arrangement with creditors, insolvency, bankruptcy, or any similar procedure or, where applicable, changes in the constitution of any partnership or person, or death; and
  - (viii) to a currency amounts is a reference to Australian dollars;
  - (ix) to a time is a reference to Melbourne, Australia time;
- (b) headings are for convenience only and are ignored in interpreting this Agreement;

- (c) if a payment or other act must (but for this clause) be made or done on a day which is not a Business Day, then it must be made or done on the next Business Day;
- (d) the words "including" or "includes" mean "including but not limited to" or "including without limitation";
- (e) where a word or phrase is defined, its other grammatical forms have a corresponding meaning; and
- (f) this Agreement must not be construed adversely to a Party solely because that Party or its legal counsel were responsible for preparing it.

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## **2 Tranche 1 Placement Shares**

### **Condition Precedent to Tranche 1 Placement**

- 2.1 Tranche 1 Completion is conditional on the Company's shareholders approving Resolutions 3, 4 and 5 at the Company's annual general meeting to be held on 29 November 2012.
- 2.2 The Tranche 1 Condition Precedent may not be waived by any Party.
- 2.3 Each Party must use its best endeavours and provide reasonable assistance to the other party to ensure that the Tranche 1 Condition Precedent is satisfied before the Tranche 1 Completion Date.
- 2.4 The Parties must keep each other informed of any circumstances which may result in the Tranche 1 Condition Precedent not being satisfied in accordance with its terms.

### **Tranche 1 Placement**

- 2.5 On the Tranche 1 Completion Date:
  - (a) the Subscriber must subscribe for the Tranche 1 Placement Shares for the Tranche 1 Placement Consideration; and
  - (b) the Company will issue the Tranche 1 Placement Shares to the Subscriber.

### **Bound by Constitution**

- 2.6 The Parties agree that the Subscriber will be deemed to be bound by the Constitution on issue to it of the Tranche 1 Placement Shares.

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## **3 Tranche 1 Completion**

### **Time and place of Tranche 1 Completion**

- 3.1 Tranche 1 Completion will take place on the Tranche 1 Completion Date at the offices of the Company at 11.00am, or at such other place and time as the Parties may agree in writing.

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### Subscriber Obligations on Tranche 1 Completion

- 3.2 On or prior to Tranche 1 Completion the Subscriber must provide the Company with the Tranche 1 Placement Consideration in immediately available funds by way of bank cheque or electronic transfer to an account previously nominated by the Company in writing.

### Company Obligations

- 3.3 The Company must:
- (a) at Tranche 1 Completion, allot and issue Tranche 1 Placement Shares and deliver an irrevocable direction to the Company's share registry to promptly enter the Subscriber's name in the Company's register of members as the holder of the Tranche 1 Placement Shares;
  - (b) within two business hours of Tranche 1 Completion, take all steps to procure the delivery to the Subscriber of confirmation through the "Issuer Online" system that the Tranche 1 Placement Shares issue and allotment process has commenced;
  - (c) on the day of Tranche 1 Completion, apply for quotation for the Tranche 1 Placement Shares on the ASX and do all things reasonably necessary to ensure that the Tranche 1 Placement Shares are quoted as soon as practicable on such terms and conditions as are usual for quotation of securities;
  - (d) as soon as practicable after Tranche 1 Completion, and in any event within 5 Business Days after the Tranche 1 Completion Date, issue a notice which complies with section 708A(6) of the Corporations Act; and
  - (e) within 2 Business Days following Tranche 1 Completion, take all steps to procure the delivery to the Subscriber of a holding statement that the Tranche 1 Placement Shares have been issued and allotted to the Subscriber with effect from the Tranche 1 Completion Date.

### Obligations interdependent

- 3.4 The obligations of the Parties in respect of Tranche 1 Completion are interdependent and all actions required to be performed will be taken to have occurred simultaneously on the Tranche 1 Completion Date.

## 4 Tranche 2 Placement Shares

### Conditions Precedent to Tranche 2 Placement

- 4.1 Tranche 2 Completion is conditional on:
- (a) **(Shareholder Approval)** shareholders of the Company approving the issue of the Tranche 2 Placement Shares, including for the purposes of ASX Listing Rule 7.1 and item 7 of section 611 of the Corporations Act (and for all other purposes);
  - (b) **(NSW Ministerial Approval)** the Minister administering the *Mining Act 1992* (NSW) gives his consent to the implementation of the transactions contemplated by this Agreement to the extent required in connection with the Company Permits; and

*[Handwritten signature]*



(c) (FIRB Approval) either:

- (i) the Subscriber receiving unconditional or conditional (provided such conditions are acceptable to the Parties) notice in writing issued by or on behalf of the Treasurer of the Commonwealth of Australia (*Treasurer*) stating that there are no objections under the Government of the Commonwealth of Australia's foreign investment policy to the acquisition by the Subscriber of the Tranche 2 Placement Shares as contemplated by this Agreement; or
- (ii) the Treasurer is not, or ceases to be, entitled to make an order under Part II of the *Foreign Acquisitions and Takeovers Act 1975* (Cth) in respect of the acquisition of the Tranche 2 Placement Shares as contemplated by this Agreement;

- 4.2 The Tranche 2 Conditions Precedent may not be waived by any Party.
- 4.3 Each Party must use its best endeavours and provide reasonable assistance to the other party to ensure that the Tranche 2 Conditions Precedent are satisfied as soon as practicable.
- 4.4 In preparing the notice of meeting for the approval of shareholders of the Company under clause 4.1(a), the Company will consult with the Subscriber and will incorporate all reasonable comments provided by the Subscriber.
- 4.5 In relation to the conditions referred to in clauses 4.1(b) and 4.1(c), the Subscriber agrees to lodge its applications in connection with the transactions contemplated by this Agreement by no later than the date which is 10 Business Days after the date of this Agreement.
- 4.6 The Parties must keep each other informed of any circumstances which may result in any Tranche 2 Conditions Precedent not being satisfied in accordance with its terms.

## Tranche 2 Placement

- 4.7 On the Tranche 2 Completion Date:
  - (a) the Subscriber must procure that the Subscriber subscribe for the Tranche 2 Placement Shares for the Tranche 2 Placement Consideration;
  - (b) the Company will issue the Tranche 2 Placement Shares to the Subscriber; and
  - (c) the Subscriber may nominate the Subscriber Nominee Director.

## Bound by Constitution

- 4.8 The Parties agree that the Subscriber will be deemed to be bound by the Constitution on issue to it of the Tranche 2 Placement Shares.

## 5 Tranche 2 Completion

### Time and place of Tranche 2 Completion

- 5.1 Tranche 2 Completion will take place on the Tranche 2 Completion Date at the offices of the Company at 11.00am, or at such other place and time as the Parties may agree in writing.



### **Subscriber Obligations on Tranche 2 Completion**

- 5.2 On or prior to Tranche 2 Completion the Subscriber must provide the Company with:
- (a) the Tranche 2 Placement Consideration in immediately available funds by way of bank cheque or electronic transfer to an account previously nominated by the Company in writing; and
  - (b) a written nomination of the Subscriber Nominee Director, together with a written consent to act as a director of the Company from the Subscriber Nominee Director.

### **Company Obligations**

- 5.3 The Company must:
- (a) at Tranche 2 Completion, allot and issue Tranche 2 Placement Shares and deliver an irrevocable direction to the Company's share registry to promptly enter the Subscriber's name in the Company's register of members as the holder of the Tranche 2 Placement Shares;
  - (b) within two business hours of Tranche 2 Completion, take all steps to procure the delivery to the Subscriber of confirmation through the "Issuer Online" system that the Tranche 2 Placement Shares issue and allotment process has commenced;
  - (c) on the day of Tranche 2 Completion, apply for quotation for the Tranche 2 Placement Shares on the ASX and do all things reasonably necessary to ensure that the Tranche 2 Placement Shares are quoted as soon as practicable on such terms and conditions as are usual for quotation of securities;
  - (d) as soon as practicable after Tranche 2 Completion, and in any event within 5 Business Days after the Tranche 2 Completion Date, issue a notice which complies with section 708A(6) of the Corporations Act;
  - (e) subject to the Subscriber satisfying the requirements of clause 5.2(b), on the day of Tranche 2 Completion, convene a Board meeting to appoint the Subscriber Nominee Director as an additional director on the Board so that the appointment takes effect from the Tranche 2 Completion Date; and
  - (f) within 2 Business Days following Tranche 2 Completion, take all steps to procure the delivery to the Subscriber of a holding statement that the Tranche 2 Placement Shares have been issued and allotted to the Subscriber with effect from the Tranche 2 Completion Date.

### **Obligations interdependent**

- 5.4 The obligations of the Parties in respect of Tranche 2 Completion are interdependent and all actions required to be performed will be taken to have occurred simultaneously on the Tranche 2 Completion Date.

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## 6 Obligations of the Company and the Subscriber

### Capital Structure

- 6.1 The Company will not, except with the prior written consent of the Subscriber, from the date of this Agreement to the Tranche 2 Completion Date:
- (a) issue or agree to issue any Shares or other securities, other than:
    - (i) upon exercise of any options on issue as set out in Schedule 2 before the date of this Agreement; or
    - (ii) to any third party in connection with an arrangement involving the provision of drilling or other services by the third party to the Company; or
  - (b) implement a share consolidation or subdivision, a capital reduction or a share buy-back or any other capital reconstruction.

### Use of funds

- 6.2 Other than to fund the costs associated with this Agreement and the transactions contemplated by this Agreement, the Company will use the Placement Consideration for exploration activities including resource and exploration drilling, advancement of feasibility study activities, and general working capital.

## 7 Warranties

### Mutual warranties

- 7.1 Subject to the terms of this Agreement, each Party warrants and represents to each other Party that each of the following statements is true, correct and not misleading on the date of this Agreement and will be so at all times before and including each of the Tranche 1 Completion Date and the Tranche 2 Completion Date:
- (a) it has full and lawful authority to execute and deliver this Agreement and to perform or cause to be performed its obligations under this Agreement;
  - (b) this Agreement constitutes a full and binding legal obligation upon it;
  - (c) this Agreement does not conflict with or result in the breach of or default under any provision of its constituent documents or any material term or provision of any agreement, deed, writ, order, injunction, rule, judgment, law or regulation to which it is a party or is subject or by which it is bound;
  - (d) it has obtained all authorisations and approvals necessary for it lawfully to enter into and perform its obligations under this Agreement; and
  - (e) it is not subject to any Insolvency Event.

### Company warranties

- 7.2 The Company warrants and represents to the Subscriber (and acknowledges that the Subscriber is entering into this Agreement in reliance on such warranties and representations) that each of the following statements is true, correct and not misleading on the date of this

Agreement and will be so at all times before and including each of the Tranche 1 Completion Date and the Tranche 2 Completion Date:

**(a) (Placement Shares):**

- (i) on their allotment and issue, the Placement Shares will be fully paid ordinary shares in the capital of the Company and will rank on an equal footing in all respects with the then existing issued Shares;
- (ii) the issue of the Placement Shares will not breach ASX Listing Rule 7.1, or any other ASX Listing Rule; and
- (iii) there are no escrow or other provisions restricting the on-sale of all or any of the Placement Shares by the Subscriber;

**(b) (Company's Capital):**

- (i) the capital structure of the Company set out in Schedule 2 contains a true, complete and accurate description of all the issued shares, options and other securities in the capital of the Company as at the date of this Agreement; and
- (ii) other than as set out in Schedule 2 or as otherwise contemplated by this Agreement or disclosed to ASX prior to the date of this Agreement, there are no agreements, arrangements or understandings in force or securities issued for the present or future issue of, or which entitle any person to require the issue of, any Shares or other securities in the Company;

**(c) (No Insolvency Event) neither the Company nor any of its Subsidiaries is subject to an Insolvency Event;**

**(d) (litigation):**

- (i) there are no material actions, suits, arbitrations, legal or administrative proceedings pending or, so far as the Company is aware, threatened against the Company or any of its Subsidiaries;
- (ii) neither the Company nor any of its Subsidiaries is the subject of any material pending or, so far as the Company is aware, material threatened investigation; and
- (iii) neither the Company nor any of its Subsidiaries nor the respective assets, properties or business of the Company or any of its Subsidiaries is subject to any judgment, order, writ, injunction or decree of any court, Government Agency or arbitration tribunal; and

**(e) (Compliance with law):**

- (i) the Company has complied with its obligations under ASX Listing Rule 3.1 and there is no information to which ASX Listing Rules 3.1A.1, 3.1A.2 or 3.1A.3 apply, or which is excluded information which the Company is withholding for the purposes of sub section 708A(6)(e) of the Corporations Act, other than market disclosures to be made by the Company contemporaneously with execution of this Agreement, drafts of which were provided to the Subscriber prior to execution of this Agreement; and

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- (ii) the Company and its Subsidiaries have complied in all material respects with all laws and regulations applicable to them and with all orders of Government Agencies having jurisdiction over them and have all material licenses, permits and franchises necessary for them to conduct their respective businesses as presently being conducted.

### **Separate**

- 7.3 Each representation and warranty in this Agreement is to be construed independently of each other representation and warranty in, and each other provision of, this Agreement. The interpretation of any statement made may not be restricted by reference to or inference from any other statement.

### **Acknowledgements**

- 7.4 The parties acknowledge that each Party has entered into this Agreement in reliance on the warranties given by the other Party.

### **Qualifications**

- 7.5 Each warranty is to be qualified by any information fairly disclosed to the Subscriber or its Advisers in writing by the Company on or prior to the date of this Agreement (including all ASX announcements) or which the Subscriber should have been aware had it conducted searches on the Business Day prior to execution of this Agreement of the records open to inspection maintained by the Australian Securities and Investments Commission.
- 7.6 The Company does not make any representations or warranties that any estimates, projections, forecasts or other forward looking information, if any, provided to the Subscriber is accurate or complete or will be achieved.

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## **8 Confidentiality and Announcements**

### **Public announcements**

- 8.1 The Parties agree that immediately after signing this Agreement, the Company will make an announcement to the ASX that is in the form agreed by the Parties before executing this Agreement.
- 8.2 Subject to clauses 8.1 and 8.3, neither Party may make an announcement or disclose information relating to the subject matter of this Agreement other than to its own Representatives unless the announcement or disclosure has the prior approval of the other Party.

### **Public announcements required by law**

- 8.3 Clause 8.2 does not apply to a public announcement or disclosure required by law or a regulation of a stock exchange or any Government Agency, if the Party required to make it has:
  - (a) provided the other Party with as much notice as reasonably possible to enable it to seek a protective order or other remedy;



- (b) provided all assistance and cooperation that the other Party considers necessary to minimise that disclosure; and
- (c) consulted to the extent possible in the circumstances with the other Party and its legal advisers.

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## **9 Termination**

### **Termination events**

9.1 Without limiting any other provision of this Agreement, this Agreement may be terminated:

- (a) by either the Company or the Subscriber, if the other is in material breach of any clause of this Agreement, provided that either the Company or the Subscriber, as the case may be, has given notice to the other setting out the relevant circumstances and stating an intention to terminate and the relevant circumstances continue to exist for 10 Business Days after the time such notice is given;
- (b) by the Subscriber, if the Company becomes subject to an Insolvency Event; or
- (c) if agreed to in writing by the Company and the Subscriber.

### **Failure to satisfy Tranche 1 Condition Precedent**

9.2 If the Tranche 1 Condition Precedent has not been satisfied by the date which is 2 Business Days after the date of the Company's annual general meeting contemplated by clause 2.1, either Party may terminate this Agreement.

### **Failure to satisfy Tranche 2 Conditions Precedent**

9.3 If, despite the best endeavours of both parties, the Tranche 2 Conditions Precedent are not satisfied or waived on or before the End Date, then the Tranche 2 Completion Date will be deferred for four weeks and each Party will continue to use its reasonable endeavours to seek to satisfy the Tranche 2 Conditions Precedent before the expiry of that period.

9.4 If the Tranche 2 Conditions Precedent have not been satisfied by the End Date, either Party may terminate this Agreement.

### **Termination**

9.5 Where a Party has a right to terminate this Agreement, that right may be exercised by the Party delivering a notice in writing to the other Party stating that it terminates this Agreement.

### **Effect of Termination**

9.6 In the event that a Party terminates this Agreement, or if this Agreement otherwise terminates in accordance with its terms, then in either case all further obligations of the Parties under this Agreement, other than the obligations set out in this clause 9 (including for the avoidance of doubt clause 9.7) and clauses 1, 8, 10 and 11 will immediately cease to be of further force and effect without further liability of any Party to the other, provided that nothing in this clause releases any Party from liability for any pre-termination breach of this Agreement.

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## Cost reimbursement

9.7 Notwithstanding any other provision of this Agreement, if Tranche 2 Completion does not occur for any reason other than in circumstances where the Subscriber validly terminates this Agreement in accordance with:

(a) clause 9.1(a) as a result of a material breach by the Company of its obligation under this Agreement; or

(b) clause 9.1(b) as a result of the Company becoming subject to an Insolvency Event,

the Subscriber must pay to the Company an amount equal to the amount of the actual out-of-pocket costs and expenses incurred by the Company in connection with obtaining an independent expert report (including any third party geological, technical, valuation or other report prepared in connection with the independent expert report) to be provided to the shareholders of the Company in connection with the shareholder meeting contemplated by clause 4.1(a). Any amount which is payable under this clause 9.7 must be paid with 5 Business Days of receipt of a written demand by the Company.

## 10 Notices

### Requirements

10.1 All notices must be:

(a) in legible writing and in English;

(b) addressed to the recipient at the address or facsimile number set out below or to such other address or facsimile number as that Party may notify to the other parties:

to the Subscriber:

Address: As set out in item 2 of Schedule 1

Attention: The person set out in item 10 of Schedule 1

Facsimile no: The number set out in item 11 of Schedule 1

to the Company:

Address: 24 Skipton Street, Ballarat, Victoria, 3350 Australia

Attention: Amber Rivamonte (Company Secretary)

Facsimile no: +61 3 5331 4766

(c) signed by the Party or where the sender is a company by an officer of that company or under the common seal of that company; and

(d) sent to the recipient by hand, prepaid post (airmail) or facsimile.

*LBK.*

## Receipt

- 10.2 Without limiting any other means by which a Party may be able to prove that a notice has been received by another Party, a notice will be deemed to be duly received:
- (a) if sent by hand when left at the address of the recipient;
  - (b) if sent by pre-paid post, 5 days after the date of posting; or
  - (c) if sent by facsimile, upon receipt by the sender of an acknowledgment or transmission report generated by the machine from which the facsimile was sent indicating that the whole facsimile was sent to the recipient's facsimile number,
- but if a notice is served by hand, or is received by the recipient's facsimile on a day which is not a Business Day, or after 5.00pm on a Business Day, recipient's local time the notice is deemed to be duly received by the recipient at 9.00am on the first Business Day after that day.

## 11 GST

- 11.1 Terms defined in the GST Act have the same meaning when used in this clause, or in the definition of "GST Amount" unless expressly stated otherwise.
- 11.2 Unless expressly stated otherwise, any sum payable or amount used in the calculation of a sum payable under this Agreement has been determined without regard to GST and must be increased, on account of any GST payable under this clause.
- 11.3 If any GST is payable on any taxable supply made under this Agreement to the recipient by the supplier ("**Supplier**"), the recipient must pay the GST Amount to the Supplier on the earlier of:
- (a) the time of making payment of any monetary consideration on which the GST is calculated; and
  - (b) the issue of an invoice relating to the taxable supply.
- 11.4 The recipient must pay the GST Amount in the same manner as making payment of any monetary consideration on which the GST is calculated. The Supplier must provide as a precondition for payment by the recipient of the GST Amount, a tax invoice or a document that the Commissioner will treat as a tax invoice.
- 11.5 The amount recoverable on account of GST under this clause by the Supplier will include any fines, penalties, interest and other charges incurred as a consequence of late payment or other default by the recipient under this clause.
- 11.6 If either Party is required to pay, reimburse or indemnify the other for the whole or any part of any cost, expense, loss, liability or other amount that the other Party has incurred or will incur in connection with this Agreement, the amount must be reduced by the amount for which the other Party (or representative member if this is not the other Party) can claim an input tax credit, partial input tax credit, or other like offset.

*WKL*



## **12 General provisions**

### **Entire agreement**

- 12.1 This Agreement and any documents referred to in this Agreement is the entire agreement of the Parties about the subject matter of this Agreement and supersedes all other representations, negotiations, arrangements, understandings or agreements and all other communications (other than the agreement in relation to the amount referred to in clause 3.2).
- 12.2 No Party has entered into this Agreement relying on any representations made by or on behalf of the other, other than those expressly made in this Agreement.

### **Further assurances**

- 12.3 Each Party must, at its own expense, whenever reasonably requested by the other Party, promptly do or arrange for others to do, everything reasonably necessary to give full effect to this Agreement and the transactions contemplated by this Agreement.

### **No merger**

- 12.4 The warranties, other representations and covenants by each Party in this Agreement are continuing and will not merge or be extinguished on Completion.

### **Costs**

- 12.5 Each Party must pay its own costs in relation to the preparation, negotiation and execution of this Agreement and the documents and transactions contemplated by this Agreement.

### **Assignment**

- 12.6 Except as otherwise provided in this Agreement, a Party must not assign, create an interest in, specify any other restrictions or deal in any other way with any of its rights under this Agreement without the prior written consent of the other Party.

### **Invalid or unenforceable provisions**

- 12.7 If a provision of this Agreement is invalid or unenforceable in a jurisdiction:
- (a) it is to be read down or severed in that jurisdiction to the extent of the invalidity or unenforceability; and
  - (b) that fact does not affect the validity or enforceability of:
    - (i) that provision in another jurisdiction; or
    - (ii) the remaining provisions.

### **Waiver and exercise of rights**

- 12.8 A waiver of a provision of or of a right under this Agreement is binding on the Party granting the waiver only if it is given in writing and is signed by the Party or an authorised officer of the Party granting the waiver;
- 12.9 A waiver is effective only in the specific instance and for the specific purpose for which it is given.

*AK*

- 12.10 A single or partial exercise of a right by a Party does not preclude another exercise or attempted exercise of that right or the exercise of another right.
- 12.11 Failure by a Party to exercise or delay in exercising a right does not prevent its exercise or operate as a waiver.

**Amendment**

- 12.12 This Agreement may be amended only by a document signed by all Parties.

**Counterparts**

- 12.13 This Agreement may be signed in counterparts and all counterparts taken together constitute one document.

**Governing law**

- 12.14 This Agreement is governed by the laws of the State of Victoria.

**Jurisdiction**


- 12.15 Each Party irrevocably and unconditionally:
- (a) submits to the non-exclusive jurisdiction of the courts of the State of Victoria; and
  - (b) waives, without limitation, any claim or objection based on absence of jurisdiction or inconvenient forum.

*for.*

**Execution**

Executed as an agreement.

Signed by  
the person set out in Item 1 of  
Schedule 1  
by a director and director/secretary/authorised  
person:

  
\_\_\_\_\_  
Signature of director/authorised person

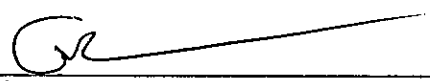
**TAN BOON KIAT**

\_\_\_\_\_  
Name of director/authorised person (please  
print)

\_\_\_\_\_  
Signature of director/secretary/authorised  
person

\_\_\_\_\_  
Name of director/secretary/authorised person  
(please print)

Signed by  
**White Rock Minerals Limited**  
by a director and secretary/director:

  
\_\_\_\_\_  
Signature of director

**GEORGEY LOWE**  
\_\_\_\_\_  
Name of director (please print)

  
\_\_\_\_\_  
Signature of secretary/ director

**Amber Rivamonte**  
\_\_\_\_\_  
Name of secretary/ ~~director~~ (please print)

**Schedule 1****Placement Details**

Item 1 – Subscriber	AVALON VENTURES CORPORATION
Item 2 – Address of Subscriber	LAKEVIEW CLUB, LOT 3606, JALAN SS12/1, SUBANG JAYA, 47500 SELANGOR, MALAYSIA.
Item 3 – Tranche 1 Placement Consideration	A\$1.5 million (A\$0.10 per Placement Share)
Item 4 – Number of Tranche 1 Placement Shares	15,000,000
Item 5 – Tranche 2 Placement Consideration	A\$3 million (A\$0.12 per Placement Share)
Item 6 – Number of Tranche 2 Placement Shares	25,000,000
Item 7 – Tranche 1 Completion Date	19 December 2012
Item 8 – Tranche 2 Completion Date	5 Business Days following satisfaction of all of the Tranche 2 Conditions Precedent or any other date agreed in writing by the Parties
Item 9 – End Date	31 March 2013
Item 10 – Subscriber person to whom notices should be sent	TAN BOON KIAT
Item 11 – Facsimile number of Subscriber	+603 5634 8042

## Schedule 2

### Company Capital Structure

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Excluding the Placement Shares, 87,475,531 fully paid ordinary shares  
6,410,000 options as disclosed to ASX.

**Schedule 3****Company Permits**

<b>Tenement</b>	<b>Locality</b>
EL6452	North Carrington
EL6273	Central Carrington
EL6453	South Carrington
EL7673	Boorook
EL7255	Guyra
EL7395	Glencoe
MPL24	Mt Carrington
MPL256	Mt Carrington
MPL259	Mt Carrington
SL409	Mt Carrington
SL471	Mt Carrington
SL492	Mt Carrington
ML1147	Mt Carrington
ML1148	Mt Carrington
ML1149	Mt Carrington
ML1150	Mt Carrington
ML1200	Mt Carrington
MPL1345	Mt Carrington
ML5444	Mt Carrington
GL5477	Mt Carrington
GL5478	Mt Carrington
ML5883	Mt Carrington
ML6004	Mt Carrington
ML6006	Mt Carrington
ML6242	Mt Carrington
ML6291	Mt Carrington
ML6295	Mt Carrington
ML6335	Mt Carrington

