



White Cliff Minerals LTD

White Cliff Minerals Limited

ABN 22 126 299 125

Annual report
for the year ended 30 June 2013

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Corporate Information

Directors	Michael Langoulant Todd Hibberd Rodd Boland
Company secretaries	Michael Langoulant Brooke White
Registered office and principal place of business	Suite 2, 47 Havelock Street West Perth, Western Australia 6005 Telephone: (08) 9321 2233 Facsimile: (08) 9324 2977 Website: www.wcminerals.com.au
Share registry	Computershare Investor Services Pty Ltd Reserve Bank Building Level 2, 45 St George's Terrace Perth, Western Australia 6000 Telephone: (08) 9323 2000
Auditors	HLB Mann Judd Chartered Accountants Level 4, 130 Stirling Street Perth, Western Australia 6000
Solicitors	Jackson McDonald Lawyers Level 25, 140 St Georges Terrace Perth, WA 6000
ASX code	White Cliff Minerals Limited is listed on the Australian Securities Exchange (Shares: WCN, Options: WCNO)

Review of Operations

Highlights

- **Two Capital Raisings and a Share Purchase Plan raise \$2.97 Million dollars**
- **Company awarded \$150,000 in government co-funding drilling via the Exploration Incentive Scheme**
- **Exploration including drilling, electromagnetics and soil geochemistry at the Lake Johnston project identified new nickel and base metal targets including:**
 - **2m at 71g/t silver and 1 m at 144 g/t Silver from diamond drilling and;**
 - **32m at 0.82% nickel and 0.02% copper from RC drilling**
 - **Soil geochemistry surveys confirms nickel-copper and platinum anomalies at the Mt Glasse and Lake Percy prospects**
 - **Electromagnetic surveys identify conductors at the Lake Percy, Mt Gordon and Mt Glasse prospects**
- **Channel sampling at the Chanach project identifies new copper zones including:**
 - **8 metres at 1.72% copper within 33 metres at 0.85% copper**
 - **4 metres at 1.67% copper**
 - **4 metres at 1.1% copper**
 - **Best trench results of 1m at 4.12% copper**

Corporate

During the year the Company conducted two private placements and a shareholder purchase plan to raise capital to continue exploration on the Chanach copper-gold project in Kyrgyzstan and the Lake Johnston Nickel project in Western Australia.

The terms of both offers included one free option for every two shares placed. Both offers were fully subscribed and the Company successfully raised \$750,000 and \$1.62 Million via private placements and \$600,000 via a Shareholder purchase plan. The total capital raised during the year was \$2.97 Million dollars.

Exploration Summary

White Cliff Minerals Limited controls extensive tenement packages in Western Australia's Yilgarn Craton and the Pilbara region as well as a major gold-copper project in Central Asia.

In Western Australia the Company is exploring several projects with the primary focus on the Lake Johnston nickel project (Map 1).

Exploration completed at the Lake Johnston project near Norseman WA consisted of:

- Six diamond holes for 1,293 metres testing six electromagnetic (EM) targets prospective for nickel sulphide mineralisation at the Lake Percy prospect;
- Nine reverse circulation holes for 1,409 metres testing a further eight EM targets at the Lake Percy and Mt Gordon prospects;
- Two EM surveys covering 110 line kilometres that identified twelve (EM) conductors consistent with massive sulphide mineralisation; and
- Extensive geochemical soil sampling covering the southern section of the Lake Percy and Mt Glasse prospects.

Exploration Results:

The soil geochemical surveys identified several coincident nickel-copper-platinum-palladium anomalies worthy of further exploration and the two electromagnetic surveys identified several category one anomalies that coincided with soil anomalies. Subsequent drilling tested several of these targets.

Diamond and reverse circulation drilling at the Lake Percy and Mt Gordon prospects focussed on testing several EM conductors located on or adjacent to the basal contact of komatiitic ultramafic volcanics. The massive sulphide zones identified in drill holes LPDD001-005, LPRC001-006 (Lake Percy prospect) and MGRC001-003 (Mt Gordon prospect) contained trace nickel and copper consistent with sulphides formed within sea floor marine sediments, however two holes at the Lake Percy prospect intersected mineralisation.

LPRC007 drilled into the central ultramafic unit intersected **32 metres at 0.83% nickel, 226 ppm copper and 176 ppm cobalt from 24 metres** mainly within the weathered ultramafic regolith profile. The remainder of the ultramafic unit contained high background levels of nickel averaging 0.25% nickel and 1-5 ppm copper over 28 metres.

LPDD004 also drilled into the central ultramafic unit identified strong silver mineralisation with intersections of 2 metres at 71 g/t and 1 metre at 144 g/t. The mineralisation is associated with anomalous tungsten, copper and gold. Significant silver anomalism was also identified in the same drill hole with 3 metres at 14.5g/t from surface.

The intersections to date indicate that the central ultramafic unit at Lake Percy remains highly prospective for nickel sulphide accumulations. There is also the possibility that gold and copper mineralisation occurs in association with intrusive felsic units. Further work on both targets is planned.

The Company has been granted \$150,000 in government co-funding for drilling the Mt Gordon targets in addition to government co-funded grants received during the year totalling \$106,221.

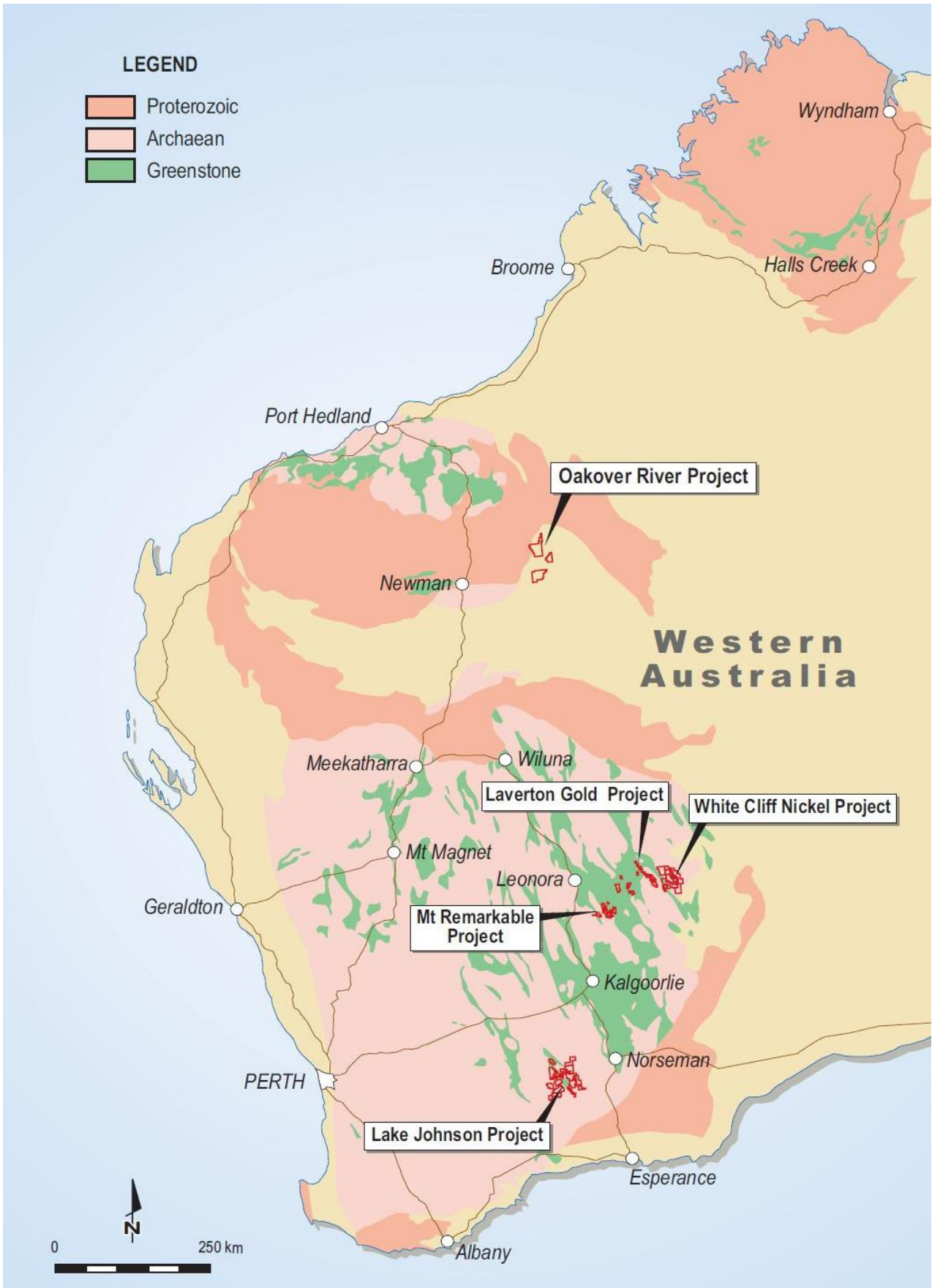
Central Asia

During the year the Joint Venture partners received the results from the 2012 rock sampling and drilling program. Sampling has identified several new zones of copper mineralisation and drilling has confirmed the orientation and tenor of the mineralised system.

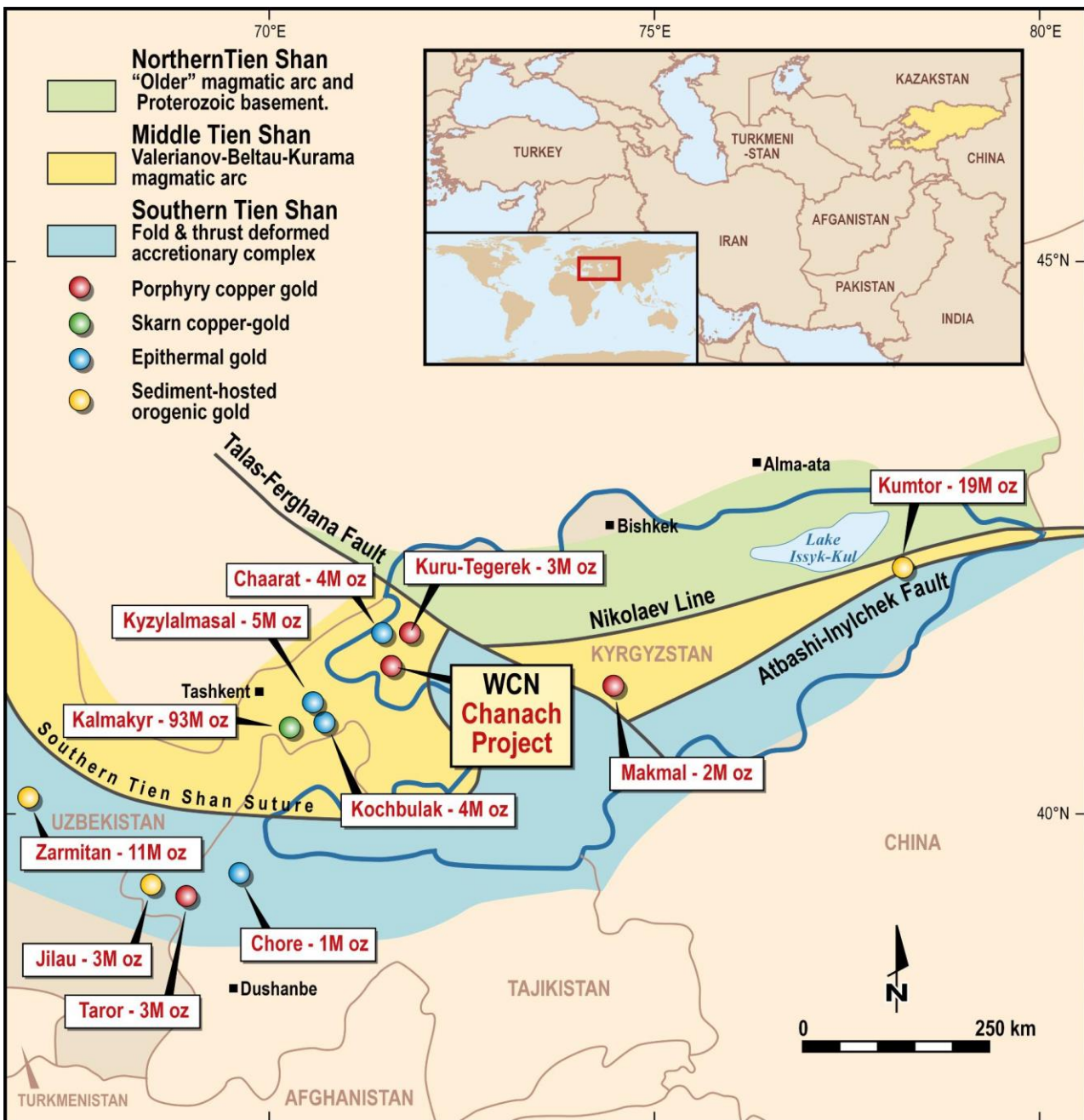
The copper trenching results are encouraging with assay values up to 4.12% copper. The best overall results were obtained from the top of the skarn contact with **8 metres at 1.72% copper** within 33 metres averaging 0.85% copper and 24m at 0.48% copper. The mineralisation occurs as supergene copper oxides and secondary copper sulphides. There is significant potential for this zone to extend along strike to the north and south.

The drilling extended the main existing mineralised zone 100 metres to the East with CHDD12-02 intersecting 26 metres at 0.3% copper within an alteration halo of 88 metres at 0.17% copper. A second hole (CHDD12-04) drilled on the same section, 100 metres to the north and 50 metres higher in elevation intersected 5 metres at 0.4% copper within 25 metres at 0.17% copper in the upper parts of the mineralised system.

A review of the mineralised system has also identified that there may be significant economic potential for copper production from the surface copper oxide zones via a low cost heap leach processing operation. Further work on this possibility is being undertaken.



Map 1 White Cliff Minerals Limited exploration projects



Map 2 Chanach project location with regional geology with major gold deposits illustrated.

Corporate

During the year the Company announced two private placements and a shareholder purchase plan to raise capital to continue exploration on the Chanach copper-gold project in Kyrgyzstan and the Lake Johnston Nickel project in Western Australia.

The terms of the offers included one free option for every two shares placed. Both offers were fully subscribed and the Company successfully raised \$750,000 and \$1.62M via a private placements and \$600,000 via a shareholder purchase plan.

The Company remains in a relatively strong financial position as at 30 June with cash assets of \$1.19 million.

Lake Johnston Project (100%)

During the financial year to 30 June 2013 the Company completed two phases of exploration including soil sampling, geophysics, reverse circulation and diamond drilling.

Phase one consisted of 6 diamond drill holes for a total of 1,293 metres to test several geophysical conductors located on or adjacent to the interpreted basal contact of ultramafic units. Five drill holes intersected barren iron sulphides explaining the conductors. The ultramafic rocks intersected contained up to 0.3% background nickel indicating that the rocks are fertile for nickel sulphide accumulations.

The sixth hole LPDD004 (Figures 3 and 4) drilled into the western ultramafic unit intersected two zones rich in silver at 34 and 76 metres respectively. The upper zone contained 2 metres at **71 g/t** silver with trace gold, copper and tungsten and the lower zone contained 1 metre at **144 g/t** silver, 0.1% copper, 0.04 g/t gold and trace tungsten. Silver and gold mineralisation was also identified at surface with 3 metres at **14.5 g/t** silver and 34 ppb gold.

A soil geochemistry survey was carried out post drilling to establish the extent and intensity of the surface silver and gold anomaly to allow future drilling to be effectively targeted. The survey identified coincident nickel and copper soil anomalies however no silver anomalies were identified that could assist with drill targeting.

During October and November 2012 the Company also completed an extensive geophysical survey to evaluate areas of the Lake Percy tenement not previously tested with geophysics. The survey identified an additional four new conductors (Figures 1 and 2); two to the northwest of the phase one drilling program within the eastern ultramafic sequence and four in the southern corner of the tenement within the central ultramafic sequence. Each conductive target sits on or adjacent to an ultramafic contact that is considered to have the potential to host nickel sulphide mineralisation.

The second phase of drilling consisted of nine reverse circulation holes for a total of 1,409 metres. The massive sulphide zones identified in drill holes LPRC001-005 (Lake Percy prospect) and MGRC001-003 (Mt Gordon prospect) contained trace nickel and copper consistent with sulphides formed within sea floor marine sediments.

In contrast, at the Lake Percy prospect LPRC007 drilled into the central ultramafic unit intersected **32 metres at 0.83% nickel, 226 ppm copper and 176 ppm cobalt from 24 metres** mainly within the weathered ultramafic regolith profile. The remainder of the ultramafic unit contained high background levels of nickel averaging 0.25% nickel and 1-5 ppm copper over 28 metres (Figures 3 and 4).

The high nickel results are associated with exceptionally high copper values (averaging 266ppm) compared to background values of 1-5ppm copper, and very low chrome values (242ppm) compared to background values (500ppm). LPRC007 was drilled to test under a mineralised historical RAB hole that intersected 21m at 1.34% nickel, 356ppm copper, 560ppm cobalt and low chrome 0.14%. The low chrome, high copper and generally high base metals values in both holes are suggestive of a sulphide source overprinted by moderate enrichment via weathering.

On the same cross section a historical hole ANC178C drilling by Anaconda Nickel intersected 6 metres at 1.7% nickel, 93 ppm copper, 267 ppm cobalt and 0.51% chrome on a faulted contact with an intrusive felsic pegmatite.

Table 1 Mineralised nickel intervals on cross section WUM11

Hole ID	Type	From	To	Interval	Nickel %	Copper (ppm)	Cobalt (ppm)	Chrome %
LPRC007	RC	24	56	32	0.83	226	176	0.02
ANR0559	RAB	16	37	21	1.34	356	560	0.14
ANC0172B	RC	100	106	6	1.7	93	267	0.51

Additional analysis of the surface soil geochemistry samples collected in 2012 has identified very strong nickel/chrome and copper/zinc ratios along the western contact of the central ultramafic unit both north and south of LPRC007. The combined Ni/Cr and Cu/Zn (Kambalda) ratio is commonly indicative of nickel sulphide mineralisation occurring nearby (Figure 5).

Given these results, the Company strongly believes that further exploration is warranted. However, given the current economic conditions the Company believes it is prudent to refine targets with additional low cost soil geochemistry surveys prior to further drilling.

Mt Glasse

The recently completed soil geochemistry at Mt Glasse displayed strong nickel, copper and platinum/palladium enrichment, potentially indicative of nickel sulphide mineralisation at depth. Follow up geophysical surveys confirmed several prospective geophysical conductors at depths of 100 to 200 metres consistent with sulphide mineralisation. The conductors also occur down dip from coincident nickel and copper anomalies in shallow RAB drill holes (Figure 6).

Depending on the geological interpretation applied, the conductors occur either on an internal basal contact within the ultramafic sequence or on the upper contact of the central ultramafic unit and overlying felsic and mafic volcanics. While nickel sulphide deposits do occur in these positions the conductors are not located in the optimal basal contact position.

Further detailed analysis of the geochemistry, particularly the nickel/chrome and copper zinc ratios (Kambalda ratio) indicates that the high nickel and copper values may be the result of weathering processes and are not necessarily indicative of sulphide mineralisation at depth. While the conductors still represent prospective drill targets, the Company is cognisant of the difficult market conditions and has decided to focus the next round of exploration efforts on the Lake Percy nickel and base metal targets in preference to progressing drilling on the Mt Glasse targets.

Ongoing Exploration

The Company will continue to refine drilling targets with additional low cost soil geochemistry surveys at Lake Percy, Mt Gordon and Mt Glasse.

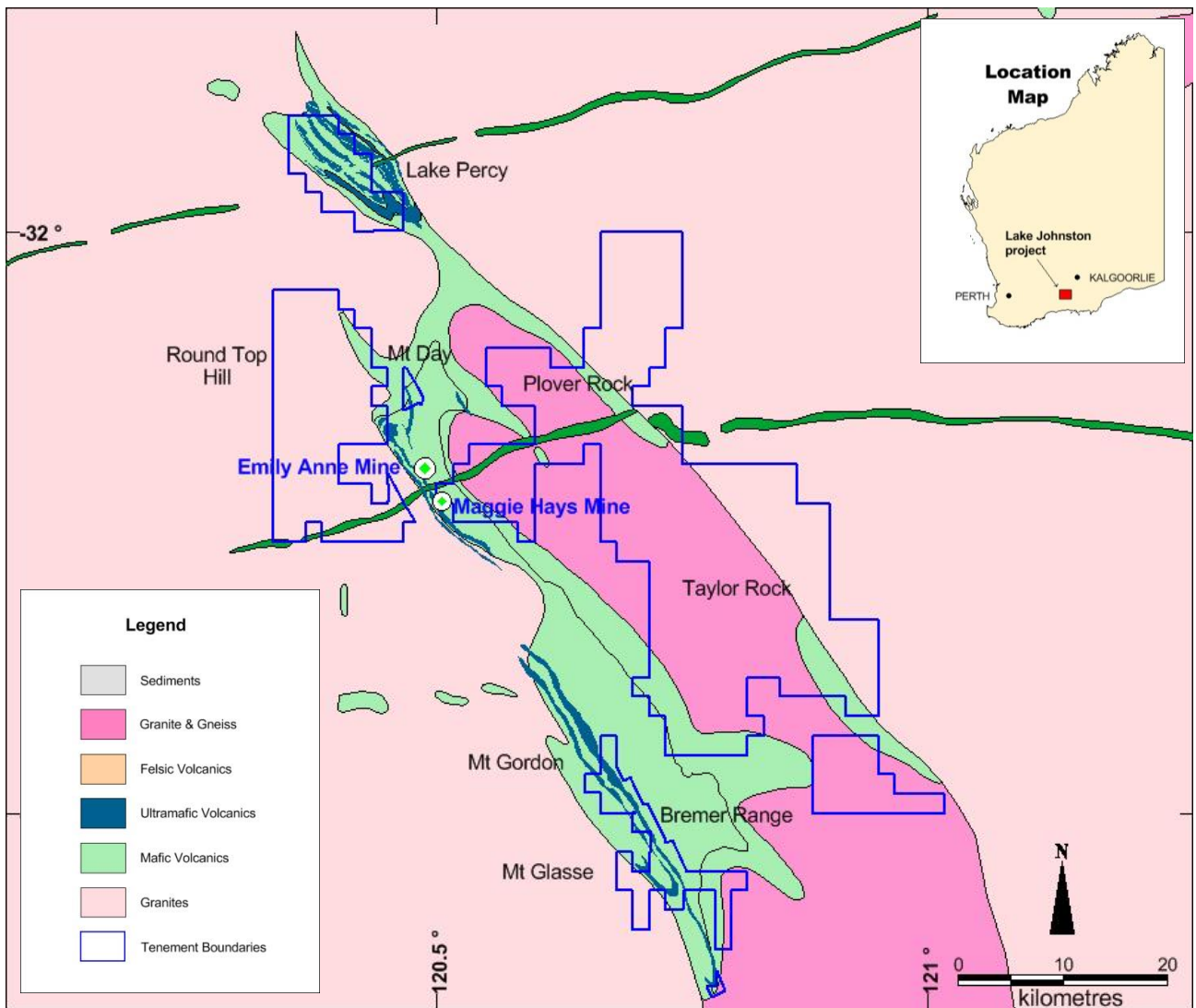


Figure 1 Regional geology map showing tenement holdings, mine locations and the location of the Mt Gordon and Lake Percy prospects.

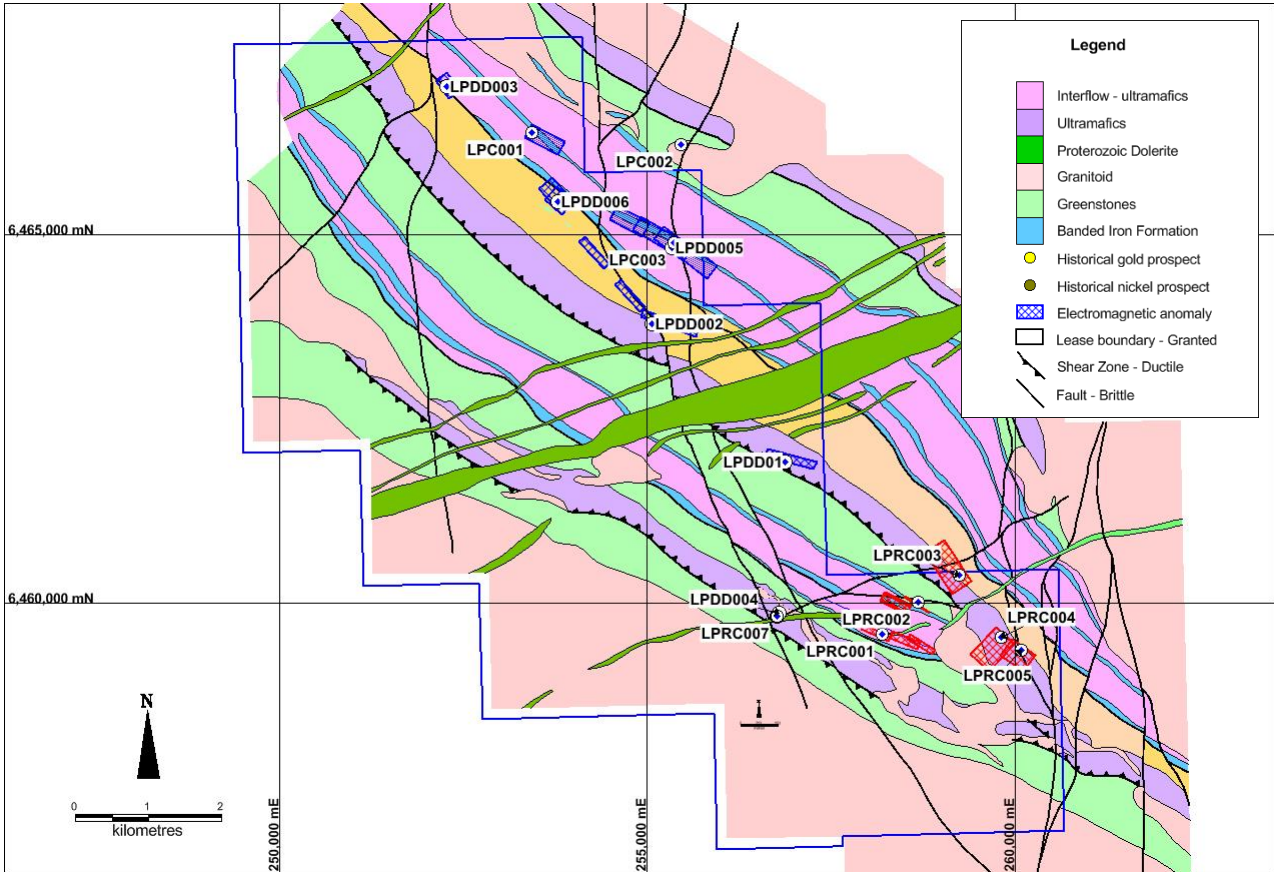


Figure 2 Completed diamond and reverse circulation drill holes at Lake Percy.

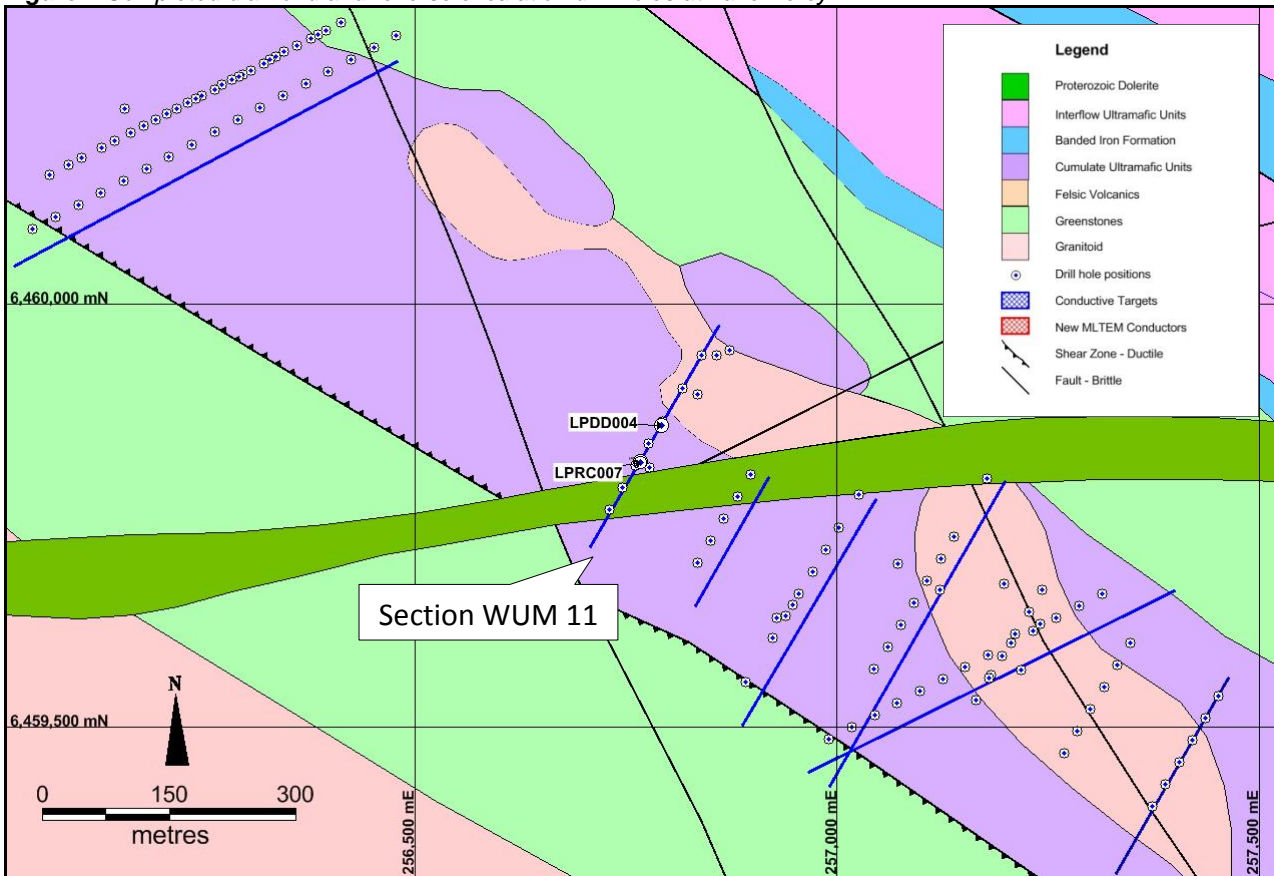


Figure 3 Geological plan of cross section WUM11 showing mineralised zone at Lake Percy.

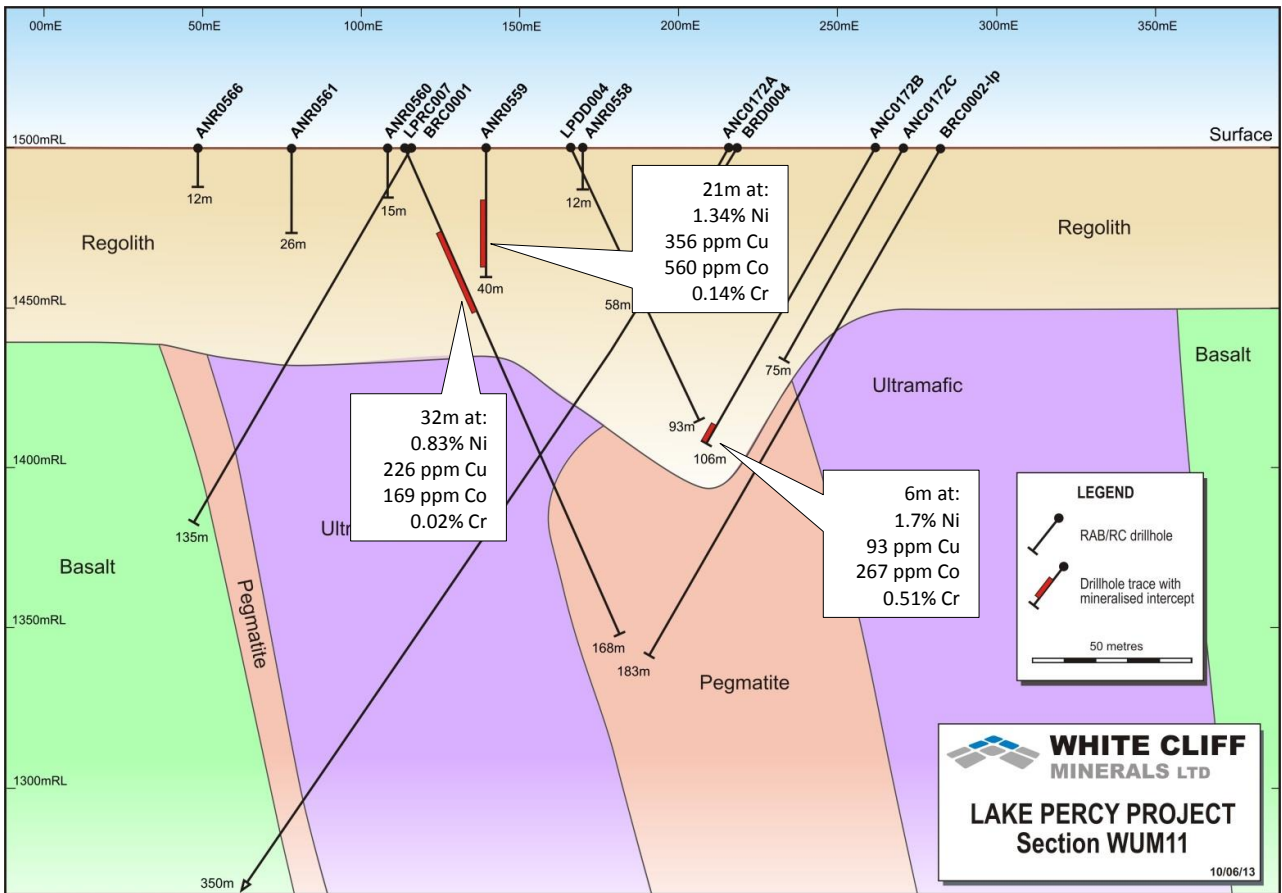


Figure 4 LPRC007 Cross section showing mineralised nickel intersections.

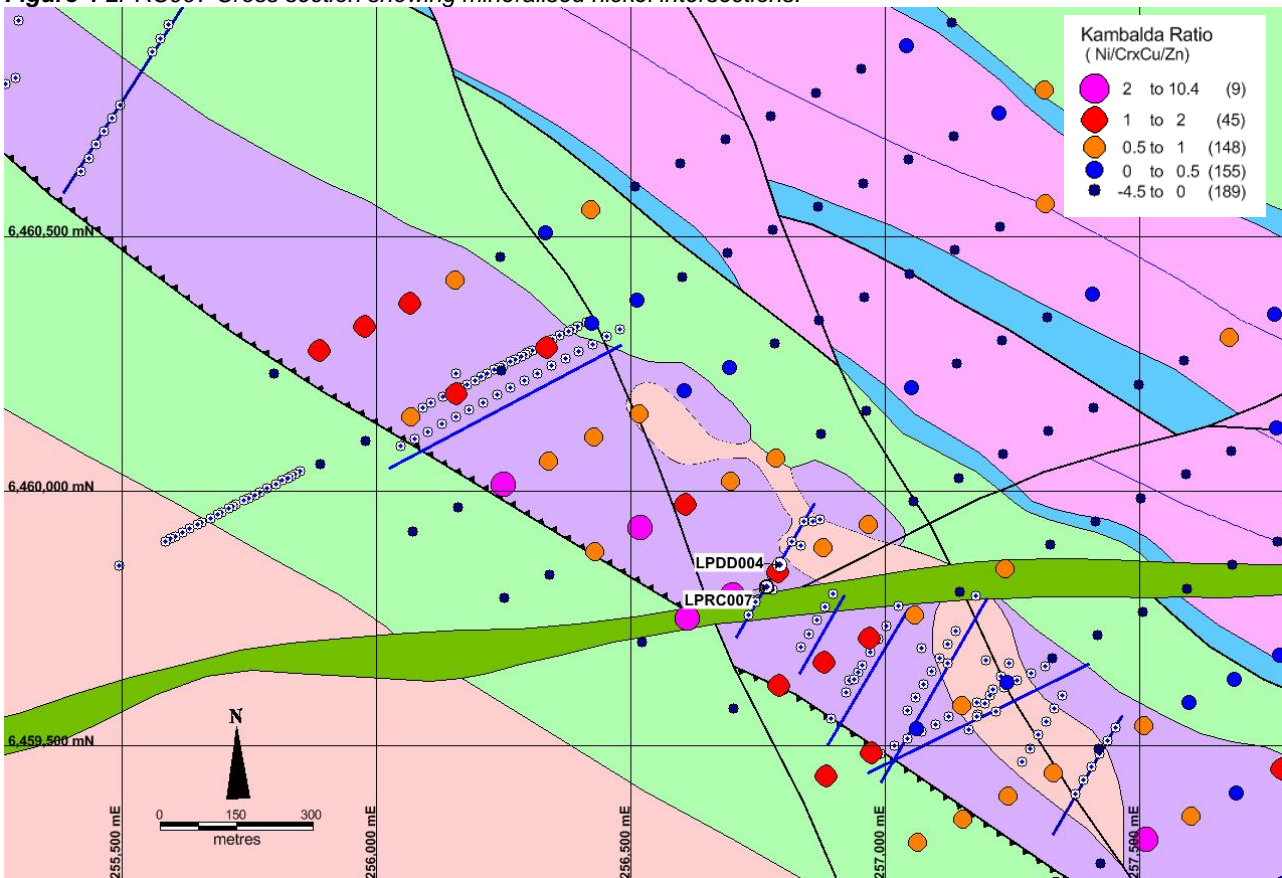


Figure 5 Nickel/Chrome*Copper/Zinc (Kambalda) ratios >1 (pink dots) highlight the prospectivity of the western contact of the western ultramafic unit north of LPRC007.

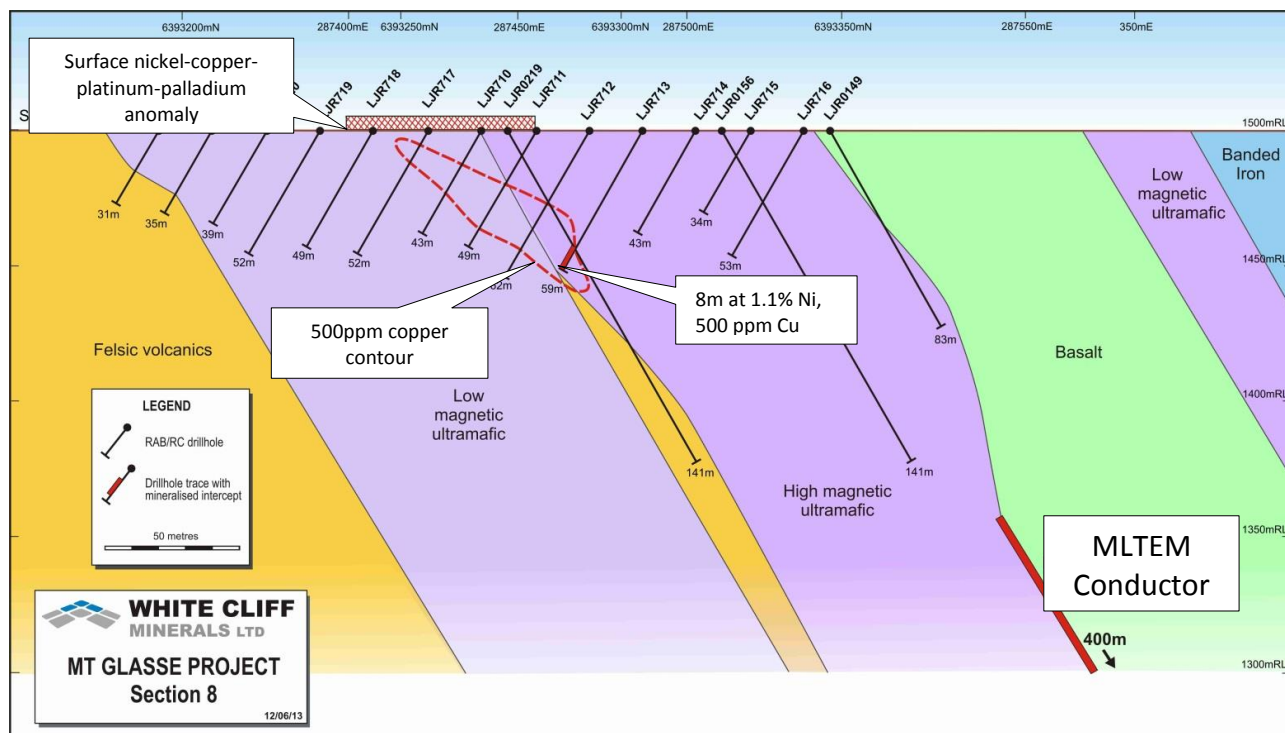


Figure 6 Geological interpretation of Mt Glasse cross section 8 showing EM conductor, drill hole copper anomaly and surface Ni-Cu-Pt-Pd anomalies.

The Chanach Copper – Gold Project, Central Asia (57%)

The Chanach gold-copper project is situated in the northwest region of the Kyrgyz Republic and covers 83 km². White Cliff Minerals Limited and its joint venture partner, T2 Gold Pty Limited, own 90% of the Chanach gold-copper project on a 64:36 basis.

During the financial year the Joint Venture partners received the results from the 2012 rock sampling and drilling program. Sampling has identified several new zones of copper mineralisation and drilling has confirmed the orientation and tenor of the mineralised system.

A review of the mineralised system has also identified that there may be significant economic potential for copper production from the surface copper oxide zones via a low cost heap leach processing operation. Further work on this possibility is being undertaken.

Copper Mineralisation

Sampling along trenches and bulldozer cuttings across the skarn contact has identified new zones of copper mineralisation (Figure 7 and 8). The copper trenching results are encouraging with assay values up to 4.12% copper. The best overall results were obtained from the top of the skarn contact with **8 metres at 1.72% copper** within 33 metres averaging 0.85% copper and 24m at 0.48% copper. The mineralisation occurs as supergene copper oxides and secondary copper sulphides. There is significant potential for this zone to extend along strike to the north and south.

The above results are 100m above and offset from an intersection of 33m averaging 0.66% copper that also occurs along the thermally metamorphosed skarn contact (Figure 8).

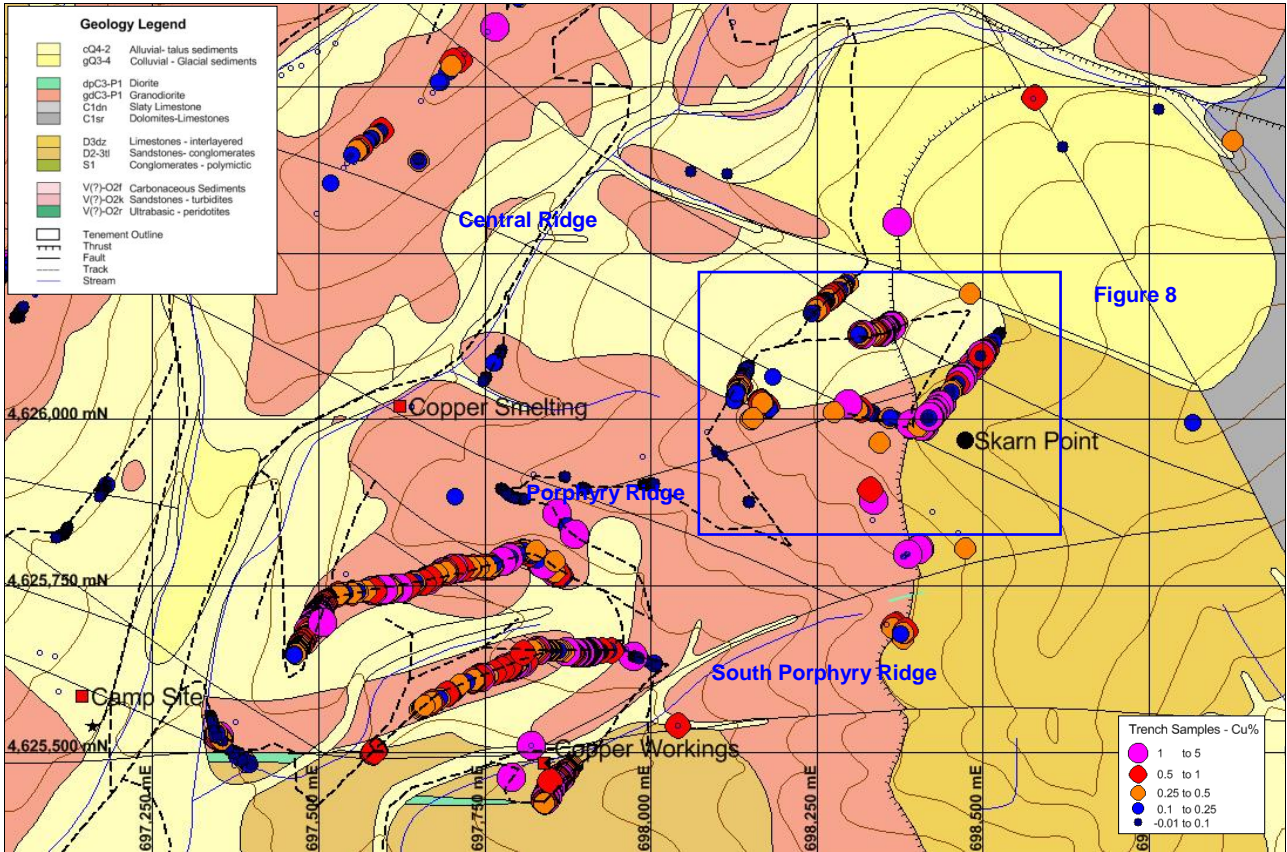


Figure 7 Rock chip and trench sampling locations showing copper mineralisation

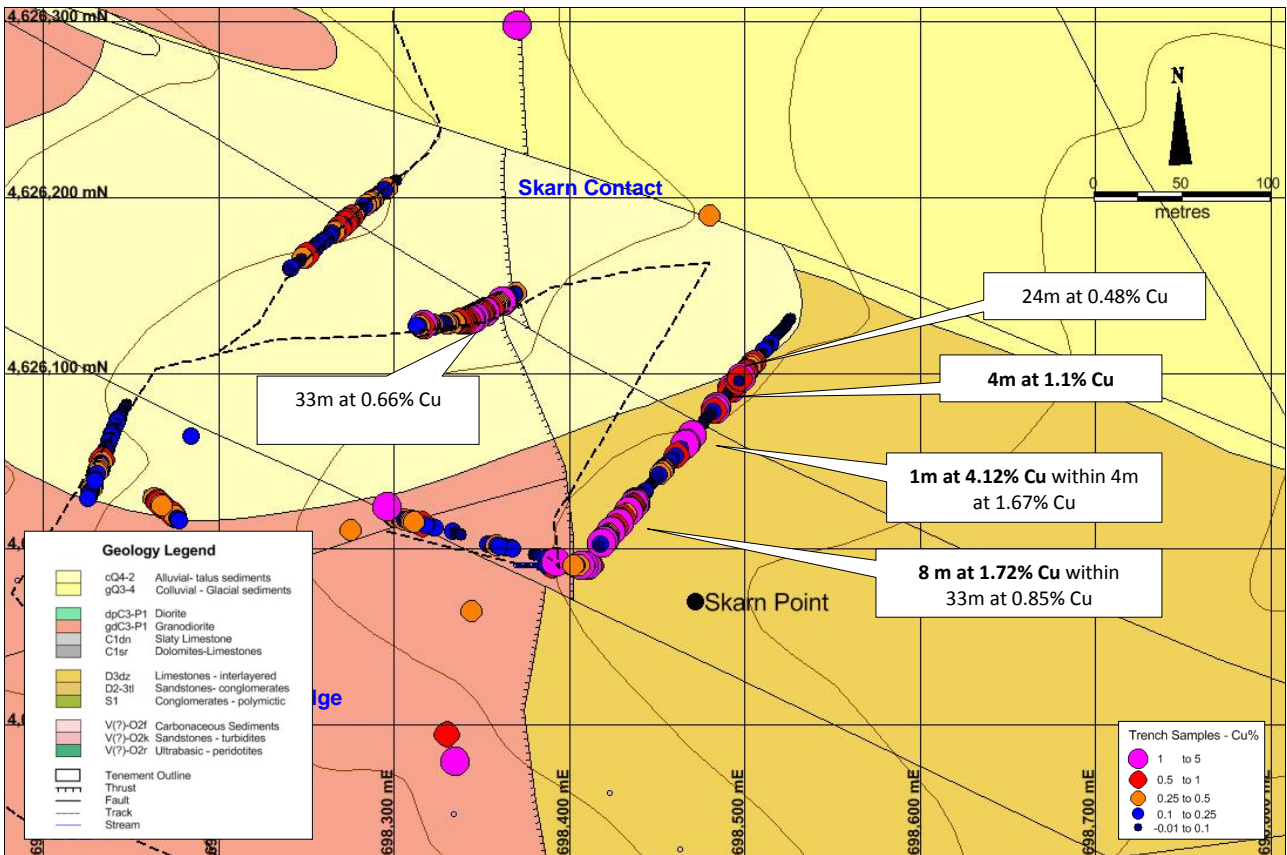


Figure 8 Rock chip and trench sample locations showing copper mineralisation on Skarn Contact

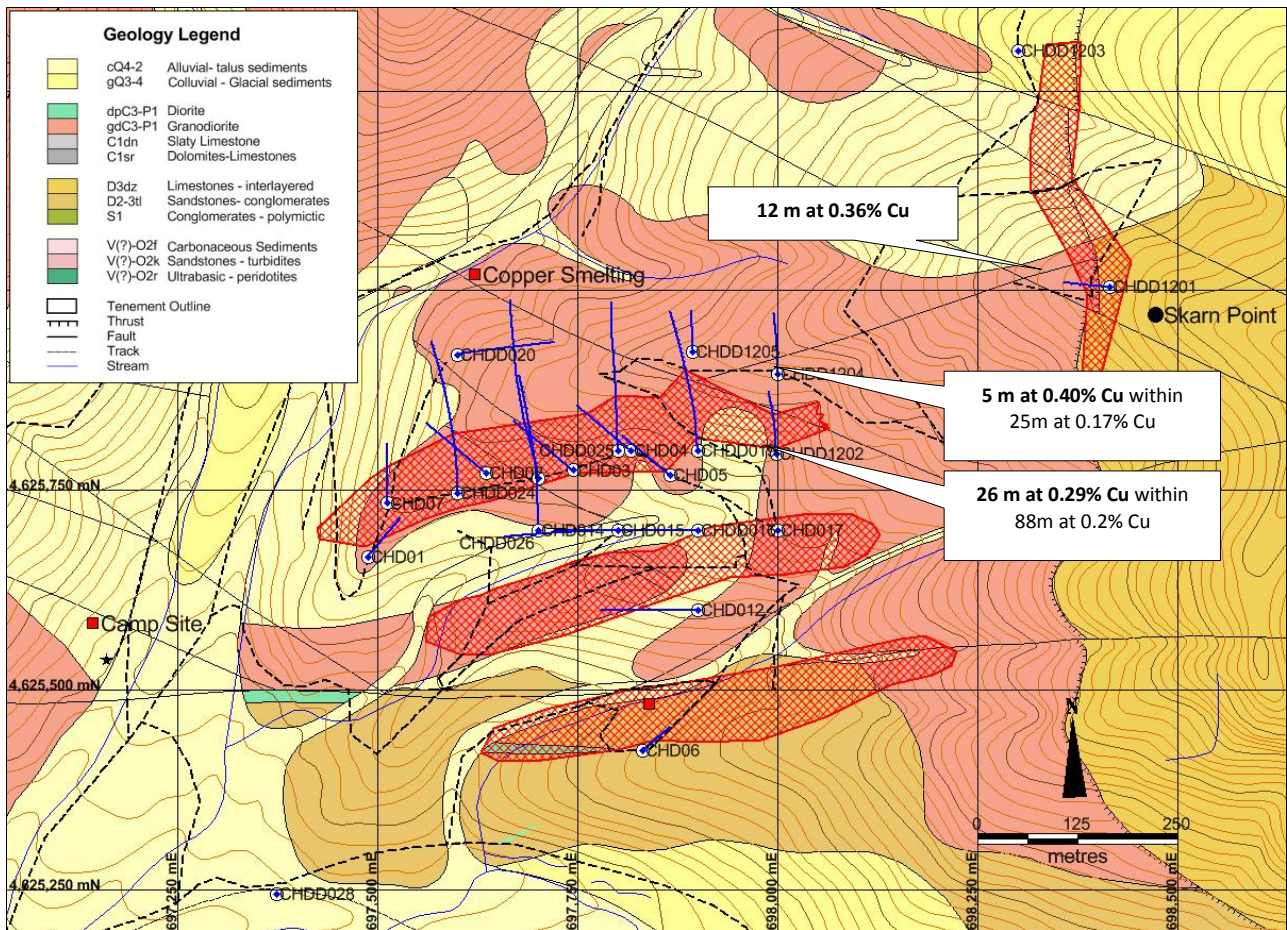
Drilling Results

The 2012 drilling program consisted of 5 holes for a total of 623 metres, designed to extend the existing mineralised zone to the East as well as test the skarn contact and a magnetic high adjacent to the skarn contact (Figure 9).

The drilling extended the main existing mineralised zone 100 metres to the east with CHDD12-02 intersecting 26 metres at 0.3% copper within an alteration halo of 88 metres at 0.17% copper. A second hole (CHDD12-04) drilled on the same section, 100 metres to the north and 50 metres higher in elevation intersected 5 metres at 0.4% copper within 25 metres at 0.17% copper in the upper parts of the mineralised system.

Based on drilling results to date the mineralisation is interpreted to form a moderate grade (0.3 to 0.5% copper) supergene blanket of mineralisation above a series of deeper, steeply dipping, higher grade (0.5 to 2.3% copper) shear zones. There appear to be three mineralised zones approximately 500 metres long, up to 100 metres wide at surface and narrowing to 3-10 metres wide at depth. Mineralisation is open to the north, south at depth and along strike to the east.

Drilling also identified 12 metres at 0.36% copper across the thermally metamorphosed contact between the granodiorite and the overlying limestone. Drilling at the magnetic high did not identify any mineralisation.



Project Review

During a review of the mineralised system it was identified that there may be significant economic potential for copper production from the surface copper oxide zones via a low cost heap leach processing operation. The bulk of the trenching and drilling to date have outlined a large area containing extensive copper oxide mineralisation that is amenable to heap leaching. A first pass economic assessment suggests that project economics would be very robust subject to further metallurgical and engineering studies. Further exploration will now focus on expanding the size of the copper oxide zones and carrying out initial metallurgical and

engineering studies to confirm project economics. To this end, the Joint Venture partners have planned an exploration program for the 2013 field season focussing on copper oxide mineralisation and are seeking a funding partner to advance the project.

Mount Remarkable Project (100%)

The project is located approximately 170 km N-NE of Kalgoorlie in the Northern Goldfields and includes the historic gold mining centres of Mt Remarkable and Yerilla. The project covers approximately 604 square kilometres of Archean greenstone and granitoid sequences prospective for shear and vein hosted gold deposits, ultramafic hosted nickel sulphide deposits and volcanic hosted base metal deposits.

During the year the Company reviewed the project focussing on the nickel sulphide, base metals and gold potential. The Company is planning a series of soil sampling campaigns covering extensions to the Apollo Shear (gold), the Mt Remarkable Fault (nickel) and the Jungle Pool fault aimed at defining base metal, nickel and gold targets.

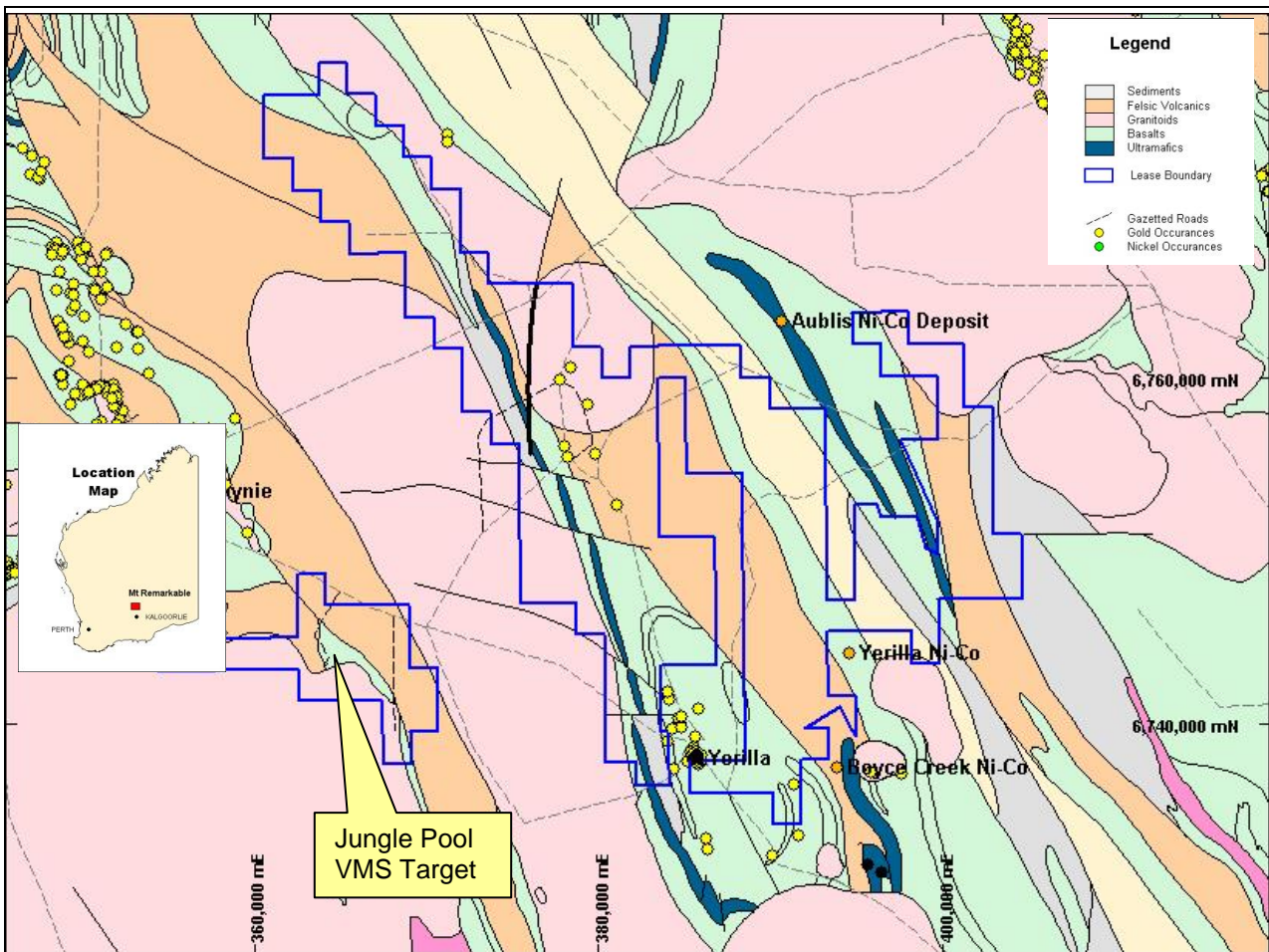


Figure 10 The Mt Remarkable and Jungle Pool project areas with local nickel, gold and VMS targets

Ghan Well Project (100%)

The Ghan Well Nickel Prospect is located some 40 km southwest of Laverton on the Western Edge of Lake Carey and adjacent to Minara Resources Murrin Murrin East open Pit. The Prospect is dominated by a Northward trending strong magnetic high that extends over 10 kilometres. The magnetic high is closely correlated with outcropping komatiitic ultramafics that contain extensive nickel and cobalt mineralisation in the lateritic and saprolitic profiles. This region hosts the Murrin Murrin and Mt Windarra nickel mines, along with the Sunrise Dam, Granny Smith and Bright Star gold mines.

During the year the Company reviewed the nickel and gold prospectivity of the project. Previous drilling intersected widespread nickel mineralisation with one metre sample grades up to 1.57% nickel and 0.30% cobalt within the siliceous laterite ultramafic cap and underlying highly weathered saprolitic ultramafic. The drilling also identified anomalous copper values in some holes highlighting the prospectivity of the ultramafic rocks for nickel sulphide mineralisation at depth.

The identification of komatiitic and cumulate textures and presence of nickel mineralisation demonstrate that the ultramafic unit is prospective for nickel sulphides. The Ghan Well ultramafic unit extends over six kilometres along strike and only 400 metres of this ultramafic unit has been tested to date. The most prospective and largest zones are south of the existing drilling along the edge of Lake Carey (Figure 11).

The Company is investigating several geochemical sampling methods to test the regolith profile beneath shallow lake sediments to further define gold and nickel targets prior to planning drilling.

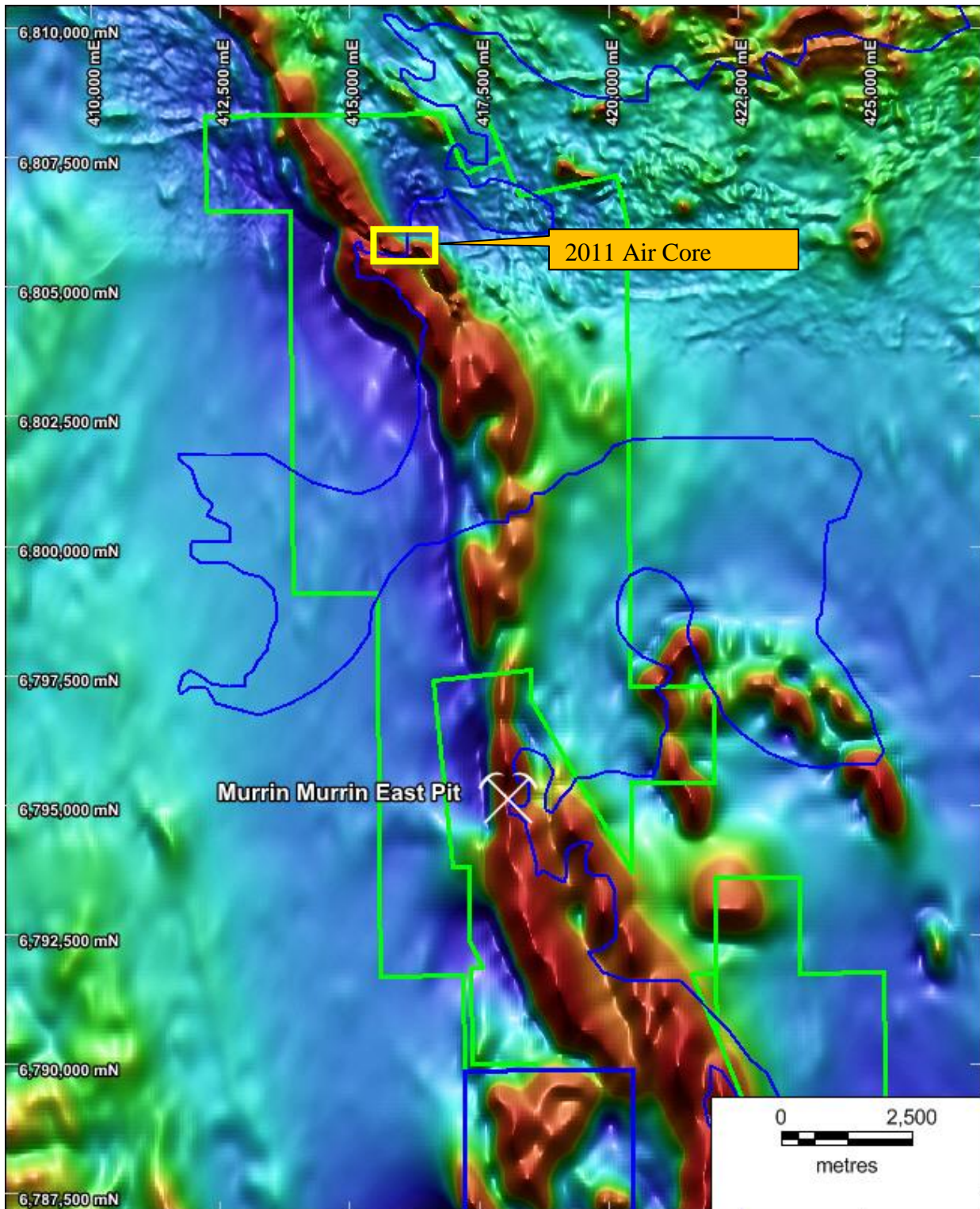


Figure 11 Ghan Well Location plan showing tenement outline (green), drilling location (yellow) and Lake Carey outline (Blue) over RTP magnetic image.

Other Projects

In the year there was no significant exploration undertaken on the Company's remaining exploration projects.

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 2004 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.

Directors' Report

Your directors present their annual financial report on the consolidated entity (referred to hereafter as the "Group") consisting of White Cliff Minerals Limited (the "Company" or "parent entity") and the entities it controlled during the financial year ended 30 June 2013. In order to comply with the provisions of the Corporations Act, the directors report as follows:

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report:

M Langoulant - *Executive Chairman*

T Hibberd - *Managing Director*

R Boland - *Non-Executive Director*

Principal activities

The principal activity of the Group during the financial year was mineral exploration.

Dividends

No dividend has been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Review of operations

Information on the operations of the Group is set out in the review of Operations Report on pages 4 to 18 of this Annual Report.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group to the date of this report.

Matters subsequent to the end of the financial year

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Likely developments and expected results

Additional comments on expected results of certain operations of the Group are included in the review of operations and activities.

Environmental legislation

The Group is subject to significant environmental legal regulations in respect to its exploration and evaluation activities. There have been no known breaches of these regulations and principles.

Indemnification and insurance of directors and officers

During the financial year the Company has not paid premiums in respect of insuring directors and officers of the Company against liabilities incurred as directors or officers. The Company has no insurance policy in place that indemnifies the Company's auditors.

Directors' Report

Information on directors

Michael Langoulant; B Com, CA Executive Chairman and Company Secretary

Experience and expertise

Founding director with over 20 years' experience in public company corporate administration and fundraising. After 10 years with large international accounting firms he has acted as finance director, CFO, company secretary and non-executive director with a number of publicly listed companies.

Other current directorships

Nyota Minerals Limited and Luri Gold Ltd

Former directorships in the last 3 years

None

Special responsibilities

Chairman and co-Company Secretary

Interests in shares and options at the date of this report

5,621,822 ordinary shares; 4,681,820 30 September 2014 options; 1,000,000 30 June 2014 options

Todd Jeffrey Hibberd; BSc, MSc, Dip Bus, MAusIMM, MAICD Managing Director

Experience and expertise

Appointed in December 2008 Mr Hibberd is a geologist with an extensive background in exploration, mining and mineral economics with over 20 years in exploration, resource estimation, feasibility studies, mine development and production management. Recent experience includes two years as Managing Director of ASX listed Stonehenge Metals Limited and 10 years working for Newmont Mining Corporation in various senior exploration and production roles.

Other current directorships

None

Former directorships in the last 3 years

None

Special responsibilities

Managing director

Interests in shares and options at the date of this report

6,047,964 ordinary shares; 5,000,000 30 September 2014 options; 1,500,000 30 June 2014 options

Rodd Boland; B Com, MBA Non-Executive Director

Experience and expertise

Mr. Boland has over 20 years of corporate and financial industry experience in investment banking, executive management and the capital markets including advising and raising equity for corporations in the form of venture capital, private equity, pre-initial public offerings and initial public offerings.

Other current directorships

None

Former directorships in the last 3 years

None.

Special responsibilities

Investor relations

Interests in shares and options at the date of this report

510,000 ordinary shares; 1,250,000 30 September 2014 options; 750,000 30 June 2014 options

Co-Company Secretary

Brooke White, 32, has been co-company secretary of White Cliff since February 2010. Ms White holds business administration and financial services qualifications with over 11 years in corporate secretarial roles. She has been either company secretary or assistant company secretary for numerous ASX and AIM listed mining and exploration companies.

Directors' Report

Meetings of directors

During the financial year there were 6 formal directors' meetings. All other matters that required formal Board resolutions were dealt with via written circular resolutions. In addition, the directors met on an informal basis at regular intervals during the financial year to discuss the Group's affairs.

The number of meetings of the Company's board of directors attended by each director were:

	<i>Directors' meetings held whilst in office</i>	<i>Directors' meetings attended</i>
M Langoulant	6	6
T Hibberd	6	6
R Boland	6	6

Shares under option

Outstanding share options at the date of this report are as follows:

Grant Date	Date of expiry	Exercise price	Number of options
April 2011	30 June 2014	\$0.25	5,750,000
September 2012 – March 2013	30 September 2014	\$0.06	116,227,300

No option holder has any right under the options to participate in any other share issue of the Company or any other controlled entity.

Shares issued on the exercise of options

There have been no shares issued upon the exercise of options.

Directors' Report

Remuneration Report

This report outlines the remuneration arrangements in place for the key management personnel of White Cliff Minerals Limited (the "Company") for the financial year ended 30 June 2013. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes all executives in the Parent and the Group receiving the highest remuneration.

Key Management Personnel

(i) Directors

Michael Langoulant (Chairman)
Todd Hibberd (Managing Director)
Rod Boland (Non-executive Director)

(ii) Executive

There were no other executives of the Company as at 30 June 2013.

Details of directors' and executives' remuneration are set out under the following main headings:

- A Principles used to determine the nature and amount of remuneration
- B Details of remuneration
- C Employment contracts/Consultancy agreements
- D Share-based compensation

A Principles used to determine the nature and amount of remuneration

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aims to align executive reward with the creation of value for shareholders. The key criteria for good remuneration governance practices adopted by the Board are:

- competitiveness and reasonableness
- acceptability to shareholders
- performance incentives
- transparency
- capital management

The framework provides a mix of fixed salary, consultancy agreement based remuneration and share based incentives.

The broad remuneration policy for determining the nature and amount of emoluments of Board members and senior executives of the Company is governed by the full board. Although there is no separate remuneration committee the Board's aim is to ensure the remuneration packages properly reflect directors' and executives' duties and responsibilities. The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention and motivation of a high quality Board and executive team.

The current remuneration policy adopted is that no element of any director or executive package is directly related to the Company's financial performance. Indeed there are no elements of any director or executive remuneration that are dependent upon the satisfaction of any specific condition however the overall remuneration policy framework is structured to advance and create shareholder wealth.

Non-executive directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board and are intended to be in line with the market.

Directors' Report

Directors' fees

Some of the directors perform at least some executive or consultancy services. As the Board considers it important to distinguish between the executive and non-executive roles each of the directors receive a separate fixed fee for their services as a director. As from 1 July 2012 the annual director fee has been reduced by 50% from \$30,000 per annum per director to \$15,000 per annum per director.

Retirement allowances for directors

Apart from superannuation payments paid on salaries there are no retirement allowances for directors.

Executive pay

The executive pay and reward framework has the following components:

- base pay and benefits such as superannuation
- long-term incentives through participation in employee equity issues

Base pay

All executives are either full time employees or consultants who are paid on an agreed basis that has been formalised in a consultancy agreement.

Benefits

Apart from superannuation paid on executive salaries there are no additional benefits paid to executives.

Short-term incentives

There are no current short term incentive remuneration arrangements.

Employee/Consultant options

To ensure that the Company has appropriate mechanisms in place to continue to attract and retain the services of suitable directors and employees, the Company has issued options to key personnel.

During the year ended 30 June 2013, the Company issued 8,000,000 Options exercisable at \$0.06 on or before 30 September 2014 to directors. No options were issued during the year ended 30 June 2012.

B Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and other key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Company and the Group for the year ended 30 June 2013 are set out in the following tables. There are no elements of remuneration that are directly related to performance.

The key management personnel of the Group are the directors of the Company and those executives that have authority and responsibility for planning, directing and controlling the activities of the Group.

White Cliff Minerals Limited
ABN 22 126 299 125

Directors' Report

Remuneration of directors

Year ended 30 June 2013	<i>Primary benefits</i>		<i>Post-employment benefits</i>	<i>Share-based payment</i>	
Name	<i>Salary and/or consulting fees</i>	<i>Directors' Fees¹</i>	<i>Super-annuation</i>	<i>Option Issues²</i>	<i>Total</i>
	\$	\$	\$	\$	\$
Director					
M Langoulant ³	150,000	30,000	-	51,565	231,565
T Hibberd	229,360	30,000	20,640	59,498	339,498
R Boland	30,000	30,000	-	15,866	75,866
	409,360	90,000 ¹	20,640	126,929 ²	646,929

Other key management personnel

Nil

**Year ended
30 June 2012
Director**

M Langoulant ³	150,000	15,000	-	28,586	193,586
T Hibberd	229,360	15,000	20,640	42,879	307,879
R Boland	30,000	15,000	-	21,440	66,440
	409,360	45,000 ¹	20,640	92,905	567,905

Other key management personnel

Nil

1 The 2012 financial statements omitted the Director fees for the period January to June 2012 which were only to be paid upon the Company receiving additional equity funding. These fees (although relating to the 2012 year) were paid in September 2012 and are presented above as part of the 2013 year remuneration. Since 1 July 2012 director fees have been set at \$15,000 per annum.

2 Employee options exercisable in September 2014 issued to Directors in November 2012 were issued with continuity of employment vesting conditions. In March 2013 however shareholders voted to vary the conditions of all September 2014 options on issue (including those issued to Directors) such that these options could become listed on ASX. As a result the vesting conditions were removed and the share based expense relating to the issue of options to Directors has been accounted for in full during the 2013 year instead of being amortised over three financial years as was originally intended.

3 Includes fees for accounting and corporate administration services to a company of which he is a Director and shareholder.

The assessed fair value at grant date of options granted to individuals is included in key management personnel remuneration above and expensed in the statement of comprehensive income over the vesting period of the options. Employee options exercisable in September 2014 issued to key management personnel in November 2012 were issued with continuity of employment vesting conditions. In March 2013 however shareholders voted to vary the conditions of all September 2014 options on issue (including those issued to Directors) such that these options could become listed on ASX. As a result the vesting conditions applicable to these options were removed and the share based expense relating to the issue of options to key management personnel has been accounted for in full during the 2013 year instead of being amortised over three financial years as was originally intended.

Directors' Report

Fair values at grant date are independently determined using a Black and Scholes option pricing model that takes into account various assumption as detailed in Note 14.

The table below compares the share based payment expense components for the year ended 30 June 2013 to the theoretical cash value of directors' options held as at 30 June 2013. Details of individual directors' option holdings are provided in Note 17.

Name	2013 Share-based payments expense for remuneration disclosure and accounting purposes \$	Value of directors' listed options that have vested but are unexercised as of 30 June 2013 \$*
Director		
M Langoulant	51,565	3,250
T Hibberd	59,498	3,750
R Boland	15,866	1,000

* This amount is based upon the market value of the Company's listed options on the last trading day on which the Company's options traded on the ASX on or before 30 June 2013, which was \$0.001.

C Employment contracts/Consultancy agreements

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. Formal services contracts have been made with the Executive Chairman and the Managing Director.

Given the Company's current cash resources and state of equity capital markets the Board agreed that all gross wages/consulting fee arrangements with directors have been reduced by a factor of 40% commencing from 1 July 2013. In addition it was previously agreed to cut annual director fees by 50% effective from 1 July 2012. These arrangements will not be reviewed unless the Company is able to raise fresh equity funding.

D Share-based compensation

Options

Options are granted to employees and consultants as determined by the board. The terms and conditions of each grant of options affecting remuneration in this or future reporting periods are as follows:

Grant date	Expiry date	Exercise price	Value per option at grant date	Date exercisable
1 April 2011	30 June 2014	\$0.25	\$0.054	3 tranches, subject to vesting conditions, one third on 1 April 2012, one third on 1 April 2013 and one third 1 April 2014
2 November 2012	30 September 2014	\$0.06	\$0.016	30 September 2014

Directors' Report

There have been no options granted to employees or consultants that have been exercised or have lapsed during the reporting period.

Options granted carry no dividend or voting rights. When exercisable, each option is convertible into one ordinary share. Further information on the options is set out in notes 14 and 17 to the financial statements.

Details of Share-based compensation options issue to directors and key management personnel during the current financial year are set out below.

Name	Option series	Number granted	Number vested	% of compensation for year consisting of options
M Langoulant	2/11/2012	3,250,000	3,250,000	22
T Hibberd	2/11/2012	3,750,000	3,750,000	18
R Boland	2/11/2012	1,000,000	1,000,000	21

End of remuneration report.

Auditor independence and non-audit services

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 27 and forms part of this directors' report for the year ended 30 June 2013.

Non-audit services

The Company may decide to employ the auditors on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the consolidated entity are important. The Company has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The auditors have not provided any material non-audit services during the reporting year and therefore the auditors' independence was not compromised.

Proceedings on behalf of Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of the directors.



M Langoulant
Chairman
Perth, Western Australia
6 September 2013

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of White Cliff Minerals Limited for the year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- b) any applicable code of professional conduct in relation to the audit.

This declaration is in respect of White Cliff Minerals Limited and the entities it controlled during the year.

Perth, Western Australia
6 September 2013



N G Neill
Partner, HLB Mann Judd

Corporate governance statement

Introduction

White Cliff Minerals Limited (the "Company") considers the adoption of appropriate systems of control and accountability as the basis for the administration of corporate governance. Some of these policies and procedures are summarised in this report. Commensurate with the spirit of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 2nd edition (**Recommendations**) the Company has followed each Recommendation where the Board has considered the recommendation to be an appropriate benchmark for corporate governance practices, taking into account factors such as the size of the Company and the Board, resources available and activities of the Company. Where, after due consideration, the Company's corporate governance practices depart from the Recommendations, the Board has offered full disclosure of the nature of, and reason for, the adoption of its own practice.

Further information about the Company's corporate governance practices, policies and Charters are set out on the Company's website at www.wcminerals.com.au. In accordance with the Recommendations, information published on the Company's website includes charters (for the Board and its sub-committees), codes of conduct and other policies and procedures relating to the Board and its responsibilities.

Disclosure – Principles & recommendations

The Company reports below on how it has followed (or otherwise departed from) each of the Recommendations during the 2012/2013 financial year ("**Reporting Period**").

Board

Roles and responsibilities of the Board and Senior Executives
(Recommendations: 1.1, 1.3)

The Company has established the functions reserved to the Board, and those delegated to senior executives and has set out these functions in its Board Charter.

The Board is collectively responsible for promoting the success of the Company through its key functions of overseeing the management of the Company, providing overall corporate governance of the Company, monitoring the financial performance of the Company, engaging appropriate management commensurate with the Company's structure and objectives, involvement in the development of corporate strategy and performance objectives, and reviewing, ratifying and monitoring systems of risk management and internal control, codes of conduct and legal compliance.

Senior executives are responsible for supporting the Managing Director and assisting the Managing Director in implementing the running of the general operations and financial business of the Company in accordance with the delegated authority of the Board. Senior executives are responsible for reporting all matters which fall within the Company's materiality thresholds at first instance to the Managing Director or, if the matter concerns the Managing Director, directly to the Chair or the lead independent director, as appropriate.

Skills, experience, expertise and period of office of each Director
(Recommendation: 2.6)

A profile of each Director setting out their skills, experience, expertise and period of office is set out in the Directors' Report.

The mix of skills and diversity for which the Board is looking to achieve in membership of the Board are: ability to provide guidance on the development of the Company's assets; independence; understanding of exploration; capital markets; geological; accounting and finance; and mining experience.

Director independence
(Recommendations: 2.1, 2.2, 2.3, 2.6)

For the Reporting Period the Board did not have a majority of directors who were independent.

The Company has not complied with this Recommendation. The Board has two non-independent directors and one independent director. Given the size and scope of the Company's operations, the Board considers that it has the relevant experience in the exploration and mining industry and is appropriately structured to discharge its duties in a manner that is in the best interests of the Company and its Shareholders from both a long-term strategic and operational perspective.

The Board considers the independence of directors having regard to its Policy on Assessing the Independence of Directors, which provides that when determining the independent status of a director the Board should consider whether the director:

- is a substantial shareholder of the Company or an officer, of, or otherwise associated directly with, a substantial shareholder of the Company;
- is employed, or has previously been employed in an executive capacity by a Group company and there has not been a period of at least 3 years between ceasing such employment and serving on the Board;
- has within the last 3 years been a principal of a material professional adviser or a material consultant to the Group;
- has a material contractual relationship with the Company or other group member other than as a director;
- is a material supplier or customer of the Group, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.

The Board has agreed on the following guidelines for assessing the materiality of matters:

- Statement of Financial Position items are material if they have a value of more than 5% of pro-forma net asset.
- Statement of Comprehensive Income items are material if they will have an impact on the current year operating result of 5% or more.
- Items are also material if they impact on the reputation of the Company, involve a breach of legislation, are outside the ordinary course of business, could affect the Company's rights to its assets, if accumulated would trigger the quantitative tests, involve a contingent liability that would have a probable effect of 5% or more on asset, liability, income or expense items, or will have an effect on operations which is likely to result in an increase or decrease in net income or dividend distribution of more than 5%.

The independent director of the Company is Mr Rod Boland, who is not the Chair. Whilst the Company recognises the benefit of having an independent director as Chair, the Board was of the view that Michael Langoulant continues to be the most appropriate person for the position of Chair.

The Chief Executive Officer is Todd Hibberd who is not also Chair of the Board.

Independent professional advice (Recommendation: 2.6)

To assist directors with independent judgement, it is the Board's policy that if a director considers it necessary to obtain independent professional advice to properly discharge the responsibility of their office as a director then, provided the director first obtains approval from the Chair for incurring such expense, the Company will pay the reasonable expenses associated with obtaining such advice.

Selection and (Re)Appointment of Directors (Recommendation: 2.6)

In determining candidates for the Board, the Nomination Committee (or equivalent) follows a prescribed process whereby it evaluates the mix of skills, experience and expertise of the existing Board. In particular, the Nomination Committee (or equivalent) is to identify the particular skills that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors. Potential candidates are identified and, if relevant, the Nomination Committee (or equivalent) recommends an appropriate candidate for appointment to the Board. Any appointment made by the Board is subject to ratification by shareholders at the next general meeting.

Each director other than the Managing Director, must not hold office (without re-election) past the third annual general meeting of the Company following the director's appointment or three years following that director's last election or appointment (whichever is the longer).

However, a director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. At each annual general meeting a minimum of one director or one third of the total number of directors must resign. A director who retires at an annual general meeting is eligible for re-election at that meeting. Re-appointment of directors is not automatic.

Board committees

Nomination Committee

(Recommendations: 2.4, 2.6)

The Board has not established a separate Nomination Committee. The Board believes that there would be no efficiencies gained by establishing a separate Nomination Committee. Accordingly, the Board performs the role of the Nomination Committee. Items that are usually required to be discussed by a Nomination Committee are marked as separate agenda items at Board meetings when required. When the Board convenes as the Nomination Committee it carries out those functions which are delegated to it in the Company's Nomination Committee Charter. The Board deals with any conflicts of interest that may occur when convening in the capacity of the Nomination Committee by ensuring that the director with conflicting interests is not party to the relevant discussions.

The full Board officially convened as a Nomination Committee once during the Reporting Period, In addition informal nomination-related discussions occurred from time to time during the year as required.

Audit Committee

(Recommendations: 4.1, 4.2, 4.3, 4.4)

The Board has not established an Audit Committee.

The role of the audit committee is undertaken by the full Board, which comprises two executive directors and one independent non-executive director. The Board considers that given its current size no efficiencies or other benefits would be gained by establishing a separate audit committee. The Board has stated its audit and compliance responsibilities in the Board Charter.

Remuneration Committee

(Recommendations: 8.1, 8.2, 8.3, 8.4)

The Board has not established a Remuneration Committee.

The Board considers that no efficiencies or other benefits would be gained by establishing a separate Remuneration Committee. The Company's constitution provides that the remuneration of Non-Executive Directors will not be more than the aggregate fixed sum determined by general meeting. Time is set aside at one Board meeting each year specifically to address the matters usually considered by a Remuneration Committee. Remuneration matters, usually considered by a Remuneration Committee, were considered at during a number of Board meetings during the year.

Details of remuneration, including the Company's policy on remuneration, are contained in the "Remuneration Report" which forms of part of the Directors' Report. The Company's policy is to remunerate non-executive directors at market rates (for comparable companies) for time, commitment and responsibilities. Fees for non-executive directors are not linked to the performance of the Company. Given the Company's stage of development and the financial restriction placed on it, the Company may consider it appropriate to issue unlisted options to non-executive directors, subject to obtaining the relevant approvals. The grant of options is designed to attract and retain suitability qualified non-executive directors.

There are no termination or retirement benefits for non-executive directors (other than for superannuation).

Performance evaluation

Senior executives

(Recommendations: 1.2, 1.3)

The Managing Director is responsible for evaluating the performance of senior executives. The performance evaluation of senior executives is undertaken by meetings held with each senior executive and the Managing Director on an informal basis at least once a year.

During the Reporting Period an evaluation of senior executives took place in accordance with the process disclosed above.

Board, its committees and individual directors

(Recommendations: 2.5, 2.6)

The Chair is responsible for evaluating the performance of the Board and, when deemed appropriate, Board committees and individual directors. Evaluations of the Board and its committees are undertaken by way of round-table discussions and individual directors by one on one interview.

During the Reporting Period an evaluation of the Board and individual directors took place in accordance with the process disclosed above.

Ethical and responsible decision making

Code of Conduct

(Recommendations: 3.1, 3.5)

The Company has established a Code of Conduct as to the practices necessary to maintain confidence in the Company's integrity, the practices necessary to take into account its legal obligations and the reasonable expectations of its stakeholders and the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.

Diversity

(Recommendations: 3.2, 3.3, 3.4, 3.5)

The Company has established a Diversity Policy, which includes requirements for the Board to establish measurable objectives for achieving gender diversity and for the Board to assess annually both the objectives and progress towards achieving them.

Given the small size of the Company, the Board has not set measurable objectives for achieving gender diversity. However, the Company's Board does take into account the gender, age, ethnicity and cultural background of potential Board members, executives and employees.

At the date of this report the Company had only 2 male employees and no female Board members but contract a female co-company secretary.

A summary of the Company's Diversity Policy is disclosed on the Company's website.

Continuous Disclosure

(Recommendations: 5.1, 5.2)

The Company has established written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and accountability at a senior executive level for that compliance.

Shareholder Communication

(Recommendations: 6.1, 6.2)

The Company has designed a communications policy for promoting effective communication with shareholders and encouraging shareholder participation at general meetings.

Risk Management

Recommendations: 7.1, 7.2, 7.3, 7.4)

The Board has adopted a Risk Management Policy, which sets out the Company's risk profile. Under the policy, the Board is responsible for approving the Company's policies on risk oversight and management and satisfying itself that management has developed and implemented a sound system of risk management and internal control.

Under the policy, the Board delegates day-to-day management of risk to the Managing Director, who is responsible for identifying, assessing, monitoring and managing risks. The Managing Director is also responsible for updating the Company's material business risks to reflect any material changes, with the approval of the Board.

In fulfilling the duties of risk management, the Managing Director has unrestricted access to Company employees, contractors and records and may obtain independent expert advice on any matter they believe appropriate, with the prior approval of the Board.

In addition, the following risk management measures have been adopted by the Board to manage the Company's material business risks:

- the Board has established authority limits for management, which, if proposed to be exceeded, requires prior Board approval; and
- the Board has adopted a compliance procedure for the purpose of ensuring compliance with the Company's continuous disclosure obligations.

During the Reporting Period, the Company formalised its approach to risk management by documenting all material business risks in a risk register and allocation of ownership for material business risks to the Managing Director and management of individual material business risks to senior management and individuals within the organisation. The risk register is regularly reviewed by the Board and management. All risks identified in the risk register will be reviewed and assessed by management and the Board at least annually. Risk is a standing discussion item at scheduled Board meetings.

The key categories of risk of the Company, as reported on by management, include:

- cash management and the ability to raise fresh equity capital;
- financial reporting;
- ASX reporting compliance;
- project ownership retention;
- executive travel safety;
- maintaining joint venture partnerships;
- employee health and safety;
- retention of key employees;
- environmental compliance;
- foreign exchange risk; and
- sovereign risk.

The Board has required management to design, implement and maintain risk management and internal control systems to manage the Company's material business risks. The Board also requires management to report to it confirming that those risks are being managed effectively. The Board has received a report from management as to the effectiveness of the Company's management of its material business risks for the Reporting Period.

The Managing Director and the CFO equivalent have provided a declaration to the Board in accordance with section 295A of the Corporations Act and have assured the Board that such declaration is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.

White Cliff Minerals Limited
ABN 22 126 299 125

Statement of Comprehensive Income
For the year ended 30 June 2013

	Note	Consolidated 2013 \$	2012 \$
Other income	2	260,705	410,841
Depreciation		2,670	4,222
Exploration expenditure incurred		1,345,261	926,691
Impairment of other financial assets		101,609	-
Project acquisition costs written off	10	439,568	554,889
Share based payment expense		158,660	164,370
Other expenses		1,068,200	841,062
		3,115,968	2,491,234
Loss before income tax expense		(2,855,263)	(2,080,393)
Income tax expense	3	-	-
Loss after income tax expense		(2,855,263)	(2,080,393)
Net loss for the year		(2,855,263)	(2,080,393)
Other comprehensive loss/(income)			
<i>Items that may be subsequently reclassified to profit and loss:</i>			
Fair value adjustment on investments in other companies		-	(58,940)
<i>Items that will not be subsequently reclassified to profit and loss:</i>			
Reclassification of fair value adjustments on investments in other companies to profit and loss		53,849	-
Other comprehensive loss/(income), net of tax		53,849	(58,940)
Total comprehensive loss for the year		(2,801,414)	(2,139,333)
Basic loss per share (cents per share)	4	2.3	3.1

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

White Cliff Minerals Limited
ABN 22 126 299 125

Statement of Financial Position
As at 30 June 2013

	Note	Consolidated 2013 \$	2012 \$
Current Assets			
Cash and cash equivalents	6	1,190,649	635,309
Trade and other receivables	7	39,109	547,093
Total Current Assets		1,229,758	1,182,402
Non-Current Assets			
Other financial assets	8	-	47,760
Plant and equipment	9	-	2,670
Exploration project acquisition costs	10	814,612	570,644
Total Non-Current Assets		814,612	621,074
Total Assets		2,044,370	1,803,476
Current Liabilities			
Trade and other payables	11	182,827	120,063
Total Current Liabilities		182,827	120,063
Total Liabilities		182,827	120,063
Net Assets		1,861,543	1,683,413
Equity			
Issued capital	12	14,464,160	11,801,936
Reserves	13	874,899	503,730
Accumulated losses		(13,477,516)	(10,622,253)
Total Equity		1,861,543	1,683,413

The above statement of financial position should be read in conjunction with the accompanying notes.

White Cliff Minerals Limited
ABN 22 126 299 125

Statement of Changes in Equity
For the year ended 30 June 2013

Consolidated	Issued capital \$	Accumulated losses \$	Reserves \$	Total equity \$
Balance 1 July 2011	11,789,952	(8,541,860)	398,300	3,646,392
Loss for the period	-	(2,080,393)	-	(2,080,393)
Other comprehensive income/(loss)	-	-	(58,940)	(58,940)
Total comprehensive loss for the year	-	(2,080,393)	(58,940)	(2,139,333)
Shares issued during the period	11,984	-	-	11,984
Share based compensation	-	-	164,370	164,370
	11,984	-	164,370	176,354
Balance at 30 June 2012	11,801,936	(10,622,253)	503,730	1,683,413
Balance at 1 July 2012	11,801,936	(10,622,253)	503,730	1,683,413
Loss for the period	-	(2,855,263)	-	(2,855,263)
Other comprehensive income	-	-	53,849	53,849
Total comprehensive loss for the year	-	(2,855,263)	53,849	(2,801,414)
Shares issued during the period	2,972,001	-	-	2,972,001
Capital raising costs (note 12(b))	(309,777)	-	-	(309,777)
Share based compensation	-	-	317,320	317,320
	2,662,224	-	317,320	2,979,544
Balance at 30 June 2013	14,464,160	(13,477,516)	874,899	1,861,543

The above statement of changes in equity should be read in conjunction with the accompanying notes.

White Cliff Minerals Limited
ABN 22 126 299 125

Statement of Cash Flows
For the year ended 30 June 2013

		Consolidated	
	Note	Inflows/ (Outflows) 2013 \$	Inflows/ (Outflows) 2012 \$
Cash flows from operating activities			
Government drilling grants		106,221	-
Payments to suppliers and employees		(1,003,794)	(951,413)
Interest received		28,484	75,230
Net cash outflow from operating activities	19(a)	(869,088)	(876,183)
Cash flows from investing activities			
Purchase of plant and equipment		-	(547)
Loans (to)/from others		110,606	(359,807)
Payments for exploration and evaluation		(1,633,062)	(1,420,727)
Proceeds from sale of tenements		126,000	352,177
Net cash outflow from investing activities		(1,396,456)	(1,428,904)
Cash flows from financing activities			
Proceeds from the issue of shares/options		2,972,001	-
Capital raising costs		(151,117)	-
Net cash inflow from financing activities		2,820,884	-
Net increase/(decrease) in cash held		555,340	(2,305,087)
Cash at the beginning of the year		635,309	2,940,286
Effect of exchange rate fluctuations on cash held		-	110
Cash at the end of the year	6	1,190,649	635,309

The above statement of cash flows should be read in conjunction with the accompanying notes.

White Cliff Minerals Limited
ABN 22 126 299 125

Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law. The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial report has also been prepared on a historical cost basis. The Company is a listed public company registered and domiciled in Australia. The financial report is presented in Australian dollars.

Going Concern

The Company and its controlled entities as at 30 June (the "Group") do not generate sufficient cash flows from their operating activities to finance these activities. Thus the continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Group being successful in completing a capital raising and/or asset sale/joint venture agreement in the next 12 months. The directors have mitigated this risk by reducing the Group's corporate overheads and postponing expenditure on the Group's projects where possible.

As a result of these matters, there is uncertainty that may cast significant doubt on whether the Group will continue as a going concern and, therefore, whether it will realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. However, the directors believe that the Group will be successful in the above matters and, accordingly, have prepared the financial report on a going concern basis.

(b) Adoption of new and revised standards

Changes in accounting policies on initial application of Accounting Standards

In the year ended 30 June 2013, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2013. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change necessary to Group accounting policies.

(c) Statement of compliance

The financial report was authorised by the Board of directors for issue on 6 September 2013.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of White Cliff Minerals Limited ("Company" or "parent entity") and its controlled entities as at 30 June 2013 (the "Group").

The financial statements of the controlled entities are prepared for the same reporting period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Controlled entities are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(e) Significant accounting judgements estimates and assumptions

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation costs carried forward

The Group's main activity is exploration and evaluation for minerals. The nature of exploration activities are such that it requires interpretation of complex and difficult geological models in order to make an assessment of the size, shape, depth and quality of resources and their anticipated recoveries. The economic, geological and technical factors used to estimate mining viability may change from period to period. In addition, exploration activities by their nature are inherently uncertain. Changes in all these factors can impact exploration asset carrying values.

Share-based payment transactions:

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model using the assumptions contained in Note 14.

(f) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(i) Interest income

Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

(ii) Government assistance - drilling grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

(g) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Temporary bank overdrafts are included in cash at bank and in hand. Permanent bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(h) Income tax

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(h) Income tax (cont)

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in controlled entities, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

Tax consolidation legislation

The Company and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

The Company recognises both its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated group.

(i) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(j) Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Office equipment – 13%

Plant and equipment – 20% - 40%

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

(k) Impairment of assets

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior financial periods. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(l) Trade and other payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(m) Provisions

Where applicable, provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not made for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement. Provisions are measured at the net present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

(o) Share-based payment transactions

Equity settled transactions:

The Group provides benefits to employees and consultants of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black and Scholes model, further details of which are given in Note 14.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which any performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired, and the Group's best estimate of the number of equity instruments that will ultimately vest.

The statement of comprehensive income charge or credit for a year represents the movement in cumulative expense recognised as at the beginning and end of that year.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 4).

(p) Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the costs of acquisition as part of purchase consideration.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(q) Earnings per share

Basic earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares.

Diluted earnings per share is calculated as net profit or loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares, divided by the weighted average number of ordinary shares and dilutive potential ordinary shares.

(r) Exploration and evaluation expenditure

Exploration costs are expensed as incurred. Acquisition costs are accumulated in respect of each separate area of interest. Acquisition costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through the sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial year and accumulated acquisition costs written off to the extent that they will not be recovered in the future. Amortisation is not charged on acquisition costs carried forward in respect of areas of interest in the development phase until production commences.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (for the cash generating unit(s) to which it has been allocated being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision has been made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of White Cliff Minerals Limited.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(t) Financial assets (cont)

(i) Financial assets at fair value through profit or loss

Financial assets classified as held for trading are included in the category 'financial assets at fair value through profit or loss'. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading are recognised in profit or loss.

(ii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold to maturity. Investments intended to be held for an undefined period are not included in this classification. Investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost. This cost is computed as the amount initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initially recognised amount and the maturity amount. This calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums and discounts. For investments carried at amortised cost, gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

If the Group were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale.

(iii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

(iv) Available-for-sale investments

Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as any of the three preceding categories. After initial recognition available-for-sale investments are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is recognised in profit or loss.

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance date. For investments with no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions, reference to the current market value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models.

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Notes to the financial statements
For the year ended 30 June 2013

Note 1: Statement of significant accounting policies (continued)

(u) Impairment of financial assets

The Group assesses at each balance date whether a financial asset or group of financial assets is impaired.

(i) Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group of financial assets is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

(ii) Financial assets carried at cost

If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset.

(iii) Available-for-sale investments

If there is objective evidence that an available-for-sale investment is impaired, an amount comprising the difference between its cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to the statement of comprehensive income. Reversals of impairment losses for equity instruments classified as available-for-sale are not recognised in profit. Reversals of impairment losses for debt instruments are reversed through profit or loss if the increase in an instrument's fair value can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

(v) Parent entity financial statements

The financial information for the parent entity, White Cliff Minerals, disclosed in Note 20, has been prepared on the same basis as the consolidated financial statements.

(w) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform in presentation with the current year.

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Notes to the financial statements
For the year ended 30 June 2013

Consolidated
2013 2012
\$ \$

Note 2: Revenue and expenses

(a) Revenue from continuing operations

Other revenue

Interest received	28,484	75,230
Profit on sale of tenements	126,000	335,611
Government drilling grants	106,221	-

(b) Expenses

Loss from ordinary activities before income tax
expense includes the following specific
expenses:

Auditor's remuneration	29,550	36,200
Employee costs*	490,870	315,875

* Includes all direct exploration employee costs

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Notes to the financial statements
For the year ended 30 June 2013

	Consolidated	
	2013	2012
	\$	\$
<hr/>		
Note 3: Income tax		
(a) Income tax benefit		
The prima facie income tax expense on pre-tax accounting result from operations reconciles to the income tax benefit in the financial statements as follows		
Accounting loss before tax from continuing operations	(2,855,263)	(2,080,393)
Tax expense/(benefit) calculated at 30%	(856,579)	(624,118)
Non-deductible expenses	36,566	44,988
Unused tax losses and tax offset not recognised as deferred tax assets	-	127,197
Other deferred tax assets and tax liabilities not recognised	508,762	102,588
Adjustments in respect of current income tax of previous years	597	89,176
Deferred tax assets and tax liabilities not recognised in relation to foreign expenses	310,654	260,169
	<hr/>	
Income tax expense/(benefit) reported in the statement of comprehensive income	-	-
	<hr/>	
(b) Unrecognised deferred tax balances		
The following deferred tax assets have not been brought to account		
Deferred tax assets comprise:		
Accruals	10,613	7,733
Fair value of investments	30,483	16,155
Share issue costs	53,495	30,676
Losses available for offset against future income – revenue	3,195,884	2,730,967
Losses available for offset against future income – capital	38,159	127,197
	3,328,634	2,912,728
	<hr/>	
Deferred tax liabilities comprise:		
Exploration expenses capitalised	(94,384)	(123,763)
	<hr/>	
Net unrecognised deferred tax assets	3,234,250	2,788,965
	<hr/>	
(c) Income tax benefit not recognised directly in equity during the year		
Share issue costs	45,335	-
Investments – fair value adjustment	-	17,682
	45,335	17,682
	<hr/> <hr/>	

White Cliff Minerals Limited
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Notes to the financial statements
For the year ended 30 June 2013

	Consolidated 2013 \$	2012 \$
Note 4: Loss per share		
Total basic loss per share (cents)	(2.3)	(3.1)

The loss and weighted average number of ordinary shares used in the calculation of basic loss per share is as follows:

Net loss for the period	(2,855,263)	(2,080,393)
The weighted average number of ordinary shares	122,080,092	67,287,873

The diluted loss per share is not reflected as the result is anti-dilutive.

Note 5: Segment information

For management purposes, the Board of Directors of the Company has been defined as the Chief Operating Decision Maker. Segment information is presented in respect of the Group's business segments based on the Group's management and internal reporting structure.

During the year the group operated predominantly in one business segment that consisted of mineral exploration. Geographically, the group explores in both Australia and the Kyrgyz Republic. Segment results are classified in accordance with their use within geographic segments.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The following table presents the financial information regarding these segments provided to the Board of Directors for the year ended 30 June 2013.

	Australia \$	Kyrgyz \$	Total \$
2013			
Revenue			
Government drilling grants	106,221	-	106,221
Sale of tenements	126,000	-	126,000
Interest income	28,484	-	28,484
Segment revenue	260,705	-	260,705
Segment net operating loss after tax	(2,109,115)	(746,148)	(2,855,263)
Segment assets	1,544,370	500,000	2,044,370
Other segment information			
Segment liabilities	168,827	14,000	182,827
Depreciation and amortisation of segment assets	2,670	-	2,670
Acquisition of plant and equipment	-	-	-

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Notes to the financial statements
For the year ended 30 June 2013

Note 5: Segment information (cont)

2012	Australia \$	Kyrgyz \$	Total \$
Revenue			
Sale of tenements	335,611	-	335,611
Interest income	75,230	-	75,230
Segment revenue	410,841	-	410,841
Segment net operating loss after tax	(1,285,856)	(794,537)	(2,080,393)
Segment assets	1,645,376	158,100	1,803,476
Other segment information			
Segment liabilities	105,549	14,514	120,063
Depreciation and amortisation of segment assets	4,222	-	4,222
Acquisition of plant and equipment	547	-	547

Note 6: Cash and cash equivalents

	Consolidated 2013 \$	2012 \$
Cash at bank and on hand	42,891	16,509
Short term deposits	1,147,758	618,800
	1,190,649	635,309

(a) Reconciliation to Statement of Cash Flows

The above figures agree to cash at the end of the financial year as shown in the Statement of Cash Flows.

(b) Cash at bank and on hand

These are non-interest bearing accounts.

(c) Deposits at call

The deposits are bearing floating interest rates between 2.6% and 4%. These deposits have a maturity of no more than 90 days.

(d) Cash balances not available for use

As at 30 June 2013, an amount of \$Nil (2012: \$62,939) was held as security bonds.

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Notes to the financial statements
For the year ended 30 June 2013

Note 7: Trade and other receivables

	Consolidated 2013	2012
	\$	\$
Goods and services tax receivable	39,109	-
Joint venture partner contributions	-	506,342
Other receivables	-	40,751
	39,109	547,093

Note 8: Other financial assets

Shares held in companies listed on a prescribed stock exchange – at cost	101,609	101,609
Fair value adjustment	(101,609)	(53,849)
	-	47,760

Note 9: Plant and equipment

	Plant and equipment \$
Year ended 30 June 2012	
Opening balance	6,345
Additions	547
Depreciation charge	(4,222)
Closing net book value	2,670
At 30 June 2012	
Cost or fair value	26,002
Accumulated depreciation	(23,332)
Net carrying amount	2,670

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Notes to the financial statements
For the year ended 30 June 2013

Note 9: Plant and equipment (cont)

	Plant and equipment \$
Year ended 30 June 2013	
Opening balance	2,670
Additions	-
Depreciation charge	(2,670)
	-
Closing net book value	-
At 30 June 2013	
Cost or fair value	26,002
Accumulated depreciation	(26,002)
	-
Net carrying amount	-

The depreciation rates were as follows for both 2012 and 2013:
Plant and equipment 20-40%

Note 10: Exploration project acquisition costs

	Consolidated 2013 \$	2012 \$
Opening balance	570,644	1,102,123
Project acquisition costs	683,536	29,975
Projects sold	-	(6,565)
Project acquisition costs written off	(439,568)	(554,889)
Acquisition costs in respect of areas of interest in the exploration phase	814,612	570,644

The recoupment of exploration project acquisition costs carried forward is dependent upon the recoupment of costs through successful development and commercial exploitation, or alternatively by sale of the respective areas.

As a result of exploration activities during the year, the directors re-assessed the carrying value of the acquisition costs relating to certain project areas and, as a result, have written off those acquisition costs that are not expected to be re-couped in the future, notwithstanding that title to these areas remains valid and further exploration is planned.

Note 11: Trade and other payables

Trade payables and accruals*	145,774	120,063
Provisions	37,053	-
	182,827	120,063

* Trade payables are non-interest bearing and are normally paid on 30 day terms.

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Notes to the financial statements
For the year ended 30 June 2013

Note 12: Issued capital

(a) Ordinary shares issued	Number of shares	
	2013	2012
186,107,947 (2012: 67,380,647) ordinary shares	14,464,160	11,801,936

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the parent entity, ordinary shareholders rank after all creditors and are fully entitled to any proceeds on liquidation.

(b) Movements in ordinary share capital:

Date	Details	Number of shares	Issue Price	\$
Opening balance		67,227,003		11,789,952
6 February 2012	Consulting fee	153,644	0.078	11,984
30 June 2012		67,380,647		11,801,936
7 September 2012	Placement	6,660,000	0.03	199,800
1 October 2012	Share Purchase Plan	20,000,000	0.03	600,000
11 October 2012	Placement	18,340,000	0.03	550,200
13 February 2013	Placement	8,400,000	0.022	184,800
21 March 2013	Placement	65,327,300	0.022	1,437,201
Capital raising costs		-		(309,777)
30 June 2013		186,107,947		14,464,160

(c) Share options

	Number of options	
	2013	2012
Listed options exercisable at \$0.06 on or before 30 September 2014	116,227,300	-
Employee Options exercisable at \$0.25 on or before 30 June 2014	5,750,000	5,750,000
	121,977,300	5,750,000

(d) Movements in share options

Listed Options to acquire ordinary fully paid shares at \$0.06 on or before 30 September 2014:

Beginning of the financial year	-	-
Issued during year	116,227,300	-
Balance at end of financial year	116,227,300	-

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Notes to the financial statements
For the year ended 30 June 2013

Note 13: Reserves

	Consolidated 2013 \$	2012 \$
Investment revaluation reserve (a)	-	(53,849)
Option issue reserve (b)	125,391	125,391
Share compensation reserve (c)	749,508	432,188
	874,899	503,730

- (a) Investment revaluation reserve
The investment revaluation reserve represents revaluation movements in the value of other financial assets. The balance as at 30 June 2012 has been reclassified to profit and loss in this period.
- (b) Option issue reserve
The option issue reserve represents amounts paid upon subscribing for options issued by the Company.
- (c) Share compensation reserve
The share compensation reserve is used to record the value of equity benefits provided to consultants and directors as part of their remuneration. Refer Note 14.

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Notes to the financial statements
For the year ended 30 June 2013

Note 14: Share based payments

Share based payments consists of listed and unlisted options issued to directors and consultants. The expense is recognised in the Statement of Comprehensive Income and Statement of Changes in Equity over the vesting periods of the options. The following share-based payment arrangements were in place during the current and prior years:

Number	Grant date	Expiry Date	Exercise price \$	Fair value at grant date*
5,750,000	1/4/2011	30/6/2014	0.25	\$310,500
10,000,000	2/11/2012	30/9/2014	0.06	\$158,660

Fair value of options granted

* The fair value of the equity-settled share options granted under the Employee Share Option Plan is estimated as at the date of grant using the Black and Scholes model taking into account the terms and conditions upon which the options were granted. The actual value of these options may be materially different to this accounting estimation.

The following table lists the inputs to the Black and Scholes model used:

	April 2011	November 2012
Dividend yield %	-	-
Expected volatility %	100%	90%
Risk-free interest rate %	4.95%	2.55%
Life of option	39 months	23 months
Exercise price	\$0.25	\$0.06
Grant date share price	\$0.145	\$0.053
Discount for lack of marketability	33%	33%

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. The fair value of unlisted options was discounted to account for the existence of continuity of employment vesting conditions, non-transferability and the un-listed aspect of the employee options. No other features of options granted were incorporated into the measurement of fair value.

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Notes to the financial statements
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Note 15: Financial instruments

(a) Capital risk management

Prudent capital risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. The Board monitors its future capital requirements on a regular basis and will when appropriate consider the need for raising additional equity capital or to farm-out exploration projects as a means of preserving capital. The Board currently has a policy of not entering into any debt arrangements.

(b) Categories of financial instruments

The Group's principal financial instruments comprise of cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the year, the Group's policy that no trading in financial instruments shall be undertaken during the year.

(c) Financial risk management objectives

The Group is exposed to market risk (including interest rate risk and equity price risk), credit risk and liquidity risk.

The main risks arising from the Group's financial instruments are interest rate risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

(d) Market risk

Equity price risk sensitivity analysis

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

(i) Interest rate risk management

All cash balances attract a floating rate of interest. Excess funds that are not required in the short term are placed on deposit for a period of no more than 3 months. The Group's exposure to interest rate risk and the effective interest rate by maturity periods is set out below.

Interest rate sensitivity analysis

As the Group has no interest bearing borrowings its exposure to interest rate movements is limited to the amount of interest income it can potentially earn on surplus cash deposits.

At 30 June 2013, if interest rates had changed by +/- 50 basis points and all other variables were held constant, the Group's after tax loss would have been \$4,130 (2012: \$3,177) lower/higher as a result of higher/lower interest income on cash and cash equivalents.

(ii) Equity price risk management

The Group is exposed to equity price risks arising from available-for-sale financial assets. Given the current state of equity markets the Company has fully impaired its available-for-sale financial assets.

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Notes to the financial statements
For the year ended 30 June 2013

Note 15: Financial instruments (cont)

(e) Credit risk management

Credit risk relates to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from any defaults.

(f) Liquidity risk management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities to ensure continuity of tenure to exploration assets and to be able to conduct the Group's business in an orderly and professional manner. Cash deposits are only held with major financial institutions.

2013	Weighted Average Interest Rate	Less than 1 month	1-3 months	3 months – 1 year	5 + years
Financial assets					
Cash and cash equivalents – non - interest bearing	n/a	41,751	-	-	-
Cash and cash equivalents – interest bearing	3.45%	348,021	800,877	-	-
Trade and other receivables	n/a	39,109	-	-	-
Other financial assets	n/a	-	-	-	-
		428,881	800,877	-	-
Financial liabilities					
Trade and other payables	n/a	-	145,774	-	-
Provisions	n/a	-	-	37,053	-
		-	145,774	37,053	-
2012					
Financial assets					
Cash and cash equivalents – non-interest bearing	n/a	14,689	-	-	-
Cash and cash equivalents –interest bearing	3.8%	620,620	-	-	-
Trade and other receivables	n/a	10,751	-	536,342	-
Other financial assets	n/a	-	-	47,760	-
		646,060	-	584,102	-
Financial liabilities					
Trade and other payables	n/a	-	120,063	-	-
		646,060	(120,063)	584,102	-

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Notes to the financial statements
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Note 15: Financial instruments (cont)

(g) Fair value of financial instruments

The following table presents the group's assets and liabilities measured and recognised at fair value at 30 June 2013 utilising the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Consolidated – 2013

	Level 1	Level 2	Level 3	Total
Assets				
Available-for-sale financial assets	-	-	-	-
	-	-	-	-

Consolidated – 2012

Assets				
Available-for-sale financial assets	47,760	-	-	47,760
	47,760	-	-	47,760

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The Company's investments have been fully impaired during this reporting period.

Note 16: Commitments and contingencies

Exploration expenditure commitments

In order to maintain rights of tenure to its Australian located mineral tenements, the Company is required to outlay certain amounts in respect of rent and minimum expenditure requirements set by the Western Australian State Government Mines Department. The Group's commitments to meet this minimum level of expenditure are approximately \$580,000 (2012: \$601,000) annually.

Exemption from incurring this annual level of expenditure may be granted where access to the tenement area is restricted for reasons beyond the Company's control such as where native title issues restrict the Company's ability to explore in the project area. The Company is not aware of any such restrictions to exploration in the coming year and it does not anticipate seeking any exemption to reduce this annual expenditure requirement.

In order to maintain rights of tenure to its Kyrgyz Republic located mineral tenement, the Company is required to complete an annual works program as agreed with the Kyrgyz government. If this program is not completed in the calendar year then continued tenure to the project could be in jeopardy. It is possible that the Company and its joint venture partners may not be able to complete the 2013 works program and hence there is a risk that the Company and its joint venture partners may not be able to maintain continued tenure of the Kyrgyz project.

Other contingencies

The Company is a co-guarantor to an office lease under which its remaining exposure through to the end of the lease in October 2015 is approximately \$98,500.

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Notes to the financial statements
For the year ended 30 June 2013

Note 17: Key management personnel disclosures

(a) Directors

At the date of this report the directors of the Company are:

M Langoulant – *Executive Chairman*

T Hibberd – *Managing director*

R Boland – *Non executive director*

There were no changes of the key management personnel after the reporting date and the date the financial report was authorised for issue.

(b) Key management personnel

During the reporting periods the Company had no other key management personnel.

(c) Key management personnel compensation

	Consolidated 2013	2012
	\$	\$
Short-Term	499,360	454,360
Post-employment	20,640	20,640
Share-based payments	126,929	92,905
	646,929	567,905

Detailed remuneration disclosures of directors and key management personnel are in pages 22 to 26 of this report.

(d) Option holdings of key management personnel

Details of options provided as remuneration, together with the terms and conditions of the shares and options can be found in section D of the remuneration report. The following options were granted to directors subject to continuity of employment vesting conditions.

	Balance at the beginning of the financial period	Granted during the financial period	Expired during the financial period	Balance at the end of the financial period	Vested and exercisable at the end of the financial period
2013					
Director					
M Langoulant	1,000,000	3,250,000	-	4,250,000	3,916,666
T Hibberd	1,500,000	3,750,000	-	5,250,000	4,750,000
R Boland	750,000	1,000,000	-	1,750,000	1,500,000
Other key management personnel					
Nil	-	-	-	-	-

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Notes to the financial statements
For the year ended 30 June 2013

Note 17: Key management personnel disclosures (cont)

(e) Equity holdings of key management personnel

The number of shares and options in the Company held during the financial period by each director of the Company and key management personnel of the Group, including their personally related parties, are set out below

2013	Balance at start	Net movement	Balance at the end of
Director	of year	during the year	the financial year
<i>Ordinary shares</i>			
M Langoulant	3,400,002	2,221,820	5,621,822
T Hibberd	3,705,714	2,342,250	6,047,964
R Boland	10,000	500,000	510,000
<i>Options</i>			
M Langoulant	1,000,000	4,681,820	5,681,820
T Hibberd	1,500,000	5,000,000	6,500,000
R Boland	750,000	1,250,000	2,000,000
2012			
Director			
<i>Ordinary shares</i>			
M Langoulant	3,400,002	-	3,400,002
T Hibberd	3,128,344	577,370	3,705,714
R Boland	10,000	-	10,000
<i>Options</i>			
M Langoulant	1,000,000	-	1,000,000
T Hibberd	1,500,000	-	1,500,000
R Boland	750,000	-	750,000

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Notes to the financial statements
For the year ended 30 June 2013

Note 18: Related party disclosure

The ultimate parent entity in the wholly-owned group and the ultimate Australian parent entity is White Cliff Minerals Limited. The consolidated financial statements include the financial statements of White Cliff Minerals Limited and the controlled entities listed in the following table:

Name of entity	Country of incorporation	Class of shares	Equity holding 2013 %	2012 %
Northern Drilling Pty Ltd	Australia	Ordinary	100	100
Danforth Resources Pty Ltd	Australia	Ordinary	100	100
PB Partners Pty Ltd	Australia	Ordinary	100	100
Petrus Resources Pty Ltd	Australia	Ordinary	100	0
Venture Exploration Pty Ltd	Australia	Ordinary	100	100

There were no transactions between White Cliff Minerals Limited and its controlled entities during the financial year (2012: nil).

Note 19: Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated 2013 \$	2012 \$
<i>a) Reconciliation of loss from ordinary activities after income tax to net cash outflow from operating activities</i>		
Net loss for the year	(2,855,263)	(2,080,393)
Depreciation	2,670	4,222
Consulting fees paid by share issue	-	11,984
Share based payment expense	158,660	164,370
Impairment of financial assets	101,609	-
Profit on sale of tenements classified as investing activity	(126,000)	(335,612)
Mining tenement expenditure written off	1,784,831	1,481,580
Foreign exchange loss	-	(110)
(Increase) / decrease in trade and other receivables	1,642	49,434
Increase / (decrease) in trade and other payables	25,710	(171,658)
Increase / (decrease) in provisions	37,053	-
Net cash outflow from operating activities	(869,088)	(876,183)
<i>b) Non-cash financing and investing activities</i>		
Consulting fees paid by issue of shares (note 12(b))	-	11,984

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Notes to the financial statements
For the year ended 30 June 2013

Note 20: Parent Entity Disclosures

Financial position

	30 June 2013	30 June 2012
	\$	\$
Assets		
Current assets	1,229,758	1,182,402
Non-current assets	814,612	621,074
Total assets	2,044,370	1,803,476
Liabilities		
Current liabilities	182,827	120,063
Total liabilities	182,827	120,063
Equity		
Issued capital	14,464,160	11,801,936
Retained earnings	(13,477,516)	(10,622,253)
Reserves		
Asset revaluation reserve	-	(53,849)
Option issue reserve	125,391	125,391
Share-based payments	749,508	432,188
Total equity	1,861,543	1,683,413
<i>Financial performance</i>		
Loss for the year	(2,855,263)	(2,080,393)
Other comprehensive income	53,849	(58,940)
Total comprehensive loss	(2,801,414)	(2,139,333)

Note 21: Events after the balance date

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

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Notes to the financial statements
For the year ended 30 June 2013

Note 22: Auditor's remuneration

The auditors of the Group are HLB Mann Judd.

	Consolidated 2013 \$	2012 \$
Assurance services		
HLB Mann Judd:		
Audit and review of financial statements	22,800	24,500
Total remuneration for audit services	22,800	24,500
Other services		
HLB Mann Judd - taxation services	6,750	11,700
Total auditor's remuneration	29,550	36,200

Note 23: Interest in jointly controlled operation

The Group has a 57% interest in the Chanach joint venture, which is involved in exploration of copper and gold resources in Kyrgyz Republic.

The share of the assets, liabilities, revenue and expenses of the jointly controlled operation, which are included in the consolidated financial statements, are as follows:

	Consolidated 2013 \$	2012 \$
Non-Current Assets		
Exploration project acquisition costs	500,000	158,101
Total assets	500,000	158,101
Liabilities		
Trade creditors	14,000	14,515
Total liabilities	14,000	14,515
Revenue		
Exploration costs written off	756,148	794,537
Net loss	(756,148)	(794,537)

The Group has no capital commitments or guarantees in relation to the jointly controlled operation. The Company increased its interest in this project from 45% to 57% during the financial year. Further, it has impaired its exploration property acquisition costs by \$314,568 during this financial year (2012 – Nil).

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Directors' declaration

1. In the opinion of the directors of White Cliff Minerals Limited (the "Company"):
 - a. the accompanying financial statements and notes are in accordance with the Corporations Act 2001 including:
 - i. giving a true and fair view of the group's financial position as at 30 June 2013 and of its performance for the financial year then ended; and
 - ii. complying with Accounting Standards, Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.
 - b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
 - c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.
2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the year ended 30 June 2013.

This declaration is signed in accordance with a resolution of the Board of Directors.



MJ Langoulant
Chairman

Perth, Western Australia
6 September 2013

INDEPENDENT AUDITOR'S REPORT

To the members of White Cliff Minerals Limited

Report on the Financial Report

We have audited the accompanying financial report of White Cliff Minerals Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 1(c), the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements* that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

- (a) the financial report of White Cliff Minerals Limited is in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

the financial report also complies with International Financial Reporting Standards as disclosed in Note 1(c).

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 1(a) to the financial report which indicates that the continuing viability of the Group and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon the Group being successful in completing a capital raising and/or asset sale/joint venture agreement in the next 12 months. The directors have mitigated this risk by reducing the Group's corporate overheads and postponing expenditure on the Group's projects where possible.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of White Cliff Minerals Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants



N G Neill
Partner

Perth, Western Australia
6 September 2013

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Additional information

The shareholder information set out below was applicable as at 21 August 2013.

A. Distribution of equity securities

Analysis of numbers of equity security holders by size of holding:

	<i>Class of equity security</i> <i>Ordinary shares</i>
1 – 1,000	17
1,001 – 5,000	29
5,001 – 10,000	86
10,001 – 100,000	386
100,001 and over	270
	788

There were 353 holders of less than a marketable parcel of ordinary shares.

B. Equity security holders

Twenty largest quoted equity security holders – ordinary shares

Name	Ordinary shares held	% of issued shares
Woodlands Asset Management Pty Ltd	6,818,185	3.66
Minsk Pty Ltd	4,542,566	2.44
Lanza Holdings Pty Ltd	3,800,002	2.04
Jamber Investments Pty Ltd (Amber Schwartz Family A/C)	3,750,000	2.01
Terra Aqua Pty Ltd (Terra Rosso A/C)	3,666,708	1.97
Mr Adrian Alexander Venuti (Adrian Venuti Family A/C)	3,594,200	1.93
Perth Select Seafoods Pty Ltd	3,450,000	1.85
Mrs Jill Hampshire	3,300,001	1.77
Ms Noleen V Rowe	3,300,000	1.77
Technica Pty Ltd	2,950,000	1.59
Florin Mining Investment Company Limited (Trading A/C)	2,800,000	1.50
Mr Alan David Dimmock	2,580,000	1.39
Gandria Capital Pty Ltd (The Tedblahnki Family A/C)	2,545,455	1.37
Mr Alan Bender	2,500,000	1.34
Gianfam Investments Pty Ltd (Mark Giannarelli Family A/C)	2,300,000	1.24
Mr Guy Lance Jones (BOQ Loan A/C)	2,272,730	1.22
Octifil Pty Ltd	2,272,727	1.22
Danforth International Pty Ltd	2,002,834	1.08
Stone Poneys Nominees Pty Ltd (Chapman Super Fund A/C)	1,970,000	1.06
Abminga Nominees Pty Ltd	1,950,000	1.05
	62,365,408	33.51

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Additional information

Twenty largest quoted equity security holders – 30 September 2014 options

Name	Options held	% of issued options
Zenix Nominees Pty Ltd	10,000,000	8.60
Woodlands Asset Management Pty Ltd	6,818,185	5.87
Lawrence Crowe Consulting Pty Ltd (L C C Super Fund A/C)	3,980,813	3.43
Southern Terrain Pty Ltd (Southern Terrain A/C)	3,922,730	3.38
Mr Todd Hibberd	3,750,000	3.23
Mr Michael Langoulant	3,250,000	2.80
Gandria Capital Pty Ltd (The Tedblahnki Family A/C)	3,045,455	2.62
Technica Pty Ltd	2,500,000	2.15
Florin Mining Investment Company Limited (Trading A/C)	2,425,000	2.09
Scintilla Strategic Investments Limited	2,400,000	2.06
Mr Guy Lance Jones (BOQ Loan A/C)	2,272,730	1.96
Octifil Pty Ltd	2,272,727	1.96
Perth Select Seafoods Pty Ltd	2,075,000	1.79
Miss Allison Armstrong	2,000,000	1.72
Invictus Capital Pty Ltd (Mail Family A/C)	2,000,000	1.72
Mr Mark Nasarczyk & Mr Atilla Belik	2,000,000	1.72
Mr Giovanni Spagnolo (Marcus Deluca A/C)	2,000,000	1.72
O'Connor Funds Pty Ltd (The O'Connor Super Fund A/C)	1,921,682	1.65
Corporate Property Services Pty Ltd (K W Share A/C)	1,822,728	1.57
Carpenders Park Pty Ltd (Staff Super Fund A/C)	1,500,000	1.29
	61,957,050	53.31

C. Substantial shareholders

There are no substantial shareholders in the Company.

D. Voting rights

The voting rights attaching to each class of equity securities are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

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Additional information

E. Tenement schedule

<u>Project Area</u>	<u>Tenement details</u>	<u>% Held</u>
Laverton	EL38/2456-7; EL38/2484; EL38/2528; EL38/605; EL38/2702;	100-85
Mt Remarkable	EL31/0865; EL31/0874; EL31/0918; EL31/0923; EL31/1015 PL31/1996-7	100
Ghan Well	E39/1479; EL39/1585-6;	100
Ironstone Range	EL38/2552; EL38/2583	100
Lake Johnson	EL63/1222, EL63/1264; EL63/1378; PL63/1723-29; PL63/1731 PL63/1740-42	100
Oakover	ELA45/3250-2	100
Chanach, Kyrgyz Republic	EL 590 A II	56