White Cliff Minerals Limited

ABN 22 126 299 125

Annual report
for the year ended 30 June 2014

Contents

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 & WCNOA)

Review of Operations

Review of Operations

Highlights

- **New Copper-Gold discovery at the Chanach project in the Kyrgyz Republic**
    - **7 metres at 3.83% copper and 30.1 g/t gold and;**
    - **10 metres at 1.73% copper including 1 metre at 106 g/t gold and;**
    - **9 metres at 6.03 g/t gold**
- **Interest in the Kyrgyz Chanach Copper-Gold project increased to 88.7%**
- **Merolia Magmatic Nickel-Copper and Orogenic Gold region secured**
    - **Multiple nickel anomalies identified by soil geochemistry**
- **Lake Johnston review upgrades Nickel potential**
- **$150,000 in Government funding secured for Nickel Sulphide exploration at Lake Johnston**

Corporate

During the full year ending 30 June 2014 White Cliff Minerals Limited (**Company** or **WCN**) increased its interest in the Chanach Copper-Gold project to 88.7% through the acquisition of an additional 32% interest in the project from former joint venture partner T2 Gold Pty Ltd for consideration of 73,841,667 WCN shares and $50,000 in cash.

Cash at the end of the financial year 30 June 2014 was $1 million. Due to challenging mining and exploration industry market conditions the Company has continued to reduce corporate and operating expenses where possible.

During the year the Company completed an oversubscribed placement to sophisticated and institutional clients of Hartleys Limited, raising $1.2 million whilst a further $500,000 was raised via a share purchase plan (SPP). Subsequent to year end, the Company received a $350,000 government research and development tax refund.

Exploration Summary

The Company 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.

Central Asia

During the year rock chip channel sampling at the Chanach copper-gold project in Kyrgyz Republic identified three new zones of high grade copper and gold mineralisation including seven metres at 3.8% copper and 30.1 g/t gold, 10 metres at 1.7% copper including a one metre interval at 106 g/t gold and; nine metres at 6 g/t gold.

The mineralised zones occur on the outer edge of a +1km^2 alteration system that displays extensive alteration and quartz veining along faults and shear zones that extend over 7 kilometres. The new discovery has been named Aucu and it will be the focus of an extensive exploration program in the second half of 2014.

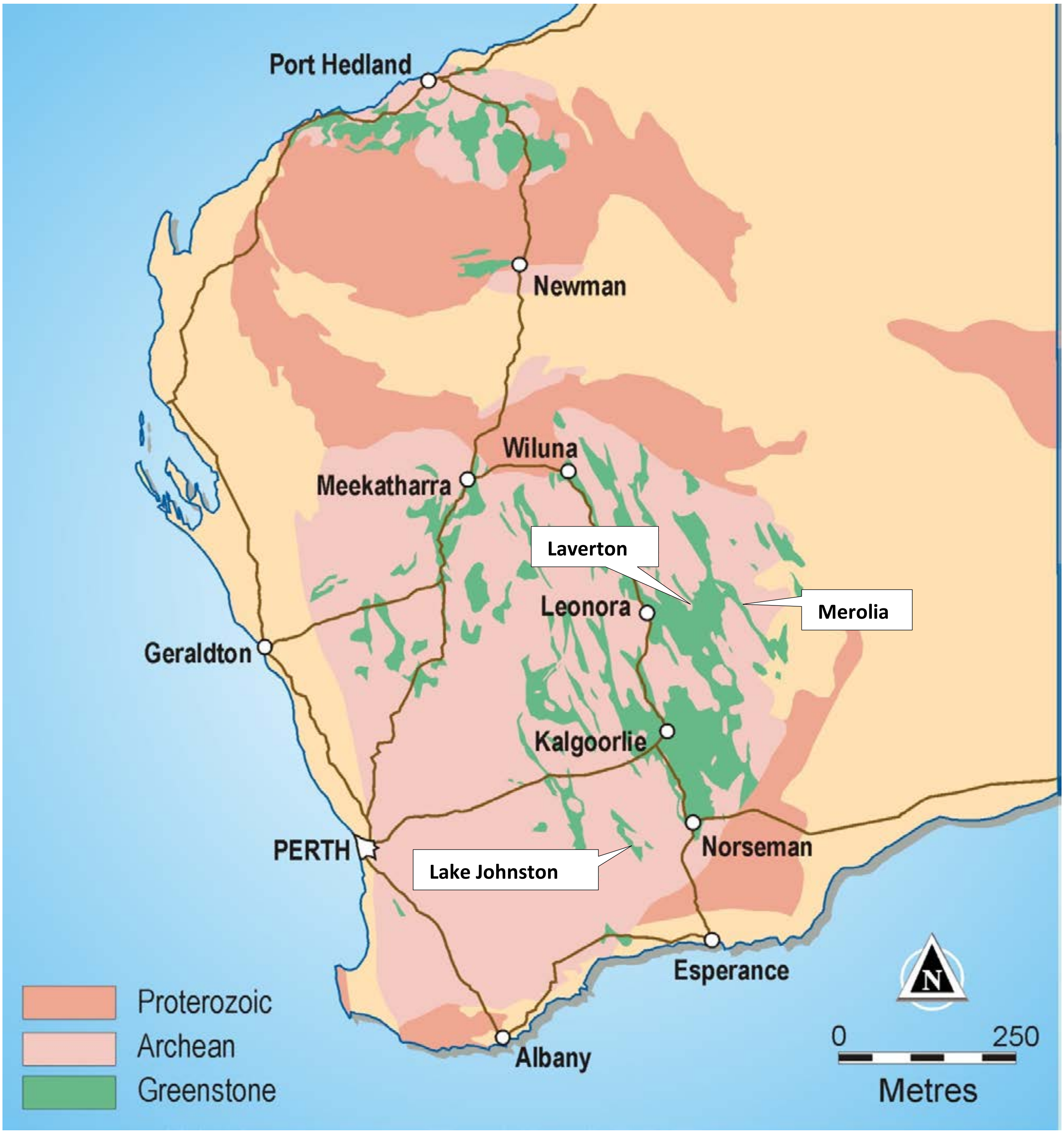
Western Australia

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

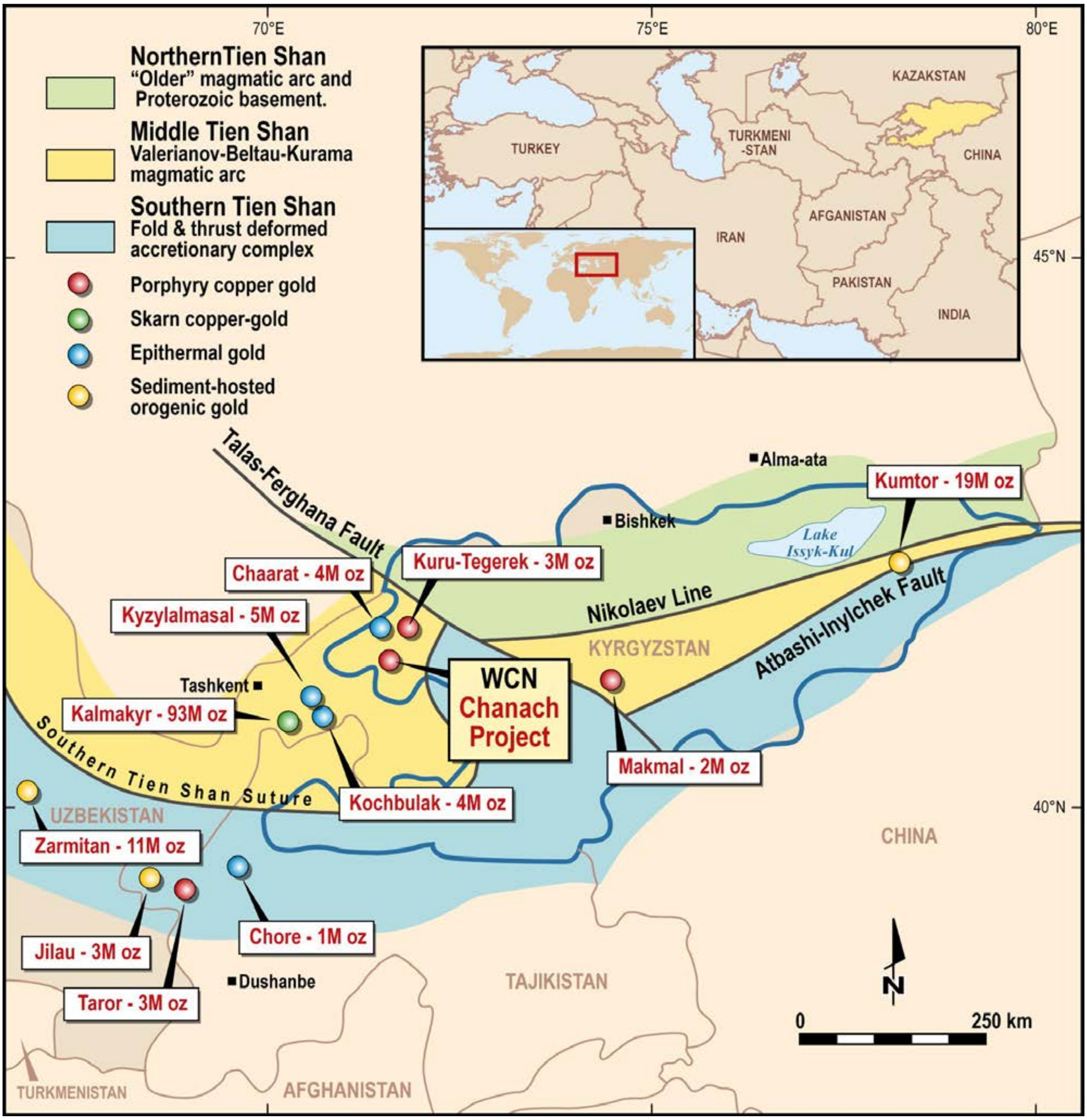
Multiple phases of soil geochemistry at the Merolia Nickel and Copper project have identified four major nickel in soil anomalies. The Company is currently planned reverse air blast drilling programs and electromagnetic surveys to better define nickel sulphide drilling targets.

During the year the Company completed a 220 sample infill and extension soil sampling program at the Lake Percy prospect and completed 1100 metres of RC drilling program at the Mt Glasse prospect.

The Company has been granted $150,000 in government co-funding for drilling the Mt Glasse targets.



***Map 1** White Cliff Minerals Limited Australian exploration projects*



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

The Chanach Copper – Gold Project, Central Asia (88.7%)

The Chanach gold-copper project is situated in the northwest region of the Kyrgyz Republic in Central Asia and covers 83 km^2. WCN currently has an 88.7% interest in the project after purchasing an additional 32% interest from its former joint venture partner, T2 Gold Pty Limited for consideration of 73,841,667 shares and $50,000 in cash.

During October and November 2013 the Company completed a trenching and rock chip channel sampling program to comply with license retention conditions. The program collected 701 samples and focussed on the western part of the license.

The trenching and rock chip channel sampling program identified three highly mineralised zones including:

- 7 metres at 3.83% copper and 30.1 g/t gold
- 10 metres at 1.73% copper including 1 metre at 106 g/t gold and;
- 9 metres at 6.03 g/t gold

The new discovery has been named Aucu and occurs two kilometres NNW of the Chanach copper deposit (Figure 1). The mineralisation occurs as three zones interpreted to strike NNW and occurs in highly altered limestone and felsic porphyry and consists of quartz veining and associated alteration that is heavily impregnated with sulphides including pyrite and chalcopyrite (Figures 2 and 3).

The rock sampling was predominantly carried out over the western half of the Chanach lease to follow up anomalous 2010 gold rock chip results and satellite ASTER alteration targets not previously explored. The mineralisation occurs on the outer edge of a large phyllic (quartz-sericite-pyrite) alteration target identified in the 2011 ASTER satellite alteration analysis (Figure 2). The exceptional gold and copper results (Table 1) are associated with NNW trending faults and contacts between limestone units that have been modified by mineralised fluids related to the underlying copper-gold porphyry intrusions to the east (Figure 2 and 3).

The initial geological interpretation indicates that the new results are part of a much larger mineralised system (+1 km diameter) centred 500 metres to the west (Figure 2).

Separate rock samples contained **visible gold** occurring within quartz veining and **chalcopyrite** (copper-iron sulphide) within weathered limestone and felsic porphyry units (Figure 4).

The new copper-gold discovery continues to expand the scale of the Chanach project and demonstrates that the project has the potential to host multiple large scale copper-gold resources. The current high copper price and forecast strength in the copper price is very encouraging and the Company believes there is opportunity to extract significant value from the Chanach copper project.

Planned Exploration

The Company has developed an exploration plan for the 2014 field season that consists of an extensive trenching program along strike from the Aucu discovery at 50 and 100 metre interval to be followed by a 3-5000 metre reverse circulation drilling program the test the best targets (Figure 5). This program is currently underway.

Table 1 Copper and gold rock chip channel sample assays from the three mineralised zones

Sample ID	Location	Zone	North	East	Copper %	Gold (g/t)
CHT13-1-008	Trench 1	1	4,627,256	695,835	**2.47**	0.17
CHT13-1-009	Trench 1	1	4,627,255	695,835	0.83	**160.26**
CHT13-1-010	Trench 1	1	4,627,254	695,835	**2.51**	**21.18**
CHT13-1-011	Trench 1	1	4,627,253	695,834	**4.75**	1.34
CHT13-1-012	Trench 1	1	4,627,252	695,834	**5.63**	**16.71**
CHT13-1-013	Trench 1	1	4,627,252	695,834	**2.78**	**15.32**
CHT13-1-014	Trench 1	1	4,627,251	695,833	**7.81**	0.35

CHT13-1-031	Trench 1	2	4,627,236	695,827	0.82	- 0.05
CHT13-1-032	Trench 1	2	4,627,235	695,827	**6.92**	0.43
CHT13-1-033	Trench 1	2	4,627,234	695,826	0.16	- 0.05
CHT13-1-034	Trench 1	2	4,627,233	695,826	**1.44**	**106.31**
CHT13-1-035	Trench 1	2	4,627,233	695,826	0.11	- 0.05
CHT13-1-036	Trench 1	2	4,627,232	695,825	0.24	- 0.05
CHT13-1-037	Trench 1	2	4,627,231	695,825	0.07	**3.52**
CHT13-1-038	Trench 1	2	4,627,230	695,824	0.01	0.20
CHT13-1-039	Trench 1	2	4,627,229	695,824	**1.07**	- 0.05
CHT13-1-040	Trench 1	2	4,627,228	695,824	**6.39**	- 0.05
CHT13-2-04	Trench_2	3	4,627,076	695,726	-0.005	**7.07**
CHT13-2-05	Trench_2	3	4,627,075	695,726	0.017	**13.72**
CHT13-2-06	Trench_2	3	4,627,074	695,725	-0.005	**8.29**
CHT13-2-07	Trench_2	3	4,627,074	695,725	-0.005	**4.93**
CHT13-2-08	Trench_2	3	4,627,073	695,725	-0.005	**7.20**
CHT13-2-09	Trench_2	3	4,627,072	695,724	-0.005	**4.08**
CHT13-2-10	Trench_2	3	4,627,071	695,724	-0.005	**6.06**
CHT13-2-11	Trench_2	3	4,627,071	695,724	-0.005	0.84
CHT13-2-12	Trench_2	3	4,627,070	695,723	-0.005	**2.52**

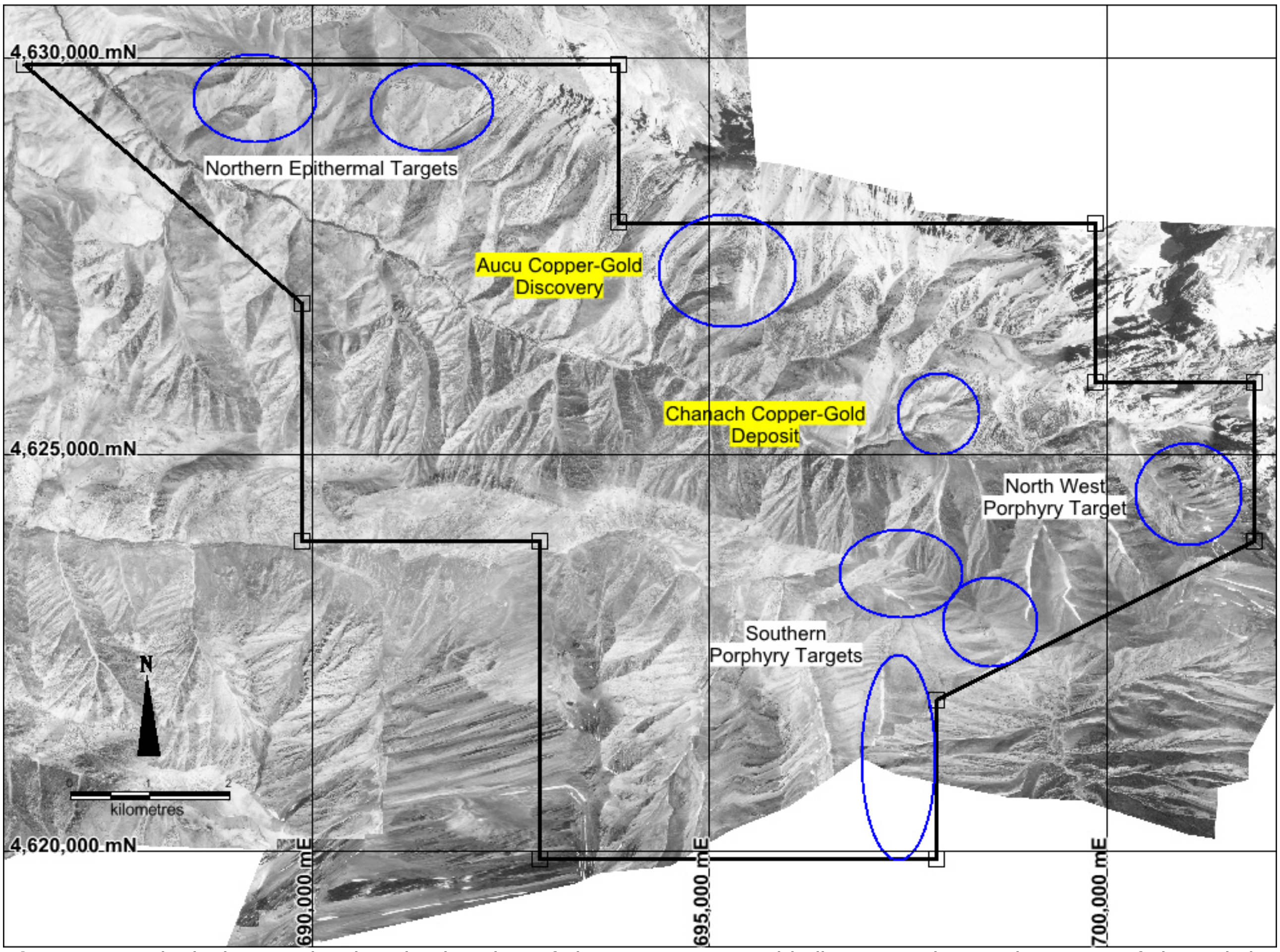


***Figure 1** Geological map showing the location of the new copper-gold discovery 2km to the NNW of the existing Chanach copper deposit.*

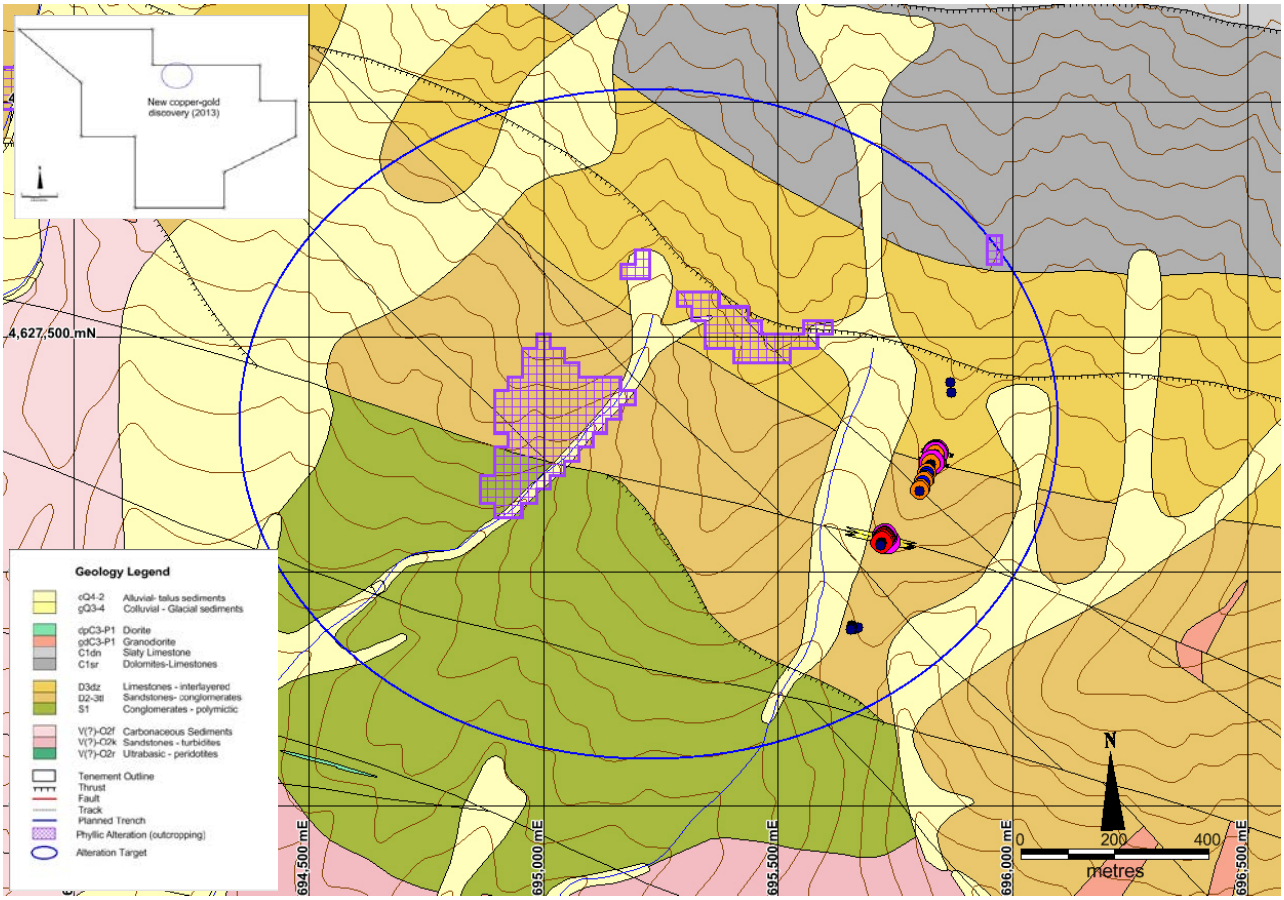


Figure 2 *Geological map showing location of new copper and gold discovery on the outer edge of a much larger alteration zone (blue oval) and strong phyllic alteration (purple hatch) outcropping in the centre of the alteration.*

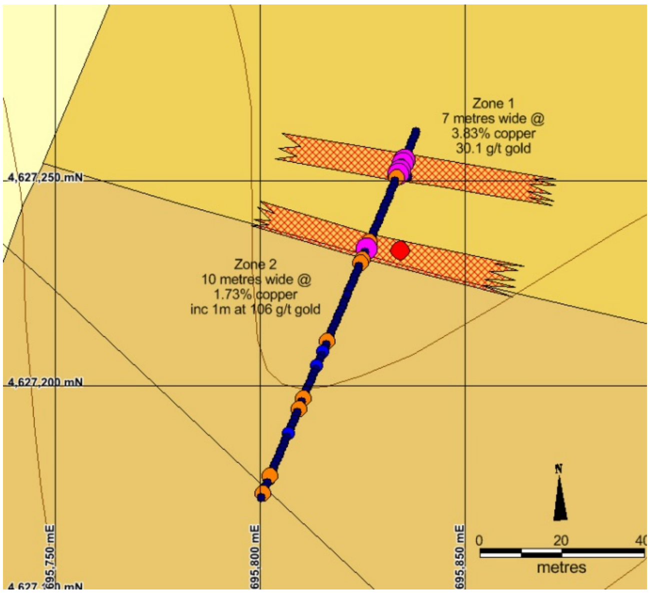


Figure 3a *Enlarged map showing details of the two high grade mineralised copper and gold zones identified from trench rock chip channel sampling*

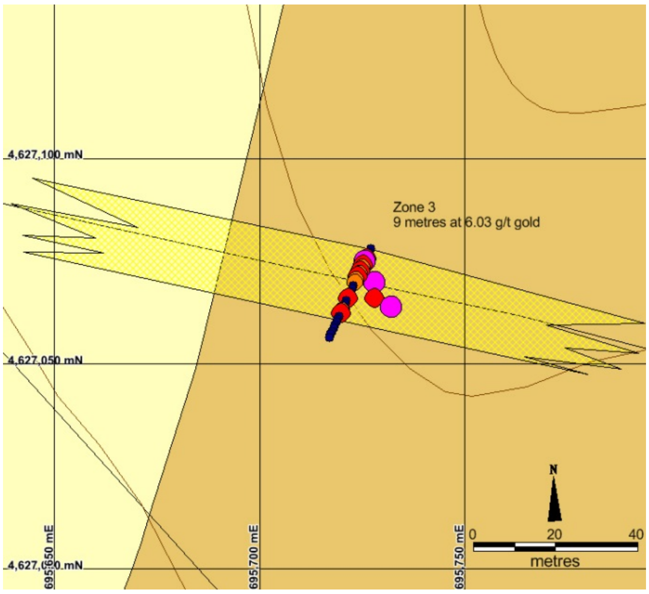


Figure 3b *Enlarged map showing details of the high grade gold zone identified from trench rock chip channel sampling*

__Figure 4__ Rock samples containing visible gold (left) and visible chalcopyrite (right) collected from mineralised zones in the first trench. Photograph scale is approximate scale is 12cm.

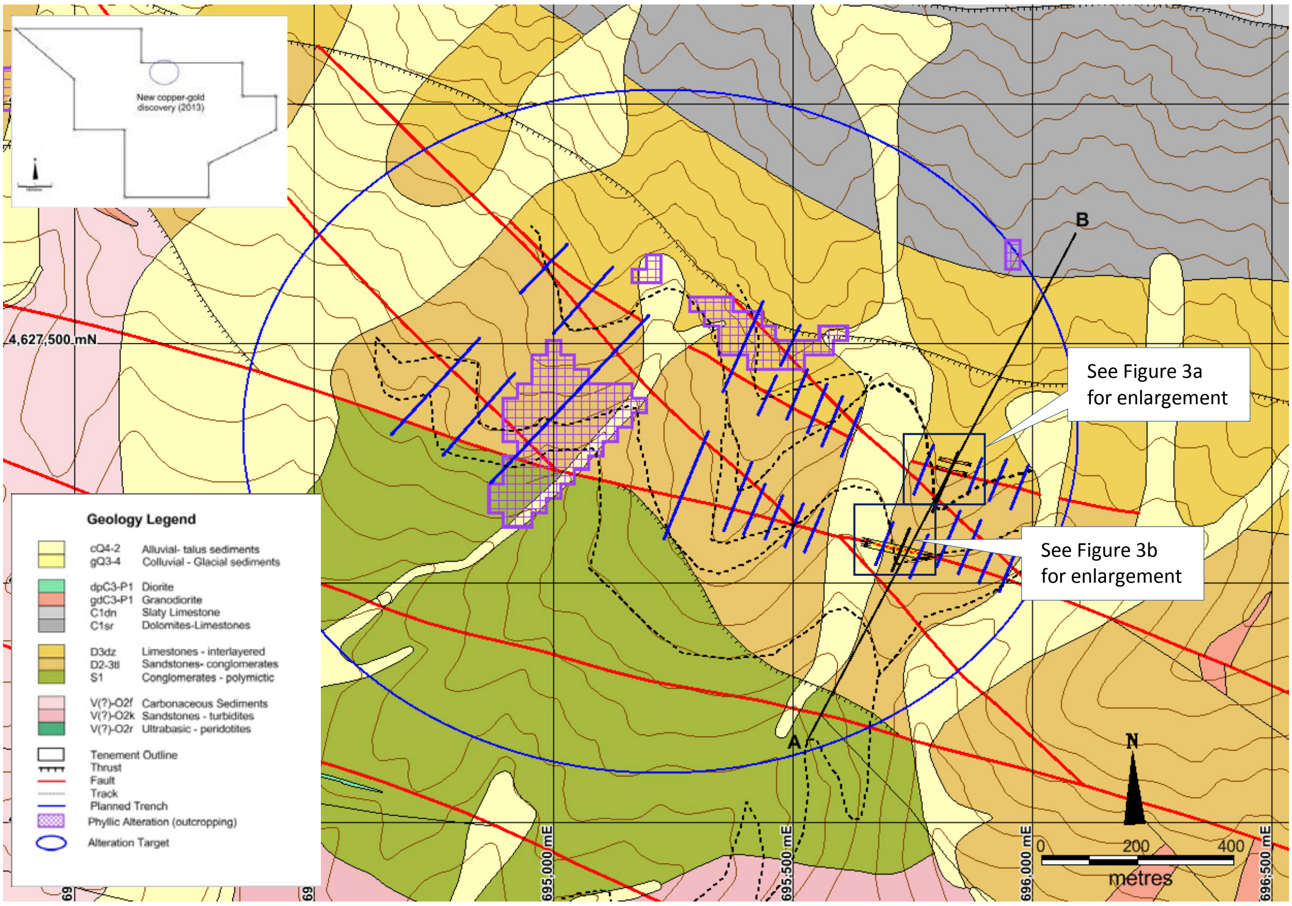


__Figure 5__ Geological map showing planned exploration trenching (blue lines) and the location of new copper and gold discovery on the outer edge of a much larger alteration zone (blue oval) with strong phyllic alteration (purple hatch) outcropping in the centre of the alteration.

Merolia Nickel-Copper and Gold Project (100%)

Following the acquisition of the Merolia Nickel and Copper project at the beginning of the financial year the Company has carried out three phases of soil geochemistry that have identified four major and several minor anomalies nickel in soil at the McKenna and Rotorua prospects.

The major nickel anomalies at the McKenna prospect have nickel values up to 1,426ppm Nickel and 79ppm Copper. The first McKenna anomaly (McKenna One) is interpreted to occur on the basal contact of the mafic-ultramafic Diorite Hill intrusion and the adjacent ultramafic unit. Using a 250ppm Nickel contour the anomaly extends 1,000 metres along strike and is around 500 metres wide (Figure 6).

The second McKenna anomaly (McKenna Two) occurs one kilometre west of McKenna One and extends 1,000 metres along strike and is around 250 metres wide. The anomaly has nickel values up to 1,125ppm and copper values up 52ppm. McKenna Two also reappears further north on the other side of a drainage system which has eroded the soil and removed any surface expression of the nickel anomaly in between (Figure 6).

The two Rotorua nickel anomalies have nickel values up to 743ppm Nickel and 68ppm Copper. The Rotorua North Nickel anomaly extends 1,000 metres along strike and is 350 metres wide. The anomaly occurs within a wedge of ultramafic rocks folded around the nose of a felsic intrusion (Figure 8).

The Rotorua South nickel anomaly extends over 800 metres along strike, is about 270 metres wide and occurs along the interpreted basal contact of a wedge of ultramafic rocks adjacent to a felsic intrusion (Figure 8)

Detailed analysis of the sampling results has also revealed that a large proportion of the ultramafic rocks within the survey area have virtually no geochemical response (Figure 8). Several test pits excavated across this area indicate that transported Aeolian sands have filled in a shallow depression and covered a large proportion of the ultramafic stratigraphy. The transported cover has limited the effectiveness of the sampling method. The Company intends to test this area using low cost reverse air blast (RAB) or vacuum drilling to penetrate the cover.

McKenna Prospect

Following the identification of the McKenna **Nickel-Chrome-Bismuth-Copper** anomaly (ASX Release 29th April 2014) a combination of 378 infill and extension soil samples were collected and analysed by Portable XRF. The McKenna One Nickel Anomaly is interpreted to occur on the basal contact of a layered mafic-ultramafic intrusion called the Diorite Hill Complex and the adjacent ultramafic unit (Figure 6 & 7). Further analysis of all geochemical data also identified the McKenna Two (and McKenna Two+) nickel anomaly that appears to be bisected by recent east-west drainage affecting the continuity of the anomalies. The length of the McKenna is interpreted to be >2,000m with nickel values up 1,125ppm and copper values up to 52ppm.

Table 2 Significant soil geochemistry results from the McKenna prospect (including recent infill sampling)

Sample_ID	Anomaly	Easting*	Northing*	Nickel (ppm)	Chrome (ppm)	Bismuth (ppm)	Copper (ppm)
MES1434	McKenna 1	458200	6841800	**1426**	1180	41	**79**
MES253	McKenna 1	458300	6841300	**982**	2048	25	45
MES1435	McKenna 1	458400	6841800	692	1280	-5	36
MES245	McKenna 1	458500	6841600	690	895	-5	36
MES242	McKenna 1	458500	6841300	579	1498	23	46
MES247	McKenna 1	458500	6841800	547	1858	33	39
MES1468	McKenna 2	457700	6842200	**1125**	1388	38	52
MES1500	McKenna 2	457600	6842400	**1023**	1286	31	43
MES1499	McKenna 2	457700	6842400	**997**	987	-5	42
MES1513	McKenna 2	457600	6842600	**854**	1379	26	38
MES322	McKenna 2	457700	6841700	607	1028	33	50
MES323	McKenna 2	457700	6841800	605	1191	27	52
MES1467	McKenna 2	457600	6842200	555	1701	41	30
MES1582	McKenna 2+	457700	6843400	**815**	856	22	32

*Coordinate grid is Geodetic Datum Australia 1994, Zone 51.

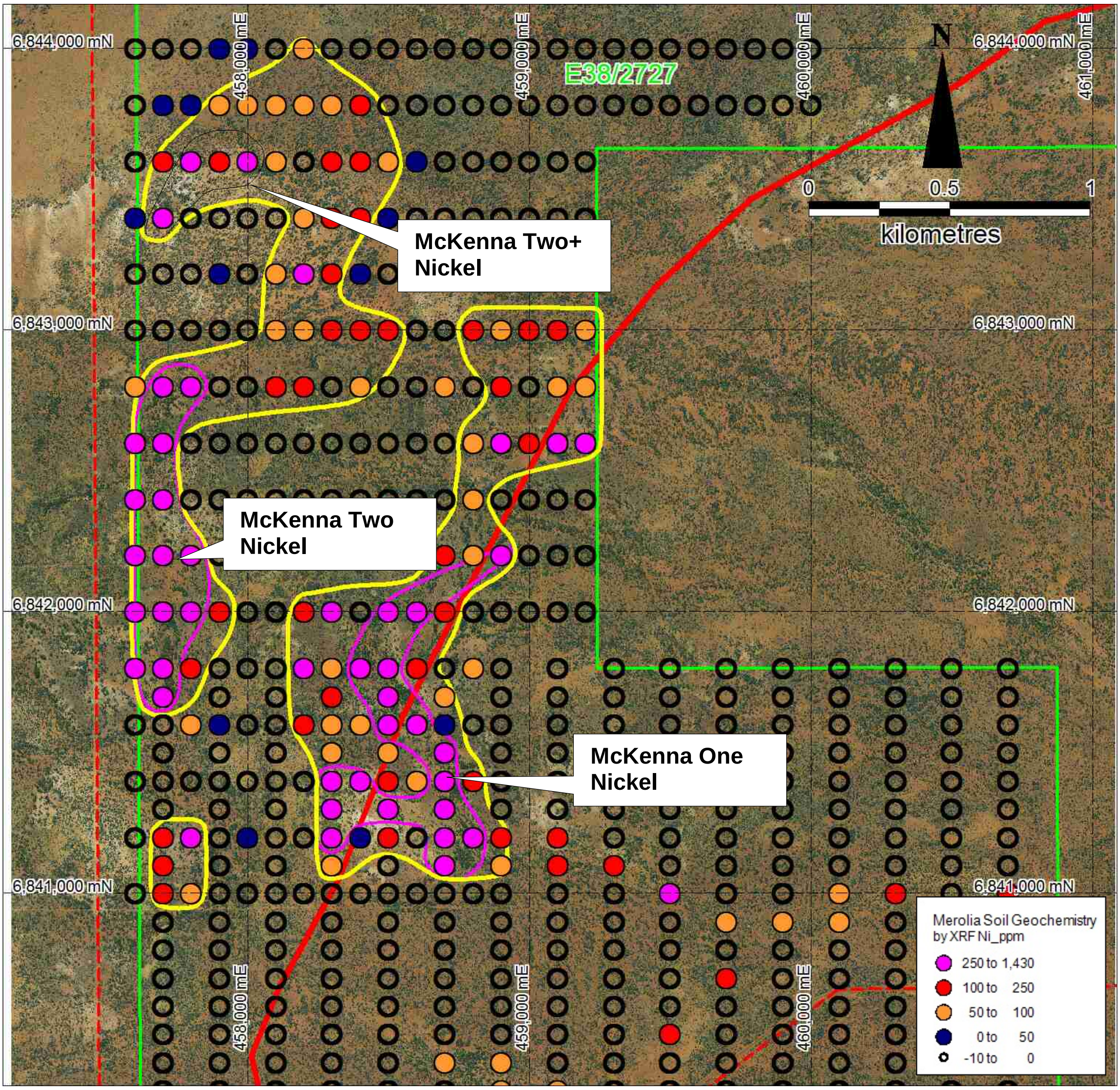


Figure 6 *McKenna One and McKenna Two high tenor Nickel anomalies. Most anomalism outside the main zones can be attributed to mechanical dispersion using recent drainage. (Diorite Hill Ultramafic Complex basal contact in red. Pink contour is >250ppm Ni, Yellow contour is >50ppm Ni).*

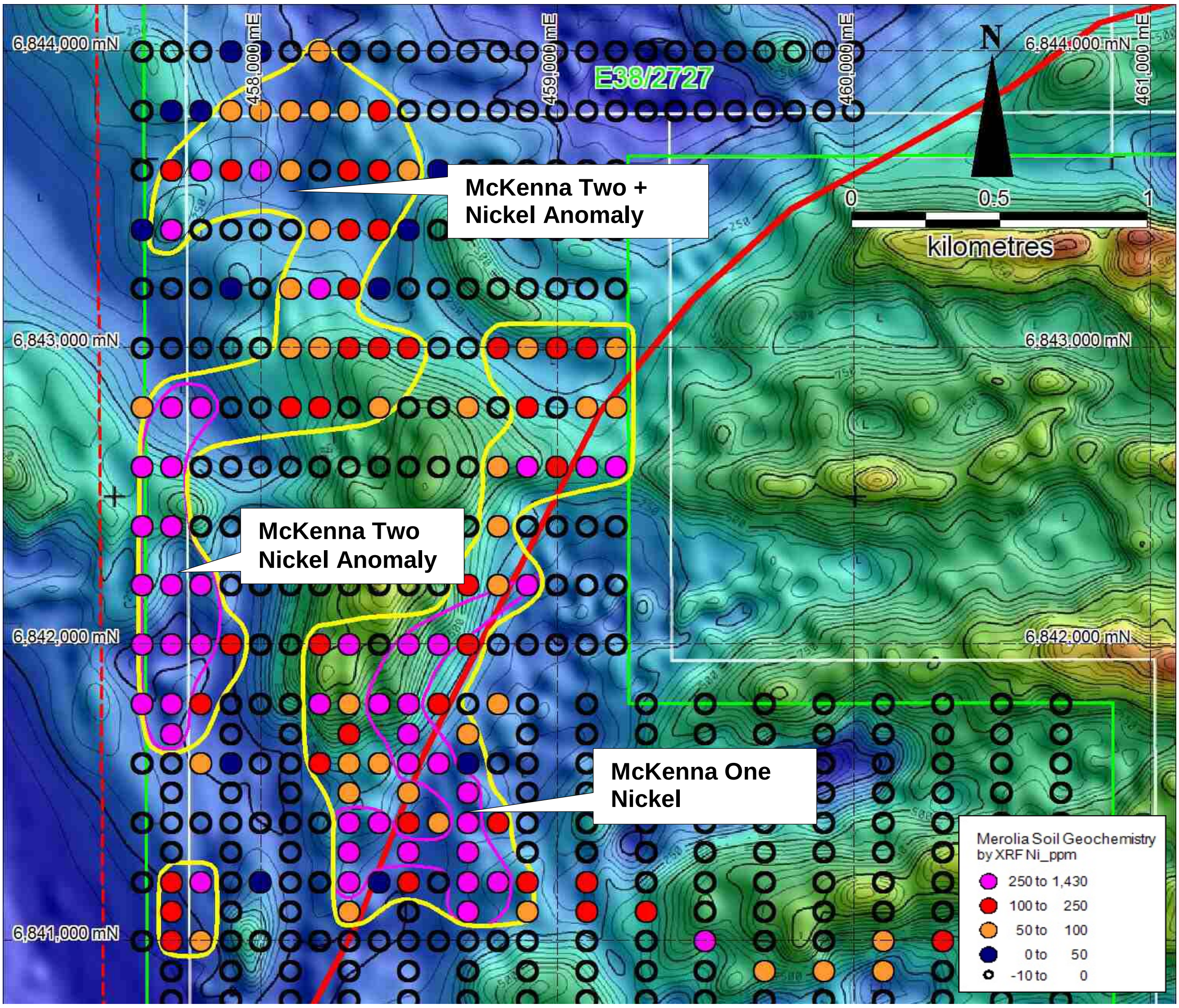


***Figure 7** McKenna Nickel-chrome-Copper-Bismuth anomalism over Total Magnetic Intensity (Diorite Hill Layered Ultramafic Complex basal contact in red, pink contour is >250ppm Ni, yellow contour is >50ppm Ni)*

Rotorua North and Rotorua South Prospects

The infill soil geochemistry programme conducted in July 2014 (containing 105 samples) covered the original Rotorua Nickel anomalies with 100m spaced samples on 200m spaced lines. The samples were assayed using the same technique and portable XRF as was used on the original geochemistry programme. The tighter sampling density has led to a strengthening of the anomalies and extended the Rotorua North and Rotorua South anomalies out to 1,000m by 400m wide and 800m by 270m wide respectively.

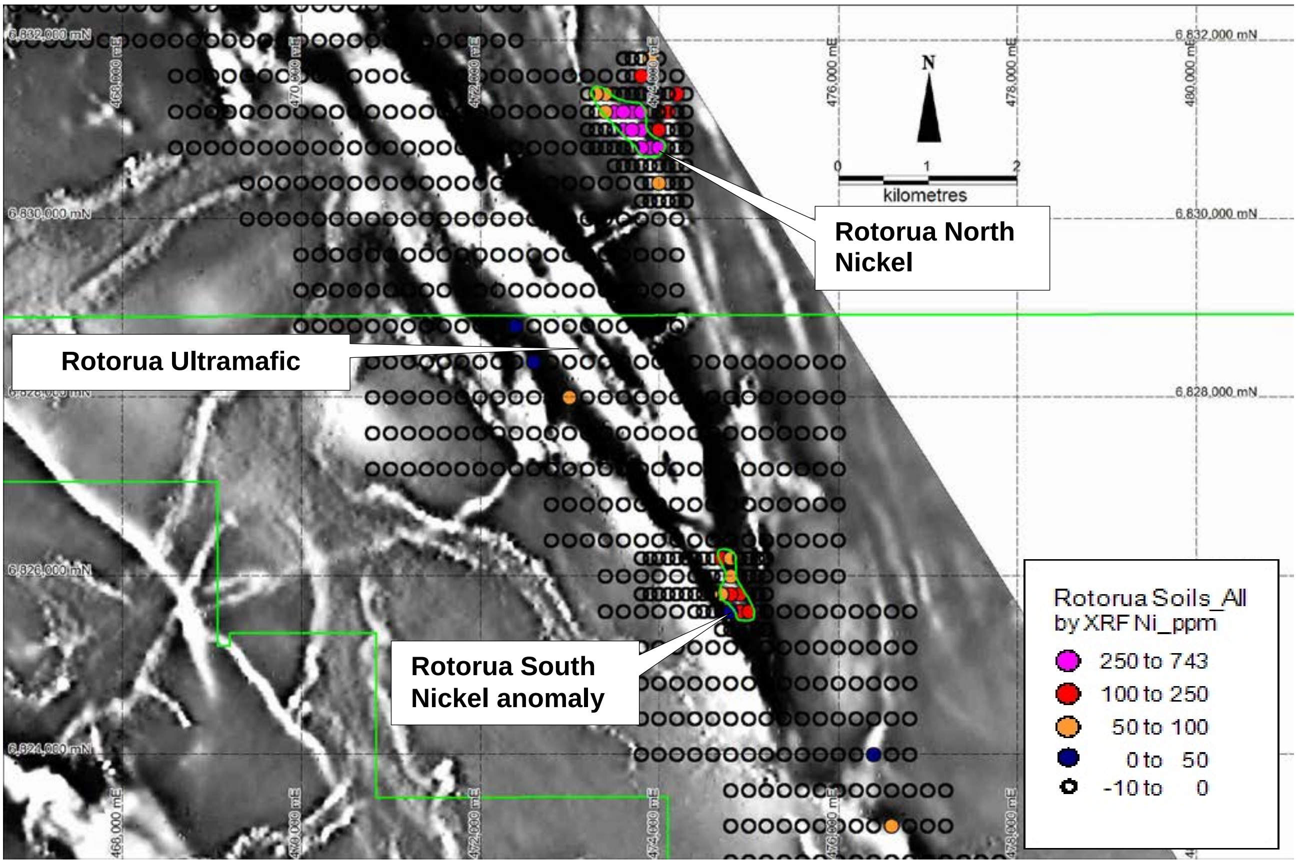


Figure 8 *Nickel anomalies (green outline) shown over the first vertical derivative magnetic image.*

Table 3 Significant soil geochemistry results from the sampling completed over the Rotorua Prospect

Sample ID	Anomaly	GDA East	GDA North	Ni ppm	Cr ppm	Bi ppm	Cu ppm
MES1772	Rotorua North	473900	6830800	**743**	1080	20	28
MES788	Rotorua North	473600	6831200	**644**	957	27	32
MES1781	Rotorua North	473800	6831000	**591**	711	-5	27
MES789	Rotorua North	473800	6831200	**519**	890	-5	31
MES1791	Rotorua North	473700	6831200	**473**	573	-5	30
MES761	Rotorua North	474000	6830800	**441**	1111	-5	39
MES1792	Rotorua North	473500	6831200	**381**	605	-5	27
MES1782	Rotorua North	473700	6831000	**353**	632	30	34
MES760	Rotorua North	473800	6830800	**338**	564	-5	22
MES1783	Rotorua North	473600	6831000	**331**	587	-5	33
MES1779	Rotorua North	474000	6831000	207	550	-5	37
MES818	Rotorua North	473800	6831600	178	543	32	39
MES1789	Rotorua North	474100	6831200	162	381	-5	28
MES1795	Rotorua North	474200	6831400	151	468	-5	30
MES1822	Rotorua South	474700	6826200	219	691	24	33
MES1836	Rotorua South	474900	6825800	153	625	-5	31
MES1849	Rotorua South	474900	6825600	153	593	-5	26
MES1837	Rotorua South	474800	6825800	152	593	-5	28
MES452	Rotorua South	475000	6825600	125	549	-5	35
MES879	Rotorua West	465800	6832400	157	1064	-5	**68**

As noted previously the lack of geochemical response over the Rotorua Ultramafic unit (large NW-SE unit shown in Figure 8 above) indicates transported cover is masking any bedrock geochemistry. As part of the infill sampling programme, seven test pits, 100 metres apart were excavated by hand down to a depth of approximately 1m across the Rotorua Ultramafic sequence in order to test the alluvial profile for depth and any segregation. All 7 test pits encountered the same barren transported Aeolian sands from surface to the bottom of the pit. Therefore a cost effective Rotary Air Blast (RAB) drilling program is planned to penetrate the cover and reveal the bedrock geology across the Rotorua Ultramafic as well as testing across the soil anomalies already identified.

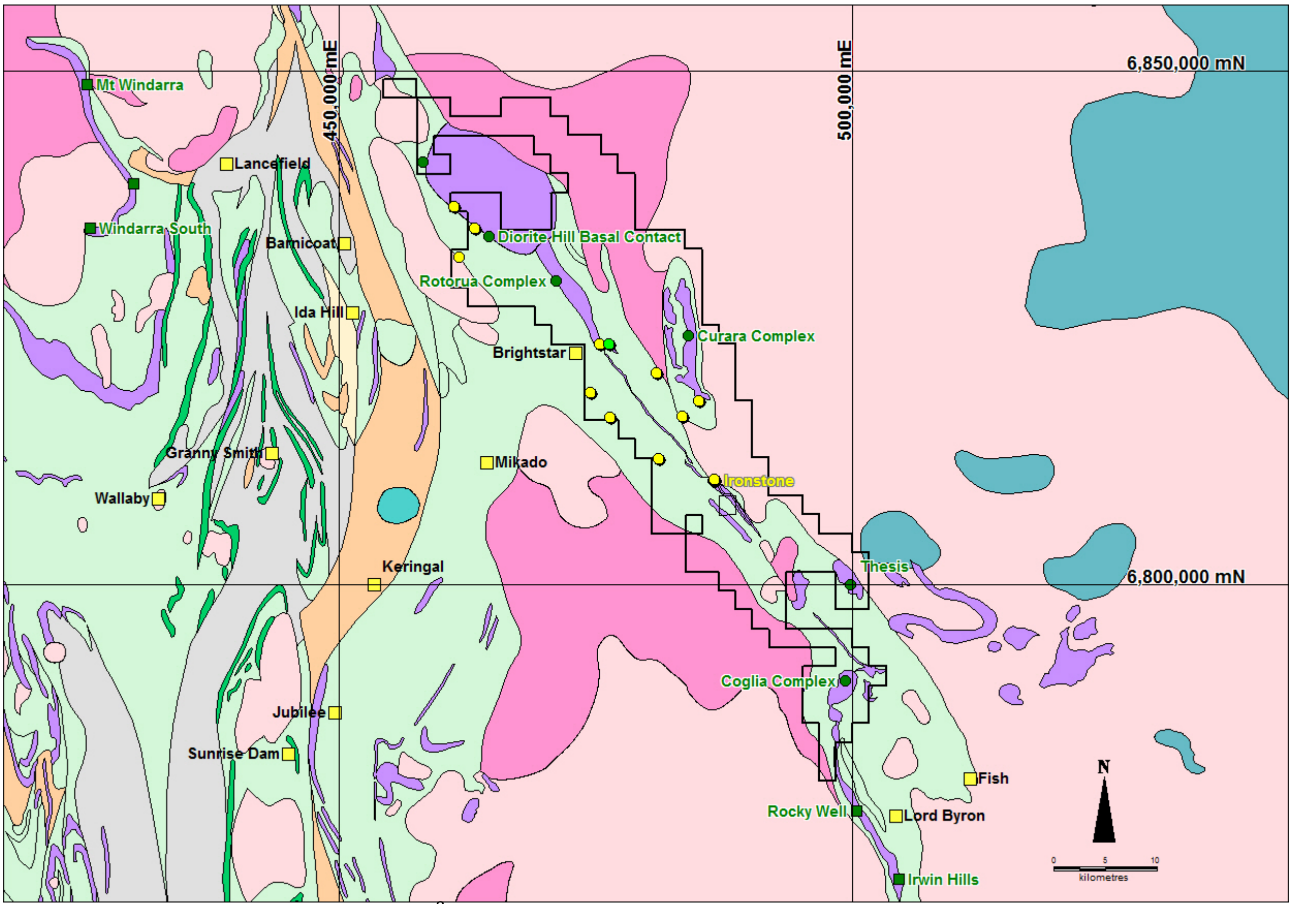


Figure 9 *Geological plan of the 771 km^2 Merolia Project showing magmatic nickel-copper sulphide prospects and lode gold prospects*

Project Background

The Merolia project consists of 771 square kilometres of the Merolia Greenstone belt and contains extensive ultramafic sequences including the Diorite Hill layered ultramafic complex, the Rotorua ultramafic complex, the Coglia ultramafic complex and a 50 kilometre long zone of extrusive ultramafic lava's (Figure 9). The intrusive complexes are prospective for nickel-copper sulphide accumulations possibly with platinum group elements, and the extrusive ultramafic rocks are prospective for nickel sulphide and nickel-cobalt accumulations. The project also contains extensive basalt sequences that are prospective for gold mineralisation including the Ironstone prospect where historical drilling has identified 24m at 8.6g/t gold.

Lake Johnston Project (100%)

During the year the Company completed a 1,100 metre reverse circulation (RC) drilling program at the Lake Johnston nickel project in Western Australia.

Drilling intersected disseminated pyrrhotite (iron sulphide) and chalcopyrite (copper sulphide) zones with associated quartz veining in hole GLRC008 explaining Conductor 2. The mineralisation occurs on the fault contact between basalt and ultramafic rock. The fault contact has acted as a conduit for hydrothermal fluids from volcanic activity that has generated quartz veining and wall rock alteration over 8 metres that contains anomalous levels of copper and base metals. Results include 4m at 0.23% copper within 8 metres at 0.16% copper.

Holes GLRC002 (conductors 7-9) and GLRC004 (Conductor 4) failed to intersect EM conductors at the target depths. The Company is currently reviewing the geophysical data to establish if the modelled conductors are deeper than interpreted. Further drilling may be required to fully test these targets.

Two holes (GLRC006 and GLRC009) were drilled to test a strong surface nickel-copper-platinum-palladium soil anomaly. These holes intersected nickel-copper-zinc-bismuth mineralisation in the regolith profile. Samples were sent to Bureau Veritas laboratories in Perth for analysis.

Results for GLRC009 included 12 metres at 1.0% Nickel, 300ppm copper, 0.16% zinc, 18ppm bismuth and 17ppb platinum + palladium including one metre at 2.0% nickel, 235 ppm copper, 0.15% zinc and 58ppm bismuth.

Results for GLRC006 included 4 metres at 1.06% nickel, 0.9% chrome, 225 ppm copper, 0.21% zinc and 84ppm bismuth.

The drill hole intersections occur at the weathering front between the oxidised regolith and the transitional regolith suggesting that weathering processes have contributed to the concentration of metals. However, the level of anomalism of nickel, copper, bismuth, zinc and platinum/palladium suggests a primary magmatic process generated the mineralisation. The Company is considering further drilling to test down dip of the mineralisation.

The Company acknowledges the support of the Royalties for Regions Exploration Incentive Scheme (EIS) administered by the Department of Mines and Petroleum (DMP). The DMP will fund 50% of the total direct drilling costs up to a maximum of $150,000.

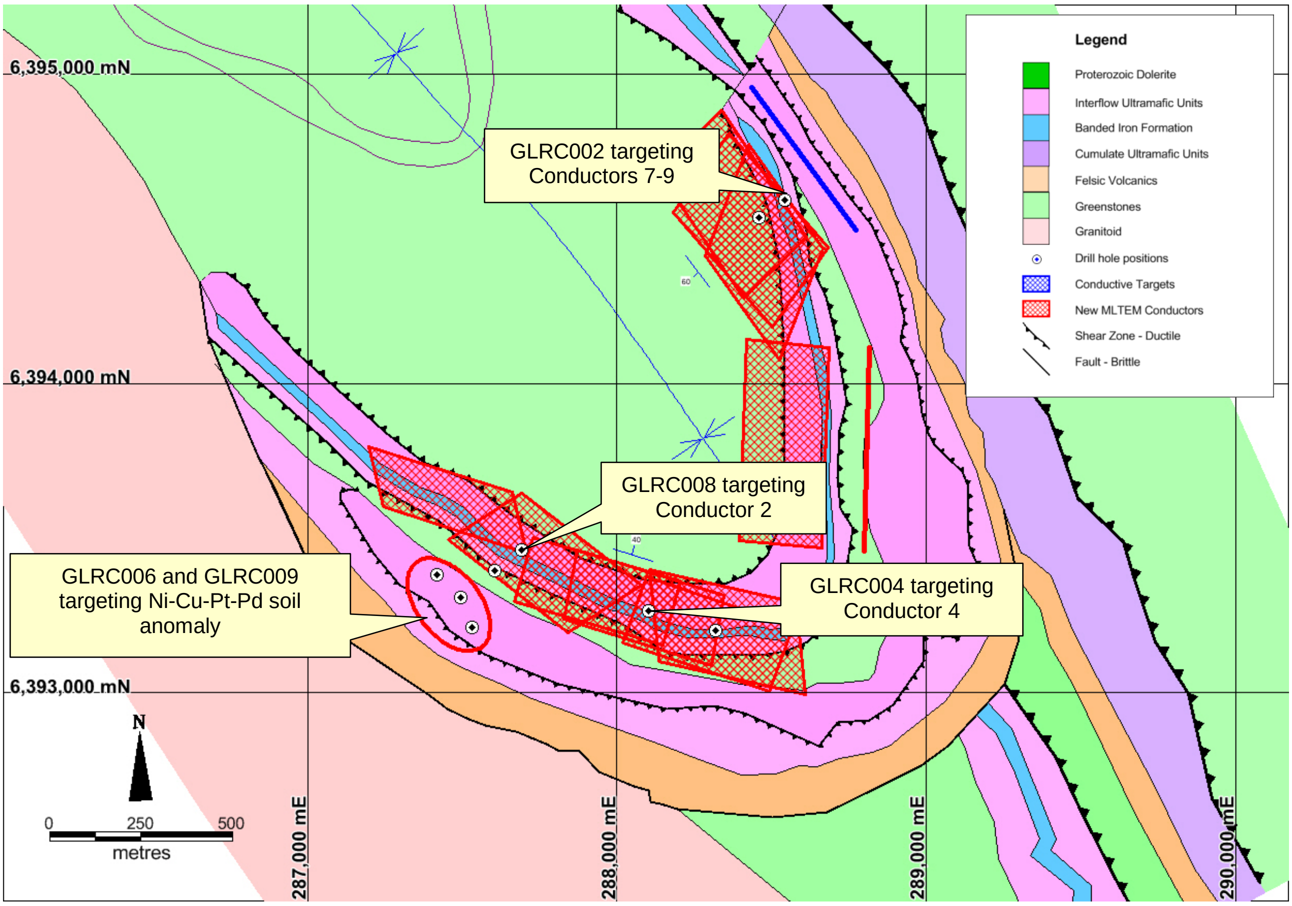


Figure 10 *Mt Glasse location map showing detailed conductors (red hatched) and completed drill holes*

Lake Percy Nickel Prospect (100%)[1]

The Company completed a 220 sample infill and extension soil sampling program in January 2014 covering the western limb of the western ultramafic unit. The sampling was carried out to investigate a 2 kilometre long zone where previous sparse sampling identified strongly elevated levels of coincident nickel and copper (Figure 11). Recent drilling (2013) at the southern limit of this zone identified **32 metres at 0.83% nickel, 226 ppm copper and 176 ppm cobalt from 24 metres (LPRC007)** mainly within the weathered ultramafic regolith profile.

Several geochemical ratios were evaluated with the Kambalda ratio (Ni/Cr*Cu/Zn) identifying a strong anomaly immediately north of the recent drilling (Figure 11). The Kambalda ratio identifies areas high in nickel and copper but low in chrome and zinc. These areas can host massive nickel sulphides and warrant further exploration. The Company has also identified three zones with highly anomalous nickel and copper values along the basal contact that also require follow up work (Figure 12). In general the western ultramafic unit has had little exploration and the drilling that has been completed has been widely spaced (lines 600m apart) shallow RAB drilling that has not tested the ultramafic unit at depth.

The Companies geophysical consultants Newexco are currently reviewing the geophysics over the western ultramafic unit to evaluate if more powerful EM is warranted. The Company will plan further work based on the results of the review in conjunction with the highly favourable geochemistry.

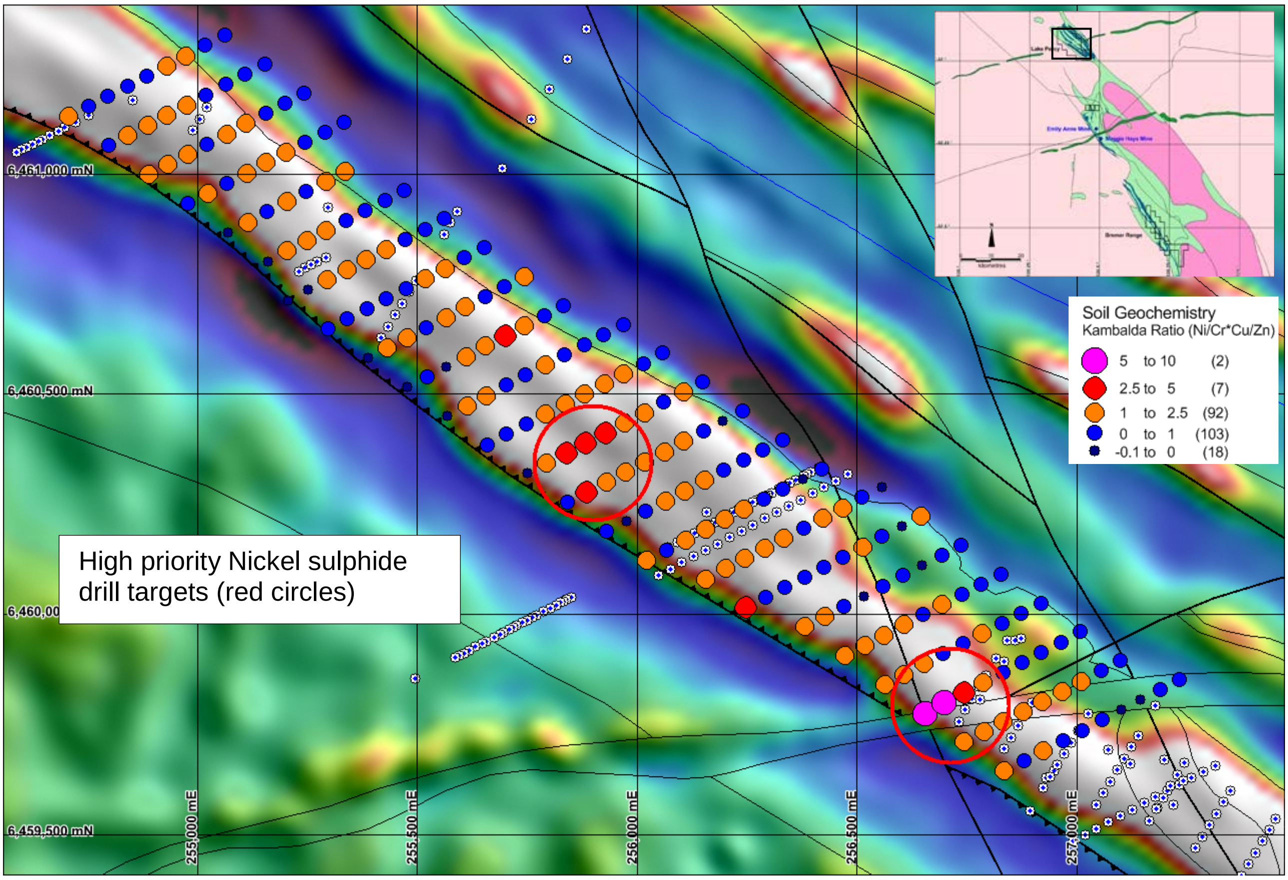


Figure 11 *Lake Percy soil sampling showing highly anomalous nickel/chrome*copper/zinc (Kambalda) ratios >5 (pink dots) along the basal contact. White bullseyes are existing RAB drill holes at 600m spacing*

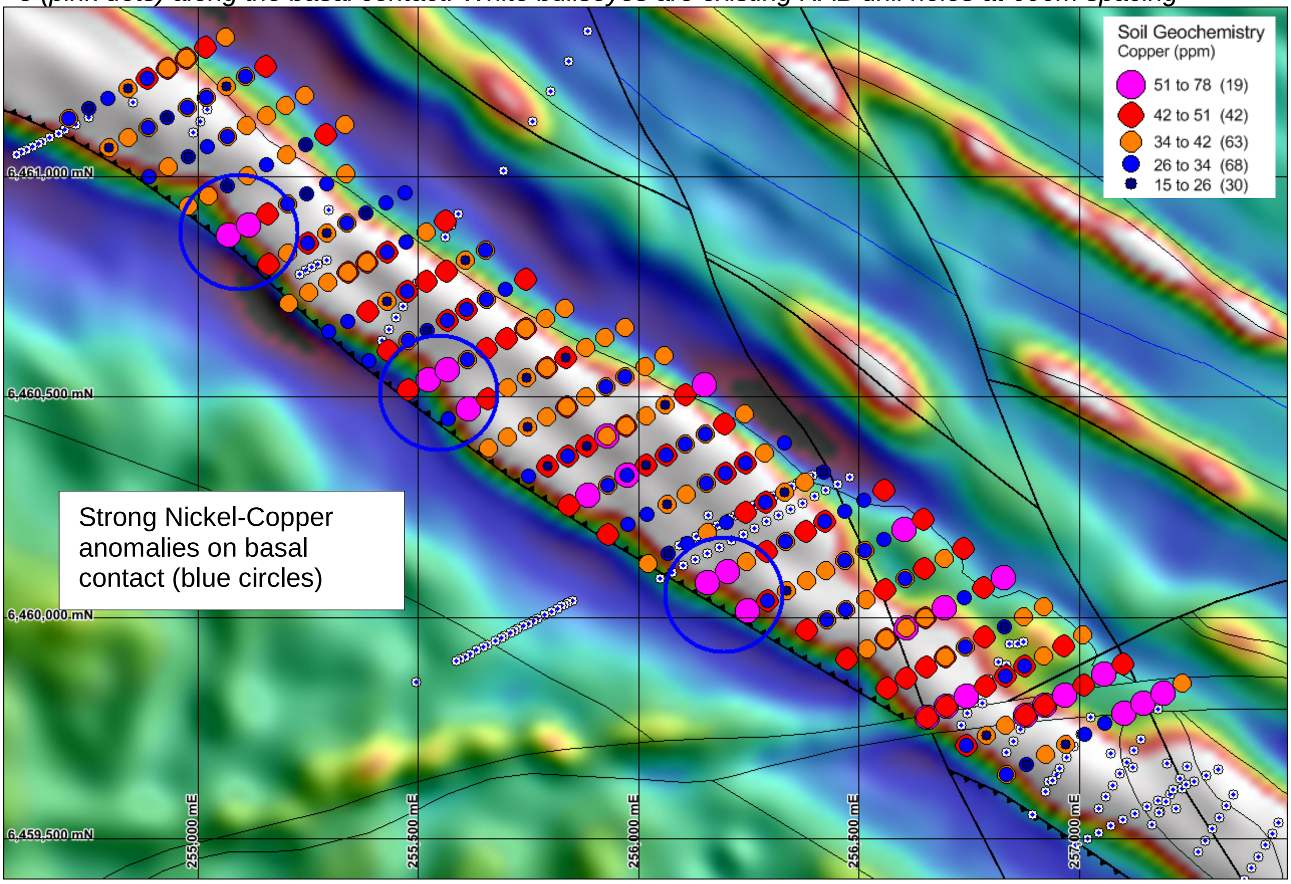
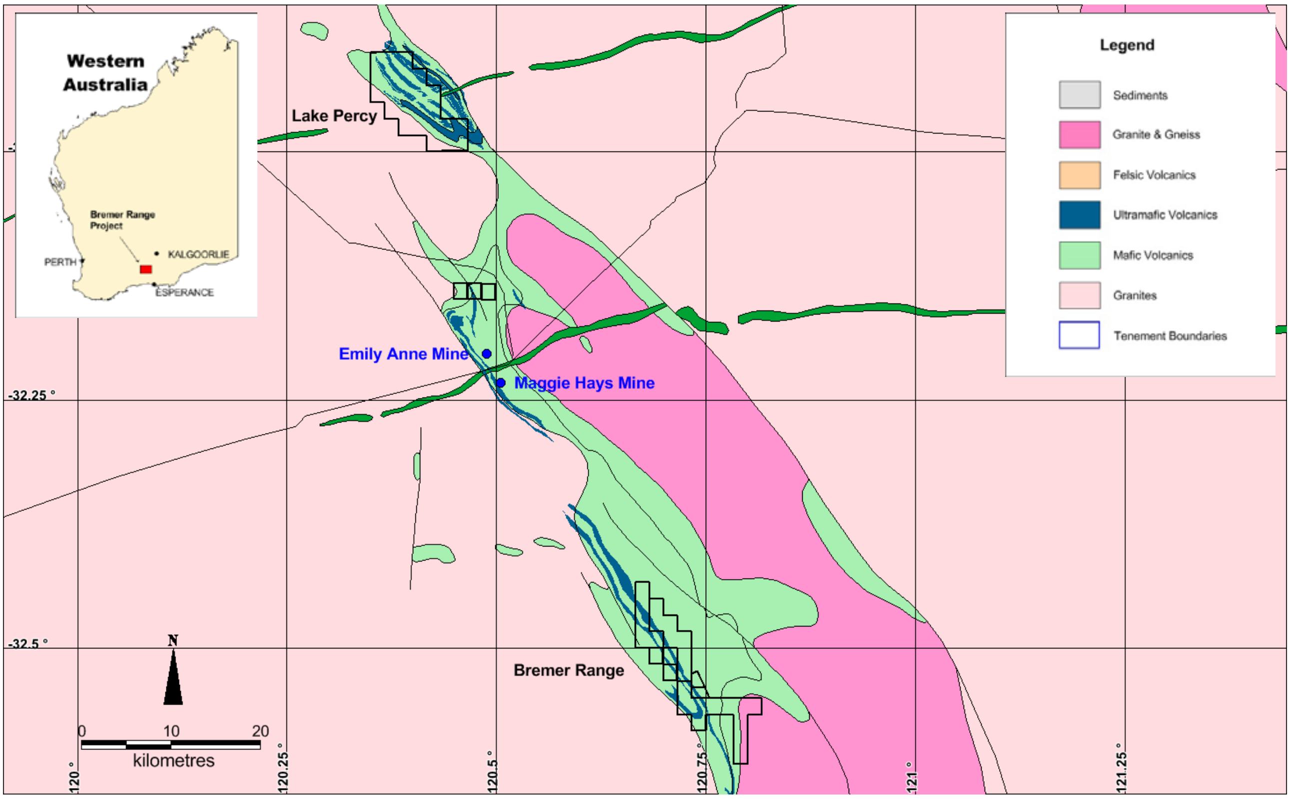


Figure 12 *Lake Percy soil sampling showing high nickel and copper values along the basal contact highlighting the prospectivity of the western contact of the western ultramafic unit north of LPRC007*



***Location Map** showing tenement holdings, mine locations and the location of the Mt Glasse and Lake Percy prospects.*

Other Projects

The Company is undertaking an extensive review of the Company's exploration projects and is currently compiling historical data for several prospects. No field work was undertaken on the Company's other projects during the year.

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Todd Hibberd, who is a member of the Australian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the company. Mr Hibberd has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the `Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)`. Mr Hibberd consents to the inclusion of this information in the form and context in which it appears in this report.

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 2014. 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 21 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 Luiri 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
8,955,156 ordinary shares; 4,681,820 30 September 2014 options; 4,166,668 11 March 2017 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 five years as Managing Director of White Cliff Minerals, 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
15,497,736 ordinary shares; 5,000,000 30 September 2014 options; 4,666,668 11 March 2017 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
1,010,000 ordinary shares; 1,250,000 30 September 2014 options; 2,250,000 11 March 2017 options

Co-Company Secretary

Brooke White has been co-company secretary of White Cliff since February 2010. Ms White holds business administration and financial services qualifications with over 12 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 12 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:

	Directors' meetings held whilst in office	***Directors' meetings attended***
M Langoulant	12	12
T Hibberd	12	12
R Boland	12	11

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
September 2012 – March 2013	30 September 2014	$0.06	116,227,300
May 2014	11 March 2017	$0.03	102,050,017

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.

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 2014. 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 (Executive Chairman)
Todd Hibberd (Managing Director)
Rodd Boland (Non-executive Director)

(ii) Executive
There were no other executives of the Company as at 30 June 2014.

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 2014, the Company issued 7,500,000 Options exercisable at $0.03 on or before 11 March 2017 to directors. 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.

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 2014 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.

Directors' Report

Remuneration of directors

Year ended 30 June 2014	*Primary benefits*		*Post-employment benefits*	*Share-based payment*	
Name	*Salary and/or consulting fees*	*Directors' Fees*[1]	*Super-annuation*	*Option Issues*[2]	*Total*
	$	*$*	*$*	*$*	*$*
Director					
M Langoulant[3]	105,000	15,000	-	2,500	122,500
T Hibberd	160,749	15,000	14,611	3,000	193,360
R Boland	21,000	15,000	-	2,000	38,000
	286,749	45,000[1]	14,611	7,500	353,860

Other key management personnel
Nil

Year ended 30 June 2013					
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

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 The assessed fair value at grant date of options granted to directors 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 March 2017 issued to directors in May 2014 vested immediately such that the share based expense relating to this issue of options has been accounted for in full during the 2014 year.

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.

Employee share option plan

Options granted, exercised or lapsed during the year in relation to key management personnel as part of their remuneration

2014 Name	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
Director					
M Langoulant	4,250,000	2,500,000	(1,000,000)	5,750,000	5,750,000
T Hibberd	5,250,000	3,000,000	(1,500,000)	6,750,000	6,750,000
R Boland	1,750,000	2,000,000	(750,000)	3,000,000	3,000,000
Other key management personnel					
Nil	-	-	-	-	-

Key management personnel equity holdings

Fully paid ordinary shares

2014 **Director**	Balance at beginning of year	Net movement during the year	Balance at the end of year
Ordinary shares			
M Langoulant	5,621,822	3,333,334	8,955,156
T Hibberd	6,047,964	9,449,772	15,497,736
R Boland	510,000	500,000	1,010,000
Options			
M Langoulant	5,681,820	3,166,668	8,848,488
T Hibberd	6,500,000	3,166,668	9,666,668
R Boland	2,000,000	1,250,000	3,250,000
2013 **Director**			
Ordinary shares			
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
Options			
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

Fair values at grant date are determined using market value for listed options or a Black and Scholes option pricing model that takes into account various assumptions as detailed in Note 12.

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.

For the majority of the financial year the Board accepted that their contractual remuneration was reduced by a factor of 40%. Upon completing a capital raising in May 2014 remuneration rates were reinstated to normal amounts. Further annual director fees have been reduced by 50% effective from 1 July 2012.

The Company has entered into a consultancy agreement with Lanza Holdings Pty Ltd, an entity associated with Mike Langoulant, for services including accounting and corporate administration. Annual fees payable to Lanza are $150,000 plus GST. The Company may terminate the consultancy agreement on 3 months' notice by paying 12 months of consultancy fees. Lanza may terminate the consultancy agreement due to breach or upon 3 months' notice.

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
2 November 2012	30 September 2014	$0.06	$0.016	30 September 2014
19 May 2014	11 March 2017	$0.03	$0.001	11 March 2017

There have been no options granted to employees or consultants that have been exercised or have lapsed during the reporting period other than 5,750,000 options exercisable at $0.25 which lapsed on 30 June 2014.

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 12 and 15 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	19/5/14	2,500,000	2,500,000	2
T Hibberd	19/5/14	3,000,000	3,000,000	2
R Boland	19/5/14	2,000,000	2,000,000	5

End of remuneration report.

Directors' 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 29 and forms part of this directors' report for the year ended 30 June 2014.

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
22 September 2014

HLB Mann Judd

Accountants | Business and Financial Advisers

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 2014, 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.

Perth, Western Australia
22 September 2014

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, polices 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 2013/2014 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 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 Mr Langoulant continues to be the most appropriate person for the position of Chair.

The Chief Executive Officer is Mr 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 a contract 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 previous 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 2014

	Note	Consolidated 2014 $	2013 $
Other income	2	**25,347**	260,705
Depreciation		**-**	2,670
Exploration expenditure incurred		**921,067**	1,345,261
Impairment of other financial assets		**-**	101,609
Project acquisition costs written off	8	**249,679**	439,568
Share based payment expense		**7,500**	158,660
Other expenses		**824,681**	1,068,200
		2,002,927	3,115,968
Loss before income tax expense		**(1,977,580)**	(2,855,263)
Income tax benefit	3	**351,513**	-
Loss after income tax benefit		**(1,626,067)**	(2,855,263)
Net loss for the year		**(1,626,067)**	(2,855,263)
Other comprehensive loss/(income)			
Items that will not be subsequently reclassified to profit and loss:			
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
Total comprehensive loss for the year		**(1,626,067)**	(2,801,414)
Basic loss per share (cents per share)	4	**(0.7)**	(2.3)

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 2014

	Note	Consolidated 2014 $	2013 $
Current Assets			
Cash and cash equivalents	6	**1,002,094**	1,190,649
Trade and other receivables	7	**396,498**	39,109
Other assets		**28,758**	-
Total Current Assets		**1,427,350**	1,229,758
Non-Current Assets			
Exploration project acquisition costs	8	**1,393,350**	814,612
Total Non-Current Assets		**1,393,350**	814,612
Total Assets		**2,820,700**	2,044,370
Current Liabilities			
Trade and other payables	9	**219,390**	182,827
Total Current Liabilities		**219,390**	182,827
Total Liabilities		**219,390**	182,827
Net Assets		**2,601,310**	1,861,543
Equity			
Issued capital	10	**16,822,494**	14,464,160
Reserves	11	**882,399**	874,899
Accumulated losses		**(15,103,583)**	(13,477,516)
Total Equity		**2,601,310**	1,861,543

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 2014

Consolidated	Issued capital $	Accumulated losses $	Reserves $	Total equity $
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 10(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
Loss for the period	-	(1,626,067)	-	(1,626,067)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	-	(1,626,067)	-	(1,626,067)
Shares issued during the period	2,440,316	-	-	2,440,316
Capital raising costs (note 10(b))	(81,982)	-	-	(81,982)
Share based compensation	-	-	7,500	7,500
	2,358,334	-	7,500	2,365,834
Balance at 30 June 2014	**16,822,494**	**(15,103,583)**	**882,399**	**2,601,310**

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

Statement of Cash Flows
For the year ended 30 June 2014

	Note	Consolidated Inflows/ (Outflows) 2014 $	Inflows/ (Outflows) 2013 $
Cash flows from operating activities			
Government drilling grants		**-**	106,221
Payments to suppliers and employees		**(554,437)**	(1,003,794)
Interest received		**22,823**	28,484
Net cash outflow from operating activities	17(a)	**(531,614)**	(869,088)
Cash flows from investing activities			
Loans (to)/from others		**-**	110,606
Payments for other assets		**(26,234)**	-
Payments for project acquisitions		**(90,000)**	-
Payments for exploration and evaluation		**(1,160,625)**	(1,633,062)
Proceeds from sale of tenements		**-**	126,000
Net cash outflow from investing activities		**(1,276,859)**	(1,396,456)
Cash flows from financing activities			
Proceeds from the issue of shares		**1,701,900**	2,972,001
Capital raising costs		**(81,982)**	(151,117)
Net cash inflow from financing activities		**1,619,918**	2,820,884
Net increase/(decrease) in cash held		**(188,555)**	555,340
Cash at the beginning of the year		**1,190,649**	635,309
Cash at the end of the year	6	**1,002,094**	1,190,649

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

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 a material 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 2014, 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 2014. 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 22 September 2014.

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 2014 (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.

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 either market value or using a Black and Scholes model using the assumptions contained in Note 12.

(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.

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.

Note 1: Statement of significant accounting policies (continued)

(j) 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 re-valued 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.

(k) 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.

(l) 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.

Note 1: Statement of significant accounting policies (continued)

(m) 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 either market value or 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).

(o) 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.

(p) 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.

Note 1: Statement of significant accounting policies (continued)

(q) 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.

(r) 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.

(s) Parent entity financial statements

The financial information for the parent entity, White Cliff Minerals, disclosed in Note 18, has been prepared on the same basis as the consolidated financial statements.

	Consolidated	
	2014	2013
	$	$
Note 2: Revenue and expenses		
(a) Revenue from continuing operations		
Other revenue		
Tribute production share of gold	**2,524**	-
Interest received	**22,823**	28,484
Profit on sale of tenements	**-**	126,000
Government drilling grants	**-**	106,221
(b) Expenses		
Loss from ordinary activities before income tax expense includes the following specific expenses:		
Auditor's remuneration	**30,050**	29,550
Employee costs*	**348,539**	490,870

* Includes all direct exploration employee costs

	Consolidated 2014 $	2013 $
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	**(1,977,580)**	(2,855,263)
Tax expense/(benefit) calculated at 30%	**(593,274)**	(856,579)
Research and development tax refund	**(351,513)**	-
Non-deductible expenses	**1,954**	36,566
Other deferred tax assets and tax liabilities not recognised	**99,288**	508,762
Adjustments in respect of current income tax of previous years	**202,174**	597
Deferred tax assets and tax liabilities not recognised in relation to foreign expenses	**289,858**	310,654
Income tax expense/(benefit) reported in the statement of comprehensive income	**(351,513)**	-
(b) Unrecognised deferred tax balances		
The following deferred tax assets have not been brought to account		
Deferred tax assets comprise:		
Accruals	**6,072**	10,613
Fair value of investments	**30,483**	30,483
Share issue costs	**61,220**	53,495
Losses available for offset against future income – revenue	**3,244,898**	3,195,884
Losses available for offset against future income – capital	**38,159**	38,159
	3,380,832	3,328,634
Deferred tax liabilities comprise:		
Exploration expenses capitalised	**(31,480)**	(94,384)
Net unrecognised deferred tax assets	**3,349,352**	3,234,250
(**c) Income tax benefit not recognised directly in equity during the year**		
Share issue costs	**32,486**	45,335

	Consolidated 2014 $	2013 $
Note 4: Loss per share		
Total basic loss per share (cents)	**(0.7)**	(2.3)
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	**(1,626,067)**	(2,855,263)
The weighted average number of ordinary shares	**222,517,148**	122,080,092

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 2014.

2014	Australia $	Kyrgyz $	Total $
Revenue			
Gold produced	2,524	-	2,524
Interest income	22,823	-	22,823
Segment revenue	25,347	-	25,347
Segment net operating loss after tax	(870,883)	(755,184)	(1,626,067)
Segment assets	1,532,283	1,288,417	2,820,700
Other segment information			
Segment liabilities	(195,542)	(23,848)	(219,390)
Depreciation and amortisation of segment assets	-	-	-

Note 5: Segment information (cont)

2013	Australia $	Kyrgyz $	Total $
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
Segment liabilities	168,827	14,000	182,827
Depreciation and amortisation of segment assets	2,670	-	2,670

Note 6: Cash and cash equivalents

	Consolidated	
	2014	2013
	$	$
Cash at bank and on hand	**-**	42,891
Short term deposits	**1,002,094**	1,147,758
	1,002,094	1,190,649

(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 0.3% and 2.35%. These deposits have a maturity of no more than 90 days.

Note 7: Trade and other receivables

	Consolidated 2014 $	2013 $
Goods and services tax receivable	**43,536**	39,109
Other receivables – Research and development tax refund	**351,513**	-
Interest receivable	**1,449**	-
	396,498	39,109

Note 8: Exploration project acquisition costs

	Consolidated 2014 $	2013 $
Opening balance	**814,612**	570,644
Project acquisition costs	**828,417**	683,536
Project acquisition costs written off	**(249,679)**	(439,568)
Acquisition costs in respect of areas of interest in the exploration phase	**1,393,350**	814,612

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 9: Trade and other payables

Trade payables and accruals*	**153,834**	145,774
Provisions	**65,556**	37,053
	219,390	182,827

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

Note 10: Issued capital

(a) Ordinary shares issued	Consolidated $ 2014	$ 2013
449,049,614 (2013: 186,107,947) ordinary shares	**16,822,494**	14,464,160

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		67,380,647		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
24 March 2014	Placement	18,610,000	0.009	167,490
8 May 2014	Placement	114,690,000	0.009	1,032,210
8 May 2014	Share Purchase Plan	55,800,000	0.009	502,200
8 May 2014	Project acquisition	73,841,667	0.01	738,417
Capital raising costs		-		(81,982)
30 June 2014		**449,049,614**		**16,822,494**

(c) Share options

	Number of options 2014	2013
Listed options exercisable at $0.03 on or before 11 March 2017	**102,050,017**	-
Listed options exercisable at $0.06 on or before 30 September 2014	**116,227,300**	116,227,300
Employee Options exercisable at $0.25 on or before 30 June 2014	**-**	5,750,000
	218,277,317	121,977,300

(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	**116,227,300**	-
Issued during year	**-**	116,227,300
Balance at end of financial year	**116,227,300**	116,227,300

Note 10: Issued capital (cont)

	Number of options 2014	2013
Listed Options to acquire ordinary fully paid shares at \$0.03 on or before 11 March 2017:		
Beginning of the financial year	**-**	-
Issued during year	**102,050,017**	-
Balance at end of financial year	**102,050,017**	-
Employee Options exercisable at \$0.25 on or before 30 June 2014		
Beginning of the financial year	**5,750,000**	**5,750,000**
Expired during year	**(5,750,000)**	-
Balance at end of financial year	**-**	**5,750,000**

Note 11: Reserves

	Consolidated 2014 \$	2013 \$
Option issue reserve (a)	**125,391**	125,391
Share compensation reserve (b)	**757,008**	749,508
	882,399	874,899

(a) Option issue reserve
The option issue reserve represents amounts paid upon subscribing for options issued by the Company.

(b) 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 12.

Note 12: 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
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*
7,500,000	19/5/2014	11/3/2017	0.03	$7,500**

Fair value of options granted
* The fair value of the equity-settled share options was estimated using the Black and Scholes model taking into account the terms and conditions upon which the options were granted. The holders of these options did not realise any value/profit from these options which have now lapsed.
** The fair value of the equity-settled share options was estimated using the initial bid price for these options on the first day these options were quoted for trading upon ASX. This method provides the most accurate estimate of the value of these options.

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.

Note 13: 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

<u>Equity price risk sensitivity analysis</u>

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.

<u>Interest rate sensitivity analysis</u>

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 2014, 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 $4,840 (2013: $4,130) lower/higher as a result of higher/lower interest income on cash and cash equivalents.

Note 13: 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.

2014	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	-	-	-	-
Cash and cash equivalents – interest bearing	2.35%	1,002,094	-	-	-
Trade and other receivables	n/a	396,498	-	-	-
		1,398,592	-	-	-
Financial liabilities					
Trade and other payables	n/a	-	153,834	-	-
Provisions	n/a	-	-	65,556	
		-	153,834	65,556	-
2013					
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	-	-	-
		428,881	800,877	-	-
Financial liabilities					
Trade and other payables	n/a	-	145,774	-	-
Provisions	n/a	-	-	37,053	-
		-	145,774	37,053	-

The directors consider that the carrying value of the financial assets and financial liabilities are recognised in the consolidated financial statements approximate their fair values.

Note 14: 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 $707,000 (2013: $580,000) 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.

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 $56,450.

Note 15: 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	
	2014	2013
	$	$
Short-Term	**331,749**	499,360
Post-employment	**14,611**	20,640
Share-based payments	**7,500**	126,929
	353,860	646,929

Detailed remuneration disclosures of directors and key management personnel are in pages 24 to 29 of this report.

Note 16: 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 2014 %	2013 %
Northern Drilling Pty Ltd	Australia	Ordinary	100	100
Petrus Resources Pty Ltd	Australia	Ordinary	100	100
Venture Exploration Pty Ltd	Australia	Ordinary	100	100
PBP Malaysia Limited	Malaysia	Ordinary	98.5	62.7
Chanach LLC	Kyrgyz Republic	Ordinary	88.7	57.1

There were no transactions between White Cliff Minerals Limited and its controlled entities during the financial year other than loan funds advanced to the Chanach LLC re the Chanach copper-gold project (2013: nil).

The Company has entered into a consultancy agreement with Lanza Holdings Pty Ltd, an entity associated with Mike Langoulant, for services including accounting and corporate administration. Annual fees payable to Lanza are $150,000 plus GST. The Company may terminate the agreement on 3 months' notice by paying 12 months of consultancy fees. Lanza may terminate the agreement due to breach or upon 3 months' notice.

Note 17: Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated 2014 $	2013 $
a) *Reconciliation of loss from ordinary activities after income tax to net cash outflow from operating activities*		
Net loss for the year after income tax	**(1,626,067)**	(2,855,263)
Depreciation	**-**	2,670
Share based payment expense	**7,500**	158,660
Impairment of financial assets	**-**	101,609
Profit on sale of tenements classified as investing activity	**-**	(126,000)
Exploration expenditure and employee costs treated as investment activity	**1,160,625**	1,784,831
Mining tenement acquisition costs written off	**249,679**	-
(Increase) / decrease in trade and other receivables	**(359,914)**	1,642
Increase / (decrease) in trade and other payables	**8,060**	25,710
Increase / (decrease) in provisions	**28,503**	37,053
Net cash outflow from operating activities	**(531,614)**	(869,088)

b) *Non-cash financing and investing activities*
During the year the Company issued 73,481,667 ordinary shares to acquire an additional interest in the Chanach project. Refer note 10.

Note 18: Parent Entity Disclosures

Financial position

	30 June 2014 $	30 June 2013 $
Assets		
Current assets	**1,427,350**	1,229,758
Non-current assets	**1,393,350**	814,612
Total assets	**2,820,700**	2,044,370
Liabilities		
Current liabilities	**219,390**	182,827
Total liabilities	**219,390**	182,827
Net assets	**2,601,310**	1,861,543
Equity		
Issued capital	**16,822,4940**	14,464,160
Retained earnings	**(15,103,583)**	(13,477,516)
Reserves		
Option issue reserve	**125,391**	125,391
Share-based payments	**757,008**	749,508
Total equity	**2,601,310**	1,861,543

Financial performance

Loss for the year	**(1,626,067)**	(2,855,263)
Other comprehensive income	**-**	53,849
Total comprehensive loss	**(1,626,067)**	(2,801,414)

Note 19: 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.

Note 20: Auditor's remuneration

The auditors of the Group are HLB Mann Judd.

	Consolidated	
	2014	2013
	$	$
Assurance services		
HLB Mann Judd:		
Audit and review of financial statements	**24,800**	22,800
Total remuneration for audit services	**24,800**	22,800
Other services		
HLB Mann Judd - taxation services	**5,250**	6,750
Total auditor's remuneration	**30,050**	29,550

Note 21: Interest in jointly controlled operation

During the Reporting Period the Company increased its interest in Chanach LLC from 57% to 88.7%. Chanach LLC is the Chanach joint venture company that holds the copper and gold exploration tenement in Kyrgyz Republic.

Apart from owning this mineral tenement Chanach LLC does not hold any other material assets. All known Chanach LLC liabilities are accrued as liabilities of the parent company. As a result it is not considered necessary to consolidate Chanach LLC into the Group's accounts as it will not show a position that is materially different.

The Group has no capital commitments or guarantees in relation to funding Chanach LLC. The Company increased in interest in this project from 57.1% to 88.7% during the financial year by the payment of $50,000 cash and the issue of 73,841,667 ordinary shares. During the year ended 30 June 2013 the Group impaired its exploration property acquisition costs for this project by $314,568.

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 2014 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 2014.

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

MJ Langoulant
Chairman

Perth, Western Australia
22 September 2014

HLB Mann Judd

Accountants | Business and Financial Advisers

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 2014, 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.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
Level 4, 130 Stirling Street Perth WA 6000. PO Box 8124 Perth BC 6849 Telephone +61 (08) 9227 7500. Fax +61 (08) 9227 7533.
Email: hlb@hlbwa.com.au. Website: http://www.hlb.com.au

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 2014 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 2014. 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 2014 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Norman Glad

N G Neill
Partner

Perth, Western Australia
22 September 2014

Additional information

The shareholder information set out below was applicable as at 31 August 2014.

A. Distribution of equity securities

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

			Class of equity security
			Ordinary shares
1	–	1,000	22
1,001	–	5,000	27
5,001	–	10,000	78
10,001	–	100,000	384
100,001	and over		326
			837

There were 280 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**
Mr Andy Igo <Ade Super Fund ac>	80,000,000	17.82
T2 Gold Pty Ltd	73,841,667	16.44
Mr Mark Tkocz	20,700,000	4.61
Southern Terrain Pty Ltd < Southern Terrain ac>	10,000,000	2.23
Terra Aqua Pty Ltd (Terra Verde A/C)	7,545,349	1.68
Terra Aqua Pty Ltd (Terra Rosso A/C)	7,352,387	1.64
Woodlands Asset Management Pty Ltd	6,818,185	1.52
Lanza Holdings Pty Ltd	5,466,669	1.22
Tenbagger Resources Pty Ltd < Tenbagger Family ac>	5,416,667	1.21
Ms Nerida White	3,833,335	0.85
Jamber Investments Pty Ltd (Amber Schwartz Family A/C)	3,750,000	0.84
Technica Pty Ltd	2,950,000	0.83
Mr Jamie Lai	3,488, 030	0.78
Perth Select Seafoods Pty Ltd	3,450,000	0.77
JB Toro Pty Ltd	3,300,000	0.73
Henconnor Pty Ltd <Warby Super Fund>	3, 044,397	0.68
Mr Richard Simpson	3,007,810	0.67
Mr Paul Barrett	3,000,000	0.67
BT Portfolio Services Pty Ltd <Warrell Holdings S/F>	3,000,000	0.67
Tindindi Cellars Pty Ltd	3,000,000	0.67
	253,746,163	56.51

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
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
Lawrence Crowe Consulting Pty Ltd (L C C Super Fund A/C)	2,362,549	2.03
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 Alexander Lonel	2,000,000	1.72
Mr Mark Nasarczyk & Mr Atilla Belik	2,000,000	1.72
O’Connor Funds Pty Ltd (The O’Connor Super Fund A/C)	1,921,682	1.65
AMB Ambro Clearing Sydney Nominees Pty Ltd < Custodian a/c>	1,575,000	1.36
	61,091,058	52.56

Twenty largest quoted equity security holders – 11 March 2017 options

Name	Options held	% of issued options
Mr Mark Tkocz	6,284,500	6.16
BT Portfolio Services Pty Ltd <Warrell Holdings S/F>	5,000,000	4.90
Southern Terrain Pty Ltd < Southern Terrain ac>	5,000,000	4.90
Australia Global Capital Pty Ltd	4,750,000	4.65
Terra Aqua Pty Ltd (Terra Verde A/C)	3,833,334	3.76
Lanza Holdings Pty Ltd < Langoulant Family SF>	3,333,334	3.27
Mr Bin Lui	2,668,059	2.61
Jomot Pty Ltd	2,500,000	2.45
Mr Rodd Boland	2,250,000	2.20
Adgemis Holdings Pty Ltd	2,000,000	1.96
IQ Global Asset Partners Pty Ltd <IQ SF a/c>	1,933,000	1.89
A & P White Pty Ltd	1,800,000	1.76
Ms Nerida White	1,666,668	1.63
Mr Kah How Chan	1,600,000	1.57
Chingam Pty Ltd <Camerlengo Exec Fund a/c>	1,544,445	1.51
Mr Richard Simpson	1,503,905	1.47
Blu Bone Pty Ltd	1,500,001	1.47
Mr M Bahen & Mrs M Bahen <Super fund ac>	1,500,000	1.47
Mr Alan Bender	1,500,000	1.47
Mr Michael Mazelevskis <Micmatt Family a/c>	1,500,000	1.47
	53,667,246	52.59

C. Substantial shareholders

There are no substantial shareholders in the Company other than:

• Mr A Igo <ADE Super Fund ac>.	17.82%
• T2 Gold Pty Ltd	16.44%

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.

E. Tenement schedule

Project Area	**Tenement details**	**% Held**
Laverton	EL38/2484; EL38/2702	100
Merolia	EL38/2690; EL38/2693; EL38/2727	100
Mt Remarkable	EL31/1015	100
Ghan Well	E39/1479; EL39/1585-6; EL39/5262-63	100
Ironstone Range	EL38/2552; EL38/2583; EL38/2847-49;	100
Lake Johnson	EL63/1222, EL63/1264;	100
Oakover	EL45/3250	100
Chanach, Kyrgyz Republic	EL 590 A П	88.7