



White Cliff Minerals LTD

White Cliff Minerals Limited

ABN 22 126 299 125

Half-year report
31 December 2018

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Corporate Information

Directors	Daniel Smith Nicholas Ong Todd Hibberd
Company secretary	Nicholas Ong
Registered office and principal place of business	Level 1, 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 11, 172 St George's Terrace Perth, Western Australia 6000
Auditors	HLB Mann Judd Level 4, 130 Stirling Street Perth, Western Australia 6000
Solicitors	Atkinson Corporate Lawyers Level 8, 99 ST Georges Terrace Perth, Western Australia 6000
ASX code	White Cliff Minerals Limited is listed on the Australian Securities Exchange (Shares: WCN)

Directors' Report

Your Directors present their report for the half-year ended 31 December 2018.

Directors

The following persons were Directors of White Cliff Minerals Limited ("White Cliff" or the "Company") during the whole of the period and up to the date of this report unless otherwise stated:

Daniel Smith – <i>Non-executive Chairman</i>	(Appointed 14 December 2018)
Nicholas Ong – <i>Non-executive Director</i>	(Appointed 14 December 2018)
Todd Hibberd – <i>Technical Director</i>	(Stepped down as Managing Director on 11 February 2019)
Rodd Boland – <i>Non-executive Director</i>	(Resigned 23 December 2018)
Jack Gardner – <i>Non-executive Chairman</i>	(Resigned 14 December 2018)
Michael Langoulant – <i>Executive Chairman</i>	(Resigned 29 November 2018)

Review of Operations

Summary

Kyrgyz Republic Aucu Gold Project (90% owned)

During the half year, an extensive geochemical survey identified that the core and alteration halo of the Chanach copper porphyry system extended over an 8 kilometre long zone. The survey also identified anomalous gold, copper, arsenic and base metal results to the north and east of the Aucu gold deposit. Follow up mapping and sampling identified new gold and copper zones 2-4 kilometres east of the Aucu gold deposit.

The Company undertook a bulk sampling program along a 450 metre section of the Chanach river alluvial terraces 1 kilometre downstream from the Aucu Gold deposit to assess the placer gold potential of the 16km long river system. Visible gold was detected in 62 samples out of the 65 samples collected. The samples have been submitted to the laboratory for analysis with results expected in mid-March.

In January 2019, the Company engaged a global corporate advisory firm to undertake a review of the options for advancing the project, either through joint-ventures or divestment. While this process is underway the Company continues to advance the project.

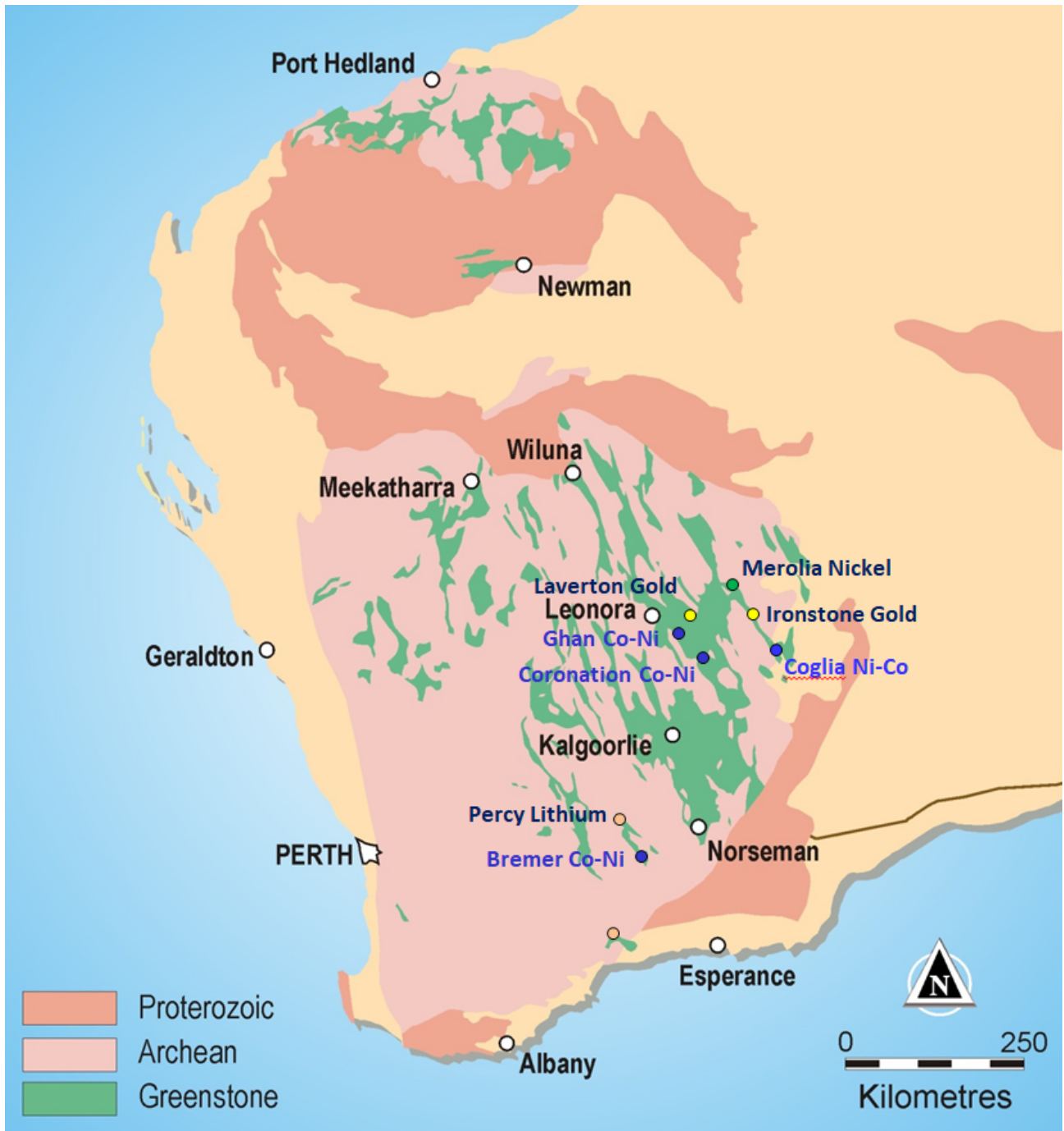
Australian Cobalt-Nickel Projects (100% owned)

During the half year the Company completed a 5,000 metre drilling program at the Coronation Dam cobalt and nickel project. The drilling highlighted shallow and wide intervals of cobalt and nickel mineralisation confirming the project's prospectivity and potential to host an economic resource. Results were announced during the reporting period and the Company is currently completing initial resource estimations at Coronation Dam and the Ghan Well nickel-cobalt projects.

Corporate

During the half year the Company completed a partially underwritten 2:1 renounceable rights issue and subsequently repaid all loans.

The Company appointed Mr Nicholas Ong and Mr Daniel Smith as non-executive directors. Nicholas Ong was also been appointed as Company Secretary. The Company received resignations from Chairman Jack Gardner, Executive Director, Michael Langoulant, Non-executive director Rodd Boland and Company Secretary Ian Hobson.



Map 1 White Cliff Minerals Limited exploration projects in Western Australia



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

The Aucu Gold Project, Central Asia (90%)¹

The Aucu Gold project contains an inferred gold resource estimate for the **Aucu** gold deposit, above a cut-off grade of 1 g/t gold, of **2.95 million tonnes** grading **5.1 g/t gold**, for **484,000 ounces** of contained gold. The inferred resource was reported in accordance with the JORC Code (2012). The Project also contains an inferred copper resource, using a lower cut of grade of 0.25% copper, of 17.2 Mt tonnes at 0.37% copper, containing **64,000 tonnes of copper**.

In January 2019, the Company engaged a global corporate advisory firm to undertake a review of the options for advancing the project, either through joint-ventures or divestment. While this process is underway the Company continues to advance the project.

Work completed during the half year included an extensive geochemical survey that identified that the core and alteration halo of the Chanach copper porphyry system extended over an 8 kilometre long zone. The survey also identified anomalous gold, copper, arsenic and base metal results to the north and east of the Aucu gold deposit. Follow up mapping and sampling identified new gold and copper zones 2-4 kilometres east of the Aucu gold deposit.

The Company also undertook a bulk sampling program along a 450 metre section of the Chanach river alluvial terraces 1 kilometre downstream from the Aucu Gold deposit to assess the placer gold potential of the 16km long river system. Visible gold was detected in 62 samples out of the 65 samples collected. The samples have been submitted to the laboratory for analysis with results expected mid-March.

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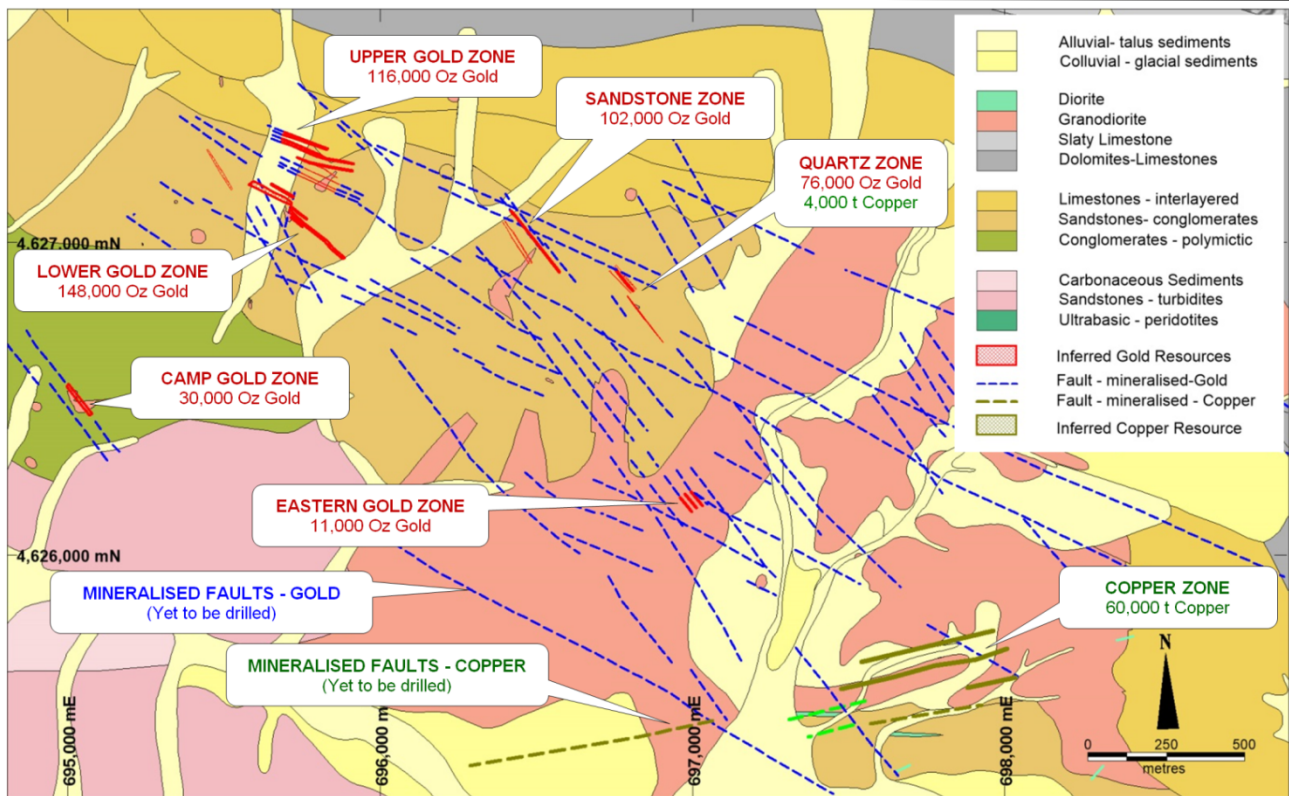


Figure 1: Location map of drilling showing Inferred gold resources (red hatch) that represent less than 5% of the identified mineralised faults. 95% of the mineralised faults identified by rock chip sampling are still to be drilled (dashed blue and green lines).

Table 1: Gold – Inferred Resources (reported in accordance with the JORC Code 2012)

Area	Category	Tonnes	Gold (g/t)	Gold (Ounces)
Lower Gold Zone	Inferred	1,160,000	4.0	148,000
Upper Gold Zone	Inferred	770,000	4.7	116,000
Sandstone Zone	Inferred	280,000	11.4	102,000
Quartz Zone	Inferred	330,000	6.2	65,000
Quartz Zone Halo	Inferred	190,000	1.9	11,000
Camp Gold Zone	Inferred	110,000	8.8	30,000
Eastern Gold Zone	Inferred	120,000	2.8	11,000
Total	Inferred	2,950,000	5.1	484,000

The project also contains an inferred resource for the **Chanach** copper deposit which consists of **17.2 million** tonnes grading **0.37% copper** for **64,000 tonnes** of contained copper (using a cut-off grade of 0.25% copper), a 46% percent increase from the 2017 resource (Table 2).

Table 2: Copper – Inferred Resources (reported in accordance with the JORC Code 2012)

Area	Category	Tonnes	Copper %	Copper (tonnes)
Quartz Zone	Inferred	700,000	0.51	4,000
Chanach Porphyry	Inferred	16,500,000	0.36	60,000
Total	Inferred	17,500,000	0.37	64,000

Australian Cobalt and Nickel Projects (100%)

The Company has a 100% interest in three cobalt and nickel projects in the north-eastern goldfields of Western Australia. Substantial work has been conducted during the year and is detailed in the following sections. All three projects are located close to multiple operating mines serviced by substantial existing infrastructure such as roads, telecommunications, power, gas and with access to a skilled workforce. They

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are all within trucking distance of Glencore's Murrin Murrin nickel-cobalt processing plant and other proposed processing facilities that could potentially pose an option for monetising resources.

During the half year the Company completed a 5,000m RC program at the Coronation Dam cobalt and nickel project. The drilling highlighted shallow and wide intervals of cobalt and nickel mineralisation covering an area 800 metres long and up to 550 metres wide. Nickel and cobalt mineralisation was up to 65 metres thick confirming the project's prospectivity and potential to host an economic resource.

The Company is currently completing an initial JORC compliant resource estimate for the Coronation Dam project which it expects to release in late March 2019.

The Company is also completing a JORC compliant resource estimate for the Ghan Well cobalt and nickel deposit which it expects to release in late March 2019.

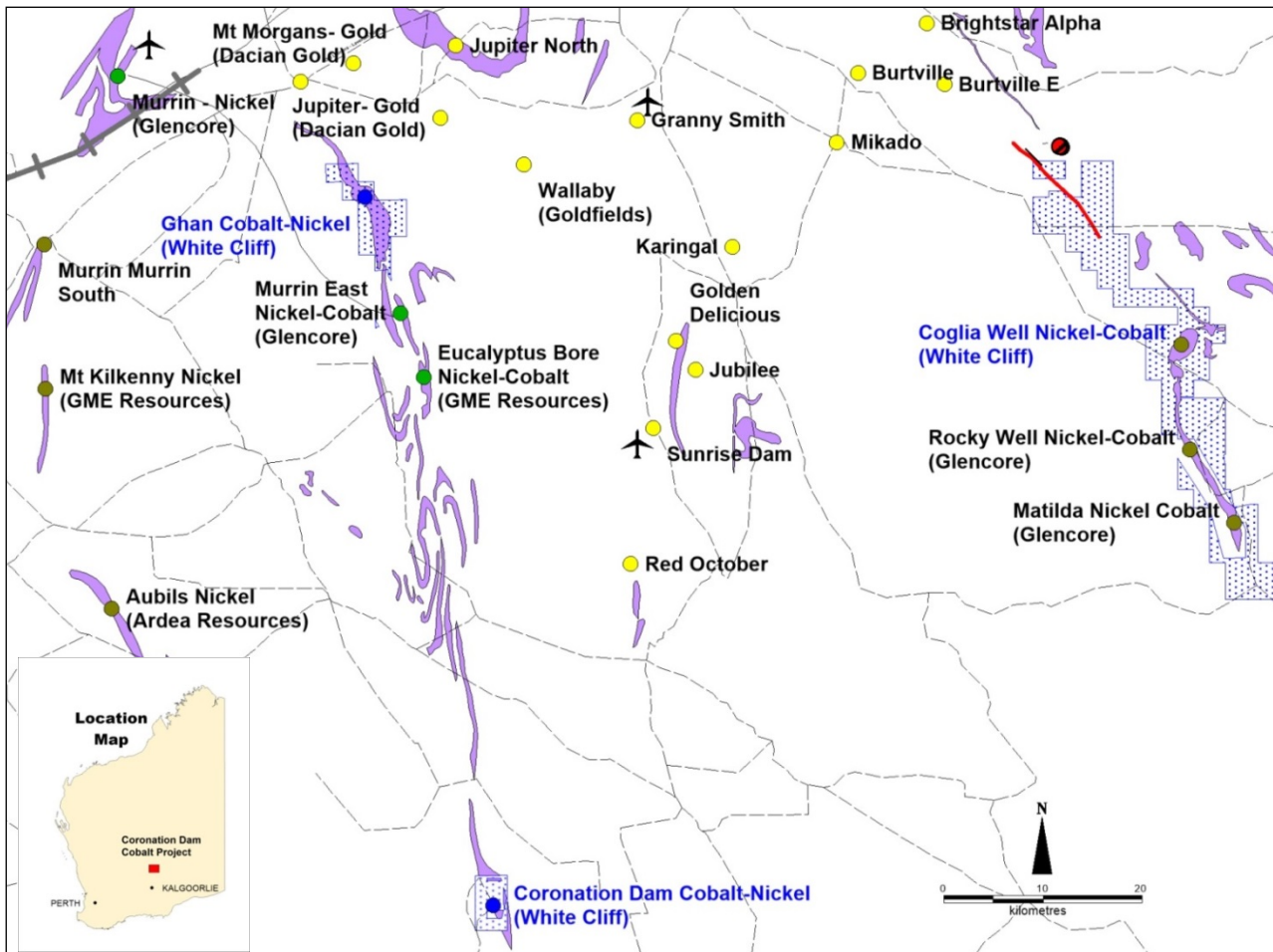


Figure 2: Location and infrastructure map of the Cogleia Well, Coronation Dam and Ghan Well cobalt projects. The area is serviced by rail, roads, towns, airports and Glencore's nickel processing facility at Murrin Murrin.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 10 and forms part of the directors' report for the half-year ended 31 December 2018.

This report is signed in accordance with a resolution of directors made pursuant to section 306(3) of the Corporations Act 2001.



Daniel Smith
Non-executive Chairman

Perth
14 March 2019

Competent Person Statement

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.

The Information in this report that relates to mineral resources is based on information compiled by Mr Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Glacken is a full time employee of Optiro Pty Ltd. Mr Glacken has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Glacken consents to the inclusion of this information in the form and context in which it appears in this report.

Exploration Results and Mineral Resource Reporting

The information in this report that relates to Mineral Resources is extracted from the following announcements:

The information in this report that relates to Exploration Results is extracted from the following announcements:

The above announcements are available to view at <http://wcminerals.com.au/asx-announcements/>.

The Company is not aware of any new information that materially affects the information included in the above announcements relating to relating to Exploration Results and Mineral Resources and all material assumptions and technical parameters underpinning the exploration Mineral Resource estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from original market announcements

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of White Cliff Minerals Limited for the half-year ended 31 December 2018, 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 review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
14 March 2019



L Di Giallonardo
Partner

hlb.com.au

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HLB Mann Judd (WA Partnership) is a member of HLB International, the global advisory and accounting network.

Condensed Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2018

	Consolidated	
	31 December	31 December
	2018	2017
	\$	\$
Interest income	67	763
Sundry income	5,226	-
	<u>5,293</u>	<u>763</u>
Borrowing costs	33,616	17,727
Consulting fees	120,100	102,358
Depreciation	11,215	47,263
Employee benefits	260,154	378,647
Exploration expenditure incurred	525,219	2,104,732
Interest	411	44,583
Other expenses	231,153	320,227
	<u>1,181,868</u>	<u>3,015,537</u>
Loss before income tax expense	(1,176,575)	(3,014,774)
Income tax expense	-	-
	<u>-</u>	<u>-</u>
Loss after income tax for the period	(1,176,575)	(3,014,774)
Other comprehensive income		
Other comprehensive income, net of tax	-	-
	<u>-</u>	<u>-</u>
Total comprehensive loss for the period	(1,176,575)	(3,014,774)
	<u>Cents</u>	<u>Cents</u>
Basic and diluted loss per share		
(cents per share)	(0.1)	(0.1)

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

Condensed Consolidated Statement of Financial Position
As at 31 December 2018

		Consolidated	
		31 December	30 June
		2018	2018
	Note	\$	\$
Current assets			
Cash and cash equivalents		405,583	447,043
Trade and other receivables		40,611	104,891
Other assets		11,170	28,758
Total current assets		457,364	580,692
Non-current assets			
Exploration project acquisition costs	2	1,509,403	1,489,350
Plant and equipment		56,753	67,968
Total non-current assets		1,566,156	1,557,318
Total assets		2,023,520	2,138,010
Current liabilities			
Trade and other payables		339,042	679,541
Provision for long service leave		17,440	91,473
Borrowings	3	-	600,000
Total current liabilities		356,482	1,371,014
Total liabilities		356,482	1,371,014
Net assets		1,667,038	766,996
Equity			
Issued capital	4	31,848,412	29,771,795
Reserves		412,606	412,606
Accumulated losses		(30,593,980)	(29,417,405)
Total equity		1,667,038	766,996

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

Condensed Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2018

	Issued capital	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
Opening balance as at 30 June 2017	25,733,309	(24,852,968)	914,399	1,794,740
Loss for the period	-	(3,014,774)	-	(3,014,774)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(3,014,774)	-	(3,014,774)
Shares issued during the half-year (net of issue costs)	1,868,947	-	-	1,868,947
Balance at 31 December 2017	27,602,256	(27,867,742)	914,399	648,913
Opening balance as at 30 June 2018	29,771,795	(29,417,405)	412,606	766,996
Loss for the period	-	(1,176,575)	-	(1,176,575)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(1,176,575)	-	(1,176,575)
Shares issued during the half-year (net of issue costs)	2,076,617	-	-	2,076,617
Balance at 31 December 2018	31,848,412	(30,593,980)	412,606	1,667,038

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

Condensed Consolidated Statement of Cash Flows
For the half-year ended 31 December 2018

	Consolidated	
	31 December 2018	31 December 2017
	Inflows/(Outflows)	Inflows/(Outflows)
	\$	\$
Cash flows from operating activities		
Interest received	67	763
Receipts from customers	32,402	-
Payments to suppliers and employees	(868,092)	(709,919)
Interest paid	(34,027)	(44,583)
Net cash (outflow) from operating activities	(869,650)	(753,739)
Cash flows from investing activities		
Payments for exploration and evaluation	(540,032)	(2,104,732)
Net cash (outflow) from investing activities	(540,032)	(2,104,732)
Cash flows from financing activities		
Repayment of borrowings	(400,000)	(100,000)
Borrowings	-	600,000
Proceeds from the issue of securities	1,820,886	1,879,478
Capital raising costs	(52,664)	(10,531)
Net cash inflow from financing activities	1,368,222	2,368,947
Net (decrease) in cash held	(41,460)	(489,524)
Cash at the beginning of the reporting period	447,043	507,116
Cash at the end of the reporting period	405,583	17,592

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

Notes to the condensed consolidated financial statements
For the half-year ended 31 December 2018

Note 1: Basis of preparation of interim report

Statement of compliance

This general purpose financial report for the interim half-year reporting period ended 31 December 2018 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001* and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 '*Interim Financial Reporting*'.

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by White Cliff Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, other than in respect of new and revised accounting standards adopted as set out below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

For the purposes of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

Basis of preparation

The half-year report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Going Concern

The Company and its controlled entities as at 31 December 2018 (the "Group") did not generate sufficient cash flows during the period from their activities to finance its 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 either raising capital or conducting a sale and/or joint venture agreement and, accordingly, have prepared the financial report on a going concern basis.

Significant accounting judgments and key estimates

The preparation of half-year financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Note 1: Basis of preparation of interim report (cont)

In preparing this half-year report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group when compiling its annual 30 June 2018 financial statements.

Adoption of new and revised accounting standards

Standards and Interpretations applicable to 31 December 2018

In the half-year ended 31 December 2018 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 annual reporting periods beginning on or after 1 July 2018.

It has been determined by the Directors that there is no impact, material or otherwise, of the application of AASB 9 or AASB 15 to profit or loss or net assets in the current or comparative periods and no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2018. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

Note 2: Exploration project acquisition costs

	Consolidated	
	Six months	Twelve months
	ended	ended
	31 December	30 June
	2018	2018
	\$	\$
Opening balance	1,489,350	1,509,350
Acquisition costs written off	-	(20,000)
Project acquisition costs	<u>20,053</u>	<u>-</u>
Acquisition costs in respect of areas of interest in the exploration phase	<u>1,509,403</u>	<u>1,489,350</u>

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of areas of interest.

Note 3: Borrowings

	31 December	30 June
	2018	2018
	\$	\$
Short term loan from shareholder	<u>-</u>	<u>600,000</u>

This loan was for a maximum of 12 months from drawdown with interest payable monthly in arrears at 15% pa. The Company could repay this loan at any time at no penalty. The loan was repaid during the current half-year, via a cash payment of \$400,000 and the issue of 13,333,333 fully paid ordinary shares at \$0.015 per share for a total value of \$200,000.

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Note 4: Issued capital

	Consolidated	
	Six months ended 31 December 2018 \$	Twelve months ended 30 June 2018 \$
Issued and fully paid	31,848,412	29,771,795
<i>Movements in ordinary shares on issue</i>		
Opening balance	29,771,795	25,733,309
Nov 2017 – Rights issue	-	1,879,478
Feb 2018 – Placement	-	1,000,000
Mar 2018 – Rights issue	-	1,539,611
Mar 2018 – Performance shares issued	-	81,205
Jun 2018 – Options Exercised	-	16,667
Nov 2018 – Renounceable Rights Issue	2,097,377	-
Nov 2018 – Repayment of short term loan	200,000	-
Share issue costs	(220,760)	(478,475)
Closing balance	31,848,412	29,771,795
	Shares	Shares
Opening balance	3,849,586,836	1,879,477,724
Nov 2017 – Rights issue	-	939,738,862
Feb 2018 – Placement	-	500,000,000
Mar 2018 – Rights issue	-	513,203,583
Mar 2018 – Performance shares issued	-	15,500,000
Jun 2018 – Options Exercised	-	1,666,667
Consolidation on a 50:1 basis	(3,772,595,022)	-
Nov 2018 – Renounceable Rights Issue	140,650,147	-
Nov 2018 – Repayment of short term loan	13,333,333	-
Closing balance	230,975,294	3,849,586,836

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Note 5: Options

	Number of options	
	31 December 2018	30 June 2018
Options on issue		
Unlisted Options exercisable at \$0.045 on or before 30 September 2020	155,483,480	-
Listed Options exercisable at \$0.50 on or before 30 June 2019	10,270,754	10,270,754
Unlisted options exercisable at \$0.60 on or before 1 December 2018	-	600,000
Listed options exercisable at \$0.65 on or before 31 December 2018	-	3,026,403
Unlisted Gleneagle Series A Options exercisable at \$0.25 on or before 31 July 2020	5,000,000	5,000,000
Unlisted Gleneagle Series B Options exercisable at \$0.50 on or before 31 July 2020	5,000,000	5,000,000
	175,754,234	23,897,157
Movement in options in period		
Listed Options to acquire ordinary fully paid shares at \$0.60 on or before 1 December 2018		
Beginning of the period	600,000	600,000
Expired during period	(600,000)	-
Balance at end of period	-	600,000
Listed Options to acquire ordinary fully paid shares at \$0.65 on or before 31 December 2018		
Beginning of the period	3,026,403	3,026,403
Expired during period	(3,026,403)	-
Balance at end of period	-	3,026,403
Unlisted Options to acquire ordinary fully paid shares at \$0.045 on or before 30 September 2020		
Beginning of the period	-	-
Issued during period	155,483,480	-
Balance at end of period	155,483,480	-

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Note 6: Segment information

The following table presents the segment revenue and loss information provided to the Board for the periods ended 31 December 2018 and 31 December 2017.

	Australia \$	Kyrgyz Republic \$	Consolidated \$
31 December 2017			
Segment revenue	763	-	763
Segment result	(981,793)	(2,032,981)	(3,014,774)
Segment assets	255,155	1,401,210	1,656,325
Segment liabilities	858,838	90,074	948,912
31 December 2018			
Segment revenue	5,293	-	5,293
Segment result	(807,383)	(369,192)	(1,176,575)
Segment assets	543,141	1,480,379	2,023,520
Segment liabilities	356,482	-	356,482

Note 7: Contingent liabilities

There have been no changes in contingent liabilities since the last annual reporting period.

Note 8: Financial Instruments

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

The Directors consider that the carrying value of the current receivables and current payables are considered to be a reasonable approximation of their fair value.

Note 9: Subsequent events

There are no matters or circumstances that have arisen since 31 December 2018 that may significantly affect operations, results or state of affairs of the Group in future financial years other than:

- On 30 January 2019, the Company announced that it had implemented extensive cost saving measures aimed at reducing annual expenses by ~\$500,000.
- On 11 February 2019, the Company announced a partially underwritten one for one non-renounceable pro rata rights offer at an issue price of A\$0.005 per fully paid ordinary share, together with one (1) free attaching option (exercisable at \$0.015 on or before 28 February 2024) for every New Share subscribed, to raise up to approximately A\$1,150,000 (before expenses). The first \$1 million of this issue has been underwritten.
- Also on 11 February 2019, the Company announced that the Board had undertaken a strategic review of the Company's assets and had engaged a global corporate advisory firm to assist with unlocking value at the Chanach project. Further, the Company announced that non-executive director Daniel Smith had taken on the role of Chairman, with Mr Todd Hibberd stepping down from the role of Managing Director.

Note 9: Subsequent events (continued)

- On 11 March 2019, the Company announced the results of the partially underwritten rights issue. The Company received applications of \$646,278 from existing shareholders and had received commitments from the underwriter for the entire shortfall under the offer.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 11 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory and professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance as represented by the results of its operations, changes in equity and its cash flows for the half-year ended 31 December 2018; and
- (b) there are reasonable grounds to believe that White Cliff Minerals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to S305 (5) of the *Corporations Act 2001*.



Daniel Smith
Non-executive Chairman

Perth
14 March 2019

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of White Cliff Minerals Limited

Report on the Condensed Half-Year Financial Report*Conclusion*

We have reviewed the accompanying half-year financial report of White Cliff Minerals Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2018, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of White Cliff Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Emphasis of matter - material uncertainty related to going concern

We draw attention to Note 1 in the half-year financial report, which indicates that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of

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the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
14 March 2019



L Di Giallonardo
Partner