

ASX Release: 30 April 2018

## Quarterly Activities Report - for the Quarter ended 31 March 2018

**ASX Code: WRM**

**Issued Securities**

Shares: 1,257 million

Options: 303 million

**Cash on hand (31 Mar 2018)**

\$1.8M

**Market Cap** (as at 27 April 2018)

\$12.6M at \$0.01 per share

**Directors & Management**

Brian Phillips

Non-Executive Chairman

Matthew Gill

Managing Director &  
Chief Executive Officer

Ian Smith

Non-Executive Director

Peter Lester

Non-Executive Director

Jeremy Gray

Non-Executive Director

Rohan Worland

Exploration Manager

Shane Turner

CFO & Company Secretary

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### Red Mountain Zinc VMS Project

During the Quarter the Company announced the execution of a number of important activities in preparation for the planned 2018 exploration field season at its 100% owned Red Mountain zinc – silver – lead – gold volcanogenic massive sulphide (“VMS”) Project in Alaska.

The proposed exploration program includes:

- **A targeted diamond drilling program aimed at in-fill and expanding the current globally significant high-grade zinc VMS maiden Resource,**
- **On-ground orientation electromagnetic (EM) geophysics and geochemistry exploration across the two already identified deposits,**
- **The regional application of the best geophysics and geochemistry exploration tools determined from the on-ground orientation work, and**
- **A follow-up diamond drilling program on the best of the more than 30 already identified exploration targets.**

The Company has successfully mobilised heavy equipment to site including a diamond drill rig and camp. All permits required for field activities have been granted. All major contracts have been executed or are in the final stages of preparation to ensure that all the key support services are ready for the start of the field season in late May.

**MD & CEO Matt Gill said** ““The Company is very excited about the potential for its globally significant high-grade Zinc VMS Project at Red Mountain, and the news flow that should come from a successful exploration program here.

Since acquiring the Red Mountain project in early 2016, we have expanded our strategic footprint 10-fold, to 143km<sup>2</sup>, and have also released a maiden Mineral Resource that immediately placed the Red Mountain Project in the top quartile of undeveloped high-grade VMS (zinc, silver, gold) deposits globally. Importantly, the two deposits identified within the Company’s extensive land holding immediately placed the Red Mountain zinc project as one of the highest grade and more significant deposits of any zinc company listed on the ASX and an important VMS asset within a global context.

Our drill program for the 2018 summer field season aims to further build on our geological knowledge of the mineralisation, increase confidence in the Resource base, expand the already globally significant Resources at the existing deposits and discover new deposits.

We will, in parallel with the drilling program, also be conducting on-ground geophysics and geochemistry, testing many of the 30 already identified exploration targets developed from historic shallow EM and historic surface geochemistry, and explore the system for VMS related gold potential. We plan to drill the best of these regional targets towards the end of this drilling campaign.”

## Red Mountain Zinc-Silver-Lead-Gold VMS Project

During the Quarter the Company has executed a number of activities in preparation for its upcoming 2018 exploration field season at its 100% owned Red Mountain zinc – silver – lead – gold volcanogenic massive sulphide (“VMS”) Project in Alaska. Red Mountain is a globally significant VMS project with two already identified deposits (Dry Creek and West Tundra Flats) providing White Rock with a Resource base of **16.7Mt at 8.9% ZnEq<sup>1</sup>** including a high-grade component of **9.1Mt @ 12.9% ZnEq<sup>1</sup>** (refer ASX announcement 26 April 2017 regarding the maiden Mineral Resource).

During the Quarter the Company:-

- engaged a local consultancy to manage field operations for the 2018 field season,
- secured a diamond drill contractor,
- secured a camp contractor,
- secured all permits required for field activities and
- secured all permits and completed the overland mobilisation of heavy equipment including the diamond drill rig and camp accommodation.

## Drilling Campaign

The initial drilling campaign, to commence in late May / early June (depending on weather), will aim to infill and extend the maiden resource which already has two identified deposits (Dry Creek and West Tundra Flats) and a Resource base of **16.7Mt at 8.9% ZnEq<sup>1</sup>** including a high-grade component of **9.1Mt @ 12.9% ZnEq<sup>1</sup>** (refer ASX announcement 26 April 2017 regarding the maiden Mineral Resource).

This drilling is aimed to follow-up on drilling last done in the 1990s, which included:

Dry Creek
36.1m @ 6.2% Zn, 183g/t Ag, 2.5% Pb, 1.0 g/t Au and 0.2% Cu from 6.1m including
4.6m @ 23.5% Zn, 531g/t Ag, 8.5% Pb, 1.5g/t Au & 1.0% Cu from 6.1m
68.9m @ 4.0% Zn, 58g/t Ag, 1.8% Pb, 0.3g/t Au & 0.1% Cu from 17.6m including
4.9m @ 10.1% Zn, 86g/t Ag, 4.9% Pb, 0.3g/t Au & 0.2% Cu from 53.8m
5.5m @ 25.9% Zn, 346g/t Ag, 11.7% Pb, 2.5g/t Au & 0.9% Cu from 69.5m
7.1m @ 15.1% Zn, 334g/t Ag, 6.8% Pb, 0.9g/t Au & 0.3% Cu from 39.1m
West Tundra Flats
1.3m @ 21.0% Zn, 796g/t Ag, 9.2% Pb, 10.2g/t Au & 0.6% Cu from 58.6m
3.0m @ 7.3% Zn, 796g/t Ag, 4.3% Pb, 1.1g/t Au & 0.2% Cu from 160.9m
1.7m @ 11.4% Zn, 372g/t Ag, 6.0% Pb, 1.7g/t Au & 0.2% Cu from 104.3m

(refer ASX Announcement dated 15 February 2016 “White Rock Minerals proposes to acquire VMS project in Alaska”.)

<sup>1</sup> ZnEq = Zinc equivalent grades are estimated using long-term broker consensus estimates compiled by RFC Ambrian as at 20 March 2017 adjusted for recoveries from historical metallurgical test work and calculated with the formula:  $ZnEq = 100 \times [(Zn\% \times 2,206.7 \times 0.9) + (Pb\% \times 1,922 \times 0.75) + (Cu\% \times 6,274 \times 0.70) + (Ag \text{ g/t} \times (19.68/31.1035) \times 0.70) + (Au \text{ g/t} \times (1,227/31.1035) \times 0.80)] / (2,206.7 \times 0.9)$ . White Rock is of the opinion that all elements included in the metal equivalent calculation have reasonable potential to be recovered and sold.

## Contracts

White Rock has engaged the services of the experienced, locally-based consultancy Northern Associates Inc. (“NAI”) to be the Company’s representative on the ground for the upcoming exploration program.

NAI will work with the White Rock team and lead all aspects of the field program overseeing the drilling operations, reconnaissance of new targets and geochemical sampling and ground geophysics surveys.

Key contracts already in place include a drilling contract with Frontier Exploration LLC supplying a diamond drill rig, a contract for exploration camp facilities and a contract to supply helicopter support. A Contract for geophysical services is pending and expected to be signed in the coming weeks.

**Overland Mobilisation**

Overland mobilisation of the major items necessary for the planned exploration program was undertaken with equipment delivered to the camp site in early April. Equipment including the diamond drill rig and camp accommodation, along with support infrastructure, were mobilised to the camp site alongside the airstrip at Newman Creek, located just to the east of White Rock’s tenements (See Figures 1, 2 & 3). This infrastructure will support White Rock’s exploration plans for the upcoming field season.



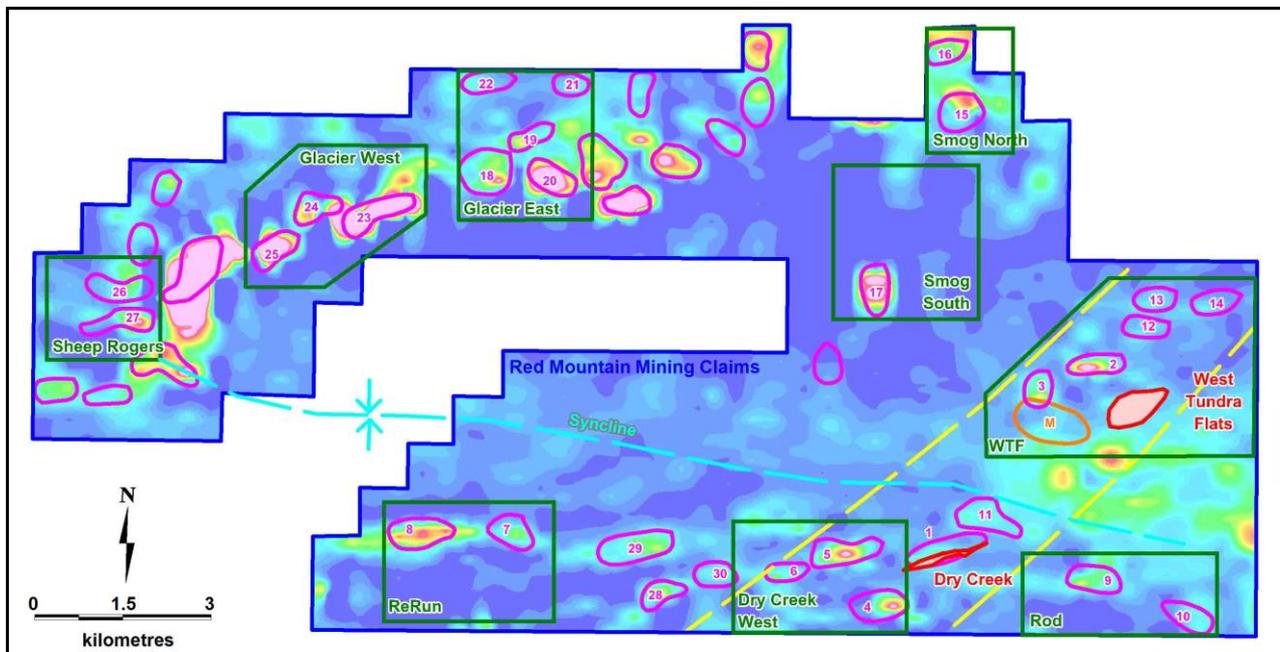
**Figure 1:** Route looking west towards Red Mountain and the camp site.



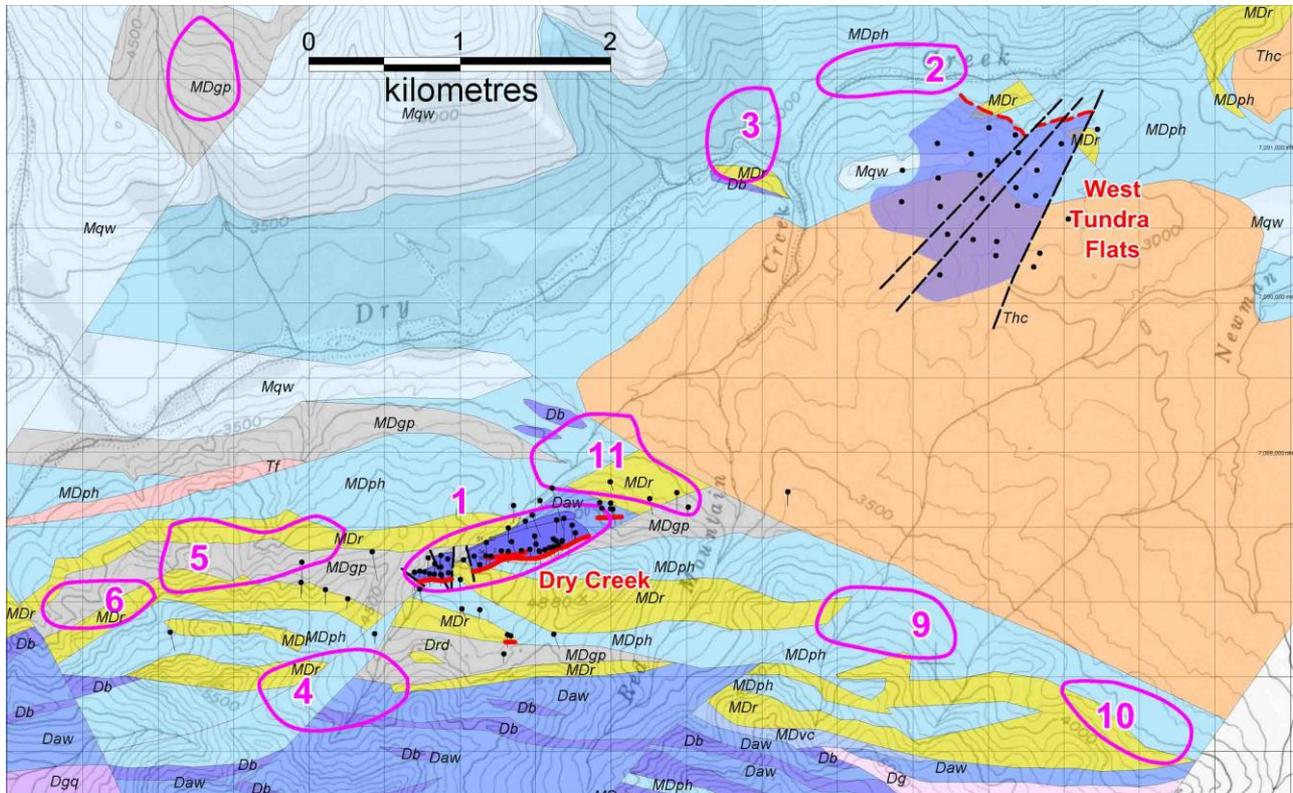
**Figure 2:** Newman Creek airstrip and camp location (with the Red Mountain Project to the west (right)).



**Figure 3:** Mobilisation of the diamond drill rig and camp accommodation, following a man-made fire break through the forested section of the Fort Greely Training grounds.



**Figure 4:** High priority conductors (pink) on a conductivity depth slice at 40m below surface from the 1D inversion of airborne electromagnetics. Locations for the Dry Creek and West Tundra Flats VMS deposits, and target areas (ReRun, Dry Creek West, Rod, WTF, Smog South, Smog North, Glacier East, Glacier West and Sheep Rogers) are defined by geochemical alteration (in green boxes), and the corridor of conductors along the northeast trend from Dry Creek to West Tundra Flats (dashed yellow line).



Usibelli Group	Totatlanika Schist	Keely Peak Formation
Thc Healy Creek Formation	Mqw Metasiliciclastic Rocks	Dgq Grey to Balck Quartzite, Quartz Schist and Graphitic Mica Schist
<b>Igneous Rocks</b>	MDph Grey, Green and Maroon Phyllite	Dcg Metaconglomerate
Tf Rhyolite Breccia Dykes	MDgp Graphitic to Carbonaceous Phyllite and Slate	<b>Healy Schist</b>
	MDvc Metavolcaniclastic Rocks	PzPq Quartzite and Schist
	MDr Peralkaline Metarhyolite	
	Db Metamafic Rocks	
	Drd Metarhyodacite	
	Dg Metagranite	
	Daw Arkosic Metawacke	

**Figure 5:** Location of the Dry Creek and West Tundra Flats VMS deposits (purple shape of mineralisation projected to surface) with drill hole traces and priority EM conductors on DGGS geology map (after Freeman et al., 2016).

**Note the lack of drilling that tests the priority conductivity anomalies numbered 2 through 11. Anomaly 1 is coincident with mineralisation at the Dry Creek deposit.**

### **Mt. Carrington Gold – Silver Project Pre-Feasibility Study**

The Company reported the key outcomes from the Pre-Feasibility Study (PFS) into the “Gold First” development of its 100% owned Mt Carrington gold and silver project, located in northern New South Wales in late December (refer ASX Announcement “White Rock’s Mt Carrington gold - silver Project Pre-Feasibility Study Stage One” dated 27 December 2017). This included the reporting of a maiden JORC Reserve for the Gold First part of the mine plan.

The PFS confirmed the technical and financial viability of the initial project development and provides a very strong rationale to advance the project through a Definitive Feasibility Study (DFS) towards development. During the Quarter the Company continued to gather base line environmental data.

The silver dominant Mineral Resource, containing some 8.3M ounces in the Indicated category (refer ASX announcements 13 February 2012 & 20 November 2013) is to be the subject of further mineralogy studies, metallurgical test work and concentrate sales discussions. Mining of these silver resources constitutes Stage Two of the Mt Carrington project.

### **CORPORATE**

On 21 March 2018 the Company announced an equity raising of up to \$5.2 million (before costs) through:

- A Placement of fully paid ordinary shares and 1 for 2 unlisted options, the issue of options being subject to shareholder approval, to raise \$1.6 million (Placement) and
- A 1 for 3 pro-rata non-renounceable entitlement offer of fully paid ordinary shares (the first \$1.6 million being underwritten) and 1 for 2 unlisted options to existing eligible shareholders to raise up to \$3.6 million (Entitlement Offer).

On 28 March 2018 the Company announced completion of the Placement raising \$1.6 million.

On 23 April 2018 the Company announced closure of the Entitlement Offer raising \$2 million.

### **White Rock Minerals Ltd Tenement schedule for the quarter ended 31 March 2018**

Country/State	Project	Tenement ID	Area
Australia/NSW	Mt Carrington	EL6273, MPL24, MPL256, MPL259, SL409, SL471, SL492, ML1147, ML1148, ML1149, ML1150, ML1200, MPL1345, ML5444, GL5477, GL5478, ML5883, ML6004, ML6006, ML6242, ML6291, ML6295, ML6335	183km <sup>2</sup>
USA/Alaska	Red Mountain	ADL611355, ADL611356, ADL611362, ADL611364, ADL611366, ADL611371, ADL621625-621738 (114), ADL721002-721010 (9), ADL721029-721038 (10), ADL721533-721615(83), ADL721624, ADL721625, ADL623325-623330 (6)	143km <sup>2</sup>

**Table 4: Mt Carrington Tenement Schedule**

The Mt Carrington Project comprises 22 Mining Leases and one Exploration Licence. All tenements are held 100% by White Rock (MTC) Pty Ltd, a wholly owned subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

The Red Mountain Project comprises 230 Mining Claims. All tenements are held 100% by White Rock (RM) Inc., a wholly owned subsidiary of White Rock Minerals Ltd. No farm-in or farm-out agreements are applicable.

No New Information or Data

This announcement contains references to exploration results, Mineral Resource estimates, Ore Reserve estimates, production targets and forecast financial information derived from the production targets, all of which have been cross-referenced to previous market announcements by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. In the case of Mineral Resource estimates, Ore Reserve estimates, production targets and forecast financial information derived from the production targets, all material assumptions and technical parameters underpinning the estimates, production targets and forecast financial information derived from the production targets contained in the relevant market announcement continue to apply and have not materially changed.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

WHITE ROCK MINERALS LTD

**ABN**

64 142 809 970

**Quarter ended ("current quarter")**

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(472)	(842)
(b) development	(174)	(948)
(c) production		
(d) staff costs	(150)	(421)
(e) administration and corporate costs	(327)	(797)
1.3 Dividends received (see note 3)		
1.4 Interest received	6	30
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,117)</b>	<b>(2,978)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(5)
(b) tenements (see item 10)		
(c) investments/government bonds		
(d) other non-current assets		

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>(5)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	1,643	1,643
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options	(96)	(96)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,547</b>	<b>1,547</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,422	3,288
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,117)	(2,978)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(5)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,547	1,547
4.5	Effect of movement in exchange rates on cash held		
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,852</b>	<b>1,852</b>

5. <b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,852	1,422
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,852</b>	<b>1,422</b>

6. <b>Payments to directors of the entity and their associates</b>	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	134
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Remuneration to Directors

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	Nil
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	Nil	Nil
8.2 Credit standby arrangements	Nil	Nil
8.3 Other (please specify)	Nil	Nil
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

NOTE: COMPANY RECEIVED \$2,000,000 BEFORE COSTS FROM ENTITLEMENT OFFER IN APRIL 2018

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	2,000
9.2 Development	20
9.3 Production	
9.4 Staff costs	150
9.5 Administration and corporate costs	300
9.6 Other (provide details if material)	
<b>9.7 Total estimated cash outflows</b>	<b>2,470</b>

NOTE: COMPANY RECEIVED \$2,000,000 BEFORE COSTS FROM ENTITLEMENT OFFER IN APRIL 2018

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

**Compliance statement**

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

Sign here:

  
(Director/Company secretary)

Date: 30 APRIL 2018

Print name: SHANE TURNER

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.