

## Red Mountain Zinc-Silver-Gold VMS Project Exploration Update

### ASX Code: WRM

### Issued Securities

Shares: 1,636 million  
Options: 570 million

**Cash on hand (30 June 2018)**  
\$1.98M

**Market Cap (19 Sept 2018)**  
\$9.8M at \$0.006 per share

### Directors & Management

Brian Phillips  
Non-Executive Chairman

Matthew Gill  
Managing Director &  
Chief Executive Officer

Peter Lester  
Non-Executive Director

Ian Smith  
Non-Executive Director

Jeremy Gray  
Non-Executive Director

Shane Turner  
Company Secretary

Rohan Worland  
Exploration Manager

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White Rock Minerals Ltd (“**White Rock**” or the “**Company**”) is pleased to provide a summary to date from its inaugural exploration field program at its flagship Red Mountain project.

Exploration program highlights for 2018 include:

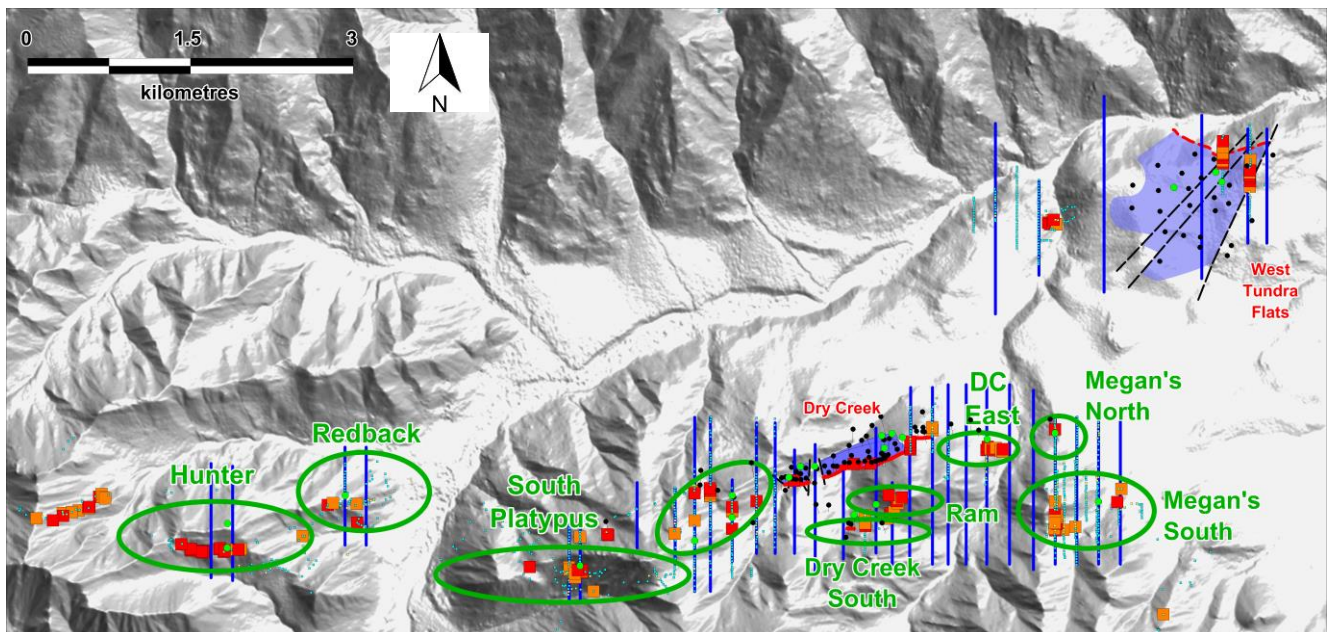
- Discovery and successful drill testing of the new Hunter prospect massive sulphide mineralisation with **1.4m @ 17.4% Zn, 3.9% Pb, 90g/t Ag & 1.6% Cu for 25.8% ZnEq<sup>1</sup> from 48.2m (HR18-01)<sup>2</sup>**.
- Best drill intersection at West Tundra deposit with **3.5m @ 15.1% Zn, 6.7% Pb, 518g/t Ag, 2.1g/t Au and 0.2% Cu for 35.2% ZnEq<sup>1</sup> (WT18-28)<sup>3</sup>**.
- Best drill intersection into the Discovery Lens at the Dry Creek deposit with **4.7m @ 19.5% Zn, 7.8% Pb, 466g/t Ag, 6.9g/t Au and 1.5% Cu for 49.7% ZnEq<sup>1</sup> (DC18-79)<sup>4</sup>**.
- Down dip extension of the Fosters Lens at the Dry Creek deposit with **4.3m @ 4.8% Zn, 2.3% Pb, 1,435g/t Ag, 2.2g/t Au and 0.5% Cu for 43.2% ZnEq<sup>1</sup> (DC18-77)<sup>4</sup>** remaining open down dip.
- Completion of a detailed regional stream sediment program across the entire 143km<sup>2</sup> strategic tenement package to assist in focusing follow-up work for the 2019 field exploration program.
- Successful orientation ground geophysics across known mineralisation with CSAMT accurately identifying massive sulphide mineralisation at Dry Creek and West Tundra enabling the technique to be a rapid reconnaissance tool for identifying drill targets within zones of anomalous geochemistry and favourable stratigraphy.
- Successful application of portable XRF analysis of soil samples to deliver rapid target generation.
- A total of 24 drill holes for 4,111 metres of diamond core drilling have been completed during 2018. Assays are awaited for 7 drill holes. The drill rig has now been demobilised.
- The CSAMT crew acquired 40 line km of new data along strike of Dry Creek and West Tundra.
- Field crews collected 435 stream samples, 1,835 soil samples and 330 rock chips samples. Stream samples are awaiting assaying.

**MD & CEO Matt Gill said** “We are very pleased with the success of our first field season in Alaska at the Red Mountain project. Through an aggressive approach deploying a drill rig early on the tail of geological prospecting, surface sampling and ground geophysics, we have been rewarded with the discovery of massive sulphide mineralisation in outcrop within three months of starting our very first program.

The discovery of a new massive sulphide occurrence at Hunter, open along strike (traced for 500 metres) and down dip, goes a long way to supporting the thesis that the Red Mountain project has the potential to host multiple deposits and expand into a true VMS camp. It is satisfying that the active field season has allowed us to apply a systematic approach to covering the prospective 143km<sup>2</sup> ground package, which enables us to focus on the most highly prospective areas in 2019 using proven successful techniques including CSAMT ground geophysics and portable XRF geochemical analysis of soils to generate numerous additional VMS prospects for drill testing in 2019”.

Mr Gill concluded, “We have collected an enormous amount of geological data from our intense on-ground field work, and much of this information is now working its way through the assay laboratories. We will be compiling this information, together with the current and outstanding drill hole results, to assess, report and plan for next year’s value-adding program. Included in this body of work will be an assessment of the existing and new data for a possible JORC Resource Update.”

The 2018 field season saw continuous use of a diamond drill rig. Drill targets included initial validation drilling of the two known deposits (Dry Creek and West Tundra), extension drilling at Dry Creek, and 9 new targets tested with 13 drill holes including discovery of the Hunter massive sulphide mineralisation 5km west of the Dry Creek deposit. In addition to continuous drilling, the field season also encompassed up to three geological reconnaissance and surface geochemical sampling crews active throughout the field season, and two months of a CSAMT ground geophysics team. The CSAMT survey followed a detailed orientation program of ground geophysics that included moving loop electromagnetics and induced polarisation – resistivity across known mineralisation, and also the use of downhole electromagnetics.



**Figure 1:** Location of new prospects identified from surface reconnaissance, CSAMT coverage (blue lines) and surface geochemical soil samples highlighting anomalous zinc and lead soil geochemistry (red squares >1,000ppm zinc or lead and orange squares >500ppm zinc or lead), including the surface projection of massive sulphide mineralisation at Dry Creek and West Tundra, and all drill hole collars (green – 2018; black dots historic), on topography.

<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.

<sup>2</sup> Refer ASX Announcement 20<sup>th</sup> August 2018 "High Grade Zinc Discovery at the Hunter Prospect, Red Mountain".

<sup>3</sup> Refer ASX Announcement 18<sup>th</sup> June 2018 "Initial Drilling Delivers High Grade Zinc Results at Red Mountain".

<sup>4</sup> Refer ASX Announcement 4<sup>th</sup> July 2018 "High Grade Zinc-Silver Drill Intersections Extend Mineralisation at Red Mountain".

### **Competent Persons Statement**

The information in this report that relates to exploration results is based on information compiled by Mr Rohan Worland who is a Member of the Australian Institute of Geoscientists and is a consultant to White Rock Minerals Ltd. Mr Worland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Worland consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

### **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.

**About Red Mountain** (as more fully set out in the ASX Announcement dated 15 February 2016)

- The Red Mountain Project is located in central Alaska, 100km south of Fairbanks, in the Bonnifield Mining District. The tenement package comprises 230 mining claims over a total area of 143km<sup>2</sup>.
- The Red Mountain Project contains polymetallic VMS mineralisation rich in zinc, silver and lead, with potential for significant gold and copper.
- Mineralisation occurs from surface and is open along strike and down-dip.
- White Rock used historical drilling to determine a maiden JORC 2012 Mineral Resource estimate for the Dry Creek and West Tundra Flats deposit (ASX Announcement 26<sup>th</sup> April 2017). The Inferred Mineral Resource contains an impressive base metal and precious metal content with 678,000t zinc, 286,000t lead, 53.5 million ounces silver and 352,000 ounces gold.



**Table 1 - Red Mountain April 2017 Inferred Mineral Resource Estimate<sup>2</sup>**

Prospect	Cut-off	Tonnage Mt	ZnEq <sup>3</sup> %	Zn %	Pb %	Ag g/t	Cu %	Au g/t	ZnEq kt	Zn kt	Pb kt	Ag Moz	Cu kt	Au koz
Dry Creek Main	1% Zn	9.7	5.3	2.7	1.0	41	0.2	0.4	514	262	98	12.7	15	123
West Tundra Flats	3% Zn	6.7	14.4	6.2	2.8	189	0.1	1.1	964	416	188	40.8	7	229
Dry Creek Cu Zone	0.5% Cu	0.3	3.5	0.2	0.04	4.4	1.4	0.1	10	0.5	0.1	0.04	4	1
<b>Total</b>		<b>16.7</b>	<b>8.9</b>	<b>4.1</b>	<b>1.7</b>	<b>99</b>	<b>0.2</b>	<b>0.7</b>	<b>1,488</b>	<b>678</b>	<b>286</b>	<b>53.5</b>	<b>26</b>	<b>352</b>

**Table 2 - Red Mountain April 2017 Inferred Mineral Resource Estimate<sup>2</sup> at a 3% Zn Cut-off (contained within Table 1, not additional)**

Prospect	Cut-off	Tonnage Mt	ZnEq <sup>3</sup> %	Zn %	Pb %	Ag g/t	Cu %	Au g/t	ZnEq kt	Zn kt	Pb kt	Ag Moz	Cu kt	Au koz
Dry Creek Main	3% Zn	2.4	8.7	4.7	1.9	69	0.2	0.4	211	115	46	5.3	5	32
West Tundra Flats	3% Zn	6.7	14.4	6.2	2.8	189	0.1	1.1	964	416	188	40.8	7	229
<b>Total</b>		<b>9.1</b>	<b>12.9</b>	<b>5.8</b>	<b>2.6</b>	<b>157</b>	<b>0.1</b>	<b>0.9</b>	<b>1,176</b>	<b>531</b>	<b>234</b>	<b>46.1</b>	<b>12</b>	<b>260</b>

<sup>2</sup> The Red Mountain Mineral Resource information was prepared and first disclosed under the JORC Code 2012 as per the ASX Announcement by White Rock Minerals Ltd on 26<sup>th</sup> April 2017.

<sup>3</sup> Zinc equivalent grades are estimated using long-term broker consensus estimates compiled by RFC Ambrian as at 20 March 2017 adjusted for recoveries derived from historical metallurgical testing work and calculated with the formula:  

$$\text{ZnEq} = 100 \times \left[ \frac{(\text{Zn}\% \times 2,206.7 \times 0.9) + (\text{Pb}\% \times 1,922 \times 0.75) + (\text{Cu}\% \times 6,274 \times 0.70) + (\text{Ag g/t} \times (19.68/31.1035) \times 0.70) + (\text{Au g/t} \times (1,227/31.1035) \times 0.80)}{(2,206.7 \times 0.9)} \right]$$

White Rock is of the opinion that all elements included in the metal equivalent calculation have reasonable potential to be recovered and sold.

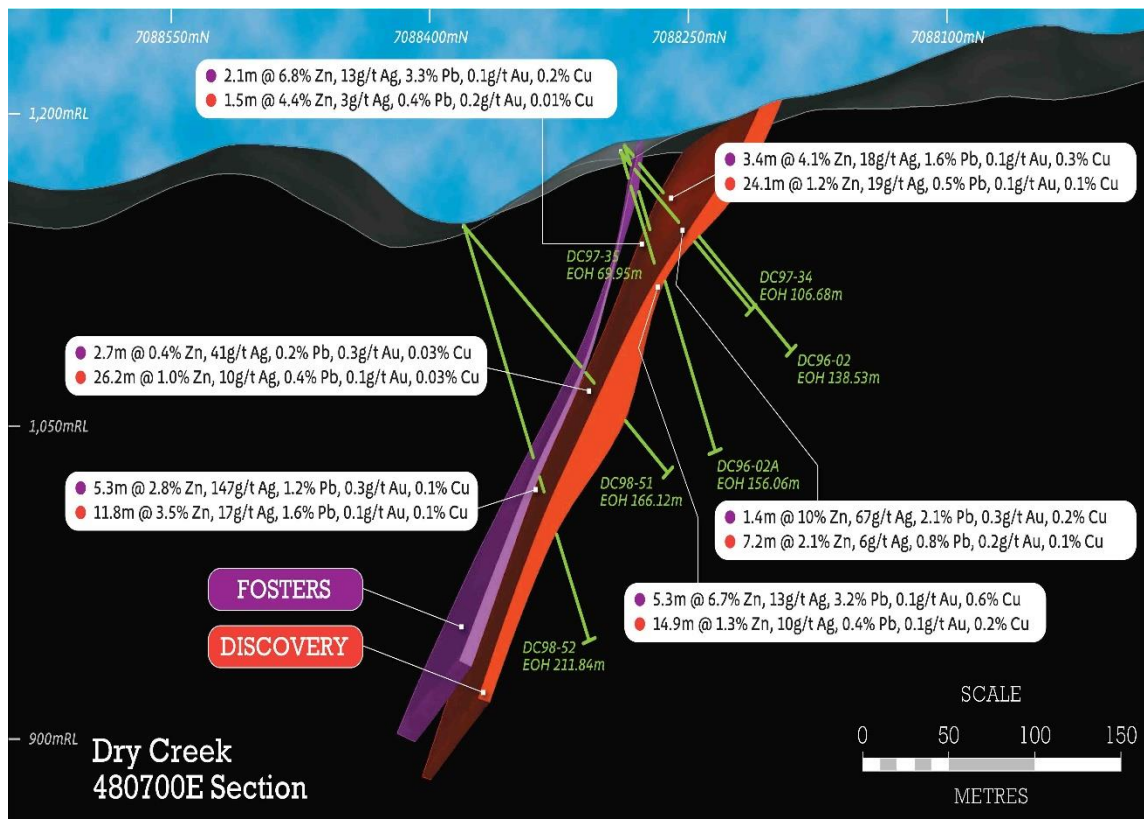
- Good preliminary metallurgical recoveries of >90% zinc, >75% lead, >80% gold, >70% silver and >70% copper.
- Previous drilling highlights (ASX Announcement 15<sup>th</sup> February 2016) include:

#### Dry Creek

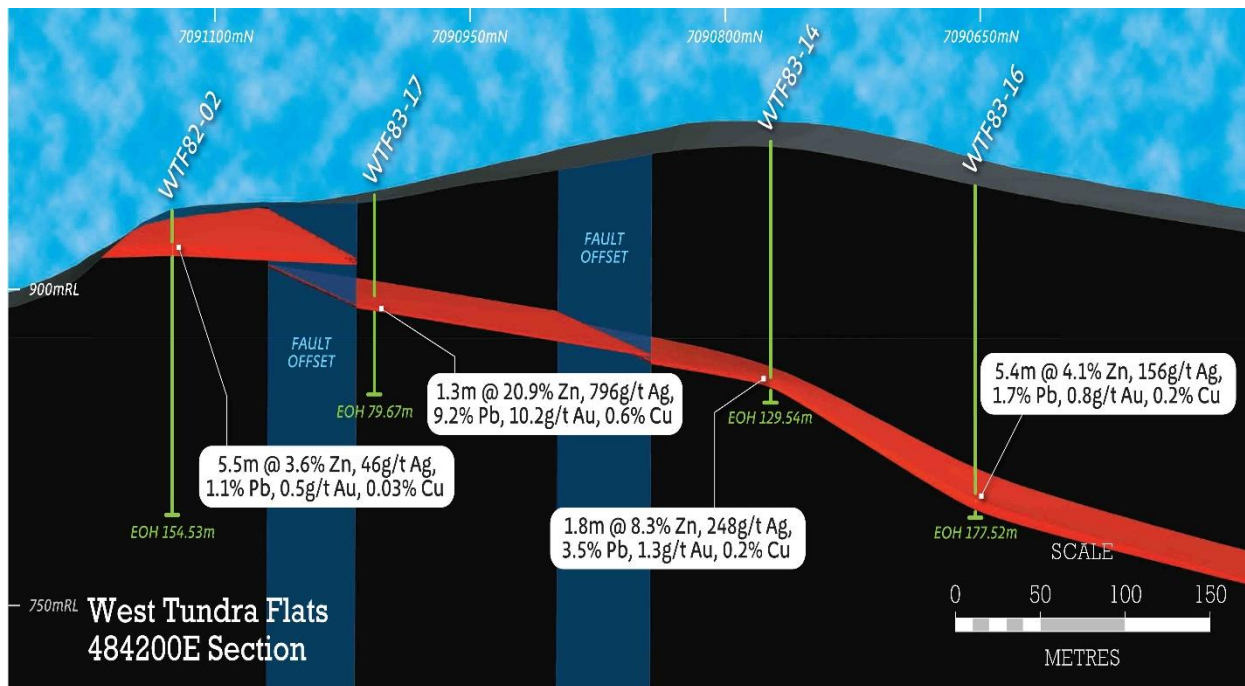
- 4.6m @ 23.5% Zn, 531g/t Ag, 8.5% Pb, 1.5g/t Au & 1.0% Cu from 6.1m
- 5.5m @ 25.9% Zn, 346g/t Ag, 11.7% Pb, 2.5g/t Au & 0.9% Cu from 69.5m
- 7.1m @ 15.1% Zn, 334g/t Ag, 6.8% Pb, 0.9g/t Au & 0.3% Cu from 39.1m

#### 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



**Figure 2:** Cross-section 480,700E looking towards the east through the Dry Creek deposit showing the geometry of the Fosters and Discovery mineralised massive sulphide lenses and drill intercepts.



**Figure 3:** Cross-section 484,200E looking towards the east through the West Tundra Flats deposit showing the mineralised massive sulphide lens and drill intercepts.

- VMS deposits typically occur in clusters (“VMS camps”). Deposit sizes within camps typically follow a log normal distribution, and deposits within camps typically occur at regular spacing. The known deposits at Dry Creek and West Tundra Flats provide valuable information with which to vector and target additional new deposits within the Red Mountain camp.
- Interpretation of the geologic setting indicates conditions that enhance the prospectivity for gold-rich mineralisation within the VMS system at Red Mountain. Gold mineralisation is usually found at the top of VMS base metal deposits or adjacent in the overlying sediments. Gold bearing host rocks are commonly not enriched in base metals and consequently often missed during early exploration sampling. This provides an exciting opportunity for potential further discoveries at Red Mountain.
- White Rock sees significant discovery potential, given the lack of modern day exploration at Red Mountain. This is further enhanced by the very nature of VMS clustering in camps, and the potentially large areas over which these can occur.

For more information about White Rock and its Projects, please visit our website

[www.whiterockminerals.com.au](http://www.whiterockminerals.com.au)

or contact:

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