

ASX and Media Release

Wednesday 4th May 2022

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White Rock Capital Raising

ASX Code: WRM

OTCQX: WRMCF

Issued Securities

Shares: 157.6 million

Options: 1.9 million

Cash on hand (31 Mar 2022)

A\$3.7M

Market Cap (29th April 2022)

A\$31.5M at \$0.20 per share

Directors & Management

Peter Lester

Non-Executive Chairman

Matthew Gill

Managing Director &
Chief Executive Officer

Paul McNally

Lead Non-Executive Director

Jeremy Gray

Non-Executive Director

Christopher Wellesley

Non-Executive Director

Toni Griffith

Chief Financial Officer

Shane Turner

Commercial Manager &
Company Secretary

Rohan Worland

Exploration Manager

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- **White Rock Minerals Limited (ASX:WRM; OTCQX:WRMCF) (White Rock) is pleased to announce a Placement to raise approximately A\$2.4 million (before costs).**
- **Subject to Shareholder approval, White Rock will issue one free attaching unlisted option for every two Shares subscribed for by participants under the Placement (Placement Options).**
- **Subject to Shareholder approval of the Placement Options, White Rock intends to make a bonus offer of Options (Loyalty Options) to all eligible Shareholders on a 1 for 2 basis of Shares held at the relevant record date.**
- **The Placement Offer price of A\$0.15 (15 cents) per share represents:-**
 - **a 25% discount to the last traded price of White Rock shares (20cps), and**
 - **a 25% discount to the 15-day VWAP for White Rock Shares (20cps).**
- **The exercise price of the Placement Options and Loyalty Options will be A\$0.15 (15 cents) each (being the same as the issue price under the Placement).**
- **In addition, White Rock has entered into a non-binding term sheet with Obsidian Global Partners, LLC in connection with a proposed convertible note and equity facility under which Obsidian may invest up to A\$30 million in White Rock over a 24 month period, and which contemplates an initial A\$3.5 million investment by way of convertible notes (subject entry into definitive documentation and Shareholder approval). Conversion of convertible notes is subject to a floor price of A\$0.15 (15 cents)**
- **The funds raised will be used to propel White Rock into the league of gold producers.**

White Rock Minerals Limited (ASX: WRM; OTCQX:WRMCF) (**White Rock or the Company**) is pleased to announce a placement of new fully paid ordinary shares (**Shares**) to institutional and sophisticated investors (**Placement**) at an issue price of A\$0.15 (15 cents) per Share to raise approximately A\$2.4 million (before costs). Subject to Shareholder approval, White Rock will issue one free attaching unlisted option for every two Shares subscribed for by participants under the Placement (**Placement Options**).

Subject to Shareholder approval of the Placement Options, White Rock intends to make a bonus offer of options (**Loyalty Options**) to all eligible Shareholders on a 1 for 2 basis of Shares held at the relevant record date.

Viriathus Capital Pty Ltd and Sanlam Private Wealth Pty Ltd are acting as joint lead managers to the Placement.

Funds raised from the Placement (after costs) will be used for:

- recruitment, re-capitalisation, pre-production development and commencement of gold production at the Morning Star Gold Mine, Victoria. Included is the continuation of one diamond drill to continue to delineate near-term ore sources as well as expansion by testing the Gap Zone;
- It is intended to re-start under the currently permitted Dayshift Only and work to secure 24/7 permitting to double the production capacity;

- Red Mountain Care & Maintenance – commitment for further exploration expenditure once the Morning Star Gold Mine reaches nameplate production and cash flow breakeven and expected funding is received from the exercise of any Options; and
- working capital.

White Rock MD & CEO Matt Gill said:

“White Rock acquired the Woods Point Gold Project in Victoria in August 2021, and by October diamond drilling had commenced at the high-grade Morning Star gold mine, with two diamond rigs testing multiple mineralised quartz reefs.”

“The team on site has done a sterling job, with at least three possible production areas subsequently identified for potential mining. This capital raising will now allow us to take the next big step for the Company and its shareholders – become Victoria’s next gold producer.”

“In addition to recommencing gold production, White Rock is excited by the regional potential of the Woods Point Gold Project across its extensive 660km² tenement package. Work has commenced to advance permitting to allow drilling of the highly prospective Wallaby prospect, our first priority of a broader program that aims to find the next Cohen’s Reef, where 1.5 million ounces at better than an ounce per tonne (32g/t gold) was mined historically¹.”

“This capital raise will allow for certain works to be undertaken and propel White Rock into the league of gold producers – a step many junior exploration companies aspire to make. White Rock intends to continue with this aggressive exploration focus on the significant in-mine and regional exploration potential of the project with the driving objective of making a new discovery that adds to the re-emergence of Victoria’s gold mining industry.”

“The Board is very appreciative of the support shown from current shareholders and the interest and support being shown from the new investors now joining the White Rock journey through this equity raising.”

About the Woods Point Gold Project

White Rock Minerals acquired the Woods Point Gold Project, a highly prospective exploration area of 660km² in one of Victoria’s largest historic goldfields, by way of a merger with AuStar Gold in August 2021. The acquisition included an 80,000tpa gravity gold processing plant and a mine that has produced more than 880,000 ounces at an average grade of 26.5g/t² as well as a workforce of 23 employees.

White Rock’s immediate focus is underground exploration to build a resource base sufficient to define a long-term production plan and ensure a sustainable and profitable operation before restarting gold production.

Two diamond drills have been drilling since October 2021, completing over 8,000 metres to date and have successfully identified at least three potential production areas underground above 9 level. Mine planning has provided the confidence to commit to the recruitment and pre-production activities necessary to reach the milestone of first gold production under White Rock’s direction.

¹ Refer GeoScience Victoria, *Geoscientific Databases 2010, GIS data of mineral occurrences and boreholes.*

² Refer Department of Primary Industries *“Walhalla-Woods Point-Tallangalook Special map area geological report, Geoscience Victoria”, Geological Survey of Victoria Report 127, 2006.*

About the Placement

Under the Placement, White Rock has received firm commitments for a placement of approximately 15,979,003 Shares to certain institutional and sophisticated investors at the issue price of A\$0.15 (15 cents) per Share to raise approximately A\$2.4 million. The Placement will be made under the Company's existing placement capacity.

The Placement issue price of A\$0.15 (15 cents) per Share represents a 25% discount to the last traded price of White Rock shares (20 cents per Share) and a 25% discount to the 15-day volume weighted average price (**VWAP**) for White Rock shares (20 cents per Share).

It is intended that the Placement Shares will be issued and allotted on or around 11 May 2022.

The Shares to be issued will rank equally with existing White Rock shares quoted on the ASX.

Subject to shareholder approval at a general meeting intended to be held in mid-June 2022, Placement participants will also receive 1 free, unlisted option (**Placement Options**) for every 2 new Shares subscribed for under the Placement. The Placement Options will have an exercise price of A\$0.15 (15 cents) each and an expiry date of 30 January 2023. If fully exercised, the Placement Options will deliver approximately a further A\$1.2 million in proceeds to White Rock. It is intended that the Placement Options will be issued shortly following the general meeting.

About the Intended Loyalty Options Offer

Conditional on Shareholders approving the Placement Options, the Company intends to undertake a bonus offer of Loyalty Options to all eligible Shareholders on a 1 for 2 basis of Shares held as at the relevant record date, which is expected to be approximately two weeks after the General Meeting.

The Loyalty Options are intended to have an exercise price of A\$0.15 (15 cents) each and an expiry date of 31 January 2023.

The Company intends to apply for quotation of the Loyalty Options on the ASX.

Further details about the intended Loyalty Options Offer will be provided to Shareholders in due course.

About the Convertible Note and Equity Facility Term Sheet

White Rock has entered into an indicative non-binding term sheet (**Term Sheet**) in connection with a proposed convertible note and equity facility (**Proposed Funding Facility**) with Obsidian Global Partners, LLC (**Obsidian**) under which Obsidian (or its nominee) may invest up to A\$30 million in White Rock over a 24 month period by way of a combination of an issue of convertible notes and new fully paid ordinary shares.

The Term Sheet contemplates that Obsidian will initially invest A\$3.5 million by way of convertible notes upon execution of definitive documentation, with any further investments to be made under the terms of the Proposed Funding Facility. The initial convertible notes and those to be issued under the Proposed Funding Facility will bear no interest, but may be redeemed by White Rock at a 5% premium to the face value of the convertible notes being redeemed. If converted, the convertible notes will convert into Shares at a conversion price equal to the lower of (i) the 10-day VWAP of White Rock's shares prior to the closing of the Proposed Funding Facility and (ii) a 5% discount to the lowest daily VWAP of White Rock's shares in the 10 days prior to a conversion notice being given in respect of the convertible notes, subject to a floor price of A\$0.15 (15 cents).

The transactions contemplated by the Term Sheet are subject to various conditions including completion of due diligence to the satisfaction of Obsidian, the entry into definitive documentation and certain Shareholder approvals.

Further details will be provided in the notice of meeting to convene a general meeting to consider the necessary resolutions to issue the various securities contemplated by the Proposed Funding Facility.

The trading halt in White Rock's shares can be now lifted.

This announcement has been authorised for release by the Board.

Contacts

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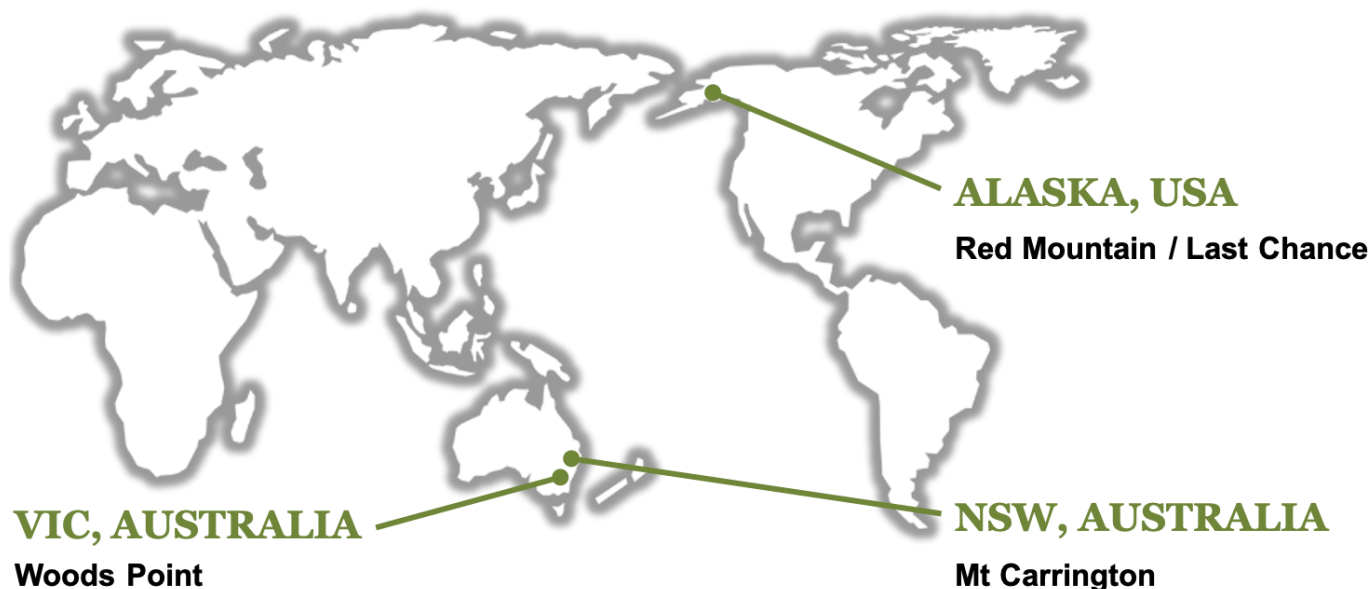
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For more information about White Rock and its Projects, please visit www.whiterockminerals.com.au

About White Rock Minerals

White Rock Minerals is an ASX listed explorer and near-stage gold producer with three key assets:

- **Woods Point** – New asset: Victorian gold project. Bringing new strategy and capital to a large 660km² exploration land package and high-grade gold mine (past production 883,000oz @ 26.5g/t).
- **Red Mountain / Last Chance** – Key Asset: Globally significant zinc–silver VMS polymetallic and IRGS gold project. Alaska – Tier 1 jurisdiction.
- **Mt Carrington** – Near-term Production Asset: JORC resources for gold and silver, on ML with a PFS and existing infrastructure, with the EIS and DFS being advanced by JV partner.



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