

WHITE CLIFF MINERALS LIMITED

ACN 126 299 125

NOTICE OF ANNUAL GENERAL MEETING

and

EXPLANATORY MEMORANDUM

Date of Meeting: Tuesday, 22 October 2013

Time of Meeting: 10.30 am (WST)

Place of Meeting: Suite 2,
47 Havelock Street
West Perth WA

This Notice of Annual General Meeting and Explanatory Memorandum should be read in their entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

WHITE CLIFF MINERALS LIMITED
ACN 126 299 125

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the sixth annual general meeting of shareholders of White Cliff Minerals Limited ACN 126 299 125 ("**Company**") will be held at Suite 2, 47 Havelock Street, West Perth, Western Australia at 10.30am (WST) on Tuesday, 22 October 2013.

The Explanatory Memorandum which accompanies and forms part of this Notice of Annual General Meeting describes the various matters to be considered and contains a glossary of defined terms for terms that are not defined in full in this Notice of Annual General Meeting.

AGENDA

ANNUAL FINANCIAL STATEMENTS AND REPORTS

To receive and consider the Annual Financial Report, the Directors' Report and Auditor's Report for the Company and its controlled entities for the period ended 30 June 2013.

ORDINARY RESOLUTIONS

1. Adoption of Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth) and for all other purposes, the Remuneration Report for the Company and its controlled entities for the period ended 30 June 2013 be adopted."

<p>The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Company will disregard any votes cast (in any capacity) on this resolution by or on behalf of a member of the Key Management Personnel (KMP) named in the Remuneration Report or by that KMP's closely related party unless the vote is cast as proxy for a person entitled to vote in accordance with a direction on the proxy form.</p>

2. Re-election of Mr Boland as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr Boland, who retires by rotation in accordance with the Company's constitution and being eligible, offers himself for re-election, be re-elected as a Director."

3. **Approval of 10% Placement Capacity**

To consider, and if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion:

The Company will disregard any votes cast on this Resolution by a person (and any associates of such a person) who may participate in the 10% Placement Facility and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of Shares, if this Resolution is passed.

However, the Company will not disregard a vote if:

- it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD

Brooke White
Company Secretary
Dated: 17 September 2013

WHITE CLIFF MINERALS LIMITED
ACN 126 299 125

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be considered at the sixth Annual General Meeting of Shareholders to be held at Suite 2, 47 Havelock Street, West Perth, Western Australia at 10.30am (WST) on Tuesday 22 October 2013.

The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Annual General Meeting. For the assistance of Shareholders, a glossary of defined terms is included at the end of this Explanatory Memorandum.

Full details of the business to be considered at this Annual General Meeting are set out below.

Annual financial statements and reports

The Corporations Act requires that the Annual Report (which includes the Annual Financial Report, Directors' Report and Auditor's Report) be laid before the Annual General Meeting.

There is no requirement for the Shareholders to approve the Annual Report. However, Shareholders will be given an opportunity to ask questions and make comments about the Annual Report or the Company generally but there will be no formal resolution submitted to the Meeting in respect of it.

Mr Norman Neill, as the auditor responsible for preparing the Auditor's Report for the year ended 30 June 2013 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the Auditor's Report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have by mail to the Company Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005**, or by fax to **+61 8 9324 2977** so that it is received by no later than 5.00pm (WST) on Thursday, 17 October 2013. In accordance with section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing from members, being questions which the auditor considers relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

1. Resolution 1 - Adoption of Remuneration Report

The Remuneration Report of the Company for the financial period ended 30 June 2013 is set out on pages 22 to 26 of the Company's 2013 Annual Report. It sets out a range of matters relating to the remuneration of Directors, executives and senior managers of the Company.

Pursuant to section 250R(2) of the *Corporations Act 2001 (Cth)*, a resolution that the Remuneration Report be adopted must be put to vote at the Company's Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Meeting.

In accordance with the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

The Company encourages all eligible Shareholders to cast their votes on Resolution 1 (Remuneration Report).

A vote on Resolution 1 must not be cast by or on behalf of either a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report or their closely related parties

Any undirected proxies held by the Chairman of the Meeting, other directors or other key management personnel or any of their closely related parties will be voted in favour of Resolution 1 (Remuneration Report).

The Board unanimously recommends that Shareholders vote in favour of adopting the Remuneration Report.

2. Resolution 2 - Re-election of Mr Boland as a Director

It is a requirement under the Company's constitution that Mr Boland retires by rotation at the Annual General Meeting. Mr Boland, being eligible for re-election pursuant to the Company's constitution, offers himself for re-election.

Apart from Mr Boland (who has an interest in the Resolution), the remaining Directors recommend to Shareholders that Mr Boland be re-elected.

3. Resolution 3 – Approval of 10% Placement capacity

3.1 Background

ASX Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition

to the Company's 15% placement capacity under ASX Listing Rule 7.1.

An eligible entity for the purposes of ASX Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to Section 3.2(c) below).

The Company may use the 10% Placement Facility to advance its exploration assets, to acquire new resource projects/investments and/or for general working capital.

The Directors of the Company believe that Resolution 3 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

3.2 Description of ASX Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

(c) Formula for calculating 10% Placement Facility

ASX Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

A is the number of Shares on issue 12 months before the date of issue or agreement:

- a. plus the number of Shares issued in the 12 months under an exception in ASX Listing Rule 7.2;
- b. plus the number of partly paid Shares (that became fully paid in the 12 months);
- c. plus the number of Shares issued in the 12 months with approval of Shareholders under ASX Listing Rules 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without shareholder approval;
- d. less the number of Shares cancelled in the 12 months.
- e. Note that A has the same meaning in ASX Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under ASX Listing Rule 7.1A.2 in the 12 months before the date of the issue or

agreement to issue that are not issued with the approval of Shareholders under ASX Listing Rule 7.1 or 7.4.

(d) ASX Listing Rules 7.1 and 7.1A

The ability of an entity to issue Equity Securities under ASX Listing Rule 7.1A is in addition to the entity's 15% placement capacity under ASX Listing Rule 7.1.

At the date of this Notice (assuming resolution 3 is passed at the Meeting), the Company has a capacity to issue:

- (i) 27,916,000 Equity Securities under ASX Listing Rule 7.1; and
- (ii) 18,610,000 Equity Securities under ASX Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 (refer to paragraph 3.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under ASX Listing Rule 7.1A must be not less than 75% of the volume weighted average price (**VWAP**) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (e)(i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under ASX Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by Shareholders of a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking), or such longer period if allowed by ASX (**10% Placement Period**).

3.3 ASX Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under ASX Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under ASX Listing Rule 7.1. Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

3.4 Specific information required by ASX Listing Rule 7.3A

Pursuant to and in accordance with ASX Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
- (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in ASX Listing Rule 7.1A(2) as at the date of this Notice and assuming Resolution 3 of this meeting is approved.

The table also shows:

- (iii) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (iv) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in ASX Listing Rule 7.1A.2		Dilution		
		\$0.004 50% decrease in Issue Price	\$0.008 Issue Price	\$0.016 100% increase in Issue Price
Current Variable 'A' 186,107,767 Shares	10% voting dilution	18,610,000 Shares	18,610,000 Shares	18,610,000 Shares
	Funds raised	\$74,440	\$148,880	\$297,760
50% increase in current Variable 'A' 279,161,650 Shares	10% voting dilution	27,916,000 Shares	27,916,000 Shares	27,916,000 Shares
	Funds raised	\$111,660	\$223,320	\$446,640
100% increase in current Variable 'A' 372,215,534 Shares	10% voting dilution	37,221,000 Shares	37,221,000 Shares	37,221,000 Shares
	Funds raised	\$148,880	\$297,760	\$595,520

The table has been prepared on the following assumptions:

- (i) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - (ii) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - (iii) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
 - (iv) The table shows only the effect of issues of Equity Securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1.
 - (v) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
 - (vi) The issue price is \$0.008, being the closing price of the Shares on ASX on 12 September 2013.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under ASX Listing Rule 11.1.2 (a significant change to the nature or scale of activities or ASX Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:

- (i) non-cash consideration for the acquisition of the new resources assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by ASX Listing Rule 7.1A.3; or
- (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued exploration and feasibility study expenditure on the Company's current assets and/or general working capital.

The Company will comply with the disclosure obligations under ASX Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

- (e) The Company has not previously obtained Shareholder approval under ASX Listing Rule 7.1A.
- (f) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

GLOSSARY OF TERMS

In this Explanatory Memorandum the following expressions have the following meanings:

"**10% Placement Facility**" has the meaning given in section 3.1.

"**10% Placement Period**" has the meaning given in Section 3.2(f)(ii).

"**ASX**" means ASX Limited, or the stock exchange conducted by ASX, as the context requires

"**Annual Report**" means the Company's Annual Report including the Financial Report, Directors' Report and Auditor's Report for the year ended 30 June 2013.

"**Auditor's Report**" means the independent auditor's report contained in the Annual Report.

"**Board**" means the Board of Directors of the Company.

"**Company**" means White Cliff Minerals Limited ACN 126 299 125.

"**Constitution**" means the Company's constitution from time to time.

"**Corporations Act**" means the *Corporations Act 2001 (Cth)*.

"**Directors**" means the directors of the Company from time to time.

"**Directors' Report**" means the directors' report contained in the Annual Report.

"**Equity Securities**" has the meaning given in Chapter 19 of the ASX Listing Rules

"**Explanatory Memorandum**" means the explanatory memorandum that accompanies and forms part of this Notice.

"**Listing Rule**" means a Listing Rule of ASX Limited.

"**Meeting**" or "**Annual General Meeting**" means the annual general meeting of Shareholders of the Company convened by this Notice.

"**Notice**" or "**Notice of Annual General Meeting**" means the notice of annual general meeting which accompanies this Explanatory Memorandum.

"**Remuneration Report**" means the remuneration report appearing in the Annual Report.

"**Resolution**" means a resolution referred to in the Notice.

"**Share**" means an ordinary share in the Company.

"**Shareholder**" means a shareholder of the Company.

"**WST**" means Western Standard Time in Western Australia.

PROXY AND VOTING ENTITLEMENT INSTRUCTIONS

PROXY INSTRUCTIONS

Shareholders are entitled to appoint up to two individuals or bodies corporate to act as proxies to attend and vote on their behalf. Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the Shareholder's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be deposited at or sent by facsimile transmission to the Company Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005, +61 8 9324 2977**, not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual or body corporate named in the proxy form proposes to vote.

The proxy form must be signed by the Shareholder or his/her attorney duly authorised in writing or, if the Shareholder is a corporation, in a manner permitted by the Corporations Act.

The proxy may, but need not, be a Shareholder of the Company.

In the case of Shares jointly held by two or more persons, all joint holders must sign the proxy form.

A proxy form is attached to this Notice.

VOTING ENTITLEMENT

For the purposes of determining voting entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at 9.00pm (WST) on Friday, 18 October 2013. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

QUESTIONS FROM SHAREHOLDERS

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Norman Neill, as the auditor responsible for preparing the Auditor's Report for the year ended 30 June 2013 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about the conduct of the audit; the preparation and content of the Auditor's Report; the accounting policies adopted by the Company in relation to the preparation of financial statements; and the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have by mail to the Company Secretary's office, **Suite 2, 47 Havelock Street, West Perth WA 6005**, or by fax to **+61 8 9324 2977** so that it is received by no later than 5.00pm (WST) on Thursday, 17 October 2013.

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing by 18 October 2013, being questions which the auditor considers relevant to the content of the Auditor's Report or the conduct of the audit of the Annual Financial Report for the year ended 30 June 2013. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

WHITE CLIFF MINERALS LIMITED
ACN 126 299 125

PROXY FORM

The Company Secretary

White Cliff Minerals Limited, Suite 2, 47 Havelock Street, West Perth WA 6005,

Facsimile +61 8 9324 2977

I/We _____

of _____

being a Shareholder/(s) of White Cliff Minerals Limited ("**Company**") and entitled to

_____ Shares in the Company

hereby appoint _____

of _____

or failing him/her/it _____

of _____

or failing him/her/it the Chairman as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Suite 2, 47 Havelock Street, West Perth, Western Australia at 10.30am (WST) on Tuesday, 22 October 2013 and at any adjournment thereof in respect of _____ of my/our Shares or, failing any number being specified, **ALL** of my/our Shares in the Company.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is []%. (An additional proxy form will be supplied by the Company on request.)

If you wish to indicate how your proxy is to vote, please tick the appropriate places below. If no indication is given on a Resolution, the proxy may abstain or vote at his/her/its discretion.

In relation to undirected proxies, the Chairman intends to vote in favour of all of the Resolutions.

If you do not wish to direct your proxy how to vote, please place a mark in the box.

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of a Resolution and votes cast by him other than as proxy holder will be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman will not cast your votes on the Resolution and your votes will not be counted in calculating the required majority if a poll is called on the Resolution.

I/we direct my/our proxy to vote as indicated overleaf:

