



11th November 2014

Dear Shareholders

Company Update

Your Board is confident that our activities during 2014 will provide a solid foundation for a potentially exciting re-rating of your Company.

The exploration results reported on our Central Asian Chanach copper-gold project this year are in our view outstanding and potentially company-making. Exceptional gold assay results have been reported from this year's drill program of the Aucu prospect within the Chanach project. Further strong results are expected to be received prior to the year end.

At Aucu the Company has identified **two** mineralised systems that are parallel and approximately 100m apart. Mineralisation starts at the surface, is high grade and has been identified to at least 100m vertical depth in both systems and is open along strike in both directions.

The outlined extent of gold mineralisation and the high grade identified is significant and, the Company believes, will provide a sufficient basis for a resource calculation. The Company aims to calculate its maiden gold resource, to JORC compliance standards, within the next 12 months. Our expectation is that this initial resource will be a significant event for your Company.

Notwithstanding the rapid progress on the Aucu prospect in the Kyrgyz Republic, your Company has numerous high impact nickel and gold drill programs ready to proceed over the next 6 months. Funding to pursue these programs has been secured in an extremely difficult market for junior exploration companies.

All shareholders would be aware of the difficult market conditions for junior exploration companies over the last 2 years or so. It has been and continues to be a challenge for companies to remain adequately funded to pursue their project exploration and development activities. Indeed there are a significant number of companies with no funds to undertake any activities whatsoever.

Against this backdrop White Cliff has successfully raised \$5.4 million since September 2012 through a mixture of share placements and share purchase plans. These funding events have allowed your company to acquire an extra 34% of the Chanach copper-gold project and to undertake numerous drilling and geophysical exploration campaigns since September 2012.

Notwithstanding this recent past capital raising success your Board considered the proposed exploration programs, with the potential upside they could provide, demanded a higher degree of funding certainty.

On 1 October 2014 the Company announced a US\$4 million convertible note facility sourced from an international investment fund, Magna Equities Group, that can be accessed over the next 2 years (or not utilised) at the Company's discretion. The Board believes this facility provides funding flexibility and certainty for the next 2 years that allows management to focus on exploration and project development, to shareholder benefit. Magna have expressed a desire to build a long term relationship with the Company.

In securing this facility we have ensured that White Cliff can over the next 9 months perform advanced geophysics on several project target areas and accelerate its drilling program. In this period we intend to drill the following prospects:

- Resource and exploration drilling at Aucu prospect in the Kyrgyz Republic,
- Exploration drilling at the Ironstone gold prospect,
- Exploration drilling at the Merolia nickel sulphide project, and
- Exploration drilling at the Cogia nickel prospect.

As noted this convertible note facility can be drawn upon at the Company's discretion. No fees or costs are charged if any funds are not utilised. The Company has already received an initial US\$500,000 under this facility. Further the existence of this facility does not prevent the Company from sourcing additional funds from other areas such as share placements or share purchase plans if it wishes.

The Board believes your Company is on the cusp of breakout performance. With funding in place, one project expected to deliver a maiden resource and a suite of attractive exploration assets the coming year should be an exciting one for White Cliff.

We thank you in advance for your support in this period and trust that the Company's activities will deliver a strong and sustained improvement in the Company's share price during this time.

Yours truly

A handwritten signature in black ink, appearing to be 'MLC', written over a horizontal line.

Michael Langoulant
Executive Chairman