



6 September 2019

ASX Code: WCN

Sale of Aucu Copper-Gold Project to RTG Mining

HIGHLIGHTS

- White Cliff signs binding share sale and purchase agreement to sell its 90% interest in the Aucu Copper-Gold project in Kyrgyzstan to RTG Mining Inc
- Total consideration of US\$2.65 million, consisting of US\$2.15m cash and US\$500k of RTG shares
- Transaction is of significantly higher value than a separate non-binding term sheet announced in July 2019
- White Cliff to remain focused on its prospective Western Australian nickel/cobalt projects and seek suitable new projects to further create shareholder value

White Cliff Minerals Limited (“White Cliff” or “the Company”) is pleased to advise shareholders that it has executed a binding share sale and purchase agreement (“Agreement”) for the sale of the Company’s 90% interest in the Aucu Copper-Gold project in Kyrgyzstan, to RTG Mining Inc (“RTG”, ASX:RTG), for total consideration of US\$2.65 million (“Transaction”). The key terms of the Transaction are as follows:

1. Sale of White Cliff’s equity and debt interests in the Aucu Copper-Gold project
2. US\$2,150,000 in cash, including US\$200,000 as a deposit and the balance upon transaction completion;
3. US\$500,000 worth of shares in RTG, to be issued at completion, subject to a 12-month escrow period with pricing calculated based on the 5-day VWAP prior to the date of issue;
4. Target completion date of the Transaction being 15 October 2019;
5. Completion conditional upon WCN shareholder approval for the purposes of Listing Rule 11.2 and no material adverse change/breach of warranties; and
6. The Agreement includes customary no-talk/no-shop obligations

Importantly, the Company will maintain exposure to the Aucu project through its shareholding interest in RTG.

The Aucu Copper-Gold project is White Cliff’s main undertaking and the sale will require prior approval by White Cliff’s shareholders for the purposes of Listing Rule 11.2.

The directors of White Cliff believe that the transaction with RTG is a superior transaction compared to the non-binding term sheet for the sale of the Aucu project announced in July 2019 (which as non-binding falls away), and will, subject to their directors’ duties, unanimously recommend shareholders to vote to support this transaction at the upcoming extraordinary meeting. Holders of 19.9% of the Company’s ordinary shares have advised the Company that they intend to approve the Transaction, absent any superior transaction. The Company will be despatching meeting documents to shareholders in coming days, with completion expected to occur shortly after shareholder approval is obtained.

Post-transaction, WCN will have sufficient working capital to continue with its activities in Western Australia, and to look for suitable new projects to further create shareholder value. Any acquisition of new projects may require re-compliance with the admission requirements to ASX, which will be at ASX's discretion.

White Cliff was advised by the KPMG Corporate Finance Metals and Mining team and Atkinson Corporate Lawyers.

Commenting on the Transaction, Non-executive Chairman Dan Smith said: "We are very pleased with the outcome achieved for shareholders. In conjunction with the team at KPMG, the Company has been working tirelessly over the last 6 months to unlock value for shareholders, and believe the transaction with RTG represents the best outcome for shareholders, while also providing ongoing exposure to the high-grade Aucu project through equity in RTG. I would like to thank Greg Evans, Geoff Xue and the team at KPMG for their effort during their period of engagement."

About RTG

RTG Mining Inc. is a mining and exploration company listed on the main board of the Toronto Stock Exchange and Australian Securities Exchange Limited. The most recent development by the RTG team was the largest operating gold mine in the Philippines, the Masbate Mine. The RTG Management Team has successfully developed and operated 7 new mines in 5 different countries, having won 44 awards around the world for social and environmental excellence. RTG is focused on a proposal with a landowner lead consortium to secure an exploration licence at the high tonnage copper-gold Panguna Project in Bougainville PNG and the high grade copper/gold/magnetite Mabilo Project in the Philippines, while also identifying major new projects which will allow the Company to move quickly and safely to production, such as the Chanach Gold and Copper Project. The management team also has many years of experience operating in Kyrgyzstan on a previous project.

Further Information:

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