



White Cliff Minerals LTD

White Cliff Minerals Limited

ABN 22 126 299 125

Half-year report
31 December 2019

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Corporate Information

Directors	Daniel Smith Nicholas Ong Ed Mead Michael Soucik (appointed 2 December 2019)
Company secretary	Nicholas Ong
Registered office and principal place of business	Level 8, 99 St Georges Terrace Perth, Western Australia 6000 Telephone: (08) 9486 4036 Facsimile: (08) 9486 4799 Website: www.wcminerals.com.au
Share registry	Computershare Investor Services Pty Ltd Reserve Bank Building Level 11, 172 St George's Terrace Perth, Western Australia 6000
Auditors	HLB Mann Judd Level 4, 130 Stirling Street Perth, Western Australia 6000
Solicitors	Atkinson Corporate Lawyers Level 8, 99 ST Georges Terrace Perth, Western Australia 6000
ASX code	White Cliff Minerals Limited is listed on the Australian Securities Exchange (Shares: WCN)

Directors' Report

Your Directors present their report on the Group consisting of White Cliff Minerals Limited ("White Cliff" or "the Company") and the entities it controlled during the half-year ended 31 December 2019.

Directors

The following persons were Directors of White Cliff during the whole of the period and up to the date of this report unless otherwise stated:

Nicholas Ong – *Non-executive Director*
Daniel Smith – *Non-executive Director*
Ed Mead – *Non-executive Director*
Michael Soucik – *Non-executive Chairman (appointed 2 December 2019)*

Review of Operations

Summary

Kyrgyz Republic Aucu Gold Project

During the half year, the Company advised shareholders that settlement had occurred for the sale of the Company's 90% interest in the Aucu Copper-Gold project in Kyrgyzstan. In accordance with a binding share sale and purchase agreement ("Agreement") with RTG Mining Inc ("RTG", ASX:RTG), RTG transferred the remaining sale consideration of US\$1.95 million cash and issued 10,312,577 RTG shares (subject to 12 months escrow) to the Company on or about [insert date].

The RTG shares held by White Cliff present approximately 2.1% of total issued share capital in RTG. As such, the Company will maintain exposure to the Aucu Copper-Gold project, and other projects undertaken by RTG through its shareholding interest in RTG.

Australian Cobalt-Nickel Projects (100% owned)

During the half year, the Company advised shareholders that the ground moving-loop electro-magnetic ("EM") survey had been completed at the Company's 100% owned Coronation Dam nickel-cobalt project, Western Australia.

The EM survey consisted of approximately 18-line kilometres on 400m spaced lines (EW local grid) with 200m loops to provide the most cost-effective coverage, which aimed to cover the entire ultramafic unit within E31/1101 and test for potential conductors within the mapped ultramafic to a depth of 400 metres.

In addition to a survey at Coronation Dam, the Company undertook a similar survey at Ghan Well. The aim of the EM survey at Ghan Well was to test for potential conductors to the south of the current Inferred Resource area. The survey consisted of 19 lines for ~24.3kms

The results of the EM survey were announced post period end, on 25 February 2020.

Corporate

The Company appointed Mr Michael Soucik as non-executive chairman, with Mr Daniel Smith stepping down from the role of Chairman but remaining as a director of the Company.

Australian Projects (100%)

Coronation Dam and Ghan Well

The Company has a 100% interest in three cobalt and nickel projects in the north-eastern goldfields of Western Australia. Substantial work has been conducted during the half year and is detailed in the following sections. All three projects are located close to multiple operating mines serviced by substantial existing infrastructure such as roads, telecommunications, power, gas and with access to a skilled workforce. They are all within trucking distance of Glencore's Murrin Murrin nickel-cobalt processing plant and other proposed processing facilities that could potentially pose an option for monetising resources.

On 31 October 2019, the Company announced a planned ground moving-loop electro-magnetic ("EM") survey to be undertaken at the Company's 100% owned Coronation Dam nickel-cobalt project, Western Australia.

The main zone of mineralisation extends over 1.4 km north-south and 750 metres east-west. The vertical thickness of mineralisation ranges from several metres to a maximum of 70 metres. Mineralisation starts at surface and dips shallowly to the west. The bulk of the higher-grade mineralisation is concentrated within the centre of the deposit. The deposit has only been shallowly drilled in most areas and remains open along strike and at depth.

Immediately north of the Inferred Mineral Resource there are several historical drill holes with nickel and cobalt mineralisation greater than 0.8% nickel or 0.05% cobalt. This area covers a 1.7-kilometre-long section of the prospective sequence and is a priority exploration target.

Similarly, immediately south of the Inferred Mineral Resource, the prospective ultramafic unit extends for a kilometre with some historical drillholes containing anomalous nickel and cobalt mineralisation greater than 1% nickel and 0.08% cobalt.

There is also potential for additional mineralisation to the west of the existing Inferred Mineral Resource, particularly down-dip, along section from the existing intersections.

Electromagnetic (EM) Survey

It was interpreted that the fresh rock intersections in the ultramafic may represent primary nickel sulphide mineralisation associated with massive sulphides. The Company plans to investigate the presence of massive sulphides with an electromagnetic survey designed and implemented by Southern Geoscience – the geophysical consultants to the Company.

The EM survey will aim to cover the entire ultramafic unit within E31/1101 and test for conductors within the ultramafic to a depth of 400 metres. Drilling of any identified conductors will be planned accordingly.

The EM survey will consist of 17.9-line kilometres on 400m spaced lines (EW local grid) with 200m loops to provide the most cost effective coverage.

Following period end, on 25 February 2020, the Company announced the results of the EM surveys at Coronation Dam and Ghan Well.

Coronation Dam

The EM survey at the 100% owned Coronation Dam nickel-cobalt project, Western Australia, provided 24.3-line kilometres of coverage (20 lines, 263stns) on 100-200m spaced lines (E-W local grid) with 200x200m loops to test the entire ultramafic unit for buried nickel sulphide (NiS) style conductors to a depth of ~300-400 metres. It was interpreted that the fresh rock intersections in the ultramafic may represent primary nickel sulphide mineralisation associated with massive sulphides. Following completion of the EM survey, Southern Geoscience Consultants (SGC) - the geophysical consultants to the Company - reviewed the data and identified a single potential bedrock conductor at the Northern Zone.

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Northern Zone - The localised anomalism at 6400N (adjacent to the northern tenement boundary) requires further testing with MLTEM (30-40 stations) to determine if the anomalism is a legitimate bedrock conductor or SPM related (superparamagnetic effect - related to near surface iron oxide interference).

Ghan Well

The EM survey at the 100% owned Ghan Well nickel-cobalt project, Western Australia, was similar in nature and extent to the EM survey at Coronation Dam. The aim of the EM survey at Ghan Well was to test for potential conductors to the south of the current Inferred Resource area. The survey consisted of 17 lines for ~17.7kms of coverage (194stns) on 200m spaced lines (E-W local grid) with 200x200m loops.

The ground crew were faced with lake access issues to the east of the project survey area, which restricted coverage of the prospective ultramafic unit. Very strong conductive cover conditions are present in the far SE/E section of the survey - relating to the conductive salt lake. The proposed survey line was to extend 700m further east, however due to wet lake conditions the line length was shortened/limited. No legitimate bedrock anomalies have been identified at Ghan Well at this stage.

Next steps

The results of the MLTEM programs at both Coronation Dam and Ghan Well have failed to clearly identify bedrock conductors which may host nickel sulphides. The results of the MLTEM program have refocused the company on the potential of the nickel laterites, and the next stage of this assessment process is metallurgical test work.

Metallurgical Testwork on Nickel Cobalt Laterites

The Company is in discussions with its metallurgical consultants with regards to initial testwork to be undertaken on samples from both Coronation Dam and Ghan Well, with a view to better understanding the potential value of the respective orebodies. The key issues to be investigated are the acid leach response of the nickel and cobalt values, the acid consumption during leaching, and the suitability of the ore for heap leach methods as practiced at the nearby Murrin Murrin Joint Venture.

Currently Glencore processes nickel laterite ores at its Murrin Murrin operations, which is 90kms from Coronation Dam and only 25kms from Ghan Well. The nickel resource grades at the Company's projects are comparable to those currently being processed at Murrin Murrin, which may provide White Cliff with a future option to blend or toll treat ore.

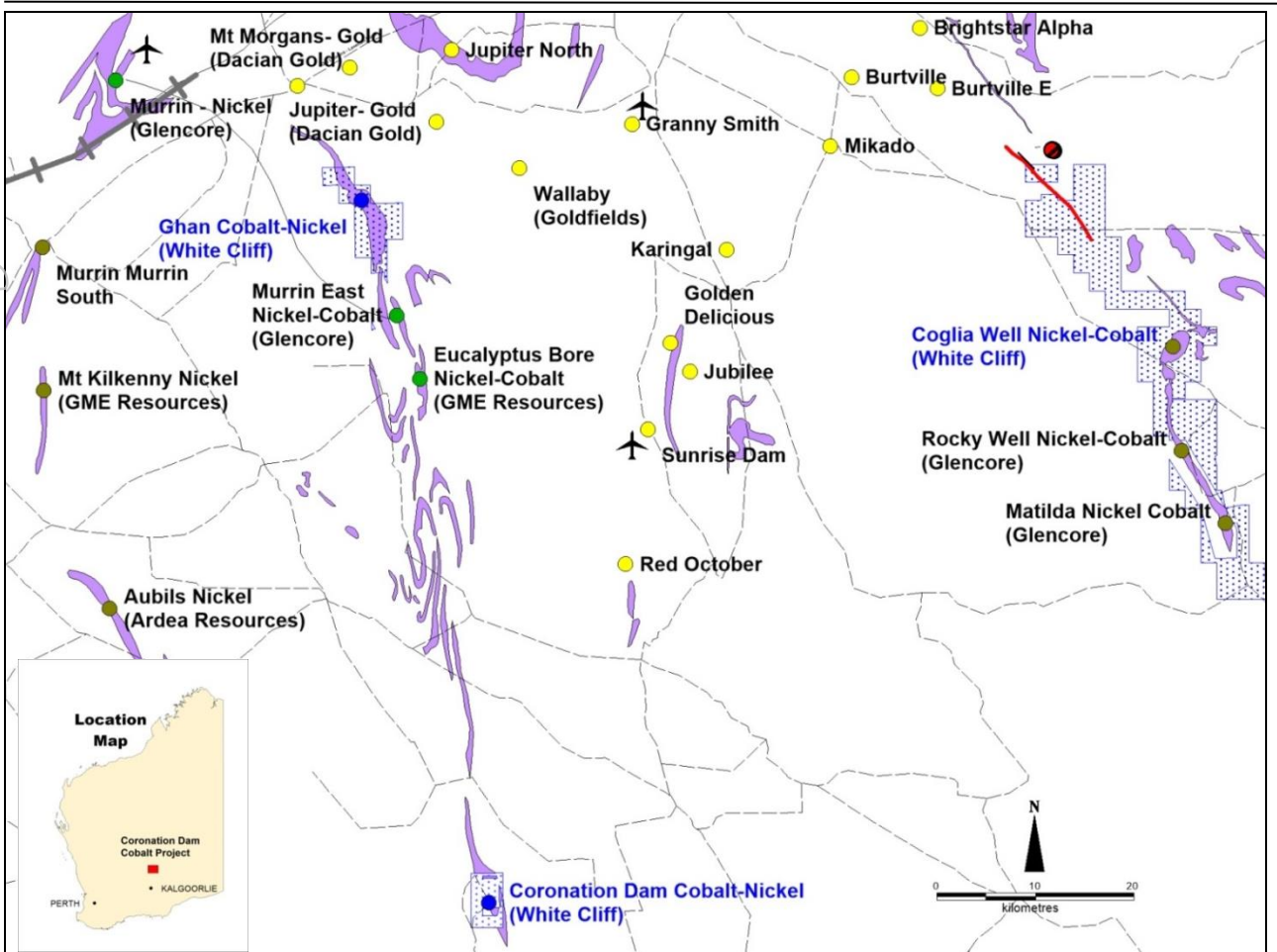


Figure 1: Location and infrastructure map of the Coggia Well, Coronation Dam and Ghan Well cobalt projects. The area is serviced by rail, roads, towns, airports and Glencore's nickel processing facility at Murrin Murrin

Tenement E38/2693

During September 2019, the Company executed an agreement with Lorikeet Resources (WCM) Pty Ltd ("Lorikeet"), whereby Lorikeet could earn a 50% interest in E38/2693 by defining an Inferred Resources of 75koz of gold as defined under the 2012 JORC Code, within three years from the date of execution (ASX release 12 August 2019).

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Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 9 and forms part of the directors' report for the half-year ended 31 December 2019.

This report is signed in accordance with a resolution of directors made pursuant to section 306(3) of the Corporations Act 2001.

Daniel Smith
Non-executive Director



Perth
12 March 2020

Competent Person Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Edward Mead, who is a member of the Australian Institute of Mining and Metallurgy. Mr Mead is a Director and consultant of the Company. Mr Mead has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Mead consents to the inclusion of this information in the form and context in which it appears in this report.

The Information in this report that relates to mineral resources is based on information compiled by Mr Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Glacken is a full time employee of Optiro Pty Ltd. Mr Glacken has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity that 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 (the JORC Code)'. Mr Glacken consents to the inclusion of this information in the form and context in which it appears in this report.

Exploration Results and Mineral Resource Reporting

The information in this report that relates to Mineral Resources is extracted from the following announcements:

Maiden Nickel-Cobalt Resource at Coronation Dam dated 25 March 2019

Maiden Nickel-Cobalt Resource at Ghan Well dated 18 April 2019

The information in this report that relates to Exploration Results is extracted from the following announcements:

Completion of EM Survey at Coronation Dam dated 13 December 2019

Planned EM Survey at Coronation Dam dated 31 October 2019

EM Survey Results at Coronation Dam and Ghan Well dated 25 February 2020

The above announcements are available to view at <http://wcminerals.com.au/asx-announcements/>.

The Company is not aware of any new information that materially affects the information included in the above announcements relating to relating to Exploration Results and Mineral Resources and all material assumptions and technical parameters underpinning the exploration Mineral Resource estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not been materially modified from original market announcements

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of White Cliff Minerals Limited for the half-year ended 31 December 2019, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) any applicable code of professional conduct in relation to the review.

Perth, Western Australia
12 March 2020



L Di Giallonardo
Partner

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Condensed Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2019

	Note	Consolidated 31 December 2019 \$	31 December 2018 \$
Revenue from continuing operations			
Interest income		433	67
Sundry income		15,000	5,226
		<u>15,433</u>	<u>5,293</u>
Other income – gain on financial assets at fair value through profit or loss	4	257,815	-
Borrowing costs		-	33,616
Consulting fees		84,030	120,100
Depreciation		10,502	11,215
Employee benefits		65,626	260,154
Exploration expenditure incurred		85,803	151,412
Foreign exchange losses		25,617	-
Interest		6	411
Other expenses		183,552	231,153
Share based payment expense		4,153	-
		<u>201,474</u>	<u>808,061</u>
Loss before income tax expense		(186,041)	(802,768)
Income tax benefit		-	-
Loss from continuing operations		<u>(186,041)</u>	<u>(802,768)</u>
Net profit/(loss) after tax from discontinued operations	2	<u>1,824,557</u>	<u>(373,807)</u>
Net profit (loss) for the period		<u>1,638,516</u>	<u>(1,176,575)</u>
Other comprehensive income, net of tax		-	-
Total comprehensive income/(loss) for the period		<u>1,638,516</u>	<u>(1,176,575)</u>
		Cents	Cents
Basic profit/(loss) per share (cents per share)		0.35	(0.1)
Basic loss per share from continuing operations (cents per share)		(0.04)	(0.1)

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Financial Position
As at 31 December 2019

		Consolidated	
	Note	31 December 2018 \$	30 June 2019 \$
Current assets			
Cash and cash equivalents		2,419,575	369,311
Financial assets at fair value through profit or loss	4	979,695	-
Trade and other receivables		14,663	14,195
Prepayments		12,986	8,905
Assets held for sale	5	-	1,384,417
Total current assets		3,426,919	1,776,828
Non-current assets			
Exploration project acquisition costs	3	124,986	124,986
Plant and equipment		26,909	45,538
Total non-current assets		151,895	170,524
Total assets		3,578,814	1,947,352
Current liabilities			
Trade and other payables		130,378	124,607
Provision for long service leave		-	16,978
Total current liabilities		130,378	141,585
Total liabilities		130,378	141,585
Net assets		3,448,436	1,805,767
Equity			
Issued capital	6	32,736,433	32,736,433
Reserves		566,856	562,703
Accumulated losses		(29,854,853)	(31,493,369)
Total equity		3,448,436	1,805,767

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2019

	Issued capital	Accumulated losses	Reserves	Total equity
	\$	\$	\$	\$
Opening balance as at 30 June 2018	29,771,795	(29,417,405)	412,606	766,996
Loss for the period	-	(1,176,575)	-	(1,176,575)
Other comprehensive income	-	-	-	-
Total comprehensive loss for period	-	(1,176,575)	-	(1,176,575)
Shares issued during the half-year (net of issue costs)	2,076,617	-	-	2,076,617
Balance at 31 December 2018	31,848,412	(30,593,980)	412,606	1,667,038
Opening balance as at 30 June 2019	32,736,433	(31,493,369)	562,703	1,805,767
Profit for the period	-	1,638,516	-	1,638,516
Other comprehensive income	-	-	-	-
Total comprehensive income for period	-	1,638,516	-	1,638,516
Share based payments	-	-	4,153	4,153
Balance at 31 December 2019	32,736,433	29,854,853	566,856	3,448,436

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Condensed Consolidated Statement of Cash Flows
For the half-year ended 31 December 2019

	Consolidated	
	31 December 2019	31 December 2018
	Inflows/(Outflows)	Inflows/(Outflows)
	\$	\$
Cash flows from operating activities		
Interest received	433	67
Receipts from customers	15,000	32,402
Payments to suppliers and employees	(367,994)	(868,092)
Interest paid	(6)	(34,027)
Net cash (outflow) from operating activities	(352,567)	(869,650)
Cash flows from investing activities		
Payments for exploration and evaluation	(423,236)	(540,032)
Proceeds from sale of tenements (net of disposal costs)	2,852,974	-
Payments for property, plant and equipment	(1,277)	-
Net cash inflow/(outflow) from investing activities	2,428,461	(540,032)
Cash flows from financing activities		
Repayment of borrowings	-	(400,000)
Proceeds from the issue of securities	-	1,820,886
Capital raising costs	-	(52,664)
Net cash inflow from financing activities	-	1,368,222
Net increase/(decrease) in cash held	2,075,894	(41,460)
Cash at the beginning of the reporting period	369,311	447,043
Foreign exchange gain/(loss)	(25,630)	-
Cash at the end of the reporting period	2,419,575	405,583

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

**Notes to the condensed consolidated financial statements
For the half-year ended 31 December 2019**

Note 1: Basis of preparation of interim report

Statement of compliance

This general purpose financial report for the interim half-year reporting period ended 31 December 2019 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Act 2001* and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 '*Interim Financial Reporting*'.

The half-year financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by White Cliff Minerals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, other than in respect of accounting for the Group's investment in equity instruments which it received as part consideration for the sale of its interest in the Aucu Gold-Copper project. Refer below for the relevant accounting policy in respect of financial instruments. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Basis of preparation

The half-year report has been prepared on a historical cost basis, with the exception of equity instruments which are stated at fair value. Cost is based on the fair value of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted. For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Significant accounting judgments and key estimates

The preparation of half-year financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Note 1: Basis of preparation of interim report (cont)

In preparing this half-year report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group when compiling its annual 30 June 2019 financial statements.

Financial Instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

The category also contains an equity investment. The Group accounts for its investment in listed equity instruments at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss.

The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

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Note 1: Basis of preparation of interim report (cont)

Adoption of new and revised accounting standards

Standards and Interpretations applicable to 31 December 2019

In the half-year ended 31 December 2019 the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods beginning on or after 1 July 2019.

It has been determined by the Directors that there is no impact, material or otherwise, of the application of AASB 16 *Leases* to profit or loss or net assets in the current or comparative periods and no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2019. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

Note 2: Discontinued operations – Sale of Aucu Copper-Gold project in Kyrgyzstan

During the period the Company disposed of its 90% interest in the Aucu Copper-Gold project in Kyrgyzstan to RTG Mining Ltd. Details are as follows:

	\$
Proceeds	
Cash (US\$2,150,000)	3,142,974
Shares – RTG Mining Ltd (10,312,577 shares at \$0.07)	721,880
	3,864,854
Disposal costs	(299,404)
Acquisition costs	(1,384,417)
Loss for the period from discontinued operation	(356,476)
Profit after tax from discontinued operation	1,824,557

The loss for the half year ended 31 December 2018 from this discontinued operation was \$373,807.

Note 3: Exploration project acquisition costs

	Consolidated	
	Six months ended 31 December 2019 \$	Twelve months ended 30 June 2019 \$
Opening balance	124,986	1,489,350
Project acquisition costs	-	20,053
Transfer to assets held for sale	-	(1,384,417)
Acquisition costs in respect of areas of interest in the exploration phase	124,986	124,986

The recoverability of deferred project acquisition costs is dependent upon the successful development and commercial exploitation, or alternately the sale of the areas of interest.

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Note 4: Financial assets at fair value through profit or loss

	Consolidated	
	31 December 2019	30 June 2019
	\$	\$
RTG Mining Ltd shares received as consideration on sale of the Company's interest in the Aucu project – at fair value (see note 2)	721,880	-
Increase in fair value at 31 December 2019	257,815	-
Fair value at 31 December 2019	979,695	-

Note 5: Assets held for sale

At 30 June 2019, the Company's 90% interest in the Aucu Copper-Gold project in Kyrgyzstan was classified as "Assets held for sale". During the current half year the sale of this interest was settled. Refer to note 2.

Note 6: Issued capital

	Consolidated	
	Six months ended 31 December 2019	Twelve months ended 30 June 2019
	\$	\$
Issued and fully paid	32,736,433	32,736,433
<i>Movements in ordinary shares on issue</i>		
Opening balance	32,736,433	29,771,795
Nov 2018 – Rights issue	-	2,097,376
Nov 2018 – Repayment of short term loan	-	200,000
Mar 2019 – Placement	-	1,059,472
May 2019 – Options Exercised	-	45
Capital raising costs - cash	-	(242,158)
Capital raising costs – share-based payments	-	(150,097)
Closing balance	32,736,433	32,736,433
	Shares	Shares
Opening balance	470,349,294	3,849,586,836
Sept 2018 Consolidation 50:1	-	(3,772,595,022)
Nov 2018 – Rights issue	-	140,650,147
Nov 2018 – Repayment of short-term loan	-	13,333,333
Mar 2019 – Placement	-	239,371,588
May 2019 – Options Exercised	-	3,000
Closing balance	470,349,294	470,349,882

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Note 7: Options

	Number of options	
	31 December 2019	30 June 2019
Options on issue		
Unlisted Gleneagle Series A Options exercisable at \$0.25 on or before 31 July 2020	5,000,000	5,000,000
Unlisted Gleneagle Series B Options exercisable at \$0.50 on or before 31 July 2020	5,000,000	5,000,000
Listed options exercisable at \$0.015 on or before 28 February 2024	290,368,588	290,368,588
Listed options exercisable at \$0.045 on or before 30 September 2020	155,483,480	155,483,480
Unlisted Options exercisable at \$0.015 expiring 31 January 2024	50,000,000	-
	505,852,068	455,852,068

(d) Movements in share options

	Number of options	
	Six months ended 31 December 2019	Twelve months ended 30 June 2019
Unlisted Gleneagle Series A Options to acquire ordinary fully paid shares at \$0.25 on or before 31 July 2020:		
Beginning of the period	5,000,000	5,000,000
Issued during period	-	-
Balance at end of financial period	5,000,000	5,000,000
Unlisted Gleneagle Series B Options to acquire ordinary fully paid shares at \$0.25 on or before 31 July 2020:		
Beginning of the period	5,000,000	5,000,000
Issued during period	-	-
Balance at end of period	5,000,000	5,000,000
Listed Options to acquire ordinary fully paid shares at \$0.015 on or before 30 September 2020:		
Beginning of the period	290,368,588	290,371,588
Issued during period	-	-
Less: options exercised	-	(3,000)
Balance at end of period	290,368,588	290,368,588
Unlisted Options to acquire ordinary fully paid shares at \$0.045 on or before 30 September 2020		
Beginning of the period	155,483,480	-
Issued during period	-	155,483,480
Balance at end of period	155,483,480	155,483,480
Unlisted Options (incentive options) to acquire ordinary fully paid shares at \$0.015 on or before 31 January 2024 (see valuation details below)		
Beginning of the period	-	-
Issued during period	50,000,000	-
Balance at end of period	50,000,000	-

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Note 8: Share based payments

Option Valuation

The following performance based incentive options were issued to directors during the period:

Item	Tranche 1	Tranche 2	Tranche 3
Value of underlying security	\$0.0055	\$0.0055	\$0.0055
Exercise price	\$0.015	\$0.015	\$0.015
Valuation date	27 Nov 2019	27 Nov 2019	27 Nov 2019
5-Day VWAP barrier	\$0.015	\$0.020	\$0.025
Life of the Options (years)	4.0	4.0	4.0
Volatility	150%	150%	150%
Risk-free rate	0.68%	0.68%	0.68%
Dividend yield	nil	nil	nil
Vesting Conditions	Note ¹	Note ²	Note ³
Number of Options	20,000,000	20,000,000	10,000,000
Value per Option ⁴	\$0.0039	\$0.0037	\$0.0035
Value per Tranche	\$77,788	\$73,629	\$34,958
Expensed during period	\$1,733	\$1,640	\$779

¹ The Tranche 1 Options will vest upon the 5-day volume weighted average price ('5-Day VWAP') of shares traded on the Australian Securities Exchange ('ASX') being at \$0.015 or greater.

² The Tranche 2 Options will vest upon the 5-day volume weighted average price ('5-Day VWAP') of shares traded on the Australian Securities Exchange ('ASX') being at \$0.020 or greater.

³ The Tranche 3 Options will vest upon the 5-day volume weighted average price ('5-Day VWAP') of shares traded on the Australian Securities Exchange ('ASX') being at \$0.025 or greater.

⁴ The value of these options has been derived using a trinomial option valuation methodology with the inputs above.

Note 9: Segment information

The following table presents the segment revenue and loss information provided to the Board for the periods ended 31 December 2019 and 31 December 2018.

	Australia \$	Kyrgyz Republic \$	Consolidated \$
31 December 2018			
Segment revenue	5,293	-	5,293
Segment result	(802,768)	(373,807)	(1,176,575)
Segment assets	543,141	1,480,379	2,023,520
Segment liabilities	356,482	-	356,482
31 December 2019			
Segment revenue	15,433	-	15,433
Segment result	(186,041)	1,824,557	1,638,516
Segment assets	3,578,814	-	3,578,814
Segment liabilities	130,378	-	130,378

Note 10: Contingent liabilities

There have been no changes in contingent liabilities since the last annual reporting period.

Note 11: Financial Instruments

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period, with the exception of the Group's investment in equity instruments which is grouped into Level 1 of the fair value hierarchy. These equity instruments are valued using quoted prices in an active market.

The Directors consider that the carrying value of the current receivables and current payables are a reasonable approximation of their fair value.

Note 12: Subsequent events

There are no matters or circumstances that have arisen since 31 December 2019 that may significantly affect operations, results or state of affairs of the Group in future financial years other than:

Following period end, on 25 February 2020, the Company announced the results of the Electro-magnetic (EM) survey's at Coronation Dam and Ghan Well. The EM survey's failed to identify any priority bedrock conductors.

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 10 to 20 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory and professional reporting requirements; and
 - (ii) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance as represented by the results of its operations, changes in equity and its cash flows for the half-year ended 31 December 2019; and
- (b) there are reasonable grounds to believe that White Cliff Minerals Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to S305 (5) of the *Corporations Act 2001*.



Daniel Smith
Non-executive Director

Perth
12 March 2020

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of White Cliff Minerals Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of White Cliff Minerals Limited ("the company") which comprises the condensed consolidated statement of financial position as at 31 December 2019, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of White Cliff Minerals Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
12 March 2020

L Di Giallonardo

L Di Giallonardo
Partner

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