



QUARTERLY REPORT - ACTIVITIES

for the quarter ended 31 December 2022



HIGHLIGHTS

- ❖ Maiden aircore drilling program of 49 drill holes at Hines Hill intersected zones up to 1,602ppm TREO (from 8metres in drillhole HHAC38), with mineralisation open in all directions
- ❖ Significant results include:
 - **25m @ 837ppm TREO** (173ppm MREO) from 6m, including **3m @1602ppm TREO** from 6m (HHC038)
 - **36m @ 639ppm TREO** (131ppm MREO) from surface, including **3m @1126ppm TREO** from 12m (HHC037)
 - **16m @ 693ppm TREO** (inc 144ppm MREO) from 24m (HHC008)
 - **12m @ 637ppm TREO** (inc 148ppm MREO) from 42m (HHC012)
 - **13m @ 604ppm TREO** (inc 111ppm MREO) from 36m, including **4m @ 1182ppm TREO** from 45m (HHC029)
- ❖ Geochemical roadside sampling program at the Hines Hill REE Project confirms multiple priority rare earths targets over the ~576km² project area:
 - Maximum value of 930ppm TREO
 - 126 samples over 350ppm TREO
 - 10 main areas >550ppm TREO for immediate follow up work
- ❖ Acquisition of the Lake Tay rare earth element (REE) project (covering 24.2km²), in the South Coastal region
 - The project is located ~120km southwest of the town of Norseman
 - Shallow aircore drilling by Magnetic Resources NL in 2008 intersected a highly magnetic granitoid, with four metre composite samples returning highly anomalous REE results (only assayed for a partial suite - La, Ce, Dy, Er, Y), including:
 - 4m @ 1012ppm TREO, LTWAC-4, 28-32m
 - 5 holes of >500ppm TREO over 4m
- ❖ Cash and cash equivalents of \$848k as of the end of December 2022

OPERATIONS

Exploration Update

With the acquisition and pegging of several highly prospective Li/REE projects, the Company has significantly repositioned itself towards the REE and Lithium side of the minerals exploration sector. Lithium and REE's are being targeted within the project areas, with recent exploration programs returning positive results for REE's (**Figure 1**).

ASX:WCN

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Figure 1: White Cliff REE & Lithium tenement locations

Hines Hill - REE Project

The Company's Hines Hill REE project in the Wheatbelt region, WA (**Figure 2**), where maiden aircore drilling has discovered mineralised REE clays from surface. The results are extremely positive (**Figure 3**) and further geochemical sampling over the remaining magnetic features has also been completed, to grow the project potential. The Company has also undertaken a maiden geochemical

sampling program over E70/6136 an addition to the Hines Hill project area which is contiguous to the west and increases the project size to ~576km².

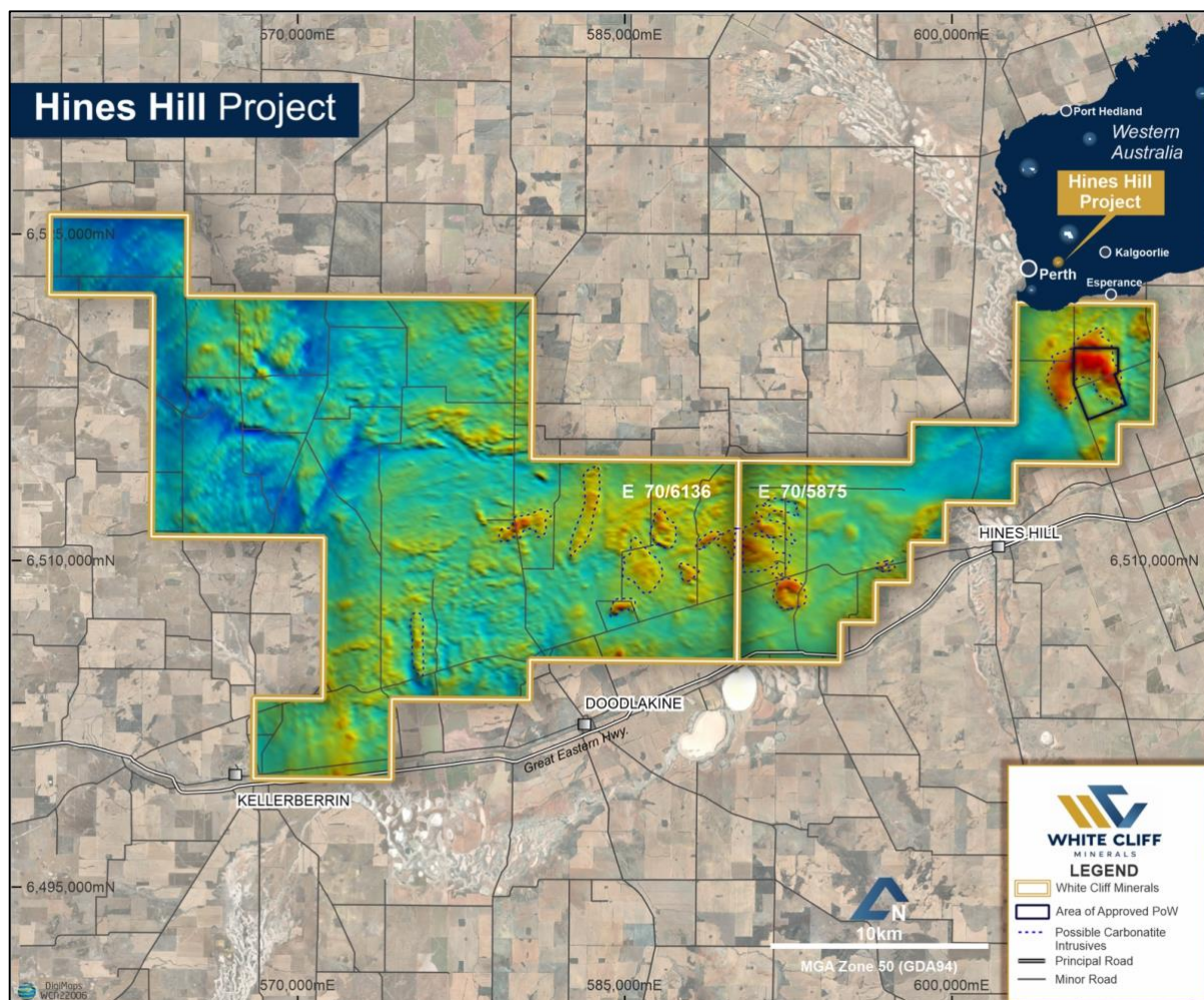


Figure 2: Hines Hill REE Project location map in WA, with the addition of tenement E70/6136 (136 blocks) to original tenement E70/5875 (44 blocks increasing the project to ~576km²).

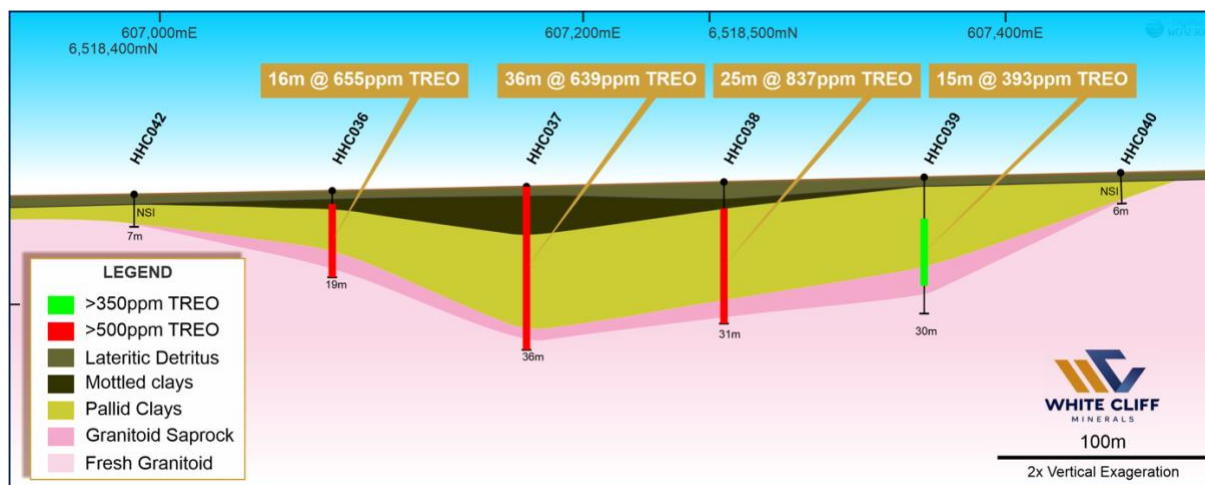


Figure 3: Hines Hill schematic drill section looking north.

Drilling of the most north-eastern magnetic feature (**Figure 2**), the Company intersected laterite, clays and basement geology (granitoid) with REE assays. The mineralised profile suggests a granitoid with high REE background is weathering and the resulting clays have equivalent or higher REE content due to reduction associated with weathering.

The maiden aircore drilling program totalled 49 drillholes for 1,861 metres, ranging in depth from 8 metres to 92 metres. 716 samples (3 metre composite samples) were taken. The results of the drilling have returned positive intercepts for REE's with multiple zones of mineralisation intersected. Further drilling of the basement rocks will confirm the current interpretation of granitoid basement geology (see ASX announcement 16 January 2023). Significant results include:

- **25m @ 837ppm TREO** (173ppm MREO) from 6m, including **3m @1602ppm TREO** from 6m (HHC038)
- **36m @ 639ppm TREO** (131ppm MREO) from surface, including **3m @1126ppm TREO** from 12m (HHC037)
- **16m @ 693ppm TREO** (inc 144ppm MREO) from 24m (HHC008)
- **12m @ 637ppm TREO** (inc 148ppm MREO) from 42m (HHC012)
- **13m @ 604ppm TREO** (inc 111ppm MREO) from 36m, including **4m @ 1182ppm TREO** from 45m (HHC029)

The Company has also conducted further roadside geochemical sampling (see ASX announcement 24 January 2023) which has successfully identified multiple priority target areas. The results are extremely positive, with many of the new targets associated with magnetic features. The Company has initiated the process for land access agreements over the new target areas, which will then allow Program of Work's (PoW's) for drilling to be submitted.

Further roadside conventional geochemical sampling was completed on E70/5875, and ELA70/6136 (applied for on 18 May 2022, and due to be granted) for a total of 1,326 samples. The results of the 1,326 samples collected from the roadside soil geochemical sampling program are shown in **Figure 4**.

The elevated geochemical results correspond with a number of generally elevated magnetic features as well as higher order magnetic features (**Figures 2 and 4**) identified over the project area, with 10 main areas identified for immediate follow up. The data in conjunction with recent drilling results strongly suggests the magnetic features are related, however additional work is required.

Land access agreements with property owners will be negotiated over the new multiple target areas generated from the roadside geochemical program. E70/5875 is granted and has an approved PoW. ELA70/6136 is due to be granted and once Land access agreements are in place and the tenement is granted, PoW's will be submitted.

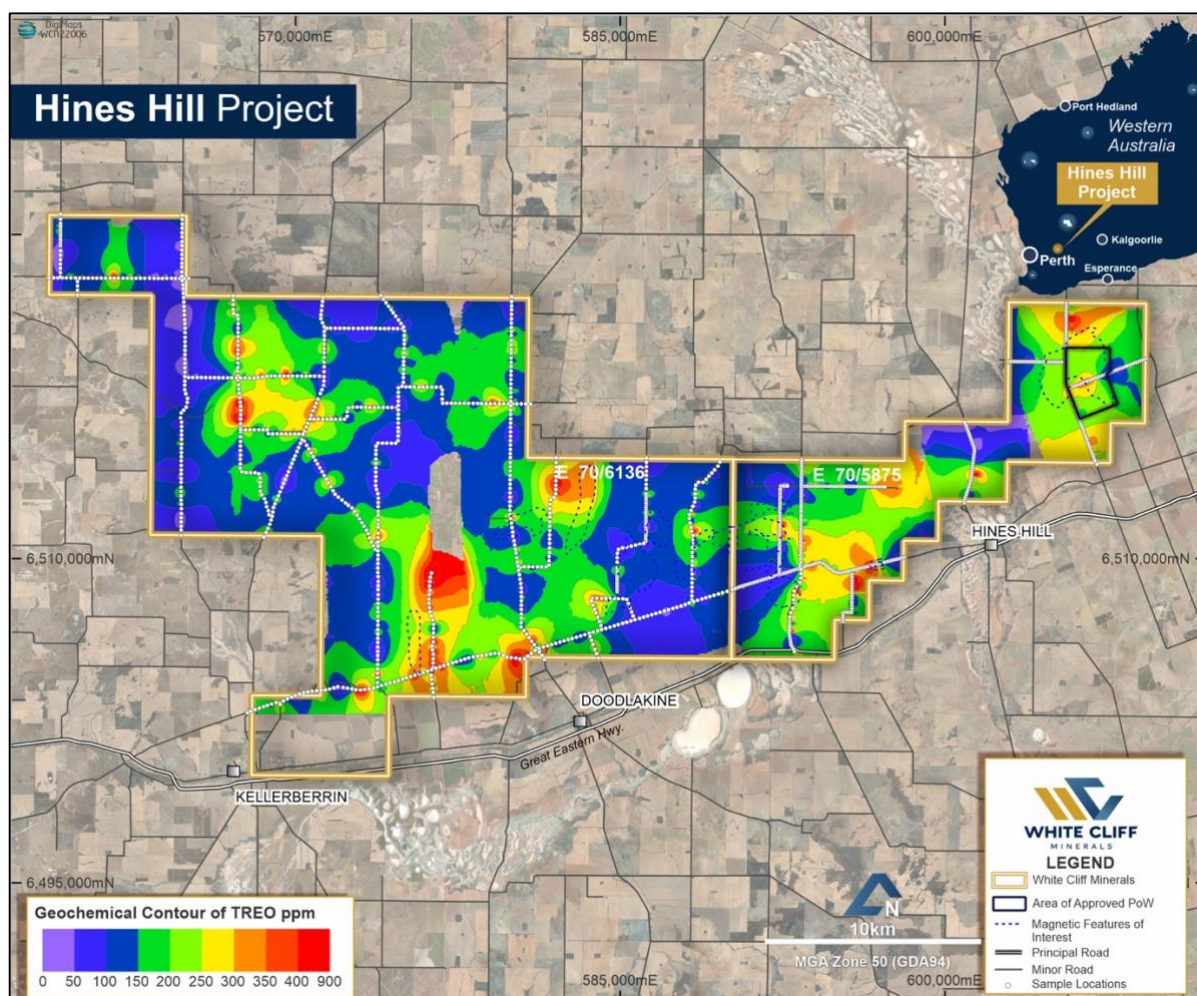


Figure 4: Hines Hill REE Project location map with results of roadside geochemical sampling indicating multiple areas of interest to follow up.

Acquisition of Lake Tay REE Project

During the quarter, White Cliff acquired 3 granted exploration licenses making up the Lake Tay REE project, within the Great Southern region of Western Australia (**Lake Tay**). In addition, the Company applied for ten exploration licenses surrounding the Lake Tay, for a combined $\sim 1,850\text{km}^2$, providing a dominant land position in this largely underexplored region. A reconnaissance field visit to Lake Tay is being planned for February.

Whilst numerous old cleared grid exploration tracks exist in the project area, the only reported exploration within the area has been by Magnetic Resources NL and Uranex NL. Shallow aircore drilling by Magnetic Resources NL in 2008 intersected a highly magnetic granitoid, with four metre composite samples returning highly anomalous REE results (see ASX announcement 24 October 2022) (only assayed for a partial suite - La, Ce, Dy, Er, Y), including:

- 4m @ 1012ppm TREO, LTWAC-4, 28-32m
- 5 holes of >500ppm TREO over 4m

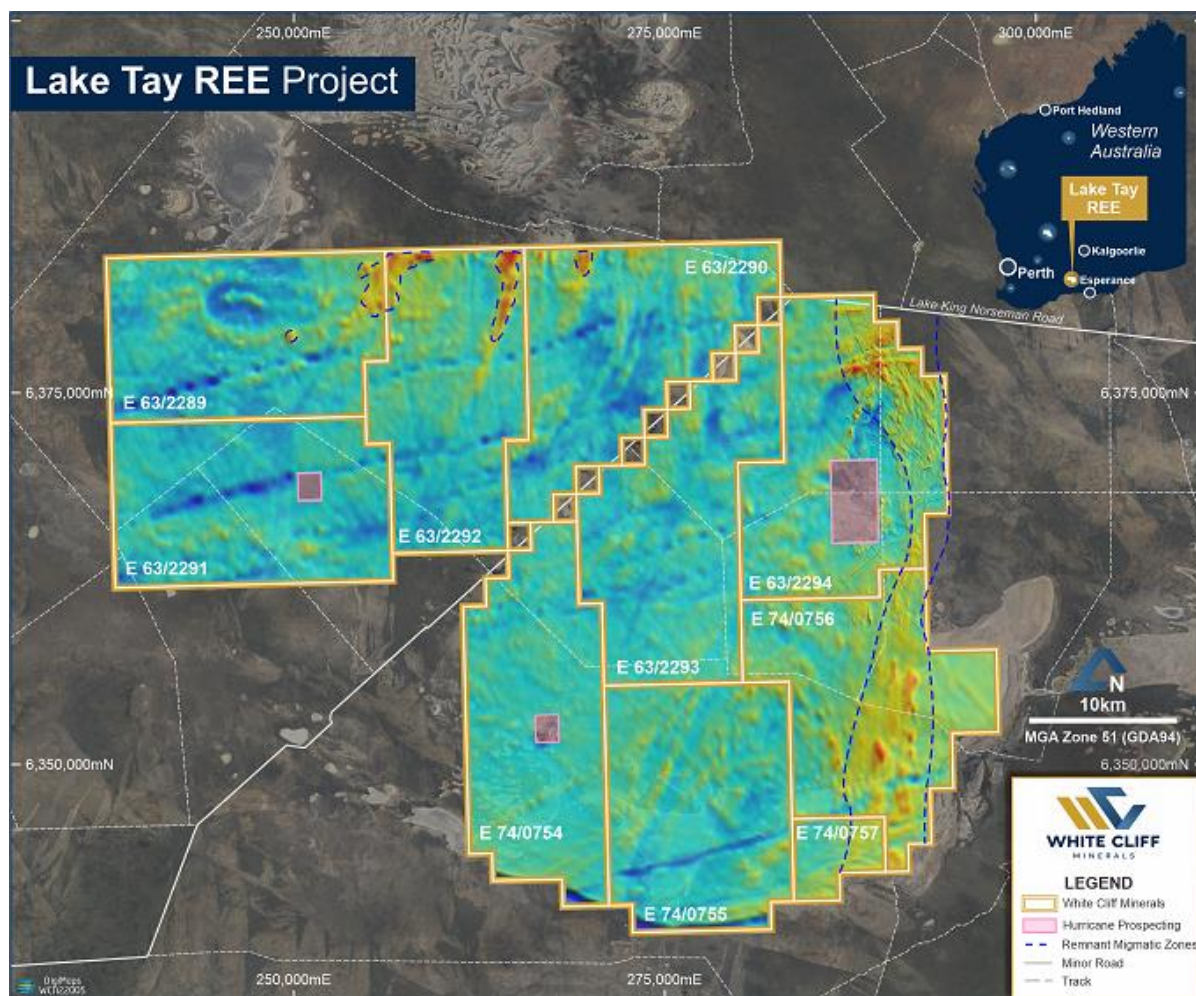


Figure 5: Lake Tay Project area overlaid on Regional aeromagnetic data

Yinnetharra Li/REE Project

A high-resolution magnetic and radiometric survey has been completed over the project area, with interpretation now underway by Southern Geoscience Consultants (SGC).

Specialised mapping consultant, Alan Ronk, has begun reviewing all data in preparation for the next field trip. Interpretation outputs by SGC will be used in conjunction with the work Allan is doing.

Corporate

During the quarter, the Company announced the conditional sale of Gardner Dome REE Project, of which the Company will receive total consideration of \$200,000 (refer to announcement dated 16 November 2022):

- (a) a non-refundable deposit of \$5,000 within five (5) business days of the date of execution of the Agreement;
- (b) \$45,000 cash at Completion; and

- (c) \$150,000 worth of fully paid ordinary shares in the capital of Black Cat at Completion at a deemed issue price of the lower of \$0.32 each or the 10-day VWAP prior to execution of this Agreement, to be placed in voluntary escrow until 30 April 2023.

Exploration expenditure for the quarter was \$795k including sampling, assays and payments to consultants and exploration personnel.

Cash Position

The Company's cash position including listed investments as at 31 December 2022 was approximately \$848k¹. The Company retains sufficient funding to carry out its planned activities over the coming quarters.

Note 6 to Appendix 5B

Payments to related parties of the entity and their associates:

- Directors fees and wages of \$70,000
- Company secretarial fees of \$6,000
- Accounting and bookkeeping fees of \$9,000

This announcement has been approved by the Board of White Cliff Minerals Limited.

Further Information:

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Nicholas Ong
Director & Company Secretary
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Competent Persons Statement

The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Allan Younger, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Younger is an employee of the Company. Mr Younger 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 Younger consents to the inclusion of this information in the form and context in which it appears in this report.

¹ Based on closing share price of ASX:RTG, ASX:CLE and LON:PALM as at 31 December 2022. Conversion rate of GBP:AUD was referencing RBA published rate as at 31 December 2022.

Tenement Information

TENEMENT	PROJECT	LOCATION	OWNERSHIP	CHANGE IN QUARTER
E09/2628	Yinnetharra	Gascoyne	Granted – 100%	-
E09/2641	Yinnetharra	Gascoyne	Granted – 100%	-
E77/2880	Diemals	Southern Cross	Application – 100%	-
E77/2881	Diemals	Southern Cross	Application – 100%	-
E77/2882	Diemals	Southern Cross	Application – 100%	-
E77/2883	Diemals	Southern Cross	Application – 100%	-
E77/2884	Diemals	Southern Cross	Application – 100%	-
E77/2885	Diemals	Southern Cross	Application – 100%	-
E77/2932	Diemals NW	Southern Cross	Application – 100%	-
E59/2708	Diemals NW	Southern Cross	Application – 100%	-
E70/6136	North Kellerberrin	Yilgarn	Granted – 100%	-
E45/6111	Abraxis 1	Pilbara	Application – 100%	-
E45/6112	Abraxis 2	Pilbara	Application – 100%	-
E45/6133	Abraxis 3	Pilbara	Application – 100%	-
E09/2607	Injuni Hills	Gascoyne	Granted – 100%	-
E09/2701	Weedarra	Gascoyne	Application – 100%	-
E09/2629	Wabli Creek	Gascoyne	Granted – 100%	-
E09/2630	Sandy Creek	Gascoyne	Granted – 100%	-
E80/5684	Gardner Range	Kimberley	Application – 100%	-
E46/1412	Rat Hill	Pilbara	Application – 100%	-
E70/5875	Hines Hill	Yilgarn	Granted – 100%	-
E70/5871	Preston River	Southwest	Granted – 100%	-
M20/446	Reedy South	Cue	100%	-
E20/969	Reedy South	Cue	100%	-
E20/971	Reedy South	Cue	100%	-
E20/972	Reedy South	Cue	100%	-
P20/2289	Reedy South	Cue	100%	-
E20/938	Reedy South	Cue	100%	-
E20/974	Reedy South	Cue	100%	-
E45/5107	Midas Cu-Au	Paterson	100%	-
E39/1479	Ghan Well	Laverton	100%	-
E31/1101	Coronation Dam	Leonora	100%	-
E63/2035	Lake Tay	South Coastal	100%	-
E63/2036	Tadpole Lake	South Coastal	100%	-
E74/0664	3 Star Lake	South Coastal	100%	-
E63/2289	Lake Tay	South Coastal	Application – 100%	-

E63/2290	Lake Tay	South Coastal	Application – 100%	-
E63/2291	Lake Tay	South Coastal	Application – 100%	-
E63/2292	Lake Tay	South Coastal	Application – 100%	-
E63/2293	Lake Tay	South Coastal	Application – 100%	-
E63/2294	Lake Tay	South Coastal	Application – 100%	-
E74/0754	Lake Tay	South Coastal	Application – 100%	-
E74/0755	Lake Tay	South Coastal	Granted – 100%	-
E74/0756	Lake Tay	South Coastal	Granted – 100%	-
E74/0757	Lake Tay	South Coastal	Granted – 100%	-

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

WHITE CLIFF MINERALS LIMITED

ABN

22 126 299 125

Quarter ended ("current quarter")

31 December 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(795)	(971)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(55)	(96)
	(e) administration and corporate costs	(143)	(270)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	3
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	(88)	(101)
1.9	Net cash from / (used in) operating activities	(1,079)	(1,436)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(80)	(80)
	(c) property, plant and equipment	-	(5)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	5	5
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(75)	(80)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,692
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(8)	(112)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(8)	1,580

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,781	555
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,079)	(1,436)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(75)	(80)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(8)	1,580

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	619	619

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	250	64
5.2	Call deposits	369	1,717
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	619	1,781

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	85
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <ul style="list-style-type: none"> - Directors fees and consulting of approximately \$70,000 - Company secretarial fees of approximately \$6,000 - Accounting and bookkeeping fees of approximately \$9,000 		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,079)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,079)
8.4	Cash and cash equivalents at quarter end (item 4.6)	619
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	619
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.57
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No. The December 2022 quarter includes drilling activities at Hines Hill. The current quarter will focus on geophysical and more geochemical sampling activities, which are not as costly as drilling activities.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: The Company held ~\$229k of listed investments at 31 December 2022, which can be sold down as required. Additionally, the Company has the ability to raise equity funds on an as-needed basis. During the quarter, the Company announced the conditional sale of Gardner Dome REE project for \$200,000 (cash and shares), which will further improve cash reserves and liquidity.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes. Refer to 8.8.1 and 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

30 January 2023

Date:

The board of directors

Authorised by:

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.