

WHITE CLIFF MINERALS LIMITED

ACN 126 299 125

NOTICE OF GENERAL MEETING

and

EXPLANATORY MEMORANDUM

Date of Meeting: 11th March 2013
Time of Meeting: 10.00 am (AWST)
Place of Meeting: Suite 2, 5 Ord Street
West Perth WA

This Notice of 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 GENERAL MEETING

Notice is hereby given that a general meeting of shareholders of White Cliff Minerals Limited ACN 126 299 125 (**Company**) will be held at the Company's office at Suite 2, 5 Ord West Perth, Western Australia at 10.00am (AWST) on 11th March 2013.

The Explanatory Memorandum which accompanies and forms part of this Notice of 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 General Meeting.

AGENDA

RESOLUTIONS

1. Ratification of Placement - Tranche 1

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

"That for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue and allotment of 8,400,000 Shares and 8,400,000 Placement Options to professional and sophisticated investors in February 2013 in the manner and on the terms and conditions contained in the Explanatory Memorandum."

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 1 by those persons who were issued Securities under the Tranche 1 of the Placement and their Associates. However, a person can vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting 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.

2. Approval of Placement - Tranche 2

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

"That for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue and allotment of up to 65,327,300 Shares and 65,327,300 Placement Options to professional and sophisticated investors in the manner and on the terms and conditions contained in the Explanatory Memorandum"

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 2 by any person who may be issued Securities under the Tranche 2 of the Placement and any person who might obtain a benefit, except a benefit obtained solely in the capacity of a Shareholder, if Resolution 2 is passed, and any Associate of those persons. However, a person can vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting 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.

3. **Approval of participation in Placement for Mr Todd Hibberd**

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given by the Shareholders for the participation of Mr Todd Hibberd, a director of the Company, for up to AUD\$11,000, in Tranche 2 of the Placement in the manner and on the terms and conditions set out in the Explanatory Memorandum.”

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 3 by Mr Hibberd and his Associates. However, a person can vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting 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.

4. **Approval of participation in Placement for Mr Michael Langoulant**

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

“That for the purposes of Listing Rule 10.11 and for all other purposes, approval is given by the Shareholders for the participation of Mr Michael Langoulant, a director of the Company, for up to AUD\$15,000.04 in Tranche 2 of the Placement in the manner and on the terms and conditions set out in the Explanatory Memorandum.”

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 4 by Mr Langoulant and his Associates. However, a person can vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting 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.

5. **Approval of amendment to terms of 2012 Options**

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

“That, for the purpose of Listing Rule 6.23.4 and for all other purposes, approval is given by the Shareholders for an amendment to the terms of the 2012 Options as set out in the Explanatory Memorandum.”

In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 5 by holders of 2012 Options and their Associates. However, a person can vote if the vote is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting 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: 8 February 2013

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's office, **Suite 2, 5 Ord 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 10.00am (WST) on 7th March 2013. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

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 General Meeting to be held at Suite 2, 5 Ord Street, Perth, Western Australia at 10.00am (WST) on 11th March 2013

This Explanatory Memorandum should be read in conjunction with the accompanying Notice of General Meeting.

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

1. Background

Capital Raising

On 5 February 2013 the Company announced a placement of up to 73,727,300 Shares at an issue price of \$0.022 per Share, with an attaching Placement Option exercisable at \$0.06 on or before 30 September 2014 for every Share, to professional and sophisticated investor clients of Hartleys to raise up to approximately \$1.6 million (before issue costs).

It is proposed that the Placement be completed in two tranches as follows:

- (a) the first tranche of 8,400,000 Shares and 8,400,000 Placement Options to be finalised in mid-February 2013 in accordance with Listing Rule 7.1 (**Tranche 1 of the Placement**), and
- (b) the second tranche of 65,327,300 Shares and 65,327,300 Placement Options is to be completed following shareholder approval as is being sought via Resolution 2 (**Tranche 2 of the Placement**).

2. Resolution 1 – Ratification of Placement - Tranche 1

Resolution 1 seeks ratification by Shareholders of the issue of 8,400,000 Shares at an issue price of \$0.022 together with 8,400,000 attaching Options to professional and sophisticated investors.

The purpose of seeking Shareholder approval and ratification of the issue of the Securities in Resolution 1 is to effectively reinstate the maximum limit under ASX Listing Rule 7.1 of the number of Shares that the Company may issue in any 12 month period without Shareholder approval.

In accordance with the disclosure requirements of Listing Rule 7.5, the following information is provided to Shareholders to enable them to consider and ratify the issue of the Shares in Resolution 1:

- (a) The number of Shares to be allotted is 8,400,000. The number of Placement Options to be allotted is 8,400,000.
- (b) The Shares will be issued at \$0.022 cents per Share. The Placement Options will be issued for no cost.
- (c) The Shares are fully paid ordinary shares and rank equally with all existing Shares.

- (d) The terms and conditions of issue of the Placement Options are set out in Schedule 1.
- (e) A total of approximately \$184,800 (less issue costs) is to be raised by under Tranche 1 of the Placement.
- (f) The Company intends to use the funds raised pursuant to Tranche 1 of the Placement for the Company's exploration program and for general working capital.
- (g) The Securities to be issued are to professional and sophisticated investor clients of Hartleys Limited and other AFSL holders. The allottees are not related parties of the Company.

The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

3. Resolution 2 – Approval of Placement - Tranche 2

Resolution 2 seeks Shareholder approval for the allotment and issue of up to 65,327,300 Shares at an issue price of \$0.022 per Share, together with up to 65,327,300 attaching Placement Options exercisable at \$0.06 on or before 30 September 2014.

Listing Rule 7.1 provides that a company must not, without prior approval of shareholders and subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 2 will be to allow the Directors to issue Securities pursuant to Tranche 2 of the Placement during the period of 3 months after the date of the General Meeting (or a longer period, if allowed by ASX), without utilising the Company's 15% annual placement capacity.

In accordance with the disclosure requirements of Listing Rule 7.3, the following information is provided in relation to Tranche 2 of the Placement:

- (a) The maximum number of Securities to be issued is 65,327,300 Shares and 65,327,300 Placement Options.
- (b) The Securities will be issued no later than 3 months after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that allotment will occur on one date.
- (c) The issue price of the Shares issued pursuant to Tranche 2 of the Placement will be \$0.022 per Share, while the Placement Options are free.
- (d) The Securities to be issued are to professional and sophisticated investor clients of Hartleys Limited and other AFSL holders. Other than set out in Resolutions 3 and 4, the allottees are not related parties of the Company.
- (e) The Shares will be fully paid ordinary shares and rank equally with all existing Shares.
- (f) The terms and conditions of issue of the Placement Options are set out in Schedule 1.
- (g) A total of approximately \$1,437,200.60 (less issue costs) will be raised by the issue of the Securities pursuant to Resolution 2.

- (h) The Company intends to use the funds raised from Tranche 2 of the Placement towards continued exploration on the Company's exploration portfolio in Australia and for general working capital.

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

4. Resolutions 3 and 4 – Approval of Directors participation in Tranche 2 of the Placement

Resolutions 3 and 4 are conditional on Shareholders approving Resolution 2. If Resolution 2 is not passed, Resolutions 3 and 4 will be withdrawn.

Listing Rule 10.11 generally provides that Directors may not be issued any securities in the Company without the approval of Shareholders.

Resolutions 3 and 4 seek Shareholder approval in accordance with Listing Rule 10.11 for the directors to each participate in the Tranche2 of the Placement.

In accordance with the disclosure requirements of Listing Rule 10.13, the following information is provided in relation to the participation of Messrs Hibberd and Langoulant in Tranche 2 of the Placement:

- (a) Approval is sought for the issue of Securities to Mr Todd Hibberd and Mr Michael Langoulant, both Directors.
- (b) The maximum number of Securities to be issued is:
 - i. 500,000 Shares and 500,000 Placement Options to Mr Hibberd; and
 - ii. 681,820 Shares and 681,820 Placement Options to Mr Langoulant.
- (c) The Securities will be issued no later than 1 month after the date of the General Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that allotment will occur on one date.
- (d) The issue price of the Shares issued pursuant to Tranche 2 of the Placement will be \$0.022 per Share, while the Placement Options are free.
- (e) The Shares will be fully paid ordinary shares and rank equally with all existing Shares.
- (f) The terms and conditions of issue of the Placement Options are set out in Schedule 1.
- (g) The Company intends to use the funds raised from Tranche 2 of the Placement towards continued exploration on the Company's exploration portfolio in Australia and for general working capital.

Each of the Directors has a personal interest in one of Resolutions 3 and 4. Accordingly, they do not consider it appropriate for them to make a recommendation to Shareholders in relation to Resolutions 3 and 4.

5. Resolution 5 – Approval of amendment to terms of 2012 Options

On 2 November 2012 the Company issued 10,000,000 Options exercisable at 6 cents on or before 30 September 2014 (**2012 Options**).

The 2012 Options were granted to Zenix Nominees Pty Ltd ACN 107 391 908 (a subsidiary of the corporate adviser) as part consideration for corporate advisory services following shareholder approval at the Company's General Meeting held on October 11 2012.

On 2 November 2012 the Company issued 32,500,000 Options exercisable at 6 cents on or before 30 September 2014 (**2012 Options**).

The 2012 Options were granted to participants in a placement (12,500,000 2012 Options), subscribers to the Company's shareholder purchase plan (10,000,000 2012 Options) and to directors, employees and consultants following shareholder approval at the Company's 2012 AGM (10,000,000 2012 Options).

The terms of issue of the 2012 Options included terms to the effect that the Company would not seek quotation of the 2012 Options on ASX. In all other respects the terms of issue of the 2012 Options are identical to the terms of issue of the Options issued pursuant to Tranche 1 of the Placement and to be issued, subject to shareholder approval, pursuant to Tranche 2 of the Placement.

Resolution 5 seeks Shareholder approval pursuant to Listing Rule 6.23.4 to amend the terms of existing 2012 Options to provide that the 2012 Options may be quoted on ASX (**Proposed Amendment**). The terms of the 2012 Options incorporating the Proposed Amendment are set out in Schedule 2.

Listing Rule 6.23.4 provides that a company must obtain Shareholder approval to make a change to the terms of options which is not prohibited under Listing Rule 6.23.3.

Listing Rule 6.23.3 prohibits a change to the terms of options which has the effect of reducing the exercise price, increasing the period for exercise or increasing the number of securities received on exercise.

The Proposed Amendment is not prohibited under Listing Rule 6.23.3.

The effect of Resolution 5 will be to allow the Proposed Amendment to the terms of the 2012 Options.

The Directors unanimously recommend Shareholders vote in favour of Resolution 5.

6. Glossary of terms

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

2012 Options has the meaning given to it in paragraph 5 of the Explanatory Memorandum.

ASIC means the Australian Securities and Investment Commission.

Associate has the meaning given to it by Division 2 of Part 1 of the Corporations Act.

ASX means ASX Limited ACN 008 624 691 or the securities exchange conducted by it, whichever the context requires.

Board means the board of Directors.

Broker means Hartleys as broker for the Placement.

Company or **White Cliff** 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 mean the directors of the Company from time to time.

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

Hartleys means Hartleys Limited ACN 104 195 057, the holder of an Australian financial services licence.

Listing Rule means a listing rule of ASX.

Meeting or **General Meeting** means the general meeting of Shareholders convened by this Notice.

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

Placement means the placement of up to 73,727,300 Shares and 73,727,300 Placement Options to raise up to approximately \$1.6 million, and includes Tranche 1 of the Placement and the Tranche 2 of the Placement.

Placement Option means an option to acquire a Share in the Company on the terms and conditions specified in Schedule 1.

Proposed Amendment has the meaning given to it in paragraph 5 of the Explanatory Memorandum.

Resolution means a resolution referred to in the Notice.

Securities means a Share or a Placement Option.

Share means an ordinary share in the Company.

Shareholder means a shareholder of the Company.

Tranche 1 of the Placement means the issue of 8,400,000 Shares and 8,400,000 Placement Options undertaken by the Company on February 2013, ratification of which is sought by Resolution 1.

Tranche 2 of the Placement means the proposed issue of up to 65,327,300 Shares and 65,327,300 Placement Options to be undertaken by the Company, approval for which is sought by Resolution 2.

WST means the time in Perth, Western Australia.

Schedule 1 – Terms and Conditions of Placement Options

The terms and conditions of the Placement Options referred to in Resolutions 1-4 are regulated by the Constitution, the Corporations Act, the Listing Rules and general law.

The terms and conditions of the Placement Options are as follows:

- (a) Each Placement Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) The expiry date of the Placement Options is 5.00pm WST on 30 September 2014 (**Expiry Date**).
- (c) The exercise price of the Placement Options is \$0.06 per Placement Option.
- (d) Each Placement Option may be exercised at any time prior to the Expiry Date by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the sum of \$0.06 per Placement Option exercised.
- (e) The Placement Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of Placement Options at any time until the Expiry Date. This right is subject to any restrictions on the transfer of an Placement Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
- (f) The Company will seek to have the Placement Options quoted on ASX.
- (g) Placement Option holders shall be permitted to participate in new issues of securities on the prior exercise of Placement Options in which case the Placement Option holders shall be afforded the period of at least nine (9) Business Days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the Placement Option.
- (h) Shares issued on the exercise of Placement Options will be issued not more than ten (10) Business Days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of an Placement Option will rank equally with the then issued ordinary Shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of an Placement Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the Placement Option holder will be changed to the extent necessary to comply with the relevant Listing Rules.
- (j) If there is a bonus issue of Shares to Shareholders, the number of Shares over which the Placement Option is exercisable may be increased by the number of Shares which the holder of the Placement Option would have received if the Placement Option had been exercised before the record date for the bonus issue.
- (k) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities of the Company, the exercise price of the Placement Options may be reduced in accordance with Listing Rule 6.22.

Schedule 2 – Terms and Conditions of 2012 Options

The terms and conditions of the 2012 Options referred to in Resolutions 5 are regulated by the Constitution, the Corporations Act, the Listing Rules and general law.

The terms and conditions of the 2012 Options are as follows:

- (a) Each 2012 Option entitles the holder to acquire one fully paid ordinary Share in the Company.
- (b) The expiry date of the 2012 Options is 5.00pm (WST) on 30 September 2014 (**Expiry Date**).
- (c) The exercise price of the 2012 Options is \$0.06 per 2012 Option.
- (d) Each 2012 Option may be exercised at any time prior to the Expiry Date by forwarding to the Company at its principal office the exercise notice, duly completed together with payment of the sum of \$0.06 per 2012 Option exercised.
- (e) The 2012 Options may be transferred by an instrument (duly stamped where necessary) in the form commonly used for transfer of 2012 Options at any time until the Expiry Date. This right is subject to any restrictions on the transfer of an 2012 Option that may be imposed by ASX in circumstances where the Company is listed on ASX.
- (f) The Company will seek to have the 2012 Options quoted on ASX.
- (g) 2012 Option holders shall be permitted to participate in new issues of securities on the prior exercise of 2012 Options in which case the 2012 Option holders shall be afforded the period of at least nine (9) Business Days prior to and inclusive of the record date (to determine entitlements to the issue) to exercise the 2012 Option.
- (h) Shares issued on the exercise of 2012 Options will be issued not more than ten (10) Business Days after receipt of a properly executed exercise notice and application moneys. Shares allotted pursuant to the exercise of a 2012 Option will rank equally with the then issued ordinary Shares of the Company in all respects. If the Company is listed on ASX it will, pursuant to the exercise of a 2012 Option, apply to ASX for quotation of the Shares issued as a result of the exercise, in accordance with the Corporations Act and the Listing Rules.
- (i) In the event of any reconstruction (including consolidation, sub-division, reduction or return) of the issued capital of the Company, all rights of the 2012 Option holder will be changed to the extent necessary to comply with the relevant Listing Rules.
- (j) If there is a bonus issue of Shares to Shareholders, the number of Shares over which the 2012 Option is exercisable may be increased by the number of Shares which the holder of the 2012 Option would have received if the 2012 Option had been exercised before the record date for the bonus issue.
- (k) In the event that a pro rata issue (except a bonus issue) is made to the holders of the underlying securities of the Company, the exercise price of the 2012 Options may be reduced in accordance with Listing Rule 6.22.

WHITE CLIFF MINERALS LIMITED
ACN 126 299 125

PROXY FORM

White Cliff Minerals Limited, Suite 2, 5 Ord 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 General Meeting of the Company to be held at Suite 2, 5 Ord Street, West Perth, Western Australia at 10.00am (WST) on Monday, 11th March 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:

