

ASX and Media Release: 19 April 2017

ASX Code: WRM



## Drilling program commences at the Mt Carrington gold – silver Project

**ASX Code: WRM**

**Issued Securities**

Shares: 870.7 million

Options: 183.4 million

**Cash on hand (31 Dec 2016)**

\$3.8M

**Market Cap (18 April 2017)**

\$12.2M at \$0.014 per share

**Directors & Management**

Brian Phillips

Non-Executive Chairman

Matthew Gill

Managing Director &  
Chief Executive Officer

Ian Smith

Non-Executive Director

Peter Lester

Non-Executive Director

Shane Turner

Company Secretary

Rohan Worland

Exploration Manager

**For further information, contact:**

Matthew Gill or Shane Turner

Phone: 03 5331 4644

[info@whiterockminerals.com.au](mailto:info@whiterockminerals.com.au)

[www.whiterockminerals.com.au](http://www.whiterockminerals.com.au)

White Rock Minerals (“White Rock”) is pleased to announce that it has commenced a drilling program at its Mt Carrington gold – silver project in northern NSW to support the Definitive Feasibility Study (DFS) work currently underway (refer ASX announcement 17 January 2017).

The initial priorities for the DFS are on a geological review of the Resource to JORC (2012) standard and a detailed review and commencement of the metallurgical test work needed to lock down the preferred plant design. A site visit by geotechnical and tailings storage and water management specialists has recently occurred. These activities support the strategic mine planning, open pit sequencing and optimisation that will then proceed in order to report a Probable Reserve to JORC 2012 standard.

The DFS contemplates ore being sourced initially from five open pits and mineral samples from three of these sources (Strauss, Kylo and Lady Hampden) are currently at a metallurgical laboratory as a part of the metallurgical test work program.

The planned drill program will provide further material for metallurgical testing, and is being sourced from Lady Hampden. The Lady Hampden open pit forms an important part of the Mine Plan in the DFS and currently has a JORC (2004) Indicated and Inferred Resource Estimate of 4.3M tonnes at 58 g/t silver and 0.5 g/t gold for 8.1M ounces of silver and 64,000 ounces of gold (refer ASX Release 13 February 2012 and the attached Resource Table).

Previous drill holes at Lady Hampden have returned the following intersections (refer ASX Release 19 February 2013 & 25 July 2011):-

- 58 metres @ 83 g/t Ag and 1.6g/t Au (hole LHDD005),
- 26 metres @ 65 g/t Ag and 3.4 g/t Au (hole LHDD 031), and
- 31 metres @ 50 g/t Ag and 1.1 g/t Au (hole LHDD 030).

The planned diamond drill hole program will provide core for further metallurgical test work to assist in determining the optimum silver and gold extraction processing route.

**CEO and MD Matt Gill said** “The Definitive Feasibility Study is a key next step in taking our Mt Carrington gold and silver Project through to production. We currently have some six consultancies focused on both the technical aspects (geology, mining, metallurgy and engineering) and also the critically important community consultation and environmental base line studies and associated permitting. This drill program at Lady Hampden is an important part of this study process as it will assist to inform the optimum processing route for the ore that will be mined and treated.”

MT CARRINGTON JORC (2004) MINERAL RESOURCES – NOVEMBER 2013						
Silver Dominant Resources						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Indicated	Lady Hampden	1,840,000	0.6	37,000	69	4,056,000
	White Rock	1,710,000	-	-	77	4,214,000
	<b>Sub-Total</b>	<b>3,550,000</b>	<b>0.3</b>	<b>37,000</b>	<b>72</b>	<b>8,270,000</b>
Inferred	Lady Hampden	2,470,000	0.3	27,000	51	4,023,000
	White Rock	2,660,000	-	-	47	3,978,000
	White Rock North	3,180,000	-	-	52	5,314,000
	Silver King	640,000	-	-	59	1,218,000
	<b>Sub-Total</b>	<b>8,950,000</b>	<b>0.1</b>	<b>27,000</b>	<b>51</b>	<b>14,533,000</b>
Total	Lady Hampden	4,310,000	0.5	64,000	58	8,079,000
	White Rock	4,370,000	-	-	58	8,192,000
	White Rock North	3,180,000	-	-	52	5,314,000
	Silver King	640,000	-	-	59	1,218,000
	<b>Total</b>	<b>12,500,000</b>	<b>0.2</b>	<b>64,000</b>	<b>57</b>	<b>22,803,000</b>
Gold Dominant Resources						
Resource Category	Deposit	Tonnes	Gold grade (g/t)	Gold ounces	Silver grade (g/t)	Silver ounces
Indicated	Strauss	1,240,000	1.4	57,000	3.8	153,000
	Kylo	1,590,000	1.2	59,000	2.6	133,000
	<b>Sub-Total</b>	<b>2,830,000</b>	<b>1.3</b>	<b>116,000</b>	<b>3.1</b>	<b>286,000</b>
Inferred	Strauss	1,260,000	1.4	56,000	2.6	104,000
	Kylo	760,000	1.5	35,000	1.8	43,000
	Red Rock	1,630,000	1.0	54,000	3.5	182,000
	Guy Bell	160,000	2.5	13,000	4.9	24,000
	<b>Sub-Total</b>	<b>3,810,000</b>	<b>1.3</b>	<b>158,000</b>	<b>2.9</b>	<b>353,000</b>
Total	Strauss	2,500,000	1.4	113,000	3.2	257,000
	Kylo	2,350,000	1.3	95,000	2.3	176,000
	Red Rock	1,630,000	1.0	54,000	3.5	182,000
	Guy Bell	160,000	2.5	13,000	4.9	24,000
	<b>Total</b>	<b>6,640,000</b>	<b>1.3</b>	<b>275,000</b>	<b>3.0</b>	<b>639,000</b>
Total Resources						
Category		Tonnes		Gold ounces		Silver ounces
Indicated		<b>6,380,000</b>		<b>153,000</b>		<b>8,556,000</b>
Inferred		<b>12,760,000</b>		<b>185,000</b>		<b>14,886,000</b>
<b>Total</b>		<b>19,140,000</b>		<b>338,000</b>		<b>23,442,000</b>

Table 1: Mt Carrington Mineral Resource Summary

For more information about White Rock and its Projects, please visit our website  
[www.whiterockminerals.com.au](http://www.whiterockminerals.com.au)

or contact:

Matt Gill (MD&CEO)

or

Shane Turner (Company Secretary)

Phone: +61 (0)3 5331 4644

Email: [info@whiterockminerals.com.au](mailto:info@whiterockminerals.com.au)

*This announcement has been prepared for publication in Australia.*

*This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in any other jurisdiction.*

### Competent Persons Statement

*The information in this report that relates to exploration results is based on information compiled by Mr Rohan Worland who is a Member of the Australian Institute of Geoscientists and is a consultant to White Rock Minerals Ltd. Mr Worland has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Mr Worland consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*The gold and silver Resource figures for White Rock, Red Rock, Strauss, Kylo, Lady Hampden, Silver King and White Rock North have been taken from Resource estimates of February 2012, July 2013 and November 2013 prepared by Ravensgate Minerals Industry Consultants on behalf of White Rock Minerals Ltd and authored by Mr Don Maclean. Mr Maclean is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Maclean consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per ASX releases by White Rock Minerals Ltd on 13 February 2012, 11 July 2013 and 20 November 2013. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

*The gold and silver Resource figures for Guy Bell have been taken from the Resource estimate of October 2008 prepared by Mining One Pty Ltd on behalf of Rex Minerals Ltd and authored by Dr Chris Gee who is a professional geologist with more than 10 years' experience in resource estimation. Dr Gee is a Competent Person as defined by the JORC Code. Mr Gee consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per the ASX release by Rex Minerals Ltd on 10 December 2008. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

### About Mount Carrington

- The Mt Carrington Project is located in northern NSW, near the township of Drake on the Bruxner Highway, 4 hour's drive south-west of Brisbane. The tenement package comprises 22 mining leases and one exploration licence over a total area of 183km<sup>2</sup>.
- The Mt Carrington Project contains gold-silver epithermal mineralisation associated with a large 250km<sup>2</sup> collapsed volcanic caldera structure. Gold was first discovered in the district in 1853. In 1988 a mining operation at Mt Carrington focussed on extracting open pit oxide gold and silver ore from the Strauss, Kylo, Guy Bell and Lady Hampden deposits. The oxide ore was depleted by 1990, and with metal prices at US\$370/oz gold and US\$5/oz silver, the small scale mine was closed.
- Since 2010, White Rock has successfully expanded the Mineral Resources at Mt Carrington. Indicated and Inferred Mineral Resources total 338,000oz gold and 23.5Moz silver. There are four gold dominant deposits (Strauss, Kylo, Guy Bell and Red Rock), one gold-silver deposit (Lady Hampden) and three silver dominant deposits (White Rock, Silver King and White Rock North). All of these deposits apart from White Rock North are amenable to open pit mining, with mineralisation extending from surface.
- Scoping studies<sup>1</sup> support the development of a gold-silver operation at Mt Carrington. Using A\$1,600/oz gold and A\$22/oz silver, the Mt Carrington Project forecasts:-
  - ✓ production of 111,000 oz gold and 6.7Moz silver over an initial mine life of 7 years,
  - ✓ a low capital cost of A\$24.2M,
  - ✓ an NPV<sub>10</sub> of A\$60.6M and an IRR of 103%,
  - ✓ free cash flow of A\$100M (undiscounted),
  - ✓ a quick payback of 10 months, and
  - ✓ a C1 cash cost of A\$754/oz gold and \$A10/oz silver.



<sup>1</sup> Refer to ASX release dated 20 October 2016 for all Scoping Study assumptions, production targets and forecast financial information. All material assumptions underpinning the production targets and forecast financial information derived from the production targets, as contained in Annexure A of the ASX release dated 20 October 2016, continue to apply and have not materially changed.

- The scoping study contemplates a processing circuit capable of treating all ore types. For the gold dominant ore types the optimized pathway consists of a standard milling and flotation circuit producing a rougher concentrate which is subsequently reground and treated in an intensive leach process to recover the precious metals as dore. For the silver dominant ore types the flotation circuit would be upgraded to enable a cleaned concentrate to be produced. Production of a saleable silver concentrate is the most profitable processing pathway for the silver rich deposits.
- The low capital cost is augmented by the presence of already existing key infrastructure from the previous mining operation in the 1990s. This existing infrastructure includes granted mining leases, a 1.5 Mt tailings dam, a 750 mL freshwater dam, site office, the old plant footprint and foundations, a reverse osmosis water treatment plant and access to state grid power. The existing infrastructure has been valued at A\$20M in terms of the offset with respect to a greenfields development scenario.
- The positive results from the scoping studies strongly support the implementation of feasibility studies and future development of the Mt Carrington Project. A number of pre-development optimisation activities are underway in preparation for feasibility studies to be completed in 2018 with development targeted in 2019.
- The Mt Carrington Mining Leases are enveloped by a large portfolio of Exploration Licences with demonstrated potential for epithermal and intrusion-related gold, silver and copper mineralisation. White Rock has generated and refined an extensive exploration target portfolio at Mt Carrington for staged advancement and drill testing for gold and silver concurrent with the development of the current Resource base. In addition, more recent work has demonstrated the potential for the project to host significant intrusion-related (porphyry) copper mineralisation.

*The scoping study referred to in this report is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. All material assumptions underpinning the production targets and forecast financial information derived from the production targets, as contained in Annexure A of the ASX release dated 20 October 2016, continue to apply and have not materially changed.*

*In discussing 'reasonable prospects for eventual extraction' in Clause 20, the JORC Code 2012 ('Code') requires an assessment (albeit preliminary) in respect of all matters likely to influence the prospect of economic extraction including the approximate mining parameters by the Competent Person. While a Scoping Study may provide the basis for that assessment, the Code does not require a Scoping Study to have been completed to report a Mineral Resource.*

*Scoping Studies are commonly the first economic evaluation of a project undertaken and may be based on a combination of directly gathered project data together with assumptions borrowed from similar deposits or operations to the case envisaged. They are also commonly used internally by companies for comparative and planning purposes. Reporting the results of a Scoping Study needs to be undertaken with care to ensure there is no implication that Ore Reserves have been established or that economic development is assured. In this regard it may be appropriate to indicate the Mineral Resource inputs to the Scoping Study and the process applied, but it is not appropriate to report the diluted tonnes and grade as if they were Ore Reserves. While initial mining and processing cases may have been developed during the Scoping Study, it must not be used to allow an Ore Reserve to be developed.*

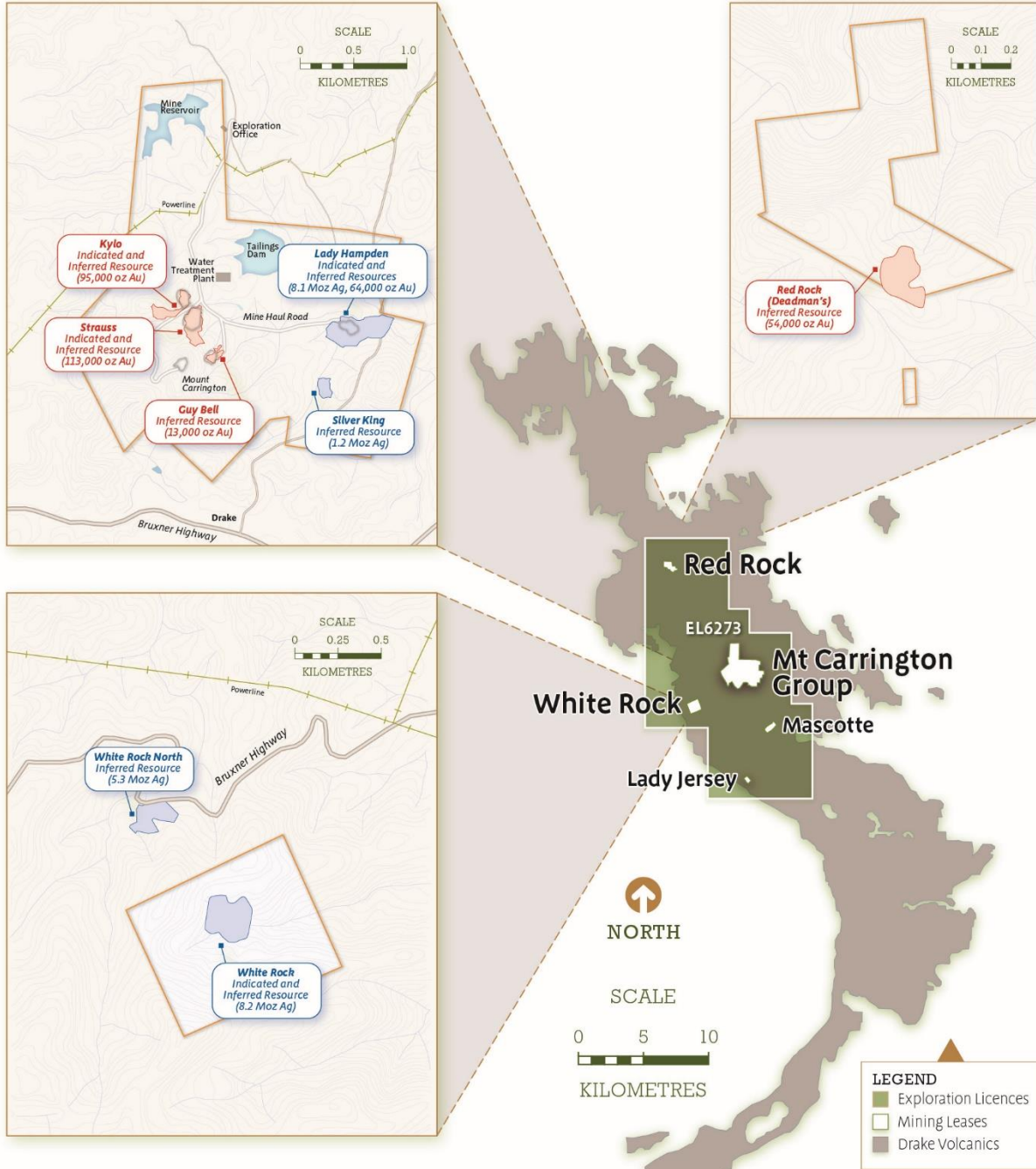
<b>MT CARRINGTON INDICATED &amp; INFERRED MINERAL RESOURCE SUMMARY</b>					
<b>Gold Dominant Resources</b>					
<b>Resource Category</b>	<b>Tonnes</b>	<b>Au (g/t)</b>	<b>Gold Oz</b>	<b>Ag (g/t)</b>	<b>Silver Oz</b>
<b>Indicated</b>	<b>2,830,000</b>	<b>1.3</b>	<b>116,000</b>	<b>3.1</b>	<b>286,000</b>
<b>Inferred</b>	<b>3,810,000</b>	<b>1.3</b>	<b>158,000</b>	<b>2.9</b>	<b>353,000</b>
<b>Indicated &amp; Inferred</b>	<b>6,640,000</b>	<b>1.3</b>	<b>275,000</b>	<b>3.0</b>	<b>639,000</b>
<b>Silver Dominant Resources</b>					
<b>Resource Category</b>	<b>Tonnes</b>	<b>Au (g/t)</b>	<b>Gold Oz</b>	<b>Ag (g/t)</b>	<b>Silver Oz</b>
<b>Indicated</b>	<b>3,550,000</b>	<b>0.3</b>	<b>37,000</b>	<b>72</b>	<b>8,270,000</b>
<b>Inferred</b>	<b>8,950,000</b>	<b>0.1</b>	<b>27,000</b>	<b>51</b>	<b>14,533,000</b>
<b>Indicated &amp; Inferred</b>	<b>12,500,000</b>	<b>0.2</b>	<b>64,000</b>	<b>57</b>	<b>22,803,000</b>
<b>Total Resources</b>					
<b>Total</b>	<b>19,140,000</b>		<b>338,000</b>		<b>23,442,000</b>

**Mt Carrington Project - Mineral Resource Summary.**

*Competent Persons Statement*

The gold and silver Resource figures for White Rock, Red Rock, Strauss, Kylo, Lady Hampden, Silver King and White Rock North have been taken from Resource estimates of February 2012, July 2013 and November 2013 prepared by Ravensgate Minerals Industry Consultants on behalf of White Rock Minerals Ltd and authored by Mr Don Maclean. Mr Maclean is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Maclean consents to the inclusion in this report of the matters based on this information in the form and context in which it appears. This information was prepared and first disclosed under the JORC Code 2004 as per ASX releases by White Rock Minerals Ltd on 13 February 2012, 11 July 2013 and 20 November 2013. The Resources figures have not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

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**Mt Carrington Project Tenement and Resource Summary**