



11 February 2011

ASX Code: WCN

Completion of \$1.95 Million Placement

Highlights

- **Completion of \$1.95 Million Private Placement**
- **Project Update**

White Cliff Nickel (ASX Code: WCN) is pleased to announce that it has completed a private placement book-build to raise AUD\$1.95 million through the issue of 13,000,000 new shares at AUD\$0.15

The funds will be used to accelerate the Company's drilling and exploration activities at its advanced Kyrgyz Republic Chanach copper-gold project, and Australian nickel projects during 2011.

The placement, which was heavily subscribed, has been made to institutional, sophisticated and experienced investor clients of Bell Potter Securities Limited and Emerald Partners Pty Limited with Bell Potter acting as lead manager for the raising. The placement consists of the placement of 8.1 Million shares (Tranche 1) conducted within the Company's "15% limit" permitted under the listing rules without shareholder approval and an additional 4.9 million share placement (Tranche 2) conditional on shareholder approval. Completion of Tranche 1 of the placement and issue of the shares is expected to take place on or before 16th February, while Tranche 2 will take place immediately after shareholder approval expecting on or before March 30th.

Project Update:

The Company currently has several field-based and corporate activities in progress, comprising:

1. A 1000 metre Reverse Circulation drilling program commencing at the Mt Remarkable project in late February targeting a "Kambalda style" electromagnetic anomaly
2. A 2000 metre Air Core drilling program commencing in early April at the Mt Remarkable project targeting several gold and nickel in soil anomalies, particularly the North La Tosca gold in soil anomaly
3. A 1000 metre diamond drilling program commencing at the White Cliff nickel sulphide project in April-May targeting the two exceptionally strong electromagnetic anomalies
4. Extensive rock chip and trench sampling program commencing at the Chanach copper-gold project in mid April targeting porphyry copper-gold mineralised zones
5. 3000 Metre reverse circulation and diamond drilling program commencing at the Chanach copper-gold project in July-August 2011 targeting the porphyry copper-gold mineralisation at depth

The Company is very pleased with the level of interest shown in the placement. The additional funds raised under the placement will ensure that the Company can continue to advance the Chanach copper-gold project in the Kyrgyz Republic and the three nickel sulphide projects in Western Australia.

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About White Cliff Nickel Limited

White Cliff Nickel Limited is a Western Australian based exploration company with the following main projects:

Chanach Gold Copper Project: The project consists of 93 square kilometres and is located in the Kyrgyz Republic 350km west-southwest of the capital city of Bishkek. The Chanach project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan to western China. Mineralisation occurs as porphyry and epithermal systems developed within magmatic arcs, and orogenic type gold deposits that are structurally controlled. Major deposits located within 100km of Chanach contain up to 93 million ounces of gold and 25 million tonnes of copper. Initial work indicates that the project may host porphyry and skarn style gold and copper mineralisation. Sampling during 2007-2010 has identified several areas containing gold values of up to 40 g/t and copper values of up to 5%.

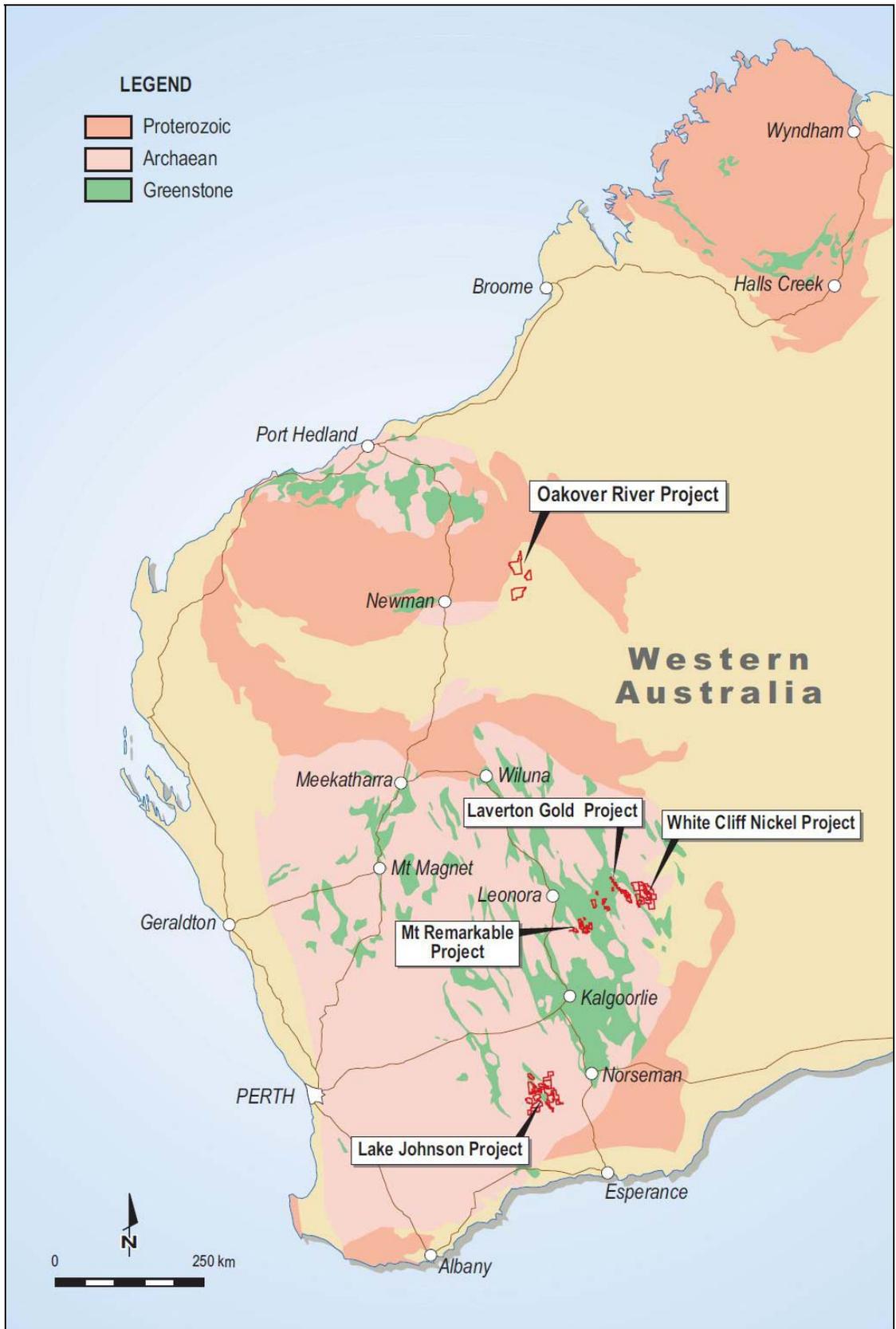
White Cliff Nickel Project: The project which covers over 1,200 square kilometres in the Merolia section of the Laverton Greenstone Belt situated 60 kilometres south-east of Laverton WA. The region contains the Irwin-Coglia and Mineral Patch Hill nickel deposits and Fish and Lord Byron Gold deposits. This project has been joint ventured with a Korean consortium, comprising Daewoo International Corporation and the 100% government owned Korea Resources Corporation, for the Korean consortium to earn up to 50% of the project by the expenditure of up to \$5 million.

Mount Remarkable Project: The project located approximately 170 km N-NE of Kalgoorlie and about 25 km SE of Kookynie in the Northern Goldfields. Included in the project area are the historic mining centres of Mt Remarkable and Yerilla which consists of several old workings. Major gold mines in the surrounding area include Sons of Gwalia, Tarmoola, Carosue Dam, Granny Smith, Wallaby and Sunrise Dam

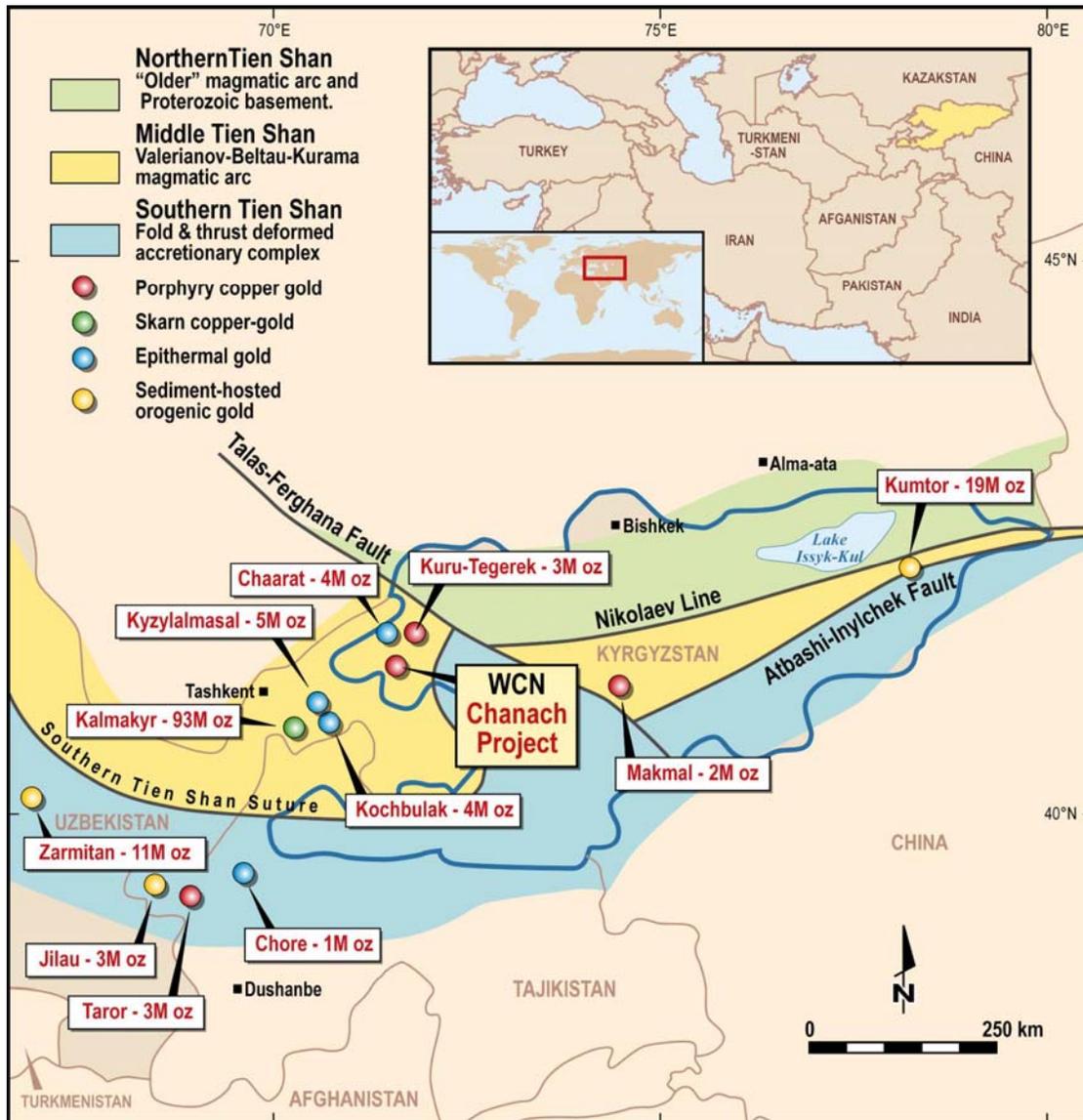
Lake Johnston Project: This project covers approximately 1,400 square kilometres of exploration tenement applications in the Lake Johnson Greenstone Belt. This Greenstone Belt contains Norilsk's Emily Ann and Maggie Hayes nickel sulphide mines which combined have a total resource of approximately 140,000 tonnes of contained nickel. Much of the project area was previously held by LionOre and contain excellent prospectively for both komatiite associated nickel sulphides and amphibolite facies high-grade gold mineralisation. The area contains little outcrop, with the bedrock geology concealed by transported cover.

Laverton Gold Project: The project consists of 1200 square kilometres of tenement applications in the Laverton and Merolia Greenstone belts. The core prospects are located 20km south of Laverton in the core of the structurally complex Laverton Tectonic zone immediately south of the Granny Smith Gold Mine (3 MOz) and 7 kilometres east of the Wallaby Gold Mine (7MOz). In addition, applications are pending over a large part of the Merolia Greenstone belt immediately Southwest of Laverton.

<p>The Information in this report that relates to exploration results, mineral resources or ore reserves is based on information compiled by Mr Todd Hibberd, who is a member of the Australian Institute of Mining and Metallurgy. Mr Hibberd is a full time employee of the company. Mr Hibberd 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 2004 edition of the 'Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Hibberd consents to the inclusion of this information in the form and context in which it appears in this report.</p>



Tenement Map- Australia. A regional geology and location plan of White Cliff Nickel Limited exploration projects in the Yilgarn Craton, Western Australia



Project Map- Kyrgyzs Republic. Location of the Chanach Gold-Copper Project