



ABN 22 126 299 125

98 Colin Street, West Perth, Western Australia 6005
PO Box 368, WEST PERTH WA 6872

Telephone +61 8 9321 2233

Facsimile +61 8 9324 2977

Email info@wcnickel.com.au

31 January 2008

ASX Release

White Cliff Nickel Limited (ASX: WCN)

Quarterly Report 31 December 2007

Highlights

- **Successful IPO closed oversubscribed raising \$6 million**
- **WCN listed on ASX on 14 December 2007**
- **Drill contract for up to 4,000 metres finalised – to commence in March 2008 quarter**
- **Aeromagnetic program completed over a further section of the White Cliff nickel project**
- **Surface geochemical survey completed at White Cliff nickel project**

Exploration

During the quarter the Company completed a surface geochemical survey along selected sections of the White Cliff project structure. The program consisted of five traverses totaling 29 kilometres and a total of 409 soil samples and 33 rock samples were collected. These have been submitted for multi element geochemical analyses. Results from these samples are being correlated with the aeromagnetic data to determine additional targets for the Company to investigate and explore.

An aeromagnetic survey of 2,217 line kilometres was commenced over the south-eastern section of the White Cliff project area. This survey has since been completed during the March quarter. An additional aeromagnetic survey over the northern section will be flown in February. Data from these surveys will be received and processed during the March quarter.

Also during the December quarter the Company signed a contract for an air-core rig to commence a drill program of up to 4,000 metres at the White Cliff nickel project. The drill rig secured is scheduled to arrive on site during the March quarter and is capable of drilling to depths of up to 120 metres. This first drill program will test several targets within the project area and includes the location on which a massive sulphide gossan was identified.

Corporate

The Company's IPO was closed early strongly exceeding the maximum \$6 million issue limit. The Company's shares were admitted to ASX and commenced trading on 14 December 2007. After completing the acquisition of its projects and paying for the expenses of listing, the Company has cash reserves at 31 December 2007 of over \$5.2 million.

For further information please contact
www.wcnickel.com.au.

Investors
Mike Langoulant
Managing Director
(08) 9321 2233
mike@wcnickel.com.au

Media
Rudi Michelson
Monsoon Communications Pty Ltd
(03) 9620 3333
rudim@monsoon.com.au

About White Cliff Nickel Limited

WCN is a Western Australian based nickel explorer which listed on ASX on 14 December 2007 having raised \$6 million. WCN's core project is the White Cliff nickel project situated 60 kilometres south-east of Laverton WA. WCN holds over 1,000 square kilometres in this prospective region.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

WHITE CLIFF NICKEL LIMITED

ACN or ARBN

22 126 299 125

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(87)	(115)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	40	40
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other - GST	(80)	(84)
Net Operating Cash Flows	(222)	(264)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(140)	(280)
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other cash acquired upon subsidiary acquisition		
Net investing cash flows	(140)	(280)
1.13 Total operating and investing cash flows (carried forward)	(362)	(544)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(362)	(544)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	6,000	6,418
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other – capital raising costs	(625)	(625)
	Net financing cash flows	5,375	5,793
	Net increase (decrease) in cash held	5,013	5,249
1.20	Cash at beginning of quarter/year to date	236	0
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	5,249	5,249

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	48
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

--

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

+ See chapter 19 for defined terms.

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

-

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	400
4.2 Development	0
Total	400

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	61	236
5.2 Deposits at call	5,188	
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	5,249	236

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference securities <i>(description)</i>	-	-		
7.2 Changes during quarter				
7.3 +Ordinary securities	51,750,003	25,600,000	N/A	N/A
7.4 Changes during quarter				
(a) Increases through issues	24,750,000	24,00,000	\$0.25	\$0.25
(b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter				
(a) Increases through issues				
(b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	7,000,000	-	<i>Exercise price</i> \$0.25	<i>Expiry date</i> 31/12/2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired (cancelled) during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 January 2008
Company Secretary
Print name: Michael Langoulant

Notes

-
- 1 This quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
 - 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
 - 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
 - 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
 - 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==