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ASX Release

Exploration Update - White Cliff Nickel Limited (ASX: WCN)

Summary

- A 4,000-5,000 metre aircore drill program will commence in the 2nd week of March 2008 at the White Cliff nickel project. It will target the previously undrilled White Cliff gossan zone, as well as magnetic anomalies indentified as potential ultramafic bodies.
- Mapping and surface sampling of the White Cliff Gossan Zone is due to commence in early March 2008. This will help delineate the previously identified gossanous ultramafic body at surface and aid preparation of a mid 2008 planned electromagnetic ground survey over the prospective area.
- A high resolution aeromagnetic survey is currently being flown in the northern sector of the White Cliff nickel project, while a December 2007 aeromagnetic survey flown in the southern portion of the project area is currently being processed. This will bring the coverage of 100m lined-spaced aeromagnetic and radiometric data to approximately 80% of the total project area.

White Cliff Project Update

Background

The White Cliff project is extensive and covers over 1,040 square kilometres, approximately 70 kilometres southeast of Laverton and 140 kilometres south east of Windara, Western Australia (Figure 1). This region hosts the Murrin Murrin and Mt Windara nickel mines, along with numerous active gold mines. The White Cliff nickel project area has not previously been explored for nickel despite its location in one of Australia's prominent nickel regions within the north east Yilgarn Craton.

The area contains little outcrop, with the bedrock geology concealed by transported cover. The bulk of the previous work in the area was regional exploration for diamonds. In these programmes some aeromagnetic anomalies were sampled and drilled for potential kimberlites. Although no kimberlites were identified, shallow drilling undertaken intersected ultramafic rock including 0.5%-0.9% nickel over a 12 metre intersection. Assay results indicated elevated values of nickel, copper, chrome, cobalt and platinum group metals. More recently the Company undertook a high resolution aeromagnetic survey with data suggesting the possibility of a concealed greenstone belt and the potential for nickel-mineralised ultramafic units within the sequence.

The tenement package shows the potential for both sulphide-hosted and oxide nickel deposits.

Fieldwork at the White Cliff Gossan Zone

A mapping and surface sampling program will commence in early March on the previously identified White Cliff Gossan Zone, located within tenement E38/1841. Preliminary work by the Company defined a 600m x 150m zone of sub-cropping ultramafics containing areas of weathered olivine adcumulate rocks and boxwork-textured gossans. Rock chip samples taken in the area have shown elevated nickel values of up to 1790 ppm. This program will combine detailed mapping, rock chip sampling and MMI (Mobile Metal Ions) soil geochemistry with the objective of better defining the White Cliff Gossan Zone. This will aid in more effective positioning of a proposed ground EM (electromagnetic) survey which is planned for mid 2008. The EM survey will potentially identify sulphide bodies underlying the gossan at surface.

Drilling at the White Cliff Nickel Project

Aircore drilling is planned to commence in mid March at the White Cliff nickel project. Primarily, this reconnaissance drill program will test for the presence of ultramafics underlying the transported cover, as well as look at the potential for both sulphide-hosted and oxidised nickel zones. All heritage and environment clearances have been approved, access tracks to the proposed drill areas have been prepared and an aircore drill rig for the program has been secured to drill between 4,000-5,000 metres. The Company will firstly target the prospective White Cliff Gossan Zone. In addition, the program will test up to twelve magnetic anomalies identified as potential ultramafic bodies. These anomalies were modeled from high-resolution aeromagnetic data previously flown over tenement E38/1841 during August 2006.

New Aeromagnetic Survey at the White Cliff Nickel Project

The Company has almost completed its high-resolution aeromagnetic and radiometric survey over the entire project area. In December 2007 UTS Geophysics completed 2,217 line kilometres in the south of the project, from which the data is currently being processed. At present the northern portions of the project are being flown; a further 4,484 line kilometres has been planned. This will add to the previous dataset collected in 2006 and will provide coverage at 100m line-spacing over approximately 80% of the project area (Figure 2). This high resolution magnetic data will provide better resolution in mapping ultramafic bodies which potentially host nickel sulphides or oxide nickel zones.

For further information please contact

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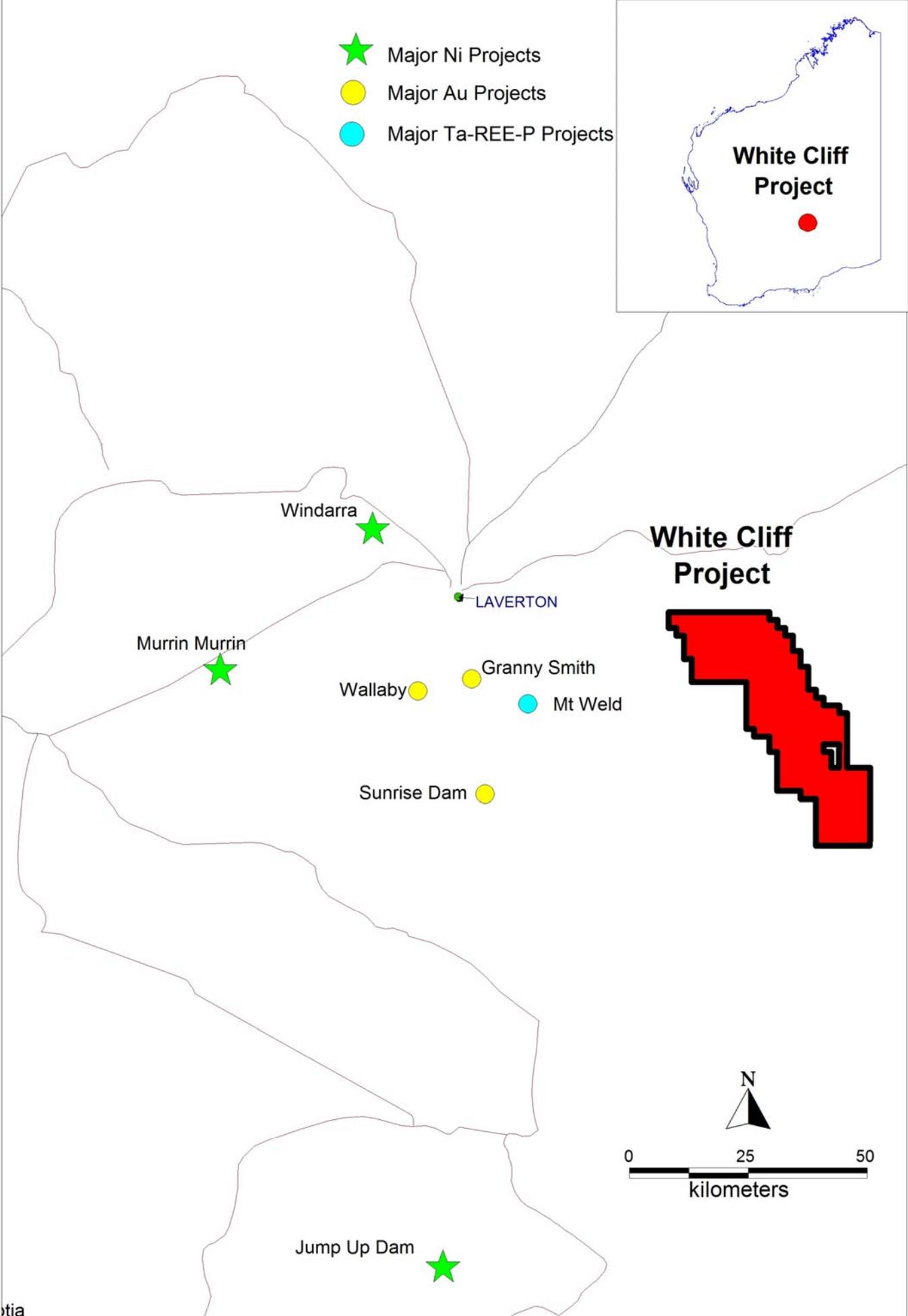
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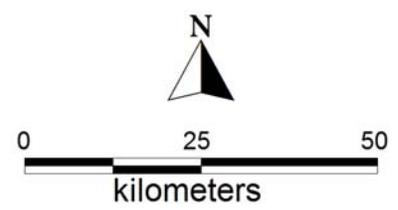
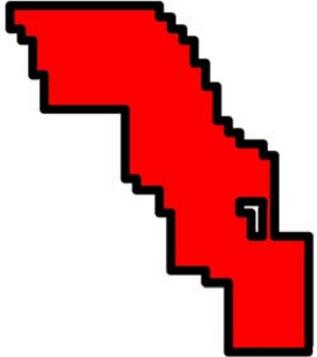
About White Cliff Nickel Limited

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.

- ★ Major Ni Projects
- Major Au Projects
- Major Ta-REE-P Projects



White Cliff Project



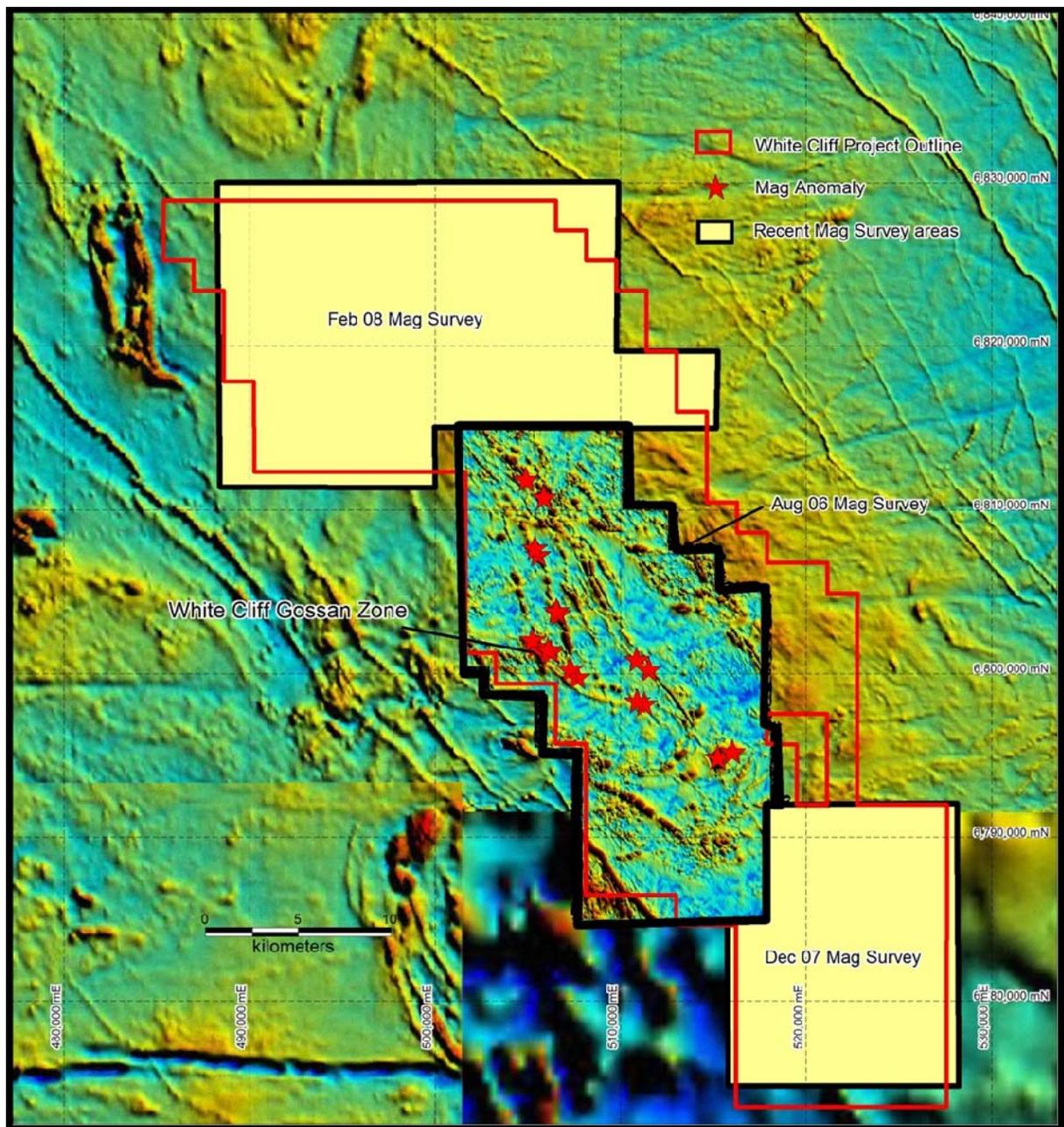


Figure 2. A plan of the White Cliff Nickel Project, with outline of recently flown aeromagnetic survey with magnetic and gossan targets proposed for drilling in March 2008.

Scientific or technical information in this news release has been prepared under the supervision of Gavin England, who is a member of the Australian Institute of Geosciences (AIG) and a Competent Person, as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Dr England consents to the inclusion in this report of the Information, in the form and context in which it appears.