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White Cliff Nickel LTD

15 May 2009 **ASX Code: WCN**

Extensive Nickel Mineralisation Confirmed at White Cliff

Highlights

- **2.16% nickel over 1 metre identified within 20 metres at 1% nickel**
- **Mineralisation up to 34 metres thick and extending 250 metres along strike**
- **Geophysical and geochemical surveys complete**

The Company announces that initial assay results have been received from drilling at the White Cliff Nickel Project with several holes intersecting significant widths of nickel mineralisation. The majority of high grade results occur within the oxide zone with elevated nickel, copper and platinum group elements occurring in the transitional and fresh zones. The extension of the mineralisation at depth remains untested.

Mineralisation extends over 250 metres along a mineralised zone interpreted to trend northwest-southeast based on gossan outcrop. Results include:

Hole	From	Interval	Ni%	Co%
WCAC 0179	12m	1m 4m 4m **Within 20m**	2.16% 1.63% 1.42% **1.02%**	0.16% 0.10% 0.05%
WCAC 0180	8m	4m 4m **Within 28m**	1.25% 0.87% **0.7%**	0.40% 0.05%
WCAC 0190	16m	4m 4m **Within 34m**	1.24% 0.91% **0.7%**	0.03% 0.04%
WCAC 0192	12m	8m **Within 38m**	1.16% **0.5%**	0.11% 0.01%
WCAC0175	20m	4m 4m **Within 16m**	0.68% 0.48% **0.40%**	0.02% 0.04% 0.02%
WCAC0181	28m	4m 4m **Within 70m**	0.68% 0.48% **>0.2%**	0.02% 0.04%
WCAC0182	4m	12m **Within 80m**	0.40% **>0.25%**	

White Cliff managing director Mike Langoulant commented that “The Company is extremely pleased at the tenor and grade of the discovery. We are currently evaluating all the results and are planning further drilling both of this mineralised zone plus numerous yet untested regional targets”.

White Cliff Nickel Project Update

The White Cliff Nickel Project is located some 70 km southeast of Laverton and 140 km southeast of Windara, Western Australia. This region hosts the Murrin Murrin and Mt Windara nickel mines, along with the Sunrise Dam, Granny Smith and Bright Star gold mines. The White Cliff project covers over 1,389 km^2 in area and has not previously been explored for nickel despite its location in one of Australia's prominent nickel regions within the northeast Yilgarn Craton.

Past drilling of aeromagnetic anomalies provided elevated values of nickel, copper, chrome, cobalt and platinum group metals. The Company's initial reconnaissance drill program conducted in March 2008 confirming the presence of nickel mineralisation of significant thickness with 24m @ 0.54% nickel and 24m @ 0.43% nickel. In addition some drill holes that intersected mafic rock contained palladium mineralisation with grades up to 0.35g/t.

The current drilling program consisted of 4,154 metres of reverse circulation air core and hammer drilling over multiple geochemical and magnetic targets. Drilling at the White Cliff Gossan area has identified an extensive zone of mineralisation with nickel grades up to 2.16% within a zone of 20 metres at 1% nickel and 0.05% cobalt. The majority of high grade results occur within the oxide zone with elevated nickel, copper and platinum group elements occurring in the transitional and fresh zones.

Mineralisation extends over 250 metres along a mineralised zone interpreted to trend northwest-southeast based on gossan outcrop. The high grade results coincide with a coincident magnetic and electromagnetic (MLTEM) near surface anomaly. A deeper anomaly occurs at the same location at 120 metres depth that has not been tested yet.

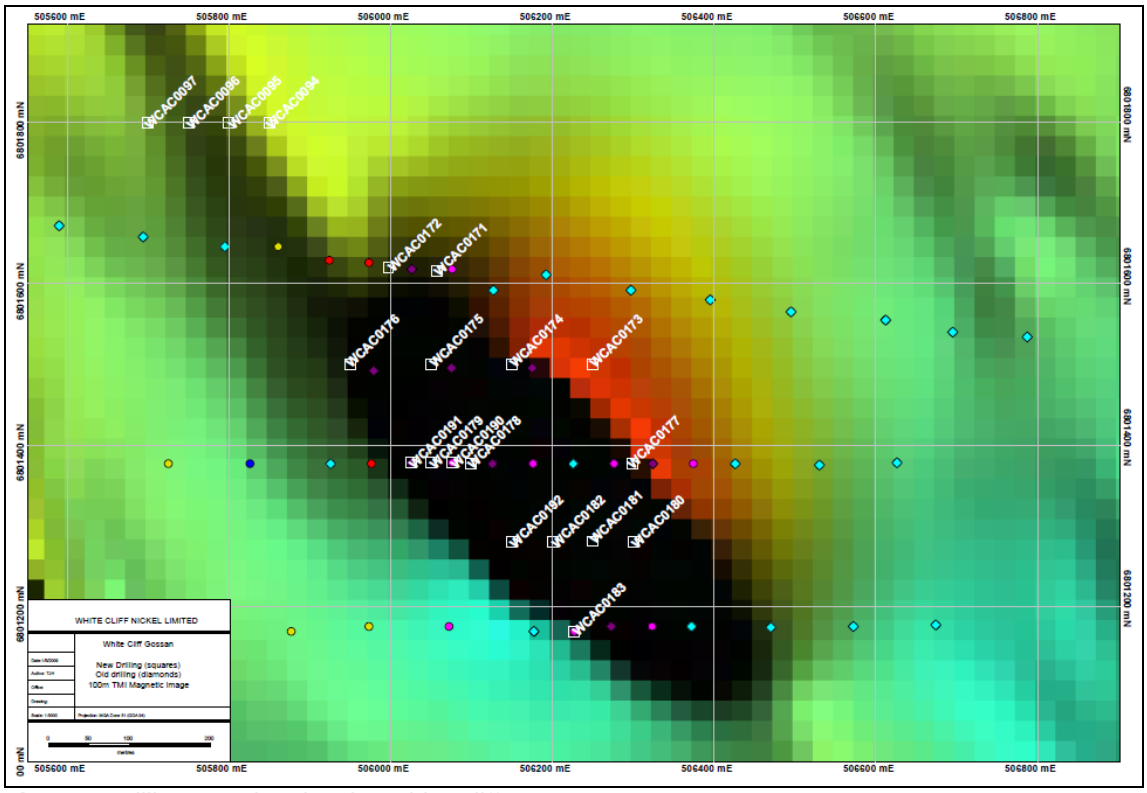


Figure 1 Drilling completed at the White Cliff Gossan.

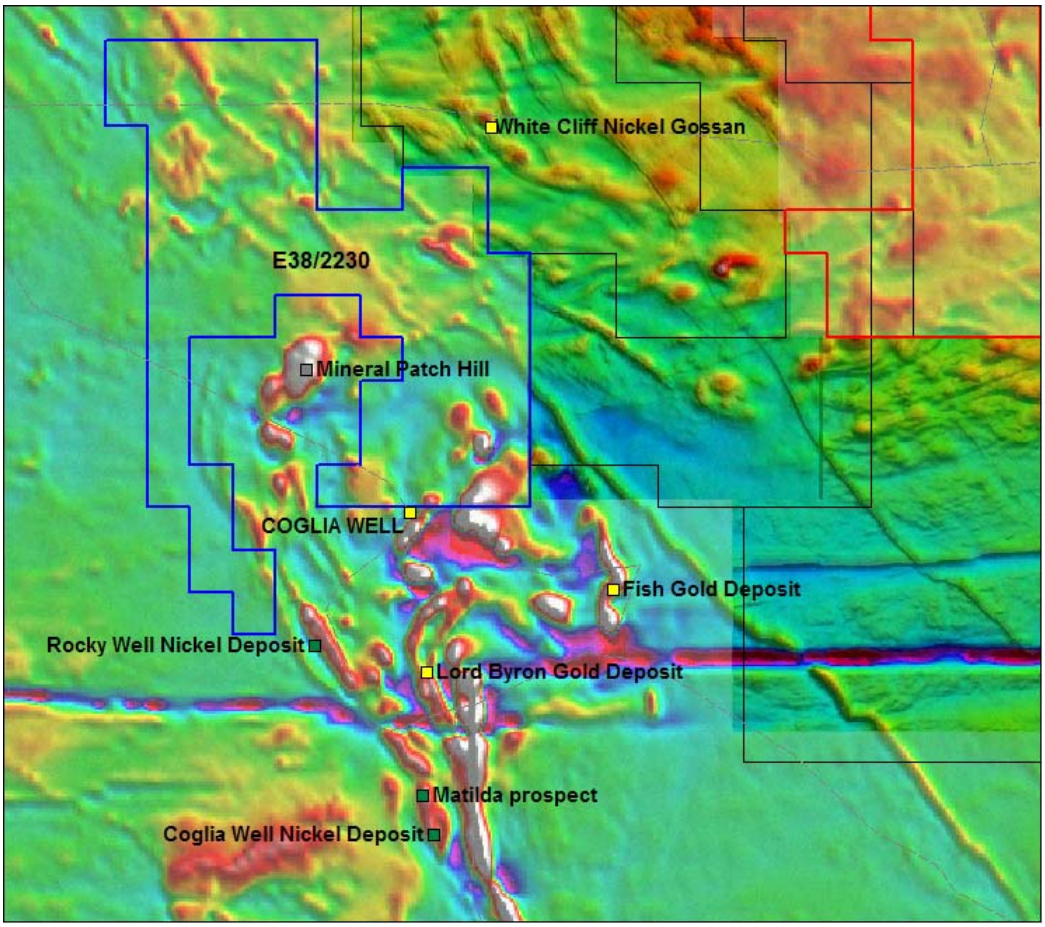
Drilling at the White Cliff Gossan zone identified weathered to fresh cumulate ultramafics and amphibolite. The ultramafics appear to have undergone silica-biotite-magnetite alteration followed by variable weathering. The weathering has produced iron oxides (limonite and hematite) in the saprolitic zone however the oxide has remained magnetic due to the slow rate of weathering of the silica-magnetite-biotite alteration. The current geological interpretation is that the alteration is related to post mineralisation contact metasomatism during granitoid intrusion. Geological logging has identified that the local granites are migmatitic and contain banded of amphibolite (after hornblende), biotite and magnetite and are probably the source of the silica-biotite-magnetite alteration.

Mineralisation occurs mainly in weathered saprolitic ultramafic rocks that have undergone strong silica-magnetite alteration. The highest nickel grades are associated with brown hematite stained saprolite that has undergone strong magnetite-silica-biotite alteration. Mineralisation extends over 250 metres along a mineralised zone interpreted to trend northwest-southeast based on gossan outcrop.

Geochemical and Geophysical Surveys

In association with the drilling a 1600 sample Mobile metal Ion (MMI) soil program has been completed covering 800 square kilometres of the Laverton greenstone belt. The samples have been submitted for analysis and should be available in mid June. Geospatial analysis of the data will be carried out by the company with interpreted results available in late June. The Company has previously used mobile metal ion (MMI) soil sampling to successfully identify potential anomalous zones. MMI is a powerful method for exploring and quickly identifying nickel and gold drill targets.

To complement the drilling and soil sampling programs currently underway the Company has completed a new 100m line spaced high resolution aeromagnetic and radiometric survey over parts of the Project not previously evaluated. The results are currently being processed. Additional geophysical processing will be undertaken once we have received the preliminary results.



Project Map Lease application E38/2230 (blue outline) with local nickel and gold deposits overlaid on local magnetic image with Band Iron Formations represented by magnetic highs (white), ultramafic-mafic (reds and oranges).

About White Cliff Nickel Limited

White Cliff Nickel Limited is an ASX listed Western Australian based exploration company with the following projects:

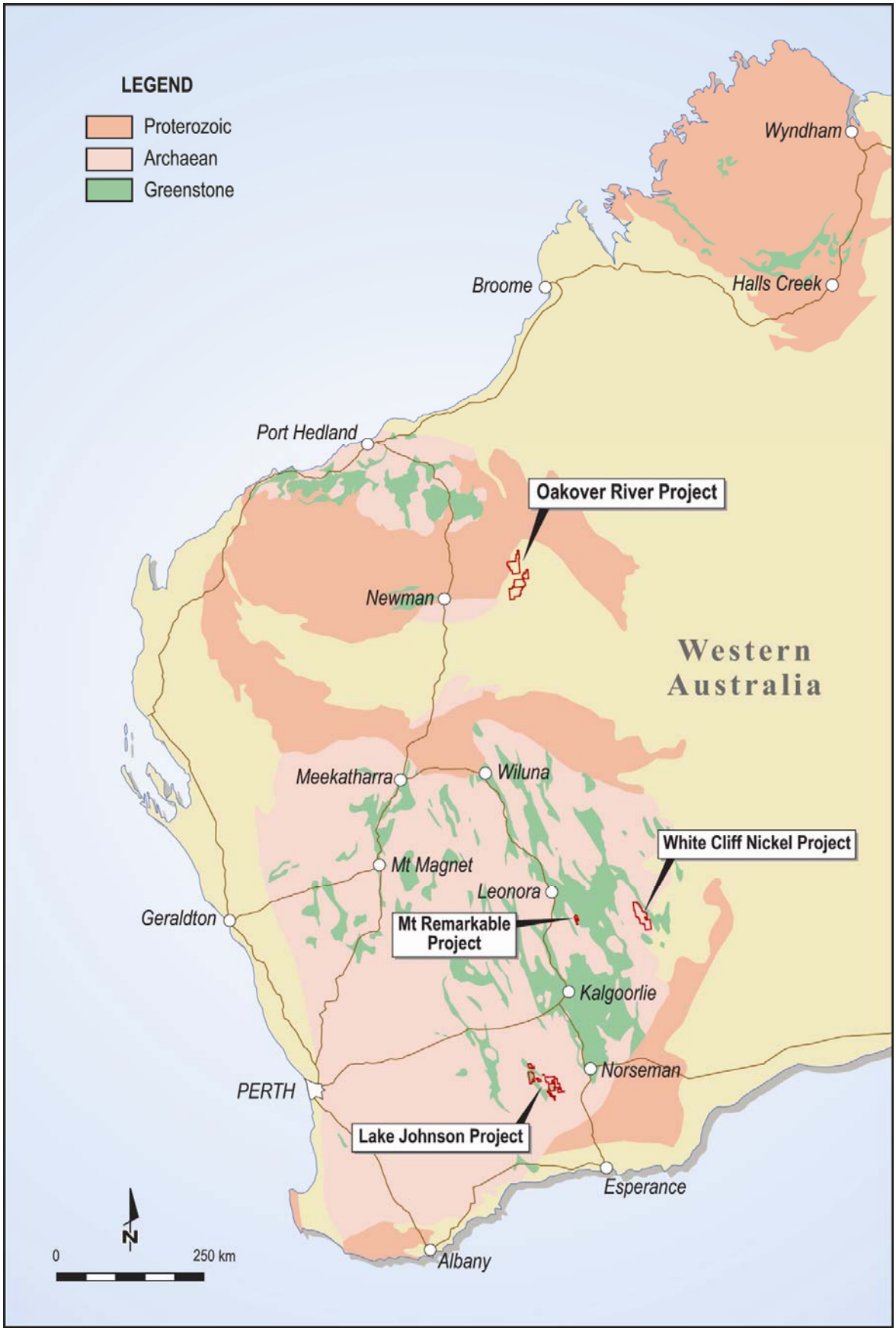
White Cliff Nickel Project: White Cliff Nickel's core project is the White Cliff nickel project which covers over 1,200 square kilometres in a prospective region situated 60 kilometres south-east of Laverton WA. This project has been joint ventured with a Korean consortium, comprising Daewoo International 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 over the next 3 years.

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.

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

Oakover River Iron-Manganese Project: The Oakover River three exploration tenement applications are approximately 140 km east of the town of Newman, Western Australia and cover approximately 970 square kilometres. This area is considered to have potential iron and manganese mineralisation in an underexplored area.

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.



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