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ASX Code: WCN

## Deep Drilling Confirms Nickel Prospectivity at White Cliff

### Highlights

- Deep drilling results include 148 metres at 0.24% and 188m @ 0.21% nickel
- Results also include 4 metres at 0.73% nickel and 0.02% cobalt
- Further drilling planned for the December quarter

### Reverse circulation drilling confirms nickel mineralisation

The Company has recently completed a reverse circulation (RC) drilling program at the White Cliff nickel gossan area where previous drilling identified 1 metre at 2.14% nickel within a zone of 20 metres at 1% nickel. The RC drilling targeted a moving loop electromagnetic (MLTEM) conductor at depth interpreted to be the source of the high grade nickel encountered at surface.

The drilling encountered significant widths of nickel rich komatiite with the best intercept of 4 metres at 0.73% nickel and 0.02% cobalt within 32 metres of 0.33% nickel. The same hole also contained an additional 188 metres at 0.21% nickel. Of the six holes drilled five encountered significant mineralised intervals with the best overall intersection of 148 metres at 0.24% nickel.

**Table 1: Significant RC drilling results**

Hole	Depth From metres	Depth To metres	Interval metres	Nickel %	Cobalt %	Ni/Cr ratio
WCRC-001	232	280	48	0.2	0.01	1.6
WCRC-002	72	152	80	0.24	0.01	5.6
WCRC-003	208	232	24	0.28	0.01	8.3
WCRC-004	24	56	32	0.33	0.014	2.2
<b>Including:</b>	<b>28</b>	<b>32</b>	<b>4</b>	<b>0.73</b>	<b>0.02</b>	<b>2</b>
And;	88	276	188	0.21	0.01	2.1
WCRC-005	152	300	148	0.24	0.01	2.5

The drilling results confirm the geological interpretation that the ultramafic komatiite rocks are highly prospective for nickel sulphide mineralisation. The White Cliff ultramafic komatiite unit extends over twenty kilometres along strike from the White Cliff Gossan area. Only approximately 5% of this ultramafic unit has been tested to date. The tenement package also includes several additional magnetic targets interpreted to be ultramafic units. The Company is planning a further 5,000 metre drilling program at the White Cliff nickel project which is scheduled to be completed in December. This shallow drill program will target these magnetic targets which have not been previously drill tested.

White Cliff Nickel Managing Director Mike Langoulant commented that "The results of the latest drill program at White Cliff have provided a clear indication of the exceptional prospectivity of the tenement package. We remain confident that the 5,000 metre drill program to be completed in December will continue to advance this exciting nickel sulphide project."



## White Cliff Nickel Project Background

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 almost 1,400 km<sup>2</sup> in area of the Merolia Greenstone belt.

Drilling of aeromagnetic anomalies by previous explorers in the 1980's identified elevated values of nickel, copper, chrome, cobalt and platinum group metals. Follow up reconnaissance drilling by White Cliff Nickel conducted in March 2008 confirmed the presence of nickel mineralisation of significant thickness with 24m @ 0.54% nickel and 24m @ 0.43% nickel. In addition a number of drill holes that intersected mafic rock contained palladium mineralisation with grades up to 0.35g/t Pd.

Based on the success of the initial reconnaissance drilling further drilling was carried out in April 2009 that identified an extensive zone of mineralisation with nickel grades up to 2.14% within a zone of 20 metres at 1% nickel and 0.05% cobalt (Table 2). 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 sitting over a deeper MLTEM anomaly. Significant results are tabulated below:

**Table 2:** Significant shallow air core drilling results

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

A review of the drilling results suggested that the surface mineralisation may be the surface expression of a larger nickel rich ultramafic komatiite unit occurring at depth represented by a large moderate moving loop electromagnetic anomaly. Further drilling in September 2009 encountered significant widths of nickel rich komatiite with the best intercept of 4 metres at 0.73% nickel and 0.02% cobalt within 32 metres of 0.33% nickel. The same hole also contained an additional 188 metres at 0.21% nickel. Of the six holes drilled five encountered significant mineralised intervals with the best overall intersection of 148 metres at 0.24% nickel (Table 1).

The Company will commence a further 5000 metre drilling program in the December quarter.



White Cliff Nickel Ltd

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## **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 1,300 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.

**Laverton Gold Project:** This project consists of 1,200 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 (3MOz) 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.

**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.

<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>
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