



Quarterly Report - Activities

for the quarter ended 31 March 2010

Highlights

- **New corporate structure, new exploration focus**
 - **New Nickel and Gold Soil Anomalies Identified at Mt Remarkable**
 - **Drilling completed at Mt Remarkable**
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New Corporate Structure, new exploration focus

During the March quarter the Company reviewed and changed its corporate structure to provide both an acceleration of exploration of the Company's highly prospective gold and nickel projects in Western Australia and a stronger focus on new project acquisition. Both strategies are aimed at delivering greater shareholder value.

New Nickel and Gold Soil Anomalies Identified at Mt Remarkable

Mobile metal ion (MMI) geochemistry has identified several highly significant gold and nickel soil anomalies at the Mt Remarkable project. Two extensive nickel anomalies with peak nickel values up to 232 times background within a zone of values greater than 50 times background have been identified along a NNW trending outcropping ultramafic unit and adjacent sedimentary and felsic volcanic units. The ultramafic unit extends for over 20 kilometres within the Company's tenements

Sampling also identified multiple large and coherent gold anomalies with peak values of up to 328 times background (max. 34ppb). The gold anomalies occur along the sheared contacts felsic and ultramafic volcanic units in association with nickel anomalism and in quartz stock works within felsic volcanic and intrusive units

RAB and Air Core Drilling completed at Mt Remarkable

Air core and reverse air blast (RAB) drilling targeting several gold and nickel soil anomalies was completed at the Mt Remarkable gold and nickel project in late April. The drilling program consists of 1000 metres of air core drilling targeting gold anomalies identified around old workings and 2000 metres of RAB drilling targeting a major nickel copper soil anomaly on the western side of the project. Assay results should be available by mid May.

Todd Hibberd
Managing Director
29 April 2010

1 New Corporate Restructure – New exploration focus

Highlights

- **New corporate structure with increased focus on exploration and project acquisition**
- **Appointment of Todd Hibberd as Managing Director**
- **Appointment of Rodd Boland as Non-executive Director**
- **Restructured Board of Directors**

During the March quarter the Company reviewed and changed its corporate structure to provide both an acceleration of exploration of the Company's highly prospective gold and nickel projects in Western Australia and a stronger focus on new project acquisition. Both strategies are aimed at delivering greater shareholder value.

The Company's Technical Director Todd Hibberd has been appointed to the position of Managing Director to provide a strong exploration, mining and technical focus aimed at rapidly advancing the Company's extensive portfolio of high quality gold and nickel projects. Initially there will be a significant increase in exploration of the Company's Western Australian projects in particular the Mt Remarkable and the Laverton Gold projects.

Mr Hibberd has been an employee of the Company since August 2008 and Technical Director since December 2008. Mr Hibberd is a geologist with an extensive background in exploration and mining including 16 years in mineral exploration, resource estimation, mine development, production management and mine closure. Recent experience includes two years as Managing Director of ASX listed Stonehenge Metals Limited and ten years working for Newmont Mining Corporation in various senior exploration and production roles. Mr Hibberd holds degrees in Geology and Mineral Economics and is a Member of the Australasian Institute of Mining and Metallurgy.

The Company has also appointed Mr Rodd Boland to the position of non executive director responsible for investor relations. Mr Boland has over 20 years of corporate and financial industry experience in investment banking, executive management and the capital markets including advising to and raising equity for corporations in the form of venture capital, private equity, seed offering and initial public offerings. Recently, Mr. Boland has been engaged in a corporate advisor role with the Sydney based merchant bank Emerald Partners where he has assisted in the successful IPO's of Laconia Resources Ltd, Rubianna Resources Ltd and Raisama Ltd. Mr Boland holds a Bachelor of Commerce from the University of NSW, Sydney and an MBA from the University of Notre Dame, South Bend Indiana, USA.

In conjunction with the above appointments foundation director Mr Michael Langoulant has moved to the position of Executive Chairman. Mr Langoulant will play a key role in project acquisition and corporate transactions based on his extensive experience in the exploration sector.

2 Mt Remarkable Gold and Nickel project

Highlights

- **Soil sampling identifies nickel anomalies up to 232 times background**
- **Gold anomalies up to 328 times background also identified**
- **Nickel RAB drilling program completed – results awaited**
- **Gold Air Core drilling program completed – results awaited**

The Company is pleased to announce that recent mobile metal ion (MMI) geochemistry has identified several highly significant gold and nickel anomalies at the Mt Remarkable project (figure 1).

Nickel in Soil Anomalies

Mobile metal ion (MMI) soil geochemistry has identified two extensive nickel anomalies with peak nickel values up to 232 times background within a zone of values greater than 50 times background. The anomalies occur along a NNW trending outcropping ultramafic unit and adjacent sedimentary and felsic volcanic units. The ultramafic unit extends for over 20 kilometres within the Company's tenements.

Nickel anomalism occurs within outcropping NNW trending cumulate and spinifex textured ultramafic rocks interpreted to be komatiites. The northern anomaly is associated with nickel values of up to 232 times background that occur within an envelope of values greater than 50 times background. Anomalism is particularly strong along the lithological contacts of the adjacent sedimentary and felsic volcanic rocks.

The southern anomaly is immediately north of the current drilling program testing a MMI nickel-copper anomaly. Nickel values are up to 94 times background within an envelope of 10-20 times background nickel. The anomaly also extends into the adjacent sedimentary unit and is associated with elevated gold and copper values commonly encountered when sulphide mineralisation is present.

Gold in Soil Anomalies

MMI soil geochemistry has identified multiple large and coherent gold anomalies with peak values of up to 328 times background (max. 34ppb). The gold anomalies occur along the sheared contacts felsic and ultramafic volcanic units in association with nickel anomalism and in quartz stock works within felsic volcanic and intrusive units.

The gold anomalies also occur adjacent to and along strike from historical mines and include areas where no previous exploration drilling has taken place. The new anomalies extend to the north of the historical La Tosca Mining Centre in an area with no previous work and are high priority drilling targets. The sampling also identified large areas of gold anomalism associated with mafic/ultramafic unit on the western side of the lease also in an area not historically explored.

The Company is planning infill sampling and air core drilling to test these targets.

Drill Program Update

Air core and reverse air blast (RAB) drilling targeting several gold and nickel soil anomalies was completed at the Mt Remarkable gold and nickel project in late April. The drilling program consists of 1000 metres of air core drilling targeting gold anomalies identified around old workings and 2000 metres of RAB drilling targeting a major nickel copper soil anomaly on the western side of the project.

RAB Drilling encountered significant thicknesses of cumulate ultramafic rock and shear talc chlorite schist prospective for nickel sulphide mineralisation. To the west, air core drilling encountered multiple zones of quartz veining within felsic volcanics known to host gold mineralisation. Assay results should be available by mid May.

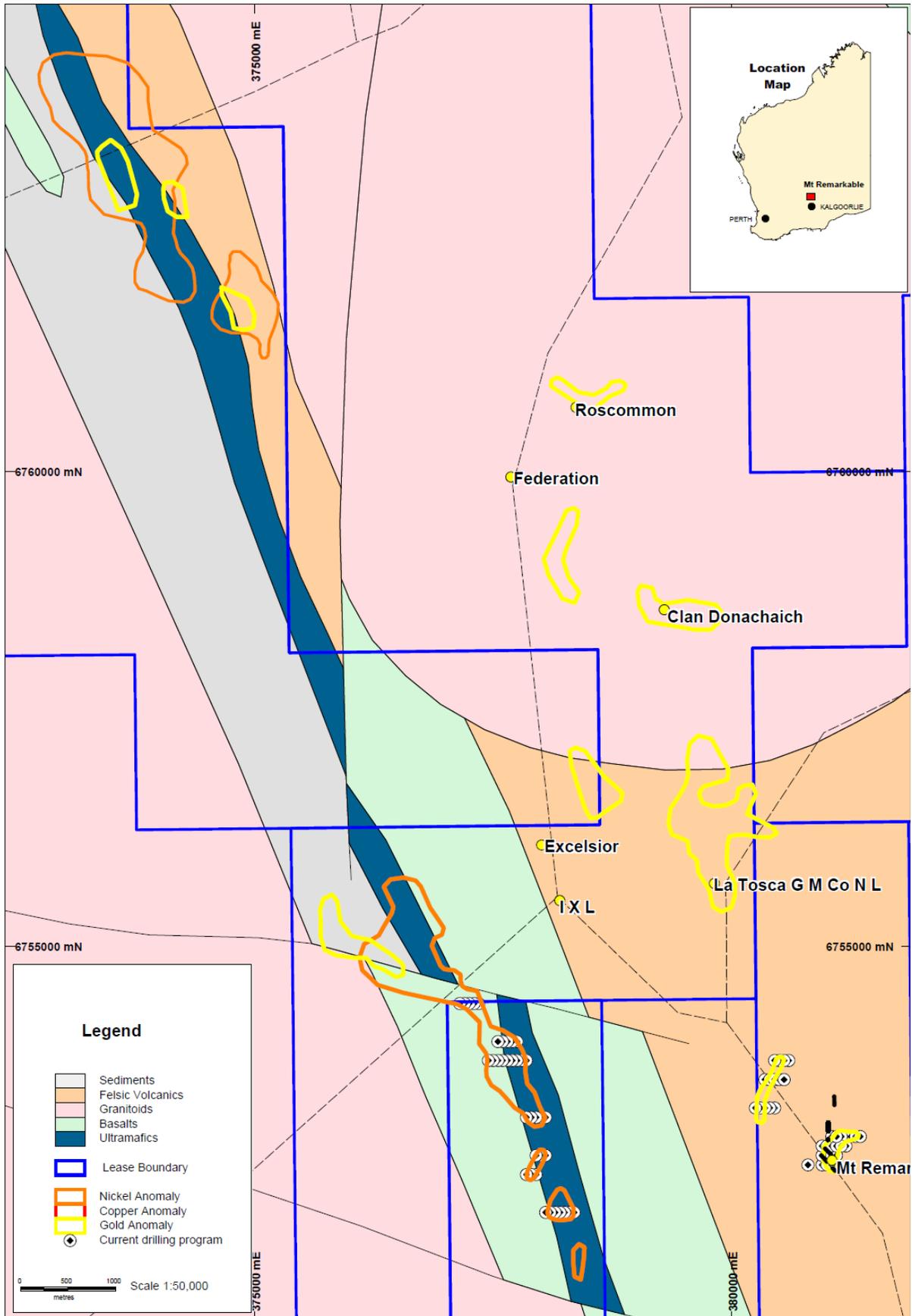


Figure 1: Tenement location map showing nickel and gold anomalism.

3 White Cliff Nickel Project

Following the extensive exploration in the December quarter work during the March quarter focussed on interpreting the December drilling results and developing a better understanding of the project area. Detailed consultation with the joint venture partners has resulted in the decision to focus on the White Cliff Ultramafic unit which extends for 20 kilometres along strike from the Gossan Area where previous drilling identified 20 metres at 1% nickel.

The Company is currently producing a three dimensional magnetic inversion model in conjunction with a detailed geological model which will identify the most prospective areas of the ultramafic unit. Once modelling is complete the Company will carry out a ground electromagnetic survey. Drilling targets will be selected based on any conductors identified in the survey and drilling will be carried out later this year.

Since the quarter end the joint venture partners has provided an additional \$600,000 to complete the modelling and have committed to provide a further \$700,000 prior to the Company starting the electromagnetic survey. This additional funding should cover all exploration planned at this project through to the year end.

Further information is available on the company's website.

4 Laverton Gold Project

During the March quarter the Company added several new tenement applications to the Laverton Gold project as it continues to build a significant new gold project. The Laverton Gold project now consists of 1200 sq km of highly prospective ground in and around the Laverton Tectonic Zone and the Merolia Greenstone Belt. Key criteria for tenement applications focussed on area's with greenstone belts containing major regional mineralised faults known to host gold deposits, banded iron, basalt and ultramafic lithologies and intrusive granitoids. New applications to date include Ophir Bore, Laverton Central and North Ironstone Point.

The Company has commenced an extensive geochemical soil sampling program over most of the project in particular, those area's adjacent to and along strike from existing mines including Granny Smith South (immediately south of the Granny Smith Mine), Ghan Well (immediately North of the Murrin Murrin East nickel deposit) and Napier Well (immediately North of the Alpha Gold Deposit).

5 Other Projects

During the quarter no exploration was undertaken on the Company's remaining exploration projects.

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 3 years.

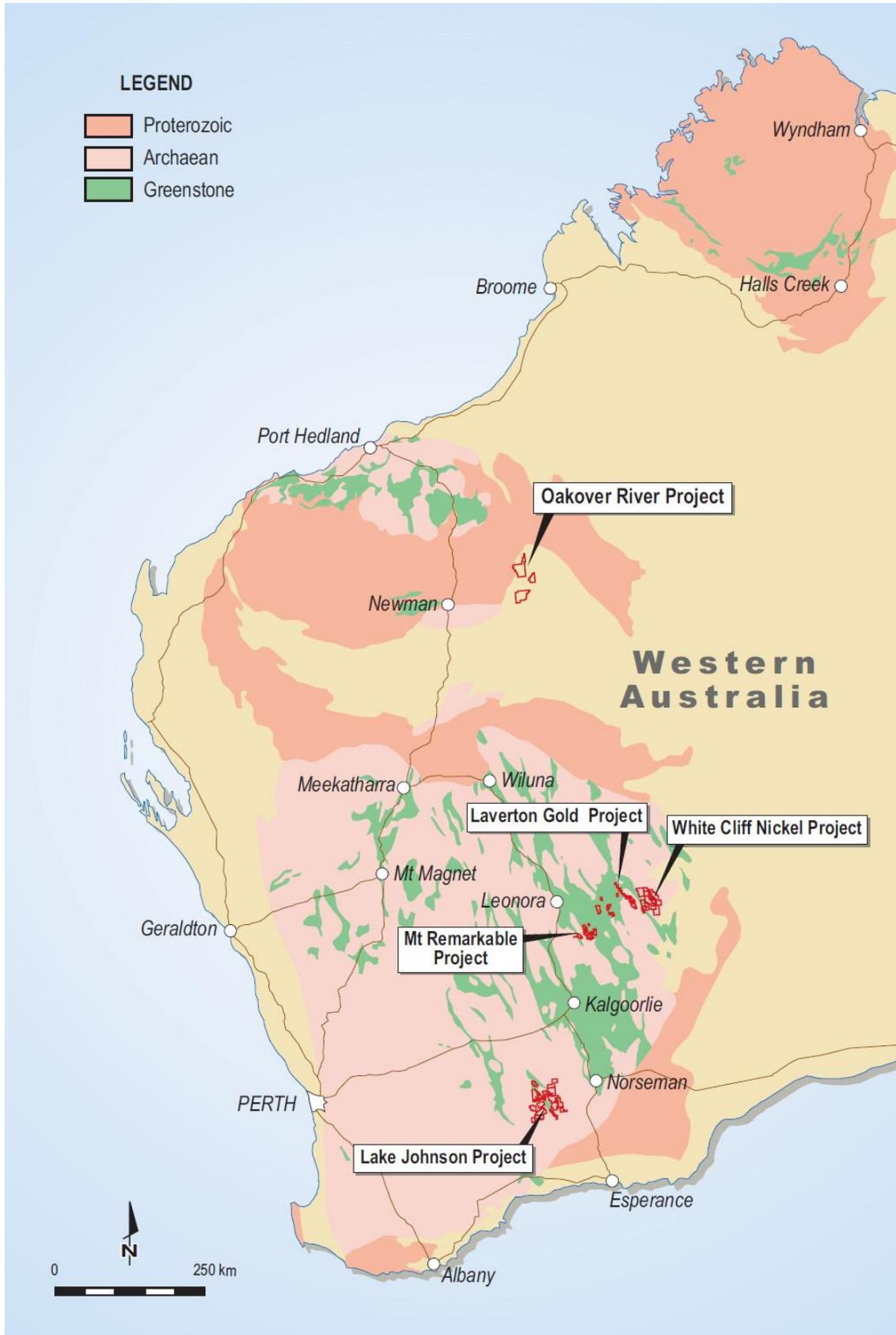
Lake Johnston Project: This project covers approximately 1,400 square kilometres of exploration tenement applications in the Lake Johnson Greenstone Belt. This Greenstone Belt contains Norilsk's Emily Ann and Maggie Hayes nickel sulphide mines which combined have a total resource of approximately 140,000 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. This project has been joint ventured with a Canadian company, District Gold who is earning a 50% interest via expenditure of \$1.5 Million Canadian dollars over 3 years.

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

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.

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

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 March 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 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	(575)	(129)
1.3 Dividends received	(43)	(371)
1.4 Interest and other items of a similar nature received	36	86
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other – GST		
Net Operating Cash Flows	(582)	(414)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	(43)	(142)
	(44)	(80)
		(1)
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		
Net investing cash flows	(87)	(223)
1.13 Total operating and investing cash flows (carried forward)	(669)	(637)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(669)	(637)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
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		
	Net financing cash flows		
	Net increase (decrease) in cash held	(669)	(637)
1.20	Cash at beginning of quarter/year to date	3,315	3,952
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,645	3,315

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	140
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

During the quarter the Company did not receive \$300,000 in joint venture funding which was received after the quarter end .

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

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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	300
4.2 Development	0
4.3 Production	0
4.4 Administration	100
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	5	41
5.2 Deposits at call	2,522	3,156
5.3 Bank overdraft		
5.4 Other – security bonds	118	118
Total: cash at end of quarter (item 1.22)	2,645	3,315

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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.

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	53,083,003	53,083,003	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (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>	7,500,000 32,375,002	- 32,375,002	<i>Exercise price</i> \$0.25 \$0.25	<i>Expiry date</i> 31/12/2010 30/6/2011
7.8 Issued during quarter	6,500,000	6,500,000	\$0.25	30/6/2011
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 March 2010
Company Secretary
Print name: Michael Langoulant

Notes

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- 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.

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