



16 February 2011

ASX Code: WCN

Completion of Tranche 1 of \$1.95 Million Placement

Highlights

- **Completion of Tranche 1 of \$1.95 Million Private Placement**

White Cliff Nickel ("White Cliff Nickel" or the "Company") is pleased to confirm that it has now completed Tranche 1 of a \$1.95 million capital raising.

Following the receipt of \$1.22 million Tranche 1 funds the Company has today issued 8,134,050 ordinary fully paid shares (Shares). An additional 4,865,950 Shares will be issued after receipt of shareholder approval of Tranche 2 of the placement which will be sought at a shareholder meeting on or before 30 March 2011.

The private placement capital raising was made to institutional, sophisticated and experienced investor clients of Bell Potter Securities Limited and Emerald Partners Pty Limited with Bell Potter acting as lead manager for the raising.

The Company intends to direct the additional funds towards an acceleration of the Company's drilling and exploration activities at its advanced Kyrgyz Republic Chanach copper-gold project, and Australian nickel projects during 2011.

White Cliff Nickel's Managing Director, Todd Hibberd commented "The capital raising puts us in a strong position to achieve our objectives of fast-tracking the drilling and definition of large-scale copper-gold project in the Kyrgyz Republic and to test three nickel sulphide exploration targets in Western Australia. The heavily subscribed placement is a vote of confidence in our approach and provides a springboard for the Company to take advantage of its position and grow its operational presence in the Kyrgyz Republic, one of the world's premier copper-gold belts.

With strong price growth for each of its targeted commodities, White Cliff is well placed for an exciting period ahead".

For further information please contact:

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About White Cliff Nickel Limited

White Cliff Nickel Limited is a Western Australian based exploration company with the following main projects:

Chanach Gold Copper Project: The project consists of 93 square kilometres and is located in the Kyrgyz Republic 350km west-southwest of the capital city of Bishkek. The Chanach project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from western Uzbekistan, through Tajikistan, Kyrgyz Republic and southern Kazakhstan to western China. Mineralisation occurs as porphyry and epithermal systems developed within magmatic arcs, and orogenic type gold deposits that are structurally controlled. Major deposits located within 100km of Chanach contain up to 93 million ounces of gold and 25 million tonnes of copper. Initial work indicates that the project may host porphyry and skarn style gold and copper mineralisation. Sampling during 2007-2010 has identified several areas containing gold values of up to 40 g/t and copper values of up to 5%.

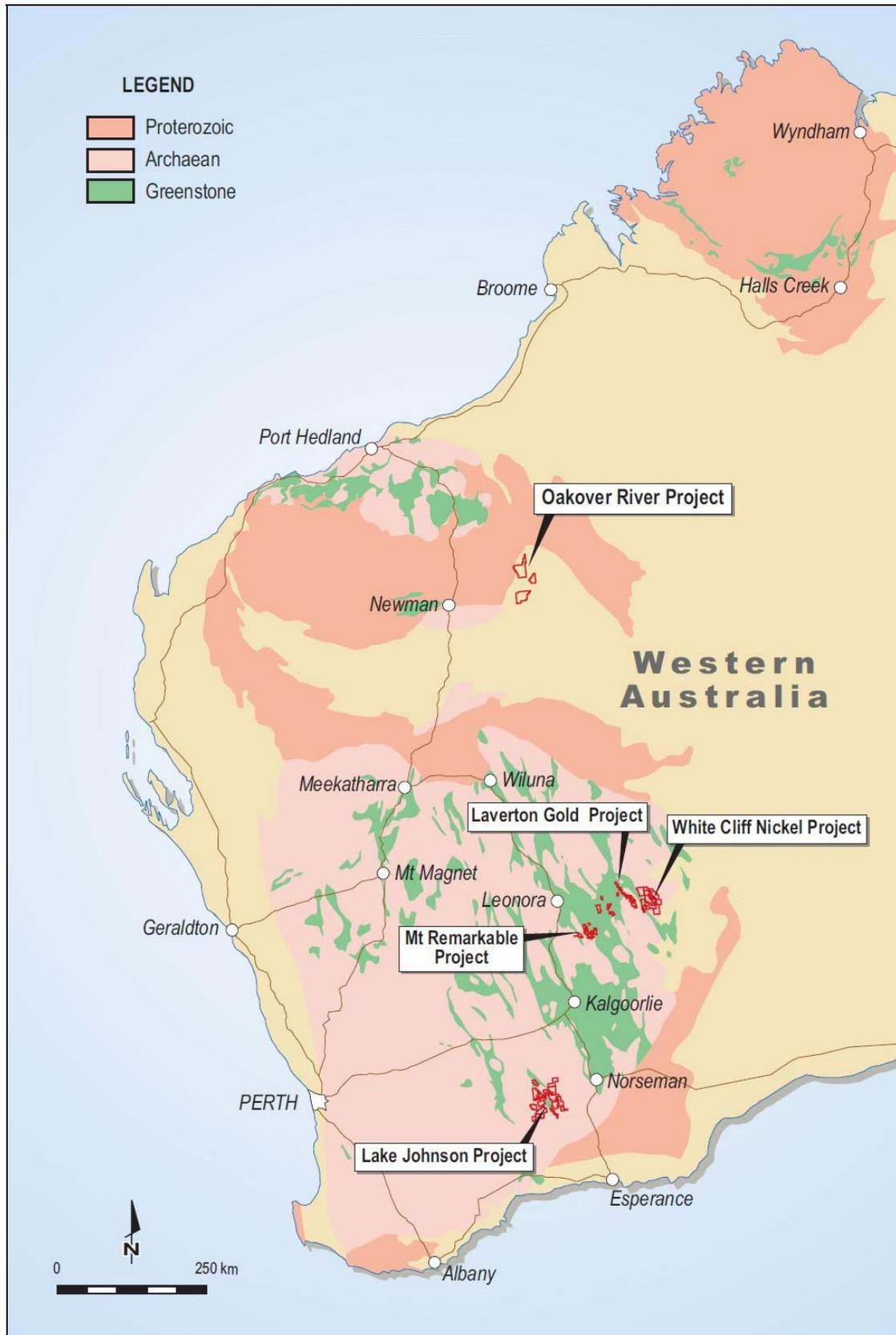
White Cliff Nickel Project: The project which covers over 1,200 square kilometres in the Merolia section of the Laverton Greenstone Belt situated 60 kilometres south-east of Laverton WA. The region contains the Irwin-Coglia and Mineral Patch Hill nickel deposits and Fish and Lord Byron Gold deposits. 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.

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

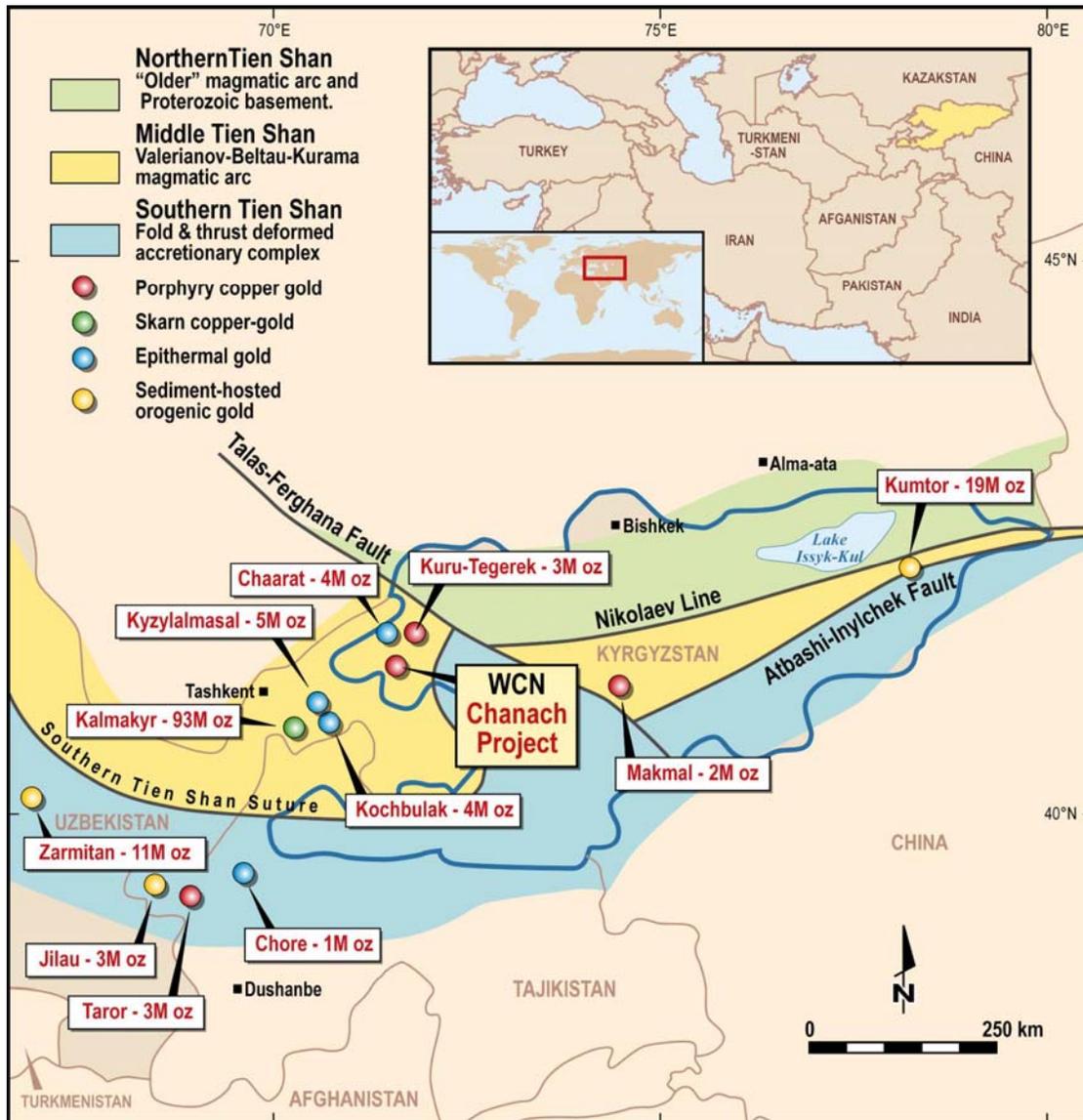
Lake Johnston Project: This project covers approximately 1,400 square kilometres of exploration tenement applications in the Lake Johnson Greenstone Belt. This Greenstone Belt contains Norilsk's Emily Ann and Maggie Hayes nickel sulphide mines which combined have a total resource of approximately 140,000 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: 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.

<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>



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



Project Map- Kyrgyzs Republic. Location of the Chanach Gold-Copper Project