



MIRABELA NICKEL LTD

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Manager Announcements
Company Announcements Office
Australian Securities Exchange
10th Floor, 20 Bond Street
SYDNEY NSW 2000

via electronic lodgement

MAIDEN UNDERGROUND RESOURCE FOR SANTA RITA

PERTH, AUSTRALIA. Mirabela Nickel Limited (TSX: MNB, ASX: MBN) is pleased to announce a maiden underground resource for Santa Rita as follows:

Santa Rita underground resource December 2008

JORC/Ni 43.101 status	Million Tonnes	Ni	Cu
Inferred Resource	55	0.82%	0.24%

Contained nickel – 450,000t

The underground resource lies immediately below the current open-pit resource between 500 and 1000m vertical depth.

About 95% of the underground resource is contained within one continuous zone of mineralization, with the remaining 5% of the resource located within two footwall horizons. The main mineralized zone has an average true width of about 90m, a strike length of 300m and a down plunge extent of 650m. The best intersection to date (158m at 0.99% Ni) is the deepest hole at the north end of the resource with mineralization open towards the north, south and at depth.

Mineralization in the main zone is continuous and consistently above 0.5% Ni with higher grade intersections up to 65m @ 1.22% Ni and 0.36% Cu. The drill hole spacing is currently between 100 and 120m.

Scoping studies on the underground mining project have been positive and the resource seems highly amenable to bulk underground mining techniques (between 3 and 5mtpa production rate). Such operations have mining costs as low as US\$20/t. Planning is now underway for a pre-feasibility study that is to be managed by Trevor Mulrone - a mining engineer with considerable underground mining experience. An expansion of the Santa Rita concentrator, to include underground production on this scale, is possible and would be expected to capture substantial economies of scale and infrastructure.

Preliminary analysis indicates that the underground resource has similar metallurgical characteristics to the open-pit reserve. About 82% of the underground resource is hosted by the preferred pyroxenitic

rocks that contain less non-sulphidic nickel than other host rocks in the resource. The combination of a higher head grade and pyroxenite content are expected to lift recoveries to about 78% for the underground resource, compared with the 70% average recovery for the open-pit reserve. Metallurgical test work is underway to confirm recoveries and processing characteristics for the underground resource.

The Company is targeting 60 to 80mt of minable underground resources to support underground production of about 3mtpa for over 20 years. This maiden underground resource is an excellent start to achieving this objective.

Further drilling is planned, but is awaiting completion of project financing early next year.



Nick Poll
Managing Director



Craig Burton
Corporate Director

Background

Mirabela Nickel Ltd owns 100% of the world class Santa Rita nickel sulphide project and is listed on the Australian and Toronto stock exchanges. With a JORC Indicated open-cut resource of 130mt grading 0.60% Ni for 780,000t of contained Ni, Santa Rita is the largest nickel sulphide discovery world-wide in the last 12 years.

Construction of a 6.4 mtpa nickel sulphide concentrator commenced in November 2007. Construction is now about 65% complete and the project remains on track to commence production mid 2009.

The plant will produce 18,500 tpa of nickel in a sulphide concentrate from one open-cut mine starting from mid 2009 increasing to 27,000 tpa by mid 2010. At this rate of production the project will have a mine life of at least 20 years.

Photos of the construction progress are available on the Company website at:

http://www.mirabela.com.au/projects_galleries.asp.

Contact details

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The information in this report that relates to Mineral Resources and Exploration Results is based on information compiled by Lauritz Barnes who is a Member of The Australian Institute of Geoscientists, and Brett Gossage, who is a Member of The Australasia Institute of Mining and Metallurgy. Lauritz Barnes is consultant to Mirabela Nickel Limited. Brett Gossage is the Senior Principal with Coffey Mining Pty Ltd, independent resource consultants engaged by Mirabela Nickel Limited.

Lauritz Barnes and Brett Gossage have sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve' and are each a Qualified Person in accordance with NI 43-101. Lauritz Barnes and Brett Gossage consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

All other technical information in this report has been reviewed by Nicholas Poll, who is a Member of The Australasia Institute of Mining and Metallurgy. Nicholas Poll is the Managing Director of the Company. Nicholas Poll consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Caution Regarding Inferred Resources: *Inferred resources are, by definition, of insufficient confidence to have economic considerations applied that would enable them to be categorised as mineral reserves, and there is no certainty that any preliminary assessment will be realised in respect of such resources. In the present case, the Inferred resources comprise 100% of the total underground resource estimate.*

Caution Regarding Forward Looking Statements: *The forward-looking statements made in this announcement are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements, including but not limited to those with respect to reserve targets or the development of a mine at Santa Rita and the Company's capital expenditures and estimated future production involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of nickel, the actual results of current exploration, the actual results of future mining, processing and development activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's filed documents.*