



2 Dec 2010

ASX Code: WCN

Chanach Exploration Update

Highlights

- Chanach drilling results delayed due to laboratory sample backlog
- Extensive zones of disseminated sulphide mineralisation identified in six holes

The preliminary Chanach gold copper project reverse circulation drill program results have been delayed due to large sample backlogs at the Kyrgyz Republic assay laboratory. The Company expects the first batch of results in December but cannot provide a more specific date. In addition the Company has selected specific samples for check analysis in Perth. These samples are expected to clear quarantine this week and will be processed forthwith.

As previously reported the drilling consisted of 7 holes of between 100 and 150 metres for a total of 953 metres. The drill holes were located over the copper rich alteration zones identified from channel sampling and were drilled perpendicular to direction of the mineralised zones (figure 1). Disseminated sulphide mineralisation consisting of pyrite and chalcopyrite was visually identified in 6 holes over down-hole intervals of up to 60 metres.



Figure 1 Summary of initial reverse circulation drill hole locations and drilling direction (indicated by yellow arrows).

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About White Cliff Nickel Limited

White Cliff Nickel Limited is a Western Australian based nickel explorer which listed on ASX on 14 December 2007 having raised \$6 million.

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.

Mount Remarkable Project: The project covers 266 square kilometres and is 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 gold 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. The project includes several areas adjacent to and along strike from existing nickel deposits at Aubliss, Yerilla and Boyce Creek. These deposits form Heron Resources Yerilla Nickel Project which contains 135 Mt @ 0.77% Nickel and 0.05% Cobalt.

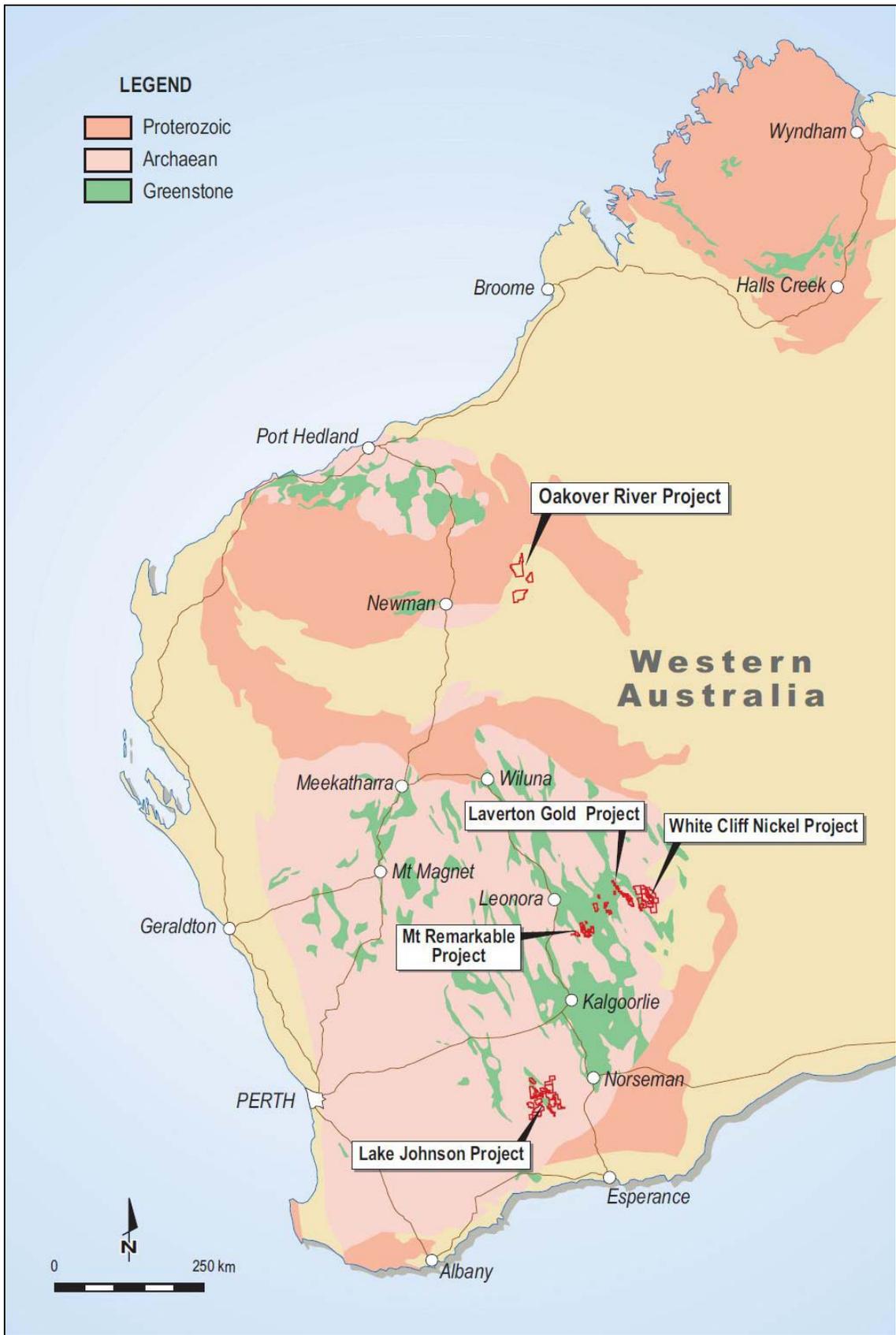
Chanach Gold Copper Project: The project consists of 93 square kilometres and is located in the Kyrgyz Republic 350km west-southwest of the capital city of Bishkek. The Chanach project is located in the western part of the Tien Shan Belt, a highly mineralised zone that extending for over 2500 km, from 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. Initial work indicates that the project may host porphyry and skarn style gold and copper mineralisation. Sampling during 2007-2009 has identified several areas containing gold values of up to 20 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. The project has been joint ventured with a Korean consortium, comprising Daewoo Intl and the 100% government owned Korea Resources Corporation. The Korean consortium can earn up to 50% of the project by the expenditure of up to \$5 million over the next 3 years.

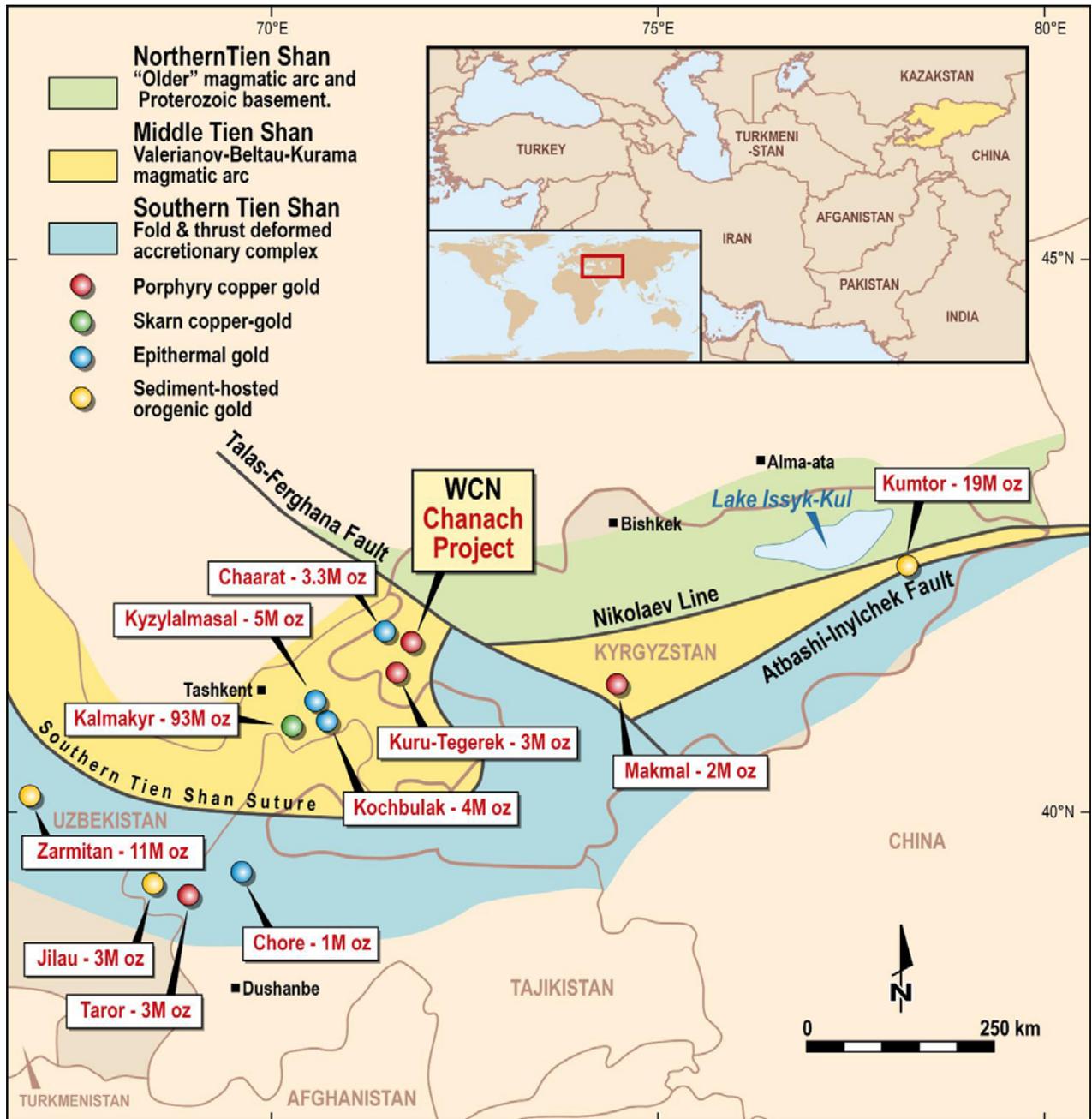
Lake Johnston Project: The project covers over 1400 square kilometres in the Lake Johnson Greenstone Belt, which contains the Emily Ann and Maggie Hayes nickel sulphide deposits. These mines have a total resource of approximately 140,000 tonnes of contained nickel. The project area was previously held by Norilsk and has excellent prospectivity for both komatiite associated nickel sulphides and amphibolite facies high-grade gold mineralisation.

Oakover River Iron-Manganese Project: The project covers 970 square kilometres and is located approximately 140 km east of the town of Newman, Western Australia. The Northern lease contains the same sedimentary sequences area that host Hancock Mining's Balfour Manganese Mine 30 kilometres West and is considered to have potential iron and manganese mineralisation.

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- 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