JORC 2012 Resource Compliance Completed by Western Areas

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Western Areas Ltd. (ASX:WSA) ("Western Areas" or the "Company"), through its 100% owned subsidiary Australian Nickel Investments Pty Ltd, is pleased to announce that it has completed the previously announced acquisition of the Cosmos Nickel Complex ("CNC") from Xstrata Nickel Australasia Operations Pty Ltd ("XNAO"), a subsidiary of Glencore plc

The completion of the transaction follows satisfaction of the conditions precedent. Accordingly, Western Areas has paid its first instalment of A$11.5m in cash, from the total consideration of A$24.5m. Future payments are due on 1 July 2016 (A$7.0m) and 1 April 2017 (A$6.0m).

The Company has also completed a review of the acquired nickel resources in accordance with JORC 2012, confirming a total of 567,297 nickel tonnes to the CNC Total Mineral Resources, which is a significant addition to the Company's resource portfolio.

Previously Announced Acquisition Highlights:

- World class nickel belt which has yielded one of the highest grade nickel mines ever discovered and operated;
- Substantial exploration opportunities in areas which remain largely untested - 24 month program ready to commence on day one;
- Third potential underground mine with the undeveloped Odysseus high grade deposit hosting a total Mineral Resource of 7.3 million tonnes @ 2.4% nickel containing 174,000 tonnes of nickel;
- Extensive and well maintained operating infrastructure including a 450ktpa concentrator, a new SAG mill and large accommodation village to support an early start-up; and
- Consistent with Western Areas' core strengths - exploration, development, underground mining and conventional flotation utilising a well proven low cost operating model.

Western Areas will now commence the formal process of registering the transfer of the associated mining and exploration tenements with the Department of Mines and Petroleum.

Western Areas Managing Director, Mr Dan Lougher, commented that the completion of the CNC acquisition is an exciting milestone for the Company.

"The completion of this acquisition meets one of our strategic objectives of acquiring a brownfields growth project, in addition to growth opportunities identified at Forrestania. We firmly believe that the Cosmos Nickel Complex provides the Company with significant upside from both an exploration front and a very attractive potential new mining operation."

"The Cosmos Nickel Complex area has significant infrastructure in place, was under explored by the previous owner and hosts one of the world's premier high grade nickel belts. The Odysseus deposit holds some high grade massive sulphide intersections of up to 12% nickel which we will be looking to expand upon in the future."

"We are working very closely with our geophysical partner, NewExco, on the surface geophysics program, whilst our in-house mining and project team looks to advance Odysseus as a potential new underground mine in a staged and disciplined manner using our low cost operating model."

"The operations team has already identified idle equipment, such as a new ventilation fan system and mine refuge chambers which can be transported to Forrestania and drive significant cost savings in excess of A$2m," said Mr Lougher.

Immediate Plans for CNC

Today, the Company's operations team has taken control of the CNC, located just outside Leinster. During the time up to completion, detailed planning for activities from day one were completed and are now being implemented. Some of these plans include, but are not limited to the following:

- Implementing safety and other site operational protocols in line with Western Areas standards;
- Engagement with local contractors to complete initial site improvements;
- Engagement with local heritage groups;

- Tenement wide surface geophysical program using the latest deep sensing technology for additional target generation for calendar year 2015;
- Integration, review and commencement of study work associated with the Odysseus Project; and
- Evaluating and driving equipment synergies.

Western Areas will also now commence the formal process of registering the transfer of the associated mining and exploration tenements with the Department of Mines and Petroleum.

JORC 2012 Resource Statement

Western Areas has completed a thorough review of the previously reported resources for CNC and can now report these resources under the Company's JORC 2012 Compliance procedures. The Company's review was not designed to optimise the resource, as this will be one of the workstreams carried out over the next 12 months.

Nickel Mineralisation is in the form of ultramafic-hosted disseminated and massive sulphides. The Mineral Resource is categorised according to drill hole spacing and geological confidence and has been reported in accordance with the JORC Code (2012). A 1.5% nickel cut off grade was applied to all deposits except for the large low-grade Mt Goode deposit where a 0.4% nickel cut off grade was applied. All resource estimates are based on 3D block models generated using Ordinary Kriging, after applying geostatistical analysis to domained data sets. Further details pertaining to the Mineral Resources can be found on the Western Areas website.

COMPETENT PERSON'S STATEMENT:

The information within this report as it relates to mineral resources is based on information compiled by Mr Andre Wulfse and Mr Charles Wilkinson of Western Areas Ltd. Mr Wulfse and Mr Wilkinson are members of AusIMM and are full time employees of the Company. Mr Wulfse and Mr Wilkinson have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Wulfse and Mr Wilkinson consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

FORWARD LOOKING STATEMENT:

This release contains certain forward-looking statements including nickel production targets. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs.

Examples of forward looking statements used in this report include: "Third potential underground mine with the undeveloped Odysseus high grade deposit " and "The Odysseus deposit holds some high grade massive sulphide intersections of up to 12% nickel which we will be looking to expand upon in the future."

These forward-looking statements are subject to a variety of risks and uncertainties beyond the Company's ability to control or predict which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

This announcement does not include reference to all available information on the Company or the Cosmos Nickel Complex and should not be used in isolation as a basis to invest in Western Areas. Any potential investors should refer to Western Area's other public releases and statutory reports and consult their professional advisers before considering investing in the Company.

For Purposes of Clause 3.4 (e) in Canadian instrument 43-101, the Company warrants that Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

Contact

Western Areas Ltd.
Dan Lougher
Managing Director
+61 8 9334 7777
dlougher@westernareas.com.au

Western Areas Ltd.
David Southam
Executive Director
+61 8 9334 7777
dsoutham@westernareas.com.au
www.westernareas.com.au

FTI Consulting
+61 8 9485 8888 / 0420 945 291
shane.murphy@fticonsulting.com