PERTH, AUSTRALIA--(Marketwired - Feb. 6, 2017) -

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Western Areas Ltd. (ASX:WSA) (Company) is very pleased to announce the return of nickel grade intercepts from its first ever phas Neptune prospect within the Cosmos Nickel Complex (Cosmos). The RC drilling, and subsequent diamond coring programme is pla electromagnetic anomalies in the Neptune area, identified from a geophysical survey completed in 2016.

Key highlights include:

- 65m interval of ultramafic-hosted, disseminated sulphides containing 0.82% nickel (from 68m), including 17m at 1.33% nickel
- A secondary interval within the same drill hole (WCD003) of 13m at 1.11% nickel (from 177m) including an elevated zone of 3
- Down-hole electromagnetic (DHEM) survey of WD003 underway in order to define further drilling targets;
- Confirmation that the cumulate ultramafic sequence hosting the Prospero/Tapinos deposit continues south into the Neptune pr
- Diamond core tails (on existing RC pre-collars) to commence this quarter, along with a new diamond core hole to twin the WC

Western Areas Managing Director, Dan Lougher, commented that the results for the first phase of drilling at Neptune are especially

"Although drilling is at an early stage, the intersection of nickel sulphides at shallow depth in the first phase of drilling at Neptune is a and clearly confirms our view of the prospectivity of the Cosmos district. The substantial exploration opportunities at Cosmos, includ Neptune, were a key part of our acquisition rationale."

"We await the outcome of further geophysical surveying, and the completion of the diamond core tails. We have the drill rigs and bu rate of drilling at this new target as required," said Mr Lougher.

"Neptune is an area that the prior owners of Cosmos were never able to drill test, and I would like to acknowledge the mutual coope developed between the Tjiwarl traditional owners and Western Areas that have allowed us to access the area," said Mr Lougher.

Assay results (Table 1) have been returned for all holes. Significantly WCD003 returned a number of mineralised intervals, tabulated @ 1.33% Ni from 100m and a lower interval of 13m @ 1.11%Ni from 177m, including 3m @ 2.76%Ni from 184m down-hole depth.

The intersection of nickel sulphides, as well as confirmation that the cumulate ultramafic sequence hosting the Prospero/Tapinos de prospect target area, is an extremely positive result. The nature of the drilling (predominantly RC pre-collars) and broad spacing of t completion of the diamond core tails and subsequent DHEM) is required to fully understand the context of the current mineralised in

The Neptune area lies to the south of the Prospero high grade nickel deposit and is interpreted to contain the highest volume of cum belt. A moving loop electromagnetic (MLEM) survey completed by the Company identified a number of high priority anomalies and t in historic drilling, are the focus for the exploration program. The initial drilling commenced in the northern area of the prospect follow northern areas of Lake Miranda. The Neptune drilling is the first work completed in this area in modern times and is a testament to t with the Tjiwarl traditional owners in order to collaboratively access this area.

COSMOS (Neptune) - Exploration Results - 1m split sampling

HOLEID	Intervals	Width (m)	Ni %	FROM (m)
WCD003		10	0.91	58
	And	65	0.82	68
	including	3	1.21	59
	including	17	1.33	100
	Including	1	1.22	121
	And	13	1.11	177
	Including	3	2.76	184
	And	1	0.82	220
	And	3	1.02	236

Table 1: Assay results of 1m composite samples for WCD003

Further Details

A total of eight RC holes and pre-collars for 2,003m were completed just prior to the end of the December 2016, tabulated below. Gi Miranda, Western Areas planned for water flows to impact the final depths of the RC holes, and accordingly only one hole (WCC002 contact. As such, the remaining holes have been pre-collared for diamond core tails that are planned to be completed this quarter.

HOLE ID	Easting	Northing	RL_Mine	EOH Depth (m) Actual/ Planned	Type	DIP	Azimuth	Comments
WCC001	261136	6939351	460	214/420	RC	-70	270	Pre-collar completed
WCD001	261212	6939002	460	256/550	RC/DD	-70	270	Pre-collar completed
WCC002	260800	6938532	460	22/240	RC	-55	240	Hole abandoned
WCC002A	260798	6938532	460	238/240	RC	-55	240	Hole intersected the footwall contact at 126m. No visible su
WCD002	260990	6938299	460	286/420	RC/DD	-70	270	Pre-collar completed
WCD003	261074	6938480	460	321/420	RC/DD	-70	270	Pre-collar completed
WCD004	261554	6938485	460	226/750	RC/DD	-60	270	Pre-collar completed
WCD005	261524	6938942	460	232/780	RC/DD	-65	270	Pre-collar completed
WCD006	261510	6939290	460	208/700	RC/DD	-55	270	Pre-collar completed

DISCLAIMER AND QA-QC STATEMENT:

The information within this report as it relates to exploration results is based on information compiled by Mr Charles Wilkinson. Mr Wilkinson is a member of AusIMM and is a consultant to the Company. Mr Wilkinson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Wilkinson consents to the inclusion in the report of the matters based on the information in the context in which it appears.

FORWARD LOOKING STATEMENT:

This release contains certain forward-looking statements. Examples of forward-looking statements used in this release include: "Down-hole electromagnetic survey of WD003 underway in order to define further drilling targets" and, "The Neptune area lies to the south of the Prospero high grade nickel deposit and is interpreted to contain the highest volume of cumulate ultramafics in the Cosmos nickel belt". 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.

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