

**WESTERN AREAS LTD**



# FULL YEAR RESULTS PRESENTATION

Financial Year Ended 30 June 2014

25 AUGUST 2014





# DISCLAIMER AND FORWARD LOOKING STATEMENTS

This presentation is being furnished to you solely for your information and for your use and may not be copied, reproduced or redistributed to any other person in any manner. You agree to keep the contents of this presentation and these materials confidential. The information contained in this presentation does not constitute or form any part of any offer or invitation to purchase any securities and neither the issue of the information nor anything contained herein shall form the basis of, or be relied upon in connection with, any contract or commitment on the part of any person to proceed with any transaction.

The distribution of this presentation in jurisdictions outside Australia may be restricted by law, and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.

The information contained in this presentation has been prepared by Western Areas Ltd. No representation or warranty, express or implied, is or will be made in or in relation to, and no responsibility or liability is or will be accepted by Western Areas Ltd, employees or representatives as to the accuracy or completeness of this information or any other written or oral information made available to any interested party or its advisers and any liability therefore is hereby expressly disclaimed. No party has any obligation to notify opinion changes or if it becomes aware of any inaccuracy in or omission from this presentation. All opinions and projections expressed in this presentation are given as of this date and are subject to change without notice.

This document contains forward-looking statements. These statements are based on assumptions and contingencies that are subject to change without notice, and certain risks and uncertainties that could cause the performance or achievements of Western Areas Ltd to differ materially from the information set forth herein. Western Areas Ltd undertakes no obligation to revise these forward-looking statements to reflect subsequent events or circumstances. Individuals should not place undue reliance on forward-looking statements and are advised to make their own independent analysis and determination with respect to the forecasted periods, which reflect Western Areas Ltd's view only as of the date hereof.

The information within this PowerPoint presentation was compiled by Western Areas management, but the information as it relates to mineral resources and reserves was prepared by Mr. Dan Lougher and Mr. Andre Wulfse. Mr. Lougher and Mr. Wulfse are full time employees of Western Areas Ltd. Mr. Lougher and Mr. Wulfse are members of Australian Institute of Mining and Metallurgy (AusIMM) and 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' (2012 JORC Code). Mr. Lougher and Mr. Wulfse consent to the inclusion in this presentation of the matters based on the information in the form and context in which it appears. The information contained in this presentation in relation to the Flying Fox Mine was prepared and first disclosed under the 2004 Edition of the JORC Code. It has not been updated since to comply with the 2012 JORC Code on the basis that the information has not materially changed since it was last reported.

For the 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.



# AGENDA

- Full Year Financials & FY15 Guidance
- Operations
- Offtake & Nickel Market
- Corporate
- Exploration & Growth Outlook

## Explore



## Mine



## Produce



## Sales



WESTERN AREAS LTD



## FULL YEAR FINANCIALS AND FY15 GUIDANCE







# KEY TAKEAWAYS – FULL YEAR

- **LTIFR** of 1.98 (now 1.00 at 31 July 2014) – one of the lowest in the mining industry
- 28,686t nickel in ore production averaging 4.8% nickel
- Nickel in concentrate production of 25,700t
- A\$2.50/lb cash cost in concentrate (guidance was A\$2.70/lb):
  - Remains best in class in Australia
  - Reduction over the previous year of A\$2.68/lb
- Capital, Mine Development and Exploration Expenditure incurred A\$50.5m:
  - A\$20.5m reduction over FY13 and A\$14.5m below guidance
- Pre-Financing Cashflow of A\$63.7m
  - Increase of A\$44.9m (240%) on FY13 due to second half nickel price and reduced capex
- Reported NPAT of A\$25.5m on Underlying NPAT of A\$32.6m):
  - 2<sup>nd</sup> half Underlying NPAT of A\$28.3m vs 1<sup>st</sup> half of A\$4.3m
  - Impact of the Indonesian laterite export ban and positive quotational price movements
  - FY14 Underlying NPAT exceed FY13 by A\$27.0m (or 483% improvement)
- Net cash position of A\$10.3m versus net debt of A\$154.5m in FY13
- Final fully franked dividend of 4c for a total of 5c in FY14 (FY13 total 2c)



# FINANCIAL SNAPSHOT

Full Year Highlights	FY 2013	FY 2014	
Mine Production (tonnes Ni)	27,639	28,686	FY13 included sales from high tonnage concentrate stockpiles
Mill Production (tonnes Ni)	26,918	25,700	
Recovery	92%	89%	
Sales Volume (tonnes Ni)	27,819	25,756	Unit costs reduced due to cost out program
Cash Costs (A\$/lb)	2.68	2.50	Significant reduction in AUD strength lifted realised A\$ nickel price
Exchange Rate USD/ AUD	1.03	0.91	
Nickel Price (U\$/tn)	16,112	16,458	
Sales Revenue ('000)	306,541	320,078	EBITDA lifted A\$32.3m with higher revenue and reduced absolute costs
EBITDA ('000)	125,867	158,215	
Underlying EBIT ('000)	40,599	72,435	
Underlying NPAT ('000)	5,590	32,599	Reported NPAT includes FinnAust costs and exploration impairments
Reported NPAT ('000)	(94,105)	25,460	
Net Cashflow ('000)	(84,783)	149,818	
Cash at Bank	80,719	230,537	Improved cashflow allowed increased dividend – 46% payout ratio
Dividend (cents)	2.0	5.0	



# FINANCIAL SNAPSHOT

Earnings Data (\$'000)	2H FY 2013	1H FY 2014	2H FY 2014	FY 2013	FY 2014
Exchange Rate USD/ AUD	1.03	0.92	0.91	1.03	0.91
Nickel Price (US\$/tn avg)	15,146	14,212	18,453	16,112	16,458
Revenue	147,578	143,374	176,704	306,541	320,078
<b>EBITDA</b>	<b>58,302</b>	<b>65,411</b>	<b>92,804</b>	<b>125,867</b>	<b>158,215</b>
<i>EBITDA Margin %</i>	<i>39.5%</i>	<i>45.6%</i>	<i>52.5%</i>	<i>41.1%</i>	<i>49.4%</i>
Depreciation & Amortisation	(41,082)	(44,688)	(41,092)	(85,268)	(85,780)
<b>Underlying EBIT</b>	<b>17,220</b>	<b>20,723</b>	<b>51,712</b>	<b>40,599</b>	<b>72,435</b>
Interest Expense	(13,065)	(13,431)	(13,161)	(26,736)	(26,592)
Tax	(4,845)	(3,025)	(10,219)	(8,273)	(13,244)
<b>Underlying NPAT</b>	<b>(689)</b>	<b>4,267</b>	<b>28,332</b>	<b>5,590</b>	<b>32,599</b>
FinnAust expenditure	-	(1,596)	(3,362)	-	(4,958)
Tax effected Impairment	(95,533)	-	(2,181)	(99,695)	(2,181)
<b>Reported NPAT</b>	<b>(96,222)</b>	<b>2,671</b>	<b>22,789</b>	<b>(94,105)</b>	<b>25,460</b>
Dividend (cents)	0.0	1.0	4	2.0	5.0

Exploration Impairments	136,475	-	3,116	142,421	3,116
Tax on impairments	(40,943)	-	(935)	(42,726)	(935)
Tax effected	95,533	-	2,181	99,695	2,181

## Commentary (FY13 v FY14)

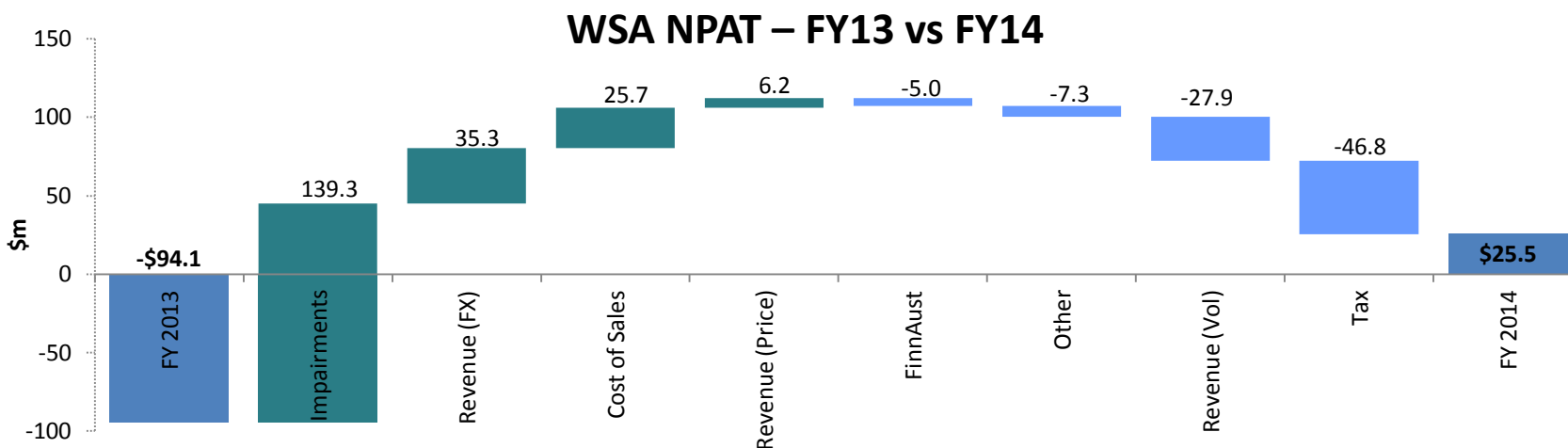
- Nickel price up A\$1.11/lb versus FY13 on weaker AUD and stronger US nickel price
- EBITDA margin improved 20% with impact of cost-out program
- Underlying NPAT improved 483%
- Interest expenses to reduce in FY15 due to repayment of convertible bond debt in July 2014 of A\$95.2m

## Commentary (2H13 v 2H14)

- Ni price up A\$2.52/lb versus 2H13 with the impact of the Indonesian laterite ban
- EBITDA margin improved over 30% to 52.5% with cost reduction and nickel price leverage
- Depreciation and Amortisation remains consistent



# INCOME STATEMENT WATERFALL







# CASHFLOW STATEMENT

Cashflow Statement (\$'000)	2H FY 2013	1H FY 2014	2H FY 2014	FY 2013	FY 2014
Operating Cashflow	64,039	49,201	67,829	112,115	117,030
Less:					-
Exploration	(7,385)	(9,976)	(7,059)	(20,180)	(17,035)
FinnAust Investment	(2,033)	(2,370)	-	(4,330)	(2,370)
Mine Development	(20,052)	(15,629)	(13,809)	(35,527)	(29,438)
Capital Expenditure	(4,719)	(1,974)	(2,559)	(19,052)	(4,533)
Outokumpu Royalty Payout	-	-	-	(14,317)	-
<b>Pre-Financing Cashflow</b>	<b>29,850</b>	<b>19,252</b>	<b>44,402</b>	<b>18,709</b>	<b>63,654</b>
Investment activities	(285)	-	(406)	(285)	(406)
Proceeds from Share Issues	15,009	-	106,342	65,009	106,342
Proceeds/(Costs) from Financing	(764)	(71)	(2,378)	(2,995)	(2,449)
Dividends Paid	(3,937)	-	(2,323)	(14,721)	(2,323)
Repayment of ANZ facility	(45,000)	-	-	(45,000)	-
Repayment of convertible bond	-	-	(15,000)	(105,500)	(15,000)
<b>Net Cashflow</b>	<b>(5,127)</b>	<b>19,181</b>	<b>130,637</b>	<b>(84,783)</b>	<b>149,818</b>
<b>Cash at Bank</b>	<b>80,719</b>	<b>99,900</b>	<b>230,537</b>	<b>80,719</b>	<b>230,537</b>

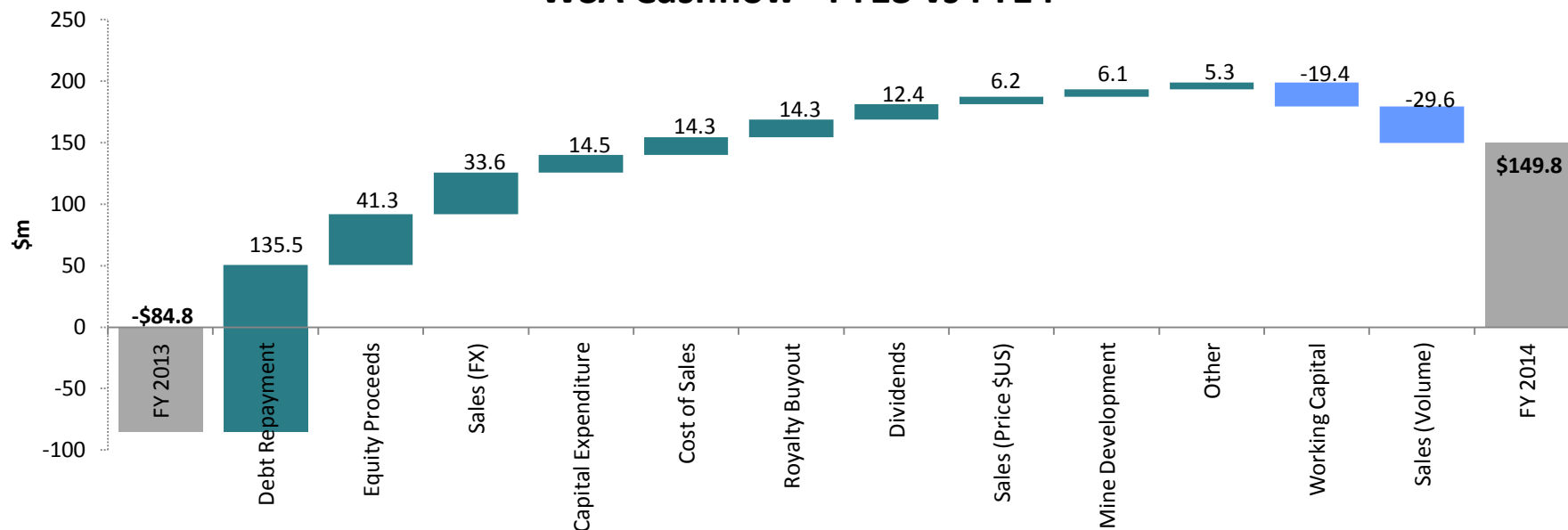
## Commentary (FY13 v FY14)

- Operating cashflow in FY14 impacted by working capital timing differences with the combination of higher receivables of (A\$12.7m) and lower creditors
- Pre-financing cashflow increase driven by lower capex, mine development, operating costs and royalty payout completed in FY13
- FY14 exploration includes consolidation of FinnAust spend of A\$2.9m
- Lower capex and mine development reflects reaction to lower nickel price in first half FY14 and major infrastructure projects completed in FY13 – paste fill plant and haul road
- Equity raise completed February 2014
- Free cashflow \$234.6m higher than FY13 with equity raise and a higher nickel price. FY13 included A\$150.5m of debt repayment vs A\$15m in FY14



# CASHFLOW STATEMENT WATERFALL

## WSA Cashflow - FY13 vs FY14





# BALANCE SHEET

Balance Sheet	FY 2013	FY 2014
Cash at Bank	80,719	230,537
Receivables	18,610	31,261
Stockpiles & Inventory	30,318	39,207
PP&E	112,110	102,290
Exploration & Evaluation	32,182	47,008
Mine Development	241,776	206,434
Other	2,308	1,798
<b>TOTAL ASSETS</b>	<b>518,023</b>	<b>658,535</b>
Trade & Other Payables	36,911	31,318
Short Term Borrowings	4,266	107,886
Long Term Borrowings	233,842	141,575
<b>TOTAL LIABILITIES</b>	<b>275,019</b>	<b>280,779</b>
<b>SHAREHOLDERS EQUITY</b>	<b>243,004</b>	<b>377,756</b>

## Commentary

- Net Cash of A\$10.3m in FY14 versus net debt of A\$154.5m in FY13, when allowing for the full face value of convertible bonds (CB) (A\$220.5m)
- Capital Management strategy has worked:
  - A\$105.5m CB repaid July 2012
  - A\$15.0m and A\$95.2m CB repaid in CY14
  - A\$125.0m CB to be repaid in July 15 from cash
  - A\$125.0m finance facility from ANZ fully undrawn
  - CB interest and cost savings around A\$12m in FY15 and combined A\$24m from July 15
- Receivables higher in FY14 due to timing of sales
- Flexible balance sheet able to fund growth



# FY15 GUIDANCE

Target	Metric
Mine Production (Nickel in Ore)	25,000 to 27,000 tonnes
Nickel in Concentrate Production	24,500 to 25,500 tonnes
Unit Cash Cost of Production (Nickel in Concentrate)	A\$2.70/lb to A\$2.80/lb
Sustaining Capital Expenditure & Mine Development	A\$50m to A\$60m
Exploration	A\$20m

## Comments

- ✓ Based on robust mine and processing plan
- ✓ Production units almost identical to FY14
- ✓ Unit costs remain well managed and below US\$3/lb for nickel in concentrate
- ✓ Mine Development expenditure includes creating access into Spotted Quoll North orebody
- ✓ Spotted Quoll to produce 12kt to 14kt of nickel in ore
- ✓ Flying Fox to produce between 13kt to 14kt of nickel in ore
- ✓ Mill throughput at around 600kt of ore with an average recovery of 89%

WESTERN AREAS LTD



## OPERATIONS





# WESTERN AREAS ARE SAFE AREAS

## Continuous Safety Improvement

- LTIFR 1.00
- Flying Fox >350 days LTI free
- Spotted Quoll >1,170 days LTI free
- Exploration >2,060 days LTI free
- Cosmic Boy Concentrator >370 days LTI free
- Contractors and employees fully integrated into a site wide commitment



## Environment & Social

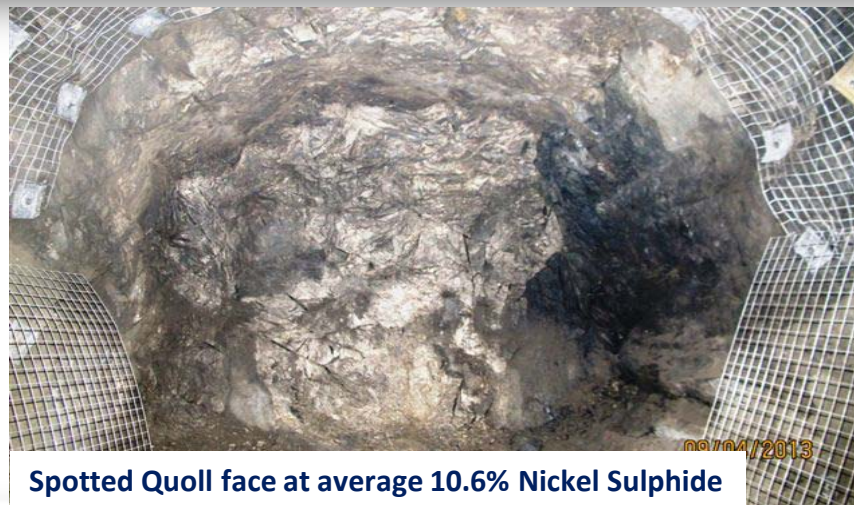
- No environmental breaches
- Strong local commitments from the Hyden Respite Centre, Perth Zoo (Northern Quoll) and Starlight Children's Foundation WA







# OPERATING HIGH GRADE MINES





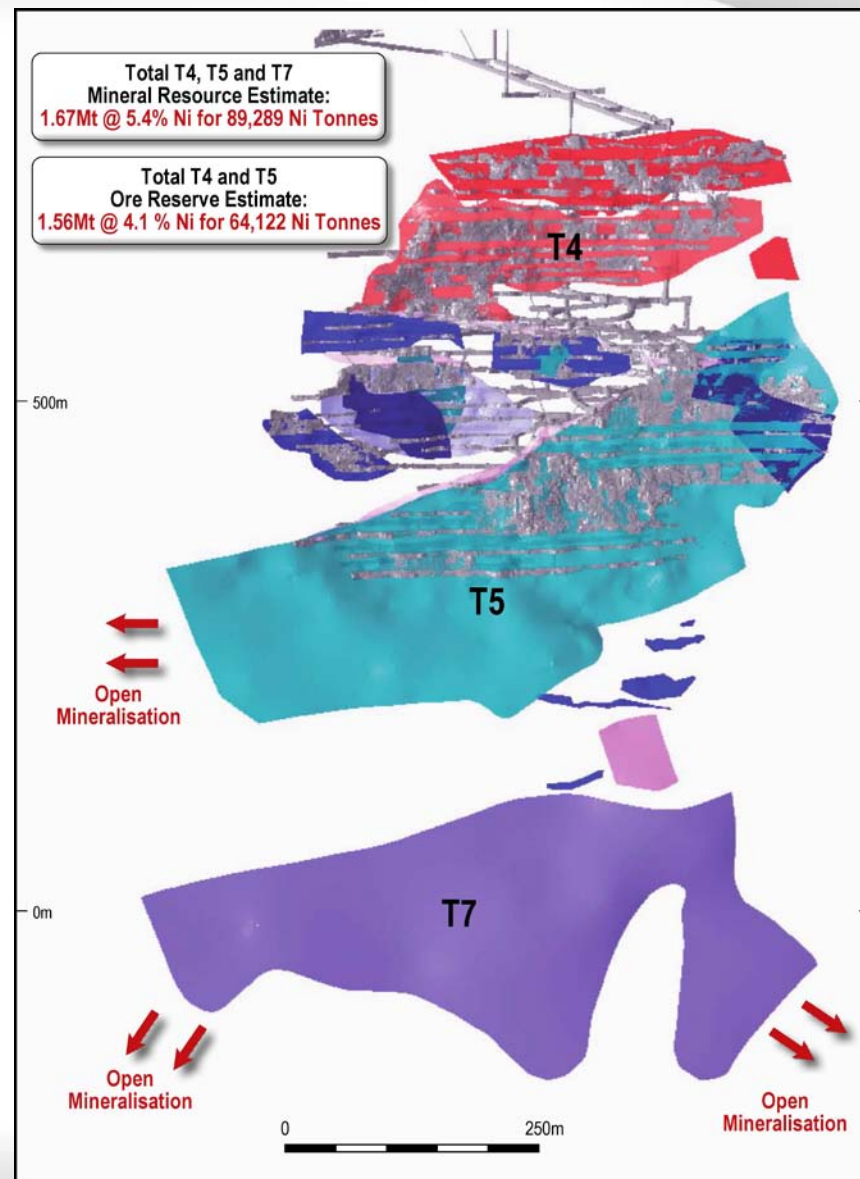
# FLYING FOX MINE

## Mineral Resource and Ore Reserve

- Reserve upgrade announced today:
  - Added 7,572t nickel grading 6.5%
- High Grade (excluding disseminated sulphide resource) **Mineral Resource: 1.67Mt @ 5.4%** Ni containing 89,289 Ni Tonnes
- **Ore Reserve: 1.56Mt @ 4.1%** Ni containing 64,122 Ni Tonnes
- Underground drilling program to extend Mineral Resource remains a focus

## Production

- FY14 – 317,031t @ 4.6% Ni for 14,713t nickel
- Low cash cost operation





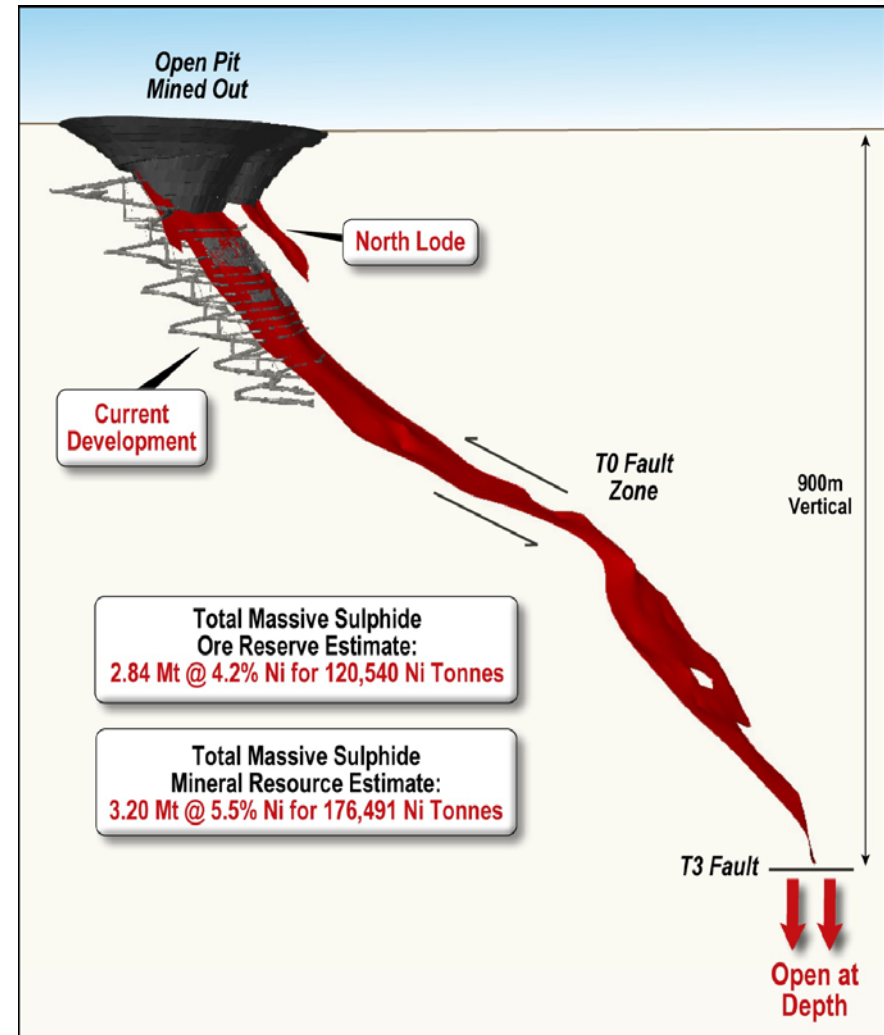
# SPOTTED QUOLL MINE

## Mineral Resource and Ore Reserve

- **Mineral Resource: 3.20mt @ 5.5% Ni** containing 176,491 Ni tonnes
- **Ore Reserve: 2.84mt @ 4.2% Ni** containing 120,540 Ni tonnes
- Remains open at depth and to the North
- Already around a 10 year mine life on Reserve
- New Spotted Quoll North Indicated and Inferred Resource of 140kt @ 9.3% for 12,906t nickel

## Production

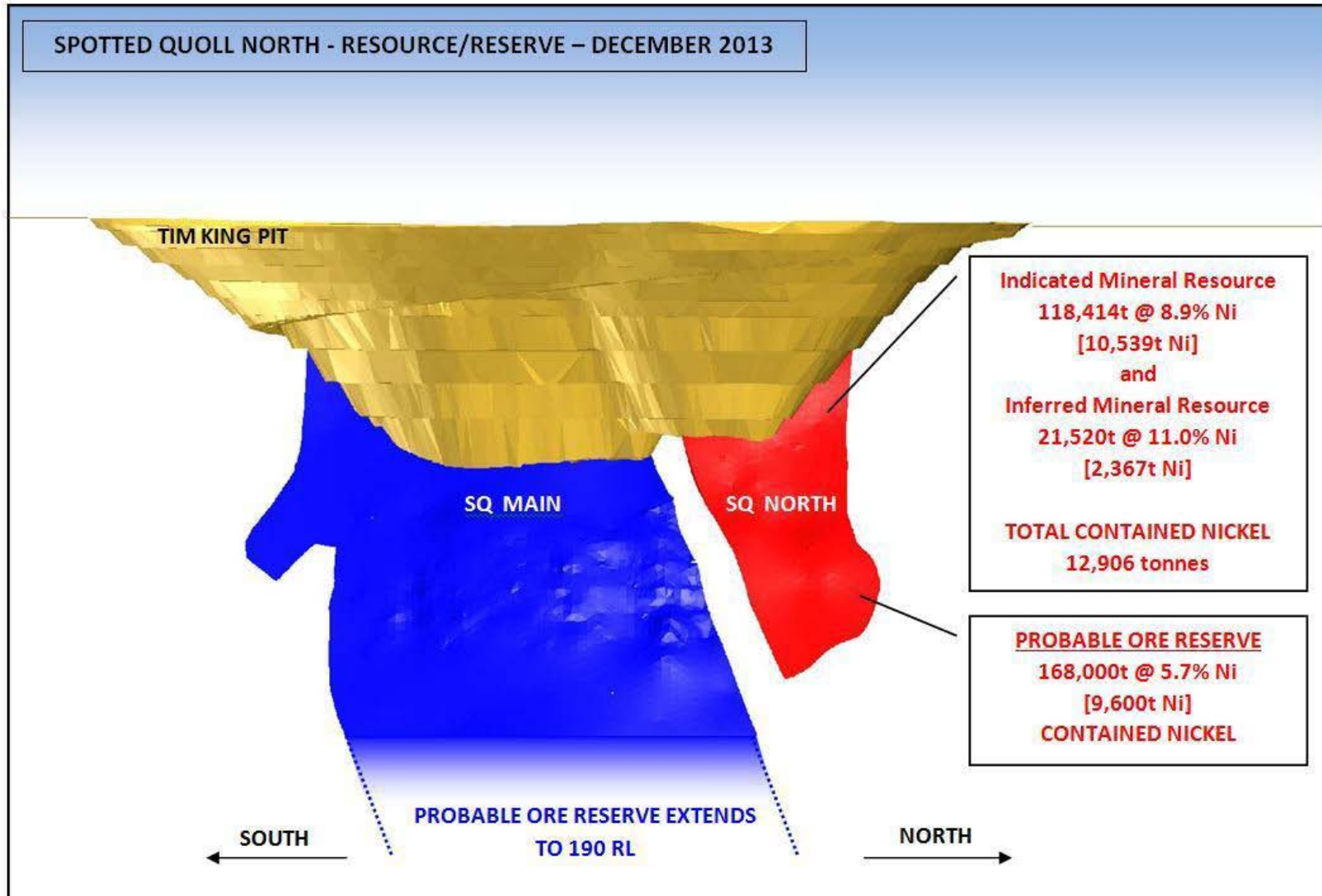
- **Record in FY14** – 281,928t @ 5.0% Ni for 13,972t nickel
- Successfully ramped up nickel production to a sustainable 12ktpa run rate in FY14
- Top-down mining using paste fill







# SPOTTED QUOLL NORTH





# FORRESTANIA NICKEL CONCENTRATOR

## Concentrator Summary

- Current nameplate capacity of 550,000tpa of ore but is achieving throughput 9% above capacity
- Nickel concentrate output circa 25,000tpa Ni
- Concentrate grades of around 14.0% Ni
  - Premium blending product (Fe/Mg ratio >15:1)
  - Desirable to smelters
- 14,000t of concentrate storage capacity

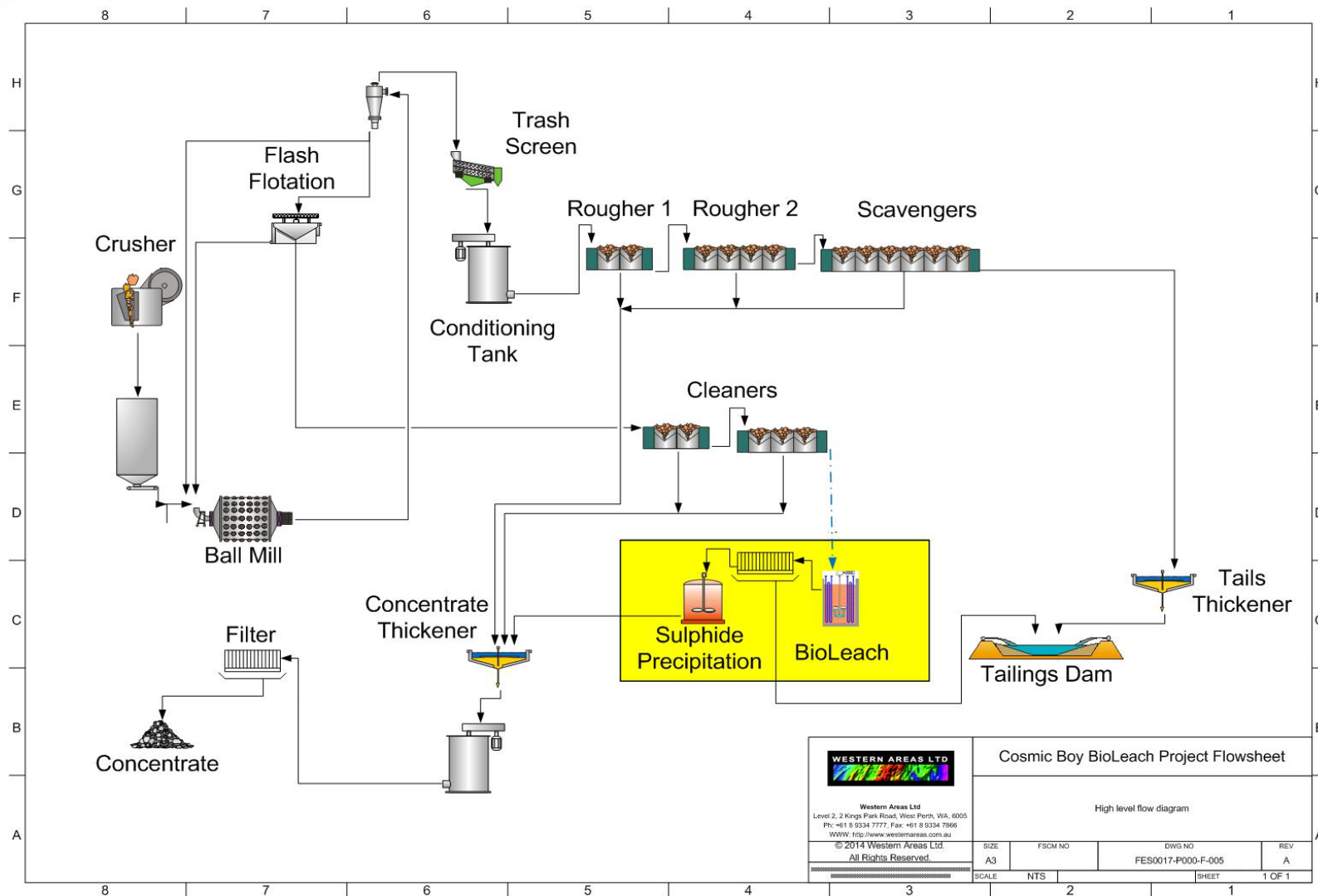
## Export Infrastructure and Logistics

- Access to >1400 sealed shipping containers
- No environmental issues
- Using 25 trucks for concentrate transportation
- Shipping contract in place, FOB Esperance Port





# MILL RECOVERY ENHANCEMENT PROJECT







# MILL RECOVERY ENHANCEMENT PROJECT

- Currently progressing through feasibility study
- Increase average nickel recoveries from 89% up to 93%
- Approximately 6 month construction time
- Early indicative capex of <A\$20m
- Quick payback and potentially operational at the end of FY15
- The treatment of the Flash Cleaner Stream utilises the BioHeap® cultures on a continuous basis produced from a Bacterial farm
- Very short residence time of 5-7 days
- Operation at elevated pH eliminates the need for iron and arsenic precipitation circuits. Hence reduced CAPEX
- Sulphide precipitation circuit produces a high grade nickel sulphide product (~50% nickel)



WESTERN AREAS LTD



## OFFTAKE CONTRACTS AND NICKEL MARKET





# INDEPENDENT PRODUCER – OFFTAKE CONTRACTS

## Offtake Contracts

- FOB Terms
- Very competitive payable percentage of LME

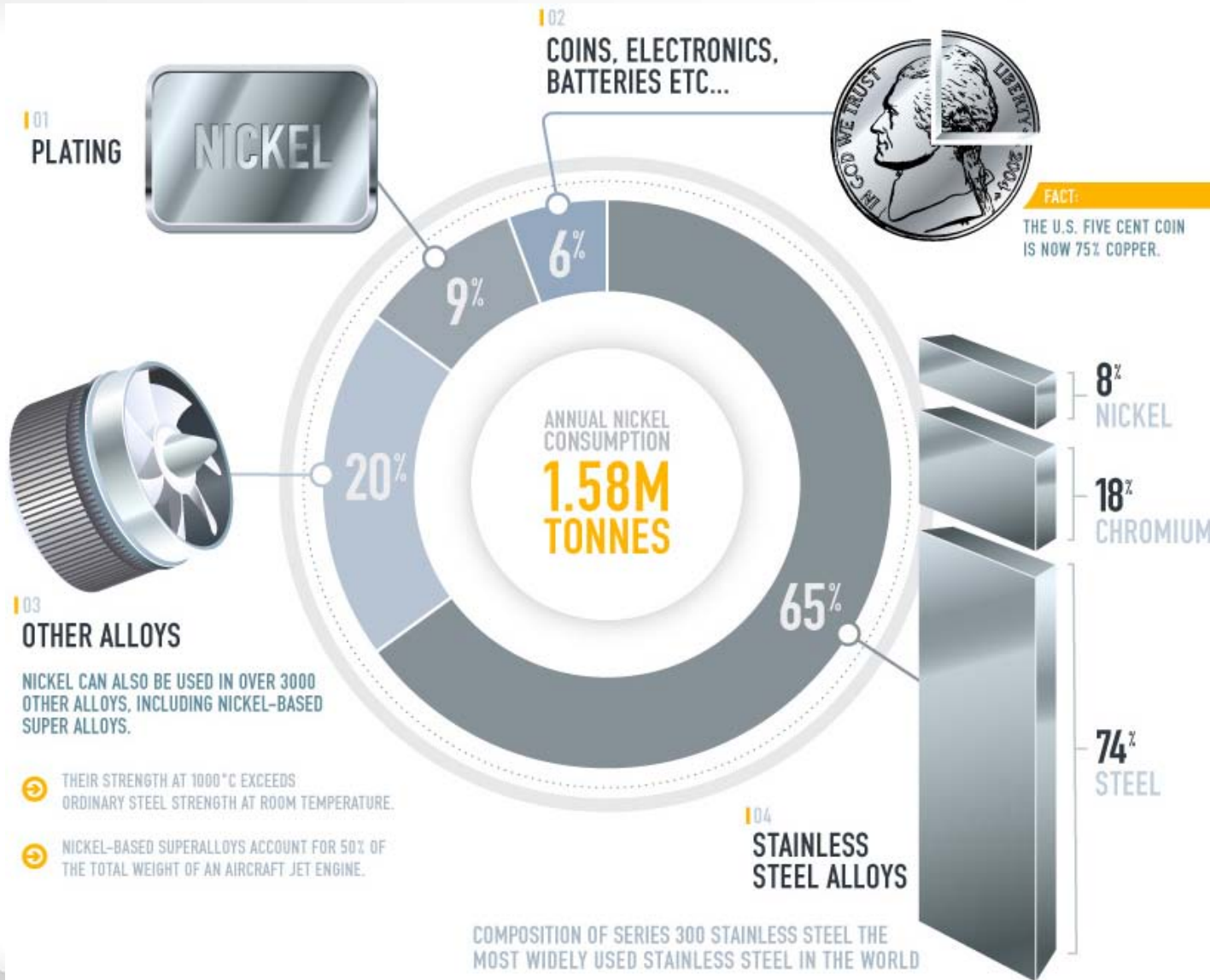
## Offtake Tender Announced

- Expressions of Interest already received
- Aiming to complete in the December quarter
- 1 to 2 year contract anticipated
- Tightness in smelter supply being experienced now
- New market entrants including traders, stainless steel producers and Nickel Pig Iron (NPI)
- Global nickel sulphide grades in decline
- Laterites and NPI do not fill the void – Indonesian Ban has severely impact NPI production





# NICKEL INDUSTRY



Whilst best known for its use in coins, nickel has far more strategic uses

It can be alloyed with other metals to create truly extraordinary materials



# NICKEL PRICE DRIVERS

**There are a number of factors that influence the nickel price including:**

1. Level of global nickel supply
2. Cost and capacity of Chinese nickel pig iron (“NPI”) production
3. Indonesian nickel laterite export ban
4. Global stainless steel demand
5. Shorter term political factors



**What we believe is occurring:**

1. Many commentators believe nickel supply now in equilibrium or a small deficit heading into FY15 – a supply response began in CY13:
  - Glencore – all Australian sulphide production ceased, Falconero operation closed
  - Norilsk – all Australian operations ceased, ex-Russia projects up for sale
  - Votorantim – nickel smelter being closed down in South America
  - Talvivaara – well publicised production and funding issues
  - Large HPAL projects still facing technical and high cost issues





# NICKEL PRICE DRIVERS (cont'd...)

## 2. NPI production CY13 450kt to 500kt:

- RKEAF relies on Indonesian laterite
- Laterite must be >1.8% Ni and <25% Fe
- Philippine ore out of spec
- Total Chinese market for nickel between 800kt to 900kt pa

## 3. Indonesian ban implemented and exports have ceased:

- China stockpiles running low\*
- New Indonesian government confirmed commitment to the ban
- Impact on Indonesian GDP is minor
- Potential exists to raise laterite export taxes
- Believe there is now a cap on NPI production at worse

## 4. Stainless steel demand remains strong in China

## 5. European stainless steel demand is improving



\* Based on global bank and industry publications and multiple research sources, plus estimates based on discussions with Chinese counterparties



WESTERN AREAS LTD



CORPORATE





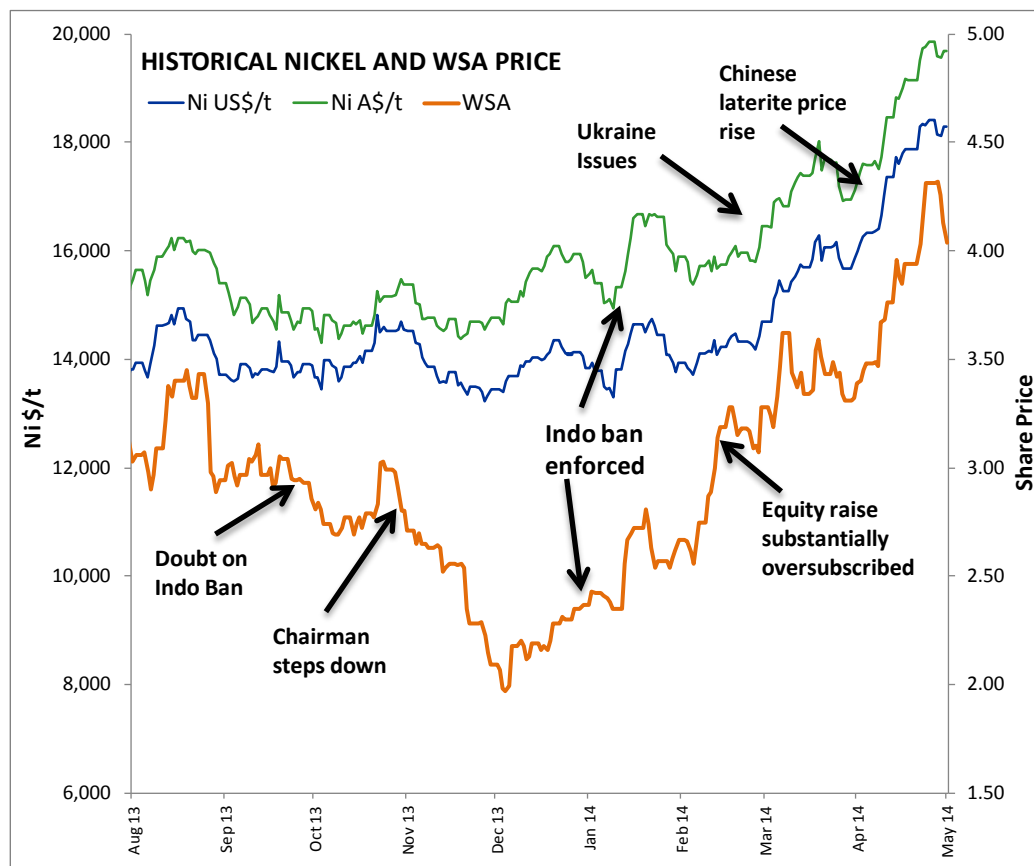
# STRONG BALANCE SHEET

- Highly nickel price sensitive – circa A\$35m per A\$1/lb increase
- Company is now Net Cash of A\$10.3m – first time in 10 years
- Debt Reduction Plan is being executed:
  1. **Retired A\$105.5m on 2 July 2012** from cash
  2. **Retired A\$110.2m during CY14** from cash (ongoing Net Profit Before Tax saving of around A\$12m)
  3. **Plan to Retire A\$125.0m on 2 July 2015** from cash reserves (a further A\$12m saving)
- Balance Sheet is positioned for growth and quick payback capital projects
- Positive outlook for dividends with the current nickel price





# NICKEL PRICE AND WSA SHARE PRICE



WSA remains very sensitive to nickel price and AUD/USD fluctuations:

- WSA currently sells approx 55mlb of nickel in concentrate per annum
- Nickel price in AUD terms increased from approx A\$7/lb in Aug 2013 to A\$9/lb in July 2014
- Analyst consensus is WSA receives circa 70% payable price to LME
- Using the above assumptions it will increase free cashflow and EBIT by approx A\$70m on an annualised basis
- Nov 2013 to beginning of Jan 2014 was impacted by sentiment, rather than facts

WESTERN AREAS LTD



## EXPLORATION AND GROWTH OUTLOOK

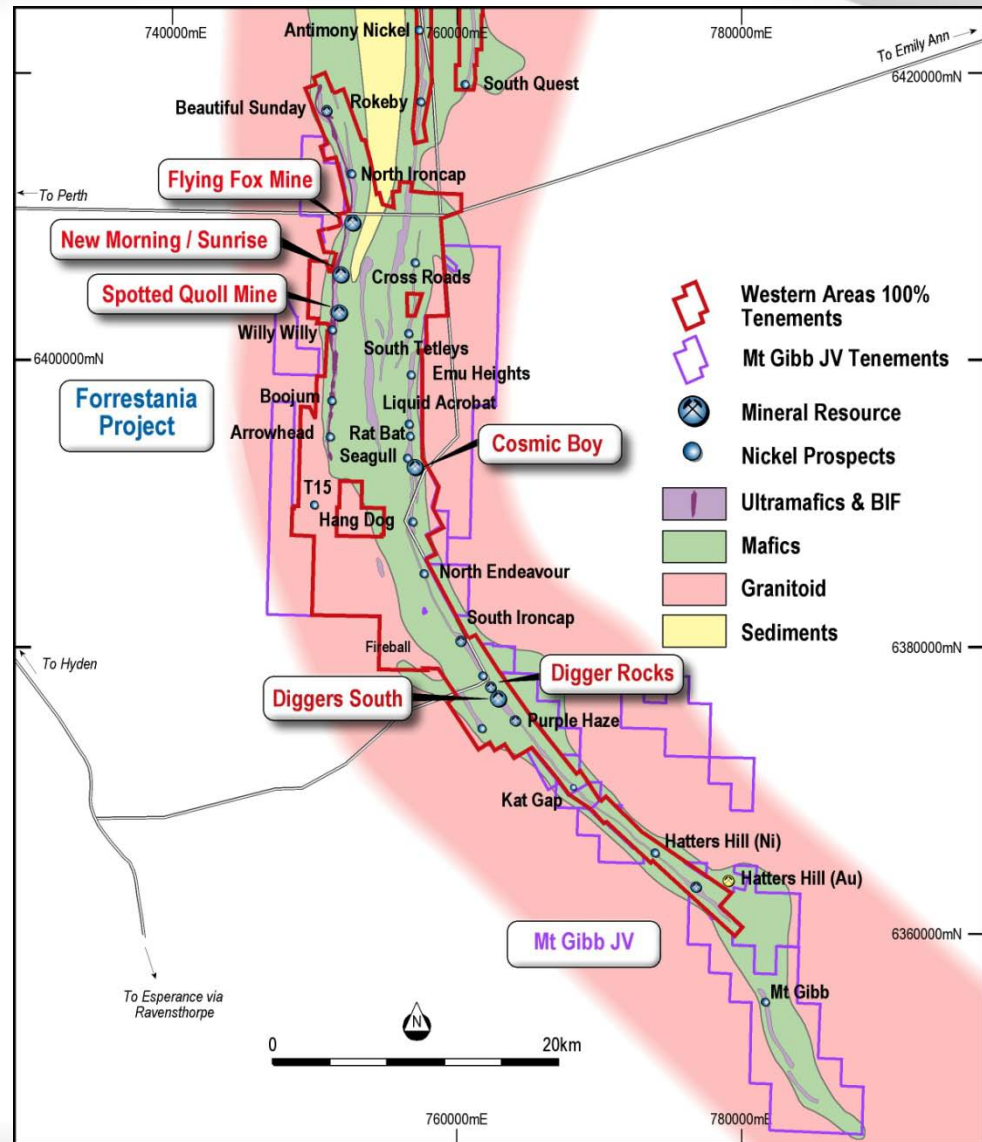




# FORRESTANIA TENEMENTS

## Regional Geology

- 120km strike length (900 sq km) of prospective Forrestania Nickel Project, within 400km long nickel province
- Six ultramafic belts
- Nickel sulphide deposits and most occurrences in two belts (Eastern and Western)
- Western Ultramafic Belt hosts the high grade Flying Fox, Spotted Quoll and New Morning deposits

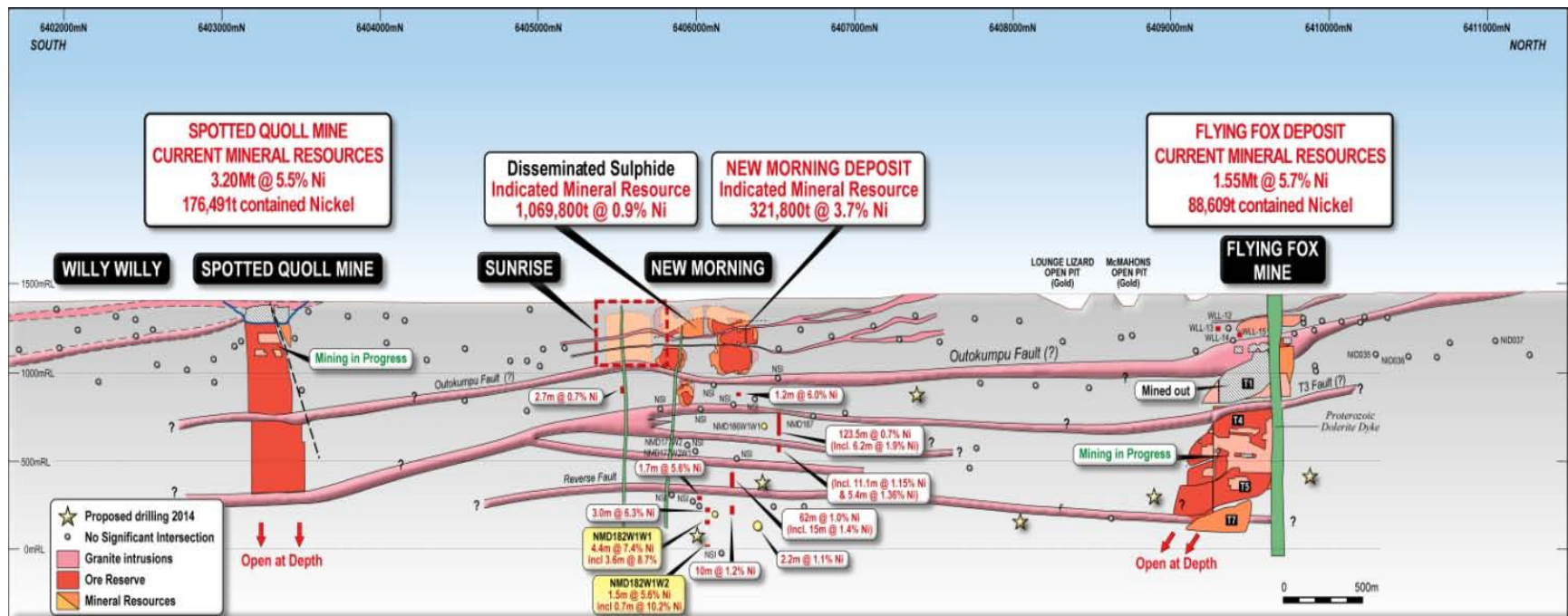






# SHORT TERM – NEAR MINE EXPLORATION

- Exploration spend in FY15 likely to increase beyond FY14 spend of A\$14m
- Drilling priority within 8km long zone (below). New discovery would access existing mine infrastructure. Systematic approach



WESTERN AREAS LTD

Interpreted Longitudinal Projection (8 Km Long) - July 2014  
FLYING FOX, NEW MORNING, SPOTTED QUOLL & WILLY WILLY

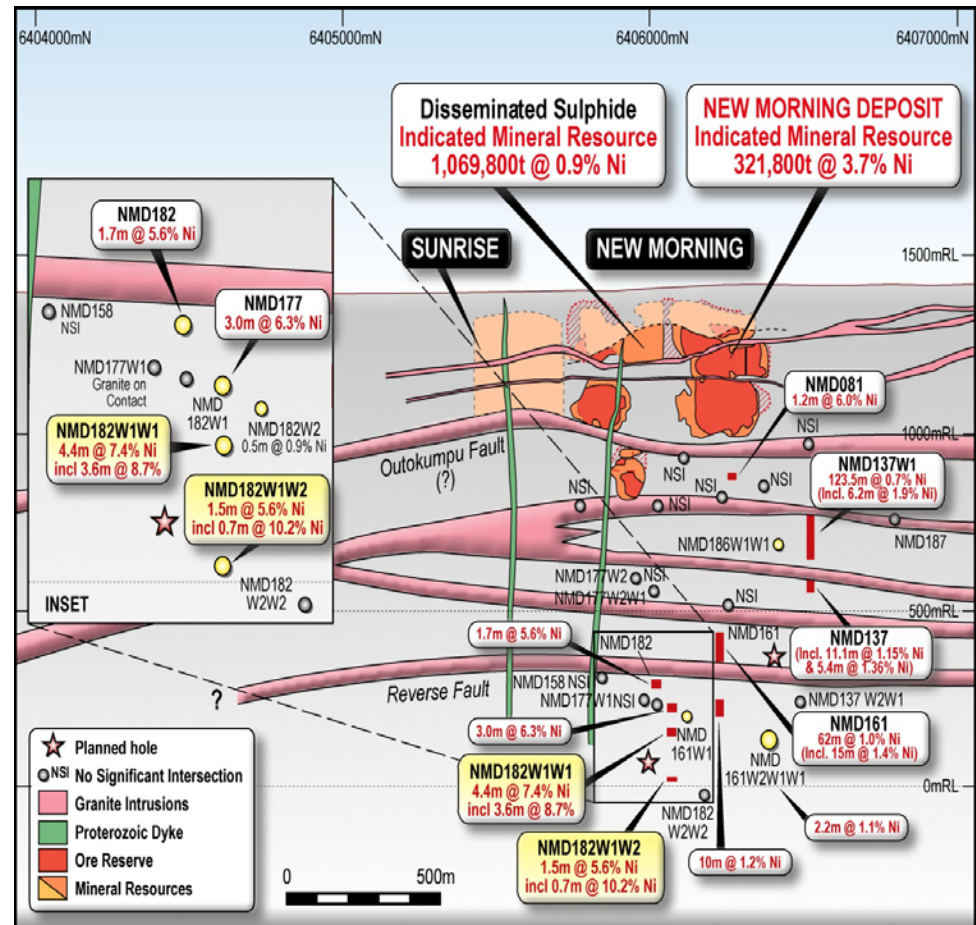
ANCPI1318860





# HIGH GRADE DISCOVERY AT NEW MORNING

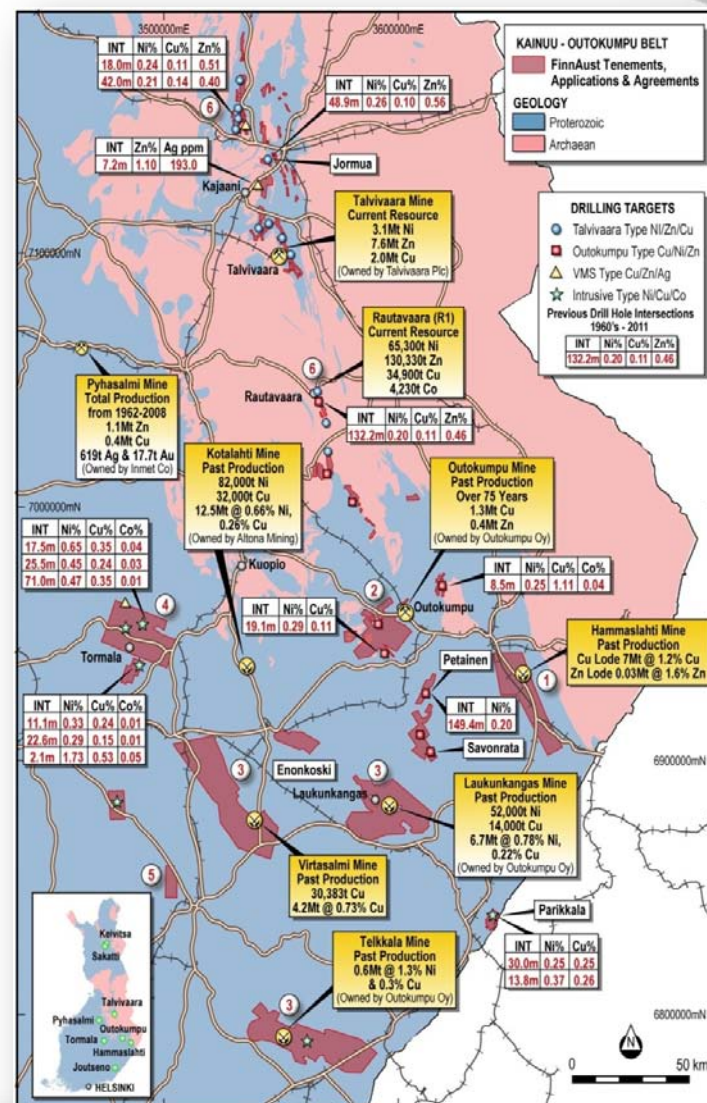
- 2.5km from Flying Fox and 2.8km from Spotted Quoll
- All material approvals in place, potential major capex savings & accessible from either mine
- Massive sulphide discovered below New Morning:
  - 4.4m @ 7.4% nickel including 3.6m @ 8.7% nickel
  - 3.0m @ 6.3% nickel including 2.4m @ 7.6% nickel
  - 1.5m @ 5.6% nickel including 0.7m @ 10.2% nickel
- Significant disseminated intersections





# FINLAND – FINNAUST MINING PLC PROJECTS

- Listing on AIM completed in December 2013 and 68% WSA owned post listing
- Current market cap circa A\$10m
- 300km long base metal province in Finland
- Numerous nickel/copper/zinc mines & occurrences
- Recent drilling at the Hammaslahti Project:**
  - 5.6m at 3.2% Cu, 2.7% Zn, 0.7% Pb, 71gpt Ag and 0.76 gpt Au from 196.80m downhole.
  - Includes 8.65m at 2.2% Cu, 2.0% Zn, 0.5% Pb, 47gpt Ag and 0.50 gpt Au.
- Drilling commenced for potential extensions and repetitions to known copper deposits
- Geophysics proving very effective in defining targets - ZTEM survey completed





# INVESTOR EQUATION

- High Grade = Margin
- Survival

Highest Grade Nickel Globally



- Returns to shareholders in Dividends

Cashflow Positive



- Guidance continually met or exceeded

Strong Track Record of Delivery



- Looming shortage of nickel post Indo ban

Nickel Price Primed for Upside



- New mine successfully brought on in 24 months

History of Discovery and Development



- Flexibility in meeting future demands or opportunities

Strong Balance Sheet



WESTERN AREAS LTD



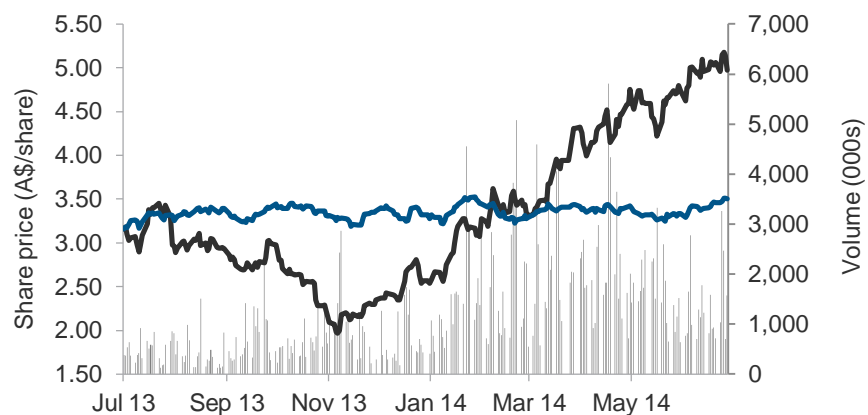
## APPENDICES





# CORPORATE OVERVIEW

WSA vs ASX 200 Resources (FY14 YTD)<sup>1</sup>



■ WSA Volume    — WSA    — ASX 200 Resources (rebased to WSA)

## Key Information

as at 15 Aug 2014

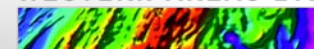
Share price	4.86
52 week high/low (A\$)	5.20 / 1.97
Shares outstanding (m)	232.3
Market Capitalisation (A\$m)	1,129.0
Cash (A\$m) <sup>2</sup>	230.5
Debt (A\$m) <sup>2</sup>	220.2
Undrawn ANZ Facility	125.0

## Board & Senior Management

Name	Position
Ian Macliver	Independent Non-Executive Chairman
Dan Lougher	Managing Director & CEO
David Southam	Executive Director
Joseph Belladonna	Chief Financial Officer & Company Secretary
Julian Hanna	Non-Executive Director
Richard Yeates	Independent, Non-Executive Director
Robin Dunbar	Independent, Non-Executive Director
Craig Readhead	Independent, Non-Executive Director
Tim Netscher	Independent, Non-Executive Director

1. ASX 200 Resources Index rebased to WSA Share Price
2. Cash as at 30 June 2014 and convertible bond debt





# JUNE QUARTERLY HIGHLIGHTS

## Full Year Guidance Beaten

- Nickel in Ore Production of 28,686t
  - Record for Spotted Quoll - 13,973t
- Nickel in Concentrate Production of 25,700t
  - Record mill throughput - 599k tonnes
- Unit Cash Cost in Concentrate - A\$2.50/lb

## Financials

- Capital Expenditure to be lower than guidance
- Free cashflow for the quarter of A\$40m
  - Highest in over 24 months
  - Excludes A\$17.7m equity raise
- Successful cost-out program resulted in savings of circa \$10m in FY14

Tonnes Mined		Jun Qtr	Full Year
<b>Flying Fox</b>			
Ore Tonnes Mined	Tns	67,966	317,031
Grade	Ni %	5.1%	4.6%
Ni Tonnes Mined	Tns	3,479	14,713
<b>Spotted Quoll - Underground</b>			
Ore Tonnes Mined	Tns	58,497	281,928
Grade	Ni %	4.8%	5.0%
Ni Tonnes Mined	Tns	2,801	13,973
<b>Total - Ore Tonnes Mined</b>	Tns	126,463	598,959
<b>Grade</b>	Ni %	5.0%	4.8%
<b>Total Ni Tonnes Mined</b>	Tns	<b>6,280</b>	<b>28,686</b>
Tonnes Milled and Sold		Jun Qtr	Full Year
Ore Processed	Tns	151,232	598,152
Grade	%	4.7%	4.8%
Ave. Recovery	%	89%	89%
<b>Ni Tonnes in Concentrate</b>	Tns	<b>6,336</b>	<b>25,700</b>
Ni Tonnes in Concentrate Sold	Tns	6,374	25,756
<b>Total Nickel Sold</b>	Tns	<b>6,374</b>	<b>25,756</b>
Financial Statistics		Jun Qtr	Full Year
Cash Cost Ni in Con (***)	A\$/lb	2.61	2.50
Cash Cost Ni in Con/lb (***)	US\$/lb (**)	2.43	2.28
Exchange Rate US\$ / A\$		0.93	0.91