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News Release

WESTERN AREAS ANNOUNCES NEW MANAGING DIRECTOR

The Board of Western Areas takes great pleasure in announcing that Mr Dan Lougher has been appointed as the new Managing Director of the Company effective from 1st February. Mr Lougher is currently the Company's Operations Director and was appointed from a group of applicants following an extensive and competitive process involving a large number of external candidates.

Mr Lougher was considered by the Board Nomination Committee to be the most suitable person to lead Western Areas to the next stage of growth from its current position as a significant nickel producer. Mr Lougher has worked for Western Areas for the past six years in the key roles of General Manager Operations, Executive Director Operations and has over 30 years experience in the mining industry.

Since joining Western Areas in May 2006, Mr Lougher has been an integral part of the team that delivered first production from Flying Fox, successfully commissioned the Cosmic Boy concentrator and delivered the Spotted Quoll project from discovery to production in less than two years. Mr Lougher also contributes to several corporate activities at the Company, along with company marketing within the investment community.

Mr Lougher holds a Master of Science in Engineering, from the University of the Witwatersrand and a Bachelor of Science (Honours) in Mining Geology from the University of Leicester. Mr Lougher is aged 52 and is married with three children and lives in Perth, Western Australia.

Western Areas' Chairman, Mr Terry Streeter, said that since joining Western Areas, Dan had proven to be a very capable mining engineer, a successful manager and an inspirational leader.

"In addition to his 'hands on' operational background, Dan has gained strong corporate experience, which is an important part of a successful and profitable company like Western Areas. One of his new challenges will be to lead the Company to meet the ambitious growth targets set by the Board. I look forward to working with Dan and the rest of the Western Areas' team in what should be a busy and exciting time ahead," said Mr Streeter.

Western Areas' current Managing Director, Mr Julian Hanna said "I hope that all shareholders and staff will join me in congratulating Dan on his promotion to Managing Director during what should be the next major growth phase for Western Areas. I have really enjoyed working with Dan and I am confident he has the skills, personality and drive to take this company to the next level.

In accepting the appointment, Mr Lougher said that he was very pleased to be continuing his successful association with Western Areas.

"In my time with Western Areas, we have delivered on a number of significant project developments, resulting in the company becoming one of Australia's largest nickel producers. I look forward to continuing the process as we look to take Western Areas to the next level of growth," said Mr Lougher.

Mr Lougher's remuneration package remains subject to further discussions with the Remuneration Committee of the Board. Western Areas' shareholders recently approved a significant reform to the executive remuneration practice of the Company and the Board expects that this will form the basis for the final remuneration package structure.

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FORWARD LOOKING STATEMENT:

This release contains certain forward-looking statements. These forward-looking statements include: "the most suitable person to lead Western Areas to the next stage of growth from its current position as a significant nickel producer.", and, "one of his new challenges will be to lead the Company to meet the ambitious growth targets set by the Board". 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.

DISCLAIMER:

This announcement does not include reference to all available information on the Company or the Forrestania Nickel Project 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.