



19 February 2013

ASX: WSA

News Release

WESTERN AREAS EXECUTES STRATEGIC ALLIANCE AGREEMENT WITH JINCHUAN

Western Areas Ltd (ASX:WSA, "Company") is pleased to announce that it has executed a non-binding Strategic Alliance Deed (the Alliance) with Jinchuan Group Ltd (Jinchuan).

The Alliance was established for the purpose of cooperating in the consideration and possible development of global mining opportunities involving the exploration, development and operation of base metal projects. Establishment of the Alliance will allow Western Areas and Jinchuan to beneficially share assessment and due diligence costs on future evaluation of projects of mutual interest.

Western Areas Managing Director, Mr Daniel Lougher, said that the Company was very excited about reaching an agreement with China's largest nickel company and a significant producer of other metals, including copper.

"We have been in partnership with Jinchuan through a very successful nickel concentrate offtake agreement for over three years now. Both companies agree that a logical extension of the relationship should be to assessing global base metal opportunities where this makes sense."

"With this style of Alliance, both partners bring different skills and strengths to the table. With Jinchuan, there is a globally significant base metals producer with substantial balance sheet strength, coupled with a long and proud history. Western Areas has proven its ability to explore for base metals, execute feasibility studies, develop and operate successful projects. Therefore we believe our relative strengths meld well."

Formation of the alliance will not entail any upfront contributions, with future contributions limited to the sharing of agreed assessment and due diligence costs. The Alliance is a non-exclusive arrangement.

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FORWARD LOOKING STATEMENT: This release contains certain forward-looking statements. Examples of forward-looking statements used in this release include: “Establishment of the Alliance will allow Western Areas and Jinchuan to beneficially share assessment and due diligence costs on future evaluation of projects of mutual interest”.

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 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.