



30 August 2013

ASX: WSA

News Release

HIGH GRADE 8% NICKEL INTERSECTION AT NEW MORNING

Western Areas Ltd (ASX:WSA, “Western Areas” or the “Company”) is pleased to announce another significant intercept, being the highest grade result to date, within the new high grade nickel discovery at New Morning.

Key highlights include:

- ✓ **3.6m** interval of **massive sulphides**;
- ✓ **Preliminary Niton** estimates returning an **average grade of 8% nickel** over the intercept (refer to disclaimer)- the highest grade returned to date; and
- ✓ The massive **sulphides intercepted are 70m down dip from the original intercept of 3m @ 6.3% Ni** from NMD177, confirming an approximate 150m down plunge extent of mineralisation below the reverse fault. The mineralised extent remains open below and laterally to this.



Figure 1: Mineralised drill core from NMD182W1W1 showing massive nickel sulphides

Western Areas Managing Director, Dan Lougher, said the Company was extremely excited by the very high grade tenor of this mineralisation.

“This is the highest grade intercept to date and importantly further demonstrates the high quality of mineralisation at New Morning. Assays will be fast tracked and a downhole electromagnetic survey will be completed in the next few days to further define the mineralised area.”

“We believe the sustained effort put into New Morning drilling is now starting to pay dividends as we look to take advantage of the established mining infrastructure immediately adjacent to the New Morning channel.”

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The new intercept is the second wedge from the footwall hole NMD182 and encouragingly is comprised almost entirely of high grade massive nickel sulphide mineralisation. This wedge was drilled in order to test the extent of the intersected high grade sulphides that were targeted based on the modelled down hole electromagnetic (DHEM) interpreted plate (Figure 2). The intersection in drill hole NMD182W1W1 consists of a **3.6m interval of 8% nickel** (preliminary Niton readings, see disclaimer) from 1345.9m, down hole depth.

Initial geological interpretations continue to indicate that the mineralised position lies below the reverse fault, in a similar manner to the T4 mineralisation relative to the T3 fault junction at Flying Fox.

The current hole (NMD182W1W1) is to be continued 40m into the hangingwall to allow a DHEM survey to be completed. Further drilling will be planned once the results of this survey are received and will initially comprise a further wedge from NMD182 to test the best zone of the interpreted position of the mineralisation. The parent hole (NMD182) continues to represent an ideal platform to test the down plunge extent of the sulphides, as well as lateral extent of the modelled DHEM plates.

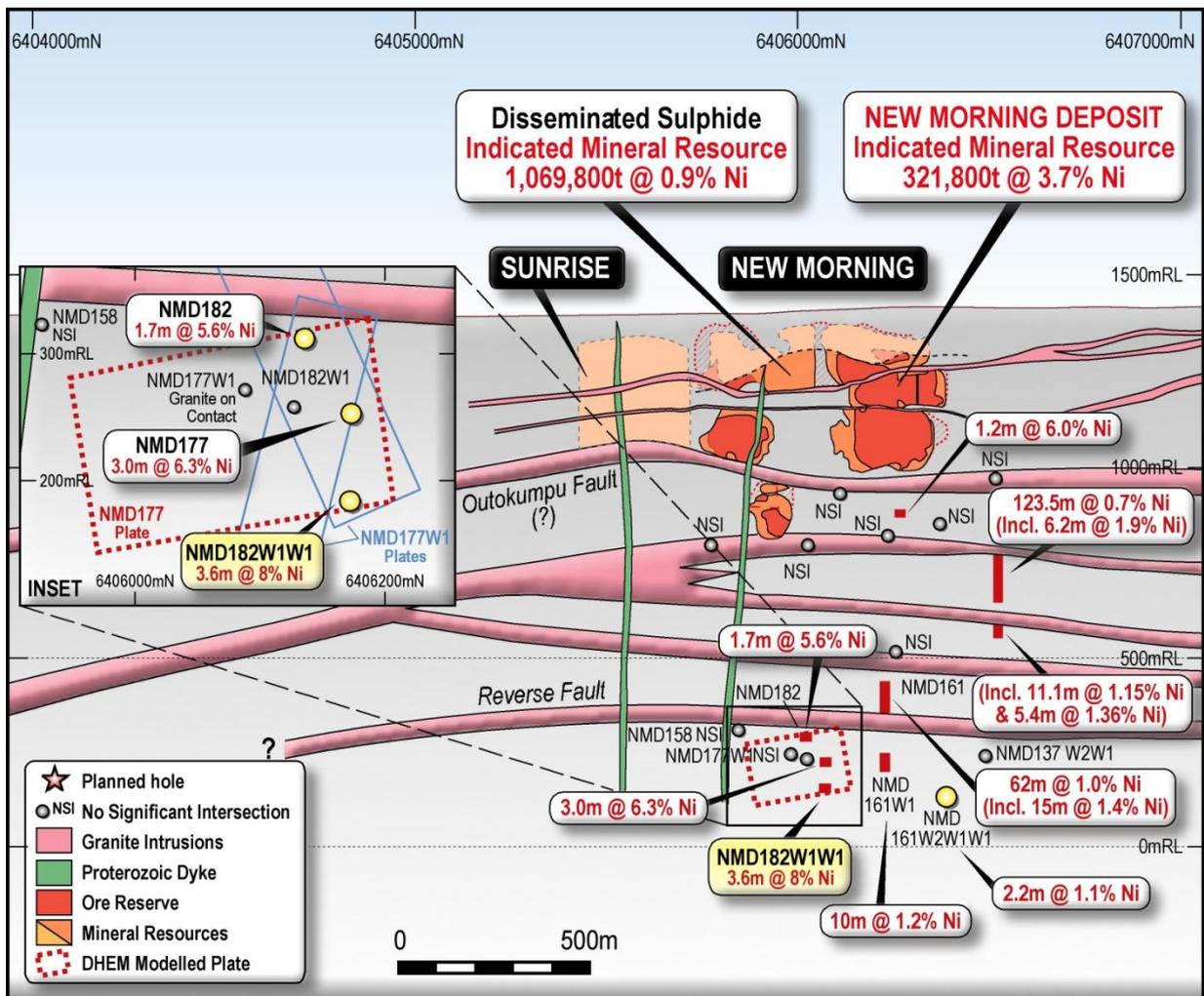


Figure 2: Interpreted Long Projection of the Footwall contact at New Morning

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DISCLAIMER & QA-QC STATEMENT: Note: The nickel and copper grade estimates for drill hole NMD182W1W1 quoted in this release are indicative only and have been estimated using systematic readings using a NITON XLt 592 portable XRF analyser.

Mr Adrian Black from geological consultants Newexco Services Pty Ltd ("Newexco") is responsible for the verification and quality assurance of the Company's exploration data and analytical results from the Forrestania Nickel Project. Surface diamond drill hole collar surveys used differential GPS, down hole surveys employed a north seeking gyroscopic instrument; comprehensive density database; high assay confidence with systematic QA/QC procedures; and validated database.

The information within this report as it relates to exploration results or mineral resources is based on information compiled by Mr Charles Wilkinson. Mr Wilkinson is a member of AusIMM and is a full time employee of 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 which they are undertaking to qualify as a Competent Persons as defined in the 2004 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: "preliminary Niton estimates returning an average grade of 8% nickel over the intercept" and "New Morning drilling is now starting to pay dividends as we look to take advantage of the established mining infrastructure immediately adjacent to the New Morning channel ", and, "Initial geological interpretations continue to indicate that the mineralised position lies below the reverse fault, in a similar manner to the T4 mineralisation relative to the T3 fault junction at Flying Fox"

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 Forrestania Nickel Project or the New Morning deposit 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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