



2 July 2014

ASX: WSA

News Release

WESTERN AREAS RETIRES A\$95M CONVERTIBLE BOND DEBT

The Board of Western Areas Ltd (ASX: WSA, “Western Areas” or the “Company”) is pleased to announce the full repayment of A\$95m of convertible bond debt from existing cash reserves.

Western Areas Managing Director, Mr Dan Lougher commented that the repayment of this convertible bond debt which had reached maturity marked an important milestone for the Company.

“Western Areas has been very transparent that the retirement of the convertible bonds has been a key objective for the Company this year. By retiring this debt with cash reserves, Net Profit Before Tax (NPBT) will improve approximately A\$12m in FY15 through reduced interest and bond accretion costs.”

“Consistent with comments in the March Quarterly Report, and with a rising nickel price, cashflow generation has been particularly strong in the June Quarter. This, combined with the reduction in debt, places our balance sheet in a very robust position.”

Western Areas has one remaining convertible bond repayment due on 2 July 2015 of A\$125m. The repayment plan remains to utilise existing cash reserves which will result in a further A\$12m improvement in NPBT in FY16 (total combined improvement of approximately A\$24m per annum).

The June Quarterly Report will be released during the week commencing 21 July 2014 which will set out, amongst other things, the end of financial year cash at bank balance and free cashflow generation for the quarter.

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FORWARD LOOKING STATEMENT: This release contains certain forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs.

Examples of forward-looking statements used in this release include: “Western Areas has one remaining convertible bond repayment due on 2 July 2015 of A\$125m. The repayment plan remains to utilise existing cash reserves which will result in a further A\$12m improvement in NPBT in FY16”.

WESTERN AREAS LTD



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.