

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

[Western Areas Ltd.](#) (ASX:WSA) ("Western Areas" or the "Company") is pleased to announce that the Company has intersected a new massive sulphide zone, including two super high grade results, immediately below the Odysseus North orebody at the Cosmos Nickel Complex (Cosmos).

The new intersections are 160m south of a high grade Inferred Mineral Resource of 0.05Mt @ 11.6% which forms part of the Odysseus North orebody. These intersections, when combined with results from geophysical surveys, represent a potentially significant extension to the high grade Resources at the broader Odysseus Project.

Key highlights include:

- WAD002A intersected massive sulphide comprising 2.6m at 12.6% nickel, including 1.6m at 18.0% nickel;
- WAD002W1W1W1 intersected massive sulphide comprising 5.3m at 15.2% nickel, including 3.4m at 22.0% nickel;
- Down-hole electromagnetic (DHEM) surveys successfully completed in WAD002 identified two strong responses at downhole depths of 1,240m and 1,290m respectively. The 1,240m response is confirmed by drilling as mineralised massive sulphide; and
- Potential to significantly extend existing high grade Resources at Odysseus North.

Western Areas Managing Director, Dan Lougher, noted that the underexplored potential of the Cosmos Nickel Complex was one of the key drivers of the acquisition.

"On acquiring Cosmos, we had the clear view that the true potential of the project, both for more nickel near existing known orebodies and for new discoveries in a wider regional setting, had not been adequately tested," Mr Lougher said.

"We've begun testing this view which has resulted in both strong potential for adding more high grade Resources near Odysseus North and some very promising exploration hits at Neptune, as reported recently. Additionally, we expect to convert more quantified Mineral Resources at Odysseus North to a higher confidence category and enhance our understanding of this significant deposit.

"Cosmos is starting to deliver on the opportunities we believe exist at the project, and we look forward to continuing this progress throughout the year," Mr Lougher said.

The Odysseus and Odysseus North full Mineral Resource details can be found on page 19 of the Company's December Quarterly Report.

The Company is also pleased to announce that the drill program, aimed at converting Odysseus North Inferred Resources to Indicated Resources, has been successful, with key highlights including:

- WAD002A intersected a 26.0m at 2.5% nickel, comprising a broad continuous zone of disseminated sulphides;
- WAD002 intersected 27.8m at 0.8% nickel, comprising disseminated sulphides and a further zone of 12.5m at 2.0% nickel. A second thick zone of 6.0m @ 2.7% nickel was intersected from 1,167m depth;
- WAD002W1W1W1 intersected 48.0m of disseminated sulphides which are awaiting assay results; and
- A strong likelihood that a significant proportion of the Inferred portion of the Odysseus North Resource will be upgraded to the Indicated category during the next resource estimation

As previously announced, the Company expects to report the results of a pre-feasibility study (PFS) for the Odysseus Project in the current quarter. This recently completed drilling is not required for the PFS, however validates some of the PFS assumptions and will greatly assist the definitive feasibility study (DFS), should progression to a DFS be approved by the Board.

## Background

The largest volume of un-mined, higher grade resources at Cosmos is hosted by the Odysseus and Odysseus North orebodies. The deposits are located at 1,000 vertical metres below surface, and approximately 500m from existing underground mining infrastructure. The existing Mineral Resources are classified under the Indicated and Inferred Mineral Resource categories.

DISCLAIMER AND CP STATEMENT:

The information within this report as it relates to exploration results is based on information compiled by Mr Andre Wulfse. Mr Wulfse is a member of AusIMM and a full time employee of the Western Areas. Mr Wulfse has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity undertaken to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Wulfse 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: "These intersections, when combined with results from geophysical surveys, represent a potentially significant extension to the high grade Resources at the broader Odysseus Project " and, "A strong likelihood that a significant proportion of the Inferred portion of the Odysseus North Resource will be upgraded to the Indicated category during the next resource estimation". 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 Cosmos Nickel Complex 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.

#### Contact

Dan Lougher  
Managing Director - [Western Areas Ltd.](http://www.westernareas.com.au)  
+61 8 9334 7777  
[dlougher@westernareas.com.au](mailto:dlougher@westernareas.com.au)

David Southam  
Executive Director - [Western Areas Ltd.](http://www.westernareas.com.au)  
+61 8 9334 7777  
[dsoutham@westernareas.com.au](mailto:dsoutham@westernareas.com.au)  
[www.westernareas.com.au](http://www.westernareas.com.au)

Shane Murphy  
FTI Consulting  
+61 8 9485 8888 / 0420 945 291  
[shane.murphy@fticonsulting.com](mailto:shane.murphy@fticonsulting.com)