

September 12, 2008

ASX & TSX: WSA

News Release

WESTERN AREAS AND MUSTANG MINERALS SIGN AGREEMENT FOR NICKEL - COPPER - PGM JOINT VENTURE NEAR SUDBURY, ONTARIO.

The Board of Western Areas NL is pleased to announce an agreement to explore the East Bull Lake Project, 80km west of Sudbury in Ontario, Canada (Figure 1).

Western Areas (ASX & TSX:WSA) can earn a 65% interest in the project from Mustang Minerals (TSX:MUM) by funding up to C\$4.5M in two stages over five years. The project includes net smelter royalty interests. The main purpose of the joint venture is to drill out a number of high quality nickel-copper-platinum group metals ("PGM") targets already defined by Mustang. Several of the targets coincide with highly anomalous sulphide hosted mineralisation in surface samples and in shallow drilling. The targets are also associated with previously unrecognised VTEM anomalies identified in a survey flown by Mustang in 2007.

East Bull Lake is a 20km long mafic intrusive complex which consists of two separate zoned intrusions joined by a 5km long feeder dyke (Figure 2). The project is considered to have excellent potential to host significant nickel/copper/PGM deposits within a world class metal province. The nearby Sudbury mining camp is the world's largest nickel producer. Total production at Sudbury since the 1880's, plus remaining ore reserves and mineral resources equates to approximately 16Mt nickel with significant copper/PGM credits.

Mineral rights covering the East Bull Lake intrusion have been held by Mustang since 1998. The project has also been the subject of several years of research by the Ontario Geological Survey. A 1993 Ontario Geological Survey Report (Open File Report 5849 by Peck, James Chubb et al) concluded that the "potential exists for extremely large tonnages of sulphide mineralisation, perhaps even massive sulphides (along the floor of the intrusion), which have platinum-group element-enrichment levels equating to reef environments."

Western Areas is planning to commence drilling at four priority targets in October.

Recent Exploration

Mustang has identified widespread surface PGM mineralisation at the East Bull Lake intrusion with individual grab sample assays up to **16.5g/t combined platinum-palladium-gold**. [These results are reported in a NI 43-101 Report dated March 15, 2000 and an Addendum dated July 18, 2000 - Alar Soever B.Sc.P.Geo (Sask) Qualified Person]

In May 2007, Mustang completed a detailed Geotech heliborne VTEM survey over the project. This survey identified previously unknown VTEM anomalies which in several locations are associated with highly anomalous nickel-copper-PGM values in surface samples and drilling.

Initial drilling of the first VTEM target (Parisien Lake) in early 2008 yielded intersections including **1.1m @ 9.3% copper and 12.5g/t PGM** from 89m down hole depth and **10m at 0.4% nickel** at shallow depth. Historical drilling at East Bull Lake prior to Mustang's involvement intersected **0.5m @ 3.9% nickel** in the central part of the intrusion.

WESTERN AREAS NL

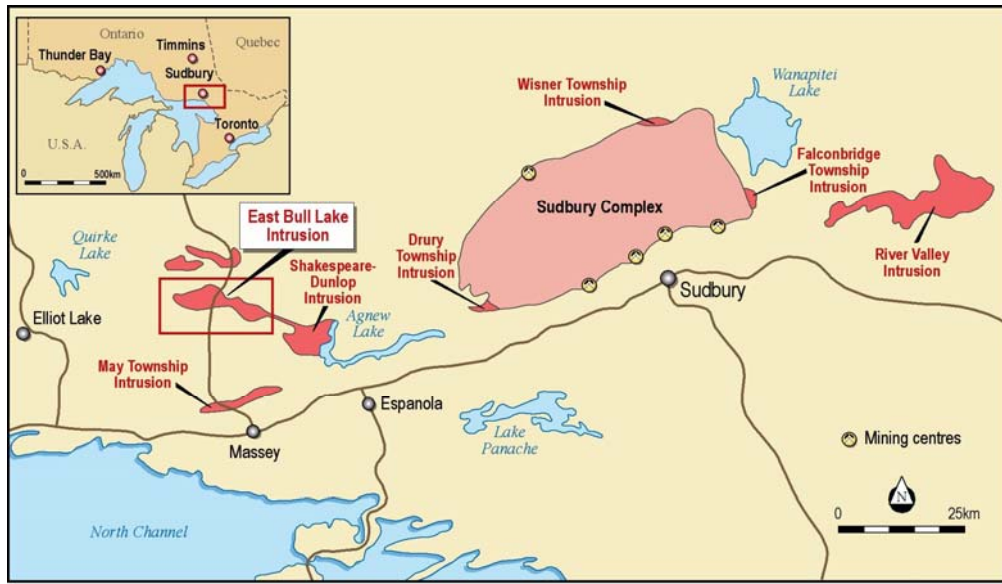
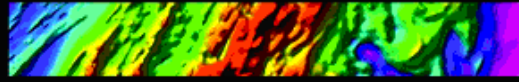


Figure 1: Location of East Bull Lake intrusion

Proposed Drilling Program

The initial drilling program will test the potential for high grade sulphide hosted nickel-copper-PGM deposits associated with VTEM conductors in three different areas of the intrusive complex. These areas are as follows (Figure 2):

- at the eastern end of the main feeder dyke (Novick Lake)
- in the footwall sequence on the northern side of the feeder dyke (Sables)
- southern margin of the west lobe of the intrusion (Parisien and Bullfrog)

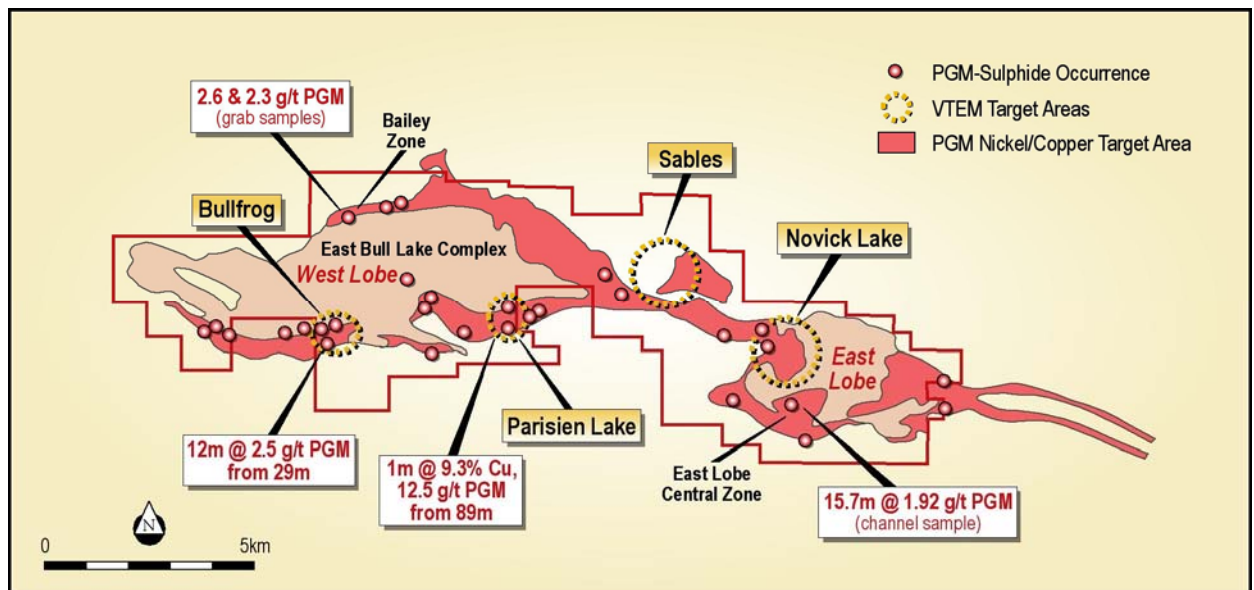
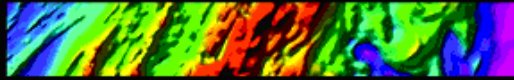


Figure 2: Simplified geology of East Bull Lake intrusion showing initial drilling targets and locations of known copper/nickel sulphide and PGM mineralisation based on surface samples and drilling



The initial drilling program will test the following targets:

1. **Parisien Lake:** Follow up previous drilling by Mustang which intersected significant nickel-copper-PGM values. This included drill hole EB08-02 which intersected 10m assaying 0.4% nickel; 0.4% copper and 0.5 g/t combined platinum-palladium-gold from 45m depth and 1.1m of massive sulphide which assayed 9.3% copper, 12.5 g/t total platinum-palladium-gold and 0.4% nickel from 89m depth.
2. **Bullfrog:** Follow up previous drilling by Mustang which intersected significant PGM values. This included drill hole ME00-18 which intersected 12m at 2.5g/t combined platinum-palladium-rhodium-gold from 29m depth.
3. **Novick Lake:** Test a large, VTEM anomaly at the eastern end of the feeder dyke in a setting similar to the Voisey's Bay nickel mine in eastern Canada. The VTEM anomaly is interpreted to occur at between 150m and 300m depth in an area with highly anomalous surface nickel values up to 0.7% nickel.
4. **Sables:** Test a group of strong VTEM anomalies located in the immediate footwall of the intrusion, adjacent to the central feeder dyke (Figure 2). The source of the VTEM anomalies is interpreted to occur between 60m and 200m depth (Figure 3).

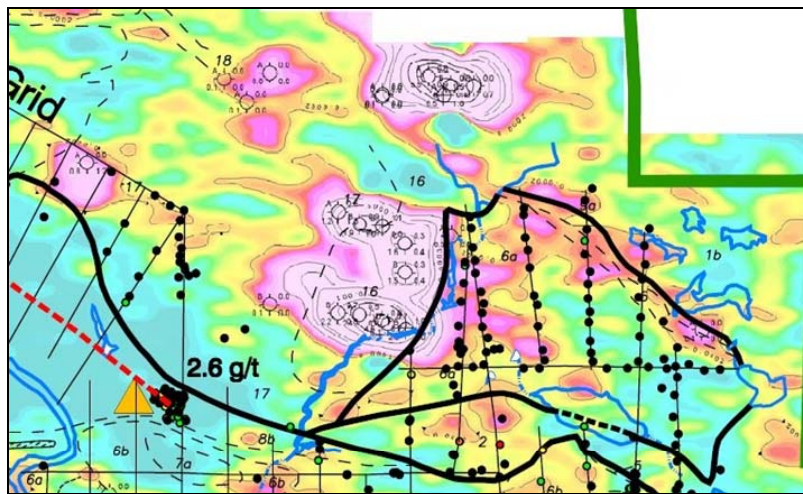
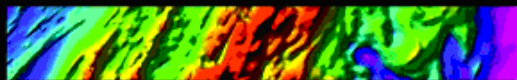


Figure 3: Sables Target - showing strong VTEM anomalies in the footwall of the intrusion. (The black dots denote the locations of Mustang surface samples)

About Mustang Minerals.

Mustang has recently completed a pre feasibility study on the Maskwa open pit nickel project in SE Manitoba. An updated mineral resource calculation incorporating recent drill data is planned as part of a full feasibility study for the project. Permitting activities are progressing along with stakeholder engagement and environmental baseline studies have been completed. Mustang has an active regional exploration program ongoing during the current spring/summer field season notably at its Fox nickel project north of Maskwa in Manitoba.

Western Areas owns approximately 17% equity interest in Mustang Minerals. The independent directors of both companies have approved the East Bull Lake agreement.



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COMPETENT PERSONS STATEMENTS AND CONSENTS:

The information within this report as it relates to the VTEM survey including interpretation of the data (and the associated geological and geochemical data) has been compiled and undertaken by Mr Bill Amann from independent specialist consultants Newexco and Mr Charles Wilkinson from Western Areas. The information as it relates to the East Bull Lake project is based on information compiled by Mr Charles Wilkinson and Mr Julian Hanna who are full time employees of Western Areas.

Mr Hanna and Mr Wilkinson are members of AusIMM and Mr Amann is a member of AIG and all have 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 Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Hanna, Mr Wilkinson and Mr Amann consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

FORWARD LOOKING STATEMENT:

This release contains certain forward-looking statements. Examples of forward looking statements used in this release are: 'The project is considered to have excellent potential to host significant nickel/copper/PGM deposits within a world class metal province', and an independent quote: 'potential exists for extremely large tonnages of sulphide mineralisation, perhaps even massive sulphides (along the floor of the intrusion), which have platinum-group element-enrichment levels equating to reef environments', and 'The target is a large, VTEM anomaly at the eastern end of the feeder dyke in a setting similar to the Voisey's Bay nickel mine in eastern Canada'. 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 Western Areas NL or Mustang Minerals Corp. or the East Bull Lake Project and should not be used in isolation as a basis to invest in either company. Any potential investors should refer to Mustang Mineral's or Western Area's other public releases and statutory reports and consult their professional advisers before considering investing in the companies.

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.