

Activities Report

For the period ending 31 December 2007

Western Areas is an Australian-based nickel sulphide explorer and producer listed on the ASX and TSX.

The Company's core asset is the 100% owned Forrestania Nickel Project, located 400km east of Perth.

The primary discovery, Flying Fox, is one of the highest grade nickel deposits in the world. Total Mineral Resources comprise 1.5 million tonnes at an average grade of 6.2% nickel containing approx. 95,600 tonnes of nickel. The 2008 target is to increase mineral resources at Flying Fox to 150,000 tonnes of contained nickel.

Production is in progress from the two shallowest Flying Fox ore bodies, T Zero and T1. Production from these deposits is expected to reach 8,000 tonnes nickel in CY 2008. Production is scheduled to ramp up to 14,000 tpa nickel as the T4 and T5 deposits are brought into production at Flying Fox.

A full feasibility study is underway to bring a second mine into production at Diggers South. Permitting is well advanced and the target for a decision to mine is the end of the June Q. A scoping study for a third mine at New Morning deposit is also in progress.

Recent discoveries include the Flying Fox T6 and T7 deposits in August 2007 and discovery of the high grade Spotted Quoll deposit in October 2007. In addition there have been significant nickel intersections outside the limits of previous drilling at Flying Fox T4.

The Company has increased its regional holdings in the Forrestania nickel province. Now exploring seven nickel projects extending over 500km from the Sandstone JV in the north to the Lake King project in the South.

ASX & TSX code: WSA

Shares on issue: 166m shares, 5m options. **Market capitalisation:** A\$830m @ \$5.00 per share undiluted

Suite 3, Level 1, 11 Ventnor Avenue
West Perth, 6005
WESTERN AUSTRALIA
Telephone: +61 8 9334 7777
Facsimile: +61 8 9486 7866
www.westernareas.com.au

Western Areas has made major progress during the quarter towards achieving the Company's goal to become a mid tier nickel producer with target production of 30,000 to 40,000 tonnes nickel p.a. by 2011. Highlights towards achieving these goals are:

Exploration Highlight:

- Assays received today from Spotted Quoll drill hole WBD028 - **8.7m @ 11.4% nickel from 88.2m down hole depth. This result is considered very significant - it is the first intersection at Forrestania with all assays >10% nickel and it occurs at shallow depth.** Spotted Quoll remains open in all directions - two drill rigs are on site and a third is due to arrive in mid February.

Flying Fox Highlights:

- T1 mining commenced on 19 November 2007. In the six weeks of first T1 production 8,614 tonnes at 4.19% Ni was mined. Invoiced production was 7,510t at 4.33% Ni with 91.5% metallurgical recovery. C1 cash costs per lb Ni in concentrate for T1 were A\$3.38 in November and A\$2.83 in December.
- Production from Flying Fox scheduled to target approximately 8,000 tonnes nickel in concentrate in CY 2008. Ore production is on track to ramp up to 20,000t/mth ore at average grade of over 4% nickel, early in the June quarter.
- T1 ramp up production will come from two large stope blocks up to 15m wide which contain a total >180,000 tonnes ore at 5.1% nickel containing 9,200t nickel. Mining of these stope blocks expected to start in March/April.
- The mine decline is at 480m depth and is expected to access T4 in December 2008. The initial study for a raise bored shaft to increase ore haulage capacity from deeper deposits in the mine is due for completion in the March quarter.
- Assuming decline access only (i.e. without haulage shaft) production is forecast to increase to 10,000 tpa nickel in CY 2009 and 12-14,000tpa nickel in CY 2010 with overlapping production from T1, T4 and T5 deposits.
- Western Areas hedge book was restructured in December Q with only 740 tonnes of nickel remaining hedged. From the start of the June Q all production will be sold at spot price coinciding with increased production from Flying Fox.
- Positive drilling results continue at Flying Fox where the target is a 50% increase in total mineral resources to 150,000t nickel by the end of 2008.
- Revised interpretation of Flying Fox highlights the excellent continuity of nickel sulphide over a wide area. Below T1, mineralisation now extends >700m vertical extent in a zone up to 600m wide to the limit of drilling.
- Flying Fox operations are already cash flow positive. Western Areas holds \$A172M cash and a \$A82M debt facility which is drawn to \$A54M, more than required to fund all planned activities of the Company for 2008 and 2009.

Other Mine Developments:

- The Main components for Diggers South pre feasibility study are complete. The feasibility study is underway. Western Areas is currently seeking offtake terms for the sale of nickel concentrate to complete the commercial part of the study.
- Surface earthworks for the Stage One concentrator at Cosmic Boy are complete with construction due to start at the end of March.

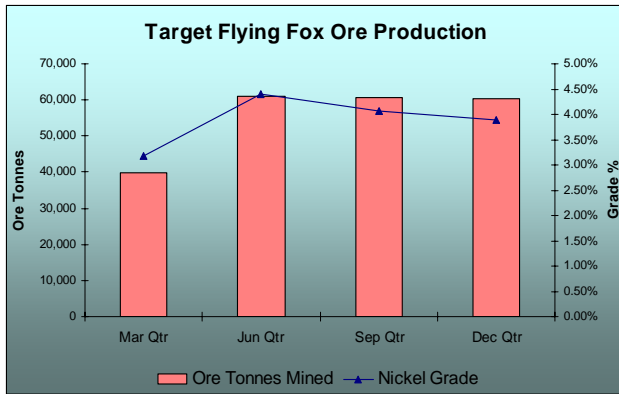


Figure 1: Target ore production 2008

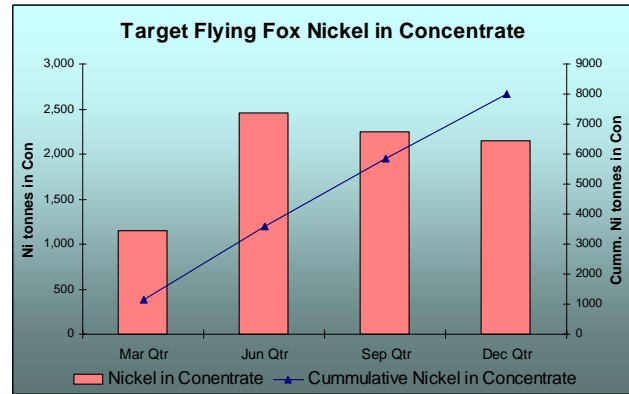


Figure 2: Target nickel production 2008

1. FLYING FOX MINE PRODUCTION

T1 mining commenced on 19 November 2007. In the six weeks of first T1 production 8,614 tonnes at 4.19% Ni was mined. Invoiced production was 7,510t at 4.33% Ni with 91.5% metallurgical recovery. C1 cash costs for T1 were A\$3.38 in November and A\$2.83 in December per lb in concentrate.

Production Statistics - Flying Fox		
		Dec Qtr
Ore Tonnes Mined		
T1		8,614
Ni %		4.19%
T Zero		14,404
Ni %		2.19%
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Total Ore Mined Flying Fox		23,018
Ni %		2.94%
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Ni Tonnes Mined		677
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Ore Tonnes Invoiced		
T1		7,510
Ni %		4.33%
Recovery		91.5%
T Zero		14,203
Ni %		2.12%
Recovery		84.9%
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Total Ore Invoiced		21,713
Ni %		2.88%
Ave. Recovery		88.3%
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Ni Tonnes in Concentrate		553
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Note. Grade and recovery estimates are subject to change until the final assay data is received in accordance with the OTCPA agreement.		
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Financial Statistics - Flying Fox		
		Dec Qtr
T1 - Nickel in Concentrate		A\$/lb
Mining Cost (*)	\$/lb	2.09
Haulage	\$/lb	0.18
Milling	\$/lb	0.31
Admin	\$/lb	0.46
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C1 Cash Cost (Ni in Con / lb)		\$/lb 3.04
Depreciation & Amortisation	\$/lb	1.40
Royalty Costs	\$/lb	0.52
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C3 Total Cost (Ni in Con / lb)		\$/lb 4.96
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(*) Mining costs are net of waste deferrals		

Stoping operations are ongoing in the T Zero ore body and in the top level of T1. Approximately 70,000 tonnes of ore has now been mined from the T Zero and T1 ore bodies and 65,000 tonnes have been milled at Norilsk's Lake Johnson concentrator. The main decline is advancing in the footwall sediments of the T1 deposit and is currently >480m below surface. Ground conditions remain excellent.

A recent detailed review of mine infrastructure and stoping methodology has resulted in a positive change in the ore production schedule. More ore will now be won from long - hole open stopes with two main stoping blocks (Figure 3) being the 955 stope (85,000t @ 5.13% Ni) and 945 stope (100,000t @ 4.89% Ni). Development to these stopes is in progress and first ore from this area of the mine is expected in March/April. The new mine plan will facilitate the increased production target of 20,000 tonnes ore per month (Figure 1).

The decline development is on target to reach the bottom of the T1 ore body by August 2008 with the T4/T5 decline expected to reach the top of T4 in December 2008. The hoisting shaft scoping study is well advanced with shaft designs and costs expected in March 2008.

Surface earthworks for the Cosmic Boy mill are complete and construction tenders from leading engineering firms are due to close in early February. Construction is due to start at the end of March with target date for commissioning Stage One of the plant being December 2008.

2. MINE SAFETY AND ENVIRONMENT

High mine safety standards are being maintained at Flying Fox with **270 LTI free days** reported to 31st December. This is a credit to everyone on site.

The village capacity has been increased to 300 rooms for the imminent construction of the Cosmic Boy plant and development of the Diggers South mine.

Western Areas employ's two OHS / ER Coordinator's on site. The 22 members of the OHS and ER teams have had a very productive quarter and conduct regular safety and mines rescue training. Comprehensive safety procedures have been put in place at the mine and in the village. Training includes First Aid, underground search and rescue, rope rescue, vehicle extrication, open circuit breathing apparatus, fire fighting and hazchem.

There were no significant environmental incidents reported during the December quarter for the Forrestania Nickel Project. There were several developments in the environmental department:

- Western Areas has employed a new Environmental Officer, Cherie Halfpenny who is working on site with Environmental Coordinator Darren Coulson and will assist in the day to day environmental management requirements onsite. Phil Knapton who has filled the Environmental Coordinator position onsite since January 2005 has taken up the position of Environmental Manager in Perth.
- The Mining Proposal for the Diggers South project was completed during the December quarter and submitted to DoIR and DEC in early January 2008. Approval to commence work on this proposal is expected by the end of March 2008.
- Western Areas entered into a contract to purchase a farm located 10kms west of the Diggers South project area. Western Areas is proposing to utilise the area for evaporation ponds for the discharge of water from the Diggers South mine. Baseline environmental data is currently being collected to support the Mining Proposal for this operation.
- Environmental and mining approvals for the construction of the 250,000tpa Cosmic Boy Plant and the expanded village are in place. Environmental approvals for the expanded 700,000tpa Cosmic Boy Plant and the mining and water disposal for Diggers Rocks and Diggers South are underway.
- Western Areas became sponsors of the DEC Western Shield Wildlife Recovery program. This program is aimed at reducing the impact of feral animals such as the cat and the European fox on Western Australia's native fauna. Western Areas sponsorship covers the Dragon Rocks Nature Reserve which is approximately 65kms to the west of Forrestania.

3. MAJOR EXPLORATION DEVELOPMENTS

There were **three major exploration developments** during the December Quarter:

a. Flying Fox

A recently revised interpretation of Flying Fox highlights the potential for continuous high grade massive and disseminated sulphide over a much larger area than previously considered (Figure 4).

Below the T1 ore body where mining is in progress, strong mineralisation appears to be continuous over more than 700m vertical extent from the top of T4 to the current limit of drilling at T7. If the area of mineralisation defined by Kagara Ltd is included with the area defined by Western Areas, Flying Fox increases in width from 350m (at the Outokumpu mine level) to at least 600m in width (at the T5 level). The increase in width at T5 coincides approximately with the base of the main flat lying granite intrusion. The potential for significant strike extensions below the granite intrusion remains effectively untested.

Drilling at Flying Fox during the December 2007 and March 2008 Qs is focussed on the following areas:

- One underground drill rig is testing T1 north of the dolerite dyke. Drill hole FUG 156 intersected 18.6m (estimated true width 8m) of massive and stringer sulphides, mainly pyrite. This intersection is on the northern edge of T1 and is not expected to contain significant nickel grades.
- Two drill rigs are testing the northern and southern extremities of T4. Recent intersections include 1.4 metres of matrix sulphides in drill hole FFD190W3 adjacent to the dolerite dyke and 2.4 metres of matrix sulphides FFD193W3 on the southern limit of drilling at T4. An initial mineral resource at T4 is expected in the June Q.
- One drill rig is testing the T6 and T7 deposits. The current drill hole (FFD136W4W1W3W1) is the final planned to be drilled from the west through the footwall sequence. The drill rig will then move to a new site to test the interpretation that T5 may extend a further 100m into the underlying T6 and T7 deposits. This program will then move to testing the centre of the large T7 EM conductor. All drilling at T7 to date has been on the southern margin of the T7 EM conductor (Figure 3).



Figure 3: T7 9.6m massive sulphide in T7 drill hole FFD 136 W4W1W2
- on the margin of the T7 EM conductor
[NB the good ground conditions]

b. Spotted Quoll

Excellent drilling results are continuing at Spotted Quoll, located 6km south of Flying Fox along the same geological contact (Figure 5). Preliminary assay results have been received for a massive sulphide intersection in drill hole WBD 28, first announced on 21 January 2008. WBD 28 intersected **8.7m @ 11.4% nickel from 88.2m down hole depth with an estimated true width of 8m**. The assays are a 46% increase in the announced nickel grade estimates based on Niton analyses announced on 21 January.

The intersection in WBD 28 compares well with discovery intersections at Jubilee's Cosmos nickel mine, which included 8.3m @ 11.1% nickel and 20m @ 10.0% nickel and at Flying Fox which included 6.6m @ 7.9% nickel and 21.4m @ 7.8% nickel. Cosmos was mined by both openpit and underground methods. Potential may exist to develop an open pit mine at Spotted Quoll.

Spotted Quoll also highlights the excellent potential for additional nickel discoveries below the flat lying granite intrusions which extend at least 7km from Flying Fox to Willy Willy (Figure 5). These granite intrusions probably continue within Western Areas tenements along the 25km long Western Nickel Belt from the Beautiful Sunday deposit at the northern end to the Arrowhead prospect at the southern end.

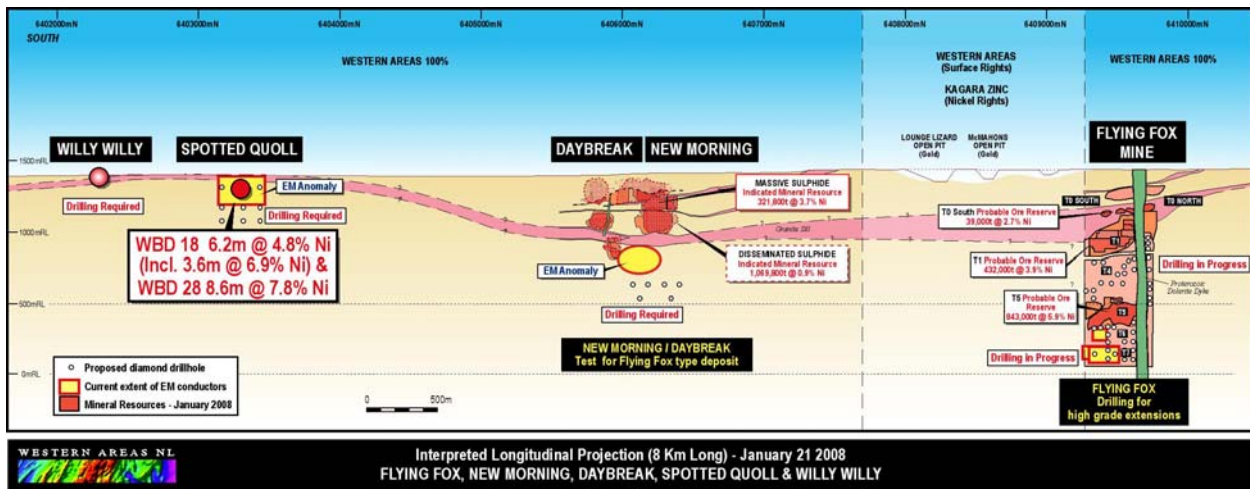


Figure 5: 8km long Interpreted Long section extending from Flying Fox to Willy Willy prospect

11 of the 12 drill holes completed to date at Spotted Quoll have intersected high grade nickel sulphides. The 12th drill hole WBD 29 intersected a minor fault offsetting the mineralisation. Down hole EM has confirmed a strong conductor extends below WBD 29 and drilling is currently testing this area (Figure 7).

Two drill rigs are on site defining a mineral resource at Spotted Quoll to 200m depth and a third drill rig due to start mid February to test below 200m.

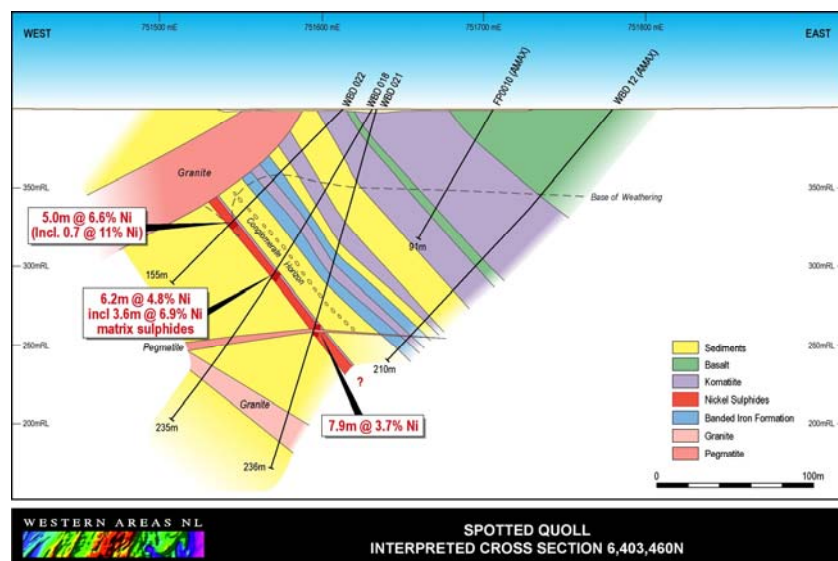


Figure 6: Interpreted Cross Section (initial drill hole traverse) at Spotted Quoll

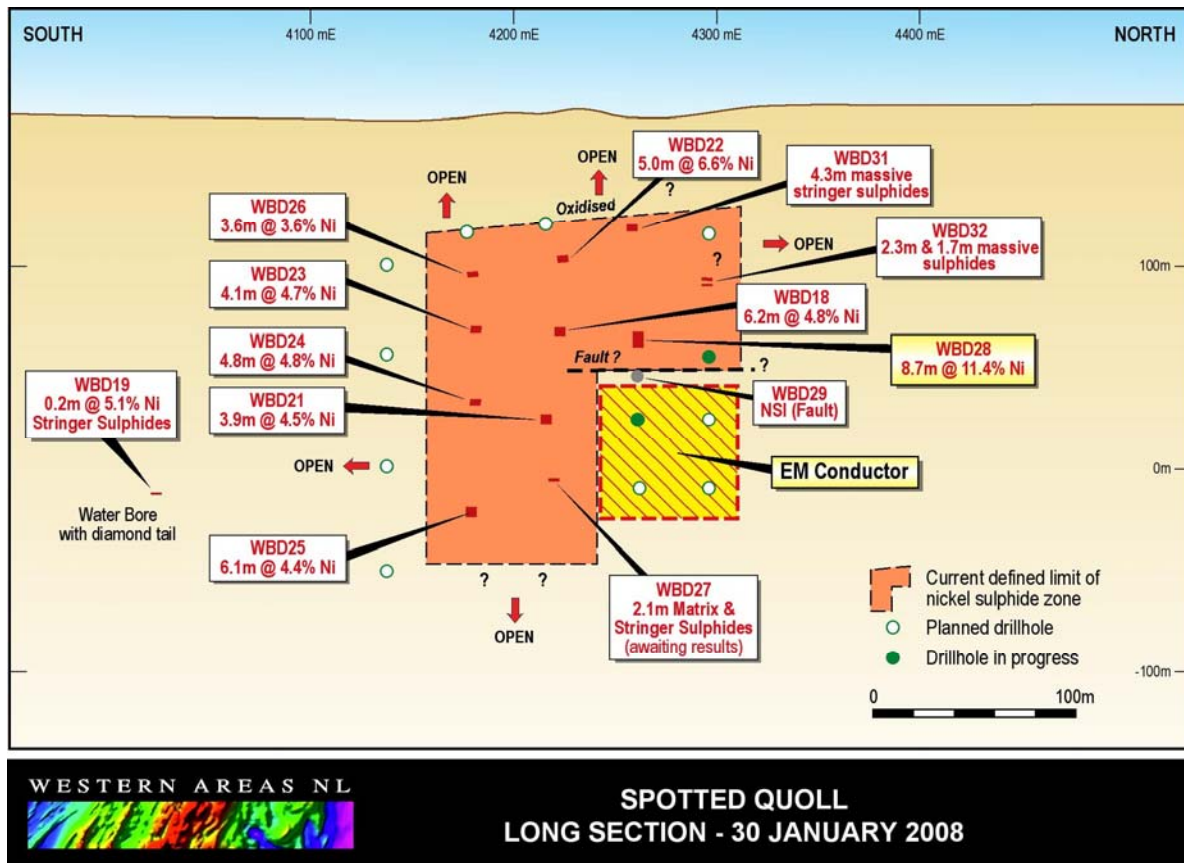


Figure 7: Interpreted Long section (inclined section) showing all current drill holes at Spotted Quoll

c. New Regional Nickel Projects

Western Areas has made substantial progress towards consolidating its nickel interests in the nickel province which the Company interprets to extend >500km from Sandstone to Ravensthorpe (Figure 8). Two main transactions have been negotiated during the December quarter:

Sandstone Joint Venture

In November 2007, Western Areas announced an agreement to explore a large area of nickel prospective tenements in the Sandstone greenstone belt in a JV with Troy Resources NL. Western Areas can earn a 70% interest in nickel and related metals in a project with minimal previous nickel exploration. Field work is underway on this exciting project and the Company looks forward to reporting early results.

Southern Cross Goldfields Ltd

Western Areas has restructured the Bullfinch North Joint Venture with Polaris Metals NL. Western Areas has transferred its interests at Bullfinch to Polaris related company, Southern Cross Goldfields Ltd (SXG) for one million shares and five million 20 cent options. Western Areas has also committed to purchase five million shares in SXG through SXG's imminent IPO listing.

Assuming the listing of SXG is successful and WSA exercises its options, Western Areas should become the largest shareholder in SXG. SXG has extensive tenement holdings in the central part of the regional nickel province which extends north from Forrestania (Figure 8). Western Areas looks forward to being associated with SXG and assisting them with their nickel exploration projects.

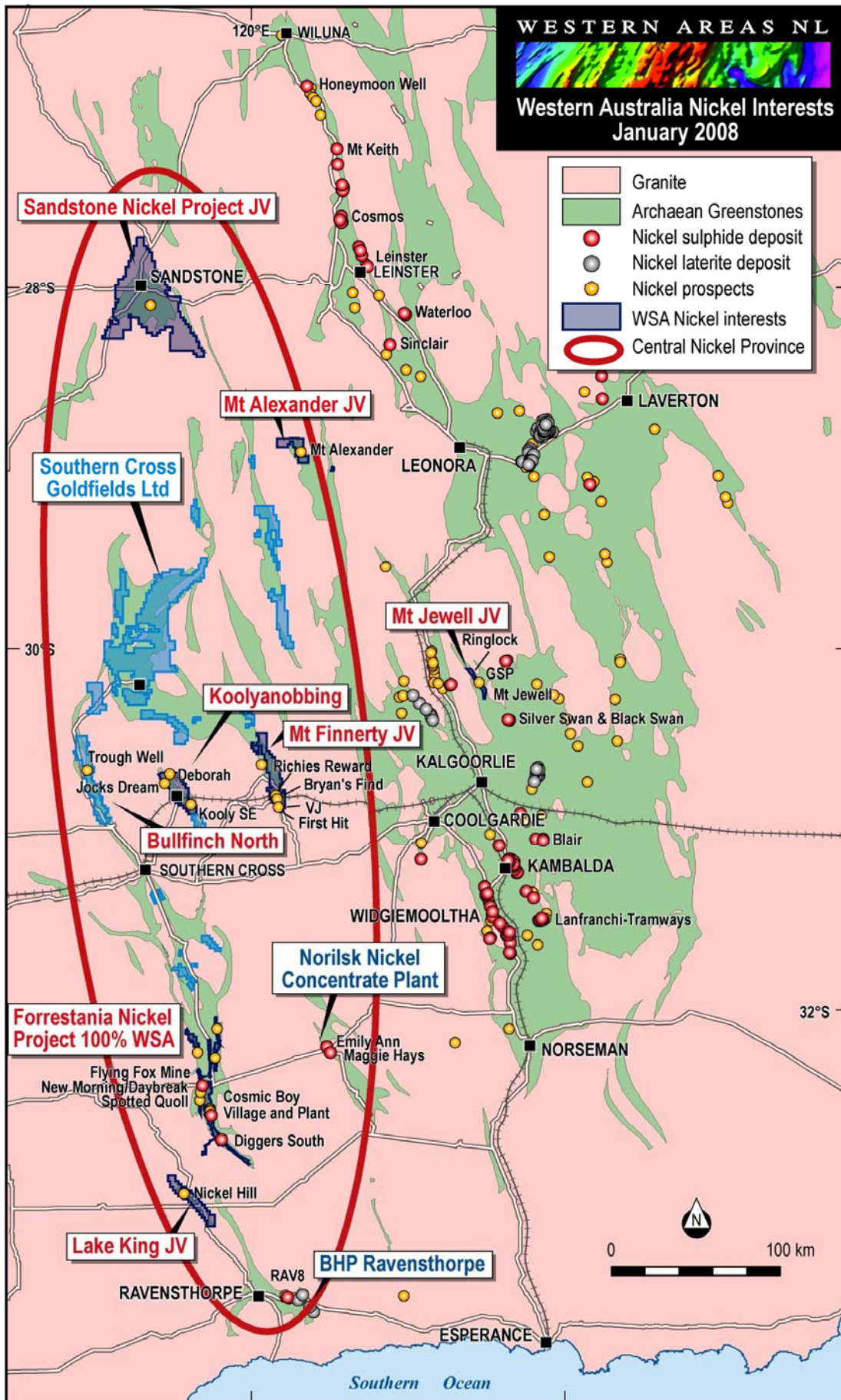


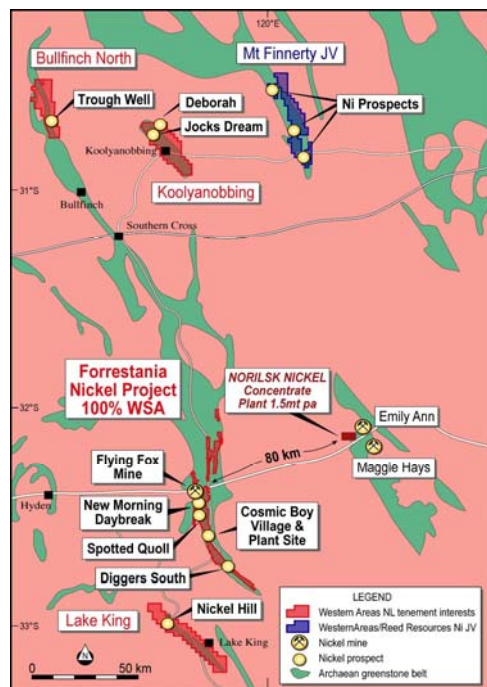
Figure 8: Regional Nickel Province showing Western Areas projects, joint ventures and other interests.

Table 1: FORRESTANIA HIGH QUALITY ORE RESERVES AND MINERAL RESOURCES

Western Areas NL Ore Reserve / Mineral Resource Table - August 2007				
Deposit	Tonnes	Grade Ni%	Ni Tns	JORC Classification
Ore Reserves				
T Zero North	12,200	4.1	500	Probable Ore Reserve
T Zero South	39,000	2.7	1,050	Probable Ore Reserve
T1 South - Upper	22,800	1.8	410	Probable Ore Reserve
T1 South	314,500	4.8	15,000	Probable Ore Reserve
T5	843,000	5.9	49,700	Probable Ore Reserve
TOTAL WESTERN AREAS ORE RESERVES	1,231,500	5.4	66,660	Probable Ore Reserve
Mineral Resources				
1. Flying Fox Area				
T Zero North	8,600	7.0	600	Indicated Mineral Resource
T Zero South	49,900	3.9	1,970	Indicated Mineral Resource
T1 South - Core	314,000	6.1	19,250	Indicated Mineral Resource
T1 South - Halo	86,800	1.9	1,690	Indicated Mineral Resource
T1 North	68,300	3.1	2,100	Inferred Mineral Resource
<i>T4</i>				<i>(resource pending)</i>
T5	862,100	6.8	58,800	Indicated Mineral Resource
T5	164,400	6.8	11,220	Inferred Mineral Resource
Total Flying Fox	1,554,100	6.2	95,630	
New Morning / Daybreak				
Massive Zone	321,800	3.7	12,010	Indicated Mineral Resource
Massive Zone	93,100	3.5	3,260	Inferred Mineral Resource
Disseminated Zone	1,069,800	0.9	9,650	Indicated Mineral Resource
Disseminated Zone	659,200	0.9	5,780	Inferred Mineral Resource
Total New Morning / Daybreak	2,143,900	1.4	30,700	
TOTAL FLYING FOX AREA	3,698,000	3.4	126,330	
2. Cosmic Boy Area				
Cosmic Boy	180,900	2.8	5,050	Indicated Mineral Resource
TOTAL COSMIC BOY AREA	180,900	2.8	5,050	
3. Diggers Area				
Diggers South - Core	3,000,000	1.5	44,700	Indicated Mineral Resource
Diggers South - Halo	4,800,000	0.7	35,600	Indicated Mineral Resource
Digger Rocks - Core	54,900	3.7	2,030	Indicated Mineral Resource
Digger Rocks - Core	172,300	1.1	1,850	Inferred Mineral Resource
Digger Rocks - Halo	1,441,000	0.7	10,350	Inferred Mineral Resource
TOTAL DIGGERS AREA	9,468,200	1.0	94,530	
TOTAL WESTERN AREAS RESOURCES	13,347,100	1.7	225,910	

(This Mineral Resource Table does not include, for example, Mineral Resources at Flying Fox T4, T6/T7, Purple Haze, Seagull or Beautiful Sunday. An initial Mineral Resource for Spotted Quoll is expected in the March08 Quarter)

4. WESTERN AREAS REGIONAL EXPLORATION PROJECTS



Western Areas continues to consolidate its position in the Forrestania region with five other projects including:

- Forrestania
- Koolyanobbing
- Mt Finnerty (Reed JV)
- Lake King
- Mt Alexander (BHP JV)

The Company believes this area provides the opportunity to develop another world class Nickel province in Western Australia.

Figure 9: WSA Regional Projects

Koolyanobbing Nickel Project – Exploration Drilling (WSA 100% of Nickel rights)

Diamond drilling was undertaken during the Quarter at the 100% - owned Jocks Dream nickel prospect, 200km north of Forrestania. Three diamond drill holes were drilled below a 500m long nickel sulphide zone discovered in the 1970s and extended by Western Areas in 2006 using a combination of IP surveys and RC drilling. Both holes intersected massive and stringer sulphides. The results will be released when assays are available.

Previous drilling has intersected significant occurrences of partly oxidised massive sulphides at shallow depth. Previously announced intersections include:

- KDRC 014 5m @ 2.1% nickel (including 1m @ 4.0% nickel) from 74m
- JDP 005 7m @ 2.4% nickel (including 3m @ 4.4% nickel) from 39m

The target of the current drilling is primary high grade massive nickel sulphide mineralisation in structurally controlled nickel deposits similar to Norlisk's Emily Ann mine.

Mt Finnerty JV (WSA earning 65% of Nickel rights from Reed Resources)

Western Areas has a Heads of Agreement with Reed Resources Ltd to explore the Mt Finnerty belt, 200km NE of Forrestania. The area was last explored for nickel by WMC in the 1970's.

In the December quarter Western Areas completed an initial 130 drill hole RAB drilling program to test four soil geochemical anomalies identified along the prospective basal ultramafic contact. Assay results from the RAB drilling program will be released when they are received and compiled. A surface EM survey is in progress.

Lake King JV (WSA earning 70% interest)

Western Areas completed six RC drill holes to test a strong geophysical (IP) anomaly coincident with a surface nickel/copper geochemical anomaly. An IP Geophysical survey is in progress.

The following results are the first reported occurrences of nickel sulphides in the Lake King greenstone belt which is located 80km south of Forrestania. The target remains open at depth and to the south.

- Drill hole LKRC006: intersected 15m at 0.36% Nickel from 180m
- Drill hole LKRC004: (100m north of LKRC006) intersected 1m at 0.49% Nickel from 174m

Mt Alexander (BHP JV)

BHP has recently completed a drilling program to test EM targets and assays are awaited.

5. CANADIAN NICKEL PROJECTS AND INTERESTS

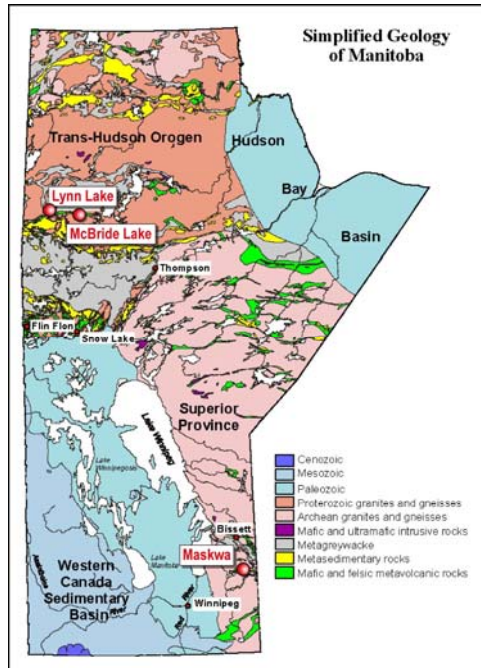


Figure 10: Manitoba Canada

There were further advances in Western Areas' strategy to develop quality nickel assets in Canada.

The key requirements for acquiring Canadian assets are that they must be advanced projects with well established infrastructure and have the potential to be brought into production within two years.

Currently, Western Areas has three projects in Canada all in the State of Manitoba.

- Lynn Lake – historically Canada's 3rd largest Nickel province – 10 Nickel and Zinc targets – 2 holes complete – further drilling underway
- McBride Lake – Zinc project – VTEM and drilling March quarter
- Mustang Minerals Corp. (Mustang) – acquired ~19% of company – completing prefeasibility on Maskwa Nickel project. Three other nickel, copper and PGM projects

Lynn Lake Project - Manitoba (WSA option to acquire 100%)

On 15 March, the Company announced an Option Agreement to acquire 100% interest in a strategic holding of mining claims at one of Canada's premier nickel, copper and cobalt mining camps, Lynn Lake.

The agreement also includes a group of claims which cover a significant Volcanogenic Massive Sulphide ("VMS") zinc rich deposit (8.8% zinc) at McBride Lake, 70km east of Lynn Lake.

Lynn Lake is one of Canada's largest historic nickel, copper and cobalt producers. Between 1953 and 1976, Sherritt-Gordon Mines Limited operated several mines before closing at a time of low nickel prices. Sherritt-Gordon mined approximately 22 million tons of ore at an average grade of 1% nickel and 0.5% copper, producing approximately 166,100 tonnes nickel, 94,800 tonnes copper and 1,700 tonnes cobalt.

The Lynn Lake claims cover the highest grade mine in the area, the 'EL' mine, which produced approximately 1.0 million tons ore grading 3.3% nickel and 1.1% copper plus high grade cobalt to 270m depth. The potential for extensions to the EL mine is one of Western Areas first priorities.

In mid-April, Western Areas completed a detailed helicopter borne VTEM survey covering the Lynn Lake claims. Based on reports from site, the VTEM survey has identified a number of what appear to be significant conductors in favorable geological settings.

Two diamond drill holes were completed below the EL mine in the December Quarter. Both drill holes intersected up to 50m downhole width of disseminated and stringer sulphides. Assay results are pending and will be announced shortly.

McBride Lake Project - Manitoba (WSA option to acquire 100%)

In addition, the Lynn Lake Option Agreement included claims which cover significant Volcanogenic Massive Sulphide ("VMS") zinc rich deposit at McBride lake, 70km east of Lynn Lake. The McBride Lake deposit is open along strike and below 300m depth. Previous down hole intersections include 10.7m @ 9.9% zinc and 6.6m @ 8.8% zinc. Based on the potential size and high grade of the deposit, surface geophysics and drilling is clearly warranted to test for extensions to this deposit. An airborne EM survey and drilling is planned for the March Quarter.

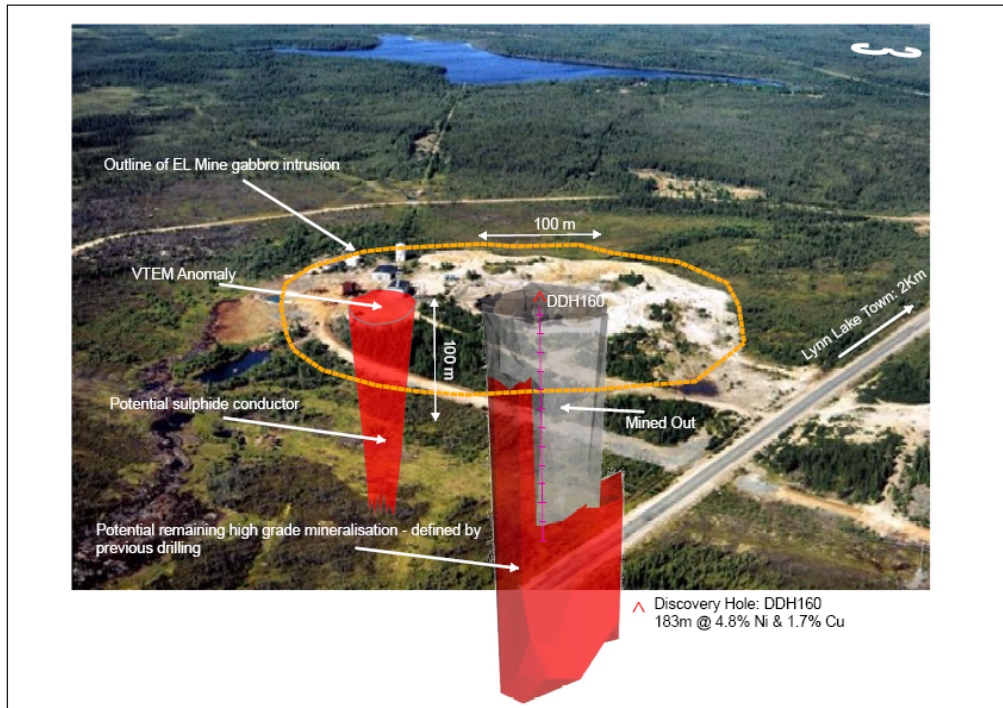


Figure 11: EL Mine Lyn Lake – Manitoba Canada

Maskwa Project, Manitoba (Western Areas ~19% of Mustang Minerals Corp.)

Western Areas increased its ownership of Mustang to ~19% during the quarter. Mustang is currently undertaking a pre-feasibility study for an open pit mine at the Maskwa nickel deposit in southern Manitoba. This is based on an open pit mineral resource of approximately 8 million tonnes at an average grade of 0.64% nickel with copper and PGM credits.

Independent mining consultants, Wardrop Consultants, is undertaking the mining and plant design and permitting applications for the project with the results due to be released in the March Quarter.

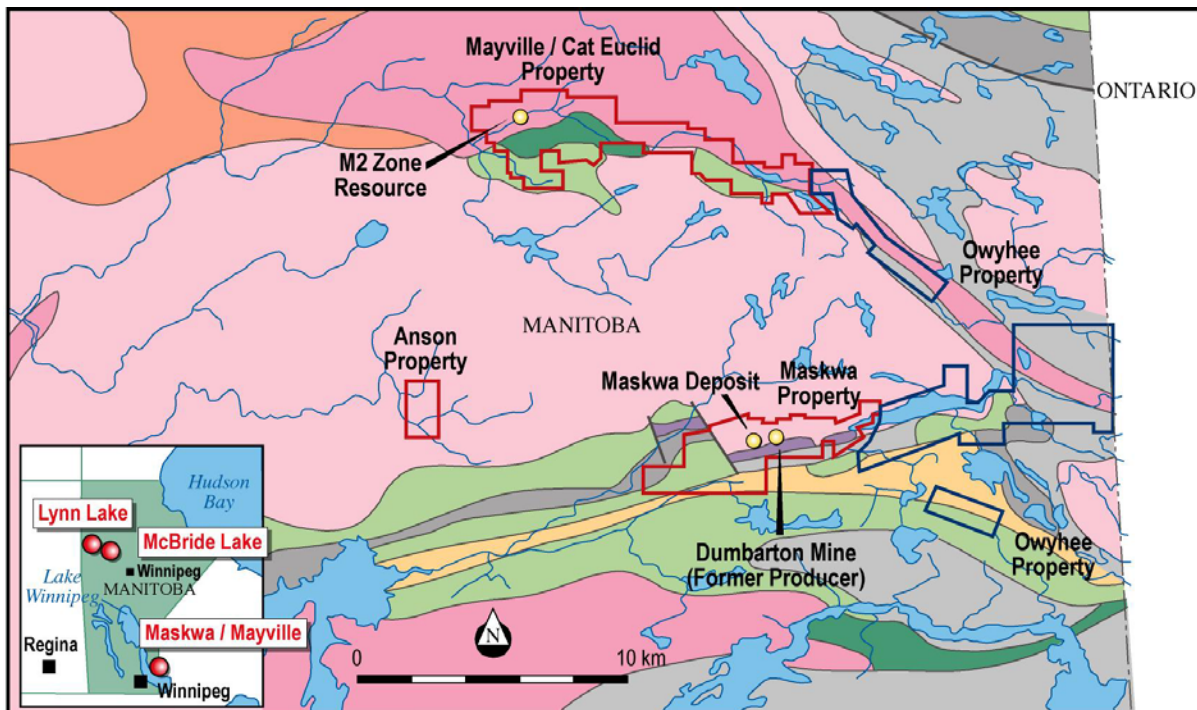


Figure 12: Mustang Maskwa and Mayville Projects – Manitoba Canada

For further details, please contact:

Julian Hanna
Managing Director – Western Areas NL
Telephone +61 8 9334 7777
Email: jhanna@westernareas.com.au

Craig Oliver
FINANCE DIRECTOR – Western Areas NL
Telephone +61 8 9334 7777
Email: coliver@westernareas.com.au

Ann Nahajski
Investor Relations – Porter Novelli
Telephone +61 8 9386 1233
Email: annahajski@wa.porternovelli.com.au Or visit: www.westernareas.com.au

QA-QC STATEMENT: 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, downhole surveys employed a north seeking gyroscopic instrument; comprehensive density database; high assay confidence with systematic QA/QC procedures; and validated database.

Samples of quarter core from the drill holes described in this release are prepared and analysed by ALS Chemex Ltd laboratory in Perth for nickel, copper, cobalt and other elements. Core samples are crushed and pulverised to 90% passing 75 microns then analysed for nickel by ore grade determination using the ALS OG-62 method. Assays standards are routinely inserted in the sample stream by Newexco for quality control.

The information within this report as it relates to the revised Mineral Resources was prepared by Ms Sharron Sylvester and the information as it relates to exploration and proposed corporate activities is based on information compiled by Mr Julian Hanna. Ms Sylvester is a member of AIG and Mr Hanna is a member of AusIMM. Ms Sylvester and Mr Hanna have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which each is 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 and Mr Black 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 including nickel production targets. 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 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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