



February 13, 2008

ASX & TSX: WSA

**News Release**

Dear Shareholder,

**WSA PRESENTATION - INCLUDING 5 YEAR PRODUCTION TARGETS**

Please find attached the most recent PowerPoint presentation on Western Areas which will be presented at the RIU Explorers Conference in Fremantle at 11.10am today.

The presentation includes new slides showing:

1. Updated interpretation of longitudinal projection - Flying Fox to Spotted Quoll
2. Forrestania Project Development Targets – 2008 (7 current projects)
3. 5 Year Production Targets - (target 34,000 tonnes nickel in concentrate in 2011)

We look forward to reporting ongoing results from these activities during the next few months.

Yours sincerely,

Julian Hanna, Managing Director and CEO

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**DISCLAIMER:** The information within this presentation as it relates to exploration results or mineral resources is based on information compiled by Mr Julian Hanna. Mr Hanna is a member of AusIMM and is a full time employee of the Company. Mr Hanna has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Hanna consents to the inclusion in the report of the matters based on the information in the form and context in which it appears. This presentation 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.

**FORWARD LOOKING STATEMENTS:** This presentation contains information based on a variety of assumptions and certain forward-looking statements. Examples of forward looking statements used in this presentation are estimates of the potential Production Targets (up to a total 34,000 tonnes of nickel in concentrate pa in 2011 and 2012) and current interpretations of the geology and the extent of mineralisation at Flying Fox and in the area from Flying Fox to Spotted Quoll. Forward-looking statements are subject to a wide 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. Current or potential shareholders should not rely on forward looking statements as a basis to invest in Western Areas NL ("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.

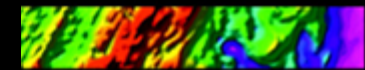
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# Western Areas NL – February 2008

Target : 30 – 40,000 tpa nickel production by 2011

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- Nickel sulphide industry
- Flying Fox Nickel Mine
- Spotted Quoll Discovery
- 5 Year Production Targets



**Flying Fox – one of the World's highest grade nickel mines**



# Nickel Sulphide Industry – next six months

AUSTRALIA	CANADA	RUSSIA	CHINA	FINLAND	SOUTHERN AFRICA
BHP / RIO ?	CVRD / Vale / XSTRATA ?	NORILSK	JINCHUAN JILIN	NORILSK	BCL
1	4	3	3	1	1
Norilsk	FNX			Talvivaara	Norilsk
<u>Western Areas</u>	<u>Western Areas</u>			Scand. Mins	Albidon
<del>Jubilee</del> Independence Mincor Sally Malay Consol. Ni Sally Malay Allegiance ? Fox Resource Poseidon	Mustang (18% WSA) Crowflight Independent First Nickel Victory Nickel Pure Nickel C. Royalties Mirabela				



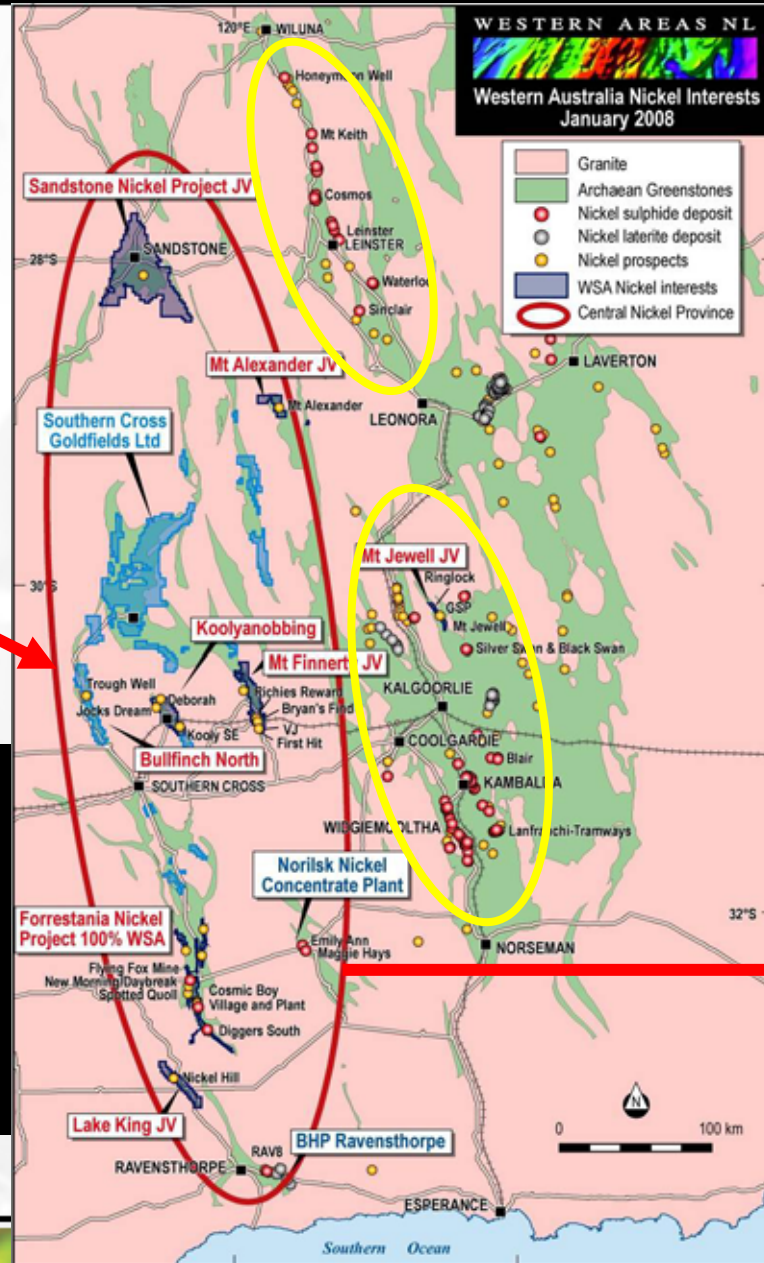
# Flying Fox nickel concentrate refined here



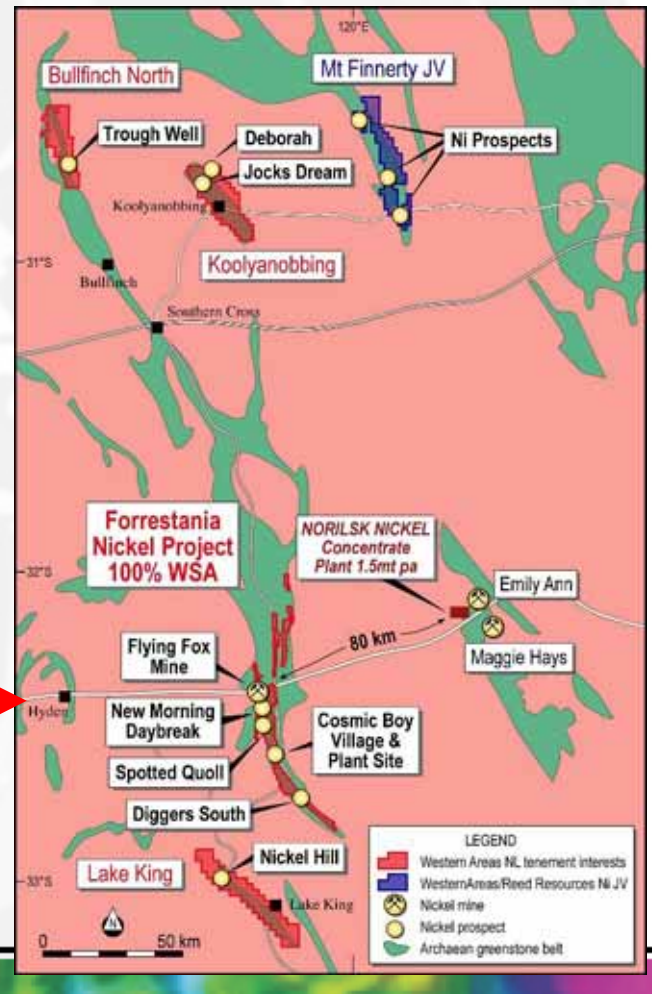
**Harjavalta Nickel Smelter and Refinery, Finland**

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# 500km Nickel Province - consolidated by WSA interests in 7 key greenstone belts



**Forrestania Nickel Project:**  
**>225,900 tonnes (500M lbs)**  
**nickel in high quality mineral resources**



**Exploration Parameters:**

1. Ultramafic contacts
2. Major structures
3. Granite intrusions

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## Flying Fox Nickel Mine – world class mine

- six high grade deposits to 1400m depth
- Mineral Resources : 1.5Mt @ 6.2% Ni  
95,600 t Ni – excludes T4, T6, T7 deposits  
Target 50% increase to 150,000 t Ni in 2008
- mining in progress : T Zero & T1 deposits
- drilling in progress : T4, T6, T7 deposits
- 12,000 - 14,000 tpa Ni production by 2010
- Target: >20,000 tpa nickel – shaft haulage
- nickel offtake with Norilsk for 75,000 t nickel



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# Flying Fox – longitudinal projection

- **T Zero and T1** – ore production in progress

18,000 t nickel in high grade Ore Reserves

- **T4** – resource drilling in progress, production starts early 2009

recent T4 intersections include:

- 9.3m @ 5.1% nickel
- 6.5m @ 6.5% nickel

- **T5** – drilling resource extensions production starts early 2010

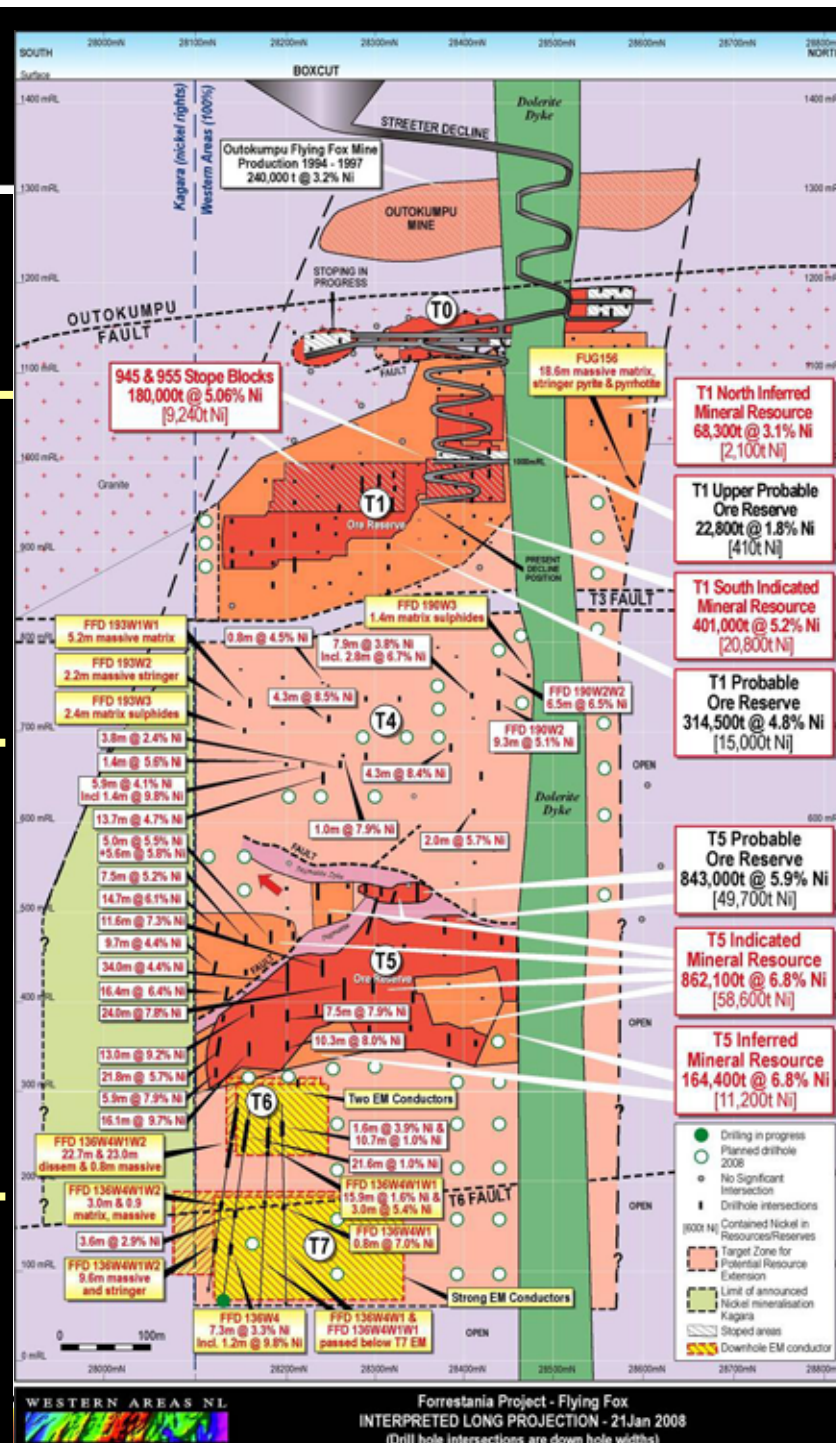
T5 intersections include:

- 24.0m @ 7.9% nickel
- 16.1m @ 9.7% nickel
- 11.6m @ 7.3% nickel
- 34.0m @ 4.4% nickel

- **T6, T6 Fault, T7** – scoping drilling in progress

3 nickel zones, 5 EM conductors, up to 9% nickel.

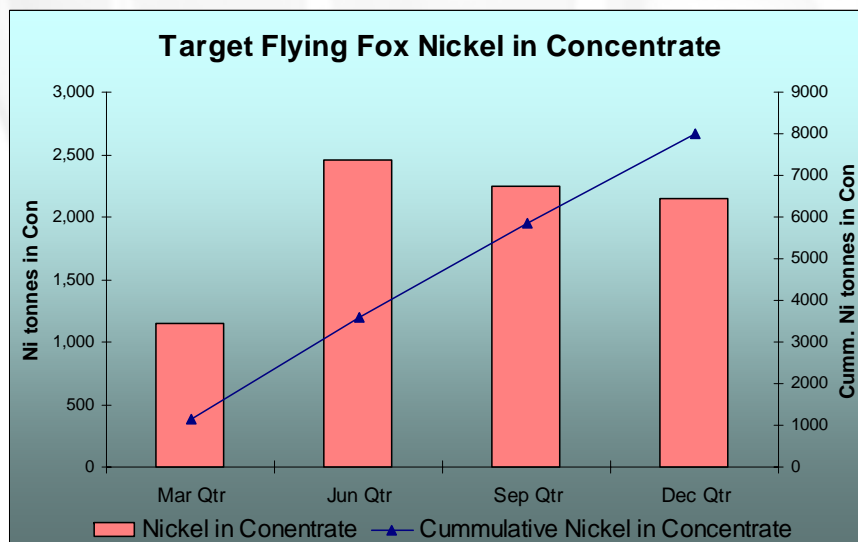
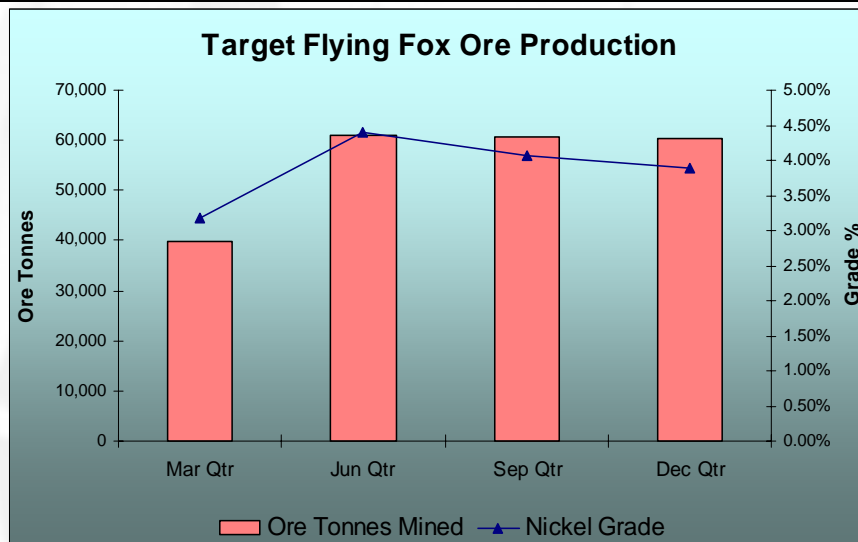
T7 has potential to be another bonanza T5 deposit



C1 cash costs : T1 A\$3.04/lb Ni in conc Dec Q

Target : >8,000t Nickel in conc CY 08

Production : unhedged from April 08



## Production Statistics - Flying Fox

	Dec Qtr
<b>Ore Tonnes Mined</b>	
T1	8,614
Ni %	4.19%
<b>T Zero</b>	14,404
Ni %	2.19%

<b>Total Ore Mined Flying Fox</b>	23,018
Ni %	2.94%

<b>Ni Tonnes Mined</b>	677
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	Dec Qtr
<b>Ore Tonnes Invoiced</b>	
T1	7,510
Ni %	4.33%
Recovery	91.5%
<b>T Zero</b>	14,203
Ni %	2.12%
Recovery	84.9%

<b>Total Ore Invoiced</b>	21,713
Ni %	2.88%
Ave. Recovery	88.3%

<b>Ni Tonnes in Concentrate</b>	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.

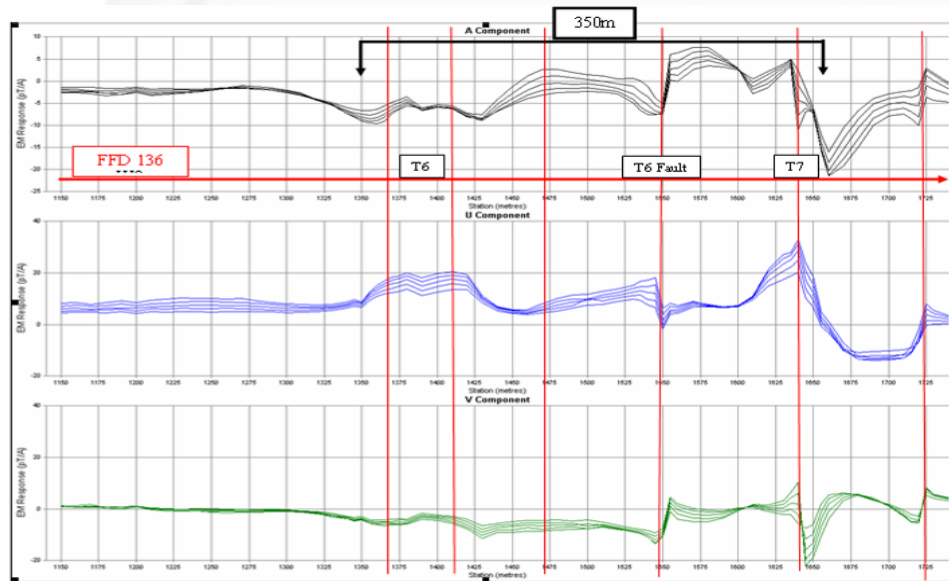
## Financial Statistics - Flying Fox

	Dec Qtr
<b>T1 - Nickel in Concentrate</b>	A\$/lb
Mining Cost (*)	\$/lb 2.09
Haulage	\$/lb 0.18
Milling	\$/lb 0.31
Admin	\$/lb 0.46
<b>C1 Cash Cost (Ni in Con / lb)</b>	<b>\$/lb 3.04</b>
Depreciation & Amortisation	\$/lb 1.40
Royalty Costs	\$/lb 0.52
<b>C3 Total Cost (Ni in Con / lb)</b>	<b>\$/lb 4.96</b>

(\*) Mining costs are net of waste deferrals



# Why is WSA drilling Flying Fox T6 & T7 zones?

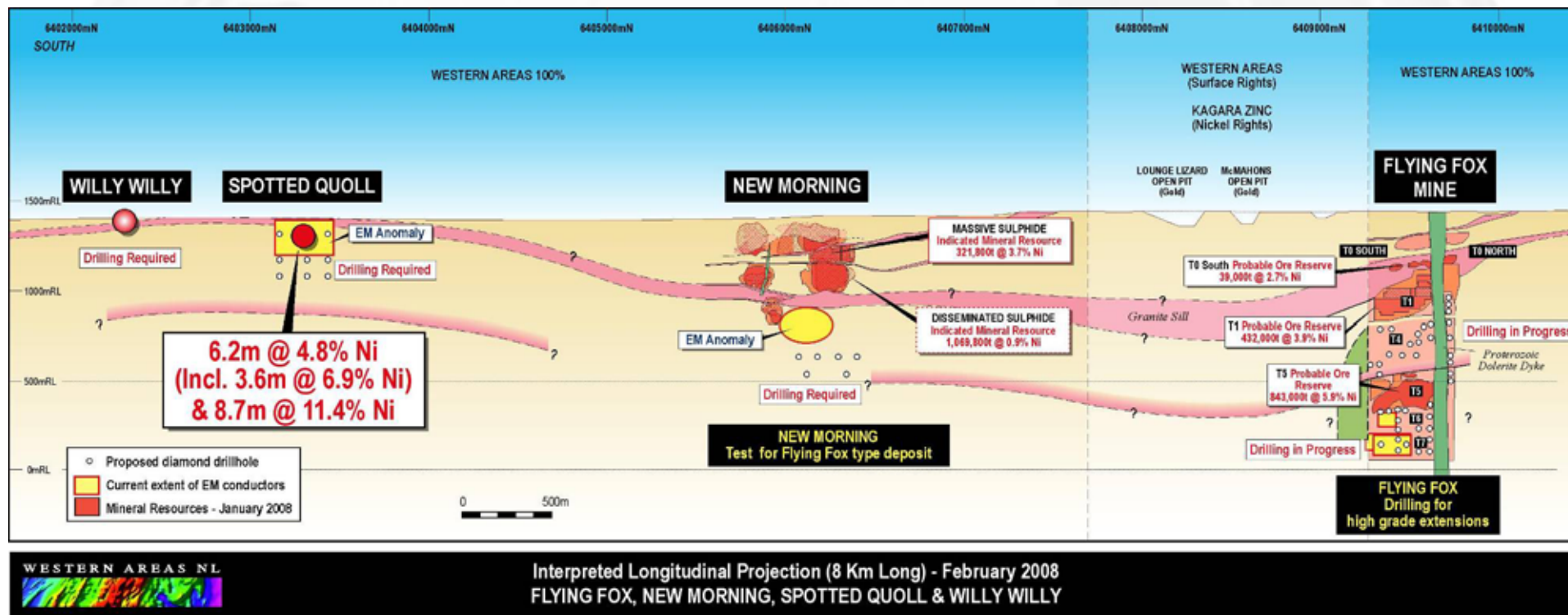


**FFD 136 W4 down hole EM :**  
**350m interval with 5 separate conductors**

1. Wide zones dissem. (1.0 – 1.6% Ni) and massive / stringer sulphide (to 9.8% Ni)
2. T7 conductor is the strongest EM conductor at Flying Fox to date
3. Potential for a major nickel deposit extending ~300m below T5 ore body
4. Favourable ground conditions in drill core
5. Study underway for ore haulage shaft



# Spotted Quoll discovery – WBD 28 intersected 8.7m @ 11.4% nickel (announced 1 February)

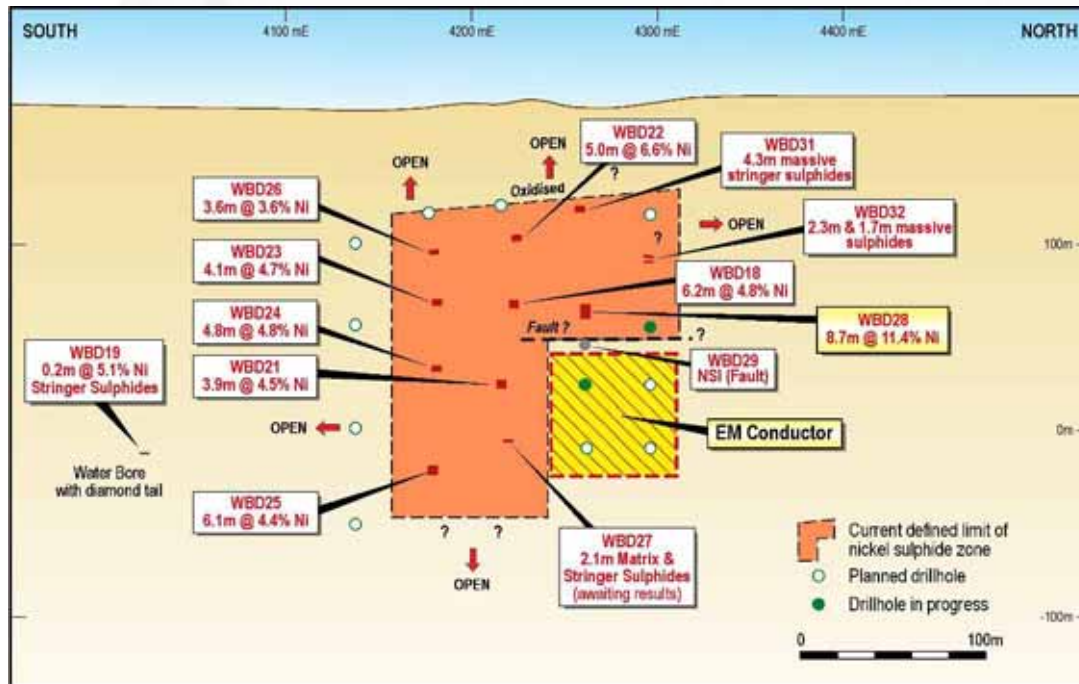


Spotted Quoll – is this another Flying Fox type / size deposit ?

First mineral resource estimate to 200m depth expected March Q 08

3 known deposits – major upside for new discoveries below granite

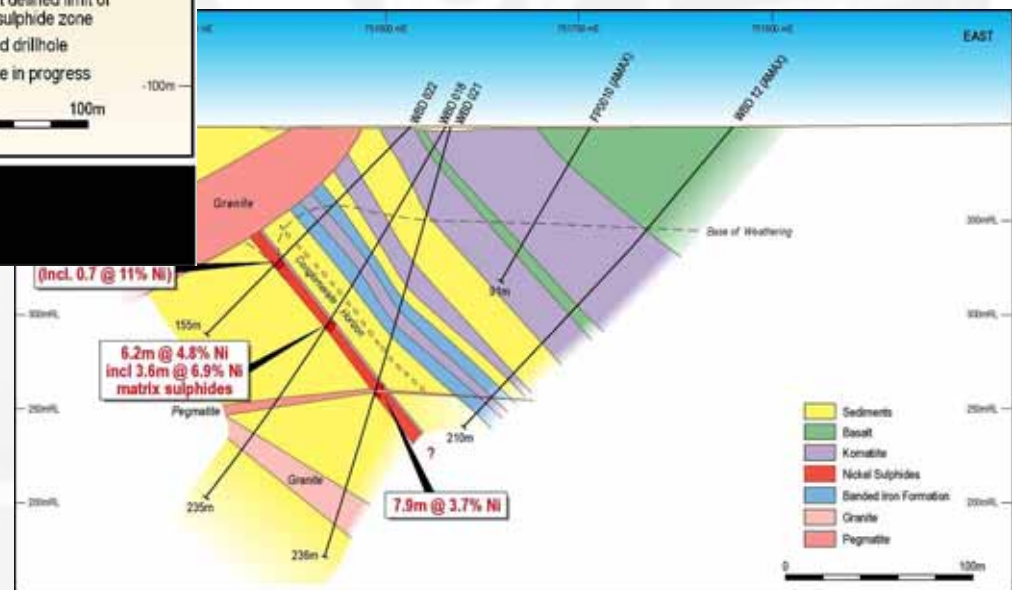
# Spotted Quoll – 13 of 14 drill holes to date have intersected high grade nickel sulphides



WESTERN AREAS NL  
**SPOTTED QUOLL**  
 LONG SECTION - 30 JANUARY 2008

Spotted Quoll open along strike and at depth. 2 drill rigs drilling 24hrs/day, 3rd drill rig arrives mid February to test below 200m

First target: 30,000t nickel to 200m depth. Potential open pit

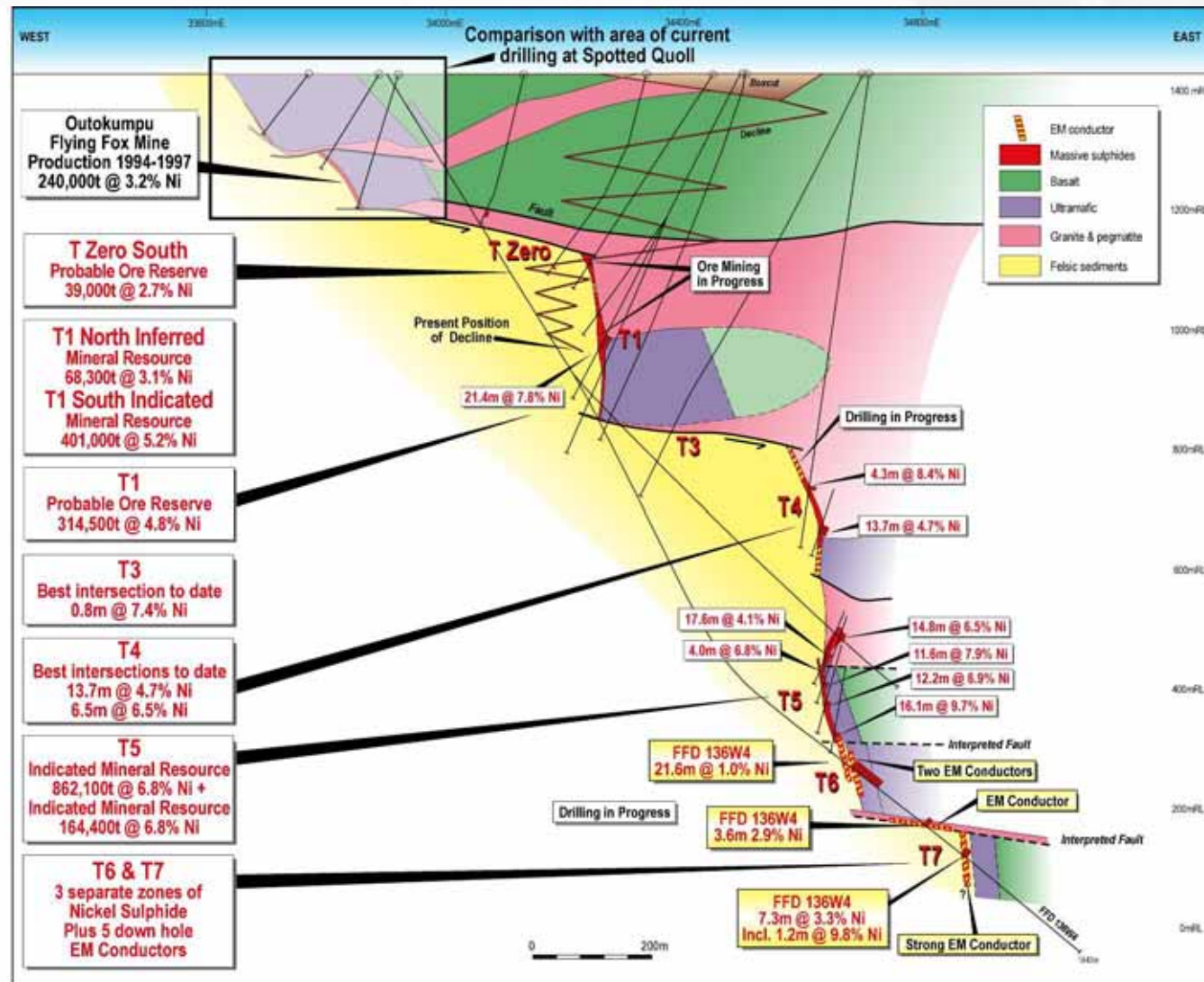


WESTERN AREAS NL  
**SPOTTED QUOLL**  
 INTERPRETED CROSS SECTION 6,403,460N

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# Flying Fox - compared with drilling at Spotted Quoll

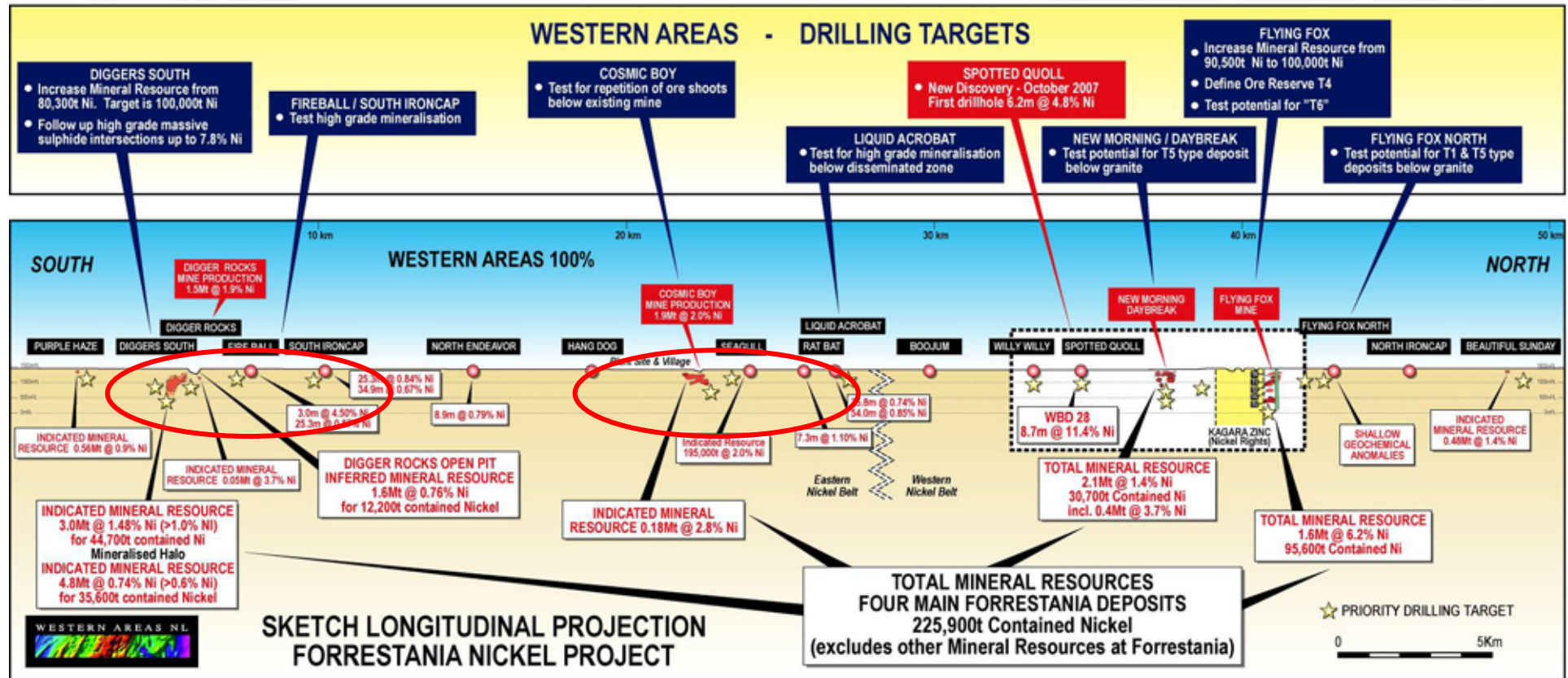


Flying Fox type deposits occur below granite intrusions >200m depth

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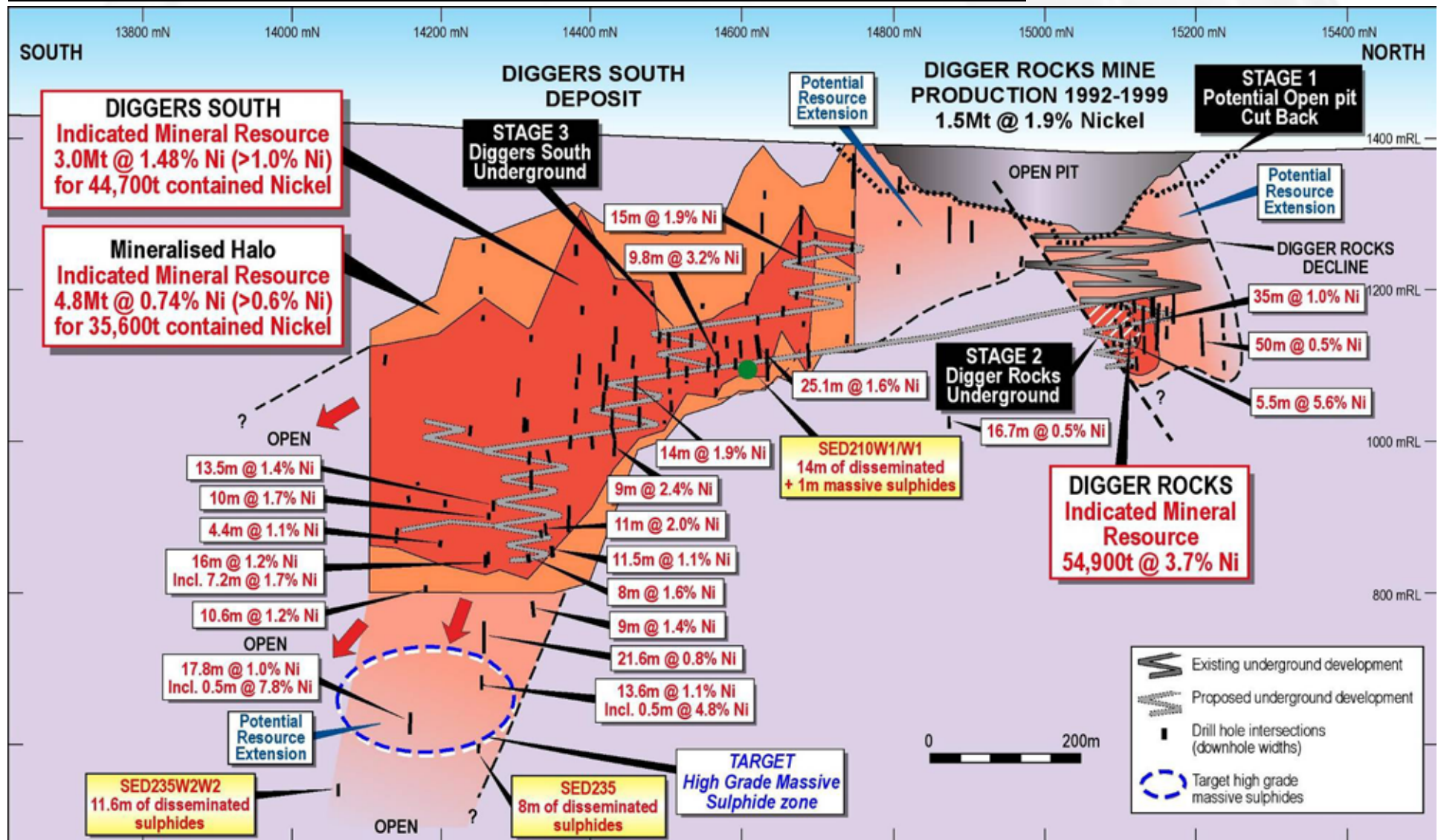
# Forrestania – 50km central zone, looking West



3 large nickel systems, many drilling targets, deeper drilling required



# Diggers South – feasibility study for 2<sup>nd</sup> mine.



WSA seeking new nickel offtake agreement

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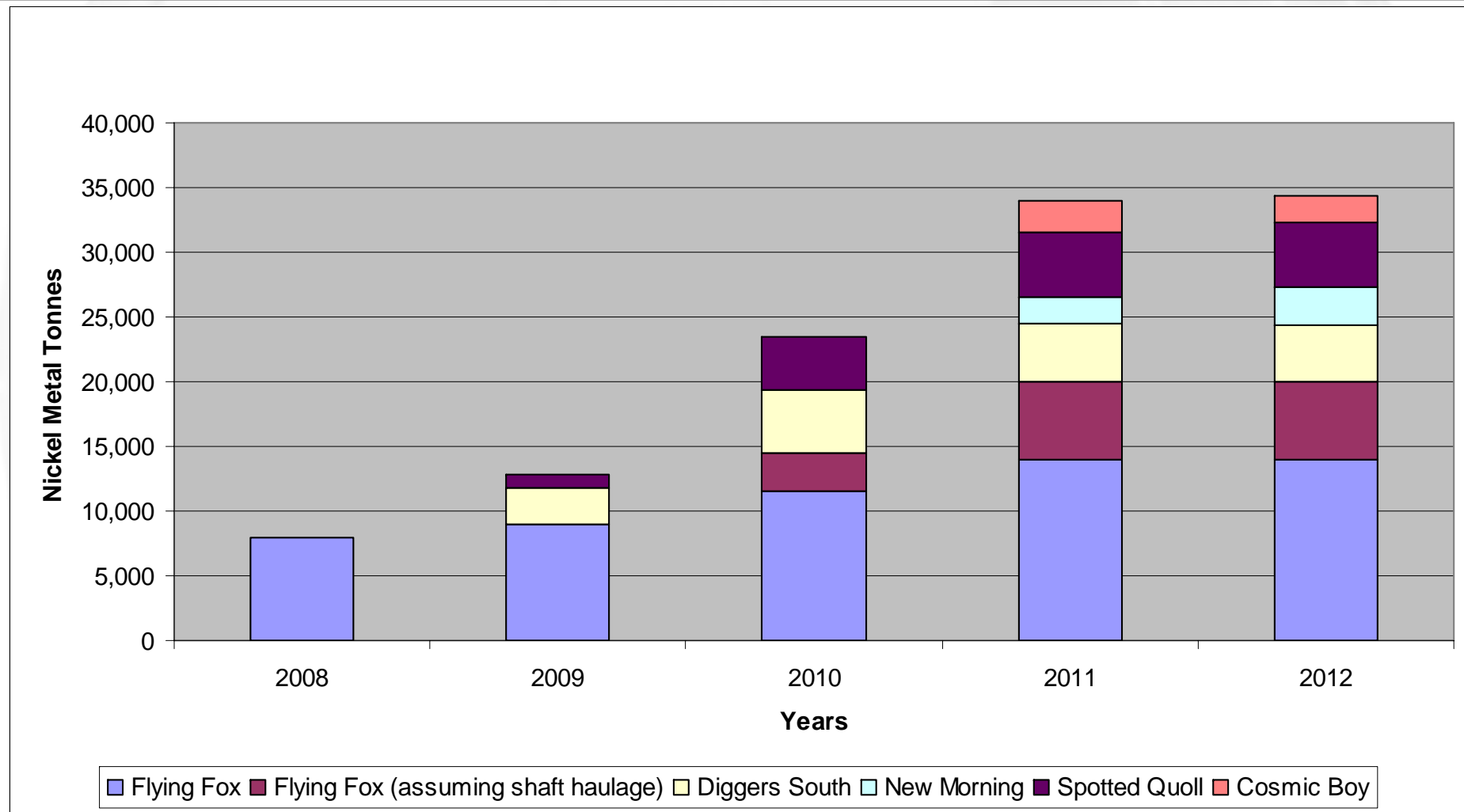
# Forrestania – Project Development Targets 2008

<u>PROJECTS</u>	MAR Q 08	JUNE Q 08	SEPT Q 08	DEC Q 08
		Production		
<b>Flying Fox</b>				
		Feasibility		Development
<b>Diggers South</b>				
	Scoping		Feasibility	
<b>New Morning</b>				
	Resource	Scoping	Feasibility	Development
<b>Spotted Quoll</b>				
	Excavate Boxcut	Scoping		Feasibility
<b>Cosmic Boy</b>				
	Tenders		Construction	
<b>Plant</b>				
	Scoping		Decision	Permitting
<b>Flying Fox Shaft</b>				

**Note:** This graph represents Western Areas development targets for CY 2008 and is based on a number of assumptions. Development targets and timetables may vary depending on a variety of factors including nickel price, future estimation of mineral resources and ore reserves, mining costs, geotechnical issues, environmental permitting, availability of contractors and future mine development rates. Western Areas may vary these development targets at any time and potential or existing investors should not rely on this graph as a basis to invest in Western Areas NL.



## 5 Year Production Targets - Nickel in Concentrate



**Note:** This graph represents production targets based on an estimate of potential annual production using several assumptions and forward looking statements. Production targets may vary depending on a wide variety of factors including nickel price, future estimation of mineral resources and ore reserves, mining costs, geotechnical issues, environmental permitting and future mine development and production rates. Apart from Flying Fox and Diggers South, these estimates are not yet based on Feasibility Studies and may be varied at any time. Potential or existing investors should not rely on this graph as a basis to invest in Western Areas NL.



## Targets 2008

- First Mineral Resource Spotted Quoll – March Q
- Steady State Production Flying Fox T1 – March/April 08
- Scope size and potential of T6 and T7 – Sept Q
- Decision on Flying Fox ore haulage shaft – Sept Q
- Decision to mine Diggers South – Sept Q
- Flying Fox decline to access T4 deposit – Dec 08
- 50% Increase Flying Fox resource to 150,000t Ni – Dec Q
- Commission Stage One concentrate plant – Dec 08
- Decision on dividend payment to shareholders – Dec 08





## Western Areas Summary

- Flying Fox nickel mine (potential >10 yrs)
- outstanding nickel grades (5-6% Ni)
- production unhedged after March 08
- Dec Q C1 cash costs T1 : A\$3.04/lb Ni
- feasibility for 2<sup>nd</sup> mine, Diggers South
- scoping study in progress for 3<sup>rd</sup> mine
- bonanza Spotted Quoll drilling results
- major regional nickel holdings
- A\$170M cash reserves

6.5% Ni

6.8% Ni

6.2% Ni

6.2% Ni

7.3% Ni

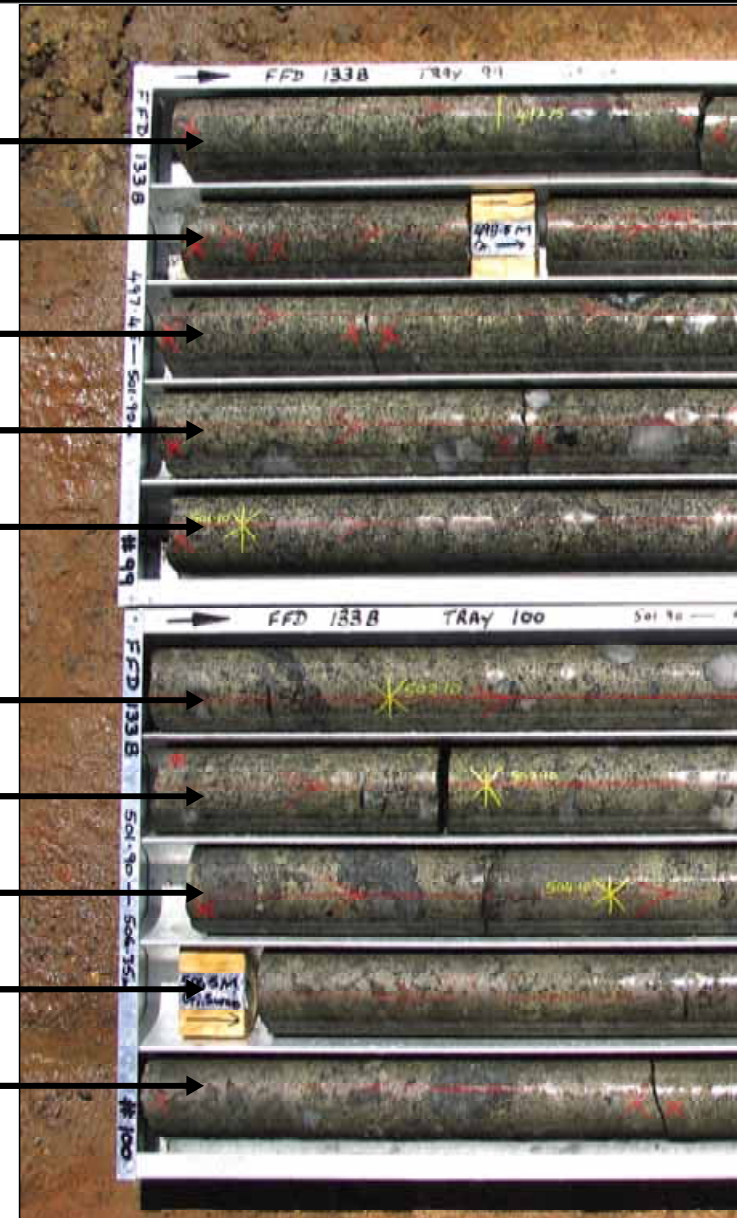
8.2% Ni

7.4% Ni

8.8% Ni

9.2% Ni

7.9% Ni





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