



23 April 2018

ASX: WSA

News Release

**MILL RECOVERY ENHANCEMENT PROJECT COMMISSIONED**

Western Areas Ltd (“Western Areas” or the “Company”) is pleased to announce that the Mill Recovery Enhancement Project (“MREP”) has been commissioned and is producing premium high grade nickel sulphides as planned.

- **Plant completion achieved late in Q1 CY18, on time and within budget.**
- **Commissioning complete with high grade nickel sulphides being produced and normal project ramp up activities underway.**
- **MREP product will be blended initially with existing nickel concentrate product for sale.**
- **Construction of dedicated filtration and bagging facilities, at a capital cost of A\$3m, to commence this quarter (Q2 CY18), with completion scheduled for Q3 CY18.**
- **Offtake process for the separate high grade MREP product to commence soon with samples to be dispatched to potential customers.**
- **New Morning the next potential project to utilise MREP infrastructure.**

Western Areas Managing Director, Dan Lougher, said that the Company is proud to complete the construction and commissioning of the MREP on time and on budget.

“Western Areas now has a new high grade nickel sulphide product set to attract premium pricing above its existing concentrate terms.”

“Our focus now turns to post commissioning ramp up to nameplate capacity and completing filtration and bagging facility works in order to sell the high grade product under a separate offtake agreement. With significant interest in this new product, including parties related to the electric vehicle sector, we have hosted many site visits in recent months and have also received indicative offtake terms. We will soon commence dispatching samples to a select group of potential customers as part of securing a new offtake agreement.”

“Importantly, we are also advancing test and study work on the New Morning Heap Leach Project utilising our globally patented BioHeap™ process. The crude nickel sulphate solution produced from the heap leach can be processed at the back end of the MREP plant, which has in-built capacity for around 4,000 tonnes of contained nickel. We are now working through the required environmental approvals and studies, with a goal for New Morning to be an operational mine in the coming years.”

“In addition, Western Areas has several other potential BioHeap-related opportunities at our Forresteria and Cosmos operations, and we look forward to advancing these as the expected demand for premium nickel sulphide products increases”, said Mr Lougher.



**Additional Information on BioHeap**

Western Areas wholly owns the BioHeap process and intellectual property rights with a suite of global patents in place. Importantly, BioHeap is effective on any sulphide material and can effectively deal with many common deleterious elements and minerals in ores and concentrates, such as arsenic, talc and uranium. These elements often impact mill recoveries, mine economics and penalties associated with concentrates. BioHeap can provide an economic solution in this regard.

Following strong global industry interest in MREP, and the increasing impact of lower ore grades and deleterious elements, the Company has commenced test work using BioHeap on both copper ore and concentrates for various customers. This test work is completed at our modern laboratories, currently located at the CSIRO facilities at Curtin University. While results from this test work are confidential, we are seeing exceptional results in metal extraction and recoveries, providing confidence that the business is well-positioned to grow substantially in the future.

-ENDS-

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**FORWARD LOOKING STATEMENT:**

This release contains certain forward-looking statements including nickel production targets. 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 report include:

Examples of forward looking statements used in this report include: “Our focus now turns to completing filtration and bagging facility works in order to sell the high grade product under a separate offtake agreement.” AND “The crude nickel sulphate solution produced from the heap leach can be processed at the back end of the MREP plant, which has in-built capacity for around 4,000 tonnes of contained nickel.” And “We will soon commence dispatching samples to a select group of potential customers as part of securing a new offtake agreement.”

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. Western Areas Ltd undertakes no obligation to revise these forward-looking statements to reflect subsequent events or circumstances.

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.