NEWS RELEASE

2 September 2020

WESTERN AREAS LTD

MAIDEN ORE RESERVE AT AM6 BOOSTS ODYSSEUS BASE CASE

Western Areas Ltd (ASX: WSA, "Western Areas" or the "Company") is pleased to announce the maiden Ore Reserve for its AM6 deposit, located at the Cosmos Nickel Operation.

HIGHLIGHTS:

- A pre-feasibility study (PFS) was completed for the AM6 deposit, confirming its suitability to be developed as an additional mining zone located directly adjacent to the main Odysseus mining areas
- 26% increase in AM6 Mineral Resource Estimate of 2.8Mt at 2.4% Ni for 67.0kt of nickel
- Maiden AM6 Probable Ore Reserve of 2.1Mt at 2.2% Ni for 47.1kt of nickel
- Total Probable Ore Reserve for combined Odysseus and AM6 now stands at 10.3Mt at 2.1% Ni for 212kt of nickel
- The AM6 deposit is directly accessible from the existing AM5 decline infrastructure and provides an additional feed source to the Cosmos mill
- AM6 creates significant optionality for potential mine life extension and/or incremental mill feed through integration into the existing Odysseus mine plan
- Pre-production capital estimate for AM6 of $30m and total sustaining life of mine capital of $81m. AM6 pre-production capital expenditure currently planned post commencement Odysseus production and cashflow
- Further work to optimise an integrated production profile between AM6 and Odysseus is now underway

Western Areas Managing Director, Dan Lougher, said that the AM6 orebody was an excellent addition to the Odysseus mine and will provide further optionality and mine planning flexibility into the expanded project.

"*Production optimisation studies will now be carried out to evaluate the optimal scenario for mining the AM6 Ore Reserve in conjunction with the Odysseus deposits. We are very focussed on commencing initial production from the Odysseus mine, under the case outlined in our initial project Definitive Feasibility Study (DFS), and AM6 offers us the opportunity to further improve the already very strong Odysseus base case being delivered under that DFS,"*

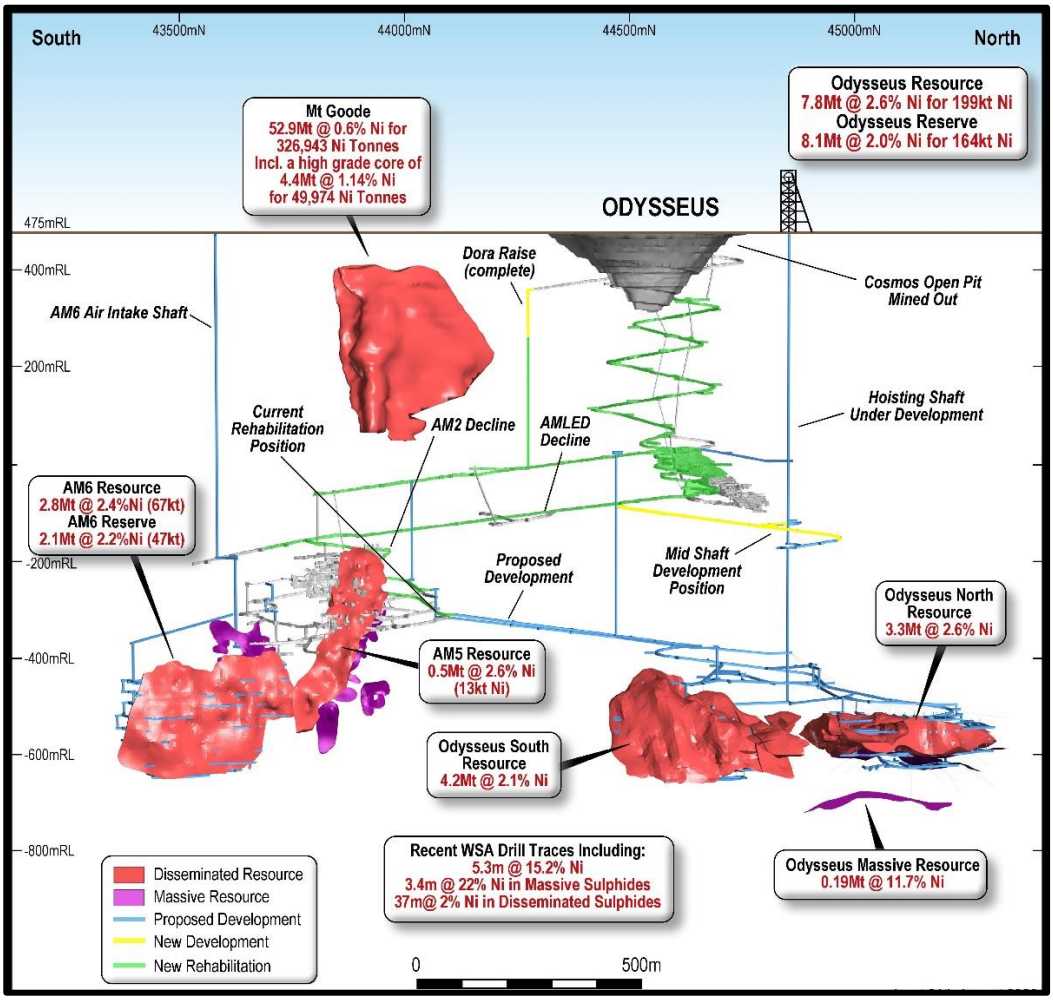
"This optionality provided by the inclusion of AM6 is likely to have few challenges to overcome, as no additional permits will be necessary to start mining at AM6, and significant synergies exist such as a shared decline, ventilation network, shaft hoisting facilities, Cosmos mill and site management to name but a few," said Mr Lougher.

"The acquisition of the Cosmos Nickel Operation continues to generate significant value for Western Areas shareholders. We believe the nickel demand outlook remains strong and the addition of the AM6 Ore Reserve further enhances this long life, low cost, nickel operation which clearly offers nickel production well into the next decade". Lougher added.

Integration with existing Odysseus Development currently underway

On 22 October 2018, Western Areas made the final investment decision on the Odysseus project, and significant capital works and underground development is now underway. The DFS outlined a strong financial return, and a robust 10-year operation based on mining the Odysseus North and South deposits. The Company's first priority remains the commencement of production from these orebodies, with first concentrate remaining on track for late in CY22.

With the completion of the AM6 PFS, the Company now has a significant opportunity to optimise and integrate the additional production from AM6 into the current Odysseus production profile. This integration work is now underway to determine the best combination of production from the three ore bodies (Odysseus North & South, AM6) including the potential for increased annual production tonnages compared to the original mine plan. The Company does not anticipate production from AM6 within the first few years of Odysseus production.



AM6 Mineral Resource

The AM6 deposit is located 600m southwest of the Odysseus deposit at a vertical depth of 900–1,200m. It is geologically related to the Odysseus and the AM5 deposits. The deposit strikes north-south for nearly 400m, dips steeply east (-75°) and extends for 250m down-dip/plunge. The true thickness ranges from 2m to 25m and mineralisation is 30–50m above the ultramafic footwall contact. The mineralogy is high tenor disseminated pentlandite-pyrrhotite-pyrite, with the high-grade core typically grading up to 3.5% nickel.

The updated Mineral Resource estimate is shown in the table below:

	Cut Off Grade	Model	Class	Tonnes (t)	Grade Ni%	Nickel (t)
AM6	1.5%Ni	Disseminated	Indicated	2,633,142	2.46	64,650
		Disseminated	Inferred	113,931	1.70	1,936
	1.0%Ni	Massive	Indicated	15,366	3.81	585
		Massive	Inferred	2,485	2.57	64
			Total	**2,764,924**	**2.43**	**67,235**

Ore Reserve

The AM6 Probable Ore Reserve has been estimated using only tonnes within the mine design that have been categorised as Indicated in the resource block model. Modifying factors, and the most recent company cost and revenue assumptions have been included in the estimation.

The AM6 Ore Reserve is presented below:

Category	Tonnes (t)	Grade Ni%	Nickel (t)
Probable	2,098,436	2.24	47,071
Total Ore Reserves	**2,098,436**	**2.24**	**47,071**
Total Rounded	**2.1M**	**2.2**	**47,100**

The initial cut-off grade has been determined by an iterative estimation process utilising Mineable Shape Optimizer™ (MSO) software. The final cut-off grade figure has been set to 1.6% Ni.

Key technical features:

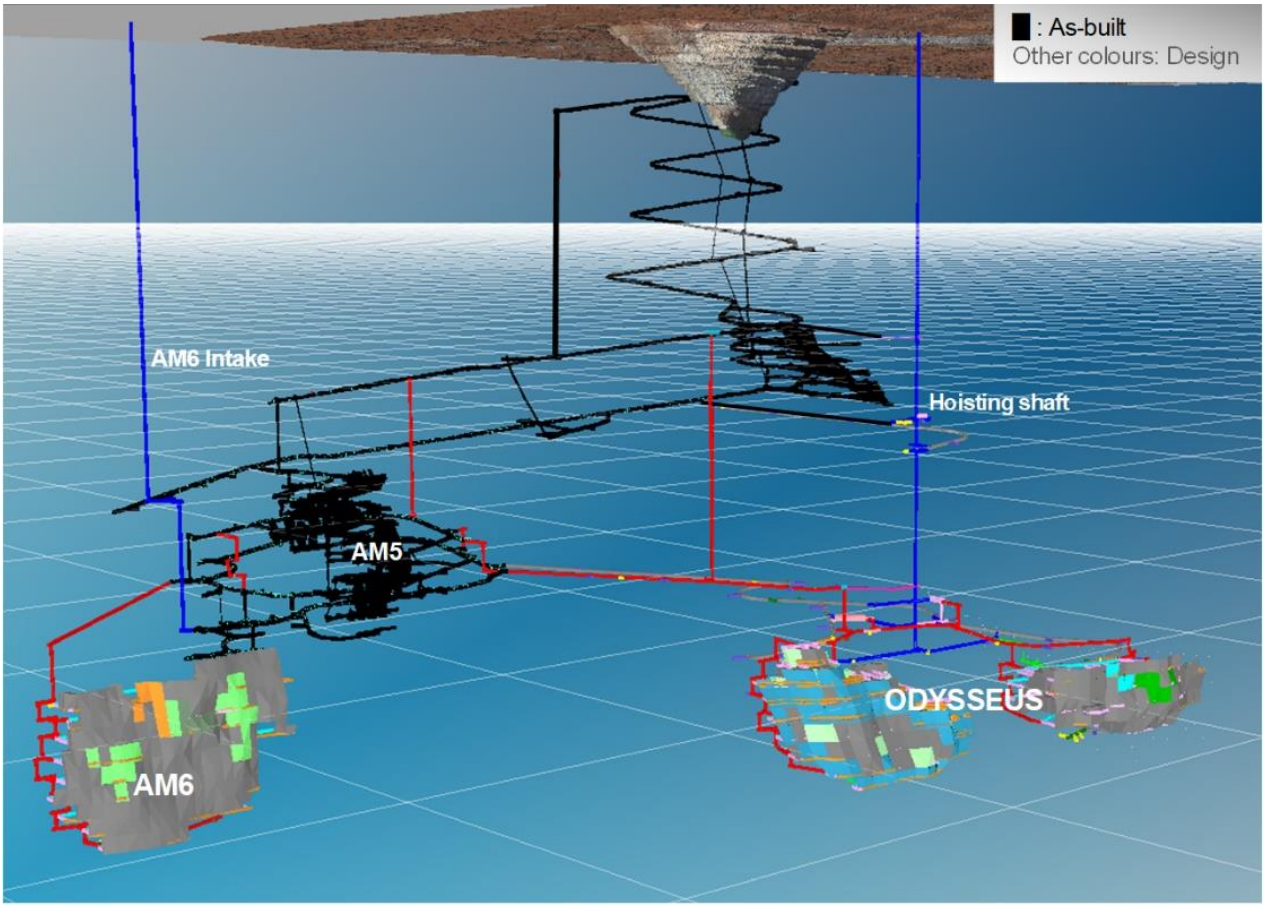
Area	Sub-Area	Feature
Resources	Disseminated	Disseminated sulphides in a serpentinite host rock
	Massive	Massive sulphides in the footwall of the disseminated zone
Mining	Geotechnical	Resources >1,000m below surface. Top-down, centre out mining sequence to minimize the impact of the mining induced stress.
	Mining Method	Top-down open stoping with paste fill
	Drive dimensions	5.0mW x 5.0mH to 5.5mW x 5.5mH
	Production Rate	AM6 will be mined in conjunction with Odysseus, with production rates up to 670,000tpa to feed the 900,000tpa (including Odysseus mine) CNO Mill
Processing	Grinding	Tertiary crush and ball mill
	Flotation	Rougher, followed by regrind, then cleaner and recleaner
	Metallurgical recovery	67.9% based on prior owner optimisation incorporating higher concentrate grades
	Concentrate Specification	14.5% Ni
Infrastructure	Power	Onsite gas-fired power station with total capacity of 20MW
	Water	Process water from mine dewatering, excess water to Water Management Ponds
	Potable Water	Yakabindie bore field and reverse osmosis (RO) plant
	Hoisting	Same hoisting shaft being constructed for Odysseus mine
	Accommodation	450-room village and facilities
Marketing	Concentrate Sales	Concentrate trucked in containers to Geraldton port and then shipped in bulk

Mining Plan

The AM6 deposit will be accessed via a single decline development, commencing from the base of the existing AM5 decline which is located directly above AM6. Additional rehabilitation and dewatering will be required within the AM5 portion of the decline before fresh rock development can commence.

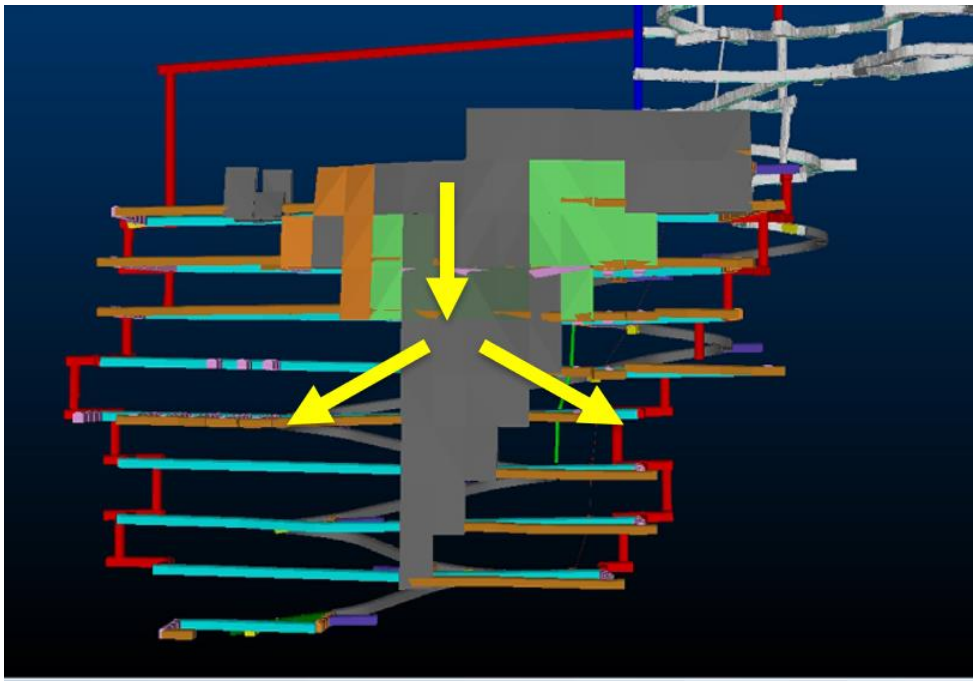
Being part of the Cosmos system of orebodies and located directly adjacent to Odysseus, AM6 will leverage most of the Odysseus infrastructure currently in development, including utilising the new decline access ramp to the loading station, the hoisting shaft, the expanded Cosmos mill and new paste fill plant. Operation of the mine will be supported by the existing Cosmos surface infrastructure including the existing office and accommodation complex. The ability to leverage off the capital investment in Odysseus, significantly improves the returns for both Odysseus and AM6.

To provide sufficient ventilation, AM6 will require a new dedicated ventilation intake fresh air rise, but will utilise the existing return air circuit for Odysseus. It will also connect to part of the existing electrical and dewatering system, providing significant capital and operating cost savings.



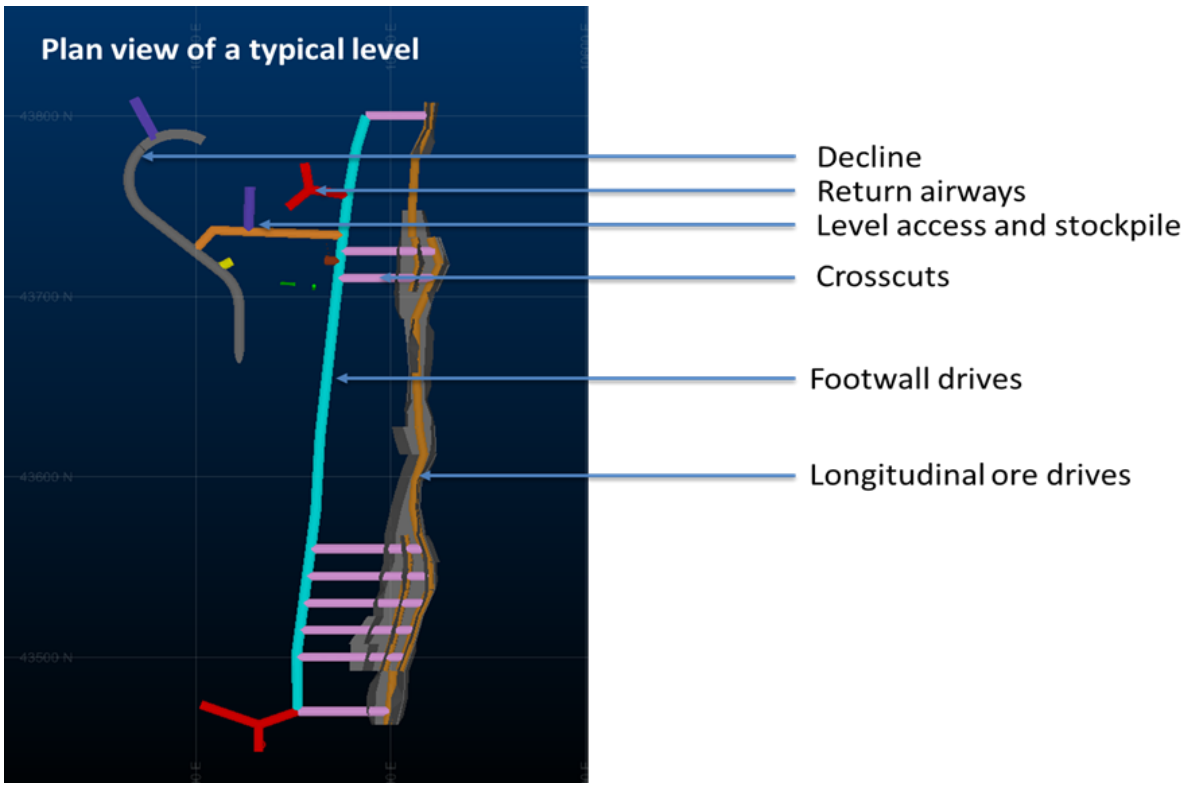
3D View of the Cosmos Nickel Operation (AM6 on the left)

The mining method selected for AM6 in the PFS is single-lift, long hole open stoping, with pastefill. The stoping sequence will follow a top down, centre out direction as shown below. Given the geometry of the orebody and geotechnical work undertaken, this is the preferred methodology as it is the most flexible, cost efficient and maximises ore recovery given geotechnical conditions.



AM6 Long Section showing top-down centre-out stoping sequence

Each level is accessed through a single level that connects to footwall drives. This provides the opportunity to access the orebody from both ends in order to develop longitudinal ore drives along strike and towards the centre. In addition, there are transverse crosscuts designed to provide access and flexibility for those areas that are thicker than 17m across the width of the orebody.



AM6 typical level plan view

Development advance and production rates are based on a combination of benchmarks from other similar WA-based hard rock underground mining operations, previous advance rates at Cosmos and WSA's own Forrestania operations. Advance rates applied in the PFS have been validated by an independent mining consultant.

Infrastructure and Processing

Surface infrastructure such as the mill, accommodation camp, and air strip will be shared with Odysseus, thereby enhancing the overall AM6 economics.

Recoveries for AM6 in the PFS are not currently optimised for the expected concentrator flowsheet and as such are lower than Odysseus, as they are based on the prior owner's historic studies, which was optimised for higher concentrate grades than those currently planned for AM6. An updated AM6 metallurgical drilling and testwork programme is scheduled to commence at the end of calendar year 2020 to establish a revised grade-recovery curve based on work completed for the Odysseus flowsheet. Typically, nickel recoveries tend to increase at lower concentrate grades and the new testing programme will provide greater clarity on recoveries. At this stage, AM6 ore is expected to be blended with Odysseus ore with no material impact expected on quality or marketability.

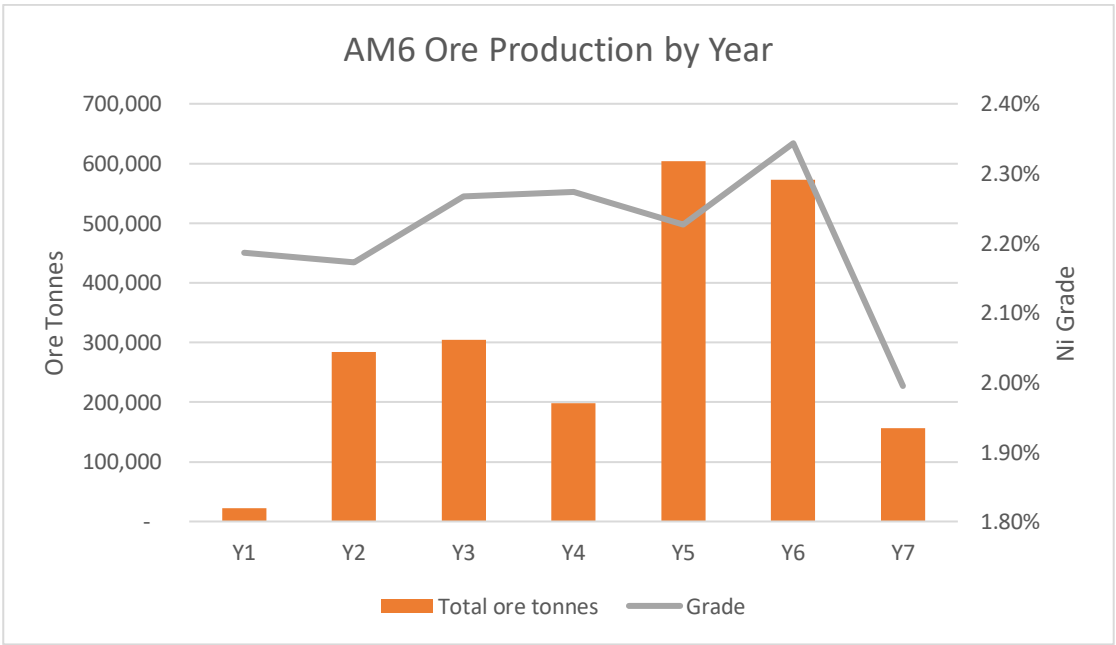
AM6 ore will be treated at the refurbished and upgraded 900ktpa Cosmos nickel concentrator. The refurbishment and expansion works are scheduled to be completed as part of the original Odysseus development plan. As previously announced, the Cosmos plant will be expanded with the addition of more flotation capacity, an expanded crushing circuit, and additional thickening and filtration capacity to expand milling capacity from 450ktpa to 900ktpa. The current TSF expansion plans for Odysseus are expected to be sufficient to accommodate AM6.

Production Profile

The PFS production profile for the AM6 orebody (unoptimised profile shown below) requires further work, and this will be carried out in conjunction with the evaluation of combined Odysseus-AM6 production scenarios.

The optimisation studies will examine a number of options, including the potential to incrementally increase the hoisting and milling capacity above the 900kt capacity currently scheduled for the Odysseus mine, or as an extension of the overall mine life.

In any case, the Odysseus development will remain the key priority and, thus, it is likely the AM6 fresh airway intake will commence after the critical underground infrastructure for Odysseus has been completed. The optimisation work will determine the ultimate sequencing of AM6 ore tonnes, but given the timing of the new fresh air raise after Odysseus critical works are complete, it is most likely AM6 production will commence after Odysseus is in production.



Capital Cost Estimate

The total AM6 development capital expenditure in the PFS is estimated at $111m, comprising $30m of pre-production capital and $81m of sustaining capital. The capital cost is based on a combination of rates from existing group contracts, quotes from established Western Australian suppliers and current costs from the Odysseus development. It is expected that the majority of this capital expenditure will not be incurred until after Odysseus is in production, allowing AM6 development to be funded by existing cash reserves and/or future cashflow from the Odysseus mine.

As the AM6 orebody leverages significant capital investment from Odysseus and existing surface infrastructure, the majority of the AM6 capital is associated with the direct mining of AM6 including underground capital development, the new fresh air intake shaft and associated underground infrastructure. The overall capital intensity per unit of nickel is lower for AM6 compared to Odysseus, making it an attractive incremental project.

Category	Value (AUD)
Vertical Capital Development	$20.2m
Underground Capital Development	$76.2m
Underground Infrastructure	$14.6m

Operating Cost Estimate

Rates used to estimate the PFS operating costs are based on a similar combination of sources as the capital costs. Mining costs per ore tonne are higher compared to Odysseus due to the geometry of the orebody, and also higher underground haulage distances to the shaft loading point, which is located closer to Odysseus. However, on a nickel in concentrate unit basis, this is partially offset by the slightly higher mine grade of 2.2% Ni from AM6 versus 2.0% from Odysseus.

	Ore Mined (A$/t)
Mining & Haulage	90
Processing cost	32
Administration	11
Operating Cost	**133**
	Ni in concentrate (A$/lb)
Mining & Haulage	2.68
Processing cost	0.95
Administration	0.32
Total C1 Cash Cost	**3.95**

Financial Data

The AM6 orebody is an incremental feed source to the larger Cosmos Nickel Operation and is intended to be mined in conjunction with the larger Odysseus deposits. The project provides a pre-tax net present value of A$47m, pre-tax cashflow of A$128m and internal rate of return of 28%. Significant optimisation work has now commenced which is expected to enhance the overall returns from mining AM6.

Project Opportunities, Risks and Future Works

The outcomes of the PFS study show a robust project with the potential to provide incremental tonnage to Odysseus on an annualised basis or extend the life of mine of the Odysseus mine. The addition of AM6 to the Odysseus Project provides further optionality, improved economics and additional flexibility in terms of alternative high-grade feed sources to the Cosmos Mill.

Opportunities and risks that need to be further studied at Feasibility Study level include:

- Potential to improve AM6 recoveries with new dedicated metallurgical drilling and testing, commencing at the end of calendar year 2020;
- Potential to increase the massive sulphide resource from the drilling expected to commence by the end of the year;
- Possibility to bring AM6 on-line any time after the critical underground infrastructure of Odysseus is fully developed;
- Mine schedule to be optimised in order to find the optimum resource sharing ratio and production profile between Odysseus and AM6 to maximise the return of the project;
- Possibility to include mining of additional AM5 remnant tonnes during development or mining of AM6;
- Geotechnical driven mine design optimisation, based on new data to be collected in FY21 and focussed on the mine access and infrastructure location.
- Hydrogeology and overall water balance reviews will be carried out to improve the knowledge of the aquifers in the AM6 area to optimise the existing CNO dewatering storage and disposal capacity; and
- Pastefill production and reticulation will be optimised in light of the results of the characteristics and available of tails material available for paste filling following new metallurgical tests carried out for AM6. The possibility to reticulate the paste lines via the intake shaft will also be assessed.

-ENDS-

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COMPETENT PERSON STATEMENT

The information within this report as it relates to mineral resources was prepared by Mr Andre Wulfse. Mr Wulfse are full time employees of Western Areas Ltd. Mr Wulfse is a Fellow of Australian Institute of Mining and Metallurgy (AusIMM), Mr Wulfse has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'(2012 JORC Code). Mr Wulfse consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The information within this report as it relates to ore reserves was prepared by Mr Marco Orunesu-Preiata. Mr Orunesu-Preiata is a full time employees of Western Areas Ltd. Mr Orunesu-Preiata is a member of Australian Institute of Mining and Metallurgy (AusIMM), Mr Orunesu-Preiata has 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'(2012 JORC Code). Mr Orunesu-Preiata consents to the inclusion in this 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 forecasts and cost guidance. 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: "AM6 creates significant optionality for potential mine life extension and/or incremental mill feed through integration into the existing Odysseus mine plan", and, "Pre-production capital estimate for AM6 of $30m and total sustaining life of mine capital of $81m. AM6 pre-production capital expenditure currently planned for post commencement Odysseus production and cashflow ", and "We believe the nickel demand outlook remains strong and the addition of the AM6 Ore Reserve further enhances this long life, low cost, nickel operation which clearly offers nickel production well into the next decade".

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.

JORC 2012 TABLE 1 – AM6 MINERAL RESOURCE ESTIMATE

SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
Sampling techniques	▪ Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	▪ **The deposit was sampled using NQ2 and HQ core from surface and underground Diamond drilling** ▪ **Holes were typically drilled perpendicular to the strike (north-south) of the stratigraphy.** ▪ **Handheld XRF was used prior to sampling to determine whether core was barren or Ni bearing** ▪ **All assaying was done by commercial independent laboratories, primarily ALS laboratories in Malaga and Ultratrace was used as a check laboratory** ▪ **The lab determined density by Pycnometer on powder samples.** ▪ **Diamond drill core (NQ2) is primarily ¼ core sampled on geological intervals to achieve sample weights under 2kgs. Samples were crushed, dried and pulverised (total prep) to produce a sub sample for analysis by 4 acid digest with an ICP/AES.** ▪ **The primary method of analysis was ME-O62**
	▪ Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	▪ **All samples were prepared and assayed by independent commercial laboratories whose instruments are regularly calibrated**
	▪ Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.	▪ **Diamond core is typically marked at 1m intervals** ▪ **Sample intervals are marked up by geologists based on geological boundaries, typically 1m in length with a maximum of 1.25m** ▪ **Sampled mineralisation intervals are sent to a commercial laboratory for crushing and grinding before assaying.**
Drilling techniques	▪ Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	▪ **Diamond drilling comprises HQ and NQ2 sized core** ▪ **Most of the core was oriented**
Drill sample recovery	▪ Method of recording and assessing core and chip sample recoveries and results assessed.	▪ **Diamond core recoveries have been logged and recorded in the database**

Criteria	JORC Code Explanation	Commentary
	▪ Measures taken to maximise sample recovery and ensure representative nature of the samples. ▪ Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	▪ **Core loss was noted where it occurred and fracture and defects were logged** ▪ **Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers.**
Logging	▪ Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	▪ **All geological logging was carried out to a high standard and to a level of detail to support Mineral Resource estimation and mining studies**
	▪ Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	▪ **Final logging is quantitative and core photography is done to a high standard.**
	▪ The total length and percentage of the relevant intersections logged.	▪ **All holes are logged in full.**
Sub-sampling techniques and sample preparation	▪ If core, whether cut or sawn and whether quarter, half or all core taken.	▪ **Diamond core is sampled as whole, half and quarter core and cut by field crew on site by diamond saw.**
	▪ If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	▪ **All samples are core; samples are crushed and split by independent commercial laboratory personnel.**
	▪ For all sample types, the nature, quality and appropriateness of the sample preparation technique.	▪ **The independent commercial labs prepared the samples using industry best practice which involves oven drying, coarse crushing and pulverizing using certified methods and equipment that is regularly tested and cleaned.**
	▪ Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	▪ **The field crew prepared and inserted QAQC certified reference materials and duplicates, no field blanks were inserted.** ▪ **The lab carried out routine internal QAQC which included blanks to test for contamination**
	▪ Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	▪ **Standards and duplicates were inserted approximately every 25 samples** ▪ **Eight QAQC samples were inserted for every 100 assay samples.**
	▪ Whether sample sizes are appropriate to the grain size of the material being sampled.	▪ **Sample sizes are in accordance with industry standards and are appropriate to the grain size of the nickel bearing material being sampled.**
Quality of assay data and laboratory tests	▪ The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	▪ **All samples are assayed by independent certified commercial laboratories.** ▪ **The laboratories used are experienced in the preparation and analysis of nickel sulphide ores.**
	▪ For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the	▪ **No handheld XRF instruments were used to determine any element concentrations that were subsequently used for MRE or exploration reporting purposes**

Criteria	JORC Code Explanation	Commentary
	analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	
	▪ Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	▪ **Certified reference materials were included in all batches dispatched at an approximate frequency of 8 per 100 samples, 4 standards and 4 duplicates every 100m** ▪ **Lab checks, both pulp and crush, are taken alternately by the lab at a frequency of 1 in 25.** ▪ **Accuracy and precision were assessed using industry standard procedures such as control charts and scatter plots.**
Verification of sampling and assaying	▪ The verification of significant intersections by either independent or alternative company personnel.	▪ **All significant intersections were logged and verified by suitably qualified Geologists**
	▪ The use of twinned holes.	▪ **Not applicable – No twinned holes by design but some pairs are closely spaced for the purpose of understanding certain mineralization anomalies.**
	▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	▪ **All primary data were recorded digitally and sent in electronic format to the database administrator.** ▪ **All geological logging was carried out to a high standard using well established geology codes using Field Marshall software on a toughpad notebook and later (from hole AMD678) using LogChief software.** ▪ **All other data including assay results are captured in Excel.** ▪ **Drill holes, sampling and assay data is stored in Datashed and stored in West Perth.**
	▪ Discuss any adjustment to assay data.	▪ **None**
Location of data points	▪ Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	▪ **Downhole surveys were completed using a gyroscopic instrument on all resource definition holes.** ▪ **Underground hole collar locations were verified via survey pickup** ▪ **Most surveys were completed using a Deviflex downhole survey instrument. Some of the earlier holes (prior to 2010) were surveyed by an independent surveyor (Downhole Surveys) using a north seeking gyro.**
	▪ Specification of the grid system used.	▪ **AMG 84 Zone 51 grid coordinate system was used as a standard. Collar surveys were done in mine grid.**
	▪ Quality and adequacy of topographic control.	▪ **The project area is flat and the topo data density is adequate for MRE purposes**
Data spacing and distribution	▪ Data spacing for reporting of Exploration Results.	▪ **Data spacing exceeds the required data spacing for the purpose of reporting Exploration results.**
	▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve	▪ **The data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedure and the classification applied. Inferred and Indicated Mineral resources were reported, more data is required for reporting Measured resources.**

Criteria	JORC Code Explanation	Commentary
	estimation procedure(s) and classifications applied.	
	▪ Whether sample compositing has been applied.	▪ **A nominal 1m sample composite length has been applied for Mineral Resource Reporting purposes**
Orientation of data in relation to geological structure	▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	▪ **The majority of the drill holes are orientated to achieve intersection angles as close to perpendicular as possible.** ▪ **Geological structures that are not sub parallel to the deposit were accounted for by virtue of cross drilling between surface and underground drilling at different angles.**
	▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	▪ **No orientation based sampling bias has been observed in the data, intercepts are reported as downhole lengths unless otherwise stated.**
Sample security	▪ The measures taken to ensure sample security.	▪ **Standard West Australian mining industry sample security measures were adhered to**
Audits or reviews	▪ The results of any audits or reviews of sampling techniques and data.	▪ **Covered by the relevant QAQC procedures both on the mine and in the primary and umpire laboratory.**

SECTION 2: REPORTING OF EXPLORATION RESULTS

(Criteria listed in Section 1, also apply to this section.)

Criteria	JORC Code Explanation	Commentary
Mineral tenement and land tenure status	▪ Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. ▪ The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.	▪ **Australian Nickel Investments (a 100% owned subsidiary of Western Areas Ltd) wholly owns 31 tenements, incorporating tenements acquired from Xstrata Nickel Australasia in October 2015, along with a recent acquisition of tenements from Ramelius Resources Ltd in July 2020.** ▪ **An additional three tenements are subject to a Joint Venture with Alkane Resources NL, where Western Areas has earned an 80.6% interest.** ▪ **All tenements are in good standing and WSA is currently developing down to the Odysseus orebody.**
Exploration done by other parties	▪ Acknowledgment and appraisal of exploration by other parties.	▪ **Historical nickel exploration has been completed by Glencore PLC, Xstrata Nickel Australasia and Jubliee Mines NL**
Geology	▪ Deposit type, geological setting and style of mineralisation.	▪ **The deposits form part of the Cosmos Nickel Complex, which lies within the Agnew-Wiluna Belt of the central Yilgarn Craton, Western Australia** ▪ **The deposit style is komatiite hosted, disseminated to massive nickel sulphides.** ▪ **The mineralisation typically occurs in association with the basal zone of high MgO cumulate ultramafic rocks.**
Drill hole Information	▪ A summary of all information material to the understanding of the	▪ **No exploration results are being reported**

Criteria	JORC Code Explanation	Commentary
	exploration results including a tabulation of the following information for all Material drill holes: – easting and northing of the drill hole collar – elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar – dip and azimuth of the hole – down hole length and interception depth – hole length. ▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	
Data aggregation methods	▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. ▪ Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. ▪ The assumptions used for any reporting of metal equivalent values should be clearly stated.	▪ **No exploration results are being reported.**
Relationship between mineralisation widths and intercept lengths	▪ These relationships are particularly important in the reporting of Exploration Results. ▪ If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. ▪ If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	▪ **No exploration results are being reported**
Diagrams	▪ Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These	▪ **No exploration results are being reported**

Criteria	JORC Code Explanation	Commentary
	should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	▪ Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	▪ **No exploration results are being reported**
Other substantive exploration data	▪ Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	▪ **No exploration results are being reported.**
Further work	▪ The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). ▪ Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	▪ **No exploration results are being reported**

SECTION 3: ESTIMATION AND REPORTING OF MINERAL RESOURCES

(Criteria listed in Section 1, also apply to this section.)

Criteria	JORC Code Explanation	Commentary
Database Integrity	▪ Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.	▪ **Database was validated.** ▪ **Data is entered utilising Panasonic Toughbook PC logging** ▪ **Well established geology codes were used** ▪ **Full core photos (wet and dry) were taken and stored**
	▪ Data validation procedures used.	▪ **All QAQC controls were reviewed regularly and reported monthly** ▪ **Industry standard validation techniques were used** ▪ **Relogging of holes was undertaken when there was doubt as to the initial geologic logging** ▪ **Cross checks of digital data against the core were completed on a regular basis**

Criteria	JORC Code Explanation	Commentary
Site visits	▪ Comment on any site visits undertaken by the Competent Person and the outcome of those visits.	▪ **The Competent Person is an employee of Western Areas with over 8 years' experience estimating Ni Sulphide ore bodies and has undertaken several site visits to Cosmos to assess and review core.**
	▪ If no site visits have been undertaken indicate why this is the case.	▪ **Not applicable.**
Geological interpretation	▪ Confidence in (or conversely, the uncertainty) of the geological interpretation of the mineral deposit.	▪ **The AM6 deposit is hosted within an ultramafic unit and consists of disseminated nickel sulphide mineralisation as a high-grade core surrounded by medium and low-grade zones.** ▪ **The deposit is similar to AM5 which was being mined while some of the AM6 drilling was being undertaken.** ▪ **WSA commissioned SRK Consulting to undertake 3D modelling of the AM5 and AM6 deposits using the Leapfrog Geo 3D modelling package. Modelling consisted of mineralisation envelopes for disseminated and massive sulphide mineralisation, interpreted north-south fault structures and pegmatite intrusions.** ▪ **The resultant mineralisation and wall rock models were extensively validated by WSA. One of the main validation tools was a comparison of the SRK model with that of the pre existing Xstrata model. The two models compared favourably.** ▪ **The Geology of the AM6 deposit is well documented and well understood by WSA Geologists who have undertaken several studies and drilling campaigns of the greater Cosmos Nickel Complex since acquisition.** ▪ **The Geological model is robust enough for the purposes of Mineral Resource estimation and the risk associated with the model being materially wrong is low.**
	▪ Nature of the data used and of any assumptions made.	▪ **Surface and underground drill data obtained by Xstrata was used for this estimate. WSA has completed surface drilling in the deposits associated with AM6 but all direct AM6 targeted drilling was undertaken by previous owners.** ▪ **No major assumptions were made with respect to the drill data which was collected in accordance with standard industry practices.**
	▪ The effect, if any, of alternative interpretations on Mineral Resource estimation.	▪ **Several alternative iterations of the mineralized and lithological models were generated and critically assessed during this study. The most appropriate model was then used as a base case for Mineral Resource estimation.** ▪ **Several alternative iterations of grade estimations using linear techniques were completed and critically assessed before finalising the MRE** ▪ **At all stages of the process, were the models compared to the previously reported models to ensure an appropriate level of consistency between the previous (Xstrata) and the current interpretation. The modelling methodologies were similar enough for direct comparisons to be made.**
	▪ The use of geology in guiding and controlling Mineral Resource estimation.	▪ **Geology is the overriding influencing factor in this MRE. A robust digital geologic model by SRK Consulting forms the basis of the estimate.**

Criteria	JORC Code Explanation	Commentary
	▪ The factors affecting continuity both of grade and geology.	▪ **Grade and geometry continuity at AM6 are primarily influenced by intrusive barren pegmatite dykes which penetrate the host ultramafic rocks and crosscut mineralisation in some locations.** ▪ **The pegmatites pinch and swell along strike/down dip and have a westerly dip of ~40 degrees.** ▪ **Pegmatites were dominantly observed to occur within the lower levels of the model area with an increasing abundance observed with depth (600mRL).** ▪ **These pegmatites have been carefully modeled using the vein modelling tool in Leapfrog tool using the GP lith 1 code and associated variants.** ▪ **The pegmatite wireframes were carefully validated against the underlying data and a previous model by Xstrata before being used to deplete the mineralization model at zero Ni grade** ▪ **A series of north-south trending west dipping faults dominantly bounding the pegmatites exist.** ▪ **The faults appear to have no or limited offsets.** ▪ **Xstrata noted that the ground conditions associated with faults are poor.** ▪ **SRK spent two days on site investigating these faults in the core yard.** ▪ **The faults are marked by rubble/fractured zones with strong serpentinization associated with talc as well as lizardite and antigorite forming along fracture planes.** ▪ **The faults were modelled in Leapfrog and incorporated in the Resource model.** ▪ **Additional drilling and an independent Geotechnical study are planned prior to commencing mining.**
Dimensions	▪ The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.	▪ **The strike length of the AM6 Disseminated block model is ~400m.** ▪ **The longest downdip distance is ~300m and the top of the deposit is ~900m below surface.** ▪ **Width is variable from ~10m to ~40m**
Estimation and modeling techniques	▪ The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, method was chosen include a description of computer software and parameters used and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.	▪ **The estimation was done using the following main software packages;** ▪ **Leapfrog Geo Version** ▪ **Datamine Studio RM** ▪ **Snowden Supervisor** ▪ **Wireframing of grade and geological domains using underground and surface drilling was completed in Datamine and Leapfrog.** ▪ **Sample data was composited to 1m downhole lengths and flagged on domain codes generated from 3D mineralized wireframes and 3D lithological wireframes.** ▪ **Directional variography was performed for Ni for each of the domains using Snowden Supervisor software.** ▪ **All estimation was completed at the parent cell scale to avoid any potential geostatistical support issues.**

Criteria	JORC Code Explanation	Commentary
		▪ Top cut investigations were completed and no top cuts were applied during estimation. Low- and high-grade Ni domains were used instead.
	▪ The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	▪ This model is the second resource estimate for the AM6 Nickel Sulphide Deposit. The first was done by Xstrata prior to acquisition ▪ The resource model volumetrics were compared to the previous model and variances can be explained due to additional data and varying modelling techniques. ▪ No mine data exists for AM6 however, the adjacent deposit, AM5 was mined and extensive production data is available. ▪ Estimation validation techniques included visual comparison of the composites and estimated blocks, graphs of pass number versus % filled, swathe plots of the composite grade's vs the grade of the block model, and swathe plots of kriging variance, kriging efficiency and slope of regression.
	▪ The assumptions made regarding recovery of by-products.	▪ Ni is currently considered the only economic product that will be recovered.
	▪ Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).	▪ The ratio of Fe to Mg is recognized as influencing standard Ni flotation mill recoveries and both elements have been interpolated into the block model and the ratio has been calculated for each parent block in preparation for further metallurgical work. ▪ Sulphur has been estimated into the block model
	▪ In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	▪ A proto model was constructed using parent blocks of 5mE x 5 mN x 5 mRL and sub-blocked to 0.005m x 1.25m x 1.25m. ▪ The block size was selected on the basis of drillhole spacing and domain geometry ▪ Width along the X axis is highly variable and Datamine's "resolution=0" parameter was used to calculate the subcell size in the easting direction exactly. ▪ Drillhole spacing varies but is nominally 20m along strike. ▪ Parent cell estimation was used to avoid any potential statistical support issues that may arise from using subcells. ▪ The size of the search ellipse was based on the results of QKNA and the Ni variography for each domain. Three nested search passes were used with most of the samples falling within the 1st two passes. The 1st pass was set at 28mX by 21mY by 31mZ with a minimum and maximum number of samples set at 4 and 36 respectively. ▪ A maximum number of samples from any particular borehole were set at 30. This prevents a disproportionate number of samples from any borehole having an undue influence on the estimate.
	▪ Any assumptions behind modeling of selective mining units.	▪ No assumptions were made regarding the modelling of selective mining units ▪ Longhole stoping is the planned mining technique and the mining will be controlled by a cut-off grade and minimum mining width.

Criteria	JORC Code Explanation	Commentary
	▪ Any assumptions about correlation between variables.	▪ **No correlation other than Sulphur and Nickel between geochemical elements was observed.**
	▪ Description of how the geological interpretation was used to control the resource estimates.	▪ **Mineralised zones were digitised using explicit and implicit techniques by WSA and independent Geologists** ▪ **Polygons were snapped to both underground and surface drilling intercepts. Each wireframe is representative of a grade domain, and used in compositing and estimating to ensure high grades were not smeared into the low-grade zones and vice versa.** ▪ **Wireframe triangulations were created from digitised polygons, and subdivided into domains as necessary, while taking into account geology and / or grade distribution. All triangulations were validated and checked to ensure they are closed and not crossing.** ▪ **Five primary geological and geostatistical mineralised domains were modelled:** ○ *High grade (>2.0% Ni)* ○ *Mid-grade (<2.0% Ni)* ○ *Mid low grade (< 1.5% Ni)* ○ *Low grade (<1.0%NI)* ○ *Massive sulphide domain*
	▪ Discussion of basis for using or not using grade cutting or capping.	▪ **Top cut investigations were completed and no top cuts were applied during estimation. Grade Ni domains were used instead.**
	▪ The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.	▪ **Estimation validation techniques included visual comparison of the composites and estimate blocks, graphs of pass number versus % filled, swathe plots of the composite grades vs the grade of the block model, and swathe plots of kriging variance, kriging efficiency and slope of regression**
Moisture	▪ Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.	▪ **Tonnages were estimated on a dry basis.**
Cut-off parameters	▪ The basis of the adopted cut-off grade(s) or quality parameters applied.	▪ **The resource is reported above 1.5% Ni cut off grades for disseminated material and 1.0% Ni for Massive material**
Mining factors or assumptions	▪ Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an	▪ **The mining method selected is top-down, longhole stoping with paste backfill, with a centre out mining sequence. AM6 will be mined in conjunction with Odysseus.**

Criteria	JORC Code Explanation	Commentary
	explanation of the basis of the mining assumptions made.	
Metallurgical factors or assumptions	▪ The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.	▪ **The processing plant will consist of a tertiary crushing circuit to reduce the ore size to 12mm before ball milling to p80 106µm. Froth flotation will then be used to separate the valuable minerals as a concentrate. The concentrate will be reground to 40µm in an Isa mill prior to cleaner flotation to produce final product concentrate. Ball mill comminution and froth flotation are commonly used in mineral processing to treat nickel sulphide ores.** ▪ **The final concentrate will be filtered using a plate and filter and stored in the existing concentrate storage shed at Cosmos, prior to being trucked to port at Geraldton for sale.** ▪ **The CP has taken metallurgical factors into account when developing including the nature of the ore and the influence of elements such as MgO and FeO.**
Environmental factors or assumptions	▪ Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.	▪ **Potential waste and process residue disposal sites have been identified during a pre feasibility study and are not going to deviate much from previous sites using during past open cast and underground mining at Cosmos.** ▪ **Tailings will be utilized for paste fill underground with the excess being deposited in the existing TSF along with the Odysseus tailings. Water will be recovered from the TSF or re-used in the processing plant.**
Bulk density	▪ Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.	▪ **Bulk densities were determined by the independent laboratory using industry standard methods (pycnometer)**
	▪ The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.	▪ **All data used in the MRE is from competent fresh rock and void spaces within the mineralized zones are not material**

Criteria	JORC Code Explanation	Commentary
	▪ Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	▪ **A total of 4,086 composited pycnometer derived SG determinations were estimated into the block model**
Classification	▪ The basis for the classification of the Mineral Resources into varying confidence categories.	▪ **Resource classification is based on a combination of Geological knowledge and confidence in the interpretation, data distribution, estimation passes, Kriging Efficiency (KE) and Slope of Regression (Slope) data analysis.** ▪ **The deposit is classified as JORC Indicated and Inferred. No blocks were classified as Measured**
	▪ Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, and confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	▪ **The definition of mineralised zones is based on a high level of geological understanding by Xstrata and WSA Geologists.** ▪ **It is believed that all relevant factors have been considered in this estimate, relevant to all available data.**
	▪ Whether the result appropriately reflects the Competent Person's view of the deposit.	▪ **The MRE reflects the Competent Person's view of the deposit and the risks associated with the grade and structural continuity.**
Audits or reviews	▪ The results of any audits or reviews of Mineral Resource estimates.	▪ **The MRE has not been independently audited or reviewed in its entirety. Independent Consultants have been involved in the modeling process.**
Discussion of relative accuracy/confidence	▪ Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.	▪ **A well-established confidence algorithm was applied to the Ni estimate** ▪ **The algorithm ranks the following Kriging Quality parameters for each block:** o *Number of samples used to estimate* o *Kriging Efficiency* o *Search Volume* ▪ **Slope of regression was also reviewed for each block before a nominal classification code was applied.** ▪ **The classification code provides a guideline for further classification based on geological and mineralization continuity**
	▪ The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.	▪ **The MRE Statement relates to local estimates**
	▪ These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	▪ **The AM6 deposit has not been mined but estimates have been compared against previous estimates and the overall geometry and global grades are consistent with previous estimates.**

SECTION 4: ESTIMATION AND REPORTING OF ORE RESERVES

Criteria	JORC Code Explanation	Explanation
Mineral Resource estimate for conversion to Ore Reserves	Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.	▪ **The Ore Reserve statement is based upon the Mineral Resource declared by ANI with this ASX Announcement (see relevant Table 1 Sections 1 to 3 in the announcement).** ▪ **Mineral Resources are reported inclusive of Ore Reserves.**
Site visits	Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case.	▪ **Several site visits were conducted since ANI acquired Cosmos Nickel Operation (CNO) from 2015 to the date of this announcement by the Competent Person who found conditions to be in line with technical assessments incorporated in the Ore Reserve. The Competent Person, in addition to the visits related to the Pre Feasibility Study (PFS), carry out routine site visits as a normal component of his duties.**
Study status	The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.	▪ **The Ore Reserve is predicated on a PFS commissioned by ANI and completed in August 2020.** ▪ **The study is based on the current and well established Australian and international mining practice, as assessed during various site visits to Western Areas operations as well as other operating mines and in agreement with the Odysseus Definitive Feasibility Study (DFS) released by ANI to ASX the 22nd of October 2018.** ▪ **The finding of the PFS was an economically viable mining operation.**
Cut-off parameters	The basis of the cut-off grade(s) or quality parameters applied.	▪ **A Cut-Off Grade (COG) approach was used to define the ore.** ▪ **The criterion to maximise Nickel metal and revenue with a Rougher and Cleaner concentrate was used. The initial assumptions used were the following:** ○ **Nickel Price US$7.50 / lb** ○ **AUD:USD Exchange Rate 0.70** ○ **Target Concentrate Ni Grade 14.5%** ▪ **The NSR value reflects the expected market conditions at the time of the concentrate delivery; this parameter is considered commercial sensitive by the company. The Company has significant and recent experience in negotiating and operating these types of agreements, and it is believed the assumptions related to NSR are achievable in the market.** ▪ **Other costs assumptions were:** ○ **WA State Royalties: 2.5%** ○ **Glencore matching rights of up to 7kt of Ni in concentrate per annum for a total of 50kt Ni in concentrate.** ○ **Total Opex Cost per Tonne of Ore (including milling and site administration) A$131.62** ○ **Total Capex Costper Tonne of Ore (based on different initial COG) from A$37.9 to A$69.4.**

Criteria	JORC Code Explanation	Explanation
		○ Logistical Costs per Tonne of Ore A$12.50 ▪ Final COG was Ni% 1.6, and the final back calculated costs were: ○ Total Opex Cost per Tonne Ore (including milling and site administration) A$132.06 ○ Total Capex Cost per Tonne of Ore A$51.83. ○ Logistical Costs per Tonne of ore A$13.23
Mining factors or assumptions	The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling. The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods.	▪ The mining method selected is top-down, longhole stoping with paste backfill, with a centre out mining sequence. AM6 will be mined in conjunction with Odysseus, at production rates up to 670,000 tpa to feed 900,000 tpa (including Odysseus mine) to the CNO Mill. ▪ Geotechnical analysis and plastic stress modelling have been conducted to determine appropriate excavation methods and sequence, stope sizes and ground control regimes and these have been incorporated in the mine design and costing. The studies were led by ENTECH Pty Ltd, and the elastic and plastic modelling with the FLAC® code by ITASCA Australia Pty Ltd. Geotechnical data were sourced through a combination of data collected by Dempers & Seymour Pty Ltd. ▪ All available historical data, including historical seismic database, were used in the geotechnical assessment, both for static and dynamic conditions. The Geotechnical hole database was a combination of holes drilled under the previous owners. ▪ Viability of the paste fill methodology was conducted by Outotec Australia. LHC of 7% has been allowed for the paste mix design. ▪ A default material density of 2.65t/m³ with grade of 0% has been applied where not defined by the Resource model. ▪ Dilution factors have been applied based on the stoping method and location as follows: ▪ Planned dilution: ○ HW stopes wall extended 0.75m into waste ○ FW stopes wall extended 0.50m into waste ○ Unplanned dilution factor of 0% applied to all stopes and included in the mining stope shapes. ○ A 95% mining recovery factor has been applied to all stoping activities, 100% recovery to the ore drives. ○ The minimum mining width for stopes is 3m. ○ Average drive sizes are 5.0mWx5.0mH and 5.5mWx5.5mH. ▪ The Ore Reserve has been calculated by including only tonnes within the mining shapes that have been categorised as at least Indicated Mineral Resources. ▪ Development rates were derived from experience gained in WSA Forrestania Nickel Operation, that has a similar mining method, and current and historical Cosmos database, as well as ENTECH database. ▪ Mining Schedule was developed by ENTECH using 5DPlanner® and EPS® codes. ▪ The underground mine design includes infrastructure suitable for the planned mining method and production rate, including an

Criteria	JORC Code Explanation	Explanation
		access decline, ventilation shaft, pump stations, and general mining infrastructure. ▪ Ore hoist will be via the Odysseus hoisting shaft currently under construction. ▪ Surface infrastructures currently under construction for Odysseus ore body will be shared with AM6.
Metallurgical factors or assumptions	The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. Whether the metallurgical process is well-tested technology or novel in nature. The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. Any assumptions or allowances made for deleterious elements. The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole. For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?	▪ AM6 ore will able to be treated at the refurbished and upgraded Cosmos Nickel Concentrator. The refurbishment and expansion will be completed as part of the Odysseus implementation project. ▪ The processing plant will consist of a tertiary crushing circuit to reduce the ore size to 12mm before ball milling to p80 106µm. Froth flotation will then be used to separate the valuable minerals as a concentrate. The concentrate will be reground to 40µm in an Isa mill prior to cleaner flotation to produce final product concentrate. Ball mill comminution and froth flotation are commonly used in mineral processing to treat nickel sulphide ores. ▪ The final concentrate will be filtered using a plate and filter an stored in the existing concentrate storage shed at Cosmos, prior to being trucked to port at Geraldton for sale. ▪ Tailing will be utilized for paste fill underground with the excess being deposited in the existing TSF along with the Odysseus tailings. Water will be recovered from the TSF or re-use in the processing plant.
Environmental	The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.	▪ ANI obtained all the relevant approvals to construct and operate Odysseus mine before January 2019. These will be kept alive and updated as the project progress toward production. ▪ All required environmental approvals already obtained for Odysseus are valid for AM6. The existing Mining Proposal will be updated po include the additional small clearing area for the ventilation surface infrastructures before commencing AM6 mining. ▪ Based on the review undertaken of the environmental aspects related to AM6, no significant risks that could prevent development of AM6 proceeding has been identified. Further data will be acquired at Feasibility Study Stage.
Infrastructure	The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.	▪ Surface infrastructure associated with the overall Cosmos operation includes a pre-existing processing plant, tailings storage facilities, camp, power stations, airstrip, workshops and offices. Refurbishment or upgrades for all these items have been fully designed, costed and accounted for in the economic assessment of the Project as per ANI FY21 LOM budget. This infrastructure will be shared between Odysseus and AM6. ▪ Studies for the refurbishments and/or upgrade of the current infrastructures have been carried out by well-established and recognised engineering firms, and staged accordingly to Cosmos LOM budget.

Criteria	JORC Code Explanation	Explanation
		▪ Cosmos mine site will be supplied by a local diesel/ gas of minimum 20 MW power station and an 11kV overhead power-line operated by Western Areas ltd. ▪ Potable water is produced via reverse osmosis plants located at the Cosmos concentrator and pumped via a pipeline to the mine-site. Process water is recycled from the mine dewatering network. ▪ Bulk material logistics is predominately via conventional truck haulage. ▪ Mine personnel reside at the nearby Cosmos Village (520 rooms) and is predominately a FIFO workforce, currently via the Leinster and Mt Keith airports and Bellevue airstrip in the future, with some minor DIDO. ▪ The mine-site is 40km to the north of Leinster township and has one gravel access road that starts from the main gazetted paved road of the region (Goldfields Highway)
Costs	The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co- products. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private.	▪ Capital Underground Development costs are derived from the CNO LOM plan based on current market data derived from WSA and ANI database, and a formal pricing exercise, carried out with well-established and recognised Australian Mining Contractors. ▪ All other Capital costs are sourced as necessary via quotes from suppliers or technical studies associated with the PFS. ▪ Mining, processing, administration, surface transport, concentrate logistics and state royalty costs are based on existing cost estimates and technical studies associated with theFY21 Odysseus LOM budget. ▪ Closure cost allowance is already included and covered by the Odysseus mine. ▪ The nickel price and foreign exchange assumptions used were sourced from industry standard sources. ▪ Ni price US$7.50/lb. ▪ Exchange rate 0.75. ▪ State Royalties @ 2.5%. ▪ Glencore matching rights of up to 7kt of Ni in concentrate per annum for a total of 50kt Ni in concentrate. ▪ No other royalties specific to the mining tenement are applicable to the economic assessment. ▪ Net Smelter Return (NSR) factors reflect the expected market conditions at the time of the concentrate delivery, this parameter is considered commercial sensitive by the company.
Revenue factors	The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. the derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.	▪ These have been selected after consideration of historical commodity prices variations over time and the requirement for the Ore Reserve to be robust to potentially volatile commodity price and foreign exchange conditions. ▪ The price setting mechanism for the sale of product subject to this report is traded openly on the London Metals Exchange (“LME”). ▪ Potential penalties and net smelter revenue factors are included in the Smelter Return factor used. This factor is based on the expected market conditions at the time of the concentrate delivery. Figures used are considered commercially sensitive by the company.

Criteria	JORC Code Explanation	Explanation
		▪ During Odysseus DFS WSA/ANI, based on the metallurgical specification of the concentrate, received indicative offers. The details of these offers are utilised in the economic model to determine the NSR for AM 6 as well. The Company has significant and recent experience in negotiating and operating these type of agreements, and it is believed the assumptions related to NSR are achievable in the market. ▪ No by products were considered for the design of the Ore Reserves envelope due to their small impact.
Market assessment	*The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* *A customer and competitor analysis along with the identification of likely market windows for the product.* *Price and volume forecasts and the basis for these forecasts.* *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	▪ The commodity subject to this report is traded openly on the London Metals Exchange ("LME"). ▪ The Company has for many years maintained both long and short term offtake sales contracts with multiple customers, both locally and internationally. ▪ Existing contracts have been assessed for the sales volume assumptions. ▪ As the Company has been supplying multiple customers over a significant time period no acceptance testing has been assumed in the Ore Reserve development process. ▪ For the Nickel price assumptions refer to the previous sections.
Economic	*The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	▪ The economic analysis was conducted using a discounted cash flow model with sensitivity analysis carried out with the following ranges: ▪ Ni price from US$6.00/lb to US$9.00/lb. ▪ Exchange rate from 0.6 to 0.9. ▪ Discount rate from 6% to 8%. ▪ The analysis delivered robust results summarised in the following tables: ○ Pre-tax NPV sensitivity to nickel prices and exchange rates ○ Pre-tax NPV sensitivity to nickel prices and discount rates

		Nickel Price (US$/lb)						
		6.00	6.50	7.00	7.50	8.00	8.50	9.00
		-20%	-13%	-7%	0%	7%	13%	20%
FOREX								
0.60	-20%	41	51	77	105	125	143	159
0.65	-13%	41	44	67	93	113	130	145
0.70	-7%	20	22	43	67	85	100	114
0.75	0%	4	6	25	47	64	78	90
0.80	7%	-8	-6	12	33	48	61	73
0.85	13%	-17	-15	2	22	36	49	60
0.90	20%	-24	-23	-6	13	26	38	49

		Nickel Price (US$/lb)						
		6.00	6.50	7.00	7.50	8.00	8.50	9.00
		-20%	-13%	-7%	0%	7%	13%	20%
Discount Rate								
6.0%	-14%	-2	15	33	55	73	88	103
6.5%	-7%	-3	14	31	51	68	83	96
7.0%	0%	-4	12	28	47	64	78	90
7.5%	7%	-4	11	26	44	59	73	85
8.0%	14%	-4	10	24	41	56	68	80

Criteria	JORC Code Explanation	Explanation
Social	*The status of agreements with key stakeholders and matters leading to social licence to operate.*	▪ **The AM6 deposit is located on M36/127 (Expiry 19/04/2031), with infrastructure related to underground mine access, ore processing and storage located on M36/371 (Expiry 3/03/2041). Both tenements are held by Australian Nickel Investments Pty Ltd.** ▪ **Mining tenement conditions for M36/127 and M36/371 were reviewed and were considered standard. A Mining Proposal (MP) and a revision to the Mine Closure Plan (MCP) will be required for development of the AM6 deposit.** ▪ **All legal permits to mine AM6 fall within the ones obtained for Odysseus by Western Areas following the paths described by the relevant laws with the participation of the local communities, as a company policy (CDMS-000610-Social Responsibility Policy), the relations with the local communities and territories are a key part of operational management.** ▪ **The Cosmos Nickel Operations fall entirely within the Tjiwarl Native Title area. Western Areas has an excellent working relationship with the Tjiwarl people. Numerous Aboriginal heritage surveys have been conducted over the wider Cosmos Project site since its inception. A number of anthropological and archaeological sites have been identified as a result of these surveys but no sites affect, or are currently affected, by the mining and infrastructure holdings that form the Cosmos Project.** ▪ **A number of Tjiwarl traditional owners are employed at the CNP as part of construction works. Western Areas is in continuous dialogue with the Tjiwarl Aboriginal Corporation and has signed a Negotiation Protocol and commenced early discussions for a Mining Agreement.**
Other	*To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* *Any identified material naturally occurring risks.* *The status of material legal agreements and marketing arrangements.* *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	▪ **It is noted that mining operations are an inherently risky business in which to operate, no other risk factors apart from the normal risk components included in all the above points and assumptions have been identified.**
Classification	The basis for the classification of the Ore Reserves into varying confidence categories.	▪ **AM6 has the following Ore Reserves at 3 of August 2020:** ▪ **Probable Ore Reserves of 2.1Mt ore at 2.2% Ni for 47.1kt of nickel.**

Criteria	JORC Code Explanation	Explanation
	Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).	▪ **Ore Reserves are derived entirely from the Indicated Mineral Resource and the result appropriately reflects the Competent Person's view of the deposit.**
Audits or reviews	The results of any audits or reviews of Ore Reserve estimates.	▪ **The project team is a mix of internal and external independent professionals. No formal external reviews were deemed necessary due to the nature of the project team that has a preponderant external component.** ▪ **Formal external reviews may be conducted if requested.**
Discussion of relative accuracy/confidence	Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.	▪ **The confidence on the study is driven by the high-quality work carried out and site visits conducted.** ▪ **The present estimation, for the nature of the commodity mined, refers to global market conditions (see above points for the assumptions).** ▪ **As is normal in mining operations, the key points that can have a significant impact on the performance of the Cosmos Mine are the market conditions in general, and the Nickel price and the currency exchange rates in particular. All the other parameters are derived from sound historical production data, engineering studies and site visits to mines that operate in similar conditions both in Australia and abroad**