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ASX RELEASE

Western Gawler Craton Project Update

Attached is information from the Western Areas Limited September 2015 Quarterly Report which pertains to Monax's Western Gawler Craton Project. The release contains new information regarding results from the current drilling being undertaken on the project area.

In addition the Release contains images of rock samples confirming the presence of magmatic sulphides from several drill holes.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr G M Ferris, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ferris is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" Mr Ferris consents to the inclusion of the information in this report in the form and context in which it appears.

Western Gawler Nickel-Copper Joint Venture (WSA earning up to 90% interest)

The project achieved a number of important milestones and key highlights for the quarter include:

- Stage 1 (70% interest) of the earn-in agreement has been completed on the Monax ground. WSA is now proceeding to Stage 2 (90%);
- 65 holes have been completed for 5,789m;
- Prospective mafic intrusions have been identified in the project area; and
- Geophysical test work to begin in selected areas.

Exploration work has included airborne geophysics, ground access and heritage surveys, and on-going drilling. The initial extensive, regional scale drilling program began during the quarter, with 65 drill holes completed to date (5,789m) of the 100 hole program. The drilling is focused on testing specific magnetic features that may represent prospective mafic-ultramafic intrusions, and to gather more broad spaced lithological information (Figure 7). The cumulative expenditure from this exploration work has exceeded the minimum expenditure required to complete Stage 1 of the JV earn-in on the Monax ground (by spending over $800k in 2.5 years). WSA has elected to proceed to Stage 2 of the earn-in and, given the on-going exploration efforts, may achieve this further milestone during the following quarter.

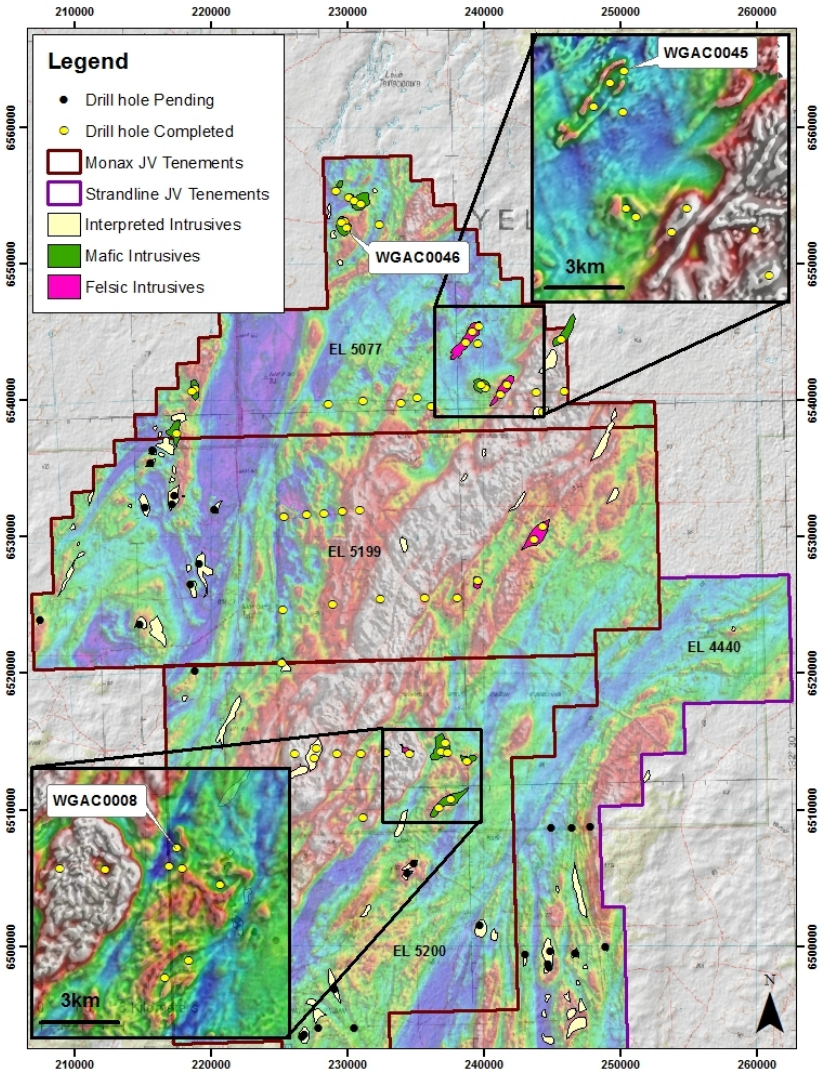

Figure 7: Western Gawler

Initial results from the drilling have exceeded expectations, with the identification of olivine gabbro-norite and hornblende pyroxenite/hornblendite intrusive rocks in a number of areas (Figure 8). Significantly, the petrology has

also confirmed the presence of magmatic nickel/copper and copper sulphides within these rock types (Figure 9). Olivine gabbro-norites, in particular, are well known for hosting significant nickel and copper orebodies in western and central Australia, including Nova and Nebo-Babel, and confirm the initial observations regarding the prospectivity of Western Gawler for intrusive related nickel and copper mineralisation. These mafic intrusive rocks appear to be widespread throughout the tenure.

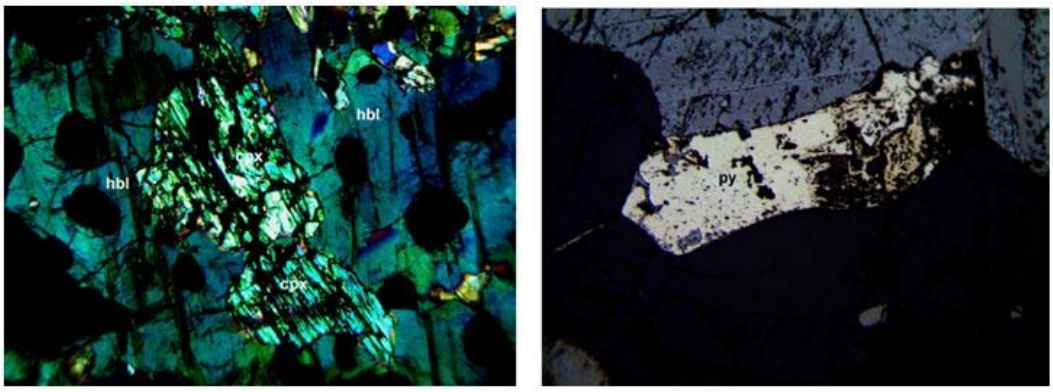

Figure 8: Petrology micrographs of Hornblende pyroxenite (left) and secondary pyrite after pyrrhotite and chalcopyrite (right) in drill hole WGA0046. Fields of view are 2.4mm (left) and 600 microns (right)

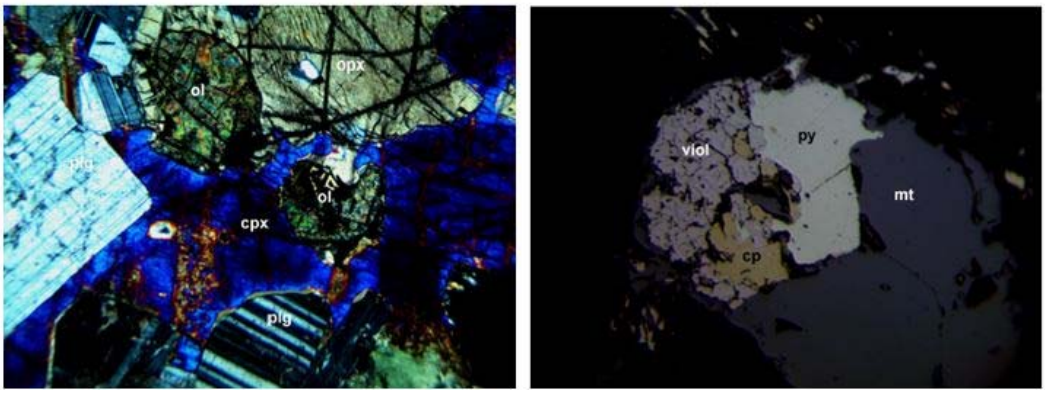

Figure 9: Petrology micrographs of olivine gabbronorite (left) and secondary pyrite after pyrrhotite, violarite after pentlandite and chalcopyrite (right) in drill hole WGA0008. Fields of view are 2.4mm (left) and 225 microns (right)

Assays received from the first component of the broad scale drilling phase support the prospectivity of the area, with the results aligning with the petrological work. The assay results also reveal the potential for other commodities and deposit styles within the Western Gawler Project tenure. Drill hole WGAC0045 returned anomalous copper/gold/silver values (up to 1,750ppm Cu, 25ppb Au and 1.83ppm Ag) in what may be indicative of felsic intrusive related skarn mineralisation. Interestingly, the magnetic feature is approximately 3.5km x 1km in diameter and contains a highly distinctive magnetic halo (Figure 8).

Given the early success of the exploration program, a number of trial geophysical surveys are planned over specific areas to test the effectiveness of various electromagnetic and gravity systems in imaging the basement through the thick cover sequence. This work will begin during the December quarter and coincide with the completion of the remainder of the initial drilling program, which will include work on the Strandline tenure.

WSA continues to enhance its relationships with the traditional owners and the Aboriginal Land Council. Ongoing dialogue may open new areas for access that will facilitate sustained exploration.

JORC 2012 TABLE 1: SECTION 1: Sampling Techniques and Data – Western Gawler Joint Venture

Section 1: Sampling Techniques and Data

Criteria	JORC 2012 Explanation	Comment
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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *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.*	• *Reverse Circulation (RC) and Air-core (AC) drilling is used for sampling.* • *Each 1m interval is split to approximately 3kg using a rig mounted cone splitter.* • *All of the interpreted basement and portions of the cover sequence are selected for assay.* • *Each sample selected is sent for analysis to ALS Global laboratories in Perth.* • *The sample is pulverised in the laboratory (total prep) to produce a sub sample for assaying.* • *All sampling was conducted using WSA QAQC sampling protocols which are in accordance with industry best practice.* • *Petrology samples are selected from the largest fraction of RC and Air-core chips of representative intervals.* • *Thin sections and petrology reports produced are by an independent, qualified consultant, experienced in the geology and mineralisation styles.*
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).*	• *Exploration targets are tested using RC/AC drilling. Holes are typically drilled vertically.* • *A X350 multi-purpose drilling rig is used with a 3.5 inch diameter face sampling hammer drilling or Air-Core bit.*
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *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*	• *Drilling recoveries are logged and recorded via the Ocris logging software and captured within the project database.* • *Overall recoveries are >95% and there has been no significant loss of sample material due to ground or drilling issues.* • *Each individual samples are visually checked for recovery, moisture and contamination.* • *The style of anticipated mineralisation and the consistency of the mineralised intervals are expected to preclude any issue of sample bias due to material loss or gain.*
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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)* • *The total length and percentage of the relevant intersections logged.*	• *Geological logging is recorded on Ocris logging software (Toughbook platform)* • *Drill chips are logged for lithology, mineralogy, mineralisation, weathering, fabric, grainsize, colour and other relevant features.* • *Geotechnical logging was not completed due to the drill method utilised.* • *All holes have been logged from the surface to the end of hole.* • *Selective petrology is used to verify the field geological logging when required.*
Sub-sampling techniques and sampling preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of*	• *Each one metre drill interval is collected using a cone splitter.* • *No composite samples are taken.* • *Field QC procedures involve the use of certified reference material as assay standards, along with blanks, duplicates and barren washes. The insertion rate of these averaged 1:20, with an increased rate in mineralised zones.*

Criteria	JORC 2012 Explanation	Comment
	samples. • *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* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *Field duplicates are conducted on approximately 1 in 10 drill intersections.* • *Sample sizes are considered to be appropriate to correctly represent the geological model based on: the style of mineralisation, the thickness and consistency of the expected intersections, the sampling methodology and percent value assay ranges for the primary elements.*
Quality of assay data laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the 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.*	• *All samples were subjected to ICP-MS analysis (ME-MS61) using nitric, perchloric, hydrofluoric and hydrochloride acid digest and 48 element reading. Samples were routinely assayed for Au and PGE's using PGM-ICP23, a 30g Fire Assay with ICP finish reading Pt, Pd and Au.* • *No Geophysical tools were used to determine any element concentrations relating to this exploration target estimate. A handheld NITON XRF instrument was used to determine the approximate nature of the mineralisation. Appropriate QAQC techniques were used to validate any portable XRF analysis. However, NITON XRF data is only used as an approximate guide. All reported intersections are gathered using industry best practice laboratory assay techniques. Standards and blanks were routinely used to access company QAQC (approx 1 std for every 10 samples).*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *Primary data was collected using the Ocris logging software, on Toughbook computers.* • *All data is validated by the supervising geologist, and sent to the WSA Perth office for further validation and integration into a Microsoft Access database.*
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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Drill holes were located using hand held GPS.* • *Elevation data is captured with hand held GPS, and cross referenced with local topographical maps (DMP produced), SRTM data and recently captured DTM models (where covered by the Aeromagnetic Surveys – Thomson Aviation).* • *MGA94 Zone 53 grid coordinate system is used.*
Data spacing and distribution	• *Data spacing for reporting of 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 estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *Drill holes are located and specifically planned according to target location and stratigraphic location.* • *Drill hole spacing is variable and widely spaced due to reconnaissance nature of the drilling.* • *Each one metre drill interval is collected. Selected intervals are submitted for assay.* • *Sample compositing has not yet been applied, but may do so depending on the assay information required.*
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.* • *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.*	• *The majority of the drill holes are drilled vertically which may reduce range of lithologies or cross section of stratigraphy sampled in areas that are steeply dipping.*
Sample Security	• *The measures taken to ensure sample security.*	• *All samples are captured and prepared for transport onsite under the supervision of WSA staff.* • *All samples are collected in sealed task specific containers (Bulka bags – plastic pallets) and delivered from site to Perth and then the assay laboratory via WSA staff.*
Audits and Reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *Adrian Black of Newexco Pty Ltd (a member of the AIG), an independent exploration company, has reviewed the data and sampling techniques employed*

Criteria	JORC 2012 Explanation	Comment
		by WSA.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	*JORC 2012 Explanation*	Comment
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 licence to operate in the area.*	• *The Western Gawler Project comprises 4 exploration licenses covering some 2,746km2, which are held under two separate Farm-In and Joint Venture (JV) Agreements.* • *EL 5077, EL 5199 and EL5200 are operated under the Monax Mining Ltd / Western Areas Ltd Farm-In and Joint Venture (JV) Agreement.* • *WSA has now earned 75% of Monax's interest of the project tenure by completing Stage 1 of the JV earn-in agreement.*
Exploration done by other parties.	• *Acknowledgment and appraisal of exploration by other parties.*	• *The project area was originally explored by BHP Billiton in the mid 1990s as part of its extensive gold, titanium, iron and nickel target generation work. More recently exploration has been conducted by Gunson Resources Limited (Nickel), Equinox (Base Metals and Gold) and Iluka Resources Ltd (Mineral Sands). It is deemed that the previous exploration was of variable effectiveness.* • *The South Australian Government has conducted broad spaced stratigraphic Diamond Drilling. This forms the basis of the existing geological interpretations.* • *The success rate of historical RC drilling is low, while the AC and Diamond drilling was effective.* • *Gravity, Magneto Tellurics and Airborne Electro-magnetics have been used in selective locations within the project area.*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *The Western Gawler Project lies within the Fowler Domain of western South Australia. The Fowler Domain is a Mesoproterozoic orogenic belt comprised of medium to high metamorphic grade basement lithologies and younger felsic, mafic and ultramafic intrusives.* • *Similarly aged terranes globally are known to contain significant (and often economic) accumulations of nickel and copper sulphides.* • *Whilst not primary target types, the area may also be prospective for orogenic gold, IOCG and skarn related mineralisation.*
Drill hole Information	• *A summary of all information material to the understanding of the 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.*	• *Not applicable*
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be*	• *All petrology samples are taken from a single metre interval.*

Criteria	*JORC 2012 Explanation*	Comment
	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.*	
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').*	• *Not applicable*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *Refer to Figures in the text.*
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.*	• *All significant results are 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.*	• *All significant results are reported.*
Further work	• *The nature and scale of planned further work (e.g. 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.*	• *Exploration within the Western Gawler Project is ongoing.* • *The current program is part of the initial phase of exploration activities. Ongoing work is dependent on the results of the first phase, but is likely to comprise further drilling and ground based geophysical surveys.*