

WESTERN AREAS LTD

Results for year ended 30 June 2016

25 AUGUST 2016



WESTERN AREAS LTD



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The information within this PowerPoint presentation was compiled by Western Areas management, but the information as it relates to mineral resources and reserves was prepared by Mr. Dan Lougher and Mr. Andre Wulfse. Mr. Lougher and Mr. Wulfse are full time employees of Western Areas Ltd. Mr. Lougher and Mr. Wulfse are members of Australian Institute of Mining and Metallurgy (AusIMM) and have 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. Lougher and Mr. Wulfse consent to the inclusion in this presentation of the matters based on the information in the form and context in which it appears. The information contained in this presentation in relation to the New Morning Deposit was prepared and first disclosed under the 2004 Edition of the JORC Code. It has not been updated since to comply with the 2012 JORC Code on the basis that the information has not materially changed since it was last reported.

For the Purposes of Clause 3.4(e) in Canadian instrument 43-101, the Company warrants that Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.

AGENDA



Full Year Results → Corporate → Nickel Market → Growth & Exploration → Operations

FULL YEAR RESULTS



KEY TAKEAWAYS – FULL YEAR

Upgraded Guidance either Met or Exceeded

Guidance	Original FY16 Guidance	Upgraded FY16 Guidance	FY16 ACTUAL
Mine Production (Nickel tonnes in Ore)	25,000 to 27,000	25,000 to 27,000	27,607
Nickel tonnes in Concentrate Production	24,000 to 25,000	24,000 to 25,000	25,009
Unit Cash Cost of Production (In Concentrate)	A\$2.30 /lb to A\$2.50/lb	A\$2.25 /lb to A\$2.45/lb	A\$2.26/lb
Sustaining Capex	A\$45.0m	A\$34.0m	A\$30.9m
Forrestania and Regional Exploration	A\$15.0m	A\$11.0m	A\$8.9m
Mill Enhancement	A\$22.0m	A\$7.4m	A\$6.6m
Cosmos Exploration and Study Work	A\$7.0m	A\$4.0m	A\$3.2m

- **Cash at Bank A\$75.7m**
- **Debt free balance sheet**
- **EBITDA of A\$40.2m:**
 - 2HFY16 increase of A\$2.9m versus 1HFY16 , despite a lower realised nickel price and sales volume
- **Reported Net Loss After Tax (NLAT) of A\$29.8m (underlying NLAT of A\$16.6m):**
 - 2HFY16 improvement of A\$10.3m versus 1HFY16 on reported NLAT
 - Tax effected expenditure, write-offs and impairments of A\$13.2m (A\$12.2m 1HFY16) on non-core items
- **Operating Cashflow of A\$15.6m:**
- **Realised FY16 nickel price of A\$5.69/lb (down 28% from FY15).**
- **All capital expenditure and explorations costs came in under guidance**

FINANCIAL SNAPSHOT

Highlights	1H 2016	2H 2016	FY 2016	FY 2015
Mine Production (tonnes Ni)	13,977	13,630	27,607	26,524
Mill Production (tonnes Ni)	12,508	12,501	25,009	25,801
Recovery	89%	90%	90%	90%
Sales Volume (tonnes Ni)	12,514	12,279	24,793	26,036
Cash Costs (US\$/lb)	1.63	1.66	1.64	1.94
Cash Costs (A\$/lb)	2.25	2.26	2.26	2.31
Exchange Rate USD/ AUD	0.72	0.73	0.73	0.84
Realised Nickel Price (A\$/lb)	5.70	5.69	5.69	7.87
Sales Revenue ('000)	105,947	103,170	209,117	312,680
EBITDA ('000)	18,647	21,555	40,202	131,469
Underlying (LBIT)/EBIT ('000)	(11,002)	(9,467)	(20,469)	65,655
Reported (NLAT)/NPAT ('000)	(20,036)	(9,747)	(29,783)	35,013
Cash at Bank ('000)	29,882	75,706	75,706	195,355
Dividend (cents)	0.0	0.0	0.0	7.0

Key Takeaways – FY16 v FY15

- Nickel price reduction and sales timing differences reduced revenue A\$103.6m
- Cost of sales reduced by A\$21.7m
- Write-offs, expenditure and impairments A\$13.2m (tax effected) relate to non-core and non Forrester activities
- No final dividend declared based on nickel price impact on financial results
- All debt retired in FY16

Key Takeaways – 2HFY16 v 1HFY16

- Mill production steady with a small decline sales volume
- Cash at bank of A\$75.7m
- Positive quotational pricing (QP) movement from July nickel price improvement A\$3.4m (after tax)

INCOME STATEMENT

Earnings Data (\$'000)	1H FY 2016	2H FY 2016	FY 2016	FY 2015
Exchange Rate USD/ AUD	0.72	0.73	0.73	0.84
Nickel Price (U\$/tn avg)	4.10	4.17	4.14	6.58
Realised Nickel Price (A\$/lb)	5.70	5.69	5.69	7.87
Revenue	105,947	103,170	209,117	312,680
EBITDA	18,647	21,555	40,202	131,469
<i>EBITDA Margin (%)</i>	<i>17.6%</i>	<i>20.9%</i>	<i>19.2%</i>	<i>42.0%</i>
Depreciation & Amortisation	(29,649)	(31,022)	(60,671)	(65,813)
Underlying (LBIT)/EBIT	(11,002)	(9,467)	(20,469)	65,655
Finance, Interest & Other	(753)	(1,793)	(2,546)	(15,472)
Tax	3,924	2,492	6,416	(13,127)
Underlying (NLAT)/NPAT	(7,831)	(8,768)	(16,599)	37,056
Tax effected write-offs	(4,745)	(729)	(5,474)	(173)
FinnAust expenditure and impairment	(7,460)	(250)	(7,710)	(1,870)
Reported (NLAT)/NPAT	(20,036)	(9,747)	(29,783)	35,013
Dividend (cents)	0.0	0.0	0.0	7.0

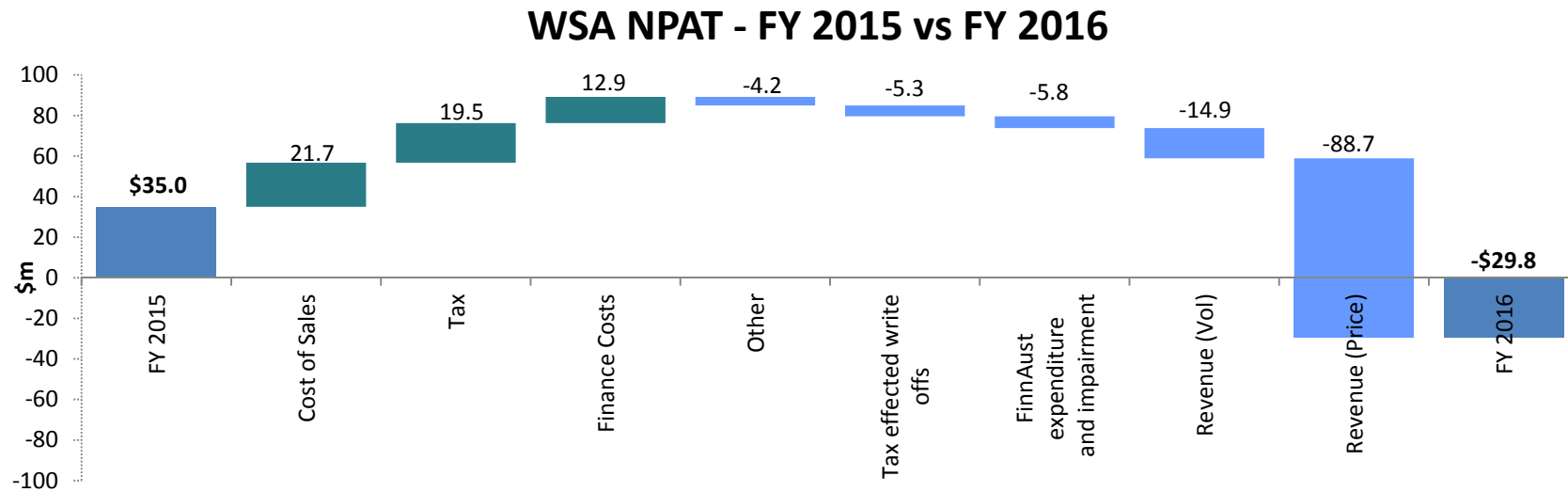
Key Takeaways – FY16 v FY15

- Realised nickel price down 28% in FY16 to A\$5.69/lb.
- Cost of sales reduced by A\$21.7m
- Significant reduction in interest costs of A\$12.9m following the full repayment of convertible bonds
- Underlying NLAT of A\$16.6m was mitigated despite nickel reaching a 13 year low

Key Takeaways – 2HFY16 v 1HFY16

- Despite revenue down A\$2.8m in 2HFY16, EBITDA increased A\$2.9m
- Further reduction in operational costs achieved
- EBITDA margin improvement from 17.6% to 20.9%

INCOME STATEMENT WATERFALLS



- Nickel price by far the most significant impact with A\$88.7m revenue reduction
- Cost of sales reductions and repayment of debt saved A\$34.6m combined

CASHFLOW STATEMENT

Cashflow Statement (\$'000)	1H FY 2016	2H FY 2016	FY 2016	FY 2015
Operating Cashflow	14,604	959	15,563	148,469
<i>Less:</i>				
Exploration	(9,956)	(3,636)	(13,592)	(15,723)
Mine Development	(19,085)	(8,530)	(27,615)	(42,403)
Capital Expenditure	(6,660)	(1,943)	(8,603)	(13,650)
Insurance Proceeds	1,584	-	1,584	-
Pre-Financing Cashflow	(19,513)	(13,150)	(32,663)	76,693
Investment activities	(11,500)	(12,658)	(24,158)	(117)
Proceeds from Share Issues	-	75,000	75,000	-
Financing Costs	(123)	(1,850)	(1,973)	(279)
Dividends Paid	(9,337)	-	(9,337)	(16,281)
Borrowing cost & Stamp Duties	-	(1,518)	(1,518)	-
Repayment of convertible bond	(125,000)	-	(125,000)	(95,198)
Net Cashflow	(165,473)	45,824	(119,649)	(35,182)
Cash at Bank	29,882	75,706	75,706	195,355

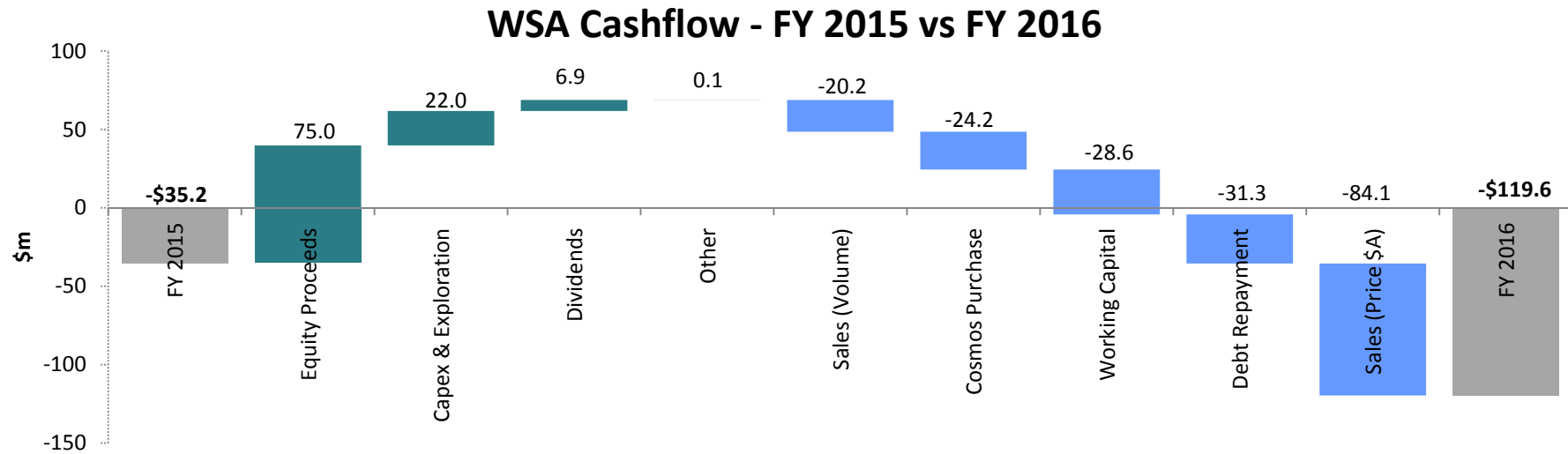
Key Takeaways – FY16 v FY15

- Operating cashflow was impacted by the following:
 1. A\$133.0m less cash receipts driven by a lower nickel price and a higher receivable balance; and
 2. A\$6.6m reduction in trade creditors due to timing differences
- Total capex and exploration outflow reduced by A\$22.0m
- Cosmos acquisition in FY16 A\$24.2m
- Final convertible bond repaid for A\$125m

Key Takeaways – 2HFY16 v 1HFY16

- Cashflow from operations decreased due to a working capital timing difference:
 1. Receivables increasing A\$12.5m due to shipping schedule timing differences; and
 2. Trade creditors reduced A\$9.8m due to payment timing differences
- A\$21.6m reduction in capex and exploration

CASHFLOW STATEMENT WATERFALL



- Nickel price by far the most significant impact
- Debt, capital expenditure and reductions a significant feature

BALANCE SHEET

Balance Sheet	1H FY 2016	FY 2016	FY 2015
Cash at Bank	29,882	75,706	195,355
Receivables	16,779	29,275	15,974
Stockpiles & Inventory	15,877	14,761	23,407
PP&E	103,336	96,365	99,981
Exploration & Evaluation	87,991	80,360	60,979
Mine Development	197,820	183,579	200,453
FinnAust Equity	-	7,164	-
Other	1,136	1,958	1,460
TOTAL ASSETS	452,821	489,168	597,609
Trade & Other Payables	45,095	22,723	29,364
Income tax & Other Current Provisions	3,061	3,363	12,694
Short Term Borrowings	850	319	126,568
Long Term Borrowings	-	-	-
Rehabilitation & Other Long Term Provisions	21,305	22,649	13,733
Deferred Tax Liability	8,698	6,113	14,135
TOTAL LIABILITIES	79,009	55,167	196,494
SHAREHOLDERS EQUITY	373,812	434,001	401,115

Key Takeaways – FY16 v FY15

- Lower cash at bank reflects lower nickel price, convertible bond debt repayment, Cosmos acquisition, partially offset by 2nd half equity raise
- Receivables higher due to export timing
- Increase in exploration and evaluation reflects Cosmos acquisition allocation

Key Takeaways – 2HFY16 v 1HFY16

- Higher cash at bank due to the A\$75m equity raise, offset by the Cosmos completion costs
- Reduced trade creditors and other payables reflects payment timing differences and the settlement of the Cosmos acquisition
- FinnAust is now equity accounted (37%) – current market valuation at year end was circa \$8.2m GBP.

FY17 GUIDANCE

Category	FY17 Guidance
Mine Production (Nickel in Ore tonnes)	22,500 to 24,500
Nickel Tonnes in Concentrate Production	20,200 to 22,000
Unit Cash Cost of Production (In Concentrate)	A\$2.40/lb to A\$2.75/lb
Sustaining Capex*	A\$22m to A\$24m
Forrestania and Regional Exploration	A\$8m
Feasibility Studies	A\$2m

**Includes one-off ventilation shaft at Spotted Quoll for A\$6m*

Comments

- Capex light, cashflow maximisation model adopted – not focussed on volume maximisation
- Flexibility to increase productivity on sustained nickel price improvement
- Sustaining capital includes the last major item of capex at either mine – ventilation shaft for A\$6m
- Mill Enhancement project deferred to FY18, but ready to go with 6 month construction time
- Lowest sustaining capex for many years
- Exploration budget for Cosmos, Western Gawler and Forrestania
- Unit cash costs reflect savings banked in FY16, offset by fixed cost allocation and lower production
- Production remains flexible, but reflects mining the flatter dip zone at Spotted Quoll for longer in FY17
- Next guidance update planned to be with the half year results release

CORPORATE



CORPORATE OVERVIEW

High quality assets

- Highest grade, low cash cost nickel producer
- Operational cashflow positive at current prices

No debt, clean balance sheet, low costs

- Further flexibility with undrawn A\$50m ANZ facility
- Low unit cash cost producer

Organic growth options

- Strong near-mine and regional exploration
- Cosmos exploration and Odysseus PFS

Positioned for nickel recovery

- A\$1/lb lift in nickel price = circa A\$35m EBITDA
- Portfolio delivers optionality

ASX code	WSA
Share price	2.96
Shares outstanding (m)	270.9
Market Cap (A\$m) ¹	801.8
Cash (A\$m) ²	75.7

Cosmos Nickel Complex

567kt Ni resources
Scoping study being reviewed

Flying Fox

12.4kt Ni mined FY16
48.2kt Ni reserves
102.2kt Ni resources

Spotted Quoll

15.2kt Ni mined FY16
97kt Ni reserves
119.8kt Ni resources



A leading mid-tier base metal producer



1. Based on share price on 8 August 2016
2. Cash as at 30 June 2016

WESTERN AREAS ARE SAFE AREAS



Days LTI free

Exploration	2,952	Nov-08
Spotted Quoll	1,935	Aug-11
Cosmic Boy Concentrator	1,134	Oct-13
Flying Fox	1,117	Nov-13

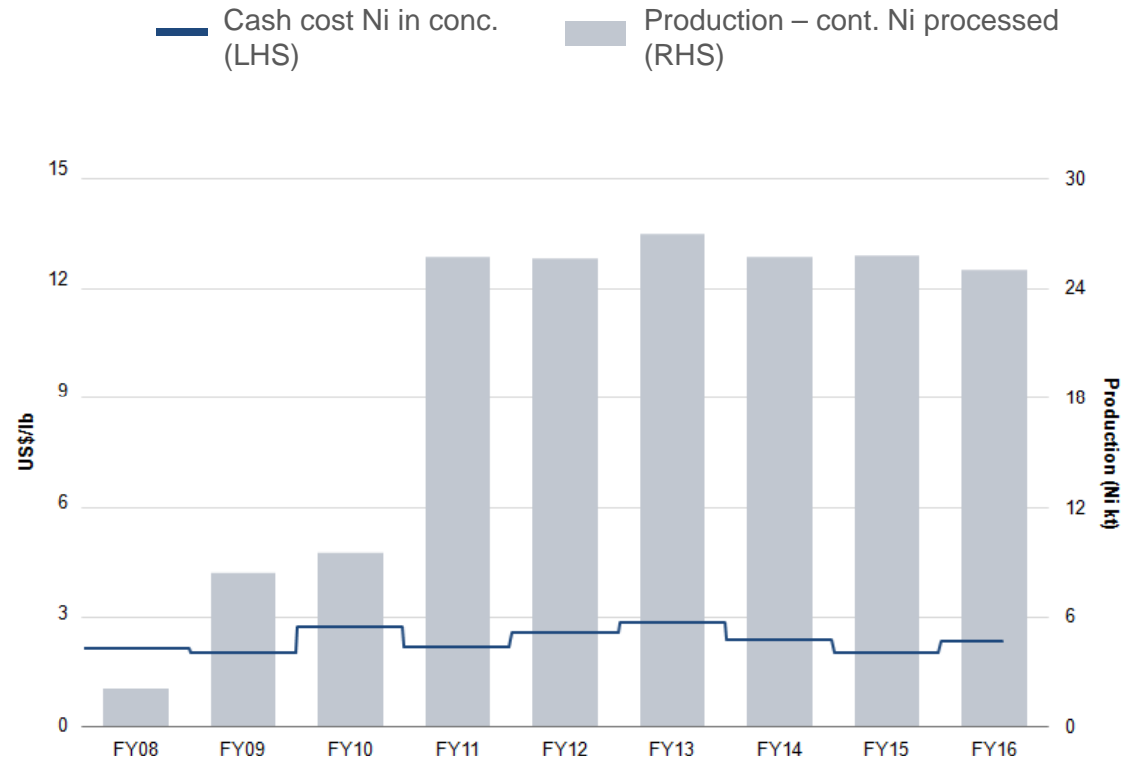
12 month LTIFR moving average



Safe operations make efficient operations

CONSISTENT LOW COST PRODUCER

- **ALL FY16 GUIDANCE METRICS MET OR EXCEEDED**
- LTIFR – ZERO – over 2 yrs LTI free
- Record Spotted Quoll mine production of 15,175 Ni tonnes
- Unit cash cost of production at A\$2.26/lb (US\$1.64/lb) of nickel in concentrate
- Record annual mill throughput at 616,279 ore tonnes
- Exceptional consistency and 6 years without a guidance miss



A management team which consistently delivers guidance

ORGANIC GROWTH PROFILE

Large holding in 2 significantly endowed nickel provinces

Forrestania Operations – Western Australia

- New Morning project – Near mine leveraging existing infrastructure with studies underway
- History of reserve/resource extension
- Mill Recovery Enhancement Project – lift metallurgical recoveries by 3-5%
- Evaluating Lithium potential at the Forrestania tenements

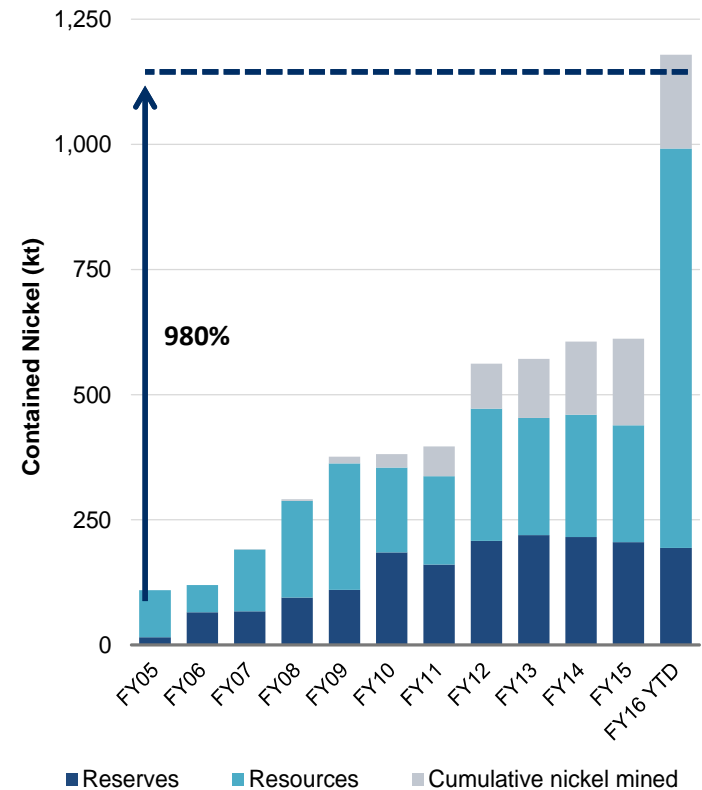
Cosmos Nickel Complex / Odysseus – Western Australia

- Existing resources and infrastructure (previous Glencore/Xstrata/Jubilee Mines operation)
- Option to develop a new West Australian integrated Nickel operation

Western Gawler – South Australia

- First mover advantage
- Intrusive style and geologically similar to Nova

Historic reserves & resources



WSA has a track-record of discovery and development

MANAGING THROUGH THE CYCLE

Reducing cost structure

Cash cost reduction has been a consistent feature

- Expertise in waste dilution and maximising grade and tonnage versus reserve
- Maximising plant and equipment productivity
- Absolute cost out with contractors, suppliers and at the corporate level

Prudent capital management

Remaining debt free with A\$76m cash at bank

- Deferred the Mill Enhancement Project by 6 months, but long lead items ordered
- Exploration spend reduced, but still robust. Focus on Cosmos and Western Gawler
- Retain a strong balance sheet to provide flexibility

Opportunistic approach

Build portfolio

- Add quality projects that suffer through a lack of funding and/or play to our core strengths

Maintain valuation discipline

- Be patient in assessing opportunities. Do not succumb to the fear of “missing out”

The cost structure and capabilities to prosper throughout the cycle

JUNE 2016 QUARTERLY REPORT

Tonnes Mined		FY16				YTD
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Total
Flying Fox						
Ore Tonnes Mined	Tns	67,400	76,163	62,017	68,161	273,741
Grade	Ni %	4.7%	4.2%	4.6%	4.7%	4.5%
Ni Tonnes Mined	Tns	3,155	3,183	2,876	3,218	12,432
Spotted Quoll - Underground						
Ore Tonnes Mined	Tns	80,702	81,318	82,711	71,774	316,505
Grade	Ni %	4.8%	4.6%	4.7%	5.0%	4.8%
Ni Tonnes Mined	Tns	3,905	3,734	3,922	3,614	15,175
Total - Ore Tonnes Mined	Tns	148,102	157,481	144,728	139,935	590,246
Grade	Ni %	4.8%	4.4%	4.7%	4.9%	4.7%
Total Ni Tonnes Mined	Tns	7,060	6,917	6,798	6,832	27,607
Tonnes Milled and Sold		FY16				YTD
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	Total
Ore Processed	Tns	153,540	152,435	156,190	154,114	616,279
Grade	%	4.6%	4.6%	4.4%	4.5%	4.5%
Ave. Recovery	%	89%	89%	90%	90%	90%
Ni Tonnes in Concentrate Produced	Tns	6,252	6,256	6,180	6,321	25,009
Ni Tonnes in Concentrate Sold	Tns	6,233	6,281	6,011	6,268	24,793
Financial Statistics		FY16				YTD
		Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr	
Cash Cost Ni in Con	A\$/lb	2.26	2.24	2.27	2.25	2.26
Cash Cost Ni in Con/lb	US\$/lb	1.64	1.61	1.64	1.68	1.64
Exchange Rate US\$ / A\$		0.73	0.72	0.72	0.75	0.73

FY16 - Some Facts

- ALL FY16 GUIDANCE METRICS MET OR BEATEN
- LTIFR – ZERO – over 2 years LTI free
- Record Spotted Quoll mine production of 15,175 nickel tonnes
- Highest Flying Fox production in the June quarter
- Unit cash cost of production at A\$2.26/lb (US\$1.64/lb) of nickel contained in concentrate (refer to Quarterly Report)
- Record mill throughput for the year at 616,279 tonnes (and record month in June)

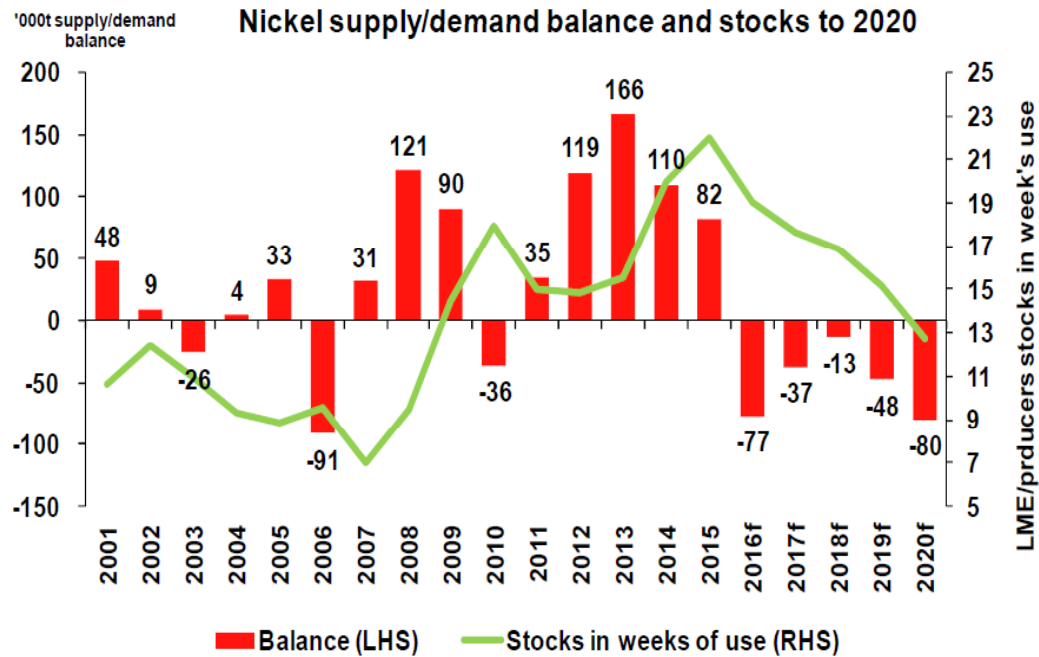
A management team which consistently delivers guidance



NICKEL MARKET



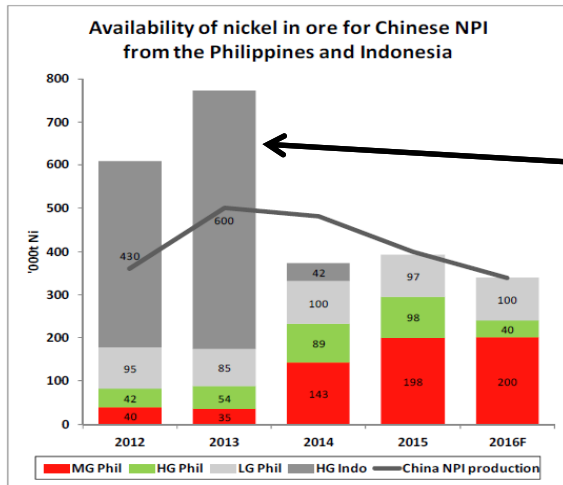
LARGE OVER-SUPPLY MOVING TO DEFICIT



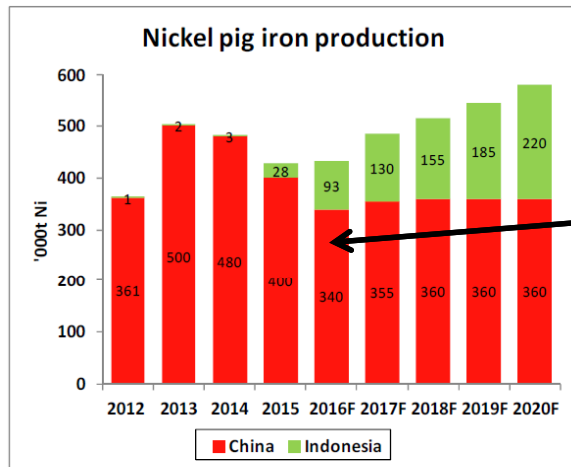
Source: INSG, Macquarie Research, May 2016

- Last 5 yrs of surplus supply
- **Forecast of 70-75k tonnes deficit in 2016**
- Current LME stockpiles falling
- Does not factor in current Filipino environmental concerns and mine closures

IMPACT OF INDONESIAN NICKEL ORE BAN



Source: Trade data, Nickel Asia, Macquarie Research, May 2016



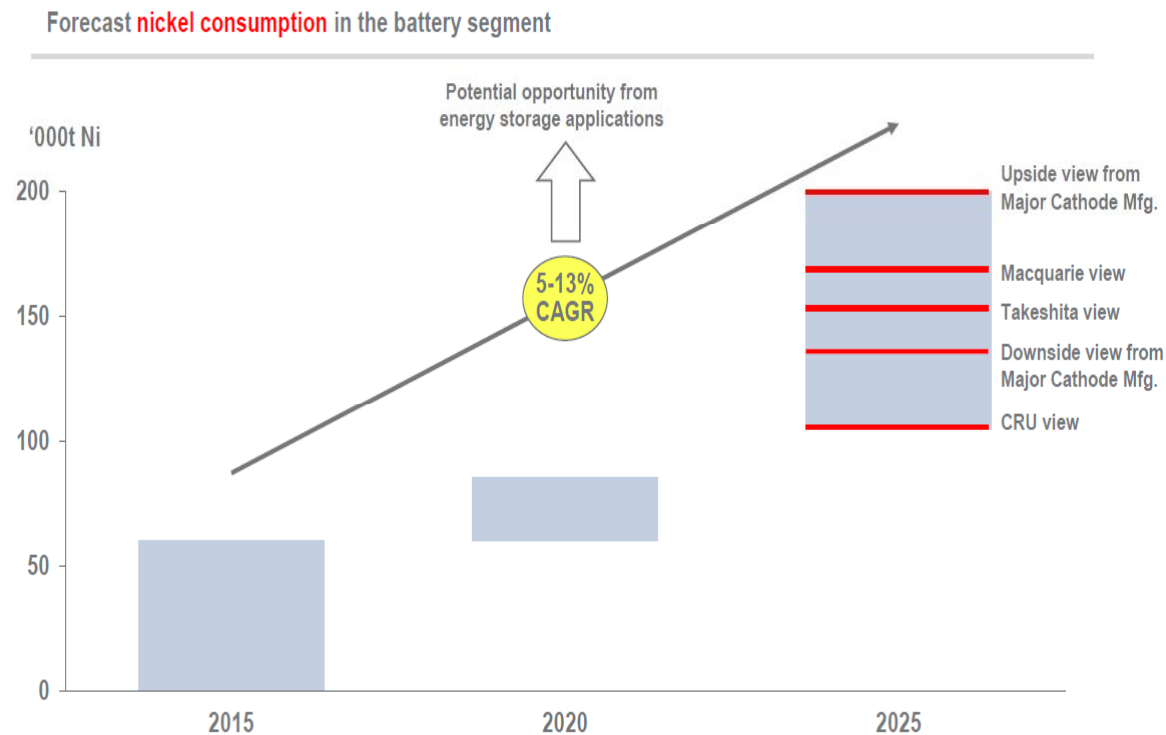
Source: INSG, Macquarie Research, May 2016

- Indonesian miners ramped up nickel production ahead of Jan 2014 ban – maybe 300kt+ nickel was stocked in China ahead of ban
- Philippines ramped up production after the ban – mainly lower grade ores (1.4 – 1.5% Ni vs. 1.8 – 2.0% from Indonesia)
- New Caledonian laterite exports have strict controls and is not additional material
- **Recent moves by Filipino Government to moderate environmental impact. Talks on potential ban – catalyst for recent Ni price movement**



GROWING EMERGING MARKET – ELECTRIC VEHICLES

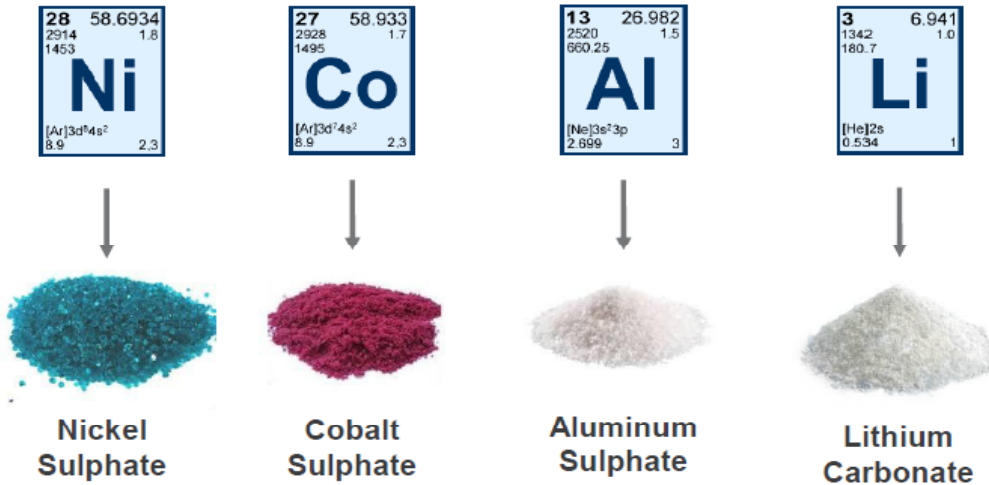
- Nickel is increasingly being included in battery formulations as it leads to higher energy density batteries.
- **Nickel demand from batteries is expected to grow at faster pace than seen historically, from ~50kt in 2015 to 150-200kt by 2025**



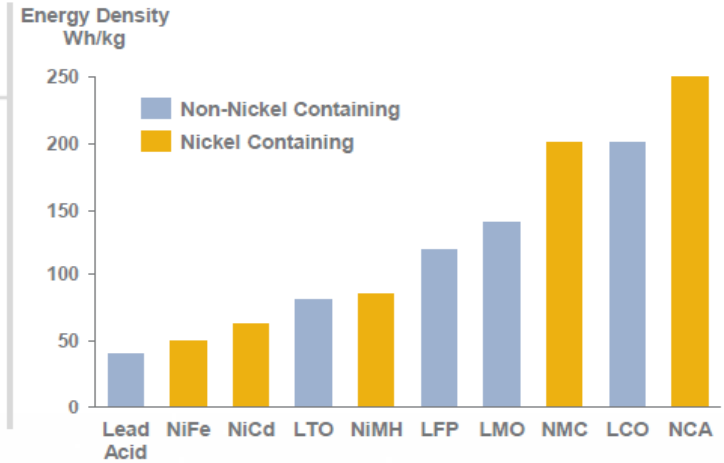
Source: Takeshita 2015, CRU, Macquarie, Vale sources



NICKEL IS A KEY INGREDIENT IN LITHIUM-ION BATTERIES (~50KG NI PER CAR)



 **Why Nickel?**
Nickel battery formulations offer highest energy density

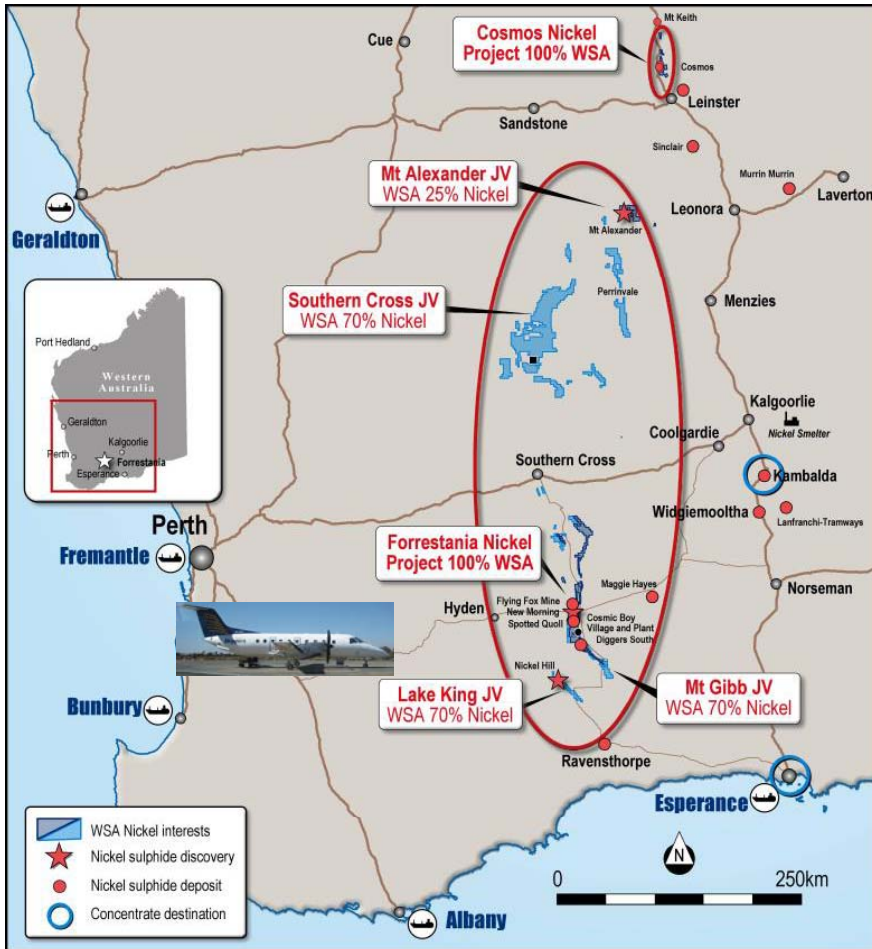


“Our cells should be called Nickel-Graphite, because primarily the cathode is nickel and the anode side is graphite with silicon oxide... [there’s] a little bit of lithium in there, but it’s like the salt on the salad,” Tesla CEO Elon Musk

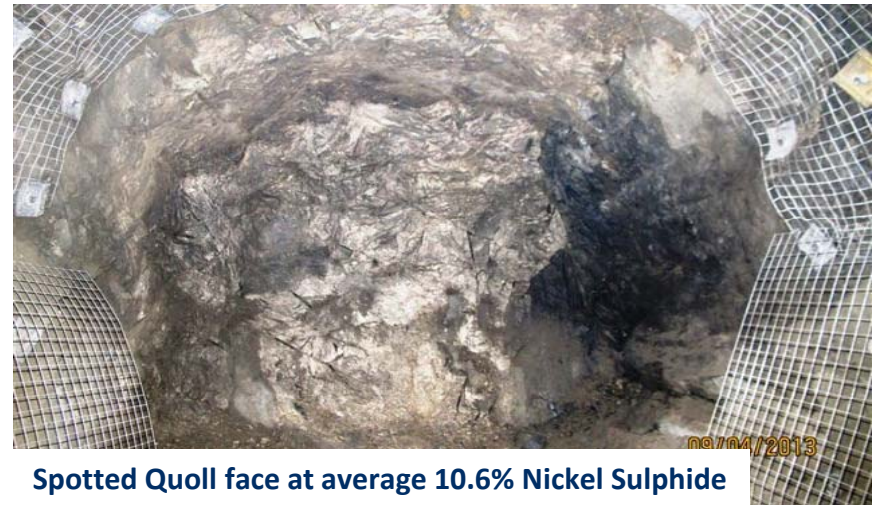
A grayscale photograph of an industrial facility, likely a wastewater treatment plant. The image shows a worker in safety gear standing on a metal walkway overlooking a large circular tank filled with turbulent water. In the background, there are various pipes, ladders, and a small utility vehicle. The overall scene is industrial and technical.

OPERATIONS

LOCATION, LOCATION, LOCATION.....



Lounge Lizard 10m wide face of 7% Massive Nickel Sulphide



Spotted Quoll face at average 10.6% Nickel Sulphide

Premier and stable mining district with high quality mines and organic growth options

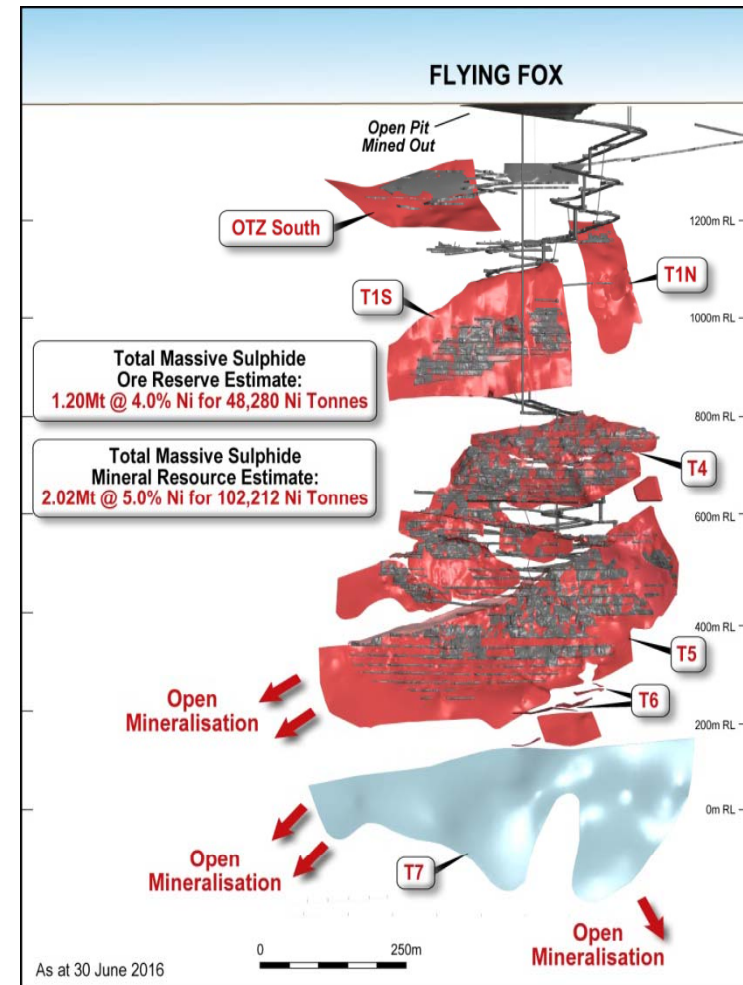


FLYING FOX MINE

Reserve Contained nickel	1.2Mt @ 4.0% 48,280 Ni tonnes
Resource Contained nickel	2.0Mt @ 5.1% 102,212 Ni tonnes
Mine life	5 years

Key points

- FY16 production – 12,432 Ni tonnes
- Reserve life has a demonstrated history of replenishment
- Added OTZ South Massive Zone – 182,898t @ 4.1% Ni for 7,417 nickel tonnes
- Recent drilling into T5 and T6 domain has been encouraging, including 6.3m @ 8.0% Ni
- Has been operating for over 10 years



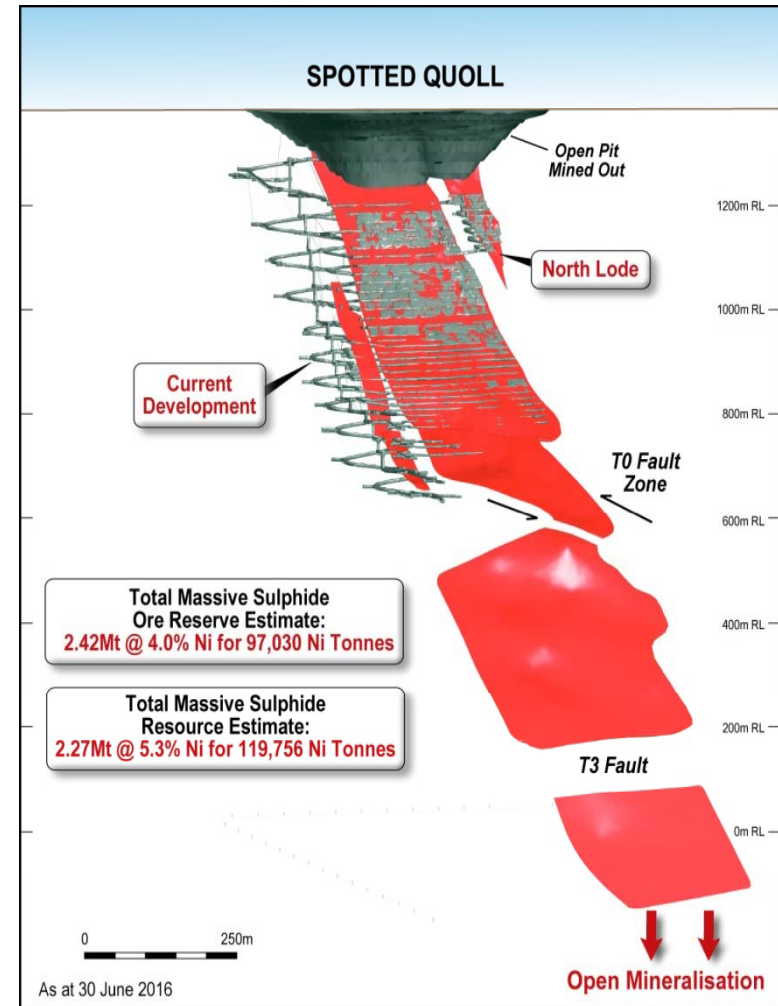
WSA's foundation asset within Forrestania

SPOTTED QUOLL MINE

Reserve Contained nickel	2.4Mt @ 4.0% 97,030 Ni tonnes
Resource Contained nickel	2.3Mt @ 5.3% 119,756 Ni tonnes
Mine life	+8 years

Key points

- FY16 record annual production – 15,175 Ni tonnes
- Discovered by WSA in 2007, 6km south of Flying Fox
- Remains open at depth and to the North
- Production has outperformed reserve tonnes and grade consistently
- Top down mining with paste fill
- Has never recorded an LTI



WSA Explored, Discovered and Developed

FORRESTANIA NICKEL CONCENTRATOR

Concentrator Summary

- Mill processed an annual record of 616k tonnes of ore in FY16, for 25,009 nickel tonnes
- 12% above name plate capacity of 550,000 tpa
- Concentrate grades of between 14.0% to 15.5% Ni
 - Premium blending product (Fe/Mg ratio >15:1)
 - Desirable to smelters

Export Infrastructure and Logistics

- Export concentrate transported to Esperance Port in half height containers and through to China
- Shipping contract in place, FOB Terms
- BHPB Nickel West concentrate delivered to Kambalda



WSA produces a high quality and in demand nickel concentrate

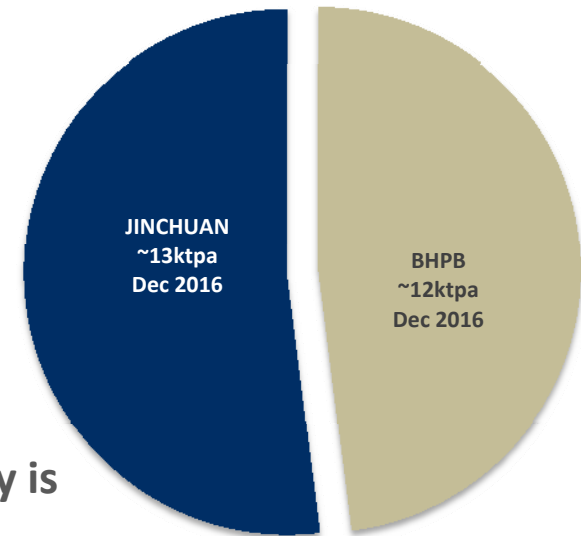
INDEPENDENT PRODUCER – OFFTAKE CONTRACTS

Offtake Contracts

- Existing contracts with Jinchuan/BHPB
- “FOB” Terms
- Very competitive payable percentage of LME

Offtake Status – Opportunities for Western Areas

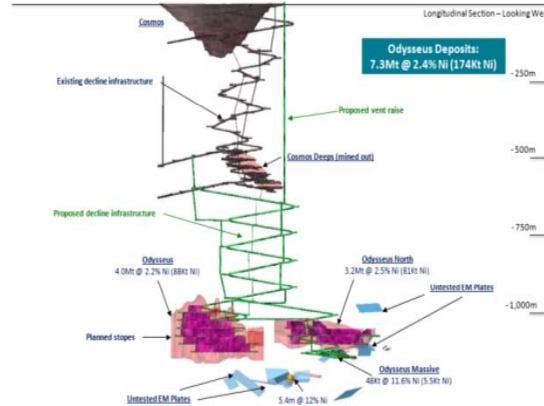
- 10ktpa contract for BHPB expires for first time in 7 years
- Tender process commences in September quarter 2016
- **Potential growth in roasting market in Asia – the Company is investigating alternative markets**
- Shortage of high quality premium blending concentrate
- Strong EOI’s already received from new and existing parties





GROWTH & EXPLORATION OUTLOOK

PRUDENTLY BUILDING THE PLATFORM



Exploration and Growth

- Cosmos Nickel Complex
- Western Gawler JV
- Forrestania

Development

- Odysseus PFS
- New Morning
- Mill Recovery Enhancement

Production

- Spotted Quoll
- Flying Fox
- Cosmic Boy Concentrator

A portfolio with production and growth optionality

COSMOS ACQUISITION

Strategic Rationale

- Low cost entry – Full purchase price \$24.5m plus stamp duty
- Right street address – historical highest grade mine globally
- Full infrastructure and facilities – Mill, camp, aerodrome
- Potential 2nd operation – drilled out resources
- “Ready to go” when nickel prices support development
- Under explored ultramafic belt

Settlement Completed

- Paid A\$12.653m in April 2016 as full and final settlement



COSMOS AERIAL VIEW



Significant infrastructure in place:

- 450ktpa mill with expansion options
- Tailings storage and evaporation ponds
- Concentrate storage
- Coreyard facilities
- Gas connection
- Mill and mining spares inventory
- Approximately 500 person accommodation village
- Recreational facilities
- Aerodrome
- Administration and workshop buildings
- Telecommunications

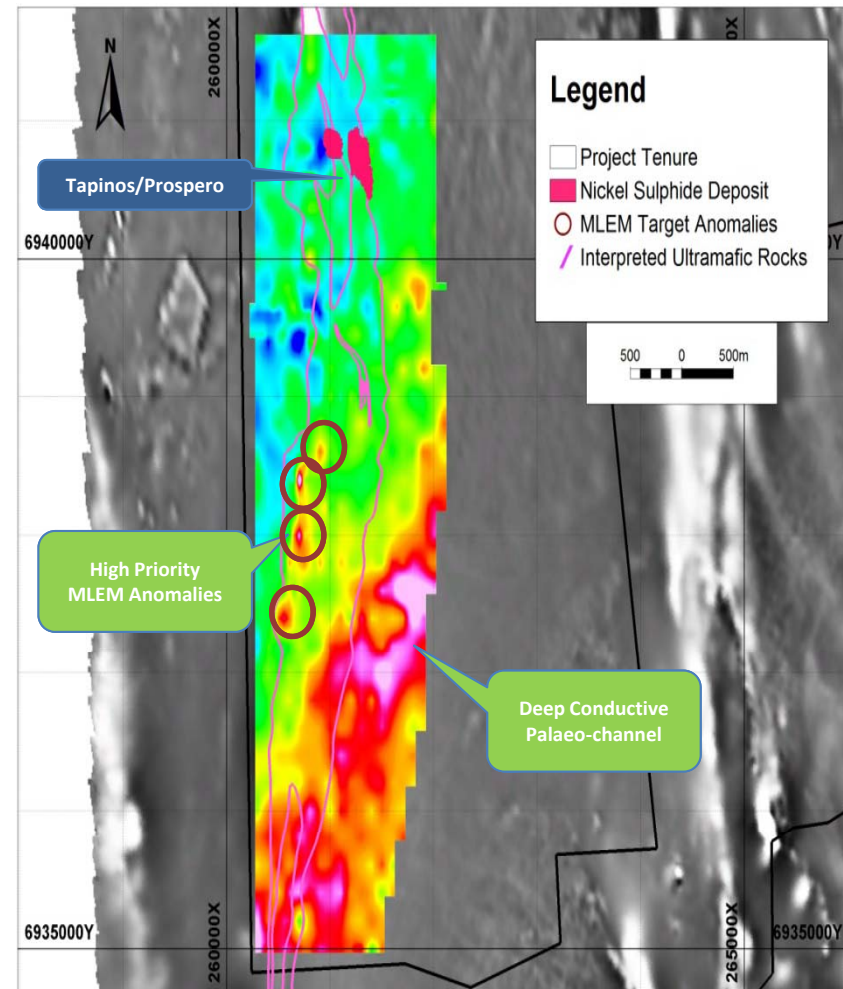
COSMOS EXPLORATION

Focus on Neptune (previously Lake Miranda)

- Tenements covering 88km²
- Heritage surveys successfully completed
- Section 18 lodged
- Significant anomalies detected through MLEM
- Drilling targeted by end of CY16
- DHEM being completed between Odysseus and Prospero

Review of Xstrata drill data base reveals intersections requiring follow-up work

- Prospero - 4.2m @ 12.5% Ni (incl 2.4m @ 19.7% Ni)
- Aries – 4.5m @ 12.3% Ni and 3.3m @ 10.6% Ni



ODYSSEUS PRE-FEASIBILITY STUDY

Significant undeveloped resource containing massive sulphides, matrix sulphides and high grade disseminated sulphides

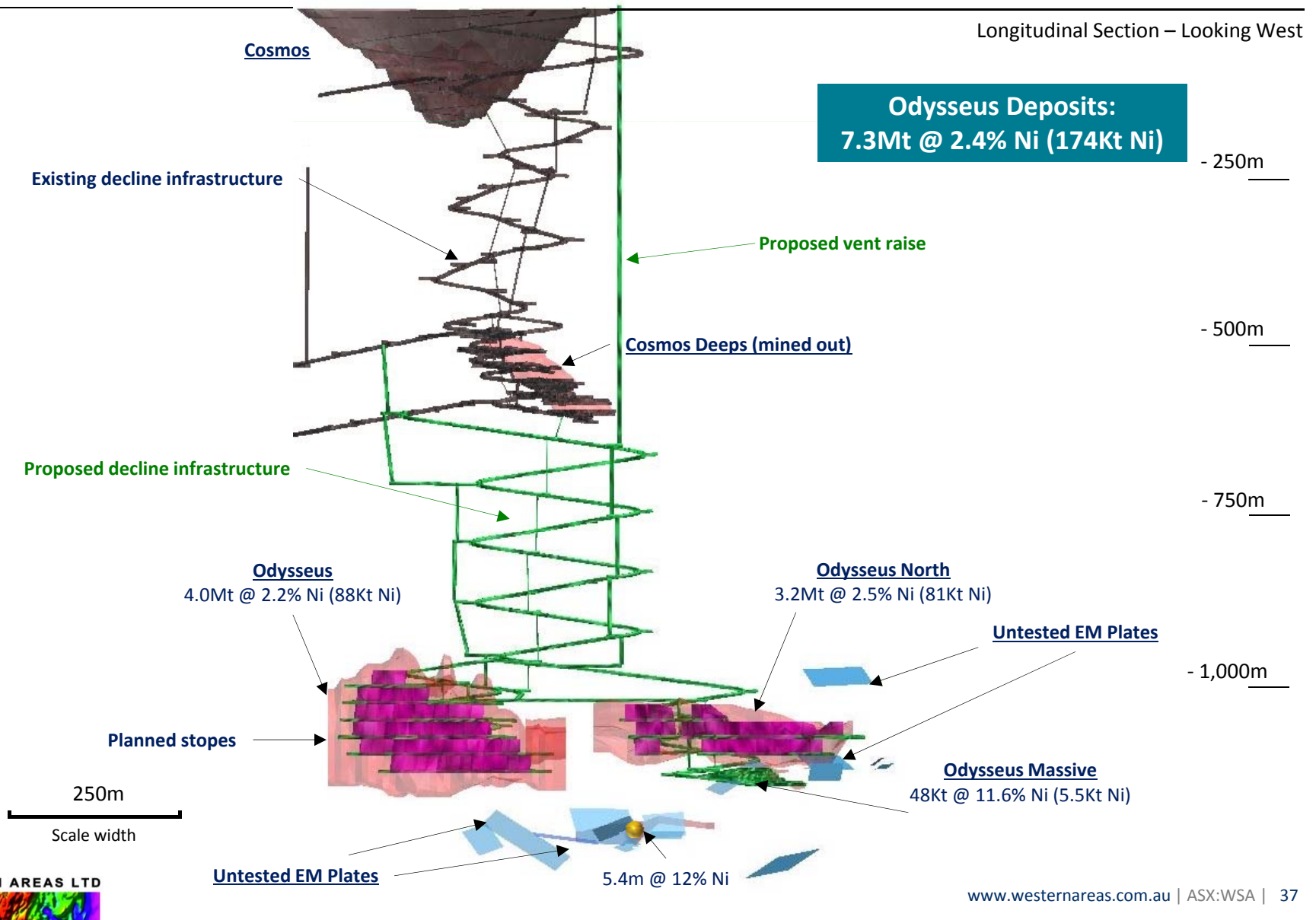
Xstrata Scoping Study Update Completed

- Significant savings >30% identified for operating and capital costs
- Board approved commencement of the pre-feasibility study

Pre-feasibility Study Commenced

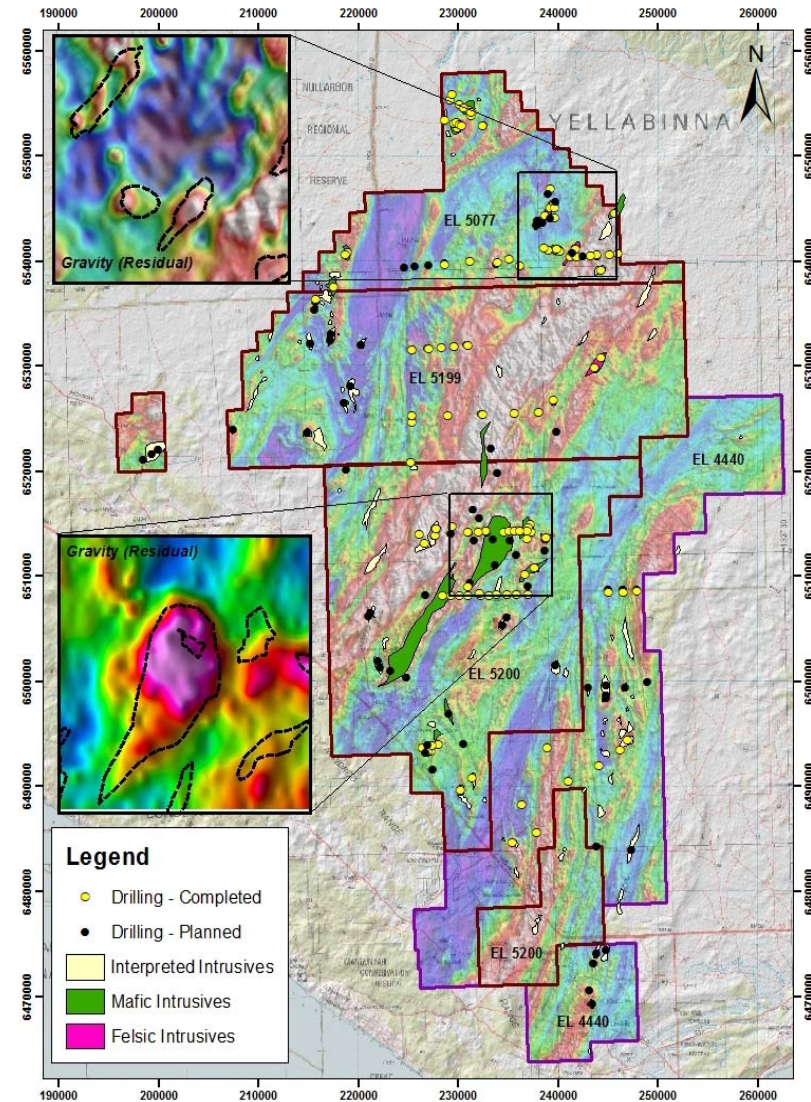
- Targeted completion in December quarter 2016
- Review mining method, mining schedule and underground infrastructure
- Produce concentrate grade in line with FNO grades and improve nickel recovery
- Review metallurgical testwork and flow sheet to optimise processing plant
- Further optimise capital and operating cost assumptions
- Explore contractor versus owner operator alternatives and leverage FNO experience

ODYSSEUS CONCEPTUAL MINE DESIGN



WESTERN GAWLER JOINT VENTURE

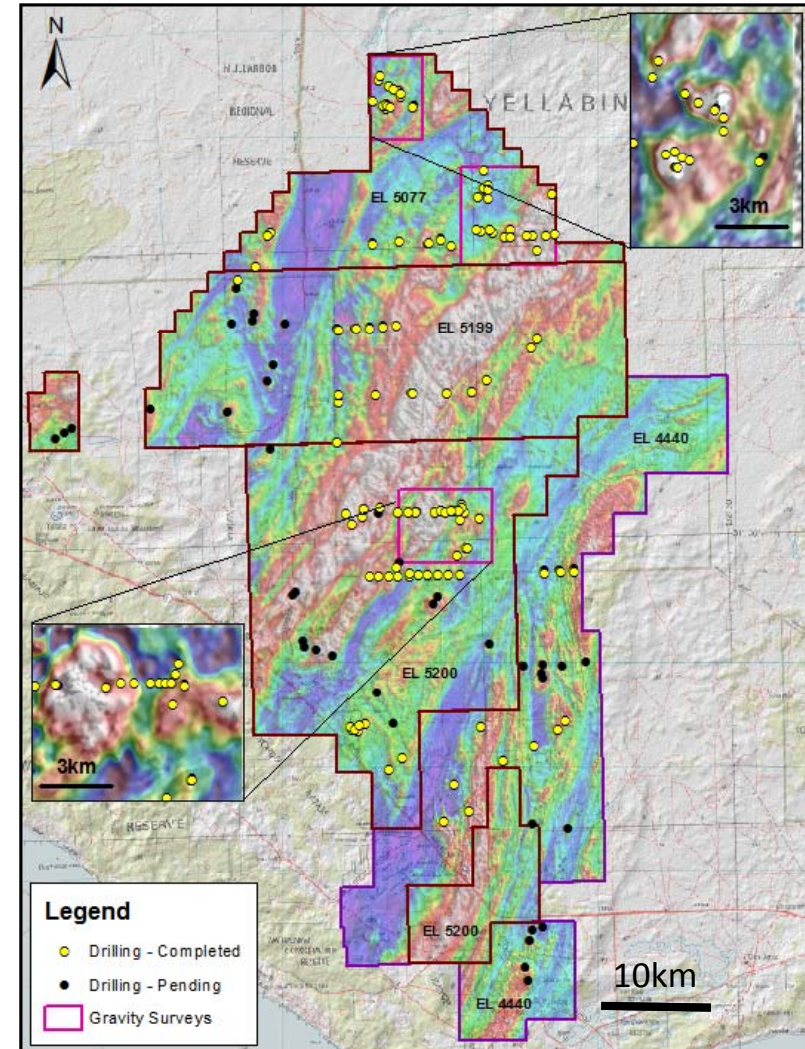
- Large strategic holding in prospective under explored Proterozoic belt
- First mover advantages targeting poly-metallic base metal and gold mineralisation
- 100% WSA and Strandline farm in agreement – WSA earning up to 90%
- Initial exploration confirms base metal potential and highlights gold anomalism
- **Large multiple mafic (ultramafic) intrusives with potential to host nickel-copper sulphide mineralisation have been identified**
- Drilling has resumed in high priority areas
- Full heritage access approvals nearing completion



EXPLORATION SUMMARY

Broad scale prospectivity for Ni/Cu and Gold

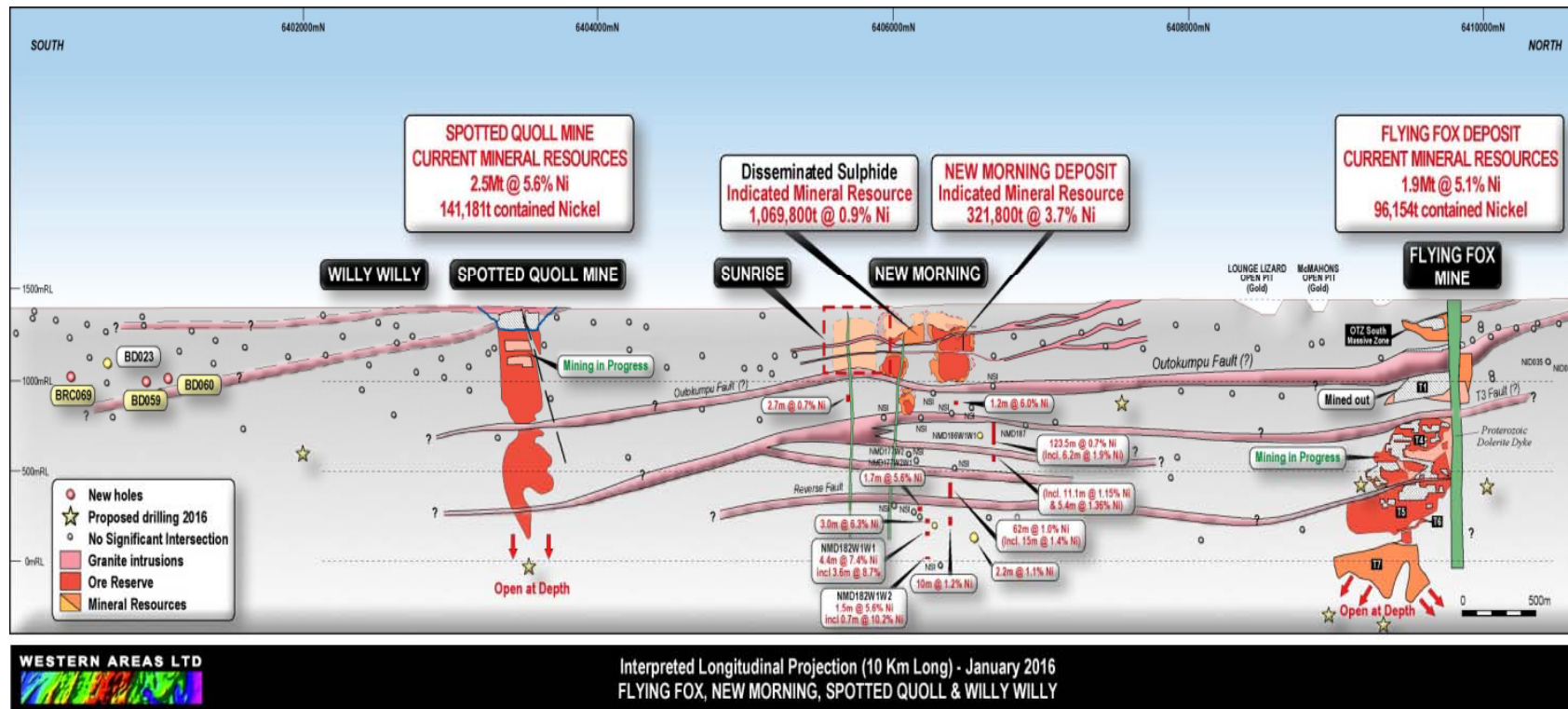
- Ongoing RC drilling with encouraging early results
- Targeting potential mafic/ultramafic intrusions and generating geochemical targets in the broader areas
- 115 AC/RC/DD drill holes completed to date
- Full heritage access approvals nearing completion
- Geochemical review of drilling data highlights gold anomalism, confirms base metal potential
- Petrology confirms the presence of intrusive mafic and ultramafic rocks



Exploration activity overlaying magnetics (RTP)
Insets show residual gravity overlaying magnetics (RTP)

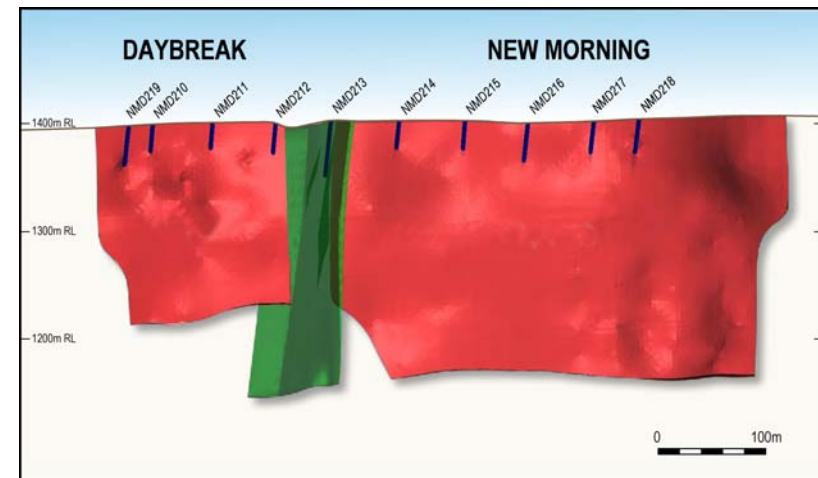
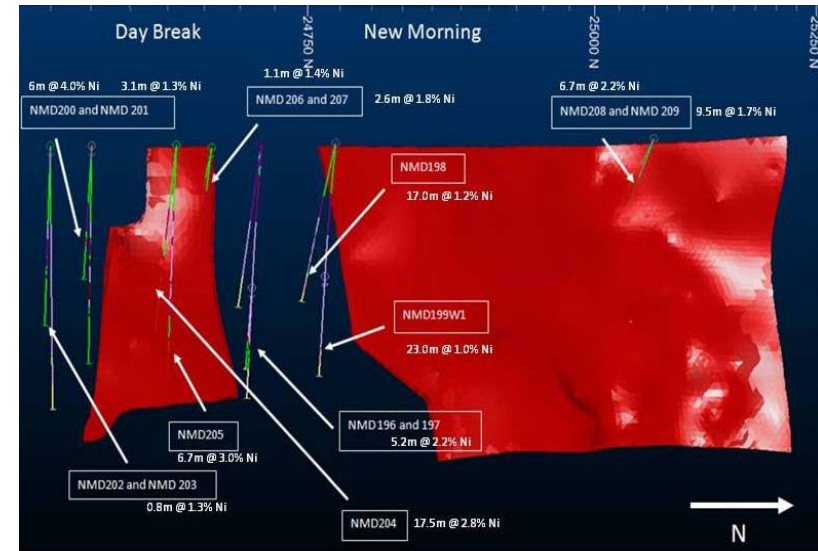
FORRESTANIA – NEAR MINE EXPLORATION

Focus is on near mine opportunities



NEW MORNING

- 2.5km from Flying Fox and 2.8km from Spotted Quoll
- All material approvals in place, potential major capex savings and accessible from either mine
- Open Pit and shallow underground studies commenced
- Massive sulphide Indicated Resource of 321.8kt @ 3.7% nickel
- Significant intersections:
 - **4.4m @ 7.4% nickel including 3.6m @ 8.7% nickel**
 - **3.0m @ 6.3% nickel including 2.4m @ 7.6% nickel**
 - **1.5m @ 5.6% nickel including 0.7m @ 10.2% nickel**
- Recent shallow hit of **54m @ 1.7% nickel from 38m** (including 2.5m @ 5.0% nickel)



WESTERN AREAS VALUE EQUATION

Strong leverage to turnaround in nickel price through current operations and organic projects

<ul style="list-style-type: none">• Zero Lost Time Injuries in past 24 months <p>Safety</p> 	<ul style="list-style-type: none">• High Grade• Lowest Quartile Cash Costs <p>Highest Grade Nickel Globally</p> 	<ul style="list-style-type: none">• Operational cashflow positive <p>Cashflow Positive</p> 	<ul style="list-style-type: none">• Guidance continually met or exceeded <p>Strong Track Record of Delivery</p> 
<ul style="list-style-type: none">• Pipeline of growth opportunities <p>Growth</p> 	<ul style="list-style-type: none">• Fundamentals and forecasts positioned to rebound <p>Nickel Price Primed for Upside</p> 	<ul style="list-style-type: none">• Strong “can do” management <p>History of Discovery and Development</p> 	<ul style="list-style-type: none">• No debt with significant financial flexibility <p>Strong Balance Sheet</p> 

A large yellow mining truck is shown in a quarry, filled with a large pile of rocks. The truck is positioned in the center of the frame, with its front facing the viewer. The background consists of a steep, rocky hillside. The truck's front features a prominent grille with the word "BEYON" visible. The truck is loaded with a large pile of dark, jagged rocks that spill over the top of its bed. The overall scene is industrial and rugged.

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THE END