



November 26, 2009

ASX & TSX: WSA

News Release

DRILLING COMMENCES AT RAUTAVAARA PROJECT IN FINLAND

Western Areas has commenced drilling at the Rautavaara Project in the Kainuu Schist Belt in central Finland (Figure 1). Rautavaara is one of six separate projects which the Company is exploring in a joint venture with unlisted Finnish company, Magnus Mineral Ltd (Magnus).

Magnus has undertaken a detailed assessment of the 150km long Kainuu Schist Belt and has built up substantial holdings to cover areas considered to have potential for 'Talvivaara type' deposits. Western Areas has an agreement with Magnus to earn 75% interest in these projects.

The initial drilling program will test one of five targets identified within the 15km Rautavaara Project, located 50km south of the Talvivaara mine. Based on geophysical data and previous (1979) widely spaced drilling, sulphide mineralisation at Rautavaara is interpreted to occur in a similar geological setting to Talvivaara. Talvivaara is a large, long life open pit mine being developed by Talvivaara Mining Company Plc, a London and Helsinki listed company.

Low grade sulphide ore at Talvivaara is processed using bacterial heap leaching technology to recover nickel, zinc, copper and cobalt concentrates. The host of the sulphide mineralisation (black schist) appears to be a lower acid consuming ore type suited to bacterial leaching. Talvivaara Mining has announced initial production targets of 33,000 tpa nickel, 60,000 tpa zinc and 10,000 tpa copper for 2010 and an expanded target up to 50,000 tpa nickel from 2012.

The objectives of the current drilling program at Rautavaara are to:

- 1 Confirm the previous drilling which intersected wide zones of 'Talvivaara Type' sulphide mineralisation with similar grades and geology
- 2 Define an initial mineral resource over part of the 2km long northern target at Rautavaara, up to a depth of 150m
- 3 Provide samples of sulphide mineralisation for initial metallurgical test work using the BioHeap bacterial leaching technology

Western Areas has announced an option agreement to acquire a bacterial leaching technology "BioHeap" from Pacific Ore Ltd (ASX:PSF). If the Finland joint venture is successful, BioHeap may provide an opportunity to extract base metals from sulphide ores at low cost.

Discussion

Managing Director Mr Julian Hanna said: "The new joint venture in Finland provides our shareholders with a potentially significant growth opportunity at a relatively low entry cost. We think the Kainuu Schist Belt has the potential to develop into a major metal province, if the metals can be extracted using bacterial leaching on a commercial scale. Western Areas will not proceed with any significant investment in Finland until bacterial leaching has been confirmed to be a low cost method of producing nickel and other metal products."

"The Board is also very mindful that activities in Finland should not impact on Western Areas core activities and high quality assets at Forrestania in Western Australia. These assets include the high grade Flying Fox and Spotted Quoll nickel mines as well as other substantial nickel mineral resources and exploration projects at Forrestania and elsewhere in Western Australia". Mr Hanna added, "Even though the exploration projects in Finland are at an early stage, we are already looking at ways to progress them in a manner which could benefit our shareholders."

WESTERN AREAS NL

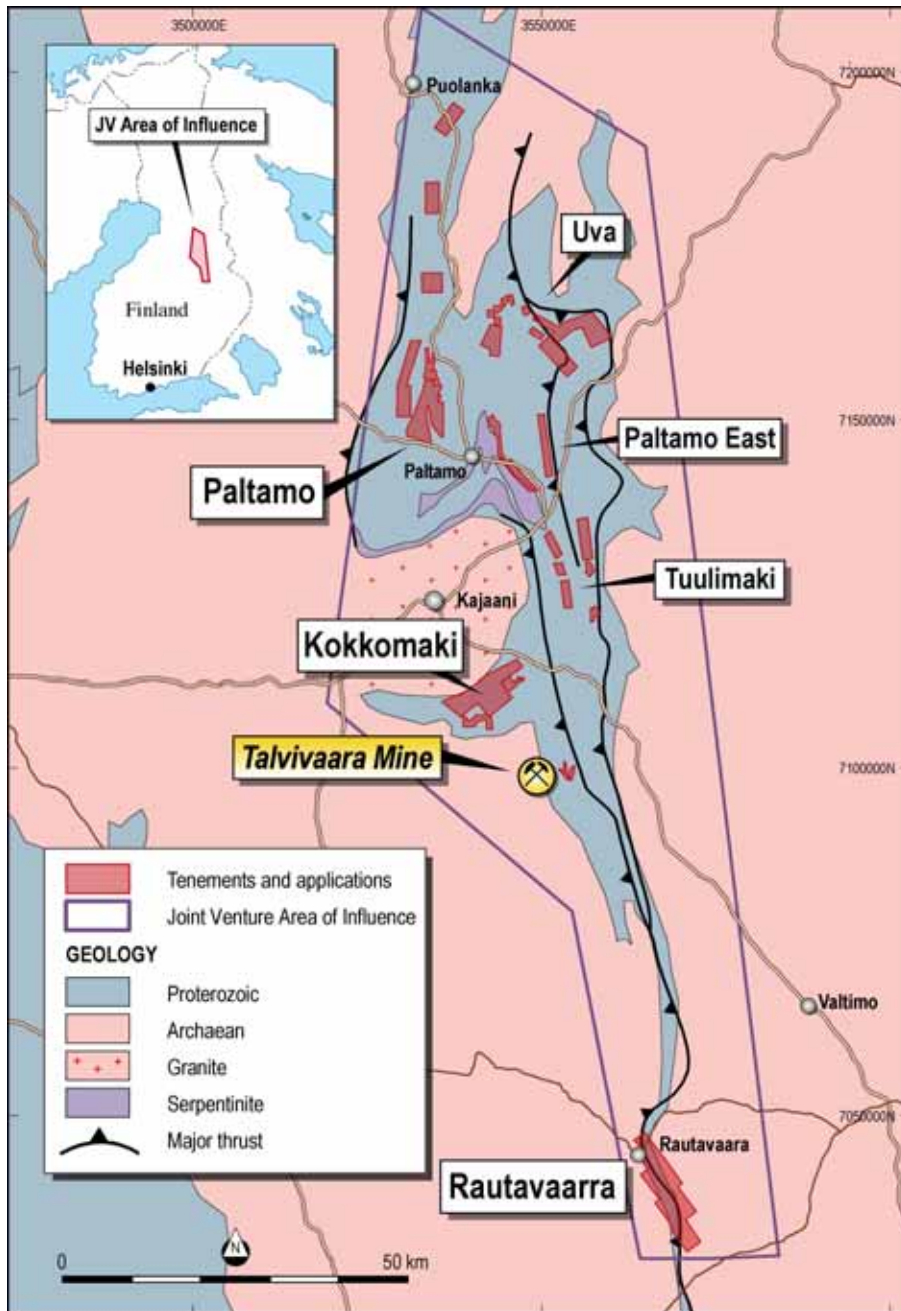
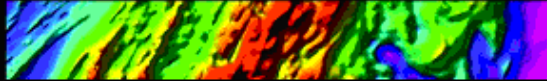


Figure 1: Kainuu Schist Belt showing Western Areas/Magnus claims and reservations (red)

-ENDS-

For further details, please contact:

Julian Hanna
Managing Director – Western Areas NL
Telephone +61 8 9334 7777
Email: jhanna@westernareas.com.au

Shane Murphy
FD Third Person
Telephone +61 8 9386 1233 / 0420 945 291
Email: shane.murphy@fdthirdperson.com.au

Craig Oliver
Finance Director – Western Areas NL
Telephone +61 8 9334 7777
Email: coliver@westernareas.com.au

Or visit: www.westernareas.com.au

**COMPETENT PERSONS STATEMENTS AND CONSENTS:**

The information within this report is based on data compiled by Mr Charles Wilkinson and Mr Julian Hanna of Western Areas NL. Mr Charles Wilkinson and Mr Hanna are members of AusIMM and full time employees of the Company. Mr Wilkinson and Mr Hanna 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Wilkinson and Mr Hanna consent to the inclusion in the report of the matters based on the information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS:

This release contains certain forward-looking statements. Examples of forward-looking statements used in this release include: "Magnus has undertaken a detailed assessment of the 150km long Kainuu Schist Belt and has built up substantial holdings to cover areas considered to have potential for 'Talvivaara type' deposits", and "Based on geophysical data and previous (1979) widely spaced drilling, sulphide mineralisation at Rautavaara is interpreted to occur in a similar geological setting to Talvivaara", and "The host of the sulphide mineralisation (black schist) appears to be a lower acid consuming ore type suited to bacterial leaching. Talvivaara Mining has announced initial production targets of 33,000 tpa nickel, 60,000 tpa zinc and 10,000 tpa copper for 2010 and an expanded target up to 50,000 tpa nickel from 2012", and "If the Finland joint venture is successful, BioHeap may provide an opportunity to extract base metals from sulphide ores at low cost", and "The new joint venture in Finland provides our shareholders with a potentially significant growth opportunity at a relatively low entry cost. We think the Kainuu Schist Belt has the potential to develop into a major metal province, if the metals can be extracted using bacterial leaching on a commercial scale. Western Areas will not proceed with any significant investment in Finland until bacterial leaching has been confirmed to be a low cost method of producing nickel and other metal products", and "Even though the exploration projects in Finland are at an early stage, we are already looking at ways to progress them in a manner which could benefit our shareholders".

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.

This announcement does not include reference to all available information on Western Areas or the Kainuu Schist Belt Joint Venture Projects or the BioHeap agreement and technology or Talvivaara Mining Company Plc or the Forrestania Nickel Project and should not be used in isolation as a basis to invest in Western Areas. Any potential investors should refer to Western Area's other public releases and statutory reports and consult their professional advisers before considering investing in the Company.

For clarity, Western Areas NL has no agreement relating to, or interests in any assets held by or operated by Talvivaara Mining Company Plc.

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