

January 21, 2011 ASX & TSX: WSA

News Release

OUTCOME OF COURT APPEAL REGARDING WESTERN AREAS NL DIRECTORS

Western Areas NL ("WSA") has been advised that an appeal judgment was handed down by The WA Court of Appeal on 20 January 2011 in a case regarding two directors of WSA, Mr Terry Streeter and Mr David Cooper.

The judgment reversed the original decision which awarded Western Areas Exploration Pty Ltd ("WAE") approximately 10.7 million WSA shares from Mr Streeter and 0.4 million WSA shares from Mr Cooper.

WSA is pleased to see a positive resolution in regard to the appeal for Mr Streeter and Mr Cooper. For clarity the decision has no impact on the ownership of any WSA assets, the number of shares on issue, or the rights of any other shareholders.

WSA was not a party to the court case and WAE is in no way related to the Company.

ENDS

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DISCLAIMER: This announcement does not include reference to all available information on Western Areas NL and should not be used in isolation as a basis to invest in Western Areas. Any potential investors should refer to Western Areas' other public releases and statutory

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 $reports \ and \ consult \ their \ professional \ advisers \ before \ considering \ investing \ in \ either \ Company.$