



27 March, 2013

ASX: WSA

News Release

NEW MORNING EXPLORATION UPDATE

The Board of Western Areas ("the Company") refers to the announcement on 14 March 2013, detailing an Exploration Strategy and Activities Update.

As announced, the current focus of drilling at New Morning has been to define the extent of the mineralisation intersected in NMD177. **The intersection from NMD177 was 3.0m @ 6.3% Ni, which included 2.4m at 7.6% Ni.** Down Hole Electro Magnetics (DHEM) geophysics indicated that the high grade discovery hole had intersected the edge of the mineralised zone with initial modelling indicating a plate approximately 150m x 250m wide.

In order to test the contact away from the influence of the granites and target the better part of the interpreted conductor, which lies to the north and slightly deeper, a second wedge (NMD177WW1W1) was commenced at 1145m. This second wedge encountered deteriorating ground conditions preventing the hole from reaching target depth. Consequently, the decision was made to commence a new wedge at a shallower depth (725m) to test the target. Due to the highly technical aspects of this drilling the Company anticipates it will take approximately three weeks to reach target.

Furthermore, a review of the interpreted down plunge component of the New Morning mineralisation has resulted in the mobilisation of a second rig to re-enter NMD161 and test a target approximately 150m north of this hole, (See Figure 1). Depending on the success of the initial hole further wedge holes will be planned utilising DHEM information.

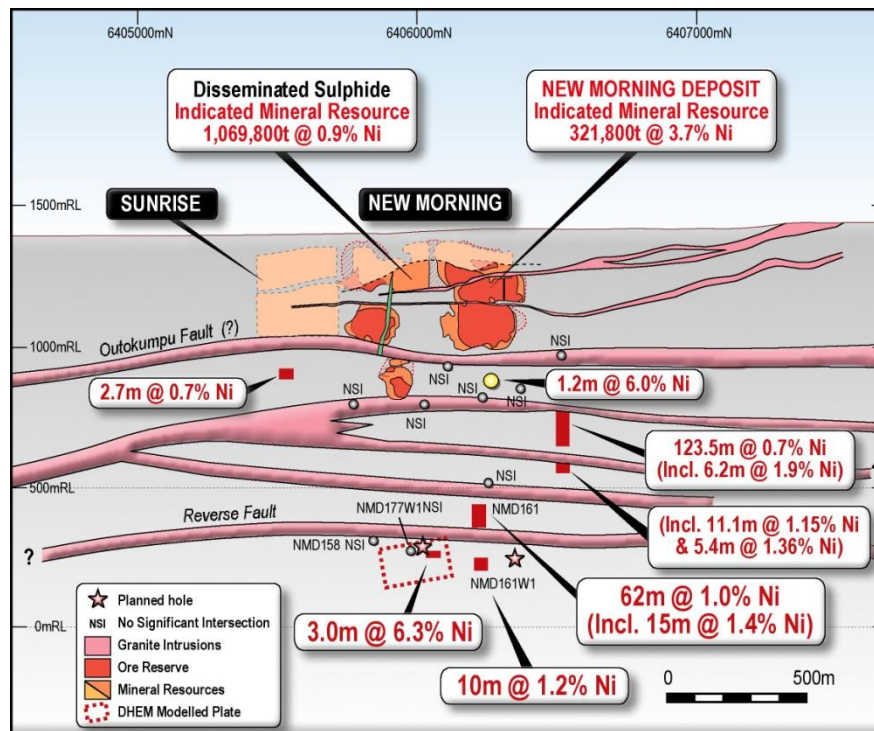


Figure 1: Interpreted Long Projection of the Footwall contact at New Morning showing proposed drill targets



Managing Director, Dan Lougher commented “whilst ground conditions worked against us in this instance, it should be noted that the discovery hole also encountered similar ground conditions during drilling with the ultimate result being a very high grade intercept.”

“Our exploration efforts remain firmly committed to fully test the newly discovered high grade mineralisation at New Morning. This has the potential to add significant nickel metal to this project. We have the best team of exploration geologists on the ground being fully supported by Newexco and Boart Longyear giving the program every chance of success.”

-ENDS-

For further details, please contact:

Dan Lougher
Managing Director – Western Areas Ltd
Telephone +61 8 9334 7777
Email: dlougher@westernareas.com.au

David Southam
Executive Director – Western Areas Ltd
Telephone +61 8 9334 7777
Email: dsoutham@westernareas.com.au

Shane Murphy
FTI Consulting
Telephone +61 8 9485 8888 / 0420 945 291
Email: shane.murphy@fticonsulting.com

Or visit: www.westernareas.com.au

DISCLAIMER AND QA-QC STATEMENT:

Mr Adrian Black from geological consultants Newexco Services Pty Ltd (“Newexco”) is responsible for the verification and quality assurance of the Company’s exploration data and analytical results from the Forrestania Nickel Project. Surface diamond drill hole collar surveys used differential GPS, down hole surveys employed a north seeking gyroscopic instrument; comprehensive density database; high assay confidence with systematic QA/QC procedures; and validated database.

The information within this report as it relates to exploration results or mineral resources is based on information compiled by Mr Charles Wilkinson. Mr Wilkinson is a member of AusIMM and is a full time employee of the Company. Mr Wilkinson 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 a Competent Persons as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.’ Mr Wilkinson consents to the inclusion in the report of the matters based on the information in the context in which it appears.

FORWARD LOOKING STATEMENT: This release contains certain forward-looking statements. Examples of forward-looking statements used in this release include: “Due to the highly technical aspects of this drilling the Company anticipates it will take approximately three weeks to reach target”, and, “Our exploration efforts remain firmly committed to fully test the newly discovered high grade mineralisation at New Morning. This has the potential to add significant nickel metal to this project.”.

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 the Company or the Forrestania Nickel Project or the New Morning deposit 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 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.