

NEWS RELEASE

1 June 2022

WESTERN AREAS LTD



SCHEME MEETING – PRESENTATION MATERIALS AND CHAIRMAN'S COMMENTS

Western Areas Limited ("Western Areas" or the "Company") will virtually host the Western Areas Scheme Meeting at 10am (Western Standard Time) today as ordered by the Supreme Court of Western Australia on 27 April 2022. Attached to this announcement are the presentation materials that will accompany the business of the meeting. Below are the introductory comments that will be provided by the Western Areas Chairman, Mr Ian MacIver, prior to the formal business of the meeting.

Chairman Introductory Comments

Good morning everyone. I am Ian MacIver, the Independent Non-Executive Chairman of Western Areas' Board of Directors.

On behalf of my fellow Directors, welcome to the Western Areas Scheme Meeting (Scheme Meeting), which has been convened by order of the Supreme Court of Western Australia. The Court has directed that I am to act as Chairperson of the Scheme Meeting and has directed me to report the results of the Scheme Meeting to the Court. In attendance with me today is Managing Director, Daniel Lougher. Non-Executive Directors, Tim Netscher, Yasmin Broughton, Natalia Streltsova and Rick Yeates. Assisting me is CFO and Company Secretary, Joseph Belladonna.

The purpose of today's meeting is to give Shareholders the opportunity to consider and vote on the proposed Scheme of Arrangement between Western Areas and its Shareholders, referred to as the Scheme. Today's meeting is being held as a virtual meeting, allowing Shareholders to participate virtually through a live webcast of the meeting online. The online platform enables Shareholders to view the meeting, vote and ask questions online. If you require any assistance during the meeting in relation to online meeting platform including how to vote you can call +61 3 9415 4024.

Before moving to our formal business, I would like to say a few words about the proposed Scheme. Details of the Scheme are outlined in the Scheme Booklet, which was made available to Shareholders in accordance with the orders of the Supreme Court of Western Australia.

If the Scheme is approved and implemented, IGO Nickel Holdings Pty Ltd, a wholly owned subsidiary of IGO Limited, will acquire all shares in Western Areas for \$3.87 cash per share. This price represents a 19.4% premium to the undisturbed closing share price of \$3.24 on 15 December 2021, the day prior to WSA announcing the entry into the Scheme Implementation Deed with IGO Nickel Holdings Pty Ltd on 16 December 2021, and a 15.2% premium to the Initial Scheme Consideration of \$3.36 per share under the Scheme Implementation Deed announced on 16 December 2021.

The Western Areas Board unanimously recommend that Shareholders vote in favour of the Scheme. The Western Areas Board have identified a number of reasons why you might choose to vote in favour of the scheme and a number of reasons why you might choose to vote against it. These are set out in detail in the Scheme Booklet and summarised in the presentation materials provided today. In making their recommendation, the Western Areas Board have had regard to an extensive range of factors which are described in the Scheme Booklet and have assessed the Scheme Consideration against a range of valuation models for each part of the Western Areas business, and with regard to our overarching responsibility to act in the best interests of all Shareholders.

The Western Areas Board also appointed KPMG as the Independent Expert to assess the merits of the Scheme. The Independent Expert concluded that the Scheme is not fair but is reasonable and therefore is, on balance, in the best interests of Western Areas Shareholders, in the absence of a superior proposal. A full copy of the Independent Expert Report is included in the Scheme Booklet.

If the requisite majorities of Western Areas Shareholders vote in favour of the Scheme at today's Scheme Meeting, and all other relevant conditions precedent to the Scheme are satisfied or waived, Western Areas will apply to the Supreme Court of Western Australia for orders approving the Scheme. If the court approves the Scheme, a copy of



the court orders will be lodged with ASIC, following which the Scheme will become legally effective, and Western Areas shares will be suspended from trading on the ASX. The court hearing to approve the scheme is scheduled for 7 June 2022. Lodgement of the court orders with ASIC and suspension from trading on the ASX is expected to occur on the day following court approval. The Scheme is then expected to be implemented on 20 June 2022, and it is on this date that the payment of \$3.87 cash per share would be dispatched to Shareholders in respect of shares held on the Record Date for the Scheme, which is currently expected to be 7.00pm (Western Australia time) on 10 June 2022.

These dates are subject to satisfaction of the outstanding conditions precedent. Any changes will be communicated to Shareholders as soon as possible. If the outstanding conditions precedent are not satisfied or the Scheme is not approved, the Scheme will not proceed and Western Areas will continue as a standalone entity listed on the ASX.

This release has been authorised by the officers below. For further details, please contact:

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Premium to WSA historical trading prices

The Increased Scheme Consideration of **\$3.87** in cash per WSA share represents the following premia to recent historical trading prices

19.4%

premium to WSA's undisturbed closing share price of \$3.24 per share on 15 December 2021, the day prior to WSA announcing the Scheme on 16 December 2021

15.2%

premium to the Initial Scheme Consideration under the SID of \$3.36 per share as announced on 16 December 2021

0.8%

premium to WSA's closing share price of \$3.84 per WSA share on 26 April 2022, the Last Practicable Date before the release of the Scheme Booklet



Advantages and disadvantages of the Scheme

The WSA Directors consider that the benefits of the Scheme outweigh the potential disadvantages of the Scheme

Reasons for WSA shareholders to vote in favour of the Scheme	Reasons WSA shareholders may want to vote against the Scheme
✓ WSA Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent WSA Expert continues to conclude that the Scheme is in the best interests of shareholders	× You may disagree with WSA Directors' unanimous recommendation
✓ The Increased Scheme Consideration of \$3.87 cash per WSA share represents a premium for your WSA shares	× You may disagree with the Independent Expert's assessments and/or conclusion
✓ The Independent Expert has concluded that the Scheme is in the best interests of Scheme Shareholders, in the absence of a Superior Proposal	× You may prefer to participate in the future financial performance of the WSA business on a standalone basis or otherwise
✓ WSA shares are likely to trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of favourable market conditions	× You may consider that the recent increase in the spot nickel price will translate into sustained higher nickel prices over the medium and long term
✓ The Scheme Consideration provides WSA shareholders with certainty of value and the opportunity to realise their investment for cash, and will avoid any ongoing risks and uncertainties involved in WSA's operations and future developments and also any risks and uncertainties relating to exposure to any future nickel price fall	× You may believe it is in your best interest to maintain your current investment and risk profile
✓ You will not incur any brokerage charges on the transfer of WSA shares if the Scheme proceeds	× A Superior Proposal for WSA may emerge in the future, if WSA were to continue as a standalone entity.
	× The tax consequences of the Scheme may not suit your current financial position or tax circumstances

Scheme implementation timetable*

Key dates if Scheme is approved	
Scheme Meeting	10:00am (AWST), Wednesday, 1 June 2022
Second Court Date for approval of the Scheme	10:00am (AWST), Tuesday, 7 June 2022
Effective Date	Wednesday, 8 June 2022
Scheme Record Date	7:00pm (AWST), Friday 10 June 2022
Implementation Date	Monday, 20 June 2022

How to ask a question

- To ask a written question select the Q & A icon
- Select the topic your question relates to from the drop-down list
- Type your question in the text box and **press** the send button
- To ask a verbal question follow the instructions below the broadcast window.

The screenshot shows a web interface with four tabs: 'Broadcast', 'Vote', 'Q & A', and 'Documents'. The 'Q & A' tab is selected and highlighted with a red underline. Below the tabs is a large text box labeled 'Your question(s)'. Below this is a smaller text box with the text 'You may enter a question using the field below.' and a 'Select Topic' dropdown menu. Below the dropdown is a text box with the text 'Questions are limited to 2000 characters' and a 'Send' button. The text box also shows a character count '0 character(s)'.

How to Vote

- When the poll is open, select the vote icon at the top of the screen
- To vote, select either For, Against or Abstain
- You will see a vote confirmation
- To change or cancel your vote “click here to change your vote” at any time until the poll is closed

The screenshot displays a web interface for online voting. At the top, there are four navigation icons: a monitor for 'Broadcast', a document with a checkmark for 'Vote' (which is highlighted with a purple bar), a speech bubble for 'Q & A', and a folder for 'Documents'. Below the navigation bar, a grey header reads 'Items of Business'. The first item is '2A Re-elect Mr Sam Sample as a Director', followed by three buttons: 'FOR', 'AGAINST', and 'ABSTAIN'. The second item is '2B Re-elect Ms Jane Citizen as a Director'. Below this, a green checkmark icon is shown, followed by the text 'We have received your vote For' and a link 'Click here to change your vote'.

Scheme resolution and proxy votes

That pursuant to and in accordance with the provisions of section 411 of the Corporations Act:

- a) the scheme of arrangement proposed between Western Areas and the holders of its ordinary shares (other than Excluded Shareholders), as contained in and more particularly described in the Scheme Booklet of which the notice convening this meeting forms part, is agreed to, with or without alterations or conditions as approved by the Court to which Western Areas and IGO Nickel agree; and*
- b) Western Areas is authorised, subject to the terms of the Scheme Implementation Deed, to:*
 - i. agree to any such alterations or conditions; and*
 - ii. subject to approval by the Court, implement the Scheme with any such alterations and conditions.*

Proxy votes

Resolution	For	Against	Open	Abstain
Proxies Received	163,454,497	9,591,410	239,649	42,826
	95%	5%	0.14%	

WESTERN AREAS LTD



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