

23 February, 2021

### Reporting Period

The reporting period is the half year ended 31 December 2020. The previous corresponding period is 31 December 2019.

### Results for announcement to the market

		% Change		Amount A\$'000
Revenue from ordinary activities	Down	21%	to	122,712
Loss from ordinary activities after tax attributable to members of Western Areas Ltd	Down	148%	to	(11,964)
Net Profit attributable to members of Western Areas Ltd	Down	148%	to	(11,964)

### Dividends

The company paid a final fully franked dividend for the financial year ended 30 June 2020 of 1.0 cent per ordinary share on 9 October 2020.

No interim dividend has been declared in respect of the half year ended 31 December 2020.

### Net Tangible Asset Backing

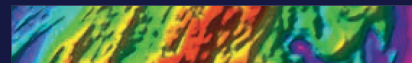
	Current half	Previous half
The net tangible assets per security	205.0 cents	196.0 cents

The statement of financial position, balance sheet, cashflow statement and associated notes are contained in the financial statements in the attached Interim Financial Report for the period ended 31 December 2020. Other detailed commentary on the variation between the results for the half year ended 31 December 2020 and the comparative period is provided in the Directors Report of the Interim Financial Report.

### Investments in Controlled Entities

Wholly Owned and Controlled Subsidiaries of Western Areas Ltd:

- BioHeap Ltd
- Australian Nickel Investments Pty Ltd
- Western Areas Nickel Pty Ltd
- Western Platinum NL

**Investments in Associates & Joint Ventures**

Associates of Western Areas Ltd did not contribute to the result of the consolidated group for the half year ended 31 December 2020.

Associates of Western Areas Ltd:

- Panoramic Resources Limited 19.9%
- Grid Metals Corp 10.6% (Canadian Entity)

**Audit Review & Accounting Standards**

This report is based on Consolidated Financial Statements that have been subject to a half year review by the Company's Auditor.

All entities incorporated into the Consolidated Group's result were prepared under AIFRS.

The announcement was authorised for release by the officer below.

Date: 23 February 2021

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Daniel Lougher

Managing Director

**WESTERN AREAS LTD**



**INTERIM FINANCIAL REPORT  
FOR THE SIX MONTHS ENDED  
31 DECEMBER 2020**



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**CORPORATE DIRECTORY****Directors**

Ian Macliver (Chairman)  
Daniel Lougher  
Richard Yeates  
Tim Netscher  
Natalia Streltsova  
Yasmin Broughton

**Share Registry**

Computershare Investor Services Pty  
Ltd  
Level 11  
172 St Georges Terrace  
Perth WA 6000

**Company Secretary**

Joseph Belladonna

**Stock Exchange**

Australian Stock Exchange  
Code : WSA

**Registered Office**

Level 2, 2 Kings Park Road  
West Perth WA 6005  
Phone (08) 9334 7777  
Fax (08) 9486 7866

**Solicitors**

Ashurst Australia  
2 The Esplanade  
Perth WA 6000

**Auditors**

Crowe Australasia  
Level 5, 45 St Georges Terrace  
Perth WA 6000

**Treasury Advisers**

KPMG Treasury  
235 St Georges Terrace  
Perth WA 6000

**Bankers**

ANZ Banking Group Limited  
77 St Georges Terrace  
Perth WA 6000

**Risk Advisors**

Fenchurch Insurance  
Level 3  
22 Delhi Street  
West Perth WA 6005

## DIRECTORS' REPORT

The Directors submit the Western Areas Limited (WSA or the Company) financial report of the consolidated entity for the six months ended 31 December 2020.

The consolidated financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001, AASB 134 "Interim Financial Reporting", Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the 30 June 2020 annual financial report and any other public announcements made by Western Areas during the half year in accordance with continuous disclosure requirements arising under the Corporations Act 2001. The financial report covers Western Areas and its controlled entities (the "Consolidated Entity"). Western Areas is a listed public company, incorporated and domiciled in Australia. The accounting policies adopted are consistent with those of the previous financial year.

The effective date of this report is 23 February 2021.

All amounts in this discussion are expressed in Australian dollars unless otherwise identified.

### Dividends Paid or Recommended

In respect of the financial year ended 30 June 2020, the Board of Directors declared a final dividend of 1 cent to the holders of fully paid ordinary shares which was paid on 9 October 2020.

No interim dividend has been declared in respect of the half year ended 31 December 2020.

### Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

### Auditor's Declaration

The lead auditor's independence declaration under s307C of the Corporations Act 2001 is set out on page 15 for the half-year ended 31 December 2020.

### Directors

The names of the Company's directors in office during the six months ended and until the date of this report are as below. Unless noted, directors were in office for this entire period.

<b>Ian MacIver</b>	Independent Chairman
<b>Daniel Lougher</b>	Managing Director and Chief Executive Officer
<b>Richard Yeates</b>	Independent Director
<b>Tim Netscher</b>	Independent Director
<b>Natalia Streltsova</b>	Independent Director
<b>Yasmin Broughton</b>	Independent Director – Appointed 15 October 2020
<b>Craig Readhead</b>	Independent Director – Retired 19 November 2020

### Company Secretary

<b>Joseph Belladonna</b>	Chief Financial Officer and Company Secretary
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## DIRECTORS' REPORT

### Significant Events After Balance Sheet Date

As at 21 January 2021, the Company executed an agreement with Barmenco Limited for the provision of underground mining works at the Forrestania Nickel Operations which modified and extended the existing agreement term until 31 December 2022 for Flying Fox and 30 June 2024 for Spotted Quoll.

With the limited time since the date of entering into the amended agreement to finalise the accounting treatment, the Company is unable to provide the amounts recognised as at 21 January 2021 for the major classes of assets acquired and liabilities assumed. This information will be included in the Company's annual financial report for 30 June 2021.

No other matter or circumstance has arisen since the half-year ended 31 December 2020 that has significantly affected or may significantly affect the operation of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in the subsequent financial years.

## REVIEW OF OPERATIONS

### 31 December 2020 Half Year Operating Metrics:

#### *Forrestania Nickel Operation*

- Combined mine production of 261,739 ore tonnes at an average nickel grade of 2.9% for 7,665 (16.9M lbs) nickel tonnes. Nickel production was lower than the prior period due to lower average grades mined, caused by operational challenges encountered at Forrestania in the first half of FY21
- The Cosmic Boy concentrator processed 294,797 tonnes of ore at 2.9% head grade at 84% recovery to produce 7,291 (16.1m lbs) tonnes of nickel in concentrate
- Total nickel sales comprised 52,103 tonnes of concentrate containing 7,400 (16.3m lbs) tonnes of nickel

#### *Cosmos Nickel Operation*

- The Odysseus Project is advancing to plan with 1.5km of underground development completed
- Shaft haulage equipment delivered to Australia – significant civil concrete works completed
- AM6 Ore Reserve of 47kt nickel announced – adding a third mining area to the Odysseus project. Integrated mine plan now being developed

### 31 December 2020 Half Year Financial Metrics:

- Sales revenue of A\$122.7m.
- Average realised price of nickel was A\$9.83/lb – Pre-payability.
- Reported Loss After Tax (NLAT) of A\$12.0m.
- Operating cashflow of A\$27.5m.
- Cash at bank was A\$98.0m.

### Corporate

During the period the Company announced a credit approved term sheet to establish a secured A\$75m Revolving Credit Facility ("RCF") with Commonwealth Bank of Australia ("CBA"). Western Areas has been working with its lenders to refresh its banking facilities in order to provide financial flexibility and working capital options to the Company as it continues to develop the Odysseus mine at Cosmos. The credit approved term sheet will now move forward to full documentation and completion of all conditions precedent to financial close. The RCF remains subject to completion of due diligence, documentation and customary conditions precedent. At



the end of the half year the Company had cash at bank of \$98m maintaining a sound financial position with no debt and the ability to fund development and growth initiatives.

### **Forrestania Nickel Operation**

The Forrestania Operation nickel production was impacted by lower average mined grade and recoveries during the period. At the Flying Fox mine a seismic event occurred during the September quarter which delayed access to higher grade access areas of the mine, access to the higher grade areas of Flying Fox was re-established in December. At Spotted Quoll lower mined grades were encountered due to increased dilution related to the intrusive pegmatite unit in the current mining areas. When compared to the prior corresponding period, nickel production was 32% lower, impacted by lower grades and recovery resulting in lower sales volume. As a result, sales revenue decreased by 21%.

### **Cosmos Nickel Operation**

Construction and development activities for the long-life Odysseus mine reached a number of important milestones during the half. Underground rehabilitation and dewatering works were completed early in the half. In August 2020 the new, twin Odysseus declines, commenced development with a total of 1,452m of underground advance completed (Decline, Return Airways and stockpiles), including 636m in the main decline, during the half. Significant civil concrete works for the winder and winder house foundations were completed, and all shaft head frame and winder house assets were delivered safely to the Cosmos site. In addition, the pilot hole for Leg1 (634m) of the shaft was completed in late December with the back reaming of the shaft commenced in early January.

### **Cosmos Reserves**

The Odysseus base case has been boosted by a maiden Ore Reserve estimate for the AM6 deposit, comprising 2.1Mt at 2.2% Ni for a total of 47,100 Ni tonnes. Inclusion of the AM6 material brings significant optionality to the Odysseus mine plan, and lifts the total Ore Reserves at Cosmos to 211,620 tonnes of nickel for a 10+ year mine life based on published Ore Reserves.

On behalf of the Board



**Daniel Lougher**  
**Managing Director**

Dated 23 February 2021



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For The Six Months Ended 31 December 2020

	Notes	Consolidated Entity 6 months ended	
		Dec 2020 \$'000	Dec 2019 \$'000
Sales	5	122,712	156,203
Operating costs		(87,814)	(74,740)
Depreciation and amortisation		(38,893)	(35,078)
Other income		347	2,937
Finance costs		(822)	(678)
Employee benefit expenses		(5,048)	(5,344)
Foreign exchange loss		(415)	(904)
Administration and other expenses		(2,277)	(3,660)
Share based payments		(1,178)	(921)
Realised derivative loss		(2,289)	(3,863)
<b>Loss) / profit before income tax</b>		<b>(15,677)</b>	<b>33,952</b>
Income tax benefit / (expense)		3,713	(9,251)
<b>(Loss) / profit for the half year</b>		<b>(11,964)</b>	<b>24,701</b>
<b>Other comprehensive profit net of tax</b>			
<i>Items that may be reclassified to profit or loss</i>			
Changes in fair value of hedging instruments		(742)	4,738
Changes in fair value of financial assets net of tax		17,508	(7,593)
<b>Total comprehensive profit for the half year</b>		<b>4,802</b>	<b>21,846</b>
Basic (loss) / earnings per share (cents per share)		<b>(4.35)</b>	<b>9.03</b>
Diluted (loss) / earnings per share (cents per share)		<b>(4.35)</b>	<b>8.89</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****As At 31 December 2020**

	Notes	Consolidated Entity	
		31 Dec 2020 \$'000	30 June 2020 \$'000
<b>Current Assets</b>			
Cash and cash equivalents		97,972	144,792
Trade and other receivables		19,783	17,782
Inventories		26,078	30,405
Derivative financial instruments through other comprehensive income		1,171	1,265
<b>Total Current Assets</b>		<b>145,004</b>	<b>194,244</b>
<b>Non-Current Assets</b>			
Property, plant and equipment		140,746	134,531
Right of Use Asset	6	15,953	2,458
Intangible assets		506	506
Exploration & evaluation expenditure		127,371	120,081
Mine properties	7	194,223	169,288
Financial assets at fair value through other comprehensive income	8	59,340	33,920
<b>Total Non-Current Assets</b>		<b>538,139</b>	<b>460,784</b>
<b>Total Assets</b>		<b>683,143</b>	<b>655,028</b>
<b>Current Liabilities</b>			
Trade and other payables		56,252	50,822
Lease liabilities	9	4,566	1,113
Provisions		5,258	5,060
Provision for income tax		7,135	7,724
Derivative financial instruments through other comprehensive income		648	-
<b>Total Current Liabilities</b>		<b>73,859</b>	<b>64,719</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	9	13,184	2,696
Provisions		33,262	32,942
Deferred tax liabilities		33,255	28,761
<b>Total Non-Current Liabilities</b>		<b>79,701</b>	<b>64,399</b>
<b>Total Liabilities</b>		<b>153,560</b>	<b>129,118</b>
<b>Net Assets</b>		<b>529,583</b>	<b>525,910</b>
<b>Equity</b>			
Contributed equity		444,481	443,836
Other reserves		66,114	48,375
Retained earnings		18,988	33,699
<b>Total Equity</b>		<b>529,583</b>	<b>525,910</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****For The Six Months Ended 31 December 2020**

	Issued Capital	Capital Raising Expenses	Share Based Payment Reserve	Hedge Reserve	Investment Reserve	Accumulated Profit/(loss)	Total Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>TOTAL EQUITY AT 1 JULY 2019</b>	459,184	(16,221)	33,407	24	15,143	10,040	501,577
<b>COMPREHENSIVE INCOME</b>							
Profit for the period						24,701	24,701
Other comprehensive income for the period				4,738	(7,593)		(2,855)
<b>Total comprehensive income for the period</b>	-	-	-	<b>4,738</b>	<b>(7,593)</b>	<b>24,701</b>	<b>21,846</b>
<b>TRANSACTIONS WITH OWNERS</b>							
Share issue	400						400
Share based payments expense			921				921
Deferred Tax on Performance Rights			268				268
Dividends paid						(5,471)	(5,471)
<b>TOTAL EQUITY AT 31 DECEMBER 2019</b>	<b>459,584</b>	<b>(16,221)</b>	<b>34,596</b>	<b>4,762</b>	<b>7,550</b>	<b>29,270</b>	<b>519,541</b>
<b>TOTAL EQUITY AT 1 JULY 2020</b>	460,057	(16,221)	36,071	1,265	11,039	33,699	525,910
<b>COMPREHENSIVE INCOME</b>							
Loss for the period						(11,964)	(11,964)
Other comprehensive income for the period net of tax				(742)	17,508		16,766
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	-	-		<b>(742)</b>	<b>17,508</b>	<b>(11,964)</b>	<b>4,802</b>
<b>TRANSACTIONS WITH OWNERS</b>							
Share Issue	645						645
Share based payments expense			1,178				1,178
Deferred Tax on Performance Rights			(205)				(205)
Dividends paid						(2,102)	(2,102)
Dividend Reinvestment Plan						(645)	(645)
<b>TOTAL EQUITY AT 31 DECEMBER 2020</b>	<b>460,702</b>	<b>(16,221)</b>	<b>37,044</b>	<b>523</b>	<b>28,547</b>	<b>18,988</b>	<b>529,583</b>

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS****For The Six Months Ended 31 December 2020**

	Notes	Consolidated Entity 6 months ended	
		Dec 2020 \$'000	Dec 2019 \$'000
<b>Cash flows from operating activities</b>			
Receipts from customers		121,778	180,897
Payments to suppliers and employees		(86,923)	(97,078)
Interest received		623	841
Royalties paid		(5,320)	(6,468)
Other receipts		37	1,984
Interest paid		(16)	(23)
Realisation on settlement of derivatives		(2,705)	(4,766)
Income Tax Paid		-	(450)
<b>Net cash inflow from operating activities</b>		<b>27,474</b>	<b>74,937</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(14,411)	(22,864)
Proceeds from sale of investment in listed Companies		2	33,115
Investments in Listed Companies		(500)	(133)
Mine development expenditure		(46,205)	(27,345)
Exploration & evaluation expenditure		(8,754)	(11,162)
<b>Net cash outflow from investing activities</b>		<b>(69,868)</b>	<b>(28,389)</b>
<b>Cash flows from financing activities</b>			
Borrowing cost		-	-
Finance lease payments		(283)	(433)
Finance lease payments – Right of use Assets		(2,041)	-
Dividends paid to company's shareholders		(2,102)	(5,471)
<b>Net cash outflow from financing activities</b>		<b>(4,426)</b>	<b>(5,904)</b>
Net (decrease) / increase in cash and cash equivalents held		(46,820)	40,644
Cash and cash equivalents as at the beginning of the period		144,792	144,261
<b>Cash and cash equivalents at end of the half year</b>		<b>97,972</b>	<b>184,905</b>

The accompanying notes form part of these financial statements.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****For The Six Months Ended 31 December 2020****Note 1: Significant Accounting Policies and Basis of preparation****Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting. The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and any public announcements made during the half year.

**Basis of preparation**

The consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instruments 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the financial year ended 30 June 2020 except for the new policies resulting from the adoption of new standards effective as of 1 January 2020. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

**New or amended Accounting Standards and Interpretations adopted**

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Note 2: Contingent Liabilities**

There has been no change in contingent liabilities since the last annual reporting date.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

### Note 3: Subsequent Events

On 21 January 2021, the Company entered into an amendment to the agreement dated 1 July 2017 with Barmingo Limited for the provision of underground mining works at the Forrester Nickel Operations which extended the agreement term to 31 December 2022 for Flying Fox and 30 June 2024 for Spotted Quoll.

With the limited time since the date of entering into the amended agreement to finalise the accounting treatment, the Company is unable to provide the amounts recognised as at 21 January 2021 for the major classes of assets acquired and liabilities assumed. This information will be included in the Company's annual financial report for 30 June 2021.

No other matter or circumstance has arisen since the half-year ended 31 December 2020 that has significantly affected or may significantly affect the operation of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in the subsequent financial years.

### Note 4: Statement of Operations by Segments

#### Identification of reportable segment

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer and his executive team (the Chief Operating Decision Maker) in assessing performance and determining the allocation of resources.

Operating segments are identified by the Chief Operating Decision Maker as operating mine sites that are located in different regulatory and economic environments. As such the group operates in one operating and business segment, namely exploration, development and production of nickel from its West Australian mining operations.

Financial information is reported to the Chief Executive Officer and Board as a single segment and all significant operating discussions are based upon analysis of the Group as one segment. The financial results of this segment are equivalent to the financial statements of the Group as a whole.

#### Basis of accounting for purposes of reporting by operating segments

##### *Accounting policies adopted*

Except for those mentioned in Note 1 or unless otherwise stated, all amounts reported to the Board of Directors, as the chief decision maker, is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

### Note 5: Sales

	Consolidated Entity Fair value as at	
	Dec 2020 \$'000	Dec 2019 \$'000
Revenue from sale of nickel concentrate	125,606	156,070
Other income	286	133
Freight Differential	(3,180)	-
	<b>122,712</b>	<b>156,203</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****Note 6: Right of use asset**

	Consolidated Entity Fair value as at	
	Dec 2020 \$'000	June 2020 \$'000
Land and buildings – right of use	2,966	2,966
Equipment – right of use	15,958	-
Less: Accumulated depreciation	(2,971)	(508)
	<b>15,953</b>	<b>2,458</b>

**Movement in carrying amounts:**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current year:

Right of Use Asset		
Written down value at the beginning of the year	2,458	-
Additions	15,958	2,966
Depreciation expense	(2,463)	(508)
Written down value at the end of the year	<b>15,953</b>	<b>2,458</b>

The consolidated entity leases land and buildings for its offices under agreements of between three to five years with, in some cases, options to extend. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

The consolidated entity entered into new underground mining service contracts during the half year ending 31 December 2020, ranging between 2 and 5 years. The equipment provided under these contracts are recognised as right-of-use assets for the period that the equipment is made available for use.

The consolidated entity leases office equipment which are either short-term or low-value, so have been expensed as incurred and not capitalised as right-of-use assets.

**Note 7: Mine Properties**

Capitalised development expenditure consists of:		
- Mine development	240,360	215,144
- Acquisition of mining assets	59,796	59,796
- Exploration expenditure transfer	81,000	81,000
- Deferred mining expenditure	459,158	436,305
- Capitalised restoration costs	17,958	17,958
- Capitalised interest	11,175	11,175
- Accumulated amortisation	(675,224)	(652,090)
Total Mine Development	<b>194,223</b>	<b>169,288</b>



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS****Note 7: Mine Properties (Continued...)****Movement in carrying amount:**

Movement in the carrying amounts for mine development expenditure between the beginning and the end of the current period:

**Development Expenditure**

	Consolidated Entity Fair value as at	
	Dec 2020 \$'000	June 2020 \$'000
Written down value at the beginning of the year	169,288	130,790
- Additions	43,069	80,056
- Exploration expenditure transfer	5,000	5,000
- Increase in restoration provision	-	6,313
- Amortisation charge for the year	(23,134)	(52,871)
Written down value at the end of the year	<b>194,223</b>	<b>169,288</b>

**Note 8: Financial Assets**

Opening Balance	33,920	33,725
- Acquisition of investment in listed entity	500	28,703
- Disposal of investment in listed entity	-	(33,115)
- Changes in fair value through other comprehensive income	24,920	4,607
	<b>59,340</b>	<b>33,920</b>

The company maintained its 19.9% interest in Panoramic Resources Ltd for the half year with the investment valued at \$57.1m at 31 December 2020. During September 2020, the Company acquired a 6.6% interest in Metal Hawk Limited and elected to recognise movements in the fair value of its shares through Other Comprehensive Income, as this investment is not held for trading. As at 31 December 2020, the investment in Metal Hawk was valued at \$0.7m.

**Note 9: Lease Liabilities**

Current	4,566	1,113
Non-current	13,184	2,696
	<b>17,750</b>	<b>3,809</b>

**AUDITOR'S INDEPENDENCE DECLARATION****AUDITOR'S INDEPENDENCE DECLARATION TO THE DIRECTORS OF WESTERN AREAS LIMITED**

As lead auditor for the review of the half-year financial report of Western Areas Ltd for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Western Areas Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read "Sean McGurk".

**Crowe Perth**

A handwritten signature in black ink, appearing to read "Sean McGurk".

**Sean McGurk**  
Partner

Signed at Perth, 23 February 2021

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**INDEPENDENT AUDITOR'S REPORT****INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF WESTERN AREAS LTD****REPORT ON THE HALF-YEAR FINANCIAL REPORT****Conclusion**

We have reviewed the accompanying half-year financial report of Western Areas Ltd (the Company) and its subsidiaries (collectively the Group) which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that causes us to believe that the half-year financial report of the Group is not in accordance with the requirements of the *Corporations Act 2001* including:

- a) giving a true and fair view of the consolidated financial position of the Group as at 31 December 2020 and of its performance for the half-year ended on that date; and
- b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Basis for Conclusion**

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

**Directors' responsibility for the half-year financial report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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**INDEPENDENT AUDITOR'S REPORT (CONTINUED...)**

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in dark ink, appearing to read "Sean McGurk".

**Crowe Perth**

A handwritten signature in dark ink, appearing to read "Sean McGurk".

**Sean McGurk**  
Partner

Signed at Perth, 23 February 2021

**DIRECTORS' DECLARATION**

The Directors of the Company declare that:

- 1) The financial statements and notes, as set out on pages 7 to 14 are in accordance with the *Corporations Act 2001*, including:
  - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
  - (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting";
- 2) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

On behalf of the Board



**Daniel Lougher**

**Managing Director**

Dated 23 February 2021