

# ACTIVITY REPORT

For the period ending 31 December 2021

WESTERN AREAS LTD



## ODYSSEUS DEVELOPMENT RAMPS UP, HIGHER PRODUCTION AT FORRESTANIA

Western Areas (“WSA” or the “Company”) (ASX: WSA) is pleased to provide the December Quarterly Activity report.

### DECEMBER QUARTER 2021 HIGHLIGHTS

- Development of the Odysseus mine continued to ramp up during the quarter, following announcement of first ore production early in October 2021.
- Development schedule and go forward capital expenditure for the Odysseus project further de-risked by the execution of two contracts for major construction works.
- Following a highly encouraging market response, preferred parties for final discussions regarding Cosmos nickel offtake for the initial two years of Odysseus’ production shortlisted.
- First pass mining schedule for AM6 Feasibility Study completed in November.
- Diamond drilling at Mt Goode commenced, with the exploration campaign proceeding on schedule.
- Forrestania mine production of 4,200 nickel tonnes in ore, compared to 3,741 nickel tonnes in the prior quarter, largely driven by higher production and mined grades at Spotted Quoll.
- Mill production of 4,025 nickel tonnes in concentrate, compared to 3,804 nickel tonnes in the prior quarter.
- Unit cash cost of nickel in concentrate decreased to A\$4.87 on increased production and mined grades.
- Nickel sales of 4,511 nickel tonnes in concentrate at an average realised nickel price of A\$12.48/lb for the quarter (Sept Quarter: A\$11.90/lb).
- Operating cashflow increased by A\$3.3m to A\$34.4m as a result of the increased nickel price and production.
- Cash at bank of A\$142.6m and no drawn debt.
- Western Areas entered into a Scheme Implementation Deed with IGO Limited (ASX: IGO) whereby IGO will acquire 100% of the share capital of Western Areas by way of a scheme of arrangement, subject to shareholder approval and in the absence of a superior proposal.
- Under the terms of the Scheme, Western Areas shareholders will receive A\$3.36 per Western Areas share in cash, which represents a 35.5% premium to Western Areas’ undisturbed share price of A\$2.48 per Western Areas share on 18 August 2021 (the day before discussions were announced).

**Western Areas Managing Director, Mr Dan Lougher, said “amid a proposed corporate transaction, the Company continued to make major strides in the development of the long-life Odysseus project and continued to successfully progress its operational strategy at Forrestania.**

*“Development at Odysseus has ramped up considerably and we significantly de-risked the future development schedule for the project during the quarter. We also made positive progress in continuing to bolster the high-potential AM6 and Mt Goode deposits, which provide significant upside value potential at Odysseus. In tandem with this, we have entered the final stages of the Cosmos nickel offtake tender process, for the initial two years of Odysseus’ production, following substantial market interest. It was also very pleasing to see mine production from Forrestania increase by over 12% during the quarter, principally on the back of increased production at Spotted Quoll, enabling us to capitalise on the robust nickel price environment.”*

At Odysseus, 1,513m of lateral and decline development was achieved during the quarter. The Company also commissioned the first DORA primary fan (850kW), which will enable further lateral and decline development. Western Areas awarded the shaft haulage, infrastructure design, construction, and equipping contract, as well as the Cosmos concentrator engineering, procurement and construction contract. These contract awards significantly de-risk the future development and capital cost schedule.

Production from the Forrestania operation for the quarter increased to 4,025 nickel tonnes in concentrate, up from 3,804 nickel tonnes in the prior quarter, underpinned particularly by an improved performance at Spotted Quoll, together with slightly higher mill throughput and recoveries. Nickel concentrate sales to offtake customers comprised 4,511 nickel tonnes at an average realised nickel price of A\$12.48/lb, up from A\$11.90/lb in the September quarter. The nickel market continues to show signs of tight supply, with LME warehouses reporting sustained drawdown of material for use in the stainless-steel and EV battery metal markets.



## PRODUCTION OVERVIEW

Item	Unit	FY 21	FY 22		YTD
		YTD	Sep Qtr	Dec Qtr	Total
Total Ore Mined	tonnes	522,855	117,009	123,671	240,680
Mined Grade	Ni %	3.2%	3.2%	3.4%	3.3%
<b>Total Nickel Mined</b>	tonnes	<b>16,812</b>	<b>3,741</b>	<b>4,200</b>	<b>7,941</b>
Ore Processed (Milling/Concentrator)	tonnes	<b>581,058</b>	<b>148,124</b>	<b>151,417</b>	<b>299,541</b>
Processed Grade	Ni %	3.2%	3.1%	3.1%	3.1%
Average Processing Recovery	%	87%	84%	86%	85%
<b>Total Nickel in Concentrate</b>	tonnes	<b>16,180</b>	<b>3,804</b>	<b>4,025</b>	<b>7,829</b>
<b>Total Nickel Sold</b>	tonnes	<b>15,509</b>	<b>3,962</b>	<b>4,511</b>	<b>8,473</b>
Contained Nickel in Stockpiles	tonnes	2,772	2,079	1,442	
<b>Cash Cost Ni in Concentrate (ex MREP)</b>	A\$/lb	<b>4.20</b>	<b>4.90</b>	<b>4.88</b>	<b>4.89</b>
Total Cash Cost Ni Conc (inc. MREP)	A\$/lb	<b>4.23</b>	<b>4.95</b>	<b>4.87</b>	<b>4.91</b>
Total Cash Cost Ni Conc (inc. MREP)	US\$/lb	3.16	3.63	3.55	3.59
Exchange Rate	US\$/A\$	0.75	0.73	0.73	0.73
<b>Realised Nickel Price (before payability)</b>	A\$/lb	<b>10.07</b>	<b>11.90</b>	<b>12.48</b>	<b>12.21</b>

Western Areas is an Australian based nickel sulphide miner, supplying local and international smelter and refinery operators with high grade nickel concentrates. Its main production asset, the 100%-owned Forrestania Nickel Operation, is located 400km east of Perth in Western Australia. Western Areas is Australia's second largest independent sulphide nickel miner, producing approximately 16,000 to 17,000 nickel tonnes in concentrate per annum from its Flying Fox and Spotted Quoll mines - two of the highest grade nickel mines in the world.

The Company's key growth project is the long-life Odysseus mine located at the Cosmos Nickel Operation. With a mine life in excess of ten years and expected low operating cost, the Odysseus mine will underpin the Company's nickel production well into the future.

The Company is an active explorer across its significant tenement holding at Forrestania, Cosmos and Western Gawler in Australia. The Company also holds a 19.9% interest in Panoramic Resources Ltd, the owner of the Savanah Nickel mine in Western Australia, and exploration interests in Canada via a 5.5% holding in Grid Metals Corp (TSXV:GRDM). Additionally, the Company has exposure to the emerging lithium market via an exploration joint venture with Wesfarmers Chemicals Energy and Fertilizers (WES CEF) across Forrestania's northern tenements.

The Board remains focused on the core business of economic, long life nickel production, new nickel discoveries and generating returns to shareholders. It has put in place the cost structure and capabilities to prosper throughout the cycle by adopting prudent capital management and strict cost control. Its latest Company presentation can be found at <https://www.westernareas.com.au/investor-centre/presentations>.

**The announcement was authorised for release by the MD/CEO and CFO. For further details, please contact:**

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## COVID-19 UPDATE

During the quarter, the Company realised some minor production losses at Cosmos and Forrestania operations as a result of critical skills shortages in both front line operators as well as supervisory staff. Maintenance of underground mobile equipment continues to be a key area impacted by the lack of diesel mechanics and fitters along with long-hole production drillers.

On a positive note, it is pleasing that all contract and Company operational staff have been fully vaccinated and are currently scheduling their booster vaccination. However, our leading mining contractor did suffer minor operator losses as a small number of personnel did not meet mandatory vaccination requirements.

The focus of the Company now is to apply and enforce rigorous standards across its operations in preparation for the opening of the Western Australia (WA) border to minimise the impact of the virus across the Company's activities. Currently, the Rapid Antigen Tests (RAT) are being purchased for use for front-line testing and virus detection at airports before embarkation to the operations. It is anticipated that up to 20% of the resources workforce may be impacted by the community spread of the Omicron variant once community infections become widespread.

While the WA State Government border reopening plan is awaited, as has been the case over the last two years, our policies and procedures are completely aligned with directives from both the state and federal government health departments.

## MINE SAFETY AND ENVIRONMENT

### SAFETY

The Company's Lost Time Injury Frequency Rate (LTIFR) remained at zero and the Total Recordable Injury Frequency Rate (TRIFR) increased slightly from 10.60 to 10.68. The TRIFR includes all recordable injuries that require medical assessment, medical treatment, restricted duties, or result in lost time across the Company.

### Forrestania (FNO)

No Lost Time Injuries (LTI) were recorded during the quarter and LTIFR remained at zero and the TRIFR increased from 7.54 to 8.82. Health and safety initiatives during the quarter included personal fitness, blood sugar and blood pressure testing plus the revised Health and Hygiene Management Plan was finalised.

Accredited confined space, gas testing and working at heights training was conducted for mill personnel and four emergency response team (ERT) members were awarded a Certificate III in Mine Emergency Response and Rescue.

FNO were selected as finalists 2021 for the Emergency Preparedness Award from IFAP CGU – SafeWay Awards in recognition of FNO's bushfire mitigation strategies and response to a number of 2020 bush fires.

ERT training included accredited courses in closed circuit breathing apparatus (BG4), HAZMAT and wildfire training, which increased the number of trained personnel to 25.



Underground BG4 training



Working from heights training





## Cosmos (CNO)

No Lost Time Injuries were recorded during the Quarter and the LTIFR remained at 0.00 and the TRIFR increased from 15.57 to 17.09.

CNO undertook a site wide fire risk assessment, plus a clean-up of older bore-field infrastructure. The gym was upgraded and an exercise physiologist started on-site on a nominal weekly basis.

Shared BG4 training was conducted with our nearby mutual aid ERT members.

## ENVIRONMENT

Neither site had reportable environmental incidents during the quarter and the environmental team completed all required compliance monitoring and reporting.

## Forrestania (FNO)



Eucalyptus Steedmanii recovery after bushfire

The environmental team completed and submitted DMIRS approval applications for new sand-pits to assist in blending paste fill feedstock.

Rehabilitation surveys of existing plots for two-yearly trending data were completed to support future rehabilitation method statements. Planning for the 2022 annual rehabilitation programme commenced and the Steedman Gum Declared Rare Flora annual report was completed indicating no operational impact.



ERT Training

## Cosmos (CNO)

Works approval and mining proposals for the process plant upgrade were approved by the Department of Water and Environment Regulation (DWER) and DMIRS, and a works approval was submitted to DWER for the paste plant.

A revised Cosmos groundwater licence operating strategy was submitted and approved by DWER.



Red capped Robin



Bungarra vs snake



## COSMOS OPERATIONS

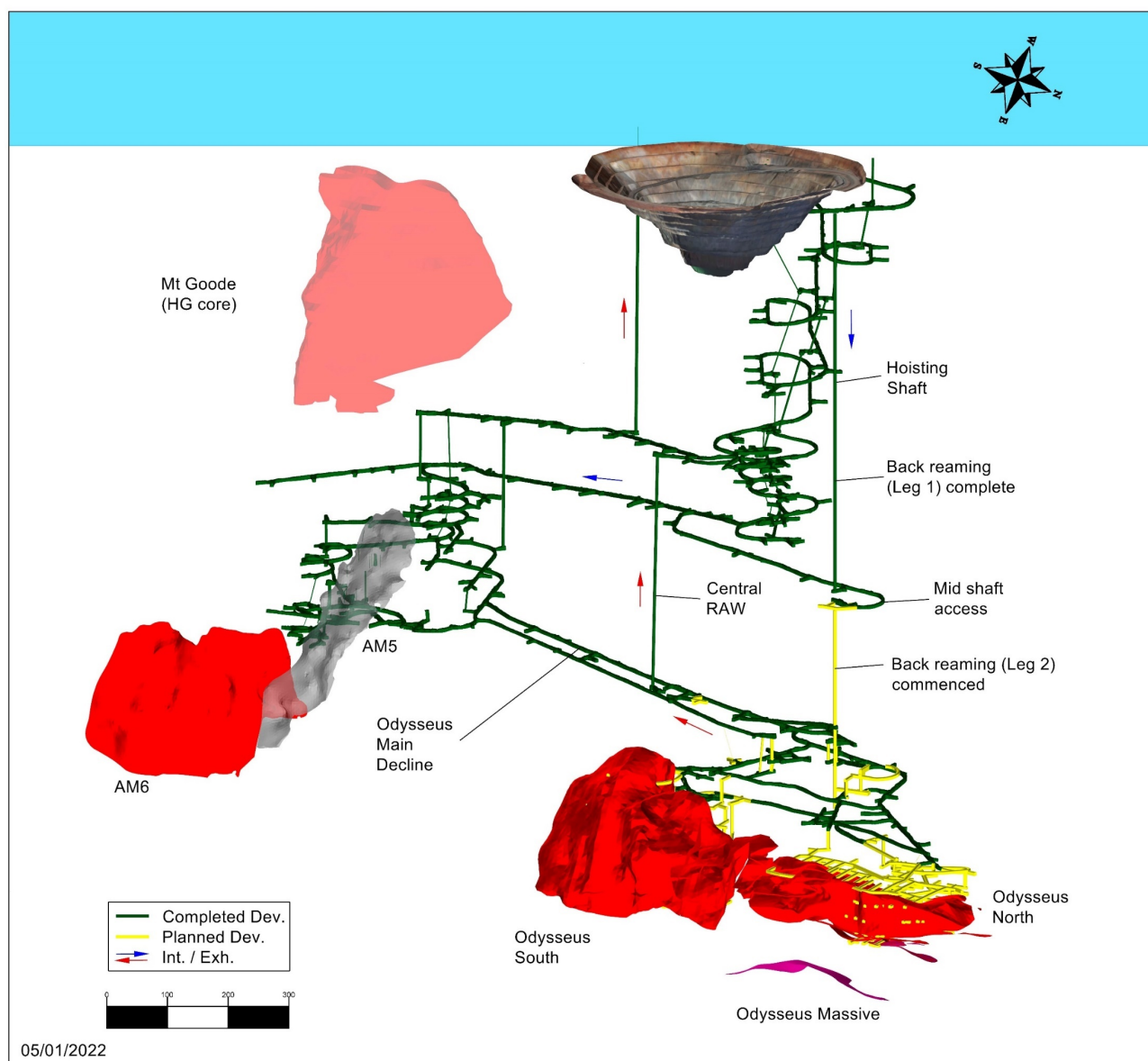
### Odysseus Offtake

The Company continued the offtake tender process for the first two years of nickel concentrate production from the Odysseus mine and has now shortlisted preferred parties for final discussions, prior to awarding the offtake contract.

### Odysseus Mine Development

Total lateral development of 1,513m included 155m in the Odysseus declines, 1,323m of capital other development and 27m of low-grade ore development (from designed waste accesses). Level accesses were established in the 21, 23, and 26 levels and the Level 13 return airway development was connected between the north and south declines.

First nickel ore was intersected in the Odysseus North ore body during the quarter. While ore mining remains secondary to the critical path underground infrastructure development, such as decline and underground shaft tunnels, the intersection of ore marked a key milestone in the overall project development.







## Surface Infrastructure

The connection of the power station with the Goldfields gas pipeline (GGP) was completed and the gas supply and transport contracts executed with the power station operating in dual fuel mode. Contract negotiations for the life-of-mine power supply are ongoing.

The detailed engineering for the life-of-mine refrigeration plant is continuing with significant progress made during the quarter.

The first DORA primary fan (850kW) was commissioned and when combined with the northern fan (350kW), the mine's total primary ventilation airflow increased from 180 to 250m<sup>3</sup>. The second of the two 850kW primary ventilation fans will be commissioned early in the March quarter.

A specialist contractor was appointed to manage the supply, construction and commissioning of the surface paste, plant and the construction scope of work is well advanced. Negotiation of the supply contract progressed well and is scheduled for execution in the March quarter.



Primary fan 850kw in DORA adit

## Hoisting Shaft Project

Construction of the winder house was near completion at the end of the quarter with completion of the electrical fit-out expected early in the March quarter. This will be followed by registration of the overhead crane which will be used to place the winder onto its foundations. The sub-brace structure civil construction was completed, with the vertical section of the cold air duct due for completion early in the next quarter, followed by the final surface box-cut backfill and compaction.

Pilot drilling of the second leg of the shaft (350m), from mid-shaft to the shaft bottom was completed, with nominally no deviation from the centre line. Back reaming of the lower section (133m) at 2.4m diameter was completed ahead of schedule and this section will be stripped and lined to the full 5.8m diameter once the remainder of the second leg of the shaft barrel is back-reamed (5.8m diameter).

The RUC contract for equipping the shaft was executed and detailed design, mobilisation preparation and component procurement commenced.



Surface shaft lay-out



Sub-brace concrete civils



Shaft pilot-hole breakthrough at shaft bottom

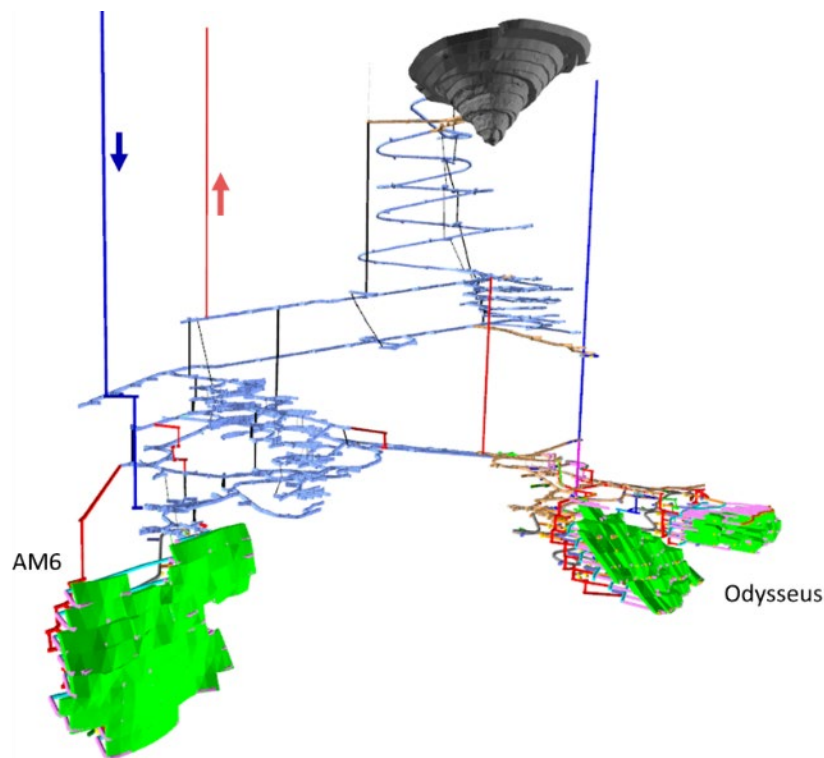


Cold air duct into shaft

### AM6 Feasibility Study (FS)

The first pass mining schedule was completed during the quarter and mining physicals sent to the mining contractor for contract-mining rate determination, which will be a key input into the mining operating and capital cost estimates. The schedule was optimized between the Odysseus and AM6 orebodies, providing the opportunity to share certain operating costs, maintaining both mining domains as productive as possible. The synergies identified will also provide more flexibility by opening more mining fronts, thereby reducing overall production risk.

The same schedule is also being used to validate the mining sequence with detailed geotechnical modelling. This is to be completed late January as the last step in order to finalize and approve the mine plan. Primary geotechnical modelling indicates that a top-down-centre-out mining sequence is the most likely scenario, the same method employed at the Odysseus mine.



Odysseus mine design with AM6 in the focus





Mining of the AM6 orebody will require its own dedicated primary ventilation circuit, which has been confirmed by a detailed ventilation study. Due to the potential water inflow from the planned surface vent shafts, a dedicated pumping network has been designed as part of the AM6 infrastructure. Electrical and paste plant infrastructure for AM6 will tie into the existing and planned Odysseus system, that were already designed with AM6 in mind.

### **Process Plant Refurbishment and Upgrade (900ktpa)**

The engineering procurement and construction (EPC) contract for the refurbishment and expansion of the Cosmos concentrator to 900ktpa was awarded to Perth based contractor GR Engineering Services Ltd, which has extensive nickel plant experience.

Long-lead items identified in the early stages of engineering have now been ordered, including:

- Secondary crusher
- Secondary screen
- Concentrate pressure filter
- Flotation cells
- Thickeners
- Cyclones (primary grinding and regrind circuits)
- Flocculent mixing system
- Electrical transformer

On-site demolition of the redundant sections of the concentrator commenced and will continue in the next quarter, with construction of the new plant expected to start in late March.



Cosmos Concentrator – Flotation cells and ISA mill removed





## GROWTH PROJECTS

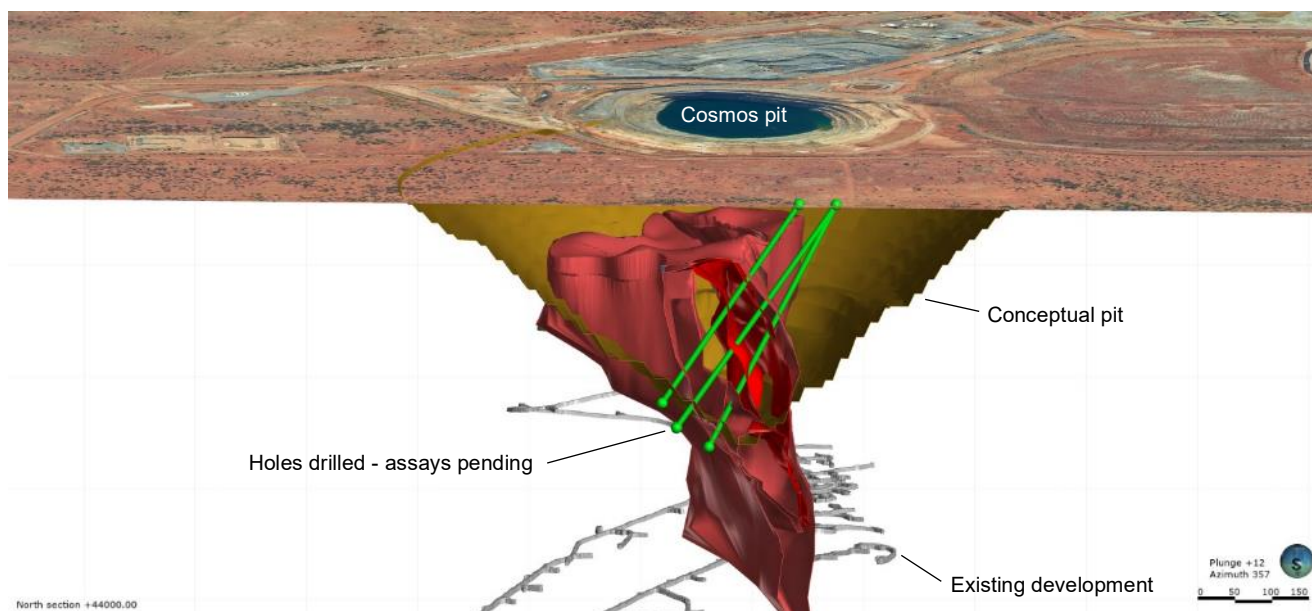
### Odysseus Massive Sulphide

An underground drilling program to test the extremely high-grade extensions of the massive sulphide lens located directly below Odysseus North disseminated deposit commenced during the quarter.

One of four holes from the 9,500m-RL has been completed. Full assay results are pending, with initial results confirming the high-grade tenor of the massive sulphide lens. In addition to testing the massive sulphide lens, the holes will transect the disseminated Odysseus North orebody and the samples will be used for further updates to the Odysseus Mineral Resource.

### Mt Goode Scoping Study

A total of three surface diamond drill holes were completed during the quarter. The holes were designed to intersect the high-grade core of the deposit and will be used for resource modelling and metallurgical purposes. Metallurgical composites have been sent for assay and mineralogical test-work. Due to the extensive time delays in assay laboratories being experienced across the industry, this programme is expected to take 20 weeks.



## FORRESTANIA OPERATIONS

### New Morning Feasibility Study

The New Morning project is still awaiting environmental approvals before any significant surface infrastructure can commence. Further mining optimisation studies have been carried out to improve the mine economics. This consisted of narrow vein stoping, smaller ore access development and stope scheduling scenarios to optimise the mined nickel grade and accelerate first ore delivery.

The hydrological drilling contractor was selected, with drilling to commence in the March quarter.

### Mill Recovery Enhancement Project (MREP)

The MREP combined nickel production was 167 nickel tonnes (sulphide precipitate and cyclone underflow). The sulphide precipitate is currently being sold into premium spot contracts to refineries in Asia and Europe.

### Mill Scats Heap Leach Project (MSP)

Pregnant leach solutions greater than 1.0% Ni, were pumped to the MREP precipitation circuit resulting in 6.4t of nickel recovered into NSP. The frequency of leach solution transfers is expected to increase over the next quarter as the internal temperature of the heaps rises, improving the leach kinetics.

The demonstration heap leach will provide the test data to evaluate a full-scale heap leaching of the remaining scats (290kt @ 1.5% nickel for over 4kt nickel).



## FORRESTANIA OPERATIONS

### MINE AND MILL PRODUCTION STATISTICS AND CASH COSTS

Tonnes mined	Unit	FY 21	FY22		YTD
		YTD	Sep Qtr	Dec Qtr	Total
<b>Flying Fox</b>					
High Grade Ore Mined	tonnes	176,473	29,967	43,794	73,761
Grade	Ni%	3.3%	3.1%	2.4%	2.7%
Low Grade Ore Mined			13,721	998	14,719
Grade			1.2%	1.2%	1.2%
<b>Flying Fox Nickel Mined</b>	tonnes	<b>5,739</b>	<b>1,099</b>	<b>1,077</b>	<b>2,176</b>
<b>Spotted Quoll</b>					
Ore Mined	tonnes	346,382	73,321	78,879	152,200
Grade	Ni%	3.2%	3.6%	4.0%	3.8%
<b>Spotted Quoll Nickel Mined</b>	tonnes	<b>11,073</b>	<b>2,642</b>	<b>3,123</b>	<b>5,765</b>
<b>Total Ore Mined</b>	tonnes	<b>522,855</b>	<b>117,009</b>	<b>123,671</b>	<b>240,680</b>
<b>Grade</b>	Ni%	<b>3.2%</b>	<b>3.2%</b>	<b>3.4%</b>	<b>3.3%</b>
<b>Total Nickel Mined</b>	tonnes	<b>16,812</b>	<b>3,741</b>	<b>4,200</b>	<b>7,941</b>

## FLYING FOX

### Mine Production

Total ore production was **44,792 tonnes of ore at an average grade of 2.4% nickel for 1,077 nickel tonnes**. Grade was adversely impacted by narrower ore in some production areas and the operations included mining and processing of some selected lower grade areas, given the higher nickel price and maturity of the mine.

### Mine Development

Total jumbo development was 647m, which included 48.6m of capital development (640 Access), 356.5m of operating waste development and paste-fill development (995, 970, 885, 875, 180, 160, 150, 130 and 110 levels) and 242m of ore drive development (995, 885, 875, 160 and 110 levels).

### Infrastructure

No capital infrastructure work was undertaken during the quarter.



995 south ore drive (4.7mW x 4.5mH) with a face grade 3.8%



110 south ore drive (4.5mW x 4.5mH) with a face grade 2.7%



## SPOTTED QUOLL

### Mine Production

Production was **78,879 tonnes of ore at an average grade of 4.0% nickel for 3,123 nickel tonnes**. Ore production was sourced predominately from long-hole stoping (98%) with the remainder (2%) from ore drive development.

In the 'twin-boom area' (TBA), the 375 slot-rise was successfully opened, with production continuing from the 580 to 375 levels (twelve ore drives).

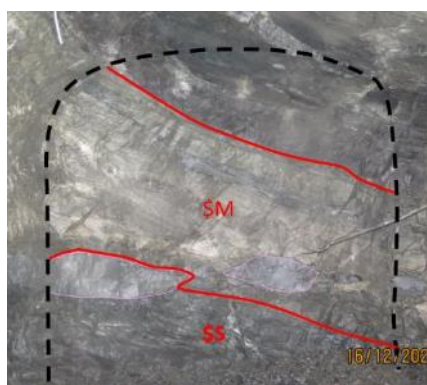
The 'single-boom area' (SBA) had continued production from the 840 to the 727 levels (seven ore drives).

### Mine Development

Total jumbo development was 247m, which included 20m of secondary ore driving in the 842 Level and 227m of paste-fill development to facilitate slot drilling.

### Infrastructure

The final pump station civils works at the 390 level were completed, plus two mono pumps delivered with installation scheduled early in the March quarter.



SBA 842 south ore drive (3.5mW x 3.5mH) with a face grade 3.65% Ni

## COSMIC BOY NICKEL CONCENTRATOR

Tonnes milled	Unit	FY 21	FY 22		YTD
		YTD	Sep Qtr	Dec Qtr	Total
Total Milled Ore	tonnes	581,058	148,124	151,417	299,541
Grade	%	3.2%	3.1%	3.1%	3.1%
Ave. Recovery	%	87%	84%	86%	85%
Nickel in Concentrate Produced (i)	tonnes	16,180	3,804	4,025	7,829
Nickel in Concentrate Sold	tonnes	15,509	3,962	4,511	8,473

(i) Includes MREP Nickel tonnes produced.

The Cosmic Boy Concentrator processed **151,417 tonnes of ore at an average grade of 3.1% nickel** for a total of **29,582 tonnes of concentrate grading 13.6% nickel**, resulting in 4,025 nickel tonnes produced at a recovery of 86.0% and an average concentrator availability of 97.5%. Frustratingly, several external power supply outages occurred resulting in nearly 50 hours of unplanned down-time during the quarter. To compensate, the planned December maintenance shutdown was re-scheduled to mid-January to coincide with a further major Western Power shut down.

A total of **32,535 tonnes of concentrate was delivered for sale during the quarter, containing 4,511 nickel tonnes**, inclusive of the MREP product. Other unit sales costs for the quarter were royalties at A\$0.40/lb and concentrate transport and marketing costs of A\$0.59/lb nickel in concentrate delivered to customers. Concentrate transport costs continue to be impacted by elevated global sea freight rates and fuel prices.





## Stockpiles

High grade ore stockpiles at the end of the quarter totalled 13,497 tonnes of ore at 3.1% nickel for 423 nickel tonnes. The concentrate stockpile at FNO was 7,115 tonnes at an average grade of 14.3% nickel, containing 1,019 nickel tonnes.

Stockpiles	Unit	FY21	Sep Qtr	Dec Qtr
Ore	tonnes	43,320	23,277	13,497
Grade	%	3.1%	3.0%	3.1%
Concentrate	tonnes	10,263	9,273	7,115
Grade	%	13.9%	14.9%	14.3%
<b>Contained Nickel in Stockpiles</b>	tonnes	<b>2,772</b>	<b>2,079</b>	<b>1,442</b>

## Cash Costs

Financial Statistics	Unit	FY 21	FY 22		YTD
		YTD	Sep Qtr	Dec Qtr	Total
<b>Group Production Cost/lb</b>					
Mining Cost (*)	A\$/lb	3.09	3.69	3.73	3.71
Haulage	A\$/lb	0.08	0.09	0.08	0.08
Milling	A\$/lb	0.76	0.83	0.76	0.80
Admin	A\$/lb	0.27	0.29	0.31	0.30
<b>Flotation Cash Cost Ni in Con (**)</b>	A\$/lb	<b>4.20</b>	<b>4.90</b>	<b>4.88</b>	<b>4.89</b>
<b>Total Cash Cost Ni in Con (***) incl MREP</b>	A\$/lb	<b>4.23</b>	<b>4.95</b>	<b>4.87</b>	<b>4.91</b>
<b>Cash Cost Ni in Con/lb (***)</b>	US\$/lb(**)	<b>3.16</b>	<b>3.63</b>	<b>3.55</b>	<b>3.59</b>
<b>Exchange Rate US\$ / A\$</b>		<b>0.75</b>	<b>0.73</b>	<b>0.73</b>	<b>0.73</b>

(\*) Mining Costs are net of deferred waste costs and inventory stockpile movements.

(\*\*) US\$ FX for Relevant Quarter is RBA average daily rate (Dec Qtr = A\$1:US\$0.73)

(\*\*\*) Payable terms are not disclosed due to confidentiality conditions of the offtake agreements. Cash costs exclude royalties and concentrate logistics costs.

Note: Grade and recovery estimates are subject to change until the final assay data are received.

As has been guided to the market, the unit cash cost of production will continue to vary quarter on quarter in line with production and head grade variability from the mature Flying Fox mine. While increased volume of lower grade material reports a higher unit cost, the material remains economic at the currently high nickel price. The flotation cash cost of nickel per pound reported at A\$4.88/lb for the quarter and total cash cost of production for nickel in concentrate, including MREP (but excluding smelting/refining charges, concentrate logistics and royalties), was A\$4.87/lb (US\$3.55/lb).

The quarter on quarter unit costs of production were materially consistent with the continued inclusion of low grade mining areas and stockpile material in the mill blend. Looking forward, whilst quarterly unit rates are expected to continue to vary, depending on the to head grade and throughput rates, cash costs are expected to improve throughout the year.

The Company maintains its full year FY22 nickel production guidance targets, while now expecting unit cost to report at the top end (or marginally above <5%) of the unit cost range as increased lower grade material and labour shortages impact unit rates. The Company notes that increased lower grade ores are being treated while nickel prices remain elevated.



## FORRESTANIA MINERAL RESOURCES AND ORE RESERVES

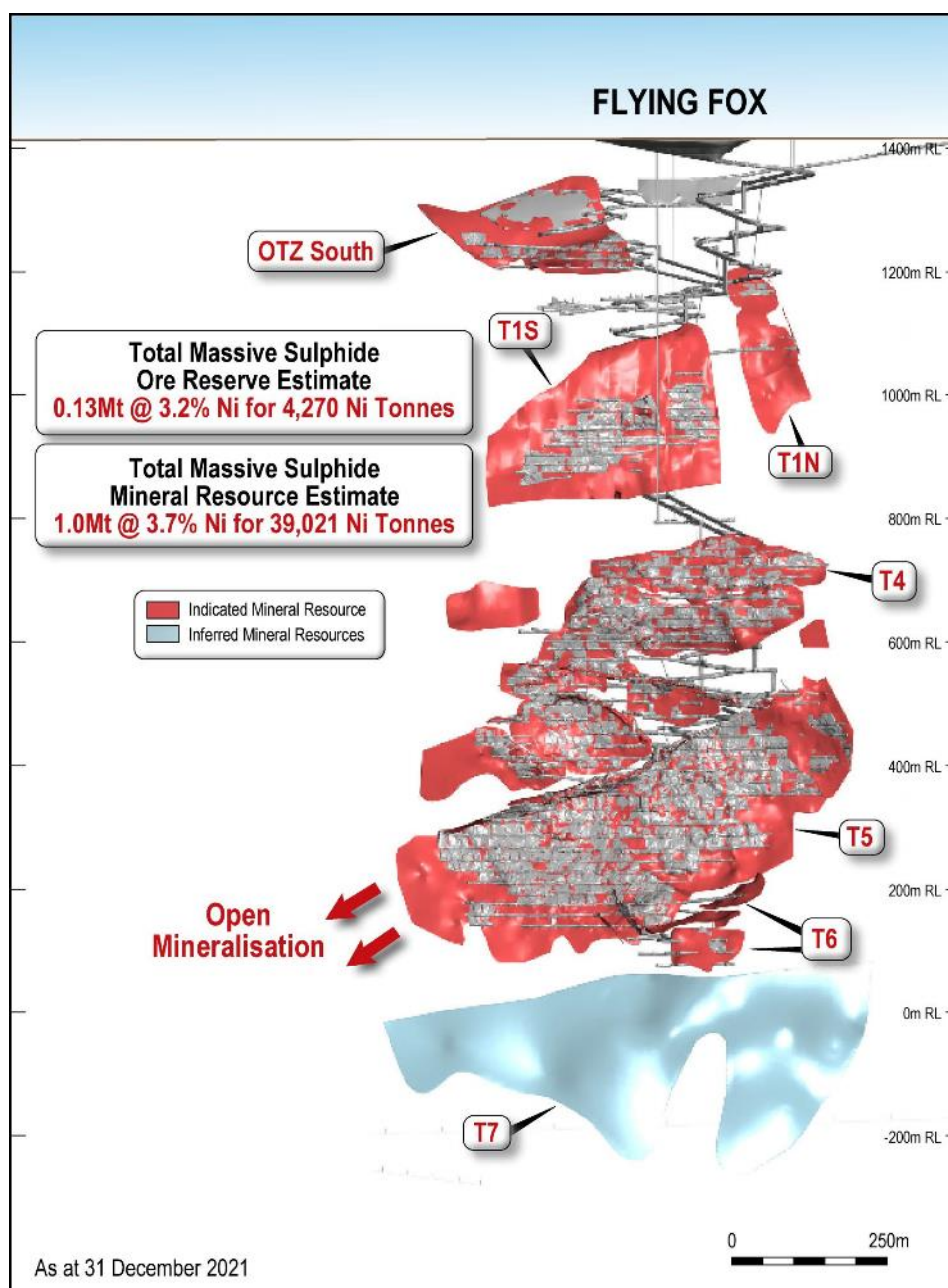
A full summary of the Company's Mineral Resource and Ore Reserve estimates is included at the end of this report.

### FLYING FOX

The Flying Fox high grade mineral resource and ore reserve estimates (depleted for mining) at the end of the December quarter are as follows.

- Mineral Resource: 1.0Mt of ore at a grade of 3.7% nickel for 39,021 tonnes of nickel; and
- Ore Reserve: 0.13Mt of ore at a grade of 3.2% nickel for 4,270 tonnes of nickel.

The longitudinal section below shows the Flying Fox mine with mineral resources and ore reserves, depleted for mining production during the quarter:



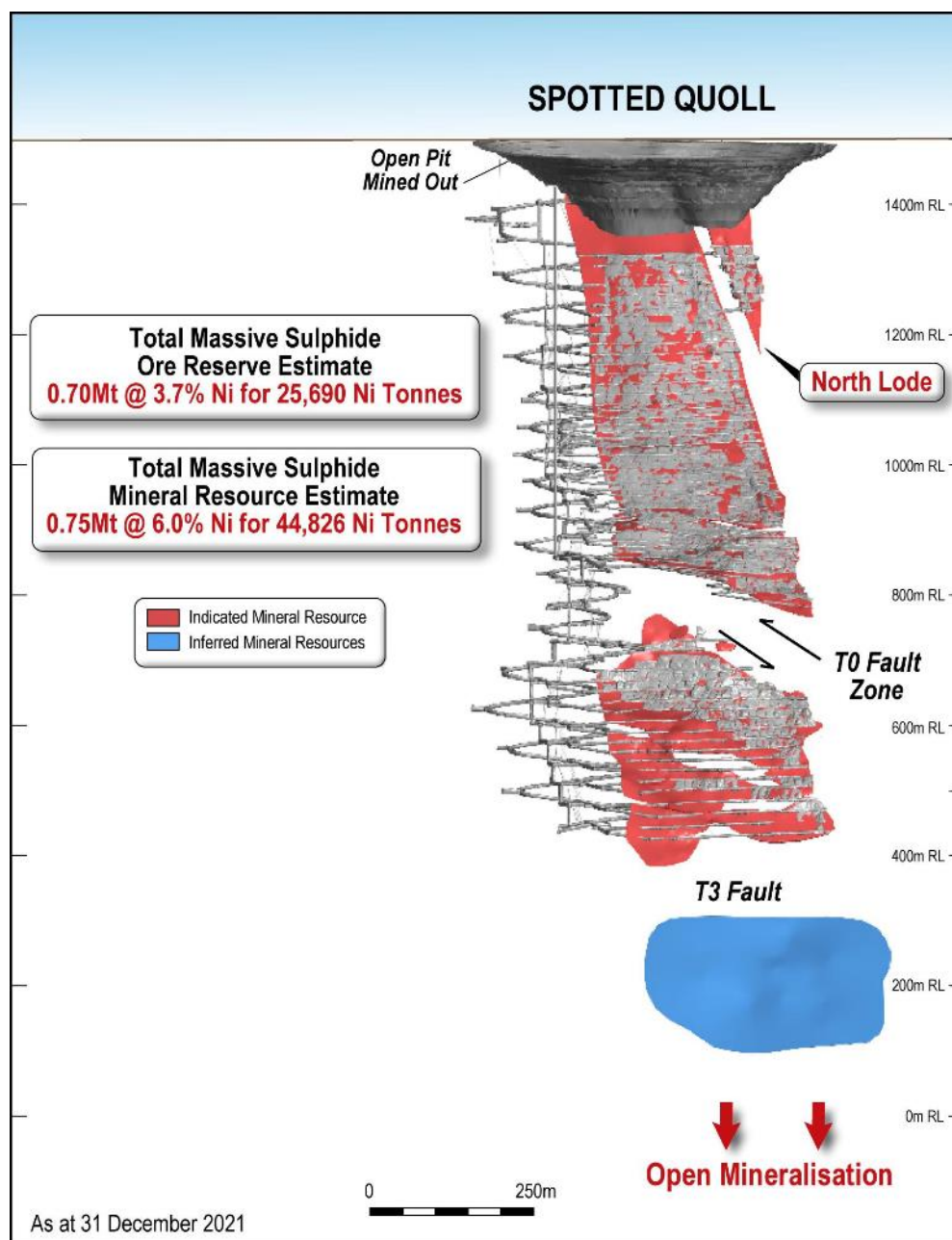


## SPOTTED QUOLL

The Spotted Quoll high grade mineral resource and ore reserve estimates (depleted for mining) at the end of the December quarter are as follows:

- Mineral Resource: 0.75Mt at a grade of 6.0% Ni for 44,826 nickel tonnes; and
- Ore Reserve: 0.70Mt of ore at a grade of 3.7% Ni for 25,690 nickel tonnes.

The longitudinal section below shows the Spotted Quoll mine with Mineral Resources and Ore Reserves, depleted for mining production during the quarter:







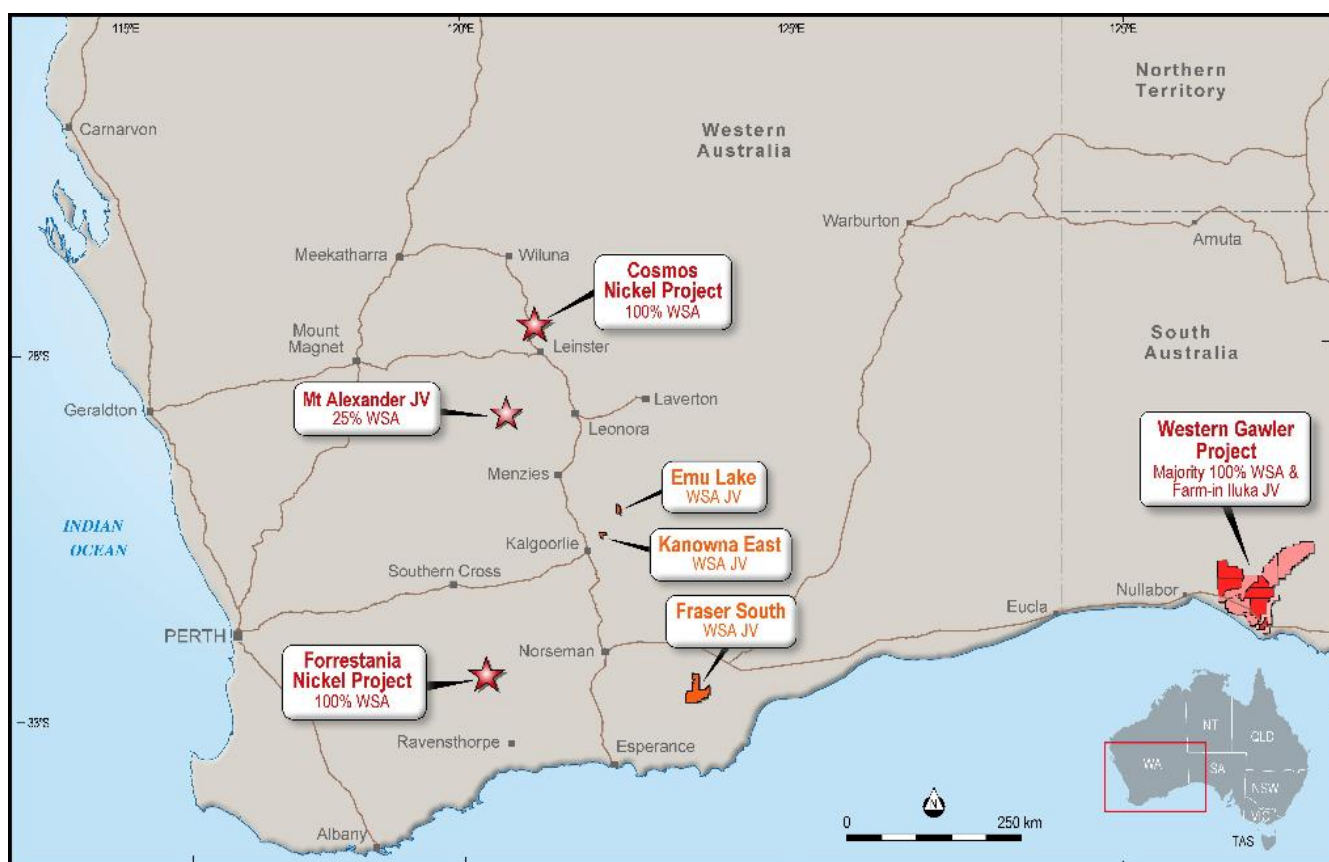
## EXPLORATION

### OVERVIEW

At Cosmos, three diamond drill holes were completed targeting prospective gold targets at the Main Road prospect within the Kathleen Valley project area, with encouraging gold intersections returned from the first two holes.

The Company has maintained an elevated level of exploration activity within the Metal Hawk JV, with 24 reverse circulation drill holes completed at Kanowna East, targeting prospective ultramafic host rocks that extend 12km south from the Black Swan / Silver Swan nickel mine. Additionally, early nickel oxide encouragement was received from the Company's maiden air core drilling program at Emu Lake.

Within the Western Gawler project in South Australia, a shift in focus resulted in the commencement of a large air core drilling program across the broader Sahara and Firefly areas. Several conductors were also interpreted from downhole electromagnetic (DHEM) surveys completed at Sahara, with follow-up drilling warranted.



Western Areas Exploration Projects



## COSMOS

The Company has identified a 2.5km corridor, extending between Prospero-Tapinos and Alec Mairs (AM6) that is of notable exploration significance, with historic drilling intersecting both low-grade disseminated (Mt Goode style) and higher grade, basal-contact-proximal (Alec Mairs style) nickel sulphide mineralisation.

Additional to the nickel prospectivity and located less than 10km north of the Cosmos Mine, the Company holds a parcel of four tenements within the heart of the Kathleen Valley historic gold district, with numerous high quality exploration targets identified.

### Kathleen Valley

Diamond drilling recommenced early in the December quarter following up on several encouraging gold intersections reported from the Main Road prospect late in 2020. The aim of the second phase of diamond drilling at Main Road was to test the along-strike continuity of several encouraging zones including 9.33m @ 6.81 g/t Au (from 276.67m) which contained a strongly mineralised interval of 1.77m @ 25.07 g/t Au (from 279.57m) in KVR0044.

A total of three diamond holes were completed in the quarter (KVD002, KVD003 and KVD004) for a total of 1,368.9m. Significant results from KVD002 and KVD003 are tabulated below with results from KVD004 still pending.

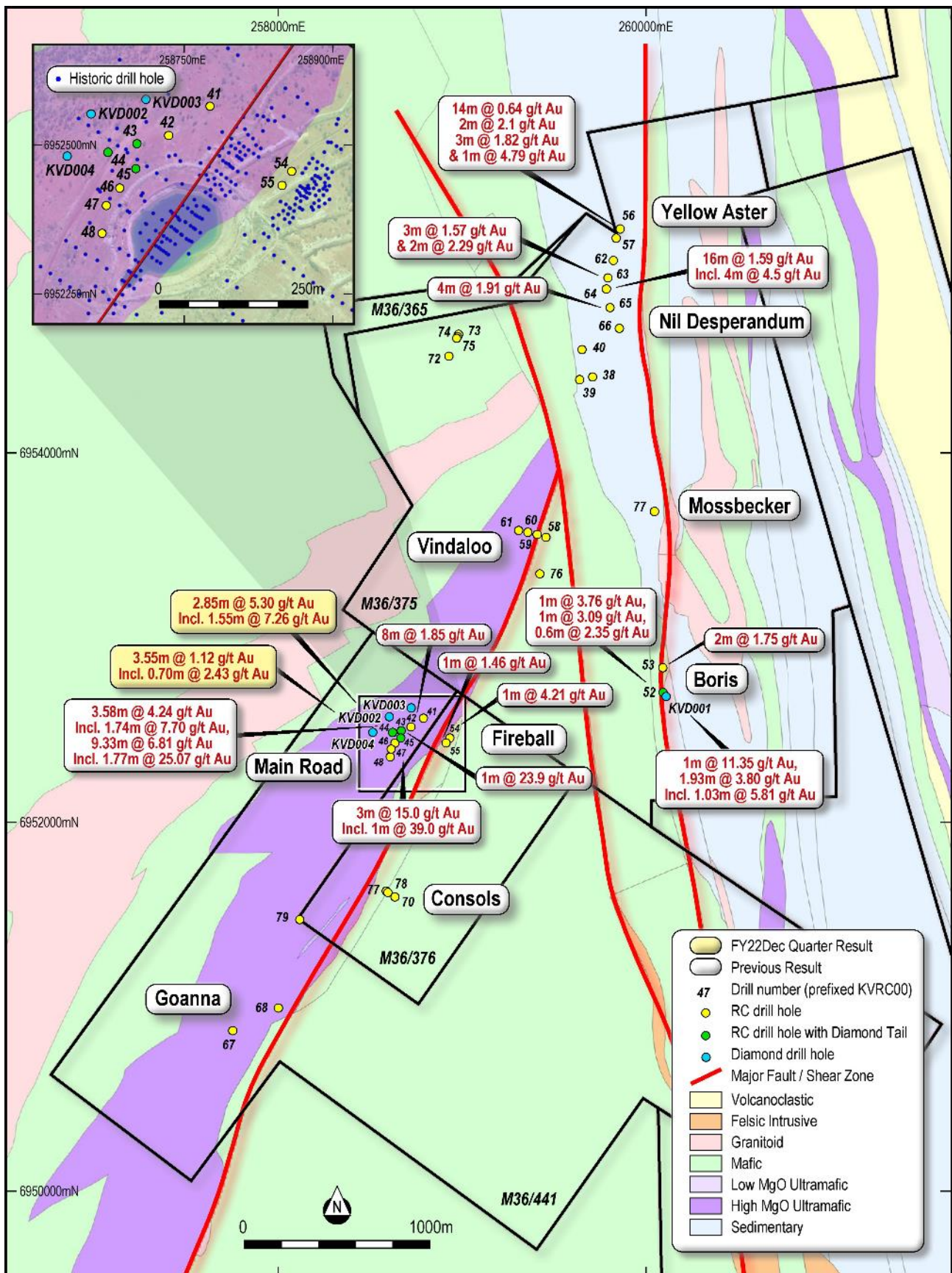
A hanging wall intersection within KVD002, hosted within mafic to ultramafic schist with variably disseminated sulphides, returned 3.55m @ 1.12g/t Au (from 189.4m). Closer to the main interpreted mineralised corridor, a narrow interval associated with quartz veining returned 0.65m @ 1.67-g/t Au.

Located further to the north, KVD003, testing the northern mineralised strike extension, returned several significant intervals within the target horizon, including 2.85m @ 5.30-g/t Au (with an elevated zone of 1.55m @ 7.26 g/t Au from 235m) and a second proximal interval of 0.85m @ 4.29 g/t Au (from 237m). Mineralisation is hosted within foliated, disseminated to stringer sulphide-bearing chlorite-silica altered ultramafic schist.

**Significant Exploration Results – Kathleen Valley (Au) December Quarter 2021**

HOLE ID	Prospect	Easting	Northing	RL	EOH	Type	Dip	Azi	Width (m)	Au (g/t)	From (m)	Comments
KVD002	Main Road	258598	6952560	491	463	DD	-62.7	125	3.55	1.12	189.40	DD
									0.70	2.43	192.25	DD
									0.65	1.67	367.50	DD
KVD003	Main Road	258682	6952582	491	455.9	DD	-63.4	125	2.85	5.30	235.00	DD
									1.55	7.26	235.00	DD
									0.85	4.29	237.00	DD
									0.40	5.84	237.45	DD

An additional two diamond holes are scheduled for completion in the March quarter. Owing to the observed relationship between some gold intersections and sulphides at the Main Road prospect, the Company will also complete a downhole electromagnetic (DHEM) survey of several holes on completion of this phase of drilling in the March quarter to facilitate future exploration targeting.



Cosmos – Kathleen Valley Gold Drilling Results





## METAL HAWK FARM-IN AND JOINT VENTURE

The Company executed a Farm-in and Joint Venture agreement with Metal Hawk Ltd in September 2020, incorporating three project areas; earning in to all non-gold interests at Kanowna East (including tenure extending to within 12km of the Silver Swan/Black Swan nickel mine), all non-gold commodities at Emu Lake (incorporating tenure 10km from the high-tenor Binti Binti nickel prospect) and all commodities at Fraser South. The Fraser South project incorporates a portfolio of greenfield tenements interpreted to be positioned over the southern structural extension of the Fraser Zone component of the broader Albany-Fraser Orogen.

### Emu Lake

The Emu Lake project incorporates two exploration licenses extending over 16.5km strike length, located approximately 35km east of Black Swan/Silver Swan. Additionally, the southern edge of the project lies 5km north of the Binti Binti Gossan deposit. The project area is significantly under-explored, with only the extreme southern margin of the project drill tested.

During the previous (September) quarter, the Company completed a regionally extensive air core drilling program, which was designed to test two prominent linear magnetic high corridors (Western and Eastern Corridor) which strike north-south



Emu Lake Reverse Circulation (RC) Drilling

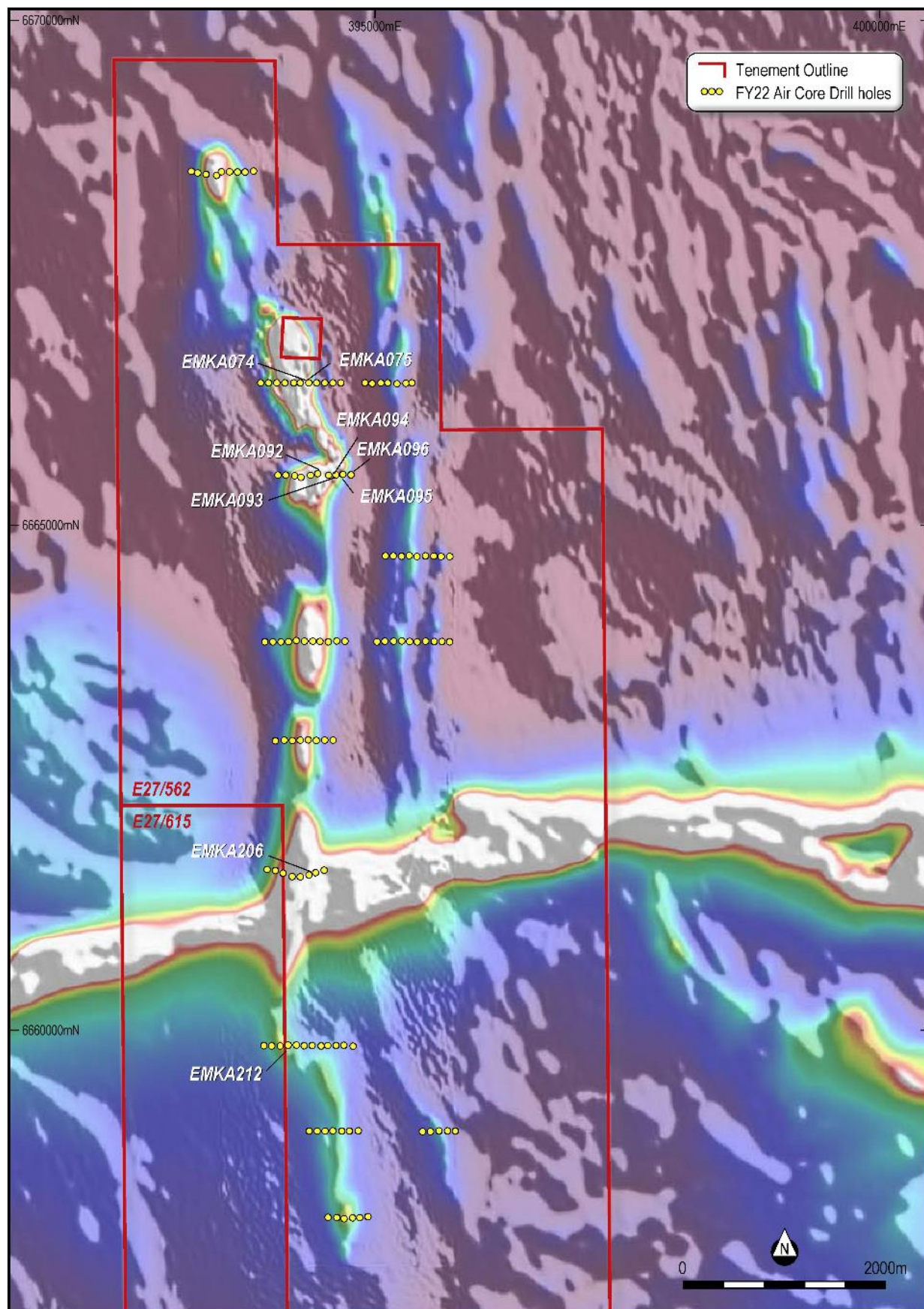
through the entire length of the joint venture tenure at Emu Lake. Most assay results have been returned for the program, with several areas of encouragement identified. A summary of significant assay results is contained in the table below.

Nickel enrichment within the oxide profile was focused along the Western Corridor, with notable zones including 20m @ 0.88% Ni in EMKA094 and 12m @ 1.01% Ni (including 4m @ 1.36% Ni) in EMKA095. Additionally, EMKA092 returned a significant zone of 36m @ 0.81% Ni with the hole ending with elevated MgO values (38%).

The Company is particularly encouraged with the results from its maiden nickel focused air core program at Emu Lake, which has confirmed the presence of a broadly continuous ultramafic unit along the Western Corridor, with early fertility indicators present. Building on this improved geological understanding and emerging prospectivity, planning has now commenced to undertake airborne electromagnetic surveys across the project area.

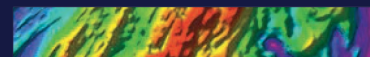
**Significant Exploration Results – Emu Lake (Ni) December Quarter 2021**

HOLE ID	Prospect	Easting	Northing	RL	EOH	Type	Dip	Azi	Width (m)	Ni (%)	From (m)	Comments
EMKA074	Emu Lake	394255	6666412	364	31	AC	-60	270	15	0.69	16.00	AC
EMKA075	Emu Lake	394342	6666406	368	26	AC	-60	270	14	0.91	12.00	AC
EMKA092	Emu Lake	394431	6665513	366	49	AC	-60	270	36	0.81	4.00	AC
EMKA093	Emu Lake	394539	6665496	374	44	AC	-60	270	12	0.76	32.00	AC
EMKA094	Emu Lake	394610	6665502	364	59	AC	-60	270	20	0.88	36.00	AC
EMKA095	Emu Lake	394685	6665507	361	65	AC	-60	270	12	1.01	28.00	AC
	Including								4	1.36	28.00	AC
EMKA096	Emu Lake	394760	6665502	362	76	AC	-60	270	8	0.85	40.00	AC
EMKA206	Emu Lake	394344	6661538	380	70	AC	-60	270	4	0.50	44.00	AC
EMKA212	Emu Lake	394135	6659854	391	51	AC	-60	270	8	0.58	40.00	AC



Emu Lake aircore drilling program – Metal Hawk JV





## **Kanowna East**

The Kanowna East prospect, located 12km south of the Black Swan / Silver Swan nickel mine, represents a significant base metals exploration opportunity. Comprising two tenements (E27/596 and P27/2428), the Kanowna East prospect contains over 9km strike of historically shallowly tested, prospective ultramafic stratigraphy, interpreted to represent the southern extension of the ultramafic corridor hosting the high-grade, high-tenor Silver Swan nickel mine.

In the December quarter, the Company commenced an extensive reverse circulation (RC) drilling program. The drilling program was designed to constrain and define the stratigraphic sequence at Kanowna East, while further defining the prospectivity of the targeted host ultramafic corridor.

In total, 24 holes were completed during the quarter for a total of 3293m. Assay results for all holes are currently pending.

## **WESTERN GAWLER (SOUTH AUSTRALIA)**

### **Iluka Farm-in and Joint Venture (WSA holds 75%) EL 5675, EL 5878, EL 5879, EL 6251, EL 6376, EL 6544 and EL 6545.**

The Company has previously reached a significant milestone within its Farm-In and Joint Venture with Iluka, with the successful completion of Stage 2 earn-in achieved during the September 2020 quarter, resulting in the Company earning 75% interest in the project (excluding heavy mineral sands).

Following an extensive diamond drilling campaign at the Sahara discovery prospect for most of 2021, a pause in diamond drilling towards the end of the year was initiated to allow all outstanding assay results to be received and geological interpretations to be completed. This allowed a shift in drilling focus throughout the December quarter, with the Company embarking on a regional air core program incorporating 111 holes (5,434m), centred around the greater Sahara to Firefly district. Additional to this, a total of 11 down-hole electromagnetic (DHEM) surveys were completed across numerous prospects.

### **Sahara Overview Drilling and Geophysical Update (EL 5878)**

In total, DHEM surveys were performed on seven drill holes at Sahara with off-hole conductors identified in 21WGDD016, 21WGDD017, 21WGDD018 and 21WGDD022 (2 conductors identified).

All conductors identified were of dimensions extending from 25-30m (depth extent) with elongate strike-plunge directions of greater than 50m. Interpreted plate conductance ranges between 200-1250 Siemens, suggestive of sulphide accumulations displaying thickness and sulphide percentage variability. The individual conductors identified at Sahara may potentially be related to a single sulphide source, extending for a strike length of 500m between the surveyed drillholes. Further drilling and additional geophysical modelling would be required to confirm this interpretation.

No conductors were observed within drillholes 21WGDD023, 21WGDD024 and 21WGDD025.

During the December quarter, air core drilling commenced at Sahara. A total of 29 drill holes were completed, testing a 1.3km corridor of the interpreted Sahara trend, extending immediately northeast from the prospect's northern edge. Additionally, drilling was completed testing a parallel magnetic trend west of Sahara.

## **Regional Targets**

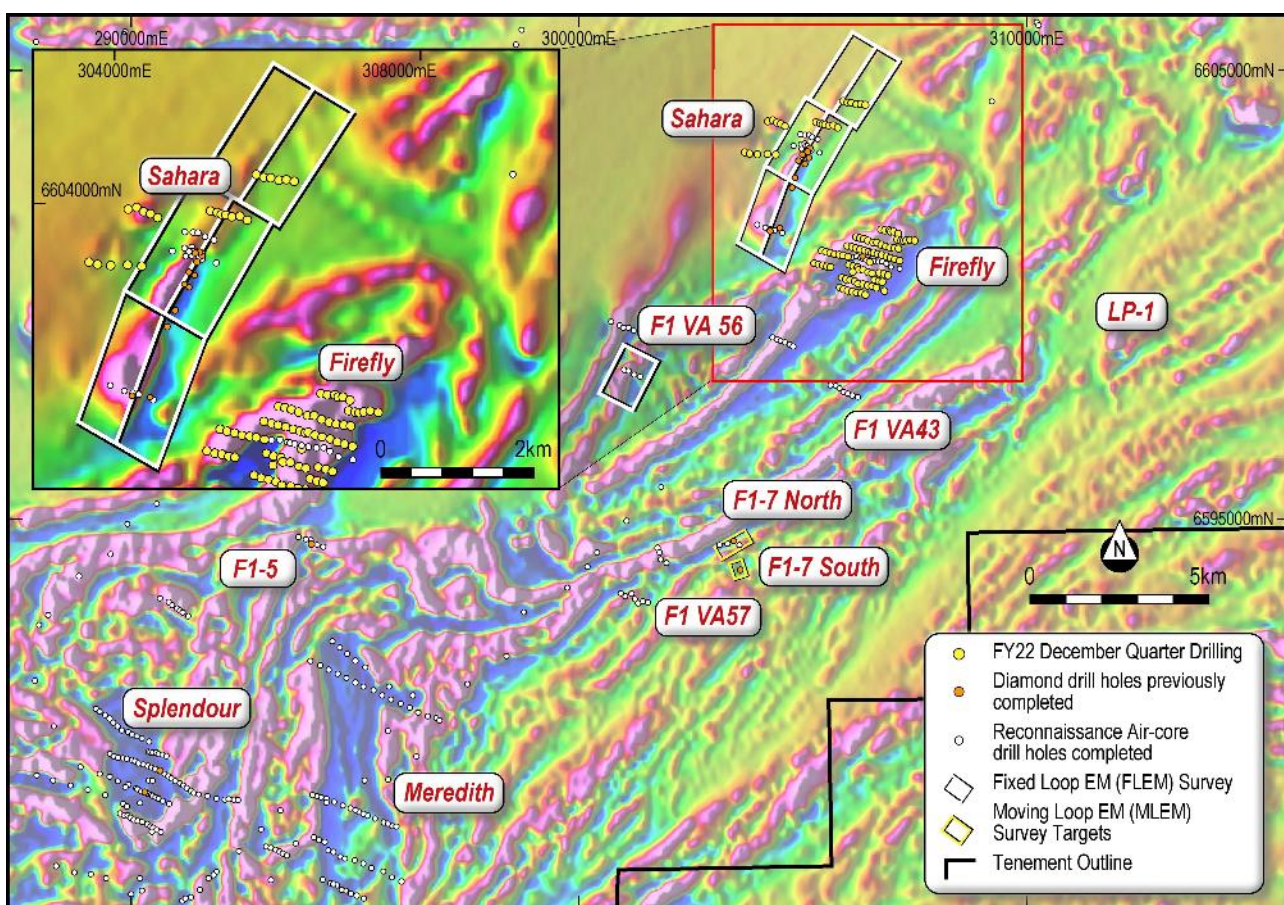
At the Firefly prospect, a large air core drilling program commenced during the quarter, with 82 drillholes completed to date, testing a 1.8km strike length of the central magnetic anomaly. This drilling program will continue into the first quarter of 2022, with additional drilling planned at Firefly, West Sahara, LP1 and several other regional targets. Geological data compilation and some assay results are expected in the March quarter.

In total, four DHEM surveys were completed on regional targets at Firefly (21WGDD019), Splendour (20WGDD010) and F1\_7 (21WGDD020, 21WGDD021) prospects. No significant electromagnetic conductors were identified.

Additionally, Magneto Telluric (MT) and passive seismic surveys will be completed during the upcoming March FY22 quarter as part of the South Australian Government's (Department of Energy and Mining) co-funded Accelerated Discovery Initiative (ADI) program.

No additional diamond drilling was completed on regional targets throughout December. Assay results for drillholes 21WGDD019, 21WGDD020 and 21WGDD021 are expected in the coming quarter, and have not been received to date due to extended laboratory turnaround times.





Sahara – Firefly Regional Targets

## CORPORATE AND FINANCING

### IGO SCHEME OF ARRANGEMENT

On 16 December 2021, Western Areas announced it had entered into a Scheme Implementation Deed (“SID”) with IGO Limited (“IGO”) under which a wholly-owned subsidiary of IGO, IGO Nickel Holdings Pty Ltd (“IGO Nickel”), will acquire 100% of the share capital of Western Areas by way of scheme of arrangement, subject to shareholder approval and in the absence of a superior proposal.

Under the terms of the Scheme, Western Areas shareholders will receive A\$3.36 per Western Areas share in cash, which represents a 35.5% premium to Western Areas’ undisturbed share price of A\$2.48 per Western Areas share on 18 August 2021 (the day before discussions were announced).

If the Scheme is implemented, each Western Areas shareholder on the Scheme Record Date will receive a cash amount of A\$3.36 per Western Areas share (“Scheme Consideration”).

The Scheme Consideration implies an equity value on a 100% fully diluted basis of approximately A\$1,096 million, and represents a 35.5% premium to Western Areas’ undisturbed closing share price of A\$2.48 per Western Areas share on 18 August 2021, the day prior to Western Areas announcing it was in preliminary discussions with IGO regarding a potential change in control transaction.

The Directors of Western Areas unanimously recommend that Western Areas shareholders vote in favour of the Scheme at the Scheme meeting, in the absence of a Superior Proposal and subject to an independent expert concluding in the Independent Expert’s Report (and continuing to conclude) that the Scheme is in the best interests of Western Areas shareholders. Subject to those same qualifications, each member of the Western Areas Board intends to vote, or cause to be voted, all Western Areas shares held or controlled by them in favour of the Scheme.

A scheme booklet containing important information in relation to the Scheme and the Scheme Meeting is expected to be sent to Western Areas shareholders in March 2022. The Scheme is subject to (among other things) approval by Western Areas shareholders at the Scheme Meeting, which is anticipated to be held in April 2022.



## CASHFLOW

Cash at bank at quarter end was A\$142.6m (Sep Q – A\$147.7m). Operating cashflow for the quarter was higher at A\$34.4 (Sep Q – A\$31.1m) as a result of the increased nickel price and nickel sales tonnage delivered to customers.

Capital expenditure for the quarter totalled A\$37.2m with the major investment occurring at the Company's key long-life nickel production assets at the Cosmos Nickel Operation. As planned, activity continues to ramp up at Cosmos, with construction and development works commenced across all major project areas including underground mine development, concentrator refurbishment and the shaft raisebore and civil works.

At Forrestania, total sustaining capital expenditure was A\$2.5m.

The significant cashflow items for the quarter included:

- Odysseus mine development and shaft haulage equipment construction expenditure totalling A\$29.3m (Sep Q – A\$21.8m);
- Exploration and Feasibility expenditure of A\$5.2m;
- Sustaining mine development at Forrestania of A\$1.4m (Sep Q – A\$3.5m), primarily related to ore access development at new areas of Flying Fox; and
- Other capital expenditure at Forrestania of A\$1.1m, primarily related to various sustaining capital items across the operation.

## BANK FINANCE

The Company executed documentation establishing a secured A\$75m Revolving Credit Facility ("RCF") with Commonwealth Bank of Australia ("CBA"). Western Areas continues to work through completion of the final customary conditions precedent prior to the availability of the first funding drawdown, mostly related to third party consent deeds to enable the establishment of the CBA security position over the project tenements, the remaining outstanding deeds are expected to be completed throughout January 2022. The Company consistently works with its lenders to ensure banking facilities provide financial flexibility and working capital options to the Company as it continues to develop the Odysseus mine at the Cosmos operations.

## INVESTMENT IN PANORAMIC RESOURCES

The Company owns a strategic 19.9% of Panoramic Resources Limited ("Panoramic"). At 31 December 2021, the investment was valued at A\$110.2m. The investment continues to provide Western Areas with strategic optionality and exposure to Panoramic's significant nickel, copper and cobalt resources.

## HEDGING

When pricing is supportive, the Company manages nickel price and foreign exchange risk with a combination of short-term quotation period (QP) hedging and a set limit of medium-term hedging. The policy allows the use of forward sales, bought options and collar style options:

- QP hedging is used to manage the risk of price fluctuations for nickel already shipped to offtake partners, where the nickel price is yet to be finalised; and
- Medium-term hedging is used to manage the risk of nickel price and foreign exchange fluctuations, with a maximum 50% of expected nickel sales per month hedged out for a period of 12 to 18 months.

Details of hedging in place at quarter end are as follows:

Hedging Details – FY22			
Nickel Hedging – Collar Options		US\$ Hedging – Collar Options	
Nickel Tonnes Hedged	1,200	US\$ Hedged	\$15,000,000
Average Call	US\$21,500	Average Call	US\$0.750
Average Put	US\$18,500	Average Put	US\$0.704
Nickel Hedging – Forward Sale			
Nickel Tonnes Hedged	300		
Average Call	US\$20,090		



**-ENDS-**

**COMPETENT PERSON'S STATEMENT:**

The information within this report as it relates to mineral resources, ore reserves and exploration results is based on information compiled by Mr Andre Wulfse, Mr Marco Orunesu Preiata and Mr Graeme Gribbin of Western Areas Ltd. Mr Wulfse is a Fellow of AusIMM, Mr Orunesu Preiata is a member of AusIMM and Mr Gribbin is a member of AIG. Mr Wulfse, Mr Orunesu Preiata and Mr Gribbin are all full time employees of Western Areas. Mr Wulfse, Mr Orunesu Preiata and Mr Gribbin 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Gribbin, Mr Wulfse and Mr Orunesu Preiata 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 STATEMENT:**

This release contains certain forward-looking statements including nickel production targets. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production and expected costs.

Examples of forward looking statements used in this report include: "The nickel market continues to show signs of tight supply, with LME warehouses reporting sustained drawdown of material for use in the stainless-steel and EV battery metal markets.", and, "□ Development schedule and go forward capital expenditure for the Odysseus project further de-risked by the execution of two contracts for major construction works".

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. Western Areas Ltd undertakes no obligation to revise these forward-looking statements to reflect subsequent events or circumstances.

This announcement does not include reference to all available information on the Company and should not be used in isolation as a basis to invest in Western Areas Ltd. Potential investors should refer to Western Areas' other public releases and statutory reports and consult their professional advisers before considering investing in the Company.





## WESTERN AREAS ORE RESERVE AND MINERAL RESOURCE STATEMENT

Western Areas Ore Reserve / Mineral Resource Statement - Effective date 31 December 2021					
	Tonnes	Grade Ni%	Ni Tonnes	Classification	JORC Code
<b>Ore Reserves</b>					
1. Flying Fox Area	133,700	3.2	4,270	Probable Ore Reserve	2012
2. Spotted Quoll Area	699,100	3.7	25,690	Probable Ore Reserve	2012
3. Diggers Area					
Digger South	2,016,000	1.4	28,950	Probable Ore Reserve	2004
Digger Rocks	93,000	2.0	1,850	Probable Ore Reserve	2004
<b>TOTAL FORRESTANIA ORE RESERVE</b>	<b>2,941,800</b>	<b>2.1</b>	<b>60,760</b>		
4. Cosmos area					
Odysseus South	4,483,700	1.9	85,620	Probable Ore Reserve	2012
Odysseus North	3,651,900	2.2	78,900	Probable Ore Reserve	2012
AM6	2,098,500	2.2	47,100	Probable Ore Reserve	2012
<b>TOTAL COSMOS ORE RESERVE</b>	<b>10,234,100</b>	<b>2.1</b>	<b>211,620</b>		
<b>TOTAL WESTERN AREAS ORE RESERVE</b>	<b>13,175,900</b>	<b>2.1</b>	<b>272,380</b>		
<b>Mineral Resources</b>					
1. Flying Fox Area					
T1_ T6 Massive Zone	807,687	4.4	35,250	Indicated Mineral Resource	2012
T7 Massive Zone	259,568	1.5	3,771	Inferred Mineral Resource	2012
Total High Grade	1,067,255	3.7	39,021		
T5 Flying Fox Disseminated Zone	197,200	0.8	1,590	Indicated Mineral Resource	2004
T5 Lounge Lizard Disseminated Zone	357,800	1.0	3,460	Inferred Mineral Resource	2004
T5 Lounge Lizard Disseminated Zone	4,428,000	0.8	36,000	Indicated Mineral Resource	2004
Total Disseminated	4,983,000	0.8	41,050		
Total Flying Fox/Lounge Lizard	6,050,255	1.3	80,071		
2. New Morning / Daybreak					
Massive Zone	340,126	3.3	11,224	Indicated Mineral Resource	2012
Disseminated Zone	78,067	3.9	3,025	Inferred Mineral Resource	2012
Disseminated Zone	3,318,468	1.2	41,181	Indicated Mineral Resource	2012
Disseminated Zone	2,496,658	1.3	32,498	Inferred Mineral Resource	2012
Total New Morning / Daybreak	6,233,319	1.4	87,928		
3. Spotted Quoll Area					
Spotted Quoll	604,584	6.2	37,598	Indicated Mineral Resource	2012
Spotted Quoll	146,678	5.0	7,228	Inferred Mineral Resource	2012
Total Spotted Quoll	751,262	6.0	44,826		
Beautiful Sunday	480,000	1.4	6,720	Indicated Mineral Resource	2004
Total Spotted Quoll/Beautiful Sunday	1,231,262	4.2	51,546		
4. Cosmic Boy Area					
Cosmic Boy	180,900	2.8	5,050	Indicated Mineral Resource	2004
Seagull	195,000	2.0	3,900	Indicated Mineral Resource	2004
Total Cosmic Boy Area	375,900	2.4	8,950		
5. Diggers Area					
Diggers South - Core	2,704,500	1.4	37,570	Indicated Mineral Resource	2004
Digger South - Core	362,700	1.2	4,530	Inferred Mineral Resource	2004
Digger Rocks - Core	282,940	1.7	4,790	Indicated Mineral Resource	2004
Digger Rocks - Core	50,600	1.3	670	Inferred Mineral Resource	2004
Purple Haze	560,000	0.9	5,040	Indicated Mineral Resource	2004
Total Diggers Area	3,960,740	1.3	52,600		
<b>TOTAL FORRESTANIA MINERAL RESOURCE</b>	<b>17,851,476</b>	<b>1.6</b>	<b>281,095</b>		
6. Cosmos Area					
AM5	1,449,751	2.0	28,217	Indicated Mineral Resource	2012
AM5	1,832,451	2.2	40,578	Inferred Mineral Resource	2012
AM6	2,889,733	2.1	59,397	Indicated Mineral Resource	2012
AM6	118,518	1.5	1,718	Inferred Mineral Resource	2012
Odysseus South Disseminated	4,016,949	2.1	84,767	Indicated Mineral Resource	2012
Odysseus South Disseminated	219,641	2.0	4,302	Inferred Mineral Resource	2012
Odysseus North - Disseminated	3,128,943	2.6	81,156	Indicated Mineral Resource	2012
Odysseus North - Disseminated	225,248	2.7	6,111	Inferred Mineral Resource	2012
Odysseus North - Massive	70,106	12.6	8,814	Indicated Mineral Resource	2012
Odysseus North - Massive	124,900	11.2	14,002	Inferred Mineral Resource	2012
Total Cosmos Area	14,076,240	2.3	329,062		
7. Mt Goode Area					
Mt Goode	13,563,000	0.8	105,791	Measured Mineral Resource	2012
Mt Goode	27,363,000	0.6	158,705	Indicated Mineral Resource	2012
Mt Goode	12,009,000	0.5	62,447	Inferred Mineral Resource	2012
Total Mt Goode Area	52,935,000	0.6	326,943		
<b>TOTAL COSMOS MINERAL RESOURCE</b>	<b>67,011,240</b>	<b>1.0</b>	<b>656,005</b>		
<b>TOTAL WESTERN AREAS MINERAL RESOURCE</b>	<b>84,862,716</b>	<b>1.1</b>	<b>937,100</b>		



## JORC 2012 TABLE 1 – COSMOS NICKEL COMPLEX EXPLORATION

### SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration targets were tested and sampled from diamond drilling (DD) core, and holes were mostly drilled perpendicular to the strike (north-south) of the stratigraphy.</li> <li>Drill holes were located initially with hand held GPS and later surveyed by differential GPS. DD holes were used to obtain high quality samples that were fully oriented and logged for lithological, structural, geotechnical attributes. Each sample of diamond drill core submitted to ALS laboratories at Malaga, Perth was weighed to determine density by the weight in air, weight in water method. All sampling was conducted under WSA QAQC protocols which are in accordance with industry best practice.</li> <li>Diamond drill core (HQ and NQ2) is 1/4 core sampled on geological intervals (0.2m - 1.5m) to achieve sample weights under 2kgs.</li> <li>Samples were crushed, dried and pulverised (total prep) to produce a sub sample for analysis by 4 acid digest with an ICP/AES and FA/ICP (Au, Pt, Pd) finish.</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>All samples were prepared and assayed by independent commercial laboratories whose instruments are regularly calibrated</li> <li>Geophysical survey QC parameters were reviewed by independent supervising geophysicists from Newexco Services Pty Ltd</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond core is typically marked at 1m intervals</li> <li>Sample intervals marked up by geologists based on geology.</li> <li>Sampled mineralisation intervals are sent to a commercial laboratory for crushing and grinding before assaying.</li> <li>RC holes were sampled initially as 4m composites, with follow up 1m samples captured pending the return of significant assay results.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type,</li> </ul>	<ul style="list-style-type: none"> <li>Diamond Drilling utilized a UDR 1200 HC</li> <li>Diamond drilling comprises HQ and NQ2 sized core.</li> <li>Historical data is derived from both surface and underground diamond drilling</li> </ul>



	whether core is oriented and if so, by what method, etc).	
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond core recoveries have been logged and recorded in the database</li> <li>Diamond core are logged and recorded in the database. Overall recoveries are &gt;95% and there was no core loss issues or significant sample recovery problems. Core loss is noted where it occurs.</li> <li>Diamond core was reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers.</li> <li>RC recoveries are logged and recorded in the database and RC samples were visually checked for recovery, moisture and contamination. Drilling close to the lake shore for the Neptune drilling resulted in high water flows which reduced the sample size and loss of fines from the sample.</li> <li>The drilling by diamond core method has high recoveries. The massive sulphide style of mineralisation and the consistency of the mineralised intervals are considered to preclude any issue of sample bias due to material loss or gain.</li> <li>Drilling in the oxidised profile results in more incomplete core recoveries.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul>	<ul style="list-style-type: none"> <li>All geological logging was carried out to a high standard using well established geology codes in Ocris software.</li> <li>All logging recorded in a Panasonic Toughbook PC.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>	<ul style="list-style-type: none"> <li>Core is photographed in both dry and wet form and logging is done in detail.</li> </ul>
	<ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>All diamond drill holes were logged and photographed in full. RC holes are logged in full.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond core is sampled as quarter core only; cut by the field crew on site by diamond saw.</li> </ul>
	<ul style="list-style-type: none"> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> </ul>	<ul style="list-style-type: none"> <li>RC samples were collected on the rig using cone splitters. Composite samples are collected via riffle splitting or spearing to generate a single sample of less than 3kg.</li> </ul>
	<ul style="list-style-type: none"> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> </ul>	<ul style="list-style-type: none"> <li>Sample preparation follows industry best practice involving oven drying, coarse crushing and pulverising.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> </ul>	<ul style="list-style-type: none"> <li>The field crew prepares and inserts the QAQC certified reference materials into the relevant calico bags.</li> <li>OREAS and Geostats standards have been selected based on their grade range and mineralogical properties, with approximately 12 different standards used.</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for</li> </ul>	<ul style="list-style-type: none"> <li>Standards and blanks are inserted approximately every 20 samples or at least one every hole for both diamond and RC drilling.</li> </ul>





	instance results for field duplicate/second-half sampling.	
	<ul style="list-style-type: none"> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>All geological logging was carried out to a high standard using well established geology codes in Ocris software.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	<ul style="list-style-type: none"> <li>All samples are assayed by independent certified commercial laboratories.</li> <li>The laboratories used are experienced in the preparation and analysis of nickel sulphide ores.</li> </ul>
	<ul style="list-style-type: none"> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> </ul>	<ul style="list-style-type: none"> <li>No Geophysical tools or handheld XRF instruments were used to determine any element concentrations that were subsequently used for MRE or exploration reporting purposes.</li> </ul>
	<ul style="list-style-type: none"> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>Certified reference materials are included in all batches dispatched at an approximate frequency of 1 per 25 samples, with a minimum of two per batch.</li> <li>Field duplicates are inserted into submissions at an approximate frequency of 1 in 25, with placement determined by Nickel grade and homogeneity. Lab checks, both pulp and crush, are taken alternately by the lab at a frequency of 1 in 25.</li> <li>Accuracy and precision were assessed using industry standard procedures such as control charts and scatter plots.</li> <li>Evaluations of standards are completed on a monthly, quarterly, and annual basis using QAQCR.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> </ul>	<ul style="list-style-type: none"> <li>Geological interpretation using intersections peer viewed by prior company and WSA geologists.</li> </ul>
	<ul style="list-style-type: none"> <li>The use of twinned holes.</li> </ul>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
	<ul style="list-style-type: none"> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	<ul style="list-style-type: none"> <li>All primary geophysical data were recorded digitally and sent in electronic format to Newexco Services Pty Ltd for quality control and evaluation.</li> <li>All geological logging was carried out to a high standard using well established geology codes in Ocris software.</li> <li>All other data including assay results are imported via Datashed software.</li> <li>Drillholes, sampling and assay data is stored in a SQL Server database located in a dedicated data center.</li> </ul>
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>none</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> </ul>	<ul style="list-style-type: none"> <li>Downhole surveys completed using the Reflex "Gyro Sprint-IQ™" north seeking gyroscopic instrument on all resource definition and Exploration diamond holes. Exploration RC holes were surveyed down-hole using an Eastman single shot camera. Underground drill-hole collar locations verified via survey pickup.</li> </ul>
	<ul style="list-style-type: none"> <li>Specification of the grid system used.</li> </ul>	<ul style="list-style-type: none"> <li>MGA94 Zone 51 grid coordinate system is used.</li> </ul>



		<ul style="list-style-type: none"> <li>A two-point transformation is used to convert the data from AMG84_51 mine grid and vice versa.</li> </ul>
	<ul style="list-style-type: none"> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>The project area is flat and the topographic data density is adequate for MRE purposes</li> <li>Collar positions were picked up by suitably qualified surface and underground surveyors</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole spacing at Penelope – AM6 is varied according to the nature of target type. Where initial drilling was undertaken holes are nominally 250m to 400m apart. Where mineralisation is identified holes are spaced at an approx 100m to 200m spacing.</li> <li>For other projects, including Au targets at Kathleen Valley, drill spacing will vary based on the target being tested.</li> </ul>
	<ul style="list-style-type: none"> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> </ul>	<ul style="list-style-type: none"> <li>Samples are collected at 1m intervals (Diamond and Aircore) and 4m composites (RC)</li> </ul>
	<ul style="list-style-type: none"> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>No sample compositing was undertaken.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	<ul style="list-style-type: none"> <li>The majority of the drill holes are orientated to achieve intersection angles as close to perpendicular as possible. The steep dipping nature of the stratigraphy at some targets (70° to 80°) means this is not always achieved.</li> </ul>
	<ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>No orientation-based sampling bias has been observed in the data, intercepts are reported as downhole lengths.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>Standard West Australian mining industry sample security measures were observed.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Adrian Black of Newexco Pty Ltd (a member of the AIG), an independent exploration company, has reviewed the data and sampling techniques employed by the Company.</li> </ul>

## JORC 2012 TABLE 1 – COSMOS NICKEL COMPLEX EXPLORATION

### SECTION 2: REPORTING OF EXPLORATION RESULTS

(Criteria listed in Section 1, also apply to this section.)

Criteria	JORC Code Explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites,</li> </ul>	<ul style="list-style-type: none"> <li>Cosmos Nickel Complex comprises 21 exploration and mining tenements covering a total of 102km<sup>2</sup>.</li> <li>Western Areas wholly owns 18 tenements, with (14) acquired from Xstrata Nickel Australasia in October 2015, and an additional (4) tenements acquired from Ramelius Resources in 2020. The remainder of the tenements (3) are subject to a Joint</li> </ul>



	<p>wilderness or national park and environmental settings.</p> <ul style="list-style-type: none"><li>▪ The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li></ul>	<p>Venture with Alkane Resources NL, where Western Areas has earned 80.6% interest</p> <ul style="list-style-type: none"><li>▪ All tenements are in good standing</li></ul>																																
Exploration done by other parties	<ul style="list-style-type: none"><li>▪ Acknowledgment and appraisal of exploration by other parties.</li></ul>	<ul style="list-style-type: none"><li>▪ Historical nickel exploration has been completed by Glencore PLC, Xstrata Nickel Australasia and Jubilee Mines NL. Recent Au exploration on the 4 recently acquired tenements was conducted by Ramelius Resources.</li></ul>																																
Geology	<ul style="list-style-type: none"><li>▪ Deposit type, geological setting and style of mineralisation.</li></ul>	<ul style="list-style-type: none"><li>▪ The deposits form part of the Cosmos Nickel Complex, which lies within the Agnew-Wiluna Belt of the central Yilgarn Craton, Western Australia</li><li>▪ The deposit style is komatiite hosted, disseminated to massive nickel sulphides.</li><li>▪ The mineralisation typically occurs in association with the basal zone of high MgO cumulate ultramafic rocks.</li><li>▪ Many of the higher-grade ore bodies in the Cosmos Nickel Complex also show varying degrees of remobilisation, and do not occur in a typical mineralisation profile</li><li>▪ Gold mineralisation within the Kathleen Valley Group of tenements if related to regional faults and shear zones, with mineralisation hosted within ultramafic, mafic (gabbro and dolerite) and sedimentary (Jones Creek Conglomerate) successions.</li></ul>																																
Drill hole Information	<ul style="list-style-type: none"><li>▪ A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<ul style="list-style-type: none"><li>— easting and northing of the drill hole collar</li><li>— elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li><li>— dip and azimuth of the hole</li><li>— down hole length and interception depth</li><li>— hole length.</li></ul></li><li>▪ If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li></ul>	<p>Drill hole summary details supporting reported intersections from the Penelope project are captured in the enclosed table.</p> <table><tr><th>HOLE ID</th><th>Easting</th><th>Northing</th><th>RL</th><th>EOH Depth (m)</th><th>Type</th><th>DIP</th><th>Azimuth</th></tr><tr><td>KVD002</td><td>258598</td><td>6952560</td><td>491</td><td>463</td><td>DD</td><td>-62.7</td><td>121.7</td></tr><tr><td>KVD003</td><td>258682</td><td>6952582</td><td>491</td><td>455.9</td><td>DD</td><td>-63.4</td><td>122.56</td></tr><tr><td>KVD004</td><td>258765</td><td>6952560</td><td>491</td><td>450</td><td>DD</td><td>-59.3</td><td>122.76</td></tr></table>	HOLE ID	Easting	Northing	RL	EOH Depth (m)	Type	DIP	Azimuth	KVD002	258598	6952560	491	463	DD	-62.7	121.7	KVD003	258682	6952582	491	455.9	DD	-63.4	122.56	KVD004	258765	6952560	491	450	DD	-59.3	122.76
HOLE ID	Easting	Northing	RL	EOH Depth (m)	Type	DIP	Azimuth																											
KVD002	258598	6952560	491	463	DD	-62.7	121.7																											
KVD003	258682	6952582	491	455.9	DD	-63.4	122.56																											
KVD004	258765	6952560	491	450	DD	-59.3	122.76																											
Data aggregation methods	<ul style="list-style-type: none"><li>▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li></ul>	<ul style="list-style-type: none"><li>▪ Standard weighted averaging of drill hole intercepts were employed. No maximum or minimum grade truncations were used in the estimation.</li><li>▪ The reported assays have been length and bulk density weighted. A lower arbitrary 0.5% Ni cut-off is applied, with no top cut applied. High grade intercepts internal to broader zones of mineralisation are reported as included intervals.</li></ul>																																





	<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Reported Au assays have been length and bulk density weighted. No top cut was applied to intervals (the highest grading sample received was 39 g/t).</li> <li>Metal equivalents have not been used</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Drill hole intersections may not be true widths</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Included within report</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant assay results have been reported</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Included within report</li> <li>Geophysics</li> <li>Information on structure type, dip, dip direction alpha and beta angles, texture, shape, roughness and fill material is stored in the structural logs in the database.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological</li> </ul>	<ul style="list-style-type: none"> <li>Preliminary plans are included within the report</li> <li>Future explorations programs may change depending on results and strategy</li> </ul>



interpretations and future drilling areas, provided this information is not commercially sensitive.

## JORC 2012 TABLE 1: EMU LAKE (METAL HAWK JOINT VENTURE)

### SECTION 1: SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code Explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Air-core (AC) and Reverse Circulation (RC) drilling is used for sampling.</li> <li>Each sample interval is split to approximately 3kg using a rig mounted rotary splitter.</li> <li>Each sample is sent for analysis to ALS Global laboratories in Perth, Western Australia.</li> <li>The sample is pulverised in the laboratory (total prep) to produce a sub sample for assaying.</li> <li>All sampling was conducted using WSA QAQC sampling protocols which are in accordance with industry best practice.</li> </ul>
<i>Drilling Techniques</i>	<ul style="list-style-type: none"> <li>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>Regional Exploration targets are tested using aircore (AC) drilling. Holes were drilled between 60-90 degrees.</li> <li>A truck-mounted air-core rig is used with a 3 inch diameter face sampling hammer drilling or Air-Core bit</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>Drilling recoveries are digitally logged, recorded, and captured within the project database.</li> <li>Overall recoveries are &gt;95% and there has been no significant loss of sample material due to ground or drilling issues.</li> </ul>



	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias</li> </ul>	<ul style="list-style-type: none"> <li>Each individual sample is visually checked and logged for recovery, moisture, and contamination.</li> <li>The style of expected mineralisation and the consistency of the mineralised intervals are expected to preclude any issue of sample bias due to material loss or gain.</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc)</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Geological logging is recorded and Ocris software (Toughbook platform)</li> <li>Drill chips are logged for lithology, mineralogy, mineralisation, weathering, fabric, grain size, colour and other relevant features.</li> <li>Geotechnical logging was not completed due to the nature of drill method.</li> <li>All holes have been logged from the surface to the end of hole.</li> <li>Petrology is used to verify the field geological logging.</li> </ul>
Sub-sampling techniques and sampling preparation	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>The drill samples were collected every metre on the drill rig using a rotary splitter.</li> <li>When required, composite samples are taken using a sampling spear.</li> <li>Field QC procedures involve the use of certified reference material as assay standards, along with blanks, duplicates, and barren washes. The insertion rate of these averaged 1:20, with an increased rate in mineralised zones.</li> <li>Field duplicates are conducted on approximately 1 in 25 drill intersections.</li> <li>The sample sizes are appropriate to correctly represent the geological model based on: the style of mineralisation, the thickness and consistency of the expected intersections, the sampling methodology, and percent value assay ranges for the primary elements.</li> </ul>
Quality of assay data laboratory tests	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable</li> </ul>	<ul style="list-style-type: none"> <li>All samples are processed by ALS Minerals (Australian Laboratory Services P/L) in Perth, Western Australia</li> <li>All drill samples are subjected to ICP-MS (ME-MS61 and ME-MS61r for selected EOH samples) analysis using nitric, perchloric, hydrofluoric and hydrochloride acid digest.</li> <li>All samples are also assayed for PGE's using PGM-ICP23</li> <li>Standards and blanks are routinely used to assess company QAQC (approx 1 standard for every 25-50 samples).</li> </ul>





	levels of accuracy (i.e. lack of bias) and precision have been established.	
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>▪ The verification of significant intersections by either independent or alternative company personnel.</li> <li>▪ The use of twinned holes.</li> <li>▪ Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>▪ Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Primary data was collected using Ocris logging software spreadsheets, on Toughbook computers.</li> <li>▪ All data is validated by the supervising geologist and sent to WSA Perth for further validation and integration into an Acquire database.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>▪ Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>▪ Specification of the grid system used.</li> <li>▪ Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drill holes were located using hand held GPS.</li> <li>▪ Elevation data is captured with handheld GPS, and cross referenced with local topographical maps,</li> <li>▪ Downhole Survey Data is collected using a digital Reflex survey tool,</li> <li>▪ MGA94 Zone 51 grid coordinate system is used.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>▪ Data spacing for reporting of Exploration Results.</li> <li>▪ Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>▪ Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Drill holes are located and specifically planned according to target location and stratigraphic location.</li> <li>▪ Drillhole spacing within the Metal Hawk JV project areas varies according to the nature of the target type.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>▪ Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>▪ If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The majority of the drill holes are drilled at 60 degrees to achieve the best possible intersection angle in steeply dipping terrane.</li> <li>▪ Heritage and/or environmental constraints may prevent some ideal drilling solutions.</li> <li>▪ No orientation-based sampling bias has been observed in the data, intercepts are reported as down-hole lengths.</li> </ul>
<i>Sample Security</i>	<ul style="list-style-type: none"> <li>▪ The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All samples are captured and prepared for transport onsite under the supervision of WSA staff.</li> </ul>
<i>Audits and Reviews</i>	<ul style="list-style-type: none"> <li>▪ The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adrian Black of Newexco Pty Ltd (a member of the AIG), an independent exploration company, has reviewed the data and sampling techniques employed by WSA.</li> </ul>



## SECTION 2: REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code Explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Emu Lake prospect within the Metal Hawk Emu Lake JV comprises 2 exploration licenses (E27/562 and E27/615) held by Metal Hawk Ltd.</li> <li>Western Areas (WSA) has entered into a Joint Venture with Metal Hawk, whereby WSA can earn up to 75% joint venture interest at Emu Lake and Kanowna East (in all non-gold related commodities) by spending a total of \$7million over 5 years.</li> <li></li> </ul>
<i>Exploration done by other parties.</i>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>The Emu Lake project area has been historically explored for nickel, particularly from the 1970s onwards.</li> <li>Most notable nickel exploration success in the district has centred on the Binti Binti Ni gossan and sulphide deposit, positioned approximately 10km south of the project area.</li> <li>Jubilee Mines and Xstrata Nickel Australia have conducted exploration in the Emu Lake area in more recent times, along with Ardea Resources (current) along strike from the project to the south.</li> <li>The predominant historical exploration sampling method at Emu Lake has been soil sampling and shallow aircore drilling.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Emu Lake prospect is positioned 80km north east of Kalgoorlie and 10km along strike from the Binti Nickel prospect.</li> <li>The district is considered highly prospective for Kambalda styled, ultramafic (Komatiite) hosted nickel sulphide deposits.</li> <li></li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</li> <li>Easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the</li> </ul>	<p>All collar related information pertaining to the location of the reported assay results are included within the exploration results table contained within the body of this report.</p> <p>Datum MGA94 (Z51)</p>



	understanding of the report, the Competent Person should clearly explain why this is the case.	
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>▪ In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>▪ Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>▪ The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Standard weighted averaging of drill hole intercepts were employed. No maximum or minimum grade truncations were used in the estimation.</b></li> <li>▪ <b>The reported assays have been length weighted. A lower arbitrary 0.2% Ni cut-off is applied, with no top cut applied. High grade intercepts internal to broader zones of mineralisation are reported as included intervals.</b></li> <li>▪ <b>Metal equivalents have not been used</b></li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>▪ These relationships are particularly important in the reporting of Exploration Results.</li> <li>▪ If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>▪ If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Drill hole intersections may not be true widths</b></li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>▪ Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Included within report</b></li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>▪ Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>All relevant assay results have been reported</b></li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>▪ Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density,</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Multi-element analysis is conducted routinely on all samples for a base metal and PGM suite and potentially deleterious elements.</b></li> </ul>





	groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
<i>Further work</i>	<ul style="list-style-type: none"> <li>▪ The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>▪ Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>▪ <b>Exploration within the Metal Hawk JV Project is ongoing.</b></li> <li>▪ <b>At this stage of the exploration program, the nature of the geological model is evolving. Details of further work and will be forthcoming as the project progresses.</b></li> </ul>