WESTERN AREAS NL

November 18, 2011 **ASX & TSX: WSA**

News Release

WESTERN AREAS 2011 AGM - CHAIRMAN'S ADDRESS

Despite global market turmoil this past year has been an outstanding year for Western Areas. The Flying Fox and Spotted Quoll mines and Cosmic Boy nickel concentrator at Forrestania have exceeded all our expectations. For the year ending 30 June, we have been able to report record mine production, record nickel sales and record profits. As a result, your company is now one of the largest, lowest cost and most profitable nickel miners in Australia.

As many of you know, the discovery of Flying Fox in September 2003 was the turning point for Western Areas. This mine has now become the second largest, highest grade and probably lowest cost underground nickel mine in Australia. The Flying Fox discovery was followed in October 2007 by the discovery of Spotted Quoll. These two mines are high quality assets which should continue to provide strong cash flows for many years.

The ongoing success at Forrestania and at our other regional exploration projects now provides an opportunity for Western Areas to become a leading global nickel producer. In the past 12 months we have increased our activities in Western Australia, Finland and Canada which we consider have excellent potential for new nickel discoveries in stable political environments. This year, we have increased our exploration budget to $30 million per year and acquired a number of exciting projects in these nickel rich regions.

We constantly meet with other nickel miners, smelter owners and stainless steel producers from around the world to increase our understanding of the global nickel industry. As a result, we remain confident that demand for nickel and for stainless steel will remain strong, particularly from China.

With stable governments and financial systems, the future for Western Areas as a low cost nickel producer appears to be sound. However the success of any company relies on the success of the country in which it operates.

I have to say that the way the political situation in Australia is being managed by our current Federal government is very disappointing. This reflects not only on the resource industry which is at the forefront of the Australian economy, but also on small business which is a major contributor to the economic well being of Australia.

Each business whether large or small, relies on the ongoing success of many other businesses whether they are customers, service providers, suppliers or people looking to invest in other companies. The interdependence of business and the stability and encouragement required to invest in new business does not appear to be recognised by the Australian government.

To our staff and our many contractors, I would like to thank you for your commitment and hard work which has made Western Areas into the company it is today.

To the executive team and to my fellow directors, I thank you for your long hours of work and support throughout the year. To our many shareholders, I would also like to thank you for your ongoing support of this company.

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE U.S.

I would also like to thank David Cooper who recently retired from the Board. David has been involved in Western Areas since its inception 12 years ago. He has served shareholders diligently and professionally through his solid contributions which included acting as chairman of the Board for a time.

Finally I would like to thank Julian Hanna who will be stepping down as Managing Director at the end of January, after 12 years. Julian has played a major part in acquiring, exploring and developing the substantial assets of this Company. Since the first days of Western Areas, Julian has put in a huge effort which has helped make this company the success it is today.
I am happy to say that Julian will remain closely involved with Western Areas as a non executive board member and as Chairman of our subsidiary company FinnAust Mining.

I would now like to hand over to Julian to say a few words before the formal meeting commences.

Terry Streeter
Chairman - Western Areas NL

ENDS-

For further details, please contact:

Julian Hanna
Managing Director – Western Areas NL
Telephone +61 8 9334 77777
Email: jhanna@westernareas.com.au

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

Shane Murphy
FTI Consulting
Telephone +61 8 9386 1233 / 0420 945 291
Email: Shane.Murphy@fticonsulting.com

Or visit: www.westernareas.com.au

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE U.S.