

ANNUAL GENERAL MEETING

19 November 2020

WESTERN AREAS LTD



20
YEARS

AGENDA

CORPORATE



OPERATIONS



GROWTH & EXPLORATION



NICKEL MARKET



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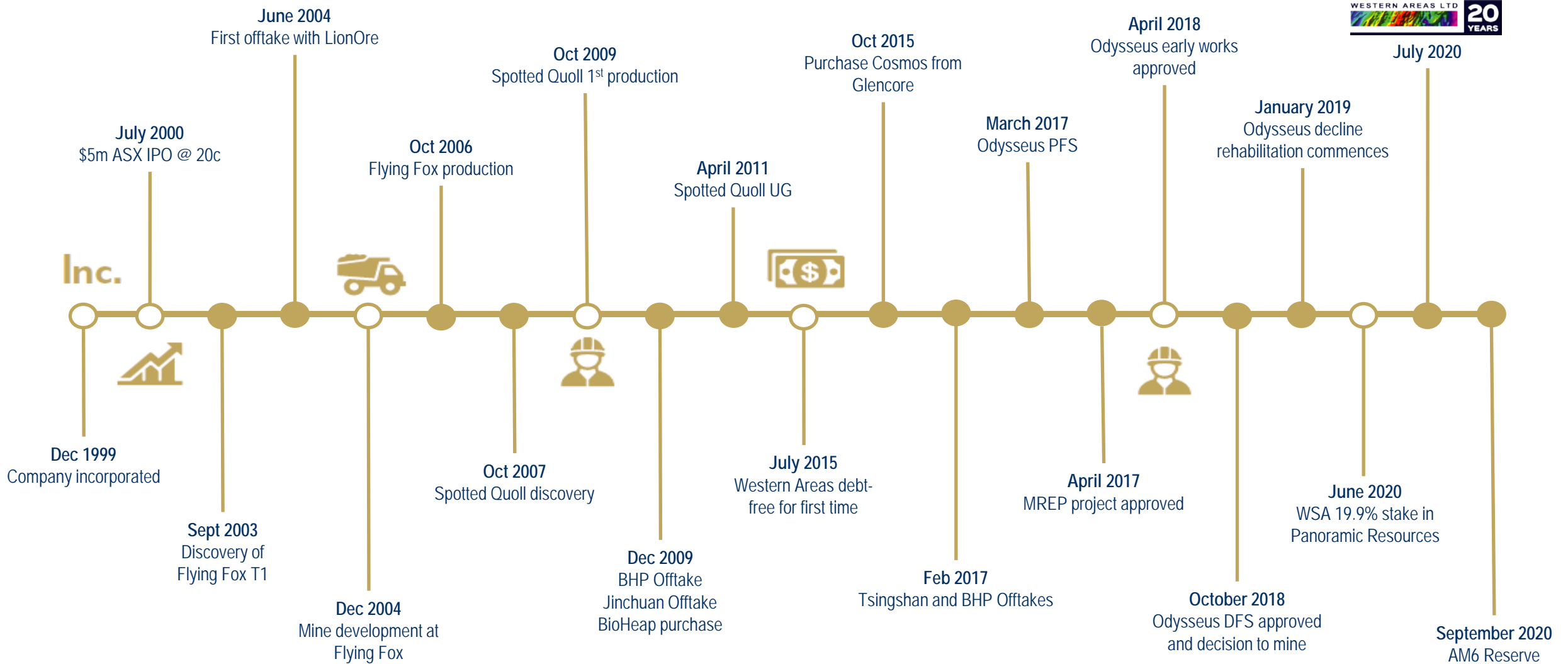
This document contains forward-looking statements including nickel production targets and cost estimates. These statements are based on assumptions and contingencies that are subject to change without notice, and certain risks and uncertainties that could cause the performance or achievements of Western Areas Ltd to differ materially from the information set forth herein. 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. Western Areas Ltd undertakes no obligation to revise these forward-looking statements to reflect subsequent events or circumstances. Individuals should not place undue reliance on forward-looking statements and are advised to make their own independent analysis and determination with respect to the forecasted periods, which reflect Western Areas Ltd’s view only as of the date hereof.

The information within this PowerPoint presentation was compiled by Western Areas management, but the information as it relates to exploration results, mineral resources or ore reserves was prepared by Mr Graeme Gribbin, Mr Andre Wulfse or Mr Marco Orunesu-Preiata respectively. Mr Gribbin, Mr Wulfse and Mr Orunesu-Preiata are full time employees of Western Areas Ltd. Mr Gribbin is a member of Australian Institute of Geoscientists (AIG). Mr Wulfse is a Fellow of Australian Institute of Mining and Metallurgy (AusIMM) and Mr Orunesu-Preiata is a member of Australian Institute of Mining and Metallurgy (AusIMM) and 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’(2012 JORC Code). Mr Gribbin, Mr Wulfse and Mr Orunesu-Preiata consent to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

This announcement is authorised for market release by Western Areas Limited Managing Director and CEO, Daniel Lougher.

Western Areas Registered Office: L2, 2 Kings Park Road, West Perth, 6005, Australia

Success timeline



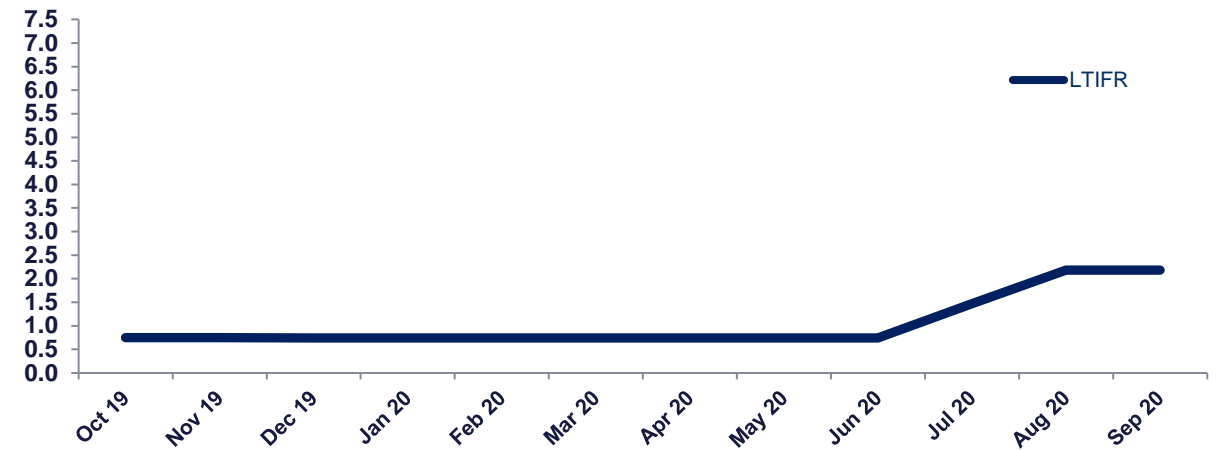
Western Areas, are safe areas



Days LTI free



12 month LTIFR moving average



OPERATIONS

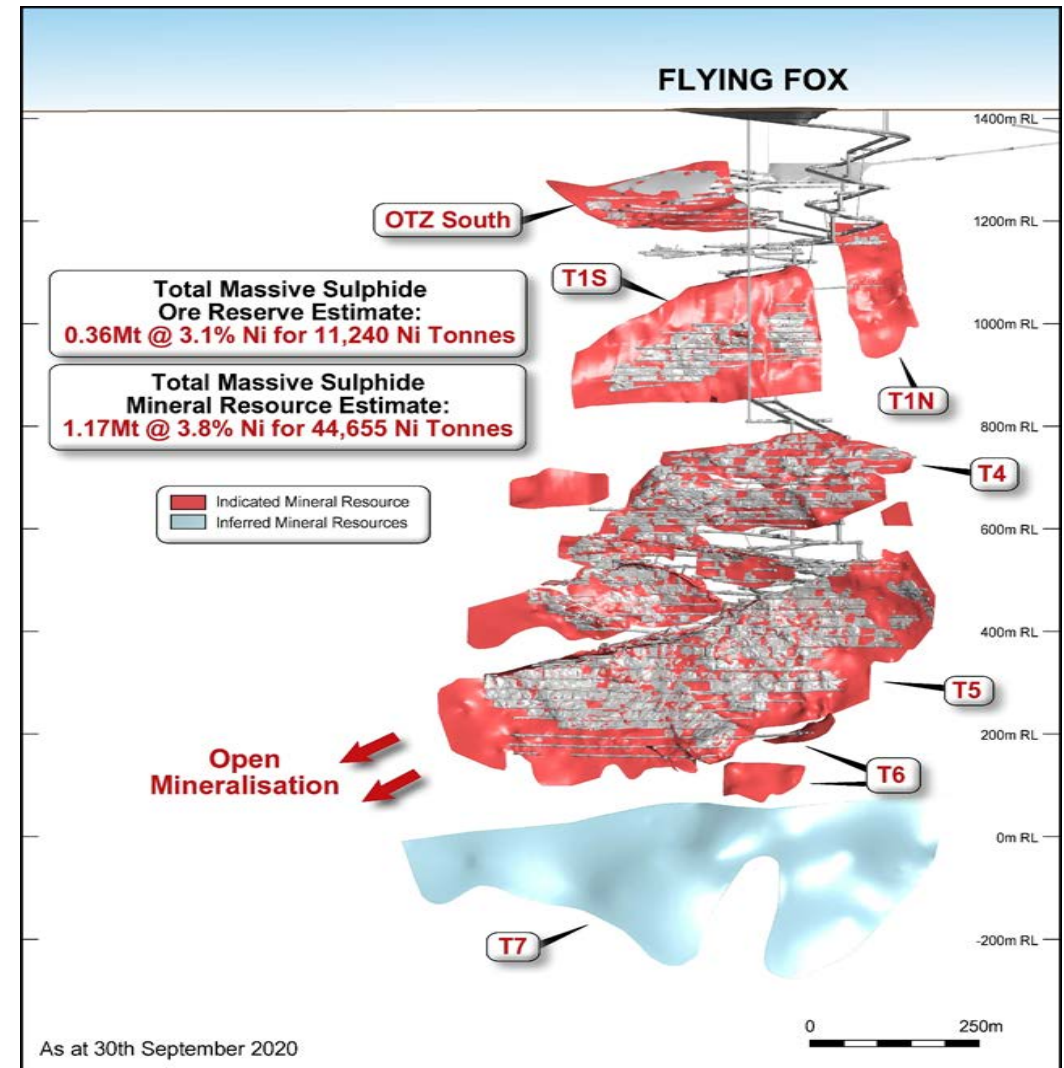


Flying Fox mine

Reserve Contained nickel	0.36Mt @ 3.1% 11,240 Ni tonnes
Resource Contained nickel	1.17Mt @ 3.8% 44,655 Ni tonnes
Mine life (on reserves)	2 years

Key points:

- FY20 production – 10.1k Ni tonnes
- Has been operating for over 15 years
- Significant low grade disseminated resource

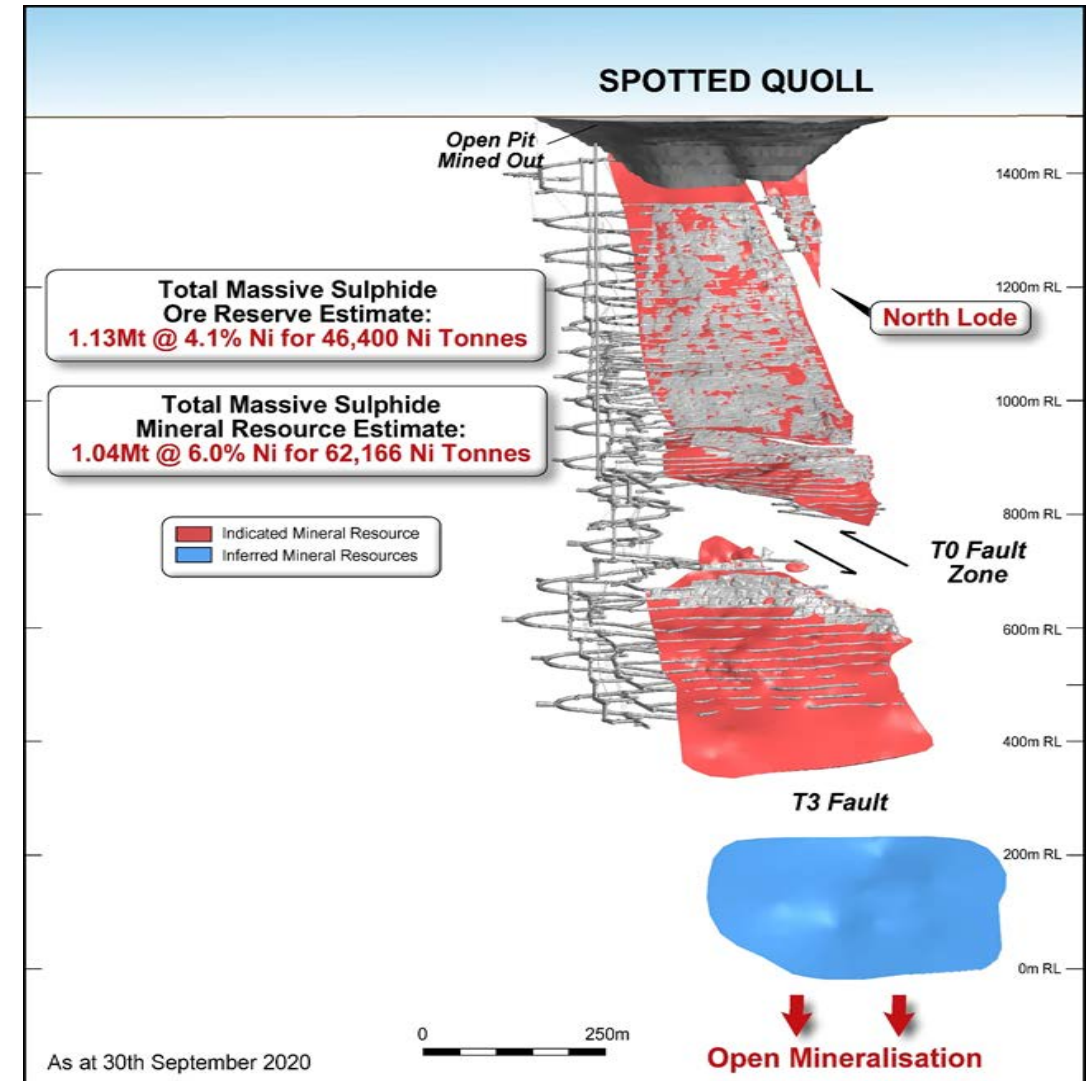


Spotted Quoll mine

Reserve Contained nickel	1.31Mt @ 4.1% 46,400 Ni tonnes
Resource Contained nickel	1.04Mt @ 6.0% 62,166 Ni tonnes
Mine life (on reserves)	5 years

Key points:

- FY20 production – 13.3k Ni tonnes
- Production has outperformed reserve tonnes and grade consistently
- Top down mining with paste fill
- Resource extension drilling on going – nickel tonnes being added to Resource



Offtake contracts best in class

New contracts executed with strategic partners following successful completion of a highly competitive tender process

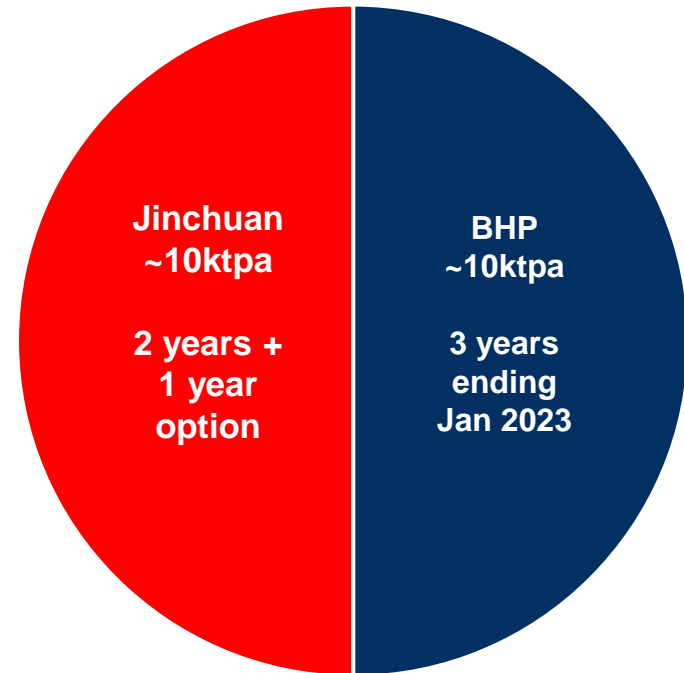
Seamless transition into new contracts. Full benefit of improved commercial terms (compared to previous agreements) commenced February 2020

Premium blending concentrate - superior commercial terms

Our Partners:

- **BHP: 50%**
 - ✓ Australia's largest nickel producer
 - ✓ Building a nickel sulphate plant in Kwinana Western Australia
- **Jinchuan: 50%**
 - ✓ China's largest nickel cathode producer
 - ✓ Direct feeder of the Chinese nickel sulphate market

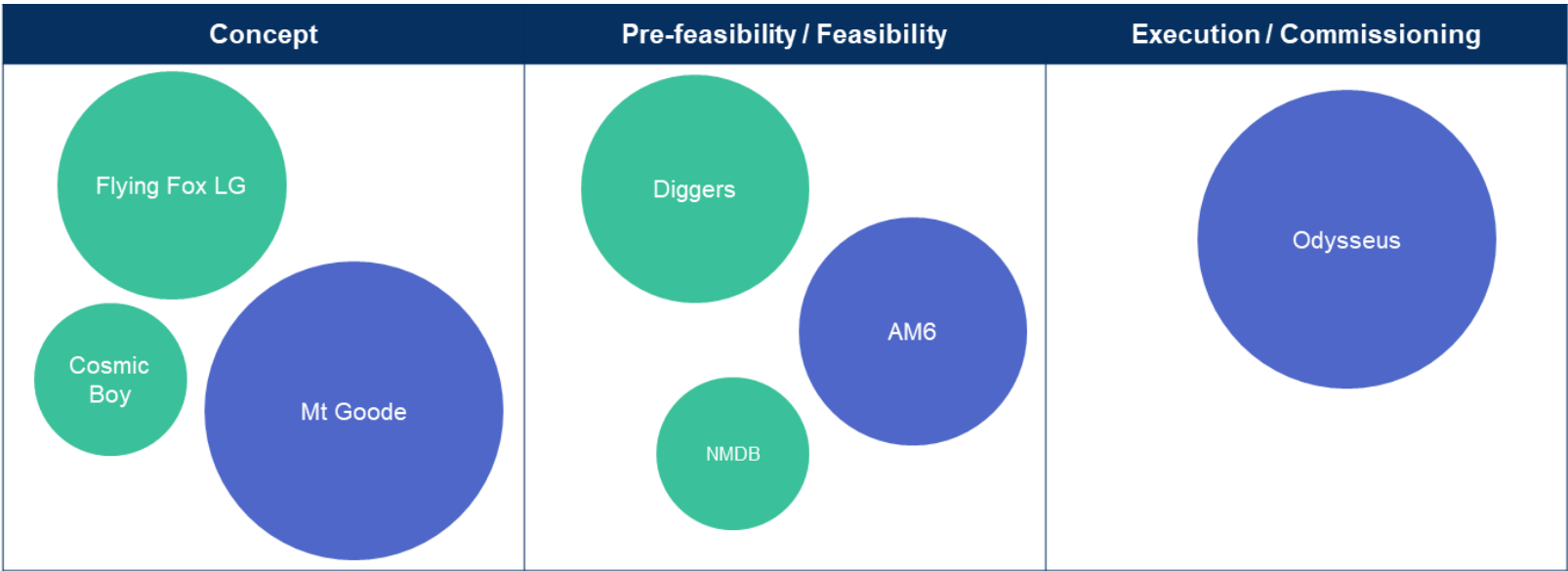
Discussion ongoing with offtake parties that are linked to the Electric Vehicle battery pre-cursor sector for future MREP production of high grade premium nickel sulphide and potential for Odysseus concentrate to feed this market.



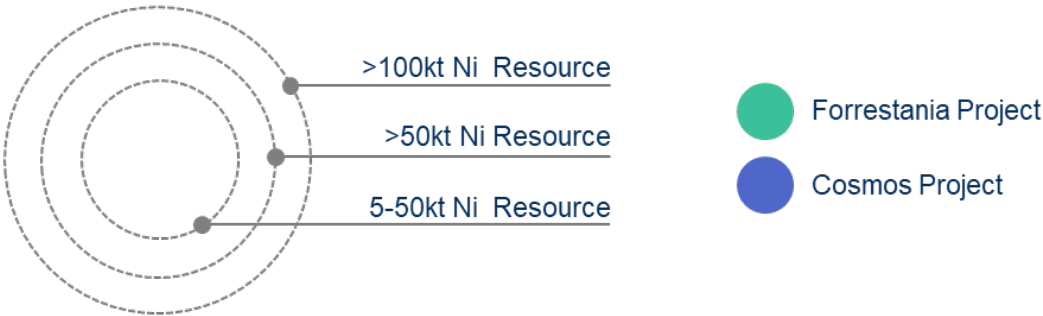
GROWTH AND EXPLORATION



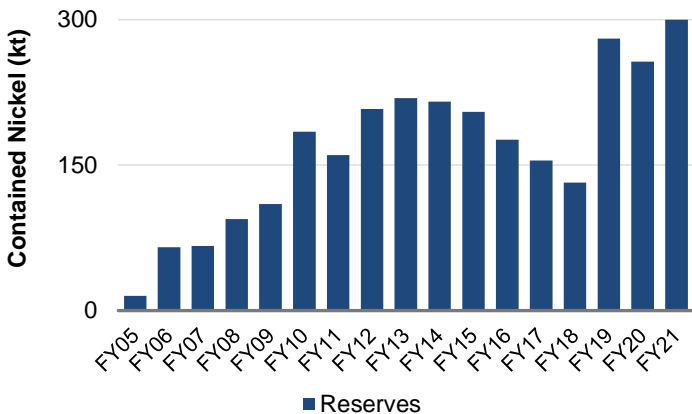
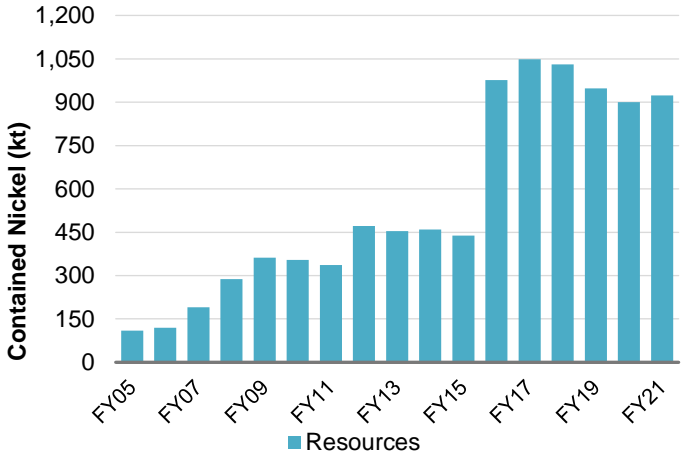
Nickel growth pipeline



- Many projects in the pipeline to drive nickel production well into the future
- Ore Reserves have substantially increased in FY19 with Odysseus and in FY21 with the addition of AM6



Nickel Resources/Reserves



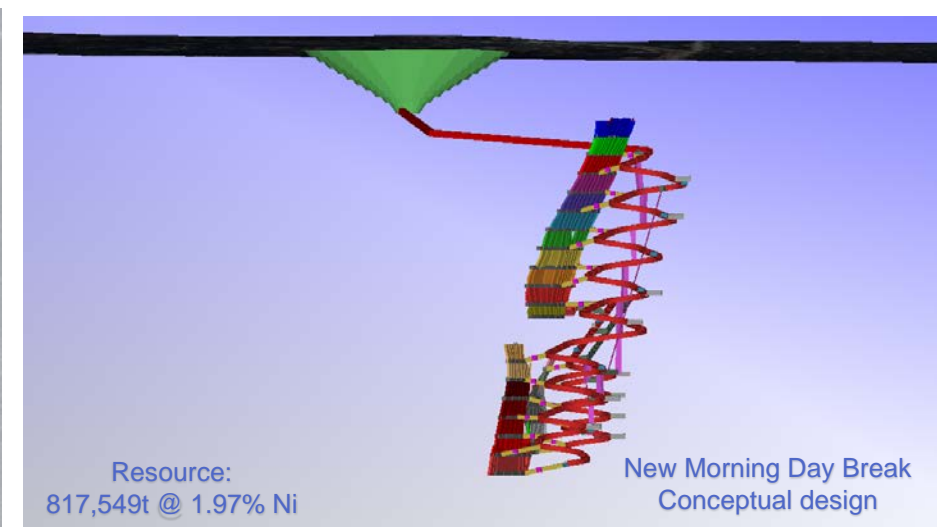
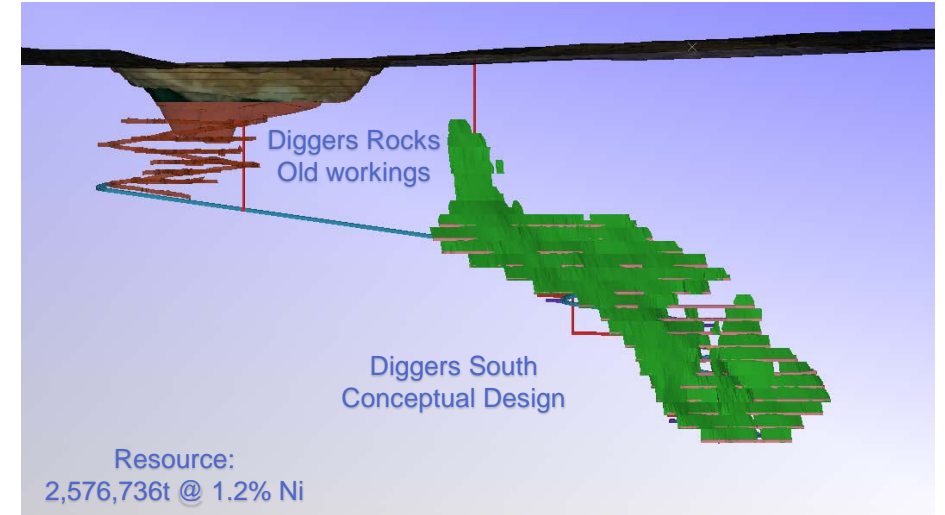
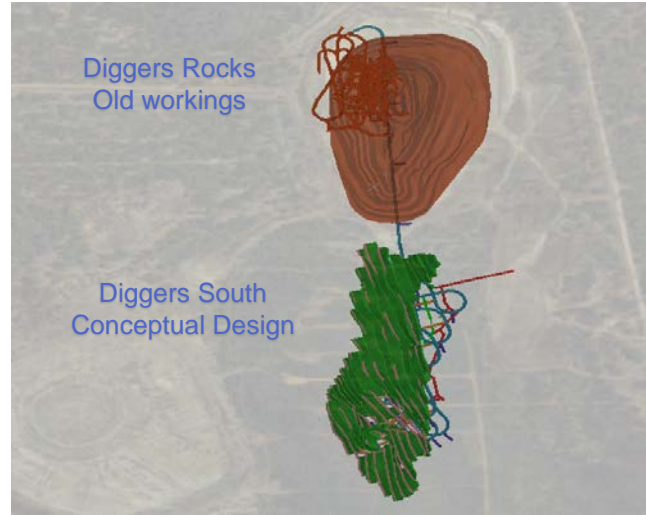
MREP unlocks value- mill scats heap leach project



Forrestania nickel operation – opportunities

WESTERN AREAS' CURRENT OPERATIONAL HUB:

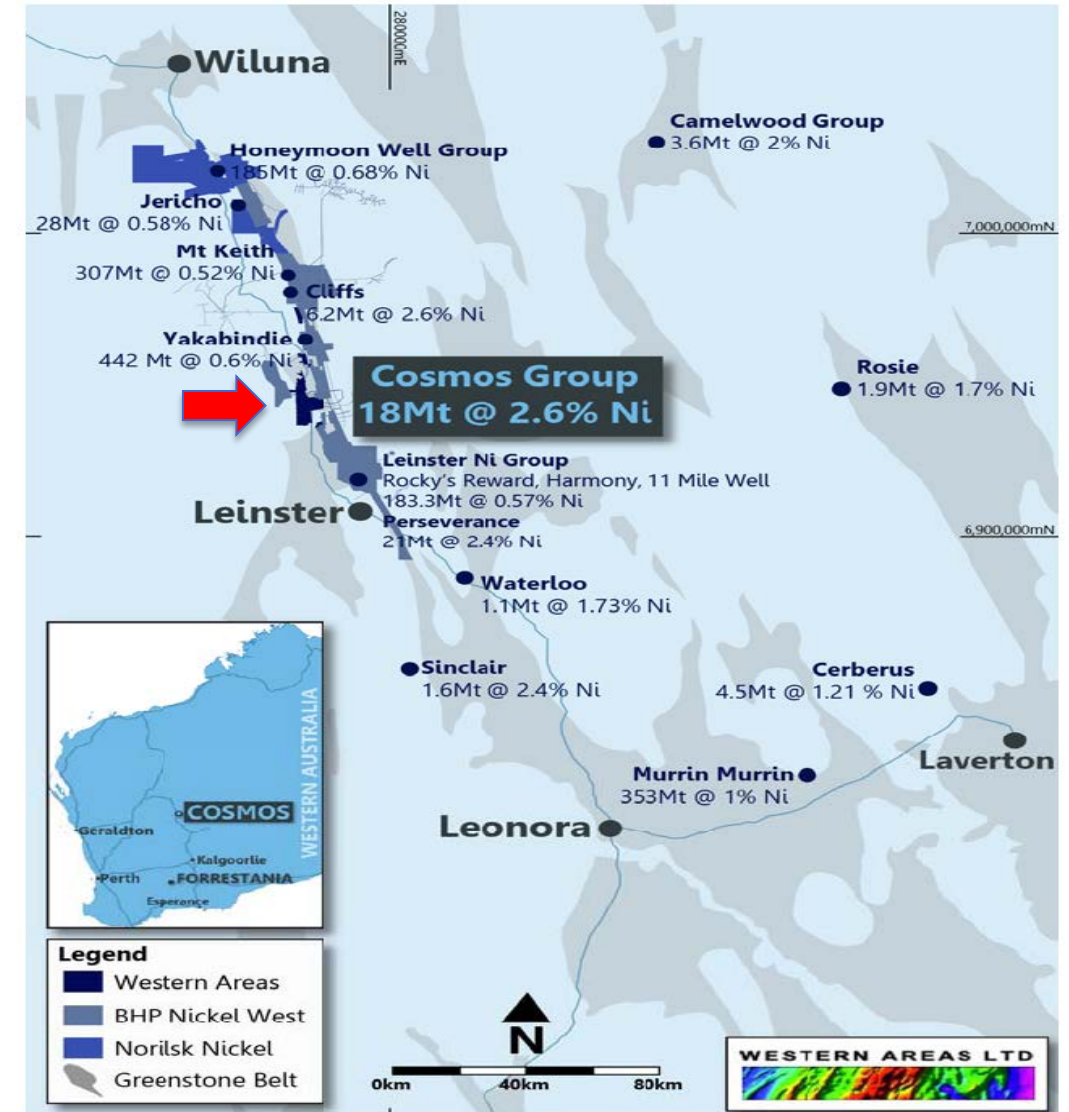
- Outstanding nickel address
- **Total Resources of 307k tonnes of nickel**
- Mining since 2005
- Established infrastructure
- Two operating mines Flying Fox and Spotted Quoll
- **New projects developing:**
 - Scats Heap Leach
- **Strong upside potential:**
 - New Morning Daybreak
 - Diggers South



Cosmos nickel operation – Odysseus mine

WESTERN AREAS' SECOND OPERATIONAL HUB:

- Outstanding nickel address
- **Total Ore Reserves of 211k tonnes of nickel**
- Strategically located between Nickel West Leinster and Mt Keith mines
- Established infrastructure



Odysseus mine – a long life, low cost project, 10yrs + +

- **Odysseus - Long life, low cost project:**

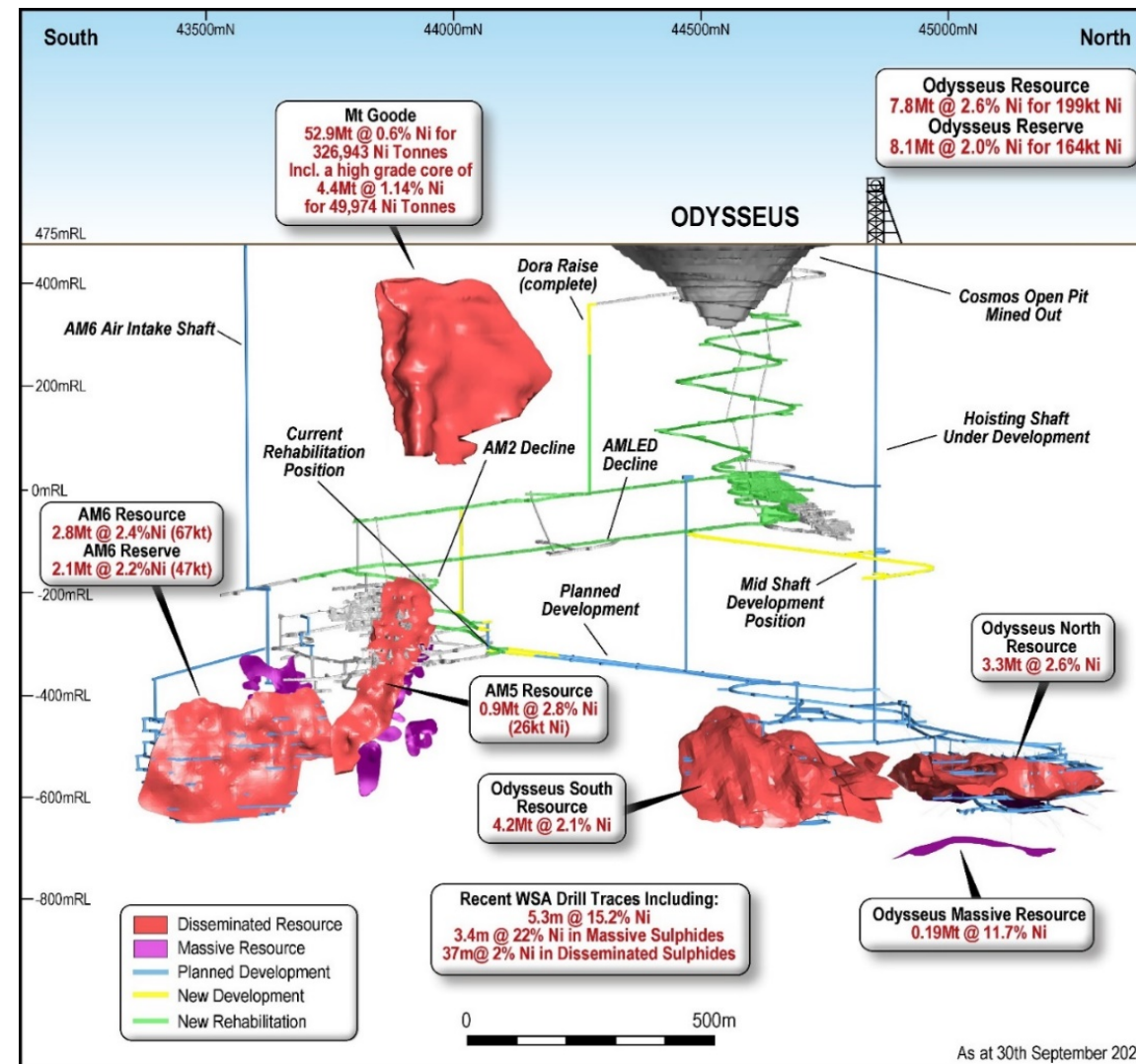
- ✓ Ore Reserve 8.1mt @ 2.0% for 164kt nickel
- ✓ Mine life > 10 years
- ✓ AISC A\$3.50/lb
- ✓ Average nickel in concentrate production 14.5ktpa from FY24

- **AM6 now a value add:**

- ✓ Ore Reserve 2.1mt @ 2.2% for 47kt nickel
- ✓ Increasing mine life and capital efficiency

- **Significant upside:**

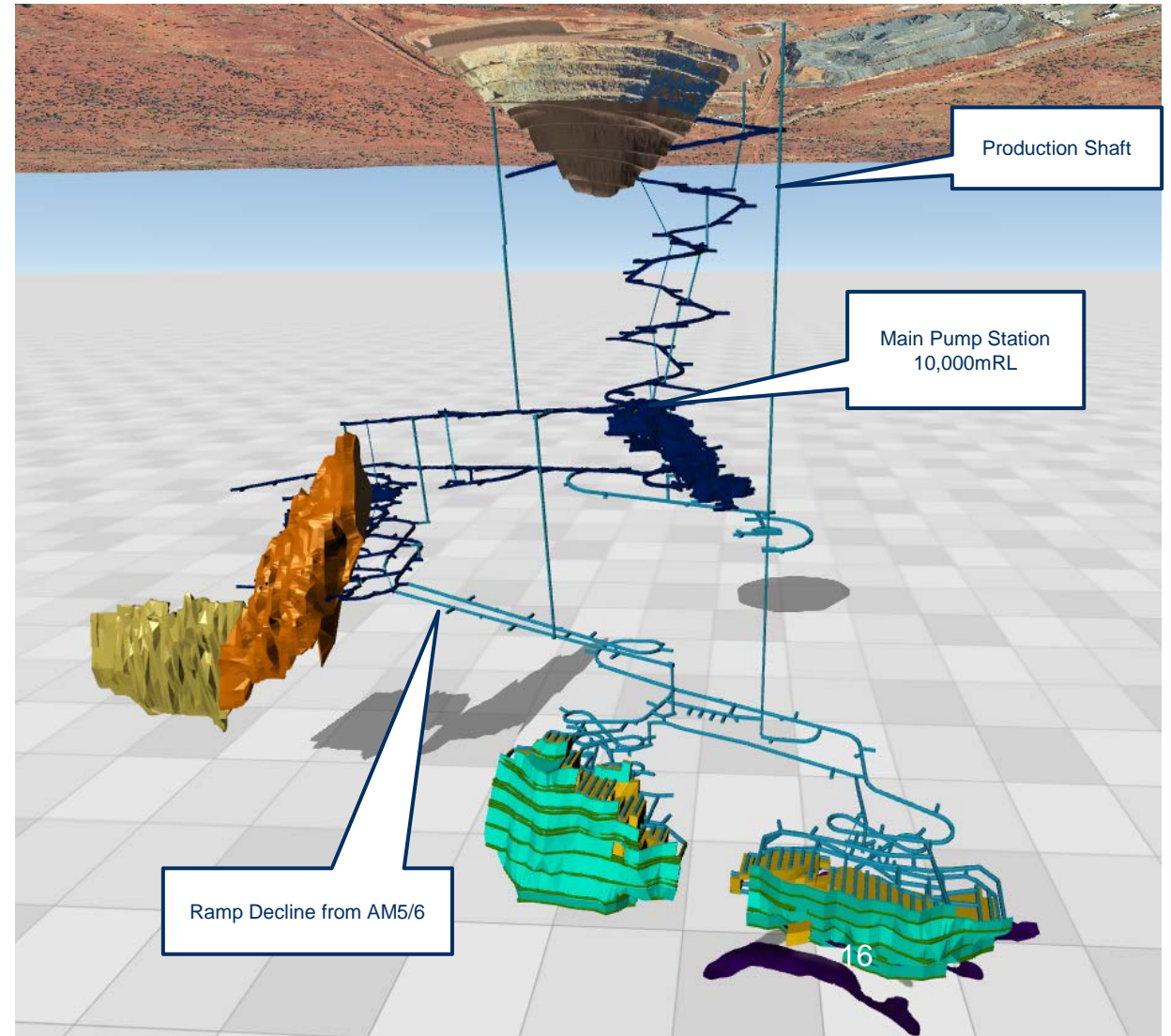
- ✓ Record 22% Ni massive sulphide intersections in lenses below Odysseus



Odysseus mine – underground infrastructure

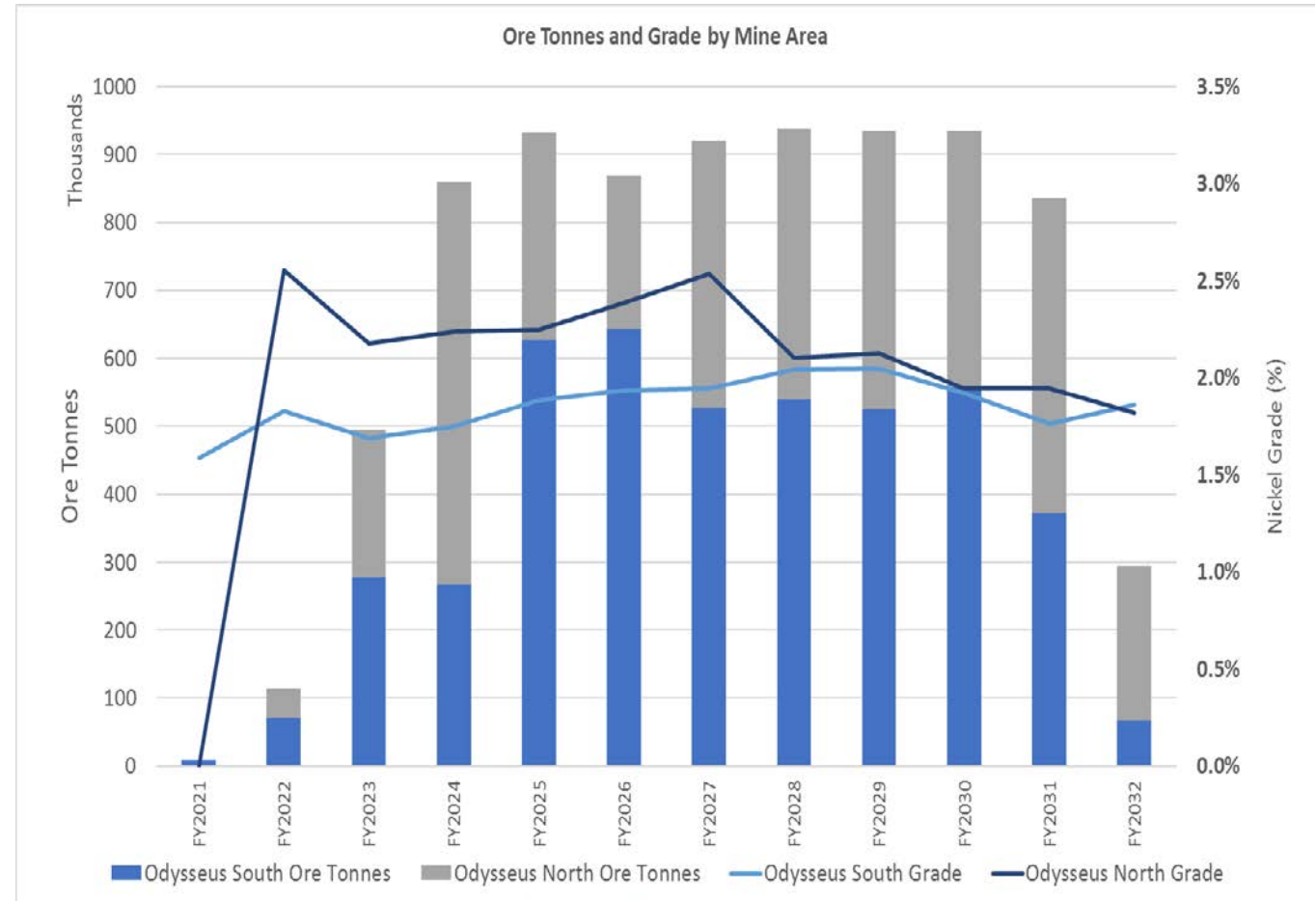
■ Pre-production Activities:

- ✓ Main pump stations and water infrastructure complete
- ✓ Full face development commenced in the Odysseus decline and RAW
- ✓ Pilot hole commenced for hoisting shaft
- ✓ Mine development capex expenditure profile:
FY21 – A\$90m; FY22 – A\$120m; FY23 – A\$42m
- ✓ WSA is well funded with cash and has no debt



Odysseus production ~900k tpa ore

- Minimum 10 year mine life on reserves (OD only)
- Annual ore production of 900kt. First ore scheduled for late CY 21
- First Ni concentrate late CY 2022
- Consistent annual nickel production
- Significant upside now a reality with inclusion of 47kt Ni Reserve for AM6
- Optimisation studies commenced to integrate AM6 Reserves
- 900ktpa concentrator – optimisation studies ongoing



Why a hoisting shaft?

- Shaft infrastructure now enroute to Henderson Port (WA). Will be transported to site by late Dec
- Significant economical and environmental benefits versus trucking
- Combined with renewable power = energy efficient site, 85% reduction in CO₂
- Low, consistent opex and proven technology
- Cycle time: ~3 mins
- Save 1.5 ML diesel burnt pa (DPM)
- Remove 5 MW of heat generated from diesel engines
- Remove minimum 200m³/s of additional ventilation requirement



Key Metrics:

- 5.7m diam. raise bore
- 4 guide ropes per conveyance
- 1.27Mtpa (ore and waste)
- 12 t skips
- 1 truck required to feed shaft
- 4.5 MW peak power

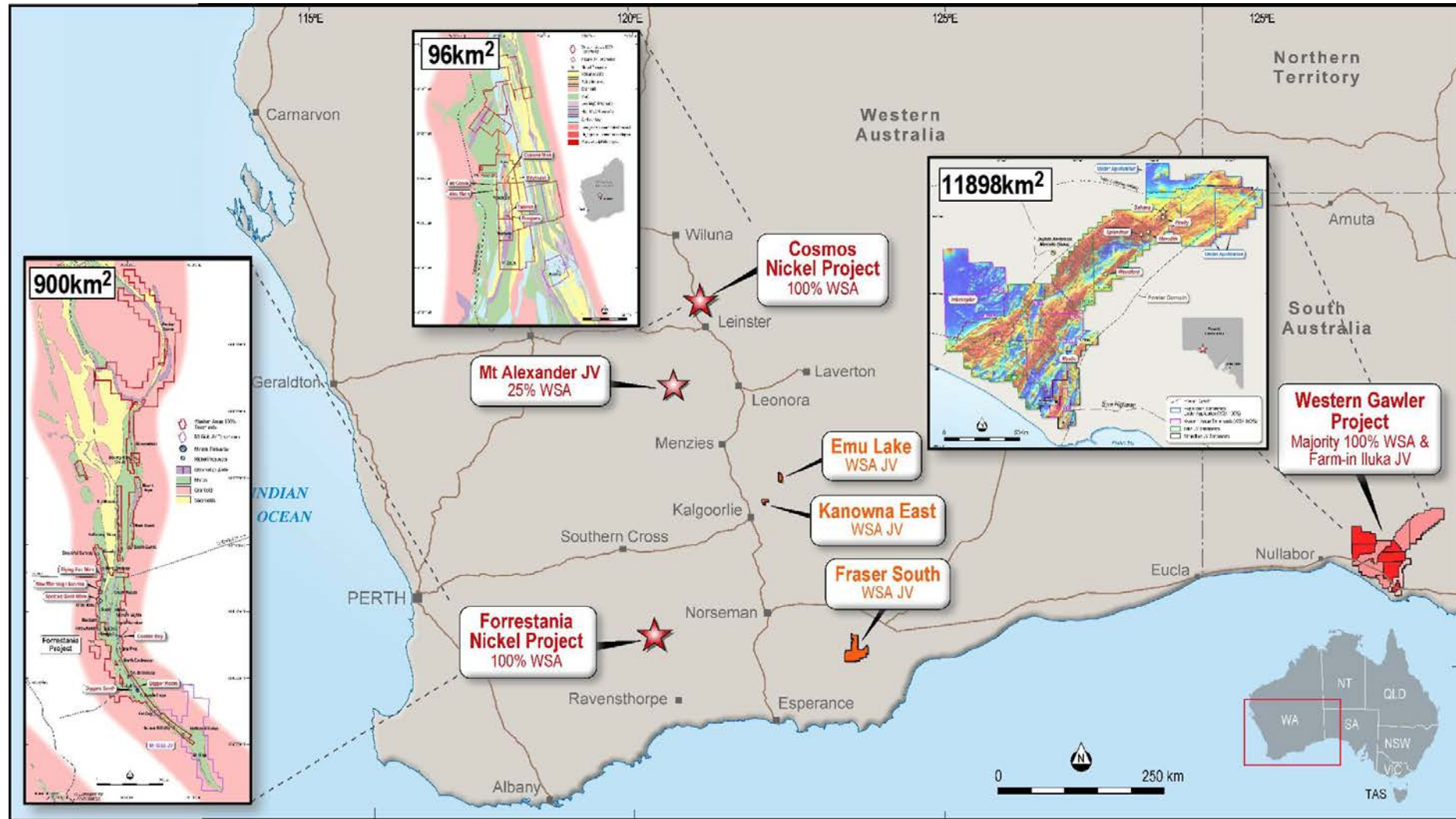
Infrastructure works gaining momentum



All assets from RSA on its way to WA

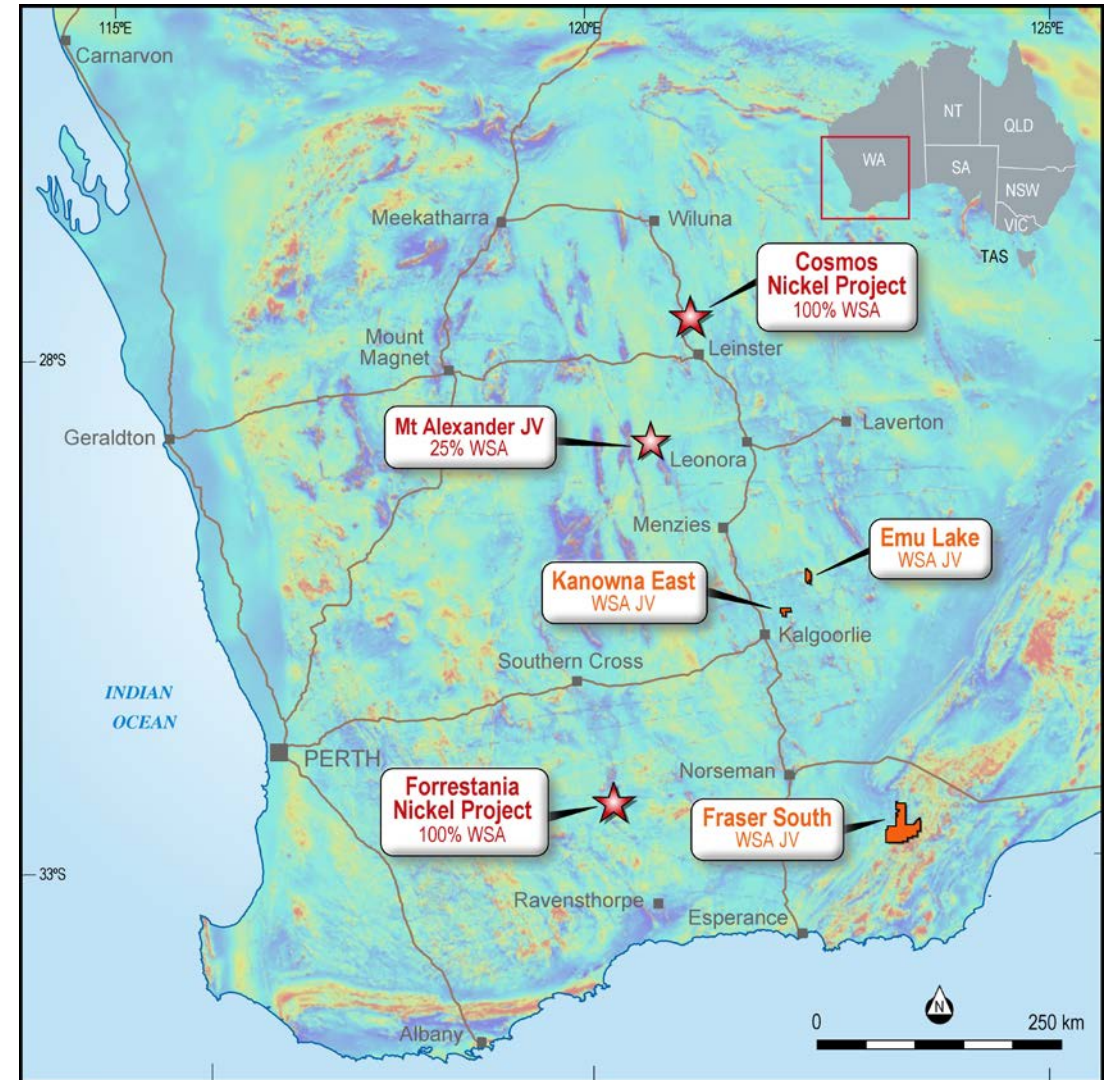


Exploration - key tenement holdings



Metal Hawk JV

- Western Areas has entered into a strategic partnership with Metal Hawk Ltd on highly prospective base metals tenure within both the Eastern Goldfields and Albany – Fraser
- Kanowna East (*earning in to all non-gold rights*)
 - ✓ 10km south of high-tenor Silver Swan complex
- Emu Lake (*earning in to all non-gold rights*)
 - ✓ Along strike from Binti Binti Nickel prospect
- Fraser South (*earning in to all mineral rights*)
 - ✓ Southern, underexplored structural continuation of Albany-Fraser
- Stage 1: \$3m over 3 years for 51%
- Stage 2: \$4m over 2 years for total 75%



NICKEL MARKET

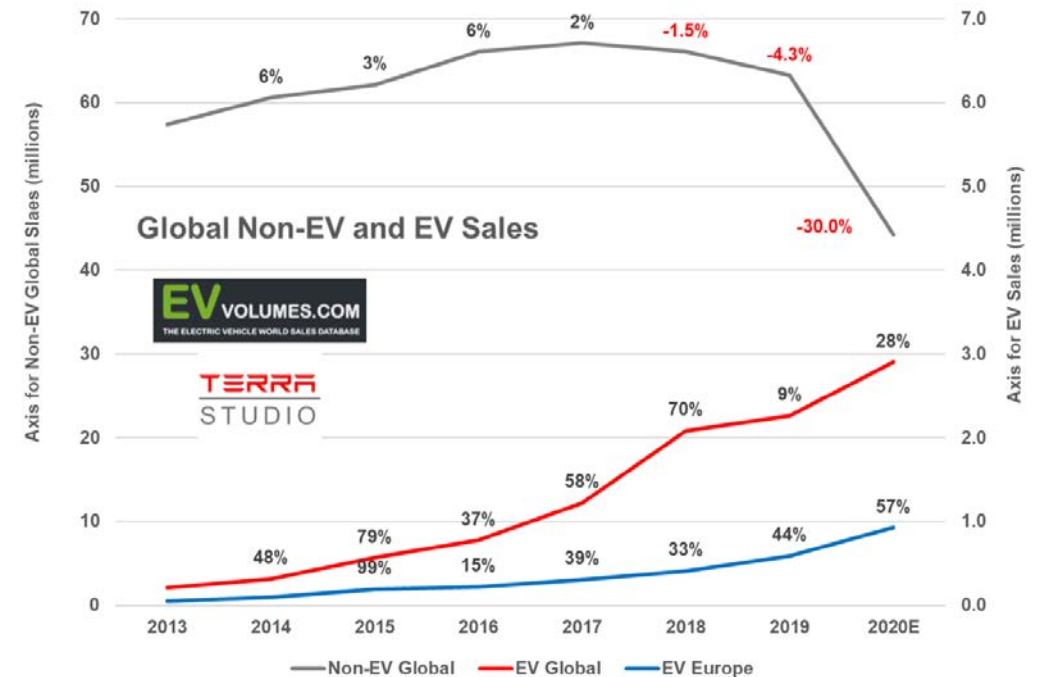


What we are seeing

- **Tesla announce** that they will manufacture own battery cathode to ensure ongoing supply, due to potential shortage of pre-cursor materials such as nickel
- **Growing EV** demand in first half 2020, especially in Europe
- **Major car OEM's** taking position in Chinese market
- **Technology change to NCM 811** which requires higher quantity of nickel, gaining market momentum
- **Jinchuan** (largest nickel cathode producer in China) increasing nickel sulphate volumes
- **Other stockpiles** shrinking on the back Indonesian ban and stainless demand
- **Indonesia ore** export ban still in place, but NPI volume increasing in-country to supply SS demand

Estimated electrification impact per vehicle (avg NMC battery)

40-50kg Ni	50-75kg Cu
5-15kg Co	+ Cu for charging point + Cu for grid access



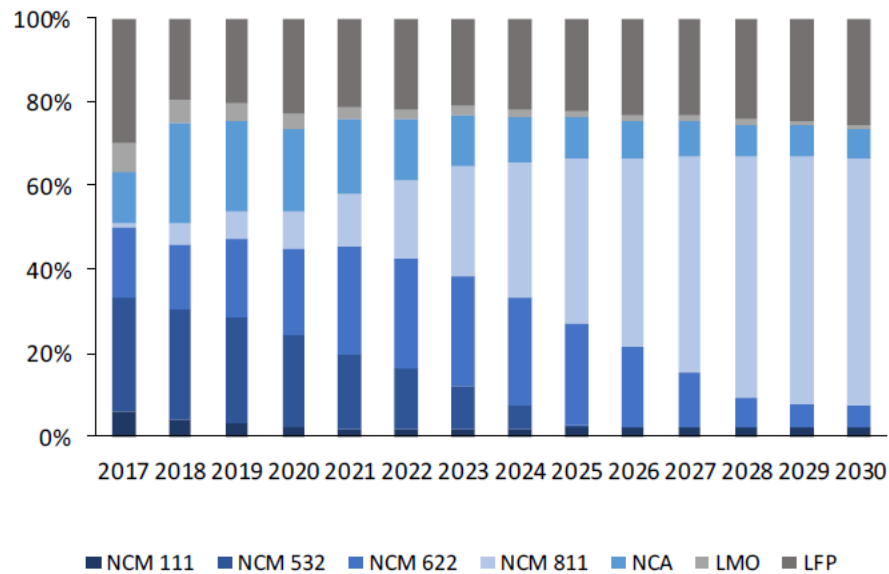
The future – EV demand for nickel

- **Tesla announce;** "Musk said Tesla's new, larger 4680 cell design used cobalt-free cathodes with a high nickel content as it embraced a mine-to-battery approach to drive battery costs lower, increase manufacturing efficiencies and accelerate the world's transition to sustainable energy."
- **Potentially very** significant incremental demand versus a current nickel market size of c.2,2mt
- **Research indicates NMC 811** will be the fastest growing battery combination by 2025!
- **VW announced its Zwickau Plant** — currently the world's largest automotive plant — produced its last car with a combustion engine
- **BMW iX3 SUV** recently launched with an 811 NCM battery

MARKET SHARE

BY TYPE OF CATHODE MATERIAL

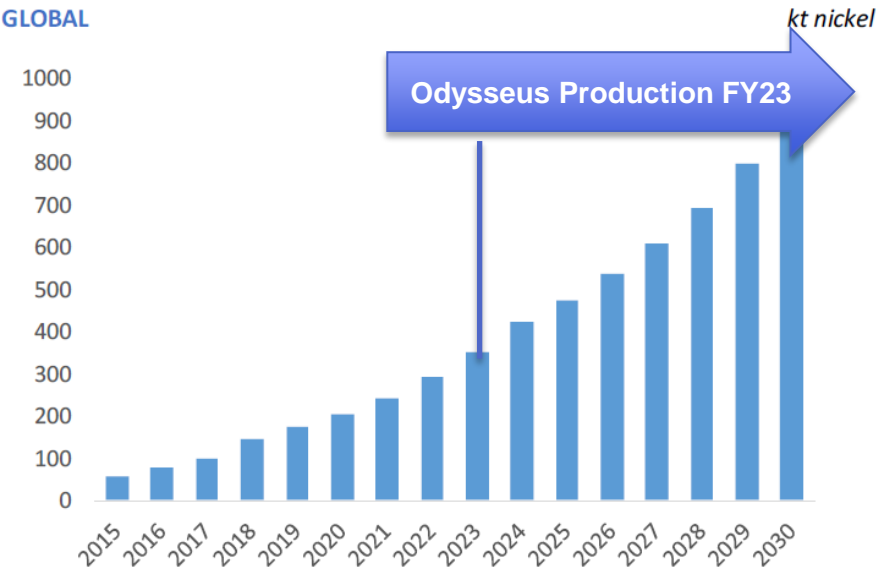
Stated as % of the market



Source: Trafigura Research, SMM

NICKEL DEMAND IN BATTERIES

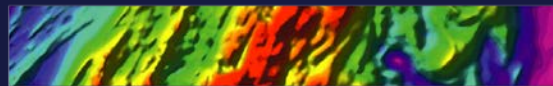
GLOBAL



Source: Trafigura Research, SMM, CIAP – March 2020



WESTERN AREAS LTD



20
YEARS

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