



April 11, 2007

ASX & TSX: WSA

News Release

**WESTERN AREAS NAMED AS TOP 10 GROWING WA COMPANY
BY ERNST & YOUNG AFTER 77% GROWTH IN DECEMBER QUARTER**

Western Areas is pleased to announce that it has been named by Ernst & Young as one of the Top 10 Growing Western Australian (WA) Companies for the December 2006 quarter.

Western Areas market value grew by 77% (A\$287 million) in the December quarter from \$373 million to \$661 million. This placed Western Areas amongst the Top 10 companies identified in the inaugural publication of *"On the Move"*, Ernst & Young's WA Quarterly Growth Report. The Company's current market capitalisation is approximately \$830 million.

The growth during the December quarter coincided with the commencement of underground production from Western Area's high grade Flying Fox nickel mine in the Forrestania project. Underground production continues to increase with Western Areas recently accessing a second high grade deposit in the mine, which should increase production by at least 50% in the June quarter.

Investigation by Ernst & Young of the Top 10 featured companies revealed several success factors. Success for the Top 10 companies was predicated on long-term planning, well resourced human capital strategies, and a strong customer focus. Ernst & Young also identified the most striking commonality between the Top 10 companies as the depth of experience of their management teams, combining previous roles in large corporations with highly specific industry experience.

The mining companies identified in the Top 10 also benefited from the fact that none of them were recent passengers on the exploration bandwagon. Most had been investing in exploration for many years and were working on their underlying projects long before the commodity boom. Western Areas first began work on the Forrestania project in mid-2002.

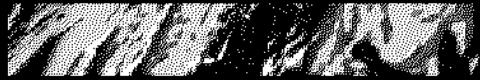
Western Areas Managing Director, Mr Julian Hanna, said the recognition by Ernst & Young reflected the investment the company had made in developing the Flying Fox project.

"To date over \$35 million has been spent exploring Flying Fox and Diggers South. This investment has well and truly paid off, as we now are now ramping up production at one of the highest grade nickel mines in the world," Mr Hanna said.

"Our exploration program continues at Flying Fox and other targets at Forrestania as well as at other nickel projects in Western Australia and in Canada. All of these developing projects, as well as forecast long-term demand for nickel, point to a long and healthy future for Western Areas as a mid-tier low cost nickel producer."

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About Western Areas

Western Areas is an Australian based nickel sulphide producer. The company has a market capitalisation of approximately A\$830M and is listed on both the Australian and Toronto Stock Exchanges. (ASX & TSX code: WSA). Western Areas has offices in Perth and Toronto.

The company's core asset is the 100% owned, 90km long Forrestania Nickel Project, located 400km east of Perth, Western Australia. The primary discovery, Flying Fox, is one of the highest grade nickel mines in the world. The current Indicated Mineral Resource is 1.2M tonnes at 6.4% Ni containing approximately 77,600 tonnes nickel and the Inferred Mineral Resource is 0.2Mt at 6.8% nickel containing 12,900 tonnes nickel. Underground production from the first of a number of high grade deposits at Flying Fox commenced in October 2006.

A pre-feasibility study is well advanced to bring a second mine into production at Diggers South, 40km south of Flying Fox. Diggers South has the potential to add approximately 5,000 tonnes of nickel in concentrate per annum to overlap Flying Fox production which is anticipated will ramp up to 10,000 to 12,000 tonnes of nickel in concentrate per annum.

Exploration is a top priority for Western Areas with many high priority targets yet to be tested along strike from Flying Fox and along the eastern nickel belt at Forrestania which hosts the large Diggers South deposit and the Cosmic Boy Mine previously mined by Outokumpu. Western Areas spends an average of A\$1.5 million per month on drilling and geophysics.

The Company is rapidly expanding its nickel interests in Canada with the recent acquisition of 13.9% interest of Canadian listed nickel company Mustang Mineral Corp. Western Areas has an option to increase this interest to 19.9%. Mustang is conducting a pre-feasibility study for an open pit mine at the Maskwa nickel deposit, located 150km east of Winnipeg in Manitoba.

About Ernst & Young “On the Move” WA Quarterly Growth Report

On the Move is a quarterly WA growth report compiled from publicly available information provided by the ASX and Bloomberg on the market capitalisation of each Western Australian listed company. A company is included as a Western Australian Company where its head office is in Western Australia, regardless of whether the company is dually listed.

Information on Western Australian listed companies is then analysed to determine the fastest growing WA companies of the quarter. Face-to-face interviews with the Chief Executive Officer of the top companies for the quarter are also conducted covering a series of questions concerning the key factors as to why they are performing ahead of the market.

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FORWARD LOOKING STATEMENT: This release contains certain forward-looking statements. 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.

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

For Purposes of Clause 3.4 (e) in Canadian instrument 43-101, the Company warrants that Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.