18 February, 2020

Reporting Period

The reporting period is the half year ended 31 December 2019. The previous corresponding period is 31 December 2018.

Results for announcement to the market

		% Change		Amount A$'000
Revenue from ordinary activities	Up	26%	to	156,203
Profit from ordinary activities after tax attributable to members of Western Areas Ltd	Up	16,367%	to	24,701
Net Profit attributable to members of Western Areas Ltd	Up	16,367%	to	24,701

Dividends

The company paid a final fully franked dividend for the financial year ended 30 June 2019 of 2.0 cents per ordinary share on 5 October 2019.

The company will pay a fully franked interim dividend of 1.0 cents per ordinary share for the half year ended 31 December 2019 on 3 April 2020. The record date of the dividend will be 13 March 2020.

Dividend Reinvestment Plan

The Company operates a Dividend Reinvestment Plan (the Plan) which allows eligible shareholders to elect to invest dividends in ordinary shares which rank equally with the ordinary shares of the Company. The allocation of price for shares under the Plan will be calculated as the average of the daily volume weighted average market price of all Western Areas shares traded on the Australian Securities Exchange during the period of 10 trading days commencing on 17 March 2020.

The last date for receipt of applications to participate in or to cease or vary participation in the Plan is by 5:00pm (AEST) on 16 March 2020. The Directors have determined that a 3% discount shall apply to the allocation price and the Plan will not be underwritten. Shares to be allocated under the Plan will be issued to participants on 3 April 2020.

A copy of the plan rules is available at www.westernareas.com.au/investor-centre/asx-announcements

Net Tangible Asset Backing

	Current half	Previous half
The net tangible assets per security	196.0 cents	172.8 cents

The statement of financial position, balance sheet, cashflow statement and associated notes are contained in the financial statements in the attached Interim Financial Report for the period ended 31 December 2019. Other detailed commentary on the variation between the results for the half year ended 31 December 2018 and the comparative period is provided in the Directors Report of the Interim Financial Report.

Investments in Controlled Entities

Wholly Owned and Controlled Subsidiaries of Western Areas Ltd:

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

Investments in Associates & Joint Ventures

Associates of Western Areas Ltd did not contribute to the result of the consolidated group for the half year ended 31 December 2019.

Associates of Western Areas Ltd:

- Grid Metals Corp 10.6% (Canadian Entity)

Audit Review & Accounting Standards

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

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

Date: 18 February 2020

Daniel Lougher

Managing Director

WESTERN AREAS LTD

INTERIM FINANCIAL REPORT FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

CONTENTS

CORPORATE DIRECTORY

Directors

Ian Macliver (Chairman)
Daniel Lougher
Richard Yeates
Craig Readhead
Tim Netscher
Natalia Streltsova

Share Registry

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

Company Secretary

Joseph Belladonna

Stock Exchange

Australian Stock Exchange
Code : WSA

Registered Office

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West Perth WA 6005
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Solicitors

Ashurst Australia
2 The Esplanade
Perth WA 6000

Auditors

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

Treasury Advisers

KPMG Treasury
235 St Georges Terrace
Perth WA 6000

Bankers

ANZ Banking Group Limited
77 St Georges Terrace
Perth WA 6000

Risk Advisors

Willis Towers Watson
Level 4
88 William Street
Perth WA 6000

DIRECTORS' REPORT

The Directors submit the Western Areas Limited (WSA or the Company) financial report of the consolidated entity for the six months ended 31 December 2019.

The consolidated financial statements are a general purpose financial report prepared in accordance with the Corporations Act 2001, AASB 134 "Interim Financial Reporting", Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report does not include full disclosures of the type normally included in an annual report. It is recommended that this financial report be read in conjunction with the 30 June 2019 annual financial report and any other public announcements made by Western Areas during the half year in accordance with continuous disclosure requirements arising under the Corporations Act 2001. The financial report covers Western Areas and its controlled entities (the "Consolidated Entity"). Western Areas is a listed public company, incorporated and domiciled in Australia. The accounting policies adopted are consistent with those of the previous financial year.

The effective date of this report is 18 February 2020.

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

Dividends Paid or Recommended

In respect of the half year ended 31 December 2019, the Board of Directors declared an interim fully franked dividend of 1 cent to the holders of fully paid ordinary shares on 18 February 2020.

Auditor's Declaration

The lead auditor's independence declaration under s307C of the Corporations Act 2001 is set out on page 15 for the half-year ended 31 December 2019.

Directors

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

Ian Macliver	Independent Chairman
Daniel Lougher	Managing Director and Chief Executive Officer
Richard Yeates	Independent Director
Craig Readhead	Independent Director
Tim Netscher	Independent Director
Natalia Streltsova	Independent Director

Company Secretary

Joseph Belladonna	Chief Financial Officer and Company Secretary

REVIEW OF OPERATIONS

The first half of the financial year has continued to deliver reliable and consistent production from the Forrestania Operations. When compared to the prior corresponding period, nickel production remained relatively consistent while sales volume was 13% lower, impacted by a timing variance related to the December export shipment which commenced loading on 31 December 2019 and completing loading on 1 January 2020. Despite the lower sales volume, sales revenue increased by 26% due to a higher realised nickel price. Unit cost of production remains in line with guidance. The Company remains in a sound financial position with no debt and the ability to internally fund development and growth initiatives.

31 December 2019 Half Year Operating Metrics:

- Combined mine production of 292,288 ore tonnes at an average nickel grade of 4.0% for 11,654 (25.7M lbs) nickel tonnes.
- The Cosmic Boy concentrator processed 293,138 tonnes of ore at 4.1% head grade at 89% recovery to produce 10,658 (23.5m lbs) tonnes of nickel in concentrate.
- Total nickel sales comprised 62,495 tonnes of concentrate containing 9,042 (20.0m lbs) tonnes nickel.

31 December 2019 Half Year Financial Metrics:

- Sales revenue of A$156.2m.
- Average realised price of nickel increased by 42% to A$10.57/lb.
- Reported Net Profit After Tax (NPAT) of A$24.7m.
- Operating cashflow of A$74.9m.
- Cash at bank was A$184.9m.

Growth Project

At Odysseus, located at the Company's 100% owned Cosmos Nickel Complex, the construction programme is making excellent progress, hitting the key development milestones required to continue advancing this new, long life mining operation. Underground mine development and surface infrastructure construction accelerated with the life of mine pump station and de-watering reticulation systems commissioned, and underground decline rehabilitation recommencing in newly dewatered areas of the mine. Solid progress has been made toward the refurbishment of the shaft headgear and winder in South Africa with opportunistic and cost effective structural and painting works now to be completed before shipment to site for erection. Mining studies for the AM5/6 deposits at Odysseus are continuing, which will provide upside and optionality within the mining production sequences.

On behalf of the Board

Daniel Lougher
Managing Director
Dated 18 February 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For The Six Months Ended 31 December 2019

	Notes	Consolidated Entity 6 months ended	
		Dec 2019 $'000	Dec 2018 $'000
Sales		156,203	123,657
Operating costs		(74,740)	(89,173)
Depreciation and amortisation		(35,078)	(29,887)
Other income		2,937	2,024
Finance costs		(678)	(791)
Employee benefit expenses		(5,344)	(4,414)
Foreign exchange (loss) / gain		(904)	56
Administration and other expenses		(3,660)	(2,341)
Care and maintenance expenses		-	(1,360)
Share based payments		(921)	(1,460)
Realised derivative (loss) / gain		(3,863)	3,603
Profit / (Loss) before income tax		**33,952**	**(86)**
Income tax (expense) / benefit		(9,251)	236
Profit for the half year		**24,701**	**150**
Other comprehensive profit / (loss) net of tax			
Items that may be reclassified to profit or loss			
Changes in fair value of hedging instruments		4,738	1,485
Changes in fair value of financial assets net of tax		(7,593)	(13,807)
Total comprehensive profit / (loss) for the half year		**21,846**	**(12,172)**
Basic earnings per share (cents per share)		**9.03**	**0.05**
Diluted earnings per share (cents per share)		**8.89**	**0.05**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As At 31 December 2019

	Notes	Consolidated Entity	
		31 Dec 2019 $'000	31 June 2019 $'000
Current Assets			
Cash and cash equivalents		184,905	144,261
Trade and other receivables		9,319	22,888
Inventories		36,628	22,483
Derivative financial instruments through other comprehensive income		4,762	39
Total Current Assets		**235,614**	**189,671**
Non-Current Assets			
Property, plant and equipment		129,298	131,394
Right of Use Asset	6	2,759	-
Intangible assets		506	506
Exploration & evaluation expenditure		115,378	110,444
Mine properties		158,064	130,790
Financial assets at fair value through other comprehensive income	5	760	33,725
Total Non-Current Assets		**406,765**	**406,859**
Total Assets		**642,379**	**596,530**
Current Liabilities			
Trade and other payables		50,746	48,974
Lease liabilities	7	1,009	399
Provisions		4,240	4,061
Provision for income tax		8,872	-
Derivatives financial instruments through other comprehensive income		-	15
Total Current Liabilities		**64,867**	**53,449**
Non-Current Liabilities			
Lease Liabilities	7	2,951	495
Provisions		32,744	25,947
Deferred tax liabilities		22,276	15,062
Total Non-Current Liabilities		**57,971**	**41,504**
Total Liabilities		**122,838**	**94,953**
Net Assets		**519,541**	**501,577**
Equity			
Contributed equity		443,363	442,963
Other reserves		46,908	48,574
Retained earnings		29,270	10,040
Total Equity		**519,541**	**501,577**

The accompany notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Six Months Ended 31 December 2019

	Issued Capital	Capital Raising Expenses	Share Based Payment Reserve	Hedge Reserve	Investment Reserve	Accumulated Profit/(loss)	Total Equity
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
TOTAL EQUITY AT 1 JULY 2018	459,184	(16,221)	30,864	(1,592)	15,261	1,316	488,812
COMPREHENSIVE INCOME							
Profit for the period						150	150
Other comprehensive income for the period				1,485	(13,807)		(12,322)
Total comprehensive income for the period	**-**	**-**	**-**	**1,485**	**(13,807)**	**150**	**(12,172)**
TRANSACTIONS WITH OWNERS							
Share based payments expense			1,460				1,460
Deferred Tax on Performance Rights			310				310
Dividends paid						(5,470)	(5,470)
TOTAL EQUITY AT 31 DECEMBER 2018	**459,184**	**(16,221)**	**32,634**	**(107)**	**1,454**	**(4,004)**	**472,940**
TOTAL EQUITY AT 1 JULY 2019	459,184	(16,221)	33,407	24	15,143	10,040	501,577
COMPREHENSIVE INCOME							
Profit for the period						24,701	24,701
Other comprehensive income for the period net of tax				4,738	(7,593)		(2,855)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**-**	**-**	**-**	**4,738**	**(7,593)**	**24,701**	**21,846**
TRANSACTIONS WITH OWNERS							
Share Issue	400						400
Share based payments expense			921				921
Deferred Tax on Performance Rights			268				268
Dividends paid						(5,471)	(5,471)
TOTAL EQUITY AT 31 DECEMBER 2019	**459,584**	**(16,221)**	**34,596**	**4,762**	**7,550**	**29,270**	**519,541**

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For The Six Months Ended 31 December 2019

	Notes	Consolidated Entity 6 months ended	
		Dec 2019 $'000	Dec 2018 $'000
Cash flows from operating activities			
Receipts from customers		180,897	132,597
Payments to suppliers and employees		(97,078)	(88,963)
Interest received		841	1,600
Royalties paid		(6,468)	(6,120)
Other receipts		1,984	240
Interest paid		(23)	(19)
Realisation on settlement of derivatives		(4,766)	3,659
Income Tax Paid		(450)	-
Net cash inflow from operating activities		**74,937**	**42,994**
Cash flows from investing activities			
Payments for property, plant and equipment		(22,864)	(29,337)
Proceeds from sale of investment in listed Companies		33,115	-
Investments in Listed Companies		(133)	-
Mine development expenditure		(27,345)	(14,495)
Exploration & evaluation expenditure		(11,162)	(10,851)
Net cash outflow from investing activities		**(28,389)**	**(54,683)**
Cash flows from financing activities			
Borrowing cost		-	(50)
Finance lease payments		(433)	(172)
Dividends paid to company's shareholders		(5,471)	(5,470)
Net cash outflow from financing activities		**(5,904)**	**(5,692)**
Net increase / (decrease) in cash and cash equivalents held		40,644	(17,381)
Cash and cash equivalents as at the beginning of the period		144,261	151,643
Cash and cash equivalents at end of the half year		**184,905**	**134,262**

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

For The Six Months Ended 31 December 2019

Note 1: Significant Accounting Policies and Basis of preparation

Statement of compliance

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

Basis of preparation

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

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

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's annual financial report for the financial year ended 30 June 2019 except for the new policies resulting from the adoption of new standards effective as of 1 January 2019. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

New or amended Accounting Standards and Interpretations adopted

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

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

The following Accounting Standards and Interpretations are most relevant to the consolidated entity;

AASB 16 Leases

The consolidated entity has adopted AASB 16 from 1 July 2019. The standard replaces AASB 117 'Leases' and for lessees eliminates the classifications of operating leases and finance leases. Except for short-term leases and leases of low-value assets, right-of-use assets and corresponding lease liabilities are recognised in the statement of financial position. Straight-line operating lease expense recognition is replaced with a depreciation charge for the right-of-use assets (included in operating costs) and an interest expense on the recognised lease liabilities (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies and Basis of preparation (Continued)

AASB 16 Leases (Continued)

However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results improve as the operating expense is now replaced by interest expense and depreciation in profit or loss. For classification within the statement of cash flows, the interest portion is disclosed in operating activities and the principal portion of the lease payments are separately disclosed in financing activities.

The Group has made the following choices, as permitted by AASB 16:

- Not to bring short-term leases (12 months or fewer to run as at 1 July 2019 including reasonably certain options to extend) on the statement of financial position. Costs for these items will continue to be expensed directly to the income statement;
- Not to bring low value leases on the statement of financial position. Costs for these items will continue to be expensed directly to the income statement; and
- Not to apply AASB 16 to contracts that were not previously identified as containing a lease applying AASB 117 and Interpretation 4.

Impact of adoption

AASB 16 was adopted using the modified retrospective approach and as such the comparatives have not been restated.

	1 July 2019
	$'000
Operating lease commitments as at 1 July 2019 (AASB 117)	1,435
Discounted based on the weighted average incremental borrowing rate of 3% at date of initial application (AASB 16)	2,965
Finance lease liabilities as at 1 July 2019 (AASB 117)	894
Short-term leases not recognised as a right-of-use asset (AASB 16)	-
Low-value assets leases not recognised as a right-of-use asset (AASB 16)	-
Lease liability recognised as at 1 July 2019 (AASB 16)	**3,859**
Of which are:	
Lease liabilities - current (AASB 16)	941
Lease liabilities - non-current (AASB 16)	2,918
	3,859

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Significant Accounting Policies and Basis of preparation (Continued)

AASB 16 Leases (Continued)

Right-of-use assets (Continued)

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 2: Contingent Liabilities

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 3: Subsequent Events

Offtake Agreements

During January 2020, the Company entered into new offtake agreements with BHP Billiton Nickel West Pty Ltd (Nickel West) and Jinchuan Co. Ltd (Jinchuan) as the current agreements with Nickel West and Tsingshan expire on 30 January 2020.

The key terms of the new contracts include:

Nickel West

- Contract Period – Three years from 1 February 2020 or until completion of the aggregate quantity;
- Quantity – 10,000 tonnes of nickel contained in concentrate per annum with a 30,000 tonne, aggregate limit

Jinchuan

- Contract Period – Two years from 1 February 2020 or until completion of the aggregate quantity;
- Quantity – 10,000 tonnes of nickel contained in concentrate per annum with a 20,000 tonne, aggregate limit;
- Optional Extension – The contract can be extended, by mutual agreement, for a further twelve month period at an aggregate nickel quantity to be agreed between the Company and Jinchuan;

Dividends

On 18 February 2020, the Board of Directors declared an interim fully franked dividend of 1 cent per share to the holders of fully paid ordinary shares.

Apart for the above mentioned, no other matter or circumstance has arisen since the half-year ended 31 December 2019 that have significantly affected or may significantly affect the operation of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity in the subsequent financial years.

Note 4: Statement of Operations by Segments

Identification of reportable segment

The Group identifies its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 5: Financial Assets

	Consolidated Entity Fair value as at	
	Dec 2019 $'000	June 2019 $'000
Opening Balance	33,725	33,307
- Acquisition of investment in listed entity	133	536
- Disposal of investment in listed entity	(33,115)	-
- Changes in fair value through other comprehensive income	17	(118)
	760	**33,725**

In accordance with the terms of AASB 9, the Company made an irrevocable election to recognise movements in the fair value of its shares in Kidman Resources Ltd, Todd River Resources Ltd and Grid Metals Inc at each reporting period through Other Comprehensive Income.

On 23 September 2019 the Company sold its shareholding in Kidman Resources Ltd at market value for $33.1M. Profit on sale of the investment of $25.4 has been recognised through equity as per AASB 9. The tax expense of $7.6M on the profit of sale of the investment has been recognised through Other Comprehensive Income in accordance with AASB 9.

Note 6: Right of use asset

	Consolidated Entity Fair value as at	
	Dec 2019 $'000	June 2019 $'000
Land and buildings – right of use	2,966	-
Less: Accumulated depreciation	(207)	-
	2,759	**-**

Additions to the right-of-use assets during the half-year were $2,965,958.

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

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

Note 7: Lease Liabilities

Current	1,009	399
Lease liabilities	2,951	495
	3,960	**894**

AUDITOR'S INDEPENDENCE DECLARATION

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AUDITOR'S INDEPENDENCE DECLARATION

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Western Areas Ltd and its controlled entities for the half-year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been:

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

Crowe Perth

Crowe Perth

Sean McGurk
Partner

Signed at Perth, 18 February 2020

The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is the Crowe Australasia external audit division. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss verein. Each member firm of Crowe Global is a separate and independent legal entity. Findex (Aust) Pty Ltd and its affiliates are not responsible or liable for any acts or omissions of Crowe Global or any other member of Crowe Global. Crowe Global does not render any professional services and does not have an ownership or partnership interest in Findex (Aust) Pty Ltd. Services are provided by Crowe Perth, an affiliate of Findex (Aust) Pty Ltd. Liability limited by a scheme approved under Professional Standards Legislation. Liability limited other than for acts or omissions of financial services licensees.

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF WESTERN AREAS LTD AND ITS CONTROLLED ENTITIES

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Western Areas Ltd and its controlled entities (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2019, the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of Western Areas Ltd and its controlled entities financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Western Areas Ltd and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

INDEPENDENT AUDITOR'S REPORT (CONTINUED…)

Crowe

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Western Areas Ltd and its controlled entities is not in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

(ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Crowe Perth

Crowe Perth

Sean McGurk
Partner

Signed at Perth, 18th February 2020

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DIRECTORS' DECLARATION

The Directors of the Company declare that:

1) The financial statements and notes, as set out on pages 6 to 14 are in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and

   (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting";

2) In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the Board

Daniel Lougher
Managing Director
Dated 18 February 2020