



**West Australian  
Metals Ltd**

ABN: 71 001 666 600  
ACN: 001 666 600

**Registered and  
Operations Office:**  
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Australia 6005

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5 March 2009

Company Announcements Office  
ASX Limited  
Level 4  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir / Madam,

### **ISSUE OF UNSECURED CONVERTIBLE NOTES**

Further to the announcement on 9 February 2009, the Directors of West Australian Metals Limited (WME) wish to advise that having satisfied the conditions precedent, the company has proceeded with the Convertible Note Facility for the amount of \$1,400,000 with Batavia Mining Limited (BTV).

The company also advises that further Convertible Notes for the amount of \$450,000 have been issued to other parties under substantially the same terms and conditions as the Convertible Notes issued to BTV.

Further to the initial investment by BTV of \$1,400,000, BTV have indicated their intention to subscribe for further Convertible Notes for the amount of \$700,000.

Funds raised from the Convertible Notes will be utilised to advance the Marenica Project in Namibia with a diamond drilling program due to commence in April.

WME announced on 26 February 2009 that a shareholders agreement had been executed which secures an 80% interest in Marenica Minerals (Pty) Limited. An application for approval of this transaction will be lodged with the Namibian Competition Commission in due course.

Marenica Minerals (Pty) Limited is the holder of EPL 3287 and is awaiting formal renewal of EPL 3287 by the Ministry of Mines and Energy in accordance with the relevant Namibian statutory process.

An Appendix 3B is attached.

Yours sincerely,

David Semmens  
Company Secretary

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

WEST AUSTRALIAN METALS LIMITED

ABN

71 001 666 600

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |                                                                                                                                                                                                                                              |                                                                                                                                                |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued                                                                                                                                                                                                 | CONVERTIBLE NOTES                                                                                                                              |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued                                                                                                                                                | 37                                                                                                                                             |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | CONVERTIBLE NOTES MATURE 12 MONTHS FROM DATE OF ISSUE AND HAVE A CONVERSION PRICE OF 7 CENTS PER SHARE. INTEREST OF 8% IS PAYABLE ON MATURITY. |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | <p>NO</p> <p>THE CONVERTIBLE NOTES MATURE 12 MONTHS FROM THE DATE OF ISSUE</p>                                                                                                                                                                                                                          |        |        |             |                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|--------|-------------|----------------------------------|
| <p>5 Issue price or consideration</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <p>\$50,000 PER CONVERTIBLE NOTE</p>                                                                                                                                                                                                                                                                    |        |        |             |                                  |
| <p>6 Purpose of the issue<br/>         (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>                                                                                                                                                                                                                                                                                                                                                                                                                               | <p>TO FUND ONGOING EXPLORATION AND WORKING CAPITAL</p>                                                                                                                                                                                                                                                  |        |        |             |                                  |
| <p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>5 MARCH 2009</p>                                                                                                                                                                                                                                                                                     |        |        |             |                                  |
| <p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">331,583,752</td> <td style="text-align: center;">Ordinary fully paid shares (WME)</td> </tr> </tbody> </table> | Number | +Class | 331,583,752 | Ordinary fully paid shares (WME) |
| Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | +Class                                                                                                                                                                                                                                                                                                  |        |        |             |                                  |
| 331,583,752                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Ordinary fully paid shares (WME)                                                                                                                                                                                                                                                                        |        |        |             |                                  |

+ See chapter 19 for defined terms.

|                                                                                                               | Number     | +Class                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | 2,300,000  | Director options exercisable at 15 cents each on or before 30 November 2009                                                                                                                                        |
|                                                                                                               | 1,000,000  | Incentive Options exercisable at 10 cents each on or before 30 May 2009                                                                                                                                            |
|                                                                                                               | 1,000,000  | Incentive Options exercisable at 10 cents each on or before 30 November 2009                                                                                                                                       |
|                                                                                                               | 11,120,000 | Exercisable at 25 cents each on or before 8 May 2009 (only exercisable if the share price has traded at a weighted average price per share of 75 cents for 15 consecutive trading days during the exercise period) |
|                                                                                                               | 37         | Convertible Notes maturing 12 months from date of issue with a conversion price of 7 cents per share.                                                                                                              |

|                                                                                                       |                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | No dividends have been paid by the company during this financial year and any dividends on the increased capital will depend on profits earned. |
|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|

**Part 2 - Bonus issue or pro rata issue**

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

+ See chapter 19 for defined terms.

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|    |                                                                                                                                                                                                                                             |  |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 13 | Ratio in which the +securities will be offered                                                                                                                                                                                              |  |
| 14 | +Class of +securities to which the offer relates                                                                                                                                                                                            |  |
| 15 | +Record date to determine entitlements                                                                                                                                                                                                      |  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?                                                                                                                                          |  |
| 17 | Policy for deciding entitlements in relation to fractions                                                                                                                                                                                   |  |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> |  |
| 19 | Closing date for receipt of acceptances or renunciations                                                                                                                                                                                    |  |
| 20 | Names of any underwriters                                                                                                                                                                                                                   |  |
| 21 | Amount of any underwriting fee or commission                                                                                                                                                                                                |  |
| 22 | Names of any brokers to the issue                                                                                                                                                                                                           |  |
| 23 | Fee or commission payable to the broker to the issue                                                                                                                                                                                        |  |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders                                                                                                                         |  |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting                                                                                                                                                          |  |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled                                                                                                                        |  |

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+ See chapter 19 for defined terms.

|    |                                                                                                                                                             |  |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders |  |
| 28 | Date rights trading will begin (if applicable)                                                                                                              |  |
| 29 | Date rights trading will end (if applicable)                                                                                                                |  |
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker?                                                                           |  |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?                                                |  |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)?                                                                   |  |
| 33 | +Despatch date                                                                                                                                              |  |

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by

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those holders

- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000  
 10,001 - 100,000  
 100,001 and over
- 37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

|        |        |
|--------|--------|
| Number | +Class |
|--------|--------|

+ See chapter 19 for defined terms.

|    |                                                                                            |  |
|----|--------------------------------------------------------------------------------------------|--|
| 42 | Number and +class of all +securities quoted on ASX (including the securities in clause 38) |  |
|----|--------------------------------------------------------------------------------------------|--|

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation

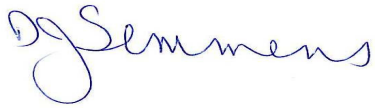
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of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 5 MARCH 2009  
(Company Secretary)

Print name: David J Semmens

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+ See chapter 19 for defined terms.

