



24 May 2007

Company Announcements Office  
Australian Securities Exchange Limited

**PROPOSED SALE OF NON-MARKETABLE SHARE PARCELS**

Further to the Capital Raising Announcement on 27 March 2007 and as part of our continuing capital management process, attached is a letter that Western Metals Limited (WMT) will be dispatching to shareholders with non-marketable parcels of shares (Minority Members).

WMT's Constitution requires WMT to give Minority Members no less than 47 days notice of its intention to dispose of their shareholding.

Mark Bianchini  
Company Secretary



23 May 2007

«TY» «Holder\_No»

«Holder\_Name»  
«Address\_Line\_1»  
«Address\_Line\_2»  
«Address\_Line\_3»  
«Address\_Line\_4»  
«Address\_Line\_5»

### SHARE RETENTION NOTICE

You have been identified as a shareholder that, at 22 May 2007, holds an unmarketable parcel of shares (**Unmarketable Parcel**). An Unmarketable Parcel is defined as a shareholding with a value of less than \$500.

The Constitution of Western Metals Limited (**Company**) allows the Company to sell Unmarketable Parcels on behalf of holders, unless you instruct the Company not to do so.

#### **What you need to do**

If you wish the Company to sell your Unmarketable Parcel of xxx shares

If you do not wish to sell your Unmarketable Parcel of xxx shares

**You need do nothing.** The sales process will occur as set out below.

**You must return the attached Share Retention Notice** to Security Transfer Registrars Pty Ltd at the address stated on the Share Retention Notice by 5pm (WST) on 17 July 2007.

#### **Timetable for Unmarketable Parcel process**

Initial notice of intention to sell Unmarketable Parcels	24 May 2007
Final notice of intention to sell Unmarketable Parcels	9 July 2007
Last date by which holders of Unmarketable Parcels may give written notice to the Company to retain their shareholding	5.00pm (Perth time) on 18 July 2007
Sale of shares commences (at no cost to holders of Unmarketable Parcels)	18 July 2007
Sale process completed and cheques despatched	~ 31 July 2007

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**Western Metals Limited** ABN 69 009 150 618

31 Malcolm Street West Perth WA 6005 PO Box 7485 Cloisters Square WA 6850

**Tel:** +61 8 9481 3003 **Fax:** +61 8 9481 3015 **Em:** [info@westernmetals.com.au](mailto:info@westernmetals.com.au)

**Web:** [www.westernmetals.com.au](http://www.westernmetals.com.au) **ASX:** WMT



**Sale price for Unmarketable Parcels and brokerage costs**

What is the sale price for Unmarketable Parcels of Shares?

Unless you instruct the Company not to sell your shares, the price at which your shares will be sold will be equal to or greater than the average of the last sale prices of the Company's ordinary shares quoted on the ASX for the ten trading days preceding the sale.

Who pays for brokerage?

The Company will pay brokerage and other costs of the sale, and will forward the proceeds to you once the sale has occurred.

Who will sell the shares?

The Company will nominate a broker to sell your shares, and will sell either on or off market at its discretion. The sales process will commence on 18 July 2007 and will be completed by ~ 31 July 2007.

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**SHARE RETENTION NOTICE**

In accordance with Clause 3 of the Constitution of Western Metals Ltd, I give notice that I wish to retain my shareholding in Western Metals Ltd.

Signature of Shareholder(s)

Individual or First Shareholder	Shareholder 2	Shareholder 3
Sole Director or Sole Company Secretary	Director/Company Secretary Director	

Date: .....

**NOTES**

**1. Number of Shares**

This Notice only applies to the account identified by the SRN / HIN given above.

**2. Signature requirements**

Each shareholder must sign this form. If shares are held in joint names, all shareholders must sign. If signing as an Attorney, then the Power of Attorney must have been noted by the Company's share registry to be duly executed and accompany this form.

**3. Address for return of Share Retention Notice**

Western Metals Ltd, C/- Security Transfer Registrars Pty Ltd.  
PO Box 535, Applecross WA 6953