



WEST AUSTRALIAN METALS LIMITED

ACN 001 666 600

NOTICE OF GENERAL MEETING

A General Meeting of the Company will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 9 July 2009 at 10.00am (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please contact the Company Secretary on (08) 9322-9188.

WEST AUSTRALIAN METALS LIMITED

ACN 001 666 600

NOTICE OF GENERAL MEETING

Notice is hereby given that the General Meeting of Shareholders of West Australian Metals Limited (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 9 July 2009 at 10.00am (WST) (**General Meeting**).

The Explanatory Memorandum to this Notice of General Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and Proxy Form are part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered as Shareholders of the Company on 7 July 2009 at 5.00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1 of the Explanatory Memorandum.

AGENDA

1. Resolution 1 – Approve Placement

To consider, and if thought fit, pass as an ordinary resolution with or without amendment the following:

"That, in accordance with ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 82,600,000 Shares each at an issue price of \$0.12 together with 1 attaching Option for every 2 Shares issued to clients of Patersons Securities Limited on the terms and conditions in the Explanatory Memorandum (Placement)."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the proposed Placement and a person who might obtain a benefit (except a benefit solely in their capacity as holders of ordinary securities) if the Resolution is passed, or an associate of that person.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
 - (b) it is cast by the person chairing the General Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
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BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read "S. Robertson". The signature is written in a cursive style with a prominent initial "S" and a trailing flourish.

Simon Robertson
Company Secretary
Dated: 4 June 2009

WEST AUSTRALIAN METALS LIMITED

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EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on 9 July 2009 at 10.00am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolution in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and Explanatory Memorandum carefully before deciding how to vote on the Resolution.

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative ("proxy") to vote in their place. All Shareholders are invited and encouraged to attend the General Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the General Meeting in person.

3. Resolution 1 – Approve Placement

3.1 Introduction

Resolution 1 seeks Shareholder approval for the authority to issue up to 82,600,000 Shares each at an issue price of \$0.12 together with 1 attaching Option for every 2 Shares issued to clients of Patersons Securities Limited (**Placement**).

The Options are each exercisable at \$0.25, expire on 30 June 2011 and have the further terms and conditions in Schedule 2.

3.2 Listing Rule 7.1 – Shareholder Approval

Listing Rule 7.1 requires Shareholder approval for the Placement. Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the Company's securities then on issue.

The Placement represents more than 15% of the Company's securities on issue for the purposes of Listing Rule 7.1. The Company is seeking Shareholder approval of the Placement so that the Company does not exceed its 15% capacity under Listing Rule 7.1. Accordingly, Shareholder approval is sought in accordance with Listing Rule 7.3.

3.3 Specific information required by Listing Rule 7.3

For the purposes of the Shareholder approval of the issue of securities under the Placement and the requirements of Listing Rule 7.3, information is provided as follows:

- (a) a maximum of 82,600,000 Shares and 41,300,000 Options will be issued under the Placement;
- (b) the Company will issue the Shares and Options under the Placement no later than 3 months after the date of the General Meeting;
- (c) the Shares will be issued at \$0.12 and the Options will be granted for nil consideration;
- (d) the Shares and Options under the Placement will be issued to clients of Patersons Securities Limited;
- (e) the Shares will be fully paid ordinary shares in the capital of the Company and the Options will have an exercise price of \$0.25, expire on 30 June 2011 and have the further terms and conditions in Schedule 2;
- (f) the funds from the Placement will be used to meet the Company's funding requirements in order to progress the Company's Marenica Uranium Project in Namibia;
- (g) The allotment of Shares and Options under the Placement may occur progressively; and
- (h) a voting exclusion statement is included in the Notice.

Schedule 1 – Definitions

In this Explanatory Memorandum and Notice of General Meeting:

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited and where the context permits the Australian Securities Exchange operated by ASX Limited.

Board means the Company's board of Directors.

Business Day means a day on which ASX is open for trading.

Company or **WME** means West Australian Metals Limited ACN 001 666 600.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company and **Directors** means all of them.

Explanatory Memorandum means this explanatory memorandum.

General Meeting has the meaning given in the introductory paragraph of the Notice.

Listing Rules means the listing rules of ASX.

Notice means the Notice of General Meeting to which the Explanatory Memorandum is attached.

Option means an option to acquire a Share on the terms and conditions in Schedule 2.

Placement has the meaning in section 3.1 of the Explanatory Memorandum.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution referred to in the Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

WST means Western Standard Time.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 2 – Terms and Conditions of Options

1. Entitlement

The Options entitle the holder to subscribe for one (1) unissued Share upon the exercise of each Option.

2. Exercise Price

The exercise price of each Option is A\$0.25.

3. Expiry Date

Each Option expires on 30 June 2011.

4. Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date.

5. Notice of Exercise

The Options may be exercised by notice in writing to WME and payment of the Exercise Price for each Option being exercised. Any notice of exercise of an Option received by WME will be deemed to be a notice of the exercise of that Option as at the date of receipt.

6. Shares issued on exercise

Shares issued on exercise of the Options rank equally with other issued Shares.

7. Quotation of Shares on exercise

Application will be made by WME to ASX for official quotation of Shares issued upon the exercise of the Options.

8. Timing of issue of Shares

After an Option is validly exercised, WME must as soon as possible:

- (a) issue the Share; and
- (b) do all such acts matters and things to obtain:
 - (i) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Option; and
 - (ii) receipt of cleared funds equal to the sum payable on the exercise of the Options.

9. Participation in new issues

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, WME will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give Optionholders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

10. Adjustment for bonus issues of Shares

If WME makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of a Option will be increased by the number of Shares which the Optionholder would have received if the Optionholder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

11. Adjustment for rights issue

If WME makes an issue of Shares pro rata to existing Shareholders (other than an issue in lieu of in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = O - \frac{E [P - (S+D)]}{N+1}$$

- O = the old Exercise Price of the Option.
- E = the number of underlying Shares into which one (1) Option is exercisable.
- P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price of a Share under the pro rata issue.
- D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rata issue).
- N = the number of Shares with rights or entitlements that must be held to receive a right to one (1) new Share.

12. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of WME, the rights of the Optionholder may be varied to comply with the ASX Listing Rules which apply to the reconstruction at the time of the reconstruction.

13. Quotation of Options

The Options will not be quoted on ASX.

14. Options not transferable

The Options are not transferable.

15. Lodgement Instructions

Cheques shall be in Australian currency made payable to WME and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at WME's share registry.

WEST AUSTRALIAN METALS LIMITED

ACN 001 666 600

PROXY FORM

The Company Secretary
West Australian Metals Limited

By delivery:

Ground Floor, 47 Colin Street
WEST PERTH WA 6005

By post:

Ground Floor, 47 Colin Street
WEST PERTH WA 6005

By facsimile:

+61 8 9321 7399

I/We ¹ _____

of _____

being a Shareholder/Shareholders of the Company and entitled to _____

votes in the Company, hereby appoint ² _____

or failing such appointment the chairman of the General Meeting as my/our proxy to vote for me/us on my/our behalf at the General Meeting of the Company to be held at 10.00am on 9 July 2009 (WST) at The Celtic Club, 48 Ord Street, West Perth, Western Australia and at any adjournment thereof in the manner indicated below or, in the absence of indication, as he thinks fit. If 2 proxies are appointed, the proportion or number of votes of this proxy is authorised to exercise is * []% of the Shareholder's votes*/ [] of the Shareholder's votes. (An additional Proxy Form will be supplied by the Company, on request).

INSTRUCTIONS AS TO VOTING ON RESOLUTION

Important:

If the chairman of the General Meeting is to be your proxy and you have not directed your proxy how to vote on please tick this box. By marking this box you acknowledge that the chairman of the General Meeting may exercise your proxy even if he has an interest in the outcome of the Resolution and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the chairman of the General Meeting will not cast your votes on Resolution and your votes will not be counted in computing the required majority if a poll is called on this Resolution.

The chairman of the General Meeting intends to vote undirected proxies in favour of the Resolutions.

The proxy is to vote for or against the Resolution referred to in the Notice as follows:

	For	Against	Abstain
Resolution 1 Approve Placement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Authorised signature/s This section **must** be signed in accordance with the instructions overleaf to enable your voting instructions to be implemented.

Individual or Shareholder 1

Sole Director and Sole Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

¹Insert name and address of Shareholder

² Insert name and address of proxy

*Omit if not applicable

Proxy Notes:

A Shareholder entitled to attend and vote at the General Meeting may appoint a natural person as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting. If the Shareholder is entitled to cast 2 or more votes at the General Meeting the Shareholder may appoint not more than 2 proxies. Where the Shareholder appoints more than one proxy the Shareholder may specify the proportion or number of votes each proxy is appointed to exercise. If such proportion or number of votes is not specified each proxy may exercise half of the Shareholder's votes. A proxy may, but need not be, a Shareholder of the Company.

If a Shareholder appoints a body corporate as the Shareholder's proxy to attend and vote for the Shareholder at that General Meeting, the representative of the body corporate to attend the General Meeting must produce the 'Certificate of Appointment of Representative' prior to admission. A form of the certificate may be obtained from the Company's share registry.

You must sign this form as follows in the spaces provided:

Joint Holding: where the holding is in more than one name all of the holders must sign.

Power of Attorney: if signed under a power of attorney, you must have already lodged it with the registry, or alternatively, attach a certified photocopy of the power of attorney to this Proxy Form when you return it.

Companies: a director can sign jointly with another director or a company secretary. A sole director who is also a sole company secretary can also sign. Please indicate the office held by signing in the appropriate space.

If a representative of the corporation is to attend the General Meeting the appropriate "Certificate of Appointment of Representative" should be produced prior to admission. A form of the certificate may be obtained from the Company's share registry.

Proxy Forms (and the power of attorney or other authority, if any, under which the Proxy Form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the Proxy Form (and the power of attorney or other authority) must be deposited at or received by facsimile transmission at the Company's office at Ground Floor, 47 Colin Street, West Perth, Western Australia 6005 or Facsimile (08) 9321 7399 if faxed from within Australia, or +618 9321 7399 if faxed from outside Australia, not less than 48 hours prior to the time of commencement of the General Meeting (WST).