

ASX / Announcement
24 April 2009

Name Change and Share Consolidation Approved

- Company to trade as Indago Resources Limited effective ~ 5 May
- 1-for-10 share consolidation to proceed effective ~ 28 April
- Work program for Nyanzaga Gold Project in Tanzania to accelerate

Western Metals Limited (“WMT”) will accelerate work at its flagship Nyanzaga Gold Project in Tanzania following strong shareholder support for its corporate restructure and strategy to establish an international gold business.

At the general meeting in Perth today, all resolutions set out in the Notice of Meeting lodged on 17 March, to support the implementation of the Company’s gold development strategy, were passed on a show of hands. The key agenda items were resolutions to change the Company’s name to Indago Resources Limited (*pronounced In-dar-go*) and a 1-for-10 share consolidation.

Shareholders also approved the appointment of Mr John Fitzgerald as a non-executive director and the associated issue of unlisted options to Mr Fitzgerald.

In accordance with Listing Rule 3.13.2 and section 251AA of the Corporations Act 2001, details of the votes for each resolution are as follows:

	FOR	AGAINST	DISCRETION	ABSTAIN
Resolution 1	70,331,316	3,642,264	3,361,584	308,213
Resolution 2	64,807,029	8,896,696	3,361,584	578,068
Resolution 3	63,392,002	10,677,150	3,361,584	212,641
Resolution 4	53,400,472	20,829,695	3,361,584	51,626

Consequently, the Company will start trading under the name Indago Resources Limited with the **ASX code IDG** on or about 6 May 2009 subject to the required ASIC and ASX approvals.

Indago comes from the Latin “to hunt, investigate or explore” and better reflects the Company’s new strategic direction as an international gold explorer and developer.

The 1-for-10 share consolidation will deliver an enhanced capital structure and make investing in the company more appealing to sophisticated and institutional investors, locally and internationally. This is an important step in achieving our objective of introducing cornerstone investors to the Company and leaves the Company well placed for future access to capital markets as required. It is also important to note that this initiative will not dilute the interests of any shareholder, as all shareholders interests will be consolidated on the same pro rata basis. Trading in consolidated shares is expected to commence on a deferred settlement basis on 28 April 2009.

Managing Director George Bauk welcomed today’s vote of support from shareholders as a landmark on the Company’s path to building a substantial gold business.

“Today’s vote represents a major step toward our goal of becoming a successful gold producer and explorer, built on our advanced Nyanzaga Gold Project and other holdings in the world class Lake Victoria gold province in Tanzania,” he said.

The Board believes Nyanzaga represents an opportunity to become the foundation of a successful gold business.

The Company owns a managing 49% interest in the Nyanzaga Project, and may earn up to 68% by completing a bankable feasibility study. Our joint venture partner, Barrick Exploration Africa Ltd (“BEAL”), has to date spent in the order of \$US13 million on the project.

The Nyanzaga project covers more than 350 km² in the Lake Victoria goldfields and hosts the Tusker gold deposit, for which a resource of 4.54 million ounces estimated in accordance with JORC guidelines, was reported in September 2006.

Category	Tonnes	Gold g/t	Metal (oz)
Indicated	89,560,000	1.20	3,455,000
Inferred	33,710,000	1.00	1,080,000
TOTAL	123,270,000	1.15	4,540,000

Tusker Global Resource above 0.4 g/t Gold

Tusker is located just 36km from BEAL’s multi-million ounce Bulyanhulu mine, and is Tanzania’s largest undeveloped gold deposit.

The Company has commenced a concept study for the Tusker deposit, which includes evaluation of higher grade mineralisation internal to the larger global resource and mineralisation proximal to Tusker that has not been previously included in resource estimation. The study is on track for completion in the current quarter. Subject to the findings of the study, the Company intends to immediately commence feasibility studies into development of the Tusker resource

The Company will also work towards identifying additional gold opportunities within the further 520 km² of highly prospective gold tenements outside the Nyanzaga project area it has acquired from Sub-Sahara Resources NL in the Lake Victoria Goldfields region of Tanzania. These include 51% interests in both the Nyakafuru JV and Kahama JV with Resolute Mining Ltd and the 100% held Kahama Project. A detailed targeting programme has commenced using existing geochemical, geophysics and geological data to establish priority targets in the licence holdings.

The Company will continue to evaluate additional opportunities to grow its gold portfolio as appropriate, particularly in the Lake Victorian Goldfields in Tanzania.

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ASX: WMT/WMTO

BACKGROUND TO WESTERN METALS

An emerging resource company developing a portfolio of world class Gold, Uranium and Base Metals projects. The company has immediate plans, and the capability, to underpin value and accelerate growth through project development, acquisition and exploration success.

COMPANY PROJECTS

GOLD

Western Metals has a 49% interest in an advanced gold project at the Tusker deposit in the rich Lake Victoria Goldfields of Tanzania in a joint venture with Barrick Exploration Africa Ltd. This interest can be increased to 68% on the finalisation of a positive bankable feasibility study. The deposit contains an estimated resource of 4.5 million ounces.

In addition, Western Metals has exposure to total gold exploration holdings of approximately 870km² in joint ventures with both Barrick Exploration Africa Ltd and Resolute Mining Ltd as well as some 100% owned properties.

URANIUM

A joint venture with Uranium Resources plc to explore in Tanzania. Western Metals has a 60% interest in the 2,938km² Mtonya JV, a 42.5% interest in an additional 9,589km² of tenements and a further 211km² under a 45% JV. The total licence area under Western Metals' management is 12,738km².

Western Metals also holds a 15% interest in the Mdaba-Mkuju exploration project in the southern Tanzania which covers 15,915km². The joint venture is with Sterling Resources (85%) who are the Manager of the project.

BASE METALS

An agreement with BHP Billiton to explore for base metals in the West Georgetown region of northern Queensland. Under this agreement Western Metals has 100% ownership of the tenements with BHP Billiton retaining a claw back provision over the southern tenement (EL14722).

WMT and BHP Billiton have entered into a term sheet that covers the sale of the Snowbird Nickel-Base Metals Project in the Northwest Territories of Canada to WMT and the cancellation of the existing option agreement. It is expected that a binding sale agreement will be concluded shortly.

WMT has purchased from BHP Billiton a 100% interest in all exploration data relating to the Mid-Continent Nickel project in Minnesota including all regional geophysical, drill hole and analytical data and has established land positions over the identified targets.

The following Competent Persons statement relates to the 2006 Tusker resource estimate reported by Sub Sahara. Western Metals is not aware of any further resource estimation released since this work.

The information in this report that relates to Mineral Resources is based on a resource estimate compiled by Ms Jillian Irvin, who is a Member of Australian Institute Geoscientists. The work was completed under the supervision of Mr Patrick (Rick) Adams who is a Member of the Australian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Adams is a Director of Cube Consulting. Ms Irvin is a full-time employee of Cube Consulting Pty Ltd. Ms Irvin has sufficient experience which is relevant to gold mineralisation and resource estimation to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Irvin consents to the inclusion in this report of the information, in the form and context in which it appears.

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