To: The Manager
Announcements
ASX Company Announcements Office

Public Announcement 2005-19

Letter to Shareholders

Please find attached a letter to shareholders sent to WMC shareholders today regarding the BHP Billiton cash offer of $7.85 per share.

A copy of the letter can be viewed at WMC's internet site www.wmc.com following its release to the market.

Peter Horton
Company Secretary
11 March 2005

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11 March 2005

Dear Shareholder,

BHP Billiton cash offer of $7.85 per share

On 8 March, Australian-based resources company, BHP Billiton, announced a proposed takeover offer of $7.85 per share for all WMC Resources Ltd (WMC) shares.

WMC Directors have unanimously recommended that WMC shareholders accept the BHP Billiton offer in the absence of a superior proposal. Your Directors have also indicated that they intend to accept the offer for their own holdings of WMC shares in the absence of a superior proposal.

The BHP Billiton cash offer price of $7.85 per WMC share is at the upper end of the Independent Expert's valuation range and at an 85c per share premium to Xstrata's current takeover offer price. Shareholders will retain the benefit of the 20c final dividend paid by WMC on 11 March.

The BHP Billiton offer will be conditional on a number of matters including acceptances representing 90 per cent of WMC shares and Foreign Investment Review Board and other regulatory approvals. A full list of those conditions was set out in BHP Billiton's announcement to the ASX on 8 March.

WMC has consistently pursued all options to maximise value for WMC shareholders. Your Directors believe that the BHP Billiton offer represents fair value for the current assets and strategic potential of WMC. Your board will work with BHP Billiton to put the offer to WMC shareholders as soon as possible. It is expected that BHP Billiton's bidder's statement, which will set out the formal terms of its offer, will be despatched to every WMC shareholder by the end of March.

In order to secure the BHP Billiton offer, WMC has entered into a Deed of Undertaking with BHP Billiton. A summary of that Deed is available from WMC's internet site www.wmc.com.

In light of the announcement of the BHP Billiton offer, your board also recommends that you reject Xstrata's current takeover offer. Xstrata has announced that it will not improve its current $7.00 per share offer price. Xstrata's offer is due to close on March 24 unless extended. Unless you have previously accepted Xstrata's offer, you need do nothing to reject it.

If you have already accepted Xstrata's offer, you can still withdraw your acceptance before 17 March. You would then be free again to deal with your WMC shares, for example by accepting the BHP Billiton offer when it is made or by selling your shares on the ASX. The closing price of WMC shares on the ASX on 9 March was $7.99. For further details regarding the procedure for withdrawal, please contact Xstrata's information line on 1300 302 128 (toll free within Australia) or +61 2 9270 7466 (from outside Australia). Please note that you must act now to effectively withdraw by 17 March.

Yours sincerely

Tommie Bergman
Chairman

Andrew Michelmore
Chief Executive Officer

If you have any questions, please call the official WMC Shareholder Information Line on 1800 067 505 (toll-free within Australia) or on +61 3 9415 4198 (from outside Australia), Monday to Friday between 9.00am and 6.00pm (Melbourne time). Please note that, as required by the Corporations Act, calls to these numbers will be recorded.

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