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Marenica Uranium Project, Namibia

URANIUM GRADE FOCUS IN DOWN HOLE LOGGING PROGRAM

West Australian Metals Ltd's (ASX : WME) is pleased to report the commencement of a new exploration phase aimed at enhancing the knowledge of uranium grades and distribution at the Marenica Uranium Project in Namibia. This follows the successful completion of an extensive field campaign aimed at ascertaining the location and condition of holes previously drilled over the Marenica Project.

This program has demonstrated that over 24,000 vertically drilled metres are still open for evaluation by down hole probing, and it has also significantly extended the area of drilling previously known to have been completed from historic records.

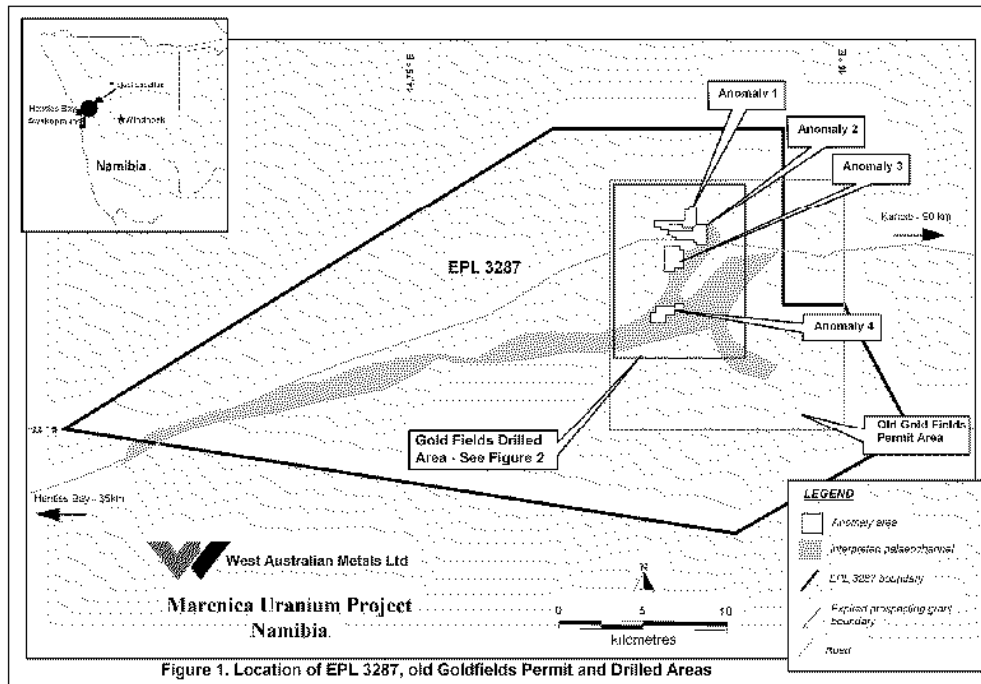
As a result, an initial program of down hole logging of up to 10,000 metres of drilled holes has now commenced using a spectral gamma probe which will allow equivalent uranium grade to be determined in the holes.

Results from the new down hole logging program - together with those from the RC drill campaign presently underway - will substantially increase the knowledge of the uranium grade distribution within the known mineralised areas and new ones, including the identification of higher grade zones.

The initial down hole logging program is expected to take several months to conduct with results to be progressively reported as the holes are probed, and data processed and interpreted.

General

The recently-completed drill hole location program involved locating holes drilled by Gold Fields of South Africa over the north-eastern sector of the Marenica project area (Figure 1) between 1975 and 1982, recording their position by GPS, and testing the open depth of each hole using a dummy probe. This was done so that future testing of the holes utilising a downhole radiometric probe can be carried out to determine an equivalent uranium grade.



A total of 1,945 drill holes were located with a total of 24,127 vertically drilled metres found to be open - representing 75% of the known total metres drilled by Gold Fields. Importantly, the Company had no previous information - including locations - for 1,240 of the holes identified with dummy probing showing 15,500 drilled metres open for acquiring new information. The deepest hole identified is 56.9metres deep with most holes less than 20 metres deep reflecting the shallowness of the mineralisation. Statistical information from the campaign is presented in Table 1.

Table 1. Statistics from the Drill Hole Location Campaign

Total Number of Drill Holes Located	Total Number of Drill Holes Probed with a Dummy Probe to a Measured Depth	Total Number of Drill Holes Open to a Depth Greater than 5 metres	Total Number of Holes Collapsed	Total Number of Original Holes for which WME has some information.
1,946	1,364 (24,127m)	1,212 (23,653m)	582	706 (12,637m)

Figure 2 shows the distribution of holes located to date which were drilled in an area less than a third of the current licence area. This program will be ongoing and the database updated as more holes are identified.

Of significance are the following observations:

- Location of a large number of previously unknown holes extending east from Anomaly 3 for a distance of 1.5 km on a regular grid pattern.
- Presence of grid pattern drilling in two areas up to 3 km east of Anomaly 4 indicating the likely presence of uranium mineralisation further up-stream of the palaeo-drainage channel.
- Paucity of drill holes in Anomaly 4 compared to Anomaly 3 and its eastern extension. Results from recent trench sampling reported uranium assays up to 868ppm U_3O_8 from Trench A4T2 in the western half of Anomaly 4. Historic records indicate that Gold Fields progressed systematic exploration from the north, where surface radiometry is strongest (Anomalies 1 and 2), to the south and east, where surface radiometric anomalism is weakest, lacks coherence, or is absent due to recent sediment cover (Anomaly 4 and eastern extension of Anomaly 3). It is possible that further drilling of Anomaly 4 and adjoining areas was abandoned when uranium prices collapsed in the early 1980's and Gold Fields withdraw from the project leaving drilling of the area still to be completed.
- Drilling of widely spaced holes along north-south profiles west and down-stream of Anomaly 4 for a distance of 2 km indicating, as previously reported by the company, the likely position of the palaeo-channel as it heads west through the remainder of the licence area which remains largely untested (see Figure 1).
- Few drill holes between Anomalies 3 and 4. This may be attributable to the paucity of strong surface radiometry due to alluvial cover with Gold Fields targeting mostly areas with radiometric anomalism. A systematic evaluation of this area in the future is justified.

Some 582 of the drill holes located have collapsed and therefore will be unable to be re-probed. Fortunately, a great percentage of the collapsed holes are holes for which some information has been obtained from historic records. Also, many of the drill holes for which no data has been found are open down to a significant depth (greater than 10 metres), providing the opportunity to probe these holes to recover information.

Additional to recording drill hole location and depth, the original (Gold Fields) hole ID tags, where present, were also recorded. This has allowed correlation and validation of holes located in the field with the old Gold Fields' data collected by the company from archives. This exercise has shown that there is a large percentage of data that is missing from the historical archives.

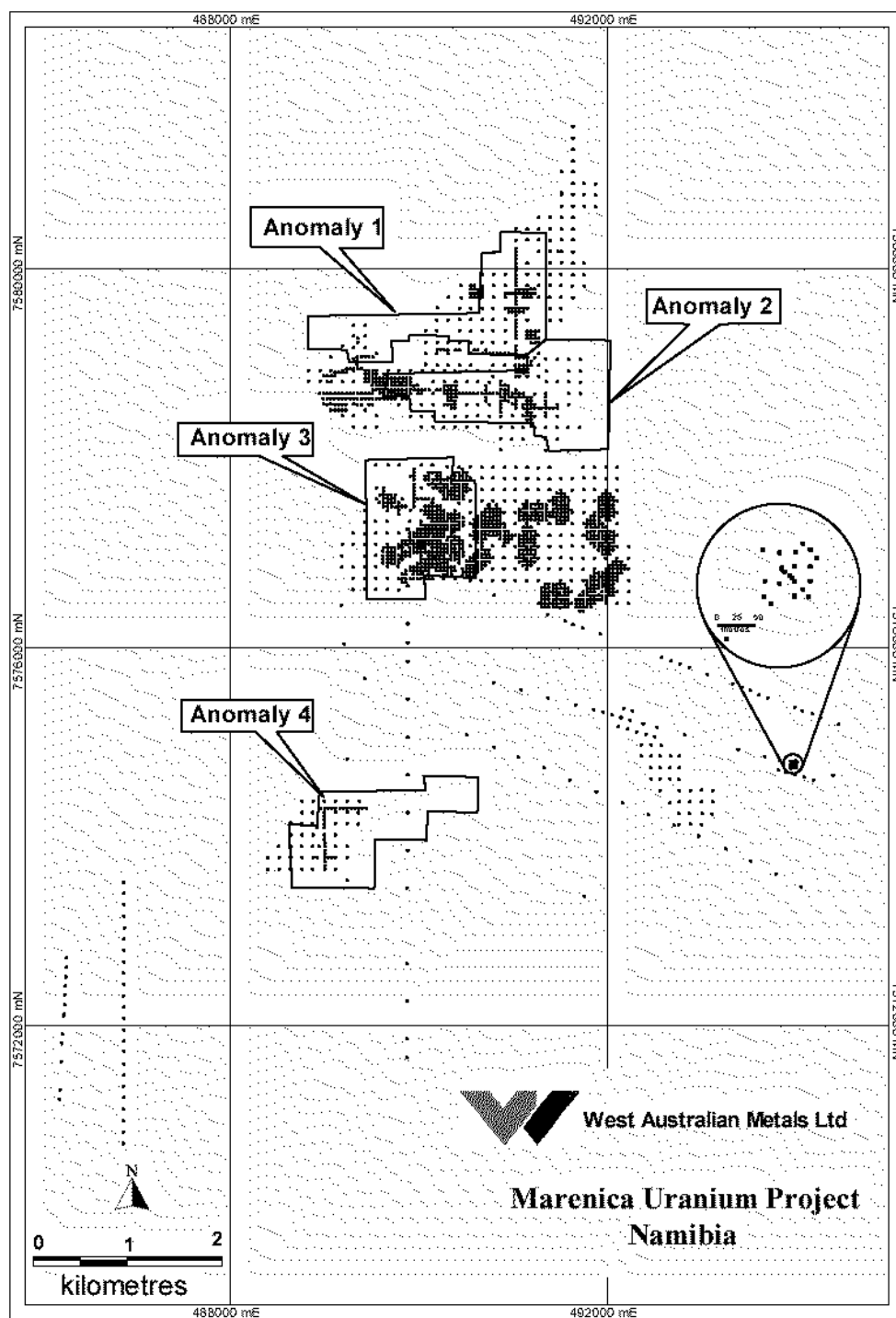


Figure 2. Location of all drill holes picked up during the drill hole location program.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Reisgys', with a stylized flourish at the end.

Leon Reisgys
CEO and Technical Director

NOTE:

Information in this report that relates to exploration results reflects information compiled by Leon Reisgys FAusIMM and Technical Director of West Australian Metals Ltd who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is reporting on as a Competent Person as defined in the 2004 Edition of "The Australian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves." Mr Reisgys consents to the inclusion in this report of the matters based on the information compiled by him, in the form and context in which it appears