



# Positive Assay Results From Scaddan Lignite Project

*Preliminary results encouraging at WME's Scaddan Project*

## KEY POINTS

- **Results support coal - to - liquids potential at Scaddan.**
- **Assaying underway to estimate an Inferred Resource (and potential extensions).**

## Significant Composite Sample Results

Drill Hole No	Interval m	Thickness m	Moisture %	Ash %	Gross Dry Cal Val (GDCV)
SCA006	42-48m	6m	49.2	58.9	9.9
SCA009	34-36m	2m	41.4	46.7	14.5
SCA028	30-35m	5m	56.5	52.5	13.0
SCA024	16-18m	2m	50.2	53.0	N/A

WME is pleased to announce encouraging early stage drill results from its 100% owned Scaddan Project that has potential for a large lignite deposit suitable for coal to liquids conversion. All results have now been received.

A total of 1460m of air core drilling was conducted on WME's combined exploration licences E63/1033 and E63/1037 at Scaddan during September 2009. Tenements lie within Crown Land approximately 75kms NNE of Esperance, and within 20kms of the Scaddan Deposit, owned by ASX-listed resource company Blackham Resources Limited (Blackham). Blackham has delineated a large palaeochannel hosted lignite deposit comprising an Indicated and Inferred Resource of 760Mt. That Project is at feasibility stage based on the proposed use of proven coal- to- liquids technology.

WME drilling was aimed at scoping the potential for a significant lignite deposit of comparative economic value from the completion of 32 holes for an average 45m depth penetrating to either basement or to thick saprolitic clays beneath the lignitic zone. Drill spacing was approximately 2km by 2km considered sufficient for the classification of an Inferred Resource, and based on interpretation of palaeobasin thickness and geometry from geophysics. The initial wide spaced drilling was

designed to focus on preferred areas for future infill drilling to Indicated Resource status.

WME is pleased to advise that composite assays from the aircore drilling have outlined a large area of lignite material that is potentially suitable for coal- to- liquids conversion technology.

The drilling identified a lignitic seam of potential economic interest typically 5m to 10m in thickness from between 15m and 50m depth. Initial testwork by HRL Technology in Victoria to ascertain the quality of the lignite has included: analysis of moisture, ash content and calorific value variously on up to 115 samples (mostly composites) considered representative of the lignitic sequence over much of the tenement area. These results will be used with the geological interpretation to estimate the potential extent of the Inferred lignite resource.

As for the Blackham owned tenements WME's Scaddan tenements are close to existing infrastructure including highway, railway, gas pipeline, airport and shipping at the Esperance deepwater port.

#### *Notes*

*Information in this report that relates to exploration results, data, bulk densities and cut-off grades reflects information compiled by Anthony Ryall Member AIMM and Consultant to West Australian Metals Ltd. He 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 Ryall 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.*

