

News Release

Perth, Western Australia

22 December 2009



WELD RANGE METALS ACQUIRES CHROMIUM, NICKEL AND PLATINUM DEPOSITS;

ACCELERATES OAKAJEE STAINLESS STEEL REFINERY

Weld Range Metals Limited (“Weld Range Metals” or the “Company”) is pleased to announce it has completed the acquisition of the interests of Pilbara Nickel Pty Limited and Austmin Platinum Mines Pty Limited in the mineral rights and mining tenements covering the chromium, iron, nickel and platinum group metals deposits of Weld Range Metals for a cash consideration of A\$2,350,000.

The acquisition will accelerate Weld Range Metals’ plans to evaluate mining and processing of the chromium resources for vertically integrated production of refined stainless alloys as feed stock for stainless steel mills in Asia, Europe and the United States (“Weld Range Stainless Project”).

The scope of the project under evaluation comprises low cost, open cut mining of 600,000 tonnes per annum of high grade ore within the chromium resources, and transportation of that ore for processing at a facility at or near the Oakajee Port, 25 kilometres north of Geraldton in Western Australia, to produce 305,000 tonnes of refined stainless alloy per annum.

The mining tenements of Weld Range Metals comprise granted mining leases and prospecting licenses covering an area of 7,800 hectares located 65 kilometres south east of Meekatharra in Western Australia (“Weld Range Mining Tenements”).

Over \$10 million has already been spent identifying large areas of mineralisation containing chromium, iron, nickel and platinum group metals within the Weld Range Mining Tenements.

Weld Range Metals first acquired an exploration license covering most of the area now within Weld Range Mining Tenements in 1987. Subsequently the Company was diluted to minority interests through various farm-in and joint venture agreements with Pilbara Nickel and Austmin.

Pilbara Nickel is a subsidiary of Minara Resources Limited and Austmin Platinum Mines Pty Limited is a subsidiary of Sons of Gwalia Limited (In Liquidation).

The Chairman of Weld Range Metals, Mr Peter Cordin, said that the acquisition of the remaining interests of Pilbara Nickel (75% of chromium and nickel) and Austmin (65% of platinum group metals) represents a major milestone for the Company.

“The acquisition consolidates all of the mineral rights and mining tenements under the ownership and management of the Company for integrated evaluation and development for the first time in over 20 years”, Mr Cordin said.

Over the past two years the Company has completed a strategic review and re-evaluation of mineral deposits in the Weld Range Mining Tenements under an agreement with Atomaer Holdings Pty Limited, a process technology and project development company.

Snowden Mining Industry Consultants Pty Limited ("Snowden") was engaged to consolidate and prepare an independent technical report on all data and information arising from previous exploration and mining in the Weld Range Mining Tenements.

Snowden also prepared an independent resource estimate for identified chromium mineral resources.

In November 2009 Snowden reported an Inferred Mineral Resource in accordance with the JORC Code comprising 63.5 million tonnes at 5.2% chromium, 38.1% iron and 0.38% nickel at a cut-off grade of 4% chromium based on geology, mineralisation interpretations and drill hole data*.

Snowden also reported a high grade zone (above a cut off of 4.2% chromium) comprising 10.48 million tonnes with an average grade of 6.2% chromium, 45% iron and 0.41% nickel within the total Inferred Mineral Resource*. Approximately 86% of this high grade zone is from surface to a depth of 4 metres.

ProMet Engineers Pty Limited, an engineering firm based in Perth, was engaged by the Company to conduct a preliminary technical and economic evaluation of the Weld Range Stainless Project.

Promet developed a process flow sheet that is considered to be both technically and economically viable based on proven iron and steel making equipment and technology. The process is designed to produce refined stainless alloy containing chromium, iron and nickel from the high grade chromium resources.

The Weld Range Mining Tenements are close to the centre of major developments in the Mid-West Iron Ore Province in Western Australia. Those developments include the proposed Oakajee deep water port and regional rail project which will provide an open access, bulk commodity supply chain to service mines in the Mid-West Region of Western Australia.

The \$4 billion project will comprise a deep water port at Oakajee linked to regional mines by approximately 550 kilometres of heavy haulage rail. The port will have a start up capacity of 35 mtpa.

The proposed corridor for the route of the Oakajee regional railway will provide a spur to Weld Range close to the boundaries of the Weld Range Mining Tenements, as illustrated in the Figure 1 attached to this release.

The ProMet report indicates that the Weld Range Stainless Project is feasible by road or rail to transport ore from the Weld Range Mining Tenements to processing facilities at Oakajee on the coast.

"The Company is now proceeding with a capital raising program to complete scoping and feasibility studies for the Weld Range Stainless Project in 2010 for a development decision in 2011," Mr Cordin said.

"Vertically integrated production of refined stainless alloy as a strategic value-added product from the chromium resources at Weld Range in Western Australia will establish the Company in a unique position in the international stainless steel industry."

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Competent Person's Statement

*The Mineral Resource statement has been prepared by Mrs Christine Standing of Snowden Mining Industry Consultants. Mrs Christine Standing is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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. Mrs Christine Standing has consented to the inclusion in this release of the Mineral Resource statement based on her information in the form and context in which it appears.

About Weld Range Metals Limited:**Company history**

Weld Range Metals Limited is public unlisted company incorporated in Australia on 13 October 1986. The principal activities of the Company are the evaluation and development of vertically integrated production of refined stainless alloys from mining and processing of chromium resources within the Weld Range Mining Tenements.

Shareholders

Atomaer Nominees Pty Limited is the registered holder of 60% of the issued capital of the Company. It is an associate of Atomaer Holdings Pty Limited, a process technology and project development company based in Perth with operating companies and projects in Western Australia, South Africa, Chile, Brazil and the United Kingdom.

Dragon Mining Limited is the registered holder of 40% of the issue capital of the Company. Dragon is a gold mining and exploration company listed on ASX with operating gold mines in Sweden and Finland.

Management

Atomaer has been working on the Weld Range Metals Project for the Company for almost two years. It has agreed to make available the key management, commercial and technical personnel to the Company under transitional arrangements to maintain continuity and momentum until the listing of the Company on a recognised securities exchange.

Geological consultants

Snowden Mining Industry Consultants Pty Limited provides technical consulting services, technology solutions and training to the mining and resources sector. The Company has engaged Snowden to prepare independent technical reports and resources statements on the mineral deposits within the Weld Range Mining Tenements.

Engineering specialists

ProMet is an engineering company based in Perth with capabilities in the iron and steel making industry. ProMet has conducted feasibility studies for the evaluation of iron and steel plants including stainless steel in Western Australia.

Marketing specialists

Early in 2010 the Company will announce engagement of an industry specialist to conduct a market study to investigate and advise on the form and composition of refined stainless alloys to be produced from the Weld Range Stainless Project as feed stock to stainless steel plants.

Stainless Steel

Stainless steel is a generic term for a group of different steels used primarily for resistance to corrosion. The one key element they all share is a minimum of 10.5% of chromium by mass.

Like all types of steel, stainless steel is not a single metal but an alloy made from two or more separate elements alloyed or melted together. Varying additions of nickel, molybdenum, titanium, niobium and other elements may be added to improve corrosion resistance.

The success of stainless steel arises from one unique advantage. The chromium in the stainless steel has a great affinity for oxygen and will form a molecular film of chromium oxide on the surface of the steel. Although extremely thin, this invisible inert film is tightly adherent to the steel and extremely protective in a wide range of corrosive media. Damage by abrasion, cutting or machining is instantly repaired.

Stainless steel has a diverse range of uses globally. Consumption is grouped into five end uses: process industries, domestic appliances and utensils, automotive and transport, food processing and architecture.

The global market in terms of stainless steel production is approximately 26,000,000 tonnes per annum, as reported by the International Stainless Steel Forum. Although stainless steel consumes approximately 65% of all nickel produced annually, global nickel production of 1,500,000 tonnes per annum is small by comparison.

Figure 1. Location of Weld Range Metals Project

