



**washington**

29 March 2006

The Manager  
Company Announcement Office  
Australian Stock Exchange Limited  
Level 8  
2 The Esplanade  
Perth WA 6000

Dear Sir,

**Re: Mooloogool Heads of Agreement**

Washington Resources Limited has entered into a heads of agreement with Westex Resources Pty Ltd A.C.N. 055 493 359 ("Westex") in relation to tenements in the Murchison Mineral Field, Meekatharra District, WA. Westex has made application for E51/1059, E51/1061 and E51/1112 under the Mining Act 1978.

Washington will undertake due diligence and, if it proceeds, reimburse past expenses incurred by Westex in applying for the tenements and pay Westex the sum of \$25,000.

Washington will have the right by way of farm-in to earn equity in the tenements at a rate of 1% for each \$5,000.00 incurred as exploration expenditure. It may elect to cease to contribute as sole contributor before it has earned its 80% interest, in which case it will be deemed to have elected to withdraw from the farm-in arrangement. Upon Washington's reaching an equity of 80%, a contributing joint venture will be formed between the parties or Westex may convert its remaining equity to a 2% royalty.

The Westex package provides exposure to a sequence of mafic and ultramafic rocks with geophysical and geochemical anomalies, which indicate the areas are prospective for base metals (primarily copper and nickel) and platinum group metals. The exploration targets have a strong synergy with Washington's existing Western Australian exploration assets, which have recently been the location of near surface copper and nickel intersections.

Yours faithfully  
**Washington Resources Limited**