



Brownhills Plant
Pelsall Road
Brownhills
Walsall
WS8 7HP
United Kingdom

Telephone +44 (0) 1543 375100
www.wagonplc.com

RE/AEJ
May 22 2006

Professor Z Fan
Director of BCAST
Brunel University
Uxbridge
Middlesex UB8 9PH

Dear Professor Fan

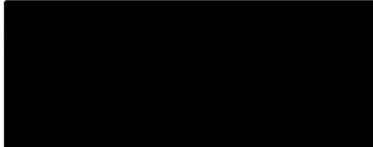
PARTICIPATION IN 'TWIN ROLL RHEO CASTING PROGRAM'

I am sorry to have to advise you that we will not be continuing with the 'Twin Roll Rheo-Cast Program'.

After much discussion and extensive evaluation with our new management team, it was decided that the project no longer fitted our strategic development objectives and that our intensions should be to focus on our existing core processes to enhance their flexibility and cost base.

I would like to apologise for any inconvenience this may cause you.

Yours sincerely



// Research & Development Manager



Registered Office
Wagon plc
3500 Parkside
Birmingham Business Park
Birmingham
B37 7YG
United Kingdom

Registered in England
494958

A member of the Wagon plc group