



ASX:WGO 29 July 2011 ASX RELEASE

**QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2011  
AND SUBSEQUENT EVENTS**

Waratah Resources Limited (“**Waratah**” or the “**Company**”) is pleased to present its quarterly report for the period ending 30 June 2011.

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**HIGHLIGHTS**

- **Initial Exploration Target at Youkou of 1 to 2 billion tonnes of hematite iron mineralization at a grade of 60% Fe. The Youkou exploration target is based on field samples, mapping and an aeromagnetic survey.**
- **Effective 28 July 2011, Waratah doubled the project size by the acquisition of an 80% interest in the Okanabora Exploration Licence in Republic of Congo (“ROC”).**
- **Strengthened the Waratah’s management team through the appointment of a Managing Director, Exploration Manager and Drilling Manager.**
- **Purchased and imported two new diamond Drilling Rigs into the ROC. Purchased an excavator and shipped to ROC.**
- **Began opening access to Youkou drilling sites including road clearing and bridge repair**
- **Opened an office in Pointe Noire ROC.**
- **Raised \$5.76 million through placement.**
- **Changed name to Waratah Resources Limited**
- **Division of Capital four (4) shares for every one (1) share**

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### Exploration programme in ROC

A drilling programme is about to commence at the Youkou Project with Waratah's diamond rigs. The Company has an initial Exploration Target of 1 to 2 billion tonnes of hematite iron mineralization at a grade of 60% Fe. The Youkou exploration target is based on field samples, mapping and an aeromagnetic survey. The target mineral inventory tonnage and grade is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

A second parallel exploration program is also planned to commence at "Okanabora", Waratah's new project located approximately 75kms southwest of Youkou. From historical mapping and recent field trips, Okanabora is expected to be primarily a large world class scale itabirite iron project.

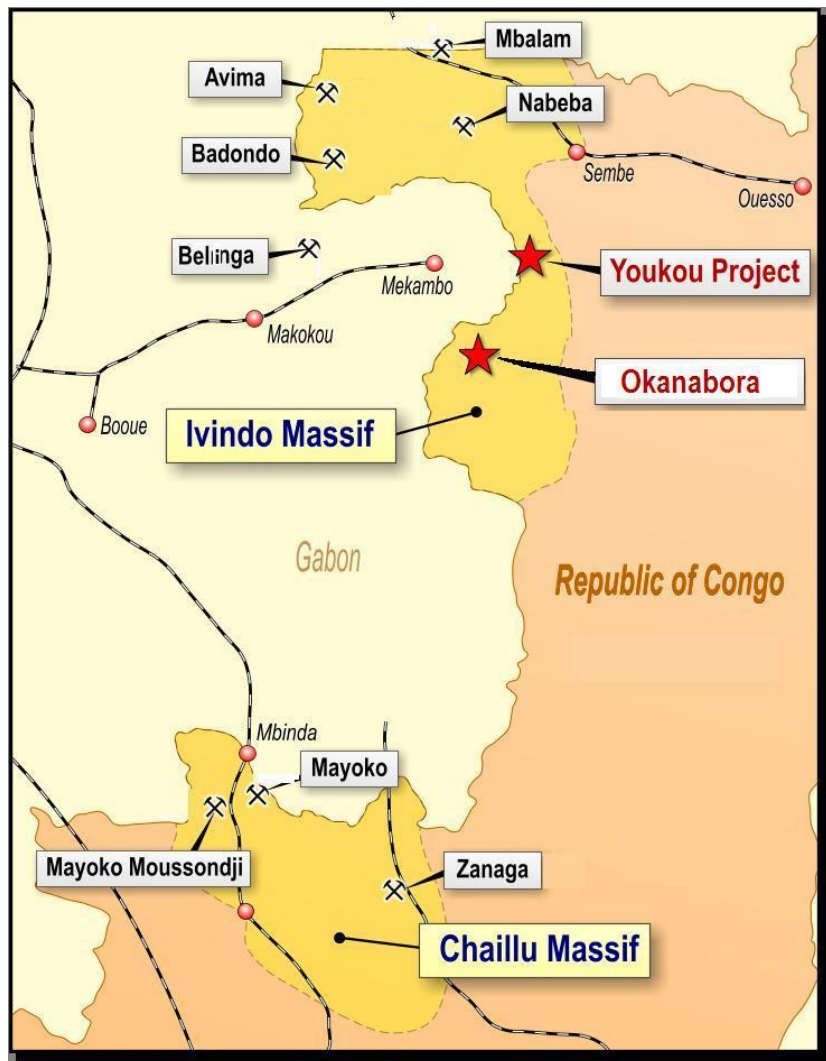


Figure 1 - Location Map Showing "Okanabora", "Youkou" and neighbouring Iron Deposits

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### **Acquisition of Further Project “Okanabora” in ROC**

Subsequent to the end of the quarter Waratah announced that the company has signed a binding Share Sale Agreement to acquire Galina Iron Limited (Galina) (Transaction).

Galina owns an 80% legal and beneficial interest in Nyive Congo SA (Nyive), a company incorporated in the ROC. Nyive holds or is entitled to a 100% interest in the OKANABORA Permit de Recherche (Project) in the ROC. The Project is centred approximately 75 kms southwest of Waratah's existing Youkou project.

**This important Transaction enables Waratah to increase its scale, and make another important step towards becoming a major iron ore producer utilising new infrastructure.**

The Project area of Okanabora is significantly under-explored but historical mapping of ferrous quartzites and recent field results returning results up to 60% Fe<sub>2</sub>O<sub>3</sub> have highlighted the extreme prospectivity of the site for itabirite iron ore. Together with the proposed development of a number of relatively advanced projects in ROC and neighbouring Gabon, Okanabora is central within a province with great potential.

Okanabora is located and forms part of an iron ore province in the Archaean Congo Craton that spans three countries: ROC, Gabon and Cameroon. The iron ore deposits of Belinga in Gabon, Mbalam in Cameroon and ROC and Avima in ROC are located nearby. Recent evaluation in ROC by Sundance Resources Ltd of Australia in the Mbalam Region, 150km north of Youkou, proved up a resource of 484 million tonnes of 61.1% Fe.

The deposits usually are typical supergene hematite enrichments of an Archaean banded iron formation protore which has been recrystallised to ferruginous quartzite or itabirite. They occur in similar geological settings to large iron ore occurrences identified in Liberia, neighbouring Gabon, and currently being evaluated in ROC. Due to similar regional geological characteristics to these settings we can deduce that the Okanabora occurrence would in all likelihood share similar type mineralization.

### **Strengthened Team - appointing Managing Director and Exploration Manager**

Waratah announced the appointment of Mr William (Chub) Witham as the Company's new Managing Director.

Mr Witham is a highly regarded exploration professional who has held senior positions with mining sector companies in technical and commercial roles. Mr Witham holds an honour's degree in Geology from the University of Western Australia and is a member of the Australian Institute of Geoscientists.

He has over 20 years of experience in the mining industry, including previously holding senior roles with Whinnen Resources Limited, Australia Metals and Mining Group and was a founding director of both DMC Mining Limited and Aspire Mining Limited.

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Waratah also announced that Mr Ian Brown has been appointed to the position of Exploration Manager.

Mr Brown is a qualified geologist who holds a Bachelor of Science (Geology, Geography Environmental Science) from Rhodes University in South Africa. In his role with Waratah he will be responsible for the exploration program at the Company's two projects in the Republic of Congo, in West Africa.

Mr Brown has considerable experience in managing exploration projects in many African countries. His commodity experience includes base metals, iron-ore, coal, gold, fluorite, and platinum group metals.

Importantly, Mr Brown was recently a Senior Geologist at the Zanaga Iron Ore Project in Congo-Brazzaville, where he was responsible for the feasibility resource drilling program. This role provided an ideal background in commodity and region for his new role with Waratah.

Waratah has secured a very experienced team of core personnel including Mr Martin Booth as Drilling and Logistics Manager, Mr Stephen Smithyman as African Manager, and Mr Brown, who all have had many years experience in West and Southern Africa

### **Acquired Drill Rigs and Excavator**



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Waratah announced that its two new purpose-built diamond drilling rigs were landed at Pointe Noir, in the Republic of Congo (ROC). The rigs are capable of diamond drilling to 250 metres depth using both HQ and NQ diameter core.

The drilling rigs have now been released from customs in Pointe Noire and are about to be moved to site to commence drilling. To facilitate access the Company has undertaken the widening and bridge repairs along the Mbomo to Ollaba road. To aid in exploration, an excavator has also been purchased and is being shipped to ROC to aid in road access, site preparation and trenching.

The Company's presence in Congo has been strengthened by the lease of an office in Pointe Noire. This office will provide the corporate and logistical support for its team in ROC.



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## **Division of Capital**

Waratah divided on the basis that 1 Share be divided into 4 Shares and 1 Option be divided into 4 Options. The effect of the Division of Capital was to increase the Share Capital and Options on issue of the Company by a factor of 4. It is expected that the result of the division of capital will be to increase the trading liquidity of the Company's shares.

## **\$A5.76M Placement**

Waratah placed 4,800,000 million shares under its 15% placement capacity to institutional and sophisticated investors, raising ~A\$5.76 million (before costs). The issue price of the placement was \$1.20 per share (pre Division of Capital), with one free attaching option for each four shares issued with an exercise price of \$1.60 (pre Division of Capital) with an expiry date of 20 September 2012.

## **Change of company name to "Waratah Resources Limited"**

Shareholders on 14 April 2011 approved a special resolution to change the company's name from Waratah Gold Limited to Waratah Resources Limited after approval by ASIC the name has now been formally adopted.

The Company's ASX code remains as WGO

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## **Competent Person Statement**

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr WJA Witham B.Sc (Hons), MAIG an employee of Waratah Resources Limited. Mr Witham has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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. Mr Witham consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.*

*Waratah routinely uses a Niton hand-held portable XRF (Niton) to analyse rock samples and provide a preliminary estimate of iron content using regular reading and averaging of intervals. Niton results from previous drilling that have been released to the ASX are consistent with laboratory assay results. This re-affirms Waratah's view that the Niton, when used properly with an appropriate rigorous testing procedure, is a valid tool for reporting the tenor of iron exploration results.*



*'Exploration Targets: The estimates of exploration target sizes mentioned in this announcement should not be misunderstood or misconstrued as estimates of Mineral Resources. The potential quantity and grade of the exploration targets are conceptual in nature and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Rock Chip samples are submitted from the field and sent to SGS Laboratories in Johannesburg South Africa for sample preparation, with final analysis using ore-grade ICP Fusion at SGS in Perth Australia. Independent certified laboratory standards are submitted for quality control.'*