



13 December 2007

Dwyka Resources Limited ("Dwyka" or the "Company")

Commencement of Drilling at SwaziGold Project

Dwyka Resources Limited, the ASX and AIM quoted nickel and gold explorer, is pleased to announce the commencement of drilling at the Company's SwaziGold Project.

HIGHLIGHTS

- Drilling has commenced at the Kobolondo, Daisy and Lufafa deposits.
- Completion of drilling currently expected in February 2008, with results to be reported thereafter.

The SwaziGold Project is a 435 square kilometre gold exploration project in the highly prospective Archaean Barberton Greenstone Belt in Swaziland, historically a producer of 11.5m ounces of gold. Based on encouraging exploration results, as detailed in the press-release dated 30 November 2007, a 2000m diamond-core drilling program has commenced at the Daisy, Kobolondo and Lufafa prospects.

A drilling contract has been signed with Diabor (Pty) Limited of Pretoria, South Africa. Diabor has mobilised its drilling crew and initiated drilling at the Kobolondo prospect with a small diamond drilling rig on a 650m shallow-hole (<120m) drilling program. Discussions are currently underway with contractors to mobilize a larger drilling-rig, capable of drilling deeper drill-holes in early 2008.

Three boreholes have been planned for the Kobolondo prospect to test a 600m strike length of a mineralised shear zone. Surface sampling of trenches excavated by Dwyka on this shear zone have returned stretch intersections of 2.82g/t Au over 11m (including 7.70g/t Au over 3m), 2.16g/t Au over 5m (Including 4.84g/t Au over 1m) 4.24g/t Au over 3m (including 7.97g/t Au over 1m). Deeper drilling of the Kobolondo prospect will be undertaken in 2008 subject to results from the current drill-program.

Drilling for the Daisy prospect is targeted to test a shallow portion of the # 1 oreshoot that had not been drill-tested by previous investigations. The # 1 oreshoot (described in the announcement dated 30 November 2007) is a 65 - 100m wide high-grade oreshoot that has been traced, by diamond drilling, to a depth of 250m. Most of the planned drilling for the Daisy prospect will be undertaken when a drill-rig with greater depth-capability is available.

At the Lufafa prospect, surface exploration to date suggests that there is the potential to host 5-25m wide zones of 1-2g/t disseminated Au mineralization over strike lengths of <250m. Three drilling targets have been identified to date, two of which are located in the Lufafa Central area. Three shallow boreholes will then test the targets at Lufafa Central. The first two aim to intersect a zone of mineralization from which trench sampling returned stretch intersections of 1.65g/t Au over 14m, 1.15g/t Au over 19m and 1.23g/t Au over 9m. The

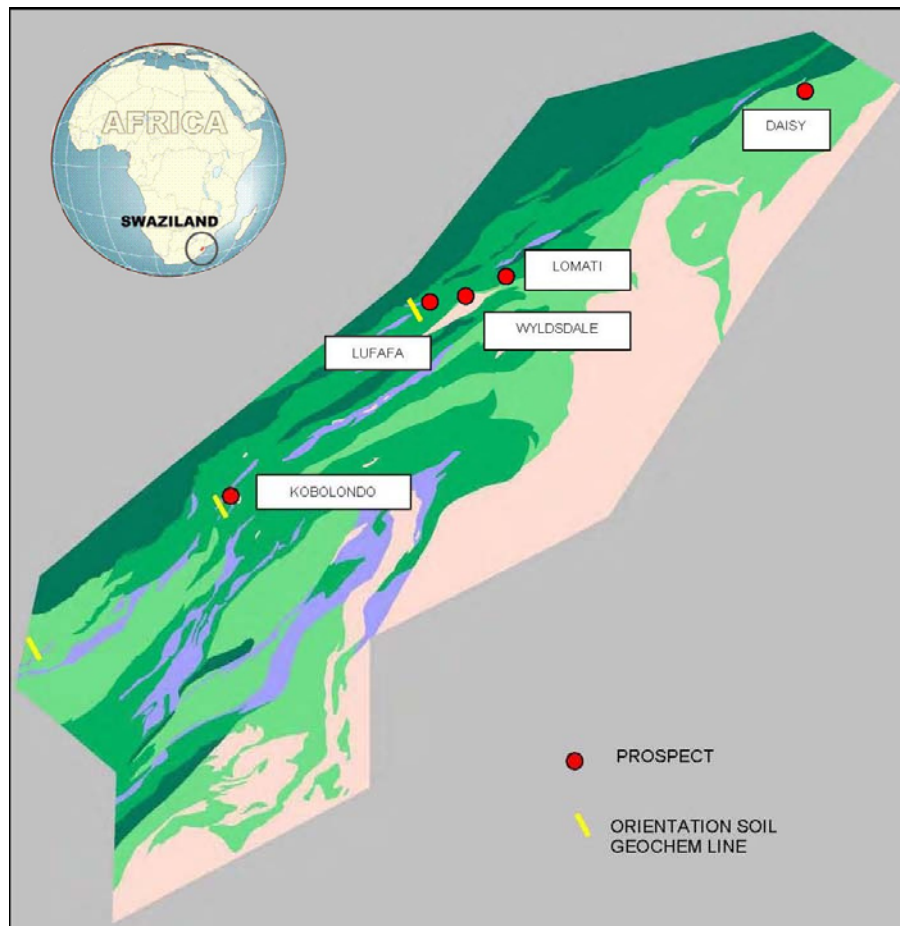
third borehole is planned to intersect a zone of mineralization that returned intersections of 2.61g/t Au over 6m and 4.76g/t Au over 6m. Deeper drilling of the Lufafa prospect will be subject to encouraging results from the shallow drill-holes.

Background to the SwaziGold Project

The SwaziGold Project is located in the highly prospective Barberton Greenstone Belt which straddles the border between South Africa and Swaziland. The belt was the location of the first gold discovery in South Africa in 1884, and has since produced 11.5 million ounces of gold. Dwyka's project comprises more than 40km of strike length containing multiple mineralized structures and in excess of 40 gold showings. From historical and current work Dwyka believes there is potential for several million tonnes of medium to high grade gold mineralization.

On 30th November, Dwyka released an exploration update on the SwaziGold Project with the following highlights:

- Significant gold mineralisation confirmed over a strike length of 600m at the Kobolondo Prospect;
- Channel sampling at the Lufafa Prospect returns encouraging results including 3.61g/t over 5m (including 14.7g/t over 1m);
- Analysis of previously unreleased drilling data at the Daisy Prospect indicates a high grade ore shoot plunging north east and traced to 250m depth so far;
- The Daisy Project remains a prime target and is considered by Dwyka, given historic and current drilling results to date to have the potential to prove up a small to medium tonnage high grade underground gold mine;



Dwyka owns 50% of Swaziland Gold (Pty) Limited, which owns the SwaziGold Project in Swaziland, Africa. Dwyka has the right to earn up to 90% ownership of SwaziGold.

The technical exploration and mining information contained in the above announcement has been reviewed and approved by Ed Nealon, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is qualified 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 Nealon is a Dwyka Resources Limited Director and meets the criteria of a qualified person under the AIM guidance note for mining, oil and gas companies.

Ed Nealon consents to the inclusion in this announcement of such information in the form and context in which it appears.

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or visit <http://www.dwyresources.com>

Notes to editors:

Dwyka is focusing on the diversified minerals sector, primarily nickel and gold, in order to achieve maximum value for shareholders during the ongoing resources boom.

Nickel

Dwyka has a major nickel exploration project underway in Burundi. Dwyka acquired all of the shares in Danyland Limited ('Danyland'), the owner of the Muremera Nickel project in Burundi, Africa, in January 2007. The Muremera project is located within one of the world's principal nickel provinces, only 2 kilometres from, almost adjacent to and in the same geological sequence as, the giant Xstrata/Barrick Kabanga deposit in Tanzania.

The Kabanga deposit is thought to be the world's largest undeveloped nickel sulphide deposit and has similar geophysical anomalies to those at Muremera. An exploration permit has been granted in relation to Muremera and access for exploration activities is good. The project's prospectivity has led to a commitment from BHP Billiton to spend at least US\$5.2million as part of sole funding arrangements to earn up to a 50% interest in Danyland.

Gold

Pursuant to a Shareholders and Earn-in Agreement dated 16 July 2007, Dwyka has the right to earn up to a 90% interest in Swaziland Gold (Pty) Ltd ('SwaziGold'), which in turn owns the SwaziGold Project in Swaziland, Africa. The project is a large (435 square kilometre) gold exploration play in the highly prospective Archaean Barberton Greenstone Belt in Swaziland, historically a producer of 11.5 million ounces of gold.

In the Barberton Greenstone Belt, extensive, shallow, historic workings, plus a lack of modern exploration, have presented Dwyka with an ideal opportunity. Previous owners

drilled some 13,500 metres of the project area, providing the Company with a drill database that includes numerous gold intersections. These have allowed Dwyka to establish immediate targets for both infill drilling and the development of extensions to established zones of mineralization. In the current favourable resources climate, it is believed that Dwyka's gold exploration activities will accelerate.

Diamonds

Dwyka has a shareholding of 48.2% in KimCor Diamonds Plc, an AIM-listed diamond explorer and producer with a portfolio of projects in Southern Africa.