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DWYKA RESOURCES LIMITED ('DWYKA' OR THE 'COMPANY')

DAGUMA COAL PROJECT - REVIEW OF HISTORIC DATA

Dwyka is pleased to announce the following review of the historical information in relation to the Daguma Coal Project.

Highlights:

- A non JORC compliant resource of 378 million tonnes of coal was estimated in 1999 by Axis, a subsidiary of BHP, for two of the 10 Blocks that comprise the total Daguma Coal Project
- A geological report published in 2000 estimated a preliminary coal resource of 266 million tonnes and a potential a mineable reserve of 225 million tonnes for three of the 10 Daguma Coal Project Blocks
- Coal characteristics make it suitable for power stations and industrial purposes
- Daguma Coal Project is logistically well suited for export or in-country power stations and located approximately 45km from the coast
- Daguma Coal Project has the potential to be brought into production in the near-term

The historical information contained in this announcement includes Foreign Estimates based on reports by E.O Diomampo (Senior Geologist, BHP); J. Ambucay (exploration geologist), R.M. Collado (Mining Consultant) and L.C. Toquero (Geology Consultant); and A. Manat and B.T. Guingona that are not reported in accordance with the JORC Code guidelines. The Company notes that the exploration to date has not defined a JORC compliant Mineral Resource, and that there is no certainty that further exploration will result in the determination of a JORC compliant Mineral Resource. Shareholders are referred to Annexure A hereto for an important notice regarding non-JORC estimates.

Based on historical drilling at the Daguma Coal Project, Dwyka's initial exploration target through an aggressive programme of further drilling is to confirm the existence of between 125 million to 150 million tonnes of coal with a calorific value of between 5,300 and 5,500 kilocalories per kilogram. Dwyka intends to undertake a JORC compliant drilling and sampling program, which will enable JORC compliant resource evaluations.

The Daguma Coal Project is located close to the coast (approximately 45 kilometres away), making supply to the export markets or in-country power stations feasible. The Daguma Project is comprised of 10 Blocks, each covering two minutes of latitude by 1.5 minutes of longitude, i.e. an area of about ten square kilometres (1000 hectares), see Figure 1. Two of

those Blocks are held by Daguma Agro-Minerals Inc. ("**DAMI**") and constitute the Daguma deposit (shaded in red, Fig 1), whilst the remaining 8 are held by Bonanza Energy Resources Inc. ("**BERI**") and constitute the Bonanza deposit (shaded in green, Fig 1) and is collectively referred to as the Daguma Coal Project. The total Daguma Coal Project area is approximately one hundred square kilometres and the location of the subject Blocks is shown in Figure 1.

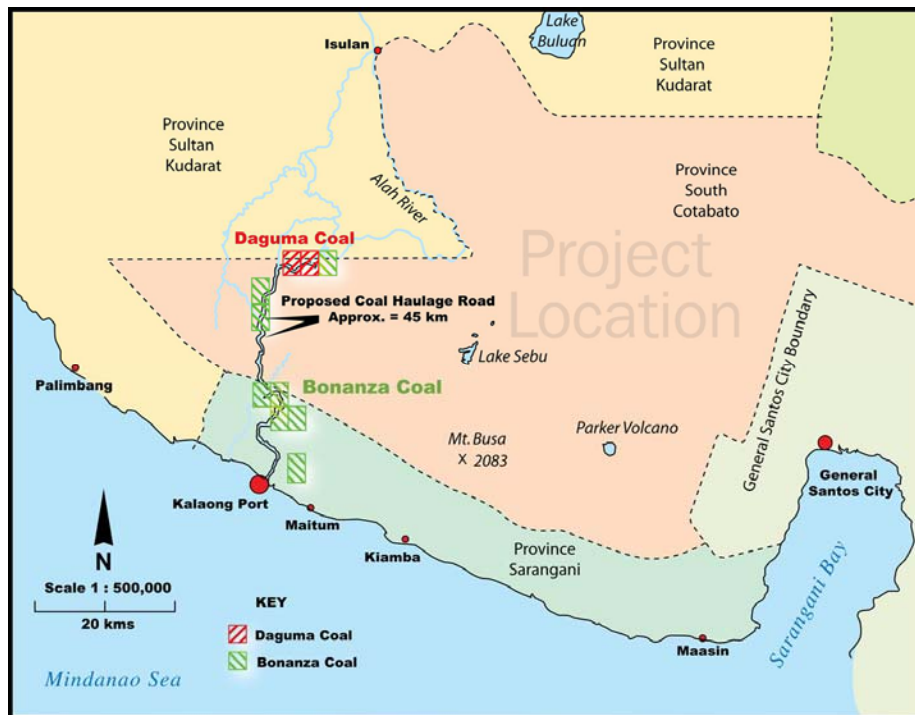


Figure 1. Locality map of the Daguma Coal Project

Based on a review of the historical data available on the Daguma Coal Project, The Directors consider that the project is particularly exciting given that, amongst other things:

- The Daguma Coal Project has been the subject of significant historical exploration work (including 32 diamond drill holes on the two DAMI blocks), based on which the Company's initial exploration target through an aggressive programme of further drilling is to confirm the existence of between 125 million to 150 million tonnes of coal with a calorific value of between 5,300 and 5,500 kilocalories per kilogram. Dwyka is of the view that the Daguma Coal Project has the potential to be brought into production in the near-term;
- analysis of the coal from the Daguma Coal Project indicates that it is suitable for the export and domestic power markets, as well as for industrial use (cement);
- the Philippines has ready demand for coal for power stations and other coal miners in the Philippines are already exporting similar calorific value coal to India, China and Hong Kong;
- the Daguma Coal Project is located close to the coast (approximately 45 kilometres away), making supply to the export markets or in-country power stations feasible; and
- the case of Semirara Mining Corporation ("**Semirara**") shows that a significant, sustainable business can be created in the region through selling coal with very similar specifications to coal from the Daguma Coal Project. Semirara is a Filipino company listed on the Philippines Stock Exchange and is capitalised at approximately US\$330 million.

Discovery History, Previous Exploration Work and Resource Estimates

Extensive coal outcrop point sampling and trench and pit sampling was carried out. The drilling undertaken was predominantly HQ and NQ core drilling, with unorientated core. Standard coal logging terminology and procedures were used and the coal bed thickness and intervals were measured. In relation to sub-sampling, the core was sawn and one half of the core was kept as a record with the other half being submitted for coal quality analysis. All samples were submitted to the Batangas Coal Lab of the Philippine National Oil Company (PNOC) Coal Corporation. These lab tests were done in accordance with the American Society for Testing and Materials (ASTM) Standards.

The location of data points and data spacing was conducted in accordance with the Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves prepared by the Coalfields Geology Council of New South Wales and the Queensland Mining Council, 2003 Edition.

The following summary includes Foreign Estimates based on the various reports noted above, that are not reported in accordance with the JORC Code guidelines and it is uncertain that following evaluation and/or further exploration the resource or reserve estimates below will ever be reported in accordance with the JORC Code.

(a) Early work

Early in 1994, Philippines government officials notified the Department of Energy (“DOE”) of numerous burning coal outcrops in the vicinity of the villages of El Tupok and El Dulong. The coal deposits in the Project area were then formally discovered by geologists from the DOE in 1994.

In the mid 1990s the DOE was focussed on renewable energy (largely hydroelectric) and natural gas fired power stations so the coal deposits received little immediate attention. However, in 1997 and 1998, the DOE published a number of reports indicating the potential for large coal deposits in the area and this spurred further exploration interest.

Reconnaissance surveys indicated that the coal outcrops were clustered along the El Dulong Coal Linear, which trends to the south west and was found to be about 2.6 kilometres wide and at least 8.5 kilometres long.

(b) Axis and BHP

In 1997, a Philippines company, Axis, was granted a Coal Reconnaissance Permit for exploration over a 600 square kilometre area in South Cotabato, and Sarangani. Axis subsequently obtained a Coal Operating Contract (“COC”) for Exploration covering 15 Blocks, each of about 10 square kilometres. In 1999, a subsidiary of BHP reviewed work on the two northernmost Blocks (now DAMI Blocks 380 and 381) and estimated a non-JORC compliant resource of 378 million tonnes of coal.

In March 2000, Axis geologists published a report on exploration work on Blocks 380, 381, and 220 and the potential uses of the coal. Significant conclusions were as follows:

- the coal occurs in a number of flat lying seams;
- the coal quality is suitable for power generation and other uses;
- a preliminary coal resource estimate of 266 million tonnes;

- a mineable reserve of 225 million tonnes; and
- the coal would be easily mineable with a truck and shovel operation.

The overall recommendation can be summarised as further work to develop the exploration prospects into a significant mining operation. Axis failed to comply with the conditions set by the DOE and its COC expired in July 2002.

(c) DAMI and Crew

DAMI was granted a COC over seven of the blocks in November 2002 and after field exploration work the COC was reduced to Blocks 380 and 381, which are still currently held. In the years 2003 to 2005, DAMI undertook geological mapping, trenching and test pitting followed by a drill program of 17 holes. The average depth was 72 metres and the holes were generally located close to the coal outcrop boundary.

In 2006, Crew Gold Corporation ('Crew') entered into an option agreement with DAMI and completed a 15 hole drilling program. The holes targeted coal further away from the outcrop than the DAMI holes and the average drilling depth was about 133 metres. Crew's option agreement subsequently expired.

(d) BERI

BERI was granted a COC over eight Blocks (282, 18, 58, 178, 179, 219, 220, and 300) in May 2005. Most of the exploration work to date has been done on the Blocks nearest the DAMI Blocks 380 and 381.

On Block 382, mapping was completed and six holes with an average depth of 57 metres had been drilled by early 2006. Mapping was also completed on Blocks 18 and 58, and seven holes had been drilled by early 2007. Blocks 178, 179, 219 and 220 have also been mapped and trenching has identified at least three coal seams, which will be investigated by future drilling.

Coal Characteristics

The Project deposits are made up of lignitic/sub-bituminous coal broadly classified as being of low-medium calorific value. However, the coal is suitable for power stations and industrial purposes and is very similar to that produced by Semirara. A summary of the coal characteristics of the main Daguma coal seam (and a comparison with the equivalent Semirara coal) is set out below:

	Daguma coal quality as received	Daguma coal air dried	Semirara coal air dried mid
Kcal/kg	4,270	5,390	5,300
Ash	5.59%	7.11%	7.50%
Sulphur	0.61%	0.76%	0.60%
Volatile matter	37.23%	47.13%	38.00%
Fixed carbon	30.98%	39.12%	38.50%
Total moisture	26.10%	Not applicable	Not applicable
Residual moisture	Not applicable	6.64%	13.00%
Hardgrove index	Not applicable	55.81	45

The technical exploration and mining information contained in this Notice has been reviewed and approved by Ed Nealon. Mr Nealon is a Dwyka Resources Limited Director and has sufficient experience which is relevant to

the style of mineralisation and type of deposit under consideration and to the activity to 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 and as a qualified person under the AIM Guidance Note for Mining, Oil and Gas Companies. Mr Nealon is a member of the Australian Institute of Mining and Metallurgy. Mr Nealon consents to the inclusion in this announcement of such information in the form and context in which it appears.

Shareholders are referred to Annexure A hereto for an important notice regarding non-JORC estimates.

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Notes to editors:

The acquisition of an interest in the Daguma Coal Project is consistent with the diversification strategy being implemented by the Company. As announced by the Company on 17 January 2007, Dwyka has sought new growth opportunities as part of its ongoing strategy of growth and diversification.

Nickel

To that end, Dwyka has a major nickel exploration project underway in Burundi, as well as an exciting gold exploration programme in Swaziland. 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\$5.2 million 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.

ANNEXURE A

IMPORTANT NOTICE REGARDING NON-JORC ESTIMATES

1. The Foreign Estimates based on reports by E.O Diomampo (Senior Geologist, BHP); J. Ambucay (exploration geologist), R.M. Collado (Mining Consultant) and L.C. Toquero (Geology Consultant); and A. Manat and B.T. Guingona are not reported in accordance with the JORC Code guidelines and it is uncertain that following evaluation and/or further exploration that the resource or reserve estimates will ever be reported in accordance with the JORC Code.
2. The Foreign Estimates are extracted from the following reports:
 - a. BHP Report entitled "Cotabato Coal Project - Site visit Report"; report prepared by E.O Diomampo (Senior Geologist, BHP) and approved by H.M Wolf (General Manager, BHP Eng'g. Phils., Inc.) on 7/12/1999;
 - b. Daguma Coal Project Report entitled "Concluded exploration work and the potentials for Mine-Mouth Power generation"; report prepared by J. Ambucay (exploration geologist), R.M. Collado (Mining Consultant) and L.C. Toquero (Geology Consultant) on 1/3/2000;
 - c. Geologic Report on the Dauma Cotabato Coal Deposit by L.C. Toquero (Geology Consultant) on 21/10/2004; and
 - d. Proposed Five Year Work Program for Daguma Agro-Minerals, Incorporated; prepared by A. Manat and B.T. Guingona on 15/10/2007.
3. Dwyka believes the Foreign Estimates are relevant to Shareholders and the market generally as the reports and Foreign Estimates were prepared by qualified personnel with suitable experience on the Cotabato coal basin and coal deposits in general; the reports were all prepared within the last 10 years and although the Foreign Estimates are not JORC compliant the general parameters used for the estimations are consistent with the guidelines for coal resource estimations defined by the 2003 edition of the Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves. The Foreign Estimates will be disclosed in the interests of maintaining an informed market and compliance with Dwyka's continuous disclosure obligations.
4. The reports on which the Foreign Estimates are based were prepared by E.O Diomampo (Senior Geologist, BHP); J. Ambucay (exploration geologist), R.M. Collado (Mining Consultant) and L.C. Toquero (Geology Consultant); and A. Manat and B.T. Guingona.

The following historic work programs were undertaken in preparation of these reports:

Coal outcrop point sampling and trench and pit sampling was carried out. The drilling undertaken was predominantly HQ and NQ core drilling, with an unorientated core. Drill recovery was recorded during drilling. Standard coal logging terminology and procedures were used and the coal bed thickness and intervals were measured. In relation to sub-sampling, the core was sawn and one half of the core was kept as a record with the other half being submitted for coal quality analysis.

All samples were submitted to the Batangas Coal Lab of the Philippine National Oil Company (PNOC) Coal Corporation. These lab tests were done in accordance with the American Society for Testing and Materials (ASTM) Standards.

The location of data points and data spacing was conducted in accordance with the Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves prepared by the Coalfields Geology Council of New South Wales and the Queensland Mining Council, 2003 Edition. The following resource estimation parameters were used in preparation of the BHP report:

- a. "Inferred Inventory Coal and Inferred Coal Resources may be estimated using data obtained from Points of Observation up to 4 kilometres apart (2 km spacing used by BHP estimation).
- b. Trends in coal thickness and quality should not be unreasonably extrapolated beyond the last line of Points of Observation.
- c. Indicated Inventory Coal and Indicated Coal Resources may be estimated using data obtained from Points of Observation normally less than 1 kilometre apart, but the distance may be extended if there is sufficient technical justification to do so, for example, if supported by geo-statistical analysis.
- d. Trends in coal thickness and quality should not be extrapolated more than half the distance between Points of Observation.
- e. Measured Inventory Coal and Measured Coal Resources may be estimated using data obtained from Points of Observation normally less than 500 metres apart, but the distance may be extended if there is sufficient technical justification to do so, for example, if supported by geo-statistical analysis.
- f. Trends in coal thickness and quality should not be extrapolated more than half the distance between Points of Observation."

The following work program parameters were used in development of the five year work program for Daguma Agro-Minerals:

- a. "In-situ" Reserves equals to Measured Reserves plus 2/3 of Indicated Reserves.
- b. Inferred Reserves within 600 to 1000m from the observed data points and drill holes or 400m from the outer limited of the Indicated Reserves. Indicated Reserves within 200m to 600m radius from observed data point, outcrop and drill hole or 400m from the outer limited of the Measured Reserves.
- c. Measured Reserves within 200m from observed data point or coal outcrop and drill hole."

Dwyka believes that the foregoing demonstrates that sufficient historical work has been undertaken to confirm the reliability of the Foreign Estimates.

5. Dwyka believes the Foreign Estimates are material because they are fundamental to an understanding of the mineralisation for the Daguma Coal Project. Additionally, the reports and Foreign Estimates were prepared by qualified personnel with suitable experience on the Cotabato coal basin and coal deposits in general; the reports were all prepared within the last 10 years and although the

Foreign Estimates are not JORC compliant the general parameters as defined by the JORC were used for the estimations.

Dwyka intends to undertake a JORC compliant drilling and sampling program which will enable JORC compliant resource evaluations. Dwyka intends to fund this program through a placement of Shares to exempt investors. Dwyka will aim to produce a JORC compliant Mineral Resource within the next two year period, based upon a scoping study that has been lodged with the Philippine government by the current project owners.

Further, Dwyka considers that there is no foreseeable negative impact on Dwyka resources currently devoted to Dwyka's other exploration activities.

6. The Foreign Estimates used methodologies and resource classification categories in accordance with the policies of the Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves prepared by the Coalfields Geology Council of New South Wales and the Queensland Mining Council, 2003 Edition.
7. An Independent Technical Valuation report dated 5 April 2008 was undertaken by Kable Resource Associates Pty Ltd in relation to the Daguma Coal Project.
8. Dwyka intends to bring the Foreign Estimates into compliance with the JORC Code through a drilling and sampling program currently being compiled by Dwyka which will enable JORC compliant Mineral Resource evaluations. The work program is aimed at enabling resource estimations (inferred, indicated and measured Mineral Resource) within the next 2 years dependent on the availability of suitable drill rigs, geophysical surveying and analytical laboratories.
9. This Notice is consistent with the guidance contained in the Companies Updates numbered 11/07 and 05/04.
10. A competent person's statement accepting responsibility for the accuracy of the information contained within this Notice is included.
11. The ASX has granted a waiver to Listing Rule 5.6 to allow Dwyka to disclose the Foreign Estimates.