



2 October 2007

**Dwyka Resources Limited ('Dwyka' or the 'Company')**

**Muremera Nickel Project Update**

Further to the announcement made by Dwyka on 11 September 2007, the Directors of the Company announce that both the drilling and heliborne VTEM surveys have commenced at the Muremera nickel project in Burundi, which is owned by the Company's wholly-owned subsidiary Danyland Limited.

**Drilling**

Drilling of previously identified targets has commenced and the drill rig is currently at a depth of 210 metres. As previously announced, it is expected that drilling will continue until November and that subsequent results analysis will take place through to December 2007.

**VTEM Surveying**

All survey equipment, including the survey helicopter and personnel, has arrived on site and VTEM surveying has commenced. It is anticipated that VTEM operations will be completed towards the end of October, with interpretation of the resultant data to occur by end of 2007.

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**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 resource 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 and almost adjacent to the Kabanga deposit in Tanzania, which is being developed by Xstrata plc and Barrick Gold Limited. [Kabanga currently has an inferred resource of 36mt @2.8% Ni (Xstrata New Release: Toronto, February 15, 2007).]

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 50.09% in KimCor Diamonds Plc, an AIM-listed diamond explorer and producer with a portfolio of projects in Southern Africa.