



28 May 2008

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

**Successful capital raising of GBP10.3m (A\$21.3m)**

The directors of Dwyka are pleased to announce that the Company has successfully completed a capital raising of GBP10.3m (A\$21.3m) to finance its interests in the Daguma and Bonanza Coal Projects and related exploration and development costs.

On 7 May 2008 the Company announced that it has entered into an option giving it the ability to acquire an interest in the Daguma and Bonanza coal deposits located on the Philippines island of Mindanao (collectively, the 'Project'), and a funding requirement to finance acquisition and other costs.

Pursuant to the terms of a placing agreement, Ambrian Partners Limited as broker to the Company has conditionally placed 39,745,500 fully paid ordinary shares (the 'Placing Shares') at a placing price of 26 pence per Placing Share with selected institutional investors to raise gross proceeds of approximately £10.3 million (A\$21.3 million) (the 'Placing').

The proceeds of the Placing will primarily be used to fund Project costs including initial option exercise expenses to give Dwyka a 30% interest in the Project, costs related to further exploration and drilling, equipment purchases and staffing.

Commitments have been received in respect of all of the Placing Shares. The Placing is conditional on inter alia, the approval of the Company's shareholders in general meeting and the admission of the Placing Shares to trading on the AIM Market of the London Stock Exchange. Dwyka will release an explanatory notice of meeting (as required by the ASX) containing resolutions to approve the Placing in due course.

Dwyka CEO Melissa Sturgess, commenting on the Placing, said:

"We are absolutely delighted with the level of interest shown in the Daguma and Bonanza Coal Projects. The financing has closed ahead of the scheduled time and we look forward to bringing shareholders early news of our progress on this project."

For further information please contact:

Melissa Sturgess  
Dwyka Resources Limited  
(+44) (0)78 2555 1397 or melissa@dwyresources.com

In United Kingdom  
Richard Brown  
Richard Greenfield  
Ambrian Partners Limited  
(+44) (0)20 7634 4700

Press enquiries  
Charlie Geller or Leesa Peters  
Conduit PR  
(+44) (0)20 7429 6604/ (+44) (0)79 7006 7320

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

Notes to editors:

Dwyka is focusing on the diversified minerals sector in order to achieve maximum value for shareholders during the ongoing resource boom.

In addition to the coal opportunity announced by the Company on 7 May 2008, Dwyka's focus is primarily on nickel and gold.

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.