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WARWICK RESOURCES IDENTIFIES CHANNEL IRON MINERALISATION NEAR NEWMAN

KEY POINTS

- **Channel Iron Deposit ("CID") identified near Jimblebar gold project in the Pilbara**
- **Additional CID targets to be evaluated prior to drill testing the identified channel**
- **First drilling programme completed at Copper Range and Jimblebar – results due early June 2007**

Pilbara explorer, Warwick Resources Limited (ASX:WRK) today announced it has identified channel fill iron mineralisation near its Jimblebar Gold project located near Newman in Western Australia.

The CID was discovered during field reconnaissance of three CID targets recently identified by Southern Geoscience Consultants (SGC) from airborne magnetic survey data. The discovery is located 8km from BHP Billiton's Jimblebar iron ore mine in a prolific iron ore production region dominated by major and emerging iron ore companies (Figure 1).

Warwick Resources Technical Director Bruce McQuitty said "The CID is an exciting development for Warwick Resources. It demonstrates that our field programmes are continuing to upgrade the potential of the Company's tenements which are well positioned near existing infrastructure and operating mines."

"Warwick intends to undertake an initial drilling programme to test the thickness of the mineralisation and the possibility it may extend beneath alluvial cover. Other CID targets have been identified from the airborne magnetic survey data and now deserve follow up investigation after this initial success."

A total of 9 rock chip samples were taken from the CID deposit, including four 25m channel samples from an east-west traverse near the southern end of the mesa (tabular hill). The channel samples returned high iron grades of between 54-59% with low contaminants (Table 1). These values are similar in tenor to grades reported from pisolitic iron deposits mined elsewhere in the Pilbara

Description of the mineralisation

The channel fill iron mineralisation outcrops as a 3km long NNE-striking mesa from 75m to 150m wide on the Company's tenements.

The mineralisation is coarsely stratified and dips shallowly to the east beneath unconsolidated sand and alluvium (Figures 2 & 3). The mineralisation is up to 5m thick where it is exposed at the southern end of the mesa and appears to thicken towards the east (Figure 3). The iron pisolite contains exotic rounded pebbles and cobbles (Figure 4) and plant fragments typical of channel and valley fill deposits of the Robe River type.

Exploration potential

Three isolated outcrops of iron pisolite and laterite occur 1km to the east of the Jimblebar channel. These outcrops are visible in the Landsat image (Figure 2) and could indicate the presence of a more extensive sheet of iron pisolite mineralisation buried beneath shallow alluvial cover of the Jimblebar Creek plain.

Additional smaller channel iron outcrops have been recognised in valleys in the hills to the west of the Jimblebar CID and may represent tributaries of the Jimblebar channel.

Mapping and sampling programmes will commence shortly to be followed by a drilling programme in June, subject to completion of heritage clearances, to test the thickness of the mineralisation.

Two other CID targets identified by SGC have received only cursory field inspection but appear to relate to shallow magnetic sources buried beneath recent sand and alluvial deposits. The magnetic data is being reinterpreted by SGC in light of the recent discovery.

First Drilling Programme completed at Copper Range and Jimblebar

The Company has completed a 1,200m drilling programme at the Copper Range copper project and the Jimblebar gold project. The results are expected to be available in early June 2006.

Ends

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The information in this report to which this statement is attached that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Bruce McQuitty, who is a Member of the Australian Institute of Geoscientists. Mr McQuitty is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity they are 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 McQuitty consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

About Warwick Resources

Warwick Resources is headquartered in Perth, Western Australia and listed on the ASX in February 2007. The company has a diverse asset portfolio and is engaged in an aggressive exploration program in the Pilbara region of Western Australia, close to world class iron ore mines and major infrastructure near Newman.

Warwick Resources strategy is to advance exploration projects with pre-established mineralisation in high value commodities which have significant prospects for discovering further mineralisation and can be developed quickly into commercial operations.

The Company is developing a number of highly prospective mineral projects near Newman, consisting of large consolidated tenement blocks with a total area of more than 700km^2. The northern block comprises gold, copper, chromite and channel iron projects and the southern block comprises two nickel sulphide projects and a base metals and uranium project. These tenements are located south of BHP Billiton's Jimbelbar iron-ore mine and south-west of Consolidated Minerals' Coobina chromite mine.

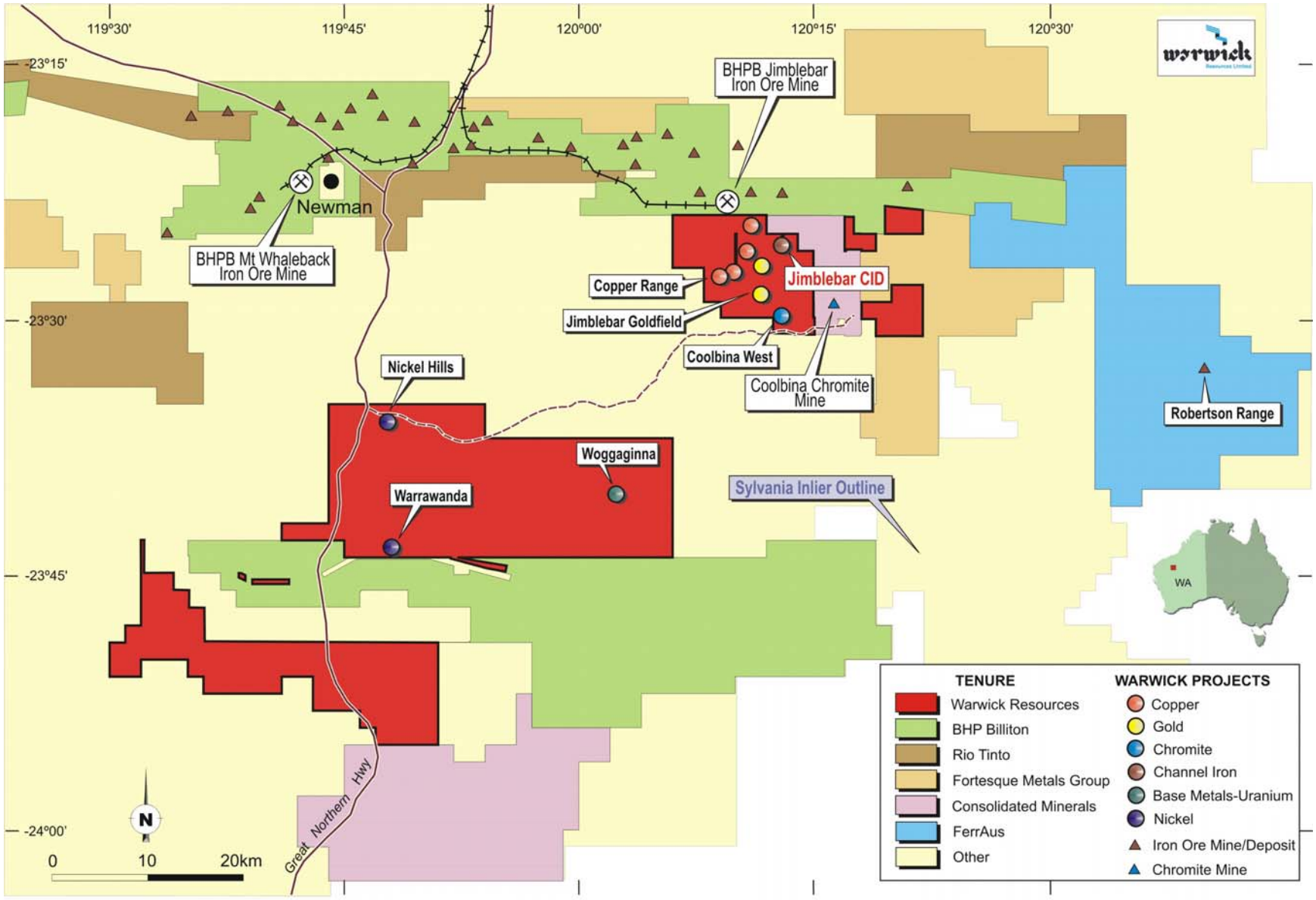

Figure 1 Warwick Resources - Tenement Locations

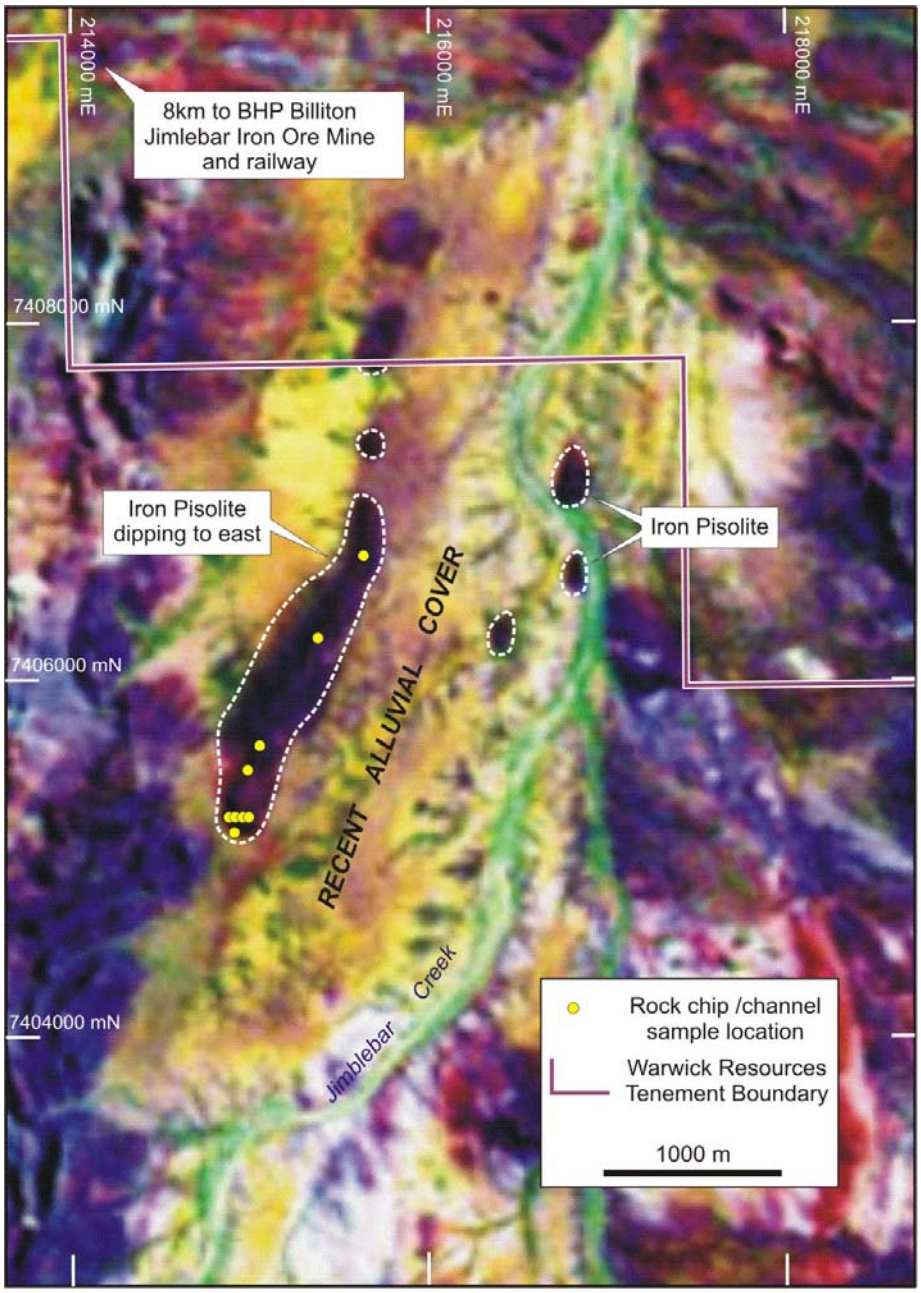

Figure 2 Jimblebar CID Targets - Landsat 741

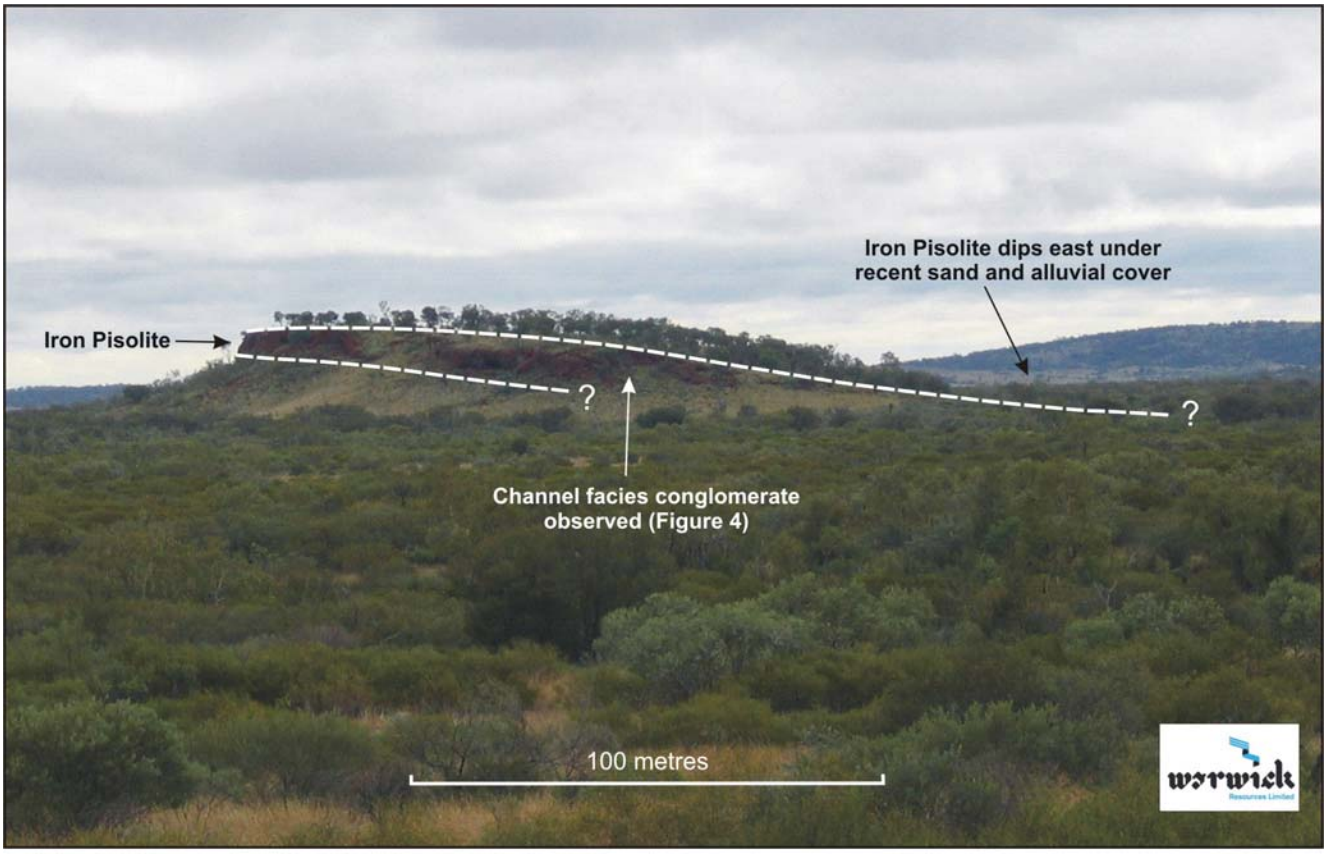

Figure 3 profile of channel iron deposit, looking north

Figure 4: Channel fill cobble conglomerate in profile

Figure 5: Pisolitic iron sample

Table 1: Rock Chip Channel and Grab Sample Results *

Sam No.	Easting	Northing	Description	Fe %	Al_2O_3 %	SiO_2 %	P (%)	LOI (%)
WRR177	214985	7405200	Pisolitic iron oxides. 25m channel sample 214985mE-214960mE	56.7	4.03	5.06	0.042	8.66
WRR178	214960	7405200	Very vughy pisolitic iron oxides. 25m channel sample 214960mE-214935mE	56.2	5.17	4.37	0.075	8.62
WRR179	214935	7405200	Pisolitic iron oxides. 25m channel sample 214935mE-214910mE	57.8	4.83	3.72	0.049	7.68
WRR180	214910	7405200	Pisolitic iron oxides. 25m channel sample 214910mE-214185mE.	56.7	5.19	3.81	0.057	8.64
WRR181	214914	7405152	Ferricreted conglomeratic & pisolitic iron oxides at southern end of deposit.	57.2	4.19	4.30	0.087	8.66
WRR182	214988	7405497	Very haematitic N-S striking beds with shallow dip to east.	59.0	3.76	2.63	0.027	8.36
WRR183	215056	7405642	Pisolitic iron oxides with small pea-sized exotic clasts.	54.4	4.82	7.77	0.032	8.34
WRR184	215384	7406237	Pisolitic haematitic iron oxides	57.8	3.44	4.93	0.032	8.21
WRR185	215580	7406680	Pisolitic iron oxides.	54.0	5.66	8.73	0.029	7.18

*Samples WRR177-WRR180 are channel samples taken at 25m intervals on northing 7405200 across the top of the mesa near the southern end. Samples WRR181-WRR185 are grab samples at broadly spaced locations along the strike of the deposit. The values reported in this table are from weathered surface samples and may not reflect the grades at depth. All samples were analysed by X-Ray Fluorescence Spectrometry (XRF). Loss on Ignition (LOI) values were determined using Thermo-Gravimetric Analyses at 1000^{o}C. Results are reported on a dry sample basis. Sample locations are expressed in MGA 94 Zone 51 coordinates.