

Drilling commences at Anomaly Hill nickel sulphide target

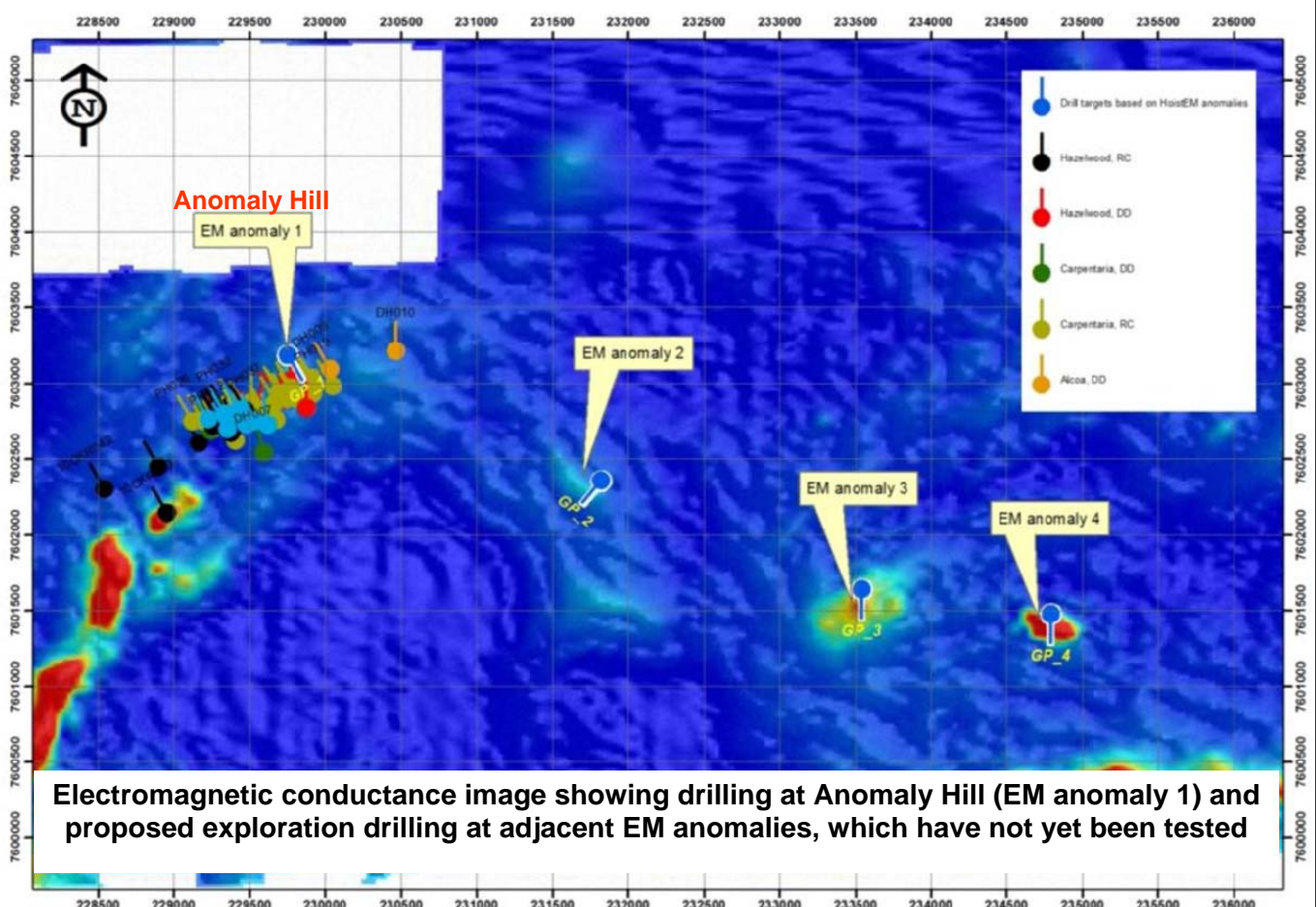
- ❑ **Core drilling commences at the Anomaly Hill nickel sulphide target in the East Pilbara**
- ❑ **Targeting EM conductor and extensions to known nickel sulphide mineralisation**
- ❑ **Numerous other EM conductors to be drill tested during the current program**

A diamond core drilling program is in progress at Hazelwood's 100% owned Cookes Creek Project in the East Pilbara of Western Australia. The drilling will test for depth extensions to nickel mineralisation and to test an EM conductor that lies beneath the Anomaly Hill nickel sulphide target. Previous drilling had shown significant nickel sulphide mineralisation within an extensive layered ultramafic sequence.

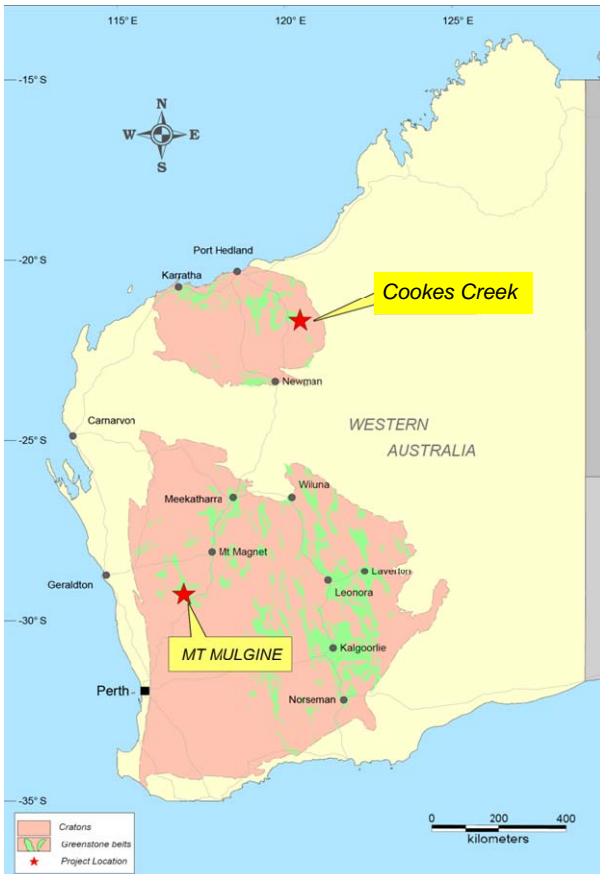
High resolution EM surveys conducted by Hazelwood identified several EM conductance anomalies along the layered ultramafic sequence, within 200 metres of the surface. Detailed field mapping has verified these as priority drill targets for magmatic layered intrusion - hosted nickel sulphides.

Approximately 1800 metres of core drilling is scheduled across the numerous anomalies, including the Copper Gorge VMS base metal target (Atlas Iron 30%), which is being partly funded by the Western Australian State Government.

Production schedules and inventory procurement plans are being finalised for the ATC Ferrotungsten Project in Vietnam, for a proposed hot commissioning and production start-up early in the new year. Hazelwood's recent Entitlement Issue raised approximately \$10.5 million and the Company continues to receive applications under the Shortfall Offer which is proposed to close on 9 December 2012.



East Pilbara Exploration



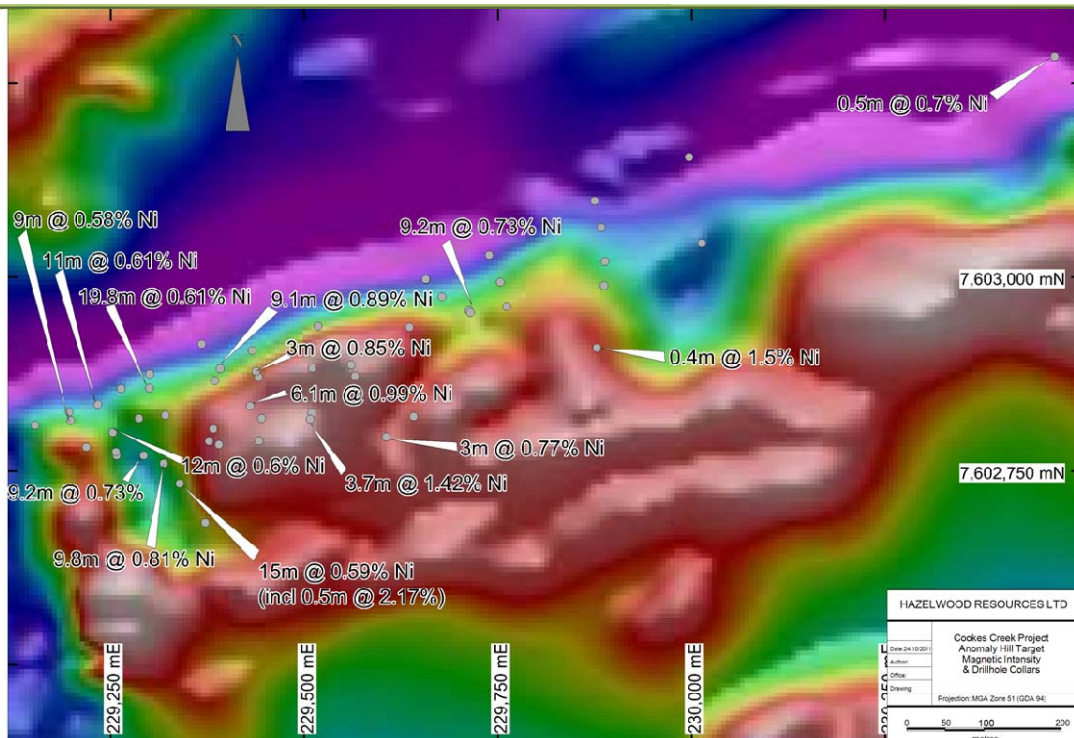
Hazelwood has significant tenure in the East Pilbara of Western Australia at its **Cookes Creek Project**. In addition to hosting the **Big Hill Tungsten Deposit**, the tenements contain areas of significant **nickel sulphide mineralisation** and **VMS-style base metal targets**.

An extensive layered ultramafic intrusion occurs over a strike extent of more than 20 kilometres within tenements controlled by the Company. At the **Anomaly Hill** target, the Company has previously reported numerous significant nickel sulphide intersections from its exploration drilling. The mineralisation remains open in all directions and no drilling has yet tested beyond 130 metres depth.

There are several priority nickel sulphide exploration targets adjacent to the Anomaly Hill discovery. The targets coincide with electromagnetic anomalies that were generated during a high resolution airborne EM survey previously completed by Hazelwood. The targets are within 200 metres of the surface.

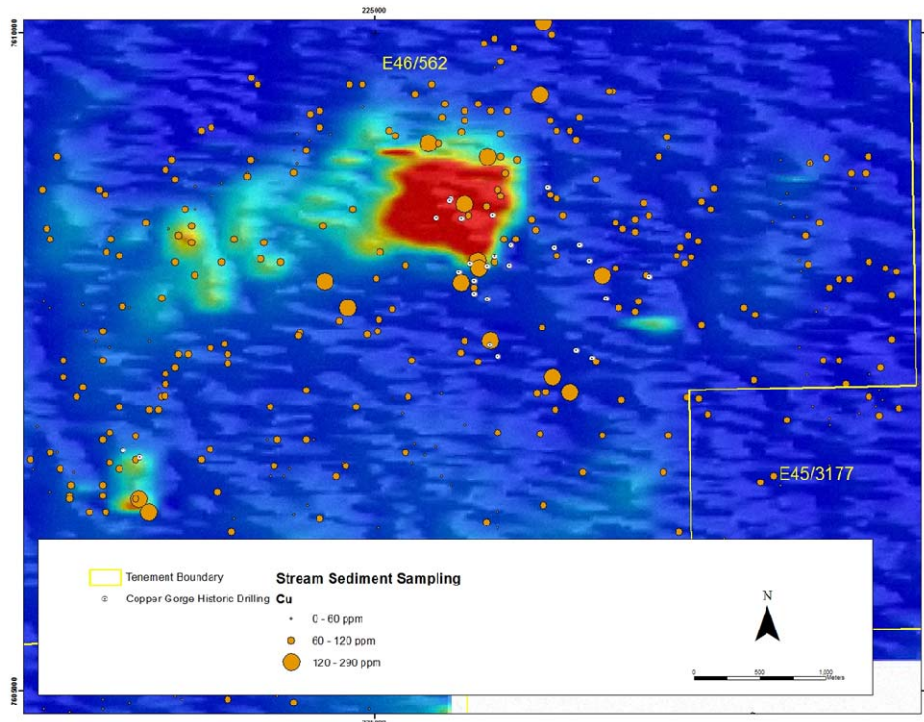
A significant EM conductance anomaly with an extent of approximately 1km x 1km has also been identified at the adjacent **Copper Gorge** VMS base metal target (Atlas Iron 30%). Surface alteration has been mapped over a strike extent of several kilometres.

Anomaly Hill – nickel sulphide discovery zone – magnetic image



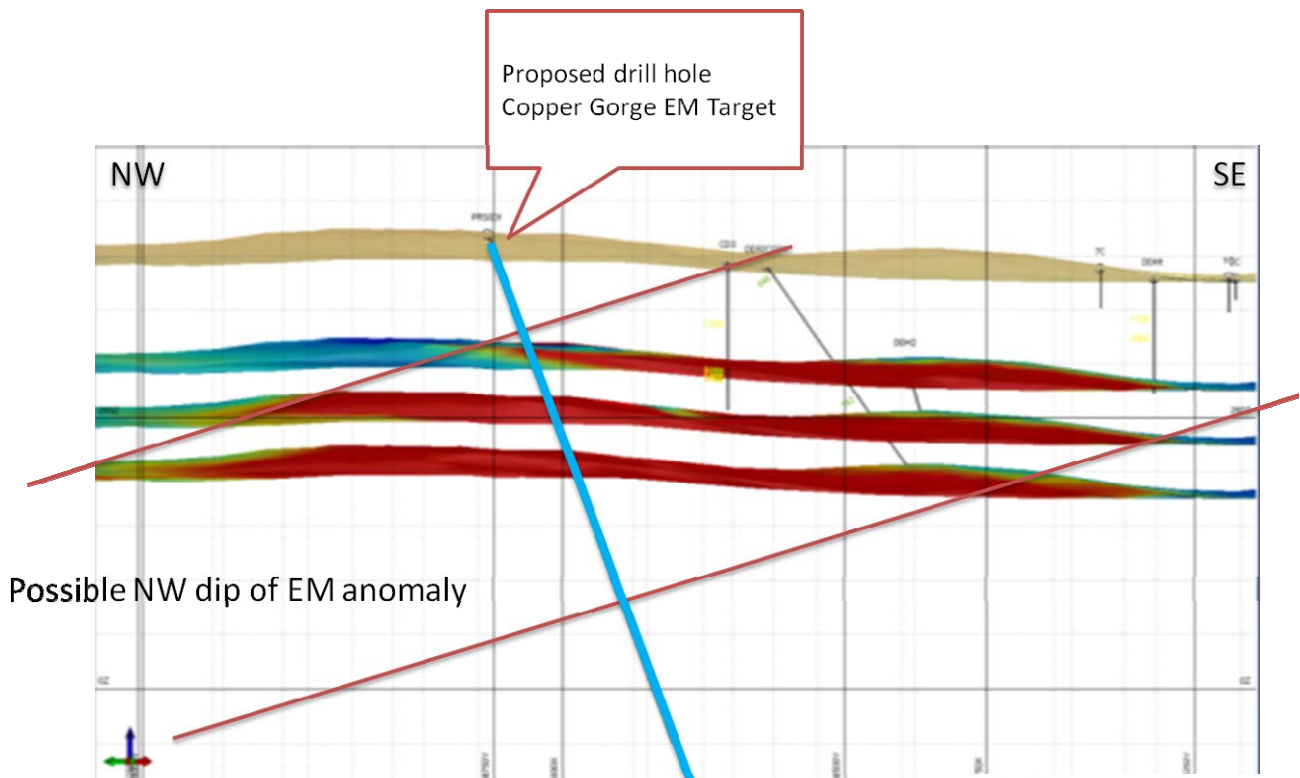
- Nickel sulphides in layered ultramafic sill – millerite, hazelwoodite, pentlandite
- Shallow oxidation typically <30 metres; some limonitic nickel in the oxide zone
- No drilling beyond 130m vertical depth – mineralisation open in all directions
- Many other targets in the extensive layered intrusion >20km strike

Copper Gorge anomaly , a drill -ready VMS target



- Limited historical drilling 7.6m @ 0.54% Cu, 1.5m @ 2.3% Cu
- Coincident electromagnetic and geochemical anomaly
- Kilometric scale – surface mapped indications of VMS style mineralisation

Copper Gorge proposed drilling into EM Anomaly



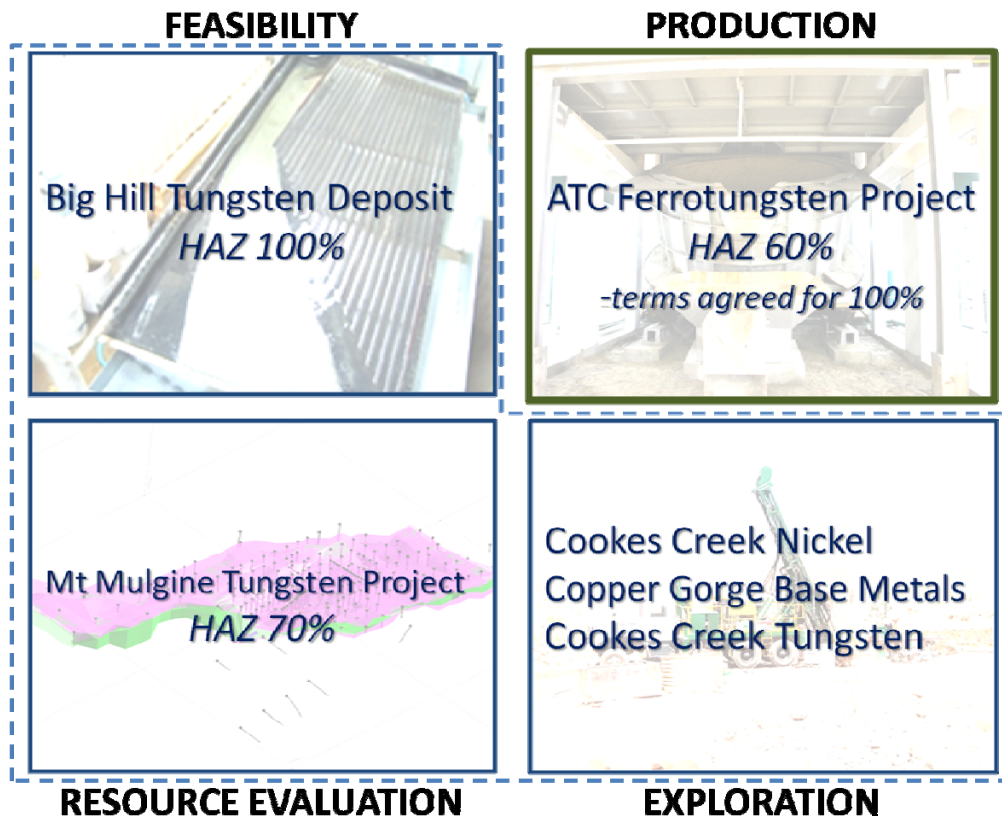
The information in this report that relates to exploration results, mineral resources or ore reserves has been compiled by Mr Terence Butler-Blaxell MAusIMM who is a director of Hazelwood Resources Limited. Mr Butler-Blaxell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a competent person as defined in the 2004 edition of the Australasian Code for the reporting of exploration results, mineral resources and ore reserves. Mr Butler-Blaxell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

About Hazelwood:

Hazelwood Resources Ltd is an emerging minor metals producer with a majority stake in the ATC Ferrotungsten Project in Vietnam. Ferrotungsten is used in the production of high speed steels, tool steel and temperature resistant alloys. Wogen Resources has the worldwide sales agency for all ferrotungsten produced by ATC and will distribute the product to existing network of customers under a sales financing arrangement. The ATC Ferrotungsten plant is the largest capacity facility of its type outside of China and its design is believed to be the most advanced in the world.

The ATC plant is ready for first production and will initially use feedstock from third party sources, with the objective of vertically integrating with Hazelwood's proposed Big Hill Tungsten Deposit in Western Australia. Big Hill is an advanced project with an open pittable 12 year JORC Ore Reserve and is capable of producing an exceptionally pure tungsten feedstock. Hazelwood also has a 70% interest in the Mt Mulgine Project in Western Australia which hosts a near-surface JORC Mineral Resource.

Hazelwood has significant exposure to nickel sulphides and base metals through its 100% owned Cookes Creek and Copper Gorge (HAZ 70% AGO 30%) areas in the East Pilbara of Western Australia. Significant nickel sulphides have been intersected in drilling at Cookes Creek and there are numerous geophysical and geochemical targets over a strike extent of more than 20 kilometres that are yet to be drill tested.



ATC Ferrotungsten Project, Vietnam