

ASX ANNOUNCEMENT

21 May 2013



WARATAH ANNOUNCES NEW STRATEGIC INITIATIVES

HIGHLIGHTS

- **Two key focus areas: African iron ore and Australian commodities**
- **Iron ore division to re-focus on world class opportunities in Gabon**
- **New Australian commodities division to maximise shareholder value**

Following the successful completion of its recent capital raising Waratah Resources Limited (ASX: WGO) announces it is streamlining its business to greater leverage its key strengths. The Company will create two new divisions: African iron ore and Australian-focused commodities to drive shareholder wealth into the future.

Funds from the recent placement will go toward the planned exploration program in the Republic of Gabon in West Africa, including the exploration and development of new prospective iron ore licenses in Gabon.

Placement funds will also support the pursuit of new business development opportunities as Waratah establishes a new commodities division with a focus on Australian assets.

African Iron Ore Division

Divest Congolese Assets

Following an internal project review the Board of Waratah has chosen to divest its Congolese assets.

Waratah Managing Director, Mr Ben Kirkpatrick, stated that “the Congo is no longer strategically suitable for Waratah and does not align with our new business focus on Gabon. We remain extremely positive about the potential of our Gabon licenses and will be releasing the results of metallurgical tests, including a maiden inferred JORC resource, during the next quarter.”

The Company has been approached by a number of different parties interested in acquiring Waratah’s Congolese assets and is currently engaged in preliminary confidential discussions and expects a positive outcome during the next quarter. However there is no guarantee that any transaction will result and Waratah will keep the market informed as to relevant outcomes from these discussions.

COMPANY SNAPSHOT

ASX: WGO

CAPITAL STRUCTURE

Ordinary shares on issue	233M
Options @ 30c	11M
Options @ 20c	1.6M
Options @17.5c	16M
Options @ 10c	20M
Options@ 7.5c	5M

MAJOR SHAREHOLDERS

Top 20%	51.33%
UBS Wealth	22.43%

BOARD & MANAGEMENT

Sir Michael Bromley
Chairman

Ben Kirkpatrick
Managing Director

Jonathan Downes
Non-Executive Director

Anne Adaley
Company Secretary

PROJECTS

Mekambo-Est	Republic of Gabon
Youkou	Republic of Congo
Okanabora	Republic of Congo

CONTACT INFORMATION

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Belinga Iron Ore Deposit – Gabon

Waratah can confirm it is in discussions with parties interested in the world class Belinga Iron Ore deposit. Waratah management will be meeting with the Gabon Mines Ministry in July 2013 to outline the Company's commitment and strategy for Gabon.

Waratah can also confirm it is in high level discussions with various international companies who specialise in developing mines and providing full infrastructure solutions of a scale required in West Africa. However there is no guarantee that any transaction will result and Waratah will keep the market informed as and when required.

Mr Kirkpatrick commented that "since beginning operations in the country two years ago, our achievement as one of the first foreign companies to release detailed metallurgical testing and an inferred JORC resource in the region, has demonstrated Waratah's ongoing commitment toward the development of Gabon's iron ore industry."

Australian Commodities Division

Waratah Resources is also pleased to announce the creation of a new commodities division that will focus on developing Australian assets. Commodities targeted include iron ore, thermal and coking coal, copper, nickel and cobalt with the Company evaluating acquisition opportunities in partnership with project level and strategic end-user clients.

The new commodity business intends to make select commodities available to end users utilising the Company's existing relationships with international conglomerates and through agency agreements with direct mines.

Speaking about the new division, Mr Kirkpatrick said "we are looking to build robust revenue streams for the Company by providing our clients, project partners and other potential stakeholders access to commodity exposures over a range of products. Whilst the broader commodity space is viewed somewhat skeptically by markets, we believe significant opportunities exist for solid value-driven assets to fit with our new business model and resource portfolio."

Waratah expects the new commodity division to provide revenue by the end of the next quarter 2013.

For further Information or enquiries please contact:

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