

17 July 2008

The Announcements Office
Australian Stock Exchange Limited
Level 3, 20 Bridge Street
SYDNEY NSW 2000

By Electronic Transmission

Dear Sir

Update - Diamond Drilling at Magnetite Range

Please find attached an exploration and drilling update on the Company's Magnetite Range project.

Yours faithfully



Ranko Matic
Company Secretary



MEDIA/PRESS RELEASE

HIGHLIGHTS

INITIAL SUCCESS WITH THE DIAMOND DRILLING AT THE MAGNETITE RANGE PROSPECT IN THE MT GIBSON AREA WITH THICK MAGNETITE INTERSECTIONS. (ACCENT RESOURCES NL 80%, MAWSON WEST LTD 20%)

Diamond drilling commenced last month at the Magnetite Range prospect at Mount Gibson, to test the potential for magnetite mineralisation at depth. This prospect is along strike from Asia Iron's Extension Hill 240Mt magnetite deposit

All three drill holes completed to date have thick intersections of magnetite with a combined thickness in the third hole of over 80 metres.

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COMMENCEMENT OF DIAMOND DRILLING AT THE MAGNETITE RANGE PROSPECT AT MT GIBSON, (ACS 80%, MWE 20%).

A diamond drilling programme commenced last month on the Magnetite Range prospect to test the potential for magnetite deposits. This programme is a precursor to a much larger drilling programme planned to test along a 14km strike length of banded iron formation. The formation being drilled is the strike extension of the same unit that hosts the 240Mt magnetite deposit at Extension Hill (Asia Iron Holdings Ltd). The first three drill holes have been completed.

This drilling programme is designed to test for depth extensions of magnetite down dip from previous reverse circulation drill holes. The table below lists the significant intersections of magnetite based on geological logging and magnetic susceptibility measurements.

MAGNETITE INTERSECTIONS FOR THE MOUNT GIBSON DIAMOND DRILLING PROGRAMME, AT THE MAGNETITE RANGE PROSPECT, JUNE – JULY 2008

DRILL HOLE MGD-	NORTHING (MGA 94)	EASTING (MGA 94)	AZIMUTH (degrees)	DIP	FINAL DEPTH (metres)	MAGNETITE INTERSECTIONS		
						FROM (metres)	TO (metres)	WIDTH (metres)
1	6739882	506126	210	-80	129	54.4	58.5	4.1
						65.3	95.9	30.6
2	6738993	507418	210	-80	195	36.4	56.0	19.6
						111.5	167.4	55.9
3	6739454	506732	210	-80	144	38.3	89.1	50.8
			210	-80	144	97.3	127.3	30.0

Notes

- Intersections based on geological logging and magnetic susceptibility measurements.
- These visual and magnetic measurements require assay results and Davies Tube analyses to validate these observations and measurements.
- Coordinates based on tape and compass from nearby surveyed reverse circulation drill holes.
- The true thickness of these intersections is approximately 95% for MGD 1 and MGD 3 and 80% for MGD 2, (due to the steeper dip of the magnetite zone).



The first drill hole MGD 1 was sited behind reverse circulation drill hole MGRC 33. It intersected over 30 metres of magnetite.

The second drill hole MGD 2 was sited behind reverse circulation drill hole MGRC 31. It intersected over 75 metres in two main bands of magnetite.

The third drill hole MGD 3 was sited behind reverse circulation drill hole MGRC 36. It intersected over 80 metres in two main bands of magnetite.

The drill core is currently being sampled for assaying and will also be analysed with the Davies Tube. Various comminution tests will also be carried out.

Diamond drilling is continuing at the Magnetite Range prospect.

For further details contact Alan Wolstencroft, Technical Director on 0439 912 234

The information within this report as it relates to geology was compiled by Mr Alan Wolstencroft of Accent Resources NL. Mr Wolstencroft is a member of the Australian Institute of Geoscientists. Mr Wolstencroft has sufficient experience relevant to the type of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 edition of the Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves, and consents to the inclusion of this information in the form and context in which it appears in this report.

