ABN: 47 125 688 940

ASX ANNOUNCEMENT

31 January 2012

WARATAH AT A GLANCE

ASX : WGO

Shares on issue
185 million shares
Market Cap
A$48 million

BOARD MEMBERS

Terry Streeter
- Chairman

William Witham
- Managing Director

Peter Bennetto
- Non Executive Director

Jonathan Downes
- Non-Executive Director

Rod White
- Non-Executive Director

COMPANY SECRETARY

Robert Orr

CONTACT INFORMATION

T: +61 8 6365 4532
F: +61 8 6210 5510
E: admin@waratahresources.com.au
W: www.waratahresourcse.com.au
A: 350 Hay Street,Subiaco WA 6008

Quarterly activites report for the period ended 31st December 2011

HIGHLIGHTS

- **Completed purchase of new (Okanabora) iron ore licence in Republic of Congo-Brazzaville**
- **New Permis de Recherché granted in Gabon immediately adjacent to the Youkou project in Republic of Congo**
- **Waratah is now a large landholder in the region, with three licenses totaling over 2,000 km²**
- **Rapidly improving Infrastructure in the area including new roads and camps**
- **Drilling to commence shortly**
- **Post quarter appointment of new Board members Terry Streeter (Chairman) and Rod White (Non-executive Director) to provide drive and experience in project funding and development**

Managing Director Mr William Witham said that he was extremely satisfied in the progress that Waratah had made during the quarter. “We are now in a position to commence drilling on our flagship Youkou Iron Project as significant progress has been made with all of the necessary infrastructure.”

“In addition, the acquisition of the Gabon licence has doubled our exploration area in this highly prospective iron ore region.”

ABN: 47 125 688 940

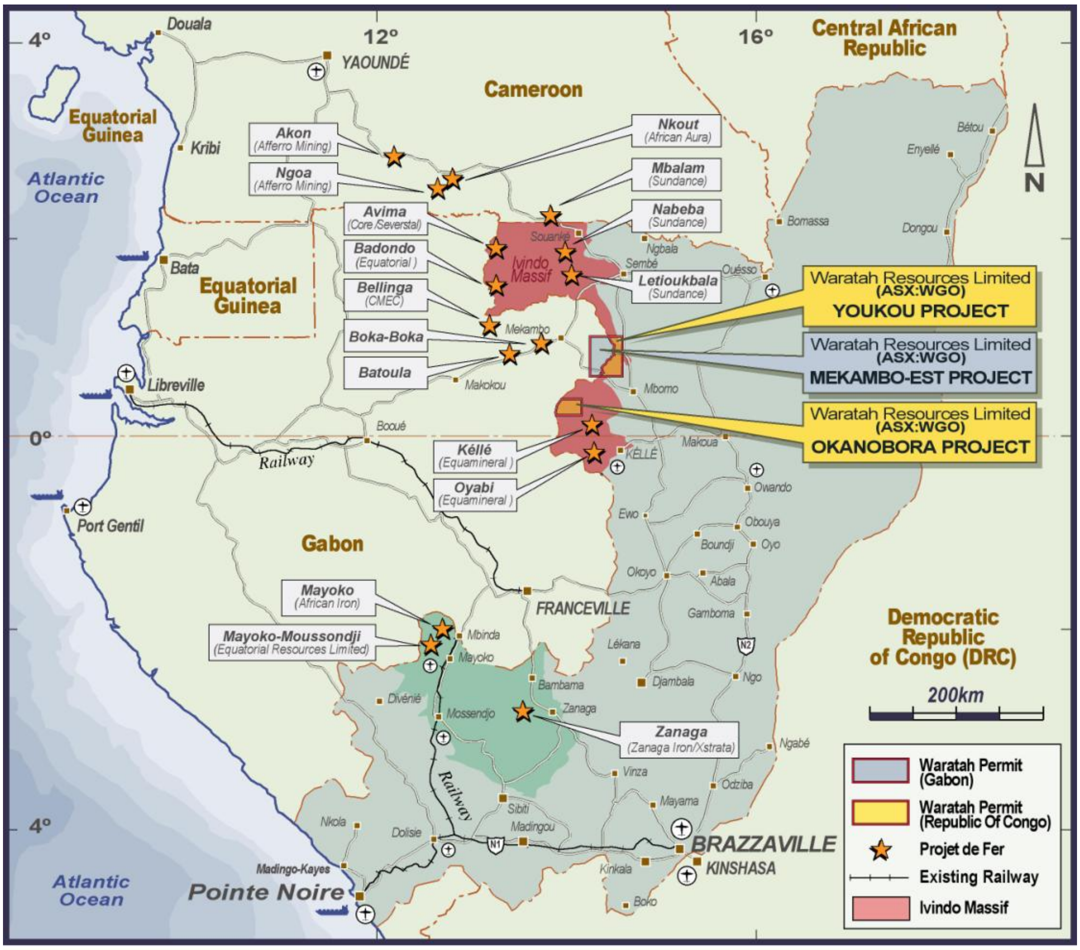
ABOUT WARATAH RESOURCES LIMITED

Waratah Resources Limited (ASX: WGO) ("Waratah" or "the Company") is an ASX listed iron ore company with a focus on its projects in the Republic of Congo ("ROC") and Gabon ("Gabon") and on the acquisition of other iron projects in the area.

The Company's flagship Youkou Iron Project ("Youkou") is located on the Ivindo Massif which is host to at least 4 billion tonnes of iron ore, including the world class Nabeba, Avima and Badondo projects.

Waratah is well positioned to take part in the development of this region into the world's newest iron ore province, and has developed strong relationships with the ROC government. The Company is currently aiming to define a JORC-compliant resource using its company owned drilling rigs and equipment.

Waratah Resources Limited – Project Location Map



YOUKOU IRON ORE PROJECT

Subsequent to the end of the quarter, Waratah was pleased to announce the imminent commencement of drilling at its Youkou project in the ROC.

Regional Mapping observations undertaken throughout the quarter confirmed the Company's geological model and supported the potential for haematite iron mineralisation and direct shipping ore ("DSO"). Preliminary results are expected to be released in the March 2012 quarter. Waratah is targeting the definition of an initial resource during 2012.

Significant progress has been made in the provision of infrastructure and logistics requirements for the Company's exploration and development programs. This includes the construction of base camps at Youkou and Etoumbi, provision of transport and logistics solutions, the purchase of light and heavy vehicles, communication infrastructure and support facilities.

The Company has engaged a number of contractors to provide vital services aimed at developing the Company's projects and has undertaken a Transportation Study with Mott McDonald aimed at investigating and optimising the transportation of Iron Ore from the Youkou project for initial start up annual production of 0.5 Mtpa, 1 Mtpa, 2Mtpa, 5Mtppa and 10Mtpa.

OKANABORA PROJECT

Regional Field work commenced at Waratah's proposed Okanabora Iron Project ("Okanabora") 75kms south of Youkou in the ROC. A reconnaissance campaign was conducted at Okanabora which included the collection of rock samples and the selection of base camp sites to facilitate the commencement of a maiden drilling campaign in 2012.

ACQUISITION OF GABON LICENSE

Waratah, through its subsidiary Waratah Gabon S.A., has secured a Permis de recherché miniere ("Permit"), for area No. G6-508, named "Fer Mekambo-Est" in Gabon. The Permit abuts and is located immediately adjacent to the Company's flagship asset, the Youkou Exploration Licence in the ROC.

The Gabon Minister of Mines signed the Permit and it is expected to be formally validated with the signature of the President of Gabon in the near future. The Permit gives Waratah the exclusive right to commence and execute its exploration work program targeting DSO hematite iron ore for an initial 3 year period, with an option to extend for a further 6 years.

Waratah will work on both license areas, maintaining respect for the requirements of the governments of both Gabon and ROC, as the Company seeks to define an iron ore resource in 2012 and in the longer term, to work toward the development of a world-class DSO asset that benefits both countries.

Geological mapping of the project area indicates the potential strike zone of the iron ore prospective geology crosses between Gabon and the ROC. Following the granting of the Permit, Waratah has secured ownership on both sides of the Gabon/ROC border doubling the exploration area to a total of 2,100 km^2.

ABN: 47 125 688 940

To complement its existing presence in ROC, and to support operations in Gabon, Waratah has recently opened an office in the Gabon capital of Libreville.

QUARTERLY CORPORATE ACTIVITIES

Subsequent to the quarter, the Company appointed Mr Terry Streeter as Chairman and Mr Rod White as Non Executive Director (ASX announcement 5th January 2012).

Mr Streeter is a successful Perth-based businessman with extensive experience in exploration and mining companies. He is Chairman of Western Areas NL and Fox Resources Limited and Non Executive Director of Midas Resources Ltd and he is currently a substantial shareholder of Waratah.

Mr White is currently a Director of an accounting practice and a Director of Fox Resources Limited. He is a member of CPA Australia with over 19 years experience in senior accounting, finance and administration.

ENDS

For further information on Waratah Resources Limited, please visit www.waratahresource.com.au or contact

Waratah Resources Ltd

William Witham
Managing Director
P: (08) 6365 4532

Media and Investor Contact

Warrick Hazeldine
Purple Communications
P: (08) 6314 6300
whazeldine@purplecom.com.au

Competent persons statement:

Technical information in this report is based on information compiled by Mr. William Witham B.Sc. Geology (Hons), Waratah Geologist and a member of the Australian Institute of Geoscientists. Mr. Witham has sufficient exploration experience which is relevant to the styles of mineralisation and types of deposit under consideration and to the activity which he is 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' ("JORC 2004"). Mr. Witham consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.