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Company Announcement

9 October 2012

High Grade Gold Intercepts – Edjudina

Hawthorn Resources Limited (ASX:HAW) is pleased to announce high grade gold results from recent drilling at it's wholly owned ***Edjudina Project*** area.

These results include:

- ***2 metres @ 20.29 g/t Au (including 1 metre @ 39.5 g/t Au),***
- ***4 metres @ 4.28 g/t Au (including 1 metre @ 10.26g/t Au), and***
- ***4 metres @ 6.03 g/t Au***

that confirm earlier reported high grade results, and further identifies the high grade gold zones that are known to occur within this mineralised field.

Introduction

Hawthorn Resources Limited is pleased to update shareholders with results from recently completed RC drilling carried out within the ***Edjudina – Triumph Project*** area, primarily focused in the ***Senate Mine*** area.

The project area, approximately 145 kilometres North-east of Kalgoorlie and in close proximity to existing mining operations and active ore haul roads, covers a series strike parallel quartz veins. Three major, distinct and separate quartz vein sets ("Reef 1, 2 & 3") host most of the known gold mineralisation in the project area, from which historic gold production from 4 major underground mines totalled 33,215 oz @ 46.9 g/t of gold along 1.4 kilometres of strike.

Exploration and development by Paget Gold Mining Company Limited in 1983 resulted in an estimated remaining underground Proven and Probable Reserve (to 160 metres from surface) of ***195,500 tonnes @ 12.4 g/t Au (75,000 oz Au)***.

Current Program

The recently completed drilling program on the granted Edjudina Mining Lease was focussed beneath and along strike of the ***Senate Mine*** (10,398 oz of Au produced from 6942 tonnes of ore) where historic drive sampling and drill intercepts of two of the parallel reef horizons ("Reef 2 and 3") returned:

- ***0.47 metres @ 157.0 g/t Au at 35 metres vertical depth***
- ***3.00 metres @ 11.3 g/t Au at 66 metres vertical depth***
- ***0.25 metres @ 189.2 g/t Au at 132 metres vertical depth***

beneath and within the historic mine workings.

Previously drilling by Hawthorn in the ***Senate South*** area intersected a zone of high grade Reef 2 mineralisation near surface.

- ***2.0 metres @ 15.75 g/t Au at 28 metres vertical depth***

During the current program single and two hole drill sections were drilled over 600 metres of strike with most holes intersecting at least one, if not two, of the known parallel reef positions.

The results from the current program are considered extremely significant as drill sections south, immediately to the north and beneath the excavated ***Senate Mine Lodes*** have returned very high gold grades at relatively shallow depths including:

- ***2.0 metres @ 15.75 g/t Au from 36-38 metres - EDC006,***
- ***4.0 metres @ 4.28 g/t Au from 54-58 metres – EDC017,***
  - ***(including 1.0 metre @ 10.26 g/t Au),***
- ***2.0 metres @ 4.32 g/t Au from 87-89 metres – EDC018,***
- ***1.0 metres @ 6.01 g/t Au from 62-63metres – EDC022,***
- ***4.0 metres @ 6.03 g/t Au from 40-44 metres – EDC028, and***
- ***2.0 metres @ 20.29 g/t Au from 108-110 metres – EDC033,***
  - ***(including 1.0 metre @ 39.5 g/t Au)***

These results have confirmed that the main gold ore bearing lode in the ***Senate Mine*** area appears to be the quartz – carbonate Reef 2 system, which flattens in dip with depth. Reef 2 has been intersected in most holes drilled in the vicinity of the ***Senate Mine*** shaft, with over 300 metres of gold mineralised strike intersected to date. Some resampling of existing drilling is required as several samples of holes in the Reef 2 position reported strongly enhanced results in initial sampling with respect to the results reported in the table below.

Nonetheless the drilling and sampling carried out indicates that well defined, high grade gold lodes exist in this area. Drilling to further define these lodes and potentially identify a mineable high grade gold resource amenable to open-cut and / or underground exploitation will be carried out in upcoming months.

Results from the drill program are reported in Table 1 below.

Table 1. RC drilling results Edjudina – Triumph Project – August 2012

Hole No.	Azimuth	Dip	North	East	From (m)	To (m)	Width (m)	Au (g/t)
EDC012	-60	224	6706459	449990	26	27	1	1.08
and					33	34	1	1.13
EDC013	-60	223	6706481	450010	40	41	1	3.09
and					60	61	1	1.02
EDC014	-60	223	6706488	449987	44	47	3	0.71
and					74	76	2	2.65
EDC017	-70	224	6706439	450019	54	58	4	4.28
incl.					54	55	1	10.26
EDC018	-65	224	6706458	450039	70	71	1	1.02
and					87	89	2	4.32
EDC020	-65	224	6706395	450091	24	25	1	2.73
and					68	69	1	1.04
and					102	103	1	3.05
EDC022	-65	222	6706337	450141	62	63	1	6.01
EDC023	-65	234	6706672	449841	21	22	1	2.35
and					52	56	4	2.49
EDC024	-65	236	6706684	449864	80	82	2	2.85
incl.					81	82	1	4.55
EDC025	-65	234	6706624	449844	24	25	Stope	
and					54	55 EOH	Stope	
EDC027	-70	234	6706651	449881	80	84	4	1.60
EDC028	-65	230	6706700	449805	40	44	4	6.05
EDC029	-65	234	6706722	449834	65	67	2	1.80
EDC033	-60	227	6706541	450011	108	110	2	20.29
incl.					108	109	1	39.50

All RC Holes collected as 1 metre splits from rotating splitter.
All Assays Amdel Laboratories, Kalgoorlie
* = Previously announced drillhole
EOH = End of Hole

Summary

Hawthorn is encouraged by these RC drilling results at ***Edjudina***, which further confirms the prospectivity of this project area, and anticipates that further RC drill testing will identify additional high grade gold lodes in the project area, whilst further defining the existing known gold lode.

In addition Hawthorn is to begin development drilling, engineering and metallurgical testwork designed to commence the conversion of its two most advanced gold projects – ***Trouser Legs – Anglo Saxon*** and ***Deep South*** into mining operations.

At ***Trouser Legs – Anglo Saxon*** a 7500 metre drilling program designed to confirm pit boundaries of the main deposit and quantify potential resources at satellite gold mineralised areas ***Coles*** and ***Exile*** – has been approved by the West Australian Mines Department and will commence shortly.

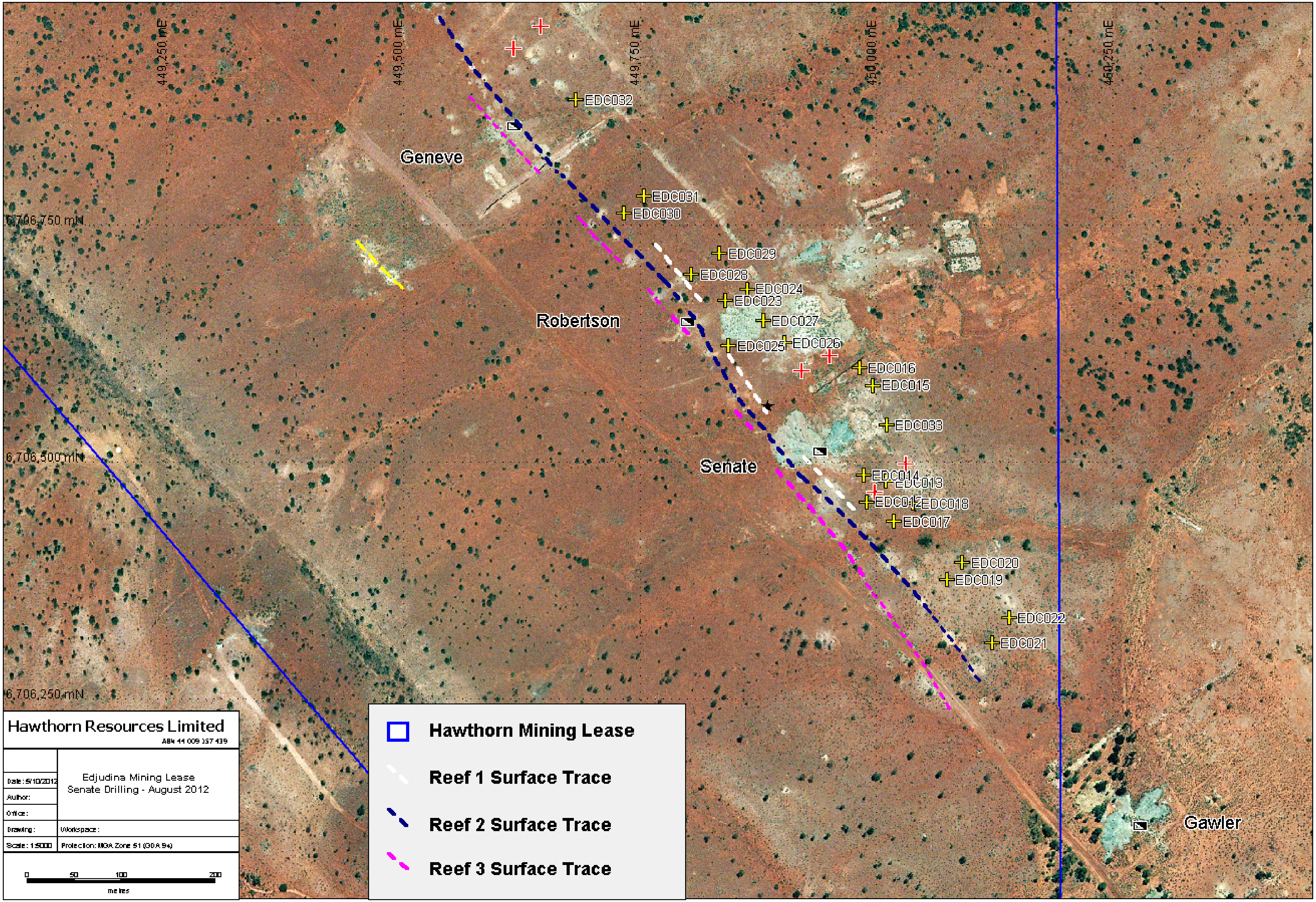
Similarly at ***Deep South*** drilling programs designed to convert the near surface, high grade mineralisation identified to date into resource categories is to commence shortly following Mine

Department approval. Mining at the adjacent Deep South Mine of Saracen Mineral Holdings Limited, on what is believed to be the same mineralised horizon, has recently recommenced.

For further information please contact

Mourice Garbutt Company Secretary 03 9605 5917

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Ian Moody, who is a member of the Australasian Institute of Mining and Metallurgy and a full time consultant geologist with First Principle Mineral Exploration Company Pty Ltd. Mr Moody has sufficient experience as a geologist which is relevant to the style of mineralization and the type 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Moody consents to the inclusion in this report of the matters based on his information in the form and context in which it appears



449,250 mE
449,500 mE
449,750 mE
450,000 mE
450,250 mE
6,706,750 mN
6,706,500 mN
6,706,250 mN
Geneve
Robertson
Senate
Gawler
EDC032
EDC031
EDC030
EDC029
EDC028
EDC024
EDC023
EDC027
EDC025
EDC026
EDC016
EDC015
EDC033
EDC014
EDC013
EDC012
EDC018
EDC017
EDC020
EDC019
EDC022
EDC021
Hawthorn Mining Lease
Reef 1 Surface Trace
Reef 2 Surface Trace
Reef 3 Surface Trace
Hawthorn Resources Limited
Edjudina Mining Lease
Senate Drilling - August 2012
Date: 5/10/2012
Author:
Office:
Drawing:
Workspace:
Scale: 1:5000
Projection: MGA Zone 51 (GDA 94)
0
50
100
200
metres