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Maiden 140 Million Tonne Magnetite JORC Resource at Ruotevare Project, Sweden

- Ruotevare contains 140Mt Inferred JORC Mineral Resource at 39.1% iron, 5.7% titanium and 0.2% vanadium
- WAG earning 50% of Ruotevare
- Major drilling program expected to begin November 08 with excellent potential to significantly increase the resource
- Nearby Kallak Magnetite Project contains target iron mineralisation ranging from 88Mt to 92Mt at a grade range of 35% – 42% iron

WAG Limited (ASX: WAG) is pleased to announce the completion of a maiden Mineral Resource estimate compliant with the JORC Code reporting standards for the Ruotevare Magnetite Project in Norrbotten County, northern Sweden.

This follows the signing of the Ruotevare Farmin & Joint Venture Agreement between WAG and AIM-listed Beowulf Mining plc (Beowulf) whereby WAG, subject to Shareholder approval, will earn 50% of the project by spending AUD\$1,000,000 on a 3,000 – 5,000 metre delineation drilling program and metallurgical test work.

The Ruotevare Project is situated 150km southwest of the world's second largest underground mine – the 2.3 billion tonne Kiruna iron ore mine. Ruotevare is located 180km by road from the nearest potential road-rail reloading site.

Completed by geological consultants Runge Limited, the Inferred Mineral Resource estimate of 140 million tonnes (Mt) grading 39.1% iron (Fe), 5.7% titanium (Ti) and 0.2% vanadium (V) (cut-off grade of 30% Fe) exceeds WAG's initial estimate of between 116–123Mt of mineralisation.

The Ruotevare Resource is based principally on 32 diamond core drill holes totalling 6,223m, drilled by the Geological Survey of Sweden (SGU) in the early 1970s. SGU estimated 116Mt at 38.2% Fe, 5.6% Ti and 0.17% V. Detailed ground magnetic and metallurgical test work was made available to Runge, together with geological mapping of the deposit completed in 2006. A comprehensive review of the drill data and geophysical information, together with the findings of the 2006 geological mapping report indicate that mineralisation extends beyond the area drilled by SGU.

In addition to the 140Mt Inferred Resource at the Ruotevare Project, the nearby Kallak Magnetite Project, based on exploration by SGU consisting of three diamond core drill holes and geophysical surveys, has target iron mineralization of 88 – 92Mt at 35 – 42% Fe. WAG has entered into a second Farmin Agreement with Beowulf whereby, subject to Shareholder approval, WAG will earn 50% of Kallak by completing drilling, metallurgical test work and a magnetic survey program. The potential quantity and grades for Kallak are conceptual in nature. There has been insufficient exploration to define a Mineral Resource compliant with the JORC Code and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Drilling Program and Metallurgical Review

A diamond drilling program is expected to begin in November 2008 to target lateral extensions of the known mineralisation. The program is aimed at significantly increasing resources at Ruotevare and upgrading the existing and subsequently identified Resource into JORC Code Indicated and Measured categories.

Detailed metallurgical test work of the Ruotevare deposit was first carried out by the Swedish government-owned iron ore mining company LKAB with subsequent work by Finnish steel company Rautaruukki. The reports have been translated into English and submitted to metallurgical consultants for review. Following the review a metallurgical test work program will be developed and incorporated into the drilling program.

Ruotevare Magnetite Project Overview

The Ruotevare Magnetite Project consists of one Exploration Permit covering a total area of 850 hectares located approximately 1,100km north of Stockholm in Norrbotten County, 13km north west of the small village of Kvikkjokk (Figure 1). The 2.3 billion tonne Kiruna iron ore mine, the world's second largest underground mine, is located approximately 150km northeast and the Malmberget iron ore mine is located 120km to the east.

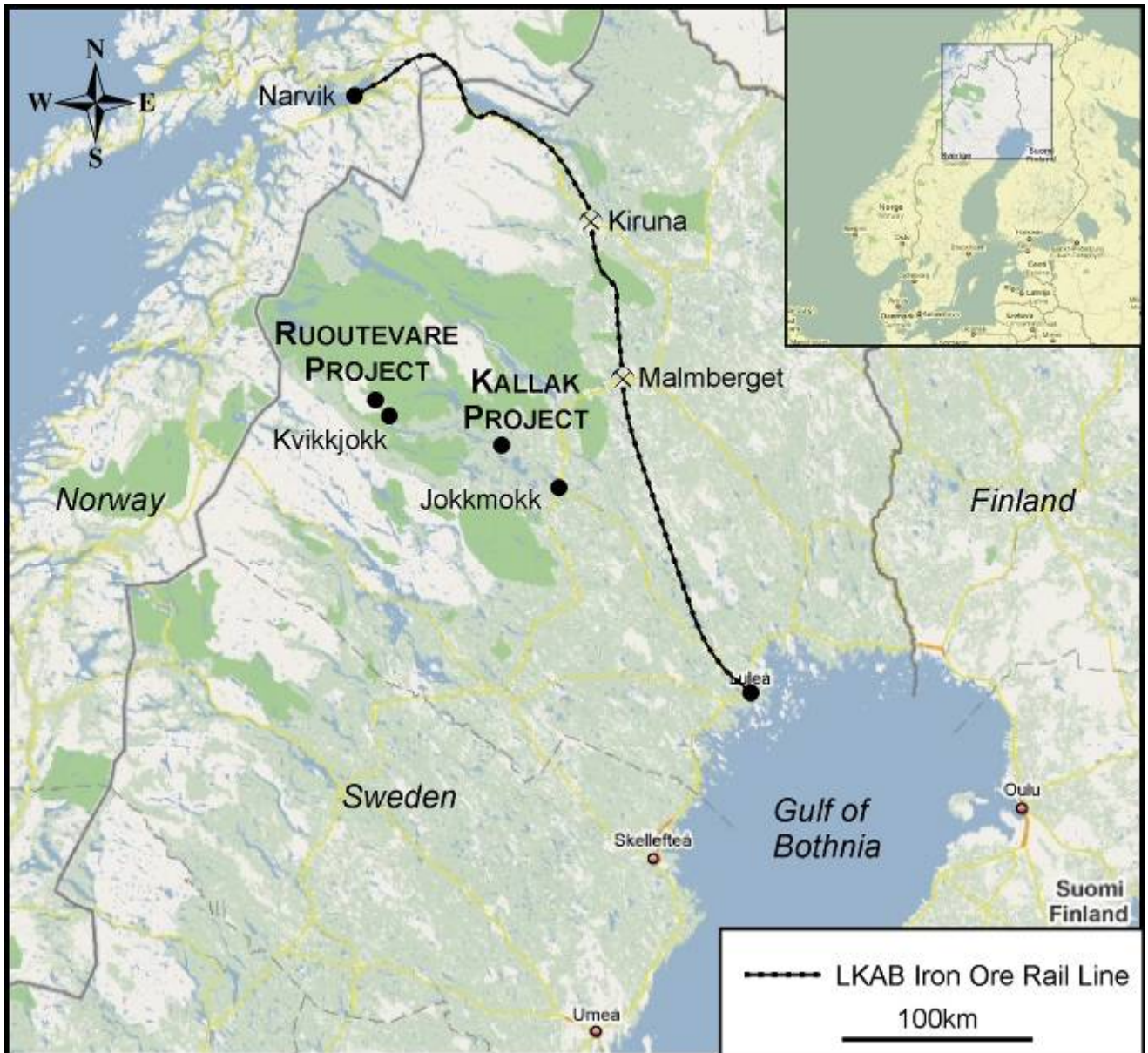


Figure 1. Project Location Map

LKAB own and operate both the Kiruna and Malmberget iron ore mines as well as the Luleå-Malmberget-Kiruna-Narvik railway route used to transport the iron concentrates and pellets. LKAB also own storage and ship loading facilities at the Luleå port (Baltic Sea) and the Narvik Port (Norwegian Sea) in Norway.

The Ruotevare project is approximately 180km by road from the nearest potential road-rail reloading site on the Luleå-Malmberget-Kiruna-Narvik railway route. Power accessibility and relative cost is excellent in Sweden, with the Seitevare hydroelectric plant located 75km by road from the Ruotevare Project.

Ruotevare Geology and JORC Inferred Resource Estimate

The Ruotevare magnetite deposit is an out-cropping, flat-lying to gently dipping magnetite rich layer about 150m thick within an anorthositic gabbro. The magnetite ranges from massive to disseminated and is associated with ilmenite.

The magnetite mineralisation consists of four lenticular pods of mineralisation that are interpreted to be the result of magmatic layering within the intrusive complex. The most significant mineralised body is approximately 1,500m long and 200m to 300m wide.

There appears to be good potential to substantially increase the resource by drilling extensions to the existing resource and by testing other magnetite bearing zones in the vicinity of the deposit.

The resource was estimated in a standard block model using Ordinary Kriging interpolation. The interpolation was constrained by resource outlines based on mineralisation envelopes prepared using a nominal 30% Fe cut-off grade.

A rotated Surpac block model was created to encompass the full extent of the Ruotevare deposit (Figure 2). The block model used a primary block size of 100m NS by 50m EW by 8m vertical with sub-cells of 25m by 12.5m by 2m. The parent block size was selected on the basis of 50% of the average drill hole spacing within the main mineralised zones.

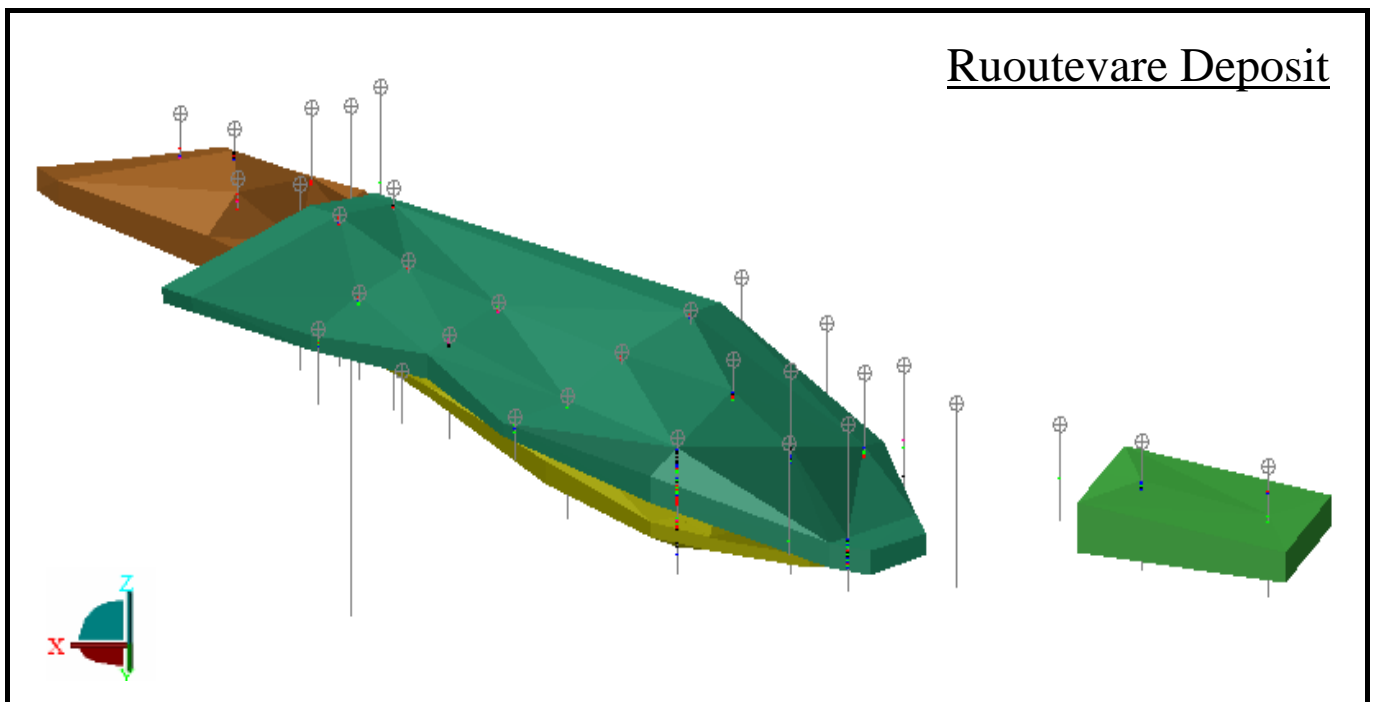


Figure 2. 3D Oblique View (South) of Wireframes Showing Ruotevare Magnetite Mineralisation and Drill Holes

Mining in Sweden

Sweden is by far the largest iron ore (mostly magnetite) producer in the EU, and it is also among the leading producers of base and precious metals. Sweden provides modern and efficient infrastructure well-established via roads, rail and water. Swedish iron ore is significantly cheaper for European consumers due to lower shipping costs compared to southern hemisphere iron ore imports.

The many benefits of operating in Sweden include well developed infrastructure, a highly skilled mining and exploration workforce, extremely low sovereign risk and a very strong mining culture built up over many decades. Importantly for magnetite processing, power accessibility in northern Sweden is excellent and power costs are generally the lowest in Europe.

In recent times considerable exploration activity has been carried out by large and small Swedish and foreign exploration companies. Iron ore exploration and development activity in particular has increased with at least two former iron ore mines (Grängesberg Mine and Dannemora Mine) planning on re-opening in the near future. Additionally, numerous companies have advanced iron ore development projects well underway, most notably the Stora Sahaavara project south east of Kiruna.

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Competent Persons Statement

The information in this report which relates to Mineral Resources is based on information compiled by Mr Paul Payne, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy, and an independent consultant to the Company. Mr Payne is Principal Geologist with Runge Limited and has over 23 years of mining and evaluation experience in a variety of mineral deposit styles including iron ore mineralisation. Mr Payne has sufficient experience which is relevant to the style of mineralisation and 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 for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Payne consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report which relates to the Kallak Magnetite Project is based on information compiled by Mr Allen J Maynard, who is a Corporate Member of the Australasian Institute of Mining and Metallurgy, a Member of the Australian Institute of Geoscientists and independent consultant to the Company. Mr Maynard is principal of AJ Maynard & Associates and has over 25 years of exploration and mining experience in a variety of mineral deposit styles including iron ore mineralisation. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and 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 for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Maynard consents to inclusion in the report of the matters based on his information in the form and context in which it appears.