



ABN 88 118 738 999

ASX Announcement
14 MAY 2007

NEW IPO FOR TUNGSTEN SPIN-OUT

Hazelwood Resources Ltd (Hazelwood) is pleased to announce that, subject to shareholder approval, it proposes to support a public listing following a \$5million IPO of its wholly owned subsidiary Kiora Holdings Pty Ltd (Kiora).

Kiora, to be restructured as a public company and renamed "BigHill Resources Limited", holds tenements at Cookes Creek near Nullagine in the east Pilbara including the Big Hill scheelite deposit. Big Hill is currently the subject of a resource drilling program due for completion in early June 2007. A realignment of interests between Hazelwood and Kiora holdings is underway to place all of Hazelwood's tungsten interests in Kiora and all of Kiora's non-tungsten interests in Hazelwood.

It is proposed that a meeting of Hazelwood shareholders be held in August 2007 to approve the transaction, which will include a distribution in specie of most of Hazelwood's shares in Kiora to shareholders of Hazelwood as at the record date. Pre-emptive rights to subscribe for shares in the IPO for Hazelwood shareholders and listed options over the shares in Kiora are also proposed. Full details of the offer will be released in due course.

It is anticipated that a notice of meeting for shareholders and the prospectus will be available for release by early July 2007.

For Further Information, Contact

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