

18 December 2006

The Manager Company Announcement Office Australian Stock Exchange Limited Level 8 2 The Esplanade Perth WA 6000

Dear Sir,

Re: Drilling at Yarawindah Brook – EL 70/2301 (Washington Resources Limited 80%)

Washington Resources Limited ('the Company') has completed an analysis and interpretation of recently finalized geophysical surveys at its Yarawindah Brook project. These provided a stratigraphic and electromagnetics ('EM') framework for the mineralization identified in drill holes and clearly define the base of the polymetallic mineralized sequence.

Further, the large untested EM anomalies in the target horizon have been identified. They show coincident nickel anomalies in soil and vegetation, suggesting that the conductive source of the geophysical anomalies is likely to contain nickel.

The Company has commissioned a drilling programme (up to 3,300 metres) to investigate extensions of the massive sulphide, polymetallic mineralization identified previously and determine the nature of the geophysical anomalies. Drilling commenced today.

Yours faithfully Washington Resources Limited

For further information, please contact:

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