

ASX ReleaseLevel 2, 90 William St, Melbourne
Victoria 3000, Australia

Telephone: +61 3 9605 5950

Facsimile: +61 3 9605 5999

Email: info@hawthornresources.com

16 September 2008**Gravity survey defines targets at Mt Bevan iron ore project****Key points:**

- Ground gravity survey defines targets at Mt Bevan iron ore project.
- Gravity coverage for 3000 metres of prospective strike of main target horizon – program to be completed by end of September.
- Follow-up drilling “Program of Work” expanded to 121 RC drillholes – approval expected shortly.
- Assay results from initial late-July 2008 RC drilling program still pending.

Hawthorn Resources Limited (‘Hawthorn’) (ASX code: HAW) is pleased to update shareholders and the market with the ongoing exploration activity at its highly prospective Mt Bevan iron ore project.

The project, located on tenement E29/510 approximately 100 kilometres west of Leonora, Western Australia, is adjacent to Jupiter Mines Limited’s (‘Jupiter’) Mt Mason iron ore resource (2.2 Mt @ 60.6% Fe).

Iron ore exploration is accelerating in this underexplored region with companies including Portman Mining, Red Rock Resources, Jupiter Mines and Mindax Resources currently undertaking detailed iron ore exploration programs (refer to figure 1).

Ground Gravity Program

Hawthorn has commenced a comprehensive ground gravity survey covering the interpreted primary target horizon extending from Mt Mason to Mt Bevan (a distance of more than 9.5 kilometres).

The survey is one third complete, however, a series of substantial gravity anomalies have been identified within the target horizon (refer to Geology and Gravity Anomaly Targets Map on page 2).

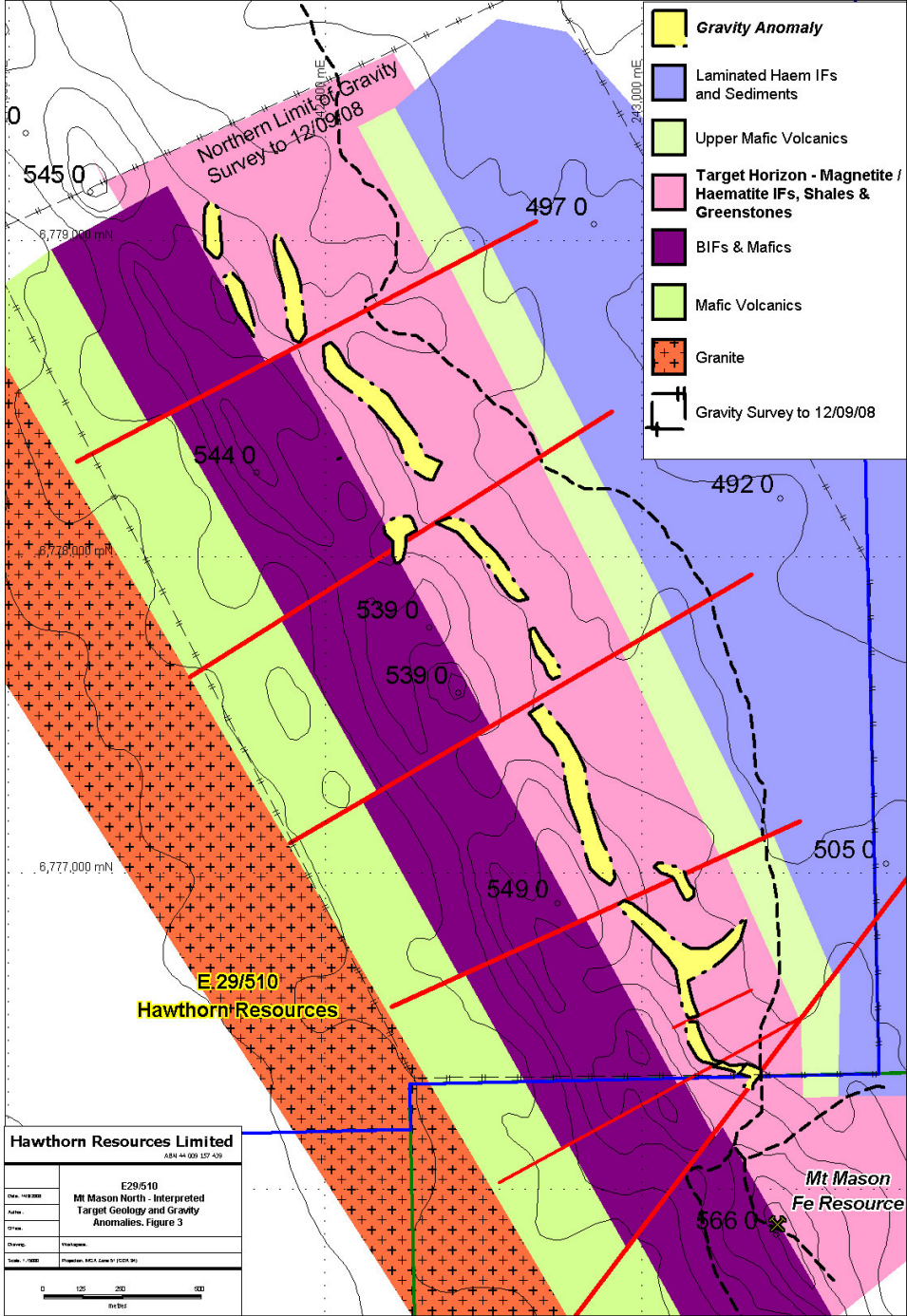
The survey was commissioned as haematite orebodies are often much denser than the rocks that surround them and display characteristic relative “high” gravity signatures. The technique is routine in iron ore exploration and the gravity signatures of many existing haematite orebodies are well known for comparison.

The anomalies identified to date appear to have 40 -120 metre wide surface expressions and display a number of structural controls. Crosscutting faults, similar in nature to faults immediately north of the outcropping Mt Mason haematite mineralisation, have been identified and conform well to features interpreted from aeromagnetic and airphotographic data.

The anomalies are of similar or greater amplitude and shape to those developed over the haematite mineralisation drilled by Hawthorn in holes MNC004, MNC005 and MN006 during July 2008 (refer to figure 2).

Importantly the newly identified anomalies are also significantly denser than out- and subcropping magnetite enriched iron formations, sediments and greenstones outcropping to the west of the target horizon.

Interpreted Geology and Gravity Anomaly Target Map



This density differential further serves to highlight the anomalies as prospective targets as magnetite rich orebodies, although dense, are in general significantly less dense than haematite dominant orebodies.

Field assessment of the gravity anomalies has revealed that they are generally developed in areas of scree and laterite cover that masks the nature of the underlying bodies. The targets will be drill tested during the upcoming drilling program.

The gravity survey continues and will ultimately cover the entire extent of the Mt Bevan target horizon. The survey is expected to be complete in early October 2008.

July 2008 RC Drilling

Hawthorn carried out an initial RC drill program primarily focused on possible northern strike extensions of the Mt Mason iron ore resource (refer to figure 2).

The drilling occurred concurrently with an infill drill program carried out by Jupiter at Mt Mason. Jupiter's program has seen holes drilled to within 14 metres of the southern boundary of tenement E29/510.

Results from the initial 5 holes of Hawthorns program were announced on the 29th of August 2008 and included:

17 metres @ 57.2% Fe from 37 metres in MNC004
40 metres @ 61.7% Fe from 48 metres in MNC005
24 metres @ 58.2% Fe from 59 metres in MNC006 and
9 metres @ 62.3% Fe from 84 metres in MNC006

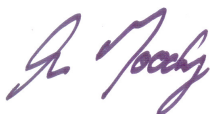
These results appear to confirm that the target horizon intersected is the possible strike extension of the Mt Mason orebody, however, results of holes drilled by Jupiter remain as yet unannounced.

Further updates of results from Hawthorn's initial drilling program will be announced as assays are received. However, relogging of drill chips has confirmed that iron ore mineralisation was identified in all sections drilled into target horizon during July 2008.

RC Drilling Program 2

As announced in August, a second "Program of Work" has been submitted to the WA Department of Industry and Resources for approval. Minor modifications have been made to this submission, primarily incorporating extra holes on the newly identified gravity targets to the north of Mt Mason. The total number of holes submitted in the revised program stands at 121.

The focus provided by the gravity survey should ensure that targets are drilled from optimal locations with appropriate depths and orientations. Drill rig availability in Western Australia has increased recently which should ensure that drilling commences immediately upon receipt of program approval.



Ian Moody
Exploration Manager
Hawthorn Resources Limited

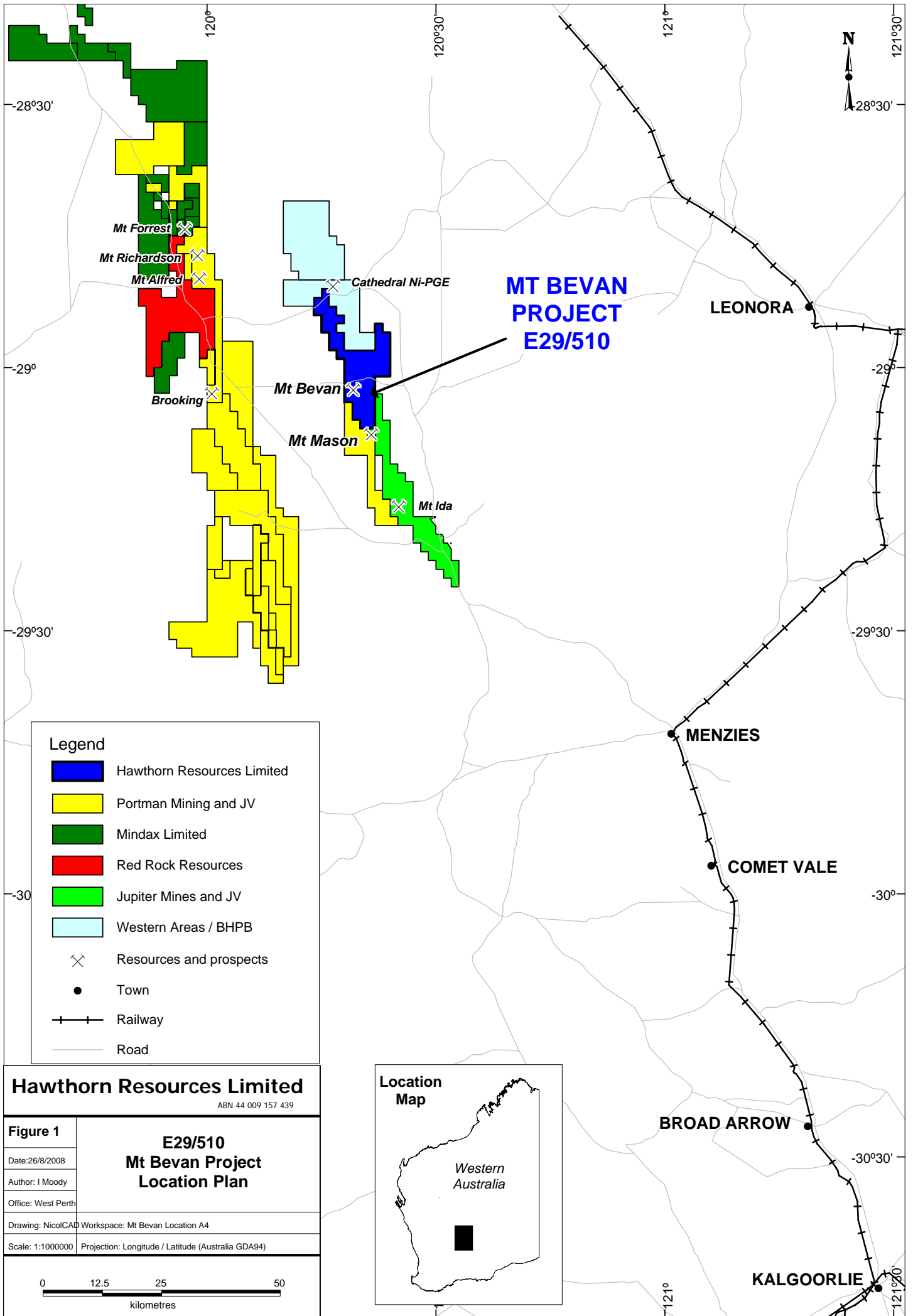
For further information please contact

Ian Moody Exploration Manager 03 9605 5951
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 over 20 years' experience as a geologist which is relevant to the style of mineralisation 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 for 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.

Appendix 1
Drill Hole Collar Locations Reported in this Report

Drillhole	Collar WGS84 E	Collar WGS84 N	AHD (m)	Dip	Azimuth	Total Depth
MNC003	243302	6776382	521.5	-90°	0°	94m
MNC004	243350	6776387	520.5	-90°	0°	94m
MNC005	243403	6776390	517.5	-90°	0°	100m
MNC006	243459	6776391	516.0	-90°	0°	94m
MNC007	243507	6776390	514.5	-90°	0°	88m



Legend

- Hawthorn Resources Limited
- Portman Mining and JV
- Mindax Limited
- Red Rock Resources
- Jupiter Mines and JV
- Western Areas / BHPB
- Resources and prospects
- Town
- Railway
- Road

Hawthorn Resources Limited
ABN 44 009 157 439

Figure 1

**E29/510
Mt Bevan Project
Location Plan**

<small>Date: 26/8/2008</small>
<small>Author: I Moody</small>
<small>Office: West Perth</small>
<small>Drawing: NicolCAD Workspace: Mt Bevan Location A4</small>
<small>Scale: 1:1000000 Projection: Longitude / Latitude (Australia GDA94)</small>

0 12.5 25 50
kilometres

