

NEWS RELEASE

JUNE 29, 2005

**MAWSON RELEASES PHASE 2 DRILL RESULTS FROM VARGBACKEN, SWEDEN
AND INITIATES MINING STUDY**

Vancouver, Canada – Mawson Resources Limited (“Mawson”) TSXv – MAW. Mr Michael Hudson, President, is pleased to announce results from a Phase 2 drilling program at the Vargbäcken project, Sweden. A total of 9 reverse circulation (“RC”) holes for 1024m were drilled. The results are presented in the attached tables 1 and 2.

Best RC drill results when applying a 0.5 g/t gold cut-off grade include:

- **RC57:** 3m at 7.1 g/t gold from 22m including 1m at 16.5 g/t gold from 23m;
- **RC56:** 3m at 3.9 g/t gold from 77m including 1m at 10.3 g/t gold from 78m;
- **RC53:** 11m at 3.9 g/t gold from 163m including 1m at 25.7 g/t gold from 163m;
- **RC51:** 2m at 5.0 g/t gold from 52m.

Gold at Vargbäcken is visible, free and coarse grained, and occurs in multiple high grade “bonanza” structures within a 30-40m wide gold mineralized halo. The potential of this mineralized halo is demonstrated by applying a lower cut-off grade of 0.2 g/t gold where **RC53** intersected 46m at 1.7 g/t gold from 141m, **RC56** intersected 36m at 1.2 g/t gold from 66m and **RC51** intersected 37m at 1.1 g/t gold from 47m. It is not yet possible to make a conclusive statement defining true widths in the reported down-hole intercepts.

Higher grade gold mineralization has now been drill delineated over 250m strike and from surface to the extent of RC drilling at 160m depth, and the project therefore will be evaluated in the future for open pit mining. Scout drilling and rock chip sampling has identified gold mineralization over a 1 kilometre trend to the north and south of Vargbäcken. A drill hole plan and hole coordinates can be found at <http://www.mawsonresources.com/index.php?page=ProjectsVBN>.

Combined with the encouraging results from the 2004 RC drill program, which included: 3m at 10.4 g/t gold, 10m at 8.6 g/t gold and 14m at 19.8 g/t gold in **RC34**, and 3m at 10.0 g/t gold and 16m at 3.3 g/t gold in **RC43** (see Mawson Press Releases Nov-29-2004 and Dec-14-2004) the Company now has sufficient information on the size, orientation, grade and continuity of mineralization to commence a first pass, in-house mining study of Vargbäcken. This study will identify the key commercial sensitivities that will determine further development of the project.

Mr Hudson comments, “Over the last 9 months, Mawson Resources has significantly advanced the Vargbäcken gold project. We have completed 27 RC drill holes and now have sufficient information to commence an in-house mining study. We have discovered bonanza grades within a 30-40m wide lower grade halo, and are encouraged by the continuity of gold mineralization, which now extends from surface to the extent of our drilling at 160m vertical depth along a 250m strike. It is now time to study the economics of the project to determine the most expedient way of adding further value.”

The company also reports that drilling at the Middagsberget gold project, located 4 kilometres from Vargbäcken, is progressing well. Four RC holes for 294m have now been completed from an 8 hole program. The drill rig will return to Vargbäcken to complete a final drill hole once drilling at Middagsberget is complete.

The qualified person for the Vargbäcken and Middagsberget projects is Mark Saxon, Mawson’s VP-Exploration and a member of the Australasian Institute of Mining and Metallurgy, has reviewed and verified the contents of this release.

On behalf of the Board,

“Michael Hudson”

Michael Hudson, President & CEO

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Forward Looking Statement. This news release contains certain “forward-looking” statements and information relating to the Company that are based on the beliefs of the Company’s management as well as assumptions made by and information currently available to the Company’s management. Such statements reflect the current risks, uncertainties and assumptions related to certain factors including, without limitations, competitive factors, general economic conditions, customer relations, relationships with vendors and strategic partners, the interest rate environment, governmental regulation and supervision, seasonality, technological change, changes in industry practices, and one-time events. Should any one or more of these risks or uncertainties materialize, or should any underlying assumptions prove incorrect, actual results may vary materially from those described herein. Neither the TSX Venture Exchange nor the Frankfurt Deutsche Börse have reviewed the information contained herein and, therefore, do not accept responsibility for the adequacy or accuracy of this news release.

Table 1 – Vargbäcken Reverse Circulation Drill Hole Results June 2005, 0.5 g/t Au Cut Off

Location	Drill Hole	From (m)	To (m)	Width ¹ (m)	Gold ² (g/t)
Section 95N	RC58	27	30	3	1.3
	RC58	41	42	1	2.7
	RC58	49	52	3	2.0
	RC58	74	77	3	1.7
Section 95N	RC57	11	12	1	1.0
	RC57	22	25	3	7.1
	<i>including</i>	<i>23</i>	<i>24</i>	<i>1</i>	<i>16.5</i>
Section 25N	RC56	36	39	3	1.3
	RC56	51	52	1	3.0
	RC56	66	67	1	1.2
	RC56	71	75	4	1.1
	RC56	77	80	3	3.9
	<i>including</i>	<i>78</i>	<i>79</i>	<i>1</i>	<i>10.3</i>
	RC56	81	82	1	1.9
	RC56	89	90	1	4.8
	RC56	98	99	1	10.5
Section 25N	RC55	18	22	4	1.0
	RC55	31	32	1	5.9
	RC55	37	40	3	0.9
	RC55	43	50	7	1.3
Section 30S	RC54	73	74	1	1.5
Section 60S	RC53	21	24	3	1.8
	RC53	34	37	3	2.3
	RC53	141	147	6	2.3
	RC53	154	156	2	2.8
	RC53	163	174	11	3.9
	<i>including</i>	<i>163</i>	<i>164</i>	<i>1</i>	<i>25.7</i>
	RC53	182	187	5	1.5
	<i>including</i>	<i>186</i>	<i>187</i>	<i>1</i>	<i>5.4</i>
Section 00N	RC52	83	84	1	1.5
	RC52	106	109	3	2.1
	RC52	114	116	2	2.5
	RC52	120	121	1	1.1
	RC52	125	128	3	1.2
	RC52	140	141	1	1.1
Section 00N	RC51	47	50	3	0.9
	RC51	52	54	2	5.0
	RC51	59	62	3	1.6
	RC51	64	65	1	3.4
	RC51	67	69	2	2.4
	RC51	74	75	1	3.2
	RC51 ³	80	84	4	1.9
	RC50 ⁴	42	43	1	1.1
Section 00N	RC50 ⁴	61	64	3	0.9

Note 1: Calculated using a 1m minimum thickness and a 0.5 g/t gold lower cut. No upper cut applied.

Note 2: Gold analyzed by 1kg bottle roll technique with leachwell accelerant and an atomic absorption spectroscopy finish by ALS Chemex Ltd's laboratory in Piteå, Sweden. Duplicates, repeats, blanks and known gold standards were inserted according to standard industry practice.

Note 3: Drillhole terminated in mineralization.

Note 4: Drillhole abandoned due to water inflows before target zone was intersected.

Table 2 – Vargbäcken Reverse Circulation Drill Hole Results June 2005, 0.2 g/t Au Cut Off

Location	Drill Hole	From (m)	To (m)	Width ¹ (m)	Gold ² (g/t)
Section 00N	RC51	47	84	37	1.1
Section 00N	RC52	106	141	35	0.6
Section 60S	RC53	141	172	46	1.7
Section 25N	RC55	7	56	49	0.6
Section 25N	RC56	66	102	36	1.2

Note 1: Calculated using a 1m minimum thickness and a 0.2 g/t gold lower cut. No upper cut applied.

Note 2: Gold analyzed by 1kg bottle roll technique with leachwell accelerant and an atomic absorption spectroscopy finish by ALS Chemex Ltd's laboratory in Piteå, Sweden.