



BRUMBY RESOURCES

DRILLING COMMENCED AT PARDOO EAST IRON ORE PROJECT

ANNOUNCEMENT

24 JUNE 2009

- **Drilling at Brumby's Pardoo East Iron Ore Project has commenced to test a 5 km long x 0.4 km wide gravity anomaly.**
- **The Project is located approximately 110 kilometres east of Port Hedland and within established Pilbara coastal infrastructure.**

Brumby Resources Limited (Brumby) (ASX: **BMY**) is pleased to announce that initial first pass drilling has commenced at its DSO iron ore exploration targets on its 100%-owned Pardoo East Project in the Pilbara region of Western Australia.

The Pardoo East Project is located within Brumby's Exploration Licences EL 45/2557 and EL 45/2558, which cover a total area of 200km² and are located some 110km east of Port Hedland. The Project is one of three iron ore projects located within Brumby's large coastal tenement holdings. The tenements are in close proximity to Atlas Iron's Pardoo Project and BHPB's mined out Goldsworthy mine. (see Figure 1).

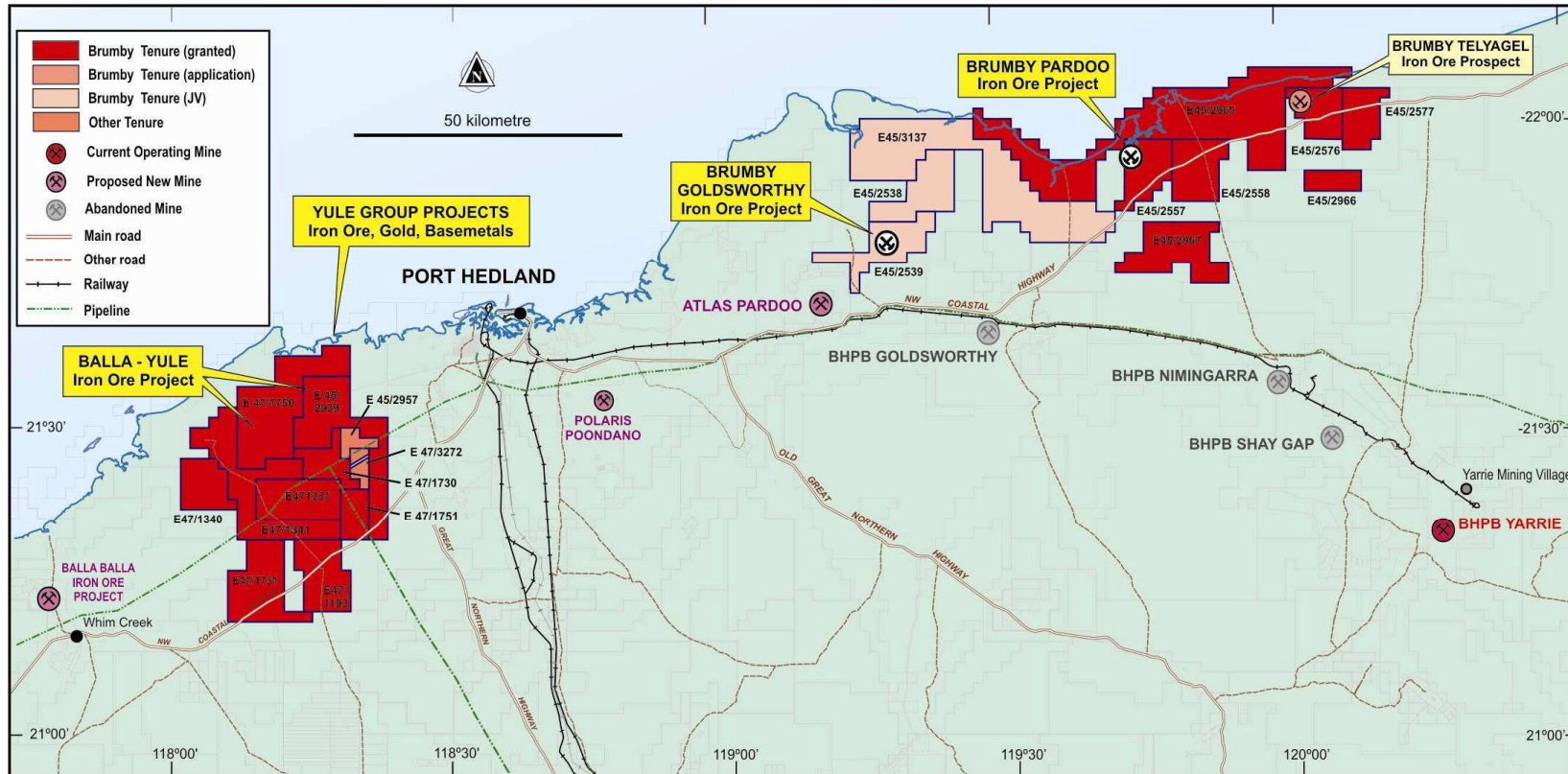
A detailed ground gravity survey was carried out by Brumby over the Pardoo East aeromagnetic anomaly during 2007. Seven gravity targets associated with the aeromagnetic targets were delineated. Two priority gravity targets (see Figure 2) were identified by Brumby.

The main target (Target 1), which is the subject of this initial first pass drilling programme is 5 kilometres in length and 0.4 kilometres wide. Geophysical modeling of the data indicates that the top of the gravity target is approximately 40-60m beneath the surface sand cover. No previous drilling has been carried out on any of the aeromagnetic or gravity targets.

Regional geological and geophysical interpretation of the Brumby data indicated that Brumby's Pardoo East Project is likely to be hosted within the regionally important Nimingarra Iron Formation. This Formation hosts BHP Billiton's operating Yarri hematite mine, the Atlas Pardoo DSO operation and the Atlas 2Bt Ridley magnetite project, and the mined out Goldsworthy, Shay Gap and Nimingarra hematite deposits.

Drilling is scheduled over the next two to three week period with assay results expected within a month of drilling completion.

John Ikstrums
Technical Director



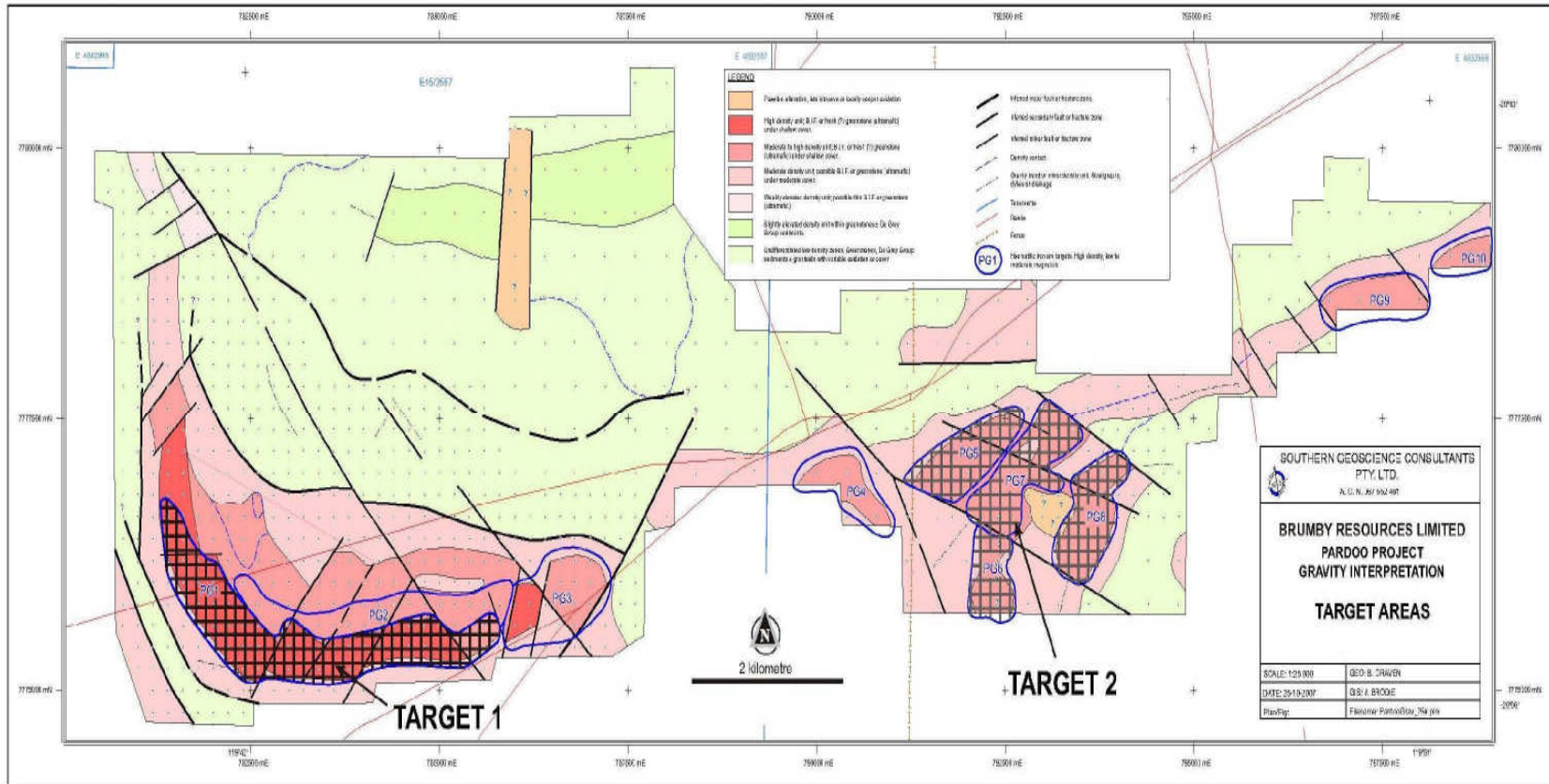


Figure 2 Pardoo Targets

The information in this report that relates to the target zones is based on information compiled by Mr. Bruce Craven (B. App. Sc. (Geoph) Hons), a consultant geophysicist to Brumby Resources Limited, who undertook the gravity and aeromagnetic survey interpretation. Mr. Craven is a member of the Australian Institute of Geoscientists and AIMM and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Craven consents to the inclusion in the report of the matters based on his information in the form and content in which it appears.

About Brumby

Brumby Resources Limited is a diversified Perth-based exploration and resources company with a focus on iron ore and manganese exploration. Brumby listed on the Australian Securities Exchange (ASX) in 2006 and has made significant progress with projects in commodities including iron ore, manganese, base metals and gold.

The Company has assembled extensive and high quality ground holdings in Western Australia and the Northern Territory. Brumby's strategic approach is to refine targets, explore and evaluate the Company's projects in a cost effective and timely manner, and to identify and develop new mineral deposits with the potential to significantly enhance shareholder value.

Brumby is managed by a highly experienced team of mining individuals with expertise in mineral exploration, development, financing and operations.

For further information please refer to our website www.brumbyresources.com.au or contact:

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