

> **SIGNIFICANT GOLD RESOURCE INCREASE AT LIGHTNING DEPOSIT**

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Key Highlights

- **Inferred Resource increased from 4,850 ounces to 13,575 ounces a 180% increase from the historical resource,**
- **Resource tonnages increase from 20,100 to 161,270 a 702% increase,**
- **Mineralisation is open along strike and at depth,**
- **14 RC holes tested the historical resource and potential strike extension,**
- **Vector's Southern Cross projects global resource is now 2,074,340 tonnes for 205,865 ounces.**

Western Australian focussed resources company Vector Resources Ltd (ASX: VEC) ("Vector" or "the Company") is pleased to announce a significant resource upgrade at the Lightning deposit located within the Mt Dimer Project in Western Australia on tenement M77/427.

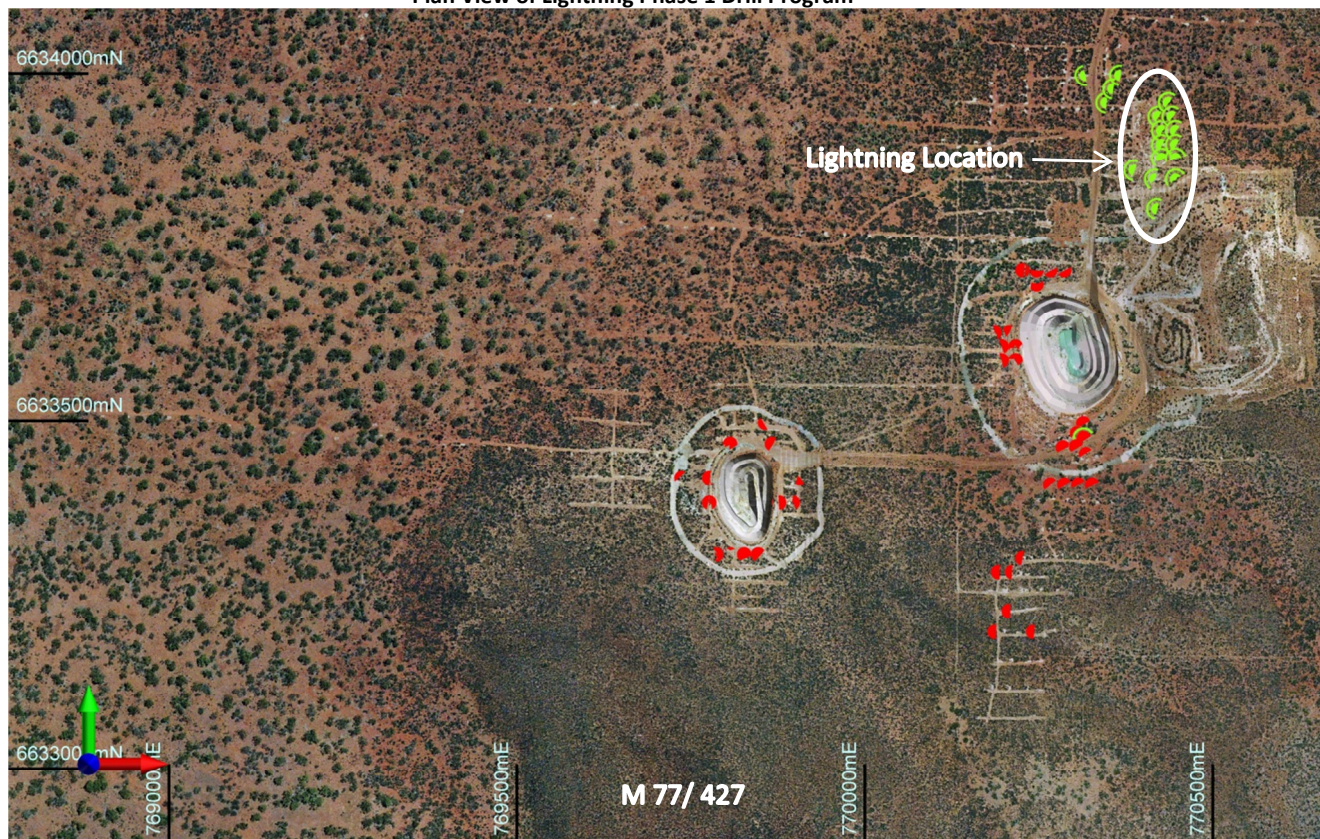
Data received to date from this year's Phase 1 drilling program at Mt Dimer have been given to SRK Consulting (SRK) for validation, modelling and analysis work as they become available. 14 drill holes as part of the priority 1 drilling were targeting the historical resource of the Lightning deposit for validation and potential extensions. Significant drill results were released on 22nd September 2011.

The result of these holes is an outstanding increase to the project's resource. The historical resource at Lightning was 20,100 tonnes @ 7.51 g/t for 4,850 ounces of contained gold. This new resource upgrade brings the deposit resource to **161,270 tonnes @ 2.62 g/t for 13,575 ounces** of contained gold, a **180% increase** from the historical resource. This resource consists of an oxidised and fresh zone, classified as Inferred in accordance with the JORC Code (2004 edition)

Mt Dimer Project Resource Category

JORC Category	Measured Resource			Indicated Resources			Inferred Resource			Total Resource			
	Project	Tonnes	g/t Au	Total Oz Au	Tonnes	g/t Au	Total Oz Au	Tonnes	g/t Au	Total Oz Au	Tonnes	g/t Au	Total Oz Au
LO1 U/G #		4,300	7.9	1,090				80,000	6.5	16,720	84,300	6.57	17,810
LO2/2A U/G #								95,000	6.50	19,860	95,000	6.50	19,860
LO3 U/G #		4,500	6.7	980							4,500	6.77	980
LO4 U/G #								16,000	6.5	3,340	16,000	6.49	3,340
Kali West Pit #		1,000	8.6	280							1,000	8.71	280
Kali West U/G #								12,000	6.5	2,500	12,000	6.48	2,500
Golden Slipper U/G #								52,800	6.5	11,040	52,800	6.50	11,040
Golden Slipper Sth Pit #		39,800	4.8	6,220							39,800	4.86	6,220
Lightning U/G								110,850	3.05	10,800	110,850	3.03	10,800
Lightning Pit								50,420	1.71	2,775	50,420	1.71	2,775
Anomaly 2 Pit #								12,500	3.8	1,520	12,500	3.78	1,520
Anomaly 2 Laterite #		12,400	1.7	680							12,400	1.71	680
Silverwing Laterite #		17,800	1.3	770							17,800	1.35	770
EM 1 Laterite #		9,000	1.3	380							9,000	1.31	380
Total		88,800	4.6	10,400	-	0.0	-	429,570	5.0	68,555	518,370	4.7	78,955

Plan View of Lightning Phase 1 Drill Program



The Inferred Resource

SRK was engaged by Vector to carry out validation, resource modelling and analysis of both historical data and new data from current drilling. Geological surfaces and wireframes provided by Vector were reviewed. Gold mineralisation is controlled by the quartz vein; however a significant amount of gold occurs outside the vein. The quartz vein was modelled on geological information provided by drill hole data. The Inferred Mineral Resource was estimated within a constraining wireframe based on a low cut-off grade envelope of 0.2 g/t. The envelope was generated using Leapfrog™ software. The estimation is by Ordinary Kriging, with a top cut of 30 g/t Au for oxide and 35 g/t Au for fresh material was applied to the composited data.

The tables and diagram below represent the new resource and 3 dimensional cross-section view.

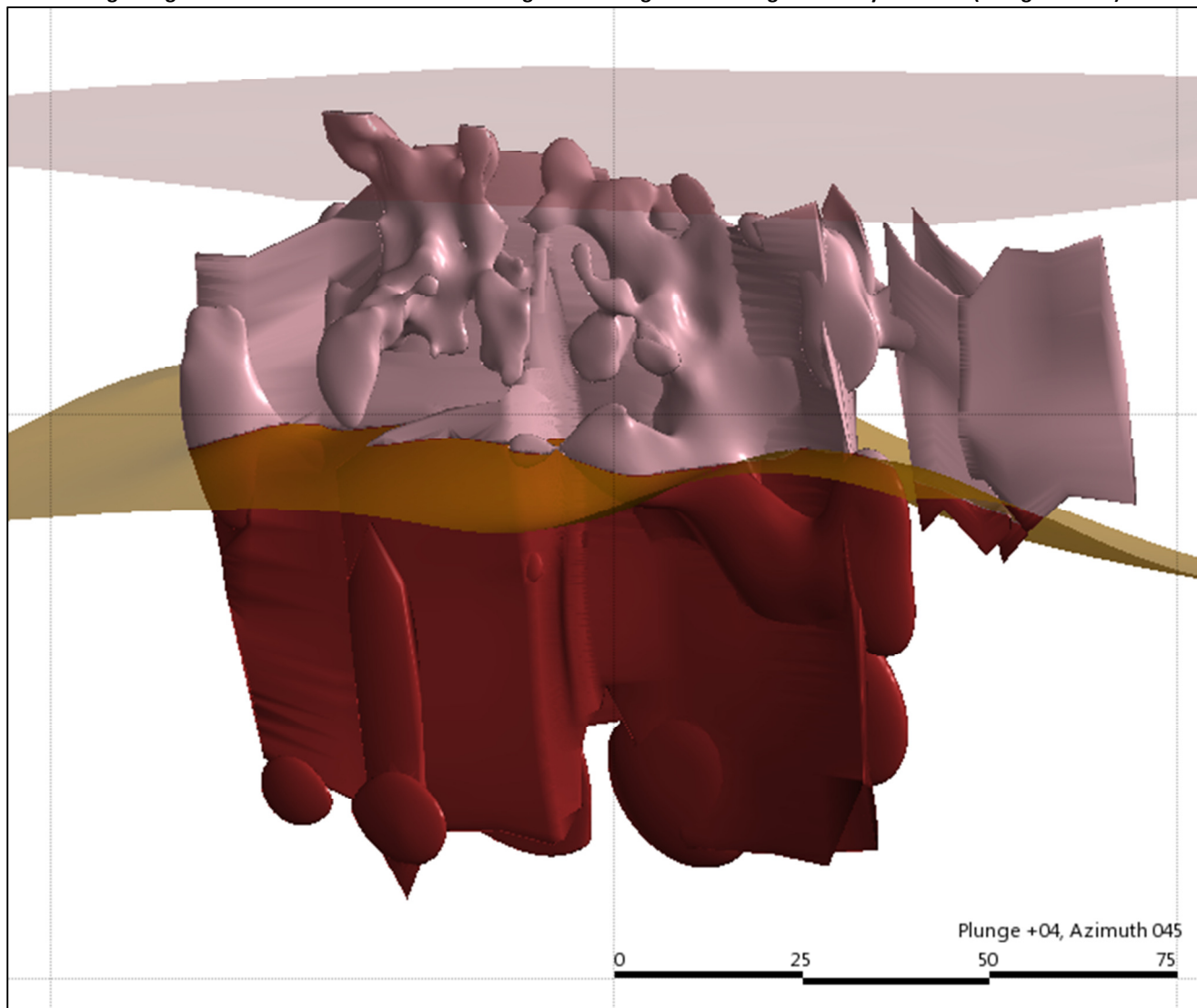
Lightning Oxidised Mineralisation Inferred Resource Table

Cut-off grade (g/t)	Tonnes (t)	Grade (g/t)	Contained Au (troy ounces)
0	50,420	1.71	2,775
0.5	46,150	1.84	2,735
1	37,350	2.1	2,510
1.5	24,760	2.5	1,995
2	15,260	3.05	1,480
2.5	8,810	3.6	1,015
3	5,370	4.1	710

Lightning Fresh Mineralisation Inferred Resource Table

Cut-off grade (g/t)	Tonnes (t)	Grade (g/t)	Contained Au (troy ounces)
0	110,850	3.05	10,800
1	71,660	4.45	10,230
2	50,300	5.75	9,240
3	36,970	6.9	8,180
4	27,890	8	7,170
5	21,395	9.05	6,230
6	16,595	10.1	5,390
7	12,970	11.1	4,630
8	10,190	12.1	3,960
9	8,030	13.05	3,370
10	6,340	14	2,860

Lightning's two Geostatistical Domains Resulting from Geological Modelling Divided by the TOFR (orange surface)



Significant Upside

Lightning has significantly increased its resource with encouraging results from the 14 holes being used to validate the historical resource. Further increases are anticipated when infill and extensional drilling is carried out. Other fundamentals are also encouraging and include:

- Additional mineralisation intercepts identified at depth are outside the existing resource;
- Mineralisation continues to be discovered along strike; and
- Geology boundaries of the base of oxidisation have been identified.

ENDS

Notes on Global Resource

Global resource is a combination of historical and new resource up-grades, refer to Golden Iron Resources prospectus "7 May 2010".

Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Daniel Guibal who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Guibal is employed by SRK Consulting. Mr Guibal has sufficient experience which is relevant to the style of mineralisation and 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 Guibal consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.