ASX Announcement

31 MARCH 2012

vector resources ltd

QUARTERLY REPORT

Market Cap (31-March-2012)
$22.6M (share price: 11c)

Cash (31-March-2012)
$4.27M

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The Directors of Vector Resources Limited ("Vector" or the "Company" ASX: VEC) are pleased to provide the quarterly report for the period ended 31 March 2012.

At the date of this Quarterly Report, the Company has 205,645,833 fully paid ordinary shares and 176,889,666 listed options ($0.20 exercise, 30 June 2012 expiry) on issue.

Key highlights

- Diamond Drill and Reverse Circulation (RC) drilling commenced during the quarter;
- Mineralisation continues to expand to the North West of known resource and unclassified material;
- High Grade intercepts identified from initial Phase 3 drill program;
- Interpretation work on aeromagnetic surveys over Clampton are complete;
- Interpretation work on aeromagnetic surveys over Mt Palmer is nearing completion;
- Additional Geological personnel joined the team with significant exploration, resource and mine geology experience.

During the third quarter of the financial year the Company has continued the aggressive exploration program at Gwendolyn East with outstanding results.

The major project hubs located near Southern Cross and the Earaheedy basin has progressed during the quarter. Further details of the advancements of these projects are described in the following pages.

Southern Cross

Mt Dimer (M77/427, M77/428, M77/957, M77/958, M77/965, E77/1992, P77/4081)

During the quarter the technical team finalised the creation of electronic media of all historical hard copy data for the Mt Dimer projects. Southern GeoScience was commissioned to review the previously flown aeromagnetic data in combination with the completed geological database that includes the recent information from the reverse circulation (RC) and geochemical drill programs.

The 2 Program of Works (PoW) submitted in October and December 2011 for 483 holes totalling 24,150 metres of RAB drilling to explore the new green field targets identified from the Geochemical drilling are still pending approval. Once approval is obtained the technical team will commence the RAB program based in priority order.

Gwendolyn (E77/1580 & P77/3976)

Tenement P77/3976 has been the priority of the Company during the quarter with the majority of the technical team focusing on the drilling programs. In February, the Company commenced diamond drilling on the project to complete 8 PQ^3 diamond core holes as part of the Phase 3 program for geotechnical and metallurgical test work. Historical information of the metallurgical properties of the oxide material is very limited and there has previously been no drilling through the transition and fresh rock until Vector commenced drilling in June last year.

This drilling has been completed, with 75% of the core logged for geotechnical and geological information. A quarter of the core is being sampled on single metre intervals while half the core is being prepared for metallurgical test work and the remaining quarter will be kept as a core library. This work will continue during April with the aim to complete a structural model and metallurgical flow-sheet, mass balance and plant design recommendations by the end of June.

A RC rig was mobilised to site in mid-February to commence 139 holes of the Phase 3 program (approved in January this year). The RC component of the Phase 3 drill program totalling 17,294 metres was designed with two main aims, firstly to test the potential extensions of mineralisation beyond the current envelope. Secondly, to complete infill drilling within the unclassified exploration target to meet the required drill density for JORC classification. During the quarter, 66 holes were drilled for a total of 6,464 metres.

Since RC drilling commenced in February 2012, initial assay results from holes G054 to G098 have been received. 22 holes of the 45 initially assayed returned significant single metre intercepts with a further 4 holes with composite results requiring further analysis. Of these initial 45 holes submitted, 9 holes totalling 1,336 samples have assay results pending.

These holes indicate that the mineralisation continues to dip to the West. Significant high grade intercepts identified in holes G083, G084, G086, G089, G090 and G097 on the western boundary of the known mineralisation would indicate the continuation of previously identified high grade zones of 10m @ 4.13 g/t including 2m @ 13.94 g/t, 7m @ 22.88 g/t, 1m @ 27.6 g/t, 2m @ 11.95 g/t, 3m @ 57.91 g/t, 2m @ 4.16 g/t, 2m @ 8.93 g/t and 1m @ 7.52 g/t, identified in the Phase 1 and 2 program from holes G014, G016, G017, G019, G028 and G041.

Hole G075 drilled on the north-west extent of the current drill program has identified a possible parallel high grade load with 5m @ 22.68 Au g/t inclusive of 1m @ 107.70 Au g/t from 21 metres down hole. This intercept will be further explored during this Phase 3 and future Phase 4 drill program.

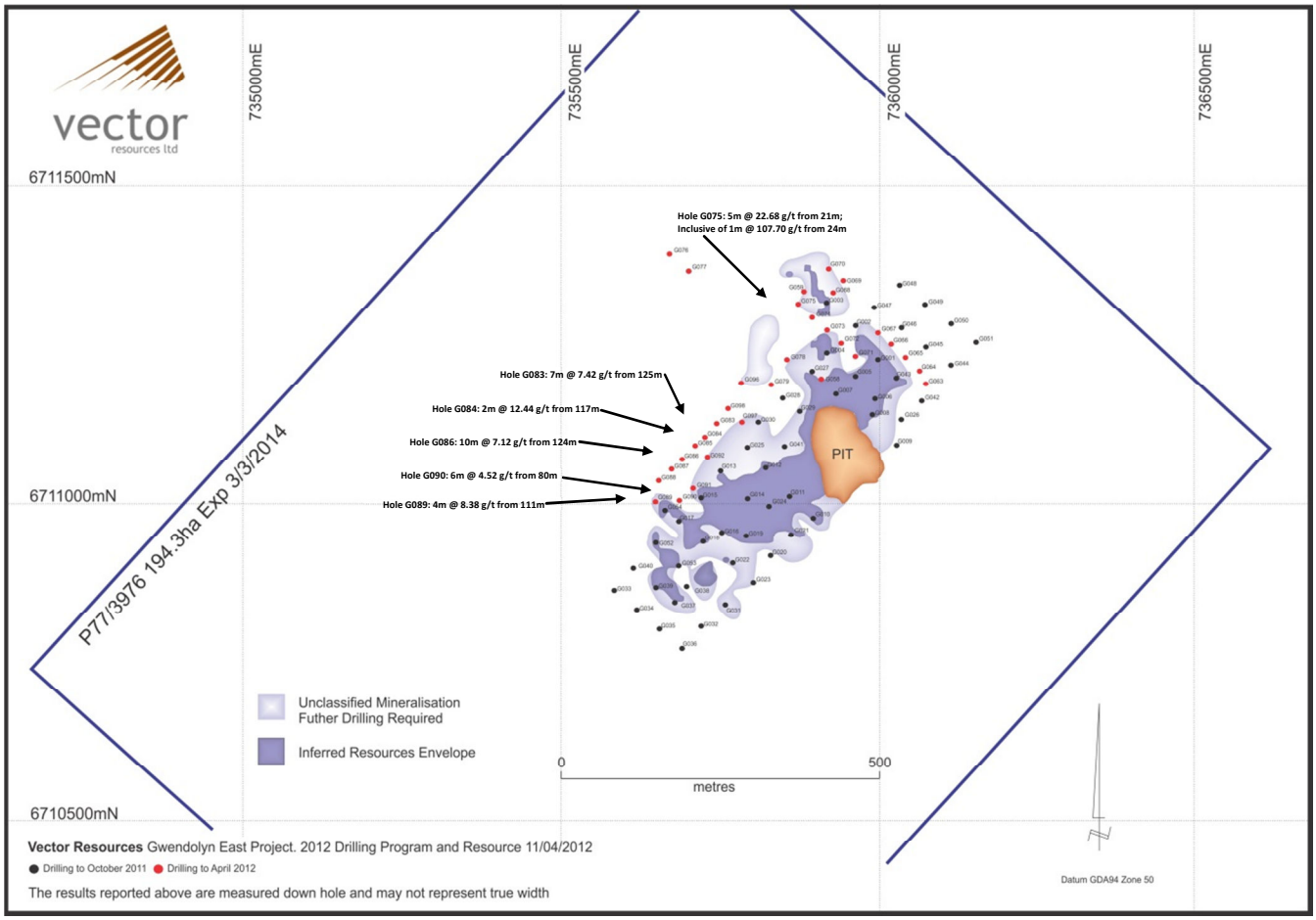

Figure 1: The plan view above represents the collar locations of the RC holes that reported significant intercepts above 0.8 g/t.

This Phase 3 drill program has also revealed larger bands of 0.2 to 0.8 Au g/t intercepts between the significant intercepts reported. A total of 145 single metre intercepts were also identified within the range of 0.2 to 0.8 Au g/t in the 22 holes reported as having significant intercepts. These results have prompted the sampling of single metre intervals from the Phase 1 and 2 drill programs previously not sampled. If this trend continues, it has the potential to significantly reduce the internal waste volumes.

Table 1: of drill hole single assay results with significant gold intercepts 0.8g/t Au or greater

SiteID	SampleID	Dip	Azimuth	East	North	TDepth	DepthFrom	DepthTo	Au	Significant Intercepts
GO46	S09855	-60	130	736029	6711292	120	25	26	3.90	
GO53	S10868	-60	130	735676	6710919	120	99	100	2.28	
G058	S14476	-90	0	735905	6711214	72	16	17	0.83	
G058	S14489						28	29	1.69	4m @ 3.09 g/t
G058	S14490						29	30	4.58	
G058	S14491						30	31	4.49	
G058	S14492						31	32	1.58	
G058	S14532						68	69	2.45	4m @ 2.08 g/t
G058	S14533						69	70	2.71	
G058	S14534						70	71	1.78	
G058	S14535						71	72	1.39	
G059	S14589	-60	130	735877	6711346	96	50	51	0.81	
G065	S15199	-60	130	736034	6711244	100	56	57	0.87	2m @ 0.93 g/t
G065	S15200						57	58	0.98	
G066	S15284	-60	130	736008	6711267	100	36	37	20.51	
G066	S15310						61	62	8.45	2m @ 4.63 g/t
G066	S15311						62	63	0.81	
G066	S15333						82	83	1.09	
G067	S15457	-60	130	735989	6711285	114	99	100	1.28	2m @ 1.11 g/t
G067	S15458						100	101	0.93	

SiteID	SampleID	Dip	Azimuth	East	North	TDepth	DepthFrom	DepthTo	Au	Significant Intercepts	
G068	S15497	-60	130	735923	6711347	108	22	23	0.91		
G070	S15725	-60	130	735918	6711380	120	28	29	1.01		
G072	S16000	-60	130	735940	6711273	100	64	65	2.12		
G073	S16055	-60	130	735918	6711288	100	16	17	0.80	3m @ 1.14 g/t	
G073	S16056						17	18	1.64		
G073	S16057						18	19	0.98		
G073	S16073						33	34	2.34		
G073	S16084						43	44	0.81		
G075	S16273	-60	130	735864	6711330	100	21	22	0.84	2m @ 1.82 g/t	or 5m @ 22.68 g/t
G075	S16274						22	23	2.80		
G075	S16276						24	25	107.70	2m @ 54.55 g/t	
G075	S16277						25	26	1.39		
G076	S16396	-60	130	735671	6711401	84	36	37	3.78	2m @ 2.30 g/t	
G076	S16397						37	38	0.81		
G076	S16405						45	46	0.88		
G079	S16714	-60	130	735822	6711200	126	40	41	1.05		
G079	S16728						53	54	0.87		
G083	S17201	-60	130	735703	6711396	150	118	119	4.13		
G083	S17208						125	126	4.29	7m @ 7.42 g/t	
G083	S17209						126	127	18.30		
G083	S17210						127	128	2.63		
G083	S17211						128	129	9.19		
G083	S17212						129	130	5.42		
G083	S17213						130	131	11.20		
G083	S17214						131	132	0.89		
G083	S17220						136	137	1.62		
G083	S17227						143	144	2.00	3m @ 1.28 g/t	
G083	S17228						144	145	0.87		
G083	S17229						145	146	0.98		
G084	S17337	-60	130	735686	6711377	150	96	97	3.43		
G084	S17341						100	101	1.84		
G084	S17359						117	118	23.67	2m @ 12.44 g/t	
G084	S17360						118	119	1.21		
G084	S17388						144	145	1.10		
G085	S17483	-60	130	735671	6711362	174	83	84	1.08		
G085	S17486						86	87	0.90		
G086	S17711	-60	130	735653	6711344	168	124	125	4.48	2m @ 17.85 g/t	or 10 m @ 7.12 g/t
G086	S17712						125	126	31.22		
G086	S17714						127	128	14.11	2m @ 13.04 g/t	
G086	S17716						128	129	11.96		
G086	S17718						130	131	4.28	4m @ 2.22 g/t	
G086	S17719						131	132	1.61		
G086	S17720						132	133	2.20		
G086	S17721						133	134	0.80		
G086	S17735						146	147	1.05		
G087	S17816	-60	130	735634	6711330	126	54	55	1.04		
G087	S17822						60	61	1.17		
G087	S17836						73	74	3.37		
G089	S18164	-60	130	735643	6711016	156	106	107	0.98		
G089	S18170						111	112	22.55	4m @ 8.38 g/t	
G089	S18171						112	113	8.89		
G089	S18172						113	114	1.00		
G089	S18173						114	115	1.09		

SiteID	SampleID	Dip	Azimuth	East	North	TDepth	DepthFrom	DepthTo	Au	Significant Intercepts
G090	S18303	-60	130	735680	6711019	150	80	81	20.57	or 6 m @ 4.52 g/t
G090	S18305						82	83	1.42	
G090	S18307						84	85	1.08	2m @ 1.83 g/t
G090	S18308						85	86	2.57	
G090	S18321						97	98	1.04	
G090	S18323						99	100	1.93	
G090	S18325						101	102	0.80	
G090	S18329						105	106	4.06	
G090	S18334						109	110	1.02	
G090	S18338						113	114	0.91	
G090	S18341						116	117	0.84	
G096	S19031	-60	130	735775	6711204	96	69	70	1.60	
G097	S19146	-60	130	735776	6711142	120	77	78	13.05	2m @ 7.21 g/t
G097	S19147						78	79	1.36	
G097	S19152						83	84	2.11	
G097	S19163						93	94	2.36	
G097	S19164						94	95	1.22	
G097	S19172						100	101	2.55	3m @ 2.46 g/t
G097	S19173						101	102	3.95	
G097	S19174						102	103	0.89	
G098	S19267	-60	130	735754	6711162	120	66	67	1.47	3m @ 1.29 g/t
G098	S19268						67	68	0.81	
G098	S19269						68	69	1.58	
G098	S19273						71	72	0.87	

[#] *Notes on sample intercept widths: The metre intervals detailed in the table above are measured down-hole lengths and are unlikely to be indicative of true width.*

Composite samples received from 4 holes, have returned results above 0.8 g/t which require further single metre sample analysis, these results are currently pending.

Table 2 of drill hole assay results of Composites with significant gold intercepts 0.8g/t Au or greater

SiteID	SampleID	Dip	Azimuth	North	East	TDepth	DepthFrom	DepthTo	Au g/t	Significant Intercepts
G058	C03648	-90	0	735905	6711214	72	48	52	3.18	8m @ 3.09 g/t
G058	C03649						52	56	3.00	
G060	C03690	-90	0	735984	6711237	74	40	44	4.76	4m @ 4.76 g/t
G067	C03869	-60	130	735989	6711285	114	40	44	0.98	8m @ 0.92 g/t
G067	C03870						44	48	0.86	
G069	C03925	-60	130	735905	6711621	100	32	36	1.01	4m @ 1.01 g/t

Clampton (E77/1591)

The interpretation work of the raw data from the aeromagnetic survey carried out in the quarter 1 FY has been completed. This interpretation has identified two major areas of interest that will be investigated by the technical team in the months ahead. This work will initially involve, on the ground field investigations including mapping and surface sampling. The results of this work will refine potential exploration targets for drilling.

Mt Palmer (E77/1318, E77/1386, P77/3678)

The raw data provided from the aeromagnetic survey is currently with the geophysicist consultants for interpretation. Once completed, the team will use this data to identify potential exploration targets and determine if extensional structures to adjoining tenements that had substantial historical mining exist.

Leonora

Muriels Extension (M37/661, P37/7580-7587)

The aeromagnetic survey with 25 metre line spacing that was flown in the previous quarter was interpreted by the geophysicist consultants. The exploration team submitted a PoW for 172 RAB holes totalling 8,600 meters to the Department of Mines and Petroleum (DMP) in November 2011, approval is currently pending for this program.

Earaheedy Basin

Earaheedy Joint Venture (50% Vector Resources / 50% Cazaly Resources)

During the January – March 2012 Quarter Cazaly Resources completed the following exploration works within Exploration Licences E52/2183, E69/2061, E69/2062, E69/2063 and E69/2376 as managers of the Earaheedy (West) Joint Venture Project:

- Planning for earthworks and Reverse Circulation (RC) drilling within Exploration Licence E69/2063 at the Blue Cliffs and Blue Nugget manganese prospects
- Project review and base metal prospectively review of the Earaheedy Joint Venture Project (ongoing)

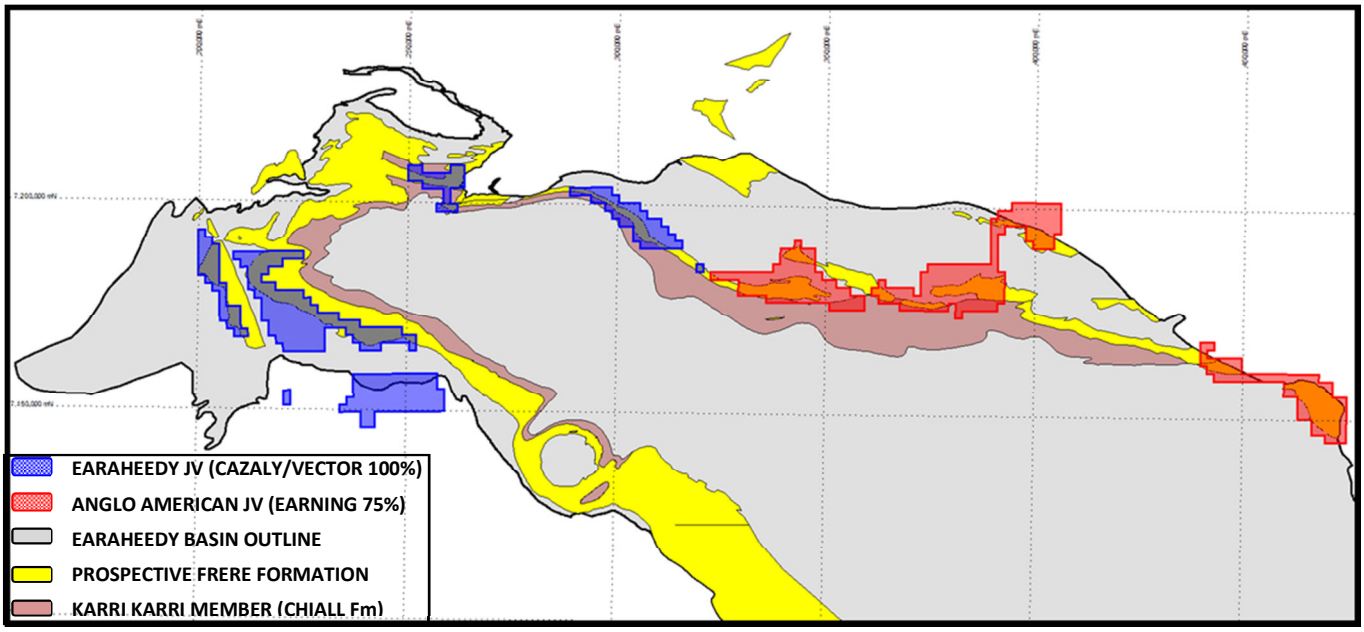

Figure 2: Plan view of EJV tenement locations.

EJV EXPLORATION ACTIVITIES

Planning for Earthworks and RC Drilling On Exploration Licence E69/2063

Approximately 1,650m of planned and approved (RC) drilling at the Blue Cliffs and Blue Nugget manganese prospects, located within Exploration Licence E69/2063, was scheduled to commence in mid-April 2012 on the Cunyu Pastoral Lease located approximately 120km north of Wiluna. Earthworks including track upgrading and repair, and the excavation of exploratory drill hole sumps was planned to commence on the 19th March 2012, to be completed by Goodwork Holdings, a Wiluna-based contracting company.

Tropical Cyclone Lua hit the northern Western Australian coast line on the 17th March 2012, crossing the coastline at Pardoo in the Pilbara. On the 18th March, 2012 winds and rain associated with Tropical Cyclone Lua hit the eastern Gascoyne Region, including the area encompassed by the Earaheedy Joint Venture Project Tenure. Ned's Creek Pastoral Lease recorded approximately 60mm of rain at the homestead, whilst Cunyu Pastoral Lease recorded approximately 90mm of rain at their homestead over a 10 day period, during and following the tropical

front. Heavy rain associated with the unusual tropical front for the region has delayed access to the Blue Cliffs and Blue Nugget manganese prospects, with the main access track currently impassable between Bill's Well and Eladge Bore where the access track cross the Lake Nabberu system (Figure 3). Pastoralist Ken Shaw from Cunyu has advised that this portion of the access track may be unpassable for up to three months.

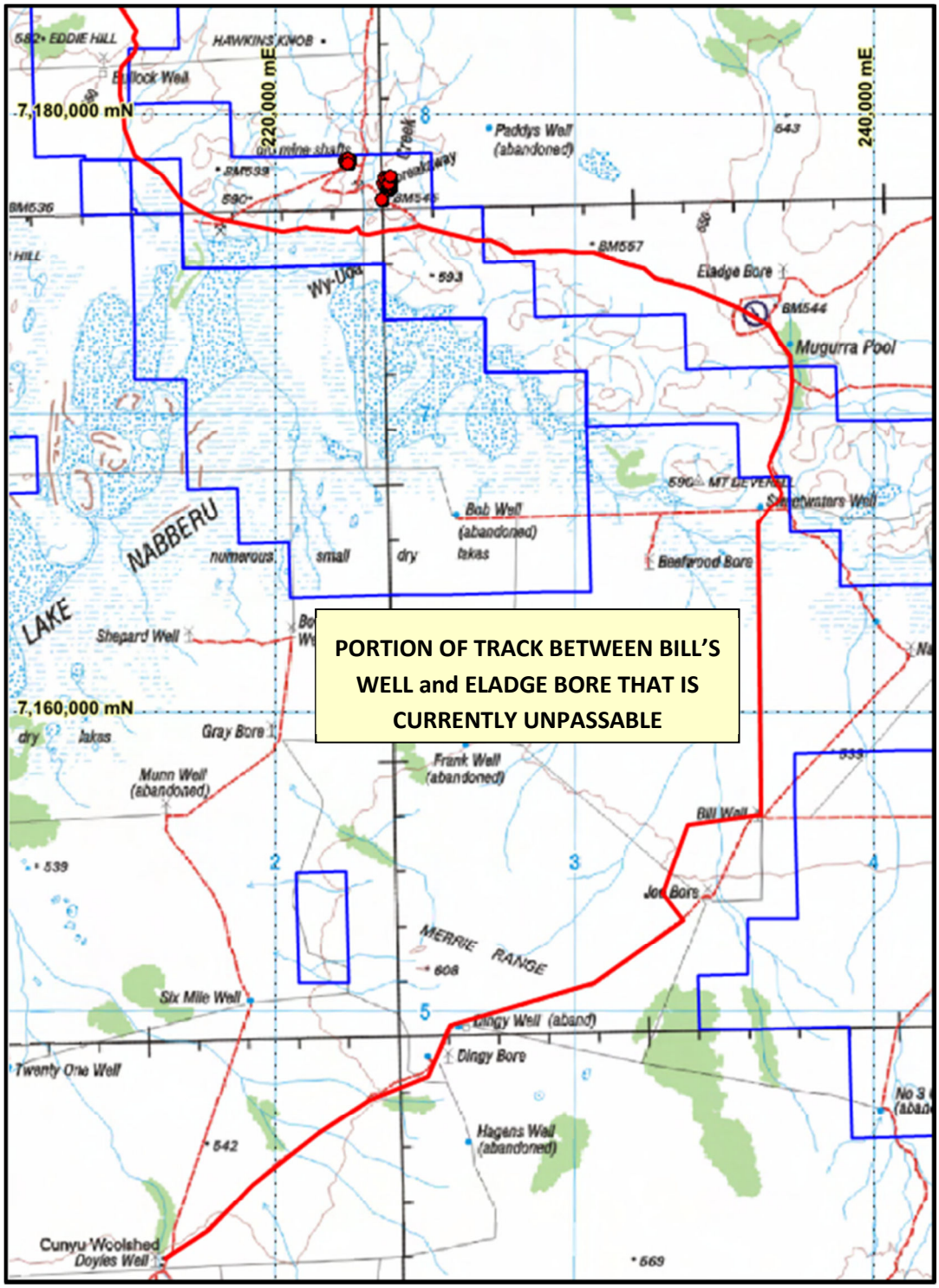

Figure 3: Cunyu Pastoral Lease main access track to the Blue Cliffs and Blue Nugget manganese prospects, and portion of track that is currntly unpassable due to heavy rain associated with Tropical Cyclone Lua

Due to the condition of the main access track into the Blue Cliffs and Blue Nugget manganese prospects, Cazaly Resources is assessing alternative access routes both within the Cunyu Pastoral Lease, and access via the Ned's Creek Pastoral Lease from the West (Figure 4). Alternative access routes are still being assessed however, drilling is still expected to be completed prior to the 30th June 2012, so government co-funding will still be received (Royalties for Regions Exploration Incentive Scheme).

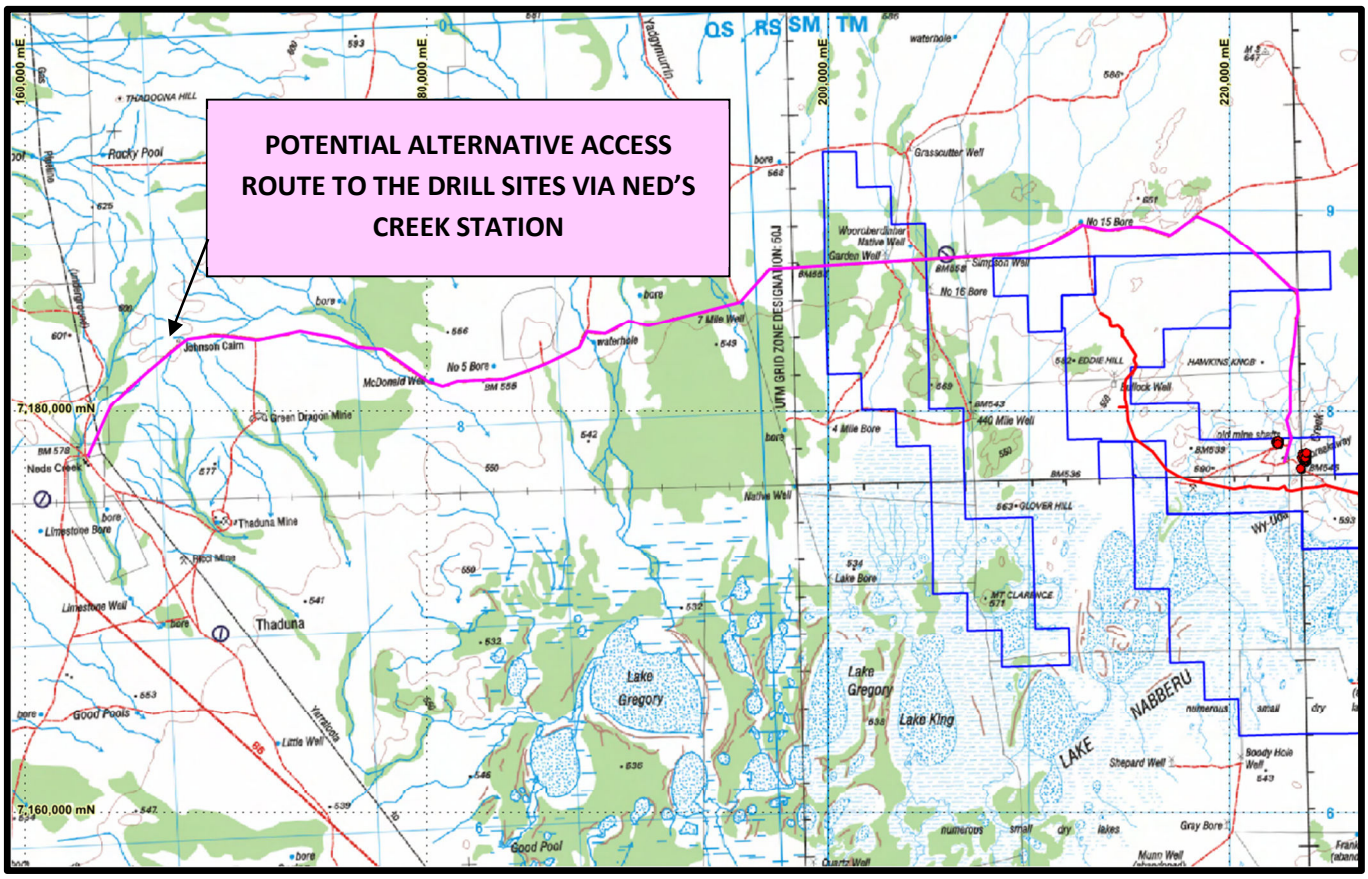

Figure 4: Potential alternative access route to the Blue Cliffs and Blue Nugget manganese prospects via Neds Creek Station. Condition of alternative access track is yet to be determined.

Base Metal Prospectivity of the Earaheedy Joint Venture Project

RGC Exploration discovered the Magellan lead deposit located approximately 30km west-northwest of Wiluna in 1991. Following the recognition that the Magellan lead deposit is hosted by the Yelma Formation, the basal Formation of the Earaheedy Group, RGC extended their exploration to the southern limb of the Earaheedy Basin. Between 1992 and 1997 RGC Exploration held sixteen Exploration Licences in the Teague Project area and completed: 119 RC drill holes, 31 diamond drill holes, geological mapping, soil, stream and rock chip sampling, gravity surveying, aeromagnetic interpretation and laboratory studies (fluid inclusions and isotope studies). RGC's exploration discovered several sub-economic zinc-lead intersections, and proposed that zinc and lead mineralisation in the Yelma Formation is restricted to the southern limb and northward towards the western fold closure (including Hawkins Knob) of the Earaheedy Basin. RGC proposed that primary porosity and hydrothermal dissolution in stromatolitic carbonates of the Navajoh Dolomite (now formally known as the Sweetwaters Well Member) were the principle controls on Zn-Pb mineralisation, and that mineralisation occurred during burial digenesis. Mineralisation consisted of coarse grained sphalerite, galena, pyrite and marcasite. RGC Exploration attempted to farm out the Teague Project however, the project was abandoned in a time of low interest in base metals.

The ground previously held by RGC Exploration is now held by Zenith Minerals and Phosphate Australia, whom recently completed drilling programs directly to the east and south east of Exploration Licence E69/2063 for the exploration for base metal resources, specifically zinc and lead. Zinc-lead intercepts were returned from exploration programs completed by both companies and best intercepts are illustrated in Figure 5. Zinc-lead mineralisation is hosted within the Yelma Formation (underlying the iron ore prospective Frere Formation). Exploration Licence E69/2063 is proposed to be prospective for carbonate-hosted zinc-lead ± silver mineralisation, similar in style to the Magallan lead deposit.

The base metal prospectivity of the Earaheedy Joint Venture Project is at a very early stage of review and analysis. However, a handheld niton XRF survey is proposed as a first pass exploration technique for the exploration of base metal resources with the Project tenure. Overall project review of the Earaheedy Project Joint Venture is ongoing.

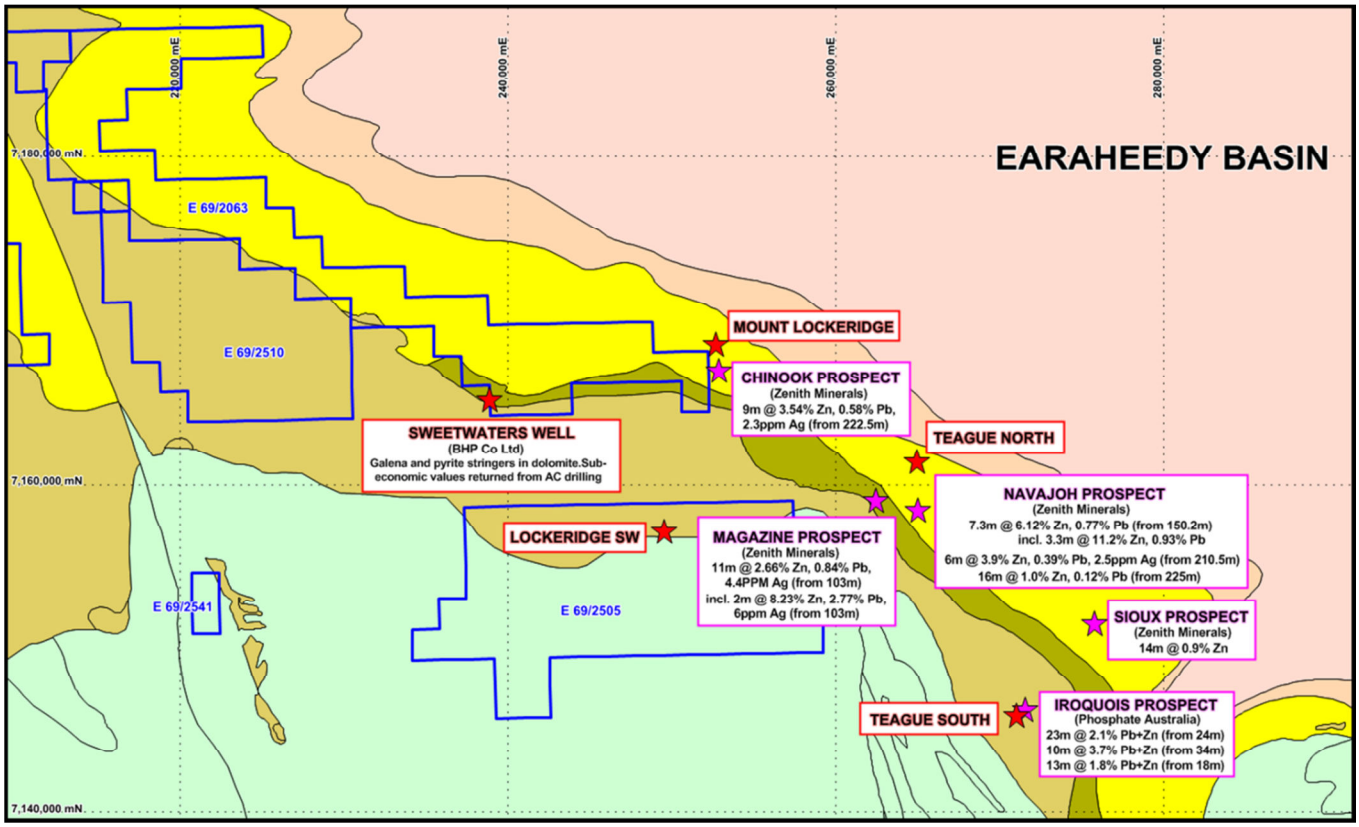

Figure 5: Base metal prospects (zinc, lead ± silver) located adjacent to Cazaly Resources Joint Venture tenure.

Anglo American Farm-In Executive Summary

- AAEA in conjunction with the Central Desert Native Title Services and 8 traditional owners that represented the Wiluna and Birriliburu people conducted a heritage survey for low impact exploration activities (e.g. field mapping and rock chip sampling) between the 27th and 30th of March. It is expected to received the survey results by middle May.
- A total of 23 rock chip samples were collected in 2011 from outcrop, subcrop and float samples taken from the Frere Formation around the Cecil Roads and Sydney Heads Prospect areas. Assay results of up to 65% Fe were returned from ferruginised GIF.
- A total of 17 samples were submitted to Teale & Associates for Petrological and Mineralogical descriptions. Surface samples submitted were predominantly iron-enriched Frere Formation.
- No field activities were conducted for the reported period due to land access issues and weather conditions.
- The fixed wing aeromagnetic survey over the Cecil Rhodes and Sydney Heads Projects was completed and final QA/QC approved, the final data shows a substantial improvement from regional data.

Aeromagnetic Survey

The fixed wing aeromagnetic survey over the Cecil Rhodes and Sydney Heads Projects was completed in December. Final data was received and final QA/QC completed. Final data shows a substantial improvement from regional data. Several grids had been completed (e.g. TMI, RTP, 1VD, 2VD, 3VD, Tilt, Horizontal Derivative; Fig. 6). Those images are currently being used as a base for geological and structural interpretations.

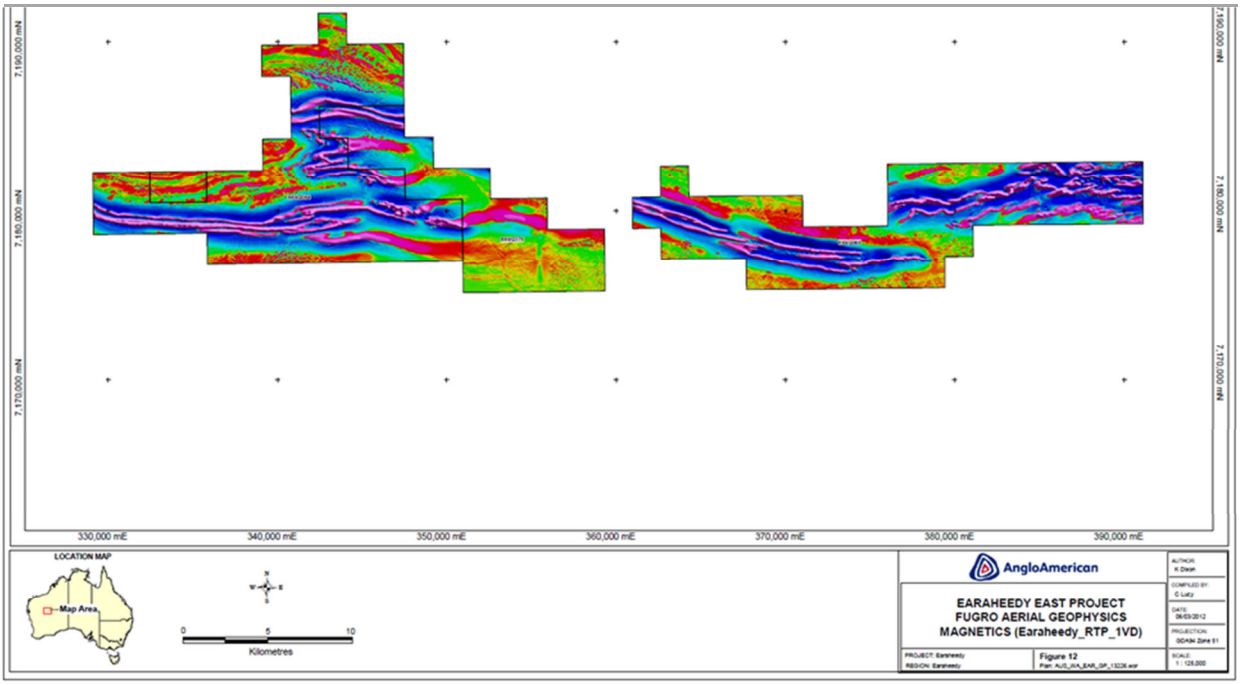

Figure 6: Airborne Magnetic Survey data, showing RTP 1VD on the Earaheedy Project.

Rock Chip and Petrographical samples

A total of 23 rock chip samples were collected in 2011. The samples were taken from outcrop, subcrop and float samples from the Frere Formation around the Cecil Roads and Sydney Heads Prospect areas (Fig. 7). These samples were submitted to ALS Analytical Laboratories in Perth to be analysed by the method ME-XRF11b. Results shows the high level of Fe content (up to ~65%; Table 3).

TABLE 3: XRF results for 2011 Earaheedy Project rock chip samples

Sample ID	East	North	Fe %	Al_2O_3 %	MnO %	S %	SiO_2%	P %	LOI %	Comment
AUR102612	344160	7187400	**64.87**	1.05	0.062	0.096	3.01	0.065	2.42	
AUR100048	342359	7186526	**61.14**	1.32	0.027	0.089	5.52	0.014	5.13	Ferruginised GIF
AUR102613	343778	7187517	**59.44**	1.28	0.029	0.096	3.71	0.033	9.59	
AUR100051	343445	7178861	**56.98**	2.96	0.19	0.07	2.63	0.576	10.59	
AUR100049	342399	7186557	**56.62**	3.46	0.041	0.124	6.27	0.041	8.4	Ferruginised shale outcrop
AUR100050	343425	7178860	**55.50**	3.73	0.298	0.077	3.56	0.52	10.89	Ferruginised shale outcrop
AUR100053	343228	7179781	**55.47**	2.16	0.013	0.064	7.3	0.645	9.07	Ferruginised shale
AUR100052	343254	7179812	**55.40**	3.3	0.009	0.154	4.91	0.54	9.7	Ferruginised shale
AUR102634	342096	7182768	54.73	5.36	0.026	0.208	5.44	0.088	9.88	
AUR100060	377046	7180555	49.40	1.43	0.048	0.029	17.65	0.451	8.93	Fe-enriched GIF, around "quartzite: ~ "leached GIF"
AUR100062	377603	7178578	44.13	1.6	0.039	0.02	33.5	0.05	1.27	Sydney Heads Conglomerate
AUR100057	375450	7170970	38.09	0.52	0.012	0.022	44.4	0.011	0.39	Fe-enriched GIF, still magnetic
AUR100061	377037	7180579	38.00	2.21	0.029	0.032	36.3	0.395	5.86	Fe-enriched GIF
AUR100058	375170	7170973	29.83	1.24	0.031	0.041	53.7	0.041	2.01	Ferruginised / lateritised GIF
AUR100059	377098	7180312	29.55	1.64	0.009	0.054	52	0.069	3.42	Fe-enriched GIF, weakly magnetic
AUR100054	376105	7177065	29.06	0.86	0.022	0.079	54.5	0.022	2.58	Outcropping magnetic GIF
AUR100055	375448	7177013	26.93	1.5	0.012	0.014	58.7	0.032	0.97	GIF
AUR102611	344090	7186666	24.16	0.77	0.634	0.064	60.1	0.062	3.4	

A total of 17 samples were submitted to Teale & Associates for Petrological and Mineralogical descriptions. This included 12 RC chip samples from Cazaly 2010 RC drilling and 5 hand samples from iron enriched Frere Formation at Cecil Rhodes and Sydney Heads Project (Fig. 7).

Polished thin sections were prepared and examined utilising both transmitted and reflected light microscopy. The surface samples represent iron enriched (supergene iron enrichment) equivalents of those samples observed in the deeper intersections from the various drill-holes.

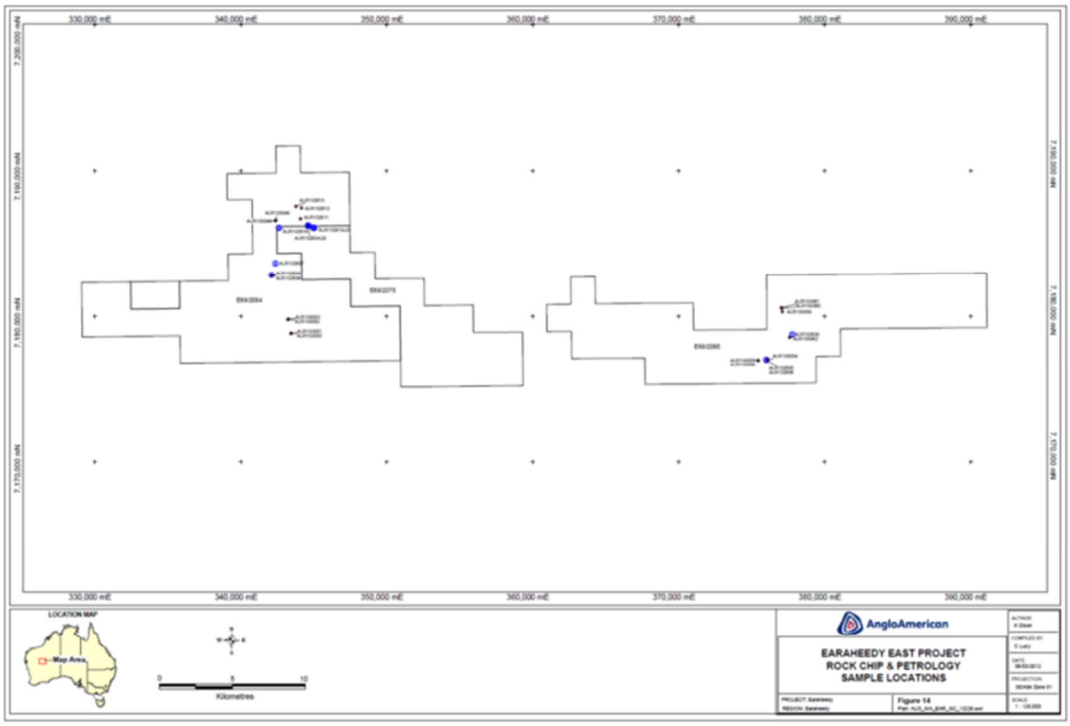

Figure 7: Rock chip and petrology sample locations.

Geology

The tenement packages within the Earaheedy District have been subdivided into three projects based on geographical, tenements and geological criteria: Cecil Rhodes, Sydney Heads and Coonabildie (Fig. 8).

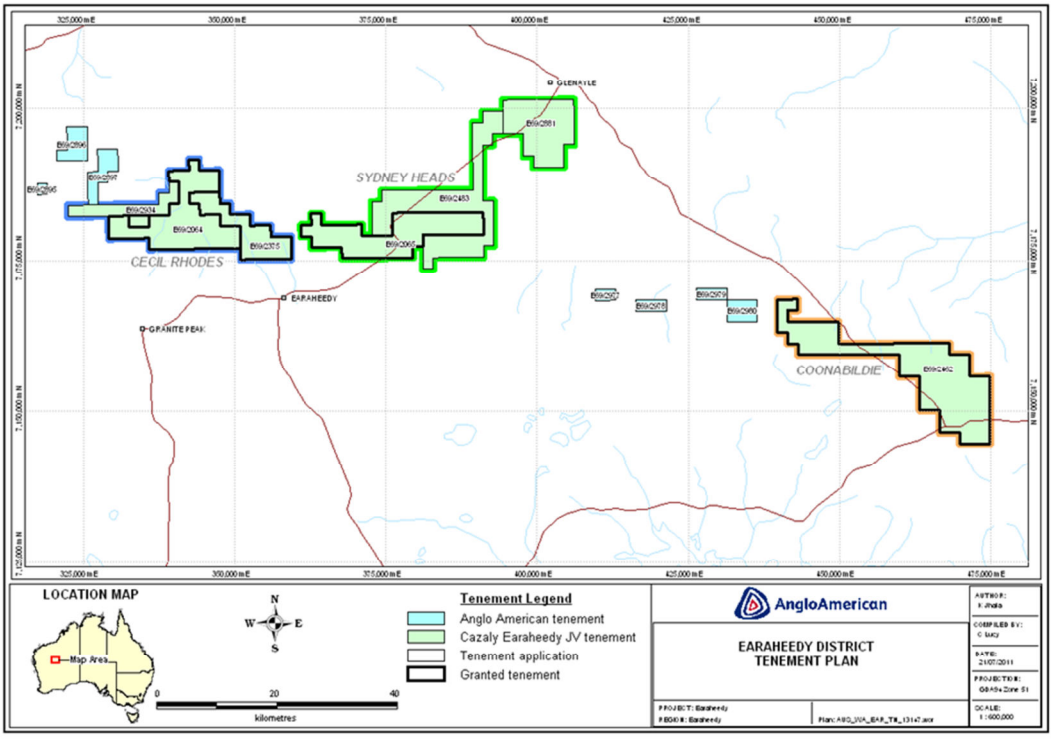

Figure 8: Projects names and locations on the Earaheedy District

No field activities were conducted on the Earaheedy district area during the reported period due to land access issues and weather conditions.

Appendix 5B

Attached is a copy of the Company's Mining Exploration and Entity Quarterly Report in accordance with Listing Rule 5.3.

ENDS

 # Notes on sample intercept widths: The metre intervals detailed in the table above are measured down-hole lengths and are unlikely to be indicative of true width.

**** Notes on Exploration Targets: In accordance with Clause 18 of the JORC Code, it is important to note that the 'Target Resource' referred to above remains subject to further exploration and evaluation to bring the 'unclassified material' to a JORC Compliant resource. The current interpretation is conceptual in nature and remains preliminary and is based on exploration, evaluation and resource definition work undertaken to date.***

Competent Person's Statement

The information in this report that relates to Exploration Results or Mineral Resources of Vector Resources Ltd and its subsidiaries is based on information reviewed by Arnel Mendoza, who is a Member of the Australian Institute of Geoscientists ("AIG").

Mr Mendoza 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 of Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Arnel Mendoza consents to the inclusion in this announcement of the matter based on his information in the form and context it appears.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Vector Resources Ltd

ABN

99 107 541 453

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (9 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,095)	(3,802)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(258)	(1,023)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	54	175
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (Due Diligence on Golden Iron Resources Ltd Takeover)	-	-
	Net Operating Cash Flows	(1,299)	(4,650)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(16)	(76)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(16)	(76)
1.13	Total operating and investing cash flows (carried forward)	(1,315)	(4,726)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,315)	(4,726)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,744	3,739
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	-
	Net financing cash flows	1,744	3,739
	Net increase (decrease) in cash held	429	(987)
1.20	Cash at beginning of quarter/year to date	3,849	5,265
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	4,278	4,278

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	165
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

-

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	2,576
4.2	Development	-
4.3	Production	-
4.4	Administration	210
	Total	**2,786**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	918	2,489
5.2	Deposits at call	3,360	1,360
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	4,278	3,849

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased	E77/2050	Acquired	0%	100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	-	-	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	205,645,833	205,645,833	-	-
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	37,500,000	37,500,000	$0.08	$0.08
7.5	**+Convertible debt securities** (*description)*	-	-	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	**Options** *(description and conversion factor)*	176,886,666 5,000,000 5,000,000 6,000,000 4,000,000	176, 886,666 - - - -	*Exercise price* $0.20 $0.20 $0.20 $0.25 $0.40	*Expiry date* 30/06/2012 20/12/2014 20/12/2014 30/01/2015 20/12/2015
7.8	Issued during quarter	50,000,000 6,000,000	50,000,000 -	$0.20 $0.25	30/06/2012 30/01/2015
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	-	-		
7.12	**Unsecured notes** *(totals only)*	-	-		

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..... Date: 30/4/2012
(Director/Company secretary)

Print name: Neville Bassett

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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