



Vector Resources Ltd  
ABN 99 107 541 453

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**30 April 2008**

The Companies Announcement Office  
Australian Stock Exchange Limited  
20 Bridge Street  
Sydney NSW 2000

Dear Sir/Madam

The Directors of Vector Resources Limited are very pleased to present their quarterly report, for the period ended 31 March 2008.

## **Operations**

### **Results of rock-chip sampling**

Following on from very encouraging rock chip assays announced in the last quarter, further surface sampling and geological mapping in February has extended the iron ore prospectivity of Vector's Nabberu tenements. Another 79 samples, mainly from E69/2062 and 2064, were collected during field mapping and submitted for assay with the best results outlined below:

<b>Sample ID</b>	<b>Tenement</b>	<b>Fe%</b>	<b>SiO<sub>2</sub>%</b>	<b>Al<sub>2</sub>O<sub>3</sub></b>	<b>P%</b>	<b>LOI%</b>
2VR51	E69/2062	62.17	4.42	2.75	0.056	3.22
2VR49	E69/2062	62.98	3.75	2.21	0.098	3.54
2VR37	E69/2062	61.52	4.9	3.77	0.018	2.76
2VR47	E69/2062	63.65	4.69	1.46	0.032	2.15
2VR69	E69/2062	61.72	5.61	2.24	0.03	3.18
2VR64	E69/2062	60.96	5.55	2.99	0.02	3.08
2VR1	E69/2062	63.1	1.49	0.89	0.257	6.68

2VR67	E69/2062	62.22	4.67	3.01	0.02	2.87
2VR6	E69/2062	61.05	5.71	3.42	0.04	3.25
2VR7	E69/2062	61.11	5.81	1.68	0.048	2.6
2VR66	E69/2062	62.38	5.54	1.76	0.06	2.46
2VR15	E69/2062	62.07	5.61	2.03	0.017	2.55
2VR21	E69/2062	64.26	3.04	1.72	0.038	2.5
4VR72	E69/2064	56.21	3.78	3.28	0.52	10.34
4VR78	E69/2064	55.44	7.92	4.88	0.03	5.68
4VR62	E69/2064	54.72	9.12	2.45	0.23	8.68
4VR77	E69/2064	59.06	6.64	3	0.04	4.86

### **Immediate Work Programme**

A large number of potential drill targets have been generated by the surface work and preliminary logistics including programme of works, heritage clearance and securing of drilling rigs is ongoing. However, to maximize the value of the drilling and increase the chance of success, it is planned to first use gravimetry to outline possible accumulations of high grade material at depth and so prioritise the drilling.

A specialist Gravity Survey contractor has been secured for early May 2008 to carry out a detailed survey over the western portion of E69/2062 where an area of intense deformation of the Frere Formation has consistently returned surface chip samples assaying over 60% iron. Should gravimetry prove successful in this environment, the survey will be immediately extended to the remainder of E69/2062 and to other Vector tenements in the Nabberu Project.

With more than 150km strike length of iron-rich Frere Formation within the Vector tenements, it may be necessary to acquire detailed airborne magnetics to supplement and prioritise the more intensive gravity work. An air-magnetics contractor is available to carry this out in July, following interpretation and review of the initial gravity programmes.

While geophysics is being carried out, detailed mapping and surface sampling will continue, with an immediate priority on E69/2062.

### **Logistics**

A number of transportable buildings have been acquired and moved to a site adjacent the Granite Peaks Homestead where a fully equipped camp has been established to support the field teams. A caravan has also been mobilized to site to accommodate teams working on distant tenements. Vehicles, satellite communication equipment, power supply and consumables have been procured for mobilization in May.

A very active 2008 is anticipated for the Nabberu Iron Ore Project.

## **Corporate**

### **Options**

In accordance with the initial Company prospectus of 31 October 2007, the Company lodged with the ASIC a prospectus whereby the Company offered to its shareholders a non – renounceable offer of options on the basis of 1 option for every 2 shares held in the Company at the record date. In addition, the Company made a placement of 52,000,000 options to clients of Indian Ocean Capital.

At a general meeting of the shareholders called subsequently to this announcement, the pro rata offer to shareholders and the placement to Indian Ocean Capital clients was approved by shareholders.

The total amount of options authorised to be issued was 104,816,666 options.

In addition, the shareholders ratified the participation of the directors in the placement made to Indian Ocean Capital clients plus amendments to the Company's constitution, the execution of deeds of indemnity for the Directors and officers of the Company and Section 195 approval.

### **Change of address of share registry**

As of Monday 7 April 2008, Advanced Share Registry Services, the Company's share registry has changed location. They are now located at:

150 Stirling Highway  
Nedlands WA 6009

Tel: 618 9389 8033  
Fax:618 9389 7871

Gordon Sklenka  
Director

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

VECTOR RESOURCES LIMITED

ABN

99 107 541 453

Quarter ended ("current quarter")

31 MARCH 2008

### Consolidated statement of cash flows

<b>Cash flows related to operating activities</b>		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a)exploration and evaluation	(108)	(201)
	(b) development		
	(c) production	(358)	(974)
	(d) administration		
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	92	143
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material)		
	<b>Net Operating Cash Flows</b>	(374)	(1,032)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a)prospects		
	(b)equity Investments		(2)
	(c) other fixed assets	(32)	(135)
1.9	Proceeds from sale of: (a) prospects		
	(b)equity investments		
	(c)other fixed assets		(350)
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (share application)		
	<b>Net investing cash flows</b>	(32)	(487)
1.13	Total operating and investing cash flows (carried forward)	(406)	(1,519)

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(406)	(1,519)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	(4)	12,148
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	491	491
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	<b>Net financing cash flows</b>	487	12,639
	<b>Net increase (decrease) in cash held</b>	81	11,120
1.20	Cash at beginning of quarter/year to date	11,040	1
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	11,121	11,121

**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	120
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

N/A

**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

Nil

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

Nil

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

Amount available \$A'000	Amount used \$A'000

+ See chapter 19 for defined terms.

3.1	Loan facilities	Nil	N/A
3.2	Credit standby arrangements	Nil	N/A

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	100
4.2	Development	
<b>Total</b>		<b>100</b>

### 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	1,040	1,040
5.2 Deposits at call	10,081	10,000
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter</b> (item 1.22)	<b>11,121</b>	<b>11,040</b>

### 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			
	N/A			
6.2	Interests in mining tenements acquired or increased			
	E29/2505	Application	100%	100%
	E29/2509	Application	100%	100%
	E29/2510	Application	100%	100%
	E29/2511	Application	100%	100%
	E29/2512	Application	100%	100%
	E29/2514	Application	100%	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**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 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	105,633,333	66,525,983		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	104,816,666	48,982,730	<i>Exercise price</i>	<i>Expiry date</i>
7.8 Issued during quarter	104,816,666	48,982,730	20c	30 June 2012
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ 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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: Roland H Berzins..... Date: 30 April 2008.....  
(Director/Company secretary)

Print name:.....Roland H Berzins

## 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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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