



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

Dear Sir/Madam

Completion of Due Diligence on Magdalena Iron Sands Project

Further to Vector Resources Ltd's ("Vector") announcement of 30 May 2008, Vector is pleased to announce that it has concluded its due diligence on the acquisition of the Magdalena Iron Sands Project (the Project) located in Colombia. The due diligence investigations included in-country investigations and site visits by Vector's technical consultant and in-country investigations by Vector's US based legal advisors.

The due diligence investigations have returned "no – negative" responses to either the in – country investigations or the items of a technical nature and based on this the board has resolved to proceed with acquisition of the Project on the terms and conditions contained in the Term Sheet signed between the parties and previously released to the market.

Vector has now commenced preparation of the Sale and Purchase Agreement and the Notice of Meeting for shareholders to approve the transaction. Further details will be released to the market as they become available.

In addition Vector has agreed to financially assist its future Colombian partners in making further licence applications to increase the Project area from that outlined in the previous market announcement. This was based on the results of Vector's due diligence enquiries.

For further information, please contact Mr. Gordon Sklenka.

Gordon Sklenka
Director