



ASX Announcement

21st August 2008

Exploration Potential* Greater Than 1 billion tonnes

Magdalena Iron Sands Project

Vector Resources Limited would like to clarify its announcement of 20th August 2008 with regard to the potential grade and the grade range in accordance with Clause 18 of the JORC Code.

From the recent field trip, a batch of samples were submitted to an independent assay laboratory. The results show a recovery of heavy minerals (H.M %) in a **range of 7.67% to 93.88 %**.

The average recoveries of heavy minerals (H.M %) from the sample batch has been **calculated at 32.33 %**.

Gordon Sklenka
Director

For further details please contact Mr Gordon Sklenka +618 9486 1122.

The information in this report that relates to exploration results is based on information compiled by Mr. Nicholas Revell who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Revell 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. Revell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

** The term "Exploration Potential" should not be misunderstood or misconstrued as an estimate of Mineral Resources and Reserves as defined by the JORC Code (2004), and therefore the terms have not been used in this context. Exploration Potential is conceptual in nature, as it is uncertain if further exploration or feasibility study will result in the determination of a Mineral Resource or Mining Reserve.*