

18 September 2009

The Manager - Companies  
Australian Stock Exchange Limited  
Company Announcements Office  
Level 4, 20 Bridge Street  
Sydney NSW 2000

By: e-lodgement (ASX code VEC)

**Mutual Settlement – Magdalena Iron Sands Project**

The Directors of Vector Resources Limited (the “Company”) wish to advise shareholders that the Company, Colombian Mining Corporation and the Vendors of the Magdalena Project in Colombia have reached a confidential settlement and have executed a mutual Deed of Settlement and Release.

Yours sincerely



Robert Hyndes  
Director/Company Secretary