



June 2012 Quarterly Report

31 July 2012

Highlights

- Total Gold production was 6,312 ounces for the quarter.
- Cash operating profit was A\$2.7 million for the quarter.
- Gold production at Lily was 4,967 ounces at a cash operating cost of US\$1,082 per ounce.
- Gold production at Taylors was 1,345 ounces at a cash operating cost of US\$957 per ounce.
- Bankable Feasibility Study for Barbrook expansion commenced.

Quarterly Overview

Notwithstanding the scheduled mining of lower grade ore blocks at both mines as per the planned mining sequence, total gold production increased from the previous quarter. Mining from these blocks is now largely completed. Tonnages mined and milled at both operations increased although somewhat below planned levels. The lower grades mined during the quarter led to higher cash operating costs. The Company has continued to invest in mining plant and equipment to support and enhance its operations at the Lily Mine in particular.

The Barbrook Stage 2 Bankable Feasibility Study ("BFS") commenced during the quarter and independent consultants, Turgis, MDM Engineering and Gold Fields Group Technology Services, were appointed as advisors. Significant progress was made on the respective metallurgical test work and underground drilling was initiated in order to provide higher levels of confidence to existing mineral resource estimates. A BIOX Pilot Plant was purchased and commissioned during the quarter, which is operating in line with the expectations.

Regional exploration was curtailed during the quarter in order to temporarily focus activity on the Barbrook expansion drilling programme.

Outlook

Gold production is expected to continue increasing in the next two quarters as scheduled milled tonnages and grades improve at both mines. Operating costs are being contained as production increases and the improved profit outlook is expected to have a positive effect on the company's cash flow during the next 6 months.

The estimated cost of the BFS for the Barbrook Stage 2 expansion project is A\$2.8 million, which will be funded from the group's cash flow. This study is now expected to be completed by the middle of 2013.

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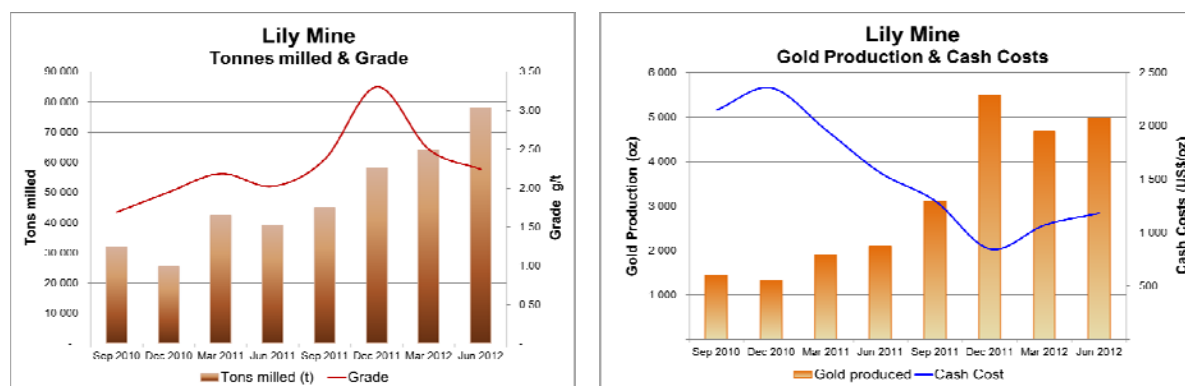
Operations

Lily Mine

The underground development rate improved substantially on the previous quarter. Emphasis continues to be placed on opening up new working areas to provide the mine with the necessary flexibility for the future. Tonnes milled increased during the quarter but grade was lower than planned. Both are expected to increase over the next two quarters.

Production 2011/12	Sep Qtr	Dec Qtr	March Qtr	June Qtr
Ore tonnes mined	51,216 t	58 785 t	57 570 t	79 613 t
Ore tonnes milled	44,953 t	58 080 t	64 076 t	77 977 t
Grade	2.37 g/t	3.31 g/t	2.50 g/t	2.25 g/t
Recovery	90 %	89 %	91 %	88 %
Gold Produced	3,105 oz	5 493 oz	4 674 oz	4 967 oz

The lower grades negatively affected cash operating costs which were US\$1,082 per ounce for the quarter. Capital Expenditure was A\$2.2 million after certain capital items were postponed until later in the year.



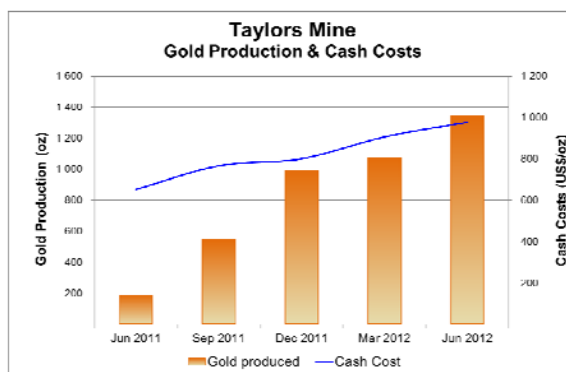
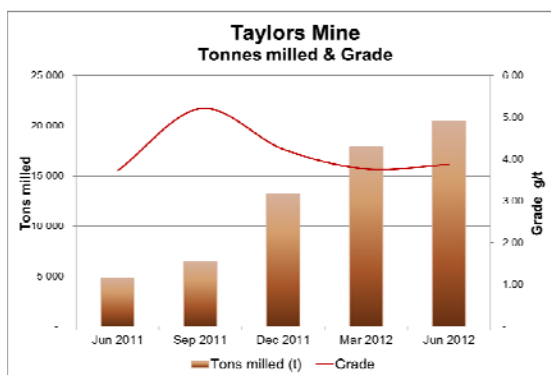
Taylor's Mine

Tonnes milled and head grades both increased from the previous quarter. The issue of mining dilution is being addressed in an effort to return grades to the planned 4.2 g/t level.

Plant recoveries, however, remain a concern and numerous metallurgical tests are being undertaken to resolve the problem.

Production 2011/12	Sep Qtr	Dec Qtr	March Qtr	June Qtr
Ore tonnes mined	7,633 t	12 681 t	21 921 t	21 871 t
Ore tonnes milled	6,726 t	13 208 t	17 866 t	20 491 t
Grade	5.21 g/t	4.24 g/t	3.77 g/t	3.87 g/t
Recovery	51 %	55 %	51 %	53 %
Gold Produced	545 oz	991 oz	1 104 oz	1 345 oz

Operating costs at Taylor's mine rose due to the commencement of underground development during the quarter. This development ensures sustainability of the stoping operations in the medium term. Capital expenditure was A\$0.6 million for the quarter.



Barbrook BFS

Three underground drill rigs were deployed in the Taylors section of Barbrook during the quarter and a total of 555 metres of drilling was completed. Initial drilling results confirm continuity of the Taylors ore body below 10 Level, both in width and grade. A total of 7,000 metres of drilling is planned in order to improve estimation confidence levels in upgrading existing mineral resources to ore reserves.

Having decided to pursue BIOX as the optimum process route for treatment of the Barbrook ore, a BIOX pilot plant was purchased from Gold Fields, the owners of the technology. The plant will initially be used to confirm the amenability of this technology on the Taylors ore but will also test various other ore bodies within the Barberton Mines Complex over the next few years. The pilot plant was commissioned in June and is operating according to plan.

Exploration

Although no regional exploration was conducted during the quarter, field preparations are underway to systematically investigate selected target sites identified in the recently completed analysis of the Company's comprehensive geological and geophysical data base of information on its mineral rights areas.

Corporate

Financial results for the quarter included a cash operating profit of A\$2.7 million and a net profit of A\$0.4 million. Capital expenditure was A\$2.8 million during the quarter and the cash balance at 30 June 2012 was A\$3.1 million.

For further information please contact:

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About Vantage Goldfields Limited

Vantage holds mining and exploration rights to a large area within the Barberton Goldfield district, the second largest goldfield in South Africa. This district has a long history of gold production and is the location of several operating gold mines containing multi-million ounce gold deposits, including the Lily Mine, which was acquired and developed by Vantage in 1997 and which has already produced more than 100,000 ounces of gold.

The Company has three advanced projects and total estimated Mineral Resources of 4.5 million ounces, including estimated Ore Reserves of 0.7 million ounces. The Mineral Resources and Ore Reserves statement can be accessed via the following link;

http://www.vantagegoldfields.com/gold_reserves_resources.htm

The advanced projects are:

- The Lily Mine is an underground operation. It has well established surface and underground infrastructure and the Company is expanding operations to produce 35,000 ounces of gold per annum from the fourth quarter of 2012, for at least 12 years.
- The Barbrook Mines Complex is in the process of being developed. It has approximately 50 km of underground development tunnelling providing ready access to defined Mineral Resources and Ore Reserves. The Company has completed advanced investigations into a resumption of mining in two stages. The first (Taylors Mine – Barbrook Stage 1) produces float concentrates from underground mining in accordance with a Bankable Feasibility Study. The Barbrook Stage 2 expansion will be a major expansion targeting approximately 70,000 ounces per annum of gold production. A review of processing options was completed in 2011, and this has progressed to the commencement of a Bankable Feasibility Study, scheduled to be completed in early 2013.
- The Worcester Project is a dormant mine which is being evaluated as part of the Company's exploration and evaluation programme. The Company has successfully completed a Pre-Feasibility Study on the viability of developing a new mine on the defined Mineral Resources at the Worcester mine.

Vantage's interest in each project is 74% (other than the Lily Project, in which the interest is currently 85%, but which will be reduced to 74% by 2014). The remaining interest in each project is held by Lomshiyi Investments (Pty) Ltd, the Company's Black Economic Empowerment partner.

Vantage holds an extensive portfolio of project opportunities at various stages of appraisal. These exploration targets include a number of known gold deposits which are being investigated as potential mining projects.

Competent Persons Statement

The principal Competent Persons responsible for the Mineral Resource and Ore Reserve information in this announcement are Mr M Begg, General Manager, who is a member of the Geological Society of South Africa ("GSSA") and a member of the South African Council for Natural Scientific Professions ("SACNASP") and Dr W Stear, Executive Director, who is a fellow of AusIMM. The GSSA is a Recognised Overseas Professional Organisation ("ROPO"). These persons are responsible for the Mineral Resource reporting, assisted by Messrs. M Baynes and M Williams, who are both registered professional geologists and members of GSSA, Mr C Brown, Group Planning Manager and a member of the South African Institute of Mining and Metallurgy ("SAIMM") and Mr T Cronwright, Group Surveyor. All these persons are full time employees of Vantage. The Competent Person responsible for the Independent Audit of the Mineral Resource is Professor R C A Minnitt, JCI Professor of Mineral Resources and Reserves, School of Mining Engineering, University of Witwatersrand, South Africa. Professor Minnitt is a fellow of the AusIMM. Mr Begg, Dr Stear and Prof Minnitt have sufficient relevant experience to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".