

QUARTERLY REPORT FOR THE PERIOD ENDING 31 March 2013

HIGHLIGHTS

Major events for Australasian Resources Ltd. ("Australasian" or "Company") (**ASX: ARH**) during the quarter were as follows:

CORPORATE

- Complete transaction providing the Company with a \$550,000 working capital loan from Mineralogy.

HEALTH AND SAFETY

There were no Health or Safety incidents to report for the Quarter

FINANCES

In March 2013 Mineralogy, a company controlled by Professor Clive Palmer, agreed to provide the Company with a working capital loan. The loan amount is for \$550,000 and is repayable on call with no interest chargeable. This loan is further evidence that the major shareholder continues to support the company whilst it continues to seek a partner to assist in funding for the project.

The Board continue to assess and review funding options for the Company.

The Board has also agreed to suspend the payment of directors fees whilst the Company is assessing options for working capital. The Non-Executive Directors have agreed that their director fees will accrue but not be paid until this time.

COMMERCIAL

The final draft of the Chinese Financing Technical Report produced by MCC, is still to be finalized. This report is suitable for applications to Chinese financial institutions for up to 75% of the capital requirements of the project. Once the report is approved IM will then have the ability to formally apply for funding with the assistance of MCC.

The Company has received an enquiry from a party that has expressed interest in assisting Australasian in potentially funding the Balmoral South Project. Discussions are only in the early stages and upon execution of an "Initial Term Sheet" the market will be updated on further details.

ASX Code: ARH

Company overview

Australasian Resources is an iron ore company currently developing the world-class Balmoral South Iron Ore Project in the Pilbara region of Western Australia.

Fast Facts

ASX Code: ARH
Shares on Issue: 489M

Board of Directors

Mr Domenic Martino	Chairman
Mr Vimal Sharma	Director
Mr Paul Piercy	Director
Mr Clive Mensink	Director
Mr Dio Wang	Managing Director

Company Secretary

Mr Grant Ryan

Major Shareholding

Professor Clive Palmer and Associates	69.83%
Timefull Investments (Shougang Concord)	5.72%
JP morgan Nominees Australia Limited (APAC Resources)	4.27%
Australian Minerals (Hong Kong) Holding Ltd	3.16%

Balmoral Project Highlights

- JV arrangement with Mineralogy increased BSIOP to 2 billion tonnes of magnetite iron ore;
- Feasibility Study Completed;
- Federal Ministerial Approval;
- State Ministerial Approval.

Media contact

PPR (WA) Mr David Tasker
Tel: +61 8 9388 0944

The Company also wishes to confirm that it is party to commercial agreements with Mineralogy, the owner of the port at Cape Preston, that provide contractual access under the Facilities Deed to export product produced from the Balmoral South Iron Ore Project.

EXPLORATION

SHERLOCK BAY NICKEL AND SHERLOCK EXTENDED PROJECT (BASE METALS)

The Company's Sherlock Bay Nickel Project (100% Australasian) includes the Sherlock Bay Nickel Deposit and is located east of Karratha, in the Pilbara region of Western Australia. The Sherlock Extended Project (70% Australasian) surrounds the main Sherlock Bay nickel deposit.

The Sherlock Extended Project is a joint venture between Australasian and Metals Australia Ltd (30% interest). Australasian are the managers of the project, with Metals Australia being 'free-carried' through to the completion of a bankable feasibility study and the decision to commence commercial mining.

Biogeochemical Sampling:

The sampling program plan was based on combination of the information generated by Global Ore Discovery (processed HyMap data) with the DTM data and the biogeochemical assay data and implemented during the previous quarter. The program included sampling on all tenements in the Sherlock and Sherlock Extended project areas and the majority of results were received during the quarter.

A total of 2,414 biogeochemical samples were collected during August, September and October 2012, and submitted to Genalysis Laboratory in Perth for analysis. This biogeochemical survey program was based on a combination of the information generated by Global Ore Discovery (processed HyMap data) along with the DTM data and past biogeochemical assay data. Consultants have received all assay results and are now reviewing and standardising the dataset. Results of the consultants work are expected to be announced within the coming quarter.

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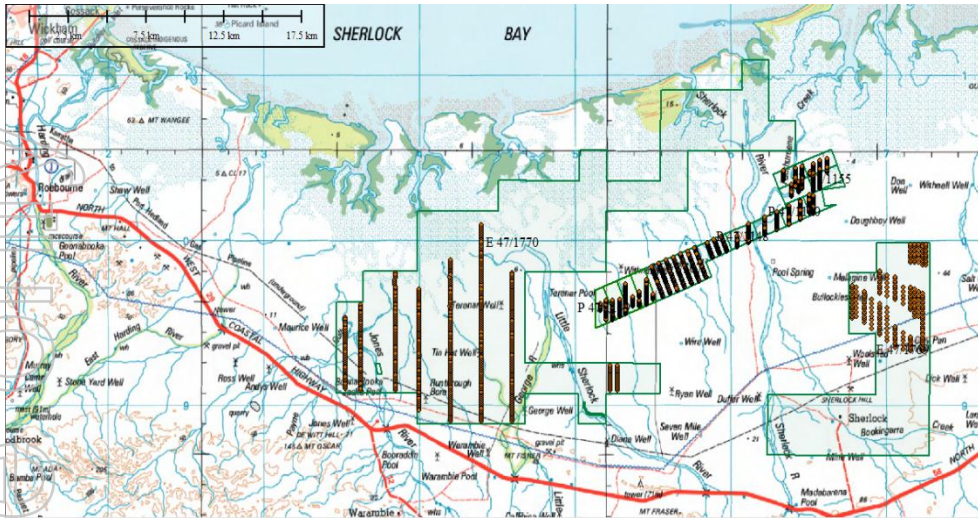
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LOCATIONS OF MOST RECENT BIO GEOCHEMICAL SAMPLES

APPLICATION FOR FURTHER MINING LICENSES

International Exploration Limited has begun the final process of granting of additional mining leases for its Sherlock Bay Project. International Exploration has an existing agreement with the Ngarluma people, the relevant native title holders, who are required to sign agreements in order for the grant of the applications for mining leases on some of its Sherlock Bay tenements. International Exploration is seeking the grant of the additional mining leases in accordance with this existing agreement.

CAT CAMP (BASE METALS)

The Cat Camp prospect, lies within the Lake Johnston Greenstone Belt and is located approximately 170km south west of Kalgoorlie. It contains lithologies that are consistent with the nickel sulphide deposits that have been mined at the nearby Emily Ann and Maggie Hays operations.

No work was completed during the quarter. The company is awaiting the granting of exploration licence application E15/1325 prior to undertaking further work.

SIGNIFICANT UPCOMING ACTIVITIES

Significant activities for the period April to June will include:

- Review and consider working capital options for the company.
- Apply for Export Credit facility with Chinese financial institutions for up to 75% of the project capital costs
- Continue discussions regarding potential off-take agreements and end users
- Continue negotiations and execute an "Initial Term Sheet" with interested party

For and on behalf of Australasian Resources Limited



Dio Wang
Managing Director

Attribution

The information in this report that relates to Exploration Results is based on information compiled by Todd Axford, who is a member of the Australasian Institute of Mining and Metallurgy. Todd Axford is engaged as a consultant to the company, and has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the December 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Todd Axford consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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