

13th September 2007

The Announcements Office
Australian Stock Exchange Limited
Level 3, 20 Bridge Street
SYDNEY NSW 2000

By Electronic Transmission

Dear Sir

Katanning Update

Please find attached an update on activities at the company's Katanning Project.

Yours faithfully



Ranko Matic
Company Secretary



A C C E N T

R E S O U R C E S N . L .



A.C.N. 113 025 808

ASX Release
13 September 2007
Katanning Update

www.accentresources.com.au

ACCENT

RESOURCES N.L.

Katanning Titanomagnetite - Potential Company Maker

13 Sep 2007

Status: ASX Listed Public Co.

GICS Sector: Materials

GICS Industry : Metals & Mining

ASX Code: ACS

Details

Ordinary Fully Paid Shares Sep 2007	97,801,450
Options 20c (30 Sep 2009)	28,345,669
Options unlisted 12c (31 Jul 2010)	10,000,000
12 month High - Low	0.10 - 0.29

Directors

Richard Oh	Executive Chairman
Alan Wolstencroft	Technical Director
Larry Low	Non Executive Director
Ian Richer	Non Executive Director
Terry Butler-Blaxell	Non Executive Director

Highlights

- ◆ Exploration has commenced at the Katanning iron-vanadium-titanium (titanomagnetite) project. The Company recently increased its exposure to the province under a heads of Agreement with Platinum Australia Ltd, and as a result now has interests in approximately 700 square kilometres of tenure in the region.
- ◆ Surface samples of vanadium bearing titanomagnetite have been submitted for preliminary metallurgical testwork.
- ◆ A review and synthesis of historical testwork data from the 1980s indicates favourable metallurgical characteristics of surficial (oxidised) titanomagnetite samples from the Katanning project area.
- ◆ Testwork conducted during the 1980s was able to produce a vanadiferous iron (titanomagnetite) concentrate that assayed up to 2.2 per cent V_2O_5 . The vanadium content in the concentrate is comparable to the world's best vanadium operations in South Africa.
- ◆ Titanomagnetite concentrates are currently exported from New Zealand to steelmaking operations in Asia, and are also an important feed source for iron making at certain Chinese, Russian and South African operations.
- ◆ The previous testwork also was able to produce a separate ilmenite (titanium) enriched concentrate that assayed up to 42 per cent TiO_2 .
- ◆ Approximately 220kg of oxidised titanomagnetite has been collected from the surface at the Mine Hill and Red Hill localities, and submitted to a Perth based laboratory for beneficiation testwork and vanadium specific testwork.
- ◆ The results from this current round of testwork will help to provide direction for more intensive Exploration and Evaluation at Katanning.
- ◆ A high resolution airborne magnetic survey will be flown during September to better constrain targets for Exploration drilling.
- ◆ The Katanning Project is well serviced by infrastructure including rail, power, sealed roads and proximity to regional centres.



66 kv powerlines near Red Hill at Katanning

Review of past metallurgical data

A review and compilation of historical data has revealed some favourable metallurgical characteristics of the Linda Sue vanadium occurrence located immediately to the southeast of Katanning (ACS earning 90 per cent).

During 1981 surface samples of outcropping massive vanadiferous titanomagnetite from the Linda Sue prospect were subject to preliminary magnetic separation tests. The results from wet magnetic separation at a grind size of 100 per cent passing 72 microns using a Davis tube apparatus indicated that surface material could be beneficiated to provide a magnetic concentrate assaying 2.2 per cent V_2O_5 . The recovery of vanadium to this fraction was greater than 70 per cent. More than 80 per cent of the ilmenite was rejected to the non-magnetic fraction, an unexpected result for a typical titanomagnetite, where liberation of ilmenite can be problematic.

Davis Tube P100 = 72 microns (1.8 amps)					
	Wt%	%V ₂ O ₅	%V ₂ O ₅ recovery	%TiO ₂	%TiO ₂ recovery
Magnetics	53.10	2.21	70.4%	6.55	18.6%
Non Magnetics	46.90	1.05	29.6%	32.40	81.4%
calculated head (feed)		1.67		18.67	

Dry magnetic separation on coarser, roll crushed material sized to 100 per cent passing 2mm provided a similar vanadium result, and importantly, provided a high intensity magnetic fraction assaying 41.7 per cent TiO₂. The results suggest that both a vanadiferous titanomagnetite concentrate and an ilmenite concentrate can be produced.

Multiple Dry Magnetic Separation Rapid Lift Apparatus								
Screened Roll Crusher Product	Wt%							
1 - 2mm oversize - reject	16.20%							
0.5 - 1mm	36.10%							
<0.5mm	47.70%							
	Wt%	overall Wt%	% V ₂ O ₅	%V ₂ O ₅ recovery	% TiO ₂	%TiO ₂ recovery	%Fe	%Fe recovery
1 - 2mm oversize	<i>not tested - reject</i>	16.20%	1.75	17.36%	15	14.45%	53.4	16.84%
0.5 - 1mm: low intensity mags	86.40%	31.19%	1.91	36.49%	11.3	20.96%	55.7	33.82%
0.5 - 1mm: high intensity mags	13.10%	4.73%	0.45	1.30%	44.7	12.57%	38.1	3.51%
0.5 - 1mm: non mags	0.50%	0.18%	0.79	0.09%	4.24	0.05%	36.9	0.13%
<0.5mm: low intensity mags	71.30%	34.01%	1.89	39.37%	10.1	20.42%	53.8	35.62%
<0.5mm: high intensity mags	27.20%	12.97%	0.64	5.09%	40.6	31.32%	38.3	9.67%
<0.5mm: non mags	1.50%	0.72%	0.7	0.31%	5.65	0.24%	29.2	0.41%
calculated head (feed)			1.63		16.82		51.37	
		overall Wt%	% V₂O₅	%V₂O₅ recovery	% TiO₂	%TiO₂ recovery	% Fe	%Fe recovery
combined low intensity magnetic concentrate		65.20%	1.90	75.85%	10.67	41.38%	54.71	69.44%
combined high intensity magnetic concentrate		17.70%	0.59	6.39%	41.70	43.89%	38.25	13.18%

Significance of these results

The vanadium values are remarkable, and are comparable to plant feeds at leading South African vanadium operations. It is considered that improved rejection of ilmenite and further improvements to the quality of the titanomagnetite concentrate could be achieved through stage grinding and wet magnetic separation.

Titanomagnetite concentrates are currently exported from New Zealand with a typical specification of around 56 per cent Fe and 7 per cent TiO₂ (source TEX report). Titanomagnetite is also an important feed source for certain steel-making operations in South Africa, China and Russia, who are able to both produce iron and realise a valuable co-product in the form of vanadium slag.

Background – Historical Exploration

The new project area contains numerous occurrences of vanadiferous titanomagnetite at Mine Hill, Red Hill and Martling Farm.

In general the exposure of outcrop is poor and no drilling records are available for any of these occurrences. Sampling by previous workers identified significant vanadium values in oxidised titanomagnetite.

Martling Farm

Oxidised and lateritic derivatives of titanomagnetite outcrop at the Martling Farm occurrence (Fig.1). Surface samples of the in-situ material and rubble returned vanadium values ranging between 0.48 to 1.48 per cent V₂O₅ and up to 57 per cent iron.

Sample_id Martling Farm	V ₂ O ₅	TiO ₂	Fe	Al ₂ O ₃	SiO ₂
2 (lateritised titanomagnetite)	1.07	9.8	54.5	9.60	6.7
3 (titanomagnetite scree)	1.48	11.5	57.0	6.90	6.6
4 (lateritised titanomagnetite)	0.82	10.5	50.5	11.5	9.7
5 (lateritised titanomagnetite)	1.22	15.0	53.5	6.45	6.5
6 (lateritised titanomagnetite)	0.48	12.0	47.5	16.5	6.8



Railway that passes through Katanning

Red Hill

The Red Hill occurrence (Fig.1) also consists of oxidised and lateritised titanomagnetite over a strike length of at least 600 metres. Surface samples of the in-situ material returned vanadium values of between 0.24 to 1.41 per cent V₂O₅ and up to 53.5 per cent iron.

Sample_id Red Hill	V ₂ O ₅	TiO ₂	Fe	Al ₂ O ₃	SiO ₂
11 (lateritised titanomagnetite)	1.41	13.0	53.5	9.30	11.2
12 (lateritised titanomagnetite)	0.78	12.0	53.5	8.05	12.6
18 (lateritised titanomagnetite)	1.21	15.5	46.0	13.5	11.5
19 (lateritised titanomagnetite)	0.24	3.5	40.0	28.5	15.5



Minor outcrop of titanomagnetite at Red Hill

Mine Hill

Most of the Mine Hill area (Fig.1) consists of laterites in which it is difficult to identify relic titanomagnetite. Several small prospecting shafts and trenches are noted at this locality. Exposure of outcrop is poor, and the titanomagnetite is observed as rubble and debris.

Sample_id Mine Hill	V ₂ O ₅	TiO ₂	Fe	Al ₂ O ₃	SiO ₂
MH9 (titanomagnetite scree)	0.96	14.5	49.7	7.25	3.4
MH7 (oxidised outcrop)	0.57	9.80	49.2	9.05	9.1
MH8 (mullock dump)	1.52	19.5	49.9	5.05	3.5
MH10 (oxidised outcrop)	0.68	15.4	43.0	9.95	10.6
MH13 (titanomagnetite scree)	1.80	15.2	52.9	7.25	2.0
MH14 (titanomagnetite scree)	1.46	18.5	49.4	4.00	2.6
MH15 (titanomagnetite scree)	1.87	15.5	51.7	4.25	2.5
MH16 (titanomagnetite scree)	1.87	15.5	52.1	4.55	3.2
MH17 lateritised titanomagnetite	1.68	17.8	42.9	15.5	1.4
MH18 lateritised titanomagnetite	1.32	20.5	31.7	24.5	1.2



Specimen oxidised massive titanomagnetite

Preliminary Metallurgical Studies Commence

Approximately 220kg of surface sample from the Red Hill and Mine Hill localities has been submitted to a Perth laboratory for magnetic separation testwork and follow-up vanadium specific roast leach testwork.

The immediate objectives of the testwork program are:

- ◆ Produce a vanadiferous titanomagnetite concentrate that is upgraded in iron and vanadium and low in deleterious elements.
- ◆ Conduct roasting and leaching tests at bench scale to determine the ability to recover vanadium using conventional technology.
- ◆ Examine the possibility of further upgrading the high titanium (ilmenite) fraction, which past testwork has indicated to be in the range of 30 to 42 per cent TiO₂.

A positive outcome from this testwork will help provide direction for more intensive exploration and evaluation drilling at Katanning.

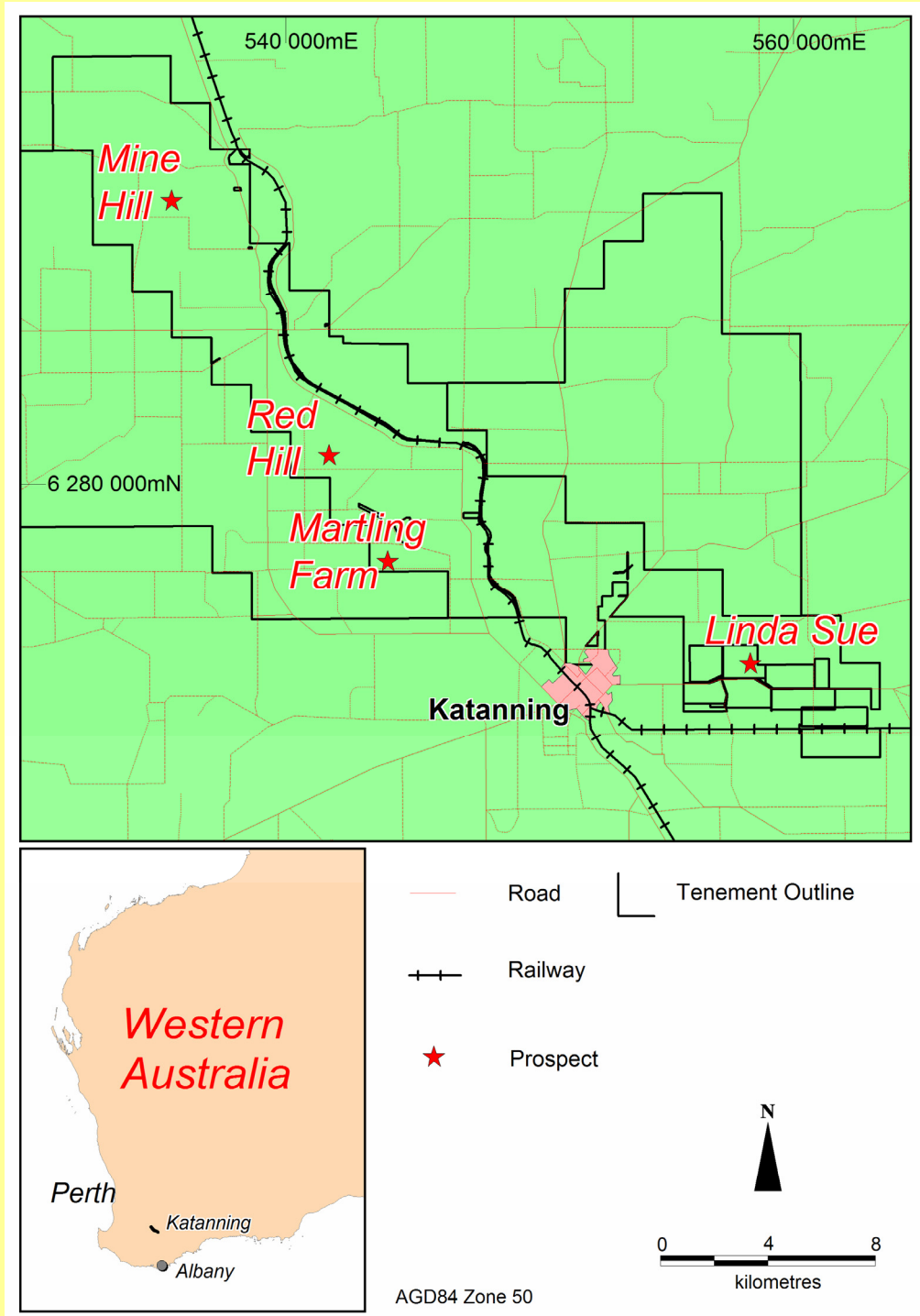


Figure 1. Katanning titanomagnetite occurrences

Aeromagnetic Survey Scheduled

A high resolution aeromagnetic survey is scheduled to be flown towards the end of September 2007, to help constrain targets for Exploration Drilling.

The occurrences of titanomagnetite at Red Hill, Mine Hill and Martling Farm are within granted tenure, and ground disturbing approvals are being sought to enable drilling to proceed towards the end of 2007.

Following the generation of targets from the detailed aeromagnetic survey and obtaining the necessary approvals, a campaign of Exploration RC and diamond drilling will proceed with the objective of delineating areas for Evaluation, and providing additional materials for metallurgical testwork from an iron, titanium and vanadium processing perspective.

Notes to accompany tables

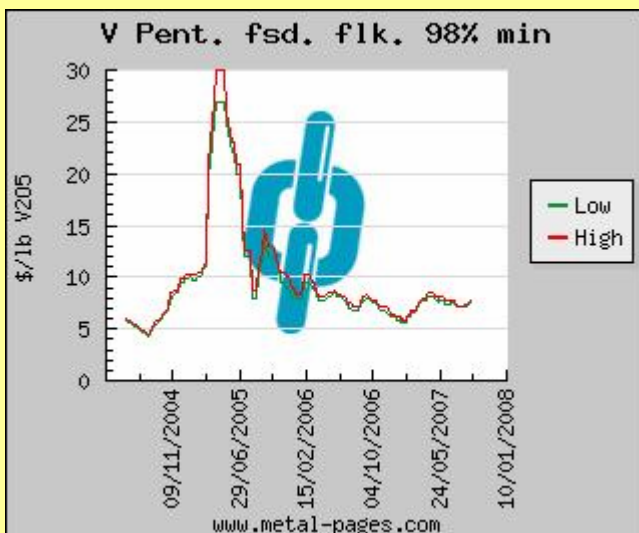
1. Surface rock chip sampling at Red Hill, Martling Farm, Mine Hill during 1981 by A&K Minerals - source WAMEX historical open file information.
2. Assayed at AMDEL Laboratories - likely method acid digest AAS (as verified by enquiry to AMDEL).
3. Approximate location of prospects shown on Figure 1. Exact sample location unknown, referenced to cadastral localities given in historical reports.
4. Metallurgical data from Otter Exploration NL, 1981 mineral exploration report. Testwork performed at Perth Metallurgical Laboratory.

The information in this report that relates to exploration results, mineral resources or ore reserves has been compiled by Mr Terence Butler-Blaxell MAust IMM who is a non-executive director and consultant to Accent Resources NL. Mr Butler-Blaxell has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a competent person as defined in the 2004 edition of the Australasian Code for the reporting of exploration results, mineral resources and ore reserves. Mr Butler-Blaxell consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

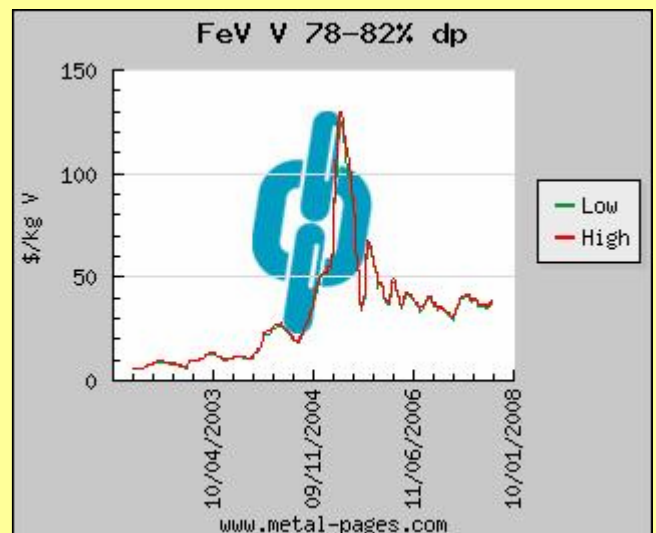
For Further Details Contact

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V2O5 Price History \$US/lb



Ferrovanadium Price History \$US/kg contained V