

Quarterly Activities Report For The Period Ending 31 December 2010

Highlights for the quarter ending 31 December 2010

- Major drilling program at Magnetite Range concluded
- Final assay data received, many new significant intersections
- Mineral Resource modeling commences
- Infrastructure study progressing; groundwater studies in progress
- CAPEX and OPEX estimates for mine, concentrator and infrastructure scheduled for Mar/Apr
- Further metallurgical variability tests to proceed to enable completion of a pre-feasibility study

Capital Structure

Ordinary Fully Paid Shares @ 30 June 2009	126,000,233
Unlisted Options 12c (expire 31 st July 2010)	10,000,000
Unlisted Options 20c (expire 1 st Dec 2012)	12,000,000
12 month high-low	\$0.27 - \$0.055

Directors & Management

Ian Hastings	Chairman
Fiona Li Kit-Chi	Non Executive Director
Jun Sheng Liang	Non Executive Director
Ian Richer	Non Executive Director
Terry Butler-Blaxell	Technical Director
Ranko Matic	Company Secretary
Philip Ash	Exploration Manager

Top 10 Shareholders

Grandmaster Fortune Limited	21,563,603
Rich Mark Development (Group) Pty Ltd	17,140,589
Cascade Holdings Pty Ltd	4,850,000
Academic Growth Institute Fund Pty Ltd	3,490,000
Mr Vincenzo Alac	2,270,500
Mrs Li Li Zhao	2,102,500
Ascot Nominees Pty Ltd	2,000,000
JF Apex Securities Berhad	1,999,000
Mr Alan Wolstencroft	1,910,000
Legend Mining Limited	1,500,000

Major Drilling Program at Magnetite Range Completed - Resource Imminent

During the quarter resource drilling at Magnetite Range concluded, to provide data for the Company's maiden Mineral Resource estimate. Between October and the end of the quarter, a further seven core holes were completed for an advance of 1,720 metres.

The Magnetite Range Project has now been tested by 128 drillholes for more than 19,000 metres of drilling. There is now sufficient data available to proceed with a Mineral Resource estimate. Data validation is nearing completion and resource modeling has commenced.

Final Results Demonstrate Depth Extensions and Strike Extensions to Mineralisation

During and subsequent to the end of the reporting period, results from exploration drilling showed intersections of high quality magnetite formation in the southern parts of the project area and demonstrated depth extensions to the banded iron formation.

Amongst the significant intersections (Table 2);

182m @ 48% mass recovery to a 66.4% Fe concentrate in hole MGRD092 from 144m

86m @ 41.7% mass recovery to a 70.8% Fe concentrate in hole MGD026 from 164m

52m @ 41% mass recovery to a 71% Fe concentrate in hole MGD029 from 129m

52m @ 37.3% mass recovery to a 71% Fe concentrate in hole MGD030 from 211m

90m @ 35.4% mass recovery to a 65.3% Fe concentrate in hole MGRD087 from 48m

Some variability has been noted in parts of the sequence, with the finer grained types of mineralisation giving rise to higher silica and sulphur levels in the davis tube results. Metallurgical variability testwork will target these types of mineralisation to determine a suitable process for reducing silica and sulphur. The dominant styles of mineralisation at Magnetite Range have already been characterised and have been shown to produce clean, saleable concentrate.

Figure 1. Magnetite Range magnetic image and drillhole collars

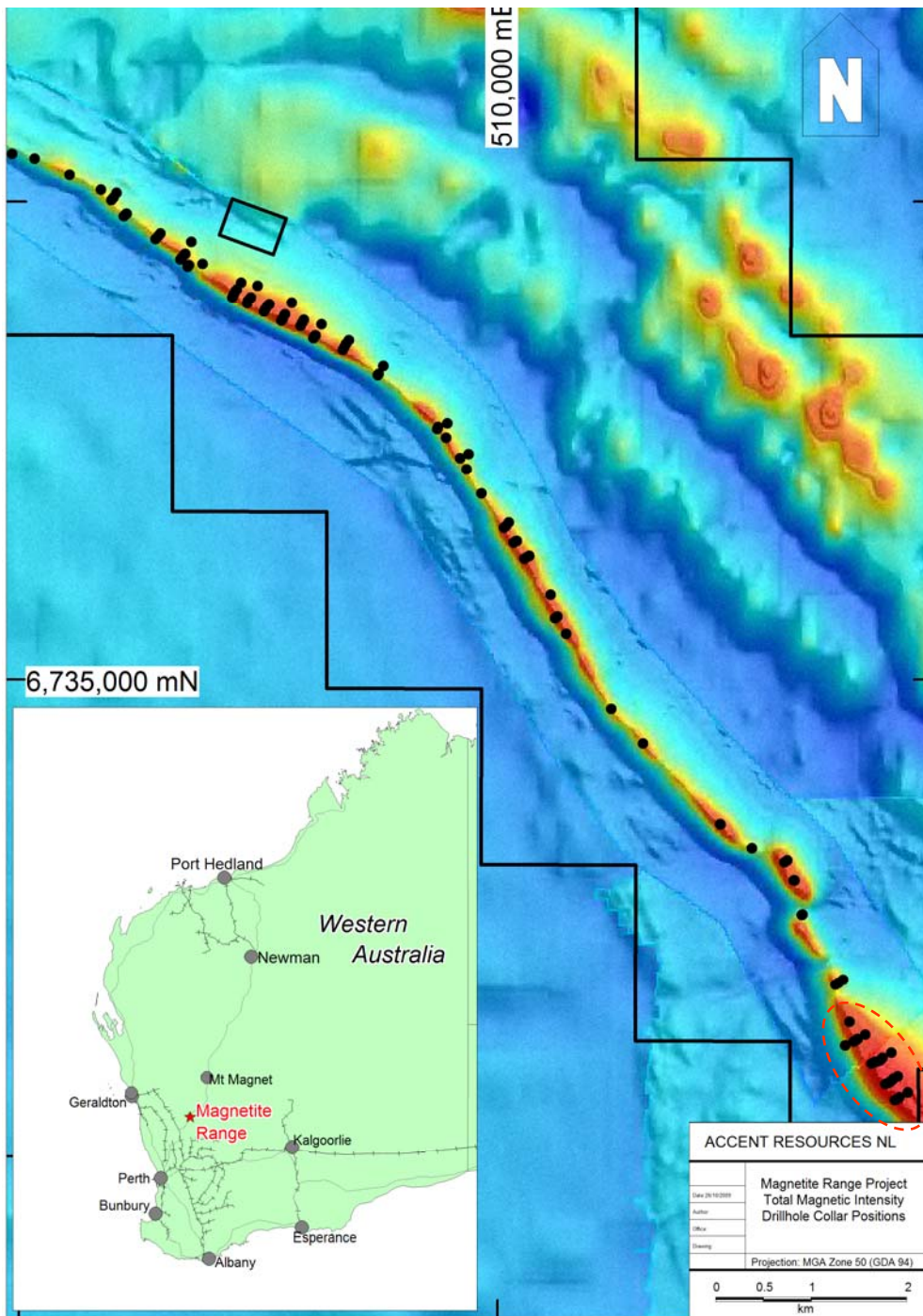


Table 1. Core Drilling Completed at Magnetite Range during the reporting period

Hole ID	GDA94_East	GDA94_North	Decl	Azim	Depth	Hole_Diameter
MGD027	514196.6	6730619.15	-57	60	358.2	HQ2/NQ2
MGD028	507460.98	6739079.9	-70	210	262.3	Tricone/HQ2/NQ2
MGD029	508137.48	6738674.8	-70	210	216.7	Tricone/HQ2/NQ2
MGD030	507648.46	6739000.95	-70	210	292	Tricone/HQ2/NQ2
MGD031	513587.38	6731590.02	-55	240	177.2	HQ2
MGD032	507082.28	6739187.88	-60	210	117.3	HQ2
MGD033	513672.32	6731639.78	-55	240	296.8	HQ2/NQ2

1. Collar positions established by licensed surveyor using RTKDGPS.
2. Grid System MGA94 Zone 50
3. Azimuths magnetic degrees
4. MGRC prefix = RC 5.5" face sampling hammer
5. MGD = core hole from surface, diameter is indicated in table
6. MGRD = core hole pre-collared with 5.5" RC
7. Downhole surveys by Surtron

Table 2. Davis Tube Results Magnetite Range Resource Drilling Program

Hole ID	From (m)	To (m)	Length (m)	Mass_Rec %	Fe %	SiO2 %	Al2O3 %	S %	LOI %	P %	Sample Type
MGD022	252	288	36	42.49	70.94	1.51	0.05	0.02	-3.25	0.00	DD
MGD023	176	244	68	33.24	64.15	9.08	0.43	0.86	-2.45	0.03	DD
MGD024	50	61	11	23.53	67.97	3.84	0.12	0.01	-1.26	0.01	DD
	206	298	92	35.53	64.39	8.83	0.46	0.71	-2.43	0.02	DD
MGD025	81	148	67	31.93	65.07	8.24	0.39	0.48	-2.61	0.02	DD
	162	182	20	35.22	65.48	8.14	0.21	0.12	-2.92	0.02	DD
	225	264	39	41.38	63.77	10.58	0.12	0.15	-2.63	0.02	DD
MGD026	129	148	19	31.18	69.58	2.78	0.17	0.60	-2.90	0.01	DD
	164	250	86	41.71	70.84	1.49	0.04	0.03	-3.28	0.00	DD
MGD028	122	142	20	26.02	69.91	1.78	0.12	1.47	-2.50	0.01	DD
	208	236	28	41.04	71.06	1.07	0.05	0.02	-3.23	0.00	DD
MGD029	129	181	52	40.98	70.96	1.41	0.05	0.04	-3.33	0.00	DD
MGD030	147	171	24	28.68	70.53	1.70	0.11	0.78	-2.86	0.01	DD
	211	263	52	37.32	70.94	1.38	0.07	0.28	-3.16	0.00	DD
MGD031	41	75	34	31.84	67.83	4.71	0.20	0.04	-2.46	0.01	DD
	115	155	40	44.10	66.56	6.94	0.13	0.06	-3.01	0.01	DD
MGD032	41	65	24	32.30	71.26	1.08	0.08	0.01	-3.26	0.01	DD
	88	108	20	39.80	71.09	1.37	0.06	0.01	-3.34	0.00	DD
MGD033	146	194	48	36.29	65.54	7.52	0.44	0.63	-2.57	0.02	DD
	241	273	32	45.50	65.77	7.93	0.13	0.14	-2.90	0.01	DD
MGRC074	62	90	28	38.94	68.31	4.04	0.08	0.01	-2.20	0.01	RC
MGRC075	58	122	64	34.29	65.72	7.37	0.05	0.01	-1.74	0.01	RC
MGRC081	84	94	10	27.37	68.22	3.43	0.09	0.01	-1.21	0.02	RC
MGRC082	20	40	20	21.84	64.52	7.33	0.13	0.00	0.13	0.01	RC
MGRC084	32	60	28	29.00	65.80	5.05	0.10	0.01	0.50	0.03	RC
	72	94	22	37.65	68.33	4.23	0.10	0.01	-2.39	0.02	RC
MGRC085	60	70	10	29.80	67.06	4.08	0.05	0.00	-0.42	0.02	RC
MGRC089	67	80	13	38.87	66.87	5.39	0.10	0.00	-1.67	0.01	RC
MGRC091	56	72	16	33.70	67.31	4.79	0.03	0.01	-1.50	0.01	RC
MGRC093	89	125	36	37.83	67.36	6.03	0.10	0.05	-3.05	0.01	RC
MGRD069	142	152	10	43.76	69.88	2.90	0.05	0.38	-3.25	0.01	DD
	151	163	12	24.20	71.04	1.43	0.06	0.47	-3.06	0.01	DD
	187	215	28	35.22	71.07	1.28	0.07	0.26	-3.15	0.00	DD
MGRD077	165	183	18	30.15	70.27	1.98	0.13	0.86	-2.90	0.01	DD
MGRD078	179	216	37	45.18	70.89	1.27	0.03	0.16	-3.11	0.00	DD
MGRD079	171	211	40	29.41	70.56	1.47	0.08	0.91	-2.95	0.01	DD
	223.5	235	11.5	35.50	71.04	1.22	0.07	0.02	-3.32	0.00	DD
MGRD083	54	131	77	37.96	65.79	6.86	0.39	0.17	-2.48	0.02	RC & DD
MGRD087	48	138.5	90.5	35.35	65.36	7.38	0.38	0.14	-2.02	0.02	RC & DD
MGRD092	62	84	22	36.84	66.94	6.19	0.28	0.05	-2.85	0.02	RC
	144	326	182	48.02	66.37	4.94	0.19	0.13	-2.81	0.02	DD

Notes to accompany Table 2:

1. For hole prefix details refer Table 1.
2. RC DTR samples are composited using riffle splitter, from individual one metre samples collected via the cyclone.
3. Core DTR samples are composited from 1/4 core, sawed with electric core saw.
4. Composite intervals typically 4 metres, but can vary between 1.5 and 4 metres.
5. Length weighted intercepts shown, with maximum internal dilution of 4 metres at less than 20% mass recovery.
6. These are downhole lengths, not true widths of mineralisation.
7. DTR feed prepared to 100% passing 75 microns AMDEL laboratories. Feed and magnetic products assayed by fusion XRF.



Core and RC drilling rigs at Magnetite Range

Infrastructure Engineering Study

Slurry pipeline simulation work continued during the reporting period to assist with the establishment of capital and operating cost estimates for project infrastructure. Following the completion of this work, the results will be integrated to provide an estimate of the overall capital cost of development for a 5Mtpa concentrator and infrastructure.

Coffey Geoscience are presently conducting a groundwater study to assess sources of water for the project.

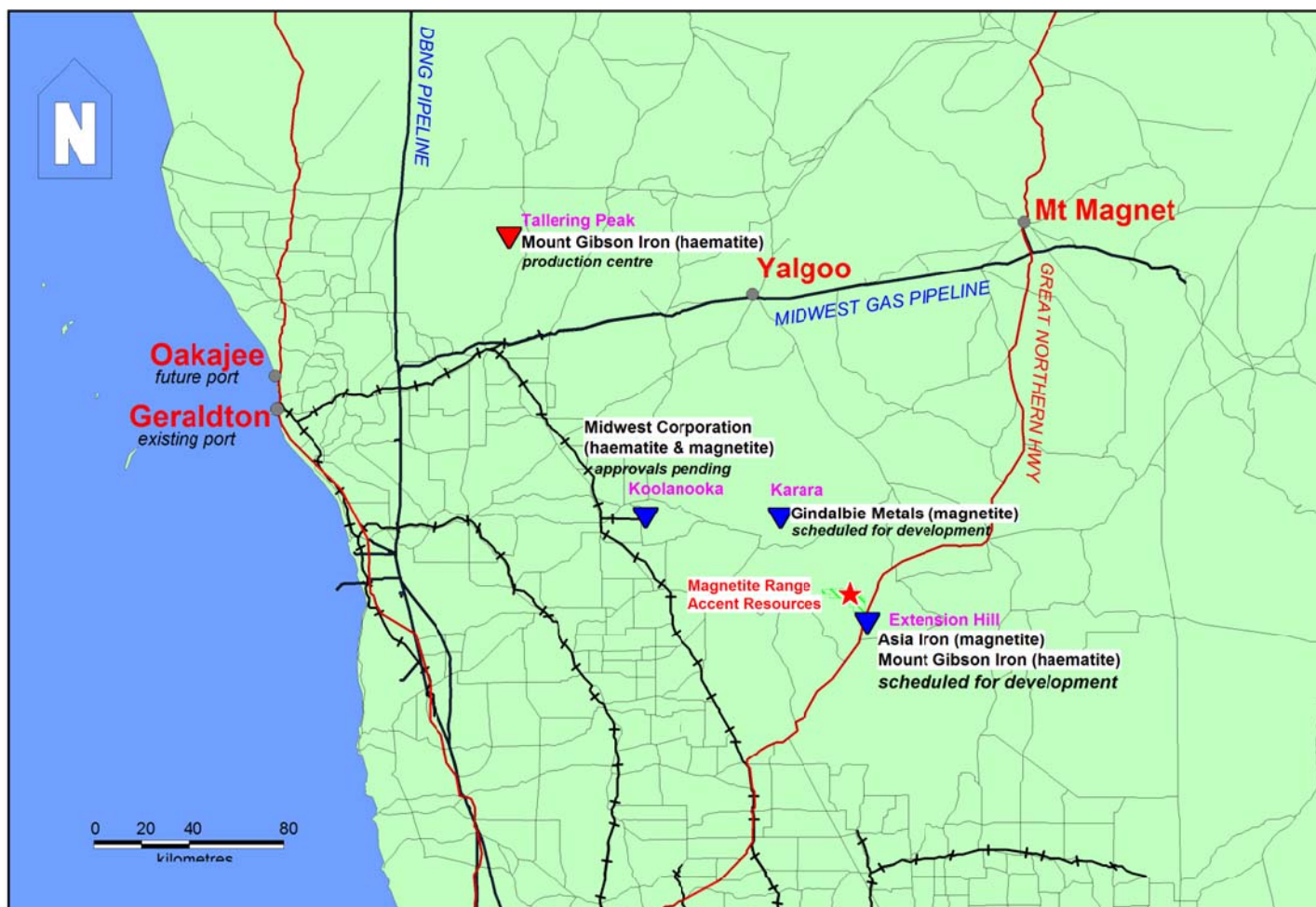


Figure 2. Magnetite Range in relation to advanced iron ore projects in the Mid-West region of Western Australia

The information in this report that relates to exploration results, mineral resources or ore reserves has been compiled by Mr Terence Butler-Blaxell MAusIMM who is a director of 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.