



Quarterly Activities Report

For the Quarter Ended March 2012

During the March quarter the company's JV partner, Predictive Discovery Pty Ltd (PDI) continued its drilling program as part of the farm in on the Company's Burkina Faso project. ELDore considers the results received to date to be extremely encouraging.

The ELDore Joint Venture covers four permits within the Bonsiega Project (Figure 1).

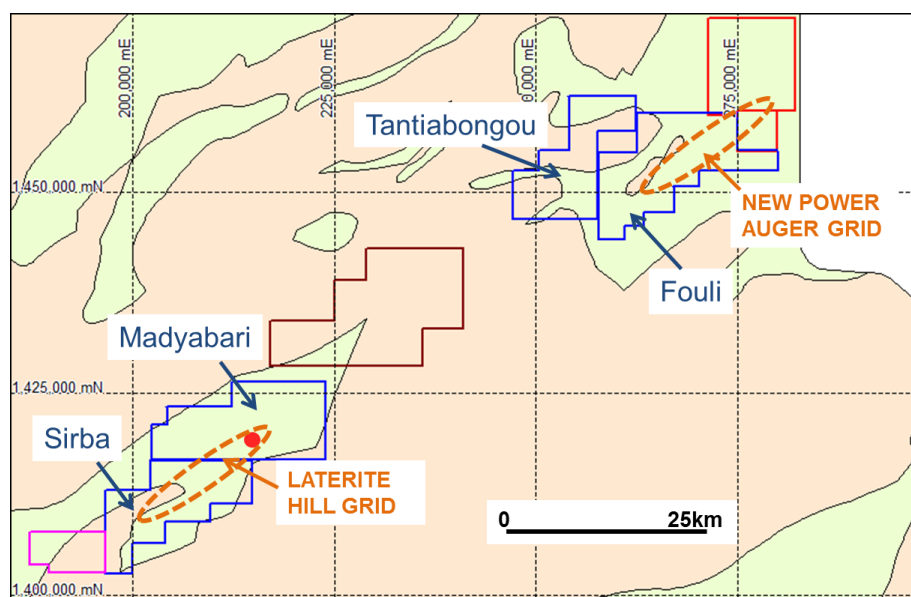


Figure 1: Project locality plan superimposed on Government geological map (pink is granite, green is greenstone). The ELDore Joint Venture (PDI 72%) permits are outlined in blue. The other permits are held separately by Predictive Discovery Limited (ASX:PDI).

During 2011, auger drilling identified an 18km long zone of strong bedrock gold anomalies in the Laterite Hill Grid area. In mid-2011 RC drill holes at the Dave and Dave East Prospects located a series of gold-bearing mineralised zones containing numerous ore grade and width intercepts over a strike length of 2km, including:

- 46m at 1.7g/t Au from 22m, including 26m at 2.7 g/t Au.
- 46m at 1.4g/t Au from 16m, including 8m at 4.0 g/t Au.
- 14m at 3.7g/t Au from 66m.
- 18m at 1.6g/t Au from 16m, including 2m at 7.8g/t Au.
- 16m at 1.7g/t Au from 66m, including 6m at 4.0g/t Au.

The March Quarter field program has been focused on developing a clearer idea of ore continuity in the Dave and Dave East Prospects and drill testing the power auger gold anomalies.

RC, Air Core and Diamond Drilling Programs – Laterite Hill Grid (Sirba and Madyabari Permits)

A total of 14,271m of RC, air core and diamond drilling was completed on the Laterite Hill Grid in the March Quarter. The program consisted of:

- RC and air core drilling, totalling 6,906m, designed to infill drill the known gold mineralisation at the Dave and Dave East Prospects and test potential extensions to the west and east. 5 km out of a total known strike length of 7km of bedrock gold geochemical anomalies has now been tested;
- Reconnaissance RC drilling on lines either 400m or 800m apart, totalling 6,195m on the Laterite Hill, Tamboana, Prospect 71 and Prospect 71 West Prospects, designed to test parts of the very large power auger geochemical anomalies previously identified there; and
- Diamond drilling of 8 holes, totalling 1,170m on the Dave, Dave East, Laterite Hill and Prospect 71 Prospects principally to obtain oriented structural geological data and density measurements.

Drill hole locations are shown in Figure 2. Holes for which assays have been received are distinguished from those that are still pending.

The majority of holes were drilled at an inclination of -50 degrees although some of the holes were drilled vertically in order to obtain geochemical samples beneath thick alluvium which earlier power auger drilling could not penetrate. Down hole trajectories for the angle holes were surveyed using a gyroscopic instrument. Analytical standards and blanks were inserted at regular intervals for quality control, and samples were submitted for fire assay to the SGS Laboratory in Ouagadougou. Many assay results are pending owing to insufficient capacity in the local analytical laboratories to cope with the current demand.

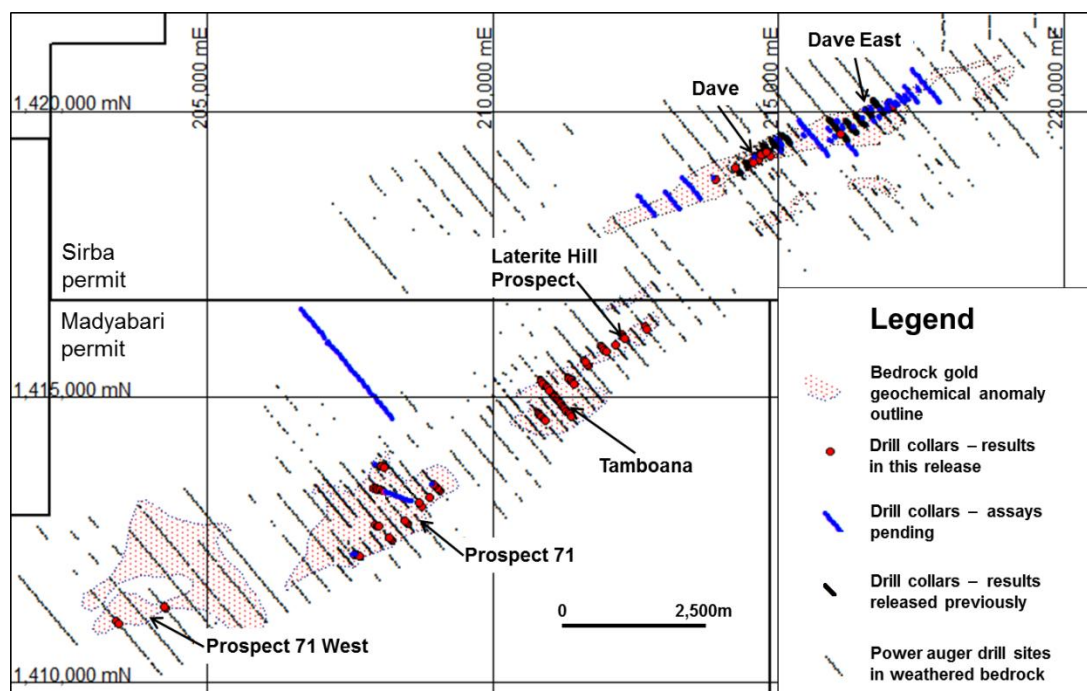


Figure 3: Laterite Hill Grid showing Prospect and drill locations superimposed on map showing power auger grid and locations of bedrock gold geochemical anomalies greater than 25ppb Au.

Power Auger Drilling Programs – Fouli Permit

842 power auger holes totalling 5,313m were drilled on a large grid on the Fouli Permit (see Figure 1 for location). The drilling was designed to test a large Predictore™ target. Holes were drilled on a 400m by 50m grid pattern and samples collected both from the interface between superficial cover and weathered bedrock (saprolite) and from the saprolite itself. Assays are pending.

Drill Assay Results

Assay results for all RC, air core and diamond drilling received during the Quarter are tabulated at the end of this report.

Dave-Dave East: December Quarter Infill and Twin Hole RC Drilling Program

PDI carried out a small shallow infill and twin hole drilling program in December 2011. The purpose of this program was to generate some dry holes above the water table suitable for orientated hole wall imaging and also to determine if hole to hole continuity exists on various cross sections. 16 holes were drilled, totalling 724m.

All RC holes were drilled towards the north-west on an azimuth of 320 degrees at an inclination of - 50 degrees. Drill collars were placed either a few metres away from the original holes or as 20m infills between original, 40m spaced holes. Holes were selected to provide an even spread of geological information rather than necessarily focusing on the best previous intercepts. Drill depths varied from 30 to 50m. Petrographic work on RC chips indicated that most of the rocks are dacitic volcanics.

Better drill assay results included:

- **8m at 3.3g/t Au from 22m**
- 11m at 1.4g/t Au from 29m
- 14m at 1.0g/t Au from 8m
- 8m at 1.5g/t Au from 34m
- 7m at 1.7g/t Au from surface
- 10m at 1.2g/t Au from 19m

Conclusions drawn from this program were as follows:

- In the majority of the drill sections tested in Dave East, the infill holes indicated that the higher grade mineralisation (>0.5g/t Au) can be correlated from hole to hole, generally within a broader band of low grade gold mineralisation.
- At Dave East, a combination of interpretation of the RC drill results plus the structural information drawn from the orientated in-hole imaging suggests that there are a series of lodes that strike obliquely in a NE orientation across the drilled zone, and hence across the bedrock geochemical anomalies as well (Figure 3). This also suggests that the lodes mostly remain open at either end along strike.
- At Dave, there are suggestions that some of the mineralised lodes dip to the NW rather than the SE dip anticipated in the drill program design. This highlighted the need to drill scissor holes to the SE.
- Grades in the near surface tend to be lower than at intermediate depths i.e. 20-60m down-hole. This may reflect some limited leaching and/or re-distribution of the gold at shallow depths. This may help explain why the results from this drilling program were slightly lower grade than those from the June-July 2011 program with hole depths of 85 to 90m.

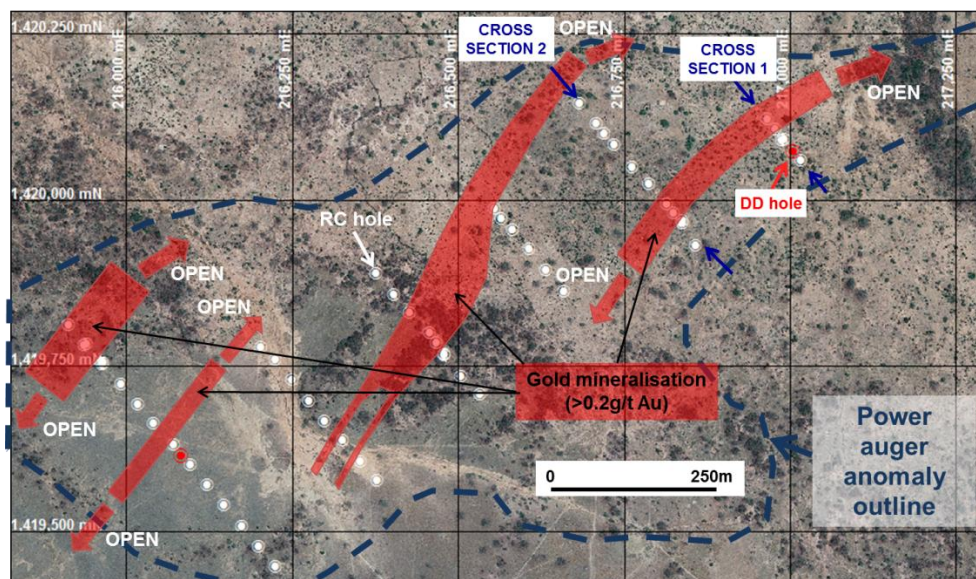


Figure 3: Locality map – Dave East infill and twin hole drilling program. The red shaded areas indicate the current interpretation of the orientation of the gold-bearing zones. All RC holes drilled up to the end of January are shown by the small white circles. Diamond drill holes completed in January 2012 are the small red circles. The power auger anomaly outline shows that the correlated zones strike at an oblique angle to the overall gold anomalous trend.

Laterite Hill Grid: March Quarter 2012 Drilling Program

Dave and Dave East Prospects (Figure 4)

Assays for all or part of 13 holes out of a total of 137 have been received from the infill and extension drilling on the Dave and Dave East Prospects. The best results received so far are as follows:

- **10m at 18g/t Au from 74m, including 2m at 74g/t Au**
- **10m at 2.5 g/t Au from 77m including 2m at 8.3g/t Au**
- 2m at 6.9g/t Au from 12m

The high grade gold result (10m at 18g/t Au) was from infill drilling of a mineralised zone interpreted between adjacent drill sections 100m to the east and west. Other higher grade intercepts encountered so far at Dave and Dave East are also relatively deep (e.g. 2m at 14.8g/t Au from 74m down-hole, 2m at 12.4g/t Au from 74m, 2m at 13.7g/t from 54m). This observation may point to potentially higher grades at depth.

The 2m at 6.9g/t Au intersection was obtained from an RC hole 400m west of any previous RC drilling.

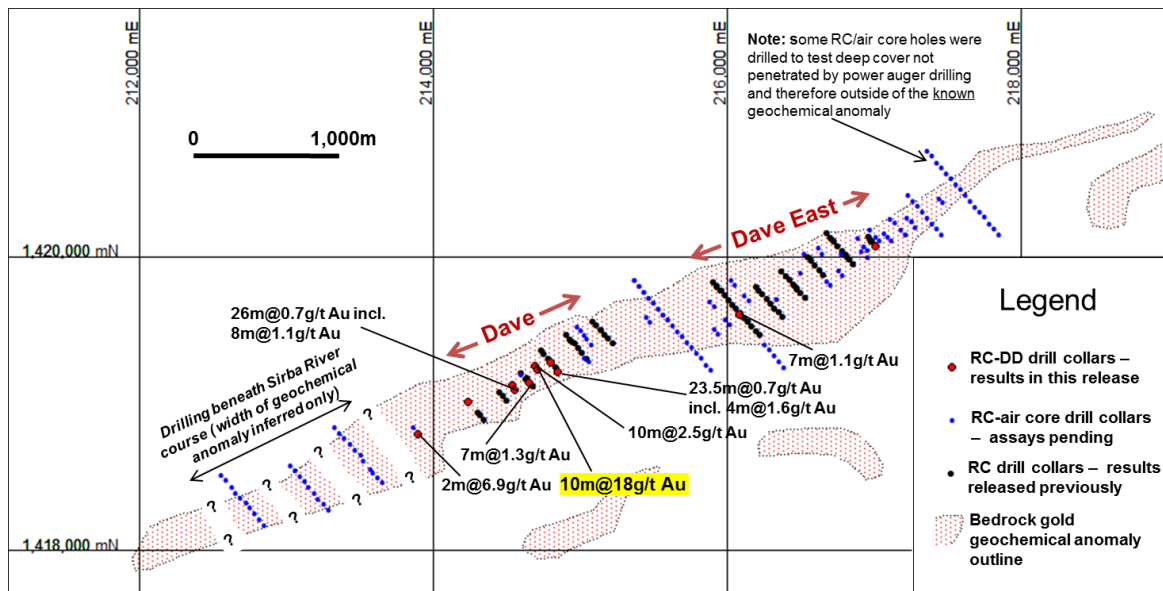


Figure 4: Dave-Dave East Prospect – drill hole locations and assay highlights.

Laterite Hill and Tamboana Prospects (Figure 5)

This program was designed to test the very broad bedrock gold anomalies outlined by earlier power auger drilling. The holes were drilled on 400m sections and better results include:

- Tamboana Zone:
 - 5m at 5.1g/t Au from 36m including 1m at 22g/t Au
 - 4m at 2.9g/t Au from 32m
- Koundi Zone:
 - 4m at 5.7g/t Au from 76m
- Laterite Hill Shear Zone (includes Laterite Hill artisanal mine site):
 - 26m at 1.2g/t Au from 71m including 14m at 1.8g/t Au
 - 22m at 1.4g/t Au from 48m
 - 4m at 2.9g/t Au from 12m
 - 9m at 1.3g/t Au from 9m
 - 11m at 1.3g/t Au from 34m (a separate zone nearby)

Locations of these intercepts are shown on Figure 5. The Laterite Hill Prospect contains broad, moderate grade intercepts similar to those seen at Dave/Dave East while the Tamboana and Koundi zones are narrower but may be somewhat higher in grade. Such higher grade sections offer the potential of lifting overall resource gold grades. The Koundi zone is a **new discovery**.

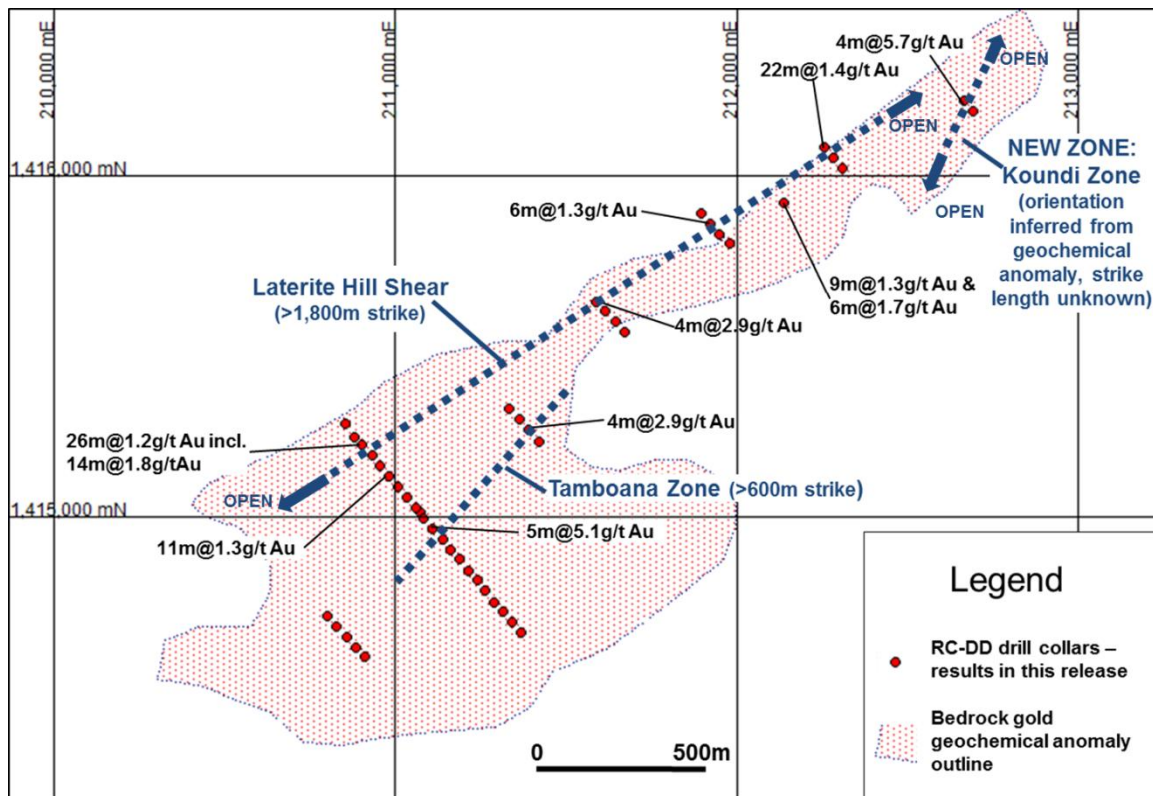


Figure 5: Laterite Hill and Tamboana Prospects plus new Koundi Zone – drill locations and assay highlights

Prospect 71 and Prospect 71 East (Figure 6)

Holes were drilled on 400m and 800m sections to test parts of the very broad bedrock gold anomalies on the Prospects. Some assay results are still pending including a drill section from an area where Emerging African Gold recorded 4m at 15g/t Au in 1997 (see Figure 6). Better results included:

- 32m at 1.7g/t Au from 26m including 24m at 2.1g/t Au
- 18m at 1.0g/t Au from 54m including 6m at 2.3g/t Au
- 6m at 2.3g/t Au from 6m

The first and second intercepts are **separate new gold discoveries**, respectively in the north of Prospect 71 and at the western end of Prospect 71 West. There are no workings in either area and each zone is **open in all directions**.

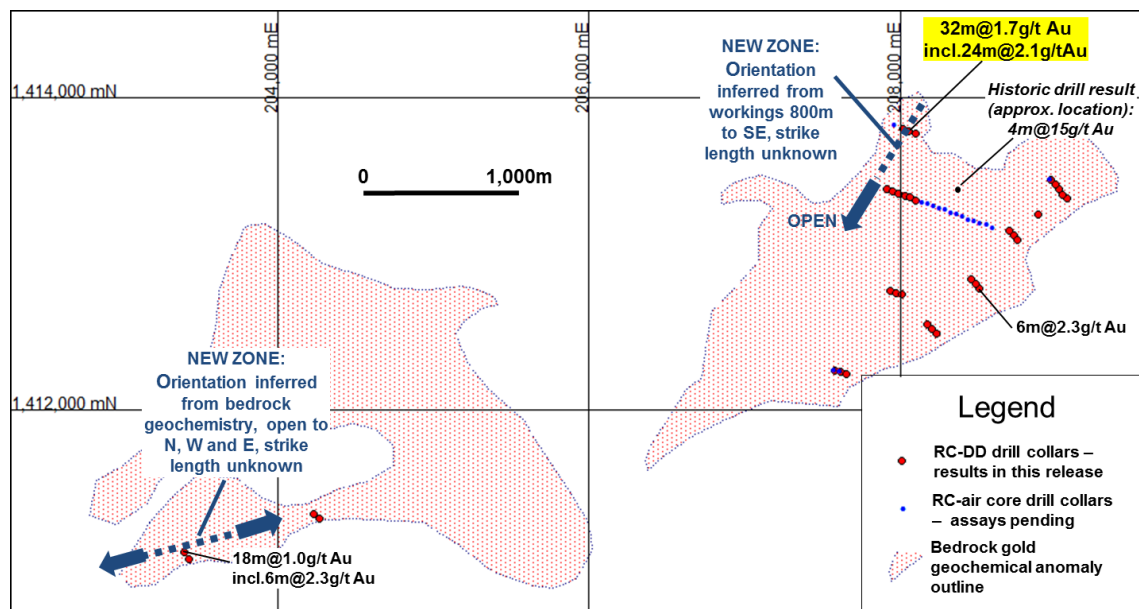


Figure 6: Prospect 71 and Prospect 71 West – drill locations and assay highlights

Laterite Hill Grid Western Extension: December 2011 Power Auger Drill Program

PDI's exploration strategy on the Laterite Hill Grid has been to use power auger drilling to map the extent of gold anomalies along interpreted structural trends and then follow up high priority targets with RC drilling. The Laterite Hill Grid was extended to the west in the December Quarter and assays received from power auger drilling in the March Quarter.

A new 2.2 km long zone of bedrock gold anomalies was discovered west of Prospect 71 (Figure 7). Peak values were 5.7g/t Au, 3.5g/t Au, 2.7g/t Au and 1.4g/t Au. These results increased the aggregate strike length of gold geochemical anomalies on the Laterite Hill Grid to **more than 18km**. The mineralised system is likely to continue even further to the south-west on other structures that are visible in the aeromagnetic data, and work is planned to test these extensions before the end of the field season.

An infill power auger program was commenced in March, closing in the sample spacing around anomalous areas. 47 holes, totalling 668m were completed during the Quarter. Assays are pending.

As reported in the previous section of this report, four reconnaissance RC holes were drilled under some of the higher power auger values and a new gold mineralised zone was identified.

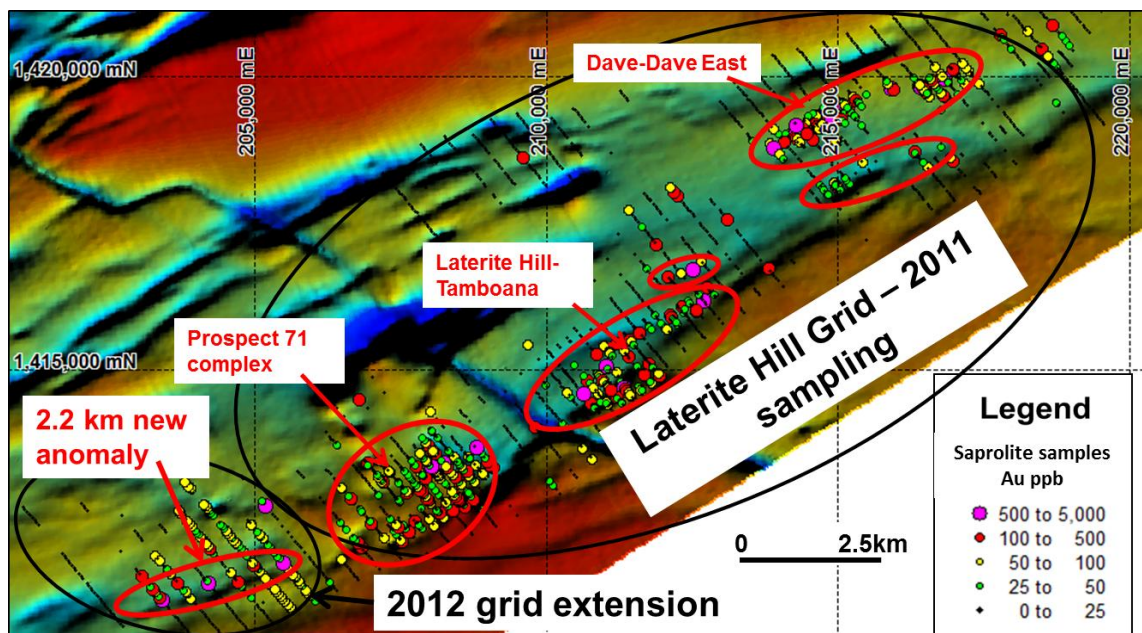


Figure 7: Laterite Hill Grid – power auger sampling results superimposed on aeromagnetic map. Results are only shown where the power auger drill rig penetrated through to weathered bedrock (saprolite).

Geological Mapping

PDI geologists completed 83 sq km of geological mapping on the Laterite Hill Grid, largely in the vicinity of Prospect 71.

Corporate

The company raised \$1.8m during the period via a converting loan instrument. This is subject to shareholder approval. An EGM has been approved by the ASX and distributed to shareholders.

The company's previously announced acquisition of the Lonely Gold Mine has been a challenging project to complete. The board will make further announcements on this asset in the coming days.

The structure of the board changed over the period of the quarter with Mr Craig Willis, Mr Richard Griffin and Mr Piers Lewis joining EDM. As previously announced further changes to the board are anticipated along with projects currently being negotiated.

The company completed its half year accounts and these were lodged with the ASX on the 16th March 2012.

Damon Sweeny
Company Secretary

Competent Persons Statement

The exploration results reported herein, insofar as they relate to mineralisation, are based on information compiled by Mr Paul Roberts (Fellow of the Australian Institute of Geoscientists). Mr Roberts is a full time employee of PDI and has sufficient experience relevant to the style of mineralisation and type of deposits being considered to qualify as a Competent Person as defined by the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2004 Edition). Mr Roberts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.