

31 January 2012

Manager of Company Announcements
ASX Limited
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

SELECT VACCINES LIMITED
Quarterly Report

This report summarises the Company's activities for the quarter ended 31 December 2011

As announced on 19 December 2011, during the quarter the board completed high level due diligence and signed a binding Heads of Agreement ("**HoA**") with Mauritian based explorer Indigo Metals Limited ("**Indigo**") to acquire 100% of the issued capital of two wholly owned Mauritian entities and their subsidiaries, which own tenement portfolio of highly prospective and potentially large scale coal and uranium projects ("**Projects**") located in the United Republic of Tanzania ("**Tanzania**"), East Africa.

The HoA entitles Select to acquire 100% of the issued capital of two (2) Mauritian companies Panama Resources Ltd ("**Panama**") and Shira Resources Ltd ("**Shira**") and their two Tanzanian subsidiaries, IBIS Resources Ltd (IBIS) and WTF Resources Ltd (WTF) which hold thirty two (32) prospecting licenses of which 16 have been granted, and 16 are under application at the date of this announcement.

Under the HoA the Company is currently working on a formal Share Sale Agreement ("**SSA**"). On signing of the SSA the Company will pay Indigo a non refundable deposit of AUD \$20,000. The Company will then seek shareholder approval for the transaction.

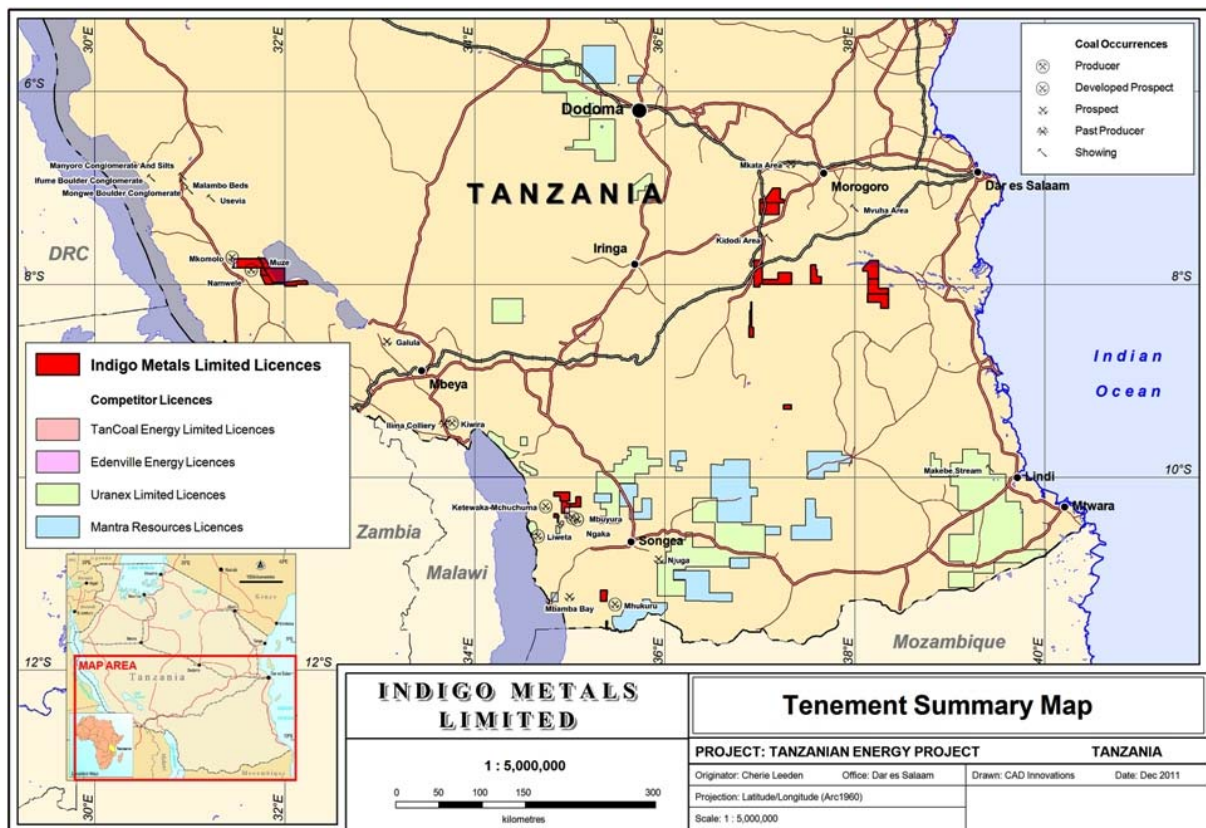
Consideration under the HoA is, \$AUD 600,000 (less the deposit paid) which represents a re-imburement of current exploration expenditure to date. In addition 1,475,000,000 ordinary shares in Select will be issued on a pre consolidation basis to Indigo or its nominees.

Subject to Shareholder and ASX approval the Company will also issue performance shares to Indigo which convert to ordinary shares upon the independent delineation of a JORC Inferred Resource across the Projects within five (5) years of the date of the Agreement, being 250 million ordinary shares (on a pre consolidated basis) per 100 million tonnes of coal up to a defined resource of 1 billion tonnes of coal and/or 250 million ordinary shares (on a pre consolidated basis) per 5 million pounds of uranium up to a defined resource of 50 million pounds. The share issue will be pro-rated as further JORC inferred resources are confirmed up to the defined resource limits.

Through the acquisition of the entities the company will acquire four (4) Tanzanian projects as follows:

Project	No of EL's Granted or Offered	No of EL's under application
Mhukuru Coal Project	-	2
Rukwa Basin Coal Project	-	13
Ruhuhu Coal Project	5	-
Selous Coal Project	11	1

Figure 1. General overview map of the Indigo Metals Limited licences (in red) in relation to historically known coal occurrences and four competitor company's licences.



The Company is now completing its final due diligence and is working towards finalising the Share Sale Agreement.

As detailed in the announcement date 19 December 2011, the transaction is subject to completion of due diligence by Select, Select shareholder approval (as required by listing rules 10.1 and 11.1.3), re-compliance with the listing rules and ASX approval of the performance share terms and conditions.

The Company will also seek shareholder approval to change its name to Select Exploration Ltd (which has been reserved with ASIC) to reflect the new nature of the company subject to successful completion of the Transaction.

The company looks forward to keeping you updated on the progress of the Tanzanian transaction.

At the end of the December 2011 quarter, the Company had cash reserves of approximately \$776,000.

IAN MACLIVER
Chairman

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Select Vaccines Limited

ABN

25 062 063 692

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers	3	13
1.2 Payments for (a) staff costs	-	-
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) administration and corporate	(284)	(672)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	31
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other income	-	-
Net operating cash flows	(275)	(628)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)	(275)	(628)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repayments made	-	-
1.13 Other (Other Income)	-	-
Net investing cash flows	-	-
1.14 Total operating and investing cash flows	(275)	(628)
Cash flows related to financing activities		
1.15 Proceeds from issue of shares	-	2
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other cost of issue	-	(25)
Net financing cash flows	-	(23)
Net increase (decrease) in cash held	(275)	(651)
1.21 Cash at beginning of quarter/year to date	1,051	1,427
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	776	776

Appendix 4C
Quarterly report for entities
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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(42)
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Director Fees \$42,000	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

n/a

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Appendix 4C
Quarterly report for entities
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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	776	1,051
4.2 Deposits at call		
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.23)	776	1,051

Acquisitions and disposals of business entities

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity		-
5.2 Place of incorporation or registration		-
5.3 Consideration for acquisition or disposal		-
5.4 Total net assets		-
5.5 Nature of business		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



Print name: Phillip Warren – Company Secretary

Date: 31 January 2012

Notes

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.