

QUARTERLY REPORT PERIOD ENDED 31 MARCH 2012

1. QUARTERLY HIGHLIGHTS

Mexico

Cerro del Gallo ~100,000oz pa AuEq gold/silver advanced development project

- Release of DFS imminent
- DFS works substantially completed and report finalization progressing

Namiquipa silver/lead/zinc exploration project

- Princesa Vein and Northern extensions the primary focus
- High grade mineralization in northern extension

Espiritu Santo Jalisco gold/silver exploration project

- Rock chip sampling program continues
- Mapping and vein identification program underway

Australia

- Mt Philp Ironstone exploration project
- Updated resource estimate announced

2. CORPORATE

Cash at Bank at 31 March of \$7.5M.

Management focused during the quarter on advancement of the definitive feasibility study at Cerro del Gallo and advancement of exploration projects: Namiquipa and Espiritu Santo Jalisco.

The Company also wishes to advise of a change to its head office address and contact details, as follows:

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Telephone: 07 3221 7501
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3. MEXICO



Cerro Resources Project Location Map

Cerro del Gallo

Work on the Cerro del Gallo stage 1 Definitive Feasibility Study (DFS) by Sedgman Metals has advanced significantly. The Company anticipates it will be in a position to release results relatively soon and whilst cautious of specifying a timeline given recent experiences, it is considered safe to say the report will be released within the 2nd quarter 2012.

Disappointment with the delay in delivering this key study is acknowledged however, incorporation of a High Pressure Grinding Roll (HPGR) crushing circuit and SART process, together with delays in receipt of additional laboratory test work, costings and inputs from 3rd party consultants and contractors have necessitated additional time to be taken to produce a definitive project evaluation. The Company has taken time, and continues to do so, to evaluate all test work and costs where there has been an escalation.

These delays unfortunately reflect, in part, the peak demands on the time and availability of requisite external technical specialists during the current global mining boom. Likewise, cost increases highlight the industry demands.

The Company is confident, however, that these additional efforts and processes will enable a more robust project to be presented for the Cerro del Gallo 1st stage heap leach.

Namiquipa

The Namiquipa Project in Chihuahua, Mexico continues to advance. To the end of March 2012, 76 core holes had been completed for a total of 29,350m. The drill holes to date are shown in Figure 1 and the 2012 drill holes are shown in Figure 2.

Drill Targets & Exploration Model

The multiple vein system that hosted the historic La Venturosa silver mine was the early focus during the quarter (as it was for 2011). In particular the Princesa/Megan vein was targeted given that the America Vein was historically mined to 250m while the Princesa Vein was only mined to 100m (although drilling did intersect some mine workings to 150m level as evidence by drill results in NAM-008).

As results were received an exploration model was developed - a low sulphidation epithermal polymetallic Ag-Au style. Some gold mineralization was found in narrow intervals (e.g. 2.03 g/t Au in NAM-055) although the Namiquipa project is not historically known for producing significant quantities of gold.

As the exploration model advanced, the northern extension of the Princesa was targeted. The model will continue its development as assays are received and through core logging observations.

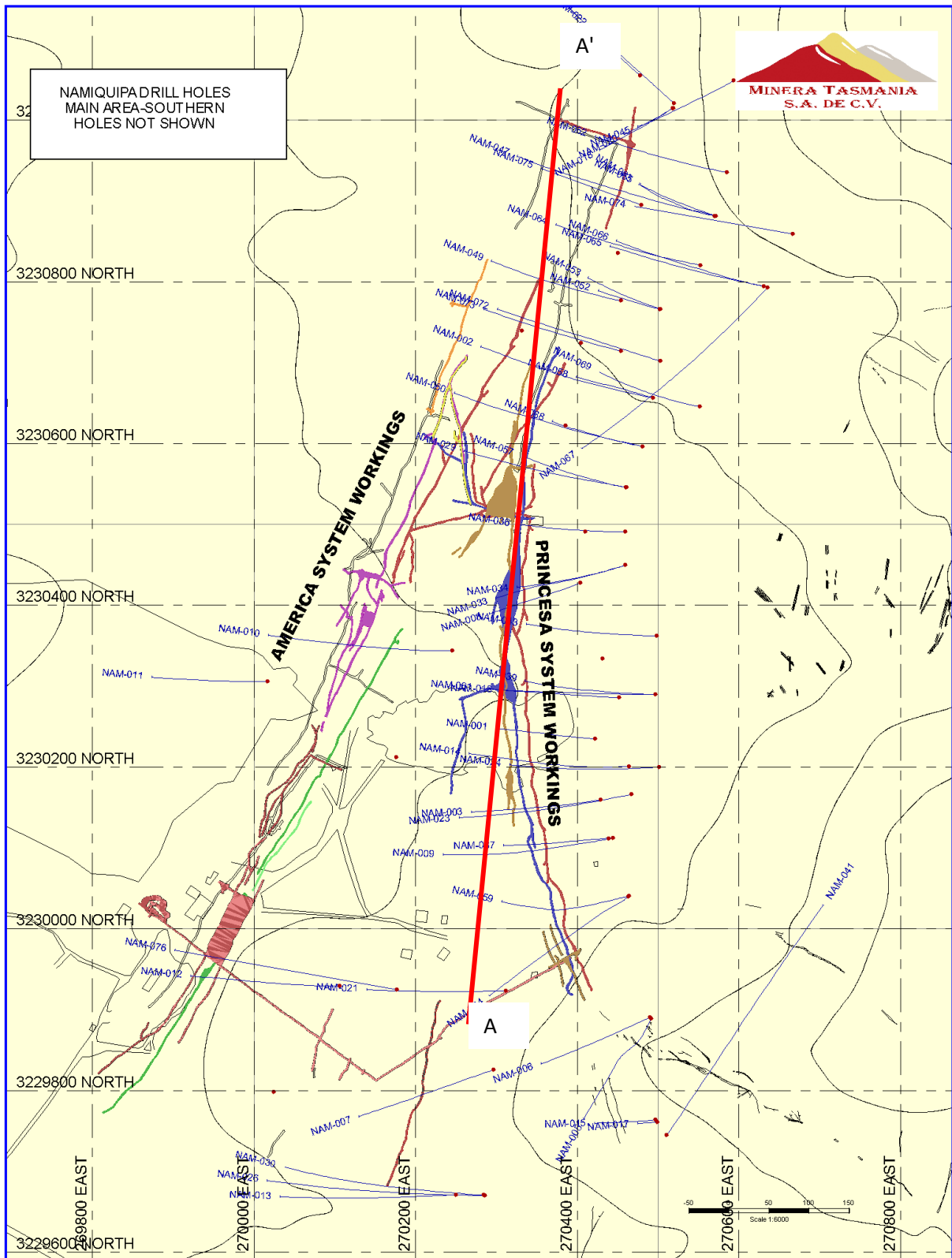


Figure 1 Location Map of drill holes referenced in this document

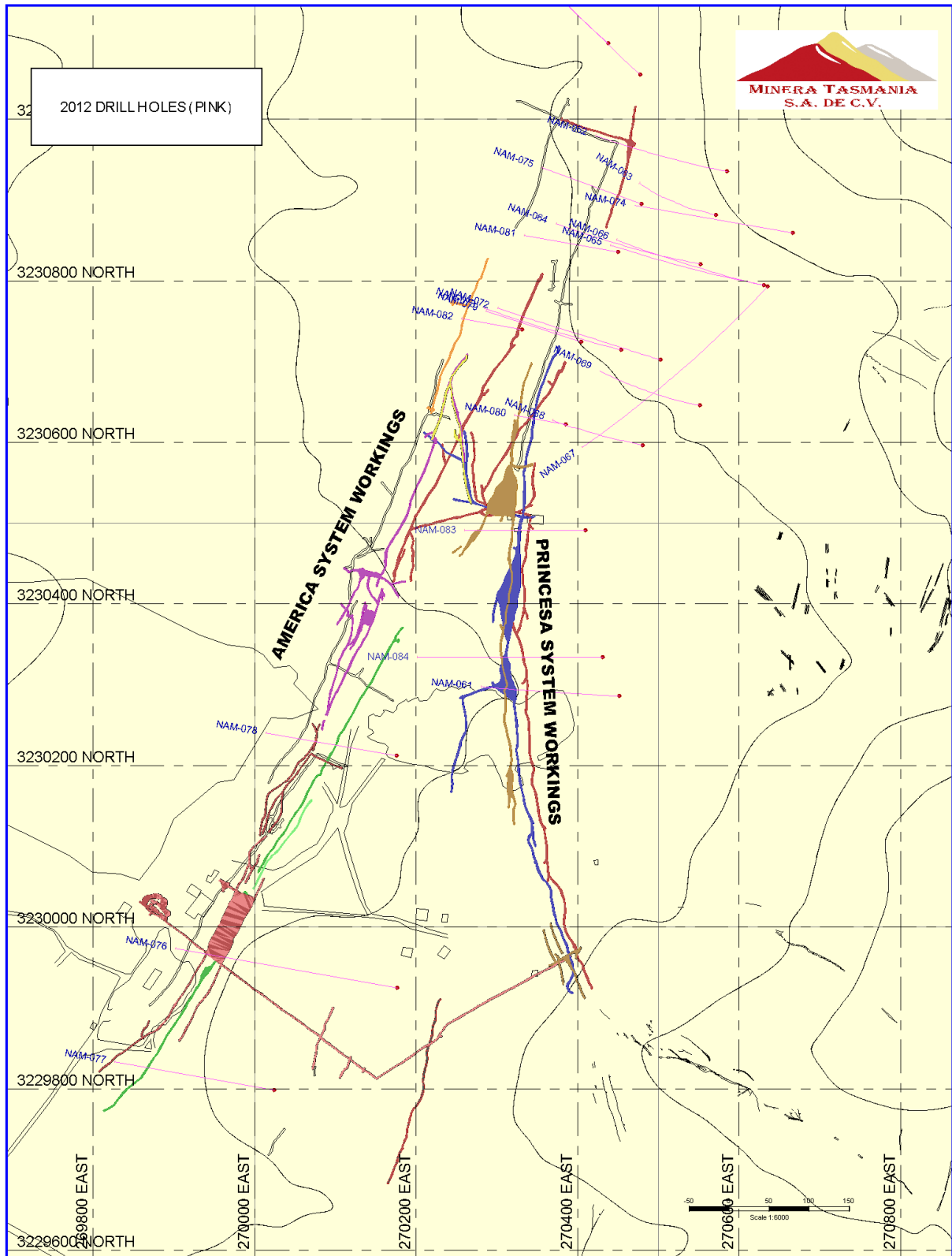


Figure 2 Location Map of 2012 drill holes

MINERA TASMANIA
SA DE CV



NAMIQUIPA PROJECT

LONG SECTION PRINCESA / MEGAN VEIN

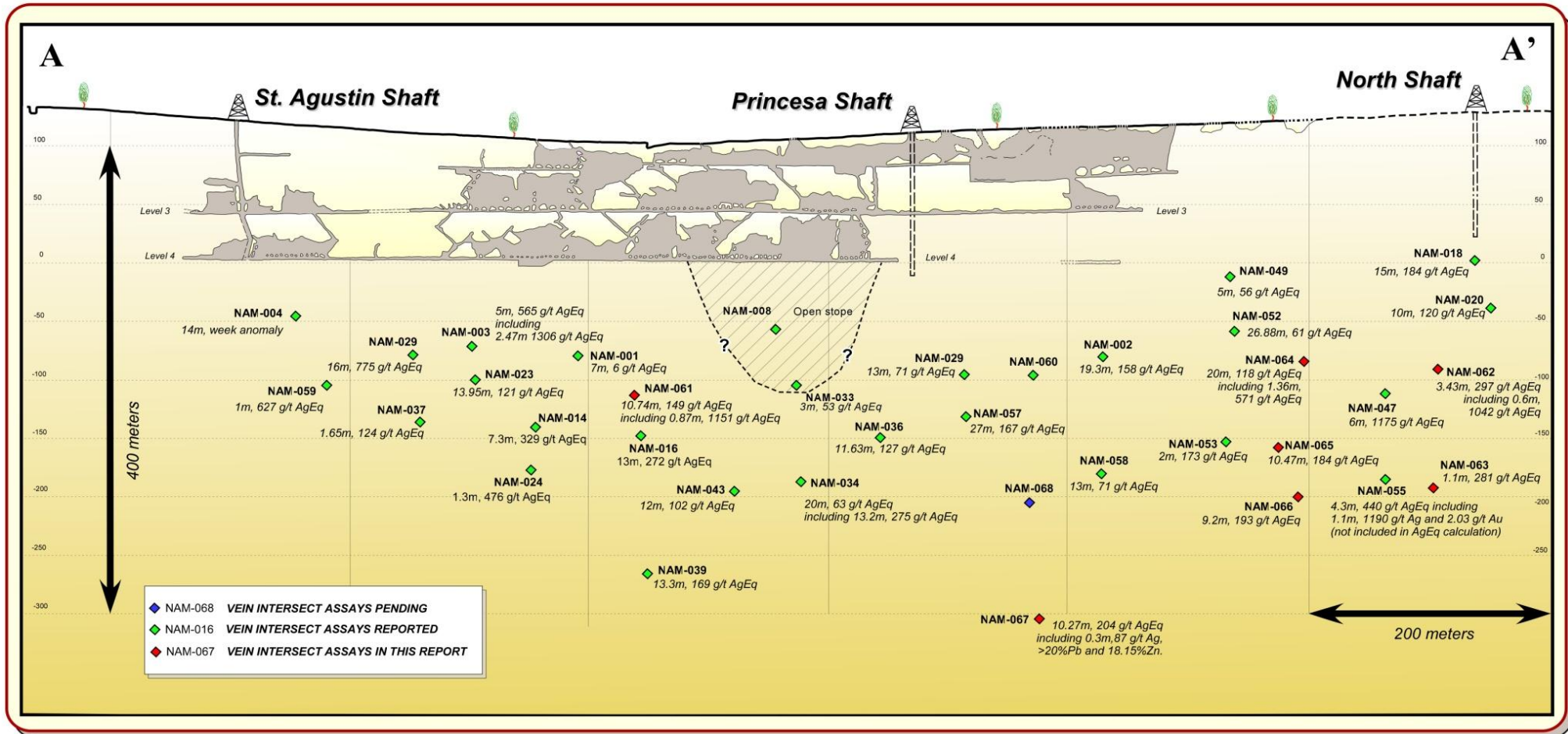


Figure 3: Long section of pierce points with corresponding grades and thickness along the Princesa/Megan vein system

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The Princesa / Megan Veins (and northern extensions)

Drill testing the Princesa/Megan system is the primary focus of the Namiquipa drill program and modelling points to a low sulphidation system that is expanding in the northern area of this system.

More than 1km of strike length (with potential for extension) has now been demonstrated to show continuity along strike and down dip within the vein systems (refer long section Figure 3). It demonstrates wide intervals of good grade material (+150g/t AgEq) recurring at depths of 130m-220m below surface, along the 1km approx. strike length. Supergene high grade (+1000g/t AgEq) intervals occur frequently both throughout the 130m-220m depth zone, as well as above and below that zone.

Table 1: Princesa/Megan Vein Drill Intercepts

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	Pb %	Zn %	AgEq g/t
NAM-015	No Significant Mineralization						
NAM-033	213.27	213.76	0.49	96	2.5	8.92	409
NAM-033	222.8	228.0	5.2	OPEN STOPE			
NAM-033	230.25	233.32	3.07	5	0.64	1.11	53
NAM-034	140.0	141.0	1.0	135	.02	.05	136
NAM-034	252.48	252.98	0.5	8.2	1.32	2.31	107
NAM-034	257.0	268.4	11.4	19	0.73	2.17	98
NAM-034	290.0	310.9	20.9	35	0.22	0.79	63
including	309.58	310.9	1.32	49	0.41	7.85	275
NAM-034	344.0	346.5	2.5	5	0.65	0.83	46
NAM-034	362.58	366.86	4.28	55	0.39	1.05	95
including	365.56	366.86	1.30	169	0.17	0.84	195
NAM-034	377.15	378.5	1.35	15	3.66	2.75	190
NAM-035	366.00	370.00	4.00	32	0.53	2.91	126
including	367.00	367.60	0.60	152	1.82	13.65	576
NAM-036	236.9	237.15	.25	49	14.65	6.19	621
NAM-036	243.37	255.0	11.63	20	1.13	2.78	127
NAM-036	270.45	273.95	3.5	12	2.40	2.54	148
including	244.3	245.45	1.15	109	4.12	8.37	451
NAM-036	330.46	343.0	12.54	10	1.24	3.06	129
NAM-036	365.0	366.00	1.0	50	1.16	0.68	100
NAM-037	320.0	321.0	1.0	9	0.85	2.44	99
NAM-037	339.35	341.0	1.65	32	0.63	1.34	124
NAM-038	207.60	211.00	3.40	63	0.01	0.05	64
NAM-038	219.00	223.00	4.00	98	0.03	0.07	101

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	Pb %	Zn %	AgEq g/t
including	222.00	223.00	1.00	230	0.08	0.10	234
NAM-039	376.73	390.05	13.32	27	2.18	3.00	169
including	376.73	377.14	0.41	50	13.55	1.6	465
including	388.00	388.58	0.58	53	6.53	18.65	743
including	389.12	390.05	0.93	305	19.0	23.60	1473
NAM-043	343.0	354.0	12.0	7	1.00	2.48	102
including	349.50	350.50	1.0	25	4.41	10.20	426
NAM-047	163.00	169.00	6.0	1,133	0.51	1.02	1,175
including	163.00	164.0	1.0	652	.05	0.15	657
including	164.00	164.59	0.59	294	0.04	0.19	300
including	164.59	166.00	1.41	3,540	1.02	1.43	3,607
including	166.00	166.50	0.5	371	0.17	1.54	417
including	166.50	167.00	0.5	843	1.08	3.17	959
including	167.00	167.64	0.64	420	0.91	1.65	489
NAM-047	177.00	191.00	14.00	22	0.37	0.75	52
NAM-047	202.00	220.6	18.60	44	1.14	1.86	127
including	212.70	213.47	0.77	183	0.20	0.39	199
including	214.00	215.00	1.0	227	0.33	0.61	252
including	216.10	217.10	1.0	197	9.54	7.28	658
including	219.90	220.60	0.70	62	1.90	10.80	410
NAM-049	102.00	107.00	5.0	44	0.29	0.13	56
NAM-052*	156.00	182.88	26.88	54	0.07	.019	61
NAM-053	172.00	174.00	2.00	54	1.11	3.22	173
NAM-053	191.00	192.00	1.00	26	0.87	1.24	84
NAM-053	200.00	233.40	33.40	7	0.65	1.26	59
NAM-053	265.00	271.00	6.00	23	0.77	0.95	70
NAM-055	205.58	207.00	1.42	66	0.85	2.80	166
NAM-055	239.80	240.24	0.44	47	2.40	10.80	409
NAM-055	243.00	247.00	4.00	6	0.30	1.50	55
NAM-055	252.00	257.00	5.0	11	1.18	4.55	169
NAM-055	269.00	272.00	3.0	8	0.31	2.74	92
NAM-055	275.00	277.00	2.00	296	0.05	0.17	302
including	275.00	276.00	1.00	193	0.05	0.14	198

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	Pb %	Zn %	AgEq g/t
including	276.00	277.00	1.00	400	0.06	0.19	406
NAM-055	303.00	303.50	0.50	289	0.03	0.07	291
NAM-055	341.00	345.30	4.30	432	0.09	0.20	440
including	342.00	343.00	1.00	376	0.17	0.49	393
including	343.00	344.10	1.10	1190	0.08	0.19	1197
NAM-057	221.80	222.30	0.50	21	0.52	0.65	53
NAM-057	231.00	234.00	3.00	193	2.83	9.99	545
including	231.00	232.35	1.35	72	6.25	22.10	849
including	232.35	233.00	0.65	126	0.02	0.04	127
including	233.00	234.00	1.00	401	0.07	0.11	405
NAM-057	281.00	284.00	3.00	6	0.96	0.78	54
NAM-057	332.00	359.00	27.00	20	1.33	4.03	167
Including	339.00	340.00	1.00	142	2.56	9.71	478
including	344.00	344.42	0.42	139	5.10	12.30	616
including	344.42	346.00	1.58	31	2.32	15.10	508
including	350.00	351.00	1.00	44	2.96	14.75	530
including	351.00	351.60	0.60	64	6.21	17.10	703
including	353.85	355.00	1.15	15	0.69	2.48	102
including	355.00	356.00	1.00	14	1.92	4.56	191
NAM-058	283.00	296.00	13.00	6	0.81	1.56	71
NAM-058	320.00	326.00	6.00	7	1.00	1.31	79
NAM-058	344.90	347.00	2.10	5	0.52	1.73	67
NAM-059	201.00	202.00	1.00	92	0.12	0.13	99
NAM-059	216.80	217.70	0.90	86	0.16	1.67	136
NAM-059	217.70	219.00	1.30	165	0.12	0.35	177
NAM-059	315.00	316.00	1.00	28	1.64	6.86	261
NAM-059	329.50	330.50	1.00	131	3.34	14.75	627
NAM-059	336.00	358.70	22.7	7	0.49	1.26	56
including	341.80	343.00	1.20	26	2.43	4.12	205
including	343.00	344.20	1.20	24	1.43	3.67	164
Including	347.00	348.00	1.00	8	0.16	1.72	60
including	348.00	349.00	1.00	13	0.67	1.25	65
including	357.50	358.70	1.20	6	0.60	2.98	104
NAM-060	195.00	204.00	9.00	39	0.64	6.58	237
including	196.00	197.00	1.00	32	0.39	6.89	231
including	197.00	198.00	1.00	50	0.11	12.95	409

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	Pb %	Zn %	AgEq g/t
including	198.00	199.00	1.00	74	0.98	22.00	704
including	199.00	200.00	1.00	15	0.12	3.27	108
including	200.00	201.00	1.00	8	0.09	2.12	68
including	201.00	202.00	1.00	13	0.30	1.06	50
including	202.00	203.00	1.00	48	1.27	4.84	216
including	203.00	204.00	1.00	38	2.40	5.69	260
NAM-060	253.00	262.00	9.00	12	0.90	2.19	97
NAM-061	184.76	195.5	10.74	107	0.76	0.18	149
Including	185.93	186.8	0.87	771	6.93	0.22	1151
NAM-061	234.7	238.0	3.3	68	3.80	0.84	276
Including	234.7	235.7	1.0	121	11.65	2.00	760
NAM-062	183.0	202.0	19	40	0.76	1.11	81
Including	198.59	199.16	0.57	614	5.39	9.26	910
NAM-062	213.86	215.15	1.29	83	0.52	0.98	111
NAM-062	230.32	233.75	3.43	111	3.40	2.23	297
Including	230.32	230.92	0.6	452	10.75	10.35	1042
Including	233.0	233.75	0.75	120	5.03	1.08	396
NAM-062	241.0	242.0	1	28	0.99	1.36	82
NAM-062	270.0	271.0	1	81	0.37	0.01	101
NAM-063	129.0	135.0	6	127	0.04	0.12	130
Including	131.0	132.0	1.0	520	0.09	0.23	525
NAM-063	139.0	150.0	11	55	0.02	0.07	56
Including	147.0	148.0	1.0	130	0.02	0.08	131
Including	149.0	150.0	1.0	103	0.03	0.09	104
NAM-063	198.0	201.0	3	76	0.08	0.46	80
NAM-063	230.0	231.0	1	15	0.82	1.12	60
NAM-063	237.47	244.0	6.53	16	0.98	3.47	70
NAM-063	250.0	251.0	1	20	0.97	2.07	73
NAM-063	294.0	295.5	1.5	142	0.03	0.03	143
NAM-063	335.8	336.9	1.1	275	0.10	0.27	281
NAM-064	155.0	173.0	18	232	0.81	0.13	258
Including	156.0	156.8	0.8	416	0.49	0.07	432
Including	156.8	157.5	0.7	1170	5.60	0.32	1332
Including	157.5	158.5	1.0	174	0.08	0.04	177
Including	158.5	159.45	0.95	107	0.29	0.05	116
Including	162.0	163.0	1.0	165	3.29	0.12	258

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	Pb %	Zn %	AgEq g/t
Including	163.0	164.0	1.0	1995	5.57	0.11	2151
NAM-064	217.0	237.0	20	29	0.85	2.38	118
Including	224.1	225.46	1.36	65	3.87	14.60	571
Including	228.0	229.0	1.0	171	0.65	1.30	224
NAM-065	172.0	174.0	2	50	0.11	0.36	63
NAM-065	189.0	191.0	2	918	0.04	0.08	922
Including	189.0	190.0	1.0	1775	0.04	0.09	1779
NAM-065	285.0	289.45	4.45	17	0.59	4.40	153
Including	288.95	289.45	0.5	113	3.10	30.0	1021
NAM-065	310.9	314	3.1	45	4.31	5.13	304
Including	310.9	311.27	0.37	169	20.0	9.37	974
Including	311.27	312.0	0.73	96	7.32	11.40	609
NAM-065	326.0	328.0	2	41	0.06	0.40	54
NAM-065	331.0	333.5	2.5	9	0.68	2.78	104
NAM-065	337.0	347.47	10.47	25	2.03	3.77	184
NAM-065	349.7	355.47	5.77	7	0.41	2.04	75
NAM-066	321.5	326.9	5.4	1	0.35	1.47	51
Including	326.4	326.9	0.5	3	1.00	9.21	284
NAM-066	350.0	352.6	2.6	3	0.22	2.67	83
Including	351.7	352.04	0.34	6	0.09	8.07	230
NAM-066	409.6	415.0	5.4	8	0.75	1.20	62
NAM-066	418.6	427.8	9.2	70	1.37	3.09	193
Including	419.0	420.0	1.0	39	2.79	6.69	300
Including	420.0	421.0	1.0	15	1.89	3.78	171
Including	421.0	422.0	1.0	15	2.26	7.74	290
Including	426.72	427.8	1.08	467	0.64	0.98	511
NAM-067	372.67	374.07	1.4	8	1.50	0.99	77
Including	373.38	374.07	0.69	13	2.69	0.80	109
NAM-067	411.17	411.48	0.31	38	8.74	8.98	524
NAM-067	489.6	499.87	10.27	14	3.59	3.36	204
Including	492	492.8	0.8	12	2.73	1.79	136
Including	492.8	493.1	0.3	87	20.0	18.15	1134
NAM-067	508.1	508.4	0.3	28	6.38	8.01	423

The Silver equivalent grades ("AgEq") have been calculated using metal prices of US\$250z Silver; US\$1.00/lb Zinc; and US\$1.00/lb Lead. Metal recoveries are not considered in this calculation. Further drilling is required to provide a more accurate assessment of vein thickness and true width may vary.

NAM-052 Intersected workings at 167m core was reduced to NQ however the hole had to be terminated because of strongly broken rock which also resulted in low core recovery between 162 to 182.88m. NAM-057 was drilled below NAM-052 and was successful in intersecting target zone.

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America Vein

Core hole NAM-010 was positioned between the Princesa and the America Vein to test an IP anomaly and the potential for near-surface mineralization associated with the hanging wall of the America Vein (*Figure 4*). The near-surface mineralization is of prime interest because it represents potential for open pit exploration in a future development scenario.

NAM-010 successfully intersected multiple narrow veins consisting primarily of moderate to high silver values (high of 392 g/t Ag over 1m from 115m) and moderate to low lead and zinc values above 117m. From 117m to 120m the zinc grades increased to highs of 1.61% over 1m.

These results open the potential for near surface mineralization.

A second drill hole – NAM-011 – was also conducted to test the IP anomaly.

Analyzing the core from this drill hole was put on a lower priority than the Princesa/Megan drill holes. Recent results from analysis of the core from this hole however, has confirmed that the mineralization extends farther to the west, beyond previously known mineralization and also points to the potential usefulness of IP as a tool for locating additional mineralization in the area.

Drilling has continued to test the down dip projection of the America vein below the lower levels of previous historic mining activity (250m) as well as to the south of the known mining along of the America system.

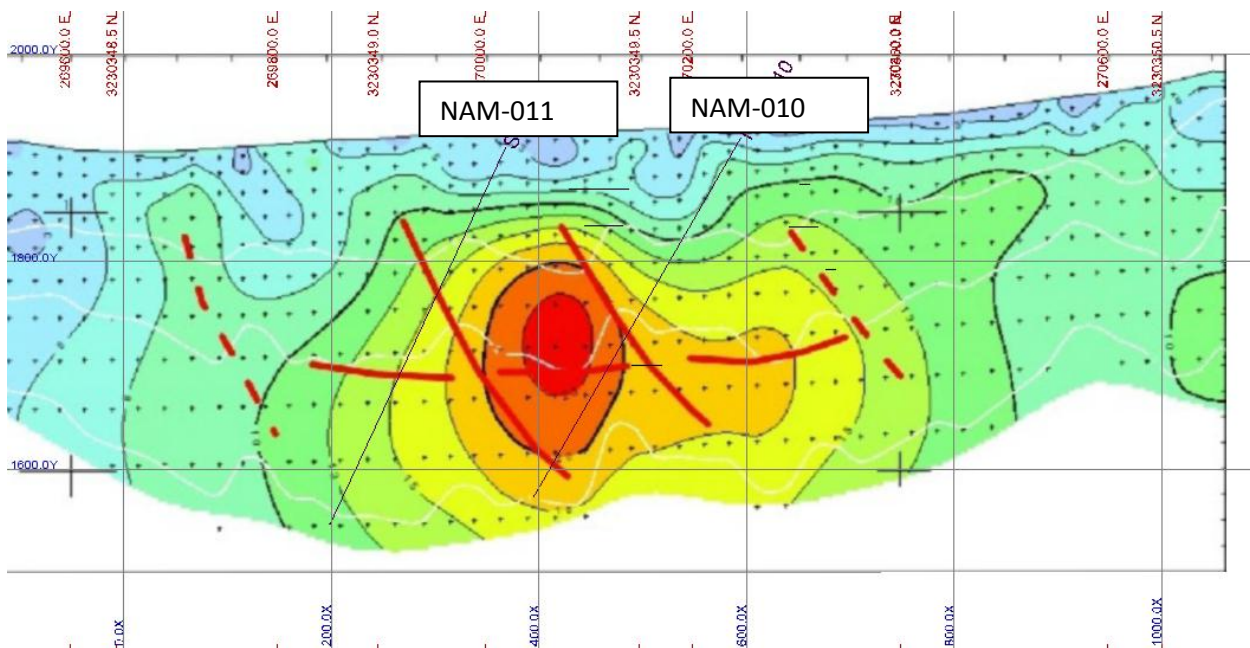


Figure 4: Vertical Section showing the location of NAM-010 and NAM-011 in relationship to IP anomaly

Table 2: America Vein Drill Intercepts

HOLE-ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	Pb %	Zn %	AgEq g/t
NAM-010	68.00	69.00	1.00	49	0.05	0.07	52
NAM-010	74.82	78.23	3.41	154	0.25	0.21	166
including	77.00	78.23	1.23	361	0.35	0.13	374
NAM-010	107.24	109.50	2.26	51	0.07	0.10	56
NAM-010	115.00	120.00	5.00	136	0.27	0.57	160
including	115.00	116.00	1.00	392	0.17	0.23	403
NAM-011	217.0	218.0	1.0	238	0.15	0.33	246
NAM-011	224.3	224.72	0.42	134	0.06	0.51	138
NAM-011	267.0	268.0	1.0	68	0.22	0.02	80

The Silver equivalent grades ("AgEq") have been calculated using metal prices of US\$25oz Silver; US\$1.00/lb Zinc; and US\$1.00/lb Lead. Metal recoveries are not considered in this calculation. Further drilling is required to provide a more accurate assessment of vein thickness and true width may vary.

Antenna Veins

Outside of the main zones of mineralization holes NAM-040, NAM-041 and NAM-042 were drilled to test geologic targets along the Antenna veins and the possible blind mineralization projected as splays off the Princesa. NAM-040 failed to intersect anomalous silver, lead or zinc mineralization. NAM-041, however, intersected a very broad zone of low grade zinc mineralization from a drilled depth of 400m to 586m with highs of 6.21% Zn from 585m to 586m. Despite the low grade silver values the mineralization in association with favourable geologic characteristics will require this area to be further evaluated.

Table 3: Antenna Vein Intercepts

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	PB (%)	ZN (%)	AgEq (g/t)
NAM-040	No significant mineralization						
NAM-041	429.0	430.0	1.0	8.8	0.47	2.09	78
NAM-041	585.0	586.0	1.0	8.6	0.07	6.21	180
NAM-042	No significant mineralization						

The Silver equivalent grades ("AgEq") have been calculated using metal prices of US\$25oz Silver; US\$1.00/lb Zinc; and US\$1.00/lb Lead. Metal recoveries are not considered in this calculation. Further drilling is required to provide a more accurate assessment of vein thickness and true width may vary.

Southern extensions

Results from the southern extension drilling have not identified any immediate targets and focus in the immediate future is on the northern extensions of the Princesa/Megan vein system.

Table 4: South Extension Area

HOLE ID	FROM (m)	TO (m)	LENGTH (m)	Ag g/t	PB (%)	ZN (%)	AgEq (g/t)
NAM-031	252.3	253.4	1.1	51.3	2.02	6.09	273
NAM-042	No significant mineralization						

The Silver equivalent grades ("AgEq") have been calculated using metal prices of US\$25oz Silver; US\$1.00/lb Zinc; and US\$1.00/lb Lead. Metal recoveries are not considered in this calculation. Further drilling is required to provide a more accurate assessment of vein thickness and true width may vary.

Espirito Santo Jalisco

Logistics, drill and exploration permitting, soil sampling and mapping work has advanced in preparation for drilling which is likely to occur after drill permits are issued by the Government, post the wet season (May – August).

4. AUSTRALIA

Mt Philp

A resource estimate was released followed by the completion of a NI43-101 Instrument.

Based on drill density, sampling protocols and grade variography 63% of the total resource fulfils the requirements of an Indicated Resource. This equates to an Indicated resource of 19Mt grading 41% iron and 38% silica and a further 11Mt, in the Inferred category, grading 34% iron and 48% silica.

Table 5: Geological Resource Summary at zero cutoff grade

Geological Boundary	Category	Tonne Million	Fe%	SiO2 %	P %	Al2O3 %	TiO2 %	LOI %
Ironstone								
Haematitic	Indicated	12.78	48.82	27.55	0.01	1.14	0.34	0.30
Siliceous	Indicated	6.33	26.47	58.91	0.03	1.61	0.47	0.29
TOTAL/avg	Indicated	19.11	41.42	37.93	0.02	1.30	0.38	0.29
Haematitic	Inferred	4.63	47.48	28.85	0.02	1.58	0.38	0.26
Siliceous	Inferred	6.77	24.47	60.67	0.03	2.27	0.51	0.34
TOTAL/avg	Inferred	11.40	33.82	47.74	0.02	1.99	0.46	0.31

The Iron and Silica distribution within the resource is consistent with the material used in original metallurgical sighter test work that produced a 68%-Fe average product at 77% recovery and 1.5% silica by un-optimized flotation (Refer Announcement: 22 December 2010).

Table 6: Resource Summary by Rock-type and Cut-off Grade

Rock	Cutoff %Fe	Tonnes '000	Fe %	SiO2 %	P %	Al2O3 %	TiO2 %	LOI %
INDICATED RESOURCE								
SILICEOUS IRONSTONE	50	33	52.22	24.62	0.01	0.24	0.26	0.11
	45	271	47.84	30.00	0.01	0.73	0.29	0.46
	40	454	45.69	32.58	0.02	1.03	0.32	0.39
	35	1,044	40.74	38.94	0.02	1.42	0.42	0.39
	30	2,258	36.17	45.41	0.02	1.42	0.45	0.33
	25	3,690	32.76	50.08	0.03	1.54	0.46	0.30
	20	4,638	30.71	52.71	0.03	1.70	0.46	0.29
	15	5,445	28.71	55.56	0.03	1.69	0.47	0.28
	10	6,267	26.64	58.67	0.03	1.61	0.47	0.28
	0	6,327	26.47	58.91	0.03	1.61	0.47	0.29
HAEMATITIC IRONSTONE	50	5,789	54.78	20.88	0.01	0.70	0.25	0.21
	45	9,416	52.06	24.26	0.01	0.75	0.28	0.22
	40	11,495	50.38	26.18	0.01	0.88	0.31	0.27
	35	12,254	49.59	26.97	0.01	0.99	0.33	0.28
	30	12,642	49.07	27.40	0.01	1.11	0.33	0.29
	25	12,743	48.91	27.50	0.01	1.14	0.34	0.30
	20	12,770	48.85	27.53	0.01	1.14	0.34	0.30
	15	12,779	48.83	27.55	0.01	1.14	0.34	0.30
	10	12,782	48.82	27.55	0.01	1.14	0.34	0.30
	0	12,782	48.82	27.55	0.01	1.14	0.34	0.30
TOTAL INDICATED	50	5,822	54.76	20.90	0.01	0.70	0.25	0.21
	45	9,687	51.94	24.42	0.01	0.75	0.28	0.23
	40	11,949	50.20	26.42	0.01	0.89	0.31	0.27
	35	13,298	48.90	27.91	0.01	1.03	0.33	0.29
	30	14,900	47.12	30.13	0.01	1.16	0.35	0.30
	25	16,433	45.28	32.57	0.02	1.23	0.36	0.30
	20	17,408	44.02	34.24	0.02	1.29	0.37	0.29
	15	18,224	42.82	35.92	0.02	1.31	0.38	0.29
	10	19,049	41.52	37.79	0.02	1.30	0.38	0.29
	0	19,109	41.42	37.93	0.02	1.30	0.38	0.29
INFERRED RESOURCE								
SILICEOUS IRONSTONE	50	33	50.93	26.27	0.01	0.37	0.24	0.05
	45	140	47.78	29.95	0.02	0.82	0.27	0.44
	40	267	45.15	33.07	0.02	1.17	0.33	0.33
	35	758	39.94	39.48	0.03	1.74	0.45	0.36
	30	1,509	36.05	44.67	0.03	1.94	0.47	0.34
	25	2,984	31.69	50.24	0.03	2.33	0.50	0.32

Rock	Cutoff %Fe	Tonnes '000	Fe %	SiO2 %	P %	Al2O3 %	TiO2 %	LOI %
	20	4,622	28.46	54.58	0.03	2.49	0.51	0.33
	15	5,939	26.08	58.13	0.03	2.41	0.51	0.34
	10	6,711	24.60	60.48	0.03	2.28	0.51	0.34
	0	6,765	24.47	60.67	0.03	2.27	0.51	0.34
HAEMATITIC IRONSTONE	50	1,757	54.37	21.57	0.01	0.67	0.25	0.23
	45	3,282	51.26	25.51	0.01	0.73	0.30	0.20
	40	3,979	49.77	27.22	0.01	0.91	0.33	0.23
	35	4,238	49.03	27.84	0.01	1.12	0.35	0.25
	30	4,491	48.10	28.55	0.01	1.38	0.36	0.25
	25	4,625	47.52	28.83	0.02	1.58	0.38	0.26
	20	4,628	47.50	28.84	0.02	1.58	0.38	0.26
	15	4,631	47.48	28.85	0.02	1.58	0.38	0.26
	10	4,631	47.48	28.85	0.02	1.58	0.38	0.26
	0	4,631	47.48	28.85	0.02	1.58	0.38	0.26
TOTAL INFERRED	50	1,790	54.30	21.66	0.01	0.66	0.25	0.23
	45	3,422	51.11	25.69	0.01	0.74	0.30	0.21
	40	4,246	49.48	27.59	0.01	0.93	0.33	0.24
	35	4,996	47.65	29.61	0.01	1.21	0.36	0.27
	30	6,000	45.07	32.60	0.02	1.52	0.39	0.27
	25	7,609	41.31	37.22	0.02	1.87	0.42	0.29
	20	9,250	37.99	41.70	0.02	2.03	0.44	0.30
	15	10,570	35.46	45.30	0.02	2.05	0.45	0.31
	10	11,342	33.94	47.57	0.02	1.99	0.46	0.31
	0	11,396	33.82	47.74	0.02	1.99	0.46	0.31

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About Cerro Resources

Cerro Resources is a precious and base metals exploration and development company. The Company is currently focused on Mexico where it is developing the Cerro del Gallo gold/silver project in the central state of Guanajuato, Mexico, actively exploring the Namiquipa silver project in northern Mexico, and commencing exploration on the Espiritu Santo gold/silver project in Jalisco. It also maintains an active working focus on the Mt Isa, Queensland, region where it is exploring the Mt Philp haematite project and it holds an interest in the Kalman molybdenum, rhenium, and copper project.

Additional information about the Company is available on the Company's website at www.cerroresources.com and on SEDAR.

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N.A Mailing: 1111 St Charles Street West, West Tower, Suite 411, Longueuil, Quebec, J4K 5G4 **Tel:** 1-514-544-2696

Competent Person/Qualified Person

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr John Skeet (as it relates to process related material), who is a Member of the Australasian Institute of Mining and Metallurgy; Mr Bill Fleshman (as it relates to the San Anton, Namiquipa, and Espiritu Santo Projects), who is a Fellow of the Australasian Institute of Mining and Metallurgy; and Mr Trevor Leahey (as it relates to the Mt Philp Project), who is a Chartered Professional and Member of the Australasian Institute of Mining and Metallurgy. Mr Skeet is the Chief Operating Officer of Cerro Resources NL. Mr Fleshman and Mr Leahey are consultant to Cerro Resources NL. They have sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and "qualified persons" as this term is defined in Canadian National Instrument 43-101 ("NI 43-101"). Mr Skeet, Mr Fleshman and Mr Leahey consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Forward-Looking Information

This quarterly report contains "forward-looking information" under Canadian securities law. Any statement that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words such as "expect", "anticipate", "believe", "plans", "estimate", "scheduling", "projected" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking information. Forward-looking information relates to, among other things: the results of exploration programs, the interpretation of such results, the potential of the projects, the planned continuation of a drilling program, the accuracy of mineral resource and mineral reserve estimates, the ability of the Company to finance its operations and capital expenditures, future financial and operating performance including estimates of the Company's revenues and capital expenditures and estimated production.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking information, including, without limitation, risks relating to: fluctuating commodity prices; calculation of resources, reserves and mineralization and precious and base metal recovery; interpretations and assumptions of mineral resource and mineral reserve estimates; exploration and development programs; feasibility and engineering reports; permits and licences; title to properties; recent market events and conditions; economic factors affecting the Company; timing, estimated amount, capital and operating expenditures and economic returns of future production; operations and political conditions; environmental risks; and risks and hazards of mining operations. This list is not exhaustive of the factors that may affect any of the Company's forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. The Company's forward-looking information is based on the assumptions, beliefs, expectations and opinions of management as of the date of this quarterly report, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes occur in any other events affecting such statements or information. For the reasons set forth above, investors should not place undue reliance on forward-looking information.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

CERRO RESOURCES NL

ABN

72 006 381 684

Quarter ended ("current quarter")

31 MARCH 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	<3,213>	<10,027>
	(b) development	-	-
	(c) production	-	-
	(d) administration	<397>	<1,461>
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	99	467
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		<3,511>	<11,021>
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	<318>	<318>
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	46
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (Business combination costs with San Anton Resource Corporation Inc. and Namiquipa Project Acquisition)	-	-
Net investing cash flows		<318>	<272>
1.13	Total operating and investing cash flows (carried forward)	<3,829>	<11,293>

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	<3, 829>	<11,293>
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	60
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	-	-
	Net financing cash flows	-	60
	Net increase (decrease) in cash held	<3,829>	<11,233>
1.20	Cash at beginning of quarter/year to date	11,298	18,739
1.21	Exchange rate adjustments to item 1.20	65	28
1.22	Cash at end of quarter	7,534	7,534

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
1.23	Aggregate amount of payments to the parties included in item 1.2	204
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 - Includes payment of \$26,202 to MIS Corporate Pty Ltd, a company associated with NA Seckold for provision of investor relation services. The balance, being \$177,500, represents directors fees paid to executive and non-executive directors.

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

-

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

-

+ See chapter 19 for defined terms.

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	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,500
4.2 Development	-
4.3 Production	-
4.4 Administration	400
Total	2,900

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
5.1 Cash on hand and at bank	869	1,634
5.2 Deposits at call	6,647	9,646
5.3 Bank overdraft	-	-
5.4 Other (provide details) – Security Deposits	18	18
Total: cash at end of quarter (item 1.22)	7,534	11,298

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	748,768,606	748,768,606		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (each exercisable to convert to 1 fully paid share)	4,175,000 4,175,000 1,250,000 125,000 4,250,000 2,000,000 2,000,000 10,000,000 10,000,000 5,000,000 1,500,000 5,250,000	NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL NIL	<u>Exercise Price</u> 15c 20c 12c 60c 32c 15c 20c 17.32c 20c 27c 20c 17c	<u>Expiry Date</u> 11 September 2012 11 September 2013 8 September 2014 4 June 2012 13 May 2013 3 December 2013 3 December 2014 3 December 2015 3 December 2015 25 February 2013 14 November 2014 31 December 2014
7.8 Issued during quarter	5,250,000	NIL	<u>Exercise Price</u> 17c	<u>Expiry Date</u> 31 December 2014
7.9 Exercised during quarter		NIL	<u>Exercise Price</u>	<u>Expiry Date</u>


+ See chapter 19 for defined terms.

7.10	Expired during quarter			<u>Exercise Price</u>	<u>Expiry Date</u>
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 27 April 2012
(Company secretary)

Print name: Craig J McPherson

Notes

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 "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 **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.