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Manager of Company Announcements
ASX Limited
Level 5, Riverside Centre
123 Eagle Street
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30 April, 2008

Dear Sirs,

Report for the period 1 January 2008 to 31 March 2008

Attached are the Company's Quarterly Activities Report and Quarterly Cash Flow Report for the period 1 January 2008 to 31 March 2008.

Yours faithfully,
Aconcagua Resources Limited

A handwritten signature in black ink that reads 'Franco Belli'. The signature is written in a cursive, flowing style.

Franco Belli
Managing Director

QUARTERLY ACTIVITIES REPORT

For the period 1 January to 31 March 2008

1. Activities for the Quarter

Highlights

- The Company has embarked on a vertically integrated plan to develop a high-grade, valuable heavy mineral (VHM) smelter feed from its South American iron-sand deposits to produce steel billets and slabs, vanadium and titanium slag.
- Trials in Germany, verifying previously attained high rates of metallization (as achieved using hydrogen as a reductant), but now using coal as a reductant are currently nearing completion. The results of these trials should support the objective of high-value metal production.
- Apart from iron sand deposits previously reported in Chile and Ecuador, the Company has identified significant new deposits which are scheduled for geological mapping and drilling in 2008.
- The Company's subsidiary Fierroinca, along with other Ecuadorian Mining and Exploration Companies, are currently in dialogue with the Government with regards to the formulation of Ecuador's New Mining Law.

1.1 Ecuador

- The Metallurgical Test facility has arrived in Ecuador and is scheduled to be sited in the Zona Franca by the 9th May 2008.
- The phase two test work in Germany is nearing completion. The report is due by the 16th May 2008.
- Infill drilling of Manuela is complete and La Tola 4 is continuing. To date 80 holes have been drilled and 500 samples generated.
- The Field Laboratory has been commissioned and analysis has commenced.
- The Terms of Reference for the EIA for the Cojimies concessions have been completed.
- The completion of the site offices has been held up by un-seasonal heavy rains.

1.2 Chile

- Aguas Claras. An environmental assessment is underway in preparation for the appraisal drilling of Aguas Claras, which is expected to commence in July or August. Drilling equipment and services are presently being secured for this appraisal programme.
- Putu. Further geological mapping during the quarter has identified substantial new tracts of iron sands with preliminary measurements varying from 10m to over 100m in thickness. A focused drilling program is planned for Putu as soon as the Aguas Claras assessment is completed, probably during the 4th quarter.

- Discussions with potential farmees continued during the period under review, with a view to speeding up resource delineation, exploitation, beneficiation and smelting. The Company reported on 10th April 2008 that an agreement has been reached with Shoreline, involving a staged sale of Aconcagua's interests in Aguas Claras, with the Company retaining the first rights to the VHM product for its smelter feed.

1.3 Proposed activities for the quarterly period to 30 June 2008

Fierroinca Project, Ecuador

- Commission the metallurgical test facility.
- Produce thirty tonnes of VHM for Smelter Tests in Finland.
- Receive the Phase Two Test Report from Outotec.
- Complete in fill drilling of La Tola 4.
- Complete the construction of the Cojimies site offices.
- Refine geological characterization.

Putú, Chile

- Finalize environmental review
- Design drilling program.
- Detailed drilling program and resource estimates

Aguas Claras, Chile

- Finalize environmental review
- Detailed drilling program and resource estimates

Mauñín

- Continue geological review
- Initiate environmental assessment