

QUARTERLY ACTIVITIES REPORT AS AT 31 MARCH 2013

ASX Code: AZQ

Securities on Issue

32.8M Ordinary Shares (quoted)
4.3M Options (unlisted)

Directors

Paul Kopejtka
(Executive Chairman)

Andrew Caruso
(Chief Executive Officer &
Managing Director)

Francis De Souza
(Non-Exec. Director)

Joseph van den Elsen
(Non-Exec. Director)

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3Q FY13 Highlights

Titiribi Coal Project

- Phase 1 diamond drilling program commenced in January 2013 and expanded (2,020 metres completed as at 31 March 2013) after continued intersection of significant coal seams within 130 metres of surface.
- Initial test work has identified that the coal exhibits characteristics typical of a metallurgical coal product. Further test work in progress to validate these initial findings.
- Initial Coal Resource estimate – in accordance with JORC guidelines - expected to be published during the next quarter.
- Modelling of the coal deposit to enable finalisation of mine planning and cost estimation work for Economic Study due for completion by the next quarter.

Corporate

- Mr Andrew Caruso was appointed as Managing Director.
- Mr Faldi Ismail stepped down as Non-Executive Director.
- Mr David Berg was appointed as Company Secretary and Legal Counsel.

Financial

- At 31 March 2013 the Company had cash reserves of A\$1.52 million.
- At 31 March 2013 the Company had a market capitalisation of \$4.76 million (based on a share price of \$0.145).

3rd QUARTER FY13 – PROJECT HIGHLIGHTS

TITIRIBI PROJECT

The Company completed a successful geological field mapping program in late 2012, with the results giving the Company a greater understanding of the project geology and where the likely coal seam orientation is occurring across the project concessions.

In addition, the Company completed the design of the Phase 1 drilling program and selection of the drilling contractor, obtained all relevant government permits and established the site infrastructure including roads, water supply and accommodation, resulting in commencement of drilling during January 2013.

Phase 1 Drilling Program

The Phase 1 drilling program, initially comprising 10 diamond drill holes totalling 1,600m, was designed to identify the location, thickness, continuity and quality of individual coal seams, focusing on El Balsal, which is the central member of the Amaga Formation on the Company's mining concessions.

Due to the continued intersection of significant coal seams within the El Balsal and El Silencio licence areas (**Figure 1**), the Company expanded the initial Phase 1 exploration program by increasing the number of diamond holes to 14 (from 10) for a total of approximately 2,400m (from 1,600m) and mobilised an additional diamond drill rig to site, bringing the total drill rigs in operation to 4.

The increased diamond drill program will allow the Company to more accurately correlate the multiple coal seams encountered within the concession areas and confirm their continuity. This will assist the Company in delivering a mine planning study that is currently being undertaken as part of the Company's overall Economic Study for the Titiribi Project.

The Company is expected to complete the expanded Phase 1 program by end April 2013 and is targeting an initial Coal Resource estimate in accordance with JORC guidelines during the next quarter¹. Coal seam thickness and quality results will be validated by an independent consultant prior to finalising any Coal Resource estimate in accordance with JORC guidelines.

¹ This objective is conceptual in nature as there has been insufficient exploration to date to define a Coal Resource estimate in accordance with JORC guidelines and it is uncertain whether further exploration will result in the determination of a Coal Resource estimate. This conceptual target may or may not be outlined with future work, either in whole or in part.

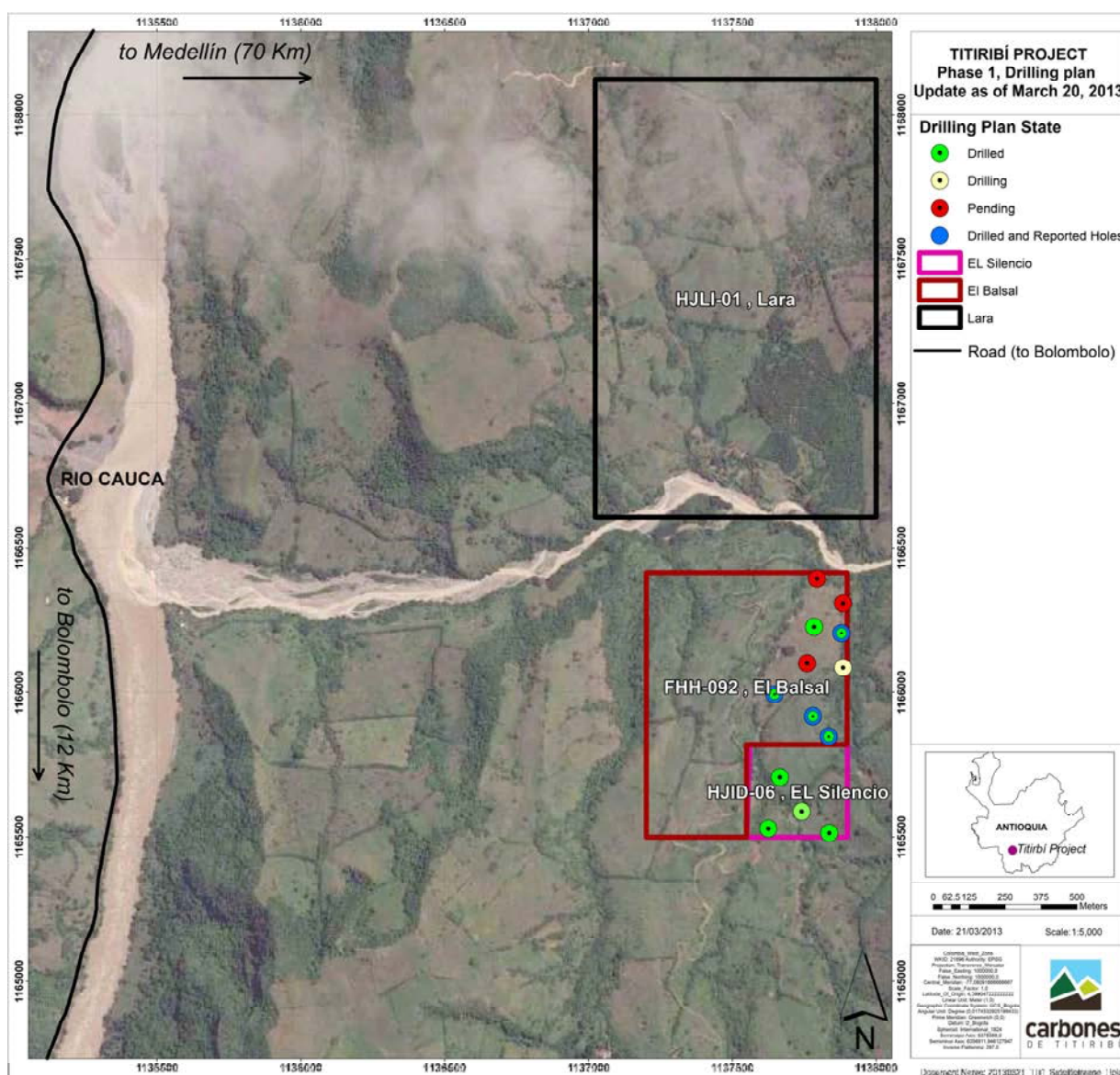


Figure 1 –Phase 1 diamond drill hole locations

Summary of Coal Intersections

As at 31 March 2013, 12 holes had been completed (2,020m) to a drilling depth of up to 200m and confirmed that the Titiribi project is host to multiple coal seams of significant thicknesses.

The results of the first 9 completed holes (for 1,495m) are as follows:

- All 9 drill holes intersected multiple coal seams;
- Significant coal intersections within 125m of drill hole depth:
 - TP-L14-DH08 – cumulative thickness 7.3m (between 60m and 68m);
 - TP-L16-DH06 – 13m apparent thickness (between 110m and 124m); and
 - TP-L12-DH06 – 9.5m apparent thickness (between 112m and 122m).

The following table of coal intersections (**Figure 2**) shows thicknesses encountered above 0.8 metres for the first 9 holes drilled.

Hole	Depth (m)	Coal Intersection		
		From	To	Thickness
TP-L14-DH04	171.2	132.4	133.4	1.0
		145.7	146.6	0.9
		155.7	157.3	1.7
TP-L14-DH06	160.9	112.7	114.0	1.3
		134.6	136.6	1.9
TP-L14-DH08	130.8	60.0	67.7	7.3
		79.8	80.6	0.8
		81.0	82.1	1.1
TP-L16-DH06	128.3	72.6	74.6	2.0
		110.8	124.1	13.3
TP-L11-DH05	190	30.45	31.26	0.81
		52.05	53.05	1.00
		76.25	79.80	3.55
		99.45	103.31	3.66
TP-L12-DH02	190	129.56	131.38	1.82
		179.35	180.70	1.35
TP-L12-DH04	206	31.95	32.98	1.03
		125.95	128.23	2.24
		156.80	160.28	3.48
		179.85	183.87	4.02
TP-L12-DH06	143	195.35	198.15	2.80
		54.90	56.75	1.85
		85.80	89.13	3.33
		112.14	122.03	9.54
TP-L16-DH08	166	129.36	130.20	0.84
		13.50	15.72	2.22
		39.55	41.45	1.90
		72.55	74.05	1.50
		104.97	106.55	1.58
		124.65	128.95	4.30
		143.11	143.98	0.87
154.90	156.70	1.80		

Figure 2 – Coal intersections with apparent thickness encountered above 0.8m

Coal Quality Analysis

Preliminary coal quality results from the test work for the first 6 drill holes were received from independent verification and testing specialists SGS and then subsequently reviewed by independent coal quality consultants (The Bluefield Group) to ascertain likely products and marketability.

Preliminary coal quality results² indicate:

- high calorific values (CV) in excess of 6,500 kcal/kg;
- free swelling index's (FSI's) in excess of 5 and typically as high as 8-9;
- extremely low phosphorous (P), generally less than 0.005%; and
- low ash (less than 10%).

² "as-received" basis results, save FSI (as-tested).

These properties are typically consistent with a metallurgical type coking coal. The Company will conduct additional test work relating to the coal's coking properties over coming months.

The potential marketability of the coal in local and export markets will be assessed by the Company on completion of the coal quality analysis and provide guidance to the completion of the Economic Study in the next quarter.

AUSTRALIAN PROJECTS

McPhees Gold Project

The Company has entered into a conditional agreement to sell the McPhees Gold Project, comprising a 100% interest in P45/2783 and E45/3648. The sale is contingent on the vendor listing on the Australian Securities Exchange by not later than 1 July 2013. On listing, the vendor will issue the Company 300,000 fully paid ordinary shares in the vendor by way of consideration.

Quartz Hill Project

The Company's has allowed its option to earn a 75% interest in the Quartz Hill project (comprising EL24838 and EL 25296) to lapse.

Exploration Licences EL29137, EL29143 and EL29144, which are adjacent to the Quartz Hill project, have been sold for nominal consideration.

CORPORATE

Board Changes

Mr Andrew Caruso was appointed as Managing Director and Chief Executive Officer of the Company. Mr Caruso was initially appointed as Chief Executive Officer commencing with the Company in January 2013, and was appointed as a director on 27 March 2013.

Mr Caruso has over twenty years' experience in the mining industry including operations, management and executive roles within Australia and overseas. He spent over five years working in significant Australian coal operations, including two years at BHP Coal in Queensland. For the past two and half years, he was CEO of Crosslands Resources Ltd, which is developing the Jack Hills iron ore expansion project in Western Australia. Prior to that, he was the Managing Director of Australasian Resources Ltd (ASX: ARH) which is developing the Balmoral South iron ore project in Western Australia. Mr Caruso has a Bachelor's Degree in Mining Engineering and is a member of the Australian Institute of Company Directors.

Mr Faldi Ismail resigned as a Non-Executive Director. Mr Ismail was a founding director and shareholder of the Company and was instrumental in Ascot's IPO and subsequent listing on the Australian Securities Exchange in 2011.

Mr David Berg was appointed as Company Secretary and Legal Counsel.

Change of Registered Address

Effective from 25 February 2013, the address of the Company's registered office and principal administrative office was changed to 512 Hay Street, Subiaco, Western Australia, 6008.

FINANCIAL

At 31 March 2013 the Company had cash reserves of A\$1.52 million.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Christopher McMahon, who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy. Mr Christopher McMahon is a consultant working for The Bluefield Group. Mr Christopher McMahon has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is 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'. Mr Christopher McMahon consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Ascot Resources Limited

Ascot Resources Limited ("Ascot") is an ASX listed coal explorer and developer. Its major asset is its 90% JV interest in the Titiribi Coal Project located in the Department of Antioquia, Colombia. The region is known for its high quality coal. With the Project site being located only 70km from State Capital Medellin, it is close to existing utilities and infrastructure. It is Ascot's intention to grow the company via asset acquisition and it will continue to actively evaluate new business opportunities within Colombia.

For more information, visit www.ascotresources.com or contact:

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