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QUARTERLY ACTIVITIES REPORT AS AT 31 DECEMBER 2012

ASX Code: AZQ

Securities on Issue

26.5M Ordinary Shares (quoted)
3.3M Ordinary Shares (restricted)
3.5M Options (unlisted)

Directors

Paul Kopejtka
(Executive Chairman)

Faldi Ismail
(Non-Exec. Director)

Francis De Souza
(Non-Exec. Director)

Joseph van den Elsen
(Non-Exec. Director)

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Highlights during the quarter

New Acquisition - Titiribi Coal Project

- ✦ Shareholders approved the acquisition of a 90% interest in 3 Colombian mining licences (Licences), which have the potential to host high quality thermal coal.
- ✦ The Licences are located in an established mining region, with existing infrastructure in place.
- ✦ Field Mapping complete – on time and on budget.
- ✦ Design of Phase 1 drilling program finalised in accordance with JORC Guidelines and drilling contractor selected.
- ✦ Drilling program to commence 1st quarter of 2013.

McPhees Gold Project

- ✦ Comprehensive project evaluation commenced.
- ✦ Work program currently being devised to assess the potential of the project.

Quartz Hill Project

- ✦ Comprehensive regional exploration targeting program currently being conducted.

Corporate

- ✦ Epic changed its name to "Ascot Resources Ltd".
- ✦ Mining entrepreneur, Mr. Paul Kopejtka joined the Board as Executive Chairman.
- ✦ Ascot appoints Mr. Andrew Caruso as CEO.

Financial

- ✦ At 31 December 2012 the Company had cash reserves of A\$2.23 million (~7.5c per share cash backing).
- ✦ At 31 December 2012 the Company had a market capital share base of \$4.15 million.

NEW ACQUISITION

Titiribi Project

On November 28, 2012, Shareholders approved the acquisition of 100% of the shares in Carbones de Colombia (Carcbones Spain), a company incorporated in Spain, held by Ascot Equities Pty Ltd.

The agreement was implemented through Carbones Spain and its 90% owned subsidiary, Carbones de Titiribi (a company incorporated in Colombia).

As a result of the acquisition, the Company has acquired a 90% interest in 3 Colombian mining licences (Licenses) located in the Southern Antioquia region of Colombia. The Licences are located near the town of Titiribi in the Southern Antioquia region of Colombia and are in close proximity to areas known to host high quality thermal coal.

The state of Antioquia hosts a number of coal bearing areas, with the Licences located in the south-western part of the state in the Municipality of Titiribi. The project area offers established road infrastructure and access to ports on both the Atlantic and Pacific coasts. The State Capital, Medellin, is located approximately 70km to the north east of the town of Titiribi.

Table 1: Mining Licence Schedule

National Mining Register ID	State Authority ID	Area (Ha)	Status	Date Granted	Expiry Date
HJBN-04	7569	52	Granted	30 Jan 2009	30 Jan 2038
HJID-06	7425	11	Granted	4 May 2009	4 May 2038
HJLI-01	7569B	147	Granted	2 July 2009	2 July 2038

Geological Field Mapping Complete

The Company completed the geological field mapping program at the Titiribi Project - on time and on budget.

The program occurred across the Licenses that make up the Titiribi Project. Results received to date have given the company a significantly greater understanding of the project geology and the likely coal seam orientation (refer Figure 1).

The field mapping was undertaken by Geominas SA, a geological consulting company headquartered in Medellin, Colombia, with 40 years of experience providing consulting services in the areas of geology, geotechnical and environment management.

Planned Drill Program Finalised

In addition to the completion of the field mapping program, the Company completed the design of the planned Phase 1 drilling program and finalised the selection of the drilling contractor. In addition, all relevant government permits to enable the commencement of drilling have been received and the site infrastructure including access to roads, water supply and accommodation was established.

The Phase 1 program will focus on El Balsal, the central Licence. The company intends to drill 10 diamond drill holes (HQ size – 65mm diameter) for a total of 1,600m (refer Figure 2 for drill locations). Drilling is expected to commence early in the 1st quarter of 2013 for a total cost of approx. US\$500,000 - inclusive of geophysical logging, core assaying, all support ancillaries and contingencies.

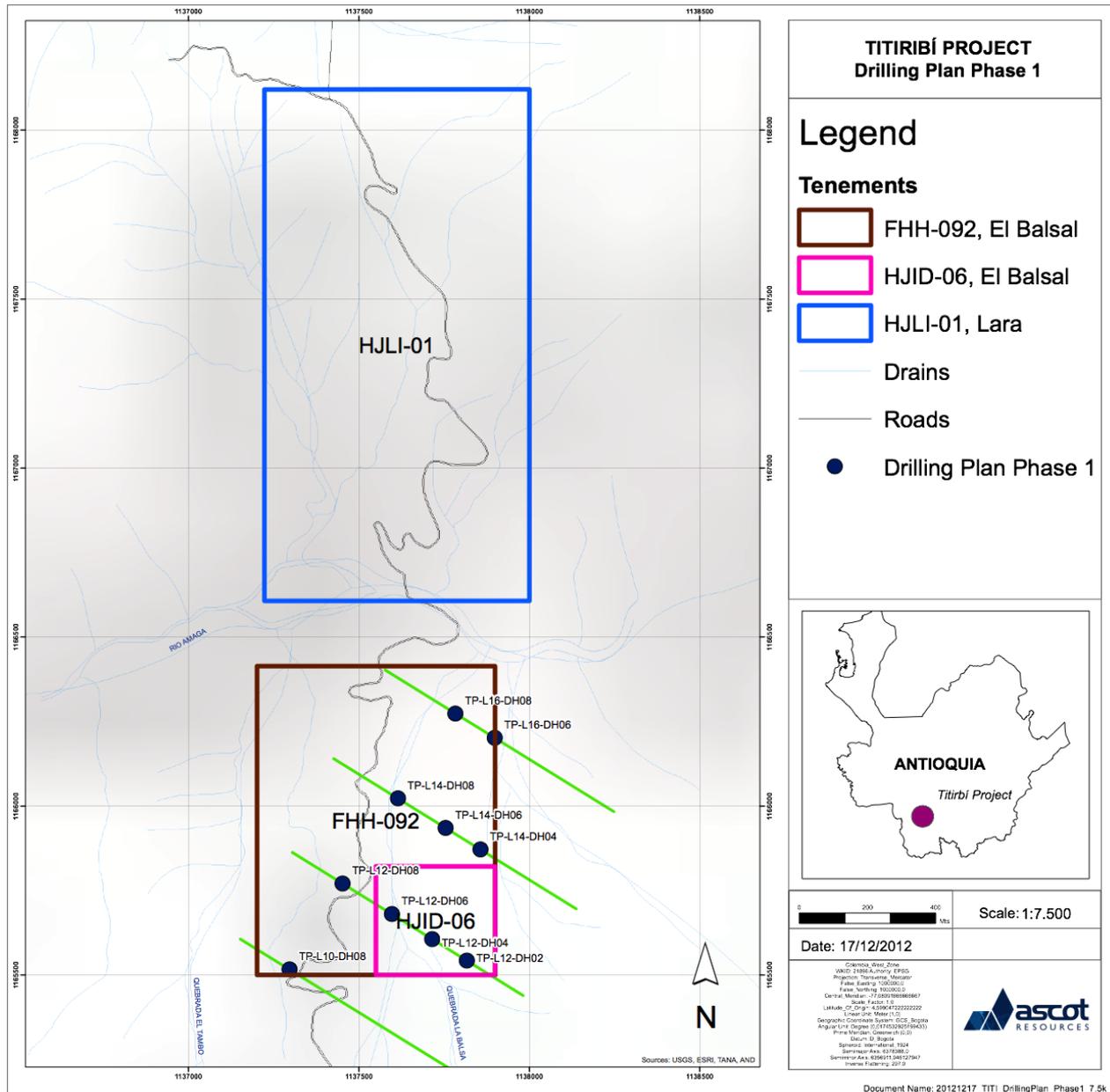


Figure 2: Diamond drill hole locations at El Balsal

EXISTING PROJECTS

- Comprehensive project evaluation being conducted at McPhees and Quartz Hill
- Field exploration program currently being devised McPhees

McPhees Gold Project

A comprehensive evaluation of the previous exploration activities conducted at the McPhees project is being conducted. All historical geochemical sampling, drilling and other geological data are being compiled to gain an understanding of the potential of the project. Once the evaluation is complete a field based exploration program will be devised.

Quartz Hill Project

The Quartz Hill project lies 150km east-north-east of Alice Springs and is centred around Ambalindum Station. All tenements lie within the Eastern Arunta block, in the Harts Ranges. The project consists of two granted exploration licences and three exploration licence applications.

The initial reconnaissance field campaign conducted in November 2011 across the project area provided relatively discouraging results as no new prospects of mineralisation were identified. Furthermore it was noted that the existing zones of mineralisation have limited areal extent, not warranting further investigation.

The Company applied for three additional exploration licences surrounding the Quartz Hill Project that were deemed to be prospective for both Uranium and Rare Earth mineralisation, relative to the Quartz Hill Project. These exploration licences will represent the focus of the Quartz Hill extension exploration program going forward.

As such, the Company undertook a desktop review of new exploration licenses that outlined a number of targets warranting further investigation. A field program is currently being budgeted and devised to investigate the numerous targets identified as part of the desktop review.

CORPORATE

Acquisition - Titiribi Coal Project

At the Annual General Meeting held on 28 November 2012, Shareholders approved the acquisition of Carbones Spain which through its Colombian subsidiary holds a 90% interest in the Licenses located in the Southern Antioquia region of Colombia. The conditions precedent to the transaction have been satisfied and part-initial consideration of A\$500,000 has been paid to the Vendor. The equity transfer documents have been lodged with the Spanish authorities for the transfer of equity in Carbones Spain to Ascot Resources Limited. Once the equity transfer is complete, settlement will occur and the Company will issue the 4,500,000 Initial Consideration Shares to the Vendor (Ascot Equities Pty Ltd).

Board Changes

Following shareholder approval for the transaction, the Company changed its name to "Ascot Resources Ltd" and welcomed Mr Paul Kopejtka to the Board as Executive Chairman. Mr Kopejtka brings with him in excess of twenty two years' experience in the mining industry that extends to both Australia and overseas. Mr Kopejtka has a strong track record in facilitating the growth of a number of major publicly listed companies, notably Murchison Metals Ltd.

The appointment of Mr Kopejtka as Executive Chairman enabled Mr Faldi Ismail to move to a Non-Executive role as a Non-Executive Director to continue to guide the Company in a new capacity. Mr Robert Jewson also stepped down as Non-Executive Director and the Board thanked Mr Jewson for his valuable contribution and service to the Company during his tenure with the Company.

During the quarter, the Company announced the appointment of Mr Andrew Caruso as Chief Executive Officer of the Company. Mr Caruso has over twenty years of 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.

The company intends to appoint Mr Caruso a director of the Company during the 1st quarter of 2013.

Together, Mr Kopejtka and Mr Caruso bring significant leadership and project development credentials to the Company as it seeks to develop the Tifiribi Coal Project.

FINANCIAL

At 31 December 2012 the Company had cash reserves of A\$2.23 million (~7.5c per share cash backing).

Competent Persons Statement

Technical information in this report has been prepared under the supervision of Mr Jonathan King, a director of Weston Consultancy Group Pty Ltd, and a member of the Australian Institute of Geoscientists (AIG). Mr King has sufficient experience which is relevant to the style of mineralisation 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" (the JORC Code). Mr King consents to the inclusion in this report of the Information, in the form and context in which it appears.

-ENDS-

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 Tifiribi Coal Project located in the Department of Antioquia, Colombia. The region is known for its high quality Thermal 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.

In addition, Ascot has two Projects in Australia. The McPhees Gold Project, Western Australia, which has an extensive history of historical exploration and mining and The Quartz Hill Project, Northern Territory, an early stage multi commodity exploration project consisting of five granted exploration licenses.

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

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