



ASX ANNOUNCEMENT
15 August 2012

Padang Completes Acquisition of the Paser Project, East Kalimantan and Advances to Mine Plan

Highlights

- Shareholders approve acquisition of 70% interest in the Paser Project;
- Drilling program to test for near surface coal targets to commence shortly.

Padang Resources Limited (ASX: PXR) (**Padang** or **Company**) is pleased to announce that it has received Shareholder approval to proceed with the acquisition of a 70% interest in the Paser Project, East Kalimantan and will now move to settlement.

With the necessary approvals in place, the Company is committing to the acceleration of a drill program to be followed, subject to results, with a mine plan.

Interpretation of previous surface mapping, resistivity surveys and drilling has highlighted a number of near surface coal targets. The proposed drill program will be designed to confirm coal quality and the depth, thickness and spread of coal seams below surface.

Next steps

Padang will keep shareholders informed of any material developments regarding the mine plan for the Paser Project. Further, the Company continues to review additional projects that meet investment criteria within Kalimantan and in particular the Paser Region.

Yours faithfully

Roland Berzins
Company Secretary



About Padang (formerly Palace) Resources Limited

Padang Resources Ltd aims to create a sustainable exploration and development business focused on resource opportunities in the Indonesian resource rich region. Padang has a strong management team which has a track record of acquiring and developing mineral projects in the Asia Pacific region. Padang is aggressively exploring and developing resources in the south-east Asia region, particularly Indonesia. For more information visit www.padangresources.com.au