



ASX ANNOUNCEMENT
19 April 2012

Padang advances due diligence on the Paser Project, East Kalimantan

Padang Resources Limited (ASX: PXR) (**Padang** or **Company**) is pleased to announce that it has received a Legal Due Diligence Report on the company/permit holder and title of the Paser Project, East Kalimantan.

The report validates that the permit holder has been registered at Ministry of Law and Human Rights, Indonesia and has duly obtained a Mining License for the Operation and Production (*Izin Usaha Pertambangan Operasi Produksi* or "*IUP*") of Coal within the permit area which administratively is located in the Petangis Village, Batu Engau District, Paser Regency, East Kalimantan. The IUP gives the permit holder the right to conduct the activities of construction, production, hauling, sale and refining of coal in the Mining Area.

It has also been confirmed that the IUP is listed with the Status Clean and Clear on the 'List of Clean and Clear IUPs' published by the Directorate General of Mineral Resources and that the IUP is therefore deemed valid.

Next steps

Padang will keep shareholders informed of any material developments regarding the Due Diligence process on the Paser Project.

Yours faithfully

Guy Le Page
Non Executive Chairman



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