



CENTRAL MURCHISON GOLD PROJECT, W.A. (100%)

Aragon's strategy for the Central Murchison Gold Project "CMGP" is to develop a centralised gold mining operation that achieves gold production targeting 100,000 ounces for 8 to 10 years from multiple underground and open pit sources.

ASX Code: AAG

Shares and options:

Shares: 233,144,805

Unlisted options: 24,175,000

Major shareholders:

Westgold (WGR) 94.36%

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Board:

Peter Cook Non-Exec Chairman
Paul Benson CEO/Exec Director
Brian Thomas Non-Exec Director
Ben Pollard Non-Exec Director

Projects:

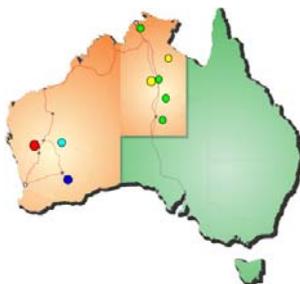
- **Central Murchison Gold Project (100%)**
- **Lake Lefroy – nickel (100%)**
- **Maitland JV – gold (49%)**

Strategic Investments

- **Rum Jungle Resources Ltd (12%)**

Westgold Resources Ltd

- **Au, Cu, Pb, Zn Projects**



Quarterly Activities Report For the quarter ended 31 March 2011

SIGNIFICANTS EVENTS DURING THE QUARTER

WESTGOLD TAKEOVER FOR ARAGON GOES UNCONDITIONAL AND PROCEEDS TO COMPULSORY ACQUISITION

Aragon is on the verge of an exciting phase of significant transformation and growth as its recommended acceptance of the Westgold take-over offer becomes unconditional and proceeds to compulsory acquisition.

The consolidation of Aragon by Westgold will build a significant and market-relevant Australian listed gold and copper explorer and developer. Consolidated resource inventory will total more than 3 million ounces gold-equivalent from two exciting projects, both poised for near term and future development.

Despite the takeover offers, Aragon continued with its exploration activities during the quarter:

ACTIVITY HIGHLIGHTS

CENTRAL MURCHISON GOLD PROJECT (100%)

CUDDINGWARRA GOLDFIELD – Shallow RC drilling at the City of Chester East Prospect continued to return positive gold results from the oxidised shear zones which host previously mined open pit operations. Whilst some assays from this program are outstanding, Aragon is pleased to report the following highlight down-hole gold assay results:

- CDAC1577: 16m @ 2.41g/t Au from 4m
- CDAC1576: 18m @ 1.35g/t Au from 24m
- CDRC0686: 8m @ 4.33g/t Au from 66m
- CDRC0684: 7m @ 1.2g/t Au from 13m

LEFROY NICKEL PROSPECT (100%)

During the quarter a diamond drill program targeting identified electro-magnetic (EM) anomalies considered to be analogous to the Kambalda-style channel facies nickel occurrences.. Diamond hole LFD002 intersected 26 metres of komatiite stratigraphy however no significant sulphide occurrences were noted. Multi-element assay results are pending and will be reviewed to provide context to any potential source of the EM anomaly.

CORPORATE

STRATEGIC INVESTMENTS

Aragon completed the sale of wholly owned subsidiary Territory Phosphate Pty Ltd ("Territory") to Rum Jungle Resources Ltd ("RUM") for a total consideration of \$1 million cash and 16 million fully paid ordinary shares in RUM valuing Aragon's current stake at approximately AU\$8 million.

CASH

Aragon has closed the quarter with \$14.2 million in cash including \$3.3 million in cash backed bonds associated with its Central Murchison Gold Project.



ACTIVITY SUMMARY

During the quarter, significant progress was made in advancing the Central Murchison Gold Project (“CMGP”) to production. In its current status the CMGP has a consolidated total identified mineral resource estimate (JORC) of 14.52 Million Tonnes at 4.2 g/t Au containing 1.96 Million Ounces of gold. The next phase of detailed mining studies into the underground and open pit developments have commenced and additional evaluation drilling continued with 2,244 metres of RC and 2,209 metres of diamond drilling completed during the quarter.

On other projects, Aragon has completed a maiden drilling program of 490 metres of diamond drilling at the Lefroy Nickel Project on the Aztec Dome, located 15km east of the nickel rich Kambalda district.

CENTRAL MURCHISON GOLD PROJECT

Aragon’s wholly owned Central Murchison Gold Project (“CMGP” or “Project”) covers the three historic mining centres of Big Bell, Cuddingwarra and Day Dawn which collectively have historic gold production of over 5 million ounces. Three large historic underground mines namely, Big Bell, Great Fingall and Golden Crown dominate the Project. Mining activity in this region ceased in 2003 when the Big Bell processing plant was closed at gold prices around AU\$500 per ounce.

During the quarter, Aragon focused its activities on shallow RC drilling for new oxide and open-pittable deposits at Cuddingwarra and deeper diamond drilling for Fingal/Crown look-alike quartz reef deposits within the Day Dawn field.

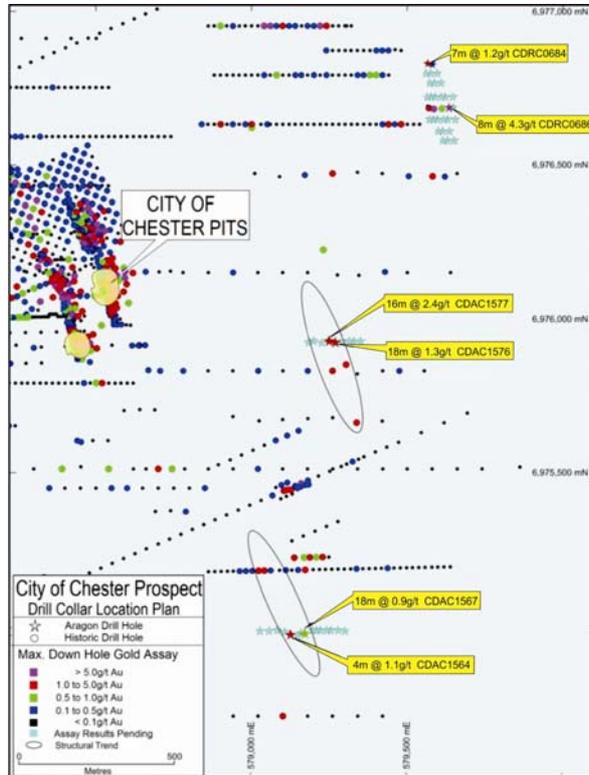
CUDDINGWARRA GOLDFIELD - EXPLORATION FOR SHALLOW GOLD DEPOSITS

The Cuddingwarra Goldfield hosts numerous historical open pits , with a historical production base of approximately 800,000 ounces. The current remaining total identified mineral resource estimate (JORC) is 3,011,000 tonnes @ 3.2g/t Au for 349,000 ounces from all known deposits.

Aragon’s strategy is to build a complimentary open pit production base to integrate with the underground deposits. In this context it is re-evaluating historically mined open pits with remnant resources, performing economic evaluations on known but un-mined resources and continuing to explore for oxide and/or open pittable resources within its tenure.

Recent drilling in the City of Chester East area continues to discover new gold mineralisation. Drilling during quarter has identified three mineralised shear zones over a strike length of at least 300 metres. Shallow intercepts of 16 metres @ 2.41g/t Au from 4 metres in hole CDAC1577, 18 metres @ 1.35g/t Au from 24 metres in hole CDAC1576 and 7 metres @ 1.2 g/t Au from 13 metres in hole CDRC0684 occur within weathered shear zones and confirm the potential of the area to host additional open pit style deposits typical of that mined elsewhere in the goldfield.

These structures remain open in strike and at depth and first phase diamond drill results from hole CDRC0686 have returned an intercept of 8 metres at 4.33g/t Au from 66 metres in a brecciated mafic rock unit, which provides indications of a primary gold system at depth. Further drilling is planned once all results from the existing program are collated.



City of Chester East Prospect plan showing recent significant shallow gold results

DAY DAWN – EXPLORATION FOR HIGH GRADE REEF REPETITIONS

Given the historical production profile from the Day Dawn goldfield significant potential for additional high-grade gold discoveries remains high. The current development opportunities at Day Dawn exist as remnants to the high-grade underground mines of Great Fingall which produced 1.2M Oz to 1916 and the Golden Crown located just 600m away, the potential of which was not realised until the mid 80's and went onto produce 288,000 ounces. The current total identified mineral resource estimate for these 2 deposits stands at 581,000 ounces at 9g/t Au.

Initial work by Aragon has identified the Trenton quartz reef as a potential stratigraphical and structural repeat of these high-grade quartz-reef positions. Previously drilling by Aragon at Trenton has returned intercepts of 2.7 metres @ 10.8g/t Au from 344.3 metres in hole CMD0020 and 4 metres @ 4.6g/t Au from 66 metres in hole CMD005 proving that high grades can develop within the reef structure.



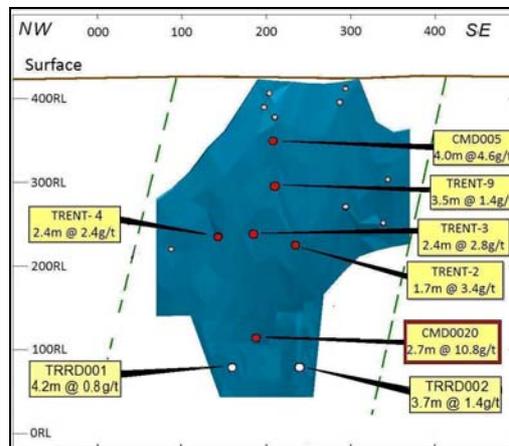
Trenton Reef is situated ~1.8km SW of Golden Crown within the prolific Great Fingal Dolerite (GFD).



Drilling in the March 2011 quarter has consisted of 2 diamond drill holes (TRRD001 and TRRD002) for a total of 1,360 metres as further follow up on this structure. Fractured zones of the quartz reef observed in the cores have returned the following gold assay results.

- TRRD001: 4.2 metres @ 0.8g/t Au from 430 metres
- TRRD002: 3.7 metres @ 1.4g/t Au from 430 metres

Similar structural deformation of the quartz reef has been observed at Great Fingall where significant historic mining and reef continuity is noted to over 800 metres vertical depth. The distribution of coarse gold in these deposits is well documented and it is considered the Trenton reef still demonstrates significant potential based on all assays received to date.



Trenton Reef long section showing previous and recent drilling.

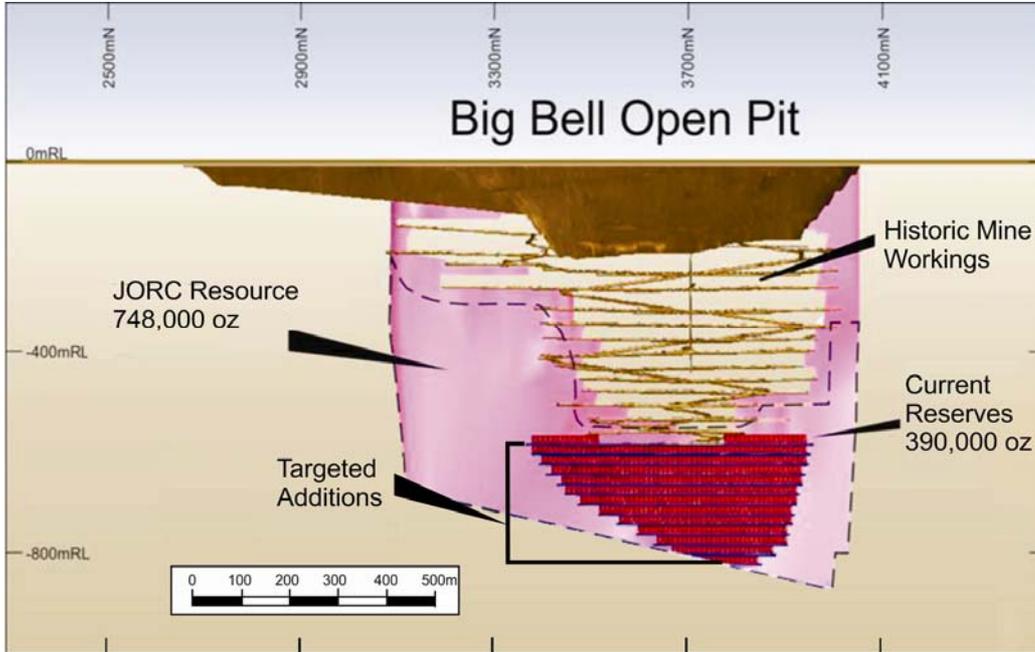
CMGP - UNDERGROUND MINING STUDY OUTCOMES.

Aragon announced in December 2010 that its mining studies on the Big Bell underground mine had returned positive outcomes and mine sequencing and scheduling suggests that approximately 500,000 tonnes per annum at 4.2g/t Au can be produced utilising a modified mining method to that previously undertaken. The Big Bell underground mine would become the base load for the development of mining and processing operations in the CMGP.

Mining studies on the Golden Fingall deposits (integrated Great Fingall and Golden Crown mines) estimate a sustainable high-grade production rate of 200,000 tonnes per annum at 8.0 g/t Au.

The lead-time from start to production in each mine is 2 years. The combined feed of 700,000 tonnes per annum allows for an estimated annual recoverable gold production of approximately 110,000 ounces for an initial 6-year mine life with scope to extend. It is considered that open pit ores and new discoveries could add additional annualised throughput and mine life to the operation.

The Big Bell mine appears to show significant potential for southerly strike extensions and a drill program (3 diamond drill holes for 2,300 meters) aimed to test these southern extensions has commenced during the quarter. In addition Aragon has commenced the next and more detailed phase of mining and geotechnical considerations for the designed development and stope sequencing in its re-development strategy of the Big Bell mine.

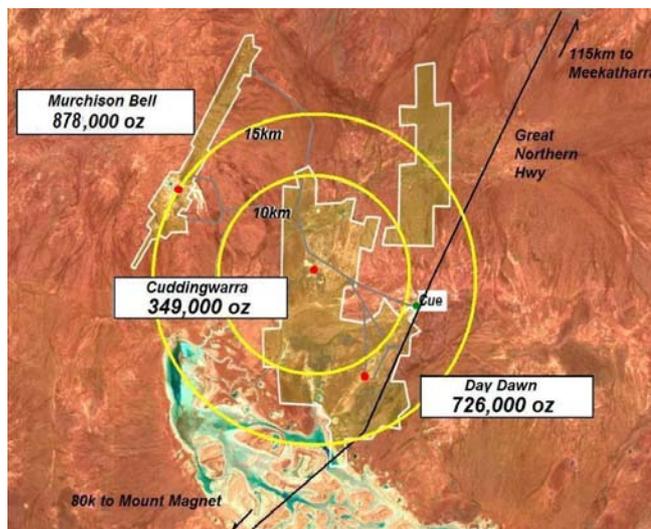


The long section image above shows the Big Bell existing mine workings, the coloured area of current reserves and the targeted area of potential reserve additions.

CMGP - OPEN PIT MINE STUDY

During the December 2010 Quarter, Aragon announced the completion of the first phase of a staged holistic review into the remnant open pit resources across the CMGP. The combined resources inventory considered amenable to open pit exploitation totals 7.3Mt @ 2.7g/t Au containing 624,000 ounces and provides Aragon with an excellent opportunity to define shallow minable resources that could generate nearer term cash flow by staging the CMGP's development.

This initial stage of open pit re-optimisations defined a mineable resource of 786,000 tonnes @ 1.86g/t (47,100 ounces) in the Great Fingall pit. This work is ongoing with a number of alternate operating scenarios being considered to extract more value from the existing open pitable resource.



CMGP Resource Base



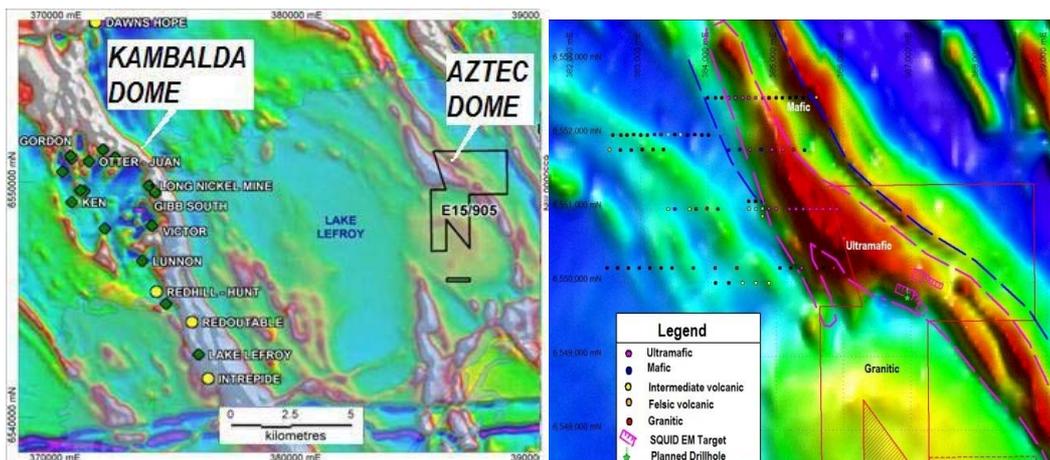
LEFROY NICKEL PROJECT

The Lefroy Nickel Project is located over the Aztec Dome, a large-scale domal geological feature that has been identified from regional geophysics that shows comparable structural and stratigraphical similarities to the Kambalda Dome and related komatiitic hosted nickel province 15km to the west.

Aragon completed a SQUID EM in 2009 which defined a number of compelling EM anomalies considered to have possibilities of representing accumulations of nickel sulphides at the base of a highly magnetic komatiitic flow.

Two-(2) diamond drill holes totalling 490 metres designed to determine the underlying geology and source of the EM anomalies was completed during the period. Aragon is pleased to report that diamond hole LFD002 has successfully intersected 26 meters of strongly magnetic komatiitic stratigraphy. No massive nickel sulphides are present in the cores. A detailed petrological and multi element geochemical study of the drill core is underway to assist in interpretation of results and the postulate on the source of the EM anomalies.

Aragon has planned down-hole EM geophysical survey, which will provide additional data to assist in the understanding of the subsurface geology and possibly locate conductive targets near the drill holes has been postponed due to wet weather. The survey is scheduled to begin once access to the lake surface is possible.



Left: Regional magnetic image of the nickel rich Kambalda Dome and the under explored Aztec Dome. Right: showing coincident favourable host lithology interpreted from previous drilling along strike of Aragon's defined SQUID EM anomaly and drill target.

CORPORATE

WESTGOLD TAKEOVER FOR ARAGON

On 7 February Westgold Resources Limited ("Westgold") advised its intention to make an off-market takeover offer for all of the issued shares and options in Aragon that it does not already own. The consideration offered by Westgold is one (1) Westgold share for each one (1) Aragon share and one (1) Westgold option (to acquire a Westgold share) for each Aragon option (to acquire an Aragon share) at equivalent exercise dates and exercise prices.

To determine the response to the offers and guide the process Aragon established an Independent Committee of the Board that includes CEO and Executive Director Paul Benson, Non Executive Directors Mr Brian Thomas and Mr Ben Pollard. Pursuant to Section 192 of Corporations Act Director and Chairman, Mr Peter Cook was excluded from all deliberations and voting on matters relating to the off-market takeover bid by Westgold due to his conflicting interests (as a director of Westgold and a Director of Metals X Limited, Westgold's major shareholder and Aragon's second largest shareholder).



The Independent Committee of the Board appointed Independent expert, BDO Corporate Finance (WA) Pty Ltd (“BDO”), and independent technical expert, Golder Associates Pty Ltd, to provide an independent opinion of the Westgold offer into the Target Statement.

The Target Statement was released to the market on the March 23, 2011 and is available from the Aragon website. BDO concluded that Westgold’s Offers are fair and reasonable and the Aragon Voting Directors unanimously recommended that Aragon Shareholders **ACCEPT** the Share Offer and the Option Offer in the absence of a superior proposal.

On April 19, 2011 Westgold advised that it had achieved greater than 90% acceptances for the takeover offers of Aragon and had proceeded to compulsory acquisition of the remaining shares and options in Aragon. Aragon’s shareholders have reacted strongly in favour of the offer and as at April 29, 2011 Westgold held voting rights over 95.2% of Aragon’s issued capital.

TERRITORY PHOSPHATE PTY LTD SALE

As previously advised Aragon has complete the sale of its wholly owned subsidiary, Territory Phosphate Pty Ltd to Rum Jungle Resources Ltd (ASX code: RUM) during the quarter. The total sale consideration was \$1,000,000 in cash and 16,000,000 fully paid ordinary shares in Rum Jungle. Aragon has placed a 12-month voluntary escrow period commencing 8 February 2011 on 50% of the equity component (8,000,000 fully paid shares in RUM) of the consideration. The resulting 11.2% shareholding provides exposure to the broader commodity base of potash, phosphate, uranium and base metals. Aragon’s shareholding in RUM has a market value of approximately AU\$8 million.

CASH AND CAPITAL STRUCTURE

As at 31 March 2011 Aragon is debt free, has \$14.2 million in cash including \$3.3 million in cash backed performance bonds.

The capital structure of Aragon is:

Shares:	233,144,805
Unlisted options:	24,175,000

Enquires:

Paul Benson – CEO/Executive Director

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Phone: +61 8 9220 5600

Competent Persons Statement

The information in the tables in this report that relate to exploration, mineral resources or ore reserves is based on information compiled by Mr. Paul Benson (B.Sc.) who is a full time employee of Aragon Resources Ltd and a member of the AusIMM. Mr. Benson has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a competent person as described by the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Benson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Disclaimer

This release has been prepared by Aragon Resources Limited (“Aragon” or the “Company”). This release contains forecasts and forward-looking statements. Such forecasts, projections and information are not a guarantee of future performance, involve unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied.

The information in this release that relates to exploration and production targets refers to targets that are conceptual in nature; there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



APPENDIX

March Quarter Drilling Table:

Hole ID	Prospect	Hole Type	N_MGA	E_MGA	RL	Dip	Azi	Depth	Drilling Status	Assay Status
CDRC0684	City of Chester East	RC	6976846	579530	446	-60	265	38	Complete	7m @ 1.2g/t from 13m
CDRC0685	City of Chester East	RC	6976847	579541	446	-60	265	55	Complete	6m @ 0.45g/t from 30m
CDRC0686	City of Chester East	RC/DD	6976687	579612	446	-60	265	126.07	Complete	8m @ 4.36g/t from 66m; 1m @ 4.23g/t from 80.5m
CDRC0687	City of Chester East	RC	6976689	579627	446	-60	265	120	Complete	Pending
CDRC0688	City of Chester East	RC	6976717	579543	446	-60	265	80	Complete	Pending
CDRC0689	City of Chester East	RC	6976722	579563	446	-60	265	80	Complete	Pending
CDRC0690	City of Chester East	RC	6976726	579582	446	-60	265	80	Complete	Pending
CDRC0691	City of Chester East	RC	6976731	579602	446	-60	265	80	Complete	Pending
CDRC0692	City of Chester East	RC	6976735	579621	446	-60	265	80	Complete	Pending
CDRC0693	City of Chester East	RC	6976740	579641	446	-60	265	80	Complete	Pending
CDRC0694	City of Chester East	RC	6976639	579561	446	-60	265	80	Complete	Pending
CDRC0695	City of Chester East	RC	6976644	579581	446	-60	265	80	Complete	Pending
CDRC0696	City of Chester East	RC	6976648	579600	446	-60	265	80	Complete	Pending
CDRC0697	City of Chester East	RC	6976653	579620	446	-60	265	80	Complete	Pending
CDRC0698	City of Chester East	RC	6976657	579639	446	-60	265	80	Complete	Pending
CDRC0699	City of Chester East	RC	6976662	579659	446	-60	265	90	Complete	Pending
CDRC0700	City of Chester East	RC	6976756	579534	446	-60	265	80	Complete	Pending
CDRC0701	City of Chester East	RC	6976765	579573	446	-60	265	100	Complete	Pending
CDRC0702	City of Chester East	RC	6976795	579525	446	-60	265	80	Complete	Pending
CDRC0703	City of Chester East	RC	6976600	579570	446	-60	265	80	Complete	Pending
CDRC0704	City of Chester East	RC	6976566	579599	446	-60	265	85	Complete	Pending
CDRC0705	City of Chester East	RC	6976618	579648	446	-60	265	90	Complete	Pending
CDRC0706	City of Chester East	RC	6976609	579609	446	-60	265	80	Complete	Pending
CDRC0707	City of Chester East	RC	6976774	579612	446	-60	265	80	Complete	Pending
CDRC0708	City of Chester East	RC	6976804	579564	446	-60	265	80	Complete	Pending
CDRC0709	City of Chester East	RC	6976813	579603	446	-60	265	80	Complete	Pending
CDRC0710	City of Chester East	RC	6976575	579638	446	-60	265	80	Complete	Pending
CDRC0711	City of Chester East	RC	6976584	579677	446	-60	265	90	Complete	Pending
CDRC0712	City of Chester East	RC	6975925	579290	446	-60	270	90	Complete	Pending
TRRD001	Trenton	DD	6960170	582720	430	-60	75	474.36	Complete	4.16m @ 0.81g/t from 430m; 1m @ 0.88g/t from 453m
TRRD002	Trenton	DD	6960112	582760	430	-60	75	462.2	Complete	0.76m @ 1.87g/t from 408m; 1m @ 1.54g/t from 416m; 2m @ 0.5g/t from 424m; 3.7m @ 1.43g/t from 430m
CMM0005	Big Bell	DD	6977479	564946	440	-70	299	751.7	Complete	Pending
CMM0007	Big Bell	DD	6977479	564946	440	-80	299	798.76	Complete	Pending
CMM0007W1	Big Bell	DD	6977479	564946	440	-80	299	819.61	Complete	Pending
CDAC1567	City of Chester East	AC	6974978	579125	420	-60	270	27	Complete	18m @ 0.88g/t from 8m
CDAC1564	City of Chester East	AC	6974981	579171	420	-60	270	22	Complete	4m @ 1.15g/t from 16m
CDAC1576	City of Chester East	AC	6975926	579269	420	-60	270	43	Complete	18m @ 1.35g/t from 24m
CDAC1577	City of Chester East	AC	6975930	579249	420	-60	270	51	Complete	16m @ 2.41g/t from 4m
LFDD001	Lake LeFroy	DD	6549800	386950	284	-60	0	240	Complete	Pending
LFDD002	Lake LeFroy	DD	6549870	387690	284	-60	55	264	Complete	Pending



CMGP: Mining Reserve Estimate – Underground Mines

Deposit	Probable Ore Reserve Estimate		
	Tonnes	Grade (g/t Au)	Ounces
Big Bell Underground	2,895,000	4.2	390,000
Golden Fingall Underground ¹	878,000	8.0	224,000
Total	3,773,000	5.1	614,000

Modifying Factors

The Mining Reserve Estimates (Probable JORC Classification) include mining dilution and ore extraction factors.

The mine evaluation studies conducted or commissioned by Aragon apply a gold price of AU\$1,250 and state royalty of 2.5%. Nominal ore process operating unit cost of \$25 per tonne have been used in the studies and metallurgical recoveries are based on actual historical data for the mines when in operation:

- Big Bell – Mining dilution of 20% applied to ore production, mine extraction factors of 85% are estimated. Metallurgical recoveries of 90% are applied.
- Golden Fingall - Mining dilution of 10% applied, mine extraction factors of 80% are estimated. Metallurgical recoveries of 95% have been applied

CMGP Resource Table (* denotes underground resource).

Mining Centre/ Deposit	Measured			Indicated			Inferred			Total Resource		
	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz	Tonnes ('000s)	Au g/t	Au Oz
Murchison Bell												
1600N/Shocker				415	2.5	33,000	359	3.2	37,000	774	2.8	70,000
Big Bell*				5,153	4.5	747,000	7	4.9	1,200	5,161	4.5	748,000
Fender				71	4.1	9,000				71	4.1	9,000
North Fender				385	1.7	21,000	578	1.6	30,000	963	1.7	51,000
Sub-total				6,024	4.2	810,000	944	2.2	68,200	6,969	3.9	878,000
Cuddingwarra												
Black Swan				222	3.5	25,000	1	1.3		223	3.5	25,000
Black Swan South				315	3.5	35,000	1,816	3.8	224,000	2,131	3.8	259,000
Chieftain				50	3.1	5,000	75	3.4	8,000	125	3.3	13,000
City of Chester				28	2.3	2,000	82	2.4	6,000	110	2.4	8,000
City of Sydney	4	1.6		62	2.1	4,000				65	2.0	4,000
Golden Gate				65	3.0	6,000	1	2.6		66	3.0	6,000
Rheingold							89	3.8	11,000	89	3.8	11,000
Rheingold South	23	3.3	3,000	82	3.6	10,000	96	3.4	11,000	202	3.5	23,000
Sub-total	27	3.0	3,000	824	3.3	87,000	2,160	3.7	260,000	3,011	3.6	349,000
Day Dawn												
3210				50	3.3	5,000				50	3.3	5,000
Golden Crown*				551	9.6	169,000	91	5.4	16,000	642	9.0	185,000
Great Fingall				349	1.9	21,000	1,500	1.4	67,000	1,849	1.5	88,000
Great Fingall*¹				1,034	10.2	340,000	271	6.5	56,000	1,305	9.4	396,000
Kinsella	1	2.9		54	3.1	5,000				55	3.1	6,000
Mt Fingall							30	3.1	3,000	30	3.1	3,000
Rubicon	19	2.9	2,000	50	2.3	4,000	12	1.3		80	2.3	6,000
South Fingall				36	2.8	3,000	28	3.1	3,000	65	3.0	6,000
Try Again	1	1.8		12	3.2	1,000	178	3.1	17,000	192	3.1	19,000
Yellow Taxi				80	2.4	6,000	15	2.9	1,000	94	2.5	7,000
Yellow Taxi South							37	4.3	5,000	37	4.3	5,000
Sub-total	21	2.8	2,000	2,216	7.8	554,000	2,162	2.5	168,000	4,399	5.1	726,000
Sub Total In situ	47	3.3	5,000	9,064	4.98	1,451,000	5,266	2.9	496,200	14,379	4.23	1,953,000
Stockpiles												
Great Fingall				108	1.0	3,000				108	1.0	3,000
Fingall Sands				34	1.2	1,000				34	1.2	1,000
Stockpiles				142	0.9	4,000				142	0.9	4,000
TOTAL	47	3.3	5,000	9,206	4.9	1,455,000	5,266	2.9	496,200	14,521	4.2	1,957,000

¹ Great Fingall Claim: There is a 49% joint venture interest claim over the Great Fingall deeps orebody from 500 metres below surface by virtue of a farm-in agreement signed in 1984 and passed down through the various owners. Great Fingall Mining has lodged a caveat against M21/7 (the tenement the subject of the Great Fingall Deposit). The current total resource included in the area of the claimed JV is approximately 927,000 tonnes @ 9.1g/t Au for 271,000 ounces. The current Mining Reserve Estimate (Probable JORC classification) in the JV area is estimated at 502,000 tonnes @ 6.6g/t Au containing 107,000 ounces. There is currently no formal joint venture agreement in place between Aragon and Great Fingall Mining. Aragon continues to be in discussions with Great Fingall Mining about this matter and will advise the market of any material results.

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Aragon Resources Limited

ABN

63 114 714 662

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(719)	(4,210)
(b) development	-	-
(c) production	-	-
(d) administration	(704)	(1,436)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	195	440
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,228)	(5,206)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(31)	(43)
1.9 Proceeds from sale of: (a) prospects	1,000,000	1,000,000
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	969	957
1.13 Total operating and investing cash flows (carried forward)	(259)	(4,249)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(259)	(4,249)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	7,313
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	-	(309)
	Net financing cash flows	-	7,004
	Net increase (decrease) in cash held	(259)	2,755
1.20	Cash at beginning of quarter/year to date	14,431	11,417
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	14,172	14,172

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	92
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,300
4.2 Development	-
4.3 Production	-
4.4 Administration	350
Total	1,650

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	972	11,081
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	13,200	3,350
Total: cash at end of quarter (item 1.22)	14,172	14,431

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL25183	All Directly held	100%	0%
	EL25184		100%	0%
	EL25185		100%	0%
	EL27082		100%	0%
	E36/707		100%	0%
6.2 Interests in mining tenements acquired or increased	P20/2133	Directly held	Nil	100%

+ See chapter 19 for defined terms.

Appendix 5B
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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	232,994,805	232,994,805		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	1,250,000 100,000 2,500,000 650,000 17,500,000 1,000,000 400,000 1,025,000		Exercise price 30 cents 30 cents 21 cents 21 cents 20 cents 20 cents 22 cents 32 cents	Expiry date 31/05/2011 01/07/2011 30/11/2012 30/11/2013 30/12/2013 07/01/2013 24/08/2014 11/01/2014
7.8 Issued during quarter	1,025,000		32 cents	11/01/2014
7.9 Exercised during quarter				
7.10 Expired during quarter	200,000		30 cents	13/08/2010
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

