

Quarterly Activities Report For The Period Ending 31 December 2010

Highlights for the quarter ending 31 December 2010

- Company enters into further Confidentiality Agreements in connection with the potential sale of Magnetite Range.
- Discussions with potential Chinese purchasers of Magnetite Range progressed to an advanced stage with review of drill and other core data completed. Planned field visit by Chinese parties during December deferred due to travel difficulties and now expected after Chinese New Year 2011.
- Expenditures and ongoing studies at Magnetite Range scaled back to essential metallurgical, process engineering and infrastructure aspects whilst sale discussions continue.
- The company is preparing work programmes at its gold and vanadium projects.
- Geochemical soil sampling was completed at Katanning project in anticipation of drilling in H1 - 2011.
- Untested portion of the mineralized Hope River shear, extending north of the anomalous Hope River prospect area, was identified for further testing at the Arcadia project area in Meekatharra.

Capital Structure	
Ordinary Fully Paid Shares @ 31 December 2010	170,000,233
Unlisted Options 20c (expire 30 June 2011)	3,000,000
Unlisted Options 30c (expire 14 September 2012)	3,500,000
Unlisted Options 20c (expire 1 Dec 2012)	11,000,000
12 month high-low	\$0.46 - \$0.13

Directors & Management	
Ian Hastings	Executive Chairman
Jun Sheng Liang (alternate Jie You)	Non Executive Director
Ian Richer	Executive Director
Ranko Matic	Company Secretary
Philip Ash	Exploration Manager

Top 10 Shareholders	No.	%.
Rich Mark Development (Group) Pty Ltd	27,640,589	16.26%
Grandmaster Fortune Limited	21,563,608	12.68%
Xinyang Resources (HK) Limited	15,000,000	8.82%
Sino Oriental International Limited	10,000,000	5.88%
Cascade Holdings Pty Ltd	5,850,000	3.44%
Mr Bin Cui	5,569,653	3.28%
Academic Growth Institute Fund Pty Ltd	3,000,000	1.76%
ABN AMRO Clearing Sydney Nominees Pty Ltd	2,517,907	1.48%
Mr Kevin Weeks <Weeks Super Fund A/c>	2,145,000	1.26%
Mrs Li Zhao	2,102,500	1.24%

Corporate

Sale discussions for the Magnetite Range project continued with a number of interested Chinese groups. A proposed end of quarter visit to Australia by one prospective purchaser was deferred until after Chinese New Year due to travel difficulties.

In anticipation of a favourable outcome at Magnetite Range, Accent has commenced looking at new project opportunities and has reduced developmental expenditures and work on the Magnetite Range project.

Fiona Li Kit-Chi retired as a Director at the company's AGM in November.

Magnetite Range Iron Project

Ongoing studies at Magnetite Range were reduced to essential metallurgical, process engineering and infrastructure aspects whilst sale discussions continue. Final reporting is awaited.

Metallurgical and Engineering studies

An ongoing options study report, comparing and contrasting four proposed flow sheets, has selected option 1B for consideration in the next phase of work. The option 1B flow sheet comprises two stage crushing (primary and open circuit secondary) followed by high pressure grinding rolls (HPGR), primary magnetic separation, ball milling and secondary magnetic separation, tailings thickening, slurry disposal / water return, concentrate thickening and filtration. The optimum grind size for primary magnetic separation is considered to be a P80 of 800µm. The optimum grind size for secondary magnetic separation is considered to be a P80 of 50µm for low silica ore and finer P80 of 25µm for high silica ore.

In the course of ongoing studies ACS consultants examined electric power and water infrastructure requirements and the shipping of magnetite concentrate by road / existing light rail or a slurry pipeline to Geraldton port. Preliminary operating costs of approx \$58.88 - \$61.56 / tonne dry concentrate is indicated for low SiO₂ and high SiO₂ ore respectively. This includes a basic processing cost of \$25.84. These operating costs, are reduced considerably to approximately \$34.4 - \$37.17 for slurry pipeline transport. Capital costs of up to \$815 million is indicated for a nominal 4Mtpa concentrate plant, including provision for supply of electric power, water, camp, initial tailings storage and road / rail upgrades and additions to treat high SiO₂ ore.

Future Work

The Company is in advanced discussions to sell the Magnetite Range project and is now actively looking for new project opportunities. The Company anticipates reduced expenditure, studies and activity on the Magnetite Range project now that it is offered for sale and will embark on a search for projects complimentary to its existing gold and vanadium opportunities.

The development options for Magnetite Range will take precedence and continue to be explored with China investors and potential partners.

Katanning Titanium Vanadium Project

Geochemical soil sampling traverses were completed over an additional 10 targets. Anomalous V₂O₅ assays coincident with aeromagnetic features were returned in four areas and require field follow up. All data is being evaluated for proposed drilling in H2 - 2011.

Arcadia Gold Project—Meekatharra

Evaluation of data indicates a minimum 2km untested strike of the mineralized shear extending north of the Hope River prospect area. The area was previously discounted as having very deep sedimentary cover but this is now recognized as being between 10 to 24m deep. The Hope River prospect is characterized by a large number of anomalous intersections up to 8m @ 4.24 and 3.89 g/t Au that require follow up. The suitability of either MMI soil or AC drill testing of the untested shear, and follow up drilling at Hope River prospect, will be investigated.

Yours faithfully,
Accent Resources NL

Ian Hastings
Chairman

For further details contact:
Ian Hastings - Executive Chairman 03-86865792 or Philip Ash - Exploration Manager 08-94813006

The information in this report that relates to exploration results, mineral resources or ore reserves has been compiled by Mr Philip Ash MAusIMM who is a full time employee of Accent Resources NL. Mr Ash has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a competent person as defined in the 2004 edition of the Australasian Code for the reporting of exploration results, mineral resources and ore reserves. Mr Ash consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.