



ASX: EAF

MARCH 31, 2012

MARCH 2012 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- **Primary Prospecting Right for Mkuju Resources Limited awarded and transferred.**
- **Second license application accepted and recommended for issue to Mkuju Resources Limited.**
- **First 12 Month Work Program and Budget for Mkuju Joint Venture Approved**
- **Work on Mkuju Joint Venture Commences**
- **Finalized Plans for Follow-up Drill Campaign on Eastern Rift Project**

Mkuju Joint Venture

At the end of March 2012 the board of Mkuju Resources Ltd, which hosts the Company's joint venture with Korea Resources Corporation ("KORES"), has approved its first 12 month exploration work program and budget. The plan covers early stage exploration activities at the Mkuju South uranium project in Tanzania.

The exploration program is intended to develop the knowledge and understanding of the potential mineral deposits on the project in order to produce a series of independent technical reports and declare a resource statement at the project. Work on the program commenced on the 15th of April 2012.

The overall follow-up program will include:

- Detailed field work to investigate low order surface anomalies that may represent uranium leakage and is aimed at surveying breakaway faces where the sand cover is thinner and where sandstone outcrops can be expected. The programme covers a large area following the trend from Quarto to Foolscap and to the south of Foolscap heading towards the border with Uranex and its Likuyu North project and commenced in December 2011 already.

ABN 36 060 774 227

288 Stirling Street, Perth WA 6000 PO Box 8260, Perth Business Centre, WA 6849

Tel: +61 8 9227 3270 Fax: +61 8 9227 3211

Email: info@eastafricareresources.com.au

- A drill campaign as well as analysis and interpretation of drill samples, upon successful completion of the field work program.

The exploration work is led and controlled by a contracted Project Geologist, under the guidance of an Exploration Manager, and professionally supervised by a contracted Competent Person. Subject to the results of the current follow-up ground survey, it is expected that the drill program will commence during Q3 of 2012. Results from the 12 month work program will be reported on a quarterly basis.

Mkuju Project

The Mkuju South project remained on care and maintenance during the first quarter 2012 in anticipation of the end of the rain season, as well as the full execution of the Joint Venture Agreement announced during the previous quarter. The 2012 field program started on 15 April 2012. Site access road repair will be followed by immediate resumption of geological mapping and ground radiometric surveys along the defined regional uranium trend.

It is expected to develop high grade surface anomalies as immediate drill targets, as well as gain a better understanding of the regional geology in order to target specific stratigraphic horizons with deeper drilling. Drilling is scheduled for the third quarter of 2012 based on the assumption of further positive results from the field program.

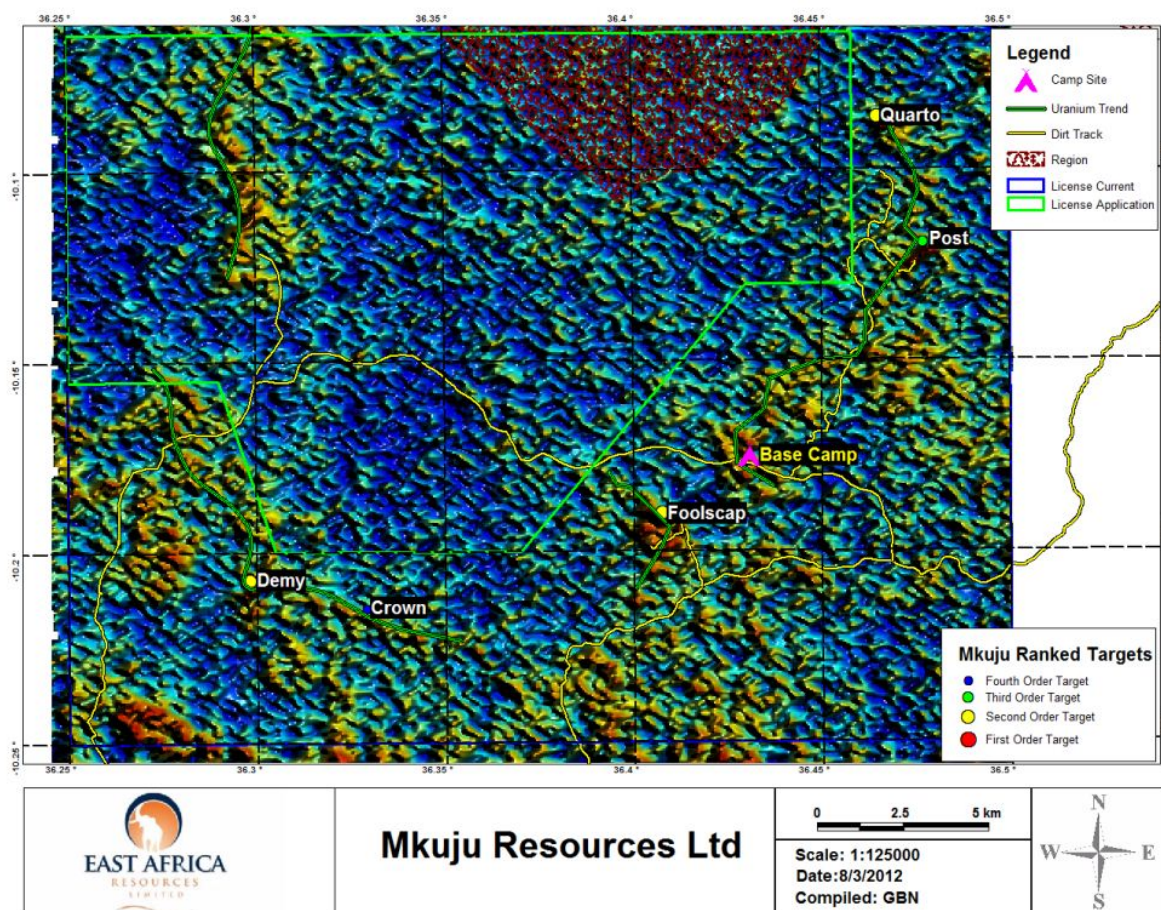


Figure 1 : Mkuju Radiometric Anomalies

Eastern Rift Project

The 2012 field program re-mobilized early in January 2012 using the town of Mto wa Mbu as a field base. The uranium system around the Eastern Rift of Tanzania is not well understood and exploration activities focused on understanding the regional geology while also developing specific exploration targets.

Detailed geological mapping and ground radiometric work focused around the C1 and A1 anomalies in the north. The results of this work were used to plan an exploration drilling program, scheduled for Q3 2012.

A reconnaissance mapping excursion was conducted over the M-anomaly in the Babati area and further field work in the area is recommended.

The field work conducted to date has focused on known uranium anomalies which occur over a small part of the Eastern Rift license portfolio. During the second quarter of 2012 reconnaissance field mapping trips are planned over the entire portfolio with the hopes of generating further exploration targets and better consolidating the license portfolio.

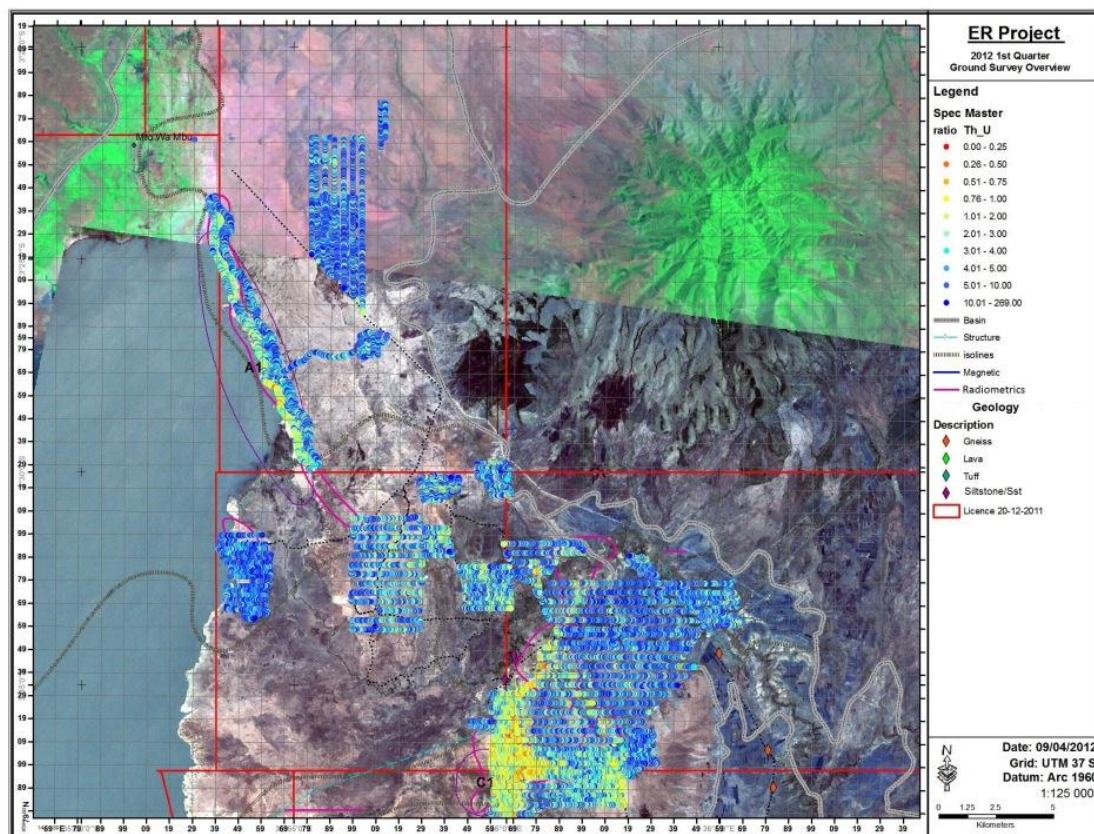


Figure 2: Results from the geological mapping focusing on the A1 and C1 anomalies.

The EAF tenement holding status in Tanzania as at 31 March 2012 is as follows:

Frontier Resources

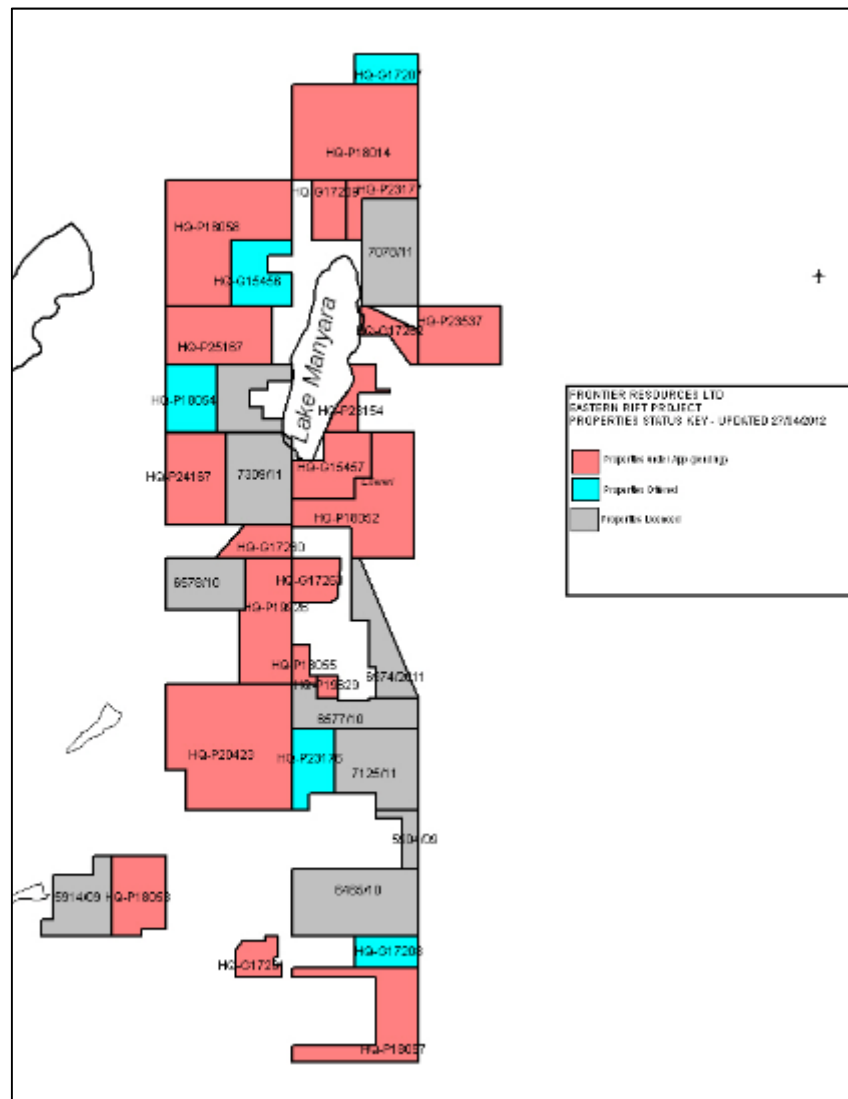


Figure 3 : Resources Tenement Snapshot as at end Q1 2012

Sterling Resources Ltd

Tenement Snapshot as at 31 March 2012

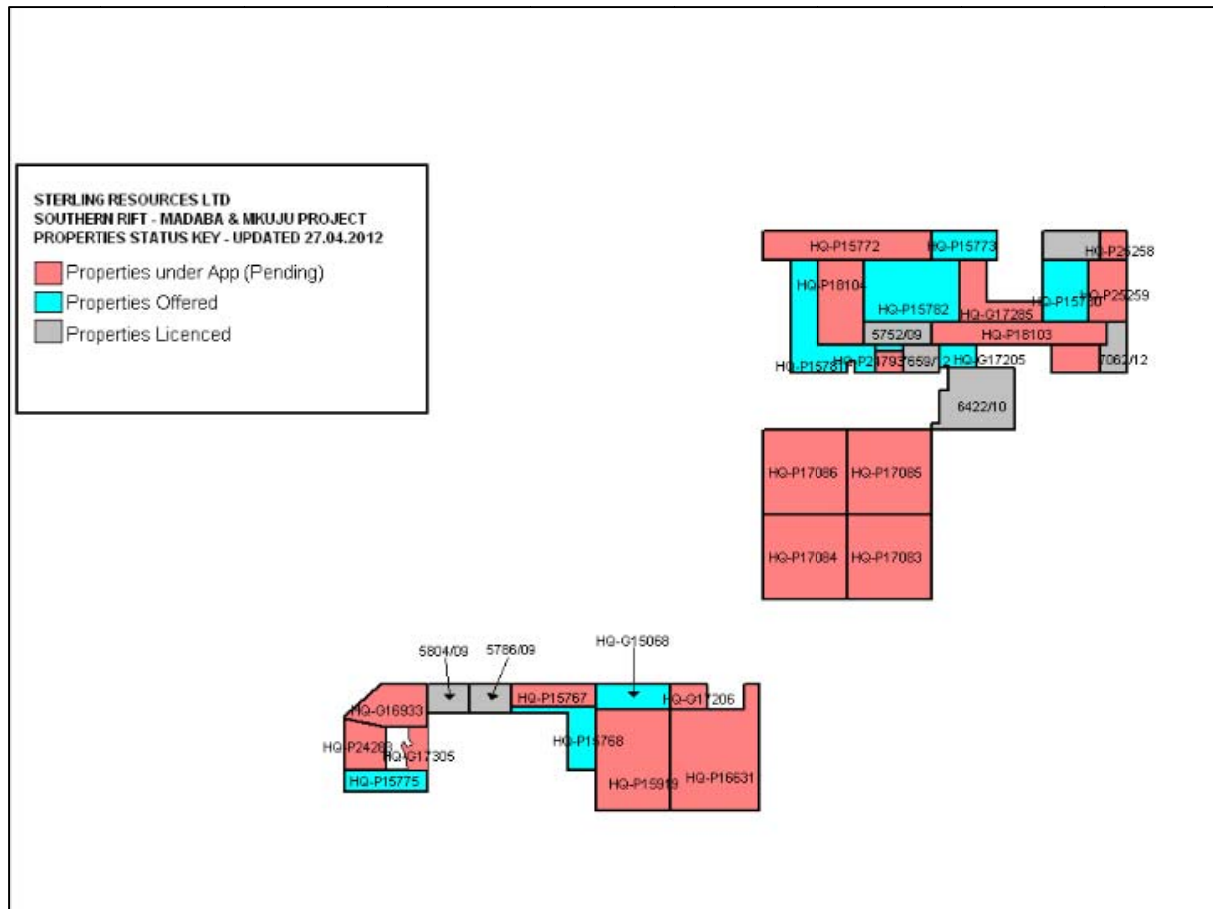


Figure 4 : Sterling Resources Tenement Snapshot as at end Q1 2012

Mkuju Resources Ltd

Tenement Snapshot as at 31 March 2012

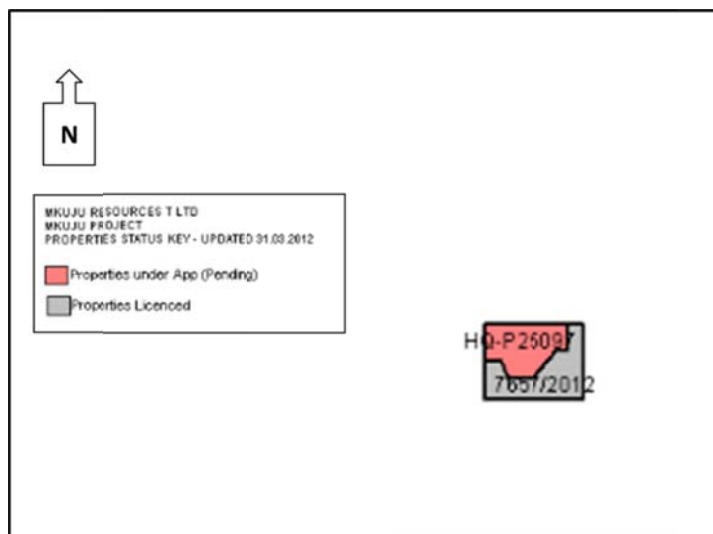


Figure 5 : Mkuju Resources Tenement Snapshot as at end Q1 2012

Yours faithfully,
For and on behalf of

EAST AFRICA RESOURCES LIMITED

Louis. L. Coetzee
Chairman

Enquiries

The Company:

Louis Coetzee
Chief Executive Officer
East Africa Resources
Email:
louis.coetzee@eastafricaresearch.com.au
info@eastafricaresearch.com.au

Media & Investor Relations:

Bill Kemmery
Managing Director
Fortbridge Consulting
Mobile: +61 (0) 400 122 449
Email: bill.kemmery@fortbridge.com

Competent Person

The information in this release, insofar as it relates to exploration results, is compiled under the supervision of Dr Joe Drake-Brockman. Dr Drake-Brockman is employed by Drake-Brockman Geoinfo Pty Limited. Dr Drake Brockman has sufficient experience which is relevant to the style of mineralisation and the type of deposit 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 the Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Drake-Brockman consents to the inclusion in the reports of the matters based on his assessment of the available information in the form and context in which it appears.