



ASX ANNOUNCEMENT

28 April 2008

Quarterly Activities Report For the Period Ending 31 March 2008

Syrah Resources conducted drilling programs at the Levuka and Lyndhurst tenements during the quarter. At the White Lead prospect at Lyndhurst in South Australia, oxide copper mineralisation was intercepted in a number of RC drill holes. Assays are now pending.

The Company continues to seek acquisition or joint venture of advanced exploration projects and assessed a number of Australian and overseas projects during the quarter.

Levuka Project, Mt Isa Inlier, NW Qld

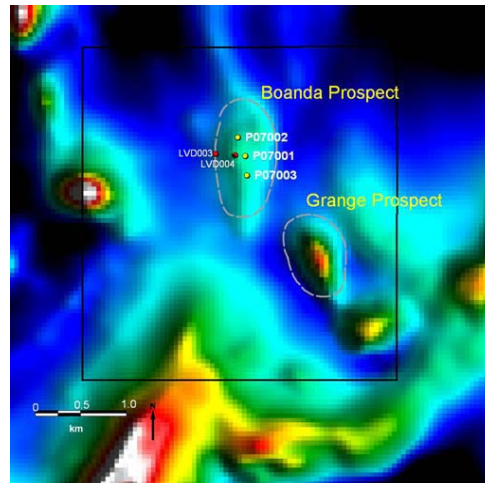
A diamond drilling program was conducted at the Boanda Prospect. Boanda is approximately 70km southeast of Cloncurry. Three diamond drill holes, ranging from 270m to 304m, were completed for a total of 858m. The drilling was conducted as follow up to Cu-Au mineralisation (4m at 0.9% Cu and 0.76g/t Au) recorded by Shell Billiton during their 1991 drilling program. The mineralisation in Shell Billiton's LVD004 drill hole is hosted by graphitic schists. The aim of the Syrah drilling program was to target possible down-dip and along-strike extensions of the mineralisation.

- Drill hole LVD005, collared 80m to the east of LVD004 to test down-dip extensions, intersected a sequence of amphibolites with thin calc-silicate 'inter-beds'. The target lithology which hosts the Cu-Au mineralisation in LVD004 was not intersected.
- Drill hole LVD006 was collared approximately 200m north of LVD004. Given the results of LVD005, the collar was shifted 15m west of the planned collar location. The geology recorded in LVD006 is similar to that recorded in LVD005, but with a higher percentage of calc-silicate horizons in the amphibolite sequence. The amphibolites appear to be more altered and finer grained than those intersected in LVD005.
- Drill hole LVD007 was collared approximately 200m south-south-east of LVD004. Based on the results of the first two drill holes, LVD007 was shifted 80m west of the planned collar location to provide a greater chance of intersecting strike extensions of the LVD004 mineralisation. LVD007 was the only hole to intersect the target graphitic schist. The graphitic schist displays evidence of high strain, with extensive fracturing and intervals of shearing and brecciation. Pyrite is common in the graphitic schist, occurring as veinlets, disseminations, and smears along graphitic selvages.

Selected samples were collected from all three drill holes and dispatched to ALS Chemex for laboratory analysis. Although visible copper mineralisation was not

observed in any of the drill holes, it is possible that fine-grained gold mineralisation is present. Results are expected in three to four weeks.

During the quarter consulting group Geodiscovery Pty Ltd was engaged to conduct a geophysical review of the Levuka EPM 14746 and Levuka South EPMA 16311 tenements to identify new drill targets. As a consequence of this review the Grange prospect was identified 1km southwest of the Boanda prospect in EPM 14746. Grange is a coincident magnetic and gravity high and will be considered for future drilling.



The Grange and Boanda Prospects

Further targets have been generated from the geophysical review. These will be ranked with the objective of determining priority targets for future drilling campaigns.

Lyndhurst, North Flinders Ranges, South Australia

Syrah conducted a percussion drilling program at its White Lead Prospect. White Lead is 23km east of Lyndhurst township and is accessed via the Strzelecki Track. Seven drill holes, including two step-back holes, were drilled for a total of 582m.

Previous drilling at this prospect was undertaken by Adelaide and Wallaroo Fertilisers during the early 1970s. This earlier program included vertical percussion drill holes which were drilled at 10m intervals along 500m-spaced grid lines. Best results were recorded along a section line where three adjacent drill holes recorded approximately 1% Cu over intervals ranging from 12m to 26m. The mineralised intervals are exaggerated because the vertical drill holes intersected steeply-dipping copper lodes at an acute angle.

The aim of the Syrah drilling program was to test the continuity of the mineralisation in this area. Percussion drilling was conducted along 50m-spaced grid lines, with the drill holes angled northward to test mineralisation in both the lode and the underlying diapir breccia.

Drilling results confirmed that the White Lead copper mineralisation is shallow and discontinuous along strike. Best results were observed in drill hole WLDH002, with malachite and chalcocite recorded from 1 - 28m. All samples were dispatched to ALS Chemex for laboratory analysis. Selected samples will be analysed for gold mineralisation. Results are expected in three to four weeks.

Cultural heritage clearance issues resulted in the proposed drill program at Stones Claim being postponed.

Munna, SE Qld

No activities were conducted at Munna in the quarter. In the forthcoming quarter field activities will recommence with the aim of generating targets for drilling.

Archie-Mackenzie, Mt Isa Inlier, NW Qld

It is proposed that an MMI (mobile metal ion) geochemical survey be conducted at selected locations in Archie-Mackenzie tenement area during May 2008, with a view to identifying anomalous base metal targets for future drilling.

Norfolk, Mt Isa Inlier, NW Qld

The Norfolk tenements remain at application status. No activities were conducted on these tenements in the quarter.

New Project Generation

Syrah (80%) and RMB Resources Ltd (20%) elected not to proceed with the acquisition of Exco Operations (SA), which owns the White Dam Gold Project located in South Australia.

Syrah continues to pursue advanced resource assets with the view to acquiring a core project that can provide a clear timeline to production.

Alistair Campbell
Managing Director
Syrah Resources Ltd

The information in this report as it relates to geology, geochemical, geophysical and exploration results was compiled by Mr Terry Lees, FAIG, who is a Competent Person and has 20 years experience in the minerals industry and the activities being reported on. Mr Terry Lees consents to the inclusion of this information in the form and context in which it appears in this report.

Syrah Resources - Registered Office:

Level 9, 356 Collins Street
Melbourne Victoria 3000

Syrah Resources - Directors & Management:

Mr Tom Eadie – Chairman
Mr Alistair Campbell – Managing Director
Mr Terry Lees – Exploration Director
Mr David Ogg – Company Secretary
Mr David Louwrens – Exploration Manager