



ASX ANNOUNCEMENT

14 May 2012

Padang receives local government approval to mobilise technical team at the Paser Project, East Kalimantan

Padang Resources Limited (ASX: PXR) (**Padang or Company**) is pleased to announce that it has received local government approval required to gain access to the Paser Project permit area and deploy an exploration team.

With the local government approvals in place the Company has instructed the in-country technical team to mobilise a field crew and the geophysical survey provider to complete Stage 1 of the technical due diligence program.

Stage 1 of the technical due diligence program is designed to collate and validate previous exploration data, confirm the vertical and lateral distribution of the coal seams and provide an initial coal resource estimate.

Based on a positive outcome from Stage 1, the Company will plan and implement a drilling program to define a JORC compliant resource.

Next steps

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

Yours faithfully

A handwritten signature in black ink, appearing to read 'Guy Le Page', is positioned above the typed name and title.

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 resource rich Indonesian region. Padang has a strong management team experienced in 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

