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31 October 2012

Company Announcements Office
Australian Securities Exchange Limited
20 Bridge Street
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by electronic lodgement

Ashburton Minerals Ltd
("Ashburton" or "the Company")

QUARTERLY ACTIVITIES REPORT

Q4, for the period ending 30 September 2012

SUMMARY

Exploration:

- Review of results at Mt Webb ongoing, with focus on copper at Pokali, and regional anomalies, including Au, Ag, Pt and Pd
- Investigation and evaluation of new projects continuing

Corporate:

- 2012 Annual Report dispatched to shareholders
- Annual General Meeting to be held on 19 November 2012
- Cash at end of Quarter: $0.31 million

Ashburton Minerals Ltd *is an Australian based resources company primarily focused on exploration and development of quality projects that are extensively mineralised and are deemed by the Company to be prospective for large economic deposits that could generate long-term returns to shareholders. The Company's primary focus is the large* ***Mt Webb IOCG copper project*** *in Western Australia.*

EXPLORATION

MT WEBB IOCG, WA (100%)

Review of data collected from the Mt Webb project continued during the quarter ahead of proposed future field programs earmarked for the commencement of the 2013 field season.

Regional Targets

The initial phase of regional geochemical aircore drilling, completed in 2011 over the central part of the project area on a 1 km x 1 km grid (Figure 1), shows this area to contain anomalous values of a number of elements, primarily Au, Cu, Pt and Pd and to a lesser extent Ag, Cr, Ni, Zn and Pb. Maximum values for selected elements are shown in Table 1.

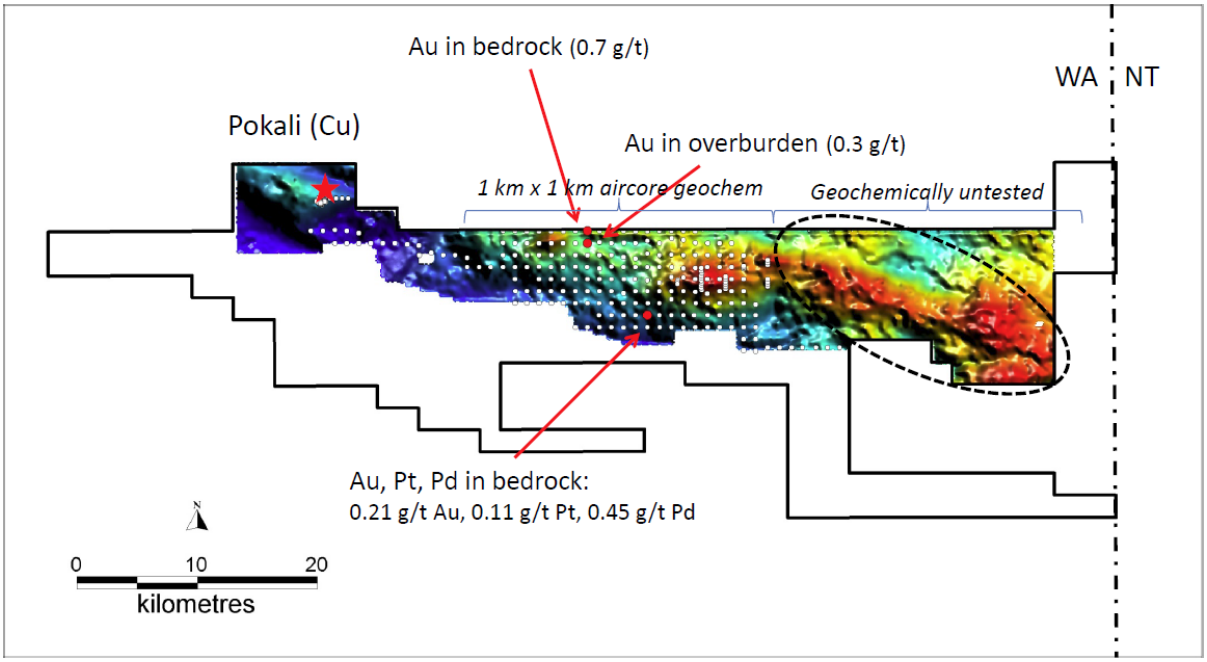

Figure 1. Mt Webb: Extent of initial geochemical survey, draped over Ashburton ground gravity survey (400 m x 400 m stations), showing selected anomalies and gravity targets in the eastern area, which is still to be tested by geochemical drilling. (*Note: Figures 1 – 3 are at the same scale to allow for ease of comparison*).

Table 1. Maximum values from central area* geochemical aircore drilling (ref Figure 1).

Element	Value	Unit
Au	701	ppb
Pt	113	ppb
Pd	445	ppb
Cu	216	ppm
Ag	3.1	ppm
Cr	5290	ppm
Ni	1170	ppm
Bi	5	ppm
Mo	5	ppm
W	30	ppm
U	10	ppm

**These values exclude results from the Pokali area.*

Future work will include closer-spaced drilling at the sites of the gold and gold/PGE anomalies shown in Figure 1 to confirm the extent and the source of the anomalism.

The detailed gravity survey completed by Ashburton in 2011 highlighted a number of gravity highs, some representing broad regional geological signatures, and others that might represent anomalies, potentially related to mineralisation (Figures 1 and 2).

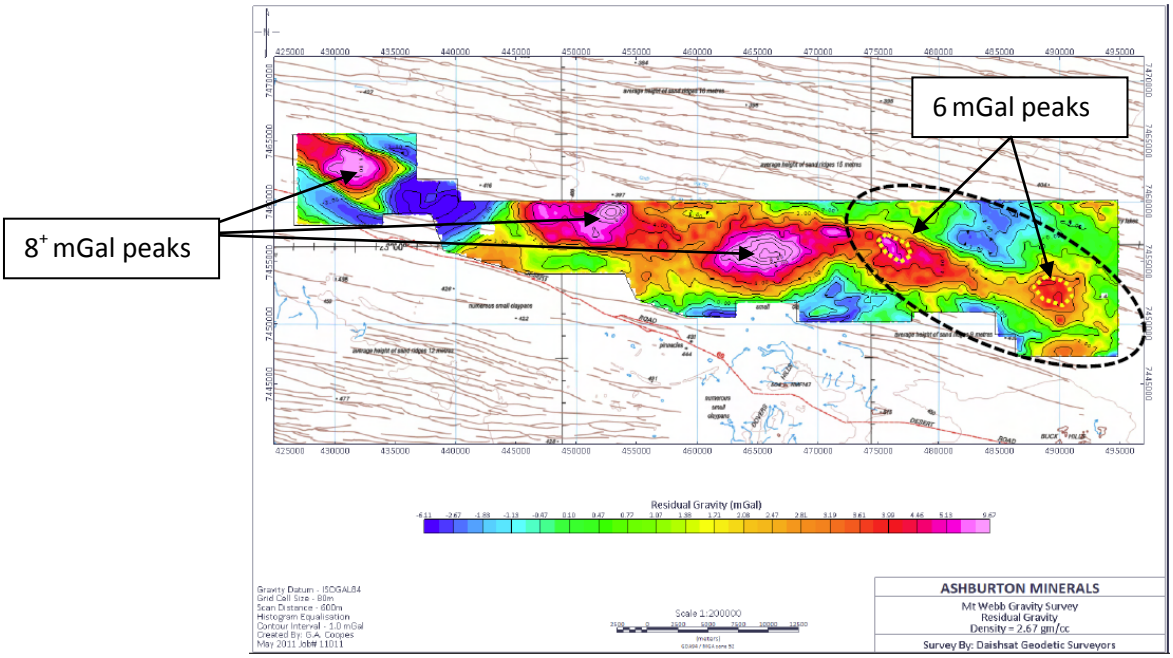

Figure 2. Mt Webb: residual gravity image showing eastern area gravity targets. (*Note: Figures 1 – 3 are at the same scale to allow for ease of comparison*).

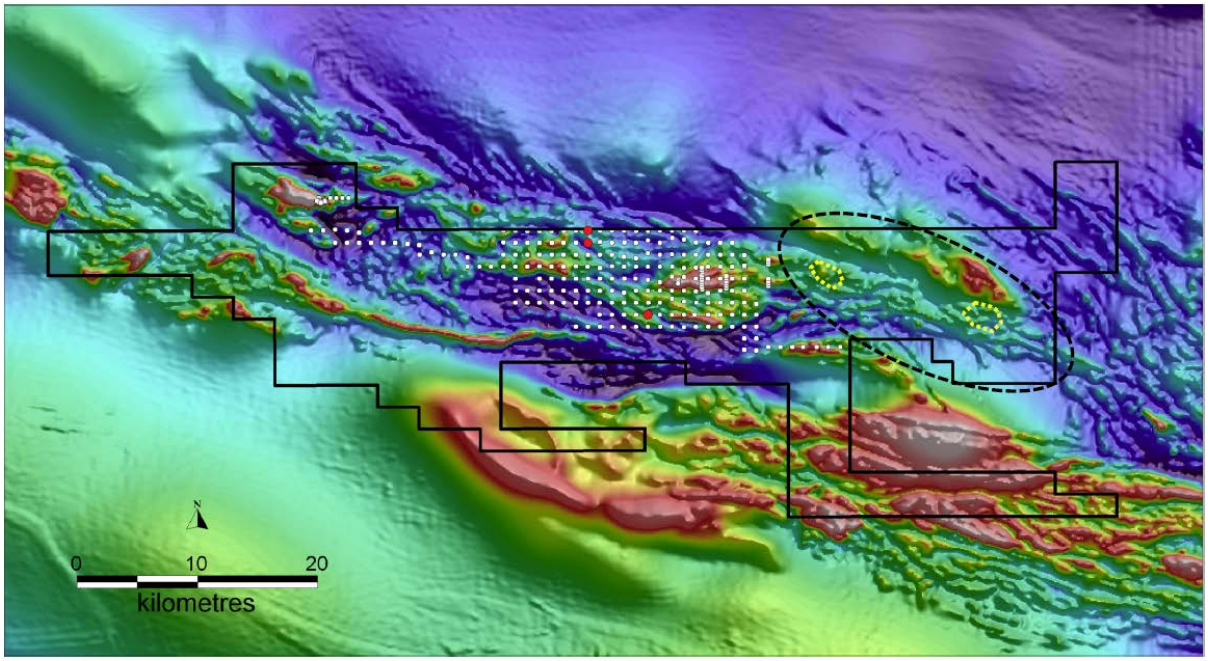

Figure 3. Mt Webb: regional aeromagnetics (TMI) image showing eastern area gravity targets within an area of suppressed magnetic response. (*Note: Figures 1 – 3 are at the same scale to allow for ease of comparison*).

Figure 2 is an image of residual gravity, being the resulting response after the effects of the Earth's underlying gravity field are removed. This image shows two possible gravity anomalies in the eastern part of the project area. These targets are of interest due to their being associated with a relatively suppressed magnetic signature (Figure 3), which might result from a change in dominant iron-oxide species, from magnetite (magnetic) to hematite (non-magnetic), a feature often associated with IOCG-style deposits. A first pass regional aircore geochemical drilling survey is planned to be implemented over this untested area at the commencement of the 2013 field season.

Pokali

Review of copper results from the drilling completed to date at Pokali shows anomalous copper mineralisation (>0.1% Cu) extending for 1.5 km east to west, and some 750 m north to south, extending to 250 m depth, and remaining open in all directions. Within this zone, the 29 holes drilled so far returned fourteen (14) discrete intercepts above 1.0% Cu, as detailed in Table 2.

The Pokali prospect therefore contains a substantial amount of copper that, in places, concentrates in 'ore grade' widths and grades, for example 32 m @ 0.46% Cu in hole PKC023 and, 650 m away, 12 m @ 1.1% Cu in PKC024, amongst others.

The next phase of work will concentrate on defining continuity, orientation and potential dimensions of these higher-grade targets.

Table 2. Pokali RC drilling to date: intercepts* above 1.0% Cu

Hole No.	From (m)	To (m)	Intercept (m)	Grade (% Cu)
PKC002	30	32	2	1.54
	36	38	2	1.14
PKC003	162	164	2	2.16
PKC004	158	160	2	1.15
PKC005	126	128	2	1.58
PKC007	46	48	2	1.14
	50	52	2	1.21
PKC008	78	80	2	1.51
PKC022	190	192	2	1.44
PKC023	100	104	4	1.66
PKC024	36	48	2	2.47
	168	172	4	1.60
	178	180	2	1.24
PKC027	222	226	4	1.36

**samples collected in 2-metre composites*

OTHER

Investigation and evaluation of new opportunities in the gold and gold-copper sector continued during the quarter, including the initiation of a review of the database of a new advanced gold project.

CORPORATE

The 2012 Annual Report and Notice of Annual General Meeting were dispatched to shareholders on 18 October 2012, with the Annual General Meeting to be held on 19 November at 3:00 pm at 'The Vic' Hotel, 226 Hay Street Subiaco, WA 6006.

During the quarter, 15,802 options were exercised at 1.0 cents each, raising $158.02.

As at the end of the quarter, on 30 September 2012, the Company held $0.31 million in cash.

Yours faithfully,

Tom Dukovcic
Managing Director

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The information contained in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Mr Tom Dukovcic who is a Member of the Australian Institute of Geoscientists. Mr Dukovcic is a full-time employee of the Company and has sufficient experience to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Dukovcic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.