



EAGLE EYE
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30 April 2008

The Company Announcements Office
Australian Securities Exchange Limited

QUARTERLY ACTIVITIES REPORT TO 31 MARCH 2008

CONSULTING GEOLOGIST'S REPORT BY BM GEOLOGICAL SERVICES KALGOORLIE

SUMMARY

Successful drilling results at Waite Kauri nickel project, with sufficient drill information having now been collected to build a mineral resource.

As part of Eagle Eye's exploration programme at the Waite Kauri nickel oxide project near Leonora in Western Australia, 54 vertical Reverse Circulation ("RC") drill holes were completed for a total of 1,797 metres during February 2008. The focus of this programme was to extend the high grade portion of the Wanaka zone and to twin existing Air Core holes to demonstrate the veracity of earlier results.

Significant nickel grades were encountered in holes WKRC1011, 1012 and 1013; and included intervals of **23 metres at 0.77% Ni, 14 metres at 1.03% Ni and 15 metres at 1.09% Ni.**

Further samples have been collected from the February RC programme to undertake metallurgical test work to obtain recovery and acid consumption information pertaining to the Waite Kauri mineralisation.

**WAITE KAURI NICKEL PROJECT, NE GOLDFIELDS, WESTERN AUSTRALIA
(P 37, 6634-6636, 6664-6665, 6757 & 6791-6792).**

The completion of the recent RC drilling programme by Eagle Eye Metals has taken the total number of holes drilled to 237. The purpose of the recent RC programme was twofold: to infill the Wannaka drill lines on 25 metre centres across strike, and deepen previously drilled air core holes that pulled up short due to penetration difficulties. In addition to this, several RC holes were twinned in an attempt to repeat earlier results. The programme was successful and ore grade mineralisation was encountered in 13 holes. Mineralised intervals up to 23 metres were achieved in this programme, representing significant depths of continuous mineralisation. All drill holes drilled in the programme were vertical, so mineralised interval equates to the true depth of mineralisation.

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A. Wanaka

The Wanaka prospect is located immediately along strike to the south of the GME Resources Ltd's Waite Kauri nickel oxide deposit (1.30 Mt @ 1.33% Ni and 0.14% Co).

The holes WKRC1001 to 1046 were drilled at the Wanaka prospect during the previous quarter for a total of 1,517 metres. The drilling at Wanaka has defined a 150 metre wide zone of nickel oxide mineralisation. Significant results at a 0.5% Ni cut off grade were achieved in this programme include:

WKRC1009 10 metres at 0.81% Ni, 0.03% Co and 8.72% Mg from 2 metres

WKRC1010 12 metres at 0.90% Ni, 0.03% Co and 8.61% Mg from 2 metres

WKRC1011 23 metres at 0.77% Ni, 0.02% Co and 9.43% Mg from 10 metres

WKRC1012 14 metres at 1.03% Ni, 0.05% Co and 6.58% Mg from 12 metres

WKRC1013 15 metres at 1.09% Ni, 0.06% Co and 4.89% Mg from 14 metres

WKRC1014 9 metres at 0.92% Ni, 0.06% Co and 2.57% Mg from 8 metres

WKRC1014 5 metres at 1.15% Ni, 0.05% Co and 7.88% Mg from 20 metres

WKRC1032 8 metres at 0.94% Ni, 0.14% Co and 3.25% Mg from 14 metres

WKRC1033 4 metres at 0.86% Ni, 0.11% Co and 6.56% Mg from 9 metres

WKRC1033 5 metres at 1.56% Ni, 0.07% Co and 3.71% Mg from 15 metres

WKRC1021 18 metres at 0.54% Ni, 0.04% Co and 2.97% Mg from 5 metres

WKRC1022 18 metres at 0.59% Ni, 0.04% Co and 4.39% Mg from 9 metres

WKRC1021 16 metres at 0.53% Ni, 0.02% Co and 3.39% Mg from 10 metres

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B. Ruapehu

To the south of Wanaka on P37/6634 (Ruapehu) the northern most line 6823750 mN intersected lower grade nickel oxide mineralisation. In particular the 2 most eastern holes, **WKRC1048 and 1049 recorded 9 metres @ 0.57% Ni and 0.05% Co from 7 metres, and 22m @ 0.66% Ni and 0.06% Co from 2 metres** below surface. These holes are 70m apart across strike and mineralisation is open to the east. This was the northern most line drilled on this tenement. No noteworthy results were recorded on line 6823550 mN which is 200m to the south. The drilling programme at Waite Kauri was cut short due to mechanical difficulties, and further drilling will be required to complete the most southern planned drill holes.

WKRC1048 9 metres at 0.57% Ni, 0.05% Co and 4.11% Mg from 7 metres

WKRC1049 22 metres at 0.66% Ni, 0.66% Co and 3.27% Mg from 2 metres

Note: Eagle Eye is preparing for release to market via ASX a more detailed Report on the overall exploration effort and results at Waite Kauri to date, and the follow up exploration programme.

WANDRY WELL NICKEL/GOLD PROJECT, NE GOLDFIELDS, WESTERN AUSTRALIA (P 31, 1701-1706).

The Wandry Well group of tenements is host to a thrustured suite of mafic, ultramafic and volcanoclastic sedimentary units abutting a granitic pluton. The geological setting has similar characteristics to the Widgiemooltha and Kambalda Domes, and may have the potential to host Kambalda style nickel sulphide mineralisation. Eagle Eye will undertake a tenement scale reconnaissance mapping and sampling programme in the June 2008 quarter, focusing on the identification of gossanous outcrop identified early in the exploration history at Wandry Well. A tenement scale ground magnetic programme will also be undertaken to assist with the delineation of drill targets.

LEONORA EAST GOLD AND BASE METALS PROJECT, NE GOLDFIELDS, WESTERN AUSTRALIA (M 37/635, 718, 1142 & P 37/6363. 6366-6369, 6397-6400, 6421-6422, 6451, 6455-6456, 6506-6515, 6674).

Eagle Eye's Leonora East project is located 18 kilometres to the north east of Leonora and encompasses an area in excess of 5,000 hectares. The project is highly prospective for Volcanogenic Massive Sulphide style deposits of Zinc, Copper and Silver analogous to the Jabiru Metals owned Jaguar deposit. Multiple targets have been identified and a ground electro-magnetics (EM) programme has been designed and will be implemented soon.

OTHER PRIORITY TARGETS

The Company is working up programmes for the exploration of the Company's highly prospective gold projects at Apollo Hill, Mertondale and Erlistoun, and we will advise details of the work to be undertaken and implementation timetables as soon as these are settled upon.

FINANCIAL REPORT

Eagle Eye continues in a sound financial position, with approx \$3.4million cash and cashable investments in hand, with all exploration projects owned outright, see attached Appendix 5B.

Yours sincerely

Wayne Ryder

Executive Chairman

Competent Person Declaration

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Darryl Mapleson of BM Geological Services, who is a member of The Australasian Institute of Mining and Metallurgy. Mr. Mapleson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Darryl Mapleson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

Wayne Ryder, Executive Chairman

Ph (08) 9385 4450
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Or consult Eagle Eye's web site as below:

ASX SHARE CODE: EYE
ASX OPTIONS CODE: EYEO

Appendix 5B

Mining exploration entity quarterly report

Name of entity

EAGLE EYE METALS LIMITED

ABN

11 113 931 105

Quarter ended ("current quarter")

31 MARCH 2008

Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(169) - - (92)	(406) - - (328)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	58	193
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(203)	(541)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets	- - (2)	- - (3)
1.9	Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	- - - -	- - - -
1.10	Loans to other entities	(27)	(51)
1.11	Loans repaid by other entities	-	30
1.12	Other – Investment in Listed Company	(57)	(57)
Net investing cash flows		(86)	(81)
1.13	Total operating and investing cash flows (carried forward)	(289)	(622)

1.13	Total operating and investing cash flows (brought forward)	(289)	(622)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – share issue expenses/refunds	-	(2)
	Net financing cash flows	-	(2)
	Net increase (decrease) in cash held	(289)	(624)
1.20	Cash at beginning of quarter/year to date	3,530	3,865
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	3,241	3,241

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	71
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.2 includes aggregates amounts paid to directors including directors fees, consulting fees and superannuation payments

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

NIL

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

NIL

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities		
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	220
4.2	Development	-
Total		220

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	32	122
5.2 Deposits at call	3,200	3,400
5.3 Bank overdraft	-	-
5.4 Other – Security Deposits/Debit Card	9	8
Total: cash at end of quarter (item 1.22)	3,241	3,530

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2		Interests in mining tenements acquired or increased		

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Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+Ordinary securities	44,010,000	34,565,000		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	37,565,000	33,120,000	<i>Exercise price</i> 20 cents	<i>Expiry date</i> 30 June 2010
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 30 April 2008

(Director/Company Secretary)

Print name: **WAYNE RYDER.**

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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