



Western Plains Gold Ltd

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12 September 2006

Company Announcements Office
Australian Stock Exchange Ltd

Capital Raising Update **Underwritten \$2 million SPP**

Further to the Company's announcement dated 6 September 2006, the Directors of Western Plains Gold Ltd (ASX code: WPG) are pleased to advise that the Company has formalised its agreement with Veritas Securities Limited (Veritas) for the following two-stage fund raising of approximately \$2.75 million.

15% Placement

The Company will forthwith carry out a 15% placement of shares (3,833,000 shares) at a price of 20 cents per share to raise \$766,600. The Placement will be made to sophisticated investors and institutions and the new shares are expected to be issued and quoted on Wednesday 13 September 2006.

\$2 million Underwritten SPP

In previous announcements, the Company advised its intention to carry out a \$2 million capped Share Purchase Plan (SPP) offer to existing shareholders, at a price of 20 cents per share. The Board is pleased to advise that Veritas has now agreed to underwrite the SPP, on standard industry terms.

The indicative timetable for the SPP offer is as follows:

Event	Indicative Date
Record Date to determine eligibility to participate in SPP offer	Monday 18 September 2006
SPP offer document postout	Wednesday 20 September 2006
SPP offer opens	Friday 22 September 2006
SPP offer closes	Monday 23 October 2006
Issue and allotment of SPP shares	Thursday 26 October 2006
Issue and allotment of SPP shortfall shares (if any) pursuant to underwriting	Subsequent to shareholders meeting proposed for late October 2006

The funds to be raised by the Company through the Placement and the underwritten SPP, totalling approximately \$2.75 million, will augment the Company's existing cash at bank of approximately \$1 million and allow the Company to:

- Expedite resource development of the Peculiar Knob Project, a significant iron ore resource located in South Australia which the Company intends to develop as a DSO mine.
- Carry out a detailed assessment of the Hawks Nest project area, which is located nearby to the south-west of Peculiar Knob, as both a source of additional DSO material and larger volume, lower grade magnetite mineralisation.
- Further exploration of high priority targets within the Company's existing gold and copper portfolio will also be undertaken.

A revised Appendix 3B New Issues Announcement (replacing the Appendix 3B released on 6 September 2006) covering the issues of shares to acquire Southern Iron Pty Ltd (and thereby the Peculiar Knob and Hawks Nest projects), the Placement and SPP referred to above, is attached.

Yours sincerely

WESTERN PLAINS GOLD LTD

Heath Roberts

Company Secretary

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

(Revised) Appendix 3B*

*Replaces Appendix 3B released 6 September 2006

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

WESTERN PLAINS GOLD LTD

ABN

51 109 426 502

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 38,055,222
1. 24,222,222 as consideration for the purchase of Southern Iron Pty Ltd, to be considered at an upcoming shareholders meeting (SI shares)
2. 3,833,000 to raise working capital (Capital Raising Shares)
3. 10,000,000 to raise working capital (SPP Shares) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | All shares to rank equally with the Company's quoted fully paid ordinary shares coded WPG. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes, refer 3 above.</p>				
<p>5 Issue price or consideration</p>	<ol style="list-style-type: none"> 1. In respect of the SI Shares, to be issued in consideration of the acquisition of Southern Iron Pty Ltd. Refer announcement to the ASX dated 24 August 2006. 2. In respect of the Capital Raising Shares and the SPP Shares, \$0.20 (20 cents) per share. 				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<ol style="list-style-type: none"> 1. In respect of the SI Shares, refer announcement to the ASX dated 24 August 2006. 2. In respect of the Capital Raising Shares and the SPP Shares, to raise working capital for the Company. 				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<ol style="list-style-type: none"> 1. In respect of the SI Shares, on a date to be advised subsequent to a shareholders meeting to be held in October 2006. 2. In respect of the Capital Raising Shares, 3,833,000 on Wednesday 13 September 2006. 3. In respect of the SPP Shares, up to 10,000,000 on Thursday 26 October 2006 (with any shortfall underwriting shares subsequent to a shareholders meeting to be held in October 2006). 				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="662 1736 965 1803">Number</th> <th data-bbox="965 1736 1412 1803">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="662 1803 965 1928">54,664,247 *</td> <td data-bbox="965 1803 1412 1928">F P Ords</td> </tr> </tbody> </table>	Number	⁺ Class	54,664,247 *	F P Ords
Number	⁺ Class				
54,664,247 *	F P Ords				

* Some of these shares will be subject to ASX and voluntary escrow. Details to be advised.

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	⁺ Class
		8,949,975	F P Ords restricted to 23.8.07
	
		3,475,000	25c ops exp 28.09.09
		3,475,000	35c ops exp 28.09.09
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	279,180	25c ops exp 23.08.08
		2,500,000	30c ops exp 16.09.08
		Refer Q3 and Q4 above	

Part 2 - Bonus issue or pro rata issue - Not applicable

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the ⁺ securities will be offered	
14	⁺ Class of ⁺ securities to which the offer relates	
15	⁺ Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

20	Names of any underwriters	<input type="text"/>
21	Amount of any underwriting fee or commission	<input type="text"/>
22	Names of any brokers to the issue	<input type="text"/>
23	Fee or commission payable to the broker to the issue	<input type="text"/>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	<input type="text"/>
25	If the issue is contingent on +security holders' approval, the date of the meeting	<input type="text"/>
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	<input type="text"/>
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	<input type="text"/>
28	Date rights trading will begin (if applicable)	<input type="text"/>
29	Date rights trading will end (if applicable)	<input type="text"/>
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	<input type="text"/>
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	<input type="text"/>

+ See chapter 19 for defined terms.

32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?

33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities NOT APPLICABLE

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b) – Not Applicable

38 Number of securities for which
⁺quotation is sought

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39 Class of ⁺securities for which
quotation is sought

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40 Do the ⁺securities rank equally in all
respects from the date of allotment
with an existing ⁺class of quoted
⁺securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

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41 Reason for request for quotation
now

Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify that
other security)

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	Number	⁺ Class
42 Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 12 September 2006
(Company Secretary)

Print name: Heath L Roberts

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+ See chapter 19 for defined terms.