



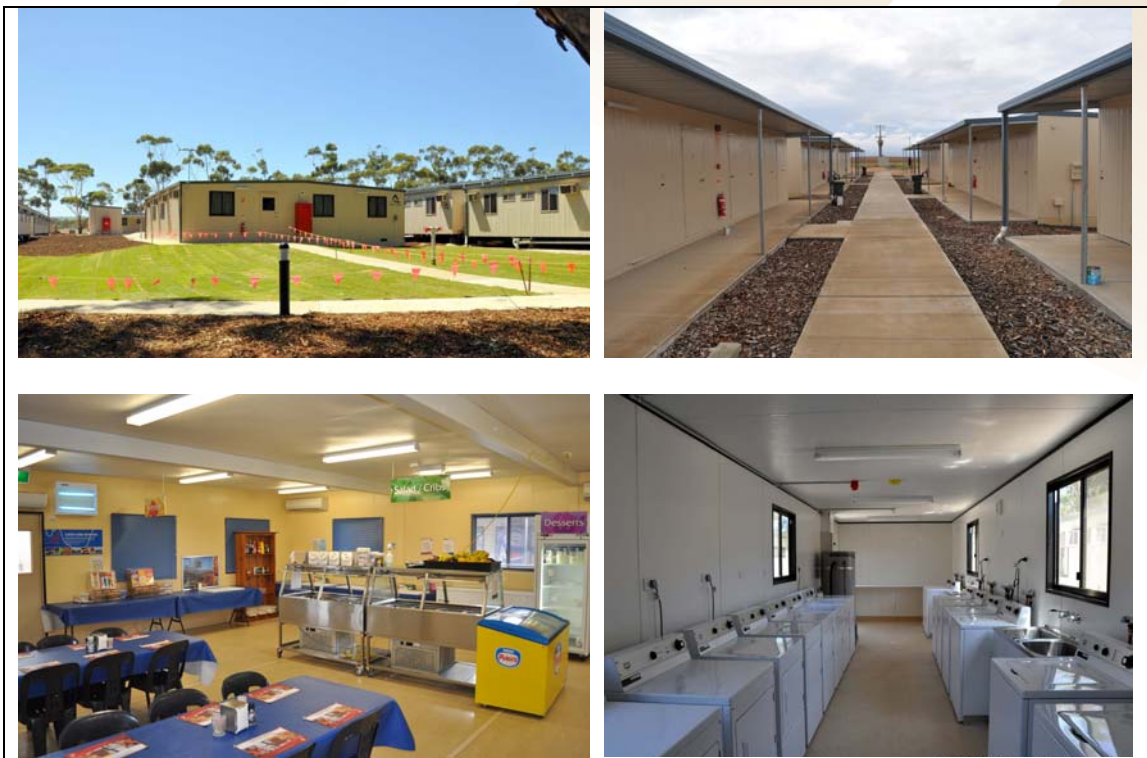
ASX and Media Release

Contract signed for the construction and installation of Peculiar Knob village

WPG Resources Ltd (ASX:WPG) is pleased to advise it has signed a binding agreement for the construction, supply and installation of the accommodation village that will be built as part of the development of the Company's Peculiar Knob high grade direct shipping iron ore (DSO) project south east of Coober Pedy in South Australia.

The contract has been awarded to Ausco Modular Pty Ltd.

Photographs of units similar to those which will be built at Peculiar Knob are shown below.

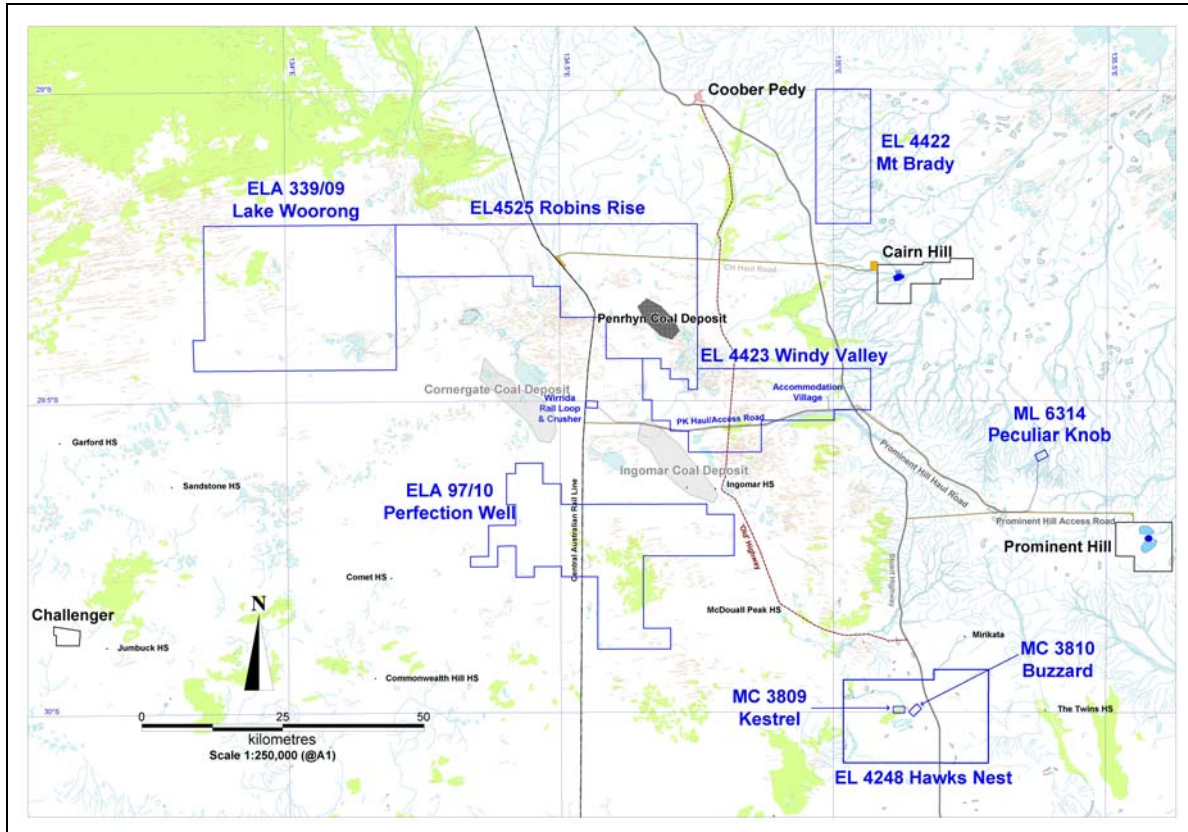


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The accommodation village will be sited 4 kilometres west of the Stuart Highway and 67 kilometres south of Coober Pedy. Its location is more or less equidistant from the Peculiar Knob minesite, the Wirrida railway siding, the Hawks Nest DSO and magnetite iron ore deposits, and the Penrhyn coal deposit as shown in the drawing below.



The accommodation village will be built in a modular format to facilitate easy expansion when access to Hawks Nest for mining purposes becomes available later this year as WPG expects, and when Penrhyn moves from the exploration to production phase. It will consist of modern, airconditioned sleeping units, initially housing just over 200 persons, a wet and dry mess, recreational facilities including a gym, BBQ and swimming pool, plus normal ablution and laundry facilities, and other infrastructure including a manager's office.

The village will be prefabricated in Adelaide and transported to site for installation. PIRSA, the South Australian State Government mining regulator, advised late last week that it now anticipates that the approvals necessary for WPG to commence construction activities on the mine and all of its associated infrastructure should become available between the first week in May and the first week in July 2011. Mining (initially, pre-stripping of waste) will start shortly after all approvals are to hand. Sales of iron ore will commence some 9 months after site access is allowed.

Further Information

For further information please contact Bob Duffin, WPG's Executive Chairman on 02 9247 3232 or 0412 234 684 or Heath Roberts, Executive Director and General Counsel on 02 9247 7359 or 0419 473 925.