



ASX and Media Release

South Australian government approves Peculiar Knob MARP and Port Pirie DA

WPG Resources Ltd (ASX:WPG) is pleased to advise that the South Australian government has approved the Mining and Rehabilitation Program (MARP) for the Company's flagship DSO iron ore mine south east of Coober Pedy, and has also approved the Company's Development Application (DA) for the iron ore receipt, storage and export facility to be built at Port Pirie.

The approvals mean that WPG can now move to the project construction phase. Site works at the mine and port will begin before the end of July. Sales are expected to commence late in the current financial year.

WPG will spend some \$170 million to bring the project into production. Contractors engaged by WPG will spend an estimated additional \$250 million on mobile plant and equipment. Some 180 jobs will be created during the 10 month construction phase. During the production phase, over 240 jobs will be created at the mine site area, with an additional 60 jobs at Port Augusta and Port Pirie.

With a reserve grade of 63.2% iron, Peculiar Knob is Australia's highest grade undeveloped iron ore deposit. It will produce 3.3 mtpa of high grade iron ore fines for a minimum of 6 years based on known resources and reserves. The Commonwealth's recent adoption of the recommendations in the Hawke Report that mining and military activities can coexist in most areas of the Woomera Prohibited Area paves the way for the development of the Buzzard DSO deposit at Hawks Nest, which will extend the project's life to more than 10 years.

WPG looks forward to developing this exciting and highly lucrative project. It will be South Australia's newest mine, and will transform the Company from explorer to producer status. WPG thanks the South Australian government, all stakeholders and shareholders for the encouragement and support given to it over the last few years.

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Further Information

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