



ASX and Media Release

Market update – joint venture with Evergreen Energy Inc

WPG Resources Ltd (ASX:WPG) refers to its several recent ASX announcements about its relationship with Evergreen Energy Inc (Evergreen) and in particular the comments made in the Chairman's Address to WPG's Annual General Meeting on 23 November 2011.

Over the last 10 days WPG has had a small team working with Evergreen in Denver, Colorado, to discuss and assist it to work its way through a number of these issues. Amongst other things this team has been undertaking further due diligence on Evergreen's K-Fuel clean coal upgrading technology prior to completion under the share subscription agreement that was referred to in WPG's ASX announcement of 10 June 2011. The due diligence has revealed a number of claims against Evergreen that may adversely affect Evergreen's ability to deliver an effective licence to the identified joint venture vehicle, Southern Coal Holdings Pty Ltd (SCH), to use the K-Fuel technology. As a result, completion under the subscription agreement is not likely to occur until those issues have been resolved. WPG is ready to consider ways it may be able to assist Evergreen with a solution. In the meantime, SCH remains under the full ownership of WPG pending a satisfactory outcome of further discussions.

Evergreen's K-Fuel process, its process engineers and its newly installed management are first class. WPG recognises that personnel with technical know-how and management skills are key elements in the successful delivery of the K-Fuel intellectual property.

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Further Information

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