

ASX and Media Release

Commencement of exploration program in the Gawler Craton area of SA

WPG Resources Ltd (ASX:WPG) has commenced a program of exploration on its tenements in the Northern Gawler Craton region near Coober Pedy in South Australia.

The Gawler Craton is host to several large producing mines and emerging mineral deposits including Olympic Dam, Prominent Hill, Challenger, Carapateena and Hillside. Several important iron ore deposits also occur in the Northern Gawler including Cairn Hill, Giffen Well and Snaefell together with the Peculiar Knob and Hawks Nest deposits that were sold by WPG in 2011 for approximately \$320 million.

WPG has completed a detailed review of past exploration on the five exploration licences that it holds over some of the most prospective ground in this area. These tenements that are shown in Figure 1 on the following page cover a combined area of 2,629 square kilometres and are considered to have excellent potential for the discovery of several types of mineral occurrences including iron oxide copper gold (IOCG), massive sulphide copper-gold-nickel, DSO haematite, banded iron formation (BIF) and gneiss hosted magnetite iron ore deposits.

The review has defined a total of 14 targets for follow-up exploration within the Muckanippie (EL 5154), Robins Rise (EL 4525) and Lake Woorong (EL 4907) tenements. The Muckanippie EL covers part of the north-western side of the large Malbooma anorthosite complex, a large circular intrusion that covers an area of approximately 800 square kilometres and comprises anorthosite, gabbro, diorite, syenite, granodiorite and granite. Elsewhere in the world similar anorthosite complexes are host to significant nickel and copper massive sulphide deposits.

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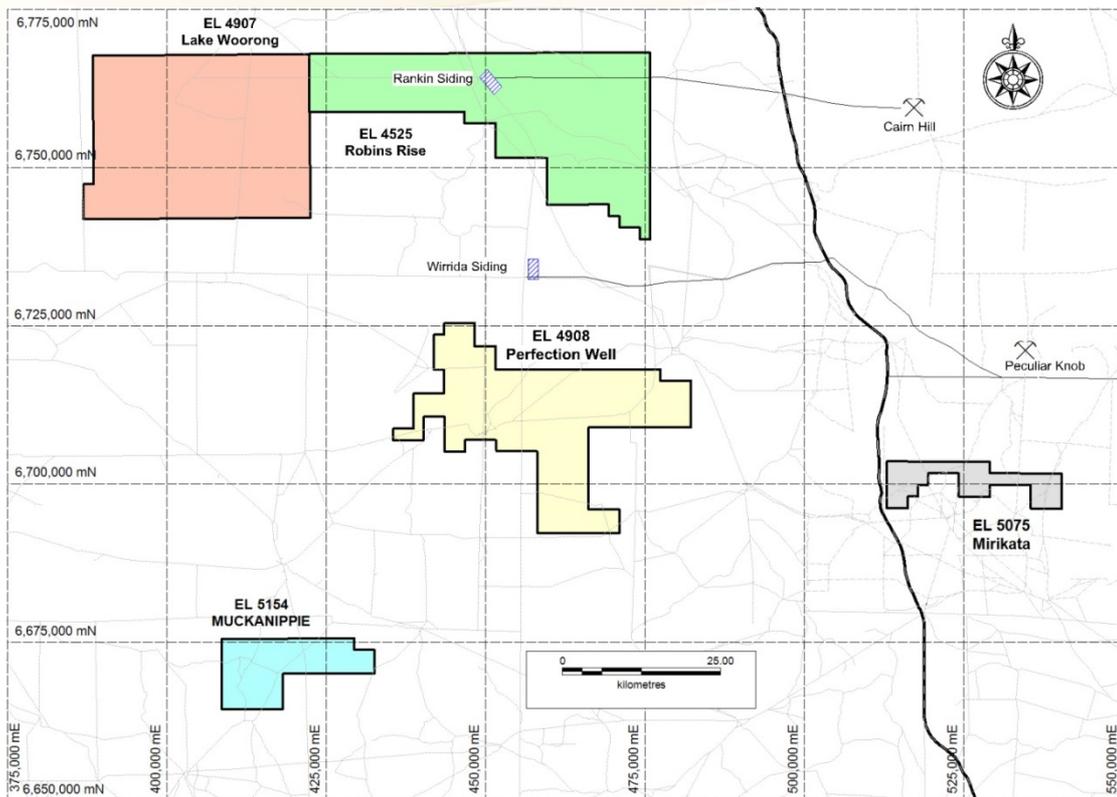


Figure 1
WPG's Tenements in the Gawler Craton near Coober Pedy

The Muckanippie project area also has good potential for the discovery of DSO iron ore deposits. A number of outcropping areas of laterite and goethite are known including the Muckanippie ironstone where previous sampling returned assays up to 50.2% Fe from an outcrop measuring 600 metres x 90 metres. Significant iron intersections were also recorded from previous RAB drilling at Nardoo South including 15 metres at 44.8% Fe. Previous drilling at the Queenie prospect intersected BIF with assays of up to 45.4% Fe over narrow intervals.

The Robins Rise and Lake Woorong projects are located on the southern side of the geological terrain known as the Coober Pedy ridge. Basement rocks comprise a mixed suite of gneiss, schist, quartzite and BIFs of Lower Proterozoic age intruded by adamellite and granite. Several of the former sedimentary units contain high levels of magnetite. In addition to total aeromagnetic coverage, over 80 percent of the combined project area has been subjected to detailed gravity surveying by past explorers.

WPG considers the Coober Pedy ridge highly prospective for the discovery of DSO haematite deposits and exploration on four of the targets will focus on this style of mineralisation. The Company is using a target model developed from the comprehensive in-house knowledge of the ore controls of the Peculiar Knob DSO iron deposit. A high priority target is the Lady Isabella prospect where two inclined RC percussion holes drilled by a previous explorer intersected broad intervals of magnetite bearing gneiss with grades up to 39.5% Fe. Re-processing of geophysical data has shown that these holes were sited on the eastern extremity of a 3 km long co-incident magnetic and gravity anomaly.

Although WPG has held these tenements for some time, the Company has conducted very limited work in them.

WPG completed a heritage survey last week, and exploration on the ground will commence this week. This work will include a program of reconnaissance geological mapping and rock chip sampling followed by detailed ground magnetic surveying over each of the prospect areas. Results will be used in combination with other existing data to define targets for follow-up drilling.

Commenting on the exploration program, WPG's Executive Chairman Bob Duffin said that the Company's activities over the last six years had been focussed on other deposits and prospects in the Coober Pedy area.

"These new prospects which we have identified have genuine exploration appeal", he said. "It's now time to allocate some of our resources to testing their potential".

Mr Duffin also said that the Coober Pedy exploration program would be conducted in parallel with WPG's review of mining investment opportunities that has been previously announced.

"Our sweet spot is for projects with a resource or near resource, that we can add value to and de-risk by completing feasibility studies and securing all necessary permits, approvals and funding to allow mining to proceed", he said.

Competent Person

The review of exploration activities and results contained in this report are based on information compiled by Mr Gary Jones, a Member of the Australasian Institute of Mining and Metallurgy. He is Technical Director of WPG Resources Limited and a full time employee of Geonz Associates Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Gary Jones has consented in writing to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Further Information

For further information please contact WPG's Executive Chairman Bob Duffin on 02 9247 3232 or 0412 234 684.