

ASX and Media Release

Quarterly activities report March quarter 2007

Western Plains Resources Ltd (ASX:WPG) is progressing its feasibility study for the development of the Peculiar Knob direct shipping iron ore (DSO) project in South Australia. More good drilling results have been received from the resource definition drilling program. At Hawks Nest, intersections of massive magnetite bearing iron formation have been made in exploration holes. In the Company's gold and copper exploration projects, porphyry-style copper mineralisation has been intersected at Trundle, and broad intersections of low grade copper have been returned from holes drilled at Yalcowinna Creek near Broken Hill.

HIGHLIGHTS

- ❖ WPG has completed a 7,398 metre drilling program at Peculiar Knob. The massive haematite body was intersected in 51 of the holes that were drilled on 50 metre spaced cross sections. Assay results show consistent grades of greater than 60% Fe with associated low levels of SiO_2 , Al_2O_3 , P and LOI. The feasibility study is progressing on schedule and within budget. A material increase in the current resource tonnage estimate is anticipated. The mining lease application will be lodged in early May.
- ❖ A 1,991 metre RC percussion drilling program in 18 holes has been completed at Hawks Nest. The program was designed to test for new deposits of haematite/high grade magnetite mineralisation. Strong magnetite mineralisation was intersected in several of the holes at the Kite prospect.
- ❖ Significant low grade porphyry copper-gold mineralisation has been intersected in the two RC percussion holes drilled at the Mordialloc prospect in the Trundle project area in NSW.
- ❖ Broad intervals of low grade copper mineralisation were intersected in all three holes drilled across the southern soil covered extension of the Yalcowinna Creek prospect within the Euriowie project at Broken Hill.

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SOUTH AUSTRALIAN IRON ORE PROJECTS

Background

WPG's iron ore projects in South Australia consist of the Peculiar Knob tenement, RL 103, and the Hawks Nest tenement, EL 3196. WPG holds its interests in both of these tenements through its 100% owned subsidiary Southern Iron Pty Ltd (**Southern Iron**). Iron ore deposits occur in both tenements. Peculiar Knob is a high grade specular haematite direct shipping ore deposit (**DSO**) with very low levels of impurities. Hawks Nest contains five known magnetite deposits occurring in banded iron formations (Kestrel, Goshawk, Harrier, Eagle and Falcon), one known DSO deposit (Buzzard) and one high grade magnetite deposit (Kite). The locations of the two tenements and the known deposits at Hawks Nest are shown in Figures 1 and 2 respectively. Projects held by other companies in the region and currently under development or at the feasibility study stage are also shown in Figure 1.

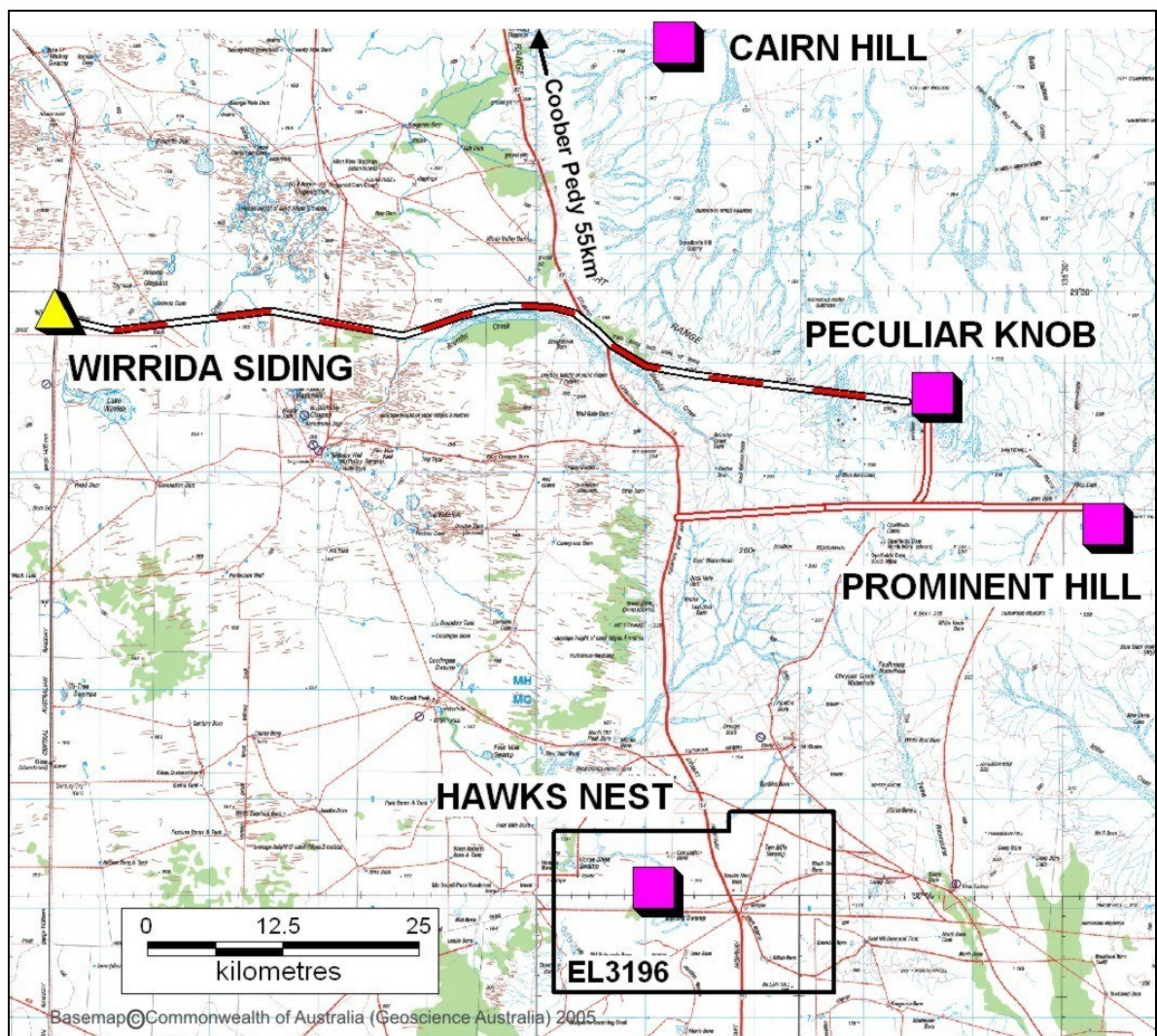


Figure 1
Locations of WPG's Peculiar Knob and Hawks Nest Iron Ore Projects

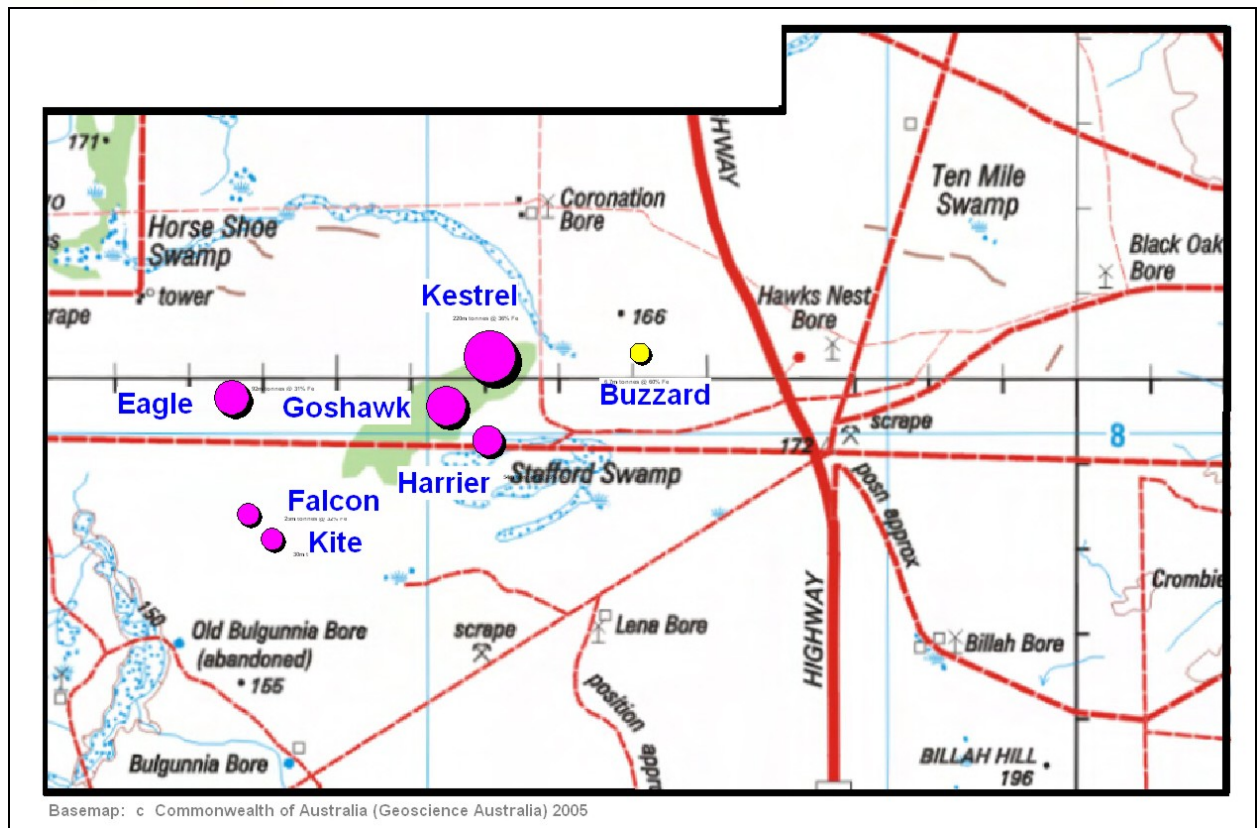


Figure 2
Locations of Known Iron Ore Deposits at Hawks Nest

Subsequent to the close of the March quarter, WPG has applied for three additional exploration licences to the south west of Hawks Nest. These are ELAs 2007/149 (Johns Outstation), 2007/150 (Giffen Well) and 2007/162 (Bulgunnia).

Identified mineral resource estimates for the known DSO deposits at Peculiar Knob and Hawks Nest are set out in Table 1. Table 2 shows the resource estimates for the magnetite deposits. These estimates were prepared by other operators prior to WPG's November 2006 acquisition of the tenements.

Table 1
Mineral Resource Estimates – DSO Deposits

Deposit	Category	Million Tonnes	Fe %	P %	SiO ₂ %	Al ₂ O ₃ %	LOI %
Peculiar Knob	Inferred resource	14.0	63.2	0.01	4.8	0.31	-
Buzzard	Measured resource	1.8	62	0.03	9.3	1.2	0.8
	Indicated resource	3.1	60	0.04	10.9	1.7	1.4
	Inferred resource	1.8	59	0.06	8.7	2.9	2.5
	Total resource	6.7	60	0.05	9.9	1.9	1.5
Total measured, indicated and inferred resource		20.7	62.2	0.02	6.5	0.8	-

Table 2
Mineral Resource Estimates – Magnetite Deposits

Deposit	Category	Million Tonnes	Fe %	P %	SiO ₂ %	Al ₂ O ₃ %	LOI %
Kestrel	Measured resource	100	37	0.06	37	0.83	0.58
	Indicated resource	60	36	0.06	38	1.00	0.79
	Inferred resource	60	36	0.06	39	1.05	0.78
	Total resource	220	36	0.06	38	0.94	0.69
Goshawk	Inferred resource	148	35	-	-	-	-
Harrier	Inferred resource	54	35	-	-	-	-
Eagle	Inferred resource	92	31	-	-	-	-
Kite	Inferred resource	30	51	-	-	-	-
Falcon	Inferred resource	25	32	-	-	-	-
Total measured, indicated and inferred resource		569	35	-	-	-	-

Peculiar Knob Feasibility Study

WPG commenced the Peculiar Knob DSO bankable feasibility study (**BFS**) in December 2006. Eight specialist consulting firms have been appointed to contribute to the BFS. The study has a total budget of \$2 million. It is on schedule for completion at the end of June 2007, and is within budget. Progress to date is set out below.

Drilling Program

The Company's resource definition drilling program commenced in January 2007 and was completed in March. A total of 53 RC percussion and 5 diamond drill holes for some 7,308 metres was drilled on 50 metre spaced cross sections along the 1,200 metres strike length of the deposit. Including work by previous operators, more than 80 holes for more than 9,000 metres have now been drilled at Peculiar Knob. Interpretation of the drilling data suggests the deposit is a conformable body occurring within a sequence of metamorphosed, bedded magnetite quartzite units that have been intruded by irregular bodies of granite and aplite.

Assay results have been received for 40 of WPG's 51 holes that intersected the massive specular haematite body. These holes show average iron grades consistently above 60% and low levels of the associated impurities silica, alumina and phosphorus. A full list of results is contained in Table 3.

Table 3
Peculiar Knob Drilling Program – Key Mineralised Intersections

Hole	Easting m	Northing m	Depth m	From m	To m	Interval m	Fe %	SiO2 %	Al2O3 %	P %	LOI %
PK-68	9950	9933	79	17	35	18	66.7	4.46	0.01	0.01	0.28
				48	64	16	67.0	3.81	0.01	0.01	0.33
PK-65	9900	9930	105	11	37	26	66.0	4.49	0.28	0.03	0.44
PK-70	10000	9965	160	58	106	48	65.6	5.09	0.20	0.07	0.38
PK-76	10150	9970	97	28	76	48	65.1	6.19	0.29	0.02	0.4
PK-79	10200	10012	109	75	88	13	64.4	6.78	0.54	0.09	0.28
PK-69	9950	9973	169	97	159	62	65.4	5.50	0.20	0.01	0.40
PK-58	9750	9974	145	67	86	19	66.8	4.42	0.01	0.02	0.22
PK-62	9850	9929	79	22	25	3	65.4	4.89	0.24	0.01	0.25
PK-71	10050	9981	100	44	71	27	65.4	4.99	0.18	0.02	0.83
PK-72	10050	10038	178	42	67	25	64.7	6.45	0.16	0.02	0.52
				102	116	14	63.1	9.50	0.17	0.03	0.09
				135	168	33	66.2	5.53	0.02	0.01	0.05
PK-73	10100	9970	79	25	56	31	60.9	10.57	0.85	0.02	1.14
PK-74	10100	10002	133	46	56	10	65.2	6.34	0.16	0.02	0.24
				63	118	55	65.1	6.41	0.17	0.01	0.60
PK-75	10100	10037	169	49	71	22	64.1	7.45	0.31	0.02	0.57
				81	152	71	64.4	6.86	0.17	0.01	0.54
PK-44A	9450	9969	115	62	100	38	65.8	5.01	0.11	0.01	0.37
				104	108	4	63.4	7.55	0.52	0.01	0.67
PK-47	9550	9939	49	16	40	24	65.8	3.69	0.43	0.02	0.79
PK-78	10150	10042	166	40	64	24	64.2	7.25	0.44	0.22	0.38
				123	158	35	64.2	7.14	0.33	0.02	0.23
PK-88	10350	10050	163	80	89	9	66.6	4.35	0.01	0.02	0.34
PK-46	9500	9997	114	96	114	18	63.4	7.92	0.14	0.01	0.57
PK-49	9550	10001	133	91	121	30	66.9	3.70	0.11	0.01	0.58
PK-51	9600	9998	115	88	105	17	65.7	5.12	0.37	0.01	0.71
PK-54	9650	10011	130	104	126	22	66.1	3.92	0.51	0.01	0.73
PK-55	9700	9948	37	14	21	7	64.1	7.49	0.03	0.01	0.72
PK-60	9800	9964	108	72	91	19	64.5	6.83	0.25	0.01	0.44
PK-48	9550	9970	91	60	66	6	65.9	4.62	0.35	0.01	0.43
PK-50	9600	9972	90	51	78	27	65.4	5.05	0.42	0.01	0.47
PK-52	9650	9950	49	27	41	14	65.4	4.89	0.05	0.02	0.63
PK-53	9650	9979	87	62	77	15	64.6	6.46	0.06	0.02	0.59
PK-59	9750	10004	175	109	113	4	64.7	7.40	0.06	0.01	0.10
				130	166	36	64.3	7.29	0.28	0.01	0.27
				168	174	6	66.0	5.88	0.02	0.01	0.09
PK-63	9850	9958	133	62	84	22	64.3	6.90	0.33	0.02	0.32
				88	98	10	65.5	6.45	0.02	0.01	0.11
PK-64	9851	9989	169	115	134	19	60.9	11.39	0.17	0.02	0.44
				142	152	10	65.4	6.15	0.06	0.01	0.03
PK-89	10400	10001	61	27	45	18	60.2	12.47	0.13	0.02	0.62
PK-77	10150	10006	127	46	73	27	64.7	7.06	0.12	0.02	0.51
				78	106	28	65.7	4.89	0.17	0.03	0.42
PK-92	10450	10041	139	85	118	33	61.9	10.44	0.09	0.01	0.53
				122	128	6	61.0	11.42	0.07	0.04	0.67
PK-95	10500	10044	133	52	62	10	63.9	6.70	0.35	0.01	1.10
				120	127	7	60.2	12.60	0.89	0.02	0.72
PK-96	10500	10077	189	95	149	54	65.6	5.37	0.14	0.01	0.49
				166	177	11	64.7	6.10	0.21	0.03	0.75
PK-67	9450	9945	67	27	34	7	59.1	12.36	1.08	0.01	1.33
PK-84	10000	9990	196	26	32	6	61.7	9.03	0.86	0.02	0.83
				111	192	81	64.8	6.82	0.11	0.01	0.47
PK-85	10050	10074	223	94	116	22	66.3	4.53	0.04	0.01	0.71
				142	169	27	63.3	8.03	0.42	0.01	0.59
				174	210	36	66.0	5.07	0.09	0.01	0.15
PK-87A	10100	10078	194	103	127	24	66.6	3.07	0.05	0.01	1.46
				141	152	11	67.4	3.20	0.10	0.01	0.44
				157	165	8	65.2	4.51	0.32	0.01	1.52
PK-87A	10100	10078	194	183	193	10	64.2	6.64	0.38	0.11	0.19
				34	39	5	60.8	12.55	0.05	0.01	0.54

A cross section through line 10,000mE was released on 1 March 2007 and a section a further 100 metres to the east on line 10,100mE is shown in Figure 3.

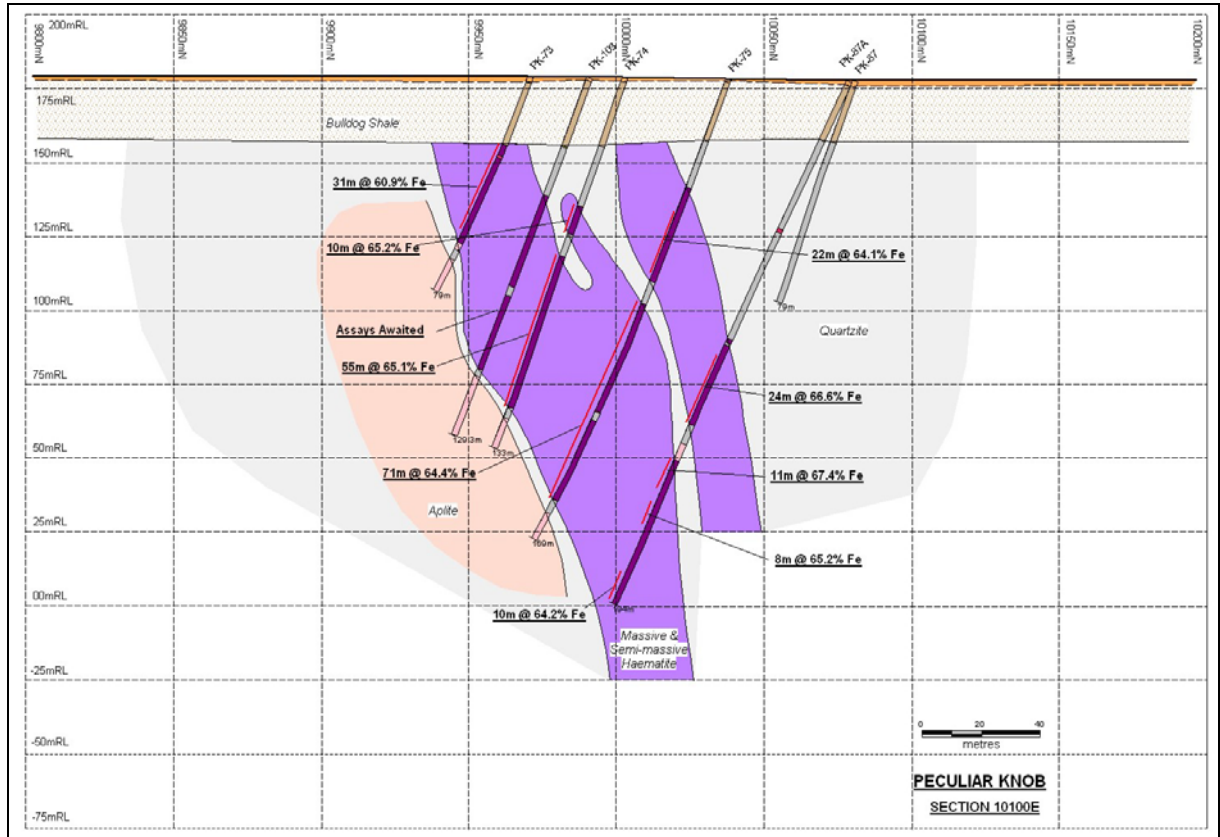


Figure 3
Cross Section, Line 10,100mE

A three dimensional representation of the Peculiar Knob deposit is shown in Figure 4.

The drilling programs have demonstrated that the deposit is one of the highest grade iron ore bodies defined in Australia in recent years. In addition, it has low levels of impurities. The mineralisation is strongly developed in the central parts of the deposit. Drilling has defined the eastern and western extents of the mineralised body, but it is still open at depth. This suggests there is potential for eventual underground mining activities, after the proposed open pit mine has reached its economic depth limit.

Resource Modelling

Resource modelling has commenced but has not yet been completed. An updated resource estimate is expected to be available and released towards the end of May. Based on work to date, directors believe it highly likely that this will show a material increase in the deposit's tonnage estimate from that shown in Table 1.

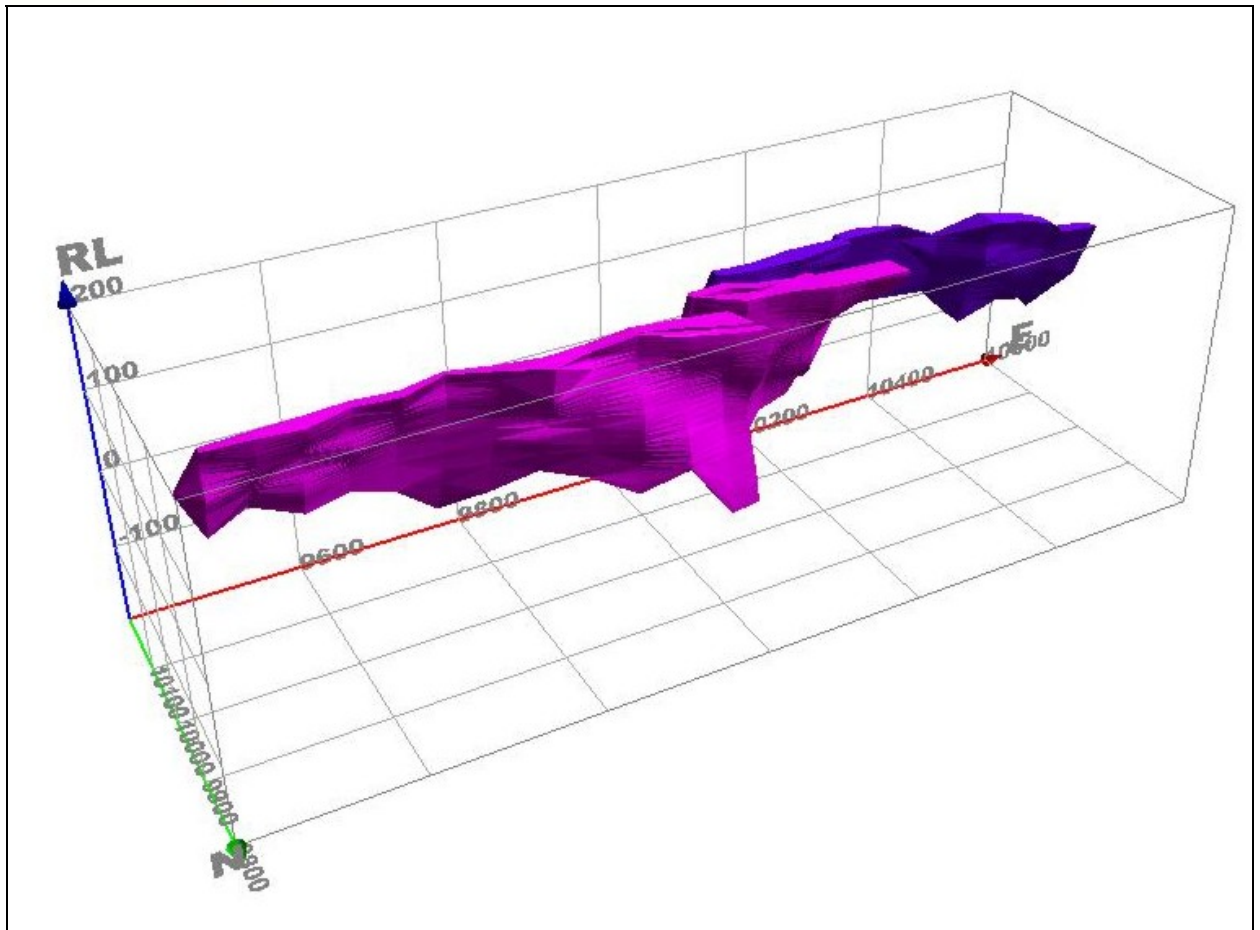


Figure 4
Isometric Projection of Peculiar Knob Iron Ore Deposit

Geotechnical Studies

Geotechnical studies have been completed. Geotechnical data will be used to optimise open pit mine design.

Environmental Studies

Environmental studies for the project's BFS are almost complete. No major issues that could impact on mine development have been identified. The environmental report will also be used in support of the mining lease application, referred to below.

Ore Reserves and Mine Design

Preliminary work only has been completed to date on the design of the proposed open pit mine. Ore reserve estimates and mine design will be completed when the resource estimate process is completed and a block model has been prepared.

Metallurgical Testwork

Metallurgical testwork is well under way. Bulk densities have been established (just under 5, consistent with the high iron content of the deposit), uniaxial compressive strength testwork is completed, and crusher work and abrasion indices are now available. No unusual test results have been reported.

Drop tower testwork will be carried out in May, with a view to estimating likely lump/fines ratios for the proposed marketable products. Other testwork, designed to provide greater certainty about the performance of Peculiar Knob ore in the blast furnace, will follow.

Site Infrastructure

Site infrastructure studies have progressed, and the crushing and screening plant design has commenced. The plant is being designed for an ultimate capacity of 3 million tonnes per annum.

Off-Site Infrastructure

Haul road design has commenced, and other key work relating to rail and port access is under way.

Logistics

Discussions and negotiations with trucking contractors, rail operators, port owners and associated logistics providers are continuing.

Marketing

The Peculiar Knob DSO has some key unique characteristics, and in particular it has a very high iron content coupled with low levels of phosphorous, alumina and loss on ignition. This suggests the ore will be well received in the market place. It should command a price premium over and above that related to its iron content alone, based on value-in-use criteria. An experienced iron ore marketing consultant will be appointed to the BFS team to provide specialised advice in this area.

Financial Modelling

Only very preliminary financial modelling has been completed at this stage, as not enough reliable data is yet available. Detailed financial modelling will form part of the project's BFS.

Other

Mining Lease Application

Documentation relating to the preparation of the Peculiar Knob mining lease application is well advanced and the mining lease application is expected to be lodged in early May.

China Kingdom

On 10 October 2006 WPG announced that Southern Iron and China Kingdom International Group Co Limited (**China Kingdom**) had executed a Memorandum of Understanding (**MOU**) in relation to the possible investment by China Kingdom in Southern Iron or WPG and the Peculiar Knob iron ore project, and the possible sale of iron ore products. The MOU provided China Kingdom with a 45 day exclusive due diligence period, which has been extended several times. China Kingdom's period of exclusivity has now expired.

Hawks Nest

An RC percussion drilling program designed to test several promising and untested geophysical targets for new DSO haematite and/or high grade magnetite deposits within the Hawks Nest project area has been completed. A total of 18 holes for 1,991 metres were drilled. Four of the holes did not reach basement due to the difficulties experienced in drilling unconsolidated sands in the overburden, but three holes returned significant intersections of massive magnetite at the Kite prospect. Assays are awaited.

A review of previous metallurgical studies conducted by others on the Kestrel magnetite deposit at Hawks Nest has been completed by WPG'S consulting metallurgist. The review suggests that, from a metallurgical perspective, Kestrel is a better magnetite deposit than most banded iron deposits being assessed by other companies in Western Australia. It will most likely require fine but not ultrafine grinding to make a marketable product (68-69% iron) for traditional blast furnace pellets. The high mass recovery of 40-45% would result in higher yields and hence more attractive costs per tonne of product than some banded iron deposits now being studied in Western Australia, where yields are often in the range of 35-40%.

Further reviews of existing data from the Hawks Nest magnetite deposits will be completed in the June quarter.

LACHLAN FOLD BELT PROJECTS

Trundle NSW EL 4512, EL6655 - WPG 100%

Assay results for the two inclined RC percussion holes drilled at the **Mordialloc Prospect** were received.

Both holes intersected significant intervals of low-grade porphyry style copper-gold mineralisation beneath coincident gold and copper anomaly peaks within a large anomalous zone that was defined by previous WPG programs of RAB and aircore drilling. Details of these intersections are summarised in Table 4.

Table 4
Trundle Project (Mordialloc) - Summary Results for RC Percussion Holes

Hole No	Location		Depth From m	Depth To m	Interval m	Cu %	Au g/t
	AMG_E	AMG_N					
TR-47	567 818	6360 046	0	30	30	0.14	0.11
TR-48	568 214	6360 578	0	94	94	0.13	0.07
			136	250	114	0.13	0.08
		Incl.	200	240	40	0.19	0.13

The grades of mineralisation intersected in the recent drilling program are sub-economic (up to a maximum 0.47% Cu, 0.21 g/t Au over the 2m interval from 216 – 218 metres in hole TR-48) but there is still considerable potential for zones of higher grade material that could be associated with small late-stage monzonitic intrusions within this large porphyry system. Further exploration and possible follow-up drilling will be planned following a full review of results.

Lake Cargelligo NSW EL 6367, EL 6530 - WPG 100%

No significant assays were received from the program of aircore drilling designed to sample the bedrock and test for mineralisation and/or evidence of hydrothermal alteration beneath six discrete magnetic anomalies. Weakly anomalous lead (up to 388 ppm) and zinc (up to 1,345 ppm) values were recorded from Hole SZ-11 drilled on Traverse 3 across the interpreted northern extension of the 14 kilometre long Achilles shear zone in the soil covered area between the Achilles 2 and Achilles 3 prospects.

Results of in-fill soil sampling at the **Achilles 3 Prospect** were received during the quarter. These have confirmed and better defined the significant lead anomaly and will be used to target deeper RC drill holes.

Peak Hill East NSW EL 6342, EL 6675 - WPG 100%

No fieldwork was conducted on the Peak Hill areas during the quarter.

BROKEN HILL PROJECTS

Euriowie NSW EL 5771 and EL 6188 – WPG can earn 60%

A program of RC percussion and diamond drilling to test three high priority targets within the Euriowie project that commenced late in the December quarter was completed on schedule.

Four holes for a total of 415 metres were drilled at the Son of Man prospect. These holes were designed to test beneath outcropping gossans together with coincident RAB geochemical and electromagnetic anomaly targets defined from earlier WPG surveys.

All holes intersected zones of disseminated and veined sulphides of variable thickness within altered metasediments. Sulphides comprised mostly pyrite however minor chalcopyrite was noted in some intervals. A narrow zone of chalcopyrite, pyrite and pyrrhotite was intersected within a seven metre thick mineralised zone in Hole SOM-4. Assay results show spotty weakly anomalous values up to 1,470 ppm Cu and 422 ppm Zn in hole SOM-1, up to 412 ppm Cu and 543 ppm Zn in hole SOM-3 and up to 3,100 ppm Cu and 1,340 ppm Zn in hole SOM-4.

Two RC percussion holes for a total of 354 metres were drilled to test combined magnetic and electromagnetic anomaly targets at the B40 prospect. Both holes intersected magnetite bearing chlorite-biotite altered meta-sediments containing weak disseminated and vein pyrite. No significant gold or base metal mineralisation was intersected.

A fence of two inclined RC percussion holes and one inclined RC percussion pre-collared diamond hole was completed at the **Yalcowinna Creek Prospect**. These holes were designed to test copper geochemical and electromagnetic targets down dip of the mineralised sub-crop in the southern, soil covered, part of the grid. Previous WPG RC percussion holes intersected broad intervals of low-grade copper mineralisation (up to 24 metres averaging 0.35 % Cu).

The down-dip extension of the main copper bearing zone was intersected in the diamond core tail over the interval 276-293m and comprised 17m at 0.25% copper and included a maximum value of 1.11% copper over the interval 292-293m. The hole was completed at a depth of 326.9m.

A cross section on line 6489950N with down-hole copper histograms is shown in Figure 5.

Mulyungarie SA NSW EL 4657 and SA EL 3478 – WPG can earn 60%

No fieldwork was conducted on the Mulyungarie areas during the quarter.

Redan NSW EL 5795 - WPG 100%

No fieldwork was conducted on the Redan area during the quarter.

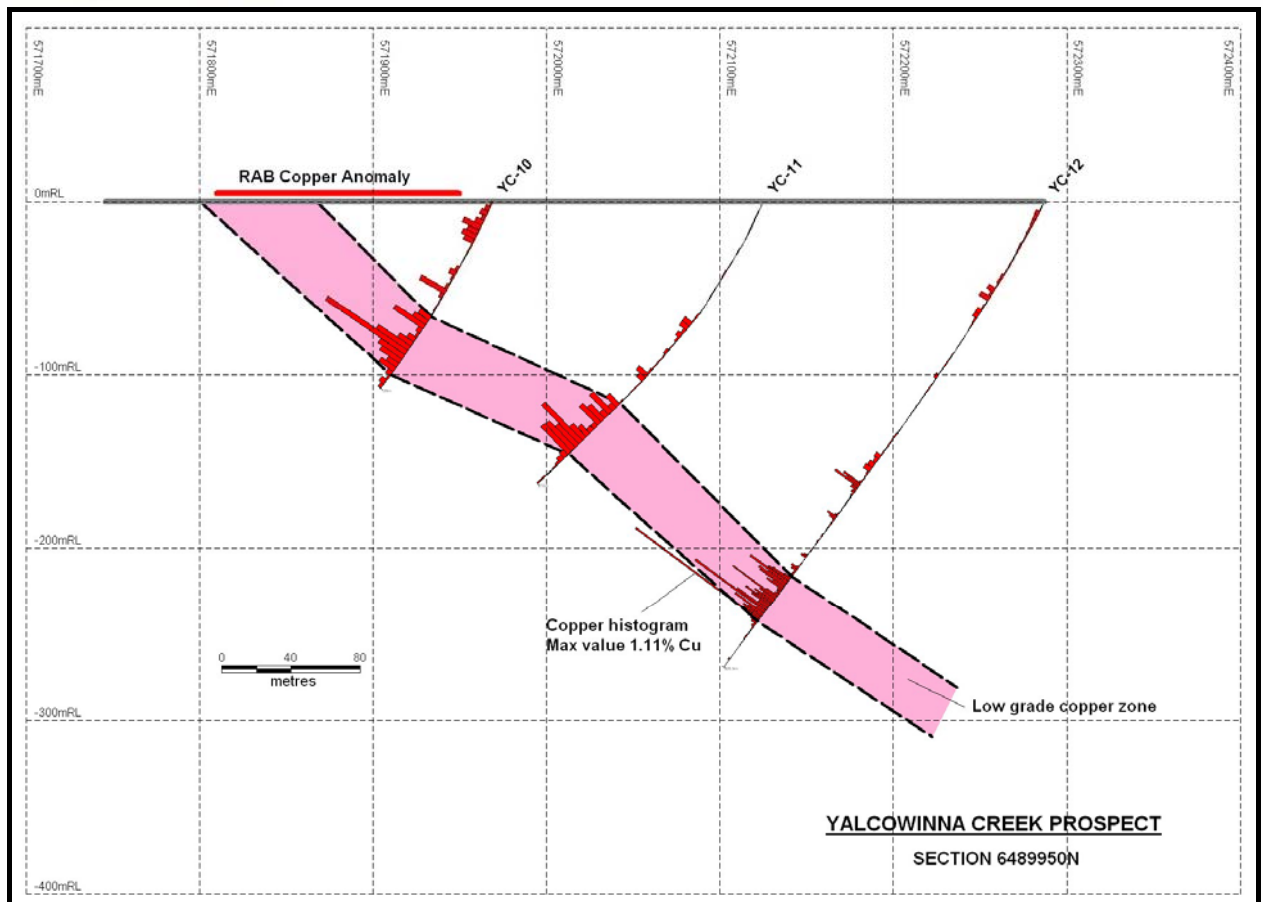


Figure 5
Yalcowinna Creek – Copper Results, Section 6489950N

Competent Person

The review of exploration activities and results contained in this report is based on information compiled by Mr Gary Jones, a Member of the Australasian Institute of Mining and Metallurgy. He is Technical Director of the Company 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 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) 9251 1044 or 0412 234 684, or Gary Jones, on (+647) 854 0453 or 0410 358 280.