



ASX and Media Release

Quarterly activities report June quarter 2012

HIGHLIGHTS

- ❖ Drilling at the Giffen Well iron ore project in South Australia was completed in the June 2012 quarter following the receipt of all necessary government approvals. Encouraging iron intersections have been achieved in most holes. Geological interpretation and metallurgical test work is underway.
- ❖ Exploration licences have been granted by DMITRE, the South Australian mining regulator, for WPG tenement applications in the Woomera Prohibited Area that have been on-hold for several years pending the development by the Commonwealth of new access guidelines. Exploration programmes will be designed for these new project areas (Perfection Well and Lake Woorong).
- ❖ Completion of a cultural heritage survey at the Company's Pidinga potash project exploration area north west of Ceduna in South Australia has been delayed. Drilling will only commence if the heritage survey authorises the proposed drilling campaign.
- ❖ WPG continues to maintain its Port Pirie land in good condition, and is meeting its environmental monitoring obligations for this site.
- ❖ WPG is continuing to review its options for participation in the liquidation of Evergreen Energy Inc, which filed for bankruptcy protection in the United States on 24 January 2012.
- ❖ WPG paid \$69.6 million to the Australian Taxation Office in April 2012, following the sale of assets to Arrium (formerly known as OneSteel) in 2011.

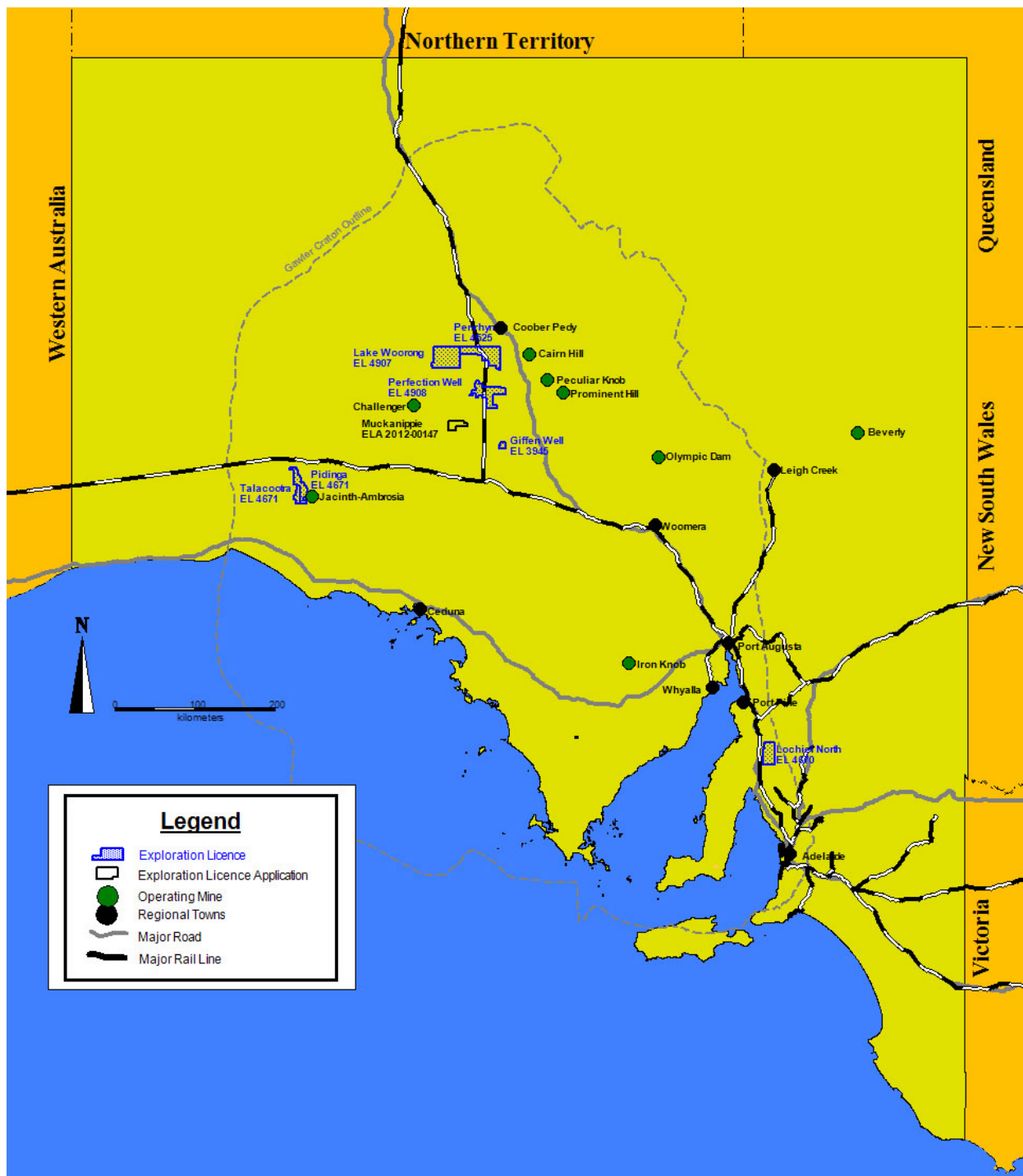
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SOUTH AUSTRALIAN PROJECT ASSETS

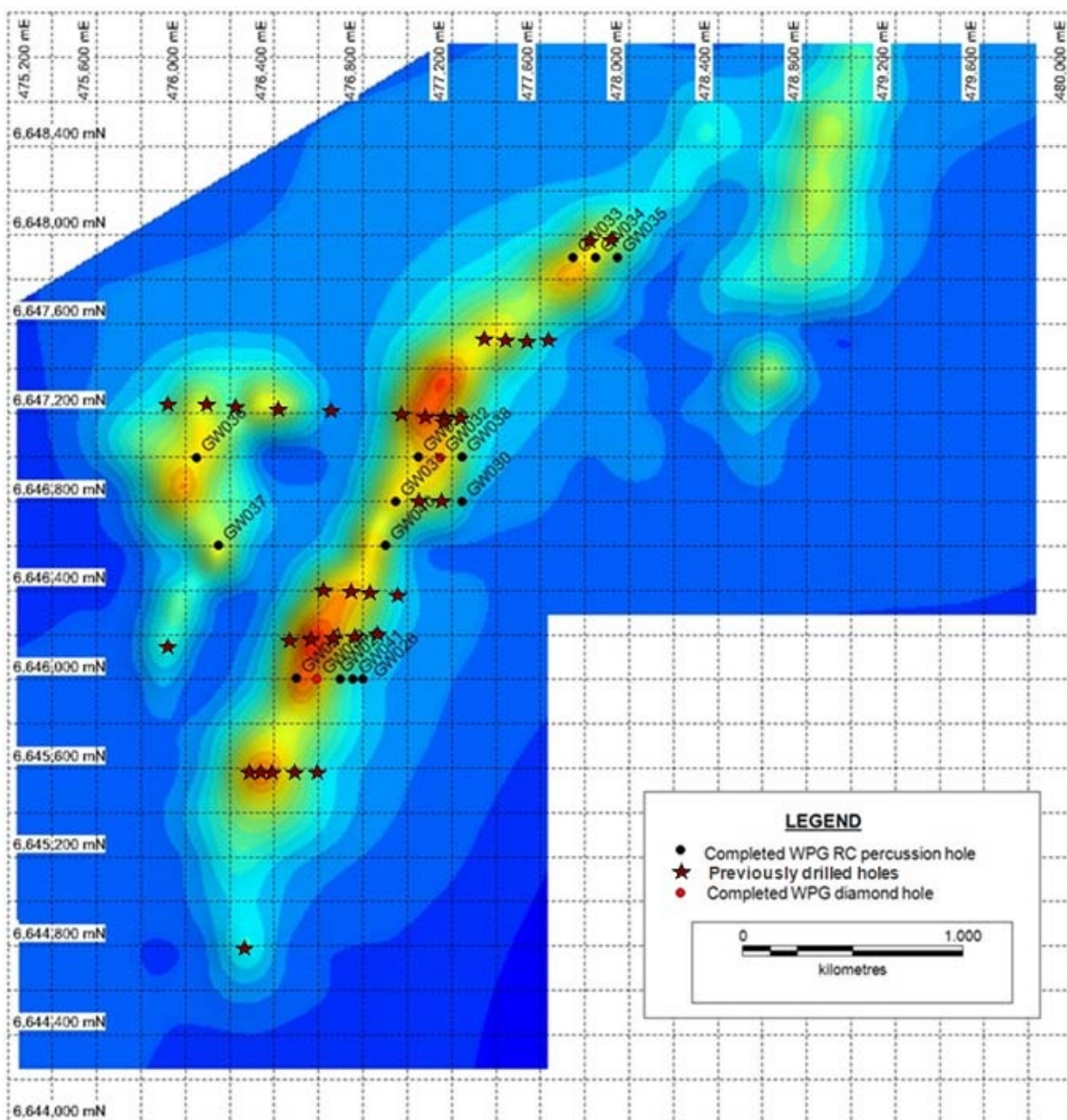
The locations of WPG's South Australian project assets are shown in the following tenement map. This map shows the Company's granted tenements, including the Giffen Well farm-in project area, and tenements under offer or application.



Giffen Well

WPG completed the sixteen hole RC percussion and diamond drilling program that commenced in late March at the Giffen Well iron ore project in central South Australia. The drilling program was designed to provide additional intersections of the previously known magnetite BIF mineralisation in order to enable a JORC resource to be estimated. Thirteen of the holes were drilled on the main BIF zone and two (GW036 and GW037) were drilled on the western mineralisation.

The drillhole locations are shown on the diagram below, which, together with previously drilled holes, also indicates magnetic intensity.



The geology intersected in all holes drilled on the main BIF mineralisation is consistent with expectations and correlation between sections indicates continuity of the steeply dipping main BIF mineralisation over more than three kilometres of strike length.

All holes have been accurately surveyed and the results have been merged with existing data. Three dimensional wire frame geological models have been developed and these will be used to constrain resource block models that will facilitate the resource estimate once all assay data has been received. This resource assessment will then form the basis for a preliminary feasibility study (PFS). Routine assaying, Davis Tube Recovery (DTR) and Satmagan metallurgical test work and sizing analyses are in progress.

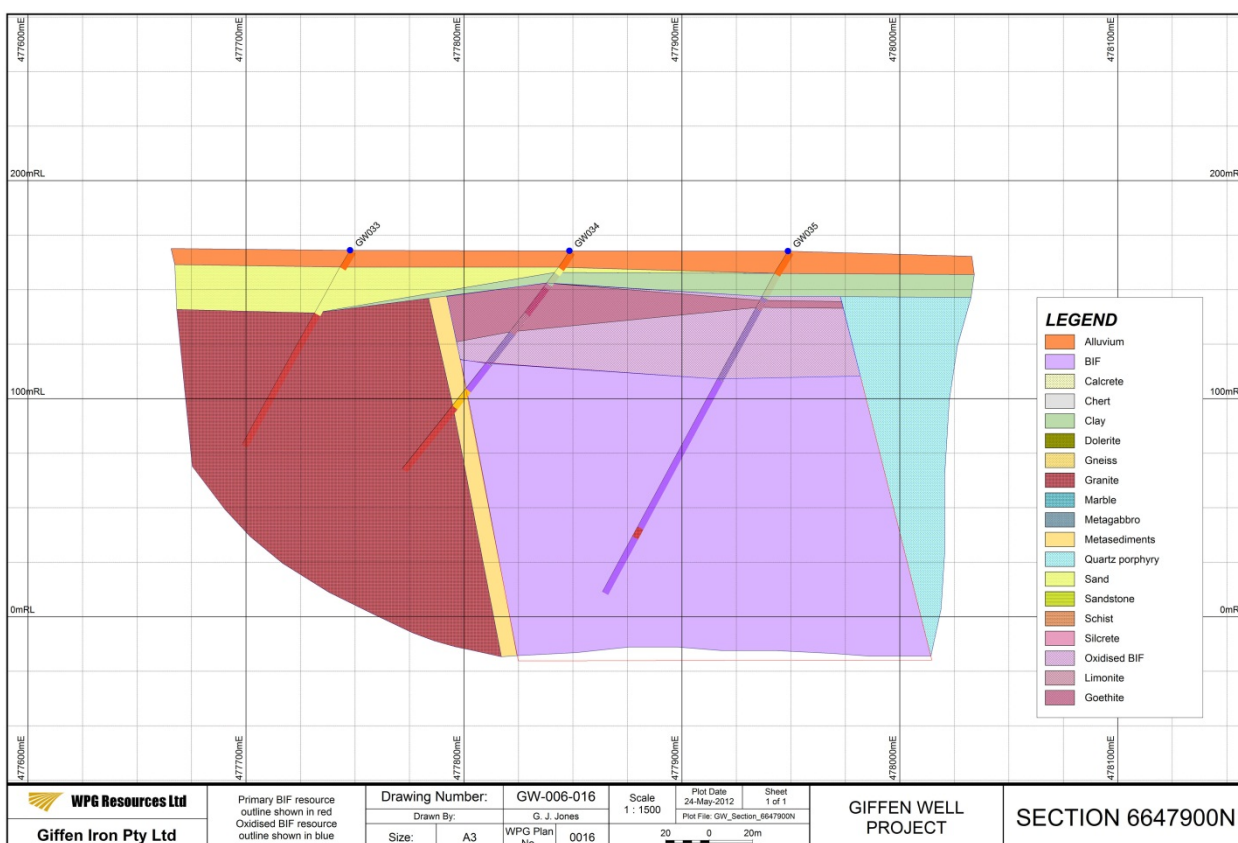
Preliminary details for each of the completed holes and preliminary results from the initial batch of assay samples are set out in the table below:

Hole ID	MGA East (m)	MGA North (m)	Depth From (m)	Depth To (m)	Interval (m)	Mineralisation Classification	Fe %	SiO2 %	Al2O3 %	P %	LOI1000
GW026	476,798	6,646,001	153	174	21	Primary	22.36	39.51	5.46	9.194	4.78
GW027	476,499	6,646,006	5	38	33	Oxide	33.86	48.17	0.85	0.040	1.50
			38	51	13	Primary	32.02	49.32	0.17	0.066	-0.22
GW028*	476,593	6,646,002	10	36	26	Oxide	35.12	42.50	2.08	0.962	3.13
			36	61	25	Primary	36.41	43.43	0.33	2.061	-0.99
			Diamond core yet to be assayed.								
GW029	476,696	6,646,002	63	79	16	Oxide	19.97	38.69	3.76	0.070	5.98
			79	168	89	Primary	31.42	33.88	2.34	2.322	3.54
GW030	477,248	6,646,801	116	180	64	Primary	39.65	29.48	1.61	0.062	-0.59
GW031	476,949	6,646,800	0	37	37	Oxide	37.89	42.25	0.62	0.789	1.50
			37	141	104	Primary	36.71	35.65	0.14	2.919	2.71
GW032*	477,148	6,646,999	12	54	42	Oxide	37.39	36.46	3.13	2.104	3.20
			Diamond core yet to be assayed.								
GW033	477,748	6,647,900	No Mineralisation								
GW034	477,848	6,647,900	20	64	44	Oxide	31.50	39.74	7.13	0.073	5.39
			64	79	15	Primary	22.26	44.90	6.13	0.090	1.50
GW035	477,949	6,647,899	29	67	38	Oxide	43.96	27.24	3.22	0.044	5.27
			67	178	111	Primary	33.17	39.43	1.67	0.044	0.55
GW036	476,049	6,646,999	8	51	43	Oxide	43.53	28.75	3.05	0.068	4.06
			51	97	46	Primary	31.80	43.97	0.36	2.378	0.92
			127	151	24	Primary	26.61	41.27	1.53	7.307	2.57
			156	172	16	Primary	30.67	46.66	0.34	4.736	0.05

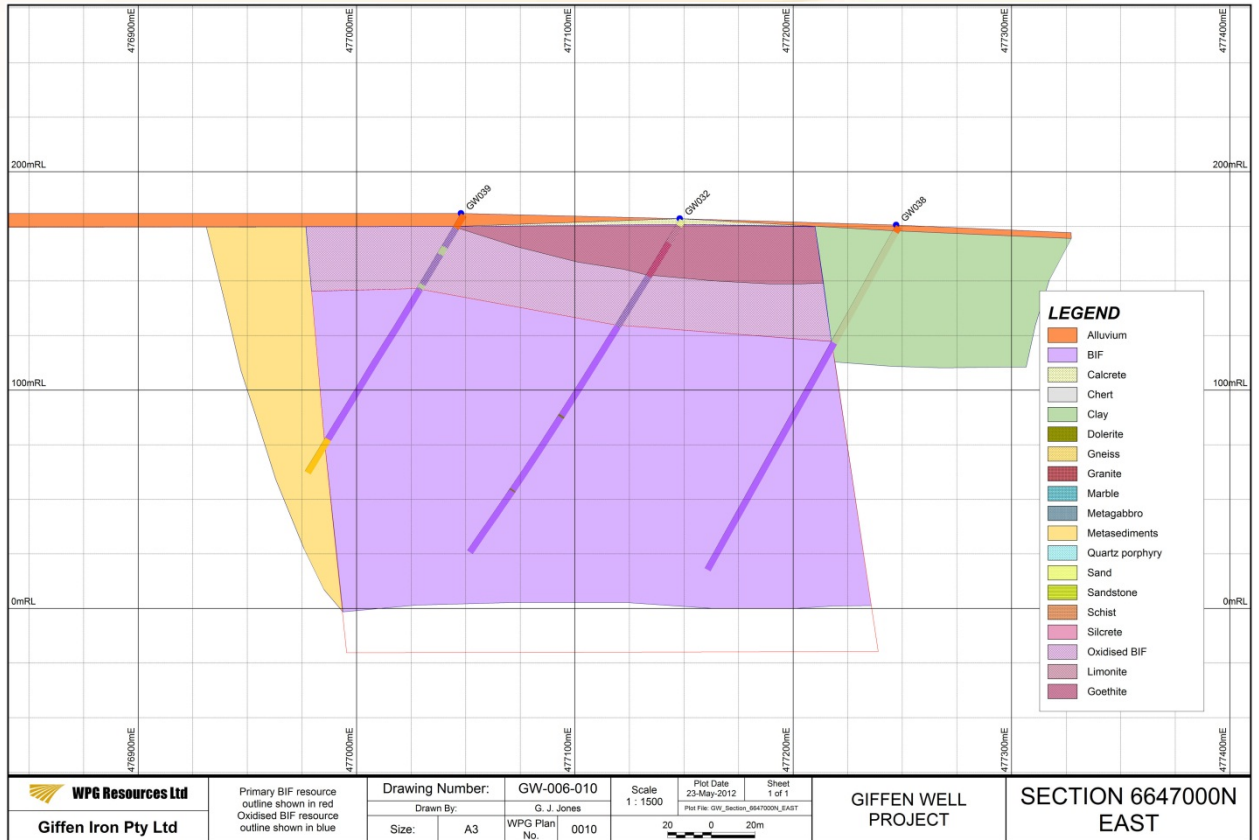
Hole ID	MGA East (m)	MGA North (m)	Depth From (m)	Depth To (m)	Interval (m)	Mineralisation Classification	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI1000
GW037	476,148	6,646,604	7	38	31	Oxide	31.27	47.79	2.66	0.811	2.54
			38	154	116	Primary	29.99	44.55	2.92	2.212	0.42
GW038	477,247	6,647,000	60	180	120	Primary	26.93	41.89	3.59	5.046	1.66
GW039	477,048	6,647,001	2	40	38	Oxide	32.44	40.67	4.14	0.069	3.61
			40	120	80	Primary	26.97	47.32	2.90	0.111	0.58
GW040	476,900	6,646,603	0	30	30	Oxide	36.23	43.75	1.66	0.483	1.83
			30	168	138	Primary	32.65	46.96	0.33	4.056	-0.54

* Denotes Diamond Hole

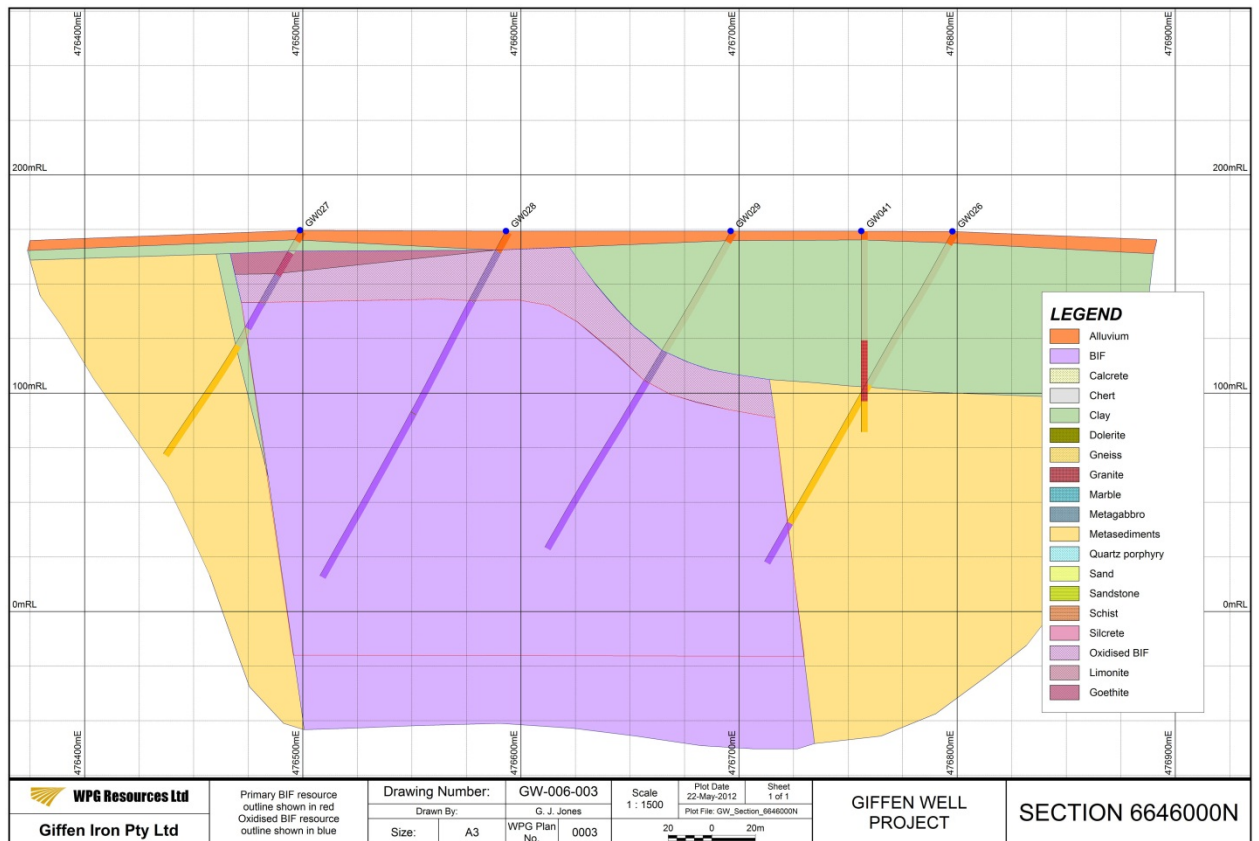
Geological cross sections across the Main BIF Mineralised Zone are shown in the following three drawings, demonstrating the robust nature of the iron mineralisation and continuity between sections.



Section 6647900 Main BIF Mineralised Zone



Section 6647000 Main BIF Mineralised Zone



Section 6646000 Main BIF Mineralised Zone

The results of the drilling program to date are highly encouraging and in line with Company expectations. A maiden JORC compliant resource figure for Giffen Well is expected to be released in the September quarter of 2012. Preliminary pit design and resource modelling is underway.

Grant of New Tenements and New Licence Application

During the quarter the Company's Perfection Well and Lake Woorong exploration licence applications were granted. Both had been on hold for several years pending development by the Commonwealth of new access guidelines.

Perfection Well is prospective for coal, while Lake Woorong is prospective for coal, iron and base and precious metals. Exploration programmes are being developed for both areas.

A new exploration licence application has been lodged covering an area of 181 square km, located approximately 60km north west of Giffen Well. The area contains targets prospective for iron mineralisation. An exploration programme will be developed in the event a licence is offered to WPG.

Potash Exploration at Pidinga

An initial cultural heritage clearance survey of the proposed drill sites at Pidinga delivered inconclusive results and a second cultural heritage clearance survey was carried out. The results of this second survey have not been received. However, based on discussions with Native Title claimant group representatives it appears unlikely that WPG will achieve access to the areas concerned on satisfactory terms. If that is the case, the tenements will be voluntarily relinquished.

Port Pirie

WPG owns a large industrial block of land in Port Pirie on which it intended to build an iron ore receival, storage, and load-out facility prior to the sale of the Company's Peculiar Knob and Hawks Nest iron ore assets. Since the sale, construction activities have ceased and rehabilitation work carried out with the site placed on care and maintenance.

WPG has on-going obligations for environmental monitoring at Port Pirie, which are being met. No adverse indications have been forthcoming.

WPG sees potential to use Port Pirie to provide a key mine to market solution for its South Australian projects which, without access to a port, could be difficult to develop.

Penrhyn and Lochiel North Coal Projects

No work was undertaken at Penrhyn or Lochiel North during the quarter.

Liquidation of Evergreen Energy Inc

WPG is continuing to review its options for participation in the sale of the assets of Evergreen Energy Inc, which is now under the control of a Trustee in Bankruptcy. The former Evergreen employees who were placed on retainers last quarter have been terminated.

WPG is also evaluating other potential technology providers who can deliver a process to beneficiate coal from the Penrhyn project.

Significant Payment to Australian Taxation Office

WPG paid approximately \$69.6 million to the Australian Taxation Office in April 2012 following the sale of assets to Arrium (formerly known as OneSteel) in 2011. This payment is indicated in the Appendix 5B released today. The balance of the tax due on the transaction of approximately \$2 million, will be paid later in the year.

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 Chief Executive Officer Martin Jacobsen on 02 9251 1044 or Company Secretary Larissa Brown on 02 9251 1044.