

ASX and Media Release

Quarterly activities report September quarter 2012

HIGHLIGHTS

- ❖ Maiden resource estimate for the Giffen Well iron ore project in South Australia of 689 million tonnes at an average grade of 30.9% Fe, with 62% of the resource tonnage estimate classified as Indicated.
- ❖ Metallurgical testwork on Giffen Well iron ore is delivering excellent recoveries, with approximately 40% DTR mass recoveries and DTR concentrate grades of up to 68.4% Fe.
- ❖ The Giffen Well preliminary feasibility study (PFS) is on target for delivery in early 2013. Early indications suggest that utilising coal from the Penrhyn project may deliver significant energy cost savings over conventional power generation options.
- ❖ WPG continues to maintain its Port Pirie land in good condition. Ongoing environmental monitoring on land and in the Port Pirie river is providing useful data to underpin WPG's proposed development at the site.
- ❖ The Woomera Prohibited Area Coordination Office (WPACO) has released a template Exploration Deed of Access for the WPA, paving the way for accelerated exploration and confidence in the co-existence model for use of the WPA.

31 October 2012



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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.

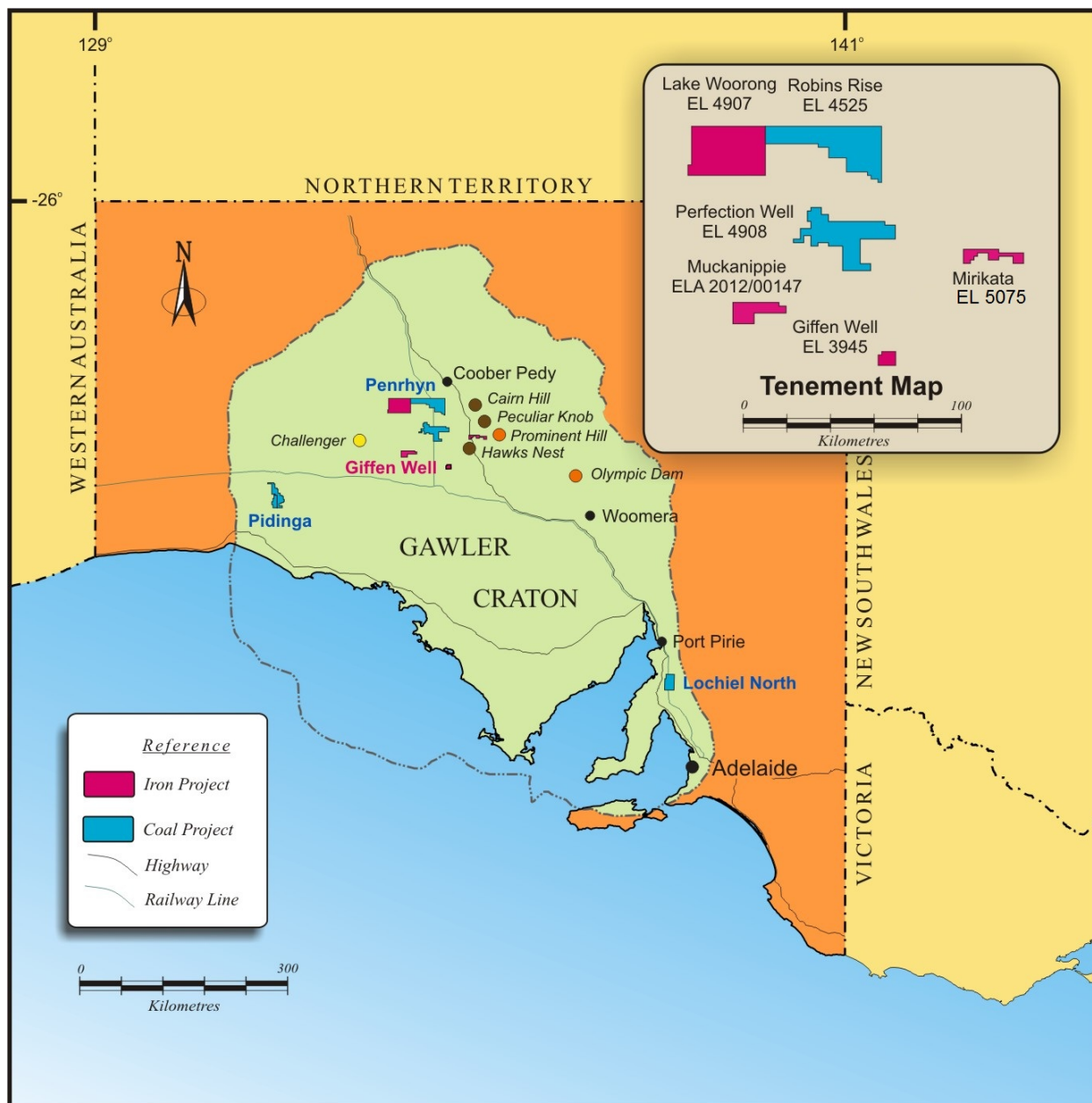


Figure 1
WPG South Australian Project Locations

Giffen Well

During the quarter, WPG received, collated and analysed the results of the sixteen hole RC percussion and diamond drilling program that was carried out the previous quarter 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 resource estimate to be made. Thirteen of the holes were drilled on the main BIF zone and two (GW036 and GW037) were drilled on the western mineralisation.

On 4 October 2012 WPG announced the resource estimate set out in Table 1, which is based on assay results from 25 MESA and 16 WPG drill holes for a total of 6,432 metres. The resource block model is constrained by a geological wireframe model that was constructed from regular spaced drill sections.

Table 1
Giffen Well Iron Ore Project – Preliminary Resource Estimate

| Category | mt | Fe% | SiO ₂ % | Al ₂ O ₃ % | CaO% | P% | S% | MgO% | LOI% |
|--------------------------------|---------------|--------------|--------------------|----------------------------------|-------------|-------------|-------------|-------------|-------------|
| OXIDE | | | | | | | | | |
| Indicated | 65.75 | 33.09 | 33.50 | 2.45 | 1.05 | 0.03 | 0.05 | 1.70 | 2.97 |
| Inferred | 41.39 | 34.53 | 35.40 | 2.68 | 0.58 | 0.03 | 0.02 | 0.93 | 3.55 |
| Total | 107.14 | 33.64 | 34.23 | 2.54 | 0.87 | 0.03 | 0.04 | 1.40 | 3.20 |
| BIF | | | | | | | | | |
| Indicated | 361.86 | 30.83 | 37.87 | 2.03 | 3.49 | 0.07 | 0.75 | 5.34 | 1.53 |
| Inferred | 219.85 | 29.70 | 40.85 | 2.10 | 3.77 | 0.07 | 0.50 | 4.78 | 1.39 |
| Total | 581.71 | 30.40 | 39.00 | 2.06 | 3.59 | 0.07 | 0.66 | 5.13 | 1.48 |
| Total Resource Estimate | | | | | | | | | |
| Indicated | 427.61 | 31.17 | 37.20 | 2.09 | 3.11 | 0.07 | 0.64 | 4.78 | 1.75 |
| Inferred | 261.24 | 30.46 | 39.98 | 2.19 | 3.26 | 0.07 | 0.43 | 4.17 | 1.73 |
| Total | 688.85 | 30.91 | 38.26 | 2.13 | 3.17 | 0.07 | 0.56 | 4.55 | 1.74 |

A wireframe model of the Giffen Well deposit, as currently identified, is indicated in the diagram below.

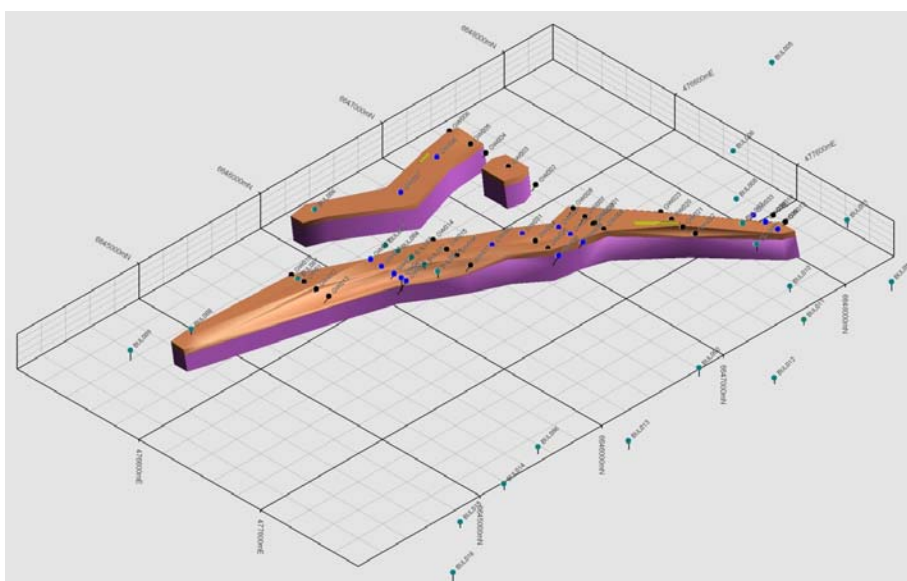


Figure 2
Giffen Well - BIF Wireframe Model

The drillhole locations are shown on the diagram below.

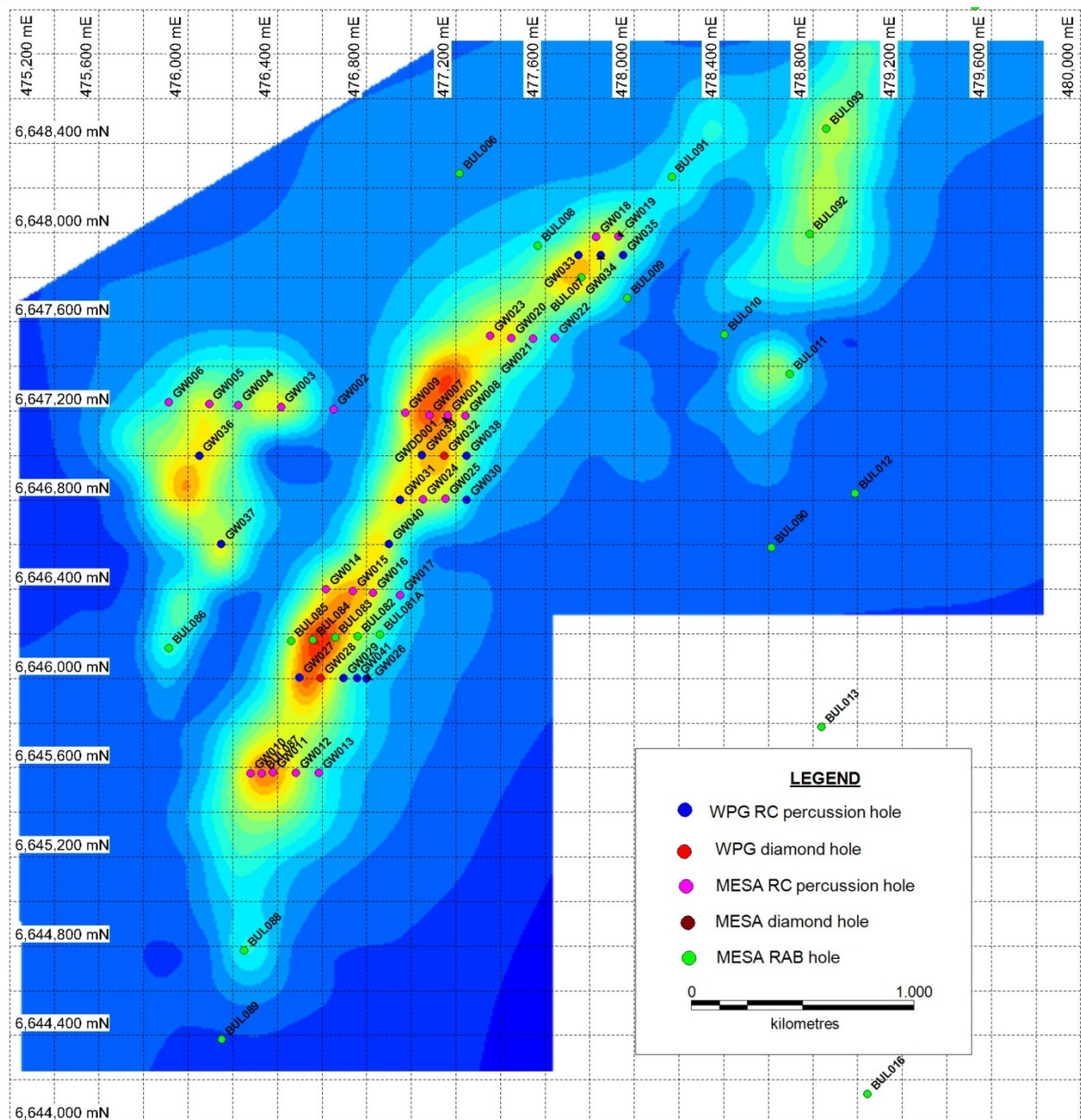


Figure 3
Giffen Well Ground Magnetic Image Showing Drill Hole Locations

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.

The results of all Davis Tube Recovery (DTR) metallurgical testwork completed on primary magnetite mineralisation has produced mass recoveries in excess of 40% resulting in high quality concentrate grades of >68% Fe. The Davis Tube analyses were carried out on a total of 247 five metre composite samples using a grind size of 95% passing 45 microns. Results were released in WPG's ASX announcement of 29 October 2012.

DTR and other metallurgical testing on the oxide material are continuing. In addition, further testwork will be conducted to optimise the plant design as part of the preliminary feasibility study that is scheduled for completion in the first quarter next year.

The results of the DTR testwork, utilising a 15% mass recovery cut-off, are tabulated below.

Table 2
Giffen Well Iron Ore Project – Davis Tube Testwork Results

| MAIN ZONE PRIMARY BIF | | DTR | CONCENTRATE GRADES | | | | | |
|--------------------------|----------------------|--------------|--------------------|----------------------|------------------------------------|--------------|--------------|--------------|
| Hole_ID | Head Assay Fe (%) | | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| GW026 | 22.72 | 20.03 | 63.53 | 6.83 | 1.30 | 0.053 | 0.033 | -2.46 |
| GW027 | 31.95 | 36.70 | 66.97 | 5.81 | 0.06 | 0.009 | 0.047 | -2.01 |
| GW028 | 36.42 | 46.70 | 68.39 | 4.78 | 0.03 | 0.005 | 0.005 | -3.06 |
| GW029 | 31.92 | 37.69 | 68.94 | 2.98 | 0.17 | 0.012 | 0.108 | -2.91 |
| GW030 | 39.32 | 50.49 | 67.49 | 3.85 | 0.67 | 0.011 | 0.014 | -2.95 |
| GW031 | 36.64 | 45.20 | 69.66 | 2.74 | 0.04 | 0.006 | 0.019 | -2.98 |
| GW032 | 34.51 | 41.46 | 68.90 | 3.33 | 0.13 | 0.007 | 0.108 | -2.92 |
| GW034 | 31.54 | 33.7 | 69.34 | 2.55 | 0.33 | 0.006 | 0.069 | -2.89 |
| GW035 | 33.78 | 42.71 | 69.14 | 2.91 | 0.30 | 0.005 | 0.018 | -3.12 |
| GW038 | 29.87 | 38.83 | 66.81 | 5.01 | 0.41 | 0.010 | 0.193 | -2.66 |
| GW039 | 28.69 | 34.54 | 68.65 | 4.02 | 0.08 | 0.005 | 0.125 | -2.98 |
| GW040 | 32.74 | 43.40 | 68.75 | 4.26 | 0.05 | 0.005 | 0.003 | -3.13 |
| MAIN ZONE AVERAGE | 33.62 | 41.99 | 68.46 | 3.87 | 0.20 | 0.008 | 0.061 | -2.96 |

| WEST ZONE PRIMARY BIF | | DTR | CONCENTRATE GRADES | | | | | |
|--------------------------|----------------------|--------------|--------------------|----------------------|------------------------------------|--------------|--------------|--------------|
| Hole_ID | Head Assay Fe (%) | | Fe (%) | SiO ₂ (%) | Al ₂ O ₃ (%) | P (%) | S (%) | LOI (%) |
| GW036 | 31.75 | 36.16 | 67.97 | 4.17 | 0.18 | 0.007 | 0.582 | -2.69 |
| GW037 | 31.14 | 40.16 | 68.67 | 4.15 | 0.13 | 0.004 | 0.037 | -2.99 |
| WEST ZONE AVERAGE | 31.38 | 38.58 | 68.39 | 4.16 | 0.15 | 0.005 | 0.252 | -2.87 |

As noted in the diagrams above, the Giffen Well deposit comprises three discrete mineralised zones, the largest of which is referred to as the Main Zone. The primary mineralisation within the Main Zone is the immediate focus of the preliminary feasibility study. The primary mineralisation in the other zones, and the oxide mineralisation in all three zones, represent upside potential from the base case assumptions in the preliminary feasibility study.

Based on the resource estimates and the metallurgical testwork undertaken to date WPG believes the main zone alone has the potential to produce some 5 million tonnes per annum of high grade concentrate from the treatment of approximately 13 million tonnes per annum of plant feed, for a project life of more than 30 years.

Port Pirie, South Australia

Through its wholly owned subsidiary Spencer Gulf Ports Pty Ltd, WPG owns a strategically located parcel of land adjoining the port facilities at Port Pirie, South Australia. This parcel of land is uniquely well serviced, with direct rail access to the Company's Giffen Well and Penrhyn projects. The perimeter of the land is shown bounded yellow on the drawing below.



Figure 4
Map Indicating Location of Proposed Port Pirie Infrastructure

WPG initially intended to build an iron ore receipt, storage, and load-out facility on the site, prior to the sale of the Peculiar Knob and Hawks Nest iron ore assets. Since the sale of those assets, construction activities on the site have ceased, rehabilitation work carried out and the site placed on care and maintenance.

Through the quarter WPG has maintained the site in good condition and continued a range of baseline environmental monitoring consistent with conditions of the Development Approval for the site. No adverse indications have been forthcoming.

WPG is intending to utilise the site for iron ore product exports from the Giffen Well project and maintains regular contact with stakeholders in Port Pirie regarding the project.

WPA – Lifting of Moratorium

The Woomera Prohibited Area Coordination Office (WPACO) has lifted a moratorium on new exploration licences in the WPA and released a template Exploration Deed of Access for exploration.

WPG has enjoyed consistent access to its main project areas in the WPA over recent years and has not been affected in any material sense by the moratorium. In the broader sense, the lifting of the moratorium on new exploration licences paves the way for accelerated exploration in the WPA and confidence in the co-existence model for use of the WPA.

Pidinga and Talacootra Projects

A cultural heritage clearance survey of proposed drill sites at Pidinga delivered unsatisfactory results. Although some members of the relevant claimant group clearly supported the proposed exploration program, a consensus from the claimant group supporting the exploration program was not achieved. As access has been denied, WPG will relinquish the tenements.

Penrhyn, Lochiel North and Perfection Well Coal Projects

No work was undertaken at Penrhyn or Lochiel North during the quarter. The Perfection Well exploration licence has been granted and a programme of exploration is being designed.

Mirikata and Muckanippie Projects

Exploration licence at Mirikata was granted after the end of the quarter. Exploration licence application at Muckanippie remains pending. Both areas are prospective for iron ore and IOCG/U mineralisation.

Competent Person

The review of exploration activities and results contained in this report are based on information compiled by Mr Gary Jones, a Fellow 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 Chief Executive Officer, Martin Jacobsen on (02) 9251 1044.