ASX and Media Release

Quarterly activities report
March quarter 2013

HIGHLIGHTS

- WPG made a tax payment of $938,000 during the quarter, being the final payment due to the ATO following the October 2011 sale of the Company's then iron ore assets for approximately $320 million.
- The Company has completed the preliminary feasibility study (PFS) for the development of the Giffen Well iron ore project in South Australia.
- The study showed Giffen Well is an affordable iron ore project complete with key infrastructure solutions.
- When developed, the project will produce 5 million tonnes per annum of high grade (68% Fe) magnetite concentrate with low levels of impurities with 40% weight recovery, and a further 0.4 mtpa of low-cost haematite concentrate. The magnetite deposit will be mined at the rate of 13 mtpa over a minimum 30 year life.
- The project's economics are greatly enhanced by WPG's ability to integrate its own strategic assets at Penrhyn and Port Pirie into the overall operation.
- The scale of development has been set to align with the capacity of existing and planned infrastructure.
- When in production, the project will provide 550 new, long term jobs and up to 800 persons in the construction phase in this remote part of South Australia. Production is targeted to commence in 2017.
- WPG has until 6 May 2013 to decide whether to exercise its right to acquire a 25% interest in the Giffen Well project and to form a joint venture, by the payment of $5 million to the project's owner.

26 April 2013

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SOUTH AUSTRALIAN PROJECT ASSETS

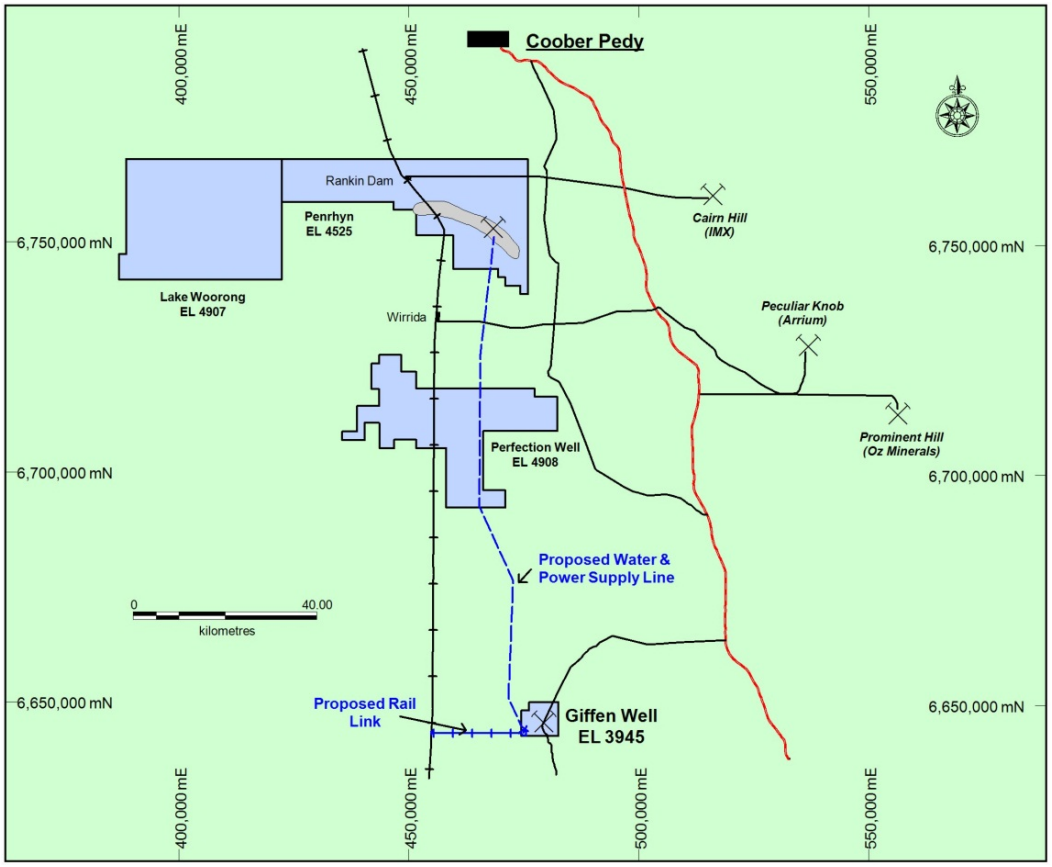
The locations of WPG's South Australian project assets are shown in the following map. This map shows the Company's granted tenements, including the Giffen Well farm-in project area and tenements under offer or application.

WPG has the right to earn an 82% interest in the Giffen Well tenement and potentially a 100% interest, by meeting the commitments that were summarised in the Company's ASX announcements of 24 January and 15 November 2012 and 8 March and 3 April 2013. Penrhyn and the land and other assets at Port Pirie are owned 100% by WPG.

Giffen Well

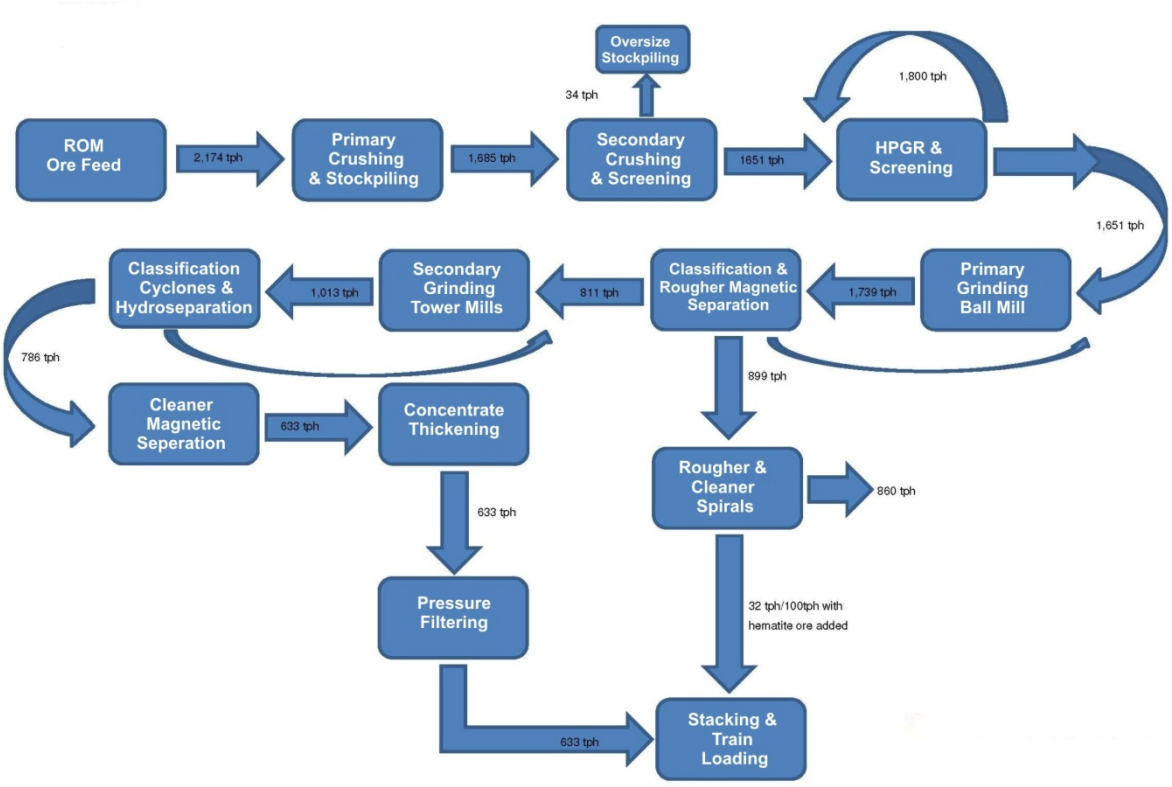
Giffen Well, Penrhyn and WPG's Port Pirie assets form an integrated project designed to match the capacity of existing infrastructure, wherever possible. The project comprises the following key components as indicated in the figure below:

- Minimum 30 year life open pit iron ore mine and treatment plant at Giffen Well mining 13 million tonnes per annum of magnetite BIF ore producing 5 million tonnes per annum of magnetite concentrate and a further 0.4 mtpa of haematite concentrate;
- Open pit coal mine mining at 480,000 tonnes per annum supplying coal to a 90MW power station at Penrhyn;
- Project water to be obtained from dewatering Penrhyn pit with excess water reinjected into the aquifer;
- 132 kV power line and water pipeline from Penrhyn to Giffen Well;
- 24km rail spur and loading loop connecting to the Central Australian Rail Line;
- Accommodation villages and airstrips at Giffen Well and Penrhyn;
- Rail haulage to Port Pirie and product storage at ore storage facility in Port Pirie; and
- Transhipment to Capesize vessels in deep water in Upper Spencer Gulf.



The Giffen Well treatment plant has also been designed to produce a haematite concentrate at a final grind size of 80% passing 25 microns producing 68% magnetite concentrate with low impurities.

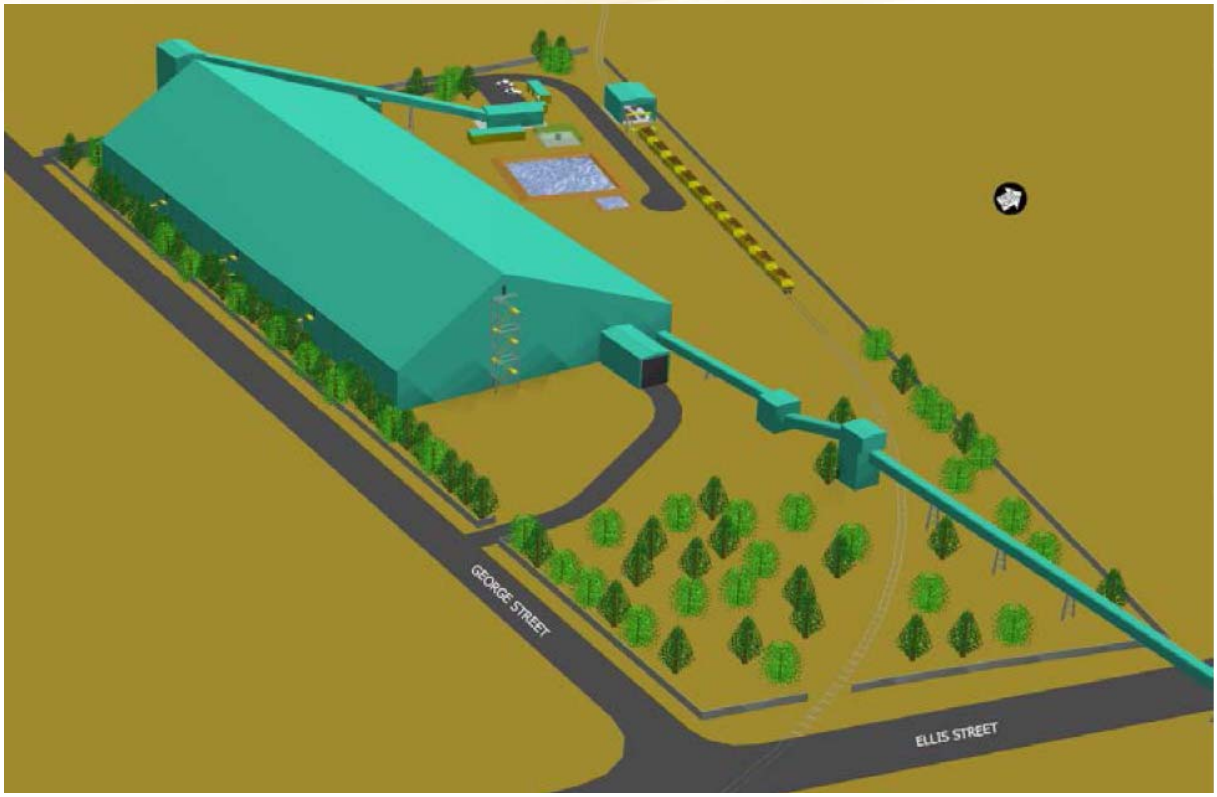
The proposed plant design is depicted schematically in the simplified Process Flow Block Diagram below.



The Penrhyn coal mine will produce 480,000 tpa of sub-bituminous black coal which will be fed to a 90 MW mine mouth power station to produce low cost electricity for the project. Process water will be obtained from dewatering of the Penrhyn pit.

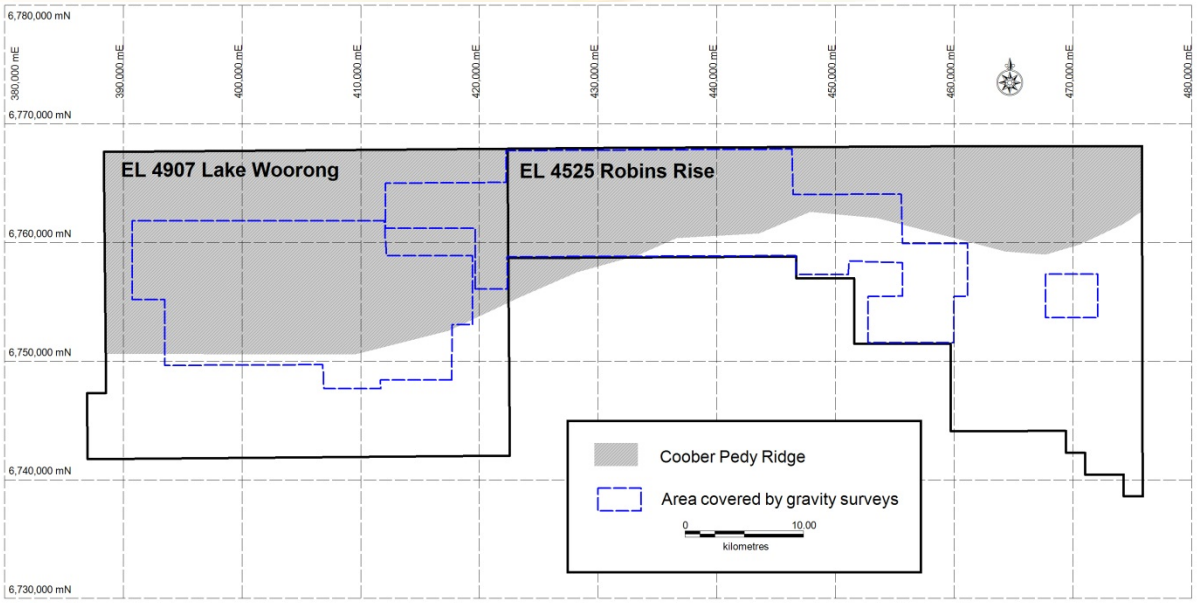
Concentrate will be railed to Port Pirie for storage in the ore storage facility prior to transhipment to Capesize vessels anchored in deep water in Spencer Gulf. WPG owns a strategically located parcel of land adjoining the port facilities at Port Pirie, South Australia. This parcel of land is well serviced, with direct rail access to Giffen Well and Penrhyn.

The proposed ore storage facilities in Port Pirie, with a storage capacity of 185,000 tonnes of concentrate, are depicted in the figure overleaf.



Penrhyn and Lake Woorong Projects

No coal exploration work was undertaken at Penrhyn during the quarter. However a review of previous company exploration over the prospective Coober Pedy Ridge that extends across the northern sections of the Robins Rise and Lake Woorong tenements was resumed. The Coober Pedy Ridge has long been considered prospective for both BIF and magnetite quartzite/schist type iron ore deposits as well as IOCG/U mineralisation. Gravity data from extensive ground surveys as shown in the figure overleaf has been re-processed and will be used in conjunction with magnetics and geochemical sampling to guide future exploration. Several targets worthy of follow-up exploration including drill hole intersections of 54m @ 23% Fe and 28m @ 25.9% Fe are emerging from the review of historical drilling data.



Mirikata and Muckanippie Projects

A detailed review of previous company data was completed for both these project areas during the quarter. Results have outlined several areas of interest for both iron ore and nickel-chromium in the Muckanippie project EL. Intersections of up to 15m @ 44.78% Fe have been noted from previous drilling.

Previous drill testing of magnetic anomalies in the Mirikata tenement has confirmed they are caused by magnetite BIF which is most likely the north-eastern extension of the Hawks Nest stratigraphy. Younger cover depths of up to 300 metres downgrade the potential for near surface iron ore deposits in this area.

Lochiel North and Perfection Well Coal Projects

No coal exploration work was undertaken on either of these project areas during the quarter. A review of previous company exploration data within some sections of the Perfection Well tenement has been resumed.

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.