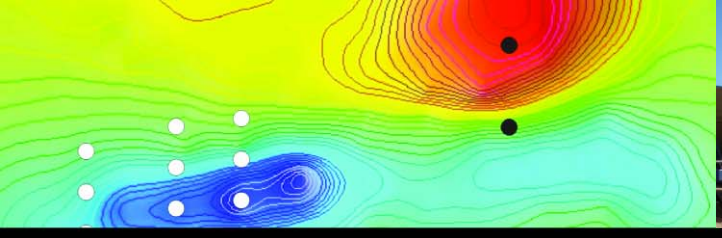

ASX and Media Release

Encouraging gold assays received from first hole in Challenger Deeps drilling program

WPG Resources Ltd (ASX:WPG) is pleased to advise that it has received highly encouraging gold assays from the first hole in its Challenger Deeps drilling program announced on 3 April 2017.

This hole was designed to target the M1, Aminus and Challenger West lodes. The assay results received for this drill hole (17CUD2071) range from <0.01 to 740.17ppm gold. Intercepts on the target structures are:

- M1: 1.66m (true width) @ 14.32 g/t Au from 58m
- Aminus: 0.86m (true width) @ 45.12 g/t Au from 121m including 0.26m @ 139.69 g/t Au
- Challenger West: 0.86m (true width) @ 232.12 g/t Au from 140m including 0.26m @ 740.17 g/t Au

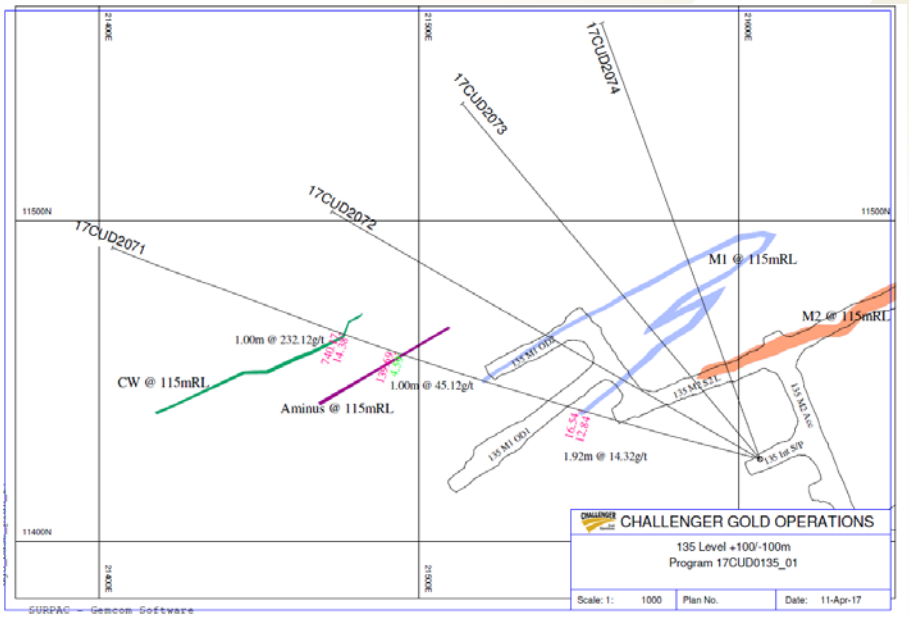

Figure 1: Phase 1 drilling targets (first 4 holes) - Plan view at 115mRL and shows bottom level of current Challenger development. Drill holes 17CUD2072 to 17CUD2074 are planned drill holes.

11 April 2017

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Summary results are shown in Appendix 1.

WPG's Executive Chairman Bob Duffin said "The intercept in Challenger West is particularly pleasing as no significant drilling has previously been undertaken on Challenger West below the 215 shear. This excellent intercept gives encouragement that this lode may form part of our future mining activities below the 215 shear in addition to the M1 and M2 lodes."

Additional results from Phase 1 of this systematic drilling program totalling 14 holes, which is anticipated to take approximately 6 weeks, will be used to plan initial mining activities at Challenger Deeps and identify other structures that may increase the endowment below the shear.

None of the data reported on herein has been used for resource or reserve estimation.

Further Information

For further information please contact WPG's Executive Chairman, Bob Duffin or CEO Wayne Rossiter on (02) 9251 1044.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning WPG's planned activities, including but not limited to mining and exploration programs, and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. In addition, summaries of Exploration Results and estimates of Mineral Resources and Ore Reserves could also be forward looking statements. Although WPG believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Competent Person Statement

The Challenger exploration activities and results contained in this report are based on information compiled by Mr Kurt Crameri.

Kurt Crameri is a Member of the Australasian Institute of Mining and Metallurgy. He is a Senior Project Geologist and Mining Engineer and a full time employee of WPG Resources Ltd. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code & Guidelines). Kurt Crameri 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.

Appendix 1 – Drill hole information

Drill collar detail

Exploration Diamond Drill hole Details (Local Grid)						
Hole_ID	Collar mN	Collar mE	Collar mAHD	Dip	Grid Azi	Hole Length (m)
17CUD2071	11425.579	21606.644	138.5	-12	285	219.68

Drill assay results

Drill Assay results						
Hole ID	From (m)	To (m)	Interval (m)	True Width (m)	Au (g/t)	Shoot
17CUD2071	58.00	59.92m	1.92	1.66	14.32	M1 OD1
	121.00	122.00	1	0.86	45.12	Aminus
Including	121.70	122.00	0.3	0.26	139.69	Aminus
	140.00	141.00	1	0.86	232.12	Challenger West
Including	140.70	141.00	0.3	0.26	740.17	Challenger West

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Underground BQ drill core is whole core sampled, ranging from 0.3m to 1.3m sample intervals. • Each sample is crushed to 4mm and pulverised to 75 microns through the PAL (pulverising aggressive leach) process. In the PAL process, each sample is pulverised in an aqueous solution with cyanide bearing assay tabs and a collection of assorted ball bearings. Each sample is processed in the PAL for one hour, resulting in an Au_CN complex bearing liquor and remnant pulverised sample.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Underground diamond drilling is undertaken by Challenger Gold Operations. Challenger Gold operates two LM75 underground drill rigs with separate power pack running BQ triple tube wireline gear. • No diamond core was oriented.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to*	• All drill core is presented as whole core in core trays by Challenger Gold drillers. Core blocks are inserted at the end of every run. Any core loss is noted by the diamond driller on an additional core block if required. • Any core loss is discussed with the drillers in a process of constant improvement to maximise returns. In the case of core loss, generally only fine material is lost through grinding. Any discrepancies between the measured length of the core and that of the core blocks are identified and recorded in

Criteria	JORC Code explanation	Commentary
	preferential loss/gain of fine/coarse material.	logging as gaps in the lithology and also in the geotechnical logging. • Unless a mineralised leucosome is ground away, there is no sample bias due to fines loss.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drill core is geologically logged (lithology, mineralisation, structure) and geotechnically logged (Q value – rock quality) down to cm-scale. (Any leucosome greater than 0.20m in length is recorded as a separate lithology. • The logging is quantitative in nature as lithology percentages and compositions are recorded and all geotechnical logging relies on measurements for the calculation of Q values. • All core is digitally photographed, one core tray per photo, with photos stored on site server for reference.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Samples taken from BQ underground core are full core sampled. • The sample is submitted to the site laboratory for analysis. All samples are dried at a maximum temperature of 90 degrees Celsius to drive off moisture that would interfere with splitting the sample. After drying, samples are crushed using a Boyd Crusher to approximately 4mm in size and then split through a rotary sample splitter to produce a sub-sample. The crusher is cleaned regularly, with barren material (bricks) crushed through it to ensure no smearing prior to the sample run being crushed. Each reject sample is retained for resampling if required. • Each sample can be tracked by its sample number through the entire laboratory process and results for the original samples and all QAQC samples are presented in digital form to the site geologists.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assaying at Challenger is completed using the PAL process (pulverising aggressive leach). This process effectively replicates the process in the Challenger mill. Each sample is pulverised in aqueous solution with cyanide bearing assay tabs and a collection of assorted ball bearings. Each sample is processed in the PAL for one hour, resulting in an Au_CN complex bearing liquor and remnant pulverised sample. The pulverised material is 95% passing 75 microns, the ideal liberation size for gold at Challenger. • Every twentieth sample is duplicated for the original sample bag (re-split) to produce a duplicate. Every sample run (53 samples) will contain at least two duplicates, a blank and a standard (prepared by Gannet Holdings Pty Ltd). These are to ensure that the sub-sampling is representative, that the PAL is

Criteria	JORC Code explanation	Commentary
		correctly cleaned between sample runs and that the PAL is pulverising the samples correctly for full gold extraction. • Following PAL processing, the samples are individually decanted, centrifuged and prepared for analysis in an AAS by solvent separation using DIBK (20 minutes). The sample is then aspirated through the AAS to produce a reading. The AAS is calibrated for each sample run using analytical reagent prepared standards (of 1.0, 5.0, 10.0 and 20.0 g/t Au) from Rowe Scientific. Each sample is adjusted for sample weight in Labman software to produce the gold grade in ppm. These grades are presented to site Geologists in MS Excel .csv spread sheets. • For each sample job; blanks, standards and duplicates are examined to ensure that the blanks are below detection (0.01ppm), the standards are within 8% (experimental accuracy) and that the duplicates are 'reasonable' with respect to the nugget effect of the Challenger deposit. Any sample jobs that fail these checks will be re-analysed from re-splits of the original samples. In addition, all the blanks, standards and duplicates are examined quarterly to ensure that the laboratory is maintaining overall operating standards.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intercepts were verified by Challenger Mine Geologists and the Senior Mine Geologist. Any significant intercepts in exploration drilling and selected significant intercepts from underground production diamond drilling are submitted to Genalysis at least annually for external analysis. This analysis is undertaken by SP-02 or SP-03 sample preparation followed by partial fire assay using a 50 gram charge (FA50). These results are compared to the original PAL results to ensure that the site analyses are repeatable. While the two analysis processes are different, a correlation 0.94 has been achieved for the last comparison, undertaken in June 2016, and 0.83 to 0.98 over the last two years. • No twinned holes were drilled • All core logging data is captured digitally on company laptop computers and stored on the site server, which is backed up daily. All sample information is recorded both in the relevant logs/face sheets and in sample submission forms that are submitted to the laboratory (on and off site). This allows checking that all samples are present and accounted for by laboratory staff. Assay results are generated as MS Excel .csv files that are stored on the site server and are manually merged with the primary logging/face sheet information. This merged data (logs, collar information and assays) are all imported to the site Diamond Drilling Database in MS Access for use in Surpac. All information imported to the database is checked by the importer in MS Access and Surpac to ensure

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>the correct location/display of data. Ongoing checks are carried out by the entire technical team as the data is used.
• The only modification of assay data, following creation by Labman software is altering of results below detection, <0.01g/t Au, to 0.001g/t Au, averaging of duplicate results to produce an ‘au_plot’ grade for plotting and application of c80, c140 and c180 cut-offs to the primary data. All of these modifications are undertaken using the merged data in MS Excel (using standard forms), prior to importing to MS Access</td></tr>
<tr><td>Location of data points</td><td>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.
• Specification of the grid system used.
• Quality and adequacy of topographic control.</td><td>• All surveys on site are carried out by qualified Surveyors using a Total Station Leica theodolite from known wall stations determined from surface stations located by GPS. Surveying in this manner provides three dimensional collar co-ordinates and development pickups to mm-scale accuracy. Drill hole collars are surveyed in the same way as the rest of the workings with collar dip and azimuth determined by surveying a rod that fits into the drill holes. The collar surveys are transmitted electronically to the site Geologists who merge this information into the MS Excel logs for each drill hole. Down hole surveying of underground diamond drill core is undertaken with a single-shot electric down hole compass/camera at a minimum of every 30m down hole.
• All survey data is stored as local Challenger Mine Grid.
• Challenger Mine Reduced Level (RL) = AHD + 1000m so AHD 193m level = 1193mRL.
• Transformations between AMG and local grids: origin, azimuth
• AMG origin and azimuth conversions are based on the following coinciding points.
AMG84 Co-ordinates
<table>
<tr><th>Station Name</th><th>mN</th><th>mE</th><th>mAHD</th></tr>
<tr><td>CH10</td><td>6693784.890</td><td>363338.265</td><td>194.97</td></tr>
<tr><td>CH20</td><td>6693917.900</td><td>363657.477</td><td>50.069</td></tr>
<tr><td>Origin</td><td>6693379.301</td><td>363699.494</td><td>194.410</td></tr>
<tr><td>Flat Battery</td><td>6693411.735</td><td>363510.463</td><td>194.314</td></tr>
</table>
Challenger Mine Grid co-ordinates
<table>
<tr><th>Station Name</th><th>mN</th><th>mE</th><th>mAHD</th></tr>
<tr><td>CH10</td><td>10524.890</td><td>19860.005</td><td>1194.977</td></tr>
<tr><td>CH20</td><td>10499.951</td><td>20204.989</td><td>1050.069</td></tr>
<tr><td>Origin</td><td>10000.000</td><td>20000.000</td><td>1194.410</td></tr>
<tr><td>Flat Battery</td><td>10114.083</td><td>19845.777</td><td>1194.314</td></tr>
</table></td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		Challenger Mine Grid North 0° = 329.0° MAGNETIC Challenger Mine Grid North 0° = 333° 14'41"AMG (grid bearing + 26°45'19" = AMG bearing) • Challenger Mine Grid 31° = Magnetic North 0° • Topographic control is taken from the surface stations (above) and traversed to the operating areas through the use of wall stations.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Underground drilling for the current Challenger Deeps program is spaced 30m horizontally and 20m vertically. Underground drilling is adequate to broadly define the lodes for the purposes of level planning. • No sample compositing of underground diamond drilling has been applied
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The orientation of underground drill holes are designed to be as perpendicular to the lode system as possible. The intersection angle of the drill hole to the lodes in drill hole 17CUD2071 is estimated at 60 degrees.
Sample security	• *The measures taken to ensure sample security.*	• Samples are submitted to the site laboratory as soon as practical after sampling in individually numbered calico sample bags (labelled CUD for diamond drilling). Analysis is not undertaken until all descriptive paperwork is correctly submitted for the samples. From acceptance of the samples, each sample is tracked on site through Labman software to ensure that each assay is correctly matched with its sample. Any discrepancy between submitted samples and the paperwork is identified and may result in the entire sample job being resampled form original material prior to analysis. External laboratories utilise their own systems for sample tracking.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Data reviews are undertaken on an ongoing basis by site Geologists while using the data. Any errors identified (either by staff, MS Access or Surpac) is queried and corrected as a part of a program of continual improvement. • Lab audits are done annually, showing that operating procedures for sample management, QAQC and result consistency are being adhered to.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• All exploration was undertaken within the current Challenger Mine Lease ML6103. The underlying Exploration Licence EL5661 comprises 687 square kilometres within the Woomera Prohibited Area, straddling the Mobella and Commonwealth Hill pastoral leases.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration and mining activities at Challenger Gold Mine have been conducted by Dominion Gold (1995-2010) and Kingsgate Consolidated (2010-2016).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Challenger occurs within the Mulgathing Complex of the Gawler Craton and the area is characterised by Archaean to mid-Proterozoic gneissic country rock. Original granulite facies metamorphism is overlaid by retrograde amphibolite facies recrystallization around 1650 - 1540 Ma (Tomkins, 2002). Saprolitic clays extended to 50 m depth within the ore zone, reflecting a deeper base of oxidation. • High-grade gold mineralisation is associated with coarse-grained quartz veins with feldspar, cordierite and sulphides dominated by arsenopyrite, pyrrhotite and lesser telluride. These veins are interpreted as migmatites that have undergone partial melting, with this melting reflecting a precursor hydrothermal alteration event (McFarlane, Mavrogenes and Tomkins, 2007). • Three main types of leucosome/vein styles have been defined: 1. quartz dominant veins, which may be remnant pre-metamorphic mineralised veins 2. polysilicate veins, which are dominant in the main ore zones and host the majority of the mineralisation 3. Pegmatitic veins, which are unmineralised, late stage, with cross-cutting relationships. • The gold mineralisation is structurally controlled through emplacement of the partial melt into relatively low-strain positions. McFarlane, Mavrogenes and Tomkins (2007), using Monazite geochronology proposed a 40 Ma period

Criteria	JORC Code explanation	Commentary
		between 2460 and 2420 Ma of repeated high-temperature events. • The Challenger Structure can be defined as a laterally extensive shear zone with shoots that plunge 30° to 029° (AMG). These ore shoots are defined by leucosome veins, which are characteristically ptygmatically folded. The small-scale folding is parasitic to the overall larger scale folding that can be interpreted from drill core. The folding is interpreted as pre peak metamorphism along with gold mineralisation. Post-folding, the Challenger shoots were subjected to extreme WNW-ESE shortening and extension directed shallowly to the NE. • Reference: Androvic, P, Bamford, P, Curtis, J, Derwent, K, Giles, A, Gobert, R, Hampton, S, Heydari, M, Kopeap, P and Sperring, P, 2013. Challenger Gold Mine, Australasian Mining and Metallurgical Operating Practices, AusIMM. 1097-1112.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• See Appendix 1 to this report.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• For all results at Challenger Gold Mine, a low cut-off of 0.01g/t Au is applied (limit of detection), these results are replaced with 0.001g/t Au in the drilling database to flag that they are below detection. The assay result is stored as au_plot in the database and variable top cuts of c80g/t, c140g/t and c180g/t are used where required. No upper grade truncation is used for significant intercepts. • Reported mineralised intercepts are based on consistent zones of mineralisation greater than 5 g/t and intervals over 0.25 metres. • No metal equivalent values have been used.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• All mineralisation widths are reported as depths down hole as all underground drilling is designed to be as perpendicular to the lodes as possible. As this exploration is entirely for resource development, any significant intercepts used in lode modelling are constrained by the resulting model, producing a de-facto true width for further calculations.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Diagrams have been included in the main body of the report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• The assay results received for this drill hole (17CUD2071) range from <0.01 to 740.17ppm gold.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Visible gold was observed in drill core at 121.85 and 140.70 metres downhole and correspond to the assays reported in the main body of the report.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Planned underground drilling for the current financial year focuses on infilling the lower levels of the Challenger West resource, further definition drilling of Challenger SSW, lateral conceptual exploration targets (Enterprise) and drilling of Challenger Deeps to extend the mine life.