

ASX and Media Release

Quarterly activities report March quarter 2015

HIGHLIGHTS

Tarcoola gold project (WPG 100%)

- ❖ Mineral Claim granted for the Tarcoola gold project
- ❖ Preparation of a Mineral Lease Proposal is well advanced
- ❖ DFS for the Tarcoola gold project is underway and anticipated to be completed during Q2 2015
- ❖ Como Engineers have been commissioned to complete CAPEX and OPEX studies on the infrastructure components of the project
- ❖ Encouraging preliminary results on heap leach testing for Tarcoola support those from previous owners

Tunkillia gold project (WPG 100%)

- ❖ 100% of ELs 4812 and 4495 now held after completion of transaction with Helix and regulatory approvals process in March 2015
- ❖ DSD has approved the Company's application to peg a mineral claim over 2,250 hectares for the Tunkillia gold project
- ❖ 14 prospects identified for priority exploration follow-up from a total of 33 targets generated from a major review of historical data
- ❖ Two of these prospects have been scheduled for imminent drilling
- ❖ A detailed review of the Tunkillia gold project data has confirmed that the resource estimate for the main 223 deposit can be enhanced at higher cut-off grades allowing a wide degree of flexibility for strategic development options

Corporate

- ❖ Continuing interest from potential project financiers
- ❖ Process of Port Pirie land asset sale continues

30 April 2015



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SOUTH AUSTRALIAN GOLD PROJECTS

WPG Resources Ltd (ASX: WPG) holds its key South Australian gold prospects through two wholly-owned subsidiaries – Tarcoola Gold Pty Ltd and Tunkillia Gold Pty Ltd.

The location of the Company's gold projects is shown below in Figure 1.

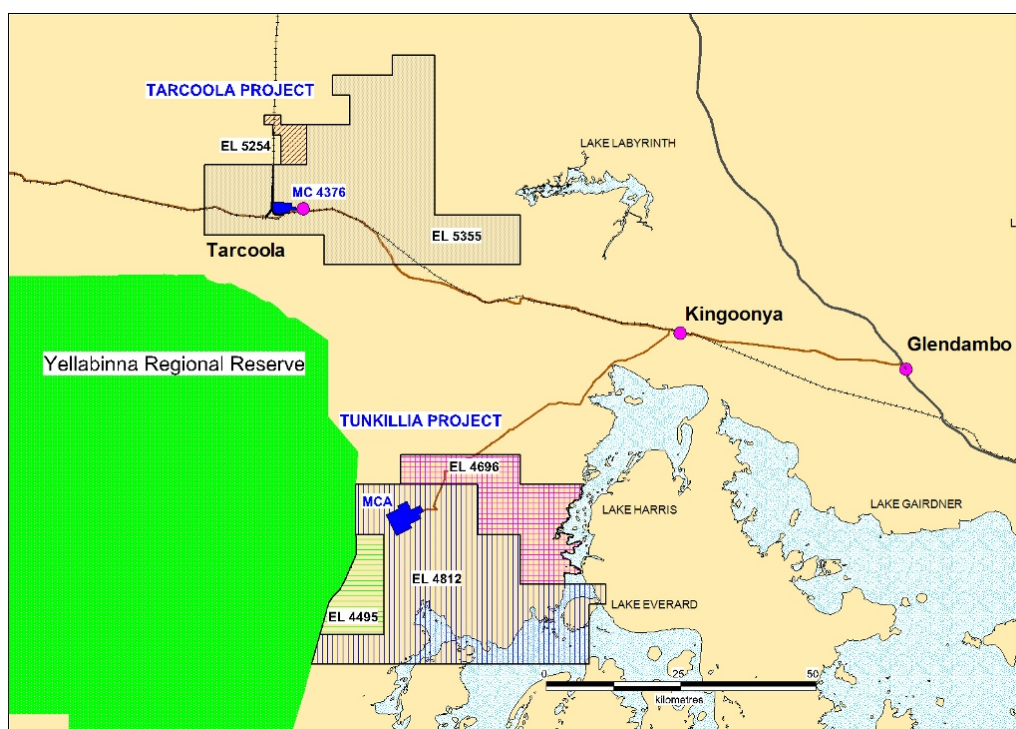


Figure 1 – Location of Tunkillia and Tarcoola Exploration Tenements

TARCOOLA

Development of the project continues on track targeting construction early in 2016 and initial production soon thereafter.

On 9 April 2015 the South Australian Department of State Development (DSD) granted registration to Tarcoola Gold Pty Ltd of its Mineral Claim 4376 over 725 hectares for the Tarcoola gold project. This clears the way for Tarcoola Gold to now apply for a Mineral Lease (ML). Preparation of a Mineral Lease Proposal is well advanced for lodgement with DSD.

The location of the Tarcoola Mineral Claim and a cross-section of the Perseverance deposit at Tarcoola are shown below.

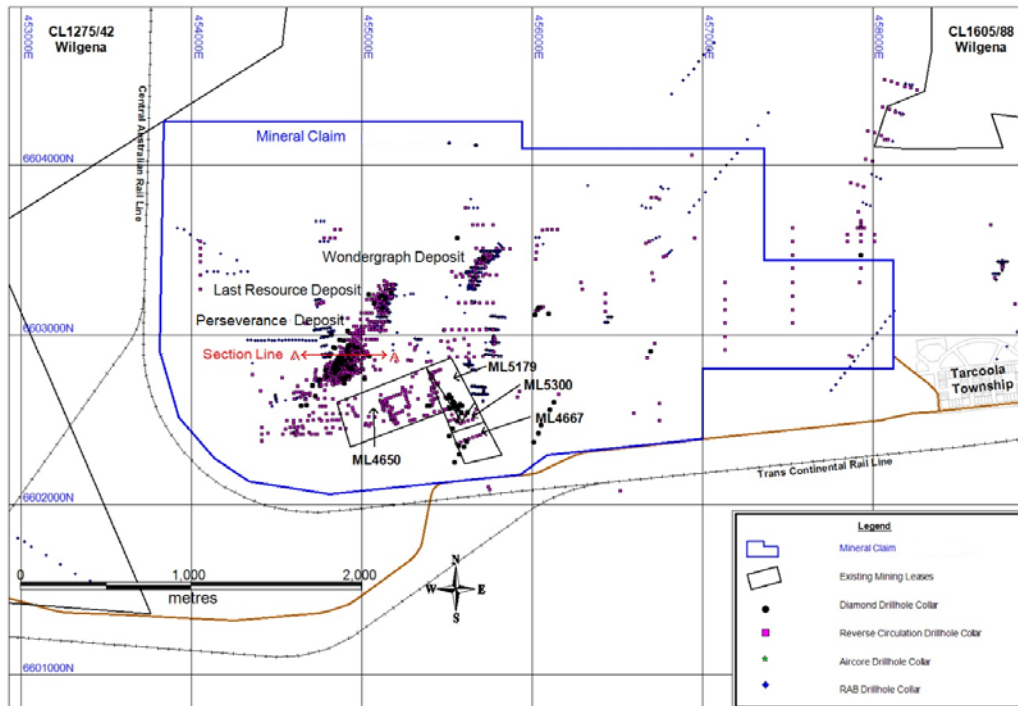


Figure 2 – Location of Tarcoola Mineral Claim

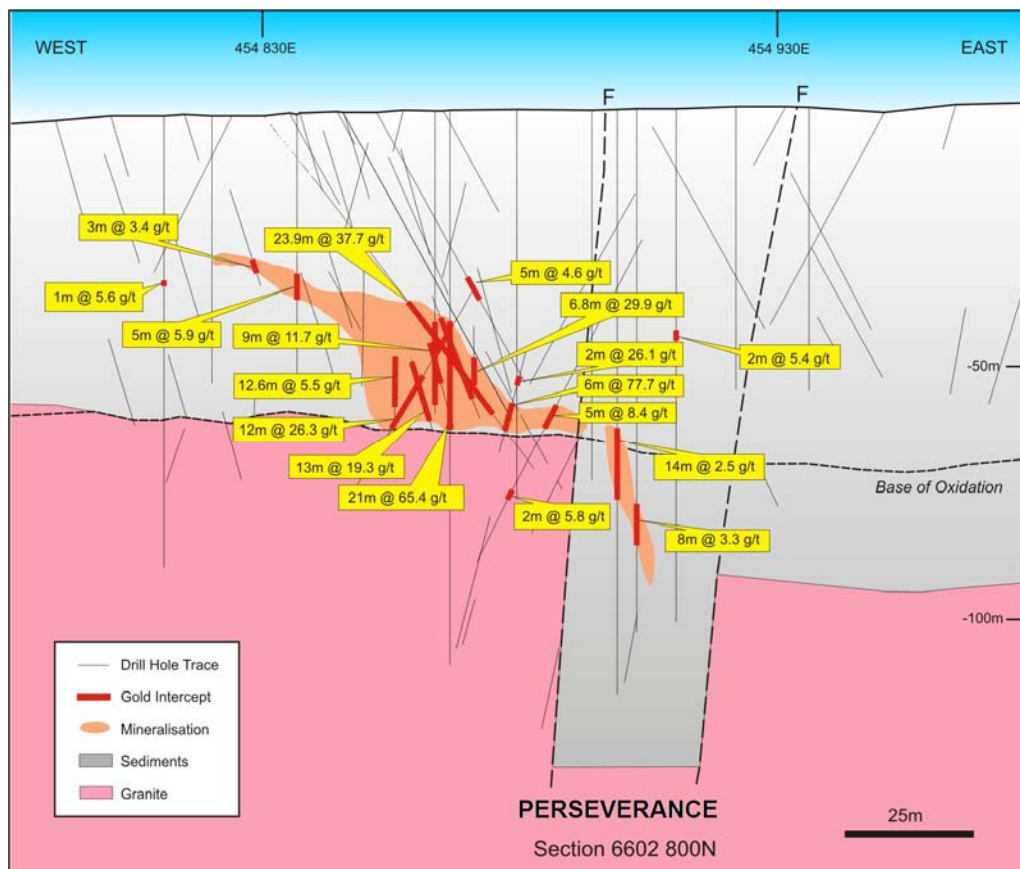


Figure 3 – Cross Section 6,602,800N ('A – A' Figure 2)

In its **14 January 2015 ASX** announcement the Company reported the initial assay results from its diamond drilling program which was completed at the end of November 2014 at Tarcoola. Drill Hole TAD008 intersected 6.50m (true width) @ 8.77 g/t gold, including 1.70m @ 24.61 g/t gold.

Five PQ diamond holes (see Figure 4) for a total of 389.3 metres were drilled to collect material for the completion of metallurgical testwork. The deepest holes were just over 90 metres.

Selected mineralised core was then sent for metallurgical testing to develop and optimise heap leach metallurgical and process design flow sheets for the project. The work will lead to detailed design of crushing, conveying and stacking options, design of leach pads and ponds as well as feasibility level capital and operating cost estimates for detailed evaluation of the project's economics and is anticipated to be completed in the next quarter.

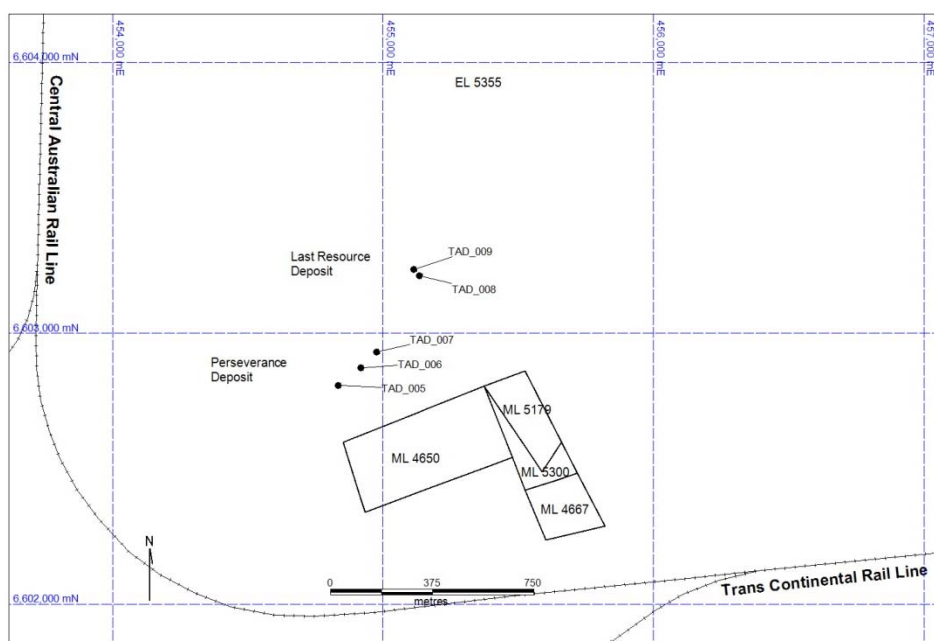


Figure 4 – Location of metallurgical drill holes

Preliminary results of heap leach testing on the ore samples prepared from the recent WPG core holes drilled at Perseverance are encouraging and initial results support results from similar testwork carried out by previous owners of the project.

A Definitive Feasibility Study (DFS) for the Tarcoola gold project is underway and anticipated to be completed during Q2 2015. Como Engineers have been commissioned to complete CAPEX and OPEX studies on the infrastructure options for the project, in conjunction with Kappes Cassiday and Associates. Como Engineers previously worked with WPG on infrastructure studies for its successful Peculiar Knob iron ore project.

In its **10 February 2015 ASX** announcement the Company reported the assay results from the intervals of core from within the oxide zone in the holes completed in November 2014 at Tarcoola.

Significant assay results from the Oxide Zone are shown in the table below:

Table 1 – Oxide Zone Assay Results

Hole ID	Depth From (m)	Depth To (m)	Interval (m)	Au (g/t)
TAD005	31	35	4	3.22
TAD006	36	39	3	2.80
TAD008	0	3	3	3.88
TAD008	18	23	5	1.70

The intercept intervals shown above are down hole intercepts as the geometry of the mineralisation within the oxide zone in these holes is unknown, due to probable remobilisation during the weathering process. It is likely that supergene enrichment of gold has occurred near the base of oxidation.

Stakeholder consultation

A program of stakeholder consultation meetings including pastoralists and South Australian Government agencies has been ongoing during the Quarter. In April 2015 a presentation was made to the Native Title Holders - the Antakirinja Matu-Yankunytjatjara People (AMYAC) at their invitation.

TUNKILLIA

In its **22 January 2015 ASX** announcement the Company reported Ministerial approval for the transfer of EL 4812 and EL 4495 from Helix Resources Limited (HLX) to Tunkillia Gold Pty Ltd.

In its **16 March 2015 ASX** announcement the Company reported the following developments in regard to securing tenure at Tunkillia:

- registration of the Sale and Purchase Agreement with HLX,
- finalisation of the Instrument of Transfer in the Mining Register of the ILUA pertaining to the tenements
- withdrawal of the Mineral Lease Application (MLP) which was submitted to DSD in April 2014 by Mungana Goldmines in the name of HLX.

Under the Sale and Purchase Agreement (SPA) reached with then Joint Venture (JV) partner HLX which was announced on 26 November 2014, WPG proceeded to 100% ownership of the Tunkillia tenements EL 4812, EL 4495 and MC 4347 which were previously held in the name of Helix on behalf of the JV.

As a result of the change of ownership of the tenements and the Mineral Claim, the original MLP was withdrawn, thereby allowing Tunkillia Gold Pty Ltd to apply for a Mineral Claim (MC) in its own name.

On **30 March 2015** DSD approved the Company's application to peg a single MC over 2,250 hectares for the Tunkillia gold project. The MC was pegged, and the Mineral Claim Application (MCA) submitted during April 2015. Once the MC is granted, Tunkillia Gold will re-submit the MLP in its own name.

DSD has confirmed that it will continue to work closely with Tunkillia Gold to progress the approvals processes for the project.

In its **4 February 2015 ASX** announcement the Company reported "Plums found in the Tunkillia pudding – resource estimate enhanced at higher cut-off grade". A detailed review of the Tunkillia gold project data confirmed that the resource estimate for the main 223 deposit can be enhanced at higher cut-off grades allowing a wide degree of flexibility for strategic development options.

Part of WPG's approach when it acquired the project was to recast the resource estimate using a more realistic cut-off grade which was expected to reduce the tonnage but increase the average grade.

Consistent with this approach, the resource estimate has been recast using a 0.5 g/t cut-off grade in the oxide zone, and a 1.0 g/t cut-off grade in the primary zone. The restated estimate is set out in Table 2.

Table 2: Restated Tunkillia Resource Estimate

Zone	Resource Category	Million Tonnes	Gold g/t	Silver g/t	Gold 000 oz	Silver 000 oz
Oxide Zone	Measured	1.26	1.38	2.4	56	96
	Indicated	2.94	1.04	1.9	98	179
	Inferred	0.44	0.82	1.5	11	20
	Total*	4.64	1.11	2.0	165	295
Primary Zone	Measured	1.84	1.87	5.9	111	347
	Indicated	4.30	1.46	4.3	202	592
	Inferred	1.54	1.63	5.0	81	249
	Total*	7.68	1.59	4.8	393	1,187
Oxide and Primary Zones	Measured	3.10	1.68	4.4	167	443
	Indicated	7.24	1.29	3.3	300	771
	Inferred	1.98	1.45	4.2	92	269
	Total*	12.32	1.41	3.7	558	1,482

* totals are subject to rounding

WPG notes that the total estimated resource grade set out above is 36% higher than previously published.

WPG will now conduct an in depth review of the potential development scenarios including optimisation studies. The results of these studies will then set the platform for WPG to redefine the project parameters and advance a new exploration and development strategy.

The most appropriate mining and processing strategy for the Tunkillia 223 deposit seems likely to be the development of an open pit mine with conventional CIP/CIL gold recovery.

In its **4 February 2015 ASX** announcement the Company reported that it has identified 14 prospects for priority exploration follow-up from a total of 33 targets generated from a major review of historical data compiled by previous explorers. The 14 prospects prioritised for follow up exploration are all located within the Tunkillia exploration tenements.

Two of these prospects have been selected for imminent drilling. Their location makes them suitable to provide satellite feed for the option of a centralised CIL processing plant for Tunkillia should economic mineralisation be discovered.

- Area 51, which is favourably located in the Yarlbrinda Shear Zone (YSZ) along strike from the Tunkillia 223 deposit and is rated as a “walk up” drill target.
- Tomahawk Extended, where there is a target with a potential 700 metre strike length.

OTHER SOUTH AUSTRALIAN PROJECT ASSETS

MUCKANIPPIE, ROBINS RISE, LAKE WOORONG, PERFECTION WELL AND LOCHIEL NORTH

With WPG's current focus on fast tracking its gold projects, the Company's efforts were diverted for the Quarter from its other South Australian project assets.

There was no substantive work undertaken on these tenements during the Quarter.



Figure 5 – Location map of WPG tenements

CORPORATE

PROJECT FINANCE

WPG received continuing interest from several potential project financiers who have approached the Company in relation to the development of the Tarcoola and Tunkillia gold projects. These discussions have been enhanced by the Company's move to 100% ownership of both projects.

PORT PIRIE LAND ASSET

In its ASX release of 5 September 2014, WPG announced it no longer requires its Spencer Gulf Ports land asset in Port Pirie. Since acquiring the land in 2011, WPG has maintained and improved the land, including environmental monitoring. The Land Management Agreement has now been removed from the Certificate of Title and the land is unencumbered. The process for sale of this asset was initiated during the December Quarter and continues.

NEW PROJECTS REVIEW

During the Quarter WPG continued its comprehensive review of mining investment opportunities, covering a wide range of commodities and mining sectors both in Australia and overseas. The WPG team has the experience in many overseas jurisdictions and across a wide range of commodities and mining to embrace such potential.

FINANCIAL POSITION

As at 31 March 2015 the Company had cash at bank of \$2.05 million. This ensures WPG continues to be well placed to pursue further acquisition opportunities.

Further Information

For further information please contact WPG's Managing Director & CEO, Martin Jacobsen on (02) 9251 1044.

Competent Person

The reviews 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 Ltd 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 2012 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.