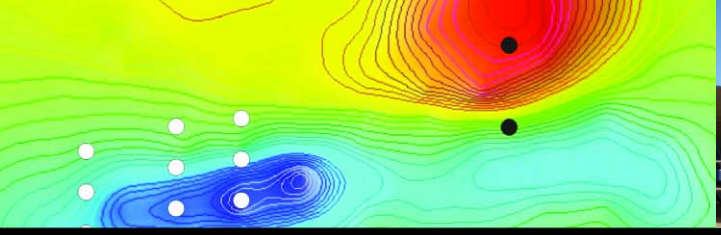

ASX and Media Release

Tarcoola gold project – Ore Reserve Estimate

HIGHLIGHTS

- Total Ore Reserve: 900,000 tonnes @ 2.6g/t for 74,000 contained ounces
- Receipt of this report will enable the finalisation of the Tarcoola Feasibility Study
- Project construction targeted for mid-2016

WPG Resources Ltd (ASX: WPG) is pleased to announce the Ore Reserve estimate for the Tarcoola gold project in South Australia, prepared and reported in accordance with JORC (2012) guidelines.

The Ore Reserve estimate, based on the mine design completed by independent mining engineering consultants Australian Mine Design and Development Pty Ltd for inclusion in the Tarcoola gold project Feasibility Study, is a total of 900,000 tonnes at 2.6 g/t gold containing 74,000 ounces.

WPG Executive Chairman Bob Duffin said: “This Ore Reserve estimate is the foundation upon which we will develop the Tarcoola gold project. We continue to target a mid-2016 start of operations at site, subject to financing”.

WPG is close to finalising the Feasibility Study for the Tarcoola gold project. The Company has also lodged its proposal for a Mineral Lease Application at Tarcoola with the South Australian regulator, and has engaged consultants to assist with the preparation of the Program for Environment Protection and Rehabilitation.

The Ore Reserve estimate is set out in the following table, along with a summary of material information. Detailed technical information with reference to JORC (2012) compliance for the Ore Reserve estimate is provided in Appendix 1.

22 September 2015

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Ore Reserves Estimate

Reserve Category	Type	ktonnes	g/t Au	Contained Au koz
Proved	**Total**	**-**	**-**	**-**
Probable	Oxide	450	2.8	41
	Transition	150	2.3	11
	Primary	300	2.4	23
	Total	**900**	**2.6**	**74**
Total	Oxide	450	2.8	41
	Transition	150	2.3	11
	Primary	300	2.4	23
	Total	**900**	**2.6**	**74**

Table 1 – Ore Reserve

Summary of Material Information

Mineral Resources have been converted to Ore Reserves in accordance with JORC (2012) guidelines as part of the Feasibility Study currently being finalised. The total Ore Reserve estimate of 900,000 tonnes at an average grade of 2.6 g/t gold containing 74,000 ounces, is derived from the resource model, details of which were disclosed by WPG in its announcement of 3 April 2014.

Ore Reserves are derived from Indicated Mineral Resources. The Ore Reserves do not include any Inferred resources.

The Ore Reserve estimate is derived from an MIK resource model based on opencut mining methods and heap leach processing of gold, and is based on design work by Kappes Cassiday and Como Engineers and an interim feasibility study completed by WPG.

Key input parameters including commodity prices for this estimate are shown in Appendix 1.

The opencut mine design is based on a pit optimisation run at A$1,400, A$1,500, A$1,600 and A$1,700 per ounce of gold. The pit is based on the A$1,700 case as there was little difference in the total volumes or values of the optimal shells. Choosing the shell for the highest price case gives the opportunity to increase value if gold prices remain high over the mine life with minimal risk of excessive mining volumes if lower gold prices are realised.

The heap leach recoveries and process costs are fixed for each ore type from each of the Perseverance and Last Resource zones so unique cut off grades can be calculated as:

	A$1,400	A$1,500	A$1,600	A$1,700
Perseverance				
Oxide g/t Au	0.76	0.71	0.66	0.62
Transition g/t Au	0.96	0.89	0.84	0.79
Primary g/t Au	1.00	0.93	0.88	0.82
Last Resource				
Oxide g/t Au	0.96	0.89	0.84	0.79
Transition g/t Au	1.12	1.04	0.98	0.92
Primary g/t Au	1.12	1.04	0.98	0.92

Table 2 – Cut-off grades

Further Information

For further information please contact WPG's Executive Chairman, Bob Duffin on (02) 9247 3232 or Managing Director & CEO, Martin Jacobsen on (02) 9251 1044.

Competent Person

The information in this report that relates to Ore Reserves is based on information compiled by Mr John Wyche. John Wyche is employed full-time by Australian Mine Design and Development Pty Ltd, an independent consultant mining engineering company which completed the mine design and ore reserve estimate for inclusion in the Feasibility Study.

Mr Wyche is a member of the Australasian Institute of Mining and Metallurgy and has 33 years of experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Wyche consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 4 Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Ore Reserve is derived from the resource model prepared by Simon Tear of H&S Consultants in January 2013. • The Mineral Resource is inclusive of the Ore Reserve. • The Resource model includes Indicated and Inferred categories. Only Indicated blocks are included in the Ore Reserve. • The Mineral Resource Model is an MIK estimate for gold.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• The Competent Person for the Ore Reserve is John Wyche, General Manager of Australian Mine Design and Development Pty Ltd (AMDAD). Mr Wyche was unable to attend the planned site visit so Mr Andrew Smith, an employee of AMDAD, attended on Mr Wyche's behalf. Mr Smith has over 25 years of experience with similar mining methods and was fully briefed by Mr Wyche. The site visit was conducted on 28 August 2015. The following were inspected and photographic records taken: o Site access route, o The vegetation cover, o The general topography and surface cover, o The pit, waste rock dump, leach pad and infrastructure areas and o Existing facilities. Discussions were held with WPG on mine development and operations. • No issues were observed which are likely to materially affect the Ore Reserve estimate.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Study status</td><td>• The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.
• The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</td><td>• This Ore Reserve is being completed in conjunction with a Feasibility Study by WPG and their consultants.
• The Feasibility Study covers resource estimation, mining, gold processing by heap leach, marketing, environment, community and financial modelling.
• The Feasibility Study indicates a high degree of confidence that the project is technically and economically viable for the gold price ranges used.</td></tr>
<tr><td>Cut-off parameters</td><td>• The basis of the cut-off grade(s) or quality parameters applied.</td><td>• The opencut mine design is based on a pit optimisation run at A$1400, A$1500, A$1600 and A$1700 per oz gold. The pit is based on the A$1700 case as there was little difference in the total volumes or values of the optimal shells. Choosing the shell for the highest price case gives the opportunity to increase value if gold prices remain high over the mine life with minimal risk of excessive mining volumes if lower gold prices are realised.
• The heap leach recoveries and process costs are fixed for each ore type from each of the Perseverance and Last Resource zones so unique cut off grades can be calculated as:
<table>
<tr><th></th><th>A$1400</th><th>A$1500</th><th>A$1600</th><th>A$1700</th></tr>
<tr><td>Perseverance</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Oxide g/t Au</td><td>0.76</td><td>0.71</td><td>0.66</td><td>0.62</td></tr>
<tr><td>Transition g/t Au</td><td>0.96</td><td>0.89</td><td>0.84</td><td>0.79</td></tr>
<tr><td>Primary g/t Au</td><td>1.00</td><td>0.93</td><td>0.88</td><td>0.82</td></tr>
<tr><td>Last Resource</td><td></td><td></td><td></td><td></td></tr>
<tr><td>Oxide g/t Au</td><td>0.96</td><td>0.89</td><td>0.84</td><td>0.79</td></tr>
<tr><td>Transition g/t Au</td><td>1.12</td><td>1.04</td><td>0.98</td><td>0.92</td></tr>
<tr><td>Primary g/t Au</td><td>1.12</td><td>1.04</td><td>0.98</td><td>0.92</td></tr>
</table></td></tr>
</table>

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.* • *The infrastructure requirements of the selected mining methods.*	• The Feasibility Study is based on conventional opencut mining methods using hydraulic excavators and 90 tonne trucks with blasting of ore and waste for all materials other than the unconsolidated or highly weathered waste near surface. • A Whittle pit optimisation was run to guide the pit design. Sensitivity runs in the optimisation showed that a very similar pit would be designed over a wide range of gold prices. For this reason the pit was based on the A$1700/oz case. Choosing the shell for the highest price case gives the opportunity to increase value if gold prices remain high over the mine life with minimal risk of excessive mining volumes if lower gold prices are realised. • Mining dilution and loss were modelled by assigning the grade for each block as the sum of all the MIK increments above 0.5 g/t Au and by applying 5% of each total block as dilution at 0.1 g/t Au. The marginal cut off grades for the various ore types are in the range of 0.62 to 1.12 g/t Au so including the 0.5 to 1.0 g/t MIK increment ensures that some dilution material is included with all blocks. Adding an additional 5% of each block at 0.1 g/t Au adds further allowance for mining and ensures that any blocks containing only small MIK portions at close to the cut off grade are excluded. • Pit wall slopes for the optimisation and design are taken from the geotechnical report by Pells Sullivan Meynink dated May 2013. • Process recoveries and mining, processing, administration and selling costs and gold prices used for the pit optimisation are the same as used in the Feasibility Study. These are discussed in the following sections. • Inferred Mineral Resources were included in the pit optimisation. 1% of the tonnes above cut off in the optimised shell was Inferred and this accounted for 1.4% of the contained gold. Checks showed that the pit design would not change if the Inferred were excluded. The Inferred material was treated as waste in the production schedule for the Feasibility Study and is not included in the Ore Reserves.

Criteria	JORC Code explanation	Commentary
		• Silver was not considered in the pit optimisation and Ore Reserves. Silver is present in the deposit and is expected to add value but not enough to materially affect the pit design and schedule.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Heap leach gold and silver recoveries are based on test work from several programs the most recent being November 2014. The work includes bottle roll and column tests. • Column tests from the 2014 program included samples from the major lithologies in Perseverance and Last Resource covering oxide, transition and primary material. • The test work over numerous programs includes crush size optimisation. • Use of saline water from site bores does not significantly impact leach performance or cost. • Design work by Kappes Cassiday and Como Engineers based on the test results covers crushing, agglomeration, stacking, leaching, adsorption and elution and electro-winning.
Environmental	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• Baseline flora and fauna studies have been completed. No items requiring referral under the EPBC Act were identified. • Environmental approvals will form part of the overall permitting process coordinated with the South Australian Department of State Development. • A 10 month permitting program has been laid out by WPG. • Aboriginal and recent historical heritage sites have been identified but do not impact on the planned operations. • Hydrogeological assessments show that the water requirements of the operation can be met from the proposed borefield without significant drawdown on the ground water resource.

Criteria	JORC Code explanation	Commentary
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Como Engineers have completed engineering design for the heap leach pads and process facilities and all required infrastructure including: o Access road upgrade o Air strip upgrade o Offices and work shops o Power generation and fuel storage o Borefield o Camp o Explosives magazine o Communications
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.* • *The allowances made for royalties payable, both Government and private.*	• Capital costs for the heap leach and process facilities and all infrastructure were estimated to ±10%. • Operating costs were estimated on the following bases: o Mining – Detailed Mining Contractor quotations. o Crushing, stacking, heap leaching and gold recovery – Contractor quotes for crushing. First principles estimate for leaching and gold recovery. o Administration - First principles cost estimate by WPG, Como Engineers and Kappes Cassiday including quotations for camp and FIFO. • Royalties – All royalties payable, including the South Australian State Government royalty, are identified in the Feasibility Study and Financial model.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• The project was tested at gold prices ranging from A$1400 to $1700 per oz. This range of prices is considered reasonable against the US$ gold price and A$/US$ exchange rate as at September 2015. • The Feasibility Study financial model was run at A$1626/oz.

Criteria	JORC Code explanation	Commentary
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• Historically gold and silver supply has been relatively price inelastic. Tarcoola's contribution to world gold production is small. Whatever the project can produce will be sold but the price will be subject to many factors most of which are beyond the control of the gold producers. • The fall in the A$ against the US$ during 2015 largely offsets falls in the US$ gold price over the same period.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• The Feasibility Study financial analysis by WPG used a discount rate of 7.5% to estimate the project NPV. • WPG presented an after tax and financing financial model with a base case gold price of $US1138/oz at an AUD/USD exchange rate of 0.70. Sensitivity analyses return a positive present value at up to 15% below the base case US$ gold price and up 15% above the base case exchange rate. • Sensitivity was also tested to heap leach recovery, project capital cost, mine operating costs and process operating costs. All variables tested returned positive NPVs within the ±15% range tested. • It is noted that while the project is robust against variations in individual variables adverse movements in multiple factors may have worse outcomes. Conversely, favourable variations in one variable may offset adverse variations in others.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• A Native Title Mining Agreement will be negotiated with the Antakirinja Matu-Yankunytjatjara people once the Mining Lease Application is in progress. • WPG express a policy of indigenous employment wherever possible in the Feasibility Study.

Criteria	JORC Code explanation	Commentary
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• No material risks with high likelihood have been identified for the project. • The most significant risks noted in the Feasibility Study are: o Fall in gold price o Rise in Australian dollar value against US dollar o Delays in permitting o Capital cost over-run o Operating cost over-run WPG ran sensitivity analyses on the price/cost related risks to assess the project's ability to withstand adverse variations from the base case. Management systems are in place to mitigate risk on the permitting and operational risks. • A Mining Lease Proposal has been submitted for the project and is currently undergoing public consultation process. Following the issue of a Mining Lease, a Program for Environment Protection and Rehabilitation (PEPR) will be submitted to the regulatory authority. A ten month regulatory approval timeframe has been considered in the feasibility study.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).*	• Probable Ore Reserves are derived from Indicated Mineral Resources. The Ore Reserves do not include any Inferred Resources. • In the opinion of the Competent Person for the Ore Reserves, John Wyche, the Ore Reserves which are reported against a A$1700/oz gold price are acceptable because this price is within the range of US$ gold prices and A$/US$ exchange rates that could be reasonably expected over the life of the project. • Pit optimisation runs showed that the same pit would be mined at lower gold prices so the definition of Ore Reserves only relates to the application of gold price to the Indicated Resources within the pit.

Criteria	JORC Code explanation	Commentary
		• All tonnes derived from Indicated Resources are reported as Probable Ore Reserves. No modifying factors with sufficient materiality and likelihood to downgrade the Probable Ore classification were identified.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• No audits of the Ore Reserves have been undertaken.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• This Ore Reserves estimate is derived from an MIK resource model based on exploration drilling only. • Given the use of the lowest MIK grade increment for defining Ore and the further addition of mining dilution it is expected that the Ore Reserves will be a reasonable global estimate of tonnes and gold grade. • As an MIK estimate the resource model may not provide a consistently good local estimate of the location and grade of tonnes to be mined on each bench. This level of local confidence will only be achieved when grade control sampling is conducted during operations. • It is expected there will be a good reconciliation on tonnes and gold grade mined between Ore Reserves and the operational grade control model on a bench by bench or month by month basis.