



**AUSTRALIA'S NEWEST GOLD PRODUCER**

25 JULY 2016

INVESTOR PRESENTATION

# DISCLAIMER



- Note 1:** The information pertaining to the Challenger gold project ore reserve estimate was detailed in the market announcement entitled “Challenger Ore Reserve estimate” released on 23 June 2016 and is available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au). WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed except to the extent of production since the mine was brought back into production in late May 2016.
- The information pertaining to the Challenger gold project mineral resource estimate was detailed in the market announcement entitled “Challenger Mineral Resource estimate” released on 19 May 2016 and is available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au). WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.
- Note 2:** The information pertaining to the Tarcoola gold project ore reserve estimate was detailed in the market announcement entitled “Tarcoola gold project –Ore Reserve Estimate” released on 22 September 2015 and “Tarcoola gold project – further information on resource and reserves” released on 23 September 2015 and are available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au). WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.
- The information pertaining to the Tarcoola gold project mineral resource estimate was extracted from the report entitled “December 2012 Quarterly Report” released on 24 January 2013 and is available to view on [www.asx.com.au](http://www.asx.com.au). The information for both projects was first disclosed by Mungana Goldmines Ltd under the JORC Code 2004. WPG has not undertaken any work on the project that would impact this published resource estimate. WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.
- The information pertaining to the Tarcoola gold project exploration activities and results were detailed in the market announcement entitled “Tarcoola oxide zone drill assays enhance gold project” released on 10 February 2015 and is available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au). WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement.
- Note 3:** The information pertaining to the Tunkillia gold project mineral resource estimate was detailed in the market announcement entitled “Tunkillia resource estimate enhanced at higher cut-off grade” released on 4 February 2015 and is available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au). WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.
- The latest information pertaining to the Tunkillia gold project exploration activities and results were detailed in the market announcement entitled “Encouraging gold assays received from Tunkillia drilling” released on 4 May 2016 and is available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au). WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement.
- Note 4:** This document may include forward-looking statements. Forward-looking statements include, but are not limited to statements concerning WPG’s planned 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.

WPG cannot guarantee the accuracy and/or completeness of the figures or data in this presentation

All dollar amounts indicated in this presentation are in Australian dollars unless otherwise stated

# CORPORATE OVERVIEW (ASX: WPG)



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## Capital Structure

Share price (22 July 2016)	\$0.085
Issued shares	452.2 million
Issued options (4¢ exercise price)	88.7 million
Option price (22 July 2016)	\$0.045
Incentive rights (none vest before June 2017)	19.1 million
Market capitalisation (diluted for options)	\$42.4 million
Cash and doré (30 June 2016)	\$5.3 million
Enterprise value	\$37.1 million

## Brief Corporate History

- Acquired South Australian iron-ore assets for \$4 million and 5 years later in August 2011, sold the assets to OneSteel Ltd for \$320 million
- Acquired Tarcoola and Tunkillia gold projects in May 2014, transitioning its strategic focus from iron ore to gold
- In March 2016, finalised acquisition of Challenger gold mine and associated South Australian exploration assets
- First gold poured from Challenger on 31 May 2016

## Substantial Shareholders

Bob Duffin	44,095,777	9.9%
Jalinsons Pty Ltd	30,573,332	6.9%
Diversified Minerals	25,806,452	5.8%

## Board of Directors

Bob Duffin	Executive Chairman
Martin Jacobsen	MD & CEO
Gary Jones	Technical Director
Len Dean	Non-Executive Director
Lim See Yong	Non-Executive Director
Dennis Mutton	Non-Executive Director



# THE GOLDEN TRIFECTA

## Challenger (50%)

- Acquired in March 2016
- Updated Resource of 745kt at 9.11g/t announced on 19 May 2016
- Updated Reserve of 83koz announced 23 June 2016 – similar for last 4 years
- First gold pour on 31 May 2016
- Total production aspirational target of 50koz for FY17
- Aspirational prospective longer term production for FY2018+ of 50koz
- ML 6457 granted for 'Challenger Deeps'

## Tunkillia (100%)

- Pre-development asset with JORC resource
- Highly prospective Yarlbrinda shear zone
- Limited drilling program commenced March 2016



## Tarcoola (100%)

- ML 6455 granted in March 2016
- PEPR and revised ML conditions for Challenger processing option being completed
- PEPR approval expected 3Q16 with mining to commence shortly thereafter
- Aspirational annualised production of 20koz pa to be treated at Challenger

# CREATING A LEADING GOLD PRODUCER



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## Management with strong track record

- Board and management with a successful track record of delivering shareholder value
- Acquired iron-ore assets for \$4 million which were sold 5 years later in August 2011 for \$320 million – significant capital returned to shareholders
- Range of upside opportunities in existing portfolio including cost reduction plans, reserve/resource upgrades and potential mine life extension

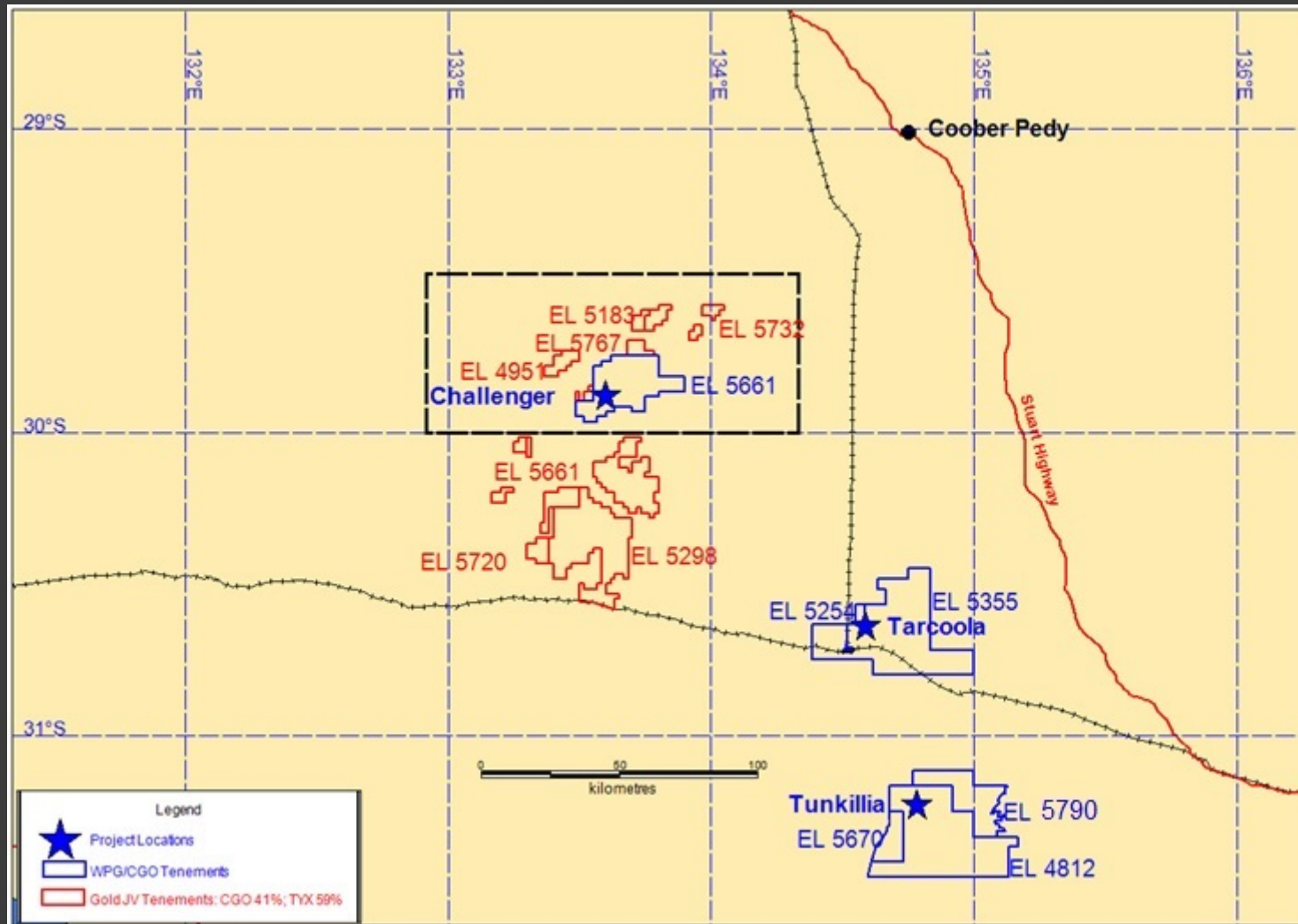
## Creation of a growing Australian gold producer

- Strong existing portfolio with a South Australian geographic focus
- Challenger an attractive gold asset – proven large-scale operation with total FY17 production aspiration of ~50 koz (100% basis)
- Tarcoola presents a minimal capex opportunity - significant synergies with Challenger operations

## Platform for further growth

- Expected market re-rating as WPG moves from developer to producer
- Generation of cash flow and increased financial capacity to fund exploration and development activities
- Pursue logical, value accretive opportunities to improve and diversify asset portfolio

# CHALLENGER GOLD PROJECT



FIRST GOLD POUR IN MAY 2016



# SUCCESSFUL RE-START OF OPERATIONS

## Established Operations

- Challenger mine acquired by WPG in JV with DMPL in March 2016 – the Challenger Joint Venture
- Acquisition cost of \$1m, inclusive all plant and equipment, developed mine, cash backed rehab bonds totalling \$2.6m, etc
- Production of >1 moz since 2002 by former owner
- WPG holds 50% (manager) and has a strong relationship with JV partner, DMPL



## Short-Term Production

- Re-deployment of workforce from 16 May 2016 with first gold poured on 31 May 2016
- Restart achieved within budget (both \$ and time)
- Aspirational target is for annualised production to 30 June 2017 of 50koz pa from underground (100% level)
- Aspirational prospective longer term production for FY2018 and beyond of 50koz pa
- Key contracts renegotiated
- Minimal restart capital cost



# CHALLENGER RESOURCE ESTIMATE



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Category	Tonnage (000 t)	Grade (g/t gold)	Contained ounces (Gold 000 oz)
Measured	147	6.98	33.5
Indicated	527	10.80	183.5
Inferred	149	11.62	55
<b>Sub Total</b>	<b>823</b>	<b>10.27</b>	<b>272</b>
Stockpiles Measured	122	1.30	5
<b>Total</b>	<b>945</b>	<b>9.11</b>	<b>277</b>

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# CHALLENGER ORE RESERVE ESTIMATE



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	Category	Tonnage (000 t)	Grade (g/t gold)	Contained ounces (Gold 000 oz)
<b>Total Underground Ore Reserves</b>	Proved	102.9	5.71	18.9
	Probable	333.0	5.55	59.4
	<b>Total</b>	<b>435.9</b>	<b>5.59</b>	<b>78.3</b>
<b>Stockpile Ore Reserves</b>	Proved	121.9	1.30	5.1
	Probable	-	-	-
	<b>Total</b>	<b>121.9</b>	<b>1.30</b>	<b>5.1</b>
<b>Total Ore Reserves</b>	Proved	224.8	3.32	24.0
	Probable	333.0	5.55	59.4
	<b>Grand Total</b>	<b>557.8</b>	<b>4.65</b>	<b>83.4</b>

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# FIRST GOLD POUR IN MAY 2016

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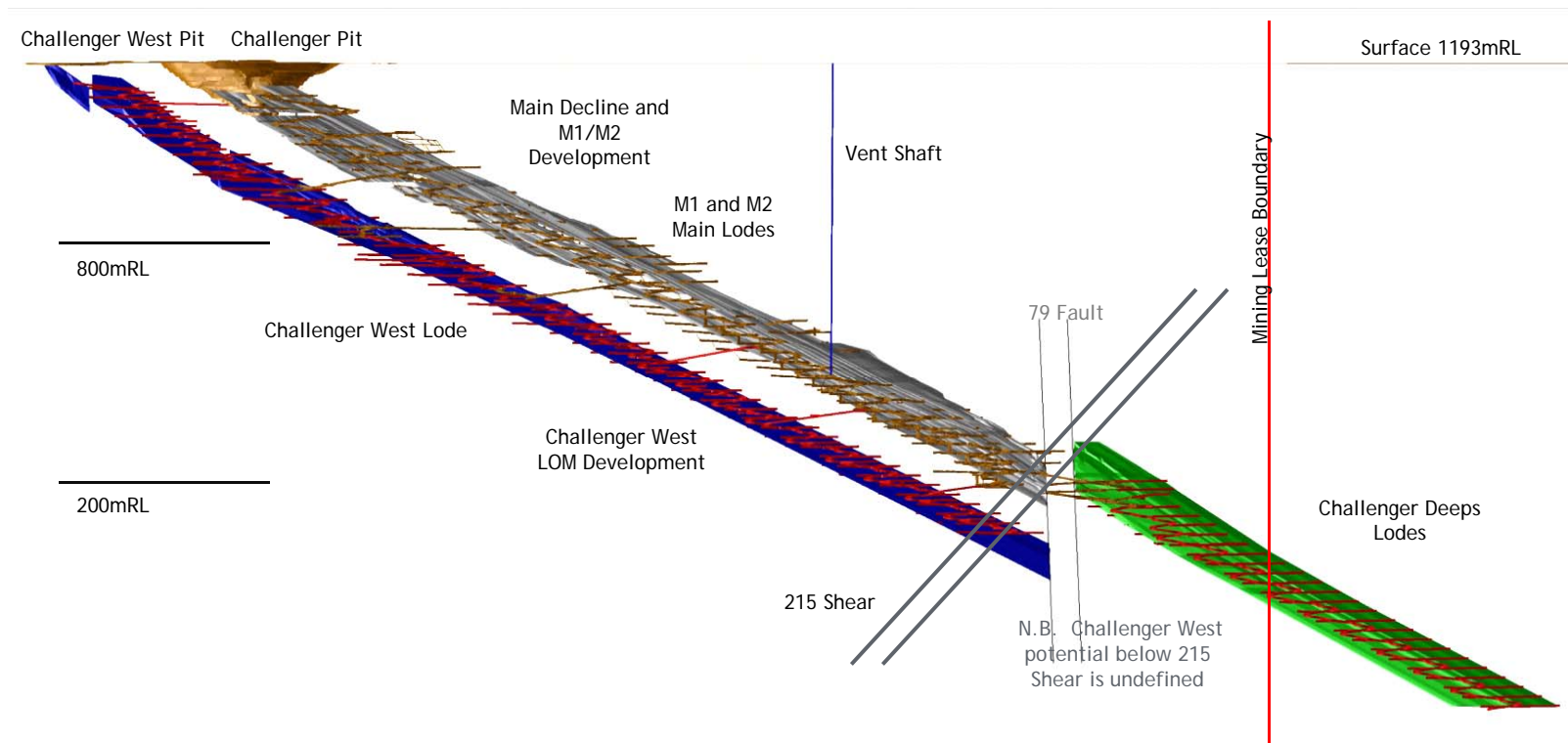
Restart Management Team L to R: Marcus Doyle, Andrew White, Anthony Evers, Robyn Greening

# UNDERGROUND MINE PLAN

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- Mine plan limited to ML 6103 – new ML 6457 recently granted but no immediate mining planned
- Challenger Deeps lodes expected to continue beyond conceptual mine plan
- Current plan excludes additional potential mining at Challenger SSW or other lodes



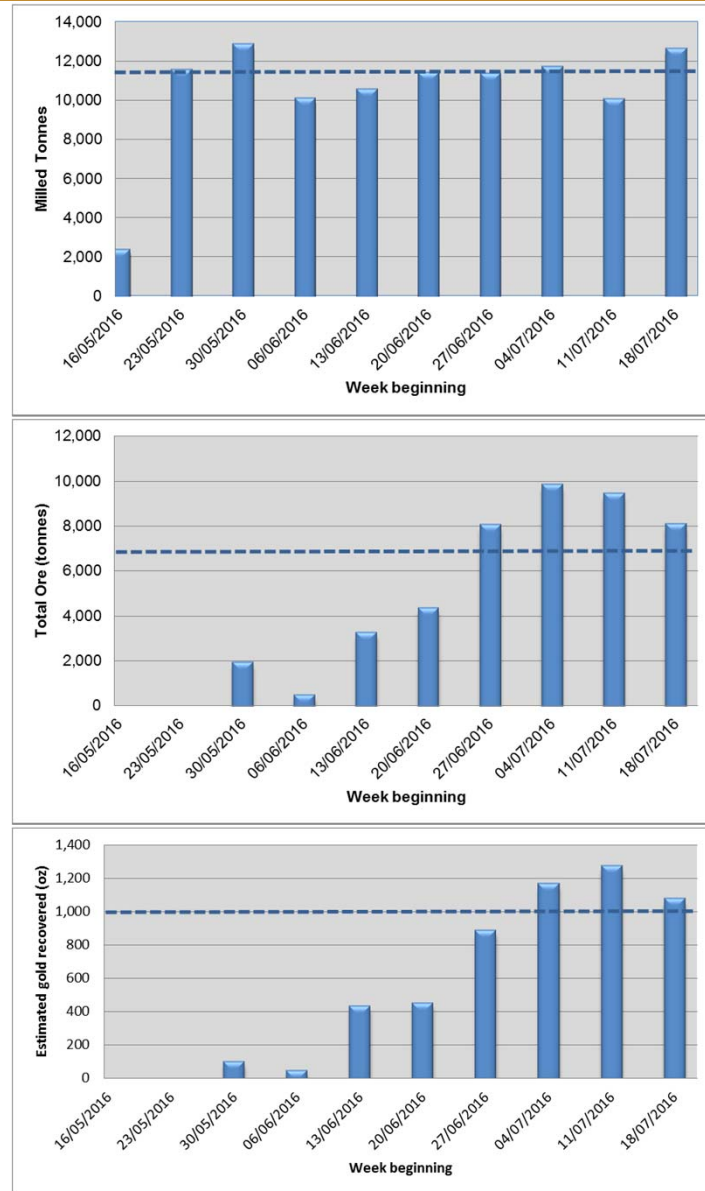
# PRODUCTION TO DATE

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## Performance since restart:

- Mill production at planned capacity one week after restart
- Mine production at planned capacity after 6 week ramp-up
- Mined gold at planned level after 6 week ramp-up
- Restart cost ~\$3.7m
- Gold shipments to late July 2016 total 4,562 oz for the project. Gold sales to late July total 3,794 oz for gross revenue of \$6.7 million at an average realised gold price of A\$1,776/oz Au

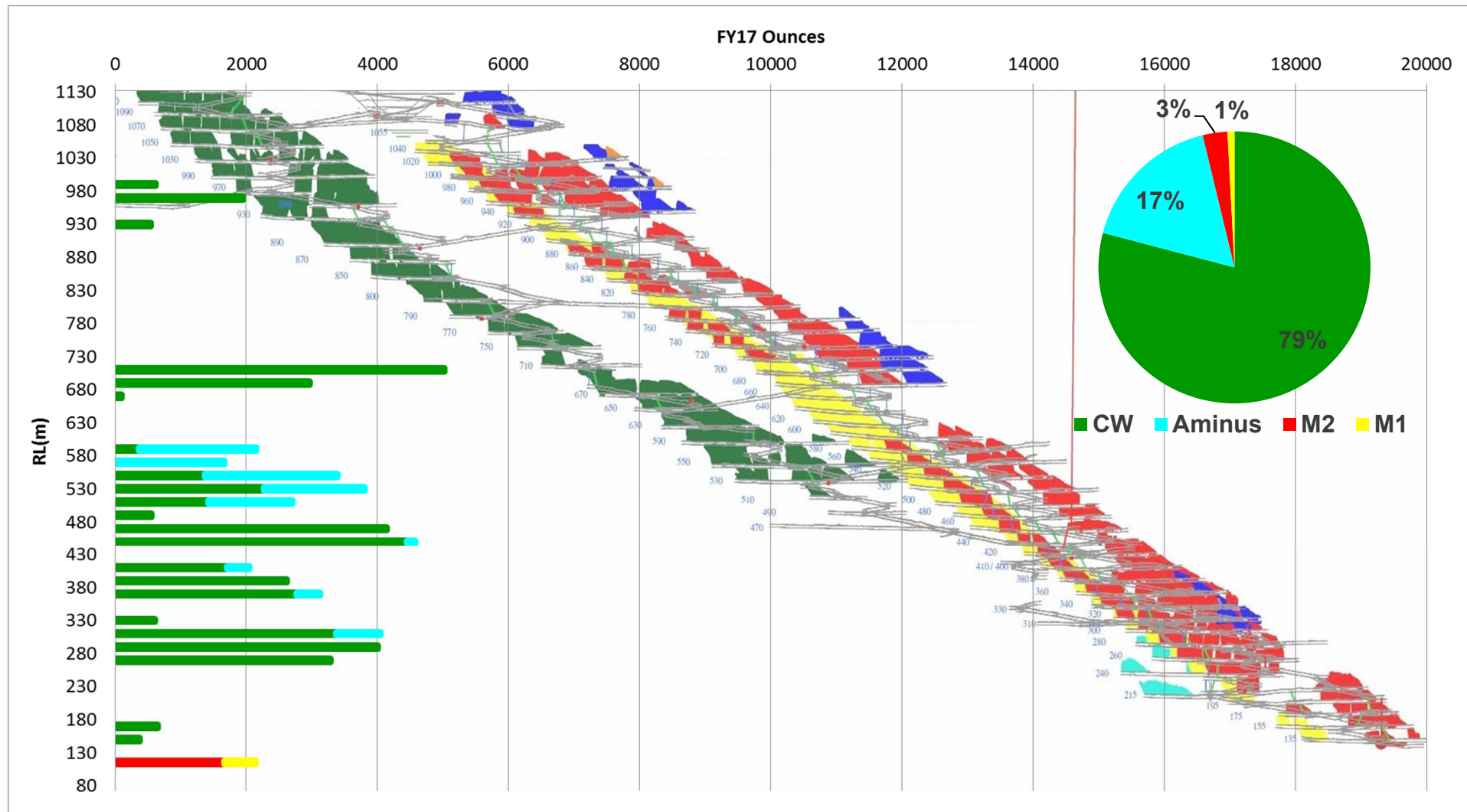




# UNDERGROUND MINING FY 2017

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Budgeted production from various levels for FY 2017

## Established Infrastructure

- Challenger CIP processing facility was upgraded from capacity of 450ktpa to 650ktpa in 2010
- Other key infrastructure on site includes:
  - diesel power stations (~5MW total capacity)
  - tailings storage facility
  - offices and workshop facilities
  - unsealed airstrip
  - a mine village housing up to 200 personnel
- Efficiency of mill to be maintained through supplementing mill feed from:
  - existing stockpiles
  - Tarcoola open pit (subject to commercial agreement)
  - Third party toll treatment
- Key contract terms including mining, power, air transport and camp services renegotiated and finalised
- Located in close proximity to prospective exploration assets

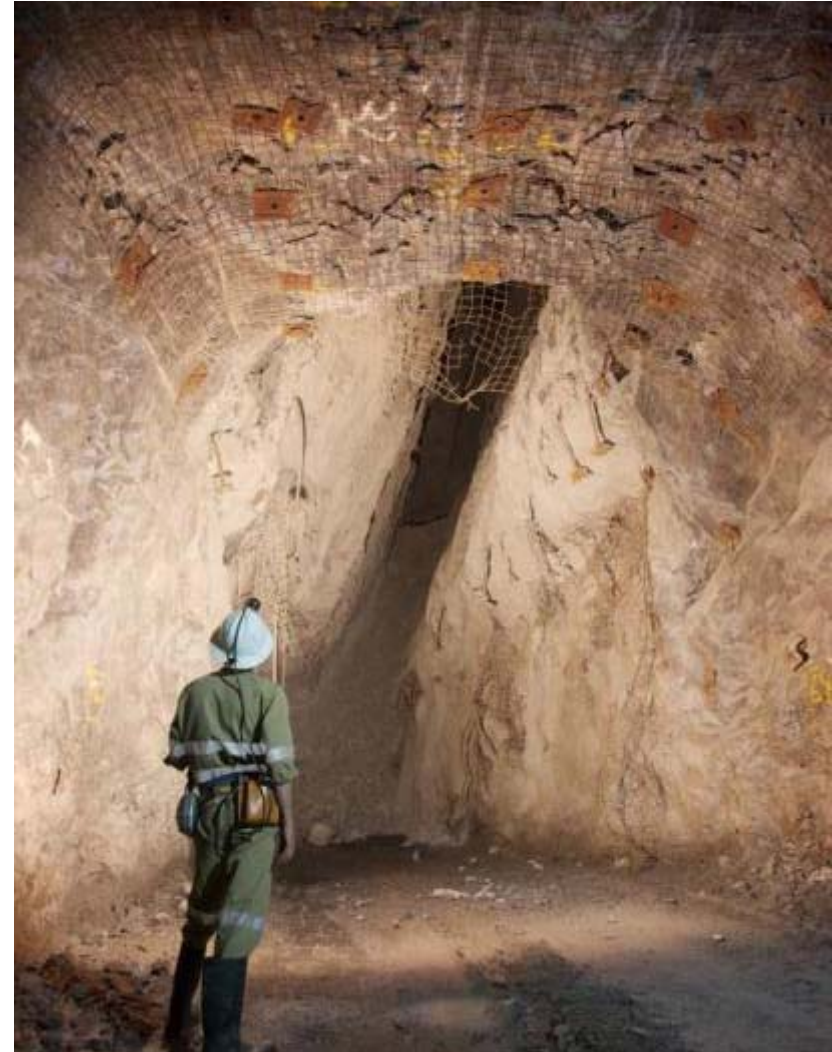


## Mining

- Initial production from Challenger West to be supplemented by mining below 215 shear and remnants extraction within ML 6103
- Develop plan to extend life beyond 3 years
- Short term mining based on existing stope definition drilling
- Longer term, reduced development and stoping dilution to be achieved through:
  - Reduced size of development drive
  - Reduced overbreak in stoping areas
  - Smaller stoping dimensions

## Exploration

- Build up a 'bank' then mount aggressive underground and near-mine exploration program from underground and surface to test for new lodes and down-plunge extensions to known lodes

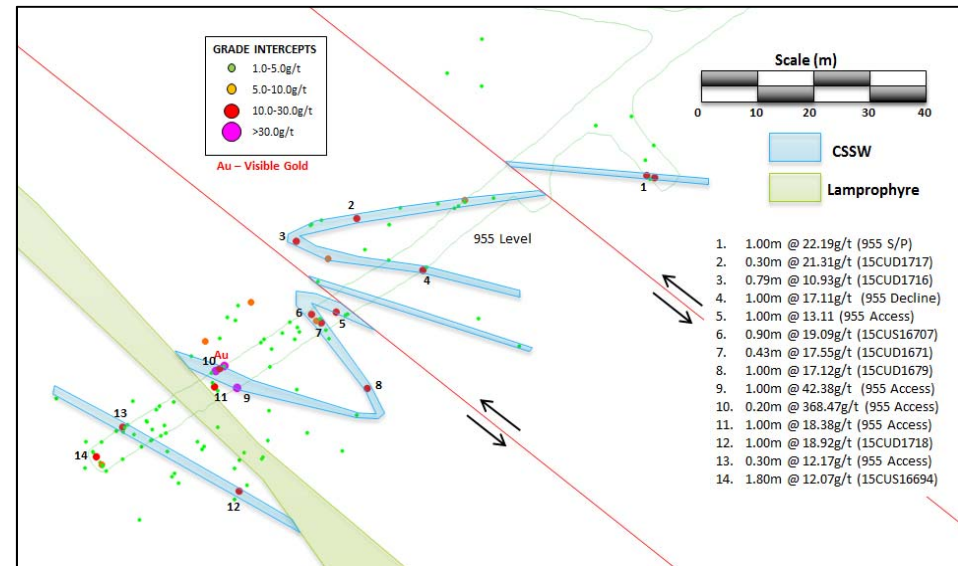




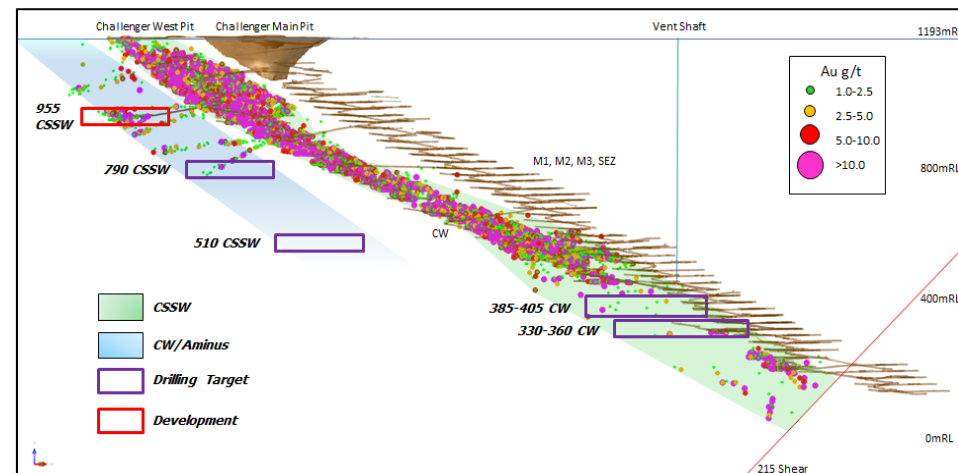
# SIGNIFICANT EXPLORATION POTENTIAL

## Exploration Upside

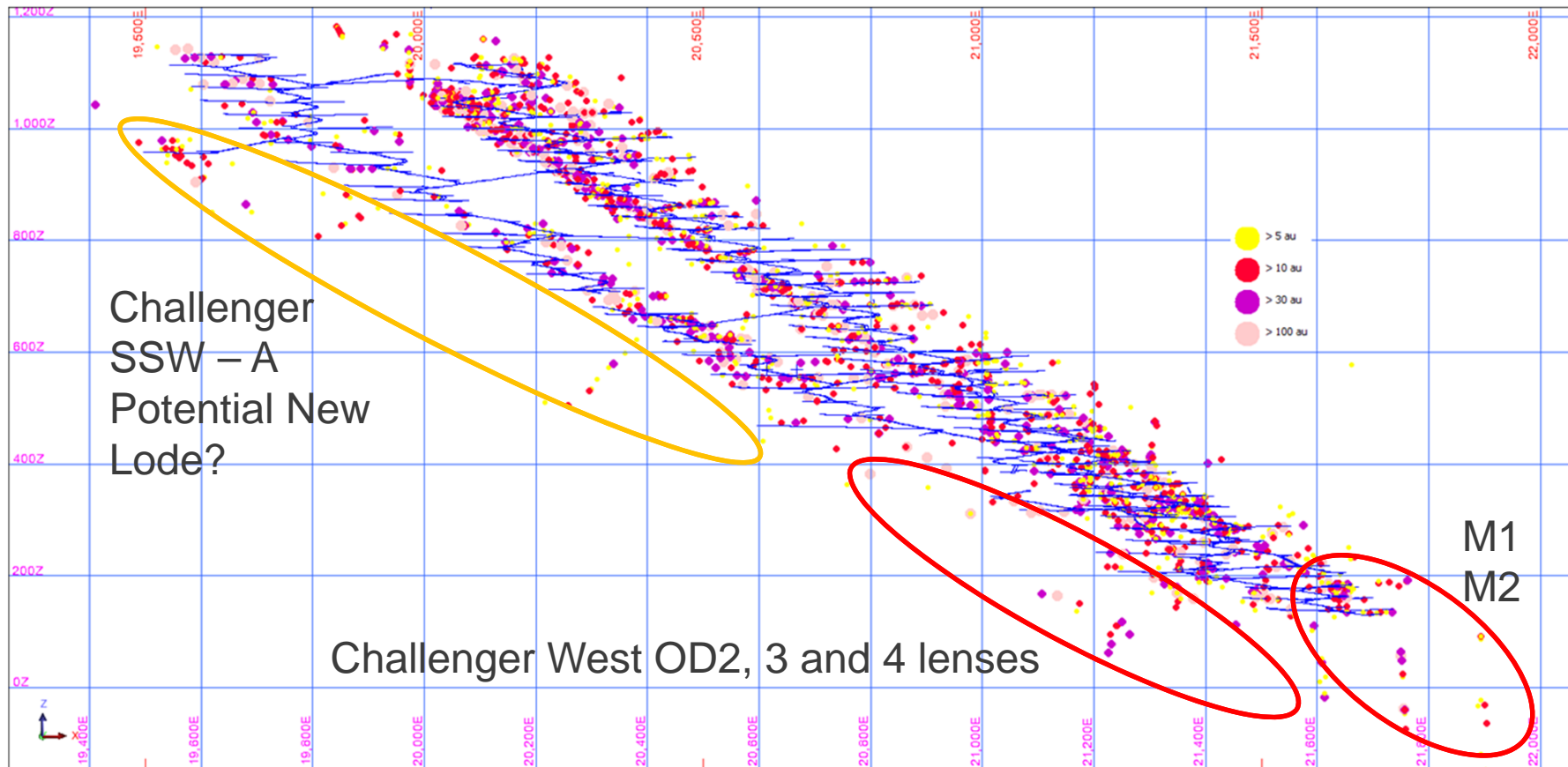
- Ability for extensions of mine life in deeps and through discovery of new lodes
- Sufficient drilling to systematically define new mining areas in advance of expected mining
- Highly endowed gold area with many targets
- Anomalous gold results from extensive drilling activities requiring further investigation
- Challenger SSW discovery now intercepted with an exploration drive with development on structure
- New mineable lodes generally associated with sporadic very high grade “hits”
- Drilling has shown encouraging mineralisation on several horizons down plunge which could indicate continuity of the Challenger SSW structure



Above: Flitch of 955 CSSW showing significant intercepts and geological interpretation. Below: CSSW drilling targets



# NEAR MINE DRILLING AREAS



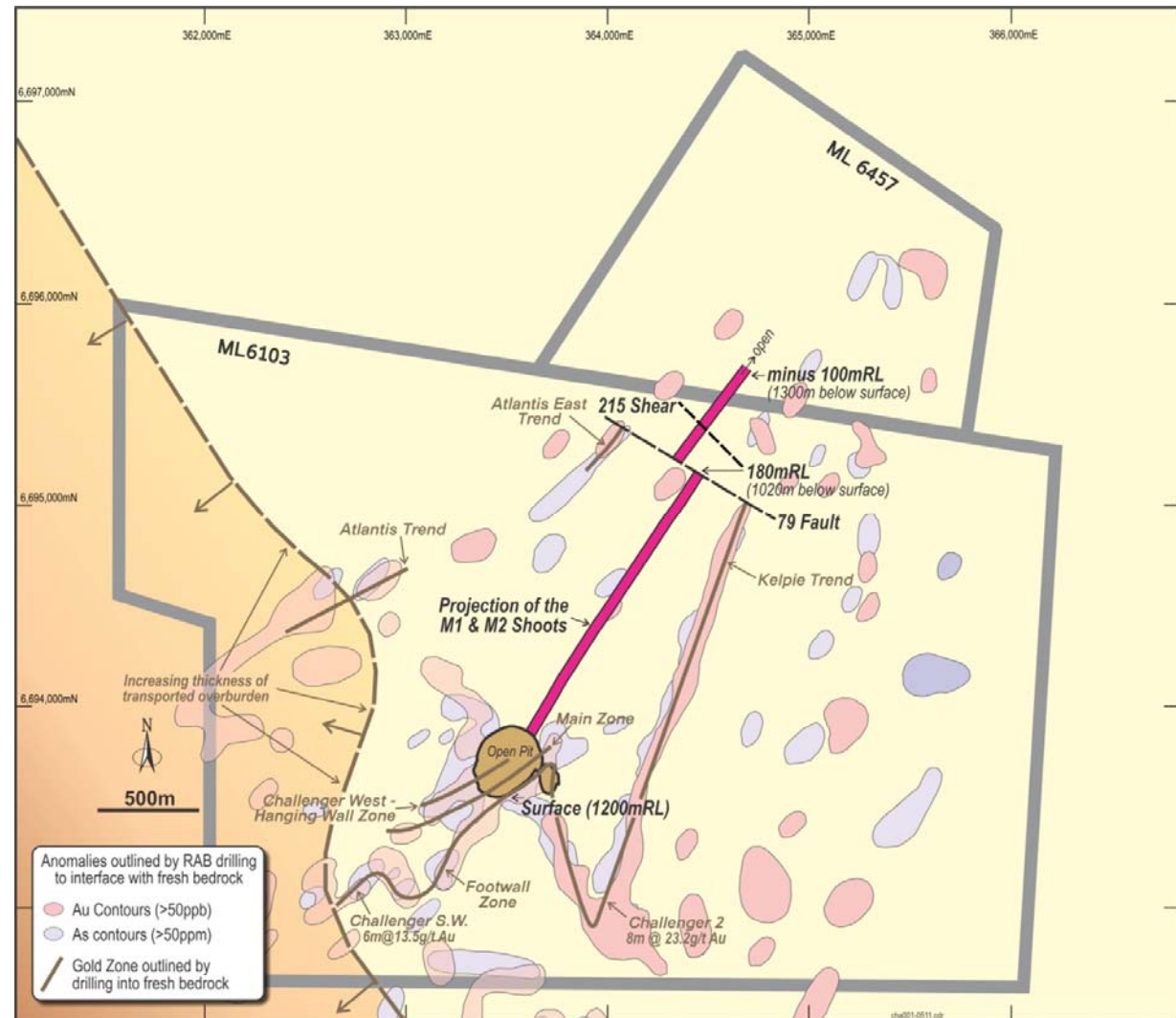
# ML 6457 GRANTED

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A new mining lease, ML 6457, has recently been granted to WPG and the CJV. It covers the down-plunge extensions of the Challenger lodes. It abuts ML 6103 on which all current mining activities and key infrastructure lie.

A dispute exists between WPG and Tyranna Resources (ASX: TYX) as to whether ML 6457 (but not ML 6103) is held as to 100% by the CJV. A dispute resolution process has commenced.



# WESTERN GAWLER CRATON JV

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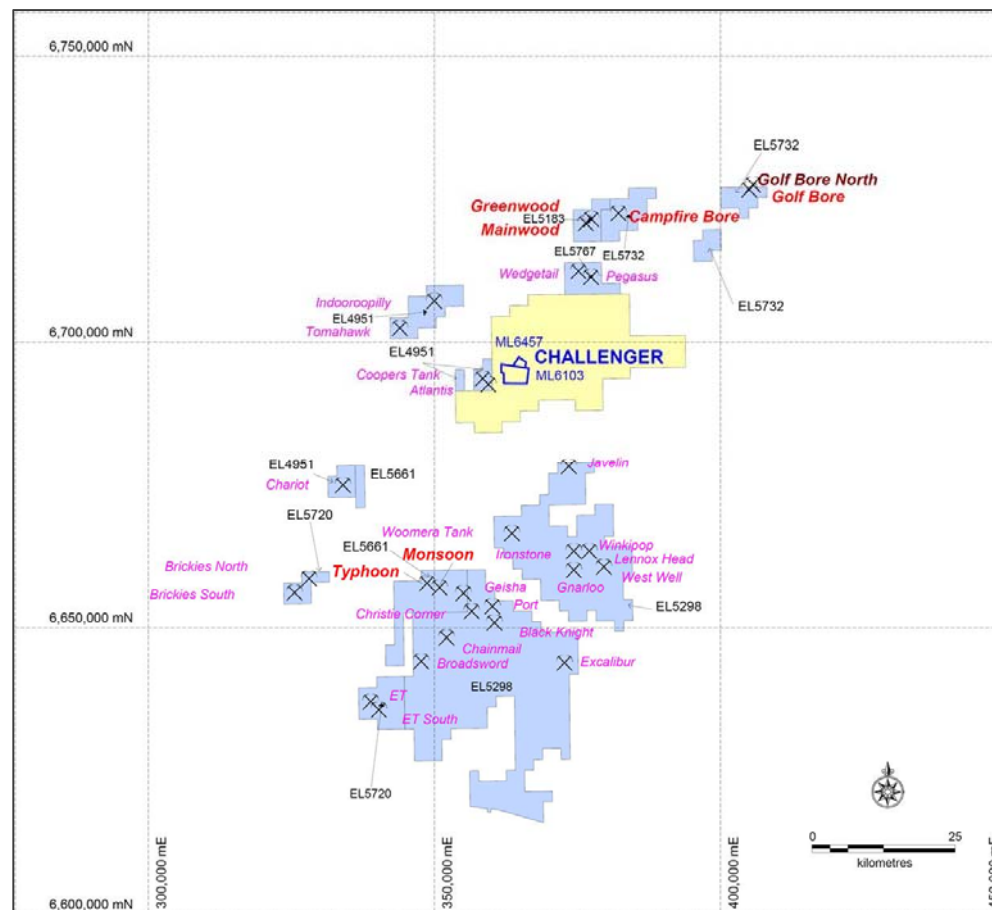
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**WGCJV (WPG 19%, DMPL 19%, TYX 62%  
all approx, some tenements have 10% free  
carried interest by 3<sup>rd</sup> party**

Encouraging exploration results reported recently by TYX (WGCJV manager) at several JV prospects including:

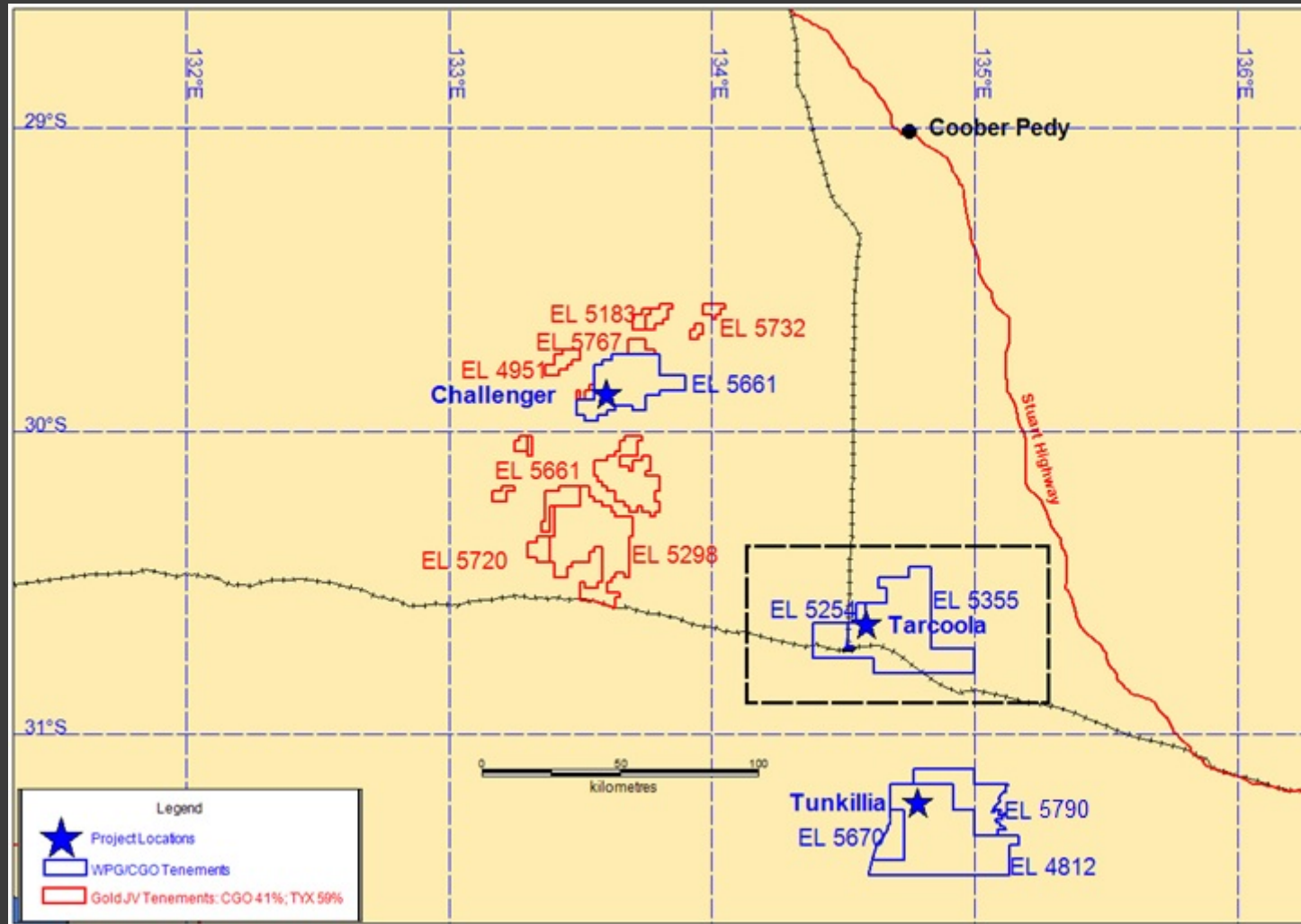
- Golf Bore and other prospects (TYX's ASX announcements of 28/10/15, 30/11/15, 16/12/15, 29/1/16, 4/2/16, 24/2/16, 22/3/16, 20/4/16, 29/4/16, 5/5/16, 24/5/16, 1/6/16, etc)
- Greenwood (TYX's announcements of 26/6/16, 8/7/16, etc)
- Mainwood (TYX's announcement of 22/3/16, etc)
- Campfire Bore (TYX's announcements of 22/3/16, 18/7/16, etc)

WPG encourages its WGCJV partner to continue exploring in the WGCJV project area for potential eventual treatment of ore through Challenger mill. TYX has set 2016 objective of 0.15m oz in reserves at Golf Bore and total resource of 0.5m oz (see TYX announcement of 20/2016).



NB: A dispute exists between WPG and TYX as to whether EL 5661 and ML 6457 (but not ML 6103) shown above in yellow form part of the WGCJV. A dispute resolution process has commenced.

# TARCOOLA GOLD PROJECT



MINIMAL CAPITAL COSTS WITH CHALLENGER  
PROCESSING OPTION



# STRONG PROJECT ECONOMICS



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## Project Overview

- Original Definitive Feasibility Study based on conventional open pit mining and **heap leach** recovery of gold
- ML 6455 granted in March 2016 based on heap leach processing
- Compelling case to process ore through Challenger treatment plant:
  - Significantly minimises capital expenditure
  - Provides a higher confidence of recoveries
  - Potential for increase in reserve grade
  - Reduces unit milling costs at Challenger
- DFS currently being revised to reflect this option
- Draft PEPR lodged for Challenger processing option by June 2016 and expected to be approved late Q3 2016 with mining to commence then

### Original Definitive Feasibility Study\* Heap leach Operation\*\*

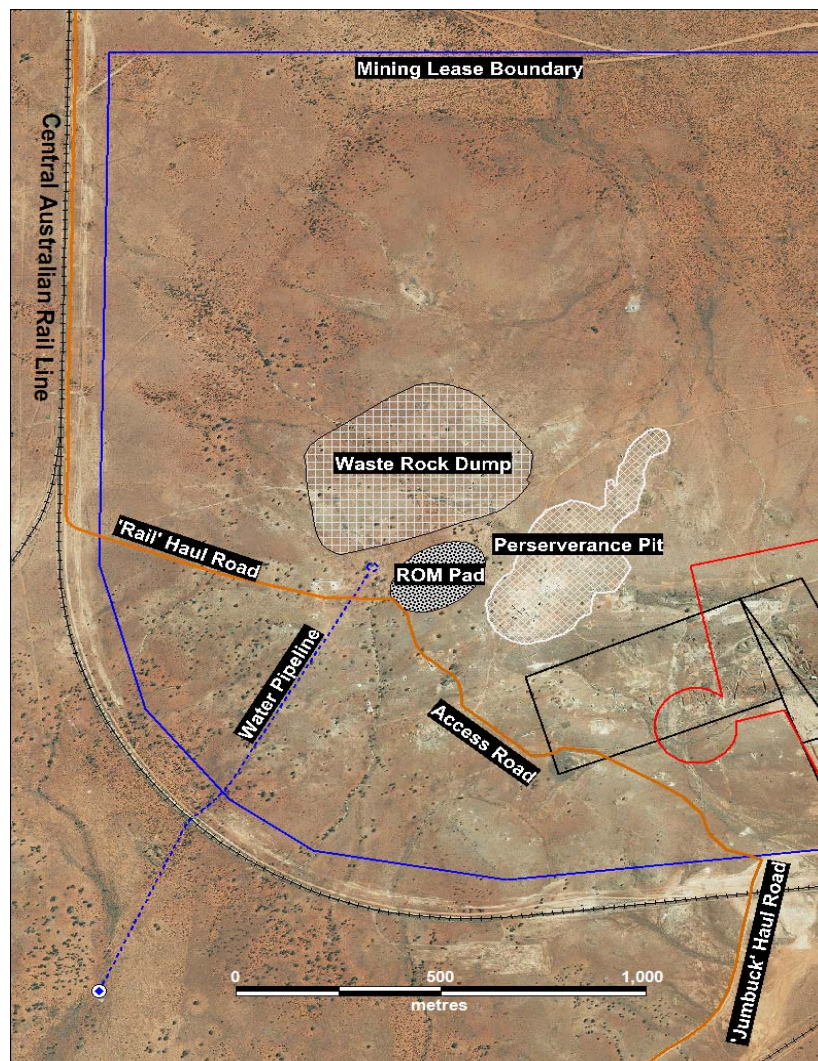
Annualised Production (Average)	20,000 oz
Average AISC (A\$ per oz)	\$1,088
Commencement of Production	3Q 2016
Mine Life	3 years
Capital Return over Project Life (pre-tax)	92%
Ore Reserve – Contained Gold	74,000 oz

Study based on A\$1,626/oz

\*The information pertaining to the Tarcoola gold project ore reserve estimate was detailed in the market announcement entitled "Tarcoola gold project –Ore Reserve Estimate" released on 22 September 2015 and "Tarcoola gold project – further information on resource and reserves" released on 23 September 2015 and are available to view on [www.wpgresources.com.au](http://www.wpgresources.com.au).

\*\* No longer preferred option – DFS currently being updated. WPG confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

# MINIMAL CAPITAL REQUIREMENTS



## Indicative Site Layout

- Open pit and waste rock dump will still be required for Challenger processing option
- Potential expansion of open pit and waste rock dump with higher recoveries in primary zone
- No requirement for leach pads or processing facilities
- Reduced requirement for on-site infrastructure
- Haulage route with low capital requirements for “fit for purpose” road
- Utilisation of other Challenger infrastructure

## MINERAL RESOURCES

Category	000s Tonnes	Au g/t	Au oz
Measured	-	-	-
Indicated	919	3.14	92,680
Inferred	55	2.77	4,860
<b>TOTAL</b>	<b>973</b>	<b>3.12</b>	<b>97,500</b>

## ORE RESERVES

Category	Ore Type	000s Tonnes	Au g/t	Au oz
Probable	Oxide	450	2.8	41,000
	Transition	150	2.3	11,000
	Primary	300	2.4	23,000
<b>TOTAL</b>		<b>900</b>	<b>2.6</b>	<b>74,000</b>

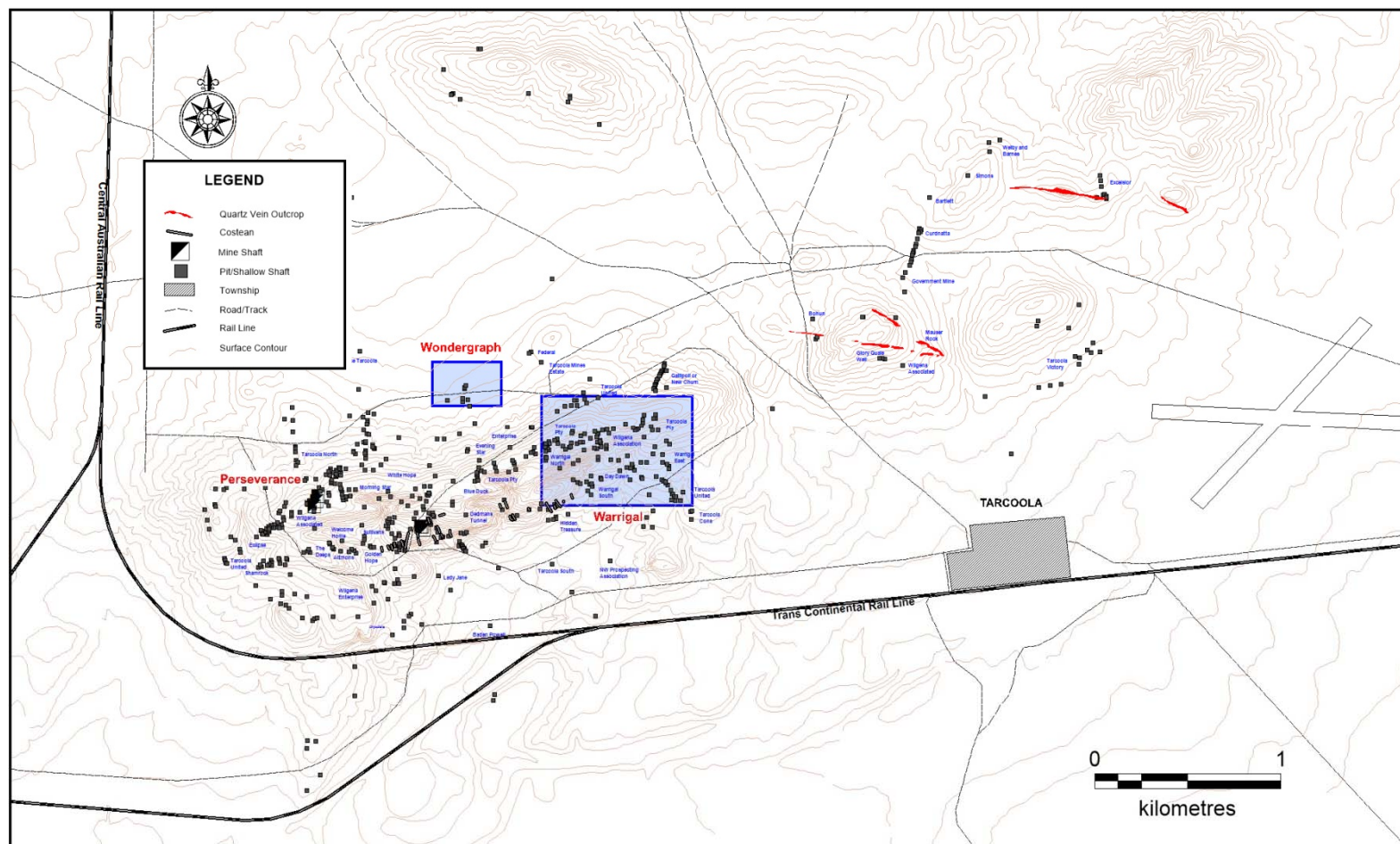


# TARCOOLA ML UPSIDE POTENTIAL

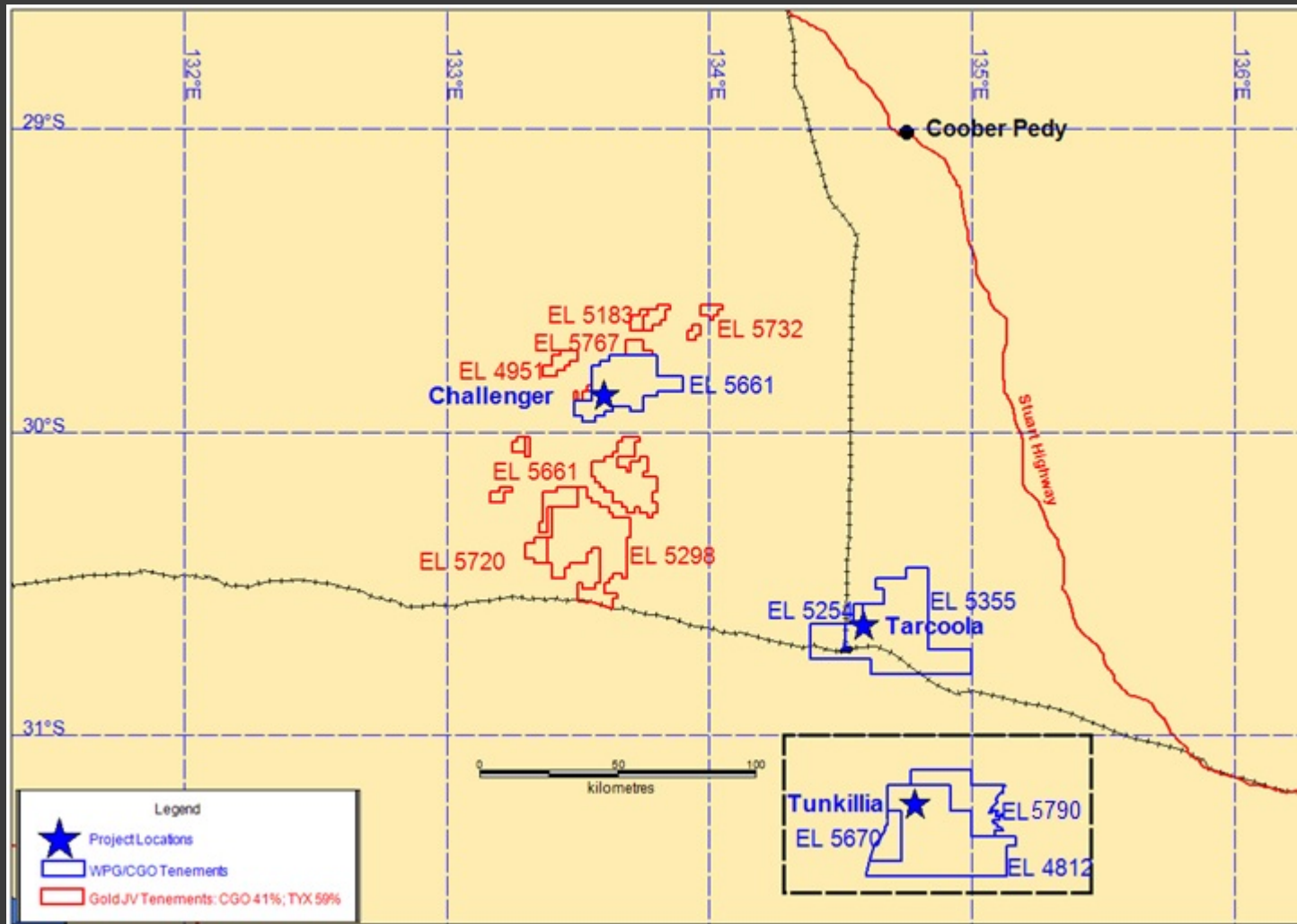
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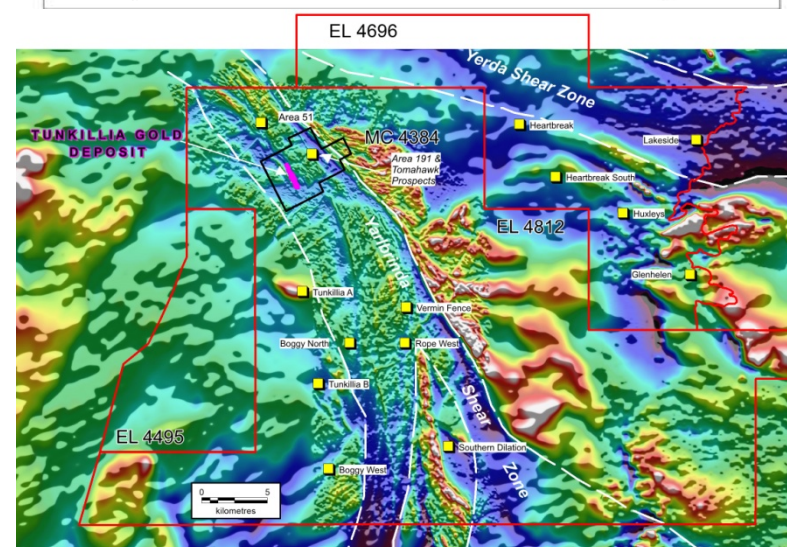
- Extensive areas of old workings indicate potential for increasing the resource and mine life
- Near term exploration program planned which is aimed at expanding Tarcoola mine life



# TUNKILLIA GOLD PROJECT



PROSPECTIVE OPPORTUNITY  
WITH JORC RESOURCE

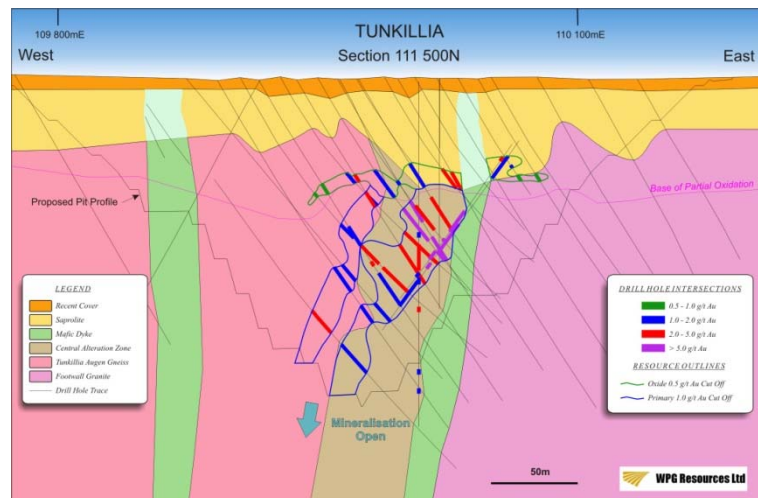
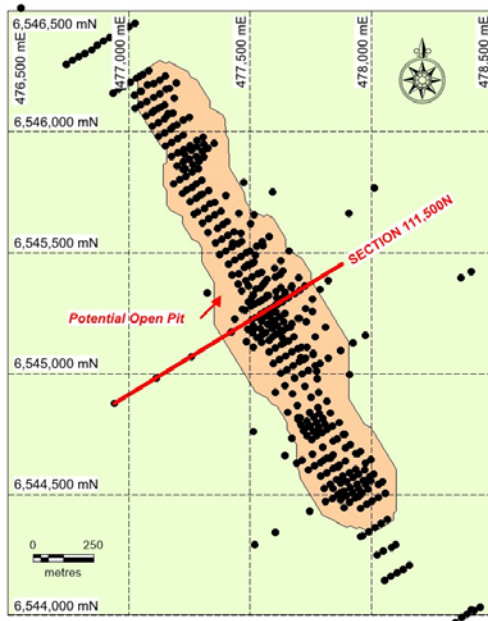




# FORWARD DEVELOPMENT STRATEGY

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## Development Strategy

- Previous owner completed Scoping Study and PFS on the “223 Deposit”
- Indicative mine life 5 to 6 years
- Previous PFS undertaken shows project economics would be significantly enhanced with expanded resource to amortise capital cost
- Strategy to identify satellite resources from the numerous exploration targets identified. Project economics enormously improved if resource tonnage could be doubled at current grade, or smaller deposits found at higher grade to provide starter pit
- Current gold price is highly encouraging for a near term development opportunity



PROVEN MANAGEMENT  
UP TO THE CHALLENGE