

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

WPG Resources Ltd

ABN

51 109 426 502

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows		Current quarter	Year to date
		\$A'000	(12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	29,692	88,917
1.2	Payments for		
	(a) exploration & evaluation	(335)	(2,353)
	(b) development	(6,584)	(26,816)
	(c) production*	(20,077)	(71,760)
	(d) staff costs	(280)	(1,285)
	(e) administration and corporate costs	(533)	(1,752)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	15	78
1.5	Interest and other costs of finance paid	(843)	(1,798)
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other	-	-
1.9	Net cash from / (used in) operating activities	1,055	(16,769)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(1,288)	(5,149)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,288)	(5,149)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	20,000
3.6	Repayment of borrowings	(2,500)	(5,000)
3.7	Transaction costs related to loans and borrowings	-	(1,000)
3.8	Dividends paid	-	-
3.9	Other (details provided below)	-	-
3.10	Net cash from / (used in) financing activities	(2,500)	14,000
4.	Net increase / (decrease) in cash and cash equivalents for the period	(2,733)	(7,918)
4.1	Cash and cash equivalents at beginning of period	4,744	9,929
4.2	Net cash from / (used in) operating activities (item 1.9 above)	1,055	(16,769)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,288)	(5,149)

+ See chapter 19 for defined terms.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2,500)	14,000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,011	2,011

* Production costs include all site operating costs included in AISC which includes all site staff along with an appropriate allocation of head office costs.

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,011	4,744
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,011	4,744

6. Payments to directors of the entity and their associates

6.1 Aggregate amount of payments to these parties included in item 1.2

6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000

(102)

-

7. Payments to related entities of the entity and their associates

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter
\$A'000

-

-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities*	15,000	15,000
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
* details of the loan facility can be found in the company announcement dated 27 December 2017.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation*	(412)
9.2 Development**	(2,724)
9.3 Production***	(34,777)
9.4 Staff costs	(321)
9.5 Administration and corporate costs	(361)
9.6 Loan repayments	(3,208)
9.6 Other	(550)
9.7 Total estimated cash outflows	(42,355)

* exploration excludes any stope definition or production drilling which form part of production costs reported in AISC.

** development includes costs associated with the development of the Tarcoola gold project, capitalised waste mining at the Tarcoola Gold mine, lateral development costs at the Challenger gold mine that do not form part of AISC, and other capital additions.

*** production costs represent estimates of net operating outflows at both the Challenger gold mine and Tarcoola gold mine.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: 
(Company Secretary)

Date: 25 September 2018

Print name: **Ian White**

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Schedule of tenements as at 30 June 2018

Tenement	Tenement Number	Interest	Holder / Joint Venture Details
Challenger, South Australia			
Challenger	ML 6103	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd
Challenger	ML 6457	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd
Challenger	MPL 63	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd
Challenger	MPL 65	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd
Challenger	MPL 66	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd
Jumbuck Challenger (northern portion)	EL 5661	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd
Jumbuck southern portion	EL 5661	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd JV details*
Blowout	EL 6012	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd JV details**
Mulgathing	EL 5298	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd JV details**
Mobella	EL 5720	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd JV details**
Sandstone	EL 5767	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd JV details**
Sandstone	EL 5732	90%	90% Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd; 10% held by Coombedown Resources Pty Ltd JV details**
Campfire Bore	EL 5998	90%	90% Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd; 10% held by Coombedown Resources Pty Ltd JV details**
Barton West	EL 5450	100%	Interest held by wholly owned subsidiary Challenger Gold Operations Pty Ltd JV details***
Tarcoola, South Australia			
Tarcoola	ML 6455	100%	Interest held by wholly owned subsidiary Tarcoola Gold Pty Ltd
Tarcoola	EL 5355	100%	Interest held by wholly owned subsidiary Tarcoola Gold Pty Ltd
Tarcoola	EL 5254	100%	Interest held by wholly owned subsidiary Tunkillia Gold Pty Ltd
Tarcoola	ML 4650	100%	Interest held by wholly owned subsidiary Tarcoola Gold Pty Ltd
Tarcoola	ML 4667	100%	Interest held by wholly owned subsidiary Tarcoola Gold Pty Ltd
Tarcoola	ML 5179	100%	Interest held by wholly owned subsidiary Tarcoola Gold Pty Ltd
Tarcoola	ML 5300	100%	Interest held by wholly owned subsidiary Tarcoola Gold Pty Ltd
Tunkillia, South Australia			
Tunkillia	EL 5901	100%	Interest held by wholly owned subsidiary Tunkillia Gold Pty Ltd
Tunkillia	EL 5670	100%	Interest held by wholly owned subsidiary Tunkillia Gold Pty Ltd
Cooritta Hill at Tunkillia	EL 5790	100%	Interest held by wholly owned subsidiary Tunkillia Gold Pty Ltd
Northern Gawler Craton, South Australia			
Lake Woorong	EL 5994	100%	Interest held by wholly owned subsidiary Southern Coal Holdings Pty Ltd
Muckanippie	EL 5154	100%	Interest held by WPG Resources Ltd
Penrhyn	EL 5718	100%	Interest held by wholly owned subsidiary Southern Coal Holdings Pty Ltd
Perfection Well	EL 5995	100%	Interest held by wholly owned subsidiary Southern Coal Holdings Pty Ltd

EL = Exploration Licence; ML = Mineral Lease; MPL = Miscellaneous Purposes Licence

* The southern portion of the tenement is subject to joint venture arrangements – 26% Western Gawler Craton joint venture (WGCJV) interest held (Tyranna Resources Ltd (Tyranna) 74%); in accordance with terms of binding Heads of Agreement ownership to be transferred to Tyranna over gold rights in the WGCJV area, no change to JV interest.

** The tenement is subject to joint venture arrangements – 26% WGCJV interest held (Tyranna Resources Ltd (Tyranna) 74%); in accordance with terms of binding Heads of Agreement ownership to be transferred to Tyranna over gold rights in the WGCJV area, no change to JV interest.

*** The tenement is subject to joint venture arrangements – 90% Challenger Gold Operations and 10% MT Mining Pty Ltd