

Western Plains Gold Ltd

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The Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 6, 20 Bridge Street
SYDNEY NSW 2000

Dear Sirs

WPG'S QUARTERLY REPORT FOR THE PERIOD TO 30 SEPTEMBER 2006

Western Plains Gold Ltd (WPG) is pleased to provide the following report on exploration and acquisition activities conducted during the three month period ending 30 September 2006. Other information on the Company's projects and its previous announcements are available on WPG's website at www.westernplainsgold.com.au.

HIGHLIGHTS

- ❖ WPG is on track to enter the iron ore industry through the acquisition of mining tenements at Peculiar Knob and Hawks Nest in South Australia that contain significant deposits of iron ore mineralisation. The Peculiar Knob deposit was estimated in 1997 to contain an inferred resource of 14 million tonnes of haematite mineralisation at an average grade of 63.2 percent iron.
- ❖ Significant iron values (up to 82 metres averaging 65.3% Fe) were returned from drill samples collected in a 2005 drilling program by a previous explorer at Peculiar Knob. These samples were not previously assayed. The samples were recovered and sent for assay by WPG.
- ❖ WPG has accepted a tender for a 6,600 metre drilling program at Peculiar Knob, which will form part of the bankable feasibility study for the project's development.
- ❖ Programs of aircore drilling have commenced in the Lachlan Fold Belt projects at Peak Hill East and Lake Cargelligo. These holes will test the bedrock beneath selected discrete magnetic anomaly targets that are considered prospective for copper-gold mineralisation.



- ❖ A drilling contractor has been engaged for a significant program of RC percussion and diamond drilling within the Euriowie project area near Broken Hill. This round of drilling is designed to test new high priority geochemical and geophysical anomaly targets at the Yalcowinna Creek, Son of Man and B40 prospects.
- ❖ Additional soil sampling at the Achilles 3 prospect in the Lake Cargelligo Project has extended the large lead anomaly that partially coincides with mapped zones of highly sheared acid volcanics. Further sampling is required to close off and better define the anomaly.

CORPORATE

The Company is currently completing a \$2.75 million capital raising. The money raised will be used to fund the drilling program and feasibility study for the Peculiar Knob project and to advance the Company's exploration on its Lachlan Fold Belt and Broken Hill copper-gold projects.

The Company's name will be changed to Western Plains Resources Ltd shortly.

SA IRON ORE PROJECTS

WPG has received shareholder approval to acquire all of the issued capital of Southern Iron Pty Ltd which holds tenements RL 103 and EL 3196 in South Australia. These tenements contain significant deposits of iron ore that have been discovered and outlined by extensive programs of drilling by several past explorers including the South Australian state government. The location of the tenements is shown in Figure 1.

Peculiar Knob SA RL 103 – WPG 100%

Peculiar Knob is situated in the Mount Woods Inlier within a sequence of Paleoproterozoic to Mesoproterozoic metasediments, deformed granitoids and granite. Rock types include banded iron formation (**BIF**), various forms of gneiss and metapelite and migmatite. A zone of high grade iron ore mineralisation is contained in two sub-parallel elongate lensoidal bodies of massive specular (micaceous) haematite, that are thought to have formed as a result of hydrothermal enrichment of a metamorphosed BIF. The main haematite body has a north-east to south-west trend and pinches and swells along a strike dimension of approximately 1,100 metres. It generally dips steeply to the north-west however dip reversals are evident in some places. The mineralisation has been closed off at the north-eastern end but remains open at depth. The body may extend along strike to the south-west beyond the limits of the drilling but is considerably thinner at that end.

The Peculiar Knob deposit was estimated by MESA in 1997 to contain an inferred resource of 14 million tonnes at a grade of 63.2% iron to a vertical depth of 120 metres.

WPG has compiled all of the past drilling information into a GIS digital data base.

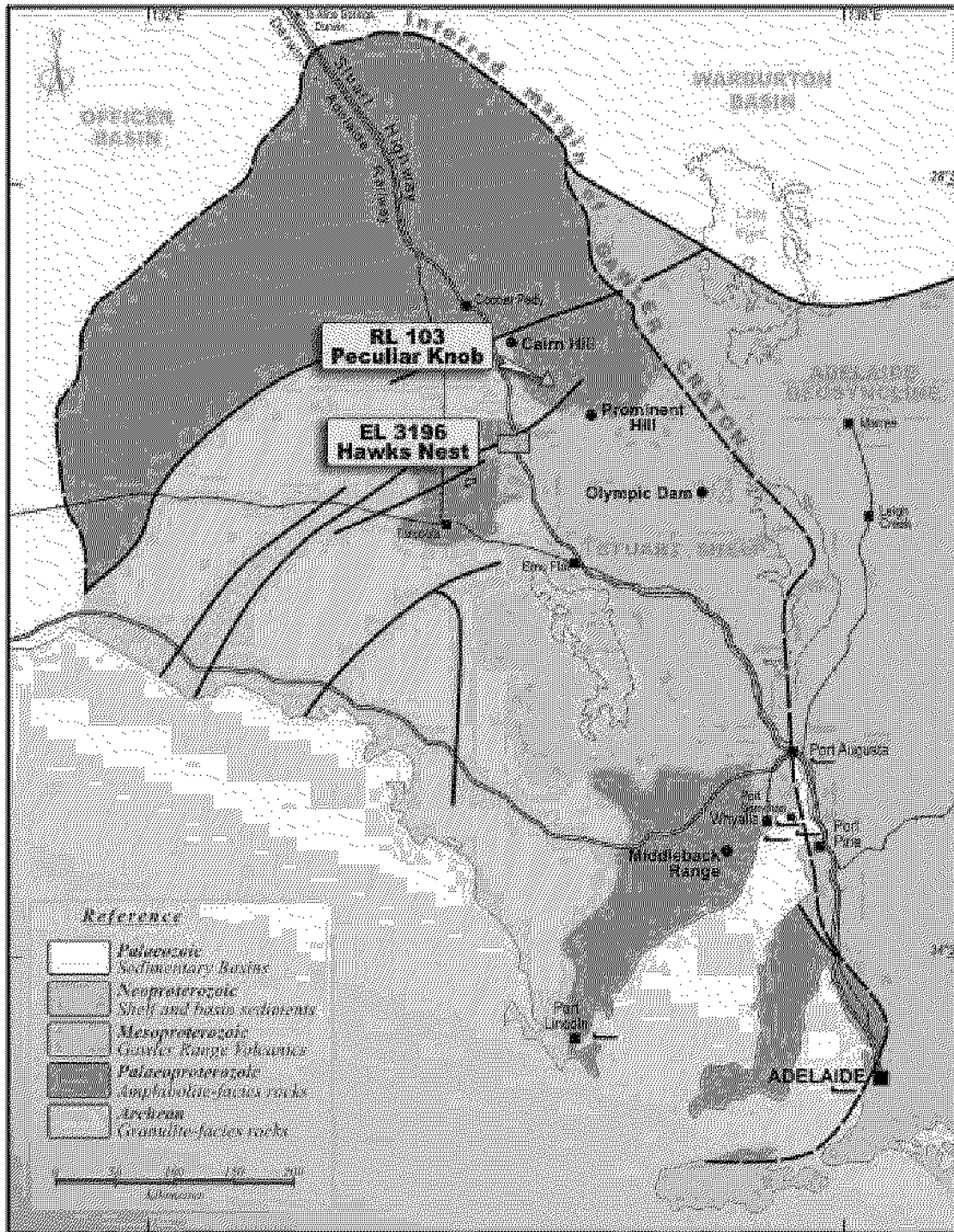


Figure 1
Location of Iron Ore Projects

During the quarter a total of 270 samples from 8 holes drilled at Peculiar Knob in 2005 by a previous explorer were recovered from site and submitted for assay. These samples were never assayed by the previous explorer. Significant iron intersections were recorded from most of these holes as set out in Table 1.



Table 1
Peculiar Knob - Significant Iron Intersections

Hole No.	Depth From (m)	Depth To (m)	Interval (m)	Fe Grade (%)
PK-34	Terminated prior to haematite body			
PK-35	43	49	6	62.5
PK-36	29	32	3	61.6
PK-37	55	71	16	63.0
PK-37	89	118	29	65.8
PK-38	48	130	82	65.3
PK-39	137	182	45	61.8
PK-40	47	61	14	64.0
PK-41	97	113	16	65.4

The silica and alumina grades and the phosphorous content of these samples were uniformly low, consistent with the results of the 1997 MESA drilling.

The Company regards the results of this sampling program as highly encouraging.

WPG has accepted a tender for a 6,600 metre drilling contract for the Peculiar Knob project. The objectives of this program are:

- to elevate the status of the 14 million tonnes inferred resource of high grade haematite to measured and indicated status
- to explore for further high grade haematite at depth
- to collect core for metallurgical sampling purposes, and
- to obtain geotechnical data for use in open pit design.

The drilling program is the first stage of the bankable feasibility study. The Company expects to appoint environmental consultants within the next few weeks to work on the BFS.

Hawks Nest SA EL 3196 – WPG 100%

The local geology at Hawks Nest is interpreted as an up-thrown fault block of Palaeoproterozoic metasediments including BIF horizons. The BIFs are largely concealed under Cretaceous sediments and recent colluvium but are the dominant source for a 25 kilometre long east-north-easterly trending magnetic anomaly. Detailed ground magnetic and gravity surveys have shown there are several prominent strike ridges of magnetite BIF separated by lows that are interpreted to be non-magnetic metasediments. The magnetic image and the prospects outlined to date are shown in Figure 2.



Iron ore mineralisation within EL 3196 at Hawks Nest occurs in seven separate deposits of varying size and grade that occur over an area of approximately nine kilometres east to west, and four kilometres north to south. Three different types of mineralisation have been identified by exploration work to date:

- Large low grade primary or unenriched magnetite BIF bodies, occurring as un-oxidised sections of the BIF horizons, with widths of 150 metres to 500 metres and depths of 500 metres to 1,000 metres. Grades are commonly 35 per cent to 40 per cent iron, in a fine grained matrix.
- Restricted zones of higher grade magnetite, with some grades in excess of 60 per cent iron.
- High grade haematite as at the Buzzard prospect, in the form of a tectonically brecciated BIF.

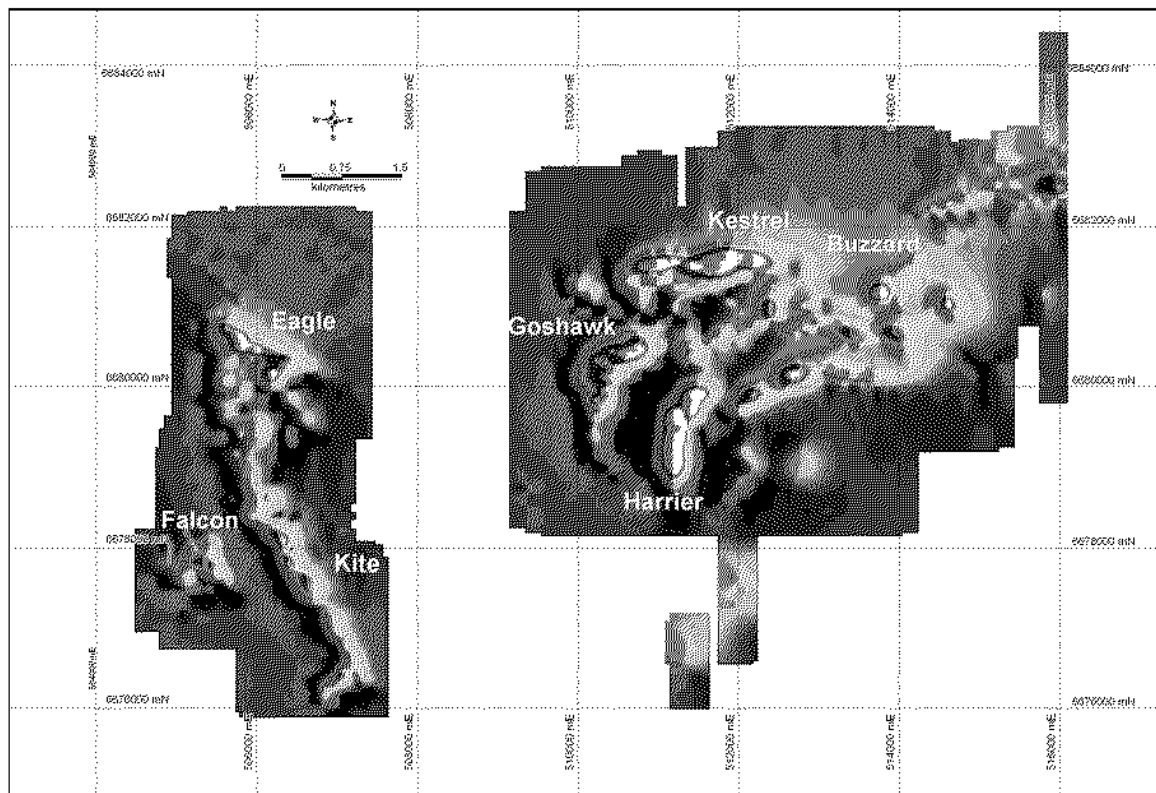


Figure 2
Hawks Nest Magnetic Image Showing Location of Iron Ore Prospects

The fine grained magnetite mineralisation at Hawks Nest is quite similar to the taconite iron ores of the Mesabi Ranges in Minnesota and Michigan, and of some of the mineral resources in the Midwest region of Western Australia.

The Kestrel and Buzzard prospects have been subjected to intensive exploration, resource definition drilling and related work over the period from 1995 to 2001. The other five prospects, Goshawk, Harrier, Eagle, Falcon, and Kite have had only a few exploratory drill holes.



WPG has compiled all of the available existing information on Hawks Nest into a GIS digital data base that will be used as the basis for planning of on-going exploration, resource estimates and development scenarios. Plans to advance the Hawks Nest project with further drilling and resource evaluation work on the various deposits are currently being developed. Initial exploration will focus on up-grading the resource status of the known high grade deposits that have the best potential to be developed in the short term for direct shipping ore.

LACHLAN FOLD BELT PROJECTS

Trundle NSW EL 4512, ELA 2768 - WPG 100%

A drilling contract has been let for two inclined RC percussion holes designed to test coincident gold and copper anomalies defined from recent programs of RAB and aircore drilling at the *Mordialloc Prospect*. This large geochemically anomalous zone has overall dimensions of 1,400 metres north-south by 950 metres east-west and with maximum values of up to 2,260 ppm copper and 1.0 g/t gold. The anomalies are associated with a large complex monzonite intrusion that is hosted by Ordovician shoshonitic andesitic volcanics. Minor calc-silicate skarn bodies occur at various localities around the margin of the monzonite.

ELA 2768 in the Bogan Gate – Yarrabandai area is prospective for porphyry copper-gold and epithermal gold mineralisation. Regional exploration will commence in the December quarter with regional reconnaissance mapping and rock chip sampling together with a program of more detailed mapping and sampling in the area of the Cookseys Plains copper-barite prospect.

Lake Cargelligo NSW EL 6367, EL 6530 - WPG 100%

Additional soil sampling was completed over grid extensions at the *Achilles 3 Prospect* during the quarter. Results have extended the significant lead anomaly, however further sampling is required to close off the anomaly to the east. In-fill lines at 50 metre spacing will also be sampled over the main part of the anomaly to provide better definition for the targeting of possible deeper drill holes. The geochemical anomaly is shown in Figure 3.

The planned program of aircore drilling to geochemically sample the bedrock and test for mineralisation and/or evidence of hydrothermal alteration beneath six discrete magnetic anomalies has been commenced and will continue into the December quarter. The program involves drilling a total of 103 holes for an estimated 3,000 metres.

The planned program of geological reconnaissance mapping and rock chip sampling in the area covered by EL 6530 Shepherds Hill was commenced but heavy rain and road closures caused a premature suspension of the field work. This work will be continued in the December quarter.

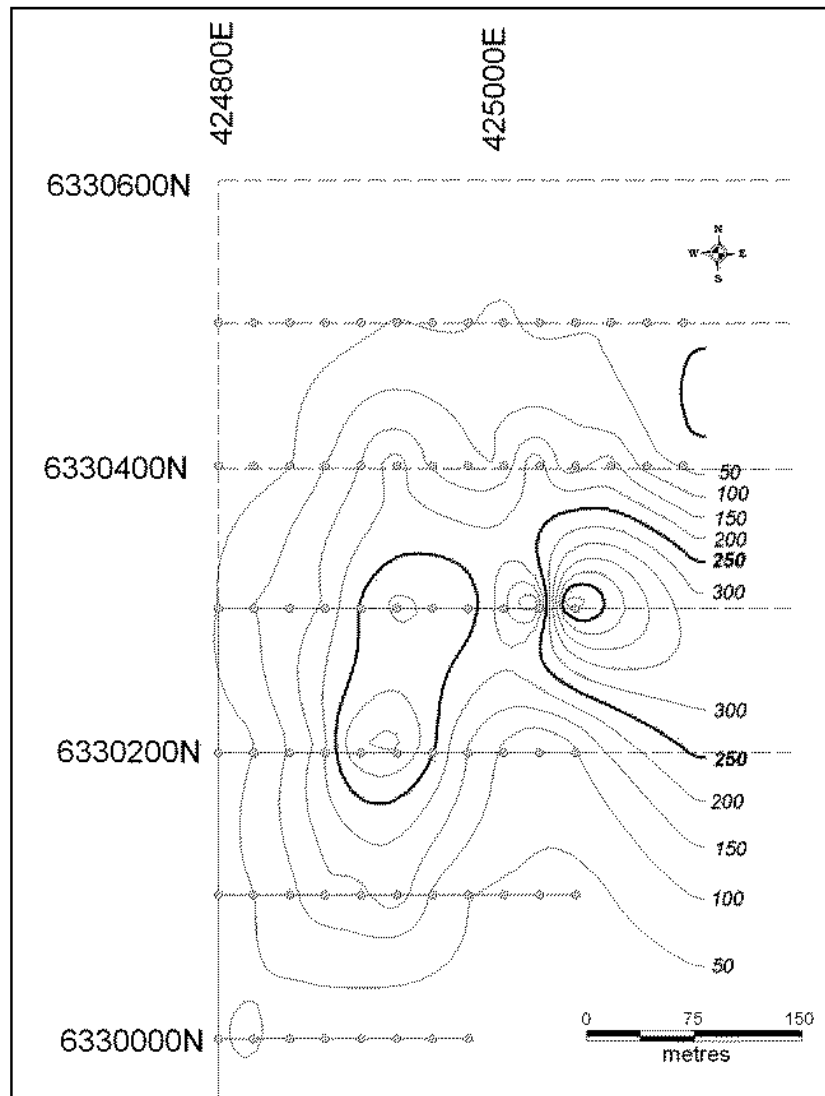


Figure 3
Achilles 3 Prospect - Soil Geochemical Contours for Lead in ppm

Peak Hill East NSW EL 6342, ELA 2749 - WPG 100%

The planned program of aircore drilling to geochemically sample the bedrock and test for mineralisation and/or evidence of hydrothermal alteration in five target areas defined from the 2005 WPG detailed aeromagnetic survey has been commenced and will continue into the December quarter. The program involves the drilling of 31 holes for an estimated 1,240 metres.

ELA 2749 in the Peak Hill north area adjoins EL 6342 to the north and covers ground considered to be prospective for Wyoming style porphyry gold deposits and epithermal gold mineralisation.



BROKEN HILL PROJECTS

Euriowie NSW EL 5771 and EL 6188 – WPG can earn 60%

A drilling contractor has been engaged for a significant program of RC percussion and diamond drilling to test three high priority targets within the Euriowie project area.

A fence of two inclined RC percussion holes and one inclined RC percussion pre-collared diamond hole will be drilled at the *Yalcowinna Creek Prospect*. These holes will test copper geochemical and EM targets down dip of the mineralised sub-crop in the southern, soil covered, part of the grid. The location of previous WPG RC percussion holes that intersected broad intervals of low-grade copper mineralisation (up to 24 metres averaging 0.35% Cu) together with the planned new holes are shown in Figure 4.

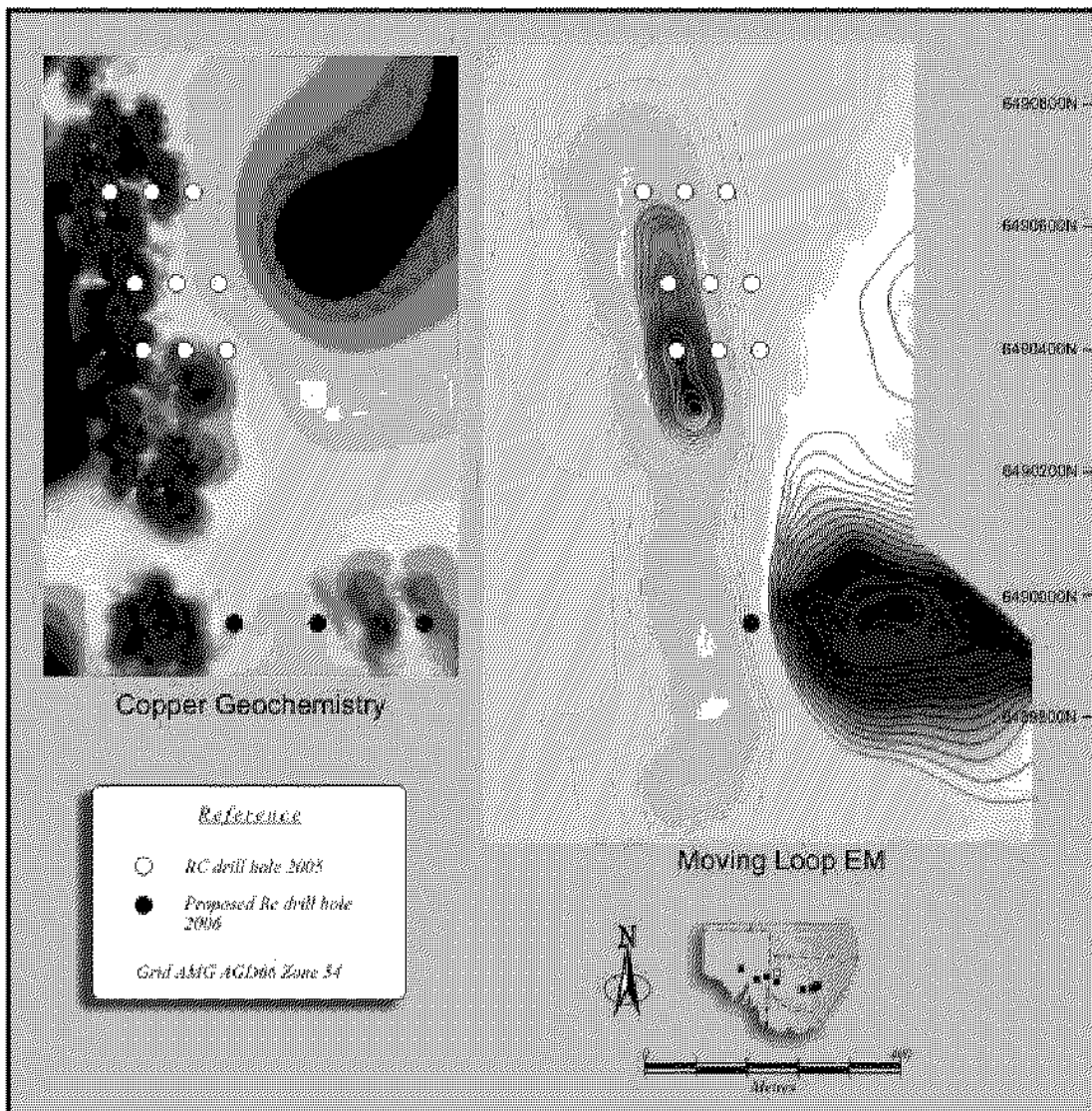


Figure 4
Yalcowinna Creek Prospect
RAB Copper and MLEM Anomaly Images Showing Hole Locations.



Four inclined RC percussion holes will be drilled at the *Son of Man Prospect*. These holes are designed to test promising geochemical and EM anomaly targets that have been defined by previous WPG programs of detailed mapping and rock chip sampling, systematic RAB drilling and grid based ground magnetic and moving loop EM surveys.

As part of the up-coming Euriowie drilling program one pre-collared diamond hole will be drilled at the B40 Prospect. The hole is designed to test coincident magnetic and MLEM anomalies for the presence of iron oxide copper-gold mineralisation. Geophysical interpretation and results of a single drill hole by a previous explorer suggests that a large body of quartz magnetite material may be present.

Mulyungarie SA and NSW

NSW EL 4657 and SA EL 3478 – WPG can earn 60%

A drilling program comprising a pattern of fifteen vertical rotary/core holes has been planned to further test the *K1 Prospect* for mineralisation in un-drilled sections of both the ironstone body and the surrounding alteration envelope. This work will have been put out to tender and will commence as soon as a suitable drill rig can be mobilised to site. The location of the proposed drill holes is shown in Figure 5.

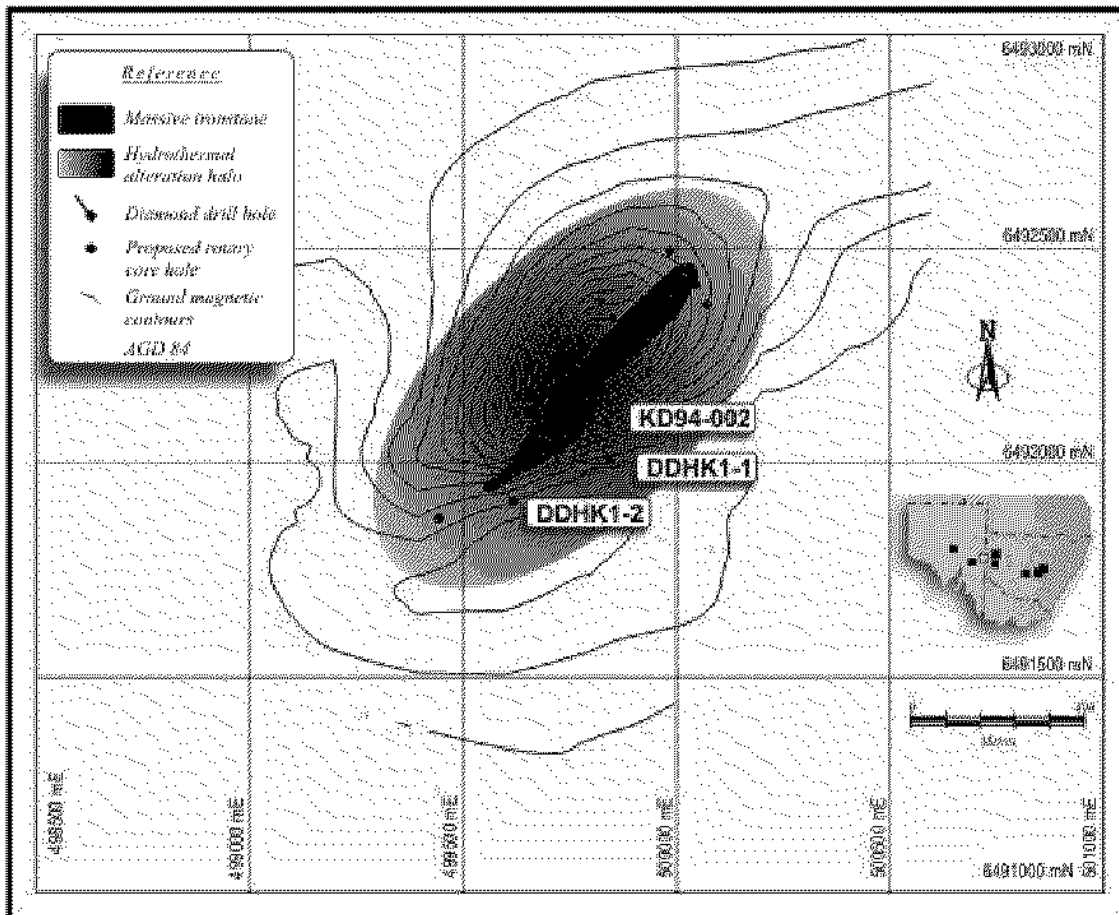


Figure 5
K1 Prospect Simplified Geology & Drill Hole Locations



Redan NSW EL 5795 and EL 6394 - WPG 100%

A further detailed review of past company data pertaining to EL 6394 Kanbara was completed during the quarter. Results of this study showed that an extensive amount of RAB and auger drilling amounting to 927 RAB holes for 32,189 metres and 2,340 auger holes for 18,620 metres had been carried out over all of the prospective areas in the tenement by previous explorers. Results of this work were essentially negative. WPG has subsequently relinquished this tenement.

Kalabity SA EL 3297 – WPG can earn 50%

As a consequence of disappointing results from the extensive program of regional calcrete sampling and minor follow-up RAB drilling WPG has withdrawn from the joint venture with PlatSearch NL and Eaglehawk on EL 3297.

Yours faithfully

R H Duffin
Chairman

Gary J Jones
Technical Director

Competent Person

*The review of exploration activities and results contained in this report is based on information compiled by **Mr Gary Jones**, a Member of the Australasian Institute of Mining and Metallurgy. He is a director of the Company 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 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Gary Jones has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

Further Information

For further information please contact Bob Duffin, Chairman, on (02) 9251 1044 or 0412 234 684, or Gary Jones, Technical Director, on 0410 358 280.