



ASX and Media Release

Market update – Peculiar Knob mine contracts and permitting

WPG Resources Ltd (ASX:WPG) is pleased to provide the following report on the status of the Company's recent initiatives in relation to the awarding of contracts and the receipt of the few outstanding approvals still necessary for the Peculiar Knob direct shipping iron ore mine south of Coober Pedy in South Australia.

On 31 January 2011 WPG advised that it had awarded the design and construction contracts for the Port Pirie facilities including the Port Pirie shiploader.

Since then:

- The mining contract has been awarded and the successful contractor has announced its intention to mobilise to site in April 2011;
- Orders have been placed for locomotives for rail haulage; and
- WPG has advertised for key site management appointments including the pit superintendent, geologists and surveyors.

The key remaining critical path contracts yet to be awarded are for the design and construction of the accommodation village and the rental agreement for rail hopper wagons. WPG expects to award these contracts within the next two weeks.

The Mining and Rehabilitation Program (MARP) for site works and the Development Application (DA) for the Port Pirie facilities were lodged with the South Australian Government in November 2010. The regulators are continuing to review these submissions and the additional information that has been requested, including that submitted on 11 February 2011.

WPG is confident that the MARP and DA will be approved. The Company believes the timetable followed by the regulators is normal for these sorts of approvals.

14 February 2011

Further Information

For further information please contact WPG's Executive Chairman Bob Duffin, on (02) 9247 3232 or 0412 234 684, or Heath Roberts, Executive Director and General Counsel on (02) 9247 7359 or 0419 473 925.



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