



ASX and Media Release

Extension of key agreements for the Hawks Nest and Peculiar Knob projects

WPG Resources Ltd (ASX:WPG) is pleased to advise it has successfully negotiated the extension of three key agreements for its iron ore projects south of Coober Pedy in South Australia that expired on 28 February 2011.

Firstly, the Department of Defence has agreed to extend the period for which access to the Hawks Nest iron ore project area EL 4248, for exploration purposes, has been extended for a further six month period to 28 August 2011.

Secondly, WPG and Wugang Australian Resources Pty Ltd (WISCO) have agreed to a further six month extension to the period in which all of the conditions precedent must be satisfied in order for the Hawks Nest magnetite joint venture between them to proceed. The joint venture will conduct a feasibility study and if this is positive develop the magnetite project in EL 4248. The extended period now expires on 30 September 2011.

The WISCO joint venture does not include the Buzzard DSO deposit in EL 4248.

WPG believes it is highly likely that the Final Report of the Hawke Review into the Woomera Prohibited Area (WPA) that was lodged with the Commonwealth Government in December 2010 will have been considered and acted upon by the Commonwealth before the expiry of these two agreements. As suggested in the Interim Hawke Report released publicly in November 2010 and as long advocated by WPG, mining and military activities can co-exist in most parts of the WPA.

Finally, WPG has sought and Deutsche Bank AG, Sydney Branch, has agreed to an extension of the commitment letter between them for the financing of the Peculiar Knob DSO iron ore project. The extended period now expires on 31 May 2011, by which date the parties anticipate that the key financing transaction documents will have been executed.

1 March 2011

Further Information

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