



# WPG Resources Ltd

ABN 51 109 426 502

## Half-Year Financial Report

31 DECEMBER 2013

# CORPORATE DIRECTORY

## WPG Resources Ltd

ABN 51 109 426 502

### DIRECTORS

Robert H Duffin  
Martin C Jacobsen  
Gary J Jones  
Leonard A Dean  
Lim See Yong  
Dennis R Mutton

### SECRETARY

Larissa Brown

### REGISTERED AND ADMINISTRATION OFFICE

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### AUDITORS

Grant Thornton Audit Pty Ltd

### BANKERS

Westpac Banking Corporation

### STOCK EXCHANGE LISTING

Listed on Australian Securities Exchange Limited  
ASX Code: WPG

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# DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2013.

## DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Robert H Duffin, BSc (Hons), MSc (Hons), Grad Dip Mgt, FAusIMM (Executive Chairman)

Martin C Jacobsen, MSCC, MDP (Unisa) (Managing Director) \*

Gary J Jones, BSc, FAusIMM, MASEG (Technical Director)

Leonard A Dean, BSc (Metallurgy) (Non-Executive Director)

Lim See Yong, BBA (Singapore) (Non-Executive Director)

Dennis R Mutton, BSc (Hons), Grad Dip Mgt, FAIM, FAICD, JP (Non-Executive Director)

Heath L Roberts, Dip Law (SAB), Grad Dip Leg P (UTS) (Executive Director) \*\*

\* Mr Jacobsen was appointed on 16 October 2013

\*\* Mr Roberts resigned from the Board effective 7 August 2013

## REVIEW AND RESULTS OF OPERATIONS

The net result of operations after applicable income tax expense for the half-year was a loss of \$1,799,010 (2012 – profit of \$99,765).

The principal continuing activity of the Group is exploration, evaluation and development of the Group's iron ore and coal projects on its South Australian tenements and the pursuit of mining investment opportunities.

Having commenced in July 2013, the Phase One geophysical exploration program on the Muckanippie, Lake Woorong and Robins Rise tenements in the Northern Gawler Crater region south of Coober Pedy in South Australia was completed. The modelling of the results of the geophysical work with data from previous explorers has reinforced their prospectivity for the discovery of direct shipping iron ore, gold and nickel sulphide deposits. Prospect targets within the Muckanippie EL are considered to have excellent potential for discovery of a massive sulphide nickel deposit while the Robins Rise and Lake Woorong tenements are highly prospective for the DSO haematite deposits analogous to the Peculiar Knob and Hawks Nest deposits that were developed and sold by WPG in 2011.

The Board approved a \$400,000 Phase Two drilling program to further advance these prospects and the Company has been active during the last quarter acquiring all the necessary approvals to enable commencement of drilling. It is expected that drilling for this Phase Two exploration program will start in April 2014.

The drilling program will comprise lines of strategically sited scout air-core holes across the magnetic anomalies to test for mineralisation supporting geochemical and geological signatures. Any resulting anomalies will be followed up with more systematic grid based air-core drilling followed by deeper RC and/or diamond drilling of the highest priority targets that emerge.

In tandem with these South Australian exploration activities, WPG has intensified its comprehensive review of mining investment opportunities. In total the Group has reviewed more than 50 projects and companies which were considered to meet the Company's strategic objectives where in-depth value and risk assessment were carried out of those selected as having prime potential. The scope of opportunities being reviewed covers a wide range of commodities and mining sectors both in Australia and overseas. WPG personnel have experience in many overseas jurisdictions and across a wide range of commodities and mining to embrace such potentials.

WPG's core criteria for projects to deliver strong value for shareholders include:

- ❖ Affordability;
- ❖ Adding value through its financial strength, management skills and ASX listing; and
- ❖ Being capable of delivering positive outcomes in a reasonable time-frame.

## *DIRECTORS' REPORT (CONTINUED)*

The emphasis to date has been on advanced stage exploration to PFS/BFS stage assets, where WPG can add value by completing permitting and de-risking projects prior commercial development decisions. While WPG's core criteria for delivering strong shareholder value remain unchanged, the Company's focus has expanded to also review projects in the earlier stage of the development cycle with genuine upside potential, as was the case with Peculiar Knob.

In October 2013 Martin Jacobsen, WPG's Chief Executive Officer, was appointed Managing Director and has been managing new project acquisition, development identification and assessment. He was an integral part of the leadership team that successfully secured WPG's iron ore asset sale to Arrium Limited.

As at 31 December 2013 the Company had cash at bank of \$9.1 million, representing cash backing of 3.5 cents per share. This ensures WPG is extremely well placed to take advantage of the current environment in the resource sector and importantly has the ability to undertake rapid, but thorough reviews of acquisition opportunities.

### **FINANCIAL**

The results of operations are shown above and in the accompanying financial statements.

### **SUBSEQUENT EVENTS**

The Directors are not aware of any significant changes in the state of affairs of the Group occurring since the end of the half year.

### **AUDITOR'S INDEPENDENCE DECLARATION**

The independence declaration of our auditor is on page 12 and forms part of this report.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**R H DUFFIN**  
Executive Chairman

Sydney

7 March 2014

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the half-year ended 31 December 2013

		Consolidated Entity	
	Note	2013 \$'000	2012 \$'000
<b>REVENUE FROM CONTINUING OPERATIONS</b>	4	191	344
Other income		18	-
ASX and ASIC fees		(25)	(26)
Contract administration services		(298)	(492)
Corporate advisory services		(8)	(2)
Depreciation and amortisation expense		(18)	(23)
Directors' fees		(99)	(64)
Employment costs		(167)	(158)
Exploration and project evaluation expenditure written off		(846)	(193)
Insurance		(52)	(68)
Legal fees		(19)	(47)
Loss on sale of assets		-	(18)
Office costs		(31)	(33)
Operating lease rental expense		(103)	(107)
Public relations		(18)	(38)
Registry costs		(16)	(15)
Share based payments	5	(71)	(44)
Superannuation expense		(51)	(50)
Travel and accommodation		(49)	(43)
Fair value adjustment on financial assets at fair value through profit or loss		(39)	11
Other expenses		(97)	(178)
<b>LOSS BEFORE INCOME TAX EXPENSE</b>		<b>(1,798)</b>	<b>(1,244)</b>
Income tax benefit		-	1,344
<b>(LOSS) / PROFIT AFTER INCOME TAX FROM CONTINUING OPERATIONS</b>		<b>(1,798)</b>	<b>100</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Change in fair value on available-for-sale financial assets		10	(3)
Income tax (expense) / benefit on other comprehensive income		(3)	1
<b>OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR NET OF TAX</b>		<b>7</b>	<b>(2)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE HALF-YEAR ATTRIBUTABLE TO OWNERS OF WPG RESOURCES LTD</b>		<b>(1,791)</b>	<b>98</b>
Basic (loss) / earnings per share (¢ per share)		(0.69)	0.04
Diluted (loss) / earnings per share (¢ per share)		(0.69)	0.04

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

	Consolidated Entity	
Note	31 Dec 2013 \$'000	30 Jun 2013 \$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	9,053	10,941
Trade and other receivables	109	195
Available-for-sale financial assets	9 147	-
<b>TOTAL CURRENT ASSETS</b>	<b>9,309</b>	<b>11,136</b>
<b>NON-CURRENT ASSETS</b>		
Available-for-sale financial assets	9 -	158
Other financial assets	74	74
Property, plant, equipment and leasehold improvements	6 1,332	1,350
Exploration and evaluation expenditure	7 2,796	2,721
<b>TOTAL NON-CURRENT ASSETS</b>	<b>4,202</b>	<b>4,303</b>
<b>TOTAL ASSETS</b>	<b>13,511</b>	<b>15,439</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	421	632
<b>TOTAL CURRENT LIABILITIES</b>	<b>421</b>	<b>632</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liability	14	11
Provisions	66	66
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>80</b>	<b>77</b>
<b>TOTAL LIABILITIES</b>	<b>501</b>	<b>709</b>
<b>NET ASSETS</b>	<b>13,010</b>	<b>14,730</b>
<b>EQUITY</b>		
Contributed equity	8 24,992	24,982
Reserves	182	114
Accumulated losses	(12,164)	(10,366)
<b>TOTAL EQUITY</b>	<b>13,010</b>	<b>14,730</b>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 31 December 2013

	Attributable to the owners of WPG Resources Ltd				
	Contributed Equity \$'000	Accumulated Losses \$'000	Options Reserve \$'000	AFS Reserve \$'000	Total Equity \$'000
<b>AT 1 JULY 2012</b>	<b>16,661</b>	<b>(5,305)</b>	<b>8,321</b>	<b>32</b>	<b>19,709</b>
<b>Total comprehensive income for the half-year</b>					
Profit for the period	-	100	-	-	100
<b>Other comprehensive income</b>					
Change in fair value on available-for-sale financial assets, net of tax	-	-	-	(2)	(2)
<b>Total comprehensive income for the half-year</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>(2)</b>	<b>98</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of new shares	-	-	-	-	-
Reserves reclassified to shares	8,321	-	(8,321)	-	-
Share based payments expense	-	-	44	-	44
	<b>8,321</b>	<b>-</b>	<b>(8,277)</b>	<b>-</b>	<b>44</b>
<b>AT 31 DECEMBER 2012</b>	<b>24,982</b>	<b>(5,205)</b>	<b>44</b>	<b>30</b>	<b>19,851</b>
<b>Total comprehensive loss for the half-year</b>					
Loss for the period	-	(5,161)	-	-	(5,161)
<b>Other comprehensive income</b>					
Change in fair value on available-for-sale financial assets, net of tax	-	-	-	(5)	(5)
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(5,161)</b>	<b>-</b>	<b>(5)</b>	<b>(5,166)</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of new shares	-	-	-	-	-
Share based payments expense	-	-	45	-	45
	<b>-</b>	<b>-</b>	<b>45</b>	<b>-</b>	<b>45</b>
<b>AT 30 JUNE 2013</b>	<b>24,982</b>	<b>(10,366)</b>	<b>89</b>	<b>25</b>	<b>14,730</b>
<b>Total comprehensive loss for the half-year</b>					
Loss for the period	-	(1,798)	-	-	(1,798)
<b>Other comprehensive income</b>					
Change in fair value on available-for-sale financial assets, net of tax	-	-	-	7	7
<b>Total comprehensive loss for the half-year</b>	<b>-</b>	<b>(1,798)</b>	<b>-</b>	<b>7</b>	<b>(1,791)</b>
<b>Transactions with owners in their capacity as owners</b>					
Issue of new shares	10	-	(10)	-	-
Share based payments expense	-	-	71	-	71
	<b>10</b>	<b>-</b>	<b>61</b>	<b>-</b>	<b>71</b>
<b>AT 31 DECEMBER 2013</b>	<b>24,992</b>	<b>(12,164)</b>	<b>150</b>	<b>32</b>	<b>13,010</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 31 December 2013

	Consolidated Entity	
	2013 \$'000	2012 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	10	-
Payment to suppliers and employees	(1,844)	(1,506)
Interest received	196	383
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<b>(1,638)</b>	<b>(1,123)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(1)	(41)
Expenditure on mining interests (exploration)	(249)	(1,347)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(250)</b>	<b>(1,387)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of dividends	-	(28)
Repayment of share capital	-	(18)
<b>NET CASH FLOWS USED IN FINANCING ACTIVITIES</b>	<b>-</b>	<b>(46)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,888)</b>	<b>(2,556)</b>
Cash and cash equivalents at beginning of period	10,941	15,940
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>9,053</b>	<b>13,384</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.



# Notes to the Half-Year Financial Statements

## 1. CORPORATE INFORMATION

These financial statements of WPG Resources Ltd (the Company or WPG) for the half-year ended 31 December 2013 were authorised for issue in accordance with a resolution of the Directors on 6 March 2014. WPG Resources Ltd is a company incorporated in Australia and limited by shares which are publicly traded on the Australian Securities Exchange.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These half-year financial statements do not include all notes of the type normally included in the annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Company as the full financial statements.

These half-year financial statements should be read in conjunction with the annual financial statements of WPG for the year ended 30 June 2013.

It is also recommended that these half-year financial statements be considered together with any public announcements made by WPG during the half-year ended 31 December 2013 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

### (a) Basis of Preparation

These general purpose financial statements for the half-year reporting period ending 31 December 2013 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134 Interim Financial Reporting. The historical cost basis has been used except for available-for-sale financial assets which have been measured at fair value.

For the purpose of preparing these half-year financial statements, the half-year has been treated as a discrete report period.

### (b) Significant Accounting Policies

The interim financial statements have been prepared in accordance with the accounting policies adopted in WPG's last annual financial statements for the year ended 30 June 2013, except for the application of the following standards as of 1 January 2013:

- AASB 10 Consolidated Financial Statements;
- AASB 13 Fair Value Measurement; and
- AASB 119 Employee Benefits (September 2011)

The effects of applying these standards are described below.

#### AASB 10 Consolidated Financial Statements

AASB 10 supersedes AASB 127 *Consolidated and Separate Financial Statements* and Interpretation 112 *Consolidation – Special Purpose Entities*. AASB 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Company's investees are considered to be subsidiaries and therefore change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.

Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Company's investees held during the period or comparative periods covered by these financial statements.

#### AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. AASB 13 applies prospectively for annual periods beginning on or after 1 January 2013. AASB 134 requires particular AASB 13 disclosures in the interim financial statements which are provided in Note 9.

#### AASB 119 Employee Benefits (September 2013)

AASB 119 makes a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans. AASB 119:

- eliminates the 'corridor method' and requires the recognition of remeasurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income

# Notes to the Half-Year Financial Statements

- changes the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest cost based on the net defined benefit asset or liability
- enhances disclosures, including more information about the characteristics of defined benefit plans and related risks.

The application of AASB 119 did not have a material effect on the financial statements of the Company.

## (c) Rounding of Amounts

The Company is of a kind referred to in Class Order 98/0100 issued by the Australian Securities and Investments Commission relating to rounding of amounts in the financial report. Amounts have been rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

## (d) Significant Accounting Judgments, Estimates and Assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual financial statements for the year ended 30 June 2013.

## 3. SEGMENT INFORMATION

The Group has adopted AASB 8 Operating Segments whereby segment information is presented using a 'management approach', i.e. segment information is provided on the same basis as information used for internal reporting purposes by the chief operating decision maker. The chief operating decision makers comprises of the executive management committee (comprising of the Executive Chairman, Managing Director, Technical Director, and CFO).

The executive management committee has determined that there are currently no operating segments and no discrete information is provided to them and therefore no segment information has been disclosed. The executive management committee receives consolidated financial information for the Group.

As an exploration and evaluation group, the executive management committee monitors segment performance based on non-financial measures such as exploration results as well expenditure rather than EBITDA as would a production company.

The Group is currently not selling products and as such no information has been provided on a product basis for 2013 or 2012. The Group currently has no sales revenue and no customers. As such no information has been disclosed for sales revenue on a geographic basis, nor are there any major customers that comprise more than 10% of the Group's revenue. All the Group's non-current assets are based in Australia.

4. REVENUE	Consolidated	
	31 Dec 2013 \$'000	31 Dec 2012 \$'000
<b>From Continuing Operations</b>		
Interest received	181	344
Rent received	10	-
	<u>191</u>	<u>344</u>

## 5. SHARE BASED PAYMENTS

Current period expense for share based payments granted in prior periods	71	44
	<u>71</u>	<u>44</u>

On 1 July 2013, 5,866,673 (1 July 2012 - 4,598,165) incentive rights were issued to key management and directors and the shareholders have subsequently approved the grant of the executive directors' incentive rights. The value of these rights upon granting was \$209,227 (2012 - \$266,693) and a pro-rata amount has been expensed.

## Notes to the Half-Year Financial Statements

6. PROPERTY, PLANT, EQUIPMENT AND LEASHOLD IMPROVEMENTS	Consolidated	
	31 Dec 2013 \$'000	30 Jun 2013 \$'000
Port Pirie Property – at directors' valuation	990	990
Accumulated amortisation	-	-
	<u>990</u>	<u>990</u>
Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current and previous financial year		
Carrying amount at beginning of financial year	990	990
Expenditure reclassified from Port Development Expenditure	-	5
Impairment loss expensed to profit and loss	-	(5)
Carrying amount at end of period	<u>990</u>	<u>990</u>
<b>Plant and equipment – at cost</b>	<b>541</b>	<b>541</b>
Accumulated depreciation	(199)	(181)
	<u>342</u>	<u>360</u>
Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current and previous financial year		
Carrying amount at beginning of financial year	360	415
Additions	-	38
Disposals	-	(49)
Depreciation expense	(18)	(44)
Carrying amount at end of period	<u>342</u>	<u>360</u>
<b>Leasehold improvements – at cost</b>	<b>38</b>	<b>38</b>
Accumulated amortisation	(38)	(38)
	<u>-</u>	<u>-</u>
Reconciliation of the carrying amount of plant and equipment at the beginning and end of the current and previous financial year		
Carrying amount at beginning of financial year	-	3
Amortisation expense	-	(3)
Carrying amount at end of period	<u>-</u>	<u>-</u>
Carrying amount of property, plant, equipment and leasehold improvements at end of the period	<u><u>1,332</u></u>	<u><u>1,350</u></u>

## Notes to the Half-Year Financial Statements

	Consolidated	
	31 Dec 2013 \$'000	30 Jun 2013 \$'000
<b>7. EXPLORATION AND EVALUATION EXPENDITURE</b>		
<b>Exploration expenditure</b>		
Costs brought forward	2,721	4,151
Costs incurred during the period	206	2,670
Expenditure written off during the period	(131)	(4,100)
Costs carried forward	<u>2,796</u>	<u>2,721</u>
<b>8. CONTRIBUTED EQUITY</b>		
<b>Share capital</b>		
260,947,378 ordinary shares fully paid (30 June 2012: 260,947,378)	32,841	24,520
Shares issued during the period	10	-
Reclassification of reserves	-	8,321
261,117,428 ordinary shares fully paid (30 June 2013: 260,947,378)	<u>32,851</u>	<u>32,841</u>
<b>Share issue costs</b>	<u>(7,859)</u>	<u>(7,859)</u>
	<u>24,992</u>	<u>24,982</u>
<b>9. AVAILABLE FOR SALE FINANCIAL INSTRUMENTS</b>		
<b>Listed company securities</b>		
<b>Current</b>		
Equity Securities – Level 1	147	-
	<u>147</u>	<u>-</u>
<b>Non-current</b>		
Equity Securities – Level 1	-	158
	<u>-</u>	<u>158</u>

Listed equity securities are measured and recognised at fair value determined by reference to closing prices on the relevant securities exchange on which it is listed. The table above classifies financial instruments recognised in the statement of financial position of the group according to the hierarchy stipulated in AASB 7 as follows: *Level 1 – the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – a valuation technique is used using inputs other than quoted prices within Level 1 that are observable for the financial instrument, either directly (i.e. as prices), or indirectly (i.e. derived from prices); or Level 3 – a valuation technique is used using inputs that are not based on observable market data (unobservable inputs).*

## 10. SUBSEQUENT EVENTS

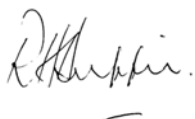
The Directors are not aware of any significant changes in the state of affairs of the Group occurring since the end of the half year.

# DIRECTORS' DECLARATION

The directors of WPG Resources Ltd declare that:

1. the financial statements comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
  - i) comply with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and
  - ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date;
2. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**R H DUFFIN**  
Chairman of Directors  
Sydney 7 March 2014

Grant Thornton Audit Pty Ltd  
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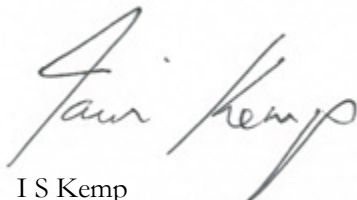
### **Auditor's Independence Declaration To The Directors of WPG Resources Limited**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of WPG Resources Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



I S Kemp  
Partner - Audit & Assurance

Sydney, 7 March 2014

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## **Independent Auditor's Review Report To the Members of WPG Resources Limited**

We have reviewed the accompanying half-year financial report of WPG Resources Limited (“Company”), which comprises the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors’ declaration.

### **Directors’ responsibility for the half-year financial report**

The directors of WPG Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor’s responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the WPG Resources Limited financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of WPG Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

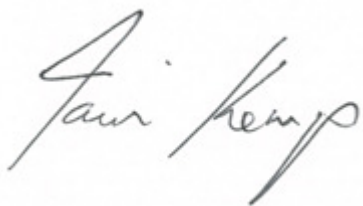
**Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of WPG Resources Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the Company's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



I S Kemp  
Partner - Audit & Assurance

Sydney, 7 March 2014





## WPG Resources Ltd

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