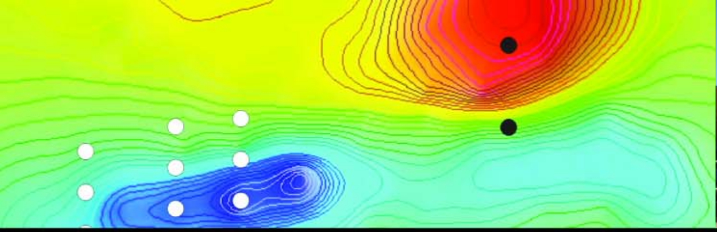

ASX and Media Release

Plums found in the Tunkillia pudding – resource estimate enhanced at higher cut-off grade

WPG Resources (ASX:WPG) announced today that a detailed review of the Tunkillia gold project data has confirmed that the resource estimate for the main 223 deposit can be enhanced at higher cut-off grades allowing a wide degree of flexibility for strategic development options.

The previously published resource estimate for the 223 deposit at Tunkillia is a total of 26.3 million tonnes at an average grade of 1.04 g/t gold using a 0.5g/t cut-off grade (as reported by Mungana Goldmines in its September 2012 Quarterly Report dated 29 October 2012 and available to view at www.asx.com.au).

Part of WPG's approach when it acquired the project was to recast the resource estimate using a more realistic cut-off grade which was expected to reduce the tonnage but increase the average grade.

The results indicate that the resource grade can be significantly enhanced as expected. This will allow a greater degree of flexibility for WPG's strategic development options for the project.

WPG will now conduct an in depth review of the potential development scenarios including optimisation studies. The results of these studies will then set the platform for WPG to redefine the project parameters and advance a new exploration and development strategy.

The new resource estimate has been prepared by WPG's consultants, H&S Consultants, who prepared the September 2012 estimate, and is based on the same data set used then.

WPG has not yet determined the most appropriate mining and processing strategy for the Tunkillia 223 deposit. At this stage, it seems likely that an open pit mine will be developed, with the primary mineralisation treated by conventional CIP/CIL methods, with the lower grade oxide zone treated by heap leaching.

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WPG Resources Ltd

ABN 51 109 426 502
Level 9, Kyle House
27-31 Macquarie Place
Sydney NSW 2000
Telephone (+612) 9251 1044
Facsimile (+612) 9247 3434
info@wpgresources.com.au
www.wpgresources.com.au

Consistent with this approach, the resource estimate has been recast using a 0.5 g/t cut-off grade in the oxide zone, and a 1.0 g/t cut-off grade in the primary zone. The restated estimate is set out in Table 1.

Table 1: Restated Tunkillia Resource Estimate

Zone	Resource Category	Million Tonnes	Gold g/t	Silver g/t	Gold 000 oz	Silver 000 oz
Oxide Zone	Measured	1.26	1.38	2.4	56	96
	Indicated	2.94	1.04	1.9	98	179
	Inferred	0.44	0.82	1.5	11	20
	Total*	**4.64**	**1.11**	**2.0**	**165**	**295**
Primary Zone	Measured	1.84	1.87	5.9	111	347
	Indicated	4.30	1.46	4.3	202	592
	Inferred	1.54	1.63	5.0	81	249
	Total*	**7.68**	**1.59**	**4.8**	**393**	**1,187**
Oxide and Primary Zones	Measured	3.10	1.68	4.4	167	443
	Indicated	7.24	1.29	3.3	300	771
	Inferred	1.98	1.45	4.2	92	269
	Total*	**12.32**	**1.41**	**3.7**	**558**	**1,482**

* totals are subject to rounding

WPG notes that the total estimated resource grade set out above is 36% higher than previously published.

The gold-silver mineralisation at the Tunkillia 223 deposit lies in the north western part of the Tunkillia tenement block, and a mineral claim application has been lodged over this area as shown in Figure 1. The 223 deposit has supergene oxide and primary components. Primary mineralisation is hosted within a NW-trending shear zone cutting Proterozoic granites. A broad corridor of low-grade mineralisation is present, in which higher-grades are typically associated with greater intensity of steep to moderately dipping quartz veins. Other prospects have been identified within the tenement block, and these other prospects will be more extensively explored now that WPG owns 100% of the project area.

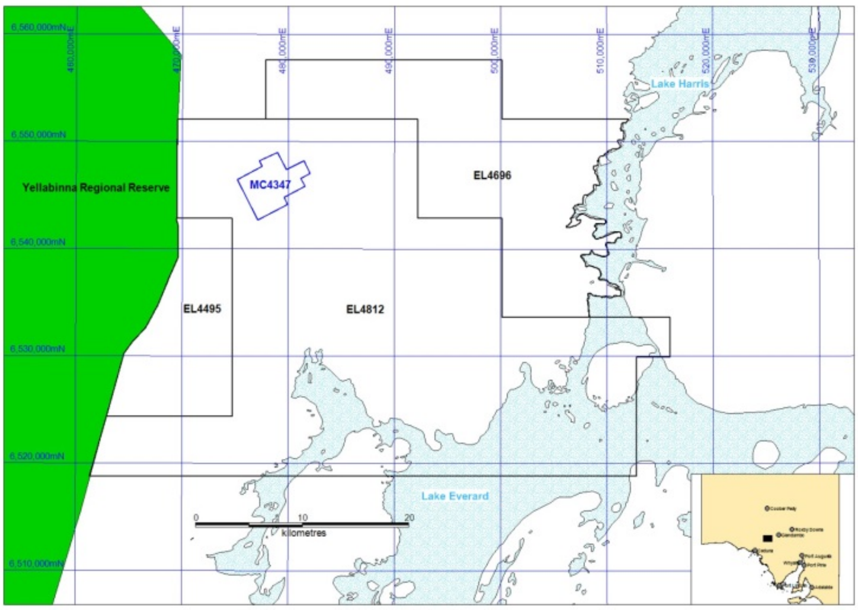

Figure 1: Tunkillia Tenements

The resource estimates reported here have utilised drilling and assay information from 557 holes (for over 78,812m) completed between 1996 and 2012. Drilling is a mixture of mainly RC and diamond drilling, at a spacing of 25-50m.

Further Information

For further information please contact WPG's Executive Chairman, Bob Duffin on (02) 9247 3232 or Managing Director and CEO, Martin Jacobsen on (02) 9251 1044.

Competent Person

The information in this report that relates to Mineral Resources for the Tunkillia gold project review is based on information compiled by Mr Simon Tear who is a member of the Australasian Institute of Mining and Metallurgy. Simon Tear is a Director of H&S Consultants, an independent consulting company who prepared the information for WPG. Simon Tear has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code & Guidelines). Simon Tear has consented in writing to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The sections in this report that relate to Exploration Results were based on information acquired from Mungana Goldmines (ASX:MUX) and compiled by Mr Gary Jones, a Member of the Australasian Institute of Mining and Metallurgy He is Technical Director of WPG Resources Limited and a full time employee of Geonz Associates Limited. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code & Guidelines). Gary Jones has consented in writing to the inclusion in this report of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• For 183 early RC Holes (1996–1997), the 1 metre samples were collected through a cyclone and collected in poly bags. Samples were initially taken as 4 metre spear composites and then re-assayed at 1 metre intervals if the initial sample returned a "positive" result. RC holes drilled post-1997 were sampled through an on-rig splitter system The majority of core samples were taken as 1 metre lengths and half-cored. • Pre-2003 samples were sent to Analabs for analysis. Post 2003 samples were sent to Intertek Genalysis Laboratory for assay Gold values were determined by aqua regia digest (B/ETA or B/SAAS) and any values returning >1ppm were repeated using fire assay (FA25/AAS). If a fire assay was taken then this became the "official" assay. All other elements were determined using multi-acid digest (AT/OES).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Slimline RC drilling used a face-sampling hammer bit with a diameter of ~90mm All other RC holes were drilled using a "standard size" hammer (ranging from 120mm–136mm) Diamond holes were pre-drilled to fresh rock using a RC pre-collar or cored from surface, with a range of diameters: NQ, PQ, HQ.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Good recoveries from mineralised holes in 2012 RC program were confirmed through weighing sample bags in the field. No quantitative recoveries have been recorded from earlier RC drilling. Recoveries of 100% have been recorded from diamond drilling through mineralisation zones. Recoveries of 90-100% have been achieved in geotechnical drilling of the depleted clay saprolite for geotechnical assessment.

Criteria	JORC Code explanation	Commentary
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• RC chips and diamond core have been logged by experienced geologists as a hard copy. Data has been captured in a DataShed database. All diamond core has been photographed. RC chips from the 2012 program have been photographed. Lithology and alteration logging was checked through mineralogical analysis using a Terraspec Pro device for the 2012 program. Spot checks were made on earlier drill holes. A selection of material has been scanned through the Hylogger in Adelaide. Structural measurements have been made on core oriented using spear and Ezy-Mark core orientation devices. For all RC, Slimline RC and RC pre-collars, samples were taken from each metre and representative chip samples placed in chip trays. Core is stored on site or in the DSD core library.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Core to be sent to the laboratory was split using a core saw, with half sent to the laboratory and half stored in core trays. • RC drill samples were were initially taken as 4 metre spear composites and then re-assayed at 1 metre intervals if the initial sample returned a "positive" result. Samples from drilling post 1997 were riffle split using a riffle splitter mounted on the drill rig. • For RC holes, field duplicates were routinely taken to ensure representative sampling. • RC samples to be sent for laboratory analysis were collected at regular intervals over the entire length of hole.Pre-2003 samples were sent to Analabs for analysis. Post 2003 samples were sent to Intertek Genalysis Laboratory for assay using industry standard procedures and standard laboratory checks. • Laboratory sample preparation comprises drying, weighing, crushing and pulverising (with some splitting) of the entire sample to a nominal 85% passing 75 microns. • Samples sent to the laboratory were analysed for Gold by aqua regia digest (B/ETA or B/SAAS) and any values returning >1ppm were repeated using fire assay (FA25/AAS). If a fire assay was taken then this became the "official" assay. All other elements were determined using multi-acid digest (AT/OES) • The nature and quality of the sample preparation technique is considered appropriate for the mineralisation style. • The samples sizes are appropriate for the material being sampled.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Early holes, pre-1998, have no recorded QAQC samples, Blanks, standards and duplicates have been submitted throughout the drilling campaigns since 1998, with a number of checks through umpire laboratories. No major concerns have been highlighted. Some checks have suggested possible under-calling of lower-grade results from aqua regia digests (<0.5g/t). • QAQC samples were submitted in the form of field duplicates and Certified Reference Standards from Ore Research & Exploration Pty Ltd. Standards were submitted every 20th sample and field duplicates every 50th sample.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• A number of twinned RC and diamond holes have been completed, confirming the position of the mineralised envelopes and grade characteristics in the system. • All relevant data were entered into a DataShed database where various validation checks were performed. Data was exported into an Access Database and linked to Surpac for wireframing and resource estimation. Visual reviews were conducted to confirm consistency in logging and drill hole trajectories. Assessment of the data confirms that it is suitable for resource estimation. • A small amount of internal validation of the data base was undertaken by H&SC with a process of error detection and correction.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• In 2012 43 RC and 13 diamond holes were drilled, totalling 5,280 metres of RC and 1,931 metres of PQ and HQ core. • All prior drilling from 1996 comprised 348 RC holes totalling 56,418 metres, 35 RC/diamond holes totalling 7,843 metres, 118 Slimline RC holes totalling 7,340 metres (targeting the oxide zone). • 488 out of a total of 557 collars have been located using DGPS survey techniques. Earlier collars were located by measuring off a local grid system and have been deemed “reasonably accurate”. • 405 holes were surveyed using a down-hole survey instrument. 30 of these have nominal azimuth data due to magnetic interference in the rod string. All of the remaining holes were not surveyed, all but 4 were reasonably shallow and vertical RC holes. • All location data is recorded in MGA94 Zone 53 co-ordinates.

Criteria	JORC Code explanation	Commentary
		• The topographic model is based on a gridded dtm derived from DGPS collar surveys. The area is flat, with variation primarily related dune fields. Local variations do not influence the resource, which is depleted in the upper levels of the weathering profile. An aerial survey has more recently been flown to derive an accurate digital terrain model which will be used complete modelling for mine planning.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drilling incorporated in the resource database extends from local grid co-ordinates109995N to 113810N and 109500E to 110340E. However, the extent of the classified resource model has been limited to 110250-112650N, with sections north and south of this point deemed too widely spaced (100 – 400m) to support classification. Sections are on a 25 metre spacing from 111250N to 111850N Sections are on a 50 metre spacing from 110600N to 112600N (excluding the 25 metre sections 110950N to 111050N; 111400N to 111850N, 112150N to 112500N). On section drill spacing generally ranges from 20-30m, increasing to 50 metres with the majority of drilling on section and perpendicular to strike The resource has been drilled to a maximum depth of 360 metres below surface and is not closed off down dip Metallurgical testwork has been conducted on cored samples. • Details of sample composites used in the resource estimate are set out in Section 3 of this table.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drill sections are orientated local grid E–W, perpendicular to the main mineralised lenses. • The majority of holes used to define the steeply west dipping primary mineralisation are drilled towards the east at -60 degrees. Holes targeting the oxide resource have been drilled vertically. Some of the initial exploration holes were drilled oblique to the strike of mineralisation.
Sample security	• *The measures taken to ensure sample security.*	• WPG does not have detailed information in regard to sample security measures taken by previous owners of the Tunkillia project. However we understand that these procedures were in accord with commonly adopted standard industry practices.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• An internal peer review of the resource model has been completed by H&SC. • WPG have completed an in-depth review of the resource drilling data. This review included re-plotting and re-interpretation of geology and resource outlines, wireframing and a manual resource check.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	• *Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* • *Data validation procedures used.*	• All relevant data were entered into a DataShed database where various validation checks were performed. • Data was exported into an Access Database with indexed tables; checks for duplicates and incorrectly formatted data completed. • Database linked to Surpac for wireframing and resource estimation; data subject to database audit function in Surpac. • Visual reviews were conducted to confirm consistency in logging and drill hole trajectories. • Assessment of the data confirms that it is suitable for resource estimation.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• No site visit has been completed by HS Consultants. • Several site visits have been made by WPG personnel including Messrs Jones and Duffin all of whom are Competent Persons. • The deposit is in the advanced exploration and resource definition phase and has had no mining undertaken. • WPG is taking responsibility for the Exploration Data. • The deposit has been the subject of previous resource estimates.
Geological interpretation	• *Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* • *Nature of the data used and of any assumptions made.* • *The effect, if any, of alternative interpretations on Mineral Resource estimation.* • *The use of geology in guiding and controlling Mineral Resource estimation.* • *The factors affecting continuity both of grade and geology.*	• The Tunkillia 223 Deposit is characterised by several different mineralisation styles dependent on the host rock and intensity of alteration. • A new geological interpretation was completed by H&SC and Tunkillia Gold Pty Ltd, a subsidiary of Mungana Goldmines Ltd for the Tunkillia deposit. This comprised a steeply dipping Main Lode for the fresh material that was interpreted to maintain itself up into the oxide zone. A flat-lying oxide zone, the Oxide Lode, was attributed to the effect of supergene processes on the Main Lode material causing a greater lateral spread beyond the Main Lode. • Additional wireframes were supplied by Tunkillia Gold Pty Ltd for the barren mafic and dacitic dykes, and surfaces for the base of complete oxidation, base of partial oxidation and the silcrete base. The Main Lode was defined using a combination of geology and gold grades at a nominal cut-off of 0.1g/t. The footwall to the lode was a thick, barren mafic dyke with a steep dip to the west. The hanging wall was based mainly on gold grade and locally on a barren dacitic dyke. The mineralisation is gradational in the hanging wall and

Criteria	JORC Code explanation	Commentary
		the lode contact is difficult to pin down. Geological sense was used in several instances and aimed at maintaining the dip and strike of the overall structure. • Given the recognition of multiple vein orientations, and the absence of a sharp geological surfaces corresponding to grade boundaries, the current approach has been to domain the mineralisation to a low cut-off grade threshold. • Some lateral supergene dispersion of mineralisation has occurred above the base of partial oxidation (BOPO). Gold mineralisation is typically depleted through the strongly kaolinitic profile, which is developed to depths of 35-50m. Near the base of the weathering profile, typically between 40 and 50m depth, there is a rapid transition from clay saprolite zone through to a zone of joint oxidation in which gold is not depleted. This is referred to as “oxide” mineralisation. There is evidence for some lateral dispersion of gold through the joint oxidation interval, where it is not uncommon to encounter gold mineralisation typically with a background value in the grade range of 0.1 - 0.3g/t some tens of metres laterally east or west from known primary lode positions. The gold is interpreted to have been mobilised laterally along oxidised fracture surfaces. • This position can also preserve the expression of the primary mineralisation, having a gradational contact into fresh rock. Multi-element data and visual inspection indicates that a variably oxidised sulphide assemblage persists into the joint oxidised zone.
Dimensions	• *The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	• The Main Lode strikes for just over 2km with a range in plan width of 5 to 108m averaging 69m. Down dip extent averages 260m and the deposit top occurs at 35 to 50m below surface extending to approximately 315m below surface • The west dipping North Lode strikes for just over 1.2km with a range in plan width of 100 to 200m but an average thickness of 65m. Down dip extent averages 200m and the deposit top occurs at 25 to 50m below surface extending to approximately 230m below surface. • The East and West Lodes have strike lengths from 225-300m and plan widths of 5-15m and 15-19m respectively with average plan widths of 8m. Depth to the top of the zones ranges between 35 and 50m with a base to the lodes generally 250m below surface. • The main Oxide Lode strikes for 2.4km, has a plan width average of 325m with a range in thickness of 4 to 30m and an average thickness of 8m. The deposit top occurs at 35 to 50m below surface extending to a maximum of

Criteria	JORC Code explanation	Commentary
		88m below surface. • Drillhole spacing for the main part of the deposit is at a notional 25m along strike, expanding to 50m at the northern and southern ends of the main resource area. More widely-spaced sections are drilled at the far northern and southern ends of the deposit. Holes are spaced nominally ~20-30m across strike. The holes are predominantly collared at an angle of 60° to grid east, although a number of early holes were drilled off the current grid, and a number of vertical holes have been drilled targeting the oxide position.
Estimation and modelling techniques	• *The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.* • *The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.* • *The assumptions made regarding recovery of by-products.* • *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* • *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* • *Any assumptions behind modelling of selective mining units.* • *Any assumptions about correlation between variables.* • *Description of how the geological interpretation was used to control the resource estimates.* • *Discussion of basis for using or not using grade cutting or capping.* • *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	• Polygons and hence triangulations are based on interpretations completed on sections with strings snapped to drill holes. • Triangulations constructed include: mineralised oxide and primary zones, mafic dykes, dacite dykes, BOPO and BOCO. • The geological interpretation determined that the Main Lode persists up into the partially weathered zone, and that there is also a supergene overprint on this lode. The estimating process initially involved modelling the barren dykes in the sulphide and oxide regime, followed by the Main Lode for both the sulphide and oxide regimes within the lode wireframe. This is also applied to the minor East and West Lodes. Then the Oxide Lode is modelled in its entirety, but the only blocks retained are within the oxide wireframe but outside the Main Lode wireframe (in the oxide regime). The Peripheral Domain composites (ie outside the Main, Oxide and smaller lodes) were modelled in the primary and the oxide regimes with different search ellipses and variogram models. The Peripheral primary zone was divided into east and west domains using slightly different search parameters to reflect the slightly shallower dip to mineralisation in the west. The mineralisation associated with the North Lode was modelled separately. The Main Lode interpolated grades were loaded into the block model in their entirety constrained by the lode wireframe except where interpolated grades pre-existed i.e. the internal dykes. The minor lodes were also loaded at this stage constrained by their relevant wireframes. The oxide data was loaded constrained by its wireframe and pre-existing data i.e. from the Main Lode and the barren dykes. A modification had to be made to the loading process to ensure that oxide/supergene related high gold grades associated with the mafic dykes were loaded from the oxide model. The Peripheral primary and oxide grades were loaded constrained to where there was no data and the base of partial oxidation surface. • A total of >70,000 1m assay composites were used; residual composites less than 0.5m were discarded; 16,149 for the Main Lode and 5,945 for the Oxide

Criteria	JORC Code explanation	Commentary
		Lode, 437 for the smaller lodes, 1036 for barren dykes and 53,276 for the all Peripheral zones. • Geostatistics were performed for gold and silver within individual mineral lodes and zones. • Top cutting determined from log-probability plots were tried for certain estimations; impact is considered insignificant; and there is no obvious clustering of high grades. • Variography indicates strong directional anisotropy between the strike and dip grade continuity; review of the variograms for the gold and silver mineralisation seemed to indicate high nuggets for both metals. Variography for the Main Lode oxide and sulphide mineralisation was poor to modest. • Parent block sizes were 5 metres in the X (east) direction, 10 metres in the Y (north) direction and 5 metres in the Z (RL) direction with no sub-blocking. • Ordinary Kriged estimation was used for the oxide and primary zones. Modelling used H&SC's in-house GS3M Ordinary Kriging software. • Up to 3 estimation passes with an increasing search radius and decreasing number of data points were run for all domains. For the Main Lode and other sulphide lodes the initial search was 5 by 30 by 30m increasing to 10 by 60 by 60 with the minimum number of data decreasing from 16 to 8 and the numbers of octants used reducing from 4 to 2. The first and second estimation runs used an octant based search where at least 4 octants had to be estimated. • Search ellipses were orientated to follow the trend of the individual domains. • The current resource estimate is based on additional geological and assay data from the 2012 drilling of 43 RC holes and 13 diamond holes as a combination of resource, metallurgical and geotechnical drilling. • No assumptions were made regarding the recovery of by-products ie silver. No modelling of any deleterious elements was completed. • The H&SC block model was reviewed visually by H&SC and Tunkillia Gold Pty Ltd geologists and it was concluded that the block model fairly represents the grades observed in the drill holes. H&SC also validated the block model statistically using summary statistics and cumulative frequency comparisons. • Previous estimates have been completed by Minotaur and Neil Schofield of FSS. Results are comparable factoring in different modelling methods.

Criteria	JORC Code explanation	Commentary
Moisture	• *Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	• All tonnages are estimated on a dry basis.
Cut-off parameters	• *The basis of the adopted cut-off grade(s) or quality parameters applied.*	• The current estimates are reported for a range of gold cut-off grades from 0.1 g/t to 1.5 g/t for unconstrained block centroids below the base of partial oxidation for the primary zone; for the oxide zone the block centroids are reported using the surface constraints of the base of partial oxidation and the topographic surface.
Mining factors or assumptions	• *Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	• The resources were estimated on the assumption that the shallow resources will be targeted using conventional open pit mining methods. • Minimum mining dimensions are envisioned to be around 2.5x10x5m (E, N, RL respectively). • The resource estimation includes internal mining dilution.
Metallurgical factors or assumptions	• *The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	• Available information to date indicates that metallurgical processing would be relatively straightforward, and follow a standard gold flow sheet, consisting of crushing, grinding and carbon-in-leach gold and silver extraction. Metallurgical recoveries for gold in primary material of 90% and 92% in oxide material were assumed for scoping study project evaluations. • Heap leach test work on samples of oxide material averaged a 94% gold dissolution.
Environmen-tal factors or assumptions	• *Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported*	• The Tunkillia deposit is situated in a semi-desert area with broad areas of sand dunes • Detailed mine planning has yet to be completed and therefore waste and process residue options have yet to be determined. • Development would most likely be by way of open pit with conventional waste rock dumps and tailings dams sited in close proximity to the deposit and within the area of the mining lease. • Project approvals are obtained from the South Australian DSD following

Criteria	JORC Code explanation	Commentary
	with an explanation of the environmental assumptions made.	acceptance of a mining lease proposal (MLP). • Key issues that will be addressed as part of the MLP include flora and fauna, groundwater, Aboriginal cultural heritage and mine waste geochemistry including acid rock drainage. • Following approval of the MLP, DSD require a plan of operations to be developed and approved. There are strong synergies between work associated with project infrastructure and that required for environmental approvals.
Bulk density	• *Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* • *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* • *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	• Assignment of density in the primary and joint oxide resource is based on a total of 2049 samples of core for which default bulk density values for different lithotypes were determined using the “Archimedes Principle”. • Density values for the depleted saprolite profile have been based on calliper measurements for representative rock types conducted through Trilabs in Brisbane.
Classification	• *The basis for the classification of the Mineral Resources into varying confidence categories.* • *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* • *Whether the result appropriately reflects the Competent Person’s view of the deposit.*	• Mineral resources have been classified on the search pass category, a function of data point distribution in conjunction with a number of other aspects including the, the variography, QAQC data, geological logging, sampling and assaying. Pass 1 is Measured, Pass 2 is Indicated and Pass 3 is classified as Inferred. Additional passes refer to Exploration Potential. • Classification of resources is an issue with modelling peripheral data separate to a wireframe-derived dataset. Classification assignment is done in the modelling by using the number of data used to interpolate the block grades. Thus the less the number of data points the lower the classification. On the inside margins of any lode wireframe the number of data points being modelled drops off despite there being data points on the other side of the wireframe boundary ie in the Peripheral Zone. The result is more blocks of lower confidence within the wireframe than might be legitimately expected. To alleviate this outcome a separate modelling exercise was completed using all of the composites to generate a new set of confidence categories for the data ie an expanded resource category. • H&SC believes the confidence in the tonnage and grade estimates, the continuity of geology and grade, and the distribution of the data reflect the

Criteria	JORC Code explanation	Commentary
		Measured, Indicated and Inferred categorisation. • H&SC has not assessed the reliability of input data and WPG personnel take responsibility for the accuracy and reliability of the data used to estimate the Mineral Resources. WPG also take responsibility for the cut-off grades for reporting the resources. • The estimates appropriately reflect the Competent Person's view of the deposit.
Audits or reviews	• *The results of any audits or reviews of Mineral Resource estimates.*	• An internal peer review of the model has been completed by H&SC.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• No statistical or geostatistical procedures were used to quantify the relative accuracy of the resource. The Mineral Resource estimates of the deposit are sensitive to the cut-off grade applied and are considered to be global estimates. • Comparison with the previous estimates indicates that the changes are in line with expectations. • There is no production data.