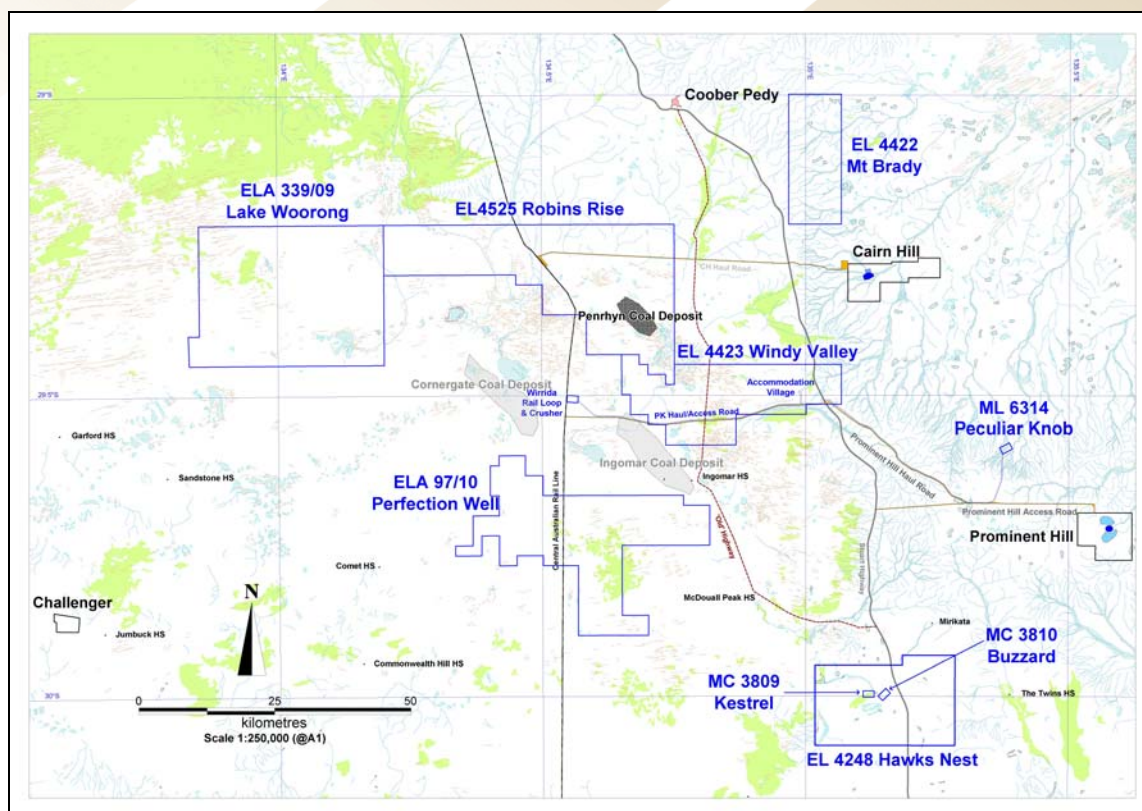




ASX and Media Release

Good coal intersected in early part of Penrhyn drilling program

WPG Resources Ltd (ASX:WPG) is pleased to advise it has commenced a drilling program at the Company's Penrhyn coal project south of Coober Pedy in South Australia. Penrhyn's location is shown in the drawing below.



Penrhyn is 25 kilometres from the rail loading loop and close to the accommodation village and haul road that will be built for WPG's flagship Peculiar Knob iron ore project, so it is ideally located to benefit from this infrastructure and the excess capacity that will be available early next year (subject to all necessary approvals) at the Company's Port Pirie export facility.

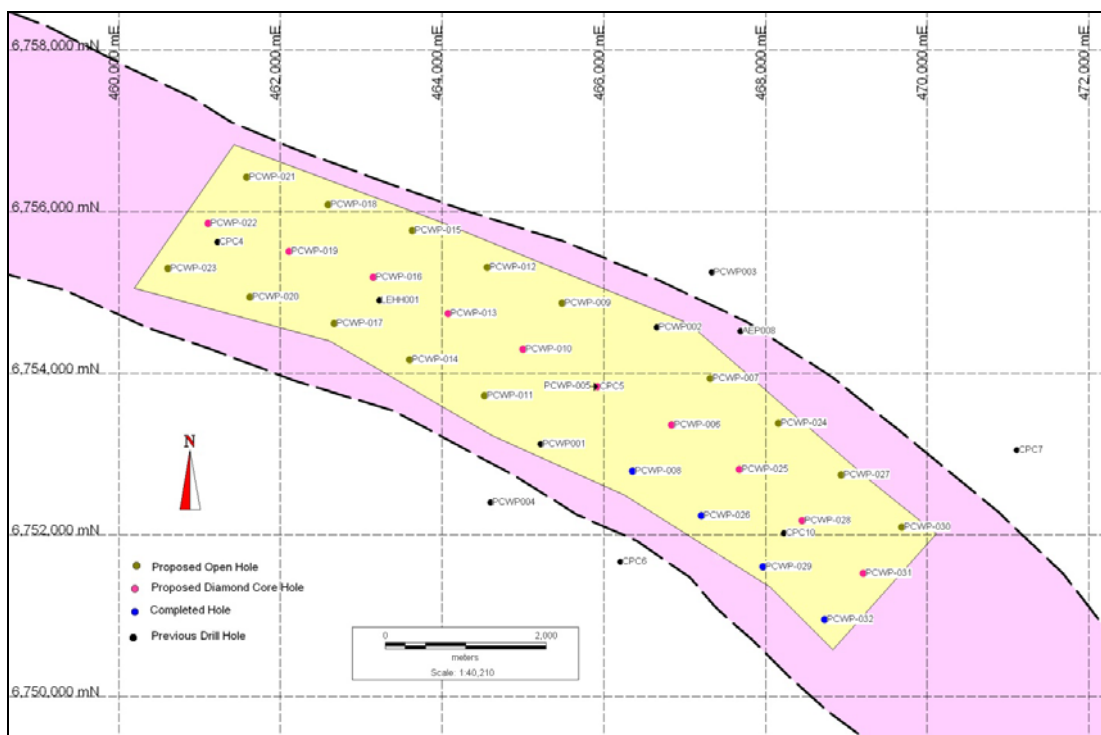
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The drilling program will comprise 28 holes for an estimated 3,920 metres. It is designed to extend the definition of the coal seams intersected in the traverse of diamond core holes completed by WPG in 2010. The objective is to verify the exploration target of 200 million tonnes and in so doing enable JORC compliant resources to be estimated. This exploration target is based on the drill hole and coal quality data currently available and is conceptual in nature. To date there has been insufficient exploration to define a coal resource, and it is uncertain if this planned further exploration will result in the definition of a coal resource.

To date four holes for a total of 564 metres have been completed in the south eastern section of the target zone, which represents some 25% of the extent of the known coal basin. This is shown in the drawing below. Significant coal seam intervals have been intersected in holes PCWP-026 and PCWP-008.



Core samples will be dispatched to a laboratory for the usual suite of thermal coal analyses. In addition, samples will also be sent to Evergreen Energy Inc's K-process plant in Wyoming for upgrading testwork.

The budget for the drilling program inclusive of analyses is just over \$1 million. The program is expected to be completed in early May 2011.

Competent Person

The review of exploration activities and results contained in this report are based on information compiled by Mr Gary Jones, a Member of the Australasian Institute of Mining and Metallurgy. He is Technical Director of WPG 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 in writing 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, WPG's Executive Chairman on 02 9247 3232 or 0412 234 684.