

ASX ANNOUNCEMENT

20 April 2011

Immediate Drill Success at Winmar Deposit Extensions

- Initial drilling results received
48m @ 57.4% Fe (61.0% CaFe), 50m @ 56.6% Fe (59.8% CaFe),
 26m @ 56.2% Fe (58.6%CaFe), 28m @ 57.8% Fe (61.1% CaFe)
- Low Phosphorus ($\leq 0.05\%$)
- All results are from holes located outside the current resource area, excellent potential for future resource increases
- RC drilling continuing, Diamond drilling due to commence in May

Winmar Resources Limited (ASX:WFE) in conjunction with its partner Cazaly Resources Limited (ASX:CAZ) is pleased to announce the first results from the 12,000m RC drilling extension and infill program at the Winmar Deposit, at the Company's Hamersley Iron project in the Pilbara region of Western Australia.

These results are from the first four holes of approximately 80 holes to be drilled during the current program. Mineralisation occurs as fine pisolites, typical of Channel Iron Deposits (CID). These results include exceptional results up to 500m outside the current resource area which provides excellent scope for additional resource increases (see Figure 1, Project Location Map and Drill locations).

The RC drill program is targeting a 2.8km long gravity anomaly which closely correlates with the CID mineralisation. Previous drilling had tested only 1.5km of the anomaly with CID mineralisation open in all directions.

Results to date support the Company's claimed exploration target of 250-300Mt @ 55-59% CaFe for the Winmar Deposit. Some previous drill holes have intersected mineralised bedded iron formation beneath the channel which presents a target for future exploration.

The current drill program will form the basis of an updated JORC Resource statement at the Winmar Deposit, which is due in the following quarter. In addition, metallurgical testwork and beneficiation work will commence in the current quarter.

Table 1. Significant results for Winmar deposit, April 2011 ($\geq 50\%$ Fe)

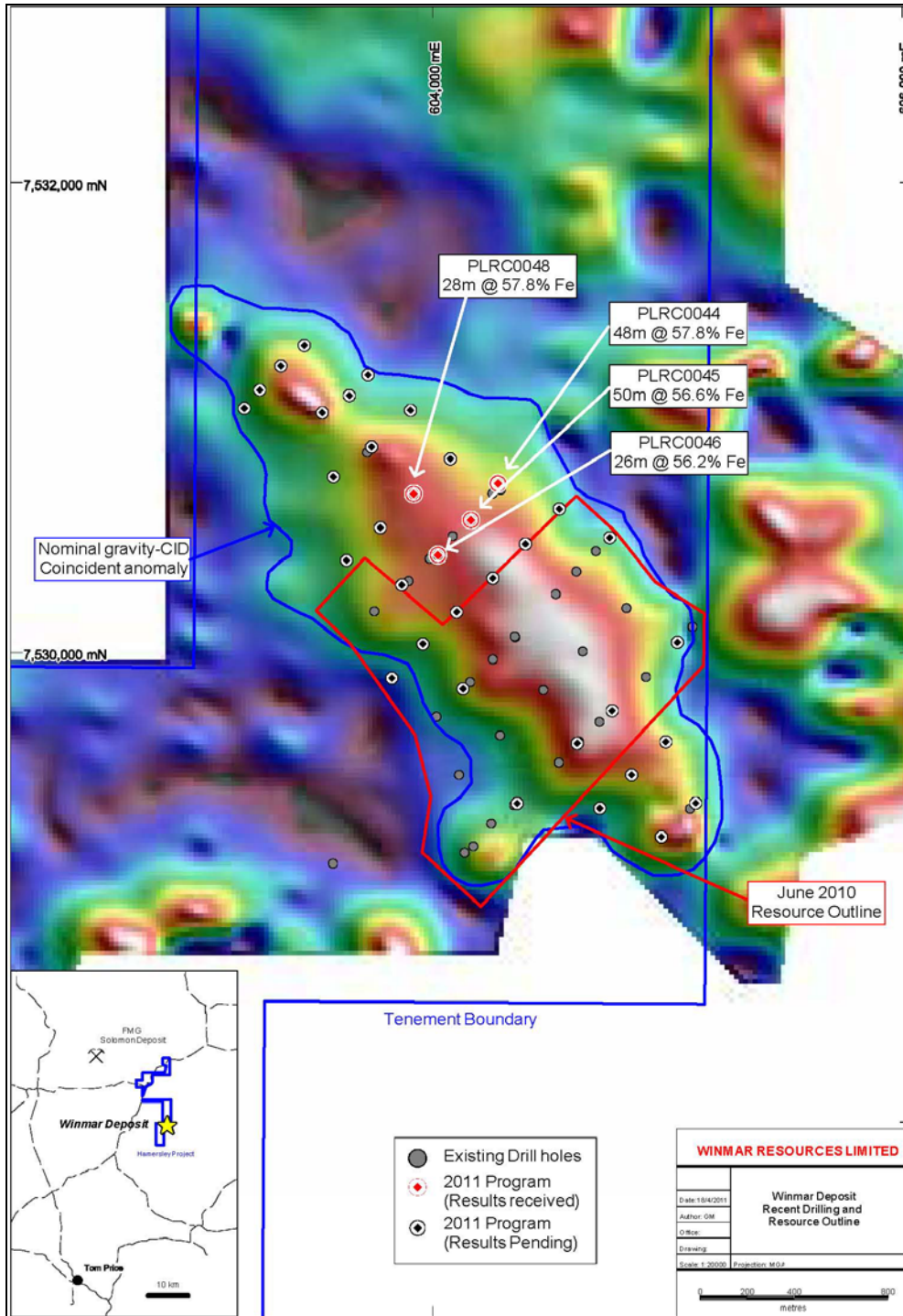
HoleID	East	North	Hole Depth	From	Length	Intercept						
						Fe %	SiO ₂ %	Al ₂ O ₃ %	P%	S%	LOI%	CaFe%
PLRC0044	604291	7530693	162	110	48	57.4	7.85	3.53	0.04	0.01	5.87	61.0
PLRC0045	604161	7530569	162	112	50	56.6	9.46	3.33	0.03	0.01	5.39	59.8
PLRC0046	604020	7530420	162	136	26	56.2	10.6	4.16	0.03	0.01	4.11	58.6
PLRC0048	603917	7530681	152	114	28	57.8	8.13	3.26	0.04	0.01	5.27	61.1
				144	8	55.0	8.67	3.86	0.05	0.01	8.20	59.9

Notes: All holes drilled vertically
 Coordinates refer to UTM Zone 50 (GDA 94)
 Samples analysed by Bureau Veritas Kalassay by XRF with LOI determined at 1000°C
 CaFe calculated by: $(\text{Fe}\% / (100 - \text{LOI}\%)) * 100$

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The Winmar Deposit has a current JORC **Inferred Resource Estimate of 143Mt @ 52.6% Fe** (55.6% CaFe). These new drill results are expected to extend the Main CID Zone, which currently comprises 92Mt @ 54.9% Fe (58.4% CaFe). See Table 2, Resource Estimate.

Figure 1. Project Location Map and Drill locations



The planned rail line for Fortescue Metals Group (ASX: FMG) major Solomon project (2.85Bt) sits immediately adjacent to the northern boundary of the Winmar tenement.

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Table 2. Winmar Resource Estimate, June 2010, ID²

Ore Type	Cut Off Fe %	Tonnes t	Fe %	CaFe %	Al ₂ O ₃ %	P %	SiO ₂ %	LOI %
Detrital Iron	40	36,090,000	45.81	47.05	5.68	0.03	25.12	2.65
Channel Iron	52	92,260,000	54.92	58.44	4.20	0.04	10.56	6.02
Bedded Iron	52	14,880,000	54.97	59.32	4.16	0.05	9.42	7.32
Channel & Bedded Iron	52	107,140,000	54.93	58.57	4.19	0.04	10.40	6.20
Total	40 / 52	143,230,000	52.63	55.58	4.57	0.04	14.11	5.31

NB: Calcined Fe (CaFe) calculated by the formula $CaFe\% = (Fe\%)/(100-LOI1000)*100$



Drilling at the Winmar Deposit, April 2011.

Winmar executive director Ben Cooper said, “We are delighted at the strong early progress achieved with our exploration programs at the Winmar Deposit, and in particular the results from the first group of holes in our drilling program. The results from this program will form the basis of a Resource upgrade at the deposit, and we look forward to announcing the remaining results from the program as they become available.”

For further information, please contact:

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Notes:

The information that relates to exploration targets, exploration results and drilling data of Cazaly operated projects is based on information compiled by Mr Gregory Miles who is a Member of The Australian Institute of Geoscientists and is an employee of Cazaly Resources Limited. The information in this report that relates to the Winmar Deposit Resource Estimate is based on information compiled by Ms Felicity Repacholi-Muir who is a Member of the Australian Institute of Geoscientists and is also a member of Cazaly Resources Limited. Both Ms Repacholi-Muir and Mr Miles have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Both Ms Repacholi-Muir and Mr Miles consent to the inclusion of their names in the matters based on their information in the form and context in which it appears.

The Exploration Target refers to the conceptual extended resource of the Winmar Deposit based on drilling to date and the geometric extent of a gravity anomaly with coincident CID mineralisation. At the present time there is insufficient drilling to determine the extended mineral resource estimate and it is uncertain if further exploration will result in the determination of such a resource.