

ASX ANNOUNCEMENT

30 June 2011

FURTHER ENCOURAGING RESULTS FROM RC DRILLING HAMERSLEY IRON ORE PROJECT

- Further drilling results received:
 - 44m @ 57.0% Fe (59.6% CaFe)**
 - 44m @ 56.6% Fe (60.4% CaFe)**
 - 36m @ 56.5% Fe (59.9% CaFe)**
- Results from outside current resource area as well as infill
- 12,000m RC program now complete - Metallurgical program underway
- Order of Magnitude Study to commence

Winmar in strong position at half-time

Winmar Resources Limited (ASX:WFE) in conjunction with Cazaly Resources Limited (ASX:CAZ) is pleased to announce further results from the 12,000m RC drilling extension and infill program. Results from approximately half the program have now been received with the latest batch of results continuing the string of success at the Project.

This latest batch comprises results primarily from the northern end of the prospect where the coincident gravity anomaly is weakest. Nevertheless, results have continued to show excellent thickness and grade and in some cases, mineralisation remains open. Better results include 44m @ 57.0% Fe (59.6% CaFe) in PLRC0084 and 44m @ 56.6% Fe (60.4% CaFe) in PLRC0083.

The RC drilling program has now been completed. Additional step-out holes were added to the program to capitalise on the early success of the program and to maximise future resource upgrades. The current Inferred Resource Estimate for Winmar is 143Mt @ 52.6% Fe (55.6% CaFe). An update of the Resource Estimate is due to be completed in the 3rd Quarter of 2011.

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

Hole ID	East	North	Depth	From	Length	Fe%	SiO ₂ %	P%	Al ₂ O ₃ %	S%	LOI	CaFe %	Notes	
PLRC0075	603263	7531118	133	128	5	55.2	11.50	0.06	4.13	0.02	4.65	57.9	CID - ABD	
PLRC0076	603452	7531307	151	142	4	53.0	8.61	0.03	5.16	0.03	9.43	58.5	BID	
PLRC0078	603723	7531182	168	146	22	52.9	11.03	0.04	4.59	0.03	7.93	57.4	CID+BID	
					146	12	54.6	10.41	0.05	4.08	0.03	6.70	58.5	CID
					158	10	50.9	11.76	0.02	5.21	0.03	9.40	56.2	BID
PLRC0079	603644	7531094	186	164	22	55.9	8.69	0.07	3.91	0.03	6.54	59.8	CID+BID	
					164	16	56.1	9.19	0.08	4.04	0.03	5.57	59.4	CID
					180	6	55.3	7.38	0.06	3.56	0.04	9.14	60.9	BID
PLRC0080	603450	7530920	156	118	30	55.2	10.67	0.10	4.22	0.02	5.10	58.2	CID+BID	
					118	28	55.3	10.62	0.10	4.28	0.02	4.94	58.2	CID
					146	4	51.6	12.65	0.05	4.42	0.03	8.36	56.3	BID
PLRC0081	603366	7530837	150	114	24	54.8	10.52	0.09	4.84	0.02	5.23	57.8	CID	
PLRC0082	604201	7530960	162	116	36	56.5	8.54	0.10	4.25	0.04	5.63	59.9	CID+BID	
					116	26	57.4	8.70	0.09	3.98	0.03	4.51	60.1	CID
					142	10	54.4	8.11	0.11	4.97	0.03	8.54	59.5	BID
PLRC0083	604139	7530894	168	124	44	56.6	8.31	0.18	3.65	0.04	6.31	60.4	CID+BID	
PLRC0084	603703	7530468	162	118	44	57.0	9.37	0.17	3.99	0.03	4.33	59.6	CID	
PLRC0108	603814	7530942	181	170	11	57.2	8.44	0.13	4.18	0.03	4.57	60.0	CID	
PLRC0114	603660	7530800	181	120	30	56.5	9.34	0.16	3.50	0.03	5.74	59.9	CID	
					162	19	54.1	9.62	0.10	6.31	0.04	5.70	57.4	BID

Notes: Hole coordinates refer to UTM Zone 50 (GDA94)

All holes drilled vertically

Downhole intercepts represent true thickness

Samples analysed by Bureau Veritas Kalassay by XRF with LOI determined at 1000°C

CaFe calculated by: $(\text{Fe}\% / (100 - \text{LOI}\%)) * 100$

Abbreviations: CID = Channel Iron Deposit, BID = Bedded Iron Deposit, ABD = Abandoned

Field activities have now switched to diamond drilling to obtain a bulk sample to commence metallurgical test work. To date, one PQ-sized core hole has been completed. Test work completed by Cazaly in 2010 indicated good potential for successful beneficiation of the CID material. This programme will involve a more comprehensive range of tests across the full strike of the deposit.

Winmar has appointed recognised engineering consultants, Engenium, to complete an Order of Magnitude Study. The Order Of Magnitude Study will commence in the 3rd Quarter of 2011 and review potential development options for the Project.

For further information, please contact:

Mr Benjamin H. Cooper
 Executive Director
 Winmar Resources Limited
 0425 3111 21

bcooper@winmarresources.com.au

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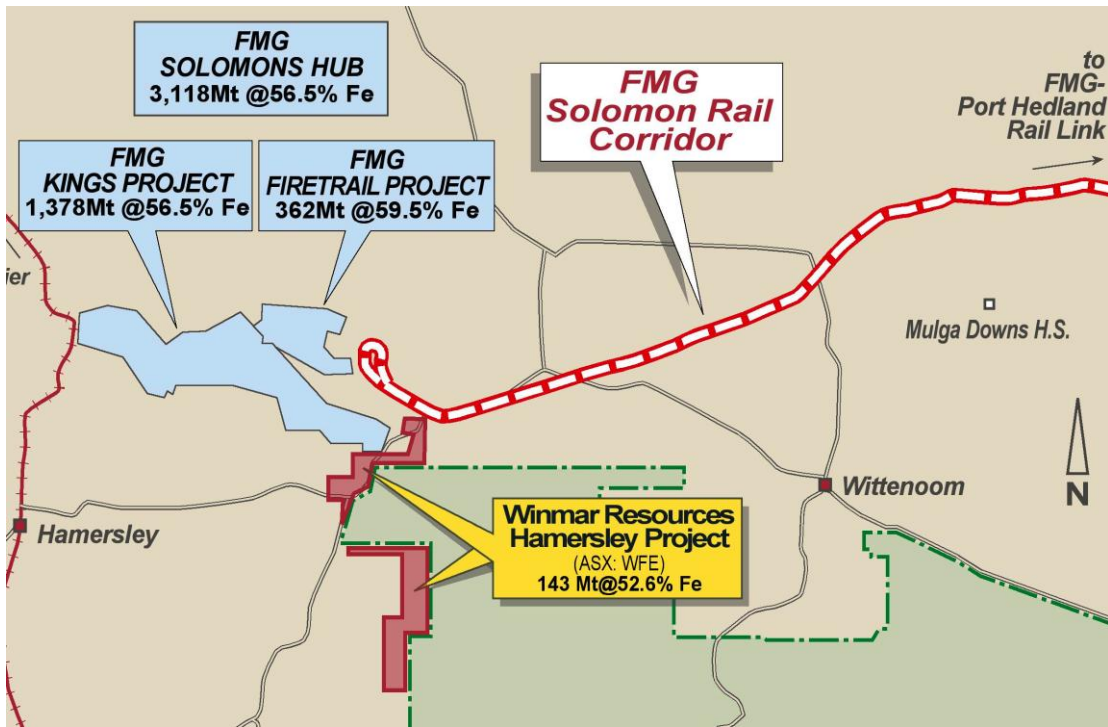


Figure 1: Winmar Hamersley Project in relation to FMG Solomon resources and proposed rail corridor

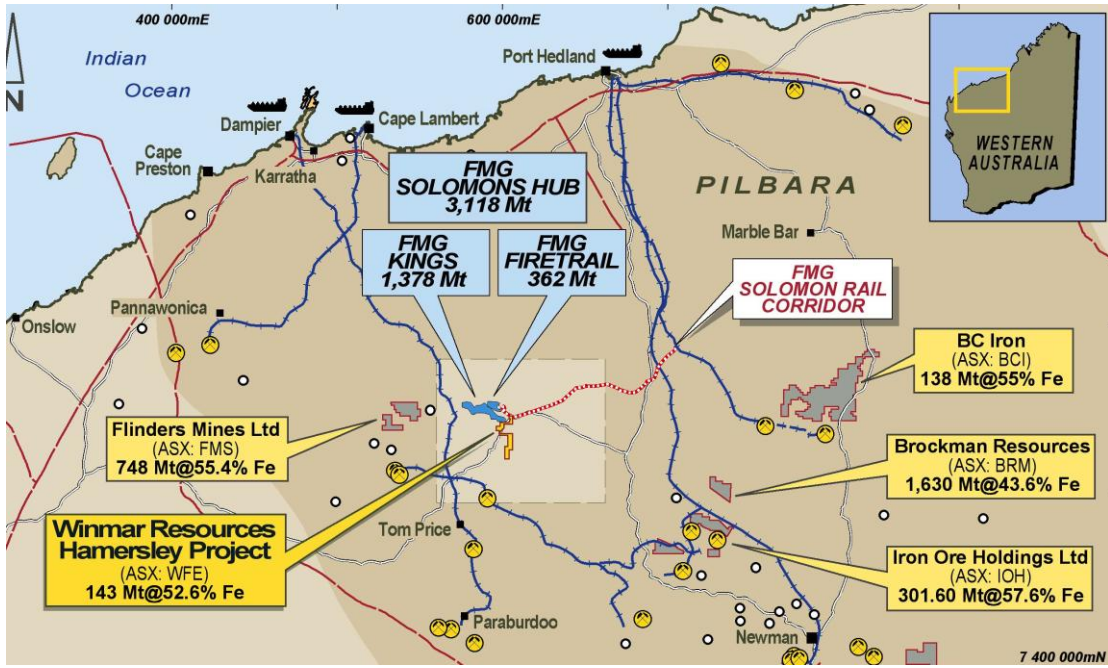


Figure 2: Winmar Hamersley Project in relation to key Pilbara Iron Ore peers

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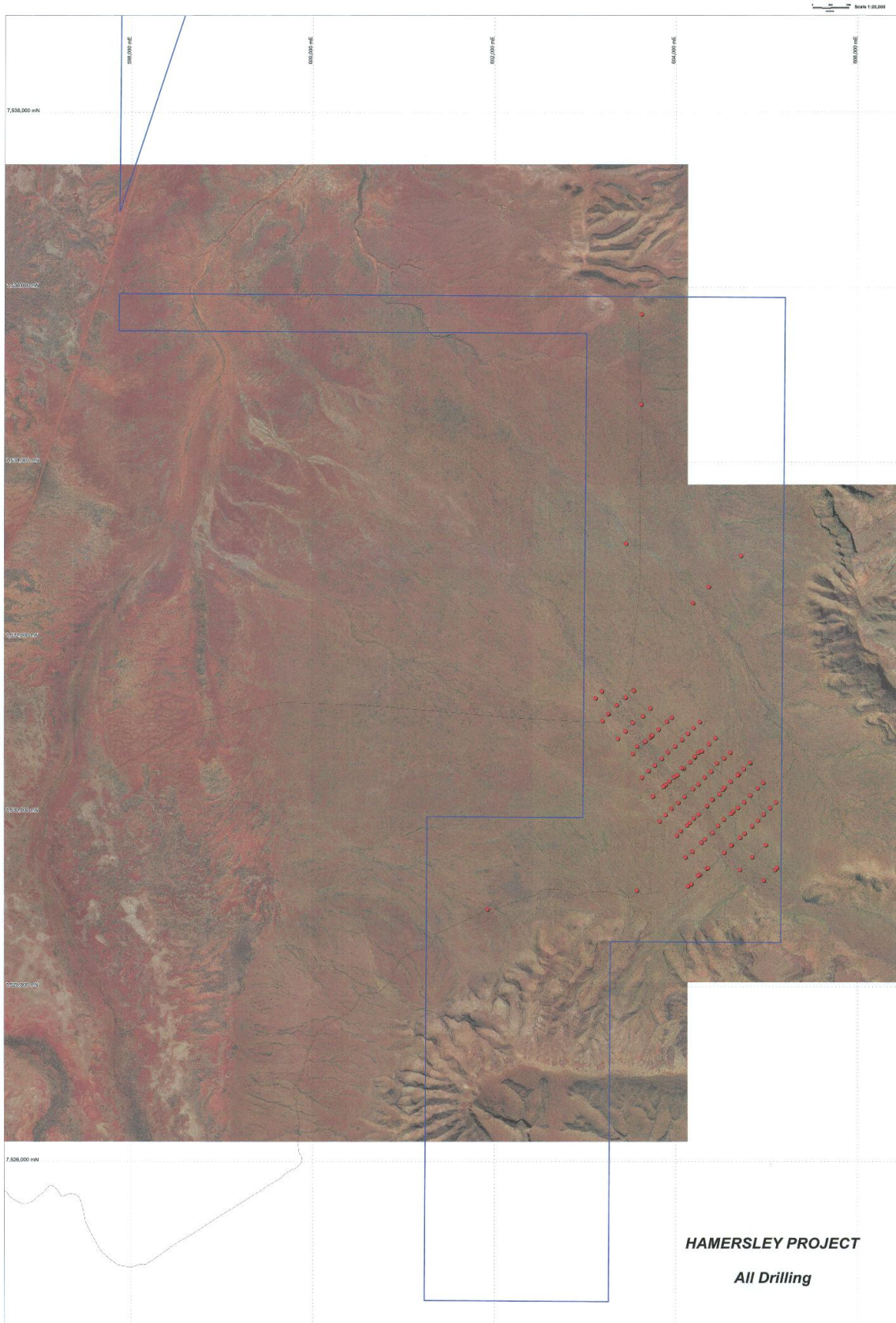


Figure 3: Location of existing results for the announced RC Drilling Program

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.