

ASX ANNOUNCEMENT

16 July 2012

Significant Drilling intercepts from Hamersley Project

Key points

- **Winmar has completed a 20 hole, 4012m RC drill program at Hamersley Iron project in the Pilbara region of WA.**
- **Results from first 11 drill holes have been received with significant intercepts intersected in 7 of these holes.**
- **High grade intercepts of up to;**
 - **28m @ 57.03% Fe (60.63% Calcined Fe) in PLRC0145 along with mineralised CID zones of up to 90m @ 51.63% Fe (55.98% Calcined Fe) in PLRC0154 on the northern extent of drilling.**
- **Assay results from remaining 9 holes will be released in due course.**
- **Diamond Rig has commenced PQ drilling for Metallurgical samples from the CID**
- **Drilling designed to deliver a significant Resource upgrade, due in Q3, which will be used to provide an updated scoping study and in mining plans.**

Winmar Resources Limited (ASX: WFE) (Winmar) is pleased to announce that it has intersected high grade iron mineralisation from assay results from its latest phase of drilling at the Hamersley Iron project in the Pilbara region of Western Australia.

Winmar recently completed a 20 hole, 4012 metre RC drilling program at the Hamersley project, and has now received assay results from 11 drill holes.

The majority of holes intersected Channel Iron Deposit (CID) material with the higher grade and thicker zones occurring on the Northern side of the deposit. The project remains open in most directions.

Highlight results include high grade intercepts of up to 28m @ 57.03% Fe (60.63% Calcined Fe) in hole PLRC0145, along with mineralised CID zones of up to 90m @ 51.63% Fe (55.98% Calcined Fe) in hole PLRC0154 on the northern extent of drilling.

A summary of the most significant intersections are presented in Table 1.

CID mineralisation was logged in new drill holes up to 800 metres in distance from the current resource, which is extremely encouraging. The results of this phase of drilling are designed to deliver a significant Resource upgrade, which will be used to provide an updated scoping study and as input for potential mining plans.

For personal use only

Table 1: Significant intersections received to date from 2102 RC drilling program

Hole ID	From	To	Intercept	Fe %	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Calcined Fe%
PLRC0145	116	144	28m	57.03	8.07	3.64	0.036	5.94	60.63
PLRC0147	112	136	24m	52.34	12.92	5.81	0.025	5.33	55.30
Incl	120	132	12m	55.84	9.27	4.55	0.029	5.48	59.07
PLRC0149	116	188	8m	53.14	9.99	5.95	0.023	6.72	56.97
PLRC0151	90	132	42m	51.62	9.82	8.60	0.048	6.48	55.08
Incl	106	130	24m	56.30	7.08	5.89	0.059	5.65	59.65
PLRC0152	112	142	30m	52.09	9.06	8.06	0.047	7.23	56.09
Incl	126	142	16m	53.99	9.55	6.25	0.053	6.09	57.45
PLRC0153	130	154	24m	52.50	11.49	6.60	0.026	5.97	55.83
PLRC0154	140	230	90m	51.84	11.85	5.90	0.024	7.38	55.98
Incl	170	226	56m	53.43	9.66	5.47	0.026	7.82	57.96
Incl	190	222	32m	54.27	9.25	5.08	0.027	7.48	58.64

Background to drilling program

Drilling was positioned on 400 metre spacings from previous drilling, and was designed to test for extensions to mineralisation. Drillholes to the northern side of the previous resource has shown the most consistent extensions and mineralised zones (see Figure 1). Importantly these results are outside the area of the current resource, which is a positive indicator for the upcoming new Resource estimate.

The most northerly hole, PLRC0154, intersected the thickest zone of mineralisation with a 90 metre zone of CID with an average grade of 51.68% Fe (55.98% Calcined Fe). Within this thick sequence there are higher grade zones (as can be seen in Table 1).

The top of the ore body appears to have been weathered in this area with the overall thickness of CID to be over 120 metres. This is the thickest zone drilled to date and supports the interpretations of a possible north-south orientation of the main CID channel that was proposed following a relogging exercise completed in the early part of the year. Figure 2 shows the interpreted trend over a grade and thickness image with the new drilling superimposed.

Drilling to the southern side of the resource has also returned intercepts extending mineralisation. Drilling towards the margin of Winmar's tenement showed some continuation of CID material but at lower grades, indicating that the margin of the deposit has been reached. The geological data from the drilling is being collated to build a 3-dimensional model of the deposit.

For personal use only

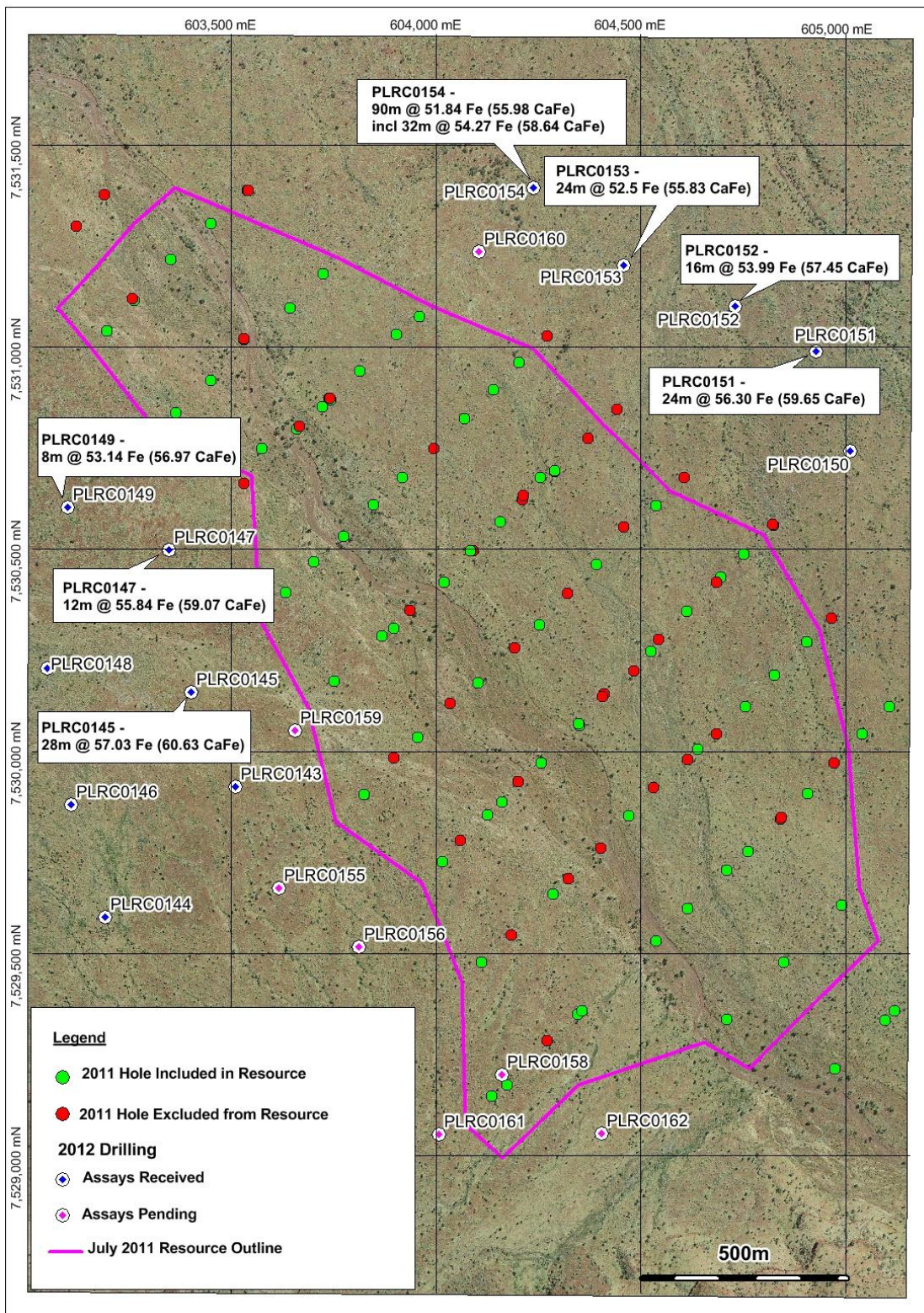


Figure 1: Location of significant drill holes received to date in 2012 drill program

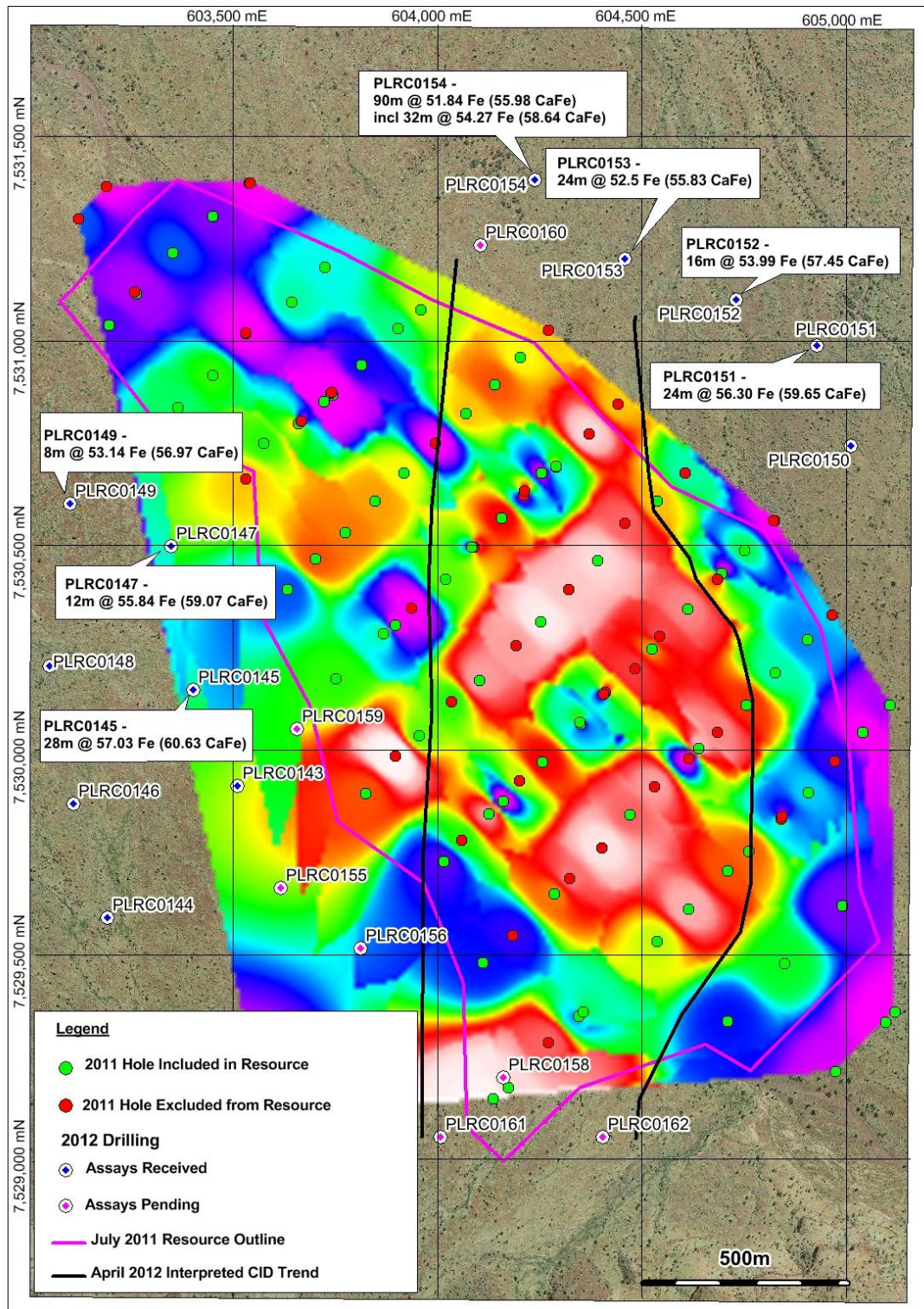


Figure 2: Location of 2010-11 drill holes showing strongest iron grade and thickness.

All results from this phase of drilling are expected to be received by the early August, and work will then commence on the resource upgrade for the project.

The current **JORC Inferred Resource of 241.6Mt @ 54.3% Fe** (which includes a main CID zone of 169.1Mt @ 55.6% Fe) will be extended by the drilling results, and will reinforce the project's **350-400Mt @ 54-56% Fe** exploration target.

Diamond Drilling program

Metallurgical work has commenced on PQ and Sonic core drilled during 2010 and 2011, to determine the beneficiation potential of the CID and overlying detrital material. A diamond program has just commenced further PQ drilling to provide further CID material for metallurgical testing. A Bauer (large diameter) rig is also booked to collect bulk samples of the detrital material later this month.

About the Hamersley Iron Project

Winmar has a Joint Venture Agreement with Cazaly Iron Pty Ltd, a wholly owned subsidiary of Cazaly Resource (ASX: CAZ), for the Hamersley Project, whereby Winmar is able to earn 51% of the project via its exploration expenditure. Winmar has expended approximately \$5 million to date and expect to complete its earn-in interest in the project by mid-2013, whereby Winmar would have expended a total of \$6M as per the JV agreement with Cazaly Iron Pty Ltd.

Under the joint venture Winmar is undertaking and managing a \$2.2 million exploration and development program in 2012 at the Hamersley project (for the period through to the end of September). The works program is designed to expand the project's Resource base, advance the metallurgical work on the deposit and complete surveys and studies to move the project towards prefeasibility.

The Hamersley project is located in the Tom Price Region of the Pilbara, in close proximity to Fortescue Metals' (ASX: FMG) Solomon project and Rio Tinto's (ASX: RIO) Marandoo and Brockman mines. **The project has a current JORC Inferred Resource of 241.6Mt @ 54.3% Fe** (which includes a main CID zone of 169.1Mt @ 55.6% Fe) **and an Exploration Target of 350-400Mt @ 54-56% Fe.**

ENDS

For further information, please contact:

Mr David Coad
Managing Director
Winmar Resources Limited
P: +61 400 755 128
E: david.coad@winmarresources.com.au
W: www.winmarresources.com.au

Mr James Moses
Media and Investor Relations
Mandate Corporate
P: +61 420 991 574
E: james@mandatecorporate.com.au

For personal use only

Competent Persons:

The information in this document that relates to exploration targets, exploration results and drilling data of Winmar projects is based on information compiled by Mr David Jenkins, a full time employee of Terra Search Pty Ltd, geological consultants employed by Winmar Resources. Mr Jenkins has a BSc. Honors degree in geology and is a Member of the Australian Institute of Geoscientists. The information in this document that relates to the Winmar Deposit Resource Estimate is based on information compiled by Mr Craig Allison who is a Member of the AusIMM and a fulltime employee of Runge Limited, an independent resource consultancy group. Both Mr Allison and Mr Jenkins have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Mr Allison and Mr Jenkins consent to the inclusion of their names in the matters based on their information in the form and context in which it appears.

Exploration Target:

The Exploration Target refers to the conceptual extended mineralisation of the Winmar Deposit and surrounding prospects including detrital, channel and bedded mineralisation, based on drilling to date; interpreted geological model and complementary geophysics. At the present time there is insufficient drilling to determine the extended mineralisation and estimate, and it is uncertain if further exploration will result in the determination of such mineralisation or estimate.



Pic 1: RC drilling at Hamersley Iron Project, June 2012.