

ASX ANNOUNCEMENT

9th October 2012

Further drilling commences at Hamersley Iron Project

Key points

- Encouraged by the most recent drilling results reported in July 2012, Winmar has commenced its next phase of drilling at the Hamersley Iron project in the Pilbara region of WA.
- Drill program to comprise 1500m RC drilling designed to test shallow, high grade mineralisation in South West area of Winmar Deposit¹.
- Drilling scheduled to be completed by early November 2012.

Winmar Resources Limited (ASX: WFE) (Winmar) is pleased to announce that it has commenced its next phase of drilling at the Hamersley Iron project (E47/1617), in the Pilbara region of Western Australia.

The Company has today commenced a 10 hole, 1500 metre RC drill program at the Winmar Deposit within the Hamersley project area. The drilling program is designed to define the full extent of the shallow high grade mineralisation in the south western area of the deposit (refer ASX announcement 23 July 2012). Highlight results from the previous drill campaign included an outstanding high grade intercept of 74m @ 59.15%Fe (60.47% Calcined Fe) from 28m in PLRC0162 within a CID zone of 102m thickness. Other high grade intercepts included 28m @ 57.62% Fe (60.21% Calcined Fe) in PLRC0158 and 32m @ 56.81% Fe (60.57% Calcined Fe) in PLRC0159¹.

Average depth of drilling will be approximately 100 metres with initial drill spacing 100 metres x 125 metres. It is hoped that this planned drilling will also allow conversion of a portion of the resource to an Indicated Mineral Resource estimate (according to JORC Guidelines).

The Inferred Mineral Resource estimate announced in August 2012 is **368Mt @ 54.7% Fe (58.0% Calcined Fe (CaFe))**. This represented a significant upgrade of 52% on the previous Resource estimate (of 241.6Mt @ 54.3% Fe (57.6% CaFe), confirmed in July 2011²), while also delivering an increase in grade.

The updated Resource estimate includes a Channel Iron Deposit (CID) zone of 343.3Mt @ 55.3% Fe (58.7% CaFe), which commences 30 metres from surface. The Mineral Resource estimate is summarised below in Table 1.

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Table 1: Winmar Deposit August 2012 Inferred Mineral Resource Estimate

Type	Tonnes Mt	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %	CaFe %
Detrital (DID) [#]	24.7	46.4	24.9	5.2	0.03	2.5	47.6
Channel (CID) [*]	343.3	55.3	9.9	4.5	0.04	5.9	58.7
Total	368.0	54.7	10.9	4.5	0.04	5.7	58.0

NB: Calcined Fe (CaFe) calculated by the formula $CaFe\% = [(Fe\%)/(100-LOI_{1000})]*100$

[#] DID reported at a 40% Fe Cut-off grade. ^{*} CID reported at a 52% Fe Cut-off grade.

¹ Refer ASX announcement of 23 July 2012

² Refer ASX announcement of 21 July 2011

³ Refer ASX announcement of 21 July 2011

The Resource at the Hamersley project remains open in several directions with significant intercepts to the southwest and northeast on the edge of the current drill area. Some of these previous holes finished within mineralisation.

The RC drill program is due to be completed by early November 2012 and results will be released as they become available.



Figure 1. The next phase of drilling underway at Winmar's Hamersley Iron Project, October 2012.

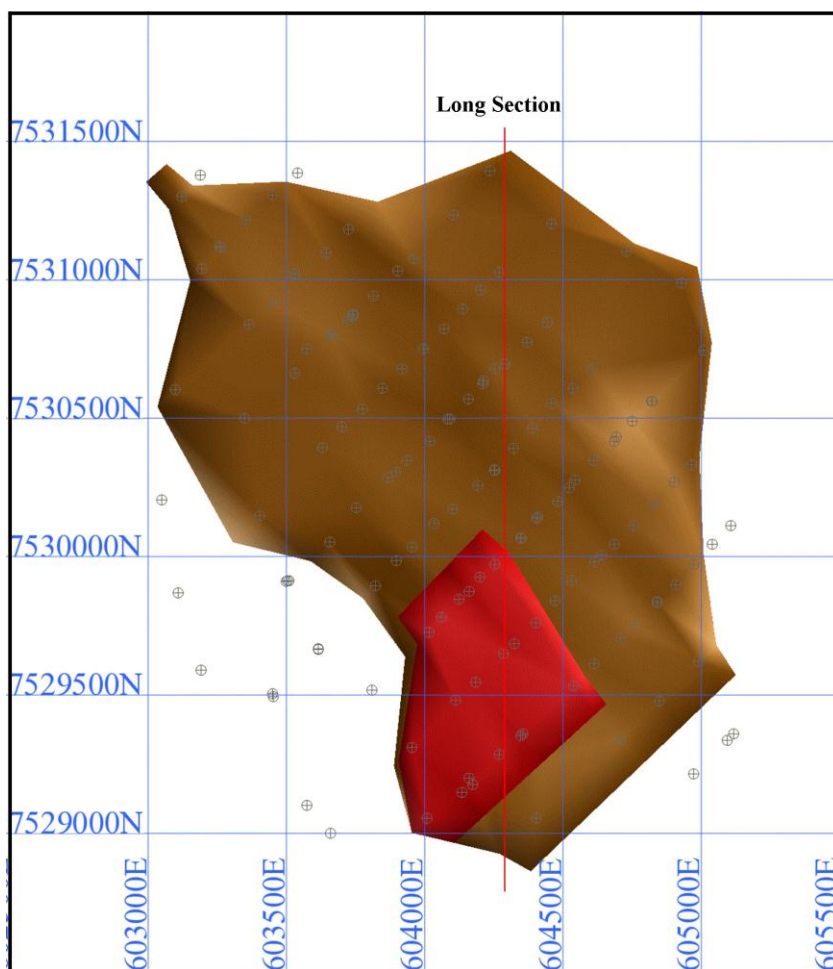


Figure 2: Winmar Drilling and Resource Wireframes (Plan View) CID-Brown DID –Red

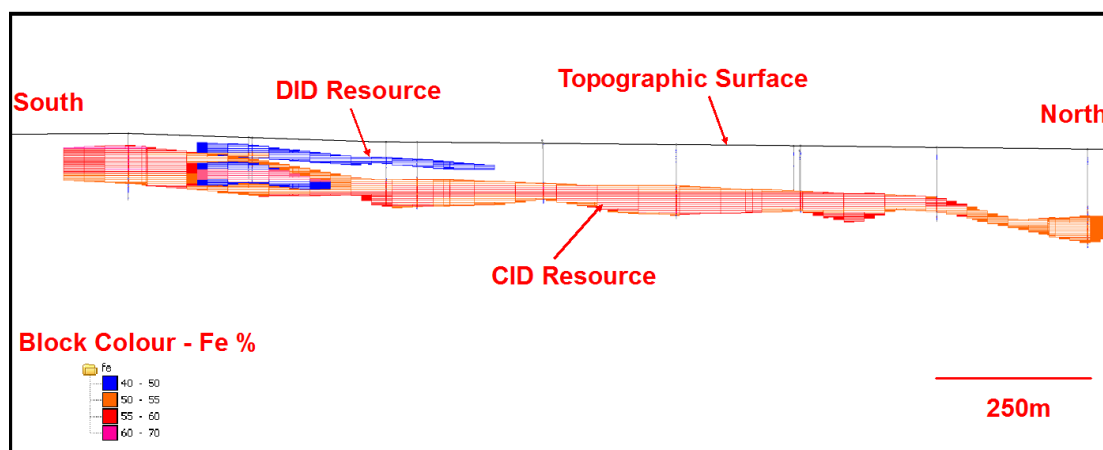


Figure 1: Long Section North-South through resource model.

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 \$5.5 million to date and expects to complete its earn-in interest in the project by early-2013, whereby Winmar would have expended a total of \$6 million as per the JV agreement with Cazaly Iron Pty Ltd.

Under the joint venture Winmar is undertaking and managing the exploration and development program in 2012 at the Hamersley project. This is designed to expand the project's Resource base, advance 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.

For further information, please contact:

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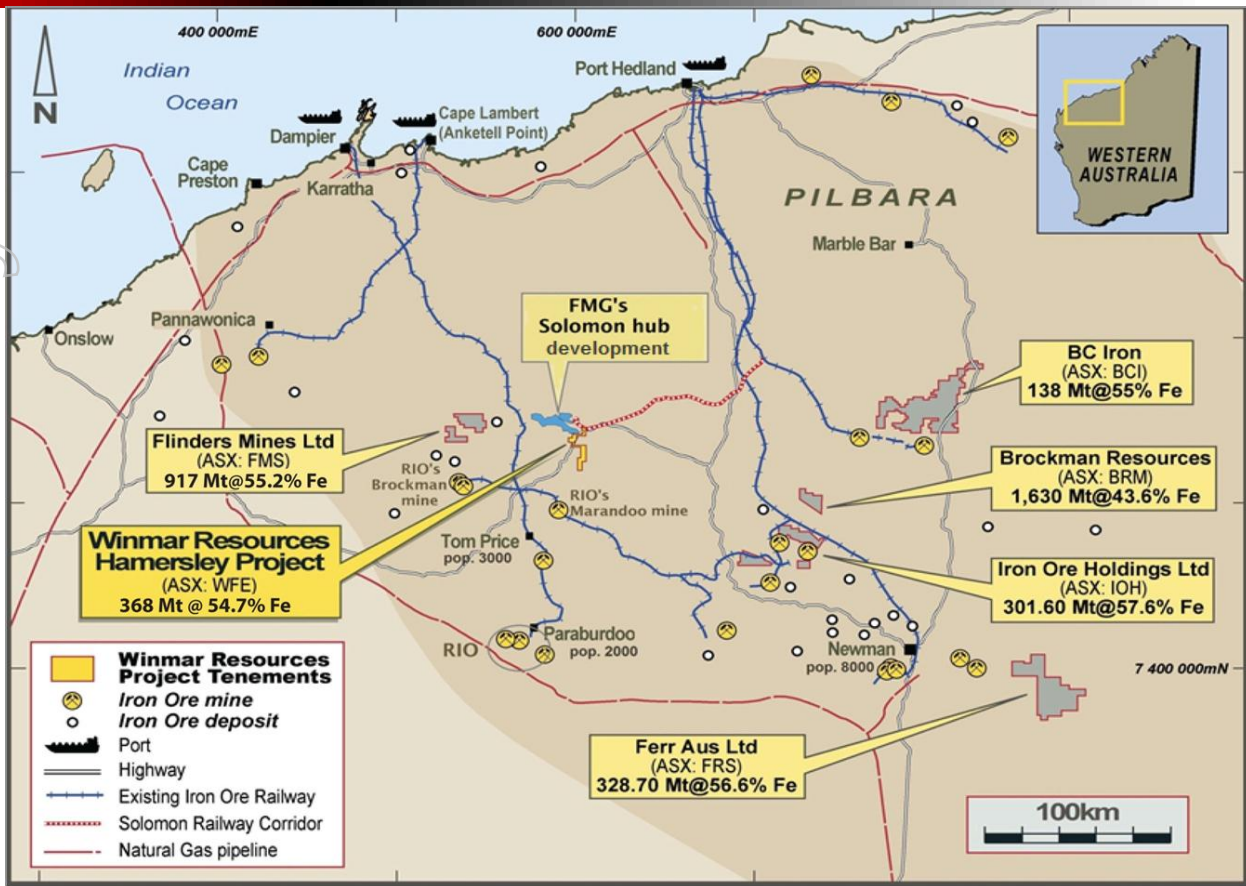


Figure 4: Location of Winmar's Hamersley Iron Ore Project

Notes

Competent Persons:

The information in this document that relates to Mineral Resources is based on information compiled by Mr D Jenkins and Mr S Searle.

Mr Jenkins is Principal Geologist of Terra Search and a Member of the Australian Institute of Geoscientists. Mr Jenkins has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves.

Mr Searle is a full time employee of RUL and a Member of the Australian Institute of Geoscientists. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves.

Mr Searle 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.