



WPG Resources Ltd

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30 July 2018

Australian Securities Exchange Limited

Level 4, 20 Bridge Street
SYDNEY NSW 2000

Attn: Ms Luxmy Wigneswaran

Dear Ms Wigneswaran,

Appointment of Voluntary Administrators

WPG Resources Ltd (ASX: WPG) ("WPG" or the "Company") refers to its previous announcements regarding discussions that the Company, its key operating subsidiary Challenger Gold Operations Pty Limited and other subsidiaries of the Company (together, "Group") have been engaged in to recapitalise their business or restructure their operations ("Recapitalisation Discussions").

The Company regrets to provide the following update to the market on the Recapitalisation Discussions:

1. Following the withdrawal of a key prospective investor from discussions with the Company, it has become clear to the Company that it can no longer meet the conditions in the term sheet it entered into with the Byrncut Entities previously disclosed to the market.
2. Accordingly, the Directors have resolved that the Company is insolvent or is likely to become insolvent at some future time.
3. As a consequence, the Company has today appointed Adam Nikitins, Brett Lord and Samuel Freeman of Ernst & Young as joint and several administrators pursuant to section 436A(1) of the Corporations Act 2001 (Cth). The other companies in the Group have also appointed these persons as administrators.

This is a sad moment for the Company and one that Directors, employees, consultants and advisors have worked tirelessly over the last few months to avoid and the Directors regret that the decision to appoint administrators has become necessary. The Company and its Directors would like to express their appreciation to shareholders, employees and creditors, and in particular the Byrncut Entities for the support that they have provided during the Recapitalisation Discussions.

All future inquiries can be directed to the joint and several administrators.

WPG RESOURCES LTD (ADMINISTRATORS APPOINTED)

Ian White

Company Secretary

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