WHINNEN
RESOURCES
ACN 123 511 017

27 April 2011

ASX Limited (Perth office)
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By E-Lodgement

UPDATE ON ACQUISITION OF CHILEAN COPPER PROJECTS

Whinnen Resources Limited (ASX: WWW) (**Whinnen** or the **Company**) announced to the ASX on 8 March 2011 a proposed cornerstone transaction with Sandfire Resources NL (ASX: SFR) (**Sandfire**) and the acquisition of Chilean copper/ gold projects through the acquisition of 100% of Mystic Sands Pty Ltd (**Mystic Sands**) (the **Proposed Acquisition**).

Mystic Sands holds a number of highly prospective exploration projects located in the mining region of Atacama in Chile.

Following a rigorous due diligence process both Whinnen and Mystic Sands have agreed to revised terms for the consideration payable for the Proposed Acquisition, the revised terms offered to Mystic Sands shareholders are as follows:

- 35 million new fully paid ordinary shares in Whinnen (**Shares**);
- an additional 5 million Shares deferred until the issue of all the constitutive awards for the Project Amigo mining claims or if there is a successful change of control transaction with Whinnen both conditions subject to a maximum period of 2 years whereby the deferred Shares will expire after this time (collectively the **Revised Proposed Consideration**); and
- 8 million options with an exercise price of A$0.20 per share and an expiry date of 30 April 2014 to the Mystic Sands shareholders (**Proposed Option Consideration**).

The original consideration proposed to the Mystic Sands shareholders was 40 million Shares. There has been no change to the Proposed Option Consideration.

Update to the indicative timetable

As a result of the additional time required to undertake the due diligence investigations on Mystic Sands, the Company now intends to dispatch a Notice of Meeting containing an Explanatory Memorandum in relation to the proposed transaction (as detailed in the announcement on 8 March 2011) as amended by the Revised Proposed Consideration (**Revised Proposed Transaction**) in mid May 2011.

It is intended that settlement of the Revised Proposed Transaction will occur following shareholder approval at a general meeting of shareholders expected to be held in mid June 2011.

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It remains the view of the Directors that the acquisition of Mystic Sands and the introduction of Sandfire as a cornerstone investor are exciting opportunities for the Company and would provide shareholders the opportunity to participate in a significant exploration programme within a highly prospective copper / gold province.

Yours sincerely

Nathan McMahon
Chairman

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