

25 March 2021

ASX Announcement

Second Iron Ore Shipment Completed & Operational Update – C4 Deposit

HIGHLIGHTS

- **Successful loading of ore and departure of the Cargo Ship “MV Marinicki” (Wednesday 24th March 2021) with 55,100 wet metric tonnes (wmt) of ore now headed for delivery to offtake partner Pacific Minerals Ltd.**
- **The company is pleased to confirm its third vessel has been booked and expected to be loaded with premium high-grade lump with the vessel expected to depart on or around 19th April 2021.**
- **GWR has successfully increased its haulage capacity with additional trucks expected to commence shortly to ramp up transportation of crushed ore stocks from the C4 mine to the Port of Geraldton.**
- **There was 42 days between the first shipment and second shipments however the improved haulage capacity will reduce the days between the second shipment and third shipment to approximately 22 days enabling GWR to capitalise on buoyant iron ore prices.**
- **Mining contractor Pilbara Resource Group (PRG) is engaged for Stage 1 of the C4 mining operations which covers the first 1 million tonnes of C4’s Mineral Resource estimate of 21.6 million tonnes at 60.7% Fe¹.**
- **Revenue from the first shipment (and subsequent shipments) will be used to cover the capital and operational expenditure incurred by PRG with any profits to be determined and distributed in accordance with the Alliance Contract 70% (GWR) / 30% (PRG) .**

¹ 2004 JORC Code compliant Resource is 131.1 Mt at 60.0% Fe, comprising of 10.1 Mt at 62.5% Fe Measured, 72.0 Mt at 59.9% Fe Indicated and 48.8 Mt @ 59.4% Fe Inferred. (refer ASX announcement dated 12th November 2019 and 8th July 2011 and 11th April 2013).

GWR Group Limited (ASX:GWR) (“**GWR**” or “the **Company**”) is pleased to provide this shipping and production update to shareholders with operations continuing to progress at GWR’s 100% owned flagship C4 Iron Ore deposit in Wiluna.

The Company can confirm its second shipment of iron ore departed the Port of Geraldton with the Cargo Ship “MV Marinicki” setting sail in the evening of Wednesday 24th March 2021, loaded with 55,100 wet metric tonnes (wmt) of ore headed for delivery to offtake partner Pacific Minerals Ltd.

GWR can also confirm its third vessel has been booked and is expected to depart with a cargo of premium high-grade lump and fines on or around 19th April 2021. It is anticipated that increased haulage capacity should provide a significant improvement in the frequency between the first/second shipment (42 days) and second/third shipment (22 days), an expected ~50% reduction in waiting time.

GWR expects to add additional trucks to its haulage operations this week in an effort to increase transportation of the crushed ore stocks from the C4 mine site to the Port of Geraldton.

Mining contractor Pilbara Resource Group (PRG) is engaged for Stage 1 of the C4 mining operations which covers the first 1 million tonnes of C4’s Mineral Resource estimate of 21.6 million tonnes at 60.7% Fe¹.

Revenue from the first shipment (and subsequent shipments) will be used to cover the capital and operational expenditure incurred by PRG with any profits to be determined and distributed in accordance with the Alliance Contract 70% (GWR) / 30% (PRG) .

GWR expects to be in a position shortly to update the market on developments to optimise Stage 1 and the discussions for expansion of the pit to Stage 2 which will see the company targeting some of the remaining ~20 million tonnes of the C4 deposit.

Other than at C4, GWR currently has mining approvals in place for the C3 and Bowerbird deposits which permit the mining of a combined 7 million tonnes per annum.

In addition, the company’s high grade JWD iron ore deposit Joint Venture partner Fe Ltd (FEL:ASX) announced on 22 March 2021 it had received formal notification from the Department of Water and Environmental Regulation (DWER) that it has granted the Works Approval for the JWD Project. This has the potential to add a second revenue stream for GWR in the short-term with FEL targeting early commencement of operations to meet its JV obligations and to take advantage of current high iron ore prices

GWR Chairman Mr Gary Lyons commented:

“I am pleased to report the successful departure of our second shipment of ore from the Port of Geraldton and delighted to advise that as a result of the improved capacity in haulage operations we are moving towards more significant production levels.

Our third cargo ship is expected to be loaded with ore and depart on or around 19th April 2021, approximately 22 days from the second shipment and we are targeting to reduce this time between shipments even further as we add more trucks to our haulage fleet.”

This ASX announcement was authorised for release by Gary Lyons, Chairman of GWR Group Limited.

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Competent Person's Statement

The information in this report which relates to Exploration Targets, Exploration Results and Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG") a Corporate Member of the AusIMM and independent consultant to the Company. Mr Maynard is the Director and principal geologist of AI Maynard & Associates Pty Ltd and has over 40 continuous years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.

The Mineral Resource Estimate was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

Table 2. Wiluna West Iron Ore Project Mineral Resources by Deposit

GWR Group Limited Wiluna West Global Fe Resources									
Classification	Deposit	Calc	Cut Off	Tonnes (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	LOI %	P %
Measured	JWD	Optiro 2013	55	6.40	64.07	2.63	1.51	3.07	0.034
	BOWERBIRD CENTRAL	Optiro 2011	50	1.20	62.27	6.25	2.74	1.60	0.038
	C3	Optiro 2011	50	2.50	58.38	8.46	2.39	5.14	0.107
	TOTAL			10.10	62.45	4.50	1.87	3.41	0.053
Indicated	BOWERBIRD CENTRAL	Optiro 2011	50	5.90	59.86	7.76	3.44	2.65	0.054
	BOWERBIRD SOUTH	Optiro 2011	50	13.00	60.50	7.18	2.91	2.89	0.048
	JWD	Optiro 2013	55	0.90	63.61	2.76	1.33	3.57	0.030
	JINDALEE JOYNSERS	Optiro 2010	50	3.30	63.61	4.27	2.05	1.83	0.036
	C3	Optiro 2011	50	30.40	58.47	8.35	2.39	5.22	0.076
	C4	Optiro 2010	50	18.53	61.17	8.08	1.97	2.22	0.034
TOTAL			72.03	59.94	7.76	2.43	3.64	0.056	
Inferred	BOWERBIRD NTH NTH	GWR 2009	50	2.58	60.84	5.19	2.19	3.64	0.050
	BOWERBIRD NTH	Snowden 2008	50	3.90	59.70	6.50	3.80	2.60	0.040
	BOWERBIRD CENTRAL	Optiro 2011	50	0.80	58.15	9.48	3.83	2.86	0.045
	BOWERBIRD SOUTH	Optiro 2011	50	5.20	60.03	8.33	2.42	2.36	0.038
	JWD	Optiro 2013	55	3.40	63.13	3.23	1.58	3.38	0.029
	JINDALEE JOYNSERS	Optiro 2010	50	3.90	62.47	4.81	2.12	2.16	0.057
	C1	Snowden 2007	50	4.20	58.50	7.20	3.30	5.20	0.088
	C2	GWR 2009	50	6.76	58.52	6.89	2.86	6.25	0.036
	C3	Optiro 2011	50	4.40	56.70	8.97	3.25	6.13	0.069
	C4	Optiro 2010	50	3.08	58.00	10.30	2.85	3.60	0.035
	C5	Snowden 2007	50	4.40	59.10	8.90	2.10	3.80	0.118
	CR	Snowden 2007	50	4.00	60.60	9.30	1.40	1.70	0.030
	South 2	Snowden 2008	50	2.20	56.20	9.10	2.03	7.80	0.077
TOTAL			48.82	59.45	7.45	2.57	4.03	0.055	
Deposit Totals	BOWERBIRD NTH NTH	GWR 2009	50	2.58	60.84	5.19	2.19	3.64	0.050
	BOWERBIRD NTH	Snowden 2008	50	3.90	59.70	6.50	3.80	2.60	0.040
	BOWERBIRD CENTRAL	Optiro 2011	50	8.00	60.06	7.70	3.38	2.51	0.051
	BOWERBIRD SOUTH	Optiro 2011	50	18.20	60.37	7.51	2.77	2.74	0.045
	JWD	Optiro 2013	55	10.70	63.74	2.83	1.52	3.21	0.032
	JINDALEE JOYNSERS	Optiro 2010	50	7.20	62.99	4.57	2.09	2.01	0.047
	C1	Snowden 2007	50	4.20	58.50	7.20	3.30	5.20	0.088
	C2	GWR 2009	50	6.76	58.52	6.89	2.86	6.25	0.036
	C3	Optiro 2011	50	37.30	58.26	8.43	2.49	5.32	0.077
	C4	Optiro 2010	50	21.62	60.72	8.39	2.09	2.42	0.034
	C5	Snowden 2007	50	4.40	59.10	8.90	2.10	3.80	0.118
	CR	Snowden 2007	50	4.00	60.60	9.30	1.40	1.70	0.030
	South 2	Snowden 2008	50	2.20	56.20	9.10	2.03	7.80	0.077
Grand Total			131.10	60.00	7.40	2.40	3.80	0.060	

Note: Differences may occur due to rounding. Refer ASX Announcements 12th November 2019, 8th July 2011 and 11 April 2013.