



17 January 2022

Australia Securities Exchange  
Listings Compliance  
Level 40, Central Park  
152-158 St Georges Terrace  
Perth WA 6000

Attention: Oma Murad

By email: listingscomplianceperth@asx.com.au

Dear Oma,

### GENERAL AWARE QUERY

Further to the ASX letter dated 12 January 2021 and your queries in relation to the announcement made by the company on 12 January 2021 and titled 'C4 Iron Ore Mining Operations Recommended'.

#### Background

Since first becoming an iron ore producer in December 2020 and subsequently divesting its gold assets in July 2021 GWR's share price performance has been substantially correlated to the iron ore spot price, both of which peaked in mid-2021 and reached a low point in mid November 2021. From 1 December 2021 to 11 January 2022 the iron ore spot price rose from US\$103.17 to US\$126.75 and the GWR share price rose from a close of \$0.105 to \$0.185.

The Company responds to the queries raised in your letter in order and as follows:

1. *Does GWR consider the following to be information that a reasonable person would expect to have a material effect on the price or value of its securities?*
  - a) *Shipment information;*
  - b) *Negotiation information; or*
  - c) *Mining Operation Information.*

(a) and (b) **No.**  
(c) **Yes.**
2. *If the answer to question 1(a), 1(b) or 1(c) is no please provide basis for that view.*

**Since GWR commenced iron ore production it has provided regular market updates in relation to both its mining and shipping activities but has not announced details of each shipment in advance nor the complete commercial terms of each shipment (which are commercial in confidence).**

**On 22 September 2021 the Company advised the market that it had taken the decision to suspend mining operations whilst it monitored the iron ore market and the volatile prices which had fallen at that time to approximately US\$93.7 per tonne delivered to main port China from a high of US\$233 per tonne in May 2021 but the Company noted that it was holding 172,500 tonnes of ore either on the ROM pad or stockpiled and ready for transport to the port and that it had 143,000 tonnes @ 61.8% Fe broken and ready to be removed from the pit.**

The Chairman, Mr Gary Lyons was quoted as saying that whilst *“mining operations had temporarily ceased at the C4 Iron Ore Mine, it is important to note GWR remains in a strong position to resume operations as the mine will be left in a production ready state in order to take advantage of any recovery in iron ore prices.”*

On 25 October the Company provided an update to the market noting that although mining operations had ceased, crushing from the ROM pad and haulage to the port continued as GWR remains focused on capitalising on a significant inventory of mined ore stockpiles and that it had negotiated a fixed price sales contract for a shipment anticipated for the next week.

The Company was able to negotiate a further fixed price FOB contract and ship 57,859 tonnes of iron ore from stockpiles in late December 2021 and has been able to negotiate further shipments for January, February and March 2022.

The Company considers that the two shipments made over the course of the December quarter, from iron ore which had already been stockpiled, as well as the shipments negotiated for January, February and March, were consistent with previous announcements and accordingly would not constitute information which would likely have a material effect on the price or value of its securities.

For the sake of completeness, the Company notes the March fixed price contract requires the recommencement of mining operations in order to meet the sales commitments and accordingly the contract was not negotiated until the decision to recommence mining was made.

3. *When did GWR first become aware of the*
- a) *Shipment information;*
  - b) *Negotiation information; or*
  - c) *Mining Operation Information.*

**(a) Shipping information**

The Company confirmed the October shipment on 11 October 2021 and completed loading on 29 October 2021.

The Company confirmed the December shipment on 30 November 2021 and completed loading on 18 December 2021.

**(b) Negotiation information**

The Company negotiated fixed price contracts for January, February and March on 17 December 2021, 2 January 2022 and 11 January 2022 respectively.

**(c) Mining Operation information**

The decision to recommence mining operations was taken on 10 January 2022.

4. *On which date did the mining operations recommence at the C4 Iron Ore Mine?*

The decision to recommence mining operations was taken on 10 January 2022 and authorisation for the engagement of contractors on 11 January 2022. Prior to taking the decision to recommence mining, the Company authorised the drilling of holes for the insertion of charges for blasting on 7 January 2022, due to the availability of a drill rig on site and the low cost of this preparatory drilling.

5. *If the answer to question 1(a), 1(b) or 1(c) is yes and GWR first became aware of the Shipment information, the negotiation information, or the Mining information before the release of the of the Announcement, did GWR make any announcement prior to the relevant date, which disclosed the information? If so, please provide details. If not, please explain why the information was not released to the market at an earlier time, commenting specifically on when you believe GWR was obliged to release the information under the Listing Rules 3.1 and 3.1A and what steps GWR took to ensure that the information was released promptly and without delay.*

**The decision to recommence mining operations at the C4 Iron Ore Mine was made on 10 January 2022 and authorisation to engage mining contractors on 11 January 2022. GWR announced recommencement before the market opened on 12 January 2022 as promptly as reasonably possible.**

6. *Please confirm that GWR is complying with the Listing Rules and in particular Listing Rule 3.1.*

**The Company confirms that it is complying with the Listing Rules and specifically Listing Rule 3.1.**

7. *Please confirm that GWR's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of GWR with delegated authority from the board to respond to ASX on disclosure matters.*

**The Company confirms that the responses to the questions as outlined above have been authorised and approved in accordance with the Company's published continuous disclosure policy.**

Yours faithfully



**Mark Pitts  
Company Secretary  
On behalf of the Board**



12 January 2022

Reference: ODIN45131

Mr Mark Pitts  
Company Secretary  
GWR Group Limited  
97 Outram Street  
WEST PERTH WA 6005

By email: markp@endeavourcorp.com.au

Dear Mr Pitts

**GWR Group Limited ('GWR'): General – Aware Query**

ASX refers to the following:

- A. GWR's announcement entitled "C4 Iron Ore Mining Operations Recommenced" lodged on the ASX Market Announcements Platform and released at 10:06 PM on 12 January 2022 (the 'Announcement'), disclosing shipments of high-grade lumps in October and December ('Shipment Information'), the successful negotiation of fixed price sales contracts of product ('Negotiation Information') and the recommencement of mining operations in early January 2022 ('Mining Operation Information').
- B. The change in the price of GWR's securities from a low of \$0.140 at the close of trade on 31 December 2021 to an intraday high at the time of writing this letter of \$0.210 today, Wednesday 12 January 2022.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*

- E. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

*"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*

*3.1A.1 One or more of the following applies:*

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

- F. ASX's policy position on the concept of "confidentiality", which is detailed in section 5.8 of Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

*"Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule."*

### **Request for information**

Having regard to the above, ASX asks GWR to respond separately to each of the following questions and requests for information:

1. Does GWR consider the following to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
  - (a) Shipment Information;
  - (b) Negotiation Information; or
  - (c) Mining Operation Information.
2. If the answer to question 1(a), 1(b) or 1(c) is "no", please advise the basis for that view.
3. When did GWR first become aware of the:
  - (a) Shipment Information;
  - (b) Negotiation Information; and
  - (c) Mining Operation Information.
4. On which date did the mining operations recommence at the C4 Iron Ore Mine?
5. If the answer to question 1(a), 1(b) or 1(c) is "yes" and GWR first became aware of the Shipment Information, the Negotiation Information or the Mining Operation Information (together 'Information') before the release of the Announcement, did GWR make any announcement prior to the relevant date, which disclosed the Information? If so, please provide details. If not, please explain why the Information was not released to the market at an earlier time, commenting specifically on when you believe GWR was obliged to release the Information under Listing Rules 3.1 and 3.1A and what steps GWR took to ensure that the Information was released promptly and without delay.
6. Please confirm that GWR is complying with the Listing Rules and, in particular, Listing Rule 3.1.
7. Please confirm that GWR's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of GWR with delegated authority from the board to respond to ASX on disclosure matters.

### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1:00 PM AWST Monday, 17 January 2022**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall

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within the exceptions mentioned in Listing Rule 3.1A, GWR's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require GWR to request a trading halt immediately.

Your response should be sent to me by e-mail at [ListingsCompliancePerth@asx.com.au](mailto:ListingsCompliancePerth@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

### **Trading halt**

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in GWR's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in GWR's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to GWR's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that GWR's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

### **Questions**

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

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**Oma Murad**  
Listings Compliance (Perth)