

December 2021 Quarter Highlights

Overview

Following volatility in the Iron Ore markets, GWR suspended mining operations at the C4 Iron Ore Mine during the September 2021 quarter initially for 30 days and subsequently extended the suspension during this quarter (DecQ21) whilst it attempts to understand the volatility in the iron ore price and considers its position regard to recommencing operations. Refer to Subsequent Events (Wiluna West Iron Ore) section below for an outline of current C4 iron ore operations which have recommenced

JWD Deposit mining operations were also suspended during the quarter by JV Operator CuFe Ltd (ASX:CUF), please refer to Refer to Subsequent Events (JWD Deposit) section below for an outline of current JWD iron ore operations which have recommenced.

Wiluna West Iron Ore

- GWR shipped a total of 115,009 wet metric tonnes (wmt) of high-grade lump product comprising two shipments in October and December.
- A total of 786,193 wet metric tonnes (wmt) of iron ore has now been shipped since February 2021
- Crushing and screening of existing stocks continued throughout the Quarter with a total of 209,542 wet metric tonnes (wmt) crushed.

Subsequent Events (Wiluna West Iron Ore) -

- Fixed price contracts for a total of 145,000 tonnes of product for January, February and March 2022 on a FOB basis have been secured. The FOB contracts mean that the shipping costs are not borne by GWR.
 - 30,000 tonnes of high-grade lump in January on a fixed price at US\$100/t.
 - 60,000 tonnes of high-grade fines and lump has been secured for the February Shipment on a fixed price of US\$95/t (Fines) and US\$100/t (Lump).
 - 55,000 tonnes of high-grade lump secured for a March shipment on a fixed price of US\$110/t.
- Mining operations recommenced in January 2022 in order to produce the iron ore required for the March shipment.
- The C4 Stage 1 pit has significant quantities of high-grade ore available for mining at a low strip ratio, with the current bench containing 111,050 tonnes at 62.0 % Fe at a stripping ratio of 0.3:1.
- Stage 2 will incorporate a cutback that has been partly blasted prior to scaling back operations in late September 2021. This will expose a further 2 million tonnes of high-grade product.
- Sales during the quarter achieved A\$118.71 per dmt FOB.
- C1 FOB unaudited cash costs for the quarter were A\$117.42 per wet metric tonne ("wmt").
- The Company continues to investigate long term infrastructure solutions for the Wiluna West Iron Ore Project with a focus on Esperance port.

About GWR Group

GWR Group Limited ("GWR") is an independent, Australian resource house, focused on creating shareholder wealth through the development of high-quality mineral exploration and development projects.

GWR Group has a portfolio of mineral commodity projects that includes projects held in its own right, in joint ventures and indirectly through investment in other listed entities. We aim to create value through operational excellence and innovation in exploration and project development. We will collaborate with our stakeholders to build a sustainable mining business and the respect of our peers.

Corporate Summary

ASX code:	GWR
Issued Capital:	303.5 million
Issued Options	
Quoted:	12.8 million
Cash on hand:	\$6.7 million
Listed Securities:	\$8.25 million

Board & Management

Gary Lyons
Non-executive Chairman

Mick Wilson
Executive Director

Tan Sri Dato' Tien Seng Law
Non-executive Director

Kong Leng (Jimmy) Lee
Non-executive Director

Datuk Chin An (CA) Lau
Non-executive Director

Phil Robinson
C4 Project Manager

Mark Pitts
Company Secretary

JWD Deposit

- Mining operations at JWD were suspended in October 2021 and a total of 47,427 tonnes of ore was mined during the December Quarter.
- Two shipments of high-grade lump have been made totaling 119,791 wmt since mining commenced in June 2021.
- A variation to the Mining Rights Agreement was agreed in November 2021.

Subsequent Events - JWD Deposit

- Mining operations re-commenced in January 2022 with an increased iron ore price and the lump premium both being positive for JWD economics.
- Strategy to run down mined ore stocks to reduce cash costs of mining and preserve working capital is completed.
- Mining activities have recommenced with first ore ex-pit being delivered to the plant 7 January 2022

Subsequent Events - Prospect Ridge Magnesite Project

- On 27 January 2022, GWR announced that it was entering the 'Green' and EV space by signing a Binding Term Sheet with Jindalee Resources Limited (ASX:JRL) for the acquisition of a 70% interest in the Prospect Ridge Magnesite project located in north west Tasmania.
- In addition GWR advised that it had received firm commitments to raise \$2 million before costs via a placement to assist with working capital and to fund work programs to advance the Project.
- The Prospect Ridge Magnesite project area sits on a granted Exploration Licence, (EL5/2016), it is 11km long and 51km² and contains two deposits, the Arthur River and Lyons River deposits containing the third largest Magnesite inventory in Australia.
- Prospect Ridge is an advanced project and contains a JORC 2012 Inferred Mineral Resource estimate of 25 million tonnes of Magnesite grading 42.4% MgO, 4.8% SiO₂, 1.4% Fe₂O₃ and 2.6% CaO to an average depth of 100m below surface at a cut-off of 40% MgO (Table 1). (refer ASX announcement 27 January 2022)
- Magnesite is the principal ore for Magnesium (known as the "green metal") which is the lightest structural metal known to man being two thirds lighter than aluminum. Magnesium has been placed on the Critical elements List and is subject to Federal Government previously announced \$2 billion fund to finance critical metals production.

C4 Iron Ore Project - Key Performance Metrics

	March Q FY21	June Q FY21	Sept Q FY22	Dec Q FY22
Shipping (Dry Tonnes)				
Lump	89,878	202,126	250,582	113,089
Fines	15,238	13,779	84,261	-
Total Dry Tonnes Shipped	105,116	215,905	334,843	113,089
Realised Average FOB Price US\$/dmt	141.20	185.50	103.52	86.50
Unaudited C1 Cost (A\$/wmt Shipped FOB)	120.20	120.30	134.86	117.42
Average Freight Cost US\$/dmt	23.97	27.25	33.42	*0.00

*All Shipments in the December Quarter were FOB

	March Q FY21	June Q FY21	Sept Q FY22	Dec Q FY22
Mining (Tonnes)				
Ore	309,910	266,831	443,784	137,923
Low Grade (55%)	173,756	214,365	120,374	7,306
Total Ore Mined	483,666	481,196	564,158	145,229
Waste	287,334	424,974	289,802	13,054
Total Tonnes Mined	771,000	906,170	853,960	##158,283
Strip ratio	0.6	0.9	0.5	0.1
Crushing (Tonnes)				
Crushed	209,771	389,878	774,012	209,542
Lump	126,531	222,537	361,196	86,938
Fines	83,240	167,341	412,816	122,604
Total Tonnes Crushed	209,771	389,878	774,012	209,542
Hauling (Tonnes)				
Lump	102,422	194,688	269,638	110,874
Fines	16,588	26,560	73,285	-
Total Tonnes Hauled	119,010	221,248	342,923	110,874

Note the tonnes shown as being mined in December equate to the already broken ground as at the end of the Sept Quarter removed from the pit floor to be crushed.

GWR Group Limited – Overview of Assets

The Group has a portfolio of resources projects that includes projects held directly, in its own right, or indirectly through investment in other listed entities. These include:

- Wiluna West Iron Ore - ~131 million tonne resource at 60% Fe of high grade hematite
- Tungsten - Investments in Tungsten Mining NL (TGN:ASX) and Hatches Creek JV
- Cornerstone and Equity Investments – eMetals Ltd (EMT:ASX)

And pending completion of the acquisition

- Prospect Ridge Project – 25 million tonne Magnesite resource at 42.4% Mgo

Wiluna West Iron Ore Project

Mining and Production C4 Mine

Mining operations at the Company's C4 Iron Ore Mine were suspended in September 2021 due to the volatility in Iron Ore prices, now following recent price increases the Company has confirmed that mining has recommenced.

Although mining operations were suspended, broken ground from a final blast carried out in September was retrieved from the pit floor, in addition crushing from the ROM pad and hauling to the port did continue between October and December enabling GWR to capitalise on a significant inventory of iron ore stockpiles that existed up until mining suspension. The Company successfully negotiated fixed price sales contracts of high-grade lump product in October for 57,859 wmt and December for 57,150 wmt for a total of 115,009 wet metric tonnes.

GWR has successfully negotiated fixed price sales contracts for a total of 145,000 tonnes of product for January, February and March 2022.

A January shipment of 30,000 tonnes of high-grade lump has been secured on a fixed price (FOB Basis) at US\$100/t, this shipment will be a part cargo comprising 30,000 tonnes from C4 together with high-grade product from Fe Limited's JWD mine. Shipments for February and March have been secured on a fixed price (FOB Basis) at US\$95/t (Fines), US\$100/t (Lump) and US\$110/t (Lump) respectively.

A comprehensive review of costs has been undertaken and has identified operational savings. In addition, shipping on an FOB basis will mean that GWR is not liable for shipping costs.

Stage 1 and Stage 2

The 100% owned C4 Iron Ore mine has remained in a production ready state in order to take advantage of a recovery in the iron ore price and GWR always maintained that it had taken an opportunistic approach to its Wiluna mining operations. Beginning when the ore price was high and the AUD relatively weak in trading terms and after negotiating a contract with Pilbara Resources Group (PRG) that mitigated risk and the requirement for capital.

The C4 Stage 1 pit has significant quantities of high-grade ore available for mining, and the company is confident it can control its C1 cash cost and deliver into fixed price sales contracts.

In addition, GWR has made the decision to proceed with the Stage 2 pit cutback that will expose ~2,000,000 tonnes of high-grade product. Although some additional blasting will be required, the cutback had been largely already blasted prior to scaling back operations in late September.

GWR advised that its Alliance Contract partner, Pilbara Resources Group (PRG) entered into Voluntary Administration on 17th December 2021. The Company has been working with the PRG administrators, although to date their situation has had little impact on the C4 project, GWR does not anticipate that the administration process will result in any impact on the C4 project or GWR.



Figure 1: Overview of C4 Project Location

Financial Details

- Net operating cash inflows for the quarter were \$12.9 million, there was no material capital expenditure.
- Unaudited C1 FOB cash costs for the quarter were A\$117.42 per wmt and the FOB sales price was A\$118.71 per dmt.

Infrastructure Studies

Company has continued with desk top studies to assess long term infrastructure solutions including logistics and port options to support long term sustained iron ore production. GWR currently has approvals in place to mine iron ore at a rate of 7Mt per annum for 10 years. The initial focus will be on potential road and rail options to Leonora and upgrades to the existing railway between Leonora and Kalgoorlie

JWD Iron Ore Deposit

Wiluna Fe Pty Ltd (the representative of CuFe Limited (ASX: CuF) and JV partner Gold Valley Iron Ore Pty Ltd) commenced mining operations at the Stage1 JWD deposit in June 2021 and to date have made two shipments of high grade iron ore totaling 119,804 wet metric tonnes. Mining operations re-commenced in January 2021 after ceasing in October 2021, due to the depressed iron ore price. A total of 47,427 tonnes of iron ore were mined during the Quarter

On the 13 May 2021 GWR and Wiluna Fe entered into a Deed of Variation to the Mining Rights Agreement (MRA) and CuFe Limited entered into a Guarantee and Indemnity Deed in favor of GWR to guarantee the obligations of Wiluna Fe.

In November 2021 the Company announced that it had agreed amend the MRA outlined in a Deed of Variation as follows:

- The existing option to mine up to 3,000,000 tonnes of Iron Ore from the JWD deposit has been divided into stages.
 - Wiluna FE may elect to mine up to 1.2Mt of ore from the JWD Deposit (inclusive of tonnes already mined) by first paying an option fee of A\$1m to GWR on or before 15 November 2021 and then a further A\$0.8m on or before 15 December 2021.
 - Wiluna FE shall have the right to mine two further tranches of 900,000 tonnes of Iron ore each by payment of further sums of \$2,225,000 on or before 30 June 2024 and \$2,700,000 on or before 30 June 2026 respectively.

The variation provides flexibility to both parties and accounts for the current volatility in the iron ore market.

Other terms of the mining agreement as previously announced on 14th May 2021 remain in place and remain positive for GWR shareholders.

Prospect Ridge Magnesite Project

GWR announced on the 27 January 2022 that it had signed a Binding Term Sheet with Jindalee Resources Limited (**Jindalee**) for the acquisition of a 70% interest in their advanced Prospect Ridge Magnesite project located in northwest Tasmania. In addition, GWR advised that it had received firm commitments to raise \$2 million before costs via a Placement to assist with working capital and to fund work programs to advance the Project.

The Project is an advanced asset where a substantial amount of work has previously been undertaken, including diamond drilling, metallurgical testwork, hydrological testwork, resource modelling and feasibility studies.

The project is on a granted Exploration Licence (EL5/2016), which is 51km² in size and located approximately 55km west southwest of the Port of Burnie, which is one of the States key deep water Ports and the largest general cargo port in Tasmania. The project area was previously held as Mining Lease (Figure 2).

The Project contains a JORC 2012 Inferred Mineral Resource estimate of 25 million tonnes of fresh magnesite grading 42.4% MgO, 4.8% SiO₂, 1.4% Fe₂O₃ and 2.6% CaO to an average depth of 100m below the surface at a cut-off of 40% MgO (Table 1).

Table 1
Arthur River Inferred Mineral Resource Estimate

Cut-Off (MgO (%))	Tonnes	MgO (%)	SiO ₂ (%)	Fe ₂ O ₃ (%)	CaO (%)
36	36,820,000	41.1	5.9	1.7	2.9
38	32,090,000	41.7	5.4	1.6	2.8
40	25,120,000	42.4	4.8	1.4	2.6
42	15,280,000	43.3	4.2	1.3	2.2
44	3,040,000	44.5	3.0	1.0	1.9

(Refer ASX Announcement 27 January 2022 and original announcement by Jindalee Resources Limited dated 10 October 2017 titled "Arthur River Magnesite Deposit JORC (2012) Resource Estimate").

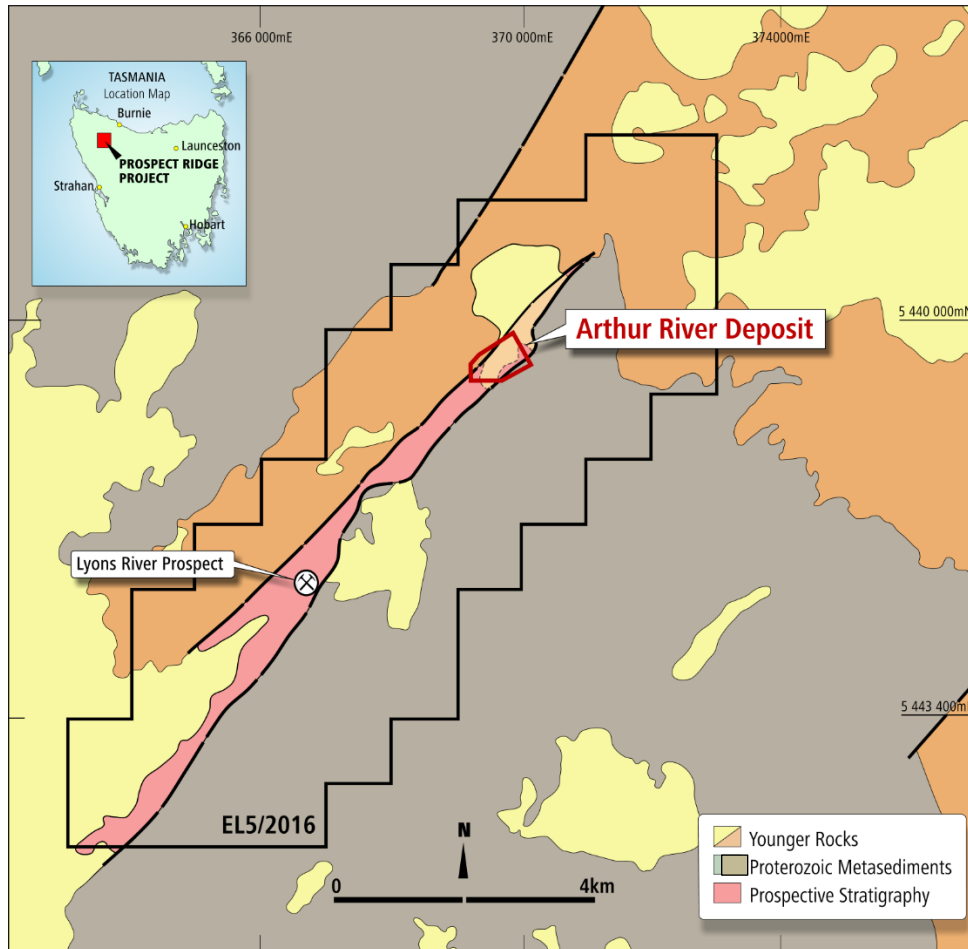


Figure 2: Prospect Ridge Location Plan showing tenure and summary geology

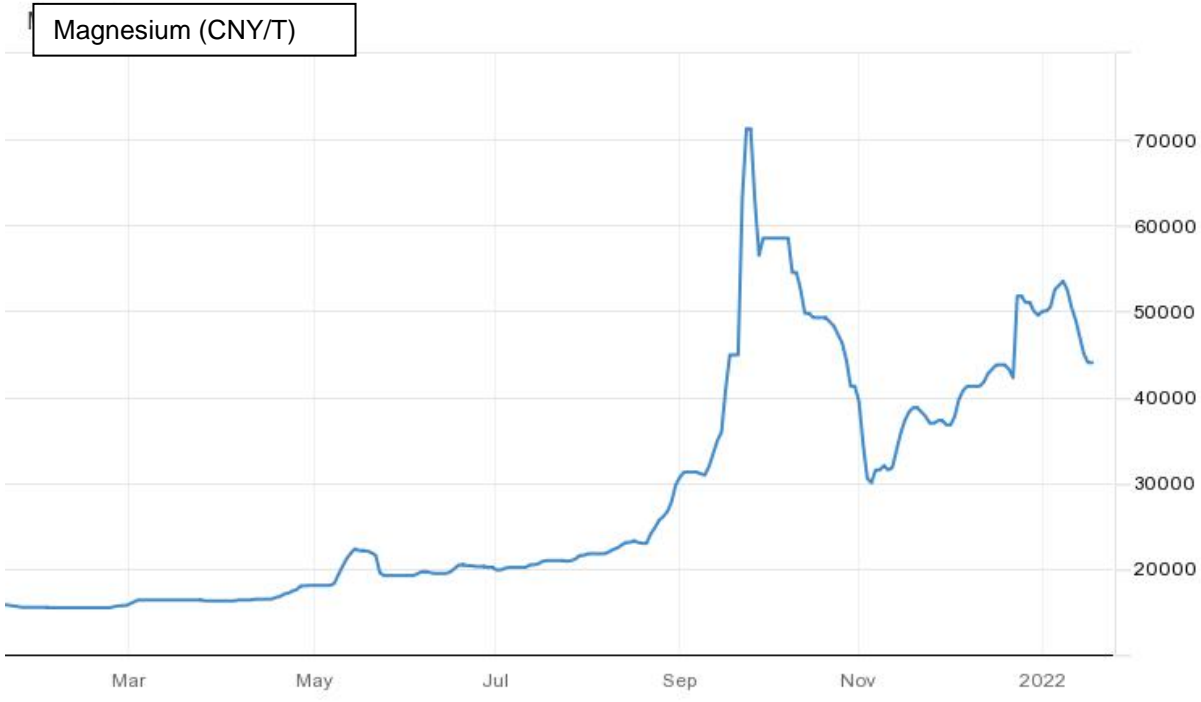
GWR plans to undertake a comprehensive review of all previous exploration data with a view of defining an Exploration Target for areas outside of the Arthur River deposit.

About Magnesium and Its Market

Magnesite is the principal ore for Magnesium which is the lightest structural metal known to man being two thirds lighter than aluminum. The Australian government has classified Magnesium as a critical mineral as are lithium and nickel. The principal uses for Magnesium is as follows:

- Magnesium metal and its alloys are used extensively in automotive and aerospace industries in light weight bodies, engines and other parts indispensable in modern vehicles (including EV's).
- Magnesium oxides are used in production of refractory linings necessary for production of steel, cement and glass.
- Magnesium-ion batteries have the potential to improve on lithium-ion batteries in every phase of the lifecycle. In addition to increased energy capacities, magnesium-ion batteries have numerous other advantages. Magnesium does not tend to form dendrites, resolving the safety issues associated with lithium-ion batteries. As such, a magnesium-ion battery can last substantially longer than a lithium-ion battery. Additionally, magnesium-ion batteries can be charged faster since lithium-ion batteries charge times are constrained to avoid dendrite formation. Magnesium is also reported to be the eighth most abundant element on earth's crust alleviating depletion risk and potentially providing a cheaper product. (Source - journals.sagepub.com/doi/full/10.1177/16878140211003398)

During 2021 the price of magnesium increased by 285% with a peak of 460% in September 2021, refer to Figure 3



source: tradingeconomics.com

Figure 3: Magnesium Price in Chinese Yuan

In September 2021, the Australian Federal Government announced that it will establish a \$2 billion fund to finance critical minerals production in Australia, it was stated that “Critical minerals include resources that are used in technologies such as mobile phones, computer monitors, electric cars and solar panels, such as lithium, **magnesium** and nickel.”

Hatches Creek Tungsten Copper Gold Project

In June 2019 GWR announced that it had signed a Joint Venture and Farm in Agreement with Tungsten Mining NL (ASX: TGN) (refer to ASX announcement 3rd June 2019) and that TGN now holds a 20% interest in the project and that they have been appointed as project managers.

The Hatches Creek tungsten, gold, copper project is located 375 km north east of Alice Springs in the Northern Territory (Figures 6). Successful RC drilling programs completed in 2016, 2017 and 2019, confirmed multiple high-grade polymetallic tungsten prospects and demonstrated potential for a large high-grade polymetallic tungsten deposit.

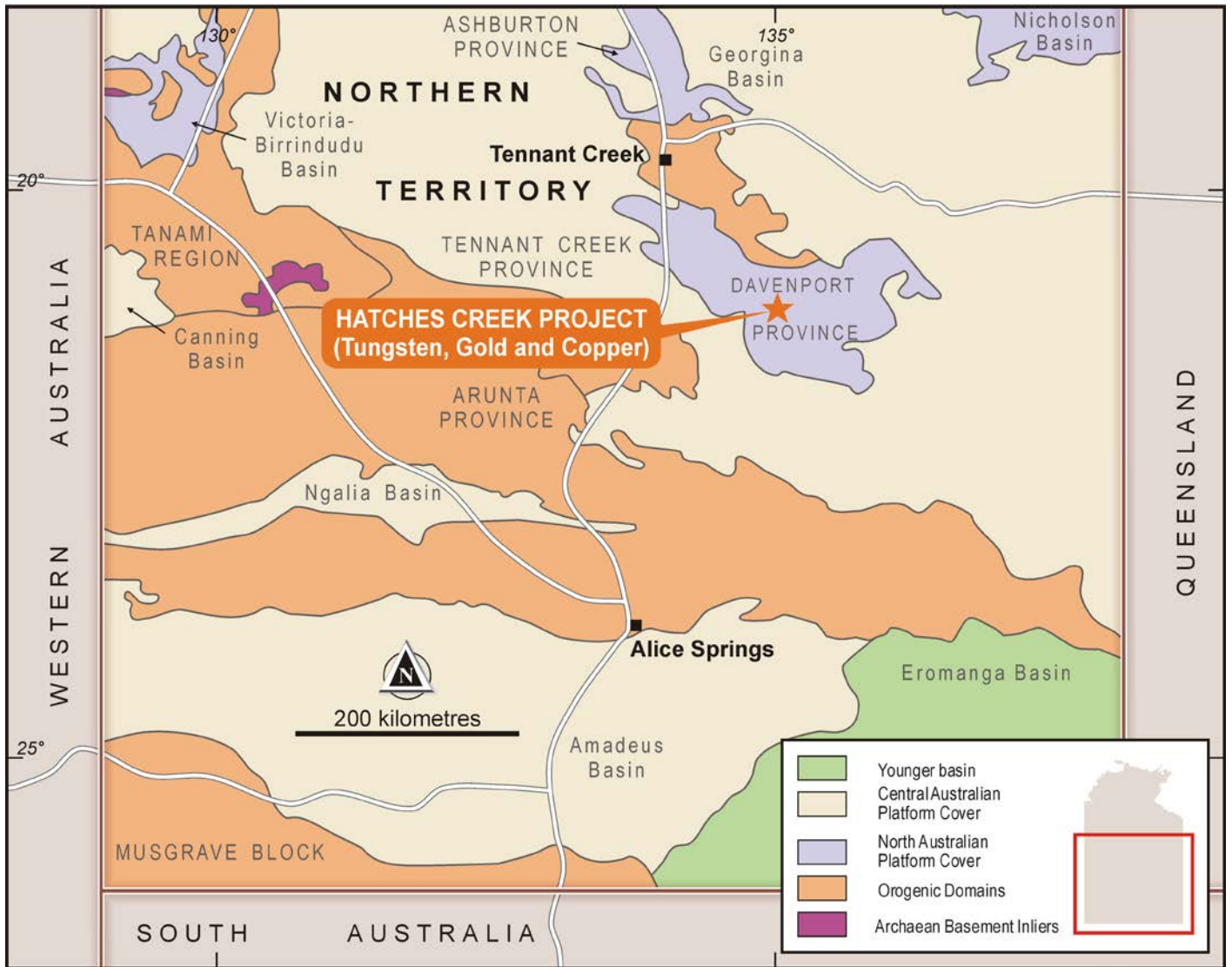


Figure 3: Hatches Creek Project Location.

Historical production mainly between 1915 and 1960, reported production of approximately 284,000 MTU (metric tonne units) of 65% WO₃ concentrate at an average head grade of 2.5% WO₃, with gold, copper and bismuth also produced. In 2014 an Inferred Resource estimate of 225,000 tonnes at 0.58% WO₃ for the historical mine dumps and stockpiles was defined (refer to Arunta Resources Limited ASX release 23rd September 2014).

Corporate

Cash Position and Investments

At the end of the quarter GWR held cash reserves of \$6.7 million, \$8.25 million in ASX listed securities and no debt.

The ASX listed securities comprised of following equity interests:

- Tungsten Mining NL of 70 million ordinary shares at \$0.11 per share with a market value \$7.7 million
- EMetals Limited of 30.8 million shares at \$0.018 per share with a market value \$0.55 million

The group received \$3.24 million in accordance with the JWD Mining Agreement.

Other

In accordance with the reporting requirements of ASX Listing Rule 5.3 the Company advises the following expenditure incurred during the quarter.

Expenditure incurred on exploration and evaluation activities of \$0.11 million during the quarter, which predominantly related to

- Exploration staff costs
- Desk top study's
- Attributable administration costs associated with the Company's exploration activities

Expenditure incurred on mining production and development activities of \$22.4 million during the quarter, which predominantly related to:

- Expansion and commissioning of additional crushing facilities
- Contract mining
- Camp and related expenses
- Haulage contractor expenses
- Port and shipping charges
- Royalty payments

During the December quarter GWR made payments to related parties of \$99,000 and this comprised of \$74,000 Directors Remuneration and \$25,000 for property lease expenses.

COVID-19

The health and safety of employees and contractors is paramount and the Company is supportive of the action being taken by State and Federal Government to address the threat of COVID-19. GWR continues to monitor advice and evaluate risks in this area and Shareholders will be kept closely informed of any changes.

Tenement Interests

A schedule of the Company's interest in mining tenements as at 31 December 2021 is appended at Appendix 1.

ENDS

31 January 2022

For further information

Gary Lyons
Chairman

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David Utting Corporate
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Mark Pitts
Company Secretary

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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") and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al 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.

Where the Company refers to previous announcements of Exploration Results and Mineral Resources it confirms that it is not aware of any new information or data that materially effects the information included in previous announcements and all material assumptions and technical parameters disclosed in those announcements continue to apply and have not materially changed.

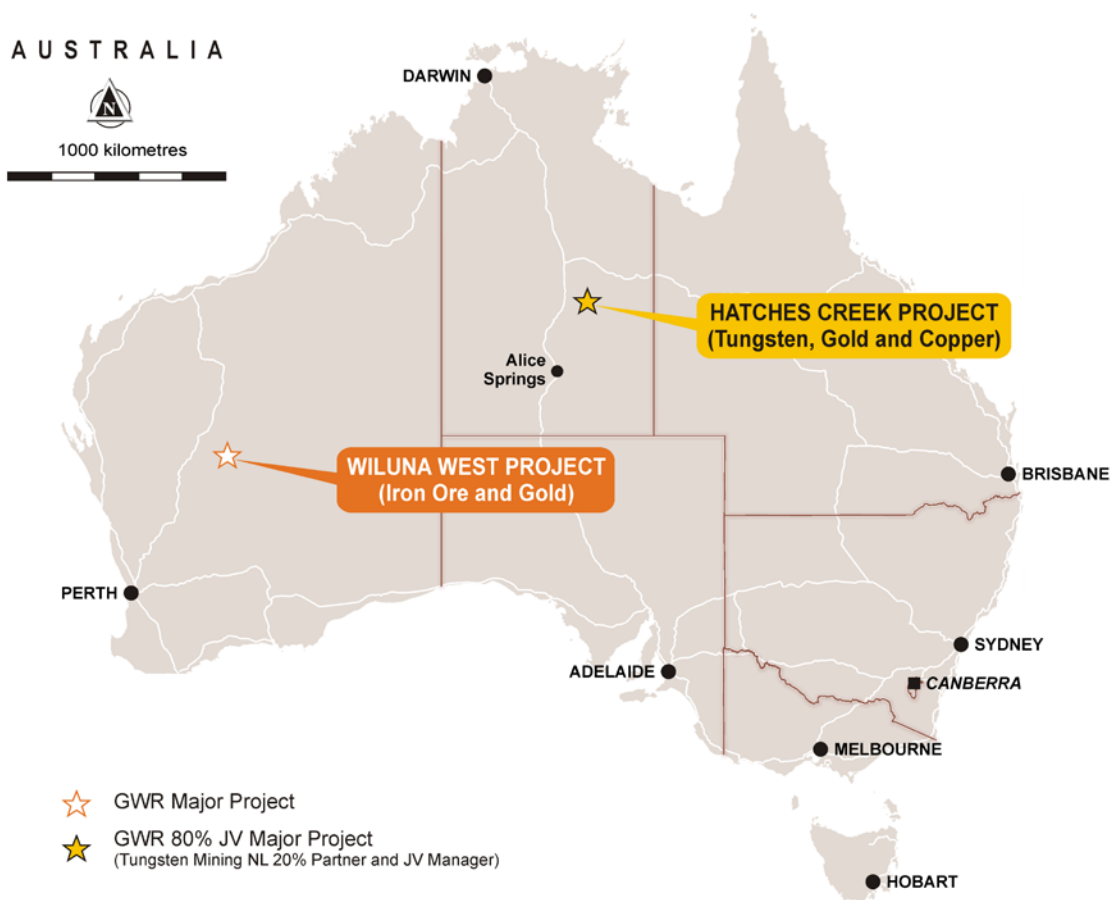


Figure 4: GWR Project Locations

Table 2: Wiluna West Iron Ore Project - JORC 2004 and JORC 2012 Iron Ore Resources

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 JOYNER'S	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	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 JOYNER'S	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	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 JOYNER'S	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

Appendix 1 - Schedule of interests in mining tenements

(a) 31 December 2021

Location	Tenement	Percentage held	Notes
Western Australia			
Wiluna			
Wiluna West	L53/115	100%	
Wiluna West	L53/146	100%	
Wiluna West	L53/147	100%	
Wiluna West	L53/148	100%	
Wiluna West	L53/177	100%	
Wiluna West	L53/178	100%	
Wiluna West	L53/179	100%	
Wiluna West	L53/190	100%	
Wiluna West	M53/971-I	100%	
Wiluna West	M53/972-I	100%	
Wiluna West	M53/1016-I	100%	
Wiluna West	M53/1017-I	100%	
Wiluna West	M53/1018-I	100%	
Wiluna West	M53/1078-I	80%	JV with Jindalee Resources Ltd
Wiluna West	M53/1087-I	100%	
Wiluna West	M53/1096-I	100%	
Northern Territory			
Hatches Creek			
Hatches Creek	EL22912	80%	Pursuant to farm-in agreement with Tungsten Mining NL
Hatches Creek	EL23463	80%	

* Excludes tenement applications.

(b) Tenements acquired and disposed of during the quarter

None applicable.

(c) The beneficial percentage interests held in farm-in or farm-out agreements as the end of the quarter

The Company holds an 80% beneficial interest in the Hatches Creek tenements being EL22912 and EL23463, pursuant to a farm-in agreement to Tungsten Mining NL. The Company remains the 100% registered holder pending transfer documentation and registration by the Department of Primary Industry and Resources in the Northern Territory.

(d) The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

None applicable.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GWR Group Limited

ABN

54 102 6622 051

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	12,966	75,216
1.2 Payments for		
(a) exploration & evaluation	(110)	(341)
(b) development	(56)	(628)
(c) production	(22,403)	(92,860)
(d) staff costs	(131)	(263)
(e) administration and corporate costs	(424)	(681)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(60)	(120)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
- JWD Mining Agreement Receipts	2,005	2,005
- Miscellaneous Income	-	5
1.9 Net cash from / (used in) operating activities	(8,213)	(17,640)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	-	-
(e) investments	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	427
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
	- Cash disposed on divestment of Western Gold Resources Ltd	-	31
	- Bonds and other security deposits paid	-	(110)
	- Funds received from Fe Limited for rehabilitation bond	-	100
2.6	Net cash from / (used in) investing activities	-	448

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(2)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
3.10	Net cash from / (used in) financing activities	(2)	(2)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	14,955	23,714
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8,213)	(17,420)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	448
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,740	6,740

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	6,740	14,955
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	6,740	14,955

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	99
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Not applicable		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(8,213)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(8,213)
8.4 Cash and cash equivalents at quarter end (item 4.6)	6,740
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	6,740
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.82
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: No, as noted in the previous quarterly report, the Company had suspended mining operations prior to the beginning of the December quarter. As announced on 12 January 2022 the Company has recently recommenced its mining operations at the C4 iron ore project and expects these operations to generate net cash inflows in the next quarter.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: As announced on 27 January 2022, the Company has received firm commitments relating to a placement of \$2m, which will be utilised for working capital and to fund work programs related to advancing the Prospect Ridge Magnesite Project.	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes, on the basis that the Company has recently recommenced mining operations which it believes will generate net positive cash flows.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

31 January 2022

Date:

The Board

Authorised by:
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.