

Robe Mesa Iron Ore Project, Pilbara

Drilling underway to grow mine life and production rate

Highlights

- Drilling is underway at the Robe Mesa deposit, which is the northern extension of Rio Tinto's Mesa F deposit
- RC drilling is aimed at increasing Resources and Reserves along strike to the north where CZR recently received heritage clearance
- Infill drilling will also be conducted to upgrade Inferred Resources to Indicated for inclusion in the Ore Reserve
- Metallurgical drilling has now been completed to finalise process plant design and prepare customer samples
- Results will feed into an updated mine plan and process plant design, targeting an increased mine life and production rate of 3Mtpa

CZR Resources (ASX: CZR) is pleased to announce that drilling is underway as part of the Company's strategy to grow the iron ore inventory and production rate at its Robe Mesa iron ore project in WA's Pilbara.

The drilling results will form part of the DFS, which aims to increase the forecast production rate from the 2Mtpa contained in the PFS to 3Mtpa.

As part of this growth strategy, CZR is drilling the strike extension north of the current Resource. The mineralisation remains open in this direction and the Company recently secured heritage approval to commence drilling.

Infill drilling will take place to the south to allow Reserve estimates and mine plans to be completed for the Lower channel iron deposit (CID), which was excluded from the PFS.

Metallurgical diamond core drilling was completed on 19 July and samples are now being prepared for transport to Perth for metallurgical test work. The results will be used to finalise process plant flow sheet design, density measurements for Resource and Reserve updates, and importantly bulk samples for sinter test work and customer trials, including a secondary low-grade product.

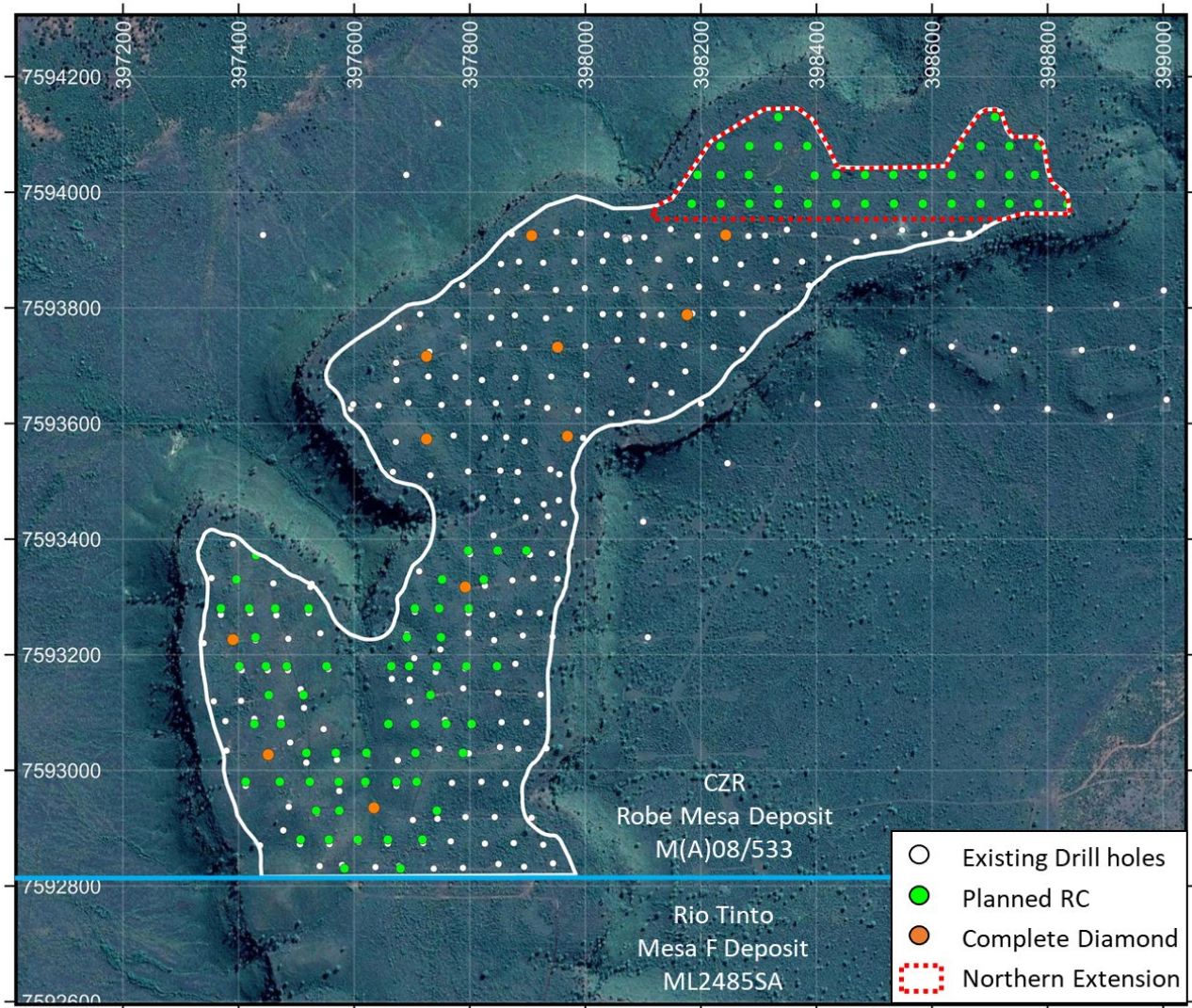


Figure 1. Robe Mesa deposit showing existing drill holes, planned RC and completed diamond drill holes. White outline marks the proposed mining footprint and blue line the CZR-Rio Tinto tenement boundary

CZR Managing Director Stefan Murphy said the Robe Mesa DFS was well advanced, with drilling to expand the mine life and production rate now in full swing.

“Following the unseasonal heavy rain in May and June, the DFS work is progressing rapidly,” Mr Murphy said.

“With both RC and diamond drilling underway at the same time, and with clear heritage and environmental parameters to work within, we can now develop our larger mine plan with more certainty.

“We’re excited to enter this new phase of the DFS and look forward to reporting our DFS updates and progress on our growth strategy to expand the mine life and production rate at Robe Mesa.”

In addition, CZR successfully completed environmental baseline studies covering the mine area, ancillary infrastructure and potential haul routes during June and July. This forms part of the environmental reporting requirements and submissions to government regulators to allow mining to commence at Robe Mesa.

CZR will provide further updates on its Resource and Reserve development drilling and mine plans over the coming months, along with metallurgical test work and export logistics planning.

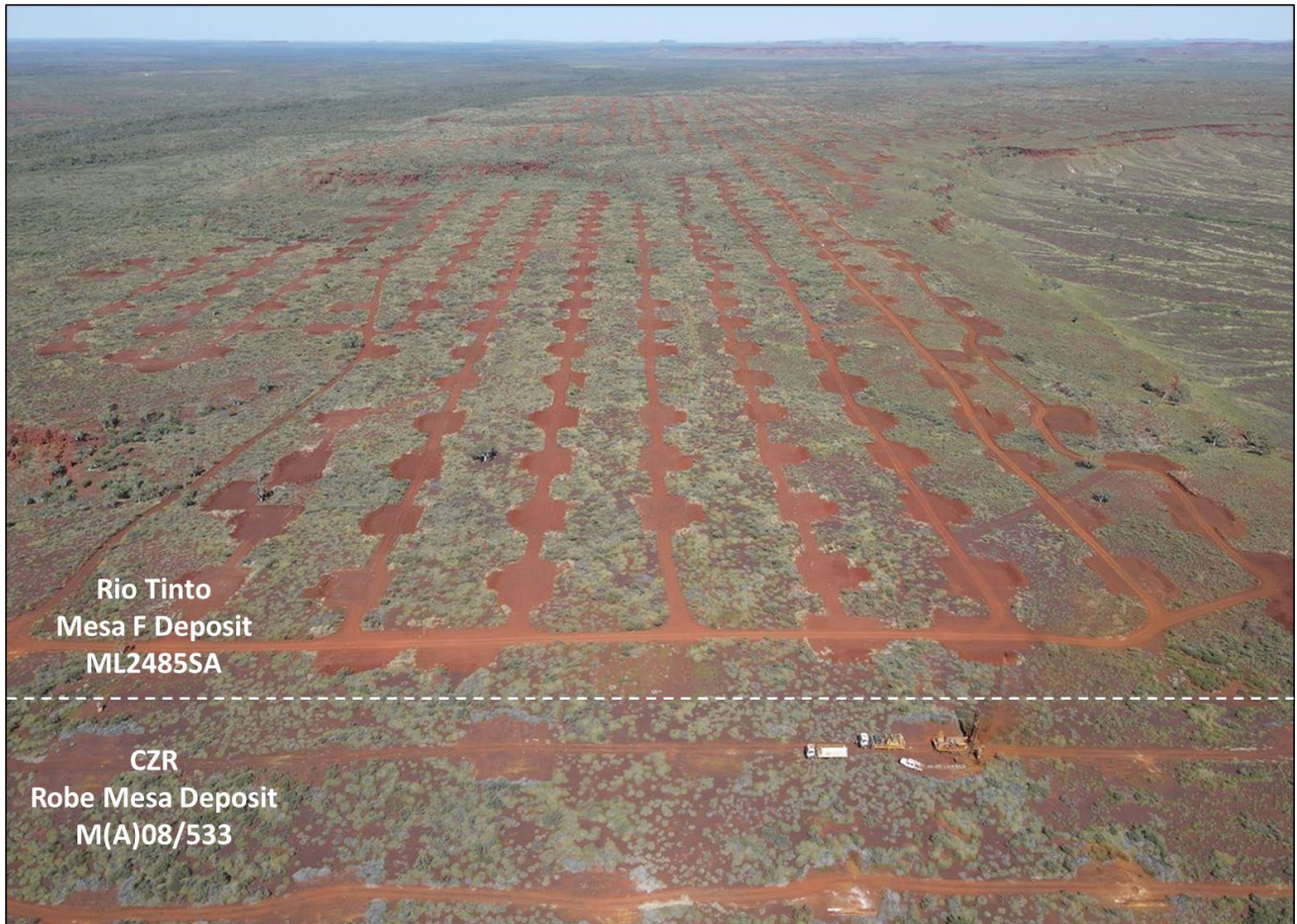


Figure 2. CZR's Robe Mesa deposit in the foreground with RC drill rig, with Rio Tinto drill lines and pads cleared to the CZR tenement boundary (19 July 2022)

Project Background

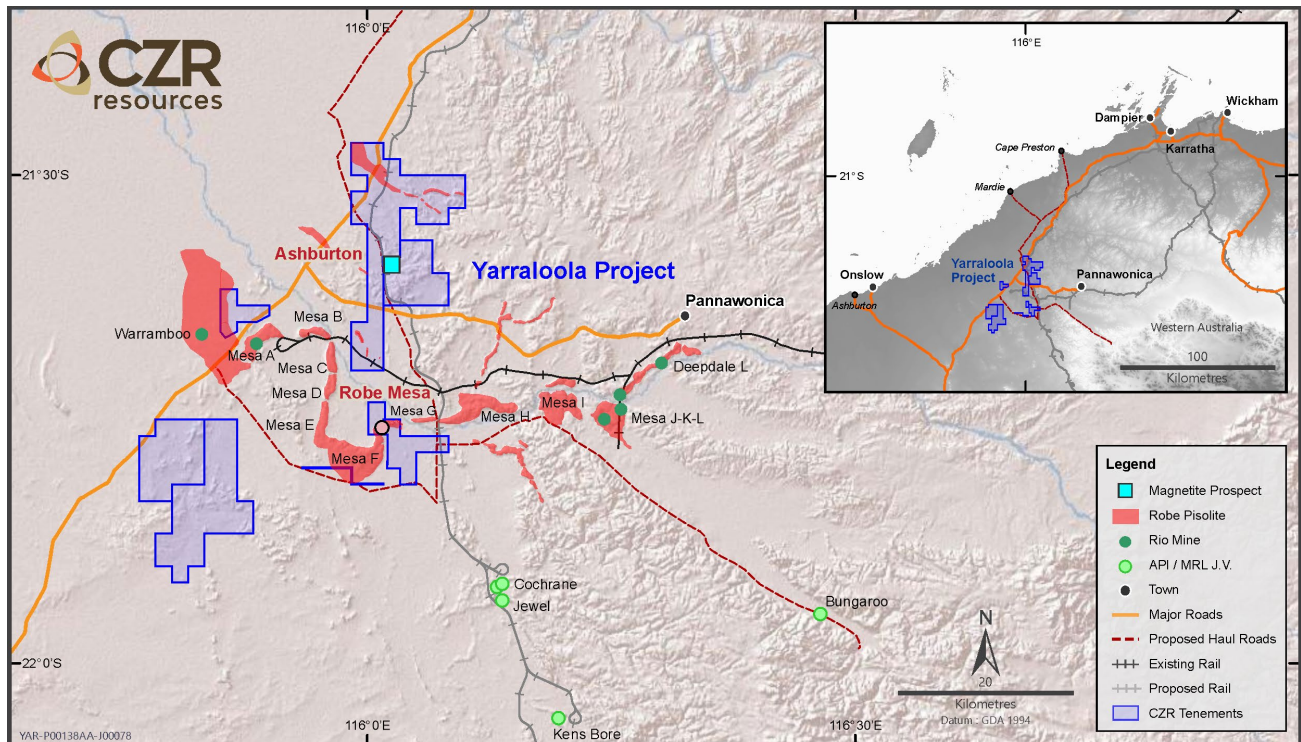


Figure 3. CZR's Yarraloola project and Robe Mesa deposit showing local infrastructure and iron ore deposits. Insert map showing regional infrastructure of the West Pilbara, relative to the Robe Mesa deposit

CZR's 85%-owned Robe Mesa deposit sits within the Robe Valley Channel Iron Deposits (Robe Valley CID). The Robe River JV (Rio Tinto 53%, Mitsui 33%, Nippon Steel 14%) has been mining Robe Valley CID since the 1970s and has current mining operations at Mesa A, Warrambo and Mesa J, with rail linking to export facilities at Cape Lambert.

CZR completed infill drilling in December 2021 which identified extensive DSO mineralisation outside the previous resource estimate and PFS pit designs, particularly in the Lower CID unit. In June 2022¹, CZR announced a significant 52% increase in its Mineral Resource to 37.5Mt while maintaining the same iron ore grade, with similar specification to the adjacent Robe River JV, operated by Rio Tinto.

This announcement is authorised for release to the market by the Board of Directors of CZR Resources Limited.

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¹ See CZR ASX Announcement dated 2 June 2022 titled "CZR set for significant growth as Mineral Resource increases by 52%"

Forward Looking Statements

This announcement contains “forward-looking information” that is based on CZR’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the pre-feasibility study, CZR’s business strategy, plan, development, objectives, performance, outlook, growth, cashflow, projections, targets and expectations, mineral resources, ore reserves, results of exploration and related expenses. Generally, this forward looking information can be identified by the use of forward-looking terminology such as ‘outlook’, ‘anticipate’, ‘project’, ‘target’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘would’, ‘could’, ‘should’, ‘scheduled’, ‘will’, ‘plan’, ‘forecast’, ‘evolve’ and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that CZR’s actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause CZR’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices and demand of iron and other metals; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accident, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. This list and the further risk factors detailed in the remainder of this announcement are not exhaustive of the factors that may affect or impact forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. CZR disclaims any intent or obligations to revise any forward-looking statements whether as a result of new information, estimates, or options, future events or results or otherwise, unless required to do so by law.

Statements regarding plans with respect to CZR’s mineral properties may contain forward-looking statements in relation to future matters that can only be made where CZR has a reasonable basis for making those statements. Competent Person Statements regarding plans with respect to CZR’s mineral properties are forward looking statements. There can be no assurance that CZR’s plans for development of its mineral properties will proceed as expected. There can be no assurance that CZR will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of CZR’s mineral properties.

CZR believes it has a reasonable basis for making the forward looking statements in this Announcement, including with respect to any production targets and economic evaluation, based on the information contained in CZR’s ASX announcement entitled “Pre-Feasibility Study finds Robe Mesa iron ore project is technically robust with potential to generate strong financial returns” dated 10 December 2020. CZR confirms that it is not aware of any new information or data that materially affects the production targets contained in the previous announcement of the PFS and all material assumptions underpinning the production targets and economic valuation in the previous market announcement continue to apply and have not materially changed.

CZR confirms that it is not aware of any new information or data that materially affects the information included in the CZR announcement dated 2 June 2022 and in the case of estimates of the Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Competent Person Statement

The information in this announcement that relates to exploration activities and exploration results is based on information compiled by Stefan Murphy (BSc), a Competent Person who is a Member of the Australian Institute of Geoscientists. Stefan Murphy is Managing Director of CZR Resources, holds options in the Company and has sufficient experience that 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, Mineral Resources and Ore Reserves’ (JORC Code).

Stefan Murphy has given his consent to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.