

Robe Mesa Iron Ore Project, Pilbara

CZR secures Mining Licences for key deposits next to Rio project

Mining Licences now granted for Robe Mesa and P529 deposits; Upgraded mine plan and Ore Reserve estimates underway

Highlights

- **The Department of Mines, Industry Regulation and Safety (DMIRS) has granted Mining Licences M08/533 (Robe Mesa Deposit) and M08/519 (P529 Deposit) to CZR Resources**
- **This represents a key milestone for CZR to mine its primary Robe Mesa iron ore project**
- **The granting of M08/533 and M08/519 follows the signing of the Mining Agreement between CZR and the Robe River Kuruma Aboriginal Corporation (RRKAC)**
- **CZR has commenced open pit mine design and scheduling, targeting an increased production rate aligned with the proposed export capacity at Port of Ashburton (ASX announcement 16 December 2022) and increased mine life for Robe Mesa**

CZR Resources Ltd (ASX: CZR) is pleased to announce that it has taken a major step towards development of its Robe Mesa iron ore project by securing Mining Licences for its key deposits.

The Robe Mesa deposit sits immediately north of Rio Tinto's (ASX: RIO) Mesa F project while the P529 deposit is immediately south of Mesa F.

The WA Department of Mines, Industry Regulation and Safety granted Mining Licences M08/533 (Robe Mesa Deposit) and M08/519 (P529 Deposit) for a period of 21 years.

This follows the signing of the Mining Agreement with the Robe River Kuruma Aboriginal Corporation that provides economic and social benefits to the traditional owners and consent for mining to be undertaken at the Robe Mesa iron ore project (ASX announcement 22 December 2022).

Granting of the Mining Licences further adds to CZR's Definitive Feasibility Study (DFS) for Robe Mesa. This is in addition to CZR's recently announced consortium agreement with Strike Resources and CSL Australia to develop a joint export facility from the existing Port of Ashburton (ASX announcement 16 December 2022).

The Company has also made significant advancements in its strategy to grow mine life and production rates at Robe Mesa, with the recent Mineral Resource increase to 45.2Mt (ASX announcement 12 December) and acquisition of the FMG tenement, expanding CZR’s P529 deposit, located only 5km from Robe Mesa (ASX announcement 20 December 2022).

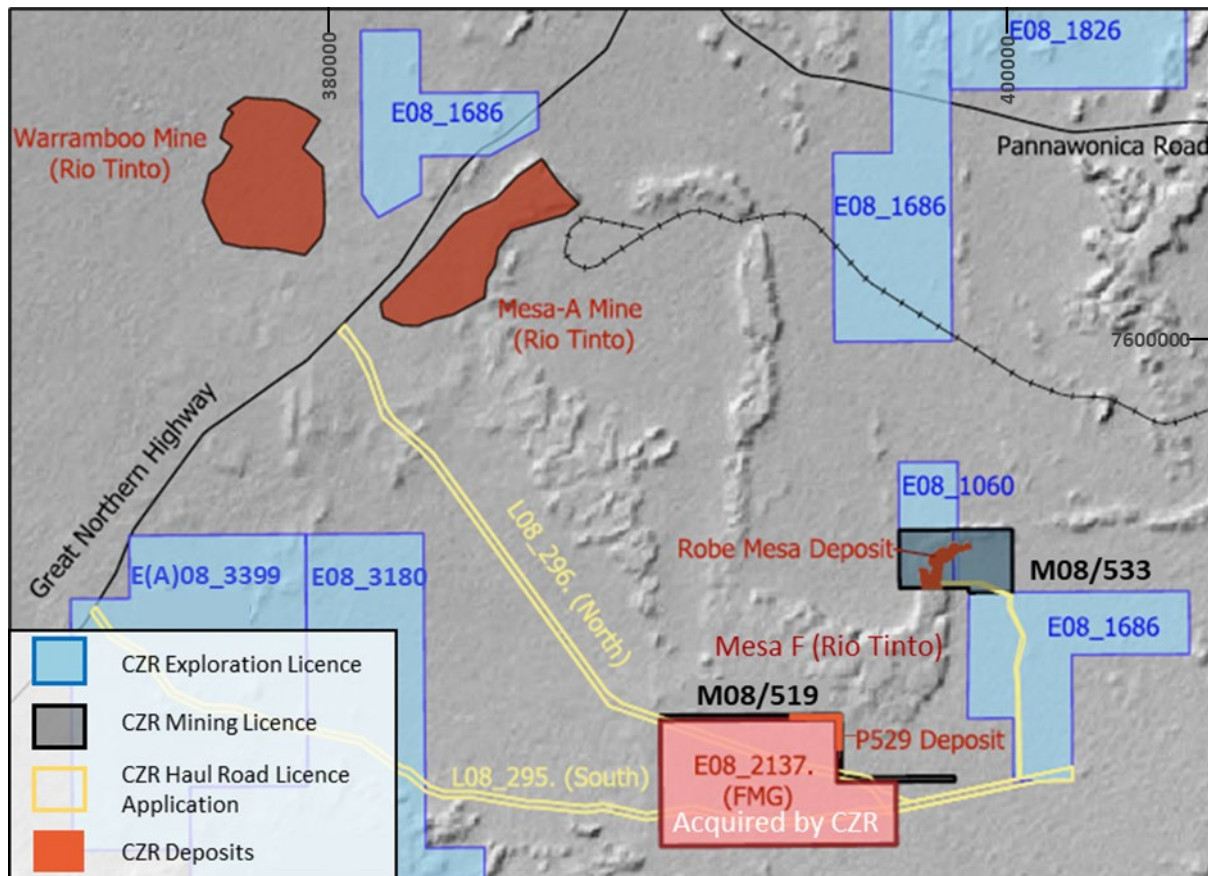


Fig 1. Robe Mesa Project area, with newly granted Mining Licences proximal to Rio Tinto’s Robe Valley operations

CZR Managing Director Stefan Murphy said the granting of the Mining Licences for Robe Mesa is a watershed moment for CZR and the outcome of several years of diligent, hard work by the Company and its key stakeholders.

“CZR has a clear strategic goal to grow the size and forecast production rate from the Robe Mesa iron ore project, to make it resilient throughout the economic cycles and a more valuable asset for CZR and its shareholders,” Mr Murphy said.

“The granting of Mining Licences covering the Robe Mesa deposit, following a collaborative agreement with the Robe River Kuruma Traditional Owners, has been a goal of CZR for many years and further de-risks our project, adding value to the Robe Mesa asset.

“Iron ore is largely driven by logistics and marketing, and CZR has shown over the past month that much of the hard work behind the scenes is beginning to pay off, with the pit-to-port value chain taking shape and bolt-on acquisitions secured to further enhance our project scale.”

Mining Licences M08/533 and M08/519 are held by CZR Resources through its wholly owned subsidiary, Zanthus Resources Pty Ltd (85% interest in Robe Mesa) and its joint venture partner Zanf Pty Ltd (15% interest in Robe Mesa and a wholly owned subsidiary of Creasy Group). The Mining Licences have been granted for a term of 21 years.

CZR is now updating its mine plan and production schedule for Robe Mesa, targeting 3.5Mtpa to align with its proposed export capacity through the Port of Ashburton (ASX announcement 16 December 2022). Haul road and port engineering studies are also well advanced, which will be critical inputs to the DFS.

CZR will commence field activities next week, with Resource definition drilling on the P529 deposit and E08/2137 (acquired from FMG) and water bore drilling, including test pumping to confirm adequate water supplies for mining operations at Robe Mesa.

Project Background

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 mined the 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.

The Robe River JV recently invested \$1.7B in the Robe Valley JV to replace production from existing mines at Mesa A, Warrambo and Mesa J. Production commenced at Mesa B, C and H in August 2021 and there is extensive drilling underway at Mesa F, effectively surrounding CZR’s Robe Mesa deposit.

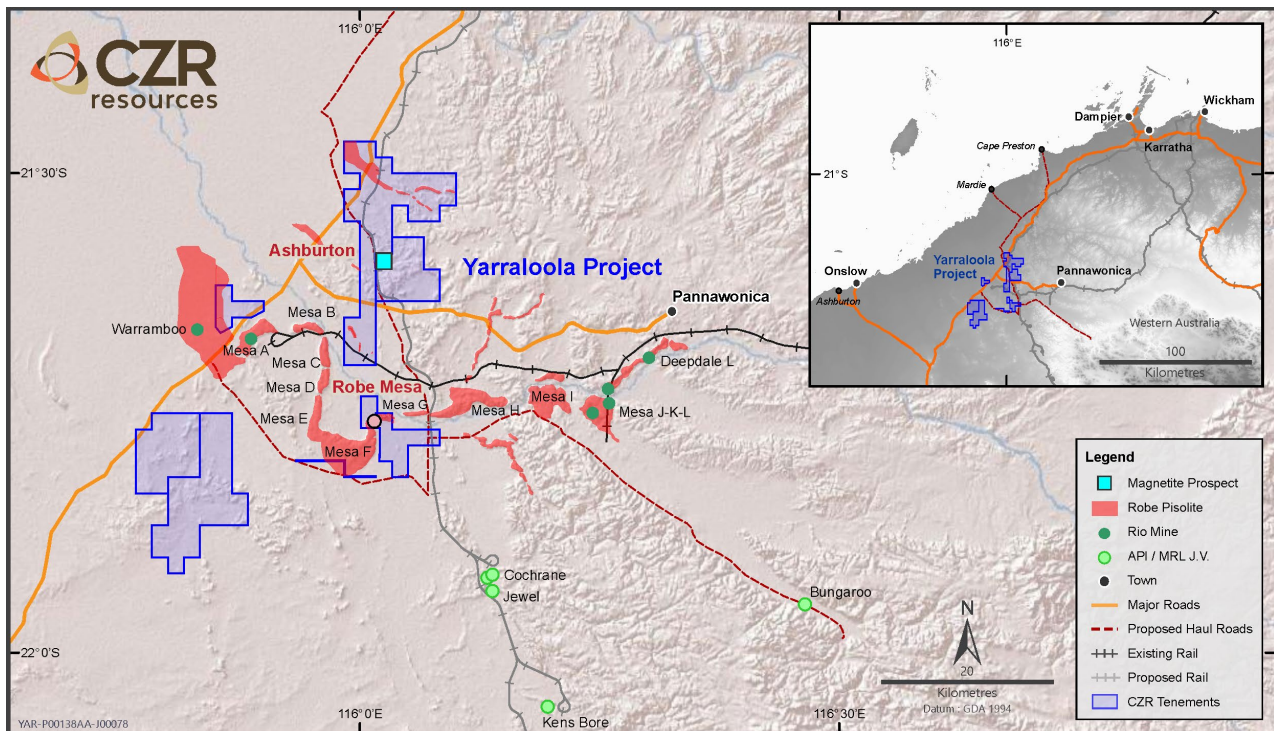


Fig 2. CZR’s Yarraloola project and Robe Mesa deposit showing local infrastructure and iron ore deposits. Insert map showing regional infrastructure of the West Pilbara, relative to the Robe Mesa deposit

The Robe Mesa iron ore deposit currently has JORC compliant Mineral Resource base of 45.2Mt at 56% Fe (62.7% Fe calcined) at a 55% Fe cut-off grade (ASX announcement 12 December). Updated open pit mine designs, production schedule and JORC Ore Reserves are currently being prepared and is scheduled to be reported during the March Quarter 2023.

CZR announced the formation of a consortium agreement with Strike Resources and CSL Australia to develop a joint export facility from the existing Port of Ashburton (ASX announcement 16 December 2022). Should approvals be granted, the parties will then enter into an agreement to construct the Port of Ashburton Facility to provide a ~5 Mtpa capacity low-cost, environmentally sustainable iron ore and bulk material export solution from the existing Port of Ashburton.

CZR is focused on increasing the production profile and mine life above the levels reported in the PFS. The DFS mine plan will target a production rate of +3Mtpa of DSO fines of similar specification to Rio Tinto’s Robe Valley fines, produced at the adjoining Mesa A and Warramboe mines.

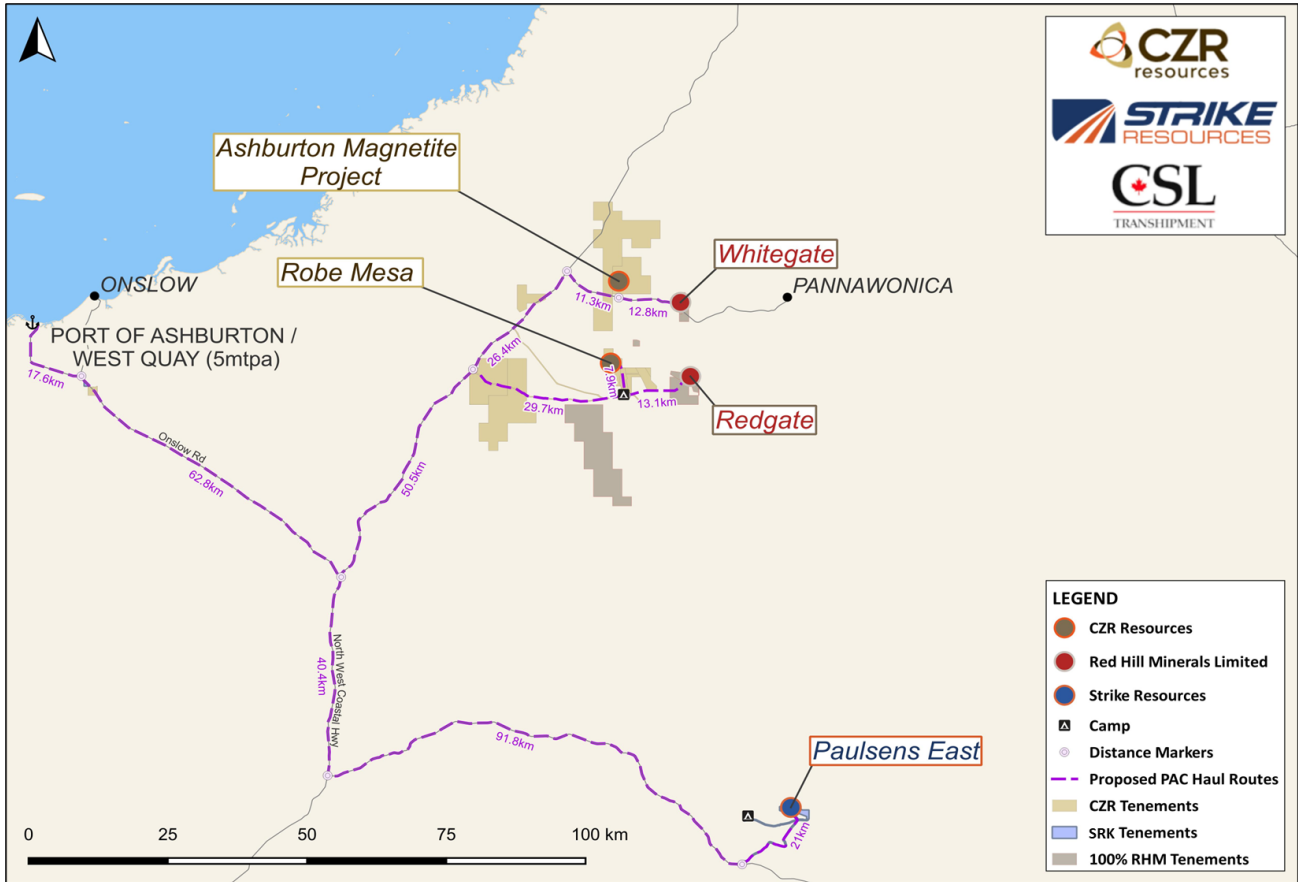


Fig 3. CZR’s Robe Mesa iron ore deposit, Strike Resources’ Paulsens East iron ore mine and Red Hill Minerals’ Redgate and Whitegate deposits – Distances shown to the Port of Ashburton

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

Stefan Murphy
Managing Director
CZR Resources Ltd
+61 8 9468 2050

Media
Paul Armstrong
Read Corporate
+61 8 9388 1474

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.

No New Information or Data

This announcement contains references to Resource estimates, all of which have been cross referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of 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.