

**Robe Mesa Iron Ore Project, Pilbara**

# **CZR secures key tenure to support iron ore exports**

**Option to acquire strategic tenement close to Port of Ashburton supports CZR's strategy to cut costs through shared infrastructure**

## **Highlights**

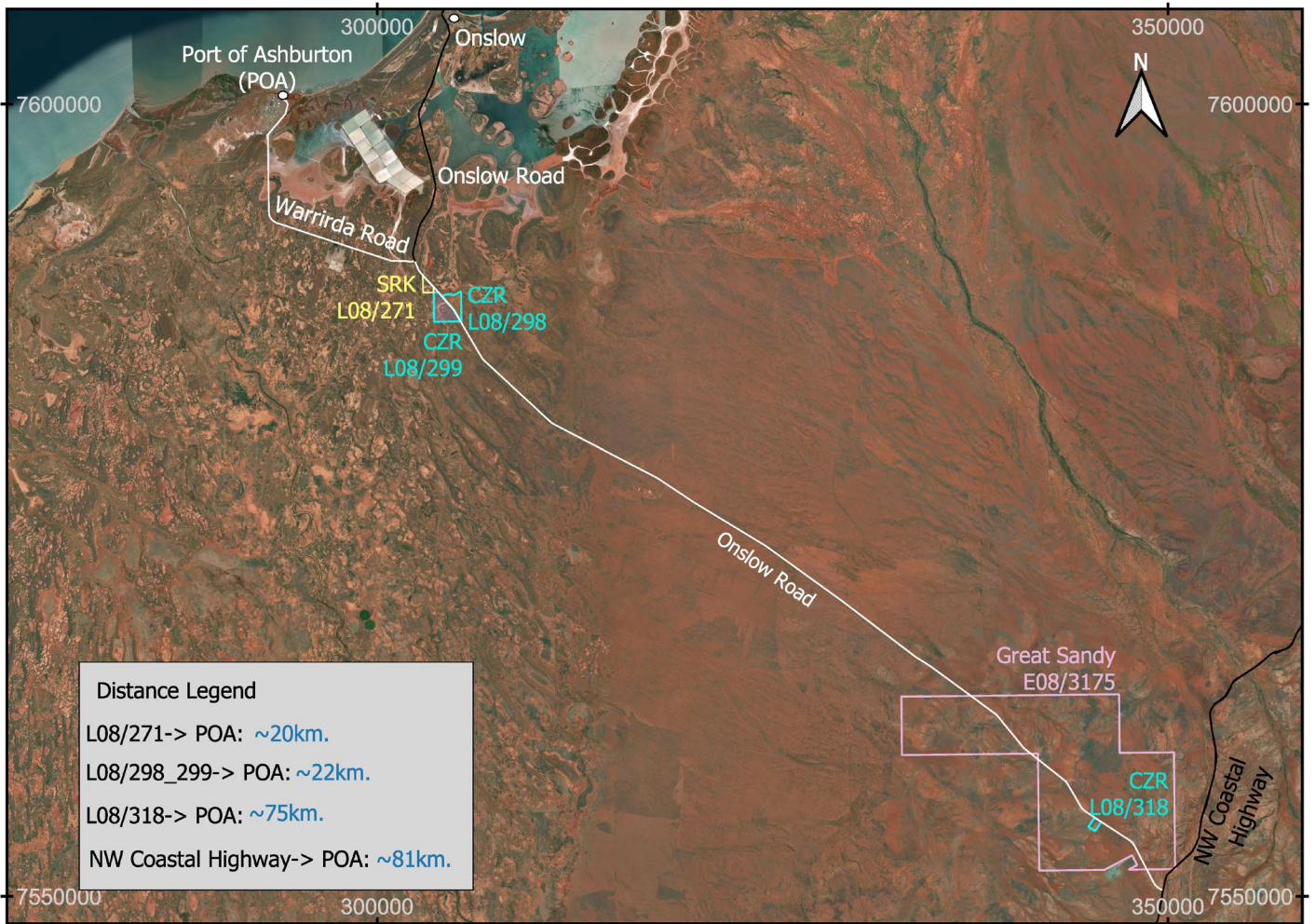
- **CZR has entered into an option agreement with Great Sandy Pty Ltd to acquire granted exploration tenement E08/3175, located 70km south of the Port of Ashburton**
- **CZR and Strike Resources Ltd (Strike) are assessing a joint stockyard and haulage depot located on E08/3175 that will service the Robe Mesa and Paulsens East iron ore mines and haulage to the Port of Ashburton for export**
- **This transaction continues CZR's focus on developing shared infrastructure to lower operating and capital costs for Robe Mesa**
- **E08/3175 also hosts the Mt Minnie Project, prospective for copper-gold mineralisation**

CZR Resources Ltd (ASX: CZR) is pleased to announce that it has secured a pivotal piece of land close to the Port of Ashburton, marking another important step along the path to developing its Robe Mesa Iron Ore Project in the Pilbara.

The Robe Mesa tenements are located immediately north and south of Rio Tinto's Mesa F project. CZR recently announced an increased Ore Reserve for Robe Mesa of 27.3Mt at 55.5% Fe (62.2% Fe calcined). This underpins a mine plan to produce 3.5Mtpa of direct shipping iron ore (DSO) over initial eight-year mine life.

As part of its development strategy, CZR has entered into an option agreement with Great Sandy Pty Ltd to acquire granted exploration tenement E08/3175, covering an area of 115km<sup>2</sup>, 60km southeast of the town of Onslow. E08/3175 is strategically located for a central stockyard and distribution hub to service CZR's Robe Mesa and Strike's Paulsens East iron ore mines and the Port of Ashburton Consortium (PAC) proposed export facility (ASX Announcement: 16 December 2022).

CZR has also applied for Miscellaneous Licence L08/318, located entirely on E08/3175 for the purpose of holding the related stockyard, trucking and accommodation facilities. Maximising the shared infrastructure between CZR and Strike is an important objective to further lower the capital and operating costs.

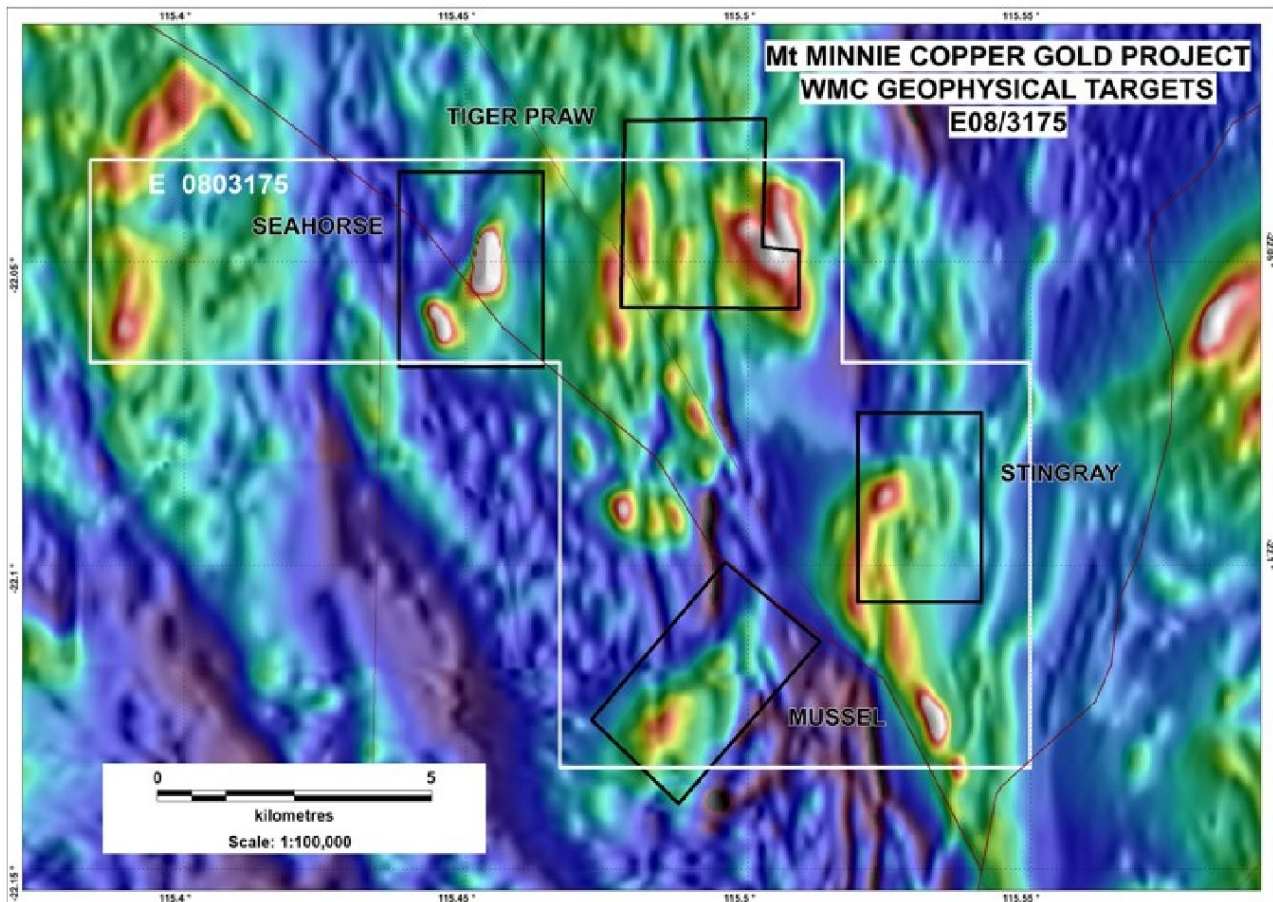


**Figure 1.** Location of E08/3175 relative to the Port of Ashburton and other CZR and Strike tenement applications

**Key Transaction Terms:**

- Initial option fee of \$5,000 cash for an exclusive option until 31 August 2023
- CZR may exercise its option to acquire E08/3175 at any time during the option period through the payment of \$75,000 in CZR shares.
- Alternatively, CZR may elect to extend the option period (second option period) for a further 4 months with the payment of a second option fee of \$5,000 cash
- At any time before the end of the second option period, CZR can elect to exercise the option at its discretion for \$70,000, payable in CZR shares, or elect to let the option lapse

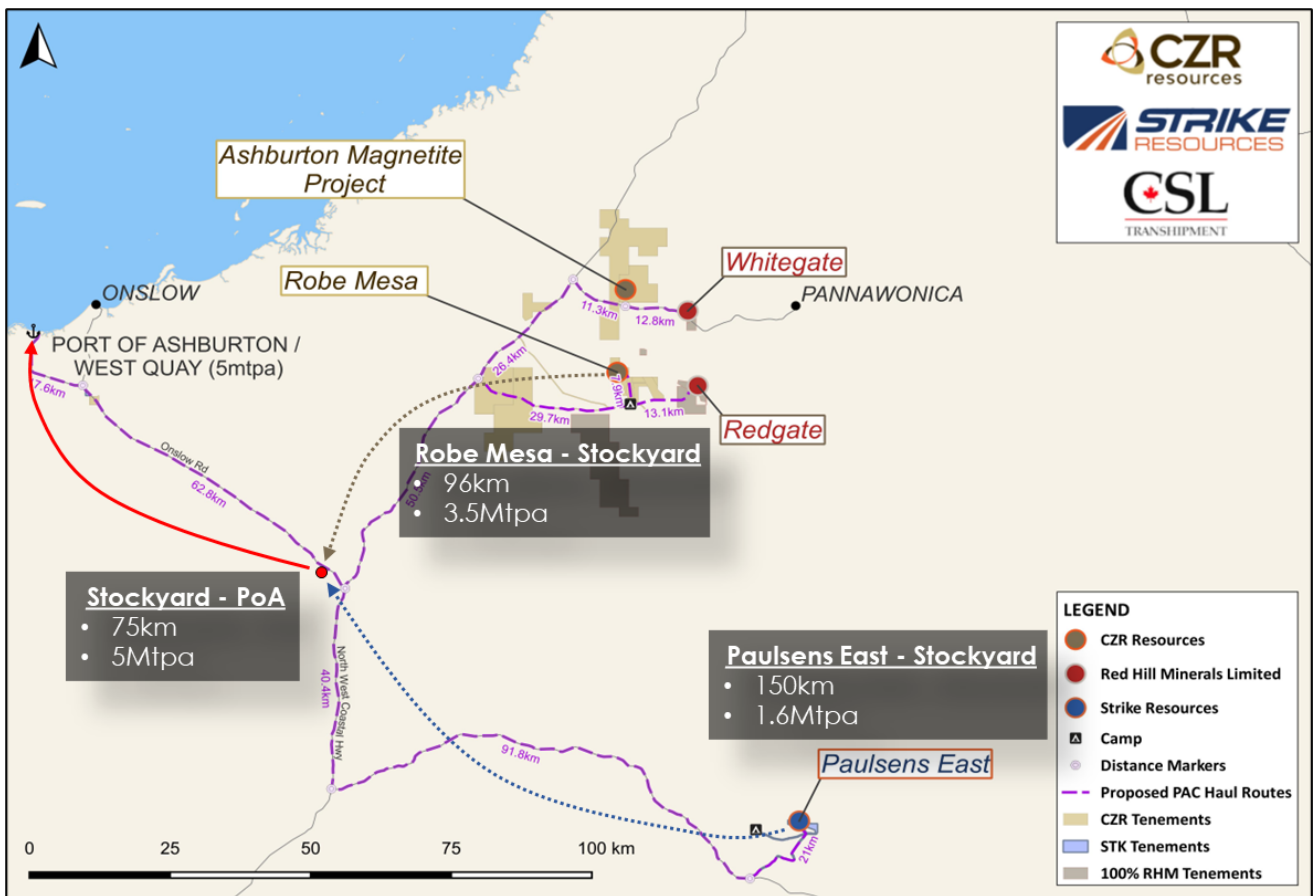
In addition to its strategic location for iron ore exports, E08/3175 hosts the Mt Minnie project, which partially covers the Proterozoic age sediments and granites of the Capricorn Orogen. Mt Minnie was identified in the 1990's by WMC for potential iron oxide copper gold deposits (IOCG) mineralisation, based on airborne and ground geophysics surveys and surface geochemistry, with four prospects identified: Mussel, Stingray, Tiger Prawn and Seahorse (Figure 2).



**Figure 2.** Mt Minnie copper-gold project showing airborne magnetics and WMC identified prospects

Exploration undertaken by WMC reported anomalous gold and/or copper mineralisation, with the Mussel prospect returning high grade copper rock chip samples from surface. Follow-up drilling intersected a variety of strongly altered haematite, epidote and carbonate mafic rocks with anomalous results.

CZR will now finalise designs for the shared infrastructure on E08/3175 to support its and Strike's haulage operations from a central hub to the Port of Ashburton (Figure 3).



**Figure 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**

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## 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 reference to an Ore Reserve estimate (see ASX Announcement dated 8 May 2023). The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of Ore Reserves, 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.