

## JWD MINING OPERATIONS TO RECOMMENCE

### HIGHLIGHTS

- Improved iron ore prices support restart of mining operations at JWD
- Recovery and sale of high-grade material from mineralised waste stockpile and haulage of fines stockpiles continuing while restart occurs
- USD2 million prepayment facility drawn with JWD offtaker Glencore to assist in funding working capital associated with ramp up and activity at the Company's other projects

CuFe Ltd (ASX: **CUF**) (**CuFe** or the **Company**) is pleased to provide an update on activities at its JWD iron ore project.

#### JWD Iron Ore Mine (JWD, JWD Project)

The Company holds a 60% interest in the JWD Project via its subsidiary Wiluna Fe Pty Ltd as operator of the joint venture (**JWD JV**).

Following improvement in iron ore prices (which are up ~ 50% from when mining activity was suspended) the Company has initiated a restart of mining operations at JWD. Product is expected to be ready for haulage to port by the end of the month.

As part of underpinning this restart CuFe has commenced building a hedge book to cover future sales. To date positions have been taken, basis March quotation period, with 10,000 tonnes swapped at USD120.7 and 20,000 DMT of collars entered with a floor price of USD110DMT and ceiling price of USD129.5 DMT, basis 62% Fe. Lump premium is additional to this and remains floating at this stage.

In addition to planning the restart of mining the JWD site team has continued to recover high grade material from a waste stockpile on site, crushing and screening it for trucking to port. A further 8-10,000 DMT of this material is expected to be loaded next week on a vessel shared with the neighbouring C4 project. That parcel is subject to a swap contract for February at USD116.50 DMT, basis 62% Fe.

The Company is also contributing a parcel of 20,000 DMT of fines product to a joint ship with C4, which will load during February. This material is circa 58% Fe and is being sourced from stockpiles which are economic to export presently given the lower freight rates and grade discounts that apply.

To assist in funding the working capital associated with the ramp up of activity the Company has negotiated a USD2m prepayment facility with its JWD offtake partner Glencore. The key terms of the facility are outlined in Appendix A to this announcement.

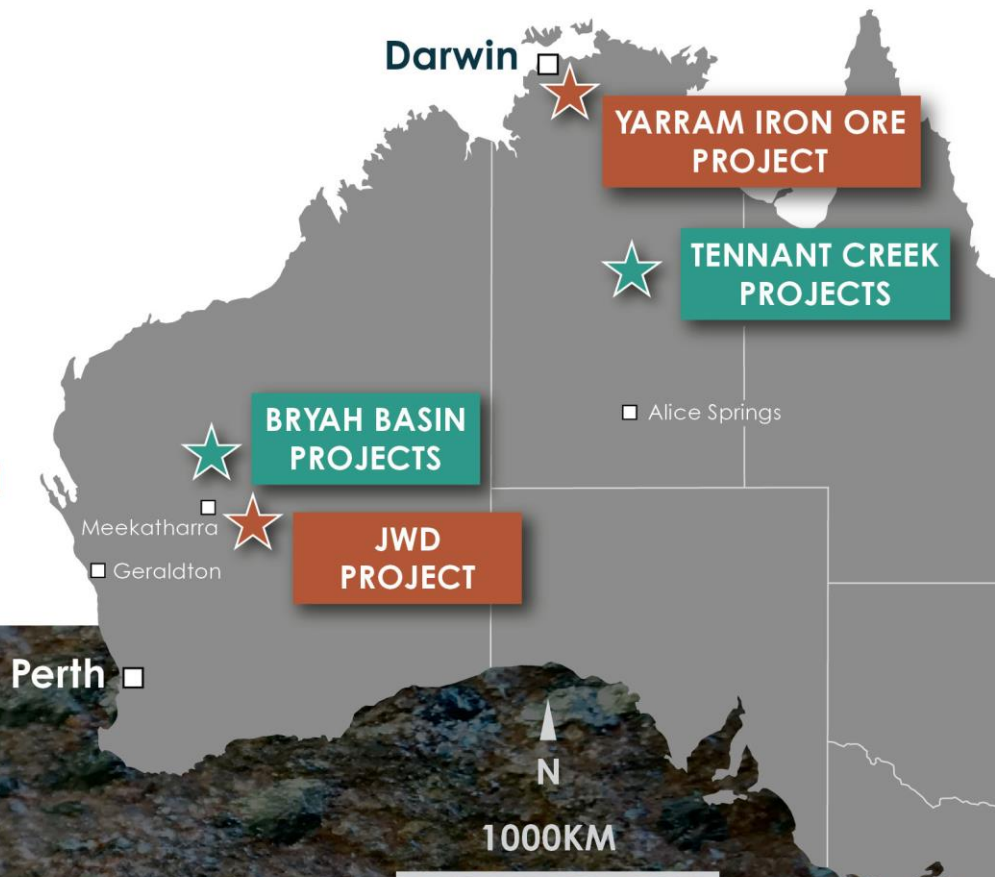
CuFe Executive Director, Mark Hancock, commented "It's pleasing to see the iron ore price back at levels that allow mining to recommence at JWD. With the relaxing of Covid related restrictions expected to drive economic activity in China and continued strong demand for our product from SE Asia we are optimistic that 2023 will offer a period of attractive pricing for JWD iron ore. This combined with an improved cost base arising from falling fuel prices lowering sea freight and road haulage cost and improved stripping ratios favourably impacting mining costs means CuFe is well placed as we move into the next phase of JWD operations."

Released with the authority of the CuFe Board.

APPENDIX A – FINANCING KEY TERMS

- Prepayment of USD2 million, repayable at USD400,000 + interest per ship until repaid or within 12 months, whichever is the earlier
- Interest rate on the outstanding balance at the Secured Overnight Financing Rate (SOFR) + 13%
- Glencore has right of first look and right of first refusal on offtake for projects currently owned by Cufe for the next three years
- Borrower is Cufe's wholly owned subsidiary, Wiluna Fe Pty Ltd with parent company guarantee from CuFe and the group is restricted from securing or disposing of major assets without consent while the prepayment remains outstanding

# CuFe<sub>ltd</sub>



## About CuFe Ltd

CuFe Ltd (ASX: CUF) is an emerging copper and iron ore company. Our strategy is focused on near-term, high grade premium product iron ore projects and maintaining exposure to strategic metals. The company has interests in various projects and tenements prospective for iron ore, copper and gold, all located in Australia. In October 2021, the Company commenced shipping from the JWD Project located in Western Australia.

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