

Robe Mesa Iron Ore Project, Pilbara

Progress on the Port of Ashburton Export Facility paves way for completion of DFS next month

Updated port capital estimates and optimised mine plan to be included in the DFS

Highlights

- **The Pilbara Ports Authority (PPA) has reviewed the Port of Ashburton Consortium Joint Venture (PAC JV) Project Definition Document for the iron ore export facility (POA Export Facility) and provided conditional support subject to EPA, Main Roads WA and Shire of Ashburton approvals**
- **Following its review, the PPA has agreed for the PAC JV to submit a Development Application for the POA Export Facility; This consent represents a significant development for the project**
- **The POA Export Facility was initially planned to be located along the Western side using PPA's Western Quay of the Port of Ashburton, however following review by PPA, it was requested that the PAC JV move its facility to the Eastern side and utilise PPA's Eastern Quay**
- **The new design considered traffic flow and shed capacity to minimise interactions and interruptions with other port users and is considered a superior location to support sustainable, low-cost and long-term iron ore exports from the Port of Ashburton**
- **CZR holds a 50% interest in the PAC JV, with CSL Australia (25%) and Strike Resources (25%)**
- **The Ashburton Export Facility Pty Ltd was incorporated on 8 September 2023, as the operating entity of the PAC JV that will hold all rights and obligations for the POA Export Facility**
- **CZR is finalising the Definitive Feasibility Study (DFS) with the updated POA Export Facility designs and capital estimates, as well as updating the Ore Reserve Estimate with the inclusion of the low-grade iron ore**

CZR Resources (ASX:CZR) is pleased to provide an update on the progress of the proposed export facility at the Port of Ashburton (POA Export Facility) and timing for delivery of the DFS. The PAC JV has been focussed on developing a multi-user bulk mineral export facility at the Port of Ashburton, with an export capacity of 5Mtpa.

CSL will have exclusive rights to transshipping POA Export Facility product through PPA's common user Eastern Quay and CZR and Strike will have take or pay export quota allocation in the following proportions:

- CZR : 66.7%
- SRK : 33.3%

After collaborative discussions between the Pilbara Ports Authority (PPA) and the PAC JV, CZR is pleased to confirm that the PPA has agreed for the PAC JV to submit a Development Application for the POA Export Facility at the Port of Ashburton. This consent represents a significant development for the project.

The POA Export Facility Development Application (DA) is scheduled to be submitted in October and will then be subject to a 90-day review period prior to approval. The DA approval will, amongst other things, be subject to PAC meeting PPA requirements and gaining broader stakeholder support. With the POA Export Facility concept now supported by PPA, the PAC JV can continue its engagement with local stakeholders with a clear operating strategy, execution plan and timeline to production.

CZR Managing Director Stefan Murphy said “This is a pivotal decision and fantastic outcome for CZR. It demonstrates our ability to work pro-actively with our partners to unlock the enormous value of the Robe Mesa project. We appreciate the positive feedback from the PPA and look forward to continuing the co-operative engagement so that its position and that of local stakeholders is well informed and respected.

With the PPA support for the DA submission, we can finalise the DFS for the Robe Mesa Project. The study will detail the development plan across the whole supply chain and outline the excellent financial returns of the project which are expected to improve significantly on the back of increased Ore Reserves and the increasing iron-ore price”.

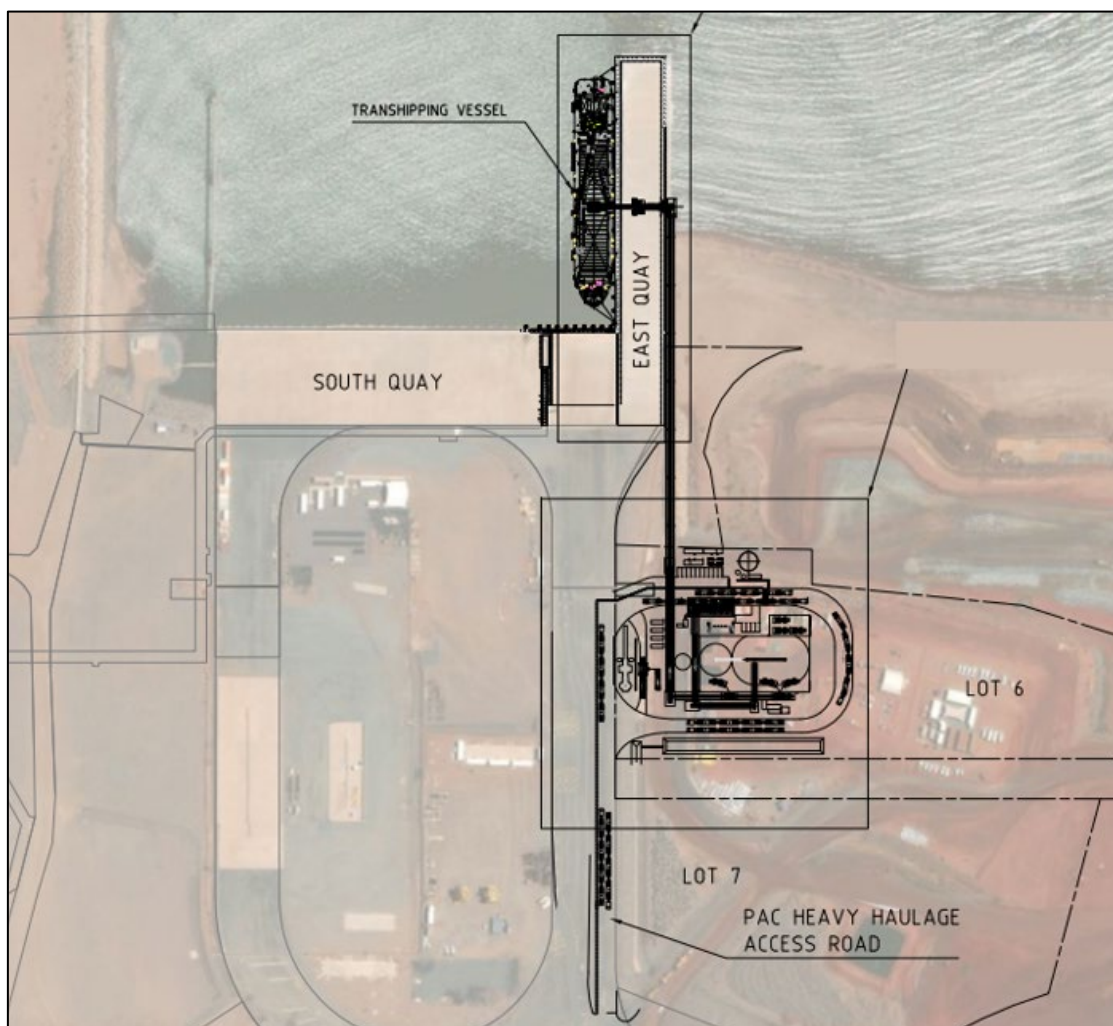


Figure 1: POA Export Facility Layout illustrating the proposed infrastructure items at the Eastern Port Precinct.

The concept design for the POA Export Facility utilises the East Port Precinct (EPP) within the Port of Ashburton and proposes a multi-user facility with landside infrastructure for haulage and truck unloading, material storage and ship loading. The marine side of the proposal includes a 12kt transshipment vessel with ability to self-load Ocean Going Vessels (OGV) up to cape-size, reducing freight costs for exporting iron ore.

The facility will focus on exporting iron-ore from PAC JV foundation mines including Robe Mesa (CZR) and Paulsen’s East (Strike) and will have capacity for third party offtakes to infill gaps in production. The POA Export Facility has a design capacity of 5 Mtpa based on dynamic simulation modelling completed by the PAC JV, incorporating haulage, stockpiling at the port and transshipment movements, including weather and operational delays.

Further details on the POA Export Facility and development timeline will be provided in the upcoming Robe Mesa DFS.

Ashburton Export Facility Project Overview

The Port of Ashburton is located 12 kilometres south-west of Onslow. The Port of Ashburton has been identified as a suitable export location for CZR and Strike Resources due to proximity to the Robe Mesa (170km) and Paulsen’s East (234km) deposits (Figure 2). CSL has joined the consortium as it has considerable expertise in the transshipment of iron ore, including operations such as those proposed at the Port of Ashburton.

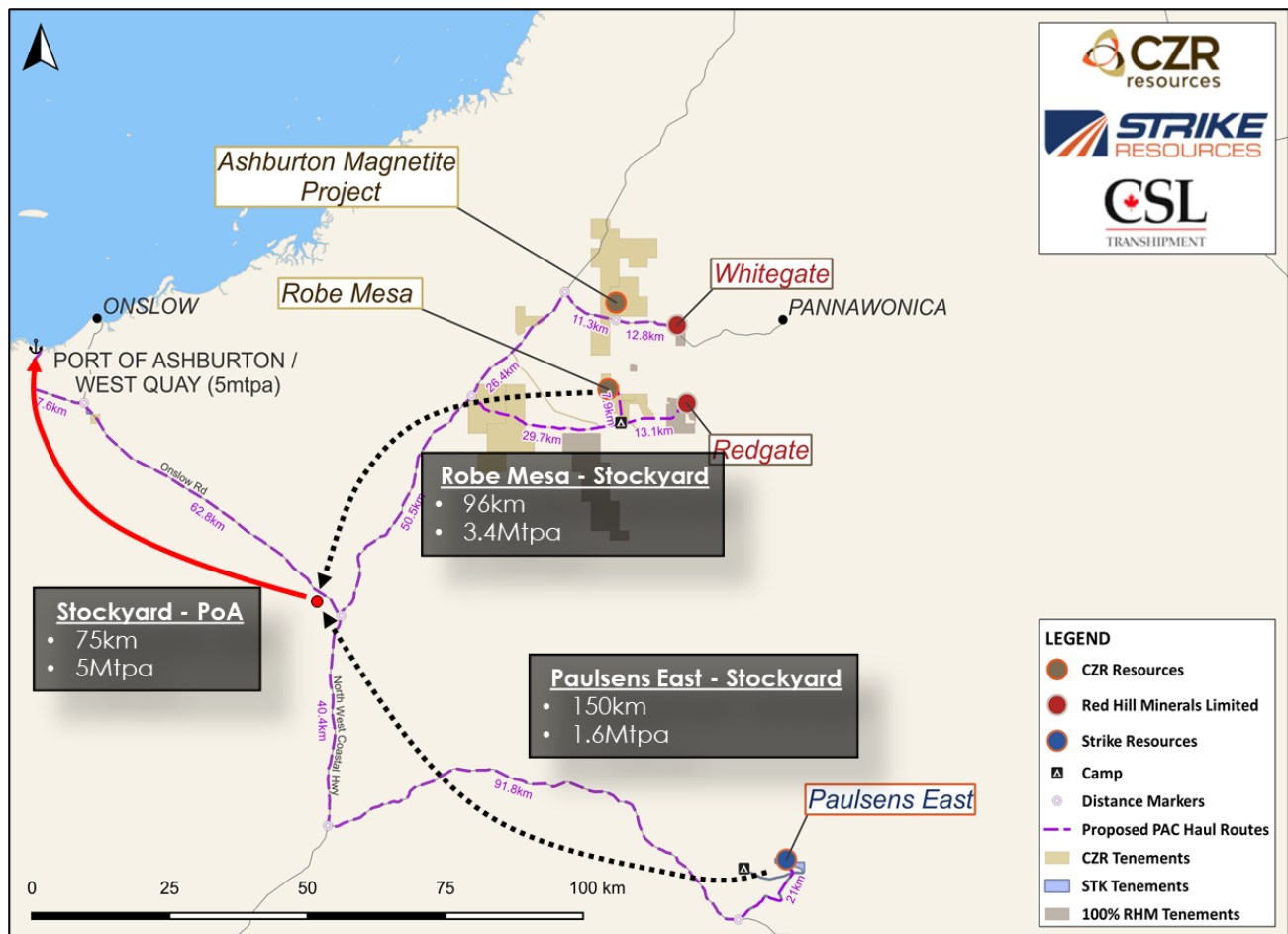


Figure 2: Proximity of the Robe Mesa and Paulsen's East deposits to the Port of Ashburton

The PAC JV is proposing to develop and operate a multi-user bulk mineral export facility within the existing PPA Port of Ashburton in the Eastern Port Precinct (EPP) utilising PPA's common user Eastern Quay. As can be seen from the layout (Figure 1), the infrastructure has been positioned on the East Quay and occupies a limited footprint to ensure that the other port functions are not inhibited. By working cooperatively with PPA to understand their position, PAC JV has been able to establish a design which is supported by the PPA to progress towards DA submission.

The facility will consist of three main operational areas:

- 1) Haulage and truck unloading,
- 2) Material storage and ship loading, and
- 3) Offshore marine operations including transshipment and OGV loading.

The facility will initially focus on exporting iron ore minerals (fines and lump) from the PAC JV foundation exporters, with smaller in-fill third party offtakes to cover gaps in production or opportunities. The facility will be developed to be compatible with a range of bulk mineral products to ensure that access covers a broad range of other operations and benefits multiple miners.

The net benefits from this project include:

- 1) Unlocks access to stranded resources in the central and western Pilbara that are unable to feasibly access the only other multi-user facility.
- 2) Quick and cost-effective logistics solution and access to market, allowing smaller volume miners with limited capital the ability to focus on mine development and processing.
- 3) Minimal environmental impact in project development. The facility will largely utilise existing and underutilised port and road infrastructure, negating the need for establishing a new port and creating significant environmental impact.
- 4) Generates significant revenue for state and federal Governments through forecast state royalty and tax payments estimated at ~\$400m, and regional job opportunities and infrastructure for the future.
- 5) Creation of up to 450 jobs across the mine and port operations.

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

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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.

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.