

6 October 2020

## ASX Announcement

### JWD High Grade Iron Ore Deposit Continues Towards Production

#### Highlights

- On the 17 September 2020 Fe Ltd (FEL:ASX) announced that it had entered into a binding JV Agreement to acquire a 51% interest in the Mining Rights Agreement held by Gold Valley Iron Ore (GWR ASX Announcement 3 October 2019) over the Wiluna West JWD deposit 100% owned by GWR Group Limited.
- The GWR board is pleased with the inclusion of FEL:ASX, a company with a healthy cash balance, experienced management and project operations team recently bolstered with the appointment of experienced iron ore executive Project Director Mr Jeremy Sinclair (Rio Tinto Ltd and Atlas Iron Ltd).
- To date GWR has received a total \$625,000 from the JWD Mining Agreement, with the most recent payment of \$125,000 received from FEL:ASX on 30 September 2020 and \$375,000 remaining via quarterly take or pay payments. The next \$125,000 instalment is due in December this year.
- These payments relate to Stage 1 of the agreement being a small scale mining operation, which requires mining and trucking of 300,000 tonnes within 21 months of the Project Management Plan “PMP” and GWR is pleased that FEL will target early commencement of operations to meet this date and take advantage of current high iron ore prices
- Stage 2 is triggered should FEL:ASX elect to exercise its option to extract a further 2.7Mt from the JWD deposit they must pay GWR \$4,250,000 and for all tonnes mined and trucked greater than 3 Million a flat Rate Royalty of \$3.50/ per tonne is payable.
- Additionally, Stage 1 and 2 attract a production royalty linked to the iron ore price, which provides cash payments to GWR in the range of \$1.00 to \$2.00 per tonne.
- Total JWD mineral resource of 10.7 Mt @ 63.7% Fe, 2.8% SiO<sub>2</sub>, 1.5% Al<sub>2</sub>O<sub>3</sub><sup>1</sup> (JORC 2004 - refer GWR Group Ltd ASX announcement 11 April 2013) with the deposit outcropping from surface (Figure 1)

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<sup>1</sup> 2004 JORC Code compliant Resource is 131.1 Mt at 60.0% Fe, comprising of 10.1 Mt at 62.5% Fe Measured, 72.0 Mt at 59.9% Fe Indicated and 48.8 Mt @ 59.4% Fe Inferred. (refer ASX announcement dated 12th November 2019 and 8th July 2011 and 11th April 2013).



**Figure 1 - Outcropping High-grade ore at the JWD Project**

GWR Group Limited (**ASX:GWR**) (“**GWR Group**” or “the **Company**”) is pleased to announce further progress in the development of the high grade JWD Iron Ore deposit following the Fe Ltd (FEL:ASX) announcement to the ASX (17 September 2020) that it had entered into a binding JV Agreement to acquire a 51% interest in the Mining Rights Agreement held by Gold Valley Iron Ore over the Wiluna West JWD deposit wholly owned by GWR Group Limited.

The GWR board views the involvement of Fe Ltd as an endorsement to the quality of the JWD deposit and provides increased confidence the deposit will be exploited in order to receive the benefit of the buoyant iron ore prices. Additionally, the company is buoyed with the recent appointment by Fe Ltd of experienced iron ore executive Jeremy Sinclair as Projects Director to drive the JWD Deposit forward into production.

Mr Sinclair is a mining engineer, with 25 years experience across a variety of commodities, including more than 10 years at Atlas Iron during which he played a key role in the successful development and operation of five iron ore mines as General Manager Pilbara Operations and then Chief Operating Officer. Prior to joining Atlas he held management roles in Rio Tinto’s Pilbara Operations.

**It is important for shareholders to note, the total Stage 1 payment to GWR remains the same where to date GWR has received at total \$625,000 from the JWD Mining Agreement, with the most recent payment of \$125,000 received from FEL:ASX on 30 September 2020, with \$375,000 to be paid for the next three quarters. The next \$125,000 cash instalment is due in December 2020.**

**Additionally, a further \$4.25 million is payable to GWR on exercise of the Stage 2 Option and for all tonnes mined and trucked greater than 3 Million a flat Rate Royalty of \$3.50/ per tonne is payable. In addition to these stage payments a production royalty is payable during both stages, which is linked to the iron ore price in the range of \$1 to \$2 per tonne.**

Significant development work completed at the JWD deposit includes resource optimisation, pit design and mine plan with the majority of approvals granted including the (PMP), which was approved in January 2020 and relates to a total 3Mt for 1Mtpa.

FEL will operate the Joint Venture with its 51% interest and look to commence operations as soon as practically possible to meet the obligations under the Mining Rights Agreement that a minimum of 300,000 tonnes is mined and trucked with 21 months from the PMP approval date.

## About the Joint Venture partners for mining the JWD deposit

Gold Valley and Fe Limited are members of a joint venture to mine up to 3 Mt of iron ore at the Wiluna West Iron Ore Project's JWD deposit. Gold Valley is part of the Gold Valley Group, a diversified Australian based company with interests in mining, agriculture and energy. [www.goldvalley.com.au](http://www.goldvalley.com.au)

Fe Limited is a listed (ASX: FEL), diversified mining development and minerals exploration company with interests in gold, iron ore, base metals and more recently battery metals with project additions targeting lithium and nickel. Fe Limited also holds or has rights or interests, in several projects highly prospective for iron, nickel, copper and gold located in the Bryah Basin region of Western Australia with JV venture partners Auris Minerals Ltd, Alchemy Resources Ltd, Independence Group NL, Westgold Resources Limited, Billabong Gold Pty Ltd and Sandfire Resources NL. [www.felimited.com.au](http://www.felimited.com.au).

In April 2012, GWR was granted mining approval for the JWD high grade deposit (refer to ASX announcement 20 April 2012). This Mining Approval allows for the mining of up to one million tonnes per annum for three years for a total of 3 million tonnes of iron ore. The JWD deposit is within the Wiluna West Iron Ore Project tenements and contains a DSO hematite resource of 10.7Mt at a high grade 63.7% Fe, using a cut-off of 55% Fe (Refer Table 1).

GWR is currently assessing strategies in an effort to further exploit and expedite production tonnage across the remaining portion of its total 131.1 Mt at 60.0% Fe (2004 JORC Code compliant Resource) Iron Ore inventory in order to benefit from the buoyant iron ore price and demand for high-grade ore.

### **The company looks forward to providing further updates to shareholders across:**

- **High-grade Iron Ore C4 DSO hematite project and JWD Deposit**
- **Its planned aggressive gold exploration program at Wiluna West Gold Project**
- **Potential new toll milling agreement for the Wiluna West Gold project or alternative production strategies**
- **GWR's free-carried Hatches Creek Tungsten JV**
- **Progress on Tungsten Mining ML (TGN:ASX) world class Mt Mulgine Tungsten (GWR owns 9.08% of TGN)**

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### **Competent Person's Statement**

*The information in this report which relates to Exploration Targets, Exploration Results and Mineral Resources or Ore Reserves is based on information compiled by Mr Allen Maynard, who is a Member of the Australian Institute of Geosciences ("AIG"), A Corporate Member of the AusIMM and independent consultant to the Company. Mr Maynard is the Director and principal geologist of Al Maynard & Associates Pty Ltd and has over 40 continuous years of exploration and mining experience in a variety of mineral deposit styles. Mr Maynard has sufficient experience which 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, Exploration Targets, Mineral Resources and Ore Reserves" (JORC Code). Mr Maynard consents to inclusion in the report of the matters based on this information in the form and context in which it appears.*

*The Mineral Resource Estimate was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

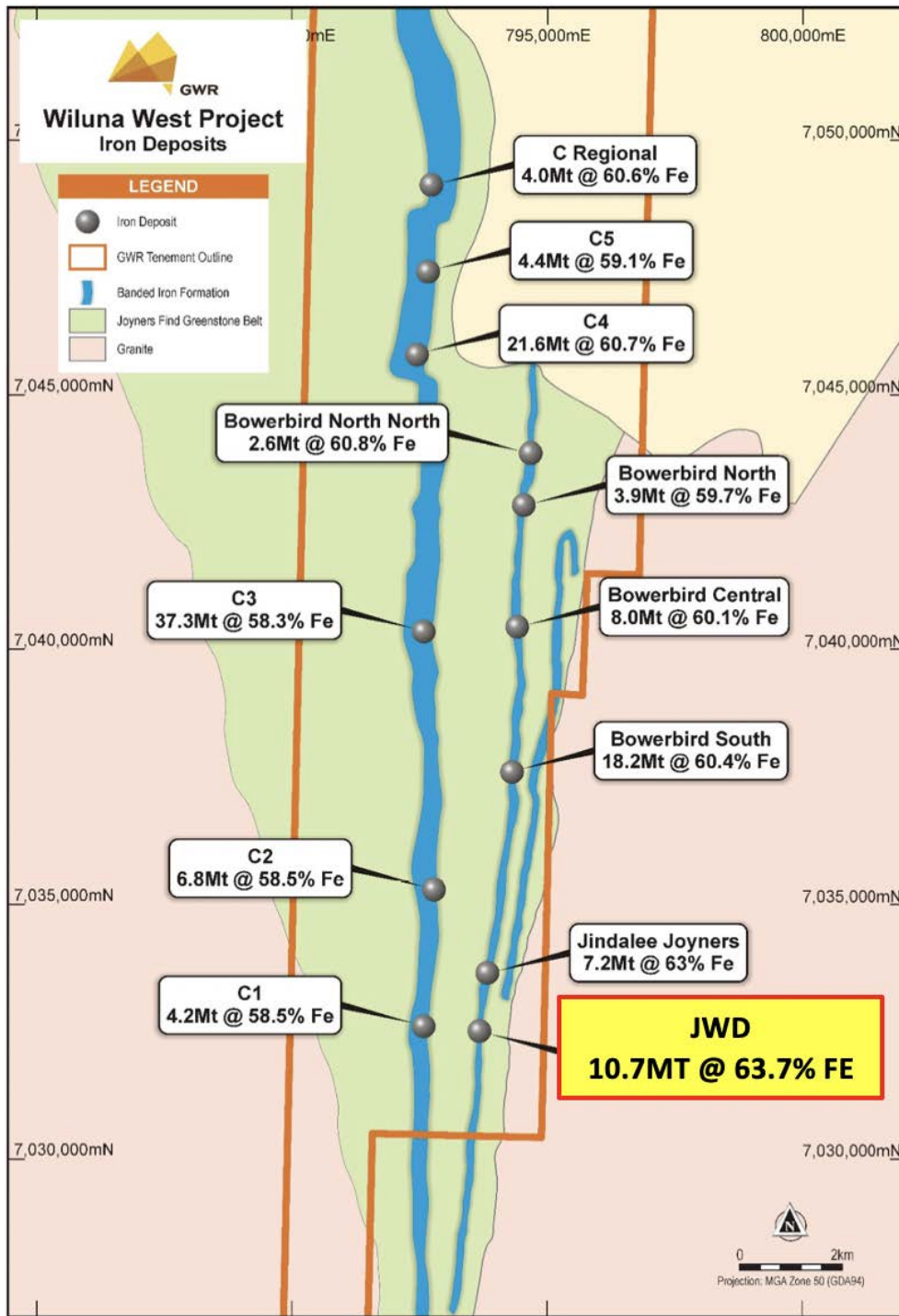


Figure 2 - JWD Project Location Plan

Table 1. Wiluna West Iron Ore Project Mineral Resources by Deposit

GWR Group Limited Wiluna West Global Fe Resources									
Classification	Deposit	Calc	Cut Off	Tonnes (Mt)	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %	P %
Measured	JWD	Optiro 2013	55	6.40	64.07	2.63	1.51	3.07	0.034
	BOWERBIRD CENTRAL	Optiro 2011	50	1.20	62.27	6.25	2.74	1.60	0.038
	C3	Optiro 2011	50	2.50	58.38	8.46	2.39	5.14	0.107
	<b>TOTAL</b>			<b>10.10</b>	<b>62.45</b>	<b>4.50</b>	<b>1.87</b>	<b>3.41</b>	<b>0.053</b>
Indicated	BOWERBIRD CENTRAL	Optiro 2011	50	5.90	59.86	7.76	3.44	2.65	0.054
	BOWERBIRD SOUTH	Optiro 2011	50	13.00	60.50	7.18	2.91	2.89	0.048
	JWD	Optiro 2013	55	0.90	63.61	2.76	1.33	3.57	0.030
	JINDALEE JOYNEERS	Optiro 2010	50	3.30	63.61	4.27	2.05	1.83	0.036
	C3	Optiro 2011	50	30.40	58.47	8.35	2.39	5.22	0.076
	C4	Optiro 2010	50	18.53	61.17	8.08	1.97	2.22	0.034
<b>TOTAL</b>			<b>72.03</b>	<b>59.94</b>	<b>7.76</b>	<b>2.43</b>	<b>3.64</b>	<b>0.056</b>	
Inferred	BOWERBIRD NTH NTH	GWR 2009	50	2.58	60.84	5.19	2.19	3.64	0.050
	BOWERBIRD NTH	Snowden 2008	50	3.90	59.70	6.50	3.80	2.60	0.040
	BOWERBIRD CENTRAL	Optiro 2011	50	0.80	58.15	9.48	3.83	2.86	0.045
	BOWERBIRD SOUTH	Optiro 2011	50	5.20	60.03	8.33	2.42	2.36	0.038
	JWD	Optiro 2013	55	3.40	63.13	3.23	1.58	3.38	0.029
	JINDALEE JOYNEERS	Optiro 2010	50	3.90	62.47	4.81	2.12	2.16	0.057
	C1	Snowden 2007	50	4.20	58.50	7.20	3.30	5.20	0.088
	C2	GWR 2009	50	6.76	58.52	6.89	2.86	6.25	0.036
	C3	Optiro 2011	50	4.40	56.70	8.97	3.25	6.13	0.069
	C4	Optiro 2010	50	3.08	58.00	10.30	2.85	3.60	0.035
	C5	Snowden 2007	50	4.40	59.10	8.90	2.10	3.80	0.118
	CR	Snowden 2007	50	4.00	60.60	9.30	1.40	1.70	0.030
	South 2	Snowden 2008	50	2.20	56.20	9.10	2.03	7.80	0.077
<b>TOTAL</b>			<b>48.82</b>	<b>59.45</b>	<b>7.45</b>	<b>2.57</b>	<b>4.03</b>	<b>0.055</b>	
Deposit Totals	BOWERBIRD NTH NTH	GWR 2009	50	2.58	60.84	5.19	2.19	3.64	0.050
	BOWERBIRD NTH	Snowden 2008	50	3.90	59.70	6.50	3.80	2.60	0.040
	BOWERBIRD CENTRAL	Optiro 2011	50	8.00	60.06	7.70	3.38	2.51	0.051
	BOWERBIRD SOUTH	Optiro 2011	50	18.20	60.37	7.51	2.77	2.74	0.045
	JWD	Optiro 2013	55	10.70	63.74	2.83	1.52	3.21	0.032
	JINDALEE JOYNEERS	Optiro 2010	50	7.20	62.99	4.57	2.09	2.01	0.047
	C1	Snowden 2007	50	4.20	58.50	7.20	3.30	5.20	0.088
	C2	GWR 2009	50	6.76	58.52	6.89	2.86	6.25	0.036
	C3	Optiro 2011	50	37.30	58.26	8.43	2.49	5.32	0.077
	C4	Optiro 2010	50	21.62	60.72	8.39	2.09	2.42	0.034
	C5	Snowden 2007	50	4.40	59.10	8.90	2.10	3.80	0.118
	CR	Snowden 2007	50	4.00	60.60	9.30	1.40	1.70	0.030
	South 2	Snowden 2008	50	2.20	56.20	9.10	2.03	7.80	0.077
<b>Grand Total</b>			<b>131.10</b>	<b>60.00</b>	<b>7.40</b>	<b>2.40</b>	<b>3.80</b>	<b>0.060</b>	

Note: Differences may occur due to rounding. Refer ASX Announcements 12<sup>th</sup> November 2019, 8<sup>th</sup> July 2011 and 11 April 2013.