

18 December 2020

ASX Announcement

Works Approval Lodged - JWD High Grade Iron Ore Project

Highlights

- On the 17 December 2020 Fe Ltd (FEL:ASX) announced (Refer ASX Announcement - Lodgement of Works Approval For JWD Iron Project) that it has lodged its Works Approval application for the JWD Iron Ore Project with the WA Department of Water and Environmental Regulation (“DWER”).
- FEL advised the Works Approval is the only outstanding primary environmental approval required to facilitate commencement of production at JWD and supply high grade iron ore to the market in the near term.
- FEL expect to receive this approval in the Q/E March 2021 and in the meantime their experienced team will continue to work on port, transport and offtake agreements.
- FEL has 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 next \$125,000 take or pay installment payable to GWR is due on 31st December 2020 from the JWD Mining Agreement.**
- These payments relate to Stage 1 of the agreement being small scale mining operation, which requires mining and trucking of 300,000 tonnes within 21 months of the 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% SiO₂, 1.5% Al₂O₃ (JORC 2004 - refer GWR Group Ltd ASX announcement 11 April 2013) with the deposit outcropping from surface (Figure 1).

¹ 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 provide a further update on the development of the high grade JWD Iron Ore deposit following the Fe Ltd (FEL:ASX) announcement to the ASX (17 December 2020).

FEL has 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.

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.

FEL advised the ASX it has “lodged its Works Approval application for the JWD Iron Ore Project with the WA Department of Water and Environmental Regulation (“DWER”). The Works Approval is the only outstanding primary environmental approval required to facilitate commencement of production at JWD.”

FEL also advised they expect to receive this approval in the Q/E March 2021 and in the meantime their team will continue to work on port, transport and offtake agreements. Once approval is granted FEL believes “with iron ore demand extremely strong at present having a mature project like JWD that has the ability to supply high grade iron ore to the market in the near term has significant value to our shareholders.”

The next \$125,000 take or pay installment payable to GWR is due on 31st December from the JWD Mining Agreement.

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.

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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

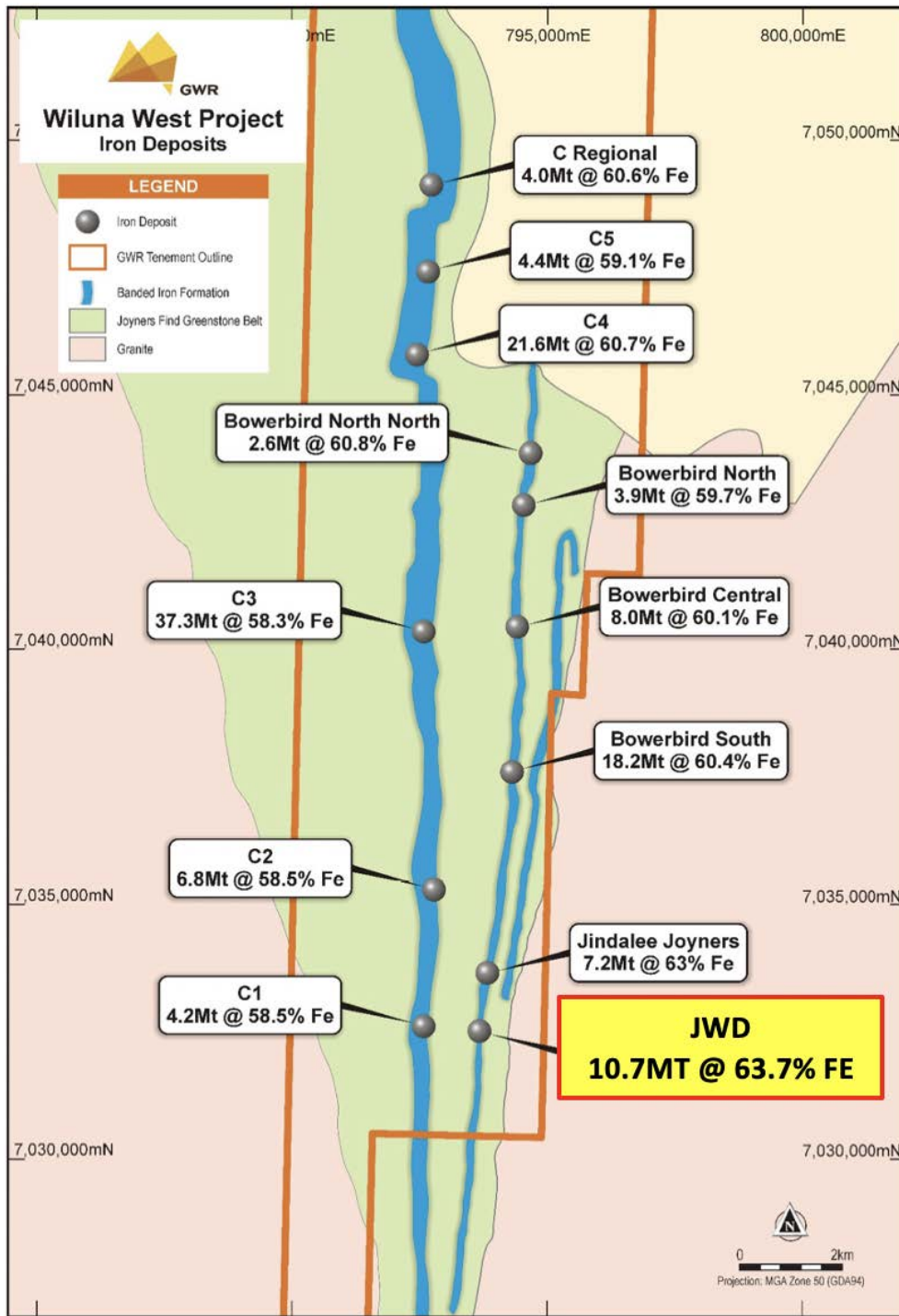


Table 1. Wiluna West Iron Ore Project Mineral Resources by Deposit

| GWR Group Limited Wiluna West Global Fe Resources | | | | | | | | | |
|--|-------------------|--------------|---------------|--------------|--------------|--------------------|----------------------------------|--------------|--------------|
| Classification | Deposit | Calc | Cut Off | Tonnes (Mt) | Fe % | SiO ₂ % | Al ₂ O ₃ % | 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 |
| | TOTAL | | | 10.10 | 62.45 | 4.50 | 1.87 | 3.41 | 0.053 |
| 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 |
| TOTAL | | | 72.03 | 59.94 | 7.76 | 2.43 | 3.64 | 0.056 | |
| 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 |
| TOTAL | | | 48.82 | 59.45 | 7.45 | 2.57 | 4.03 | 0.055 | |
| 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 |
| Grand Total | | | 131.10 | 60.00 | 7.40 | 2.40 | 3.80 | 0.060 | |

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