

21 December 2020

ASX Announcement

Road Transport Contract Executed – C4 Iron Deposit

HIGHLIGHTS

- **Following the commencement of mining at Stage 1 of the 100% owned C4 Iron Deposit¹, Alliance Partner Pilbara Resource Group (PRG) has achieved a significant production milestone having finalised the Haulage Contract with QEM Group Australia Pty Ltd (QEM) to transport the ore from the C4 mine site to Port of Geraldton.**
- **With road transport of the product a crucial link in the production chain, GWR is pleased to have this secured at contract rates that are in line with the company's internal estimates.**
- **High-Grade ore is currently being stockpiled on the ROM (Figure 1), with crushing and screening activities on-going, the transport of this high grade material to the Port of Geraldton is imminent.**
- **Site 88 at the Port of Geraldton is now prepared and fully operational which includes a truck unloading facility, a storage shed with approximately 100,000 tonnes of capacity, and associated conveyor networks (Figure 2).**
- **PRG is engaged for Stage 1 of the C4 mining operations which covers the first 1 million tonnes of C4's Mineral Resource estimate of 21.6 million tonnes at 60.7% Fe² with assessment and modelling currently underway to increase production tonnage on Stage 1 (Figure 3).**
- **GWR is currently undertaking a review of C4 to assess what portion of the remaining ~20 million tonnes² will be optimised in Stage 2 mining of the C4 deposit and begin to engage with interested parties.**
- **Following the execution of the sales contract ore vessel charters will commence in January through the Port of Geraldton.**

¹ Refer ASX Announcement 4th December 2020 (Production Works Commence at C4 Iron Deposit)

² 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).

GWR Group Limited (**ASX:GWR**) (“**GWR Group**” or “the **Company**”) is very pleased to announce the final and crucial link in the production process has been satisfied with Alliance Partner Pilbara Resource Group (PRG) having finalised and executed the Haulage Contract with experienced contractor QEM Group Australia Pty Ltd (QEM) to road transport the ore from GWR’s 100% owned flagship C4 Iron Ore deposit in Wiluna, WA to Port of Geraldton.

With road transport a crucial link in the production chain, GWR is pleased to have this secured at contract rates that are in line with the company’s internal estimates.

On Thursday 3rd December 2020 the Company and its contract partners Pilbara Resource Group Pty Ltd (PRG) commenced mining operations at its 100% owned flagship C4 Iron Ore deposit in Wiluna, WA, described as **an exceptional, DSO project, which will produce a high grade, low impurity iron ore.**

From here, the High-Grade ore that is currently being stockpiled on the ROM (Figure 1), with crushing and screening activities on-going, the company believes the transport of this high-grade material to the Port of Geraldton is imminent.



Figure 1: High-grade ore crushed and stockpiled on ROM pad awaiting transport.

Alliance Partner Pilbara resource Group (PRG) is engaged for Stage 1 of the C4 mining operations which covers the first 1 million tonnes of C4’s Mineral Resource estimate of 21.6 million tonnes at 60.7% Fe with assessment and modelling currently underway to increase production tonnage on Stage 1.

Under the Joint Venture with PRG, GWR is required to provide minimal capex and opex, will retain 70% share in the project profit as well as retaining the rights for ore sales, strategy and timing.

GWR is currently undertaking a review of C4 to assess what portion of the remaining ~20 million tonnes will be optimised in Stage 2 mining of the C4 deposit and begin to engage with interested parties.

Site 88 at the Port of Geraldton is now prepared and fully operational which includes a truck unloading facility, a storage shed with approximately 100,000 tonnes of capacity, and associated conveyor networks (Figure 2).

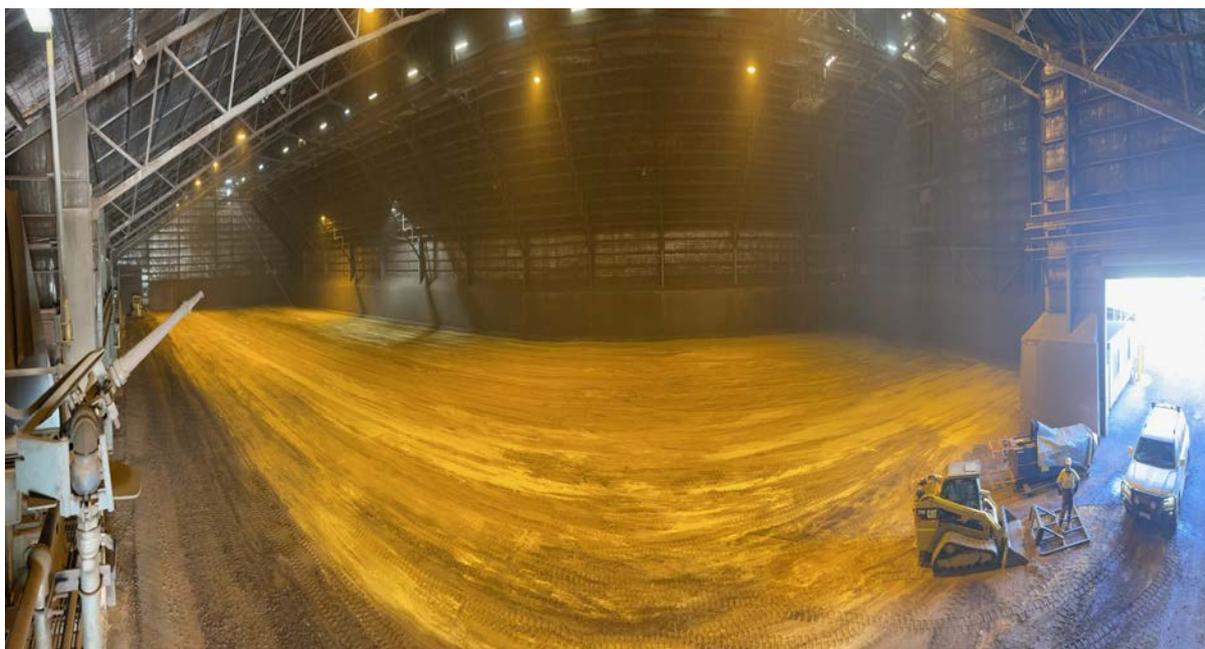


Figure 2: Site 88 at the Port of Geraldton is now prepared and fully operational.

Table 1: Key project Milestones to be achieved for the development of the C4 Iron Deposit

<u>MILESTONE</u>	<u>PROGRESS</u>
<i>**The Company will keep shareholders informed of operational milestones as they progress**</i>	
Haulage contracts	Completed
Completion of service agreement with nearby mine for access to site services such as village, workshops and water.	Completed
Finalisation of contract rates for major services; mining, crushing and screening	Completed
Northern Haul Road construction and site setup (workshops, lay down area' s, internal access roads and services such as water, power and communication)	On schedule
Works Approval (required for crushing and screening operations)	Completed
Road user agreement for the gravel sections and low standard tar sealed sections of the C4 turn to Meekatharra portion of the Gold Fields highway	Progressing
Completion of agreements with Port of Geraldton for services and third party for shed access	Completed
Commencement of Production Mining Operations	Commenced
Commencement of first Iron Ore Haulage	Expected Shortly
Offtake Agreements of High-grade DSO Iron Ore	Completed
First Ore at Geraldton Port of Iron Ore Mined and Transported	Jan 2021

Table 2. 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 JOYNER'S	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 JOYNER'S	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 JOYNER'S	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.