

2 February 2022

ASX Announcement

C4 Iron Ore Mine Back in Full Production

- Following the recommencement of mining operations in early January 2022 and the identification of cost savings across the operation, the flagship high-grade C4 iron ore mine is now back in full production.
- Drill and blast in full swing and mining fleet working on Stage 1 & Stage 2 exposing significant quantities of high-grade ore.
- Over 2 million tonnes of high-grade iron ore at low strip ratios available within Stage 1 remnants and the Stage 2 pit whilst crushing and screening plant working on existing ROM stocks as mining fleet now delivers fresh ore to the ROM.
- Haulage fleet building with long term haulage contractors being supported by new carriers, delivering ore to GWR's Geraldton storage facility in preparation for shipping.
- MV Guang Xi departed the Port of Geraldton Saturday 29th January 2022 with a cargo of iron ore lump shared between GWR and CuFe Ltd (ASX:CUF), in order to clear inventory in the Port as the supply chain ramps up.
- GWR portion shipped was 30,438 tonnes of iron ore lump at a premium grade of 64.7% Fe with low contaminants.
- Steady sales book with increasing fixed price contracts covering one vessel per month now through to July 2022:
 - The next vessel is a February shipment due 20th – 24th and has been secured on a fixed price (FOB Basis) at US\$95/t (Fines) and US\$100/t (Lump) for 30,000 tonnes each for lump and fines.
 - The March lump shipment has been hedged at a fixed price of US\$110 (FOB Basis) and shipments for April, May and June lump have been hedged at a fixed price of US\$111 (FOB Basis).
 - The July lump shipment has been hedged at a fixed price of US\$114 (FOB Basis).
- GWR is currently reviewing opportunities for a second vessel per month, whilst taking advantage of alternative markets such as Malaysia and Indonesia as well as China.
- GWR is well placed to increase volumes in future months with an additional 20 million tonnes available at C4 and should long-term fixed priced contracts be secured or iron ore prices rise further.

GWR Group Limited (ASX:GWR) (“**GWR**” or “**the Company**”) is pleased to announce its 100% owned high-grade C4 Iron Ore mine in Wiluna, Western Australia is now back in full production following the restart of operations in early January 2022.



Figure 1 - C4 Iron Ore Project, Drill and Blast underway and Mining recommenced

Sales Contracts and Shipments

Following the restart, a January shipment of 30,438 tonnes of iron ore (lump) at a premium grade of 64.7% Fe with low contaminants was secured on a fixed price (FOB Basis) at US\$100/t, this shipment was shared with CuFe Ltd (ASX:CUF).

GWR now has a steady sales book in place with increasing fixed price contracts of one vessel per month through to July and is well placed to increase volumes in future months should long term contracts be secured or should iron ore prices rise further.

Fixed price sales contracts currently in place covering a good portion of 2022 are as follows:

- **A February shipment due 20th – 24th has been secured on a fixed price (FOB Basis) at US\$95/t (Fines) and US\$100/t (Lump) for 30,000 tonnes each for lump and fines.**
- **A March lump shipment at a fixed price of US\$110 (FOB Basis).**
- **April, May and June lump shipments at a fixed price of US\$111 (FOB Basis).**
- **A July lump shipment at a fixed price of US\$114 (FOB Basis).**

FOB sales contracts provide certainty for GWR and remove the uncertainty related to shipping costs.

With an additional 20 million tonnes available at the C4 project, GWR has the opportunity to tap into alternative Asian markets (Malaysia and Indonesia as well as China) pursuing fixed priced contracts which would allow long-term sustainable operations.

Operations

Drill and blast operations are being provided by MCS Solutions and are fully operational with the mining fleet working on Stage 1 & Stage 2 exposing significant quantities of high-grade ore. The 530 Bench being mined at the Stage 1 pit contains 111,000 tonnes of high-grade ore averaging 62.0% Fe at a low strip ratio of only 0.3:1 (0.3 tonnes of waste for 1 tonne of ore).

Over 2 million tonnes of high-grade iron ore at low strip ratios is available and the crushing and screening plant and mining fleet are fully operational.

The focus of efforts is again on building the Haulage fleet with long term haulage contractors being topped up with additional haulage companies, delivering ore to the GWR storage shed in Geraldton for shipping.

GWR continues to work with Alliance Contract partner, Pilbara Resources Group (in Administration), GWR does not anticipate that the administration process will result in any impact on the C4 project or GWR.

GWR Chairman Mr Gary Lyons commented:

"It is great to see the flagship C4 Iron Ore mine back in full production, having worked through the recent volatility in iron ore prices, the GWR team has been able to refine its operations focused on cost reduction and fixed priced contract shipments.

Due to the nature of our high-grade iron ore, we have been able to take advantage of alternative markets such as Malaysia and Indonesia as well as China.

There are many moving parts to our operation, and I am very pleased with our ability to tie these in all together as we continue to build our haulage fleet with long term haulage contractors supplemented by additional haulage companies".

This ASX announcement was authorised for release by Gary Lyons, Chairman of GWR Group Limited

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Competent Person's Statement

Wiluna West Iron Ore Mineral Resources

The information in this report which relates to 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 Member of the Australasian Institute of Mining and Metallurgy (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.

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 %	SiO₂ %	Al₂O₃ %	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 JOYNSERS	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 JOYNSERS	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 JOYNSERS	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

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