

ASX Announcement

GWR To Accelerate Magnesium Project Following Site Visit

- The Prospect Ridge Magnesite project area is located in north west Tasmania, 55 km south west of the Port of Burnie. It sits on a granted Exploration Licence, (EL5/2016), it is 11km long and 51km² and contains two magnesite deposits, the Arthur River and Lyons River deposits containing the third largest Magnesite inventory in Australia.¹
- GWR has engaged leading environmental and engineering consultants pitt&sherry to assist in accelerating approvals and review a proposed infill drilling program planned for the Arthur River deposit. pitt&sherry are engineering specialists within Tasmania and it is planned to initiate a logistics and infrastructure study in the near future.
- The aim of the drilling will be to increase the size and upgrade the classification of the existing JORC 2012 Inferred Mineral Resource estimate of 25 million tonnes of fresh magnesite grading 42.4% MgO to an average depth of 100m below the surface at a cut-off of 40% MgO (Table 1).
- GWR expects to have drilling approvals in the coming months, and in the meantime will continue to engage with potential offtake partners for a DSO product and also towards a low-cost, zero waste, high-quality and eco-friendly downstream process that can add significant value to the end product.
- GWR geological team was buoyed by their recent meetings which included:
 - Mineral Resources Tasmania and Department of State Growth: Where it was confirmed that a significant amount of historical data is available for the project area, including 8,500m of diamond drill core (50 drill holes) which is stored at the Government Core Library, and can be accessed by GWR. This core could provide a valuable resource for GWR for future metallurgical test work.
 - The University of Tasmania and the Centre for Ore Deposits and Earth Sciences (CODES): Where discussion focused on the Prospect Ridge project and work being undertaken by CODES on critical minerals within Tasmania.
 - Process Technologies Australia: Experienced metallurgical consultants who assisted with previous metallurgical test work on the project as undertaken by both Jindalee Resources Limited and Beacon Hill Plc.
 - The Port of Burnie: one of the States key deep-water Ports and the largest general cargo port in Tasmania.
 - Desktop and Transport Studies will commence following the site-visit and the company will look to update the feasibility study over the project.

GWR Group Limited (ASX:GWR) (“GWR” or “the Company”) is pleased to update shareholders following the GWR geological teams visit to Tasmania, which provided an additional level of confidence in respect the availability of local resources available to support and advance the project.

¹ Source Geoscience Australia Website – www.ga.gov.au

GWR Chairman Mr Gary Lyons commented: *“A recent site visit lead by our founding Director, Mick Wilson has only reinforced our initial confidence in the advanced Prospect Ridge Magnesite project. The support the team was shown by government agencies and private enterprise has been very encouraging.*

We believe GWR can apply its experience in bulk commodity DSO mining and in addition identify technology partners to provide us with the opportunity of benefiting from downstream processing.

GWR is excited to have entered the “green sector” and the company will be capitalising on the plethora of data and knowledge gained from the site visit to revise Feasibility Studies conducted on the project and embark on an aggressive exploration campaign to increase the size of the resource and upgrade its classification”.

Site Visit

GWR founding Director Mick Wilson led the recent site visit and sees many similarities between conducting the mining operations over the Prospect Ridge Magnesite project and that of the C4 Iron Ore deposit currently being mined by GWR Group Ltd that is approaching the 1,000,000 tonne milestone.

Upon returning to Perth, the team engaged leading environmental and engineering consultants pitt&sherry to assist in accelerating approvals and review the aggressive drilling campaign at the Prospect Ridge Magnesite project located in north-west Tasmania. pitt&sherry have worked with a number of ASX listed Tasmania operators such as Venture Minerals Ltd (ASX:VMS) who have a Tin-Tungsten project in Mount Lindsay, Tasmania that has commenced its Feasibility studies.

Drilling approvals are expected in the coming months, additionally, works will commence for the revision of Feasibility Studies over the Prospect Ridge project as well as Desktop and Transport Studies.

The site visit enabled the company to get a first-hand look at the support from government and private enterprise which will assist in moving the project forward. The Prospect Ridge Magnesite project area was previously held by a Mining Lease and now sits on a granted Exploration Licence, (EL5/2016), it is 11km long and 51km² and contains two deposits, the Arthur River and Lyons River deposits, containing the third largest Magnesite inventory of Economic Demonstrated Resources (EDR) in Australia (www.ga.gov.au).

Mineral Resources Tasmania and the Department of State Growth advised that the Government Core Library holds approximately 8,500m of Prospect Ridge diamond core and significant other geological data on the project. The core will be of considerable use in conducting metallurgical work and in furthering discussions with potential offtake partners.

GWR intends to further its new relationship with The University of Tasmania and the Centre for Ore Deposits and Earth Sciences (CODES) who are focused on studies “unlocking the potential for development of Australia’s unconventional critical metal resources”.

Discussions with the Port of Burnie, one of the States key deep-water Ports and the largest general cargo port in Tasmania, progressed very well and GWR will consider the Port of Burnie as a multi-user option to export Magnesite in their studies.

The GWR team also engaged with experienced Magnesium metallurgists Process Technologies Australia who undertook previous metallurgical test work and are available to continue to assist with the project as required.

Prospect Ridge Magnesite Project

The Project is an advanced asset where a substantial amount of work has previously been undertaken, including diamond drilling, metallurgical testwork, hydrological testwork, resource modelling and feasibility studies.

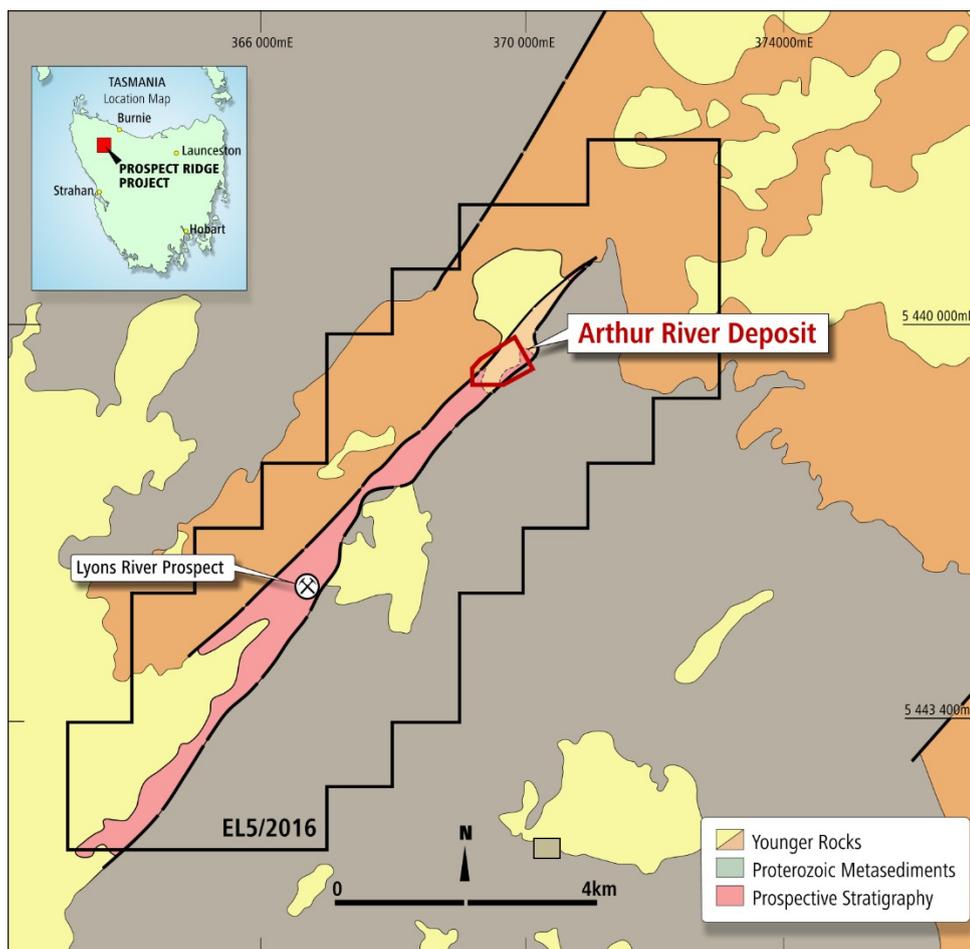


Figure 1: Prospect Ridge Location Plan showing tenure and summary geology

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

For further information please contact:

Gary Lyons
Chairman

David Utting
David Utting Corporate
Ph: +61 416187462

Mark Pitts Company
Secretary

E: garylions@heiniger.com.au

E: david@davidutting.com

E: markp@endeavourcorp.com.au

Competent Person's Statements

Where the Company refers to the Mineral Resource Estimate in this announcement, referencing the previous announcements made to the ASX and specifically that made on 27 January 2022, it confirms that it is not aware of any new information or data that materially affects the information in those announcements, and all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.

About Prospect Ridge Project

The Prospect Ridge Project (the Project) is located in northwest Tasmania and contains the Arthur River and Lyons River magnesite deposits.

The project is on a granted Exploration Licence (EL5/2016), which is 51km² in size and located approximately 55km west southwest of the Port of Burnie, which is one of the States key deep water Ports and the largest general cargo port in Tasmania. The project area was previously held as Mining Lease.

Geoscience Australia's website notes that the Arthur-Lyons Rivers area now covered by EL5/2016 contains the third largest inventory of magnesite in Australia (refer www.ga.gov.au).

The deposits are within steeply dipping Proterozoic metasediments of the Arthur Metamorphic Complex along the northeast trending Arthur River Lineament, which extends from the north coast of Tasmania through Prospect Ridge to the Savage River Iron deposit located 40km to the south. Mineralisation occurs as massive magnesite (MgCO₃), with pure magnesite containing 47.8% MgO.

Previous work was mainly undertaken by CRA (Rio Tinto), Crest Resources and Beacon Hill Plc. GWR believe there remains significant exploration potential over the 11km of strike held and as extensions to the known deposits. GWR plans to undertake a comprehensive review of all previous exploration data with a view to defining an Exploration Target for areas outside of the Arthur River deposit.

The Prospect Ridge Magnesite Project has a JORC 2012 Inferred Mineral Resource estimate of 25 million tonnes of fresh magnesite grading 42.4% MgO, 4.8% SiO₂, 1.4% Fe₂O₃ and 2.6% CaO to an average depth of 100m below the surface at a cut-off of 40% MgO (Table 1).

Table 1
Arthur River Inferred Mineral Resource Estimate

Cut-Off (MgO (%))	Tonnes	MgO (%)	SiO₂ (%)	Fe₂O₃ (%)	CaO (%)
36	36,820,000	41.1	5.9	1.7	2.9
38	32,090,000	41.7	5.4	1.6	2.8
40	25,120,000	42.4	4.8	1.4	2.6
42	15,280,000	43.3	4.2	1.3	2.2
44	3,040,000	44.5	3.0	1.0	1.9

Refer ASX announcement 27 January 2022