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The Company Announcements Office
ASX Limited Via E Lodgement

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SIGNIFICANT CID DRILL TARGETS IDENTIFIED AT YARRALLOOLA DRILLING TO COMMENCE IN AUGUST

HIGHLIGHTS

- **An interval of the Robe Channel system on the Yarraloola Project has a capping of well-sorted, pisolitic iron-stone in excess of 10m thick over a strike length of about 2.5km where samples report Fe to 59.4%.**
- **An outlier of the Redgate Channel system has a capping of well-sorted, pisolitic iron-stone up to 50m thick which extends over an area of about 300m long by 100m wide with Fe to 60.1%.**
- **The Robe and Redgate Channel systems both represent priority drill targets with a plan for up to 2000m of RC drilling to commence in August once statutory and heritage approvals are received.**
- **A 4km long extension to the Whitegate Channel has been identified in a palaeo-valley up to 50m thick cutting the Brockman Iron Formation. Surface samples of pisolitic iron-stone report Fe to 59.9%. Detailed mapping and identification of access routes for future drilling is underway.**
- **An area of pisolitic surficial debris in the lower part of the Robe River Channel system has been targeted for more detailed mapping.**
- **Pisolitic iron-stones from an outlier of the Barbeque Valley Channel report Fe to 58.3%. Work to identify the westerly extension of the system beneath cover has commenced.**
- **Pisolitic iron-stones from the Peters Creek Channel report Fe to 57.9%. Mapping shows the width, thickness and sorting of the pisolites is increasing to the west. Work to identify the westerly extension beneath cover has commenced.**

YARRALOOOLA EXPLORATION UPDATE

Pisolitic Iron-stone Mineralisation in Palaeo-channel Systems (CID's)

Background

The Yarraloola Project in the West Pilbara is divided in the southern part by the RioTinto Ltd owned Robe River Channel Iron deposits (CID) which currently support large-scale mining operations at Warrambo, Mesa A and Mesa J (Fig 1). In addition, Red Hill Iron Ltd has defined additional resources on the Whitegate and Redgate Channel systems which were tributaries to the Robe River system. However, away from the exposed channel systems with larger surface areas, there has been little reported exploration or sampling on either the narrower systems or areas where the channels appear to extend beneath younger cover. New road and port infrastructure is being developed by Iron-ore Holdings Ltd and rail and port facilities by the Baosteel JV. This infrastructure will traverse the CZR tenements and thus significantly improve the economics of smaller, high-grade deposits within the project area.

Work Programmes and Results

Recent field-work by CZR has involved mapping and rock-chip sampling of palaeo-channel systems that have the potential to host CID mineralisation.

A. Priority Drill Targets

Two readily accessible targets with pisolitic iron-stone outcrop have been selected for works and heritage approval in preparation for drilling.

1. Robe River Channel System

The CZR tenements cover approximately 3000m of the Robe River Channel system between the RioTinto owned Mesa A and Mesa J Mines. The channel has a capping of well sorted, richly pisolitic iron-stone where samples reported Fe to 59.4% overlying a ferruginous conglomerate which had samples reporting Fe to 57.8% (Table 1).

2. Redgate Channel System

The CZR tenements cover a portion of an outlier of the Redgate Channel system where surface mapping has identified a well sorted, pisolitic capping up to 50m thick which is about 300m in length and 100m wide where surface samples reported Fe to 60.1% (Table 1).

B. New Discoveries

Office-based studies which reviewed the palaeogeography and geophysical responses from specific areas within the Yarraloola and were then followed up in the field have identified some new potentially significant palaeo-channels containing pisolitic iron-stones.

1. Whitegate Channel Extension

East of the Whitegate Channel system, a steep-sided palaeo-valley over 4km in length and up to 50m thick is hosted by the Brockman Iron Formation. In places, exposure shows the valley contains ferruginous conglomerate in the lower part that grades into a capping of well-sorted pisolitic iron-stone on the upper surface. Initial samples from the pisolitic capping report Fe to 59.1% (Table 1)

and the underlying ferruginous conglomerate has Fe to 54.4%. More systematic mapping of the channel is required along with the identification of access routes and sites for future drilling programmes.

This new extension to the Whitegate channel has a similar setting to Iron-Ore Holdings Ltd Bungaroo South deposit.

2. Peters Creek with Eastern Extension

Mapping and sampling along the 5km outcropping sections of the Peters Creek channel has identified intervals of well sorted pisolites with Fe to 57.9%. These intervals along the outcropping parts of the channel system represent future drill targets. To the east, sampling has identified patchy outcrops of pisolitic ironstone on an elevated plateau and this also represents a future drill target.

C. Future Target Opportunities

There are three targets on the western portion of the Yarraloola project where the palaeogeography, geophysics and surface mapping indicate the potential for extensions to the pisolitic, channel-fill iron-stones beneath cover.

1. Lower Robe River Channel

Areas adjacent to the Warrambo Mine, which is operated by RioTinto Ltd have a surface covered with fine pisolitic iron-stone mineralisation. The area will be mapped in detail and the region is identified as a future drill target.

2. Lower BBQ Valley

Mapping along the 1km long exposed section of the BBQ Valley channel shows an increase in the thickness and sorting of the pisolites from east to west with samples reporting Fe to 58.3% (Table 1). Further west, the plain has a ferruginous surface and it appears channel fill may be preserved beneath soil and colluvium. Detailed mapping is underway with a focus on identifying access and corridors with the potential to host palaeo-channels which will be targets for future drilling.

3. Lower Peters Creek Channel

Mapping along the exposed sections of the Peters Creek channels shows an increase in the width, thickness and sorting of the pisolites from east to west. Further west, the plain has a ferruginous surface and it appears channel fill may be preserved beneath soil and colluvium. Detailed mapping is underway with a focus on identifying access and corridors with the potential to host palaeo-channels. These areas will become targets for future drill programmes.

D. Future Work

Currently, detailed mapping and additional rock-chip sampling is nearing completion. Plans for approximately 2000m of RC drilling on the priority targets for channel-iron have been generated. WA DME and Heritage approvals are being lodged and the drilling is expected to be commenced in August.

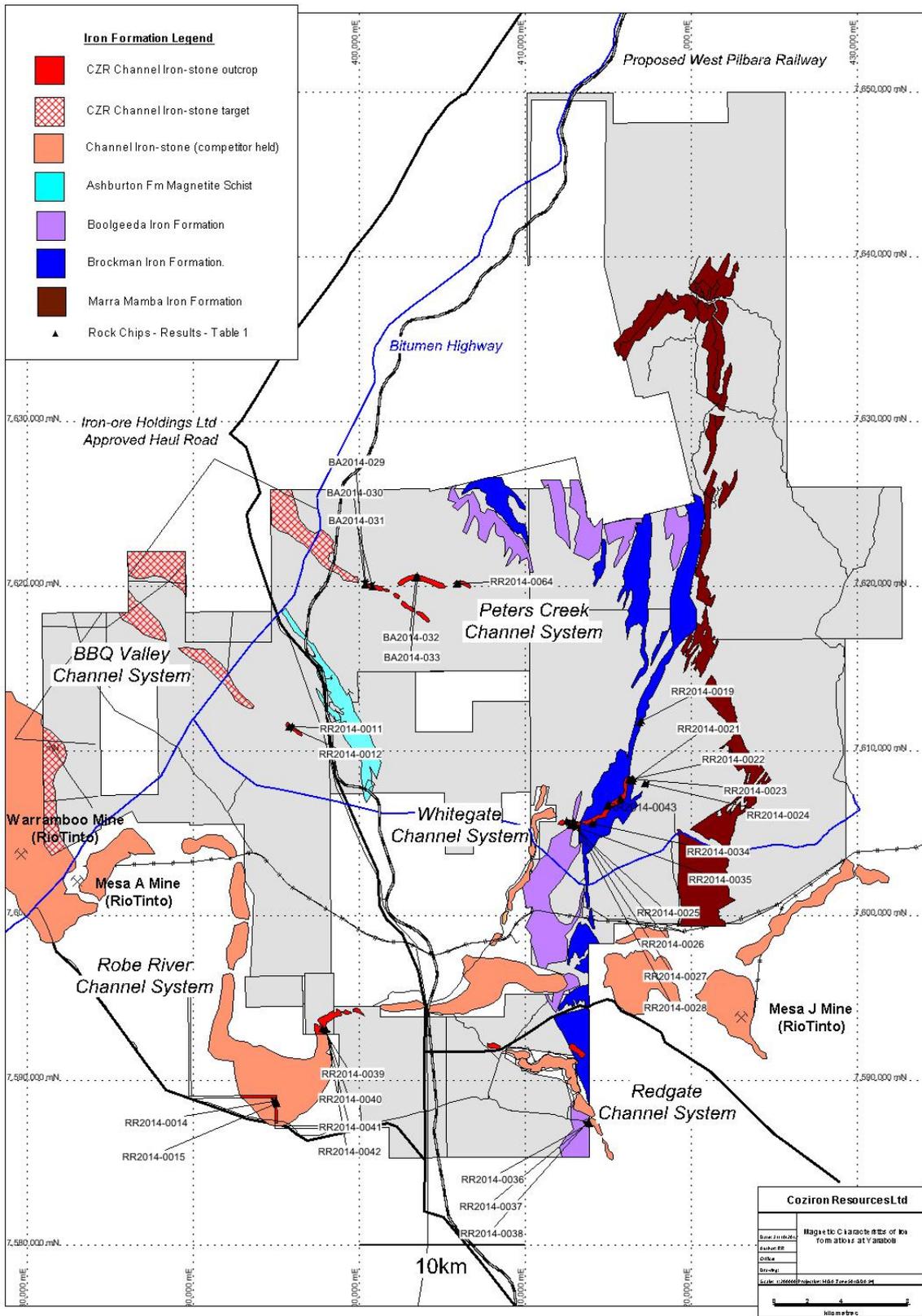


Fig1. Distribution of the pisolitic iron-stone channel systems and major Ashburton Trough, Hamersley Group Iron Formations and major transport infrastructure on the Yarraloola Project tenements, West Pilbara, Western Australia.

Table 1. XRF results from Ultratrace Laboratories with LOI at 100 and 1000°C for iron-rich samples from the pisolite-bearing, palaeo-channel prospects on the Yarraloola Project described on Fig 1. (Easting and Northing are GDA Zone 50)

Prospect	Sample Number	Easting	Northing	Rock Code	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Robe	RR2014-0014	394974	7588783	Conglomerate	57.85	4.14	3.17	0.041	9.58
Robe	RR2014-0015	395013	7588636	Conglomerate	55.67	4.76	3.11	0.04	11.98
Robe	RR2014-0039	397800	7593205	Pisolite	59.44	5.01	2.34	0.031	7.31
Robe	RR2014-0040	397967	7593135	Pisolite	58.61	3.73	2.89	0.036	9.13
Robe	RR2014-0041	397981	7593146	Pisolite	55.56	3.14	3.97	0.047	12.94
Robe	RR2014-0042	398012	7593142	Conglomerate	56.26	3.1	3.45	0.067	12.45
Redgate	RR2014-0036	413870	7587415	Pisolite	59.51	4.86	2.99	0.054	6.23
Redgate	RR2014-0037	413825	7587478	Pisolite	60.15	4.19	2.35	0.07	6.88
Redgate	RR2014-0038	413796	7587528	Pisolite	58.88	4.18	3.58	0.059	7.01
Whitegate	RR2014-0019	416846	7611736	Conglomerate	54.48	7.59	5.45	0.044	7.48
Whitegate	RR2014-0021	416445	7608211	CID	56.37	7.03	4.12	0.032	7.08
Whitegate	RR2014-0022	416285	7608276	CID	52.55	6.03	7.59	0.027	10.16
Whitegate	RR2014-0023	416254	7608297	CID	45.81	20.2	3.67	0.068	9.6
Whitegate	RR2014-0024	417170	7608058	Conglomerate	36.1	43.05	1.08	0.188	2.34
Whitegate	RR2014-0025	412490	7605801	Conglomerate	42.03	23.56	5.23	0.056	9.85
Whitegate	RR2014-0026	412904	7605747	CID	47.21	18.25	3.88	0.098	8.65
Whitegate	RR2014-0027	412906	7605722	CID	59.94	3.3	3.03	0.09	6.86
Whitegate	RR2014-0028	413026	7605501	CID	53.45	12.68	2.32	0.076	7.7
Whitegate	RR2014-0034	414039	7605649	Conglomerate	43.75	22.51	4.89	0.071	8.75
Whitegate	RR2014-0035	412702	7605518	Conglomerate	40.81	28.09	4.45	0.056	7.8
Whitegate	RR2014-0043	414935	7606671	CID	51.76	9.38	4.77	0.028	11.2
Whitegate	RR2014-0044	415023	7606780	CID	50.03	11	8.51	0.025	7.11
Whitegate	RR2014-0045	415721	7607155	CID	50.47	12.13	6.81	0.065	7.71
Whitegate	RR2014-0046	415764	7607122	CID	48.21	13.42	6.79	0.026	9.81

Prospect	Sample Number	Easting	Northing	Rock Code	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	LOI %
Peters Creek	BA2014-029	400370	7620140	CID	51.39	11.36	3.21	0.141	10.92
Peters Creek	BA2014-030	400379	7620149	CID	57.06	4.67	4.89	0.046	8.28
Peters Creek	BA2014-031	400794	7620011	CID	57.93	4.51	4.31	0.081	7.63
Peters Creek	BA2014-032	403388	7620535	CID	57.01	5.51	1.45	0.034	11.34
Peters Creek	BA2014-033	403467	7620650	CID	51.85	8.07	5.62	0.103	11.23
Peters Creek	RR2014-0064	405880	7620180	CID	51.35	6.85	6.41	0.126	12.19
BBQ Valley	RR2014-0011	395781	7611521	CID	55.01	8.26	4.55	0.093	6.9
BBQ Valley	RR2014-0012	395780	7611521	CID	58.34	5.45	3.87	0.082	6.18

ABOUT COZIRON LIMITED

Coziron Resources Limited (ASX:CZR) owns 85% of the Yarraloola Iron-ore Project in the West Pilbara (1450km² of granted tenements), the KingX Manganese Project in the Earahedy Basin (859km² granted and 2127 km² under application) and Buddadoo Titanomagnetite (125 km² granted) Projects in the West Yilgarn (Fig 2). The company is also purchasing a 70% interest in the Shepherds Well Iron-ore Project and has an option to acquire the Yarrie Iron-ore project in the Pilbara from Creasy Group.

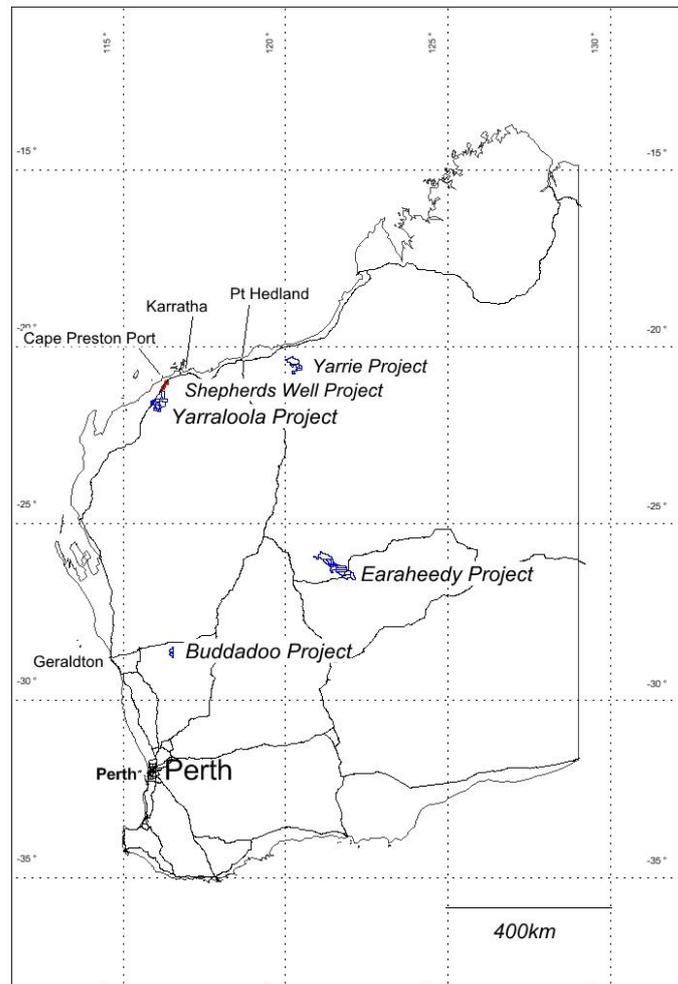


Fig.2 Location of the Coziron Resources Ltd projects in Western Australia.

For further information regarding this announcement please contact Adam Sierakowski on 08 6211 5099.

Competent Persons Statement

The information in this report that relates to mineral resources and exploration results is based on information compiled by Rob Ramsay (BScHons, MSc, PhD) who is a Member of the Australian Institute of Geoscientists. Rob Ramsay is a full-time Consultant Geologist for Coziron and 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 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rob Ramsay has given his consent to the inclusion in this report of the matters based on the information in the form and context in which it appears.

Appendix 1 – Reporting of exploration results from the Yarraloola Project - JORC 2012 requirements.

Section 1 Sampling Techniques and Data		
Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. 	Coziron Geologists collect 1-2kg of representative rock-chips from outcrop.
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. 	Not applicable
	<ul style="list-style-type: none"> Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	1-2kg of rock-chips were crushed, dried and pulverized. A sub sample was fused and the "extended iron-ore suite" of major oxide and selected trace-element analysis was obtained by XRF Spectrometry at Ultratrace Laboratories in Perth, Western Australia.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	Not applicable
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	Not applicable.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	
	<ul style="list-style-type: none"> Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. 	Not applicable
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	Not applicable
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	Not applicable

Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	Not applicable
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	
	<ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. 	
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	Iron-ore extended suite of major oxides and selected oxides were determined by XRF on fused disks at Ultratrace Laboratories in Perth Western Australia.
	<ul style="list-style-type: none"> For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. 	Not applicable
	<ul style="list-style-type: none"> Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	Laboratory QAQC involves the use of internal lab standards using certified reference material, blanks, splits and replicates as part of their in-house procedures. Certified reference materials, having a good range of values, were inserted blindly and randomly. Results highlight that sample assay values are accurate and that contamination has been contained.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. 	Not applicable.
	<ul style="list-style-type: none"> The use of twinned holes. 	Not applicable
	<ul style="list-style-type: none"> Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	Assay data is received electronically and uploaded into an access database. All hand-held GPS locations are checked against the field logs.
	<ul style="list-style-type: none"> Discuss any adjustment to assay data. 	No adjustment or calibrations were made to any assay data presented.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. 	Sample locations were determined using hand held Garmin 72h GPS units, with an average accuracy of ±3m.
	<ul style="list-style-type: none"> Specification of the grid system used. 	The grid system is MGA GDA94, zone 50, local easting's and northings are in MGA
	<ul style="list-style-type: none"> Quality and adequacy of topographic control. 	Not applicable.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 	Reconnaissance rock-chip sampling is being used to examine prospects with the potential for mineralisation.
	<ul style="list-style-type: none"> Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. 	Rock-chip sampling data is not being used to generate either Mineral Resources or Ore Reserve estimations.
	<ul style="list-style-type: none"> Whether sample compositing has been applied. 	No data compositing has been applied.

Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 	Not applicable
	<ul style="list-style-type: none"> If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Samples are collected labelled and transported by Coziron Geologists to Toll-Express in Karratha from where they are transported directly to Ultratrace laboratories in Perth.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	All exploration licenses and prospecting licenses owned 85% by Zanthus Resources Ltd and 15% by ZanF Ltd. The tenements are covered by the Kuruma Marthudunera Native Title Claim and relevant heritage agreements are in place.
	<ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	The tenements are in good standing and no known impediments exist.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<p>In 1990-1991, Aberfoyle Resources held tenements covering the Ashburton Trough which partially overlapped Yarraloola. They collected 26 rock-chip and 73 stream sediment samples for gold and base-metal exploration but encountered no significant results and surrendered the ground.</p> <p>In 1991-1992, Poseidon Exploration Ltd held exploration tenements covering the Ashburton Trough which partially overlapped Yarraloola for base-metals, gold and iron-ore. They collected 54 rock-chips, 236 soil samples, 492 stream sediment samples and completed 159 RAB holes for 2410m but encountered no significant mineralisation and surrendered the tenements.</p> <p>In 1997-1998, Sipa Resources NL held tenements over the Ashburton Trough that partially covered Yarraloola for gold and base-metals. A field trip after the interpretation of LANDSAT and air-photos collected six rock-chip samples which failed to detect mineralisation and the tenements were surrendered.</p> <p>In 2005-2009, Red Hill Iron Ltd held a tenement 15km northwest of Pannawonica which partially overlapped Yarraloola for gold and base-metal prospectivity. Following and aeromagnetic survey and air-photo interpretation, 16 rock-chips and 207 soil samples were collected but no targets were generated and the ground was surrendered.</p>
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	The eastern section of the tenements covers Archaean-age chemical and clastic sediments overlying basalts in the Hamersley Basin. The western part of the tenements covers deformed Palaeoproterozoic mostly clastic sediments of the Ashburton Trough which are overlain by more recent undeformed detritus associated with the Carnarvon Basin. Sediments of the Hamersley and Carnarvon Basins are known to host economic deposits of iron-ore.

Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: 	Not applicable
	<ul style="list-style-type: none"> easting and northing of the drill hole collar 	
	<ul style="list-style-type: none"> elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 	
	<ul style="list-style-type: none"> dip and azimuth of the hole 	
	<ul style="list-style-type: none"> down hole length and interception depth 	
	<ul style="list-style-type: none"> hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	Not applicable
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	Not applicable
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	Not applicable
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	
	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Refer to Figures... in body of text
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	All results are reported

<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<p>Not applicable</p>
<p><i>Further work</i></p>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<p>Detailed mapping, determination of site access, drill-hole planning and heritage clearance.</p>