



Coziron Resources Limited

ABN: 91 112 866 869
Level 24, 44 St George's Terrace
Perth Western Australia 6000
PO Box Z5183
Perth WA 6831
Phone: +61 8 6211 5099
Facsimile: +61 8 9218 8875
Website: www.coziron.com

The Company Announcements Office
ASX Limited Via E Lodgement

2 October 2014

**Yarrie Project Option Exercise
Further CID Targets Identified at Yarraloola
Yarraloola Project Drilling Timetable**

HIGHLIGHTS

- The Company has exercised the option to acquire the Yarrie project
- Heritage clearance programme scheduled for 9th and 10th of October at Yarraloola with drilling anticipated to commence late October
- 2200m drilling program with 34 collars for 1600m planned for priority Robe River pisolitic iron-stone (CID) and 3 collars for 600m in the Ashburton magnetite targets at Yarraloola with drilling to commence late October
- Additional rock-chip results from the upper level of the Robe River pisolitic iron-stone all report Fe (iron) from 57.8 to 59.7% and confirm the area as a priority drill target
- Mapping and sampling has identified a second area of pisolitic iron-stone (CID) mineralisation approximately 1km in length and 400m wide along the southern margin of the Robe River system. Samples report Fe from 51.1 to 57.8% and this represents a second-phase drill target

- **An area of lateritised pisolitic iron-stone covering approximately 1km² has been mapped adjacent to the RioTinto operated Warramboos CID mine. Samples report Fe from 39 to 53% and represent a second-phase drill target**
- **CZR remains a potential low cost production alternative in current Fe price environment**

Exercise of Yarrie Option

Coziron Resources Limited ("CZR" or "Company") is pleased to announce that it has exercised its option to acquire the Yarrie iron-ore project from XFE Pty Ltd, a company controlled by Mark Creasy. The terms of the purchase were set out in the Company's announcement dated 17 April 2014. Shareholder approval for the acquisition is being sought at a meeting of shareholders to be held on 28 October 2014. Settlement of the acquisition, if approved, will occur within 7 days following the shareholders' meeting. XFE Pty Ltd has agreed to the deferral of the cash consideration of \$711,234 to 90 days after shareholder approval, if received.

Yarrie provides Coziron with exposure to the North Pilbara, which is known to be mineralised with high grade (premium quality) iron-ore. The Yarrie project lies in close proximity to the coast and is well serviced by infrastructure, which is used to service existing mining in the area. Historic drilling on the Yarrie project has provided evidence that mineralisation extends beyond the boundaries of the BHP tenure with high grade (+62% Fe) intercepts as announced by the company on 6 August 2014.

Yarraloola Drilling Set to Commence

CZR's programmes of mapping and rock chip sampling at Yarraloola have outlined an area of pisolitic ironstone (CID) associated with the Robe River and the magnetite schists in the Ashburton Trough as priority targets for first-phase drilling (Fig 1). Details of the proposed 2,200m RC programme consisting of 1600m (34 collars) in the Robe River target and 600m (3 collars) in the magnetite schists have been circulated to selected drilling companies for quotation. A heritage clearance programme for drill access and drill-sites has been scheduled for the 9th and 10th of October and follows a period of cultural observance by the traditional owners following the recent death of an elder. Drill-site preparation is expected to commence the week after the Heritage Clearance and drilling is anticipated to commence in the last week of October 2014.

Yarraloola Results and Programme Update

Robe River Prospect

An area of CID mineralization covering parts of E08/1060 and E08/1686 has been progressively mapped and sampled during 2014 as a priority drill target. Rock-chip samples reported by CZR on 11 of July 2014 from an upper interval of exposed mineralization reported Fe from 55 to 60.4%. More recent mapping has collected an additional six samples with a wider geographic distribution from the upper interval (Fig 1) and these all report Fe from 57.8 to 59.7% (Table 1). In response CZR has generated plans for a RC drill programme consisting of 34 collars located on an approximately 200m grid to a depth of 50m to determine the thickness, distribution and grade of the CID. Programme of works approval was received during September from the WA Department of Mines and Petroleum.

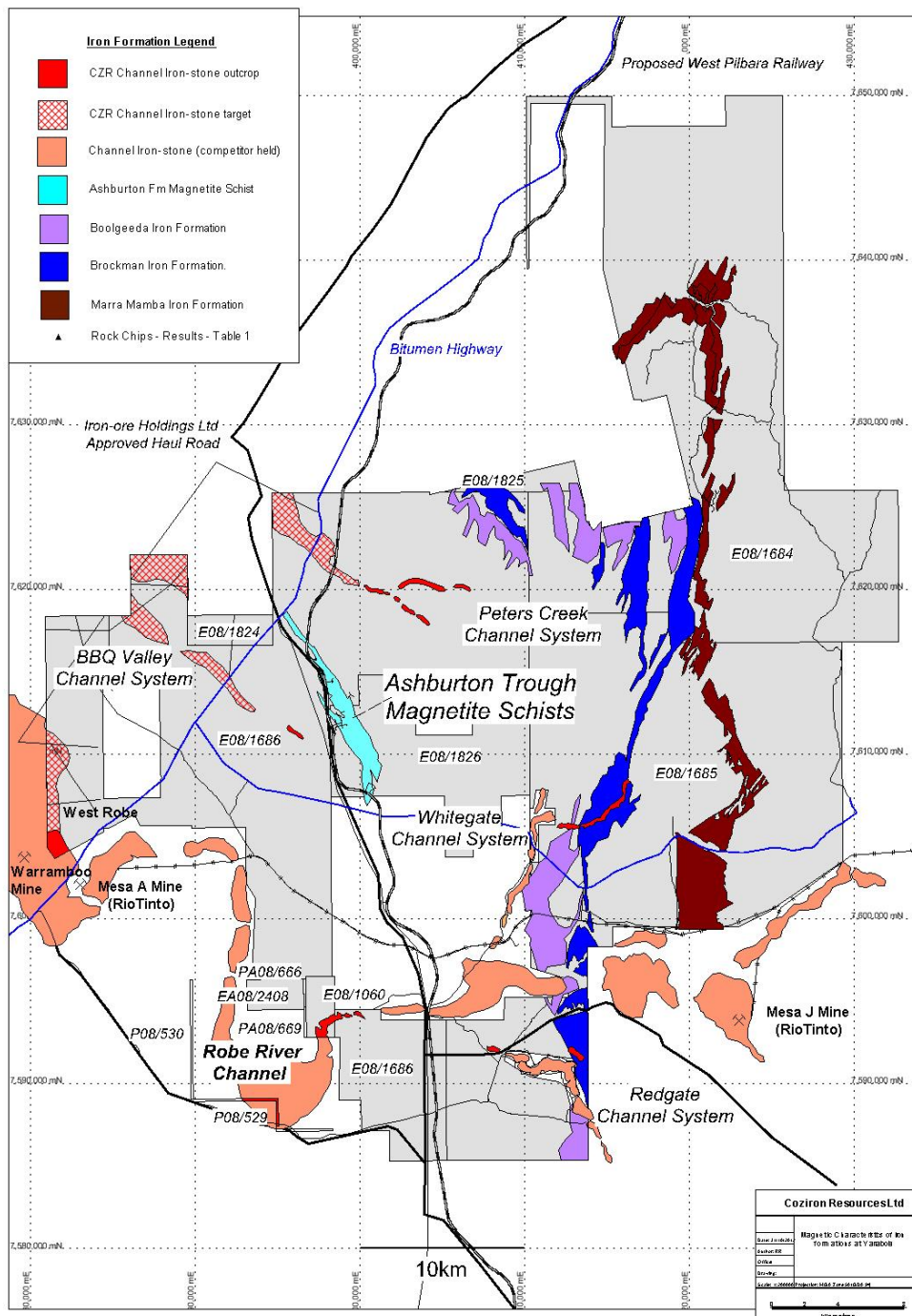


Fig 1. Distribution of the main iron-formation systems on the Yarraloola Project in the West Pilbara with the location of the Robe system on tenements E08/1060 and E08/1686 and the West Robe outcrop on E08/16846 adjacent to Warrambo and Mesa A mining operations.

Recent fieldwork in the area surrounding the Robe River Prospect has also mapped an extension to the area of outcropping CID mineralization on E08/1686. The extension covers an area of approximately 1km by 400m (Fig 2). Samples taken from the outcropping mineralization, which is at a lower elevation than the priority target identified for the first phase of drilling, report Fe from 51.1 to 57.8% (Table 1).

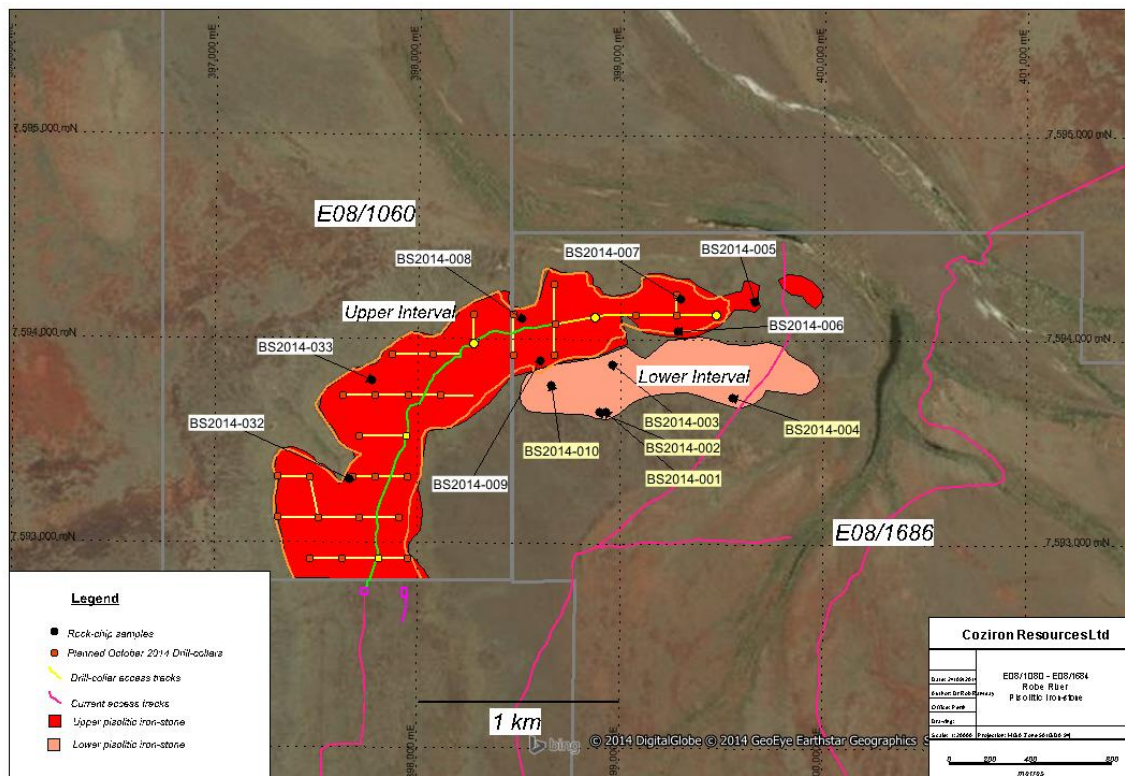


Fig 2. Distribution of the upper and lower intervals of pisolitic iron-stone mineralization, recent sample locations and proposed RC drill-collars on tenements E08/1060 and E08/1686 from the Yarraloola Project.

West Robe Prospect

During a recently completed field programme, an area in the south-western corner of E08/1686 adjacent to the RioTinto operated Warramboos CID Mining operation has been mapped and sampled (Fig 3). The area has an outcrop of lateritised pisolitic iron-stone covering an area of approximately 1km². Rock-chip samples report Fe ranging from 39 to 53% (Table 2). RC drilling will be required to determine whether the near-surface silicified material overlies higher grade material at depth.

The recent field programme also identified additional outcrop of magnetite bearing schists amongst the outcrop of the Ashburton-age basement rocks in the area which report Fe from 30-40% (Table 2).

CZR Potentially a Low Cost Producer

In late 2012 the company engaged engineering company Engenium Pty Ltd ("Engenium") to conduct a preliminary scoping study on a variety of mine to port options that would quantify transport costs to allow CZR to export iron-ore (either lumpy direct shipping or magnetite) from the Yarraloola project. In summary the Engenium study as announced by the Company on 5 February 2013 established that due to the Company's favourable location, being adjacent to existing and emerging transport infrastructure and ports, the Company has the potential to be in the lowest transport cost quartile amongst leading Pilbara iron-ore producing operations.

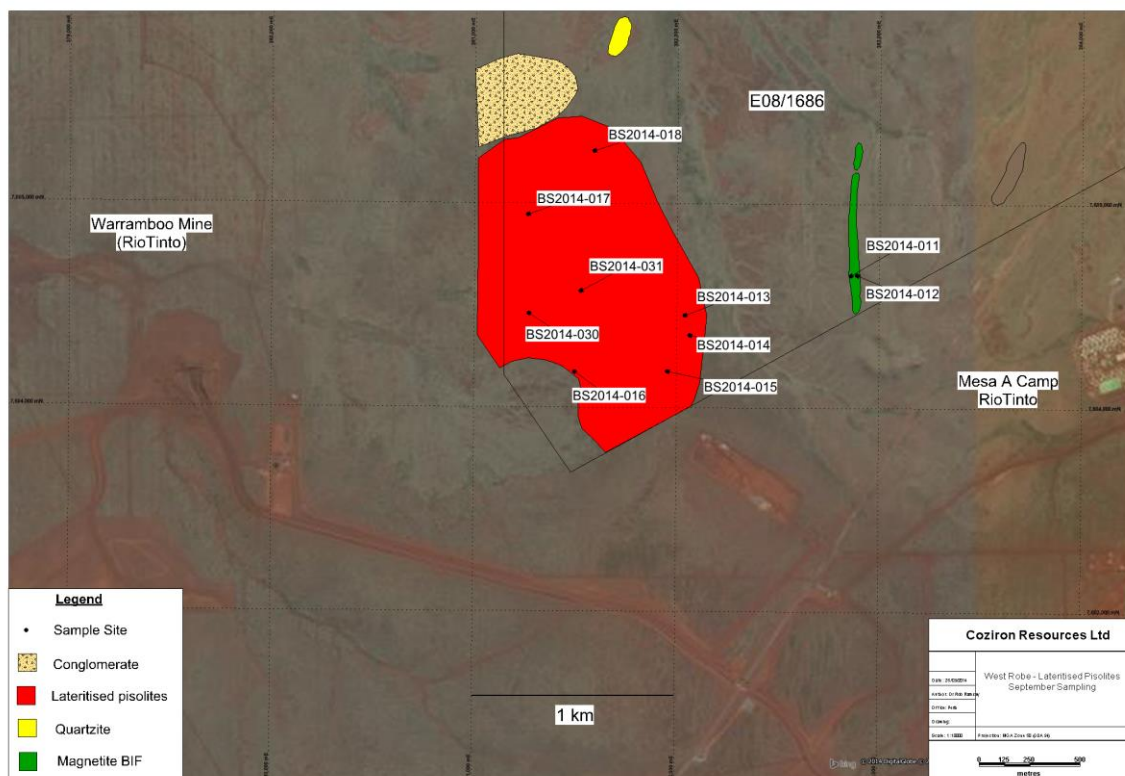


Fig 3 Distribution of outcropping pisolitic iron-stone mineralization and recent rock-chip samples on the West Robe Prospect adjacent to the Warrambo and Mesa A Mines in the south-west corner of E08/1686.

Table 1 XRF results from Ultratrace Laboratories with LOI at 100 and 1000°C for samples from the pisolite-bearing, Robe River palaeo-channel prospect as plotted on Fig 2. (Easting and Northing are GDA Zone 50)

Sample	Easting	Northing	Rock-type	Fe %	SiO2 %	TiO2 %	Al2O3 %	CaO %	MgO %	K2O %	Na2O %	P %	S %	LOI %
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Upper Interval

BS2014-006	399278	7594044	CID	57.82	3.32	0.05	1.57	0.03	0.05	0.01	0.02	0.05	0.04	11.90
BS2014-007	399291	7594199	CID	57.23	4.93	0.05	1.89	0.07	0.10	0.01	0.02	0.05	0.05	10.96
BS2014-008	398511	7594100	CID	57.14	8.58	0.04	1.48	0.13	0.07	0.03	0.01	0.04	0.03	7.58
BS2014-009	398600	7593895	CID	59.44	3.73	0.05	1.46	0.05	0.08	0.01	0.01	0.02	0.03	9.37
BS2014-032	397664	7593313	CID	58.37	3.40	0.10	3.65	0.07	0.07	0.01	0.01	0.04	0.07	8.76
BS2014-033	397774	7593796	CID	59.71	3.86	0.07	2.35	0.03	0.08	0.01	0.00	0.02	0.03	7.85

Lower Interval

BS2014-001	398926	7593647	CID	51.14	6.15	0.14	2.57	3.53	0.51	0.05	0.01	0.04	0.02	13.66
BS2014-002	398895	7593645	CID	56.72	4.22	0.09	3.09	0.03	0.08	0.02	0.02	0.03	0.09	10.87
BS2014-003	398957	7593876	CID	54.29	6.02	0.26	3.88	0.03	0.08	0.03	0.01	0.05	0.04	11.56
BS2014-004	399549	7593718	CID	51.37	9.62	0.29	4.89	0.09	0.12	0.08	0.01	0.04	0.01	11.13
BS2014-005	399656	7594184	CID	55.07	6.16	0.10	2.88	0.06	0.04	0.02	0.05	0.02	0.03	11.76
BS2014-010	398655	7593773	CID	57.84	4.88	0.12	3.21	0.04	0.09	0.04	0.02	0.05	0.11	8.23

Elements and oxides: Fe – iron, Si – silicon, Ti – titanium, Al – aluminium, Ca – calcium, Mg – magnesium, Mn- manganese, K – potassium, P – phosphorous, S – sulphur, LOI – loss on ignition at 100C and 1000C.

Table 2. XRF results from Ultratrace Laboratories with LOI at 100 and 1000°C for samples from the pisolite-bearing mineralization and magnetite-bearing schists at the West Robe prospects as plotted on Fig 3. (Easting and Northing are GDA Zone 50)

Sample	Easting	Northing	Rock-type	Fe %	SiO2 %	TiO2 %	Al2O3 %	CaO %	MgO %	K2O %	Na2O %	P %	S %	LOI %
BS2014-013	382040	7604453	CID	53.44	6.18	0.38	4.39	0.03	0.07	0.04	0.01	0.02	0.06	12.10
BS2014-014	382065	7604354	CID	50.37	7.84	0.43	7.35	0.08	0.06	0.01	0.02	0.01	0.05	11.98
BS2014-015	381954	7604177	CID	51.22	7.07	0.52	7.03	0.08	0.05	0.01	0.04	0.02	0.06	11.60
BS2014-016	381495	7604175	CID	39.55	26.53	0.21	4.71	0.31	0.07	0.15	0.03	0.57	0.14	9.55
BS2014-017	381263	7604944	CID	49.63	11.18	0.43	5.64	0.10	0.07	0.14	0.02	0.02	0.05	11.18
BS2014-030	381270	7604459	CID	38.99	28.89	0.32	5.13	0.04	0.04	0.13	0.01	0.05	0.08	9.12
BS2014-031	381525	7604569	CID	46.82	12.55	0.78	8.72	0.15	0.08	0.12	0.01	0.09	0.08	10.12
BS2014-011	382860	7604651	Ash Schist	31.47	50.29	0.06	1.69	0.09	0.16	0.03	0.06	0.18	0.02	1.93
BS2014-012	382888	7604654	Ash Schist	40.14	36.93	0.07	2.12	0.11	0.13	0.05	0.04	0.21	0.02	2.26

Elements and oxides: Fe – iron, Si – silicon, Ti – titanium, Al – aluminium, Ca – calcium, Mg – magnesium, Mn- manganese, K – potassium, P – phosphorous, S – sulphur, LOI – loss on ignition at 100C and 1000C.

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. 	1-2kg of material is collected from outcrop which is characterized by physical features such as lithology, grain-size and alteration.
	<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). 	No drill samples were included in this phase of exploration
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	No drill chips or drill core have been recovered in this phase of exploration.
	<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. 	No drill core or drill chips were logged in this part of the exploration
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	Rock-chips are described for colour, rock-type, and grainsize.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	No core was obtained in this phase of exploration

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. 	No core was collected for this study
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. 	No core drill material was collected for this study
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	Rock chip sampling is a method of providing representative surface samples with indications of mineralization to high-light mapped lithologies which require future drill assessment
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 	Multiple samples are collected from each lithology
	<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. 	In early stage exploration, a number of 1-2kg rock-chip samples are collected at different outcrops to provide an indication of compositional variations associated with each lithology.
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	In fine grained rocks, 1-2kg is sufficient to provide an indication of lithological composition.
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. 	All analyses at Ultratrace Laboratories in Perth. Iron-ore suite for all major-element oxides and selected minor element oxides were determined by XRF on fused disks. In some samples, minor elements were determined by a 4-acid mixed digest on milled rock powder with an ICP MS or OES finish to determine concentrations at lower detection limits.
	<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. 	No hand-held geophysical tools or hand-held analytical tools were used for the reported results.
	<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. 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. 	No intersections are reported.
	<ul style="list-style-type: none"> The use of twinned holes. 	No drilling was undertaken
	<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 $\pm 3m$.
	<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. 	SRTM90 is used to provide topographic control and is regarded as being adequate for early stage exploration.
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. 	Mineralization is lithologically controlled and sampling collects representative material from different lithologies.
	<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. 	No drilling was undertaken
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: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth 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. 	No drill holes are reported
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. 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. 	No weighting or truncation has been applied to the geochemical data and no intercept values are reported.
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	No metal equivalents are presented
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	Magnetite mineralization is hosted within bedded lithologies. No drill-hole intercepts are reported.
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 samples are reported

Other substantive exploration data	<ul style="list-style-type: none"> 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. 	Relevant geological information is reported on the maps and analysis tables in the text.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	A programme of works from the WA Department of Mines and Petroleum has been approved for the 40 RC collars. A heritage clearance programme is scheduled. RC drilling is planned to establish the subsurface geology and geochemistry.

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.