

## December 2020 Quarter Highlights

- Iron Ore production underway from the C4 deposit at Wiluna West Iron Project.
- Historic first shipment of iron ore of scheduled to leave Port of Geraldton at end of January 2021.

### Wiluna West – C4 Iron Ore Project Activities December 2020 Quarter

- The Company entered into an Alliance Mining Contract with Pilbara Resource Group (“PRG”) for Development of the C4 Iron Deposit, which covers all aspects of the operations from pit to port including mining crushing and transport services on a cost-plus basis for Stage 1 of the C4 Iron Deposit.
- The PRG Alliance Contract covers just 1 million tonnes and GWR is not required to provide any upfront Capex or Opex and will retain a 70% share of profit.
- Other key operational contracts executed during the Quarter included:
  - Secured access to Rosslyn Hill Mining Camp for accommodation located 22km north of C4
  - Signed binding Port Access and Services Agreement with Midwest Ports Authority which includes access to Shed 88 which has capacity to hold 100,000 tonnes of iron ore
  - Executed Offtake Agreement with Pacific Minerals Ltd for 1,000,000 tonnes of iron ore from C4
  - Appointed Shipping Agent and associated logistics services providers.
- Works Approval, for crushing and screening operations was granted by Department of Water and Environmental Regulation on 2 December 2020.
- Completed pit optimisation mine planning and final mine design.
- Conditional approval gained from the MRD (Main Roads Department) for the construction of an intersection located on the Wiluna to Meekatharra Road section of the Goldfields Highway and establishment of a road user agreement with the MRD for the haulage on the Goldfields Highway (Wiluna – Meekatharra road).
- Strategic planning commenced for Stage 2 production expanding from the initial 1 M tonne C4 Stage 1.

### Wiluna West – JWD Iron Ore Project

- Work progressed on the development and final approvals for the JWD Joint Venture by FEL with completion of mine planning work and logistics study’s, also lodgement of Works Approval (final approval required)
- FEL completed the December take or pay payment of \$125,000.

### Wiluna West – Gold Project

- A comprehensive review has recently been completed and subsequent to the end of the December Quarter a POW will be lodged with DMIRS for additional drill targets.
- A review of JORC 2004 Resources has been initiated with a view of updating to JORC 2012

### Corporate Activities

- During the Quarter, the Company successfully raised \$3.3 million (before costs) through the issue of 18,333,333 fully paid ordinary shares at an issue price of \$0.18 per Share from qualified, institutional, and professional investors. GTT Ventures Pty Ltd acted as lead manager.
- A total of 26.75 Million Options were exercised in December 2020 raising a total of \$1.44 Million.

### About GWR Group

GWR Group Limited (“GWR”) is an independent, Australian resource house, focused on creating shareholder wealth through the development of high-quality mineral exploration and development projects.

GWR Group has a portfolio of mineral commodity projects that includes projects held in its own right, in joint ventures and indirectly through investment in other listed entities. We aim to create value through operational excellence and innovation in exploration and project development. We will collaborate with our stakeholders to build a sustainable mining business and the respect of our peers.

### Corporate Summary

ASX code:	GWR
Issued Capital:	301.7 million
Issued Options	
Quoted:	12.8 million
Unquoted:	1.0 million
Cash on hand:	\$4.4 million
Listed Securities:	\$9.6 million

### Board & Management

#### Gary Lyons

Non-executive Chairman

#### Mick Wilson

Executive Director

#### Tan Sri Dato’ Tien Seng Law

Non-executive Director

#### Kong Leng (Jimmy) Lee

Non-executive Director

#### Datuk Chin An (CA) Lau

Non-executive Director

#### Adrian Costello

General Manager

#### Mark Pitts

Company Secretary

## Overview

This Quarter, GWR progressed the development of its Wiluna West Iron Ore Project at the C4 and JWD deposits and the Wiluna West Gold Project. With mining operations commencing at the C4 deposit and first shipment of iron ore targeted for the end of January 2021.

The Group has a portfolio of resources projects that includes projects held directly, in its own right, or indirectly through investment in other listed entities. These include:

- Wiluna West Iron Ore - ~131 Million tonne resource at 60% Fe of high-grade hematite
- Wiluna West Gold - ~289k ounce resource with a large exploration potential
- Tungsten - Investments in Tungsten Mining NL (TGN:ASX) & Hatches Creek JV
- Cornerstone and Equity Investments – eMetals Ltd (EMT:ASX)

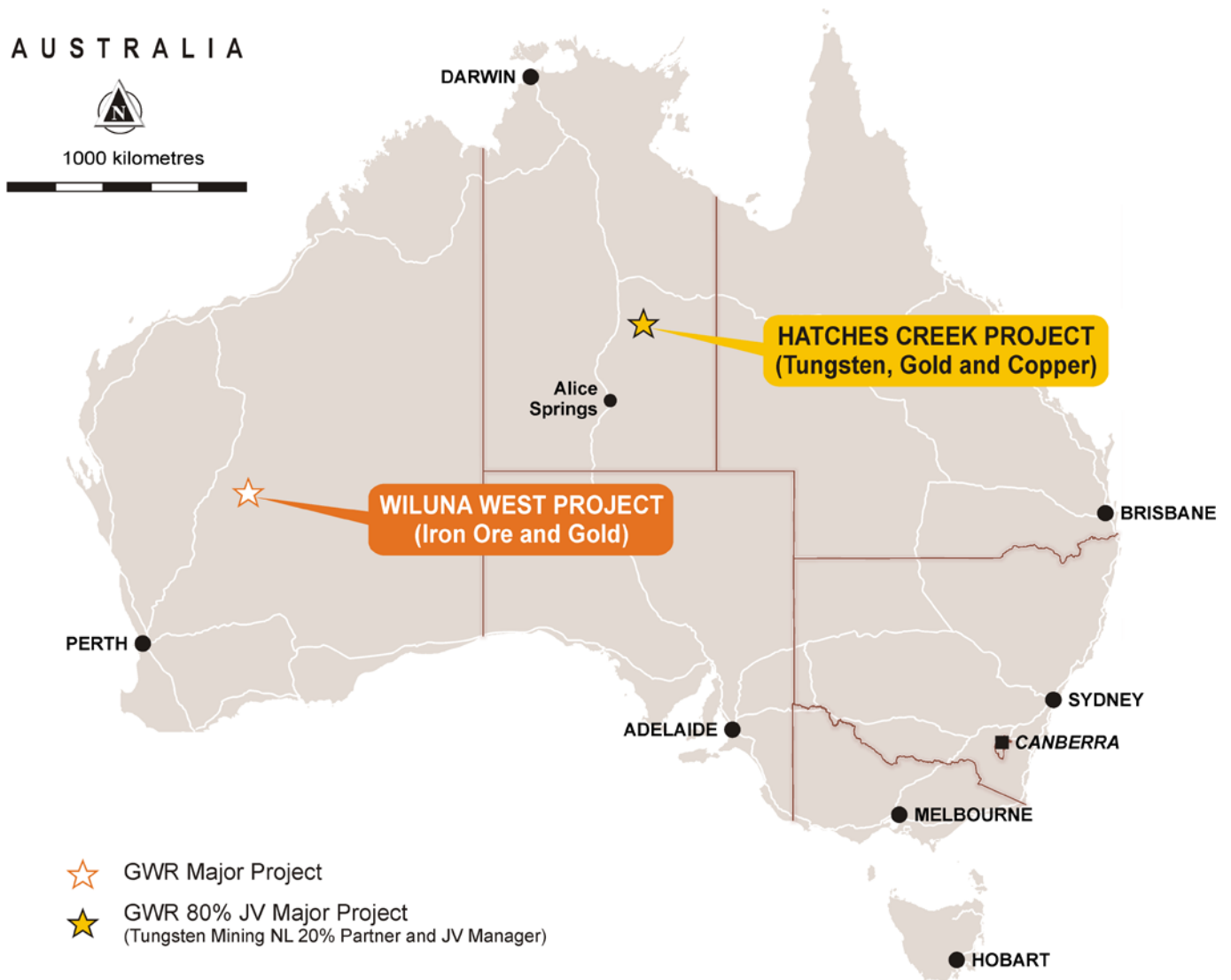


Figure 1: GWR Project Locations

## Wiluna West Projects – Overview

The Wiluna West Iron Ore and Gold Projects are co-located approximately 45 km south west of the township of Wiluna (Figure 2) in the Northern Goldfields region of Western Australia. The site is approximately 183 km West of Meekatharra and 750 km North East of Perth, Western Australia. Access to the site is via the partly sealed Wiluna – Meekatharra road (Goldfields Highway), approximately 28 km west from the township of Wiluna, which has a sealed airstrip to transport mine personnel by commercial or flight charter services.

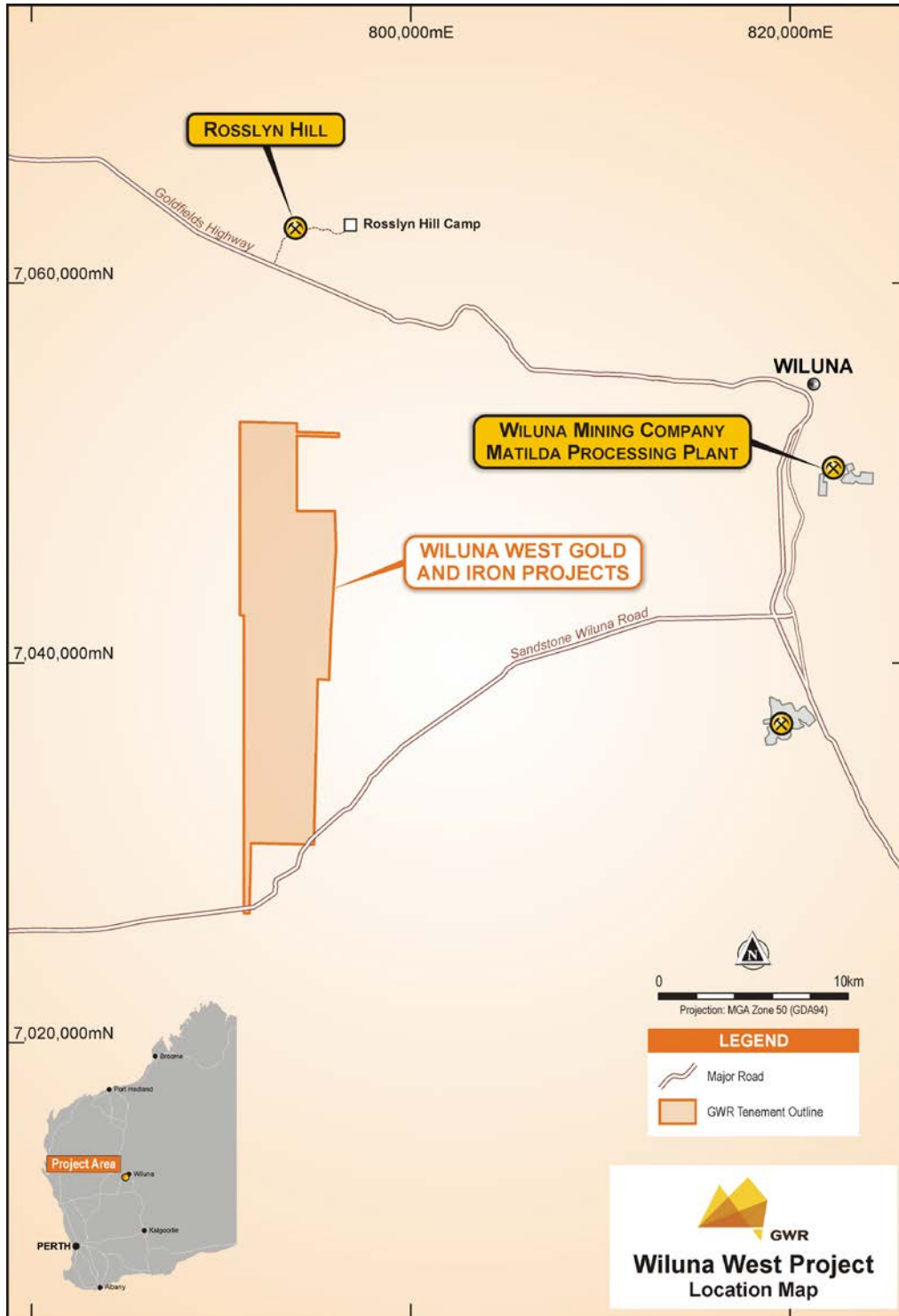


Figure 2: Wiluna West Gold and Iron Ore Project Location

## Wiluna West Iron Ore Project

The Wiluna West Iron Ore Project (WWIOP) is an exceptional DSO iron ore resource, which metallurgical tests have demonstrated will produce a high-grade, low impurity iron ore. The project has a combined JORC 2004 Mineral Resource estimate of 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.

This includes the high-grade C4 and JWD deposits which GWR is actively progressing towards production. Mining approvals are in place for the JWD deposit of 1 Mtpa and large-scale mining operations of up to 7 Mtpa both over an initial mine life of 3 and 10 years respectively.

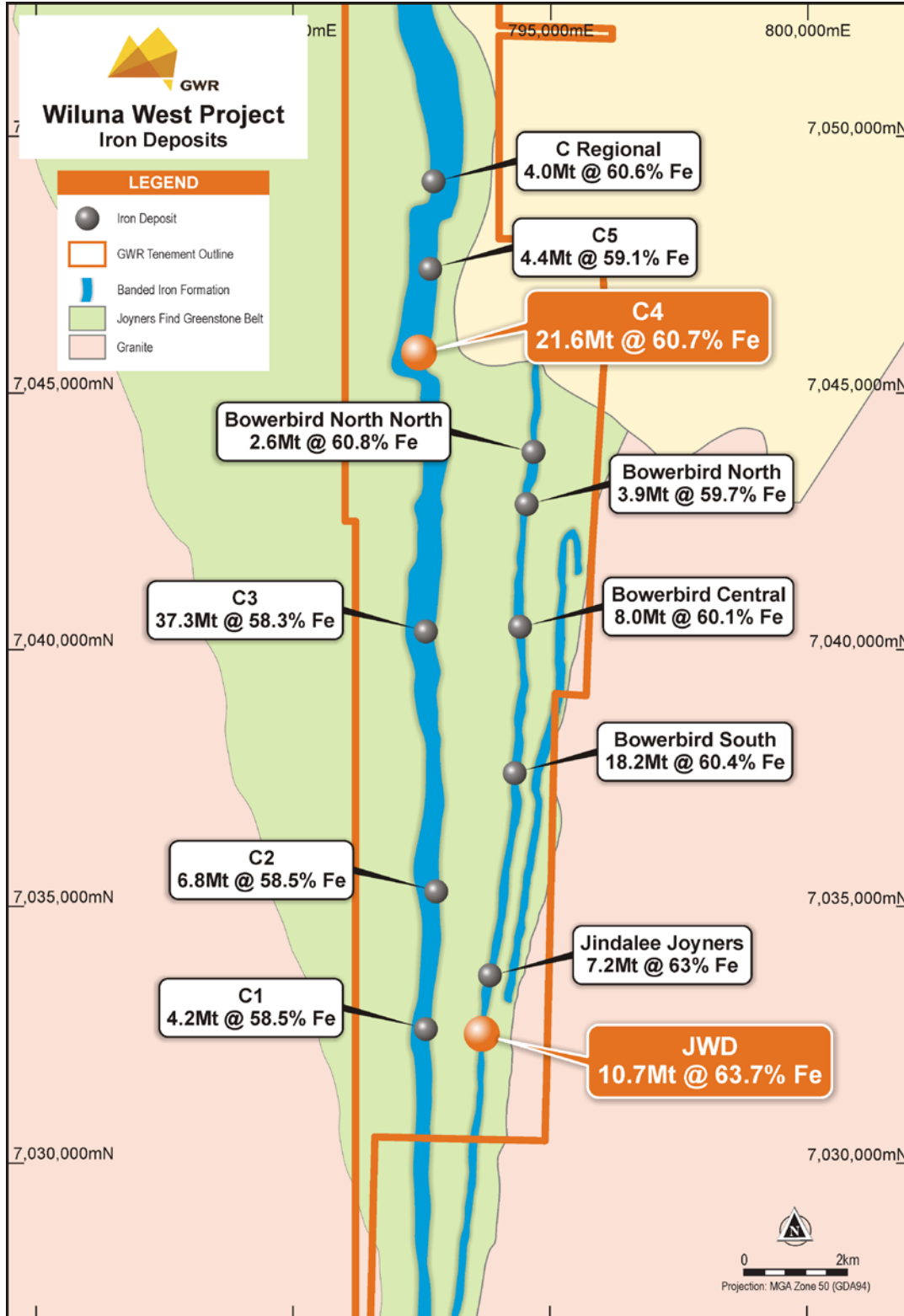


Figure 3: Wiluna West Iron Deposit Locations

Wiluna West Global Fe Resources									
Classification	Deposit	Calc	Cut Off	Tonnes (Mt)	Fe %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	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
	<b>TOTAL</b>			<b>10.10</b>	<b>62.45</b>	<b>4.50</b>	<b>1.87</b>	<b>3.41</b>	<b>0.053</b>
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 JOYNNERS	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
	<b>TOTAL</b>			<b>72.03</b>	<b>59.94</b>	<b>7.76</b>	<b>2.43</b>	<b>3.64</b>	<b>0.056</b>
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 JOYNNERS	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
	<b>TOTAL</b>			<b>48.82</b>	<b>59.45</b>	<b>7.45</b>	<b>2.57</b>	<b>4.03</b>	<b>0.055</b>
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 JOYNNERS	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
	<b>Grand Total</b>				<b>131.10</b>	<b>60.00</b>	<b>7.40</b>	<b>2.40</b>	<b>3.80</b>

Table 1: Wiluna West Iron Ore Project - JORC 2004 and JORC 2012 Iron Ore Resources

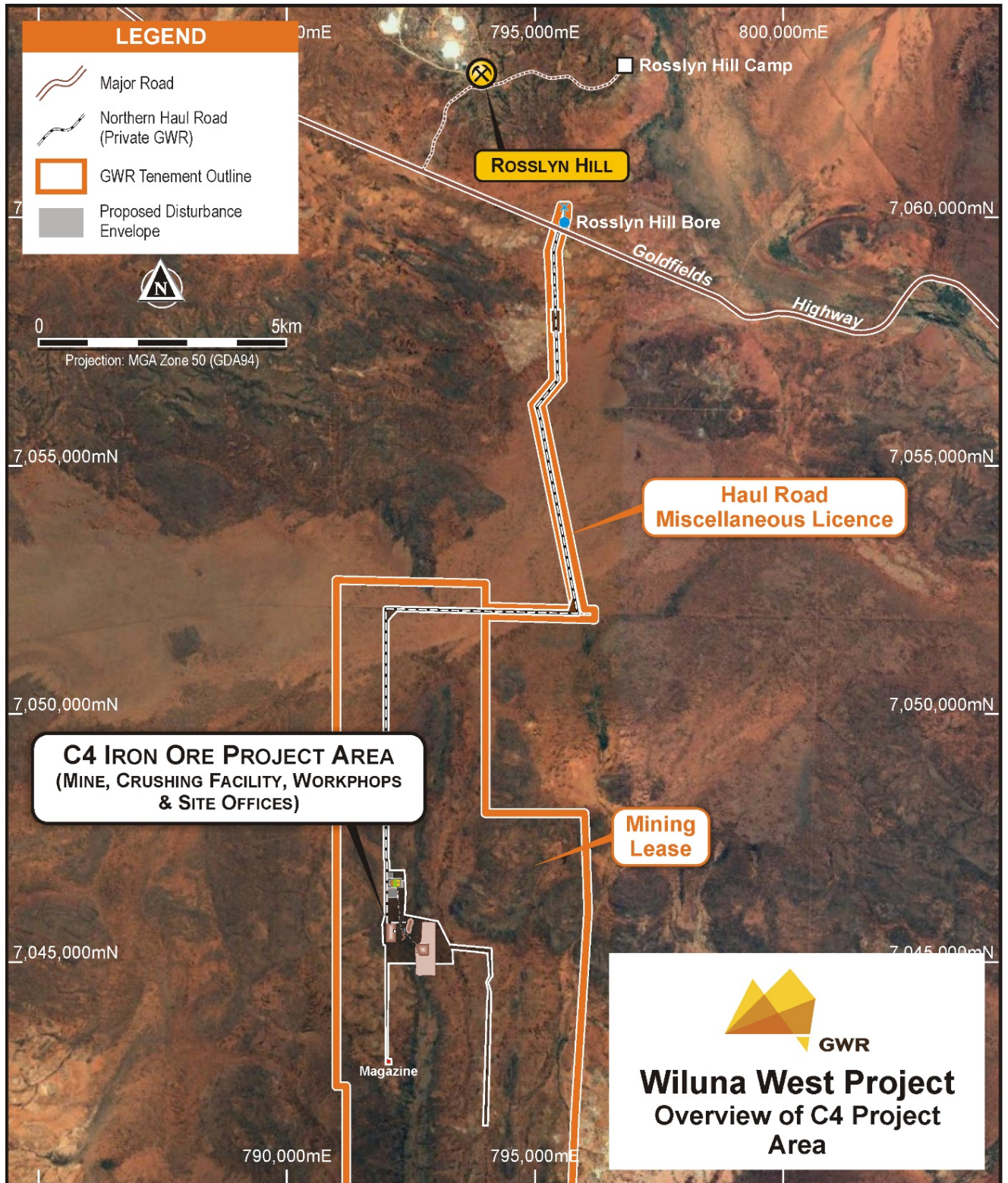


Figure 4: Overview of C4 Project Location

## Works Completed

### Wiluna West – C4 Iron Ore Project

- The Company entered into an Alliance Mining Contract with Pilbara Resource Group (“PRG”) for Development of the C4 Iron Deposit, which covers all aspects of the operations from pit to port including mining crushing and transport services on a cost-plus basis for Stage 1 of the C4 Iron Deposit
- The PRG Alliance Contract covers just 1 million tonnes and GWR is not required to provide any upfront Capex or Opex and GWR will retain a 70% share of profit.

- Other key operational contracts executed during the Quarter included
  - Secured access to Rosslyn Hill Mining Camp for accommodation located 22km north of C4
  - Signed binding Port Access and Services Agreement with Midwest Ports Authority which includes access to Shed 88 which has capacity to hold 100,000 tonnes of iron ore
  - Executed Offtake Agreement with Pacific Minerals Ltd for 1,000,000 tonnes of iron ore from C4
  - Appointed Shipping Agent and associated logistics services providers
- Works Approval, for crushing and screening operations was granted by Department of Water and Environmental Regulation
- Completed pit optimisation mine planning and final mine design
- Conditional approval gained from the MRD (Main Roads Department) for the construction of an intersection located on the Wiluna to Meekatharra Road section of the Goldfields Highway and establishment of a road user agreement with the MRD for the haulage on the Goldfields Highway (Wiluna – Meekatharra road).
- Strategic planning for Stage 2 production expanding from the initial 1 M tonne C4 Stage 1 commenced .

#### Technical – Geology and Mine Planning

- Established a site management and technical services team in conjunction with Alliance Partner PRG
- Completed a grade control program grade program of 1,185 meters of infill RC drilling, designed as pre-production infill and grade control over a strike length of 325 meters within the proposed Stage 1 open pit of the C4 deposit to be mined (ASX Announcement 20 November 2020).
- Also step out drilling was also undertaken immediately south of the Stage 1 pit and based upon geological logging confirmed high grade hematite mineralisation from surface.
- Completed geological, pit optimisation works and mine planning scheduling works, based upon recent RC drilling results, which generated a final mine design



Figure 5: C4 Minesite, ROM stockpile and crushed ore stockpile as of 15th December 2021

#### Site and Operations Establishment

- On the 7th of October site development works commenced which included the following:
  - Construction of the Northern Haul road
  - Establishment of site water supply
  - Mobilisation of contractors to site
  - Establishment of site services such as workshops, offices, and laydown area
  - Establishment and commissioning of crushing facilities.
- 4 December 2020 mining operations commenced
- 17 December 2020 crusher circuit was successfully commissioned, and first ore processed.
- 24 December 2020 trucking of ore to Geraldton commenced.

### Stage 2 Strategic Planning

- Following the step out drilling program, commenced development of a strategic plan to provide for additional mineable resources beyond the Stage 1 mine plan,
- The aim of the Stage 2 Strategic Plan is to increase mineable resources available to take full advantage of prevailing iron ore prices.

### **Wiluna West – JWD Iron Ore Project**

- Work progress on the development and final approvals for the JWD Joint Venture by FEL with completion of mine planning work and logistics study's, also lodgement of Works Approval (final approval required)
- FEL completed the December take or pay payment of \$125,000.

### **JWD Mining Rights Agreement**

The JWD deposit is within the Wiluna West Iron Ore Project tenements and contains a DSO hematite resource of 10.7Mt at a high grade 63.7% Fe, using a cut-off of 55% Fe (Refer Table 1). In April 2012, the Group was granted mining approval for the JWD high grade deposit (refer to ASX announcement 20 April 2012). This Mining Approval allows for the mining of up to one million tonnes per annum for three years for a total of 3 million tonnes of iron ore. On 17 September 2020, Fe Ltd (ASX:FEL) announced that it had entered into a binding JV Agreement to acquire a 51% interest in the Mining Rights Agreement held by Gold Valley Iron Ore over the Wiluna West JWD deposit, which is wholly-owned by the Group.

To date, GWR has received a total \$750,000 from the JWD Mining Agreement, with the most recent payment of \$125,000 received from FEL on 31<sup>st</sup> of December 2020. The remaining quarterly take or pay instalments under the Agreement total \$250,000 and the next \$125,000 instalment is due in March 2020.

These payments relate to Stage 1 of the agreement being a small-scale mining operation, which requires mining and trucking of 300,000 tonnes within 21 months of the Project Management Plan "PMP". The Group is pleased that FEL will target early commencement of operations to meet this date and take advantage of current high iron ore prices. Stage 2 is triggered should FEL elect to exercise its option to extract a further 2.7Mt from the JWD deposit. Under the Agreement, the JV partner must pay to the Company a total of \$4,250,000. Furthermore, for all tonnes mined and trucked greater than 3 Million tonnes, a flat Rate Royalty of \$3.50 per tonne applies. Additionally, Stage 1 and 2 attract a production royalty linked to the iron ore price, which provides cash payments to the Company in the range of \$1.00 to \$2.00 per tonne.

During the quarter and subsequent to the end of the quarter FEL announced the following activities:

- 15 December 2020 Lodgement of Works Approval for JWD Iron Ore Project
- 12 January 2021– Issued a company presentation, which provided a JWD project update, with the following key points
  - Development to commence on a staged basis as follows:
    - Stage 1 being a test pit, to extract up to 300kt, with FEL targeting commencement of mining Q1 2021.
    - Stage 2 being once trucking route and port arrangements are finalised.
  - The focus is on Geraldton Port, adopt contractor model and leveraging from existing infrastructure in the region to mitigate upfront capex requirements.
  - Mine planning stages the pit development to maximise grade and minimise strip ratio in each stage. • Narrow ore body of exceptional grade and impurities, managing dilution risk a key focus. Narrow ore body (smaller "gold mining" fleet to be utilised, prevalent in the construction and mining industry). Ore outcropping, with distinct ore / waste contact allowing visual management of ore dilution.
  - The high-grade product expected to receive premium pricing, additional price upside from lump premium (JWD approx. 65% lump 35% fines) and customer engagement underway.

### ***About the Joint Venture partners for mining the JWD deposit***

Gold Valley and Fe Limited are members of a joint venture to mine up to 3 Mt of iron ore at the Wiluna West Iron Ore Project's JWD deposit.

Gold Valley is part of the Gold Valley Group, a diversified Australian based company with interests in mining, agriculture, and energy. [www.goldvalley.com.au](http://www.goldvalley.com.au).

Fe Limited (ASX:FEL) is a listed, diversified mining development and minerals exploration company with interests in gold, iron ore, base metals and more recently battery metals with project additions targeting lithium and nickel. Fe Limited also holds or has rights or interests, in several projects highly prospective for iron, nickel, copper and gold located in the Bryah Basin region of Western Australia with JV venture partners Auris Minerals Ltd, Alchemy Resources Ltd, Independence Group NL, Westgold Resources Limited, Billabong Gold Pty Ltd and Sandfire Resources NL. [www.felimited.com.au](http://www.felimited.com.au).



## Wiluna West Gold Project

The Wiluna West Gold Project is located approximately 40 km southwest of the WMC Matilda / Wiluna Gold Operation which includes a gold processing and treatment plant (Figure 2) and currently has a combined JORC 2004 and JORC 2012 Mineral Resource estimate of 4.2 million tonnes at 2.2 g/t for 289,000 oz of gold (refer to Table 2) (refer to ASX announcement 15<sup>th</sup> August 2019).

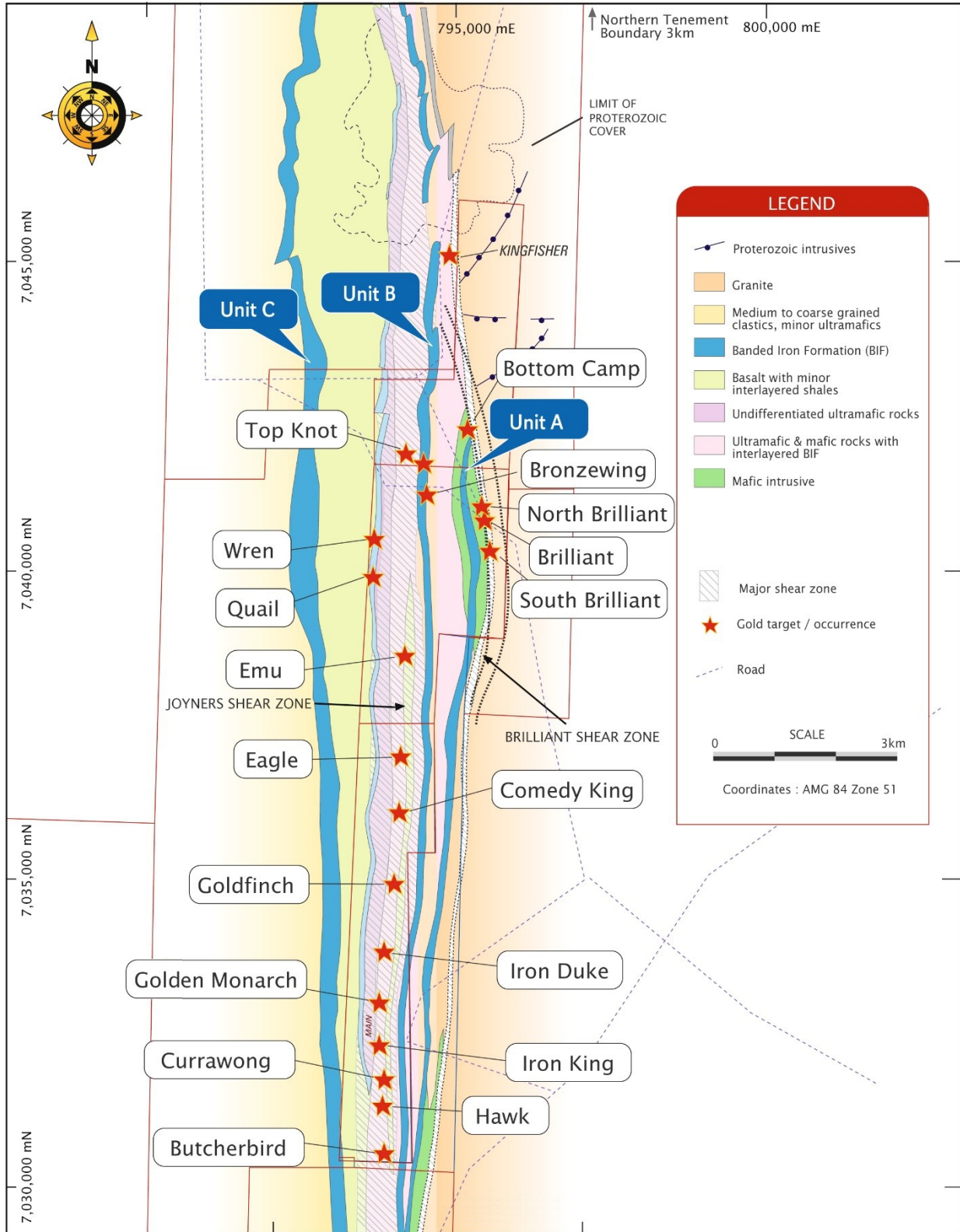


Figure 6: Wiluna West Gold Prospects.

A comprehensive review of the Wiluna West Gold Project was completed during the quarter and recommended the following:

- a program of works be lodged with DMIRS to establish additional drill targets; and
- a review commence of existing Mineral Resources with a view to updating the remaining JORC 2004 resources to JORC 2012.

JORC Status	Prospect	Resource Type	Tonnes	Grade (g/t Au)	Ounces
JORC 2012 at 0.5 g/t cut off (Optiro August 2019)	Golden Monarch	Measured	30,000	3.0	3,000
		Indicated	380,000	2.1	30,000
		Inferred	390,000	2.1	30,000
		Sub Total	800,000	2.2	55,000
	Eagle	Indicated	110,000	2.8	10,000
		Inferred	680,000	1.6	35,000
		Sub Total	790,000	1.8	45,000
	Emu	Inferred	600,000	2.2	40,000
	Joyners Find	Inferred	90,000	2.6	10,000
	Total	Measured	30,000	3.0	3,000
		Indicated	490,000	2.3	40,000
		Inferred	1,760,000	1.9	110,000
		Sub Total	2,280,000	2.0	153,000
JORC 2004 at 1.0 g/t cut off (CSA June 2010)	Bottom Camp	Inferred	329,000	2.0	21,100
	Bowerbird	Inferred	169,000	3.1	17,000
	Bronzewing	Inferred	104,000	2.4	8,000
	Brilliant	Inferred	342,000	2.5	27,900
	Wren	Inferred	61,000	2.5	4,800
	Comedy King	Inferred	183,000	1.8	10,800
	Goldfinch	Inferred	80,000	1.4	3,600
	Iron King	Inferred	481,000	2.3	35,600
	Iron Hawk	Inferred	138,000	1.5	6,800
		Sub Total	1,887,000	2.2	135,600
<b>TOTAL JORC 2004 &amp; JORC 2012</b>			<b>4,167,000</b>	<b>2.2</b>	<b>289,000</b>

Table 2 - Wiluna West Gold Project - JORC 2004 and JORC 2012 Gold Resources

Notes: Differences may occur due to rounding. For the Mineral Resource compiled in accordance with the JORC 2004 Code refer to ASX announcement 14th June 2010. The Mineral Resource Estimates shown as JORC 2004 compliant were first prepared and disclosed under JORC 2004 and have not been updated to comply with JORC 2012 on the basis that the information has not materially changed since they were last reported.

## Hatches Creek Tungsten Copper Gold Project

In June 2019 GWR announced that it had signed a Joint Venture and Farm in Agreement with Tungsten Mining NL (ASX: TGN) (refer to ASX announcement 3<sup>rd</sup> June 2019) and that TGN now holds a 20% interest in the project and that they have been appointed as project managers.

The Hatches Creek tungsten, gold, copper project is located 375 km north east of Alice Springs in the Northern Territory (Figures 6). Successful RC drilling programs completed in 2016, 2017 and 2019, confirmed multiple high-grade polymetallic tungsten prospects and demonstrated potential for a large high-grade polymetallic tungsten deposit.

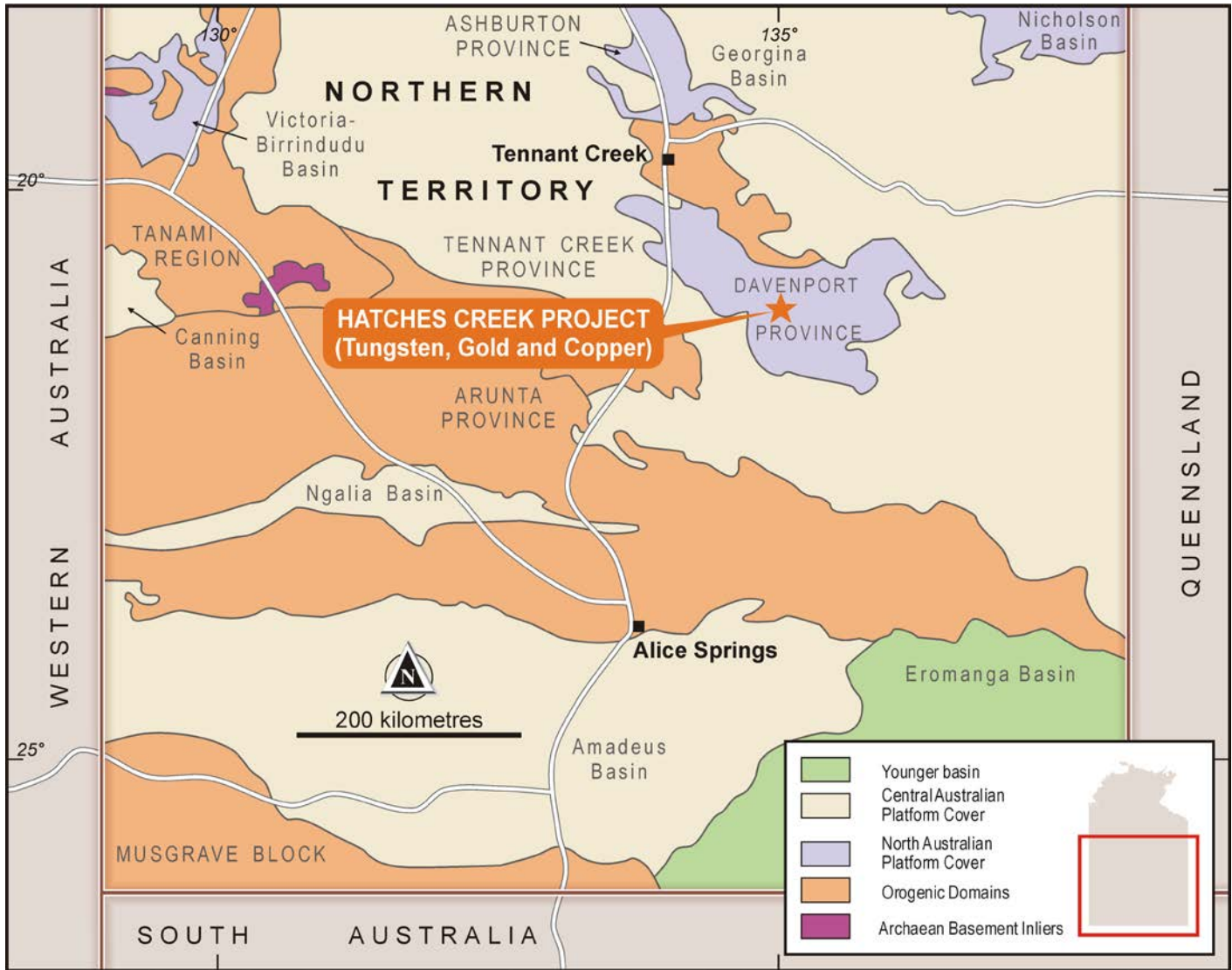


Figure 7: Hatches Creek Project Location.

Historical production mainly between 1915 and 1960, reported production of approximately 284,000 MTU (metric tonne units) of 65% WO<sub>3</sub> concentrate at an average head grade of 2.5% WO<sub>3</sub>, with gold, copper and bismuth also produced. In 2014 an Inferred Resource estimate of 225,000 tonnes at 0.58% WO<sub>3</sub> for the historical mine dumps and stockpiles was defined (refer to Arunta Resources Limited ASX release 23<sup>rd</sup> September 2014).

## Investment in Tungsten Mining NL (ASX: TGN)

The Group holds a significant (9.6%) equity interest in ASX-listed Tungsten Mining NL (“TGN”), which is focussed on the discovery and development of tungsten deposits in Australia. TGN’s vision is to become a world leading developer of low-cost tungsten concentrate, providing superior long term returns to our shareholders. TGN aims to achieve this through the acquisition and development of quality deposits, technical excellence in project development, collaboration, and rigorous capital management.

TGN has established a portfolio of advanced tungsten projects across Australia with the objective of controlling a globally significant inventory of in-ground tungsten. TGN continues to implement its strategy directed at building a tungsten business of scale, with a current resource inventory of 41 million MTU’s (metric tonne units) of WO<sub>3</sub> (tungsten trioxide) and 71,000 tonnes of Mo (molybdenum), 1 million ounces of Au (gold), 44 million ounces of Ag (silver) and 92,000 tonnes of Cu (copper) (refer to accompanying Annual Ore Reserve and Mineral Resource Statement). This provides the platform for TGN to become a globally significant player within the primary tungsten market through the development of low-cost tungsten concentrate production.

TGN has four advanced tungsten projects in Australia: the Mt Mulgine Project in the Murchison region, the Big Hill Project in the Pilbara region and the Kilba Project in the Ashburton region of Western Australia and the Watershed Project in far north Queensland.

Activities during the 2020 financial year have seen TGN make substantial progress in terms of project development and resource growth. In April 2019, the Company announced that a Scoping Study highlighted the potential for its Mt Mulgine project to establish large scale, long life mining and processing operations. This will allow for the production of tungsten concentrate and valuable by-products, including molybdenum, and TGN committed to the completion of a pre-feasibility study (PFS). The PFS has been the primary focus of TGN’s activities since that time and over the course of the 2020 financial year. Elsewhere, TGN has looked to conserve costs and maintain its asset portfolio.

TGN continues to implement its strategy directed at building a tungsten business of scale, with a current resource inventory of 41 million MTU’s (metric tonne units) of WO<sub>3</sub> (tungsten trioxide) and 71,000 tonnes of Mo (molybdenum), 1 million ounces of Au (gold), 44 million ounces of Ag (silver) and 92,000 tonnes of Cu (copper).

This provides the platform for TGN to become a globally significant player within the primary tungsten market through the development of low-cost tungsten concentrate production.

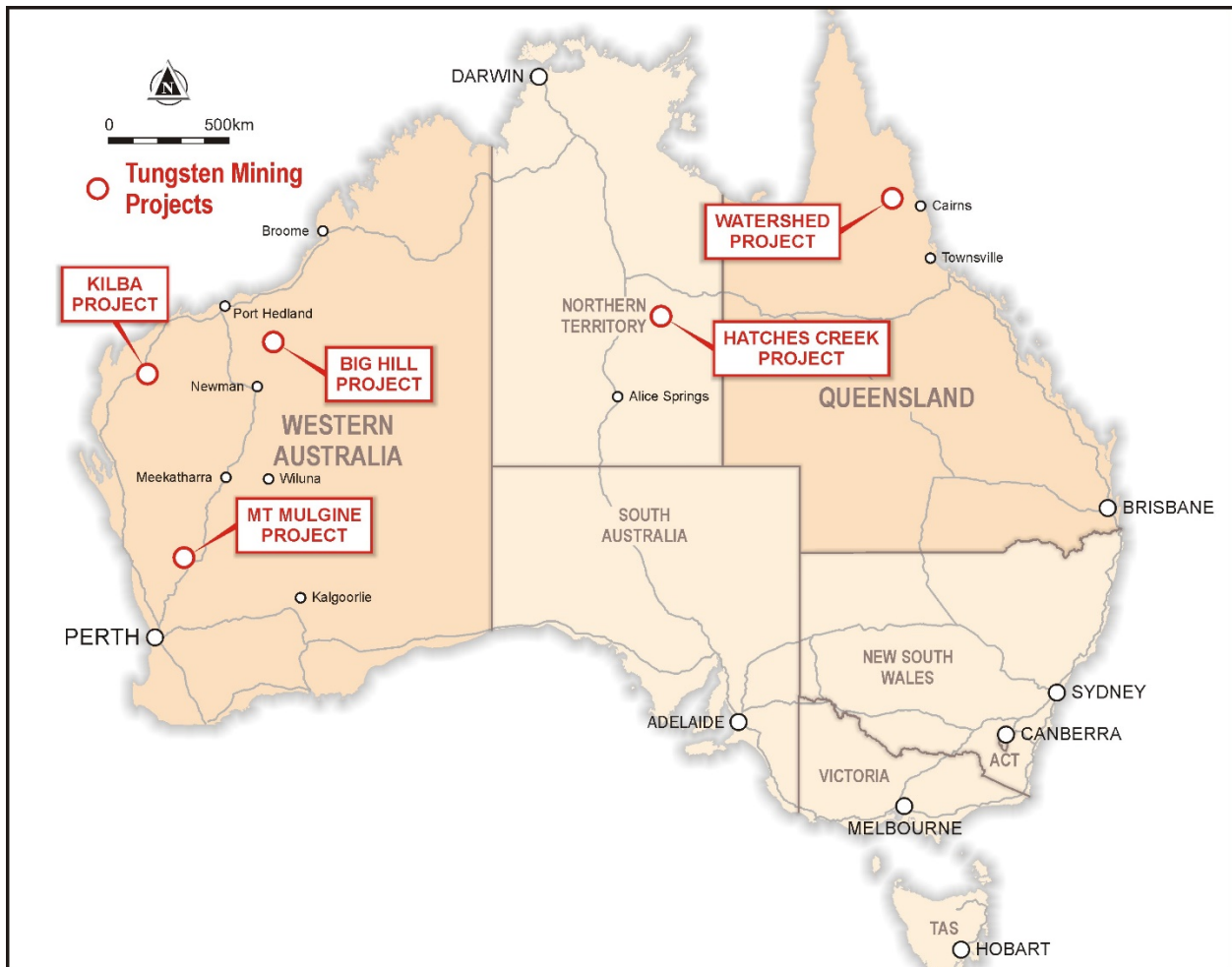


Figure 8: Tungsten Mining NL Project Locations

On 4 May 2020, TGN reported a Mineral Resource upgrade following 280-hole resource definition drilling at Mulgine Trench, completed in March 2020, with the following key high lights:

- Total Mineral Resource for Mulgine Trench increased by 19% to 247Mt @ 0.11% WO<sub>3</sub>, 280ppm Mo; Mineral Resource has an increased confidence with 70% as Indicated (December 2019 Resource was all Inferred).
- Contained metal increases as follows: tungsten metal increased by 20% to 270,000 tonnes and Contained Molybdenum metal increased by 23%.
- Also, the mineral resource estimates that the deposit contains approximately 1 million ounces of gold, 44 million ounces of silver and 92,000 tonnes of copper associated with tungsten mineralisation in the Mineral Resource; The revised Mineral Resource estimate will be used for pit optimisation and engineering studies as part of the PFS.

TGN has reported that it has completed the pre-feasibility study (PFS) into large scale mining and processing activities at Mt Mulgine in the December quarter.

Information with respect to the PFS and details on TGN's projects and activities can be found at [www.tungstenmining.com](http://www.tungstenmining.com)

## Investment in EMetals Limited (ASX: EMT)

GWR holds an 8.0% (market value at quarter end of \$0.56 million) equity interest in ASX-listed company EMetals Ltd ("EMetals), GWR is EMT's largest shareholder holding 30.8 million shares.

EMetals is an Australian based resources company whose prime focus is the exploration and development of tungsten projects in Australia.

During the quarter EMT announced the following activities:

- 19 October 2020 – additional gold anomalies defined at its Twin Hills Gold Project
- 12 November 2020 - significant nickel and rare metal results at its Poona Project

Further details on EMetals projects and activities can be found at [www.emetalslimited.com.au](http://www.emetalslimited.com.au)

## New Project Opportunities

GWR has reviewed several new project and investment opportunities during the Quarter and the Company continues to investigate investment opportunities.

## Corporate

### Cash Position and Investments

At the end of the quarter GWR held cash reserves of \$4.41 million, \$9.58 million in ASX listed securities and no debt.

The ASX listed securities comprised of following equity interests:

- Tungsten Mining NL of 70 million ordinary shares at \$0.125 per share with a market value \$8.75 million
- eMetals Limited of 30.8 million shares at \$0.027 per share with a market value \$0.83 Million.

On 7 October 2020, the Company announced it had completed a Share Placement (Placement) raising \$3.3 Million through the issue of 18,333,333 fully paid ordinary shares in the Company (Shares) at an issue price of \$0.18 per Share. The Placement was completed to fund development at its DSO Iron Ore C4 Project. The Placement was made to qualified, institutional, and professional investors and included 1 free carried listed option, exercisable by payment of 40 cents on or before 1 October 2022, for every 4 placement shares allotted. GTT Ventures Pty Ltd acted as Lead Manager to the placement.

During the quarter GWR received \$1.44 Million from the exercise of 26.75 Million unlisted options. The Company also issued 3,932,920 ordinary shares in lieu of director and executive fees as approved by shareholders at the Company's 2020 Annual General Meeting.

The group received the quarterly take or pay payment from the JWD Mining Agreement of \$125,000 from FEL on 31<sup>st</sup> December 2020.

### COVID-19

The health and safety of employees and contractors is paramount, and the Company is supportive of the action being taken by State and Federal Government to address the threat of COVID-19. GWR continues to monitor advice and evaluate risks in this area and Shareholders will be kept closely informed of any changes.

## Other

In accordance with the reporting requirements of ASX Listing Rule 5.3 the Company advises the following expenditure incurred during the quarter.

Expenditure incurred on exploration and evaluation activities of \$0.30 Million during the quarter, which predominantly related to:

- Exploration step-out drilling at the Wiluna West Iron Ore Project.
- Technical consulting services for the Wiluna West Gold Project.

Expenditure incurred on mining and development activities of \$0.84 Million during the quarter, which predominantly related to:

- Grade control program grade program of 1,185 meters of infill RC drilling, designed as pre-production infill and grade control over a strike length of 325 meters within the proposed Stage 1 open pit of the C4 deposit.
- Completed geological, pit optimisation works and mine planning scheduling works, based upon recent RC drilling results, which generated a final mine design.
- Obtained various development approvals from the Department of Water and Environmental Regulation and from the Main Roads Department
- Commenced site development works which included the following:
  - Construction of the Northern Haul road
  - Establishment of site water supply
  - Mobilisation of contractors to site
  - Establishment of site services such as workshops, offices, and laydown area
  - Establishment and commissioning of crushing facilities
- Commenced mining, crushing and haulage operations.

During the December quarter GWR made payments to related parties of \$125,745, comprising \$91,476 in Directors Remuneration and \$34,269 for property lease expenses.

## Tenement Interests

A schedule of the Company's interest in mining tenements as at 31<sup>st</sup> December for the purposes of ASX Listing Rule 5.3.3 is appended at Appendix 1.

ENDS

29 January 2021

### For further information

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### Competent Person's Statement

*The information in this report which relates to Exploration Targets, 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") 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.*

*Where the Company refers to previous Exploration Results it confirms that it is not aware of any new information or data that materially effects the information included in previous announcements and all material assumptions and technical parameters disclosed in those announcements continue to apply and have not materially changed.*

## Appendix 1 - Schedule of interests in mining tenements

### (a) 31<sup>st</sup> December 2020

Location	Tenement	Percentage held	Notes
<b>Western Australia</b>			
<b>Wiluna</b>			
Wiluna West	L53/115	100%	
Wiluna West	L53/146	100%	
Wiluna West	L53/147	100%	
Wiluna West	L53/148	100%	
Wiluna West	L53/177	100%	
Wiluna West	L53/178	100%	
Wiluna West	L53/179	100%	
Wiluna West	L53/190	100%	
Wiluna West	M53/971-I	100%	
Wiluna West	M53/972-I	100%	
Wiluna West	M53/1016-I	100%	
Wiluna West	M53/1017-I	100%	
Wiluna West	M53/1018-I	100%	
Wiluna West	M53/1078-I	80%	JV with Jindalee Resources Ltd
Wiluna West	M53/1087-I	100%	
Wiluna West	M53/1096-I	100%	
<b>Northern Territory</b>			
<b>Hatches Creek</b>			
Hatches Creek	EL22912	80%	Pursuant to farm-in agreement with Tungsten Mining NL
Hatches Creek	EL23463	80%	

\* Excludes tenement applications.

### (b) Tenements acquired and disposed of during the quarter

None applicable.

### (c) The beneficial percentage interests held in farm-in or farm-out agreements as the end of the quarter

The Company holds an 80% beneficial interest in the Hatches Creek tenements being EL22912 and EL23463, pursuant to a farm-in agreement to Tungsten Mining NL. The Company remains the 100% registered holder pending transfer documentation and registration by the Department of Primary Industry and Resources in the Northern Territory.

### (d) The beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

None applicable.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

GWR Group Limited

ABN

54 102 6622 051

Quarter ended ("current quarter")

31 December 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(406)	(738)
(b) development	(617)	(617)
(c) production		
(d) staff costs	(98)	(196)
(e) administration and corporate costs	(219)	(282)
1.3 Dividends received (see note 3)		
1.4 Interest received	7	9
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	-	-
- JWD Payments Received	125	250
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,208)</b>	<b>(1,574)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements		
(c) property, plant and equipment		
(d) exploration & evaluation		
(e) investments		
(f) other non-current assets		



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities		
	(b) tenements		
	(c) property, plant and equipment		
	(d) investments	-	61
	(e) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>61</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,577	3,300
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options	1,445	1,445
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(196)	(196)
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other		
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3,826</b>	<b>4,549</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,796	1,378
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,208)	(1,574)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	61
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,826	4,549

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>4,414</b>	<b>4,414</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	4,414	1,796
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>4,414</b>	<b>1,796</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	118
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
<b>7.4 Total financing facilities</b>	-	-
<b>7.5 Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Not applicable		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,208)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,208)
8.4 Cash and cash equivalents at quarter end (item 4.6)	4,414
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	4,414
<b>8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.65
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

### Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

29 January 2021

Date: .....



Authorised by: .....  
Adrian Costello – General Manager

### Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.