

JWD UPDATE – HAULAGE CONTRACT AWARDED

HIGHLIGHTS

- Haulage contract awarded to experienced road train haulage contractor
- Contract pricing has innovative floating price element to align the parties' interests and provide downside protection to FEL
- Crush and screen plant now mobilised to site with assembly complete
- Mining operations progressing in line with plan and ore now on the run of mine ore pad (**ROM**) in readiness for feed to the crush and screen plant

Fe Limited (ASX: **FEL**) (the **Company**) is pleased to update on further milestones achieved at its JWD Iron Ore Project (**JWD, JWD Project**).

Haulage Contract

FEL has executed a haulage contract with David Campbell Transport Pty Ltd (**Campbell Transport**) under which they will act as lead haulage contractor for the JWD Project.

Under the contract Campbell Transport will provide haulage of a minimum of 1200 tonnes per day, which comprises ~60% of the intended initial JWD volumes, and will also provide road train loading services to the other haulage contractors performing the remainder of the haulage.

Campbell Transport is an experienced haulage contractor that has been established for more than 20 years with a long history of bulk commodity haulage with a focus on iron ore.

Under the terms of the contract the haulage rate is fixed for the first six months and then reverts to a floating rate (above a floor rate) that is based on FEL's realised iron ore price. This provides upside to the contractor in times of elevated pricing such as presently exists and also provides protection for FEL by reducing haulage costs if iron ore prices decline in the future.

Crush and Screen Plant mobilisation complete

The crush and screen plant has mobilised to site and assembly is complete (see figure 1 below). Commissioning is underway, with first production of saleable product expected to be on the product pad over the course of this week.

Mining Operations Progressing to Plan

Mining operations are now fully established with the load and haul of ore and waste progressing in accordance with the mine plan (see figure 2 below). ROM ore stocks are available for commissioning and first production from the crush and screen plant.



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FEL Executive Chairman Tony Sage commented “We are pleased to have secured the services of Campbell Transport as our lead haulage partner for JWD. It has been well documented that road trains are in short supply at present so to secure the services of an experienced contractor in this market speaks volumes for the FEL team and the potential of the JWD Project.

The contract pricing methodology will drive alignment between the parties and assist FEL to reduce the cost of its largest cost item in the event iron ore prices decline in the future”.

Mr Sage continued “Port and Offtake remain the key items for us to complete, these are well advanced and we expect to update Shareholders shortly”.

Announcement released with authority of the FEL board of directors.

Yours faithfully
FE LIMITED

Tony Sage
Executive Chairman

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ASX Announcement



Figure 1- Crushing Plant commissioning at JWD



Figure 2 – Mining in the JWD pit, with ore exposed in the face