

## IRON ORE PROJECTS UPDATE

### HIGHLIGHTS

- Drilling completed at Yarram.
- Meetings held with Yarram Traditional Owners.
- JWD mine operations moving to temporary suspension pending improved iron ore prices.
- Key equipment remains on site at JWD to facilitate rapid ramp-up once iron ore market is supportive.

CuFe Ltd (ASX: **CUF**) (**CuFe** or the **Company**) is pleased to provide an update on activities at its iron ore projects.

#### Yarram Iron Ore Project (Yarram, Yarram Project)

The Company holds a 50% interest in Gold Valley Iron and Manganese Pty Ltd, the owner of the iron ore rights over the Yarram Project which is located approximately 110km from Darwin Port.

In late September the Company commenced a drill program at the Yarram Project on MLN1163 targeting extensions to known mineralisation, outcropping ore zones and several geophysical targets. Although the program experienced periods of heavy rainfall and high temperatures it has been successfully completed prior to the wet season fully arriving.

The air core drill program was executed by Australian Air Core and was completed on 26 October 2022. Program details are as follows:

- 24 holes were drilled
- Total 1,358 metres
- Maximum hole depth 105m, average 56m

Drilling intercepted goethite and hematite lenses and surface laterites and enrichment that is typical of this area. Samples have been progressively delivered to the laboratory for analysis and results are expected to return over the coming month.

Remaining works on site in the near term include down hole surveys, a detailed LIDAR topographic survey and the collection of metallurgical bulk samples from surface costeans and cuttings.

#### JWD Iron Ore Mine (JWD, JWD Project)

The Company holds a 60% interest in the JWD Project via its subsidiary Wiluna Fe Pty Ltd as operator of the joint venture (**JWD JV**).

As noted in previous market updates CuFe has been closely monitoring the impacts of falling iron ore prices on its operations at JWD. Iron ore prices have been falling each month since the end of March 2022 when it was USD158/dmt, to a closing level last week of USD82/dmt.

At these levels and with hedge coverage ending, the most prudent course of action is for the Company to temporarily suspend operations. The Company has been reducing activity recently in anticipation of this course of action being necessary so has limited stock in the system.

The Company will continue to crush and screen remaining run of mine stock (ROM) at the site and haul it to port for shipment in December. It will also continue to utilise the crush and screen plant in trials to explore the potential to recover high grade product from a discrete portion of the waste dump on site. Subject to the results of the trials this material could be a source of low cost product which can be accumulated at the mine in advance of recommencement of full operations.

The Company is in a good position to make the decision to suspend having completed all its delivery obligations under its steel mill sale contract and repaid all debt advanced against stockpiles.

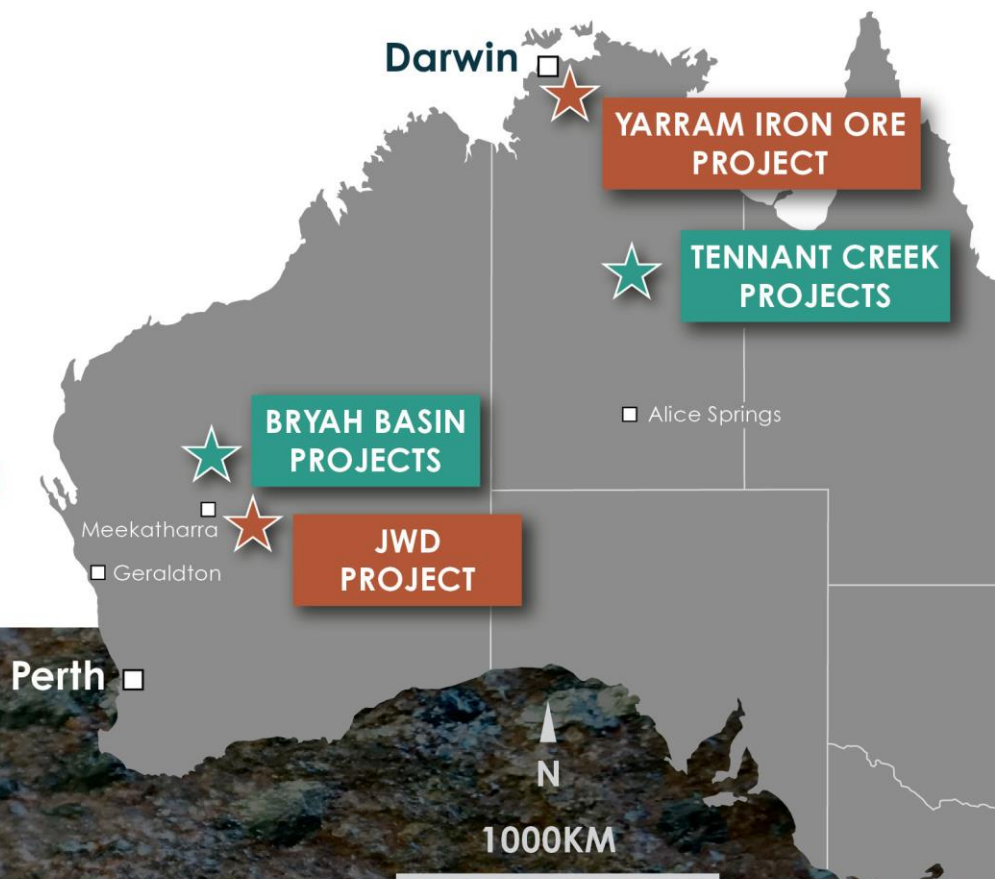
CuFe Executive Director, Mark Hancock, commented “It’s pleasing to complete a further drill program at Yarram, which has always been an exciting project for us given there are so few iron ore projects in Australia that host high grade iron ore so close to available capacity at an established port. Conditions were challenging for the drillers and the CuFe team on the ground so I thank them for their efforts to conclude the program safely and efficiently. I was also very pleased to spend three days on site earlier this month meeting with the traditional owners of the land and explaining CuFe’s objectives for the Yarram project, and to receive their feedback on how we can best work together. We look forward to continuing to grow that relationship.”

Mr Hancock continued “With regards to our existing mining operations at JWD it is obvious at current iron ore prices the right thing to do is to suspend the majority of our operations on site to preserve the value of ore in the ground for better markets. When we started the mine we expected JWD would produce an excellent quality iron ore product which would be well received in the market, which has proven to be the case. Equally, we knew the distance of the mine from the port meant that it would need iron ore prices to be robust to overcome the haulage cost burden, so we set up the mine at a low capital cost and with flexible operating contracts to allow us to pivot when the market requires.

With the mine now opened up and good quality ore readily accessible at reduced strip ratios we are well placed to respond to a rebound. In the meantime we will keep the key mining equipment and infrastructure in place as best we can to facilitate a quick restart and would like to note and acknowledge the cooperation of our key contractors and partners in this regard.

I have seen many times before how iron ore prices can rebound quickly once sentiment turns in China, this was most recently illustrated when prices hit the mid 80’s in November 2021 and were back in the mid 120’s by December 2021 and then the 160’s earlier this year so it’s a matter of being patient and staying ready. Stock levels of iron ore at Chinese steel mills are the lowest level for nearly a decade on a days of consumption basis so as sentiment improves significant restocking is likely to be required.”

Released with the authority of the CuFe Board.



## About CuFe Ltd

CuFe Ltd (ASX: CUF) is an emerging copper and iron ore company. Our strategy is focused on near-term, high grade premium product iron ore projects and maintaining exposure to strategic metals. The company has interests in various projects and tenements prospective for iron ore, copper and gold, all located in Australia. In October 2021, the Company commenced shipping from the JWD Project located in Western Australia.

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