



ASX Announcement

Significant Advancements in Prospect Ridge Magnesite Project

HIGHLIGHTS

- The Prospect Ridge Magnesite project (70% GWR Group Limited (ASX:GWR), and 30% Dynamic Metals (ASX:DYM) contains the third largest Magnesite inventory in Australia¹ and GWR has made significant steps forward in progressing this project with magnesite core samples currently being analysed by a leading manufacturer of refractories in Europe.
- GWR is excited to be an industry partner that is part of the Federal government funded Regional Research Collaboration Grant (RRC), being undertaken by the high caliber Centre for Ore Deposit and Earth Sciences University of Tasmania (“CODES”). The RRC Project focus is the environmentally sustainable production of critical minerals and building economic capacity in northwest Tasmania. Significant progress has been made including:
 - Appointment of a PHD student now working on project full time, supported by team from CODES.
 - 143 kg master composite sample prepared by Nagrom in Perth from the diamond drill core obtained in the 2023 drilling program for Metallurgical testwork.
 - 69.9 kg of the master composite forwarded to CODES in Hobart as part of the RRC project.
 - Current work is focusing on ways to reduce contaminants, in particular silica and optimising the flow sheet.
 - GWR will update the market as results become available.
- Domaining of Magnesite mineralisation types for both the Arthur River and Lyons River deposits is being undertaken using geochemistry and historical diamond drill core stored at the Mineral Resources Core Library in Hobart.
- An application has been made to refresh drilling approvals with Mineral Resources Tasmania (“MRT”) for the drilling of 27 holes for an aggregate of 4,050m including six (6) Priority 1 holes for 450m located at the Arthur River deposit. This infill drilling will and the above domaining will support an updated Mineral Resource estimate for the Arthur River deposit.
- GWR actively assessing opportunities for a “green processing opportunity” with potential industrial hub planned by the Tasmanian Government at Hampshire located < 40 km from the project, where a combination of hydro (already available) and wind power sources are planned. In addition, Porsche backed HIF Global has lodged plans with Tasmania’s Environment Protection Authority to build Australia’s first commercial-scale e-fuel facility in the area.
- The company plans to investigate historical gold, copper and iron ore occurrences identified within the project as it is believed they may exhibit IOCG synergies.
- This will include review of the historical drilling where sulfides and / or Cu have been identified and the company notes the recent exploration for copper conducted by others in the region.

¹ Source Geoscience Australia Website – www.ga.gov.au

GWR Group Limited (**ASX:GWR**) (“GWR” or “the **Company**”) is pleased to advise shareholders of recent significant progress at Prospect Ridge magnesium project located in north west Tasmania. The project is 70% GWR , and 30% Dynamic Metals (**ASX:DYM**).

The Prospect Ridge Magnesite project area is located in northwest Tasmania, 40 km southwest of the Port of Burnie. It sits upon a granted Exploration Licence (EL5/2016), it is 11 km long and 51 km² in area and contains two magnesite deposits, the Arthur River and Lyons River deposits containing the third largest Magnesite inventory in Australia.

The Arthur River prospect is a large high grade magnesium deposit where previous exploration has identified an Inferred Mineral Resource estimate of 25.1Mt @ 42.4% MgO (refer to ASX announcement dated 27th January 2022) and Prospect Ridge Magnesite Project with GWR as an industry partner are part of Federal government funded Regional Research Collaboration Grant (RRC), being undertaken at the University Centre for Ore Deposit and Earth Sciences University of Tasmania (“CODES”).

The RRC project focuses on North West Tasmania and aims to enhance Australia’s Economy through research, training, and environmentally sustainable production of critical metals.

The team dedicated to the Prospect Ridge Magnesite project includes a highly motivated PHD student working on the project full time, supported by a team from CODES.

Metallurgical Test Work & Offtake Testing

GWR is pleased to inform the market, at the request of one of Europe’s leading manufacturers of refractories in Europe, magnesite core samples were sent to them and are currently being analysed for offtake suitability.

- A 143kg master composite sample prepared from the diamond drill core obtained in the 2023 drilling program for Metallurgical test work
- 69.9kg of the master composite forwarded to CODES as part of the RRC project
- Current work is focusing on determining which end-use magnesium sectors it can derive an economic product and this includes development of a flow sheet focused around ways to reduce contaminants in particular silica

GWR is reviewing the most effective and low-cost, low carbon downstream processing for a high-quality low waste Magnesium product.

Exploration of Magnesite and Other Commodities (such as Copper and IOCG)

Domaining of magnesite mineralisation types is being undertaken for both the Arthur River and Lyons River deposits using geochemistry and diamond drill core stored at the Mineral Resources (“MRT”) Core library in Hobart

An application has been made to refresh approvals with Mineral Resources Tasmania for the drilling of 27 holes for an aggregate of 4,050m including six (6) Priority 1 holes for 450m located at the Arthur River deposit. This infill drilling combined with the domaining will be used to support an updated Mineral Resource estimate

Rehabilitation of all holes drilled in 2023 completed plus historical holes. The Company plans to investigate historical gold, copper and iron ore occurrences identified within the project as it is believed they may exhibit IOCG synergies.

This will include review of the historical drilling where sulfides and Cu have been identified and the company notes the recent exploration for copper conducted by others in the region.

Government Engagement and Local Infrastructure

Management believes the key to advancing this highly prospective project is via government engagement and the company is working hard to lobby with parties that understand the true potential both economically and socially that this project can bring.

Opportunities for a “green processing opportunity” with potential industrial hub planned by the Tasmanian Government at Hampshire located < 40 km from the project, where a combination of hydro (already available) and wind power sources are planned. In addition, Porsche backed HIF Global has lodged plans with Tasmania’s Environment Protection Authority to build Australia’s first commercial-scale e-fuel facility in the area.

GWR's Chairman Gary Lyons said:

“After having bolstered our cash balance to more than \$38 million with an additional ~\$9 million of tradeable listed securities, we are delighted to have the resources to advance a project of such significance, not only to Tasmania but also Australia in moving towards domestic Magnesium production.

With the recent partnership of University of Tasmania and Federal government funded Regional Research Collaboration Grant (RRC), research is being undertaken at the University Centre for Ore Deposit and Earth Sciences University of Tasmania (“CODES”).

We are well advanced in which end-product magnesium market (or portfolio of products) we will be targeting and the metallurgical test work being undertaken will move us closer to supplying a low carbon, low waste, potentially “green magnesium” product to the sizeable Aerospace, Military, Automotive and Transportation sectors.”

This ASX announcement was authorised for release by Gary Lyons, Chairman of GWR Group Limited.

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Competent Person's Statements

Where the Company refers to the Mineral Resource Estimate in this announcement, referencing the previous announcements made to the ASX and specifically that made on 27 January 2022, it confirms that it is not aware of any new information or data that materially affects the information in those announcements, and all material assumptions and technical parameters underpinning the Mineral Resource Estimate continue to apply and have not materially changed.

Forward looking statements

This announcement contains forward-looking statements which are identified by words such as ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements does not guarantee future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and our management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. We have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. These forward-looking statements are subject to various risk factors that could cause our actual results to differ materially from the results expressed or anticipated in these statements.

About Prospect Ridge

On 27 January 2022 GWR announced that it had executed a Sale and Purchase Agreement (SPA) with HiTec Minerals Pty Ltd (HiTec) for the acquisition of a 70% interest in the advanced Prospect Ridge Magnesite project located in north-west Tasmania. HiTec is a wholly owned subsidiary of Dynamic Metals Ltd (ASX:DYM).

The Prospect Ridge is located in northwest Tasmania, 55 km southwest of the Port of Burnie. It sits on a granted Exploration Licence, (EL5/2016), it is 11km long and 51km² and contains two magnesite deposits, the Arthur River and Lyons River deposits containing the third largest Magnesite inventory in Australia (Source Geoscience Australia Website – www.ga.gov.au.)

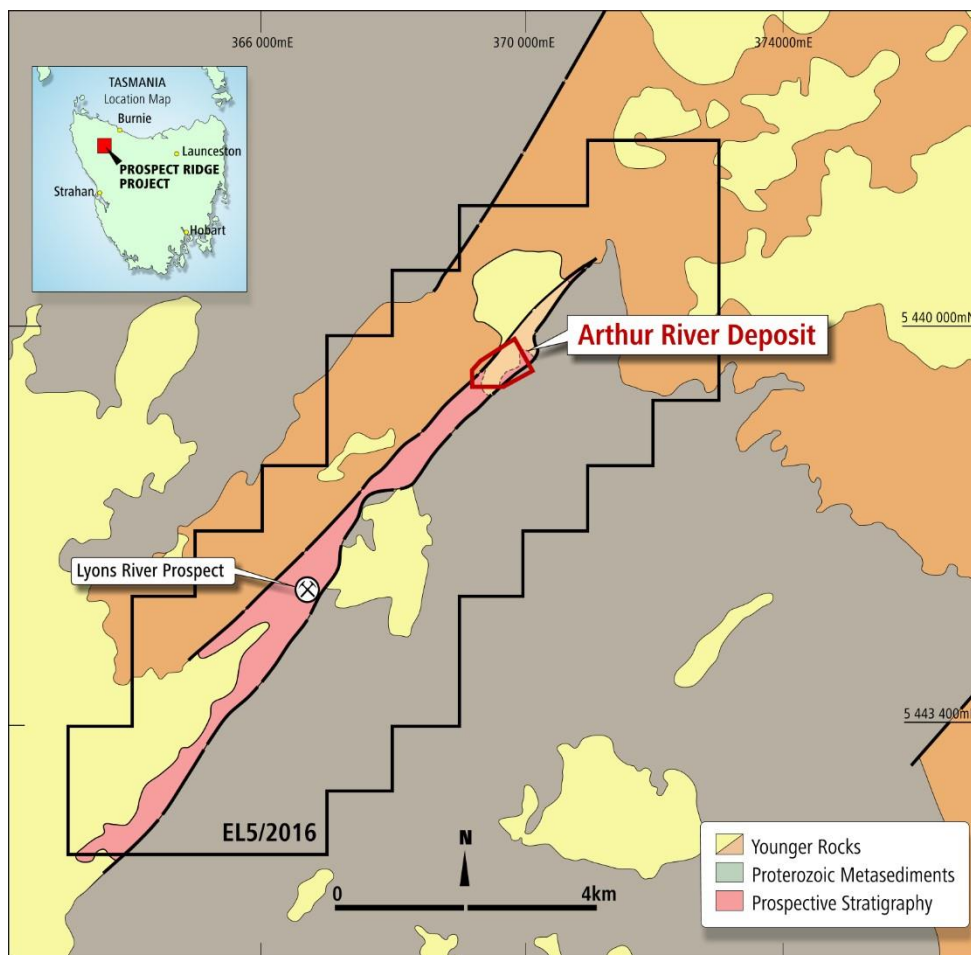


Figure 1: Prospect Ridge Location Plan showing tenure and summary geology

Previous exploration at the Arthur River magnesite deposit has identified a JORC 2012 Inferred Mineral Resource estimate of 25 million tonnes at 42.4% MgO. This is based upon previous diamond drilling over a strike length of approximately 800m, where a total of 44 holes was completed for 6.939m on lines approximately 150m to 50m apart.

Table: Arthur River Inferred Mineral Resource Estimate

Cut-Off (MgO (%))	Tonnes	MgO (%)	SiO ₂ (%)	Fe ₂ O ₃ (%)	CaO (%)
36	36,820,000	41.1	5.9	1.7	2.9
38	32,090,000	41.7	5.4	1.6	2.8
40	25,120,000	42.4	4.8	1.4	2.6
42	15,280,000	43.3	4.2	1.3	2.2
44	3,040,000	44.5	3.0	1.0	1.9

Refer ASX announcement 27 January 2022 and previously by Lindalee Resources Limited dated 10 October 2017

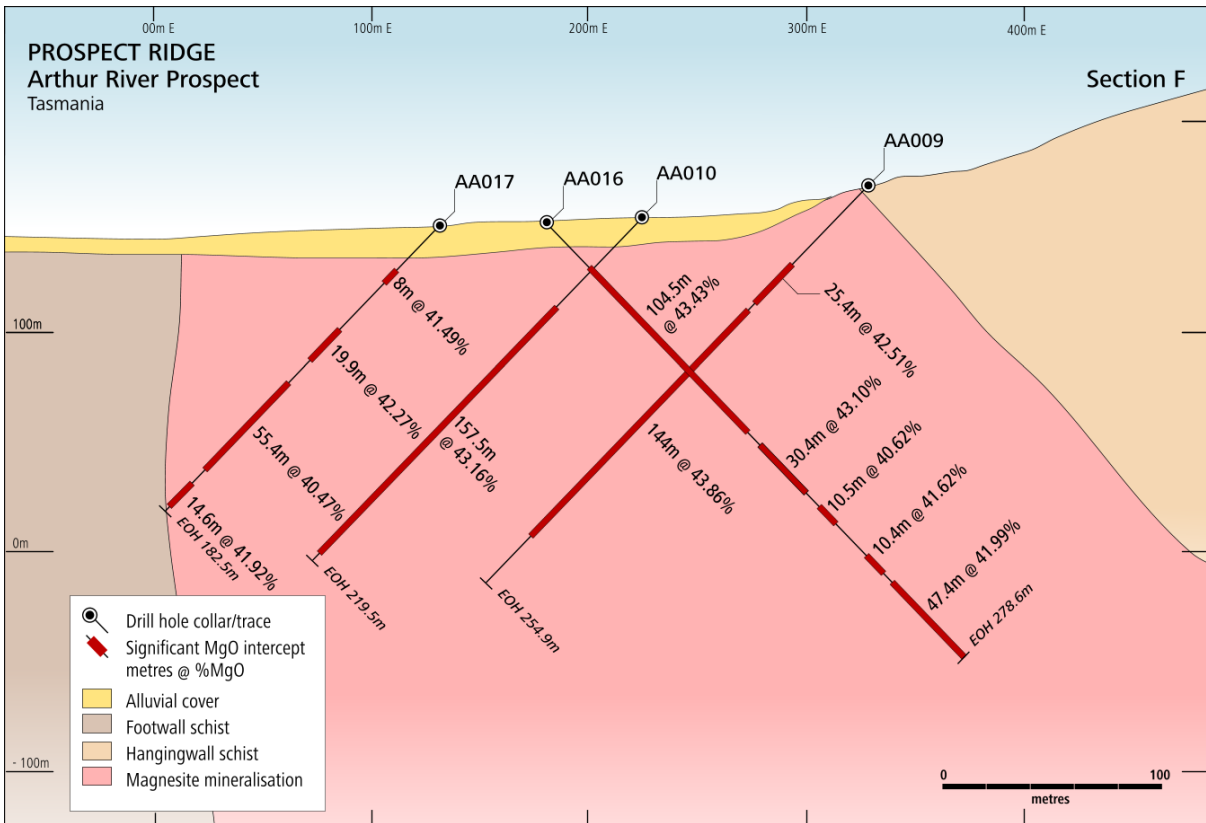


Figure 2: Section F illustrative sectional diagram. (Refer Jindalee Resources Limited ASX announcement 10 October 2017)