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Coziron Resources Limited

The Company Announcements Office
ASX Limited via E-Lodgement

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Shepherds Well Project – Nickel, Cobalt and Gold Anomaly identified in Soils from the Dorper Rise Prospect – Priority first-pass drill targets identified

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Highlights

- **A 600m long by 300m wide area (Dorper Rise Prospect) reports soils with nickel (Ni) to 3600ppm, chromium (Cr) to 1820ppm, cobalt (Co) to 150ppm, gold (Au) to 220ppb and platinum-group elements (Pt+Pd) to 36ppb.**
- **Results indicate that Dorper Rise is prospective for sulphide-hosted nickel.**
- **A 300m long and 70m wide zone of nickel (Ni) > 1000 ppm within the prospect represents a priority target for first pass drilling.**
- **During collection of an additional 205 soil samples at Dorper Rise, talc-carbonate schists were identified and are interpreted as altered ultramafic.**
- **Soils over felsic rocks to the east of Dorper Rise reports gold (Au) to 740ppb lead (Pb) to 940ppm and zinc (Zn) from 300 to 500ppm and represent an area that is prospective for gold and base-metal mineralisation.**
- **Follow-up work to be conducted in the coming field season will include first-pass drilling along with extensional mapping and soil sampling of areas with emerging gold and base-metal anomalies**

SHEPHERDS WELL EXPLORATION UPDATE

Work Programmes and Results

Background

The Shepherds Well project (E08/2361) is located in the west of the Pilbara about 60km south-west of Karratha. The area has a basement of basaltic, felsic and metasedimentary rocks unconformably overlain by Fortescue Basalts and sediments of the Hamersley Basin (Fig 1). The tenement is accessed from the Great Northern Highway, is located only 25-50 km from a new proposed public access port at Cape Preston East, and is crossed in part by an easement for the proposed West Pilbara railway. The area is prospective for iron-ore, gold and base-metals.

Historical records and earlier programmes of wide-spaced soil and rock-chip sampling by Coziron have identified areas showing anomalism in gold (Au), platinum-group (Pd + Pt), nickel (Ni), cobalt (Co), lead (Pb) and zinc (Zn) (ASX:CZR 29th July 2014; CZR 28th June 2016). The geochemical results have high-lighted two areas of interest that are now named Dorper Rise and Suffolk Ridge (Fig 1). This announcement reports new results from the Dorper Rise prospect.

Activities and Results

An additional 205 soil-samples were recently collected from the Dorper Rise prospect bringing the total number of soils with assays on the tenement to 746. The soil lines were also mapped for geology. All the samples were sent to at Bureau Veritas Laboratories in Perth and the processing methods and analytical procedures are presented in Appendix 1. After the assays were received, they were collated with previous results and then overlain onto a range of data-sets including mapped geology, google surface-imagery and the available magnetic and radiometric imagery.

The most significant results can be summarised as follows.

1. A poorly outcropping area of talc-carbonate schist covering an area of about 600m by 300m is interpreted as representing an altered ultramafic rock. Soils overlying the area are entirely anomalous in nickel (Ni) up to 3600 ppm, but values greater than 1000 ppm are distributed in an area of about 300m by 70m and represent a priority drill target (Fig 2). In addition to nickel (Ni), the soils also have chromium (Cr) to 1820 ppm and there is an association of higher nickel (Ni) with gold (Au) to 220 ppb (Fig 3), cobalt (Co) to 150 ppm, platinum group elements (Pd + Pt) to 36 ppb and arsenic (As) suggesting a sulphide-association.
2. Felsic rocks along the eastern margin of the talc-carbonate schist have soils that are anomalous in zinc (Zn) from 300 to 500ppm also report gold (Au) to 740ppb (Fig 3), lead (Pb) to 940ppm (Fig 4).

Future Work

The mapping and soil geochemistry have highlighted higher levels of nickel (Ni) with other sulphide-associated elements (such as cobalt, PGE and arsenic) within talc carbonate schists at Dorper Rise and this prospect represents a target for drilling.

To the east of Dorper Rise, the soils over the felsic rocks are anomalous in gold (Au) and base-metals (Pb + Zn) and require infill sampling to further constrain targets for drilling.

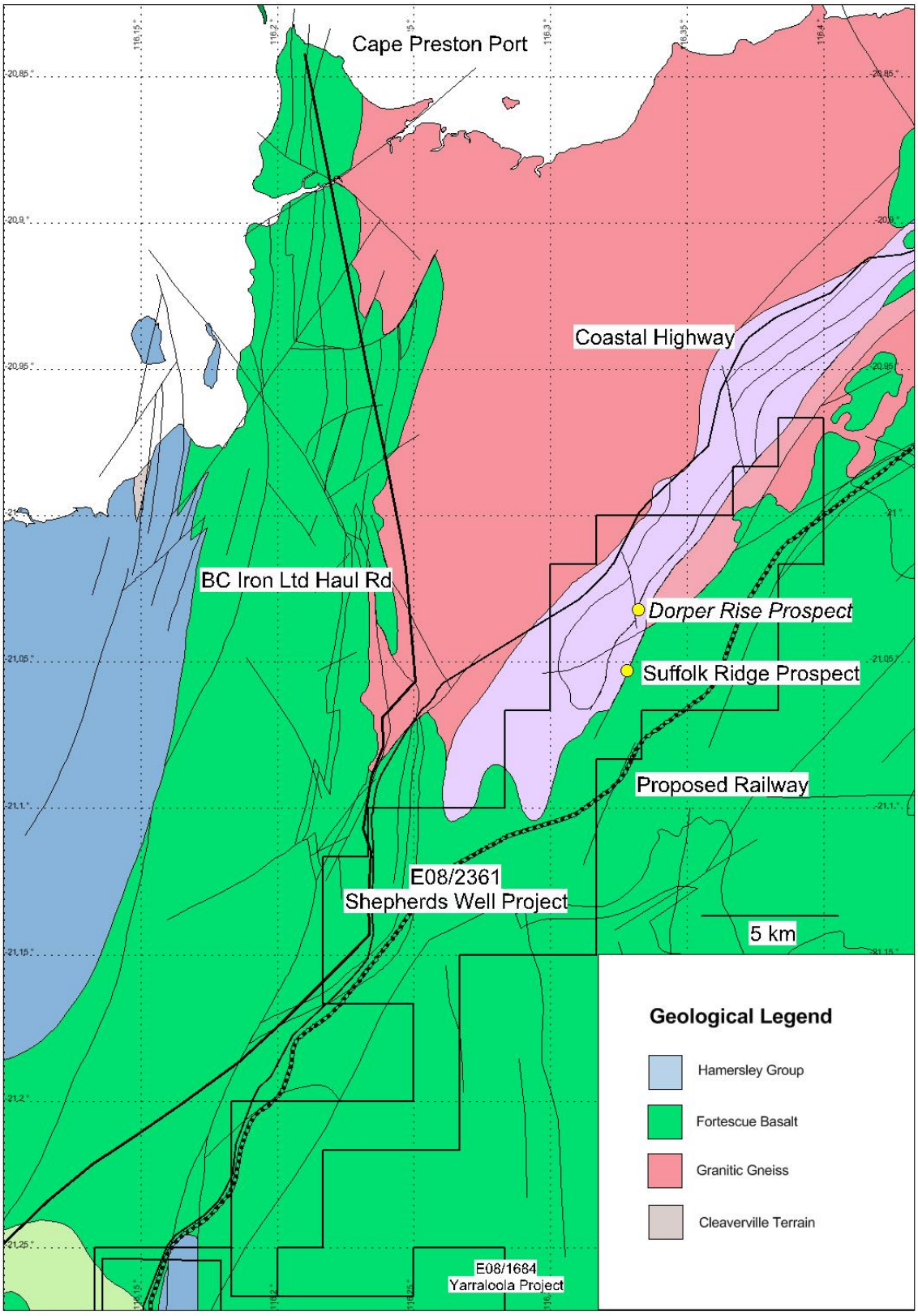

Figure 1. Regional geological setting of the Shepherds Well Project (E08/2361) showing the distribution of the iron-ore and base-metal (Ni + Pb + Zn) prospective Cleaverville Terrain and the location of the Dorper and Suffolk Prospects.

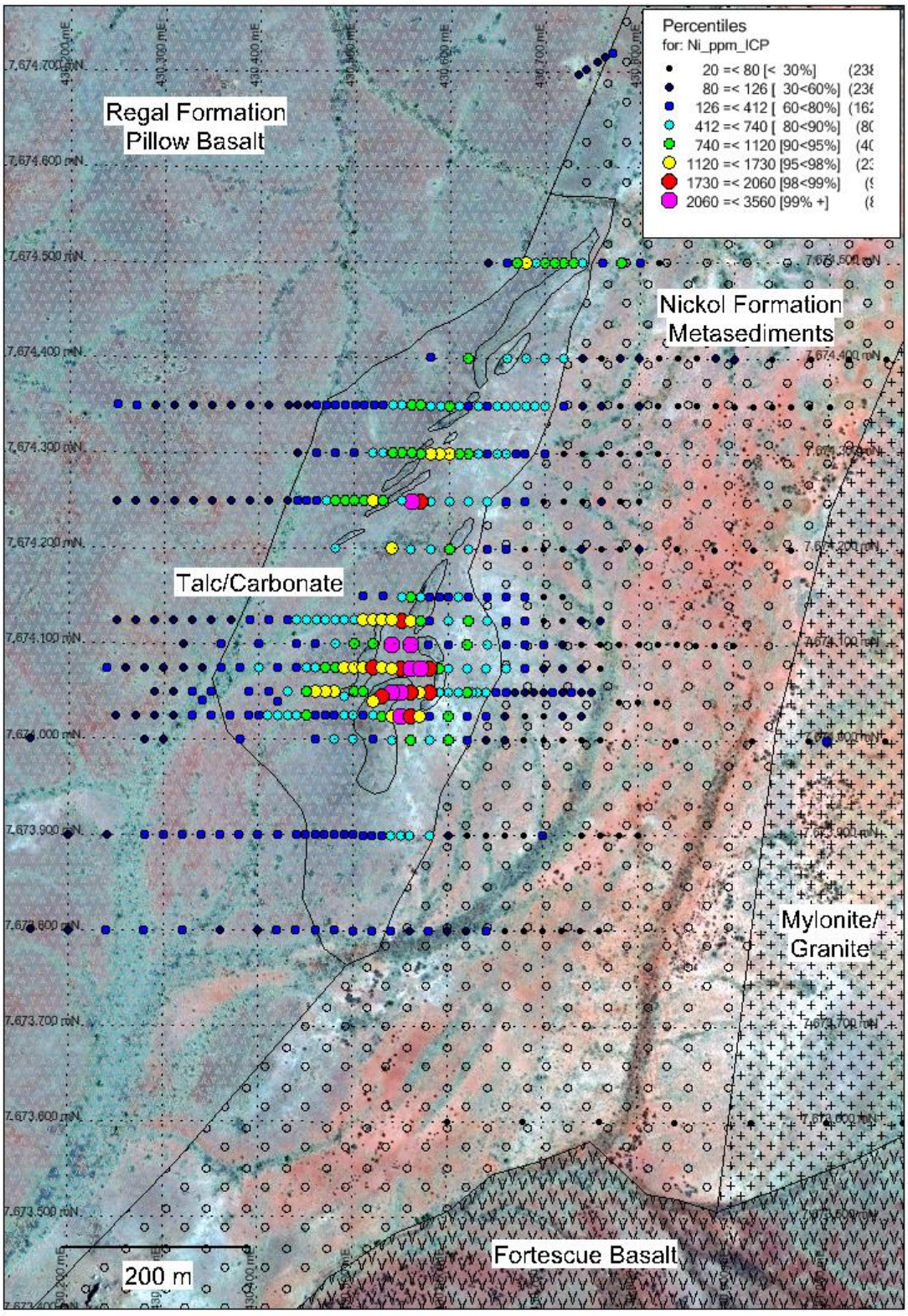

Figure 2 - Soil sample locations showing the percentile nickel (Ni) distribution on the Dorper Rise rospect overlain on Google satellite imagery and geological polygons from Geological Survey of Western Australia that have been updated by Coziron Resources.

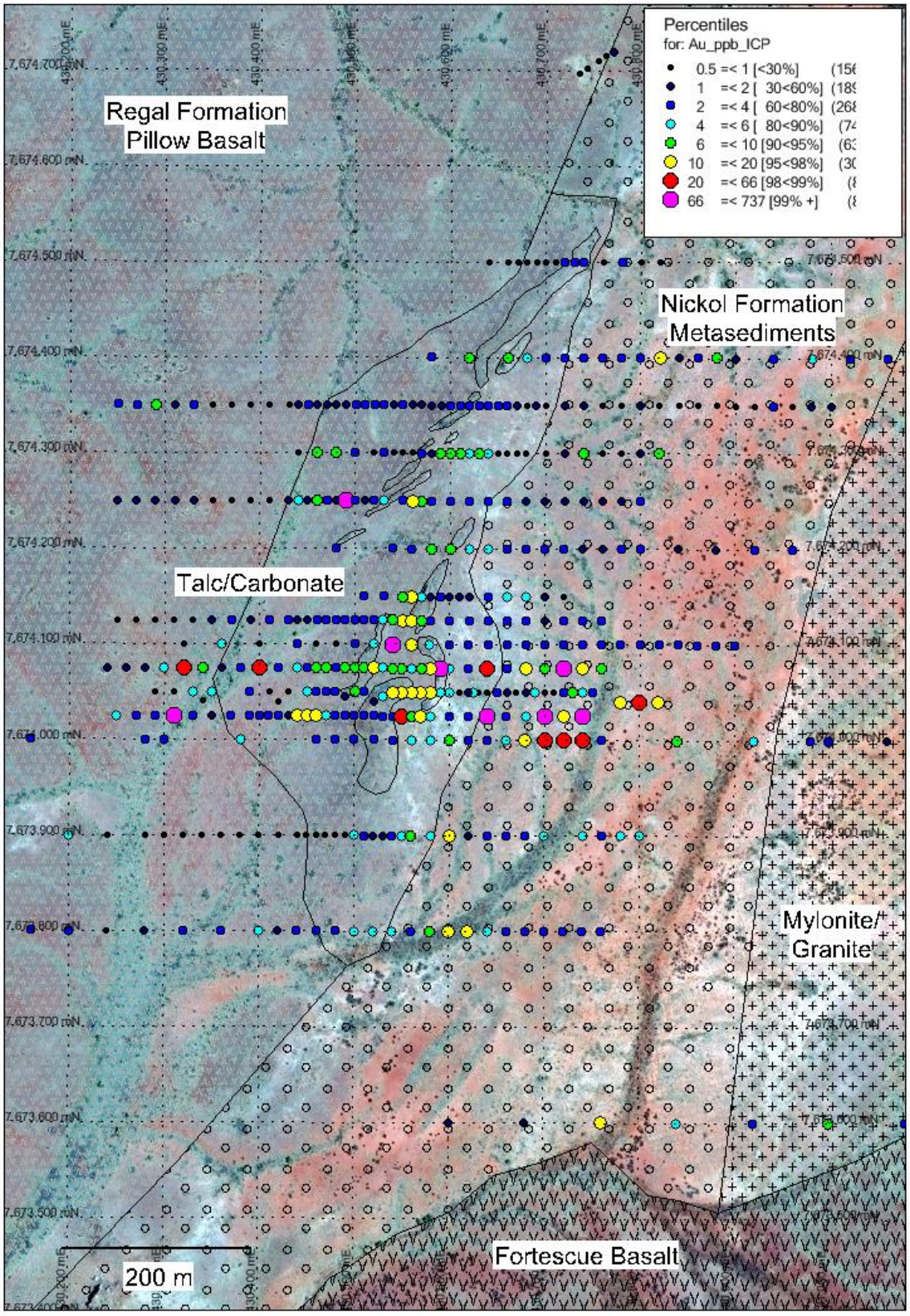

Figure 3 - Soil samples locations showing the percentile gold (Au) distribution on the Dorper Rise Prospect overlain on google satellite imagery and geological polygons from Geological Survey of Western Australia that have been updated by Coziron Resources.

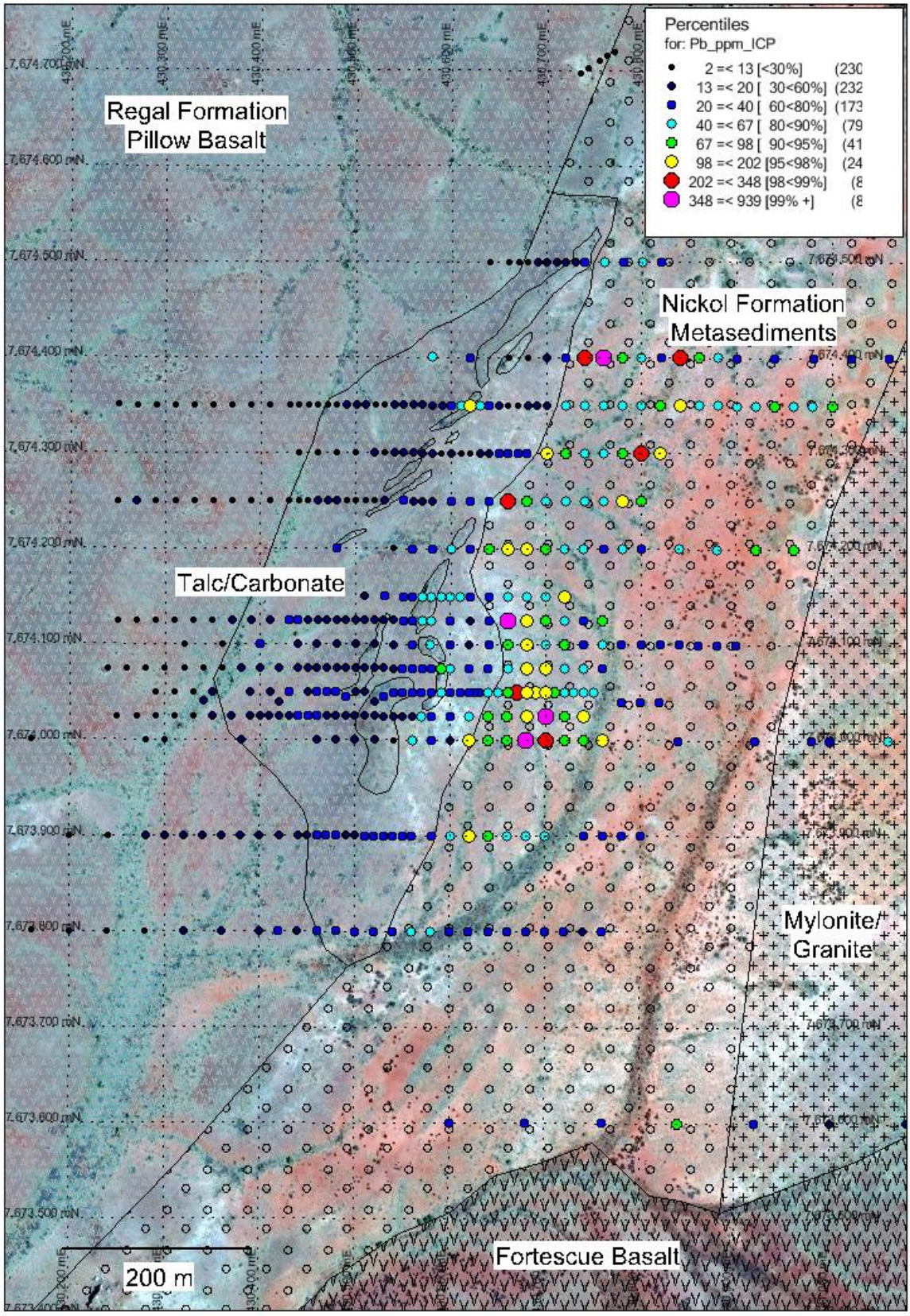

Figure 4 - Soil samples locations showing the percentile lead (Pb) distribution on the Dorper Rise Prospect overlain on Google satellite imagery and geological polygons from Geological Survey of Western Australia that have been modified by Coziron Resources.

ABOUT COZIRON LIMITED

Coziron Resources Limited is exploring the Yarraloola (853km^2 of granted tenements), Shepherds Well (193km^2), Buddadoo (210km^2 granted) and Yarrie (841km^2) Projects (Fig 5). The Yarraloola, Buddadoo, Shepherds Well and Yarrie projects have iron-ore as the principal exploration target but systematic fieldwork at Shepherds Well has identified opportunities for nickel, gold and base-metal (Pb-Zn) mineralisation.

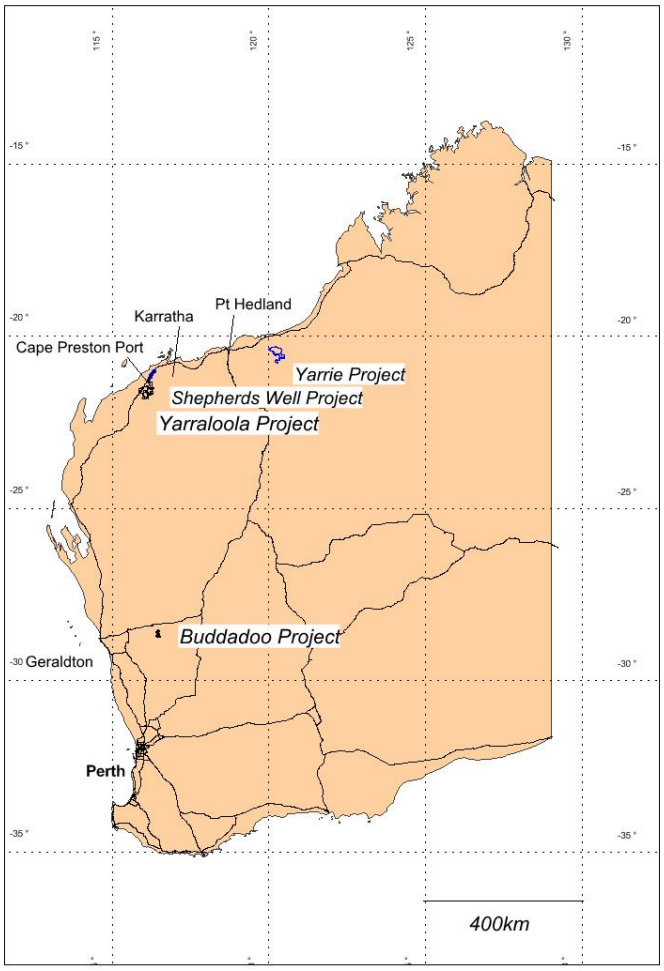

Figure 5. Location of the Coziron Resources Ltd projects in Western Australia.

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 exploration results is based on information compiled by Dr Rob Ramsay (BSc Hons, MSc, PhD) who is a Member of the Australian Institute of Geoscientists. Dr Ramsay is a full-time Consultant Geologist for Coziron. Dr Ramsay has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which they have undertaken to qualify as a Competent Persons as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr 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.

Appendix 1 – Reporting of exploration results from the Shepherds Well Project - JORC 2012 requirements.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
Sampling techniques	• *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 either -2mm screened soil from 5 to 10 cm beneath the surface or 1-2kg of representative rock-chips from outcrop.
	• *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 is collected according to physical features such as lithology, grain-size and alteration.
	• *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 major oxides and selected trace-element analysis are collected using XRF Spectrometry or laser ablation as a digest with and mass spectrographic finish. Gold, platinum and palladium are measured using a fire-assay on a 50g sample with an ICP-MS finish to 1ppb detection. All analytical work was undertaken at Bureau Veritas Laboratories in Perth, Western Australia.
Drilling techniques	• *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	• *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.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	
	• *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	• *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
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	Rock-chips are described for colour, rock-type, and grainsize.
	• *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	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	No core was collected for this study
	• *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
	• *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. Soil samples are 1-2kg of -2mm field screened material collected 5 to 10 cm beneath the surface.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Multiple samples are collected from each lithology
	• *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.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	In finer grained rocks, 1-2kg is sufficient to provide an indication of lithological composition.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	All analyses at Bureau Veritas Laboratories in Perth. Major-element oxides and s suite of 62 minor elements were determined by XRF and laser ablation ICPMS on fused disks. Precious metal (Au, Pt, Pd) is determined by fire assay with ICP finish at a detection limit of 1ppb.
	• *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.
	• *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	• *The verification of significant intersections by either independent or alternative company personnel.*	No intersections are reported.
	• *The use of twinned holes.*	No drilling was undertaken
	• *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.
	• *Discuss any adjustment to assay data.*	No adjustment or calibrations were made to any assay data presented.
Location of data points	• *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 ±3m.
	• *Specification of the grid system used.*	The grid system is either Latitude-longitude or MGA GDA94, zone 50, local easting's and northings are in MGA
	• *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	• *Data spacing for reporting of Exploration Results.*	Reconnaissance rock-chip and soil sampling is being used to examine prospects with the potential for mineralisation.
	• *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 and soil sampling data is not being used to generate either Mineral Resources or Ore Reserve estimations.
	• *Whether sample compositing has been applied.*	No data compositing has been applied.
Orientation of data in relation to geological structure	• *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.

Section 1 Sampling Techniques and Data		
Criteria	**JORC Code explanation**	**Commentary**
	• *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	• *The measures taken to ensure sample security.*	Samples are collected and labelled by Coziron Geologists, packed into bulka bags on pallets. The sealed bulka bags are collected by a transport contractor from Fortescue Roadhouse near the tenement and transported directly to Bureau Veritas laboratories in Perth.
Audits or reviews	• *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	• *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.*	E08/2361 is held by 70% by Coziron and 30% by Croydon Gold Pty Ltd. The tenement is covered by the Yaburara and Mardudhunera Native Title Claim and a relevant heritage agreement is in place.
	• *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	• *Acknowledgment and appraisal of exploration by other parties.*	In 1998-1990, Cyprus Gold and Arimco explored the area for Au and base-metals using stream sediment, rock-chip and soil samples based mainly on local grids. Three RC drill holes were drilled on the area of E08/2361 but the area was then relinquished. RC drill results reported up to 3.0% Zn, 1.7% Pb, 0.2g/t Au, In 1994, CRA Exploration explored the area for gold and base-metals collecting soil samples on local grids and some rock-chip samples. There are 4 RC drill holes from the exploration programme on the current tenement area but the area was relinquished. In 2009, Ord River Diamonds collected two rock-chip samples within the tenement but there was no follow-up reported.
Geology	• *Deposit type, geological setting and style of mineralisation.*	The tenement has a basement of Archaean-age meta-volcanics and metasediments of the Cleaverville Terrain which is intruded by granite and overlain by the Fortescue Flood basalt. The tenement is prospective for iron-ore in the metasediments, base-metals and gold associated with the meta-volcanics.
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *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.*	No weighting or truncation has been applied to the geochemical data and no intercept values are reported.
	• *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.*	
	• *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	• *These relationships are particularly important in the reporting of Exploration Results.*	Magnetite mineralization is hosted within bedded lithologies the style and geometry of other styles of mineralization have yet to be determined. No drill-hole intercepts are reported.
	• *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').*	
Diagrams	• *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	• *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 relevant samples on the maps and in the text are reported
Other substantive exploration data	• *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	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Mapping, soil and rock-chip sampling of the base-metal and gold targets is proposed.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	