

WEST WILUNA JWD IRON ORE DEPOSIT APPROACHING PRODUCTION

HIGHLIGHTS

- Letter of Intent Executed with Proposed JWD Mining Contractor “Big Yellow”
- Planning for commencement of Early Works Activities underway
- Re-optimisation of mine plans indicating potential for improved product grades and reduced strip ratio
- Iron Ore Market remains robust, particularly for high grade lump product
- Experienced team members secured, bolstering project development capability

Fe Limited (ASX: **FEL**) (the **Company**) is pleased to provide an update on progress at its JWD Iron Ore Project at West Wiluna.

Letter of Intent (“LOI”) Awarded to Proposed Mining Contractor

The Company has executed a LOI with emerging mining contractor Big Yellow, noting an intention to appoint them as the mining contractor for the JWD project with the full form contract targeted to be completed within the next 30 days, subject to receipt of necessary environmental approvals and logistic contracts. This LOI will enable Big Yellow to allocate the necessary mining fleet and people to the FEL project.

Big Yellow is a new contractor founded by experienced mining executives Brad Gordon (former CEO of Acacia and Intrepid), David Edwards and Mitch Wallace (both ex MACA). FEL believes that Big Yellow’s combination of experienced personnel looking to replicate their past success in a new entity is a good fit with FEL’s own aspirations to do the same and looks forward to continuing to work together. More detailed biographies of the key management team of Big Yellow are contained in Annexure 1.

Preparation underway for Early Works Activities

Following the LOI being executed by both parties, discussions have commenced on works that can be commenced in advance of final environmental approvals being received.

The approvals received to date allow certain clearing and preparatory works to occur, along with refurbishment of the existing office facilities on site. These early works will allow a faster ramp-up of operations once the remaining approvals and key contracts are secured.



Fe Limited ABN: 31 112 731 638

32 Harrogate St, West Leederville, Western Australia 6007

Phone +61 8 6181 9793

Email admin@felimited.com.au

felimited.com.au

Mine Plan Optimisation

The Company has revisited the JWD geological model and mine plan, with opportunities identified for a reduction in the strip ratio and an improved average Fe head grade. If successfully implemented this would have a positive impact on margin through reduced mining costs and improved pricing as a result of higher grade products than initially expected.

Iron Ore Market

Lump premiums for high grade high iron such as that at JWD have been trading in the order of US\$50c per dry metric tonne unit (per unit of iron) during the month to date. This implies an uplift to the JWD realised price over the quoted Platts headline fines price in excess of US\$30 per tonne if the lump premium remains at these levels.

The company has a number of parties interested in securing the JWD product and is working to finalise the optimal offtake arrangement utilising the Companies extensive industry contracts.

Strengthening of Management Team

The Company is pleased to welcome two key team members who have recently commenced, both of whom bring considerable and relevant experience in the development of mining projects in Australia.

Mr Eric Kiely joins the team in the role of Study Manager. Eric will ultimately focus on the Company's Yarram project however in the interim his operational and mine planning experience will be leveraged for the start-up of JWD.

Eric has over 30 years' experience in the mining industry with senior roles in mine planning and technical roles spending time in operations in gold, coal, iron ore and lithium. He has a strong background in strategic mine planning and was responsible for the development of the Rio Tinto strategic mine plans for their iron ore business in Western Australia during their significant expansion between 2005 and 2013.

Eric has significant leadership experience as a General Manager in Rio Tinto, Atlas Iron and Altura Lithium, responsible for the mining technical functions including geology, geotechnical, metallurgy, hydrogeology and mine planning. As part of those roles he has also been accountable for various studies from Scoping to Feasibility and spent a number of years as a mining consultant with Golder Associates working on various commodities and studies.

Mr Stephen Danti has joined the team in the role of Environment and Land Access Manager.

Steve has comprehensive knowledge of the Western Australian environmental approvals system and has successfully managed the environmental approvals and operational compliance for several large mining companies.

He has worked for a number of government agencies (DMIRS, DWER, OEPA and DBCA), consulting companies and in the private sector in iron ore, gold and lithium projects and has extensive experience in environmental impact assessments, environmental approvals/compliance, land access, tenement management and stakeholder engagement.

Chairman's Comment

FEL Executive Chairman Tony Sage commented "With mining at Wiluna close to commencing we are pleased to have advised Big Yellow of our intention to appoint them as our mining contractor. We are well advanced with the final approvals and other key contracts and would anticipate being able to update shareholders on these shortly."

Mr Sage continued "It's fantastic to have the experience of Eric and Stephen joining our experienced management team led by Mark Hancock and Jeremy Sinclair. We believe we are building a team with a level of execution and development capability that will differentiate us in the junior iron ore space"

Announcement released with authority of the FEL board of directors.

Yours faithfully
FE LIMITED

Tony Sage
Executive Chairman

For further information please contact:

Investor Relations



+61 8 6181 9793



ir@felimited.com.au

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Annexure 1 - Biographies – Big Yellow Management Team

Mitchell Wallace

With over 20 years experience in the resource sector, Mitchell has a solid reputation and presence in the industry. He has built up an extremely valuable network, is an experienced General Manager with strong executive management expertise and is highly skilled in negotiation, operations management, predictive maintenance and engineering services.

Mitchell has also completed an Advanced Management Program from the Harvard Business School Executive Education.

Bradley Gordon

Brad is a seasoned resources executive with over 35 years in the mining industry including gold, copper and mineral sands industries. He is a visionary and strategic leader and a proven mid-tier mining CEO. He has led major turnarounds in challenging geopolitical and operational environments and has an unrivalled track record in the industry. Brad has increased production, improved profitability & operational efficiencies and grown market capitalisation for major projects around the world.

Brad has a Mining Engineering degree from the Western Australia School of Mines and an Executive MBA from INSEAD, France.

David Edwards

David has 40 years senior management experience in the mining and construction industries and has helped companies that are in the early stages of inception to develop into sustainable entities. He has also started multiple businesses that have all grown to be successful in their own right.