



Coziron Resources Limited

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The Company Announcements Office
ASX Limited Via E Lodgement

31 January 2018

**Coziron Secures Loan Facility of \$1m to
Explore High Priority Nickel/Copper/Vanadium Targets**

HIGHLIGHTS

- **CZR has obtained a loan from the Creasy Group to enable an exploration program to be undertaken at the Company's Buddadoo project near Geraldton WA.**
- **The Buddadoo drilling program to focus on high priority Nickel, Copper and Vanadium targets in a setting close to existing transport infrastructure and port.**
- **Exploration expected to commence in early February with preliminary results released before the end of March 2018.**
- **Company will continue negotiations with potential funding parties in relation to the development of its West Pilbara iron ore and gold projects.**

The Directors of Coziron Resources Limited (ASX:CZR) ("CZR" or "Company") are pleased to announce that they have secured a debt facility of \$1 million from the Company's largest shareholder, the Creasy Group. The funds will be used to cover a focused exploration program on high priority targets for nickel and copper anomalism and vanadiferous titanomagnetite mineralisation along with costs and working capital.

The funding from the Company's largest shareholder is considered advantageous given the multi commodity approach to the exploration being undertaken and ability to deliver preliminary results by the end of March 2018 while the Company continues negotiations with potential funding parties and stakeholders on its West Pilbara iron ore and gold opportunities.

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Buddadoo Project Highlights

The 192km² Buddadoo Project (E59/1350) is located in the western Yilgarn, about 60km from a rail siding at Morawa that connects to ports at Geraldton to Kwinana (Fig 2). The tenement is serviced by a bitumen-road between the towns of Morawa and Yalgoo and a number of station tracks. During 2017, CZR mapped and rock-chipped outcropping areas and completed the first detailed programme of gridded soil sampling over the eastern or basal part of the Buddadoo gabbro intrusion (fully reported to the ASX on 17/10/2017). The targets were a 6km long by 350m wide high-order magnetic anomaly known to be generated by an interval of out-cropping and sub-cropping, massive and disseminated, vanadiferous titanomagnetite mineralisation, along with a suite of sub-parallel lower order magnetic anomalies without outcrop across an interval of about 500m to the east of the titanomagnetite zone (Fig 1). The soil geochemistry highlighted the vanadium and titanium response from the titanomagnetite, but in addition, generated nickel and copper anomalism above the lower order magnetic anomalies identifying the potential an earlier base-metal sulphide mineralisation event.

During January 2018, the Company lodged all the documents for statutory approval of a 4000m RC drill programme (Fig 1). The proposal includes 16 holes to determine the distribution and grade of the vanadiferous titanomagnetite and 18 holes to examine cross-sections across the magnetic features associated with the copper and nickel anomalism and determine whether there is sulphide-related base-metal mineralisation. Drilling is planned to commence in early February.

Summary of Loan Terms

The debt facility has the following terms:

1. The funds will be received in a single advance of \$1,000,000 on 31 January 2018;
2. Interest at 10% is payable on any advance;
3. The loan has a term of 6 months from the date of the advance;
4. The Lender has the option of securing the loan over the Company's assets;
5. Repayment of the Loan (and any accrued interest) must be made in cash unless the lender elects, at its sole discretion, that repayment be made in shares or a combination of both. The shares to be issued will be at an issue price of \$0.02 and be subject to shareholder approval; and
6. The Company may repay the advances made at any time prior to the last repayment date, which is 6 months after the advance is made, unless an extension is agreed in writing by both parties.

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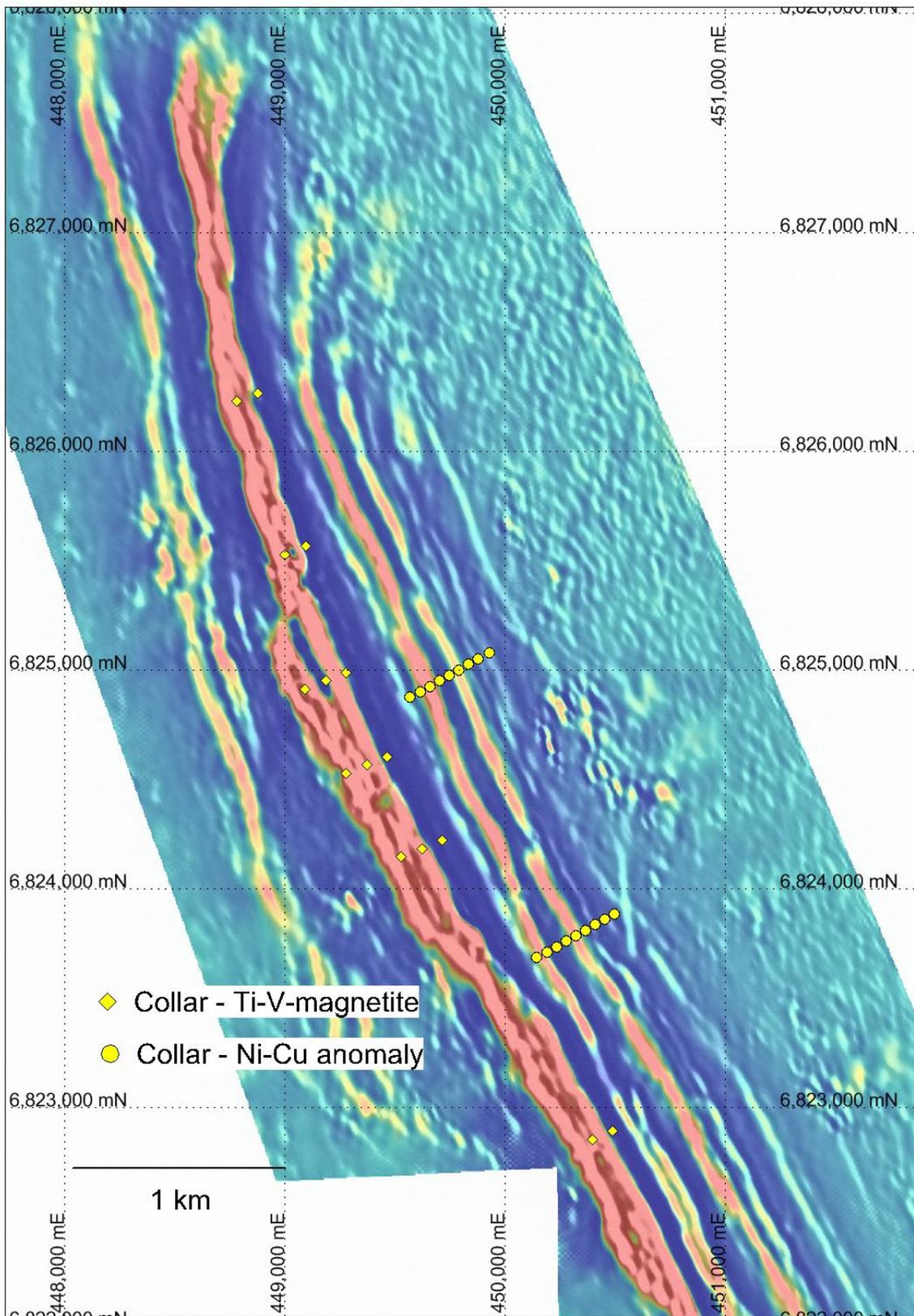


Fig 1. Proposed locations for the 2018 RC drill-holes overlain on the processed magnetic imagery covering the Buddadoo gabbro intrusion and adjacent area. The Ti-V-magnetite collars target a high-order magnetic anomaly and the Ni-Cu collars target second-order magnetic anomalies.

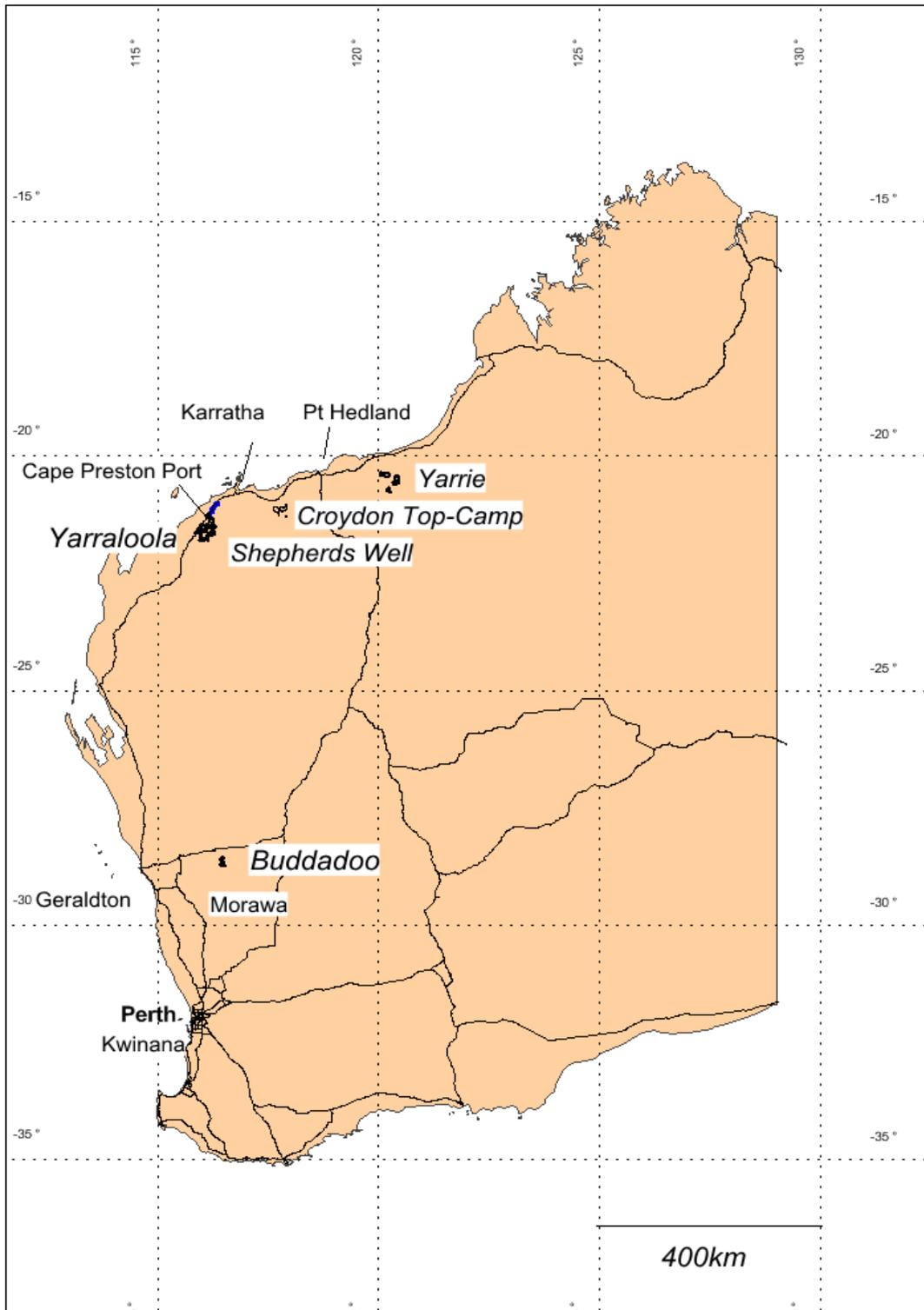


Fig 2. Location of the Buddadoo Project in the western Yilgarn region of Western Australia.

ABOUT COZIRON RESOURCES LIMITED

Coziron Resources Limited has exploration focussed on the Yarraloola (853km² of granted tenements) and Buddadoo (210km² granted) Projects and an option over Shepherd Well (193km²) and Yarrie (357.5km²). The Yarraloola, Buddadoo, Shepherds Well and Yarrie projects have iron-ore as the principal exploration target.

For further information regarding this announcement please contact Adam Sierakowski or Rob Ramsay on 08 6211 5099.

Competent Persons Statement

The information in this report that relates to mineral resources and exploration results is based on information compiled by Rob Ramsay (BScHons, MSc, PhD) who is a Member of the Australian Institute of Geoscientists. Rob Ramsay is a full-time Consultant Geologist for Coziron and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Rob 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.

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