

ASX Code: EFE

Issued Capital: 285,857,734
(as at 28 January 2016)

Directors

Steve Gemell (Chairman)

Greg Jones

Michael Giles

Dahui Zhang

Yungang Wu

Greg De Ross (CEO)

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HIGHLIGHTS

CORPORATE

- Fortune Future Holdings (“Fortune”) completes a \$2 million share placement in Eastern Iron Limited (“Eastern Iron”).
- Fortune nominates two non-executive directors, Mr Dahui Zhang and Mr Yungang Wu, to the board of Eastern Iron.
- Eastern Iron has begun assessments to acquire an advanced or operating mining project for the Company and its Chinese partners to transform Eastern Iron into a mid-tier mining company.

NOWA NOWA IRON PROJECT

- Application for a replacement Exploration Licence over the Nowa Nowa project accepted by Victorian Department of Economic Development and given the highest priority ranking.

Eastern Iron Limited (ASX: EFE) is pleased to report on activities undertaken during the quarter ended 31st December 2015.

INVESTMENT BY FORTUNE FUTURE HOLDINGS LTD

Subsequent to the approval of Eastern Iron shareholders at the recent Annual General Meeting held on December 10, 2015, the previously announced (ASX release 23 September 2015) share placement to Fortune Future Holdings has been completed. Fortune has invested \$2 million dollars in Eastern Iron Limited and now holds 46.6% of the issued shares.

Fortune nominated two experienced mining executives as non-executive directors. These are:

- Mr Dahui Zhang, an Australian resident who has previously served on the board of Australian listed mining company Focus Minerals Ltd and was a senior member of the team at Sino Gold Mining Limited. He is currently Managing Director of CMOC Mining Pty Ltd and CMOC Mining Services Pty Ltd.
- Mr Yungang Wu, an experienced geologist who resides in Canada and is currently a non-executive director of GoWest Gold Ltd (TSXV:GWA).

Both Mr Zhang and Mr Wu have since been appointed to the Board of Eastern Iron. The purpose of the investment in Eastern Iron by Fortune will be to use the Company as a vehicle to secure major near-development or operating mining projects in Australia and elsewhere. The Company has commenced actively reviewing opportunities and will be assisted in the acquisition and development phase by companies related to Fortune.

Fortune has a small number of shareholders and represents the interests of private Chinese investors who are significant shareholders in listed mining companies in China. Fortune is an active investor in the global mining industry and is currently the largest shareholder of GoWest Gold Ltd, a Toronto-listed gold explorer.

NOWA NOWA IRON PROJECT

Little work has been undertaken on the Nowa Nowa project during the quarter. However, the Company will continue to monitor conditions in the global iron ore market to determine when work on the project can recommence.

Under applicable Victorian legislation all exploration licenses (EL's) have a maximum term of 10 years and then need to be surrendered. As a result, the Nowa Nowa EL was surrendered in mid-2015 and a replacement EL applied for over the Nowa Nowa project area. In October, 2015 the Company was advised that the application was accepted and given the highest priority ranking, thus giving the Company confidence that the tenement will in due course be granted. Upon grant the Company will continue investigation of the VTEM and copper anomalies reported in late 2014.

FORWARD PROGRAM

Development Projects

The Company has commenced an aggressive program of assessing and reviewing mining projects in Australia and elsewhere.

FINANCIAL POSITION

Total exploration expenditure for the quarter was \$15,000. The cash balance at the end of the quarter was \$1,068,000 which includes the first tranche of \$1 million from the Fortune placement.

INVESTOR INFORMATION

Further information, previous Eastern Iron announcements and exploration updates are available at the News and Reports tab on the Company's website – www.easterniron.com.au

A handwritten signature in black ink, appearing to read "G. De Ross".

**Mr Greg De Ross,
Chief Executive Officer
Mob: 0417 711 274**

The information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Greg De Ross, BSc, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Greg De Ross is Chief Executive Officer of Eastern Iron Limited 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". Mr De Ross consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

ASX: EFE

For enquiries on your shareholding or change of address please contact:

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