

**ASX Code:** EFE

**Issued Capital:**  
410,012,566

### Directors

Eddie King (Chairman)  
Therese-Marie Taylor  
Dahui Zhang  
Nathan Taylor  
(Alternate Director)

Myles Fang (Acting CEO)

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## HIGHLIGHTS

- The Company entered into a binding Option Agreement to acquire a high grade cobalt project in Poland
- Field work to commence at Nowa Nowa Copper Project

Eastern Iron Limited (ASX: EFE) is pleased to report on activities undertaken during the quarter ended 31 December 2017.

### ACQUISITION OF HIGH GRADE POLISH COBALT PROJECT

The Company entered into a binding Option Agreement to acquire 100% of the Przecznica Cobalt Project located in Lower Silesia, Poland.



Figure 1: Project location

The Project is located in south-west Poland, approximately 85 km west of Wrocław and 30 km west of the regional city of Jelenia Góra. The Project area is part of the historic Ore Mountains (“Erzgebirge”) mining district and encompasses a number of historical cobalt and tin mines with the most significant cobalt mining occurring in the period between 1770 and 1840.

The Przecznica concession has not yet been awarded and the application is currently pending. The vendor, Ion Mining Pty Ltd has 100%

beneficial interest in the concession application but the final grant of the concession is subject to a decision of the Polish Ministry of Environment.

The Gierczyn – Przecznicza cobalt and tin ore deposits are hosted in a regionally extensive corridor of mica schists several kilometres wide and more than 25 kilometres long, which forms part of the Izero Massive gneiss in Poland. Cobalt mineralisation is found as cobaltite (CoAsS). The mineralised horizons contain a range of associated sulphide minerals such as pyrrhotite, chalcopyrite, sphalerite, arsenopyrite and others. The sulphide mineralisation is associated with blue-grey silica bands (“schlieren”) parallel to the foliation and schistosity of the host rocks (Figure 3). The cobalt sulphides are finely disseminated throughout the silica matrix.

The Company has entered into a binding Heads of Agreement (HOA) to purchase all of the issued capital of Ion Mining Pty Ltd (Acquisition). Ion Mining’s 100% owned subsidiary, Geograph Polska sp. z o.o. is the applicant for the Przecznicza concession (pending) and upon granting, it will be entitled to 100% interest in the concession. The Company has agreed to pay Ion Mining an option fee of \$120,000. The Company has an exclusive option to acquire Ion Mining at any time within the next 6 months.

Upon exercise of the Option, the Company will provide the following consideration to the shareholders of Ion Mining for the Acquisition:

- 250,000,000 ordinary shares; and
- 240,000,000 performance shares (Performance Shares) in two classes (subject to the Company obtaining all requisite shareholder approvals and confirmation from ASX that the terms of the Performance Shares are appropriate and equitable)

## **NOWA NOWA TENEMENT**

The Company commenced field work at Nowa Nowa Copper project in the December quarter. The initial field work includes a ground survey with the aim to predict the target size, orientation and depth for further drill targeting.

The program is scheduled to be completed on January 2018, and results will be released as soon as they become available.

## **CAPITAL RAISING**

The Company completed a placement to sophisticated investors and clients of CPS Capital Group Pty Ltd (CPS Capital) of 50,000,000 ordinary shares at \$0.012 per share, to raise \$600,000 before costs associated with the issue (Placement Tranche 1).

The Company has mandated CPS Capital to place a further 240,000,000 ordinary shares at \$0.012, to raise \$2,880,000 before costs associated with the issue (Placement Tranche 2).

The funds raised will be applied to progress the proposed acquisition and exploration of the Przecznicza Cobalt Project, exploration activities at the Company’s Nowa Nowa Copper Project and working capital.

## **CORPORATE**

In November 2017, Mr Greg Jones resigned from the Board to focus on his other directorships.

## FINANCIAL POSITION

Total exploration and evaluation expenditure for the quarter was \$26,000. The cash balance at the end of the quarter was \$1,567,000.

## 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](http://www.easterniron.com.au)

A handwritten signature in black ink, appearing to read "Myles Fang".

**Mr Myles Fang,**  
**Acting Chief Executive Officer**  
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**ASX: EFE**

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