

ASX Announcement

22 August 2019

Australian Securities
Exchange Code: **FEL**

Ordinary Shares:

462,034,953

Unlisted Options:

20,000,000 at \$0.045 Exp 31/05/2020

5,625,000 at \$0.03 Exp 13/03/2021

3,125,000 at \$0.03 Exp 12/04/2021

1,250,000 at \$0.03 Exp 8/05/2021

33,976,749 at \$0.02 Exp 31/05/2021

15,000,000 at \$0.025 Exp 31/03/2022

Board of Directors:

Tony Sage

Non-Executive Chairman

Kenneth Keogh

Non-Executive Director

Nicholas Sage

Non-Executive Director

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Fe Limited is an Australian domiciled
mineral resources exploration and
development company.

Fe Limited

ABN: 31 112 731 638



Significant Initial Assay Results received from Hillside

Highlights:

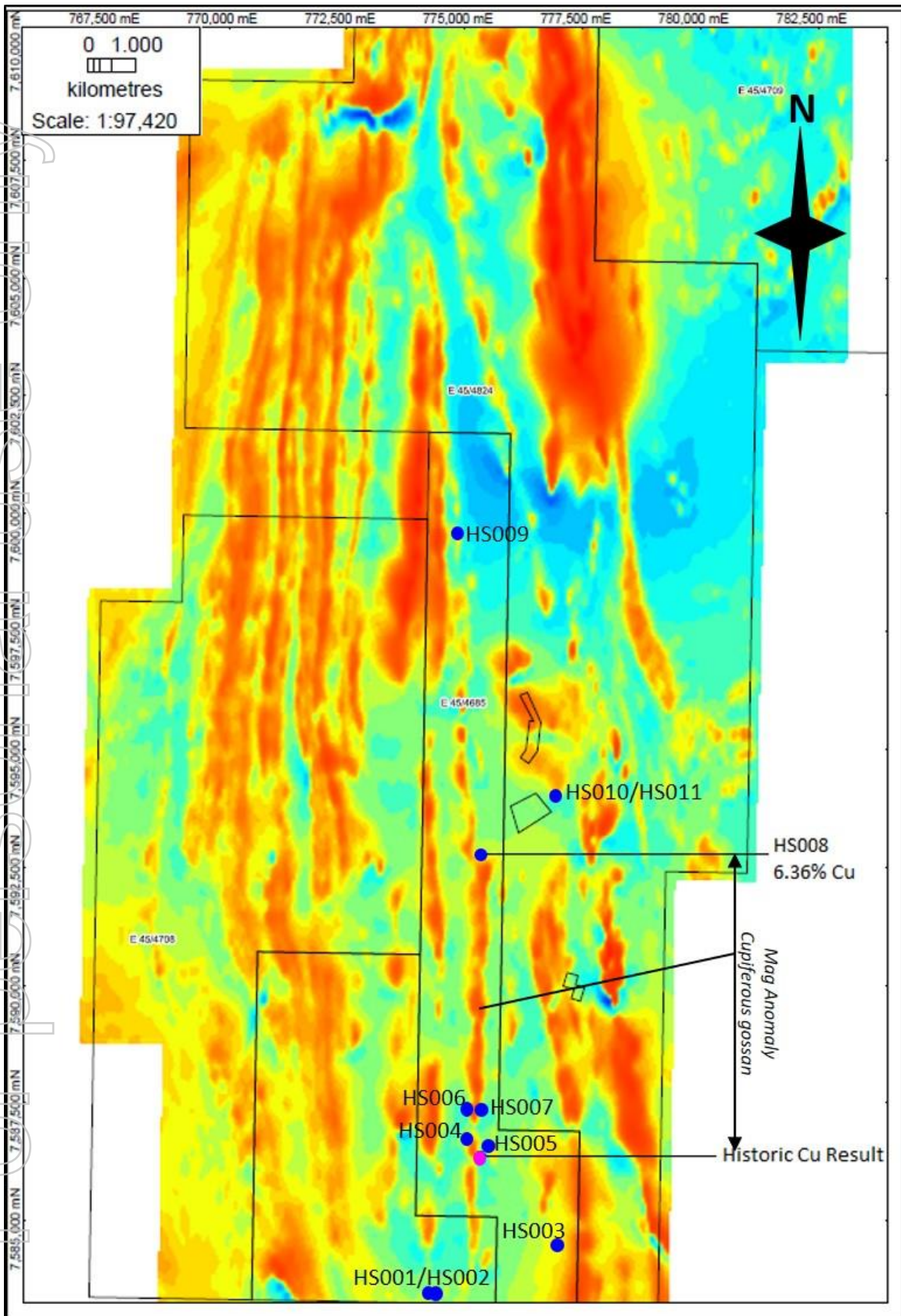
- **Anomalous Gold found in rock chips from newly discovered quartz veins with same orientation as nearby historic gold mine;**
- **Significant base metal grades returned from outcropping cupiferous gossan including the following:**
 - **HS008: 0.185ppm Au, 37.8ppm Ag, 0.46% Zn, 6.36% Cu; and**
- **Drill targets identified with drilling to commence as soon as possible.**

Fe Limited (ASX: **FEL**) (**FEL** or the **Company**) recently entered into an earn in agreement with Macarthur Minerals Limited (**Macarthur**) in respect of 18 tenements in the Pilbara ranging from south of Nullagine to north of Pilgangoora. The tenure is prospective for lithium, gold, copper, base metals and iron ore with many known deposits within and around the tenure and the eastern Pilbara in general.

Samples from the recent reconnaissance trip were submitted to the lab during the first week of August with a rush order specifically for samples from the Hillside tenement group (**Hillside Project**). Three of the assays received so far have returned strongly anomalous grades for base metals and gold from three different locations, refer table 2 for all results (table 1 shows sample locations). The base metals result from the gossan outcrop shows similar copper grades to a historical rock chip from a gossan outcrop directly south along strike approximately 6km away. Both outcrops lie within a strong magnetic anomaly identified in a heliborne electromagnetic survey conducted by Macarthur during 2018 (refer figure 1). This gossan will be a high priority drill target in the coming months.

The Company is currently planning field work in the near future including detailed mapping and further chip sampling of the Hillside Project. Preliminary planning for initial drilling is underway with the arrangement of heritage works (if required) and earthworks for logistical and access requirements. Final drill sites will be determined following detailed mapping and ground truthing of targets already identified from desktop aerial mapping that is also underway.

Figure 1 – Hillside Sample Locations over TMI



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Table 1 – Sample Locations

HILLSIDE SAMPLE LOCATIONS				
Sample ID	Latitude	Longitude	Description	Target
HS001	21°49'55.83"S	119°39'10.06"E	Quartz vein rock chip in situ	Au, Cu (other base metals?)
HS002	21°49'55.83"S	119°39'10.06"E	qtz vein within weathered schist	Au, Cu (other base metals?)
HS003	21°49'16.33"S	119°40'48.36"E	Qtz scree from stream bed	Au, Cu (other base metals?)
HS004	21°48'7.82"S	119°39'43.91"E	Stream bed float	Au, base metals
HS005	21°48'11.27"S	119°39'51.32"E	stream bed rock chip float	Au, base metals
HS006	21°47'30.15"S	119°39'45.89"E	Qtz samples	Au,Cu
HS007	21°47'29.89"S	119°39'50.00"E	Oxidised qtz reef	Au, base metals
HS008	21°45'4.92"S	119°39'52.07"E	Gossan with malachite	Au, base metals
HS009	21°41'5.57"S	119°39'25.53"E	Qtz reef	Au, multi
HS010	21°44'3.30"S	119°40'41.79"E	Qtz reef	Au, multi
HS011	21°44'3.50"S	119°40'44.86"E	Quartz reef	Au, Multi

Table 2 – Assay results

HILLSIDE Rock Chip Assay Results								
SAMPLE DESCRIPTION	Au-ICP22 Au ppm	ME-MS61 Ag ppm	ME-MS61 As ppm	ME-MS61 Ni ppm	ME-MS61 Pb ppm	ME-MS61 S %	ME-MS61 Zn ppm	Cu-OG62 Cu %
HS001	0.008	0.04	21.8	344	1	0.07	63	
HS002	0.002	<0.01	1.1	71.3	1.5	<0.01	25	
HS003	0.002	0.01	1.3	29	<0.5	<0.01	49	
HS004	0.002	0.05	10.7	325	1.5	<0.01	151	
HS005	0.005	0.04	1.5	150	0.9	0.01	41	
HS006	0.001	<0.01	0.8	6.9	<0.5	<0.01	2	
HS007	0.001	0.03	3.1	354	0.6	0.05	623	
HS008	0.185	37.8	378	215	254	0.23	4580	6.36
HS009	0.002	0.01	3.1	9.4	<0.5	<0.01	15	
HS010	0.024	0.09	10.4	81.3	<0.5	<0.01	19	
HS011	0.224	0.17	9.4	94	0.5	<0.01	49	

Yours faithfully
FE LIMITED

Tony Sage
Non-Executive Chairman

END



COMPETENT PERSON

The information in this presentation that relates to Exploration Results is based on information compiled by Mr Olaf Frederickson. Mr Frederickson is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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 (the "JORC Code"). Mr Frederickson is a consultant to Fe Limited and consents to the inclusion in the report of the Exploration Results in the form and context in which they appear.

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Appendix 1

JORC Code, 2012 Edition - Table 1 report - Hillside Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>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.</i>	<ul style="list-style-type: none"> • Random chips taken from outcropping rocks of interest.
	<i>Include reference to measures taken to ensure sample representation and the appropriate calibration of any measurement tools or systems used.</i>	- Multiple chips taken from each sample location to minimize any nugget influence.
	<i>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.</i>	- N/A
Drilling techniques	<i>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).</i>	- N/A
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	- N/A

Criteria	JORC Code explanation	Commentary
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	- N/A
	<i>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.</i>	- N/A
Logging	<i>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.</i>	- Brief description of outcrop documented.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	- Qualitative logging
	<i>The total length and percentage of the relevant intersections logged</i>	- N/A
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	- Not applicable.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	- N/A
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	- Samples crushed and split in the lab.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representation of samples.</i>	- Samples were a composite of rock chips from sample location.
	<i>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.</i>	- As above
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	- Samples ranged between 0.5kg and 3.0kg. All were appropriate for the material sampled
Quality of assay data and	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	- Samples were analysed at the ALS laboratory Perth. The analytical method used was considered to be appropriate for the material and style of mineralization.

Criteria	JORC Code explanation	Commentary
laboratory tests	<i>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.</i>	Not applicable.
	<i>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.</i>	At the Laboratory, regular assay Repeats, Lab Standards and Blanks are analysed. Results of the Field and Lab QAQC were analysed on assay receipt.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant results were checked by senior geologists.
	<i>The use of twinned holes.</i>	No twinned holes drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Assay files are received electronically from the Laboratory. All data is stored in the Fe Limited database in Perth.
	<i>Discuss any adjustment to assay data.</i>	No assay data was adjusted.
Location of data points	<i>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.</i>	Sample locations were obtained by handheld GPS at the time of collection.
	<i>Specification of the grid system used.</i>	Grid projection is MGA94, Zone 50.
	<i>Quality and adequacy of topographic control.</i>	N/A
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Samples were taken randomly upon discovery of interesting rocks.
	<i>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.</i>	This is not considered material.
	<i>Whether sample compositing has been applied.</i>	No compositing was applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	N/A
	<i>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.</i>	N/A

Criteria	JORC Code explanation	Commentary
Sample security	<i>The measures taken to ensure sample security.</i>	Samples were transported by company transport and commercial courier to Perth laboratory.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	Sampling and assaying techniques are industry-standard. No specific audits or reviews have been undertaken at this stage in the program.



Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<i>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.</i>	FEL have an option to earn-in to 75% interest in the Macarthur Minerals tenements in the Pilbara region of Western Australia. Samples referred to in this announcement are from tenements E45/4685 and E45/4824.
	<i>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.</i>	The tenements are in good standing with the WA DMIRS.
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	Previous workers in the area include Great Sandy Pty Ltd, Blaze International, Macarthur Minerals PLC and Southern Hemisphere Holdings Limited.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	Gold and base metals within mafic and ultramafic host rocks in both vein hosts and gossanous weathering profiles
Drill hole Information	<p><i>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:</i></p> <ul style="list-style-type: none"> ▪ easting and northing of the drill hole collar ▪ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ▪ dip and azimuth of the hole ▪ down hole length and interception depth ▪ hole length. <p><i>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.</i></p>	Refer to Table 1 and 2 in the body of the announcement.
Data aggregation methods	<i>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.</i>	No data aggregation conducted. All results reported.

Criteria	JORC Code explanation	Commentary
	<p>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.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>N/A</p> <p>No metal equivalent values are used.</p>
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>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').</p>	The geometry or orientation of the mineralisation is not established by these rock chip results.
Diagrams	<p>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.</p>	Refer to Figure 6 in the body of the announcement.
Balanced reporting	<p>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.</p>	No misleading results have been presented in this announcement.
Other substantive exploration data	<p>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.</p>	All relevant historical data previously reported.
Further work	<p>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	Further exploration work is currently being planned, the details of which will be released in due-course.