



# CASHMERE IRON

31 October 2014

Dear Shareholder

As you know, the past 12 months has been a difficult period for the resources industry in Western Australia, and for the iron ore resources sector in particular.

During this period, the Company's focus has been to preserve its assets and expend funds appropriately - whilst at the same time continuing to develop and refine the Cashmere iron ore project so that we are in a strong position to raise funds (either by way of cornerstone investor or equity raising) and progress with mine development at the earliest opportunity.

With this in mind, we have increased our DSO/Detrital resource by approximately 4.5 million tonnes during the year. This takes our total DSO/Detrital resource to 47.5 million tonnes.

Our technical team continues to identify further areas for follow up exploration. However, the Board is of the view that embarking on a substantial exploration program at this juncture is not appropriate. In the Board's view, we would prefer to do this once a clearer and more definitive path to port has been delineated or further funds have been procured.

On the subject a path to port, we have been liaising with the Yilgarn Esperance Solution Consortium on the proposed expansion of the Esperance Port. It is hoped that by the end of this year, a final decision will be made by the Western Australian Government on the expansion of Esperance Port, so that we (and others) can seek to enter into more definitive arrangements with the Port.

Further information with respect to the Company's activities over the past year are contained in the Annual Report, to which this letter is attached.

Thank you for your continued support and I wish you well for the year ahead. The Annual General Meeting of the Company is to be held on Friday 28<sup>th</sup> November 2014 at 1:00pm WST at the Perth Flying Squadron Yacht Club, Esplanade, Dalkeith and the Notice of Annual General Meeting has been issued. I look forward to seeing you at the AGM if you are able to attend.

Yours faithfully

Derek La Ferla  
Chairman

Cashmere Iron Ltd

ACN 126 738 949  
ABN 93 126 738 949

Unit 4, 80 Colin Street  
West Perth, WA 6005 AUSTRALIA

Phone: +61(0) 8 9226 2662  
Fax: +61(0) 8 9226 2667

Email: [info@cashmereiron.com](mailto:info@cashmereiron.com)  
Web: [www.cashmereiron.com](http://www.cashmereiron.com)