



# TOMBADOR IRON

## Tombador Iron Limited

Suite 5, 85 Forrest Street  
Cottesloe WA 6011

ABN: 20 108 958 274  
ASX: T11

Tombador Iron Limited (ASX:T11) is an Australian company established in October 2020.

The Company owns 100% of the world-class Tombador iron ore project in Bahia State, Brazil.

Tombador commenced production of high-grade iron ore from its open-cut mining operations in Q2CY 2021.

## Non-Executive Directors

Anna Neuling – Chair  
David Chapman  
Keith Liddell

## Executive Director

Stephen Quantrill

## CEO

Gabriel Oliva

## Company Secretary

Abby Macnish Niven

## Contact us

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## MARKETING UPDATE

10 November 2021

**Tombador Iron Limited** (T11.ASX, the “Company” or “Tombador”) advises it has been in discussions with its export marketer to manage volumes for export shipments on a shipment-by-shipment basis with immediate effect, whilst maintaining sales to the domestic Brazilian market.

This decision is prompted by the dual impact of the recent declines in iron ore prices and the persistent historically high sea borne Handysize freight market reducing the Free on Board (“FOB”) price paid to Tombador. The Company will monitor the export market and will assess shipment opportunities on a shipment-by-shipment basis, with an objective to export where it is satisfied the Company can achieve positive profit margins.

Shipping rates for Capesize vessels have reduced significantly recently, with the Baltic Exchange Brazil-China “C3” Index halving from \$49.99/wmt to \$24.82/wmt over the last month. Tombador expects this movement to also be reflected in the Handysize shipping rates early in CY 2022, which will better support export sales margins.

In the meantime, Tombador will continue to focus on building sales to existing and new Brazilian customers and any excess production in the short term will be stockpiled at the mine.

Tombador’s high-grade lump and high-grade sinter fines iron ore has gained a reputation as a premium ore with European and Brazilian Steel Mills. Existing customers are making repeat orders while new customers are in the process of conducting industrial scale tests. The Company’s existing cash reserves provide the flexibility required to develop new customers.



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Tombador will therefore pursue a marketing strategy that leverages the Company's valuable resource, maximising the value of the recovered Mineral Resource for the Company in the prevailing market at all times.

**ENDS.**

Authorised for release by the Board.



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## About Tombador Iron Ltd

Tombador Iron Ltd owns 100% of the fully permitted Tombador Iron Ore mine located in Bahia State Brazil.

Tombador commenced production of premium-grade lump and fines hematite iron ore in May 2021 from a low-capex open-pit mining operation.

Lump ore of Tombador's high quality, which is suitable for Direct Reduced Iron and/or Blast Furnace steelmakers, is in scarce supply globally. Offtake marketer Trafigura will purchase 100% of the lump and fines product which Tombador sells into the international export market. Potential customers from the Brazilian steel industry have also indicated interest in Tombador's ore.

The company's board of directors is focussed on rapidly ramping up production at the Tombador Project to achieve the potential of the operations and to return dividends to shareholders.

