



3 October 2023

ASX ANNOUNCEMENT

UPDATE ON PRODUCTION

Tombador Iron Limited (ASX:T11) (the “Company”) wishes to advise that, as outlined in the ASX announcement on 4 September 2023, the project experienced constrained production in the September 2023 quarter. Approximately 112,000 wet metric tonnes of lump and fines ore was produced in the quarter.

The production constraints are due to the previously announced unexpected geotechnical event, cutback operations and additional geotechnical work and safety measures, which will result in shallower pit slopes while awaiting further geotechnical advice. The Company expects to continue to experience production constraints during the December 2023 quarter as the Company awaits the further geotechnical advice following completion and analysis of a comprehensive program of geotechnical drilling and assessments, which work is currently well-advanced.

Over the September 2023 quarter, the Company has continued to sell lump and fines ore into the Brazil market from production and stockpiles, with sales levels exceeding the production in the quarter by utilising the stockpiled product.

The combination of current sales and production levels has resulted in an increased cost per tonne at the mine gate due to fixed costs through the quarter amortised over the constrained production, which in conjunction with the cost of the cutback operations, tax payments and other expenses has resulted in a cash balance in the range of AUD\$14 million to AUD\$15 million at the end of the quarter. Further detail will be provided in the quarterly cashflow to be released to the market by the end of October 2023.

Tombador holds a stockpile of approximately 410,000 wet metric tonnes of lump and fines ore at 30 September 2023, and will continue to identify profitable sales opportunities for this stockpiled material to both local Brazil and overseas export markets.

The Company will continue to keep the market informed.

Authorised for release by the Board.

Yours sincerely,

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