



11 October 2023

ASX ANNOUNCEMENT

TOMBADOR IRON OPERATIONS SUSPENDED

Further to the production update dated 3 October 2023, Tombador Iron Limited (ASX: T11) (the "Company") advises that the Board has decided to suspend mining operations at the Tombador Project

The suspension of operations will enable the Company time to thoroughly assess the economic viability of the Project in the current market without the pressure of constrained production and the associated monthly fixed costs.

The Company is now in discussions with its mining contractor as to the suspension timing, costs and process.

The decision to suspend operations at the Tombador Project has been made after careful consideration and is driven by several key factors:

Safety and Geotechnical Concerns: Following the previously announced unforeseen geotechnical event which occurred at the end of June 2023, to ensure the safety of our workforce and the stability of pit walls, the Company has adopted significantly shallower interim wall angles based on preliminary advice from the Company's geotechnical consultant. In order to obtain final consultant advice on the updated wall slope, it is necessary to complete the current comprehensive geotechnical work program and determine final pit design parameters before assessing the resumption of operations. Pit wall slopes are a key driver of strip ratios, mining costs and Ore Reserves and understanding the final pit design parameters is key to assessing the project economics.

Market Conditions: The current market conditions and external factors, including increased transport costs due to high oil prices and other inflationary pressures, have created operational challenges that impact the project's financial viability.

Resource Conservation: Suspending operations allows the Company to reduce costs and best preserve its financial position and Mineral Resources while the project's economics are reassessed. This resource conservation will provide the Company with more flexibility if and when it decides to restart operations.

The Company will also continue its work to finalise the geotechnical work, update the Mineral Resources and Ore Reserves and reassess the project's life-of-mine economics.

As announced on 3 October 2023, Tombador Iron Limited holds a stockpile of approximately 412,000 wet metric tonnes, comprised of 19,000 tonnes lump and 393,000 tonnes fines ore product as of 30 September 2023. The Company will continue to explore



TOMBADOR IRON

Tombador Iron Limited

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profitable sales opportunities for this stockpiled material to both local Brazil and overseas export markets.

The Company would like to thank the dedication of our employees and the support of our valued suppliers and key stakeholders, including our shareholders.

Tombador Iron Limited will update the market on the progress of the economic viability assessment, geotechnical work, and plans for the Tombador Iron Project as information becomes available.

For this reason, the Company has requested that its securities be placed in voluntary suspension pending the release of an update on the Company's operations.

Authorised for release by the Board.

Yours sincerely,

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CFO & Company Secretary

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