



# **NOOSA MINING CONFERENCE**

**STEVEN MICHAEL  
MANAGING DIRECTOR**

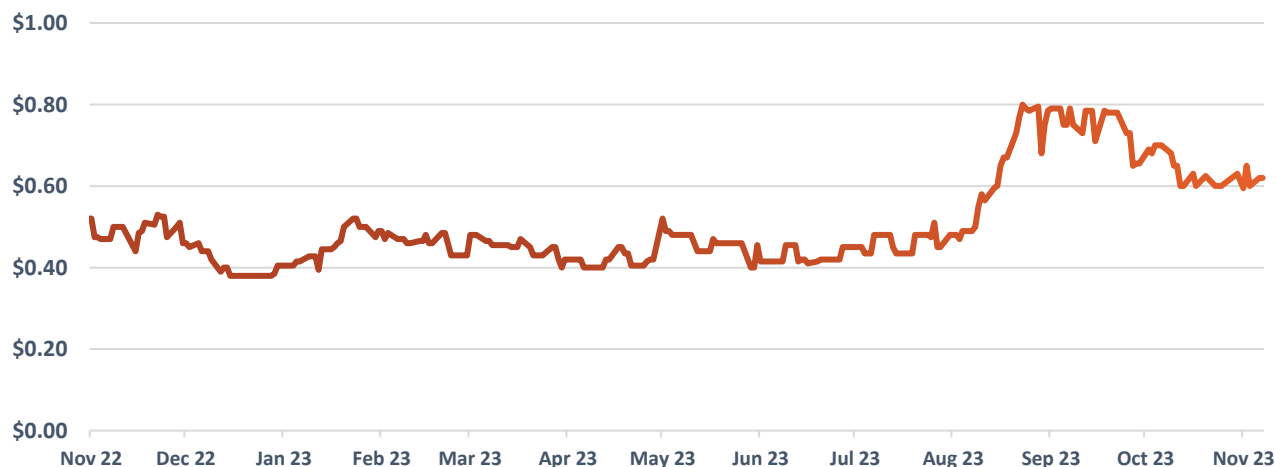


**ASX: RHK**

**RED HAWK MINING, NOVEMBER 2023**

Shares on issue	168.8M
Performance rights	4.0M
Share price (8 November 2023)	\$0.62
12 month high	\$0.80
12 month low	\$0.38
Market capitalisation (8 November 2023)	\$104.7M
Cash at bank (30 September 2023)	\$3.1M

## SHARE PRICE



## NON-EXECUTIVE DIRECTORS

Hon. Cheryl Edwardes, AM	Non-Executive Chair
Rob Foster	Non-Executive Director
James Gurry	Independent Non-Executive Director
Daniel Harris	Independent Non-Executive Director
Amy Jiang	Non-Executive Director
Michael Wolley	Non-Executive Director

## MANAGEMENT TEAM

Steven Michael	Managing Director & CEO
Matt Owen	CFO
Sarah Wilson	Company Secretary
Adam Hall	GM – Projects
Andrew Whitehead	GM – Commercial
Jeanette Hasleby	GM – ESG and Approvals

## MAJOR SHAREHOLDERS

TIO (NZ)	59.5%
OCJ Investment (Australia)	20.8%



## **\$6.3M ENTITLEMENT OFFER**

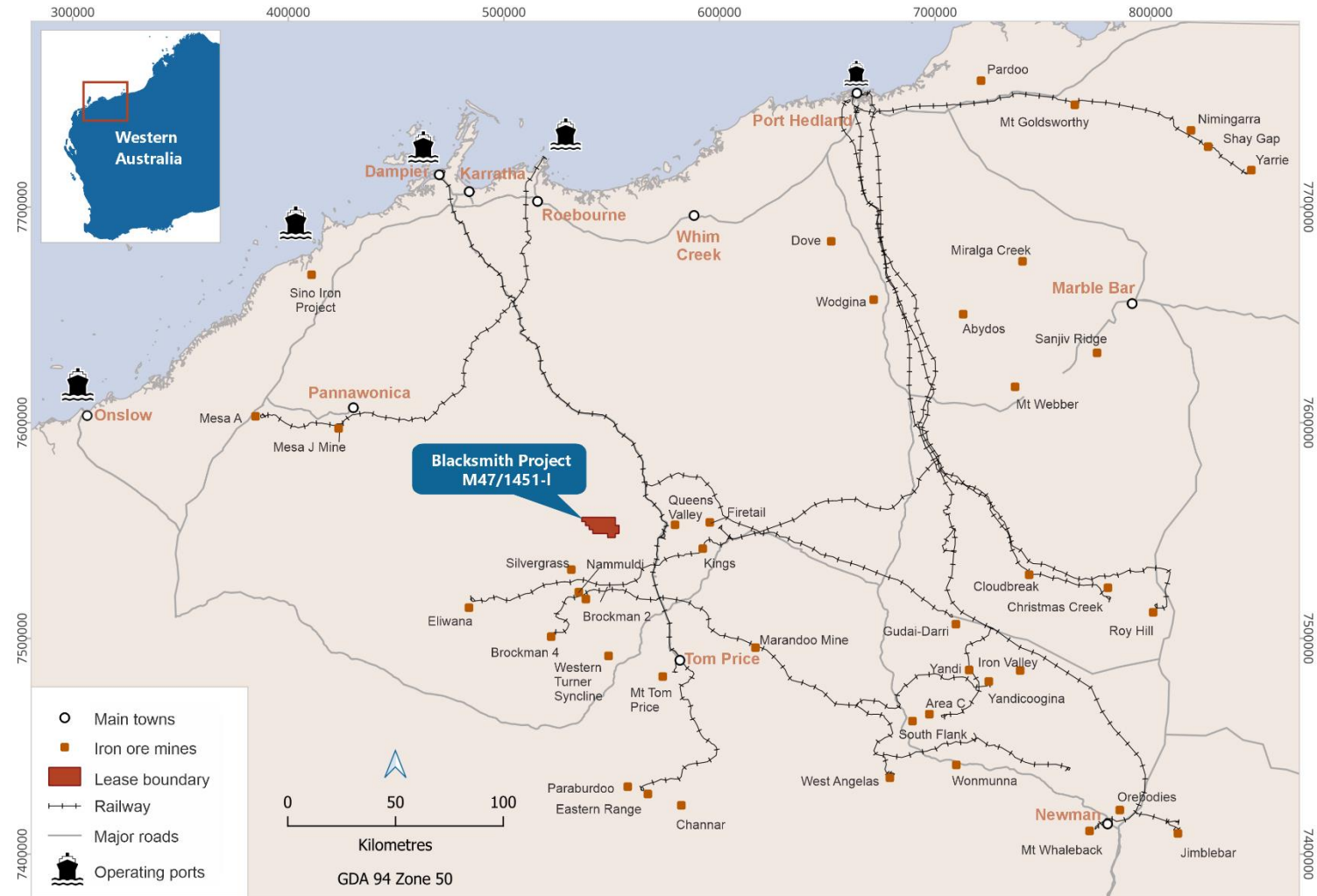
- *Non-renounceable offer on the basis of 1 new share for every 12 shares*
- *Offer undertaken at \$0.45 per new share which is:*
  - *28% discount to last close price of \$0.625*
  - *30% discount to 15 day VWAP of \$0.640*
- *Continued support from two major shareholders with commitments received for \$5.1M (80.2% of issue)*
- *Unmarketable parcel buy-back launched*

<i>Pro forma shares on issue on completion of Entitlement Offer</i>	<i>182.9M</i>
<i>Share price</i>	<i>\$0.62</i>
<i>Pro forma cash at bank</i>	<i>\$9.4M</i>
<i>Pro forma market cap on completion of Entitlement Offer</i>	<i>\$113.4M</i>



# BLACKSMITH PROJECT OVERVIEW

- Located approximately 70km north-west of Tom Price
- Nestled amongst many major iron ore projects, including Mt Tom Price, Brockman, Solomon and Eliwana
- The region contains significant road, rail and power infrastructure





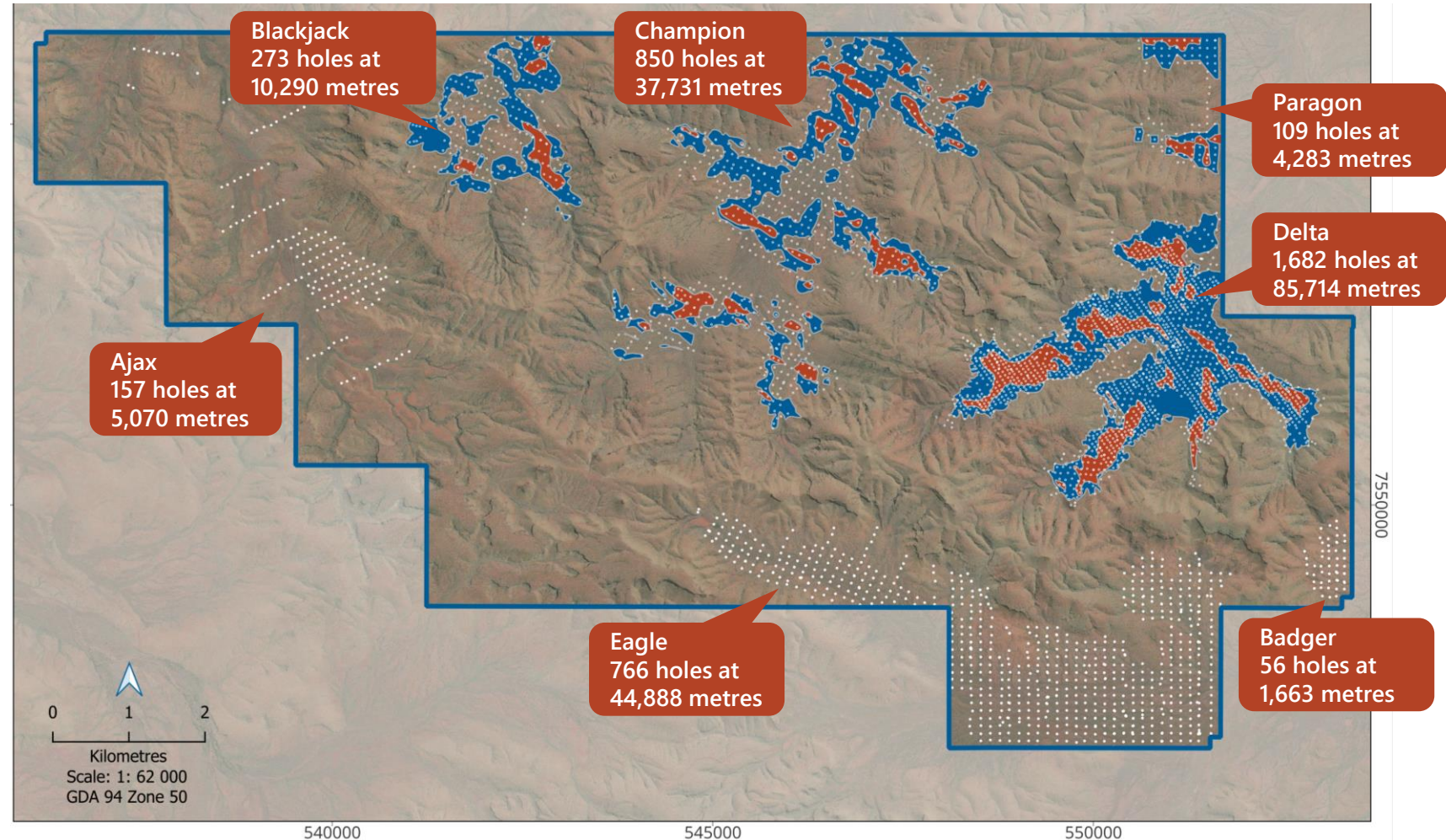
# 200KM OF DRILLING ACROSS SEVEN DEPOSITS

- Extensive exploration drilling, completed from 2008 to 2017, has defined iron ore resources in seven shallow deposits
- Hematite-dominant canga ore generally has iron content above 60% Fe<sup>1</sup>
- Dales Gorge Member underlies canga and is predominantly goethite



**Canga**

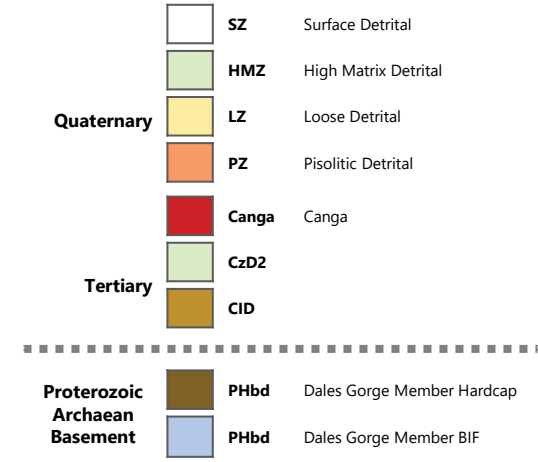
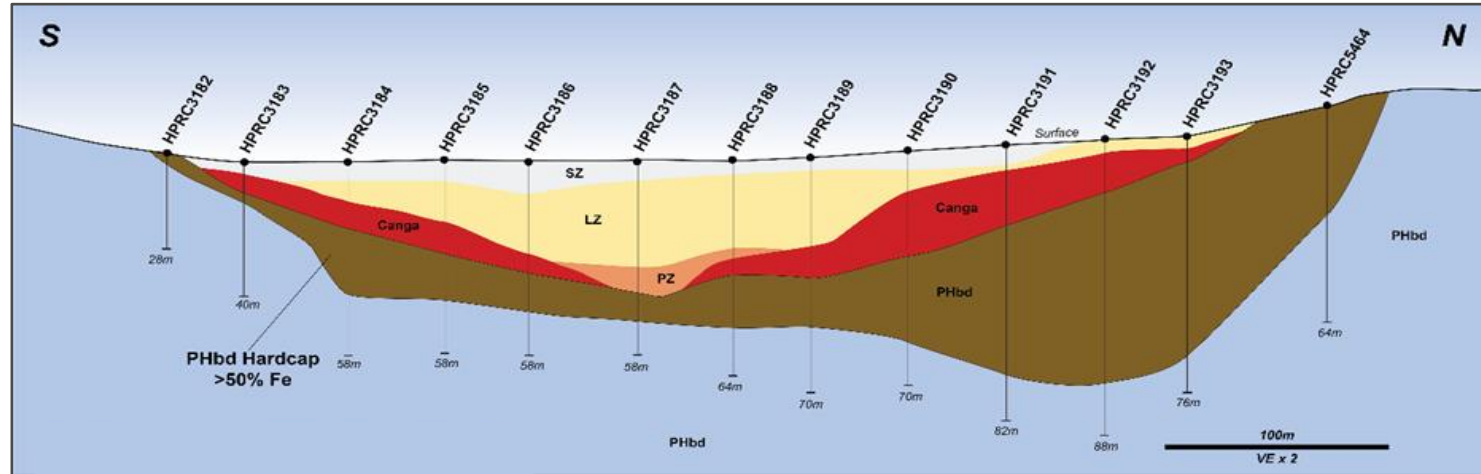
**Dales Gorge Member**



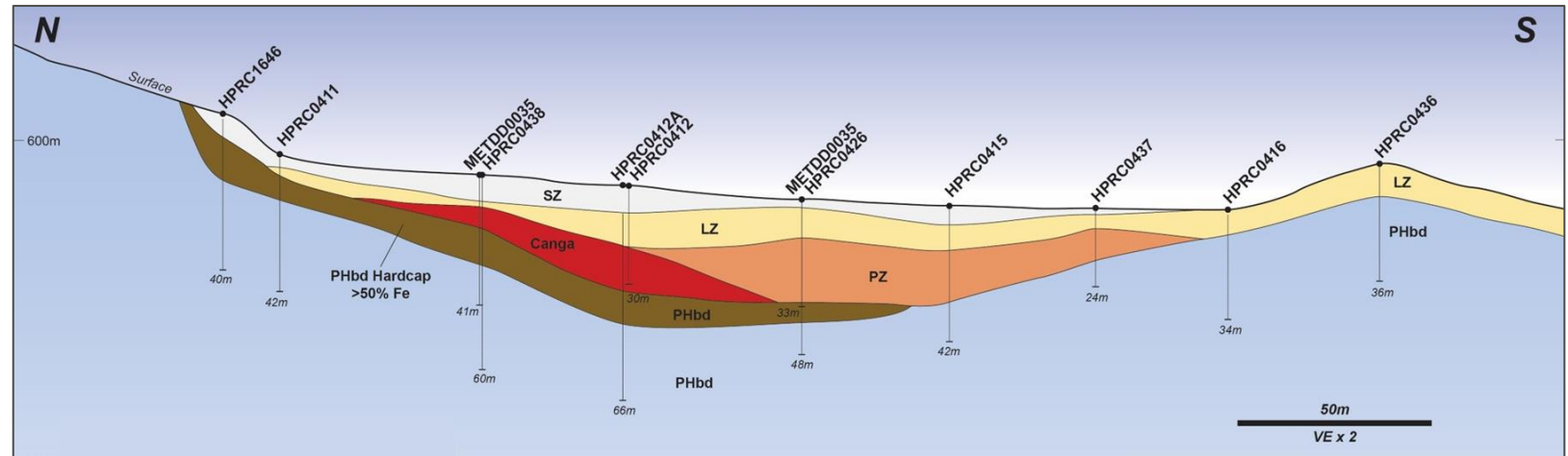
<sup>1</sup> See Blacksmith Mineral Resource Estimate on slide 7

# DELTA AND BLACKJACK CROSS SECTIONS

## Delta



## Blackjack





## Significant increase in total Blacksmith DSO Mineral Resource Estimate to 173.8Mt at a grade of 60% Fe

- Geological re-interpretation and resource estimation completed in 2023 for four deposits – Delta and Paragon, followed by Champion and Blackjack
- Delta and Paragon Mineral Resource Estimate informed DSO Scoping Study released in early [October 2023](#)
- Champion and Blackjack upgrades released on [16 October 2023](#) to be included in Pre-Feasibility Study currently underway

### Blacksmith DSO Mineral Resource Estimate (57.5% Fe cut-off)

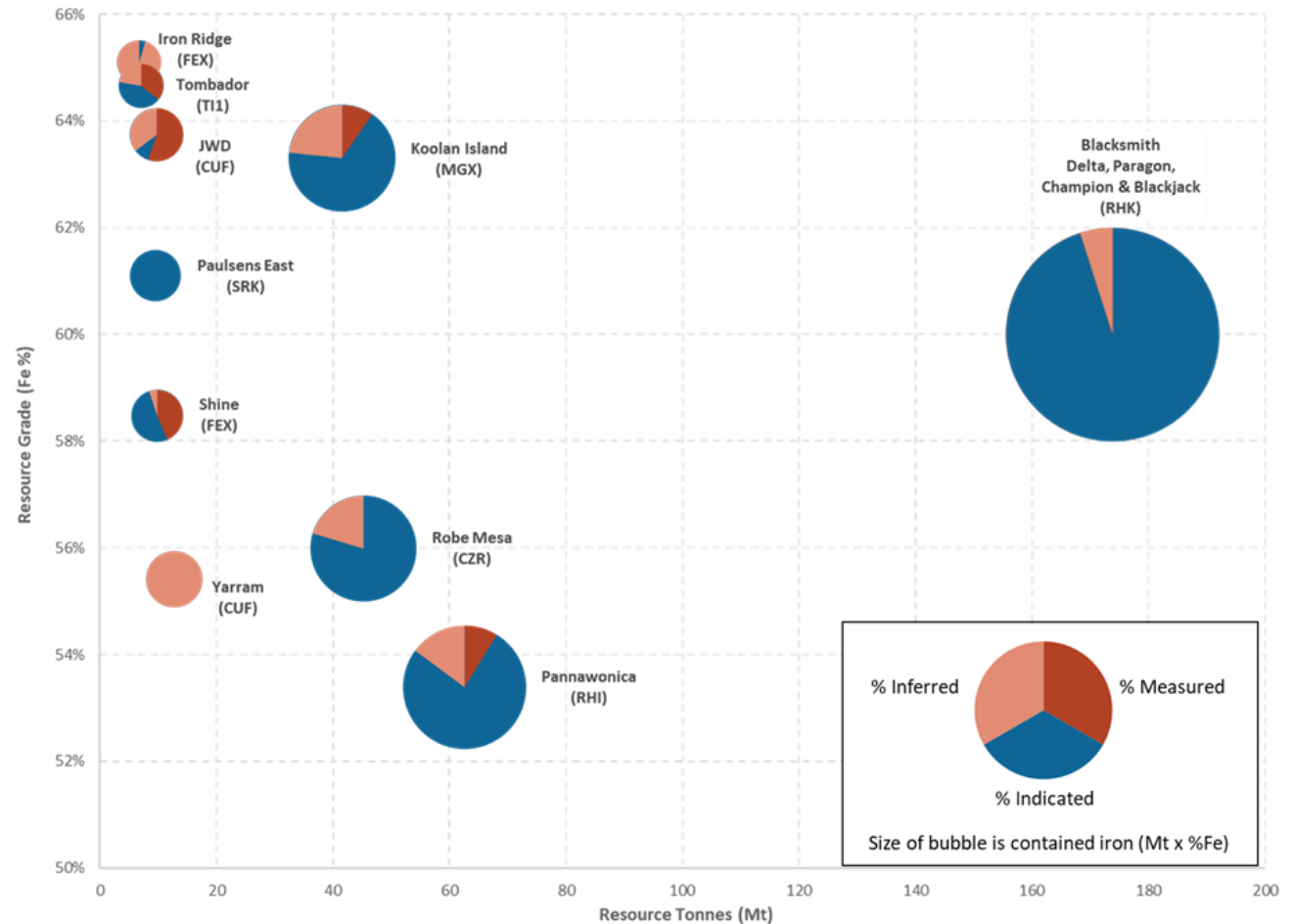
JORC classification	Tonnage Mt	Fe %	P %	SiO <sub>2</sub> %	Al <sub>2</sub> O <sub>3</sub> %	LOI %
Indicated	165.2	60.0	0.085	5.11	3.24	4.86
Inferred	8.6	59.8	0.102	4.12	2.54	6.98
<b>Total</b>	<b>173.8</b>	<b>60.0</b>	<b>0.086</b>	<b>5.06</b>	<b>3.20</b>	<b>4.97</b>



# IRON ORE RESOURCES (ASX-LISTED COMPANIES)<sup>1</sup>

- **Moving the bubble** – the recently announced Mineral Resource Estimate upgrade for the Champion and Blackjack deposits has significantly increased the total Blacksmith DSO Mineral Resource Estimate to **173.8Mt at a grade of 60% Fe**
- **95%** of the Mineral Resource Estimate is classified as **Indicated**
- Blacksmith contains **the largest undeveloped hematite/goethite resources** in the Pilbara wholly **owned by an ASX-listed junior iron ore company**

Iron ore resources for selected ASX-listed companies (excludes magnetite resources)



1. Excludes magnetite resources

See notes on slide 16.



# SCOPING STUDY HIGHLIGHTS



**3Mtpa**

Annual Production

**60.5% Fe**

Average Grade

**US\$50/wmt**

LOM C1 Costs

**35%**

IRR (Pre-tax)

**\$356M**

NPV<sub>8%</sub> (Pre-tax)

**\$150M**

Capital Costs

**20.1 years**

Life of Mine

**55Mt**

Total LOM Production

**3.1 years**

Capital Payback

*"I am extremely pleased with the results of this Scoping Study and the positive steps being taken towards becoming an iron ore producer.*

*I commend the team at Red Hawk and the technical and commercial consultants for their diligence throughout the Study process and delivering a robust development plan.*

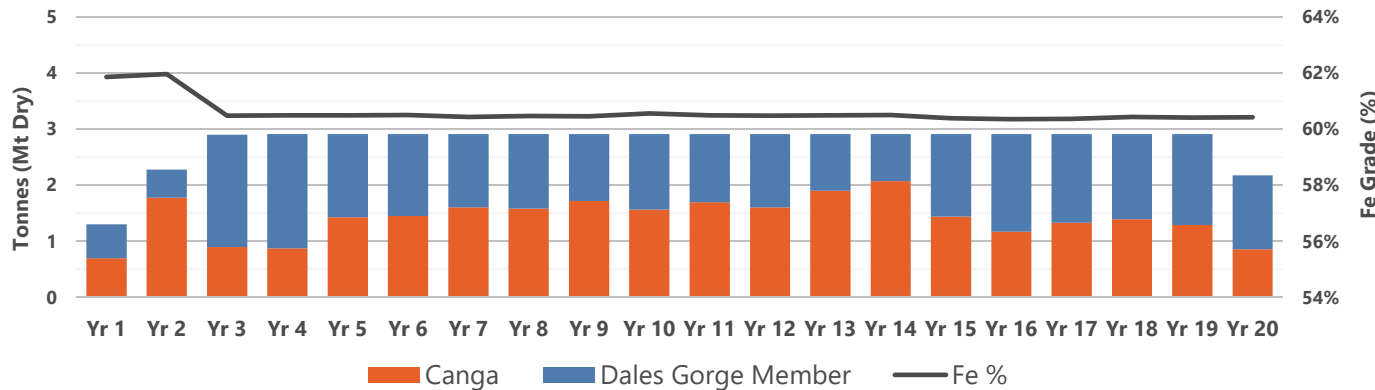
*Along with all Red Hawk shareholders, I look forward to seeing our first iron ore on a ship in 2025."*

**The Hon. Cheryl Edwardes AM  
Chair, Red Hawk Mining**

See notes on slide 16

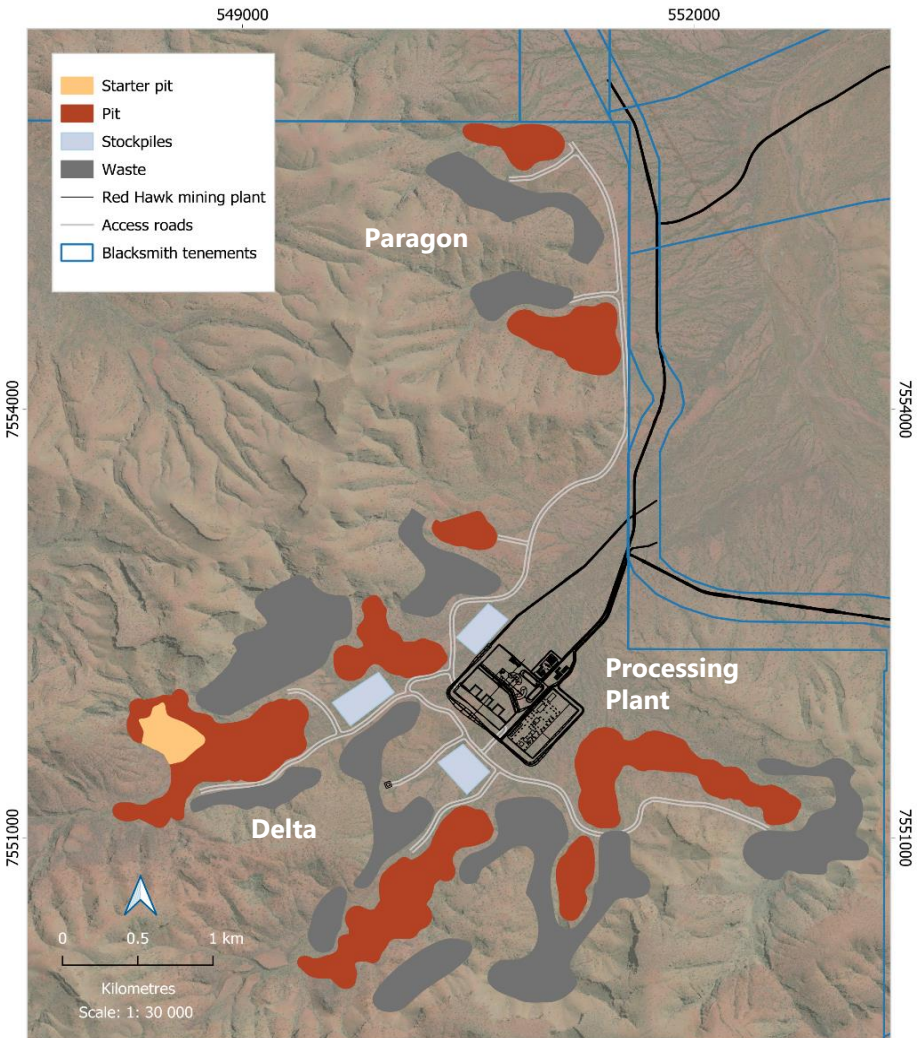
# DSO SCOPING STUDY PRODUCTION PROFILE

- A mine plan has been developed by Orelogy for the Delta and Paragon deposits
- The mine plan identifies a 20 year Life of Mine with 62% iron in the first two years, transferring to a 60.5% iron product from Year 3 onwards
- Production will be DSO produced by crushing and screening with no additional beneficiation or upgrade processing
- Initially the mining sequence focuses on low strip ratio high quality ore located in the north-west of Delta
- Approximately 98% of LOM production is derived from Indicated Mineral Resource, with the overall proportion of Inferred material in the first five years of production being approximately 7%



**DSO PRODUCTION BY ORE TYPE**

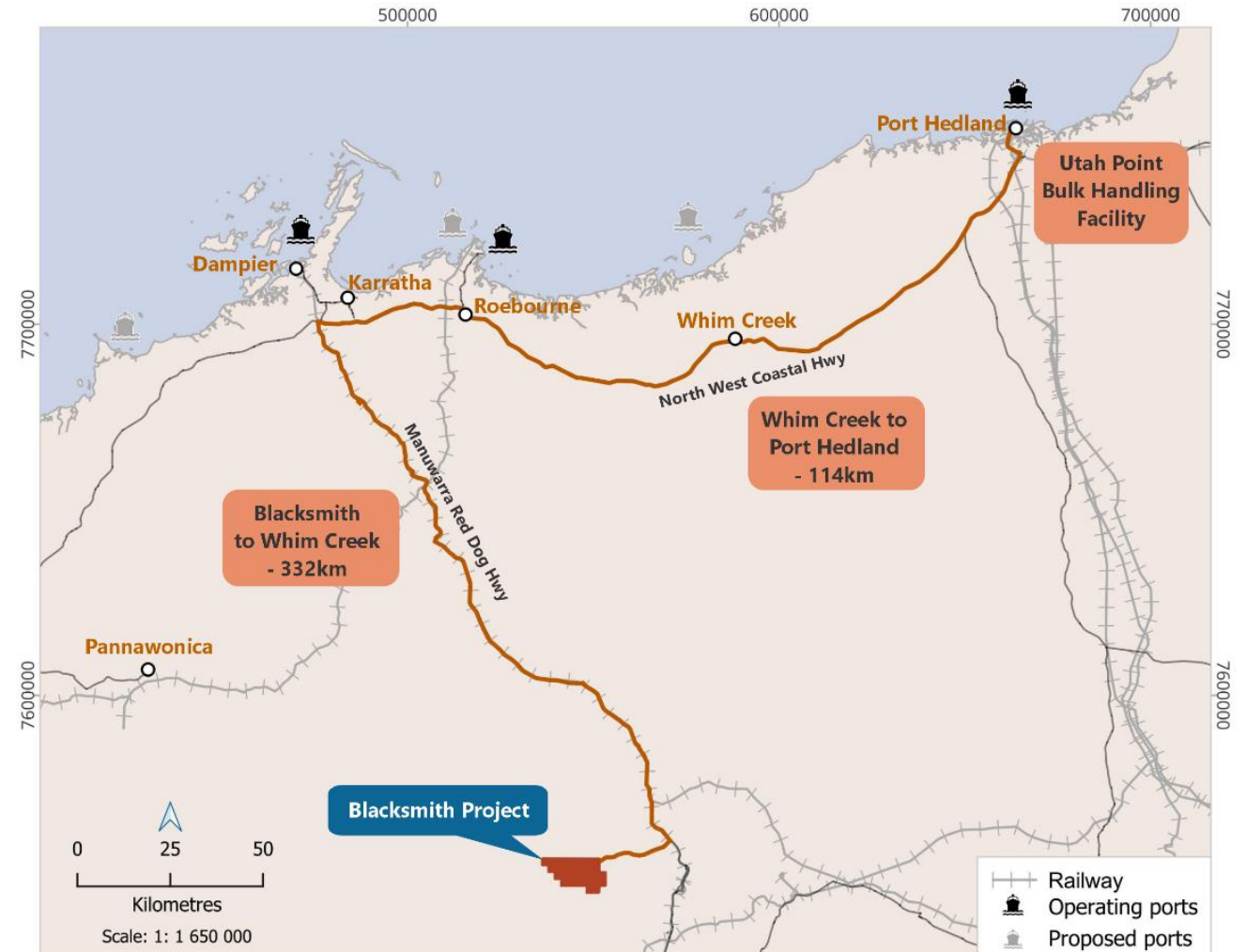
See notes on slide 16





# TRANSPORT ROUTE

- An optimal road train haulage strategy is being developed to minimise upfront capital expenditure and operational cost whilst complying with all regulatory requirements
- Selection of the optimal road haulage strategy involved:
  - Review of existing approved Restricted Access Vehicle configurations along the route from Blacksmith to the Utah Point bulk handling facility at Port Hedland
  - Evaluating conceptual design detail and costing for options including supporting infrastructure requirements and road upgrades
  - Engagement with stakeholders to identify requirements for permits and approvals
  - Evaluating operational and maintenance strategies

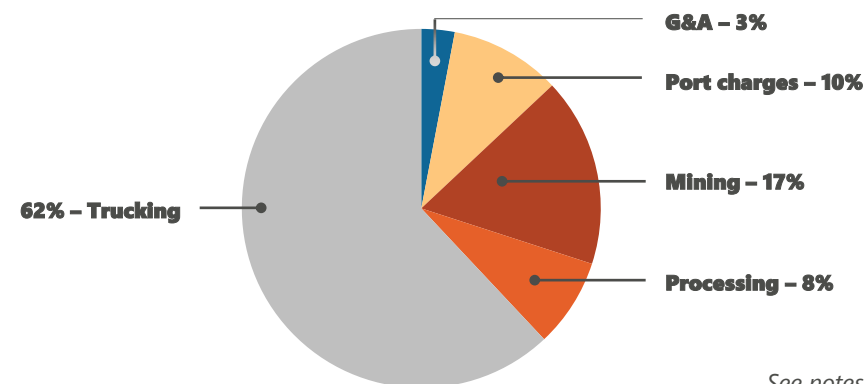
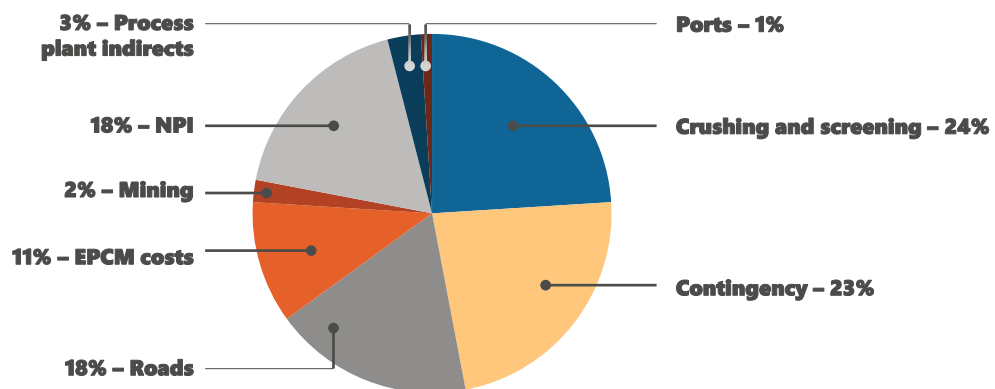


# CAPEX AND OPEX ESTIMATES



CAPEX	Item	\$M
	Mining	2.5
	Crushing and screening	36.3
	Process plant utilities and indirects	5.1
	Roads	27.6
	Ports	1.0
	Non-process Infrastructure	26.5
	EPCM costs (14% - 18%)	16.2
	<b>Total costs (pre-contingency)</b>	<b>115.2</b>
	Contingency (30% - 35%)	35.0
	<b>TOTAL</b>	<b>150.2</b>

OPEX	Item	A\$/wmt	US\$/wmt
	Mining	12.66	8.61
	Processing	6.12	4.16
	Trucking	45.00	30.60
	Port charges	7.22	4.91
	G&A	2.40	1.63
	<b>C1 cash costs (FOB)</b>	<b>73.41</b>	<b>49.92</b>
	Shipping	13.00	8.84
	Capital expenditure	2.01	1.37
	Sustaining capital	0.41	0.28
	<b>C2 costs</b>	<b>88.83</b>	<b>60.40</b>
	Royalties	8.00	5.44
	<b>All in costs (C3)</b>	<b>96.83</b>	<b>65.85</b>



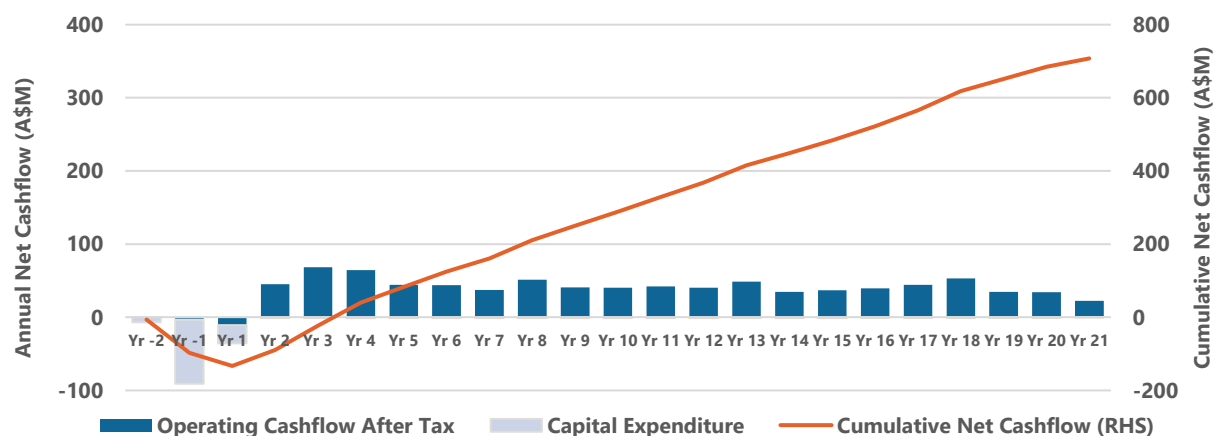
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# FINANCIAL ANALYSIS

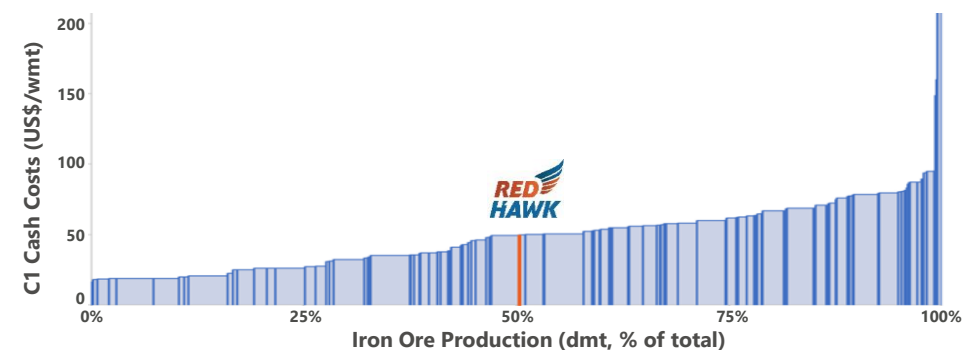


- A discounted cashflow analysis has been undertaken using the base case production LOM target of 3Mtpa at 60.5% Fe and strip ratio of 1.18:1
- Production in the first two years of 1.2Mt (Year 1) and 2.0Mt (Year 2) will focus on canga ore only with an average product grade of 62.0% Fe
- The base case assumes contractor mining, processing, road haulage and port handling
- A long-term iron ore price of US\$89/dmt (62% Fe, CFR China) and A\$/US\$ exchange rate of \$0.68 was used in the analysis, which were selected by the Company as suitable estimates based upon conservative long-range forecasts



See notes on slide 16

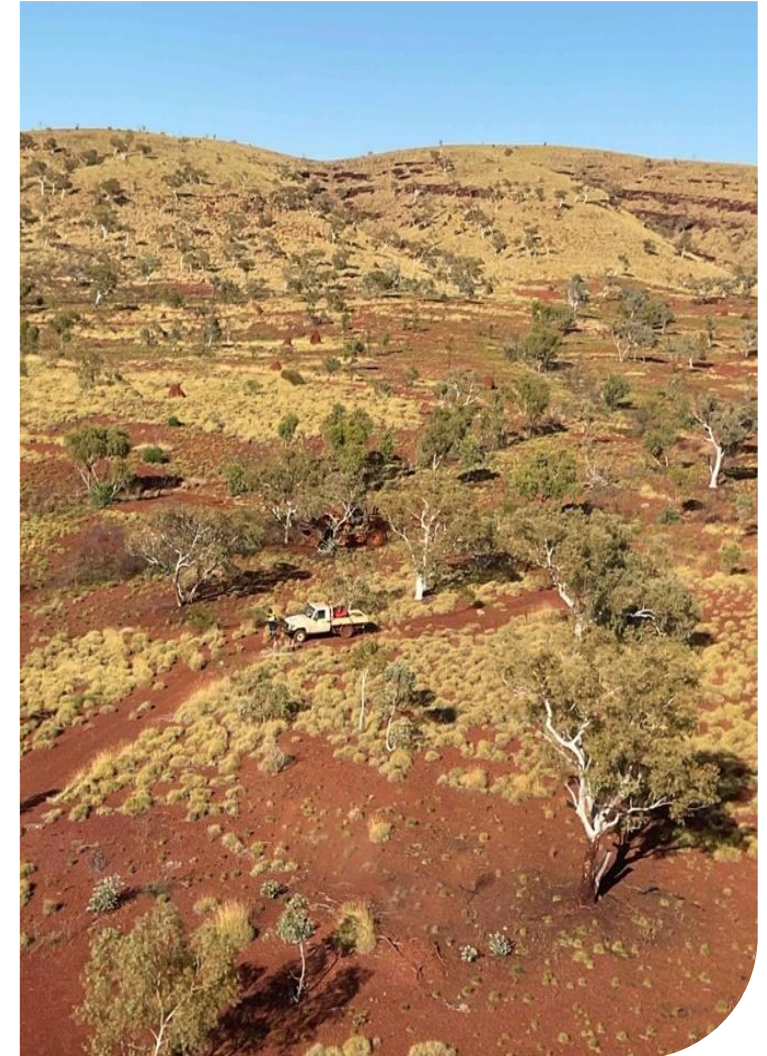
Project financial output	LOM
Revenue (net of pricing discounts)	\$6,654M
Net cash flow (pre-tax)	\$1,097M
NPV <sub>8</sub> (pre-tax)	\$356M
IRR (pre-tax)	35%
NPV <sub>8</sub> (post-tax)	\$265M
IRR (post-tax)	32%
Capital payback (from first production)	3.1 years
Mine life	20.1 years



Note: Excludes Fortescue Metals, Rio Tinto, BHP, Vale and Hancock Prospecting (including Atlas Iron)  
Source: Wood Mackenzie

# EXECUTION PLAN

- *Red Hawk is targeting first ore from the Blacksmith Project in 2025*
- *The proposed schedule leverages off significant historical Project development activities, including heritage surveys, permitting, drilling, geotechnical analysis and metallurgical testwork*
- *The Project has a reduced capital footprint, supplemented by the use of existing or planned public infrastructure*
- *It is planned to use contractors to provide skilled labour, equipment, systems and procedures for the construction and operation of major Project components, including:*
  - *mining*
  - *design, construction and operation of the process plant*
  - *road haulage*
  - *camp construction and operation*
  - *port operations*
- *Project development is planned via the completion of a Pre-Feasibility Study (which will include the Delta, Paragon, Champion and Blackjack deposits) followed by a Definitive Feasibility Study. Final investment decision is targeted for 2H 2024*
- *To support the FID, Red Hawk will continue to advance definition of the Blacksmith resource, heritage clearance activities, gain required permits and approvals, and finalise access agreements with adjacent stakeholders*







**ASX: RHK**

**[www.redhawkmining.com.au](http://www.redhawkmining.com.au)**

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23 Ventnor Avenue  
West Perth**

## Competent Person's Statement:

The information in this Presentation that relates to the Blacksmith Iron Ore Project Mineral Resource was prepared in accordance with the requirements of the JORC Code (2012). This information was included in the Company's previous announcement as noted below or see [www.redhawkmining.com.au](http://www.redhawkmining.com.au)

The information in this Presentation that relates to Mineral Resources for the Delta and Paragon deposits is based on and fairly represents, information compiled by Mr Aaron Meakin and Mr Mark Pudovskis.

Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Mark Pudovskis is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaron Meakin and Mr Mark Pudovskis have 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 Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The Company confirms that the form and context in which the results are presented and all material assumptions and technical parameters underpinning the estimates (including the production targets and forecast financial information derived from the production targets) in the original market announcements continue to apply and have not materially changed from the original announcements and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements [DSO Mineral Resource Estimate – Delta and Paragon Deposits](#) on 6 September 2023 and [Blacksmith Project DSO Scoping Study](#) on 9 October 2023.

The information in this Presentation that relates to Mineral Resources for the Champion and Blackjack deposits is based on and fairly represents, information compiled by Mr Aaron Meakin and Mr Mark Pudovskis.

Mr Aaron Meakin is a full-time employee of CSA Global Pty Ltd and is a Member and Chartered Professional of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Mark Pudovskis is a full-time employee of CSA Global Pty Ltd and is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Aaron Meakin and Mr Mark Pudovskis have 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 Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). The Company confirms that the form and context in which the results are presented and all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed from the original announcements and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement [DSO Mineral Resource Upgrade: Champion and Blackjack](#) on 16 October 2023.

## Iron ore resources for selected ASX-listed companies (Slide 8)

- JWD and Yarram – CuFe Limited (ASX: CUF): Investor Presentation, May 2023 (ASX announcement 09/05/23)
- Iron Ridge – Fenix Resources Limited (ASX: FEX): 2023 Annual Report (ASX announcement 29/08/23)
- Shine – Fenix Resources Limited (ASX: FEX): 2023 Annual Report (ASX announcement 29/08/23)
- Tombador – Tombador Iron Limited (ASX: TI1): 2021 Annual Report (ASX announcement 30/09/22)
- Robe Mesa – CZR Resources Ltd (ASX: CZR): Robe Mesa Resource Continues to Grow (ASX announcement 12/12/22)
- Koolan Island – Mount Gibson Iron Limited (ASX: MGX): Global Iron and Steel Conference (ASX announcement 22/03/23)
- Ularring – Macarthur Minerals Limited (ASX: MIO): 2023 Annual Report (ASX announcement 28/06/23)
- Pannawonica – Red Hill Minerals Limited (ASX: RHI): June 2023 Quarterly Report (ASX announcement 27/07/23)
- Paulsens East – Strike Resources Limited (ASX:SRK): June 2023 Quarterly Report (ASX announcement 26/07/23)

## Disclaimer:

This announcement includes forward-looking statements within the prevailing regulatory laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of words such as "aim", "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "targets", "outlook" and "guidance", or other similar words and may include, without limitation, statements regarding estimated reserves and resources, certain plans, strategies, aspirations and objectives of management, anticipated production, study or construction dates, expected costs, cash flow or production outputs and anticipated productive lives of projects and mines. Such statements are subject to prospective risks and uncertainties and may cause actual developments to differ materially from the reported results.

The forward-looking statements in this announcement were prepared based on the present intentions of the current Red Hawk board and management team, numerous assumptions concerning current conditions and future events, as well as the business environment where Red Hawk conducts business. Red Hawk has no obligation to guarantee that the valid information presented will bring the specific results as expected.

***This ASX announcement was authorised by the Board of Red Hawk Mining Limited.***