

ASX Announcement

27th of March 2024

Operational Update and Investor Presentation

Cyclone Metals Limited (ASX: **CLE**) (**Cyclone** or **the Company**) is pleased to announce the release of an updated Investor Presentation, which provides a comprehensive overview of our flagship Iron Bear Project in Canada and an update on recent operational developments.

Key highlights of the updated Investor Presentation include:

- Iron Bear project development on track as per the Strategic Plan
- Industrial pilot plant in full operation and first batch of 80 kg of Direct Reduction concentrate produced
- Four production scenarios defined - ranging from 8Mta to 100 Mta. These production scenarios are currently being evaluated in a scoping engineering study
- Power, rail, and port options identified

The updated Investor Presentation is attached and can be accessed on our corporate website under the Investor Relations section

Announcement authorised for release by the CEO and Executive Director

For further information please contact:

Investor Relations



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Competent Persons

Exploration and technical information has been reviewed and compiled by Jeremy Peters FAusIMM CP (Mining, Geology), a Director of Burnt Shirt Pty Ltd, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

The Competent Person for the 2022 Mineral Resource estimate is Mr Jeremy Peters FAusIMM CP (Geo, Min). The Mineral Resource estimate is stated in accordance with the provisions of the JORC Code (2012). Mr Peters has more than five years' experience in the estimation and reporting of Mineral Resources for iron mineralisation in Australia and overseas, to qualify as a Competent Person as defined in the JORC Code. Mr Peters consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Disclaimer

This ASX release contains forward-looking statements and is intended for informational purposes only. Actual results may differ materially from those projected in any forward-looking statements due to various risks and uncertainties. Investors are cautioned not to rely solely on the information provided herein and should consult the company's other periodic reports and announcements filed with the ASX for a comprehensive understanding of the company's business and potential risks.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning the Company's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "expect," "intend," "may", "potential," "should," "further" and similar expressions are forward-looking statements. Although the Company believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that further exploration will result in additional Mineral Resources or that further technical and economic studies will result in confirming the estimated operational and capital costs.

About the Iron Bear project

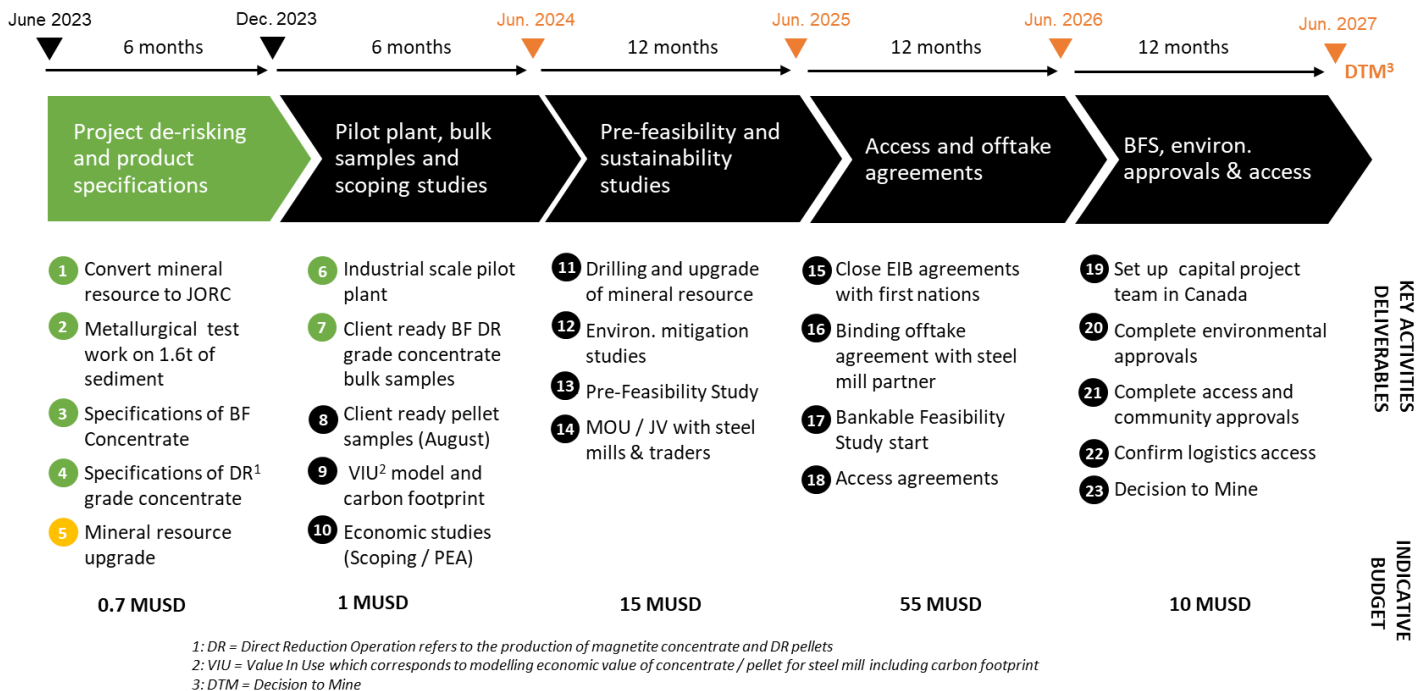
The Iron Bear Project consists of ten licenses totaling 7,275 ha on 291 graticular Mineral Claims under the applicable Labrador and Newfoundland mining regulation, located near the provincial border of Newfoundland and Labrador (NL) and Quebec (QC), approximately 30 km northwest of the town of Schefferville and 1,200 km by air northeast of Montréal.

Iron Bear Project Progress versus the Strategic Plan

Cyclone is pleased to report that it remains broadly on track to achieve the key operational milestones outlined in the SOAP (Strategic Plan on A Page) dated June 2023:

PROJECT IRON BEAR STRATEGY ON A PAGE (SOAP) Operational Milestones and Budgets

- X Operational milestone
- X Op. milestone achieved
- X Op. milestone delayed
- X Op. milestone failed
- ▼ Value re-rating milestones



The planned mineral resource upgrade (milestone 5) was delayed due to challenges in collecting historical geophysical downhole surveys data. However, this data was finally located and is being processed along with high-definition magnetic surveys, historical drilling data and updated geological modelling. We expect a revised resource estimate to be released by mid-April 2024.

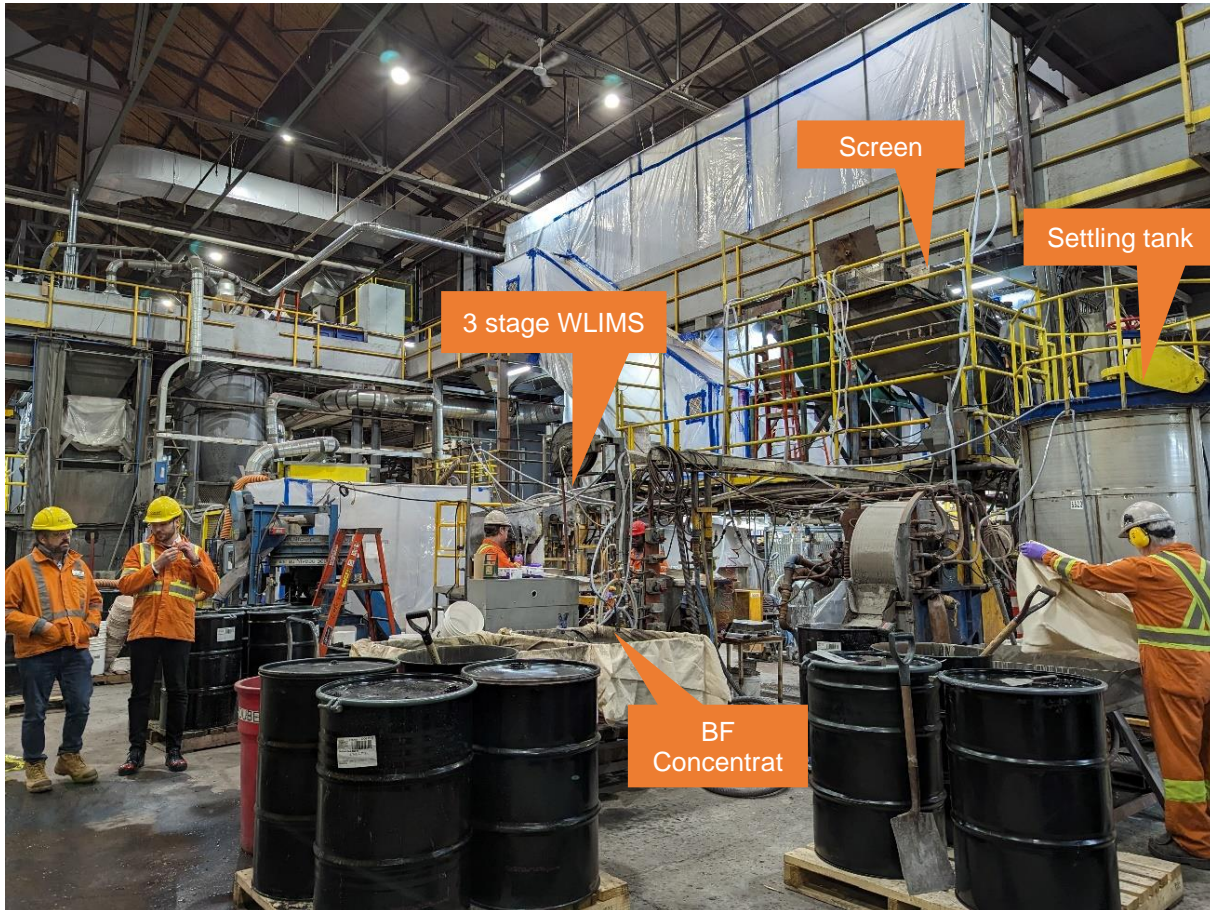
Cyclone is ahead of the original plan for milestone 6 which relates to designing, building, and operating an industrial scale pilot plant. 80 kg of Direct Reduction grade concentrate has been produced and is in the process of being dried, homogenised and analysed. We are on the cusp of starting phase 2 of the metallurgical test work which will involve scaling up the production of concentrates and involves processing a much larger 8 tons representative sample of sediment which is already on the premises at Corem in Québec City, Canada. Pelletizing test work using a deep bed reactor is scheduled to start in May with pellet samples available for customers by August this year.

Initial discussions have started with a number of steel mills, trading houses and financial institutions around potential off take agreements and/or joint venture opportunities. A key focus of these interactions is the quality of the Iron Bear products in the context of emerging low carbon steel making technologies. These discussions are expected to proceed for at least six months.

Iron Bear Industrial Pilot Plant

Cyclone and Corem technical experts have successfully designed and commissioned a pilot plant for the production the full suite of Iron Bear products.

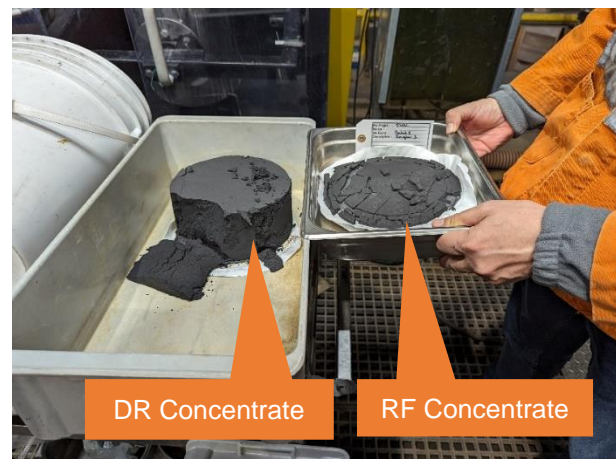
Iron Bear pilot plant in operation



BF concentrate collection for dry

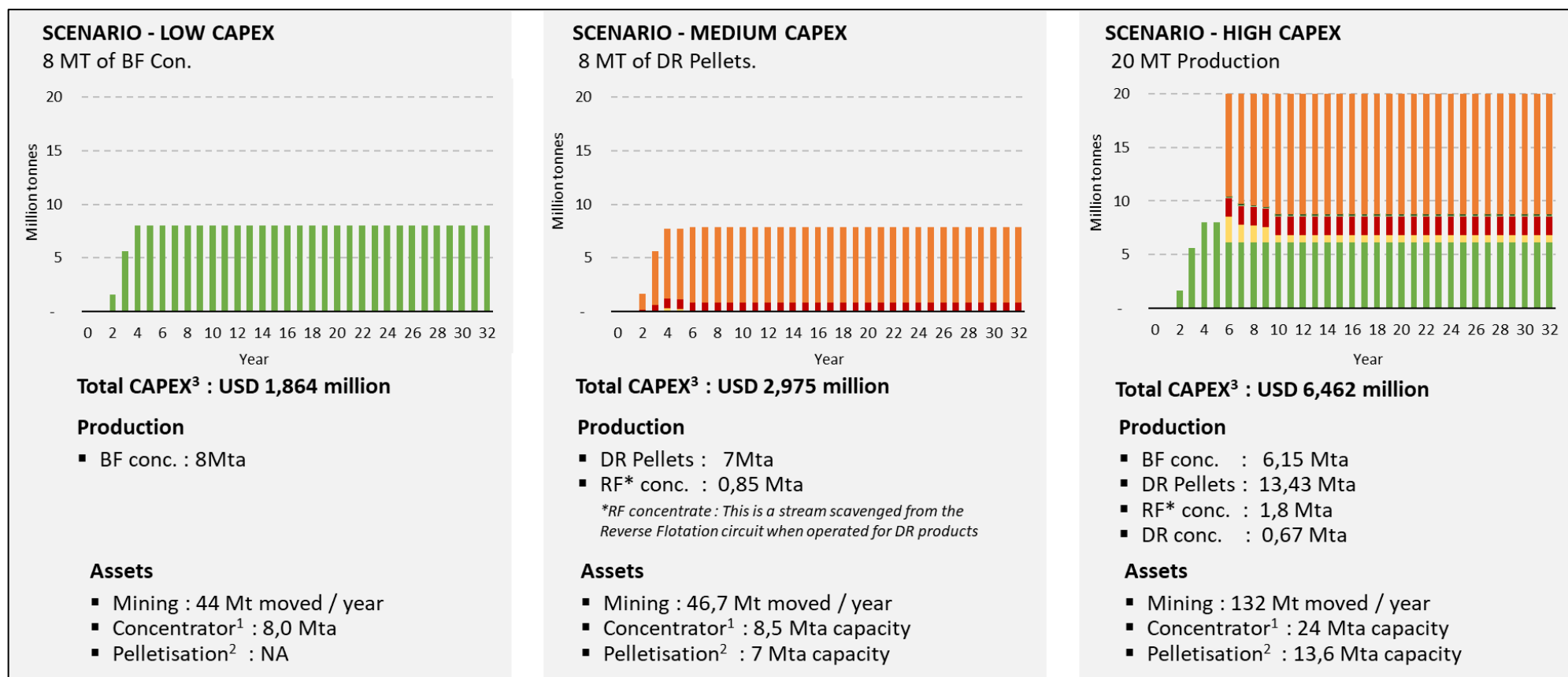


DR concentrate collection after reverse flotation



Iron Bear Project Production Scenarios

The Iron Bear technical team has defined three case base scenarios which are being evaluated as part of the ongoing scoping technical and economic study (SOAP milestone 10). These scenarios are summarised below:



Cyclone has made a preliminary estimate of the capital costs based on a previous technical & economic study completed by Hatch in 2020⁽³⁾. These cash costs were reviewed and inflated by an independent estimator (Capisce Ltd) and then scaled to reflect the planned production volumes, current energy prices and other factors.

1. Located near Schefferville and supplied by Menihek hydro plant

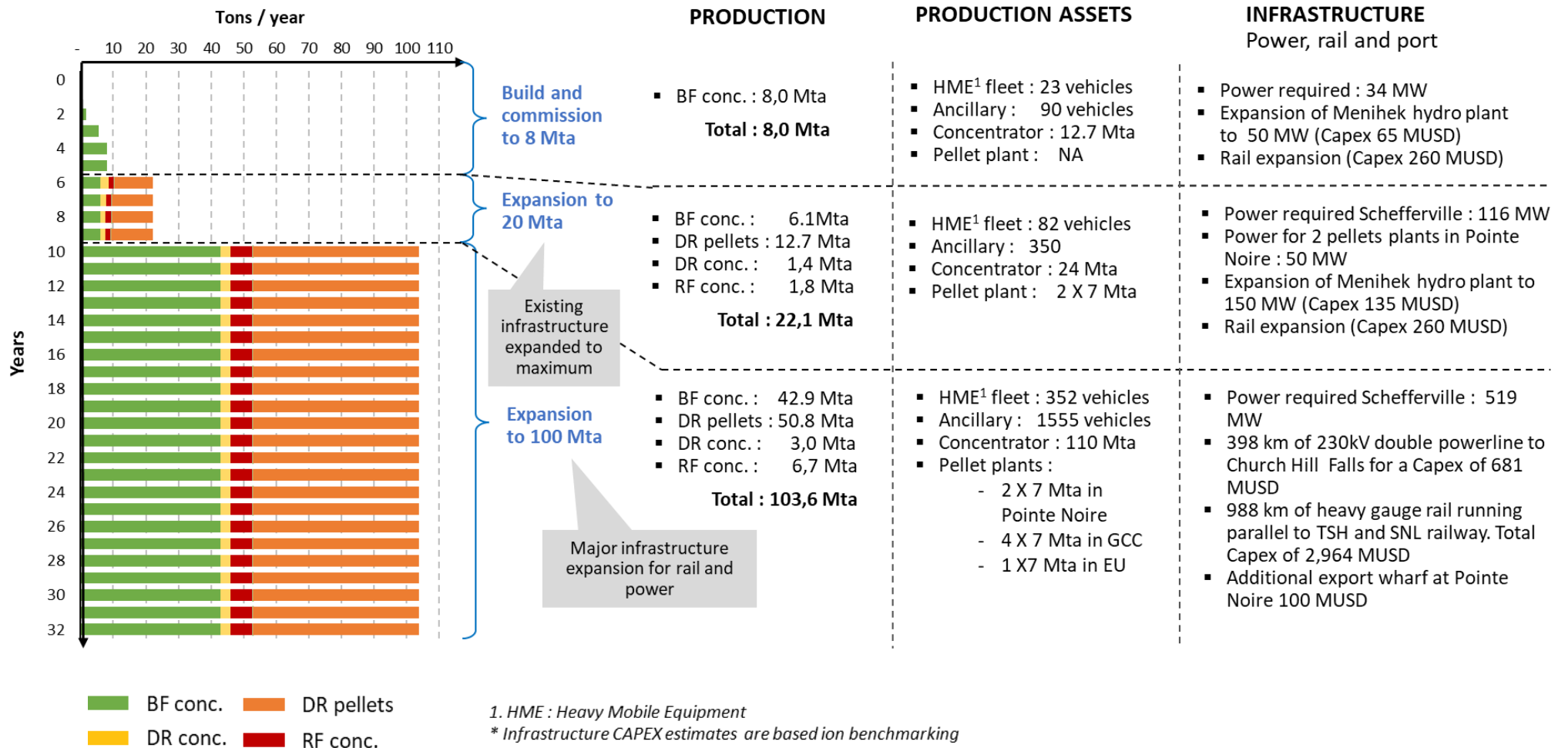
2. Located near Pointe Noire

3. CAPEX from 2019 report by Hatch for M3 Metals, and released on TSX 27th January 2020, adjusted for inflation and scaled for volume to 2025

Report is available on SEDAR database: <https://www.sedarplus.ca/csa-party/records/document.html?id=fff2039a203d460f064ad00fb4519a452564922bc99267139733cf20c1c58b0>.

Cyclone has completed an initial infrastructure desktop study and a survey of the existing heavy haul rail. Our preliminary assessment suggests that Iron Bear could expand to 100 Mta production in a staged manner over 10 years— subject to major infrastructure investments in rail and power.

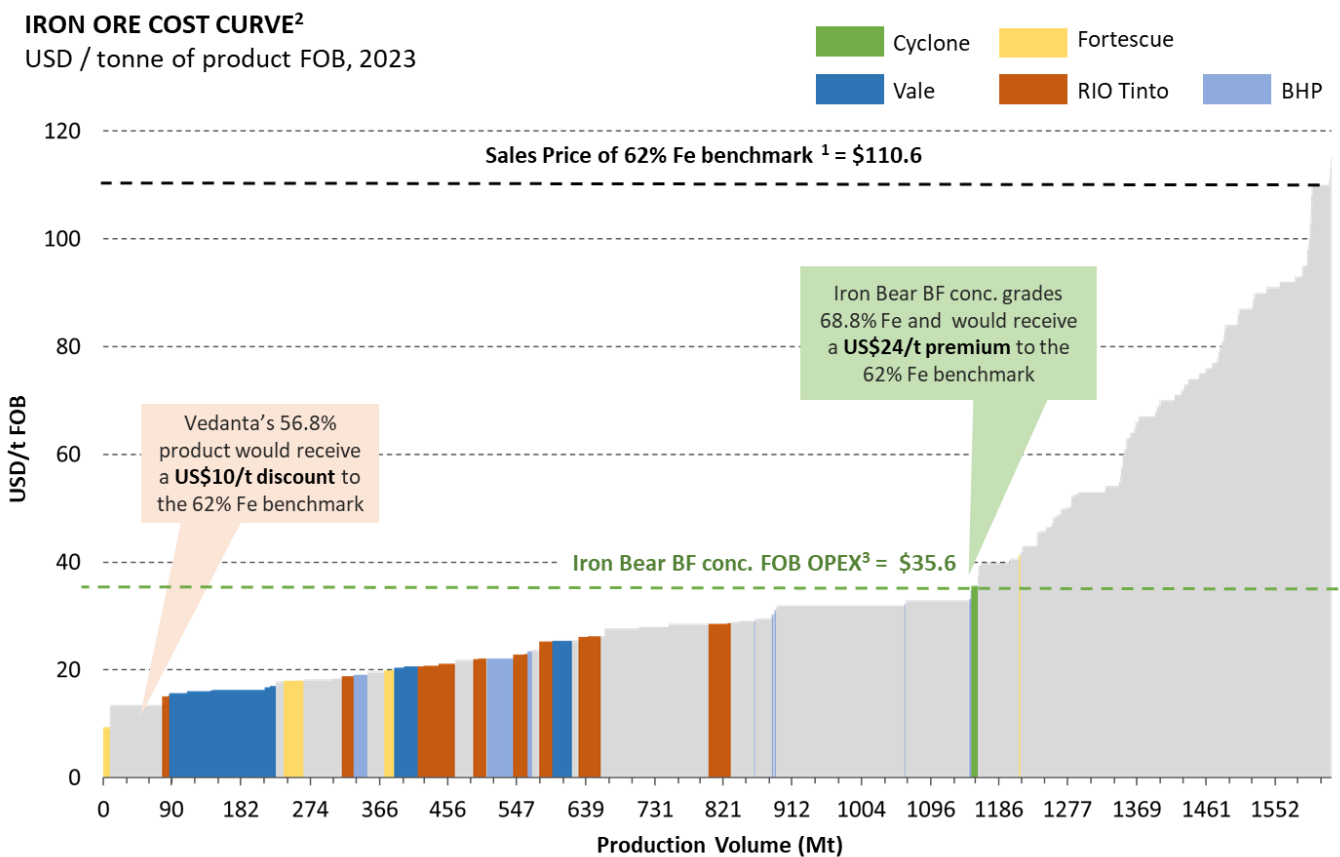
PRODUCTION SCENARIO 100Mt - PHASED OVER 10 YEARS



Iron Bear OPEX Benchmarking

Cyclone has made a preliminary estimate of the production cash costs for its iron ore products based on a previous technical & economic study completed by BBA in 2013⁽³⁾. These cash costs were reviewed and inflated by an independent estimator (Capisce Ltd) to reflect 2024 costs, current energy prices and other factors.

Iron Bear benefits from a mineral resource with a low stripping ratio of 0,4 (refer to ASX release dated 23/06/2023 Maiden JORC compliant mineral resource statement), access to cheap hydropower (~ 5 USD cents / Kwh) and access to heavy haul directly connected to an open access iron ore export terminal. As a result, the Iron Bear project is expected to benefit from a very competitive OPEX cost compared to peers; considering that the base Iron Bear Blast Furnace concentrate would achieve a premium of USD 24/tonne versus the 62% Fe benchmark in current market conditions.



1. \$110.6 62% Fe pricing from Platts, CFR China as of 25th March 2024

2. Source: Macquarie, S&P Global, and FMG/Vale/RIO/BHP Annual Reports. Analysis by Lot 57 Consulting Pty Ltd and Cyclone Metals Limited

3: \$35.6 USD/t BF Concentrate OPEX from 2013 Preliminary Economic Assessment of the Block 103 Project prepared by BBA Inc and Watts, Griffis and McOuat Limited for Cap-Ex Iron Ore Limited

A World Class Iron Ore Development In Canada

Investor Presentation March 2024



PROJECT
IRON BEAR

This presentation may contain forecasts and forward-looking information. Such forecasts, projections and information are not a guarantee of future performance and may involve unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. Cyclone Metals Limited (“**Cyclone**”) has not audited or investigated the accuracy or completeness of the information, statements and opinions contained in this presentation. Accordingly, to the maximum extent permitted by applicable laws, Cyclone makes no representation and can give no assurance, guarantee or warranty, express or implied, as to, and takes no responsibility and assumes no liability for, the authenticity, validity, accuracy, suitability or completeness of, or any errors in or omission, from any information, statement or opinion contained in this presentation.

Throughout this presentation all figures are quoted in US dollars (USD\$) unless otherwise stated.

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This presentation does not constitute financial product advice (nor investment, tax, accounting or legal advice) and has been prepared without taking account of any person’s investment objectives, financial situation or particular needs.

Competent Persons

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Iron Bear is a world class iron ore project with scale, low production costs, and access to existing heavy haul rail and port infrastructure

IRON BEAR PROJECT HIGHLIGHTS

- 1** Asset located in Canada, less than 25km from an open access heavy haul railway and close to cheap hydro-power
- 2** World class Iron ore mineral resource of **7.2 billion tonnes @ 29.2 Fe%**¹ with exceptionally low deleterious elements
- 3** Production of high quality **70.6% Fe DR²** grade concentrate with silica below 1.2% in **industrial pilot plant**
- 4** Low OPEX of **USD 35.6/t³ FOB⁴ Pointe Noire** for blast furnace concentrate due to access to low-cost hydropower
- 5** **Strategic Tier 1 iron ore asset** with flexible development scenarios and the potential to **ramp up production to over 100 Mta**
- 6** **Rapid project development** underpinned by the supply of bulk samples of DR and BF concentrates to mill clients by Q2 2024

LOCATION



1: Inferred NI 43-101 and JORC 2012 compliant, refer to ASX announcement: 7.2 billion Tonne Maiden JORC Mineral Resource Statement dated 20th of June 2023

2: DR = Direct Reduction, refers to the production of high purity magnetite concentrates necessary for Direct Reduction steel processing critical for low carbon steel production

3: \$35.6 USD/t BF Concentrate OPEX from 2013 Preliminary Economic Assessment of the Block 103 Project prepared by BBA Inc and Watts, Griffis and McQuat Limited for Cap-Ex Iron Ore Limited
<https://www.sedarplus.ca/csa-party/records/document.html?id=f40c1514375f9f0b77f28e2c9820a56107b81346a23c21acc732e41f38237467>

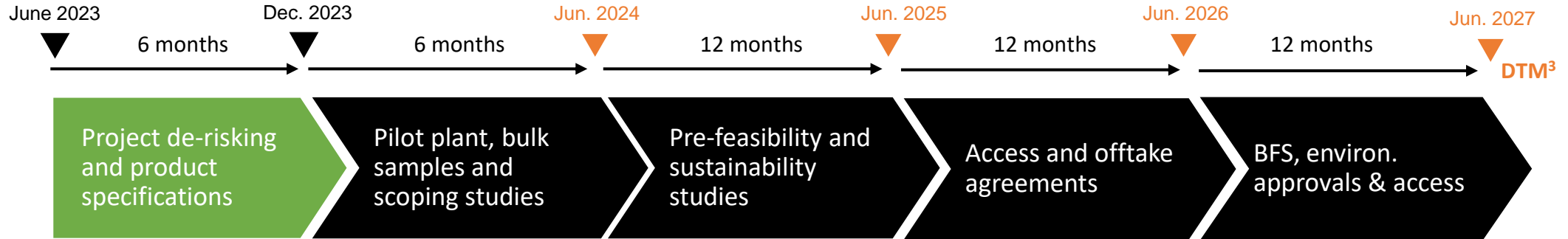
4: FOB = Free On Board, refers to an iron ore shipment loaded on a vessel and ready for shipment

The Iron Bear Project is underpinned by a clear operational plan to rapidly unlock the value of the asset and is on track to achieve its key operational milestones

PROJECT IRON BEAR STRATEGY ON A PAGE (SOAP)

Operational Milestones and Budgets

- X Operational milestone
- X Op. milestone achieved
- X Op. milestone delayed
- X Op. milestone failed
- ▼ Value re-rating milestones



Phase	Key Activities	Indicative Budget
0-6 months	<ul style="list-style-type: none"> 1 Convert mineral resource to JORC 2 Metallurgical test work on 1.6t of sediment 3 Specifications of BF Concentrate 4 Specifications of DR¹ grade concentrate 5 Mineral resource upgrade 	0.7 MUSD
6-12 months	<ul style="list-style-type: none"> 6 Industrial scale pilot plant 7 Client ready BF DR grade concentrate bulk samples 8 Client ready pellet samples (August) 9 VIU² model and carbon footprint 10 Economic studies (Scoping / PEA) 	1 MUSD
12-24 months	<ul style="list-style-type: none"> 11 Drilling and upgrade of mineral resource 12 Environ. mitigation studies 13 Pre-Feasibility Study 14 MOU / JV with steel mills & traders 	15 MUSD
24-36 months	<ul style="list-style-type: none"> 15 Close EIB agreements with first nations 16 Binding offtake agreement with steel mill partner 17 Bankable Feasibility Study start 18 Access agreements 	55 MUSD
36-48 months	<ul style="list-style-type: none"> 19 Set up capital project team in Canada 20 Complete environmental approvals 21 Complete access and community approvals 22 Confirm logistics access 23 Decision to Mine 	10 MUSD

Expected by end April '24



1: DR = Direct Reduction Operation refers to the production of magnetite concentrate and DR pellets
 2: VIU = Value In Use which corresponds to modelling economic value of concentrate / pellet for steel mill including carbon footprint
 3: DTM = Decision to Mine

KEY ACTIVITIES DELIVERABLES INDICATIVE BUDGET

Project Iron Bear is underpinned by a highly credentialed leadership team with a complimentary set of operational, technical and corporate skills



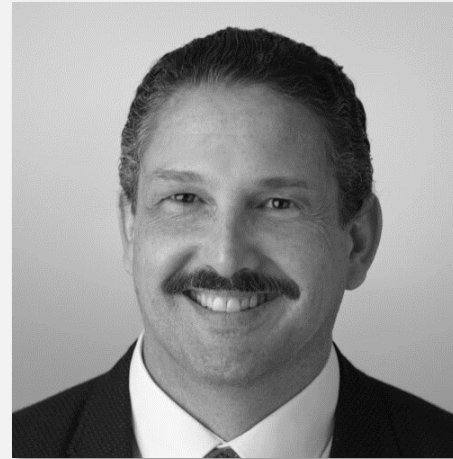
PAUL BEREND
CEO / Executive Director

Mr. Berend brings over 20 years of experience in the iron ore and steel industry acquired in blue chip and junior mining companies. His previous corporate roles include GM Business Development for Rio Tinto Iron Ore and GM Corporate Strategy for ArcelorMittal, the world's largest steel producer.



TONY SAGE
Executive Chairman

Mr. Sage is an entrepreneur with over 36 years of experience in corporate advisory services, funds management and capital raising. Mr. Sage current positions include Executive Chairman of NASDAQ listed Critical Metals (CRML), European Lithium (ASX: EUR) and ASX-listed CuFe Ltd (ASX: CUF)



PAUL VERMEULEN
GM Technology and Steel

Mr. Vermeulen is a Metallurgical Engineer with over 25 years of experience in iron ore mining, processing and steel production. He is a worldwide recognized expert in iron ore processing and steel making. His previous roles include Blast Furnace Manager for Iscor and Principal Metallurgist at Rio Tinto Iron Ore.



JEREMY PETERS
GM Geology and Mining

Geologist and Mining Engineer with over 31 years of experience in exploration, mining and consulting. Mr. Peters is a highly respected Mineral Asset Valuation Expert, as defined by the VALMIN Code. He also acts as an expert witness for compliance to CRIRSCO-aligned codes (JORC, NI43-101, SAMREC).



MELISSA CHAPMAN
Company Secretary

Co-founder and Executive Director of Bellatrix Corporate Pty Ltd with over 20 years' experience in the accounting and company secretarial professions. She has significant experience including in Perth and London serving ASX/LSE listed and private companies in senior governance roles.

Project Iron Bear is situated in the Labrador Trough which is a world class iron ore province home to major iron producers

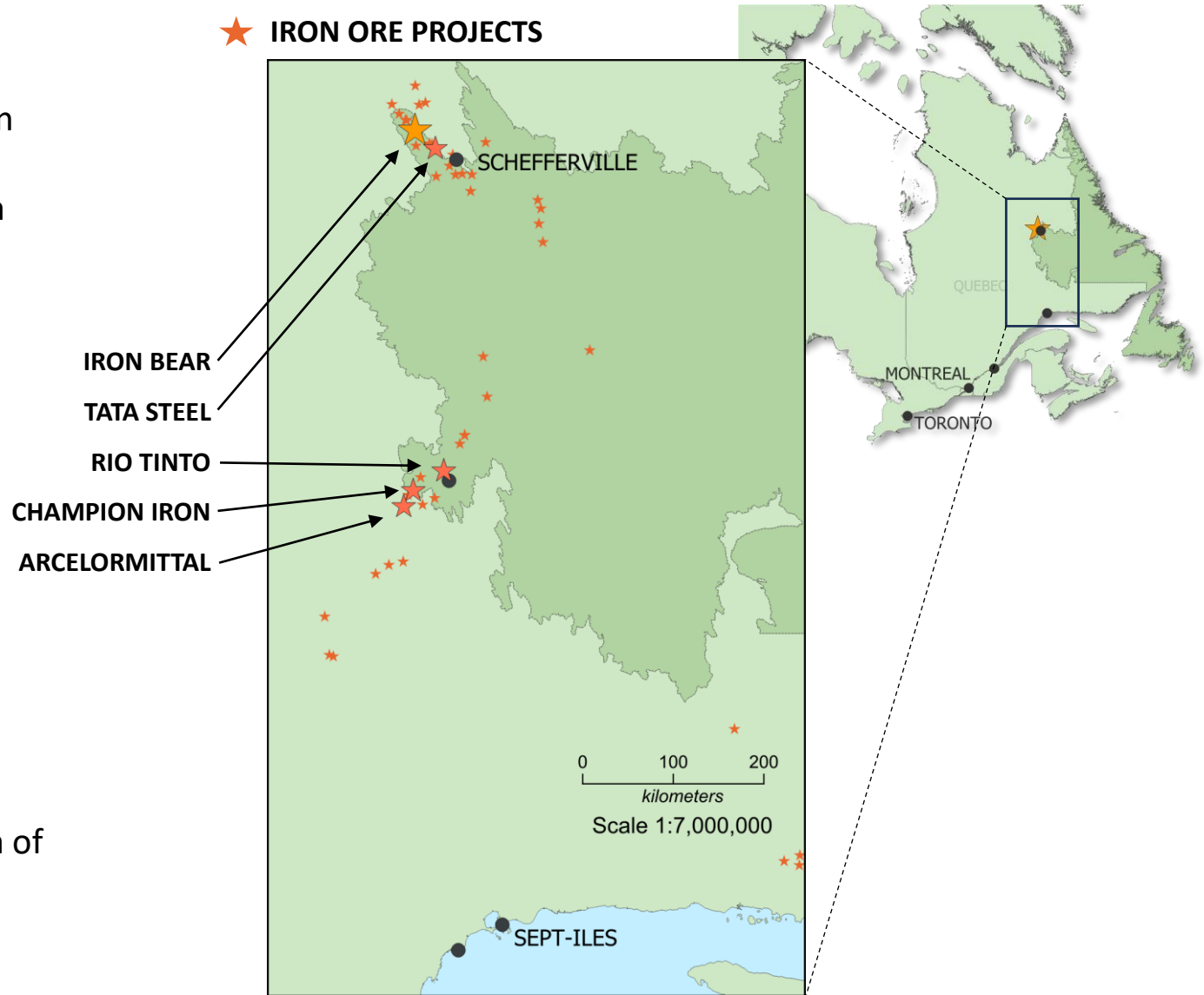
IRON PRODUCTION IN THE LABRADOR TROUGH

Iron Bear is located in the world-class Labrador Trough iron ore mining district of Canada. A safe and stable mining jurisdiction, 'The Trough' has claimed a prominent place in the Canadian mining sector having produced more than 2 billion tonnes of ore over 50 years.

Global iron ore majors in the Labrador Trough:

- Champion Iron
 - Rio Tinto (IOC)
 - ArcelorMittal
 - Tata Steel
- Independent Australian operator, Champion Iron (CIA:ASX) successfully revived Bloom Lake in 2022 and currently produces 11 Mta of magnetite concentrate.
 - Champion iron is a successful recent iron ore development and has achieved a market capitalisation of AUD 4.3 billion (~ USD 2.9 billion)

★ IRON ORE PROJECTS



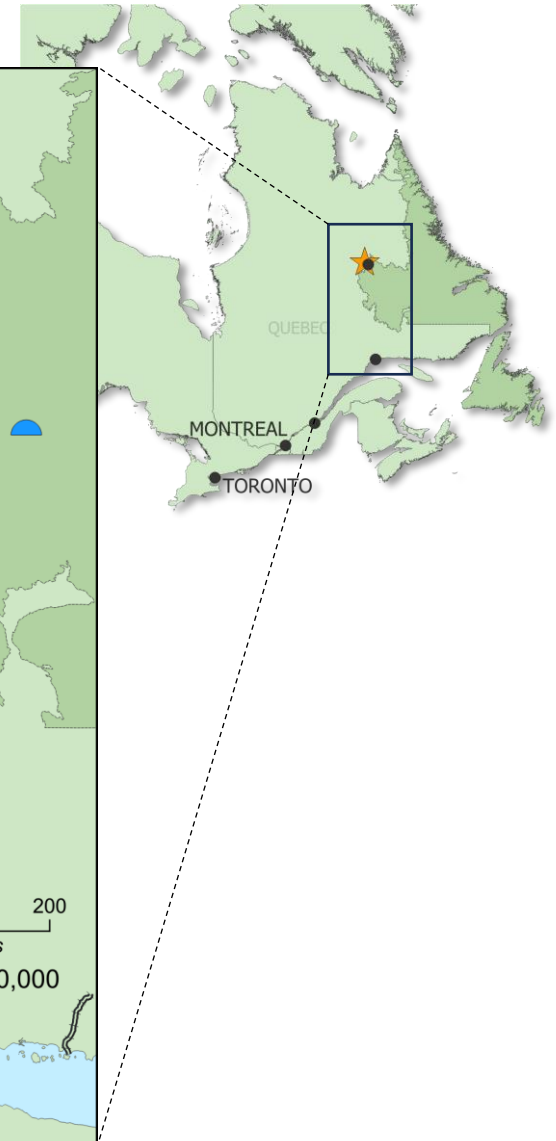
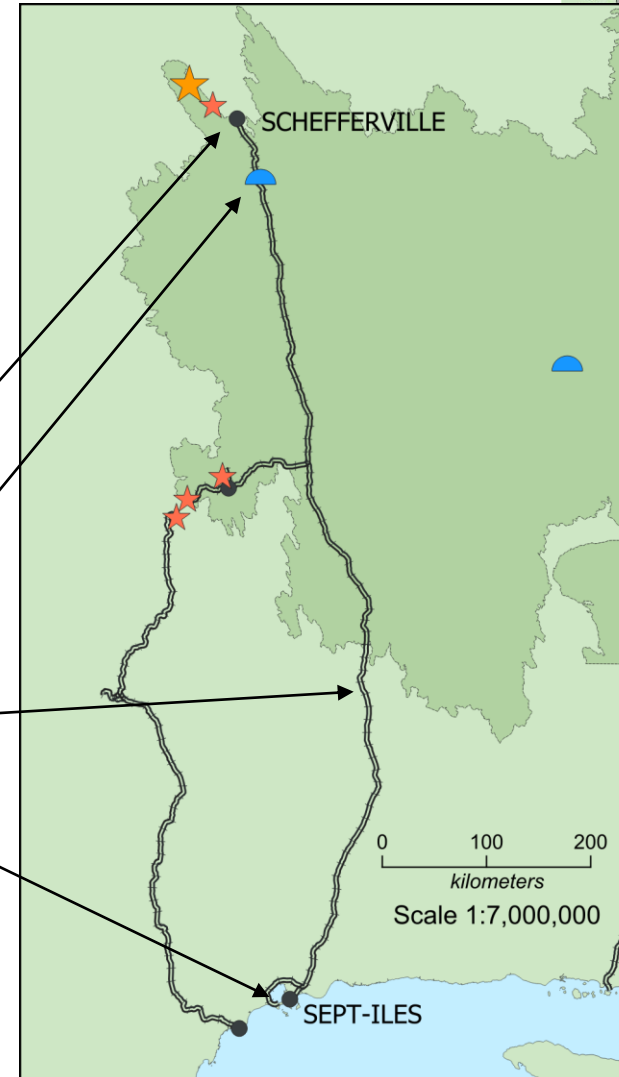
PROPERTY LOCATION

- The Property is located in Newfoundland Labrador, approximately 25 km northwest from the town of Schefferville
- The Property consists of 14 contiguous map staked licenses totalling 831 mineral claims of 20,775 ha.

LOCAL RESOURCES AND INFRASTRUCTURE

- **Schefferville is a small mining town** with good amenities and infrastructure connected by road to the Iron Bear potential mining operations
- **Low-cost hydropower** is available from Menihék located 40km from Project Iron Bear and connected by two 69kV power lines. Estimated expansion capacity is ~ 200 MW.
- **Heavy haul rail** is available and connected to the open access Pointe Noire Iron ore export terminals.
- **Open access Port** in Pointe-Noire with 3 deep-water docks available year-round.
- **Daily scheduled air service** is available in Schefferville from Wabush and Sept-Îles.

INFRASTRUCTURE



2 Project Iron Bear has a world class magnetite mineral resource

MINERAL RESOURCE ESTIMATE FOR IRON BEAR (CUT OFF 12.5% MagFe)

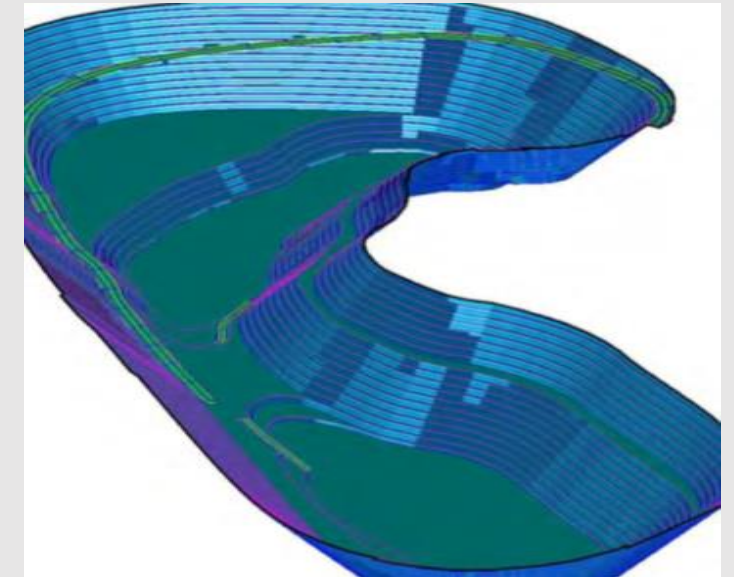
Category	Zone	Tonnes (m)	Tfe%	magFe%
Inferred	Greenbush	7,200	29.2	18.9

The maiden historical Mineral Resource estimate for the Iron Bear Project, Greenbush Zone, was completed using block sizes of 100m x 30m x 10m and is based on results from 81 diamond drillholes totalling 23,735m.

MINERAL RESOURCE ESTIMATE AS A FUNCTION OF MagFe CUTOFF GRADE

Cutoff (%magFe)	Tonnes (Billion)	%TFe	%magFe
25.0	0.3	32.3	26.8
22.5	1.1	30.9	24.3
20.0	2.8	30.2	22.4
17.5	4.7	29.8	20.9
15.0	6.3	29.5	19.7
12.5	7.2	29.2	18.9
10.0	7.8	29.0	18.4

3D VIEW OF Iron Bear 30-year PIT DESIGN



1. Mineral resource was estimated using a block model with a block size of 100m X 30M X 10m
2. The mineral resource was estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Standards for Mineral Resource Definitions and Guidelines, prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council
3. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resource will be converted into Mineral Reserves. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, socio political, marketing or other issues.

2

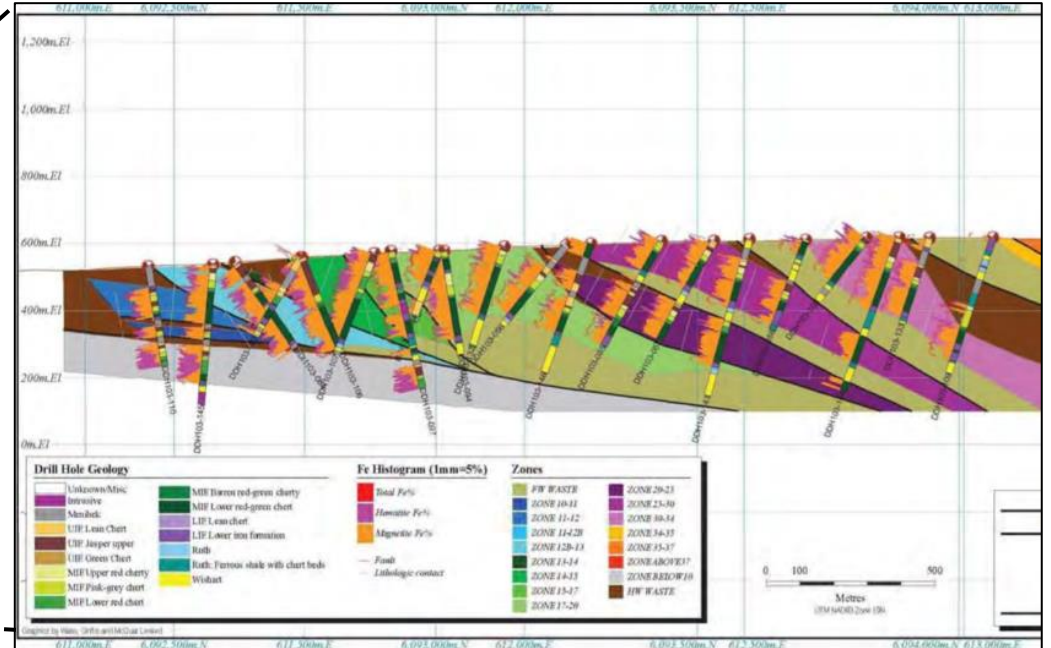
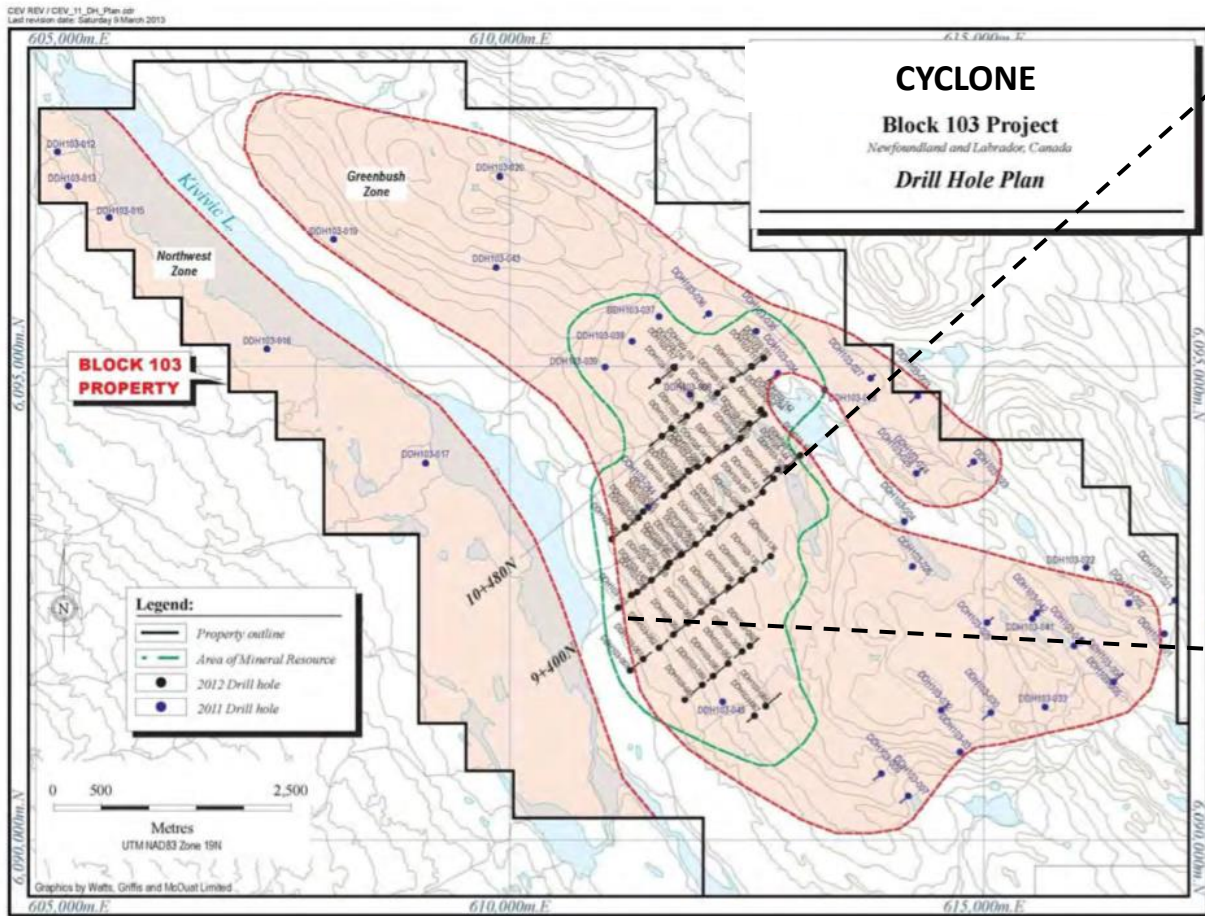
115 diamond drill holes have been completed to on Block 10 totalling 28,021m of cores; but less than 25% of the mineralised zones have been drilled to date



Mineralised areas have been drilled on a grid of 500m X 200m to outline the maiden mineral resource

DRILL PLAN OVERLAID ON MINERALISED AREAS

GREENBUSH ZONE CROSS SECTION 9+400N



- The drilling covered an approximate NW-SE strike length of 4 km by 2.5 km and tested mineralization to a depth of approximately 450 m vertical..
- As currently defined, the Greenbush Zone is approximately 10 km long NW-SE and 5 km wide SW-NE and encompasses the area of the 2013 Mineral Resource Estimate (in green). Only 25% of the strike area has been drilled to date so substantial upside exists



3 Metallurgical test work delivered high quality magnetite concentrates with high Fe yields, low silica and very low deleterious elements including manganese*

BLAST FURNACE AND DIRECT REDUCTION MAGNETITE CONCENTRATE SPECIFICATIONS

% by weight	Fe	SiO ₂	Al ₂ O ₃	CaO	MgO	MnO	P ₂ O ₅	S _{total}	TiO ₂
DR concentrate	70.6	1.2	<i>< 0.1</i>	0.08	0.09	0.06	<i>< 0.01</i>	0.005	< 0.01
BF concentrate	68.7	3.4	<i>< 0.1</i>	0.15	0.18	0.08	<i>< 0.01</i>	0.005	0.01
RF concentrate	67.0	4.6	<i><0.1</i>	0.3	0.4	0.2	<i><0.01</i>	0.009	NA

% by weight	K ₂ O	Na ₂ O	V ₂ O ₅	ZrO ₂	ZnO	FeO	LOI	Other	Sum
DR concentrate	<i><0.01</i>	<i><0.1</i>	<i><0.01</i>	<i><0.02</i>	<i><0.01</i>	33.4	-3.23	0.28	99.8
BF concentrate	<i><0.01</i>	<i><0.1</i>	<i><0.01</i>	<i><0.02</i>	<i><0.01</i>	31.6	-3.11	0.32	99.5

- Blast Furnace concentrate was achieved at P80 @ 32 microns with a 97% recovery of magnetite Fe
- Direct Reduction concentrate was achieved at P80 @ 32 microns with an 80% recovery of magnetite Fe
- Reverse Flotation concentrate is a saleable waste recovery stream. Recovery is 10% of magnetite Fe when reverse flotation is active.
- The sediment source material was a bulk sample of 1,6t with an average **magnetite Fe of 17%** - representative of the Life Of Mine
- Metallurgical test work was performed by Corem in Quebec city, Canada

3

The Metallurgical test work was completed with industrial grade equipment to provide realistic process performance and product specifications

COREM PILOT PLANT SET UP



MAGNETITIC SEPARATION

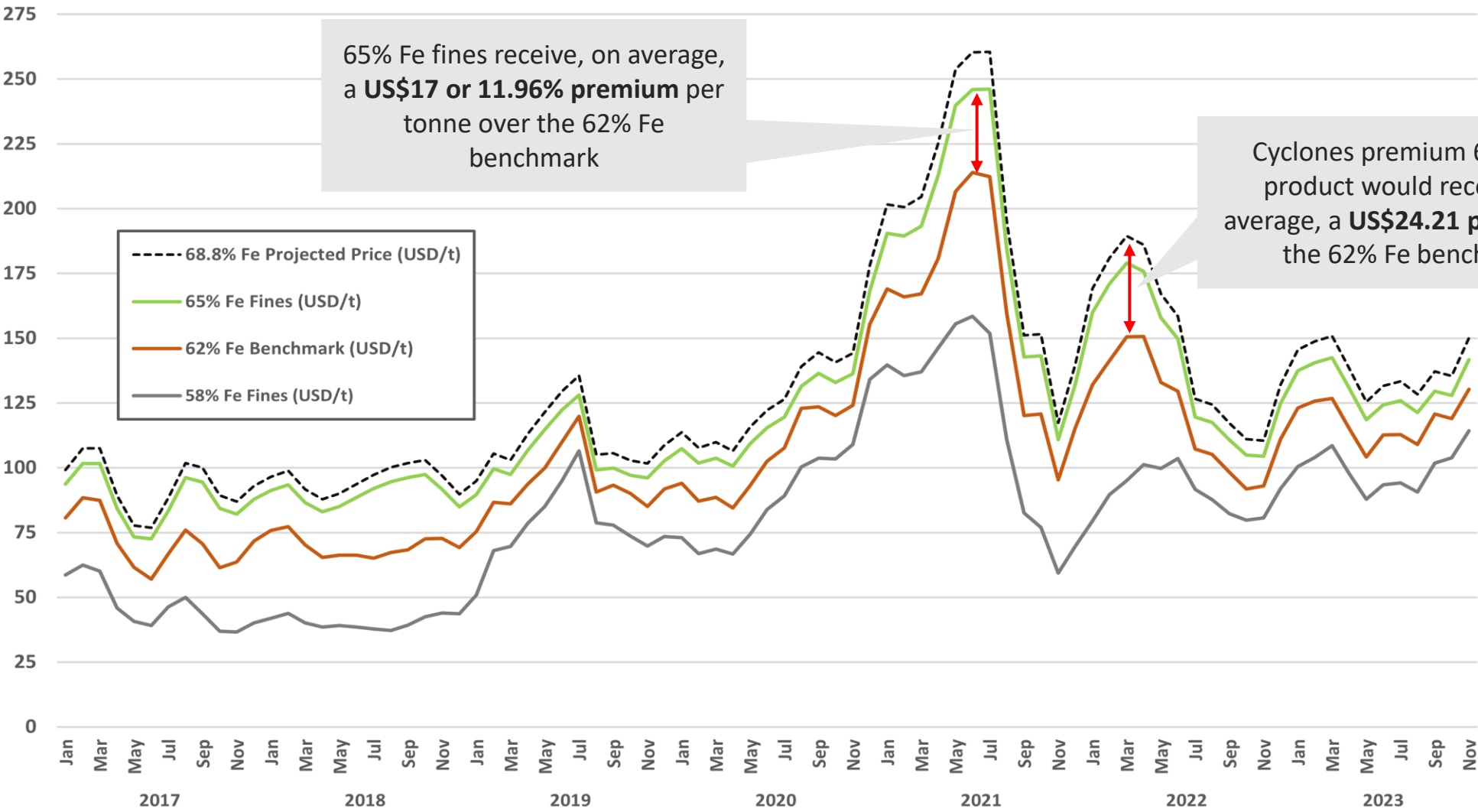


REVERSE FLOTATION CELLS



The test work was completed by Corem with pilot test work equipment which replicates on a small scale a true industrial continuous magnetite processing operation. Most of our competitors report results from Davis Tubes which are small batch laboratory tools which typically heavily overestimate the achievable grades and recovery rates. Steel mills are aware of this and require large bulk samples in excess of 100 kg provided by pilot plants which Cyclone plans to provide in Q1 2024 and Q2 for pellets

Our base Iron Bear blast furnace concentrate would have received an average premium of 24 USD/t above the 62% Fe benchmark over the last 7 years



65% Fe fines receive, on average, a **US\$17 or 11.96% premium** per tonne over the 62% Fe benchmark

Cyclones premium 68.8% Fe product would receive, on average, a **US\$24.21 premium** to the 62% Fe benchmark

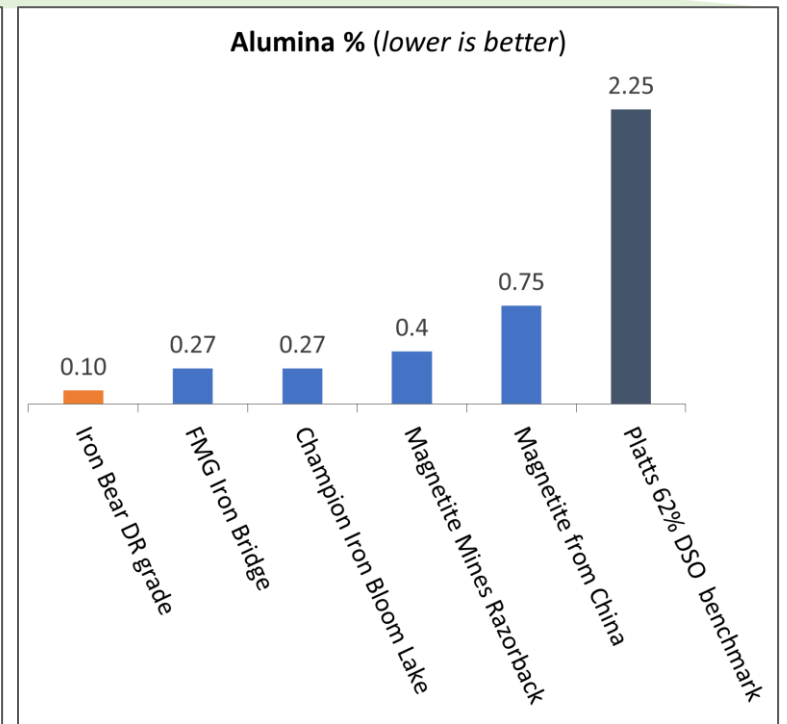
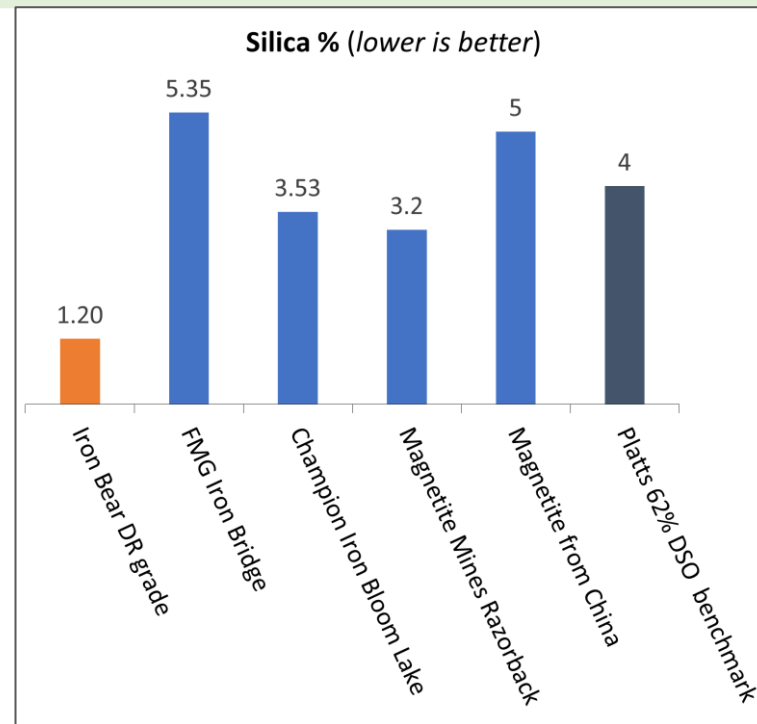
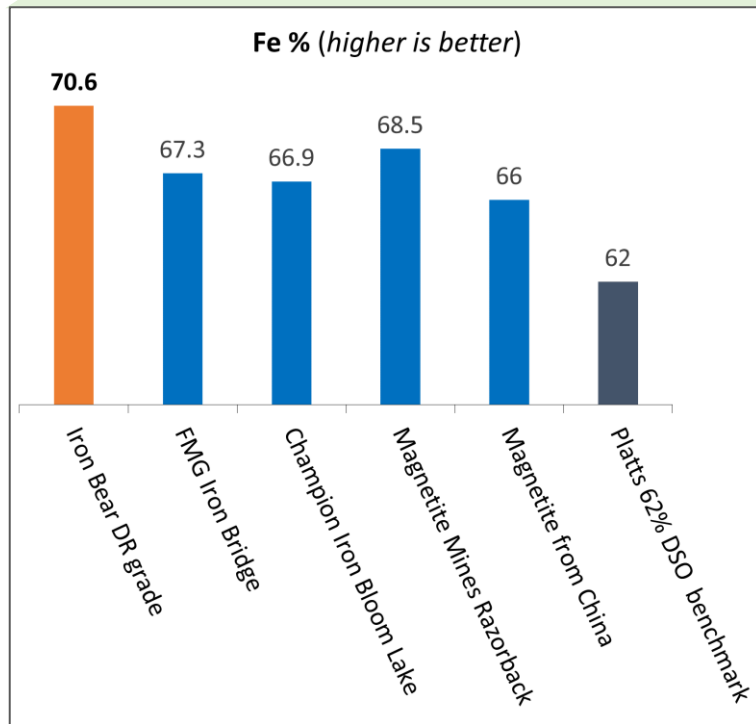
- - - 68.8% Fe Projected Price (USD/t)
 — 65% Fe Fines (USD/t)
 — 62% Fe Benchmark (USD/t)
 — 58% Fe Fines (USD/t)

- The Fastmarket Iron Ore 65% Fe sinter fines receive a premium to the Fastmarkets Iron ore 62% Fe fines (cfr Qingdao, \$/tonne) per Fe unit
- This premium per Fe unit was applied to Iron Bears 68.8% blast furnace concentrate to calculate a price premium

Iron Bear will also produce class leading 70.6% Fe direct reduction concentrate with silica below 1.2% and low deleterious elements

IRON BEAR HIGH QUALITY DIRECT REDUCTION CONCENTRATE VERSUS PEERS

DR Conc.	Fe	SiO ₂	Al ₂ O ₃	P ₂ O ₅	MgO	CaO	Na ₂ O	K ₂ O	MnO	V ₂ O ₅	ZrO ₂	ZnO	TiO ₂	FeO	LOI	Other	Sum
% by weight	70.6	1.2	<0.1	<0.01	0.09	0.08	<0.1	<0.01	0.06	<0.01	<0.02	<0.01	<0.01	33.4	-3.23	0.28	99.8

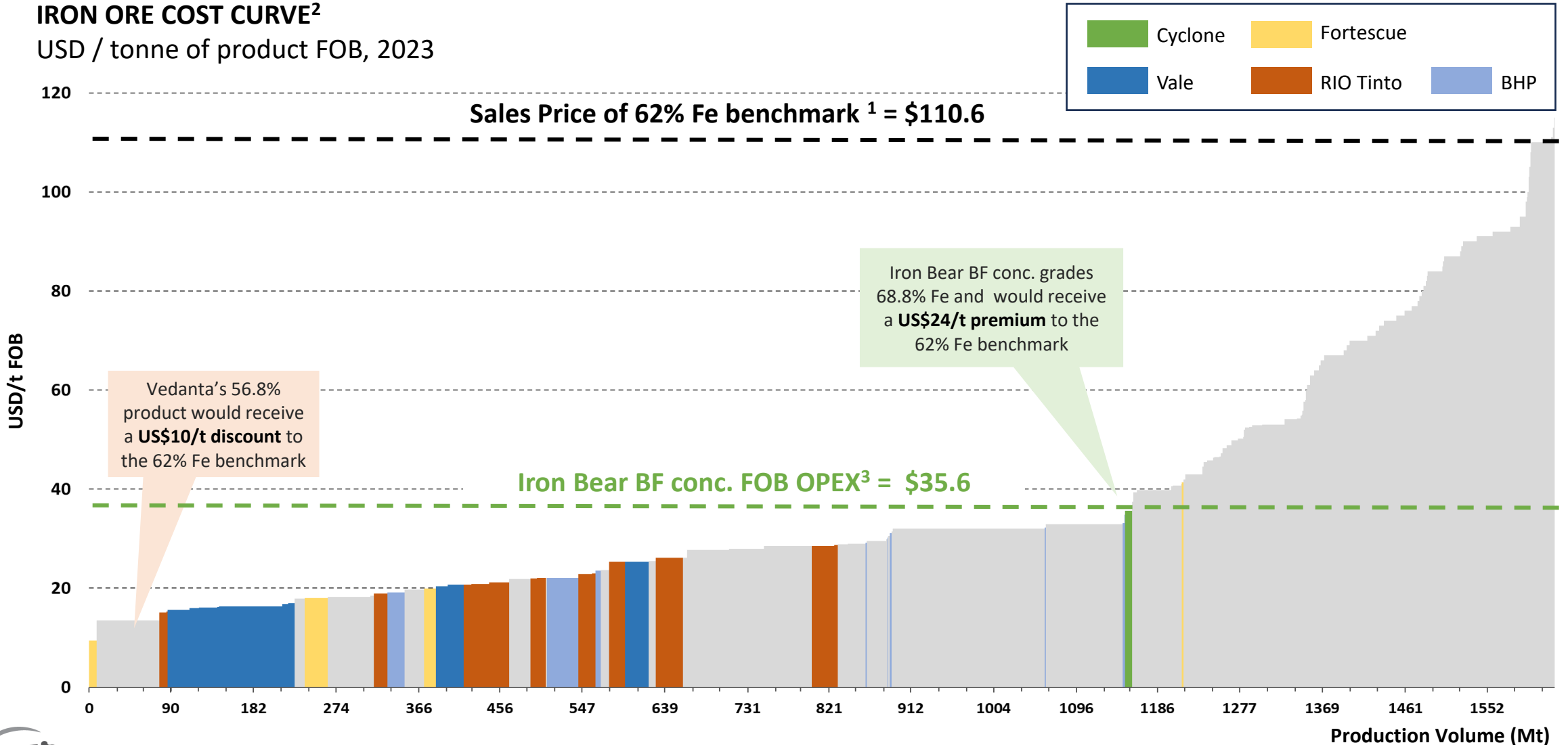


- Cyclone Metals DR concentrate specifications: See ASX:CLE Announcement dated 28th November 2023
- Platts 62% Fe and Magnetite (China) specifications: Platts Global Iron Ore Specifications Guide – July 2023
- Magnetite Mines product specifications: <https://www.investi.com.au/api/announcements/mgt/1af6e7b4-894.pdf>
- FMGL product grade: <https://minedocs.com/23/Fortescue-MR-06302022.pdf>
- Champion Iron gravity concentrate: <https://www.championiron.com/wp-content/uploads/2023/10/cia-technical-report-ni-43-101-2023-3813138-000000-40-era-0002-r00.pdf>

The FOB¹ costs of Iron Bear's 68% Fe BF concentrate is comparable to that of the low-cost majors and would further benefit from a substantial price premium

IRON ORE COST CURVE²

USD / tonne of product FOB, 2023



1. \$110.6 62% Fe pricing from Platts, CFR China as of 25th March 2024

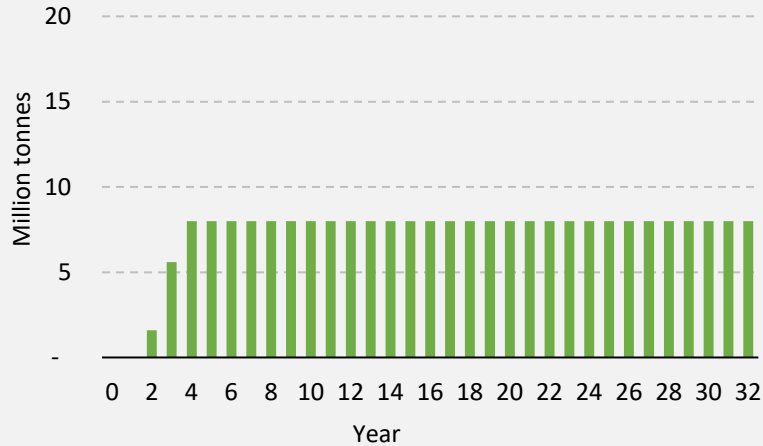
2. Source : Macquarie, S&P Global, and FMG/Vale/RIO/BHP Annual Reports . Analysis by Lot 57 Consulting Pty Ltd and Cyclone Metals Limited

3: \$35.6 USD/t BF Concentrate OPEX from 2013 Preliminary Economic Assessment of the Block 103 Project prepared by BBA Inc and Watts, Griffis and McQuat Limited for Cap-Ex Iron Ore Limited

Iron Bear is amenable to flexible production scenarios which are being evaluated for costs and infrastructure as part of the updated economic study

SCENARIO - LOW CAPEX

8 MT of BF Con.



Total CAPEX³ : USD 1,864 million

Production

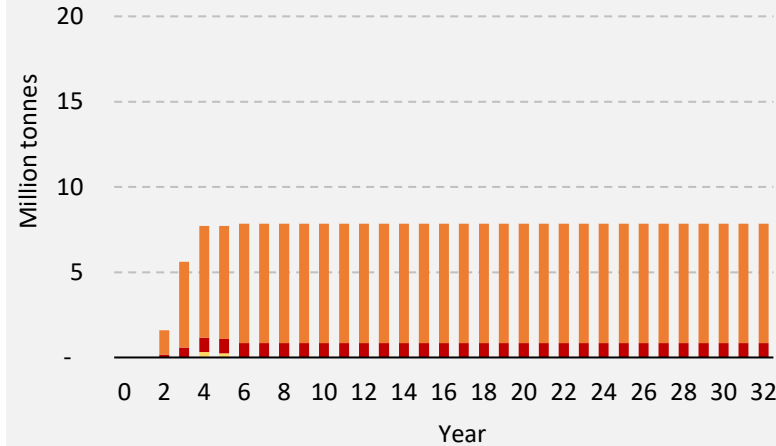
- BF conc. : 8Mta

Assets

- Mining : 44 Mt moved / year
- Concentrator¹ : 8,0 Mta
- Pelletisation² : NA

SCENARIO - MEDIUM CAPEX

8 MT of DR Pellets.



Total CAPEX³ : USD 2,975 million

Production

- DR Pellets : 7Mta
- RF* conc. : 0,85 Mta

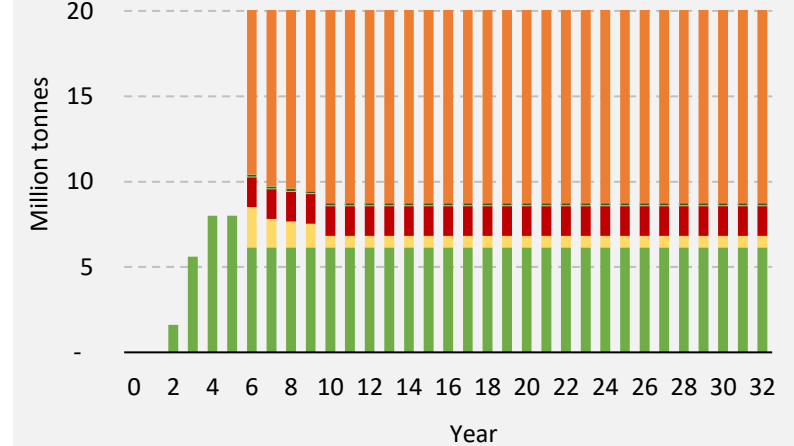
**RF concentrate : This is a stream scavenged from the Reverse Flotation circuit when operated for DR products*

Assets

- Mining : 46,7 Mt moved / year
- Concentrator¹ : 8,5 Mta capacity
- Pelletisation² : 7 Mta capacity

SCENARIO - HIGH CAPEX

20 MT Production



Total CAPEX³ : USD 6,462 million

Production

- BF conc. : 6,15 Mta
- DR Pellets : 13,43 Mta
- RF* conc. : 1,8 Mta
- DR conc. : 0,67 Mta

Assets

- Mining : 132 Mt moved / year
- Concentrator¹ : 24 Mta capacity
- Pelletisation² : 13,6 Mta capacity



1. Located near Schefferville and supplied by Menihék hydro plant

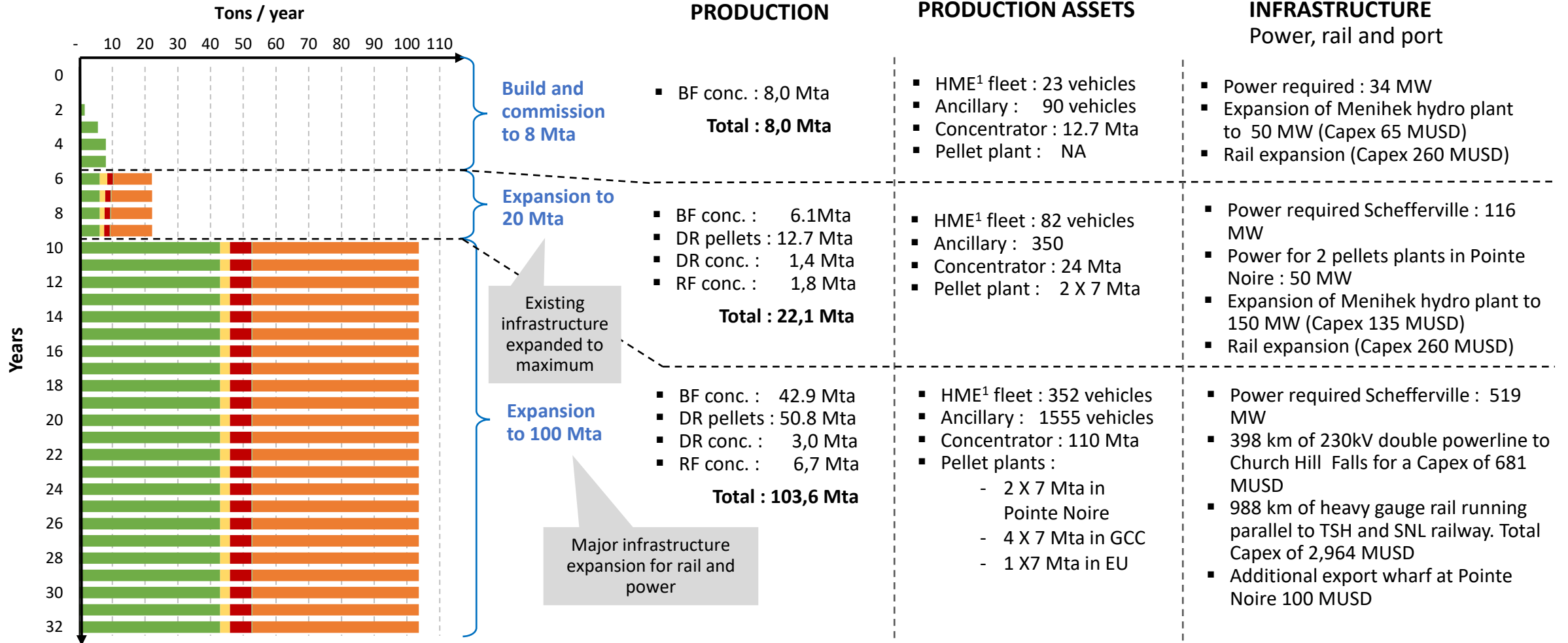
2. Located near Pointe Noire

3. CAPEX from 2019 report by Hatch for M3 Metals, and released on TSX 27th January 2020, adjusted for inflation and volume to 2025

<https://www.sedarplus.ca/csa-party/records/document.html?id=fff2039a203d460f064ad00fb4519a452564922bc99267139733cf20c1c58b0>

Iron Bear could be expanded to over 100 Mta, subject to major rail and power distribution investments requiring the active support of NFL and Quebec

PRODUCTION SCENARIO 100Mt - PHASED OVER 10 YEARS



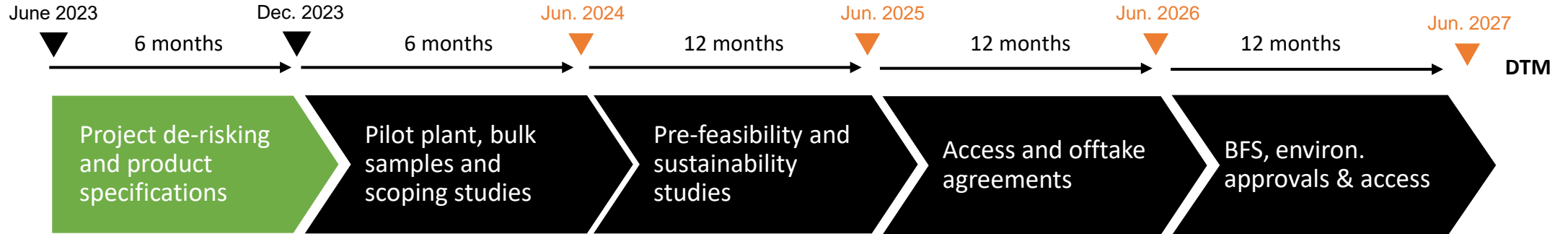
■ BF conc. ■ DR pellets
■ DR conc. ■ RF conc.

1. HME : Heavy Mobile Equipment
 * Infrastructure CAPEX estimates are based on benchmarking

PROJECT IRON BEAR STRATEGY ON A PAGE (SOAP)

Operational Milestones and Budgets

- X Operational milestone
- X Op. milestone achieved
- X Op. milestone delayed
- X Op. milestone failed
- ▼ Value re-rating milestones



- 1 Convert mineral resource to JORC
- 2 Metallurgical test work on 1.6t of sediment
- 3 Specifications of BF Concentrate
- 4 Specifications of DR¹ grade concentrate
- 5 Mineral resource upgrade

Expected by end April '24

0.7 MUSD

- 6 Industrial scale pilot plant
- 7 Client ready BF DR grade concentrate bulk samples
- 8 Client ready pellet samples (August)
- 9 VIU² model and carbon footprint
- 10 Economic studies (Scoping / PEA)

1 MUSD

- 11 Drilling and upgrade of mineral resource
- 12 Environ. mitigation studies
- 13 Pre-Feasibility Study
- 14 MOU / JV with steel mills & traders

15 MUSD

- 15 Close EIB agreements with first nations
- 16 Binding offtake agreement with steel mill partner
- 17 Bankable Feasibility Study start
- 18 Access agreements

55 MUSD

- 19 Set up capital project team in Canada
- 20 Complete environmental approvals
- 21 Complete access and community approvals
- 22 Confirm logistics access
- 23 Decision to Mine

10 MUSD

KEY ACTIVITIES
DELIVERABLES

INDICATIVE
BUDGET



1: DR = Direct Reduction Operation refers to the production of magnetite concentrate and DR pellets
 2: VIU = Value In Use which corresponds to modelling economic value of concentrate / pellet for steel mill including carbon footprint

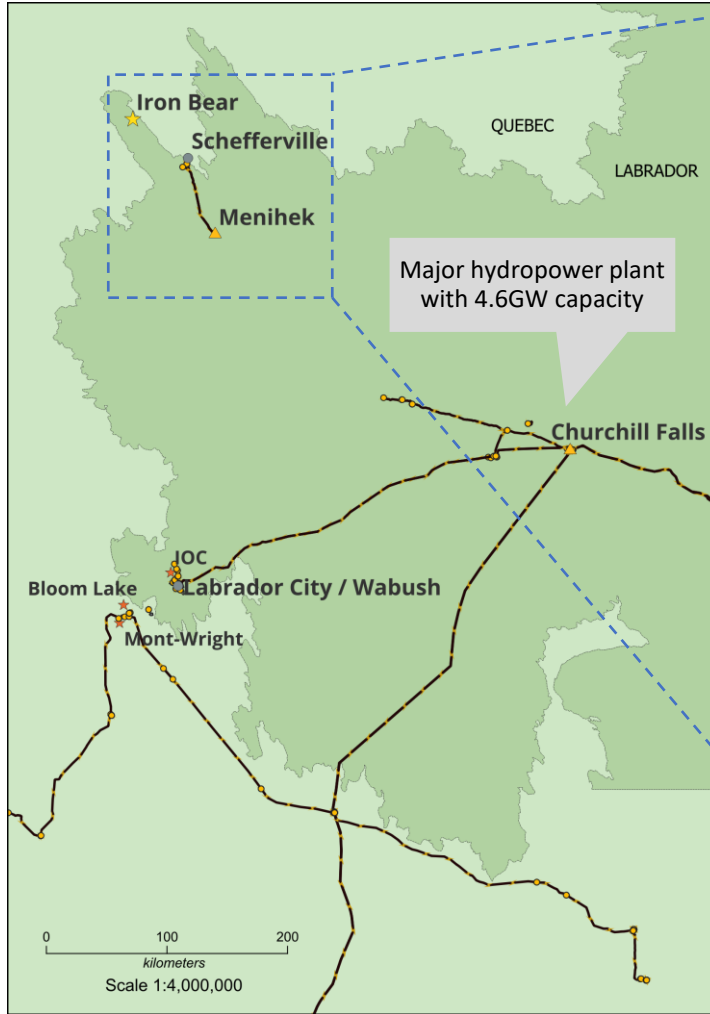
APPENDICES



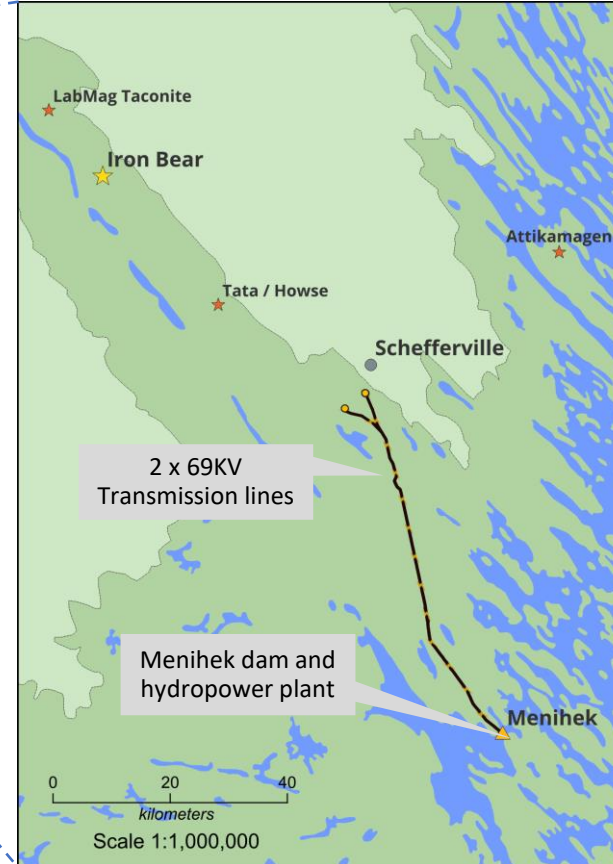
PROJECT
IRON BEAR

1 The nearby Menihek hydropower plant could potentially supply 150 MW to Iron Bear with USD 145m estimated investment required in turbines and power lines

HYDROPOWER NETWORK OVERVIEW



HYDROPOWER NETWORK SCHEFFERVILLE



- Power line
- ★ Iron Bear
- ★ Iron Ore Mines / Projects

MENIHEK HYDROPOWER FACILITIES

- Menihek hydropower plant is located 68km from Schefferville and approximately 130km from Iron Bear
- Menihek is connected to Schefferville with two 69kV powerlines. The estimated combined capacity the powerlines is 200 MW.
- Menihek features a 228.6m long gravity dam and a spillway with a capacity of 4,247 cubic meters per second. The estimated power generating capacity of the existing spillway is 135-247 MW
- There are currently three turbines installed with a combined capacity of 18.7 MW. These turbines date back to the 1960s and the powerhouse was designed for four turbines
- Menihek is owned by NHL and operated by Hydro-Quebec which has an offtake agreement at 0.02 and 0.03 CAD/kWh

REQUIRED UPGRADES FOR 20 Mta PELLETS PRODUCTION

- 3 x 50 MW turbines to be installed and upgraded of powerhouse and spillway. Estimated CAPEX ~ USD 120¹ m
- Upgrade powerlines between Schefferville and Iron Bear. Estimated CAPEX USD 25m
- Total CAPEX =USD 145m
- Amortisation of CAPEX on power cost : **1 cent USD / kWh¹**

1: Assuming 20-year payback with IRR of 10%, USD 120m Capex and 150 MW power

1

Subject to investments for debottlenecking and extending the existing rail - 20 Mta of additional haulage capacity should be achievable

HEAVY HAUL RAIL LOGISTICS

- Desktop review of existing rail infrastructure
- Initial rail survey of Eastern Route completed by Jeremy Peters
- Initial engagement with TSH (Tshiuetin Rail) owned by first nations

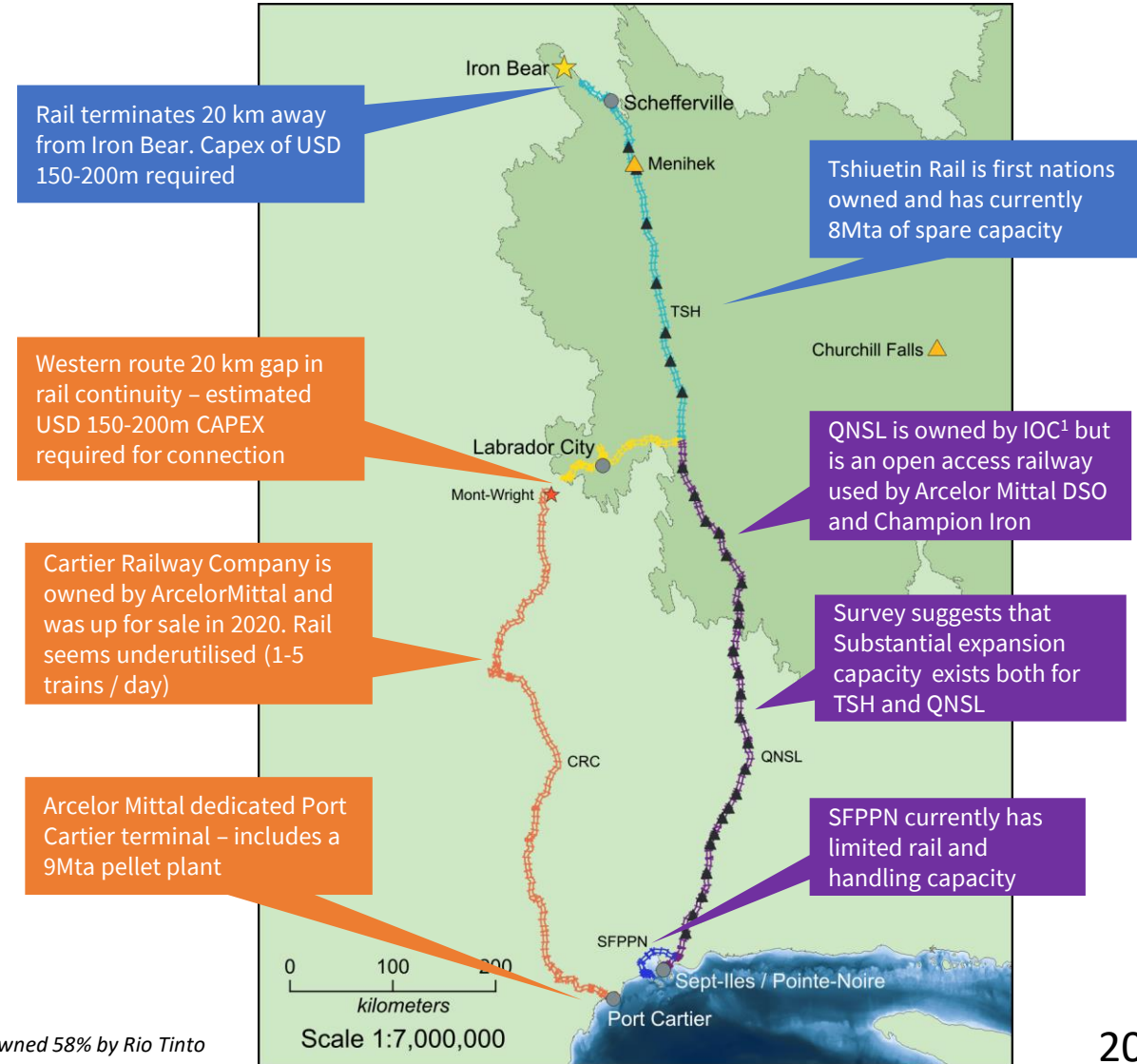


Two main options exist for heavy rail exist an **Eastern Route** and a **Western Route** connected to three iron ore export terminals (Port Cartier, Pointe Noire et Sept Isles)

- Western Route is an integrated rail/port network entirely owned by ArcelorMittal but likely with substantial spare capacity
- Eastern Route involves 3 different private operators TSH (Tshiuetin Rail, QNSL and SFPPN but is entirely open access
- Champion Iron (11mta), IOC¹ (23Mta) and Tata Steel (~3.5Mta) currently uses the Eastern Route via QNSL
- There is substantial additional haulage capacity available in the TSH and QNSL networks (numerous locations cleared and levelled for sidings + existing spare capacity) → further investigations are required
- There is currently 8Mta of spare haulage capacity on the TSH rail

HEAVY HAUL NETWORK

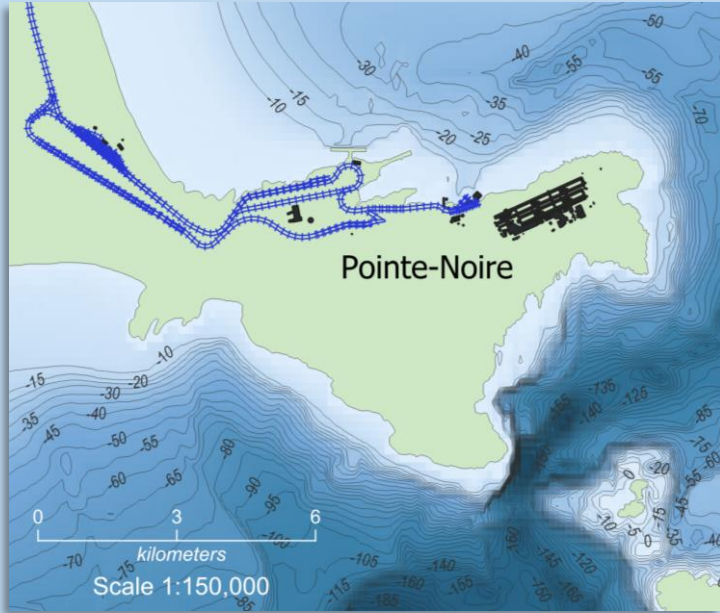
▲ Location levelled and cleared for siding – some may be active



1. IOC = Iron Ore Company of Canada. Owned 58% by Rio Tinto

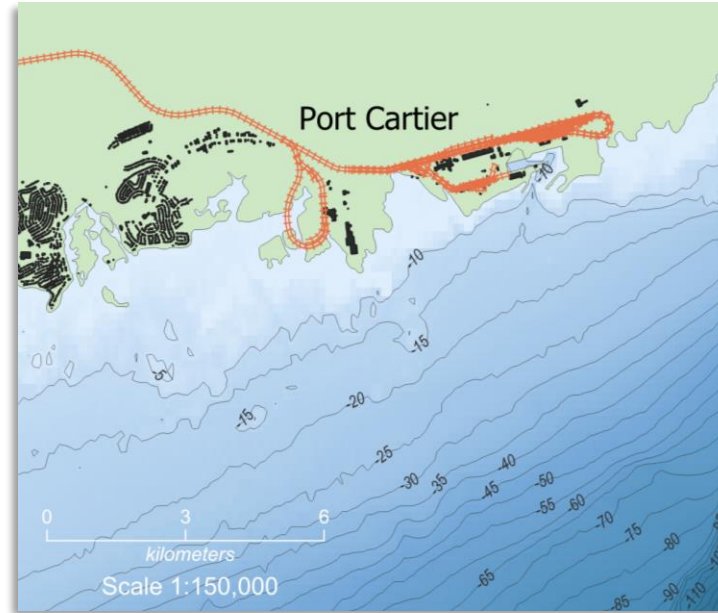
1 Pointe Noire the most likely export facility for Iron Bear and has sufficient port handling capacity for full production²

POINTE NOIRE – MULTI-USER OPERATED BY SPPFN¹



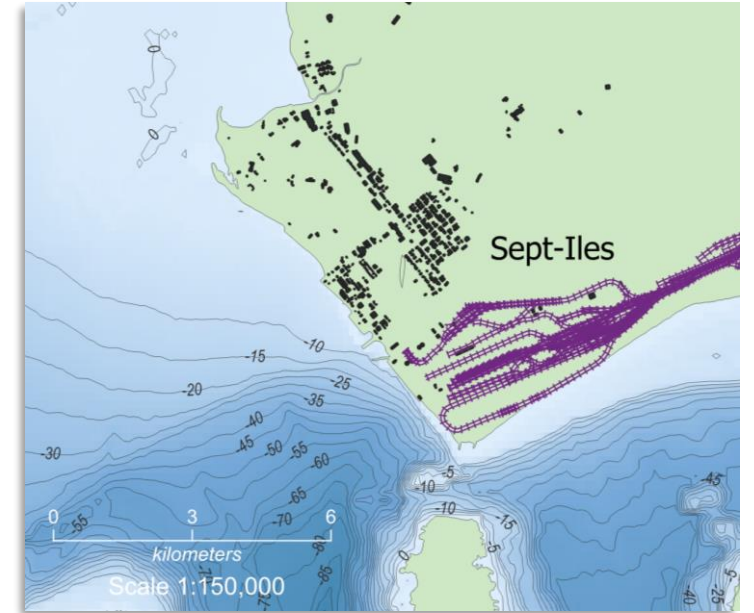
- 50 Mta multiuser dock with two ship loaders with loading capacity 8000 tph
- Berth 20m suitable for Capesize bulk carriers. Potential expansion
- Connected by 32 km rail to Sept Isles
- Rail, unloading, storage and ship loading operated by SPPFN¹
- Potential bottlenecks could exist

PORT CARTIER – OPERATED BY ARCELOR MITTAL



- Berth 15m suitable for Supramax vessels
- Integrated with the Western Route via the Cartier Railway Company (owned by Arcelor Mittal)
- Port Owned and operated by ArcelorMittal
- The rail and port network is dedicated to the Mount Wright iron ore mine which includes a 9Mta pellet plant located in Port Cartier

SEPT ISLES – OPERATED BY IOC



- 30 Mta single user-docks dedicated to IOC
- Berth 20m suitable for Capesize vessels
- Connected to the Eastern Route and the QNSL network
- New industrial berths possible subject to investment

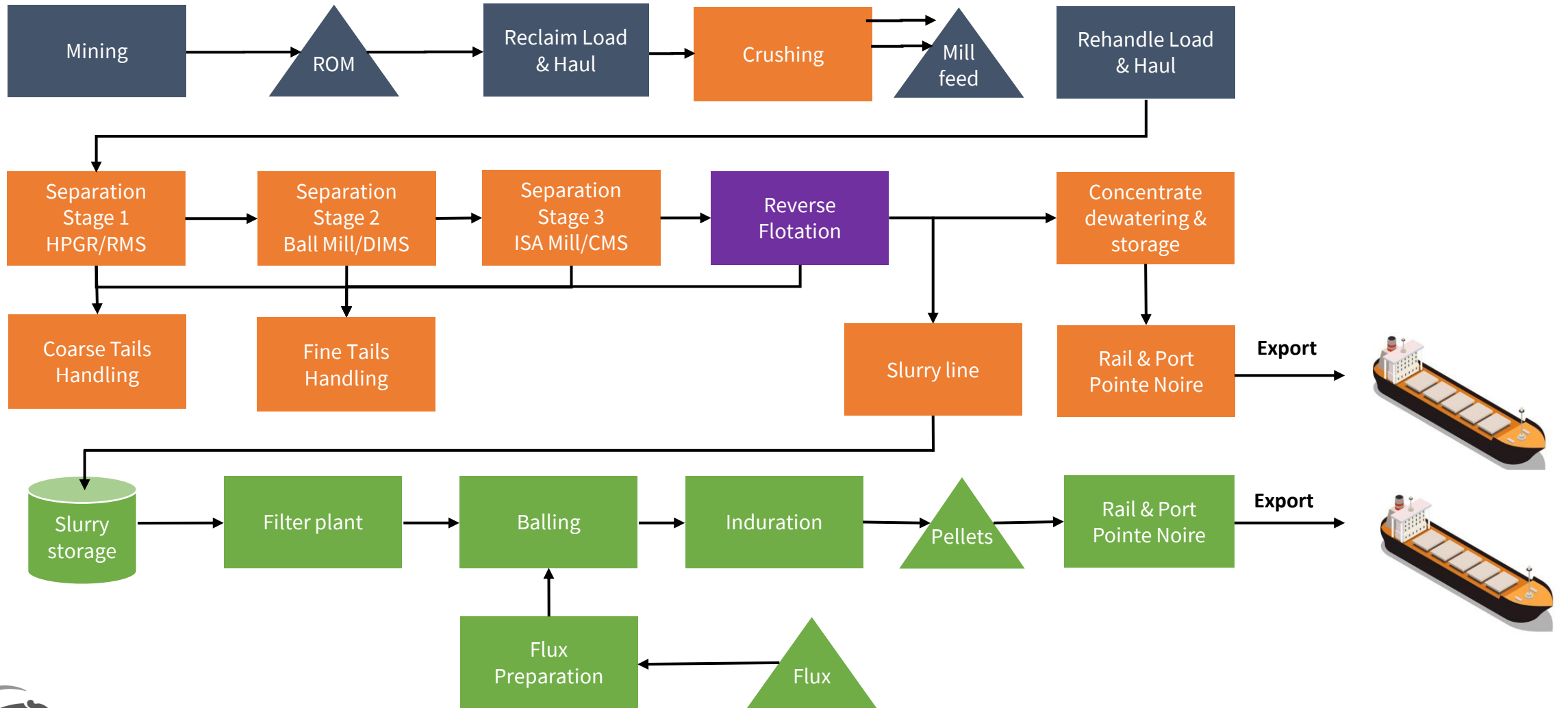
1: Private / Public partnership to serve iron ore producers

2: Iron Bear is targeting up to 21 Mta of production in three stages. Pointe Noire could simultaneously integrate planned expansions from Champion Iron, ASX: CIA

Integrated Pellet Plant Scenarios Production Modules

Mining Modules
Concentrate Modules

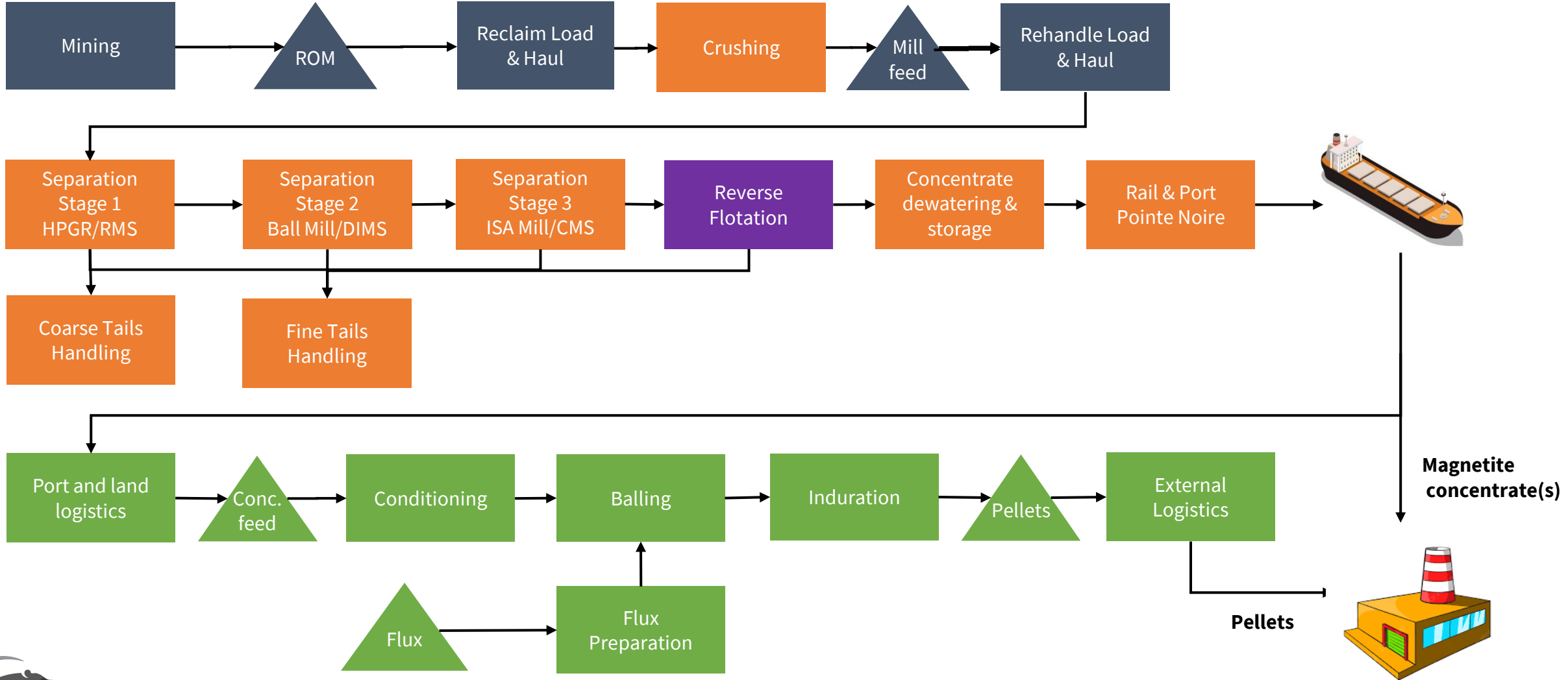
Pellet Modules
Reverse Flotation activated for DR Concentrate



Delocalised Pellet Plant Scenarios Production Modules

Mining Modules
Concentrate Modules

Pellet Modules
Reverse Flotation activated for DR Concentrate



PERMITS, APPROVALS AND AUTHORISATIONS

Newfoundland and Labrador

Permit, Approval or Authorization Activity	Issuing Agency
– Release from Environment Assessment Process	DOEC – Environmental Assessment Division
– Permit to Occupy Crown Land	DOEC – Crown Lands Division
– Permit to Construct a Non-Domestic Well – Water Resources Real-Time Monitoring – Certificate of Environmental Approval to Alter a Body of Water – Culvert Installation – Fording – Stream Modification or Diversion – Other works within 15 m of a body of water (site drainage, dewater pits, settling ponds)	DOEC – Water Resources Management Division
– Certificate of Approval for Construction and Operation – Certificate of Approval for Generators – Industrial Processing Works – Approval of MMER Emergency Response Plan – Approval of Waste Management Plan – Approval of Environmental Contingency Plan (Emergency Spill Response) – Approval of Environmental Protection Plan	DOEC – Pollution Prevention Division
– Permit to Control Nuisance Animals	DOEC – Wildlife Division
– Pesticide Operators License	DOEC – Pesticides Control Section

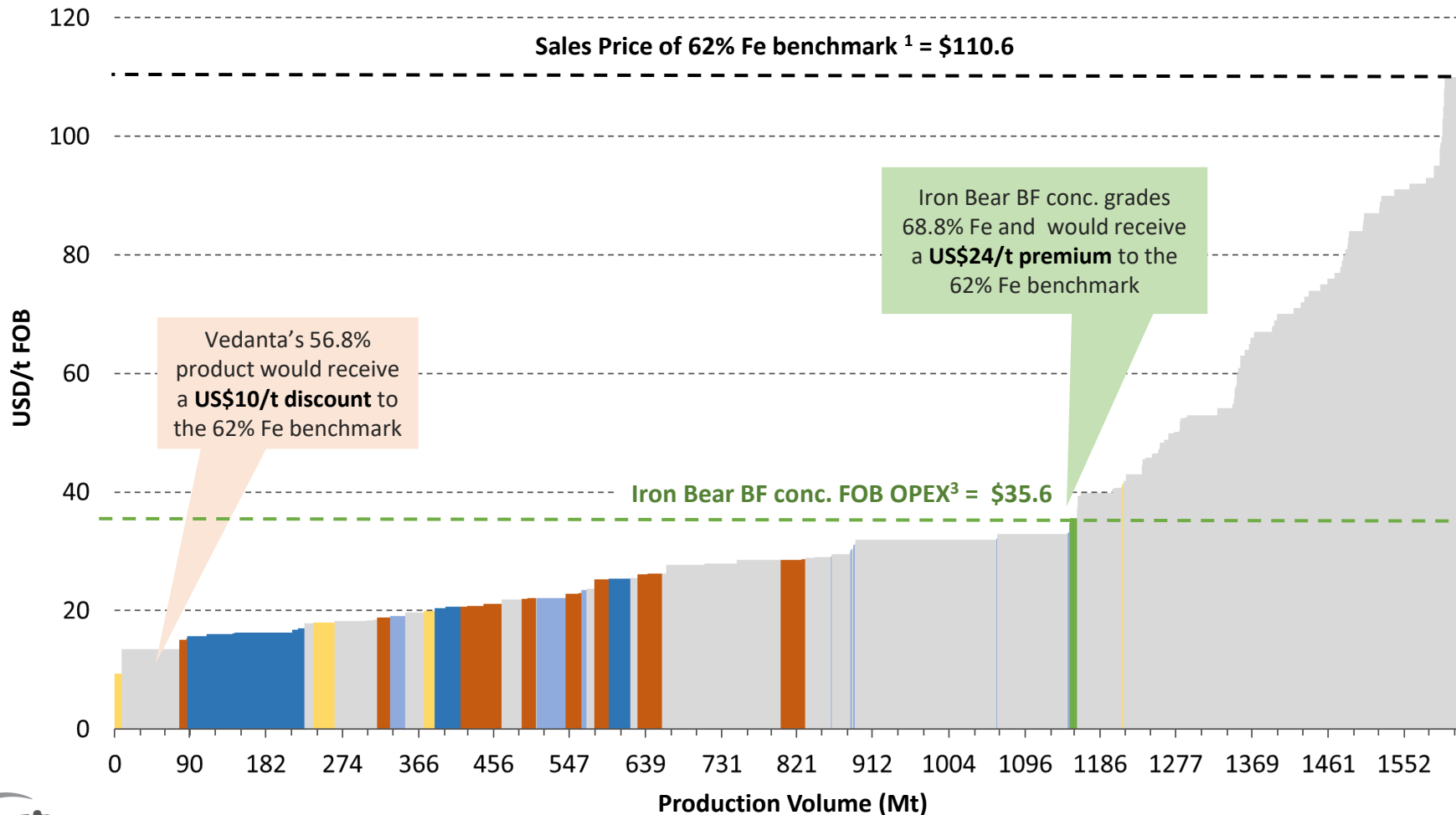
Permit, Approval or Authorization Activity	Issuing Agency
– Blasters Safety Certificate – Magazine License – Approval for Storage & Handling Gasoline and Associated Products – Temporary Fuel Cache – Fuel Tank Registration – Approval for Used Oil Storage Tank System (Oil/Water Separator) – Fire, Life and Safety Program – Certificate of Approval for a Waste Management System	Government Service Centre (GSC)
– Approval of Development Plan, Closure Plan, and Financial Security – Mining Lease – Surface Rights Lease – Quarry Development Permit	Department of Natural Resources (DNR) – Mineral Lands Division
– Operating Permit to Carry out an Industrial Operation During Forest Fire Season on Crown Land – Permit to Cut Crown Timber – Permit to Burn	DNR – Forest Resources
– Approval to Construct and Operate a Railway in Newfoundland and Labrador	Department of Transportation and Works (DTW)

The FOB¹ costs of Iron Bear's 68% Fe BF concentrate is comparable to that of the low-cost majors and would further benefit from a substantial price premium



IRON ORE COST CURVE²

USD / tonne of product FOB, 2023



1. \$110.6 62% Fe pricing from Platts, CFR China as of 25th March 2024

2. Source : Macquarie, S&P Global, and FMG/Vale/RIO/BHP Annual Reports . Analysis by Lot 57 Consulting Pty Ltd and Cyclone Metals Limited

3: \$35.6 USD/t BF Concentrate OPEX from 2013 Preliminary Economic Assessment of the Block 103 Project prepared by BBA Inc and Watts, Griffis and McQuat Limited for Cap-Ex Iron Ore Limited