

BLACKSMITH PFS DELIVERS ROBUST ECONOMICS AND MAIDEN ORE RESERVE

- Pre-Feasibility Study continues to demonstrate the economic viability of a 5Mtpa DSO project at the 100%-owned Blacksmith Iron Ore Project
- 23 year mine life with a product grade of 60.5% Fe and C1 cash costs of US\$51/t
- Upfront capital costs of \$217M including a 20% contingency and EPCM costs
- Enhanced project economics compared to the Scoping Study, including pre-tax NPV_{8%} of \$523M, IRR of 31% and capital payback of 3.3 years from first production
- Maiden Ore Reserve for the Delta deposit of 46Mt at 60.5% Fe representing 86% of production for the first 13 years of the PFS mine plan

Red Hawk Mining Limited (ASX: **RHK**, "Red Hawk" or "the Company") is pleased to announce the results of a Preliminary Feasibility Study (**PFS**) on a 5Mtpa Direct Shipping Ore (**DSO**) project at the 100%-owned Blacksmith Iron Ore Project (**Blacksmith**) in the Pilbara region of Western Australia.

The PFS updates and enhances the work undertaken by the Company during 2023, culminating in the release of the Blacksmith Scoping Study ([ASX announcement 9 October 2023](#)). The key improvements in the PFS from the Scoping Study include:

- Inclusion of four deposits – Delta, Paragon, Blackjack and Champion
- Increase in annual production to 5Mtpa while maintaining mine life of over 20 years
- Maiden Ore Reserve at the Delta deposit underpinning the first 13 years of production
- Development of an AACE Class 4 capital and operating cost estimate and execution schedule

ANNUAL PRODUCTION 5Mtpa	NPV_{8%} (PRE-TAX) \$523M	CAPITAL PAYBACK 3.3 years
AVERAGE GRADE 60.5% Fe	IRR (PRE-TAX) 31%	LIFE OF MINE 23 years
LOM C1 COSTS US\$51/t	CAPITAL COSTS \$217M	TOTAL LOM PRODUCTION 101Mt

Commenting on the Pre-Feasibility Study, Red Hawk's Managing Director, Steven Michael, said:

"Since releasing the positive results from the Blacksmith Scoping Study in October 2023, the team at Red Hawk has been focused on enhancing the value and robustness of the Project by incrementally improving the technical and commercial accuracy of all components of the Pre-Feasibility Study. We have demonstrated that, with a high degree of certainty, the Blacksmith Project can deliver 5Mtpa of DSO product for over 20 years and provide exceptional returns to shareholders throughout the iron ore price cycle.

The PFS incorporates four deposits – Delta, Paragon, Blackjack and Champion – with a combined Mineral Resource Estimate of 174Mt @ 60.0% Fe. These resources have delivered almost 100Mt of economically mineable material, including a maiden Ore Reserve at Delta of 46Mt @ 60.5% Fe. The Delta Ore Reserve provides over 86% of ore for the first 13 years of production, adding further geological and commercial certainty to the Project economics.

Key highlights of the Blacksmith DFS include a base case NPV_{8%} (pre-tax) of \$523M, IRR of 31% and capital payback of 3.3 years from first production, using a long-term iron ore price of US\$90 per tonne. At current spot iron ore, A\$/US\$ and diesel prices, the NPV_{8%} (pre-tax) increases to a staggering \$1,823M with an IRR of 52% and capital payback of just 2.3 years from first production."

Red Hawk's Chair, the Hon. Cheryl Edwardes AM, said:

"I am extremely proud of the Red Hawk team along with the technical and commercial consultants who have delivered an outstanding Pre-Feasibility Study for the Blacksmith Project. The increase in scope to 5Mtpa and continued optimisation of mining, process and haulage has created a technically robust and financially attractive project.

Red Hawk remains committed to delivering first ore on ship in late 2025 and will move rapidly onto preparation of a Definitive Feasibility Study with all workstreams driven by this goal."

– End –

Authorised by:
Board of Red Hawk Mining Limited

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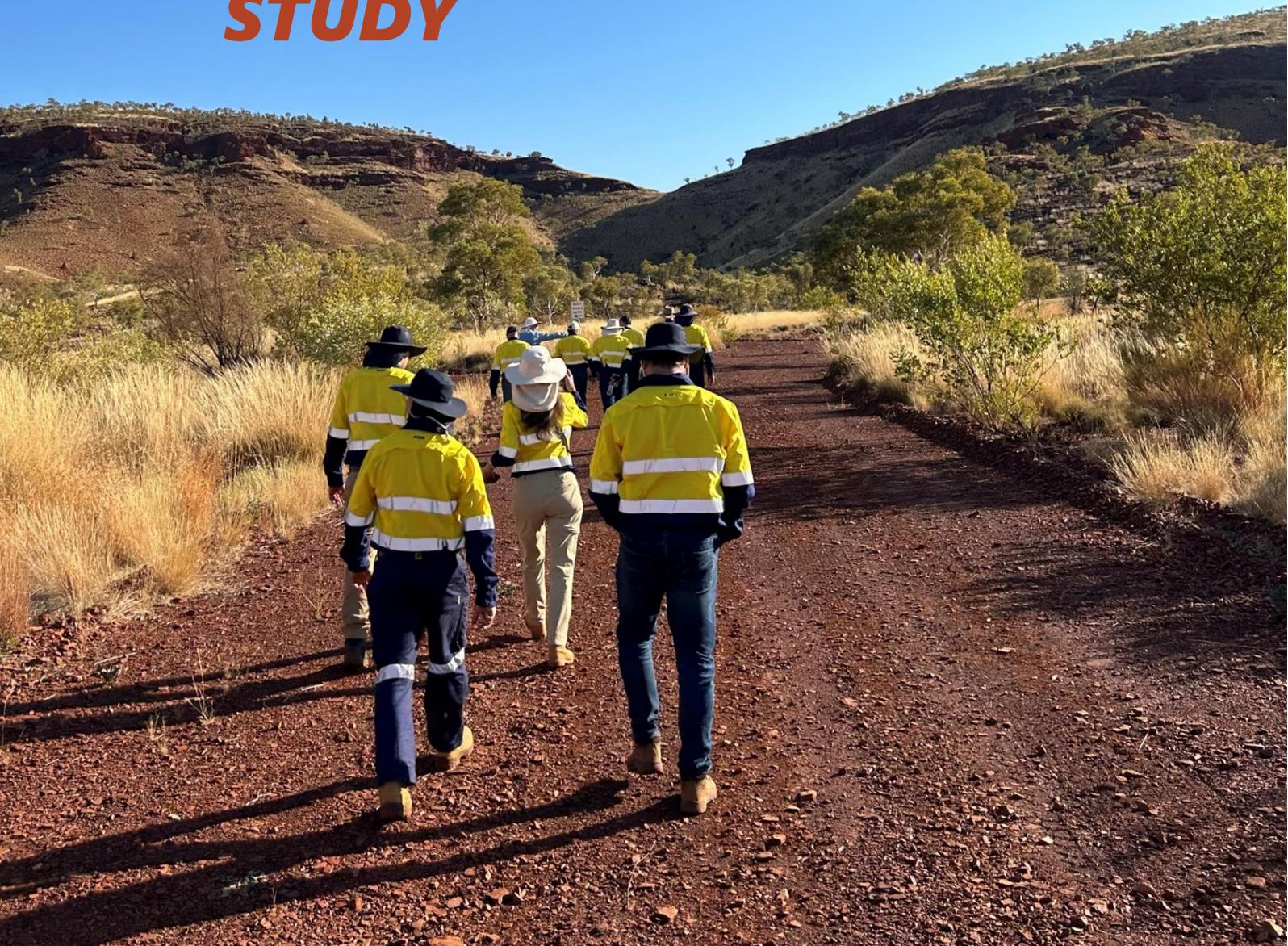
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ASX:RHK



**BLACKSMITH
PROJECT
PRE-FEASIBILITY
STUDY**



RED HAWK MINING, APRIL 2024

CAUTIONARY STATEMENT

This Pre-Feasibility Study (PFS) has been undertaken for the purpose of technical and economic evaluation of a potential development of the Blacksmith Iron Ore Project in the Pilbara Region of Western Australia. The PFS outcomes, production target and forecast financial information referred to in this release are to Ore Reserve level for the Delta deposit. All other deposits are based on mid-level accuracy technical and economic assessments that are insufficient to support estimation of Ore Reserves.

With the exception of the Delta deposit, the PFS has been completed to an AACE Class 4 level of accuracy of -10%/+30% in line with a pre-feasibility level study accuracy. While each of the modifying factors were considered and applied, there is no certainty of eventual conversion to Ore Reserves, or that the production target itself will be realised. Further exploration and evaluation work and appropriate studies are required before Red Hawk will be in a position to estimate any further Ore Reserves or to provide any assurance of an economic development.

The Mineral Resources scheduled for extraction in the PFS production plan incorporate greater than 95% of Resources which are classified as Indicated and the remainder as Inferred during this 23-year operating period.

The Mineral Resources underpinning the production target in the PFS have been prepared by a Competent Person in accordance with the requirements of the JORC Code (2012) and the Competent Person's Statement is found on page 41 of this ASX release. For full details of the DSO Mineral Resources Estimate for the Delta and Paragon deposits, please refer to ASX announcement dated 6 September 2023. For full details of the DSO Mineral Resources Estimate for the Champion and Blackjack deposits, please refer to ASX announcement dated 16 October 2023.

Red Hawk confirms that it is not aware of any new information or data that materially affects the information included in those releases. All material assumptions and technical parameters underpinning the estimates in those ASX releases continue to apply and have not materially changed.

This announcement may contain certain forward-looking statements and opinions. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve

known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecasts. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon, as a promise, representation, warranty or guarantee as to the past, present or the future performance of Red Hawk.

To achieve the range of outcomes indicated in the PFS, funding in the order of approximately \$217M will likely be required for pre-production capital expenditure and working capital. Based on the current market conditions and the results of this PFS, there are reasonable grounds to believe the Project can be financed via a combination of debt and equity, as has been done for numerous comparable projects in Western Australia in recent years. The Company, and individually its Board and management have extensive experience and a strong track record of successfully raising equity via capital markets. The Company has a reasonable basis for expecting that equity could be raised via existing and/or new shareholders. Debt may be secured from several sources including Australian banks, international banks, the high yield bond market, resource credit funds, and in conjunction with product sales of offtake agreements. It is also possible the Company may pursue alternative funding options, including undertaking a corporate transaction, seeking a joint venture partner or partial asset sale. The Company has engaged suitably qualified advisors to commence funding discussions with potential financiers of the Blacksmith Project and these financial institutions have expressed an interest in being involved in the funding of the Project. There is, however, no certainty that Red Hawk will be able to source funding as and when required. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the PFS.

All references to dollars (\$) are Australian dollars unless stated otherwise.

Production and cash costs in this report are expressed in wet metric tonnes.

All Resource and Reserve quantities are measured in dry tonnes.

The PFS was assembled by Ausenco Services Pty Ltd, with contributions from the following specialists:



Ausenco – Process plant, infrastructure, road and intersection design, capital and operational cost estimates (in conjunction with Orelogy), master schedule, risk assessment, project development, forward work plan



AMS – Aerodrome design consultants



ERM Australia – Geology and Mineral Resource Estimates



FTI Consulting – Financial modelling and analysis



Hypercube Scientific – Haulage simulation modelling



MGM Bulk – Transport and logistics



NeoMet – Metallurgy and marketing



Orelogy – Mine planning and Ore Reserve



Pastin – Transport logistics



Preston Consulting – Approvals and environment consultants



SME Geotechnical – Open pit geotechnical assessment



Worley – Hydrology and hydrogeology



WSP – Plant site geotechnical engineering

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EXECUTIVE SUMMARY

The Pre-Feasibility Study (PFS) for the Blacksmith Iron Ore Project has defined a robust project development strategy based on producing up to 5Mtpa of 60.5% Fe ($\pm 0.5\%$ Fe), direct shipping ore (DSO) with a potential Life of Mine of 23 years.

The PFS demonstrates the Project has excellent economics, with low up-front capital costs, long-term C1 cash costs of US\$51/t and capital payback in 3.3 years.

Subject to regulatory and third party approvals, and project financing, the Project is expected to deliver first ore to market in 4Q 2025.

The Blacksmith mining lease includes seven deposits: Ajax, Badger, Blackjack, Champion, Delta, Eagle and Paragon. The PFS only considers the development of four deposits - Delta, Paragon, Blackjack and Champion, noting that significant additional value exists in the remaining deposits. Future project development activities are likely to incorporate these deposits into the Mine Plan.

DSO Mineral Resource Estimates (**MRE**) for these four deposits total 173.8Mt at 60.0% Fe (cut-off grade 57.5% Fe), with 95% of the resource classified as Indicated (ASX announcements 6 September 2023 and 16 October 2023). The MREs have been used as the basis for mine planning activities.

The PFS supports the reporting of a maiden JORC compliant ore reserve for the Delta deposit of 46.0Mt at an average grade of 60.5% (cut-off grade 57.9% Fe). The Delta reserve supports the initial establishment of the Project and generates 86% of the DSO product for the first thirteen years of production.

Ore is processed via a simple Pilbara standard dry crushing and screening process. The Blacksmith fines product is expected to be in high demand as sinter feedstock for iron making with a competitive chemical specification.

Land access and primary approvals are well progressed to enable commencement of construction activities. A Preliminary Mining Proposal has been submitted for approval of critical path preliminary infrastructure at Blacksmith and a second Mining Proposal is due to be submitted in 3Q 2024. The second Mining Proposal will cover the mine pits, waste rock landforms, processing and associated infrastructure.

The Muntulgura Guruma People, represented by Wintawari Guruma Aboriginal Corporation RNTBC (**WGAC**), are the native title holders of the land that contains the Blacksmith lease. Red Hawk has a Native Title Agreement in place with WGAC, who have completed extensive heritage surveys at Blacksmith with further targeted surveys to be undertaken in 2024. Red Hawk and WGAC are in the process of developing a Cultural Heritage Management Plan to manage and protect heritage.



During the PFS, the completion of additional site data collection, technical studies and commercial activities has improved the Project's scope definition and further refined the capital and operating cost estimates.

The PFS mine planning has continued to optimise the mining sequence and feed composition to the crushing plant whilst ensuring the design considers heritage and approvals. In parallel, the design development of the process and non-process infrastructure at both Blacksmith and Whim Creek has been advanced.

A diamond drilling program was completed in February 2024. It provided core for metallurgical and sinter testwork as well as downhole density data for the potential future conversion of Indicated resources to the Measured category. The testwork is currently underway and will be completed 4Q 2024.

The updated mining sequence and process design generates an -8mm fines product which is a mix of hematite and goethite. This product is expected to be competitive with current major exported Pilbara iron ore fines products.

To significantly reduce upfront capital expenditure, the Project's path to market uses existing and planned public infrastructure. Since the completion of the Scoping Study, ongoing liaison with Main Roads WA and Pilbara Ports has confirmed access to public roads and positioned Red Hawk for capacity through productivity improvements at the Utah Point Bulk Handling Facility.

Red Hawk has entered into a strategic partnership with MGM Bulk Pty Ltd (**MGM Bulk**) to provide ore haulage services for the Project. In collaboration with MGM Bulk, the transport and logistics strategy has been optimised to focus on maximising productivity and reducing unit operating costs.

MGM Bulk will provide a fleet of 153-tonne capacity ultra-quad trucks, drivers, plus associated loading equipment and infrastructure. The haulage route will be split into two legs with the Whim Creek staging facility at its centre. The facility will include an ore stockyard with a capacity of over 300,000t.

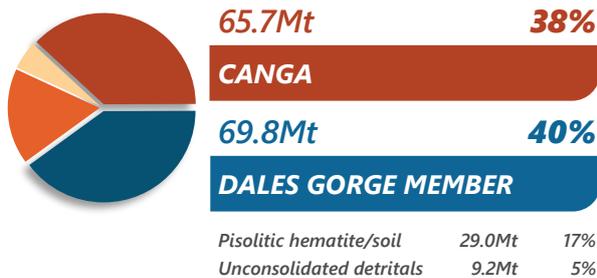
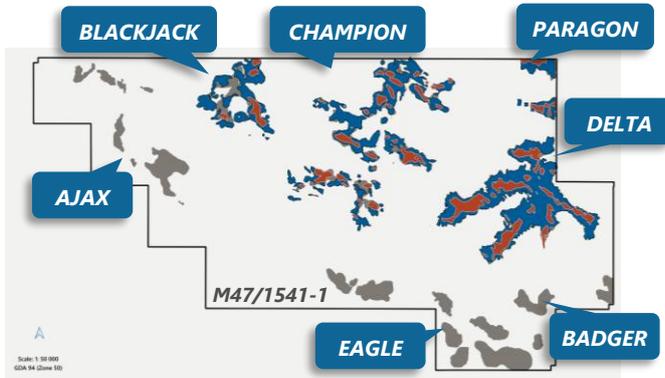
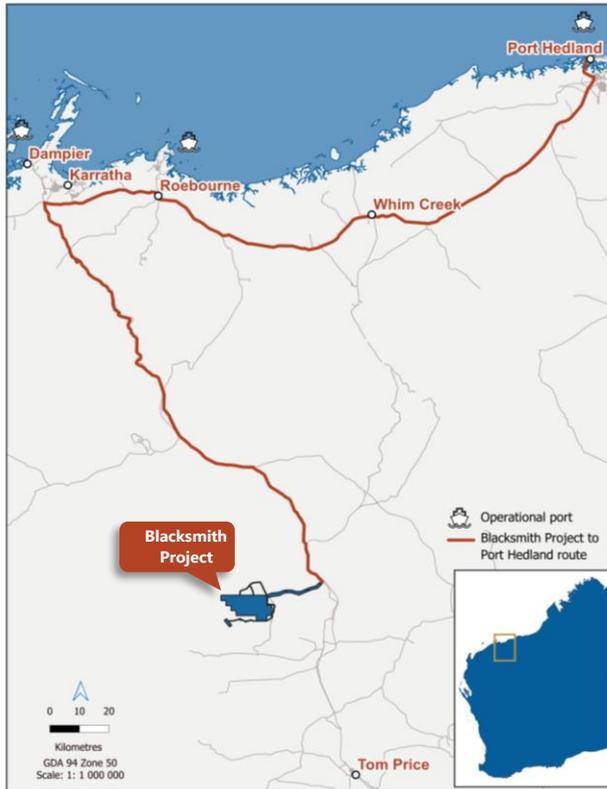
The Project Execution Plan has been matured during the PFS into a robust strategy for the development of the Project. It includes the project contracting strategy which divides the scope into commercially attractive packages, whilst minimising capital and allocating appropriate risk to contractors. Commercial engagement with Pilbara-experienced contractors has confirmed interest, expertise and available capacity for the execution of the proposed packages.

Following the PFS, Red Hawk intends to complete a Definitive Feasibility Study (**DFS**) to further improve the level of project definition sufficient to allow approval of project execution and to support subsequent funding activities.

Based on the positive outcomes of the PFS, Red Hawk is well placed to become a new iron ore producer through the development of the Blacksmith Project – a low-risk project producing 5Mtpa of +60% Fe with low capital costs, attractive operating costs and a +20 year Life of Mine.



THE PROJECT



LOCATION

Western Pilbara district of Western Australia, 170km southeast of Karratha and 70km north-northwest of Tom Price

TENEMENTS

Blacksmith Project: M47/1451-1, L47/731 and L47/734
 Mine Access Road: L47/1120, L47/1121 and L47/1122
 Whim Creek staging facility: L47/1160

MINERALISATION

Detrital ore deposit with underlying mineralised Dales Gorge Member. Primary ore types are canga (38%) which is predominantly hematitic, and mineralised Dales Gorge Member (40%) which is goethitic

OREBODIES

Delta, Paragon, Blackjack and Champion incorporated within the Mine Plan
 Ajax, Badger and Eagle currently not in the Mine Plan

MINERAL RESOURCES

Indicated	165.2Mt @ 60.1% Fe
Inferred	8.6Mt @ 59.8% Fe
Total	173.8Mt @ 60.0% Fe

ORE RESERVE

Probable Ore Reserve: 46.0Mt at 60.5% Fe
 Reserve is 48% of Life of Mine production

MINING METHOD

Conventional open pit with contract miner

OPERATING STRUCTURE

Contract mining, crushing and screening

PROCESSING CAPACITY

5Mtpa throughput

PROCESSING FLOWSHEET

Primary crushing, screening, closed circuit secondary and tertiary crushing, product stockpiling and load-out

WATER

Water for construction and operations is sourced from production bores local to Blacksmith and Whim Creek

PRODUCT EXPORT

Trucked by private and public road 446km to Utah Point Bulk Handling Facility, Port Hedland

INVESTMENT HIGHLIGHTS

Red Hawk Mining's 100% owned Blacksmith Project is a major undeveloped iron ore project in the Pilbara Region of Western Australia. The Project is located 70km north of Tom Price and is surrounded by world-class iron ore mines with power, road, rail and port infrastructure.

This Pre-Feasibility Study demonstrates the economic viability of developing a 5Mtpa DSO project, based on the following project attributes:

- Maiden ore reserve for the Delta deposit of 46Mt at 60.5% Fe representing 86% of production for the first 13 years of production.
- DSO Mineral Resource Estimate of 174Mt at 60.0% Fe across Delta, Paragon, Blackjack and Champion deposits, with 95% Indicated.
- Standard "Pilbara" DSO project with open pit mining and simple dry crushing and screening plant operating a nominal capacity of 5Mtpa.
- Product grade of 60.5% Fe will have significant appeal to end users and sinter testwork and customer samples are being prepared.
- Iron ore to be transported by public roads to Port Hedland and exported via Utah Point Bulk Handling Facility.

" I am extremely proud of the Red Hawk team along with the technical and commercial consultants who have delivered an outstanding Pre-Feasibility Study for the Blacksmith Project.

The increase in scope to 5Mtpa and continued optimisation of mining, process and haulage has created a technically robust and financially attractive project.

Red Hawk remains committed to delivering first ore on ship in late 2025 and will move rapidly onto preparation of a Definitive Feasibility Study with all workstreams driven by this goal. **"**



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

ANNUAL PRODUCTION

5Mtpa

AVERAGE GRADE

60.5% Fe

LOM C1 COSTS

US\$51/t

NPV_{8%} (PRE-TAX)

\$523M

IRR (PRE-TAX)

31%

CAPITAL COSTS

\$217M

CAPITAL PAYBACK

3.3 years

LIFE OF MINE

23 years

TOTAL LOM PRODUCTION

101Mt

ENVIRONMENTAL, SOCIAL, GOVERNANCE AND APPROVALS

The Blacksmith Project is well progressed with heritage, land access and primary approvals to enable commencement of ground disturbance and construction activities.

Red Hawk has been working closely with stakeholders and regulators to support the assessment and finalisation of approvals, progressing pre-implementation conditions and refining and finalising agreements.

Tenure

The Blacksmith Project is located entirely within approved Mining Lease M47/1451-I and Miscellaneous Licences L47/731 and L47/734, all of which are 100% owned by PIOP Mine Co Pty Ltd, a wholly-owned subsidiary of Red Hawk. Three additional Miscellaneous Licence applications, L47/1120, L47/1121 and L47/1122, have been lodged for the Mine Access Road from the mine to the Manuwarra Red Dog Highway.

Red Hawk has lodged a miscellaneous licence application (L47/1160) for a staging facility at Whim Creek.

Native Title and Heritage

The Muntulgura Guruma People are recognised as the Native Title Holders of the land that contains M47/1451-I and the western portion of the access road (L47/1121 and L47/1122).

The Wintawari Guruma Aboriginal Corporation (**WGAC**) is the prescribed body corporate that represents and manages the Native Title rights and interests of the Muntulgura Guruma People. Red Hawk has a Native Title agreement with WGAC that applies to the Blacksmith Mining Lease and infrastructure tenements and allows for the inclusion of Miscellaneous Licences.

The Yindjibarndi People are recognised as the Native Title holders of the land upon which the eastern-most portion of the Mine Access Road tenement application, L47/1120, applies.

The Yindjibarndi Aboriginal Corporation (**YAC**), represents and manages the Native Title rights and interests of the Yindjibarndi People. Neither WGAC nor YAC objected to the application for the access road tenements.

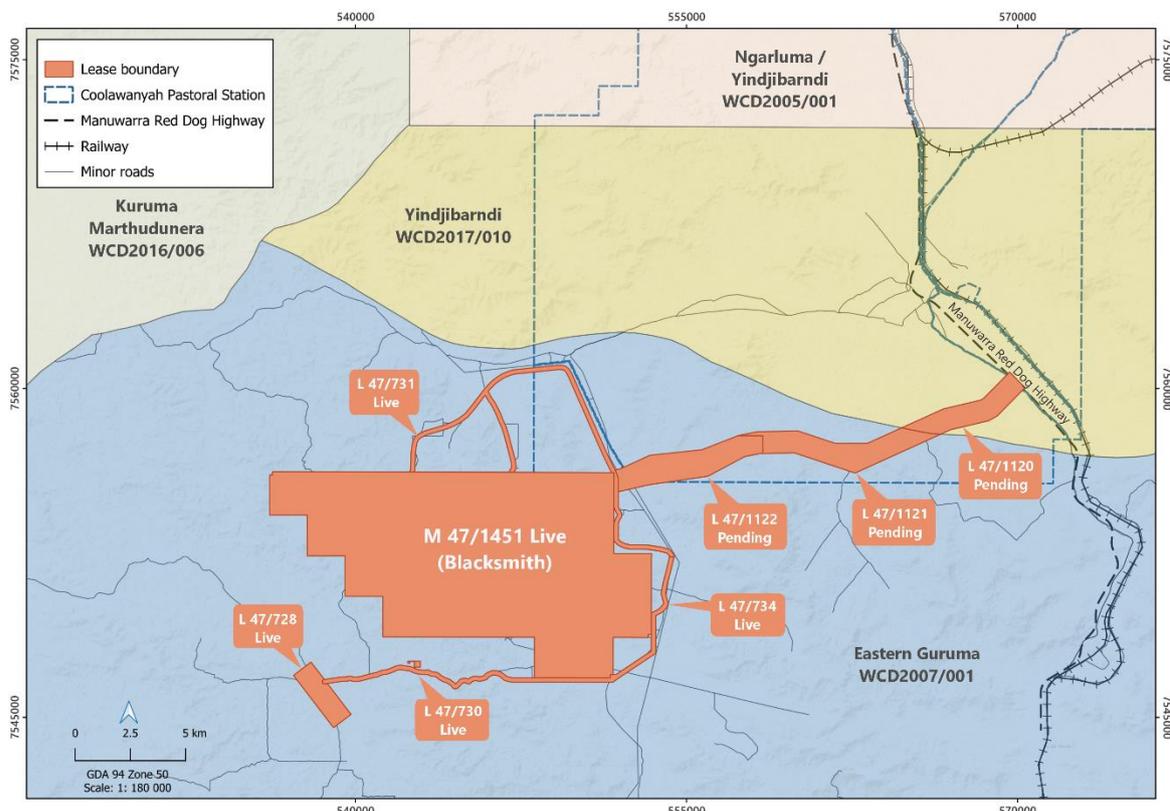


Figure 1: Blacksmith Project land access

Red Hawk is working with WGAC to develop and agree on a Cultural Heritage Management Plan to identify any required future heritage surveys and inform the protection and management of identified heritage sites.

YAC has completed heritage surveys of the eastern portion of the access road.

The Ngarluma People are the recognised native title holders of the land identified for the Whim Creek Staging Facility. The Ngarluma Aboriginal Corporation RNTBC (**NAC**) represents and manages the interests and native title rights of the Ngarluma People. NAC has been approached to begin consultation.

Environmental approvals

Red Hawk has approval for the Blacksmith Project under the *Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)* and the *Environmental Protection Act 1986 (EP Act)*.

The Company has progressed with achieving pre-implementation conditions including pre-clearance environmental surveys and submission of a Flora and Vegetation Survey Plan and Groundwater Dependent Vegetation Monitoring and Management Plan. Additional management plans are in the final stages of development for submission to the relevant agencies including a Greenhouse Gas Management Plan, Significant Fauna Management Plan and Flora and Vegetation Management Plan.

An EP Act section 46 application has been submitted to the Office of the Environmental Protection Authority to enable an extension to the substantial commencement date of Ministerial Statement 924.

A section 45C application under the EP Act has been submitted to incorporate the Mine Access Road and is under assessment. A referral of the Mine Access Road under the EPBC Act is currently under assessment as a Controlled Action.

A Preliminary Mining Proposal and Mine Closure Plan has been submitted under the *Mining Act 1978* to allow for commencement of preliminary infrastructure including the camp and access roads. A second Mining Proposal is in development to cover the first five years of mining.

Approval applications for the Whim Creek staging facility are defined and will be informed by biological studies planned to be undertaken in the second half of 2024.

Access agreements

Red Hawk has land access agreements in place with the Coolawanyah Pastoral Station and Rio Tinto for the Blacksmith Mining Lease, and negotiations are underway to include the Mine Access Road in the agreements.

Pending any potential objections raised to the tenement application for Whim Creek, Red Hawk will commence negotiations with underlying land holders.

ESG framework

Red Hawk is committed to establishing a well designed and well managed project which aligns with contemporary stakeholder expectations and complies with required legislation, standards and approvals.

An Environmental, Social and Governance (**ESG**) strategy is being developed to prepare the business for current and future mandatory reporting requirements. The ESG strategy is expected to be completed in 3Q 2024. Development will include internal and stakeholder consultation based on surveys and interviews scheduled to be completed in 2Q 2024.



Manager, ESG and Approvals capturing drone footage of rehab monitoring

GEOLOGY AND EXPLORATION

The Blacksmith Project is situated within the Hamersley Province which covers an area of approximately 80,000km² and comprises Late Archaean to Palaeo-Proterozoic rocks of the Mount Bruce Supergroup, which consists of the Fortescue, Hamersley, and Turee Creek groups, overlain by remnants of the Wyloo Group.

The banded iron formation (BIF) units of the Hamersley Group host the bedded iron deposits of the Pilbara with mineralisation occurring predominantly within the Marra Mamba Iron Formation and Brockman Iron Formation. Substantial mineralisation also occurs in overlying detrital units.

At Blacksmith the Brockman Iron Formation is present as either an unenriched BIF or as martite-goethite mineralisation within the Dales Gorge Member, although predominantly as a heavily hard capped goethite-rich style of mineralisation.

A geological re-interpretation of the Delta, Paragon, Champion and Blackjack deposits within the Blacksmith lease has been completed by ERM Australia (formerly CSA Global). The purpose of the re-interpretation was to define the internal stratigraphy of the detritals (CzD3) and bedrock

geology based on integrated geology, physical properties, chemistry, and downhole geophysics to enable alignment to its metallurgical properties and industry standard nomenclature. This is summarised in Table 2.

The updated geological interpretation forms the basis of the Mineral Resource Estimate and the DSO Mine Plan.

Exploration history

A total of 3,893 drill holes (189,639m) were drilled by Red Hawk from 2008 through 2017 across the Blacksmith deposits as shown in Figure 2.

Drilling at Delta has comprised a total of 1,682 drill holes (85,714m), including 1,595 reverse circulation (RCP) holes used to estimate the Mineral Resource.

Delta comprises 69 sections on a drill spacing ranging from approximately 50m x 50m to 100m x 130m in the northeast-southwest directions and in the northwest-southeast directions. As with all the deposits, sections have been oriented based on the dominant trend of the channel within the deposit.

The Paragon deposit was drilled by Red Hawk between 2010 and 2014. To complete the MRE update 103 vertical RCP drill holes (3,890m) have been assessed. Paragon has been drilled along 21 sections with a spacing of approximately 100m x 100m.



CANGA

The hematite dominant canga is the highest iron grade unit within the detritals stratigraphy and represents approximately 68Mt of the total 173.8Mt MRE. This unit is typically a competent, cemented basal detrital unit occurring above the bedrock. It generally has an iron content above 60% Fe, although can be as high as 65% Fe.



DALES GORGE MEMBER

The Dales Gorge Member mineralisation underlies the canga and is predominantly goethite with minor hematite and is extensive across the Delta and Paragon deposits.

The iron mineralisation grades between 55% to 62% Fe. The Dales Gorge Member comprises approximately 70Mt of the total 173.8Mt MRE.

Drilling at Champion comprises a total of 850 drill holes (37,731m). Excluding sonic, geotechnical and metallurgical diamond drilling, a total of 792 RCP holes (34,508m) have been used for the MRE update. Champion has been drilled along 47 sections on a nominal section spacing of 100m x 100m in the northeast-southwest directions and in the northwest-southeast directions.

At Blackjack, drilling comprises 273 drill holes (10,290m) of which 262 RCP holes (9,759m) were used for the MRE update. Blackjack has been drilled along 21 sections on a nominal section spacing of 100m x 100m in the northeast-southwest directions and in the northwest-southeast directions.

All holes were drilled vertically (-90° dip) and intersections approximate true width.

Table 1: Material type breakdown of Blacksmith ore

Material	Density	Fe %	P %	SiO ₂ %	Al ₂ O ₃ %	LOI %
Dales Gorge Member	2.80	58.88	0.12	3.77	2.34	8.92
Canga	3.25	61.96	0.07	4.61	3.23	2.50
Pisolitic hematite /soil	3.00	58.89	0.05	8.09	4.72	2.01
Unconsolidated detritals	2.85	58.61	0.05	8.50	4.62	2.21

Table 2: Stratigraphic units at Blacksmith

Unit/member	Brief description
SZ	Surface detrital/colluvium
HMZ	High soil matrix with trace clasts
LZ	Unconsolidated to compacted detritals with angular to subrounded clasts in a red-brown soil matrix. Clast rather than matrix dominated
PZ	Pisolitic high maghemite (<1-2 mm), well rounded supported in a hematite/soil matrix
Canga	Cemented hematite clasts in a hematite/goethite cement matrix
CzD2	Mixture of clay and textureless goethite in various proportions
CID	Channel iron deposit
PHbd	Bedrock can be enriched beneath detritals and CID. Mostly hardcap. Occasionally magnetite with potential for crocidolite

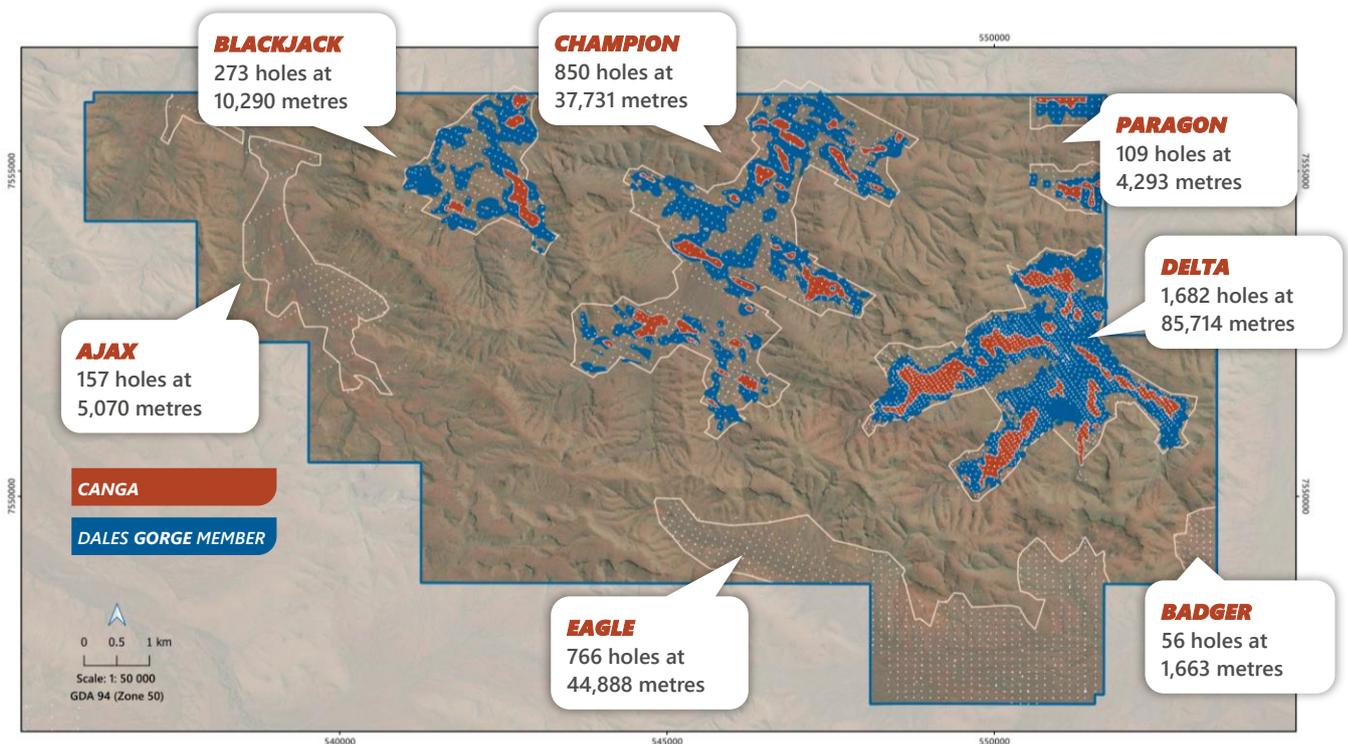


Figure 2: Blacksmith Project (M47/1451-I) showing drill hole collars and deposits

Delta geology

Delta is approximately 4km long and 2km wide and includes a number of minor valleys separated by ridgelines which report to a single large valley entrance. The depth of the valley from the floor to the basement contact varies from approximately 20m to 50m on average across the central part of Delta. In the central part of the deposit, overburden (SZ and HMZ) averages 20m in depth and overlies LZ and PZ which can each be up to 30m thick. Within the fingers of Delta, the valley walls are characterised by outcropping lenses of canga overlaying the mineralised Dales Gorge Member with minimal waste overburden. A cross-section is provided in Figure 3.

Paragon geology

Paragon is located in the northeast of the Blacksmith Project and comprises a northern valley containing a deepening detrital sequence north to the lease boundary, and a small, enclosed valley to the south, each separated by outcropping Brockman Iron Formation.

The resource is relatively flat lying to shallow dipping of average thickness 5m to 25m in both outcrop and under shallow cover.

The valley to the south varies from 16m to 26m deep from the valley floor to top of bedrock and contains a substantial accumulation of canga overlaying hardcapped Dales Gorge Member, overlain by lenses of LZ and PZ of varying thickness.

Champion geology

Detrital mineralisation at Champion is predominantly PZ which occurs distal to outcrop, with zones of LZ close to outcrop. Areas of canga overlie

hardcap mineralised Dales Gorge Member, and minor channel-iron deposit occurs in the far northwest of the deposit.

Canga occurs throughout the Champion deposit as discrete lenses directly on top of hardcap. It tends to predominate along the channel margins where it can assume thicknesses of up to 20m. It becomes more dominant in the northern, narrowest part of the valley where it occurs as lenses up to 15m thick on both sides of the valley. In addition, substantial canga occurs in the western part of Champion.

In the northern part of Champion, mineralisation is restricted to the central and western sides of the valley, with the eastern half being almost barren apart from thin lenses of LZ overlying thin canga. In the central part of the valley abutting the CID, the PZ is up to 30m thick.

Blackjack geology

The detrital valley in Blackjack is shallower (up to 60m deep) and narrower than in Champion and Delta. Consequently, no major deposition of HMZ has occurred. Similarly, no Czd2 or CID was identified.

The Blackjack valley comprises a thin SZ overlying a simple "layer cake" sequence of LZ and PZ, in approximate 50:50 proportions. A continuous lens of canga occurs to the east. This may grade into PZ along strike towards the centre of the valley. Small lenses of canga occasionally occur at the base of the detrital valley but these have no continuity.

Hardcap mineralisation has formed in the Dales Gorge Member in the west as well as to the east in the southern part of the deposit.

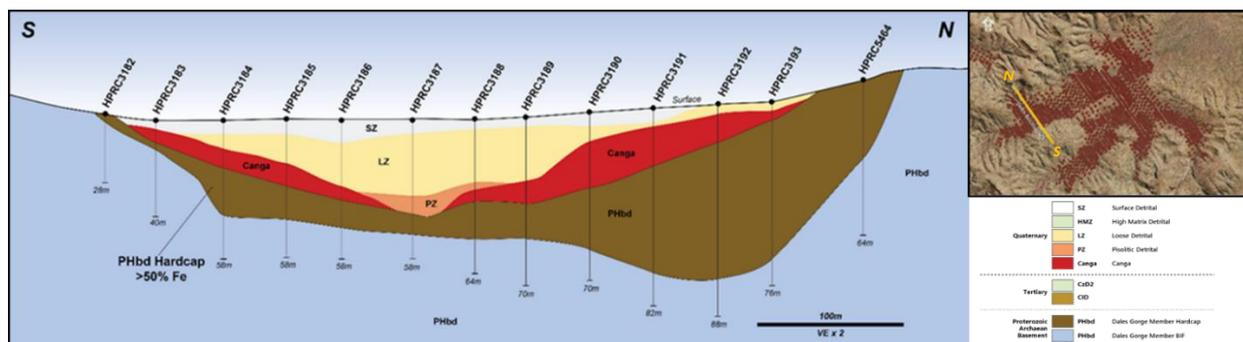


Figure 3: Generalised schematic Delta cross section

MINERAL RESOURCES

The PFS is based on a Mineral Resource Estimate (MRE) for Direct Shipping Ore (DSO) within the Delta, Paragon, Champion and Blackjack deposits. It comprises 173.8Mt grading 60.0% Fe. Importantly, 95% of the resource is classified as Indicated (Table 3).

Full details of the MRE were reported to the ASX on 6 September 2023 'DSO Mineral Resource Estimate - Delta and Paragon Deposits' and 16 October 2023 'DSO Mineral Resource Upgrade - Champion and Blackjack'.

A cut-off grade of 57.5% Fe has been applied to the MRE as it reflects the in-situ chemistry of the iron mineralisation likely to be mined to target an average DSO product grading of ~60.5% Fe. The potentially economic mineralisation types reported comprise canga (hematite) and Dales Gorge Member hardcap (goethite), with minor contribution from detrital materials. These lithologies have an in-situ iron mineralisation suitable for processing by Pilbara standard dry crush and screen practices to produce a DSO product.

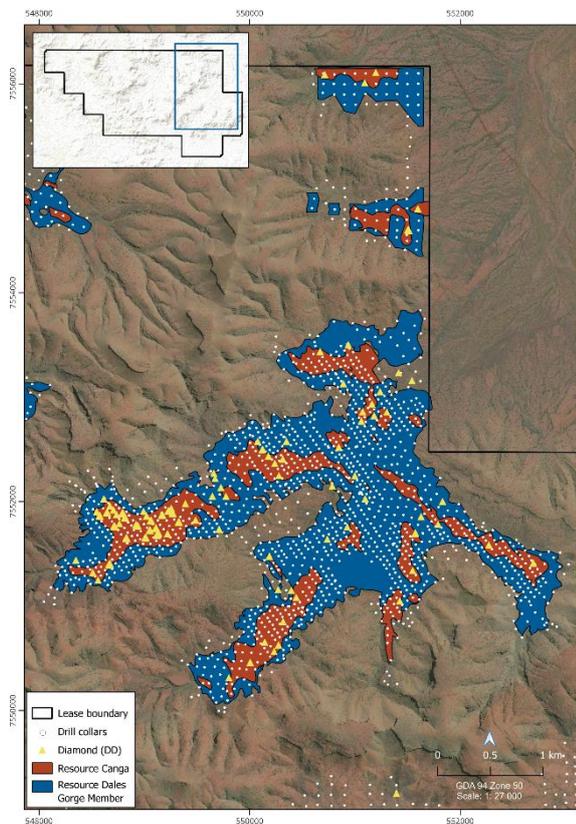


Figure 4: MRE outlines for the Delta and Paragon deposits

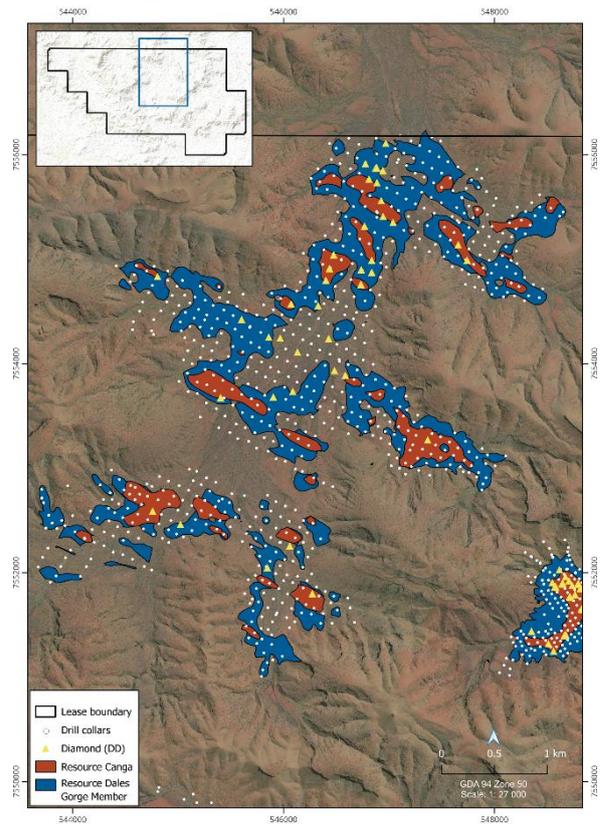


Figure 5: MRE outlines for the Champion deposit

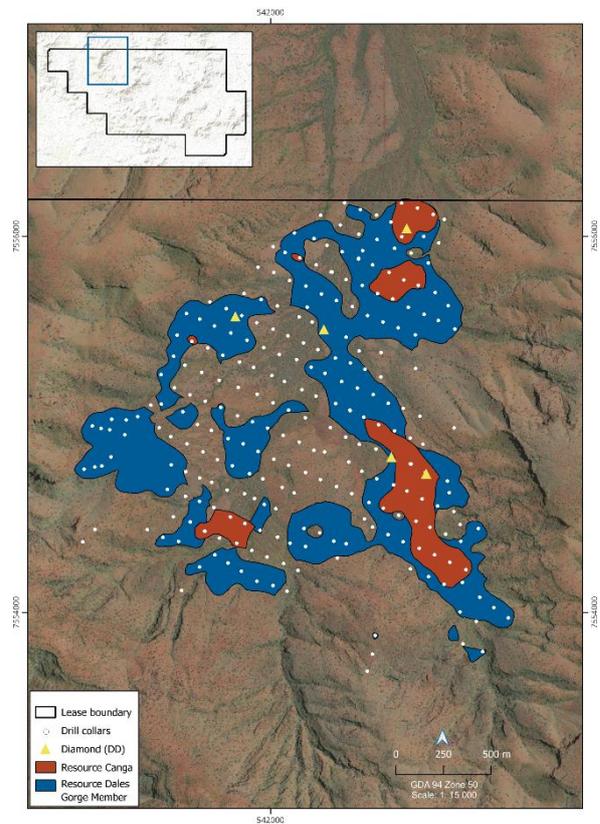


Figure 6: MRE outlines for the Blackjack deposit

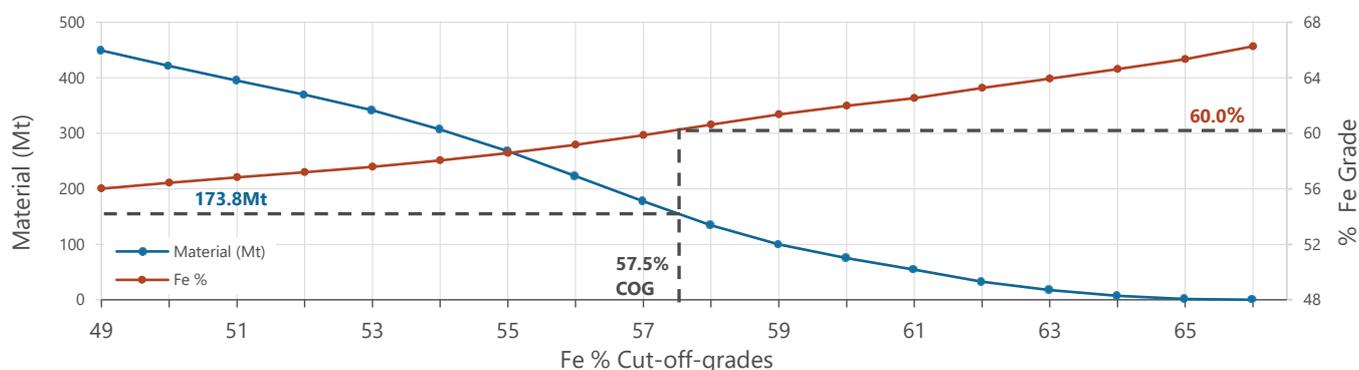
Table 3: Mineral Resource Estimate by deposit and classification (57.5% Fe cut-off)

Class	Tonnes Mt	Fe %	P %	SiO ₂ %	Al ₂ O ₃ %	LOI %
DELTA						
Indicated	83.9	60.2	0.09	4.81	3.17	5.11
Inferred	3.9	59.9	0.10	4.12	2.61	6.81
Total	87.8	60.2	0.09	4.78	3.15	5.19
PARAGON						
Indicated	12.2	60.0	0.09	4.03	2.79	6.21
Inferred	0.4	58.8	0.09	4.10	1.82	8.85
Total	12.5	60.0	0.09	4.03	2.76	6.29
CHAMPION						
Indicated	37.8	59.8	0.08	5.42	3.45	4.59
Inferred	0.4	59.6	0.09	5.87	2.76	4.88
Total	38.2	59.8	0.08	5.42	3.44	4.59
BLACKJACK						
Indicated	31.4	60.0	0.08	5.95	3.34	4.02
Inferred	3.9	59.8	0.11	3.83	2.10	7.83
Total	35.3	60.0	0.08	5.72	3.20	4.44
ALL DEPOSITS						
Indicated	165.2	60.1	0.09	5.11	3.24	4.87
Inferred	8.6	59.8	0.10	4.07	2.35	7.28
Total	173.8	60.0	0.09	5.06	3.19	4.98

Notes:

1. Due to effects of rounding, totals may not represent the sum of all components.
2. Tonnages are rounded to the nearest 0.1 million tonnes and grades are shown to two significant figures.
3. Reporting criteria are: Indicated and Inferred material (Rescat=2 or Rescat=3), Fe >57.5%, Zone=2, Zone=3, Zone=4 or Zone=5.

The Blacksmith Project has been assessed to deliver a >60% Fe grade using a 57.5% Fe grade cut-off. The grade tonnage curve above includes all the drill assay data collected to date and highlights that if a marginally different grade cut-off is used then the tonnage will be affected to a larger degree. For example, using a 54% Fe cut-off, the average grade would decrease to 58.0% Fe and the tonnage will increase to 309Mt – an increase in tonnes of 77%.


Figure 7: Grade tonnage curve of Delta, Paragon, Champion and Blackjack deposits combined

ORE RESERVES

The PFS supports the reporting of a maiden JORC-compliant Probable Ore Reserve for the Blacksmith Project. The Ore Reserve comprises 45.98Mt at an average grade of 60.54% and strip ratio of 1.64. Details are provided in Table 4.

The maiden Probable Ore Reserve for the Project is located entirely within the Delta deposit and is included in the reported Mineral Resource Estimate. It includes 48% of the Project’s total ore mined and 86% of the Project’s first thirteen years of production. It is based on a cut-off grade of 57.9% Fe to generate a nominal 60.5% Fe DSO product. In addition, the Reserve is substantially above the water table. The Ore Reserve has also been determined as economically viable as a stand-alone project.

The mine planning component of the PFS involved pit optimisation, mine design and scheduling and mine cost estimation. The Mine Plan supporting the Ore Reserve is based on an open pit mine using a mining contractor with conventional mining equipment. Processing assumptions for the Ore Reserve used a relatively simple crushing and screening circuit to generate a +60.0% Fe DSO product at a nominal production rate of 5Mtpa over the Life of Mine. A product moisture content of 6.2% has been assumed. The product will be hauled from the Blacksmith site to the Utah Point Bulk Handling Facility at Port Hedland. From Utah Point it will be loaded to mini-cape vessels with a capacity of up to 120,000 deadweight tonnes for transport to customers globally.

The Project has additional Indicated, Inferred and Unclassified materials within the remaining six orebodies on the Blacksmith lease. Future work will look to convert this mineralisation to Ore Reserve in the sequence that it is planned to be mined. The mineralisation is substantially drilled and has good potential to be converted to Ore Reserve.

It should be noted that Inferred Resources have a lower level of geological confidence and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or Ore Reserves or that the production target itself will be realised.

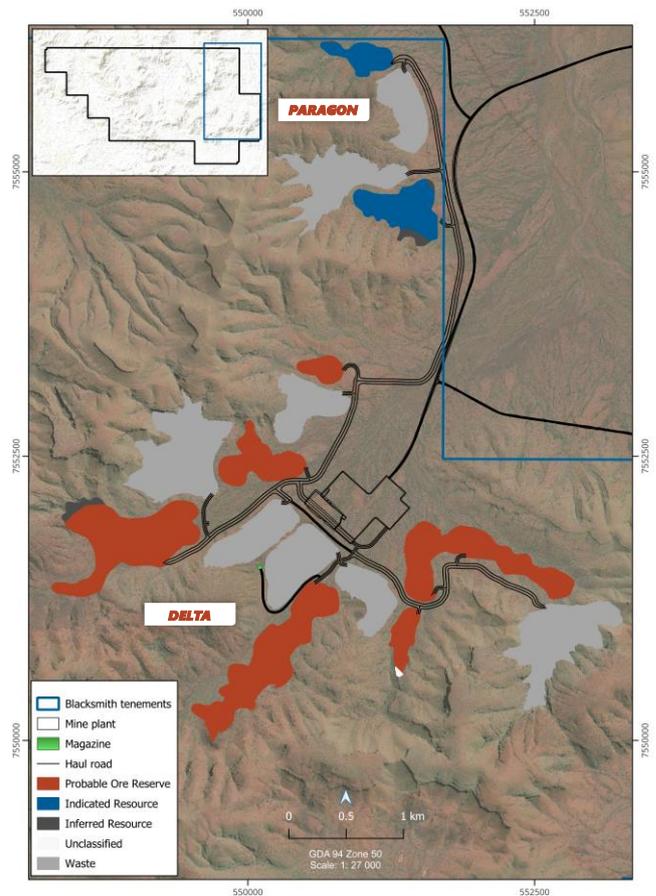


Figure 8: Delta Ore Reserve and Paragon Mineral Resource

Table 4: Blacksmith Project DSO Ore Reserve

Description	Units	Quantity
Probable Ore Reserve	Mt	45.98
	Fe%	60.54
Waste	Mt	75.37
Total	Mt	121.35
Strip ratio	Waste : ore (tonnes)	1.64

Notes:

1. There is no Proved Ore Reserve as there are no Measured DSO Resources currently defined.
2. This Ore Reserve is comprised of material included in the reported Mineral Resource.
3. A cut-off grade of 57.9% Fe has been applied to generate the nominal 60.5% Fe target grade.

GROWTH POTENTIAL

The Blacksmith Project is underpinned by a substantial geological knowledge base, including over 200,000m of historical drilling, assays, geological modelling, metallurgical testwork and geophysical data.

This knowledge base was the foundation for the successful geological re-interpretation and updated MRE of the Delta, Paragon, Champion and Blackjack deposits and extends to the other deposits in the Blacksmith Project – Eagle, Ajax and Badger.

It is proposed to re-interpret and update the MRE for the Eagle and Badger deposits to further grow the Blacksmith Mineral Resource base.

Even with the extensive amount of drilling completed, there is still potential for increasing the size of the Resource at the Blacksmith lease. The current MRE outlines have been limited to the last line of drilling in some areas. Further drilling will clearly define the outlines and likely add to the Resource base. Also, some areas within the deposits have yet to be drilled systematically, or at all, e.g. parts of Ajax.

Eagle

The Eagle deposit is situated in a valley that runs south-east along the south boundary of the M47/1451-1 tenement. A total of 766 drill holes (44,888m), based on 100m x 100m spacing, have been completed at Eagle since 2008. Canga (grading >60% Fe) is visible as lenses on both

sides of the valley and drilling indicates that it is often overlying hardcap martite goethite mineralisation in the Dales Gorge Member.

Eagle also contains a large paleochannel of between 300m to 800m thick that hosts channel iron deposit (CID) mineralisation.

Badger

Badger is situated on the eastern edge of the M47/1451-1 tenement and currently has 56 drill holes (1,663m) of drilling based on 100m x 100m spacing, completed since 2008. Mineralisation is visible as canga and within hardcap in the Dales Gorge Member and improving to the east, towards the tenement boundary.

Ajax

The Ajax deposit lies on the north-western corner of the M47/1451-1 tenement and currently has 157 drill holes (5,070m) targeting mineralisation in the central area and towards the mouth of the valley in the north. This valley is similar in size to Delta and canga is visible along the valley walls as lenses, particularly in the south-eastern part. The valley broadens out to the north where there is an expansive area that is sparsely drilled and potential still exists for extensions of mineralisation.

Along with the Eagle, Ajax and Badger deposits, there remains clear potential to identify further Resources within the Blackjack Project. There is potential for Resource extensions of current Resources and new discoveries in areas with little or no drilling.



Canga overlying enriched Dales Gorge Member at Eagle

MINING

The PFS has delivered an updated mine plan for the Blacksmith Project. It commences activity in Delta and Paragon and then transitions to the Blackjack and Champion deposits. It extends the Life of Mine production of direct shipping ore (DSO) from 55Mt (Scoping Study) to 98Mt at a grade of +60.0% Fe. It also increases the long-term production rate from 3Mtpa to 5Mtpa.

The Mine Plan has been developed by Orelogy for the Delta, Paragon, Blackjack and Champion deposits on the Blacksmith lease. It incorporates the re-interpreted geological block models for these areas. The Mine Plan identifies a 23-year mine life with production ramping up from 1.2Mtpa to 5Mtpa across a five-year period. The Mine Plan schedules the 45.98Mwt of Ore Reserve into the first 13 years of the Life of Mine, with the bulk of the Indicated, Inferred and Unclassified mineralisation scheduled from Year 9.

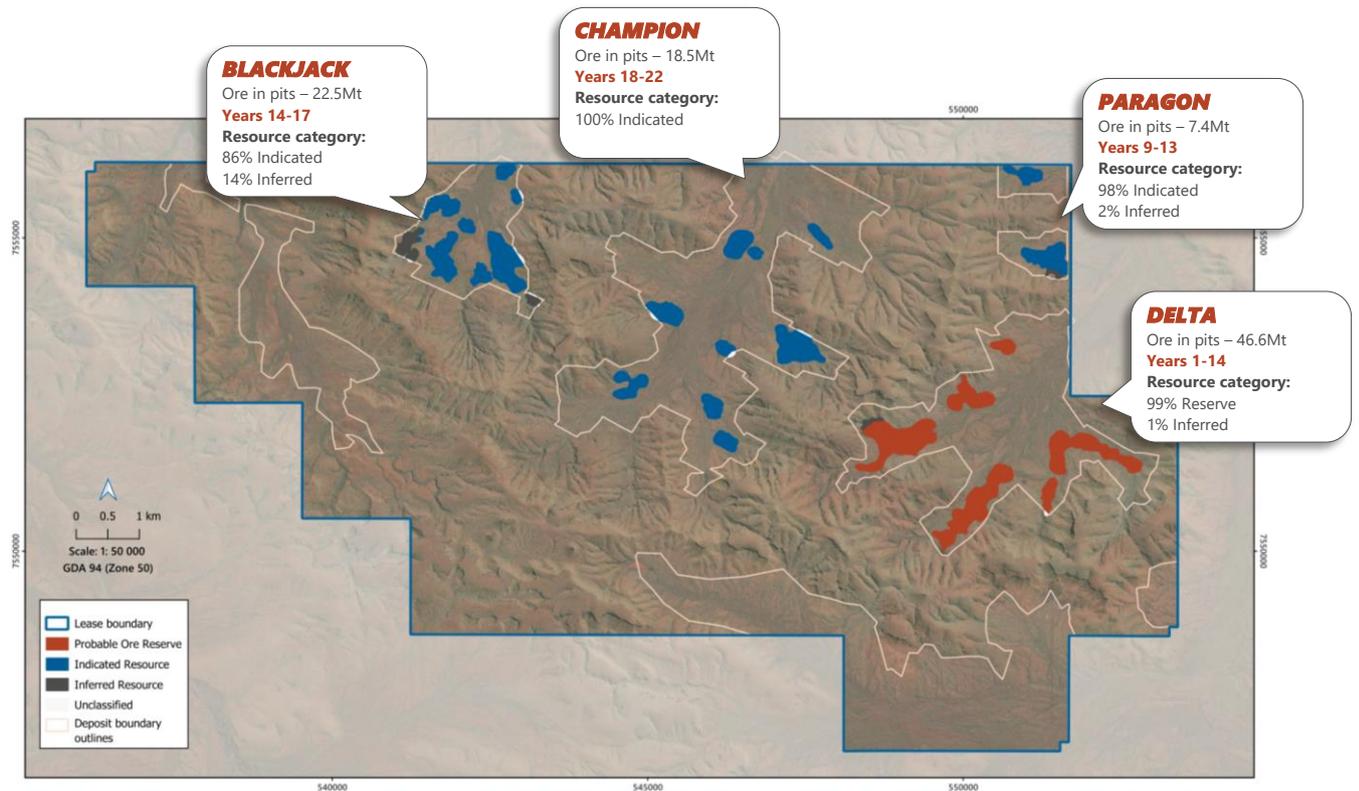


Figure 9: Location and scheduling of Mineral Resource categories

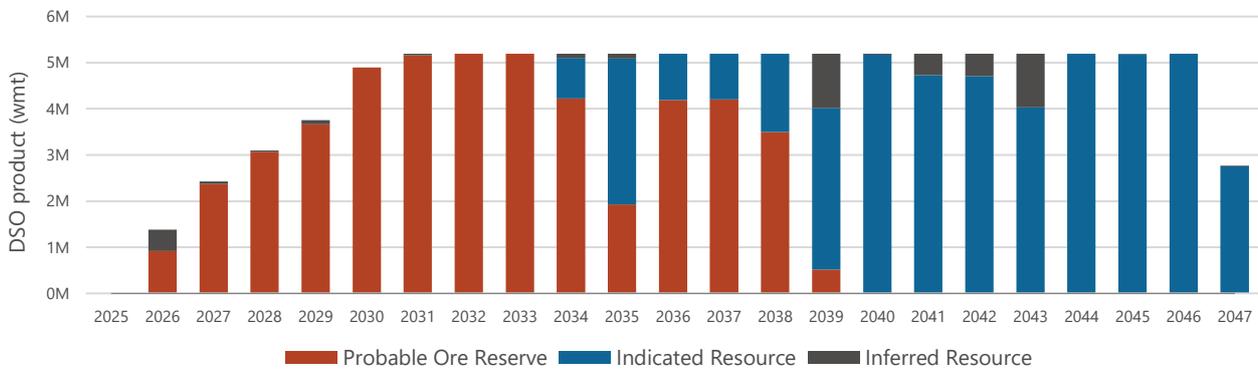


Figure 10: DSO by mineral classification

The Mine Plan

During the PFS, multiple mining sequences were investigated. Priority was given to mine plans that initiated activity within areas having better resource definition and a more substantial heritage knowledge base. In addition, plans were constrained to mine pits in a sequence that prevented inefficient relocation of mining equipment.

The Mine Plan schedules the four deposits to be mined sequentially in the following order – Delta, Paragon, Blackjack and Champion. Given the proximity of Delta and Paragon, they are mined concurrently between Years 9 to 13. The Mine Plan has been developed at two levels of detail.

The PFS Reserve Mine Plan is the more detailed of the two, and schedules Delta and Paragon from Years 1 to 13 of the Life of Mine. The Delta and Paragon pits and dumps development sequence is detailed, and design has been undertaken for access ramps, bench faces, berms and local infrastructure. In addition, the design is informed by updated geotechnical and hydrological studies. This Mine Plan supports the reporting of a JORC-compliant maiden Probable Ore Reserve for the Blacksmith Project.

The Project Mine Plan incorporates Delta, Paragon, and extends the schedule to include Blackjack and Champion. Pit optimisations were undertaken for Blackjack and Champion to identify the pit shells that produced a DSO product with suitable iron and impurities grades at low strip ratios. The optimisation was based on Project economic data and ranked the shells using net present value. Designs of pit shells and waste dumps were produced using Hexagon MinePlan Schedule Optimizer™ with geotechnical and other mine design parameters held constant with the Delta and Paragon design parameters. Infrastructure within these areas was developed to a conceptual level of detail.

Mining block model

The updated resource models for Blackjack and Champion were regularised to form two mining models with block dimensions of 12.5m x 12.5m x 2m. This dimension is in line with an acceptable mining flitch height for the selected mining equipment and generates a realistic and acceptable dilution of the Resource for mine planning purposes.

In regularising the Resource block models, the overall loss of ore and dilution are estimated to be 6% and 3% respectively. These values are typical of this style of mineralisation.

Delta and Paragon mining block models were regularised during the Scoping Study and remain unchanged.

Geotechnical investigation

Early in the PFS mine design sequence, SME Geotechnical Pty Ltd (**SME**) conducted a geotechnical assessment of the Delta and Paragon Scoping Study pits. The assessment utilised the work previously completed by Snowden Pty Ltd in 2017 and included an inspection of historical and newly acquired core. This assessment was used to develop geotechnical design parameters for the mine planning activities. Towards end of the mine planning process, SME reviewed the pit designs to confirm the suitability of the designs. In addition, they defined the geotechnical activities required to be completed to achieve DFS requirements.

Hydrology

Worley Services Pty Ltd completed a hydrological assessment of the Delta and Paragon valleys to inform mine and closure planning, assess surface water environmental impacts and support regulatory approvals for mine development. The outputs from this study have been used as a basis of design for the surface water management infrastructure.

Diversions have been included in the design to prevent uncontrolled ingress of 1% Annual Exceedance Probability (**AEP**) floodwater into the mine pits where feasible. Diversions are not feasible in some areas due to cut volumes and access. At these locations, local surface water run-off management is to be carried out while mining. This may include:

- staged mining
- directing surface water run-off entering pits to sumps and pumping out
- mining in dry season (May to November)

» The PFS Reserve Mine Plan supports the reporting of a JORC-compliant maiden Probable Ore Reserve for the Blacksmith Project. »

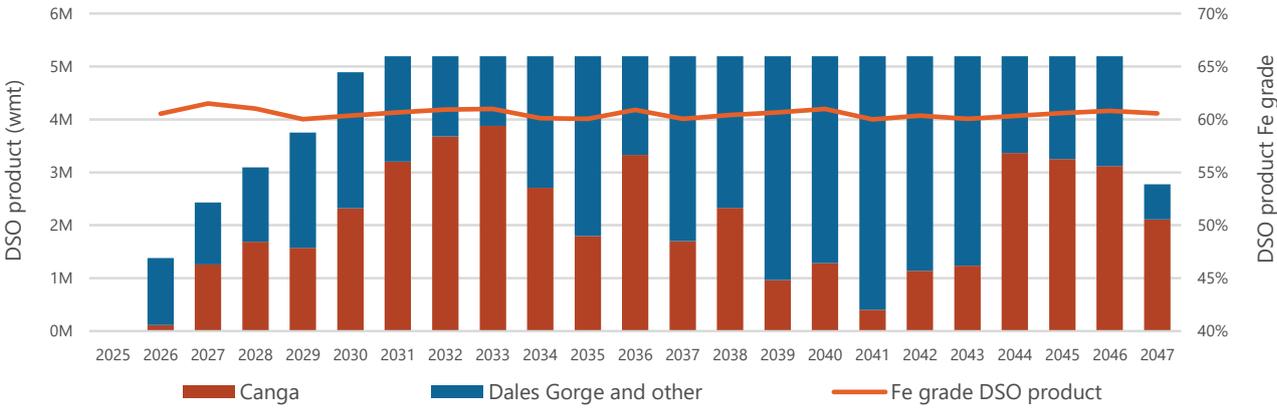


Figure 11: Ore type and Fe grade of DSO product

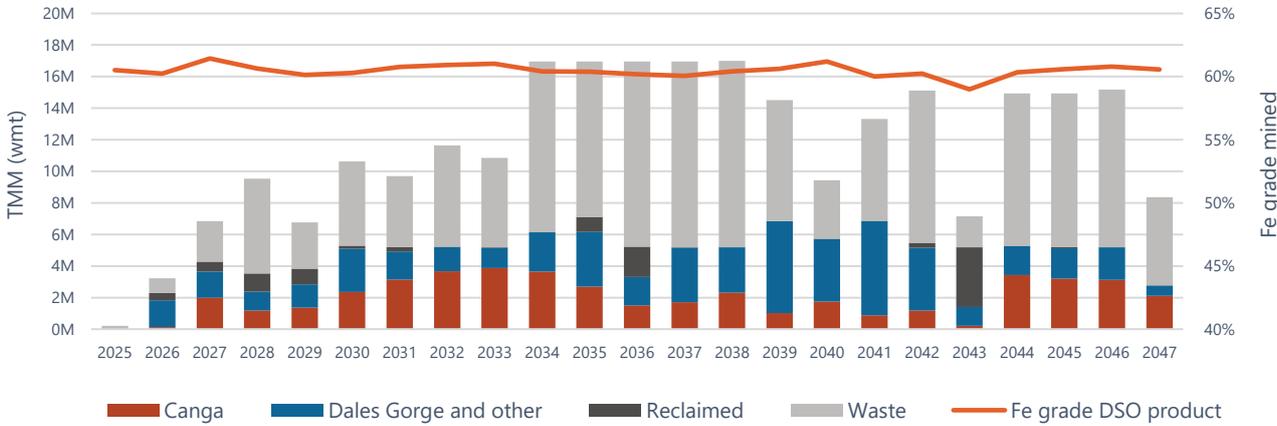
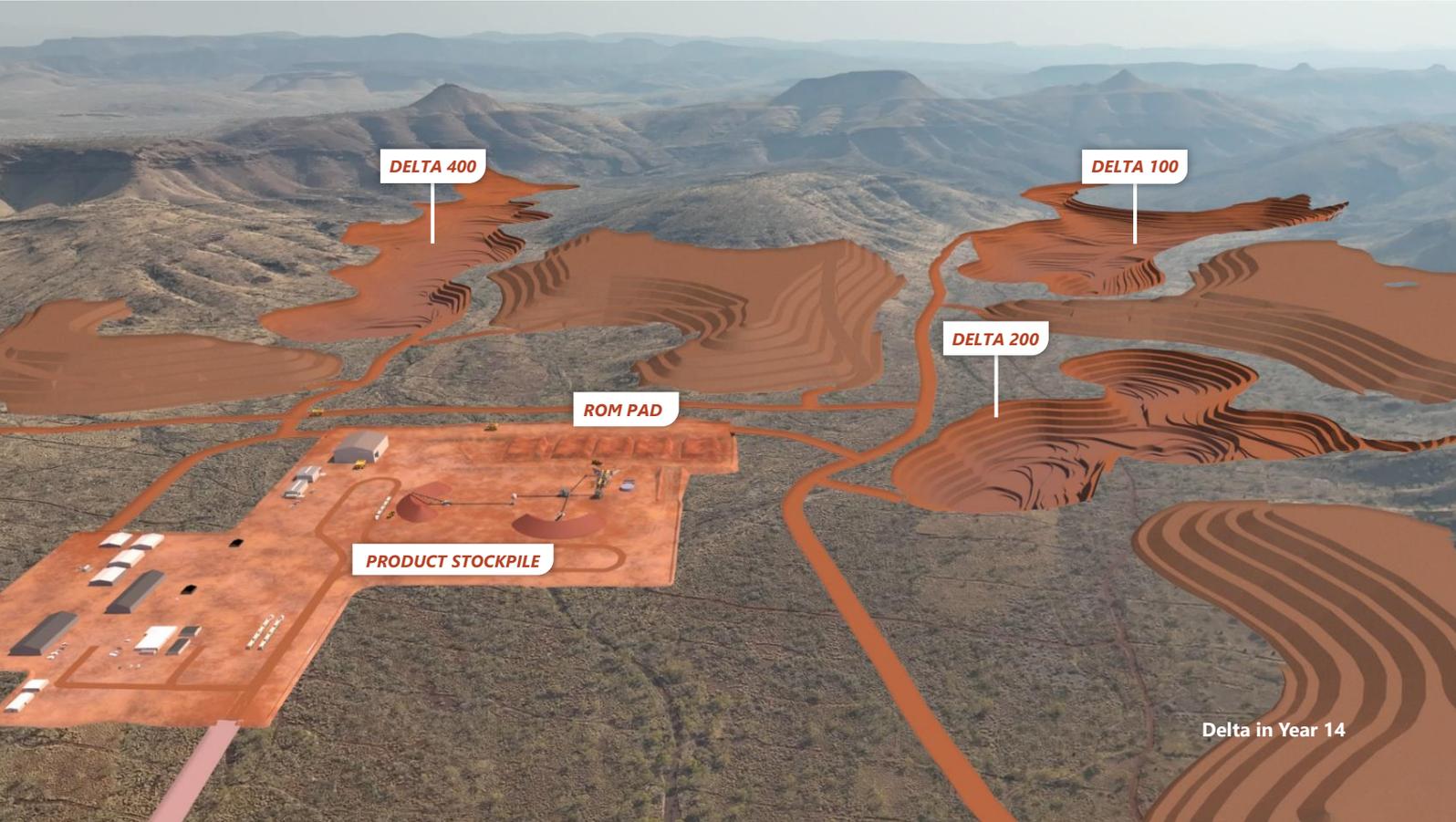


Figure 12: Total Material Moved (TMM) by ore type and Fe grade mined



Production schedule

The scheduling approach, target and constraints used in developing the Mine Plan included:

- a maximum total material movement (**TMM**) allowance of 16Mtpa
- achieving the proposed ramp up rate
- maintaining a long-term production rate of 5Mtpa
- the iron grade of the DSO averages 60.54% for Life of Mine with a minimum of 60.0%

The minimum grade constraint is maintained with a maximum grade of 61.5% Fe occurring early in the Life of Mine. The key contaminant grades of Al_2O_3 and SiO_2 steadily increase over the course of the Life of Mine, stabilising from Year 5 at approximately 3.3% and 5% respectively.

To manage the iron grade, run of mine ore is required to be stockpiled. For the first ten years Life of Mine, the long-term stockpile capacity requirement peaks at approximately 1.6Mt at the end of Year 2 before being drawn down through to Year 6. Stockpiles then grow to a peak of 1.8Mt in Year 10 before being drawn down almost entirely the following year.

Mining operations

The Blacksmith Project will be developed employing a conventional open pit mining methodology utilising a typical drill / blast / load / haul mining cycle.

The mining operations are planned to be undertaken by a suitably experienced mining contractor. The mining contractor will supply, operate and maintain an appropriately sized mine production fleet to undertake the proposed mining operation.

The Mine Plan is based on a mining fleet using one, then two, Cat 6015 excavators and 7 to 10 Komatsu HD785-7 or Cat 785 haul trucks, along with suitable support vehicles. The annual production capacity of this fleet is approximately 16Mtpa.

During the PFS, contractor input was obtained to assist in the development of capital and operating costs, as well as confirming the fleet size and availability.



METALLURGY, TESTWORK AND ORE PROCESSING

The metallurgical properties of the Blacksmith Resource have been extensively defined through historical testwork. The PFS metallurgical work streams build on this existing knowledge base and improve the understanding of the physical and chemical properties of both the in-situ ore and product. In addition, metallurgical testwork provides critical inputs for the design of the dry crushing and screening plant.

The process flowsheet for the crushing and screening plant is relatively simple. It will comprise:

- primary crushing
- screening
- closed-circuit secondary crushing
- closed-circuit tertiary crushing
- product stockpiling and load-out

The plant will be capable of producing 5Mtpa of product at a moisture content of approximately 6.2%.

Overall, the material from Delta and Paragon is not considered to present any specific crushing or screening issues due to ore hardness or abrasion properties. The average results for the uniaxial compressive strength (**UCS**) and crushing work index (**CWi**) testwork show the material is generally soft and easy to crush.

Previously completed metallurgical testwork has been utilised during the execution of the PFS. Areas where this knowledge has been applied include:

- crushing and screening performance
- sinter performance
- materials handling
- hot property testwork

During the PFS, a metallurgical diamond drill program was completed to enable more targeted metallurgical testwork to be undertaken. The drill program recovered 251m of core across seven drill holes primarily within the first five years of Life of Mine (Delta100 area of the Delta deposit).

Drill hole core and composites samples were then tested for:

- bulk density
- comminution properties
- composite head chemistry
- size fraction chemical analysis
- sample conditioning via drop tower and tumble drum
- lump potential

Analysis and results

Metallurgically the development of the Delta deposit as part of a 5Mtpa DSO project was identified as low risk. The ore is relatively easy to crush and is classified as low to non-abrasive. Testwork shows the fines product will have an acceptable particle size distribution when processed to a nominal -8mm product.

The ore is sourced from above the water table and is largely devoid of clays reducing material handling issues.

The PFS metallurgical testwork has identified a potential increase in project revenue by generating a lump product. Specific geological units will support lump production, however the added mining (stockpile and rehandle) costs, supply chain complexity and potential negative impacts on fines grades have favoured the selection of a 100% DSO fines product. The current plant design retains the option to produce lump and further work will be completed during the DFS to define the opportunity.

Fines product

Being a DSO, the Blacksmith fines product requires no beneficiation or other upgrade processing. The crushing and screening plant will reduce it to a nominal product with a topsize of 80% passing 8mm. The -8mm nominal product size is the result of recent sintering testwork, where it was found that coarser particle top sizes can result in sub-optimal sinter performance.

Sinter testwork completed on various samples from Blacksmith has shown the Blacksmith products sinter well. Additional sinter testwork will be required for the DSO product aligned with the current mine schedules, lithology makeup and target grades.

The end specification of the product is defined by the mine planning, processing and logistics sequences.

A comparison of the Red Hawk fines product against other Pilbara iron ores is provided in Table 5. It shows that the product is well positioned against other Pilbara exports.

Table 5: Comparison of Pilbara iron ores¹

Product	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)
Blacksmith (Life of Mine)²	60.5	4.9	3.1	0.08
Rio Tinto Pilbara Blend Fines	61.0	4.5	2.5	0.11
Rio Tinto Robe Vally Fines	56.4	5.5	3.1	0.03
BHP Newman Fines	62.3	4.4	2.4	0.09
BHP Jimblebar Blend Fines	60.5	4.5	3.0	0.12
BHP MAC™ Fines	60.8	4.7	2.35	0.08
FMG West Pilbara Fines	60.5	4.7	2.3	0.08
FMG Fortescue Blend Fines	58.2	5.6	2.5	0.07
Roy Hill Fines	61.0	4.5	2.2	0.06
Atlas Iron Fines	57.5	6.5	2.0	0.09

1. Source: S&P Global Platts Iron Ore and Metallurgical Coal Specifications Tree. Accessed 22/04/2024
 2. RHK - Blacksmith - FTI input - Mining 5D ScheduleV1_240322

Lump potential

The works completed during the PFS have shown that some stratigraphical units within the orebody will enable the production of lump. These are primarily the more competent parts of the canga and bedded units.

The proportion of lump produced during this PFS testwork was significant at an average of 51% (excluding the PZ composite). During the DFS the combined production of both a fines and lump product will be further considered. This will include the assessment of:

- the impact on fines grades at a marketable level whilst not impacting the mineable Resource for a DSO product
- the impact on mining and mine costs to provide a continuous feed of suitable lump to the process plant
- the impact on the logistics chain and port bunker space with the production of two products
- the benefit of producing lump (i.e. the lump premium) versus a potentially lower grade fines product, increased mining costs and increased logistical complexity.

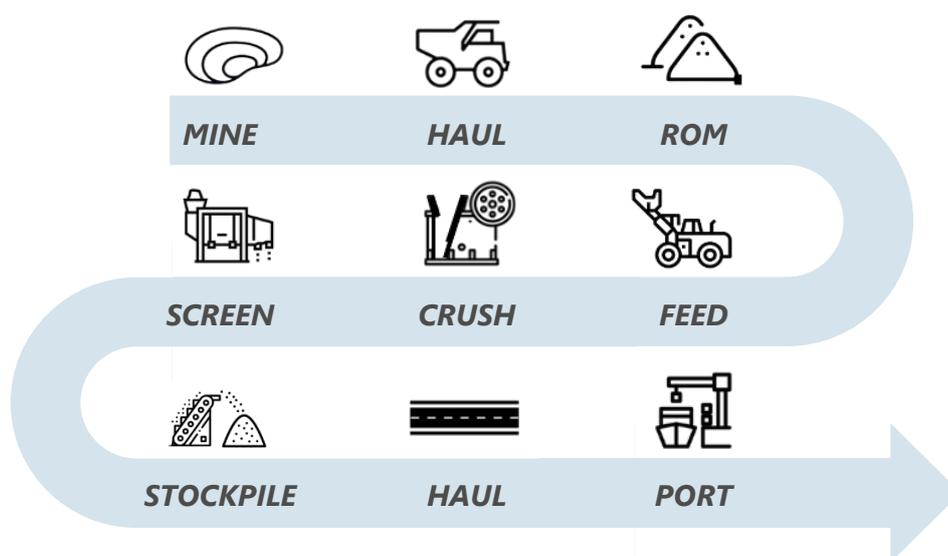


Figure 13: Blacksmith Project flowsheet

INFRASTRUCTURE

The Blacksmith Project makes use of both public and private infrastructure. Private infrastructure will be constructed at the Blacksmith mining lease and Whim Creek staging facility. Existing public roads will be utilised for the mine to port haulage route as well as the existing port infrastructure at Utah Point Bulk Handling Facility in Port Hedland.

The process and non-process infrastructure has been designed to support the operational needs of the Project, while ensuring a fit-for-purpose outcome. Infrastructure is a key component of enabling the ramp-up from 1.2Mtpa to 5Mtpa.

Mining and crushing operations

Mine haul roads will be constructed for heavy and light vehicles.

The Run of Mine (**ROM**) pad and crushing plant will include a skyway, a five finger stockpile and a crushing and screening plant with two 50kt capacity product out-loading stockpiles.

Haulage

A staging facility will be constructed at Whim Creek with stockpile capacity to facilitate rapid haulage to Utah Point. Ore haulage to the facility will be via the public Manuwarra Red Dog Highway and North West Coastal Highway.

Accommodation

Village facilities will be constructed at Blacksmith and Whim Creek to initially accommodate a total of 120 and 150 personnel respectively. The Project's accommodation villages will be designed to provide a high standard of amenity and aim to have a positive impact on employees' working experience.

Water supply

Borefields at Delta, along the Mine Access Road, and at Badger and Whim Creek Villages will provide raw water for operations which will be processed via a potable water treatment plant for drinking. Red Hawk has existing production bores at Blacksmith and a water licence that is being upgraded to a capacity of 1GL per annum.

Wastewater treatment facilities will be installed at both villages.

Power

Electrical power will be supplied via diesel generators at the crushing plant and villages with 500kVA and 750kVA power generators required. The borefields will require power varying from 65kVA to 160kVA.

Communication

Telstra has been engaged and provided a solution for the Blacksmith site via radio link to Mt Lois. The first eight years of mining will require two radio towers at Blacksmith to provide 4G data coverage.

Diesel storage

Bulk diesel storage will be required with two 125KL tanks at the mine infrastructure area, two 65KL tanks at the Badger Village and four 125KL tanks at Whim Creek.

Personnel access

The Mine Access Road will be built during the Project construction. This road will be used as site access and as part of the haulage route.

There will be an airstrip installed at the Eagle site in 4Q 2027. Initial access to the Blacksmith site will be via buses travelling from a local airport.

Public infrastructure

The Project makes use of public infrastructure trucking ore along the existing Manuwarra Red Dog Highway and the Stage 4 extension, as well as the North West Coastal Highway. Intersection upgrades will be required where access roads meet the Main Roads WA (**MRWA**) public infrastructure. MRWA has provided approval for the intersection on the North West Coastal Highway at Whim Creek.

A road-rail level crossing will be built over the Rio Tinto Dampier rail line in 2027 as well as a heavy vehicle deviation route around the town of Roebourne to reduce vehicle congestion and noise.

LOGISTICS AND TRANSPORT

Iron ore products from the Blacksmith Project will be transported over a combination of private roads and the public road network via the Whim Creek staging facility to the Utah Point Bulk Handling Facility, using ultra-quad trucks with an average payload of 150 tonnes. Red Hawk has entered a strategic partnership with MGM Bulk to develop and optimise the transport and logistics strategy, focusing on maximising productivity and reducing unit operating costs.

Through the PFS, Red Hawk and MGM Bulk worked collaboratively on refining and optimising the haulage strategy. This collaboration will continue as Red Hawk completes the DFS.

The route to Utah Point will include Red Hawk’s Mine Access Road, the Manuwarra Red Dog Highway, the North West Coastal Highway and finally the Great Northern Highway for an overall distance of approximately 446km. The haulage task is split into two legs:

- Whim Creek to Blacksmith Project and return
- Whim Creek to Utah Point and return

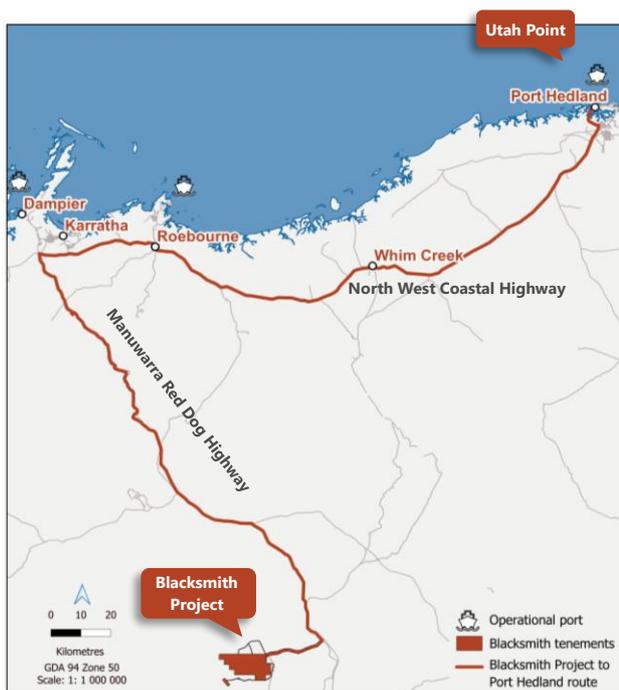


Figure 14: Red Hawk transport route to Utah Point

The Whim Creek staging facility provides maximum operational flexibility for haulage (direct haulage fleet either to port or mine site), stockpiling, and risk mitigation. Mine production will facilitate continuous haulage operations on a 24-hour basis through the Life of Mine.

The haulage operations centre will be based at Whim Creek, which includes camp accommodation, management functions, and a small workshop for minor repairs. A small workshop will also be based at the mine site. All services and major repairs will be conducted at larger facilities based in Port Hedland.

The haulage contractor will provide stockpile management services at Whim Creek, which will include conditioning of the product prior to delivery at Utah Point to meet the standards of Pilbara Ports.

Red Hawk has proposed to haul iron ore in performance-based specified ultra-quads on the North West Coastal Highway and Manuwarra Red Dog Highway. Main Roads WA’s Pilbara office has supported an application to allow that class of vehicle access to these roads under a restricted access permit with several infrastructure improvements requested as the tonnage increases. Main Roads Heavy Vehicle Services has indicated that they will issue the permits based on the support of their Pilbara office.

BLACKSMITH TO WHIM CREEK

332km on Mine Access Road and Manuwarra Red Dog Highway

WHIM CREEK TO UTAH POINT

114km on North West Coastal Highway and Great Northern Highway

MINE ACCESS ROAD

23km private haul road

WHIM CREEK STAGING FACILITY

Stockpiling yard, capacity management functions, workshop, camp accommodation

NUMBER OF OPERATING TRUCKS

20	33	50	66	83
1.2Mtpa	2Mtpa	3Mtpa	4Mtpa	5Mtpa

NUMBER OF DRIVERS

54	90	135	180	225
1.2Mtpa	2Mtpa	3Mtpa	4Mtpa	5Mtpa



Figure 15: Whim Creek staging facility and village location

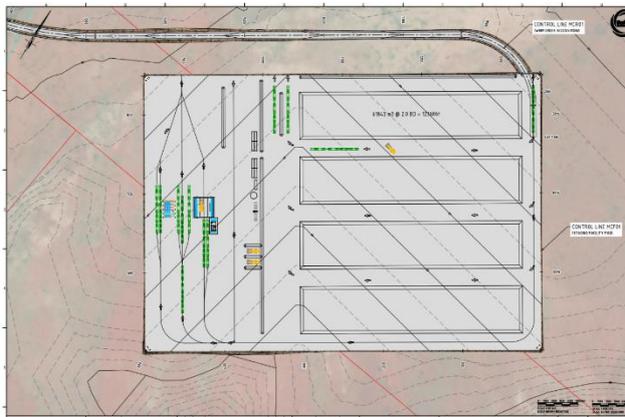


Figure 16: Whim Creek staging facility laydown area

Manuwarra Red Dog Highway

Main Roads WA (MRWA) has completed the first three stages of the upgrade of the Manuwarra Red Dog Highway with Stage 4 now remaining to complete the connection of Karratha and Tom Price. MRWA plans to commence construction of the next 47km of the 110km Stage 4 in July 2024. The initial 10km will include a water crossing at Cowcumber Creek and the following 37km will include the Fortescue River crossing.

Red Hawk is working closely with MRWA to ensure that during the upgrade of Stage 4 of the Manuwarra Red Dog Highway, haulage operations will not be disrupted. Red Hawk will manage the interface between its haulage operations and the road construction in three phases on the Manuwarra Red Dog Highway:

- Phase 1:** haul on the middle 8 metres of the road when there is no construction occurring
- Phase 2:** haul on the two outer 4 metres (future drain areas) when construction is in the area
- Phase 3:** haul on the sealed and completed alignment



PORT AND SHIPPING

The Port of Port Hedland is the world’s largest bulk export port with iron ore exports in 2022-23 of 536Mt, accounting for 61% of Western Australia’s iron ore sales volumes. During 2023, 20Mt were exported from the Utah Point Bulk Handling Facility, with the majority being iron ore.

Red Hawk plans to use Utah Point for the export of its iron ore products and is working with Pilbara Ports to gain an allocation through multi-use bunkers when these become available. Red Hawk is also holding discussions with existing users on capacity sharing at the port.

Red Hawk is well positioned to benefit from productivity gain measures which commenced in 2023 to provide additional capacity at Utah Point.

Initial productivity measures are expected to be completed by late 2024 which should assist meeting future export demands from customers. In 2022, Pilbara Ports was granted an increase to its environmental licence for Utah Point from 24.1Mtpa to 28.0Mtpa and is aiming to raise productivity rates to increase throughput. This will increase the export potential for WA junior miners.

As well as investigating options to increase productivity by investment in infrastructure, Pilbara Ports is looking to streamline the current haulage methodology, the utilisation of lot spaces and gross loading rates.

Red Hawk continues to explore and investigate alternative port options which may provide improved value and additional export capacity over the long term.

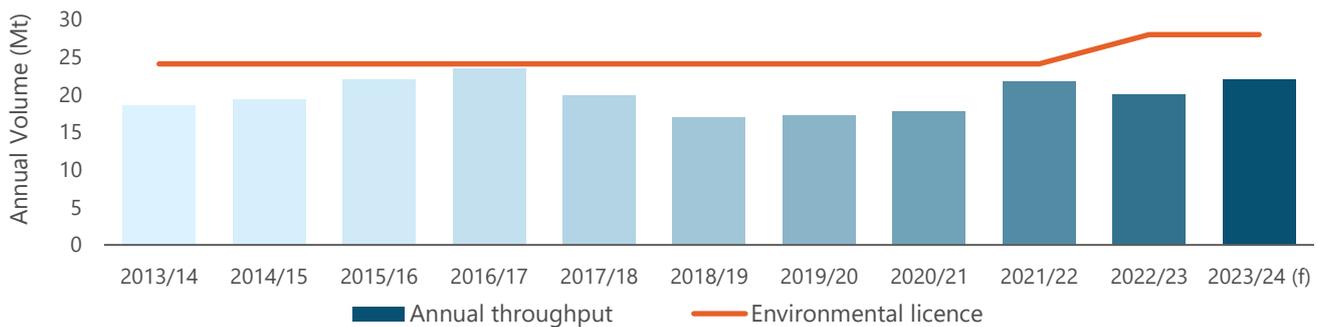
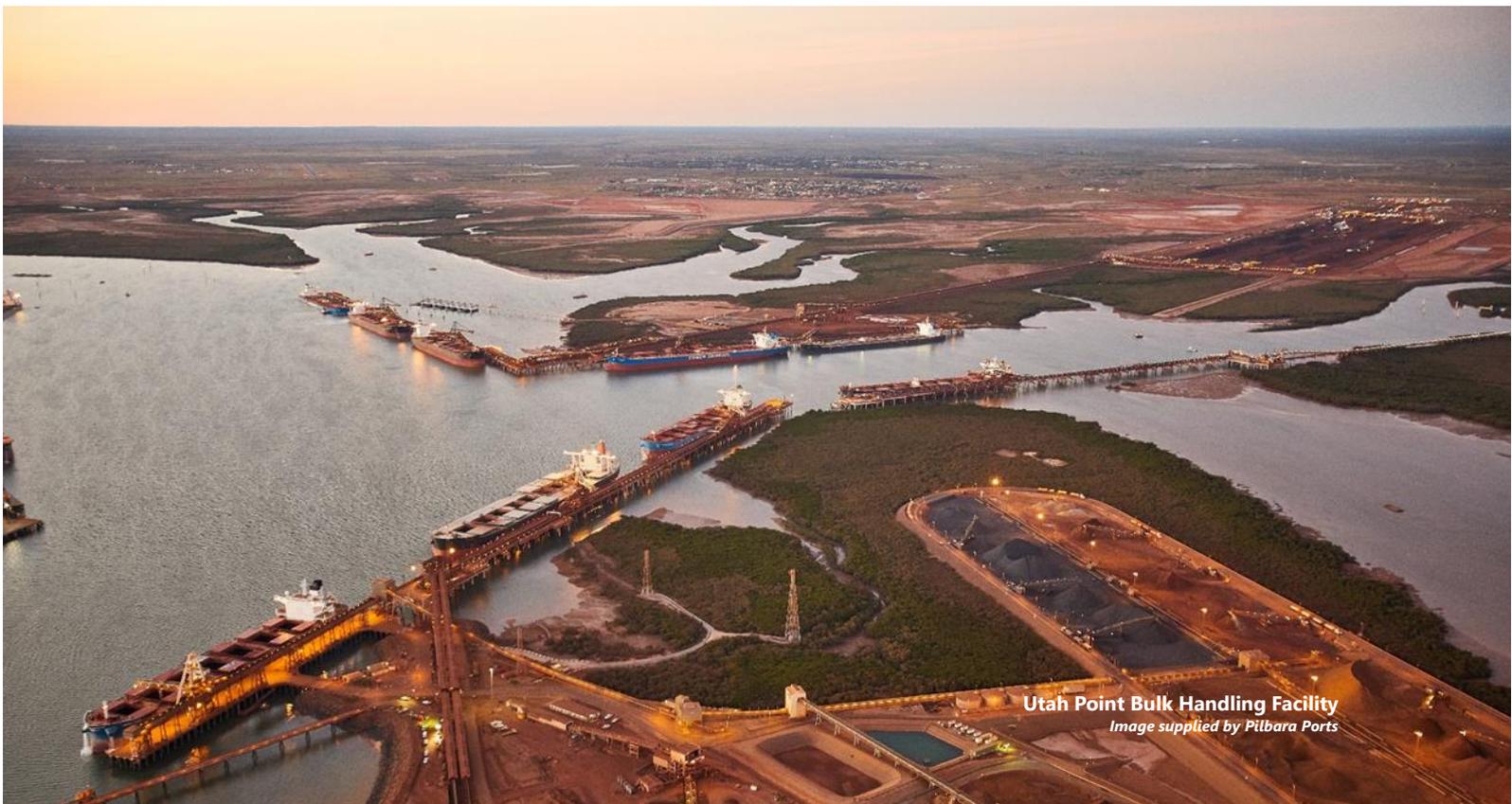


Figure 17: Utah Point annual throughput and environmental licence capacity



ORE PRICING AND ASSUMPTIONS

The past five years have seen a steady increase in iron ore prices due to increasing demand from China. Benchmark iron ore prices have risen from US\$75 per dry metric tonne (dmt) in early 2019 to a high of over US\$230/dmt in May 2021. More recently, iron ore prices have settled in a range of US\$100/dmt – US\$140/dmt, averaging US\$129/dmt over the past three years. Red Hawk has assumed a long-term iron ore price of US\$90/dmt and exchange rate of US\$0.675/A\$ in the PFS.

Iron is the most used industrial metal in the world, with steel production being the key driver of global iron ore demand - approximately 98% of all iron ore is used for steel making¹. Steel is mostly used for building and infrastructure, followed by mechanical equipment and automotive². Global GDP growth

correlates well with steel consumption and is primarily driven by emerging economies, of which China is the largest contributor. Urbanisation was and still is a key driver for construction in China, to provide housing and related infrastructure for transportation and services.

Steel production is dominated by China, which accounted for 54% of global steel production in 2023 and is over seven times more than the second largest steel producing country². Global steel production is forecast to increase by an average of 1.5% per annum over the next five years and surpass 2 billion tonnes by 2027³.

Due to its dominance in steel production, China is also the largest importer of iron ore, accounting for 74% of global seaborne iron ore in 2023³. Australia is the world's largest exporter of iron ore, shipping 884Mt or 57% of global seaborne iron ore in 2022. Australian production is forecast to reach ~1Bt by 2029⁴.

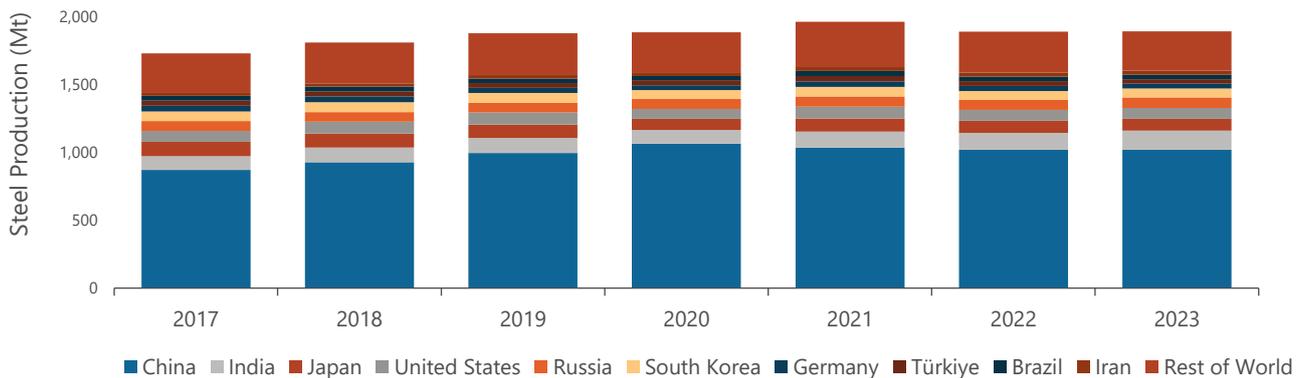


Figure 18: Global steel production by country²

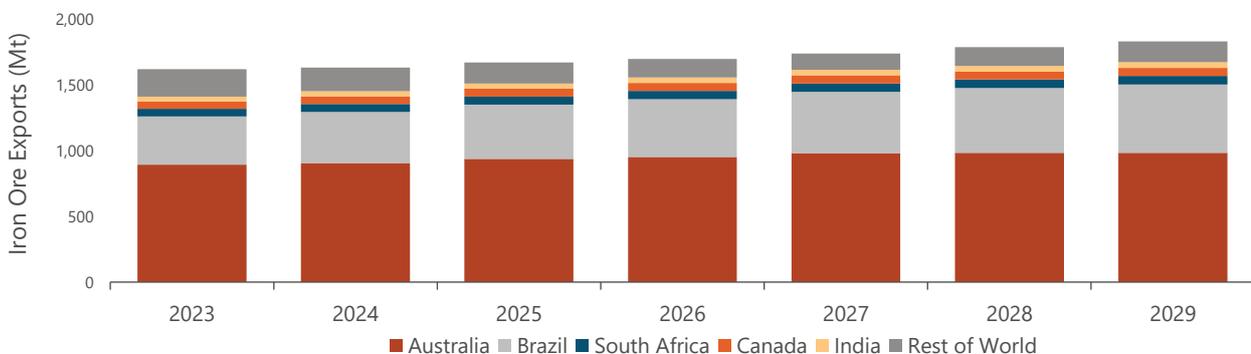


Figure 19: Global iron ore exports by country⁴

¹ Source: Geoscience Australia

² Source: World Steel Association

³ Source: S&P Market Intelligence, Iron ore global supply-demand balance, March 2024

⁴ Source: Australian Government, Office of the Chief Economist

Demand for seaborne iron ore has increased steadily over the past five years, driven by continued growth in Chinese steel production. The increase in demand, combined with supply disruptions in Brazil, has resulted in the Platts IODEX 62% Fe (CFR China) iron ore price trading consistently above US\$100/dmt. Since the start of 2020, the iron ore price has only fallen below US\$100/dmt for 18% of all trading days.

The average iron ore price over the past one, three and five years is US\$119/dmt, US\$129/dmt and US\$122/dmt, respectively.

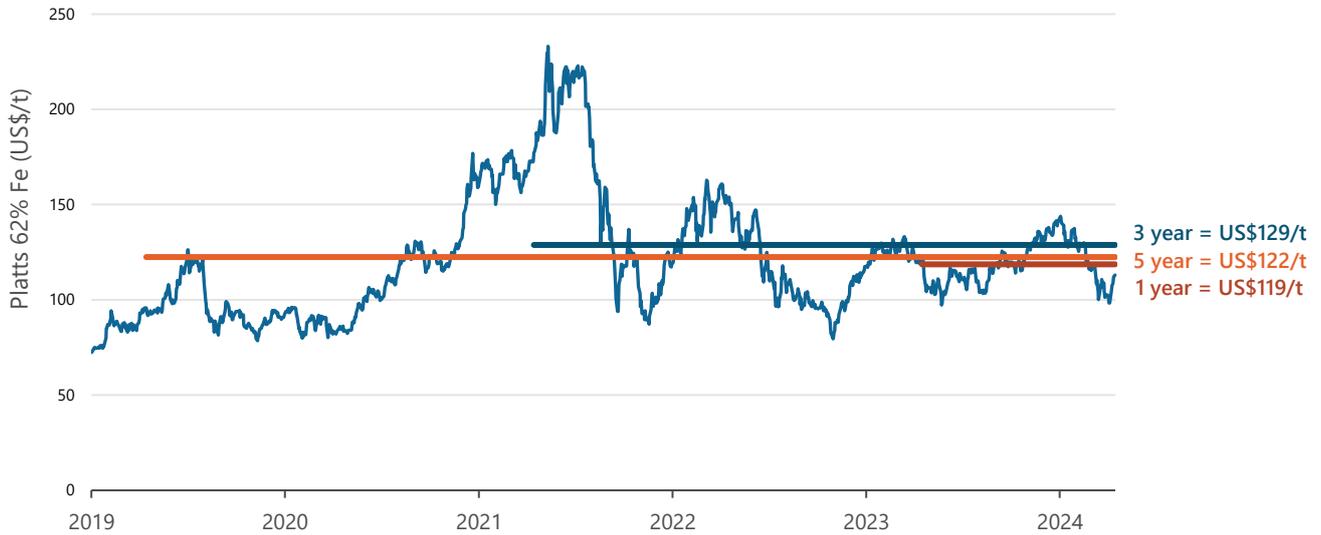


Figure 20: 5 year Platts IODEX 62% Fe (CFR China) iron ore price⁵

The Blacksmith PFS assumes a benchmark iron ore price (62% Fe) of US\$110/dmt in Year 1, reducing to a long-term price of US\$90/dmt. The long-term price is viewed as conservative when balanced against the average price over the past five years of US\$122/dmt and US\$95/dmt over the past decade.

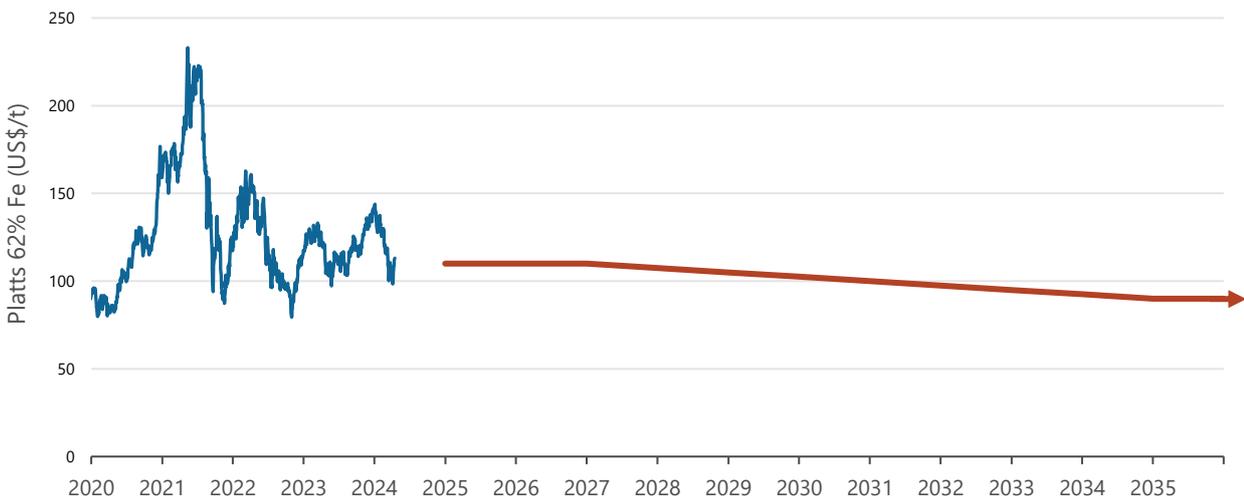


Figure 21: Platts 62% Fe iron ore price and Red Hawk assumptions⁵

⁵ Source: S&P Global (Platts)

Exchange rate

Over the past five years, the Australian dollar has traded in a broad range from a low of US\$0.574/A\$ to a high of US\$0.798/A\$. The exchange rate has averaged US\$0.663/A\$ since the start of 2023. The Blacksmith PFS assumes a flat real exchange rate of US\$0.675/A\$.

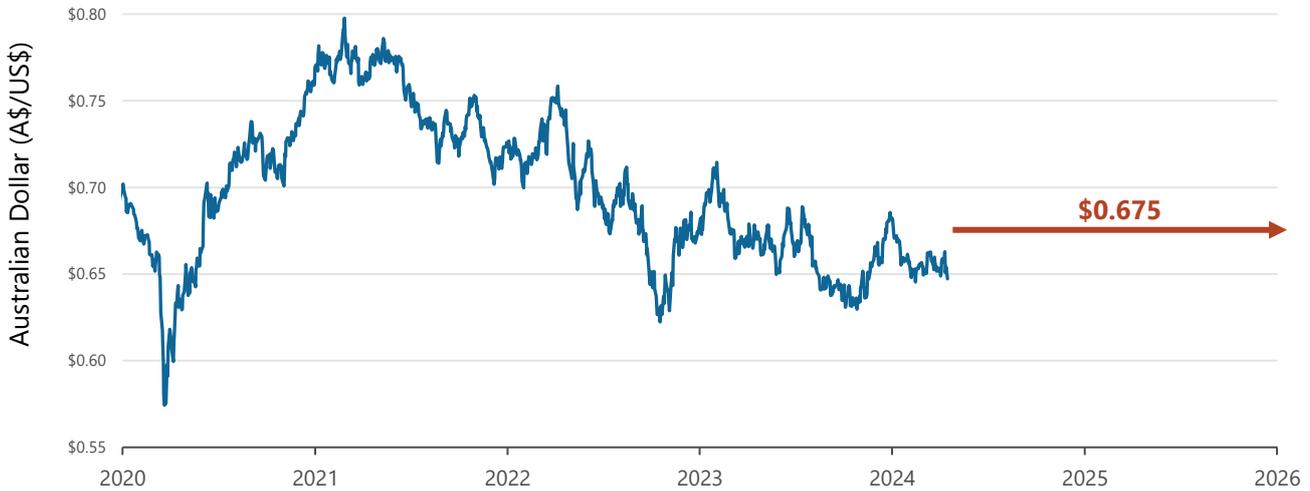


Figure 22: Historical Australian dollar and Red Hawk assumption

Iron ore is the largest commodity export in Australia by value, representing approximately 30% of all total commodity exports. As nearly all of Australia’s iron ore is exported, there is a strong correlation between the iron ore prices and the Australian dollar (correlation co-efficient 0.70). Figure 23 demonstrates the relationship between the iron ore price (Platts 62% Fe) and the Australian dollar (A\$/US\$) over the past five years. Given the strong relationship between these two variables, Red Hawk’s assumption of a flat exchange rate with a declining iron ore price appears conservative.

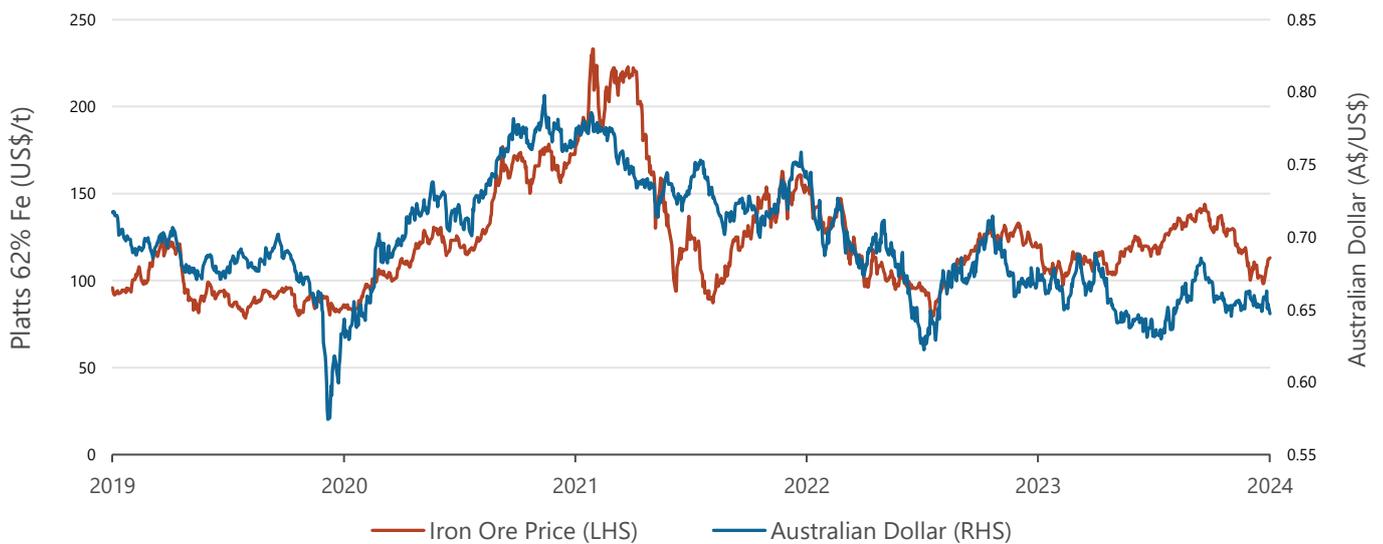


Figure 23: Iron ore price and Australian dollar correlation

PRODUCT QUALITY AND MARKETING

The Blacksmith Project will produce a direct shipping ore (DSO) fines product with a Life of Mine average grade of 60.5% Fe from a Pilbara standard dry crushing and screening process.

The fines product is expected to be in high demand as sinter feedstock for iron making with competitive chemical specification (Table 6).

Red Hawk has continued to develop its marketing strategy during the PFS. It is proposed to utilise a reputable iron ore trader to provide marketing services while developing a strong brand for the product. A number of trading groups have been approached by Red Hawk. These companies have all expressed interest in the product and supported the product pricing assumptions.

As Red Hawk matures, it is expected that some or all of the marketing functions will transition in-house. The Blacksmith deposit offers a long-life project allowing Red Hawk to take control of its marketing activities.

Additional testwork will be completed during the DFS to further improve the understanding of the properties of the ore and minimise any new entrant risk discount. This includes additional sinter testwork.

Previous sinter testwork, completed by CSIRO, University of Science and Technology Beijing, and CISRI (Beijing) has indicated the product will sinter well and is likely to be suitable for widespread use.

Table 6: Targeted product chemical specification

Product	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	LOI %
Life of Mine	60.5	4.96	3.09	0.08	0.03	4.5

It is expected the product will have an iron grade after sintering of 63.5% Fe and combined silica and alumina of ~8%. The product will most likely be sold into the Asian markets where it will compete with other Pilbara origin iron ores.

Due to the nature of the geology in the Blacksmith Project area, the fines product will be a mix of hematite and goethite mineralisation. The canga ore type is predominantly hematitic, whilst the Dales Gorge Member has higher levels of goethite.

There are existing products in the market exported from the Pilbara region with a similar mixed hematite and goethite composition (e.g. Rio Tinto Pilbara Blend Fines). Pilbara Blend Fines is a large tonnage product that has gained widespread acceptance by steel mills since its introduction. A comparison of the Red Hawk products against other Pilbara iron ores is provided in Figure 24.

Product specifications will continue to be refined through additional mine scheduling works in the DFS.

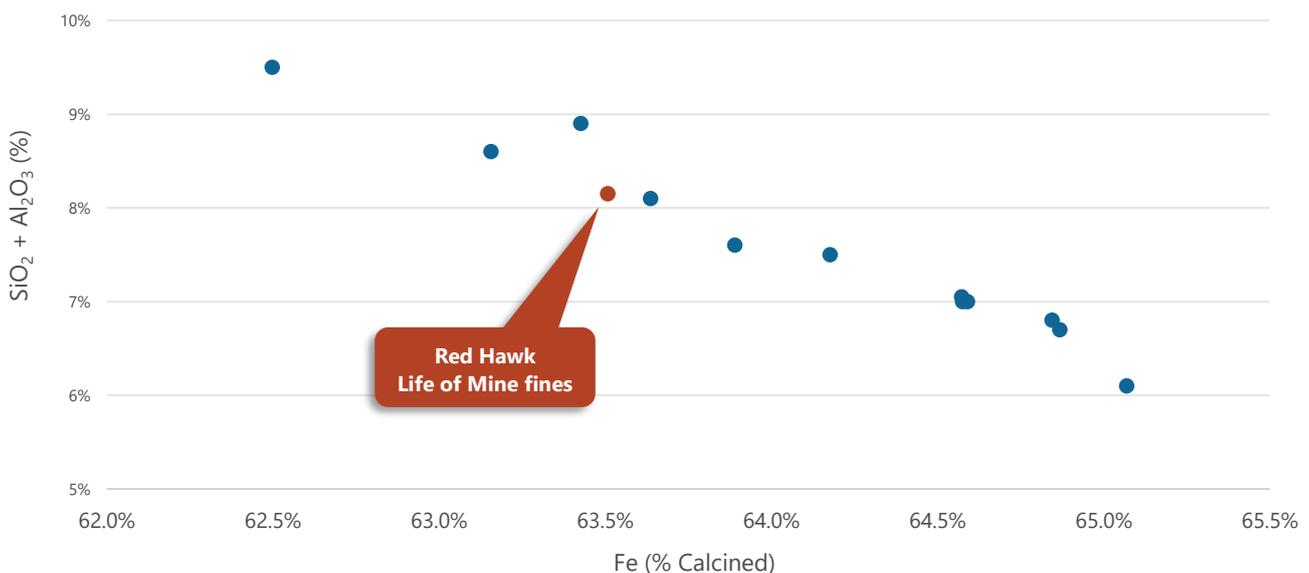


Figure 24: Pilbara iron ore product specifications v Red Hawk

CAPITAL COST

The capital cost estimate was led by Ausenco and developed alongside industry-leading vendors. Each major capital package was evaluated by multiple Pilbara-experienced contractors to confirm the Project’s contracting strategy and maximise its capital certainty.

The Project will be executed by using a majority-contracting delivery model, assigning each work area to technically proficient partners who possess the relevant delivery and operating experience. The major packages to be awarded include:

- raw water delivery
- Badger Village construction
- Mine Access Road construction
- mining services
- crushing services
- haulage services
- Whim Creek Village construction
- Whim Creek staging facility construction

Red Hawk’s contracting strategy sees initial development capital minimised and, where possible, deferred over the Life of Mine. Contractors have been supportive of the Project with pricing that incorporates capital recoupment over medium-term operating contracts.

A change in the Project’s logistics strategy since the Scoping Study has introduced new capital items (ASX announcement: *Blacksmith Project: DSO Scoping Study, 9 October 2023*). The Whim Creek staging facility will serve as the Project’s logistics hub and accommodate all haulage personnel. This has now expanded to support a 5Mtpa production case which will require \$14.0M of capital while the 260-person Whim Creek Village will cost \$32.8M.

Additionally, the PFS saw growth in the Project’s communications package and construction diesel usage, now totaling \$6.1M and \$9.9M respectively.

The 23km Mine Access Road will connect the Project to the Manuwarra Red Dog Highway and public road network. Along with the 6km Village Access Road at Whim Creek and other ancillary earthworks items, the total capital expenditure on roads is estimated to be \$49.4M (29% of total capital expenditure excluding contingency).

Operations at the Blacksmith site will be supported by a workforce of over 110 from the Owner’s Team, and the mining, crushing and facilities management contractors. The Badger Village will accommodate all on-site personnel, to be designed and constructed for a capital cost of \$21.0M.

The estimated cost to deliver the Blacksmith Project is \$216.8M, inclusive of a 20% contingency (\$35.3M), engineering, procurement, construction management (EPCM) costs (\$12.2M) and Owner’s Team costs (\$5.5M).

Capital intensity (capital cost per tonne of annual production) for the PFS is \$43/t, which is 13% lower than the Scoping Study at \$50/t of annual production.

Table 7: Capital cost summary

Item	\$M
Mining	19.9
Crushing	16.2
Roads	49.4
Non-Process Infrastructure (NPI)	56.3
Whim Creek	21.7
EPCM and Owner’s Team costs	17.7
Sub-total (excluding contingency)	181.5
Contingency (20%)	35.3
Total capital cost	216.8

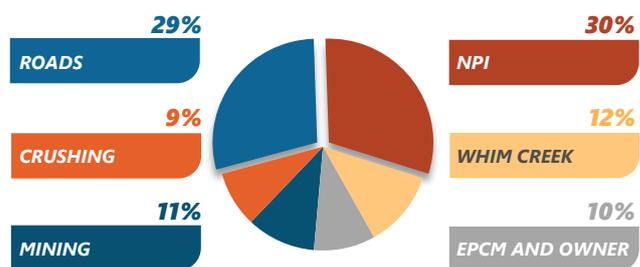


Figure 25: Capital cost summary (ex-contingency)

Capital growth risk was assessed at the individual cost centre level, assigning an appropriate percentage contingency to each package which amounted to a total weighted average of 20%.

All capital costs were developed to an AACE Class 4 accuracy level (-10% to +30%), with a base date of 1Q 2024.

OPERATING COST

Red Hawk has worked closely with operating contractors from each major work area to build a robust and assured Life of Mine cost profile. The PFS tests the operating strategy and sees it remain cost competitive relative to peers, confirming a Life of Mine C1 cash cost of US\$51.10 per tonne.

Ausenco led the development of the Life of Mine operating cost by inviting experienced iron ore contracting parties to review the Project and submit proposals aligned with their availability and expertise. Jointly with Ausenco, Red Hawk continued conversations with Main Roads WA and Pilbara Ports to analyse all costs associated with the Project's public infrastructure use.

The operating cost centres for the Project are:

- Mining
- Haulage
- Port
- Shipping
- Sustaining capital
- Crushing
- Diesel
- General & Administration (G & A)
- Sustaining capital expenditure
- Royalties

C1 cash cost

The Project's ability to deliver value is underpinned by a low C1 cash cost, generated using vendor proposals received throughout 4Q 2023 and 1Q 2024. Discussions with vendors are ongoing as Red Hawk seeks to optimise the Project's operating costs, with a particular focus on the cost reductions available should multiple packages be awarded to the same vendor.

Table 8: Life of Mine C1 cash cost

Cost centre	A\$/wmt	US\$/wmt	Source
Mining	11.24	7.59	Vendor pricing
Crushing	5.93	4.00	Vendor pricing
Haulage	44.51	30.05	MGM Bulk alliance
Port	10.67	7.20	Pilbara Ports
G & A	3.36	2.26	Multiple sources
C1 FOB	75.71	51.10	

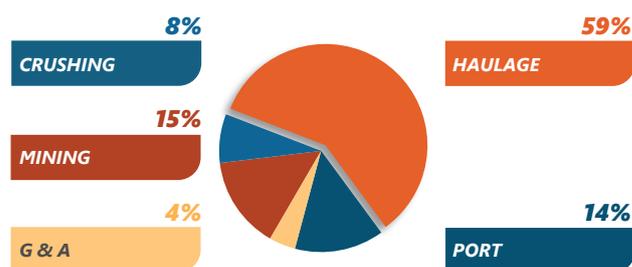


Figure 26: Operating cost summary

Total operating cost

The PFS total operating cost, inclusive of capital and royalties, remains consistent with Scoping Study outcomes. Moreover, each cost group experiences only slight percentage movements, validating previous operating estimates.

Table 9: Life of Mine C1 Cash cost – PFS and Scoping Study

Cost group	US\$/wmt		Change US\$/wmt	Variance %
	Scoping	PFS		
C1 FOB	49.92	51.10	1.18	2.37%
C2	60.40	63.67	3.27	5.42%
C3	65.85	70.42	4.57	6.94%

Mining cost

The Orelogy mine plan and physicals schedule was provided to four reputable mining contractors to return with pricing across five cost centres:

- overheads
- site preparation
- direct mining
- ore handling
- rehabilitation

Each cost centre was then averaged and used as the basis for mining costs within the financial model.

Crushing cost

Ausenco developed detailed pricing schedules which were issued to five crushing contractors. Both mobile and fixed operators, all with iron ore experience, were included to best gauge project optionality. A preferred contractor was selected and used as the crushing cost basis.

Haulage cost

Since the strategic partnership announcement on 11 March 2024 (Haulage Partnership with MGM Bulk), MGM Bulk and Red Hawk have worked collaboratively to advance and improve the Project's logistics strategy. Consequently, MGM Bulk's pricing has been included within the operating cost estimate and will continue to be optimised as each party works towards a mutually beneficial outcome.

Port cost

Red Hawk maintained a close working relationship with Pilbara Ports throughout the PFS to forecast and include any possible changes to the published 2023/2024 schedule of port charges (www.pilbaraports.com.au). This schedule of rates and Red Hawk's port cost build-up includes all pilotage, wharfage, berthage, storage and miscellaneous charges. Stevedoring charges were also included in the total port cost after consulting with Qube, the stevedoring contractor at Utah Point.

Shipping cost

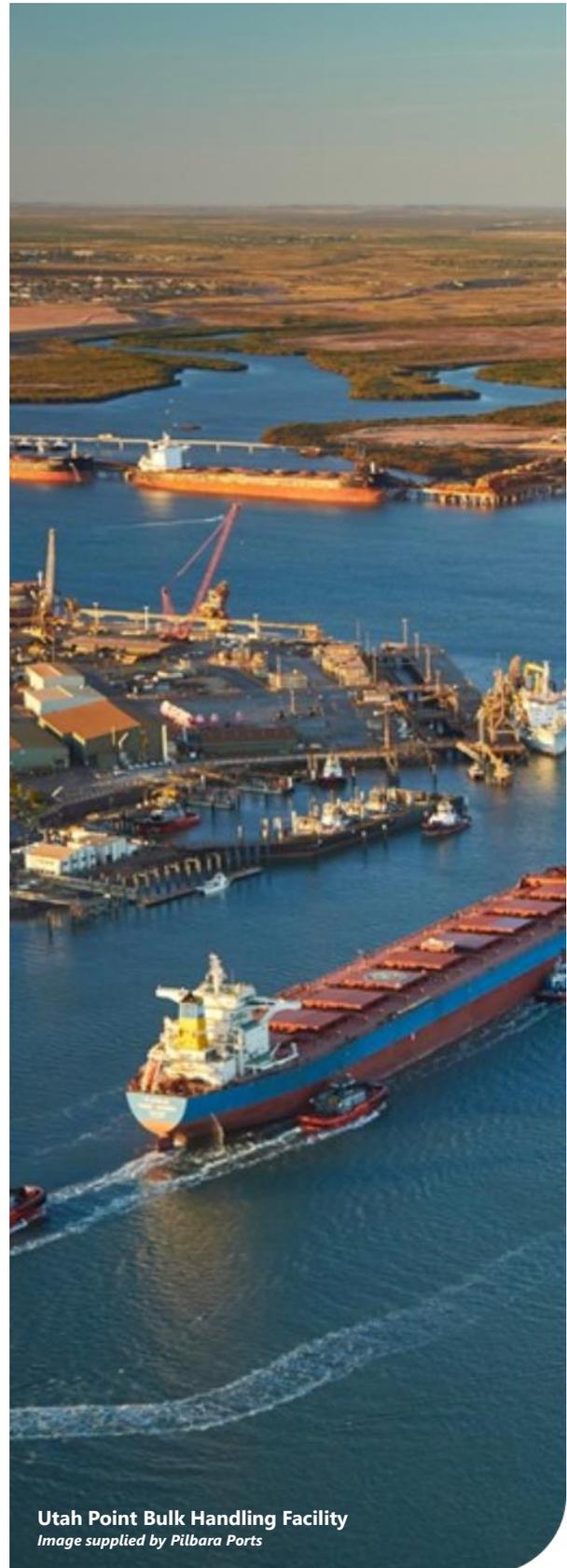
To estimate current and future shipping costs, Red Hawk engaged the reputable international shipping consultancy Clarksons. A look-ahead pricing model was built from dry bulk haulage futures contracts and included within the financial model.

Diesel cost

The Project sees diesel delivered to both Blacksmith and Whim Creek with a \$0.07/L differential, as quoted by BP during 1Q 2024. The diesel prices received were \$0.96/L and \$1.16/L for Blacksmith and Whim Creek respectively. Both of these prices are net of GST and the eligible fuel tax credit rates as published by the Australian Tax Office.

General & Administration cost

Contractor and Owner's Team accommodation, flights and other amenities make up the majority of the general and administrative cost. Additionally, a Red Hawk operations team and total salary cost were estimated and included.



Utah Point Bulk Handling Facility
Image supplied by Pilbara Ports

Wood Mackenzie C1 cost curve

A C1 cash cost of \$51.10 indicates that Red Hawk will be a competitive iron ore producer. Wood Mackenzie’s 2023 iron ore cost curve (Figure 27) illustrates Red Hawk’s position within a global market that receives over 60% of production from major producers. Positively, Red Hawk is placed in the forward half of the junior producer peer group, highlighting the low operating cost potential to be realised at the Blacksmith Project (Figure 28).

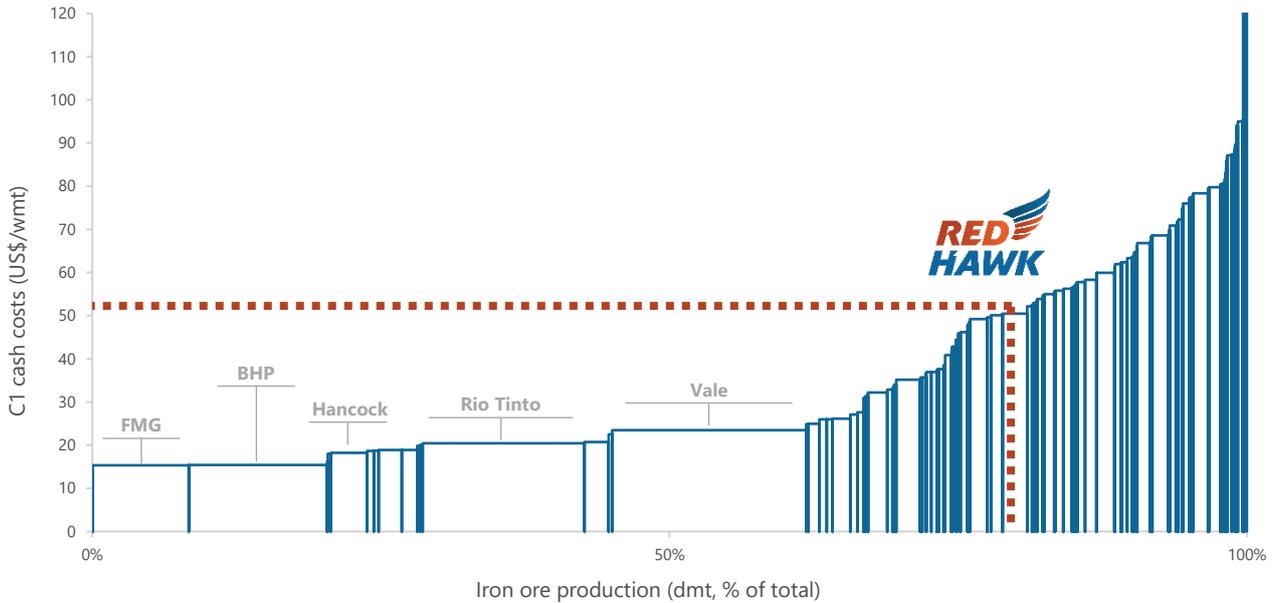


Figure 27: Wood Mackenzie C1 cost curve (all producers)

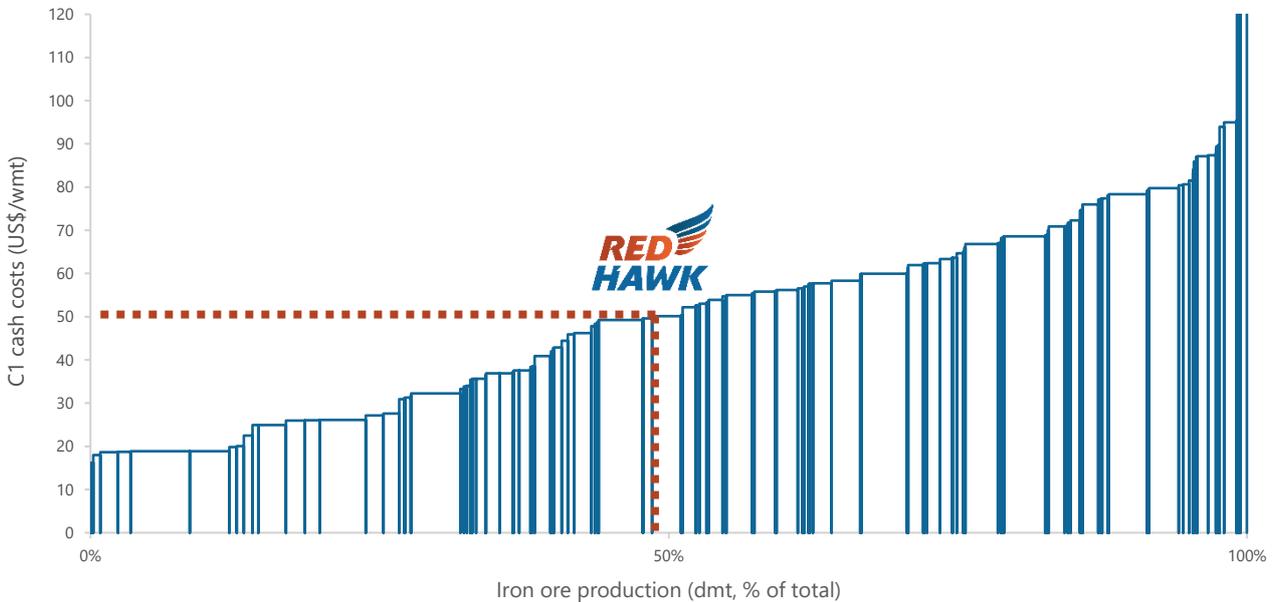


Figure 28: Wood Mackenzie C1 cost curve (excluding major producers)

TAX CONSIDERATIONS

Key taxation inputs to the financial model

Income tax rate	30%
Eligible carry forward tax losses 30 June 2023 ¹	\$148.9M

1. Pitcher Partners is engaged by Red Hawk for the provision of taxation and other services which included a review of the eligibility of the brought forward tax losses and specifically in relation to the Same Business and Continuity of Ownership tests.

Depreciation methods

Mining and transport infrastructure development costs are allocated to a project pool and depreciated from date of first use over the Life of Mine using the diminishing value method to calculate the depreciation amount applicable to each period.

Fuel Tax Credit regime

The Fuel Tax Credit (FTC) regime exists to provide businesses with a credit, equal to the excise amount, to the extent that the fuel is used to operate. The applicable FTC rate is applied to each category of usage as listed in Table 10.

Table 10: Current fuel tax credit rates

Eligible fuel type	Used in heavy vehicles for travelling on public roads (cents per litre)	Fuels used for all other business uses ² (cents per litre)
Liquid fuels e.g. diesel or petrol	20.8	49.6

2. Including power generation and haulage (off-public roads)

The bulk retail diesel costs of \$1.60/litre delivered to Blacksmith and \$1.53/litre delivered to Whim Creek staging facility used in the model are inclusive

of all taxes and GST. The applicable FTC rate is applied to each category of usage and the net fuel costs were \$0.96/litre at Blacksmith and \$1.16/litre at Whim Creek.

Eligibility

Haulage

- Mining access roads are specifically included in the definition of 'road'
- Haulage on public roads, including the Manuwarra Red Dog Highway remains eligible for the lower rate

Mining activities

- Diesel usage for the majority of on-site activities is eligible for the higher FTC rate including:
 - mining and transport
 - crushing
 - power generation

Other considerations

Public / non-public road use

Total haulage distance metrics for the recommended haulage options:

- mine site to Whim Creek 332km (including 23km of Mine Access Road, i.e. off public road)
- Whim Creek to Utah Point 114km

The current apportionment by distance travelled may significantly understate the FTC that can be claimed at the higher rate for haulage. Further work is warranted in this area including:

- detailed fuel usage studies and simulation to provide a more accurate apportionment methodology
- utilisation of in-vehicle telematics data to generate accurate usage metrics



Location for Whim Creek staging facility

FINANCIAL ANALYSIS

An independent financial analysis of the Blacksmith Project was conducted by FTI Consulting showing a pre-tax NPV_{8%} of \$523M. The model incorporates the capital and operating costs generated by Ausenco and Orelogy throughout the PFS. To align with mining and production plans, a detailed financial model was developed on a monthly basis, illustrating the Project’s ability to generate value and deliver positive financial outcomes.

The financial model uses a discounted cashflow valuation methodology to assess the financial viability of the Project. The base case assumes a production target of 5Mtpa of ore with an average grade of 60.5% Fe. The model outputs and spot price comparison are summarised in Table 11.

Revenue

The model assumes a benchmark iron ore price (62% Fe) of US\$110/dmt in Year 1, reducing to a long-term price of US\$90/dmt. A new market entrant discount of 0.9% was applied to the first three years of revenue based on advice from iron ore traders who were consulted. Along with various grading discounts to the CFR benchmark, the Life of Mine realised price is \$125.8/dmt.

A pre-tax NPV_{8%} of \$523M demonstrates the robust economic potential of the Blacksmith Project. Over its 23-year mine life, the Project is expected to deliver cumulative pre-tax cashflows of \$1,382M with total revenues approaching \$12.0 billion.

Spot price analysis

Red Hawk has assessed the value of the Blacksmith Project using current spot prices for:

- iron ore – US\$117.50/tonne
- exchange rate – US\$0.6421/A\$
- diesel (terminal gate pricing) – \$1.85/litre

Using these spot prices, the NPV_{8%} (pre-tax) increases by 247% to \$1,815M with an IRR (pre-tax) of 52%. The capital payback on the Project at current spot prices is under 2.5 years from first revenue.

Table 11: Financial analysis (PFS and Spot Prices)

	PFS ASSUMPTIONS	SPOT PRICES
REVENUE	\$11,960M	\$15,871M
NET CASHFLOW (PRE-TAX)	\$1,382M	\$4,759M
NPV_{8%} (PRE-TAX)	\$523M	\$1,815M
IRR (PRE-TAX)	31%	52%
NPV_{8%} (POST-TAX)	\$365M	\$1,272M
IRR (POST-TAX)	27%	45%
CAPITAL PAYBACK	3.3 years	2.3 years

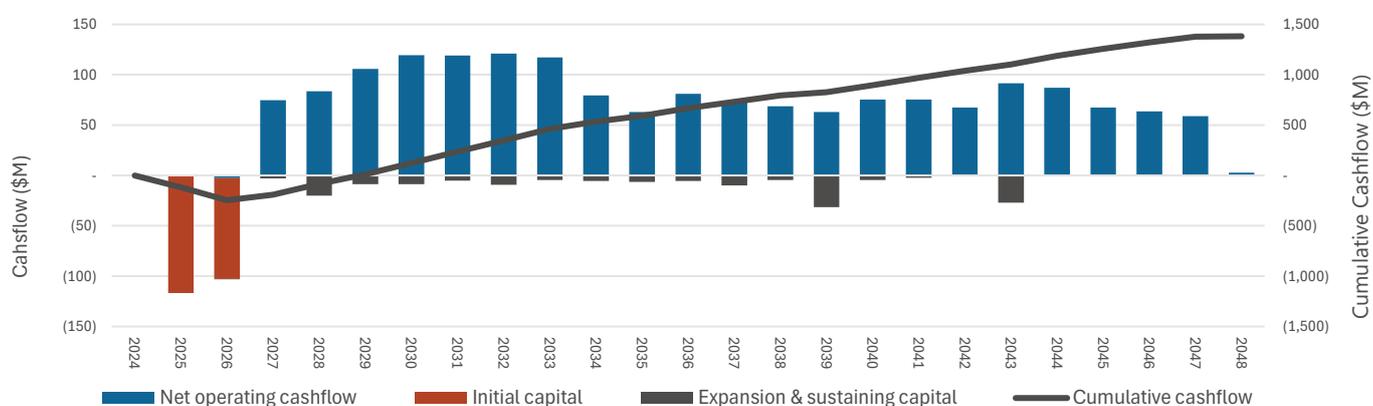


Figure 29: Project Life of Mine cashflows (pre-tax)

Sensitivity

A sensitivity analysis was conducted to understand the Project's performance under different operating scenarios. As shown, the Project is resilient to movements in capital expenditure and diesel prices but will experience large value swings as base operating costs change. The Project is also highly sensitive to the iron ore price and exchange rate.

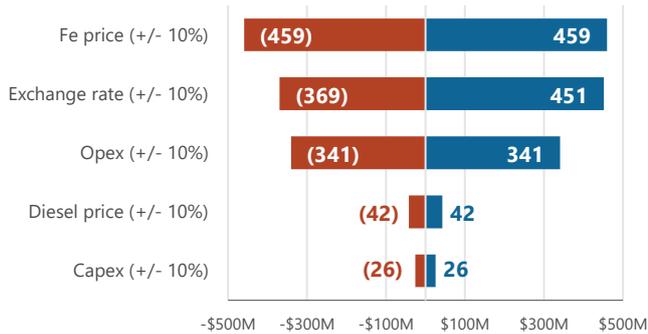
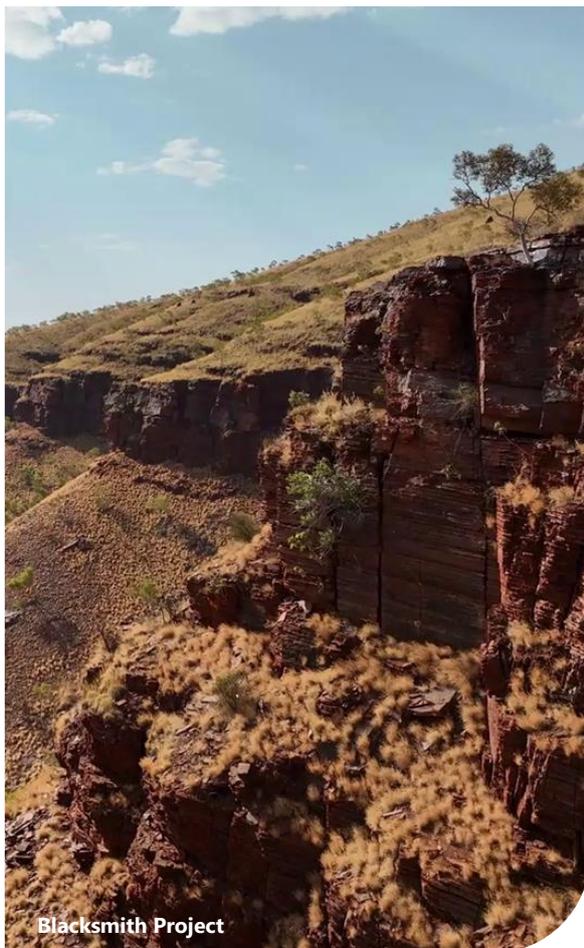


Figure 30: Project NPV_{8%} sensitivity analysis



Scoping Study comparison

Red Hawk completed a Scoping Study for the Blacksmith Project in October 2023. The Scoping Study was based on development of the Delta and Paragon deposits at a nameplate capacity of 3Mtpa. The PFS has added the Blackjack and Champion deposits into the production profile and, as a result of the larger resource base, has increased annual production capacity to 5Mtpa, while maintaining a +20 year LOM. Table 12 summarises the key components of the Scoping Study and PFS.

Table 12: Scoping Study and PFS Comparison

	SCOPING STUDY	PFS	CHANGE
RESOURCES	100Mt	174Mt	+74%
RESERVES	-	46Mt	N/A
LIFE OF MINE PRODUCTION	55Mt	95Mt	+72%
LIFE OF MINE GRADE	60.5% Fe	60.5% Fe	-
ANNUAL PRODUCTION	3Mtpa	5Mtpa	+66%
LIFE OF MINE	20 years	23 years	+10%
C1 CASH COSTS	US\$50/t	US\$51/t	+2%
ALL IN COSTS	US\$66/t	US\$70/t	+6%
CAPITAL COSTS	\$150M	\$217M	+45%
CAPITAL PAYBACK	3.1 years	3.3 years	+6%
CAPITAL EFFICIENCY	\$50/tpa	\$43/tpa	-13%
NPV_{8%} (PRE-TAX)	\$356M	\$523M	+47%
IRR (PRE-TAX)	35%	31%	-11%

EXECUTION

Red Hawk has matured the Blacksmith Project Execution Plan during the completion of the PFS. Ongoing heritage, approvals, and technical work streams combined with significant market engagement has generated a robust and predictable execution strategy.

The Project continues to rely on existing and planned public infrastructure to provide a path to market. Liaison with Main Roads WA and Pilbara Ports has confirmed access to public roads and potential capacity at the Utah Point Bulk Handling Facility.

Contracting strategy

During the PFS a project contracting strategy was developed and validated through market engagement. The strategy sees each major work area contracted to an industry-leading specialist, providing capital certainty while minimising execution and operational risks. The more significant packages include:

- contract mining (services contract)
- contract crushing (Build Own Operate contract)
- road haulage (unit rates-based alliance)
- village construction (Design & Construct)
- road construction (construct only)
- village facilities management

Commercial engagement with Pilbara-experienced contractors has confirmed their interest, expertise and available capacity for the execution of project packages. In addition, they have provided inputs into the capital and operating costs.

ESG and approvals

Further engineering design has improved project scope definition and allowed heritage activities to be focused on locations required for critical infrastructure and the initial years of mining.

Targeted surveys, covering outstanding areas within the 5-year development envelope are scheduled to be undertaken by WGAC in 2024, along with the development of a Cultural Heritage Management Plan (**CHMP**).

Land access and primary approvals are well progressed to enable commencement of construction activities. An initial Mining Proposal

has been submitted to accelerate the delivery of critical path infrastructure at Blacksmith. A secondary Mining Proposal is due to be submitted in 3Q 2024 covering all remaining infrastructure, pits and waste rock landforms.

Other land access and approvals activities will include acquiring remaining tenure and outstanding environmental approvals for the Mine Access Road and the Whim Creek staging facility.

Definitive Feasibility Study

Following the PFS, a Definitive Feasibility Study (**DFS**) will be undertaken. The purpose of the DFS will be to improve the level of project definition sufficient to allow approval of project execution and to support subsequent funding activities. Red Hawk currently expects to complete the DFS in 1Q 2025.

The DFS will complete additional drilling and test-pitting to convert a portion of the existing Indicated Resource to the Measured category and acquire geotechnical data for earthwork infrastructure design. Further testwork will be undertaken to confirm the material handling and sinter properties of the ore, and to finalise characterisation of the waste.

Engineering and design will be progressed to support approvals activities and to improve scope definition, and capital and operating cost accuracy. Critical path designs will be prioritised to facilitate the commencement of Early Works.

During the DFS, commercial activities will be progressed to allow preferred contractors to be selected and critical path activities to be awarded. This will include finalising the commercial agreements with MGM Bulk for the provision of haulage services and Pilbara Ports for access to Utah Point.

Early Works

The Project schedule requires that certain critical path activities be initiated before the Final Investment Decision date (expected to be 1Q 2025). These activities have been designated early-works and include:

- procurement of long-lead equipment such as Badger Village buildings
- development of raw water bores at Delta, Badger and the Mine Access Road

- construction of the Badger Village to provide accommodation for the construction workforce
- commencement of the Mine Access Road package
- commencement of the communications services package

To supplement Red Hawk's execution capabilities a suitably experienced EPCM or PMC contractor will be employed to manage the execution of Project activities. Most of the design work for the Project will be completed by contractors engaged on a build own operate (**BOO**) or design and construct (**D&C**) basis.

Organisational capability

Prior to Final Investment Decision, Red Hawk will progress the development of its organisational capabilities to meet the requirements of construction and operation. Important work streams include:

- the identification and implementation of an improved ESG strategy and framework
- continued development of the health and safety function to ensure capacity to manage construction activities
- the early ramp up of operational readiness planning, including the development of an Operational Readiness Plan
- the identification and progressive employment of the Red Hawk team required for execution and operations

Post Final Investment Decision

Following the Final Investment Decision, Red Hawk will award and mobilise the remaining contractors in accordance with schedule requirements.

The construction workforce will be accommodated at the newly commissioned Badger Village and at the existing Blacksmith exploration camp.

The Whim Creek workforce will commute from local centres until the Whim Creek Village is available.

Construction activities have been sequenced to ensure an orderly and progressive development of the site, with interfaces between contractors well defined. An opportunity exists to consider execution of mining, crushing and building of internal access roads via a single contract to eliminate interfaces. This will be further considered in the DFS.

Project schedule

The critical path for the Project is expected to include approval of the mining proposals, camp construction, mine access road construction and commissioning. During the DFS, early commitment will be made for long-lead items to ensure critical path activities remain on schedule.

The schedule has construction of the Badger Camp commencing in late 2024. Once a production decision is made, it is expected to take three months to mobilise the Mine Access Road contractor with mining and crushing contractors mobilised three months later. Based on the current development schedule, first ore on truck is expected to be six months after commencement of the Mine Access Road.



Existing Blacksmith exploration camp

NEXT STEPS

Through the development of the PFS, Red Hawk has matured its execution strategy to align with the targeted project delivery dates.

The execution of the Project will be achieved by:

- continuing to progress approvals
- completing a comprehensive DFS
- executing an Early Works Program

Approvals

The regulatory approvals will continue to be progressed during the DFS. The immediate project approvals being sought are:

- granting of tenure for Mine Access Road
- Mining Proposal
- approval for 5C water licences
- granting of tenure for Whim Creek
- heritage survey reports for Project footprint
- Blacksmith State EP Act amendments
- Federal Environmental approval amendments
- Main Roads WA and Pilbara Ports approvals and access agreements executed

Definitive Feasibility Study

The DFS will produce baseline documentation for the execution, commissioning and operation of the Project as well as providing a baseline scope to measure the financial viability of the Project. The immediate steps are to:

- award lead study contract
- infill drilling and full Delta Resource upgrade to Measured category
- progress engineering design to “Issued for tender” level in alignment with contract strategy
- award EPCM contract and Early Works packages
- finalise operational readiness strategy
- AACE Level 3 cost estimates
- financial model update
- funding secured and Final Investment Decision

Early Works Program

The Early Works Program has been designed to progress key critical capital work expenditure that must progress prior to Final Investment Decision to meet the First Ore on Ship target date. This will involve the design acceleration of the following packages within the DFS phase to an “Issue for Construction” level and then execution or commencement of:

- utilities and common infrastructure including establishment of construction water bores and raw water infrastructure
- Village Access Road and village bulk earthworks
- Badger Village construction through early contractor involvement
- commencement of the Mine Access Road



COMPETENT PERSONS' STATEMENTS

Previously Reported Information:

The information in this report that relates to the Blacksmith Iron Ore Project Mineral Resource and Ore Reserve which was prepared in accordance with the requirements of the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012). The Mineral Resource information was included in the Company's previous announcements as follows:

ASX announcements dated:

- 6 September 2023: *DSO Mineral Resource Estimate: Delta and Paragon Deposits*
- 16 October 2023: *DSO Mineral Resource Upgrade: Champion and Blackjack*

or see www.redhawkmining.com.au

Competent Persons' Statements:

The information in this report that relates to Mineral Resources for the Delta, Paragon, 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 ERM Australia (formerly CSA Global) 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 ERM Australia (formerly CSA Global), 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 JORC Code (2012). 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 announcement continue to apply and have not materially changed from the original announcements and that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original announcements on 6 September 2023 and 16 October 2023.

The information in this report that relates to Ore Reserves for the Delta deposit is based on and fairly represents information compiled by Mr Ross Cheyne. Mr Ross Cheyne is a full-time employee and Head of Consulting with Orelogy and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Ross Cheyne has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Competent Person as defined in the JORC Code (2012). Mr Ross Cheyne consents to the inclusion of the information in this report in the form and context in which it appears.



APPENDIX A - JORC TABLE 1

The following Table sourced from the JORC Code (2012) is provided as advised in the ASX Guidelines.

Criteria listed in the preceding sections, contained in the ASX announcements of 6 September 2023 and 16 October 2023, also apply to this section.

Section 4 – Estimation and Reporting of Ore Reserves

Criteria	JORC Code explanation	Commentary
Mineral Resource Estimate for conversion to Ore Reserves	<ul style="list-style-type: none"> Description of the Mineral Resource Estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves. 	<p>The Blacksmith DSO Project has a total resource base of 173.9Mt of Indicated and Inferred resource at 60.0% Fe (at 57.5% Fe cut-off) as reported in the ASX announcement of 16 October 2023.</p> <p>The April 2024 Blacksmith Ore Reserve is based on the Mineral Resource for the Delta deposit of the Blacksmith Project. This comprises 83.9Mt of Indicated resource at 60.2% Fe (at 57.5% Fe cut-off) as reported in the ASX announcement of 6 September 2023.</p> <p>The Competent Persons for the Mineral Resources are Mr Aaron Meakin and Mr Mark Pudovskis, who are both full-time employees of ERM Australia (formerly CSA Global).</p> <p>Mineral Resources are reported inclusive of Ore Reserves.</p>
Site visits	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<p>Mr Ross Cheyne, the Competent Person for this Ore Reserve statement is a full-time employee of Orelogy Consulting Pty Ltd (Orelogy). A site visit was carried out by Mr Ross Cheyne in August 2019. The site visit comprised two days on site where Mr Cheyne visited:</p> <ul style="list-style-type: none"> All the deposits for Blacksmith Project. The potential location of plant, camp, and airstrip. Inspected the core available at site. Some of the areas of potential heritage areas.
Study status	<ul style="list-style-type: none"> The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered. 	<p>The Ore Reserve estimate for the Blacksmith Project is based on a Pre-Feasibility Study (PFS) completed in April 2024. The objective of this PFS was to develop an integrated Life of Mine plan to produce a direct shipping ore (DSO) quality product at a nominal production rate of 5Mtpa over the life of the project. The product will be hauled from the Blacksmith site to the Utah Point bulk handling facility at Port Hedland for transport to customers globally.</p> <p>The PFS evaluated the Delta, Paragon, Blackjack and Champion deposits. However, the Ore Reserve is based on the Delta deposit only.</p> <p>The PFS study was compiled by Ausenco Pty Ltd with input from:</p> <ul style="list-style-type: none"> Resource and geology – ERM Australia (formerly CSA Global) Open pit geotechnical - SME Geotechnical Pty Ltd Mine Planning and Ore Reserve - Orelogy Consulting Pty Ltd Metallurgical testwork, process design and non-process infrastructure – Ausenco Services Pty Ltd, Neomet Engineering Pty Ltd, NewPro Consulting and Engineering Services Pty Ltd Hydrology and hydrogeology - Worley Consulting Pty Ltd Environment – Preston Consulting Pty Ltd, Rapallo Pty Ltd, Vicki Long and Associates Logistics – Pastin Solutions Pty Ltd, Hypercube Scientific Pty Ltd, MGM Bulk Pty Ltd Technical Marketing – NeoMet Engineering Pty Ltd Financial analysis – FTI Consulting Pty Ltd
Cut-off parameters	<ul style="list-style-type: none"> The basis of the cut-off grade(s) or quality parameters applied. 	<p>A mine cut-off of 57.9% Fe was applied to generate a marketable DSO product averaging 60.5% Fe while also keeping deleterious grades (primarily Al₂O₃ and SiO₂) within reasonable levels.</p>

Criteria	JORC Code explanation	Commentary
Mining factors or assumptions	<ul style="list-style-type: none"> • <i>The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</i> • <i>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</i> • <i>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</i> • <i>The major assumptions made, and Mineral Resource model used for pit and stope optimisation (if appropriate).</i> • <i>The mining dilution factors used.</i> • <i>The mining recovery factors used.</i> • <i>Any minimum mining widths used.</i> • <i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i> • <i>The infrastructure requirements of the selected mining methods.</i> 	<p>The Ore Reserve Estimate is underpinned by mine plans that deliver ore for processing on site to produce a DSO product for export. At the close out of the PFS, Red Hawk elected to exclude Paragon from the Ore Reserve for the purposes of the PFS. This was determined on the basis of the lower level of maturity of the Paragon resource in terms of orebody knowledge and clarity around external modifying factors such as heritage, water and environmental aspects.</p> <p>A truck/shovel open pit mining methodology was utilised for the Study comprising the conventional drill/blast /load/haul production cycle. Ore will be transported from the open pits by mine haul truck to a processing facility located central to the Delta deposit. Waste rock will be placed in waste rock landforms adjacent to the open pits.</p> <p>The mine planning activities undertaken to derive the Ore Reserve included:</p> <ul style="list-style-type: none"> • The Mineral Resource block model was converted to a mining block model by regularising to a single block size appropriate for the mining equipment. This was achieved by accumulating the 0.5m high resource blocks to a 2m high block reflecting the selected mining bench height. The result of the regularisation process was a dilution of tonnes by 4.5% and an ore loss of 7.5% due to material being diluted below the resource cut-off of 57.5% Fe. • The Study assumes material will be blasted to a 4m high design bench and excavated in 2 x 2 m high flitches to suit the selected mining fleet. The final base of the pit can be blasted at 6m if required to achieve the designed level. • SME Geotechnical was commissioned to undertake a geotechnical review of the open pits to a PFS level. Interim slope design criteria were provided by SME which were utilised for the pit designs on which the Ore Reserve is based. Final designs were subsequently reviewed by SME. • Open pit optimisation proprietary software was utilised to develop pit geometries that provided the inventory for the PFS. The optimisation process used initial estimates of the various modifying factors. The resulting shells were used as the basis for the pit designs on which the Ore Reserve is based. A subsequent validation optimisation was undertaken late in the PFS process which confirmed the validity of the pit designs and associated Ore Reserve. • A mine schedule was generated for the Delta pits only. Inferred resources were included in the schedule but it amounts to less than 1.5% of the subsequent production targets and is therefore considered immaterial to the outcome. <p>It has been assumed mining will be undertaken by a mining contractor. Submissions to a Request for Budget Pricing was received from four suitably qualified and experienced mining contractors. The selected submission price was utilised to develop a detailed mining cost estimate for the PFS.</p> <p>An area for the contractors mining facilities (workshop, laydown, fuel dispensing, washdown, offices etc.) has been demarcated adjacent to the proposed processing facilities.</p>
Metallurgical factors or assumptions	<ul style="list-style-type: none"> • <i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i> • <i>Whether the metallurgical process is well-tested technology or novel in nature.</i> • <i>The nature, amount and representativeness of metallurgical testwork</i> 	<ul style="list-style-type: none"> • There is no metallurgical processing to complete a chemical or product upgrade. The process proposed in the PFS is to produce a fines only direct shipping ore product. • Historical testwork data was utilised to supplement the PFS testwork provide comminution (crushing) characteristics used in for input to this Study. The historical works are extensive and provide suitable geological and expanded spatial coverage to be utilised for this Study. • The process flowsheet is a well understood Pilbara standard crushing and screening flowsheet to produce fines only product.

Criteria	JORC Code explanation	Commentary
	<p><i>undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i></p> <ul style="list-style-type: none"> • Any assumptions or allowances made for deleterious elements. • The existence of any bulk sample or pilot scale testwork and the degree to which such samples are considered representative of the orebody as a whole. • For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications? 	<ul style="list-style-type: none"> • There are no product or grade splits required to be implemented for this flowsheet. • Product chemical specifications are derived from the mine schedule. • There are no significant unreported deleterious elements and to date, no bulk samples have been taken.
Environmental	<ul style="list-style-type: none"> • <i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i> 	<ul style="list-style-type: none"> • Approval for the Project under the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (EPBC Act) and Ministerial Statements (MS) under Part IV of the <i>Environmental Protection Act 1986</i> was given across two stages. <ul style="list-style-type: none"> ○ EPBC 2011/6152 and MS 924 Development of iron ore mine pits within the Blacksmith mining tenement, up to 50Mtpa ○ EPBC 2015/7495 and MS 1014 The expansion of mining areas and the development of infrastructure outside the Blacksmith mining tenement Red Hawk has applied for amendments to these approvals. • A Preliminary Mining Proposal and Mine Closure Plan have been submitted to Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) to allow for commencement of preliminary infrastructure including the camp and access road and are currently under assessment. • A Groundwater Dependent Vegetation Monitoring and Management Plan has been approved by EPA Services (2 Aug 2022) on the basis that mining will be above the water table. • The Blacksmith Project has identified waste rock landform locations based on waste characterisation studies completed to date. The studies have identified the Resource as not containing any elevated sulphur or material occurrences of asbestiform materials.
Infrastructure	<ul style="list-style-type: none"> • <i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i> 	<p>The Blacksmith Project will use the Manuwarra Red Dog Highway (MRDH) for access to / from site and transport of ore to the port. A 23km Mine Access Road will be constructed between the mine and the MRDH.</p> <p>Utah Point Bulk Handling Facility will be used for export of the product. Power will be generated on site via diesel gensets.</p> <p>Accommodation at the mine will be provided by Red Hawk.</p> <p>Water supply for the operation will be provided by existing production bores.</p> <p>Local regional airports will be used to transport FIFO personnel.</p>

Criteria	JORC Code explanation	Commentary
Costs	<ul style="list-style-type: none"> • The derivation of, or assumptions made, regarding projected capital costs in the study. • The methodology used to estimate operating costs. • Allowances made for the content of deleterious elements. • The source of exchange rates used in the study. • Derivation of transportation charges. • The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. • The allowances made for royalties payable, both Government and private. 	<p>Mining costs are derived from submission from mining contracting groups to a Request for Budget Pricing. The cost included all mine production related activities as well as mobilisation and site establishment, mine rehabilitation and demobilisation.</p> <p>A capital cost estimate based on PFS level design and engineering has been developed for:</p> <ul style="list-style-type: none"> • process plant and associated infrastructure • site accommodation camp • infrastructure related to site access and product transport to Port Hedland <p>The costs have been estimated using budget pricing, first principal cost estimates or from historical project costs and have been derived from material take offs wherever possible. Target accuracy of the capital cost estimate complies with the requirements of AACE Class 3 (+20% / -15%).</p> <p>The ore processing to produce a DSO product has been developed by Ausenco to a level of accuracy suitable for a PFS, also utilising budget pricing, first principal cost estimates or from historical project costs.</p> <p>DSO product transport cost from site to the Utah Point Bulk Handling Facility at Port Hedland has been developed by MGM Bulk Pty Ltd.</p> <p>DSO product cost for stockpile management and out-loading to vessels has been provided by Pilbara Ports and Qube.</p> <p>The cost of diesel (bulk diesel retail price delivered to Blacksmith) has been assumed as \$1.60/L for Life of Mine (LOM).</p>
Revenue factors	<ul style="list-style-type: none"> • The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. • The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products. 	<p>Product grade and impurity levels has been determined from the Mine Plan.</p> <p>The sale price is derived from the Platts IODEX 62% Fe benchmark 5-year historical prices.</p> <p>Estimated penalties for grade and impurities have been developed by Neomet Engineering Pty Ltd from historical market data of similar Pilbara based products.</p> <p>The study assumes sale in Asia, with freight, handling and insurance included in the cost of shipping.</p> <p>An A\$: US\$ exchange rate of 0.675 has been forecast for LOM.</p>
Market assessment	<ul style="list-style-type: none"> • The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. • A customer and competitor analysis along with the identification of likely market windows for the product. • Price and volume forecasts and the basis for these forecasts. • For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract. 	<p>Global steel production is forecast to increase by an average of 1.5% per annum over the next five years and surpass 2 billion tonnes by 2027 (S&P Market Intelligence, Iron ore global supply-demand balance, March 2024). Given the industrialisation occurring in India and the MENA region continued growth in steel demand is likely.</p> <p>India stands out as one of the primary drivers of increased steel demand as the economy industrializes and steel consumption increases from current low level of 80 kg per capita to an estimated 160 kg per capita by 2050. Relative to domestic Indian steel production of 111 million tonnes in 2020, production is forecast to rise to 300 million tonnes by 2030. While this is a rapid pace of growth, it is less than half the one billion tonnes of steel China produces annually (Franklin Templeton, 2023).</p> <p>Whilst the steel industry is collectively embarking on decarbonisation plants, the sources of ferrous burden for iron and steel making are unlikely to change significantly in the short term. Iron ore will continue to be required in ever increasing tonnages in line with increasing steel production.</p> <p>Decarbonisation plans will see a preference for higher purity iron ores and increased use of scrap steel. In advanced economies there is increasing use of scrap steel as the primary raw material feed for steel production using electric arc furnaces. In emerging markets where the capital stock of steel is low and there is a greater reliance on using iron ore and coal in a blast furnace.</p>

Criteria	JORC Code explanation	Commentary
		<p>Within the production profile and timelines for the Blacksmith Project, the iron ore market demand side remains strong.</p>
Economic	<ul style="list-style-type: none"> <i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i> <i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i> 	<p>A financial analysis of the Ore Reserve was undertaken as a stand-alone project.</p> <p>The inputs to the NPV estimations are tabulated in the body of the ASX release.</p> <p>The NPV has been determined using the Discounted Cash Flow method of valuation. For the Scoping Study a real discount rate of 8% was applied.</p> <p>The financial model is in real terms.</p> <p>The model used for the evaluation of the Ore Reserve was based on monthly increments.</p> <p>No escalation was applied.</p> <p>The Project was valued as a single tax entity.</p> <p>Royalties allowed for 7.5% are based on the Western Australian royalty rate for processed material and a 0.45% Traditional Owners' royalty.</p> <p>Australian corporate tax rate of 30% was applied as per the federal government corporate tax rate.</p> <p>On this basis the Ore Reserve based mine plan generated the following financial metrics:</p> <ul style="list-style-type: none"> Pre-financing pre-tax free cashflow – \$636M Pre-tax discounted cashflow @ 8% disc. rate - \$317M Post-tax discounted cashflow @ 8% disc. rate - \$189M Post-tax IRR - 22.4% Post-tax payback period - 4.3 years <p>A sensitivity analysis has been completed that demonstrates the NPV impact of variation to the following items:</p> <ul style="list-style-type: none"> Operating costs - ±10% has ±\$228 impact on pre-tax NPV Iron ore price - ±10% has ±\$313 impact on pre-tax NPV Exchange rate - ±10% has +\$309, -\$253 impact on pre-tax NPV <p>As can be seen the project is highly sensitive, particularly to variation in parameters affecting revenue.</p>
Social	<ul style="list-style-type: none"> <i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i> 	<p>The Muntulgura Guruma People are recognised as native title holders to the land that contains the mining area and some of the Mine Access Road (M47/1451, L47/1122 and L47/1121). They are represented by the Wintawari Guruma Aboriginal Corporation (WGAC). Red Hawk has a Native Title agreement with WGAC that applies to the Blacksmith Mining Lease and infrastructure tenements and allows for the inclusion of Miscellaneous Licences.</p> <p>Red Hawk has land access agreements in place with the Coolawanyah Pastoral Station and Rio Tinto for the Blacksmith Mining Lease. Agreement negotiations are being undertaken to include the Mine Access Road.</p> <p>The Yindjibarndi People (represented by the Yindjibarndi Aboriginal Corporation (YAC) are the native title holders for the eastern portion (approximately 5km) of the Mine Access Road (L47/1120) as well as the Manuwarra Red Dog Highway footprint. YAC did not lodge an objection to Red Hawk's Miscellaneous Licence application for the Mine Access Road.</p> <p>Various heritage surveys and reports have been completed from 2008 to 2023 over the deposits and infrastructure areas. Feedback from those surveys has informed the project design and site avoidance. Red Hawk is working with WGAC to develop a Cultural Heritage Management Plan to identify any required future heritage surveys and inform the protection and management of culture and heritage for the Project.</p>

Criteria	JORC Code explanation	Commentary
Other	<ul style="list-style-type: none"> To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: Any identified material naturally occurring risks. The status of material legal agreements and marketing arrangements. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent. 	<p>Applications for land access, water usage licence and port access are in progress and not expected to affect the timelines outlined in the release.</p> <p>The Blacksmith Project is within Mining Lease ML47/1451 which was granted on 26 March 2012. Three Miscellaneous Licences for access and haulage roads were applied for in May 2023 and are expected to be granted in early 2024. A further Miscellaneous Licence (L47/1160) was applied for in April 2024 for a staging facility at Whim Creek.</p> <p>The Blacksmith Project is well progressed with heritage, land access and primary approvals to enable commencement of ground disturbance and construction activities.</p> <p>There are reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the PFS.</p>
Classification	<ul style="list-style-type: none"> The basis for the classification of the Ore Reserves into varying confidence categories. Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any). 	<p>Open Pit Ore Reserves have been derived from a mine plan that is based on extracting the DSO product defined in the 2023 Mineral Resource Estimate for the Delta deposit of the Blacksmith Project.</p> <p>Probable Ore Reserves were determined from Indicated material after applying appropriate modifying factors as per the JORC Code (2012) guidelines.</p> <p>These results reflect the Competent Person's view of the deposit.</p> <p>There are no Proven Ore Reserves as there was no Measured material defined in the Mineral Resource Estimate.</p>
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of Ore Reserve estimates. 	<p>Internal reviews of Ore Reserve have been completed by Orelogy and Red Hawk.</p> <p>No external audits of the Ore Reserve were undertaken prior to publication.</p>
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. 	<p>The Mineral Resource Estimate relates to global estimates and hence so does the Ore Reserve Estimate.</p> <p>The Ore Reserve Estimate is an outcome of the 2024 Mining PFS with geological, mining, metallurgical, processing, engineering, marketing, and financial considerations to allow for the cost of finance and tax.</p> <p>Engineering and cost estimations have been completed to a $\pm 25\%$ level of accuracy, consistent with a study of this nature.</p> <p>There has been an appropriate level of consideration given to all modifying factors to support the declaration and classification of the Ore Reserves.</p> <p>No production or reconciliation data is yet available for comparison.</p>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> • <i>Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i> • <i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> 	

ABOUT RED HAWK MINING

Red Hawk Mining (ASX:RHK) is focussed on developing its 100%-owned Blacksmith Iron Ore Project in the Pilbara region of Western Australia. The Pilbara hosts many world-class iron ore mines and is the world's largest producing region of seaborne iron ore.¹ With its close proximity to major iron ore markets, including China, Japan, South Korea and India, iron ore exports from the Pilbara exceeded 750 million tonnes in 2022.²

BLACKSMITH PROJECT

The Blacksmith Project is located approximately 70km north-west of Tom Price and is surrounded by many major iron ore projects and significant associated road, rail and power infrastructure. The Project, containing mining lease M47/1451, has the potential to be a long-term supplier of iron ore to global steelmakers.

Source:

1. Minerals Council of Australia
2. Pilbara Ports Authority



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