

## ASX Release

20 September 2024

### Hawthorn Resources Limited

ABN 44 009 157 439

ASX Code: HAW

Level 23, Rialto Tower South,  
525 Collins Street,  
Melbourne VIC 3000

T: +61 (0) 411 366 668

W: [www.hawthornresources.com](http://www.hawthornresources.com)

E: [info@hawthornresources.com](mailto:info@hawthornresources.com)

#### **Directors:**

Mr Li, Yijie  
(Non-Executive  
Director/Chairman)

Mr Brian Thornton  
(Managing Director/CEO)

Mr Liu Zhensheng  
(Non-Executive Director)

Mr Joseph D Corrigan  
(Non-Executive Director)

#### **Senior Management:**

Mr Tony Amato  
(CFO & Company Secretary)

## Mt. Bevan Iron Ore Joint Venture: Election to convert to a 1% Royalty

In respect of the Mt Bevan Magnetite Project comprising the Joint Venture between Hawthorn Resources Limited (ASX: HAW), Legacy Iron Ore Limited (ASX: LCY) and Hancock Magnetite Holdings Pty Ltd (Hancock) 51.0%) Hawthorn has exercised its right under Joint Venture agreement to convert the whole of its Participating Interest of 19.6% to a royalty.

In making this election, Hawthorn's equity position in the Project will be diluted from 19.6% to zero and it will be entitled to a royalty payment of 1.0% of the net Free-On-Board (FOB) revenue from the Project, once production and sales commence.

By electing to convert to the royalty, Hawthorn will not need to contribute to the upcoming Forward Works Program of approx. \$20m and run down its existing cash reserves or raise additional equity funding in the future to continue as an equity participant in the Project.

Commenting on the election to convert to a royalty, Managing Director and CEO, Brian Thornton said "Mt Bevan is a serious next generation iron ore project slated as a key ingredient for Green Steel production in Australia .But with an estimated capex approaching \$5B, its not without its challenges including capital intensity and the environmental and social licence approvals required at State and Federal levels. For smaller, lower capitalized companies like Hawthorn , the conversion to a valuable 1% royalty is a logical and sensible decision taken in the best interests of all its shareholders " .

The Board also believes that this decision will be in the overall best interests of Hawthorn shareholders in both the short and long term.

This announcement has been released via the Company Secretary by order of the Board.

For further information contact:

Brian Thornton

Managing Director and CEO

Hawthorn Resources Limited

P: +61 (0) 411 366 668

E: [bt@hawthornresources.com](mailto:bt@hawthornresources.com)