

Mount Gibson Iron Limited



CEO Presentation
Annual General Meeting
15 November 2023

MGX



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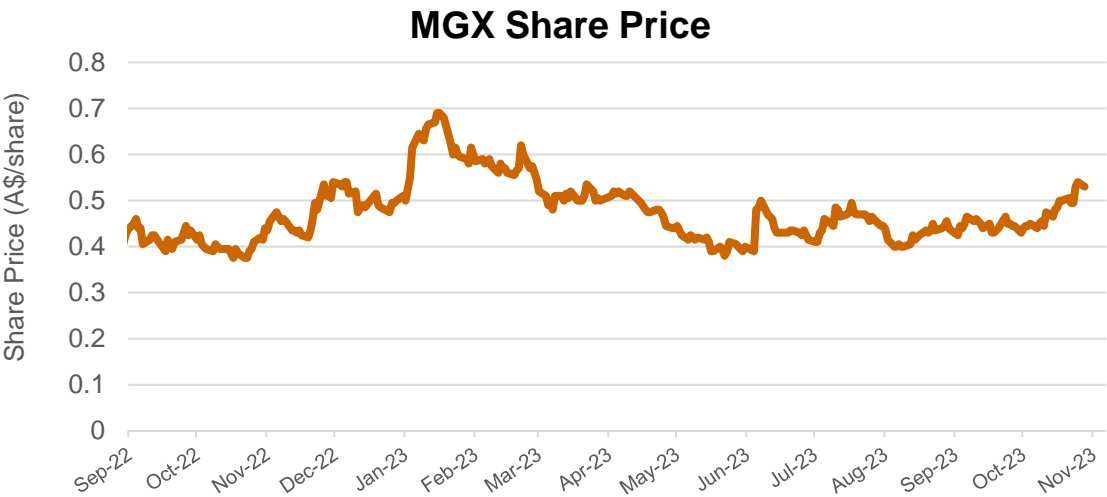
Investments in shares in MGX are considered highly speculative.

Mount Gibson Iron

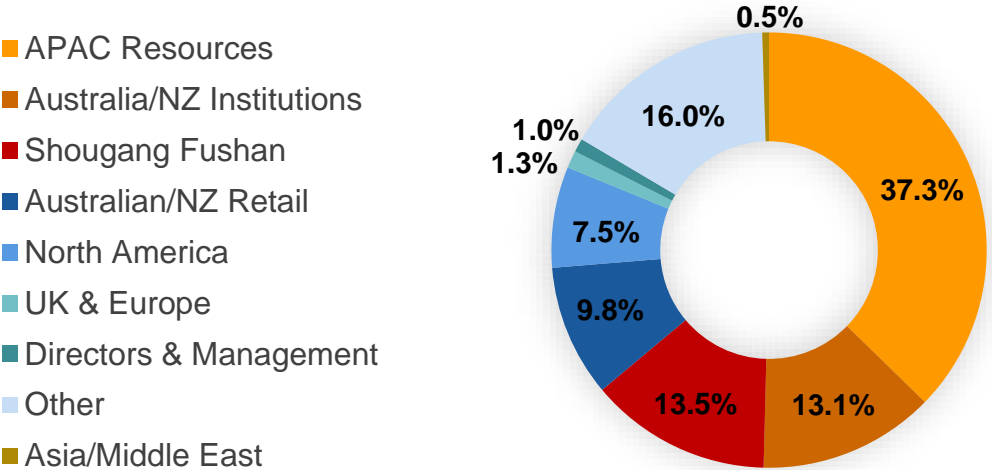
Corporate Overview



Issued shares	1,214 million shares
Market capitalisation	A\$667 million (\$0.55/share)
Cash/investments	A\$257 million (30 September 2023)
Bank Borrowings	Nil
Dividends	A\$332 million (fully franked) since 2011



Shareholder Distribution (% issued shares at 30 September 2023)



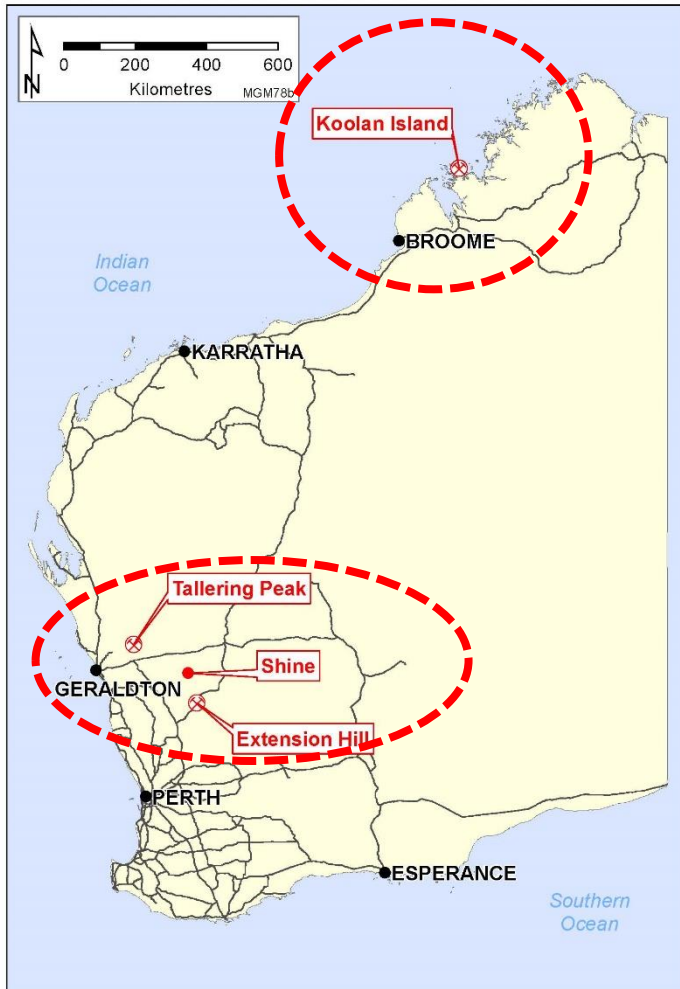
Board and Management

- Lee Seng Hui – *Non-Executive Chairman*
- Simon Bird – *Lead Independent Non-Executive Director*
- Paul Douglas – *Independent Non-Executive Director*
- Alan Jones – *Independent Non-Executive Director*
- Evian Delfabbro – *Independent Non-Executive Director*
- Ding Rucai – *Non-Executive Director*

- Peter Kerr - *CEO*
- Gillian Dobson - *CFO*
- David Stokes - *Co. Sec. & General Counsel*
- David Rayfield – *GM Koolan Island Operations*

Mount Gibson Iron

Business Overview – High Grade and Low Impurity Iron Ore Producer



Kimberley Region

Koolan Island

- **Australia's highest grade** hematite Direct Shipping Ore (DSO) with direct port access to market (FY23 sales of 3.0 Mwmt @ 65.3% Fe).
- **Now delivering increased sales and cashflows.**
- **High grade 65% Fe iron ore price** is robust at **US\$135/tonne** CFR.
- **FY24 ore sales target of 3.8-4.2 Mwmt** at an average cash operating cost of \$65-70/wmt FOB, before royalties and capital projects.

Mid-West Region

Fenix Transaction, Exploration, Rail Credit Refund

- **Asset sale to Fenix Resources** provides 8.6% shareholding interest in Fenix and maintains exposure to an innovative high-grade regional iron ore miner and integrated logistics business.
- **Regional exploration activity underway.**
- **Mid-West rail refund** entitlement totalling \$35 million now complete, with final instalment due shortly.

Mount Gibson Iron

FY23 Summary



Continued safety improvements

TRIFR **reduced to 5.2** at end-FY23, down from 11.4 previously.

LTIFR **reduced to 0.7**, down from 1.7.

Safety is our **critical focus**, and we seek further improvements in FY24.

High grade ore production and sales increased

Ore production lifted to **4.0 Mwmt**.

Strip ratio reduced to **2.2:1** in FY23, down from ~10:1 in FY22.

Shipment rates accelerated

Ore sales doubled to **3.0 Mwmt** grading **65.3% Fe** and revenue trebled to **\$452.6m** FOB.

Substantial high-grade ore stocks created for drawdown in FY24.

Cashflow Generation

FY23 operating cashflow of **\$84.4m**.

Cash and investment reserves of **A\$162m** at year end, up from \$41m at end December 2022.

Bank loan (\$25m) **fully repaid** in June quarter 2023, no other bank borrowings.

Strong financial turnaround in FY23

Gross profit of \$114.2m.

Net profit of \$5.2m after non-cash impairments of \$75.4m.

Cash operating costs **reduced to \$77/wmt** FOB before inventory build and royalties

Mid-West Transaction

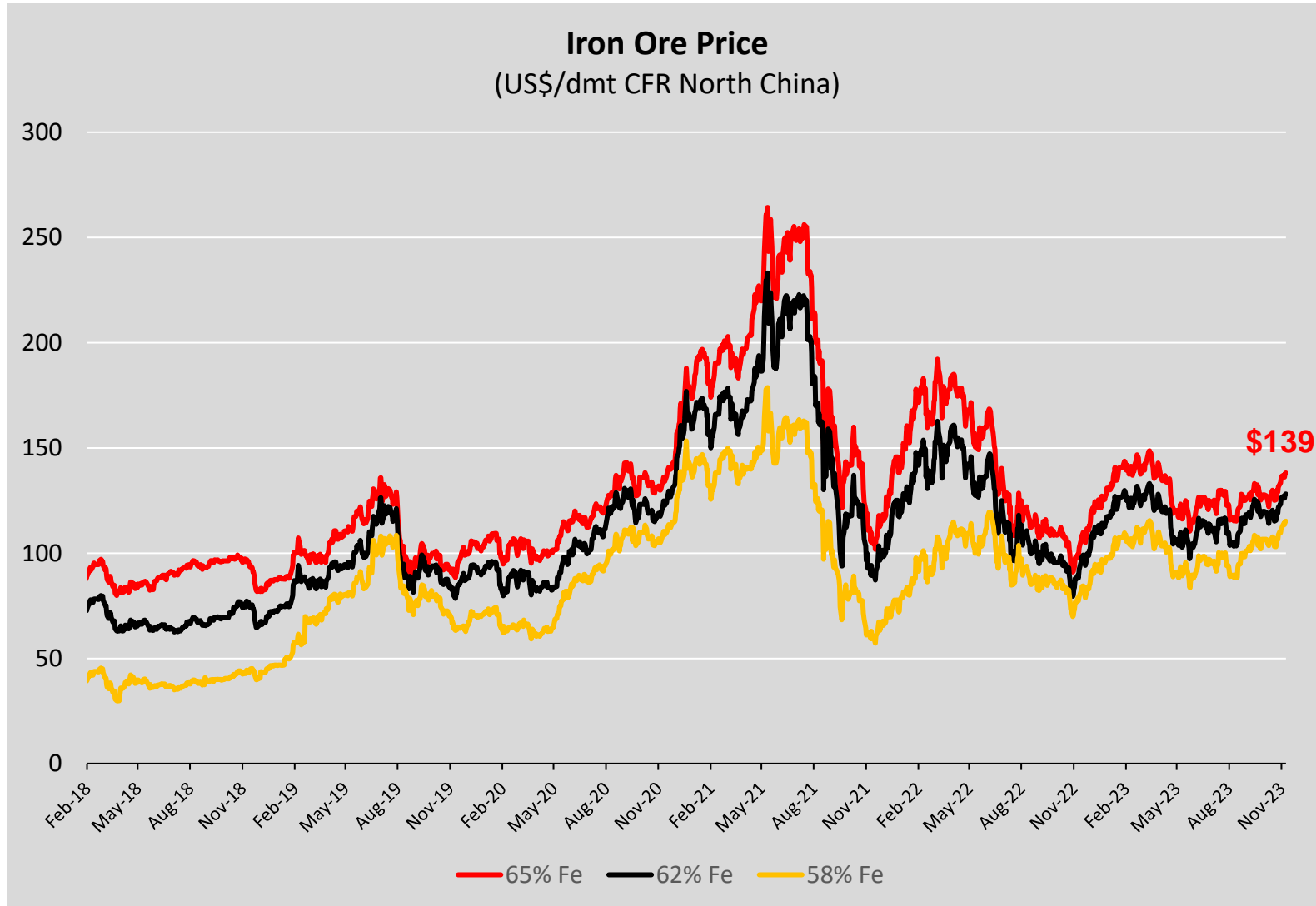
Sale to Fenix for \$10m cash and \$19m shares/options completed in July.

MGX holds **8.6%** of Fenix and retains exposure to a growth-focused Mid-West mining & logistics business.

Frees MGX to focus on maximising cashflow and new opportunities.

Market Conditions

Iron Ore Pricing – US\$



Source: S&P Global / Platts

Prices have rebounded strongly since dipping <US\$80/t CFR in late 2022 but remain volatile.

Sentiment is sensitive to China's weaker than expected post-Covid economic performance.

Near-term outlook remains volatile, although longer term fundamentals appear more positive.

Chinese annual GDP growth target of 5% remains broadly supportive of iron ore prices and demand in the medium term.

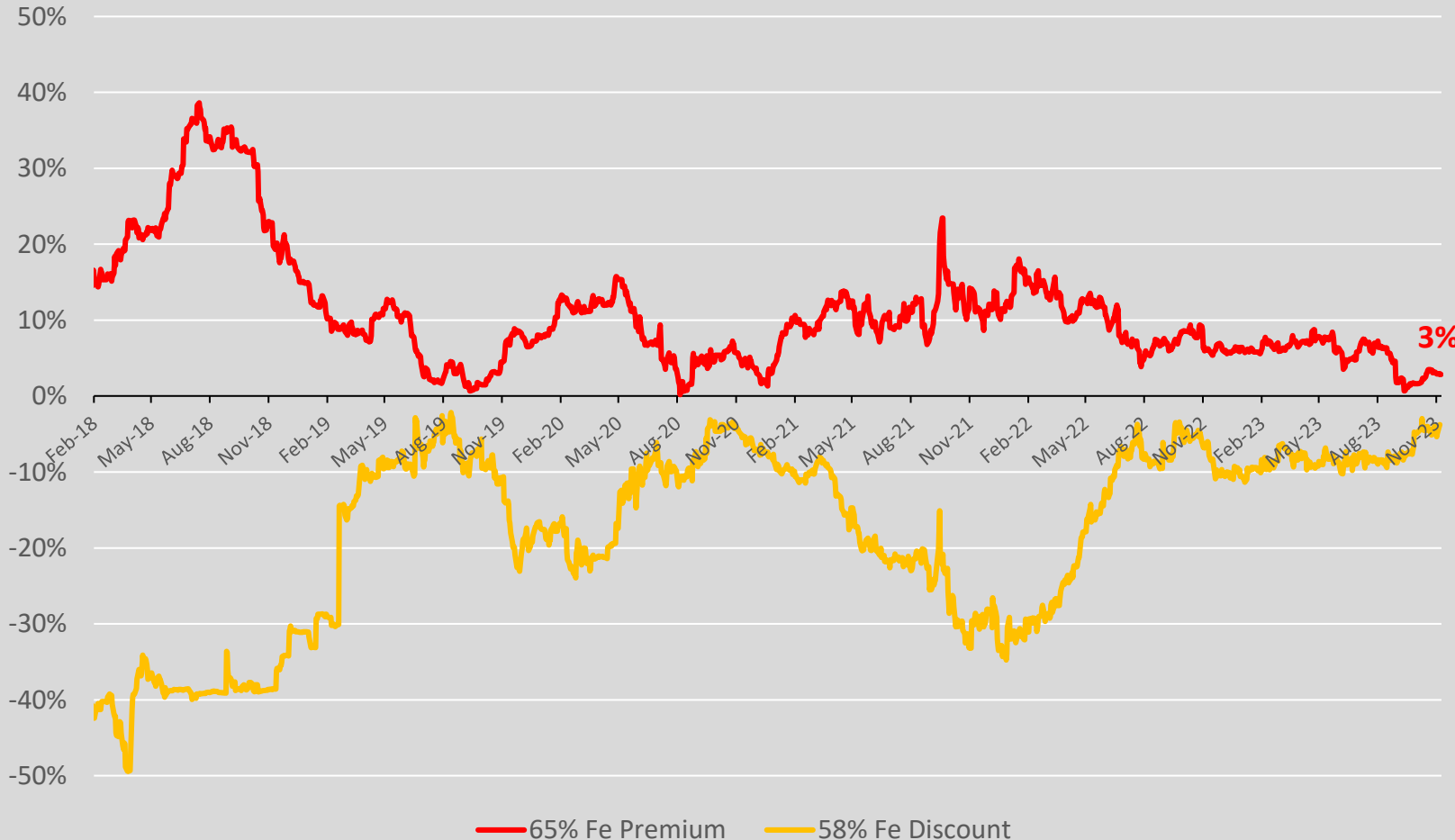
China's government has announced moderate stimulus measures, mainly targeting public infrastructure and industrial capacity.

Market Conditions

Grade Premiums and Discounts



High-grade Premium / Medium-Grade Discount
(% per dmtu relative to 62% index)



Grade pricing differentials have remained relatively steady since late 2022 although there has been some easing in recent months.

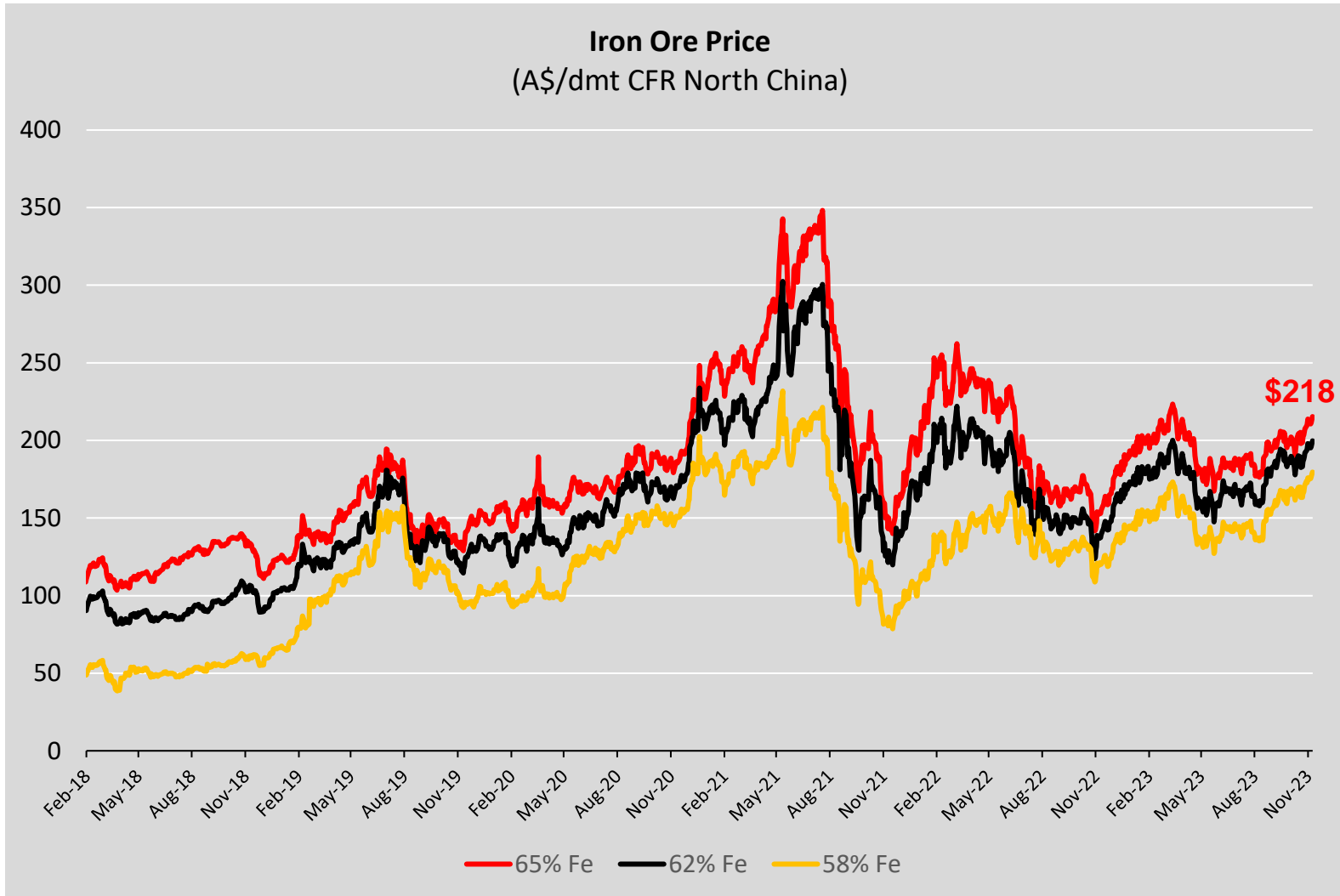
The high-grade premium is currently 3% per dmtu.

Mount Gibson will continue to enjoy a comparative benefit from its sales of high grade/low impurity iron ore.

Higher grade ores make steel production more energy efficient, contributing to lower GHG emissions per tonne of steel produced.

Market Conditions

Iron Ore Pricing – A\$



The weaker Australian dollar continues to provide additional price uplift.

Koolan Island

Fully equipped stand-alone mining, processing and shiploading infrastructure



Koolan Island is located in Yampi Sound in the Buccaneer Archipelago off the northern Kimberley coast of Western Australia, approximately 130 kilometres north of Derby.



Koolan Island

Substantial progress over the last year



Ore production has risen to +1.0 Mwmt/quarter following completion of the overburden stripping and footwall ground support programs.

Waste-to-ore strip ratio has dramatically reduced. The strip ratio averaged 0.7:1 in the September 2023 quarter, compared with an average of 2.2:1 in FY23 and 10:1 in FY22. The stripping ratio is a major driver of cash costs at Koolan Island.

Processing plant now operating at full capacity, following the August 2022 fire incident repairs, supplemented by a contract crushing unit, enabling the drawdown and sale of stockpiles.

Cash operating costs reduced to \$56/wmt FOB (before royalties) in the September 2023 Quarter, down from \$77/wmt in the prior year.

Shipped product grades have averaged +65% Fe since early 2022 and will remain around this level going forward.



Ore carrier arriving, June 2023.



New PC4000 Excavators in Main Pit, June 2023

Strong Start to FY24

September Quarter Summary



Steady Ore Production

Ore production continuing at over **1.0 Mwmt/quarter**.

Strip ratio further **reduced to 0.7:1**.

High-grade mined ore stocks drawn down to **0.5 Mwmt**.

Record Koolan Shipments

Record **1.33 Mwmt at 65.5% Fe**, with 18 shipments completed.

Dry season shipping rate targeted at **5-6 shipments/month**

Wet season shipping rate targeted at **4 shipments/month**.

Strong Operating Margin

Sales revenue **\$208 million FOB** at average realised price of US\$105/dmt FOB (~A\$165/dmt).

Cash operating costs **reduced 10% to \$56/wmt FOB** before royalties.

Average cashflow margin of **\$86/wmt FOB** after royalties.

Significant Cashflow Generation

Group quarterly cashflow of **\$124 million** including KI operating cashflow of \$115 million.

Cash/investment **reserves increased** by \$95 million to **\$257 million** (plus Fenix shares/options)

Koolan Island Ore Reserves

Total Ore Reserves at Koolan Island of **12.4 Mt grading 65.2% Fe** estimated as at 30 June 2023.

Confirms Koolan Island as Australia's highest-grade producer of hematite direct shipping ore (DSO).

Expected remaining life of 3-4 years.

FY24 Outlook

Targeting ore sales of **3.8–4.2 Mwmt** at cash costs of **\$65-70/wmt FOB**.

Manage eastern footwall remediation while maintaining cashflow generation.

Step-up exploration activity.

Acquisition search to intensify.

Koolan Island

Main Pit Operations



Main Pit, looking east,
November 2023.



Eastern
End

Seawall

Footwall

Hanging
wall

Western
End

Koolan Island

Main Pit Operations



Mining in western end of Main Pit,
October 2023



Koolan Island

Processing and Shiploading



Koolan Island stockpiles, processing circuit
and shiploading, November 2023



Mid-West Assets

Fenix Transaction to generate ongoing value



Fenix acquired MGX's Mid-West hematite assets: two Geraldton port sheds, two rail sidings, hematite rights at Shine and Extension Hill, and also assumed the remaining rehabilitation obligations. MGX received cash (\$10m) and shares/options (~\$19m at settlement).

MGX is now Fenix's largest shareholder with 8.6% and also holds 25m x 5-year Fenix options.

Transaction settled late July 2023. Dividend of \$1.2m (fully franked) received in September 2023.

The sale crystallised the unrecognised value of MGX's surplus Mid-West iron ore assets.

Also provides ongoing exposure to a growth-focused high-grade regional iron ore producer with an innovative truck haulage and logistics business.

MGX also now free to focus on maximising cashflow from Koolan Island and to pursue new resources investment opportunities.

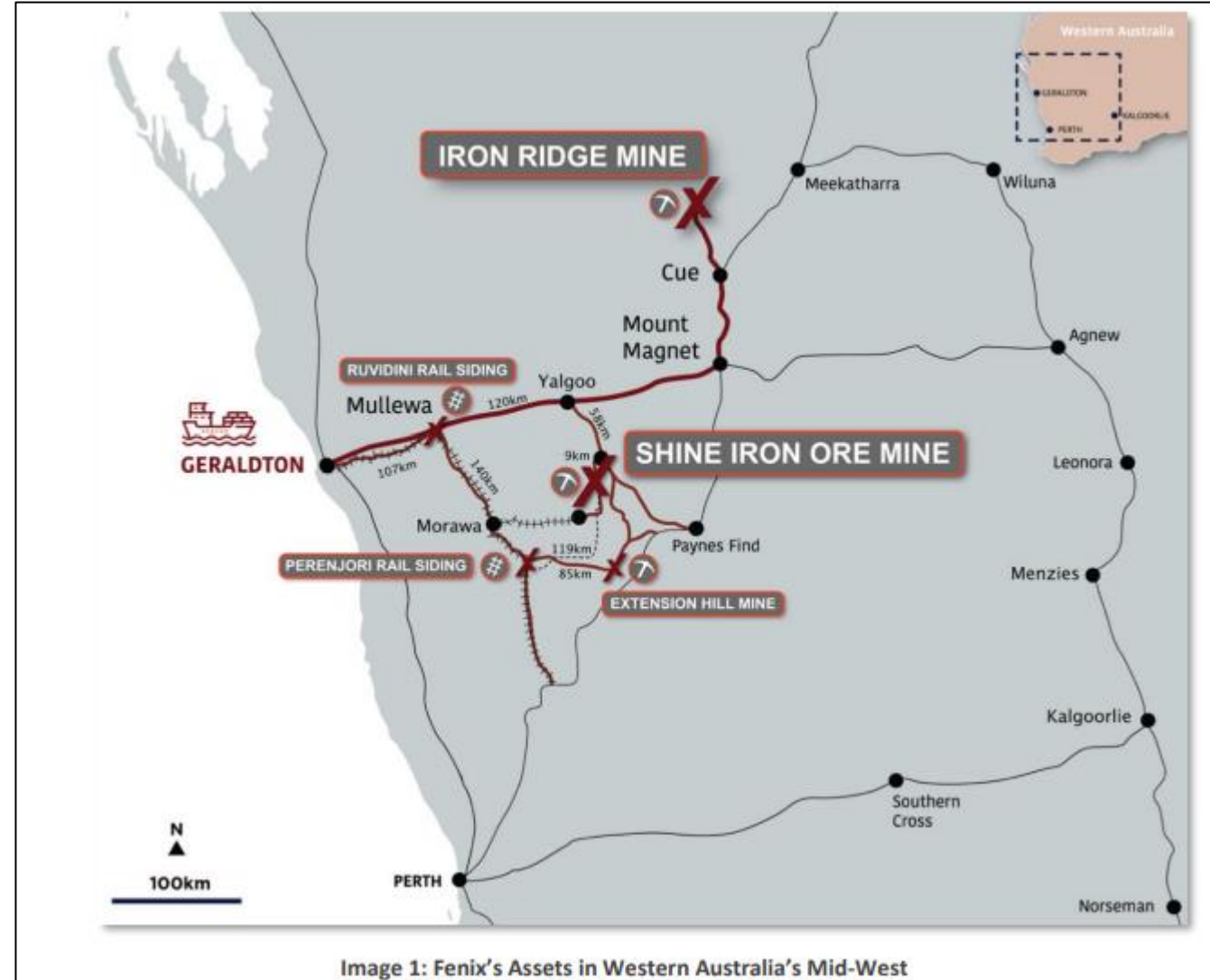


Image 1: Fenix's Assets in Western Australia's Mid-West

Carbon Emission Reductions

Positive trend



Mount Gibson supports the intent of the Paris Agreement and 2021 Glasgow Climate Pact to reduce global carbon emissions and limit global warming to less than 1.5°C above pre-industrial levels.

Iron ore is essential for steel production, and we seek to **minimise our carbon emissions** from the activities we control.

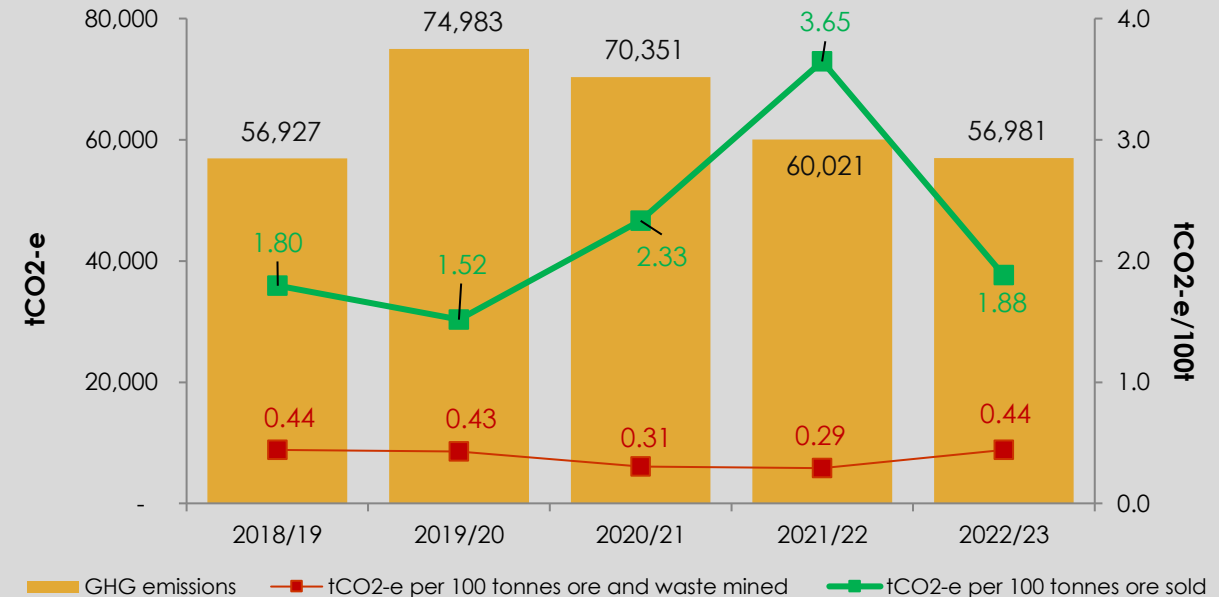
Higher grade (lower impurity) iron ores facilitate lower energy use and lower emissions by steel producers.

Mount Gibson invests in substantial offsets via environmental contributions and direct flora cultivation and rehabilitation programs.



Waste dump rehabilitation, Extension Hill

Greenhouse gas emissions – MGX sites

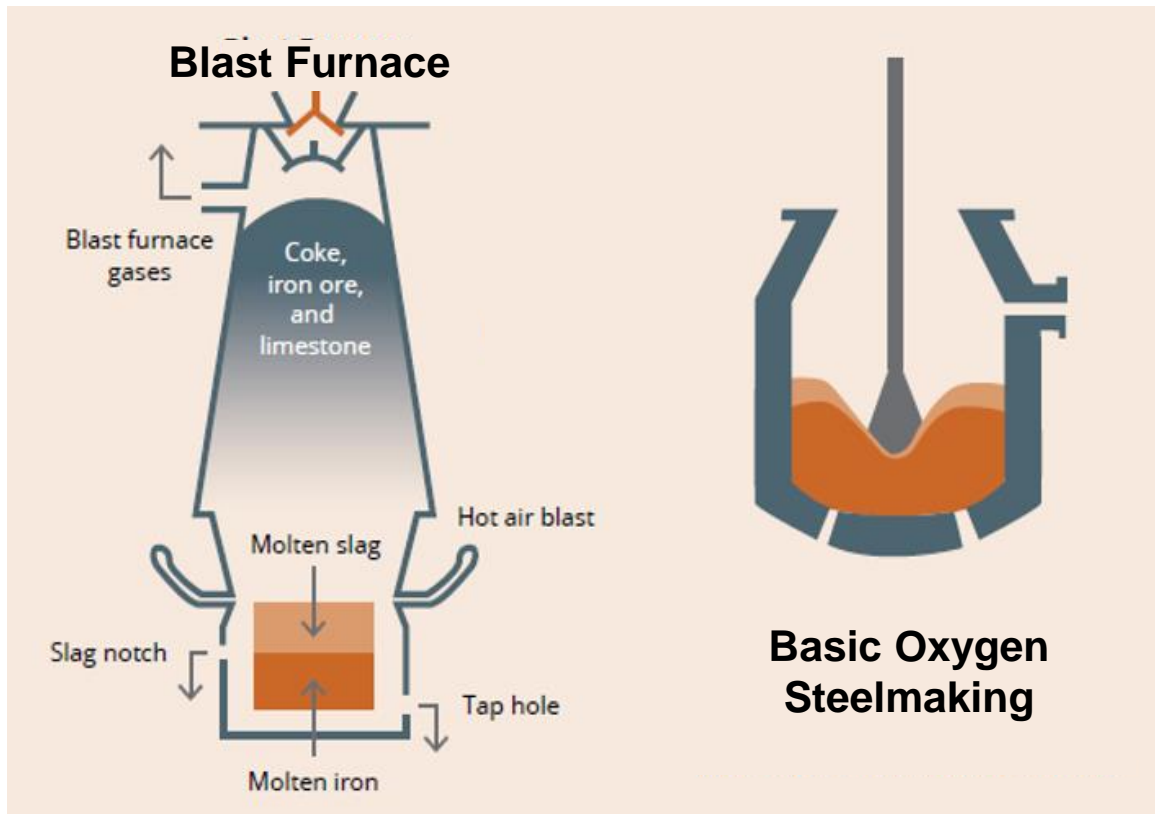


Energy consumption on Mount Gibson's mine sites is modest, relating mainly to mining and crushing, with total emissions reducing steadily over the last 4 years and unit emissions/ore sales reducing significantly over the last 12 months.

Second-stage review of Koolan Island renewable power generation and power savings opportunities is nearing completion for potential implementation of preferred options in 2024.

Iron Ore Quality in Steel Production

Ore quality has a significant impact on steel making unit costs and emissions intensity



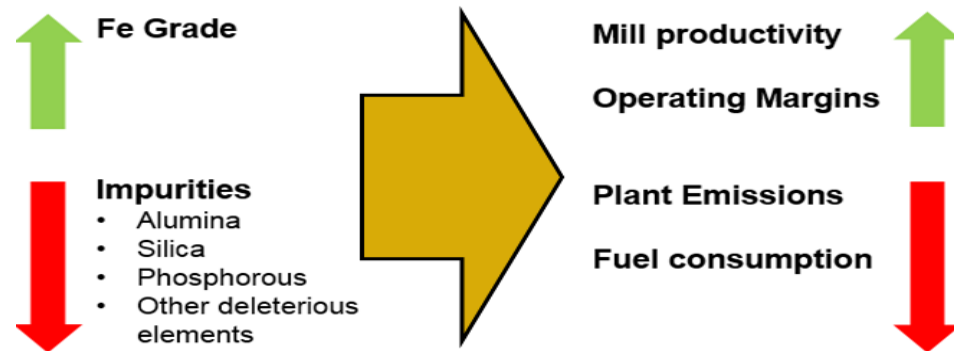
The impurities content of iron ore (predominantly **alumina & silica**) determines Blast Furnace efficiency and productivity.

High-impurity ores increase fluxing requirements leading to increased slag volumes and higher coke rates to melt the slag.

As Blast Furnaces are generally liquid volume constrained, increases in slag volume cause commensurate **decreases in hot metal production, lowering productivity and increasing cost.**

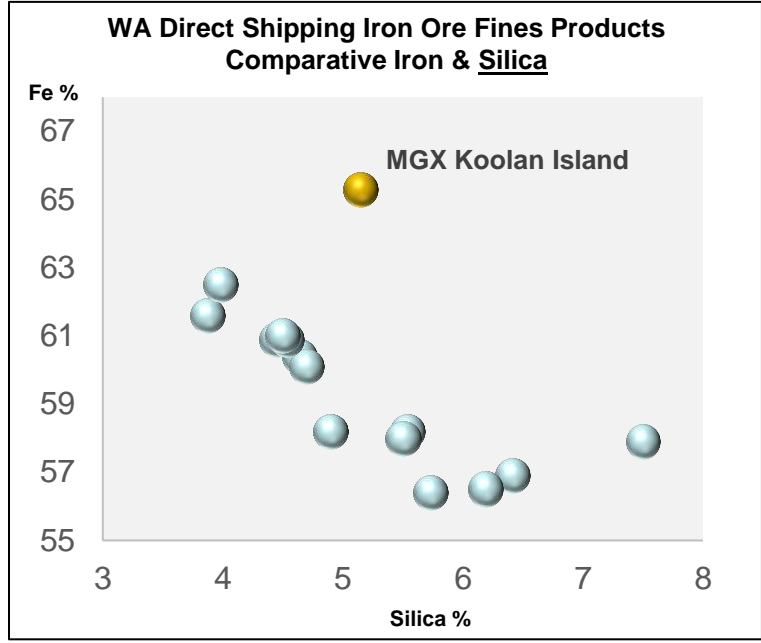
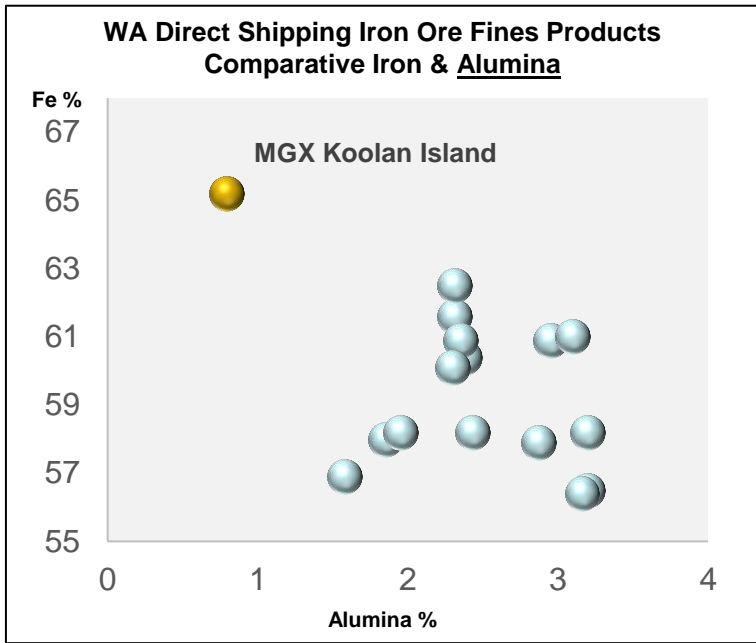
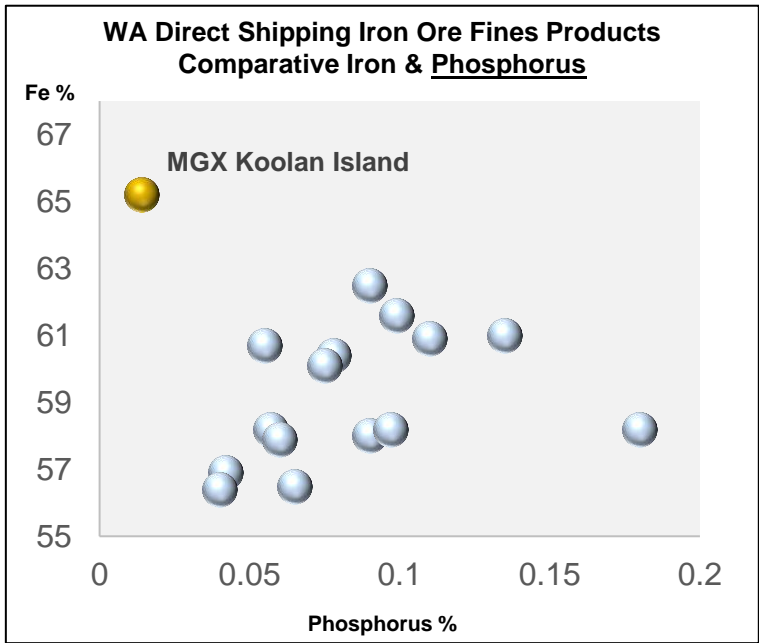
Phosphorus is also a key impurity and reports to hot metal rather than slag, requiring removal in the subsequent Basic Oxygen Steelmaking process.

These factors increase Blast Furnace emission intensity and costs.



Koolan Island

A high grade and low impurity direct-shipping iron ore product



Koolan Island – Mineral Resources & Ore Reserves at 30 June 2023					
	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe (includes Mined Ore Stockpiles)					
Measured	4.0	61.1	11.63	0.48	0.009
Indicated	27.8	64.6	5.80	0.64	0.014
Inferred	9.7	60.4	12.31	0.59	0.013
Total at 30 June 2023	41.5	63.3	8.24	0.58	0.013
Ore Reserves, above 50% Fe (includes Mined Ore Stockpiles)					
Proved	1.2	63.3	7.22	0.93	0.013
Probable	11.2	65.4	4.93	0.78	0.014
Total at 30 June 2023	12.4	65.2	5.15	0.79	0.014
Discrepancies may appear due to rounding. Mineral Resources are reported inclusive of Ore Reserves. All tonnages have been estimated as dry tonnages. Stockpiles are incorporated in the Measured Resources and Proved Reserves.					

- High grade hematite iron ore (Ore Reserve grade of 65.2% Fe).
- Low levels of contaminants (particularly alumina and phosphorus).
- Attractive product given grade productivity and low impurities.
- Production sold under life-of-mine offtakes.

Chart sources: Mount Gibson Iron, public/company reports and Metals Market Index. MGX Koolan Island reflects published Ore Reserves at 30 June 2023. Other ores depicted represent fines products from other WA producers. Refer slides at the end of this presentation for MGX Mineral Resources and Ore Reserves information including Competent Persons attributions.

Community Activities

An important and positive contribution



Significant national contribution – MGX directly contributed **\$379.5m** to the Australian economy in FY23 via supplier payments, wages, royalties, taxes and community investments, contributions and sponsorships.

Local employment – **over 17%** of our Koolan Island employees live in the Kimberley region. We seek to increase this.

Gender diversity – women accounted for **21.5%** of employees and **33.3%** of executive and senior management roles at year end. We aim higher.

Traditional Owners – we are grateful for positive longstanding relationships with our Traditional Owners and we are committed to Indigenous employment. At year end **14.2%** of all MGX's employees were Indigenous, including **16.3%** of our Koolan Island employees. MGX is actively working to grow this percentage.

Support for local communities – active and respectful relationships with local communities and we directly partner and support various community organisations and initiatives, with a focus on **youth and education**.

Key strategic partnerships include **Clontarf Foundation** for indigenous boys and the **Shooting Stars** program for indigenous girls.

Key Education/STEM initiatives include partnerships with **Derby District High School** and **Holy Rosary Primary School** (Derby), **WA Mining Club** scholarships, and the **Rotary Schools Science & Engineering Challenge**.



Sustainability Report

Highlights for FY23



Operating Responsibly

Climate Change

- Climate Change and Energy Management Policy guides the Company's approach to reducing carbon footprint.
- Second stage detailed review of Koolan Island emission reduction and energy efficiency opportunities is nearing completion.

Energy Use

- Total energy used **reduced 4.3%** to 0.83 million gigajoules (GJ), and Unit energy consumption **reduced 48.0%** to 27.5 GJ per 100 tonnes of ore sold.

Carbon emissions

- Total Scope 1 + Scope 2 Greenhouse Gas (GHG) emissions **reduced 5.1%** to 56,981t carbon dioxide equivalent (CO₂-e).
- Unit GHG emissions **reduced 48.5%** to 1.88t CO₂-e per 100 tonnes of ore sold.

Water Consumption

- Water use **reduced 49.5%** to 263,222 kilolitres (kL) and unit water consumption **reduced 72.6%** to 8.69% kL per 100 tonnes of ore sold.

Caring for our People

Safety

- Zero Fatalities.
- 1 Lost Time Injury recorded.
- Lost Time Injury Frequency Rate **reduced 59%** to 0.7 incidents/one million worker hours worked.
- Total Recordable Injury Frequency Rate **reduced 54%** to 5.2 incidents/one million worker hours worked.
- Continued rollout of additional safety, workplace culture and wellness initiatives.

Diversity

- 367 Full Time Employees.
- Women make up **21.5%** of all employees.
- Women account for **33.3%** of executive and senior management roles.
- Indigenous personnel account for **14.2%** of all employees.
- **17.2%** of Koolan Island employees live in the Kimberley region.
- We seek to **further increase** our proportion of female, indigenous and regional employees.

Our Contribution

Supporting the Economy

- Direct contribution of **\$379.5 million** to the Australian economy, from total revenue of **\$452.6 million**.
- Paid **\$276.1 million** to Australian contractors and suppliers, 90.9% going to WA-based entities.

Supporting People and Communities

- Paid **\$66.3 million** in salaries, wages and other employee benefits.
- Paid **\$30.1 million** in government taxes and royalties.
- Provided **\$0.6 million** in community sponsorships and donations, public benefit funds and offsets.
- Long-term sponsorship of regional programs focused on youth/education, including **Clontarf Foundation**, **Shooting Stars**, and **WA Mining Club** scholarships.
- Substantial **direct flood relief assistance** for communities stranded by Kimberley floods in early 2023 and **regular emergency assistance** to regional travellers at risk, directly and in collaboration with RFDS and other emergency service agencies.

Mount Gibson Iron

Summary - An established producer of high-grade iron ore products



An established independent mid-tier iron ore producer offering meaningful exposure to production growth of high grade (65% Fe) hematite iron ores.

Increased sales and cashflows expected over the remaining mine life at Koolan Island.

Lean, stable and experienced team with a broad range of operating, commercial and corporate skills.

Cash and investment reserves to build in FY24 with increased Koolan Island high grade sales, providing operational flexibility and growth options.

Seeking growth in bulk materials and base metals, with a priority investment focus in Australia.



Annual General Meeting 2023



MGX

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Supplementary Information

Mineral Resources and Ore Reserves Information as at 30 June 2023



Total Group Mineral Resources and Ore Reserves at 30 June 2023 (above 50% Fe)

	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Total Mineral Resources at 30 June 2023*	41.5	63.3	8.24	0.58	0.013
Total Ore Reserves at 30 June 2023	12.4	65.2	5.14	0.79	0.014
<i>Total Mineral Resources at 30 June 2022</i>	<i>59.8</i>	<i>62.2</i>	<i>8.17</i>	<i>0.80</i>	<i>0.028</i>
<i>Total Ore Reserves at 30 June 2022</i>	<i>16.0</i>	<i>65.4</i>	<i>4.79</i>	<i>0.85</i>	<i>0.013</i>

Discrepancies may appear due to rounding. Mineral Resources are reported inclusive of Ore Reserves. All tonnages have been estimated as dry tonnages. Mineral Resources and Ore Reserves are reported inclusive of mined Ore stockpiles at Koolan Island. *Shine Mineral Resources were removed due to their being subject to the sale agreement for Mount Gibson's Mid-West iron ore assets announced on 29 June 2023 and completed on 21 July 2023.

Koolan Island – Mineral Resources & Ore Reserves at 30 June 2023

	Tonnes millions	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %
Mineral Resources, above 50% Fe (includes Mined Ore Stockpiles)					
Measured	4.0	61.1	11.63	0.48	0.009
Indicated	27.8	64.6	5.80	0.64	0.014
Inferred	9.7	60.4	12.31	0.59	0.013
Total at 30 June 2023	41.5	63.3	8.24	0.58	0.013
<i>Total at 30 June 2022</i>	<i>44.7</i>	<i>63.6</i>	<i>7.71</i>	<i>0.61</i>	<i>0.013</i>

Ore Reserves, above 50% Fe (includes Mined Ore Stockpiles)

Proved	1.2	63.3	7.22	0.93	0.013
Probable	11.2	65.4	4.93	0.78	0.014
Total at 30 June 2023	12.4	65.2	5.15	0.79	0.014
<i>Total at 30 June 2022</i>	<i>16.0</i>	<i>65.4</i>	<i>4.79</i>	<i>0.85</i>	<i>0.013</i>

Mined ROM Stockpiles available for processing (included in Measured Resources and Proved Reserves)

Total at 30 June 2023	1.2	63.3	7.21	0.93	0.013
<i>Total at 30 June 2022</i>	-	-	-	-	-

Discrepancies may appear due to rounding. Mineral Resources are reported inclusive of Ore Reserves. All tonnages have been estimated as dry tonnages. Stockpiles are incorporated in the Measured Resources and Proved Reserves.

Competent Persons Statements

Exploration Results:

The information in this report that relates to Exploration Results including sampling techniques and data management is based on information compiled by Brett Morey, a Competent Person who is a member of the Australasian Institute of Mining and Metallurgy. Mr Morey is a full-time employee of Mount Gibson Iron Limited and has sufficient experience relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken, to qualify as a Competent Person as defined in the December 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Morey consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Mineral Resources:

The information in this report relating to Mineral Resources is based on information compiled by Elizabeth Haren, a Competent Person who is a member and Chartered Professional of the Australasian Institute of Mining and Metallurgy and member of the Australian Institute of Geoscientists. Ms Haren was a full-time employee of, and is now a consultant to, Mount Gibson Iron Limited. Ms Haren has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Ms Haren consents to the inclusion in this report of the matters based on her information in the form and context in which it appears.

Ore Reserves:

The information in this report relating to Ore Reserves is based on information compiled by Brett Morey, a member of the Australasian Institute of Mining and Metallurgy. Mr Morey is a full-time employee of Mount Gibson Iron Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Morey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

*For more information refer to the Company's 2023 Annual Statement of Mineral Resources and Ore Reserve.