



Mount Gibson Iron Limited

ABN 87 008 670 817



Level 1, 2 Kings Park Road
West Perth 6005, Western Australia
PO Box 55, West Perth WA 6872
Telephone: 61-8-9426-7500
Facsimile: 61-8-9485 2305
E-mail: admin@mtgibsoniron.com.au

ASX ANNOUNCEMENT

20 August 2025

Results for the 2024/25 Financial Year

- **High grade iron ore sales of 2.6 million wet metric tonnes (Mwmt) at 64.5% Fe** for the 2024/25 financial year (**FY25**), for sales revenue of **\$330.5 million** Free on Board (**FOB**) (FY24: 4.1 Mwmt and \$667.7 million FOB).
- **Operating cashflow from Koolan Island of \$26.5 million** (FY24: \$284.3 million) and total **Group cashflow of \$29.1 million** (FY24: \$290.5 million).
- **Profit before tax and impairments of \$20.2 million** (FY24: \$211.6 million). After non-cash impairment expenses totalling \$90.4 million, with \$75.8 million of this amount already recorded in the December 2024 half-year, and the accounting derecognition of deferred tax assets, the **net loss after tax for FY25 totalled \$82.2 million** (FY24: net profit after tax of \$6.4 million).
- **The non-cash impairment charges** reflect the impact of recent weaker iron ore prices on existing book carrying values, effectively bringing forward depreciation and amortisation expenses that would otherwise be incurred over Koolan Island's remaining 12-18 month mine life.
- **Cash and investments of \$484.6 million** at 30 June 2025 (30 June 2024: \$463.0 million).
- **Targeted FY26 iron ore sales of 3.0–3.2 Mwmt** from Koolan Island at a site cash operating cost of **\$80-85/wmt** shipped FOB.
- Announcement of a **transformational agreement** to acquire a **50% interest in the Central Tanami Gold Project** from Northern Star Resources Ltd for **\$50 million**, marking a key first step towards establishing a new Australian gold business.
- A **dividend** for FY25 has **not been declared**. The Company's **on-market share buyback** of up to 10% (initially 5%) of its issued shares commenced in September 2024, with 3.2% having been bought back to date. The buyback was paused in April 2025 as negotiations on the Central Tanami Gold Project advanced, and the buyback program can now resume, as appropriate.

Note: All figures are expressed in Australian dollars unless stated otherwise. Cash operating costs are reported FOB (loaded at Koolan Island) and include operating, sustaining capital and capitalised waste mining expenditure, before royalties and capital projects.

Comment

Mount Gibson Chief Executive Officer, Peter Kerr, said: "Mount Gibson achieved a reasonable underlying performance in the 2024/25 financial year, adding to its cash and investment reserves despite the required non-cash impairment charges. Operationally, the business is on a solid footing to safely maximise sales and cashflow from Koolan Island, and we are excited by the recent agreement to acquire 50% of the Central Tanami Gold Project in the Northern Territory on attractive terms. We will be seeking to rapidly advance the project towards a development decision within the next 12-18 months and consider this transaction a stepping stone to create a new Australian precious metals business."

Mount Gibson will host an analysts and institutions teleconference at **10.30am AEST today, Wednesday 20 August 2025**. Investors will be able to listen in to the teleconference by dialing **1800 896 323** immediately prior to the scheduled start time and entering the access code **76122632#** at the prompts. A recording of the teleconference will be available via the Mount Gibson website after completion of the teleconference. In case of difficulties, operator assistance can be reached on +61 2 8088 0900.

Group Summary Results (all currency expressed in Australian dollars unless stated otherwise)		Year ended 30 June 2025 (FY25)	Year ended 30 June 2024 (FY24)
Physicals:			
Ore mined	<i>M wmt</i>	2.34	3.75
Ore sold	<i>M wmt</i>	2.61	4.11
Average ore grade sold	<i>% Fe</i>	64.5	65.3
Realised Price:			
Average realised fines price, after shipping freight (FOB)	<i>US\$/dmt</i>	83	110
Income Statement:			
Sales revenue	<i>\$m</i>	330.5	667.7
Interest income	<i>\$m</i>	19.9	16.8
Cost of sales	<i>\$m</i>	(330.3)	(491.4)
Gross profit	<i>\$m</i>	20.1	193.1
Other income	<i>\$m</i>	31.2	45.5
Administration, exploration and other expenses	<i>\$m</i>	(21.5)	(19.0)
Net foreign exchange, hedging and financial asset losses	<i>\$m</i>	(6.2)	(3.6)
Finance costs	<i>\$m</i>	(3.5)	(4.4)
Profit before impairments and tax	<i>\$m</i>	20.2	211.6
Impairment expenses	<i>\$m</i>	(90.4)	(159.1)
Profit/(Loss) before tax	<i>\$m</i>	(70.2)	52.5
Tax expense, including derecognition of deferred tax asset	<i>\$m</i>	(12.0)	(46.0)
Profit/(Loss) after tax	<i>\$m</i>	(82.2)	6.4
Earnings/(Loss) per share	<i>c/share</i>	(6.92)	0.53
Totals may not add due to rounding.			

Earnings Summary

Mount Gibson Iron Limited (**Mount Gibson** or the **Company**) recorded a net loss after tax of \$82.2 million in FY25 after pre-tax accounting impairments totalling \$90.4 million and derecognition of deferred tax assets of \$32.2 million (FY24: net profit of \$6.4 million after impairments of \$159.1 million). These non-cash expenses reflect the impact of recent lower iron ore prices and market conditions on the assessment of the Company's accounting carrying values of the Koolan Island operation.

The underlying performance for FY25 remained generally positive given weaker market conditions and the waste and ore mining cycles in the Koolan Island Main Pit, with profit before tax and impairments totalling \$20.2 million, compared with \$211.6 million in the prior year in which the Company benefited from higher prices and increased sales from the monetisation of substantial high grade ore stockpiles at Koolan Island.

Sales revenue for FY25 totalled \$330.5 million FOB on shipments of 2.61 Mwt grading 64.5% Fe, compared with sales revenue of \$667.7 million FOB on shipments of 4.1 Mwt grading 65.3% Fe in the prior year. Weaker market conditions, resultant adverse provisional pricing adjustments and a slightly lower sales grade resulted in a reduced average realised price of US\$83/dry metric tonne (**dmt**) FOB for Koolan Island fines compared with US\$110/dmt FOB in the prior year. Interest revenue totalled \$19.9 million in the year, compared with \$16.8 million in the prior period, and other income totalled \$31.2 million, primarily insurance proceeds associated with damage to the Koolan Island processing plant in 2022 and the disposal of equipment.

Unit cash operating costs, before capitalised waste mining costs of \$24.2 million, royalties and capital projects, averaged \$101/wmt FOB sold, compared with \$74/wmt FOB in the prior financial year.

Koolan Island

Mining

Mine performance reflected the temporary increase in waste movement associated with the transition of ore production in the Main Pit from the western half to the eastern sections, which will remain the primary source of high-grade ore over the remaining 12-18 month life of the operation. Repositioning of the main haul ramp and construction of a major new switchback in the centre of the pit were completed in early FY25. Work subsequently commenced to remove the former eastern haul ramp to provide full mining access to the lower eastern high grade levels of the orebody. Ore production was also restricted by remedial ground support activities on the central footwall and weather-related interruptions in the June 2025 half-year period.

Ore production in FY25 was 2.3 Mwmmt compared with 3.7 Mwmmt in the preceding year, while total material movement increased 60% to 9.5 Mwmmt of ore and waste, with a corresponding increase in the average waste-to-ore stripping ratio of 3.0:1 compared with 0.6:1 the prior year. The stripping ratio is projected to reduce significantly in FY26 following completion of work in the September 2025 quarter to remove the former eastern haul ramp. Over the remaining mine life, the stripping ratio is projected to average 1.3:1, with a corresponding reduction in unit ore mining costs.

Processing

Processing volumes at 2.6 Mwmmt were in line with ore production and ore sales over the course of FY25, compared with 4.0 Mwmmt in the prior year when substantial volumes of stockpiled ore were available for processing and sale. Processing volumes are anticipated to remain closely aligned with ex-pit ore production going forward.

Sales

Ore sales totalled 2.6 Mwmmt grading 64.5% Fe in FY25 after the delayed arrival of the year's final ore vessel resulted in full year sales falling one shipment below the lower end of the guidance range (2.7–3.0 Mwmmt) and the final planned shipment being loaded and dispatched in early July 2025.

Financial performance

Operating cashflow from Koolan Island for FY25 totalled \$26.5 million compared with cashflow of \$284.3 million the previous year when sales reflected higher prices and the availability of substantial high-grade ore stockpiles. Inflows in FY25 included sales revenues totalling \$330.5 million and insurance claim proceeds of \$27.3 million, while outflow items comprised cash operating and capital costs of \$299.0 million and royalties of \$32.3 million.

Koolan Island generated a profit before interest, tax and impairments of \$29.3 million in FY25, compared with \$181.3 million in the prior year. After impairment expenses totalling \$90.4 million (FY24: \$159.1 million), the mine recorded a loss before tax of \$61.1 million (FY24: profit before tax of \$22.2 million).

Insurance

Mount Gibson received business interruption claim proceeds totalling \$27.3 million early in FY25 to finalise its claim relating to the August 2022 processing plant fire at Koolan Island. These proceeds are reflected in Other Income for the reporting period.

Market Conditions and Pricing

Iron ore prices were highly volatile during FY25 amid continued global geopolitical tension and economic uncertainty, notably reflective of the impacts of increased US trade tariffs and the Israel-Iran conflict. Consequently, the benchmark Platts Index price for delivery (CFR) of 62% Fe iron ore fines to northern China averaged US\$101/dmt, compared with US\$119/dmt in the prior year, after trading in a volatile range and dropping well below US\$100/dmt for extended periods, including a dip to US\$89/dmt in September 2024 and an average of US\$98/dmt in the June quarter 2025.

Of more relevance to Mount Gibson, the Platts Index price for high grade 65% Fe CFR fines ores averaged US\$114/dmt in fiscal 2025, compared with US\$131/dmt in the prior year, after starting the year at US\$126/dmt and ending the period at US\$104/dmt. The average grade-adjusted premium for 65% Fe material compared to 62% Fe fines increased to average 8% per contained metal unit, compared with 5% in the prior year. Lower prices were partly offset by a weaker Australian dollar, which averaged A\$1.00/US\$0.648 in the year, compared with US\$0.656 in the prior year.

Price volatility resulted in substantial adverse provisional price adjustments totalling \$15.3 million (or US\$4/dmt) in FY25. Koolan Island fines grading 64.5% Fe consequently achieved an average realised price of US\$83/dmt FOB compared with US\$110/dmt FOB for fines grading 65.3% Fe in the prior year. Shipping freight rates for Koolan Island to Chinese ports remained relatively steady compared with the prior year and averaged approximately US\$11/wmt in FY25.

Impairment and Derecognition of Deferred Tax Assets

Further to the impairment expense of \$75.8 million recorded in the Company's financial results for the half-year ended 31 December 2024, an additional impairment expense of \$14.6 million was recorded at 30 June 2025 to reflect recent weaker iron ore prices impacting the recoverable carrying values of the Koolan Island non-current assets. The total impairment expense for the financial year of \$90.4 million comprises deferred stripping costs (\$38.2 million), other mine properties (\$36.8 million) and property, plant and equipment (\$15.4 million). These expenses have the effect of bringing forward non-cash depreciation and amortisation charges that would otherwise be incurred in future periods.

In accordance with applicable accounting standards, the current deferred tax asset balance of \$32.2 million relating to carried forward tax losses and temporary timing differences has been fully derecognised and included within the Group's tax expense for the year ended 30 June 2025. This accounting treatment does not impact the income tax position in which the Company retains the right to utilise its available carried forward tax losses.

Cash and Investments Position

The Group's cash and cash equivalents, term deposits and financial assets held for trading totalled \$463.9 million at 30 June 2025, an increase of \$21.6 million on the \$442.3 million balance held at 30 June 2024. These figures exclude the \$20.7 million value of the Company's equity interest in Mid-West iron ore producer Fenix Resources Ltd. Including the Fenix holding, the year-end cash and investments balance totalled \$484.6 million (\$463.0 million at 30 June 2024), higher than previously published following the inclusion under applicable accounting standards of accrued interest on the Company's term deposits. Mount Gibson does not have bank borrowings.

Business Development and Exploration

Mount Gibson continues to examine and invest in opportunities within the minerals sector.

Substantial shareholdings are currently held in Mid-West iron ore producer Fenix Resources Limited (9.8% shareholding plus 12.5 million options exercisable at 30 cents each up to 21 July 2028) with a market value of \$20.7 million at period end, and Queensland-based copper producer AIC Mines Limited in which Mount Gibson increased its shareholding at the end of the reporting period to 5.4% after investing \$3.3 million in an equity placement (refer to Mount Gibson's substantial shareholder notice dated 30 June 2025), bringing the value of that position to approximately \$11.5 million at period end. In addition to these investments, Mount Gibson holds non-substantial (below 5%) equity positions with an aggregate period-end market value of \$9.1 million in junior development companies where future financing and strategic opportunities may arise.

The Company also continues to assess regional exploration opportunities for base metals deposits particularly in Western Australia and Queensland. During the period, the Company wrote off \$2.9 million in capitalised exploration costs, of which \$2.5 million was carried forward expenditure from 30 June 2024 in relation to exploration work undertaken in the Mid-West region, due to the uncertainty of any outcome resulting from these activities.

Central Tanami Gold Project

Subsequent to financial year-end, the Company announced it had entered into a share purchase agreement with Northern Star Resources Limited (**Northern Star**) to acquire its 50% interest in the advanced Central Tanami Project Joint Venture (**CTPJV**) and adjacent wholly-owned exploration tenements for cash consideration of \$50 million. The transaction represents compelling value to shareholders as an opportunity to enter the gold industry on attractive terms via a high-quality asset with potential for near term development. For full details of the proposed acquisition, including Mineral Resource information, refer to the Company's ASX release dated 16 July 2025.

The CTPJV assets comprise over 2,100 sqkm of mining and exploration tenements in the Central Tanami region of the Northern Territory, hosting significant gold resources of more than 1.6 million ounces (**Moz**) with strong potential for substantial increases through further exploration and technical review, a non-operating 1.2 Mtpa carbon-in-leach processing plant which has been idle since 2005 and represents a refurbishment option for future project development, plus various other infrastructure including haul roads, an accommodation camp and a gravel airstrip. The other party in the CTPJV is Tanami Gold NL (**Tanami Gold**), an ASX-listed gold company seeking to advance the CTPJV project. Mount Gibson and Tanami Gold share a common major shareholder.

The consideration for a 50% interest in the CTPJV equates to an average acquisition cost of approximately \$61/oz of JORC 2012 Mineral Resources (13.8 million tonnes grading 3.7 grams per tonne gold for 1.6 Moz). This is highly competitive compared with other recent major gold sector transactions, given the advanced state of the CTPJV project, its substantial existing gold inventory and significant exploration upside.

Inclusive of additional long-standing historical mineral resource estimates (totalling approximately 11.2 Mt @ 2.3 g/t gold for 1 Moz contained gold), the implied acquisition cost is just \$38/oz. A Competent Person has not yet completed sufficient work to classify the historical estimates in accordance with JORC 2012 and it is uncertain that following further evaluation and/or exploration work that these historical estimates will be able to be reported in accordance with JORC 2012. The CTPJV parties are presently working to update a number of these historic estimates consistent with JORC 2012 standards.

Mount Gibson considers the CTPJV to be an attractive near-term development project that will benefit from the Company's remote-site operating strengths, development expertise and financial capacity. It also considers there is significant opportunity to fast track permitting and technical work to be in a position to make a potential development decision within 12-18 months.

Mount Gibson intends to work closely with Tanami Gold to actively pursue development studies and, in due course, site-based development works for the project to be placed into production, centred on the high grade Groundrush deposit. Mount Gibson has sufficient cash reserves to fund its share of anticipated CTPJV development costs.

In addition to the CTPJV interest, Mount Gibson will also acquire over 3,600 sqkm of exploration tenements in the surrounding area wholly-owned by Northern Star, providing the Company with exposure to a dominant land position collectively exceeding 5,700 sqkm in a major established gold region with a history of substantial gold production.

Key conditions to completion, to be satisfied before 31 March 2026, comprise Foreign Investment Review Board approval, further extension of existing infrastructure arrangements on one tenement by the Central Land Council, non-exercise by Tanami Gold of its right of first refusal under the CTPJV (satisfied on 12 August 2025), and various other pre-completion items standard for a transaction of this nature.

Group Guidance

Mount Gibson is targeting total iron ore sales of 3.0-3.2 Mwmt from Koolan Island in FY26, at a targeted unit cash operating cost of \$80-85/wmt FOB before royalties and capital projects.

Financial Statements

Full details of Mount Gibson's financial results for the year ended 30 June 2025 are available in the Appendix 4E and financial statements released to the ASX today and published on the Company's website.

Dividend

A dividend for the 2024/25 financial year has not been declared.

On-Market Share Buyback

An on-market share buyback of up to 5% of the Company's issued shares was commenced in mid-September 2024 as part of the Company's capital management strategy. In February 2025, the Company announced an increase in the buyback program of up to 10% of its issued shares. Since commencement of the buyback, 38.8 million shares have been purchased, representing 3.2% of the Company's issued shares at the time the buyback was announced, for just over \$12 million at an average price of \$0.313 per share. Buying under the program was paused in April as the Central Tanami Gold Project transaction advanced, and can now continue as appropriate.

Annual General Meeting (AGM)

Mount Gibson will be holding a hybrid AGM in Perth on 12 November 2025. Shareholders may participate by attending in person or via webcast. Information explaining how shareholders may access, vote and ask questions within the online meeting room will be provided in the Company's Notice of AGM to be released in October 2025.

For the purposes of ASX Listing Rule 3.13.1, the closing date for receipt of nominations from persons wishing to be considered for election as a Director of the Company at the 2025 AGM is 10 September 2025.

Authorised by:

The Board of Directors of Mount Gibson Iron Limited

For further information:

Peter Kerr

Chief Executive Officer
Mount Gibson Iron Limited
+61-8-9426-7500
www.mtgibsoniron.com.au

John Phaceas

Manager Investor & External Relations
+61-8-9426-7500
+61-(0)411-449-621

Competent Persons Information

Refer to Mount Gibson's announcement dated 16 July 2025 regarding the acquisition of a 50% interest in the Central Tanami Gold Project including the Mineral Resource and historical estimates contained therein.

Mineral Resource Estimates (JORC 2012)

The information in this release that relates to the Mineral Resource estimates for the Central Tanami Project Joint Venture is based on information compiled by Mr Graeme Thompson, who is a Member of the Australasian Institute of Mining and Metallurgy, and is an employee of MoJoe Mining Pty Ltd and has been engaged as a consultant to Mount Gibson to act as Competent Person on Mount Gibson's behalf. Mr Thompson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person, as defined in the 2012 Edition of the Australasian Code for the Reporting of Mineral Resources and Ore Reserves. Mr Thompson provided written consent approving the inclusion of the Mineral Resource estimates in this report in the form and context in which they appear. Mount Gibson confirms that it is not aware of any new information or data that materially affects the Mineral Resource estimates as reported, and the assumptions and technical parameters underpinning the Mineral Resource estimates reported continue to apply and have not materially changed.

Historical estimates (JORC 2004)

The information in this release that relates to the historical estimates of mineral resources within the Central Tanami Project Joint Venture were originally published by Tanami Gold NL on the ASX on 8 June 2011 in a release titled "Tanami Lifts Gold Resources to 2.3Moz and Unveils a 400,000oz Ore Reserve". A Competent Person has not completed sufficient work to classify the historical estimates as mineral resources in accordance with the JORC Code 2012. It is uncertain, following evaluation and/or further exploration work that the historical estimates can be reported as mineral resources in accordance with JORC 2012.