

QUARTERLY ACTIVITIES REPORT

ASX: HIO

30 January 2026



Highlights

- **Preliminary Feasibility Study (PFS) completed**
- **2.3Bt Ore Reserves Estimate declared**
- **New appointments strengthen Hawsons' Board**

Preliminary Feasibility Study and Ore Reserve Estimate

During the quarter, Hawsons Iron Limited (**Hawsons** or the **Company**) completed the Preliminary Feasibility Study (**PFS**) and Maiden Ore Reserves on the Hawsons Iron Project (**Project**)¹.

Completion of the PFS is a significant milestone for the Company representing over 15 months of extensive work by a number of well-regarded consultants. The key outcomes of the PFS were:

- **2.3Bt Ore Reserves Estimate declared**
 - PFS supports the reporting of a JORC compliant Probable Ore Reserve Estimate for the Project of 2,300Mt at an average grade of 11.7% DTR and 16.7% total iron.
- **PFS Completed**
 - The independently prepared PFS for the Project has defined a robust project development strategy based on producing up to 12Mtpa of +68% Fe, magnetite concentrate with a Life of Mine of 26 years, based only on the Company's 2,300Mt Ore Reserve;
 - The outcomes of the PFS resulted in positive technical and financial outcomes and support the development potential of the Project in the current iron price environment;
 - The PFS results provide Hawsons the confidence to advance the Project towards a full Feasibility Study and also provide a clear road map of upside opportunities to pursue.
- **Project Physicals**
 - Production target of 257 million tonnes (**Mt**) of magnetite concentrate over 26 year mine life;
 - Average magnetite concentrate grade of 68.6%;
 - Production target limited to Probable Ore Reserves only.
- **Project Economics**
 - Pre-tax IRR of 10.93%;
 - Pre-tax NPV₈ of \$AU 1,360M at a product price of \$US140/t and an AU/US exchange rate of \$0.65/\$1.00;
 - Approximate payback period of 13.5 years from commencement of Engineering, Procurement, and Construction Management (**EPCM**) and 10.5 years from first concentrate production;
 - Undiscounted Life of Mine revenue of \$AU 55.2B and cumulative pre-tax cashflows of \$AU 13.1B;

¹ Refer ASX announcement "[Hawsons Declares 2.3Bt Probable Ore Reserve Estimate and Completes the Pre-Feasibility Study](#)".



- Total initial capital of \$AU 4.96B for mine development, processing, and infrastructure over 2 construction stages:
 - \$AU 3.91B Phase 1 production; and
 - \$AU 1.05B deferred for 4 years post-production (Phase 2).
- C1 cost of \$US 49.34 and CFR cost of \$US 89.94 per dry metric tonne (**dmt**).
- Total Project funding requirement of \$AU 4.427B

The PFS demonstrates the economic viability of the Project, using a 26 year mine plan utilising only Ore Reserves, based on the current iron ore premium pricing, excluding premiums attributable to direct iron reduction (**DRI**) feed.

The PFS identified key risks to be focused on as part of the full Feasibility Study and highlighted a number of opportunities that may have a material positive impact on the Project's metrics.

A forward works plan for the coming year was also established and includes:

- Confirmatory / optimisation test work at scale;
- Completion of viability works on byproduct extraction;
- Undertake further drilling to potentially expand and upgrade portions of the Mineral Resource to the Measured and Indicated Resource categories;
- Complete large representative sample collection suitable for Vertical Roller Mills pilot work;
- Optimisation works on waste management materials handling;
- Commencement of the Feasibility Study; and
- Environmental and permitting advancements to align with development timelines.

Board Appointments and Changes

In late November, Hawsons announced several changes to the Board of Directors ².

Meredith Campion was appointed as Non-Executive Director on 1 December 2025. Meredith was a founding partner of the Perth office of law firm Allen & Overy, and has extensive experience practising in the areas of corporate, commercial and energy and resources law and has advised on a wide range of commercial transactions, including takeovers, mergers, acquisitions, disposals, capital raisings and joint ventures. Meredith joins the team with a breadth of skills which will be invaluable as the Company continues to develop the Hawsons Iron Project.

Tom Revy was appointed as Managing Director on 25 November 2025, in recognition of his pivotal work and leadership over the past 18 months.

Tony McGrady retired as Non-Executive Director of the Company on 1 December 2025, but continues in an advisory role with the Company providing advice on government, unions, councils and community bodies.

² Refer ASX announcement "[Changes to Board of Directors](#)".



Community and Stakeholder Engagement

During the quarter, Hawsons engaged in the following community and stakeholder activities:

- Project updates with NSW State Government officials and South Australian Government related groups;
- Meetings held with overseas government representatives and industry groups;
- Sponsored and participated in AMEC (NSW) industry presentation to Broken Hill Council and business representatives; and
- Provided Project updates to local pastoralists.



AMEC meeting held in Broken Hill

Financial Position

At 31 December 2025, Hawsons had cash reserves of \$0.54M. Operating cash outflows for the quarter were \$0.37M, and Investing cash outflows were \$0.58M, attributable to the operational activities outlined below. Investing cash outflows for the quarter included \$488k from the FY2025 Research and Development tax incentive and \$188k from the refund of drilling security bonds.

Further details of financial activities during the December 2025 quarter are set out in the Appendix 5B Quarterly Cashflow Statement which accompanies this report.

The Company is currently finalising a capital raising and expects to release the results of this process on 2 February 2026.

Operational Activities

During the quarter, activities focused on:

- PFS works.
- Process optimisation and by-product studies; and
- Metallurgical test work.

There were no mining production and development activities during the quarter.



Related Party Payments

During the quarter, Hawsons paid a total of \$84,333 of director wages and fees. There were no other related party transactions.

Capital Structure

As at the date of this report, the Company had the following shares and options on issue:

- 1,128,817,135 shares on issue (inclusive of 3,569,857 non-recourse employee shares)
- 130,140,309 options on issue, being:
 - 102,440,309 options exercisable at \$0.050, expiring 30 May 2026
 - 700,000 lead manager options exercisable at \$0.030, expiring 16 July 2028
 - 27,000,000 Director and employee incentive options with various vesting milestones, exercise prices and expiry dates.

In late December, the LDA Capital funding agreement expired and the 71,500,000 share options issued to LDA Capital lapsed.

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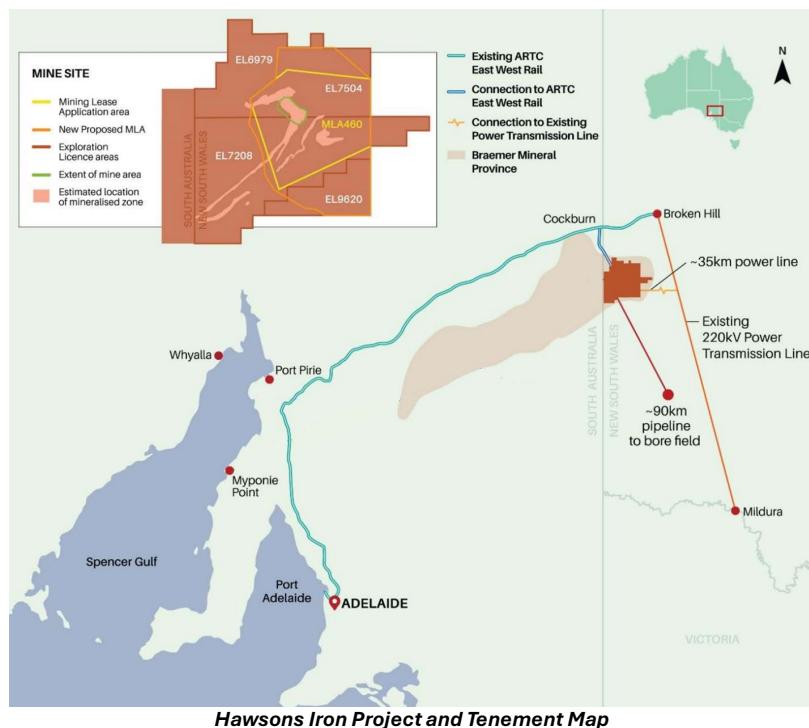


Tenement Schedules

Licence	Notes	Name	Grant date	Expiry date	Equity	Units	Area (km2)
EL6979	1	Redan	11/12/2007	11/12/2026	100%	62	180
EL7208		Burta	22/09/2008	22/09/2031	100%	100	290
EL7504		Little Peak	08/04/2010	08/04/2029	100%	14	41
EL9620		Wonga	05/12/2023	05/12/2029	100%	41	41
MLA461	2	Hawsons Iron	18/12/2023	NA	100%	NA	287

¹ 1.5% NSR royalty.

² MLA made on 18 December 2013. Tenement application subject to unspecified grant date and conditions.



This announcement is authorised by the Board.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

HAWSONS IRON LIMITED

ABN

63 095 117 981

Quarter ended ("current quarter")

31 Dec 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for	-	-
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(200)	(372)
(e) administration and corporate costs	(165)	(505)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	4
1.5 Interest and other costs of finance paid	(5)	(9)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Pure Metals settlement	-	-
1.9 Net cash from / (used in) operating activities	(369)	(882)
2. Cash flows from investing activities		
2.1 Payments to acquire or refunds for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(670)	(1,248)
(e) investments	-	-
(f) other – security bonds	-	(5)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
2.2	Proceeds from the disposal of:		
(a)	entities	-	-
(b)	tenements	-	-
(c)	property, plant and equipment	-	-
(d)	investments	-	-
(e)	other – security bonds	188	188
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	R&D tax concession received	489	489
2.6	Net cash from / (used in) investing activities	7	(576)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,909
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(91)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(13)	(13)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – lease principal repayments	(13)	(25)
3.10	Net cash from / (used in) financing activities	(26)	1,780
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	912	202
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(369)	(882)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	7	(576)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(26)	1,780

Consolidated statement of cash flows		Current quarter \$A'000	Year to date \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	524	524

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	524	912
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	524	912

6. Payments to related parties of the entity and their associates		Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	74
6.2	Aggregate amount of payments to related parties and their associates included in item 2	11

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Item 6.1
Director fees \$73,553

Item 6.2
Managing Director salary capitalised as Exploration and Evaluation assets \$10,780

7. Financing facilities <small>Note: the term 'facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</small>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (insurance financing)	65	65
7.4 Total financing facilities	65	65
7.5 Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	
	<p>Insurance Financing</p> <p>Hawsons Iron has entered into a insurance premium financing facility on the following terms:</p> <ul style="list-style-type: none"> • Insurance premium amount financed: \$78,125 • Interest rate 9.01% • 12 monthly repayments ending October 2026. 	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(369)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(670)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,039)
8.4 Cash and cash equivalents at quarter end (item 4.6)	524
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	524
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.50

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

- 8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:
- 8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

The Company expects similar administration and corporate cash expenditure for the remainder of the 2026 financial year.

Expenditure on the Hawsons Iron project is expected to be similar for the remainder of the 2026 financial year as the Company undertakes preliminary works on the Feasibility Study and undertakes additional test work programs.

- 8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company is currently finalising a capital raising and expects to release the results of this process on 2 February 2026. The Company is highly confident that this capital raising will be successful.

- 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes. Based on the recent successful capital raisings, the Company expects to be able to continue its operations and meet its business objectives. To the extent future funding is delayed or not available, the Company has the ability postpone proposed project development activities.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026.

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.