

Hawsons Iron Limited

Non-Energy Minerals – Fe

HIO A\$0.410

Hawsons Iron Ltd (HIO) is an iron ore developer and producer listed on the Australian Securities Exchange. The company is focused on developing its flagship Hawsons Iron Project near Broken Hill into a premium provider of high-quality iron ore products for the global steel industry. The Hawsons Iron Project is situated 60km southwest of Broken Hill, New South Wales, Australia in the emerging Braemar Iron Province. Prefeasibility Study (PFS) results for the Project, which was completed in 2017, showed that it is capable of producing the world's highest-grade iron product (70% Fe), making it the world's leading undeveloped high-quality iron ore concentrate and pellet feed project. Leading research firm Wood Mackenzie in Q2 FY 2019 rated the project one of the world's best high-grade iron ore development projects, excluding replacement or expansion projects owned by the established miners.

Company Data

Number of shares	716.1M
Market Capitalisation (\$m)	293.6
Free float (%)	99.2
12-month high/low	\$0.885/\$0.074
Average Daily Turnover (\$m)	0.8
% S&P/ASX200	0.015%
DDM Ranking	N/A
% All Ordinaries	0.013%
GICS Industry Group	Mining

Source: FactSet, BPC

Mineral Resource

400MT @ 70% Fe DTR Iron Ore Concentrate

Share Price Performance



Source: FactSet, Barclay Pearce Capital

Company Update

On 21st of June 2022, Hawsons Iron Limited (HIO) announced a company update, with the following highlights:

Highlights:

- Bankable Feasibility Study (BFS) to focus solely on development of a 20 Mtpa project due to expected superior economic, ESG outcomes and investment appeal relative to a 10 Mtpa project (ASX announcement 16 June 2022);
- Memorandum of Understanding (MOU) signed with Flinders Ports Pty Limited (Flinders Ports) to co-operate on the design, construction and operation of a greenfield Myponie Point Port for the export of 20 Mtpa of magnetite concentrate;
- HIO has signed a two-year Option Agreement (Agreement) to purchase three contiguous parcels of land suitable for developing an export facility for the Hawsons Iron Project at Myponie Point on South Australia's eastern Spencer Gulf (ASX announcement 20th June 2022);
- The Agreement gives HIO the right to purchase the three blocks of land totalling 1,000 acres, for \$14 million at any time within two years of the execution date;
- Underpins the MOU with Flinders Ports Pty Ltd;
- HIO cash as of 31 May 2022, unaudited, A\$13.7m;
- HIO is moving closer again to its goal of supplying high-grade products, essential for decarbonising steelmaking;
- HIO iron ore is among the highest-grade iron ore products on the seaborne market;
- Non-binding letters of intent received for approx. 12Mtpa of offtake from Asia and Middle East;

Upcoming Key Developments:

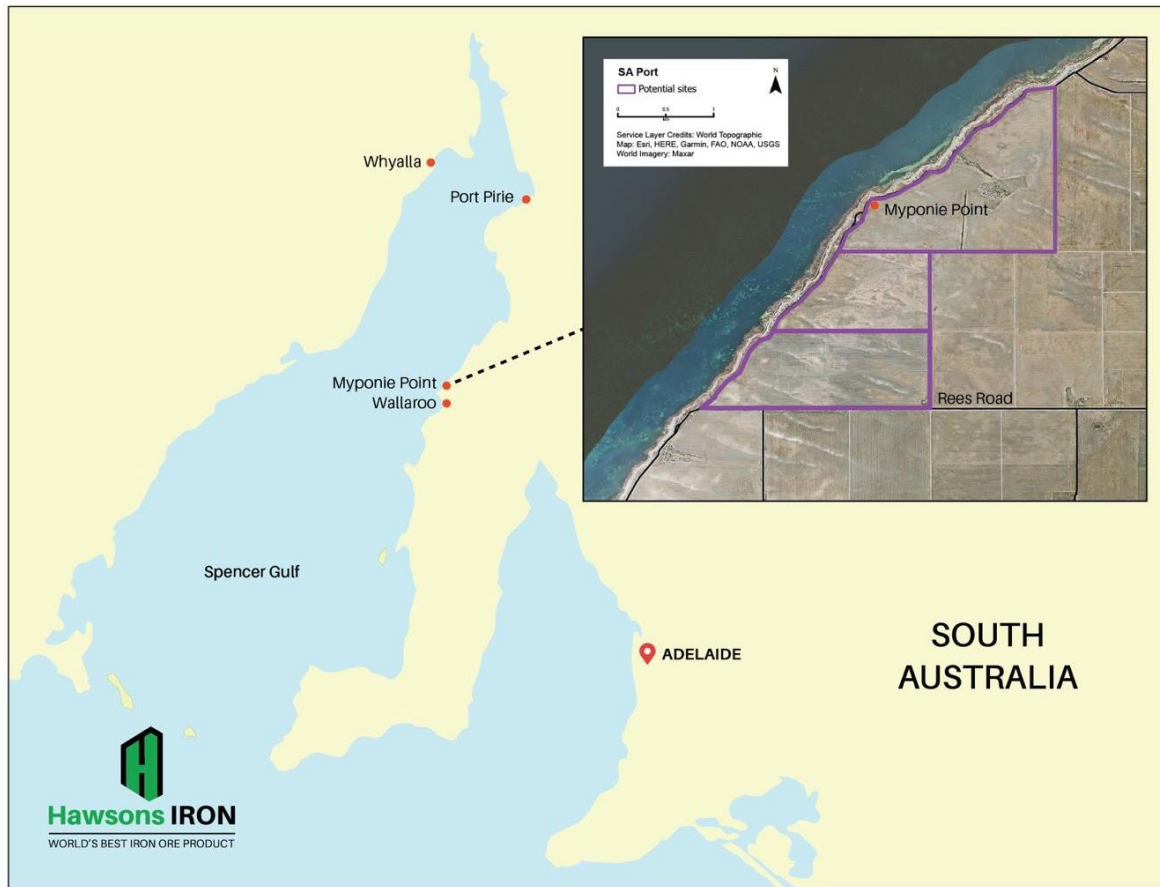
- Updated Mineral Resource statement mid 2022 target;
- Demonstration and process testing results mid 2022 target;
- BFS to focus on large scale production target of 20Mtpa Dec 2022 target;
- Environmental approvals (SA & NSW) H1 2023 target;
- Construction start H1 2023 target;
- First production - Myponie Point Port is expected to be ready to start exporting Hawsons' unique 70 per cent Fe Hawsons Supergrade magnetite concentrate by the second half of 2024.

BPC comment:

This Agreement secures a crucial export site required for the planning and development of HIO's 20 Mtpa project and importantly provides significant additional space to accommodate expansion of the Myponie Point Port into a multi-user, bulk commodity export facility.

Appendix A.

Hawsons Iron Project Export Facility Land Option



Appendix B.

Hawsons Iron Project



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21 June 2022

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Appendix C.

Hawsons Mineral Resource

Category	Mt	DTR %	DTR Concentrate Mt	Density t/m ³	Fe Head %
Indicated	960	13.7	132	3.03	17.3
Inferred	2,100	12.9	268	3.02	16.6
Total	3,060	13.1	400	3.02	16.8

Appendix D.

Hawsons Supergrade – Current Concentrate Grades

Category	Fe%	SiO ₂ %	Al ₂ O ₃ %	S %	P %	LOI %
Indicated	69.9	2.6	0.19	0.002	0.003	-3.0
Inferred	69.7	2.8	0.20	0.003	0.004	-3.1
Total	69.8	2.8	0.20	0.003	0.004	-3.0

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