

The purpose of this update is to provide our valued stakeholders with an understanding of the status of SIMEC's mining programs throughout the Middleback Ranges.

While the current business conditions present significant challenges, our team is committed to providing our stakeholders with as much information as possible.

Hematite Iron Ore Operations

SIMEC Mining with its contracting partners have completed several planned hematite ramp-down phases throughout 2023 and 2024.

This includes the Iron Knob Mining Area, which entered into a care and maintenance phase as of January 2025.

This is being undertaken in accordance with the approved Program for Environmental Protection and Rehabilitation (PEPR). SIMEC Mining is also now undertaking a comprehensive assessment to determine the next steps for Iron Knob.

Iron Baron will continue to be mined with a view to restart mining and processing operations late February/March 2025.

Magnetite Iron Ore operations

Business Restructure

The future of mining in the Middleback Ranges is underpinned by the world class magnetite deposit at the Iron Duchess pit in the South Middleback Range (SMR). SIMEC Mining continues to actively engage with interested project funders for Stage 1 of the Magnetite Expansion Project (MEP1) and with potential joint venture partners for Stage 2 (MEP2).

To facilitate the investment in both MEP1 and MEP2, a restructure of the business is required to separate the mineral tenement ownership between the South Middleback Range (SMR) and the other mining areas.

This restructure is subject to State Government approval and has been designed to support financing for projects that will extend the mine life over 20 years.

The restructure will not result in material changes in respect of stakeholder engagement processes. Stakeholders will continue to work with the same team members, simply under a different legal entity.

SMR Operations and Development

SIMEC Mining is transitioning from a hematite-focused operation to one centred on magnetite mining and processing. The key initiative driving this change is the Magnetite Expansion Project (MEP), which involves several stages.

In Stage 1 (MEP1), SIMEC Mining will upgrade its existing processing facilities to increase production from 2.2 Mtpa to 2.5 Mtpa of Direct Reduction (DR) grade concentrate, suitable for so called "Green Steel", or low carbon steelmaking. Stage 2 (MEP2) will triple magnetite concentrate production and extend the mine life by over 20 years.

To sustain magnetite mining before MEP2, SIMEC Mining is designing a Life of Mine (LOM) extension program, which will be part of MEP1 operations.

Execution of this program and the transition of MEP1 from the study phase to the execution phase is the key focus in the coming months. Key studies for MEP1 have largely been completed and regulatory approvals are currently under assessment by the Department of Energy and Mining (DEM).

To ensure that sufficient resources are available to support MEP1 execution activities, the execution timeline for MEP2 has been extended to approximately 2028.

Further details are provided on the projects throughout this brief.

Regulatory Approval Status

While some proposed operations, including development of a waste rock dump (WRD) to the north of the Duchess deposit, are already approved under the existing Program for Environmental Protection and Rehabilitation (PEPR), some elements will require further approvals. These will be submitted in several stages to align with progress of engineering studies.

The first stage of the approvals, which are currently under assessment, include a [Change in Operations](#) application and an update to the PEPR, to allow for the expansion of existing WRD onto the existing Miscellaneous Purpose Licence 32 (MPL32) at the mine site access road, which is not currently authorised for waste storage.

The PEPR update was submitted to DEM on 30 September 2024. This update covers the Change in Operations and the re-routing of the mine site access road from the Lincoln Highway, the Magnetite tailings storage facility (TSF) Raise 9, processing upgrades and the initial expansion of the Duchess Pit.

Magnetite TSF Raise 9

SIMEC Mining's current magnetite tailings storage facility is at Raise 8, and will require a further raise to accommodate the next 18-24 month of tailings during the initial operation of MEP1, until Iron Knight Pit become available for in-pit tailings storage.

As is typical, the engineering work to support Raise 9 includes a Dam Break Analysis, which evaluates the worst-case scenario of tailings discharge in the highly unlikely event of a breach in the tailings dam wall.

This analysis was last undertaken in 2023 for Raise 8 and has now been updated for the planned Raise 9. The draft output is depicted in Figure 3. As expected, there is very little difference between the evaluation for Raise 8 and Raise 9. The work is subject to a final technical review. If the final outcome differed in a material way, SIMEC would update potentially affected stakeholders.

Stakeholder Engagement

SIMEC Mining remains committed to engaging with stakeholders and community throughout the changes to the Middleback Ranges.

Importantly, information will be shared with relevant stakeholders at key milestones and at points of interest which may include:

- Changes to current operations and business structure;
- Updates or changes to the projects;
- Environmental and technical study findings.

Further Information

All current approved program documentation are available via the Department for Energy and Mining's website - [link](#).

If you would like further information on the SMR operations or developments, please contact SIMEC Mining's Community and Stakeholder team using the following details.

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Middleback Range
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