



15 October 2024

Optimisation Works – Update

Highlights

- The process optimisation study has identified the potential to reduce energy consumption within the comminution circuit by in excess of 30%.
 - Early (gangue) material rejection of around 20% may be possible using a preliminary magnetic separation stage.
 - Potential exists to reduce water requirements for the Project by 25% utilising this alternative approach to comminution.
 - These outcomes are in line with the program’s focus on capital and operating costs reductions as well as improving the long-term environmental sustainability of the Project.
 - Stantec has commenced the second phase of the optimisation works which will focus on developing CAPEX / OPEX estimates.
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Emerging magnetite development company Hawsons Iron Ltd (ASX:HIO) (“Hawsons” or the “Company”) is pleased to provide investors an update on its current optimisation study. This work being carried out by independent engineering firm Stantec Australia (“Stantec”) incorporates a detailed review of the current process plant design and supporting infrastructure.

Hawsons CEO, Tom Revy, commented: *“This phase of optimisation work has successfully demonstrated the high-level technical feasibility of an alternate and tailored route for recovering magnetite at the Hawsons Project. Work continues on determining the financial implications while plans are being discussed to pilot the alternate process route to confirm the full potential of energy and water savings.”*

The work completed utilised existing process related data derived from the 2023 pilot test work program¹.

In addition to the targeted power and water savings, the new flowsheet would also reject coarse- and fine-grained silica sand, early in the process, offering the opportunity to potentially produce a sand-based by-product for sale into the sand and construction industry.

¹ https://hawsons.com.au/wp-content/uploads/2023/09/Pilot_Testing_Program_Validates_New_Stantec_Processing_Design_12.09.23_FINAL.pdf



Minus 1mm Non-Magnetic Tailings Containing Silica Sand Material

As a critical component for derisking the Project, a pilot test work program for this revised comminution circuit, will be required to support further refinement of a final flowsheet which will be undertaken as part of the final DFS.

The information and high-level estimates contained in the Stantec report will be covered as part of ongoing Strategic Investor discussions.

The next phase of work is to liaise with the equipment manufacturers and operators, and to develop 2024 major equipment costing for the alternative processing routes as inputs into the current CAPEX/OPEX estimates.

The study is expected to be completed within the next 3 weeks.

This announcement is authorised by the Board.

For further information contact:

Tom Revy
Chief Executive Officer
tom.revy@hawsons.com.au
+61 411 475 376

Head Office

Level 21
12 Creek Street
Brisbane Q 4000
Phone: +61 7 3220 2022
Website: www.hawsons.com.au

Share Registry

Link Market Services Limited
Level 12, 300 Queen Street
Brisbane Q 4000
Phone: 1300 554 474