

29 April 2022

Company Announcements Office  
ASX Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

## Special Dividend

The Board of Directors of Red Hill Iron Limited advises that it has resolved to pay a special dividend of \$0.20 per share fully franked.

The key dates in relation to the dividend are:

Ex dividend Date	16 May 2022
Record Date	17 May 2022
Payment Date	31 May 2022

This decision reflects the board objective of delivering funds to shareholders that it deems are in excess of the need to maintain a reasonable level of financial strength. The Company currently holds funds of approximately \$83 million and has paid income tax instalments to date of \$39 million.

Progress during the quarter at the Red Hill Iron Ore Joint Venture (RHIOJV) was as anticipated with first production targeted for the first quarter of 2024.

The final \$200 million payment from Mineral Resources Limited (MinRes) for the sale of our RHIOJV interest is due when the first commercial shipment of iron ore extracted from the RHIOJV tenements departs port. From that time, Red Hill Iron will begin to receive 0.75% FOB royalty streams from the project. These royalty streams will be sourced from: i) production from the RHIOJV tenements, ii) production during the first 10 years only from the APIJV owned Upper Red Hill Creek tenement and iii) production from the MinRes owned Bungaroo South tenement.

MinRes, the interim manager of the RHIOJV, reported in their Quarterly released to the ASX on 22 April 2022 that significant engineering and detailed design work progressed at the Ashburton Iron Ore Project, which includes the RHIOJV. Construction of the first transhipper commenced at a major COSCO shipyard in China and two additional tugs for the transshipping operation were contracted with delivery in Q1 FY23. MinRes advised it had advanced trials of its world-first

autonomous road train project with a successful demonstration run of a triple-trailer, automated road train platoon, with each road train hauling 300 tonnes.

MinRes advised that the terms of the Ashburton development remain subject to final negotiations and final investment decisions by the other joint venture partners, expected in June 2022, and that the project economics are compelling through all economic cycles. MinRes also remains ready to commence construction as soon as final Government and regulatory approvals and joint venture sign-off are obtained.

Issued with the authority of the Board.

Joshua Pitt  
Chairman