APPENDIX 4D

MOUNT GIBSON IRON LIMITED
31 DECEMBER 2024 HALF-YEAR FINANCIAL STATEMENTS

This Half-Year Report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.2A.3

Current Reporting Period:	Half-Year ended 31 December 2024
Previous Corresponding Period:	Half-Year ended 31 December 2023

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Consolidated Entity	Movement	A$ million
Revenue from ordinary activities	Down 61% to	$170.3
Profit/(loss) from continuing operations before tax	Down 134% to	($58.8)
Net profit/(loss) after tax attributable to members of the Company	Down 152% to	($71.7)

DIVIDENDS

An interim dividend for the half-year ended 31 December 2024 has not been declared.

NET TANGIBLE ASSET BACKING

Consolidated Entity	Unit	31 December 2024	31 December 2023
Net tangible assets	*A$ mill*	$468.8	$673.8
Fully paid ordinary shares on issue at balance date	*#*	1,203,436,003	1,214,883,733
Net tangible asset backing per issued ordinary share as at balance date	*c/share*	39.0	55.5

DETAILS OF ENTITIES OVER WHICH CONTROL WAS GAINED OR LOST DURING THE PERIOD

None.

STATUS OF AUDIT

This Half-Year Report is based on accounts that have been reviewed by Mount Gibson's statutory auditors.

NOTICE

It is recommended that the Half-Year Report be read in conjunction with Mount Gibson's Annual Financial Report for the year ended 30 June 2024 and any public announcements made by Mount Gibson during and after the half-year ended 31 December 2024 in accordance with the continuous disclosure obligations under the Corporations Act 2001 and ASX Listing Rules.

Mount Gibson Iron

MOUNT GIBSON IRON LIMITED AND CONTROLLED ENTITIES

ABN 87 008 670 817

FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2024

Financial Report

For the half-year ended 31 December 2024

Directors' Report

Your Directors submit their report for the half-year ended 31 December 2024 for the Group incorporating Mount Gibson Iron Limited (**Company** or **Mount Gibson**) and the entities that it controlled during the half-year (**Group**).

CURRENCY

Amounts in this report and the accompanying financial report are presented in Australian dollars unless otherwise stated.

DIRECTORS

The names of the Company's directors in office during the half-year and until the date of this report are as below. Directors were in office for the entire period unless otherwise stated.

Mr Lee Seng Hui	*Chairman, Non-Executive Director*
Mr Simon Bird	*Lead Independent Non-Executive Director*
Mr Alan Jones	*Independent Non-Executive Director*
Professor Paul Dougas	*Independent Non-Executive Director*
Ms Evian Delfabbro	*Independent Non-Executive Director*
Mr Ding Rucai	*Non-Executive Director*
Mr Brett Smith	*Alternate Director to Lee Seng Hui (appointed 19 November 2024)*
Mr Andrew Ferguson	*Alternate Director to Lee Seng Hui (resigned 19 November 2024)*

Mr Peter Kerr is the Chief Executive Officer and Mr David Stokes is the Company Secretary.

CORPORATE INFORMATION

Corporate Structure

Mount Gibson is a company limited by shares that is incorporated and domiciled in Australia. It is the ultimate parent entity of the Group and has prepared a consolidated half-year financial report incorporating the entities that it controlled during the half-year.

Nature of Operations and Principal Activities

The principal activities of the entities within the Group during the period were:

- mining, processing and direct shipment of hematite iron ore at the Koolan Island mine in the Kimberley region of Western Australia;
- treasury management; and
- the pursuit of mineral resources investments and acquisitions.

OPERATING AND FINANCIAL REVIEW

Overview of the Half-Year Period

The Group recorded a profit before tax and impairments of $18,732,000 for the half-year ended 31 December 2024 compared with $175,066,000 in the prior corresponding half-year period. After non-cash impairment expenses totalling $77,526,000 and derecognition of deferred tax assets totalling $30,321,000, the Group recorded a net loss after tax of $71,691,000 for the half-year compared with a net profit after tax of $138,720,000 in the prior corresponding half-year.

The result for the six-month period reflected substantially lower iron ore prices and reduced sales volumes from the Koolan Island operation compared with the prior corresponding half-year in which Koolan Island achieved record ore sales, due to the monetisation of substantial high-grade ore stockpiles which had been established in earlier periods when processing capacity was constrained due to a fire incident in the processing plant in August 2022.

Iron ore prices were volatile in the December half-year, with the Platts Index price for delivery (**CFR**) of 62% Fe iron ore fines to northern China commencing the half-year at US$110 per dry metric tonne (**dmt**) and dropping below US$100 several times, including touching a low of US$89/dmt CFR in September. The price ended the half-year period at US$100/dmt CFR to average US$102/dmt CFR for the six months, compared with US$121/dmt CFR in the previous corresponding half-year.

Of more relevance to the Company, the Platts Index price for high grade 65% Fe fines ores started the half-year at US$126/dmt CFR and ended the period at US$114/dmt CFR to average US$116/dmt CFR for the six months, compared with an average of US$132/dmt CFR over the previous corresponding period. Although prices were weaker, the average grade-adjusted premium for 65% Fe material compared to 62% Fe fines increased to 9% per contained metal unit, compared with 4% in the prior corresponding half-year, providing an element of price protection for the high grade Koolan Island iron ore products. Prices reflected China's weakening economy as well as elevated global geopolitical tension and economic uncertainty.

The Australian dollar averaged A$1.00/US$0.66 in the half-year, compared with US$0.65 in the prior corresponding period, but steadily declined over the six months from US$0.67 at the start of the period to just US$0.62 by the end of December, providing an important hedge against weaker US dollar-denominated iron ore prices.

Group ore sales for the half-year totalled 1.3 million wet metric tonnes (**Mwmt**) of high-grade fines from Koolan Island, substantially lower than the record 2.5 Mwmt sold in the prior corresponding half-year when the Company had the benefit of substantial opening high-grade ore stockpiles.

Sales revenue totalled $160,106,000 Free on Board (**FOB**, i.e. excluding shipping freight), including adverse quotational period price adjustments of $4,383,000 and before net realised gains of $156,000 from foreign exchange and iron ore hedging contracts. This compared with sales revenue of $436,345,000 FOB in the prior corresponding half-year, which included positive quotational period price adjustments of $32,208,000 and was before realised losses of $4,369,000 from foreign exchange and iron ore hedging contracts. Sales revenue reflected lower sales volumes, lower prices and a temporarily lower average sales grade of 64.5% Fe, compared with an average of 65.4% Fe in the same half of 2023. Consequently, Mount Gibson achieved an average realised price for Koolan Island fines of US$84/dmt FOB in the half-year compared with US$116/dmt FOB in the prior corresponding half-year.

Other income in the period included interest revenue of $10,062,000 and insurance receipts of $27,270,000 relating to final settlement of the business interruption component of the August 2022 processing plant fire claim.

Total cash and investment reserves comprising cash and cash equivalents, term deposits, subordinated notes and financial assets held for trading, decreased by $5,141,000 over the half-year from $442,287,000 to $437,146,000 as at 31 December 2024. This largely reflected reduced ore sales and lower sales grades in the September quarter during reconfiguration of the central haul ramp as mining transitioned to the eastern half of the Main Pit.

The period end cash and investment reserves amount noted above excludes the value of the Company's 9.8% equity interest in Fenix Resources Limited which originated from the mid-2023 sale to Fenix of Mount Gibson's former Mid-West iron ore mining and infrastructure assets. During the half-year reporting period, Mount Gibson increased its stake in Fenix through the exercise of the first of two tranches of Fenix options received as part of the sale, comprising 12.5 million 25 cent options at a cost of $3,125,000. At period end, Mount Gibson's holding of 72.5 million Fenix shares and the second tranche of options (12.5 million Fenix options exercisable at 30 cents each at any time up until July 2028) had a fair market value of $19,968,000.

Operating Results for the Half-Year Period

The summarised operating results for the Group for the half-year ended 31 December 2024 are tabulated below.

Consolidated Group		31 December 2024 $'000	31 December 2023 $'000
Net profit/(loss) before tax	*$'000*	**(58,794)**	**175,066**
Tax expense, including derecognition of deferred tax assets	*$'000*	(12,897)	(36,346)
Net profit/(loss) after tax	*$'000*	**(71,691)**	**138,720**
Earnings/(loss) per share	*cents/share*	(5.97)	11.51

Koolan Island Operations

The Koolan Island mine is located in the Buccaneer Archipelago, approximately 140km north of Derby, in the Kimberley region of Western Australia, where the focus of activity remains on safely maximising the production and sales of high-grade iron ore over the remaining circa two year mine-life.

Mining activities

High-grade ore production and mine performance were largely in line with plan over the December half-year, as activity transitioned to the eastern end of the Koolan Island Main Pit, which will be the primary source of high grade ore for the remaining life of the operation. This transition follows completion of mining in the western end of the pit which reached its planned final depth of approximately 170 metres below sea (mean tide) level in June 2024. This western area is now established as a water collection sump to assist in efficient groundwater management activities.

Consequently, mining in the September quarter of the half-year focused on the necessary reconfiguration of the primary in-pit haul ramp with construction of a new switchback in the centre of the pit, as well as the commencement of extraction of the former eastern haul ramp which is necessary to widen the eastern half of the pit to provide future access to the lower levels of the high grade orebody.

Ore production and grades were consequently constrained while the reconfiguration work was undertaken in the September quarter but returned to planned levels over the remainder of the half-year. Extraction of the former eastern haul ramp also progressed in the December quarter and remains on schedule to be completed in mid-2025.

Reflecting this in-pit activity, total material movement increased by 51% to 5.1 Mwmt of waste and ore in the December half-year, compared with 3.4 Mwmt in the prior corresponding period, while high-grade ore production reduced by 44% to 1.1 Mwmt compared with 1.9 Mwmt in the prior corresponding period. The waste-to-ore stripping ratio, which is a key driver of costs at Koolan Island, reflected this temporary phase of activity in the Main Pit to average 3.7:1 in the December half-year, compared with 0.7:1 in the December 2023 half-year. While the strip ratio will vary in line with waste extraction cycles in the Main Pit, it is expected to steadily reduce through the current financial year and average less than 2:1 for the remaining mine life.

Parallel with mining activities, ground support remediation work also progressed as scheduled on the central-eastern footwall (island side) of the Main Pit required as a result of the August 2023 rock fall. This work involves a program of on-wall anchor drilling, grouting and installation of protective mesh and a safety barrier fence, which is necessary for safe access to the high-grade ore zones directly beneath this area. The on-wall drilling program was approximately 80% complete at the end of the reporting period and is anticipated to conclude in mid-2025, subject to there being no unforeseen major disruption resulting from the northern Australian wet season which commenced in December and typically extends through to April.

Processing

Processing volumes were more closely aligned with ex-pit ore production in the reporting period as expected, following depletion in the prior corresponding half-year of the substantial ore stockpiles assembled while processing capacity was constrained in the months following the August 2022 fire incident in the Koolan Island processing plant. Consequently, a total of 1.1 Mwmt of ore was processed in the reporting period, weighted to the December quarter, compared with 2.3 Mmwt in the prior corresponding half-year.

The newly installed tertiary crushing circuit was commissioned early in the reporting period, enabling more efficient and cost-effective processing of the harder material to be extracted from the eastern sections of the Main Pit orebody over the remaining life.

Sales

Koolan Island iron ore sales for the half-year totalled 1.3 Mwmt, consistent with the Company's guidance for the 2024/25 financial year, compared with 2.5 Mwmt in the prior corresponding half-year. The Company completed seven shipments grading an average of 63.7% Fe in the production-constrained September 2024 quarter, and nine shipments grading an average of 65.2% Fe in the December 2024 quarter. The Company anticipates stronger sales in the June 2025 half-year.

Shipments from Koolan Island are undertaken in Panamax and Kamsarmax vessels which typically carry cargoes totalling 70,000-80,000 tonnes of iron ore. Sales are made under long term offtake agreements on FOB terms, with pricing referencing high-grade (65% Fe) market indices and shipping freight rates, specification adjustments and penalties for impurities. Provisional prices are recorded following shipment departure and the final pricing ultimately reflects quotation periods of monthly iron ore price averages up to two months after the month of shipment. Accordingly, the Company is subject to provisional pricing adjustments in subsequent periods.

Koolan Island Production Summary	**Unit**	**Sept Quarter 2024**	**Dec Quarter 2024**	**Dec Half-Year 2024**	**Dec Half-Year 2023**	***% Incr/ (Decr)***
Mining						
Waste mined	*'000 wmt*	2,129	1,878	**4,007**	**1,427**	*181*
Ore mined	*'000 wmt*	454	643	**1,097**	**1,950**	*(44)*
Total material movement	*'000 wmt*	**2,583**	**2,521**	**5,104**	**3,377**	*51*
Stripping ratio	*Waste:Ore*	4.7	2.9	**3.7**	**0.7**	
Processing (crushing)						
Fines	*'000 wmt*	380	732	**1,112**	**1,857**	*(40)*
Lump	*'000 wmt*	-	-	**-**	**437**	*(100)*
Total ore crushed	*'000 wmt*	**380**	**732**	**1,112**	**2,294**	*(52)*
Shipping/Sales						
Fines	*'000 wmt*	559	709	**1,268**	**2,444**	*(48)*
Lump	*'000 wmt*	-	-	**-**	**81**	*(100)*
Total ore shipped	*'000 wmt*	**559**	**709**	**1,268**	**2,525**	*(50)*
Average ore grade sold	*% Fe*	63.7	65.2	**64.6**	**65.4**	
Average Platts 62% Fe CFR price	*US$/dmt*	**100**	**103**	**102**	**121**	*(16)*
Average Platts 65% Fe CFR price	*US$/dmt*	**114**	**118**	**116**	**132**	*(12)*
Koolan FOB fines price (pre-adjustment)	*US$/dmt*	**81**	**90**	**86**	**107**	*(20)*
Provisional pricing adjustments	*US$/dmt*	(7)	1	(2)	9	*(122)*
Koolan FOB fines price (after adjustment)	*US$/dmt*	**74**	**91**	**84**	**116**	*(28)*

Minor discrepancies may occur due to rounding.US$/dmt = USD per dry metric tonne

CFR = cost and shipping freight included; FOB = free on board (i.e. shipping freight deducted).

Koolan iron ore prices are shown on a FOB basis after shipping freight and specification penalties. Provisional pricing adjustments reflect realised (in-period) adjustments and, for half-year and annual reporting periods, estimates (if material) of unrealised adjustments for those shipment cargoes with future pricing periods, based on post-balance date observed prices. Final pricing ultimately reflects monthly iron ore price averages up to two months after the shipment date.

For the purpose of wet to dry tonnage conversion, moisture content typically averages approximately ~3% for Koolan Island iron ore products.

Realised pricing

Realised sales prices for Koolan Island fines reflected generally weaker and more volatile iron ore market conditions, partially offset by the decline in the value of the Australia dollar over the course of the reporting period, as well as the temporary reduction in average sales grade during the September 2024 quarter. The grade of Koolan Island fines averaged 64.6% Fe over the reporting period compared with 65.4% Fe in the prior corresponding half-year, while the benchmark Platts index price for 65% Fe fines (delivered to

China – CFR) averaged US$116/dmt CFR compared with US$132/dmt CFR in the prior corresponding period. Consequently, Koolan Island fines achieved an average realised price of US$84/dmt FOB in the reporting period compared with US$116/dmt in the prior corresponding half-year. Shipping freight rates for Koolan Island to Chinese ports averaged approximately US$12-13/wmt in the half-year period, broadly similar to the prior corresponding period.

Cashflow and operating costs

The Koolan Island mine generated a profit before interest, impairment and tax of $26,256,000 in the half-year compared with $144,150,000 in the prior corresponding half-year, when sales were boosted by the monetisation of substantial opening stockpiles of high-grade ore. Earnings in the December 2024 half-year reflected the temporary impact of in-pit reconfiguration activity on ore volumes and grade, as well as lower market prices. After impairment expenses totalling $75,800,000, Koolan Island generated a loss before interest and tax of $49,544,000 in the half-year reporting period.

Operating cashflow generated from Koolan Island for the half-year totalled $19,426,000 compared with cashflow of $244,339,000 in the previous half-year period. Inflows included sales revenues totalling $160,106,000 and insurance claim proceeds of $27,270,000, with the outflow items being cash operating and capital costs ($152,204,000) and royalties ($15,746,000).

Koolan Island's unit cash operating costs before royalties and capital projects were $96/wmt sold FOB for the half-year, in line with guidance and reflective of ore production volumes and a higher waste-to-ore stripping ratio. This compared with $59/wmt sold FOB before royalties and capital projects in the prior corresponding half-year.

Financial Position

The Group's cash and cash equivalents, term deposits and financial assets held for trading totalled $437,146,000 at 31 December 2024, a decrease of $5,141,000 from the balance at 30 June 2024 as tabulated below.

Cashflow Summary	**Koolan Island $'000**	**Corporate & Other $'000**	**Total $'000**
Operating cashflow before royalties and capital expenditure	81,826	2,278	84,104
Government and third-party royalties	(15,746)	-	(15,746)
Capital expenditure:			
Advanced waste stripping (capitalised deferred stripping costs)	(23,702)	-	(23,702)
Mine development (including ground support activities)	(17,009)	-	(17,009)
Sustaining capital, equipment purchases, exploration and other	(5,943)	(482)	(6,425)
Operating cashflow	**19,426**	**1,796**	**21,222**
Realised net hedging gain			156
Tax paid			(360)
Share buy-back			(4,725)
Other financing activities and net working capital movements			(21,434)
Total movement in cash and investment reserves in the period			**(5,141)**

Minor discrepancies may appear due to rounding.

Mount Gibson does not have bank borrowings.

As at the balance date, the Group's current assets totalled $521,505,000 and its current liabilities totalled $67,294,000. Accordingly, as at the date of this report, the Group has sufficient funds, as well as access to further equity and debt sources, to operate and sell iron ore from its operations and to advance its growth objectives.

Derivatives

As at 31 December 2024, the Group held foreign exchange collar option contracts covering the conversion of US$24,000,000 into Australian dollars over the period January 2025 to June 2025 with an average cap price of $1.00/US$0.6675 and an average floor price of $1.00/US$0.6064. These collar contracts had a marked-to-market unrealised net loss at balance date of $577,000.

During the period, the Group delivered into US dollar foreign exchange forward contracts totalling US$3,000,000 at a weighted average exchange rate of $1.00/US$0.6431. Realised gains and losses on these contracts are reflected in revenue.

As at 31 December 2024, the Group held commodity forward sales contracts totalling 290,000 tonnes of iron ore, with maturity dates over the period January to June 2025. The average price for 62% Fe fines (CFR) at each maturity date is between $156 and $163 per tonne. These commodity forward sales contracts had a net marked-to-market unrealised loss of $1,446,000 at balance date.

Insurance Matters

In the first quarter of the 2025 financial year the Company received business interruption claim proceeds of $27,270,000 which finalised the insurance claim in relation to the August 2022 processing plant fire at Koolan Island. These proceeds are reflected in Other Income for the reporting period.

In December 2023, judgment was handed down by the Federal Court regarding a long-standing business interruption claim against a former insurer arising from the 2014 failure of the Koolan Island Main Pit seawall. Mount Gibson was only partially successful in relation to its claim, with damages awarded in favour of Mount Gibson in the amount of $1,662,000 plus interest of $184,000 totalling $1,846,000 which was received in the 2023/24 financial year. As Mount Gibson was unsuccessful with its primary claim, legal costs were awarded in favour of the insurer which were ultimately settled with the insurer in November 2024 for $730,000.

Share buy-back

On 21 August 2024, the Company announced to the Australian Securities Exchange an on-market share buy-back of up to 5% of its ordinary shares as part of its capital management strategy. The share buy-back program commenced in September 2024 and will be undertaken over a 12-month period unless completed or terminated earlier. As at 31 December 2024, the Company bought back 15,295,372 shares of which 14,919,530 shares had settled at balance date, representing 1.2% of the Company's total shares on issue, at an average price of $0.313 per share.

On 18 February 2025, the Company approved an increase in its existing on-market share buy-back program from 5% up to 10% of its ordinary shares. The existing share buy-back program is set to continue until 15 September 2025 unless completed or terminated earlier, and otherwise continues on the same terms announced to the ASX market on 21 August 2024.

Impairment

As disclosed in the Company's financials for the half-year ended 31 December 2024, an impairment expense of $75,800,000 has been recorded as a result of recent weaker iron ore prices impacting the recoverable carrying values of the Koolan Island non-current assets. The impairment expense has been allocated to deferred stripping costs ($33,625,000), other mine properties ($28,244,000) and property, plant and equipment ($13,931,000). These expenses have the effect of bringing forward non-cash depreciation and amortisation charges that would otherwise be incurred in future periods.

In addition to the above, the Group recognised an impairment expense of $1,726,000 in relation to financial assets held for trading.

Derecognition of Deferred Tax Asset

In accordance with applicable accounting standards, the amount of $30,321,000 of the existing deferred tax asset relating to carried forward tax losses and temporary timing differences has been derecognised and is included in the Group's tax expense for the half-year ended 31 December 2024. This accounting treatment does not impact the income tax position in which the Company retains the right to utilise all its available carried forward tax losses and temporary timing differences.

Exploration and Business Development

Mount Gibson continues to examine and invest in opportunities within the bulk materials (iron ore, steel-making coal and bauxite) and base metals (copper, lead, zinc) sectors, focused in Australia. Equity positions are held in a number of junior resources companies where it is considered that future financing and strategic opportunities may arise. The market value of these holdings totalled $17,411,000 at 31 December 2024. These holdings are in addition to the Company's 9.8% shareholding and 12.5 million options in Mid-West iron ore producer Fenix Resources Limited.

During the period, the Company wrote off $2,670,000 in deferred exploration costs, of which $2,480,000 was carried forward expenditure from 30 June 2024 in relation to exploration work undertaken in the Mid-West region, due to the uncertainty of any outcome resulting from these activities.

The Company also continues to assess regional exploration opportunities for base metals deposits particularly in Western Australia and Queensland. Minimal field work was undertaken on the Company's Tallering Peak exploration tenements in the Mid-West, with activity focused on data reviews to assist preparation of the preliminary exploration plan for 2025 and aiding new project generation. Negotiations also continued regarding potential farm-in and joint venture arrangements for prospective exploration projects. In addition, Mount Gibson undertook field reconnaissance activity and applied for several new tenements considered prospective for base metals in the Gascoyne region of Western Australia.

Likely Developments and Expected Results

Mount Gibson's overall objective is to maintain and grow long-term profitability through the discovery or acquisition, development and operation of mineral resources. As an established producer and seller of hematite iron ore, Mount Gibson's strategy is to grow its profile as a successful profitable supplier of raw materials.

The Board's corporate objective is to grow the Company's cash reserves and to continue to pursue an appropriate balance between the retention and utilisation of cash reserves for value-accretive investments. The Board has determined the following key business objectives for the 2025 financial year:

- **Safety and Environment** – continue the ongoing safety improvement focus on the Company's worksites, the high standard of environmental and rehabilitation activities and pursuit of appropriate carbon reduction initiatives.
- **Koolan Island** – safely transition production to the eastern half of Main Pit to sustain production of high-grade iron ore and maximise sales and cashflow over the remaining circa 2 year life of the operation.
- **Cost reductions** – continue to drive for sustainable productivity and cost improvements across all business units.
- **Treasury management** – responsibly manage the Group's cash and financial reserves.
- **Growth** – accelerate the search for resource acquisition and growth opportunities.

Group Sales Guidance

Mount Gibson is targeting total iron ore sales of 2.7–3.0 Mwmt from Koolan Island in the 2024/25 financial year, at a targeted unit cash operating cost of $95-100/wmt before royalties and capital projects. The annual guidance reflects mining activities in the Koolan Island Main Pit, including ground support activities necessary for mining and shipping rates to increase through 2024/25 and in the following financial year.

DIVIDENDS

There were no dividends paid during the half-year ended 31 December 2024.

An interim dividend for the half-year ended 31 December 2024 has not been declared.

SIGNIFICANT EVENTS AFTER BALANCE DATE

As at the date of this report there are no significant events after balance date of the Group that require adjustment of or disclosure in this report.

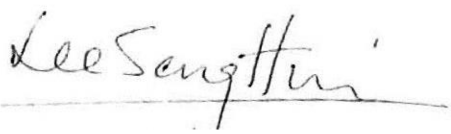
ROUNDING

Amounts in this report and the accompanying financial report have been rounded to the nearest thousand dollars ($'000) unless otherwise stated under the option available to the company under ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191. The Company is an entity to which the instrument applies.

AUDITOR'S INDEPENDENCE DECLARATION

In accordance with section 307C of the *Corporations Act 2001*, the Directors received the attached independence declaration from the auditor of the Company on page 8, which forms part of this report.

Signed in accordance with a resolution of the Directors.



Lee Seng Hui
Chairman
18 February 2025

Shape the future
with confidence

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Auditor's independence declaration to the directors of Mount Gibson Iron Limited

As lead auditor for the review of the half-year financial report of Mount Gibson Iron Limited for the half-year ended 31 December 2024, I declare to the best of my knowledge and belief, there have been:

a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;

b. No contraventions of any applicable code of professional conduct in relation to the review; and

c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mount Gibson Iron Limited and the entities it controlled during the financial period.

Ernst & Young

Ernst & Young

J K Newton

J K Newton
Partner
18 February 2025

Interim Consolidated Statement of Profit or Loss

For the half-year ended 31 December 2024

	Notes	31 December 2024 $'000	31 December 2023 $'000
Revenue	3[a]	160,262	431,976
Interest revenue	3[b]	10,062	6,455
TOTAL REVENUE		**170,324**	**438,431**
Cost of sales	4[a]	(162,285)	(292,716)
GROSS PROFIT		**8,039**	**145,715**
Other income	3[c]	29,444	43,137
Impairment of financial assets	8[i]	(1,726)	-
Impairment of property, plant and equipment	14	(13,931)	-
Impairment of mine properties	14	(61,869)	-
Net foreign exchange gain/(loss)	4[c]	1,161	(1,704)
Net marked-to-market (loss)	4[d]	(6,246)	(1,177)
Exploration expenses		(2,670)	(8)
Administration and other expenses		(9,241)	(8,445)
PROFIT/(LOSS) BEFORE TAX AND FINANCE COSTS		**(57,039)**	**177,518**
Finance costs	4[b]	(1,755)	(2,452)
PROFIT/(LOSS) BEFORE TAX		**(58,794)**	**175,066**
Tax expense	5	(12,897)	(36,346)
PROFIT/(LOSS) FOR THE PERIOD AFTER TAX ATTRIBUTABLE TO MEMBERS OF THE COMPANY		**(71,691)**	**138,720**
Earnings/(loss) per share (cents per share)			
▪ basic earnings/(loss) per share		(5.97)	11.51
▪ diluted earnings/(loss) per share		(5.97)	11.51

Interim Consolidated Statement of Comprehensive Income

For the half-year ended 31 December 2024

	31 December 2024 $'000	31 December 2023 $'000
PROFIT/(LOSS) FOR THE PERIOD AFTER TAX	**(71,691)**	**138,720**
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that may be subsequently reclassified to profit or loss:		
Change in fair value of cash flow hedges	(1,824)	(6,156)
Deferred income tax	547	1,847
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(1,277)**	**(4,309)**
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**(72,968)**	**134,411**

Interim Consolidated Statement of Financial Position

	Notes	31 December 2024 $'000	30 June 2024 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	54,494	36,258
Term deposits and subordinated notes	7	365,240	387,490
Financial assets held for trading	8	17,412	18,539
Other financial assets	9	19,968	20,745
Derivative financial assets		80	198
Trade and other receivables	10	14,615	4,856
Inventories	11	38,020	56,346
Prepayments		11,677	5,481
TOTAL CURRENT ASSETS		**521,506**	**529,913**
NON-CURRENT ASSETS			
Property, plant and equipment	12	11,214	25,879
Right-of-use assets		13,525	12,365
Deferred exploration and evaluation costs		63	2,480
Mine properties	13	46,798	81,671
Deferred tax assets		-	11,990
TOTAL NON-CURRENT ASSETS		**71,600**	**134,385**
TOTAL ASSETS		**593,106**	**664,298**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		45,536	43,018
Employee benefits		7,997	7,918
Interest-bearing loans and borrowings	15	11,189	9,144
Derivative financial liabilities		2,103	-
Provisions		469	469
TOTAL CURRENT LIABILITIES		**67,294**	**60,549**
NON-CURRENT LIABILITIES			
Employee benefits		635	597
Interest-bearing loans and borrowings	15	1,073	2,707
Provisions		55,334	54,272
TOTAL NON-CURRENT LIABILITIES		**57,042**	**57,576**
TOTAL LIABILITIES		**124,336**	**118,125**
NET ASSETS		**468,770**	**546,173**
EQUITY			
Issued capital	16	628,377	633,102
Accumulated losses		(1,084,359)	(1,012,668)
Reserves		924,752	925,739
TOTAL EQUITY		**468,770**	**546,173**

Interim Consolidated Statement of Cash Flows

For the half-year ended 31 December 2024

	Notes	31 December 2024 $'000	31 December 2023 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		152,312	388,847
Proceeds from rail credit		-	2,479
Proceeds from insurance		27,734	2,317
Payments to suppliers and employees		(128,698)	(177,038)
Interest paid		(555)	(1,021)
Income tax paid		(360)	-
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		**50,433**	**215,584**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		10,364	3,147
Dividends received		3	1,200
Proceeds from sale of property, plant and equipment		929	199
Purchase of property, plant and equipment		(7,610)	(12,539)
Proceeds from/(payment for) term deposits		22,000	(200,900)
Payment for financial assets held for trading		(2,500)	(2,000)
Purchase of shares		(3,125)	-
Proceeds from the sale of disposal group		-	10,000
Payment for deferred exploration and evaluation expenditure		(253)	(375)
Payment for mine development		(41,375)	(12,999)
NET CASH FLOWS (USED) IN INVESTING ACTIVITIES		**(21,567)**	**(214,267)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment for share buy-back		(4,673)	-
Payment for share buy-back transaction costs		(52)	-
Repayment of lease liabilities		(6,289)	(5,174)
Repayment of insurance premium funding facility		-	(1,163)
Payment of borrowing costs		(57)	(684)
NET CASH FLOWS (USED) IN FINANCING ACTIVITIES		**(11,071)**	**(7,021)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		17,795	(5,704)
Net foreign exchange difference		441	(644)
Cash and cash equivalents at beginning of period		36,258	55,038
CASH AND CASH EQUIVALENTS AT END OF PERIOD	6	**54,494**	**48,690**

Interim Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2024

	Attributable to Equity Holders of the Parent						
	Issued Capital $'000	**Accumulated Losses $'000**	**Share Based Payments Reserve $'000**	**Net Unrealised Gains / (Losses) Reserve $'000**	**Dividend Distribution Reserve $'000**	**Other Reserves $'000**	**Total Equity $'000**
At 1 July 2023	**633,102**	**(1,019,098)**	**22,553**	**(153)**	**906,019**	**(3,192)**	**539,231**
Profit for the period	-	138,720	-	-	-	-	**138,720**
Other comprehensive income	-	-	-	(4,309)	-	-	**(4,309)**
Total comprehensive income for the period	**-**	**138,720**	**-**	**(4,309)**	**-**	**-**	**134,411**
Transactions with owners in their capacity as owners	-	-	-	-	-	-	**-**
Share-based payments	-	-	132	-	-	-	**132**
At 31 December 2023	**633,102**	**(880,378)**	**22,685**	**(4,462)**	**906,019**	**(3,192)**	**673,774**
At 1 July 2024	**633,102**	**(1,012,668)**	**22,912**	**-**	**906,019**	**(3,192)**	**546,173**
Loss for the period	-	(71,691)	-	-	-	-	**(71,691)**
Other comprehensive loss	-	-	-	(1,277)	-	-	**(1,277)**
Total comprehensive loss for the period	**-**	**(71,691)**	**-**	**(1,277)**	**-**	**-**	**(72,968)**
Transactions with owners in their capacity as owners							
Share buy-back	(4,673)	-	-	-	-	-	**(4,673)**
Share buy-back transaction costs	(52)	-	-	-	-	-	**(52)**
Share-based payments	-	-	290	-	-	-	**290**
At 31 December 2024	**628,377**	**(1,084,359)**	**23,202**	**(1,277)**	**906,019**	**(3,192)**	**468,770**

Notes to the Half-Year Financial Report

For the half-year ended 31 December 2024

1. Corporate Information

The consolidated financial report of the Group, comprising the Company and the entities that it controlled during the half-year ended 31 December 2024, was authorised for issue in accordance with a resolution of the Directors on 18 February 2025.

The Company is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

The nature of operations and principal activities of the Group are the mining and export of hematite iron ore from Koolan Island in the Kimberley region of Western Australia, treasury management and the pursuit of mineral resources investments and acquisitions.

The address of the registered office is Level 1, 2 Kings Park Road, West Perth, Western Australia, 6005.

2. Basis of Preparation and Accounting Policies

2.1 Basis of preparation

This general purpose condensed financial report for the half-year ended 31 December 2024 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001.* The half-year financial report:

- does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the Group as the full financial report;
- should be read in conjunction with the Annual Financial Report of Mount Gibson Iron Limited for the year ended 30 June 2024. It is also recommended that the half-year financial report be considered together with any public announcements made by Mount Gibson during and subsequent to the half-year ended 31 December 2024 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001* and Australian Securities Exchange Listing Rules;
- has been prepared on a historical cost basis, except for derivatives and certain financial assets measured at fair value; and
- is presented in Australian dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated pursuant to the option available to the Company under Australian Securities and Investment Commission (**ASIC**) Instrument 2016/191. The Company is an entity to which the Instrument applies.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

2.2 New standards, interpretations and amendments adopted by the Group

Since 1 July 2024, the Group has adopted all Accounting Standards and Interpretations mandatory to annual periods beginning on or before 1 July 2024. The accounting policies adopted are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 June 2024, except for the adoption of new standards and interpretations as of 1 July 2024. Adoption of these standards and interpretations did not have any material effect on the financial position or performance of the Group. The Group has not yet early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Notes to the Half-Year Financial Report

	Notes	31 December 2024 $'000	31 December 2023 $'000
3. Revenue and Other Income			
[a] Revenue			
Revenue from contracts with customers – sale of iron ore		164,489	404,137
Other revenue:			
Quotation period price adjustments – relating to prior period shipments		(4,948)	(896)
Quotation period price adjustments – relating to current period shipments		565	33,104
Realised gain/(loss) on foreign exchange and commodity hedging contracts		156	(4,369)
		160,262	431,976
[b] Interest revenue			
Interest revenue – calculated using the effective interest method		9,064	5,747
Interest revenue - other		998	708
		10,062	6,455
[c] Other income			
Dividend income		3	1,200
Net gain on disposal group		-	35,942
Net gain on disposal of property, plant and equipment		754	127
Insurance proceeds	[i]	27,734	2,317
Rail credit income		-	1,876
Other income		953	1,675
		29,444	43,137

[i] During the period, the Company received $27,270,000 from the business interruption insurance claim in relation to the August 2022 processing plant fire at Koolan Island.

Notes to the Half-Year Financial Report

		31 December 2024 $'000	31 December 2023 $'000

4. Expenses

		31 December 2024 $'000	31 December 2023 $'000
[a] Cost of sales			
Mining and administration costs		104,352	94,952
Depreciation of property, plant and equipment – mining and site administration		5,363	7,359
Depreciation of right-of-use assets – mining and site administration		4,830	4,468
Capitalised deferred stripping costs	13[a]	(23,702)	-
Amortisation of capitalised deferred stripping costs	13[a]	6,296	25,244
Amortisation of mine properties	13[a]	7,419	19,017
Crushing costs		19,127	25,196
Depreciation of property, plant and equipment – crushing		1,238	3,004
Depreciation of right-of-use assets – crushing		464	606
Port costs		1,550	4,116
Depreciation of property, plant and equipment – port		-	5
Royalties		15,746	41,607
Net movement in ore inventory		27,668	66,912
Net movement in net realisable value on ore inventory		(8,663)	-
Consumables stock write down		597	230
Cost of sales – Free on Board (FOB) basis		162,285	292,716
[b] Finance costs			
Finance charges on banking facilities		252	924
Finance charges on lease liabilities		393	547
		645	1,471
Non-cash interest accretion on rehabilitation provision		1,110	981
		1,755	2,452
[c] Net foreign exchange (gain)/loss			
Net realised (gain)/loss on foreign exchange transactions		(675)	1,021
Net unrealised (gain)/loss on foreign exchange balances		(486)	683
		(1,161)	1,704
[d] Net marked-to-market (gain)/loss			
Unrealised marked-to-market (gain)/loss on foreign exchange derivatives		397	(164)
Unrealised marked-to-market loss on financial assets held for trading		5,849	1,341
		6,246	1,177
[e] Administration and other expenses include:			
Depreciation of property, plant and equipment		130	80
Depreciation of right-of-use assets		246	246
Share-based payments expense		290	132
Insurance premiums		1,005	1,002
[f] Cost of sales & Administration and other expenses include:			
Salaries, wages expense and other employee benefits		39,211	38,163
Lease expense – short-term		1,636	3,270
Lease expense – low value assets		83	79
Lease expense – variable		35	54

Notes to the Half-Year Financial Report

5. Taxation

Reconciliation of tax expense/(benefit)

A reconciliation of tax expense/(benefit) applicable to accounting profit/(loss) before tax at the statutory income tax rate to tax expense at the Group's effective tax rate for the period ended 31 December 2024 and 2023 is as follows:

	31 December 2024 $'000	31 December 2023 $'000
Accounting profit/(loss) before tax	(58,794)	175,066
• At the statutory income tax rate of 30% (2023: 30%)	(17,638)	52,520
• Unrecognised deferred tax assets	30,321	-
• Expenditure not allowed for income tax purposes	216	314
• Recognition of previously unrecognised deferred tax assets	-	(15,972)
• Adjustments in respect of current income tax of previous year	-	(514)
• Other	(2)	(2)
Tax expense	12,897	36,346
Effective tax rate	(21.9%)	20.8%
Tax expense reported in Income Statement	**12,897**	**36,346**
Deferred tax assets that have not been recognised in respect of:		
Tax losses	26,505	-
Non-current assets	50,016	-
	76,521	**-**

As at 31 December 2024, the Group has carried forward gross tax losses of $88,351,000 (31 December 2023: $114,184,000) with a tax-effected value (at 30%) of $26,505,000 (31 December 2023: $34,255,000).

The Company has a franking account credit balance of $3,026,000 as at 31 December 2024 (31 December 2023: $515,000).

Notes to the Half-Year Financial Report

6. Cash and Cash Equivalents

	31 December 2024 $'000	30 June 2024 $'000
For the purpose of the Cash Flow Statement, cash and cash equivalents comprise the following:		
Cash at bank and on hand	49,494	18,258
Short-term deposits	5,000	18,000
	54,494	**36,258**

7. Term Deposits and Subordinated Notes

	Notes	31 December 2024 $'000	30 June 2024 $'000
Current			
Term deposits – financial assets at amortised cost		365,240	387,490
		365,240	**387,490**

Term deposits are made for varying periods of between three and twelve months depending on the cash requirements of the Group, and earn interest at market term deposit rates. Term deposits are held with various financial institutions with short term credit ratings of A-2 or better (S&P). As these instruments have maturity dates of less than twelve months, the Group has assessed the credit risk on these financial assets using life time expected credit losses. In this regard, the Group has concluded that the probability of default on the term deposits is low. Accordingly, no impairment allowance has been recognised for expected credit losses on the term deposits.

8. Financial Assets Held for Trading

		31 December 2024 $'000	30 June 2024 $'000
Current			
Tradeable corporate bonds at fair value through profit or loss		1	1
Quoted share investments at fair value through profit or loss	[i]	16,911	18,538
Unquoted share investments at fair value through profit or loss		500	-
		17,412	**18,539**

[i] An impairment expense of $1,726,000 (2003: $nil) was recognised in the period in relation to a listed entity that went into voluntary administration in October 2023 and subsequent to balance date, relisted on the Australian Securities Exchange following a successful recapitalisation.

Financial assets held for trading comprise corporate bonds and equity securities which are traded in active markets, and unquoted shares. These financial assets are acquired principally for the purpose of selling or repurchasing in the short term.

Notes to the Half-Year Financial Report

	Notes	31 December 2024 $'000	30 June 2024 $'000
9. Other Financial Assets			
Current			
Listed investment shares - at fair value through profit and loss		19,213	18,900
Investment options – at fair value through profit and loss		755	1,845
		19,968	**20,745**
10. Trade and Other Receivables			
Trade debtors – at amortised cost		322	333
Trade debtors – at fair value through profit or loss		8,412	461
Sundry receivables		2,118	1,662
Other receivables		3,763	2,400
		14,615	**4,856**
11. Inventories			
Consumables – at cost		25,110	23,995
Write down to net realisable value (**NRV**)		(4,140)	(3,704)
		20,970	20,291
Ore – all grades, at cost		39,383	67,051
Write down to NRV		(22,333)	(30,996)
At lower of cost and NRV		17,050	36,055
Total inventories at lower of cost and NRV		**38,020**	**56,346**
12. Property, Plant and Equipment			
Property, plant and equipment – at cost		347,246	347,748
Accumulated depreciation and impairment		(336,032)	(321,869)
		11,214	**25,879**
[a] Reconciliation			
Carrying amount at the beginning of the period		25,879	51,380
Additions		6,172	36,553
Disposals		(175)	(396)
Depreciation expense		(6,731)	(24,026)
Impairment expense		(13,931)	(37,632)
		11,214	**25,879**

Notes to the Half-Year Financial Report

	31 December 2024 $'000	30 June 2024 $'000
13. Mine Properties		
Mine development expenditure	1,833,285	1,792,574
Accumulated amortisation and impairment	(1,786,487)	(1,710,903)
Total mine properties	**46,798**	**81,671**

[a] Reconciliation

	Koolan Island	
	31-Dec-24 $'000	30-Jun-24 $'000
Deferred stripping costs		
Carrying amount at the beginning of the period	41,652	152,104
Capitalised deferred stripping costs	23,702	-
Amortisation expensed	(6,296)	(48,502)
Impairment expense	(33,625)	(61,950)
Carrying amount at the end of the period	**25,433**	**41,652**
Other mine properties		
Carrying amount at the beginning of the period	40,019	108,034
Additions	17,009	27,351
Mine rehabilitation – revised estimate	-	2,720
Amortisation expensed	(7,419)	(38,568)
Impairment expense	(28,244)	(59,518)
Carrying amount at the end of the period	**21,365**	**40,019**
Total mine properties	**46,798**	**81,671**

Notes to the Half-Year Financial Report

14. Impairment of Non-Current Assets

The Group reviews the carrying value of the assets of each Cash Generating Unit (**CGU**) at each balance date for indicators of potential impairment or reversal thereof. Where such indicators exist, the Company utilises the approaches under applicable accounting pronouncements for assessment of any impairment expenses or reversals.

As at 31 December 2024, the following were considered indicators of impairment relating to the Company's operations:

- the market capitalisation of the Group was below the book value of its net assets (before impairment); and
- the benchmark price of iron ore, being the Company's sole product, decreased 6.3% from US$106.70 per dry metric tonne (dmt) of 62% Fe CFR fines as at 30 June 2024 to US$100.00/dmt as at 31 December 2024.

Accordingly, the Group has performed an impairment assessment on the Koolan Island CGU. Based on this assessment, $75,800,000 impairment loss has been recognised in the financial report. The impairment amount has been allocated proportionately to Koolan Island's non-current assets as follows:

	Notes	31-Dec-24 $'000	30-June-24 $'000
Deferred stripping costs		33,625	61,950
Other mine properties		28,244	59,518
Total mine properties		61,689	121,468
Property, plant and equipment		13,931	37,632
Total impairment loss of non-current assets		**75,800**	**159,100**

The Group assessed the recoverable amount of the Koolan Island CGU as at 31 December 2024 using the Fair Value Less Costs of Disposal (**FVLCD**) approach. The recoverable amount of the Koolan Island CGU at 31 December 2024 is $76,148,000 (30 June 2024: $130,200,000). The FVLCD is assessed as the present value of the future cash flows expected to be derived from the operation less disposal costs (level 3 in the fair value hierarchy), utilising the following key assumptions:

- Cashflow forecasts based on historical performance and budgeted revenues, operating costs and capital expenditure over the life of mine;
- Discount rate of 13.0% (nominal, after tax);
- Iron ore price forecasts for the 62% Fe benchmark fines CFR price (northern China), expressed in real 2024 terms, of US$90/dmt from 2025 to 2027, at an exchange rate of A$1.00/US$0.63 from 2025 to 2027 with sensitivities undertaken for a broad range of inputs; and
- Cost inflation estimates of 3.0% per annum.

Koolan Island CGU's recoverable value is most sensitive to changes in iron ore prices, the A$/US$ exchange rate and mining unit costs. It is estimated that changes in these key assumptions would impact the recoverable amount of the CGU as at 31 December 2024 as follows:

Key Assumption	Increase/(Decrease) in CGU Recoverable Amount	
	10% increase in key assumptions $'000	10% decrease in key assumptions $'000
Benchmark price of 62% Fe CFR fines iron ore	52,000	(52,000)
A$/US$ exchange rate	(37,000)	45,000
Mining unit cost per wmt mined	(23,000)	23,000

Notes to the Half-Year Financial Report

15. Interest-Bearing Loans and Borrowings

	Notes	31 December 2024 $'000	30 June 2024 $'000
Current			
Lease liabilities		11,189	9,144
		11,189	**9,144**
Non-Current			
Lease liabilities		1,073	2,707
		1,073	**2,707**
The following off balance sheet financing facility had been negotiated and was available at the reporting date:			
Performance bonding facility	[i]		
Used at reporting date		6,586	6,586
Unused at reporting date		13,414	13,414
Total facility		**20,000**	**20,000**

Terms and conditions relating to the above financial facilities:

[i] **Performance Bonding Facility**

In December 2023, the term of the Performance Bonding facility was extended to 30 September 2026. As at balance date, bonds and guarantees totalling $6,586,000 were drawn under the Performance Bonding facility.

The security pledge for the Facility Agreement is a fixed and floating charge over all the assets and undertakings of Mount Gibson Iron Limited, Mount Gibson Mining Limited, Geraldton Bulk Handling Limited, Koolan Iron Ore Pty Ltd and Aztec Resources Limited together with mining mortgages over the mining tenements owned by Mount Gibson Mining Limited and Koolan Iron Ore Pty Ltd.

Notes to the Half-Year Financial Report

	Notes	31 December 2024 $'000	30 June 2024 $'000
16. Issued Capital			
[a] Ordinary shares			
Issued and fully paid	[b]	**628,377**	**633,102**

	Notes	31 December 2024		30 June 2024	
		Number of Shares	$'000	Number of Shares	$'000
[b] Movement in ordinary shares on issue					
Unrestricted shares					
Balance at the beginning of the period		1,204,253,233	633,102	1,204,253,233	633,102
Share buy-back	[i]	(14,919,530)	(4,673)	-	-
Share buy-back transaction costs		-	(52)	-	-
		1,189,333,703	628,377	1,204,253,233	633,102
Restricted shares – Loan Share Plan (LSP)	[e]				
Balance at the beginning of the period		10,630,500	-	8,677,600	-
Shares issued under LSP		3,471,800	-	464,400	-
Shares forfeited under LSP		(1,265,300)	-	-	-
Shares reallotted from treasury shares		-	-	1,488,500	-
Balance at end of the period		12,837,000	-	10,630,500	-
Treasury shares					
Balance at the beginning of the period		-	-	1,488,500	-
Shares forfeited under LSP, not reallotted		1,265,300	-	-	-
Shares reallotted under LSP		-	-	(1,488,500)	-
		1,265,300	-	-	-
Total shares on issue		1,203,436,003	628,377	1,214,883,733	633,102

[i] On 21 August 2024, the Company announced to the Australian Securities Exchange an on-market share buy-back of up to 5% of its ordinary shares as part of its capital management strategy. The share buy-back program commenced in September 2024 and will be undertaken over a 12-month period unless completed or terminated earlier. As at 31 December 2024, the Company had bought back 15,295,372 shares of which 14,919,530 shares had settled at balance date, representing 1.2% of the Company's total shares on issue, at an average price of $0.313 per share.

Without the share buy-back transactions, the basic and diluted loss per share would have been $0.0595 for the half-year ended 31 December 2024.

[c] Share options

During the 6 months ended 31 December 2024, no options were issued. As at balance date there were no options on issue (30 June 2024: nil).

[d] Performance rights

During the 6 months ended 31 December 2024, no performance rights were issued. As at 31 December 2024, there were no performance rights on issue (30 June 2024: nil).

Notes to the Half-Year Financial Report

[e] Loan Share Plan

On 3 July 2024, the Company issued 3,471,800 shares under the LSP. In accordance with the terms of the LSP, the shares were issued at a share price of $0.42 per share and pursuant to the vesting conditions, these shares do not vest unless a share price target of a 10% premium to the issue price is met between 3 July 2025 and 3 July 2029 and the participants remain continuously employed by the Group until at least 3 July 2026. The award was accounted for as an in-substance option award and the fair value at grant date assessed at $0.1654 per loan-funded share. In calculating this fair value, a Monte Carlo simulation model was utilised over several thousand simulations to predict the share price at each vesting test date and whether the 10% hurdle would be satisfied, with the resultant values discounted back to the grant date. The underlying share price and the exercise price were assumed at $0.414 and the period to exercise was assumed as 3.5 years (being halfway between the first possible vesting date and the expiry of the LSP shares), the risk-free rate was 4.14% based on Australian Government bond yields with three year lives, the estimated volatility was 50% based on historical share price analysis, and the dividend yield was assumed as nil.

17. Dividends Paid and Proposed

Declared and paid during the year:

[a] Dividends on ordinary shares:

During the half-year ended 31 December 2024, no dividends were declared or paid in respect of the financial year ended 30 June 2024 (2023: $nil).

[b] Franked dividends:

The Company has a franking account credit balance of $3,026,000 as at 31 December 2024 (30 June 2024: 2,664,000).

18. Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Chief Executive Officer and the executive management team in assessing performance and in determining the allocation of resources.

The Group had one reportable segment during the half-year ended 31 December 2024. The Koolan Island segment includes the mining, crushing and sale of iron ore direct from the Koolan Island iron ore operation.

Notes to the Half-Year Financial Report

18. Operating Segments (Continued)

	Koolan Island		Unallocated*		Consolidated	
Half-Year Ended:	**31 December 2024 $'000**	**31 December 2023 $'000**	**31 December 2024 $'000**	**31 December 2023 $'000**	**31 December 2024 $'000**	**31 December 2023 $'000**
Segment revenue						
Revenue from sale of iron ore, net of shipping freight and realised gains/(losses) on derivatives	160,262	431,976	-	-	160,262	431,976
Interest revenue	-	-	10,062	6,455	10,062	6,455
Segment revenue, net of shipping freight	**160,262**	**431,976**	**10,062**	**6,455**	**170,324**	**438,431**
Segment result						
Earnings before impairment, interest, tax, depreciation and amortisation	43,800	204,083	(5,393)	33,694	38,407	237,777
Write back/(write down) of inventories to net realisable value (i)	8,066	(230)	-	-	8,066	(230)
Impairment expense (ii)	(75,800)	-	(1,726)	-	(77,526)	-
Earnings/(loss) before interest, tax, depreciation and amortisation	(23,934)	203,853	(7,119)	33,694	(31,053)	237,547
Depreciation and amortisation	(25,610)	(59,703)	(376)	(326)	(25,986)	(60,029)
Segment result	**(49,544)**	**144,150**	**(7,495)**	**33,368**	**(57,039)**	**177,518**
Finance costs					(1,755)	(2,452)
Profit/(loss) before tax					**(58,794)**	**175,066**
(i) Write down of inventories to net realisable value:						
Write down of consumables inventories	597	230	-	-	597	230
Write back of ore inventories	(8,663)	-	-	-	(8,663)	-
	(8,066)	230	-	-	(8,066)	230
(ii) Impairment expenses:						
Impairment of financial assets	-	-	1,726	-	1,726	-
Impairment of property, plant and equipment	13,931	-	-	-	13,931	-
Impairment of mine properties	61,869	-	-	-	61,869	-
	75,800	-	1,726	-	77,526	-

* 'Unallocated' includes interest revenue of $10,062,000 (2023: $6,455,000), net realised gain on foreign exchange transactions of $675,000 (2023: $1,021,000 loss), net unrealised gain on foreign exchange balances of $486,000 (2023: $683,000 loss), unrealised marked-to-market loss on derivatives of $397,000 (2023: $164,000 gain), unrealised marked-to-market loss on financial assets held for trading of $5,849,000 (2023: $1,341,000 loss), net gain on disposal group of $nil (2023: $35,945,000) and corporate expenses such as head office salaries and wages.

Notes to the Half-Year Financial Report

18. Operating Segments (Continued)

As at:	Koolan Island		Unallocated*		Consolidated	
	31 December 2024 $'000	30 June 2024 $'000	31 December 2024 $'000	30 June 2024 $'000	31 December 2024 $'000	30 June 2024 $'000
Segment assets						
Current financial assets	55,254	18,563	416,555	449,523	471,809	468,086
Other current assets	45,291	59,910	4,406	1,917	49,697	61,827
Property, plant and equipment	10,537	25,302	677	577	11,214	25,879
Right-of-use assets	13,279	11,872	246	493	13,525	12,365
Mine properties	46,798	81,671	-	-	46,798	81,671
Deferred exploration and evaluation costs	-	-	63	2,480	63	2,480
Deferred tax assets	-	-	-	11,990	-	11,990
Total assets	**171,159**	**197,318**	**421,947**	**466,980**	**593,106**	**664,298**
Segment liabilities						
Financial liabilities	45,717	51,190	14,184	3,679	59,901	54,869
Other liabilities	61,752	60,620	2,683	2,636	64,435	63,256
Total liabilities	**107,469**	**111,810**	**16,867**	**6,315**	**124,336**	**118,125**
Net assets	**63,690**	**85,508**	**405,080**	**460,665**	**468,770**	**546,173**

* 'Unallocated' current financial assets include cash and cash equivalents of $13,500,000 (30 June 2024: $21,574,000), term deposits of $358,700,000 (30 June 2024: $387,340,000), financial assets held for trading of $17,412,000 (30 June 2024: $18,539,000), other financial assets of $19,967,000 (30 June 2024: $20,745,000), trade debtors and other receivables of $6,896,000 (30 June 2024: $1,127,000) and derivatives of $80,000 (30 June 2024: $198,000).
'Unallocated' financial liabilities include trade and other payables of $11,808,000 (30 June 2024: $3,136,000), interest-bearing loans and borrowings of $273,000 (30 June 2024: $543,000) and derivatives of $2,103,000 (30 June 2024: $nil).

Notes to the Half-Year Financial Report

19. Financial Instruments

[a] Foreign currency risk

The Group is exposed to the risk of adverse movements in the A$ compared to the US$ as its iron ore sales receipts are predominantly denominated in US$. The Group uses derivative financial instruments to manage specifically identified foreign currency exposures by hedging a proportion of forecast US$ sales transactions in accordance with its Financial Risk Management Policy. The primary objective of using derivative financial instruments is to reduce the volatility of earnings and cash flows attributable to adverse changes in the A$/US$ exchange rate.

The Group recognises derivative financial instruments at fair value at the date the derivative contract is entered into. The Group applies hedge accounting to forward foreign currency contracts and collar option contracts that meet the criteria of cash flow hedges.

During the period, the Group delivered into US dollar foreign exchange forward contracts totalling US$3,000,000 at a weighted average exchange rate of A1.00/US$0.6431. Realised gains and losses on these contracts are reflected in revenue.

At 31 December 2024, the notional amount of the foreign exchange hedge book totalling US$24,000,000 is made up exclusively of collar option contracts over the period January to June 2025 with an average cap price of A$1.00/US$0.6675 and an average floor price of A$1.00/US$0.6064.

As at 31 December 2024, the marked-to-market unrealised loss on the total outstanding US dollar foreign exchange hedge book of US$24,000,000 was $577,000.

It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness.

The Group uses the following derivative instruments to manage foreign currency risk from time to time as business needs and conditions dictate:

Instrument	Type of Hedging	Objective
Forward exchange contracts	Cash flow hedge	To hedge sales receipts against cash flow volatility arising from the fluctuation of the A$/US$ exchange rate.
Collar options	Cash flow hedge	To hedge sales receipts against cash flow volatility arising from the fluctuation of the A$/US$ exchange rate by limiting exposure to exchange rates within a certain range of acceptable rates.

[b] Commodity price risk

The Group's operations are exposed to commodity price risk as the Group sales of iron ore to its customers are based on market rates. The Group's sales revenue is derived under long term sales contracts relating to its Koolan Island operation. The pricing mechanism in these contracts adopts a market based index, the Platts Iron Ore Index Price, which is published daily for iron ore "fines" with Fe content ranging from 58% to 65% Fe and is quoted on a US$ per dry metric tonne "Cost and Freight" North China basis.

The Group enters into provisionally priced ore sales contracts, for which price finalisation is referenced to relevant market indices at specified future dates. The Group is exposed to movements in benchmark iron ore prices, and movements in benchmark lump premium prices on lump product cargoes (if any), between the date of shipping and invoice finalisation date.

At 31 December 2024, the Group held iron hedge contracts totalling 290,000 tonnes of iron ore at prices of A$156 to A$163 per tonne (CFR, including shipping freight), with maturity dates over the period January to June 2025. These iron ore hedge contracts had a marked-to-market unrealised net loss at balance date of A$1,446,000 (2023: $6,374,000). The fair value of the iron ore hedge contracts has been recognised in the balance sheet as derivative financial liabilities and the marked-to-market unrealised loss has been recognised in other comprehensive income at balance date.

[c] Fair value of financial assets and financial liabilities

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – quoted market prices in an active market (that are unadjusted) for identical assets or liabilities;

Level 2 – valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable); and

Level 3 – valuation techniques (for which the lowest level of input that is significant to the fair value measurement is unobservable).

The fair values of other financial assets (options) are valued internally using the Black Scholes valuation techniques with prevailing short and long term observable market inputs sourced from Bloomberg to determine an appropriate mid-price valuation (level 2).

The fair values of derivative financial instruments are sourced from an independent valuation by the Group's treasury advisors using the valuation techniques with prevailing short and long term observable market inputs sourced from Reuters/Bloomberg to determine an appropriate mid-price valuation (level 2).

Notes to the Half-Year Financial Report

19. Financial Instruments (Continued)

The fair values of quoted notes and bonds (classified as either financial assets held for trading or at fair value through other comprehensive income) and listed investment shares are determined based on market price quotations at the reporting date (level 1).

The fair value of unquoted share investments is determined based on the market approach, utilising recent transactions (level 2).

The fair values of trade receivables classified as financial assets at fair value through profit and loss are determined using market observable inputs sourced from Platts index pricing (level 2). This model also incorporates interest rate and credit risk adjustments.

The fair values of cash, short-term deposits, other receivables, trade and other payables and other interest-bearing borrowings approximate their carrying values, as a result of their short maturity or because they carry floating rates of interest.

The carrying amounts and fair values of the financial assets and financial liabilities for the Group as at 31 December 2024 are shown below.

	31 December 2024 Carrying Amount $'000	31 December 2024 Fair Value $'000	30 June 2024 Carrying Amount $'000	30 June 2024 Fair Value $'000
Financial assets				
Cash	54,494	54,494	36,258	36,258
Term deposits	365,240	365,240	387,490	387,490
Financial assets held for trading	17,412	17,412	18,539	18,539
Other financial assets	19,968	19,968	20,745	20,745
Trade debtors and other receivables	14,615	14,615	4,856	4,856
Derivatives	80	80	198	198
	471,809	471,809	468,086	468,086
Financial liabilities				
Trade and other payables	45,536	45,536	43,018	43,018
Interest-bearing loans and borrowings	12,262	12,262	11,851	11,851
Derivatives	2,103	2,103	-	-
	59,901	59,901	54,869	54,869
Net financial assets	**411,908**	**411,908**	**413,217**	**413,217**

20. Events After Balance Sheet Date

As at the date of this report there are no significant events after balance date of the Group that require adjustment of or disclosure in this report.

21. Commitments

At 31 December 2024, the Group has commitments of:

- $14,512,000 (31 December 2023: $15,116,000) relating primarily to contractual commitments in respect of mining and transport that are not liabilities at the balance date;
- $1,974,000 (31 December 2023: $14,134,000) relating to capital commitments for the purchase of property, plant and equipment at Koolan Island; and
- $1,754,000 (31 December 2023: $46,000) relating to short-term leases for the provision of plant and equipment.

Notes to the Half-Year Financial Report

22. Related Party Disclosures

Ultimate parent

Mount Gibson Iron Limited is the ultimate Australian parent company.

Director-related entity transactions

Sales

During all or part of the year, Mr Lee and Mr Ferguson were directors of APAC Resources Limited (**APAC**) which has a 37.40% beneficial shareholding in Mount Gibson Iron Limited.

During the period, sale agreements were in place with director-related entities for the sale to APAC of 20% of iron ore from Koolan Island's available mined production over the life of mine.

Pursuant to these sales agreements, during the half-year, the Group sold 316,090 wmt (2023: 557,540 wmt) of iron ore to APAC.

Amounts recognised at the reporting date in relation to director-related entity transactions:

	31 December 2024 $'000	30 June 2024 $'000
Assets and Liabilities		
Current Assets		
Receivables - APAC	2,691	528
Total Assets	**2,691**	**528**
Current Liabilities		
Payables – APAC	-	-
Total Liabilities	**-**	**-**

	31 December 2024 $'000	31 December 2023 $'000
Sales Revenue		
Sales revenue – APAC*	43,758	94,754
Total Sales Revenue	**43,758**	**94,754**

* Sales revenue received during the period included quotation period price increase adjustments relating to the prior period of $1,000 (2023: $157,000 reduction).

23. Contingent Liabilities

1. The Group has a performance bonding facility drawn to a total of $6,586,000 (30 June 2024: $6,586,000). The performance bonds secure the Group's obligations relating to environmental matters and infrastructure.
2. Certain claims arising with customers, employees, consultants and contractors have been made by or against certain controlled entities in the ordinary course of business, some of which involve litigation or arbitration. The Directors do not consider the outcome of any of these claims will have a material adverse impact on the financial position of the consolidated entity.

Directors' Declaration

In accordance with a resolution of the directors of Mount Gibson Iron Limited, I state that:

In the opinion of the Directors:

a. the financial statements and the notes of the Group for the half-year ended 31 December 2024 are in accordance with the *Corporations Act 2001*, including:

   i) giving a true and fair view of the financial position as at 31 December 2024 and the performance of the Group for the half-year ended on that date; and

   ii) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.

Lee Seng Hui
Chairman

18 February 2025

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Independent auditor's review report to the members of Mount Gibson Iron Limited

Conclusion

We have reviewed the accompanying half-year financial report of Mount Gibson Iron Limited (the Company) and its subsidiaries (collectively the Group), which comprises the interim consolidated statement of financial position as at 31 December 2024, the interim consolidated statement of profit or loss, the interim consolidated statement of comprehensive income, interim consolidated statement of changes in equity and interim consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

a. Giving a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Ernst & Young

Ernst & Young

J K Newton

J K Newton
Partner
18 February 2025