Financial Results for 2025/26

21 August 2026

MGX Resources Limited

MGX maintains a strong balance sheet to underpin its pivot to the Central Tanami Gold Project

Highlights:

- **A key transitional year** as the business repositions from iron ore to precious metals, following the successful acquisition of a 50% interest in the Central Tanami Project Joint Venture (**CTPJV**), completion of the Koolan Island low-grade iron ore sales program and signing of an agreement to divest the Koolan operation.
- **Iron ore sales of 2.68 million wet metric tonnes** (**Mwmt**) for revenue of $204.0 million Free on Board (**FOB**) (FY25: 2.61 Mwmt and $330.5 million FOB), comprising 0.87 Mwmt of high-grade iron ore and 1.81 Mwmt of low-grade products. The final shipments of stockpiled low-grade material were made shortly after year-end and site rehabilitation activities are now nearing completion.
- **Profit before tax and impairments of $29.1 million** (FY25: $20.2 million) and a **net loss after tax of $30.2 million** (FY25: $82.2 million net loss) reflecting a $58.9 million non-cash impairment of Koolan Island's carrying values following the October 2025 Main Pit rockfall incident.
- **Binding conditional agreement executed to divest the Koolan Island operation** to logistics and infrastructure group Crestlink for up-front and deferred cash payments totalling at least $20.2 million and a future revenue share component of up to a further $5 million (CPI indexed), as well as the assumption by Crestlink of rehabilitation obligations, anticipated to be in the region of $30 million. Completion is targeted for late 2026 or early 2027.
- **Total cash and investments of $412.1 million** at 30 June 2026 (30 June 2025: $484.6 million) after payment of $50 million for the acquisition of a 50% interest in the CTPJV in February 2026.
- **Acceleration of site activities within the CTPJV** focused on resource definition drilling at the Jims deposit, upgrades to existing utilities and camp infrastructure, recruitment of key personnel, advancement of regulatory approvals and preparations for commencement of the Groundrush exploration decline in the current (September) quarter.

Note: All currency is stated in Australian dollars unless noted otherwise.

Comment

MGX Resources Chief Executive Officer, Peter Kerr, said: "MGX completed a successful transitional year with the low-grade sales program at Koolan Island surpassing expectations to generate positive cashflow to fully fund site rehabilitation and ramp-down activities.

"Together with the recently announced agreement to divest Koolan Island to logistics proponent Crestlink, this helped MGX preserve its strong debt-free balance sheet which will enable the business to focus on accelerating the high-grade Central Tanami Gold Project towards a development decision.

"MGX is well positioned to utilise its hard-earned iron ore cash reserves to realise substantial shareholder value as it seeks to create a new high-quality Australian gold production business."

MGX will host an analysts/institutions teleconference at **11.00am AEST (9.00am AWST) today, Friday 21 August 2026**. Investors will be able to listen to the teleconference by dialling 1800 896 323 immediately prior to the scheduled start time and entering the access code 76122632# at the prompts. A recording of the teleconference will be available via the MGX website after completion of the teleconference. In case of difficulties, operator assistance can be reached on +61 2 8088 0900.

Summary Results (all currency expressed in Australian dollars)		**Year ended 30-Jun-2026**	Year ended 30-Jun-2025
Physicals:			
Iron ore mined	*M wmt*	0.68	2.34
Iron ore sold	*M wmt*	**2.68**	**2.61**
Financials:			
Sales revenue (including realised hedging gains/losses)	*$m*	204.0	330.5
Interest income	*$m*	16.7	19.9
Cost of sales	*$m*	(199.2)	(330.3)
Gross profit	*$m*	**21.5**	**20.1**
Other income	*$m*	4.8	31.2
Rehabilitation revised estimate	*$m*	(1.8)	-
Exploration expenses	*$m*	(0.4)	(2.9)
Administration and other expenses	*$m*	(16.5)	(18.6)
Net foreign exchange and marked-to-market gains/(losses)*	*$m*	23.3	(6.1)
Finance expenses	*$m*	(1.8)	(3.5)
Profit before impairments and tax	*$m*	**29.1**	**20.2**
Impairment of property/plant/equipment and right-of-use assets	*$m*	(8.9)	(15.4)
Impairment of mine properties	*$m*	(50.0)	(75.0)
Loss before tax	*$m*	**(29.8)**	**(70.2)**
Tax expense	*$m*	(0.4)	(12.0)
Loss after tax	*$m*	**(30.2)**	**(82.2)**

Totals may not add due to rounding.
*Marked-to-market gains/losses comprise realised and unrealised foreign exchange, commodity hedging and financial asset movements.

Earnings Summary

MGX Resources Limited (**MGX** or **the Company**) recorded a 2025/26 (**FY26**) profit before tax and impairments of $29.1 million from the sale of 2.68 Mwmt of iron ore, comprising 0.87 Mwmt of high-grade iron ore and 1.81 Mwmt of low-grade material, which together generated sales revenue of $204.0 million FOB. This compared with a profit before tax and impairments of $20.2 million from the sale of 2.61 Mwmt of high-grade iron ore in the prior year, which generated sales revenue of $330.5 million FOB.

The reported net loss after tax was $30.2 million for FY26 compared with a net loss after tax of $82.2 million in the prior year. The result for FY26 reflected the impacts of the major rockfall incident in the Koolan Island Main Pit in October 2025 which resulted in the suspension of mining and subsequent reliance on sales of stockpiled low-grade material. MGX consequently incurred non-cash accounting impairments in the period totalling $58.9 million before tax, representing an effective write-off of the remaining carrying values of the Koolan Island non-current assets.

The low-grade sales initiative was substantially more successful than initially expected, with Koolan Island generating positive cashflow of $1.0 million over FY26 after fully funding accelerated rehabilitation work and site ramp-down activities.

Group Financial Position

The Group's cash and cash equivalents, term deposits and financial assets held for trading totalled $412.1 million at 30 June 2026, compared with $484.6 million at the end of June 2025. The year-on-year reduction largely reflects the $50 million cash consideration (plus transaction costs) paid to acquire a 50% interest in the CTPJV in February 2026, and the CTPJV spend since that time. MGX does not have bank borrowings.

Impairment

Following the Main Pit rockfall at Koolan Island in October 2025, an impairment expense of $60.3 million was reported in the Company's financial report for the half-year ended 31 December 2025. During the six-month period ending 30 June 2026, $1.4 million of this impairment was written back relating to the reassessment of the carrying amount of a right-of-use asset sold during the period. Accordingly, the total impairment expense for FY26 totalled $58.9 million, allocated to deferred stripping costs ($19.1 million), other mine properties ($30.9 million), property, plant and equipment ($7.0 million) and right-of-use assets ($1.9 million).

Koolan Island

Following the suspension of mining at Koolan Island after the Main Pit rockfall, MGX implemented a revised operating plan focused on monetising saleable low-grade stockpiles and accelerating site rehabilitation activities. As noted, MGX initially estimated the net cost of the rockfall to the business would be substantial, however the low-grade sales initiative was more successful than originally anticipated and ultimately funded site rehabilitation and ramp-down activities.

Sales Revenue

Iron ore prices remained relatively steady through the year, with the Platts Index price for delivery (CFR) of 62% Fe iron ore fines to northern China averaging US$105 per dry metric tonne (**dmt**) in the period, compared with US$101/dmt in the prior year. Higher benchmark prices were offset by a stronger Australian dollar which averaged A$1.00/US$0.679 in the year compared with US$0.648 the prior year.

Although total iron ore sales increased slightly to 2.68 Mwmt, revenue declined by 38% to $204.0 million FOB due to the materially lower grade of sales following the October 2025 rockfall. Low-grade sales totalled 1.81 Mwmt grading 44.7% Fe, while sales of high-grade iron ore extracted prior to the rockfall totalled 0.87 Mwmt grading 63.7% Fe. The average grade of sales in the prior year was 64.5% Fe. All low-grade cargoes were sold under fixed price agreements that realised an average price of US$33/dmt FOB. Shipping freight rates for Koolan Island to Chinese ports averaged approximately US$12-13/wmt in the year.

Site Cashflow and Earnings

Koolan Island generated positive operating cashflow of $1.0 million for the year (FY25: $26.5 million), comprising sales revenues totalling $204.0 million less cash operating and capital costs of $156.6 million (equating to a unit cash operating cost of $58/wmt FOB sold), royalties of $19.8 million and rehabilitation expenditure of $26.6 million.

The site generated a profit before interest, impairments and tax of $7.2 million for the period (FY25: $29.3 million). After the impairments referred to above, the operation recorded a loss before interest and tax of $51.1 million for FY26 (FY25: $61.1 million loss).

Subsequent to the end of the period, the low-grade sales program was completed in July 2026 with four final shipments totalling 0.3 Mwmt, taking total low-grade sales under the program to 2.1 Mwmt. Site activities are now focused on completing the scheduled rehabilitation works and transitioning to care and maintenance ahead of the settlement of the Crestlink transaction.

Insurance Claim

As a result of the October 2025 Main Pit rockfall, dialogue commenced with the Company's insurance providers regarding a potential claim. Subsequent to the end of the reporting period, a confidential settlement was reached with one of the insurers. Discussions and exchanges of information continue with the balance of the insurers with a view to further progressing the claim. At this time, it remains uncertain as to the likelihood or potential quantum of the claim. This matter is excluded from the Crestlink transaction and MGX retains management of the claim and rights to any potential proceeds.

Crestlink Transaction to divest Koolan Island

On 11 June 2026, MGX announced a binding conditional agreement to divest the Koolan Island operation to infrastructure and logistics group Crestlink Koolan Pty Ltd (**Crestlink**). Crestlink is supported by an affiliated investment fund of major US infrastructure investor Cerberus Capital Management LP and is seeking to operate Koolan Island as a combined mining, multi-user logistics, aviation and marine support facility using the site's existing key infrastructure.

The purchase price to be paid by Crestlink comprises up-front and deferred cash payments totalling at least $20.2 million over five years and a future revenue share component of up to a further $5 million (CPI indexed). Crestlink will also assume rehabilitation obligations remaining at the time of settlement, which are anticipated to be in the region of $30 million.

The Crestlink agreement is binding and subject to satisfaction (or waiver where possible) of a number of conditions precedent, including receipt by Crestlink of Foreign Investment Review Board (**FIRB**) approval, a waiver or clearance determination (as applicable) from the Australian Competition and Consumer Commission (**ACCC**), and completion by MGX of specified rehabilitation activities by 31 October 2026 (unless extended). Completion is targeted to occur in late 2026, however if the FIRB or ACCC conditions are not satisfied on or before 8 December 2026, and all other conditions have been satisfied, Crestlink has the right to extend the settlement date to 31 March 2027.

In the period prior to completion, MGX will continue to operate Koolan Island as planned, including completing agreed rehabilitation work and the transition to care and maintenance pending handover to Crestlink. MGX will remain responsible for its employee redundancies and redeployments as part of its wind-down activities.

The Traditional Owners of Koolan Island, as represented by the Dambimangari Aboriginal Corporation, have been integrally involved in and supportive of the transaction.

On completion, the transaction will provide MGX with a clean exit from iron ore and the ability to fully focus on progressing the CTPJV towards a development decision.

Central Tanami Gold Project

On 16 July 2025, the Company reached conditional agreement with Northern Star Resources Limited (Northern Star) to acquire its 50% interest in the CTPJV and adjacent wholly-owned exploration tenements for cash consideration of $50 million. The acquisition was completed on 5 February 2026. Total consideration amounted to $59.1 million, comprising the cash consideration plus a post-completion $4.9 million working capital and net debt adjustment and $4.2 million in stamp duty and other transaction costs.

The CTPJV represents a compelling opportunity to bring one of Australia's highest grade undeveloped gold projects into production. MGX aims to leverage its remote and seasonal site operating strengths to assist the CTPJV make a development decision in the shortest possible timeframe to establish a new gold production business.

The CTPJV assets comprise over 2,100 sqkm of mining and exploration tenements in the Central Tanami region of the Northern Territory, hosting substantial gold Mineral Resources with strong potential for increases through further drilling. An updated Mineral Resource estimate was announced for the CTPJV in November 2025 totalling 31 million tonnes (**Mt**) grading 2.8 grams per tonne gold (**g/t Au**) for approximately 2.8 million ounces (**Moz**) of contained gold[1], including 11 Mt at 3.3 g/t Au for 1.2 Moz in the high grade Groundrush deposit. MGX's $50 million acquisition cost equates to approximately $36/oz of contained gold resource.

Infrastructure assets within the CTPJV include a non-operating 1.2 Mtpa carbon in-leach processing plant which will require replacement or substantial refurbishment for future project development, as well as haul roads, an accommodation camp, bore field and 1.4km gravel airstrip.

Since completion of the transaction, MGX has worked actively with its 50% JV partner, Tanami Gold NL, to identify the optimal path to achieving a development decision. Work since completion has focused on resource definition drilling at the Jims gold deposit, preparations for commencement of the Groundrush exploration decline, recruitment of key personnel, advancement of permitting and approvals activities, and acceleration of infrastructure upgrades, including repairs and improvements to existing accommodation and catering facilities.

Engineering studies for processing plant options continued to advance, while representative drill core samples were gathered for metallurgical testwork on the Groundrush and Jims gold deposits, which will assist in the engineering design assessment.

Work also commenced to improve the operability of the existing 1.4 km gravel airstrip in parallel with evaluation of the proposed location for a potential new sealed airstrip less susceptible to weather interruptions and able to accommodate larger aircraft.

The CTPJV continued to engage actively with relevant government and regional stakeholders. After positive introductory meetings with relevant Northern Territory Government ministers and regulators in early 2026, an on-site Traditional Owner Liaison Committee Meeting was held in early July 2026 with the Central Land Council to discuss the project outlook. The CPTJV was greatly encouraged by the positive nature of the meeting and looks forward building positive relationships with Traditional Owners as the project advances.

Activities for the CTPJV in the first half of FY27 will focus on commencement of the Groundrush exploration decline, continuation of resource definition drilling activities, mineral resource modelling work, repairs and improvements to the site accommodation camp and utilities infrastructure, and advancement of key permitting workstreams.

Exploration and Business Development

MGX continues to examine and invest in opportunities within the minerals sector and to assess regional exploration opportunities for precious and base metals deposits, focused in Western Australia and the Tanami Desert of the Northern Territory.

Equity positions with a period-end market value of $40.6 million were held in in a number of resources companies where future financing and strategic opportunities may potentially arise. This portfolio includes a 4.9% interest in Queensland-based copper producer AIC Mines Limited and a 4.4% interest in Queensland silver and base metals developer Maronan Metals Limited valued at $28.2 million and $6.1 million respectively at year end. These equity holdings are in addition to the Company's holding in Mid-West iron ore producer Fenix Resources Limited (9.4% of Fenix's currently issued shares and

[1]Refer to the ASX release titled "Central Tanami Gold Project Mineral Resource Update" dated 11 November 2025. MGX confirms it is not aware of any new information or data that materially affects the information included in the relevant announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed.

12.5 million options exercisable at 30 cents each at any time up to 21 July 2028) which had a market value of $19.0 million at period end.

The Company continues to assess regional exploration opportunities for base metals deposits particularly in Western Australia and Queensland. In the Northern Territory, the Central Tanami transaction also delivered MGX over 3,600 sqkm of exploration tenements in that region. MGX consequently holds a dominant land position collectively exceeding 5,700 sqkm in a major established gold region with a history of substantial gold production.

Corporate

Name Change

The Company changed its name from Mount Gibson Iron Limited to MGX Resources Limited effective 4 December 2025. The name change was approved by shareholders at the Annual General Meeting held on 12 November 2025. The Company's Australian Securities Exchange (ASX) ticker code remains as "MGX".

Share Buy-back Program

On 13 November 2025, the Company announced to the Australian Securities Exchange that it had extended its on-market share buy-back program for the period 1 December 2025 to 30 November 2026. There were no share buy-back transactions during the year ended 30 June 2026. As at 30 June 2026, the number of shares bought back by the Company remained 38,803,598 shares, representing 3.2% of the Company's total shares on issue prior to the buy-back, at an average price of $0.313 per share (before costs).

Annual General Meeting (AGM)

MGX will be holding its AGM in Perth on 18 November 2026. The Notice of AGM is scheduled to be released in October 2026.

For the purposes of ASX Listing Rule 3.13.1, the closing date for receipt of nominations from persons wishing to be considered for election as a Director of the Company at the 2026 AGM is 16 September 2026.

Authorised by:
Peter Kerr
Chief Executive Officer
MGX Resources Limited
+61-8-9426-7500
www.mgx.com.au

For more information:
John Phaceas
Manager Investor & External Relations
+61-8-9426-7500
+61-(0)411-449-621