



Fortress Minerals Limited

Results Presentation

2Q FY2025

Malaysia - Singapore



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01
Fortress
Overview

Management team

Talents responsible for the stewardship and long-term sustainable success of the Group



Dato' Sri Ivan Chee

- Responsible for the overall management and operations of the Group, including formulating, implementing and monitoring the Group's strategic directions, growth plans, financial and risk management.
- Extensive experience in civil and structural engineering and the mining industry.

**Executive Director &
Chief Executive Officer**



Ng Mun Fey

- Responsible for the overall management and day-to-day operations of the Group, including heading the Group's marketing, geology, mining, processing and other supporting divisions.

**Executive Director &
Chief Operating Officer**



Fionne Chua

- Responsible for all finance and accounting operations of the Group.
- Coordinates and directs the preparation of the budget, financial forecast, reports and financial statements and coordinates the preparation of regulatory reporting.
- A Chartered Accountant with more than 10 years of relevant experience.

Financial Controller

Fortress at a glance



Fortress is committed to our team's safety and values of integrity, sustainability, empowerment, and prosperity. Our team drives the business to achieve our vision of excelling in mineral exploration through strategic insights and alliances, addressing regional client demands, and maintaining ethical excellence.



OUR CORE VALUES

INTEGRITY

Uphold transparency, accountability, and ethical conduct in all our actions and decisions.

SUSTAINABILITY

Committed to environmental stewardship, social responsibility, and economic viability.

EMPOWERMENT

Strive to equip and support individuals in every way possible to achieve a sustainable, successful society.

PROSPERITY

A community that thrives together, experiencing fruitful and meaningful growth.



OUR VISION

Embarking on a mineral exploration journey guided by strategic geological insights and alliances.

Addressing demands from regional clients while prioritising sustainability, safety, and ethical excellence.

Elevate operations with protocols improvement and streamlined efficiency measures.



OUR MISSION

Striving in the mineral resources industry by leveraging innovative technology to deliver values to stakeholders, and building a sustainable future where empowerment and prosperity are shared by all.

Fortress at a glance



1ST

iron ore company listed on Catalist Board of SGX-ST on 27 March 2019

We are a producer and exporter of marketable and high-grade iron ore



We employ over

500

employees and contractors



Our Location



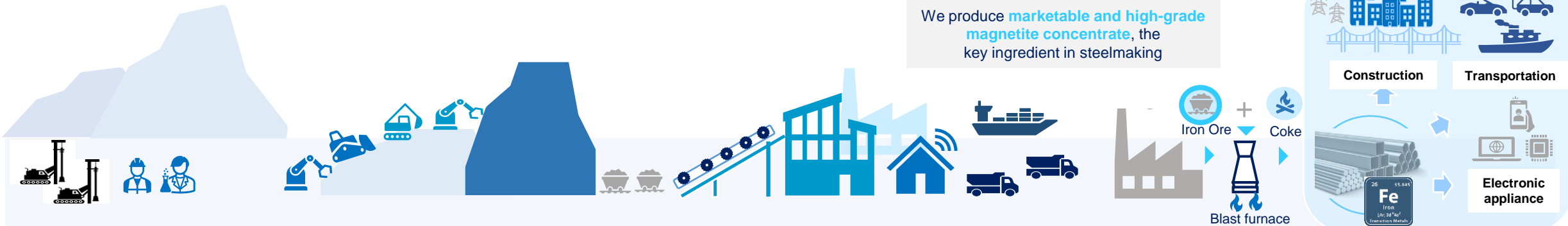
Fortress operation and product

1 Exploration and evaluation

2 Infrastructure and development

3 Processing and production

4 Marketing and commercial



Exploration: Unlocking resources

Experienced in-house team in resource prospecting, exploration and mining.

Considerable exploration upside potential within our mines' covered tenements' areas of:

- Bukit Besi: **526.2 hectare**
- Fortress Mengapur: **951.68 hectare**

Extracting value from resources

We evaluate, plan and invest in infrastructure through disciplined capital investment.

Latent capacity and cost efficiency

- Steady-state processing capability
- Favourable geological conditions and cost advantage
- Access to good public infrastructure

Manage market risk, maximising value

- Close proximity to steel mills customers in Malaysia
- Our **high-grade** magnetite concentrate
 - **Reduces greenhouse gas emissions**
 - **Raises blast furnace productivity**

AWARDED BUKIT BESI MINING RIGHT

- 13 years long-life mining rights expiring in the year 2033
- Two mining leases covered area of 526.2 ha



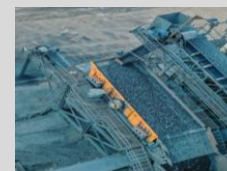
COMPLETION OF JORC DRILLING CAMPAIGN

- Completed JORC drilling campaign on East, Valley & West Deposits
- Construction of major processing plants



COMMERCIAL PRODUCTION LAUNCH

- Commercial production of high grade iron ore concentrate in April 2018
- Indicated and inferred Mineral Resource of 5.41 Mt in the East, Valley and West Deposits



FY2020

FIRST IRON ORE COMPANY ON SGX-ST DIVIDEND PAY-OUT EXCEED 15% TARGET

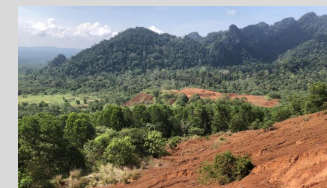
- S\$15.0 million in gross proceeds raised
- S\$2.6 million OR 29.3% dividend payout ratio



FY2021

RECORD UNDERLYING EARNING AND DIVIDEND EXCEED 20% TARGET

- Record underlying EBITDA of US\$26.6 million
- Interim dividend FY2021 of S\$5.0 million, a 20.6% dividend payout ratio



FY2022

ACQUISITION OF FORTRESS MENGAPUR

- Gross consideration of US\$30.0 million plus 1.25% Gross Revenue Royalty
- Comprises 4 mining leases covering tenements areas of 951.68 ha.
- Final dividend FY2022 of S\$4.0 million, a 21.4% dividend payout ratio



FY2023

COMMISSIONING & COMMENCEMENT OF PRODUCTION AT CASB MINE

- Commissioning of CASB mine and commencement of production; realise synergies by leveraging expertise & downstream distribution
- Volume sold for FY2023 reached the highest level since the Group's inception, increasing 52.8% yoy to 546,076 DMT
- Final dividend FY2023 of S\$4.2 million, representing a 25.7% dividend payout ratio

FY2024

TWO NEW EXPLORATION LICENSES IN SABAH

- Commenced exploration in May 2023. Opportunity to grow commodities profile and diversify revenue streams

SHAREHOLDERS' APPROVAL TO DIVERSIFY INTO NEW MINERALS

- Obtained approval to mine and trade new minerals on 28 June 2023

RECORD VOLUME SOLD

- Record volume sold for FY2024 up 0.9% to 550,887 DMT
- Final dividend FY2024 of S\$3.1 million, representing a 23.3% dividend payout ratio

THE EDGE SINGAPORE – AWARD WINNER

- Winner of highest weighted ROE over 3 years

FY2025



TWO NEW BALL MILLS AT BUKIT BESI

- Two new ball mills commissioned in May 2024.
- Ball mills will increase nameplate capacity to a range of 50,000 to 60,000 tonnes per month, representing a targeted c.20% yoy increase from FY2024.

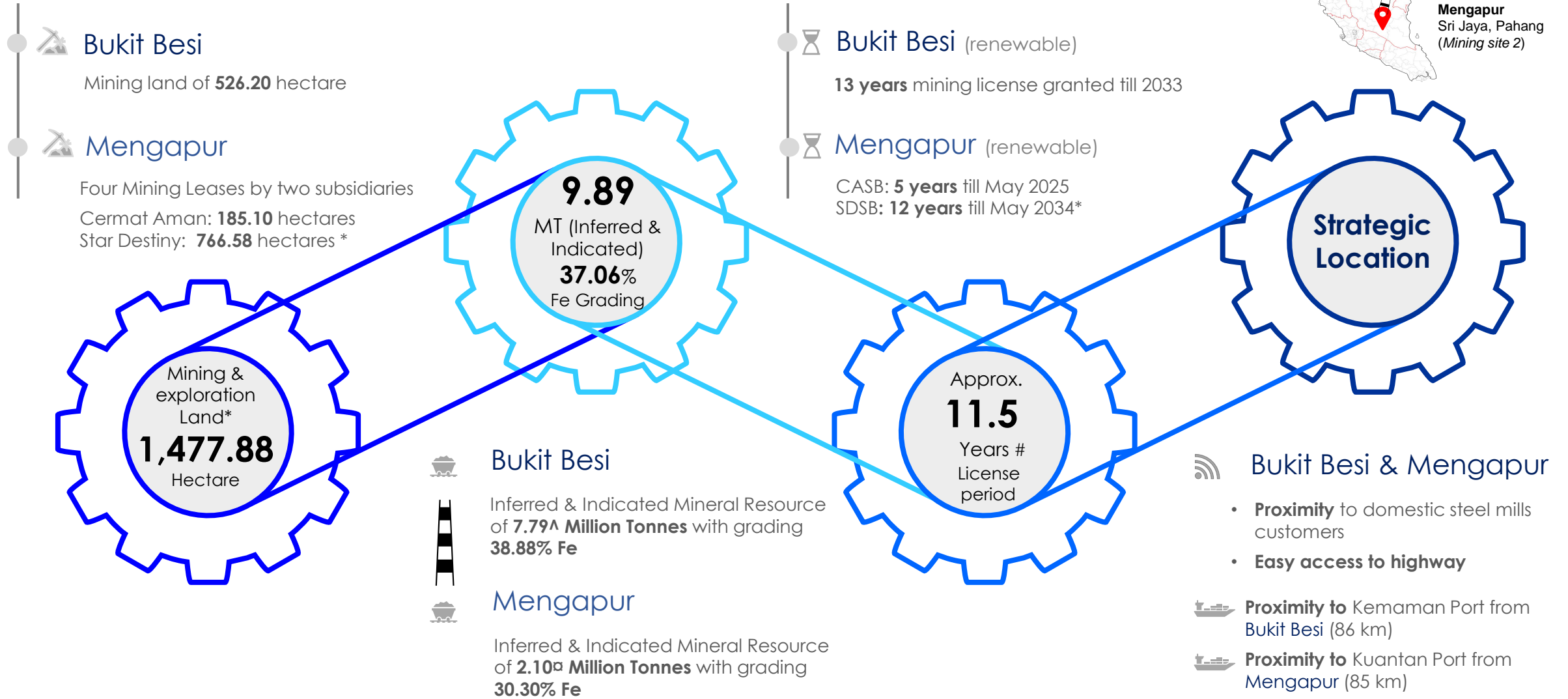


02

**Our strategic
assets**

**Mining project
overview**

At a glance: Producing assets of Fortress Minerals



* Included exploration lands of Star Destiny which comprises Compartment 110 and part of compartments 108, 109, 111, 112 of Hutan Simpan Berkelah at Bukit Mengapur Mukim Hulu Lepar, District of Kuantan, State of Pahang, Malaysia. The Mining Lease Approvals on this exploration land have been obtained on 15 October 2020 and have been formally endorsed and issued by Pejabat Pengarah Tanah dan Galian Pahang ("PTG") on 19 May 2022 upon payment of the relevant tenement fees imposed under the ML Approvals.

[^] Million Tonnes ("MT") As of 29 February 2024. Please refer to Slide 10 for further details.

[□] Million Tonnes ("MT") As of 29 February 2024. Please refer to Slide 11 for further details.

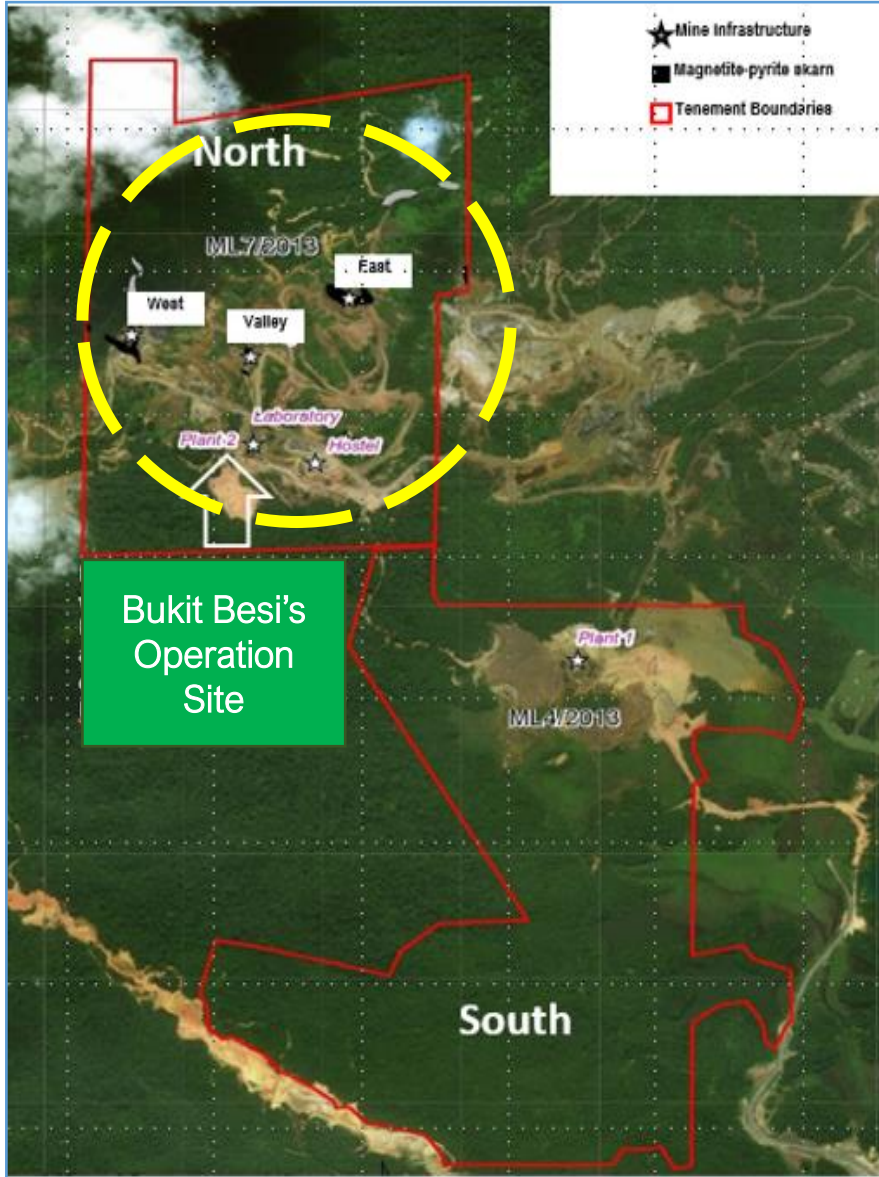
[#] Based on weighted average basis as computed based on license period relative to the size of mining / exploration land.

Bukit Besi Mine Strategic location supported by good Infrastructure



Bukit Besi Mineral Resource

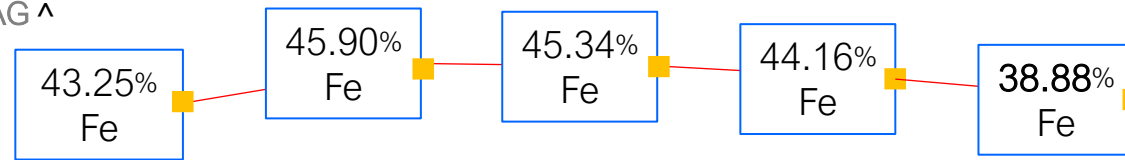
A closer look



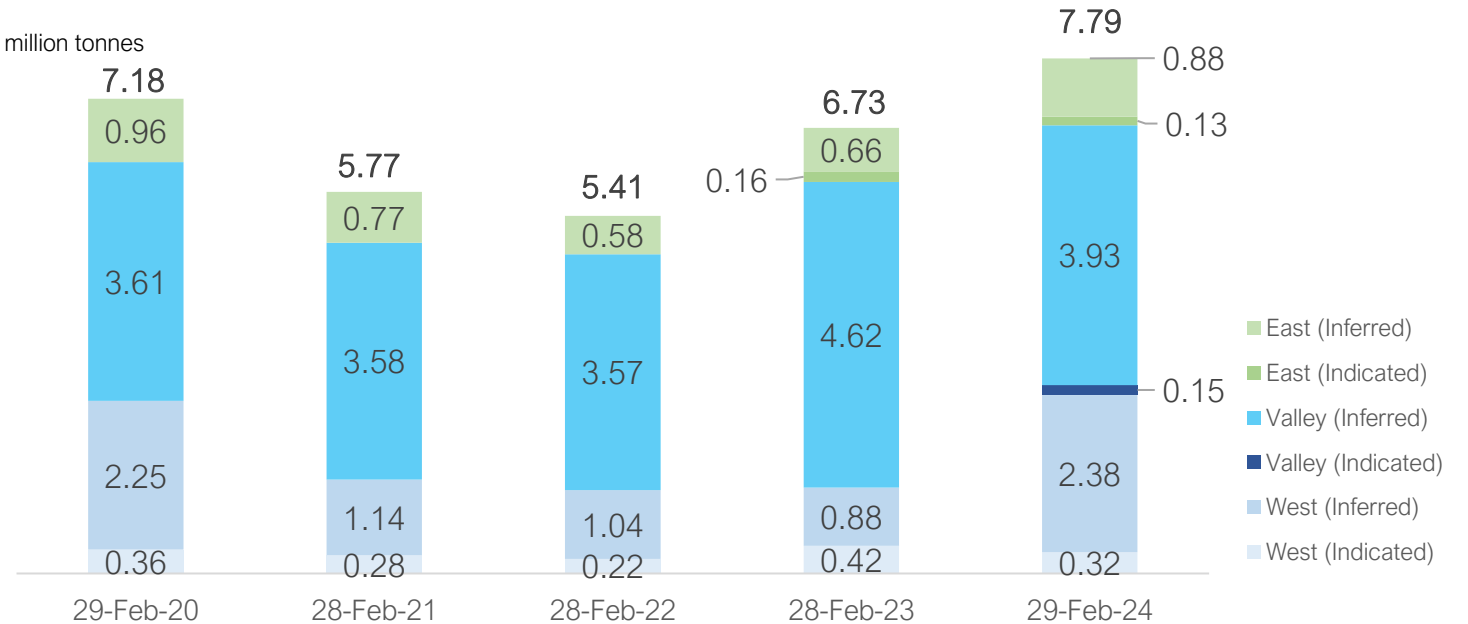
RESOURCE SUMMARY:

West, Valley and East Deposits (Bukit Besi) *

WAG ^



In million tonnes



Note:

The Bukit Besi Mineral Resource update (with reporting date of 29 February 2024) was announced in the FY2024 results on the SGXNET on 24 April 2024.

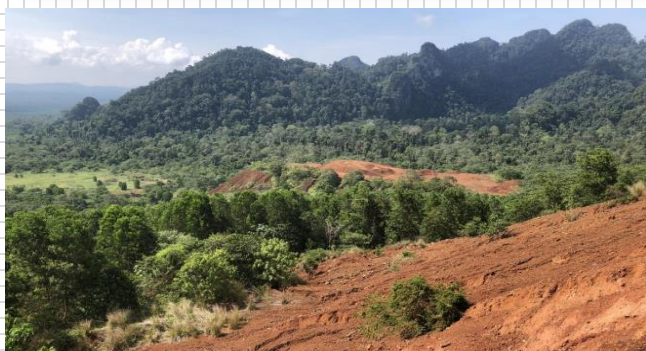
* Based on a block cut-off grade of 10% Fe and magnetic susceptibility greater than 100 and sulphur less than 10%.

^ WAG denotes Weighted average grade



fortress

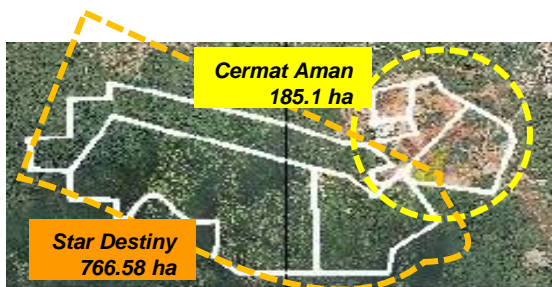
Quick Snapshot & Introduction



Mengapur

The Mengapur Project covers 951.68 ha with skarn-hosted

(Iron) Fe- (Copper) Cu-(Gold) Au ± (Silver) Ag ± (Sulphur) S mineralisation



① Mengapur
Larger & Ready for development

Bk Besi 526.2ha

Sri Jaya 172 km

Mengapur - Sri Jaya 951.68 ha

80.9%
Larger area than Bukit Besi tenement

Shorten delivery lead time

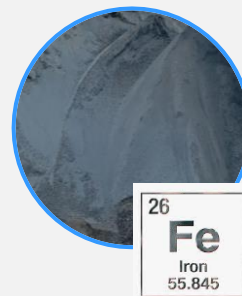


Seamless export shipment



Easy access to highways
Seamless transportation flows

② Mengapur
Mineral Resource Type and Estimate



Primary focus:
Magnetite iron ore
2.10
Million tonnes (Inferred & Indicated)

Other minerals
If encountered, will be stockpiled for future processing



Copper coil for EV vehicle

Copper
35.89
Million Tonnes (Inferred & Indicated)



Mengapur Mineral Resource Estimate - 29 Feb 2024

Classification	Cut-off grade	Mineralisation	Gross Attributable to Licenses					Nett Attributable to Fortress					Change from previous update	Remarks		
			Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S	Tonnes	Grade Fe	Grade Cu	Grade Au			Grade Ag	Grade S
			Mt	%	%	g/t	g/t	%	Mt	%	%	g/t			g/t	%
Indicated	0.3% Cu	Skarn Cu	20.3	20.76	0.41	0.12	7.26	4.6	20.3	20.76	0.41	0.12	7.26	4.6	0	None
		Pyrrhotite Cu	0.7	29.11	0.55	0.28	3.48	14.14	0.7	29.11	0.55	0.28	3.48	14.14	0	None
		Sub Total	21	21.03	0.42	0.13	7.13	4.92	21	21.03	0.42	0.13	7.13	4.92	0	None
	25% Fe	Skarn Magnetite	0.34	27.66	0.13	0.09	1.52	6.23	0.34	27.66	0.13	0.09	1.52	6.23	0	None
		Breccia Magnetite	0.01	46.28	0.21	0.23	5.66	0.13	0.01	46.28	0.21	0.23	5.66	0.13	0	None
		Sub Total	0.34	28.01	0.13	0.09	1.6	6.12	0.34	28.01	0.13	0.09	1.6	6.12	0	None
Inferred	0.3% Cu	Skarn Cu	7.93	22.39	0.41	0.13	8.42	4.62	7.93	22.39	0.41	0.13	8.42	4.62	0	None
		Pyrrhotite Cu	6.96	29.26	0.6	0.27	3.56	13.75	6.96	29.26	0.6	0.27	3.56	13.75	0	None
		Sub Total	14.89	25.6	0.5	0.19	6.15	8.89	14.89	25.6	0.5	0.19	6.15	8.89	0	None
	25% Fe	Skarn Magnetite	1.38	27.8	0.13	0.12	1.35	5.89	1.38	27.8	0.13	0.12	1.35	5.89	0	None
		Breccia Magnetite	0.38	41.51	0.2	0.17	6.04	0.19	0.38	41.51	0.2	0.17	6.04	0.19	0	None
		Sub Total	1.76	30.75	0.14	0.13	2.36	4.67	1.76	30.75	0.14	0.13	2.36	4.67	0	None
Total	0.3% Cu	Total Cu	35.89	22.93	0.45	0.16	6.72	6.56	35.89	22.93	0.45	0.16	6.72	6.56	0	None
	25% Fe	Total Magnetite	2.1	30.3	0.14	0.13	2.24	4.9	2.1	30.3	0.14	0.13	2.24	4.9	0	None

1 - Some discrepancies may occur due to rounding.

2 - The Mineral Resource is limited to within the CASB and SDSB mining lease boundaries and is also constrained within an optimised pit shell based on the recovery of copper only, no value was attributed to iron hosted by the magnetite units or the gold and silver or any other materials present on the mining leases.

At a glance: Exploration assets of Fortress Minerals

2



New prospecting licenses issued by East Malaysia by the Land and Surveys Department State of Sabah

2



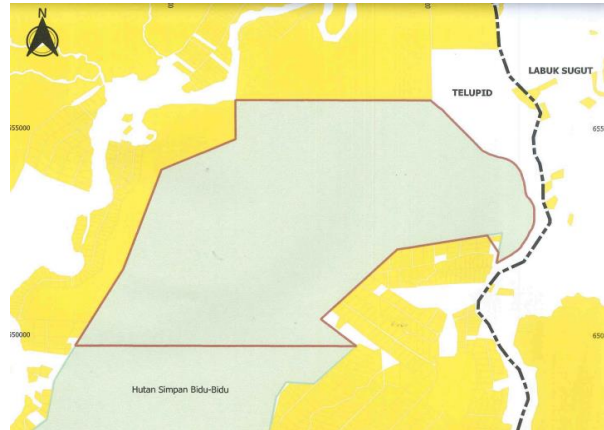
Year period for prospecting at both concession areas

4

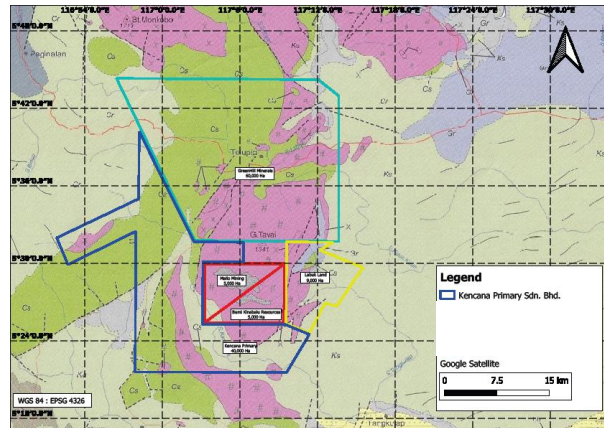


Types of key minerals present namely copper, iron ore, nickel, cobalt

Telupid Project



Tongod Project



Company Name	Saga Mineral Sdn. Bhd.
Acquisition date	20-Sep-2022
Shareholders	Fortress Cu Sdn. Bhd. (65%) Aston Solutions Sdn. Bhd. (35%)
License period	15 December 2022 to 14 December 2024
Type of Minerals	Copper
License location	40km ² at Hutan Simpan Bidu-Bidu, Telupid, Sabah, Malaysia.
Estimated commitment	RM14,780,000

Company Name	Kencana Primary Sdn. Bhd.
Acquisition date	10-Dec-2022
Shareholders	Fortress Ni Sdn. Bhd. (51%) Majestic Islands Sdn. Bhd. (35%) Ophir Metal Sdn. Bhd. (14%)
License period	19 December 2022 to 18 December 2024
Type of Minerals	Nickel Copper Cobalt
License location	400km ² at Hutan Simpan Pinangah & Tangkulap, Tongod, Sabah, Malaysia.
Estimated commitment	RM15,460,000



03
Operational
Updates

Bukit Besi

- The Group continues to grow its production capabilities at its first mine at Bukit Besi.
- The recent addition of two new ball mills synergises with the construction of a new crushing plant featuring efficient equipment integrated with advanced technology, strategically positioned to support future scalable operations.
- The new crushing plant is expected to be commissioned in FY2026.
- Group is further developing East, Valley and West deposits to expand mineral resource.



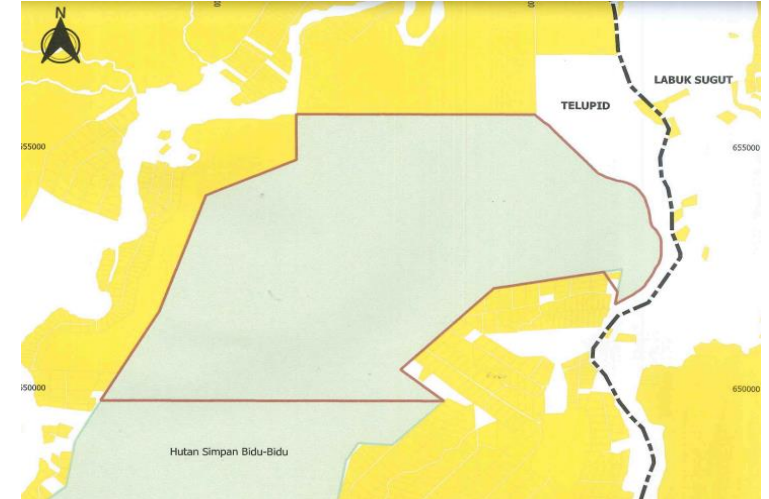
Mengapur

- Commenced production in July 2022 and looking to build new integrated processing plant which will enhance production capability at the CASB mine and enable the Group to produce **high grade iron ore, copper and pyrrhotite concentrate**.
- The flowsheet and engineering design of the plant are complete. Following this, we will initiate the tendering process for the next phase, which involves the preparation of construction drawings.



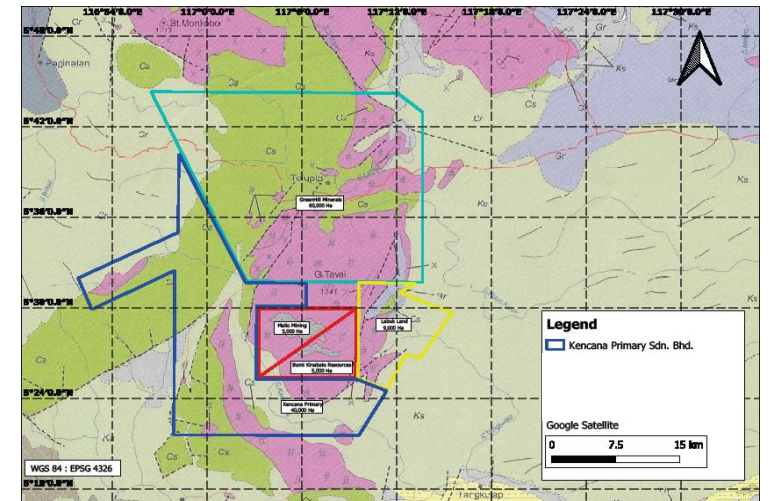
Telupid (Saga Mineral Sdn. Bhd.)

- Phase 1 (Reconnaissance Survey) and Phase 2 (Prospecting) completed.
- Phase 3 (known as Detail Mapping) in progress, involving trenching and pitting, study of the vertical and lateral continuity mineralisation; results will allow for exploration of identified zones and JORC report.
 - Based on detail mapping, rock and soil sampling, this had allowed the Geology team to further narrow down the findings, focusing on selective area with indication of copper, iron, and gold mineralisation.
 - Geology team will continue with the geophysical and geochemical survey to further substantiate the mineralisation data.



Tongod (Kencana Primary Sdn. Bhd.)

- Phase 1 (Reconnaissance Survey), which commenced in May 2024, is now in its final stages, showing progress in identifying large laterite zones with nickel potential.
 - The geochemical assay results from the work done will further substantiate the mineralisation results.
 - The Geology team will continue to focus on ridge mapping for upcoming auger drillings.
- After this, it will progress to Phase 2 (Prospecting), to narrow down target areas for the Phase 3, trenching and pitting program.



Two new offtake agreements entered in FY2025

27 June 2024 – Two new 12-month offtake agreements

- On 27 June 2024, the Group entered into two new 12-month offtake agreements with an independent third-party domestic steel mill in Malaysia.
- The agreements involve approximately 552,000 wet metric tonnes (“WMT”) in aggregate for the period commencing 1 July 2024 to 30 June 2025, and will run contemporaneously to each other.
- The agreements are expected to contribute positively to the earnings per share of the Group for the financial year ending 28 February 2025.



04
Financial
Results

Financial results for 1H FY2025

Steady earnings supported by strategic growth efforts

Financial performance

Revenue

US\$ **25.3** Million
Gross Revenue \downarrow 17.3%^

Margin

68.8%
Gross Profit Margin \uparrow 4.3 ppt^

Earnings

US\$ **11.3** Million
Underlying EBITDA \downarrow 9.7%^

Balance sheet

Operating cash flow

US\$ **10.4** Million
Operating cash flow \downarrow 33.8%^

Liquidity

US\$ **10.3** Million
Cash and bank balances*

NAV (Group basis)

15.61 US cents
Net asset value/share

Value creation

CAPEX (Group basis)

US\$ **2.7** Million
Cash investment in CAPEX on plants and mine infrastructure

EPS

1.29 US cent
Earning per share

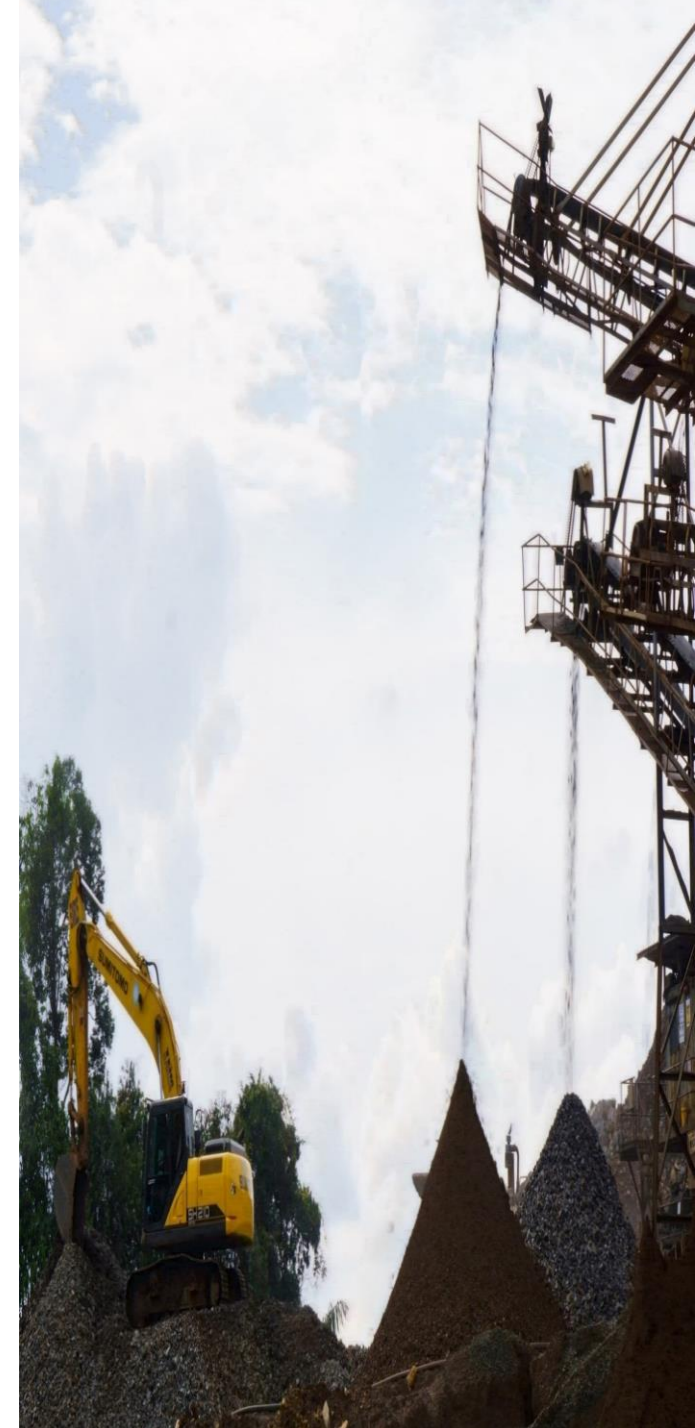
ROCE

24.7%
Return of capital employed

ROCE = EBITDA / Capital Employed., whereby EBITDA is annualised and Capital Employed = Total Assets – Current Liabilities

^ As compared to 1H FY2024

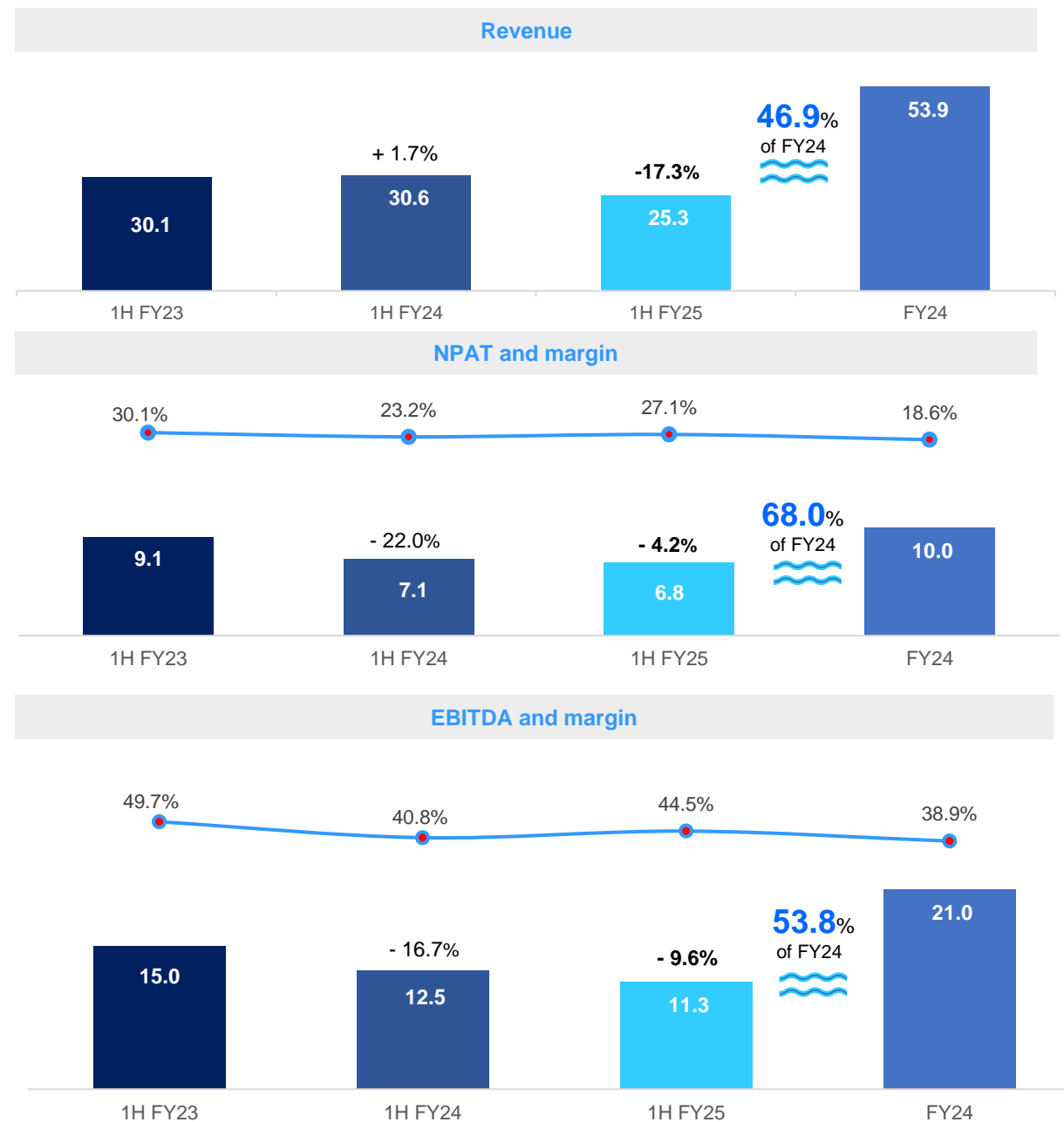
* Including money market fund of US\$2.0 million.



Financial highlights

Strategic growth efforts support firm operating revenue

Financial metrics US\$' million	1H FY2023	1H FY2024	1H FY2025	FY2024
Revenue	30.1	30.6	25.3	53.9
Gross profit	21.5	19.7	17.4	33.3
Gross profit margin	71.3%	64.5%	68.8%	61.7%
NPAT	9.1	7.1	6.8	10.0
Net profit margin	30.1%	23.2%	27.1%	18.6%
EBITDA	15.0	12.5	11.3	21.0
EBITDA margin	49.7%	40.8%	44.5%	38.9%
Operating cash flows	14.9	7.8	10.4	14.7

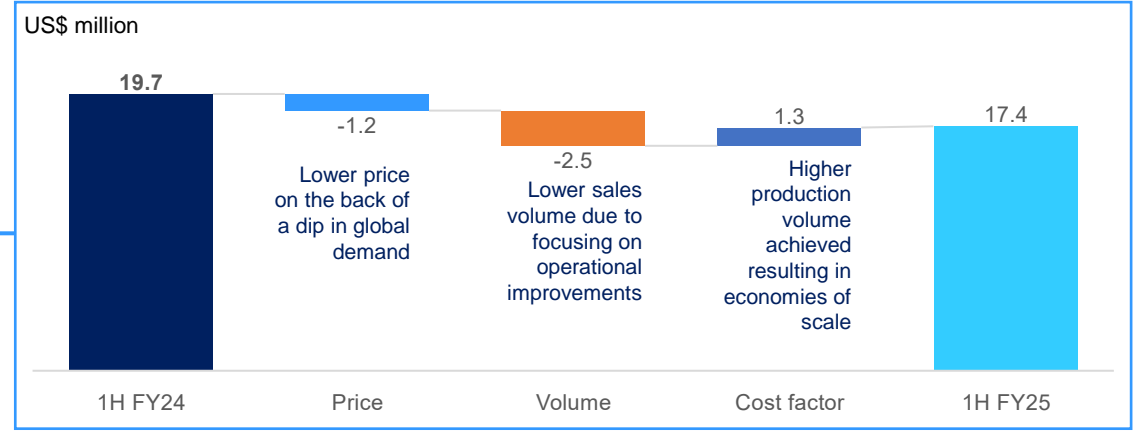
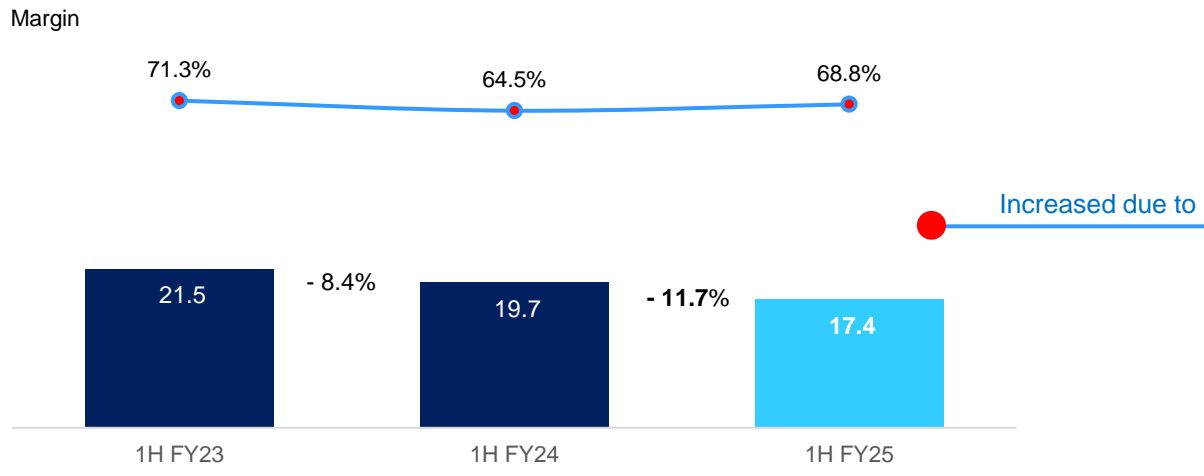


Healthy gross profit margin

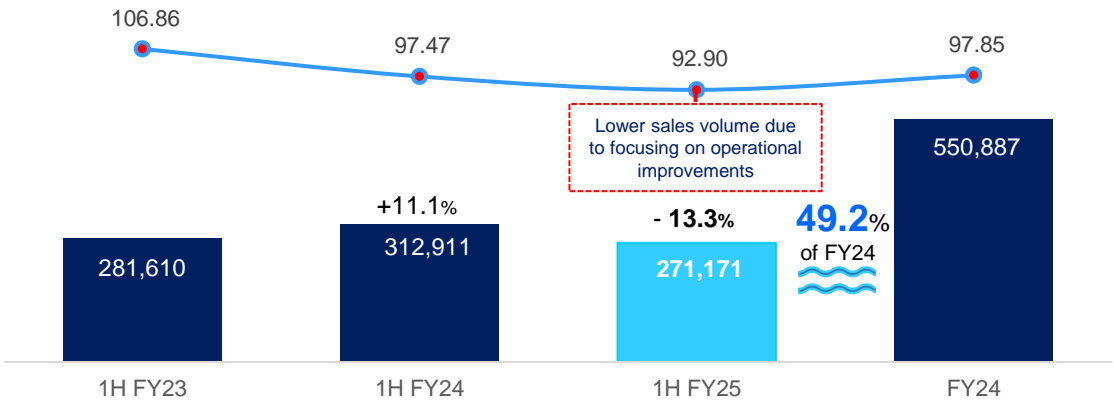
Driven by increased sales volume



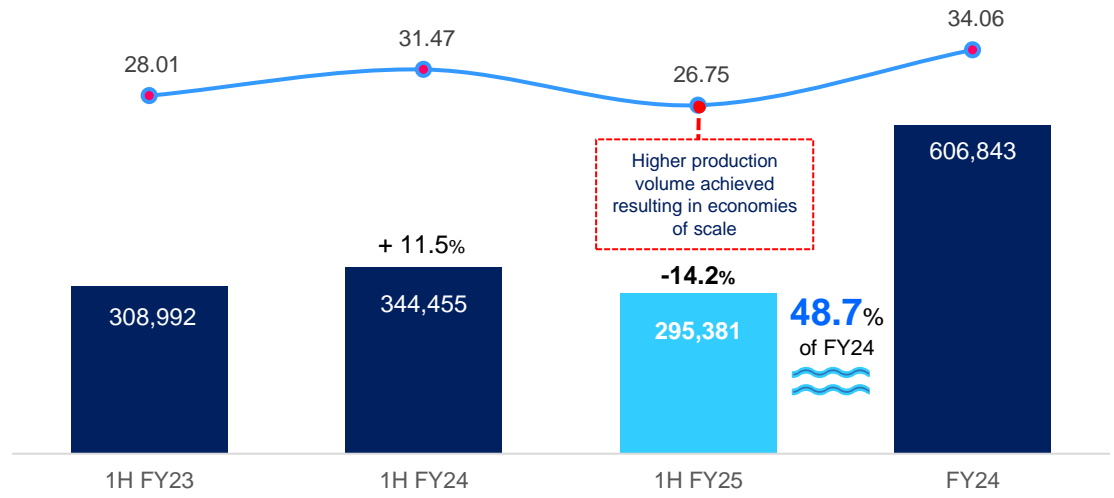
GROSS PROFIT (US\$ Million) and Gross Profit Margin (%)



SALES: Average selling price (US\$/DMT) and Sales Volume (DMT*)



PRODUCTIVITY: Average unit cost (US\$/WMT) and Volume (WMT#)



* DMT denotes Dry metric tonnes # WMT denotes Wet metric tonnes

Financial performance

A quick glance

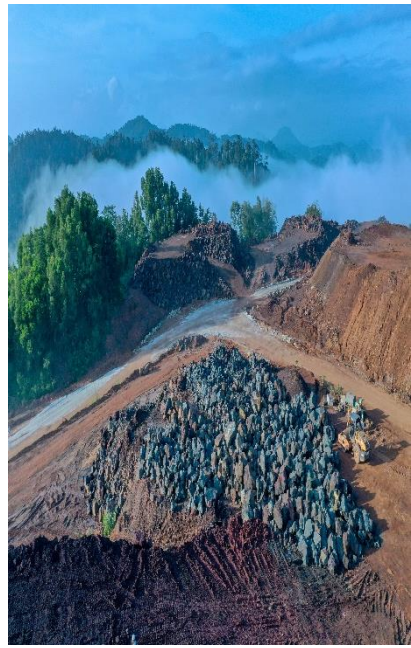
Operating metrics	1H	Full year					1Q	2Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
	FY2025	FY2024	FY2023	FY2022	FY2021	FY2020	FY2025	FY2025	FY2024	FY2024	FY2024	FY2024	FY2023	FY2023	FY2023	FY2023
Average realised price/ DMT	92.90	97.85	98.04	121.27	105.43	95.93	101.01	88.46	104.92	92.42	93.45	103.04	119.80	97.05	85.81	91.45
Sales volume (DMT)	271,171	550,887	546,076	357,446	452,756	269,615	96,093	175,078	126,324	186,587	116,106	121,870	121,425	160,185	131,539	132,927
Average unit cost/WMT	26.75	34.06	26.38	25.46	22.62	28.81	25.48	27.44	35.83	28.53	28.99	45.55	32.08	24.91	24.84	24.46
Volume sold (WMT)	295,381	606,843	598,741	392,230	497,369	300,053	104,009	191,372	138,722	205,733	128,046	134,342	133,662	175,330	144,262	145,487
Financial metrics	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000
Revenue	25,293	53,933	53,547	43,366	47,718	25,925	9,776	15,517	13,252	17,320	10,871	12,490	14,598	15,518	11,253	12,179
Gross profit	17,392	33,262	37,752	33,381	36,466	17,279	7,127	10,265	8,282	11,450	7,158	6,372	10,310	11,151	7,670	8,621
Gross profit margin	68.8%	61.7%	70.5%	77.0%	76.4%	66.7%	72.9%	66.2%	62.5%	66.1%	65.9%	51.0%	70.6%	71.9%	68.2%	70.8%
EBITDA	11,256	20,997	23,868	23,479	26,560	12,222	3,887	7,369	4,149	8,310	4,733	3,805	6,896	8,084	5,223	3,665
Net profit after tax	6,848	10,038	12,095	13,881	18,245	6,497	2,312	4,536	2,503	4,580	2,328	627	4,192	4,861	2,942	100
Group Balance Sheet	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000
Non-current assets	80,081	72,050	73,236	74,264	26,285	22,694	73,674	80,081	72,267	73,824	73,370	72,050	75,406	74,662	74,658	73,236
Current assets	26,942	25,171	20,454	17,771	33,577	16,643	25,588	26,942	25,426	23,040	25,360	25,171	19,317	19,263	19,386	20,454
Total assets	107,023	97,221	93,690	92,035	59,862	39,337	99,262	107,023	97,693	96,864	98,730	97,221	94,723	93,925	94,044	93,690
Current Liabilities	16,059	16,997	17,861	15,046	8,732	8,110	17,225	16,059	11,658	15,550	16,989	16,997	17,973	18,369	18,016	17,861
Non-current Liabilities	9,048	7,977	13,614	20,204	2,722	1,652	7,267	9,048	16,459	10,594	8,809	7,977	18,074	16,047	13,525	13,614
Total liabilities	25,107	24,974	31,475	35,250	11,454	9,762	24,492	25,107	28,117	26,144	25,798	24,974	36,047	34,416	31,541	31,475
Equity attributable to owners	81,665	72,245	62,240	56,805	48,417	29,575	74,617	81,665	69,603	70,748	72,928	72,245	58,705	59,526	62,524	62,240
Non-controlling interest	251	2	(25)	(21)	(9)	-	153	251	(27)	(28)	4	2	(29)	(17)	(21)	(25)
Total equity	81,916	72,247	62,215	56,784	48,408	29,575	74,770	81,916	69,576	70,720	72,932	72,247	58,676	59,509	62,503	62,215
Group Cash Flows	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000	US'000
Net cash flows from/(used in)																
Operating activities	10,443	14,446	22,506	22,698	15,785	9,188	6,300	4,143	509	7,294	5,403	1,240	5,857	9,007	5,473	2,168
Investing activities	(2,491)	(5,513)	(10,154)	(36,119)	(12,698)	(6,177)	(2,534)	43	(5,251)	(2,159)	(251)	2,148	(4,758)	(1,780)	(1,002)	(2,614)
Financing activities	(7,676)	(7,138)	(13,396)	10,362	(5,906)	5,537	(2,602)	(5,074)	3,886	(5,775)	(2,623)	(2,626)	(2,137)	(5,148)	(3,512)	(2,599)
Cash and cash equivalent	6,273 #,^	5,679 #,^	3,668 #,^	4,910 #	7,800 @	10,243	6,836 #,^	6,273 #,^	2,768 #,^	2,376 #,^	5,021 #,^	5,679 #,^	3,943 #	5,924 #	7,007 #	3,668 #,^

* Amount less than US\$1,000

@ After accounted for consideration paid in relation to acquisition of Fortress Mengapur amounting to US\$9.0 million.

Excluding deposit pledged to a financial institution of US\$2.0 million to finance part of the acquisition cost of Fortress Mengapur.

^ Excluding short-term money market fund.



THANK YOU

Stay in touch with us



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