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7 October 2025

Ironveld PLC
("Ironveld" or the "Company")

Ironveld PLC Signs Mining Operations Agreement

Agreement provides for a GBP 21.6 million capital and operational expenditure commitment, removing Ironveld's mining cost exposure and establishing new ROM-related revenue streams.

Ironveld PLC (AIM: IRON) is pleased to announce that its 74%-owned subsidiary, Lapon Mining (Pty) Ltd ("Lapon Mining"), has entered into a binding Mining Operations Agreement with Daemaneng Minerals (Pty) Ltd ("Daemaneng" or the "Contractor") through which Daemaneng will assume full responsibility for all mining operations, including all capital and operational expenditure, at the Lapon site over a five year period.

Under the Agreement, Daemaneng will assume full responsibility for all mining operations at the Lapon site - including all capital investment, operating costs, logistics, labour, compliance, and the establishment of on-site processing infrastructure - thereby eliminating any future mining-related expenditure for Lapon Mining.

The arrangement effectively transfers operating and funding obligations to Daemaneng, de-risking Ironveld's cost base while allowing Ironveld to retain its full ownership and control of the mining licence and governance oversight.

Based on currently anticipated production levels, Daemaneng is expected to fund approximately ZAR 500 million (GBP21.6 million) of capital and operational costs at Lapon and will recover verified expenditure from the proceeds from realised sales of mined material, ensuring that returns are aligned with production performance.

No equity participation or ownership interest in Lapon Mining or any other Ironveld entity will accrue to Daemaneng under the Agreement.

Key Highlights

- **Ironveld to Incur No Operating or Capital Expenditure:**

The Agreement transfers all mining-related operating and capital expenditure to Daemaneng, enabling Ironveld to maintain full exposure to production upside while eliminating direct cost risk and enhancing capital efficiency.

- **Three-Year Term and Five-Year Exclusivity:**

The Agreement provides for an initial three-year operational term, with Daemaneng expected to fund approximately ZAR 500 million (equivalent to GBP 21.6 million) in total capital and operational expenditure over the five-year period. This investment commitment is based on Daemaneng's projected average monthly mining cost of approximately ZAR 8.3 million and is recoverable solely through realised sales of mined material.

The Contractor has been granted exclusive operating rights for five years, conditional upon maintaining full compliance with all agreed investment, production, and performance obligations. All ore supply and marketing activities will be conducted on a transparent, open-book basis, ensuring complete accountability, governance oversight, and alignment of interests between the parties.

- **Guaranteed Ore Supply to the JV DMS Plant:**

Daemaneng is contractually obligated to supply all ore required by Ironveld's JV DMS plant, irrespective of volume or demand levels with no upper limit on supply volumes. The Operator must meet all ore requirements necessary to sustain continuous production, ensuring a fully reliable and scalable supply chain to support Ironveld's downstream processing operations and future production growth.

- **New and Additional Revenue Stream:**

The partnership establishes an additional and strategically valuable income channel through the commercialisation of Run-of-Mine ("ROM") material, complementing Ironveld's DMS-grade magnetite production. Under the terms of the Agreement, Daemaneng is contractually obligated to secure and manage all off-take agreements for the ROM material, ensuring continuous market

to secure and manage all offtake agreements for the ROM material, ensuring continuous market access and sustainable revenue generation from the Lapon operations.

Commencement of Operations and Proven Track Record:

Mining operations under Daemaneng will commence shortly, with Daemaneng now fully responsible for achieving all production volumes and quality standards in line with market requirements, contractual obligations, and agreed performance parameters. Having successfully mined material from Lapon in 2018, Daemaneng brings proven operational familiarity with the deposit and its infrastructure, positioning the project for immediate mobilisation, efficient execution, and scalable growth.

Commenting on the Agreement, Kris Andersson, CEO of Ironveld PLC, said:

"This agreement marks a defining moment in Ironveld's transformation and the first tangible step in pivoting the Company towards delivering a Company focused on revenue generation, risk mitigation, and the realisation of the significant inherent value within our assets.

"The partnership with Daemaneng establishes a performance-based framework that is mutually beneficial and commercially aligned. Its structure ensures that mining costs are minimised to maximise profitability, Daemaneng's upside is driven entirely by operating efficiently, mining cost-effectively, and marketing material at the most competitive prices.

"By engaging an established and operationally experienced partner, we are unlocking immediate production at Lapon without further capital outlay. The agreement removes the majority of mining-related expenditure from our balance sheet while introducing a new revenue stream through ROM sales, enabling Ironveld to benefit directly from production upside without operational exposure or financial risk.

"Daemaneng's familiarity with the Lapon site, combined with their investment commitment and established offtake channels, gives us confidence that operations will ramp up rapidly and profitably. With no opex or capex commitments in mining, Ironveld is now a leaner, significantly de-risked business, well positioned for sustainable growth and long-term shareholder value creation."

About Daemaneng Minerals (Pty) Ltd

Daemaneng Minerals (Pty) Ltd is a South African mining and contracting company with a strong operational footprint across Southern Africa, active in a wide range of commodities spanning both hard rock and soft rock environments. The company is owned and managed by a team of experienced geologists and engineers with a combined track record of more than 90 years in successful mining, processing, and engineering operations. Daemaneng's expertise encompasses the full mining value chain - from exploration and mine development to production, logistics, and project optimisation - underpinned by a proven commitment to safety, efficiency, and sustainable operational delivery.

Next Steps

Mining operations at Lapon will shortly transition to the management of Daemaneng, who will assume full operational responsibility and mobilise its own mining fleet, equipment, and personnel to site. This change will enable the release of all previously contracted equipment and service providers, thereby removing related monthly costs from Lapon's accounts.

Production and first ore deliveries to the DMS plant under Daemaneng are targeted within the next 30 days. In parallel, initial ROM sales to offtakers are anticipated to begin, further enhancing near-term cash flow generation.

Ironveld will continue to update shareholders as key production milestones are achieved and as the Group advances towards sustained, long-term profitability.

Update on JV DMS Plant Operations

Ironveld PLC, together with its joint venture partner Sable Platinum Holdings (Pty) Ltd, is currently evaluating several proposals for a Plant Operator Agreement relating to the JV DMS plant. The terms of any such agreement will be subject to mutual approval by Ironveld PLC and Sable Platinum Holdings (Pty) Ltd. Ironveld and Sable are aligned on accelerating the scale-up of DMS-grade magnetite production, with both parties recognising that engaging a specialist plant operator offers the fastest and most cost-efficient means of expanding capacity, subject to economic viability.

A move in this direction would be fully aligned with Ironveld's broader strategy of profitably de-risking financial and operational exposure, as demonstrated by the Mining Operations Agreement announced today with Daemaneng Minerals (Pty) Ltd, and would ensure that the JV DMS plant is operationally equipped to process the increasing ore volumes expected from Lapon, including any necessary upgrades required to support future large-scale production expansion.

Discussions and negotiations are ongoing and progressing positively, with both parties confident that a mutually acceptable agreement for a Plant Operator Agreement will be reached in the very near term, which should enable and facilitate a natural transition towards the finalisation of the broader JV agreement with Sable Platinum Holdings (Pty) Ltd.

Operational Progress Update

Ironveld is also pleased to report ongoing progress across its DMS and mining operations in Limpopo, complementing the Daemaneng agreement and reinforcing the Company's transition into production on

a larger scale and cash-flow generation.

DMS Plant Progress

Construction of the DMS plant was completed in May 2025, followed by successful commissioning to produce a magnetite concentrate suitable for Dense Media Separation ("DMS") applications.

During commissioning, throughput was progressively increased as the steel ball load in the mill was optimised. The plant successfully achieved targeted tonnage rates and consistently produced magnetite that met the required magnetic content specifications. Minor refinements to product moisture and sizing have been completed, and attention is now focused on optimising water recovery and recirculation systems to support continuous operations.

Mining Progress

Mining activities have advanced in parallel. The initial open-pit overburden strip of approximately 250 metres was completed in May, yielding around 2,000 tonnes of weathered magnetite ore for plant commissioning. In June, the first waste blast across a 30-metre strike length was executed successfully, and by late July, approximately 4,000 tonnes of fresh magnetite ore were blasted and delivered to the DMS plant for the final stages of commissioning and separator calibration.

Sales and Market Engagement

Initial trial production samples have been delivered to prospective offtake partners, who provided positive feedback while identifying certain process adjustments to further align production with specific requirements. These adjustments have now been implemented.

Tender and Market Update

Regarding the tender process for the supply of DMS-grade magnetite previously communicated, the Company can report that, following correspondence received in mid-June 2025 and again in September 2025, the tender remains open and under evaluation, with no award made to any party at this stage.

Feedback has been constructive and positive, noting satisfaction with the quality of magnetite samples supplied during trial production. The communication also confirmed continued interest in establishing a long-term supply relationship, with the plants' logistical advantage and proximity to key industrial users identified as important differentiating factors.

While the reasons for the delay in awarding the tender have not been communicated, we have no reason to believe anything other than that we remain well positioned within the process.

Beyond this process, the addressable market for DMS-grade magnetite in South Africa alone currently exceeds 100,000 tonnes per month, with Mozambique and Botswana also representing strategically attractive adjacent markets where Ironveld continues to receive active commercial interest.

Outlook

Together with the Mining Operations Agreement announced today and the DMS Joint Venture discussions with Sable Platinum Holdings, these developments mark the next phase in delivering a leaner, performance-driven, and cash-generative business.

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