

Confidential

1. FINANCE OVERVIEW

- a) Ferrox Holdings Ltd. (“Ferrox” or “Company”) pleased to announce that the Company raised US\$500,000 additional debt financing in Q4 2023.
- b) Ferrox is currently in the process of ongoing negotiations to raise an additional US\$10 to 15 million for a larger mineral concentrator for Project 1B at a valuation of US\$142.5 million.
- c) Ferrox is currently also negotiating to secure up to US\$10 million project financing from a North American Foundation, in addition to 1B financing for further expansion of the Tivani Project.

2. RECENT UPDATES

- a) Ferrox is also pleased to announce that the first batch of fresh Run of Mine (“ROM”) ore of 100 tonnes was delivered to the processing & beneficiation facility at Hartbeespoort facility (“Harties”). *(Figure 1)*
- b) Tivani (Pty) Ltd. (“Tivani”) and Tivani Specialized Smelting (Pty) Ltd. are currently in the process of finalizing Service Level Agreement (“SLA”) in regard to the operations at TSS for mineral processing and beneficiation. It is to be noted that the SLA will be finalized by Q1 2024.
- c) TSS conducted a full scale concentration and analysis of the ROM material through the newly built processing plant in South Africa. The preliminary Ilmenite Concentrate Specifications are as follows:

Initial Ilmenite Concentrate Specifications	
TiO ₂	53.90%
Fe ₂ O ₃ & FeO	41.60%
SiO ₂	2.18%
MnO	1.30%
V ₂ O ₅	0.17%
MgO	0.18%
Cr ₂ O ₃	0.05%
ZiO ₂	0.09%
F ₂ O ₅	0.14%
Al ₂ O ₃	0.39%
Total	100.00%

These initial specifications are better than expected, and as per TSS, the liberation of titanium was being achieved easily based on TSS initial studies. External laboratory results using X-Ray Diffraction Analysis (“XRD”) for third party verification.

Apart from this Magnetite Concentrate Specifications and samples are also being prepared, which will also be sent to external lab for XRD analysis.

Final specifications for Ilmenite Concentrate and Magnetite Concentrate are expected to be available by the end of January 2024.

d) Ferrox is diligently marketing and promoting sellable products and commodities to various commodity brokers and potential offtake parties.

Initially sellable products will include the following commodities:

- i) ROM
- ii) Ilmenite Concentrate
- iii) Magnetite Concentrate
- iv) Ferro-titanium (FeTi70, FeTi30, titanium slag and FeTi of variable grades)
- v) Pig Iron

Physical samples are being prepared specifically in the beginning for ilmenite concentrate and magnetite concentrates. A special 5 kilogram sample will be sent over to a major titanium-dioxide producing facility in the Middle East. (Figure 2)



FIGURE 1
Recent trucking of 100 Mt of ROM from Tivani to Mini-plant



FIGURE 2
Samples being taken of Ilmenite concentrate and magnetite concentrates

e) Ferrox is in the final stages of negotiating with commodity Trading S.A.R.L incorporated in Belgium and with offices in Luxembourg & Switzerland, for a long-term offtake agreement.

The offtake commodities will include:

- i) Ferro-Titanium (65% to 70%),
- ii) Ferro-Titanium (27% to 35%),
- iii) Pig Iron (95% or greater),
- iv) Titanium Slag (82% or greater),
- v) Ilmenite Concentrate (45% to 52%)
- vi) Magnetite Concentrate (62% or greater)
- vii) and lower grades of Ferro-Titanium

Produced from Tivani Rooiwater Igneous Complex, Limpopo South Africa.

- f) Ferrox through its wholly owned subsidiary Tivani submitted a tender application in mid, April 2023 with Transnet Freight Rail (“Transnet”). For the development and long-term lease of Rail Siding Area. This will provide Ferrox through Tivani an annual railway transport allocation of 360,000 tonnes. To date Tivani is the leading the tender process as it is the only contender for the application. The final hurdle in the process is the drop off location at the seaports. The proposed seaports include Maputo in Mozambique, Richards Bay and Durban, South Africa.
- g) To address the issue of seaport allocation and storage area, Ferrox is currently in advance negotiations with Grindrod Shipping Holdings Ltd. (“Grindrod”), (GRIN:US, GRIN:JSE). Ferrox is diligently following the required process and the necessary requirements of various commodities that are mandated by Grindrod to avoid cross contamination of commodities as the seaport. *(Figure 3)*



FIGURE 3

Maputo Rail

Agreements for F.O.B. Maputo, Mozambique are being established by Grindrod Logistics

3. ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (“ESG”)

The Letsitele community, like many other rural areas, has faced challenges in accessing clean water for daily consumption. Tivani, with Greater Letaba Local Municipality, committed to drill borehole(s) for community water supply serving 5 neighbouring villages.

Ferrox & Tivani provided four (4) solar water pumps, one (1) for each of the four (4) villages of Nkuna Traditional Council. Tivani also provided four (4) 20,000-liter water tanks to each village for the storage of clean drinking water. *(Figure 4)*



FIGURE 4

Water tanks connected to new water supply in Ngowa village

4. SPOT COMMODITY PRICES

Commodity	Currency/ tonne	Price/tonne as of 01/11/2024	Price/tonne as of 06/08/2022	% Change
Iron Ore Fines (Australia) - 62% min CNF China/dt	US\$	\$134.00	\$141.00	-4.96%
Ilmenite Concentrate Mozambican TiO2 52%; Fe2O3 25% max; CIF China	US\$	\$409.50	\$471.50	-13.15%
Pig Iron L8-10 EXW China	US\$	\$476.06	\$633.00	-24.79%
Ferro-titanium 70% in Warehouse Rotterdam	US\$	\$6,100.00	\$15,300.00	-60.13%
Vanadium Flake 98% in Warehouse Rotterdam	US\$	\$13,230.00	\$21,168.00	-37.50%



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Assumptions upon which such forward-looking statements are based include that Ferrox will obtain all required regulatory and governmental approvals to production within the time periods contemplated herein; that demand for the minerals produced will be as projected herein; and that South Africa will remain a mining jurisdiction. Many of these assumptions are based on factors and events that are not within the control of Ferrox and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking statements include changes in market conditions, variations in ore grade or recovery rates, risks relating to international operations, fluctuating mineral(s) and currency exchange rates, changes in project parameters, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated. Although Ferrox has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Ferrox undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

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