ASX: HIO

9 November 2026

Cold agglomerated pellets for direct reduction preliminary testwork program

Highlights

- Preliminary laboratory program commenced with UK-based Binding Solutions Limited (BSL) to assess production of cold-agglomerated pellets from Hawsons Iron's iron ore concentrate for direct reduction applications.
- The preliminary testing will examine binder formulations, pellet physical and metallurgical characteristics to determine suitability for Direct Reduction applications under laboratory conditions.
- Successful results could support a full proof-of-concept and optimisation program, and further assessment of an alternative pellet production route with potential cost, energy and emissions benefits.
- Initial work is an assessment of technical suitability of Hawsons iron concentrate.

Hawsons Iron Limited (ASX: HIO) has commenced a preliminary testwork program with Binding Solutions Limited (BSL) to evaluate whether Hawsons' iron ore concentrate can be converted into cold-agglomerated pellets suitable for direct reduction (DR). This early-stage laboratory work is an initial screening step, ahead of any full proof-of-concept and optimisation program.

BSL's cold agglomeration process can reduce the energy use and carbon dioxide emissions of pellet production by more than 80% compared with conventional induration. BSL uses proprietary binder formulations and a cold-agglomeration process to produce pellets. The technology offers a potential alternative to conventional high-temperature pellet induration, the firing step used to harden conventional pellets.

This testwork program will complement earlier successful pellet performance test work and, if successful, has the potential to:

- Support technical discussions with potential direct reduction customers by providing data on a product made from Hawsons concentrate;
- Broaden the processing options available to Hawsons and potential partners by establishing whether cold agglomeration warrants further evaluation; and
- Provide a basis to investigate energy, emissions and financial benefits in pellet production through subsequent engineering and economic studies.

Hawsons Managing Director Tom Revy said:

"This program is about demonstrating how our concentrate could perform in a product that direct reduction customers can use and benefit from. We need to understand how the pellets withstand handling and how effectively they convert to metallic iron under reduction conditions.

If ultimately successful this testing could give the Company an additional product pathway with the potential for:

- *higher realised selling prices through a premium for a product qualified for direct-reduction pellet production;*

- *access to a more specialised customer base, including DRI pellet producers and integrated DRI steelmakers seeking high-purity feedstock; and*
- *potentially stronger long-term offtake arrangements, including opportunities for strategic partnerships and project financing.*

We are taking a staged approach, with each step guided by the test results."

Jon Stewart CEO of Binding Solutions said:

"We see magnetite as a potentially significant market for our cold agglomeration technology and have been steadily building momentum through testwork with a number of different producers as well as our own scientific research.

The testwork with Hawsons builds on more advanced programmes with other producers, which have shown that cold agglomeration can deliver magnetite pellets to a DR shaft furnace without the iron first being oxidised to hematite, as happens in conventional induration.

Once commercially proven, using cold agglomeration would enable magnetite producers to access pellet premiums and supply steel mills with higher value feedstocks. Furthermore, our studies indicate that cold agglomerated pellets made with magnetite require less natural gas in the reduction process than hematite alternatives as they contain less oxygen, improving process efficiency while decreasing greenhouse gas emissions."

Testwork Program

The test programme includes the provision of Hawsons sample material to BSL's Technical Centre in Teesside, United Kingdom. The program lists an indicative feed specification of 69.0–70.0% iron, consistent with recent elutriation results.

BSL will assess a homogenised sample, including moisture content, chemical composition, mineralogy and thermal behaviour. This establishes an in-depth understanding of the feeds minerology that will be used to develop and evaluate the optimum binder formulation.

Initial formulation work will use small test specimens, followed by a limited number of laboratory pellet production runs.

Laboratory testing will give an initial indication of pellet strength, resistance to breakdown during handling, and metallisation under laboratory conditions which will subject pellets to simulated reduction conditions to assess their potential performance in a DR shaft furnace.

BSL will provide Hawsons a technical report at the completion of preliminary testing. The testwork report is scheduled to be completed by early December.

The results will inform whether to proceed to a full proof-of-concept and optimisation program. Any such follow up program would be conducted in parallel with, and independent of, the final Feasibility Study. Results from this preliminary program will be indicative only and are not intended to represent optimised product performance.

Further work could include pilot production and larger-scale direct reduction testing with third parties, subject to material availability and agreement on scope and funding.

About Binding Solutions Limited

Binding Solutions Limited is a UK-based developer of proprietary cold-agglomeration technology that uses binders to convert fine mineral material into pellets. BSL is working with a number of iron ore producers and steelmakers on cold agglomerated pellets for blast furnace and direct reduction ironmaking, and in 2025 completed a 250-tonne industrial trial in a British Steel blast furnace. Its Technical Centre is located on the Materials Processing Institute campus in Teesside. Investors in BSL include Mitsui Iron Ore Development Pty. Ltd., Champion Iron and MinRes.

This announcement is authorised by the Board.

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