



FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)

NEW OFFTAKE AGREEMENT WITH DOMESTIC STEEL MILL

1. INTRODUCTION

- 1.1 The board of directors (“**Board**”) of Fortress Minerals Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on 12 October 2021 in relation to the 15 months offtake agreement (“**Previous Agreement**”) entered into by its subsidiary, Fortress Resources Pte. Ltd. (“**FRPL**”) with a third-party domestic steel mill in Malaysia (“**DSM**”). The Board is pleased to announce that FRPL and DSM had on 4 April 2023, entered into a new 9 months offtake agreement (“**New Agreement**”).
- 1.2 Pursuant to the New Agreement, FRPL has agreed to deliver to DSM approximately 270,000 wet metric tonnes (“**WMT**”) of iron ore for the period commencing 4 April 2023 to 31 December 2023 (the “**Period**”) (the “**Deliverables**”). The Deliverables is subject to a variance of an additional or a reduction of twenty percent at the option of FRPL.
- 1.3 The selling price of the Deliverables will be based on the same formula used in the Previous Agreement, this being a formula guided by, amongst others, the average of the available daily price of Platts for 65% Fe CFR North China, adjusted subject to the Fe content of each shipment of the Deliverables.

2. RATIONALE

The Board is of the view that the New Agreement will provide recurrent income and cash flows to the Group during the Period and strengthen its financial position. The sales volume commitment of approximately 270,000 WMT is a testament to the consistent demand for the Group’s high grade iron ore concentrate, efficient business operations, and strong business relationships with its customers. The New Agreement would hence ensure that the Group remains well-placed to execute its growth plans and to provide long-term value to its shareholders.

3. FINANCIAL EFFECTS

The New Agreement is not expected to have any material impact on the net asset value per share of the Group for the financial year ending 29 February 2024.

The New Agreement is expected to contribute positively to the earnings per share of the Group for the financial year ending 29 February 2024.

4. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the New Agreement, save for their interest arising by way of their shareholdings and/or directorship, as the case may be, in the Company.

**BY ORDER OF THE BOARD OF
FORTRESS MINERALS LIMITED**

Dato' Sri Ivan Chee Yew Fei
Chief Executive Officer
19 April 2023

*This announcement has been reviewed by the Company's Sponsor. PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

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