IRON BEAR RESOURCES LTD

# NEWSLETTER

Q2 2026

**Dear Iron Bear Resources Investor,**

We're pleased to share this edition of the Iron Bear Resources Investor Update, regarding our progress up to June 2026. During this period, Iron Bear Resources has taken critical steps to advance the Iron Bear Project in key areas.

**HIGHLIGHTS IN THIS EDITION:**

1. Nomination of Simon Lill as Chairman
2. Global trends of the Iron Ore market
3. Significant indicated mineral resource upgrade
4. Application for Iron Bear to be recognised as a Project of National Significance in Canada
5. First Nations Engagement
6. Conferences and Investor Relations
7. Upcoming PFS and drilling campaign

## 1. Nomination of Simon Lill as Chairman

The Company is pleased to announce the nomination the prominent mining executive and corporate director, Simon Lill, as a Non-Executive Chairman. The Board change is well aligned with a transformation of Iron Bear into an emerging developer. Mr Lill brings a unique experience to the Board, as during his tenure as Chairman of De Grey Mining (ASX: DEG) he played a pivotal role in the Company's transformation from a $1 million market capitalisation junior explorer into an ASX 200 mineral development company in just over 10 years. His tenure culminated in De Grey's acquisition by Northern Star Resources (ASX: NST) in May 2025, in one of the largest corporate transactions in the Australian gold sector.

During his 12 years with De Grey, Mr Lill oversaw the discovery and development of the world-class Hemi gold deposit in Western Australia's Pilbara region, one of Australia's most significant gold discoveries in recent decades. Under his leadership, the Company delivered substantial resource growth, created exceptional shareholder value and successfully navigated the $6 billion takeover by Northern Star.

Mr Lill continues to contribute to the growth and development of several resource companies through his current roles as Chairman and Non-Executive Director, including Ballard Mining Ltd (ASX: BM1), Pilbara Gold Ltd (ASX: PGL), Evergold Minerals Ltd (ASX: EG1), Artemis Resources Ltd (ASX: ARV) and Sierra Nevada Gold Inc (ASX: SNX).

We welcome Simon to join us on the exciting journey of advancing Iron Bear and are looking forward to working together.

## 2. Global trends of the Iron Ore market

Our partner, Vale SA, has a nuanced view of the iron ore market dynamics over the next five years with demand in China anticipated to reduce substantially by 160 Mta, compensated by an increase in demand from India, MENA and Southeast Asia. In total aggregate demand for Iron Ore products on the seaborne market is anticipated to be stable in 2030 at 1520 Mta versus 1580 Mta in 2025. Another important shift in the market is the rapid increase of direct reduction grade agglomerates from 45 Mta in 2025 to 100 Mta in 2030. This reflects the accelerating trend towards decarbonisation of the steel making industry. Steel production via the direct reduction route uses natural gas and has half the carbon footprint of producing steel via the blast furnace route which uses metallurgical coal. It is important to keep in mind that direct reduction steel production requires direct reduction grade iron ore products and pellets, which are in short supply and is the market targeted by the Iron Bear Project.

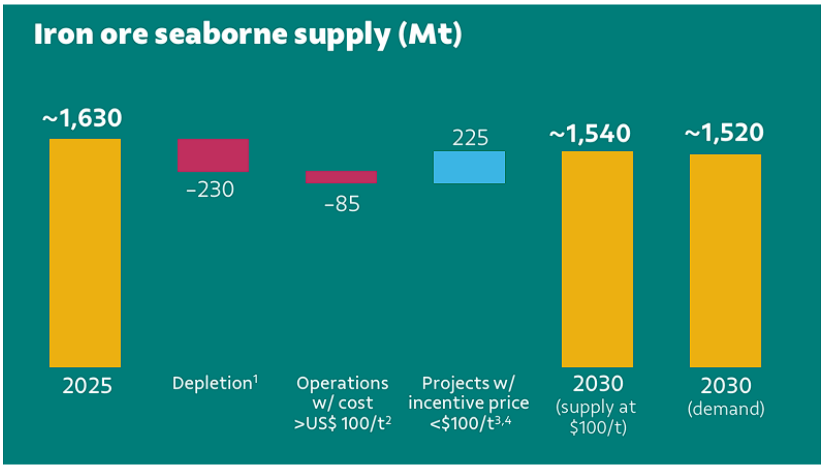



Figure 1. Iron Ore Seaborne Supply, 2025-2030

On the supply side Vale anticipates that iron ore supply will drop by 90Mta over the next five years from 1630 Mta to 1540 Mta. The key driver is the natural depletion of existing mines (-230 Mta) which is compensated by the startup of new greenfield and brownfield projects (+225 Mta), including Simandou.[1]

The net result is that Vale sees the iron ore supply demand as basically in equilibrium

However, the escalating conflict in the Middle East, including disruption to the Strait of Hormuz, has highlighted the vulnerability of MENA iron ore and steel supply chains; which are a focussed on direct reduction steel production. For example, Iran is a major producer of DR-grade iron ore and plays an important role in supplying regional pellet producers and the global steel industry. In addition, Vale has ceased production of DR pellets in its Oman facilities, reducing global DR pellet supply by 9Mta. Any prolonged disruption could redirect demand toward reliable direct reduction iron ore suppliers in stable jurisdictions such as Canada or Brazil.

On the short term, disruptions in the Strait of Hormuz have increased fuel prices and freight rates for miners such as Vale, which saw cost pressures partly offset price and volume gains during the first quarter.

Currently our partner, Vale, sees no evidence of global demand in metals markets being impacted by the conflict in the Middle East, and has experienced higher margins as the Iran conflict disrupts raw-material flows, according to chief executive officer Gustavo Pimenta in his interview to Bloomberg on 8th June 2026.[2]

Vale raised its full-year free cash flow forecast for its core iron business by $1.5 billion to reflect the rally in ore prices since the outbreak of the Iran war. The company now expects iron ore to average $112 a ton this year, up from $102 in its pre-conflict scenario.

## 3. Upgrade of the Indicated Mineral Resource by 114%

Prior to the commencement of the 2026 drilling campaign, IBR commissioned a technical review of the geological studies led by global geological consulting firm, Snowden -Optiro. The additional phase 3 and 4 metallurgical test work, followed by the geological mapping and sampling programs over the 2025 summer season identified previously unrecognized geological formations and resulted in a review of the mineral resource model with a higher level of the confidence. The Company's subsequently upgraded the Iron Bear Mineral Resource Estimate (MRE) on the 12th of May 2026[3]. The MRE now stands at 13.6 billion tonnes at 30.03% Fe and includes 4.5 billion tonnes at 29% Fe in the indicated category. This represents a 114% increase in the higher confidence Indicated category. These results will feed directly into an optimised mine plan, pit design and tailings management strategy, strengthening the outputs of the Pre-Feasibility Study (PFS).

1 Vale corporate presentation June 2026
2 https://www.mining.com/web/vale-ceo-says-metals-demand-is-robust-despite-middle-east-war/
3 ASX Announcement: Indicated Mineral Resource Increased to 4.5Bt @ 29% Fe

## 4. Project of National Significance Application

Iron Bear has submitted an application to the federal government, seeking recognition of the Iron Bear Project as a Project of National Significance, a status defined under the Building Canada Act passed by the Canadian Parliament in June 2025. If granted, the designation is expected to materially de-risk the development pathway. Projects of National Significance could benefit from accelerated federal permitting timelines, improved coordination between provincial and federal jurisdictions to avoid duplication, and privileged access to federal financing channels including the Canada Infrastructure Bank, the Canada Growth Fund and the Indigenous Loan Guarantee Program.

**A Supportive Canadian Backdrop**

The application lands amid a run of supportive policy shifts in Canada. High-purity iron was added to the Federal Critical Minerals list in June 2024, the Building Canada Act created the streamlining framework in June 2025, and in April 2026 the Government announced the Canada Strong Fund, which is the country's first national sovereign wealth fund, with an initial CAD 25 billion federal contribution earmarked for nation-building projects across critical minerals, energy and infrastructure.

In his interview to the national media broadcasting agency, CBC, Canada, Paul Berend, Managing Director of Iron Bear, framed the application as a natural fit, noting that the project is a strong candidate for the status given its potential to position Canada as a world leader in the supply of high-value, low-carbon direct reduction iron ore pellets, with the ambition to deliver one of the most sustainable mines globally through renewable energy and innovative technologies.[4]

## 5. First Nations Engagement

Community and First Nations engagement remained a core focus during the period leading up to June 2026, with Iron Bear finalising field work for its initial environmental baseline studies alongside a dedicated human and social baseline study. These were delivered by credentialled Canadian consultants, with Sikumiut Environmental Management Ltd on the environmental side, and Transfert Environnement et Société together with GHD on the human and social side, and are being integrated directly into the Pre-Feasibility Study. Beyond the formal studies, the Iron Bear Board and Vale team members visited the operational facilities in Schefferville and met with local Indigenous community groups to outline regional development plans and the shared goal of a sustainable operation that delivers local benefits.

We continue our engagement with the local First Nations Groups to progress the exploration and development activities and to work together to establish a long-term, mutually beneficial, and cooperative relationship based on respect, collaboration, trust, and open communication during all project activities, and during any consultations with Government Approvals

Figure 2. Visit of J. McKenzie, a Chief of the trap family on which territory the IB project is located

[4] https://www.cbc.ca/news/canada/newfoundland-labrador/iron-bear-mining-9.7249642

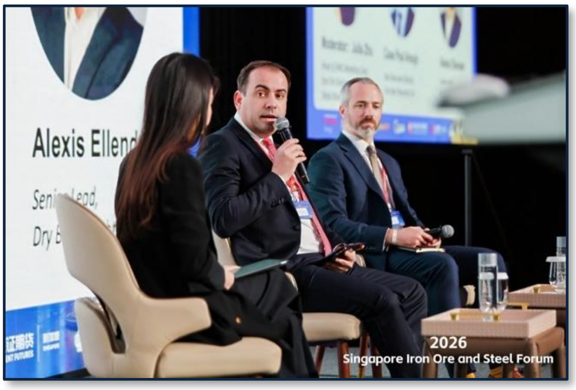
## 6. Conferences and Investor Relations

Iron Bear was present at PDAC in Toronto from 1 to 4 March where the team engaged extensively with international and local stakeholders to increase the awareness of the project. The Company hosted the Honourable Lloyd Parrott, Newfoundland and Labrador's Minister of Industry, Energy and Technology, alongside Assistant Deputy Minister for Mines and Mineral Development, Paul Carter.

Other key engagement highlights during the period included:

- A meeting with Quebec's Minister of Natural Resources and Forestry, the Honourable Jean-François Simard, and his successor, the Honourable Mrs. Kateri Champagne Jourdain, at which the CEO presented the project's independent economic impact study;
- Meetings with the Honourable Lloyd Parrott, Newfoundland and Labrador's Minister of Energy and Mines, alongside Vale's senior leadership, to align the project with the priorities of the newly formed provincial government;
- Presentation at the global investment conference, Ignite Conference in Singapore in April 2026;
- Additionally, Managing Director, Paul Berend presented at the RIU Sydney Resources Round-up in May 2026, showcasing the Iron Bear Project, followed by various conferences; and
- Presentations at the 2026 Singapore Iron Ore and Steel Forum in June 2026 and at the Mining News Select Conference in Perth in June 2026.

Figure 4. Iron Bears present at the global investment events: Paul Berend, Caue Paul Araujo, Anna Sloboda



**7. Preparation of the 2026 drilling campaign**

One of the key highlights of the second quarter was the granting of the exploration approvals for the Phase 1 drilling program in March 2026 by the Mineral Lands Division of the Government of Newfoundland and Labrador. The planned program involves collecting up to 72 NQ diamond drill cores for approximately 24,000 metres across licences 021841M, 014603M, 014855M, 018603M, 018610M and 014856M, with the final program subject to sign-off by both Iron Bear and Vale. The work is weighted toward infill drilling to improve continuity within known mineralised zones and lift confidence in the resource.

The drilling team of 11 people from our geological and drilling contractors have arrived at Schefferville and are currently conducting preparations of the warehouse, the drilling pads and trails. Most of the trails and pads have been prepared with the assistance of ten indigenous workers and lumberjacks. The drilling equipment has arrived in Schefferville and is being prepared for deployment. Two Vale geologist are also on site to align on the QAQC and the prioritisation of the drilling targets.

We envisage the drilling campaign to last about 4-5 months subject to logistic constraints and drilling productivity.

Figure 5. Safety training for Iron Bears team

Figure 6. Startup meeting for field team in Iron Bear warehouse

## Upcoming Milestones PFS

The Pre-Feasibility Study (PFS), led by global engineering firm Hatch, is the project's central near-term deliverable and is now anticipated for completion in July 2026. The additional time reflects a deliberate decision to pursue material optimisation opportunities identified against the August 2025 Scoping Study. Chief among these is the potential to scale up production scenarios to improve capital efficiency, supported by ongoing resource modelling and the granular nature of the project's power, rail and slurry-line infrastructure.

Key workstreams feeding the final study include:

- Class 4 draft deliverables received across the main processing plant, pellet plant, power supply, rail, slurry pipeline, mine plan, geotechnical and port areas;
- An independent review of the geological model by Snowden Optiro, which fed into the updated JORC Mineral Resource Estimate released on 12 May 2026, with an optimised mine plan to follow; and
- Economic modelling and Opex/Capex optimisation drawing on inputs from Hatch, IDOM, Fortin, Snowden Optiro and other consultants, alongside continuing safety-in-design and constructability workshops.

## FORWARD-LOOKING STATEMENTS



Announcement authorised for release by the Board of Iron Bear.

**FOR FURTHER INFORMATION**

Anna Sloboda | General Manager Corporate Development
Email: anna.sloboda@ironbear.org
Website: www.ironbearresources.com

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**THANK YOU!**