新礦資源有限公司
NEWTON RESOURCES LTD

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1231)

PROFIT WARNING

This announcement is made by Newton Resources Ltd (the "**Company**", and together with its subsidiaries, collectively the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the nine-month period ended 30 September 2025 and other information currently available to the Group, the board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that (i) the Group has recorded an unaudited net loss for the nine-month ended 30 September 2025; and (ii) the Group is expected to record a net loss of approximately US$2.2 million for the year ending 31 December 2025 (the "**Current Year**"), as compared to the net loss of approximately US$0.3 million recorded for the year ended 31 December 2024 (the "**Corresponding Prior Year**").

The anticipated decline in the Group's annual results for the Current Year is primarily due to:

(i) a reduction in sales and gross profit of the Group attributed to the foreseeable reduction in the quantity of iron ores supplied by a major supplier in the Current Year as compared to the Corresponding Prior Year; and

(ii) a significant drop in unit gross profit of iron ores due to weak demand for the Group's iron ores during the Current Year.

Furthermore, as disclosed earlier in the announcement of the Company dated 24 October 2025, a significant rockfall (the "**Incident**") had occurred on the eastern footwall of the main pit of the Koolan Island operations of Koolan Iron Ore Pty Limited ("**Koolan**"), and the Group has been notified that the remediation of the rockfall-affected area and resumption of mining operations by Koolan are not viable. As a result, mining activities of Koolan have been suspended, while shipments of low-grade iron ores with an anticipated Fe-content below 55% from Koolan could continue. The Group has also been notified lately that several scheduled shipments initially planned for the last quarter of 2025 have to be deferred or withdrawn. The Group is currently negotiating with Koolan regarding, among others, the upcoming iron ores supply and potential remediation, if any. As at the date of this announcement, the negotiations remain in progress. The Company will continue to closely monitor the situation and take appropriate further actions as and when necessary.

Koolan is a major supplier of hematite ores under a long term hematite ore supply agreement (the "**Contract**") with the Group. As at 30 September 2025, the Group recognised the contractual rights and obligations to purchase hematite ores from Koolan under the Contract as other asset with an unaudited carrying value of approximately US$4.5 million. In the event that it becomes necessary under the applicable accounting standards to make any adjustment to the carrying value of the Contract, including but not limited to a provision, impairment or write-off, the net loss to be recorded by the Group for the Current Year will inevitably further increase from the Company's preliminary estimate as stated above in this announcement. The Company will make further announcement(s), as and when appropriate and necessary, in accordance with the Listing Rules to provide further updates on the impact of the Incident on the Group's business operations and financial position and the expected loss position for the Current Year.

Meanwhile, the Group will continue to identify and explore new sources of supply of iron ores and other commodities to diversify its product offerings, and explore mergers and acquisitions, investment or other collaboration opportunities as appropriate to support its sustainable development.

The information contained in this announcement is only based on the preliminary assessment and estimates made by the Board with reference to the unaudited financial information of the Group for the nine-month ended 30 September 2025, other information currently available to the Group and is not based on any information or figures which have been audited or reviewed by the Company's auditors and the audit committee of the Company and may be subject to possible adjustments. The Group's actual operational and financial performance (including the assessment and impact of the Incident) and the overall market conditions in the fourth quarter of the Current Year may also significantly affect the annual results of the Group for the Current Year. Therefore, the annual results of the Group for the Current Year may differ from the information contained in this announcement.

The Group's annual results for the Current Year will be audited by the Company's auditors and reviewed by the audit committee of the Company prior to finalisation of such accounts. Further details of the Group's actual financial results and performance for the Current Year will be disclosed in the Company's annual results announcement for the Current Year to be published in March 2026 in compliance with the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Newton Resources Ltd
Chong Tin Lung, Benny
Chairman and Executive Director

Hong Kong, 19 November 2025

As at the date of this announcement, the executive Directors are Mr. Chong Tin Lung, Benny and Mr. Lam Chun Kit; the non-executive Director is Mr. Chen Hongyuan; and the independent non-executive Directors are Mr. Tsui King Fai, Mr. Lee Kwan Hung, Eddie, Mr. Shin Yick, Fabian and Ms. Hang Qingli.