



ASX RELEASE

31 July 2025

(ASX:SGM, USOTC:SMSMY)

SIMS LIMITED SIGNS MOU FOR 550,000 TONNES PER ANNUM

Sims Limited (“Sims or the Company”) today announced it has entered into a non-binding Memorandum of Understanding (MOU) with Equest Steel Pty Ltd, trading as Alter Steel (“Alter”), to establish a scrap supply and services agreement supporting Alter’s proposed Electric Arc Furnace (EAF), planned to be located approximately 1km from Sims’ site in Pinkenba, Queensland in 2028. Under the terms of the MOU, it is proposed that Sims would exclusively supply up to 550,000 tonnes of ferrous scrap annually, manage Alter Steel’s scrap inventory on a just in time basis, and provide access to port and rail infrastructure via the staged development of Sims’ Pinkenba site. The parties will use the MOU as the framework for negotiating a binding agreement.

The MOU represents a significant milestone for Sims toward advancing the decarbonisation of steelmaking in Australia and New Zealand (ANZ), as Alter positions itself to be the leader in the growing green steel sector. It also reflects the broader market shift towards onshoring steel production, supported by targeted government policy. The MOU follows the supply agreement signed in August 2024 between Sims and New Zealand Steel, a wholly owned BlueScope Steel subsidiary, to support the Glenbrook EAF in New Zealand. Under that agreement, the initial term is five years, with a further five-year extension option, covering the supply of at least 200,000 tonnes of scrap per annum. Operations are expected to begin in early 2026.

Currently, approximately 50 percent of Sims’ ANZ Metal scrap volumes are exported. Supplying 550,000 tonnes to Alter and a minimum of 200,000 tonnes to New Zealand Steel will materially shift that balance by directing a greater share of volume towards domestic optionality, enhancing operational efficiency and market resilience.

Sims’ staged development of its Pinkenba site is central to this market shift towards domestic market supply. Serving as a strategic logistics and recycling hub, the site will

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enable more efficient scrap movement by significantly transitioning from road-based transport to shipping and potentially rail. This transformation is expected to unlock substantial operational efficiencies while also supporting the future feedstock needs of Alter and other steelmakers in Australia and New Zealand, continuing to position Sims as a leading supplier of high-quality recycled materials.

The investment in Pinkenba represents a significant development for ANZ Metal's operations and strategy. Sims' Pinkenba site is expected to be developed progressively over the next decade, with a total investment estimated at approximately \$215 million. An initial allocation of \$40 million has been approved by the Board for FY26 and FY27. Beyond servicing major customers, the Pinkenba hub will also enable the consolidation of Sims' Rocklea and Northgate sites, unlocking cash proceeds from land sales, scale efficiencies, strengthening climate change resilience and improving cost performance.

Stephen Mikkelsen, Chief Executive Officer and Managing Director of Sims, commented: "This MOU represents a strategic milestone for Sims. It reinforces our position as a key partner to ANZ's growing domestic steel sector. The MOU provides a potential pathway to long-term volume certainty for both parties, supported by efficient logistics through the Pinkenba hub. It also builds on our core strengths of providing responsible sustainable operations, scale, material quality, technology, and diverse scrap sourcing, supported by a network of collection sites with access to a wide range of transport options. We are very excited to work with Alter, supporting their ambitions in manufacturing low-emission green steel."

Alter's CEO, Grant Johnston commented: "This collaboration with Sims completes the supply chain to deliver the cleanest steel in Australia, right here in Queensland. Sims is a leader in metal recycling and a trusted supplier of high-quality raw materials for EAFs. We're proud to be working alongside them. This critical agreement follows our recent announcement with Danieli for the supply of our core plant equipment."

Authorised for release by: The Company Secretary

About Sims Limited

Founded in Australia in 1917, Sims Limited is a global leader in metal recycling and the provision of circular solutions for technology. Employing approximately 4,100 employees globally, the company operates more than 150 facilities across 13 countries. Sims Limited plays a vital role in helping increase circularity and decarbonisation by supplying recycled materials and re-purposed products. The company's ordinary shares are listed on the Australian Securities Exchange (ASX: SGM), and its American Depositary Shares are quoted on the Over-the-Counter market in the United States (USOTC: SMSMY). The Company's

purpose, create a world without waste to preserve our planet, is what drives its constant innovation and leadership in the circular economy. For more information, visit www.simsltd.com.

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