



Mount Magnet South NL
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Placement and Non-Renounceable Entitlement Issue to raise \$1.14 million

The directors of Mount Magnet South NL (**ASX: MUM**) ("**the Company**") are pleased to confirm the Company has secured firm commitments for a share placement to raise \$210,000 before costs and a pro rata non-renounceable entitlement offer to raise a further \$927,000 before costs. Capital Investment Partners Pty Ltd has been appointed corporate advisor and agreed to underwriting the entitlement offer.

Share Placement

The Company will place up to 140,000,000 ordinary shares at an issue price of \$0.0015 to sophisticated investors and directors, with one (1) attaching option issued for no additional consideration for every two (2) new shares subscribed ("Placement"). The attaching options will be exercisable at \$0.006 with a 31 December 2018 expiry.

The proposed issue of securities under the Placement will be completed in two tranches, with 80,000,000 Placement Shares issued immediately under the Company's existing new issues capacity under Listing Rule 7.1. ("Tranche 1"), with the issue of the remaining 60,000,000 Placement Shares and 70,000,000 attaching options subject to shareholder approval at a meeting to be held in October 2014 ("Tranche 2").

Director participation in the Placement will be subject to shareholder approval. A notice of General Meeting seeking shareholder approval for Tranche 2 and the proposed participation of directors in the Placement will be distributed in due course.

Entitlements Offer

In addition to the Placement the Company will proceed with a pro rata non-renounceable entitlement offer of Shares and Options to eligible shareholders ("Offer").

This Offer to shareholders (including investors that participate in Tranche 1 of the Placement) will be on the basis of one (1) new share offered for every share held at an issue price of 0.15 cents (\$0.0015) per new share, and one (1) attaching option issued for no additional consideration for every two new shares subscribed for by shareholders. The Offer will raise approximately \$927,000 before costs. The options will issued on the same terms as under the Placement and the Company will apply to list the options on the ASX subject to achieving minimum spread requirements.

An indicative timetable setting out the key milestones for the Offer will be released shortly.

The funds raised from the Placement and Offer will be applied to exploration programs, general working capital requirements and business development purposes.

For further information contact:

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