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**ASX Announcement**

13 October 2020

## *Rothsay Royalty Agreement Update*

Magnetite Mines Limited (ASX:MGT) (Company) is please to provide an update on the Royalty Agreement between Silver Lake Resources Limited (Silver Lake) (ASX:SLR) and the Company dated June 2007 relating to the Rothsay gold operation owned by Silver Lake.

The Company has been advised by Silver Lake that it anticipates royalty obligations will commence in the second half of calendar 2021, when ore from the Rothsay gold operation is expected to be processed and sold.

Under the Royalty Agreement, the Company is entitled to a royalty of A\$10 per ounce of gold extracted from the Rothsay tenements commencing once Silver Lake has sold 10,000 ounces from the Rothsay gold tenements. The Royalty payable to the Company will cease after the cumulative Royalty payments reach an amount of A\$595,000. Silver Lake has been updating the market on the development of the Rothsay gold project in Western Australia in their ASX announcements.

Mr Peter Schubert, Chairman, said: *"The royalty payment will be welcome additional cash flow that the Company intends to apply to its accelerated development strategy for the Razorback High Grade Iron Ore Project in South Australia"*.

This announcement has been authorised for release to the market by the board.

**For further information contact:**

Peter Schubert  
Executive Chairman  
+61 416 375 346