



MAGNETITE MINES

High Grade Iron Ore Concentrate

Unlocking value



DISCLAIMER

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Additional Information

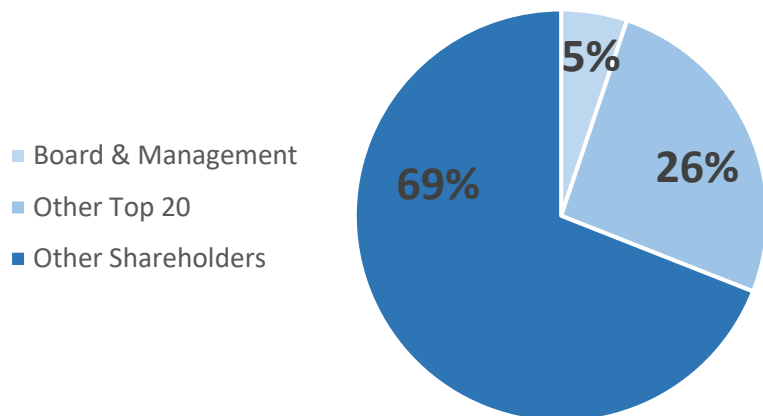
This presentation should be read in conjunction with the Annual Report at 30 June 2020 together with any announcements made by MGT in accordance with its continuous disclosure obligations arising under the Corporations Act 2001. Any references to resources estimations should be read in conjunction with MGT's Mineral Resources statement for its Magnetite projects at 30 June 2020 and subsequent releases to the Australian Securities Exchange as referenced. MGT confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and, in the case of estimates of mineral resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. All amounts within this presentation are stated in Australian Dollars consistent with the functional currency of MGT, unless otherwise stated. Tables contained within this presentation may contain immaterial rounding differences.



Corporate Overview

Capital Structure		
Shares	M	3,040
Unlisted Options	M	106 (various – avg. \$0.03)
Listed Options	M	298 (\$0.05, 29/10/2021)
Share price (18 June 2021)	M	A\$0.07
Market capitalisation (18 June 2021)	A\$M	A\$213m
Cash (7 June 2021)	A\$M	~\$17.5
Enterprise Value	A\$M	A\$196m

Shareholdings



Board of Directors

Mr Peter Schubert	Executive Chair & Interim CEO
Mr Malcolm Randall	Non-Executive Director
Mr Mark Eames	Technical Director



Well funded, progressing & now on the institutional radar

- May 2021 – raised \$7m before costs at **premium to market²**
 - 120.8m shares issued to institutional investors
 - **Two new resource focussed institutions joined the register**
 - Issue priced at a premium to the 5 day VWAP
- Option conversion 31 May 2021³
 - approximately 90% of outstanding options converted
 - raised a further \$7.5m
- **Cash position of ~\$17.5m** (7 June 2021) - PFS fully funded, funding for further studies
 - MGTOD option series coming up (297.6m @ \$0.05, 31/10/2021)
- Large scale resource located in in low risk, supportive region with infrastructure
- **High grade, low impurity product** likely to be increasingly sought after in a de-carbonizing world



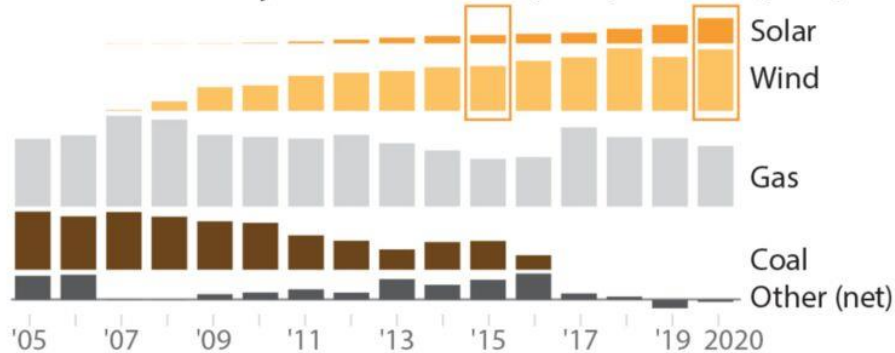
Supportive jurisdiction and access to existing infrastructure

- Proximity to Adelaide and existing infrastructure
- 240km NE of Adelaide within the Braemar Iron Formation
- Close to existing grid power, open access rail, iron ore export ports and groundwater sources

South Australia's Rapid Uptake of Renewables

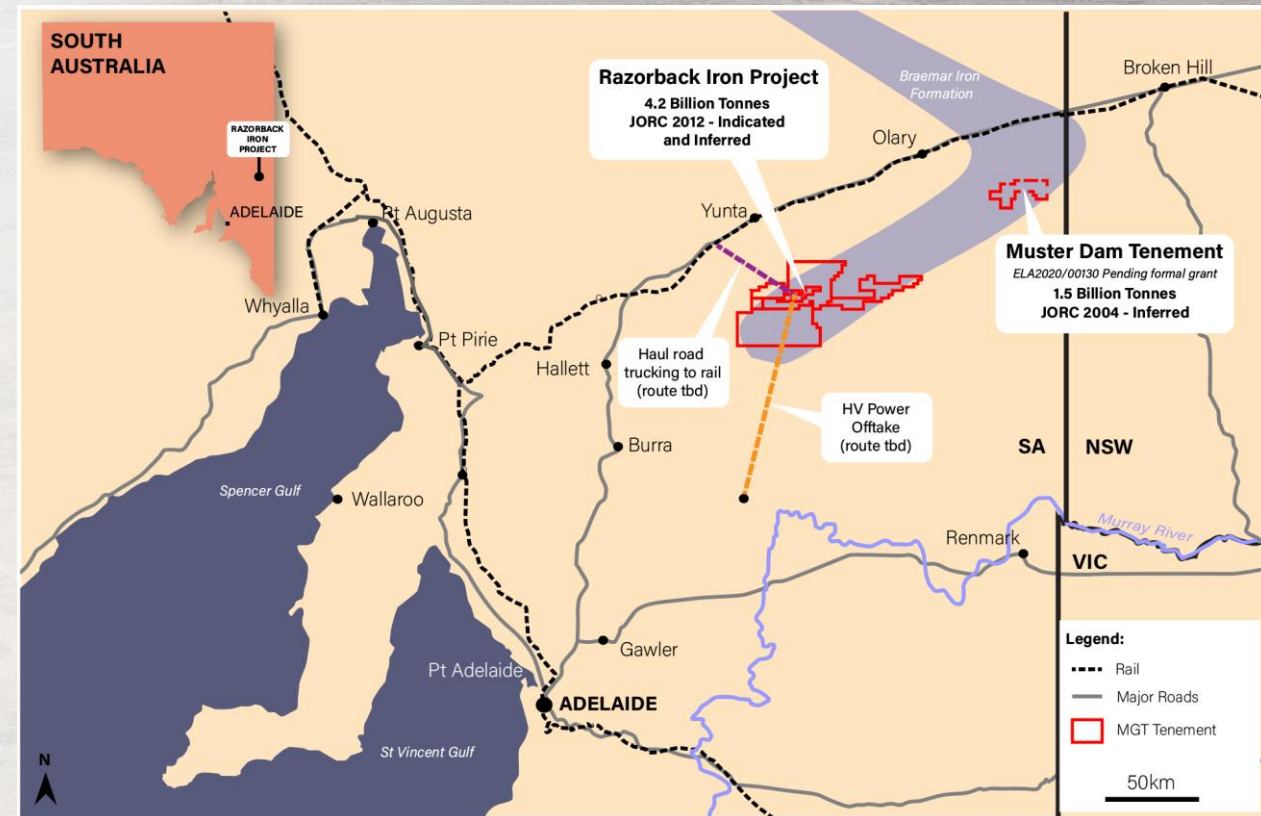
Wind and solar gained traction while coal dropped to zero

Demand met by renewables: 36% (2015) 60% (2020)



Source: OpenNEM (AEMO data)

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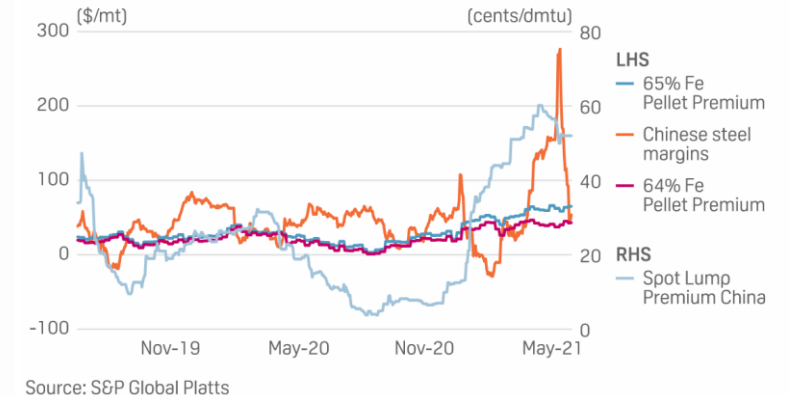




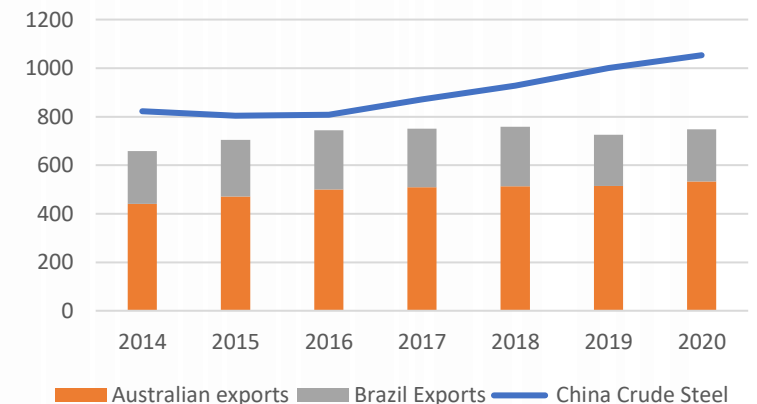
Hard dollar ESG credentials...emissions matter today

- Steel production remains a CO₂ and energy-intensive activity. The World Steel Association released a policy paper, *Climate change and the Production of Iron and Steel in May 2021*
- “The decarbonization drive in the steel industry is expected to reinforce the premiums of direct feed and high-grade iron ore, favouring miners with such options in their supply pipelines.” (S&P Global Platts, June 2021). **MGT expects to produce a high grade, low impurity, concentrate**
- **Traditional sources of iron ore supply have been slow to respond** to Chinese steel production growth and resultant iron ore demand
- Africa is the major potential new source – but requires major infrastructure investment and has shown little tangible progress despite two decades of work
- Brazil remains constrained and has overpromised for several years

HIGH STEEL MARGINS SUPPORT DIRECT FEED PREMIUMS



Crude Steel and contained iron in exports





Increased resource confidence – now 50% JORC Indicated

- Razorback Iron Project, May resource upgrade⁴ (JORC 2012) delivered 50% of total resource in the Indicated category

JORC Classification	Million Tonnes (dry)	Mass Re (eDTR%)	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	LOI%	Magnetite %
Indicated	1,500	15.6	18.5	47.9	8.0	0.18	5.4	15.0
Inferred	1,500	16.0	18.0	48.3	8.2	0.18	5.5	15.9
Total	3,000	15.8	18.2	48.1	8.1	0.18	5.5	15.5

Note: All figures quoted at an 11% eDTR cut-off category

- Another milestone completed...
 - Indicated resources are estimated with sufficient confidence to allow the use of modifying factors to **support mine planning and economic evaluation** – currently the focus of the PFS assessment



PFS Well Advanced^{5,6} – Expertise in the Braemar Iron Formation is increasing

- **Environmental & Stakeholders** – Ecological Australia
- **Geology & Geophysics** – MBGS, GRS & Richard Harmsworth
- **Mining** – Orelogy & MGT
 - Large tonnage with low strip ratio
- **Processing** – Hatch & Dr Richard Peck
 - Simple, well proven processing route to a high grade, high quality product
- **Tailings** – Hatch and PSM
- **Infrastructure and power** – GHD and ElectraNet
- **Haul road** - Bis Industries
- **Rail** - Below rail - existing ARTC network
 - Above rail – multiple commercial proposals received
- **Port** – Existing iron ore ports with existing rail linkage

Systematically defining the pathway to a low capital, long life mine delivering a premium product to market

AN EXPERIENCED MGT TECHNICAL TEAM AND RECOGNISED EXTERNAL EXPERTISE



Mark Eames – Technical Director

Mr Eames has a successful track record in the global minerals industry in exploration, evaluation, development, acquisitions, operations, marketing and senior corporate management. He is a qualified metallurgist with extensive experience in Australia and overseas and has held senior roles working with the iron ore businesses of Glencore, Rio Tinto and BHP.



Stephen Weir B.Eng Hons (Mech), Grad Dip. Appl. Fin. SIA – Chief Development Officer

Most recently Stephen was Managing Director at RFC Ambrian where he provided corporate finance advice over a twenty year period to clients in the mining and energy sectors. Prior to that his career spans construction management of high-speed bulk material handling equipment, minerals and coal processing (John Holland). Project management of technology introduction. Equipment and Industrial Services (Brambles) and Project Finance (Bankers Trust).



Trevor Thomas MEarthSci (Geology), MAIG, MAUSIMM - General Manager (Geology)

Trevor has been employed on the Magnetite Mines Limited's Razorback Iron Project since 2010. Prior to that he began his geological career in uranium and gold commodities. He has extensive experience in the resource development of magnetite iron ore deposits and was recently involved in the project management of the Razorback Iron Project Scoping Study.



Kerry Whitby – MD - GEOLOGY

B.Sc. (Geology), F.AusIMM, M.AIG, M.GSA, M.MICA

Mr. Whitby, a specialist consultant geologist has 50 years' experience in exploration and development of stratiform deposits including coal and iron ore.



Ecological Australia - Jasmine Richards

Sen. Environmental Consultant SA

Ms. Richards is a Senior Environmental Consultant and ELA's Adelaide Office Manager with over 13 years experience specialising in regulatory approvals, mine closure planning, environmental management and stakeholder engagement within the resources industry.

DR. RICHARD PECK

Dr. Richard Peck - PROCESSING

A mineral processing engineer with over 30 year's international experience in operations, design and commissioning of various mineral processing plant



**Gary Fallon – Director - GEOPHYSICS
GAICD, SEG, ASEG, AusIMM)**

Mr. Fallon is a geophysicist with more than 35 years of mineral and coal exploration experience. He has been involved in extensive precious, base metal and coal exploration and mining projects, focussing on the application of geophysical techniques to operating mines.

RH

Richard Harmsworth – Consultant - GEOLOGY

Mr Harmsworth was Chief Geologist for Rio Tinto's Hamersley Iron operations in the Pilbara in the 1980's and later worked in their Resource Development and New Business groups. He was subsequently Chief Geologist for Sphere Minerals Limited for their magnetite exploration and development programs in Northern Mauritania.

HATCH

Hatch – PROCESSING

Hatch is a global multidisciplinary management, engineering and development consultancy. Its group companies have more than 9,000 staff in 70+ offices. Hatch provides consulting, operations support, technologies, process design, and project and construction management to clients in three principal sectors: mining and metals; energy; and infrastructure.



Muster Dam* – Exploration upside and a logical addition

- The project is located in the same Braemar Iron Formation and **leverages Magnetite Mines' deepening expertise in this formation**
 - The Muster Dam Iron Project tenement ⁷ is approximately 110km NE of Razorback and circa 40km SE of the town of Olary
 - The Project is 38km from rail and roads, 58km from the nearest high voltage powerline and 76km from the mining town of Broken Hill
 - The Muster Dam Iron Project tenement consists of:
 - Muster Dam
 - Surrender dam
 - Duffields
 - Peaked Hill
- Under Explored



Delivering Value for Shareholders

- **Large scale resource located in in low risk, supportive region**
 - 3 billion tonne resource amenable to simple processing to produce a high grade, high quality, low impurity product
 - PFS well advanced, builds on 2019 Scoping Study⁸ - funded beyond PFS completion
- **Existing Infrastructure in place**
 - Open access rail
 - Grid power ~100km
 - Two operating iron ore ports linked by existing rail
- **Robust iron ore outlook**
 - Global steel production driving strong iron ore demand
 - Major producers facing constraints
- **PFS due shortly, will inform market of project configuration and economic viability**
- **Experienced management aligned with shareholders**
- **Additional upside via Muster Dam package**



References – ASX Releases

1. 19/08/2020 – Selective Mining
2. 7/05/2021 – Commitments to Raise \$7 Million
3. 7/06/2021 – Result of MGTOC Option Conversions
4. 24/05/2021 – Razorback High Grade Iron Ore Concentrate Project Mineral Resource Upgrade
5. 17/12/2020 – Pre Feasibility Study Update
6. 18/06/2020 – Commencement Of PFS And Appointment Of Expert Advisors
7. 1/03/2021 – Muster Dam Iron Project Tenements awarded to Magnetite Mines
8. 7/11/2019 – Positive Razorback Scoping Study Results





MAGNETITE MINES LIMITED

High Grade Iron Ore Concentrate

