

ASX ANNOUNCEMENT

5 MAY 2023

LANDMARK COMMUNITY MOU SIGNED FOR RAZORBACK PROJECT

Magnetite Mines Limited (ASX:MGT) is pleased to announce the signing of a Memorandum of Understanding (MOU) with **District Council of Peterborough** in support of the Razorback Iron Ore Project. The MOU is unique in nature and establishes a strong, collaborative commitment to the responsible and sustainable development of the Razorback Project and its interactions with local communities.

The terms of the MOU enable broad level strategic support for the Razorback Project with the objective of bringing together the District Council of Peterborough, Magnetite Mines and key stakeholders to:

- collaborate on matters of shared local interest, including to maximise significant social, environmental, employment and other economic opportunities
- support engagement between Magnetite Mines and the District Council of Peterborough, and with local residents, businesses and other entities
- identify opportunities to develop, fund or manage shared infrastructure
- provide a structure to consider support for ancillary developments that may benefit the Razorback Project, its local workforce and its local stakeholders.

Please refer to attached **Joint Media Release** for further details.

For further information contact:

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ABOUT MAGNETITE MINES

Magnetite Mines Ltd is an ASX-listed iron ore company focused on developing magnetite iron ore resources in the highly-prospective Braemar iron region of South Australia. The Company has a 100% owned Mineral Resource of 6 billion tonnes of iron ore and is developing the Razorback Iron Ore Project, located 240km from Adelaide, to meet accelerating market demand for premium iron ore products created by iron & steel sector decarbonisation, with the potential to produce high-value Direct Reduction (DR) grade concentrates. Razorback is set to become a very long-life iron ore project with expansion optionality in a tier 1 jurisdiction that will produce a superior iron ore product sought by steelmakers globally. For more information visit magnetitemines.com.



JOINT MEDIA RELEASE

5 MAY 2023

LANDMARK COMMUNITY MEMORANDUM OF UNDERSTANDING SIGNED FOR RAZORBACK PROJECT

HIGHLIGHTS

- **The District Council of Peterborough and Magnetite Mines have signed an agreement to collaborate on programs that support local participation, shared infrastructure development and community engagement with the Razorback Iron Ore Project**
- **This unique MOU between a mining company and local government represents a leading sustainability initiative to partner with host communities**
- **Partnership underpinned by significant positive interest in the Razorback Project from Peterborough residents and businesses**
- **Substantial economic activity and employment opportunities for the Peterborough community identified by BDO EconSearch modelling**

District Council of Peterborough Mayor Ruth Whittle OAM commented:

“The District Council of Peterborough welcomes the opportunity to enter into a Memorandum of Understanding with Magnetite Mines that will provide the basis for both parties to work collaboratively on achieving the social and economic outcomes for the long-term benefit of the Community.”

“This is a momentous occasion for the Council and the Community that provides optimism for planning a sustainable future founded on employment prospects, business opportunities and potential population growth.”

“The Council will be working closely with Magnetite Mines to understand the infrastructure upgrade needs, development requirements for businesses and residential growth opportunities to support the mine development during the initial construction phase and into full operations.”

“With the Premier making a firm commitment at the recent Economic Summit to work closely with local councils to achieve economic outcomes, Council will be lobbying the Government for financial and non-financial incentives directed towards the development of the community, its infrastructure and businesses as a means to fully meet the needs and demands of the mine operations.”

“With this promising future one extra permanent job within the community provides the basis for one hundred possible outcomes and our purpose is to make these outcomes a reality.”

Magnetite Mines CEO Tim Dobson commented:

“We are truly excited to partner with the District Council of Peterborough with an agreement that reflects both party’s commitment to working together in the best interests of all stakeholders.

“Magnetite Mines is determined to role model sustainability leadership through all phases of the Razorback Project and this unique MOU is an example of that commitment. Our actions today establish a foundation for positive community relationships ahead of decades of projected production from Razorback and the massive Braemar Iron region, and we look forward to creating the opportunity for economic growth and jobs in the Peterborough and surrounding communities.”

The **District Council of Peterborough** and **Magnetite Mines** are pleased to announce the signing of a Memorandum of Understanding (MOU) between the two parties in support of the Razorback Iron Ore Project, located 80km east of Peterborough. The MOU establishes a strong, collaborative commitment to the responsible and sustainable development of the Razorback Project and its interactions with local communities.

The importance of Peterborough to the Razorback Project is significant. The town is well positioned to become the Project’s key service centre given its location at the western end of the mine access and transport corridor. Reflecting its historical position as the epicentre of the South Australian rail network servicing the Broken Hill mines, Peterborough once again has the opportunity to prosper in servicing the mining sector.

Magnetite Mines, with an inventory of 6 billion tonnes of iron ore resources, is primed to open up South Australia’s massive, but until now undeveloped, Braemar Iron region. The production of premium-quality magnetite iron ore concentrates from the Razorback Project is key to the emergence of an entirely new “green iron” industry for the state, with green iron production hubs set to emerge in the Upper Spencer Gulf region in support of the urgent decarbonisation of the global steel sector.

The District Council of Peterborough and Magnetite Mines share the foresight to act early and establish a partnership on behalf of the local community. Building on the keen interest of the local community, the MOU formalises a common commitment to collaborate on key initiatives and maximise the social outcomes and opportunities associated with the Project.

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- collaborate on matters of shared local interest, including to maximise significant social, environmental, employment and other economic opportunities
- support engagement between Magnetite Mines and the District Council of Peterborough, and with local residents, businesses and other entities
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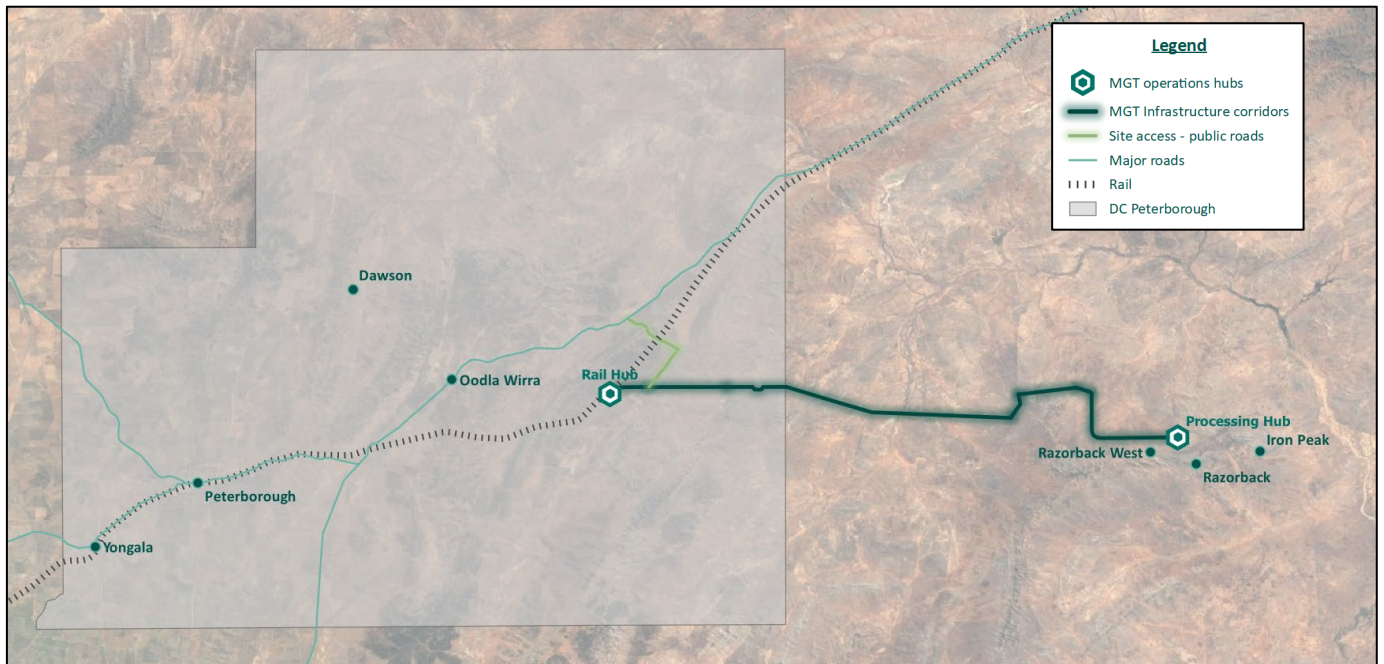


Figure 1. District Council of Peterborough area and the Razorback Iron Ore Project

A ceremonial signing of the MOU is to be held in Peterborough on Friday 5 May with the Hon Geoff Brock MP and Minister for Local Government, attending as a mark of this significant milestone. A community information session will follow to give local residents and businesses the opportunity to share their aspirations about the Project and learn more Rail about Magnetite Mines development plans.

A SIGNIFICANT OPPORTUNITY FOR PETERBOROUGH

Economic impact analysis, completed by leading economic research consultants BDO EconSearch, has modelled the potential benefits arising from the construction and operations phases of the Razorback Project. The analysis predicts considerable economic contributions from the Project through the construction and operations (life-of-mine) phases on local, regional and state levels (Figure 2).

Peterborough, as the logical gateway to the Razorback Project, stands to realise significant benefits from the Project’s activities with over \$290 million in additional economic activity and almost 60 jobs for over a generation. Under the MOU, the District Council of Peterborough and Magnetite Mines will seek to partner on initiatives to capture this economic development potential in a sustainable manner.

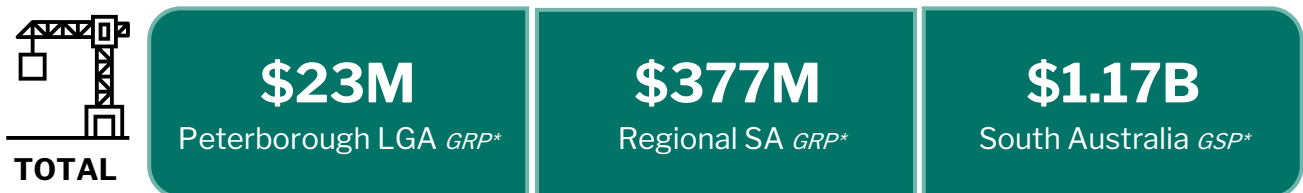


Figure 2. Total (direct and flow-on) economic activity and employment by selected region – construction phase

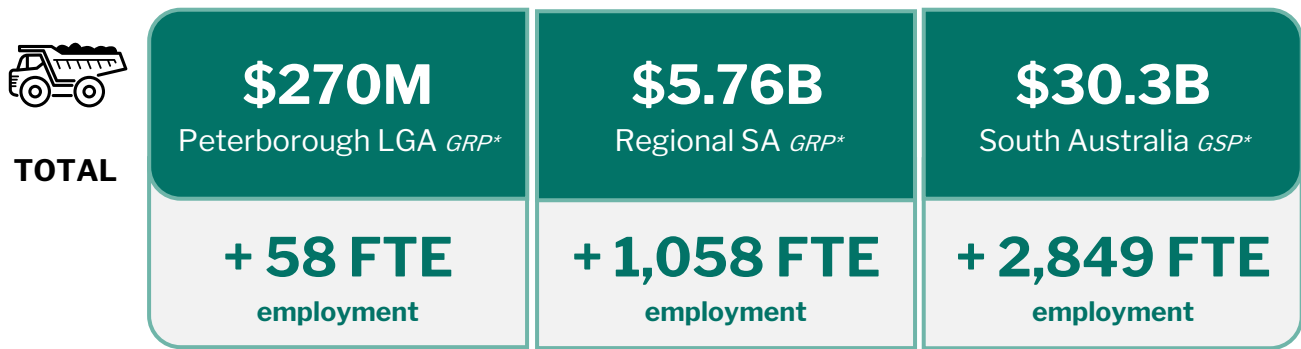


Figure 3. Total (direct and flow-on) economic activity and employment by selected region - operations phase (30-year mine life at 5Mtpa)

*Gross Regional Product (GRP) and Gross State Product (GSP) are measures of economic activity, in dollar terms, flowing through the region/state. FTE refers to Full-Time Equivalent jobs.

ABOUT DISTRICT COUNCIL OF PETERBOROUGH

The District Council of Peterborough is a proclaimed Council under the *Local Government Act 1999 (SA)* and was formed in 1997 following the amalgamation of the Corporation of the Town of Peterborough and the surrounding District Council of Peterborough. The Council area is approximately 2,995km² in size and includes the towns of Peterborough (population 1,490), Yongala and Oodla Wirra. The Council area is located approximately 250km to the north of Adelaide and is strategically positioned on the east-west railway linking Port Pirie and Broken Hill.

The Council is governed by 9 elected members, chaired by Mayor Mrs I R (Ruth) Whittle OAM, and is managed by Chief Executive Officer, Mr Stephen Rufus.

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For further information contact:

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