

ASX ANNOUNCEMENT

23 AUGUST 2023

AGREEMENT REACHED TO EXTEND CONVERTIBLE NOTES REPAYMENT

Magnetite Mines Limited (ASX:MGT) is pleased to announce that it has entered into a written agreement (**Agreement**) with the liquidator of Mintech Resources Pty Ltd (in liquidation) (**Mintech**) to amend the terms of the redeemable convertible notes (**Notes**) held by Mintech. Subject to the approval of Mintech's creditors, the parties have agreed to extend the maturity date of the Notes by seven months from 31 August 2023 to 31 March 2024.

The Notes were originally issued to Mintech on 31 August 2015 following a renegotiation of the terms of a tenement sale agreement between the Company and Mintech for the acquisition by the Company of the Razorback Project (see announcements to ASX on 11 August 2015, 31 August 2015 and 4 September 2019).

Pursuant to the Agreement, the interest rate applicable to the Mintech Notes for the period from 1 September 2023 to 31 March 2024 will be 10% per annum. Magnetite Mines has agreed to waive its right to convert the Notes into shares at the maturity date and will therefore redeem the value of the Notes in cash on or before that date. In consideration for its agreement to the revised terms of the Notes, the Company will pay Mintech a fee of \$200,000 (plus GST).

The Agreement will be reflected in a formal amendment to the terms of the Notes in the coming weeks. The Company understands the liquidator intends to call a meeting of Mintech creditors to be held as soon as practicable and before the end of September 2023. MGT will announce the results of that meeting once they are known.

Magnetite Mines CEO Tim Dobson commented:

"We are very pleased to have reached an agreement to extend the repayment date of the Mintech convertible notes, which is a legacy issue relating to the original purchase of the Razorback tenements. The extension provides timely financial flexibility as the Company completes its value engineering work program and advances discussions with a broadening range of potential strategic partners. We are continuing to advance the Razorback Project with diligence and rigour to create lasting value for shareholders and look forward to updating the market in the coming weeks."

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

For further information contact:

Gemma Brosnan, General Manager - External Affairs

gemma.brosnan@magnetitemines.com

+61 8 8427 0516

ABOUT MAGNETITE MINES

Magnetite Mines Ltd is an ASX-listed iron ore company focused on the development of 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.