MAGNUM MINING AND EXPLORATION LIMITED

ASX: MGU

Annual Report

For the Year Ended 31 December 2023

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Corporate Directory

Directors

Anoosh Manzoori (Non-Executive Director & Chairman)
Athan Lekkas (Non-Executive Director)
Matt Latimore (Non-Executive Director) (resigned 8 March 2023)
Neil Goodman (Managing Director, appointed March 8, 2024)

Chief Executive Officer
Neil Goodman

Company Secretary

Luke Martino

Registered Office

311-313 Hay Street
Subiaco Western Australia 6008
Telephone: +61(08) 6489 0699

Share Registry

Computershare Investor Services Pty Ltd
Level 17, 221 St Georges Terrace
Perth Western Australia 6000
Telephone: 1300 850 505

Auditor

UHY Haines Norton
Chartered Accountants
Level 9, 1 York Street
Sydney NSW 2000

Stock Exchange Listing

Magnum Mining and Exploration Limited shares are listed on the Australian Securities Exchange under the code MGU.

The Company is limited by shares, incorporated, and domiciled in Australia.

Website address

www.mmel.com.au

Dear Shareholders, it is with great pleasure that I present the 2023 Annual Report for Magnum Mining & Exploration Limited (ASX: **MGU**) (**Magnum** or the **Company**).

In the final quarter of the financial year, the Company made some major developments towards its' flagship Buena Vista Magnetite Project in Nevada, USA.

The Company completed a series of milestones and further developed its geology, feasibility, off take discussions and further funding. Magnum has identified several pathways and opportunities to bring its permitted mine into production.

We are extremely pleased to have attracted a lot of interest from large multinational steel companies for co-investment and offtake agreements.

Importantly, Magnum has signed an agreement with Midmetal, to jointly fund a feasibility study into the development of the HIsmelt Facility in Saudi Arabia.

This includes the production and supply of renewable biochar from Malaysia.

The Company has interest from US based investors given the Company's assets and potential customers are in North America.

Magnum is also working towards a pathway to listing in the USA to gain access to capital and market exposure for its green steel product.

We are excited about 2024 and look forward to creating value for all shareholders.

I wish to thank my fellow directors, management and all the US and Australian team for their constant hard work and loyalty to our promising Company, Magnum Mining & Exploration Limited.

Yours Sincerely

Anoosh Manzoori
Non-Executive Chairman

BUENA VISTA PROJECT (UNITED STATES)

SUMMARY

The Buena Vista Project is directed towards supplying the following materials to the steel industry world-wide: Direct Reduced Iron (DRI) grade iron ore concentrate and the Green Pig Iron.

The steelmaking industry is increasingly seeking ways to lower emissions that has led to greater demand for DRI and green pig iron.

BUENA VISTA PROJECT

Description

The Buena Vista Project ("Project") is an advanced magnetite iron ore project located near Reno, Nevada. Settlement of the purchase of Buena Vista was completed on 9th of February 2021. Over A$40 million has been expended on the Project over the past decade, including the completion in 2011 of a Feasibility Study and permitting for the long-term production of a +63.0 % Fe magnetite concentrate with no harmful impurities.

Further refreshes of the Feasibility Study were performed in 2023 and indicate that the iron ore can be concentrated to +68% Fe with <3% impurities. This grade of iron ore is in increasing demand by DRI producers as more DRI plants are being built to lower the carbon emissions of steelmaking.

The Buena Vista Project will comprise a mine that will use industry standard drill, blast, and shovel techniques. The iron ore will be delivered to a co-located processing plant. The processing plant will crush, grind, and magnetically separate the iron from the inert impurities (mainly silica and alumina), and increase the concentration of the iron from 20-30% Fe to >68% Fe. The iron ore concentrate will be transported 40km by truck to a rail load-out facility on the Union-Pacific railroad and loaded on to unit trains (comprising approximately 100 x 100t capacity rail cars). These 10,000t capacity unit trains will then be delivered by rail to a port in California for export via ship to steel plants on the west coast of the Americas, in Asia and in the Middle East.

BUENA VISTA FY23 Project Achievements

For the magnetite concentrate production, all major development permits and required technical work, such as drilling, metallurgy, hydrogeology, and plant design, have been secured for the Project.

The Feasibility Study for the mine was completed in 2011 and recent refreshes in 2023 have updated the mine schedule, beneficiation process and logistics (see the following ASX announcements):

13 January 2023	MGU showing an additional 407m-540m tonnes of Fe
10 March 2023	Test work confirms over 68% high grade product
28 April 2023	DSO sampling at Buena Vista uncovers new potential
28 April 2023	Magnum starts drilling DSO
23 May 2023	Drilling campaign completed at Buena Vista
5 June 2023	Sampling maps high grade at Buena Vista
14 July 2023	Acceleration of Buena Vista project
27 July 2023	Drilling and surface sampling confirms high grades
14 August 2023	Positive scoping study validates Buena Vista iron project
16 August 2023	Stockpiles at Buena Vista evaluated for mill feed
24 October 2023	Potential port identified for Magnum DRI exports
27 October 2023	Logistics reviews progress at Buena Vista
20 November 2023	Mine schedule delivers higher grades, lower strip

In addition to the above technical progress, Magnum signed non-binding MOUs for the offtake of iron ore from Buena Vista with two large multi-national trading companies: Mitsubishi and Anglo-American (see the following ASX announcements):

10 May 2023	Mitsubishi enters in an offtake MOU with Magnum
8 September 2023	Anglo pursues Buena Vista DRI concentrates

BUENA VISTA Location and History

The Buena Vista Project is approximately 130km east-northeast of Reno in the mining-friendly state of Nevada, United States.

The Project was discovered in the 1890s. Between the late 1950s and early 1960s, approximately 900,000 tonnes of direct shipping magnetite ore were mined, with an estimated grade of 58% Fe.

In the 1960s, US Steel Corporation acquired the Project and carried out an extensive exploration program including 230 diamond drill holes and considerable metallurgical test work.

The Project was refreshed in 2009 when Richmond Mining Limited, an ASX-listed company, acquired the Project and commenced a detailed exploration program culminating in a definitive feasibility study in July 2011. The study was updated in 2013 for an expanded production rate.

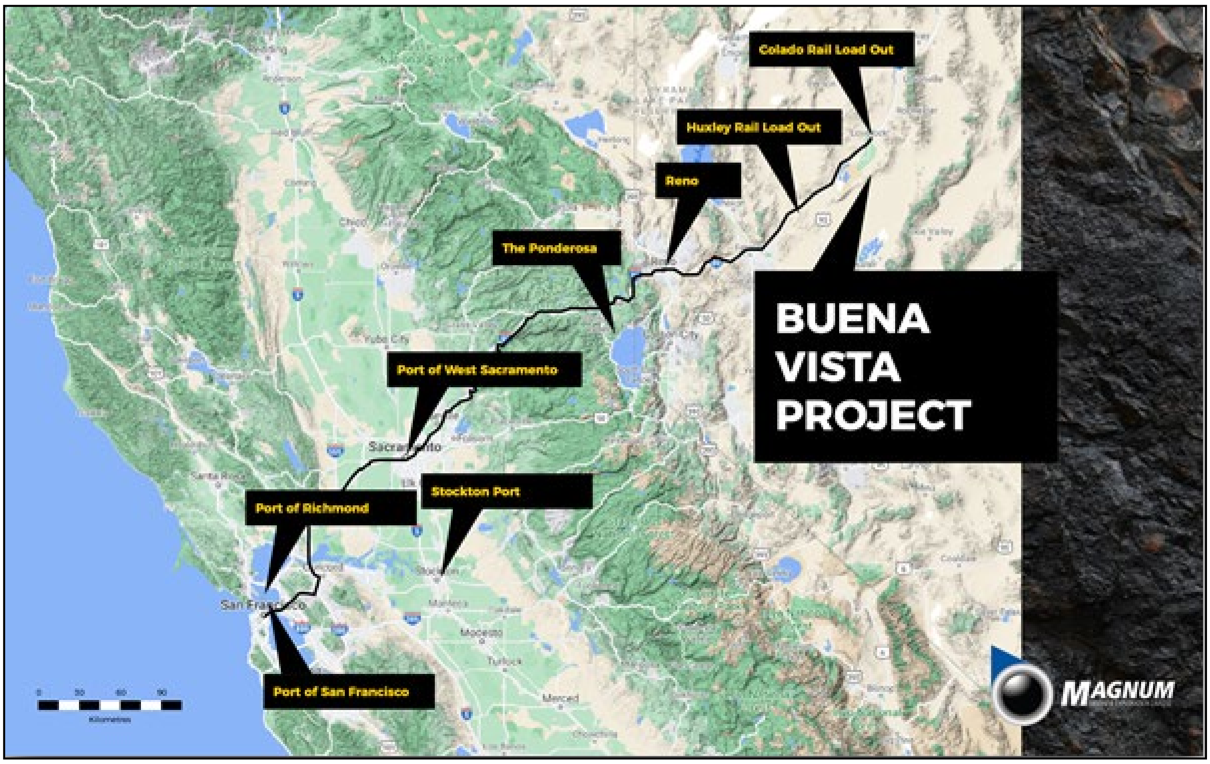

Figure 2: Project Location

Project Logistics

The Project is ideally located with the towns of Fallon (20,000 population) and Lovelock (8,000 population) within close proximity to the Project. This provides site personnel and their families the opportunity to reside in local communities with existing infrastructure and facilities.

The Project is about 40kms from the Union Pacific rail line which connects with multiple export port options including Stockton, Long Beach, West Sacramento, Oakland, San Francisco and Richmond (Levin).

Grid power (geothermal, solar and gas) is available within 40km of the Project and sufficient water can be sourced from groundwater aquifers located in the North Carson sink. The Nevada Department of Conservation and Natural Resources has already granted the required water rights for the life of the Project.

The Project is located in Churchill County which has a strong history of supporting mining developments and is easily accessed via the unsealed Bombing Range Road (aka Pole Line Road) from Huxley or the sealed Coal Canyon Road from Lovelock.

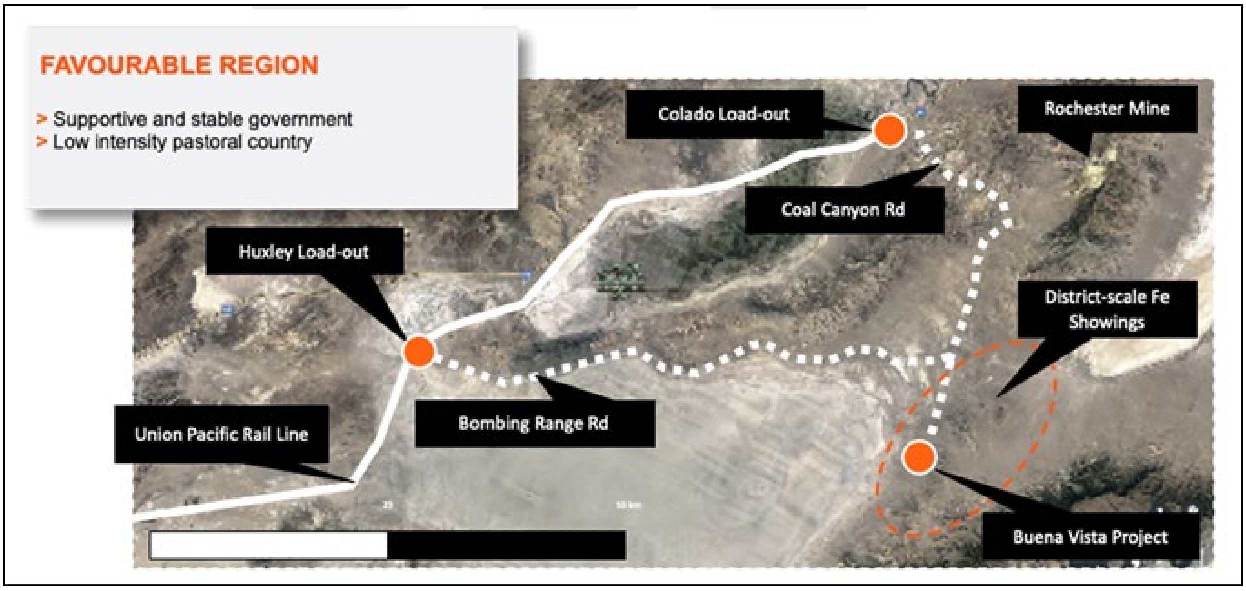

Figure 3: Magnum Buena Vista Logistics Options

<u>Geology</u>

The magnetite deposits at Buena Vista are the product of late-stage alteration of a localised intrusive gabbro that resulted in intensely scapolitised lithologies and the deposition of magnetite.

The most well-known example of this type of magnetite mineralisation is the Kiruna magnetite deposit in Sweden which has been in production since the early 1900s.

The distribution and nature of the magnetite mineralisation at the Project is a function of ground preparation by faulting and fracturing forming a series of open fractures, breccia zones and networks of fine fractures.

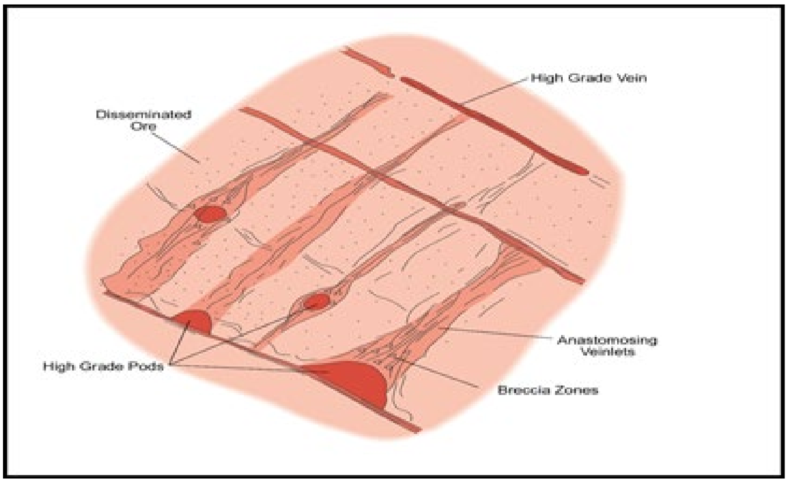

Figure 4: Mineralization at Buena Vista Project

As a consequence, the magnetite mineralisation at the Project has been developed as disseminations within the altered gabbro through to massive pods and occasionally vein-like intrusions.

These ground conditions produce variations in mineralisation types from massive pods grading +60% magnetite to lighter disseminations grading 10-20% magnetite.

The mineralisation has been best developed within a number of discrete but proximal deposits (Section 5, West and East deposits) that outcrop and exhibit a strong magnetic signature.

The strike of the deposits is approximately east-west for Section 5 and West deposits and south west-north east for the east deposit. The dip is generally towards the north.

Figure 5: Drill cores showing metasomatic magnetite

Metasomatic magnetite deposits such as those at the Project have important beneficiation advantages over the other main type of magnetite deposit, which is a banded iron hosted magnetite, also sometimes known as a taconite.

	Buena Vista Project (Magmatic)	Taconite (Banded iron)
Genesis	Metasomatic (hot solutions)	Non-magmatic precipitate
Grain size	Coarse	Fine
Grind size to liberate magnetite	+100 microns	Sub 15-20 microns
Capex	Lower capital intensity	Higher capital intensity
Opex	Lower Opex	Higher Opex

Table 1: Advantages of Buena Vista metasomatic magnetite

Drilling Evaluation

The Project has been extensively drilled with multiple drill programs having been carried out in prior years.

The initial program was conducted by Columbia Mines (US Steel) in the early 1960s and was by BQ, NQ and HQ diamond drilling and holes were surveyed for dip using a Tropari instrument.

A total of around 112 holes for 18,215 metres were completed and all holes were geologically sampled and logged.

Around 5,000 samples across the magnetite mineralised zones were taken from the drill core and the magnetite content determined by Davis Tube. All testing was carried out at the Colorado School of Mines Research Foundation.

In 2010, a confirmatory diamond drill program of 8 holes comprising 1,415 metres was carried out by Richmond Mining Limited. This program was HQ and designed to twin various 1960s holes in order to test for vertical and lateral continuity as well as provide QA/QC information on the historic drilling.

All of the holes were geologically logged and then halved or quartered and samples assayed by American Assay Laboratories in Reno and SGS Laboratories in Perth.

In 2012, Nevada Iron Limited carried out a program comprising 19 drill holes for 3,431 metres of HQ diamond drilling and 50 holes for 13,024 metres of 138 mm reverse circulation drilling.

This program was designed to provide infill drilling for an expanded resource estimate, extend the boundaries of the known mineralised areas and provide additional core for definitive metallurgical beneficiation test work. All drill holes from this program were geologically logged and the diamond holes surveyed down hole.

Samples from this program were prepared by ALS Global Laboratories in Reno and analyzed by ALS Laboratories in Perth.

JORC (2012) Mineral Resource Estimate Update

On 23 March 2021, Magnum announced that the Buena Vista Mineral Resource had been updated in accordance with the 2012 edition of the JORC Code (JORC 2012) (refer to announcement dated 23 March 2021).

Magnum reported that the Mineral Resources previously reported in 2012/2013 under the JORC (2004) Code and the NI43-101 Code had undergone a comprehensive review and full evaluation by the Company's highly experienced and qualified independent consultant, MPR Geological Consultants.

The total Mineral Resource estimate at the Project increased as a result of the aforementioned update with the following key changes:

- A 31% increase in total reported Mineral Resources from 177.3Mt to 232Mt.
- A 6% increase in the Indicated Resource for the Section 5 area and a 25% increase in the DTR% (Davis Tube Recovery Percentage)
- An additional 40Mt of Inferred Resources for the West Pit area and 13% increase in the DTR%
- A 14% increase in the Inferred Resource for the East Pit area

The Company confirms that it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the estimates in the announcement of the 'Maiden JORC (2012) Resource for the Buena Vista Magnetite Project' dated 23 March 2021 continue to apply and have not materially changed.

Estimates at 10% Fe cut off										
Deposit	**Resource Category**	**2013**			**2021**			**Difference**		
		Mt	**Fe%**	**DTR%**	**Mt**	**Fe%**	**DTR%**	**Mt**	**Fe%**	**DTR%**
Section 5	Ind	32.1	17.7	16.8	34.0	17.4	21.0	6%	-2%	25%
	Inf	0.0	0.0	0.0	8.0	16.0	18.0	-	-	-
	Subtotal	32.1	17.7	16.8	42.0	17.0	20.0	31%	-3%	22%
West	Ind	116.6	19.1	21.2	117.0	19.5	23.9	0%	2%	13%
	Inf	0.0	0.0	0.0	40.0	17.0	21.0	-	-	-
	Subtotal	116.6	19.1	21.2	157.0	19.0	23.0	35%	-1%	9%
East	Ind	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-
	Inf	28.9	19.6	23.4	33.0	19.0	23.0	14%	-3%	-2%
	Subtotal	28.9	19.6	23.4	33.0	19.0	23.0	14%	-3%	-2%
Total	Ind	148.7	18.8	20.3	151.0	19.0	23.2	2%	1%	15%
	Inf	28.9	19.6	23.4	81.0	18.0	22.0	180%	-10%	-8%
	Total	177.6	18.9	20.8	232.0	18.6	22.6	31%	-2%	9%

Table 2: JORC (2012) reported mineral resources compared with 2013 NI43-101 estimate.

The database for the JORC (2012) Mineral Resource Estimate utilised data from 139 diamond drill holes totaling 23,061 metres of drilling and 50 reverse circulation drill holes totaling 13,024 metres of drilling.

Mineralised domain wireframes used for the resource modelling were interpreted from 3.05 metre down-hole composited Fe grades from the diamond and RC drilling. The domains captured zones of continuous Fe grades greater than approximately 10% and for the West Deposit were trimmed by several steeply dipping dykes the wireframes interpreted from drill hole logging and Fe grades.

The combined mineralised domains lie within a corridor of around 3,300 metres by 500 metres and extend from surface to a depth of around 240 metres. Around 90% of the mineralisation lies within 140 metres of the surface.

Total Fe, DTR mass recovery and density were estimated by ordinary Kriging of 3.05 metre down-hole composited grades within the mineralised domains. Densities were assigned to drill hole intervals from an Fe-density function.

The resource modelling did not employ upper Fe grade cuts reflecting the low to moderate variability of the attributes and lack of extreme Fe values.

The Indicated and Inferred Mineral Resource Estimates were extrapolated to a maximum of generally around 40 metres and 60 metres from drill intercepts respectively.

Micromine software was used for the initial data compilation, domain wire-framing calculating and coding of composite values. GS3M was used for Kriging and the estimates were then imported into a Micromine block model for reporting.

Model validation included visual comparison of model estimates, composite grades, comparison with historic estimates and trend (swath) plots.

All tonnages were estimated on a dry basis and the estimates reflect medium scale open pit mining.

Cut-off Grades

The resource estimate was carried out applying Total Fe cut-off grades of 10%, 15%, 20% and 25%.

Because of the favorable beneficiation characteristics of the Buena Vista Project ore the lower cut-off of 10% Total Fe was chosen to represent the headline resource estimate.

Cut off Fe %	Deposit	Indicated			Inferred			Total		
		Mt	Fe%	DTR%	Mt	Fe%	DTR%	Mt	Fe%	DTR%
10.0	Section 5	34.0	17.4	21.0	8.0	16.0	18.0	42.0	17.1	20.5
	West	117.0	19.5	23.9	40.0	17.0	21.0	157.0	18.9	23.2
	End	0.0	0.0	0.0	33.0	19.0	23.0	33.0	19.0	23.0
	Total	151.0	19.0	23.2	81.0	18.0	22.0	232.0	18.6	22.7
15.0	Section 5	21.0	20.2	25.1	3.8	19.0	24.0	25.0	20.0	24.9
	West	0.0	21.4	26.7	26.0	20.0	24.0	116.0	21.1	26.1
	End	90.0	0.0	0.0	25.0	21.0	26.0	25.0	21.0	26.0
	Total	111.0	21.2	26.4	55.0	20.0	25.0	166.0	20.9	25.9
20.0	Section 5	9.1	24.1	30.9	1.3	23.0	29.0	10.0	24.0	30.7
	West	40.0	26.5	34.4	9.6	25.0	32.0	50.0	26.2	33.9
	End	0.0	0.0	0.0	13.0	24.0	31.0	13.0	24.0	31.0
	Total	49.0	26.1	33.8	24.0	24.0	31.0	73.0	25.5	33.0
25.0	Section 5	2.8	28.6	37.7	0.3	27.0	36.0	3.1	28.4	37.5
	West	19	31.5	41.9	3.5	30.0	39.0	23.0	31.3	41.4
	End	0.0	0.0	0.0	3.6	29.0	38.0	3.6	29.0	38.0
	Total	22.0	31.5	41.4	7.4	29.0	38.0	29.0	30.7	40.6

Table 3: Buena Vista JORC (2012) Resource Estimates at various Total Fe cut-off grades. Davis Tube Recovery (DTR%) is the estimated proportion of the rock mass recoverable by magnetic concentration and is strongly correlated to iron grades.

METALLURGY

Both west and dry beneficiation tests were carried out in 2022. The tests have proven that Buena Vista iron ore is capable of both a premium iron ore concentrate at 68%Fe for the export market, and a lower cost 63%Fe concentrate for the integrated green pig iron production on site.

Wet Beneficiation for a 68% Fe Concentrate

Unlike banded iron hosted magnetite deposits (taconites), where the magnetite mineralisation is finely disseminated in siliceous bedding planes, the Buena Vista ore is of magmatic origin and as a consequence is coarser grained in association with the siliceous host rock.

The prime benefit of this is that metallurgical test work has shown that the primary crush of the Buena Vista ore on average increases the mill grade to +45% irrespective of the primary ore grade. This is an important distinction to taconites and results in reduced energy usage for the subsequent crushing and grinding upgrade to the concentrate grade of +67.5%.

The Buena Vista concentrate contains no deleterious concentrations of impurities with silica typically 1.4-1.5%, alumina less than 1% and negligible Sulphur and phosphorous content (around-0.003%).

In addition, titanium and vanadium levels are low in the Buena Vista concentrate, typical levels are around 0.2% TiO_2 and 0.3% V.

% Fe	% SiO_2	% Al_2O_3	% CaO	% MgO	% P	% S	% TiO_2	% V	% LOI
69.5	1.72	0.67	0.16	0.22	0.003	0.002	0.20	0.26	3.15

Table 4: Buena Vista Composite Wet Concentrate -150 mesh (106 microns) (After GR Engineering 2011)

Infrastructure

Colado

The Company has purchased over 104 acres of land adjacent to the main railway line and interstate highway at the Project. The property is about 40km from our Buena Vista iron ore mine via easy access from the Coal Canyon Road.

This property is to be used as a staff staging site during the initial construction phase of the project. All site administration will also be located at the site.

This land will be developed to become the logistic hub for our unit train loading operations.

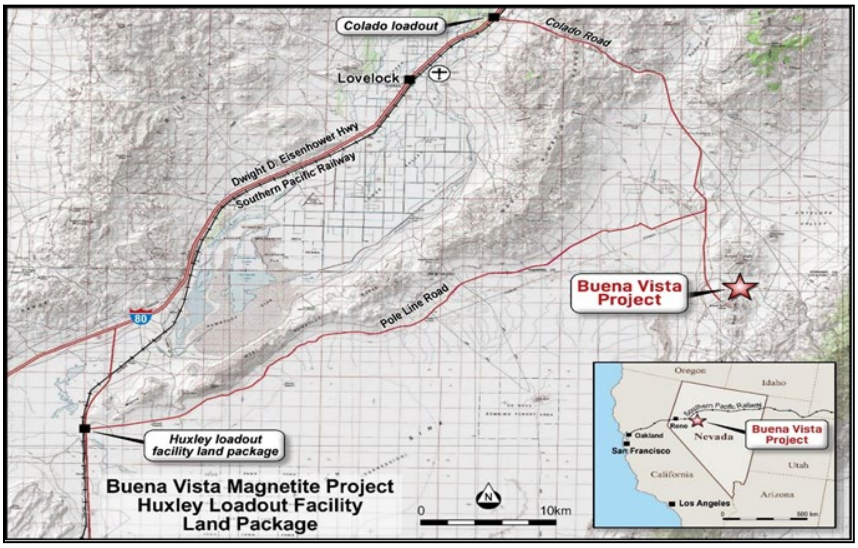

Figure 6: Magnum Colado Logistic Hub

COMPETENT PERSONS STATEMENT

The information in this report that relates to Mineral Resources is based on information compiled by Mr Jonathon Abbott, a Competent Person who is a Member of the Australian Institute of Geoscientists and a full time employee of MPR Geological Consultants Pty Ltd. Mr Abbott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves". Mr Abbott consents to the inclusion of the matters outlined in this report in the form and context in which it appears.

All information in this report that relates to Exploration Results and/or Mineral Resources has previously been reported to ASX.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original announcements by the Company to ASX and that all material assumptions and technical parameters underpinning the data released in the relevant ASX market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings were presented have not been materially modified from the original ASX market announcements.

Green Pig Iron Projects

Summary

Magnum is developing plans for the construction of HIsmelt plants worldwide to supply green pig iron via the HIsmelt technology using biochar. Magnum has performed various studies and site visits on several locations including:

- Buena Vista (Colado site)
- Appalachian Iron (West Virigina)
- Midmetal (Saudi Arabia)

Buena Vista

A concept study was produced in 2022 that indicated that a green pig iron plant located at Colado could be profitable, however no work was performed on this project in 2023.

Appalachian Iron

Magnum purchased the Appalachian Iron project in 2022 but no work was performed on this project in 2023.

Midmetal

On September 1, 2023, Magnum signed an MOU with Midmetal of Saudi Arabia to jointly develop a green pig iron project in Saudi Arabia that could convert waste materials and iron ore into green pig iron using the HIsmelt technology.
On November 1, 2023, Magnum and Midmetal announced that they would jointly fund a study to determine the feasibility of constructing the HIsmelt plant in Saudi Arabia. The study was completed in December 2023 and the results were released to the ASX on January 17, 2024. The study estimates a capital requirement of approximately US$410M (base case) or $205.3 to $615.8M at the ±50% study accuracy. An additional US$82.4M ($41.2-$123.6M) is estimated for the BioChar facility in Malaysia. Operating costs estimated at US$381.57/t (base case, $193.76 to $581.27 at the accuracy of the study) per tonne of GHPPI indicates that the project is economically viable at the assumed premium GHPPI market price of US$700/t.

On March 8, 2024, Magnum announced that it had entered into an agreement to take up a 50% share ownership of Middle East for Metallic Industrial (Midmetal). It is intended that Midmetal construct and operate a Green Pig Iron Production Facility in the Kingdom of Saudi Arabia, and it is also intended for Magnum Mining & Exploration Ltd to provide iron ore and biochar to the Green Pig Iron Production Facility

Biochar

On November 29, 2023, Magnum appointed an advisor to progress plans for development of a biochar production facility in Malaysia to enable its green pig iron production plans.

TENEMENT INFORMATION AS AT 31 DECEMBER 2023

<u>Buena Vista Project</u>

Claim Name	BLM Serial Nos.	BLM Lead Serial No.	Claim Type
KMD 1	NMC956471	NMC956471	Lode
KMD 2	NMC956472	NMC956471	Lode
KMD 3	NMC956473	NMC956471	Lode
KMD 4	NMC956474	NMC956471	Lode
KMD 5	NMC956475	NMC956471	Lode
KMD 6	NMC956476	NMC956471	Lode
KMD 7	NMC956477	NMC956471	Lode
KMD 8	NMC956478	NMC956471	Lode
KMD 9	NMC956479	NMC956471	Lode
KMD 10	NMC1049632	NMC1049632	Lode
KMD 11	NMC956481	NMC956471	Lode
KMO 12	NMC956482	NMC956471	Lode
KMO 13	МИС956483	NMC956471	Lode
KMD 14	NMC956484	NMC956471	Lode
KMD 15	NMC956485	NMC956471	Lode
KMD 16	NMC956486	NMC956471	Lode
KM0 17	NMC956487	NMC956471	Lode
KMD 18	NMC956488	NMC956471	Lode
KMD 19	NMC956489	NMC956471	Lode
KMD 20	NMC956490	NMC956471	Lode
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KMD 22	NMC956492	NMC956471	Lode
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KMD 42	NMC956512	NMC956471	Lode
KMD 43	NMC956513	NMC956471	Lode
KMD 44	NMC956514	NMC956471	Lode
KMD 45	NMC956515	NMC956471	Lode
KMD 46	NMC95Б51Б	NMC956471	Lode
KMD 47	NMC956517	NMC956471	Lode

Claim Name	BLM Serial Nos.	BLM Lead Serial No.	Claim Type
KMD 48	NMC956518	NMC956471	Lode
KMD 49	NMC956519	NMC956471	Lode
KMD 50	NMC956520	NMC956471	Lode
KMD 51	NMC956521	NMC956471	Lode
KMD 52	NMC956522	NMC956471	Lode
KMD 53	NMC956523	NMC956471	Lode
KMD 54	NMC956524	NMC956471	Lode
KMD 55	NMC956525	NMC956471	Lode
KMD 56	NMC956526	NMC956471	Lode
KMD 57	NMC1049633	NMC1049632	Lode
KMD 58	NMC1049634	NMC1049632	Lode
KMD 59	NMC979428	NMC979387	Lode
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KMD 61	NMC979430	NMC979387	Lode
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KMD 63	NMC979432	NMC979387	Lode
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KMD 67	NMC979436	NMC979387	Lode
KMD 68	NMC979437	NMC979387	Lode
KMD 69	NMC979438	NMC979387	Lode
KMD 70	NMC979439	NMC979387	Lode
NvFe 1	NMC1045283	NMC1045283	Lode
NvFe 2	NMC1045284	NMC1045283	Lode
NvFe 3	NMC1045285	NMC1045283	Lode
NvFe 4	NMC1045286	NMC1045283	Lode
NvFe 5	NMC1045287	NMC1045283	Lode
NvFe 6	NMC1045288	NMC1045283	Lode
NvFe 7	NMC1045289	NMC1045283	Lode
NvFe 8	NMC1045290	NMC1045283	Lode
NvFe 9	NMC1068429	NMC1068429	Lode
NvFe 10	NMC1068430	NMC1068429	Lode
NvFe 11	NMC1068431	NMC1068429	Lode
NvFe 12	NMC1068432	NMC1068429	Lode
NvFe 13	NMC1068433	NMC1068429	Lode
NvFe 14	NMC1068434	NMC1068429	Lode
NvFe 15	NMC1068435	NMC1068429	Lode
NvFe 16	NMC1068436	NMC1068429	Lode
NvFe 17	NMC1068437	NMC1068429	Lode
NvFe 18	NMC1068438	NMC1068429	Lode
NvFe 19	NMC1068439	NMC1068429	Lode
NvFe 20	NMC1075996	NMC1075996	Lode
NvFe 21	NMC1075997	NMC1075996	Lode
NvFe 22	NMC1075998	NMC1075996	Lode
NvFe 23	NMC1075999	NMC1075996	Lode
NvFe 24	NMC1076000	NMC1075996	Lode
NvFe 25	NMC1076001	NMC1075996	Lode
NvFe 26	NMC1076002	NMC1075996	Lode
NvFe 27	NMC1076003	NMC1075996	Lode
NvFe 28	NMC1076004	NMC1075996	Lode

Claim Name	BLM Serial Nos.	BLM Lead Serial No.	Claim Type
NvFe 29	NMC1076005	NMC1075996	Lode
NvFe 30	NMC1076006	NMC1075996	Lode
NvFe 31	NMC1076007	NMC1075996	Lode
NvFe 32	NMC1076008	NMC1075996	Lode
NvFe 33	NMC1076009	NMC1075996	Lode
NvFe 34	NMC1076010	NMC1075996	Lode
NvFe 35	NMC1076011	NMC1075996	Lode
NvFe 36	NMC1076012	NMC1075996	Lode
NvFe 37	NMC1076013	NMC1075996	Lode
NvFe 38	NMC1076014	NMC1075996	Lode
NvFe 39	NMC1076015	NMC1075996	Lode
NvFe 40	NMC1076016	NMC1075996	Lode
NvFe 41	NMC1076017	NMC1075996	Lode
NvFe 42	NMC1076018	NMC1075996	Lode
NvFe 43	NMC1076019	NMC1075996	Lode
NvFe 44	NMC1076020	NMC1075996	Lode
NvFe 45	NMC1076021	NMC1075996	Lode
NvFe 46	NMC1076022	NMC1075996	Lode
NvFe 47	NMC1076023	NMC1075996	Lode
NvFe 48	NMC1076024	NMC1075996	Lode
NvFe 49	NMC1076025	NMC1075996	Lode
NvFe 50	NMC1076026	NMC1075996	Lode
NvFe 51	NMC1076027	NMC1075996	Lode
NvFe 52	NMC1076028	NMC1075996	Lode
NvFe 53	NMC1076029	NMC1075996	Lode
NvFe 54	NMC1076030	NMC1075996	Lode
NvFe 55	NMC1076031	NMC1075996	Lode
NvFe 56	NMC1076032	NMC1075996	Lode
NvFe 57	NMC1076033	NMC1075996	Lode
NvFe 58	NMC1076034	NMC1075996	Lode
NvFe 59	NMC1076035	NMC1075996	Lode
NvFe 60	NMC1076036	NMC1075996	Lode
NvFe 61	NMC1076037	NMC1075996	Lode
NvFe 62	NMC1076038	NMC1075996	Lode
NvFe 63	NMC1076039	NMC1075996	Lode
NvFe 64	NMC1076040	NMC1075996	Lode
NvFe 65	NMC1076041	NMC1075996	Lode
NvFe 66	NMC1076042	NMC1075996	Lode
NvFe 67	NMC1076043	NMC1075996	Lode
NvFe 68	NMC1076044	NMC1075996	Lode
NvFe 69	NMC1076045	NMC1075996	Lode
NvFe 70	NMC1076046	NMC1075996	Lode
NvFe 71	NMC1076047	NMC1075996	Lode
NvFe 72	NMC1076048	NMC1075996	Lode
NvFe 73	NMC1076049	NMC1075996	Lode
NvFe 74	NMC1076050	NMC1075996	Lode
NvFe 75	NMC1076051	NMC1075996	Lode
NvFe 76	NMC1076052	NMC1075996	Lode
NvFe 77	NMC1076053	NMC1075996	Lode
NvFe 78	NMC1076054	NMC1075996	Lode
NvFe 79	NMC1076055	NMC1075996	Lode

Claim Name	BLM Serial Nos.	BLM Lead Serial No.	Claim Type
NvFe 80	NMC1076056	NMC1075996	Lode
NvFe 81	NMC1076057	NMC1075996	Lode
NvFe 82	NMC1076058	NMC1075996	Lode
NvFe 83	NMC1076059	NMC1075996	Lode
NvFe 84	NMC1076060	NMC1075996	Lode
NvFe 85	NMC1076061	NMC1075996	Lode
NvFe 86	NMC1076062	NMC1075996	Lode
NvFe 87	NMC1076063	NMC1075996	Lode
NvFe 88	NMC1076064	NMC1075996	Lode
NvFe 89	NMC1076065	NMC1075996	Lode
NvFe 90	NMC1076066	NMC1075996	Lode
NvFe 91	NMC1076067	NMC1075996	Lode
NvFe 92	NMC1076068	NMC1075996	Lode
NvFe 93	NMC1076069	NMC1075996	Lode
NvFe 94	NMC1076070	NMC1075996	Lode
NvFe 95	NMC1076071	NMC1075996	Lode
NvFe 96	NMC1076072	NMC1075996	Lode
NvFe 97	NMC1076073	NMC1075996	Lode
NvFe 98	NMC1076074	NMC1075996	Lode
NvFe 99	NMC1076075	NMC1075996	Lode
NvFe 100	NMC1076076	NMC1075996	Lode
NvFe 101	NMC1076077	NMC1075996	Lode
NvFe 102	NMC1076078	NMC1075996	Lode
NvFe 103	NMC1076079	NMC1075996	Lode
NvFe 104	NMC1076080	NMC1075996	Lode
NvFe 105	NMC1076081	NMC1075996	Lode
NvFe 106	NMC1076082	NMC1075996	Lode
NvFe 108	NMC1076083	NMC1075996	Lode
NvFe 109	NMC1076084	NMC1075996	Lode
NvFe 110	NMC1076085	NMC1075996	Lode
NvFe 111	NMC1076086	NMC1075996	Lode
NvFe 112	NMC1076087	NMC1075996	Lode
NvFe 113	NMC1076088	NMC1075996	Lode
NvFe 114	NMC1076089	NMC1075996	Lode
NvFe 115	NMC1076090	NMC1075996	Lode
HNVFE NO 1	NMC1093640	NMC1093640	Mill Site
HNVFE NO 2	NMC1093641	NMC1093640	Mill Site
HNVFE NO 3	NMC1093642	NMC1093640	Mill Site
HNVFE NO 4	NMC1093643	NMC1093640	Mill Site
HNVFE NO 5	NMC1093644	NMC1093640	Mill Site
HNVFE NO 6	NMC1093645	NMC1093640	Mill Site
HNVFE NO 7	NMC1093646	NMC1093640	Mill Site
HNVFE NO 8	NMC1093647	NMC1093640	Mill Site
HNVFE NO 9	NMC1093648	NMC1093640	Mill Site
HNVFE NO 10	NMC1093649	NMC1093640	Mill Site
HNVFE NO 11	NMC1093650	NMC1093640	Mill Site
HNVFE NO 12	NMC1093651	NMC1093640	Mill Site
HNVFE NO 13	NMC1093652	NMC1093640	Mill Site
HNVFE NO 14	NMC1093653	NMC1093640	Mill Site
HNVFE NO 15	NMC1093654	NMC1093640	Mill Site

Claim Name	BLM Serial Nos.	BLM Lead Serial No.	Claim Type
HNVFE NO 16	NMC1093655	NMC1093640	Mill Site
HNVFE NO 17	NMC1093656	NMC1093640	Mill Site
HNVFE NO 18	NMC1093657	NMC1093640	Mill Site
HNVFE NO 26	NMC1093665	NMC1093640	Mill Site
HNVFE NO 27	NMC1093666	NMC1093640	Mill Site
HNVFE NO 28	NMC1093667	NMC1093640	Mill Site
HNVFE NO 29	NMC1093668	NMC1093640	Mill Site
HNVFE NO 30	NMC1093669	NMC1093640	Mill Site
HNVFE NO 31	NMC1093670	NMC1093640	Mill Site
HNVFE NO 32	NMC1093671	NMC1093640	Mill Site
HNVFE NO 33	NMC1093672	NMC1093640	Mill Site
HNVFE NO 34	NMC1093673	NMC1093640	Mill Site
HNVFE NO 35	NMC1093674	NMC1093640	Mill Site
HNVFE NO 36	NMC1093675	NMC1093640	Mill Site
HNVFE NO 37	NMC1093676	NMC1093640	Mill Site
HNVFE NO 38	NMC1093677	NMC1093640	Mill Site
HNVFE NO 39	NMC1093678	NMC1093640	Mill Site
HNVFE NO 40	NMC1093679	NMC1093640	Mill Site
HNVFE NO 41	NMC1093680	NMC1093640	Mill Site
HNVFE NO 42	NMC1093681	NMC1093640	Mill Site
HNVFE NO 43	NMC1093682	NMC1093640	Mill Site
HNVFE NO 44	NMC1093683	NMC1093640	Mill Site
HNVFE NO 45	NMC1093684	NMC1093640	Mill Site
HNVFE NO 46	NMC1093685	NMC1093640	Mill Site
HNVFE NO 47	NMC1093686	NMC1093640	Mill Site
HNVFE NO 48	NMC1093687	NMC1093640	Mill Site

CORPORATE

DIRECTORS

The following persons were directors of the Company during the year and up to the date of this report:

Matthew Latimore	Non-Executive Director (appointed 4 May 2021, resigned 8 March, 2024)
Anoosh Manzoori	Non-executive Chairman (appointed 11 May 2022)
Athan Lekkas	Non-Executive Director (appointed 11 May 2022)
Neil Goodman	Managing Director (appointed 8 March, 2024)

CAPITAL RAISING

- 24 January 2023, 2,500,000 listed options were issued, expiring 31 October 2025;
- 25 September 2023, 53,401,515, listed options were issued, expiring 31 October 2025;
- 6 February 2023, 10,000,000 ordinary fully paid shares (following conversion of 76 convertible notes);
- 16 May 2023, 14,325,358 ordinary fully paid shares (following conversion of 88 convertible notes)

SECURITIES

During the reporting period Magnum issued a total of 111,482,934 shares and 55,901,515 options.

Ordinary Shares

111,482,934

Options

55,901,515

Principal Activities

The principal activity of the Group during the financial year was mineral exploration.

Dividends

No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Review of operations

Information on the operations and activities of the Group is set out in the review of operations and activities section on pages 4 to 11 of this annual report.

Operating result for the year

The consolidated net loss of the Group for the year after income tax was $3,308,134 (2022: loss of $3,959,474)

Financial position

As at 31 December 2023, the Group had cash reserves of $2,636,909 (2022: $5,005,720).

Significant changes in the state of affairs

There were no other significant changes in the state of affairs of the Company during the year.

Matters subsequent to the end of the financial year

Subsequent to year end, the following matters have occurred:

Joint Venture Agreement

- Magnum has entered into a Shareholders' Agreement (Agreement) with Middle East for Metallic Industrial (Midmetal). Under the Agreement, Magnum becomes a 50% owner of Midmetal through the issue of 50% of Midmetal's fully paid ordinary shares
- Under the Agreement, the Saudi shareholders of Midmetal agree to provide Midmetal 50% of the development funding by way of a loan from the Saudi Industrial Development Fund or other investors. Magnum agrees to provide the other 50%, also by way of a loan to Midmetal. The loans are to be repaid by Midmetal in within two years and at an agreed interest rate.
- Magnum is in discussions with several investors who are interested in funding the remaining 50% of the project in return for the EPC rights. The company has previously advised the market (see ASX release dated 17 January 2024) that the study estimates a capital cost of US $410million. Accordingly, it is intended that Magnum and future investor partners will contribute 50% of these costs.
- Magnum is in discussions with several investor groups to provide either equity or debt and have received two non-binding letters of support from international investors. The exact contribution to the 50% funding is yet to be agreed and determined.
- The board and its advisers will consider and evaluate the optimised financing or blend of debt and equity and will advise the market as and when this is achieved. No binding agreements as to the funding or the terms of the funding have been concluded and there is no guarantee that this will be achieved.
- If funding is not received, then the project may be terminated.

Changes in personnel

- On 8 March 2024, Neil Goodman has been appointed as a director, assuming the role of Managing Director and CEO.
- On 8 March 2024, Matthew Latimore has resigned as a director of the company.

Funding matters

- Magnum Mining and Exploration have entered into a funding agreement with IRIS (Company Number 753 471 853) for up to $20,000,000 of funding. Proceeds are to help fund Magnums Integrated Green Pig Iron Project in Nevada, USA. This agreement was assigned to Fabrice Evangelista on 3 May 2022. The facility provides the company with certainty of access to funding. The facility was extended by Variation dated 22 March 2024.

Likely developments and Expected Results

Additional comments on expected results of certain operations of the Group are included in the review of operations and activities section.

Environmental legislation

The Group is subject to significant environmental legal regulations in respect of its exploration and evaluation activities in the United States. There have been no known breaches of these regulations and principles.

Information on Directors

Anoosh Manzoori, BSc, Postgraduate (Business) Non-Executive Director & Chairman (Appointed 11 May 2022)

Experience and expertise

Mr Manzoori has extensive investment banking experience across many verticals. His transactional experience includes equity capital markets, M&A, and private placements. With over 25 years of transactional experience, he has advised many cross-border transactions between Australia and Canada and USA. He has completed private placements for serval public companies on the ASX and Canada, completed private to public M&A and taken companies public North America. He also has fund management experience and has extensive public company and board experience having served on serval public company boards. Mr Manzoori is a member of the Institute of Company Directors.

Special responsibilities

Chairman of the Board

Other current directorships

Constellation Technologies Limited (ASX: CT1) (appointed 14 October, 2016)

Former directorships in the last 3 years

None

Interest in shares and options of the Company and related bodies corporate

- 2,811,245 Ordinary Shares;
- 6,000,000 unlisted options exercise price $0.20, expiring 19 April 2024
- 250,000 unlisted options exercise price $0.20, expiring 21 July 2024

Athan Lekkas Non-Executive Director (Appointed 11 May 2022)

Experience and expertise

Mr Lekkas has many years of investment banking experience and has advised on numerous cross border transactions including capital raisings, funding and structuring of acquisitions, joint ventures overseas and participated in a broad range of business and corporate advisory transactions. More recently Athan has focused on the restructure and recapitalisation of a wide range of ASX Listed companies. He was former Chairman of Panax Geothermal Limited (ASX:PAX) a Geothermal company that was successfully transformed into an Internet of Things (IoT) technology company where he was responsible for raising $25M. Mr Lekkas was also previously a Director of Brainy Toys Limited which was transformed from a technology company into a mining company which is now listed as a Kogi Iron (ASX: KFE), where he was instrumental and successful with identifying and funding the acquisition of a major West African Iron Ore project.

Other current directorships

None

Former directorships in the last 3 years

None

Interest in shares and options of the Company and related bodies corporate
Nil

Matthew Latimore - Masters in Business Administration Non-Executive Director (Appointed 4 May 2021, resigned 8 March, 2024)

Experience and expertise

Mr Latimore is the Founder and President of M Resources Pty Ltd, a company he established in 2011 for marketing, investment and trading of steelmaking raw materials, with a focus on metallurgical coal. M Resources has shipped over 400 cargoes of metallurgical coal as principle to global steel mills and currently has the exclusive marketing rights for Stanmore Resources (SMR) and Bowen Coking Coal (BCC) in Australia and Allegiance (AHQ) New Elk mine in the US. Through MetRes, a company 50 % owned by M Resources, Mr Lattimore also recently purchased the Millennium and Mavis Downs coal mines from Peabody.

Prior to founding M Resources, Matt was GM Sales and Marketing for Wesfarmers Curragh coal for 10 years, responsible for global sales to steel makers and power utilities, rail and port and finance functions. Mr Lattimore was a Director of Curragh Coal Sales. Prior to that, Mr Lattimore held various positions with Mitsui & Co Coal Department.

Mr Lattimore holds a Master of Business Administration from the Australian Graduate School of Management, a degree in International Business from Griffith University, Diploma of Export Management from the Australian Institute of Export, an Advanced Diploma of Leadership and Management from the University of Western Australia, is a Graduate of the Australian Directors Course (GAICD) and the Columbia University Senior Executive Program in New York.

Other current directorships

Bowen Coking Coal Limited appointed on 17 June 2020.

Former directorships in the last 3 years

None

Special responsibilities

None

Interest in shares and options of the Company and related bodies corporate

1. 1,166,666 Ordinary Shares;
2. 6,000,000 unlisted options exercise price $0.25, expiring 20 July 2024;
3. 5,000,000 listed options exercise price $0.05, expiring 31, October 2025

Meetings of directors

During the financial year, there were three formal directors' meetings. All other matters that required formal Board resolutions were dealt with via written circular resolutions.

In addition, the directors met on an informal basis at regular intervals during the year to discuss the Group's affairs.

The number of meetings of the Company's board of directors attended by each director was:

	Directors' meetings held whilst in office	Directors' meetings attended
J Dinan *	2	2
M Lattimore	3	1
A Manzoori	3	3
A Lekkas	3	3
L Martino **	3	3

*Resigned 11 July 2023
** Appointed 11 July 2023

Indemnification

The Company has indemnified the Directors and Officers of the Company for any actions taken by the Directors and Officers in their execution of duties unless the actions were deliberately fraudulent or illegal.

Insurance of officers

During the financial year, the Company paid premiums to insure the directors and secretaries of the Company.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Remuneration Report (Audited)

This report outlines the remuneration arrangements in place for key management personnel of the Company for the financial year ended 31 December 2023. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The key management personnel of the Company were the Directors and the CEO, Neil Goodman.

Anoosh Manzoori – Non-executive Director & Chairman (appointed 11 May 2022)

Athan Lekkas – Non-executive Director (appointed 11 May 2022)

Matthew Latimore – Non-executive Director (resigned 8 March 2024)

Neil Goodman – Chief Executive Officer (appointed 5 August 2022) & Managing Director (appointed 8 March 2024)

Details of key management personnel's remuneration are set out under the following main headings:

A Principles used to determine the nature and amount of remuneration

B Details of remuneration including Share Based Payment compensation

C Employment contracts of directors

Remuneration Report (Audited) (continued)

A. Principles used to determine the nature and amount of remuneration

The objective of the Group's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aims to align executive reward with the creation of value for shareholders.

The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance incentives
- Transparency
- Capital management

The framework provides a mix of fixed fee, consultancy agreement-based remuneration, and share based incentives.

The broad remuneration policy for determining the nature and number of emoluments of Board members and senior executives of the Company is governed by the Board. The Board's aim is to ensure the remuneration packages properly reflect directors' and executives' duties and responsibilities.

The Board assesses the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention and motivation of a high-quality Board and executive team.

The overall remuneration policy framework is structured in an endeavour to advance/create shareholder wealth.

B. Details of remuneration including Share Based Payment compensation

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-executive directors' remuneration

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of the directors. Non-executive directors' fees and payments are reviewed annually by the Board and are intended to be in line with the market. Directors are not present at any discussions relating to determination of their own remuneration.

The maximum aggregate remuneration for the non-executive directors was last determined at the Annual General Meeting held on 31 May 2007, when shareholders approved an aggregate remuneration of $150,000 per year. The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually. The Board considers advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

The Company issued the non-executive directors with options at the extraordinary general meeting of the company which was held on October 22, 2022. A total of 30,000,000 options were issued with an exercise price of $0.05. These Options expire October 31, 2025.

Remuneration Report (Audited) (continued)

Executive director remuneration

The Company aims to reward executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Reward executives for Company, business team and individual performance;
- Align the interests of executives with those of shareholders; and
- Ensure total remuneration is competitive by market standards.

The executive pay and reward framework has the following components:

- Base pay and benefits such as superannuation;
- Short-term performance incentives; and
- Long-term incentives through participation in Share Based Payments.

Remuneration consists of fixed annual remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed annual remuneration

Fixed annual remuneration is reviewed annually by the Board of Directors. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate external advice on policies and practices. The Board of Directors has access to external and independent advice where necessary.

Some of the directors perform at least some executive or consultancy services.

Variable annual remuneration

Short-term incentives

There are no current short-term incentive remuneration arrangements.

Long-term incentives

The long-term incentives issued to the Company to the directors are the options expiring on 31 October 2025 advised above.

Retirement allowances for directors

There are no current retirement allowances for directors.

Details of the remuneration of the key management personnel (as defined in AASB 124 *Related Party Disclosures*) of the Company and the Group for the year ended 31 December 2023 and 2022 are set out in Tables 1 and 2 in Section C.

Variable annual remuneration

The Board's policy is to remunerate directors at market rates for time, commitment and responsibilities. The Board determines payments to the directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of directors' fees that can be paid is subject to approval by shareholders in general meeting, from time to time. Fees for executive directors are not linked to the performance of the Company. However, to align directors' interests with shareholders' interests, the directors are encouraged to hold securities in the Company.

The Company's aim is to remunerate at a level that will attract and retain high-calibre directors and employees. Company officers and directors are remunerated to a level consistent with the size of the Company. All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

Remuneration Report (Audited) (continued)

C. Employment contracts of directors

Remuneration and other terms of employment for the existing directors are formalised in service agreements:

Mr Anoosh Manzoori has entered into a services agreement with the Group in which he receives total remuneration of $120,000 per year. There is no fixed term, and the arrangement commenced 11 May 2022. Mr Manzoori may terminate the agreement by providing 3 months' notice. The Group may terminate the agreement without notice for cause including if the director commits a serious or persistent breach of their obligations or engages in an act of serious misconduct. The agreement can also be terminated by shareholders following a resolution of a general meeting. In addition, Shape Capital Pty Ltd, a firm controlled by Mr Manzoori, signed an agreement with the Company on 15 April 2021, providing strategic advice and corporate advisory services in relation capital raising and project financing, Shape Capital receives a monthly remuneration of $10,000.

Mr Athan Lekkas has entered into a services agreement with the Group in which he receives total remuneration of $20,000 per month. There is no fixed term, and the arrangement commenced 11 May 2022. Mr Lekkas may terminate the agreement by providing 3 months' notice. The Group may terminate the agreement without notice for cause including if the director commits a serious or persistent breach of their obligations or engages in an act of serious misconduct. The agreement can also be terminated by shareholders following a resolution of a general meeting.

Mr Matt Latimore has entered into a services agreement with the Group whereby he receives a director's fee of $5,000 per month. There is no fixed term, and the arrangement commenced 4 May 2021. The agreement can be terminated by the director by providing 3 months' written notice or by shareholders following a resolution of a general meeting; or by operation of law including if the director becomes disqualified from acting as a director of a public company pursuant to the Corporations Act or Bankruptcy Act.

Mr Neil Goodman is the Chief Executive Officer and Key Management Person and is remunerated at $15,000 per month. In addition, Neil Goodman is the MD of Smelt Tech Consulting Pty Ltd which has entered in a consulting agreement with Magnum for the provision of R&D consulting services for $15,000 per month, total $360,000 per annum.
The Company has issued 30,000,000 performance shares on completion of acquisition of Appalachian Iron on 16 January 2023, as well as an additional 25,000,000 performance rights during the year.

D. Employment contracts of directors

Table 1: Key management personnel remuneration for the year ended 31 December 2023

Details of the nature and amount of each element of the emoluments of each key management personnel of the Company and the consolidated entity for the year ended 31 December 2023 are set out in the following tables:

Remuneration Report (Audited) (continued)

D. Employment contracts of directors (continued)

31 December 2023	Primary benefits	Post-employment benefits	Share Based Payments			
Name	Cash salary and Consulting Fees	Superannuation	Performance Rights	Unlisted Options	Total	Performance related %
	$	$		$	$	
Directors/Officers						
Anoosh Manzoori (i)	240,000	-	-	570,306	240,000	0%
Athan Lekkas (ii)	240,000	-	-	-	240,000	0%
Matt Latimore (iii)	60,000	-	-	369,767	60,000	0%
Neil Goodman (iv)	360,000	-	-	-	360,000	0%
Former Directors / Officers						
John Dinan (v)	40,000	-	-	184,883	40,000	0%
Total	**940,000**	**-**	**-**	**1,124,956**	**940,000**	

(i) Anoosh Manzoori receives consultation fee through Shape Capital (see Note 19)
(ii) Athan Lekkas receives consultation fees through Dalext Product (see Note 19)
(iv) Management was not able confirm whether these milestones will be achieved with any certainty, and in this regard have not been booked at balance date. These rights are valued at $0.039 per right based on the share price at grant date.
(v) John Dinan receives a part payment as he resigned.

31 December 2022	Primary benefits	Post-employment benefits	Share Based Payments			
Name	Cash salary and consulting fees	Superannuation	Performance Rights	Unlisted Options	Total	Performance related %
	$	$	$	$	$	
Directors/Officers						
Anoosh Manzoori (vii)	210,000	-	-	570,306	426,893	73%
Athan Lekkas (viii)	160,000	-	-	-	216,893	100%
Matt Latimore	60,000	-	74,024	2,187,731	408,755	85%
Neil Goodman (ix)	150,000	-	-	-	150,000	0%
Former Directors / Officers						
Don Carroll (ix)	43,783	-	74,024	-	33,348	0%
Dano Chan (ix)	100,000	-	-	-	(298,863)	0%
John Dinan	60,000	-	-	184,883	153,987	61%
Directors/Officers						
Total	**783,783**	**-**	**148,048**	**2,942,920**	**1,091,013**	

(vi) Anoosh Mazoori receives consultation fee through Shape Capital (see Note 18)
(vii) Athan Lekkas receives consultation fees through Dalext Product (see Note 18)
(viii) The group cancelled Don Carroll and Dano Chan options that were not vested and reversed the share-based payments.
(ix) Management was not able to confirm whether these milestones will be achieved with any certainty, and in this regard have not been booked at balance date. These rights are valued at $0.039 per right based on the share price at grant date.

Remuneration Report (Audited) (continued)

E. Shareholdings of key management personnel

2023 Name	Type of holding	Balance at the start of the year	Purchased during the year	Sold during the year	Shares held at date of KMP resignation	Balance at the end of the year
Directors						
Anoosh Manzoori	Beneficially held	2,811,245	-	-	-	2,811,245
Athan Lekkas		-	-	-	-	-
Matt Latimore	Beneficially held	1,666,666	-	-	-	1,666,666
Neil Goodman		-	-	-	-	-
Former Directors / Officers						
John Dinan		-	-	-	-	-
Dano Chan		763,911		(763,911)		-
Total		5,241,822	-	**(763,911)**	-	**4,477,911**

2022 Name	Type of holding	Balance at the start of the year	Purchased during the year	Sold during the year	Shares held at date of KMP resignation	Balance at the end of the year
Directors						
Anoosh Manzoori	Beneficially held	-	2,811,245	-	-	2,811,245
Athan Lekkas		-	-	-	-	-
Matt Latimore	Beneficially held	1,666,666	-	-	-	1,666,666
Neil Goodman		-	-	-	-	-
Former Directors / Officers						
Don Carroll		-	-	-	-	-
Dano Chan	Beneficially held	1,314,036	-	(550,125)	1,314,036	763,911
John Dinan		-	-	-	-	-
Total		**2,980,702**	**2,811,245**	**(550,125)**	**1,314,036**	**5,241,822**

F. Option holdings of key management personnel

The number of listed and unlisted options in the Company held during the financial year by each key management personnel of the Company, including their personally related entities, is set out below. Where listed and unlisted options are held by the individual director or executive and any entity under the joint or several control of the individual director or executive they are shown as 'beneficially held'. Listed and unlisted options held by those who are defined by AASB 124 *Related Party Disclosures* as close members of the family of the individual director or executive are shown as 'non-beneficially held'.

Listed options

2023 Name	Type of holding	Balance at the start of the year	Granted during the year	Sold during the year	Options held at date of KMP resignation	Balance at the end of the year
Directors/Officers						
Anoosh Manzoori	Beneficially held	12,500,000	-	(12,500,000)	-	-
Matt Latimore	Beneficially held	5,000,000	-	-	-	5,000,000
Neil Goodman		-	-	-	-	-
Athan Lekkas		-	-	-	-	-
Former Directors/Officers						
John Dinan		-	-	-	-	-
Total		**17,500,000**		**(12,500,000)**		**5,000,000**

Remuneration Report (Audited) (continued)

F. Option holdings of key management personnel (continued)

Listed options

2022 Name	Type of holding	Balance at the start of the year	Granted during the year	Sold during the year	Options held at date of KMP resignation	Balance at the end of the year
Directors/Officers						
Anoosh Manzoori	Beneficially held	-	12,500,000	-	-	12,500,000
Matt Latimore	Beneficially held	-	5,000,000	-	-	5,000,000
Neil Goodman		-	-	-	-	-
Athan Lekkas		-	-	-	-	-
Former Directors/Officers						
Don Carroll		-	-	-	-	-
Dano Chan		-	-	-	-	-
John Dinan		-	-	-	-	-
Total		**-**	**17,500,000**	**-**	**-**	**17,500,000**

Unlisted options

2023 Name	Type of holding	Balance at the start of the year	Granted during the year	Sold or cancelled during the year	Options held at date of KMP resignation	Balance at the end of the year
Directors						
Anoosh Manzoori	Beneficially held	6,250,000	-	-	-	6,250,000
Athan Lekkas		-	-	-	-	-
Matt Latimore	Beneficially held	26,000,000	-	(20,000,000)	-	6,000,000
Neil Goodman		-	-	-	-	-
Former Directors / Officers						
John Dinan	Beneficially held	3,000,000	-	-	-	3,000,000
Total		**35,250,000**		**(20,000,000)**		**15,250,000**

Unlisted options

2022 Name	Type of holding	Balance at the start of the year	Granted during the year	Sold during the year	Options held at date of KMP resignation	Balance at the end of the year
Directors						
Anoosh Manzoori	Beneficially held	6,250,000	-	-	-	6,250,000
Athan Lekkas	Beneficially held	-	-	-	-	-
Matt Latimore	Beneficially held	26,000,000	-	-	-	26,000,000
Neil Goodman	Beneficially held	-	-	-	-	-
Former Directors / Officers						
Don Carroll	Beneficially held	6,000,000	-	(6,000,000)	-	-
Dano Chan	Beneficially held	30,000,000	-	(30,000,000)	-	-
John Dinan	Beneficially held	3,000,000	-	-	-	3,000,000
Total		**71,250,000**	**-**	**(36,000,000)**	**-**	**35,250,000**

Remuneration Report (Audited) (continued)

F. Option holdings of key management personnel (continued)

For the current financial year:

No options were granted during the current financial year.

For the prior financial year:

31 October 2022 the following options were granted:

Anoosh Manzoori

- 12,500,000 MGU options, exercise price $0.05, expiry date 31 October 2025, valued at $0.017**.**

Matt Latimore

- 5,000,000 MGU options, exercise price $0.05, expiry date 31 October 2025, valued at $0.017.

G. Performance rights of Key Management Personnel

2023 Name	Type of holding	Balance at the start of the year	Granted during the year	Sold during the year	Performance Rights held at date of KMP resignation	Expired performance rights	Balance at the end of the year
CEO Neil Goodman	Beneficially held	25,000,000	30,000,000	-	-	(7,500,000)	47,500,000
2022 **Name**	**Type of holding**	**Balance at the start of the year**	**Granted during the year**	**Sold during the year**	**Performance Rights held at date of KMP resignation**	**Expired performance rights**	**Balance at the end of the year**
CEO Neil Goodman	Beneficially held	-	25,000,000	-	-	-	25,000,000

At 31 December, 2023 there were no performance rights held by directors.

Fair value

16 January 2023: 30,000,000 performance rights were granted to Neil Goodman with exercise price of $0, valued at nil.

H. Transactions with related parties of directors

		Income from Related Parties	Expenditure to Related Parties	Amounts Owed by Related Parties at year end	Amounts Owed to Related Parties at year end
Current Directors	**2023**				
Shape Capital Pty Ltd [1]	**2023**	-	240,000	-	-
Dalext Product Pty Ltd [2]	**2023**	-	240,000	-	-
Smelt Tech Consulting [3]	**2023**	-	180,000	-	-
Current Directors	**2022**				
Shape Capital Pty Ltd [1]	**2022**	-	130,000	-	-
Dalext Product Pty Ltd [2]	**2022**	-	160,000	20,000	-
Smelt Tech Consulting [3]	**2022**	-	75,000	-	-
Total		-	**365,000**	20,000	**-**

1. Anoosh Manzoori received consultation fees from the consultation agreement between Shape Capital Pty Ltd and the Company
2. Athan Lekkas received consultation fees from the consultation agreement between Dalext Product Pty Ltd and the Company
3. Neil Goodman received consultation fees from the consultation agreement between Smelt Tech Consulting Pty Ltd and the Company

Auditor independence and non-audit services

Section 307C of the Corporations Act 2001 requires our auditors, UHY Haines Norton, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 30 and forms part of this directors' report for the year ended 31 December 2023.

Non-audit services

There were no non-audit services provided by the Company's auditors during the financial year ended 31 December 2023.

Signed in accordance with a resolution of the directors.

Anoosh Manzoori

Non-executive Chairman

Melbourne, Australia

28 March 2024

UHY Haines Norton
Chartered Accountants

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Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001*

To the Directors of Magnum Mining and Exploration Limited

As lead auditor for the audit of Magnum Mining and Exploration Limited for the financial year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Magnum Mining and Exploration Limited and the entities it controlled during the year ended and as at 31 December 2023.

UHY Haines Norton

Mark Nicholaeff
Partner
Sydney
28 March 2024

UHY Haines Norton
Chartered Accountants

The Board of Directors (Board) of the Company are committed to attaining and implementing the highest standards of corporate governance. The Board has reviewed the Company's corporate governance practices in accordance with the 4th Edition of the Australian Securities Exchanges (ASX) Corporate Governance Principles and Recommendations of the ASX Corporate Governance Council. The Board supports the intent of the best practice recommendations and recognises that given the present size and scope of the Company it is not practical to institute all of the best practice recommendations at present.

The Company reports below on how it has followed and "if not, why not" disclosure on each of the Principles & Recommendations.

The Corporate Governance statement has been approved by the Board and is current as at 28 February, 2023.

The Corporate Governance statement of the company can be viewed via the Company's website at:
https://www.mmel.com.au/site/about/corporate-governance

Consolidated Statement of Profit or Loss and Other Comprehensive Income
As at 31 December 2023

		31 December 2023	31 December 2022 (Restated)*
Continuing operations		**$**	**$**
Other Income	3	376,495	76,942
Accountancy fees		(366,259)	(226,534)
Auditors' remuneration	19	(165,298)	(51,186)
Corporate advisory expenses	3	(120,000)	(143,751)
Depreciation		(13,907)	(21,336)
Exploration expensed as incurred		(18,222)	(100,713)
Finance costs	3	(108,043)	(235,973)
Foreign exchange gain/(loss)		1,937	(1,264)
Insurance		(81,093)	(124,076)
IT and communication expenses		(28,532)	-
Marketing expenses	3	(167,969)	(95,921)
Office expenses		(21,847)	(59,059)
Consultancy fees		(1,116,887)	(849,589)
Salary, Wages and staff on-costs		(735,793)	(625,605)
Share registry and exchange fees		(140,213)	(108,797)
Share based payments	3	(20,100)	(603,991)
Travel and accommodation expenses		(411,584)	(467,153)
Other expenses		(170,819)	(252,279)
Loss before income tax expense		**(3,308,134)**	(3,890,285)
Income tax expense		-	-
Loss for the period		**(3,308,134)**	(3,890,285)
Loss after tax from continuing operations		**(3,308,134)**	(3,890,285)
Loss after tax from discontinued operations		**-**	(69,189)
Loss for the year		**(3,308,134)**	(3,959,474)
Other comprehensive income/ (loss)			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		26,872	243,563
Other comprehensive income for the year		**26,872**	243,563
Total comprehensive loss for the year		**(3,281,262)**	(3,646,722)
Loss attributable to:			
Equity holders of the parent		(3,281,262)	(3,646,722)
Net loss for the year		**(3,281,262)**	(3,646,722)

*Refer to note 26 for prior period restatement.

Basic loss per share (cents) from continuing operations	**4**	**(0.45)**	(0.73)
Basic loss per share (cents) from discontinued operations	**4**	**(0.00)**	(0.01)
Basic loss per share cents	**4**	**(0.45)**	(0.74)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

*Refer to note 26 for prior period restatement

Consolidated Statement of Financial Position

As at 31 December 2023

	Note	31 December 2023	31 December 2022 (Restated)*	1 January 2022 (Restated)*
ASSETS		**$**	**$**	**$**
Current Assets				
Cash and cash equivalents	6	2,636,909	5,005,720	4,422,716
Trade and other receivables	7	187,091	156,625	79,202
Financial assets		89,760	-	-
Assets held for sale		-	116,822	186,012
Total Current Assets		**2,913,760**	5,279,167	4,687,930
Non-Current Assets				
Office equipment	8	5,597	3,409	-
Property, plant and equipment	8	872,137	892,984	894,290
Deferred exploration and evaluation expenditure	9	8,759,501	7,097,648	5,083,354
Total Non-Current Assets		**9,637,235**	7,994,041	5,977,644
Total Assets		**12,550,995**	13,273,208	10,665,574
LIABILITIES				
Current Liabilities				
Trade and other payables	10	352,371	501,634	396,296
Borrowings	11	-	304,944	-
Derivative Liability	11	-	19,809	-
Total Current Liabilities		**352,371**	826,387	396,296
Non-Current Liabilities				
Other payables		**-**	-	200,000
Rehabilitation Provision	10	**516,605**	516,605	516,605
Total Non-Current Liabilities		**516,605**	516,605	716,605
Total Liabilities		**868,976**	1,342,992	1,112,901
Net Assets		**11,682,019**	11,930,216	9,552,673
EQUITY				
Issued capital	12	40,374,778	38,002,630	34,223,100
Reserves	13	8,461,583	7,773,793	7,150,638
Accumulated losses		(37,154,342)	(33,846,207)	(31,339,893)
Equity attributable to owners of the parent		**11,682,019**	11,930,216	10,033,845
Non-controlling interests		**-**	-	(481,172)
Total Equity		**11,682,019**	11,930,216	9,552,673

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

*Refer to note 26 for prior period restatement.

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2023

	Issued capital $	Accumulated losses $	Reserves $	Non-controlling interests $	Total $
2023					
Balance at 1 January 2023, as previously reported	39,338,920	(34,553,825)	6,534,404	-	11,319,499
Impact of correction errors	(1,336,290)	707,618	1,239,389	-	610,717
Restated balance at 1 January 2023	**38,002,630**	**(33,846,207)**	**7,773,793**	**-**	**11,930,216**
Loss for the year	-	(3,308,135)	-	-	(3,308,135)
Other comprehensive income:					**-**
Currency translation differences	-	-	26,872	-	26,872
Total comprehensive loss for the year	**-**	**(3,308,135)**	**26,872**	**-**	**(3,281,263)**
Transactions with owners in their capacity as owners					
Capital raising	2,168,182	-	-	-	**2,168,182**
Free attaching option relating to capital raising	-	-	481,818	-	**481,818**
Convertible Note Conversion	411,911	-	-	-	**411,911**
Shares issued to settle payment	60,000	-	-	-	**60,000**
Option exercised	90,000	-	-	-	**90,000**
Options issued	-	-	179,000	-	**179,000**
Share issue cost	(357,944)	-	-	-	**(357,944)**
Balance as at 31 December 2023	**40,374,778**	**(37,154,342)**	**8,461,483**	**-**	**11,681,920**
2022 (Restated)*					
Balance as at 1 January 2022, as previously reported	34,223,100	(31,112,143)	7,150,638	(481,172)	9,780,423
Impact of correction errors	-	(227,751)	-	-	(227,751)
Restated balance at 1 January 2022	**34,223,100**	**(31,339,894)**	**7,150,638**	**(481,172)**	**9,552,672**
Loss for the year	-	(3,959,474)	-		(3,959,474)
Other comprehensive income:					-
Currency translation differences	-	-	243,563	-	243,563
Total comprehensive loss for the year	-	(3,959,474)	243,563	-	(3,715,911)
Transactions with owners in their capacity as owners					
Transfer non-controlling interests on sale of subsidiaries	-	(481,172)	-	481,172	-
Capital Raising	3,760,611	-	-	-	3,760,611
Free attaching option relating to capital raising	-	-	1,239,389	-	1,239,389
Convertible note conversion	201,747	-	-	-	201,747
Shares issued as Facilitation fee relating to Convertible Note	700,000	-	-	-	700,000
Shares issued in lieu of invoice payment	200,000	-	-	-	200,000
Share issue cost	(1,090,328)	-	-	-	(1,090,328)
Performance right vested	-	-	148,048	-	148,048
Operations exercised	7,500	-	-	-	7,500
Option and Performance Rights Lapse	-	1,934,332	(1,934,332)	-	-
Restated balance as at 31 December 2022	38,002,630	(33,846,207)	7,773,793	-	11,930,216

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

*Refer to note 26 for prior period restatement.

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2023

	Note	31 December 2023 $	31 December 2022 (Restated)* $
Cash flows from operating activities			
Interest received		-	4,278
Interest paid		(2,400)	-
Payments to suppliers and employees		(3,216,933)	(3,049,465)
Net cash (outflow) from operating activities	16	**(3,219,333)**	(3,045,187)
Cash flows from investing activities			
Proceeds from sale of financial assets		4,752	12,381
Payments for deferred exploration assets		(1,857,056)	(2,014,294)
Payments for purchases of property		-	(23,439)
Deferred consideration payment made of Buena Vista project		(100,000)	(200,000)
Net cash (outflow) from investing activities		**(1,952,304)**	(2,225,352)
Cash flows from financing activities			
Proceeds from share issues		2,775,955	4,836,797
Proceeds from convertible notes		-	1,300,000
Payment of Structuring fee relates to the convertible note		-	(300,000)
Net cash inflow from financing activities		**2,775,955**	5,836,797
Net (decrease)/increase in cash and cash equivalents		(2,395,682)	566,258
Cash and cash equivalents at the beginning of the year		5,005,720	4,422,716
Effects of exchange rate changes on cash and cash equivalents		26,872	16,746
Cash and cash equivalents at the end of the year	6	**2,636,909**	5,005,720

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

*Refer to note 26 for prior period restatement.

Note 1: Statement of Significant Accounting Policies

(a) Basis of Preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and Interpretations and comply with other requirements of the law.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the consolidated entity consisting of Magnum Mining and Exploration Limited and its subsidiaries. The Company is a for-profit entity.

The financial statements have been prepared on a historical cost basis, except for selected current and non-current financial assets, which have been measured at fair value as explained in the relevant accounting policies. Historical cost is based on the fair values of the consideration given in exchange for assets. The financial statements are presented in Australian dollars.

The Company is a listed public company, incorporated in Australia and operating in both Australia and the United States. The Group's principal activity is mineral exploration and evaluation.

Where appropriate, prior year disclosures have been reclassified for consistency with current year classifications. Any reclassifications do not impact the net result for the prior year.

(b) Going Concern

The consolidated financial statements have been prepared on a going concern basis, which contemplates the continuation of normal business activities and the realization of assets and settlement of liabilities in the normal course of business.

During the year ended 31 December 2023, the company incurred a net loss before tax of $3,400,849 and had a net cash outflow from operating activities of $3,319,333.

On 15 September 2023, the company successfully completed a placement to raise $2,650,000 (before costs), through a on-tranche placement, with a 1 for 2 free attaching option. The placement was conducted at a price of $0.33 per share via a placement to sophisticated and institutional investors with the funds raised to be used to accelerate the development of the Beuna Vista Iron project and working capital.

Magnum Mining and Exploration have entered into a funding agreement with IRIS (Company Number 753 471 853) for up to $20,000,000 of funding. Proceeds are to help fund Magnums Integrated Green Pig Iron Project in Nevada, USA. This agreement was assigned to Fabrice Evangelista on 3 May 2022. The facility provides the company with certainty of access to funding. The facility was extended by Variation dated 22 March 2024 with the expiry date of the variation being 30 April 2025.

(c) Statement of Compliance

The financial report was authorised for issue in accordance with a resolution of the Directors on 30 March 2024.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Adoption of New and Revised Standards New Accounting Standards and Interpretations

In the year ended 31 December 2023, the Directors reviewed the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for the current annual reporting period.

As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group, and therefore, no material change is necessary to Group accounting policies.

(e) Accounting Standards and Interpretations Issued but Not Yet Adopted

The Directors have also reviewed all of the new and revised Standards and Interpretations issued but not yet adopted that are relevant on the Group's operations and effective for the current annual reporting period.

As a result of this review, the Directors have determined that there is no Standard and Interpretation in issued but not yet adopted that will have a material effect on Group accounting policies in future financial periods.

Note 1: Statement of Significant Accounting Polies (continued)

(f) Parent Entity Information

In accordance with the Corporation Act 2001, these financial statements present the results of the consolidated entity only. Supplementary confirmation about the parent entity is disclosed in Note 17.

(g) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of Magnum Mining and Exploration Limited and its subsidiaries as at 31 December each year (the Group). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights in an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Losses incurred by the consolidated entities are attributed to the non-controlling interest in full, even if that results in a deficit balance.

(h) Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Board of Directors determines when an area of interest should be abandoned. When a decision is made that an area of interest is not commercially viable, all costs that have been capitalised in respect of that area of interest are written off. The Directors' decision is made after considering the likelihood of commercially viable reserves.

The fair value of the derivative liability has been assessed based on a Monte Carlo simulation used to forecast MGU's share price during the term of the Notes.

The derivative value consists of the additional value the Investor would be able to realise in a potential conversion of the Notes in comparison to redeeming the Notes at maturity. The potential additional value has been assessed based on MGU's share price forecast derived from our Monte Carlo simulation.

Note 1: Statement of Significant Accounting Polies (continued)

Critical Accounting Judgements and Key Sources of Estimation Uncertainty (continued)

The derivative value is calculated based on the difference between the forecast conversion price and the forecast share price at any possible conversion date. This difference is multiplied by the number of shares to be issued to the Investor upon a potential conversion and, after the deduction of the accrued interest attached to the Notes, the resulting value at any possible conversion date is discounted to present value and adjusted based on the probability of conversion at each date. In assessing the value of the derivative component, it has been assumed that there is a probability of conversion of the Notes at any possible conversion date when the Investor is able to realise value in addition to the accrued interests that would be received upon redemption at maturity.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black and Scholes model, using the assumptions.

The Group measures the cost of cash-settled share-based payments at fair value at the grant date using the Black and Scholes model taking into account the terms and conditions upon which the instruments were granted.

(i) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(j) Segment Reporting

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board of Directors of Magnum Mining and Exploration Limited.

(k) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable after taking into account returns, trade allowance and duties and tax paid. Revenue is recognised to the extent that control of the goods or service has passed, and it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest income from a financial asset is recognised on a time proportion basis using the effective interest method.

(l) Cash and Cash Equivalents

Cash comprises of cash at bank and in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(m) Trade and Other Receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less allowance for expected credit loss. Trade receivables are generally due for settlement within periods ranging from 30 days to 60 days.

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is an expectation that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of expected future cash flows, discounted at the original effective interest rate. Where receivables are short-term, discounting is not applied in determining the allowance. The Group has applied the simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance.

Note 1: Statement of Significant Accounting Polices (continued)

Trade and Other Receivables (continued)

The amount of the impairment loss is recognised in the statement of profit or loss and other comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of profit or loss and other comprehensive income.

(n) Foreign Currency Translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

The consolidated financial statements are presented in Australian dollars, which is the Companies functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold or borrowings repaid a proportionate share of such exchange differences are recognised in the statement of profit or loss and other comprehensive income as part of the gain or loss on sale.

(o) Income Tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 1: Statement of Significant Accounting Polices (continued)

Income Tax (continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of

the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(p) Other Taxes

Revenues, expenses, and assets are recognised net of the amount of GST/VAT except:

- when the GST/VAT incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST/VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST/VAT included.

The net amount of GST/VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST/VAT component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST/VAT recoverable from, or payable to, the taxation authority.

(q) Property, Plant and Equipment

Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line and diminishing value basis over the estimated useful life of the assets as follows: Plant and equipment; furniture, fixtures, and fittings – over 3 to 15 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment

The carrying values of plant and equipment are reviewed for impairment at each reporting date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired. The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, a recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of profit or loss and other comprehensive income in the other expenses line item. However, because land and buildings are measured at fair value, impairment losses on land and buildings are treated as a revaluation decrement, to the extent of any previous revaluation increments.

De-recognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

Note 1: Statement of Significant Accounting Polices (continued)

(r) Financial Instruments

Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method.

Equity investments

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at fair value through other comprehensive income. Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss.

The fair value of equity investments is determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial liabilities

Non-derivative financial liabilities are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Derecognition

Financial assets are derecognised where the contractual rights to receipts of cash flows expired, or the asset is transferred to another party whereby the Group no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled, or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Convertible Notes

Convertible notes issued by the Group are compound financial instruments and include a redemption liability and a conversion option and are measured at fair value at inception. As it is realised solely through the payment of principal and interest amounts, the redemption liability is measured subsequently at amortised cost. The conversion option is either categorised as a derivative liability or directly in equity, depending upon whether it satisfies the 'fixed for fixed' criterion.

(s) Impairment of Assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset’s recoverable amount. An asset’s recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the

Note 1: Statement of Significant Accounting Polices (continued)

Impairment of Assets (continued)

recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss.

was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such a reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(t) Trade and Other Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

(u) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability.

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

(v) Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

(w) Share-Based Payment Transactions

Equity settled transactions

The Group provides benefits to employees and consultants (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees and consultants is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black and Scholes model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of profit or loss and

Note 1: Statement of Significant Accounting Polices (continued)

Share-Based Transactions (continued)

other comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph. The dilutive effect of outstanding shares and options issued is reflected as additional share dilution in the computation of earnings per share.

(w) Free Attaching Option

The value of the Free Attaching Option has been calculated using the Black-Scholes option pricing model which takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

(x) Issued Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(y) Earnings/(Loss) per Share

Basic earnings/(loss) per share are calculated as net result attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

(z) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred may be accumulated in respect of each identifiable area of interest. Exploration and evaluation costs, excluding the cost of acquiring areas of interest, are expensed as incurred. Acquisition costs are carried forward only if they relate to an area of interest for which rights of tenure are current and in respect of which:

- such costs are expected to be recouped through successful development and exploitation or from sale of the area; or
- exploration and evaluation activities in the area have not, at balance date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active operations in, or relating to, the area are continuing.

Accumulated acquisition costs in respect of areas of interest which are abandoned are written off in full against profit or loss in the year in which the decision to abandon the area is made, a regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward acquisition costs in relation to that area of interest.

Notwithstanding the fact that a decision not to abandon an area of interest has been made, based on the above, the exploration and evaluation in relation to an area may still be written off if considered to be appropriate to do so.

Once the technical feasibility and commercially viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to mining property and development assets within plant and equipment.

(aa) Assets Held for Sale

Non-current assets and disposal groups are classified as held for sale if it is highly probable their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Except in some limited circumstances, such as in the case of deferred tax balances and items measured at fair value

Note 1: Statement of Significant Accounting Polices (continued)

Assets Held for Sale (continued)

on a recurring basis, non-current assets and assets and liabilities comprising disposal groups classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell.

An impairment loss is recognised when the carrying amount of a non-current asset or disposal group held for sale exceeds its fair value less costs to sell and is recognised immediately in profit or loss. Any impairment loss on a disposal group is allocated first to any goodwill attributable to the disposal group, and then to the

remaining assets and liabilities on a pro rata basis, except for inventories, deferred tax assets and assets otherwise measured at fair value on a recurring basis. Gains are recognised in respect of any subsequent increases in fair value less costs to sell of non-current assets or disposal groups held for sale, but only to the extent of any cumulative impairment losses previously recognised.

(ab) Fair Value Measurement hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level of input which is significant to the fair value measurement as a whole, which is as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level of input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisations (based on the lowest level input that is significant to the fair value measurement as a while) at the end of each reporting period.

There were no changes to the groups valuation process, valuation techniques and types of input in the fair value measurement during the period.

Note 2: Financial reporting by segments.

For management purposes the chief operating decision maker, being the Board of Directors of Magnum Mining and Exploration Limited, reports its results per geographical segment.

The following table presents the financial information regarding these segments provided to the Board of Directors for the years ended 31 December 2023 and 31 December 2022.

	Australia	South Africa	United States	Consolidated
31 December 2023	**$**	**$**	**$**	**$**
Segment revenue and other income	**(376,495)**	**-**	**-**	**(376,495)**
Segment result	**(2,481,789)**	**-**	**(826,336)**	**(3,308,134)**
Unallocated				**-**
Results from operating activities				**(3,308,134)**
Segment assets	**3,232,628**	**-**	**9,318,367**	**12,550,995**
Segment asset includes:				
Addition of non-current asset	**-**	**-**	**-**	**-**
Segment liabilities	**(673,773)**	**-**	**(195,203)**	**(868,976)**
Included within segment results:				
Depreciation	**378**	**-**	**13,529**	**13,907**
31 December 2022 (Restated)*	**$**	**$**	**$**	**$**
Segment revenue and other income	64,533	-	12,397	76,931
Interest	-	-	11	11
Segment result	**(3,041,727)**	-	**(917,747)**	**(3,959,474)**
Unallocated				-
Results from operating activities				**(3,959,474)**
Segment assets	**6,976,635**	-	**6,296,573**	**13,273,208**
Segment liabilities	**(1,342,993)**	**-**	**-**	**(1,342,993)**
Included within segment results:				
Depreciation	**-**	**-**	21,336	21,336

*Refer to note 26 for prior period restatement.

Note 3: Revenue and Expenses

Revenue	Consolidated 31 December 2023 $	31 December 2022 (Restated)* $
From continuing operations		
Fair Value gain on conversion	30,761	43,283
Other income	5,780	33,647
Interest income	-	11
2023 R&D Offset Refundable	92,715	-
R&D Offset	247,239	-
	376,495	**76,942**

*Refer to note 26 for prior period restatement.

Expenses	Consolidated 31 December 2023	31 December 2022 (Restated)*
Marketing expenses	**(167,969)**	**(95,921)**
Comprises of:		
Other	(167,969)	(95,921)
Corporate Advisory expenses	**(120,000)**	**(143,751)**
Comprises of:		
Other	(120,000)	(143,751)
Consultancy fees	(1,116,887)	(849,589)
Comprises of:		
Other	(1,116,887)	(849,589)
Share Based Payments	**(20,100)**	**(603,991)**
Comprises of:		
Share Based Payments - Options	(20,100)	(455,943)
Share Based Payments - Performance Rights	-	(148,048)
Finance Costs	**(108,043)**	**(235,973)**
Comprises of:		
Effective annual interest rate related to the convertible notes	(106,968)	(227,068)
Bank fee	(1,075)	(8,905)

*Refer to note 26 for prior period restatement

Note 4: Earnings/ (loss) per share

	Cents	Cents
Basic earnings / (loss) per share from continuing operations	**(0.44)**	(0.73)
Basic earnings / (loss) per share from discontinuing operations	**(0.00)**	(0.01)
Basic earnings / (loss) per share	**(0.44)**	(0.74)

	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/ (loss) per share	**752,119,936**	**539,329,907**
	$	**$**
Loss attributable to ordinary equity holders of the Group used in calculating basic earnings / (loss) per share	**(3,308,134)**	**(3,959,474)**

Note 5: Income tax benefit

(a) Numerical reconciliation of income tax benefit to prima facie tax payable

	Consolidated	
	31 December 2023	**31 December 2022 (Restated)***
Loss before income tax expense	**(3,308,134)**	(3,890,285)
Tax at the Australian rate of 25% (2022: 30%)	**827,034**	1,167,085
Tax effect of amounts which are (not deductible)/taxable within this assessment year in calculating taxable income	**2,238**	(2,238)
Deferred tax asset not brought to account	**(824,796)**	(824,796)
Income tax benefit	**-**	-

(b) Tax losses

	Consolidated	
	31 December 2023	**31 December 2022 (Restated)***
Unused tax losses for which no deferred tax asset has been recognised	**12,603,822**	11,117,088
Potential tax benefit at 25% (2022: 30%)	**3,150,956**	3,335,102
Unused tax losses for which no deferred tax asset has been recognised	**38,585,846**	35,545,010
Potential tax benefit at 21% (2022: 21%)	**8,103,028**	7,464,452

The benefit of these tax losses will only be realised if the Group derives further assessable income of a nature and of an amount sufficient to enable the benefit from the deductions to be realised; the Group continues to comply with the conditions for deductibility imposed by the law; the Group passed the continuity of ownership test; and no changes in tax legislation adversely affects the Group's ability in realising the benefit from the deductions.

(c) Deferred tax liabilities

	Consolidated	
	31 December 2023	**31 December 2022 (Restated)***
Exploration	**8,759,501**	7,097,648
Potential Deferred tax liability	**1,839,495**	1,490,506

Deferred tax liabilities have not been recognised in respect of these items. The entity has sufficient carry-forward losses to be able to offset any deferred tax liability arising.

*Refer to note 26 for prior period restatement

Note 6: Cash and cash equivalents

	Consolidated	
	31 December 2023	31 December 2022
	$	$
Cash at bank and on hand	**2,636,909**	5,005,720

Note 7: Trade and other receivables

	31 December 2023	31 December 2022 (Restated)*
	$	$
Deposit paid	**-**	12,644
GST/VAT Receivable	**46,925**	69,772
Trade Debtors	**-**	22,000
Fringe Benefits Tax Payable	**349**	349
Research and Development Tax Incentive	**92,715**	-
Prepayments	**47,102**	51,860
	187,091	**156,625**

*Refer to note 26 for prior period restatement

Note 8: Plant and Equipment

Consolidated	**Plant and equipment**	**Furniture, fixtures, and fittings**	**Motor Vehicles**	**Land**	**Total**
	$	**$**	**$**	**$**	**$**
At 1 January 2022					
Cost	204,305	3,515	129,503	717,101	1,054,424
Accumulated depreciation	(156,619)	(3,515)	-	-	(160,134)
Net book amount	**47,686**	**-**	**129,503**	**717,101**	**894,290**
Year ended 31 December 2022					
Opening net book amount	47,686	-	129,503	717,101	894,290
Acquisition of assets	31,039	-		-	31,039
Depreciation charge	(169)	-	(20,998)	-	(21,167)
Loss on disposal of assets	-	-	(71,091)	-	(71,091)
Exchange difference on translation of foreign operations	3,386	-	9,194	50,912	63,492
Closing net book amount	**81,942**	**-**	**46,608**	**768,013**	**896,562**
At 31 December 2022 (Restated)*					
Cost	82,110	-	66,342	768,013	916,465
Accumulated depreciation	(169)	-	(19,903)	-	(20,072)
Net book amount	**81,942**	**-**	**46,439**	**768,013**	**896,393**
At 1 January 2023					
Cost	82,110	-	66,342	768,013	916,465
Accumulated depreciation	(169)	-	(19,903)	-	(20,072)
Net book amount	**81,942**	**-**	**46,439**	**768,013**	**896,393**
Year ended 31 December 2023					
Opening net book amount	81,941	-	46,439	768,013	896,392
Acquisition of assets	-	-	-	-	-
Depreciation charge	(378)	-	(13,529)	-	(13,907)
Loss on disposal of assets	-	-	-	-	-
Exchange difference on translation of foreign operations	(779)	-	(441)	(7,298)	(8,518)
Closing net book amount	**80,784**	**-**	**32,468**	**760,714**	**873,967**

Note 8: Plant and Equipment (continued)

At 31 December 2023

Cost	84,712	-	65,712	760,714	911,137
Accumulated depreciation	(547)	-	(32,856)	-	(33,403)
Net book amount	**84,165**	**-**	**32,856**	**760,714**	**877,734**

*Refer to note 26 for prior period restatement

Note 9: Exploration and evaluation expenditure

Costs carried forward in respect of areas of interest in the exploration and evaluation phase:

	Consolidated	
Exploration and evaluation phase at cost	**31 December 2023**	**31 December 2022 (Restated)***
	$	**$**
Balance at beginning of the year	7,097,648	4,794,499
Expenditure incurred	1,661,583	2,303,149
Balance at the end of the year	**8,759,501**	**7,097,648**

The recoverability of the carrying amount of exploration assets is dependent upon further exploration and exploitation of commercially viable mineral deposits.

Exploration and evaluation expenditure for areas of interest for which rights of tenure are current is carried forward as an asset where it is expected that the expenditure will be recovered through the successful development of an area or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence of economically recoverable reserves. Where a project or an area has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

In order to maintain current rights of tenure to exploration tenements, the Group is required to comply with the minimum expenditure obligations under the Mining Act. These obligations have been met. The future obligations which are subject to renegotiation when an application for a mining lease is made and at other times are not provided for in the financial statements.

*Refer to note 26 for prior period restatement

Note 10: Trade and other payables

	Consolidated	
	31 December 2023	**31 December 2022 (Restated)***
Current	**$**	**$**
Trade payables	65,320	75,630
Other creditors and accruals	187,051	226,004
Deferred consideration – Buena Vista	100,000	200,000
	352,371	**501,634**
Non-Current	**$**	**$**
Rehabilitation provision	516,605	516,605
	516,605	**516,605**

A provision for rehabilitation has been recognised for the estimated costs to rehabilitate the land disturbed by mining operations at the Beuna Vista project.

The rehabilitation provision is subject to discounting to present value where the effect of the time value of money is significant. The discount factor applied to the rehabilitation provision has an impact on the carrying amount of the provision as presented in the financial statements. The use of a discount factor results in a lower carrying amount of the rehabilitation provision compared to its undiscounted value.

The interest on the rehabilitation provision is immaterial.

*Refer to note 26 for prior period restatement

Note 11: Borrowings

		Consolidated		
		31 December 2023		31 December 2022 (Restated)*
		$		$
IRIS Facility		**-**		**304,944**
31 December 2022		**Derivative**	**Host Loan**	**Total**
Initial Recognition		56,551	1,243,449	1,300,000
P&L issuance costs		-	(5,844)	(5,844)
EIR expense	3	-	227,068	227,068
Issued capital on conversion	12(b)	-	(201,747)	(201,747)
Issued capital facilitation fee	12(b)	-	(700,000)	(700,000)
Other costs		-	48,559	48,559
Fair Value Movement		(36,742)	(6,541)	(43,283)
		19,809	**304,944**	**324,753**
31 December 2023		**Derivative**	**Host Loan**	**Total**
Initial Recognition		19,809	304,944	324,753
EIR Expense	3	-	106,968	106,968
Fair Value Movement		(19,809)	-	(19,809)
Conversion	12(b)	-	(411,912)	(411,912)
		-	-	-

The key terms of the Convertible Note Facility were summarized as follows:

- Magnum, at its discretion, was able too draw debt tranches of $1million each, except for the first tranche of $1.3 million;
- The maturity date of the Notes was 24 months from the Issue Date;
- The investor could at any time between the Issue Date of the Notes and the Maturity Date, convert some or all of the Notes into fully paid ordinary shares in the Company;
- The conversion price of the Notes equated to 95% of the average of the 5 lowest daily volume weighted average prices (VWAP) of MGU shares of the 20 most recent trading days prior to the date of the conversion (Conversion Price);
- The Investor was able to elect, following the Maturity Date, to redeem some or all of the Notes. On redemption, the Company was required to pay the Investor the following redemption amount:
  - the total face value of the Notes being redeemed; and
  - interest payable on the face value of the Notes being redeemed at an interest rate of 5% per annum, accrued daily and compounded monthly, from the date of issue of the Notes up to the date of payment.
- As at the date of this report, Magnum has issued 520 notes, with 520 notes converted.
- The Company is not subject to any financial covenants other than the Company issuing 24,096,386 Shares to the Investor (“Collateral Shares”). If at any time the price of the Company’s Shares quoted on ASX falls such that the value of all Shares currently held by the Investor and issued as Collateral Shares falls below A$500,000, the Investor may by notice in writing to the Company and subject to shareholder approval require the Company to issue additional Shares so that the minimum value of Collateral Shares held by the Investor is at least A$1,000,000 (“Additional Collateral Shares”). The total number of Additional Collateral Shares must not exceed 50,000,000 Shares.

The fair value of derivative instruments is classified within Level 1 of the fair value hierarchy.

*Refer to note 26 for prior period restatement

Note 12: Share Capital

(a) Share Capital	**Note**	**Consolidated 31 December 2023 Shares**	**31 December 2022 Shares**	**Consolidated 31 December 2023 $**	**31 December 2022 (Restated)* $**
Ordinary shares					
Ordinary shares fully paid	**(b)**	**809,361,403**	694,878,469	**40,374,778**	38,002,630

Note 12: Share Capital (continued)

(b) Ordinary shares issued

Movements in ordinary share capital	Consolidated Year to 31 December 2023 Shares	Consolidated Year to 31 December 2023 $	Consolidated Year to 31 December 2022 (Restated)* Shares	Consolidated Year to 31 December 2022 (Restated)* $
Balance at the beginning of the reporting period	**694,878,469**	**38,002,630**	**497,144,914**	**34,223,100**
Proceeds from exercise of options	3,000,000	90,000	150,000	7,500
Shares issued in connection with convertible note	24,325,358	411,911	15,792,479	201,747
Shares issued as collateral in connection with convertible note	-	-	24,096,385	-
Shares issued as facilitation fee	-	-	8,433,735	700,000
Shares issued for consultancy services	5,000,000	-	-	-
Shares issued to settle invoices	1,854,546	60,000	6,428,571	200,000
Capital Raising	80,303,030	2,650,000	142,857,142	3,760,611
Historical Adjustment	-	(481,818)	(24,758)	-
Less: Share issue costs	-	(357,945)	-	(1,090,328)
Balance at reporting date	**809,361,403**	**40,374,778**	**694,878,469**	**38,002,630**

*Refer to note 26 for prior period restatement

Note 13: Reserves

	Option issue reserve	Share-based payment reserve	Investment revaluation reserve	Performance Rights	Foreign currency translation reserve	Total
	$	$	$	$	$	$
At 1 January 2023	**1,239,389**	**6,465,864**	**45,246**	**-**	**23,294**	**7,773,793**
Option issue	-	179,000	-	-	-	**179,000**
Free attaching options	481,818	-	-	-	-	**481,818**
Foreign currency translation	-	-	-	-	26,872	**26,872**
At 31 December 2023	**1,721,208**	**6,644,864**	**45,246**	**-**	**50,166**	**8,461,483**
At 1 January 2022	**513,697**	**6,739,312**	**45,246**	**72,652**	**(220,269)**	**7,150,638**
Performance rights vested	-	-	-	148,048	-	**148,048**
Options vested	-	926,487	-	-	-	**926,487**
Free attaching options	1,239,389					**1,239,389**
Options & Performance rights lapsed	(513,697)	(1,199,935)	-	(220,700)	-	**(1,934,332)**
Foreign currency translation	-	-	-	-	243,563	**243,563**
At 31 December 2022 (Restated)*	**1,239,389**	**6,465,864**	**45,246**	**-**	**23,294**	**7,773,793**

*Refer to note 26 for prior period restatement

Note 13: Reserves (continued)

Note 13(a): Listed Options

Listed Options (MGUO)	31 December 2023	31 December 2022
At the end of the reporting period the following options were on issue:	**No. of Options**	**No. of Options**
- 31 October 2022 options exercisable at $0.05 per share expiring 31 October 2025	71,428,571	71,428,571
- 31 October 2022 options exercisable at $0.05 per share expiring 31 October 2025	30,000,000	30,000,000
- 1 December 2022 options exercisable at $0.05 per share expiring 31 October 2025	1,666,681	1,666,681
- 4 November 2022 options exercisable at $0.05 per share expiring 31 October 2025	32,500,000	32,500,000
- 4 November 2022 options exercisable at $0.05 per share expiring 31 October 2025	2,500,000	2,500,000
- 24 January 2023 options exercisable at $0.33 per share expiring 31 October 2025	2,500,000	-
- 25 September 2023 options exercisable at $0.33 per share expiring 31 October 2025	53,401,515	-
	193,996,767	138,095,252

Note 13(b): Unlisted Options

Unlisted options (MGUOC)	**31 December 2023**	**31 December 2022**
	No. of Options	**No. of Options**
- 23 April 2021 unlisted options (MGUOC) exercisable at $0.20 per share expiring 19 April 2024	**32,000,000**	32,000,000
- 7 May 2021 unlisted options (MGUOC) exercisable at $0.20 per share expiring 19 April 2024	**6,000,000**	6,000,000
- 22 July 2021 unlisted options (MGUAC) exercisable at $0.20 per share expiring 19 April 2024	**9,000,000**	9,000,000
	47,000,000	47,000,000

Unlisted options (MGUOAQ)	**31 December 2023**	**31 December 2022**
	No. of Options	**No. of Options**
- 2 May 2022 options exercisable at $0.05 per share expiring 2 May 2025 [9]	**23**	-
- 3 Aug 2021 unlisted options (MGUOAQ) exercisable at $0.25 per share expiring 20 July 2024	**9,000,000**	9,000,000
	9,000,023	9,000,000

Note 13: Reserves (continued)

The valuation model inputs used to determine the fair value at the grant date for options outstanding at 31 December 2023 are as follows:

Note	*Number of Options*	*Grant Date*	*Expiry Date*	*Exercise Price*	*Expected Volatility*	*Dividend yield*	*Risk-free interest rate*	*Fair value at grant date*
1	5,000,000	11/01/2021	30/12/2023	0.05	0.03	0.00	0.090%	0.034
2	2,000,000	11/01/2021	30/12/2023	0.05	0.05	0.00	0.110%	*0.027*
3	3,000,000	11/01/2021	30/12/2023	0.05	0.10	0.00	0.110%	*0.019*
4	6,000,000	11/01/2021	30/12/2023	0.05	0.20	0.00	0.110%	*0.011*
5	6,000,000	11/01/2021	30/12/2023	0.05	0.40	0.00	0.110%	0.006
6	32,000,000	19/04/2021	19/04/2024	0.05	0.20	0.00	0.100%	0.091
7	6,000,000	7/05/2021	19/04/2024	0.18	0.20	0.00	0.120%	0.100
8	9,000,000	22/07/2021	19/04/2024	0.18	0.20	0.00	0.120%	0.100
9	9,000,000	20/07/2021	20/10/2025	0.25	0.40	0.00	0.120%	0.094
10	71,428,571*	21/10/2022	31/10/2025	0.00	0.00	0.00	0.00%	*0.000*
11	30,000,000	21/10/2022	31/10/2025	0.04	0.05	0.00	3.290%	*0.017*
12	1,666,681*	1/12/2022	31/10/2025	0.00	0.00	0.00	0.00%	*0.000*
13	32,500,000	4/11/2022	31/10/2025	0.04	0.05	0.00	3.290%	*0.017*
14	2,500,000	4/11/2022	31/10/2025	0.04	0.05	0.00	3.290%	*0.017*
15	2,500,000	24/01/2023	31/10/2025	0.03	0.71	0.00	3.03%	*0.027*
16	53,401,515**	25/09/2023	31/10/2025	0.03	1.16	0.00	4.00%	*0.026*

*Free attaching options and no value assigned
** On 25 September 2023 the company raised $2.65 million by way of a one-tranche placement, granting a 1 for 2 free attaching option.

Note 13(c): Performance Rights

	Consolidated		**Consolidated**	
	31 December 2023	**31 December 2022**	**31 December 2023**	**31 December 2022**
	Number	**Number**	**$**	**$**
Performance Rights	47,500,000	25,000,000	-	-
At reporting date	**47,500,000**	**25,000,000**	**-**	**-**

	31 December 2023	**31 December 2022**
Performance Rights Numbers	**Number**	**Number**
PE6 – vest on execution of supply agreement of pig iron expire 22 July 2023	-	2,500,000
PE7 – vest on completion of Bankable feasibility study expire 22 April 2023	-	2,500,000
PE8 – vest on achievement of production of pig iron expire 22 October 2024	20,000,000	20,000,000
PR2 – vest on completion of Bankable feasibility study expire 16 October 2024	2,500,000	-
PR3 – vest on achievement of production and supply of pig iron expire 16 January 2025	17,500,000	-
PR4 – vest on achievement of the first production of pig iron expire 18 January 2027	7,500,000	-
	47,500,000	**20,000,000**

	31 December 2023	**31 December 2022**
Movement of Performance Rights	**Number**	**Number**
Opening Balance	25,000,000	6,000,000
Additions	27,500,000	25,000,000
Expired options	(5,000,000)	(6,000,000)
Closing Balance	47,500,000	25,000,000

Note 14: Interests in subsidiaries

Name	Country of Incorporation	Percentage of equity interest held by consolidated entity	
		31 December 2023	**31 December 2022**
Nevada Iron Holdings Pty Ltd	Australia	**100%**	100%
Nevada Iron LLC	United States	**100%**	100%
Iron Horse LLC	United States	**100%**	100%
Magnum Green Steel LLC	United States	**100%**	-
Appalachian Iron Inc	United States	**100%**	-

Note 15: Tenements on hand

Location	Project	Tenement Type	Number	Interest	Status
Nevada Province United States	Buena Vista	Mining Right	Various[1]	100%	Granted

[1]Refer to the directors' report for a summary of Tenements on hand.

Note 16: Reconciliation of loss after income tax to net cash outflow from operating activities

	Consolidated	
	31 December 2023	**31 December 2022 (Restated)***
	$	**$**
Loss for the year	(3,308,134)	(3,959,474)
Depreciation	13,907	21,336
Finance cost related to Convertible Note	106,968	269,783
Fair value movement related to Convertible Note	(19,809)	(43,283)
Fair value movement of asset held for sales/FAFVTPL	(27,062)	69,189
Share based payment – directors and employee remuneration	20,100	603,991
Change in operating assets and liabilities:		
(Increase)/decrease in trade receivables	(36,018)	(77,423)
Increase /(decrease) in trade payables	30,715	70,693
Net cash outflow from operating activities	**(3,219,333)**	**(3,045,188)**

*Refer to note 26 for prior period restatement

Note 17: Parent entity disclosures

	31 December 2023	**31 December 2022 (Restated)***
Assets	**$**	**$**
Current assets	6,560,099	4,775,094
Non-current assets	11,952,755	14,055,863
Total assets	**18,512,854**	**18,830,957**
Liabilities		
Current liabilities	157,168	631,185
Total liabilities	**157,168**	**631,185**
	18,355,686	**18,199,772**

Note 17: Parent entity disclosures (continued)

Net Assets

Equity		
Issued capital	40,374,778	38,002,630
Accumulated losses	(30,430,508)	(27,553,356)
Reserves	8,411,416	7,750,498
Total equity	**18,355,686**	**18,199,772**
Financial performance		
Loss for the year	(2,877,152)	(2,974,312)
Total comprehensive loss	**(2,877,152)**	**(2,974,312)**

*Refer to note 26 for prior period restatement

Note 18: Key management personnel disclosures

Directors:

The following persons were directors of the Company during the financial year and up to the date of this report:

Chairman – Non-Executive

- Anoosh Manzoori (appointed 11 May 2022)

Non-Executive directors

- Matthew Latimore (resigned 8 March 2024)
- Athan Lekkas (appointed 11 May 2022)
- Neil Goodman (appointed 8 March 2024)

Chief Executive Officer

- Neil Goodman (appointed 5 August 2022)

(a) Key management personnel compensation

	Consolidated	
	2023	**2022 (Restated)***
	$	**$**
Short-term employee benefits	**940,000**	783,783
Share based payments	**-**	-
Total compensation	**940,000**	**783,783**

The Company has taken advantage of the relief provided by the *Corporations Regulations* 2M.6.04 and has transferred the detailed remuneration disclosures to the directors' report. The relevant information can be found in sections A-H of the remuneration report.

*Refer to note 26 for prior period restatement

Note 18: Key management personnel disclosures (continued)

(b) Other transactions of key management personnel

		Income from Related Parties	Other Salary and Share Based Payment	Amounts Owed by Related Parties at year end	Amounts Owed to Related Parties at year end
Current Directors					
Anoosh Manzoori [1]	**2023**	120,000	-	-	-
Matthew Latimore	**2023**	-	-	-	-
Athan Lekkas [2]	**2023**	240,000	-	-	-
Neil Goodman[3]	**2023**	180,000	-	-	-
Luke Martino[4]	**2023**	45,000	-	-	
Total		**465,000**	-	-	-

[1]Expenditure to Anoosh Manzoori relates to $120,000 in consulting fees with Shape Capital
[2] Expenditure to Athan Lekkas relates to $240,000 in consulting fees with Dalext Pty Ltd
[3] Expenditure to Neil Goodman relates to $180,000 in consulting fees with Smelt Tech Pty Ltd
[4] Expenditure to Luke Martino relates to $45,000 in consulting fees with Indian Ocean Consulting Group Pty Ltd

		Income from Related Parties	Other Salary and Share Based Payment	Amounts Owed by Related Parties at year end	Amounts Owed to Related Parties at year end
Current Directors					
Anoosh Manzoori [1]	**2022**	-	130,000	-	-
Matthew Latimore	**2022**	-	-	-	-
Athan Lekkas [2]	**2022**	-	-	160,000	20,000
Neil Goodman[3]	**2022**	-	75,000	-	-
Total		**-**	**205,000**	**160,000**	**20,000**

[1]Expenditure to Anoosh Manzoori relates to $130,000 in consulting fees with Shape Capital
[2] Expenditure to Athan Lekkas relates to $160,000 in consulting fees with Dalext Pty Ltd
[3] Expenditure to Neil Goodman relates to $75,000 in consulting fees with Smelt Tech Pty Ltd

Note 20: Remuneration of auditors

	Consolidated	
	31 December 2023	**31 December 2022 (Restated)***
	$	**$**
Audit and review services		
Auditors of parent entity		
Audit and review of financial reports under the *Corporations Act 2001*	165,298	51,186
	165,298	**51,186**

*Refer to note 26 for prior period restatement

Note 21: Changes in liabilities arising from financing activities

	Convertible notes	Other loans and borrowings	Total
	$	$	$
Balance at 1 January 2023	324,753	-	324,753
Convertible note facility extinguishment	(324,753)	-	(324,753)
Balance at 31 December 2023	**-**	**-**	**-**
Balance at 1 January 2022	-	-	-
Convertible note facility	324,753	-	324,753
Balance at 31 December 2022 (Restated)*	**324,753**	**-**	**324,753**

*Refer to note 26 for prior period restatement

Note 22: Financial Instruments

(a) Capital Risk Management

The Group manages its capital to ensure that companies within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group's overall strategy remains unchanged from 2021.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent comprising issued capital, reserves and retained earnings.

None of the Group's companies are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as general administrative outgoings.

(b) Categories of financial instruments

	Consolidated	
	31 December 2023	31 December 2022
	$	$
Financial assets		
Trade and other receivables	187,091	156,625
Cash and cash equivalents	2,636,909	5,005,720
Other financial assets	-	-
	2,824,000	**5,162,345**

	Consolidated	
Financial Liabilities	31 December 2023	31 December 2022 (Restated)*
Trade and other payables	352,371	501,634
Borrowings	-	324,753
	352,371	**826,387**

*Refer to note 26 for prior period restatement

(c) Financial risk management objectives

The Group does not speculate in the trading of derivatives. The Group is exposed to market risk (including currency risk, fair value interest rate risk and other price risk), credit risk, liquidity risk and cash flow interest rate risk.

(d) Market Risk

The Group's activities expose it primarily to the financial risks of foreign currency exchange rates. There has been no change at the reporting date to the Group's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Note 22: Financial Instruments (continued)

Market Risk (continued)

Foreign exchange risk

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency and net investments in foreign operations.

Price risk

Given the current level of operations, the Group is not materially exposed to price risk.

Interest rate risk

The Company has exposure to the risks of changes in market interest rates relating to its cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposure within acceptable parameters while optimising return.

	31 December 2023		**31 December 2022**	
	Weighted average interest rate	**Balance**	Weighted average interest rate	Balance
	$	**$**	$	$
Cash Balances	**0.00%**	**2,636,909**	0.05%	5,005,720

(e) Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies, hence exposure to exchange rate fluctuations arise. The Group has not formalised a foreign currency risk management policy however, it monitors its foreign currency exposure in light of exchange rate movements.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date is as follows:

	Liabilities		**Assets**	
	2023	2022	**2023**	2022
	$	$	**$**	$
United States Dollar (USD)	-	(195,203)	**167,647**	252,627

(f) Foreign currency sensitivity analysis

The Group has no material exposure to foreign currency fluctuations.

(g) Interest rate risk management

The Company has exposure to the risks of changes in market interest rates relating to its cash and cash equivalents. The objective of interest rate risk management is to manage and control interest rate risk exposure within acceptable parameters while optimising return.

The Group and parent entity's exposure to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(h) Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

Note 22: Financial Instruments (continued)

(i) Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The objective of managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due.

The Group manages liquidity risk by regularly monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group.

The group regularly monitors its liquidity position with respect to the primary liability relating to the convertible note as detailed in the below table.

Liquidity and interest rate risk tables

Consolidated

	Weighted average effective interest rates	Less than 1 month	1-3 months	3 months - 1 year	1-5 years	5 + years
	%	$	$	$	$	$
2023						
Non-interest bearing	-	-	**291,122**	**61,249**	-	-

Consolidated

	Weighted average effective interest rates	Less than 1 month	1-3 months	3 months - 1 year	1-5 years	5 + years
	%	$	$	$	$	$
2022 (Restated)*						
Non-interest bearing	-	-	275,630	-	324,753	-

The above table details the Group's contractual maturity for its financial liabilities. These are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

For all financial assets and liabilities recognised in the Consolidated Statement of Financial Position, the carrying amount approximates fair value unless otherwise stated in the applicable notes.

The methods for estimating fair value are outlined in the relevant notes to the financial statements.

*Refer to note 26 for prior period restatement

Note 23: Contingencies

The contingent material terms of the Acquisition of Buena Vista Projects are set out below.

1. On completion of a Definitive Feasibility Study, Magnum will issue to the Sellers and/or their nominees, shares in Magnum to the value of $500,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum determined as the 15 trading days immediately prior to the completion date of the Definitive Feasibility Study and its announcement to ASX;

2. On the receipt by Magnum of firm and unconditional offers for the total amount of finance required to develop Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares in Magnum to the value of $1,500,000 with the issue price of the Magnum Shares equal to the 45 day VWAP of Magnum up to the

Note 23: Contingencies (continued)

date at which Magnum is in receipt of the unconditional offers for the total amount of finance required to develop Buena Vista; and

3. On the completion of the commissioning of the production facility at Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares in Magnum to the value of $1,000,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum immediately up to the completion of the commissioning of production; and

4. On receipt by the Buyer of the first payment from the sale of concentrate from Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares and/or cash in Magnum (at the Sellers option) to the value of $500,000 with the issue price of the Magnum Shares equal to the 15 day VWAP of Magnum up to the date at which Magnum is in receipt of the first payment from the sale of concentrate from Buena Vista; and

5. On the delivery by Magnum of the three millionth tonne of concentrate from Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares and/or cash (at the Sellers option) in Magnum to the value of $1,000,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum up to the date at which Magnum has delivered the three millionth tonne of concentrate from Buena Vista; and

6. On the delivery by Magnum of the five millionth tonne of concentrate from Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares and/or cash (at the Sellers option) in Magnum to the value of $1,000,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum up to the date at which Magnum has delivered the five millionth tonne of concentrate from Buena Vista.

At the date of this report, Management determined that there were no milestones at Buena Vista project stated in the Share Purchase Agreement of Buena Vista project have been met.
In addition, Management is of the opinion that the information available does not enable the current board to make a reliable assessment of the fair value of the contingent consideration agreed to as part of the original acquisition. This means that value of the mining assets on the current balance sheet should be considered to be conservative and appropriate given the nature of the project.

The contingent material terms of the Acquisition of Appalachian Iron Inc are set out below.

1. Upon the relevant milestones being achieved, Magnum will issue to Neil Goodman, Magnum Shares on a one (1) for one (1) basis on achievement of the following:

   i) 2,500,000 Performance Shares will vest and convert into Shares on the execution by Magnum (or one of its related bodies corporate) of a binding third party off-take agreement for supply of pig iron produced by Magnum (or one of its related bodies corporate) from the Buena Vista Magnetite Project (milestone to expire on that date which is 9 months from the date of issue of the Performance Shares);

   ii) 2,500,000 Performance Shares will vest and convert into Shares on the completion by Magnum of a bankable feasibility study in respect of the Buena Vista Magnetite Project (milestone to expire on that date which is 18 months from the date of issue of the Performance Shares);

   iii) 2,500,000 Performance Shares will vest and convert into Shares on the achievement of a total pig iron production quota of 1,300,000tpa by Magnum (or one of its related bodies corporate) from the Buena Vista Magnetite Project pursuant to a binding third party off take agreement (milestone to expire on that date which is 24 months from the date of issue of the Performance Shares);

   iv) 2,500,000 Performance Shares will vest and convert into Shares on the achievement of a total pig iron production quota of 1,300,000tpa by Magnum (or one of its related bodies corporate) from the Buena Vista Magnetite Project pursuant to a binding third party pre-pay agreement (milestone to expire on that date which is 24 months from the date of issue of the Performance Shares);

   v) 5,000,000 Performance Shares will vest and convert into Shares on the achievement of a total supply quota of mill scale or other feed materials relevant to 50% of the required ore for pig iron production by Magnum (or one of its related bodies corporate) from the Buena Vista Magnetite Project pursuant to a third-party supply agreement linked to any bankable feasibility study requirements for the Buena Vista

Note 23: Contingencies (continued)

Magnetite Project for at least the term of the bankable debt facilities (milestone to expire on that date which is 24 months from the date of issue of the Performance Shares);

vi) 2,500,000 Performance Shares will vest and convert into Shares on the achievement of a total supply quota of 1,000,000tpa of biochar to service production of Magnum's (or one of its related bodies corporate) from the Buena Vista Magnetite Project pursuant to a third-party supply agreement linked to any bankable feasibility study requirements for the Buena Vista Magnetite Project for at least the term of

the bankable debt facilities (milestone to expire on that date which is 24 months from the date of issue of the Performance Shares);

vii) 2,500,000 Performance Shares will vest and convert into Shares on the achievement of the first production of biochar by Magnum (or one of its related bodies corporate) from the Buena Vista Magnetite Project (milestone to expire on that date which is 24 months from the date of issue of the Performance Shares);

viii) 2,500,000 Performance Shares will vest and convert into Shares on the execution of a binding agreement by Magnum (or one of its related bodies corporate) with the state of West Virginia (or other relevant regulatory body) for land access for Magnum (or one of its related bodies corporate) to build a pig iron plant in West Virginia, pursuant to the proposed West Virginia Project (milestone to expire on that date which is 24 months from the date of issue of the Performance Shares); and

ix) 7,500,000 Performance Shares will vest and convert into Shares on the achievement of the first production of pig iron by Magnum (or one of its related bodies corporate) from the West Virginia Project (milestone to expire on that date which is 48 months from the date of issue of the Performance Shares), (each a Milestone).

2. If the individual milestones are not achieved by each relevant date set out above, the Performance Shares subject to that Milestones will automatically lapse on that date.

Due to the level of uncertainty surrounding the likelihood of satisfaction of contingent material terms, no value has been assigned to these rights.

There are no further contingencies at 31 December 2023.

Note 24: Mining Tenement Commitment

The mining tenement commitment as at 31 December 2023 is $399,123 (31 December 2022: $900,000).

Note 25: Acquisition of Appalachian

The acquisition of Appalachian Iron Inc was completed under the Share Sale Agreement with Mr Neil Goodman, which the Company has agreed to acquire 100% of the issued capital of Appalachian Iron Inc (an entity incorporated in Delaware, USA) was approved at the General Meeting held 16 January 2023. Per the Share Sale Agreement, the company will acquire Appalachian Shares through the issue of 30,000,000 Performance Shares in the capital of the Company. Both parties have agreed that the performance Shares will be subject to an escrow period of twelve months from the date of issue of the Performance Shares.

At the date of this report, the Management determined that there are not possible to achieve such milestones stated in the Share Purchase Agreement of Appalachian Iron Inc in the time available, and therefore the probability of achieving the milestones was nil.

Note 26: Prior period restatement

Prior period misstatements were identified in the financial statements during preparation of the current period financial statements. These errors primarily related to the recognition and measurement of the convertible notes, rehabilitation provision, exploration and evaluation assets, resulting from misapplication of accounting policies, errors in calculation and misclassification of expenditure.

The nature and impact of the restatement on the affected line items in the financial statements is summarised below:

Convertible Notes Recognition Error:

- In the 2022 financial year, host contract and derivative components of convertible notes, finance expenses associated with IRIS Facility, conversion of convertible notes were recognised incorrectly, leading to an overstatement of the loss by $523,679, overstatement of liability of $426,778, and overstatement of Issued Capital of 96,901.

Free attaching options Recognition Error:

- In the 2022 financial year, free attaching options relates to the capital was recognised incorrectly, leading to an overstatement of issued capital by $1,239,389, and understatement of option reserve by $1,239,389.

Deferred Exploration and Evaluation ("DE&E") Expenditure Error:

- In the 2021 financial year, expenditure associated exploration and evaluation assets were over-capitalised of $227,751.

- In the 2022 financial year, expenditure associated exploration and evaluation assets were under-capitalised of $ 411,689.

Rehabilitation cost provision Error:

- In the 2021 financial year, the rehabilitation provision at the Buena Vista Project wasn't recorded, leading to the understatement of Exploration and Evaluation ("DE&E") Expenditure, and rehabilitation provision with same amount of $516,605.

As a result of the restatements, relevant accounts for the affected period have been corrected.

The consolidated financial statements have been corrected by restating each of the affected financial statement line items for the prior period as follows:

RESTATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2022 Opening Balance	**Increase / (Decrease)**	**2022 Restated**
	$	**$**	**$**
Revenue	186,492	(109,550)	76,942
Exploration expensed as incurred	(512,402)	411,689	(100,713)
Finance costs	(917,761)	681,788	(235,973)
Other expenses	(203,720)	(48,559)	(252,279)
Total	**(1,498,576)**	**935,367**	**(563,209)**
Loss before income tax expense	**(4,825,653)**	**935,368**	**(3,890,285)**
Loss after tax from discontinued operations	**(69,189)**	**-**	**(69,189)**
Loss for year	**(4,894,842)**	**935,368**	**(3,959,474)**
Basic loss per share (cents) from continuing operations	**(0.89)**	**0.17**	**(0.72)**

Note 26: Prior period restatement (continued)

RESTATEMENT OF FINANCIAL POSITION

	2022 Opening Balance	Increase / (Decrease)	2022 Restated
Non-Current Assets			
Deferred exploration and evaluation expenditure	6,397,104	700,544	7,097,648
Total Non-Current Assets	**7,293,497**	**700,544**	**7,994,041**
Current Liabilities			
		-	
Borrowings	731,722	(426,778)	304,944
Total Current Liabilities	**1,253,165**	**(426,778)**	**826,387**
Non-Current Liabilities			
Rehabilitation Provision	-	516,605	516,605
Total Non-Current Liabilities	**-**	**516,605**	**516,605**
Net Assets	**11,319,499**	**610,717**	**11,930,216**
Equity			
Issued capital	39,338,920	(1,336,290)	38,002,630
Reserves	6,534,404	1,239,389	7,773,793
Accumulated losses	(34,553,825)	707,618	(33,846,207)
Total Equity	**11,319,499**	**610,717**	**11,930,216**

Restatement of statement of cash flows

	2022 Opening Balance $	Increase / (Decrease) $	2022 Restated $
Cash flows from operating activities			
Payments to suppliers and employees	(2,800,383)	(249,082)	(3,049,465)
Net cash (outflow) from operating activities	**(2,796,105)**	**(249,082)**	**(3,045,187)**
Cash flows from investing activities	-	-	-
Net cash (outflow) from investing activities	**(2,225,352)**	**-**	**(2,225,352)**
Cash flows from financing activities			
Payment for share or option issue costs	(249,082)	249,082	-
Net cash inflow from financing activities	**5,587,715**	**249,082**	**5,836,797**
Cash and cash equivalents at the end of the year	**5,005,720**	**-**	**5,005,720**

Note 26: Prior period restatement (continued)

RESTATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2021 Opening Balance $	Increase / (Decrease) $	2021 Restated $
Salary, Wages and staff on-costs	(26,226)	(227,751)	(253,977)
Total	**(26,226)**	**(227,751)**	**(253,977)**
Loss before income tax expense	**(5,782,082)**	**(227,751)**	**(6,009,833)**
Loss after tax from discontinued operations	**(2,550,604)**	**-**	**(2,550,604)**
Loss for year	**(8,332,686)**	**(227,751)**	**(8,560,437)**
Basic loss per share (cents) from continuing operations	**(1.17)**	**0.05**	**(1.21)**

RESTATEMENT OF FINANCIAL POSITION

	2021 Opening Balance	Increase / (Decrease)	2021 Restated
Non-Current Assets			
Deferred exploration and evaluation expenditure	4,794,499	288,855	5,083,354
Total Non-Current Assets	**5,688,789**	**288,855**	**5,977,644**
Non-Current Liabilities			
Rehabilitation Provision	-	516,605	516,605
Total Non-Current Liabilities	**200,000**	**516,605**	**716,605**
Net Assets	**9,780,423**	**(227,751)**	**9,552,672**
Equity			
Accumulated losses	(31,112,143)	(227,751)	(31,339,894)
Total Equity	**9,780,423**	**(227,751)**	**9,552,672**

Note 27: Subsequent Events

Subsequent to year end, the following matters have occurred:

Joint Venture Agreement

- Magnum has entered into a Shareholders' Agreement (Agreement) with Middle East for Metallic Industrial (Midmetal). Under the Agreement, Magnum becomes a 50% owner of Midmetal through the issue of 50% of Midmetal's fully paid ordinary shares
- Under the Agreement, the Saudi shareholders of Midmetal agree to provide Midmetal 50% of the development funding by way of a loan from the Saudi Industrial Development Fund or other investors. Magnum agrees to provide the other 50%, also by way of a loan to Midmetal. The loans are to be repaid by Midmetal in within two years and at an agreed interest rate.
- Magnum is in discussions with several investors who are interested in funding the remaining 50% of the project in return for the EPC rights. The company has previously advised the market (see ASX release dated 17 January 2024) that the study estimates a capital cost of US $410million. Accordingly, it is intended that Magnum and future investor partners will contribute 50% of these costs.
- Magnum is in discussions with several investor groups to provide either equity or debt and have received two non-binding letters of support from international investors. The exact contribution to the 50% funding is yet to be agreed and determined.
- The board and its advisers will consider and evaluate the optimised financing or blend of debt and equity and will advise the market as and when this is achieved. No binding agreements as to the funding or the terms of the funding have been concluded and there is no guarantee that this will be achieved.
- If funding is not received, then the project may be terminated.

Note 27: Subsequent Events (continued)

Changes in personnel

- On 8 March 2024, Neil Goodman has been appointed as a director, assuming the role of Managing Director and CEO.
- On 8 March 2024, Matthew Latimore has resigned as a director of the company.

Funding matters

- Magnum Mining and Exploration have entered into a funding agreement with IRIS (Company Number 753 471 853) for up to $20,000,000 of funding. Proceeds are to help fund Magnums Integrated Green Pig Iron Project in Nevada, USA. This agreement was assigned to Fabrice Evangelista on 3 May 2022. The facility provides the company with certainty of access to funding. The facility was extended by Variation dated 22 March 2024.

Directors' Declaration

1. In the opinion of the directors of Magnum Mining and Exploration Limited (the 'Company'):

    a. the accompanying financial statements, notes and the additional disclosures are in accordance with the Corporations Act 2001 including:

        i. giving a true and fair view of the Group financial position as at 31 December 2023 and of its performance for the year then ended; and

        ii. complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001;

    b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

    c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 31 December 2023.

This declaration is signed in accordance with a resolution of the Board of Directors.

Anoosh Manzoori

Non-executive Chairman

Melbourne, Australia

28 March 2024

UHY Haines Norton
Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Magnum Mining and Exploration Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Magnum Mining and Exploration Limited (the Company) and its subsidiaries (the Group) for the year ended 31 December 2023, which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the year ended; and

ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001.*

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

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Passion beyond numbers

CARRYING AMOUNT OF EXPLORATION AND EVALUATION EXPENDITURE

Why a key audit matter	How our audit addressed the risk
As at 31 December 2023, the Group's consolidated statement of financial position included capitalised Exploration and Evaluation assets of $8,759,501 (2022: $7,097,648). Per AASB6. para 17 – *"An exploration and evaluation asset shall no longer be classified as such when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Exploration and evaluation assets shall be assessed for impairment, and any impairment loss recognised, before reclassification to Development assets."* Per AASB6. para 18 – *"Exploration and evaluation assets shall be assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount."* This was considered a key audit matter because *"commercial viability"* determines the accounting treatment of exploration and evaluation expenditures, and the significant judgment involved in determining whether there are any impairment indicators.	We performed the following audit procedures, amongst others: • We obtained evidence that the Magnum has current rights to the tenement. • We discussed with management the accounting policies for capitalising or expensing its Exploration and Evaluation expenditures. • We assessed whether the accounting treatment is in line with Australian Accounting Standards. • We considered the Group's intention to carry out significant ongoing exploration and evaluation activities in the relevant areas of interest which included reviewing the Group's cash-flow forecast and enquiring of senior management and the directors as to their intentions and the strategy of the Group. • We discussed with management at what stage the exploration was at, and the plan for ongoing E&E activities. • We enquired of management if the outcome of the exploration has been determined. • We considered management's assessment of potential indicators of impairment and assessed if management's assessment was reasonable. • We obtained the list of Exploration and Evaluation expenditures incurred during the year and performed vouching to the supporting documents. • We reviewed the nature of the expenditures to ascertain that these costs related to exploration activities. • We assessed the reasonability and completeness of the Group's financial statements disclosures.

THE ACCOUNTING RECOGNITION OF CONVERTIBLE NOTES

Why a key audit matter	How our audit addressed the risk
The accounting recognition of convertible notes is a key audit matter due the accounting complexity associated with the relevant calculations and disclosures requirements.	We performed the following audit procedures, amongst others: • We obtained and considered the key terms and conditions of the convertible note. • We obtained the valuation report calculating the fair value of the liability component which was prepared by management's external expert and assess its reasonableness. • We obtained and reviewed the conversion notice. • We reviewed management's calculations, verified its accuracy, and discussed the differences with management. • We assessed whether the recognition is in line with relevant accounting standards. • We assessed the reasonability and completeness of the Group's financial statements disclosures.

THE ACCOUNTING RECOGNITION OF OPTION RESERVE

Why a key audit matter	How our audit addressed the risk
The accounting recognition of Option Reserve is a key audit matter given the material amount and there is the accounting complexity associated with the relevant calculations and disclosure requirements.	We performed the following audit procedures, amongst others: • We obtained supporting documentation to corroborate management's calculations. • We reviewed management's calculations to verify its accuracy. • We assessed whether the recognition is in line with relevant accounting standards. • We recalculated expected option value and compared our result to management's calculations. • We assessed the reasonability and completeness of the Group's financial statements disclosures.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 29 of the directors' report for the year ended 31 December 2023.

In our opinion, the Remuneration Report of Magnum Mining and Exploration Limited for the year ended 31 December 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

UHY Haines Norton

Mark Nicholaeff
Partner
Sydney
28 March 2024

UHY Haines Norton
Chartered Accountants

The Board of Magnum Mining & Exploration Limited are committed to achieving and demonstrating the highest standards of corporate governance. As such, the Company has adopted what it believes to be appropriate corporate governance policies and practices having regard to its size and the nature of its activities.

The Board has adopted the ASX Corporate Governance Principles and Recommendations which are complemented by the Company's core principles of honesty and integrity. The corporate governance policies and practices adopted by the Board are outlined in the Corporate Governance section of the Company's website:

The Company has also lodged an Appendix 4G with this Annual Report.

Additional information required by Australian Securities Exchange Limited and not shown elsewhere in this Annual Report is as follows. The information is as at 12 February 2024.

NUMBER OF HOLDERS OF EQUITY SECURITIES
ORDINARY SHAREHOLDERS

There are 809,361,403 fully paid ordinary shares on issue, held by 3,304 individual shareholders.

TWENTY LARGEST SHAREHOLDERS (AS AT 12 February 2024)

Rank	Name	Units	% Units
1	CITI CORP NOMINEES PTY LTD	48,443,642	5.99
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	35,891,464	4.43
3	SUNSHORE HOLDINGS PTY LTD	23,030,112	2.85
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	22,763,762	2.81
5	FARMINGACRE LIMITED	17,000,000	2.10
6	MR MATTHEW REVELY ROBERTS + MRS SANDRA MARIE ROBERTS <SAM SUPERFUND A/C>	14,946,872	1.85
7	MR CHRISTOPHER RAYMOND LORD	10,500,000	1.30
7	ROGUE INVESTMENTS PTY LTD	10,500,000	1.30
9	MR MICHAEL MARNEWICK	10,287,364	1.27
10	10 BOLIVIANOS PTY LTD	10,178,406	1.26
11	JUNEDAY PTY LTD	10,150,000	1.25
12	MR GAVIN JEREMY DUNHILL	9,500,000	1.17
13	DEMETER INVESTMENTS PTY LTD <DEMETER FAMILY DISC A/C>	9,290,000	1.15
14	MC EQUITY PARTNERS PTY LTD	7,719,446	0.95
15	ROGUE INVESTMENTS PTY LTD	7,300,000	0.90
16	MS MARIA SIMONE ARTHO + DVA 20 13 TRUSTEES LIMITED <MARIA NORTH FAMILY AC>	7,000,000	0.86
16	MR BRADLEY JAMES ALLEN	7,000,000	0.86
18	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	6,657,050	0.82
19	MR KENNETH JOSEPH HALL <HALL PARK A/C>	6,000,000	0.74
20	MR MATTHEW ANDREWS	5,529,500	0.68
Totals: Top 20 holders of ORDINARY SHARES (Total)		**279,687,618**	**34.56**
Total Remaining Holders Balance		**529,673,785**	**65.44**

Rank	Name	Units	% Units
1	CITI CORP NOMINEES PTY LTD	48,443,642	5.99
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	35,891,464	4.43
3	SUNSHORE HOLDINGS PTY LTD	23,030,112	2.85
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	22,763,762	2.81
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6	MR MATTHEW REVELY ROBERTS + MRS SANDRA MARIE ROBERTS <SAM SUPERFUND A/C>	14,946,872	1.85

7	MR CHRISTOPHER RAYMOND LORD	10,500,000	1.30
7	ROGUE INVESTMENTS PTY LTD	10,500,000	1.30
9	MR MICHAEL MARNEWICK	10,287,364	1.27
10	10 BOLIVIANOS PTY LTD	10,178,406	1.26
11	JUNEDAY PTY LTD	10,150,000	1.25
12	MR GAVIN JEREMY DUNHILL	9,500,000	1.17
13	DEMETER INVESTMENTS PTY LTD <DEMETER FAMILY DISC A/C>	9,290,000	1.15
14	MC EQUITY PARTNERS PTY LTD	7,719,446	0.95
15	ROGUE INVESTMENTS PTY LTD	7,300,000	0.90
16	MS MARIA SIMONE ARTHO + DVA 20 13 TRUSTEES LIMITED <MARIA NORTH FAMILY AC>	7,000,000	0.86
16	MR BRADLEY JAMES ALLEN	7,000,000	0.86
18	BNP PARIBAS NOMINEES PTY LTD ACF CLEARSTREAM	6,657,050	0.82
19	MR KENNETH JOSEPH HALL <HALL PARK A/C>	6,000,000	0.74
20	MR MATTHEW ANDREWS	5,529,500	0.68
Totals: Top 20 holders of ORDINARY SHARES (Total)		**279,687,618**	**34.56**
Total Remaining Holders Balance		**529,673,785**	**65.44**

VOTING RIGHTS

Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands. Every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

HOLDERS OF NON-MARKETABLE PARCELS

There are 1,845 shareholders who hold less than a marketable parcel of shares.

DISTRIBUTION OF SHARE HOLDERS (AS AT 12 February 2024)

Range of Units As Of 12/02/2024 **Composition : ORD**

Range	Total holders	Units	% Units
1 - 1,000	164	80,952	0.01
1,001 - 5,000	567	1,830,491	0.23
5,001 - 10,000	435	3,284,127	0.41
10,001 - 100,000	1,356	52,078,687	6.43
100,001 Over	782	752,087,146	92.92
Rounding			**0.00**
Total	**3,304**	**809,361,403**	**100.00**

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.0170 per unit	29,412	1,845	17,884,857

SUBSTANTIAL SHAREHOLDERS

As at report date, the following shareholders are recorded in the Register as a Substantial Shareholders:

Name	Units	% Units
CITI CORP NOMINEES PTY LTD	48,443,642	5.99

SHARE BUY-BACKS

There is no current on-market buy-back scheme.

LISTED OPTIONS

LISTED OPTIONS HOLDERS

There are 193,996,767 listed options on issue, held by 134 individual holders.

TWENTY LARGEST LISTED OPTIONS HOLDERS (AS AT 12 February 2024)

Rank	Name	Units	% Units
1	MR LEMUEL CHERLOABA	18,000,000	9.28
2	ADZL PTY LTD	12,500,000	6.44
2	DEMETER INVESTMENTS PTY LTD <DEMETER FAMILY DISC A/C>	12,500,000	6.44
2	POLYGON FUND PTY LTD <POLYGON FUND UNIT A/C>	12,500,000	6.44
5	MR ANDREW EDWIN YOUNG	11,700,821	6.03
6	JAY-V INC	8,333,333	4.30
7	MR GREGORY MILTS	7,437,980	3.83
8	MR GAVIN JEREMY DUNHILL	6,450,000	3.32
9	CITI CORP NOMINEES PTY LTD	5,000,000	2.58
9	LATIMORE FAMILY PTY LTD <THE LATIMORE FAMILY A/C>	5,000,000	2.58
11	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	4,999,999	2.58
12	DEMETER INVESTMENTS PTY LTD <DEMETER SUPER FUND A/C>	4,500,000	2.32
13	CINTRA HOLDINGS PTY LTD <THE CINTRA A/C>	4,000,000	2.06
14	MR HARVEY WILLIAM GREEN	3,600,000	1.86
15	ALTOR CAPITAL MANAGEMENT PTY LTD <ALTOR ALPHA FUND A/C>	3,571,429	1.84
16	CITI CORP NOMINEES PTY LTD	3,397,403	1.75
17	MR KANE MATTHEW SWEET	3,036,070	1.57
18	MS CHUNYAN NIU	3,030,304	1.56
19	MS LEANNE MARION HUNTER	3,000,000	1.55
20	MR RICKY JAY DEMETER	2,750,000	1.42
Totals: Top 20 holders of LISTED OPTIONS EXPIRING 31 OCT 2025 (Total)		**135,307,339**	**69.75**
Total Remaining Holders Balance		**58,689,428**	**30.25**

As at 12 February 2024, the Company had 193,996,767 listed options on issue with an exercise price of $0.05 and an expiry date of 31 October, 2025. Listed options do not carry any voting rights.

DISTRIBUTION OF LISTED OPTIONS HOLDERS - $0.05 expiry 31 October 2025 as at 12 February 2024

Range	Total holders	Units	% Units
1 - 1,000	2	2	0.00
1,001 - 5,000	1	4,698	0.00
5,001 - 10,000	1	7,575	0.00
10,001 - 100,000	13	1,072,515	0.55
100,001 Over	117	192,911,977	99.44
Rounding			**0.01**
Total	**134**	**193,996,767**	**100.00**

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $ 0.0070 per unit	71,429	5	55,003

UNLISTED CONVERTIBLE NOTES
As at 12 February 2024 the Company had 142 unlisted Convertible Notes. Convertible Notes do not carry any voting rights.

DISTRIBUTION OF CONVERTIBLE NOTE HOLDERS (AS AT XX 2024)

Range	Total holders	Units	% Units
1 - 1,000	1	142	0.00
1,001 - 5,000			
5,001 - 10,000			
10,001 - 100,000			
100,001 Over			
Rounding			
Total			

RESTRICTED SECURITIES
The Company does not have any restricted securities.

OTHER INFORMATION
Magnum Mining & Exploration Limited is incorporated and domiciled in Australia, is a public listed Company limited by shares.