

## ASX ANNOUNCEMENT

20 JUNE 2024

### DISCLOSURE NOTIFICATION UNDER SUBSECTION 708AA(2)(f) OF THE CORPORATIONS ACT 2001 (CTH)

Magnetite Mines Limited ACN 108 102 432 (**Company** or **Magnetite Mines**) (ASX: **MGT**) gives this notice in accordance with section 708AA(2)(f) of the Corporations Act 2001 (Cth) (Corporations Act) (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73 (together, the ASIC Instruments)).

Magnetite Mines has today announced a pro rata non-renounceable entitlement offer (**Entitlement Offer**) of up to approximately 16,405,781 new fully paid ordinary shares in Magnetite Mines (subject to reconciliations and fractional rounding) (**New Shares**) on the basis of 1 New Share for every 6 fully paid ordinary shares held by existing eligible shareholders in Magnetite Mines at 7:00pm (AEST) on Tuesday, 25 June 2024 (**Entitlement**), at an issue price of A\$0.31 per New Share.

Eligible shareholders who subscribe for their Entitlement in full are also eligible to apply for additional New Shares that are not subscribed for under the Entitlement Offer (**Shortfall Offer**).

The Entitlement Offer seeks to raise up to approximately A\$5 million (before costs).

Magnetite Mines advises that:

1. the New Shares will be offered without disclosure to investors under Part 6D.2 of the Corporations Act, as notionally modified by the ASIC Instruments;
2. this notice is given under section 708AA(2)(f) of the Corporations Act, as notionally modified by the ASIC Instruments;
3. as at the date of this notice, Magnetite Mines has complied with:
  - (i) the provisions of Chapter 2M of the Corporations Act, as they apply to Magnetite Mines; and
  - (ii) sections 674 and 674A of the Corporations Act, as they apply to Magnetite Mines;
4. other than as set out in paragraph 5 below, as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Corporations Act to be disclosed under section 708AA(7) of the Corporations Act, as notionally modified by the ASIC Instruments;
5. as at the date of this notice, Magnetite is in advanced ongoing negotiations with two parties, both of whom have completed due diligence on its Razorback iron ore project, with a view to entering into joint venture and/or off-take arrangements that, if entered into, would provide funding for the completion of a Definitive Feasibility Study (DFS) and other activities required to reach the Final Investment Decision (FID). The Company's focus is to conclude the current negotiations

with one or more groups that will partner with the Company in the completion of the DFS and FID, although a transaction cannot be guaranteed. The Company will make a further announcement to ASX in connection with these matters as and when it is appropriate to do so to comply with its continuous disclosure obligations; and

6. the potential effect of the issue of the New Shares pursuant to the Entitlement Offer on the control of the Company and the consequences of that effect will depend on a number of factors, including eligible shareholder demand under the Entitlement Offer, the percentage of existing shareholding and the additional demand under the Shortfall Offer. However:
- (i) since the Entitlement Offer is a pro rata issue if all eligible shareholders take up their full entitlements under the Entitlement Offer they will maintain their existing percentage interest in the total issued share capital of Magnetite Mines;
  - (ii) if eligible shareholders do not take up all of their entitlements, the percentage of their existing shareholding will be diluted;
  - (iii) the proportional interests of shareholders who are ineligible to participate in the Entitlement Offer will be diluted;
  - (iv) so far as Magnetite Mines is aware, no shareholder will increase their holding to an amount in excess of 19.9% through applying for their entitlements under the Entitlement Offer and the Shortfall Offer (and the allocation policy under the Shortfall Offer will expressly prohibit such an occurrence).

Based on the above, the issue of the New Shares under the Entitlement Offer is not expected to have a material effect or consequence on the control of the Company.

Further details regarding the Entitlement Offer are set out in the announcement lodged with ASX today, and will be set out in the Entitlement Offer Booklet expected to be lodged with ASX on or about Friday, 28 June 2024 and made available to eligible shareholders at [www.computersharecase.com.au/mgtoffer](http://www.computersharecase.com.au/mgtoffer) on the same date.

### Further Information

If you have any questions in relation to any of the above matters, please contact the Magnetite Mines Offer Information Line on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia) from 8.30am to 5.00pm (AEST), Monday to Friday, until the Closing Date. For other questions, you should consult your stockbroker, accountant or other independent professional adviser.

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

For further information contact:

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## ABOUT MAGNETITE MINES

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