

**ASX ANNOUNCEMENT****8 JULY 2024****PRO RATA NON-RENOUNCEABLE ENTITLEMENT OFFER****UPDATED 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**) refers to the disclosure notice given to ASX on 20 June 2024 (**Initial 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**)) in connection with Magnetite Mines' 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 at an issue price of A\$0.31 per New Share to raise up to approximately A\$5 million (before costs).

This updated disclosure notice (**Further Notice**) is given in response to the release of additional information by the Company that would have required disclosure in the Initial Notice had it occurred prior to, or at the time of, the release of the Initial Notice.

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 paragraphs 5 and 6 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. today (8 July 2024) Magnetite Mines has announced that it has signed a Heads of Agreement (**Agreement**) with JFE Shoji Australia Pty. Ltd. (**JFE**), a wholly owned subsidiary of Japanese group JFE Shoji Corporation, which provides the framework under which the parties will negotiate a binding transaction to support the completion of a Definitive Feasibility Study (**DFS**) for the Company's 100%-owned Razorback Iron Ore Project (**Project**). The Agreement represents the

culmination of an extensive period of due diligence by JFE that commenced in April 2023 and included site visits to the Razorback site in South Australia with the Magnetite Mines team. Magnetite Mines and JFE will aim to execute a definitive binding agreement that reflects the terms of the Agreement by 31 January 2025 (**Definitive Agreement**). Further information on the Agreement with JFE can be found in the Company's announcement to ASX of today's date;

6. further to its disclosure in the Initial Notice, the Company continues in advanced ongoing negotiations with one other party, which has completed due diligence on the Project, with a view to entering into joint venture and/or off-take arrangements that, if entered into, would provide further funding for the completion of the DFS and other activities required to reach the Final Investment Decision (**FID**). The Company's focus is to conclude the Definitive Agreement with JFE and to conclude the current negotiations with the other group, 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
7. 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 on 20 June 2024, and is set out in the Entitlement Offer Booklet lodged with ASX on Friday, 28 June 2024 and which is available for review by eligible shareholders at [www.computersharecase.com.au/mgtoffer](http://www.computersharecase.com.au/mgtoffer). Applications for New Shares under the Entitlement Offer can also be made via the offer website - [www.computersharecase.com.au/mgtoffer](http://www.computersharecase.com.au/mgtoffer).

## 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

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).