

ASX ANNOUNCEMENT

24 October 2024

CANCELLATION OF LOYALTY OPTIONS ISSUED TO DIRECTORS DUE TO INADVERTENT BREACH OF ASX LISTING RULES 10.11

On 2 October 2024, Magnetite Mines Limited (**Magnetite Mines** or **Company**) announced the issue of securities under its capital raising launched in September 2024 (**September Capital Raising**).

In conjunction with the September Capital Raising, the Company offered shareholders who had subscribed for shares under its capital raising announced in June 2024 (**June Capital Raising**) the opportunity to subscribe for one new option for every new share subscribed under the June Capital Raising (**Loyalty Options**). Each Director of the Company participated in the June Capital Raising and were accordingly entitled to subscribe for Loyalty Options, and each Director duly subscribed for Loyalty Options in line with their entitlement.

The prospectus issued with respect to the Loyalty Options stated that the issue of any Loyalty Options subscribed for by Directors would be subject to shareholder approval being obtained in accordance with ASX Listing Rule 10.11. At the close of the September Capital Raising, the Company issued the Loyalty Options to each subscriber, including each of the Directors. Despite a trading restriction placed on all applicable securities issued to Directors, this was an inadvertent technical breach of ASX Listing Rule 10.11, which generally prohibits an entity from issuing equity securities to a related party of the Company without the prior approval of its shareholders.

Following consultation with ASX the Company has elected to cancel the Loyalty Options that were issued to the Directors, resulting in a total of 740,720 Loyalty Options being cancelled. An Appendix 3H, along with the Top 20 option holders and the distribution schedule for the quoted securities MGTOA expiring 2 October 2027, in accordance with Listing Rule 3.10.5, will be lodged separately in connection with the cancellation. The Company intends to seek the appropriate shareholder approval for the issue of the Loyalty Options to Directors at the Company's forthcoming AGM.

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

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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 very long-life iron ore project with expansion optionality in a tier 1 jurisdiction that will produce a superior iron ore product sought by steelmakers globally. For more information visit magnetitemines.com.