

ASX ANNOUNCEMENT

19 APRIL 2022

STRATEGIC BOARD AND MANAGEMENT CHANGES

Magnetite Mines Limited (Magnetite Mines or the Company) is pleased to announce a number of planned changes to the Board and the Executive Leadership team effective May 15, 2022.

Current Technical Director, Mark Eames, will take on the role of Chair of the Board. Mr Eames is an experienced industry executive and has worked with Mr Schubert in the last three years to develop the low-capital staged approach for Razorback.

Current Chief Development Officer Stephen Weir has been appointed Acting CEO. As former Managing Director of RFC Ambrian, Mr Weir is a highly experienced corporate finance executive, who, with his background in engineering, has successfully steered the Magnetite Mines team through the complexities of the PFS and DFS study currently underway.

This appointment allows him to augment the Company's mine funding strategy and utilise his significant resource finance experience as we advance discussions with project financiers. The material terms of Mr Weir's appointment as Acting Chief Executive Officer, for the purposes of ASX Listing Rule 3.16.4, are set out at the end of this release.

In the meantime, the Company has commenced a formal search process for the CEO role, which will include internal and external candidates. The CFO selection process has also recommenced following these changes and the Company will continue to keep the market informed of material developments in the process.

General Manager of Geology and long-term Magnetite Mines' employee, Mr Trevor Thomas will transition to the role of Study Director and lead the Definitive Feasibility Study program.

Executive Chairman and Chief Executive Officer Mr Peter Schubert will transition to the role of Non-Executive Director, working in conjunction with the executive team to effectively manage the Company through the transition period.

Mr Schubert led the Company through a significant transformation over the last three years, setting out a clear vision for the development of the Razorback Iron Ore Project, raising funds to progress the PFS and DFS programs with an attractive, low-capital, staged development pathway and building a high-quality team to pave the way for Magnetite's future success.

The company values the significant contribution Mr Schubert has made in strengthening its position for the next phase of growth.

Outgoing Executive Chairman and CEO Mr Peter Schubert said: *“I am tremendously proud of our team and the progress we have made in repositioning and transforming our business. Today’s announcement marks yet another resolute move to improve shareholder value and I am now looking forward to continuing our strategic transformation as a member of the Board and fully support these changes to our leadership structure which will set us up to build an operating iron ore business”.*

Incoming Chair Mr Mark Eames said: *“I wish to thank Peter for his persistence and vision, which has been essential in taking the Company to the threshold of mine construction and operation. I look forward to continuing to work with him and other Board members as we complete the DFS and look to establish a significant magnetite iron ore mine. We have a robust pathway to production and I am confident that these changes will strengthen the Company’s position to grow the business and release long-term, sustainable value.*

The Company is committed to the highest standards of corporate governance and this, along with the appointment of two additional Non-Executive Directors to the Board this year, will ensure that the Board is structured to be effective and add value consistent with ASX Corporate Governance Council’s Principles of Good Corporate Governance and Best Practice Recommendations.”

Incoming Acting CEO Mr Stephen Weir said: *“I welcome the opportunity and confidence shown in me by the Board and look forward to leading the team as we embark on the next stage of the Company’s development. My focus is on successful completion of the DFS, securing mine funding and implementing strategies and structures to drive this significant growth opportunity for the benefit of all shareholders.”*

Mark Eames

Mr Eames has a successful track record in the global minerals industry in exploration, evaluation, development, acquisitions, operations, marketing and senior corporate management. He is a qualified metallurgist with extensive experience in Australia and overseas and has held senior roles working with the iron ore businesses of Glencore, Rio Tinto and BHP. Mr Eames graduated with a BA (Metallurgy)(Hons) from the University of Cambridge, UK. He is a member of the Australasian Institute of Mining and Metallurgy. Mr Eames is a past and present Director of other Australian publicly listed companies.

Stephen Weir

Prior to joining Magnetite Mines, Mr Weir was Managing Director at RFC Ambrian where he provided corporate finance advice over a twenty-year period to clients in the mining and energy sectors. Prior to that, his career spanned construction management of high-speed bulk material handling, minerals

and coal processing plants (John Holland), project management of technology introduction, Equipment and Industrial Services (Brambles) and Mining Project Finance (Bankers Trust). Mr Weir graduated with a B.Eng (Mechanical) (Hons) from the University of Melbourne and a Grad. Dip. In Applied Finance and Investment from FINSIA.

Trevor Thomas

Mr Thomas is a long-term employee of Magnetite Mines with over 14 years' experience as an exploration and resource development geologist. He has been responsible for the project management of technical studies for the PFS and prior Scoping Studies and was responsible for the delivery of the Project's maiden Ore Reserve, Mineral Resource estimates and acquisition of the Muster Dam Iron Ore Project. Mr Thomas graduated with a MEarthSci (Geology)(Hons) from the University of Manchester, UK. He is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM) and Australian Institute of Geoscientists (AIG)

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

For further information contact:

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Summary of Stephen Weir's (Acting Chief Executive Officer's) key contractual term

Item	Description
Position	<ul style="list-style-type: none"> Acting Chief Executive Officer
Term	<ul style="list-style-type: none"> Ongoing (no fixed term), recognising that the role is an Interim appointment which will be reviewed as the Company progresses its objectives.
Effective From	<ul style="list-style-type: none"> 15 May 2022
Fixed remuneration	<ul style="list-style-type: none"> \$275,000 (excluding superannuation and other benefits) Subject to annual review by the Board.
Short term incentive	<ul style="list-style-type: none"> The opportunity under the Company's Option Incentive Plan of 80% of the base salary (Incentive Value) to be granted in short term incentive options (STIO), depending on Board assessment of performance. The grant of STIO as recommended by the Board will be detailed in each year's Notice of AGM and are subject to specific shareholder approval before taking effect. The exercise price of the STIO will be equal to a premium of 60% to the volume weighted average price VWAP of the Company's shares for the 14 days immediately prior to the date approval is sought from shareholders at the annual AGM. The STIO will vest on grant. The term of the STIO is 3 years from the date of issue.

	<ul style="list-style-type: none"> • The number of options will depend on the Board’s consideration of performance but will be derived from the Incentive Value using a conventional approach to option pricing. • The STIO will be subject to the Company’s Clawback policy.
<p>Notice, Termination and termination payments</p>	<ul style="list-style-type: none"> • 3 months’ written notice must be given by either party. The CEO may be required to serve out all or part of this notice period or be paid in lieu of notice at the Board’s discretion. • The Company may terminate the agreement immediately for cause.