

ASX Release

17 April 2025

Magnum Mining and Exploration Limited

ABN 70 003 170 376

ASX Code

MGU

Non-Executive Chairman

Luke Martino

Non-Executive Director

Neil Goodman

Non-Executive Director

Athan Lekkas

Company Secretary

John O’Gorman

Issued Shares

809,361,403

Listed Options

193,996,767

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QUARTERLY ACTIVITIES REPORT

For the Period Ending 31 March, 2025

Magnum Mining & Exploration Limited (ASX: **MGU**) (**Magnum** or the **Company**) is pleased to provide a summary of its activities.

HIGHLIGHTS

- Magnum launched a non-renounceable entitlement offer to raise \$1.9m
- Magnum announced an extension to complete due diligence on the agreement to acquire 100% of the issued shares of Palmares Estudos Geologicos LTDA
- Magnum announced the signing of an agreement with the Wickers Group of Sweden www.wickers.se for the joint development of a novel combination of technologies to produce pulp, bio-chemicals and green pig iron
- Magnum continued negotiations with investors for a Green Pig Iron Project in Saudi Arabia
- All resolutions put to the General Meeting of Magnum Shareholders at 10:00 am (AWST) on 31 March 2025, were passed without amendment.

MAGNUM MINING AND EXPLORATION LAUNCHED NON-RENOUNCEABLE ENTITLEMENT OFFER TO RAISE \$1.9M

Magnum announced that it lodged a prospectus with ASIC (Prospectus) in respect of a pro rata entitlement offer of two (2) fully paid ordinary shares (Shares) for every five (5) Shares held on the record date of 10 February 2025 (Record Date) together with one free attaching option for every one Share applied for (Entitlement Offer). The Entitlement Offer will raise up to \$1,942,467 (before costs) by the issue of up to 323,744,562 Shares in the capital of the Company at an issue price of \$0.006 per Share, along with 323,744,562 options exercisable at \$0.012 on or before the date which is three years from the date of issue. The Prospectus also contains an offer of 20,000,000 options to Indian Ocean Securities Pty Ltd (AFSL 336409) to act as the lead manager of the Entitlement Offer (Lead Manager Options Offer). The minimum subscription in respect of the Entitlement Offer and Shortfall Offer (defined below) combined is \$500,000. No Securities will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of the Prospectus, the Company will either repay the application monies to the applicants or issue a supplementary prospectus or replacement prospectus and allow applicants one month to withdraw their application and be repaid their application monies. The Entitlement Offer includes a shortfall facility under which Eligible Shareholders (defined below) that have taken up their full entitlement under the Entitlement Offer can apply to take up additional Securities in excess of their pro rata entitlement (Shortfall Offer). The Shortfall Offer may also be offered to third parties introduced by the Company. The Shortfall Offer is a separate offer made pursuant to the Prospectus and will remain open for up to three (3) months following the Closing Date, at the discretion of the directors. The Shares issued under the Shortfall Offer will have the same terms as those issued under the Entitlement Offer. The Entitlement Offer is open to all eligible shareholders who have a registered address within Australia and New Zealand and who hold shares on the Record Date (Eligible Shareholders). The Entitlement Offer will close on Monday, 28 April 2025 (unless extended), and Eligible Shareholders can apply for shortfall in excess of their entitlement. All Shares issued will rank equally with existing Shares on issue and the Company will apply for quotation of the new Shares issued pursuant to the Entitlement Offer. A personalised Entitlement and Acceptance Form will be sent to Eligible Shareholders shortly after the Record Date. Eligible Shareholders should consider the Prospectus in deciding whether to acquire Securities under the Entitlement Offer and will need to follow the instructions on the Entitlement and Acceptance Form that will accompany the Prospectus.

The funds raised under the Entitlement Offer will be used to advance exploration and development of the Buena Vista and Palmares Projects and for general working capital purposes.

The Board announced that, in order to conserve the Company's cash reserves, as of 1 January 2025, Mr Neil Goodman transitioned from the role of managing director of the Company to a non-executive role, and Mr Goodman, along with Mr Lekkas and Mr Martino have also agreed to each restructure their current remuneration to receive \$5,000 (excluding GST) per month and be issued,

subject to shareholder approval, six months' remuneration in Shares in accordance with their previous remuneration rates. The Board now consists of three non-executive directors.

UPDATE ON BRAZIL RARE EARTHS PROJECT

Magnum announced an agreement to acquire 100% of the issued shares of Palmares Estudos Geologicos LTDA (Palmares) from Beko Invest Limited on 21 November, 2024 ("Magnum Secures Major Rare Earths Landholding in Brazil"). The above agreement envisaged a Due Diligence period that would be completed by 31 January, 2025; however the thoroughness of the Due Diligence process that Magnum is undertaking required the completion date was extended by two months to 31 March, 2025. This extension has been required to enable:

- Brazilian government agencies to supply the requisite documentation on lease ownership; and
- Magnum's Brazil based team to have sufficient time to engage with stakeholders and fulfil ESG requirements.

The Christmas and New Year period also delayed the Due Diligence process, however Magnum does not at this stage envisage any difficulties in completing the Due Diligence process positively and completing the acquisition of the Rare Earth Element projects from Palmares. In line with this acquisition and the continuing development of other existing projects, it is the intention of the Company to undertake an appropriate capital raising to fund the development and growth of these important and strategic projects. The Company is also still pursuing discussions with potential investors and joint venture partners for the production of green steel pig iron globally via its directors and consultants. In this regard Mr Neil Goodman is currently negotiating extended agreements with the new owners of the HIs melt technology and reviewing the recent developments of the new plants being built in China.

CO-OPERATION AGREEMENT FOR GREEN INDUSTRY SYNERGY WITH WICKERS GROUP

Magnum announced the signing of an agreement with the Wickers Group of Sweden (Wickers) www.wickers.se for the joint development of a novel combination of technologies to produce pulp, bio-chemicals and green pig iron. Wickers has experience in designing, building and operating Pulp and Paper plants and associated co-product technologies in Europe. One of the co-products of a Pulp and Paper Plant is biochar that can be used in a HIs melt furnace to smelt iron ore and produce green pig iron. Further synergy will be effected by the transfer of excess steam from the HIs melt plant to provide heat for the Pulp and Paper Plant. This Agreement establishes the material terms and conditions on which Magnum and Wickers shall work cooperatively to develop projects that will combine a Pulp and Paper plant with a HIs melt plant to produce pulp, lumber, bio-chemicals and "green" pig iron in Europe and/or North America during a two year period from the date of the Agreement (subject to further extension if required).

SAUDI GREEN PIG IRON PROJECT

Magnum continued negotiations with potential investors to advance its Green Pig Iron Project in Saudi Arabia¹. That agreement envisages the construction of a Hismelt plant that will be fed by steel mill waste augmented by magnetite from the Company's proposed Buena Vista Magnetite mine. Negotiations with a Saudi steelmaking company are progressing and although Magnum is confident that these negotiations will come to an agreeable conclusion, Magnum is concerned that it is taking more time than anticipated.

RESULTS OF GENERAL MEETING

Magnum advised that all resolutions put to the General Meeting of Shareholders on 31 March 2025, were passed without amendment. In accordance with ASX listing rule 3.13.2 and section 251AA(2) of the Corporations Act 2001 (Cth), details of the Resolutions and the proxy votes received in respect of each Resolution are set out in the attached proxy summary.

Resolution details		Instructions given to validly appointed proxies (as at proxy close)				Number of votes cast on the poll (where applicable)			Resolution Result
Resolution	Resolution Type	For	Against	Proxy's Discretion	Abstain	For	Against	Abstain*	Carried / Not Carried
1 Approval to issue Shares to Beko Invest Ltd	Ordinary	20,904,280 48.78%	19,905,307 46.46%	2,038,934 4.76%	8,000,000	54,673,888 71.72%	21,555,432 28.28%	8,000,000	Carried
2 Approval to issue Shares to StarGroup Limited	Ordinary	20,894,280 48.77%	19,905,307 46.47%	2,038,934 4.76%	8,010,000	54,022,772 71.48%	21,555,432 28.52%	8,010,000	Carried
3 Approval to issue Shares to Interminico Services Limited	Ordinary	20,888,280 48.77%	19,905,307 46.47%	2,038,934 4.76%	8,016,000	54,016,772 71.48%	21,555,432 28.52%	8,016,000	Carried
4 Approval to issue Shares to The Market Link	Ordinary	32,898,280 89.24%	1,611,343 4.37%	2,354,935 6.39%	13,983,963	66,342,773 95.31%	3,261,468 4.69%	13,983,963	Carried
5 Confirmation of appointment of Auditor	Ordinary	39,548,159 92.31%	1,255,428 2.93%	2,038,934 4.76%	8,006,000	74,326,776 98.34%	1,255,428 1.66%	8,006,000	Carried
6 Approval for future issue of Shares	Ordinary	40,056,255 80.36%	7,743,332 15.53%	2,048,934 4.11%	1,000,000	73,194,747 88.63%	9,393,457 11.37%	1,000,000	Carried
7 Increase in total aggregate Remuneration for Non-executive Directors	Ordinary	17,682,432 61.71%	8,982,307 31.35%	1,988,934 6.94%	20,010,000	50,760,924 82.68%	10,632,432 17.32%	20,010,000	Carried
8 Approval to issue Shares to Athan Lekkas in lieu of Director Fees	Ordinary	26,736,372 72.93%	7,888,367 21.51%	2,038,934 5.56%	12,000,000	61,514,989 88.63%	7,888,367 11.37%	12,000,000	Carried
9 Approval to issue Shares to Luke Martino in lieu of Director Fees	Ordinary	26,736,372 72.93%	7,888,367 21.51%	2,038,934 5.56%	14,184,848	61,514,989 88.63%	7,888,367 11.37%	14,184,848	Carried
10 Approval to issue Shares to Neil Goodman in lieu of Director Fees	Ordinary	26,736,372 72.93%	7,888,367 21.51%	2,038,934 5.56%	12,000,000	61,514,989 88.63%	7,888,367 11.37%	12,000,000	Carried
11 Approval to issue Shares to Athan Lekkas	Ordinary	25,682,432 70.07%	8,932,307 24.37%	2,038,934 5.56%	12,010,000	60,461,049 87.13%	8,932,307 12.87%	12,010,000	Carried
12 Approval to issue Shares to Luke Martino	Ordinary	25,692,432 70.08%	8,932,307 24.36%	2,038,934 5.56%	14,184,848	60,471,049 87.13%	8,932,307 12.87%	14,184,848	Carried
13 Approval to issue Shares to Neil Goodman	Ordinary	25,692,432 70.08%	8,932,307 24.36%	2,038,934 5.56%	12,000,000	60,471,049 87.13%	8,932,307 12.87%	12,000,000	Carried
14 Approval of Grant of Potential Termination Benefits to Neil Goodman	Ordinary	25,766,721 72.24%	7,858,018 22.04%	2,038,934 5.72%	13,000,000	58,895,213 86.10%	9,508,143 13.90%	13,000,000	Carried
15 Approval for Athan Lekkas to participate in Shortfall Offer	Ordinary	35,694,395 90.00%	1,930,344 4.86%	2,038,934 5.14%	9,000,000	70,473,012 97.33%	1,930,344 2.67%	9,000,000	Carried
16 Approval for Luke Martino to participate in Shortfall Offer	Ordinary	35,694,395 90.00%	1,930,344 4.86%	2,038,934 5.14%	11,184,848	70,473,012 97.33%	1,930,344 2.67%	11,184,848	Carried
17 Approval for Neil Goodman to participate in Shortfall Offer	Ordinary	35,694,395 90.00%	1,930,344 4.86%	2,038,934 5.14%	9,000,000	70,473,012 97.33%	1,930,344 2.67%	9,000,000	Carried
18 Approval to issue Options in consideration for lead manager services provided by Indian Ocean Securities Pty Ltd	Ordinary	17,854,407 64.55%	7,770,332 28.08%	2,038,934 7.37%	23,184,848	52,633,024 87.14%	7,770,332 12.86%	23,184,848	Carried

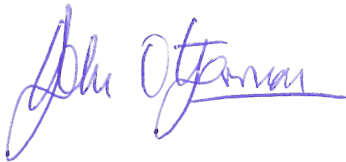
¹ ASX:MGU "Funding Round for Green Pig Iron Project in Saudi Arabia", 13 May, 2024

APPENDIX 5B

In accordance with ASX Listing Rule 5.3.2, the Company advises that no mining development or production activities were conducted during the March 2025 Quarter.

As set out in the attached Appendix 5B, exploration expenditure during the quarter totaled A\$136,200. Payments to related parties during the March 2025 quarter were A\$34,840.

This document has been authorised for release to the ASX by the Company's Board of Directors.



Further information please contact:

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