



Clarification to Update provided 23 August, 2021.

In the announcement made to the market on July 28, 2021, MGU advised that SRK consulting had completed the mining plan and the pit design for the Magnum Mining DSO.

That same announcement also referred to the signing of a Mandate Letter and Indicative term sheet with Anglo American. Phase 1 of this was to sell 530,000 to 800,000 tonnes of Iron Ore (DSO) to be paid on a secured prepayment basis.

The announcement made on August 23, 2021 advised that Magnum will provide greater focus on Phase 2 of the project including HBI and green pig iron. This higher value product has always been the main objective and focus for Magnum.

For clarification to the market, Magnum would like to advise the following:

SRK have designed the mining plan with Phase 2 in mind. This activity has been completed.

Anglo American understands the Phase 2 focus, with the Mandate Letter and Term Sheet signed applicable to both phases. As announced on August 23, the DSO is unlikely proceed as planned due to the iron price, and will be on an opportunistic basis depending on the international market price. The work undertaken for DSO phase 1 is not lost and relevant for phase 2. Anglo American are very much committed to the Green Iron production strategy.

Magnum is working towards a Bankable Feasibility Study (BFS) which will provide the basis required to achieve the Green Iron production.

For further information, please contact:

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A handwritten signature in black ink, appearing to be "JD", written in a cursive style.

John Dinan
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