14 July 2020

Capital Raising

The Board of Magnum Mining and Exploration Limited (ABN 70 003 170 376) (ASX:MGU) ("Magnum") is pleased to advise that it has undertaken a small placement as a pre-cursor to the potential development of the Company's Gravelotte emerald project located in South Africa.

Pursuant to the placement MGU has received commitments to raise $250,000 (before costs) through a share placement of 8,333,333 shares at an issue price of $0.03 per share which represents a 14% discount to both the last traded price and the volume weighted average price over the 15 days prior to the Company's trading halt, as per ASX announcement dated 13 July 2020.

The placement will be utilised using the Company's placement capacity under ASX Listing Rule 7.1 and the shares will be issued without disclosure to sophisticated investors in Australia.

Each share issued pursuant to the placement will have a free attaching listed option, such option exercisable at $0.05 no later than 30 September 2022.

Shares issued from the placement will rank equally with the fully paid ordinary shares currently on issue.

The Gravelotte project is in the final stages of test work prior to commencing the potential development of this project in or around the final quarter of 2020. The funds raised from the placement will be used to finalise the current processing testing, further advance ongoing pre-development activities and assist with corporate and administration expenses.

This announcement is authorised for release to the market by the Board of Directors of Magnum Mining & Exploration Limited.

Magnum Mining and Exploration Ltd

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Grant Button
Managing Director