



MAGNUM ACCELERATING GREEN HYDROGEN STRATEGY

- **MGU signs agreement with AVF Energy Inc to build a Green Hydrogen plant on site at the Magnum facility.**
- **MGU signs marketing agreement to sell and distribute Magnum's magnetite, Hot Briquetted Iron (HBI) and High Purity Iron (HPI) products in the USA and internationally.**
- **MGU announces strategy for Buena Vista iron ore project with focus on producing GREEN environmentally friendly steelmaking products for the USA domestic steel market and potential export.**

Magnum Mining and Exploration Limited ("Magnum" or "Company") is pleased to announce that it is accelerating development of its magnetite mine development and compressed its Project timeline by signing an exclusive **Green Hydrogen** supply agreement with AVF Energy Inc ("AVF"). AVF is a registered company in Nevada that will produce Green Hydrogen from waste on a commercial scale for the Magnum steelmaking facility. AVF is very active in the green hydrogen market having executed MOU agreement with NYSE listed Dominion (US\$60 billion infrastructure Co) as equity partner in a green hydrogen production project in the United States of America.

AVF has agreed to fund and build a commercial scale green hydrogen plant on the Magnum site in Nevada. The agreement provides Magnum with Green Hydrogen, at a 10% discount to market rates, for the manufacture of 'green friendly' Hot Briquetted Iron (HBI) and High Purity Iron (HPI) products for supply to the **US domestic steel market** and battery industry.

The agreement is on an exclusive basis for the hydrogen supply to the territory of Nevada. Magnum has the right to seek 3rd party Hydrogen supply agreements should AVF be unable to meet the delivery schedules and quantities required by Magnum.

Magnum has also signed a non-exclusive sales and marketing agreement with M Resources Trading Pty Ltd to act as Magnum's sales agent in the United States in relation to sales of all Magnetite, HBI, HPI, pig iron and steel produced from the mine or Integrated Steel Complex. Magnum will pay between 1% and 1.5%, to be agreed, of the sales revenue paid monthly to M Resources in arrears following receipt of payment from the customer. Magnum will also issue 20,000,000 stock options with 3-year duration with a strike price of \$0.20 to M Resources.

M Resources specialises in steelmaking raw materials globally and was established in 2011 with employees in Australia, United States, Europe and South America.

M Resources CEO, Matt Latimore said "We are really excited to be part of this venture through the production and supply of green hydrogen with AVF Energy and Magnum. This project responds to

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the needs of our customers for stable supply of products with a lower carbon footprint and less environmental impact during the production process.”

Dano Chan, the recently appointed Managing Director of Magnum, said “The agreements with AVF Energy allow Magnum to fast track its mining and green steel development for the local domestic market in the United States. The Company is also well positioned to take advantage of the Biden Administration infrastructure stimulus and to service the growing demand for green friendly infrastructure particularly from California.”

A handwritten signature in black ink, appearing to read 'JD', with a stylized, cursive flourish extending to the right.

John Dinan

Company Secretary