



**ASX Release**

**9 December 2020**

## **Strengthening of Board and proposed Capital Raising**

The Board of Magnum Mining and Exploration Limited (ABN 70 003 170 376) (ASX:MGU) ("Magnum") is pleased to advise that Mr Gordon Toll and Mr Athan Lekkas have agreed to join the board of Magnum to provide additional expertise for the development of the Buena Vista magnetite project.

Mr Toll is Mining Engineer with over 50 years' experience in iron ore having commenced with BHP in 1968 before working for RIO and then developing mining projects in Australia, Mongolia, Brazil, Venezuela and Indonesia. Mr Toll has particular expertise in magnetite having been involved in the corporate restructure of the Savage River magnetite operations in Tasmania in the late 1990's and was former Chairman of Fortescue Metals Group.

Mr Toll also has extensive experience with financing iron ore projects and the bringing together of emerging producers with steel mills to facilitate the purchase of product.

Mr Lekkas will bring to the Magnum board many years of investment banking expertise across a wide range of activities including cross border transactions, project funding and the structuring of acquisitions, joint ventures and corporate advisory transactions. Most recently, Mr Lekkas was a key participant in the identification and funding of the acquisition of the Agbaja Iron Ore project in Nigeria which is a potential integrated mining and steel production opportunity.

It is intended that both Mr Toll and Mr Lekkas will join the board in or around mid-January 2021.

Magnum is also pleased to advise that it has received a binding commitment for the placement of 50,000,000 new fully paid ordinary shares ("New Shares") at an issue price of \$0.04 by Melbourne based securities advisory firm First Growth Advisory.

The New Shares will be placed to eligible sophisticated and institutional investors and raise \$2.0 million (before costs). Each New share will have a 1:2 listed option entitlement (options exercisable at \$0.05 on or before 30 September 2022) with the options issued at nil cost.

The placement will be undertaken to fund the newly acquired Buena Vista magnetite project's feasibility study, continue pre-development activities at the Gravelotte emerald project and provide general working capital.

The placement of New Shares is subject to the satisfactory completion of the due diligence of the Buena Vista acquisition and Shareholders approving all resolutions related to Listing Rule 7.1 at a general meeting that has been convened for 11 January 2021.

The New Shares to be issued will rank equally with the fully paid ordinary shares currently on issue.

**Magnum Mining & Exploration Ltd**

ABN: 70 003 170 376

Suite 2, Churchill Court, 234 Churchill Avenue, Subiaco WA 6008 PO Box 8209, Subiaco East WA 6008

Tel: +61 8 6280 0245 Fax: +61 8 9381 2855 Email: [info@mmel.com.au](mailto:info@mmel.com.au) Web: [www.mmel.com.au](http://www.mmel.com.au)

It is anticipated that the New Shares will be issued on or around 15 January 2021.

The addition of Mr Toll and Mr Lekkas to the board of Magnum, together with the additional funds raised through the proposed placement will play an important role in assisting the Company's existing technical team, headed by Simon Baldwin, to fast track the completion of an updated feasibility study and potential funding for the development of the Buena Vista magnetite project.

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

**Magnum Mining and Exploration Ltd**

A handwritten signature in black ink, appearing to read "G. Button". The signature is written in a cursive style with a large initial "G".

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**Grant Button**  
**Managing Director**