



22 January 2021

## **Buena Vista – Decision to Purchase**

The Board of Magnum Mining and Exploration Limited (ABN 70 003 170 376) (ASX:MGU) ("Magnum") is pleased to advise that it has today completed its due diligence of the Buena Vista iron ore project (Buena Vista or the Project) and has made the decision to proceed with the acquisition.

Buena Vista provides to the Company a "shovel ready" magnetite iron ore opportunity where over A\$34 million has been expended over the past decade completing feasibility studies and permitting for the long term production of a +67.5 % Fe magnetite concentrate with no deleterious impurities.

Major technical work such as drilling, metallurgy, hydrogeology, plant design and logistics have already been completed.

The Company proposes to update the previous feasibility studies capital and operating expenditure estimates and concurrently explore funding options available to move Buena Vista to production status.

The consideration for the acquisition is up to \$A7.0 million with \$A5.5 million linked to key project milestones including an updated feasibility study, securing development finance, and achieving certain production targets. Full details of the terms and cost of the acquisition are contained in the ASX release dated 12 October 2020.

Commenting on the decision to purchase CEO Grant Button said: "Buena Vista provides Magnum Mining with a transformational opportunity in a highly sought after commodity and the Board is primed and ready to advance the project as quickly as possible to deliver the greatest possible value to shareholders"

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**

**Magnum Mining & Exploration Ltd**

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