



LOGISTIC REVIEWS PROGRESS AT BUENA VISTA

HIGHLIGHTS

- Identification of optimal rail load out site progressing; down to two candidates
 - Discussions with rail providers advances; rail design to begin
 - Options for mine to railroad haulage crystallises as costs defined
 - Multiple port options verified; bespoke port services partner identified
 - Arrowhead initiates coverage of Magnum
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Magnum Mining & Exploration (ASX: MGU, "Magnum" or "the Company") is progressing its logistics studies in support of a mine start-up at the Buena Vista Iron Project in Nevada, USA ("the Project"). Work is focussed on the following logistics activities:

- Rail load out facilities, including:
 - Choice of the optimal location of the facility
 - Identification of available land and utilities to support the loadout operation
 - Advisory talks with rail providers on access to Right of Way land, spur lines, switching, and capacities
- Magnetite concentrate haulage, including:
 - Optimal route identification
 - Road access and maintenance agreements with the local counties
 - Upgrade and road maintenance costs
 - Traffic studies to support the safe operation of the proposed haulage operation
- Progression of negotiations with port operators for the receipt, storage, and ship loading of Buena Vista Direct Reduction Iron (DRI) grade magnetite concentrates.

RAIL LOADOUT SITE

The Buena Vista Iron Project has access to two sites suitable for a product loadout facility: Colado and Huxley. Colado is approximately 41km from the mine site while Huxley is 65km (Figure 1). Discussions are ongoing with the rail operators that service both sites. Magnum owns land at both sites, however more suitable land is available at Colado with negotiations begun to gain access to it.

Loadout design, including the installation of rail switches and spur lines, is ongoing. Rail switches and spur lines will require access to rail land. Discussions on access are advancing. A final decision on choice of loadout site will be made once all costings are received.

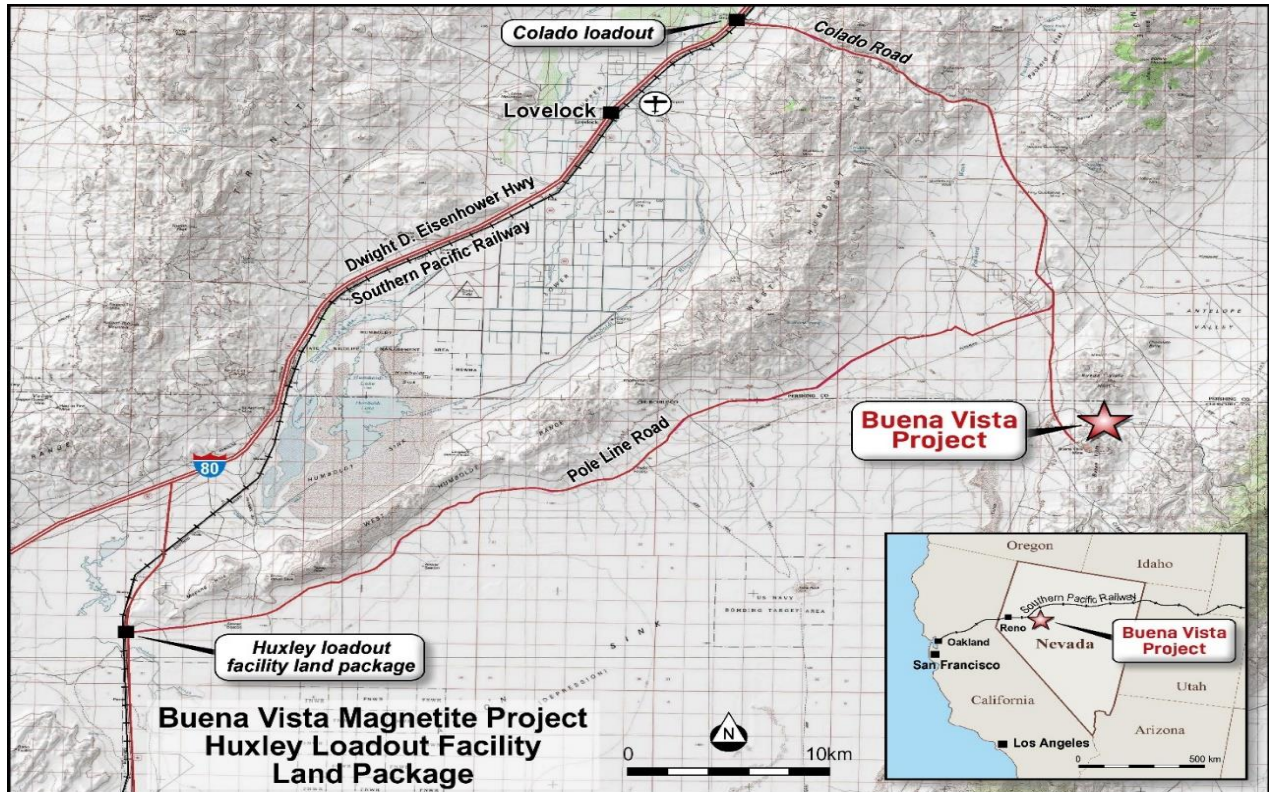


Figure 1 Buena Vista DRI magnetite concentrate will be road hauled to a rail load out site at either Colado or Huxley. A decision on which site will be used has not yet been made.

HAULAGE

Magnetite concentrate will be transported to the preferred rail loadout site by standard truck haulage on existing county roads. Road access and maintenance agreements are being negotiated with the two counties impacted. A traffic survey has been completed on the Huxley site where the haul trucks may need to cross an interstate highway if an alternative method of crossing is not implemented. A cost estimate for capital works to bring the Huxley site access road up to heavy haulage standard has been received. The Colado site is accessed by high quality graded dirt road and sealed road which includes an overpass over the interstate highway.

PORT

The Project has direct rail access to a number of Pacific coast ports. Additional facilities have been identified recently that promise to deliver a more bespoke, and so more economic, service to the Company.

BACKGROUND

The Buena Vista Iron Project was the subject of a successful Feasibility Study in 2011¹. The deterioration in iron ore prices that started in 2011 and reached its nadir at the start of 2016, saw the project shelved and ultimately sold. With the acquisition of the Project by Magnum, a systematic re-evaluation of the Project's parameters has been undertaken. The most critical of these reviews was an assessment of the processing flow sheet. The assessment underpinned the issuing of a Scoping Study-level validation of the Project². Importantly, the Board of the Company felt it prudent to restrict the category of the study update to the Scoping Study level, as other areas on which production depends, such as logistics, had not yet been reviewed and updated to present day costs.

Magnum is moving diligently through every aspect of the Project to ensure it is delivered at the lowest cost and highest profit margin possible.

"Project logistics represents a significant part of the cost base of the Buena Vista Iron Project. The work being done now in optimising this area of operations has the potential to deliver positive leverage to the Project's bottom line." observed Mr Neil Goodman, CEO of Magnum, continuing: *"The results to date show that positive impact is on track to be realised."*

ARROWHEAD INITIATES COVERAGE OF MAGNUM AND ITS FLAGSHIP PROJECTS

Arrowhead Business and Investment Decisions, LLC ("Arrowhead") has initiated coverage of Magnum and the two projects it is focussed on in bringing into production.

The maiden research report produced by Arrowhead provides an in-depth summary of Magnum's projects with an emphasis on the basis of implied premium and source of risks ("Research Report"). Arrowhead has provided an independent implied valuation of Magnum, subject to the assumptions made in the Research Report.

The full Research Report may be accessed on the Company's web site at www.mmel.com.au, and is also available via the Arrowhead web site at www.arrowhead.bid/ASX.MGU.

ABOUT ARROWHEAD

Arrowhead is a provider of equity research and investor relations services. Arrowhead covers several industries and sectors from metals and mining to energy, healthcare and technology. Arrowhead also operates the financial information platform www.arrowhead.bid.

Arrowhead specialises in Due Diligence and Valuation, Investor Relations, Corporate Access, Metals and Mining, Oil and Gas, Energy, Life Sciences, Biotech, Equity Research, and Alternative Energy. Arrowhead was founded in 2008 and is headquartered in New York, New York.

¹ ASX:RHM "Richmond delivers positive feasibility study on the Buena Vista Iron Project", 9 May, 2011.

² ASX:MGU "Positive Scoping Study validates Buena Vista Iron Project, 14 August, 2023.

NEXT STEPS

Magnum is advancing discussions on rail, road, and port. The Company expects these discussions to culminate in agreements that will result in binding contracts should the Board issue a Decision to Mine.

Magnum is pursuing options that seek to bring Buena Vista Iron Project online in the shortest and most economical way possible. The Project is being designed to produce Direct Reduction Iron grade concentrate. DRI feeds are in increasing demand as steel mills seek to reduce their emissions by moving to low carbon technologies. Very high grade iron, which can currently only be sourced easily from magnetite ore, is a critical feed for those technologies.

Magnum also holds a licence to build and operate a HIs melt plant, an industry disrupting technology that can produce green pig iron through the use of renewable biomass³. HIs melt can produce green pig iron now and not wait on the complexly evolving hydrogen reduction technologies being pursued elsewhere. The Company's strategy is to deploy HIs melt to take advantage of steel mills' deepening appetite for green pig iron.

³ ASX:MGU "Magnum Secures Pathway to HIs melt License", 18 May, 2023.

CAUTIONARY STATEMENTS

The Research Report produced by Arrowhead has been commissioned by Magnum. The Company has received consent from Arrowhead regarding the publication of the information contained in the Research Report.

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This release contains “forward-looking information” that is based on the Company’s expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to studies, the Company’s business strategy, plan, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as ‘outlook’, ‘anticipate’, ‘project’, ‘target’, ‘likely’, ‘believe’, ‘estimate’, ‘expect’, ‘intend’, ‘may’, ‘would’, ‘could’, ‘should’, ‘scheduled’, ‘will’, ‘plan’, ‘forecast’, ‘evolve’ and similar expressions. Persons reading this news release are cautioned that such statements are only predictions, and that the Company’s actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to general business, economic, competitive, political and social uncertainties; the actual results of current development activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of metals; failure of plant, equipment or processes to operate as anticipated; accident, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities. This list is not exhaustive of the factors that may affect our forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information.

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BY ORDER OF THE BOARD

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