



22 January 2021

## 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 received binding commitments for a placement of 50,000,000 new fully paid ordinary shares ("New Shares") to eligible sophisticated and institutional investors to raise \$2.0 million (before costs).

The shares will be issued at \$0.04 which is a 24% discount to the 20 day volume weighted average price over the 20 days prior to the Company's trading halt, as announced to ASX on 19 January 2021.

Each New share will have an attached 1:2 listed option (options exercisable at \$0.05 on or before 30 September 2022) with the options issued at nil cost ("Placement Options").

In addition, 25,000,000 listed options (options exercisable at \$0.05 on or before 30 September 2022) are to be issued at nil cost to the Lead Manager of the placement ("Lead Manager Options").

The placement has been undertaken to fund the newly acquired Buena Vista magnetite project's feasibility study and provide general working capital.

The Company advises that it will not utilise its available capacity under rule 7.1 or the 50,000,000 shares approved under rule 7.4 at the general meeting held on 11 January 2021, to issue these shares and options. Instead the Company intends to call a general meeting to be held on or around late February-early March to seek shareholder approval for the issue.

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

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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