



APPOINTMENT OF MANAGING DIRECTOR

- **Mr Dano Chan, a leading steel industry executive with extensive North American experience, is appointed as Managing Director of MGU with immediate effect.**
- **Mr Chan has a distinguished track record in iron ore mining, steel production, trading, marketing and supply chain management in the USA, Canada and Mexico. He has held senior executive roles with Kumba Iron Ore, Glencore and Noble Group.**
- **MGU will focus on producing environmentally friendly steelmaking products primarily for the USA domestic market utilizing magnetite ore from the Company's permitted Buena Vista iron ore project.**

Appointment of Mr Dano Chan as Managing Director of MGU

The board of Magnum Mining Resources (MGU or the Company) is pleased to announce the appointment of Mr Dano Chan as Managing Director, effective immediately. Mr Chan joined the Board of MGU on 12th April 2021. (see ASX Announcement "Buena Vista Project Update and Board Changes".)

Mr Chan brings over 30 years of experience in steelmaking raw materials to the company and has held senior positions in Glencore AG, Noble Resources and Iscor/Kumba Resources SA. These roles have covered production, research and development, business development, trading, marketing and logistics. His qualifications include a Bachelor of Science (Chemical Engineering) obtained from the University of Utah, USA.

His appointment as Managing Director is a key step in driving the company's revised strategy to become a US focused domestic producer of value added and environmentally friendly steelmaking raw materials. Details of Mr Chan's terms of appointment are attached to this announcement as Schedule A.

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Buena Vista – Focus on Environmentally Friendly and Value-Added Steelmaking Products for the US Domestic Market

The Buena Vista project has a number of key strategic advantages for producing 'green friendly' value added products such as Hot Briquetted Iron (HBI) and High Purity Iron (HPI) to supply to the US domestic steel and battery industry. This domestic base will also allow the Company to become the only iron product exporter from the US west coast to buyers in Japan, Korea and China.

The key strengths that underpin this revised strategy include:

- A permitted mine and plant in compliance with State and Federal laws.
- A well understood and low impurity resource with substantial drilling and metallurgical test work already completed.
- Readily processed ore, which allows low-cost liberation to high grade concentrates.
- A substantial land holding, acquired in advance of the rapidly rising cost of land in Western Nevada.
- Substantial water rights.
- Proximity to energy infrastructure and major rail routes.
- Proximity to a number of towns offering a base of accommodation, labour and supplies.
- Located in a region of substantial imports of steelmaking raw materials and increasing focus on reduced carbon footprint for steelmaking.
- The recently announced Biden administration infrastructure stimulus package comes at a time of growing awareness of the importance of domestic supplies of key raw materials.
- Nevada was recently voted the number 1 Mining Jurisdiction in the Fraser Institute survey of global mining jurisdictions.

Mr Chan is undertaking a review of appropriate 'green steel' processing technologies available to the Company, including due diligence on technology partners. Further announcements will be made available to shareholders in future announcements.



John Dinan

Company Secretary

Schedule A

Contractual Terms: Appointment of Managing Director

Mr Dano Chan's key contractual terms are set out below:-

Annual Remuneration

Mr Chan will be paid an annual salary of \$240,000, paid monthly in arrears

Termination Provisions

MGU and Mr Chan have agreed a 3-month mutual termination notice period.

Equity based Incentives

Mr Chan is also entitled to the following equity based incentives.

Subject to all necessary shareholder approvals being obtained, Mr Chan or his nominee will be issued 2,000,000 MGU shares, escrowed for 12 months from the date of their issue.

Subject to all necessary shareholder approvals being obtained, the achievement of certain milestones and Mr Chan remaining as a Director at the time of achieving those milestones, Mr Chan (or his nominee) will be issued the following share options to acquire ordinary shares in MGU

Timeframe	Options	Terms
0-12 months from appointment	6,000,000	3 year dated, 20 cent exercise price from date of issue.
	10,000,000	3 year dated, 30 cent exercise price from date of issue.
	10,000,000	3 year dated, 40 cent exercise price from date of issue.

