



ASX Release: 29/08/2022

\$5 MILLION CAPITAL RAISING

HIGHLIGHTS:

- **Firm commitments received for a \$5 million capital raising (before costs)**
- **Significant interest from institutional and sophisticated investors**
- **Funds raised to accelerate Magnum's Bankable Feasibility Study and continue development at its Buena Vista Magnetite Project**

Magnum Mining and Exploration Limited (ASX:MGU) ("**Magnum**" or "the **Company**") is pleased to announce it has received firm commitments from institutional and sophisticated investors, subject to shareholder approval, for a placement of up to 142,857,142 fully paid ordinary shares ("**Shares**") in the Company at an issue price of A\$0.035 per Share to raise gross proceeds of \$5 million (before costs) ("**Placement**"). As part of the Placement, the Company also offered investors one (1) free attaching option to acquire a Share (exercisable at \$0.05 and expiring on the date which is three (3) years from the date of issue) for every two (2) Shares subscribed for and issued ("**Options**").

Commenting on the success of the Placement, Magnum CEO Neil Goodman said:

"Our highly experienced management team and new additional funding will provide the resources required to commence its Bankable Feasibility Study. I welcome the new institutional investors that support Magnum's strategic plans as it moves closer to becoming a green pig iron producer."

The Placement was strongly supported by the Directors and introduced a number of high net-worth investors and institutions to the Magnum register. The Shares and Options pursuant to the Placement will be issued subject to shareholder approval at a general meeting to be held on or around 7 October 2022 ("**General Meeting**").

Funds raised from the Placement will be used to start the Company's Nevada Iron Bankable Feasibility Study and to progress the advancement of a drilling campaign at the Company's Buena Vista Magnetite Project.

Magnum Mining & Exploration Limited

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FEES PAYABLE IN RELATION TO THE PLACEMENT:

Shape Capital Pty Ltd and KG Capital Partners Pty Ltd acted as Joint Lead Managers to the Placement and will receive a fee of up to 6% of all funds raised under the Placement, less fees paid to participating AFSL holders.

The Company has also agreed to grant 30,000,000 unlisted Options to KG Capital (or its nominees) as a success fee, post completion of the Placement ("**KG Options**"). The KG Options will be awarded on the same terms as the Options issued under the Placement. The grant of the KG Options is subject to shareholder approval which will be sought at the General Meeting.

This announcement effectively lifts the trading halt that the Company requested on 24 August 2022. The Company is not aware of any reason why the ASX would not allow trading to recommence immediately.

-ENDS-

This announcement has been approved by the Board.

Magnum Mining and Exploration Limited

A handwritten signature in black ink, appearing to be 'JD', written in a cursive style.

John Dinan
Company Secretary
August 29, 2022

Email: info@mmel.com.au

Magnum Mining & Exploration Limited (ASX: MGU)