ASX ANNOUNCEMENT

26 MARCH 2025

RAZORBACK PROJECT MINING LEASE PROPOSAL LODGED

HIGHLIGHTS

- **Magnetite Mines has submitted a Mining Lease Proposal (MLP) to the South Australian Department for Energy & Mining for a mining operation at its flagship Razorback Project.**
- **Embodying many years work, the MLP submission is a crucial milestone in the path to production from Razorback, which is configured to produce 5 million tonnes per year of premium-grade magnetite concentrates suitable for green iron production.**
- **Coinciding with the recently announced Federal Green Iron Fund, Razorback's development positions Magnetite Mines as a first-mover in the state by establishing a long-term magnetite supply foundation for an economy-changing new green iron industry.**
- **The Mining Lease will provide secure tenure for construction, mining and ore processing operations and highlights the Company's commitment to developing Razorback as well as confirming the technical and regulatory maturity of the Project.**

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Magnetite Mines Managing Director, Tim Dobson said:

"We are delighted to have reached this critical milestone for Razorback, setting in motion the development pathway for our flagship project. Our team and consulting partners have completed a comprehensive and high-quality MLP submission commensurate with the large-scale, long-life aspects of our future Razorback mine.

"Razorback's development timing is well positioned to coincide with both the emerging international demand for premium-grade iron ore concentrates and the green iron industry ambitions of State and Federal Governments, recently underlined by a Federal billion-dollar Green Iron Fund announcement.

"The MLP submission represents not only the starting line for iron ore mining at Razorback, but the opening of an entire new Australian mining province with the potential to support green iron production and export for generations into the future, and the profound economic prosperity that comes with that."

Magnetite Mines Limited (ASX:MGT) is pleased to announce it has today lodged a Mining Lease Proposal (MLP) with the South Australian Department for Energy & Mining (DEM), compiled in accordance with the State's *Mining Act 1971* (Mining Act).

The MLP represents a formal application by the Company for the granting of a Mining Lease (ML) that will provide secure tenure for the establishment of mining and processing operations at the Company's 100%-owned Razorback Iron Ore Project, located 240km northeast of Adelaide in South Australia's Braemar Iron Formation.

Comprising almost 900 pages, the MLP is a substantial body of work that represents years of technical, economic and environmental studies, stakeholder engagement and impact assessments. This work has resulted in a proposal that will ensure sustainable construction, operations and eventual closure of the Project in alignment with best practice mining principles.

DEM will now commence a validity assessment for the MLP that is expected to be completed in the second quarter of this year and will be followed by a public consultation period. The period of time required to complete the approval of the MLP is not prescribed, however DEM has advised that a minimum six-month period is reasonably expected, subject to the complexity of the submission and the nature of stakeholder feedback arising from the public consultation period.

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STRATEGY & TIMING

In 2022, the Company identified Razorback's potential to produce premium-grade concentrates suitable for green iron production, in response to forecast increasing global demand arising from the steelmaking industry's transition to Direct Reduced Iron (DRI) technology to meet decarbonisation commitments.

At that time, Magnetite Mines reset its strategy to take full advantage of these market shifts.[1] The Project scope was reconfigured to deliver 5 million tonnes per year (Mtpa) of Direct Reduced (DR)-grade product, with the option to expand to 10Mtpa, and the Company set about completing all the technical and regulatory works required to finalise a MLP. In parallel, a search for strategic and future joint venture partners was commenced.

Since mid-2024, five major developments in support of Razorback's development have been achieved:

1. Magnetite Mines signed a Heads of Agreement with JFE Shoji Australia Pty Ltd (JFE) as the Project's first potential strategic and joint venture partner. JFE Shoji Australia is a wholly owned subsidiary of JFE Shoji Corporation, which in turn is a wholly owned subsidiary of JFE Holdings.[2]
2. The Australian Federal Department of Industry, Science & Resources completed an industry consultation process into new Green Metals industries (Green Alumina and Green Iron & Steel), to which Magnetite Mines made a comprehensive submission.[3]
3. Led by SA Premier Peter Malinauskas, the SA Government released its Green Iron & Steel Strategy and commenced a *'Green Iron Opportunity'* Expression of Interest (EOI) process.[4]
4. Magnetite Mines formed Green Iron SA, a consortium comprising Magnetite Mines, Flinders Ports, Aurizon and GHD, which made a comprehensive submission to the EOI process based on the development of Razorback as foundational and necessary magnetite supply for a new green iron industry in the state.[5]
5. In February 2025, the Australian Federal Government announced a $1 billion Green Iron Fund to incentivise the establishment of a new green iron production industry in Australia that will take advantage of the country's abundant renewable energy and magnetite resources.[6]

Accordingly, the Company views the submission of the Razorback MLP as well-timed to take advantage of both industry and government commitments towards developing an Australian green iron supply chain.

PROJECT DESCRIPTION

The MLP submitted by Magnetite Mines is seeking approval for a ML to accommodate mining and ore processing operations at the Company's Razorback Iron Ore Project, with additional applications for four Miscellaneous Purposes Licences (MPLs) covering adjoining infrastructure and access corridors. The Project site is located approximately 75km east of Peterborough in South Australia's Mid North region in a geological province known as the Braemar Iron Formation.

Figure 1 provides a regional map that shows the proposed ML and MPLs in relation to the town of Peterborough (the Project's principal service hub) and existing major road and rail infrastructure.

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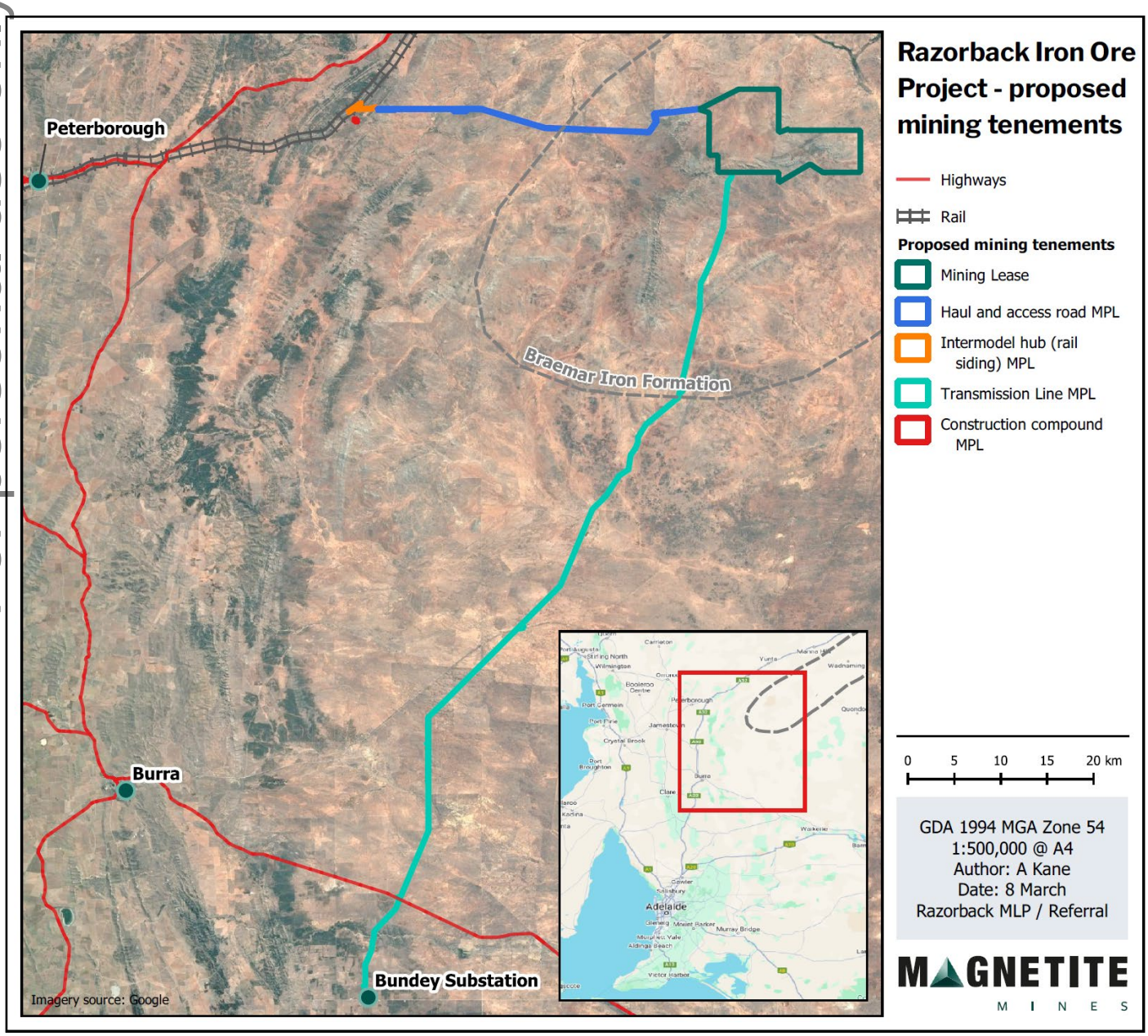

Figure 1 –Razorback Project location showing proposed ML and MPLs in relation to regional infrastructure.

Figure 2 provides an overview of the proposed Razorback Project site 38 years into mining operations, as well as the location of the proposed ML boundary. At this future point in the Project life, operations will have been completed at the Iron Peak deposit (lower right), with the pit and adjoining waste rock dump closed and rehabilitated.

Mining operations at the Razorback deposit are also scheduled to conclude at this time, based on the utilisation of the Tailings Storage Facility (TSF) capacity under the initial design included in the MLP, with the TSF undergoing progressive closure and rehabilitation. The Project's current mine plan enables a 56-year life of mine, and the Company's existing Mineral Resources can support a further 35 years of mining to a total of 91 years of potential production.[7] Supplementary approvals to increase tailings storage capacity, enabling mine life extension, are envisaged during the operations phase.

The ML area has also been configured to include the highly-prospective Iron Peak North and Interzone areas – simplifying the future development of these potential additional resources.

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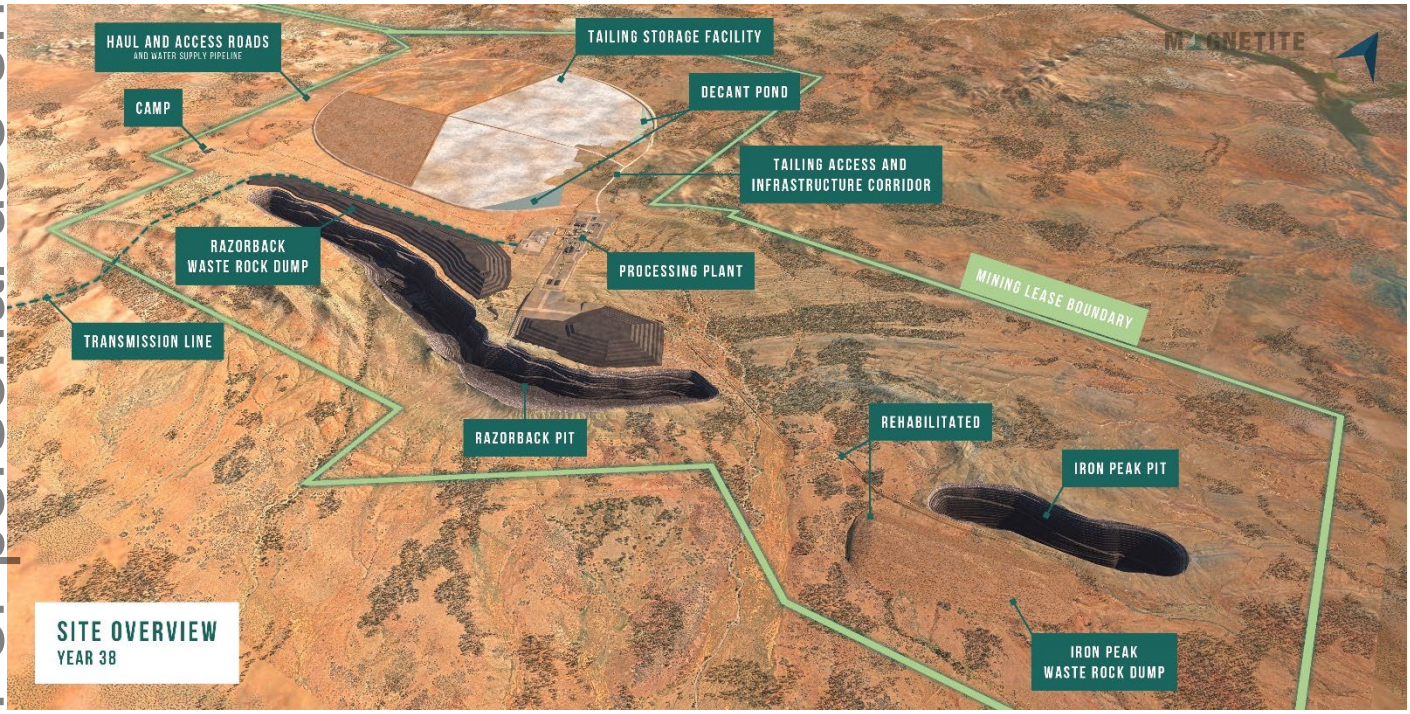

Figure 2 – Artist's impression of Razorback site operations at the end of mining covered by the MLP based on tailings storage facility capacity.

The Project, as described in the MLP submission and additional MPL applications, comprises the following elements:

Mining Operations

- Conventional open cut mining of the Iron Peak and Razorback deposits
- Low strip ratio (waste tonnes: ore tonnes) of 0.42: 1.00
- 35 Mtpa average annual ore production

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Figure 3 – Conventional open pit mining operations will be used to mine the Iron Peak and Razorback ore deposits over an initial 38-year mine life (stock image).

Processing Operations

- 5.2 Mtpa (dry equivalent) average annual magnetite concentrate production rate
- Conventional magnetite beneficiation processing: crushing, grinding, magnetic separation, flotation, filtration
- Tailings storage facility using central thickened discharge deposition method with water recovery

Figure 4 – Conventional magnetite beneficiation technologies will be used for ore processing including wet magnetic separation (stock image).

Non-process infrastructure

- 100-man pioneer camp at Hillgrange Siding to support the commencement of construction
- 400-man camp at Razorback to support construction and operations
- Offices, workshops and bulk stores at Razorback to support operations

Product Logistics

- Construction of ~50km private concentrate truck haulage and site access road
- Intermodal facility at Hillgrange Siding for ore concentrate transfer to rail
- Rail transport (by others) to Port of Whyalla[1]
- Concentrate storage and transfer to bulk-carrier ships (by others) from Port of Whyalla

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Figure 5 – Magnetite concentrates will be loaded on to dedicated ore trains at proposed Hillgrange intermodal facility for transport to port (stock image).

Utilities

- Electricity grid connection: 125km, 275kV electrical transmission line from Bundey Substation to site with substation at Razorback, connecting the Project to the National Energy Market

[1] The Port of Whyalla has been selected as the initial export for Razorback concentrates as it is an existing iron ore export port and does not require greenfield iron ore export facility approvals. Magnetite Mines will continue to investigate alternate port options with a view to optimising the economic performance of the Project. Through its leadership of the Green Iron SA consortium, Magnetite Mines remains committed to the establishment of a magnetite export and green iron hub development at Port Pirie in line with Green Iron SA's submission to the recent Green Iron Opportunity Expression of Interest process initiated by the South Australian government in June 2024.

- Water supply: Coastal-located desalination plant with buried water pipeline to site for the supply of approximately 11GL per year of fresh water for ore processing operations[2]

APPROVALS PROCESS

Under South Australia's Mining Act, the approvals process for the establishment of mining and processing operations at Razorback will be overseen by the lead agency (DEM), including the assessment of matters raised under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). Major components of the approvals process described below:

Mining Lease

The ML will overlap parts of the Company's existing Exploration Licences (ELs), and displace the obligations for the overlapped sections of the ELs with new conditions associated with the ML. The ML has been sized to minimise the land requirement, encompass all aspects of the required operations and future mining opportunities, and to ensure the maximum extent of land can remain accessible for pastoral activities.

Miscellaneous Purposes Licences (MPL)

Together with the MLP, applications for four (4) MPLs are being made to enable the development of the Project's required supporting infrastructure:

1. Concentrate haulage and access road between the Hillgrange Intermodal facility and the Razorback site, including water pipeline corridor
2. Hillgrange Intermodal facility, including rail siding, access road and water pipeline corridor
3. Hillgrange temporary laydown and accommodation compound to support initial construction works
4. Electricity transmission line corridor between Bundey Substation and the Razorback site.

Program for Environment Protection and Rehabilitation (PEPR)

In addition to the ML and MPLs, an approved PEPR is required before construction and operations can commence. While the lease and licences will provide legal tenure for the Company's proposed activities, the PEPR will prescribe the limits and conditions under which those activities will take place. The Company plans to submit its PEPR for approval following grant of the ML.

Environment Protection and Biodiversity Conservation Act 1999

Commonwealth and State regulations have distinct requirements, legal considerations and levels of environmental protection. States and territories are generally responsible for land use, water, pollution control and air quality; however, in some cases, proposed developments require environmental approval under the Commonwealth EPBC Act.

[2] In consultation with DEM, the approval of a water supply for the Razorback Project has been purposefully excluded from the MLP and will be the subject of a separate submission to the Department once the optimum water supply option has been designated.

Magnetite Mines is increasingly confident about the potential to use seawater for ore processing operations and is conducting further studies to confirm the viability of this scenario.[8] Should seawater pumping and pipeline prove to be the optimum water supply option for the Project, then similar discreet infrastructure in terms of a buried pipeline from the coast will be required, however without the expense and complexity of a large desalination plant at the coast.

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Magnetite Mines commenced a self-referral process under the EPBC Act provisions in January 2024. There have been two primary outcomes:

1. A decision that the Project is a 'Controlled Action' for the Mallee Birds of the Murray-Darling Depression Threatened Ecological Community (August 2024); and
2. Confirmation that assessment of EPBC Act matters will be delegated to DEM via an accredited assessment process by the Commonwealth Department of Climate Change, Energy, the Environment and Water.

Water supply approvals

The MLP references a proposed coastal desalination plant and pipeline to Hillgrange as the water supply infrastructure for the Project, which is subject to a separate approvals program. The Company has completed environmental due diligence assessments along with preliminary design and costings for the planned infrastructure.

MAGNETITE MINES' APPROACH TO SUSTAINABLE OPERATIONS

Under our leading f**ore**sight sustainability initiative, Magnetite Mines has undertaken a highly-inclusive approach to the development of the MLP. Our efforts have ensured that stakeholders and communities have contributed to Project design and assessment of environmental, social and cultural matters.

This has been demonstrated in our Memorandums of Understanding with the District Council of Peterborough and Port Pirie Regional Council, the *Walking Together – One Team* Partnering Agreement with the Ngadjuri Nation, and a series of extensive community engagement programs across SA's mid-North region.[9,10,11]

The MLP also embodies our comprehensive approach to project planning and regulatory responsibilities, and represents our commitment to transparency, technical rigour and accountability. The MLP documentation will be made available publicly, and DEM will invite submissions once the validity assessment has been completed.

This announcement has been authorised for release to the market by the Board.

For further information contact:

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References

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2. ASX Announcement - 8 Jul 2024 - Heads of Agreement with JFE Shoji Australia Pty
3. Media Release – 27 Feb 2024 - Government of South Australia, Global call to arms for SA's push to decarbonise iron | Energy & Mining
4. Media Release – 31 May 2024 - Consultation underway on green metals industry | Ministers for the Department of Industry, Science and Resources
5. ASX Announcement - 22 Oct 2024 - Green Iron SA alliance launched for Green Iron revolution
6. Media release – 20 Feb 2025 - Albanese Government building Australia's green iron future
7. ASX Announcement – 9 Jun 2023 - Iron Peak Strengthens Razorback Project Economics
8. ASX Announcement - 22 Jul 2024 - Green Iron grade concentrates produced using saline water
9. ASX Announcement – May 2023 - Landmark Community MoU signed for Razorback Project
10. ASX Announcement – 13 Feb 2024 - Partnership Positions Port Pirie as Future Green Iron Hub
11. ASX Announcement – 21 Dec 2023 - Historic Partnering Agreement Signed With Ngadjuri Nation

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ABOUT MAGNETITE MINES

Magnetite Mines Ltd is an ASX-listed iron ore company focused on the development of magnetite iron ore resources in the highly-prospective Braemar iron region of South Australia. The Company has a 100% owned Mineral Resource of 6 billion tonnes of iron ore and is developing the Razorback Iron Ore Project, located 240km from Adelaide, to meet accelerating market demand for premium iron ore products created by iron & steel sector decarbonisation, with the potential to produce high-value Direct Reduction (DR) grade concentrates. Razorback is set to become a very long-life iron ore project with expansion optionality in a tier 1 jurisdiction that will produce a superior iron ore product sought by steelmakers globally. For more information visit magnetitemines.com.