

# 2025 ANNUAL REPORT

For the Year Ended 30 June 2025

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# Corporate Directory

## Directors

**Mr Paul White**

Chair of the Board

**Mr Tim Dobson**

Managing Director

**Mr Simon Wandke**

Non-Executive Director

## Company Secretary

**Ms Inthu Siva**

## Principal Registered Office

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## Share Registry

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## Auditors

**Ernst & Young**

121 King William Street  
Adelaide SA 5000

## Stock Exchange Listing

**Australian Securities Exchange Ltd**

## ASX Code

**MGT**

# Statement from the Chair

Dear Fellow Shareholders,

**The 2025 financial year has seen your Company make strong progress in advancing our flagship Razorback Iron Ore Project. Through a series of milestone achievements across strategic partnering, approvals, resource growth, innovation, and government engagement, we have considerably strengthened our readiness for the next stage of development.**

This momentum reflects our unwavering commitment to positioning Razorback as a cornerstone supplier of premium magnetite products essential to low-carbon steelmaking, in line with our strategy to create lasting value for shareholders.



**With a global Mineral Resource base now totalling 6.6 billion tonnes, representing more than a third of South Australia's defined magnetite resources\*, we are actively engaging with long-term strategic and offtake partners.**

Their investment will be key to completing the Definitive Feasibility Study (DFS) and establishing a framework for joint venture participation.

In July 2024, we signed a non-binding Heads of Agreement with JFE Shoji Australia Pty Ltd, part of Japan's JFE Group, to advance DFS funding in exchange for DR-grade concentrate offtake and potential joint venture rights. JFE has since completed detailed technical due diligence and entered commercial negotiations towards a binding transaction. At the same time, discussions have progressed with other interested parties, consistent

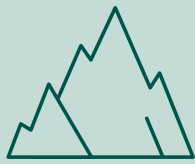
with JFE's preference to co-invest alongside others. This agreement has recently been extended to 31 December 2025.<sup>1,2</sup>

In March 2025, we submitted a comprehensive Mining Lease Proposal (MLP) for a 5 million tonne per annum operation at Razorback.<sup>3,4</sup> The MLP is progressing through the South Australian Government assessment process, supported by the execution of three tenement consent agreements with landholders and binding land access secured for the Hillgrange Intermodal Hub.

We also refined the Project's water supply options, including development of an in-house, proprietary process that potentially enables the use of seawater for ore processing. While the base case remains a coastal desalination plant and pipeline, the saline water testwork completed in 2024 represents a potential technical breakthrough that could reduce both capital costs and environmental impacts. A provisional patent application was lodged in April 2025, and optimisation testwork is ongoing.<sup>2,6,7</sup>

In October 2024, we established the Green Iron SA consortium with Aurizon Holdings, Flinders Port Holdings and GHD.<sup>8</sup> Together, we submitted a detailed Expression of Interest to the South Australian Government's Green Iron Opportunity process, outlining a plan to create a green iron hub at Port Pirie using Razorback

\* Department for Energy and Mining (DEM), SARIG Open file datasets (5 Aug 2025) SA Geological Survey: Magnetite South Australia



**Large, 100% owned tenement position**

2,500km<sup>2</sup>  
tenements in  
South Australia



**6.6 billion tonne mineral resource**

2 billion tonne  
Ore Reserve  
with access to  
rail and ports



**Rare, 68.5% Fe premium-grade iron ore**

Essential for  
green iron and  
steelmaking



**Offtake and JV potential**

Advanced  
negotiations  
with potential  
strategic partners



**Supportive and stable government**

Shared  
commitment to  
green iron industry  
development

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magnetite as feedstock. We continue to advocate for this strategic development alongside our consortium partners.

In June 2025, we announced an increase in Razorback's Mineral Resource Estimate from 3.2 to 3.8 billion tonnes, increasing the Company's global Mineral Resource base to 6.6 billion tonnes, and underscoring the massive scale and longevity of Razorback that will underpin long-term supply into the emerging global green iron and steel industry.<sup>5</sup>

At the corporate level, we undertook a review of governance and cost structures to ensure efficiency and alignment with strategic priorities. This resulted in a streamlined Board and annual cost savings of more than \$600,000. I was appointed Chair in October 2024, while CEO Tim Dobson was appointed Managing Director, strengthening leadership continuity. We also recognised the contributions of outgoing Chair Jim McKerlie and retiring Directors Peter Schubert and Dr Carmen Letton, to whom we extend our sincere gratitude for their contributions.

We also acknowledge the strong support received from shareholders through our recent capital raising, which provides the Company with additional flexibility to advance Razorback's development pathway.

Looking ahead, our priorities for FY2026 are clear: to secure DFS funding via a binding transaction with

strategic partners, support the completion of the Mining Lease Proposal assessment, advance land access arrangements, complete further derisking studies on water supply, and undertake disciplined, low-cost exploration across our South Australian tenement portfolio for gold and critical minerals while favourable market conditions exist.

**With strong international interest in securing future DR-grade magnetite supply, supportive government policy and a capable leadership team, Magnetite Mines is advancing with confidence towards becoming a long-term supplier to the global green steel industry.**

I thank our shareholders for their support, our employees for their commitment, and our partners for their collaboration as we deliver on this vision.

Yours sincerely,

**Paul White**

Chair of the Board

# Review of Operations

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## EXECUTIVE SUMMARY

**Magnetite Mines Limited (“Magnetite Mines” or “the Company”) has continued to make solid progress in the development of its 100%-owned flagship Razorback Iron Ore Project during the 2025 financial year.**

Against the backdrop of accelerating global demand for premium magnetite products critical to low-carbon steelmaking, the Company advanced its strategy of securing high-quality strategic and offtake partners to support Razorback’s development pathway.

Throughout the year, Magnetite Mines strengthened relationships with downstream customers, domestic

logistics providers and all levels of government, reinforcing the collaborative framework required to deliver large-scale green iron supply chains. In parallel, the Company engaged with potential strategic partners – including detailed due diligence and negotiations with JFE Shoji Australia Pty Ltd (JFE) and other international groups - aimed at securing funding for the Project’s Definitive Feasibility Study (DFS).<sup>1,2</sup>

### Key achievements included:

- **Progressing strategic partnerships, with JFE Shoji Australia Pty Ltd (JFE) and other potential partners including detailed due diligence and entering into commercial negotiations in support of a binding transaction for project funding.**<sup>1,2</sup>
- **Submitting a Mining Lease Proposal to South Australia’s Department for Energy and Mining for a 5 Mtpa operation at Razorback.**<sup>3,4</sup>
- **Increasing the Mineral Resource Estimate at Razorback from 3.2 to 3.8 billion tonnes, and the Company’s Global Mineral Resource Estimate from 6.0 to 6.6 billion tonnes.**<sup>5</sup>
- **Lodging a provisional patent application for the Company’s proprietary saline water ore process and undertaking optimisation testwork to assess seawater use in ore processing, with potential to significantly reduce project capital costs.**<sup>2,6,7</sup>
- **Establishing Green Iron SA, a consortium comprising Magnetite Mines, Aurizon Holdings, Flinders Port Holdings and GHD, in response to the South Australian Government’s Green Iron Opportunity EOI process.**<sup>8</sup>
- **In support of building shareholder value, management began assessing its ~2,500 km<sup>2</sup> tenement portfolio for gold, copper and critical minerals subsequent to the reporting period, identifying near-surface, clay-hosted rare earths at Ironback Hill alongside the Company’s magnetite resource.**<sup>9,10,11,12,13,14</sup>
- **Increased effectiveness and focus with a reduced Board size and proactive, sustainable cost-reduction program, delivering annual savings of more than \$600,000 and strengthening governance as the Company advances the Razorback Project toward a development decision.**<sup>15,16,17</sup>

Collectively, these milestones have advanced Razorback’s development prospects, strengthened its attractiveness to potential investors, and positioned Razorback as Australia’s pre-eminent DR-grade, large-scale and long-life magnetite project, underpinned by strong Federal and State Government

engagement and aligned to the requirements of emerging green iron supply chains. The Company enters FY2026 with strengthened partnerships, a broader resource base, and clear momentum towards delivering a project of national and global significance.



## RAZORBACK IRON ORE PROJECT

### Strategic Partnering

**The Company's strategy is to develop the Razorback Project through a joint venture (JV) with motivated investors and offtake partners, with Magnetite Mines acting as the operator.**

This model has been widely and successfully applied across large-scale Australian resource projects over recent decades. It allows for the sharing of capital burden and technical risk among JV partners, while reducing market exposure by directly aligning offtake with the project owners.

Recognising the growing demand from global steelmakers to secure long-term supplies of 'green iron' produced from premium-grade magnetite concentrates, Magnetite Mines has continued to prioritise engagement with potential strategic partners committed to Electric Arc Furnace (EAF)-based steelmaking in key trading regions.

With an endowment of 6.6 billion tonnes, representing more than a third of South Australia's magnetite resources, Razorback is one of only a handful of undeveloped magnetite projects globally capable of producing premium-grade concentrate at scale and over a long mine life.<sup>4,5,6,10</sup>

This positions the Project to play a central role in the development of low-carbon steel supply chains.

Australia and Japan share a long history as trading partners, and both governments have committed to collaborating on decarbonisation objectives. Supporting this transition, Japan's two largest steel producers, JFE Steel and Nippon Steel, have announced multi-billion-dollar investments to construct large EAFs in Japan.<sup>2</sup>

In July 2024, Magnetite Mines entered a non-binding Heads of Agreement (HoA) with JFE Shoji Australia Pty Ltd (JFE) for funding towards the Definitive Feasibility Study (DFS) in exchange for future DR-grade concentrate offtake. Since then, JFE has completed detailed technical and commercial due diligence, and negotiations have progressed towards a potential binding transaction to secure DFS funding.<sup>1,2</sup>

During the year, additional parties expressed interest in participating in the Project, completing technical due diligence and site visits. The Company has entered negotiations with one of these parties alongside JFE, with the intention that a combined investment could provide the funding required to progress Razorback to a Final Investment Decision (FID), subject to agreement. To support these ongoing discussions, the HoA with JFE has been extended to 31 December 2025. Azure Capital Pty Ltd (Azure) continues to provide corporate advisory services on the structuring of partnering, financing and offtake agreements, following their appointment as financial advisor to the Razorback Project in May 2024.<sup>2,18</sup>

\* Department for Energy and Mining (DEM), SARIG Open file datasets (5 Aug 2025) SA Geological Survey: Magnetite South Australia



## Technical Studies and Project Optimisation

**During FY2025, the Company focused on derisking and preparing the Razorback Iron Ore Project for the completion of a Definitive Feasibility Study (DFS) while supporting intensive due diligence by prospective partners, including JFE.<sup>1,2</sup>**

In parallel, an assessment of ore processing using saline water focussed on the flotation stage of the planned process flowsheet. Initial testwork delivered excellent results for the Iron Peak deposit, which produced DR-grade concentrates for the single composite sample tested and very good results for the Razorback deposit which produced very high-grade concentrates from three composite samples representing different parts of the deposit.<sup>2,6,7</sup>

The Company also re-stated the Razorback Mineral Resource Estimate (MRE) to align cut-off grades (using 8% Mass Recovery) with that used for the Probable Ore Reserve calculation. This increased the Razorback Iron Ore Project MRE tonnage from 3.2 to 3.8 billion tonnes, and the Company's Global MRE from 6.0 to 6.6 billion tonnes.<sup>5,19</sup>

### Definitive Feasibility Study (DFS)

Priority work in FY2025 included underpinning potential strategic partner due diligence and bringing the Razorback Iron Ore Project to DFS readiness. Work included definition of DFS scope and budgets with formal quotations from top-tier engineering consultancies, structured to enable rapid mobilisation once DFS funding

is secured. The necessary derisking activities were informed by feedback from potential strategic partners and their technical consultants and were aligned with a project execution plan designed to accommodate a variety of funding outcomes.<sup>2</sup>

In support of due diligence, the technical team prepared a virtual data room and managed requests for information, hosted site visits to Razorback with technical reviewers, progressed engineering scope definition and consultant engagement, and advanced metallurgical and flowsheet development work required for the DFS. Due diligence feedback was incorporated into the DFS scope to better define deliverables, sequencing and risk controls.

The permitting and approvals program encompassing environmental assessments, regulatory referrals, land access and Native Title interfaces constitutes a significant component of the DFS and has been integrated into the whole-of-project execution plan so that engineering, scheduling, cost, and risk management explicitly reflect permitting requirements and stakeholder commitments.

## Review of Operations

### Saline Water Processing Testwork

Early-stage (“sighter”) flotation testwork carried out during the year demonstrated that DR-grade magnetite concentrates can be produced using saline water to levels comparable with traditional freshwater processing. Initial results on an Iron Peak deposit composite using seawater from the Upper Spencer Gulf achieved extremely high-purity, DR-grade products, establishing a potential pathway to reduce reliance on freshwater or large-scale desalination.<sup>6</sup> A provisional patent

application was subsequently made to protect the reagent regime and flowsheet adaptations underpinning the method.<sup>7</sup>

Follow-up testwork on three Razorback composites produced DR-grade concentrates using freshwater and high-grade, but more variable results using saline water. The testwork results indicate that further flotation-chemistry optimisation is required for Razorback ore types to consistently achieve DR-grade thresholds with saline water across the full mine life. Accordingly, an expanded testwork program and equipment vendor testwork is planned.<sup>2</sup>

In the meantime, ore processing using fresh water remains the base case for the Project.

### 2025 Mineral Resource Estimate (MRE) Update

The Mineral Resource Estimate for the Razorback Project was updated with the cut-off grade aligned to the Ore Reserve calculation at 8% eDTR. This alignment yielded a significant increase in reported MRE tonnage at Razorback from ~3.2 Bt to ~3.8 Bt with the Company’s global Mineral Resource growing to from ~6.0 to ~6.6 Bt.<sup>5</sup>

The Razorback Probable Ore Reserve remains unchanged at ~2.0 Bt.<sup>19</sup>

Both MRE and Ore Reserve Classifications continues to be reported in accordance with the JORC Code (2012).

Subsequent to the end of the financial year, the Company announced an intention to assess its existing ~2500km<sup>2</sup> tenement position for gold, copper and other critical minerals, in response to supportive market and policy settings and to meet statutory tenure obligations.<sup>9,10,11</sup> Planned work includes verifying historic occurrences and re-assaying archived drill material and on 19 August 2025, the Company announced that near-surface, clay-hosted Rare Earth Element (REE) mineralisation had been identified at the 100%-owned Ironback Hill Project in South Australia’s North-East, adjacent to the Company’s large magnetite iron ore deposit as the first outcome of that program.<sup>12,13</sup>



Razorback Iron Ore Project sample preparation for saline flotation testwork

## SUSTAINABILITY

Magnetite Mines' commitment to sustainable development is enshrined in its bespoke **foresight** sustainability platform.<sup>20</sup>



In FY2025, over four years of dedicated environmental, social and cultural assessments culminated in the preparation and submission of the Razorback Project Mining Lease Proposal (MLP).<sup>3</sup> Together with years of stakeholder engagement, including partnerships with traditional owners and local communities, Magnetite Mines is driving the development of the Razorback Project in a considered, respectful and sustainable manner.<sup>21, 22, 23</sup>

### Environmental Approvals – State

Magnetite Mines submitted a MLP to the South Australian Department for Energy & Mining (DEM) in March 2025, a crucial milestone in the path to production from Razorback.<sup>3</sup> 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.

The MLP submission was completed in accordance with the State's *Mining Act 1971 (Mining Act)*, and proposes a mining and ore processing operation that will produce 5 million tonnes per year of premium-grade magnetite concentrates suitable for green iron production.<sup>4</sup>

Included within the MLP are a series of applications for four Miscellaneous Purposes Licences (MPLs) to enable the development of the Project's supporting infrastructure:

1. Concentrate haulage and access road between the Hillgrange Intermodal facility and the Razorback site, including water pipeline corridor
2. Hillgrange Intermodal Hub, 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 Bunday Substation and the Razorback site.

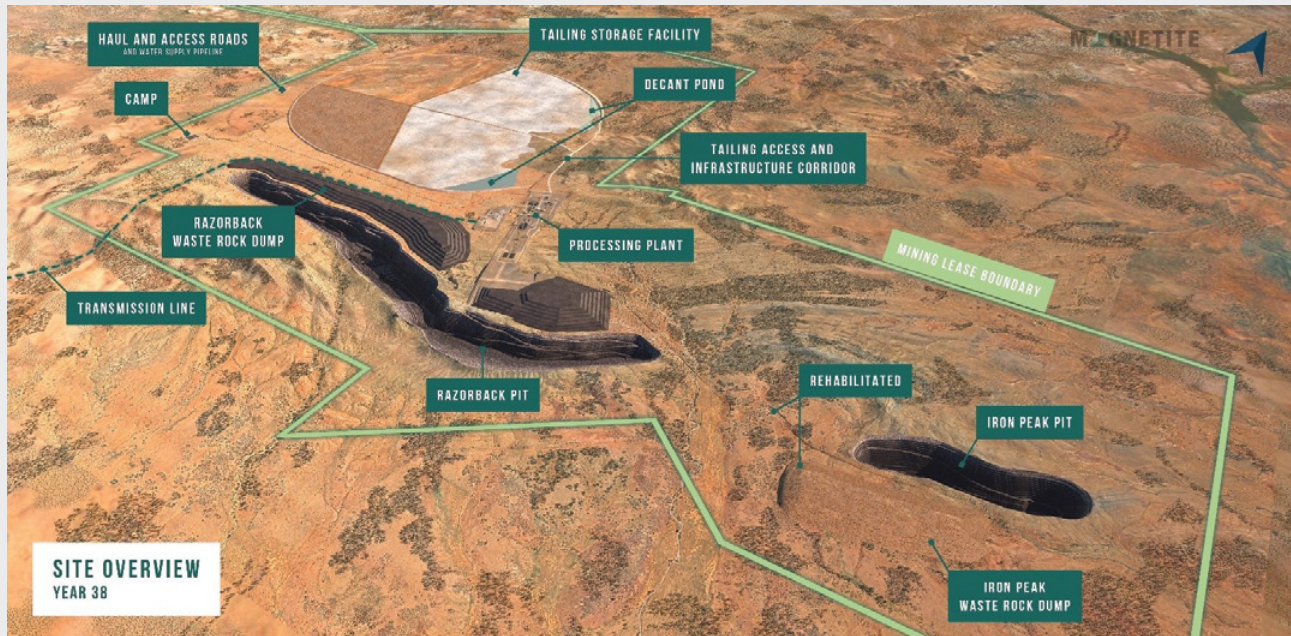
**foresight**

## Review of Operations

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.

At the time of reporting, DEM was finalising completion of the MLP validity assessment prior to a period of public consultation.<sup>24</sup>



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

## Environmental Approvals – Commonwealth

In January 2024, the Company lodged a referral for the Razorback Project under the *Environment Protection and Biodiversity Conservation (EPBC) Act* 1999 with the Department of Climate Change, Energy, the Environment and Water (DCCEEW).<sup>25</sup> Following statutory public consultation and the submission of additional requested information, and subsequent to the reporting period, the Commonwealth regulator determined in August 2024 that:

1. The Project is a 'Controlled Action' for the Mallee Birds of the Murray-Darling Depression Threatened Ecological Community, and
2. The assessment of EPBC Act matters will be delegated to DEM by DCCEEW via an accredited assessment process.

In November 2024, updated Terms of Reference for the Razorback MLP were gazetted by the SA Government to include provisions for *EPBC Act*

matters. Following submission of a variation request by Magnetite Mines to DCCEEW relating to the Razorback Project's scope and disturbance footprint, the Company received corresponding approval on 30 January 2025.<sup>26, 27</sup>

This primary stage of the streamlined Commonwealth approvals process was completed with Magnetite Mines' submission of the MLP that included a dedicated chapter addressing the newly-gazetted *EPBC Act* requirements.<sup>3</sup>

## Land Access and Native Title

In parallel to the development of the MLP, Magnetite Mines advanced the supporting land access program.

During FY2025, access agreements were signed with a number of overlapping exploration licence holders to enable the future grant of infrastructure licences for the proposed transmission line and haulage road corridors. Agreements were signed with Valrico Pty Ltd (100% owned by Australian Rare

Earths Ltd), SA Exploration Pty Ltd (100% owned by iTech Minerals Ltd), and Australia Ore Search #2 Pty Ltd, while intra-company agreements between Magnetite Mines, Razorback Iron Pty Ltd and Ironback Pty Ltd were also executed to enable ML and MPL award.<sup>26, 27</sup>

Land access negotiations with pastoral and other private landowners are continuing, following the signing of a binding agreement for land access at the Hillgrange Intermodal Hub in 2023.<sup>28</sup>

Maintaining a respectful and cooperative relationship with the Project's traditional owners, Ngadjuri Nation, remains a priority for Magnetite Mines. A series of briefings and workshops were held with the Ngadjuri Nation Aboriginal Corporation (NNAC) in FY2025, with a particular focus on activities enabling the negotiation of a native title agreement for the Razorback Project.<sup>24, 26, 27</sup>



Reflecting both Magnetite Mines' **foresight** sustainability platform and the Walking Together – One Team Partnering Agreement, a site visit to the Iron Duke mine was held in September 2024 with the kind support of SIMEC Mining. This site visit was designed to elevate NNAC's understanding of iron ore mining and upholding principles of free and informed consent within the agreement-making process.<sup>26</sup>

## Community Engagement

Following on from extensive community engagement in FY2024, Magnetite Mines continued its diligent approach to fostering stakeholder participation in the Razorback Project.

The Company held another **foresight** One-to-One Meeting program in October 2024, providing people from the Peterborough district the opportunity to discuss Project issues directly with Magnetite Mines



representatives. Feedback from these meetings was used by Magnetite Mines to continue to build community perspectives into project planning and impact assessment activities.<sup>24</sup>

A series of landowner and targeted stakeholder meetings were held as a precursor to the MLP submission, including deputations to the District Council of Peterborough. Magnetite Mines also joined the TACTIC regional business association and participated in a number of events to commence building a future supplier network for the Razorback Project.<sup>24, 26, 27</sup>

## Government Engagement

During FY2025, Magnetite Mines intensified its engagement with both State and Federal Governments as the strategic importance of the Razorback Project was increasingly recognised within the broader context of Australia's emerging green iron industry. The Company worked to align its vision with evolving government policy priorities, positioning Razorback as a project of national and regional significance.

Magnetite Mines participated in key industry events and held targeted meetings with government



## Review of Operations

stakeholders to progress support for the Project's critical infrastructure requirements, including water supply, power supply and port capacity. In parallel, the Company and its Green Iron SA consortium partners engaged directly with government, advocating for policy and funding support to accelerate the development of a green iron hub at Port Pirie in line with the consortium's submission.<sup>24, 26, 27</sup>

### South Australian Government's Green Iron Opportunity Expression of Interest

In June 2024, the South Australian Government launched its Green Iron and Steel Strategy, which included a commitment to partner with industry to ensure a coordinated approach to capturing green iron opportunities. In parallel, the Government commenced a Green Iron Opportunity Expression of Interest (EOI) process, with submissions closing on 1 October 2024.

### Green Iron SA Consortium

In alignment with the South Australian Government's Green Iron and Steel Strategy, Magnetite Mines formed the Green Iron SA consortium with leading logistics and engineering partners Flinders Ports, Aurizon and GHD.

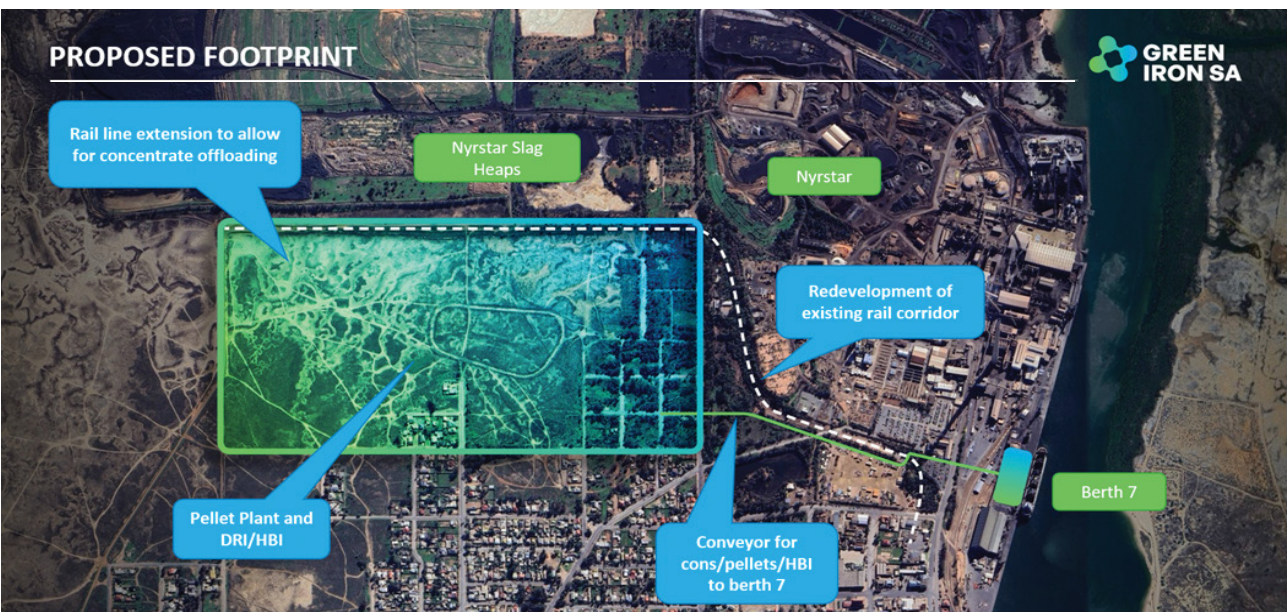
On 22 October 2024, the Company announced the consortium's launch and confirmed that a comprehensive Expression of Interest (EOI) submission had been lodged with the South

Australian Government.<sup>8</sup> The submission set out a project plan centred on the Razorback Iron Ore Project and the establishment of a new green iron hub at Port Pirie.

**Green Iron SA aims to harness the untapped potential of South Australia's Braemar Iron Region together with the state's world-class renewable energy capacity to position South Australia as a global leader in the low-carbon steel supply chain.**

These advantages create a generational opportunity to establish a significant new green iron export industry for Australia, aligned with the decarbonisation objectives of key trading partners.

The consortium has proposed a phased development pathway to ensure the creation of a sustainable and competitive green iron industry. The first stage focuses on the fast-tracked development of the Razorback Iron Ore Project, providing a secure supply of high-purity magnetite – a critical feedstock for green iron production. Subsequent stages envisage the production of Direct Reduction (DR) grade pellets and, ultimately, the manufacture and export of Direct Reduced Iron



Green Iron SA Proposed Footprint for Green Iron production in Port Pirie

(DRI) in the form of Hot Briquetted Iron (HBI) from Port Pirie by the early 2030s.

The downstream pelletising and DRI/HBI components are expected to be developed by third-party steelmakers and heavy industry participants in Port Pirie. The city represents an optimal location for both initial export and downstream processing, with available capacity at the Flinders Ports Holdings-controlled export port, established rail infrastructure operated by Aurizon, close proximity to the Razorback Project, and a strong industrial base and skilled workforce. The Port Pirie Regional Council has formally expressed its support through a letter included in the consortium's EOI submission.

The consortium has also identified critical infrastructure requirements – including water, power and export logistics – and continues to engage with State and Federal Governments through the EOI process and targeted consultation to fast-track enabling infrastructure. Following the submission, Green Iron SA representatives held a series of meetings with key South Australian Government departments and ministers.<sup>24, 26, 27</sup>

### Korea-Japan Trade Mission

In October 2024, Magnetite Mines also joined a trade mission to South Korea and Japan led by South Australian Minister for Trade and Investment, Hon Joe Szakacs to promote South Australia's green iron and steel opportunity to key trading partners.<sup>26</sup>

### Green Iron Investment Fund

In February 2025, the South Australian Government placed the Whyalla steelworks into administration. This became a priority focus for both state and federal governments, which subsequently announced a \$2.4 billion funding package for Whyalla and, separately, a \$1 billion Green Iron Investment Fund, with \$500 million earmarked for projects outside of Whyalla.<sup>3, 24, 27</sup>

**Magnetite Mines and Green Iron SA continue to advocate for the establishment of a green iron hub at Port Pirie, consistent with the consortium's submission, and maintain regular engagement with government stakeholders to progress support for the project.**





### South Australian Government's Yorke Peninsula and Mid North Regional Plan

In May 2025, Magnetite Mines made a submission to the Yorke Peninsula and Mid North Regional Plan consultation program administered by the SA Department for Housing and Urban Development.<sup>24</sup>

#### The Company advocated for a number of matters, including:

- the provision of appropriate zoning within the Peterborough township for housing growth and employment/commercial/industrial lands to support a future mining services industry
- the allocation of land within Port Pirie as a State Significant Industry Employment Precinct that would serve as an intermodal/logistics or downstream iron processing hub
- the development of a planning framework for a Braemar infrastructure corridor and inclusion of mining sector water use in regional water demand profiling.

#### Encouragingly, interim reporting on the Regional Plan consultation process recently released by the SA Government, has acknowledged:

- the need for greater accessibility to housing and accommodation types in the region to support economic growth
- support for “the establishment and expansion of State Significant Industry Employment Precincts, with specific support for new hubs in Port Pirie and Peterborough linked to the green iron, copper, and critical minerals sectors”
- strong support for Port Pirie to emerge as a “green iron and steel hub, including expanded port and freight infrastructure”.



## EXPLORATION

**Subsequent to the end of the financial year, the Company announced an intention to assess its existing ~2500km<sup>2</sup> tenement position for gold, copper and other critical minerals due to favourable market conditions.**

A multi-commodity exploration program was commenced, aimed at meeting both tenement expenditure obligations and assessing prospectivity in addition to magnetite. Workstreams centred on desktop prospectivity analysis, verification of historic occurrences, and low-cost field checks.<sup>9,10,11,12,13,14</sup>

### Ironback Hill Rare Earth Element (REE) Mineralisation

A key outcome of this work was the identification of near-surface, clay-hosted rare earth element (REE) mineralisation at Ironback Hill, adjacent to the existing magnetite resource there. The detection of REE was achieved by re-assaying clay-rich intervals in archived samples from a drilling program completed by the Company in 2011-2012.<sup>12,13</sup>

The results are early stage; no metallurgical testwork has yet been completed, and the extent and continuity of mineralisation remain untested. Planned next steps include leachability assessment (typical for clay-hosted REE systems) and additional data review to refine targeting.

In parallel with REE work, the geology team initiated a tenure-wide review for gold and copper opportunities using modern, low-cost methods. This includes systematic validation of historical

showings and reassessment of archived samples where appropriate an approach consistent with disclosures that the exploration is conceptual, preliminary and guided by open-file data, with results to be reported in accordance with the JORC Code and ASX Listing Rules if material.

Collectively, these activities position the Company to prioritise targets across a large, contiguous tenure while maintaining capital discipline. The investor presentation maps illustrate the breadth of holdings and the distribution of historic occurrences that underpin this staged, on-tenement program.

### Tenement Management

During the reporting period, the Manunda North (EL6878), Mutooroo Ridge (EL6877), Lipson (EL6745) and Muster Dam (EL6746) tenements were reduced in area, with ground not deemed prospective for target styles of mineralisation or host to magnetite iron resources surrendered in line with statutory guidelines. The partial tenement area reductions have resulted in a material reduction in expenditure commitments across these tenements. At Muster Dam, the mineral resource and key exploration targets, including Duffields, Peaked Hill and Muster Catch, were retained.



## CORPORATE

### Board and Management Changes

In September 2024, the Company announced a review of its governance structure and cost base. In response to market conditions, the Board determined that a smaller, more focused structure, while maintaining strong leadership continuity, would enhance efficiency and effectiveness as the Company advanced towards a development decision for the Razorback Project.<sup>15,16</sup>

As part of this review:

- Tim Dobson, then CEO, joined the Board as Managing Director, reinforcing his leadership as the Company progresses to the next phase of development.
- Paul White, Non-Executive Director, assumed the role of Chair, replacing Jim McKerlie.
- Peter Schubert, Non-Executive Director, did not stand for re-election at the 2024 AGM, while Dr Carmen Letton stepped down from the Board at the same meeting.
- On 29 October 2024, the Company announced the resignation from the Board of Jim McKerlie at the November 2024 AGM.
- Simon Wandke remains on the Board as a Non-Executive Director.

These governance changes, along with a reduction in director fees, delivered annual cost savings of more than \$600,000 and strengthened alignment with the Company's strategic priorities.

On 7 March 2025, Chief Financial Officer and Co-Company Secretary Mr Simon Smith resigned from the Company.<sup>17</sup> Following his departure, Ms Inthu Siva, who had been serving as Co-Company Secretary and Financial Controller, assumed the role of Company Secretary while continuing to oversee the Company's core financial activities. Ms Siva has been with Magnetite Mines since 2010 and brings extensive financial and governance experience to the role.

To further strengthen the Company's commercial capability, Mr Mark McManus was engaged on a consulting basis to provide commercial support to management, working alongside the Company's financial advisors, Azure.<sup>18</sup>

### Capital Raising and Financial Management

In July 2024, the Company closed a 1 for 6 pro rata non-renounceable Entitlement Offer, raising \$1.17 million from existing shareholders, falling short of the targeted amount of approximately \$5 million. The Company appointed Mahe Capital Pty Ltd to place the remaining shortfall and subsequently launched a further Rights Issue on 3 September 2024, raising a further \$2.4 million together with the partial underwriting and shortfall amount taken up with \$2.0 million underwritten by Mahe Capital Pty Ltd.<sup>29</sup>

In January 2025, the Company announced it had secured up to \$7.0 million in funding through an unsecured Convertible Note facility with US-based fund manager C/M Capital Partners, LP (C/M Capital).<sup>30</sup> During the year, the Company

drew \$3.54 million across four tranches under this facility.<sup>38, 39, 40, 41</sup> Notes are issued at a face value equal to 108% of the relevant investment amount. On 25 March 2025, \$350,000 of notes issued on 24 January 2025 were converted into 4,347,826 fully paid ordinary shares.<sup>31</sup> Subsequent to the reporting period, on 19 August 2025, a further \$300,000 of notes were converted into 3,750,000 shares.<sup>32</sup> Subject to mutual agreement and the Company obtaining any necessary approvals, up to a further \$3.46 million remains available to be drawn under the facility in additional tranches.

Subsequent to the reporting period, in September 2025, the Company successfully completed a

renounceable pro-rata rights issue and a follow-on placement, raising \$3.86 million before costs through the issue of 59,529,501 new fully paid ordinary shares at \$0.065 per share. For every new share subscribed, applicants received one free attaching quoted option (MGTOF) exercisable at \$0.12 and expiring on 5 March 2028. In total, 47,222,834 options were issued immediately (40,852,578 under the Rights Issue and 6,370,256 under the follow-on placement), with a further 12,306,667 placement options to be issued subject to shareholder approval at the Company's forthcoming AGM. In addition, 3,869,418 underwriter options to be issued are also subject to shareholder approval at the forthcoming AGM.<sup>34</sup>



## Investor Relations and Marketing

Throughout FY2025, Magnetite Mines intensified its investor relations and marketing efforts, resulting in greater visibility and engagement with both domestic and international stakeholders. The Company maintained an active profile at several high-profile industry events, including the International Mining and Resources Conference (IMARC) in Sydney, the Australian-Japan Business Co-operation Committee Conference in Nagoya, the Australian Green Iron and Steel Forum in Perth, Climate Action Week in Sydney, the TACTIC Conference and Trade Expo in Port Augusta, and the World Economic Forum First Movers Coalition Green Iron Forum in Adelaide.<sup>35, 36, 37</sup>

In parallel, the Company expanded its media presence across national, local and industry publications, while leveraging social media and digital platforms to highlight the strategic value of the Razorback Iron Ore Project. These initiatives have been instrumental in articulating the Company's vision and progress to a broader audience and in positioning Magnetite Mines within South Australia's emerging green iron industry opportunity.

## Review of Operations

### OUTLOOK FOR FY2026

Following the recent capital raise,<sup>34</sup> Magnetite Mines is well positioned to pursue key strategic priorities in both the Razorback Iron Ore Project and its new multi-commodity exploration program.

The Company remains steadfast in its vision to become a substantive producer of premium-grade iron ore supporting Australia's role as a value-adding leader in the green steel supply chain, whilst progressing cost-effective exploration of its South Australian tenure to deliver shareholder value. The Company is supported by strong

partnerships with leading logistics operators and engineering expertise through the Green Iron SA consortium, and by a supportive State and Federal policy environment that aligns with, and is incentivising, the decarbonisation of steelmaking and the emerging green iron opportunity in South Australia.

#### Key priorities for the year ahead include:

- Finalising negotiations with strategic partners, including JFE and other potential counterparties, to secure DFS funding.
- Supporting the assessment of the Project's Mining Lease Proposal (MLP) and advancing land-access negotiations.
- Completing further derisking studies, with a particular focus on water supply.
- Progressing assessment of the Company's broader South Australian tenement portfolio for gold and critical mineral potential, guided by historical open-file exploration data and favourable market conditions.
- Leveraging our Green Iron SA consortium relationships to refine logistics and engineering execution pathways.<sup>9, 10, 11, 12, 13, 14</sup>



## Razorback Iron Ore Project Mineral Resource Estimate Summary (8% eDTR Cut-Off)

| Deposit                               | Classification | Million Tonnes (Mt, dry) | Mass Recovery (eDTR%) | Fe %         | SiO <sub>2</sub> % | Al <sub>2</sub> O <sub>3</sub> % | P %         | LOI %       | Mag %        |
|---------------------------------------|----------------|--------------------------|-----------------------|--------------|--------------------|----------------------------------|-------------|-------------|--------------|
| Iron Peak                             | INFERRED       | 263                      | 17.70                 | 16.74        | 49.26              | 8.50                             | 0.15        | 6.03        | 14.33        |
|                                       | INDICATED      | 344                      | 17.69                 | 17.63        | 48.57              | 8.33                             | 0.16        | 5.90        | 14.77        |
|                                       | <b>TOTAL</b>   | <b>607</b>               | <b>17.70</b>          | <b>17.24</b> | <b>48.87</b>       | <b>8.40</b>                      | <b>0.16</b> | <b>5.95</b> | <b>14.58</b> |
| Razorback                             | INFERRED       | 1,601                    | 14.66                 | 17.07        | 49.28              | 8.36                             | 0.18        | 5.56        | 14.48        |
|                                       | INDICATED      | 1,629                    | 14.45                 | 17.78        | 48.59              | 8.16                             | 0.18        | 5.48        | 13.88        |
|                                       | <b>TOTAL</b>   | <b>3,230</b>             | <b>14.56</b>          | <b>17.43</b> | <b>48.93</b>       | <b>8.26</b>                      | <b>0.18</b> | <b>5.52</b> | <b>14.17</b> |
| Razorback Iron Ore Project – Combined | INFERRED       | 1,864                    | 15.09                 | 17.02        | 49.28              | 8.38                             | 0.18        | 5.63        | 14.46        |
|                                       | INDICATED      | 1,973                    | 15.01                 | 17.75        | 48.59              | 8.19                             | 0.18        | 5.55        | 14.04        |
|                                       | <b>TOTAL</b>   | <b>3,837</b>             | <b>15.05</b>          | <b>17.40</b> | <b>48.92</b>       | <b>8.28</b>                      | <b>0.18</b> | <b>5.59</b> | <b>14.23</b> |

## Magnetite Mines Limited Global Iron Ore Mineral Resource Estimate Summary

| Deposit                                            | Classification                | Million Tonnes (Mt, dry) | Mass Recovery (eDTR%) | Fe %         | SiO <sub>2</sub> % | Al <sub>2</sub> O <sub>3</sub> % | P %         | LOI %       | Mag %        |
|----------------------------------------------------|-------------------------------|--------------------------|-----------------------|--------------|--------------------|----------------------------------|-------------|-------------|--------------|
| Razorback Iron Ore Project – Combined <sup>1</sup> | INFERRED                      | 1,864                    | 15.09                 | 17.02        | 49.28              | 8.38                             | 0.18        | 5.63        | 14.46        |
|                                                    | INDICATED                     | 1,973                    | 15.01                 | 17.75        | 48.59              | 8.19                             | 0.18        | 5.55        | 14.04        |
|                                                    | <b>TOTAL</b>                  | <b>3,837</b>             | <b>15.06</b>          | <b>17.40</b> | <b>48.92</b>       | <b>8.28</b>                      | <b>0.18</b> | <b>5.59</b> | <b>14.23</b> |
| Ironback Hill <sup>2</sup>                         | INFERRED                      | 1,187                    | –                     | 23.20        | 44.40              | 7.20                             | 0.21        | 5.40        | 12.90        |
| Muster Dam Iron Project <sup>3</sup>               | INFERRED                      | 1,550                    | 15.20                 | 18.70        | 49.60              | 8.80                             | 0.20        | 2.80        | –            |
| <b>TOTAL</b>                                       | <b>INDICATED AND INFERRED</b> | <b>6,574</b>             |                       |              |                    |                                  |             |             |              |

<sup>1</sup> Cut-off of 8% mass Recovery (eDTR) applied

<sup>2</sup> No cut-off applied<sup>4</sup>

<sup>3</sup> Cut-off of 10% mass recovery applied<sup>3</sup>

## Review of Operations

### Disclaimer

#### Forward-looking Statements:

This report contains forward-looking statements, which are based on the Company's current expectations and assumptions regarding the testwork, project development, and other factors relating to the Razorback deposit. Although Magnetite Mines believes the expectations expressed in such statements are based on reasonable assumptions, these statements are not guarantees or predictions of future performance, and actual results may differ materially. Investors are cautioned not to place undue reliance on forward-looking statements.

#### Material Changes:

Magnetite Mines confirms that it is not aware of any new information or data that materially affects the information included in its ASX announcements made on 9 June 2023 and 30 June 2025 and, in the case of estimates of mineral resources and ore reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The production target referred to in this report was first reported on 9 June 2023. The Company confirms that all material assumptions underpinning the production target and the corresponding financial information derived from it continue to apply and have not materially changed, and that this announcement contains no new information or data that materially affects those assumptions.

Some numerical figures included in this presentation have been subject to rounding adjustments. Any differences between totals and sums of components in figures or tables contained in this presentation are due to rounding. All references used in this report are included on Page 21.

### Competent Person's Statement

#### Exploration Results:

The information in this report that relates to Exploration Results is based on information originally compiled by Mr Trevor Thomas, who is a Member of the Australian Institute of Mining and Metallurgy (AUSIMM) and Member of the Australian Institute of Geoscientists (AIG). Mr Thomas is a full-time employee of Magnetite Mines Limited as Director, Studies. Mr Thomas has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' ("JORC Code 2012"). Mr Thomas consents to the disclosure of this information in this report in the form and context in which it appears.

#### Mineral Resource Estimation:

The information in this report that relates to Mineral Resources is based on information compiled by Mr Lynn Widenbar, a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Widenbar is a full time employee of Widenbar and Associates Pty Ltd. Mr Widenbar has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves'. Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context that the information appears.'

## References

|     |                  |          |                                                               |
|-----|------------------|----------|---------------------------------------------------------------|
| 1.  | ASX Announcement | 08/07/24 | Heads of Agreement with JFE Shoji Australia Pty. Ltd.         |
| 2.  | ASX Announcement | 30/06/25 | Razorback Project Update                                      |
| 3.  | ASX Announcement | 26/03/25 | Razorback Project Mining Lease Proposal Lodged                |
| 4.  | ASX Announcement | 09/06/23 | Iron Peak Strengthens Razorback Project Economics             |
| 5.  | ASX Announcement | 30/06/25 | Razorback Iron Ore Project 2025 Mineral Resource Update       |
| 6.  | ASX Announcement | 22/07/24 | Green Iron grade concentrates produced using saline water     |
| 7.  | ASX Announcement | 02/04/25 | Saline water Provisional Patent submitted                     |
| 8.  | ASX Announcement | 22/10/24 | Green Iron SA alliance launched for Green Iron revolution     |
| 9.  | ASX Announcement | 08/08/25 | Renounceable Rights Issue to raise up to \$2.65 million       |
| 10. | ASX Announcement | 08/08/25 | Investor Presentation                                         |
| 11. | ASX Announcement | 15/08/25 | Renounceable Rights Issue Prospectus                          |
| 12. | ASX Announcement | 20/11/18 | Ironback Hill Deposit JORC 2012 Resource Update               |
| 13. | ASX Announcement | 19/08/25 | Rare Earth Elements Identified at Ironback Hill               |
| 14. | ASX Announcement | 05/09/25 | Supplementary Prospectus                                      |
| 15. | ASX Announcement | 23/09/24 | Corporate and Board Update                                    |
| 16. | ASX Announcement | 29/10/24 | Resignation of Director                                       |
| 17. | ASX Announcement | 07/02/25 | Resignation of Chief Financial Officer / Co-Company Secretary |
| 18. | ASX Announcement | 09/05/24 | Azure Capital Appointed as Financial Advisors                 |
| 19. | ASX Announcement | 09/06/23 | Iron Peak Deposit Maiden Ore Reserve                          |
| 20. | ASX Announcement | 27/06/23 | Magnetite Mines Launches 'Foresight' Sustainability Platform  |
| 21. | ASX Announcement | 21/12/23 | Historic Partnering agreement signed with Ngadjuri Nation     |
| 22. | ASX Announcement | 05/05/23 | Landmark Community MOU Signed for Razorback                   |
| 23. | ASX Announcement | 13/02/24 | Partnership Positions Port Pirie as Future Green Iron Hub     |
| 24. | ASX Announcement | 30/07/25 | Fourth Quarter Activities Report                              |
| 25. | ASX Announcement | 29/04/24 | Third Quarter Activities Report                               |
| 26. | ASX Announcement | 30/01/25 | Second Quarter Activities Report                              |
| 27. | ASX Announcement | 29/04/25 | Third Quarter Activities Report                               |
| 28. | ASX Announcement | 18/04/23 | Razorback Iron Ore Project Rail Access Unlocked               |
| 29. | ASX Announcement | 02/10/24 | Rights Issue Closes Securing \$2.4m                           |
| 30. | ASX Announcement | 13/01/25 | Magnetite Mines Secures up to \$7m funding                    |
| 31. | ASX Announcement | 25/03/25 | Application for quotation of securities MGT                   |
| 32. | ASX Announcement | 19/08/25 | Application for quotation of securities MGT                   |
| 33. | ASX Announcement | 15/08/25 | Results of EGM                                                |
| 34. | ASX Announcement | 05/09/25 | Rights Issue Closes Fully Subscribed                          |
| 35. | ASX Announcement | 29/10/24 | IMARC Conference Presentation                                 |
| 36. | ASX Announcement | 29/03/25 | The Australian Green Iron & Steel Forum Presentation          |
| 37. | ASX Announcement | 30/07/25 | TACTIC Conference Presentation                                |
| 38. | ASX Announcement | 24/01/25 | Notification regarding unquoted securities                    |
| 39. | ASX Announcement | 07/03/25 | Notification regarding unquoted securities                    |
| 40. | ASX Announcement | 19/05/25 | Notification regarding unquoted securities                    |
| 41. | ASX Announcement | 30/06/25 | Notification regarding unquoted securities                    |

# Director's Report

For personal use only

# Director's Report

## FOR THE YEAR ENDING 30 JUNE 2025

The directors present their report on the Consolidated Entity consisting of Magnetite Mines Limited and the entities it controlled at the end of, or during, the year ended 30 June 2025.

### INFORMATION ON DIRECTORS

The following persons were Directors of Magnetite Mines Limited ("Company") and were in office during the financial year and until the date of this report unless otherwise stated.

|                   |                        |                                                       |
|-------------------|------------------------|-------------------------------------------------------|
| Mr Paul White     | Chair of the Board     | (Appointed as Chair on 23 September 2024)             |
| Mr Tim Dobson     | Managing Director      | (Appointed as Managing Director on 23 September 2024) |
| Mr Simon Wandke   | Non-Executive Director |                                                       |
| Mr Jim McKerlie   | Non-Executive Director | (Resigned 27 November 2024)                           |
| Dr Carmen Letton  | Non-Executive Director | (Resigned 27 November 2024)                           |
| Mr Peter Schubert | Non-Executive Director | (Resigned 27 November 2024)                           |

### PRINCIPAL ACTIVITY

The principal activity of the Consolidated Entity during the year was mineral exploration in Australia. Other than the foregoing, there were no significant changes in those activities during the year.

### RESULT OF OPERATIONS

A review of operations of Magnetite Mines Limited during the financial year are set out on pages 4 - 21.

Financial results from FY25 are summarised below:

- Group operating loss attributable to equity holders of Magnetite Mines after tax was \$4,187,648 (FY24: \$4,847,855).
- Interest and other income recognised was \$226,151 (FY24: \$371,856)

Total assets increased by \$3,075,471 to \$41,301,614 during the period and cash balances increased by \$273,224 to \$1,486,179, primarily due to:

- Cash outflow from operating activities of \$2,809,318;
- Cash outflow from investing activities of \$2,905,665; and
- Cash inflow from financing activities of \$5,988,207.

Total liabilities increased by \$2,930,179 to \$4,312,448, primarily due to drawdowns under the Convertible Loan Note facility with C/M Capital Partners.

Total equity increased by \$145,291, primarily due to the July 2024 Entitlement Offer and the September 2024 Rights Issue, raising \$3.57 million (before costs).

### FUNDING AND CAPITAL MANAGEMENT

As at 30 June 2025, Magnetite Mines held cash and cash equivalents of \$1,486,179.

The consolidated entity has prepared a cash flow forecast, which indicates that current cash balances are insufficient to meet its ongoing planned expenditure unless further capital is raised. These conditions indicate the existence of a material uncertainty that may cast doubt over the consolidated entity's ability to continue as a going concern over the next 12 months.

The Directors remain confident, based on past performance, that the Group will be able to (i) raise additional equity, (ii) access the remaining funding available under the C/M Capital convertible note facility (up to \$3.46 million not previously drawn, subject to placement capacity and other conditions), and/or (iii) pursue a Razorback Project sell-down or interest carry, to fund ongoing planned expenditure on the Razorback Project. Directors can also defer or reduce corporate and/or exploration and evaluation expenditures at relatively short notice if required. The Company has sufficient funds to meet its confirmed commitments.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different from those stated in the financial statements.

## **MATERIAL BUSINESS RISKS**

Magnetite Mines recognises that effective risk management is a critical component of its operations. The Company has developed a robust framework for identifying, understanding, managing, and reporting risks. As outlined in the Company's Board Charter, the Board bears the responsibility for overseeing our risk management framework and monitoring significant business risks. The Audit & Risk Committee assists the Board in ensuring the existence of an appropriate corporate risk management framework and in identifying business, operational, financial, and regulatory risks along with mitigation measures.

Given the nature of Magnetite Mines' operations, the material business risks that could have an adverse impact on the Company's financial position or performance include economic risks, operational risks, social licence-to-operate and health, safety and environmental risks. A description of the nature of the risks and how such risks are managed is set out below. This list is neither exhaustive nor in order of importance.

## **ECONOMIC RISKS**

### **Ability to access funding**

Magnetite Mines operates in the iron ore industry, undertaking exploration and development activities. Similar to all early-stage resource companies, the Company has a constant need for additional capital to maintain its corporate status and to pursue its stated activities or projects. The Company continues to require additional funding to continue as a going concern, and to complete the Definitive Feasibility Study (DFS) on the Razorback Project. The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to the number of factors, many of which are outside the Company's control. Any inability to obtain sufficient funding for the Company's continued operation, and its projects will result in the delay or cancellation of certain activities or projects, including the Razorback Project, and may result in the Company ceasing to be able to continue as a going concern.

### **Strategic partner risk**

As previously announced, the Company has signed a non-binding Heads of Agreement with JFE, which sets the framework for potential funding of the work required to progress the Razorback Project to FID, including contributing to the completion of a DFS, in exchange for Razorback Project offtake rights. In parallel, Magnetite Mines has engaged in commercial negotiations with other potential strategic partners for a potential binding transaction to provide funding for working capital, further de-risking studies and contribution to the completion of the DFS. During the subsequent technical and commercial due diligence period, and in light of the additional interest in the Razorback Project from other potential strategic partners, JFE has expressed their preference to share the investment in the Razorback Project via co-investment with one or more other potential strategic partners. The Company is in discussion with parties that may be willing to provide future funding but no binding commitment from a strategic partner (including JFE) currently exists. The Company's ability to identify and secure critical strategic partners to advance the DFS and FID for the Razorback Project within an acceptable time, and on terms acceptable to the Company and the strategic partner will vary according to a number of factors, many of which are outside the Company's control. Any inability to secure appropriate strategic partners will result in the delay or cancellation of certain activities or projects, including the Razorback Project, and may result in the Company ceasing to be able to continue as a going concern.

### **Financial risks**

The Company currently has indebtedness to an investor in the form of convertible notes, which have various maturity dates in 2027. If the Company is unable to refinance or repay that debt at maturity, and the investor is not willing to convert that debt into Shares, the Company would be in default of the agreement with the investor. If the investor chose to enforce that default, and the Company is unable to pay the debt, it could result in the Company ceasing to be able to continue as a going concern.

If the Company borrows further money in the future (including issuing further convertible notes to investors), it may be exposed to increased costs and/or interest rates which would increase the cost of servicing the Company's debts.

## **OPERATIONAL RISKS**

### **Operating and project risks**

Unforeseen risks may arise in the development, construction and production phases of the Razorback Project including mining and/or processing issues, environmental hazards, industrial and environmental accidents, industrial disputes, project consumable and other project input cost increase, labour force disruption, materials and plant and equipment unavailability, mechanical failure or plant breakdown, unusual or unexpected geological formation, pit wall or embankment geotechnical failures, regulatory environment changes, and inclement weather conditions. Such occurrences could result in adverse economic impacts.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### Major Project Delivery

Magnetite Mines is focused on creating shareholder value through the future commercial development of the Razorback Project. However, with any future significant capital project, there is a risk of failure or incomplete achievement of project objectives, which could result in lower investment returns than initially anticipated. These risks could emerge from various factors, including challenges in obtaining necessary regulatory approvals within expected timelines, obstacles in securing land access (including navigating native title agreements), procurement issues resulting from delays in equipment fabrication or constraints in global supply chains, labour shortages, inflationary pressures, failure to effectively define or meet project scope, budget, and definition, deficiencies in project design and quality, concerns regarding process safety, failures in cost control and delivery schedule management, limitations in available resources and suboptimal decision-making.

#### Disputes and litigation

The nature of the operations of Magnetite Mines means it may be involved in litigation or disputes from a range of sources, including contractual disputes, breach of laws, lawsuits or personal claims. Magnetite Mines engage experienced external legal firms and keeps abreast of claims, changes to legislation and regulatory requirements.

#### Commodity price volatility and exchange rate risks

In the early stages of development, resource project economics are particularly sensitive to changes in commodity prices and foreign currency exchange rates assumptions, which can impact investment attractiveness. In the event that the Company achieves development success, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for commodities, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities and some services are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency. This exposes the Company to the fluctuations and volatility of the rates of exchange between the United States dollar and the Australian dollar, as determined by international markets.

#### Cyber Risk

The integrity, availability and confidentiality of data within Magnetite Mines' information and operational technology systems may be subject to intentional or unintentional disruption (for example, from a cyber security attack). Given the current size of Magnetite Mines' business, the Company engages a third party IT support company who have robust processes and technology, supported by specialist cyber security skills to prevent, detect, respond and recover from such attacks should one occur.

#### People and Capability

The industry in which Magnetite Mines operates faces challenges in attracting and retaining personnel with specialised skills and expertise. The inability to attract and retain such individuals could potentially disrupt business continuity through the loss of critical human resource capability. To address this risk, we have implemented employment arrangements that are specifically designed to secure and retain key personnel.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### PROJECT RISKS

The Company currently has a number of iron ore projects within South Australia. The Razorback Project is the primary focus, consisting of the Razorback and Iron Peak deposits. On 9 June 2023, the Company announced to ASX the results of a pre-feasibility optimisation study (PFS) for the Razorback Project. The study identified a number of key risks for the Razorback Project such as access to key project resources (such as land, water, transport and power), approvals, project management and product handling, as well as mitigation strategies. These risks and associated mitigation plans are being addressed in the development work programme for the Razorback Project. The risks include:

##### Resource Estimation risk

The Company holds projects, including the Razorback Project, for which Mineral Resource and Ore Reserve estimates have been prepared, and engineering and economic studies have been completed. However, these estimates and calculations rely on assumptions and expressions of judgement based on knowledge, experience and industry practice. The actual quality and characteristics of mineral deposits cannot be known until mining takes place and will almost always be different from the assumptions used to develop resource estimates. Consequently, actual mineral resources may differ from those estimated, which may have a negative effect on operations and the Razorback Project's economic performance.

##### Resources/geology

Mineral Resources and Ore Reserve estimates have been prepared for Razorback, however further geological and geo-metallurgical investigations may result in changes to these estimates and hence to the Razorback Project outcomes.

Variability within the orebody including grade distribution, mineralogy, ore hardness, structural complexity, liberation characteristics, and metallurgical response that differs from assumptions used in the Mineral Resource and Ore Reserve estimates may have a negative effect on operations and the Razorback Project's economic performance.

##### Mining

The Razorback Ore Reserve estimate was based on mining approaches and designs derived from geological model information available at the time and completed to a Pre-feasibility Study (PFS) level of accuracy, resulting in estimates of mining quantities, costs, and ore qualities. These estimates relied on assumptions for pit designs, geotechnical parameters, scheduling, and equipment selection that were considered appropriate for the PFS level of study.

Further investigations and refinement are required to achieve a Definitive Feasibility Study (DFS) level of accuracy for the Razorback Project. Geotechnical drilling, hydrogeological studies, and more detailed mine design studies may result in changes to pit geometry, strip ratios, mine design, blast factors, scheduling strategies, and mining equipment requirements. These factors may have negative effects on mining costs and mining production rates.

##### Processing

Process plant capital and operating costs, throughput rates, and metallurgical recoveries have been estimated from investigations completed to a PFS level of accuracy. Further investigations and refinement are required to achieve a DFS level of accuracy for the Razorback Project, which may result in material changes to processing assumptions.

Following more detailed metallurgical testwork, metallurgical parameters, including grind size, recovery rates, concentrate grade, and reagent consumption, may be revised. Further work may identify geometallurgical variability that could affect plant performance or require changes to the process design.

Process plant capital and operating cost inputs such as steel, cement, process equipment, energy, labour and consumables are subject to change during the Razorback Project's development stages, which may have a negative effect on Razorback Project economics.

##### Product transport and logistics

Road, rail, and port options for product transport and export logistics for Razorback concentrate products were examined during the PFS studies to identify viable transport solutions for the Razorback Project. Pricing and access assumptions were based on indicative third-party estimates and available infrastructure at the time of study.

Further investigations are required to achieve a DFS level of accuracy for the Razorback Project's product transport and logistical requirements, which may result in material changes to the assumptions. Final outcomes may differ following further engineering design, stakeholder engagement, land access agreements, environmental studies and regulatory permitting.

There is no guarantee that access to preferred transport infrastructure will be secured on acceptable commercial terms, or within the required Razorback Project timeline. Availability, cost, and conditions of access for road, rail, and port infrastructure and third-party provided services may vary depending on market dynamics, capacity constraints, and regulatory developments.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### Tailings

Historically, resource project tailings management represents a key area of technical, environmental, and regulatory risk.

The Razorback Project will produce significant quantities of tailings from processing operations, which require storage in a Tailings Storage Facility (TSF), the design of which has been undertaken to PFS level of accuracy. Further investigations are required to achieve a DFS level of accuracy for the Razorback Project's TSF, including the development of long-term management and closure strategies.

Outcomes from further geotechnical, hydrological, and geochemical investigations may influence embankment design, liner requirements, decant water management, and operational controls. These factors may have negative effects on the Razorback Project's capital costs, land footprint, permitting complexity, and compliance with evolving regulatory and industry standards.

Securing environmental and regulatory approvals for the TSF will depend on the acceptability by regulators of the final TSF design and proposed operating strategy.

#### Power

The Razorback Project requires access to reliable electrical power, to be supplied via a high-voltage transmission line connection to the South Australian electricity grid.

Preliminary engineering and commercial options for grid connection were assessed during the Razorback Project's optimisation study phase, which identified potential connection points and transmission routes. Further investigations are required to achieve a DFS level of accuracy for the Razorback Project's electricity transmission and connection assumptions.

The South Australian electricity market is evolving, with increased integration of renewable energy sources, battery storage technologies, and changes to market pricing structures. These shifts may have a negative impact on Razorback's power supply assumptions.

Access to South Australia's electricity transmission network infrastructure is subject to regulatory oversight currently by ElectraNet and the Australian Energy Market Operator (AEMO). Competition for access to the transmission network from other high-voltage (HV) network users, transmission capacity constraints, network augmentation requirements, or changes to access charges and connection policies may have negative effects on the cost, timing, and availability of power for the Razorback Project.

#### Water

Water supply for mining and ore processing operations historically represents a significant technical, environmental, and regulatory risk, particularly when the project is located in arid locations, in the interior, or away from existing water supply networks.

The Razorback Project will require approximately 10-12 GL of water per annum to support its Stage 1 (5Mtpa) mining and ore processing operations. The current assumption for water supply is to source desalinated seawater delivered to the Razorback Project site via a dedicated buried pipeline. Further investigations are required to achieve a DFS level of accuracy for the Razorback Project's water supply assumptions.

Key uncertainties include the location, design, and approval of a desalination facility; permitting of marine intake and salt brine discharge infrastructure; and compliance with regulatory frameworks governing marine and inland water use. These elements will require detailed environmental assessments, engagement with government agencies, and consultation with community and stakeholder groups.

The capital and operating costs associated with desalination infrastructure including plant construction, energy consumption, and brine management are subject to changing market conditions and evolving environmental standards.

A proposed pipeline alignment has been defined and construction methods considered appropriate to a PFS level of accuracy. Further investigations are required to achieve a DFS level of accuracy and the current assumptions may change based on further geotechnical, environmental, and engineering studies. Potential changes in alignment, easement access, land use restrictions, and construction complexity may have negative effects on costs, regulatory approvals, and schedule.

#### Reliance on key personnel and consultants

The Company's success largely depends on the core competencies of its Directors, management and third party consultants and their familiarisation with, and ability to operate in, the resources industry. The financial performance of the Company and the value of an investment in the Company partly depend on the ability of the Company to retain these key personnel and consultants.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### Tenement title

The Company's ongoing title to its currently held tenements is contingent upon continued compliance with the terms and conditions of grant, including the satisfaction of minimum annual expenditure or work commitments. Accordingly, the ability of the Company to maintain its tenement holdings is subject to the availability of funding for minimum expenditure compliance.

Failure of the Company to meet its statutory tenement obligations, or an inability to justify variations or deferrals to the relevant regulatory authorities, may result in the forfeiture, relinquishment, or compulsory surrender of tenements, either in whole or in part. Partial surrender of tenement areas may limit access to prospective mineralisation or constrain future exploration and development flexibility.

#### Counterparty, supplier and joint venture risks

The Company is a party to a number of contracts with suppliers and may in the future become a party to other contracts or commercial arrangements (such as joint venture agreements). There is a risk that one of the Company's commercial counterparties may default on their obligations or not act in the best interests of the Company. There is a risk of insolvency or managerial failure by any of the contractors or other suppliers used by the Company in any of its activities, or that any of those agreements are terminated in accordance with their terms. There is also a risk of legal or other disputes between the Company and co-venturers or contractors or other suppliers. This may have an adverse effect on the interests and prospects of the Company.

#### Input pricing and availability

The timing and cost of inputs to mining businesses, including consultants, people, equipment, construction materials and consumables, vary with demand and supply and has historically been tight when commodity prices rise. Inflationary impacts on mining inputs may result in increased capital and operating cost or delays to the Razorback Project.

#### Technology and performance risk

The scope for development of the Razorback Project relies on third party technology and design, some of it proprietary. The Company is currently conducting metallurgical testing and while testing to date has been encouraging, there is no guarantee or assurance that processing outcomes will be replicated at commercial scale, with potential impacts to throughput, quality and costs.

#### Regulatory risk

Changes in government policy (such as in relation to taxation, environmental and cultural protection, and licensing) or statutory changes may affect Magnetite Mines' business operations and its financial position. A change in government regime may significantly result in changes to fiscal, monetary, property rights and other issues which may result in a material adverse or positive impact on Magnetite Mines' business. Magnetite Mines monitors changes in relevant regulations and engages with regulators and governments to ensure policy and law changes are appropriately influenced and understood.

#### Permitting risk

All Exploration licences held by Magnetite Mines are subject to the granting and approval of relevant government bodies and ongoing compliance with licence terms and conditions. Tenure management processes and standard operating procedures are utilised to minimise the risk of losing tenure. The Company regularly engages with principal regulator Department for Energy and Mining regarding its tenement compliance management. Development of Razorback requires new consents, licensing and operating approvals for which the extensive preparatory work is underway. Major new consents and licences will need to be secured pursuant to the SA Mining Act 1971, while other regulatory approvals and consents (State and/or Commonwealth) may also be required. As with any approval process, consent is not guaranteed and conditions or other consent requirement may impact the Razorback Project timing and outcomes.

#### Land access, cultural heritage Native Title and community stakeholders

Magnetite Mines is required to notify owners and occupiers of land within its licence areas prior to undertaking exploration works and must negotiate access conditions prior to commencing mine development activities. There is a risk that any negotiations could protracted and/or costly.

Magnetite Mines operates in a number of areas within South Australia that are subject to Native Title determination or claim. Native title rights are acknowledged by Magnetite Mines and the Company must comply with relevant obligations under Federal and State regulation. A Native Title agreement is generally required before the commencement of exploration activities upon a tenement or prior to the granting of a mining lease; consequently, this may impact the timing and cost of exploration, development and production. Magnetite Mines notes that it already has a relevant agreement in place for exploration activities upon the Razorback tenements and negotiation for a mining agreement is scheduled into the development process.

The iron ore industry is also subject to interest from a wide range of stakeholders from the broader community who may be opposed to the role of the industry. Magnetite Mines' standard operating procedures and stakeholder engagement processes are used to manage land access, cultural heritage, native title and community stakeholder risks. The Company actively engages with its stakeholders and monitors for any emerging risks.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### Environmental, Social and Governance (ESG)

As part of the company's ESG initiatives, the environmental and social impacts of its operations will be baselined against global best practice, with an ambition to outperform peer iron ore suppliers on Scope 1, 2 and 3 emissions profiles. This will be a key area of focus as part of the DFS, but the final environmental footprint and impacts of the Razorback Project have yet to be defined.

#### HEALTH, SAFETY AND ENVIRONMENTAL RISKS

The business of exploration and development involves a variety of risks that may impact the health and safety of personnel, the community and the environment. Potential failure to manage these risks could result in injury or loss of life, damage to the environment, legal liability and damage to Magnetite Mines' reputation. Losses and liabilities arising from such events could increase costs and have a material adverse effect on the operations and/or financial conditions of Magnetite Mines. Magnetite Mines has implemented an online safety management system to identify and manage risks in this area, and works closely with contractors and consultants to ensure planned activities are conducted safely and with supervision, as may be required.

Insurance policies, standard operating procedures, contractor management processes and facility design and integrity management systems, amongst other things, are important elements of the system that support the mitigation of these risks. Magnetite Mines seeks to maintain appropriate policies of insurance consistent with those customarily carried by organisations in the resources sector. Any future increase in the cost of such insurance policies, or an inability to fully renew or claim against insurance policies as a result of the current economic environment (for example, due to a deterioration in an insurers ability to honour claims), could adversely affect Magnetite Mines' business, financial position and operational results.

#### CLIMATE CHANGE

Magnetite Mines is likely to be subject to increasing regulations and costs associated with climate change and, specifically, management of carbon emissions. Strategic, regulatory and operational risks and opportunities associated with climate change and the energy transition are progressively being incorporated into Company policy, strategy and risk management processes and practices. The Company actively monitors current and potential areas of climate change and energy transition risk.

#### DIVIDENDS

No dividends have been paid during the financial year and no dividend is recommended for the current year.

#### SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Consolidated Entity during the financial year not otherwise dealt with in this report.

#### LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Details of important developments in the operations of the Consolidated Entity are set out in the review of operations section of this report. The Consolidated Entity will continue to explore its Australian tenement areas of interest for minerals, and any significant information or data will be released in the market and to shareholders.

#### ENVIRONMENTAL ISSUES AND REGULATIONS

The Consolidated Entity has interests in mining tenements (including prospecting, exploration and mining leases). The leases and licence conditions contain environmental obligations. The Consolidated Entity has assessed whether there are any particular or significant environmental regulations that apply. It has determined that the risk of non-compliance is low and has not identified any compliance breaches during the year. The directors are not aware of any environmental matters that would have a significant adverse effect on the Consolidated Entity. During the year the Company has paid \$16,713 as part of Environmental Rehabilitation for the Razorback tenement. The Company has also made a provision of \$20,500 for remaining rehabilitation work required to finalise rehabilitation at Razorback and Iron Peak. The provision represents minor works following significant rehabilitation completed in the preceding reporting periods and includes remediation of access tracks, drill sites and ongoing environmental monitoring of previously disturbed areas in line with statutory requirements.

Director's Report  
FOR THE YEAR ENDING 30 JUNE 2025

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Since the end of the financial period, other than the matters disclosed below, the directors are not aware of any other matter or circumstance that has significantly or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity.

**Issue of director shares in lieu of director fees**

On 2 July 2025, the Company issued 319,094 shares to directors in lieu of a portion of their director remuneration for the period 1 April 2025 to 30 June 2025.

**Conversion of Performance Rights**

On 28 July 2025, 1,225,462 fully paid ordinary shares were issued following the vesting of performance rights to Managing Director and employees.

**Lapse of Performance Rights**

On 28 July 2025, 2,081,085 performance rights in relation to FY2025 lapsed due to performance conditions not being met.

**Extraordinary General Meeting**

On 15 August 2025, the Company held its Extraordinary General Meeting and all the resolutions put to the shareholders were carried with the requisite majority by way of a poll.

**Rare Earths Mineralisation Identified at Ironback Hill**

On 19 August 2025 the Company announced the identification of near-surface, clay-hosted rare earth element mineralisation at the Ironback Hill Project (adjacent to the Company's magnetite deposit), based on re-assaying archived drill samples; significant intercepts ranged from ~356ppm to ~1,153ppm TREO (350ppm cut-off). The Company plans low-cost follow-up and early-stage leachability/metallurgical testwork; results are preliminary and no recoveries or economic significance are yet known. This is considered a non-adjusting subsequent event under AASB 110 and, as at the date of this report, it has no material impact on the Group's financial statements.

**Rights Issue**

On 5 September 2025, the Company announced the successful completion of a renounceable pro-rata rights issue, which closed fully subscribed and raised approximately \$2.65 million before costs. As a result, the Company issued 40,852,578 fully paid ordinary shares and 40,852,578 quoted options (ASX code: MGTOF), exercisable at \$0.12 and expiring 2.5 years from issue.

Due to excess demand under the shortfall offer, the Company also announced a follow-on placement on the same terms as the Rights Issue, raising a further \$1.214 million before costs. Upon completion, the Company issued 18,676,923 fully paid ordinary shares and 6,370,256 options, with a further 12,306,667 options to be issued subject to shareholder approval at the Company's forthcoming AGM. In addition, 3,869,418 underwriter options to be issued are also subject to shareholder approval at the forthcoming AGM.

CORPORATE INFORMATION

|                              |                              |
|------------------------------|------------------------------|
| Magnetite Mines Limited      | Parent entity                |
| Razorback Iron Pty Ltd       | 100% owned controlled entity |
| Razorback Operations Pty Ltd | 100% owned controlled entity |
| Red Dragon Mining Pty Ltd    | 100% owned controlled entity |
| Ironback Pty Ltd             | 100% owned controlled entity |

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### INFORMATION ON DIRECTORS

| <b>PAUL WHITE</b>                                                | <b>Chair</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Qualifications</i>                                            | Master of Business Administration, Member of AICD                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <i>Skills and Experience</i>                                     | <p>Mr White is a highly accomplished and experienced business leader with a track record of driving organisational performance and delivering superior outcomes in both corporate and board positions. He has substantial executive experience with global mining companies including FTSE-listed Anglo American and Xstrata, with expertise in people strategy, business transformation and community stakeholder relations. Until 28 February 2021, Mr. White was the CEO of ASX-listed Brisbane Broncos, a position he held for a decade.</p> <p>Prior to his role with the Broncos, Mr. White gained considerable experience within the mining sector over an 8-year period in a variety of senior leadership and executive roles, both within site-based operations and corporate roles. He also spent 17 years in the Queensland Police Service finishing his career as the Officer in Charge of Mount Isa. Paul is currently the Independent Chair of the Coal Network Capacity Company, established in 2019 by major Queensland coal industry participants as the Independent Expert overseeing the capacity of the Central Queensland Coal Network.</p> <p>Throughout his career, Mr White has been extensively involved in working with Aboriginal and Torres Strait Islander communities and in particular, Aboriginal and Torres Strait Islander youth programmes. In 2017, his work in this area was recognised in his nomination for Queensland's Australian of the Year Award. Mr White was appointed as director on 12 January 2022 and was appointed as Chair of the Board on 23 September 2024.</p> |
| <i>Other current Directorships</i>                               | Independent Chairman - Coal Network Capacity Company<br>Director - Country to Coast PHN, Queensland                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <i>Former Directorships in the last three years</i>              | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <i>Special Responsibilities</i>                                  | Chair of Nomination & Remuneration Committee<br>Member of Audit & Risk Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <i>Interest in Shares and Options at the date of this report</i> | <ul style="list-style-type: none"> <li>2,042,643 Ordinary shares</li> <li>648,894 Quoted options exercisable at \$0.30 each expiring 2 October 2027</li> <li>510,660 Quoted options exercisable at \$0.12 each expiring 5 March 2028.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

| <b>TIM DOBSON</b>                                   | <b>Managing Director</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Qualifications</i>                               | B.AppSc in Extractive Metallurgy, GAICD, FAusIMM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <i>Skills and Experience</i>                        | <p>Mr Dobson is a mining leader with over 36 years experience leading and developing world-class operations, Mr Dobson has a track record in transformational leadership through the application of sound strategy, technical capability and building high-performance teams. Prior to joining Magnetite Mines, he was CEO of Heron Resources, which he joined in early 2020 as Covid-19 impacts forced mine closures and established a strategic process leading to the refinancing and resumption of mining operations. Prior to that, he worked for six years with Sherritt International Corporation where he was President of its US\$8bn Ambatovy nickel operations in Madagascar during its transition from early ramp-up to stable operations before assuming responsibility for the company's nickel and cobalt operations in Canada and Cuba. He has also held a series of executive leadership and CEO roles with Norilsk Nickel, Lihir Gold (PNG), Kimberley Rare Earths, Anova Metals and Polymetals, where Mr Dobson lead the development of the successful White Dam gold project in South Australia.</p> <p>Mr Dobson was appointed as CEO on 23 August 2022 and was appointed as Managing Director on 23 September 2024.</p> |
| <i>Other current Directorships</i>                  | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <i>Former Directorships in the last three years</i> | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <i>Special Responsibilities</i>                     | Member of Audit & Risk Committee<br>Member of Nomination & Remuneration Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

|                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Interest in Shares and Options at the date of this report</i> | <ul style="list-style-type: none"> <li>• 2,197,902 Ordinary shares</li> <li>• 280,243 Quoted options exercisable at \$0.30 each expiring 2 October 2027</li> <li>• 384,615 Quoted options exercisable at \$0.12 each expiring 5 March 2028</li> <li>• 382,883 unquoted options with an exercise price of \$1.34 each expiring on 1 December 2028</li> <li>• 1,064,736 unquoted options with an exercise price of \$0.556 each expiring on 5 December 2029.</li> <li>• 2,256,318 unquoted options with an exercise price of \$0.2290 each expiring on 6 December 2030.</li> </ul> |
|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SIMON WANDKE</b>                                              | <b>Non-Executive Director</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <i>Qualifications</i>                                            | Bachelor of Arts (Psychology), Graduate of Australia Institute of Company Directors (GAICD), Diploma in Corporate Finance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <i>Skills and Experience</i>                                     | <p>Mr Wandke is a highly accomplished C-suite leader, with extensive global iron ore leadership, strategy, value chain and commercial experience in major resource organisations. Most recently, Mr Wandke was Executive Vice President and Chief Executive Officer of ArcelorMittal Mining, the world's leading steel company with the fifth largest iron ore business globally. During his tenure, Mr Wandke played a key role in helping to drive the mining division forward to the next stage of its development as one of the largest global producers of iron ore, coking coal and other minerals.</p> <p>Mr Wandke has over 40 years' experience in the mining and minerals industry, holding senior management, strategy and commercial positions internationally with a particular focus on the development of greenfield and brownfield projects, designing and implementing major change and effective commercial strategies, strategic marketing, risk management and ESG. Mr Wandke was appointed a Non-Executive Director on 6 June 2022.</p> |
| <i>Other current Directorships</i>                               | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <i>Former Directorships in the last three years</i>              | Kalium Lakes Ltd (from October 2022 to August 2023)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <i>Special Responsibilities</i>                                  | Chair of Audit & Risk Committee<br>Member of Nomination & Remuneration Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <i>Interest in Shares and Options at the date of this report</i> | <ul style="list-style-type: none"> <li>• 307,449 Ordinary shares</li> <li>• 32,757 Quoted options exercisable at \$0.30 each expiring 2 October 2027</li> <li>• 76,862 Quoted options exercisable at \$0.12 each expiring 5 March 2028.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

|                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>CARMEN LETTON</b>                                                           | <b>Non-Executive Director (ceased on 27 November 2024)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <i>Qualifications</i>                                                          | PhD Mineral Economics, Bachelor of Engineering (Hon) (Mining)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <i>Skills and Experience</i>                                                   | <p>Dr. Carmen Letton is a mining engineer and mineral economist with over 35 years of global mining experience in more than 10 world-class and tier-one assets and has a diverse background in senior leadership roles in operations, business improvement, operational excellence, major mergers and acquisitions, and corporate strategy development. She has particular technical expertise in the optimisation and value maximization of open-pit and underground mines across multiple commodities and the various stages of asset development and spent over 10 years leading the turnaround of mining portfolios and individual assets. Most recently, Dr. Letton has played key roles on the Board of Directors of international mining companies, having previously worked at Anglo American, BHP, Rio Tinto, Newmont, Newcrest, and Alcoa. Dr Letton was selected as one of the "100 Global Inspirational Women in Mining" in 2016 and 2018 by Women in Mining UK.</p> <p>Dr Letton was appointed a Non-Executive Director on 25 January 2023 and resigned as Non-Executive Director on 27 November 2024.</p> |
| <i>Other current Directorships</i>                                             | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <i>Former Directorships in the last three years</i>                            | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <i>Special Responsibilities</i>                                                | Member of Nomination & Remuneration Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <i>Interest in Shares and Options at the date they ceased to be a director</i> | <ul style="list-style-type: none"> <li>• 154,908 Ordinary shares</li> <li>• 25,818 Quoted options exercisable at \$0.30 each expiring 2 October 2027</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

| <b>JIM MCKERLIE</b>                                                            | <b>Non-Executive Director (ceased on 27 November 2024)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Qualifications</i>                                                          | Bachelor of Economics, Diploma in Financial Management, FAICD, Fellow of Chartered Accountants ANZ.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <i>Skills and Experience</i>                                                   | <p>Mr McKerlie has an extensive career as an international chief executive with public and private companies, management consultant with Deloitte and KPMG and as a public company director including Chair of Drillsearch for 8 years, Beach Energy and ELMO. He has chaired four IPOs and has depth of experience in technology and energy sectors. Mr McKerlie's primary interests are growing businesses, building shareholder value and ensuring appropriate governance procedures are in place. He also has 20 years broadcast experience as a national media presenter in finance and economics.</p> <p>Mr McKerlie was appointed as Non-Executive Director on 12 January 2022 and was appointed as Chair of the Board on 25 September 2023. Mr McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as non-executive director on 27 November 2024.</p> |
| <i>Other current Directorships</i>                                             | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <i>Former Directorships in the last the three years</i>                        | None                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <i>Special Responsibilities</i>                                                | <p>Member of Audit &amp; Risk Committee</p> <p>Member of Nomination &amp; Remuneration Committee</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <i>Interest in Shares and Options at the date they ceased to be a director</i> | <ul style="list-style-type: none"> <li>99,952 Ordinary shares</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

| <b>PETER SCHUBERT</b>                                                          | <b>Non-Executive Director (ceased on 27 November 2024)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Skills and Experience</i>                                                   | <p>Mr Schubert is a professional investor with business development and entrepreneurial skills teamed with over 33 years of direct experience in international and domestic markets. Mr Schubert has strong, established ties to the investment community, particularly in relation to the Australian resource sector.</p> <p>During his career Mr Schubert has developed a range of businesses across various sectors with an emphasis on support for the establishment of various Australian resource companies.</p> <p>Mr Schubert was first appointed to the board on 17 December 2015 as Non-Executive Director and appointed as executive director on 9 December 2016 and subsequently appointed as Executive Chair on 3 September 2018 and as Interim CEO on 16 March 2021. Effective from 15 May 2022, Mr Schubert was appointed as non-executive director. Mr Schubert resigned as non-executive director on 27 November 2024.</p> |
| <i>Other current Directorships</i>                                             | Chairman - Natural MedTech                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <i>Former Directorships in last three years</i>                                | None.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <i>Special Responsibilities</i>                                                | Member of Audit & Risk Committee                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <i>Interest in Shares and Options at the date they ceased to be a director</i> | <ul style="list-style-type: none"> <li>2,731,040 Ordinary shares</li> <li>400,000 Unquoted options exercisable at \$0.915 each expiring 15 December 2025</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

#### COMPANY SECRETARIES

##### Inthu Siva – Company Secretary

Ms. Siva was appointed as Company Secretary on 14 April 2023. She has been employed by the Company since 2010 and also holds the position of Financial Controller. Ms. Siva is an associate member of the Governance Institute of Australia (AGIA) and is a Certified Practising Accountant (CPA).

##### Simon Smith – Joint Company Secretary (resigned on 7 March 2025)

Mr. Smith was appointed Joint Company Secretary on 30 October 2023 and resigned on 7 March 2025. He also served as Chief Financial Officer from 4 September 2023 until his resignation. Mr. Smith holds a BCom and is a Chartered Accountant.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### SHARES UNDER OPTIONS AND PERFORMANCE RIGHTS

As at the date of this report, there were 185,837,236 unissued ordinary shares of the Company as follows:

| Date options issued                            | Expiry date | Vesting date | Exercise price of options (\$) | Number of securities |
|------------------------------------------------|-------------|--------------|--------------------------------|----------------------|
| <b>Unquoted options</b>                        |             |              |                                |                      |
| 16 Dec 2020                                    | 15 Dec 2025 | 16 Dec 2020  | 0.915                          | 600,000              |
| 17 Nov 2022                                    | 14 Oct 2025 | 17 Nov 2022  | 2.03                           | 286,071              |
| 1 Dec 2022                                     | 1 Dec 2025  | 1 Dec 2022   | 1.39                           | 1,049,654            |
| 1 Dec 2022                                     | 1 Dec 2028  | 30 Nov 2025  | 1.34                           | 382,883              |
| 2 Feb 2023                                     | 1 Feb 2029  | 1 Feb 2026   | 0.78                           | 167,940              |
| 5 Dec 2023                                     | 5 Dec 2029  | 5 Dec 2026   | 0.556                          | 1,978,713            |
| 6 Dec 2024                                     | 6 Dec 2030  | 6 Dec 2027   | 0.229                          | 5,227,160            |
| 7 Mar 2025                                     | 7 Mar 2028  | 7 Mar 2025   | 0.1542                         | 8,106,355            |
| 19 May 2025                                    | 19 May 2028 | 19 May 2025  | 0.1301                         | 2,881,548            |
| 30 Jun 2025                                    | 30 Jun 2028 | 30 Jun 2025  | 0.1212                         | 1,200,495            |
| <b>Quoted options</b>                          |             |              |                                |                      |
| 2 Oct 2024                                     | 2 Oct 2027  | 2 Oct 2024   | 0.30                           | 16,639,408           |
| 5 Sep 2025                                     | 5 Mar 2028  | 5 Sep 2025   | 0.12                           | 47,222,834           |
| <b>Convertible Notes (face value \$1 each)</b> |             |              |                                |                      |
| 24 Jan 2025                                    | 24 Jan 2027 | 24 Jan 2025  |                                | 646,000              |
| 7 Mar 2025                                     | 7 Mar 2027  | 7 Mar 2025   |                                | 1,404,000            |
| 19 Mar 2025                                    | 19 Mar 2027 | 19 Mar 2025  |                                | 810,000              |
| 30 Jun 2025                                    | 30 Jun 2027 | 30 Jun 2025  |                                | 314,280              |

During the financial year:

- (1) On 14 August 2024, 125,000 fully paid ordinary shares were issued following the vesting of Tranche 2 of the CEO sign-on rights.
- (2) On 2 October 2024, 803,278 employee performance rights were converted into fully paid ordinary shares following the performance evaluation process.
- (3) On 2 October 2024, 218,541 Managing Director performance rights were converted into fully paid ordinary shares following the performance evaluation process.
- (4) On 2 October 2024, 1,177,453 employee performance rights lapsed following the performance evaluation process.
- (5) On 2 October 2024, 723,670 Managing Director performance rights lapsed following the performance evaluation process.
- (6) On 1 December 2024, 300,000 unquoted employee options with an exercise price of \$0.57 each expired.
- (7) On 8 December 2024, 1,052,000 unquoted employee options with an exercise price of \$1.81 each expired.
- (8) On 13 December 2024, 540,000 unquoted director options with an exercise price of \$1.76 each expired.
- (9) On 24 March 2025, 4,347,826 ordinary shares were issued on exercise of 350,000 Convertible Notes with a face value of \$1 each.
- (10) On 23 May 2025, 17,315 quoted options with an exercise price of \$0.45 each expiring on 23 May 2025 were exercised.
- (11) On 23 May 2025, 10,812,883 quoted options with an exercise price of \$0.45 each expired.
- (12) On 27 June 2025, 135,360 unquoted employee options with an exercise price of \$1.95 each expired.

Option and convertible notes holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any other entity.

Post 30 June 2025,

- (1) On 19 August 2025, 3,750,000 ordinary shares were issued on exercise of 300,000 Convertible Notes with a face value of \$1 each.
- (2) On 5 September 2025, 47,222,834 quoted options with an exercise price of \$0.12 each with an expiry date of 5 March 2028 were issued.

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## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### CORPORATE GOVERNANCE STATEMENT

The Board is committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to refine and improve the governance framework and has practices in place to ensure they meet the interests of shareholders.

Under ASX Listing Rule 4.10.3, ASX listed entities are required to benchmark their corporate governance practices against the fourth edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (ASX Recommendations). Magnetite Mines Limited is compliant with all relevant ASX Recommendations. Our Corporate Governance Statement is available at [www.magnetitemines.com/corporate](http://www.magnetitemines.com/corporate).

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## **Message from Paul White, Nomination & Remuneration Committee Chair**

Dear Shareholders,

On behalf of the Board, I am pleased to present Magnetite Mines Limited's Remuneration Report for the year ended 30 June 2025.

### **Year in Review**

The Company has maintained its dedicated focus on the development of its Razorback Iron Ore Project as a future source of premium-grade magnetite concentrate for use in green iron and steelmaking. A highlight for the year was the Company's submission of a formal Mining Lease Proposal for a 5Mtpa mining and processing operation at Razorback, lodged with the South Australian Government for assessment in March 2025. This is a major milestone in a new mine's development journey and the Company looks forward to the Mining Lease being approved in due course.

The past 12 months have witnessed a slowdown in the global green energy transition, hydrogen production ambitions, and decarbonisation momentum in general. Whilst international decarbonisation commitments remain in place, investment flows have slowed and time frames to achieve targets have been extended. Despite this shifting environment, the Company has continued to pursue potential strategic partnerships with JFE Shoji Australia and other major industry players seeking to invest in green iron and steel supply chains. The Company's objective is to secure early-stage funding support for the completion of a comprehensive Definitive Feasibility Study, necessary to enable the formation of a formal joint venture and a Final Investment Decision. Equally importantly, we have continued to foster trusted stakeholder relationships with all levels of government, community and Traditional Owners.

Magnetite Mines has positioned Razorback as the pre-eminent new magnetite project in South Australia, aligning its development with the State Government's policy ambitions to create a new green industry in the state. Backed by the Port Pirie Regional Council, our Green Iron SA consortium with Aurizon, Flinders Ports and GHD made a comprehensive and well-received submission into the government's Green Iron Opportunity EOI process in late 2024, outlining a plan to establish a green iron hub in Port Pirie founded on DR-grade magnetite concentrate supply from Razorback.

On the technical front, management has focused on addressing a key technical risk for the project: secure water supply. Over the past two to three years, all possible water supply scenarios have been assessed based on risk and cost, with the base case being a coastal-located desalination plant with a pipeline to site. The Company also announced a breakthrough with preliminary metallurgical testwork results last year, indicating that the use of saline water (seawater) for ore processing instead of fresh water may be possible. This unique proprietary process was developed in house and is now the subject of a preliminary patent by the Company. Further optimisation work is required to improve the robustness of the process across all ore types and complete a cost-benefit analysis.

Funding for these activities and general working capital was supported by a convertible loan note facility entered into with C/M Capital Partners in January this year with a headline capacity of \$7 million, to be drawn down in tranches mutually agreed by the Company and C/M Capital Partners. At 30 June 2025, approximately \$3.55 million of this facility had been drawn down.

### **Addressing the first strike**

At our 2024 AGM, more than 25% of votes were cast against the FY2024 Remuneration Report, resulting in a "first strike" as it relates to the "two strike rule" in Section 250 of the Australian Corporations Act. The Board takes this outcome seriously and views it as an opportunity to strengthen engagement with shareholders and further improve our remuneration practices.

Over the past year, we have met with investors and other stakeholders to better understand their concerns and expectations. In response to this feedback, we have:

- reduced the number of Non-Executive Directors from five to two;
- partially replaced remaining Non-Executive Director remuneration with shares;
- maintained a policy of awarding all employee short term and long term incentives in securities (shares and options), rather than cash;
- enhanced disclosure around performance measures and incentive outcomes to make the link between pay and performance clearer to shareholders; and
- maintained fixed pay levels for both Non-Executive and Executive Directors.

### **Supporting cash preservation and alignment with shareholders**

Given our focus on advancing the Razorback Iron Ore Project while conserving cash, the Board took additional steps to align with shareholders. Effective 1 February 2025, Non-Executive Directors elected to receive a portion of their fees in shares under the Company's Employee Incentive Plan (EIP). I personally elected to forgo \$90,000 of my annual \$160,000 fee entitlement, in return for shares, and my fellow Non-Executive Director, Mr Simon Wandke, also elected

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## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

to forgo \$40,000 of his annual \$110,000 fee entitlement, in return for shares. This initiative reflects both our commitment to capital discipline and our confidence in the long-term value we are building for shareholders.

#### Remuneration Outcomes in FY2025

Based on the performance of the Company relative to the Key Performance Indicators (KPIs) and objectives set by the Board for FY2025, as well as a recognition of the wider accomplishments of the Company that have been realised under their leadership over the past year, the Board has determined to award the Managing Director Tim Dobson 41% of his FY2025 STI opportunity. Mr Simon Smith's STI performance rights were forfeited due to his resignation as Chief Financial Officer and Joint Company Secretary on 7 March 2025.

The Board considers the Executives' remuneration to be appropriately aligned with their performance for the year and in line with market for the role. We have confidence in the Magnetite Mines leadership team to guide the Company towards strong performance in FY2026 and beyond.

#### Highlights of FY2025

FY2025 was a defining year in our growth journey. Key milestones included:

- submission of the Mining Lease Proposal for the Razorback Iron Ore Project, a major regulatory step forward;
- signing of a non-binding Heads of Agreement with JFE Steel Corporation, a leading global steelmaker, paving the way for potential future offtake and project collaboration;
- continuation of front-end engineering and project development activities, ensuring the project remains on track for future investment decisions; and
- another strong year for safety performance and delivery of our 'foresight' sustainability program, reflecting our commitment to responsible development.

These achievements have positioned Magnetite Mines as a credible participant in the emerging green steel supply chain, underpinned by high-grade magnetite concentrate and strong sustainability credentials.

#### Looking forward

The global transition to low-carbon steelmaking is accelerating, creating new demand for premium magnetite products such as those targeted by Razorback. We are optimistic about our ability to build further value for shareholders in the coming year and beyond. Our recent achievements in partnering, regulatory approvals, project development, and financial management provide a solid foundation for the next stage of growth.

We are committed to ongoing engagement with shareholders to inform refinements in our remuneration approach as we evolve. Our intention is to maintain an adaptive, transparent framework that aligns leadership outcomes with company performance and shareholder interests.

We are committed to ongoing engagement with shareholders to inform refinements in our remuneration approach as we evolve. Our intention is to maintain an adaptive, transparent framework that aligns leadership outcomes with company performance and shareholder interests.

If you have any questions or feedback, please feel free to reach out to us. We value your input and are committed to keeping open lines of communication.

Sincerely,



Paul White

Chair of the Nomination & Remuneration Committee

Director's Report  
FOR THE YEAR ENDING 30 JUNE 2025

REMUNERATION REPORT (AUDITED)

1. Introduction

The Directors of Magnetite Mines Limited present the Remuneration Report (the Report) for the Company for the year ended 30 June 2025. This Report forms part of the Directors' Report and has been audited in accordance with section 300A of the Corporations Act 2001.

The Report details the remuneration arrangements for Magnetite Mines' key management personnel (KMP) and include:

- the Company's Non-Executive Directors (NEDs); and
- the Company's Executive Group (Executives).

In this report, the KMP are those persons who, directly or indirectly, have authority and responsibility for planning, directing and controlling the major activities of the Company and Group.

1.1 Details of Key Management Personnel (KMP)

The following persons were KMP of Magnetite Mines Limited for the full financial year unless otherwise indicated.

| Name                      | Position                                          | Term as KMP               |
|---------------------------|---------------------------------------------------|---------------------------|
| Non-Executive Directors   |                                                   |                           |
| Paul White <sup>1</sup>   | Non-Executive Chair                               |                           |
| Simon Wandke              | Non-Executive Director                            |                           |
| Carmen Letton             | Non-Executive Director                            | Resigned 27 November 2024 |
| Jim McKerlie <sup>2</sup> | Non-Executive Director                            | Resigned 27 November 2024 |
| Peter Schubert            | Non-Executive Director                            | Resigned 27 November 2024 |
| Executives                |                                                   |                           |
| Tim Dobson <sup>3</sup>   | Managing Director                                 |                           |
| Simon Smith               | Chief Financial Officer & Joint Company Secretary | Resigned 7 March 2025     |

1 Mr Paul White was appointed as Chair of the Board on 23 September 2024.

2 Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.

3 Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024.

### REMUNERATION REPORT (AUDITED) (continued)

#### 2. Executive Reward Framework for FY2025

Remuneration is a key element of the Company's Human Resources (HR) strategy. The Company has undergone significant change over the last three years with the development of a clear corporate strategy that addresses how the growth opportunities will be achieved. Magnetite Mines has a significant iron ore resource with a very long potential mine life offering significant returns to shareholders.

To realise this opportunity a growing number of skilled personnel across many disciplines will be required. There is strong competition for this talent and candidates will inevitably be sourced from across Australia and overseas. People are the key to the success of any project and the Company has established a HR strategy to build the environment that will attract these people.

The Company's HR strategy is designed to deliver several outcomes including attracting people, retaining them and most importantly ensuring they are highly engaged and deliver to the best of their ability. The Company recognises that there are several core drivers that will achieve these outcomes including market competitive fixed remuneration, the opportunity for reward through performance-based remuneration, the workplace environment, fair and equitable opportunities to advance, the Company's purpose and its organisational culture.

The Company has prioritised all of these drivers and our remuneration strategy was established with regard to the overall HR strategy, which in turn was developed to work in concert with the Company's corporate strategy. The HR strategy ensures compliance with competitive market practices, good corporate governance, and creation of long-term sustainable value, for both shareholders and other key stakeholders.

##### 2.1 Reward Framework Objectives

The remuneration review included a benchmarking review for both Executives and Non-Executives, with data provided by an independent, external advisor.

The Reward Framework is designed to enable the Company:

- To support the execution of the Corporate strategy;
- To provide competitive rewards to attract, retain and motivate a skilled and engaged workforce;
- To ensure that reward outcomes are linked to individual and Company performance;
- To ensure that executives and management are focused on delivering value to shareholders;
- To provide a remuneration framework that maintains fair, equitable and affordable rates of pay for all employees and encourages, recognises and rewards strong performance; and
- To ensure the total cost of reward and benefits is well managed and will not expose the business to unnecessary risk or long-term commitments.

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

#### 2.2 Reward Governance

The Nomination & Remuneration Committee (NRC) consists of a majority of Non-Executive Directors and operates under a Board-approved Charter. The roles and responsibilities of our Board, NRC, management and external advisors in relation to remuneration for KMP and employees at Magnetite Mines are outlined below.

| Role                                           | Description of Responsibilities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Board</b>                                   | The Board is responsible for: <ul style="list-style-type: none"> <li>• approving Magnetite Mine's remuneration strategy,</li> <li>• overseeing the remuneration governance,</li> <li>• on recommendation from the NRC, approving the key elements of the Reward Framework,</li> <li>• determining the quantum of remuneration for Non-Executive Directors and the MD.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Nomination &amp; Remuneration Committee</b> | Established by the Board and operating under its own Charter, with its role defined by the Terms of Reference, the NRC makes recommendations on: <ul style="list-style-type: none"> <li>• the reward framework and governance that applies to all employees,</li> <li>• remuneration arrangements for the Company's Directors and Executives,</li> <li>• setting of performance standards and assessing outcomes for the executive team,</li> <li>• assessment of cost, risk and effectiveness of the elements of reward,</li> <li>• monitoring and measuring culture,</li> <li>• inclusion and diversity principles and objectives.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Management</b>                              | Management: <ul style="list-style-type: none"> <li>• reviews, identifies and recommends to the NRC, improvements to remuneration effectiveness,</li> <li>• provides information and analysis to assist the NRC to make informed decisions,</li> <li>• executes the reward framework and remuneration processes of the Company.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>External Advisors<sup>1</sup></b>           | Remuneration consultants and HR software providers: <ul style="list-style-type: none"> <li>• provide independent advice and information relevant to remuneration decisions,</li> <li>• provide a Human Resources software that assists in the setting of objectives, measuring progress toward these and measuring overall performance.</li> </ul> <p>Magnetite Mines follows a protocol to engage an adviser to make a remuneration recommendation. The protocol ensures the recommendation is free from undue influence by management. The Board or Committee Chair engages the adviser. The Board or Committee Chair deals with the adviser on all material matters and any advice provided by external advisors is used to assist the Board and is not a substitute for the Board and NRC procedures. Management involvement is only to the extent necessary to coordinate the work. The Board and Committee seek recommendations from the MD about executive remuneration. The MD does not make any recommendation about his own remuneration. The Board and Committee have regard to industry benchmarking information.</p> |

1. The Nomination & Remuneration Committee did not receive recommendations from external advisors, including remuneration consultants, in relation to KMP in FY25.

#### 2.3 Guiding Principles for Remuneration:

Our Guiding Principles articulate the objectives of Executive Reward at Magnetite Mines and underpin our decision-making in all aspects of reward.

| Strategy & Sustainability                                                                                                                                                                 | Performance                                                                                                                                                                                | Shareholders                                                                                                                                                              | Market                                                                                                                               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Short-term and long-term performance measures are aligned to our corporate strategy. Corporate sustainability is a core basis of our culture, business planning and operational delivery. | Reward outcomes are aligned to performance by providing a meaningful portion of pay 'at-risk' with challenging performance measures that include both financial and non-financial metrics. | Our reward framework ensures Executives are focussed on the creation of long-term value for shareholders by aligning performance measures to long-term shareholder value. | We ensure our reward is competitive compared to the markets in which we operate and allows us to attract and retain talented people. |

**REMUNERATION REPORT (AUDITED) (continued)**

**2.4 Components of the Executive KMP Reward Framework for FY2025**

**a. Fixed Remuneration**

| Description                      |                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Purpose</b>                   | Provide fair, market-related fixed remuneration for the skills and experience an Executive brings to a role. Attract and retain and capable leaders.                                                                                                                                                                                            |
| <b>Description</b>               | Salary and other benefits, including statutory superannuation.<br><br>Executives are given the opportunity to receive their fixed remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be cost-neutral to the Company. |
| <b>Fixed Remuneration Levels</b> | Fixed remuneration is set according to the defined Role and Responsibility of each executive.                                                                                                                                                                                                                                                   |
| <b>Market Positioning</b>        | Fixed remuneration is determined based on the median of our peer groups, considering the Executive KMP's responsibilities, location, skills, and experience.<br><br>Our "peer group" includes companies in the ASX Metals and Mining Sector, with a market capitalisation of roughly half to double that of Magnetite Mines.                    |

**b. Short-Term Incentives**

| Description            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |     |             |                   |           |                     |           |
|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-------------|-------------------|-----------|---------------------|-----------|
| <b>STI Purpose</b>     | The STI focuses on driving effort toward our key priorities for the current financial year and beyond. It serves as a strong motivator for Executive KMPs to achieve challenging performance objectives that are typically within their control.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |     |             |                   |           |                     |           |
| <b>STI Description</b> | <p>The overall STI outcome (expressed as a percentage of maximum opportunity) is determined by assessing three key inputs:</p> <ul style="list-style-type: none"> <li><b>business outcomes</b> which is the progress toward a basket of business plan objectives – a result that is shared by all people in the STI cohort;</li> <li><b>individual performance</b> based on an individual's objectives, personal growth, and performance as a manager; and</li> <li><b>business modifier</b> that can be applied by the board to cater for exceptional circumstances.</li> </ul> <div style="display: flex; align-items: center; justify-content: center; margin-top: 10px;"> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 150px;"> <b>Business Outcome</b><br/><br/>(same results for STI cohort)         </div> <div style="margin: 0 10px;">X</div> <div style="margin: 0 10px;">X</div> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 150px;"> <b>Individual Performance</b><br/><br/>(individual results)         </div> <div style="margin: 0 10px;">X</div> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 150px;"> <b>Business Modifier</b><br/><br/>(board discretionary adjustment)         </div> <div style="margin: 0 10px;">=</div> <div style="border: 1px solid black; padding: 5px; text-align: center; width: 150px;"> <b>Overall Individual STI Outcome</b> </div> </div> |     |             |                   |           |                     |           |
| <b>STI Quantum</b>     | <p>The target and maximum opportunity for STI, as a percentage of Fixed Remuneration, is aligned to the Magnetite Mines peer group. For our Executive KMP, these are set as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">STI</th><th style="text-align: left;">Opportunity</th></tr> </thead> <tbody> <tr> <td>Managing Director</td><td>50% - 75%</td></tr> <tr> <td>Other Executive KMP</td><td>40% - 60%</td></tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | STI | Opportunity | Managing Director | 50% - 75% | Other Executive KMP | 40% - 60% |
| STI                    | Opportunity                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |     |             |                   |           |                     |           |
| Managing Director      | 50% - 75%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |     |             |                   |           |                     |           |
| Other Executive KMP    | 40% - 60%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |     |             |                   |           |                     |           |

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### REMUNERATION REPORT (AUDITED) (continued)

|                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>STI Delivery</b>        | <p>The maximum opportunity in performance rights for Participating Executives are issued based on the volume-weighted average price of the Company's shares at the start of the performance period. For FY2025, the Company issued performance rights to participating executives following the 2024 AGM, based on the volume-weighted average price of the Company's shares on 1 July 2024.</p> <p>At the end of the performance period, and following the Board-approved assessment of each Participating Executives' performance (see below), the approved portion of performance rights vest for each participant, with the remainder lapsing. Each share right that vests entitles the holder to acquire one fully paid ordinary share in the Company.</p> <p>Performance rights have been selected as a cost-effective and efficient means of incentivising Participating Executives, as opposed to cash incentives, with the Company seeking to retain its cash reserves for other preferred uses.</p> |
| <b>Link to Performance</b> | <p>Annual STI outcomes are subject to the achievement of targets that are aligned with the achievement of Magnetite Mines corporate strategy. To ensure outcomes align with overall performance, the Board may exercise its discretion under the Employee Incentive Plan to adjust or waive vesting conditions for STI Performance Rights.</p> <p>In addition, awarding STI incentives in the form of performance rights boosts the Participating Executives' shareholding in the Company, further aligning their interests with those of other shareholders. Granting performance rights at the start of the performance period provides additional leverage during the period, meaning that whilst Participating Executives may enjoy the upside potential, they must also wear the downside risk associated with share price movements through the period. This has the benefit of focusing Executive effort on share price growth right from the outset, as intended.</p>                                 |

#### c. Long-Term Incentives

| Description                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |                                       |                   |     |           |     |
|----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------------------------------------|-------------------|-----|-----------|-----|
| <b>LTI Purpose</b>         | The LTI is intended to drive ownership behaviours and a focus on long-term performance while aligning Key Management Personnel (KMP) with the Company's purpose, culture, values and strategic objectives. LTI outcomes are directly linked to the growth in value of the Company's share price over the longer term, rewarding KMP only for delivering exceptional growth.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |     |                                       |                   |     |           |     |
| <b>LTI Description</b>     | <p>Each year, KMP are issued premium-priced share options with a 3-year vesting period. This has the effect that KMP are only rewarded if the Company's share price achieves the higher share price, and only after 3 years following the issue of the options.</p> <p>The number of share options granted to each KMP is based on their LTI opportunity (calculated as a percentage of their Fixed Remuneration), divided by the value of the option as determined using an appropriate financial modelling technique, such as Monte Carlo simulation.</p> <p>The options are subject to the satisfaction of the following vesting conditions:</p> <ul style="list-style-type: none"> <li>the volume weighted average price of the shares of the Company, over any 14-day period, exceeds the exercise price for the Options, and</li> <li>the holder being an employee of the Company.</li> </ul> <p>Each share option that vests entitles the KMP holder to acquire one fully paid ordinary share in the Company at the option exercise price.</p> |     |                                       |                   |     |           |     |
| <b>LTI Quantum</b>         | <p>The quantum of the LTI opportunity for KMP is aligned to the Magnetite Mines peer group. For Magnetite Mines, these are set as follows:</p> <table> <tr> <th>LTI</th><th>LTI Opportunity<br/>(% of base salary)</th></tr> <tr> <td>Managing Director</td><td>50%</td></tr> <tr> <td>Other KMP</td><td>30%</td></tr> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | LTI | LTI Opportunity<br>(% of base salary) | Managing Director | 50% | Other KMP | 30% |
| LTI                        | LTI Opportunity<br>(% of base salary)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |     |                                       |                   |     |           |     |
| Managing Director          | 50%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |                                       |                   |     |           |     |
| Other KMP                  | 30%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |                                       |                   |     |           |     |
| <b>Link to Performance</b> | The share options only become available to the KMP if, once issued, the volume-weighted average price of the shares of the Company exceeds the exercise price for the Options over a minimum 14-day period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |     |                                       |                   |     |           |     |

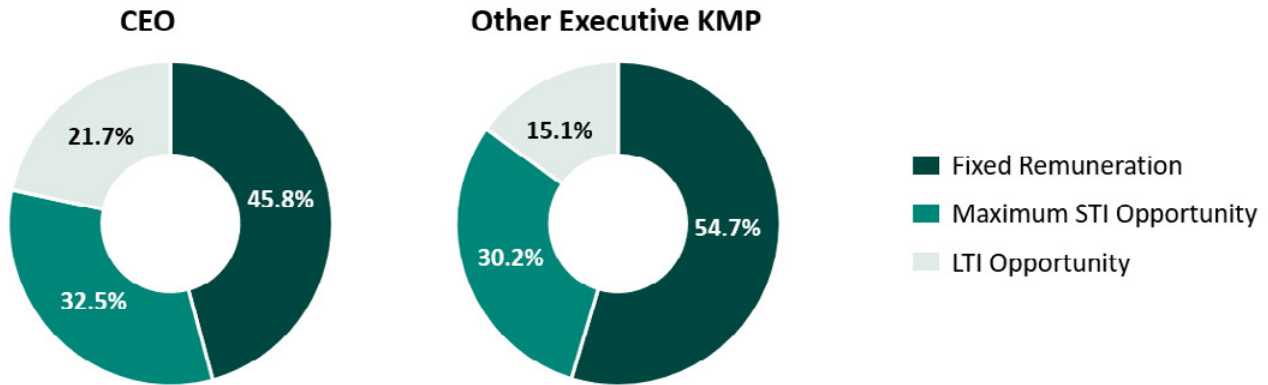
## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

#### 2.5 Remuneration Mix

The following illustrates the remuneration mix for Magnetite Mine's KMP at maximum possible performance. The actual STI and Performance Rights awarded are subject to performance against the pre-determined targets.



#### 2.6 Malus and Clawback

The Board can reduce or clawback all vested and unvested STI and LTI awards in certain circumstances including:

- an executive engaging in fraud or gross misconduct;
- breach of law;
- a material misstatement of our accounts results in vesting;
- behaviours of executives that bring Magnetite Mines into disrepute;
- other circumstances where there would be an inappropriate benefit; and
- any other factor the Board deems justifiable.

#### 2.7 Hedging

KMP are not permitted to hedge STI or LTI equity awards in any way.

#### 2.8 Employment Agreements for Key Management Personnel

The following table outlines the summary terms of employment for the Managing Director and other Executive KMP.

| Role                                               | Term of Agreement | Notice Period | Maximum Termination Benefits* |
|----------------------------------------------------|-------------------|---------------|-------------------------------|
| Managing Director                                  | No fixed term     | 6 months      | 12 months Fixed Remuneration  |
| Chief Financial Officer<br>(resigned 7 March 2025) | No fixed term     | 3 months      | 12 months Fixed Remuneration  |

\* As per the provisions related to the maximum termination benefit under the Corporations Act 2001.

^ The Chief Financial Officer role became vacant following the resignation of Mr Simon Smith on 7 March 2025, and there were no other Executive KMP as at the date of this report.

Agreements are in place with KMP regarding the approach the Board will take with respect to KMP termination payments and the vesting of STI/LTI equity in the event of a 'Change of Control' of the organisation.

KMP may be subject to restraints that apply upon cessation of employment to protect the business interests of the Company.

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

As per the provisions related to the maximum termination benefit under the Corporations Act 2001, the maximum payment on termination (including notice) is capped at 12 months fixed remuneration for KMP.

### 3. Executive Remuneration Outcomes in FY2025

#### 3.1 Fixed Remuneration

The full-year equivalent Base Salary for each Executive KMP are as follows:

| Executive KMP            | Position                                          | FY2024 Base Salary (\$) | FY2025 Base Salary (\$) |
|--------------------------|---------------------------------------------------|-------------------------|-------------------------|
| Tim Dobson <sup>1</sup>  | Managing Director                                 | 500,000                 | 500,000                 |
| Simon Smith <sup>2</sup> | Chief Financial Officer & Joint Company Secretary | 322,601                 | 332,279                 |

<sup>1</sup> Mr Tim Dobson was appointed as Managing Director on 23 September 2024.

<sup>2</sup> Mr Simon Smith resigned as Chief Financial Officer & Joint Company Secretary on 7 March 2025.

#### 3.2 Short-Term Incentives (STI)

##### a. STI Outcomes for FY2025

The STI is an at-risk opportunity for our Executive KMP. It rewards senior executives for meeting or exceeding key performance indicators that reflect the Company's key purpose. The STI aims to motivate senior executives to focus on the key priorities and objectives in the financial year that will ensure the long-term success of the Company and is a key element to attract and retain the appropriate calibre of skilled executives to deliver on our strategy.

Key Performance Indicators (KPIs), used as the basis for calculating STI, are reviewed against agreed targets, and the Board assesses the extent to which these KPIs were met following the completion of the financial year. KMP performance is assessed by the Board based on the Managing Director's recommendations, while the Managing Director's own performance against KPIs is assessed directly by the Board.

The KPIs for FY2025, as well as our performance relative to each, is outlined below.

#### Environment, Health & Safety (EHS)

- Zero lost-time injuries, significant safety or environmental incidents, or material stakeholder complaints were recorded in FY2025, with the Company maintaining a continuous focus on proactive EHS culture across all its operational activities.

#### Sustainability

- In FY2025, the Company continued to advance its bespoke 'foresight' sustainability platform by maintaining strong engagement with the Ngadjuri Nation Aboriginal Corporation, the Port Pirie Regional Council and the District Council of Peterborough under existing agreements, while progressing data collation and integration to support the Razorback regulatory approvals process, future ESG reporting requirements and independent assessment against the adopted framework.

#### Strategic partnering and DFS funding progress

- Executed a Heads of Agreement with JFE Shoji Australia Pty Ltd, a subsidiary of JFE Holdings (Japan's second largest steelmaker) on 8 July 2024, establishing a framework for potential funding of the work required to progress the Razorback Project to FID, including contributing to the completion of a DFS, in exchange for Razorback Project offtake rights.
- Advanced parallel commercial negotiations with other potential strategic partners for a potential binding transaction to fund working capital, further de-risking studies and contribute to the completion of a DFS. During this process, and following additional interest in the Razorback Project, JFE indicated their preference to share its investment via a co-investment structure with one or more other potential partners.

**REMUNERATION REPORT (AUDITED) (continued)**

- Successfully extended the Heads of Agreement with JFE Shoji to December 2025 to allow the Company to broaden engagement with additional prospective partners, ensuring competitive tension and with the aim of maximising shareholder value.

These outcomes represented significant strategic progress for the Company and the Project, strengthening funding pathways, securing optionality, and extending the runway to complete the work required for a Final Investment Decision.

**Mining Lease Proposal submitted for assessment with South Australian Government.**

- Lodged a comprehensive and high-quality Mining Lease Proposal (MLP) with the South Australian Department for Energy & Mining (DEM) on 26 March 2025, representing a major regulatory milestone towards securing tenure for the establishment of mining and processing operations at the Company's Razorback Project.
- The MLP is currently being assessed by DEM and to date no material issues have been identified.
- Advanced negotiations on key land access agreements, with three tenement consent agreements signed with underlying tenement holders, and binding land access secured for the Razorback Project's Hillgrange Intermodal Hub.

**Razorback Project water supply options refined, with coastal desalination confirmed as the base case and the Company's proprietary saline water processing method under further assessment.**

- Confirmed coastal desalination as the Project's base-case water supply, providing surety of long-term operations with very low technical risk.
- Achieved breakthrough saline water ore processing technology, with pioneering laboratory results on Iron Peak ore announced on 22 July 2024.
- The saline water (seawater) option potentially establishes a credible pathway for significant capital and operating cost reductions, as well as sustainability benefits, through reduced reliance on desalination.
- A provisional patent was prepared and lodged on 2 April 2025 to protect the Intellectual Property (IP) rights for possible future commercial exploitation.
- Announced further saline water testwork on 30 June 2025, which confirmed the need for additional optimisation to achieve comparable performance on Razorback ore relative to Iron Peak.

These achievements decreased the Project's overall technical risk while advancing innovation in potential water supply, delivered provisional IP protection, and demonstrated a credible lower-cost, lower-impact alternative water strategy for the Razorback Project.

**Green Iron SA consortium formed with a plan to government for the establishment of a green iron hub in Port Pirie**

- The South Australian Government launched a 'Green Iron Opportunity' expression of interest (EOI) process on 20 June 2024 to encourage private investment in new green iron production in the Upper Spencer Gulf by 2030.
- On 22 October 2024, the Company announced the formation of the Green Iron SA consortium with Aurizon, Flinders Port Holdings and GHD, which submitted a highly regarded EOI outlining a plan to establish a green iron hub in Port Pirie, supplied by concentrates from the Razorback Project.
- The Company and its consortium partners continued close engagement with the South Australian Government as foundations were laid for a new green iron industry in the State.

**Razorback Project Mineral Resource Estimate increased**

- On 30 June 2025, the Company announced an updated Mineral Resource Estimate (MRE) for the Razorback Project, aligning the cut-off grade methodology used for MR estimation with that used to calculate the Probable Ore Reserve, providing a more robust basis for mine planning and DFS economics.
- The update increased Razorback's Mineral Resource from approximately 3.2Bt to approximately 3.8Bt and lifted the Company's Global Mineral Resource (Razorback, Iron Peak and Muster Dam) from approximately 6.0Bt to approximately 6.6Bt, all reported in accordance with the JORC Code (2012).

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

Managing Director Mr Tim Dobson's FY2025 STI Performance Rights were approved by the shareholders under ASX Listing Rule 10.14, at the Company's AGM on 27 November 2024.

For FY2025, following a robust evaluation process and considering the Company's achievements, progress on project milestones, and overall performance against Board-approved objectives, the Board determined to award Mr Dobson 41% of his STI opportunity, with his remaining 59% STI performance rights lapsing in accordance with the rules of the plan.

All of Mr Simon Smith's STI performance rights lapsed following his resignation on 7 March 2025, in accordance with the rules of the plan.

| Executive KMP | Business Outcome (Target=100 %) | Individual Performance (Target=100 %) | Business Modifier (Target=100 %) | Overall STI Outcome % (Target=100 %) | % of Maximum STI awarded | % of Maximum STI forfeited | Value of Equity Vested <sup>1</sup> | Award as a % of Base Salary |
|---------------|---------------------------------|---------------------------------------|----------------------------------|--------------------------------------|--------------------------|----------------------------|-------------------------------------|-----------------------------|
| Tim Dobson    | 38%                             | 130%                                  | 125%                             | 61%                                  | 41%                      | 59%                        | \$71,595                            | 14%                         |
| Simon Smith   | -                               | -                                     | -                                | -                                    | -                        | -                          | -                                   | -                           |

1 The vested value is calculated based on the number of rights to vest, multiplied by the share price as at grant date of 27 November 2024, being \$0.14.

2 Mr Simon Smith's STI performance rights lapsed following his resignation as Chief Financial Officer & Company Secretary on 7 March 2025.

### 3.3 Long-Term Incentives

#### a. LTI granted in FY2025

##### FY2025 LTI Share Options

In line with the reward framework, LTI Share Options awards were issued to the Managing Director, Mr Tim Dobson and CFO, Mr Simon Smith for FY2025. Mr Dobson's LTI Share Options were approved by shareholders at the Company's AGM on 27 November 2024, under ASX Listing Rule 10.14. Mr Smith's LTI Share Options were issued under the Employee Incentive Plan approved by shareholders on 23 November 2022. These options were issued to KMP in December 2024 and have an exercise price of \$0.229, being a 60% premium to the volume weighted average price for the 5 days immediately following the AGM. The options have a 3-year vesting period and are subject to the following performance conditions:

- the volume weighted average price of the shares of the Company exceeds \$0.229 for any 14-day period prior to the vesting date; and
- the KMP remains an employee of the Company on the vesting date.

These performance conditions measure the return to shareholders over a specific period by considering the change in share price during that time, as well as service retention. This performance condition was selected by the Company to align executive remuneration with the growth of shareholder value and to retain high-performing senior executives, thus motivating them to meet the Company's expectations and achieve success. The Board assesses the extent to which the conditions were met for the period after the close of the relevant financial year.

A summary of the KMP's FY2025 LTI Share Options awards are as follows:

| KMP                      | Type of Instrument           | Value of Grant | Value as % of Fixed Remuneration | Number of Instruments | Anticipated vesting Date |
|--------------------------|------------------------------|----------------|----------------------------------|-----------------------|--------------------------|
| Tim Dobson               | Premium-priced share options | \$250,000      | 50%                              | 2,256,318             | 6 December 2027          |
| Simon Smith <sup>1</sup> | Premium-priced share options | \$99,684       | 30%                              | 899,672               | 6 December 2027          |

1 Mr Smith resigned as CFO and Joint Company Secretary on 7 March 2025 and, in accordance with the shareholder-approved Employee Incentive Plan, was classified as a "good leaver." As such, the Board waived the employment condition that would otherwise have required him to remain employed through to the vesting date. His LTI Share Options therefore remain on foot and will continue to be subject to the original three-year vesting period and the performance hurdle that the Company's share price VWAP must, over any 14-day period, exceed the exercise price of the options. In accordance with AASB 2 Share-based Payment, the removal of the service condition resulted in the immediate recognition of the remaining unrecognised share-based payment expense at the cessation date, as there is no further service period over which to recognise the cost.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### b. LTI vested in FY2025

The LTI program operates over a service period of 3 years and no LTI awards vested in FY2025 due to the performance conditions not yet being met.

#### 4. Non-Executive Director Remuneration

##### 4.1 Approach to Non-Executive Director Remuneration

The Board seeks to set Director fees at a level that provides the Company with the ability to attract and retain high-calibre directors. Having a strong Board of Directors with a balanced set of skills and experience serves the Company well as the business has a lean executive team.

In FY2025, the Board continued to provide additional support and expertise as needed, stepping in to address any gaps and maintain the Company's momentum during periods of transition.

##### 4.2 FY2025 Non-Executive Director fees and fee pool

The Board continued to assess Director fees, with considerations of the time, commitment, and responsibilities expected of Non-Executive Directors, especially given the Company's lean leadership team. This ongoing review ensures that fees remain competitive and reflective of industry standards.

To ensure that the Company is able to attract overseas-based Directors where necessary, an Overseas Allowance of \$10,000 per annum is also provided.

There was no increase to the Non-Executive Director Fees in FY2025. The figures in the table below are exclusive of superannuation.

| Compensation component               | Position          | FY2024 Annual Fees <sup>(1)</sup> |
|--------------------------------------|-------------------|-----------------------------------|
| <b>Base Fees</b>                     |                   |                                   |
| <b>Board</b>                         | Chair             | \$150,000                         |
|                                      | NED               | \$90,000                          |
| <b>Committee fees <sup>(2)</sup></b> |                   |                                   |
| <b>Audit &amp; Risk Committee</b>    | Committee Chair   | \$10,000                          |
|                                      | Member            | \$5,000                           |
| <b>People and Culture Committee</b>  | Committee Chair   | \$10,000                          |
|                                      | Member            | \$5,000                           |
| <b>Capital Management Committee</b>  | Committee Chair   | \$10,000                          |
|                                      | Member            | \$5,000                           |
| <b>Overseas allowance</b>            | Overseas director | \$10,000                          |

<sup>(1)</sup> Fees shown are exclusive of superannuation.

<sup>(2)</sup> Committee fees are capped at \$10,000 per director.

The maximum aggregate amount the Company can pay Non-Executive Directors is \$800,000 per annum (fee pool) as approved by shareholders at the Company's 2022 AGM.

**Director's Report**  
**FOR THE YEAR ENDING 30 JUNE 2025**

**REMUNERATION REPORT (AUDITED) (continued)**

**4.3 Non-Executive Director Fees Paid in Shares**

From time to time, Magnetite Mines may offer share-based remuneration to its Non-Executive Directors, partly as a cash-effective mechanism and partly to encourage share ownership.

Effective 1 February 2025, the Non-Executive Chair, Mr Paul White, and Non-Executive Director, Mr Simon Wandke, elected to receive a portion of their Director fees in shares under the Company's Employee Incentive Plan (EIP) in order to support the Company's cash conservation strategy.

- Mr White (Chair): Receives total annual fees of \$160,000 (including Chair and sub-committee allowances) and has agreed to forego \$90,000 per annum of cash fees in exchange for shares effective 1 February 2025.
- Mr Wandke (NED): Receives total annual fees of \$110,000 (including overseas and sub-committee allowances) and has agreed to forego \$40,000 per annum of cash fees in exchange for shares effective 1 February 2025.

Shares are issued quarterly, based on the cash amount foregone divided by the Company's average daily VWAP for the preceding quarter, subject to a minimum VWAP of \$0.08. If the VWAP falls below \$0.08, the Board may either defer the share issue, issue at \$0.08 and top-up with cash, or pay the relevant fees in cash.

Shareholder approval for the issue of shares to Directors in lieu of cash payment was obtained at the Extraordinary General Meeting held on 5 March 2025, covering the period from February 2025 to 31 December 2025. The Company may seek further shareholder approval to extend this arrangement beyond that date.

**4.4 Minimum shareholding requirement**

Aligning Board and shareholder interest is a key consideration for the Company and Non-Executive Directors are encouraged to hold shares in the Company.

**4.5. Company performance**

A summary of Magnetite Mines' business performance as measured by a range of financial and other indicators, including disclosure required by the *Corporations Act 2001*, is outlined in the table below.

| Measure                                     | FY21    | FY22    | FY23    | FY24           | FY2025         |
|---------------------------------------------|---------|---------|---------|----------------|----------------|
| Net loss (\$'000)                           | (1,733) | (3,662) | (5,331) | <b>(4,848)</b> | <b>(4,188)</b> |
| ASX share price at the end of the year (\$) | 3.79    | 1.05    | 0.39    | <b>0.27</b>    | <b>0.083</b>   |
| Dividends per share (\$)                    | -       | -       | -       | -              | -              |
| Basic loss per share (\$)                   | (0.032) | (0.057) | (0.070) | <b>(0.054)</b> | <b>(0.037)</b> |

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

#### 5. Statutory Disclosures

##### 5.1 Remuneration of Key Management Personnel

Details of the remuneration of each director of Magnetite Mines Limited and other key management personnel, including their personally related entities are set out below:

|                               | Year | Short-Term               |              | Termination Benefits | Post-Employment | Other Long-Term | Share Based Payments <sup>(1)</sup>  |                |                    |                        | Total \$ | % of remuneration consisting of performance related payments |     |
|-------------------------------|------|--------------------------|--------------|----------------------|-----------------|-----------------|--------------------------------------|----------------|--------------------|------------------------|----------|--------------------------------------------------------------|-----|
|                               |      | Salaries & director fees | Annual leave |                      |                 |                 | Termination Benefits <sup>(10)</sup> | Superannuation | Long service leave | Shares in lieu of cash |          |                                                              | STI |
| Directors                     |      |                          |              |                      |                 |                 |                                      |                |                    |                        |          |                                                              |     |
| Paul White <sup>(2)</sup>     | FY25 | 87,500                   | -            | -                    | 14,375          | -               | -                                    | -              | -                  | 56,459                 | -        | 158,334                                                      | -   |
|                               | FY24 | 100,000                  | -            | -                    | 11,000          | -               | -                                    | -              | -                  | -                      | -        | 111,000                                                      | -   |
| Simon Wandke <sup>(3)</sup>   | FY25 | 93,333                   | -            | -                    | 12,650          | -               | -                                    | -              | -                  | 25,093                 | -        | 131,076                                                      | -   |
|                               | FY24 | 117,822                  | -            | -                    | 8,498           | -               | -                                    | -              | -                  | -                      | -        | 126,320                                                      | -   |
| Carmen Letton <sup>(4)</sup>  | FY25 | 38,852                   | -            | -                    | 4,468           | -               | -                                    | -              | -                  | -                      | -        | 43,320                                                       | -   |
|                               | FY24 | 98,220                   | -            | -                    | 10,804          | -               | -                                    | -              | -                  | -                      | -        | 109,024                                                      | -   |
| Jim McKerlie <sup>(6)</sup>   | FY25 | 54,513                   | -            | -                    | 6,269           | -               | -                                    | -              | -                  | -                      | -        | 60,782                                                       | -   |
|                               | FY24 | 146,154                  | -            | -                    | 16,077          | -               | -                                    | -              | -                  | -                      | -        | 162,231                                                      | -   |
| Peter Schubert <sup>(6)</sup> | FY25 | 40,218                   | -            | -                    | 4,625           | -               | -                                    | -              | -                  | -                      | -        | 44,843                                                       | -   |
|                               | FY24 | 96,064                   | -            | -                    | 10,567          | -               | -                                    | -              | -                  | -                      | -        | 106,631                                                      | -   |
| Mark Eames <sup>(7)</sup>     | FY25 | -                        | -            | -                    | -               | -               | -                                    | -              | -                  | -                      | -        | -                                                            | -   |
|                               | FY24 | 53,718                   | -            | -                    | 5,909           | -               | -                                    | -              | -                  | -                      | -        | 59,627                                                       | -   |
| Executives                    |      |                          |              |                      |                 |                 |                                      |                |                    |                        |          |                                                              |     |
| Tim Dobson <sup>(8)</sup>     | FY25 | 500,000                  | 42,885       | -                    | 29,932          | -               | -                                    | 71,595         | 195,195            | -                      | -        | 839,607                                                      | 32% |
|                               | FY24 | 500,000                  | 45,007       | -                    | 27,399          | -               | -                                    | 68,840         | 112,351            | 54,210                 | -        | 807,807                                                      | 29% |
| Simon Smith <sup>(9)</sup>    | FY25 | 227,909                  | 20,168       | 27,690               | 23,184          | -               | -                                    | -              | 165,002            | -                      | -        | 463,953                                                      | 36% |
|                               | FY24 | 268,227                  | 24,199       | -                    | 23,439          | -               | -                                    | -              | 15,300             | -                      | -        | 331,165                                                      | 5%  |
| Total                         | FY25 | 1,042,325                | 63,053       | 27,690               | 95,503          | -               | -                                    | 81,552         | 71,595             | 360,197                | -        | 1,741,915                                                    | 29% |
|                               | FY24 | 1,380,205                | 69,206       | -                    | 113,693         | -               | -                                    | 68,840         | 127,651            | 54,210                 | -        | 1,813,805                                                    | 14% |

(1) Relates to non-cash expenses in relation to directors and employee options and performance rights granted.

(2) Mr Paul White was appointed as Chair of the Board on 23 September 2024. Mr White's shares in lieu of cash include a portion relating to 1 Jul–31 Dec 2025, approved by shareholders at the 5 March 2025 EGM and recognised at 30 June 2025 under AASB 2.

(3) Mr Simon Wandke's Shares in lieu of cash include a portion relating to 1 Jul–31 Dec 2025, approved by shareholders at the 5 March 2025 EGM and recognised at 30 June 2025 under AASB 2.

(4) Dr Letton resigned as Non-Executive Director on 27 November 2024.

(5) Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.

(6) Mr Schubert resigned as Non-Executive Director on 27 November 2024.

(7) M Eames resigned as Non-Executive director on 23 November 2023.

(8) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024. His share-based payments relate to the valuation of Short-Term Incentive Performance Rights and Long-Term Incentive Options for FY2025.

(9) Mr Smith resigned as CFO and Joint Company Secretary on 7 March 2025 and, in accordance with the shareholder-approved Employee Incentive Plan, was classified as a "good leaver." As such, the Board waived the employment condition that would otherwise have required him to remain employed through to the vesting date. His LTI Share Options therefore remain on foot and will continue to be subject to the original three-year vesting period and the performance hurdle that the Company's share price VWAP must, over any 14-day period, exceed the exercise price of the options. In accordance with AASB 2 Share-based Payment, the removal of the service condition resulted in the immediate recognition of the remaining unrecognised share-based payment expense at the cessation date, as there is no further service period over which to recognise the cost.

(10) Termination benefits relate to payment in relation to notice period.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### REMUNERATION REPORT (AUDITED) (continued)

#### 5.2 Shareholdings of Key Management Personnel

The number of shares held in Magnetite Mines Limited during the financial year:

|                               | Year        | Balance –<br>beginning<br>of financial<br>year | Granted as<br>remuneration | On<br>exercise<br>of options | Net change<br>due to<br>ceasing to<br>be a KMP | Net change<br>– equity<br>raisings | Balance –<br>end of<br>financial year |
|-------------------------------|-------------|------------------------------------------------|----------------------------|------------------------------|------------------------------------------------|------------------------------------|---------------------------------------|
| <b>Directors</b>              |             |                                                |                            |                              |                                                |                                    |                                       |
| Paul White <sup>(1)</sup>     | <b>FY25</b> | <b>513,370</b>                                 | <b>148,810</b>             | -                            | -                                              | <b>648,892</b>                     | <b>1,311,072</b>                      |
|                               | FY24        | 145,953                                        | -                          | -                            | -                                              | 367,417                            | 513,370                               |
| Simon Wandke                  | <b>FY25</b> | <b>33,509</b>                                  | <b>66,138</b>              | -                            | -                                              | <b>32,757</b>                      | <b>132,404</b>                        |
|                               | FY24        | 23,509                                         | -                          | -                            | -                                              | 10,000                             | 33,509                                |
| Carmen Letton <sup>(2)</sup>  | <b>FY25</b> | <b>89,090</b>                                  | -                          | -                            | <b>(154,908)</b>                               | <b>65,818</b>                      | -                                     |
|                               | FY24        | -                                              | -                          | -                            | -                                              | 89,090                             | 89,090                                |
| Jim McKerlie <sup>(3)</sup>   | <b>FY25</b> | <b>96,727</b>                                  | -                          | -                            | <b>(99,952)</b>                                | <b>3,225</b>                       | -                                     |
|                               | FY24        | 76,000                                         | -                          | -                            | -                                              | 20,727                             | 96,727                                |
| Peter Schubert <sup>(4)</sup> | <b>FY25</b> | <b>2,408,460</b>                               | -                          | -                            | <b>(2,731,040)</b>                             | <b>322,580</b>                     | -                                     |
|                               | FY24        | 2,275,128                                      | -                          | -                            | -                                              | 133,332                            | 2,408,460                             |
| Mark Eames <sup>(5)</sup>     | <b>FY25</b> | -                                              | -                          | -                            | -                                              | -                                  | -                                     |
|                               | FY24        | 1,030,000                                      | -                          | -                            | (1,030,000)                                    | -                                  | -                                     |
| <b>Executives</b>             |             |                                                |                            |                              |                                                |                                    |                                       |
| Tim Dobson <sup>(6)</sup>     | <b>FY25</b> | <b>678,111</b>                                 | <b>343,541</b>             | -                            | -                                              | <b>280,243</b>                     | <b>1,301,895</b>                      |
|                               | FY24        | 165,000                                        | 374,930                    | -                            | -                                              | 138,181                            | 678,111                               |
| Simon Smith <sup>(7)</sup>    | <b>FY25</b> | <b>25,000</b>                                  | -                          | -                            | <b>(100,000)</b>                               | <b>75,000</b>                      | -                                     |
|                               | FY24        | -                                              | -                          | -                            | -                                              | 25,000                             | 25,000                                |
| <b>Total</b>                  | <b>FY25</b> | <b>3,844,267</b>                               | <b>558,489</b>             | -                            | <b>(3,085,900)</b>                             | <b>1,428,515</b>                   | <b>2,745,371</b>                      |
|                               | FY24        | 3,715,590                                      | 374,930                    | -                            | (1,030,000)                                    | 783,747                            | 3,844,267                             |

#### Note

- (1) Mr Paul White was appointed as Chair of the Board on 23 September 2024.
- (2) Dr Letton resigned as Non-Executive Director on 27 November 2024.
- (3) Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.
- (4) Mr Schubert resigned as Non-Executive Director on 27 November 2024.
- (5) M Eames resigned as Non-Executive director on 23 November 2023.
- (6) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024.
- (7) Mr Simon Smith resigned as Chief Financial Officer and Joint Company Secretary on 7 March 2025.

**REMUNERATION REPORT (AUDITED) (continued)**

**5.3 Quoted Option holding of Key Management Personnel**

**5.3.1 Quoted Options Exercisable at \$0.30 each Expiring 2 October 2027**

The number of quoted options exercisable at \$0.30 each with an expiry date of 2 October 2027 held in Magnetite Mines Limited during the financial year by key management personnel are detailed below. These options were issued on 2 December 2024 under the 2024 Rights Issue & Loyalty Offer, following shareholder approval at the 2024 AGM.

|                               | Year        | Balance –<br>beginning<br>of<br>financial<br>year | Issued<br>during the<br>year | Exercised<br>during the<br>year | Expired<br>during the<br>year | Net<br>change<br>due to<br>ceasing to<br>be a KMP | Balance –<br>end of<br>financial<br>year |
|-------------------------------|-------------|---------------------------------------------------|------------------------------|---------------------------------|-------------------------------|---------------------------------------------------|------------------------------------------|
| <b>Directors</b>              |             |                                                   |                              |                                 |                               |                                                   |                                          |
| Paul White <sup>(1)</sup>     | <b>FY25</b> | -                                                 | <b>648,894</b>               | -                               | -                             | -                                                 | <b>648,894</b>                           |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| Simon Wandke                  | <b>FY25</b> | -                                                 | <b>32,757</b>                | -                               | -                             | -                                                 | <b>32,757</b>                            |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| Carmen Letton <sup>(2)</sup>  | <b>FY25</b> | -                                                 | <b>65,818</b>                | -                               | -                             | <b>(65,818)</b>                                   | -                                        |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| Jim McKerlie <sup>(3)</sup>   | <b>FY25</b> | -                                                 | <b>3,225</b>                 | -                               | -                             | <b>(3,225)</b>                                    | -                                        |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| Peter Schubert <sup>(4)</sup> | <b>FY25</b> | -                                                 | <b>322,580</b>               | -                               | -                             | <b>(322,580)</b>                                  | -                                        |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| <b>Executives</b>             |             |                                                   |                              |                                 |                               |                                                   |                                          |
| Tim Dobson <sup>(5)</sup>     | <b>FY25</b> | -                                                 | <b>280,243</b>               | -                               | -                             | -                                                 | <b>280,243</b>                           |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| Simon Smith <sup>(6)</sup>    | <b>FY25</b> | -                                                 | <b>75,000</b>                | -                               | -                             | <b>(75,000)</b>                                   | -                                        |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
| <b>Total</b>                  | <b>FY25</b> | -                                                 | <b>1,428,517</b>             | -                               | -                             | <b>(466,623)</b>                                  | <b>961,894</b>                           |
|                               | FY24        | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |

**Note**

- (1) Mr Paul White was appointed as Chair of the Board on 23 September 2024.
- (2) Dr Letton resigned as Non-Executive Director on 27 November 2024.
- (3) Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.
- (4) Mr Schubert resigned as Non-Executive Director on 27 November 2024.
- (5) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024.
- (6) Mr Simon Smith resigned as Chief Financial Officer and Joint Company Secretary on 7 March 2025.

## Director's Report

### FOR THE YEAR ENDING 30 JUNE 2025

#### 5.3.2 Quoted Options Exercisable at \$0.45 each Expired on 23 May 2025

The number of quoted options exercisable at \$0.45 each with an expiry date of 23 May 2025 held in Magnetite Mines Limited during the financial year by key management personnel are detailed below. These options were issued on 23 November 2023 as part of the 2023 Rights Issue.

|                               | Year        | Balance –<br>beginning<br>of<br>financial<br>year | Issued<br>during the<br>year | Exercised<br>during the<br>year | Expired<br>during the<br>year | Net<br>change<br>due to<br>ceasing to<br>be a KMP | Balance –<br>end of<br>financial<br>year |
|-------------------------------|-------------|---------------------------------------------------|------------------------------|---------------------------------|-------------------------------|---------------------------------------------------|------------------------------------------|
| <b>Directors</b>              |             |                                                   |                              |                                 |                               |                                                   |                                          |
| Paul White <sup>(1)</sup>     | <b>FY25</b> | <b>183,708</b>                                    | -                            | -                               | <b>(183,708)</b>              | -                                                 | -                                        |
|                               | FY24        | -                                                 | 183,708                      | -                               | -                             | -                                                 | 183,708                                  |
| Simon Wandke                  | <b>FY25</b> | <b>5,000</b>                                      | -                            | -                               | <b>(5,000)</b>                | -                                                 | -                                        |
|                               | FY24        | -                                                 | 5,000                        | -                               | -                             | -                                                 | 5,000                                    |
| Carmen Letton <sup>(2)</sup>  | <b>FY25</b> | <b>9,545</b>                                      | -                            | -                               | -                             | <b>(9,545)</b>                                    | -                                        |
|                               | FY24        | -                                                 | 9,545                        | -                               | -                             | -                                                 | 9,545                                    |
| Jim McKerlie <sup>(3)</sup>   | <b>FY25</b> | <b>10,363</b>                                     | -                            | -                               | -                             | <b>(10,363)</b>                                   | -                                        |
|                               | FY24        | -                                                 | 10,363                       | -                               | -                             | -                                                 | 10,363                                   |
| Peter Schubert <sup>(4)</sup> | <b>FY25</b> | <b>66,666</b>                                     | -                            | -                               | -                             | <b>(66,666)</b>                                   | -                                        |
|                               | FY24        | -                                                 | 66,666                       | -                               | -                             | -                                                 | 66,666                                   |
| Mark Eames <sup>(5)</sup>     | <b>FY25</b> | -                                                 | -                            | -                               | -                             | -                                                 | -                                        |
|                               | FY24        | -                                                 | 140,454                      | -                               | -                             | (140,454)                                         | -                                        |
| <b>Executives</b>             |             |                                                   |                              |                                 |                               |                                                   |                                          |
| Tim Dobson <sup>(6)</sup>     | <b>FY25</b> | <b>41,590</b>                                     | -                            | -                               | <b>(41,590)</b>               | -                                                 | -                                        |
|                               | FY24        | -                                                 | 41,590                       | -                               | -                             | -                                                 | 41,590                                   |
| Simon Smith <sup>(7)</sup>    | <b>FY25</b> | <b>10,000</b>                                     | -                            | -                               | -                             | <b>(10,000)</b>                                   | -                                        |
|                               | FY24        | -                                                 | 10,000                       | -                               | -                             | -                                                 | 10,000                                   |
| <b>Total</b>                  | <b>FY25</b> | <b>326,872</b>                                    | -                            | -                               | <b>(230,298)</b>              | <b>(96,574)</b>                                   | -                                        |
|                               | FY24        | -                                                 | 467,326                      | -                               | -                             | (140,454)                                         | 326,872                                  |

#### Note

- (1) Mr Paul White was appointed as Chair of the Board on 23 September 2024.
- (2) Dr Letton resigned as Non-Executive Director on 27 November 2024.
- (3) Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.
- (4) Mr Schubert resigned as Non-Executive Director on 27 November 2024.
- (5) M Eames resigned as Non-Executive director on 23 November 2023.
- (6) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024.
- (7) Mr Simon Smith resigned as Chief Financial Officer and Joint Company Secretary on 7 March 2025.

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the Company would have adopted if dealing at arm's length.

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## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

#### 5.4 Details of Performance Rights held by Key Management Personnel

The following table sets out the information about the performance rights over Magnetite Mines Limited's shares held by Key Management Personnel, including the movements in rights held during the financial year. For further details relating to options, refer to Note 20.

| Key Management Personnel                    | Balance at the beginning of period 1 July 2024 | No. of rights granted | Grant date | Fair value per right at grant date (Note 21) | Vesting date | No. vested during the year | % vested during the year | No. lapsed during the year | % lapsed during the year | Balance at 30 June 2025 | Value of rights granted during the year | Value of rights vested during the year |
|---------------------------------------------|------------------------------------------------|-----------------------|------------|----------------------------------------------|--------------|----------------------------|--------------------------|----------------------------|--------------------------|-------------------------|-----------------------------------------|----------------------------------------|
| <b>Tim Dobson <sup>(1)</sup></b>            |                                                |                       |            |                                              |              |                            |                          |                            |                          |                         |                                         |                                        |
| FY23 Sign-On Performance Rights 'Tranche 2' | 125,000                                        | -                     | 23/11/2022 | \$0.80                                       | 1/07/2024    | (125,000)                  | 100%                     | -                          | -                        | -                       | -                                       | \$100,000                              |
| FY25 STI-Target Performance Rights          | -                                              | 1,258,812             | 27/11/2024 | \$0.2979                                     | 30/06/2025   | (511,392)                  | 41%                      | (747,419)                  | 59%                      | -                       | \$176,234                               | \$71,595                               |
| <b>Simon Smith <sup>(2)</sup></b>           |                                                |                       |            |                                              |              |                            |                          |                            |                          |                         |                                         |                                        |
| FY25 STI-Target Performance Rights          | -                                              | 669,243               | 27/11/2024 | \$0.2979                                     | 30/06/2025   | -                          | -                        | (669,243)                  | 100%                     | -                       | \$93,694                                | -                                      |
| <b>Total FY25</b>                           | <b>125,000</b>                                 | <b>1,928,055</b>      |            |                                              |              | <b>(636,392)</b>           |                          | <b>(1,416,662)</b>         |                          | <b>-</b>                | <b>\$269,928</b>                        | <b>\$171,595</b>                       |

Note

(1) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024. His Performance Rights for FY25 were approved by Shareholders under ASX Listing Rule 10.14, at the AGM on 27 November 2024.

(2) Mr Simon Smith's STI performance rights lapsed following his resignation as Chief Financial Officer & Company Secretary on 7 March 2025.

There were no alterations to the terms and conditions of options granted as remuneration since their grant date other than the adjustment to the number of options and exercise price of the unquoted options due to share consolidation as mentioned above.

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

#### 5.5 Details of Unquoted Options issued to Key Management Personnel

The following table summarises the value of options granted, exercised or lapsed for the year ended 30 June 2025. For further details relating to options, refer to note 21.

| Key Management Personnel      | Year | No. of options granted as remuneration | Grant date | FV per option at grant date (Note 21) | Vesting date | Exercise price per option (Note 21) | Expiry date | No. vested during the year | No. lapsed/ cancelled during the year | Value of options granted during the year | Value of options exercised during the year |
|-------------------------------|------|----------------------------------------|------------|---------------------------------------|--------------|-------------------------------------|-------------|----------------------------|---------------------------------------|------------------------------------------|--------------------------------------------|
| <b>Directors</b>              |      |                                        |            |                                       |              |                                     |             |                            |                                       |                                          |                                            |
| Paul White <sup>(1)</sup>     | FY25 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
|                               | FY24 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
| Simon Wandke                  | FY25 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
|                               | FY24 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
| Carmen Letton <sup>(2)</sup>  | FY25 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
|                               | FY24 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
| Jim McKerlie <sup>(3)</sup>   | FY25 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
|                               | FY24 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
| Peter Schubert <sup>(4)</sup> | FY25 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
|                               | FY24 | -                                      | -          | -                                     | -            | -                                   | -           | -                          | -                                     | -                                        | -                                          |
| <b>Executives</b>             |      |                                        |            |                                       |              |                                     |             |                            |                                       |                                          |                                            |
| Tim Dobson <sup>(5)</sup>     | FY25 | 2,256,318                              | 27/11/2024 | \$0.1108                              | 06/12/2027   | \$0.229                             | 06/12/2030  | -                          | -                                     | \$250,000                                | -                                          |
|                               | FY24 | 1,064,736                              | 23/11/2023 | \$0.2348                              | 05/12/2026   | \$0.556                             | 05/12/2029  | -                          | -                                     | \$250,000                                | -                                          |
| Simon Smith <sup>(6)</sup>    | FY25 | 899,672                                | 27/11/2024 | \$0.1108                              | 06/12/2027   | \$0.229                             | 06/12/2030  | -                          | -                                     | \$99,684                                 | -                                          |
|                               | FY24 | 343,348                                | 23/11/2023 | \$0.2348                              | 05/12/2026   | \$0.556                             | 05/12/2029  | -                          | -                                     | \$80,618                                 | -                                          |
| <b>Total</b>                  | FY25 | 3,155,990                              |            |                                       |              |                                     |             | -                          | -                                     | \$349,684                                | -                                          |
|                               | FY24 | 1,408,084                              |            |                                       |              |                                     |             | -                          | -                                     | \$330,618                                | -                                          |

#### Note

(1) Mr Paul White was appointed as Chair of the Board on 23 September 2024.

(2) Dr Letton resigned as Non-Executive Director on 27 November 2024.

(3) Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.

(4) Mr Schubert resigned as Non-Executive Director on 27 November 2024.

(5) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024. The unquoted options issued to Mr Dobson for FY25 were approved by Shareholders under ASX Listing Rule 10.14, at the AGM on 27 November 2024.

(6) Mr Smith resigned as CFO and Joint Company Secretary on 7 March 2025 and, in accordance with the shareholder-approved Employee Incentive Plan, was classified as a "good leaver." As such, the Board waived the employment condition that would otherwise have required him to remain employed through to the vesting date. His LTI Share Options therefore remain on foot and will continue to be subject to the original three-year vesting period and the performance hurdle that the Company's share price VWAP must, over any 14-day period, exceed the exercise price of the options.

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### REMUNERATION REPORT (AUDITED) (continued)

There were no alterations to the terms and conditions of options and performance rights granted as remuneration since their grant date. The value of options exercised during the year is calculated as the market price of the Company's shares on the Australian Securities Exchange at the close of trading on the exercise date, less the price paid to exercise the options.

Options issued to employees generally vest on the basis that continued employment with the Company is achieved, with unvested options typically forfeited on resignation. However, where an employee is classified as a "good leaver" under the shareholder-approved Employee Incentive Plan, the Board may waive the employment condition, allowing the options to remain on foot and subject to their original vesting period and performance hurdles. For details on the valuation of the options, including the models and assumptions used, please refer to Note 20

### 5.6 Unquoted option holdings of Key Management Personnel (Consolidated and Parent Entity)

The number of options over ordinary shares held in Magnetite Mines Limited during the financial year.

| Directors                     | Balance at beginning of period 1 July 2024 | Grant date | Expiry Date | Exercise price | Granted during the year | Options Exercised | Options Expired /lapsed/ cancelled | Net Change Other   | Balance at end of period 30 June 2025 | Vested at 30 June 2025 | Not Exercisable  |
|-------------------------------|--------------------------------------------|------------|-------------|----------------|-------------------------|-------------------|------------------------------------|--------------------|---------------------------------------|------------------------|------------------|
| Paul White <sup>(1)</sup>     | -                                          | -          | -           | -              | -                       | -                 | -                                  | -                  | -                                     | -                      | -                |
| Simon Wandke                  | -                                          | -          | -           | -              | -                       | -                 | -                                  | -                  | -                                     | -                      | -                |
| Carmen Letton <sup>(2)</sup>  | -                                          | -          | -           | -              | -                       | -                 | -                                  | -                  | -                                     | -                      | -                |
| Jim McKerlie <sup>(3)</sup>   | -                                          | -          | -           | -              | -                       | -                 | -                                  | -                  | -                                     | -                      | -                |
| Peter Schubert <sup>(4)</sup> | 400,000                                    | 27-Nov-20  | 15-Dec-25   | \$0.915        | -                       | -                 | -                                  | (400,000)          | -                                     | -                      | -                |
|                               | 240,000                                    | 29-Nov-21  | 13-Dec-24   | \$1.760        | -                       | -                 | -                                  | (240,000)          | -                                     | -                      | -                |
| <b>Executives</b>             |                                            |            |             |                |                         |                   |                                    |                    |                                       |                        |                  |
| Tim Dobson <sup>(5)</sup>     | 382,883                                    | 23-Nov-22  | 1-Dec-28    | \$1.340        | -                       | -                 | -                                  | -                  | 382,883                               | -                      | 382,883          |
|                               | 1,064,736                                  | 23-Nov-23  | 5-Dec-29    | \$0.556        | -                       | -                 | -                                  | -                  | 1,064,736                             | -                      | 1,064,736        |
|                               | -                                          | 27-Nov-24  | 6-Dec-30    | \$0.229        | 2,256,318               | -                 | -                                  | -                  | 2,256,318                             | -                      | 2,256,318        |
| Simon Smith <sup>(6)</sup>    | 343,348                                    | 23-Nov-23  | 5-Dec-29    | \$0.556        | -                       | -                 | -                                  | (343,348)          | -                                     | -                      | -                |
|                               | -                                          | 27-Nov-24  | 6-Dec-30    | \$0.229        | 899,672                 | -                 | -                                  | (899,672)          | -                                     | -                      | -                |
| <b>Total</b>                  | <b>2,430,967</b>                           |            |             |                | <b>3,155,990</b>        | <b>-</b>          | <b>-</b>                           | <b>(1,883,020)</b> | <b>3,703,937</b>                      | <b>640,000</b>         | <b>4,399,010</b> |

Note:

- (1) Mr Paul White was appointed as Chair of the Board on 23 September 2024.
- (2) Dr Letton resigned as Non-Executive Director on 27 November 2024.
- (3) Mr Jim McKerlie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.
- (4) Mr Schubert resigned as Non-Executive Director on 27 November 2024.
- (5) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024.
- (6) Mr Smith resigned as CFO and Joint Company Secretary on 7 March 2025 and, in accordance with the shareholder-approved Employee Incentive Plan, was classified as a "good leaver." As such, the Board waived the employment condition that would otherwise have required him to remain employed through to the vesting date. His LTI Share Options therefore remain on foot and will continue to be subject to the original three-year vesting period and the performance hurdle that the Company's share price VWAP must, over any 14-day period, exceed the exercise price of the options. In accordance with AASB 2 Share-based Payment, the removal of the service condition resulted in the immediate recognition of the remaining unrecognised share-based payment expense at the cessation date, as there is no further service period over which to recognise the cost.

**Director's Report**  
**FOR THE YEAR ENDING 30 JUNE 2025**

**REMUNERATION REPORT (AUDITED) (continued)**

**5.7 Loans to key management personnel**

No loans were made to key management personnel during the year ended 30 June 2025.

**5.8 Other transactions with key management personnel and their related parties**

Other than the transaction disclosed in Note 23, no other related party transactions occurred during the year ending on 30 June 2025, and no loans were granted to the Company's Directors, KMP, or their related entities during the year.

**END OF REMUNERATION REPORT**

# Director's Report

## FOR THE YEAR ENDING 30 JUNE 2025

### Directors' Meetings

The following table sets out the number of meetings of directors held during the year and the number of meetings attended by each director:

| Name                          | Board of Directors |                           | Audit & Risk Committee |                           | Nomination & Remuneration Committee |                           |
|-------------------------------|--------------------|---------------------------|------------------------|---------------------------|-------------------------------------|---------------------------|
|                               | Number attended    | Number eligible to attend | Number attended        | Number eligible to attend | Number attended                     | Number eligible to attend |
| Paul White <sup>(1)</sup>     | 12                 | 13                        | 4                      | 5                         | 2                                   | 2                         |
| Simon Wandke                  | 13                 | 13                        | 5                      | 5                         | 1                                   | 1                         |
| Tim Dobson <sup>(2)</sup>     | 13                 | 10                        | 3                      | 3                         | 1                                   | 1                         |
| Jim McKerie <sup>(3)</sup>    | 4                  | 4                         | 1                      | 2                         | 1                                   | 1                         |
| Peter Schubert <sup>(4)</sup> | 3                  | 4                         | -                      | 1                         | -                                   | -                         |
| Carmen Letton <sup>(5)</sup>  | 4                  | 4                         | -                      | -                         | 1                                   | 1                         |

- Note
- (1) Mr Paul White was appointed as Chair of the Board on 23 September 2024.
  - (2) Mr Tim Dobson was appointed as Chief Executive Officer on 23 August 2022 and appointed as Managing Director on 23 September 2024.
  - (3) Dr Letton resigned as Non-Executive Director on 27 November 2024.
  - (4) Mr Jim McKerie resigned as Chair of the Board on 23 September 2024 and resigned as Non-Executive Director on 27 November 2024.
  - (5) Mr Schubert resigned as Non-Executive Director on 27 November 2024.

### Committee Memberships

As at the date of this report, the Company had an Audit & Risk Committee and Nomination & Remuneration Committee.

| Audit & Risk                | Nomination & Remuneration |
|-----------------------------|---------------------------|
| Simon Wandke <sup>(C)</sup> | Paul White <sup>(C)</sup> |
| Paul White                  | Simon Wandke              |
| Tim Dobson                  | Tim Dobson                |

Note: <sup>(C)</sup> Designates the Chair of the Committee.

### Proceedings on behalf of the Company

During the year, no person applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Consolidated Entity is a party for the purposes of taking responsibility on behalf of the Company for all or any part of the proceedings.

## Director's Report

FOR THE YEAR ENDING 30 JUNE 2025

### Deeds of access, indemnity and insurance

The Company has entered into Deeds of Access, Indemnity and Insurance (Deed) with each director and executive, including the Company Secretary.

The Deed indemnifies each of its directors and executives (Officeholders) for the period that they hold and for seven years after they cease to be a director and officer of the Company (Access Period) to the maximum extent permitted by law for any loss, cost, expense or liability incurred by the Officeholder in connection with the Officeholder's position, including in respect to negligence, and all legal costs reasonably incurred in defending legal proceedings relating to the Officeholder's conduct. Any payment in respect of the indemnity is subject to shareholder approval.

The Company must insure the Officeholders for the Access Period against all liability, including legal costs, to which they are exposed in performing their role. The Company is not required to insure the Officeholders in respect of conduct involving a wilful breach of duty or a contravention of section 182 or 183 of the Corporations Act 2001, other than in respect of all legal costs associated with defending such claims (including in relation to criminal matters). The Directors of the Company are not aware of any such proceedings or claims brought against the Company as at the date of this report.

### Insurance of directors and officers

During the financial year, the Company paid premiums to insure the directors and officers of the Company against liabilities for costs and expenses that may be incurred by the directors in defending civil or criminal proceedings that may be brought against the directors and officers in their capacity as officers of the Company, not other than conduct involving a wilful breach of duty in relation to the Company. During the financial year \$50,000 was paid to insure the directors and officers of the Company for the period 31 July 2024 to 31 July 2025.

### Indemnification of auditors

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young Australia during or since the financial year.

### Non-audit services

During the year ended 30 June 2025, \$38,000 was paid to Ernst & Young for non-audit services related to various Federal and State Government incentive programs. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

### Auditor independence

The auditor's independence declaration for the year ended 30 June 2025 has been received and can be found on page 59.

It is signed in accordance with a resolution of the directors.



PAUL WHITE  
Non-Executive Chair

Dated 26 September 2025

# Auditor's Independence Declaration

## FOR THE YEAR ENDING 30 JUNE 2025



Shape the future  
with confidence

Ernst & Young  
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Adelaide SA 5000 Australia  
GPO Box 1271 Adelaide SA 5001

Tel: +61 8 8417 1600  
Fax: +61 8 8417 1775  
ey.com/au

### Auditor's independence declaration to the directors of Magnetite Mines Limited

As lead auditor for the audit of the financial report of Magnetite Mines Limited for the financial year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit;
- b. No contraventions of any applicable code of professional conduct in relation to the audit; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Magnetite Mines Limited and the entities it controlled during the financial year.

A handwritten signature in black ink that reads 'Ernst &amp; Young'.

Ernst & Young

A handwritten signature in black ink that reads 'L A Carr'.

L A Carr  
Partner  
26 September 2025

A member firm of Ernst & Young Global Limited  
Liability limited by a scheme approved under Professional Standards Legislation

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## Consolidated Statement of Profit or Loss & Other Comprehensive Income

FOR THE YEAR ENDING 30 JUNE 2025

|                                                                        |       | Consolidated       |                    |
|------------------------------------------------------------------------|-------|--------------------|--------------------|
|                                                                        | Note  | 2025<br>\$         | 2024<br>\$         |
| <b>INCOME</b>                                                          |       |                    |                    |
| Interest income                                                        |       | 55,020             | 157,362            |
| Other income                                                           | 4(a)  | 171,131            | 214,494            |
| <b>Total income</b>                                                    |       | <b>226,151</b>     | <b>371,856</b>     |
| <b>EXPENDITURE</b>                                                     |       |                    |                    |
| Amortisation and depreciation                                          | 4(b)  | (282,388)          | (398,533)          |
| Administration expenses                                                |       | (458,623)          | (684,147)          |
| Employee benefits expense                                              |       | (1,956,619)        | (2,257,243)        |
| Exploration expenditure                                                | 12    | (3,265)            | (15,288)           |
| Finance costs                                                          |       | (3,732)            | (4,168)            |
| Interest expense                                                       | 4(c)  | (28,533)           | (93,041)           |
| Fair value gain/ (loss) on convertible loan note                       |       | (106,584)          | -                  |
| Loss on sale of plant and office equipment                             |       | (53)               | -                  |
| Other expenses                                                         |       | (388,393)          | (429,464)          |
| Professional fees                                                      |       | (465,164)          | (789,188)          |
| Share based payment expense                                            | 17(d) | (720,445)          | (548,639)          |
| <b>Loss before income tax expense</b>                                  |       | <b>(4,187,648)</b> | <b>(4,847,855)</b> |
| Income tax (expense)/benefit                                           | 5(a)  | -                  | -                  |
| <b>Net loss for the year</b>                                           |       | <b>(4,187,648)</b> | <b>(4,847,855)</b> |
| Other comprehensive income for the year, net of tax                    |       | -                  | -                  |
| <b>Total comprehensive loss for the year</b>                           |       | <b>(4,187,648)</b> | <b>(4,847,855)</b> |
| <b>Net Loss attributable to members of the parent entity</b>           |       | <b>(4,187,648)</b> | <b>(4,847,855)</b> |
| <b>Comprehensive loss attributable to members of the parent entity</b> |       | <b>(4,187,648)</b> | <b>(4,847,855)</b> |
|                                                                        |       | <b>2025</b>        | <b>2024</b>        |
|                                                                        |       | <b>\$</b>          | <b>\$</b>          |
| Loss per share attributable to ordinary equity holders:                |       |                    |                    |
| Basic loss (per share)                                                 | 7(a)  | (0.037)            | (0.054)            |
| Diluted loss (per share)                                               | 7(b)  | (0.037)            | (0.054)            |

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

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# Consolidated Statement of Financial Position

AS AT 30 JUNE 2025

|                                      |       | Consolidated      |                   |
|--------------------------------------|-------|-------------------|-------------------|
|                                      | Note  | 2025              | 2024              |
|                                      |       | \$                | \$                |
| <b>ASSETS</b>                        |       |                   |                   |
| <b>CURRENT ASSETS</b>                |       |                   |                   |
| Cash and cash equivalents            | 8(a)  | 1,486,179         | 1,212,955         |
| Other receivables                    | 9(a)  | 187,318           | 156,697           |
| <b>TOTAL CURRENT ASSETS</b>          |       | <b>1,673,497</b>  | <b>1,369,652</b>  |
| <b>NON-CURRENT ASSETS</b>            |       |                   |                   |
| Other receivables                    | 9(b)  | 195,726           | 299,253           |
| Exploration expenditure              | 12    | 39,017,371        | 36,311,546        |
| Property, plant and equipment        | 13    | 81,414            | 112,604           |
| Right of use of assets               | 6     | 333,606           | 133,088           |
| <b>TOTAL NON-CURRENT ASSETS</b>      |       | <b>39,628,117</b> | <b>36,856,491</b> |
| <b>TOTAL ASSETS</b>                  |       | <b>41,301,614</b> | <b>38,226,143</b> |
| <b>LIABILITIES</b>                   |       |                   |                   |
| <b>CURRENT LIABILITIES</b>           |       |                   |                   |
| Trade and other payables             | 14    | 691,855           | 879,873           |
| Provisions                           | 15    | 424,843           | 385,061           |
| Lease liabilities                    | 6     | 190,143           | 73,437            |
| Convertible Loan Notes               | 16    | 2,856,510         | -                 |
| <b>TOTAL CURRENT LIABILITIES</b>     |       | <b>4,163,351</b>  | <b>1,338,371</b>  |
| <b>NON-CURRENT LIABILITIES</b>       |       |                   |                   |
| Lease liabilities                    | 6     | 149,097           | 43,897            |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |       | <b>149,097</b>    | <b>43,897</b>     |
| <b>TOTAL LIABILITIES</b>             |       | <b>4,312,448</b>  | <b>1,382,269</b>  |
| <b>NET ASSETS</b>                    |       | <b>36,989,166</b> | <b>36,843,875</b> |
| <b>EQUITY</b>                        |       |                   |                   |
| Contributed equity                   | 17(a) | 98,481,394        | 95,346,228        |
| Reserves                             | 17(d) | 15,144,851        | 13,947,078        |
| Accumulated losses                   | 18    | (76,637,079)      | (72,449,431)      |
| <b>TOTAL EQUITY</b>                  |       | <b>36,989,166</b> | <b>36,843,875</b> |

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

## Consolidated Statement of Changes in Equity

FOR THE YEAR ENDING 30 JUNE 2025

| CONSOLIDATED                                                 | Note  | Contributed<br>Equity<br>\$ | Reserves<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>\$ |
|--------------------------------------------------------------|-------|-----------------------------|----------------|-----------------------------|-------------|
| <b>Balance at 1 July 2024</b>                                |       | 95,346,228                  | 13,947,078     | (72,449,431)                | 36,843,875  |
| <b>Total comprehensive income for the year</b>               |       |                             |                |                             |             |
| Profit/(Loss) for the year                                   |       | -                           | -              | (4,187,648)                 | (4,187,648) |
| <b>Total comprehensive income/(loss) for the year</b>        |       | -                           | -              | (4,187,648)                 | (4,187,648) |
| <b>Transactions with owners recorded directly in equity:</b> |       |                             |                |                             |             |
| Shares issued during the year                                | 17(b) | 4,020,000                   | -              | -                           | 4,020,000   |
| Transaction costs                                            | 17(b) | (884,834)                   | -              | -                           | (884,834)   |
| Reserves in relation to convertible note                     | 17(b) | -                           | 477,328        | -                           | 477,328     |
| Share based payments                                         | 17(d) | -                           | 720,445        | -                           | 720,445     |
|                                                              |       | 3,135,166                   | 1,197,773      | -                           | 4,332,939   |
| <b>Balance at 30 June 2025</b>                               |       | 98,481,394                  | 15,144,851     | (76,637,079)                | 36,989,166  |

| CONSOLIDATED                                                 | Note  | Contributed<br>Equity<br>\$ | Reserves<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>\$ |
|--------------------------------------------------------------|-------|-----------------------------|----------------|-----------------------------|-------------|
| <b>Balance at 1 July 2023</b>                                |       | 89,513,282                  | 13,398,439     | (67,601,576)                | 35,310,145  |
| <b>Total comprehensive income for the year</b>               |       |                             |                |                             |             |
| Profit/(Loss) for the year                                   |       | -                           | -              | (4,847,855)                 | (4,847,855) |
| <b>Total comprehensive income/(loss) for the year</b>        |       | -                           | -              | (4,847,855)                 | (4,847,855) |
| <b>Transactions with owners recorded directly in equity:</b> |       |                             |                |                             |             |
| Shares issued during the year                                | 17(b) | 6,501,346                   | -              | -                           | 6,501,346   |
| Transaction costs                                            | 17(b) | (668,400)                   | -              | -                           | (668,400)   |
| Share based payments                                         | 17(d) | -                           | 548,639        | -                           | 548,639     |
|                                                              |       | 5,832,946                   | 548,639        | -                           | 5,284,307   |
| <b>Balance at 30 June 2024</b>                               |       | 95,346,228                  | 13,947,078     | (72,449,431)                | 36,843,875  |

The above Consolidated Statements of Changes in Equity should be read in conjunction with the accompanying notes.

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## Consolidated Statement of Cash Flows

FOR THE YEAR ENDING 30 JUNE 2025

| Note                                                             | Consolidated            |                    |
|------------------------------------------------------------------|-------------------------|--------------------|
|                                                                  | 2025<br>\$              | 2024<br>\$         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                      |                         |                    |
| Payment to suppliers and employees                               | (3,042,544)             | (3,899,339)        |
| Interest received                                                | 56,304                  | 137,372            |
| Interest paid                                                    | -                       | (175,333)          |
| Other income                                                     | 176,922                 | 271,413            |
| Net cash outflow from operating activities                       | 8(b) <u>(2,809,318)</u> | <u>(3,665,887)</u> |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                      |                         |                    |
| Payments for purchase of plant and office equipment              | (14,547)                | (35,946)           |
| Proceeds from sale of plant and office equipment                 | 500                     | -                  |
| Redemption/(Placement) of security deposits                      | 102,445                 | (186,665)          |
| Exploration and evaluation expenditure                           | (2,994,063)             | (3,552,353)        |
| Net cash outflow from investing activities                       | <u>(2,905,665)</u>      | <u>(3,774,964)</u> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                      |                         |                    |
| Proceeds from issue of shares                                    | 17(b) 3,576,391         | 6,501,346          |
| Share issue costs                                                | 17(b) (884,834)         | (668,400)          |
| Repayment of lease liabilities                                   | (244,350)               | (338,850)          |
| Placement/(Redemption) of convertible loan note                  | 3,541,000               | (1,975,000)        |
| Net cash inflow/(outflow) from financing activities              | <u>5,988,207</u>        | <u>3,519,096</u>   |
| Net increase/(decrease) in cash and cash equivalents held        | 273,224                 | (3,921,755)        |
| Cash and cash equivalents at the beginning of the financial year | <u>1,212,955</u>        | <u>5,134,710</u>   |
| Cash and cash equivalents at the end of the financial year       | 8(a) <u>1,486,179</u>   | <u>1,212,955</u>   |

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Notes to the Consolidated Financial Statements

## FOR THE YEAR ENDING 30 JUNE 2025

### 1. CORPORATE INFORMATION

The consolidated financial statements of Magnetite Mines Limited ("Company") comprise the Company and its subsidiaries (together referred to as the "Group") for the year ended 30 June 2024 was authorised for issue in accordance with a resolution of the directors on 26 September 2025. Magnetite Mines Limited is a for profit company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange Ltd. The principal activity of the Group during the year was mineral exploration in Australia.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### (a) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards (including Australian Accounting Standards and Interpretations).

The financial report has also been prepared on a historical basis and the accruals basis, except for certain financial instruments that have been measurement at fair value.

#### Going Concern

The accounts have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2025, the Group recorded a loss of \$4,187,648 (2024: loss \$4,847,855) and has operating and investing cash outflows of \$5,714,983 (2024: \$7,440,851). At 30 June 2025 the Group has cash assets of \$1,486,179 (2024: \$1,212,955) and a net working capital<sup>1</sup> surplus of \$366,656 (2024: Net working capital surplus \$31,281). The Group has minimum exploration commitments due within one year of \$82,407 (2024: \$139,213).

The Directors, in their consideration of the appropriateness of the going concern basis for the preparation of the financial statements, have prepared a cash flow forecast through to September 2026. The cash flow forecast includes the cash injection of \$3,869,418 (before costs) from the recent Rights Offer which closed on 29 August 2025 and follow-on placement.

As announced on 13 January 2025, the Group secured up to \$7,000,000 funding in the form of unsecured Convertible Notes, from two investment funds managed by US-based C/M Capital Partners, LP (C/M Capital). During the year, the Group drew \$3,541,000 across four tranches under this facility as disclosed in Note 16. Notes are issued at a face value equal to 108% of the relevant investment amount. On 25 March 2025, \$350,000 of notes issued on 24 January 2025 were converted into 4,347,826 fully paid ordinary shares. Subsequent to the reporting period, on 19 August 2025, a further \$300,000 of notes were converted into 3,750,000 shares. Subject to mutual agreement and the Group obtaining necessary approvals, up to a further \$3,459,000 remains available to be drawn under the facility in additional tranches.

The cash flow forecast indicates the current cash balance is insufficient to meet its ongoing planned expenditure for the next 12 months from the date of this report without one or more of the following funding activities occurring:

Within the next 12 months: i) raising additional equity subject to prevailing market conditions, ii) entering into an agreement with a strategic partner to fund ongoing planned expenditure on the Razorback project, iii) C/M Capital providing the remaining available funding amounts to the Group by way of Convertible Notes (up to the balance of \$3,459,000 not previously drawn, subject to placement capacity and obtaining necessary approvals), iv) receipting refunds from research and development incentives, and/or iv) undertaking a Razorback project sell-down.

Should the Group be unsuccessful in achieving the funding activities set out above, a material uncertainty would exist that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, whether it will realise its assets and extinguish its liabilities other than in the ordinary course of business.

The financial report does not include any adjustment relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the entity not continue as a going concern.

Notwithstanding the cash shortfall as per the cash flow forecast, and the material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern for the next 12 months, the Directors at the date of signing this report are confident, based on past performance and the market conditions in relation to the recognised global demand for green iron, supported by the state and federal governments policy focus on this opportunity, that they will be successful in their ability to fund the project and continue as a going concern.

Should the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different from those stated in the financial statements. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of recorded liabilities that might be necessary should the consolidated entity not continue as a going concern.

Note 1: Net working capital reflects a net current position excluding convertible loan notes.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Statement of compliance

The consolidated financial statements comply with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

### Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent Magnetite Mines Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 10.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group.

The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

### (b) Adoption of New and Revised Accounting Standards

The Group has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

The adoption of these new and revised Standards and Interpretation did not have any impact on the consolidated financial statements of the Group during the period.

### (c) New and revised Australian Accounting Standards and Interpretations on issue but not yet effective

Early adoption has not been applied to any of these, and the applicable new and amended standards and interpretations are provided in the list below.

- **AASB 18 Presentation and Disclosure in Financial Statements**

Effective for reporting periods beginning on or after 1 January 2027, AASB 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. It also requires the disclosure of management-defined performance measures and includes new requirements for the aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

The Group is currently assessing the impact of AASB 18 on presentation and disclosures in the Group's Financial Statements.

### (d) Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimate and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

#### **Share based payment transactions**

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility, dividend yield and estimated vesting period and making assumptions about them. For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Group uses Black-Scholes option pricing model and a Monte-Carlo simulation model for valuing the share option plan. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 20.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### (d) Significant accounting estimates and assumptions (continued)

###### *Mineral Exploration and Evaluation*

The carrying amounts of the Group's exploration and evaluation assets are reviewed at each reporting date, to determine whether any of the following indicators of impairment exist:

- tenure over the AOI has expired during the period or will expire in the near future, and is not expected to be renewed; or
- substantive expenditure on further exploration for, and evaluation of, mineral resources in the specific AOI is not budgeted or planned; or
- exploration for, and evaluation of, resources in the specific AOI have not led to the discovery of commercially viable quantities of resources, and the Group has decided to discontinue activities in the specific AOI; or
- sufficient data exists to indicate that, although a development is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or from sale.

As at 30 June 2025, no indicators of impairment were identified in relation to the Group's exploration and evaluation assets. The key judgements used in assessing whether indicators of impairment exist are disclosed and explained further in Note 12.

###### *Fair value measurement of financial instruments*

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

##### (e) Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flow, cash and cash equivalents consist of cash and cash equivalents as detailed above, net of outstanding bank overdrafts.

##### (f) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes using the full liability balance sheet approach. Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; or
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### (f) Income tax (continued)

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

##### (g) Other taxes

Revenues, expenses and assets are recognised net of amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the assets or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

The Group is consolidated for income tax purposes. The consolidated taxable profit or loss for the group is recognised at the parent level, Magnetite Mines Limited, therefore the assessment of whether to record deferred tax assets for unused tax losses or timing differences is undertaken by the parent only. The losses of the subsidiary remain with the parent, whether the subsidiary is wound up or sold. Provided the company maintains its current business operations, revenue and capital losses will not expire.

##### (h) Exploration, evaluation and development expenditure

Exploration, evaluation and development costs are accumulated in respect of each separate area of interest. Exploration and evaluation costs are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest or, where exploration and evaluation activities in the area of interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. When an area of interest is abandoned or the directors decide that it is not commercial, any accumulated costs in respect of that area are written off in the financial period the decision was made.

Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they may not be recoverable in the future. Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

Exploration and evaluation expenditure, including the costs of acquiring licences and permits, are capitalised as exploration and evaluation assets on an area of interest basis. Subsequent to the recognition of an area of interest, all further exploration and evaluation drill costs and other costs relating to that area of interest are capitalised. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Where an indicator of impairment exists, the asset's recoverable amount is estimated. If it is concluded that the carrying value of an exploration and evaluation asset is unlikely to be recovered by future exploitation or sale, an impairment is recognised in profit or loss for the difference.

##### (i) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

Trade payables and other payables are carried at amortised cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Group.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### (j) Provisions

###### *Rehabilitation*

A provision has been made for the present value of anticipated costs for future site restoration. The Group's extraction and exploration activities are subject to various laws and regulations governing the protection of the environment. The Group recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of well estimates and discount rates could affect the carrying amount of this provision.

##### (k) Earnings per share

- (i) Basic earnings per share ("EPS") is calculated by dividing the net profit/loss attributable to members for the reporting period, after excluding any costs of servicing equity, by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue.
- (ii) Diluted EPS is calculated by dividing the loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

##### (l) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### (m) Borrowing costs

Borrowing costs are capitalised when they relate to qualifying assets, otherwise recognised as an expense when incurred.

##### (n) Leases

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The right-of-use assets are measured at their present value of lease payments at the commencement date and discounted using the Group's incremental borrowing rate. Subsequently the right-of-use assets are amortised based on the asset's useful life.

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

##### (o) Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less cost of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### (o) Impairment of assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

##### (p) Share-based payment transactions

###### Equity settled transactions

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or performance rights and or options over shares (equity-settled transactions).

There is currently one plan in place the Employee Option Share Plan, which provides benefits to all employees, excluding directors.

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer or internally using a Black-Scholes option pricing model, further details of which are given in note 20.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- (i) the extent to which the vesting period has expired; and
- (ii) the Company's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of the period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see note 7).

##### (q) Foreign Currency Translation

###### Functional and present currency

The functional currency of the Company is measured using the currency of the primary economic environment in which the Company operates. The financial statements are presented in Australian dollars which is the Company's functional and presentation currency. The functional currency of all subsidiaries is Australian dollars.

# Notes to the Consolidated Financial Statements

## FOR THE YEAR ENDING 30 JUNE 2025

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Foreign Currency Translation (continued)

##### *Transaction and balance*

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continued to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

#### (r) Other Income

##### *Royalty Income*

Royalty income includes a variable amount of consideration, the Group estimates the amount of consideration to which it will be entitled. The variable consideration is estimated at contract inception and constrained until it's highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

##### *Interest income*

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts though the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### (s) Employee Benefits

##### *Short-term employee benefits*

Liabilities recognised for salaries and wages, annual leave and any other short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the amounts expected to be paid when the liabilities are settled in respect of services provided by employees up to the reporting date.

##### *Long-term employee benefits*

Liabilities recognised in respect of long service leave and any other long term employee benefits that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to the reporting date.

#### (t) Convertible Loan Note

Convertible notes are separated into liability and equity components based on the terms of the contract.

Where the convertible note contains multiple components, including a host liability and embedded derivative features, the Group applies the accounting policy to designate the components together at fair value through profit or loss in accordance with AASB 9.4.5.6, where possible. These components are measured at fair value on initial recognition and subsequently remeasured through profit or loss.

Any residual amount is allocated to the equity component, which is not remeasured after initial recognition. Transaction costs are apportioned between the liability and equity components based on their relative fair values at initial recognition.

#### (u) Financial Assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Financial assets are measured initially at fair value adjusted by transaction costs, except for those carried at 'fair value through profit or loss', in which case transaction costs are expensed to profit or loss. Where available, quoted prices in an active market are used to determine the fair value. In other circumstances, valuation techniques are adopted. Subsequent measurement of financial assets are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### (u) Financial Assets (continued)

###### Classification and measurement

###### *Financial assets*

All financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through other comprehensive income (FVOCI); and
- fair value through profit or loss (FVPL).

Classifications are determined by both:

- the contractual cash flow characteristics of the financial assets; and
- the Group's business model for managing the financial asset.

###### *Financial assets at amortisation cost*

Financial assets are measured at amortised cost if the assets meet with the following conditions (and are not designated as FVPL);

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, and other receivables fall into this category of financial instruments.

###### *Financial assets at fair value through profit and loss (FVPL)*

Financial assets at fair value through profit or loss include financial assets held for trading, derivative financial instruments, assets designated upon initial recognition at fair value through profit or loss or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

###### *Impairment*

The Group assesses on a forward-looking basis the expected credit loss (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For other receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### (v) Fair value measurement (continued)

The Group measures financial instruments such as financial liabilities relating to convertible notes, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Group verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contract and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair-value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarised in note 16.

## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDING 30 JUNE 2025

### 3. SEGMENT INFORMATION

The Group operates in the mineral exploration industry in Australia. For management purposes, the Group is organized into one main operating segment which involves the exploration of minerals in Australia. All of the Group's activities are interrelated and discrete financial information is reported to the Board (Chief Operating Decision Maker) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

### 4. OTHER INCOME AND EXPENSES

#### (a) Other income

Fuel tax credit received  
R&D grant  
Royalty income

| Consolidated |      |
|--------------|------|
| 2025         | 2024 |
| \$           | \$   |

|         |         |
|---------|---------|
| 1,223   | 955     |
| 169,908 |         |
| -       | 213,539 |
| 171,131 | 214,494 |

#### (b) Depreciation

Depreciation on property, plant & equipment and amortisation expenses  
ROU depreciation/amortisation

|           |           |
|-----------|-----------|
| (45,183)  | (46,732)  |
| (237,205) | (351,801) |
| (282,388) | (398,533) |

#### (c) Interest expense

Interest payable on Convertible Loan Note  
Interest expense from unwinding of interest of lease liabilities

|          |          |
|----------|----------|
| -        | (68,404) |
| (28,533) | (24,637) |
| (28,533) | (93,041) |

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## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

| Consolidated |      |
|--------------|------|
| 2025         | 2024 |
| \$           | \$   |

#### 5. INCOME TAX

##### (a) Numerical reconciliation of income tax expense to prima facie tax payable

|                                                                                         |             |             |
|-----------------------------------------------------------------------------------------|-------------|-------------|
| Profit/(Loss) from ordinary activities before income tax expense                        | (4,187,648) | (4,847,855) |
| Prima facie tax benefit on loss from ordinary activities at 25% (2024 – 25%)            | (1,046,912) | (1,211,964) |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: |             |             |
| Entertainment and other                                                                 | 136         | 147         |
| Fines & penalties                                                                       | 100         | 23          |
| Share based payments                                                                    | 112,993     | 52,979      |
| Other                                                                                   | (42,695)    | (128,844)   |
|                                                                                         | (976,378)   | (1,287,659) |
| Tax effect of current year tax losses & non-recognition of deferred tax assets          | 976,378     | 1,287,659   |
| Income tax expense/(benefit)                                                            | -           | -           |

##### (b) Deferred Tax Assets (25%) (2024– 25%)

|                              |            |            |
|------------------------------|------------|------------|
| Prepayments                  | 30,942     | -          |
| Capital raising costs        | 225,332    | 276,565    |
| Provisions for expenses      | 137,610    | 143,473    |
| Right of Use of Assets       | 84,810     | 29,334     |
| Carry forward revenue losses | 21,837,433 | 20,241,522 |
| Carry forward capital losses | 2,475,645  | 2,475,645  |
| Total                        | 24,791,772 | 23,166,539 |

##### (c) Deferred Tax Liabilities (25%) (2024 – 25%)

|                     |           |           |
|---------------------|-----------|-----------|
| Prepayments         | -         | 9,983     |
| Lease Liabilities   | 83,402    | 33,272    |
| Unearned revenue    | 218       | 262       |
| Mineral exploration | 9,754,343 | 9,077,886 |
| Total               | 9,837,963 | 9,121,403 |

Net deferred tax asset not brought to account

14,953,809 14,045,136

Potential future income tax benefits attributable to total tax losses are only brought to account to the extent they will offset against temporary differences anticipated to arise and utilised over the same period. Total tax losses amount to approximately \$24,313,078 of which \$14,953,809 remains unrecognised at 30 June 2025 because the directors do not believe it is appropriate to regard realisation of the future income tax benefits as probable. The unrecognised amounts comprise of carry forward revenue losses of \$12,478,164 and carry forward capital losses of \$2,475,645.

The potential future income tax benefit will be obtainable by the Group only if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit of the deductions for the loss to be realised;
- the Group continues to comply with the conditions for deductibility imposed by income tax law; and
- no changes in income tax legislation adversely affects the Group in realising the benefit of the deduction for the loss.

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## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 6. LEASES

##### (a) Right-of-use assets

|                 |           |           |
|-----------------|-----------|-----------|
| Opening balance | 133,088   | 477,950   |
| Additions       | 437,723   | 6,939     |
| Depreciation    | (237,205) | (351,801) |
| Closing balance | 333,606   | 133,088   |

##### (b) Lease liabilities

|             |         |         |
|-------------|---------|---------|
| Current     | 190,143 | 73,437  |
| Non-current | 149,097 | 43,897  |
|             | 339,240 | 117,334 |

##### (c) Interest expense on lease liabilities

|                                                 |                |                |
|-------------------------------------------------|----------------|----------------|
| Interest expense from the unwinding of interest | 28,533         | 24,637         |
|                                                 | 28,533         | 24,637         |
| <b>Total annual expenses for leases</b>         | <b>265,738</b> | <b>376,438</b> |

The right-of-use assets include lease agreements entered into by the Group for storage units in Wingfield, South Australia, and an office space in Adelaide on 14 November 2021 and 1 June 2023. In the current period the Group extended its lease for the storage units in Wingfield, South Australia. The incremental borrowing rates for these leases were 4.69% and 7.85%, respectively.

The Group did not have any short-term or low value leases in the current and previous period.

#### 7. EARNINGS PER SHARE

|                            |         |         |
|----------------------------|---------|---------|
| (a) Basic loss per share   | (0.037) | (0.054) |
| (b) Diluted loss per share | (0.037) | (0.054) |

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares. The calculation of diluted weighted average number of shares on issue excludes the effect of outstanding rights and options, as their inclusion would be anti-dilutive given the Group's loss-making position for the year ended 30 June 2025.

|                                                                                                     |             |             |
|-----------------------------------------------------------------------------------------------------|-------------|-------------|
| (c) Net profit/(loss) attributable to ordinary shareholders (\$)                                    | (4,187,648) | (4,826,035) |
| (d) Weighted average number of ordinary shares outstanding during the year used in the calculation: |             |             |
| - basic earnings per share                                                                          | 113,461,892 | 89,767,338  |
| - diluted earnings per share                                                                        | 113,461,892 | 89,767,338  |

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

| Consolidated |      |
|--------------|------|
| 2024         | 2024 |
| \$           | \$   |

#### 8. CASH FLOW INFORMATION

(a) Cash and cash equivalents represents:

|                          |                  |                  |
|--------------------------|------------------|------------------|
| Cash in bank and on hand | 1,486,179        | 607,086          |
| Short term deposits      | -                | 605,869          |
|                          | <u>1,486,179</u> | <u>1,212,955</u> |

(b) Reconciliation of net cash used in operating activities to operating loss after income tax

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| Operating loss after income tax | <b>(4,187,648)</b> | <b>(4,847,855)</b> |
|---------------------------------|--------------------|--------------------|

#### *Non cash flows in operating loss*

|                                          |         |         |
|------------------------------------------|---------|---------|
| Exploration costs written-off            | 3,265   | 15,288  |
| Amortisation and depreciation            | 282,388 | 398,533 |
| Share based payments – note 17(d)        | 720,445 | 548,639 |
| Fair value loss on convertible loan note | 106,584 | -       |
| Non-cash convertible note facility fee   | 60,684  | -       |
| Loss on sale of plant and equipment      | 53      | -       |

#### *Change in assets and liabilities*

|                                                             |                    |                    |
|-------------------------------------------------------------|--------------------|--------------------|
| Increase/(decrease) in trade, other payables and provisions | 235,532            | 101,571            |
| (Increase)/decrease in receivables                          | <u>(30,621)</u>    | <u>117,937</u>     |
| Net cash outflow used in operating activities               | <u>(2,809,318)</u> | <u>(3,665,887)</u> |

#### *Non cash flows investing and financing activities*

In the current year there are no non cash financing and investing activities.

#### 9. OTHER RECEIVABLES (CURRENT)

|                                 |                |                |
|---------------------------------|----------------|----------------|
| (a) GST receivable              | 105,267        | 101,497        |
| Prepayments                     | 7,868          | 39,930         |
| Prepayments – Convertible notes | 69,180         | -              |
| Sundry debtors <sup>(1)</sup>   | <u>5,003</u>   | <u>15,270</u>  |
|                                 | <u>187,318</u> | <u>156,697</u> |

The were no amounts receivable from directors and director related entities in 2025 and 2024.

Note1: Other receivables are non-interest bearing and generally on 30-90 day terms. The Group recognises an allowance for the expected credit loss for all receivables not held at fair value through profit or loss. FY2025 \$Nil (FY 2024: \$Nil)

#### OTHER RECEIVABLES (NON-CURRENT)

|                             |                |                |
|-----------------------------|----------------|----------------|
| (b) Security deposits/bonds | <u>195,726</u> | <u>299,253</u> |
|-----------------------------|----------------|----------------|

At 30 June 2025 the Group has security bonds outstanding totalling \$195,726 (2024: \$299,253) provided by the Company's bank for its office and storage unit leases and held by Department for Energy & Mining for mineral tenements in Australia.

#### 10. SUBSIDIARIES

| Name                         | Country of Incorporation | Percentage Interest Held |           |
|------------------------------|--------------------------|--------------------------|-----------|
|                              |                          | 2025<br>%                | 2024<br>% |
| Razorback Iron Pty Ltd       | Australia                | 100                      | 100       |
| Razorback Operations Pty Ltd | Australia                | 100                      | 100       |
| Red Dragon Mining Pty Ltd    | Australia                | 100                      | 100       |
| Ironback Pty Ltd             | Australia                | 100                      | 100       |

# Notes to the Consolidated Financial Statements

## FOR THE YEAR ENDING 30 JUNE 2025

### 11. PARENT ENTITY DISCLOSURES

#### STATEMENT OF FINANCIAL POSITION

##### ASSETS

|                    |           |           |
|--------------------|-----------|-----------|
| Current Assets     | 1,673,477 | 1,369,632 |
| Non-Current Assets | 2,585,716 | 1,622,415 |
| Total Assets       | 4,259,193 | 2,992,047 |

##### LIABILITIES

|                         |             |             |
|-------------------------|-------------|-------------|
| Current Liabilities     | (4,163,352) | (1,338,371) |
| Non-Current Liabilities | (149,097)   | (43,897)    |
| Total Liabilities       | (4,312,449) | (1,382,268) |
| Net Assets              | (53,256)    | 1,609,779   |

##### EQUITY

|                    |               |               |
|--------------------|---------------|---------------|
| Contributed equity | 98,481,394    | 95,346,228    |
| Reserves           | 15,144,851    | 13,947,078    |
| Accumulated losses | (113,679,500) | (107,683,527) |
| Total Equity       | (53,256)      | 1,609,779     |

|                                                            |             |             |
|------------------------------------------------------------|-------------|-------------|
| Profit or loss and other comprehensive income              |             |             |
| Net profit/ (loss) from continuing operations for the year | (5,995,974) | (7,492,017) |
| Total Comprehensive income/(loss) for the year             | (5,995,974) | (7,492,017) |

|                                                   |           |           |
|---------------------------------------------------|-----------|-----------|
| Mineral tenement expenditure commitments          |           |           |
| Within one year                                   | 82,407    | 139,213   |
| Later than one year but not later than five years | 1,700,000 | 1,765,000 |
| Later than five years                             | -         | -         |
|                                                   | 1,782,407 | 1,904,213 |

The commitments relate to the Company and its subsidiaries as the Company funds its subsidiaries' activities. There are no guarantee/contingencies and subsequent events other than those mentioned above in this report.

### 12. EXPLORATION EXPENDITURE (NON-CURRENT)

#### Exploration and evaluation

|                                         |            |            |
|-----------------------------------------|------------|------------|
| At 1 July                               | 36,311,546 | 32,863,921 |
| Expenditure incurred during the year    | 2,709,090  | 3,462,913  |
| Expenditure written off during the year | (3,265)    | (15,288)   |
| At 30 June                              | 39,017,371 | 36,311,546 |

Exploration and evaluation expenditure incurred is accumulated with respect to each identifiable area of interest. These costs are only carried forward to the extent that the right of tenure is current, and those costs are expected to be recouped through the successful development of the area of interest (or by its sale). These costs are also carried forward where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves, and evaluation of the area and associated projects to enable the technically and commercially feasible recovery of resources are continuing. When a Final Investment Decision (FID) on a project or area of interest is made, the amounts will be transferred to assets under development.

The Group has performed an assessment for indicators of impairment of the E&E assets in accordance with the requirements of AASB 6 and notes that:

- The Group continues to maintain its tenure over the areas of interest (AOI); in this case, the Group continues to maintain the Explorations Licences disclosed under Schedule of Tenements on page 102.
- The Group's global Mineral Resource Estimate across its areas of interest (AOIs) is approximately 6.6 billion tonnes (Indicated & Inferred, JORC 2012), as most recently disclosed to the ASX on 30 June 2025.
- Notwithstanding the cash shortfall in the Group's forecast and the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern (refer Note 2(a) Going concern), the

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 12. EXPLORATION EXPENDITURE (NON-CURRENT) (CONTINUED)

Group has planned expenditure to progress a binding transaction with strategic partners to secure DFS funding, advance technical optimisation work, and continue disciplined exploration across its broader tenement portfolio for gold and critical mineral potential.

- Given the ongoing work programs and project decision still under consideration, the Group considers it appropriate to continue carrying forward the carrying value of the Razorback Iron Ore Project pending further evaluation and assessment at 30 June 2025.
- In summary, and with specific reference to the AASB 6 impairment indicators:
  - All licences relating to the AOI remain current.
  - Exploration and evaluation activities are planned for the next 12 months, noting the forecast cash shortfall (refer Note 2(a) Going concern).
  - There is insufficient information available at present to conclude that the carrying value of the E&E assets is not recoverable.

The value of the Group's interest in exploration expenditure is dependent upon:

- the continuance of the Group's rights to tenure of the areas of interest;
- the results of future exploration; and
- the recoupment of costs through successful development and exploitation of the areas of interest, or alternatively, by their sale.

The Group's exploration properties may be subject to claim(s) under native title, or contain sacred sites, or sites of significance to Aboriginal people. As a result, exploration properties or areas within the tenements may be subject to exploration restrictions, mining restrictions and/or claims for compensation. At this time, it is not possible to quantify whether such claims exist, or the quantum of such claims.

#### 13. PROPERTY, PLANT AND EQUIPMENT

|                                     | Consolidated |           |
|-------------------------------------|--------------|-----------|
|                                     | 2025         | 2024      |
|                                     | \$           | \$        |
| Plant and equipment, at cost        | 356,930      | 329,789   |
| Less: accumulated depreciation      | (317,522)    | (266,480) |
|                                     | 39,408       | 63,309    |
| Office equipment, at cost           | 188,059      | 150,840   |
| Less: accumulated depreciation      | (146,053)    | (106,806) |
|                                     | 42,006       | 44,034    |
| Total property, plant and equipment | 81,414       | 107,343   |

##### Reconciliations

Reconciliation of the carrying amounts of each class of property, plant and equipment at the beginning and end of the current financial year are set out below:

##### Plant and equipment

|                                                                              |          |          |
|------------------------------------------------------------------------------|----------|----------|
| Carrying amount at the beginning of the year                                 | 63,309   | 85,191   |
| Additions                                                                    | 981      | 8,279    |
| Disposal                                                                     | -        | -        |
| Reclassification of plant and equipment from office equipment for prior year | -        | 3,220    |
| Depreciation                                                                 | (22,209) | (33,381) |
| Carrying amount at the end of the year                                       | 42,081   | 63,309   |

##### Office equipment

|                                                                            |          |          |
|----------------------------------------------------------------------------|----------|----------|
| Carrying amount at the beginning of the year                               | 44,034   | 43,287   |
| Additions                                                                  | 18,826   | 28,819   |
| Disposal                                                                   | (553)    | (6,779)  |
| Reclassification of office equipment to plant and equipment for prior year | -        | (3,220)  |
| Depreciation                                                               | (22,974) | (18,073) |
| Carrying amount at the end of the year                                     | 39,333   | 44,034   |
| Total carrying amount at the end of the year                               | 81,414   | 107,343  |

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

| Consolidated |      |
|--------------|------|
| 2025         | 2024 |
| \$           | \$   |

#### 14. TRADE AND OTHER PAYABLES (CURRENT)

|                             |                |                |
|-----------------------------|----------------|----------------|
| Trade payables <sup>1</sup> | 244,638        | 419,869        |
| Accruals                    | 447,217        | 460,004        |
|                             | <u>691,855</u> | <u>879,873</u> |

Note 1 - Trade payables are non-interest bearing and are normally settled on 30-60 day terms

#### 15. PROVISIONS (CURRENT)

|                                        |                |                |
|----------------------------------------|----------------|----------------|
| Employee benefits – Annual Leave       | 292,272        | 267,501        |
| Employee benefits – Long Service Leave | 112,071        | 113,560        |
| Provision for rehabilitation           | 20,500         | 4,000          |
| Total                                  | <u>424,843</u> | <u>385,061</u> |

#### 16. CONVERTIBLE NOTES (CURRENT)

|                                                                          |                  |          |
|--------------------------------------------------------------------------|------------------|----------|
| Convertible Notes                                                        | 2,856,510        | -        |
|                                                                          | <u>2,856,510</u> | <u>-</u> |
| <i>Reconciliation of movement in convertible notes:</i>                  |                  |          |
| Opening balance                                                          | -                | -        |
| Convertible notes issued during the year                                 | 3,034,192        | -        |
| Movement attributable to fair value                                      | 106,583          | -        |
| Conversion of convertible notes into shares during the year <sup>1</sup> | (284,265)        | -        |
| Closing balance                                                          | <u>2,856,510</u> | <u>-</u> |

#### Key Commercial Terms of the C/M Capital Partners Convertible Loan Note:

- **Interest rate %:** Nil
- **Security:** Unsecured
- **Maturity:** The Convertible Notes are to be converted on or before the date which is 24 months from the Issue Date. Notes are issued at a face value equal to 108% of the relevant investment amount.
- **Redemption:** Any remaining Convertible Notes under the facility may be fully redeemed by the Company at any time prior to the Maturity Date and the facility terminated, subject to the payment on redemption being 105% of the outstanding face value of the Convertible Notes being redeemed (C/M Capital may elect to convert up to 30% of the Convertible Notes proposed to be redeemed).
- **Conversion:** The Convertible Notes may be converted into Ordinary Shares in the Company at C/M Capital's election. C/M Capital will be entitled to convert the Notes into shares at either 100% of the 10 day Volume Weighted Average Price (VWAP) up to the facility execution date within the first two months of initial funding or from day 61 to the Maturity Date at 90% of the average of the two lowest 15 day VWAP immediately prior to a Conversion Notice being received by the Company, subject to a minimum conversion price of \$0.08 per share. The conversion price is subject to adjustment in the event of certain customary events (such as a consolidation or subdivision of the Company's issued capital).
- **Repayment:** Any Convertible Notes which have not been previously converted (or are the subject of a conversion notice) must be repaid on the earlier to occur of:
  - Within 20 business days after the Maturity Date;
  - if an event of default continues for 10 business days following written notice from C/M Capital, within a further 10 business days; or
  - where there is a change of control event, delisting event, or qualifying capital raising event (being where \$10m or more is raised) and if C/M Capital elects for repayment to occur, on or before the date on which the relevant event occurs.
- **Ownership cap:** At no point can C/M Capital hold shares in the Company that exceed 9.99% of the Company's issued share capital.
- **Options:** C/M Capital will receive options equivalent to 50% of the funded amount with an exercise price of 120% of the 15 day VWAP immediately prior to, in the case of the first tranche funding and second tranche funding, the execution date of the facility, and in the case of any subsequent funding, the date of the issue of the options. The options will have a 36 month term from the date of issue.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

- **Commencement Shares:** On closing of the first tranche funding, in accordance with the Company's ASX LR7.1 placement capacity, C/M Capital were issued 1,081,917 Ordinary Shares in the Company equivalent to 2% of the total facility amount (\$140,000).
- **Other terms:** Customary investor protections have been agreed, such as negative covenants, events of default, and representations and warranties.

During the year, the Company drew \$3.54 million across four tranches under this facility.

#### 1. First funding tranche

C/M Capital provided \$1.2 million of funding to the Company by way of Convertible Notes with a face value of \$1.296 million on 24 January 2025. On closing of the first tranche funding, C/M Capital was also issued 1,081,917 fully paid ordinary commencement shares. These securities were issued under the Company's existing ASX LR7.1 placement capacity and were subsequently ratified by shareholders at the Extraordinary General Meeting of Shareholders (EGM) held on 5 March 2025.

#### 2. Second funding tranche

Following shareholder approval at the EGM held on 5 March 2025, C/M Capital provided a further \$1.3 million in funding to the Company by way of Convertible Notes with a face value of \$1.404 million on 7 March 2025. Upon closing of the second tranche, C/M Capital was issued 8,106,355 unquoted options with an exercise price of \$0.1542 each, expiring on 7 March 2028.

#### 3. Third funding tranche

On 19 May 2025, C/M Capital provided \$0.75 million in funding by way of Convertible Notes with a face value of \$0.81 million. Upon closing of this tranche, C/M Capital was issued 2,881,548 unquoted options with an exercise price of \$0.1301 each, expiring on 19 May 2028.

#### 4. Fourth funding tranche

On 30 June 2025, C/M Capital provided a further \$0.291 million in funding by way of Convertible Notes with a face value of \$0.314 million. Upon closing of this tranche, C/M Capital was issued 1,200,495 unquoted options with an exercise price of \$0.1212 each, expiring on 30 June 2028.

On 25 March 2025, \$350,000<sup>1</sup> of notes issued on 24 January 2025 were converted into 4,347,826 fully paid ordinary shares. Subsequent to the reporting period, on 19 August 2025, a further \$300,000 of notes were converted into 3,750,000 shares. Subject to mutual agreement and the Company obtaining any necessary approvals, up to a further \$3.46 million remains available to be drawn under the facility in additional tranches.

#### Fair value

The convertible note fair value is measured based on level 3 fair value hierarchy inputs and its fair value is equal to its carrying value at 30 June 2025 as it is measured at fair value through the profit or loss in line with the Group's accounting policies. Management assessed that the fair values of cash and cash equivalents, other receivables, trade payables, and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

The significant unobservable inputs used in the fair value measurements categorised within level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 30 June 2025 relating to the convertible note are included below:

| Valuation technique | Significant unobservable inputs | Range                     | Sensitivity of the input to fair value                                                                    |
|---------------------|---------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------|
| DCF                 | Discount rate                   | 10-15%                    | 2% increase (decrease) in the discount rate would result in decrease (increase) in fair value by \$90,000 |
|                     | Conversion date assumption      | 1 year earlier conversion | 1 year earlier (later) in conversion date would result in an increase in fair value of \$340,000          |

Note 1: Relates to the fair value recognised on the conversion of 350,000 convertible loan notes (face value \$1.00 each) on 25 March 2025, in accordance with AASB 9 (Financial Instruments), AASB 132 (Financial Instruments: Presentation) and AASB 13 (Fair Value Measurement).

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 17. CONTRIBUTED EQUITY AND RESERVES

|                                | Number of Shares |            | Consolidated      |                   |
|--------------------------------|------------------|------------|-------------------|-------------------|
|                                | 2025             | 2024       | 2025<br>\$        | 2024<br>\$        |
| (a) Issued and paid up capital |                  |            |                   |                   |
| Ordinary shares                | 121,013,179      | 98,434,688 | 98,481,394        | 95,346,228        |
| Total                          |                  |            | <u>98,481,394</u> | <u>95,346,228</u> |

|                                                         | Number of<br>Shares | Issue<br>Price<br>\$ | Total<br>\$       |
|---------------------------------------------------------|---------------------|----------------------|-------------------|
| (b) Movement in ordinary shares on issue                |                     |                      |                   |
| <b>Balance at 30 June 2023</b>                          | 75,963,209          |                      | 89,513,282        |
| Right Issue                                             | 21,666,649          | 0.30                 | 6,500,000         |
| Exercise of quoted options expiring 23 May 2025         | 2,990               | 0.45                 | 1,346             |
| Conversion of performance rights <sup>1</sup>           | 801,840             | -                    | -                 |
| Share issue costs                                       | -                   |                      | (668,400)         |
| <b>Balance at 30 June 2024</b>                          | <u>98,434,688</u>   |                      | <u>95,346,228</u> |
| Rights Issue                                            | 3,769,666           | 0.31                 | 1,168,599         |
| Rights Issue                                            | 12,000,000          | 0.20                 | 2,400,000         |
| Exercise of quoted options expiring 23 May 2025         | 17,315              | 0.45                 | 7,791             |
| Commencement shares for Convertible Loan Notes facility | 1,081,917           | -                    | 140,000           |
| Conversion of Convertible Loan Notes <sup>1</sup>       | 4,347,826           | 0.08                 | 284,265           |
| Conversion of performance rights <sup>2</sup>           | 1,146,819           | -                    | -                 |
| Issue of director shares in lieu of director fees       | 214,948             | 0.09                 | 19,345            |
| Share issue costs                                       | -                   |                      | (884,834)         |
| <b>Balance at 30 June 2025</b>                          | <u>121,013,179</u>  |                      | <u>98,481,394</u> |

Note 1: Relates to the fair value recognised on the conversion of 350,000 convertible loan notes (face value \$1.00 each) at a conversion price of \$0.08 on 25 March 2025, where its associated carrying value of the financial liability was transferred to equity.

Note 2: Excludes performance rights converted to shares post 30 June 2025.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 17. CONTRIBUTED EQUITY AND RESERVES (continued)

(c) Movement in performance rights, options and convertible notes on issue

The following table summarises the movement in options, convertible notes and performance rights on issue for the year ended 30 June 2025.

| 30 June 2025                                                               | Balance at the Beginning of the Year | Issued During the Year | Exercised/ vested During the Year | Expired/Forfeited /Lapsed During the Year | Balance at the End of the Year |
|----------------------------------------------------------------------------|--------------------------------------|------------------------|-----------------------------------|-------------------------------------------|--------------------------------|
| <b>Options</b>                                                             |                                      |                        |                                   |                                           |                                |
| Unquoted options exercisable at \$0.57 each on or before 1 December 2024   | 300,000                              | -                      | -                                 | (300,000)                                 | -                              |
| Unquoted options exercisable at \$1.81 each on or before 8 December 2024   | 1,052,000                            | -                      | -                                 | (1,052,000)                               | -                              |
| Unquoted options exercisable at \$1.76 each on or before 13 December 2024  | 540,000                              | -                      | -                                 | (540,000)                                 | -                              |
| Unquoted options exercisable at \$1.95 on or before 27 June 2025           | 135,360                              | -                      | -                                 | (135,360)                                 | -                              |
| Unquoted options exercisable at \$2.03 on or before 14 October 2025        | 286,071                              | -                      | -                                 | -                                         | 286,071                        |
| Unquoted options exercisable at \$1.39 on or before 1 December 2025        | 1,049,654                            | -                      | -                                 | -                                         | 1,049,654                      |
| Unquoted options exercisable at \$0.915 each on or before 15 December 2025 | 600,000                              | -                      | -                                 | -                                         | 600,000                        |
| Unquoted options exercisable at \$1.34 on or before 1 December 2028        | 382,883                              | -                      | -                                 | -                                         | 382,883                        |
| Unquoted options exercisable at \$0.78 on or before 1 February 2029        | 167,940                              | -                      | -                                 | -                                         | 167,940                        |
| Unquoted options exercisable at \$0.556 on or before 5 December 2029       | 1,978,713                            | -                      | -                                 | -                                         | 1,978,713                      |
| Unquoted options exercisable at \$0.1542 on or before 7 March 2028         | -                                    | 8,106,355              | -                                 | -                                         | 8,106,355                      |
| Unquoted options exercisable at \$0.1301 on or before 19 May 2028          | -                                    | 2,881,548              | -                                 | -                                         | 2,881,548                      |
| Unquoted options exercisable at \$0.1212 on or before 30 June 2028         | -                                    | 1,200,495              | -                                 | -                                         | 1,200,495                      |
| Unquoted options exercisable at \$0.229 on or before 6 December 2030       | -                                    | 5,227,160              | -                                 | -                                         | 5,227,160                      |
| Quoted options exercisable at \$0.45 each on or before 23 May 2025         | 10,830,198                           | -                      | (17,315)                          | (10,812,883)                              | -                              |
| Quoted options exercisable at \$0.30 each on or before 2 October 2027      | -                                    | 16,639,408             | -                                 | -                                         | 16,639,408                     |
| <b>Performance Rights</b>                                                  |                                      |                        |                                   |                                           |                                |
| Sign-On performance rights vesting on 1 July 2024                          | 125,000                              | -                      | (125,000)                         | -                                         | -                              |
| STI performance rights vesting on 30 June 2025                             | -                                    | 3,975,790              | (1,225,462)                       | (2,750,328)                               | -                              |
| <b>Convertible notes</b>                                                   |                                      |                        |                                   |                                           |                                |
| Convertible notes (face value \$1 each), maturing on 24 January 2027       | -                                    | 1,296,000              | (350,000)                         | -                                         | 946,000                        |
| Convertible notes (face value \$1 each), maturing on 7 March 2027          | -                                    | 1,404,000              | -                                 | -                                         | 1,404,000                      |
| Convertible notes (face value \$1 each), maturing on 19 May 2027           | -                                    | 810,000                | -                                 | -                                         | 810,000                        |
| Convertible notes (face value \$1 each), maturing on 30 June 2027          | -                                    | 314,280                | -                                 | -                                         | 314,280                        |
| <b>Total</b>                                                               | <b>17,447,819</b>                    | <b>41,855,036</b>      | <b>(1,717,777)</b>                | <b>(15,590,571)</b>                       | <b>41,994,507</b>              |

# Notes to the Consolidated Financial Statements

## FOR THE YEAR ENDING 30 JUNE 2025

### 17. CONTRIBUTED EQUITY AND RESERVES (continued)

| Consolidated |      |
|--------------|------|
| 2025         | 2024 |
| \$           | \$   |

#### (d) Reserves

##### Listed option reserve

|                              |           |           |
|------------------------------|-----------|-----------|
| Balance at beginning of year | 1,086,935 | 1,086,935 |
| Balance at end of year       | 1,086,935 | 1,086,935 |

##### Share based payments reserve

|                                                                                                               |            |            |
|---------------------------------------------------------------------------------------------------------------|------------|------------|
| Balance at beginning of year                                                                                  | 12,860,143 | 12,311,504 |
| Share based payments expensed to P&L <sup>(1)</sup>                                                           | 720,445    | 548,639    |
| Shares based payment in relation to shares issued in lieu of director fees reclassified to contributed equity | (19,345)   | -          |
| Balance at end of year                                                                                        | 13,561,243 | 12,860,143 |

Note 1: Relates to non-cash expenses in relation to directors shares issued in lieu of director fees, director and employee options and performance rights granted.

##### Reserves in relation to convertible note

|                                                  |         |   |
|--------------------------------------------------|---------|---|
| Balance at beginning of year                     | -       | - |
| Options issued on draw down of convertible notes | 496,673 | - |
| Balance at end of year                           | 496,673 | - |

#### Nature and purpose of reserves

##### Listed option reserve

This reserve is used to record the proceeds from the issue of listed options, net of expenses of the issue.

##### Share based payments reserve

This reserve is used to record the value of equity benefits provided to directors, employees and consultants as part of their remuneration. Refer to note 20 for further details.

### 18. ACCUMULATED LOSSES

|                                                             |              |              |
|-------------------------------------------------------------|--------------|--------------|
| Balance at the beginning of the year                        | (72,449,431) | (67,601,576) |
| Net loss attributable to members of Magnetite Mines Limited | (4,187,648)  | (4,847,855)  |
| Balance at the end of the financial year                    | (76,637,079) | (72,449,431) |

### 19. COMMITMENTS

#### (i) Exploration commitments

|                                                   |           |           |
|---------------------------------------------------|-----------|-----------|
| Within one year                                   | 82,407    | 139,213   |
| Later than one year but not later than five years | 1,700,000 | 1,765,000 |
| Later than five years                             | -         | -         |
|                                                   | 1,782,407 | 1,904,213 |

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various State Governments. These obligations are subject to renegotiation when application for a mining lease is made and at other times. These obligations are not provided for in the financial report.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 19. COMMITMENTS (continued)

If the Group decides to relinquish certain tenements and / or does not meet these obligations, assets recognised in the Consolidated Statement of Financial Position may require review to determine the appropriateness of the carrying values. The sole transfer or farm out of exploration rights to third parties will reduce or extinguish these obligations.

(ii) **Bonds**

At 30 June 2025 the Group has security bonds outstanding totalling \$100,000 (2024: \$112,588) provided by the Company's bank and held by Department for Energy & Mining for mineral tenements in Australia.

(iii) **Bank Guarantee**

As at 30 June 2025, the Group has outstanding \$95,728 secured (30 June 2024: \$186,665) as bank guarantee provided by the Group's bankers. The Company has an available bank guarantee limit of \$192,765 and currently this facility has not been utilised by the Company.

(iv) **Directors & Employee Commitments**

The Group has entered into contracts with its directors and employees whereby minimum notice periods have been provided by the Group. This totals \$397,799 (2024: \$530,292).

#### 20. SHARE BASED PAYMENTS

(a) **Type of share based payment plan**

The Company adopted an Employee Incentive Plan (EIP) during the year which was approved by the shareholders on 23 November 2022, pursuant to which the Company can issue a variety of Equity Securities to employees, contractors, board members and their associates ('Eligible Employees'). The purpose of the Plan is to motivate and attract Eligible Employees and enable them to share in the rewards of the future success of the Company. The Board is of the view that the EIP will better enable the Company to motivate and reward Eligible Employees in the long run.

Subject to the Rules set out in EIP and the Listing Rules, the Company (acting through the Board) may offer performance rights and options to any Eligible Person at such time and on such terms as the Board considers appropriate.

As there are securities on issue under the Option Incentive Plan which was approved by the shareholders on 29 November 2019, there are no immediate plans for its termination.

There are no voting or dividend rights attached to the options. There are no voting rights attached to the unissued ordinary shares. Voting rights will be attached to the unissued ordinary shares when the options and performance rights have been exercised. The expense recognised in the income statement in relation to share based payments is disclosed in consolidated statement of profit or loss and other comprehensive income.

(b) **Summary of directors and employees options and performance rights granted**

The following table illustrates the number and weighted average prices (WAEP) of and the movements in directors and employees share options and performance rights issued during the year:

|                                          | Number<br>2025 | WAEP<br>2025<br>\$ | Number<br>2024 | WAEP<br>2024<br>\$ |
|------------------------------------------|----------------|--------------------|----------------|--------------------|
| Outstanding at the beginning of the year | 6,617,621      | 1.17               | 4,858,908      | 1.41               |
| Granted during the year                  | 9,202,950      | 0.26               | 4,901,655      | 0.46               |
| Expired/Lapsed/Forfeited during the year | (4,777,688)    | 0.86               | (2,121,123)    | 0.48               |
| Exercised during the year                | (1,350,462)    | 0.34               | (1,021,819)    | 0.39               |
| Outstanding at the end of the year       | 9,692,421      | 0.57               | 6,617,621      | 1.17               |
| Exercisable at the end of the year       | 1,935,725      |                    | 4,088,085      |                    |

- (i) the weighted average remaining contractual life for the directors and employees options and performance rights outstanding as at 30 June 2025 is 4.12 years (2024: 2.56 years);
- (ii) the weighted average exercise price for options outstanding at the end of the year was \$0.57 (2024: \$1.17);
- (iii) the weighted average exercise price of options and performance rights granted during the year was \$0.26 (2024: \$0.46); and
- (iv) the fair value of the equity-settled share options granted under the plan is estimated as at the date of grant using a Monte Carlo option pricing model taking into account the terms and conditions upon which the options were granted.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 20. SHARE BASED PAYMENTS (continued)

The following table lists the inputs to the model used for options issued during the year ended 30 June 2025.

|                                     |            |
|-------------------------------------|------------|
| Number of Options                   | 5,227,160  |
| Option exercise price               | \$0.229    |
| Expiry date                         | 6/12/2030  |
| Expected life of the option (years) | 6 years    |
| Dividend yield (%)                  | -          |
| Expected volatility (%)             | 100%       |
| Risk-free interest rate (%)         | 3.903%     |
| Closing share price at grant date   | \$0.14     |
| Fair value of options               | \$0.1108   |
| Grant date                          | 14/10/2022 |

The following table lists the inputs to the model used for performance rights issued during the year ended 30 June 2025.

|                                  |            |
|----------------------------------|------------|
| Number of Performance Rights     | 3,975,790  |
| Vesting date                     | 30/09/2025 |
| Vesting period (months)          | 10         |
| Share Price at grant date        | \$0.14     |
| Fair value of performance rights | \$0.14     |
| Grant date                       | 27/11/2024 |
| Dividend yield (%)               | -          |

The following table lists the inputs to the model used for options issued during the year ended 30 June 2024.

|                                     |            |
|-------------------------------------|------------|
| Number of Options                   | 1,978,713  |
| Option exercise price               | \$0.556    |
| Vesting date                        | 5/12/2026  |
| Expiry date                         | 5/12/2029  |
| Expected life of the option (years) | 6 years    |
| Expected vesting period             | 6 years    |
| Dividend yield (%)                  | -          |
| Expected volatility (%)             | 100%       |
| Risk-free interest rate (%)         | 4.023%     |
| Closing share price at grant date   | \$0.315    |
| Fair value of options               | \$0.2348   |
| Grant date                          | 23/11/2023 |

The following table lists the inputs to the model used for performance rights issued during the year ended 30 June 2024.

|                                  |            |
|----------------------------------|------------|
| Number of Performance Rights     | 2,992,942  |
| Vesting date                     | 30/09/2024 |
| Vesting period (months)          | 10         |
| Share Price at grant date        | \$0.315    |
| Fair value of performance rights | \$0.315    |
| Grant date                       | 23/11/2023 |
| Dividend yield (%)               | -          |

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 21. REMUNERATION OF AUDITORS

Fees paid to Ernst & Young (Australia) for auditing the statutory financial report of the Group

Fees paid to Ernst & Young (Australia) for other services

Total

| Consolidated |         |
|--------------|---------|
| 2025         | 2024    |
| \$           | \$      |
| 115,000      | 85,000  |
| 38,000       | 17,490  |
| 153,000      | 102,490 |

#### 22. DIRECTORS AND EXECUTIVE DISCLOSURES

##### a) Details of directors and key management personnel

##### Directors

|                   |                        |                                                                                                                   |
|-------------------|------------------------|-------------------------------------------------------------------------------------------------------------------|
| Mr Paul White     | Chair of the Board     | (Appointed as Chair on 23 September 2024)                                                                         |
| Mr Tim Dobson     | Managing Director      | (Appointed as CEO on 23 August 2022 and was appointed as Managing Director on 23 September 2024.)                 |
| Mr Simon Wandke   | Non-Executive Director |                                                                                                                   |
| Mr Jim McKerlie   | Non-Executive Director | (Resigned as Chair of the Board on 23 September 2024 and resigned as non-executive director on 27 November 2024.) |
| Dr Carmen Letton  | Non-Executive Director | (Resigned on 27 November 2024)                                                                                    |
| Mr Peter Schubert | Non-Executive Director | (Resigned on 27 November 2024)                                                                                    |

##### Other Key Management Personnel

|             |                                                                              |
|-------------|------------------------------------------------------------------------------|
| Simon Smith | Chief Financial Officer & Joint Company Secretary (Resigned on 7 March 2025) |
|-------------|------------------------------------------------------------------------------|

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**Notes to the Consolidated Financial Statements**  
**FOR THE YEAR ENDING 30 JUNE 2025**

**22. DIRECTORS AND EXECUTIVE DISCLOSURES (continued)**

**(b) Compensation for directors and key management personnel**

| <b>Consolidated</b>          |                  |
|------------------------------|------------------|
| <b>2025</b>                  | <b>2024</b>      |
| <b>\$</b>                    | <b>\$</b>        |
| Short term employee benefits | 1,105,378        |
| Termination benefits         | 27,690           |
| Post-employment benefits     | 95,503           |
| Other long-term benefits     | -                |
| Share based payments         | 513,344          |
| <b>Total compensation</b>    | <b>1,741,915</b> |
|                              | <b>1,449,411</b> |
|                              | <b>-</b>         |
|                              | <b>113,693</b>   |
|                              | <b>-</b>         |
|                              | <b>250,701</b>   |
|                              | <b>1,813,805</b> |

**(c) Details of directors and key management personnel**

There were no loans to key management personnel during the year other than as disclosed in Note 23.

**(d) Other transactions and balances with key management personnel and their related parties**

Disclosures relating to other transactions and balances with key management personnel are included and set out in note 23.

**23. RELATED PARTY DISCLOSURES**

**(a) Directors**

Amounts paid and payable to The Kendo Way Pty Ltd, where Mr. Jim McKerlie is as a director, in the normal course of business in 2024/2025 for Human Resources software-related costs totalled \$6,727 (2024: \$17,800), with the balance included in trade creditors being \$Nil (2024: \$Nil)

**(b) Loans with key management personnel and their related entities**

There were no loans to key management personnel and their related entities during the year and the prior year.

**(c) Loans from key management personnel and their related entities**

There were no loans from key management personnel and their related entities during the year and the prior year.

**(d) Subsidiaries**

The Group consists of the Parent and its wholly owned controlled entities set out in Note 10.

## Notes to the Consolidated Financial Statements

FOR THE YEAR ENDING 30 JUNE 2025

### 24. FINANCIAL INSTRUMENTS

(a) The Group's principal financial instruments comprise of cash, short term deposits and other financial assets. The Group has various other financial assets and liabilities such as other receivables, trade payables and convertible loan notes. It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are cash flow interest rate risk, liquidity risk and credit risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 to the Financial Statements.

| Consolidated                       | Floating Interest Rate |            | Fixed Interest Rate – less than 1 year |            | Fixed Interest Rate – more than 1 year |            | Non-interest bearing |            | Total       |            |
|------------------------------------|------------------------|------------|----------------------------------------|------------|----------------------------------------|------------|----------------------|------------|-------------|------------|
|                                    | 2025<br>\$             | 2024<br>\$ | 2025<br>\$                             | 2024<br>\$ | 2025<br>\$                             | 2024<br>\$ | 2025<br>\$           | 2024<br>\$ | 2025<br>\$  | 2024<br>\$ |
| Financial Assets                   |                        |            |                                        |            |                                        |            |                      |            |             |            |
| Cash and cash equivalents          | 1,202,657              | 1,188,514  | -                                      | -          | -                                      | -          | 283,522              | 24,441     | 1,486,179   | 1,212,955  |
| Other receivables <sup>1</sup>     | -                      | -          | 95,727                                 | 199,253    | -                                      | -          | 105,002              | 115,270    | 200,729     | 314,523    |
| Total Financial Assets             | 1,202,657              | 1,188,514  | 95,727                                 | 199,253    | -                                      | -          | 388,524              | 139,711    | 1,686,908   | 1,527,478  |
| Weighted Average Interest Rate     | 3.6%                   | 4.23%      | 4.06%                                  | 4.01%      | -                                      | -          |                      |            |             |            |
| Financial Liabilities              |                        |            |                                        |            |                                        |            |                      |            |             |            |
| Other payables <sup>2</sup>        | -                      | -          | -                                      | -          | -                                      | -          | (252,533)            | (419,869)  | (252,533)   | (419,869)  |
| Lease liabilities                  | -                      | -          | (190,143)                              | (73,437)   | (149,097)                              | (43,897)   | -                    | -          | (339,240)   | (117,334)  |
| Convertible loan note liability    | -                      | -          | -                                      | -          | -                                      | -          | (2,856,510)          | -          | (2,856,510) | -          |
| Total Financial Liabilities        | -                      | -          | (190,143)                              | (73,437)   | (149,097)                              | (43,897)   | (3,109,043)          | (419,869)  | (3,448,283) | (537,203)  |
| Net Financial Assets/(Liabilities) | 1,202,657              | 1,188,514  | (94,416)                               | 125,816    | (149,097)                              | (43,897)   | (2,720,519)          | (280,158)  | (1,761,375) | 990,275    |

Weighted Average Interest Rate

4.98%

6.99%

4.47%

7.64%

Note 1: Other receivables excludes prepayments and GST

Note 2: Trade and other payables excludes accruals that are not interest bearing

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 24. FINANCIAL INSTRUMENTS (continued)

The net fair value of all financial assets and liabilities at balance date approximate to their carrying value. The main risk the Group is exposed is through financial instruments credit risk, commodity risk and market risk consisting of interest rate risk.

##### (a) **Interest Rate Risk**

The Group's exposure to interest rate risk, is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rate for each class of financial assets and financial liabilities.

The Group is exposed to movements in market interest rates on short term deposits. The policy is to monitor the interest rate yield curve out to 90 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return.

##### (b) **Liquidity Risk**

The Group manages its liquidity risk by monitoring its cash reserves and forecast spending. Management is cognisant of the future demands for liquid finance requirements to finance the Group's current and future operations.

The Group believes that all outstanding payables can be paid when due and there are no past due payables as at the balance date.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

| Consolidated<br>30 June 2025 | On demand | Less than 12<br>months | 1 to 5 years | More than 5<br>years | Total     |
|------------------------------|-----------|------------------------|--------------|----------------------|-----------|
| Lease liabilities            | -         | 191,088                | 159,829      | -                    | 350,917   |
| Trade and other payables     | 627,524   | 64,331                 | -            | -                    | 691,855   |
| Convertible Loan Note        | -         | -                      | 3,474,280    | -                    | 3,474,280 |
| Total                        | 627,524   | 255,419                | 3,634,109    | -                    | 4,517,052 |

| Consolidated<br>30 June 2024 | On demand | Less than 12<br>months | 1 to 5 years | More than 5<br>years | Total     |
|------------------------------|-----------|------------------------|--------------|----------------------|-----------|
| Lease liabilities            | -         | 92,362                 | 51,459       | -                    | 143,821   |
| Trade and other payables     | 544,929   | 334,944                | -            | -                    | 879,873   |
| Convertible Loan Note        | -         | -                      | -            | -                    | -         |
| Total                        | 544,929   | 427,306                | 51,459       | -                    | 1,023,694 |

##### (c) **Credit Risk**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. Risk is also minimised by investing surplus funds with financial institutions that maintain a high credit rating.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Group's maximum exposure to credit risk.

The Group believes that all outstanding receivables are recoverable and there are no past due receivables as at balance date.

##### (d) **Commodity Price Risk**

At the 30 June 2025, the Group does not have any financial instruments subject to commodity price risk.

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 25. SENSITIVITY ANALYSIS

##### (a) Interest Rate Risk

The following table represents a summary of the interest rate sensitivity of the Group's financial assets at the balance sheet date on the deficit for the year and equity for a 100bps change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

| Consolidated<br>30 June 2025            | Carrying<br>Amount<br>\$ | Interest Rate Risk<br>-1% (100bps) |              | Interest Rate Risk<br>+ 1% (100bps) |              |
|-----------------------------------------|--------------------------|------------------------------------|--------------|-------------------------------------|--------------|
|                                         |                          | Net loss<br>\$                     | Equity<br>\$ | Net gain<br>\$                      | Equity<br>\$ |
| Financial Assets                        |                          |                                    |              |                                     |              |
| Cash and cash equivalents               | 1,202,657                | (12,027)                           | (12,027)     | 12,027                              | 12,027       |
| Other receivables<br>(interest bearing) | 95,727                   | (957)                              | (957)        | 957                                 | 957          |
| Total                                   | 1,298,384                | (12,984)                           | (12,984)     | 12,984                              | 12,984       |

| Consolidated<br>30 June 2024            | Carrying<br>Amount<br>\$ | Interest Rate Risk<br>-1% (100bps) |              | Interest Rate Risk<br>+ 1% (100bps) |              |
|-----------------------------------------|--------------------------|------------------------------------|--------------|-------------------------------------|--------------|
|                                         |                          | Net loss<br>\$                     | Equity<br>\$ | Net gain<br>\$                      | Equity<br>\$ |
| Financial Assets                        |                          |                                    |              |                                     |              |
| Cash and cash equivalents               | 1,188,514                | (11,885)                           | (11,885)     | 11,885                              | 11,885       |
| Other receivables<br>(interest bearing) | 199,253                  | (1,992)                            | (1,992)      | 1,992                               | 1,992        |
| Total                                   | 1,387,767                | (13,877)                           | (13,877)     | 13,877                              | 13,877       |

Except for the lease liability accruing interest between 4.47% and 7.85% per annum (see note 6), none of the Group's financial liabilities are interest-bearing. These interest bearing loans are at a fixed interest rate agreed with the lenders.

##### (b) Foreign currency risk

The Group is not exposed to foreign exchange currency risk at balance date.

#### 26. CONTINGENCIES

##### (a) Contingent Assets

As at 30 June 2025, the Group does not have any contingent asset.

##### (b) Contingent Liabilities

As at 30 June 2025, the Group has the following contingent liabilities:

##### **Agreement with Mintech Resources Pty Ltd**

Pursuant to a Variation Deed dated 11 August 2015, the Company finalised the acquisition of a 100% interest in EL 6353 (formally EL 5432) covering the Razorback Ridge area. On 4 September 2019, the Company entered into an agreement with the liquidators of Mintech Resources Pty Ltd (Mintech). The terms of the agreement which are contingent at 30 June 2025 are as follows:

- 1) Resource payments to Mintech calculated at \$0.01 per DTR tonne of measured resources (resource payment = tonne of measured resource x \$0.01 x [(Average DTR% of Resource tonnes)/100]). DTR means potentially recoverable tonnes of magnetite as determined by the Davis Tube Recovery technique;
- 2) A Production Payment of \$3,000,000 to Mintech within 20 Business Days of the Company receiving payment of at least 95% of the purchase price for the first commercial shipment of Product from the tenement; and
- 3) A 1% Royalty on the Value of the Product produced from the tenement measured at the "mine gate".

## Notes to the Consolidated Financial Statements

### FOR THE YEAR ENDING 30 JUNE 2025

#### 26. CONTINGENCIES (continued)

No amounts have been recognised in the statement of financial position in respect of this as the possible obligations existence will be confirmed by the occurrence of uncertain future events not wholly within the control of the Company.

Mintech was placed in voluntary administration on 9 October 2017 and subsequently placed in the hands of liquidators on 19 April 2019.

##### ***Agreement with Goldus Pty Ltd***

Pursuant to a Variation Deed dated 11 August 2015, the Company finalised the acquisition of a 100% interest in EL6126 and EL6127 (formerly EL 5180 and EL 5240) which surround the Razorback Ridge area. The Company has the following obligations:

- 1) Resource payments to Goldus calculated at \$0.01 per DTR tonne of measured resources;
- 2) A Production Payment of \$3,000,000 to Goldus within 20 Business Days of the Company receiving payment of at least 95% of the purchase price for the first commercial shipment of Product from the tenements; and
- 3) A 1% Royalty on the Value of the Product produced from the tenement measured at the "mine gate".

No amounts have been recognised in the statement of financial position in respect of this as the possible obligations existence will be confirmed by the occurrence of uncertain future events not wholly within the control of the Company.

#### 27. EVENTS AFTER THE BALANCE SHEET DATE

Since the end of the financial period, other than the matters disclosed below, the directors are not aware of any other matter or circumstance that has significantly or may significantly affect the operations of the Consolidated Entity, the results of those operations or the state of affairs of the Consolidated Entity.

##### ***Issue of director shares in lieu of director fees***

On 2 July 2025, the Company issued 319,094 shares to directors in lieu of a portion of their director remuneration for the period 1 April 2025 to 30 June 2025.

##### ***Conversion of Performance Rights***

On 28 July 2025, 1,225,462 fully paid ordinary shares were issued following the vesting of performance rights to Managing Director and employees.

##### ***Lapse of Performance Rights***

On 28 July 2025, 2,081,085 performance rights in relation to FY2025 lapsed due to performance conditions not being met.

##### ***Extraordinary General Meeting***

On 15 August 2025, the Company held its Extraordinary General Meeting and all the resolutions put to the shareholders were carried with the requisite majority by way of a poll.

##### ***Rare Earths Mineralisation Identified at Ironback Hill***

On 19 August 2025 the Company announced the identification of near-surface, clay-hosted rare earth element mineralisation at the Ironback Hill Project (adjacent to the Company's magnetite deposit), based on re-assaying archived drill samples; significant intercepts ranged from ~356ppm to ~1,153ppm TREO (350ppm cut-off). The Company plans low-cost follow-up and early-stage leachability/metallurgical testwork; results are preliminary and no recoveries or economic significance are yet known. This is considered a non-adjusting subsequent event under AASB 110 and, as at the date of this report, it has no material impact on the Group's financial statements.

##### ***Rights Issue***

On 5 September 2025, the Company announced the successful completion of a renounceable pro-rata rights issue, which closed fully subscribed and raised approximately \$2.65 million before costs. As a result, the Company issued 40,852,578 fully paid ordinary shares and 40,852,578 quoted options (ASX code: MGTOF), exercisable at \$0.12 and expiring 2.5 years from issue.

Due to excess demand under the shortfall offer, the Company also announced a follow-on placement on the same terms as the Rights Issue, raising a further \$1.214 million before costs. Upon completion, the Company issued 18,676,923 fully paid ordinary shares and 6,370,256 options, with a further 12,306,667 options to be issued subject to shareholder approval at the Company's forthcoming AGM.

**Consolidated Entity Disclosure Statement**  
**FOR THE YEAR ENDING 30 JUNE 2025**

The following table provides a list of all entities included in the Group’s consolidated financial statements, prepared in accordance with the requirements of Section 295(3A) of the Corporations Act. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the Company.

| Company Name                              | Type of entity | % of share capital as at 30 June 2025 | Country of Incorporation | Country of tax residency <sup>1</sup> |
|-------------------------------------------|----------------|---------------------------------------|--------------------------|---------------------------------------|
| Magnetite Mines Limited (Holding company) | Body Corporate | -                                     | Australia                | Australia                             |
| Razorback Iron Pty Ltd                    | Body Corporate | 100                                   | Australia                | Australia                             |
| Razorback Operations Pty Ltd              | Body Corporate | 100                                   | Australia                | Australia                             |
| Red Dragon Mining Pty Ltd                 | Body Corporate | 100                                   | Australia                | Australia                             |
| Ironback Pty Ltd                          | Body Corporate | 100                                   | Australia                | Australia                             |

<sup>1</sup> Tax residency is determined with reference to the Income Tax Assessment Act 1997.

## Directors' Declaration

### FOR THE YEAR ENDING 30 JUNE 2025

In accordance with a resolution of the directors of Magnetite Mines Limited I state that:

In the opinion of the directors:

- (a) the financial statements and notes and the additional disclosures included in the Directors' report designated as audited, of the Consolidated Entity are in accordance with the Corporations Act 2001, including:
  - (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its performance for the year ended on that date; and
  - (ii) complying with Accounting Standards and the Corporations Regulations 2001; and
- (b) the financial report complies with International Financial Reporting Standards as described in note 2(a).
- (c) the consolidated entity disclosure statement required by section 295(3A) of the Corporations Act 2001 is true and correct;
- (d) Subject to the matters discussed in Note 2(a), there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declarations required to be made to the directors in accordance with section 295A of the Corporations Act 2001 for the financial year ended 30 June 2025.

On behalf of the Board



PAUL WHITE  
Non-Executive Chair

26 September 2025

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# Independent Auditor's Report to the Members

## FOR THE YEAR ENDING 30 JUNE 2025



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### Independent auditor's report to the members of Magnetite Mines Limited

#### Report on the audit of the financial report

##### Opinion

We have audited the financial report of Magnetite Mines Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

##### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Material uncertainty related to going concern

We draw attention to Note 2(a) in the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

##### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

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We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.

#### Carrying value of exploration & evaluation assets

| Why significant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>At 30 June 2025 the Group had exploration and evaluation assets of \$39.0 million as disclosed in Note 12.</p> <p>The Group is required to assess whether any indicators of impairment are present in accordance with the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i> (AASB 6). At 30 June 2025, the Group undertook an impairment indicators assessment in respect of its exploration and evaluation assets and no impairment charge was recorded during the year.</p> <p>The assessment of whether any indicators of impairment are present is subjective based on the Group's ability and intention to continue to explore, evaluate and commercialise its assets, including those associated with the Razorback Project. The carrying value of assets may also be impacted by the results of ongoing exploration and evaluation activity indicating that the resources may not be technically or commercially viable for extraction and commercialisation in the manner intended.</p> <p>As a result of the judgment involved, we considered the value of exploration and evaluation assets and related disclosures in the financial report to be a key audit matter.</p> | <p>In completing our audit procedures, we:</p> <ul style="list-style-type: none"> <li>Assessed whether any impairment indicators, as set out in AASB 6, were present, and assessed the conclusions with respect to impairment reached by management.</li> <li>Evaluated the Group's right to explore in the relevant exploration areas, including by inspecting supporting documentation such as license agreements and correspondence with relevant government agencies to assess the right to explore was current.</li> <li>Assessed the results of exploration and evaluation activities carried out in the relevant license areas to date.</li> <li>Assessed the Group's intention to carry out significant exploration and evaluation activities on the Razorback project and other exploration areas. This included the assessment of the Group's cash flow forecasts and assessing the Group's plan to continue to progress the Razorback Project.</li> <li>Assessed the accounting treatment related to costs incurred, agreeing costs incurred, payments made, associated calculations to third party supporting documentation, and evaluated the nature of the costs to ensure they are valid for capitalisation as exploration and evaluation costs.</li> <li>Evaluated whether any other data or information exists which indicates that the carrying amount of the exploration and evaluation assets is unlikely to be recovered in full, from successful development or by sale.</li> <li>Assessed the adequacy of the disclosures included in Note 12 to the financial report.</li> </ul> |

#### Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

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In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Responsibilities of the directors for the financial report**

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and
- for such internal control as the directors determine is necessary to enable the preparation of:
- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on the audit of the Remuneration Report**

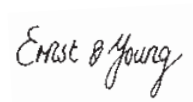
### **Opinion on the Remuneration Report**

We have audited the Remuneration Report included in pages 38 to 56 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Magnetite Mines Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

### **Responsibilities**

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



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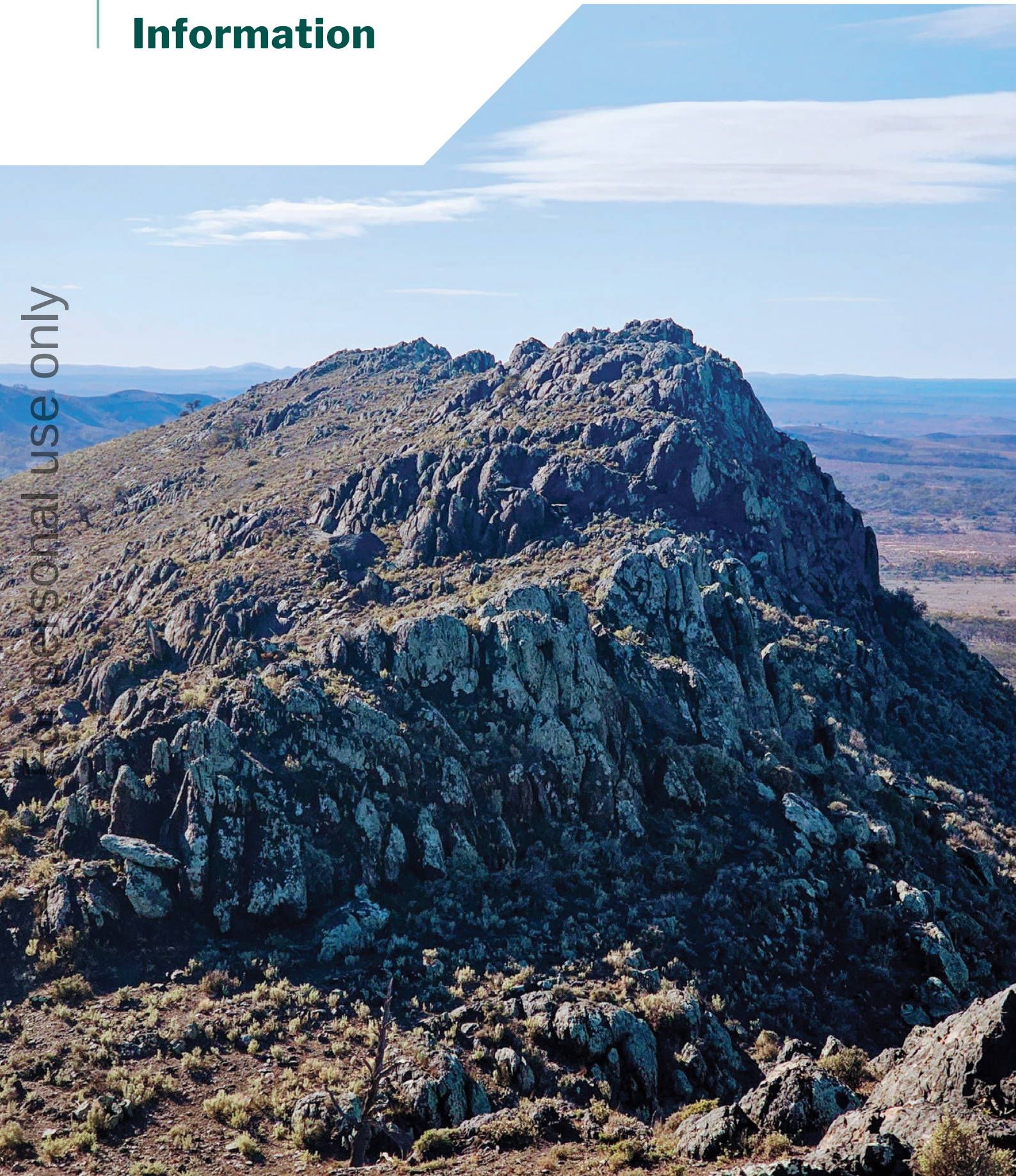
L A Carr  
Partner  
Adelaide  
26 September 2025

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# ASX Additional Information

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## ASX Additional Information

### FOR THE YEAR ENDING 30 JUNE 2025

The following information dated 22 September 2025 is required by the Listing Rules of the ASX Limited.

#### 1. DISTRIBUTION AND NUMBER OF HOLDER OF EQUITY SECURITIES

The number of holders, by size of holding, in each class of security are:

| Distribution     | Number of Shareholders | Number of Shares |
|------------------|------------------------|------------------|
| 1 – 1,000        | 785                    | 562,269          |
| 1,001 – 5,000    | 2,678                  | 6,567,485        |
| 5,001 – 10,000   | 787                    | 5,816,232        |
| 10,001 – 25,000  | 718                    | 11,941,774       |
| 25,001 – 50,000  | 357                    | 12,916,228       |
| 50,001 – 100,000 | 226                    | 16,451,870       |
| 100,001 and over | 291                    | 131,581,378      |
| Total            | 5,842                  | 185,837,236      |

#### 2. TWENTY LARGEST HOLDERS OF QUOTED SECURITIES

##### (a) Ordinary Shares

|                                | Holder                                                           | Number of Shares Held |              |
|--------------------------------|------------------------------------------------------------------|-----------------------|--------------|
|                                |                                                                  | Number                | %            |
| 1                              | Citicorp Nominees Pty Limited                                    | 18,397,007            | 9.90         |
| 2                              | Jojo Enterprises Pty Ltd                                         | 6,153,847             | 3.31         |
| 3                              | BNP Paribas Nominees Pty Ltd <IB AU Noms Retail Client>          | 3,235,664             | 1.74         |
| 4                              | Yucaja Pty Ltd <The Yoegiar Family A/C>                          | 2,765,715             | 1.49         |
| 5                              | HSBC Custody Nominees (Australia) Limited                        | 2,447,299             | 1.32         |
| 6                              | Mr Kun Liu                                                       | 2,359,322             | 1.27         |
| 7                              | Mr Michael Damian                                                | 2,273,928             | 1.22         |
| 8                              | 1215 Capital Pty Ltd                                             | 2,143,342             | 1.15         |
| 9                              | Mr Jing Wang                                                     | 2,121,695             | 1.14         |
| 10                             | Mr Steven Goodarzi + Mrs Satoko Kamada <Roseville Superfund A/C> | 2,046,160             | 1.10         |
| 11                             | Mr Mark Richard Eames                                            | 1,757,511             | 0.95         |
| 12                             | Myer Walker HK Limited                                           | 1,538,462             | 0.83         |
| 13                             | WIP Funds Management Pty Ltd <Porter Family S/F A/C>             | 1,500,000             | 0.81         |
| 14                             | Finclear Services Pty Ltd <Superhero Securities A/C>             | 1,402,410             | 0.75         |
| 15                             | Mr Paul Anthony Sharp                                            | 1,373,165             | 0.74         |
| 16                             | Mr Michael Maynard <M & T Maynard Super Fund A/C>                | 1,285,653             | 0.69         |
| 17                             | Mr Timothy Leigh Dobson                                          | 1,229,836             | 0.66         |
| 18                             | Allua Holdings Pty Ltd <The DRG A/C>                             | 1,000,000             | 0.54         |
| 18                             | The Fence Consultant Pty Ltd                                     | 1,000,000             | 0.54         |
| 19                             | Sidoucra Pty Ltd <Tohook Super Fund A/C>                         | 954,208               | 0.51         |
| <b>Total</b>                   |                                                                  | <b>56,985,224</b>     | <b>30.66</b> |
| <b>Total remaining holders</b> |                                                                  | <b>128,852,012</b>    | <b>69.34</b> |

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**ASX Additional Information**  
FOR THE YEAR ENDING 30 JUNE 2025

(b) Quoted Options expiring on 2 October 2027 exercisable at \$0.30 each (MGTOA)

|                                | Holder                                                            | Number of Options Held |              |
|--------------------------------|-------------------------------------------------------------------|------------------------|--------------|
|                                |                                                                   | Number                 | %            |
| 1                              | Citicorp Nominees Pty Limited                                     | 2,679,076              | 16.10        |
| 2                              | Mr Paul Anthony Sharp                                             | 1,217,000              | 7.31         |
| 3                              | Mr Michael Damian                                                 | 885,000                | 5.32         |
| 4                              | Damianopoulos Superannuation Pty Ltd                              | 800,000                | 4.81         |
| 5                              | Mr Periclis Damianopoulos                                         | 729,411                | 4.38         |
| 6                              | Mr Paul Anthony Sharp & Mr Valentine Durnin <Sharp Superfund A/C> | 540,000                | 3.25         |
| 7                              | Mr Mark Richard Eames                                             | 502,145                | 3.02         |
| 8                              | Rookharp Capital Pty Limited                                      | 500,000                | 3.00         |
| 9                              | The Fence Consultant Pty Ltd                                      | 500,000                | 3.00         |
| 10                             | Mr Sean Michael Duggan                                            | 490,196                | 2.95         |
| 11                             | Mr Pericles Damianopoulos                                         | 400,000                | 2.40         |
| 12                             | Mr Steven Goodarzi                                                | 400,000                | 2.40         |
| 13                             | Mr Steve Damianopoulos                                            | 395,000                | 2.37         |
| 14                             | Neave Trading Pty Ltd                                             | 309,434                | 1.86         |
| 15                             | Mr Steven James Healy                                             | 300,000                | 1.80         |
| 16                             | Mr Jing Wang                                                      | 297,293                | 1.79         |
| 17                             | HSBC Custody Nominees (Australia) Limited                         | 292,628                | 1.76         |
| 18                             | Wistrength Capital Pty Ltd                                        | 290,618                | 1.75         |
| 19                             | 3M Holdings Pty Limited <3M Investment Spec A/C>                  | 250,000                | 1.50         |
| 20                             | Magenticity Pty Ltd <Emery Super Fund A/C>                        | 225,000                | 1.35         |
| <b>Total</b>                   |                                                                   | <b>12,002,801</b>      | <b>72.13</b> |
| <b>Total remaining holders</b> |                                                                   | <b>4,636,607</b>       | <b>27.87</b> |

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**ASX Additional Information**  
FOR THE YEAR ENDING 30 JUNE 2025

(c) Quoted Options expiring on 5 March 2028 exercisable at \$0.12 each (MGTOF)

|                                | Holder                                                            | Number of Options Held |              |
|--------------------------------|-------------------------------------------------------------------|------------------------|--------------|
|                                |                                                                   | Number                 | %            |
| 1                              | Citicorp Nominees Pty Limited                                     | 3,837,868              | 8.13         |
| 2                              | BNP Paribas Nominees Pty Ltd                                      | 2,671,046              | 5.66         |
| 3                              | JOJO Enterprises Pty Ltd                                          | 2,051,281              | 4.34         |
| 4                              | Mr Michael Damian                                                 | 1,200,000              | 2.54         |
| 5                              | Mr Paul Anthony Sharp & Mr Valentine Durnin <Sharp Superfund A/C> | 985,668                | 2.09         |
| 6                              | Yucaja Pty Ltd                                                    | 921,905                | 1.95         |
| 7                              | MGL Corp Pty Ltd                                                  | 807,692                | 1.71         |
| 8                              | Scintilla Strategic Investments Limited                           | 769,230                | 1.63         |
| 9                              | Mrs Zi Juan Qi                                                    | 692,308                | 1.47         |
| 10                             | Rookharp Capital Limited                                          | 692,308                | 1.47         |
| 11                             | Mrs Dimitra Hronis                                                | 620,000                | 1.31         |
| 12                             | HSBC Custody Nominees (Australia) Limited                         | 587,764                | 1.24         |
| 13                             | Mr Mark Richard Eames                                             | 585,837                | 1.24         |
| 14                             | Mr Periclis Damianopoulos                                         | 553,846                | 1.17         |
| 15                             | Mr Jing Wang                                                      | 542,586                | 1.15         |
| 16                             | Myer Walker HK Limited                                            | 512,821                | 1.09         |
| 17                             | Time Valuations Pty Ltd                                           | 503,140                | 1.07         |
| 18                             | Mr Paul Anthony Sharp                                             | 500,165                | 1.06         |
| 19                             | Argyle SF Pty Ltd <SFG Superannuation Fund A/C>                   | 500,000                | 1.06         |
| 19                             | Dr Leon Eugene Pretorius                                          | 500,000                | 1.06         |
| 19                             | Riya Investments Pty Ltd                                          | 500,000                | 1.06         |
| 19                             | WIP Funds Management Pty Ltd <Porter Family S/F A/C>              | 500,000                | 1.06         |
| <b>Total</b>                   |                                                                   | <b>21,035,465</b>      | <b>44.55</b> |
| <b>Total remaining holders</b> |                                                                   | <b>26,187,369</b>      | <b>55.45</b> |

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**ASX Additional Information**  
**FOR THE YEAR ENDING 30 JUNE 2025**

**3. SUBSTANTIAL SHAREHOLDERS**

An extract from the Company's register of substantial shareholders is set out below:

| Name                          | Number of Shares Held | %    |
|-------------------------------|-----------------------|------|
| Citicorp Nominees Pty Limited | 18,397,007            | 9.90 |

**4. VOTING RIGHTS**

The Company's share capital is of one class with the following voting rights:

**(a) Ordinary Shares**

On a show of hands every shareholder presents in person or by proxy shall have one vote and upon a poll each share shall have one vote.

**(b) Options and Performance Rights**

The Company's options and performance rights have no voting rights.

**5. STOCK EXCHANGE LISTING**

Magnetite Mines Limited ordinary shares are listed on all member exchanges of the ASX Limited.

The home exchange is the ASX Limited.

**6. RESTRICTED SECURITIES**

There are no ordinary shares on issue that have been classified by the ASX Limited as restricted securities.

## ASX Additional Information

### FOR THE YEAR ENDING 30 JUNE 2025

#### 7. SCHEDULE OF TENEMENTS

| Tenement Name   | Location | Tenement Number and Type | Holder/ Application | Share Held | Status           |
|-----------------|----------|--------------------------|---------------------|------------|------------------|
| Pualco          | SA       | EL 6126                  | MGT                 | 100        | Granted 17/09/17 |
| Red Dragon      | SA       | EL 6127                  | MGT                 | 100        | Granted 10/12/17 |
| Razorback Ridge | SA       | EL 6353                  | MGT                 | 100        | Granted 22/06/19 |
| Dragon's Tail   | SA       | EL 5902                  | MGT                 | 100        | Granted 01/12/16 |
| Sister's Dam    | SA       | EL 6037                  | MGT                 | 100        | Granted 02/11/17 |
| Muster Dam      | SA       | EL 6746                  | MGT                 | 100        | Granted 06/05/22 |
| Lipson Area     | SA       | EL 6745                  | MGT                 | 100        | Granted 06/05/22 |
| Braemar         | SA       | EL 6788                  | MGT                 | 100        | Granted 09/06/22 |
| Manunda North   | SA       | EL 6878                  | MGT                 | 100        | Granted 30/11/22 |
| Mutooroo Ridge  | SA       | EL 6877                  | MGT                 | 100        | Granted 30/11/22 |

Key to Tenement Type  
EL = Exploration Licence

Key to Holders  
MGT = Magnetite Mines Limited

Location  
SA = South Australia

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