

ASX ANNOUNCEMENT

11 APRIL 2022

APPOINTMENT OF AMC TO RAZORBACK DEFINITIVE FEASIBILITY STUDY

Magnetite Mines Limited (Magnetite Mines or the Company) is pleased to announce that it has appointed AMC Consultants (AMC), a global mining consultancy group, to complete the mining section of the Definitive Feasibility Study (DFS) for the Razorback Iron Ore Project (Project). Mining studies are a critical input into the financial modelling of the Project and will provide mine design, sequencing (scheduling) and haulage parameters for the Project.

The appointment of AMC demonstrates the Company's strategy of engaging globally-recognised specialist technical consultants to develop the Project and deliver value for shareholders on the pathway to production.

AMC's work will produce a DFS standard mine plan for the Project that optimises for cost and revenue around the PFS optimised plant design.

The AMC scope of work has to date included:

- Initial ore body and geotechnical (rock wall stability) appraisal
- Reconnaissance and due diligence site visit
- Optimisation of bench height for drill and blast cost and dilution
- Cut-off grade (CoG) optimised with bench height and dilution inputs.
- Pit optimisations to validate PFS work and identify high value areas at higher cut-off grades than those used in the PFS
- Development of strategic mining schedules optimised for revenue and cost with equipment and processing constraints. These have delivered mining sequences and schedules to be fed into the next stage of the DFS

Upcoming AMC work to be completed includes:

- Further optimisation of the mine scheduling
- Design of mine haul road network and optimisation of haulage
- Detailed pit designs for various stages of mine life including the ultimate pit shell
- Preparation of mine schedules for use in the DFS financial modelling
- Waste storage, stockpile and site layout designs including final mine road network design
- Equipment selection
- Mine cost model development from first principles and cost benchmarking
- Advice on the implementation of the Project and operational readiness
- Identification of risks and opportunities within the mining operations of the Project

The final outputs of the studies conducted by AMC will provide the Project with key economic and scheduling estimates to DFS standards, in tandem with the AACE Class 3 estimates (18R-97) currently under development for processing, NPI and tailings portions of the DFS.

About AMC

Established in 1983, AMC is a globally recognised mining consultancy headquartered in Australia and operating in over 110 countries for over 30 years. With over 8000 assignments completed and 1800 clients, AMC is a proven, internationally recognised mining consultancy with excellent experience in magnetite mining relevant to the Project's resources.

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

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