

RIGHTS ISSUE INFORMATION

19 APRIL 2022

ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

What you may do

As an Eligible Shareholder, you may:

1. **subscribe for all or part of your Entitlement (see section 7.2 of Prospectus);**
2. **subscribe for all of your Entitlement and apply for Shortfall Shares (see section 7.3);**
3. **sell all of your Entitlement (see section 7.4);**
4. **take up part of your Entitlement and sell the balance (see section 7.5);**
5. **take up part of your Entitlement and transfer the balance other than on ASX (see section 7.6); or**
6. **allow all or part of your Entitlement to lapse (see section 7.7).**

Applicants should read the **Prospectus** in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching Options offered by the Prospectus before deciding to apply for New Shares. If you do not understand the Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of the Prospectus.

The definitions of key terms used has been provided at the back of this document.

1. **Subscribe for all or part of your Entitlement**

The Entitlement and Acceptance Form sets out the number of New Shares and attaching options you are entitled to subscribe for.

If you wish to subscribe for all or part of your Entitlement, follow the instructions on the Entitlement and Acceptance Form. Please note that if you choose to make payment using BPAY, then you do not need to complete and return the Entitlement and Acceptance Form and you will be deemed to have accepted the terms of the Rights Issue. Payment can be made with BPAY through the company's share registry, Computershare. Please follow the instructions set out below.

2. **Subscribe for all of your Entitlement and apply for Shortfall Shares**

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying

Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 8.6 of the Prospectus for details of the manner in which Shortfall Shares will be allocated.

3. Sell all of your Entitlement

Complete the section marked “Instructions to Stockbroker” on the back of the Entitlement and Acceptance Form, which accompanies this Prospectus, in accordance with the instructions contained on the form and lodge it with your stockbroker as soon as possible.

Rights trading will commence (on a deferred settlement basis) on ASX on **21 April 2022**. Sale of your rights must be completed by **6 May 2022** when rights trading is expected to cease.

4. Take up part of your Entitlement and sell the balance on ASX

Please complete the Entitlement and Acceptance Form, which accompanies this Prospectus, by inserting the number of New Shares you wish to accept (being less than as specified on the Entitlement and Acceptance Form) and complete the section marked “Instructions to Stockbroker” on the back of the form in respect of that part of your Entitlement you wish to sell.

Forward the form to your stockbroker together with your cheque, bank draft or money order for the total amount payable in respect of the New Shares accepted. Your stockbroker will need to ensure that the completed Entitlement and Acceptance Form reaches the Company’s share registry, by **5pm AEST on 13 May 2022**.

Rights trading will commence on ASX on **21 April 2022**. Sale of your rights must be completed by **6 May 2022** when rights trading is expected to cease.

5. Take up part of your Entitlement and transfer the balance other than on ASX

If you are a Shareholder and hold Existing Shares on the issuer sponsored sub-register, forward a completed renunciation form (obtainable through your stockbroker or the share registry) together with your personalised Entitlement and Acceptance Form completed by the transferee together with a cheque, bank draft or money order for the appropriate application money to reach the Company’s share registry (at the postal address shown below), by **5pm AEST on 13 May 2022**.

If you are a Shareholder and hold Existing Shares registered on CHESS, you should contact your sponsoring broker. Cash will not be accepted and no receipts will be issued.

6. Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

Payment methods

BPAY

If you are paying by BPAY, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY do not need to complete and return the Entitlement and Acceptance Form; however, they must ensure that payment is received by no later than **5.00pm AEST on the 13 May 2022**.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by **5.00pm AEST on the 13 May 2022**. If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the Customer Reference Number specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

Instructions on how to access prospectus and BPAY details online

You can access the BPAY details for the Rights Issue as follows.


Click on below link and select single holding.

<https://www-au.computershare.com/Investor/#Home>


Welcome to Investor Centre

LOGIN


Not a member? [Register now](#)




Single holding
Login to view a shareholding



Printable forms
Find and download a printable form



Investor Trade
Sell your issuer sponsored shares



Company info
Access detailed company information

Complete your details below and type MGT for the field “select a company you own share in”

Single Holding Enquiry

Address Location:


In Australia
 Outside Australia

SRN/HIN (Enter all 11 characters):

Postcode:

Select a company you own shares in:

Please type the characters shown



Terms and Conditions

By clicking the 'Agree and Continue' button I agree to be bound by Computershare's [Terms and Conditions](#)

Once logged into, click on Download a payment advice tab.

The screenshot shows a user interface with a purple header 'What would you like to do?' containing four menu items: 'Sell your securities', 'View your recent activity', 'Download a payment advice', and 'Access printable forms'. To the right, the 'Portfolio' section displays 'Portfolio Value AUD \$' and a table with columns 'Holdings', 'Quantity', 'Price', and 'Market Value'. The table contains one entry: 'MAGNETITE MINES LIMITED (MGT) ORDINARY FULLY PAID SHARES'. A 'View Details' link is visible next to the entry. At the bottom, a note states: 'All pricing data is delayed by at least 20 minutes. Market Data Provider'.

For e-comms holders, they will receive a link to the prospectus to view the details of the offer and will also have a link to their personalised Entitlement and Acceptance Form to then apply into the offer.

Cheque, bank draft or money order

Alternatively, if you are paying by cheque, bank draft or money order, the completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to 'Magnetite Mines Limited' and crossed 'Not Negotiable' for the appropriate application money in Australian dollars calculated at \$0.025 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be represented. If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares as your cleared application money will pay for (and to have specified that number of New Shares in your Entitlement and Acceptance Form) or your Application may be rejected.

The Entitlement and Acceptance Form must be received by the Company at the following addresses by no later than **5.00pm (AEST) on 13 May 2022:**

By Post To:

Magnetite Mines Limited

C/- Computershare Investor Services Pty Limited

**GPO Box 505
MELBOURNE VIC 3001 AUSTRALIA**

KEY TERMS

Entitlement

The right to participate in the Rights Issue to buy 1 new MGT share for every 5 shares held at a price of \$0.025. As the Rights Issue is renounceable, you may trade or sell your Entitlement or 'rights' on the ASX from 21 April to 6 May 2022 (unless extended). By taking up your rights, you will receive 1 free attaching option for every 2 shares purchased. The options have an exercise price of \$0.05, a term of 1 year and will be listed on the ASX.

Ex entitlement date

The date on which shares begin trading exclusive of the right to participate in the Rights Issue. As the ex entitlement date is 21 April 2022, only shares purchased up until market close on 20 April 2022 will carry the right to securities in the offer.

Record Date

The date by which shareholders must appear on the company's shareholder register to be entitled to participate in the Rights Issue. As the ASX has a normal settlement cycle of T+2 (trade date plus 2 business days), the Record Date occurs on the business day after the ex entitlement date – that is, on 22 April 2022.

Eligible Shareholders

Shareholders that appear on the shareholder register on the Record Date and have a registered address in Australia or New Zealand are Eligible Shareholders and can participate in the Rights Issue. Shareholders who are on the shareholder register on the Record Date and do not have a registered address in Australia or New Zealand cannot participate in the Rights Issue – instead, their Entitlement will be sold by a nominee who will distribute the net proceeds to them.

Shortfall Shares

Shortfall Shares are shares not purchased by Eligible Shareholders who have the right or Entitlement to purchase them. Eligible Shareholders who take up their full Entitlement in the Rights Issue may apply for Shortfall Shares by completing the relevant section of the Entitlement and Acceptance form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may also apply for Shortfall Shares by completing a Shortfall Application Form. The number of Shortfall Shares will be determined after the Rights Issue closes on 13 May 2022 (unless extended), at which point the Directors of the company will allocate Shortfall Shares at their discretion. Any money paid for Shortfall Shares that are not issued to applicants will be refunded.