

3 March 2026

**Dear Option holder,**

**Notice to Option holders – Renounceable Rights Issue**

I am writing to you as a registered holder of one or more classes of options in Magnetite Mines Limited ACN 108 102 432 (**Company** or **Magnetite Mines**) (ASX: MGT) as at the date of this letter.

As announced to ASX on 3 March 2026, the Company is proposing to raise up to approximately \$3.92 million (before costs) by undertaking:

- a renounceable pro-rata rights issue (**Rights Issue**) to eligible shareholders on the basis of 1 new share (**New Shares**) for every 2 shares held (**Rights**) as at the Record Date (defined below) at an issue price of \$0.040 per New Share together with 1 free attaching option (**Option**) for every 1 New Share subscribed for under the Rights Issue; and
- an offer to Shareholders who subscribe for their full entitlement under the Rights Issue to subscribe for the shortfall to the Rights Issue, so that they will also be able to subscribe for additional shares in excess of their entitlement (**Shortfall Offer**),

(collectively the **Offer**).

The Rights Issue is renounceable which means that the Rights will be tradeable on ASX and are otherwise transferable. Rights trading is expected to commence on ASX at 10.00am on 5 March 2026 and to cease at the close of trading on ASX on 18 March 2026.

The Offer is partially underwritten by Mahe Capital Pty Ltd (**Underwriter**) to the amount of \$800,000, subject to the terms of the underwriting agreement entered into between the Company and the Underwriter.

The proceeds from the Rights Issue (net of costs) will be used for general working capital purposes, as well as to:

- accelerate exploration activities across the Company's substantial tenement holding targeting rare earth elements (REE), gold, silver, copper and other critical minerals, including follow-up programs on newly identified prospects;
- leverage the recent award of Australian Government Major Project Status<sup>1</sup> to progress discussions towards a binding transaction with one or more strategic partners to fund the Razorback Definitive Feasibility Study (DFS); and

- progress the assessment of the Razorback Mining Lease Proposal (MLP) with the South Australia Department for Energy and Mining, including continuation of land access negotiations, and ongoing engagement with government and other stakeholders regarding enabling infrastructure including water supply, power supply and port upgrades.

Details of the Rights Issue and the Shortfall Offer are set out in a prospectus which was lodged with ASIC, and released to ASX, on 3 March 2026.

### **Why am I receiving this letter?**

The purpose of this letter is to advise you of the upcoming Rights Issue and to advise you that you cannot participate in the Rights Issue with respect to your holding of options without first exercising some or all of those options, and becoming a registered holder of shares following that exercise, prior to the record date for the Rights Issue on Friday, 6 March 2026 (**Record Date**). If you do not wish to participate in the Rights Issue (in respect of your existing holding of options) you do not need to take any action.

The Offer is only available to shareholders whose registered address is in Australia or New Zealand as recorded with the Company's share registry as at 7.00pm on the Record Date (**Eligible Shareholders**). The Offer will not be made to any other shareholders (**Ineligible Shareholders**). Ineligible Shareholders will not be entitled to participate in the Offer.

### **Action you must take if you wish to participate in the Rights Issue**

To be eligible to participate in the Rights Issue in respect of the shares to be issued on exercise of the options held by you, you must exercise the Company options you hold and be registered as the holder of the underlying Magnetite Mines shares before 7.00pm (Sydney time) on the Record Date, and have a registered address in Australia or New Zealand.

To exercise some or all of your options you will need to:

- give notice, in writing, to the Company in accordance with the terms and conditions of the options; and
- pay to the Company the exercise price for each Company option being exercised.

If you do not wish to participate in the Rights Issue, no action is required.

If your options have not yet vested and cannot be exercised to allow your participation in the Rights Issue, this letter is provided to you as a formality under the ASX Listing Rules and the terms of your options.

## Indicative Timetable

The indicative timetable for the Offer is as follows:

Event	Date*(2026)
Lodgment of Prospectus with ASIC and ASX and announcement of Rights Issue	Tuesday, 3 March
Ex-date for Rights Issue Unless otherwise determined by ASX, rights trading commences on a deferred settlement basis	Thursday, 5 March
Record date for determining Rights ( <b>Record Date</b> )	7.00pm Friday, 6 March
Prospectus and personalised Application Form made available at <a href="https://portal.automic.com.au/investor/home">https://portal.automic.com.au/investor/home</a> Rights Issue opens ( <b>Opening Date</b> )	Wednesday, 11 March
Rights trading ends at ASX market close	Wednesday, 18 March
Unless otherwise determined by ASX, New Shares and attaching Options quoted on a deferred settlement basis	Thursday, 19 March
Last day to extend the offer closing date	Before noon, Friday, 20 March
Rights Issue closes ( <b>Closing Date</b> )	5.00pm on Wednesday, 25 March
Announcement of results and shortfall (if any) under the Rights Issue	Wednesday, 1 April
Issue and allotment of New Shares and Options	Before Noon, Wednesday, 1 April
Commencement of trading of New Shares and Options on ASX on a normal settlement basis Dispatch of holding statements	Thursday, 2 April
Last date to issue Shortfall Shares	Thursday, 25 June

\* These dates are indicative only and are subject to change. Magnetite Mines, reserves the right, subject to the Corporations Act and the ASX Listing Rules, to amend this indicative timetable by sending a revised timetable to ASX. In particular Magnetite Mines reserves the right to extend the Closing Date, accept late applications under the Rights Issue (either generally or in particular cases), and to withdraw or vary the Rights Issue without prior notice. Any extension of the closing date will have a consequential effect on the date for the allotment and issue of Shares and Options. All times are to Sydney, Australia time.

**Prospectus**

The Prospectus is available on the ASX website at [www.asx.com.au](http://www.asx.com.au) (ASX ticker: MGT) and at the Company's website. The Prospectus contains further details of the Offer. You are encouraged to read the Prospectus before exercising any of your Company options. From 11 March 2026, when the Rights Issue is expected to open to applications, a copy of the Prospectus, together with a personalised Entitlement and Acceptance Form, will be available at the Company's share registry's investor portal at <https://portal.automic.com.au/investor/home>.

If you have any questions in relation to any of the above matters, please contact the Company's share registry on 1300 288 664 (from within Australia) or +61 2 9698 5414 (from outside Australia) from 8.30am to 7.00pm (Sydney time), Monday to Friday, until the Closing Date. For other questions, you should consult your stockbroker, accountant or other independent professional adviser.

Yours faithfully



**Paul White**  
**Chair of the Board**  
**Magnetite Mines Limited**