MAGNETITE
MINES

11 March 2026

Dear shareholder,

NOTICE TO ELIGIBLE SHAREHOLDERS OF A PRO-RATA RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO APPROXIMATELY $3.92 MILLION

I am pleased to invite you to participate in a renounceable pro-rata rights issue by Magnetite Mines Limited ACN 108 102 432 (**Magnetite Mines** or **Company**) at an issue price of $0.04 per share (**New Shares**), to raise up to approximately $3.92 million (before costs) (**Rights Issue**). Under the Rights Issue, Eligible Shareholders are entitled to subscribe for 1 New Share for every 2 existing shares in the Company (**Shares**) held on the Record Date, being 7.00pm (Sydney time) on 6 March 2026 (**Record Date**), together with 1 free attaching Option for every 1 New Share issued. Eligible Shareholders may also apply (in excess of their Entitlement) for New Shares not subscribed for pursuant to the Rights Issue at the same issue price as the Rights Issue (**Shortfall Offer**). The Rights Issue is partially underwritten to an amount of $800,000 by Mahe Capital Pty Ltd.

The issue price of the New Shares represents a 20% discount to the closing price of the Shares on the last day on which the Shares traded on ASX before the announcement of the Rights Issue, and a 27% discount to the 90-day volume-weighted average price (**VWAP**) of the Shares.

Each Option issued under the Rights Issue will be issued with an exercise price of $0.08 and will be exercisable on or before the date that is 2.5 years after the date of issue of the Option to subscribers under the Rights Issue. The Company will apply for quotation of the Options on ASX meaning that, subject to ASX approving quotation, they will be tradeable following their issue.

All of the Company's directors have indicated that they will participate in the Rights Issue.

The Rights Issue and Shortfall Offer allow Eligible Shareholders to subscribe for New Shares, together with attaching Options, without incurring any brokerage or transaction costs. The Rights Issue is renounceable, meaning that Eligible Shareholders are able to renounce their rights and seek to trade those rights on the ASX during the Rights Issue trading period, being from 5 to 18 March 2026. The Company cannot guarantee that there will be any market or value in trading the rights.

Eligibility to participate

Shareholders who are eligible to participate in the Rights Issue (**Eligible Shareholders**) are those persons who:

a) were a registered holder of fully paid ordinary shares in the Company as at 7:00pm (Sydney time) on the record date, being Friday, 6 March 2025 (**Record Date**);
b) have a registered address on the Company's share register that is in Australia and New Zealand; and
c) are not in the United States and are not acting for the account or benefit of a person in the United States.

According to the Company's records, you are an Eligible Shareholder who may participate in the Rights Issue.

Action you may take

The offer under the Rights Issue is being made pursuant to a prospectus lodged with ASIC and ASX on 3 March 2026 (**Prospectus**). The Prospectus is available to view on the ASX website and Magnetite Mines Limited website www.magnetitemines.com. Further details regarding the Rights Issue have also been announced to the ASX and are available on ASX's website.

Magnetite Mines Limited will not be printing/dispatching hard copies of the Prospectus or Entitlement and Acceptance Forms. Instead, electronic copies (along with a copy of a recent Company update presentation and the applicable Target Market Determination) are available and accessible by Eligible Shareholders (by entering your Securityholder

Reference Number (SRN) or Holder Identification Number (HIN) from your latest Holding Statement, and your postcode) at the following link: https://portal.automic.com.au/investor/home.

Eligible Shareholders should read the Prospectus (and the other documentation that is made available) in full prior to making an application under the Rights Issue. Your application under the Rights Issue must be made by making payment in accordance with the personalised payment instructions on your Entitlement and Acceptance Form which is available through the link set out above.

How to Access the Rights Issue:

ONLINE - The Rights Issue Prospectus and personalised Entitlement and Acceptance Form can be accessed via: **https://portal.automic.com.au/investor/home**

To download your personalised Entitlement and Acceptance Form, you have the following three choices. You should scan the QR code or enter the URL for your chosen option.

I already have an online account with the Automic Share registry	I don't have an online account with Automic and wish to register for one	I don't have an online account with Automic – but wish to use Automic for this Offer only
https://portal.automic.com.au/investor/home	https://singleholding.automic.com.au/signup	https://singleholding.automic.com.au/login
Select: "Existing Users Sign In". Once you have successfully signed in, click on "Documents and Statements". Download the Prospectus and Entitlement and Acceptance Form. Submit your payment using the payment details provided on your personalised Entitlement and Acceptance Form. **Do not return your Entitlement and Acceptance Form.**	Select *Magnetite Mines Limited* from the dropdown list in the ISSUER field. Enter your holder number SRN / HIN (from your latest Holding Statement). Enter a single identifying word from your holder name. Enter your Postcode (Australia) or Country of Residence (Outside Australia). Tick box "I am not a robot", then 'Next' and complete any prompts. Once you have successfully signed in, click on "Documents and Statements". Download the Prospectus and Entitlement and Acceptance Form. Submit your payment using the payment details provided on your personalised Entitlement and Acceptance Form. **Do not return your Entitlement and Acceptance Form.**	Select *Magnetite Mines Limited* from the dropdown list in the ISSUER field. Enter your holder number SRN / HIN (from your latest Holding Statement). Enter a single identifying word from your holder name. Enter your Postcode (Australia) or Country of Residence (Outside Australia). Tick box "I am not a robot", then 'Next' and complete any prompts. Once you have successfully signed in, click on "Documents and Statements". Download the Prospectus and Entitlement and Acceptance Form. Submit your payment using the payment details provided on your personalised Entitlement and Acceptance Form. **Do not return your Entitlement and Acceptance Form.**

If you are unable to access https://investor.automic.com.au online, you should call Automic on 1300 288 664 or email corporate.actions@automicgroup.com.au. After your request has been acknowledged by Automic you will need to provide your SRN or HIN and postcode to complete this request. You will still need to make payment via BPAY® or via Electronic Funds Transfer (EFT). For those eligible shareholders who are unable to pay by BPAY®, please follow the instructions on your personalised Entitlement and Acceptance form to make payment via Electronic Funds Transfer (EFT).

The Offer closes at 5:00 pm (Sydney time) on 25 March 2026.

For further information about the Rights Issue or how to participate in the Rights Issue, please contact the Company's share registry, Automic as follows:

Elect to receive communications electronically
You have received this letter by post, as you have not provided your email address or elected to receive all communications electronically. We encourage you to elect to receive shareholder communications electronically, to update your communication preference scan the QR code to visit https://investor.automic.com.au

Email: corporate.actions@automicgroup.com.au

Phone: 1300 288 664 (within Australia), or +61 2 9698 5414 (international) between 8:30am and 8:00pm (Sydney time) Monday to Friday.

On behalf of the Board, I invite you to consider participating in the Rights Issue and thank you for your continued support.

Yours faithfully

Paul White
Chair of the Board
Magnetite Mines Limited

IMPORTANT NOTICE AND DISCLAIMER

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any new Shares in the Company.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional adviser.

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