



12 August 2019

Dear Optionholder

### **Non-renounceable Pro Rata Entitlement Offer**

As announced by the Company to ASX, the Company has today lodged a Prospectus with ASIC and ASX, offering eligible shareholders the opportunity to acquire options ('Options') over fully paid ordinary shares in the capital of the Company ('Shares'), by way of a non-renounceable entitlement offer of one (1) Option, exercisable at \$0.05 and with an expiry date of 30 September 2022, for every three (3) Shares held by those Shareholders registered at the Record Date, at an issue price of \$0.01 per Option to raise up to \$1,015,263 (Offer). The Options are expected to be listed subject to compliance with ASX Listing Rules.

### **Optionholders**

The terms and conditions of the options you currently hold do not entitle you to participate in the entitlement offer unless you exercise your options in time for Shares to be allotted and to be entered on the Company's register of members on or before 27 August 2019 (Record Date).

To exercise your options and thereby participate in the entitlement offer, you will need to deliver the following to the Company at Suite 2, Churchill Court, 234 Churchill Avenue, SUBIACO WA 6008:

- a) A notice of exercise of options;
- b) A copy of the holding statement in respect of those options to be exercised; and
- c) Payment for the exercise price in respect of those options to be exercised by way of a cheque made payable to "Magnum Mining and Exploration Limited".

To ensure that your new shares are allotted prior the Record Date, the above must be received by Magnum Mining and Exploration Limited **no later than Thursday 22 August 2019**. If received after this date, allotment of Shares prior to the Record Date cannot be assured.

Before deciding whether to exercise any or all of your options, you should read the Prospectus in its entirety.

This notice is important and requires immediate action. If you have any queries concerning the entitlement offer, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Grant Button, the Company's Company Secretary, on +61 8 6280 0245.

**Magnum Mining & Exploration Ltd**

ABN: 70 003 170 376

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Yours sincerely

**Magnum Mining and Exploration Ltd**

A handwritten signature in black ink, appearing to read "Howard Dawson". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Howard Dawson  
Chairman**