Magnum Mining and Exploration Ltd

ABN 70 003 170 376

Interim Report - 30 June 2025

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Magnum Mining and Exploration Ltd
Corporate directory
30 June 2025

Directors	Michael Davy - Non-Executive Chairman Athan Lekkas - Non-Executive Director Leslie Pereira - Non-Executive Director
Company secretary	Mark Pryn
Registered office	Salmon Giles Pty Ltd Level 1, 180 Albert Road, South Melbourne VIC 3205 Australia
Principal place of business	Salmon Giles Pty Ltd Level 1, 180 Albert Road, South Melbourne VIC 3205 Australia
Share register	Computershare Investor Services Pty Ltd Level 11, 172 St Georges Terrace Perth WA 6000 Telephone: +61(8) 9323 2000
Auditor	Hall Chadwick Level 40 2 Park Street Sydney NSW 2000
Solicitors	Nova Legal Level 2 50 Kings Park Road West Perth WA 6005
Stock exchange listing	Magnum Mining and Exploration Ltd shares are listed on the Australian Securities Exchange (ASX code: MGU) The Company is limited by shares, incorporated and domiciled in Australia.
Website	www.mmel.com.au

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Magnum Mining and Exploration Ltd
Directors' report
30 June 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Magnum Mining and Exploration Ltd (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2025.

Directors
The following persons were directors of Magnum Mining and Exploration Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Michael Davy - Non-Executive Chairman (appointed 15 July 2025)
Athan Lekkas - Non-Executive Director
Leslie Pereira - Non-Executive Director (appointed 4 September 2025)
Neil Goodman - Non-Executive Director (resigned 4 September 2025)
Luke Martino - Non-Executive Director & Chairman (resigned 15 July 2025)

Review of operations
The loss for the Group after providing for income tax amounted to $1,056,521 (30 June 2024: $1,200,530).

The loss includes share-based payments of $313,737 to directors as part of a key management personnel remuneration restructure which together with other cost saving initiatives have contributed a significant reduction in the corporate overhead burden.

As set out in the significant changes in the state of affairs the Group completed two acquisitions during the period.

On 2 July 2025, a Non-Renounceable Entitlement Offer was completed providing the Group with a stronger working capital base to continue the development of its project interests. Offer proceeds received after 30 June 2025 increased the cash reported cash position of $1,036,802 a further $1,023,118.

Significant changes in the state of affairs

On 1 June 2025, the Monomatapa and EVR acquisition (US high-grade copper and gold projects) was completed.

The acquisition comprised:

- a 100% interest in Monomatapa Mining Services Inc (Monomatapa), which holds the Parker and Mormon Canyon Projects. The project assets include two packages of prospective copper-gold properties situated in the US states of Arizona and Idaho, and
- a 100% interest in EV Resources Inc (EVR), which holds the La Cienega Gold Project situated in US state of Arizona.

The consideration comprised:
- a 2% net smelter return royalty in respect of any minerals produced from the area within the boundaries of the La Cienega Project payable to the EVR vendor, and
- US$200,000 in four equal instalments commencing upon completion and concluding 18 months thereafter paid / payable to the Monomatapa vendor.

On 21 April 2025, the acquisition of the Palmares Rare Earth Elements (REE) Project situated in Brazil was completed.

The acquisition comprised a 100% interest in Palmares Estudos Geologicos LTDA, the owner of a major portfolio of REE prospective mineral exploration licences.

The consideration comprised:

cash payments of:
** US$100,000 to the vendor, Beko Invest Limited[(i)], and
** A$150,000 to StarGroup for cost incurred progressing the original acquisition agreement[(ii)].
share based payments[(iii)]:
** 190m shares issued to the vendor with a voluntary escrow period of 12 months,
** 15m shares issued to StarGroup as consideration for assigning the original acquisition agreement, and
** 10m shares issued to Interminico as consideration for introducing StarGroup.

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(i) The cash payment to the vendor was made in July 2025
(ii) StarGroup participated in the Non-Renounceable Rights Issue Offer (shortfall component) and received shares in lieu of cash.
(iii) The shares were issued 2 May 2025 following shareholder approval on 31 March 2025.

There were no other significant changes in the state of affairs of the Group during the financial half-year.

Matters subsequent to the end of the financial half-year
On 2 July 2025, the Company announced the closure of the Non-Renounceable Entitlement Offer together with an additional placement. The total funds raised before costs were $2,392,772 of which $1,023,118 was received after 30 June 2025.

On 15 July 2025, the Company announced the appointment of Mr Michael Davy as a Non-Executive Director and the Board Chair. The Company also announced the resignation of Mr Luke Martino as Non-Executive Director and Board Chair.

On 29 August 2025, the Company announced the commencement of leach testing of high-grade samples from the Palmares REE Project to assess recovery rates and processing pathways.

On 2 September 2025, following a review of the US Assets, the Company announced its initial assessments of REE & Critical Minerals Prospectivity at the Parker Project.

On 4 September 2025, the Company announced the appointment of Leslie Pereira as a Non-Executive Director and the resignation of Neil Goodman as Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



Michael Davy
Director and Board Chair

12 September 2025

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HALL CHADWICK

MAGNUM MINING AND EXPLORATION LTD
ABN 70 003 170 376
AND ITS CONTROLLED ENTITIES

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF MAGNUM MINING AND EXPLORATION LTD

In accordance with Section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Magnum Mining and Exploration Ltd. As the lead audit partner for the review of the financial report of Magnum Mining and Exploration Ltd for the half-year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. any applicable code of professional conduct in relation to the review.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 12 September 2025

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Magnum Mining and Exploration Ltd
Contents
30 June 2025

Statement of profit or loss and other comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10
Directors' declaration	17
Independent auditor's review report to the members of Magnum Mining and Exploration Ltd	18

General information

The financial statements cover Magnum Mining and Exploration Ltd as a Group consisting of Magnum Mining and Exploration Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Magnum Mining and Exploration Ltd's functional and presentation currency.

Magnum Mining and Exploration Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office and principal place of business

Salmon Giles Pty Ltd
Level 1,
180 Albert Road,
South Melbourne VIC 3205
Australia

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 12 September 2025.

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Magnum Mining and Exploration Ltd
Statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2025

	Consolidated	
	30 June 2025	**30 June 2024**
	$	**$**
Revenue		
Other income	-	6,872
Research and development offset	-	72,947
Change in financial assets at fair value through profit and loss	(20,891)	-
Expenses		
Accountancy and corporate advisory fees	(77,896)	(132,593)
Auditor's remuneration	(83,000)	(25,529)
Consultancy fees	(392,251)	(511,855)
Depreciation and amortisation expense	(187)	(188)
Exploration and evaluation costs	(13,321)	(5,817)
Employee benefits expense	(9,036)	(294,485)
Insurance	(34,856)	(49,053)
Marketing expenses	(44,070)	(28,646)
Share based payments	(313,737)	-
Share registry and exchange fees	(45,042)	10,945
Travel and accommodation expenses	-	(212,951)
Other expenses	(22,234)	(30,177)
Loss before income tax expense	(1,056,521)	(1,200,530)
Income tax expense	-	-
Loss after income tax expense for the half-year attributable to the owners of Magnum Mining and Exploration Ltd	(1,056,521)	(1,200,530)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation	(62,852)	64,675
Other comprehensive income for the half-year, net of tax	(62,852)	64,675
Total comprehensive income for the half-year attributable to the owners of Magnum Mining and Exploration Ltd	(1,119,373)	(1,135,855)
	Cents	**Cents**
Basic earnings per share	(0.12)	(0.15)
Diluted earnings per share	(0.12)	(0.15)

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The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Magnum Mining and Exploration Ltd
Statement of financial position
As at 30 June 2025

	Note	Consolidated 30 Jun 2025 $	Consolidated 31 Dec 2024 $
Assets			
Current assets			
Cash and cash equivalents [(a)]		1,036,802	356,836
Trade and other receivables	4	204,048	119,577
Financial assets		27,535	48,426
Total current assets		1,268,385	524,839
Non-current assets			
Property, plant and equipment	5	878,675	932,828
Deferred exploration and evaluation expenditure	6	11,451,498	9,292,116
Total non-current assets		12,330,173	10,224,944
Total assets		13,598,558	10,749,783
Liabilities			
Current liabilities			
Trade and other payables	7	1,640,382	378,416
Total current liabilities		1,640,382	378,416
Non-current liabilities			
Provisions (Rehabilitation)	8	531,587	531,587
Total non-current liabilities		531,587	531,587
Total liabilities		2,171,969	910,003
Net assets		11,426,589	9,839,780
Equity			
Issued capital	9	42,459,018	40,374,779
Other contributed equity[(a)]		621,943	-
Reserves	11	3,198,634	8,599,605
Accumulated losses		(34,853,006)	(39,134,604)
Total equity		11,426,589	9,839,780

(a) *Non-Renounceable Entitlement Offer proceeds received after 30 June 2025 and prior to the offer close on 2 July 2025 increased the cash position by a further $1,023,118.*

The above statement of financial position should be read in conjunction with the accompanying notes

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Magnum Mining and Exploration Ltd
Statement of changes in equity
For the half-year ended 30 June 2025

Consolidated	Issued capital $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 January 2024	40,374,779	(37,154,342)	8,461,583	11,682,020
Loss after income tax expense for the half-year	-	(1,200,530)	-	(1,200,530)
Other comprehensive income for the half-year, net of tax	-	64,675	-	64,675
Total comprehensive income for the half-year	-	(1,135,855)	-	(1,135,855)
Balance at 30 June 2024	40,374,779	(38,290,197)	8,461,583	10,546,165

Consolidated	Issued capital $	Other contributed equity $	Accumulated losses $	Reserves $	Total equity $
Balance at 1 January 2025	40,374,779	-	(39,134,604)	8,599,605	9,839,780
Loss after income tax expense for the half-year	-	-	(1,056,521)	-	(1,056,521)
Other comprehensive income for the half-year, net of tax	-	-	-	(62,852)	(62,852)
Total comprehensive income for the half-year	-	-	(1,056,521)	(62,852)	(1,119,373)
Transactions with owners in their capacity as owners:					
Acquisition of the Palmares Projects (note 9)	1,075,000	-	-	-	1,075,000
Issued in lieu of accrued director fees	220,000	-	-	-	220,000
Issued as director remuneration - share based payments	313,737	-	-	-	313,737
Issued to settle a supplier invoice	50,000	-	-	-	50,000
Entitlement (Rights) issue completed 1 July 2025- proceeds	490,073	621,943	-	-	1,112,016
Entitlement (Rights) issue transaction costs	(64,571)	-	-	-	(64,571)
Previously lapsed options	-	-	5,338,119	(5,338,119)	-
Balance at 30 June 2025	42,459,018	621,943	(34,853,006)	3,198,634	11,426,589

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The above statement of changes in equity should be read in conjunction with the accompanying notes

Magnum Mining and Exploration Ltd
Statement of cash flows
For the half-year ended 30 June 2025

	Note	Consolidated 30 June 2025 $	Consolidated 30 June 2024 $
Cash flows from operating activities			
Payments to suppliers and employees		(240,067)	(1,541,428)
Interest received		-	5,453
Interest and other finance costs paid		(1,684)	-
Net cash used in operating activities		(241,751)	(1,535,975)
Cash flows from investing activities			
Payment for acquisitions, net of cash acquired		(17,171)	-
Payments for property, plant and equipment	5	-	(1,733)
Payments for deferred exploration and evaluation		(116,705)	(229,458)
Loss on disposal of assets		-	(6,327)
Proceeds from sale of fixed assets		-	40,761
Net cash used in investing activities		(133,876)	(196,757)
Cash flows from financing activities			
Entitlement (Rights) issue - interim proceeds (net of capital raising costs)	9	1,112,018	-
Share issue transaction costs		(64,571)	-
Net cash from financing activities		1,047,447	-
Net increase/(decrease) in cash and cash equivalents		671,820	(1,732,732)
Cash and cash equivalents at the beginning of the financial half-year		356,836	2,636,909
Effects of exchange rate changes on cash and cash equivalents		8,146	99,298
Cash and cash equivalents at the end of the financial half-year		1,036,802	1,003,475

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The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 30 June 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

All of the relevant new and revised Standards and Interpretations that are not yet mandatory have been review and the Directors have determined that there will not be a material effect on Group accounting policies in future financial periods.

Going concern
The Group's financial statements are prepared on the going concern basis which assumes continuity of normal business activities and the realisation of assets and settlement of liabilities and commitments in the normal course of business.

During the half-year ended 30 June 2025, the Group incurred an operating loss of $1,056,521, had net cash outflow from operating activities of $241,751 and as at 30 June 2025 had net current liabilities of $371,997.

The ability of the Group to continue to as a going concern is dependent on a number of matters including:
- On 2 July 2025 the cash position increase by a further $1,023,118 relating to Non-Renounceable Entitlement Offer proceeds received after 30 June 2025.
- The Group is exploring various strategic options to enhance liquidity and future cashflows from existing projects including the potential introduction of joint venture partners, short – term production opportunities, and the partial sale of projects, and
- The Group is considering raising further equity sufficient to sustain planned operations.

In the event the Group is unable to achieve the above plan, in particular the raising of capital funding, it will result in a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern and accordingly to realise its assets and extinguish its liabilities in the ordinary course of the operations and at amounts to those stated in the financial statements.

The financial statements do not include any adjustments relating to the recoverability and classification of assets carrying amounts or to the amounts and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

Note 2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

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Note 2. Critical accounting judgements, estimates and assumptions (continued)

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Actual results may differ from the reported amounts.

In preparing this half year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 31 December 2024.

Note 3. Operating segments

For management purposes the chief operating decision maker, being the Board of Directors of Magnum Mining and Exploration Limited, reports its results per geographical segment.

The following table presents the financial information regarding these segments provided to the Board of Directors for the half-years ended 30 June 2025 and 30 June 2024.

Consolidated - 30 June 2025	Australia $	United States $	Brazil $	Total $
Revenue				
Other income	-	-	-	-
Research and development offset	-	-	-	-
Fair value losses on financial assets	(20,891)	-	-	(20,891)
Total revenue	(20,891)	-	-	(20,891)
EBITDA	(981,160)	(75,174)	-	(1,056,334)
Depreciation and amortisation	(187)	-	-	(187)
Loss before income tax expense	(981,347)	(75,174)	-	(1,056,521)
Income tax expense				-
Loss after income tax expense				(1,056,521)
Segment assets	1,706,022	10,301,191	1,591,345	13,598,558
Segment liabilities	1,644,046	527,923	-	2,171,969

Consolidated - 30 June 2024	Australia $	United States $	Consolidated $
Research and development offset	72,947	-	72,947
Other income	-	6,872	6,872
Total revenue	**72,947**	**6,872**	**79,819**
EBITDA	(1,018,723)	(181,619)	(1,200,342)
Depreciation and amortisation	(188)	-	(188)
Loss before income tax expense	(1,018,911)	(181,619)	(1,200,530)
Loss after income tax expense			(1,200,530)
Segment assets	2,772,640	8,561,669	11,334,309
Segment liabilities	(202,451)	(516,605)	(719,056)

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Note 4. Trade and other receivables

	Consolidated	
	30 Jun 2025	31 Dec 2024
	$	$
Current assets		
GST/VAT receivable	84,140	35,761
Research and Development Tax Incentive	73,034	73,034
Prepayments	46,874	10,782
	204,048	119,577

Note 5. Property, plant and equipment

	Consolidated	
	30 Jun 2025	31 Dec 2024
	$	$
Non-current assets		
Land - at cost	794,395	836,945
Plant and equipment - at cost	85,392	96,808
Less: Accumulated depreciation	(1,112)	(925)
	84,280	95,883
	878,675	932,828

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Land $	Plant and equipment $	Total $
Balance at 1 January 2025	836,945	95,883	932,828
Exchange differences	(42,550)	(11,416)	(53,966)
Depreciation expense	-	(187)	(187)
Balance at 30 June 2025	794,395	84,280	878,675

Note 6. Deferred exploration and evaluation expenditure

	Consolidated	
	30 Jun 2025	31 Dec 2024
	$	$
Non-current assets		
Exploration and evaluation costs (Nevada)	9,767,083	9,292,116
Rare Earth Elements (Brazil)	1,376,345	-
Copper Gold Project (United States)	308,070	-
	11,451,498	9,292,116

Note 6. Deferred exploration and evaluation expenditure (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Nevada $	Brazil $	US Gold $	Total $
Balance at 1 January 2025	9,292,116	-	-	9,292,116
Additions	492,001	-	-	492,001
Additions through business combinations	-	1,376,345	308,070	1,684,415
Exchange differences	(17,034)	-	-	(17,034)
Balance at 30 June 2025	9,767,083	1,376,345	308,070	11,451,498

The recoverability of the carrying amount of exploration assets is dependent upon further exploration and exploitation of commercially viable mineral deposits.

Exploration and evaluation expenditure for areas of interest for which rights of tenure are current is carried forward as an asset where it is expected that the expenditure will be recovered through the successful development of an area or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence of economically recoverable reserves. Where a project or an area has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

In order to maintain current rights of tenure to exploration tenements, the Group is required to comply with the minimum expenditure obligations under the Mining Act. These obligations have been met. The future obligations which are subject to renegotiation when an application for a mining lease is made and at other times are not provided for in the financial statements.

Note 7. Trade and other payables

	Consolidated	
	30 Jun 2025	**31 Dec 2024**
	$	**$**
Current liabilities		
Trade payables	604,415	327,922
Other creditors and accruals	443,723	50,494
Settlements payable on acquisitions	592,244	-
	1,640,382	378,416

Note 8. Provisions

	Consolidated	
	30 Jun 2025	**31 Dec 2024**
	$	**$**
Non-current liabilities		
Rehabilitation	531,587	531,587

A provision for rehabilitation has been recognised for the estimated costs to rehabilitate the land disturbed by mining operations at the Beuna Vista project.

The rehabilitation provision is subject to discounting to present value where the effect of the time value of money is significant. The discount factor applied to the rehabilitation provision has an impact in the carrying amount of the provision as presented in the financial statements. The use of a discount factor results in a lower carrying amount of the rehabilitation provision compared to its undiscounted value.

The finance cost (unwinding of provision) on the rehabilitation provision is immaterial.

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Note 9. Issued capital

	Consolidated			
	30 Jun 2025 Shares	31 Dec 2024 Shares	30 Jun 2025 $	31 Dec 2024 $
Ordinary shares - fully paid	1,366,687,149	809,361,403	42,459,018	40,374,779

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	30 June 2024	809,361,403		40,374,779
**Acquisition of the Rare Earth Elements Project	2 May 2025	215,000,000	$0.005	1,075,000
**Issued in lieu of accrued director fees	2 May 2025	36,666,666	$0.006	220,000
**Shares issued as director remuneration	2 May 2025	52,289,437	$0.006	313,737
**Shares issued to settle a supplier invoice	02 May 2025	8,333,333	$0.006	50,000
**Non renounceable entitlement issue[(i)]	30 June 2025	245,036,310	$0.002	490,073
** Capital raising costs		-	$0.000	(64,571)
Balance	30 June 2025	1,366,687,149		42,459,018

(i) The Non Renounceable Entitlement issue was completed early July 2025. As at 30 June 2025, entitlement issue proceeds received but not yet issued as shares are shown as other contributed equity on the face of the statement of financial position.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 10. Listed options (MGUO)

At the end of the reporting period the following options were on issue:

Listed options (MGUO)	Exercise price	30 Jun 2025 No. of options	31 Dec 2024 No. of options
Options issued on various dates and expiring 31 October 2025	$0.05	138,095,252	138,095,252
Options issued on various dates and expiring 31 October 2025	$0.33	55,901,515	55,901,515
		193,996,767	193,996,767

Note 11. Reserves

	Consolidated	
	30 Jun 2025 $	31 Dec 2024 $
Investment revaluation reserve	45,246	45,246
Foreign currency translation reserve	125,336	188,188
Share-based payment reserve	1,306,845	6,644,964
Option issue reserve	1,721,207	1,721,207
	3,198,634	8,599,605

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Note 12. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 13. Contingent liabilities

Material contingent terms of the acquisition of US Gold Projects are set out below.

As consideration for the acquisition of EVR Inc the owner of 100% of the federal unpatented lode claims comprising the La Cienega Project located in Cienega District of La Paz County, Arizona, USA, the vendor was granted a 2% net smelter return royalty in respect of any minerals produced from the area within the boundaries of the Project (Royalty) on the terms and conditions set out in, and pursuant to, the AMPLA model royalty deed.

Material contingent terms of the acquisition of Buena Vista Projects are set out below.

(1) On completion of a Definitive Feasibility Study, Magnum will issue to the Sellers and/or their nominees, shares in Magnum to the value of $500,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum determined as the 15 trading days immediately prior to the completion date of the Definitive Feasibility Study and its announcement to ASX;
(2) On the receipt by Magnum of firm and unconditional offers for the total amount of finance required to develop Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares in Magnum to the value of $1,500,000 with the issue price of the Magnum Shares equal to the 45 day VWAP of Magnum up to the date at which Magnum is in receipt of the unconditional offers for the total amount of finance required to develop Buena Vista;
(3) On the completion of the commissioning of the production facility at Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares in Magnum to the value of $1,000,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum immediately up to the completion of the commissioning of production;
(4) On receipt by the Buyer of the first payment from the sale of concentrate from Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares and/or cash in Magnum (at the Sellers option) to the value of $500,000 with the issue price of the Magnum Shares equal to the 15 day VWAP of Magnum up to the date at which Magnum is in receipt of the first payment from the sale of concentrate from Buena Vista;
(5) On the delivery by Magnum of the three millionth tonne of concentrate from Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares and/or cash (at the Sellers option) in Magnum to the value of $1,000,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum up to the date at which Magnum has delivered the three millionth tonne of concentrate from Buena Vista; and
(6) On the delivery by Magnum of the five millionth tonne of concentrate from Buena Vista, Magnum will issue to the Sellers and/or their nominees, shares and/or cash (at the Sellers option) in Magnum to the value of $1,000,000 with the issue price of the Magnum Shares equal to the 15-day VWAP of Magnum up to the date at which Magnum has delivered the five millionth tonne of concentrate from Buena Vista.

At the date of this report, Management determined that there were no milestones at Buena Vista project stated in the Share Purchase Agreement of Buena Vista project have been met.

In addition, Management is of the opinion that the information available does not enable the current board to make a reliable assessment of the fair value of the contingent consideration agreed to as part of the original acquisition.

Material contingent terms of the Appalachian Iron Inc acquisition are set out below.

(1) Neil Goodman (former Director) and vendor holds 7,500,000 performance shares which will vest and convert into Shares if the first production of pig iron by Magnum (or one of its related bodies corporate) from the West Virginia Project occurs prior to 17 January 2027.

Note 14. Mining Tenement Commitments

The annual mining tenement commitment as at 30 June 2025 is $695,366 (31 December 2024: $439,118).

Note 15. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 1:

		Ownership interest	
Name	**Principal place of business / Country of incorporation**	**30 Jun 2025 %**	**31 Dec 2024 %**
Nevada Iron Holdings Pty Ltd	Australia	100.00%	100.00%
Nevada Iron LLC	USA	100.00%	100.00%
Iron Horse LLC	USA	100.00%	100.00%
Magnum Green Steel LLC	USA	100.00%	100.00%
Appalachian Iron LLC	USA	100.00%	100.00%
Magnum Singapore Pte Ltd	Singapore	100.00%	100.00%
Palmares Estudos Geologicos LTDA	Brazil	100.00%	-
Monomatapa Mining Services Inc	USA	100.00%	-
EV Resources Inc,	USA	100.00%	-

Note 16. Events after the reporting period

On 2 July 2025, the Company announced the closure of the Non-Renounceable Entitlement Offer together with an additional placement. The total funds raised before costs were $2,392,772 of which $1,023,118 was received after 30 June 2025.

On 15 July 2025, the Company announced the appointment of Mr Michael Davy as a Non-Executive Director and the Board Chair. The Company also announced the resignation of Mr Luke Martino as Non-Executive Director and Board Chair.

On 29 August 2025, the Company announced the commencement of leach testing of high-grade samples from the Palmares REE Project to assess recovery rates and processing pathways.

On 2 September 2025, following a review of the US Assets, the Company announced its initial assessments of REE & Critical Minerals Prospectivity at the Parker Project.

On 4 September 2025, the Company announced the appointment of Leslie Pereira as a Non-Executive Director and the resignation of Neil Goodman as Non-Executive Director.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

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Magnum Mining and Exploration Ltd
Directors' declaration
30 June 2025

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Michael Davy
Director and Board Chair

12 September 2025

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MAGNUM MINING AND EXPLORATION LTD
ABN 70 003 170 376
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MAGNUM MINING AND EXPLORATION LTD

Conclusion

We have reviewed the half-year financial report of Magnum Mining and Exploration Limited (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the group does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the group financial position as at 30 June 2025 and of its performance for the half year ended on that date; and

(b) complying with Accounting Standard AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the group incurred a net loss of $1,056,520 and had net cash outflows from operating activities of $241,749 during the half year ended 30 June 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibility of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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HALL CHADWICK (NSW)

MAGNUM MINING AND EXPLORATION LTD
ABN 70 003 170 376
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF MAGNUM MINING AND EXPLORATION LTD

Auditor's Responsibility for the Review of the Financial Report

ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the group's financial position as at 30 June 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001.*

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick

HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000

DREW TOWNSEND
Partner
Dated: 12 September 2025

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