
NEWS RELEASE

FIRST GROWTH FUNDS SECURES NEW ADVISORY MANDATE

December 9, 2020 – First Growth Funds Limited (CSE: FGFL) “(Company)” is pleased to announce it has secured an advisory mandate to act as lead manager for ASX listed mining company Magnum Mining and Exploration Limited (MGU). Magnum recently acquired the Buena Vista magnetite iron ore project located in Nevada, United States.

Under the terms of the agreement with Magnum, First Growth Funds’ advisory business will act as lead manager to raise up to \$2M to fund working capital for the Buena Vista magnetite project. First Growth Funds will be entitled to 6% success fee on funds raised and will also participate up to \$1,000,000 in the Placement. Initial interest in the Placement has been strong and it is expected to be oversubscribed.

Subject to shareholder approval, the Placement terms include up to 50,000,000 shares at \$0.04 plus each new share will have a 1:2 listed option entitlement (options exercisable at \$0.05 on or before 30 September 2022) with the options issued at nil cost.

Buena Vista is a significant magnetite mineral resource with over \$34 million spent on it over the past decade advancing the project to completed feasibility status in 2011 and 2013. The project has secured all major permits for the long term production of a high grade magnetite concentrate grading +67.5% Fe. Iron ore prices continued to rally to US\$145/ton and the project is well situated to existing rail, power and port facilities.

Mr Gordon Toll and FGF Director Mr Athan Lekkas have agreed to join the board of Magnum to provide additional expertise for the development of the Buena Vista magnetite project. Mr Toll is Mining Engineer with over 50 years’ experience in iron ore having commenced with BHP in 1968 before working for RIO and then developing mining projects in Australia, Mongolia, Brazil, Venezuela and Indonesia.

Mr Toll has particular expertise in magnetite having been involved in the corporate restructure of the Savage River magnetite operations in Tasmania in the late 1990’s and was a former Chairman of Fortescue Metals Group a AU\$66b Iron Ore company. Mr Toll also has extensive experience with financing iron ore projects and the bringing together of emerging producers with steel mills to facilitate the purchase of product. Mr Lekkas will bring to the Magnum board many years of investment banking expertise across a wide range of activities including cross border transactions, project funding and the structuring of acquisitions, joint ventures and corporate advisory transactions. Most recently, Mr Lekkas was a key participant in the identification and funding of the acquisition of the Agbaja Iron Ore project in Nigeria which is a potential integrated mining and steel production opportunity. It is intended that both Mr Toll and Mr Lekkas will join the board in or around mid-January 2021.

Magnum share price closed at \$0.06 per share and the listed options closed at \$0.022, presenting a potential gain of \$775,000 plus and additional \$120,000 from fees generated from this placement.

First Growth Funds is actively working on new opportunities and will provide further update in due course.

About Magnum Mining and Exploration Limited

Magnum Mining and Exploration Limited is an Australia-based company, which is engaged in mineral exploration. More information about the Buena Vista magnetite project can be found <https://www.firstgrowthfunds.com/wp-content/uploads/2020/12/Nevada-Iron-2020-June-Deck.pdf>

About First Growth Funds Limited

First Growth Funds Limited invests across a broad range of asset classes including listed equities, private equity, blockchain and digital assets. The company also operates an advisory business providing corporate advisory, capital raising and capital markets support to its portfolio. www.firstgrowthfunds.com

THE CANADIAN SECURITIES EXCHANGE HAS NOT REVIEWED AND DOES NOT ACCEPT RESPONSIBILITY FOR THE ACCURACY OR ADEQUACY OF THIS RELEASE.

FORWARD LOOKING INFORMATION

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Canadian Securities Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.