



magnetic resources^{NL}

QUARTERLY REPORT for the Quarter Ended 30 June 2022

Magnetic Resources NL
ABN 34 121 370 232

ASX Codes: MAU and
MAUCA

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PO Box 1388
West Perth WA 6872

Issued Capital:
Shares - Quoted:

224,342,819 ordinary shares.
20,418,862 partly paid shares
(\$0.20 unpaid).

Options – Unquoted

4,900,000 options
exercisable at \$1.515 on or
by 31 December 2024

Cash: \$2.03m

Directors:

George Sakalidis
Managing Director

Eric Lim
Non-Executive Chairman

Hiang Sian Chan
Ben Donovan
Non-Executive Directors

Company Secretary
Ben Donovan

HIGHLIGHTS

- **Maiden Combined (Indicated and Inferred) Mineral Resources estimate of:**
 - 13.1Mt @ 1.22g/t Au totaling 511,000oz of gold at 0.5g/t cut-off; or
 - 14.8Mt @ 1.13g/t Au totaling 536,000oz of gold at 0.4g/t cut-off for 538,000 oz of gold.
- Majority of the resource tonnes are shallow with 49% of the resources within 50m of surface and 87% within 100m of surface.
- Importantly, open-pit optimization confirms 87% of the contained gold is constrained using a gold price of AUD\$2,600/oz and 83% is constrained with a gold price of AUD\$2400/oz.
- Key deposits are close to each other and form part of one mining field.
- Additional exploration target of 2.6Mt to 3.6Mt @ 0.94g/t to 1.2g/t Au for 109,000oz to 135,000oz Au at a 0.5g/t cut-off.
- Low discovery cost of \$24/ounce for all resources
- Three processing plants are nearby, between 10km and 35km away.
- Significant intersection at Lady Julie 4 of 56m at 2.23g/t from 96m including 20m at 4.97g/t from 104m in MLJRC632. A RC programme of 18 RC holes for 2936m is planned to follow up this thickened high grade core zone and extend the mineralisation down dip and along strike. Most of the proposed drilling is outside the Inferred and Indicated Resource and if successful will increase the size of the resource.
- A corporate strategy review led by Jefferies as announced on January 27 2022, continues to progress with a broad range of potential options under review.

Laverton Area

Magnetic Resources NL has 261km² in the Laverton region comprising E38/3127 Hawks Nest, E37/3100 Mt Jumbo, E38/3205 Hawks Nest East, E38/3209 Mt Ajax, P38/4317–24 Mt Jumbo East, E39/2125, P39/6134-44 Little Well and P38/4346, P38/4379-84, P38/4170 Lady Julie (Figure 1). Table 1 shows the exploration completed to date and recent/proposed exploration.

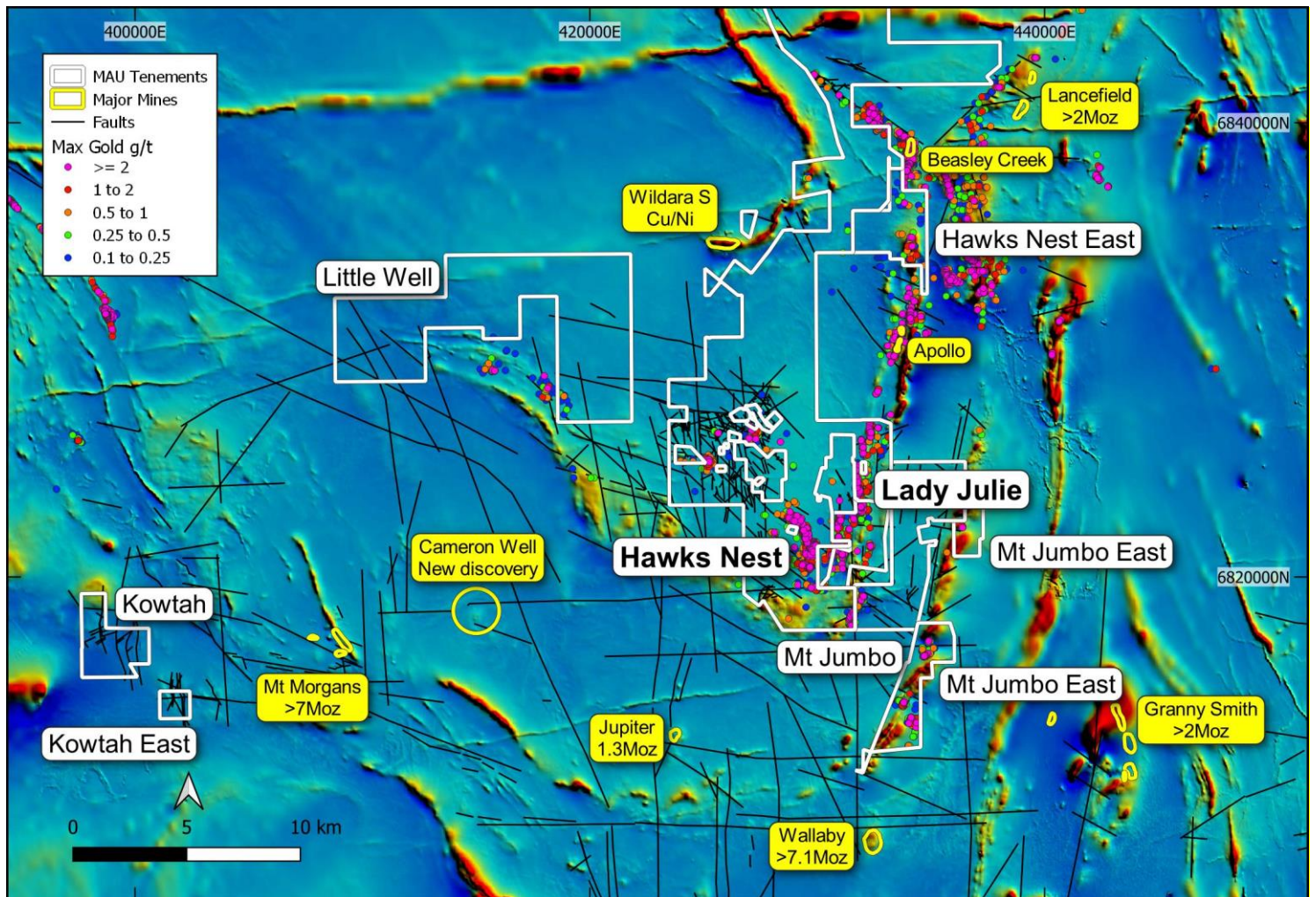


Figure 1. Hawks Nest, Hawks Nest East, Lady Julie, Little Well, Mt Ajax, Mt Jumbo, Mt Jumbo East and Kowtah projects, showing tenements, major shear zones, targets and gold deposits and historic workings

Table 1. Laverton region drilling summary

Project/Tenements	Surface sampling completed	Drilling & ground magnetics completed	Proposed exploration
Hawks Nest E38/3127, M38/1041	5,411 soils 117 rock chips	1,120 RC holes for 71,098m 201 RAB holes for 2,726m 4 Diamond holes for 431m 67 AC holes for 2,348m 507km ground magnetics	
Lady Julie P38/4346, P38/4379-84, E38/3127, P38/4170	2,148 soils 15 rock chips	625 RC holes for 53,412m 290 shallow RAB for 1,691m 3 Diamond holes for 320m 190 AC holes for 7,390m 23km ground magnetics	18 RC drillholes for 2,396m
Mt Jumbo E38/3100, E38/3127	3 rock chips 43 lags	3 RC holes for 563m 2 Diamond holes for 457m 143km ground magnetics	
Mt Jumbo East P38/4317-24	23 rock chips 155 lags	32 RC holes for 2,459m 229km ground magnetics	
Kowtah P39/5594-97, 5617	484 soils 1 rock chip	186km ground magnetics	

Lady Julie area (P38/4346, P38/4379-4384, E38/3127)

The Lady Julie North 4 deposit has numerous thick new intersections and will be tested over an expanded 1km x 200m area and importantly is open down dip and at depth and to the SSE. The 41 RC holes for 4,563m and 5 AC for 219m drill programmes were completed at Lady Julie North 4 and 18 RC holes for 2,936m are planned here after some promising further RC results (Figure 1).

The best intersection to date at Lady Julie North 4 is 56m at 2.23g/t Au from 96m and includes 20m at 4.97g/t from 104m in MLJRC632 which is down dip from a previous intersection of 33m at 0.85g/t from 95m in MLJRC463. This high-grade core zone is a promising thick zone and will be investigated with further infill holes to the north and importantly to the south where this mineralisation remains open. In addition, a strong pyrite chert alteration has been logged for the first time and correlates with his highest-grade part of the core zone that has 20m at 4.97g/t from 104m in MLJRC632. The extent of this alteration within the surrounding holes will be examined when the RC chip logging has been completed. Some of the highlights of the drill programmes for the June quarter include:

Hole_Id	Easting MGAz51	Northing MGAz51	From metres	To metres	Width metres	Gold g/t	
Lady Julie North 4							
MLJRC439	432318	6826409	42	56	14	3.87	*
MLJRC442	432357	6826360	60	97	37	2.41	*
MLJRC468	432435	6826160	32	36	4	3.49	*
MLJRC517	432360	6826560	122	138	16	3.32	*
MLJRC518	432391	6826459	102	114	12	1.34	*
MLJRC549	429652	6821132	68	86	18	1.76	*
MLJRC580	432310	6826510	50	63	13	1.19	*
MLJRC581	432350	6826510	59	96	37	1.08	*
MLJRC628	432425	6826610	120	140	20	1.92	
MLJRC632	432415	6826360	96	152	56	2.23	
		including	104	124	20	4.97	
MLJRC633	432415	6826360	132	186	56	0.55	
		including	48	56	8	1.15	
		including	72	80	8	1.16	
Lady Julie Central							
MLJRC482	431754	6823923	0	9	9	4.52	*
MLJRC502	431869	6823843	95	125	30	1.36	*
MLJRC539	432310	6826510	42	60	18	7.08	*
		including	43	49	6	20.36	*
		including	45	47	2	54.4	*
MLJRC545	431785	6823915	1	21	20	3.28	*
MLJRC552	429729	6821135	152	175	23	2.4	*
MLJRC623	432010	6823660	196	204	8	2.54	
Mount Jumbo East							
MJERC32	434872	6816508	84	89	8	4.51	

*1m splits

The Lady Julie North 4 deposit (Figures 1 and 2) has numerous thick intersections including 37m at 2.41g/t from 60m in MLJRC442, 16m at 2.34g/t from 68m in MLJRC549, 18m at 1.76g/t from 68m in MLJRC549, 20m at 1.92g/t from 120m in MLJRC628, 56m at 2.23g/t from 96m in MLJRC632. The Lady Julie 4 deposit is being investigated over an expanded 1kmx200m area and is open down dip and to the E and SSE, which augers well for the potential size and economics. The SSE direction is associated with a sinistral fault where the mineralisation is interpreted to be to the east of the main NS trend of the deposit (Figure 1).

The Lady Julie North 4 deposit is only 2.5km North of the Lady Julie Central deposit which in turn is 2.5km NE of the HN9 deposit (Figure 2). These three areas are all shallow deposits and, in some cases, starting from surface providing low strip ratios and potential for economic ore that is open-cuttable and are effectively part of one mining centre.

Maiden Combined Resources of 13.1Mt @ 1.22g/t Au totaling 511,000oz of gold at a 0.5g/t for the Laverton Project was announced on 27 June 2022. The Lady Julie North 4 (Indicated and Inferred) Resource of 2.7Mt at 1.27g/t for 109,000oz and forms part of the Lady Julie Combined Resources (Indicated and Inferred) of 5.4Mt at 1.27g/t for 224,000oz. (see ASX announcement 27 June 2022)

This long 1km x 200m target zone at Lady Julie 4 is being infill drilled with a programme of 18 RC holes for 2,936m with most of these holes looking to extend the down dip extent of the mineralisation at depth and to test the SSE extension and to fully define the thickened high-grade core. Note that most of the holes are aimed to test the exploration target (shown in brown) and other areas outside the Inferred and Indicated resource and if successful will increase the size of the Indicated and Inferred resource at Lady Julie North 4.

Ten large structural targets have been located mainly to the NE and S of Lady Julie Central after using the results of a structural study, together with historical aeromagnetics and gravity images, geochemical, drilling and geological mapping data. Particular attention is being paid to areas where NNW and NE-trending structures intersect known and interpreted porphyry intrusions mainly in the Lady Julie strip, in areas that have not been explored due to the thicker soil cover which obscure potential mineralisation within the Lady Julie NS trending 6.5km x 1.5km strip. More than 80% of this strip is under cover and remains very prospective (Figure 2).

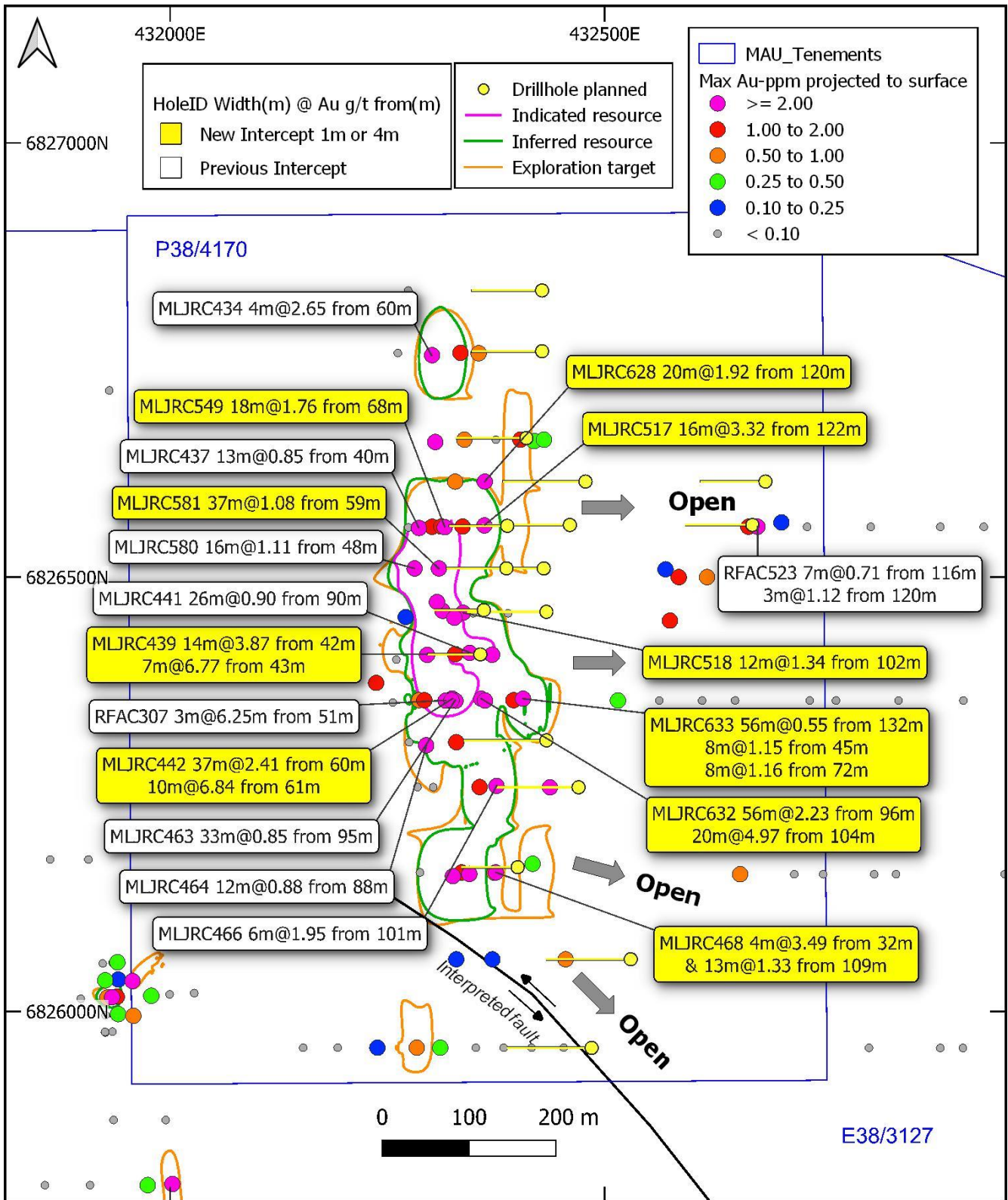


Figure 1. The Lady Julie North 4 deposit has numerous significant thick intersections from the latest drill programme (yellow large rectangular label) and previous drilling (white label) with maximum gold projected to surface and planned deeper drillholes (in yellow). The Indicated Resource outlines are shown in red, the Inferred Resources outlines are shown in green and the Exploration Target in brown.

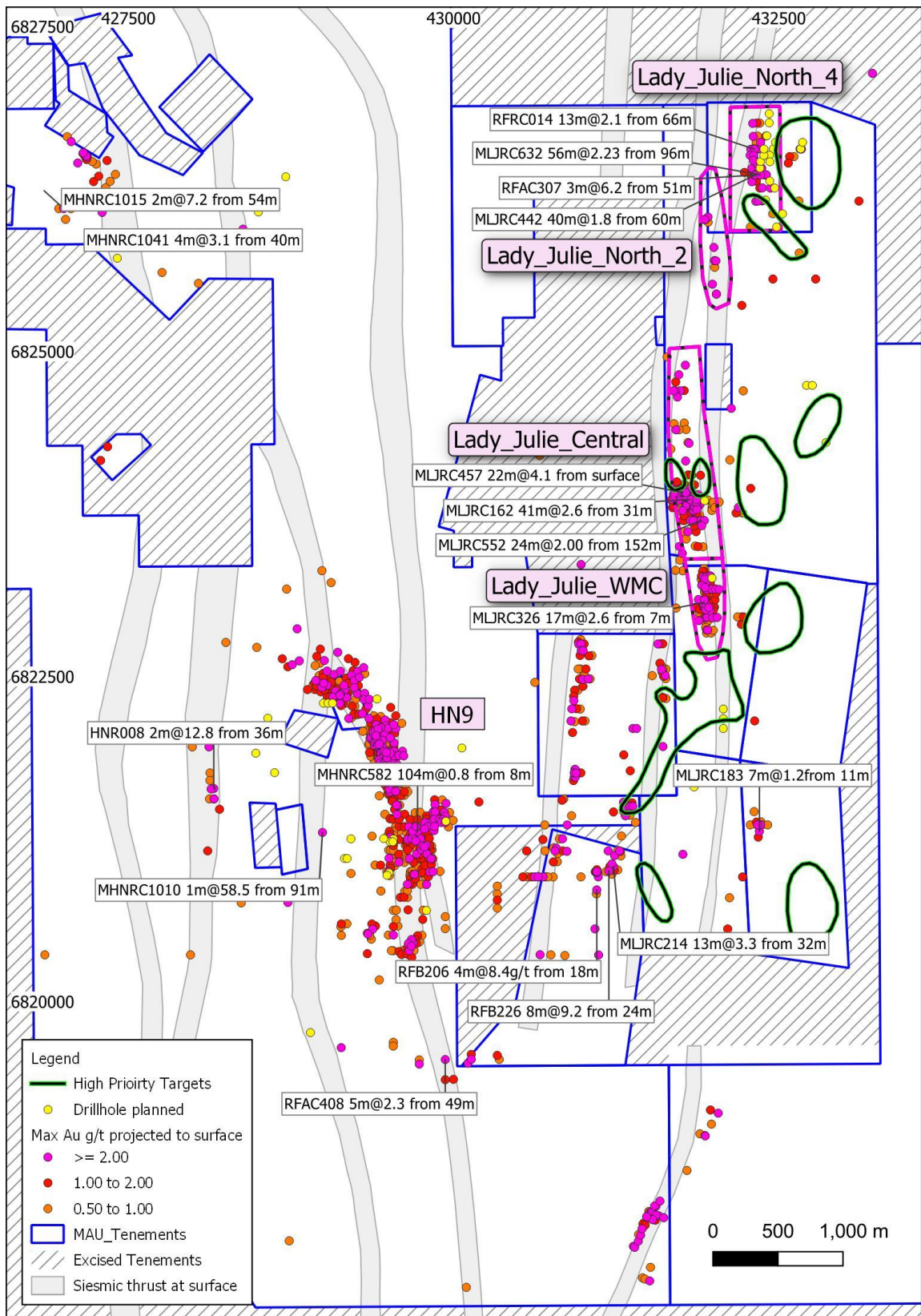


Figure 2 Gold intersection overview covering the HN5, HN6, HN9 and adjacent Lady Julie Projects showing ten additional gold targets (green outlines) with highlighted intersections (white label). Significant historical and Magnetic intercepts (maximum Au projected to surface) and planned RC holes in yellow.

Within the HN5, HN6, HN9 and Lady Julie areas there are many new shallow intersections (Fig 1 and Table 2) with a total of 1,930 intersections (ranging from 1 to 32m) greater than

0.5g/t Au, which includes 858 greater than 1g/t Au, 311 greater than 2g/t Au, 166 greater than 3g/t Au and 103 greater than 4g/t Au.

At Hawks Nest 5, 6, 9 and Lady Julie extensive drilling programmes have been completed. (Tables 3 and 4), including 1,713 RC holes totaling 122,189m (average 71m depth) 30,515 2–5m composites and 19,763 1m splits, 255 AC holes totalling 9,708m 2,440 2-6m composites and 169 1m splits and 7 Diamond holes totaling 751m.

This release is mainly reporting on 571 composite assays (2-4m) and 2,524 1m splits from 149 RC holes (MLJRC414-415,419,421,423-425,429-433,438-440,442,465,467-471,486-513,515,517-522,524-530,534,536,538-555,557-463,567,572-577,580-581,583-585,595598,607,610,612,616-621,623,627-628,632-636,639 & 640 and MHNRC1043,1051,1053,1065-68,1080,1112,1120, 1124,1127-28,1153,1155-57 & 1163) totaling 3,095m. Assays are pending 3 Diamond holes for 302m.

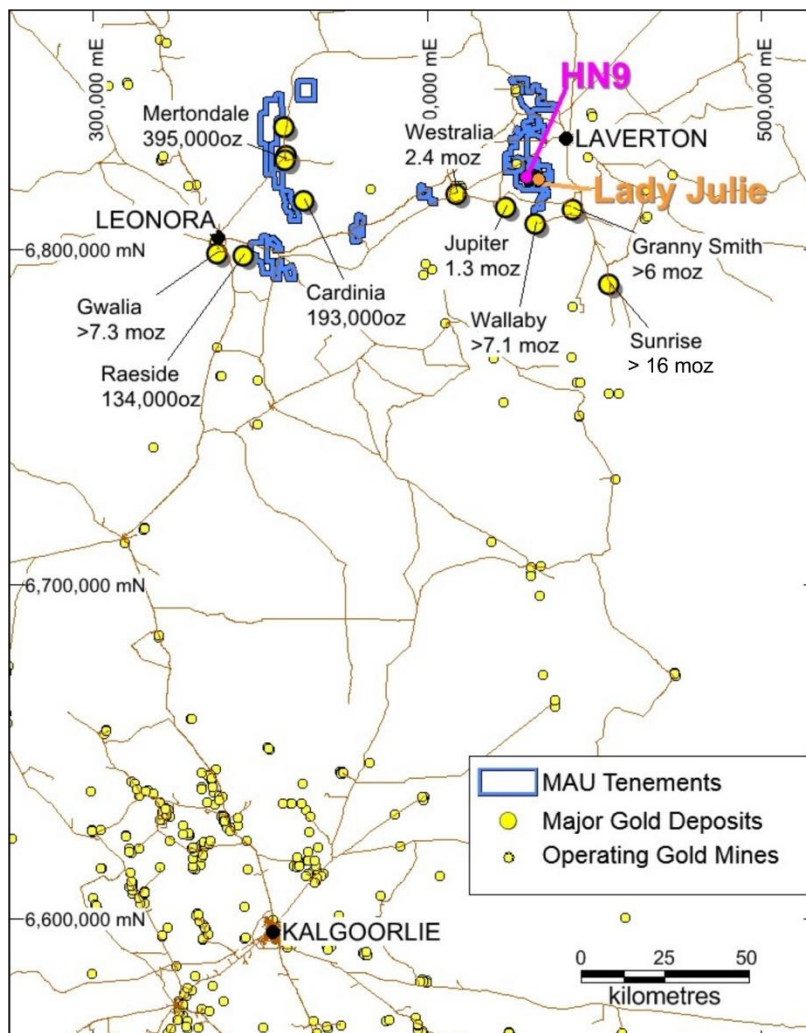


Figure 3. Location Map showing Hawks Nest and Lady Julie Projects near major gold mines and processing plants

The nearby Sunrise Dam (16Moz), Wallaby (7moz) and Jupiter (1.3Moz) Gold Deposits have persistent internal shallow-dipping mineralised lodes that are often called shear zones or thrust zones, which are ubiquitous throughout these deposits and have been defined down to 1500m depth at the Wallaby deposit. In addition, many discoveries in recent times have been made by

drilling below 100m because the historical drilling was far too shallow. At HN5, 6, 9 and Lady Julie the average hole depth is only 71m providing tremendous scope for upside potential.

Managing Director George Sakalidis commented: "With the Australian gold price at high levels of \$2494, the Laverton Project Resources encompassing Lady Julie Central, Lady Julie North 4, HN9 and Homeward Bound South Ltd at Laverton, WA. (Figure 3), are shaping up and have potential for large-scale shallow deposits.

The multiple, thick intersections that are all open down dip to the east and the high-grade core are very exciting at Lady Julie North 4. There are numerous thick intersections including 37m at 2.41g/t from 60m in MLJRC442, 16m at 2.34g/t from 68m in MLJRC549, 18m at 1.76g/t from 68m in MLJRC549, 20m at 1.92g/t from 120m in MLJRC628, 56m at 2.23g/t from 96m in MLJRC632. Some new 1m split intersections of 6m at 20.3g/t from 43m including 2m at 54.4g/t from 45m in MLJRC539 at Lady Julie Central is very exciting and will also be followed up.

Ten targets are located mainly to the northeast and south of Lady Julie Central and the best targets that contain the mineralisation at HN9 and Lady Julie are where NNW and NE-trending structures intersect known and interpreted porphyry intrusions sometimes associated with mafic rocks. More than 80% of a 6.5kmx1.5km strip is under cover and remains very prospective (Figure 2).

This is an exciting time for the company having announced its Maiden Resource on 27 June 2022, looking to increase the size of the Lady Julie 4 Resource with a new drill programme, testing for extensions of the high-grade intersection of 2m at 54.4g/t from 45m in MLJRC 539 and commencing economic studies on four main deposits with significant shallow gold near surface which are all potentially open-cuttable. Continuing with global investment bank Jefferies, who are helping ongoing review opportunities to maximise shareholder value."

Resource Report

HIGHLIGHTS

- **Maiden Combined (Indicated and Inferred) Mineral Resources estimate of:**
 - 13.1Mt @ 1.22g/t Au totaling 511,000oz of gold at 0.5g/t cut-off; or
 - 14.8Mt @ 1.13g/t Au totaling 536,000oz of gold at 0.4g/t cut-off for 538,000 oz of gold.
- **Majority of the resource tonnes are shallow with 49% of the resources within 50m of surface and 87% within 100m of surface.**
- **Importantly, open-pit optimization confirms 87% of the contained gold is constrained using a gold price of AUD\$2,600/oz and 83% is constrained with a gold price of AUD\$2400/oz.**
- **Key deposits are close to each other and form part of one mining field.**
- **Additional exploration target of 2.6Mt to 3.6Mt @ 0.94g/t to 1.2g/t Au for 109,000oz to 135,000oz Au at a 0.5g/t cut-off.**
- **Mineralisation remains open down-dip and to the SSE at Lady Julie 4.**
- **Low discovery cost of \$24/ounce for all resources.**
- **Three processing plants are nearby, between 10km and 35km away.**

Magnetic Resources NL is pleased to announce Maiden Mineral Resource Estimates from its deposits in the Laverton and Homeward Bound area. The main deposits include HN9, Lady Julie Central, Lady Julie North 4, Mount Jumbo East and Homeward Bound South, which are all located in an area with well-endowed regional infrastructure including three processing plants within 35kms (Figure 4).

The verification and reporting of Mineral Resources on behalf of the Company was completed by its JORC Competent Person, Mr L Widenbar of Widenbar & Associates. The Mineral Resources Estimate has been prepared and reported in accordance with the 2012 Edition of the JORC Code.

Total Mineral Resources reported for the Laverton and Homeward Bound South projects is 13.1Mt @ 1.22g/t Au at 0.5g/t cut-off totaling 511,000oz of gold (See table 2 below), with 49% of the resources within 50m of the surface and a further 38% from 50 to 100m of the surface. Open-pit optimization studies show up to 87% of the contained gold is constrained using a gold price of up to AUD\$2,600.

Managing Director George Sakalidis commented:

“The Maiden Mineral Resource Estimate is a significant milestone for Magnetic Resources with the exceptionally shallow nature of the resources and location of the deposits in the heart of the Laverton and Leonora regions auguring well for strong economics from future development. The Lady Julie 4 Resource is still open at depth and to the SSE, and we are still eagerly awaiting the results from the recent 2,796m / 17 RC hole program.

A core focus for the company going forward will now be to complete project studies to define the development and production opportunities that these Resources bring, in parallel to continued exploration and review of strategic opportunities which we continue to pursue with the support of Jefferies.”

The Tables below summarise the Total Mineral Resource at a 0.5g/t cut off (Table 2), the Total Mineral Resources for each Deposit at a 0.5g/t Au (Table 3), the proportion of Indicated and Inferred for each Deposit at a 0.5g/t cut off (Table 4), and the Total Mineral Resources at various cut offs. (Table 5).

Table 2. Total Mineral Resource at 0.5 g/t Au Cut off

Classification	Au Cutoff	Volume	Tonnes	Density	Au	Ounces
Indicated	0.50	2,186,000	5,606,000	2.56	1.25	225,700
Inferred	0.50	2,892,000	7,468,000	2.58	1.19	285,600
Total	0.50	5,079,000	13,074,000	2.57	1.22	511,000

Figure 4. Overview of Magnetic's Laverton and Homeward Bound South Resources

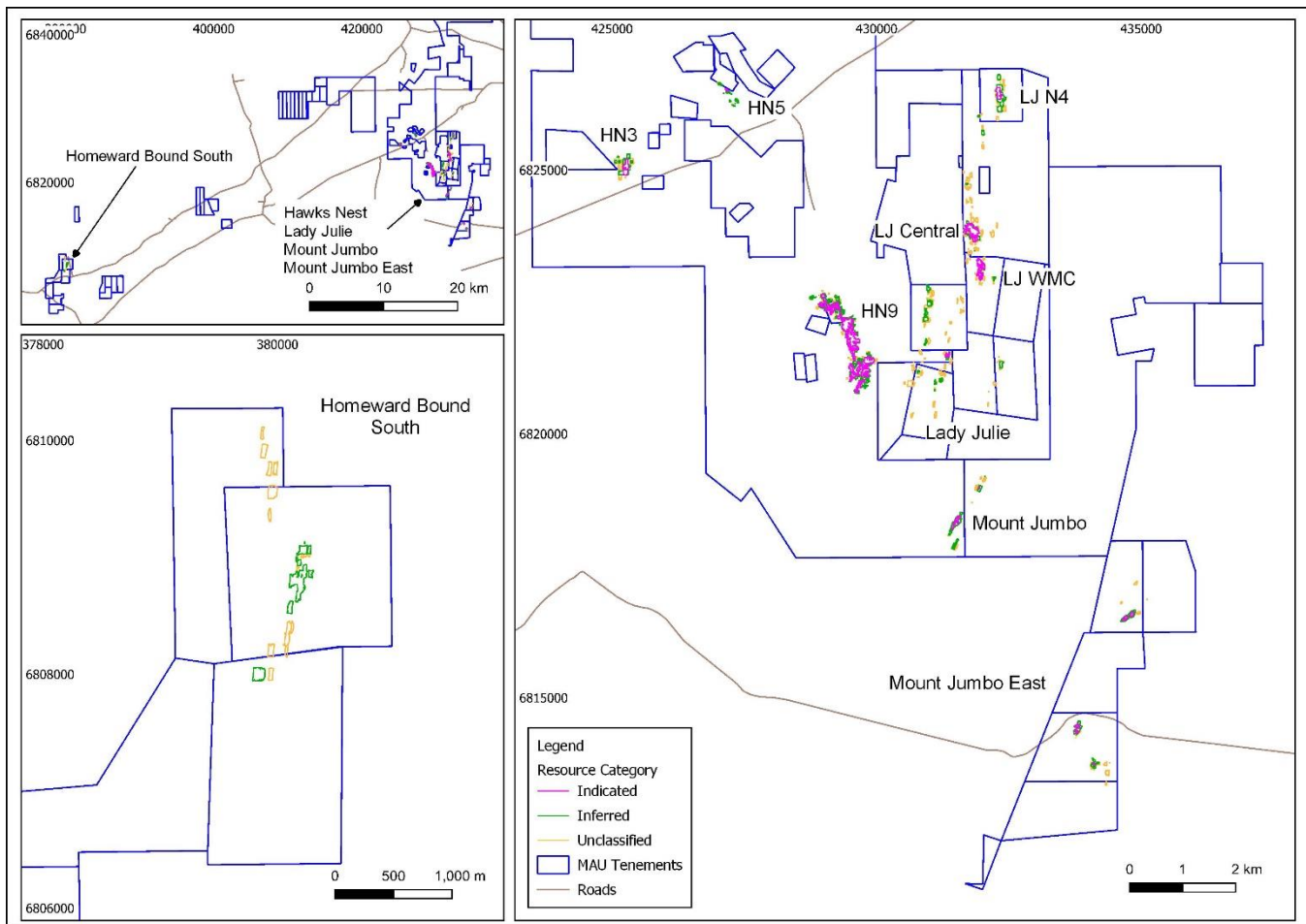


Table 3. Total Mineral Resource by Deposit at 0.5 g/t Au Cutoff

Deposit	Classification	Au Cutoff	Volume	Tonnes	Density	Au	Ounces
HN9	Indicated	0.50	792,000	1,995,000	2.52	1.29	82,800
Lady Julie	Indicated	0.50	1,084,000	2,816,000	2.60	1.32	119,700
HN3	Indicated	0.50	139,000	357,000	2.58	0.72	8,300
HN5	Indicated	0.50	3,800	8,400	2.23	1.59	430
Mt Jumbo	Indicated	0.50	168,000	429,000	2.55	1.05	14,500
Homeward Bound South	Indicated	0.50	0	0	0.00	0.00	0
HN9	Inferred	0.50	460,000	1,182,000	2.57	1.25	47,600
Lady Julie	Inferred	0.50	1,021,000	2,670,000	2.62	1.21	104,100
HN3	Inferred	0.50	95,000	243,000	2.57	0.85	6,600
HN5	Inferred	0.50	17,900	43,700	2.44	0.76	1,060
Mt Jumbo	Inferred	0.50	736,000	1,887,000	2.57	1.16	70,500
Homeward Bound South	Inferred	0.50	563,000	1,442,000	2.56	1.20	55,600
HN9	Total	0.50	1,252,000	3,176,000	2.54	1.28	130,000
Lady Julie	Total	0.50	2,105,000	5,486,000	2.61	1.27	224,000
HN3	Total	0.50	233,000	600,000	2.57	0.77	15,000
HN5	Total	0.50	21,600	52,100	2.41	0.89	1,500
Mt Jumbo	Total	0.50	904,000	2,316,000	2.56	1.14	85,000
Homeward Bound South	Total	0.50	563,000	1,442,000	2.56	1.20	56,000

Table 4. Proportion of Indicated and Inferred by Deposit at 0.5 g/t Cutoff

Deposit	Classification	Indicated	Inferred
HN9	Total	63%	37%
Lady Julie	Total	51%	49%
HN3	Total	60%	41%
HN5	Total	16%	84%
Mt Jumbo	Total	19%	81%
Homeward Bound South	Total	0%	100%
Total	Total	43%	57%

Table 5. Total Mineral Resource at Various Cut offs

Classification	Au Cutoff	Volume	Tonnes	Density	Au	Ounces
Indicated	1.00	953,000	2,438,000	2.56	1.94	152,400
Indicated	0.90	1,122,000	2,870,000	2.56	1.79	165,600
Indicated	0.80	1,331,000	3,405,000	2.56	1.65	180,200
Indicated	0.70	1,581,000	4,048,000	2.56	1.50	195,700
Indicated	0.60	1,879,000	4,820,000	2.56	1.37	211,800
Indicated	0.50	2,186,000	5,606,000	2.56	1.25	225,700
Indicated	0.40	2,414,000	6,194,000	2.57	1.18	234,300
Indicated	0.30	2,591,000	6,653,000	2.57	1.12	239,500
Inferred	1.00	1,236,000	3,222,000	2.61	1.82	188,000
Inferred	0.90	1,450,000	3,773,000	2.60	1.69	204,800
Inferred	0.80	1,728,000	4,494,000	2.60	1.55	224,500
Inferred	0.70	2,053,000	5,325,000	2.59	1.43	244,500
Inferred	0.60	2,451,000	6,339,000	2.59	1.30	265,600
Inferred	0.50	2,892,000	7,468,000	2.58	1.19	285,600
Inferred	0.40	3,316,000	8,561,000	2.58	1.09	301,400
Inferred	0.30	3,588,000	9,261,000	2.58	1.04	309,300
Total	1.00	2,189,000	5,659,000	2.59	1.87	340,000
Total	0.90	2,571,000	6,644,000	2.58	1.73	370,000
Total	0.80	3,059,000	7,898,000	2.58	1.59	405,000
Total	0.70	3,635,000	9,373,000	2.58	1.46	440,000
Total	0.60	4,330,000	11,158,000	2.58	1.33	477,000
Total	0.50	5,079,000	13,074,000	2.57	1.22	511,000
Total	0.40	5,731,000	14,756,000	2.57	1.13	536,000
Total	0.30	6,178,000	15,914,000	2.58	1.07	549,000

The Key Deposits, Lady Julie North Central, Lady Julie North 4 and HN9 are summarised below:

Lady Julie North Central

The Lady Julie Central (Indicated and Inferred) Resource of 1.6 Mt at 1.48 g/t for 75,000 oz is 400m by 200m in area (Figure 5) and is predominately an Indicated Category (90%). There are some thicker intersections including a number of intersections that start from surface (Figures 5-6). There is a significant Exploration Target starting at the north side of Lady Julie Central Resource that extends within a 1km distance (Figure 5) and comprises most of the Exploration Target in the Lady Julie area of 1.6Mt to 2.2Mt at 0.9g/t to 1.2g/t Au for 67,000oz to 83,000oz. This Exploration Target is considered reasonable as it extends from known mineralisation at Lady Julie Central with a number of intersections within the 1km length to the north where there is an expectation of further intersections.

In accordance with Clause 18 of JORC, the Exploration Targets and the potential quantity and grade is conceptual in nature, and there has been insufficient exploration to estimate a Mineral

Resource increase and it is uncertain that further exploration will result in the estimation of an increased Mineral Resource.

Figure 5. Lady Julie North Central plan showing Resource Categories and max gold to surface

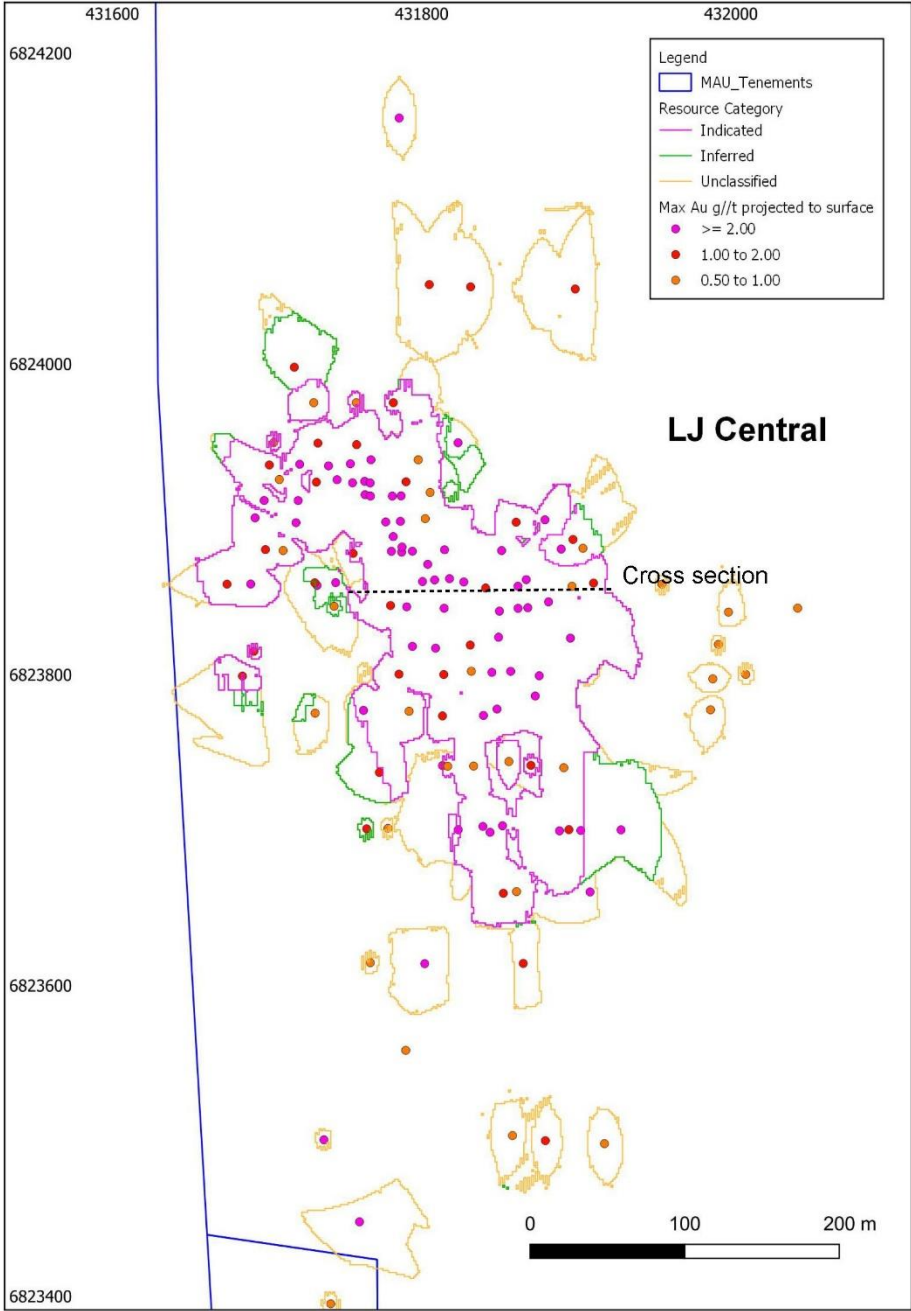
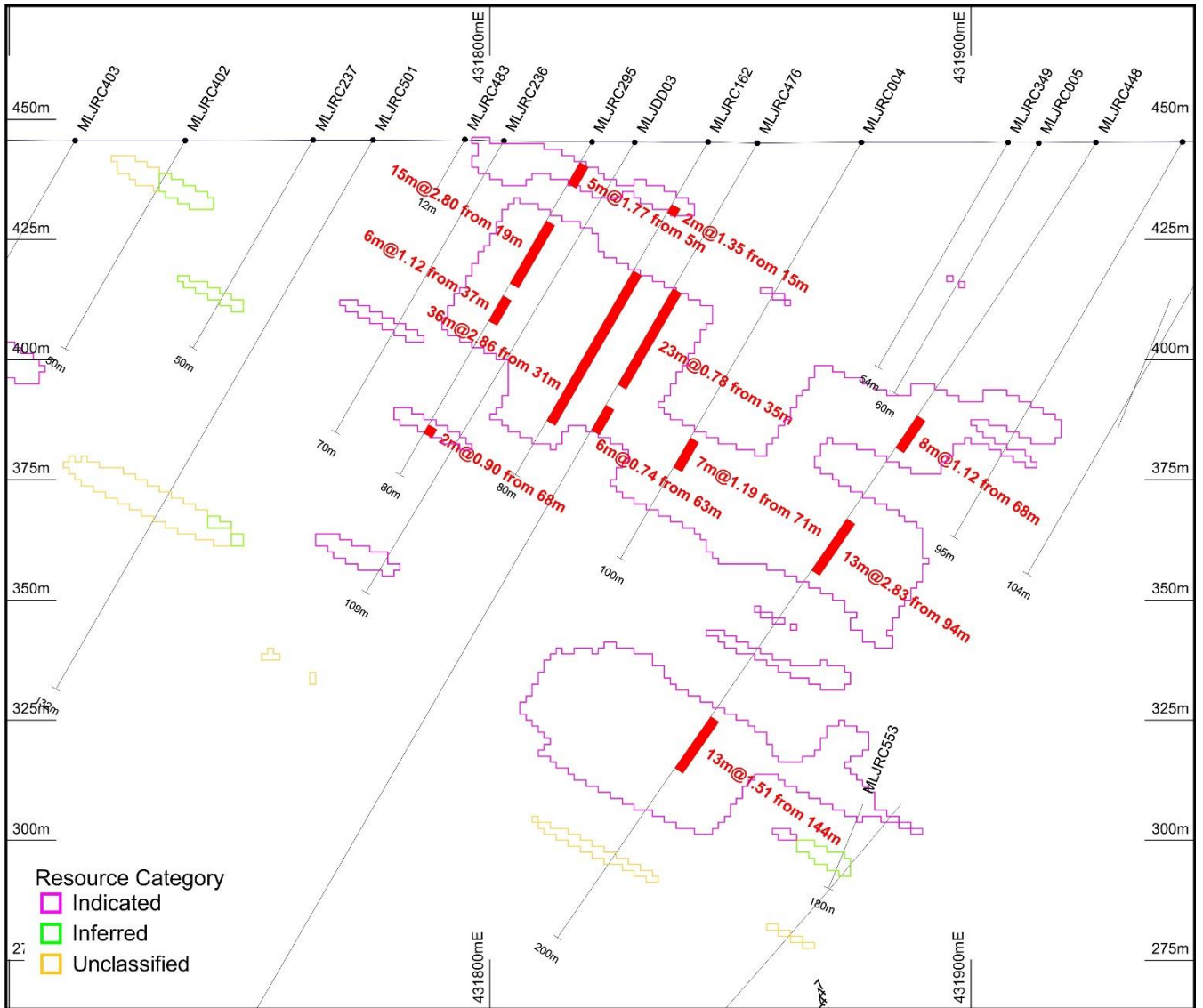


Figure 6. Lady Julie North Central cross section showing Resource Categories and main gold intersections



Lady Julie North 4 Resource

The Lady Julie 4 (Indicated and Inferred) Resource of 2.7 Mt at 1.27 g/t for 109,000 oz covers an 850m x150m area and is open down dip and to the E and SSE, which augers well for the potential size. The SSE direction is associated with a sinistral fault where the mineralisation is interpreted to be to the east of the main NS trend of the deposit (Figures 7-8). A more detailed map is within ASX release of 30 May 2022. This resource is partly in the Indicated Category (28%) and is being infill drilled with a programme of 17 RC holes for 2,796m with most of these holes aiming to extend the mineralisation at depth and to test the SSE extension (Figure 7).

Figure 7 Lady Julie North 4 plan showing Resource Categories and max gold to surface

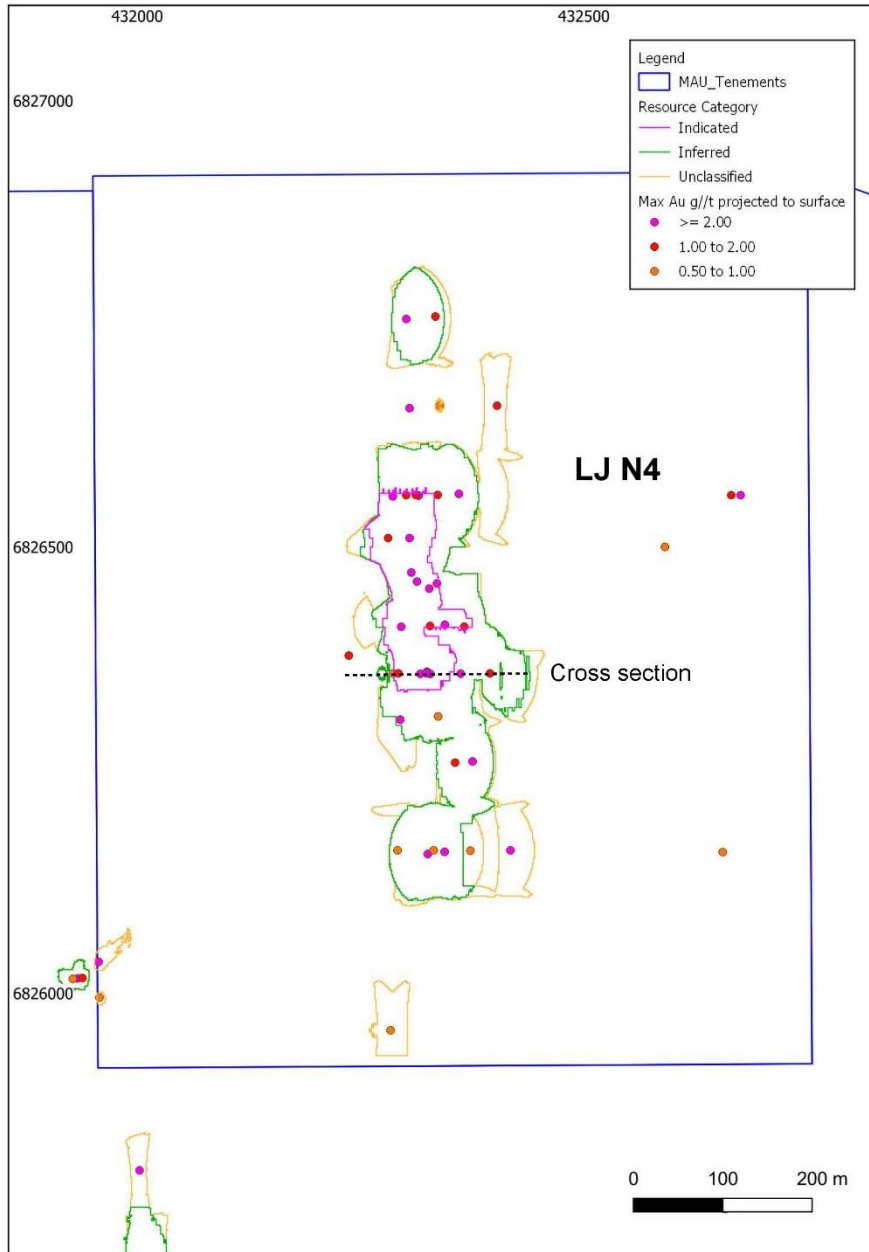
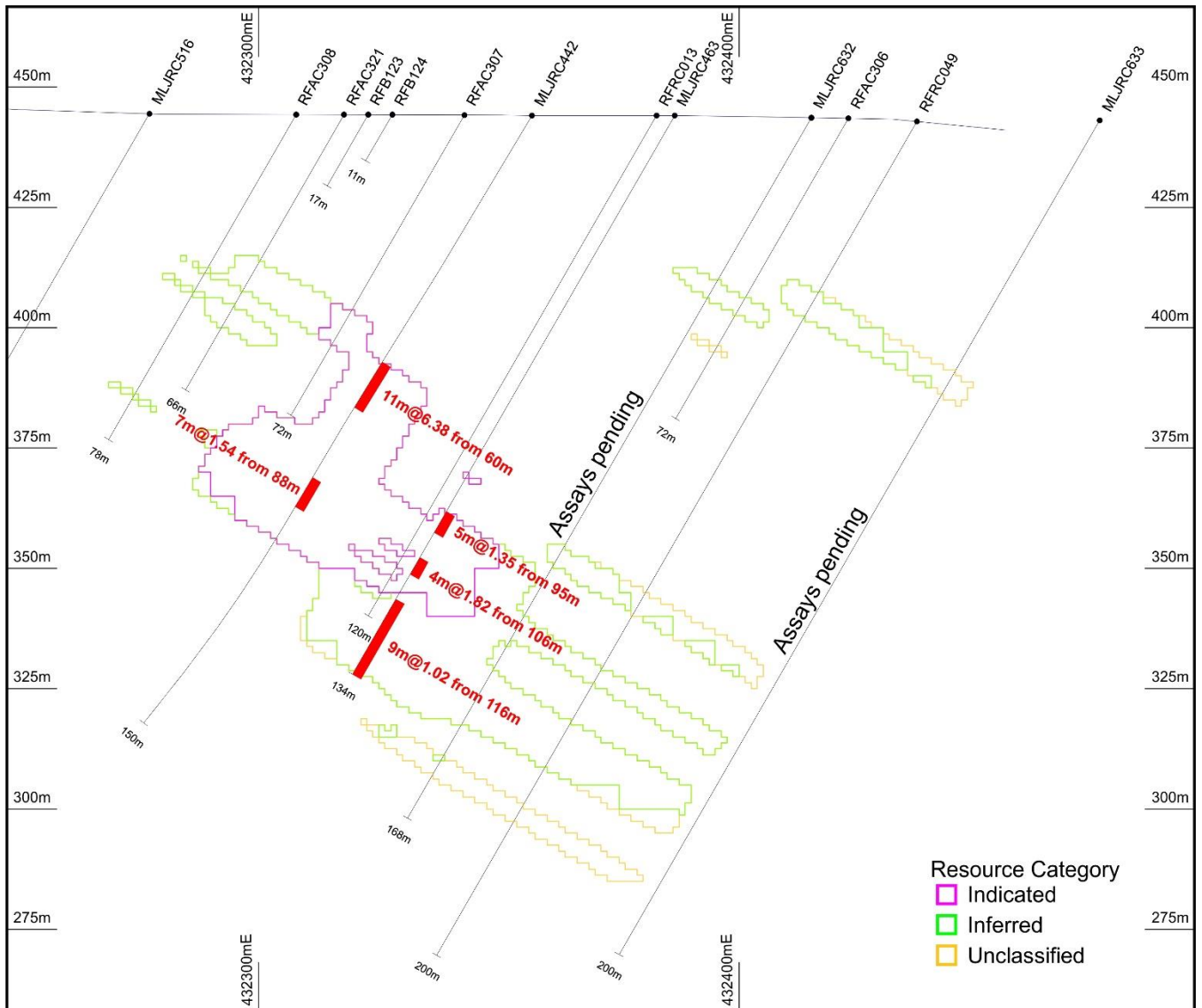


Figure 8. Lady Julie North 4 cross section showing Resource Categories and main gold intersections with additional holes that have assays pending



Hawks Nest 9 Resource

The HN9 (Indicated and Inferred) Resource of 3.2 Mt at 1.28 g/t for 130,000 oz is contained within three main zones within a 2km x 250m wide area (Figures 9-11) and is largely within the Indicated Category (63%). There are a number of zones that remain open to the NE and at depth especially in the central thickened zone, at the southern end of the HN9 deposit, which trends to the NE. This depth extent of HN9 is supported by the deep-seated thrust zones identified by the shallow 2D seismic completed in early 2021.

Figure 9. HN9 plan showing Resource Categories and max gold to surface

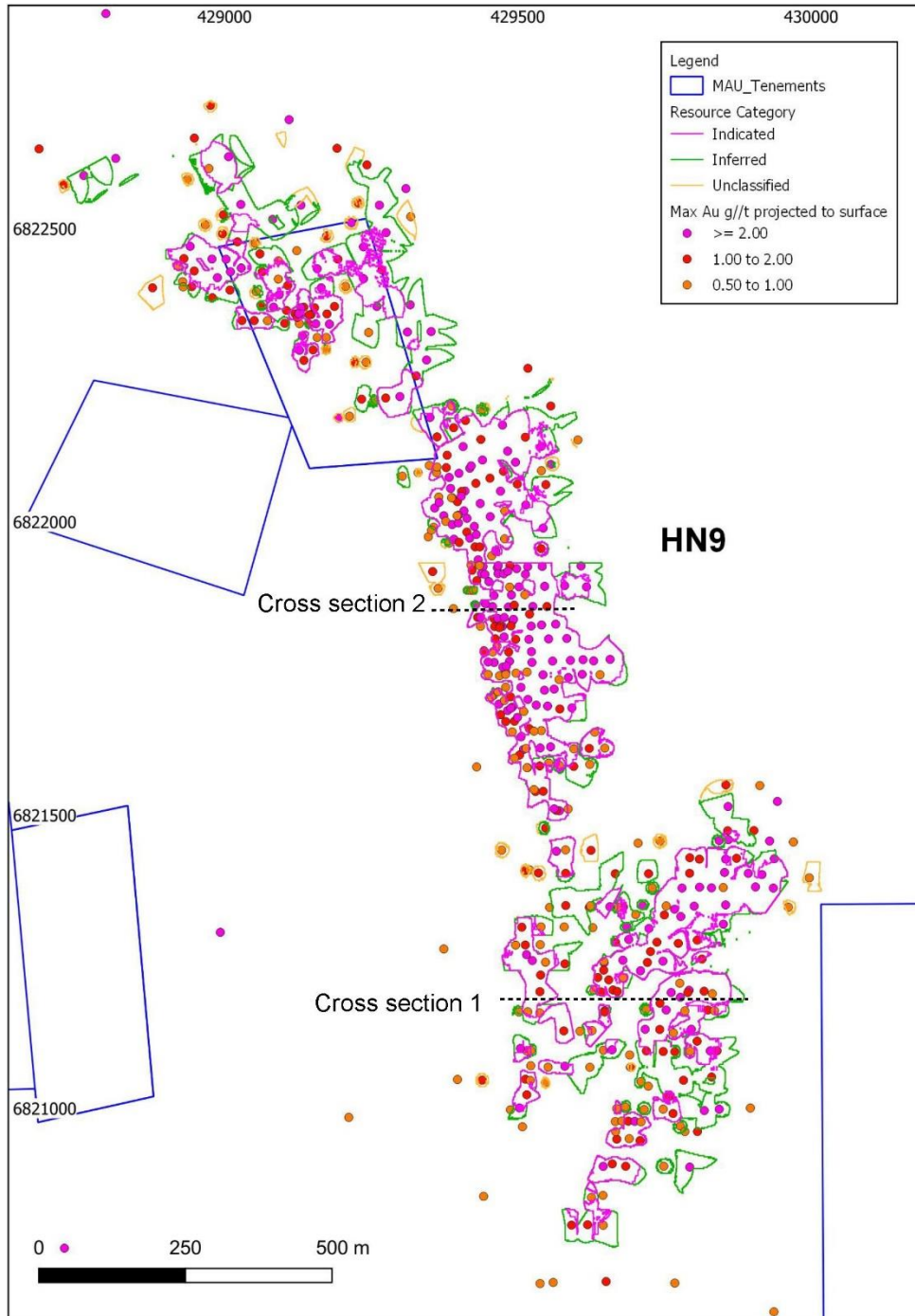
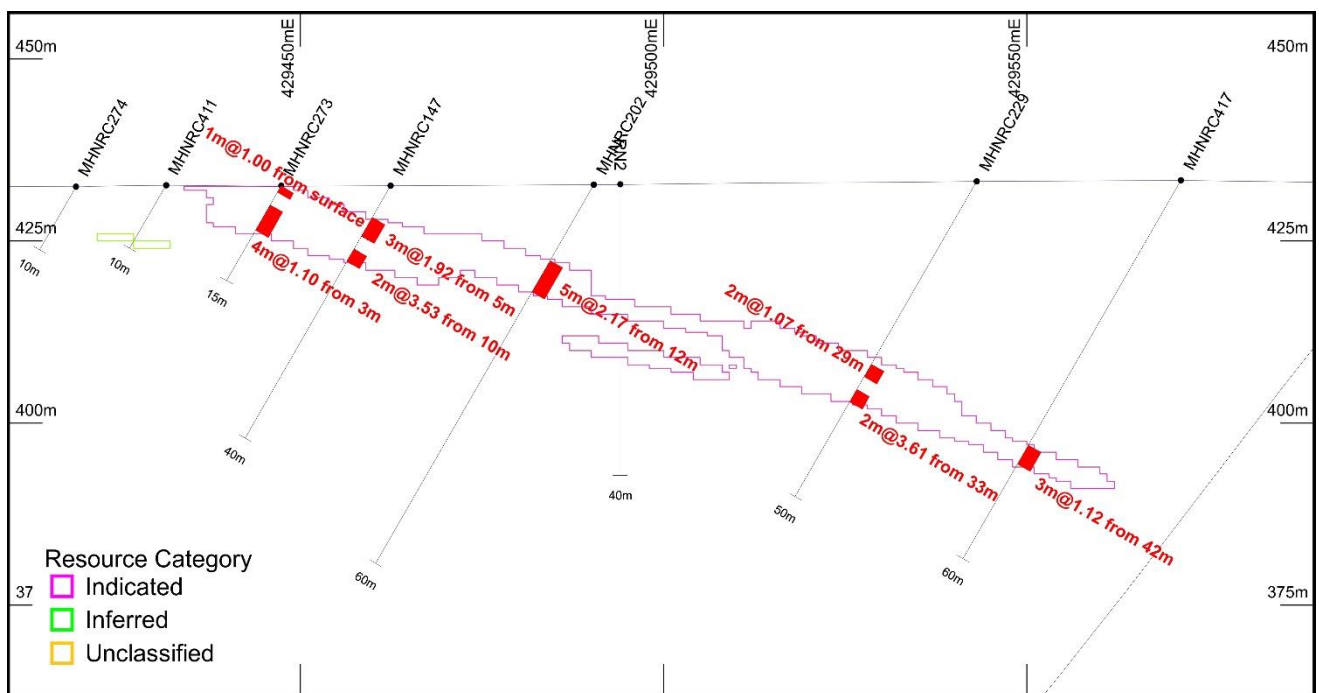


Figure 10. HN9 cross section 1 showing Resource Categories and main gold intersections



Figure 11. HN9 cross section 2 showing Resource Categories and main gold intersections



Technical Summary of the Mineral Resource Estimate

Drilling at the various deposits has been by a variety of methods, and the drill holes used in the modelling of each deposit are summarised below. In general, all holes are used to assist in geological

interpretation, while DDH (Diamond), RC (Reverse Circulation) and RAB (Rotary Air Blast) are used for grade estimation.

Deposit	Total Metres	Number of Holes
Hawks Nest 9	43,251	748
Lady Julie	84,096	1,378
Hawks Nest 3	6,262	115
Hawks Nest 5	4,395	103
Mount Jumbo	24,591	373
Homeward Bound S	11,439	413
Total	174,034	3,130

Drill Hole Summary

Historical drilling generally used RAB and Air Core (AC) drilling for initial exploration with most follow up and infill work being carried out using RC. Magnetic has used RC for its recent drilling programs at HN9 and Lady Julie.

Bulk 1 metre samples were obtained from the drilling, from which composite 4m samples were prepared by spear sampling of the bulk 1m samples. 3kg of the composite sample was pulverized to produce a 50g charge for fire assay for gold. The assay results of the composite samples are used to determine which 1m samples from the rig's cyclone and splitter are selected for fire assay using the same method.

One metre RC samples are assayed using a 50g charge and a fire assay method with an AAS finish which is regarded as appropriate. The technique provides an estimate of the total gold content.

Industry standard standards and duplicates are used by the NATA registered laboratory conducting the analyses.

Primary data is entered into an in-house database and checked by Magnetic's database manager. The data is subsequently exported to Micromine format files and imported into Micromine 2022 software for further validation, statistical analysis and resource estimation.

There are two major mineralisation styles in the Laverton-Leonora deposits:

- quartz veining and stock working in the porphyries, and
- shear-hosted quartz veins on porphyry-amphibolite contacts

The porphyry bodies at HN9 have been modelled to provide a guide to the modelling of the mineralisation.

A Categorical Indicator Modelling methodology was adopted to define mineralised domains at all deposits; this used an intersection calculation algorithm to generated mineralised intersections.

The intersections generated by this process were merged back into the 1m composite data and used to generate an indicator block model using inverse distance squared interpolation.

The 1m composite data is then flagged with the mineralisation domains defined from the indicator model, and statistical analysis and variography is carried out within these domains on a deposit basis; most deposits are sub-divided into local areas with common orientations and characteristics.

These domains are individually estimated using an Ordinary Kriging interpolation technique.

Model validation has been carried out by comparison of average grades of models and drill hole data, visual examination of models vs drill hole data on section and plan, and swathe plots. All methods have shown good agreement between models and data.

The Mineral Resources have been classified in the Indicated and Inferred categories, in accordance with the 2012 Australasian Code for Reporting of Mineral Resources and Ore Reserves (JORC Code).

A range of criteria has been considered in determining this classification including:

- Geological continuity;
- Data quality;
- Drill hole spacing;
- Modelling technique;
- Estimation properties including search strategy, number of informing data and average distance of data from blocks.

The final resource classification methodology incorporated review of a number of parameters derived from the kriging algorithms in combination with drill hole spacing and continuity and size of mineralised domains.

The Indicated and Inferred Mineral Resources have been reviewed with respect to whether there are reasonable expectations of extraction of the resource by way of conventional open pit methods. This has been done by carrying out pit optimisations using typical West Australian gold mining and processing costs and gold prices of \$2,600 per ounce and processing cost of \$25/tonne and metallurgical recovery of 95%. This results in the recovery of 83% of the tonnes and 87% of the metal contained within the total Indicated and Inferred Mineral Resource. (Using \$2,600). It is considered by the CP that this justifies the reporting of the total Indicated and Inferred Mineral Resource.

The parameters of the optimisation result in a break-even cut-off grade of between 0.33 and 0.36; reporting has been done at 0.4 and 0.5 gm/t cut-offs and a fuller range of cut-offs has been reported along with grade-tonnage curves to illustrate the distribution of gold grades within the deposit.

Nickel-Cu-PGE Projects

Four separate projects totaling 322sq.km including Benjaberring E70/5537, Trayning E70/5534, Goddard E70/5538 and Korrelocking ELA70/5771 (Figure 12) are held 100% by Magnetic Resources starting from 90km out to 150km northeast of Chalice Gold Mines Limited's Julimar Ni-Pd Discovery.

These projects were selected based on aeromagnetic interpretation after noting the structural setting of the Julimar complex and the Gonneville mineralised discrete magnetic mineralised Ni-Cu-PGE rich intrusion. The Julimar discovery in March 2020 has led to a massive pegging rush covering 30,000 sq. km. The Julimar Intrusive Complex flags the existence of a new and unexplored West Yilgarn Ni-Cu-PGE Province along the western margin of the Archean Yilgarn Craton. Access to various targets throughout the four tenements is ongoing and currently there is access to the Trayning Project.

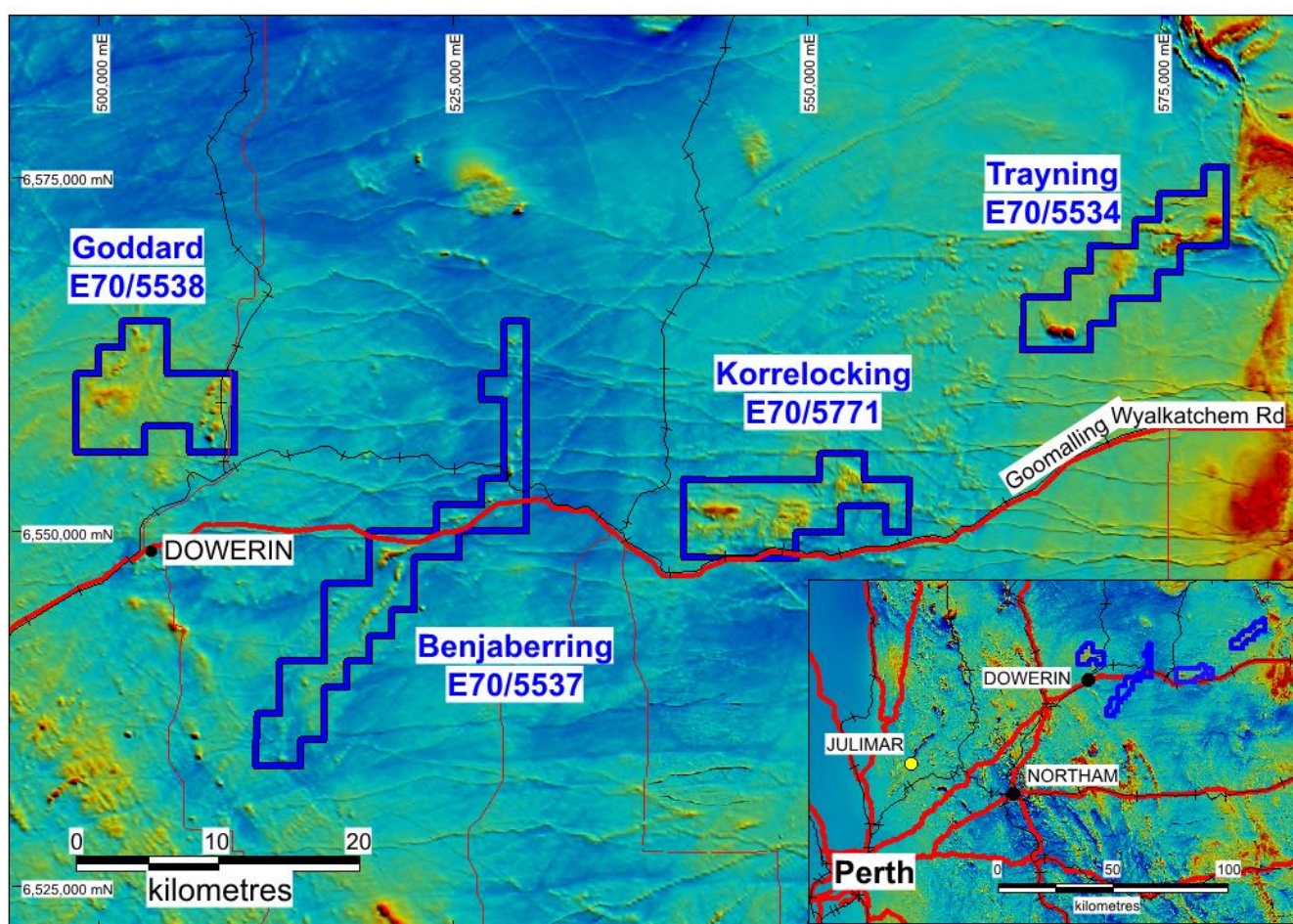


Figure 12. Coverage of Magnetics four projects NE of Julimar overlaid on the regional aeromagnetics

Benjaberring E70/5537

The 111sq. km Benjaberring Project has a large 25km long sinuous aeromagnetic pattern that trend in a NE and N direction and is very similar to the Julimar trends and structures as shown in Figure 13. Several thickened zones have been Identified (shown as circles in Figure 14), which represent possible feeder areas for potential Ni-Cu-PGE mineralisation.

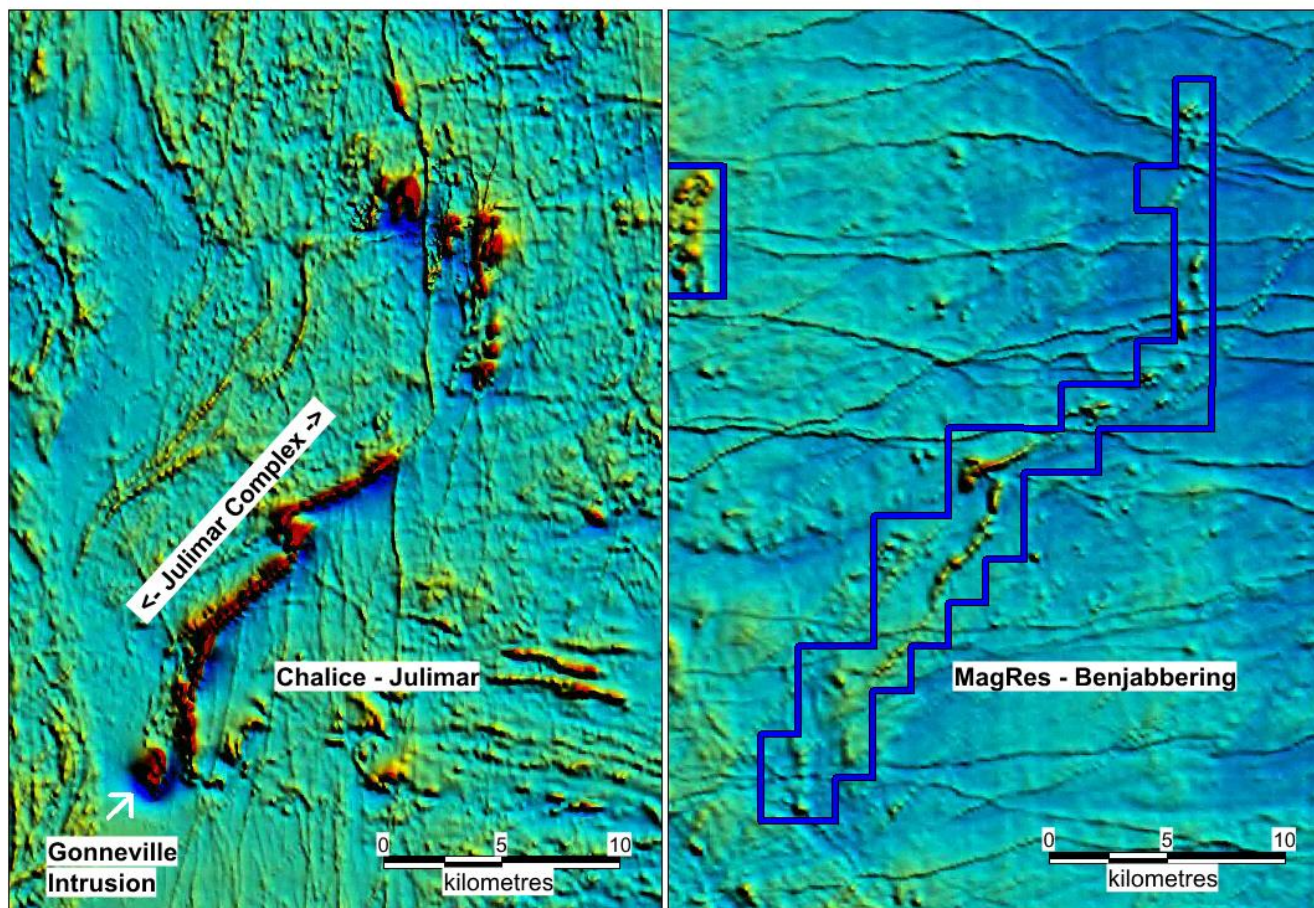


Figure 13. Regional Aeromagnetics comparing the Julimar intrusion held by Chalice and Magnetic's Benjaberring area. The length of the magnetic trends is around 25km in both areas.

These target areas will be followed up in the field with initial roadside drilling and subsequent more detailed AC drilling after access agreements with landowners are finalized.

The geology at Julimar comprises a 26km-long layered mafic-ultramafic sill which at its southern end (Gonneville) dips at 45°W with a flat northerly plunge. The main host at Gonneville is serpentinite, with only limited gabbro evident on the drill sections. Although the new Hartog area is to the north of the Gonneville magnetic intrusion and is expected to have less magnetic mafic rocks associated.

At Benjaberring bedrock outcrops are sparse, most of the area being covered with Quaternary aeolian, alluvial and colluvial deposits overlying Tertiary sand and rare laterite. The sinuous aeromagnetics is interpreted to be caused by a mafic unit under cover.

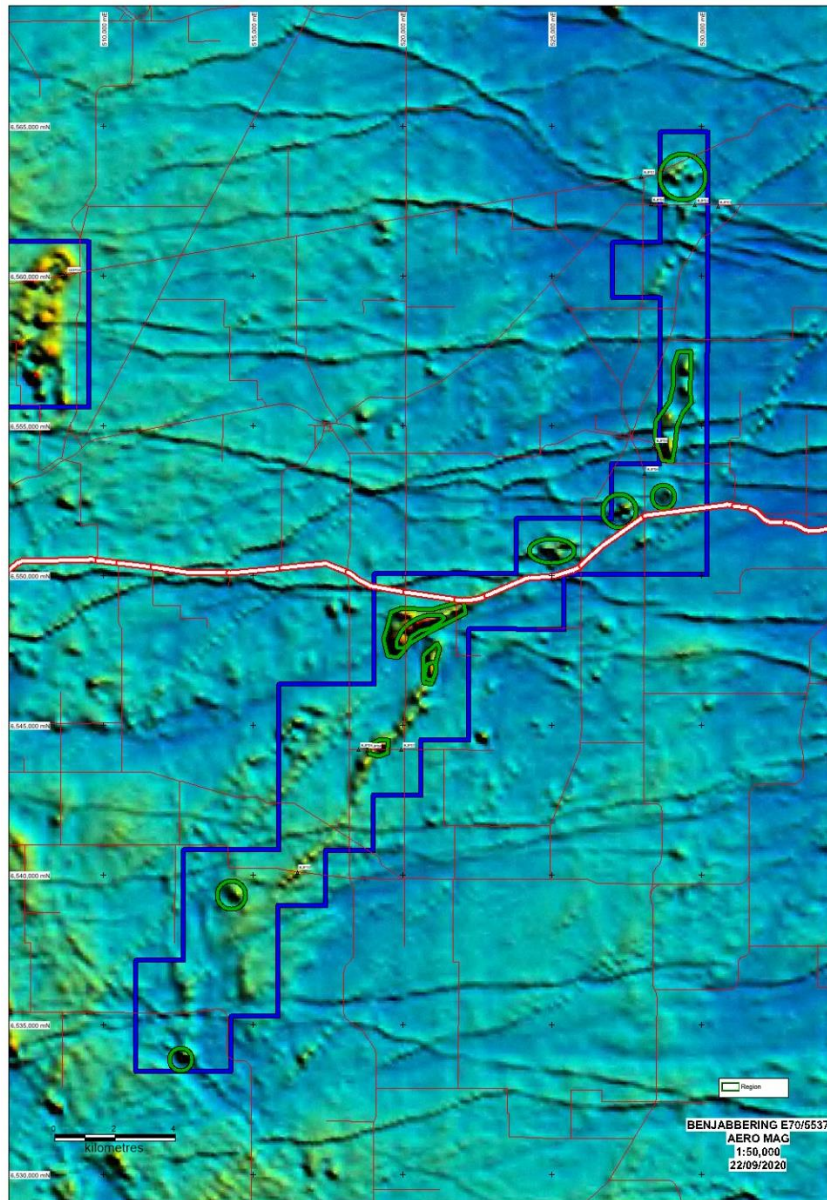


Figure 14. Benjaberring Project showing sinuous aeromagnetic trend with circled areas representing potential thickened zones and targets for Ni-Pd mineralisation

Other Projects

The Company actively reviews other projects and tenements for acquisition and development within the Leonora–Laverton region.

Iron Ore

The Company has an agreement signed with Northam Iron Pty Ltd (now Northam Resources Pty Ltd) regarding the sale of the Company's iron ore assets, with the agreement providing for further payments totalling \$500,000 and a sliding scale royalty with payments starting at \$0.25/t for a sale price of \$80.00/t or less, and thereafter, for every increase in the sale price of \$10.00/t

Corporate

No significant corporate events happened during the quarter.

Post the quarter end, the Company announced a capital raising of \$1.1m on 13 July 2022.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.

This announcement has been authorised for release by Managing Director George Sakalidis.

For more information on the company visit www.magres.com.au

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The information in this report is based on information compiled by George Sakalidis BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. George Sakalidis is a Director of Magnetic Resources NL. George Sakalidis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. George Sakalidis consents to the inclusion of this information in the form and context in which it appears in this report.

The Information in this report that relates to:

1. Promising 200m wide 0.7g/t soil geochemistry associated with extensive 1km long NS porphyries at newly named Hawks Nest 9. MAU ASX Release 15 October 2018
2. 1.1km NNW Mineralised Gold Intersections at HN9. MAU ASX Release 7 November 2018
3. Surface drilled Mineralisation extends to significant 1.5km at HN9. MAU Release 20 November 2018
4. Hawks Nest Delivers with 8m@4.2g/t Gold from 4m MAU Release 29 January 2018
5. Robust Near Surface High-grade Zone of 7m @ 4.5g/t Gold from 5m from 1m splits. MAU Release 5 March 2018
6. Hawks Nest Geochemical Survey Outlines Potential Extensions to the Prospective 7m @ 4.5g/t Gold Intersected. MAU Release 20 March 2018
7. An 865m RC drilling programme started testing promising 7m at 4.5g/t gold and eight separate anomalous soil geochemical targets at HN5. MAU Release 10 May 2018
8. Large Gold Mineralised Shear Zone Greater Than 250m at Hawks Nest 5. MAU Release 9 June 2018
9. Gold Geochemical Target Zone Grows to Significant 2km in Length at HN9. MAU Release 7 January 2019
10. Significant 2km Gold Target is open to the East on 83% of the 24 Lines Drilled at HN9. MAU Release 4 February 2019
11. Significant 2.1km Gold Target Still open to North, South, East and at Depth. MAU Release 25 March 2019
12. Gold Target Enlarged By 47% to Significant 3.1km and is still open to the North, East and at Depth. MAU Release 22 May 2019
13. HN9 Prospective Zone Enlarged by 170% with Lady Julie Tenements. MAU Release 24 June 2019
14. 200m-Wide Gold Zone Open to The Northeast and Very Extensive Surface Gold Mineralisation Confirmed at HN9 Laverton. MAU Release 27 June 2019
15. 200m Wide Gold Zone Open to the North and New 800m Anomalous Gold Zone defined at HN9 Laverton. MAU Release 4 September 2019
16. Highest Grades Outlined at HN9 and are being Followed Up and Lady Julie Shallow Drilling Commencing Shortly. MAU Release 14 October 2019
17. Central Part of HN9 Shows Significant Thickening of The Mineralised Zone to 28m. MAU Release 28 November 2019
18. Multiple Silicified Porphyry Horizons from Deep Drilling and 57m Mineralised Feeder Zone at MAU Release 17 January 2020
19. Very High-Grade Intersection of 4m at 49g/t Adjacent to 70m Thick Mineralised Feeder Zone MAU Release 5 February 2020
20. 20 km of thickened porphyry units outlined by ground magnetic interpretation at Hawks Nest 9. MAU Release 9 March 2020
21. Further Thick Down Plunge Extensions and NW Extension Shown up at HN9. MAU Release 18 May 2020
22. Four Stacked Thickened Porphyry Lodes at HN9. MAU Release 3 August 2020
23. High-Grade Intersections in Thickened Zone at HN9. MAU Release 18 September 2020

24. Follow up of 16m at 1.16g/t gold from 64m at Lady Julie MAU Release 2 November 2020
25. Shallow Seismic searching for multiple thickened lodes MAU Release 16 November 2020
26. New thickened zone in southern part of Hawks Nest 9. MAU Release 1 December 2020
27. Two RC rigs now operating at HN9 and Lady Julie. MAU Release 11 January 2021
28. Nine gold targets defined over 14km at HN5, HN6, HN9 and Lady Julie MAU Release 3 June 2021
29. Lady Julie Delivers with best wide intersection of 38m at 3.6g/t gold from 32m MAU Release 23 June 2021
30. Lady Julie North expanded to 4.6km with addition of P38/4170 MAU Release 8 July 2021.
31. Multiple thick and high-grade zones located at Lay Julie MAU Release 16 August 2021
32. Multiple thick high-grade intersections from surface located at Lady Julie MAU Release 14 September 2021
33. Thick high-grade intersections are open to the SE at Lady Julie MAU Release 22 October 2021
34. Thick high-grade intersections at Lady Julie4 MAU Release 17 November 2021
35. Homeward Bound South shapes up with 20m at 3g/t from 64m MAU Release 28 November 2021
36. Thick high-grade intersections and very high-grade vertical shoots at Lady Julie MAU Release 10 January 2022
37. Strategic Review MAU Release 27 January 2022
38. Thicker intersections continue to grow Lady Julie 1 and 4 and Homeward Bound MAU Release 21 February 2022
39. Ten new high priority targets and thick intersections at Lady Julie MAU Release 12 April 2022
40. Second parallel mineralised structure at Lady Julie Central MAU release 11 May 2022
41. Lady Julie North 4 delivers with thick intersections. MAU release 30 May 2022.
42. Maiden Mineral Resource Estimate. MAU Release 27 June 2022.
43. Best Thick intersection 56m at 2.2g/t Au from 96m at Lady Julie North 4. MAU release 20 July 2022.

All of which are available on www.magres.com.au

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Tenement Schedule in accordance with ASX Listing Rule 5.3.3

Tenements held at the end of the Quarter

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E70/3536	Granted	JUBUK	-	Royalty Retained
WA	E70/4243	Granted	RAGGED ROCK	-	Royalty Retained
WA	E70/4508	Granted	KAURING	-	Royalty Retained
WA	E70/4692	Granted	MT JOY	-	Royalty Retained
WA	E70/5276	Granted	KAURING	-	Royalty Retained
WA	E70/5277	Granted	KAURING	-	Royalty Retained
WA	E37/1331	Granted	MALCOLM	100%	2% Royalty Retained
WA	E37/1419	Granted	MALCOLM	100%	2% Royalty Retained
WA	E37/1367	Granted	MELITA	100%	2% Royalty Retained
WA	P37/8905	Granted	RAESIDE EAST	100%	2% Royalty Retained
WA	P37/8906	Granted	RAESIDE EAST	100%	2% Royalty Retained
WA	P37/8907	Granted	RAESIDE EAST	100%	2% Royalty Retained
WA	P37/8908	Granted	RAESIDE EAST	100%	2% Royalty Retained
WA	P37/8909	Granted	BRAISER	100%	2% Royalty Retained
WA	P37/8910	Granted	BRAISER	100%	2% Royalty Retained
WA	P37/8911	Granted	BRAISER	100%	2% Royalty Retained
WA	P37/8912	Granted	BRAISER	100%	2% Royalty Retained
WA	P37/9204	Granted	MALCOLM	100%	2% Royalty Retained
WA	P37/9205	Granted	MALCOLM	100%	2% Royalty Retained
WA	P37/9206	Granted	MALCOLM	100%	2% Royalty Retained
WA	P37/9207	Granted	MALCOLM	100%	2% Royalty Retained
WA	E37/1177	Granted	MERTONDALE	100%	100%
WA	E37/1258	Granted	MERTONDALE	100%	100%
WA	E37/1303	Granted	NAMBI	100%	100%
WA	P37/8687	Granted	CHRISTMAS WELL	100%	100%
WA	P37/8688	Granted	CHRISTMAS WELL	100%	100%
WA	P37/8689	Granted	CHRISTMAS WELL	100%	100%
WA	P37/8690	Granted	CHRISTMAS WELL	100%	100%
WA	P37/8692	Granted	CHRISTMAS WELL	100%	100%
WA	P37/8693	Granted	CHRISTMAS WELL	100%	100%
WA	P37/8694	Granted	CHRISTMAS WELL	100%	100%
WA	E38/3100	Granted	MT JUMBO	100%	100%
WA	E38/3127	Granted	HAWKS NEST	100%	100%
WA	E38/3205	Granted	HAWKS NEST EAST	100%	100%
WA	E38/3209	Granted	MT AJAX	100%	100%
WA	M38/1041	Granted	NICHOLSON WELL	100%	100%
WA	P38/4126	Granted	HN9 WEST	100%	100%
WA	P38/4170	Granted	DEFIANT BORE	100%	100%
WA	P38/4317	Granted	MT JUMBO EAST	100%	100%
WA	P38/4318	Granted	MT JUMBO EAST	100%	100%
WA	P38/4319	Granted	MT JUMBO EAST	100%	100%
WA	P38/4320	Granted	MT JUMBO EAST	100%	100%

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	P38/4321	Granted	MT JUMBO EAST	100%	100%
WA	P38/4322	Granted	MT JUMBO EAST	100%	100%
WA	P38/4323	Granted	MT JUMBO EAST	100%	100%
WA	P38/4324	Granted	MT JUMBO EAST	100%	100%
WA	P38/4346	Granted	LADY JULIE	100%	100%
WA	P38/4379	Granted	LADY JULIE	100%	100%
WA	P38/4380	Granted	LADY JULIE	100%	100%
WA	P38/4381	Granted	LADY JULIE	100%	100%
WA	P38/4382	Granted	LADY JULIE	100%	100%
WA	P38/4383	Granted	LADY JULIE	100%	100%
WA	P38/4384	Granted	LADY JULIE	100%	100%
WA	P39/5594	Granted	KOWTAH	100%	100%
WA	P39/5595	Granted	KOWTAH	100%	100%
WA	P39/5596	Granted	KOWTAH	100%	100%
WA	P39/5597	Granted	KOWTAH	100%	100%
WA	P39/5617	Granted	KOWTAH EAST	100%	100%
WA	P37/9144	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5455	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5928	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5929	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5932	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5933	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5934	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/6175	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	E39/2125	Granted	LITTLE WELL	100%	100%
WA	P39/6134	Granted	LITTLE WELL	100%	100%
WA	P39/6135	Granted	LITTLE WELL	100%	100%
WA	P39/6136	Granted	LITTLE WELL	100%	100%
WA	P39/6137	Granted	LITTLE WELL	100%	100%
WA	P39/6138	Granted	LITTLE WELL	100%	100%
WA	P39/6139	Granted	LITTLE WELL	100%	100%
WA	P39/6140	Granted	LITTLE WELL	100%	100%
WA	P39/6141	Granted	LITTLE WELL	100%	100%
WA	P39/6142	Granted	LITTLE WELL	100%	100%
WA	P39/6143	Granted	LITTLE WELL	100%	100%
WA	P39/6144	Granted	LITTLE WELL	100%	100%
WA	P39/6195	Granted	MINARA	100%	100%
WA	P39/6196	Granted	MINARA	100%	100%
WA	P39/6197	Granted	MINARA	100%	100%
WA	P39/6198	Granted	MINARA	100%	100%
WA	P39/6218	Granted	MINARA	100%	100%
WA	E70/5534	Granted	TRAYNING	100%	100%
WA	E70/5537	Granted	BENJABERRING	100%	100%
WA	E70/5538	Granted	GODDARD	100%	100%

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E70/5771	Granted	KORRELOCKING	100%	100%
Tenements acquired in the quarter					
Tenements surrendered in the quarter					
WA	P37/8691	Granted	CHRISTMAS WELL	100%	0%