

## QUARTERLY REPORT for the Quarter Ended 30 September 2022

**Magnetic Resources NL**  
ABN 34 121 370 232

**ASX Codes:** MAU and MAUCA

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PO Box 1388  
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**Issued Capital:**  
**Shares - Quoted:**

228,593,336 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:** \$5.4m

**Directors:**

**George Sakalidis**  
Managing Director

**Eric Lim**  
Non-Executive Chairman

**Hiang Sian Chan**  
**Ben Donovan**  
Non-Executive Directors

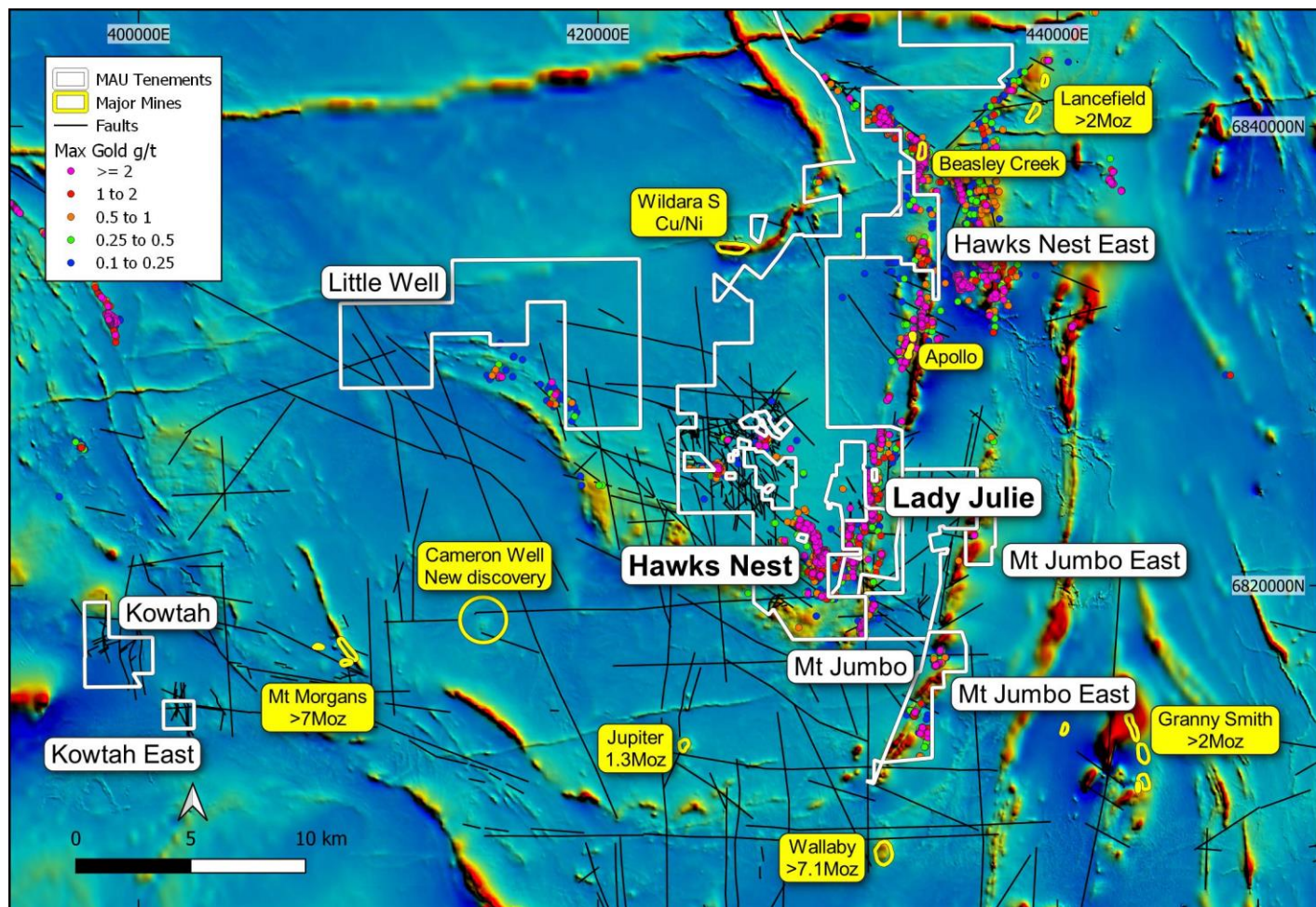
**Company Secretary**  
Ben Donovan

### HIGHLIGHTS

- **Significant intersections at Lady Julie North 4 continue with some of the intersections include 20m at 1.67g/t from 48m in MLJRC641, 50m at 1.92g/t from 96m in MLJRC632 and 32m at 1.67g/t from 144m in MLJRC629 (Table 2). Importantly, most of the drilling results are outside the calculated Indicated and Inferred Resource for the Lady Julie North 4 Deposit.**
- **These drilling results show the Lady Julie 4 Deposit mineralisation extends 200m to the north, is open down dip (just north of the centre of the deposit) and a new surface zone has been delineated to the east of the deposit (just south of the centre of the deposit). A RC programme of 15 RC holes for 2680m is planned to follow up these promising extensions.**
- **Blue Cap Mining Pty Ltd has been engaged for the provision of Early Works at the Hawks Nest 9 and Lady Julie Deposits within the Laverton Project. The Early Works will be undertaken for the purpose of procuring the necessary regulatory approvals for the mining of these deposits and further assessing the viability and economics of the projects by using their very experienced team.**
- **Initial wide-spaced AC drilling in the wheatbelt region within the Trayning tenement has intersected significant thicknesses of very anomalous shallow clay-hosted rare earth elements (REE) with thicker intersections of total rare earth oxides (TREO) including:**
  - **18m at 872ppm TREO from 52m in MTRAC007**
  - **40m at 1049ppm TREO from 28m in MTRAC009**
  - **52m at 1096ppm TREO from 12m IN MTRAC011**
  - **32m at 1379ppm TREO from 28m in MTRAC013**
  - **28m at 989ppm TREO from 4m in MTRAC055.**
- **Further assays are awaited from Trayning, and further access is sought and POWs are being applied for.**

## Laverton Area

Magnetic Resources NL has 261km<sup>2</sup> 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	5,411 soils	1,120 RC holes for 71,098m	
E38/3127, M38/1041	117 rock chips	201 RAB holes for 2,726m	
		4 Diamond holes for 431m	
		67 AC holes for 2,348m	
		507km ground magnetics	
Lady Julie	2,148 soils	639 RC holes for 55,655m	39 RC holes for 3,844m
P38/4346, P38/4379-84, E38/3127, P38/4170	15 rock chips	290 shallow RAB for 1,691m	
		3 Diamond holes for 320m	
		199 AC holes for 7,782m	
		23km ground magnetics	

Project/Tenements	Surface sampling completed	Drilling & ground magnetics completed	Proposed exploration
Mt Jumbo E38/3100, E38/3127	3 rock chips	3 RC holes for 563m	
	43 lags	2 Diamond holes for 457m	
		143km ground magnetics	
Mt Jumbo East P38/4317–24	23 rock chips	32 RC holes for 2,459m	
	155 lags	229km ground magnetics	
Kowtah P39/5594–97, 5617	484 soils	186km ground magnetics	
	1 rock chip		

### **Lady Julie area (P38/4346, P38/4379–4384, E38/3127, P38/4170)**

The Lady Julie North 4 Gold Deposit keeps expanding in size and new drillhole intersections in MLJRC624 (20m at 1.06g/t Au from 52m), MLJRC625 (16m at 1.81g/t Au from 88m) and MLJRC626 (8m at 2.35g/t Au from 100m) have expanded the mineralisation by 200m to the north of the existing 600m-long Lady Julie North 4 Resource (Indicated and Inferred) of 2.7Mt at 1.27g/t Au for 109,000oz (Figure 2). This forms part of the Lady Julie Combined Resources (Indicated and Inferred) of 5.4Mt at 1.27g/t for 224,000oz (Figure 3 and Table 3).

In addition, at Lady Julie North 4, a new near-surface zone just south of the centre of the deposit has an intersection of 20m at 1.67g/t Au from 48m in MLJRC641 and is open to the east and sits above steeper dipping resources. This intersection is east of the calculated resources and expands the potential EW extent of the mineralised zones to more than 150m. Four drillholes planned (MLJRC634,669,678,679) will be testing the continuity further east of these near surface gold zones (Figure 2).

Also, and importantly, a deeper intersection of 32m at 1.67g/t Au from 144m depth in MLJRC629, just north of the centre of the deposit, is thicker and outside the calculated resources to the west. Drillholes MLJRC676–677 are planned to expand this promising zone further at depth.

Table 2 shows some of the highlights of the recent RC drilling programme this quarter.

These thicker high-grade core zones and new near surface zones are promising and a programme of 15 RC holes for 2680m (averaging 179m) has started. In addition, a strong silica-pyrite-fuchsite alteration has been noted in logging in MLJRC631 and MLJRC642 and correlates with the gold intersections. The extent of this alteration within the surrounding holes will be examined when the RC chip logging has been completed.

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 3). 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 (Table 3).

The Lady Julie North 4 (Indicated and Inferred) Resource of 2.7Mt at 1.27g/t Au for 109,000oz forms part of the Lady Julie Combined Resources (Indicated and Inferred) of 5.4Mt at 1.27g/t Au for 224,000oz (Table 3).

Note that many of the planned holes are aimed to test the exploration target 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.

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 3).

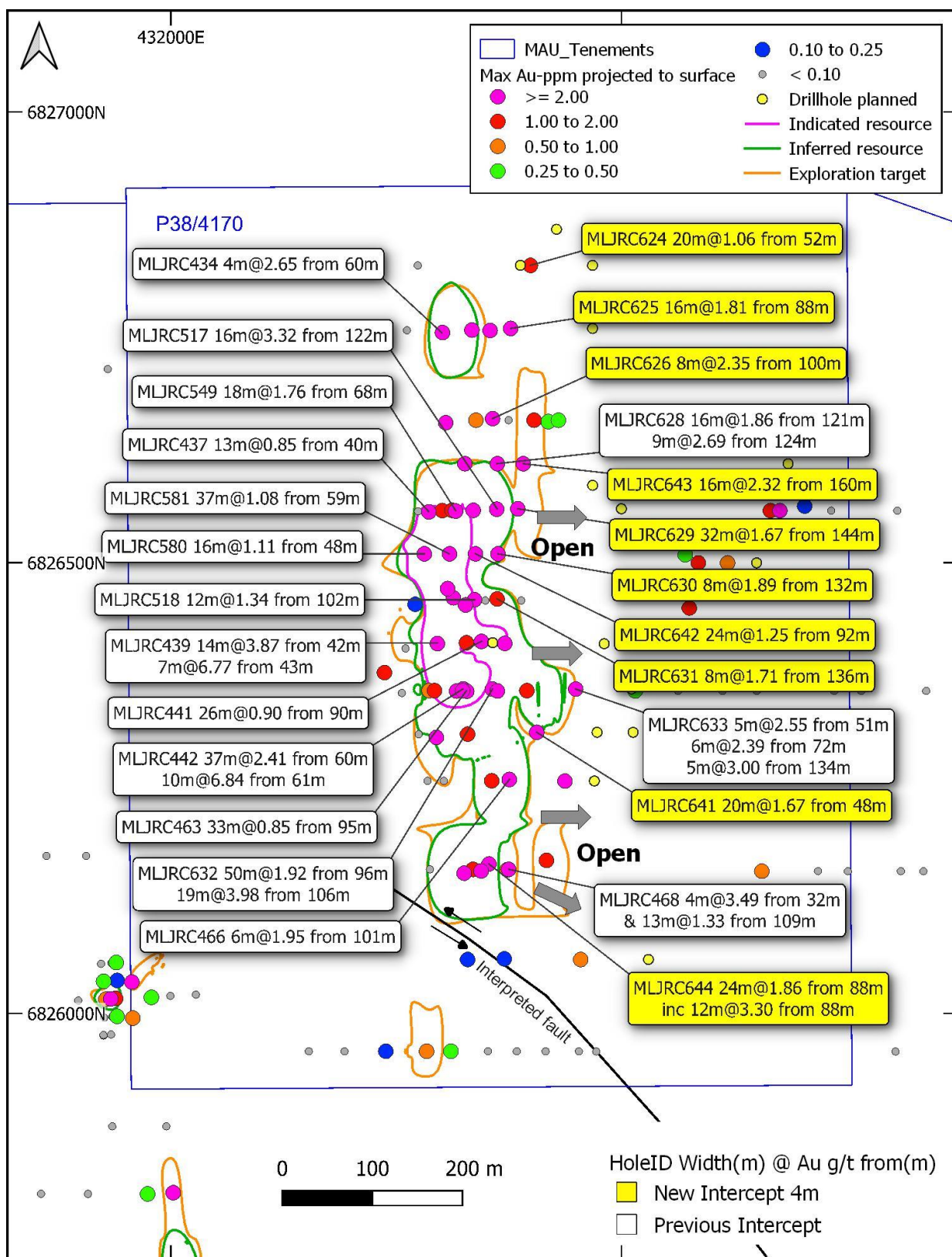
**Table 2. Highlights of the recent drilling programmes at Lady Julie North 4**

Hole No.	Easting	Northing	From	To	Width	Gold	
	MGAz51	MGAz51	metres	metres	metres	g/t	
<b>Lady Julie North 4</b>							
MLJRC624	432428	6826830	52	72	20	1.06	#
MLJRC625	432428	6826760	88	104	16	1.81	#
MLJRC626	432410	6826660	100	108	8	2.35	#
MLJRC629	432460	6826560	144	176	32	1.67	#
MLJRC630	432430	6826510	132	140	8	1.89	#
MLJRC631	432433	6826460	136	144	8	1.71	
MLJRC641	432433	6826312	48	68	20	1.67	#
MLJRC642	432387	6826510	92	116	24	1.25	
MLJRC643	432478	6826610	160	176	16	2.32	#
MLJRC644	432400	6826166	88	112	24	1.86	
	including		88	100	12	3.30	
MLJRC538	432386	6826758	63	64	1	2.25	*
MLJRC622	432030	6823700	176	180	4	1.03	*
MLJRC623	432010	6823660	196	201	5	2.30	*
MLJRC627	432355	6826610	55	60	5	0.99	*
MLJRC628	432425	6826610	121	137	16	1.86	*
		including	124	133	9	2.69	*
MLJRC632	432415	6826360	96	146	50	1.92	*
		including	107	125	18	4.13	*
MLJRC633	432475	6826360	51	182	131	0.46	*
		including	51	78	27	1.05	*
		including	51	56	5	2.55	*
		including	72	78	6	2.39	*
		including	134	139	5	3.00	*
MLJRC634	432470	6826258	65	66	1	3.51	*

# Outside current resource

\* 1m splits





**Figure 2.** 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 purple, the Inferred Resources outlines are shown in green and the Exploration Target in brown.

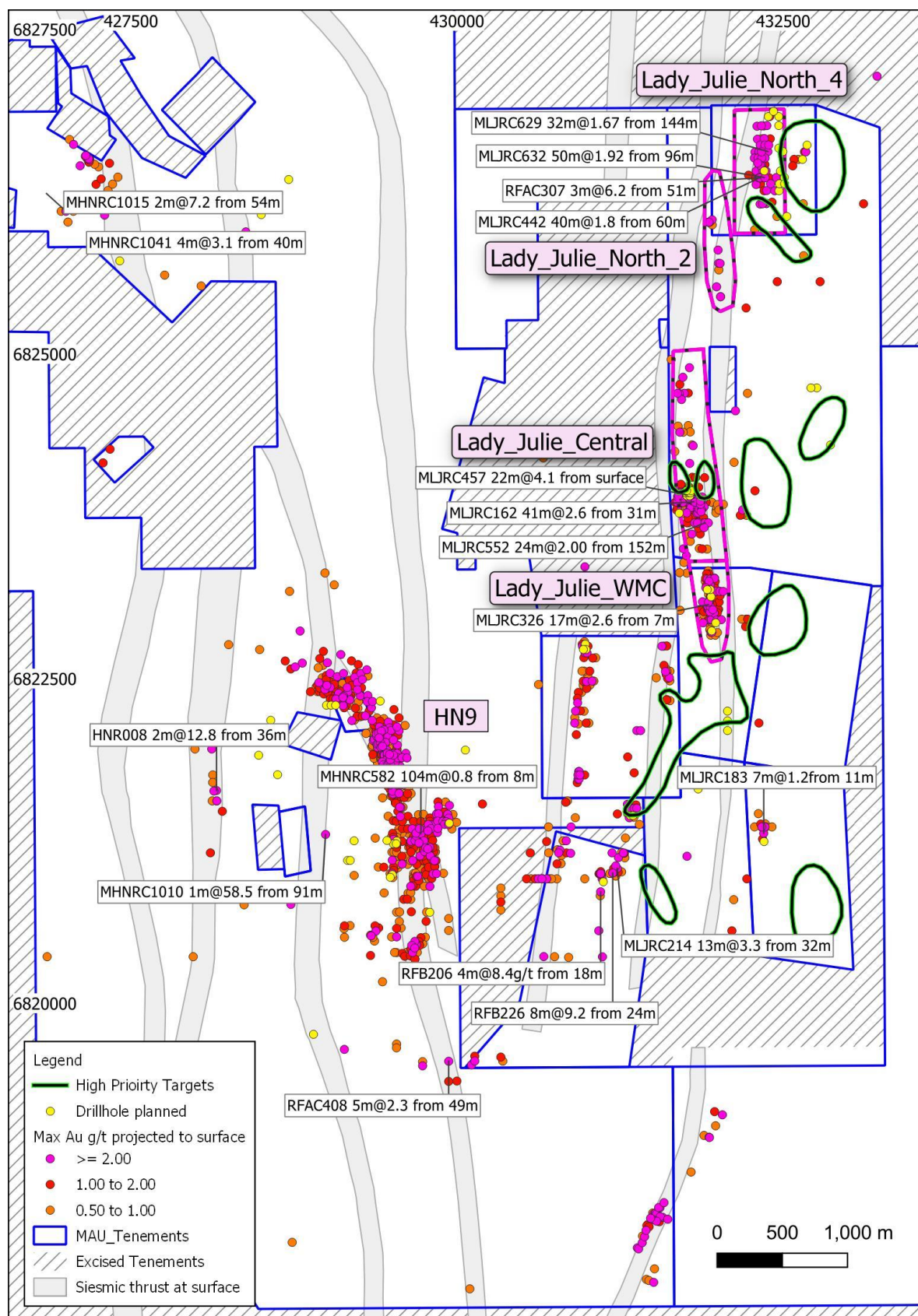
**Table 3. Total Mineral Resource by Deposit at 0.5 g/t Au Cutoff.**

<b>Deposit</b>	<b>Classification</b>	<b>Au Cutoff</b>	<b>Volume</b>	<b>Tonnes</b>	<b>Density</b>	<b>Au</b>	<b>Ounces</b>
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

Within the HN5, HN6, HN9 and Lady Julie areas there are many new shallow intersections (Fig 2 and Table 2) with a total of 1963 intersections (ranging from 1 to 32m) greater than 0.5g/t Au, which includes 874 greater than 1g/t Au, 318 greater than 2g/t Au, 170 greater than 3g/t Au and 103 greater than 4g/t Au.

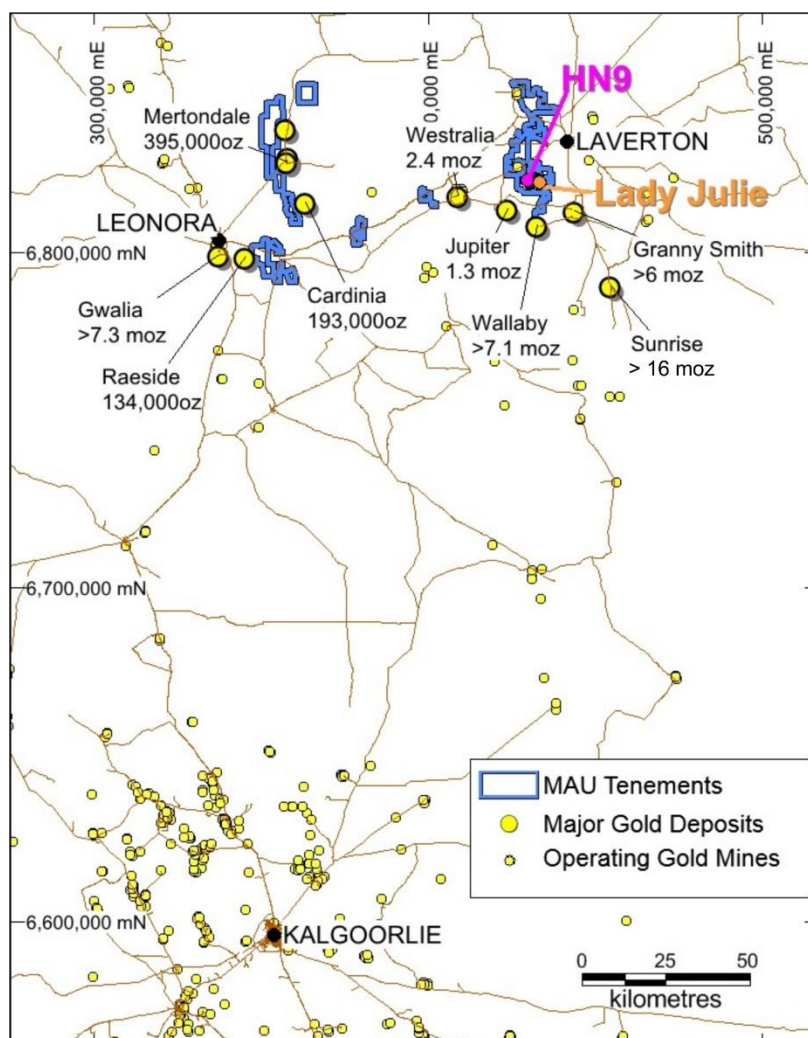
At Hawks Nest 5, 6, 9 and Lady Julie extensive drilling programmes have been completed, including 1,723 RC holes totaling 123,928m (average 72m depth), 31,146 2–5m composites and 20,141 1m splits, 264 AC holes totalling 10,100m 2,538 2-6m composites and 169 1m splits and 7 Diamond holes totaling 751m.

This release is mainly reporting on 825 4m composites from 24 RC holes (MLJRC624-626,629-631,641-645) totaling 3,165m. Assays are pending for 3 Diamond holes for 302m.



**Figure 3 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.**





**Figure 4. 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 72m providing tremendous scope for upside potential.

Managing Director George Sakalidis commented: "With the Australian gold price at high levels of \$2640, the Laverton Project Resources encompassing Lady Julie Central, Lady Julie North 4, HN9 and Homeward Bound South at Laverton, WA. (Figure 4), are shaping up and have potential for large-scale shallow open -cuttable deposits.

The multiple, thick intersections at Lady Julie North 4 are open down dip to the east and the high-grade core are very exciting. There are numerous thick intersections including 37m at 2.41g/t from 60m in MLJRC442, 18m at 1.76g/t from 68m in MLJRC549, 20m at 1.92g/t from 120m in MLJRC628, 50m at 1.97g/t from 96m in MLJRC632, 37m at 1.08g/t from 59m in MLJRC581.

New drill intersections show anomalous gold zones near surface, 20m at 1.67g/t from 48m MLJRC641, which enlarge the potential resource area in an EW direction. This zone overlays



deeper resources, which may enlarge the economic potential down dip because of the addition of this near surface material. A new thickened intersection at depth, 32m at 1.67g/t from 144m in MLJRC629 is being followed up to the east and at depth. In addition, a new northern extension of 200m to the existing 600m length of Lady Julie North 4. A number of Exploration Targets are also being followed up with shallow RC to see whether they can be converted to Resources.

This is an exciting time for the company having announced its Maiden Resource on 27 June 2022 and now looking to increase the size of both the Lady Julie 4 Resource and convert some of the Exploration Target areas into Resources. After a raising of \$3.4M, being well funded with over \$5.3M. The engagement of Blue Cap provides the company with the ability to fast track work approvals and further assess the economics of the deposits. Continuing with global investment bank Jefferies, who are helping ongoing review opportunities to maximise shareholder value.”

## **Blue Cap Mining Undertake Early Work Programmes**

Magnetic Resources NL (**Magnetic** or the **Company**) is pleased to announce that it has executed an agreement with Blue Cap Mining Pty Ltd (Blue Cap) for the provision of Early Works at the Hawks Nest 9 and Lady Julie Deposits within the Laverton Project.

The Early Works will be undertaken for the purpose of procuring the necessary regulatory approvals for the deposits and further assessing the viability and economics of the projects.

Under the provisions contained in the agreement, Blue Cap will provide mining proposal studies, resource definition work, further metallurgical recovery tests, environmental studies and other regulatory approvals as part of the Early Works. The majority of Blue Cap’s recent experience and work has been in gold in and around the Laverton and Kalgoorlie regions.

The Early Works agreement must be completed within 12 months (September 2023).

Commenting on the agreement, Managing Director George Sakalidis said “the engagement of Blue Cap provides the Company with the ability to fast track work associated with proving the economics of the Hawks Nest 9 and Lady Julie Deposits by using a very experienced team at Blue Cap.”

The agreement can be terminated with 3 months’ notice by either party.

## Nickel-Cu-PGE and REE Projects

Six separate projects totaling 523sq.km including Benjaberring E70/5537, Trayning E70/5534, Goddard E70/5538, Korrellocking EL70/5771, ELA70/6304 Trayning North and Koorda ELA70/6305 (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.

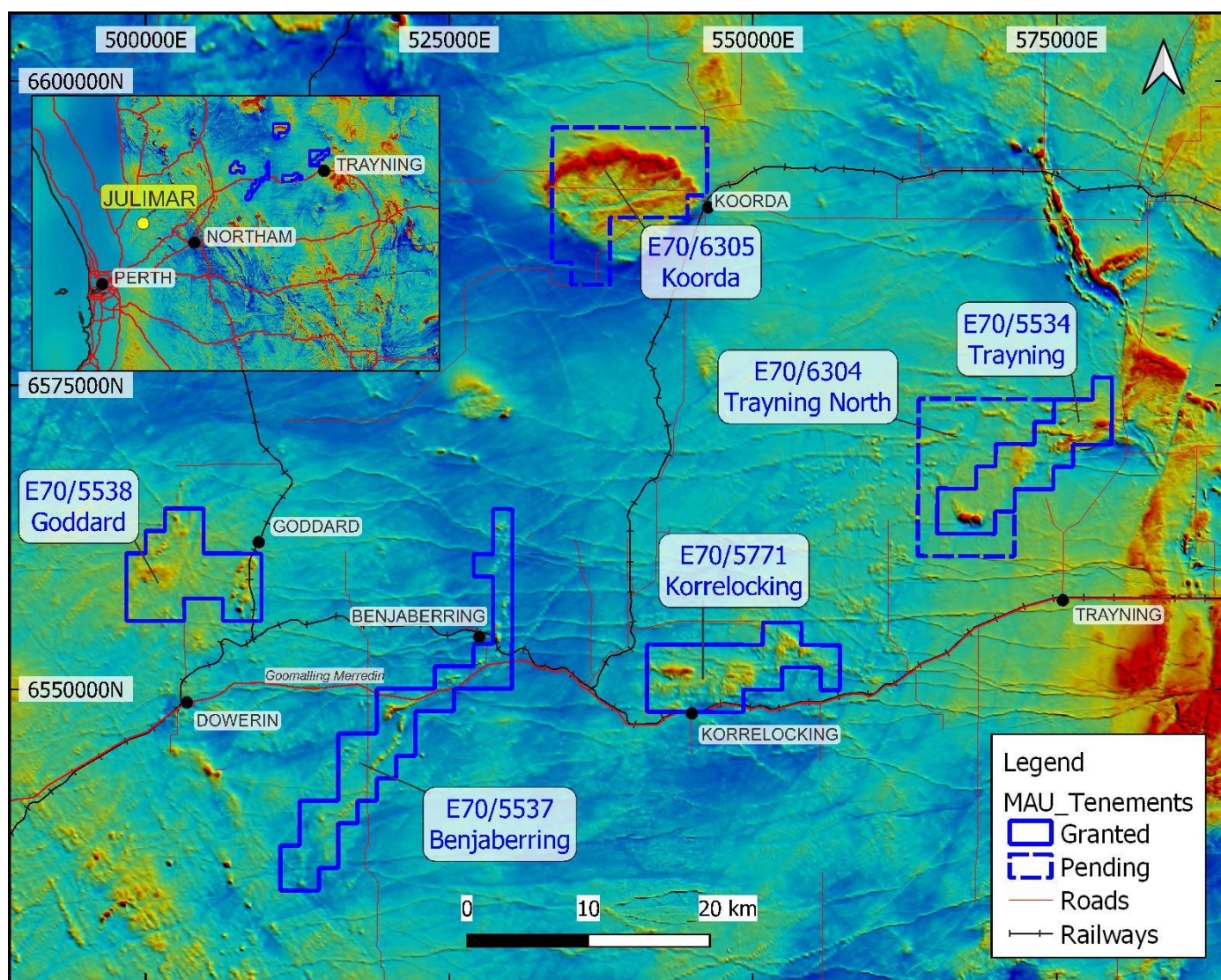


Figure 5. Coverage of Magnetics six projects NE of Julimar overlaid on the regional aeromagnetics

Initial wide-spaced aircore drilling in the wheatbelt region of Western Australia within the Trayning tenement (E70/5534) has intersected significant thicknesses of very anomalous shallow clay-hosted rare earth elements (REE) with thicker intersections of total rare earth oxides (TREO) including:

- 18m at 872ppm TREO from 52m in MTRAC007
- 40m at 1049ppm TREO from 28m in MTRAC009
- 52m at 1096ppm TREO from 12m IN MTRAC011
- 32m at 1379ppm TREO from 28m in MTRAC013
- 28m at 989ppm TREO from 4m in MTRAC055.

REE grades are highest and thickest at the 2km-long EW trending aeromagnetic anomaly in the southwest part of the exploration licence (Figure 6).

Wide spaced drilling has been carried out on holes 100m apart with a line spacing of 650m, with REE enrichments and thicknesses remaining open in most directions. Weathering at the magnetic anomalies 10km to the northeast is shallower with a thicker weathered zone in drillhole MTRAC055. As a result of these highly anomalous results and recognizing the potential for the Trayning region to be within a new REE province two tenements were applied for totaling 198 sq. km (Figure 5).

These early results are very encouraging and compare favourably with other clay hosted REE mineralization currently being explored by Australian explorers with examples as follows:

- Australian Rare Earths (ASX: AR3): Koppamurra Mineral Resource 39.9Mt @ 725ppm TREO, including 179.3ppm MREO (AR3 Prospectus, 7 May 2021).
- Mount Ridley Mines (ASX: MRD): Mount Ridley project aircore drill intercepts TREO range 351-1346ppm, MREO range 75-476ppm, thickness range 3-40m (Table 1 MRD ASX release 2 August 2022).
- Ionic Rare Earths (ASX: IXR): Mukuutu Mineral Resource 532Mt @ 640ppm TREO, 480ppm LREO, 160ppm HREO and 220ppm CREO (IXR ASX release 3 May 2022).

This initial shallow drilling of 29 holes for 956m (average 33m) targeted a series of linear, arcuate and domal aeromagnetic anomalies, including a prominent 2km long EW anomaly trending situated about 10km northwest of Trayning, some 200km northeast of Perth, initially to assess the area for its copper-nickel potential (Figure 6), which were sampled in 4m composites for copper, nickel and associated elements.

The drilling intersected weathered magnetite and biotite-bearing granitic rocks after which selected drill samples were analysed for rare earth elements. The distribution of anomalous REE coincide with what appear to be flat-lying ferruginous zones within a residual saprolitic profile above the granite (Figure 7). Significant TREO intersections are summarized in Table 4.

Light rare earths (LREO3) predominate over heavy rare earths (HREO4) in the anomalous zones. Significantly, about 20% of the TREO are composed of the high value magnet rare earths (MREO5), particularly neodymium and praseodymium, which are used in high intensity magnets in electric motors. Critical rare earth oxides (CREO6) are present in similar amounts. Copper is slightly enriched in the ferruginous zones generally ranging from 40-100ppm with a peak value of 749ppm from 48-52m in hole MTRAC013. Nickel values are low, as are uranium levels (around 10ppm).



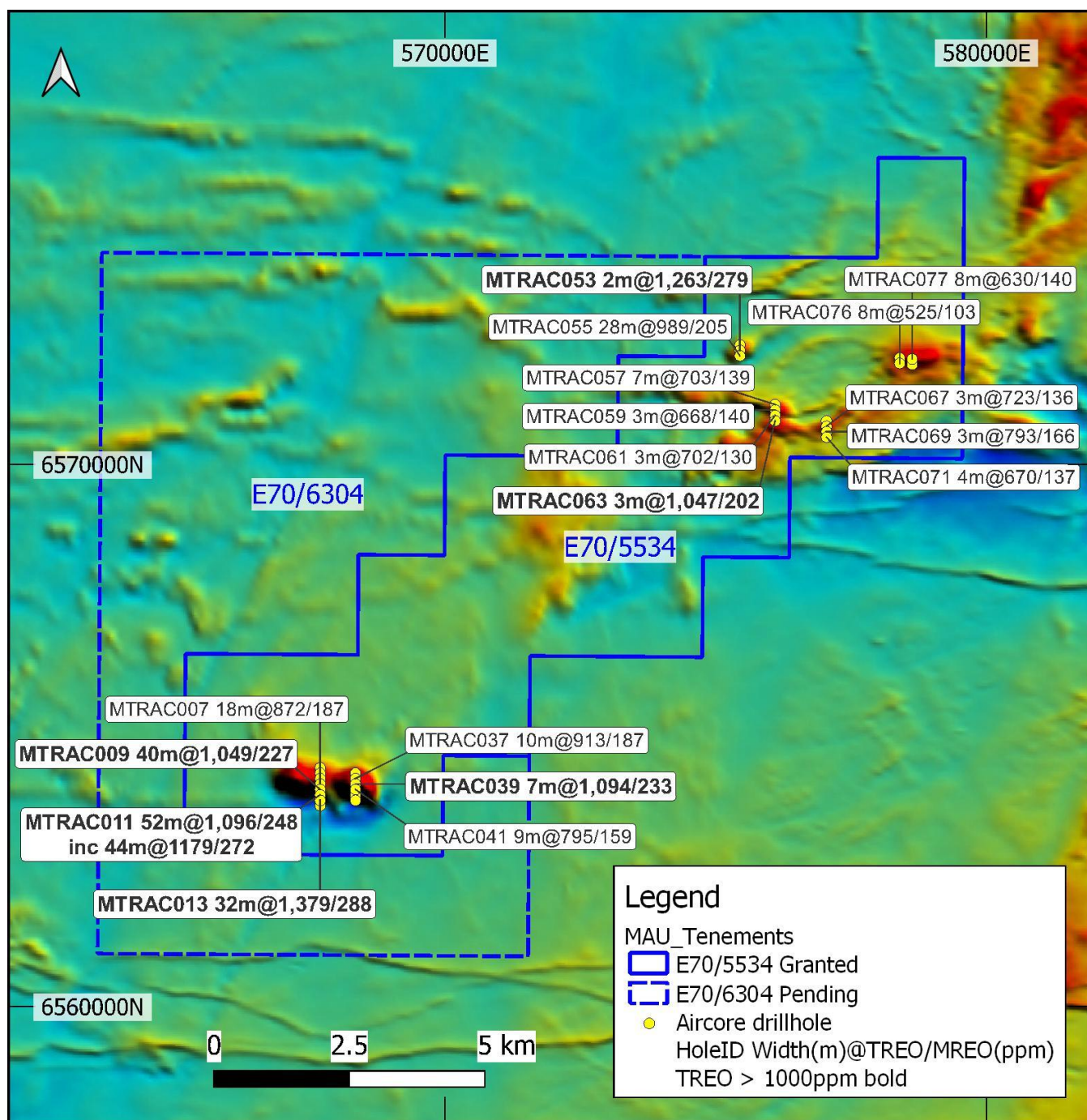
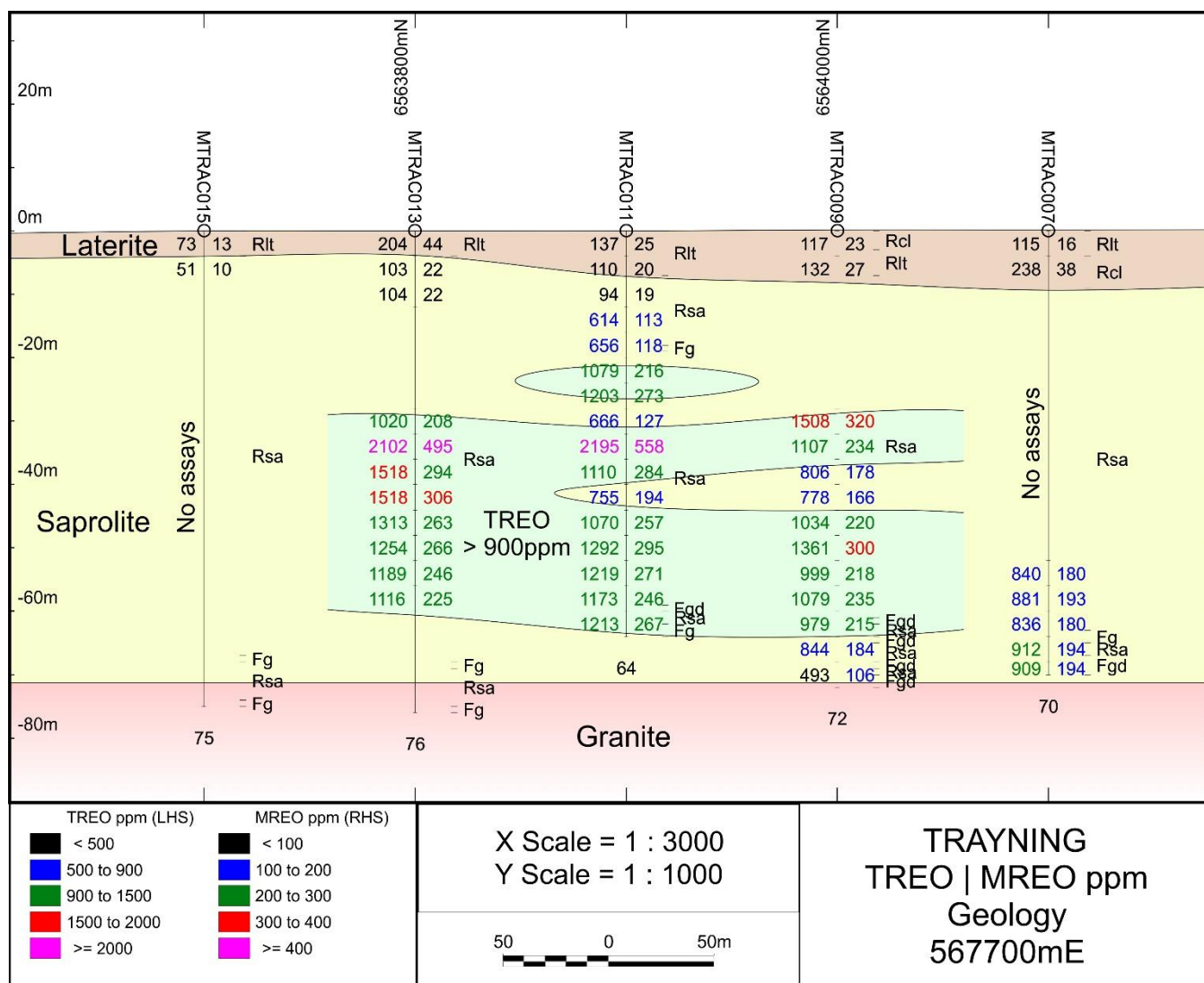


Figure 6. Trayning significant REE intersections showing Total Rare Earths (TREO) and Magnetic Rare earths (MREO).

Analysis of the remaining 4m composite samples for REE is in progress together with planning of further drilling when cropping of this farmland is complete, towards the end of the calendar year. In the meantime, Magnetic has applied for two exploration licences in nearby areas with a view to expanding the search for shallow clay hosted REE mineralization (Figure 3). The highest amplitude aeromagnetic anomalies appear to be favourable features for REE, with shallow clay zones, in this district. The Koorda tenement has a significant 12km arcuate EW aeromagnetic anomaly and Trayning and Korrelocking have 2km long linear EW aeromagnetic anomalies. In addition, Magnetic is planning preliminary test work on drill samples to examine the leaching characteristics and mineralogy of the REE enrichments.





**Figure 7. Trayning NS cross section showing thickened significant REE intersections, both TREO and MREO, within a greater than 900ppm zone that remain open to the North and South. Further assays are being carried out over a number of holes.**

Managing Director George Sakalidis commented, “These initial AC results are very positive considering the broad spacing used. The thicknesses are substantial, and the grades compare favourably with existing REE ASX companies, including 52m at 1096ppm TREO from 12m in MTRAC011. Most of these intersections are open to the North and South. The recognition of these prominent EW aeromagnetic highs associated with shallow clay zones within a new potential REE region has allowed Magnetic to apply for two extra tenements (198 sq. km) with total size of the tenements being 523 sq. km. Further drilling is being planned with numerous assays awaited.”

**Table 4. Significant Rare Earth Oxide Intersections (500ppm TREO cut-off)**

Hole ID	MGAZ50E	MGAz50N	From	To	Interval	TREO	LREO	HREO	MREO	M/TREO	CREO
			m	m	m	ppm	ppm	ppm	ppm	%	ppm
MTRAC007	567700	6564100	52	70	18	872	762	110	187	21	214
MTRAC009	567700	6564000	28	68	40	1049	895	154	227	22	275
MTRAC011	567700	6563900	12	64	52	1096	966	130	248	23	248
including			20	64	44	1179	1034	146	272	23	299
MTRAC013	567700	6563800	28	60	32	1379	1180	199	288	21	349
MTRAC037	568350	6564200	44	54	10	913	778	135	187	21	233
MTRAC039	568350	6564100	32	39	7	1094	936	158	233	21	282
MTRAC041	568350	6564000	32	41	9	795	675	120	159	20	200
MTRAC053	575450	6572100	40	42	2	1263	1127	136	279	22	290
MTRAC055	575450	6572000	4	32	28	989	879	110	205	21	224
MTRAC057	576100	6571100	0	7	7	703	603	100	139	20	166
MTRAC059	576100	6571000	4	7	3	668	571	96	140	21	168
MTRAC061	576100	6570900	8	11	3	702	621	81	130	19	148
MTRAC063	576100	6570800	8	11	3	1047	948	99	202	19	210
MTRAC067	577050	6570700	0	3	3	723	632	90	136	19	161
MTRAC069	577050	6570600	0	3	3	793	683	111	166	21	196
MTRAC071	577050	6570500	0	4	4	670	583	87	137	20	159
MTRAC076	578400	6571860	0	8	8	525	443	82	103	20	128
MTRAC077	578630	6571940	4	12	8	630	494	136	140	22	198

NOTES: <sup>1</sup>TREO means the sum of CeO<sub>2</sub>, Dy<sub>2</sub>O<sub>3</sub>, Er<sub>2</sub>O<sub>3</sub>, Eu<sub>2</sub>O<sub>3</sub>, Gd<sub>2</sub>O<sub>3</sub>, Ho<sub>2</sub>O<sub>3</sub>, La<sub>2</sub>O<sub>3</sub>, Lu<sub>2</sub>O<sub>3</sub>, Nd<sub>2</sub>O<sub>3</sub>, Pr<sub>6</sub>O<sub>11</sub>, Sm<sub>2</sub>O<sub>3</sub>, Tb<sub>4</sub>O<sub>7</sub>, Tm<sub>2</sub>O<sub>3</sub>, Y<sub>2</sub>O<sub>3</sub> and Y<sub>2</sub>O<sub>3</sub>.

<sup>2</sup>TREE means the sum of Ce, Dy, Er, Eu, Gd, Ho, La, Lu, Nd, Pr, Sm, Tb, Tm, Y and Yb.

<sup>3</sup>LREO means the sum of CeO<sub>2</sub>, La<sub>2</sub>O<sub>3</sub>, Nd<sub>2</sub>O<sub>3</sub> and Pr<sub>6</sub>O<sub>11</sub>.

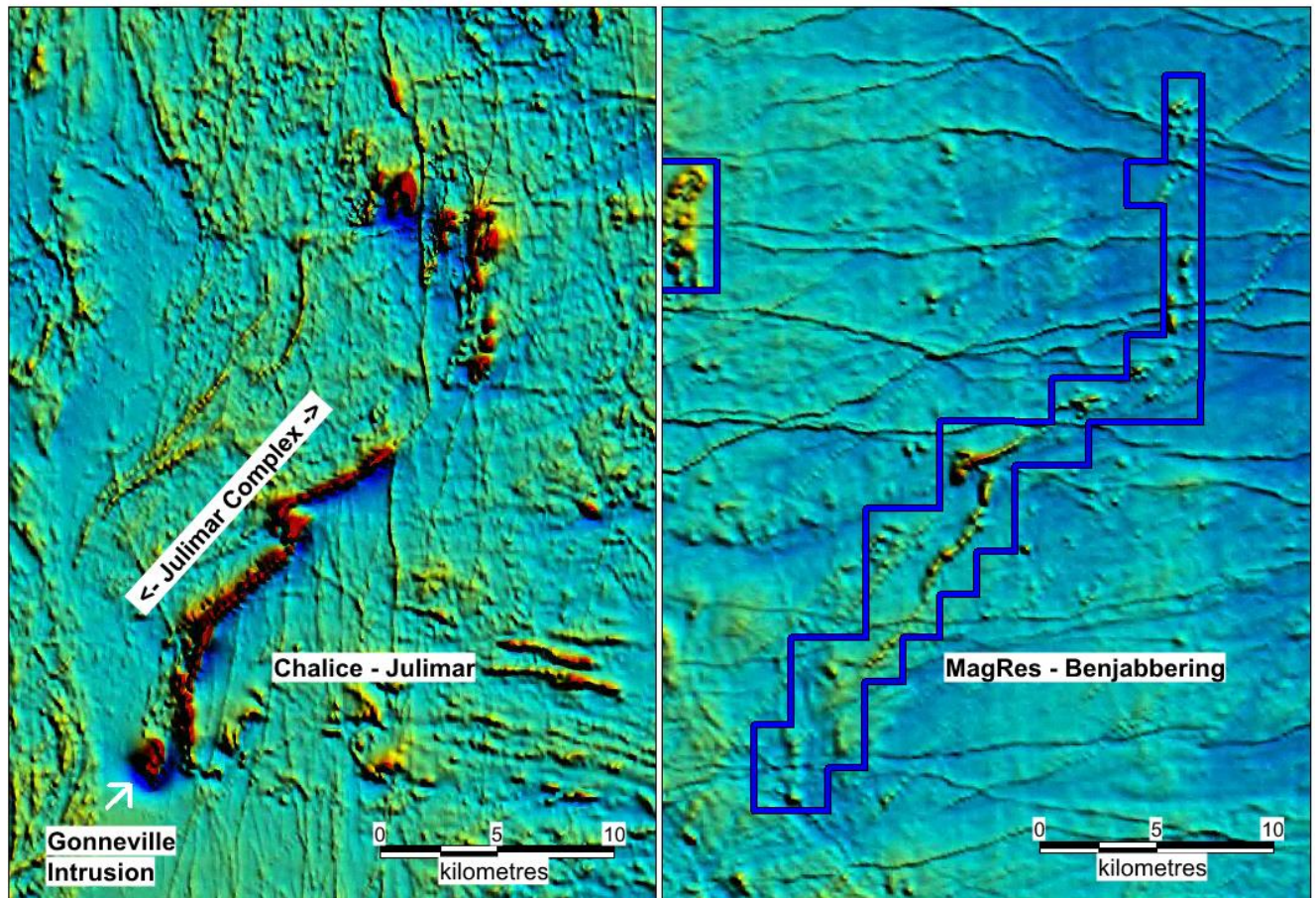
<sup>4</sup>HREO means the sum of Dy<sub>2</sub>O<sub>3</sub>, Er<sub>2</sub>O<sub>3</sub>, Eu<sub>2</sub>O<sub>3</sub>, Gd<sub>2</sub>O<sub>3</sub>, Ho<sub>2</sub>O<sub>3</sub>, Lu<sub>2</sub>O<sub>3</sub>, Sm<sub>2</sub>O<sub>3</sub>, Tb<sub>4</sub>O<sub>7</sub>, Tm<sub>2</sub>O<sub>3</sub>, Y<sub>2</sub>O<sub>3</sub> and Yb<sub>2</sub>O<sub>3</sub>.

<sup>5</sup>MREO means the sum of Dy<sub>2</sub>O<sub>3</sub>, Nd<sub>2</sub>O<sub>3</sub>, Pr<sub>6</sub>O<sub>11</sub> and Tb<sub>4</sub>O<sub>7</sub>.

<sup>6</sup>CREO means the sum of Dy<sub>2</sub>O<sub>3</sub>, Eu<sub>2</sub>O<sub>3</sub>, Nd<sub>2</sub>O<sub>3</sub>, Tb<sub>4</sub>O<sub>7</sub> and Y<sub>2</sub>O<sub>3</sub>.

## 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 8. Several thickened zones have been Identified (shown as circles in Figure 9), which represent possible feeder areas for potential Ni-Cu-PGE mineralisation.



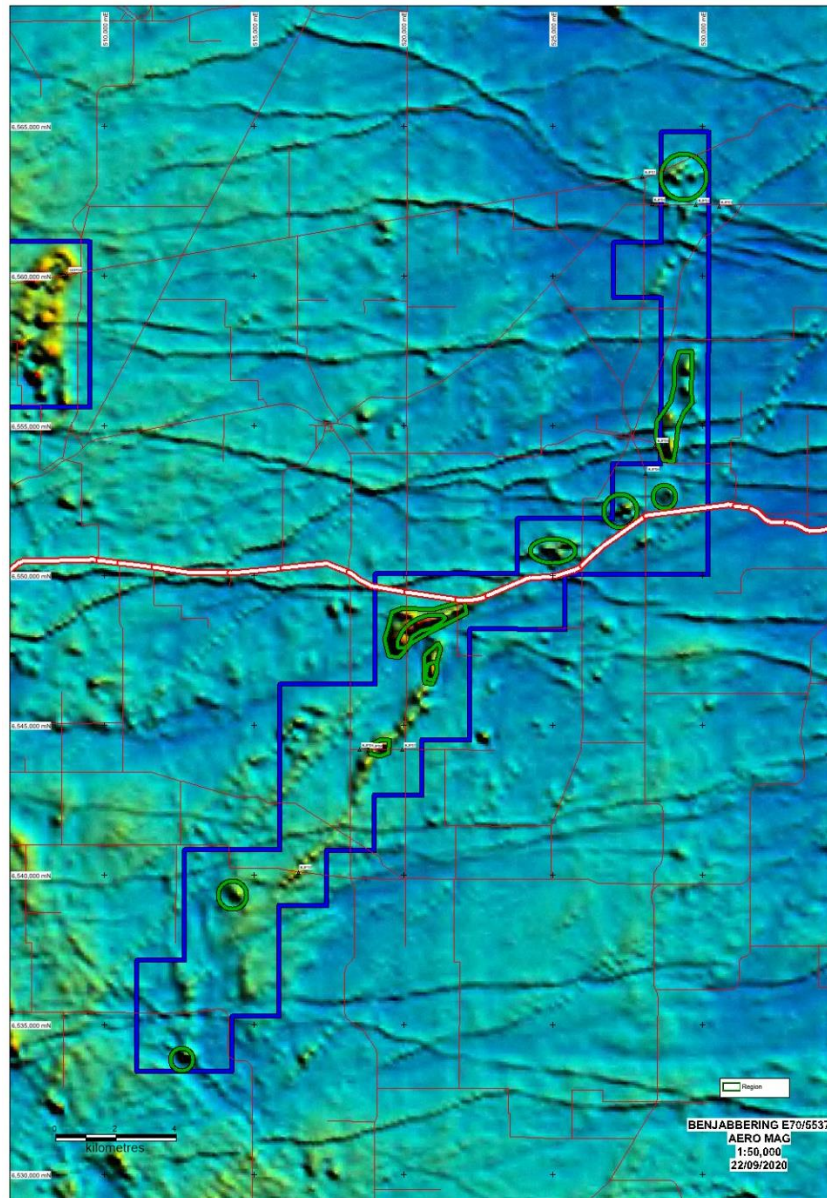
**Figure 8. Regional Aeromagnetics comparing the Julimar intrusion held by Chalice and Magnetic's Benjaberring area. The length of the magnetic trends is around 25km in both areas.**

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 9. 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

Magnetic raised \$3.4M at 90c a share, mainly from existing shareholders and Directors. This leaves the company to be well funded with over \$5M cash left in the bank, which allows the company to complete the advancement of its Laverton gold deposits focussing on development and at the same time adding extensions to the Lady Julie 4 Deposit.

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](http://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. Thick intersection 56m at 2.2g/t Au from 96m at Lady Julie North 4. MAU release 20 July 2022.
44. Drilling commences at Lady Julie North 4. MAU Release 15 August 2022
45. Mineralisation expands both to north and south at Lady Julie North 4. MAU Release 27 September 2022
46. 52m at 1.096ppm TREO in scout drilling at Trayning. MAU Release 29 September 2022

All of which are available on [www.magres.com.au](http://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	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%
WA	P38/4321	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	P38/4322	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%
WA	E70/5771	Granted	KORRELOCKING	100%	100%



Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E70/6304	Application	TRAYNING WEST	0%	100%
WA	E70/6305	Application	KOORDA	0%	100%
Tenements acquired in the quarter					
WA	E70/6304	Application	TRAYNING WEST	0%	100%
WA	E70/6305	Application	KOORDA	0%	100%
Tenements surrendered in the quarter					
WA	E37/1303	Dead	NAMBI	100%	0%