



magnetic resources^{NL}

ASX Release
15 February 2023

ASX code: MAU

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EARLY WORKS GOOD PROGRESS AT LAVERTON PROJECT

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Magnetic Resources NL (ASX: MAU) (“**Magnetic**” or the **Company**) is pleased to provide an update on progress of early works being undertaken by Blue Cap Mining at the Hawks Nest - Lady Julie gold deposits, as last advised in October 2022 (ASX Release 24/10/2022). Significant progress has already been made with numerous studies having commenced with some finalised or close to finalising.

A broad scale study area encompassing the key ore zones across many of the Magnetic tenements was delineated for ongoing study purposes. Scopes of work were prepared and distributed to suitably qualified consultants for quotation.

The work being undertaken by Blue Cap Mining is designed to cover the key approvals (which would lead to the submission of a Mining Proposal) and to confirm the economic viability of the deposits, with the current status as follows:

Study Status

- a. Flora – the initial focus area is Lady Julie North 4 and access corridor. A field study has been completed as has plant identification. A report is due in late February.
- b. Fauna – a broad study area incorporating LJV4, LJC and HN9 is being targeted. Data capture in the field will commence in late February to identify vertebrate populations. An invertebrate study is being undertaken concurrently.
- c. Hydrology – the surface hydrology report has been completed.
- d. Groundwater – the regional scale groundwater assessment has been made. More detailed assessment of water sourcing and pit drawdowns during mining will be made as soon as pit designs are prepared.
- e. Soil – samples collected and currently being lab tested.
- f. DTM (digital terrain model) – a detailed surface model covering all the main deposit areas of significance has been completed.
- g. Optimisation – the first phase of optimization involving LJV4 and LJC was completed in January. The study has been repeated with variants to input parameters and is currently being evaluated.
- h. Native Title – to be undertaken concurrently with Mining Lease application.
- i. Heritage Survey – recently completed and a report pending. No sites have been identified near any of our main gold deposits.
- j. Geotechnical – the consultant who will undertake geotechnical studies has been appointed. This work will cover pit wall slope angles and waste dump final stability analysis.

Metallurgical testing

- k. Metallurgical testing of Lady Julie Central ore and Lady Julie 4 ore (oxide/trans/fresh) confirmed gold recoveries of up to 95% via gravity/leaching, with a very high gravity component. The testing confirmed there were no adverse impacts likely during processing.

- I. Ore/waste characterization – the acid demand testwork of leach tailings and waste rock is now in process with results expected during March.

Resource review

- m. A review of key resources was completed and results reported (ASX release 3 February 2023). Further drilling on the basis of this release and review is in process to test open positions down dip and along strike, particularly of LJN4.

Commenting on the Early Works, Managing Director George Sakalidis said “*we have hit the ground running with a number of studies having been commenced with some now finalised. This momentum is expected to continue 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 studies are advancing the project towards determining economic viability and ultimately production.*”

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

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