



magnetic resources^{NL}

QUARTERLY REPORT for the Quarter Ended 31 March 2023

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:

229,512,381 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

3,750,000 options
exercisable at \$1.20 on or by
6 December 2025

Cash: \$2.99m

Directors:

George Sakalidis
Managing Director

Eric Lim
Non-Executive Chairman

Hiang Sian Chan
Ben Donovan
Non-Executive Directors

Company Secretary
Ben Donovan

HIGHLIGHTS

After many significant thick intersections were made at Lady Julie North 4 (LJN4), it augured well for the resource upgrade in February 2023, which did not disappoint, with a resource upgrade from 105,000 oz to 204,900 oz at a low cost of only \$10/oz. There was a large increase in the average grade at LJN4 from 1.27g/t to 1.93g/t. The average grade also went up at Lady Julie Central from 1.4g/t to 1.67g/t.

The updated combined (Indicated and Inferred) Mineral Resources estimate for the whole project area were announced on 3 February 2023, “Expands Mineral Resources Estimate” and include: 13.5Mt @ 1.40g/t Au totaling 605,000oz of gold at 0.5g/t cutoff, which is an increase of 18% of the total ounces over the 27 June 2022 ASX Release Maiden Resource.

Significant thick intersections at Lady Julie North 4 continued in the March Quarter with some of the intersections include the outstanding 96m at 1.23g/t from 54m including 54m at 1.95g/t from 94m in MLJRC679, 43m at 1.13g/t from 33m in MLJRC690 and 10m at 2.02g/t from 50m in MLJRC670. These promising drilling results will be investigated further by the next deeper RC drilling programme of 23 RC holes for 3104m and 8 diamond holes for 1690m.

Significant Early Works progress has 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. 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.

Excellent Metallurgical results from Lady Julie with good gravity circuit recoveries ranging from 35.3% to 75.1% and with excellent combined gravity and leach recoveries ranging from 92.2% to 98.7%. Also, there is low to moderate cyanide and lime reagent consumptions.

Laverton Area

Magnetic Resources NL has 179km² 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.

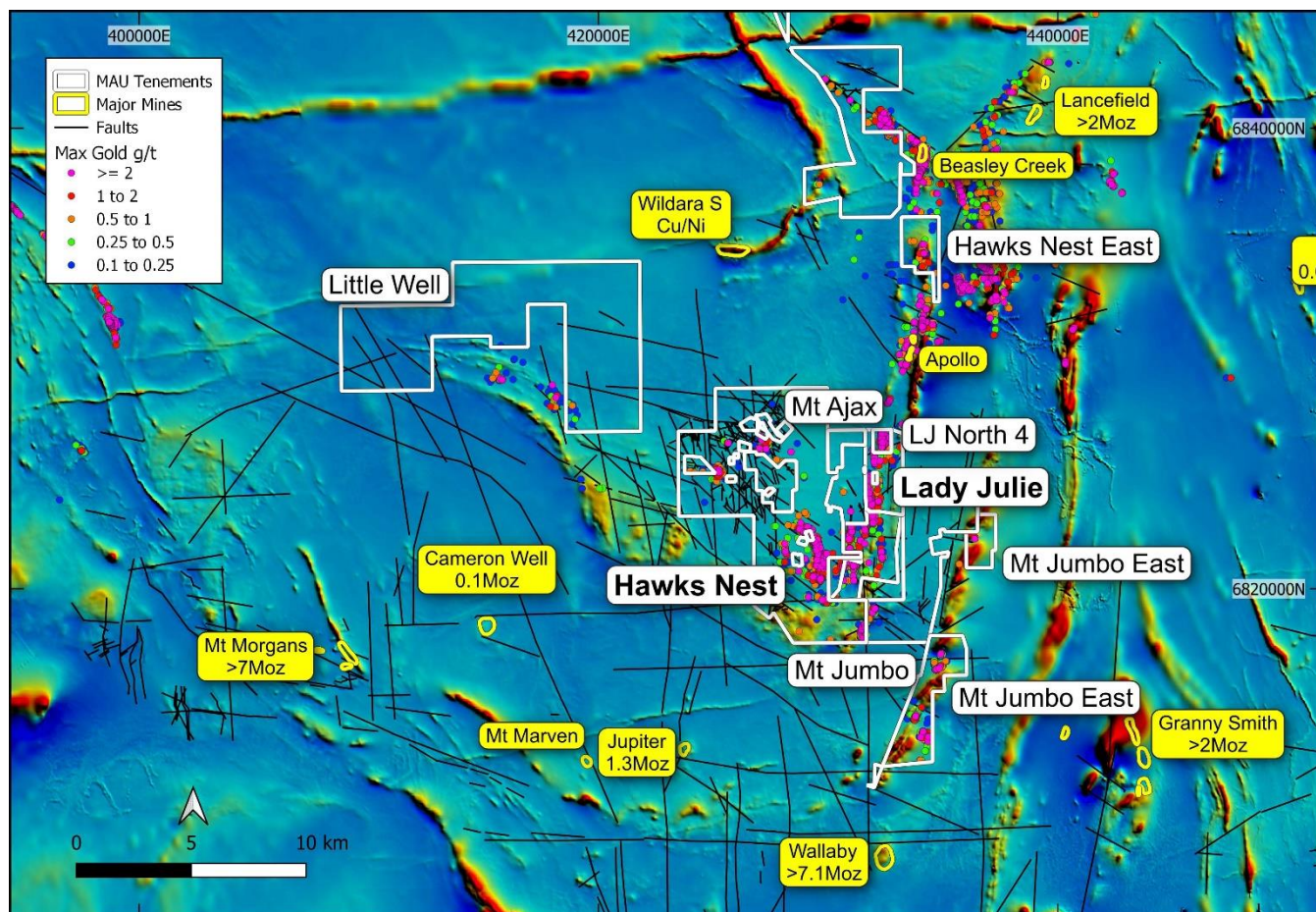


Figure 1. Hawks Nest, Hawks Nest East, Lady Julie, Little Well, Mt Ajax, Mt Jumbo and Mt Jumbo East projects, showing tenements, major shear zones, targets and gold deposits and historic workings.

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	GeoTech 1 Diamond hole for 70m 3 RC holes for 180m
Lady Julie P38/4346, P38/4379-84, E38/3127, P38/4170	2,148 soils 15 rock chips	688 RC holes for 59,431m 290 shallow RAB for 1,691m 3 Diamond holes for 320m 3 Diamond tails for 608m	23 RC holes for 3,104m 8 Diamond holes for 1,690m GeoTech

Project/Tenements	Surface sampling completed	Drilling & ground magnetics completed	Proposed exploration
		237 AC holes for 9,807m 125km ground magnetics	1 Diamond hole for 70m 3 RC holes for 180m
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	33 RC holes for 2,527m 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, P38/4170)

The Lady Julie North 4 gold mineralisation is expanding in size and depth and there are new high-grade drill hole intersections as shown in the highlights in Table 2 below.

The Lady Julie North 4 (LJN4) gold mineralisation is still open at depth and to the east of the thickest intersection to date of 96m at 1.23g/t from 54m and includes 54m at 1.95g/t from 94m in MLJRC679. A number of other promising thick intersections are also open and being followed up to the east, some of these intersections are 18m at 4.98g/t from 89m in MLJRC687, 50m at 1.92g/t from 96m in MLJRC632, 15m at 1.31g/t from 173m in MLJRC669, 24m at 2.03g/t from 147m in MLJRC629 and 16m at 1.86g/t from 181m in MLJRC628 (Figure 2). In addition, 5 RC holes are testing the direct 750m southern extension of LJN4 within the gold rich Chatterbox shear (Figure 3) and looking to extend the intersection of 2m at 3.58g/t from 48m which was at the end of the hole in MLJAC191, which was from wide spaced AC drilling completed previously. The thick intersections and the 750m southern extension programme are being followed up with a 23 RC hole programme totaling 3,104m.

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

Hole No.	Easting	Northing	From	To	Width	Gold	Sample
	MGAz51	MGAz51	metres	metres	metres	g/t	Type
Lady Julie North 4							
MLJRC669	432511	6826360	173	183	15	1.31	1m splits
MLJRC670	432481	6826410	50	60	10	2.02	1m splits
MLJRC675	432468	6826760	48	52	4	2.48	1m splits
MLJRC679	429819	6820996	54	150	96	1.23	1m splits
		including	94	144	54	1.95	1m splits
		including	108	139	31	2.31	1m splits
MLJRC690	432315	6826409	33	76	43	1.18	1m splits
		including	33	48	15	2.23	1m splits
MLJRC697	432455	6826706	83	96	13	1.11	1m splits
		and	141	152	11	3.19	1m splits
MLJRC703	432472	6826509	60	64	4	3.07	1m splits
Lady Julie Central							

MLJRC692	431800	6823908	7	35	28	1.50	1m splits
		including	24	35	11	2.06	1m splits
MLJRC693	431792	6823898	21	47	26	2.37	1m splits
		including	30	36	6	6.13	1m splits

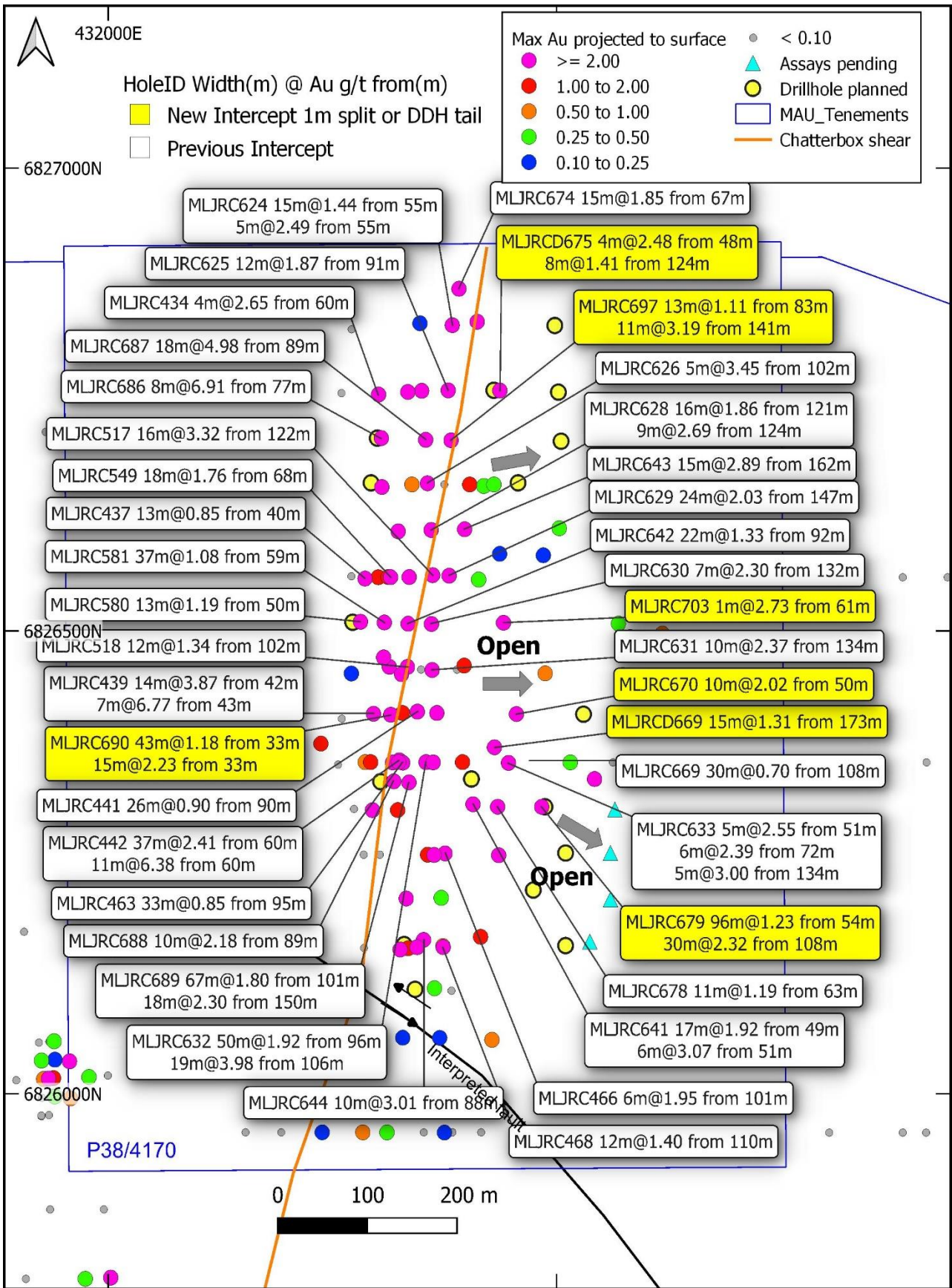


Figure 2. The Lady Julie North 4 deposit has numerous significant thick intersections from the latest drill programme (yellow large rectangular label) and previous drilling (white label) with maximum gold projected to surface and planned deeper drillholes (in yellow) and holes with assays awaited.

The follow up holes planned are testing and looking to extend two stacked lodes found in the central and northern parts of LJN4 and a number of these are outside the resource and have potential for the enlargement of the Lady Julie North 4 Resource (Indicated and Inferred) of 3.2Mt at 1.93g/t for 204,900oz at a 0.5g/t cutoff (Figure 1). This forms part of the Lady Julie Combined Resources (Indicated and Inferred) of 5.89Mt at 1.68g/t for 317,900oz at a 0.5g/t cutoff (Table 1).

The updated combined (Indicated and Inferred) Mineral Resources estimate for the whole project area were announced recently on 3 February 2023, “Expands Mineral Resources Estimate” and include:

- 13.5Mt @ 1.40g/t Au totaling 605,000oz of gold at 0.5g/t cutoff.
- Increase of 18% of the total ounces over the 27 June 2022 ASX Release Maiden

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.

Gold mineralisation at LJN4 is hosted in a sequence of ultramafics, massive carbonate (marble) and chert intruded by felsic porphyries. This sequence is cut by a major N-S braided shear complex known as the Chatterbox Shear Zone (CSZ) which is known to host significant mineralisation to the north. Petrological studies are in progress to determine if the carbonate and chert units are in fact forms of intense carbonate and silica alteration associated with the CSZ.

Mineralisation and alteration styles include:

- Quartz stockworks in silicified ultramafic with minor disseminated pyrite.
- Silica-sericite altered felsic porphyry with minor disseminated pyrite.
- Quartz veins, often on porphyry margins.
- Discrete silica-pyrite zones (lodes).

The quartz stockworks and silica-sericite altered porphyry tend to host broad zones of mineralisation while the silica-pyrite lodes host higher grades zones.

The Chatterbox shear zone is a complex N to NNE-trending, east-dipping structural corridor which can be traced for some 22km extending from Magnetic Resources’ southern boundary at Mt Jumbo and through Lady Julie North 4 and as far north as the Beasley Creek gold deposit on Magnetic’s NE boundary (Figures 3 and 4). Within Magnetic’s tenements the shear zone can be traced for a distance of 12km. The shear zone is interpreted to comprise a series of braided faults and shears within a corridor ranging from 100m to 250m wide and is interpreted to have formed as a reverse fault on the limb of the regional Margaret Anticline during the latter stages of its folding.

Importantly, this shear zone is closely associated with, gold mineralisation at several locations along its length including Magnetic’s LJN4 and Mt Jumbo deposit. This shear is gold rich and gold deposits further north of Magnetics tenements contains the Beasley Creek and Apollo deposits and is interpreted to extend south towards the world class Wallaby deposit. It is evident in aeromagnetic imagery and in gravity images (Figure 4).

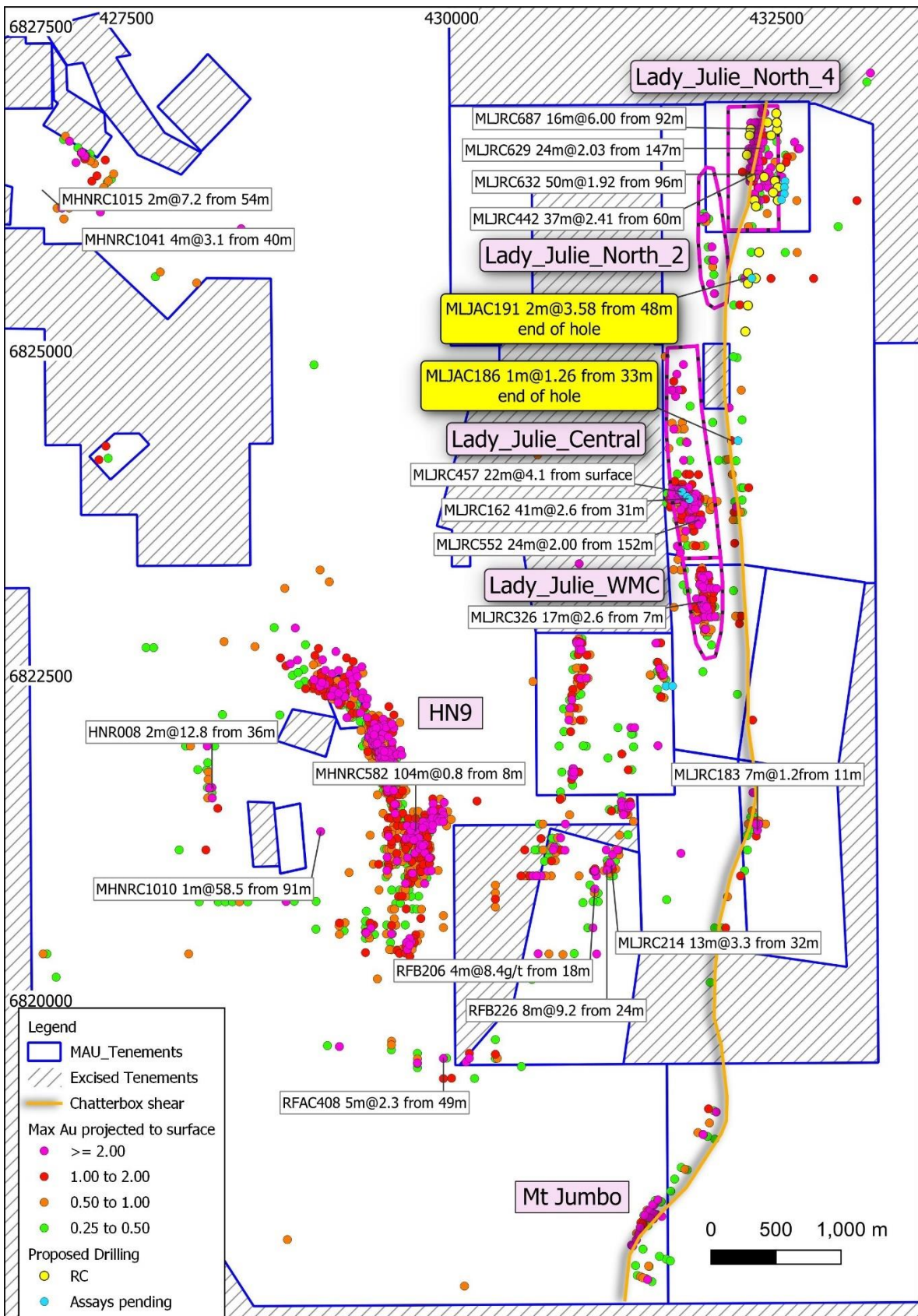


Figure 3 Gold intersection overview covering the HN5, HN6, HN9 and adjacent Lady Julie Projects showing some highlighted intersections (white label), significant historical and Magnetic intercepts (maximum Au projected to surface), planned holes in yellow and highlighted Chatterbox shear extending south from the Lady Julie North 4 Deposit.

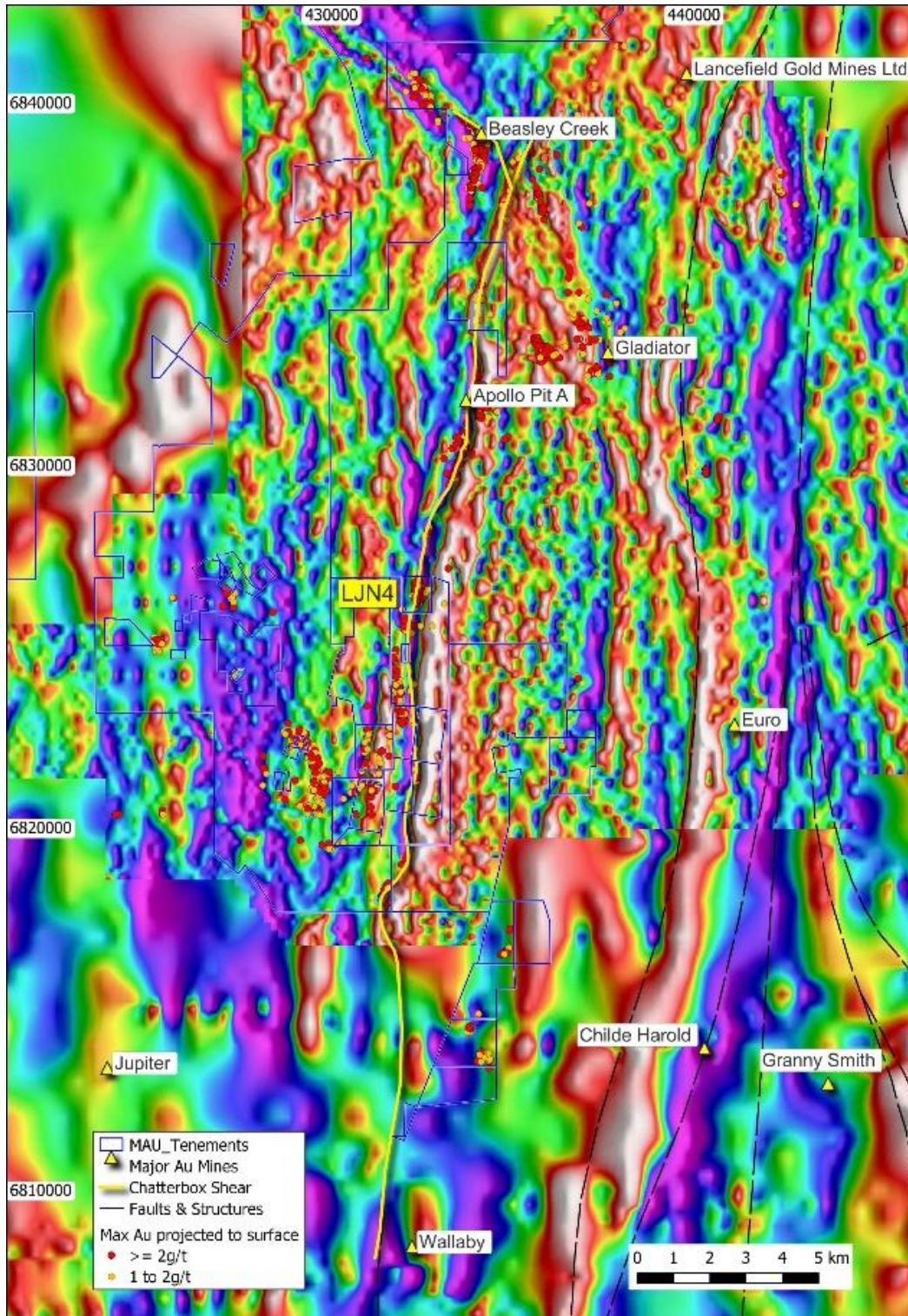


Figure 4 The Lady Julie North 4 Chatter interpreted shear shown on a gravity image.

Within the HN5, HN6, HN9 and Lady Julie areas there are many new shallow intersections (Fig 1 and Table 3) with a total of 2091 intersections (ranging from 1 to 30m) greater than 0.5g/t Au, which includes 945 greater than 1g/t Au, 352 greater than 2g/t Au, 188 greater than 3g/t Au and 117 greater than 4g/t Au.

At Hawks Nest 5, 6, 9 and Lady Julie extensive drilling programmes have been completed. (Tables 4 and 5), including 1,773 RC/DD holes totaling 129,541m (average 73m depth), 32,341 2–5m composites and 21,892 1m splits, 302 AC holes totalling 12,123m, 2,783 2-6m composites and 291 1m splits and 8 Diamond holes totaling 823m. Assays are pending 6 RC holes for 339m and 3 Diamond holes for 320m.

This release is reporting on and 837 1m splits from 16 RC/RCD holes (MLJDD05, MLJRC670,679,690-695,697,702-704, MLJRCD636,669 and 675) totaling 2,246m and 77 1m splits from 14 AC holes (MLJAC165,169,171,176-178,182,183,186,187,190-192 & 195) totaling 720m at Lady Julie.

Mineral Resource Upgrade

HIGHLIGHTS

- **This update incorporates recent drilling results at Lady Julie North 4 (LJN4) and Lady Julie Central (LJC).**
- **Updated combined (Indicated and Inferred)* Mineral Resources estimate for the whole project area of:**
 - **13.5Mt @ 1.40g/t Au totaling 605,000oz of gold at 0.5g/t cutoff.**
 - **Increase of 18% of the total ounces over the 27 June 2022 ASX Release Maiden Mineral Resource estimate of 13.1Mt@1.22g/t totaling 511,000oz at 0.5g/t cutoff.**
- **Significantly the resource grade of LJN4 has risen from 1.27g/t Au to 1.93g/t Au.**
- **LJN4 is now the largest resource in the field – it remains open at depth and similar deposits are being explored for along the extensive 12km Chatterbox shear.**
- **Key deposits are close to each other and form part of one mining field.**
- **Three processing plants are nearby, between 10km and 35km away.**

The Mineral Resource update follows extensive infill and down-dip drilling at the Lady Julie Central and Lady Julie N4 deposits.

The verification and reporting of Mineral Resources on behalf of the Company was completed by its JORC Competent Person, Mr M Edwards of Blue Cap Mining. 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 13.5Mt @ 1.40g/t Au at 0.5g/t cut-off totaling 605,000oz of gold (See table 1 below).

The Table below summarise the Updated Total Mineral Resource at a 0.5g/t Au cutoff (Table 1), with Table 2 providing details of each resource.

Table 1. Total Mineral Resource at 0.5 g/t Au Cutoff*

Classification	Au Cutoff	Volume	Tonnes	Density	Au	Ounces
Indicated	0.50	1,870,000	4,775,000	2.55	1.32	203,100
Inferred	0.50	3,256,000	8,692,000	2.59	1.44	402,160
Total	0.50	5,226,000	13,467,000	2.58	1.40	605,260

Figure 1. Overview of Magnetic's Laverton and Homeward Bound South Resources

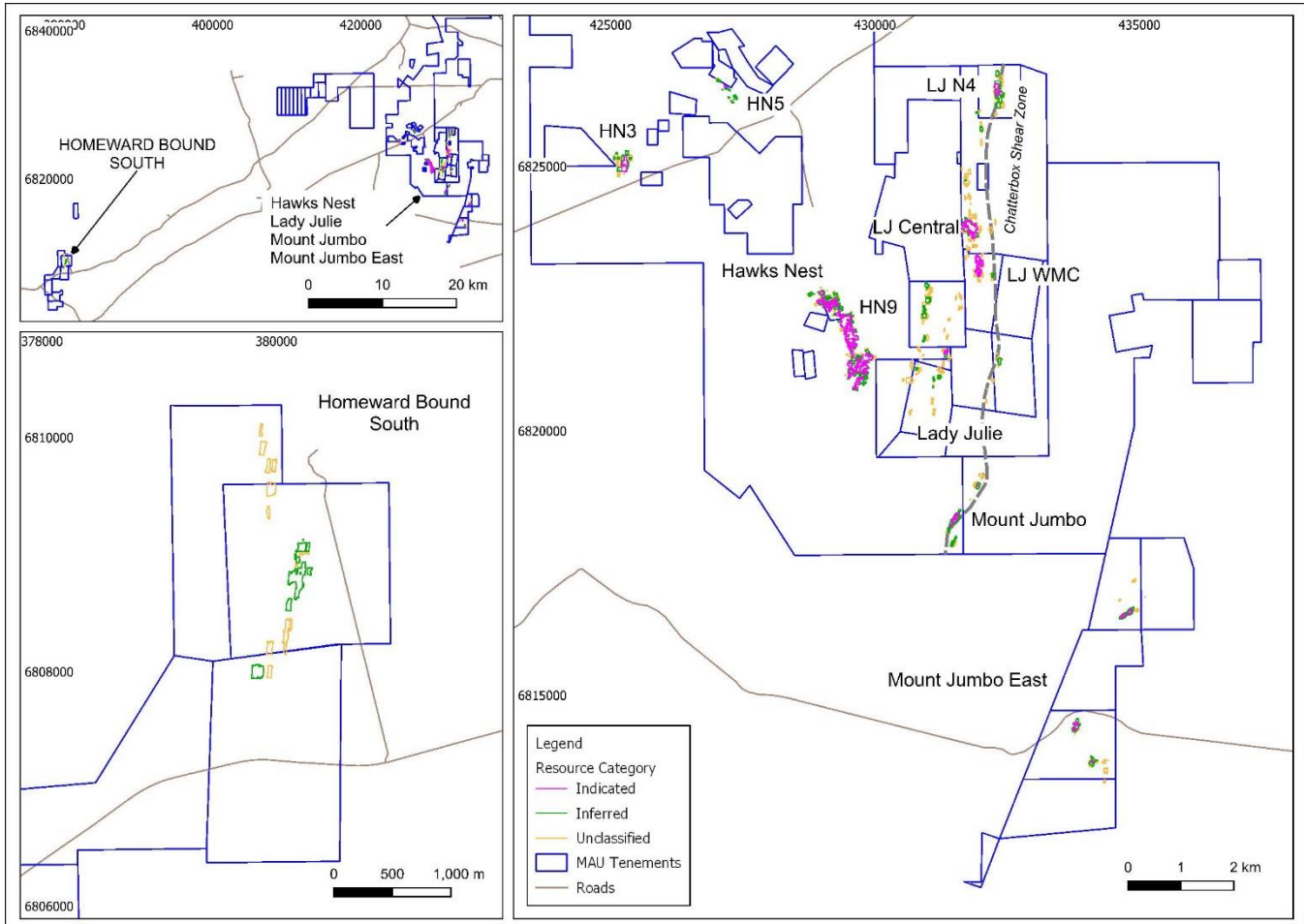


Table 2. Updated Total Mineral Resource by Deposit at 0.5 g/t Au Cutoff

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	765,000	1,986,000	2.60	1.52	97,100
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	1,484,000	3,894,000	2.62	1.76	220,800
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	2,249,000	5,887,000	2.61	1.68	317,900
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

The Company confirms that there is no new information or data that materially affects the mineral resource estimate announced previously to ASX, and that all assumptions underpinning the estimate continue to apply and have not materially changed.

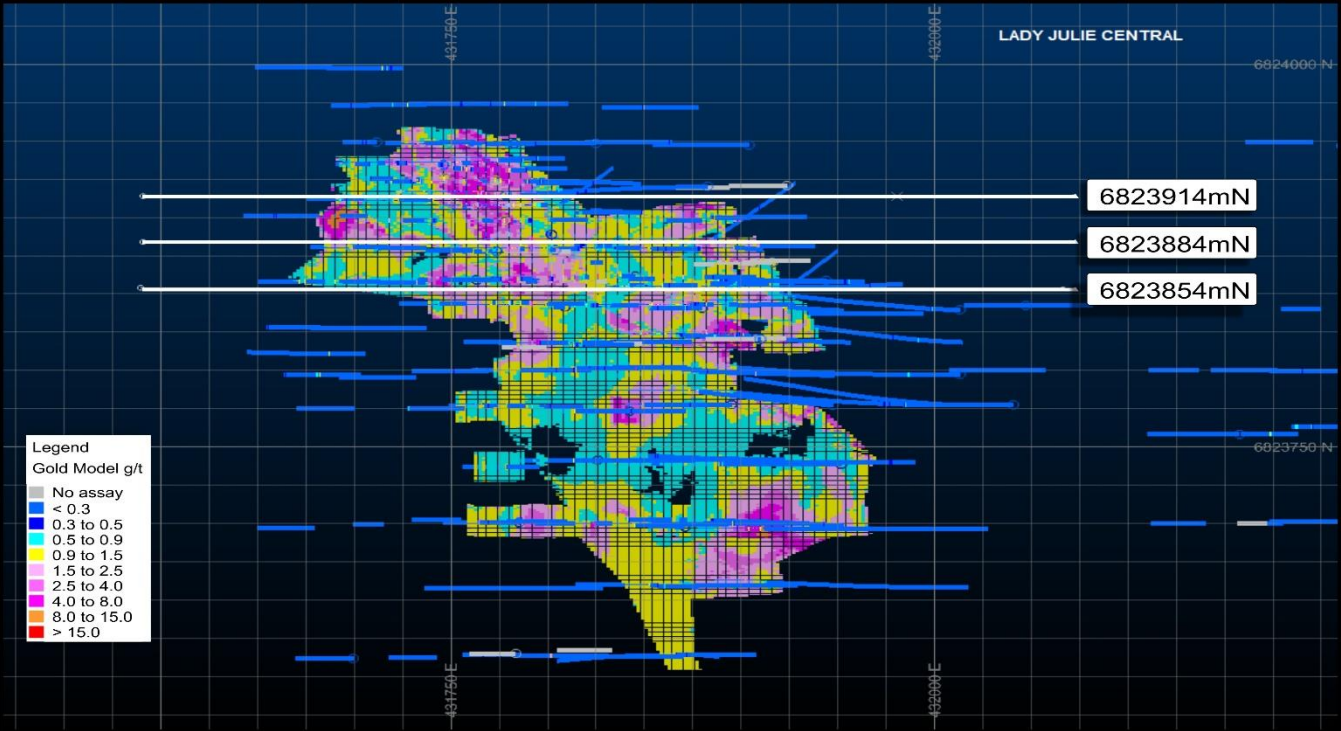
The key deposits that were mainly drilled in the last six months being Lady Julie North Central and Lady Julie North 4, which form part of the Lady Julie Deposit shown in Table 2 and are further summarised below:

Lady Julie Central

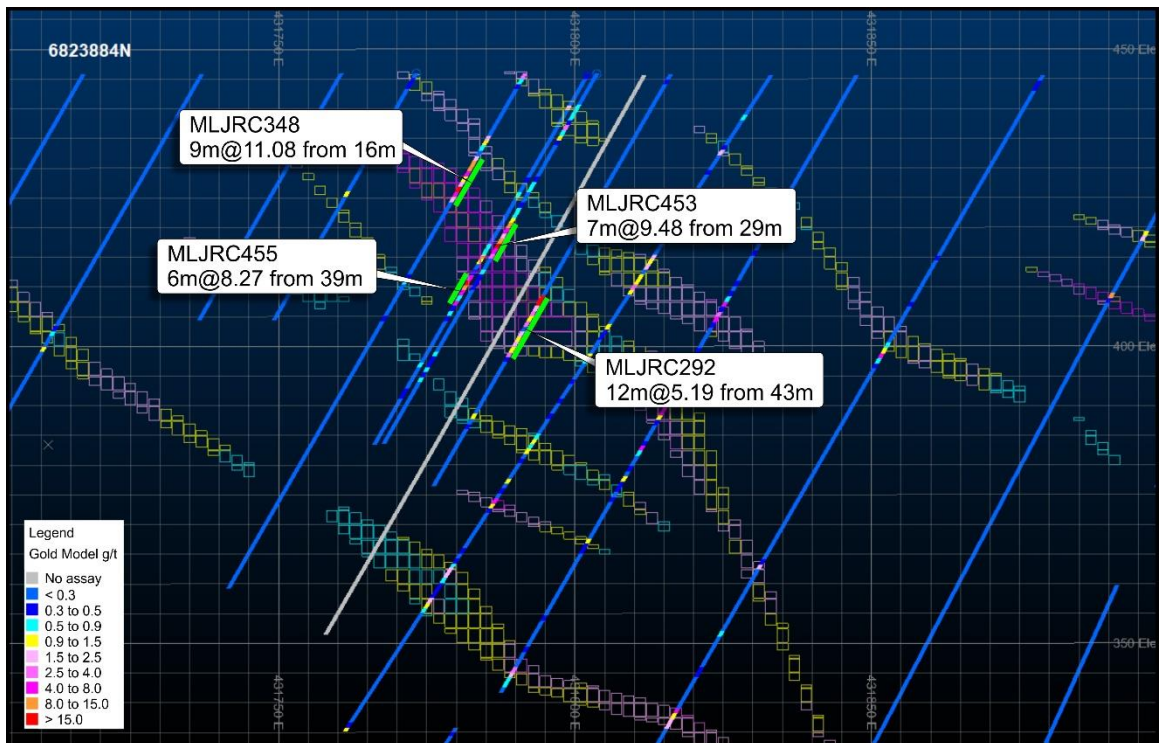
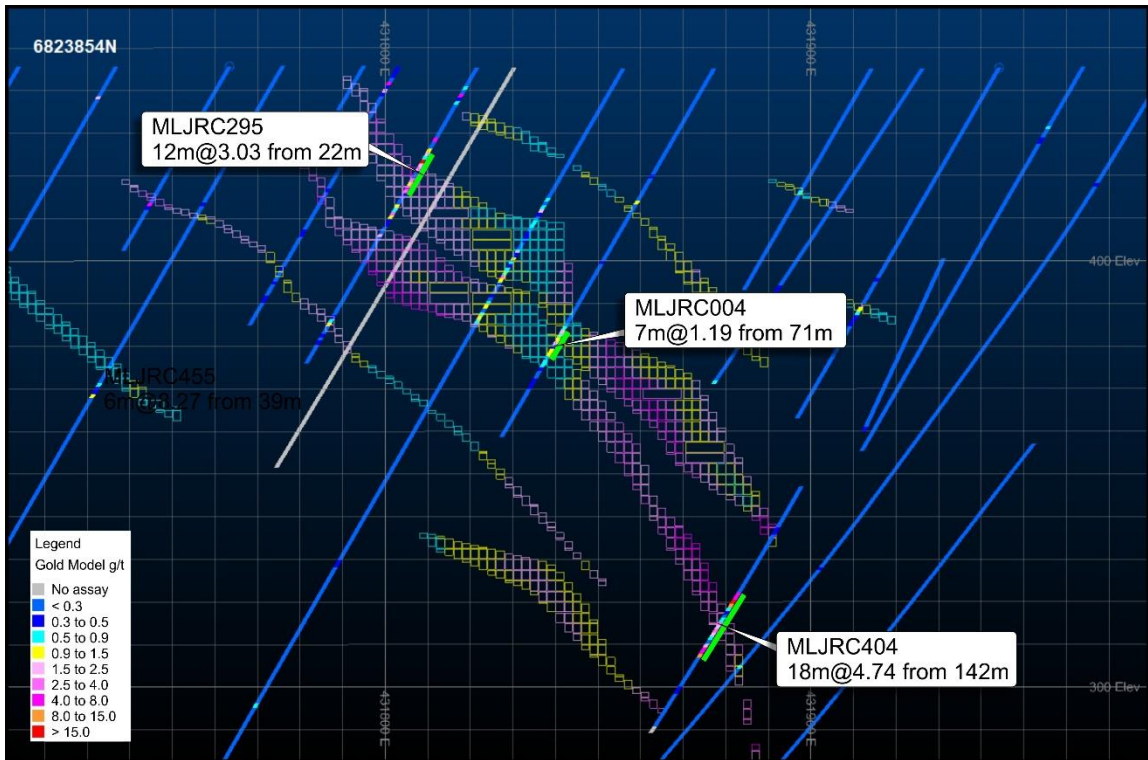
The Lady Julie Central (Indicated and Inferred) Resource of 1.36Mt at 1.67g/t Au for 73,100oz is 350m by 200m in area (Figure 2). The Indicated Category covers 48% of the tonnage total. There are some thicker intersections including a number of intersections that start from surface (Figure 3 a, b and c). The long section (Figure 4) shows a thickened near surface zone starting from surface on the northern end which gently plunges to the south-east forming two distinct zones.

There is potential to expand the resource at Lady July Central over isolated intersections to north and south – along strike.

Figure 2. Lady Julie Central plan showing resource block grades and drill sections



Figures 3 a), b), c). Lady Julie Central cross sections showing main gold intersections and resource wireframes and block grades.



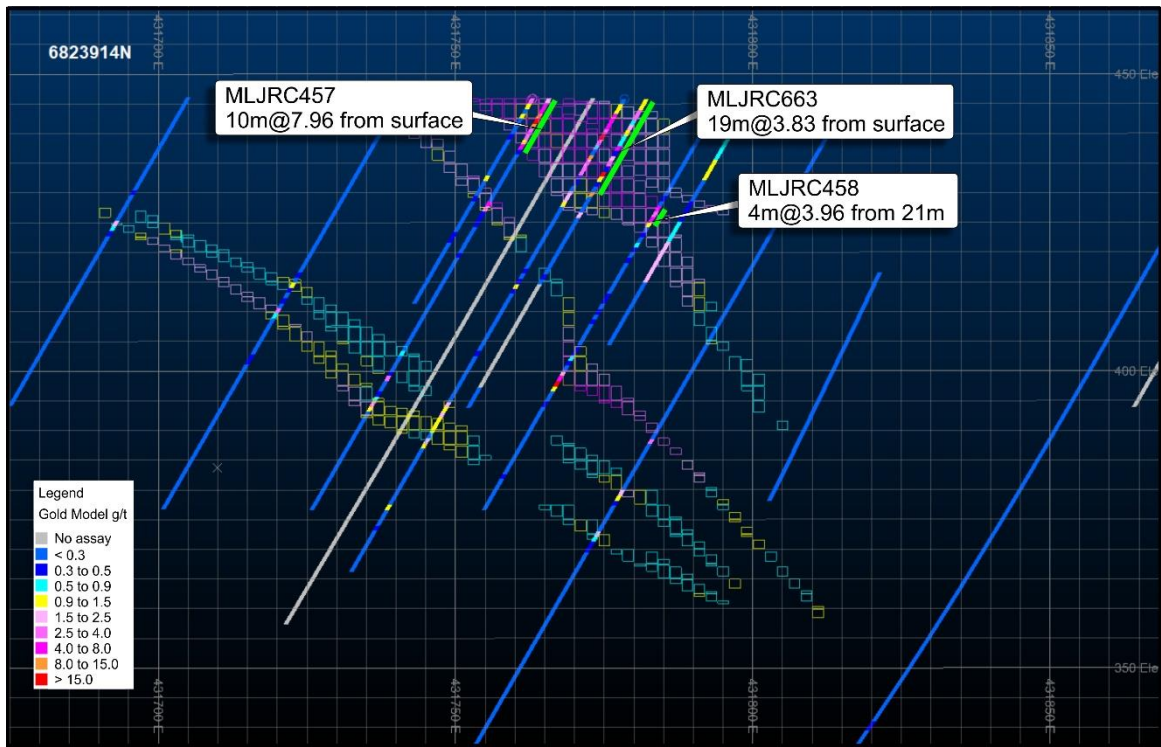
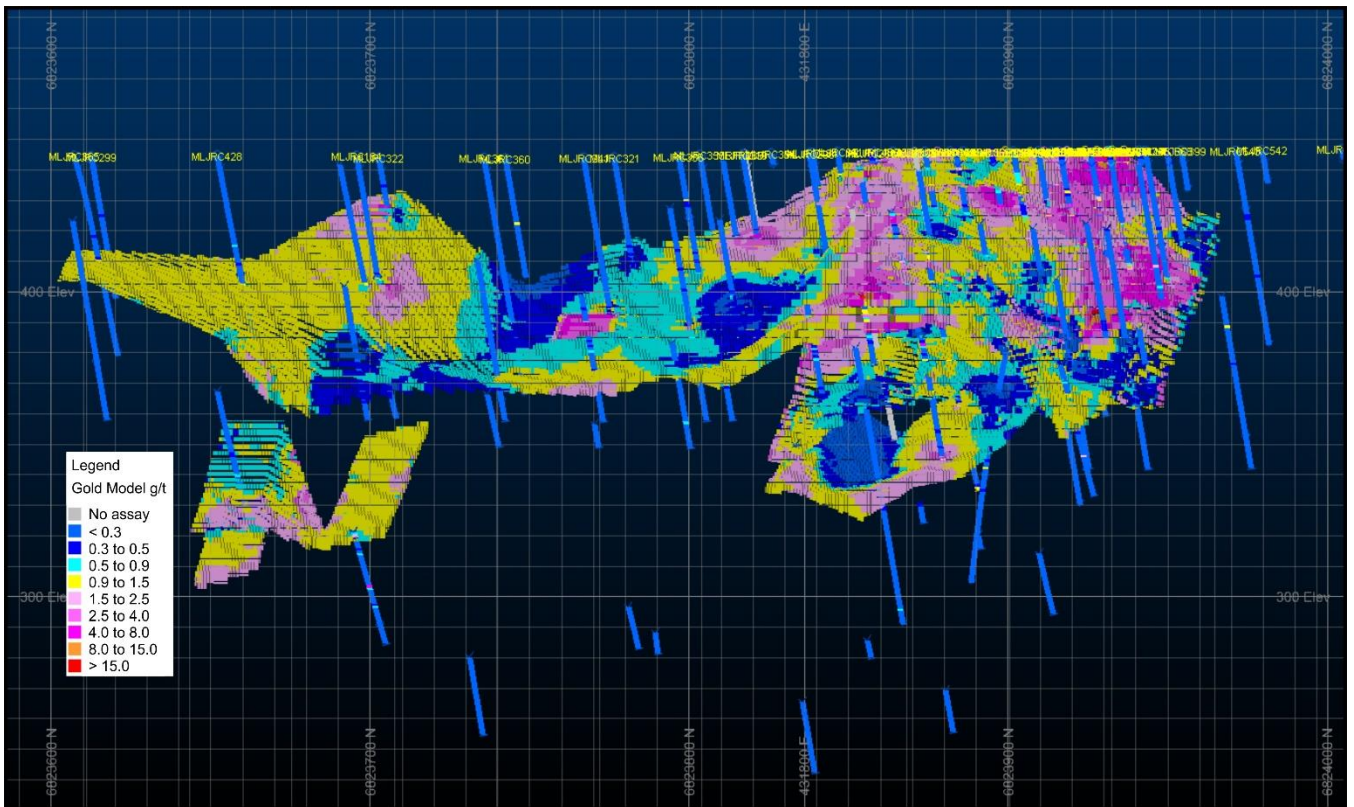


Figure 4 Lady Julie Central Long Section showing main gold intersections and resource wireframes and block grades.



Lady Julie North 4 Resource

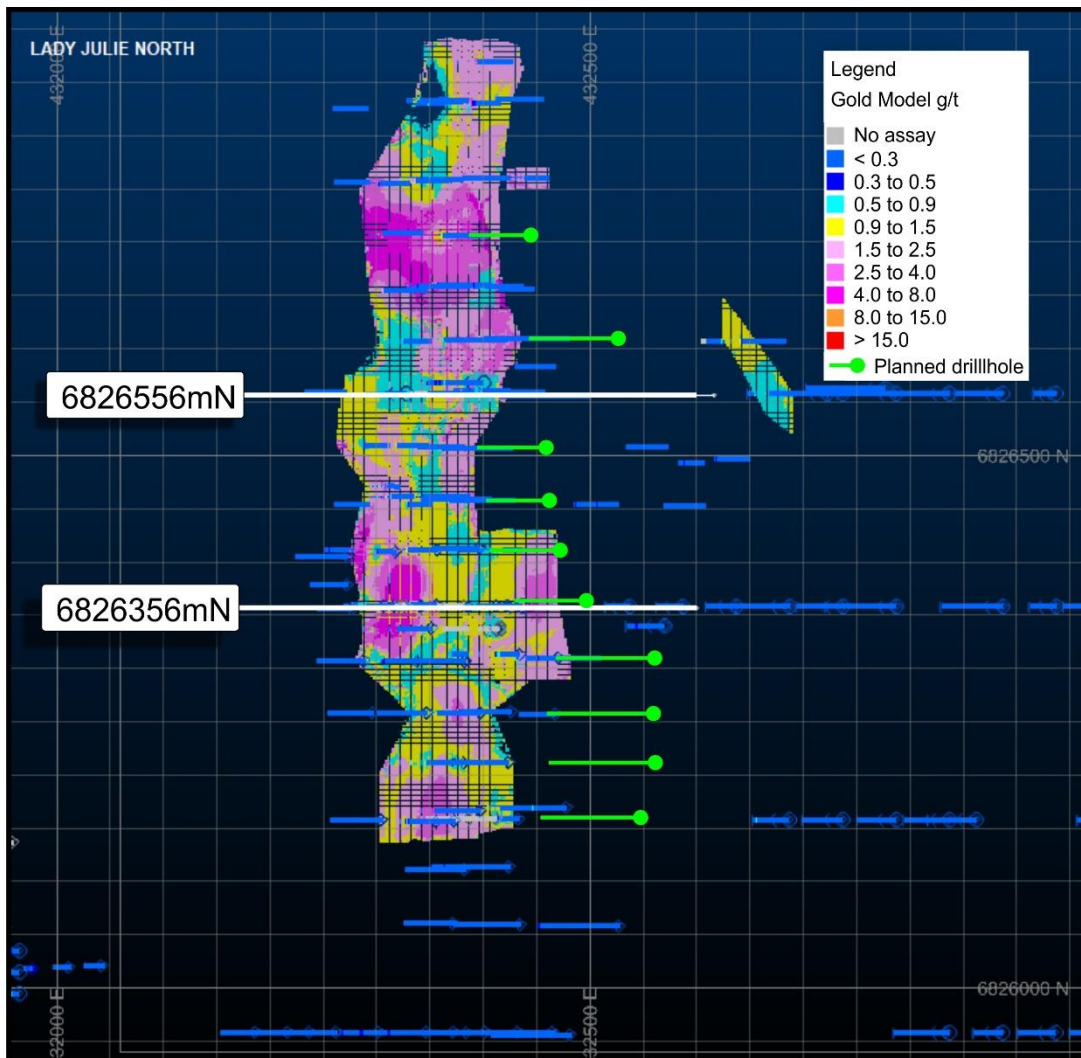
The Lady Julie N4 (Indicated and Inferred) Resource of 3.3 Mt at 1.93 g/t for 204,900 oz covers 750m x150m in area (Figure 5) and is open down dip and to the east, which augers well for the

potential size. The recent drilling results have increased both the quantity and the grade of the resource, and has permitted better definition of the nested, shallow-dipping lode structure.

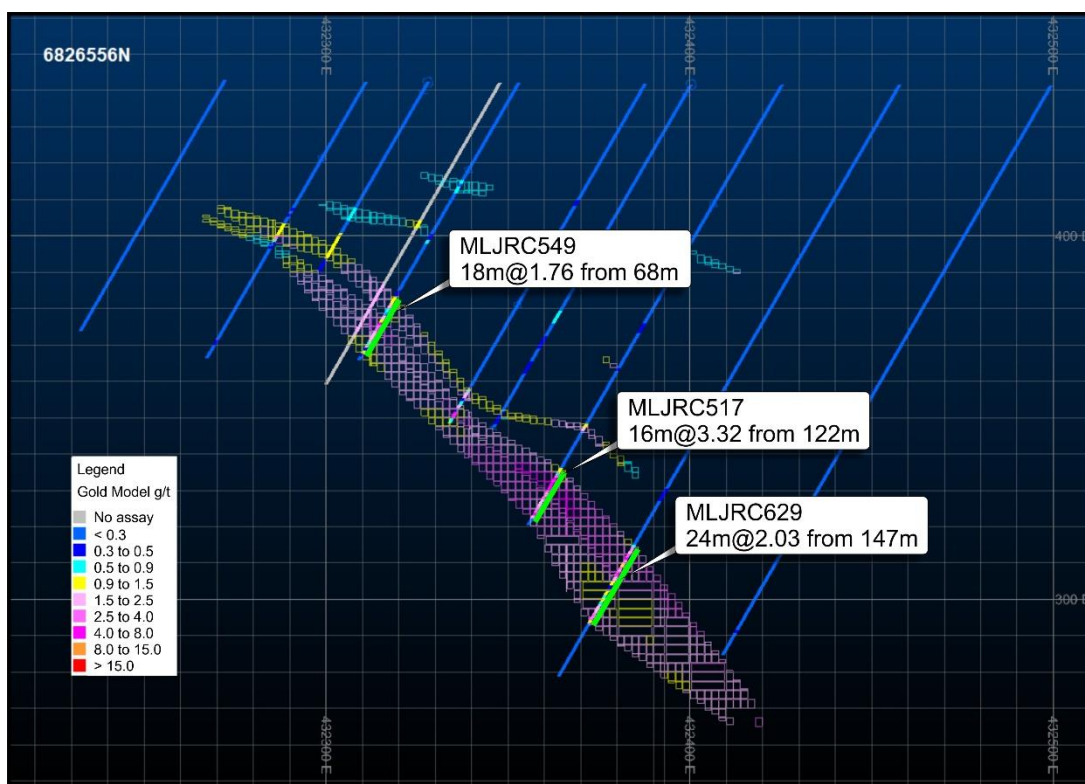
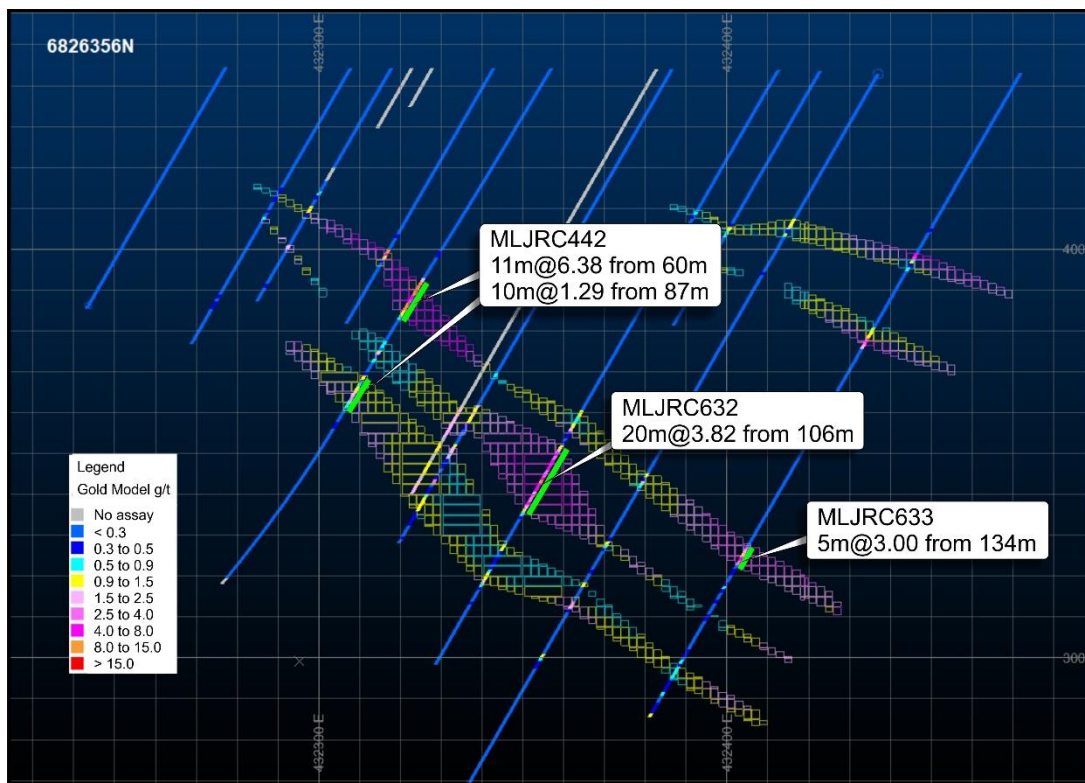
This resource is partly in the Indicated Category (28%) and is being infill drilled with a programme of 13 RC holes for 2,532m with most of these holes aiming to extend the mineralisation at depth (Figures 6 & 6 a and b). The long section (Figure 7) mainly shows a flat plunging thickened mineralised lodes that are shallowing to the north.

The potential to expand the resource at LNJ4 is considered strong on the basis of mineralized occurrences within the 12km long Chatterbox shear extending southwards from the LNJ4 Deposit. A number of anomalous gold areas are being followed up in the current RC drilling programme with the aim of locating further satellite deposits.

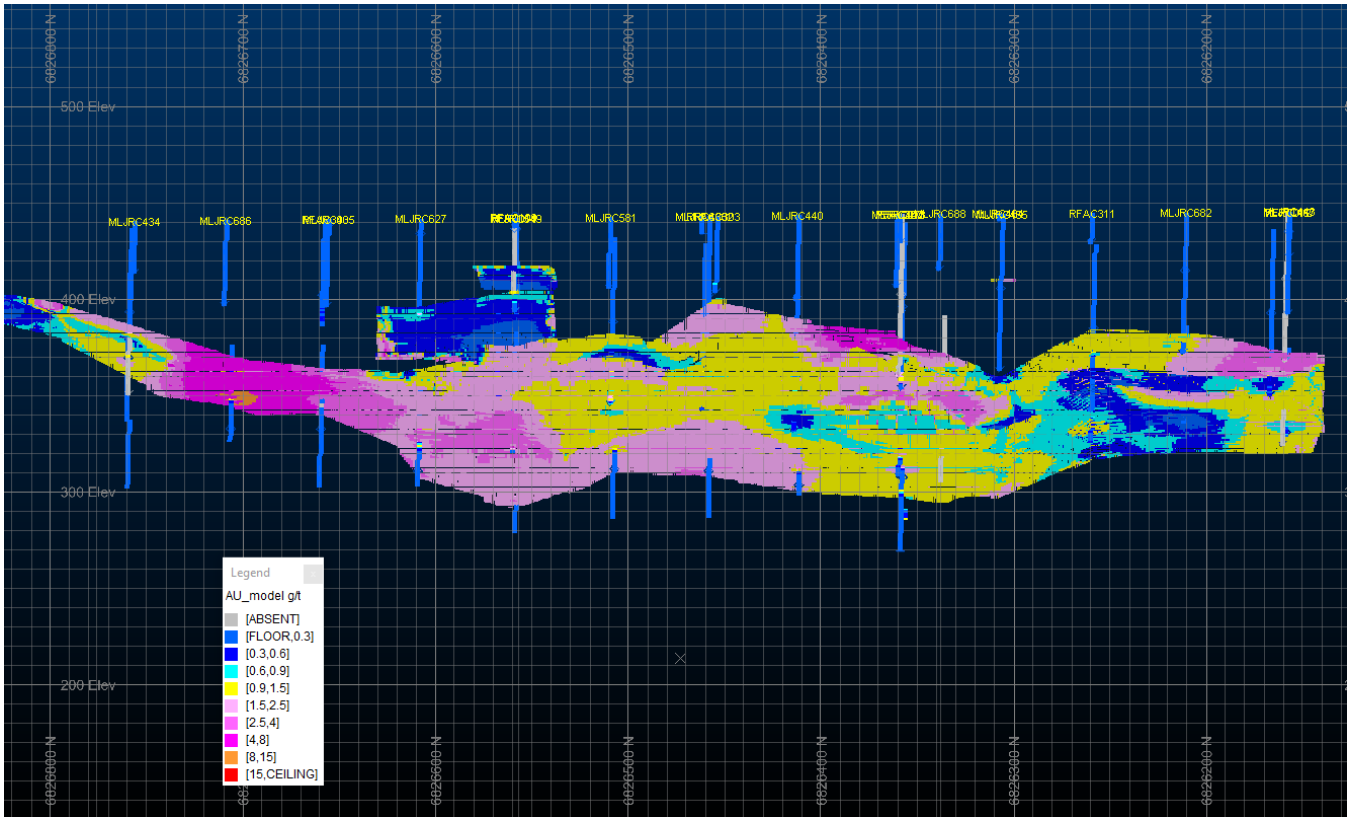
Figure 5. Lady Julie North 4 plan showing resource block grades and drill sections



Figures 6 a) and b). Lady Julie North 4 cross sections showing main gold intersections, resource wireframes and block grades.



Figures 7. Lady Julie North 4 Long Section showing main gold intersections, resource wireframes and block grades.



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	44,540	816
Lady Julie	91,063	1,455
Hawks Nest 3	6,262	115
Hawks Nest 5	4,395	103
Mount Jumbo	24,591	373
Homeward Bound S	8120	157
Total	178,971	3,019

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

Mineralised domains at HN9, LJC and LJC4 were digitized using mineralized trends. Drill data was flagged inside domain boundaries and composited to 1m intervals. Geostatistical analysis completed to determine top-cut of grades. A Dynamic Anisotropy Modelling methodology was adopted with inverse distance square for estimation.

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.

Blue Cap Mining Early Work Programmes Progress

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 LJNI, 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 LJNI 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 has commenced and 8 diamond holes for 780m are planned to 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.
- l. Ore/waste characterization – the acid demand testwork of leach tailings and waste rock is has been completed and are classified as non-acid forming.

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 LJNI.

Positive Metallurgical Results from Lady Julie

Highlights:

- Good gravity circuit recoveries ranging from 35.3% to 75.1%.
- Excellent combined gravity and leach recoveries ranging from 92.2% to 98.7%.
- Low to moderate cyanide and lime reagent consumptions.

Results of preliminary metallurgical test work have been received on 6 composite samples of mineralisation from the Lady Julie Central and Lady Julie North 4 gold deposits near Laverton. Composite samples ranging from 27kg to 37kg were obtained from 1m intervals of RC drill holes selected to be representative of oxidation type, rock type and zone (Table 1, Figure 1 and Table 4).

Table 1. Lady Julie Metallurgical Samples

Sample ID	Oxidation Type	Zone
LJM-1	Oxide	LJ Central
LJM-2	Transition	LJ Central
LJM-3	Fresh	LJ Central
LJM-4	Oxide	LJN4
LJM-5	Transition	LJN4
LJM-6	Fresh	LJN4

The samples were processed in the Perth laboratory of Metallurgy Pty Ltd. The testwork comprised gravity concentration followed by cyanide leach testing at three grind sizes of 80% passing 150µm, 106µm and 75µm. Overall gold recoveries at each grind size for Lady Julie Central and Lady Julie North 4 are shown in Figures 2 and 3 respectively.

Figure 1. Lady Julie Metallurgical Sample Locations

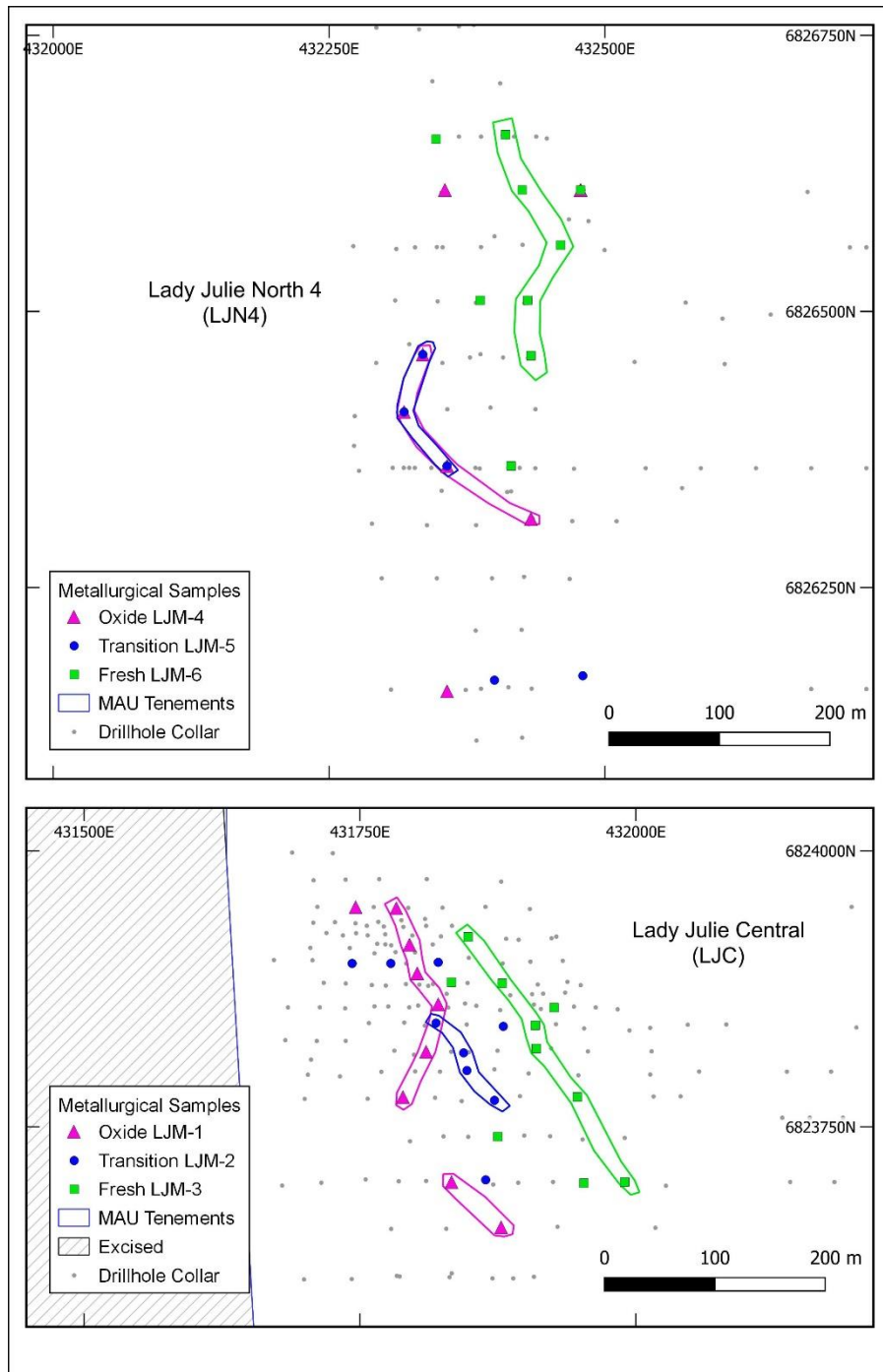


Figure 2. Lady Julie Central: Overall Gold Recovery vs Grind Size

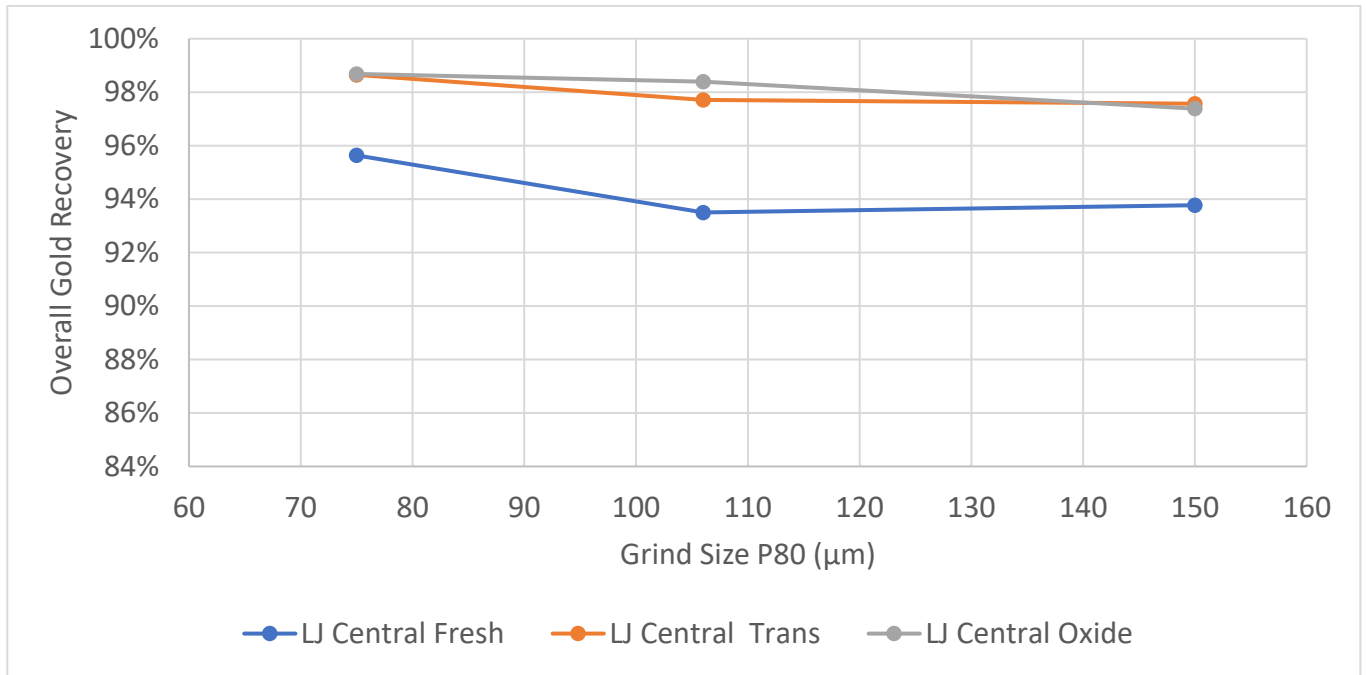
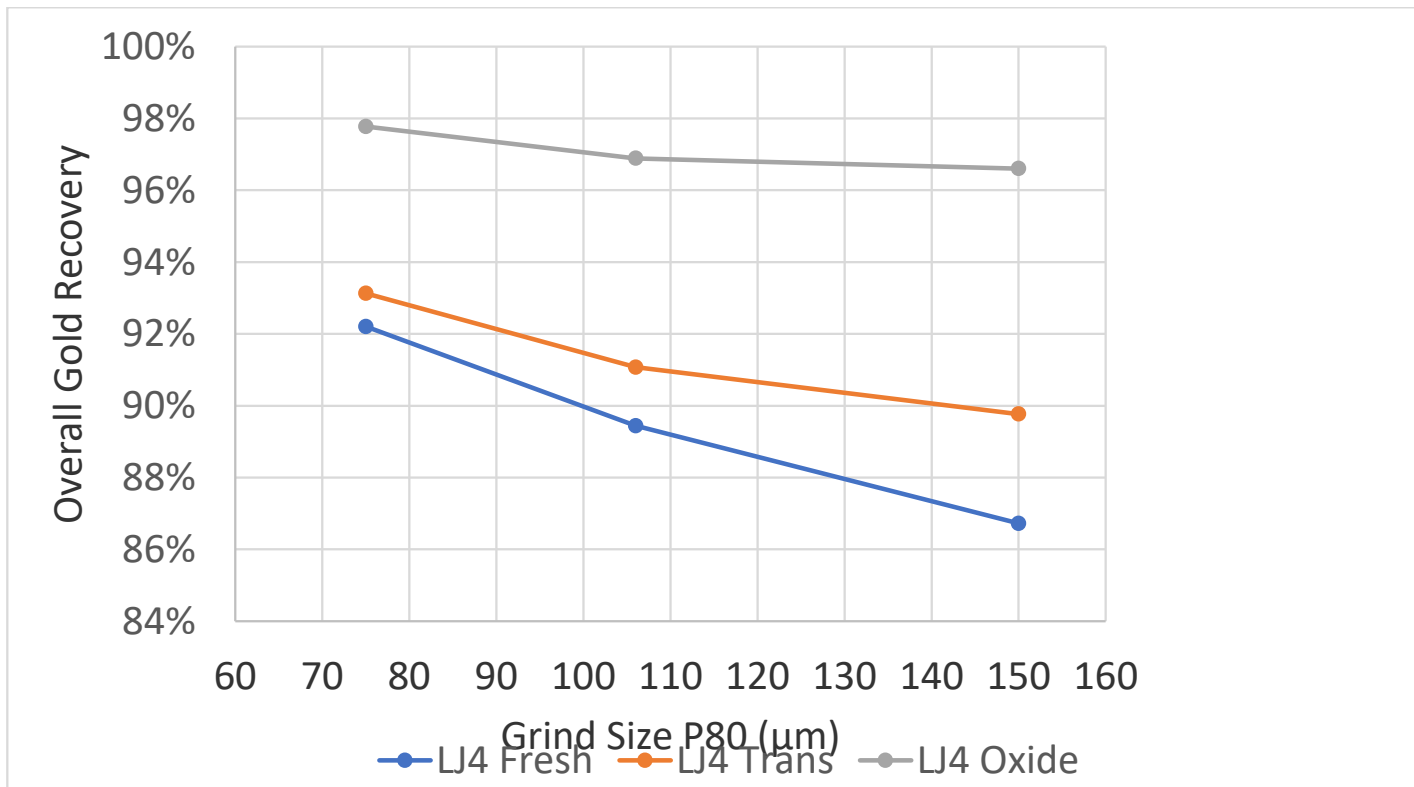


Figure 3. Lady Julie North 4: Overall Gold Recovery vs Grind Size



Head assays of the composite samples are shown in Table 2:

Table 2. Composite Sample Head Assays

Element	Unit	LDL	LJ Central Oxide	LJ Central Trans	LJ Central Fresh	LJ4 Oxide	LJ4 Trans	LJ4 Fresh
Au Average	g/t	0.005	1.37	2.02	1.33	1.45	1.58	1.63
Au	g/t	0.005	1.58	2.04	1.24	1.55	1.54	1.52
Au Dup	g/t	0.005	1.17	2.01	1.42	1.36	1.61	1.73
Ag	ppm	0.5	<0.5	<0.5	0.7	0.6	<0.5	<0.5
As	ppm	10	330	296	177	219	64	20
Cu	ppm	1	115	100	95	110	32	25
Hg	ppb	1	3	4	5	104	50	48
S	ppm	50	176	518	7,435	528	10,577	14,323

The results for the 75µm grind size (48 hour leach) are summarized in Table 3 and indicate the following:

- Overall gold recoveries range from 92.2% to 98.7%.
- Gravity concentration gold recoveries range from 35.3% to 75.1%.
- A reduction in grind size results in an increased recovery for all of the samples with P₈₀75µm reporting the highest gold recoveries ranging from 92.2% to 98.7% .
- Reagent consumptions are low to moderate with:
 - 0 to 48 hour cyanide consumption ranging from 0.4 to 0.7kg/t
 - 0 to 48 hour lime consumption ranging from 0.3 to 1.3kg/t.

Table 3. 75µm, 48hr leach, Results Summary

Sample ID	Type	Met Sample	75µm Calculated	Gravity	48hr CN Leach	Tailings	Overall Gold	48hr Cyanide	48hr Lime
		Head Grade g/t	Head Grade g/t	Recovery %	Recovery %	Loss %	Recovery %	Consumption kg/t	Consumption kg/t
LJ Central									
LJM-1	Oxide	1.37	1.45	44.2	54.5	1.3	98.7	0.45	1.28
LJM-2	Trans	2.02	2.25	35.3	63.3	1.4	98.6	0.52	1.02
LJM-3	Fresh	1.33	1.44	66.1	29.5	4.4	95.6	0.43	0.62
LJN4									
LJM-4	Oxide	1.45	1.37	37.4	60.4	2.2	97.8	0.53	0.81
LJM-5	Trans	1.58	1.54	44.2	48.9	6.9	93.1	0.57	0.81
LJM-6	Fresh	1.63	1.47	75.1	17.1	7.8	92.2	0.73	0.29

Managing Director George Sakalidis commented: “These preliminary metallurgical results are most encouraging, showing potential for good gold recoveries with low reagent consumption. The high gravity recoveries of up to 75% indicate the presence of coarse gold which could be expected to report to the gravity circuit and thus reduce overall leaching costs. These results are similar or better than those previously reported for the nearby HN9 gold resource (ASX Release 27 Oct 2020).”

Details of the composite samples are shown in Table 4 and summarised in Figure 1.

Table 4. Composition of Composite Samples

LJM-2 L J Central Transition

Sample ID	From	To	Mass
	m	m	kg
MLJRC 400	49	50	2.8
MLJRC 346	74	75	2.4
MLJRC 296	54	55	3.1
MLJRC 294	53	54	2.6
MLJRC 290	74	75	2.9
MLJRC 357	64	65	2.7
MLJRC 238	67	68	2.9
MLJRC 320	62	63	2.7
MLJRC 164	46	47	2.6
MLJRC 298	60	61	3.0
L J Central Trans			27.7

LJM-3 L J Central Fresh

Sample ID	From	To	Mass
	m	m	kg
MLJRC 352	95	96	2.6
MLJRC 454	100	101	3.4
MLJRC 344	100	101	2.7
MLJRC 294	95	96	2.9
MLJRC 448	148	149	2.8
MLJRC 405	102	103	2.9
MLJRC 460	122	123	3.7
MLJRC 362	83	84	3.2
MLJRC 410	152	153	4.0
MLJRC 552	162	163	3.3
L J Central Fresh			31.5

LJM-1 L J Central Oxide

Sample ID	From	To	Mass
	m	m	kg
MLJRC 286	49	50	3.4
MLJRC 458	24	25	2.5
MLJRC 295	23	24	2.2
MLJRC 319	37	38	2.7
MLJRC 455	35	36	3.2
MLJRC 428	49	50	3.1
MLJRC 487	43	44	2.3
MLJRC 322	23	24	2.2
MLJRC 399	26	27	2.7
L J Central Oxide			24.2

LJM-6 LJN4 Fresh

Sample ID	From	To	Mass
	m	m	kg
MLJRC 626	100	104	3.4
MLJRC 629	152	156	4.6
MLJRC 643	168	172	4.3
MLJRC 435	83	84	2.5
MLJRC 628	122	123	2.9
MLJRC 632	134	135	3.8
MLJRC 631	136	140	3.7
MLJRC 642	104	108	4.2
MLJRC 630	132	136	4.4
MLJRC 632	123	124	3.1
L J 4 Fresh			36.7

LJM-4 LJN4 Oxide

Sample ID	From	To	Mass
	m	m	kg
MLJRC 641	64	68	3.4
MLJRC 644	96	100	3.7
MLJRC 641	48	52	2.7
MLJRC 443	67	68	3.3
MLJRC 644	88	92	3.9
MLJRC 442	60	61	2.6
MLJRC 627	57	58	3.1
MLJRC 439	48	49	3.1
MLJRC 442	81	82	3.0
MLJRC 438	53	54	2.9
L J 4 Oxide			31.6

LJM-5 LJN4 Transition

Sample ID	From	To	Mass
	m	m	kg
MLJRC 439	45	46	3.1
MLJRC 438	69	70	3.2
MLJRC 442	93	94	2.4
MLJRC 442	70	71	3.3
MLJRC 438	77	78	2.7
MLJRC 635	147	148	3.9
MLJRC 630	56	60	3.7
MLJRC 632	113	114	4.9
MLJRC 644	108	112	4.2
MLJRC 632	106	107	3.0
L J 4 Trans			34.3

Nickel-Cu-PGE and REE Projects

These projects were selected based on aeromagnetic interpretation after noting the structural setting of the Julimar complex and the Gonville 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.

The western tenements Benjaberring and Goddard are prospective for nickel, PGE elements, Cu and Au. The eastern tenements are prospective for REE after shallow, thick, strong REE intersections were made within the Trayning project and has potential to be a new REE province (Figure 1). Access to various targets throughout the six tenements is ongoing and currently there are four access agreements over parts of the Trayning, Benjaberring and Goddard projects.

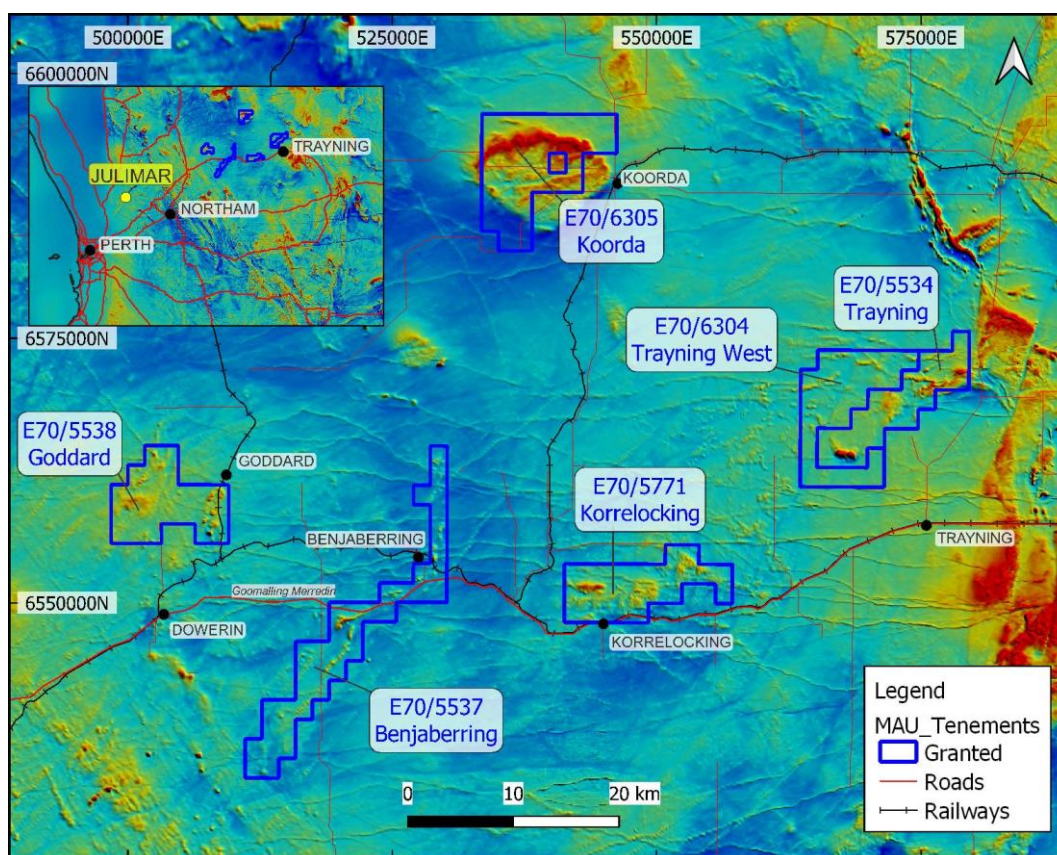


Figure 1. Coverage of Magnetics six projects NE of Julimar overlaid on the regional aeromagnetics

Initial aircore drilling in the wheatbelt region of Western Australia within the Trayning tenement (E70/3604) has intersected significant thicknesses of very anomalous shallow clay-hosted rare earth elements (REE) with thicker intersections of total rare earth oxides (TREO) including:

- 58m at 904ppm TREO from 12m in MTRAC007**
- 60m at 990ppm TREO from 8m in MTRAC009**
- 52m at 1096ppm TREO from 12m in MTRAC011**
- 52m at 1343ppm TREO from 12m in MTRAC013**
- 46m at 1061ppm TREO from 8m in MTRAC037**
- 28m at 989ppm TREO from 4m in MTRAC055**

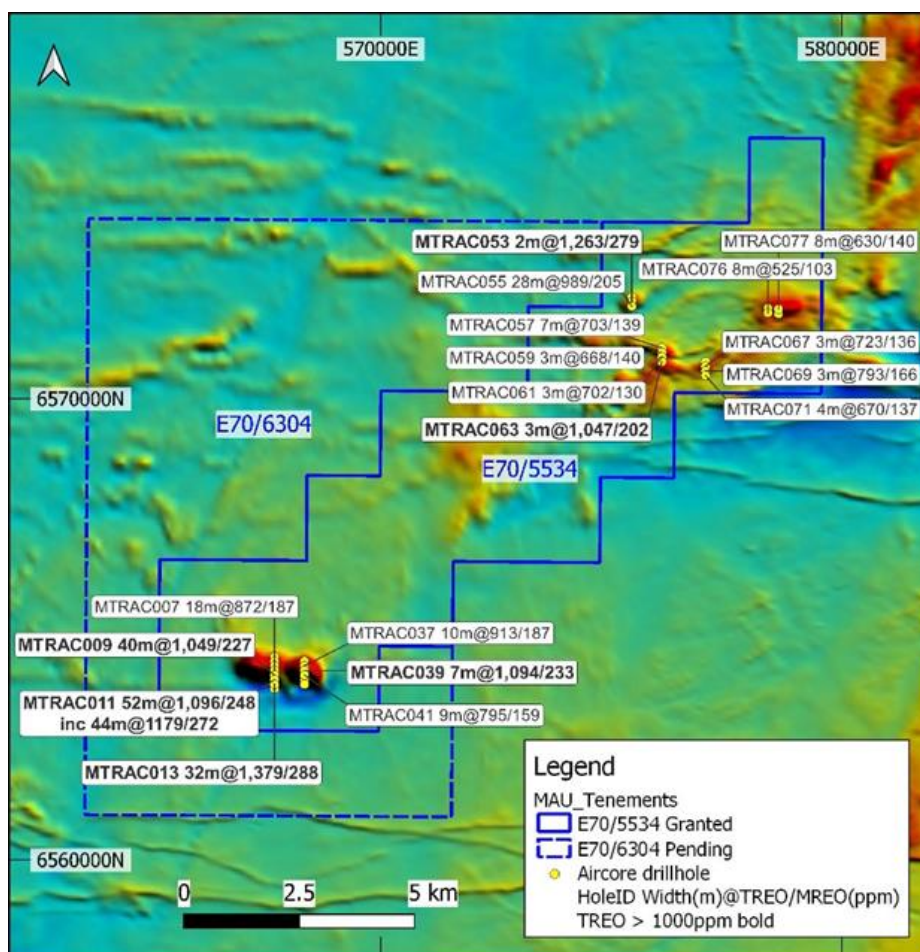


Figure 2. Trayning REE AC drilling intersections showing TREO/MREO over the main aeromagnetic anomalies.

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

During the quarter, Magnetic issued the half yearly report on 14 March 2023.

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. 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
47. High Grade Thick Intersections at Lady Julie North 4 and Lady Julie Central. MAU Release 17 November 2022
48. 52m at 1343 TREO in Scout Drilling at Trayning. MMAU Release. 24 November 2022
49. Thickest Intersections to date at Lady Julie North 4 MAU Release. 21 December 2022
50. Spin-Off of Western Australian Nickel and REE Asset to form Aureole Resources. MAU Release. 28 December 2022..
51. Positive metallurgical results from Lady Julie. MAU Release 25 January 2023
52. Expands mineral resource estimate. MAU Release 3 February 2023
53. Early works good progress at Laverton project. MAU Release 15 February 2023
54. Thick intersections remain open at depth at Lady Julie North 4. MAU Release 20 February 2023

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	-	2% Royalty Retained
WA	E37/1419	Granted	MALCOLM	-	2% Royalty Retained
WA	E37/1367	Granted	MELITA	-	2% Royalty Retained
WA	P37/8905	Granted	RAESIDE EAST	-	2% Royalty Retained
WA	P37/8906	Granted	RAESIDE EAST	-	2% Royalty Retained
WA	P37/8907	Granted	RAESIDE EAST	-	2% Royalty Retained
WA	P37/8908	Granted	RAESIDE EAST	-	2% Royalty Retained
WA	P37/8909	Granted	BRAISER	-	2% Royalty Retained
WA	P37/8910	Granted	BRAISER	-	2% Royalty Retained
WA	P37/8911	Granted	BRAISER	-	2% Royalty Retained
WA	P37/8912	Granted	BRAISER	-	2% Royalty Retained
WA	P37/9204	Granted	MALCOLM	-	2% Royalty Retained
WA	P37/9205	Granted	MALCOLM	-	2% Royalty Retained
WA	P37/9206	Granted	MALCOLM	-	2% Royalty Retained
WA	P37/9207	Granted	MALCOLM	-	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%

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	P37/9144	Granted	HOMEWARD BOUND SOUTH	100%	0%
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	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%
WA	E70/6304	Granted	TRAYNING WEST	100%	100%
WA	E70/6305	Granted	KOORDA	100%	100%
Tenements acquired in the quarter					
Tenements surrendered in the quarter					
WA	P37/9144	Granted	HOMEWARD BOUND SOUTH	100%	100%