



**ASX Release
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**HAWKS NEST GEOCHEMICAL SURVEY OUTLINES POTENTIAL
EXTENSIONS TO THE PROSPECTIVE 4M @ 4.5G/T INTERSECTED.**

Infill soil sampling at the HN5 target area at Hawks Nest (E38/3127) near Laverton has identified a gold anomaly with values up to **751ppb (or 0.75g/t) some 200m NW from drill hole MHNRC48 which intersected 4m @ 4.5g/t from 5m** (MAU ASX release 29 January'18). Any soil geochemical values around 200ppb or greater are considered significant in outlining shallow high-grade mineralization in this local area just as drill hole MHNRC48 was targeted on a 369ppb gold-in-soil anomaly adjacent to shallow gold diggings, which also shows evidence of shearing in a black shale.

Interpretation of detailed ground magnetic data shows the NNW gold-anomalous zone to coincide with an interpreted NW trending shear zone as shown in Figure 1. The plan is to follow up this shear extension in a NW direction with new Au soil samples on a 50x40m grid. There is also some evidence that the anomalous zone extends to the SE of the intersected mineralization.

Secondly, infill soil sampling (25m x 20m centres) also confirmed a gold-anomalous zone some **300m SE of MHNRC48, with values up to 317ppb Au** which appears to lie on a second, parallel NW fault or shear zone. **A 1,116ppb Au** soil value may lie on the NW extension of this structure.

Thirdly, another parallel fault or shear zone is interpreted to the south, passing through the historic Emerald gold diggings. Further infill soil sampling on a 50mx40m grid is planned here to detail the anomalous geochemistry here prior to any further drilling.

NNW trending fault or shear zones are known to be associated with gold mineralization at Magnetic's nearby Mt Jumbo East prospects. The coincidence of interpreted NNW trending structures and gold diggings with NW trending gold geochemical anomalies where the MHNRC48 drill intersection is located is considered very prospective.

The further SE strike extension of all three structures at HN5 extend into an area of thicker, possibly transported soil cover where soil sampling and surface prospecting may not be as effective. This will be further assessed utilizing a combination of ground magnetic interpretation looked for structural and less enhanced soil geochemistry coincidence.

Magnetic plans to follow up these anomalous results with additional shallow drilling to test the soil anomalies to the NW of MHNRC48 and drilling of the central shear zone target to the south. Additional infill soil sampling is also planned to further define the previously reported anomalies further south (MAU ASX release 29 January'18) as well as over the Emerald diggings. In total 200 soil samples and 77 deeper RAB/AC holes totaling 1925m are planned to follow up promising soil geochemical anomalies and extensions along NW and WNW structures and workings.

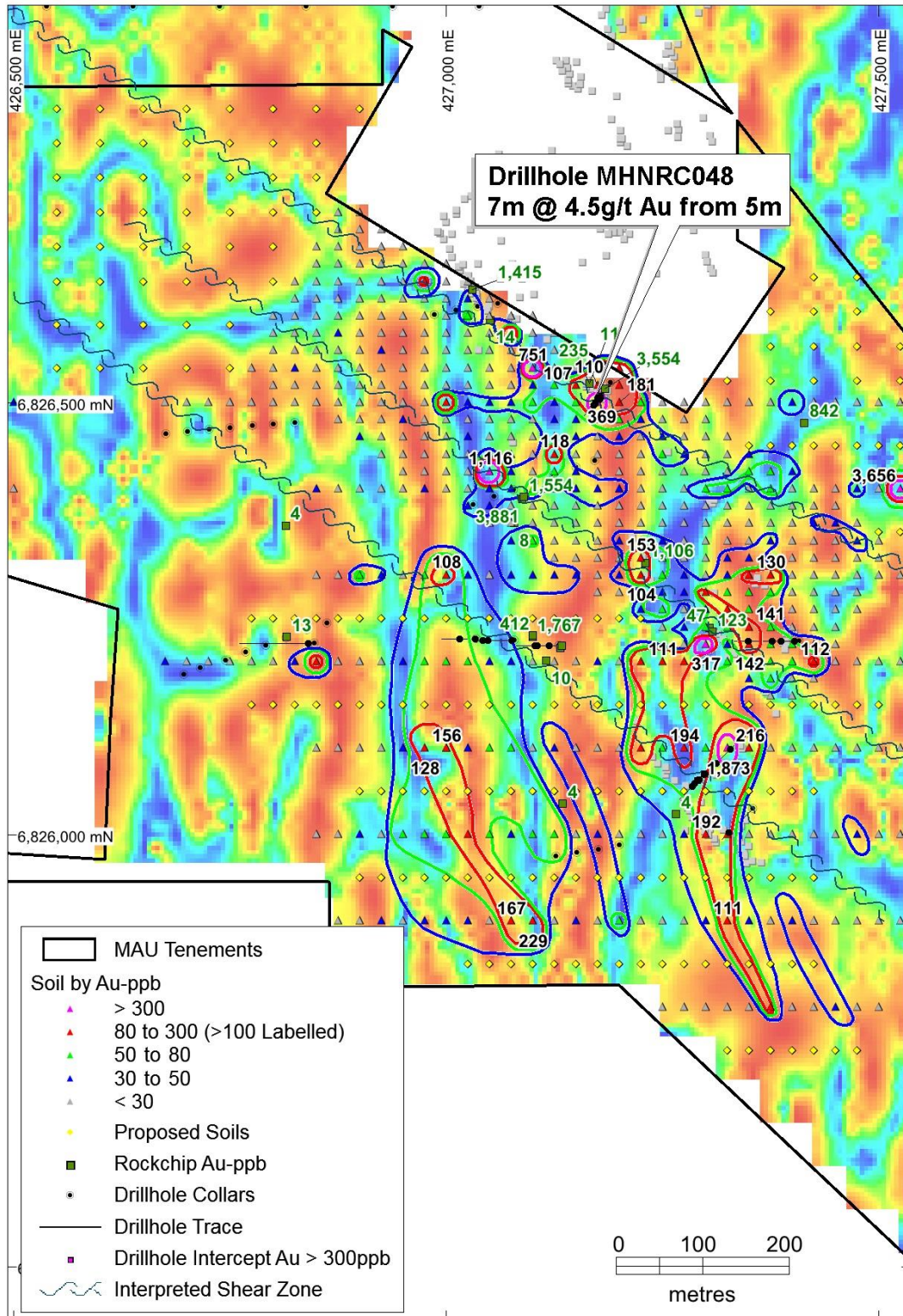


Figure 1. HN5 Area, Gold-in- Soil Geochemistry and Ground Magnetism and NW Shears.

Table 1. HN5 Area, Gold-in-Soil >= 100ppb

SampleId	MGA_East	MGA_North	Au_ppb
HN5043	427200	6826500	181
HN5044	427175	6826500	369
HN5067	427375	6826300	130
HN5073	427225	6826300	104
HN5083	427000	6826300	108
HN5094	427250	6826200	111
HN5102	427425	6826200	112
HN5106	427350	6826100	216
HN5107	427325	6826100	1873
HN5109	427275	6826100	194
HN5120	427000	6826100	181
HN5121	427000	6826100	156
HN5133	427300	6826000	192
HN5145	427325	6825900	111
HN5154	427100	6825900	229
HN5155	427075	6825900	167
HN5186	426975	6826100	128
HN6291	427525	6826400	3656
HN5312	427100	6826540	751
HN5331	427150	6826520	107
HN5332	427175	6826520	110
HN5379	427125	6826440	118
HN5393	427050	6826420	1116
HN5466	427225	6826320	153
HN5506	427350	6826240	141
HN5512	427300	6826220	317
HN5514	427350	6826220	142

Table 2. HN5 Area, Rock Chip Gold >= 100ppb

Sample_Id	MGA_East	MGA_North	Au_ppb
HNR05	427308	6826235	123
HNR08	427100	6826229	1767
HNR10	427166	6826522	235
HNR31	427100	6826231	412
HNR48	427088	6826389	3881
HNR50	427030	6826631	1415
HNR51	427230	6826315	1106
HNR52	427184	6826516	3554
HNR95	427090	6826391	1554
HNR96	427414	6826477	842

Magnetic Resources Managing Director commented, “these new geochemical results certainly point to exciting target areas worthy of shallow drilling especially when values are around 200ppb or greater near our intersection of 7m @4.5g/t from 5m in RC hole MHNRC48. At least 20 significant values have been found from soil sampling and rock chip sampling shown on Fig. 1, Table 1 and Table2, which augers well for our follow up drilling work. This follow up drilling and infill geochemical work has already been planned and is starting shortly.”

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 Exploration Results for the Hawks Nest project is extracted from the ASX announcement entitled “Hawks Nest delivers with 8m @ 4.2g/t Au from 4m” and is dated 29 January 2018 and Robust near surface high grade zone of 7m @ 4.5g/t from 5m in hole MHNRC48 from 1m splits” and is dated 5 March 2018 all of which are available on www.magres.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement. 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 materialise, 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.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i> 	<ul style="list-style-type: none"> • Soils samples of approximately 1-2kg were taken at a depth of 25cm using hand held tools. In total 313 samples were taken on a 20m x 20m spacing at HN5. No duplicate samples were taken from HN5.
Drilling techniques	<ul style="list-style-type: none"> • <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i> 	<ul style="list-style-type: none"> • Not applicable.
Drill sample recovery	<ul style="list-style-type: none"> • <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> • <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	<ul style="list-style-type: none"> • Not Applicable.
Logging	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate</i> 	<ul style="list-style-type: none"> • The soil samples were not logged.

Criteria	JORC Code explanation	Commentary
	<p><i>Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <ul style="list-style-type: none"> <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i> <i>The total length and percentage of the relevant intersections logged.</i> 	
<p>Sub-sampling techniques and sample preparation</p>	<ul style="list-style-type: none"> <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> Prior to the survey an orientation exercise was completed analyzing both -80 mesh and -2mm soil fractions to determine the more representative fraction for that environment. Examination of the orientation analytical results indicated that the -80 mesh fraction was appropriate for the Hawks Nest area. 1-2kg of initial sample was considered adequate to provide a representative sample.
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> The whole soil samples were dispatched to MinAnalytical laboratory in Perth where they were dried and sieved at to produce approximately 250g of minus 80 mesh (-177 micron) material. the samples were analysed using an aqua regia digest and determination of Au (lower limit of detection 1ppb), Ag, As, Bi, Cu, Mo, Ni, Pb, Sb, Te, W and Zn by ICPMS. Aqua regia will dissolve most oxides, sulphides and carbonates but will not totally digest refractory and silicate minerals. In a weathered, oxidized environment aqua regia digestion is considered adequate for exploration purposes. QA/QC measures included repeat analyses and the use of internal lab standards which indicated acceptable levels of accuracy and precision.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data</i> 	<ul style="list-style-type: none"> Where duplicate samples were taken the analytical results were averaged. Where samples were checked by fire assay the fire assay result was accepted over the ICPMS result.

Criteria	JORC Code explanation	Commentary
	<p>verification, data storage (physical and electronic) protocols.</p> <ul style="list-style-type: none"> • Discuss any adjustment to assay data. 	
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Samples were located using a hand held GPS with an accuracy of +- 4m.
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • Samples from HN5 were taken on 20m x 20m centres. The samples were not composited.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • There is evidence of a NW – WNW trend at the MHNRC48 area at HN5. Sampling on N-S lines at 20m sample spacing is considered unlikely to introduce a sampling bias.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Samples were stored in a locked freight yard in Laverton prior to dispatch to Perth using a commercial freight company.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • The sampling techniques and results have not been subject to audit.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land	<ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental 	<ul style="list-style-type: none"> • HN5 is situated on exploration licence E70/3127 held by Magnetic Resources NL. The licence is granted with no known impediments to obtaining a licence to operate.

Criteria	JORC Code explanation	Commentary
<i>tenure status</i>	<p><i>settings.</i></p> <ul style="list-style-type: none"> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> HN5 comprises a group of shallow historical diggings at Emerald plus widely scattered prospecting pits. There is no evidence of historical drilling in this area.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> HN5 is situated in the Hawks Nest area about 16km SW of Laverton in an area of Archean mafic volcanic rocks extensively intruded by felsic porphyry. The rocks appear to comprise Association 1 of Hallberg and are situated in the hinge zone of the Margaret dome. The Emerald working are located on a narrow NW trending quartz vein within mafic volcanic rocks. Geological mapping has identified zones of quartz veining in extensive porphyry outcrops west of the Emerald diggings. There is widespread evidence of prospector activity in the area comprising a mix of dry blowing activity and mechanized shallow clearing for metal detecting purposes.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> There has been no evidence of historical drilling in the HN5 area. Magnetic Resources drilling in the area is summarized in its ASX releases of 26 July 2017 and 29 January 2018.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> 	<ul style="list-style-type: none"> No weighting or cutting of gold values, other than averaging of duplicate and repeat analyses.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> Not applicable.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Refer to text.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> All analytical results from the soil sampling at HN5 have been reported.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> Results of a ground magnetic survey at HN5 have been reported in ASX release of 26 July 2017.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> Subject to field inspection, shallow drill testing of the main gold and multi-element anomalies is envisaged.