



magnetic resources^{NL}

QUARTERLY REPORT for the Quarter Ended 31 December 2019

Magnetic Resources NL
ABN 34 121 370 232

ASX Codes: MAU and
MAUCA

Level 1
44A Kings Park Road,
West Perth, WA 6005

T +61 8 9226 1777
F +61 8 9321 6571

PO Box 1388
West Perth WA 6872

Issued Capital:
Shares - Quoted:

202,026,870 ordinary shares.
20,418,862 partly paid shares
(\$0.20 unpaid).

Options – Unquoted

- 2,986,667 options
exercisable at \$0.138 on or
by 11 October 2020

- 3,000,000 options
exercisable at \$0.377 on or
by 31 December 2021

- 3,000,000 options
exercisable at \$0.218 on or
by 31 December 2021

Cash: \$2.53m

Directors:

George Sakalidis
Managing Director

Eric Lim
Non-Executive Chairman

Julien Sanderson
Non-Executive Director

Company Secretary
Ben Donovan

HIGHLIGHTS

- In the central part of HN9 there is a distinct bend in the shear zone from SSE to SSW and there is a considerable thickening of the mineralised zone within an altered silicified porphyry. This porphyry is delineated over a 400m strike length, is open and plunges shallowly to the NNE, and dramatically thickens from commonly 2-5m up to 10-57m.
- This newly identified silicified porphyry crosscuts the NNW-trending near-surface flat-dipping mineralisation and may represent a feeder zone of the entire 3km-long HN9 shallow-dipping sequence.
- Three separate thick silicified porphyry horizons that are shallowly dipping to the east have been identified from deeper drilling which is like the nearby Mines Wallaby, Jupiter and Sunrise Dam.
- At the Lady Julie optioned tenements, two western shears trending NS are strongly mineralised with some excellent high-grade and some thicker shallow intersections outlined over a cumulative 1.3km.
- A further 684 soil samples are planned to the north and south of the most northern mineralised area to ascertain the size of the mineralised zone.

Laverton Area

Magnetic Resources NL has 259km² in the Laverton region comprising E38/3127 Hawks Nest, E37/3100 & P38/4201 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 to P38/4384 Lady Julie (**Figure 1**). **Table 1** shows the exploration completed to date and proposed exploration.

Table 1. Summary of work completed and proposed in the Laverton Region

Tenement	Surface sampling completed	Drilling & ground magnetics completed	Proposed exploration
Hawks Nest E38/3127	121 rock chips	164 RAB holes for 1814m	HN9 Extend 2 RC from 70 to 110m and plan deeper drilling.
M38/1041(Optioned)	4099 soils	595 RC for 28046m 2 AC holes for 66m 507km ground magnetics	
Lady Julie (Optioned) P38/4346, P38/4379-84	11 rock chips 61 soils	90 RC for 4421m 291 shallow RAB for 1689m	30 RC for 1520m 684 Soils
Mt Jumbo E38/3100	7 rock chips 67 lags	2 RC holes for 336m 2 DDH for 465m 143km ground magnetics	
Mt Jumbo East P38/4317–24	19 rock chips 131 lags	23 RC holes for 1646m 229km ground magnetics	
Kowtah P39/5594–97, 5617	1 rock chip	186km ground magnetics	RAB drilling planned

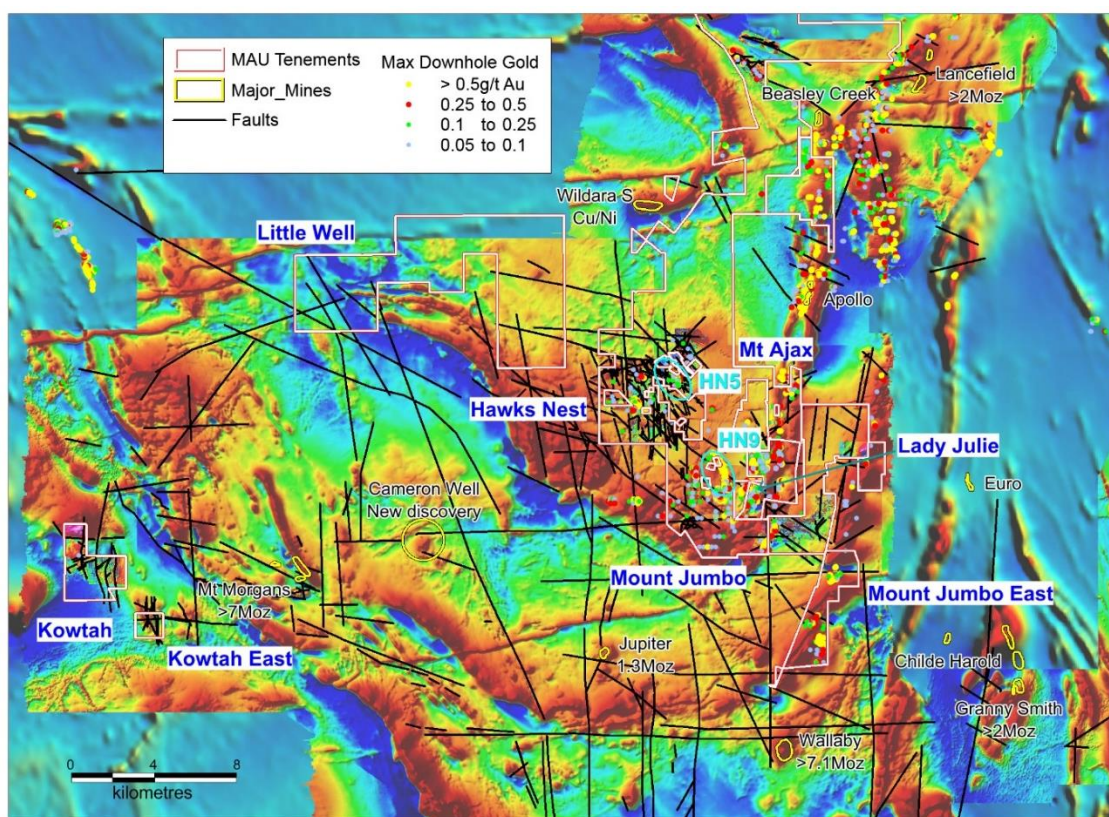


Figure 1. Hawks Nest, Hawks Nest East, Little Well, Mt Ajax, Mt Jumbo, Mt Jumbo East, Lady Julie and Kowtah projects, showing major shear zones, targets and gold deposits and historic workings

Hawks Nest E38/3127

Hawks Nest 9 target

At Hawks Nest 9 (HN9) an extensive drilling programme of 465 RC holes totaling 20,384m (averaging 44m) including 3,971 2-5m composites and 2660 1m splits have been completed to date (**Figure 2**). There are 65 RC holes totaling 2,906m (MHNRC512–576), 735 2-5m composites and 82 1m splits mainly being reported in this release. There are three lots of assays pending for the deepening of MHNRC541 from 70 to 110m and a further 7 deep (150-250m) RC holes (MHNRC577–583) totaling 1,525m.

At HN9 historical drilling results for 21 RC holes for 780m and 43 RAB holes for 1,182m have been compiled from historic reports. A total of 1583 soil samples have been assayed over a 4.2km² area.

In the central part of HN9 there is a distinct bend in the shear zone from SSE to SSW and there is a considerable thickening of the mineralised zone within an altered silicified porphyry. This porphyry is delineated over a 400m strike length, is open and plunges shallowly to the NNE, and dramatically thickens from commonly 2-5m up to 10-57m (**Figure 3**). This newly identified silicified porphyry crosscuts the NNW-trending near-surface flat-dipping mineralisation and may represent a feeder zone of the entire 3km-long HN9 shallow-dipping sequence (**Figure 4**).

Some of the thicker gold-mineralised zones encountered within this porphyry include 28m at 0.645g/t from 4m in hole MHNRC497, 57m at 0.5g/t from 13m including 27m at 0.69g/t from 43m in MHNRC541, 14m at 0.7 g/t from 25m in MHNRC179, 11m at 1.82g/t from 18m in MHNRC211, 12m at 1.96g/t from 16m in hole RFR-31 and 14m at 0.70g/t from 25m in MHNRC179 (Table 2; see MAU ASX Release 17 January 2020, Multiple silicified porphyry horizons from deep drilling and 57m mineralised feeder zone at HN9).

Table 2. HN9 Wide Porphyry Intersections

Hole_Id	Easting	Northing	From	To	Width	Gold	
	MGAz51	MGAz51	metres	metres	metres	ppm	
MHNRC179	429669	6821219	25	39	14	0.70	*
MHNRC496	429677	6821249	48	50	2	0.88	*
MHNRC497	429675	6821202	3	32	29	0.65	
MHNRC541	429710	6821250	13	70	57	0.50	*
MHNRC541		including	3	10	7	0.22	
MHNRC541		including	13	37	24	0.38	
MHNRC541		including	43	48	5	0.39	
MHNRC541		including	51	70	19	0.86	*
MHNRC564	429722	6821289	60	70	10	0.92	*
* End of hole							

The new eight deeper holes (greater than 150m depth) have predominately intersected three thick fine-grained porphyry horizons, which can be silicified and are down-dip and below from mineralised porphyry from previous shallow drilling (**Figure 3**). This augers well for the continuity of the mineralisation and we are looking forward to our assay results on all eight deeper holes. Three sets of drilling results are pending for HN9.

There are many new shallow intersections (**Figures 3 and 4, Table 2 and 3**) with a total of 324 intersections (ranging from 1 to 8m) greater than 0.5g/t Au, which includes 149 greater than 1g/t Au, 55 greater than 2g/t Au, 27 greater than 3g/t Au and 19 greater than 4g/t Au. It should be noted that most of the intersections are very shallow and within the first 50m of the surface. There are now three discernible mineralised zones recognised that mostly dip shallowly around

20-30° to the east within the sheared porphyry and sheared mafic/porphyry contacts. Previously there was only one mineralised zone recognised.

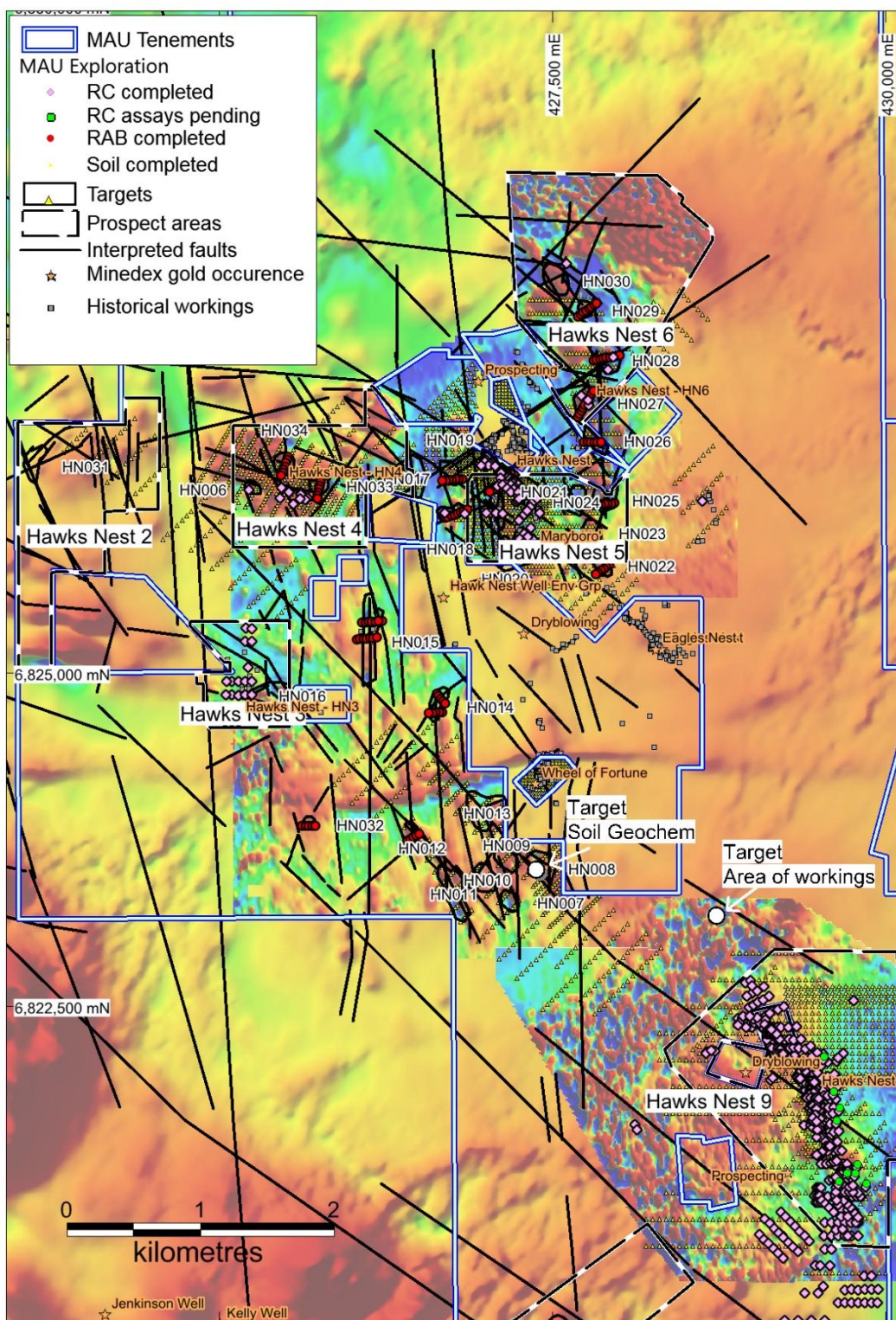


Figure 2. E38/3127 Hawks Nest ground and aeromagnetic interpretation showing major NW faults and Targets HN3–6, WoF & HN9, showing drill and soil programmes completed, 62 holes assays pending and 5 proposed deep RC holes

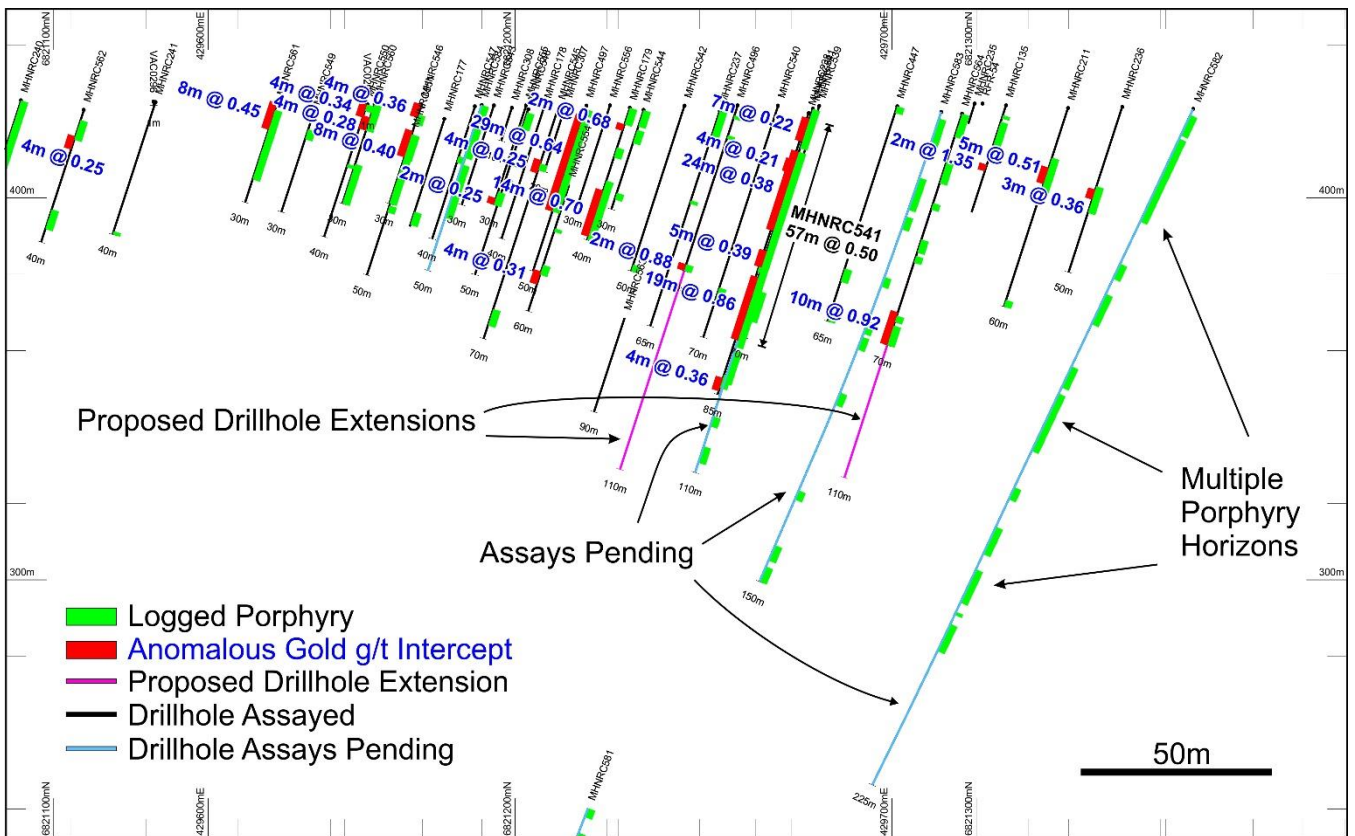


Figure 3. HN9 Central Area NNE Long Section showing multiple mineralised porphyry zones that thicken and plunge shallowly to the NNE (assays pending for deeper holes)

The newly discovered multiple shallow dipping extensive zones at HN9 are a potential indicator for deeper mineralisation because all the numerous nearby large deposits in the region including Wallaby (7Moz), Sunrise Dam (10Moz) and Jupiter (1.3Moz) have persistent internal shallow-dipping mineralised lodes that are often called shear zones, which are ubiquitous throughout these deposits and have been defined down to 1500m depth at the Wallaby deposit (**Figure 5**). In addition, many discoveries in recent times have been made by drilling below 100m because the historical drilling was far too shallow. At HN9 the average hole depth is only 44m providing tremendous scope for upside potential. In addition, the length of our 3km mineralised shear zone is like the length of the large Jupiter, Wallaby and Sunrise Dam Deposits.

With the Australian gold price at record levels of \$2,270 the HN9 Project being only 15km NW of the Granny Smith Operations owned by Gold Fields Australia Pty Ltd and only 10km NE of the Jupiter Operations owned by Dacian Gold Ltd at Laverton, WA. (**Figure 5**), is shaping up and has potential for a large-scale shallow deposit. This significant 3km mineralised zone is coherent and is not closed off to the north, east and at depth and is so far defined by 465 RC holes totaling 20,484m (**Figures 2 and 3 and Tables 2 and 3**).

Also, the discovery of a thick mineralised intrusive porphyry feeder zone up to 57m thick and the multiple bands of silicified porphyry from deeper drilling, similar to the Wallaby and Jupiter Deposits, is a breakthrough and will be further investigated with an infill deeper drill programme planned after assay results for the eight deeper holes are received shortly.

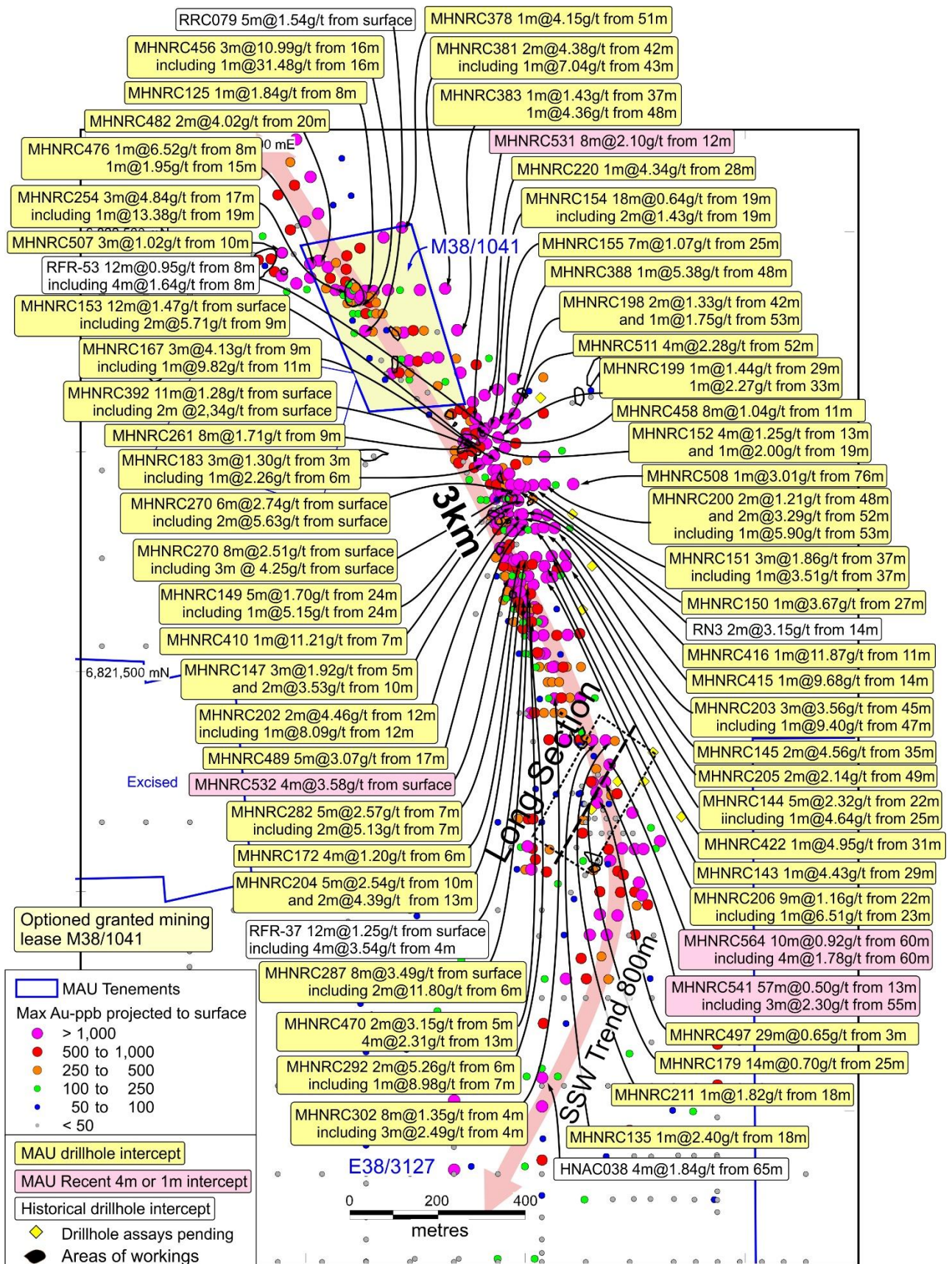


Figure 4. HN9 historical drilling (64 RAB/RC) and workings, MAU 465 RC drillholes (9 holes assays pending in yellow) within the 3km mineralised gold zone.

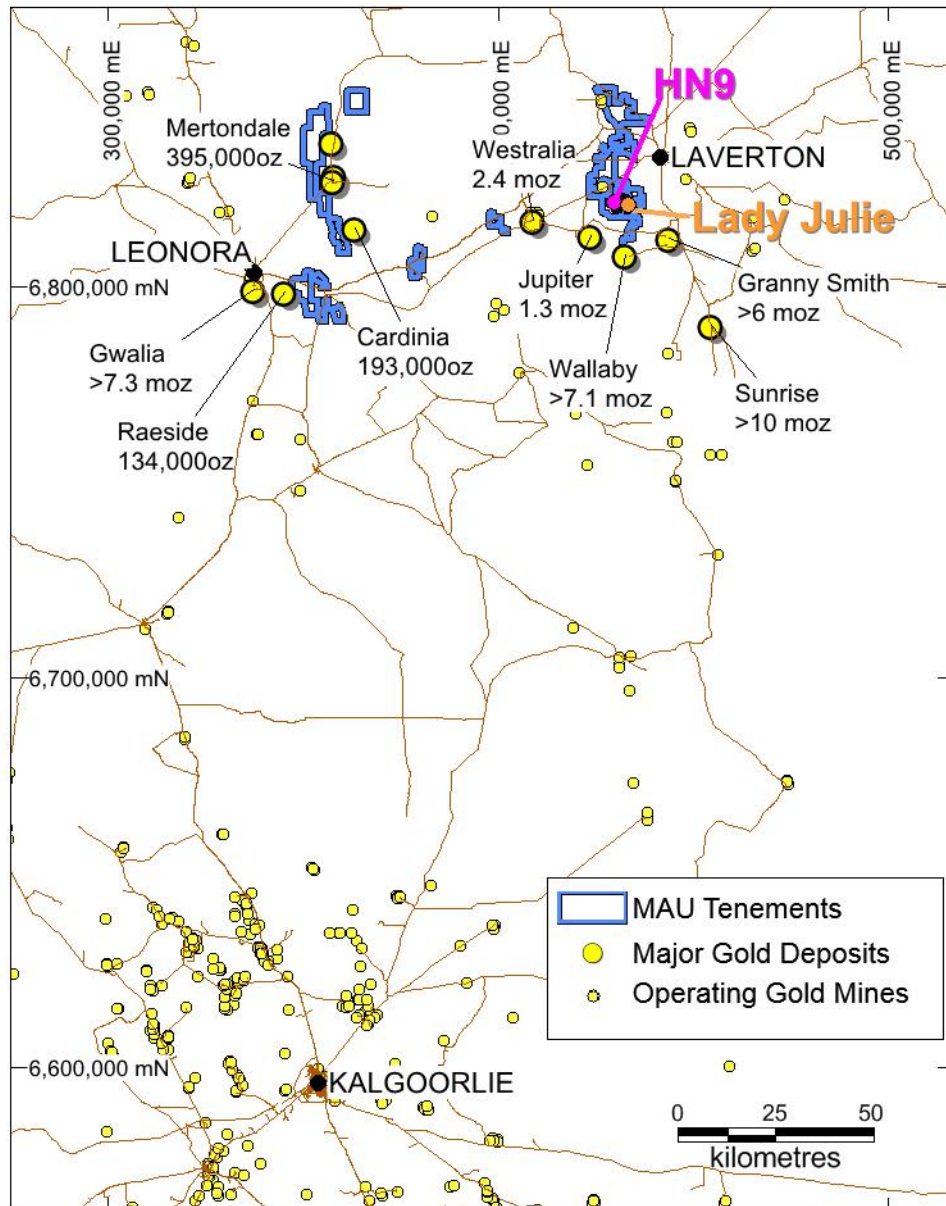


Figure 5. Location Map showing HN9 near major gold mines in the Laverton district

Table 3. HN9 Significant Drilling Intercepts Gold (>1g/t highlighted)

Hole_Id	Easting MGAz51	Northing MGAz51	From metres	To metres	Width metres	Gold ppm	
RC - Magnetic Resources NL 4m composites and 1m splits 14th Jan 2020							
MHNRC124	428952	6822397	14	15	1	1.004	*
MHNRC125	429140	6822367	8	9	1	1.838	*
MHNRC126	429165	6822366	20	21	1	1.855	*
MHNRC127	429076	6822369	16	17	1	1.030	*
MHNRC129	429238	6822208	5	6	1	1.317	*
MHNRC131	429225	6822271	3	4	1	1.451	*
MHNRC135	429661	6821344	18	19	1	2.402	*
MHNRC136	429516	6821406	6	7	1	1.962	*
MHNRC139	429550	6821541	11	12	1	1.229	*
MHNRC139			16	17	1	1.158	*
MHNRC140	429550	6821615	20	23	3	2.624	*
MHNRC142	429524	6821702	14	15	1	4.265	*

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm	
MHNRC143	429558	6821740	29	30	1	4.426	*
MHNRC144	429536	6821825	22	27	5	2.319	*
MHNRC144		Including	23	24	1	3.422	*
MHNRC144		Including	25	26	1	4.637	*
MHNRC145	429560	6821828	35	37	2	4.560	*
MHNRC146	429463	6821761	5	6	1	2.223	*
MHNRC146			9	10	1	1.487	*
MHNRC147	429465	6821858	5	11	6	2.070	*
MHNRC147		Including	6	7	1	2.836	*
MHNRC147		Including	10	11	1	6.266	*
MHNRC149	429496	6821889	24	29	5	1.696	*
MHNRC150	429512	6821921	27	28	1	3.671	*
MHNRC151	429536	6821924	37	40	3	1.862	*
MHNRC152	429417	6822022	13	17	4	1.246	*
MHNRC152		Including	14	15	1	2.023	*
MHNRC152			19	20	1	1.997	*
MHNRC153	429378	6822014	3	6	3	1.257	*
MHNRC153			9	11	2	5.713	*
MHNRC153		Including	9	10	1	9.695	*
MHNRC154	429422	6822060	19	21	2	1.426	*
MHNRC154			26	30	4	1.054	*
MHNRC154		Including	26	27	1	2.563	*
MHNRC154			36	37	1	2.149	*
MHNRC155	429440	6822073	26	31	5	1.212	*
MHNRC167	429432	6821993	9	12	3	4.129	*
MHNRC167		Including	11	12	1	9.822	*
MHNRC170	429435	6821901	2	3	1	1.201	*
MHNRC172	429474	6821674	6	9	3	1.393	*
MHNRC175	429539	6821584	1	3	2	1.046	*
MHNRC179	429670	6821219	6	7	1	1.126	*
MHNRC179			27	29	2	1.498	*
MHNRC179			36	37	1	1.047	*
MHNRC182	429592	6821346	20	21	1	1.036	*
MHNRC182			35	36	1	1.032	*
MHNRC183	429395	6821973	4	7	3	1.298	*
MHNRC183		Including	6	7	1	2.262	*
MHNRC184	429414	6821984	2	3	1	1.471	*
MHNRC184			11	12	1	1.453	*
MHNRC191	429068	6822429	7	8	1	1.213	*
MHNRC193	428980	6822382	1	2	1	1.110	*
MHNRC194	429195	6822368	13	14	1	1.575	*
MHNRC196	429289	6822212	27	28	1	1.169	*
MHNRC197	429391	6822116	20	23	3	1.009	*
MHNRC198	429476	6822089	42	44	2	1.330	*
MHNRC198			53	54	1	1.746	*
MHNRC199	429451	6822040	29	30	1	1.442	*
MHNRC199			33	34	1	2.268	*
MHNRC200	429569	6821925	48	50	2	1.211	*
MHNRC200			53	54	1	5.899	*
MHNRC202	429491	6821856	12	13	1	8.086	*
MHNRC202			16	17	1	1.512	*
MHNRC203	429590	6821827	45	48	3	3.558	*
MHNRC203		Including	47	48	1	9.396	*

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm	
MHNRC204	429493	6821763	11	15	4	2.991	*
MHNRC204		Including	11	12	1	2.681	*
MHNRC204		Including	13	15	2	4.387	*
MHNRC205	429611	6821735	49	51	2	2.138	*
MHNRC205		Including	49	50	1	2.431	*
MHNRC206	429556	6821719	23	24	1	6.508	*
MHNRC210	429648	6821440	45	46	1	1.061	*
MHNRC211	429690	6821344	18	19	1	1.821	*
MHNRC214	429014	6822533	35	36	1	1.012	*
MHNRC215	429048	6822553	45	50	5	1.047	*
MHNRC215		Including	45	46	1	2.006	*
MHNRC218	429316	6822215	16	17	1	1.675	*
MHNRC218			28	29	1	2.753	*
MHNRC218		Including	28	29	1	2.753	*
MHNRC219	429366	6822188	30	32	2	2.781	*
MHNRC219		Including	31	32	1	3.709	*
MHNRC220	429420	6822136	28	29	1	4.337	*
MHNRC221	429502	6822102	59	60	1	1.059	*
MHNRC222	429489	6822064	41	46	5	1.670	*
MHNRC222		Including	41	43	2	2.537	*
MHNRC223	429465	6822016	26	27	1	3.455	*
MHNRC223			33	34	1	1.167	*
MHNRC224	429428	6821959	2	3	1	1.899	*
MHNRC229	429543	6821856	29	30	1	1.487	*
MHNRC229			33	35	2	3.608	*
MHNRC229		Including	34	35	1	5.837	*
MHNRC231	429537	6821761	19	21	2	1.546	*
MHNRC231			24	25	1	2.577	*
MHNRC232	428121	6821635	32	33	1	2.949	*
MHNRC235	429648	6821343	50	51	1	1.020	*
MHNRC242	429729	6821098	18	19	1	1.121	*
MHNRC243	429757	6821097	16	17	1	1.411	*
MHNRC244	429786	6821097	35	36	1	1.300	*
MHNRC252	429017	6822400	15	16	1	1.783	*
MHNRC254	429094	6822366	1	2	1	1.439	*
MHNRC254			17	20	3	4.843	*
MHNRC254		Including	19	20	1	13.379	*
MHNRC258	429205	6822177	19	20	1	2.875	*
MHNRC261	429394	6822043	9	13	4	2.581	*
MHNRC261		Including	9	10	1	6.161	*
MHNRC261		Including	12	13	1	2.842	*
MHNRC261			15	16	1	1.641	*
MHNRC263	429403	6822018	9	10	1	2.645	*
MHNRC263			15	16	1	1.071	*
MHNRC268	429475	6821922	18	19	1	3.085	*
MHNRC270	429452	6821898	0	6	6	2.736	*
MHNRC270		Including	0	2	2	5.634	*
MHNRC270		Including	5	6	1	3.235	*
MHNRC270			7	8	1	3.147	*
MHNRC273	429448	6821861	0	1	1	1.004	*
MHNRC273			4	5	1	3.081	*
MHNRC275	429464	6821835	8	9	1	1.529	*
MHNRC275			11	12	1	1.176	*

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm	
MHNRC276	429432	6821838	0	1	1	1.056	*
MHNRC276			3	4	1	1.001	*
MHNRC277	429481	6821822	13	14	1	3.230	*
MHNRC278	429465	6821822	8	9	1	1.860	*
MHNRC280	429451	6821762	1	4	3	4.435	*
MHNRC282	429484	6821745	7	12	5	2.574	*
MHNRC282		Including	7	9	2	5.314	*
MHNRC284	429511	6821718	9	10	1	2.118	*
MHNRC287	429490	6821684	2	3	1	1.187	*
MHNRC287			4	8	4	5.499	*
MHNRC287		Including	6	8	2	10.280	*
MHNRC289	429524	6821647	6	7	1	1.196	*
MHNRC289			12	13	1	1.068	*
MHNRC292	429507	6821614	6	8	2	5.256	*
MHNRC292		Including	7	8	1	8.976	*
MHNRC294	429617	6821584	42	43	1	1.376	*
MHNRC294			49	50	1	1.037	*
MHNRC295	429521	6821581	8	9	1	1.001	*
MHNRC297	429538	6821541	9	10	1	1.085	*
MHNRC297			13	17	4	1.079	*
MHNRC300	429576	6821511	20	21	1	1.340	*
MHNRC302	429569	6821439	4	7	3	2.483	*
MHNRC302		Including	4	5	1	3.045	*
MHNRC302		Including	6	7	1	3.820	*
MHNRC302			11	12	1	2.710	*
MHNRC332	429649	6820901	5	8	3	1.333	*
MHNRC332		Including	5	6	1	2.258	*
MHNRC332			13	14	1	1.946	*
MHNRC333	429697	6820902	24	25	1	1.504	*
MHNRC333			28	30	2	1.204	*
MHNRC337	429597	6820801	8	10	2	1.723	*
MHNRC371	428992	6822720	34	35	1	1.349	*
MHNRC373	429039	6822642	72	73	1	2.532	*
MHNRC377	429195	6822500	46	47	1	1.374	*
MHNRC378	429240	6822524	51	52	1	4.149	*
MHNRC380	429275	6822368	30	31	1	2.176	*
MHNRC381	429339	6822371	42	44	2	4.380	*
MHNRC381		Including	43	44	1	7.038	*
MHNRC383	429369	6822277	36	37	1	1.434	*
MHNRC383			48	49	1	4.362	*
MHNRC387	429453	6822151	37	38	1	1.076	*
MHNRC388	429494	6822178	48	49	1	5.384	*
MHNRC389	429523	6822079	53	54	1	1.204	*
MHNRC391	429361	6822026	5	6	1	3.253	*
MHNRC392	429371	6822036	2	6	4	1.979	*
MHNRC392		Including	2	3	1	2.745	*
MHNRC392		Including	4	5	1	2.856	*
MHNRC392			9	11	2	2.342	*
MHNRC392		Including	10	11	1	3.214	*
MHNRC394	429573	6822001	62	63	1	2.864	*
MHNRC397	429441	6821960	8	9	1	1.565	*
MHNRC397			11	12	1	1.641	*
MHNRC398	429438	6821940	8	9	1	2.995	*

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm	
MHNRC400	429446	6821925	3	7	4	1.142	*
MHNRC400		Including	3	4	1	2.006	*
MHNRC400			8	9	1	1.489	*
MHNRC401	429441	6821911	3	4	1	2.555	*
MHNRC402	429449	6821909	6	7	1	4.025	*
MHNRC403	429471	6821912	6	12	6	1.883	*
MHNRC403		Including	7	8	1	3.553	*
MHNRC403		Including	11	12	1	3.246	*
MHNRC403			13	14	1	2.456	*
MHNRC404	429482	6821912	10	11	1	8.144	*
MHNRC410	429464	6821875	7	8	1	11.208	*
MHNRC411	429432	6821860	8	9	1	2.146	*
MHNRC414	429440	6821838	5	6	1	3.086	*
MHNRC415	429474	6821836	14	15	1	9.684	*
MHNRC416	429485	6821836	11	12	1	11.868	*
MHNRC417	429571	6821856	42	44	2	1.355	*
MHNRC421	429580	6821715	30	31	1	1.145	*
MHNRC421			34	35	1	2.275	*
MHNRC421			38	39	1	1.919	*
MHNRC422	429576	6821763	31	32	1	4.944	*
MHNRC433	429507	6821103	4	5	1	2.443	*
MHNRC436	429519	6821050	10	11	1	1.911	*
MHNRC441	429690	6821061	20	21	1	1.086	*
MHNRC443	429753	6821001	40	41	1	1.294	*
MHNRC444	429779	6820972	47	48	1	1.458	*
MHNRC445	429823	6821098	46	47	1	1.733	*
MHNRC455	429122	6822355	2	3	1	1.191	*
MHNRC456	429139	6822352	16	19	3	10.994	*
MHNRC456		Including	16	17	1	31.485	*
MHNRC458	429392	6822061	12	17	5	1.433	*
MHNRC458		Including	14	15	1	2.246	*
MHNRC459	429406	6822040	18	20	2	1.562	*
MHNRC461	429472	6821954	19	20	1	2.414	*
MHNRC462	429446	6821781	5	6	1	1.772	*
MHNRC464	429478	6821753	6	8	2	1.805	*
MHNRC464		Including	6	7	1	2.274	*
MHNRC465	429488	6821755	8	9	1	1.193	*
MHNRC465			14	15	1	4.762	*
MHNRC466	429469	6821690	1	3	2	2.728	*
MHNRC466		Including	2	3	1	4.077	*
MHNRC468	429491	6821704	6	7	1	1.507	*
MHNRC469	429496	6821661	2	3	1	1.527	*
MHNRC469			5	6	1	1.400	*
MHNRC470	429507	6821671	5	7	2	3.150	*
MHNRC470			13	17	4	2.313	*
MHNRC470		Including	16	17	1	7.850	*
MHNRC473	429510	6821634	8	12	4	1.825	*
MHNRC473		Including	8	9	1	4.447	*
MHNRC474	429507	6821603	6	7	1	1.874	*
MHNRC476	429015	6822430	8	9	1	6.522	*
MHNRC476			15	16	1	1.948	*
MHNRC479	428906	6822400	57	58	1	1.824	*
MHNRC482	429039	6822440	20	22	2	4.016	*

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm	
MHNRC482		Including	21	22	1	6.422	*
MHNRC489	429503	6821835	17	22	5	3.072	*
MHNRC489		Including	17	18	1	2.608	*
MHNRC489		Including	20	22	2	6.164	*
MHNRC490	429613	6821764	44	45	1	2.491	*
MHNRC496	429677	6821249	48	49	1	1.443	*
MHNRC497	429675	6821202	7	8	1	1.012	*
MHNRC497			18	19	1	1.439	*
MHNRC497			22	25	3	1.036	*
MHNRC500	429673	6820948	1	2	1	1.556	*
MHNRC500			8	9	1	1.787	*
MHNRC501	429722	6820945	25	26	1	1.083	*
MHNRC507	428938	6822450	11	14	3	1.210	*
MHNRC508	429647	6821926	76	77	1	3.009	*
MHNRC511	429511	6822122	53	56	3	2.235	*
MHNRC511		Including	53	55	2	2.776	*
MHNRC531	429393	6822080	12	20	8	2.094	**
MHNRC531		Including	12	16	4	3.157	**
MHNRC532	429465	6821704	0	4	4	3.582	**
MHNRC533	429475	6821709	8	12	4	1.600	**
MHNRC541	429710	6821250	24	25	1	1.320	**
MHNRC541			55	58	3	2.300	**
MHNRC541		Including	57	58	1	4.949	**
MHNRC541			62	66	4	1.078	**
MHNRC563	429758	6821179	28	32	4	1.046	**
MHNRC564	429722	6821289	60	64	4	1.778	**
<i>AC - Metex Resources Ltd 2001 A62445</i>							
RFAC357	429937	6820538	44	45	1	0.721	*
RFAC358	429937	6820618	69	70	1	0.824	*
RFAC402	429737	6820438	37	38	1	0.849	*
<i>AC - Metex Resources Ltd 2000 A74219</i>							
HNAC038	429538	6820479	65	69	4	1.840	*
HNAC050	429138	6820578	35	36	1	1.020	*
HNAC057	429338	6820358	18	19	1	1.680	*
HNAC061	429338	6820518	12	13	1	1.190	*
<i>RAB - Gwalia 1989 A29728</i>							
RFR-25	429535	6821406	28	32	4	0.577	*
RFR-31	429575	6821511	16	20	4	2.660	*
			24	28	4	3.110	*
RFR-32	429595	6821510	12	16	4	0.873	*
			16	20	4	0.920	*
RFR-35	429515	6821614	0	4	4	0.797	*
RFR-37	429491	6821684	0	4	4	1.120	*
			4	8	4	3.540	*
			12	16	4	0.501	*
RFR-44	429475	6821823	8	12	4	1.220	*
RFR-45	429496	6821823	12	16	4	1.530	*
			16	20	4	0.858	*
RFR-47	429436	6821925	0	4	4	0.751	*
RFR-49	429476	6821925	16	20	4	2.130	*

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm	
RFR-50	429496	6821926	12	16	4	0.686	*
			16	20	4	1.910	*
RFR-51	429416	6822031	8	12	4	0.977	*
RFR-52	429391	6822044	8	12	4	0.923	*
			12	16	4	0.753	*
RFR-53	429409	6822054	8	12	4	1.640	*
			16	20	4	0.683	*
<i>RAB - Duketon/Golconda 1987 A22722</i>							
RFR-109	429106	6822361	0	2	2	1.300	*
RFR-219	429125	6822351	5	6	1	1.310	*
RFR-220	429128	6822358	6	7	1	2.600	*
							*
<i>RC - Julia Mines 1986 A18060</i>							
RN1	429469	6821820	8	10	2	1.930	*
			10	12	2	0.700	*
			20	22	2	0.750	*
RN2	429487	6821863	16	18	2	1.130	*
			22	24	2	0.700	*
RN3	429483	6821916	14	16	2	3.150	*
RN5	429404	6822044	12	14	2	0.950	*
			18	20	2	2.510	*
<i>RC - Placer Exploration Ltd 1991 A34935</i>							
RRC065	429588	6821441	10	15	5	0.658	*
RRC067	429531	6821543	5	10	5	0.925	*
RRC069	429495	6821642	5	10	5	0.735	*
RRC071	429537	6821643	10	15	5	0.548	*
			15	20	5	0.664	*
RRC072	429503	6821742	5	10	5	0.637	*
			10	15	5	0.695	*
RRC073	429525	6821744	15	20	5	0.978	*
RRC077	429222	6822180	15	20	5	0.820	*
RRC079	429137	6822275	0	5	5	1.540	*

*** MAU and historical intercepts see ASX releases:**

4th Feb 2019 "Significant 2km Gold Target is open to the East on 83% of the 24 Lines Drilled at HN9",

25th March 2019 "Significant 2.1km Gold Target Still open to North, South, East and at Depth",

22nd May 2019 "Gold Target Enlarged by 47% to Significant 3.1km and is still open to the North, East and at Depth" and

27th June 2019 "200m-Wide Gold Zone Open to the Northeast and Very Extensive Surface Gold Mineralisation Confirmed at HN9 Laverton"

4th September 2019 "200m Wide Gold Zone open to the North and New 800m Anomalous Gold Zone defined at HN9 Laverton"

14th October 2019 "Highest Grades Outlined at HN9 and Being Followed Up and Lady Julie Shallow Drilling Commencing Shortly"

28th November 2019 "Central Part of HN9 Shows Significant Thickening of the Mineralised Zone to 28m"

**** New MAU intercept from 4m and 1m assays**

Lady Julie P38/4346, P38/4379–4384

Magnetic has expanded its prospective land holding directly east of HN9, following an option to purchase 7.1km² of tenements at the Lady Julie Project. The prospective land position at HN9 has increased from 4.2km² to 11.4km². The new tenements comprise 7 granted prospecting licenses P38/4346, P38/4379 to P38/4384 and covers 3 separate N–S gold mineralised shear zones totalling 6 km in strike length, which are only 1km, 1.5km and 2.5km east of HN9 (**Figures 5 and 6**).

At Lady Julie an initial drilling programme of 90 RC holes totaling 4,421m including 1,120 2-4m composites and 622 1m splits have been completed to date (see MAU ASX Release 23 January 2020, Lady Julie has promising shallow gold results over 1.3km). Promising results along the two western mineralised lines, which are only 1km and 1.5km east of the exciting HN9 3km long mineralised project, are being followed up over a total of 1.3km strike length with 30 RC holes totaling 1,520m (**Figure 6**).

The area covering Lady Julie and HN9 is well endowed and is a focus of gold mineralisation over 11.4km² and has potential for a mining centre after more drilling is completed (**Figure 6**). These two western shears trending NS through Lady Julie are strongly mineralised with high-grade and some thicker shallow intersections including:

Current Drilling completed

- MLJRC039 2m @ 5.44g/t Au from 29m
- MLJRC073 1m @ 18.18g/t Au from 15m
- MLJRC076 6m @ 1.79g/t Au from 1m
- MLJRC083 3m @ 1.78g/t from 5m

Historical drilling

- AJC01 13m @ 1.37g/t Au from 3m
- AJC02 6m @ 2.05g/t Au from 23m
- RFB226 10m @ 7.53g/t Au from 24m including. 3m @ 21.05g/t Au from 24m.
- RFB206 4m @ 8.36g/t Au from 18m.
- RFAC447 1m @ 20.60g/t Au from 43m.
- RFB217 1m @ 16.01g/t Au from 20m.
- RFB165 19m @ 1.57g/t Au from 43m including. 5m @ 3.87g/t Au from 43m.
- RFB276 11m @ 2.04g/t Au from 10m.
- RFAC331 11m @ 2.04g/t Au from 6m.
- RFB273 3m @ 3.68g/t Au from 3m.

The most northern mineralised area (**Figures 6 and 7**) has had most of the drilling completed. The mineralisation shows a close association with altered porphyries (**Figure 7**), similar to HN9, and has had 61 soil samples assayed.

Figures 7, 8 and 9 show a persistent dipping shallow altered porphyry which is open to the north and at depth where five separate lines of drilling are planned (**Figures 7 and 9**).

A further 684 soil samples are planned in this programme to the north and south of the most northern mineralised area (**Figure 10**) to ascertain the size of the mineralised zone.

A shallow RAB geochemical programme has been completed over most of the Lady Julie Project area with 291 samples assayed (**Figure 10**) with several anomalous areas defined.

Several of these mineralised zones are similar to HN9 and occur within altered porphyry and altered porphyry and mafic contacts and in some case with sediment zones. The western half of the Lady Julie Project is typified by shallow-dipping and sub horizontal mineralised zones and is proximal to the contact of mafic and intruding porphyry.

The Lady Julie tenements are strongly mineralised with 198 gold intercepts greater than 0.5g/t, which includes 88 greater than 1g/t, 33 greater than 2g/t, 19 greater than 3 g/t and 12 greater than 4 g/t (**Table 4**).

Both detailed ground magnetics and the remaining soil geochemical surveys will be completed over the Lady Julie tenements followed up with further shallow RC 30-hole programme totaling 1,520m testing mainly for extensions to the N and S and at depth below promising intersections.

Under the terms of the Lady Julie option agreement Magnetic will pay a \$20,000 fee for an option till 17 March 2020 during which time it may purchase a 100% interest in the tenements for a consideration of \$50,000 and 300,000 fully paid shares in Magnetic.

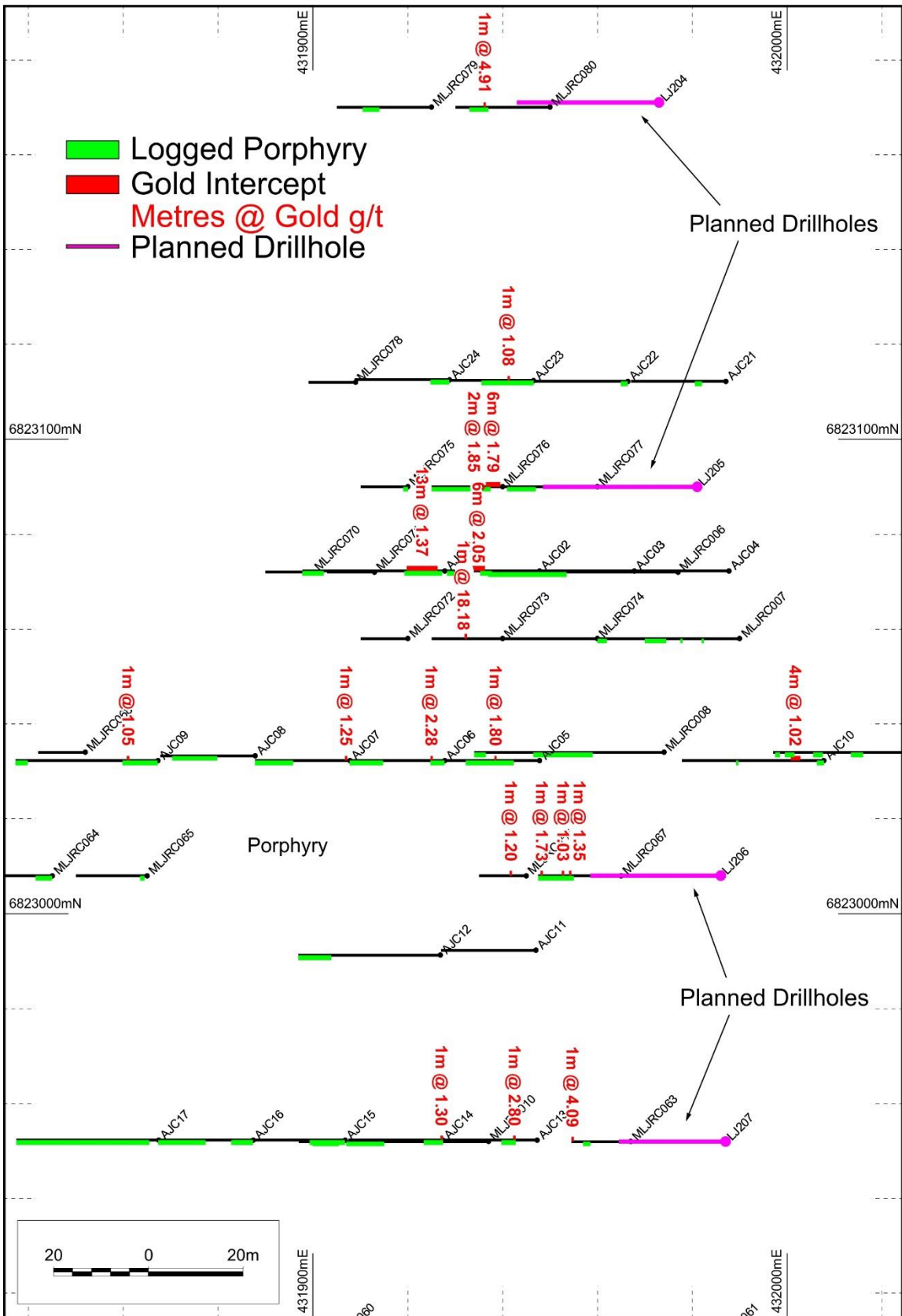


Figure 7. Northern Area showing Historical RC/RAB/AC drilling and Magnetic's RC drillholes with significant gold intercepts and planned RC holes

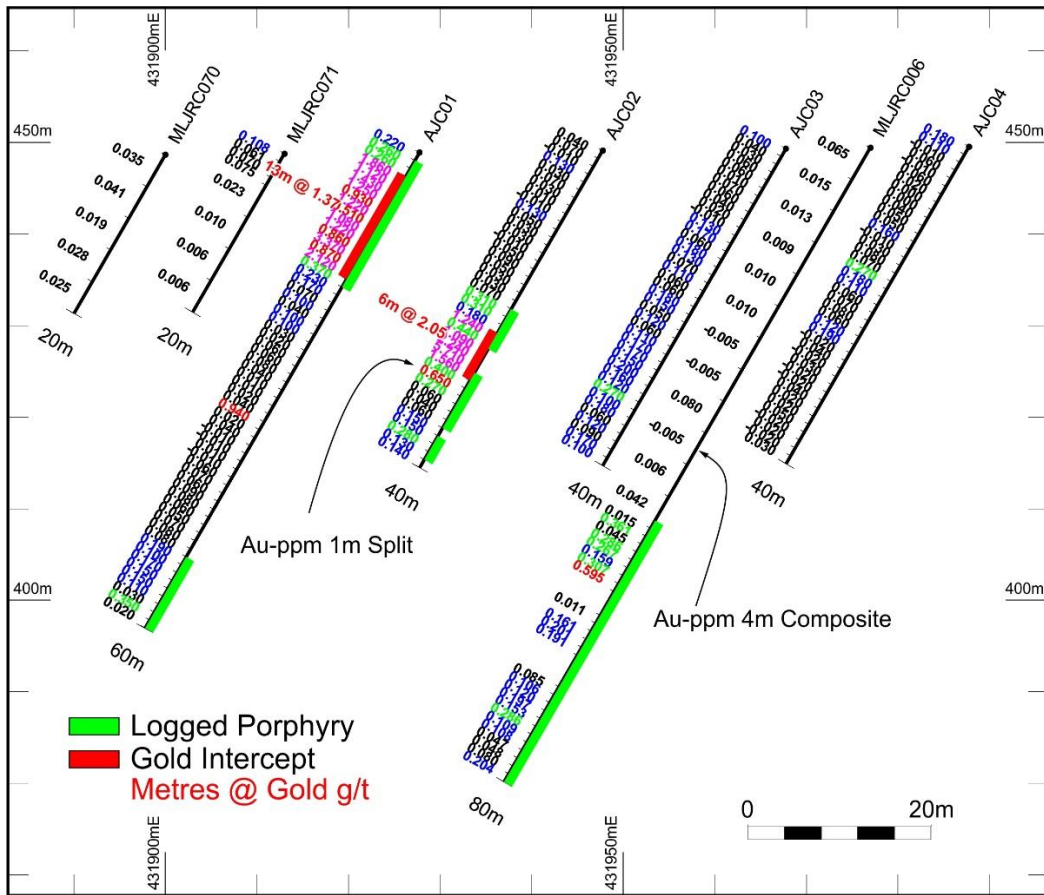


Figure 8. Cross section northern area showing gold assays and significant intercepts

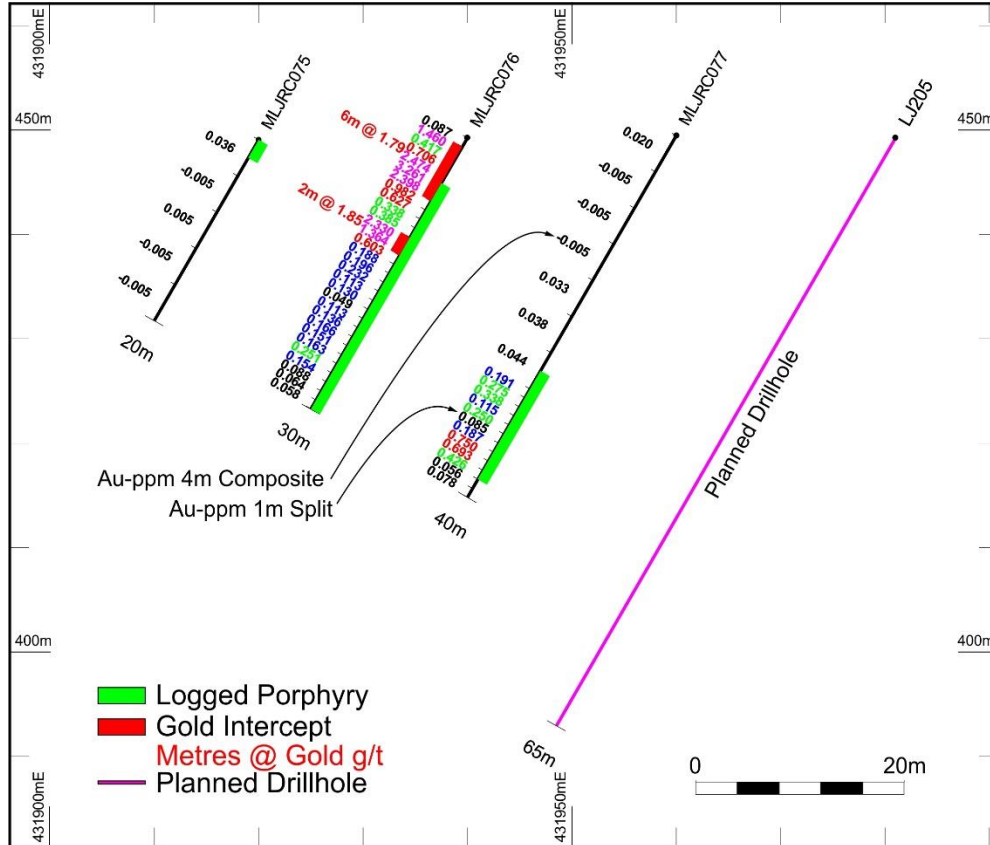


Figure 9. Cross section northern area showing gold assays and significant intercepts with planned drillhole

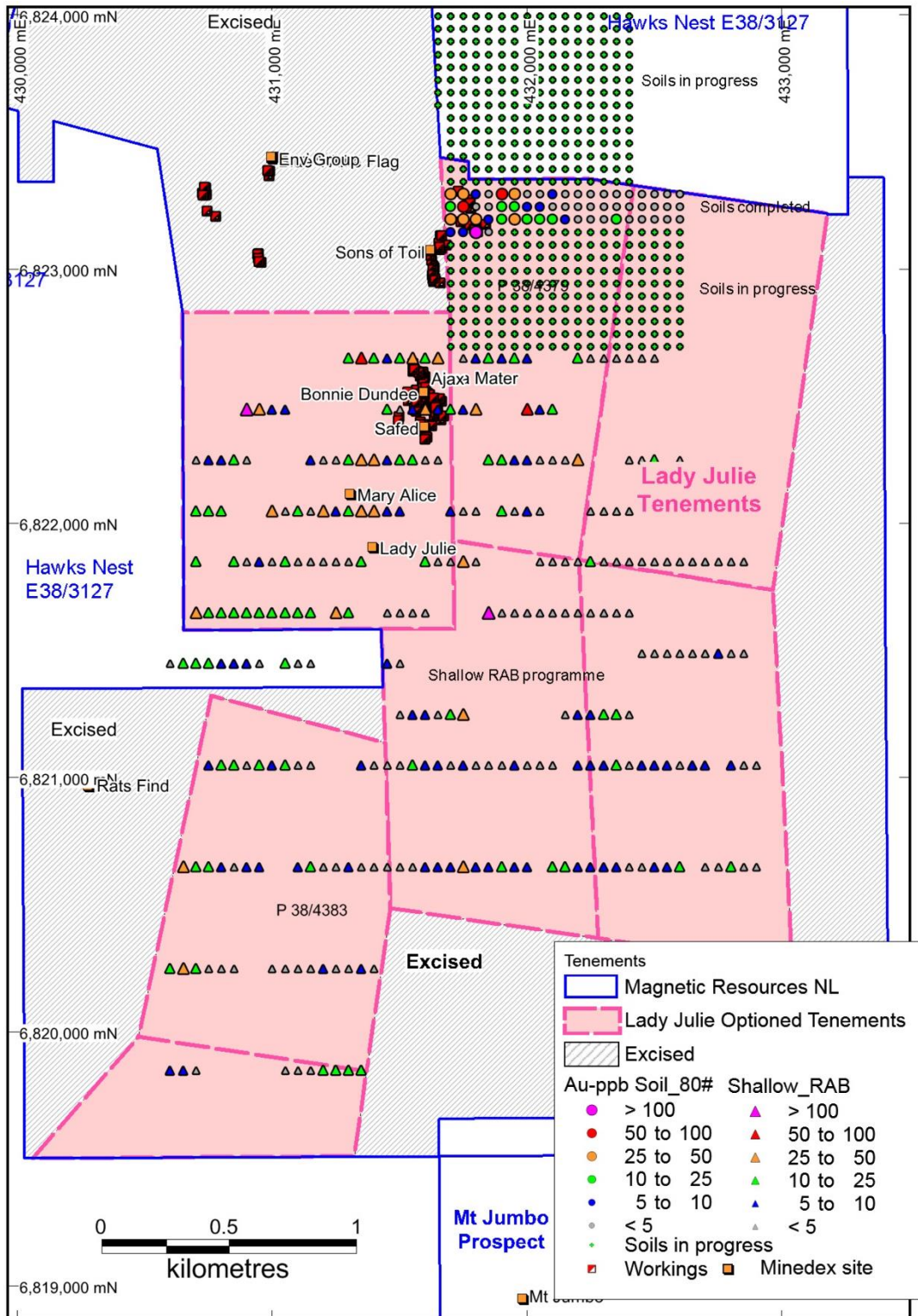


Figure 10. Soil and shallow RAB geochemical programmes

Table 4. Lady Julie Significant Drilling Intercepts (> 1g/t)

Hole_Id	Easting MGAz51	Northing MGAz51	From metres	To metres	Width metres	Gold ppm
RC - Magnetic Resources NL 4m composites and 1m splits 20th Jan 2020						
MLJRC026	430817	6821180	33	34	1	1.10
MLJRC026			48	50	2	1.21
MLJRC026			53	54	1	4.47

Hole_Id	Easting MGaz51	Northing MGaz51	From metres	To metres	Width metres	Gold ppm
MLJRC031	431124	6821002	60	61	1	1.08
MLJRC038	430938	6821730	17	19	2	1.76
MLJRC039	430953	6821730	29	31	2	5.44
MLJRC042	430938	6821785	9	10	1	8.38
MLJRC043	430953	6821785	23	24	1	2.26
MLJRC050	431620	6822510	12	13	1	1.06
MLJRC051	431640	6822510	20	23	3	1.40
MLJRC053	431600	6822600	25	26	1	1.33
MLJRC054	431600	6822556	6	7	1	7.51
MLJRC063	431967	6822952	24	25	1	4.09
MLJRC066	431945	6823008	6	7	1	1.20
MLJRC067	431965	6823008	21	22	1	1.35
MLJRC067			24	25	1	1.03
MLJRC067			33	34	1	1.73
MLJRC073	431940	6823058	15	16	1	18.18
MLJRC076	431940	6823090	1	7	6	1.79
MLJRC076			11	13	2	1.85
MLJRC080	431950	6823170	27	28	1	4.91
MLJRC081	431925	6823220	22	23	1	1.03
MLJRC083	431925	6823270	5	8	3	1.78
MLJRC084	431950	6823270	9	12	3	1.26
MLJRC085	431918	6823310	2	3	1	1.97
MLJRC090	430950	6822397	21	22	1	1.32
RC - Historical drilling						
AJC01	431928	6823072	3	16	13	1.37
AJC02	431948	6823072	23	29	6	2.05
AJC05	431948	6823032	18	19	1	1.80
AJC06	431928	6823032	5	6	1	2.28
AJC07	431908	6823032	1	2	1	1.25
AJC09	431867	6823032	12	13	1	1.05
AJC10	432008	6823032	10	14	4	1.02
AJC13	431947	6822952	9	10	1	2.80
AJC14	431927	6822952	0	1	1	1.30
AJC23	431947	6823112	10	11	1	1.08
AJC25	431938	6823308	12	13	1	1.24
RFRC022	430873	6821158	63	64	1	1.27
RFRC025	430673	6820958	40	41	1	2.30
RFRC025			46	50	4	1.19
RFRC027	431018	6821758	74	75	1	1.43
RFRC028	431008	6822158	31	32	1	1.64
RFRC028			77	79	2	1.09
RFRC029	430953	6821758	17	23	6	1.66
RFRC042	432263	6820958	77	78	1	1.07
RFRC045	432158	6820558	96	97	1	1.29
RRC060	431332	6821473	10	15	5	1.42
AC - Historical drilling						
RFAC117	432263	6822958	66	67	1	1.91
RFAC123	432338	6822158	43	44	1	1.49
RFAC323	430598	6821158	68	69	1	1.74
RFAC331	430938	6821758	6	10	4	3.22
RFAC331			16	17	1	7.42

Hole_Id	Easting MGAz51	Northing MGAz51	From metres	To metres	Width metres	Gold ppm
RFAC340	430918	6822158	27	28	1	8.79
RFAC369	430888	6821358	23	24	1	3.69
RFAC380	430858	6821548	44	45	1	1.35
RFAC382	431038	6822558	37	38	1	1.38
RFAC422	430113	6819493	62	63	1	2.35
RFAC423	430138	6819523	60	64	4	1.56
RFAC424	430138	6819568	48	50	2	1.10
RFAC434	430338	6819558	53	54	1	1.14
RFAC447	430538	6819538	43	44	1	20.60
RAB - Historical drilling						
RFB119	432368	6821358	10	12	2	2.60
RFB120	432348	6821358	1	3	2	1.54
RFB120			15	19	4	1.52
RFB141	431098	6820558	19	21	2	3.24
RFB165	430803	6821158	43	50	7	3.16
RFB172	430703	6820958	27	28	1	3.38
RFB174	430648	6820958	45	46	1	2.28
RFB175	430618	6820958	35	36	1	1.39
RFB175			39	40	1	1.06
RFB177	430553	6820958	37	38	1	1.31
RFB181	430948	6822348	45	46	1	1.25
RFB206	431113	6820858	18	22	4	8.36
RFB214	431213	6821158	44	45	1	3.13
RFB217	431288	6821158	20	24	4	4.87
RFB220	431299	6821156	28	29	1	1.55
RFB222	431253	6821010	30	31	1	1.27
RFB223	431218	6821007	30	31	1	1.01
RFB226	431108	6821003	6	8	2	1.87
RFB226			24	28	4	16.35
RFB226			31	32	1	6.50
RFB240	431138	6820357	43	44	1	3.97
RFB253	430693	6820359	53	54	1	12.56
RFB271	431124	6820958	20	22	2	3.95
RFB271			44	45	1	1.11
RFB272	431103	6820993	2	5	3	3.02
RFB273	431098	6820993	1	4	3	3.68
RFB276	431100	6820998	10	21	11	2.04
RFB279	431103	6820998	1	5	4	1.68
RFB286	431103	6821013	1	2	1	1.00
RFR224	431617	6821961	57	60	3	6.01
RFR237	431629	6822336	38	40	2	1.56
RFR451	431311	6821897	0	5	5	1.06
RFR474	431330	6821499	33	34	1	25.40
RFR475	431350	6821500	19	20	1	1.99
RFR476	431370	6821501	21	22	1	2.54
RFR477	431390	6821502	20	22	2	2.38
RFR494	430772	6821073	7	8	1	1.06
RFR564	430704	6821246	30	35	5	1.84
RFR639	431378	6821775	35	40	5	1.37

Leonora Area

Magnetic Resources NL has 206km² of tenure in the Mertondale Region, which includes the following granted tenements: E37/1258 Mertondale, E37/1177 Mertondale East, E37/1303 Nambi, P37/8687–94 Christmas Well, P37/9204–07 Malcolm, E37/1367 Melita, P37/8905–08, P37/8905–08 Raeside East Raeside East, P37/8909–12 Braiser and P37/9144, P39/5455, P39/5928-29, P39/5931-34 Homeward Bound South as shown in Figure 11.

Most of the work to date (**Table 5**) has been at the Mertondale and Christmas Well areas, which are 20km NW of the Cardinia Gold Project (193,000oz) and only 5km west of the Mertondale Deposit (395,000oz). Recent work has been carried out at Homeward Bound South.

The numerous targets are at changes in orientation of the Mertondale Shear and parallel shears, which were identified from interpretation of 100m-spaced detailed aeromagnetic surveys.

Table 5. Summary of work done in the Leonora region

Tenement	Surface sampling completed	Drilling & ground magnetics completed	Proposed exploration
Mertondale E37/1258	599 soils 493 laterites 22 costeans 72 rock chips 500t (prospectors)	899 RAB holes for 5313m 26 RC holes for 1452m 233km ground magnetics	
Mertondale East E37/1177	51 rock chips 1 clay 148 laterites 144 soils		
Nambi E37/1303	1 rock chip	47km ground magnetics	Ground magnetic modelling
Christmas Well P37/8687–94	4 rock chips	492 RAB holes for 4000m 12 RC holes for 730m 25km ground magnetics	Review all drilling to date.
Raeside East P37/8905–08		85 RAB holes for 627m 26km ground magnetics	25 RC holes for 1250m
Braiser P37/8909–12		127km Ground magnetics	97 shallow RAB for 485m 25 RC holes for 1250m
Homeward Bound South (Optioned) P37/9144, P39/5455 P39/5928-29, P39/5931-34	19 rock chips 303 soils	102 RAB for 2662m	

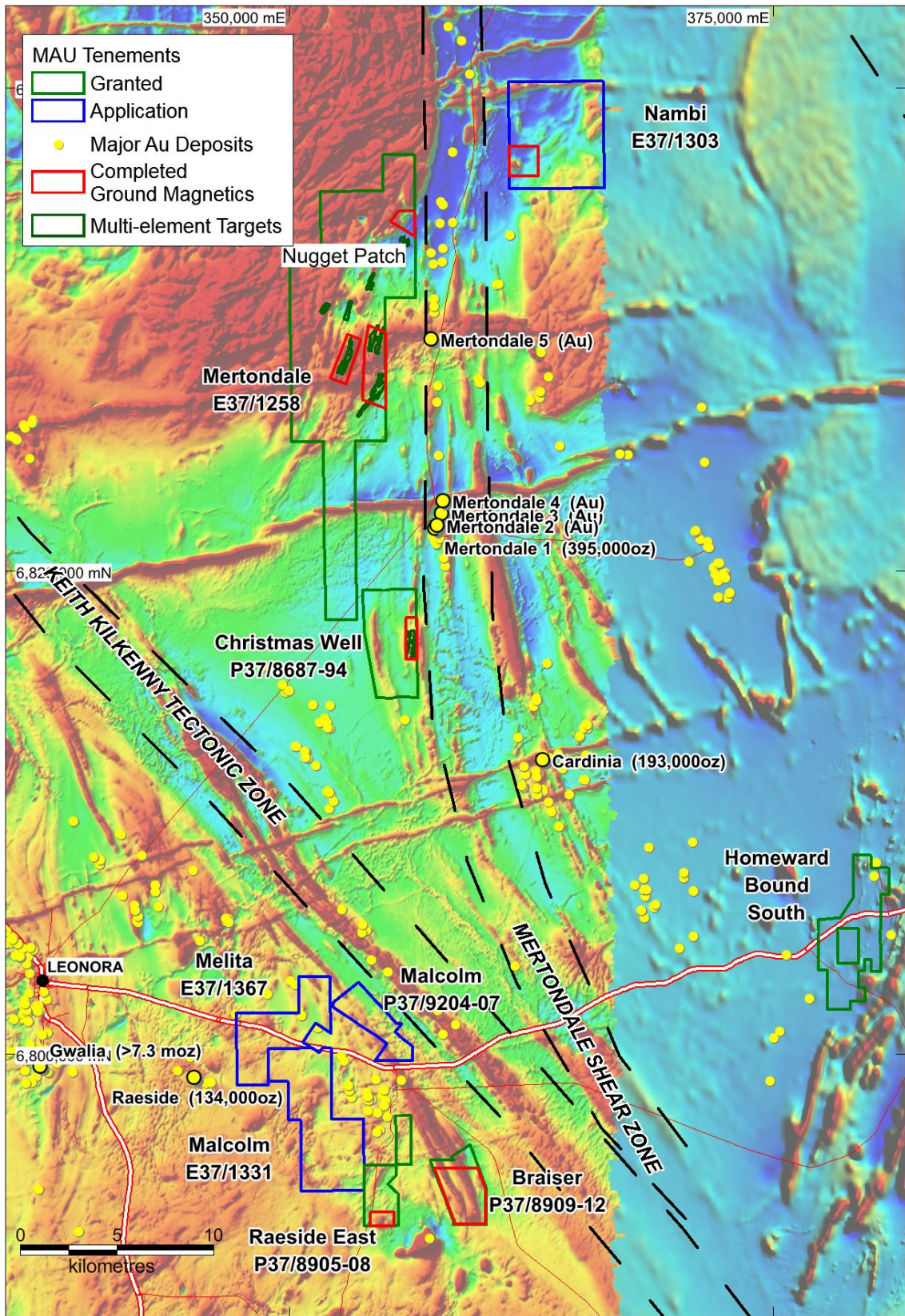


Figure 11. Mertonale, Mertonale East, Christmas Well, Malcolm, Raeside East, Braiser, Homeward Bound South and Nambi Projects, showing major shear zones, targets and gold deposits and historic workings

Homeward Bound South P39/5455, P39/5928-5929, P39/5931-5934 & P37/9144

At Homeward Bound South the 15.7km² of tenements comprise granted prospecting licence eight prospecting licences P39/5455, P39/5928, P39/5929, P39/5931–5934, and P37/9144 covering a 5km strike length of the Federation Shear Zone situated 40km east of Leonora (Figure 12).

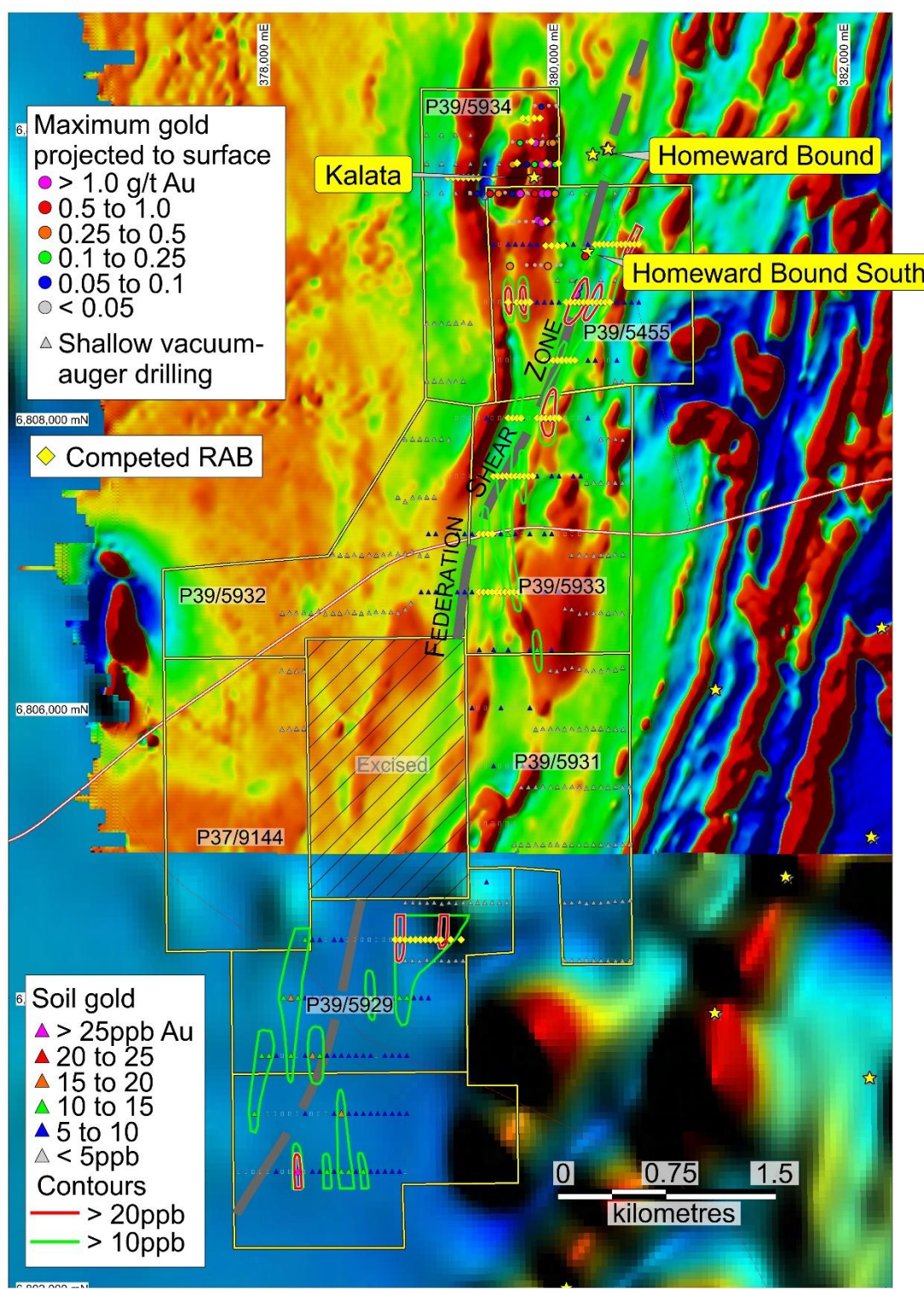


Figure 10. Homeward Bound South tenements historical drilling, soil sampling results and planned RAB programme.

Significantly, a line of old gold diggings occurs over a 500m strike length of the Federation Shear corridor. Six shallow, wide-spaced drill holes completed by Sons of Gwalia in 1988 intersected gold mineralization including 1m @ 1.0g/t from 18m in HBC42; 2m @ 1.5g/t from 14m in HBC43; 1m @ 1.2g/t from 8m, 1m @ 1.9g/t from 13m and 2m @ 1.4g/t from 18m in HBC44 and 1m @ 3.3g/t from 17m and 1m @ 1.3g/t from 19m in HBC45.

In addition, historical exploration has identified a target west of the Federation Shear at Kalata where gold mineralization occurs over a 600m strike length in a N-trending shale unit. RAB drill intercepts include 6m @ 2.6g/t Au from 32m (including 1m @ 11.4g/t Au from 32m); 3m @ 8.0g/t Au from 13m and 2m @ 2.0g/t Au from 5m, with very limited RC drilling at depth.

In the December 2019 quarter a 102 RAB holes were drilled for 2662m. Assays are pending. The historical gold results, contoured anomalous soil geochemical zones and the RAB programme are shown in **Figure 12**.

Other Projects

The Company is actively reviewing 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 regarding the sale of the Company's iron ore assets, with the agreement providing for further payments totalling \$1,000,000 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 the royalty rate will increase by \$0.25/t.

Corporate

On 21 October 2019, the Company held its annual general meeting with all resolutions passed on a show of hands.

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

George Sakalidis
Managing Director
Phone (08) 9226 1777
Mobile 0411640 337
Email gsakalidis@magres.com.au

Competent Person's Statement

Information in this report that relates to Exploration is based on information reviewed or 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. He 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.

Note:

Where historical exploration results are mentioned, the Company's Competent Person has examined these historical results and confirms that no additional work has been carried out to change the reporting of those results other than as disclosed in this announcement.

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	E38/3100	Granted	MT JUMBO	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	P38/4201	Granted	MT JUMBO	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	P37/8691	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	P39/5617	Granted	KOWTAH EAST	100%	100%
WA	E38/3127	Granted	HAWKS NEST	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%
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	E38/3205	Granted	HAWKS NEST EAST	100%	100%
WA	E38/3209	Granted	MT AJAX	100%	100%
WA	E37/1303	Granted	NAMBI	100%	100%
WA	P37/8905	Granted	RAESIDE EAST	100%	100%
WA	P37/8906	Granted	RAESIDE EAST	100%	100%
WA	P37/8907	Granted	RAESIDE EAST	100%	100%
WA	P37/8908	Granted	RAESIDE EAST	100%	100%
WA	P37/8909	Granted	BRAISER	100%	100%
WA	P37/8910	Granted	BRAISER	100%	100%
WA	P37/8911	Granted	BRAISER	100%	100%
WA	P37/8912	Granted	BRAISER	100%	100%
WA	E37/1331	Granted	MALCOLM	100%	100%

WA	E37/1177	Granted	MERTONDALE	100%	100%
WA	E53/1981	Granted	YELMA	100%	100%
WA	P37/9204	Granted	MALCOLM	100%	100%
WA	P37/9205	Granted	MALCOLM	100%	100%
WA	P37/9206	Granted	MALCOLM	100%	100%
WA	P37/9207	Granted	MALCOLM	100%	100%
WA	E37/1367	Granted	MELITA	100%	100%
WA	E39/2125	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6134	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6135	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6136	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6137	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6138	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6139	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6140	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6141	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6142	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6143	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant
WA	P39/6144	Application	LITTLE WELL	100% Pending Grant	100% Pending Grant

Mining Tenements acquired during the Quarter

--	--	--	--	--	--

Mining Tenements disposed during the Quarter

WA	P37/9044	Granted	CARDINIA	100%	Tenement Surrendered
WA	P37/9045	Granted	CARDINIA	100%	Tenement Surrendered
WA	P37/9046	Granted	CARDINIA	100%	Tenement Surrendered