

ASX Release
20 September 2017

ASX code: MAU



Level 1
44A Kings Park Road
PO Box 1388
West Perth WA 6872
Telephone 08 9226 1777
www.magres.com.au

ABN 34 121 370 232

GOLD NUGGETS RECOVERED FROM **HAWKS NEST**



Figure 1. Some of the gold nuggets recovered from Hawks Nest

Hawks Nest

Encouraging gold nuggets and specimens have been recovered north of Hawks Nest 5 within Magnetic Resources NL's Hawks Nest tenement E38/3127 (Figure 1) by a Laverton prospector Brian Roberts. A tribute agreement has been signed with Brian Roberts. The main points are that a 500 tonne sample can be dozed and metal detected at any one time with the approval from Magnetic. Further tonnes up to 4000 tonnes have already been requested by the prospector for dozing and detecting after this initial success. Mines Department permission is currently being sought for this additional work. Magnetic will receive 15% of the gross sale value of all minerals

including gold extracted, mined, produced or won from the tenement. Brian Roberts will be responsible for the rehabilitation of the land.

The area is north of the HN5 area that has been soil sampled, RAB and RC drilled. Further soil sampling will be carried out to encompass this gold nugget area prior to any deeper RAB or RC drilling.

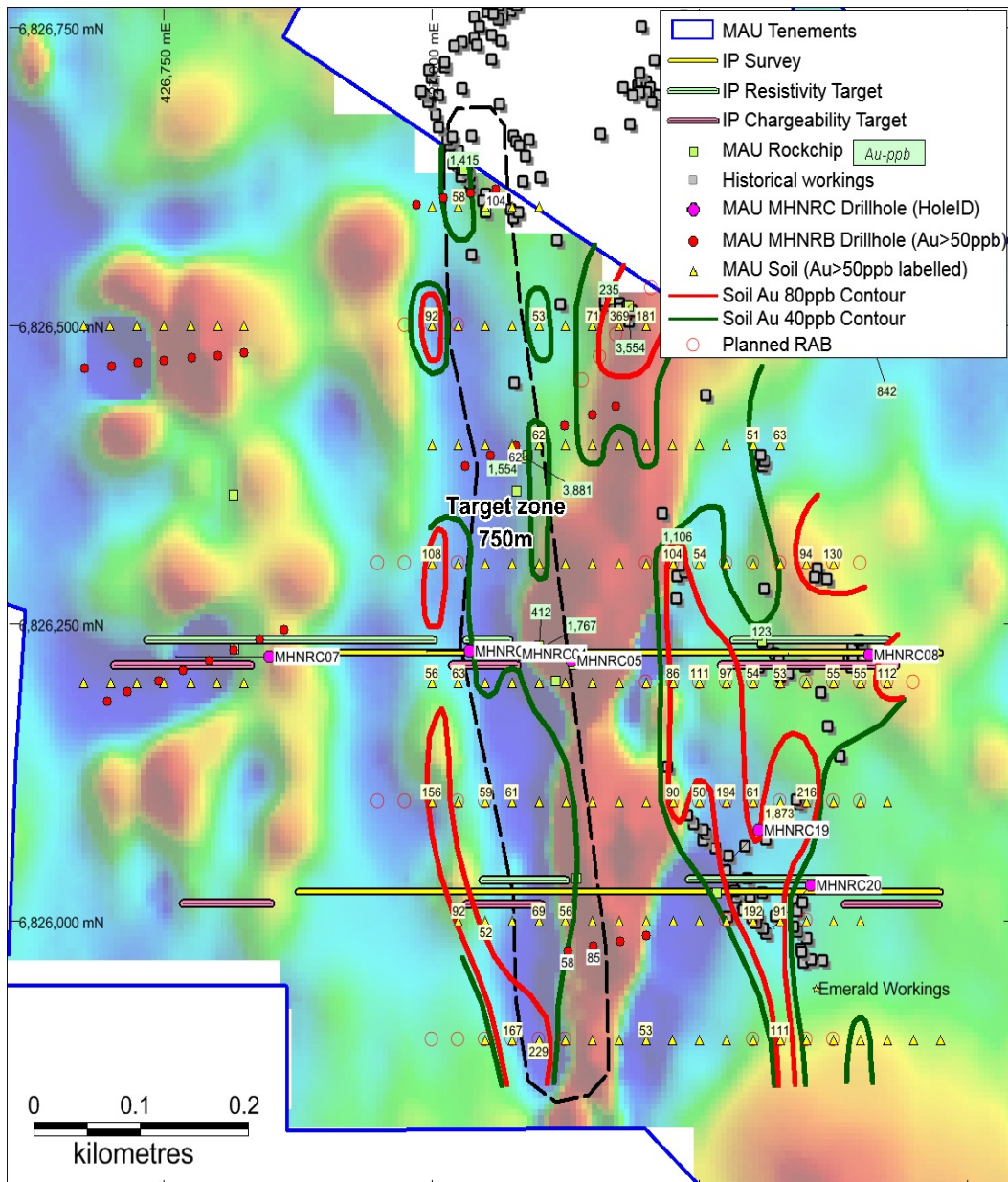


Figure 2 Hawks Nest E38/3127 HN5 target area on ground magnetics with soil programme, RAB, RC drilling and a 750m target zone and 500m anomalous gold geochemistry contoured.

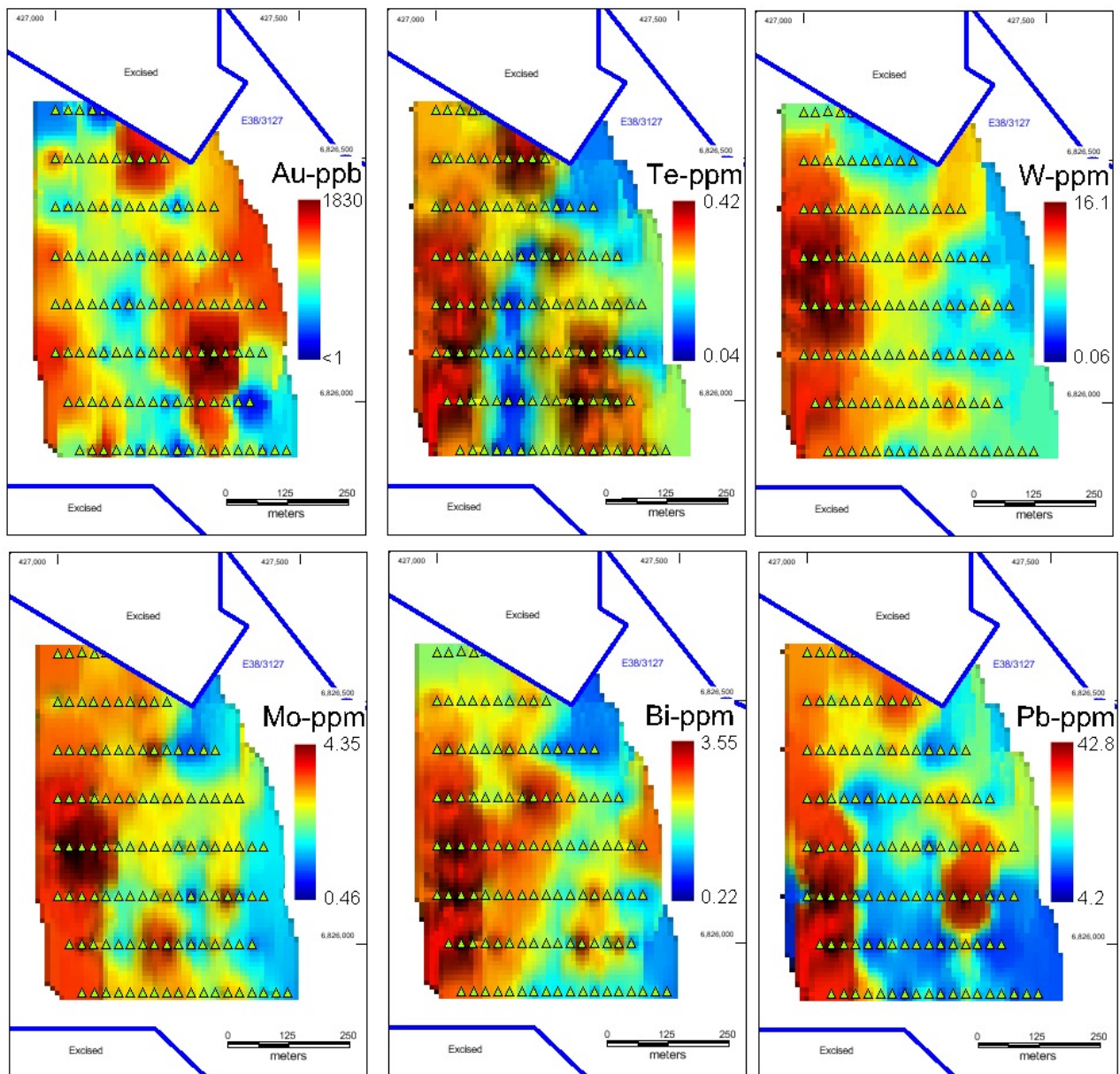


Figure 3. Multi-element plots of the HN5 target from soil geochemistry

At HN5, RC and RAB drilling has identified a 500m-long gold and multi-element geochemical anomaly associated with a 300m zone of quartz veins in porphyry was announced on 24 August 2017 (Figures 2,3). A further drill programme is being designed to test for bulk tonnage porphyry-style deposits. A programme of shallow RAB drilling is planned with 59 holes. A similar multi-element zone has been identified at Wheel of Fortune 2km to the SSE.

Magnetic Resources Managing Director stated, “we are very encouraged by the nuggets north of our HN5 area of investigation. We have acted quickly to ensure Magnetic benefits from any nuggets recovered by signing a tribute agreement with the local prospector. We are investigating an area covering the new nugget area with soil sampling. This complements the tribute agreement we have signed with the local pastoralist at the Mertondale area reported previously where we are currently laterite sampling over a 3.3sq km area covering the in-situ laterite and RAB drilling to the west and south taking below hard pan samples over 7km of multi-element anomalies. In addition, a 500m multi-element target at HN5 and at Wheel of Fortune are very encouraging and will be followed up with RAB holes.”

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

George Sakalidis
Managing Director
Phone (08) 9226 1777
Mobile 0411 640 337
Email george@magres.com.au

The Information in this report that relates to Exploration Results for the Mertondale project is extracted from the ASX announcement entitled "6km of Gold Geochemical Targets Identified at Mertondale" dated 10 July 2017 which is 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.