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An 865m RC drilling started testing promising 7m at 4.5g/t gold and eight separate anomalous soil geochemical targets at HN5.

Hawks Nest HN5, Laverton

14 shallow RAB holes (total 233m) were completed adjacent to and along strike from hole MHNRC048 which intersected 7m @ 4.5g/t Au from 5m in a quartz veined black shale unit intruded by porphyry (MAU ASX release 29 January'18). These RAB holes were designed to try to map the black shale and quartz veins in this area prior to more extensive RC drilling. Assay results of up to 4m at 1.95g/t in MHNRB160 in composite samples indicate anomalous gold in black shale as shown in Figure 1 and Table 1. Drill hole details are shown in Table 2. Only 6 of the 14 holes reached a target depth of 25m. The remaining 8 holes only averaged 10m depth because of shallow harder fresh bedrock.

The 865m RC programme has recently started and will test this promising shallow gold zone outlined by the previous RC drilling and recent RAB drilling more thoroughly down to a vertical depth of around 25m. In addition eight separate anomalous soil areas with values above 100ppb some of which have historical diggings associated will be tested in this current RC programme.. These RC holes will average 28m depth and are designed to test for and map the near surface gold mineralisation (Table 3).

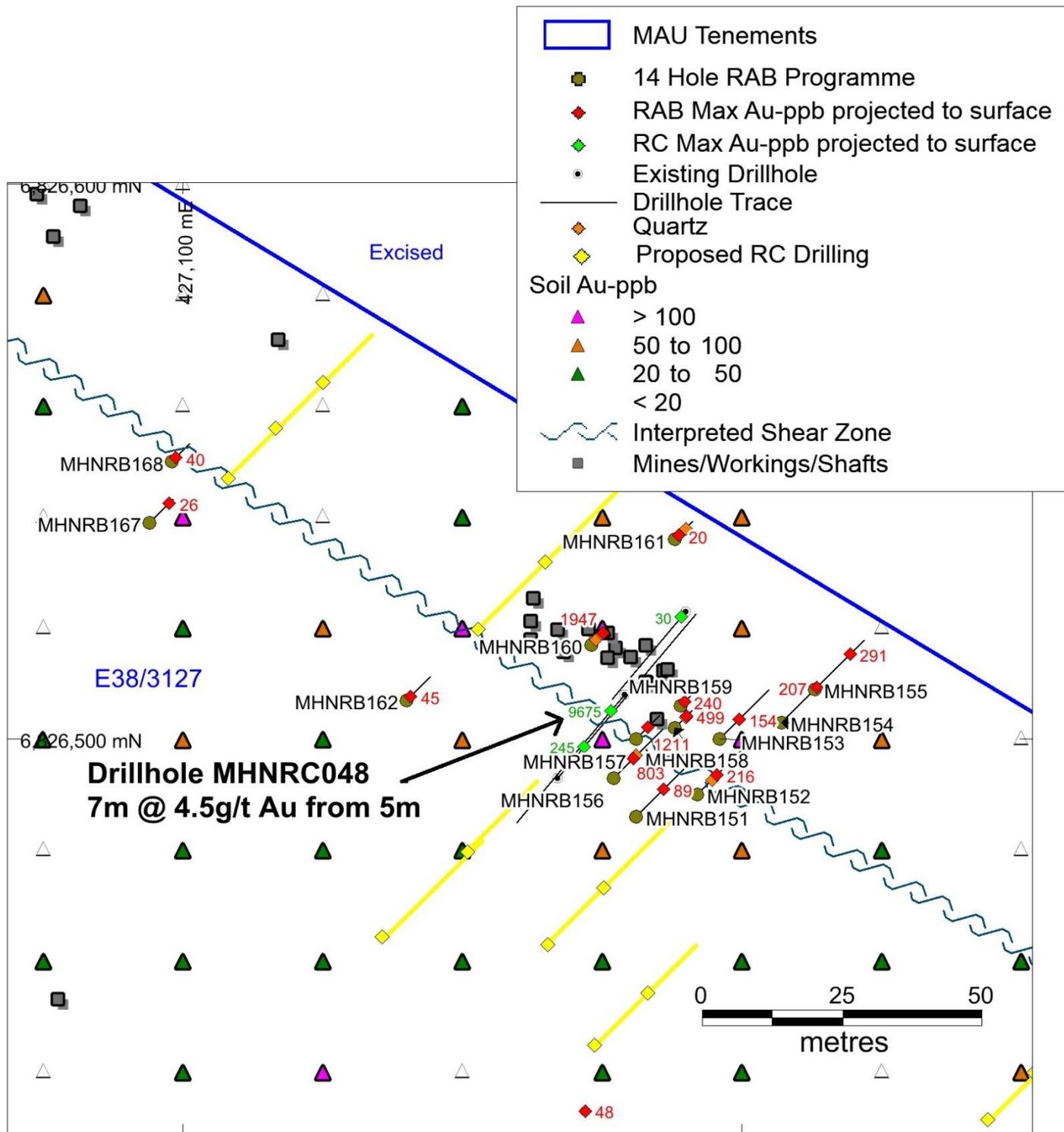


Figure 1. HN5 RAB and RC Drilling showing Maximum Au and Soil Geochemistry (ppb).

Table 1. HN5 RAB Drill Intercepts > 0.1g/t Au

Hole Number	From	To	Interval	Grade
	m	m	m	g/t Au
MHNRB152	8	12	4	0.22
MHNRB153	0	4	4	0.11
MHNRB153	8	12	4	0.15
MHNRB154	16	20	4	0.21
MHNRB155	16	20	4	0.29
MHNRB156	8	16	8	0.51
including	8	12	4	0.8
MHNRB157	4	12	8	0.71
including	4	8	4	1.21
MHNRB158	0	8	8	0.44
MHNRB159	0	4	4	0.24
MHNRB160	4	8	4	1.95

eoh

eoh: end of hole

Table 2. HN5 RAB Drilling

Hole Number	MGAz51E	MGAz51N	Depth m	Azimuth	Dip
MHNRB151	427181	6826486	25	-60	45
MHNRB152	427192	6826490	25	-60	45
MHNRB153	427196	6826500	25	-60	45
MHNRB154	427207	6826503	25	-60	45
MHNRB155	427213	6826509	25	-60	45
MHNRB156	427177	6826493	25	-60	45
MHNRB157	427181	6826500	12	-60	45
MHNRB158	427188	6826502	12	-60	45
MHNRB159	427189	6826506	8	-60	45
MHNRB160	427173	6826517	9	-60	45
MHNRB161	427188	6826536	9	-60	45
MHNRB162	427140	6826507	12	-60	45
MHNRB167	427094	6826539	12	-60	45
MHNRB168	427098	6826550	9	-60	45

Infill soil sampling in the HN5 area has confirmed several coherent +50ppb Au anomalies totaling more than a significant 1,000m in length as shown in Figure 2. The main eastern anomaly embraces the old Emerald gold workings and nearby gold diggings. The main western anomaly covers an area of quartz veined porphyry with one gold digging identified so far. The northernmost anomaly surrounds an area of old diggings close to the MHNRC048 intersection.

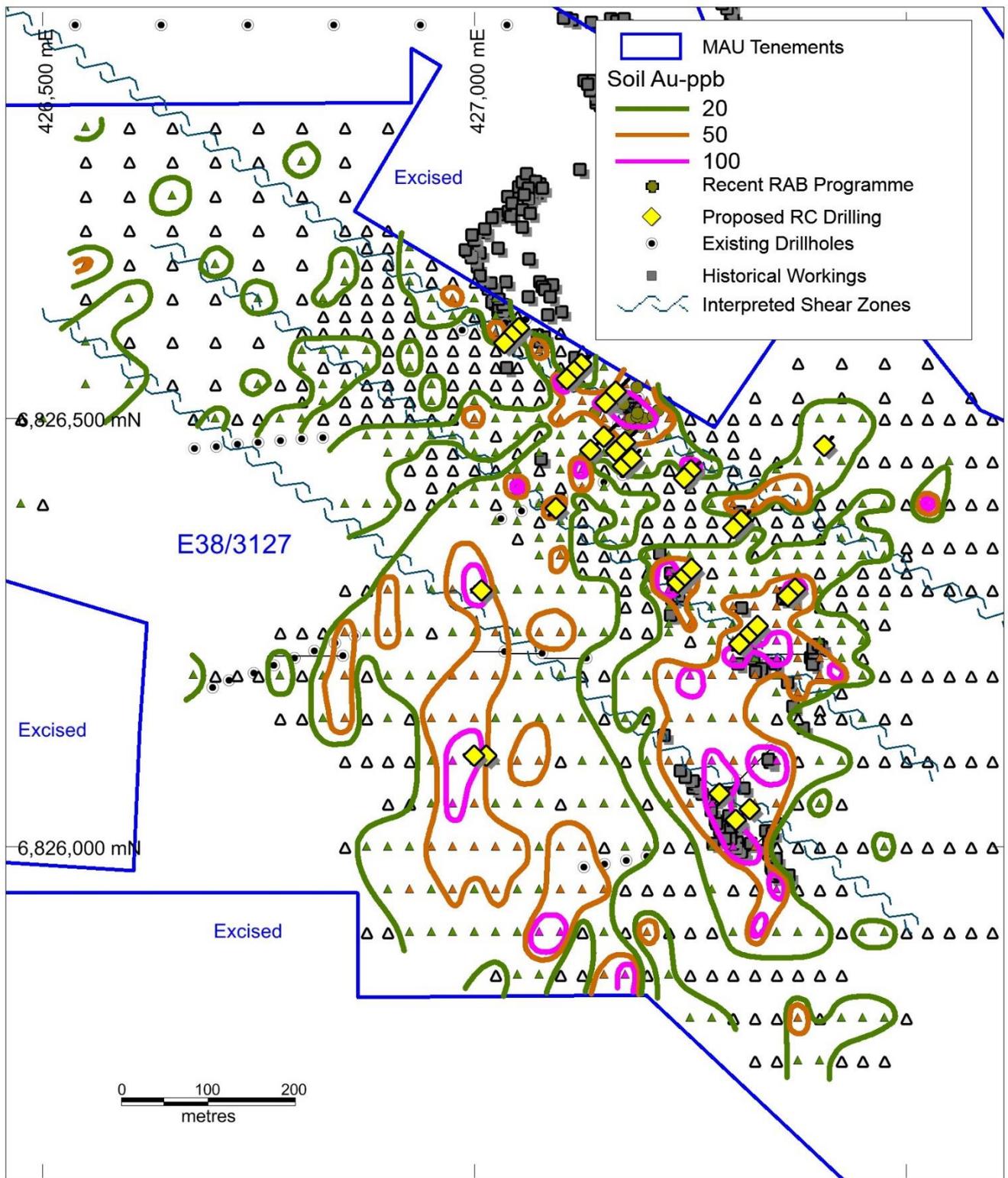


Figure 2. HN5 Soil Geochemistry Au ppb and planned RC drilling.

A programme of RC drilling has commenced (Figure 2 and Table 3) with the aim of testing strike and dip extensions of the MHNRC048 mineralisation; testing below old gold diggings where no previous drilling exists, and testing gold-in-soil anomalies in structurally favourable positions. The programme is initially planned to comprise 31 holes totaling 865m.

Table 3. HN5 Follow up RC Drilling

HoleID	MGAz51E	MGAz51N	Azimuth	Dip	Depth	Target
RC1	427151	6826480	045	-60	35	Down dip from MHNRC36
RC2	427125	6826564	045	-60	25	Test shear zone and old digging 80m along strike from MHNRC48
RC3	427117	6826556	045	-60	25	Test shear zone and old digging 80m along strike from MHNRC48
RC4	427108	6826547	045	-60	25	Test shear zone and old digging 80m along strike from MHNRC48
RC5	427053	6826607	045	-60	25	Test line of old diggings 160m WNW of MHNRC48
RC6	427045	6826598	045	-60	25	Test line of old diggings 160m WNW of MHNRC48
RC7	427036	6826589	045	-60	25	Test line of old diggings 160m WNW of MHNRC48
RC8	427165	6826532	045	-60	40	Test possible NNW strike extension of MHNRC48 quartz veins
RC9	427153	6826520	045	-60	40	Test possible NNW strike extension of MHNRC48 quartz veins
RC10	427175	6826473	045	-60	35	Test possible SSE dip extension of MHNRC151 quartz veins
RC11	427165	6826463	045	-60	45	Test possible SSE dip extension of MHNRC151 quartz veins
RC12	427252	6826440	045	-60	25	Test below old diggings 100m ESE of MHNRC48
RC13	427244	6826431	045	-60	25	Test below old diggings 100m ESE of MHNRC48
RC14	427310	6826382	045	-60	25	Test below old diggings 180m ESE of MHNRC48
RC15	427301	6826373	045	-60	25	Test below old diggings 180m ESE of MHNRC48
RC16	427237	6826309	225	-60	25	Test below old diggings with 153ppb Au in soil
RC17	427245	6826317	225	-60	25	Test below old diggings with 153ppb Au in soil
RC18	427253	6826325	225	-60	25	Test below old diggings with 153ppb Au in soil
RC19	427373	6826302	225	-60	25	Test below old diggings with 94ppb Au in soil
RC20	427364	6826293	225	-60	25	Test below old diggings with 94ppb Au in soil
RC21	427308	6826238	225	-60	25	Test below old diggings with 78ppb Au in soil
RC22	427321	6826250	225	-60	25	Test below old diggings with 78ppb Au in soil
RC23	427329	6826259	225	-60	25	Test below old diggings with 78ppb Au in soil
RC24	427285	6826063	225	-60	25	Test down dip of Emerald workings and updip of MHNRC19
RC25	427304	6826032	225	-60	25	Test down dip of Emerald workings
RC26	427320	6826044	225	-60	45	Test down dip of Emerald workings
RC27	427095	6826396	225	-60	25	Test below old digging
RC28	427406	6826469	045	-60	25	Test below old digging
RC29	427009	6826300	270	-60	25	Test 108ppb Au in soil on porphyry
RC30	427015	6826107	270	-60	25	Test below old digging
RC31	427001	6826107	270	-60	25	Test 156ppb Au in soil on porphyry-basalt contact

Birthday Patch, Mt Fisher Greenstone Belt

28 RAB holes (total 584m) have been completed at Birthday Patch where prospectors have recently recovered coarse gold in quartz and gold nuggets using metal detectors (MAU ASX release 16 January'18), see Figure 3. The prospect is situated on a branch of the Mt Fisher greenstone belt some 125km east of Wiluna. It is a virgin discovery as evidenced by the complete absence of old gold diggings in this area.



Figure 3. High Grade Gold in Quartz From P53/1627

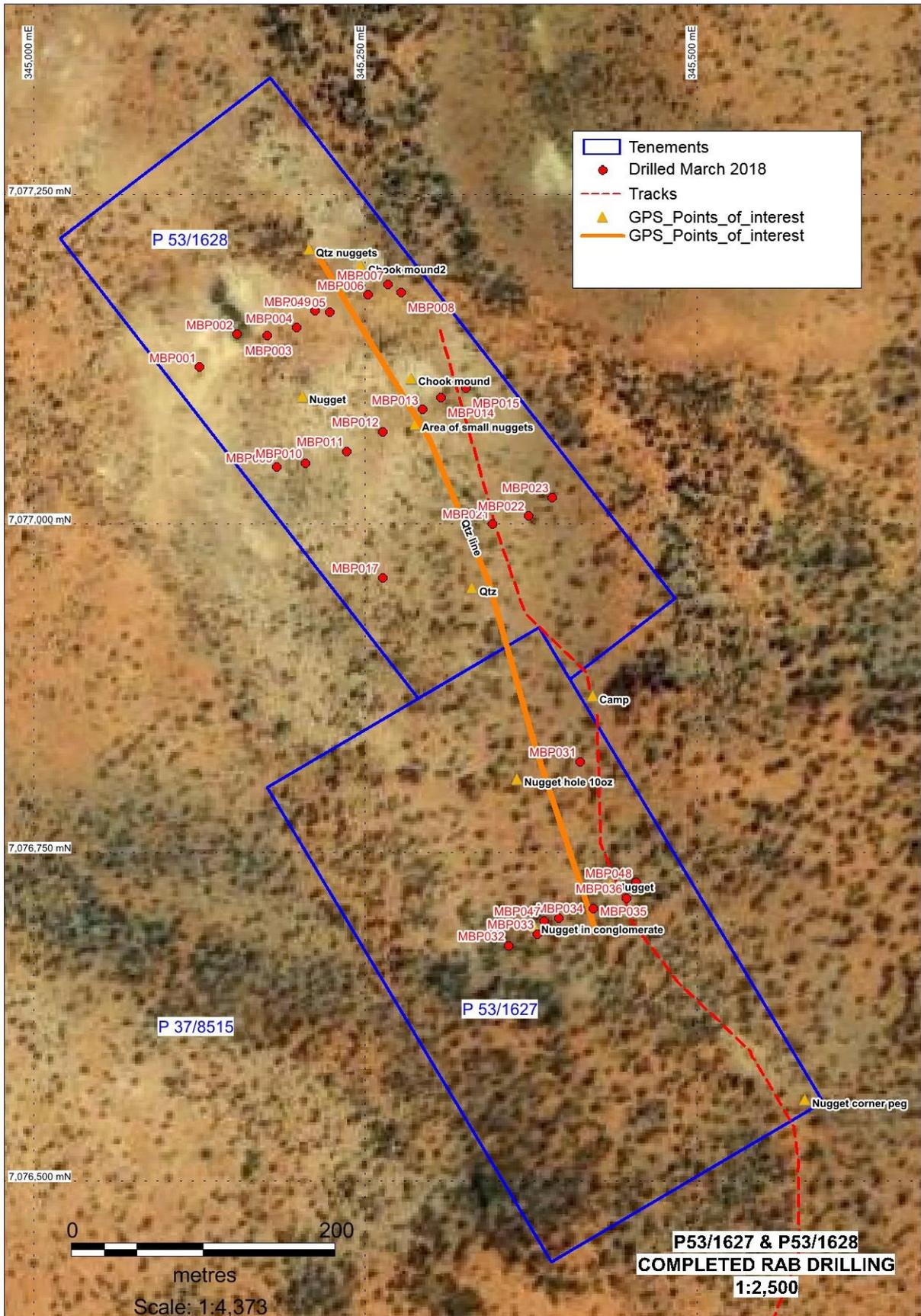


Figure 4. P53/1627,1628 Gold in Quartz and Drilling Locations

The RAB drilling was designed to test a 600m strike length adjacent to the gold discoveries on granted PP53/1627 and P53/1628. Not all the proposed holes were completed because of limited access in thick bush. The drilling intersected several zones of quartz veining within sheared ultramafic rocks, however gold values are generally low with the exception of intervals 0-4m (0.12g/t Au in hardpan) and 20-25m (0.11g/t Au at end of hole) in MBP036. The drilling locations are shown in Figure 4, with drilling details in Table 4.

Table 4. Birthday Patch RAB drilling

Hole Number	MGAz51E	MGAz51N	Depth m	Azimuth	Dip
MBP001	345125	7077119	20	-60	240
MBP002	345153	7077144	20	-60	240
MBP003	345176	7077143	20	-60	240
MBP004	345198	7077149	20	-60	240
MBP005	345223	7077161	20	-60	240
MBP006	345252	7077174	20	-60	240
MBP007	345267	7077182	20	-60	240
MBP008	345277	7077176	20	-60	240
MBP009	345183	7077043	20	-60	240
MBP010	345205	7077046	20	-60	240
MBP011	345236	7077055	20	-60	240
MBP012	345263	7077070	20	-60	240
MBP013	345293	7077087	20	-60	240
MBP014	345307	7077096	20	-60	240
MBP015	345326	7077103	20	-60	240
MBP017	345263	7076959	25	-60	240
MBP021	345346	7077000	20	-60	240
MBP022	345373	7077006	20	-60	240
MBP023	345391	7077020	20	-60	240
MBP031	345412	7076819	20	-60	240
MBP032	345358	7076679	20	-60	240
MBP033	345380	7076688	25	-60	240
MBP034	345396	7076700	20	-60	240
MBP035	345422	7076707	20	-60	240
MBP036	345447	7076715	25	-60	240
MBP047	345385	7076698	12	-60	240
MBP048	345454	7076727	27	-60	240
MBP049	345212	7077162	30	-60	240

The gold in quartz specimens are interpreted to occur at the base of a partly eroded paleochannel. A possible source of the gold is situated 1-2km north of the discovery area where a pronounced bend in the ultramafic contact is evident on the aeromagnetics. Such bends can form structurally favourable positions for gold mineralization. Upon grant of Magnetic's E53/1978 it is proposed to carry out scout geochemical drilling through hardpan cover to test a 2.7km strike length of this structural target. Additional drilling will also complete the first pass drilling of the 600m strike length of the gold discovery area.

Mertondale and Christmas Well

As foreshadowed in the March quarterly report, Magnetic is planning RAB drilling at Mertondale (E37/1258) and Christmas Well (P37/8687-8694) near Leonora to test 10.4km of multiple gold and/or multi-element geochemical targets identified by shallow RAB drilling through hardpan. This drilling is scheduled to commence upon completion of the HN5 RC drilling near Laverton.

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. 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 Au in hole MHNRC48 from 1m splits" and is dated 5 March 2018.
2. Exploration information for the Birthday Patch project is extracted from the ASX announcement entitled "Birthday Patch Gold Tenements Secured 175 sq.km" and is dated 16 January 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

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"> • For RAB sampling, 1m samples are laid out in 10m rows on the ground. • Sampling and QAQC procedures are carried out using Magnetic’s protocols as per industry sound practice. • Composite 4m samples were prepared from the 1m RAB drill samples by trowel sampling to produce a 2-3kg sample for pulverizing to produce a 10g charge for ICPMS determination of gold and pathfinder elements. • Sieved RAB chip samples are stored in 1m intervals in chip trays. • Soil sampling was carried out by hand to a depth of 25cm with samples sieved to -80 mesh prior to dispatch for gold and pathfinder elements.
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"> • Rotary air blast (RAB) drilling with a blade bit.
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"> • RAB sample recoveries are visually estimated qualitatively on a metre basis. • Bearing in mind the shallow nature of the drilling, the sample recovery is considered adequate for purpose. • Insufficient drilling and geochemical data is available at the present stage to evaluate potential sample bias.
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 Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean,</i> 	<ul style="list-style-type: none"> • The RAB chip samples are geologically logged.

Criteria	JORC Code explanation	Commentary
	<p>channel, etc) photography.</p> <ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> RAB samples are trowel sampled by hand to produce a 4m composite sample. No field duplicates were taken. Sample sizes are appropriate for the grain size being sampled.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 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. 	<ul style="list-style-type: none"> RAB samples are analysed using a 10g charge, aqua regia digestion and ICPMS determination for gold and pathfinder elements, which is a partial method but considered appropriate for weathered and oxidized material. Industry standard standards and duplicates are used by the NATA registered laboratory conducting the analyses.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> No verification of drill intersections has yet been carried out. Primary data is stored in both physical and electronic format. Assay data has not been adjusted.
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 	<ul style="list-style-type: none"> RAB drilling was carried out at various spacing to follow up previous drilling at Hawks Nest. RAB drilling at Birthday Patch was carried out on nominal 100m x 25m centres as allowed by local vegetation.

Criteria	JORC Code explanation	Commentary
	<p><i>Ore Reserve estimation procedure(s) and classifications applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • 1m samples were composited into 4m composite samples for assay.
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<p>At Hawks Nest geological mapping and the trends of old gold diggings indicate a general NNW to NW trend to geological structures. The drilling was carried out orthogonal to this trend.</p> <p>At Birthday Patch drilling was carried out orthogonally to a NNW trending aeromagnetic trend.</p>
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Samples were stored in the field prior to dispatch to Perth using a commercial freight company.
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<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
<p><i>Mineral tenement and land tenure status</i></p>	<ul style="list-style-type: none"> • <i>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 settings.</i> • <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> 	<ul style="list-style-type: none"> • The Hawks Nest target area is situated on exploration licence E38/3127 held 100% by Magnetic Resources NL. • Birthday Patch is situated on P53/1627 and 1628 where Magnetic has entered into an option to purchase (refer MAU ASX release of 16 January 2018) • The licences are granted with no known impediments to obtaining a licence to operate.
<p><i>Exploration done by other parties</i></p>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • The Hawks Nest area has been subject to extensive prospecting and dry blowing activity, however there is not much evidence of systematic modern exploration. • Birthday Patch is a virgin prospect with no evidence of previous exploration.
<p><i>Geology</i></p>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The Hawks Nest target area is situated within a sequence of Archean mafic volcanics extensively intruded by porphyry dykes and sills in the hinge area of the regional Mt Margaret anticline. The style of mineralization is shear and fault-hosted mesothermal quartz veins. • Birthday Patch is situated on a branch of the Archean Mt Fisher greenstone belt adjacent to a granite-greenstone contact. The style of mineralization is

Criteria	JORC Code explanation	Commentary
		unknown at this stage.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • 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. 	<ul style="list-style-type: none"> • Refer to tables in the text.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • 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. • 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. 	<ul style="list-style-type: none"> • No weighting or cutting of gold values, other than averaging of duplicate and repeat analyses.
<i>Relationship between mineralisation widths and intercept lengths</i>	<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"> • The relationship between mineralization widths and intercept lengths at both Hawks Nest and Birthday Patch remain to be clarified.
<i>Diagrams</i>	<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.
<i>Balanced reporting</i>	<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"> • Plus 0.1g/t Au intersections from the RAB drilling have been reported. Soil sampling results have been summarized in map form.
<i>Other substantive</i>	<ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; 	<ul style="list-style-type: none"> • Results of a previously reported soil sampling by Magnetic Resources are shown in the text.

Criteria	JORC Code explanation	Commentary
<i>exploration data</i>	<i>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.</i>	
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Follow-up RC drilling is planned at Hawks Nest. At Birthday Patch limited angle RAB drilling will be carried out to complete the first pass drilling on P53/1627 and 1628. First pass geochemical RAB drilling is planned on E53/1978 at Birthday Patch upon grant of this tenement.