

QUARTERLY REPORT for the Quarter Ended 31 December 2021

Magnetic Resources NL
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ASX Codes: MAU and MAUCA

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Issued Capital:
Shares - Quoted:

224,342,819 ordinary shares.
20,418,862 partly paid shares
(\$0.20 unpaid).

Options – Unquoted

4,900,000 options
exercisable at \$1.515 on or
by 31 December 2024

Cash: \$5.69m

Directors:

George Sakalidis
Managing Director

Eric Lim
Non-Executive Chairman

Julien Sanderson
Hiang Sian Chan
Non-Executive Directors

Company Secretary
Ben Donovan

HIGHLIGHTS

- Very promising thicker intersections were drilled within three separate Projects in the December Quarter including Lady Julie1, Lady Julie 4 and the Homeward Bound South Projects, which are all being followed up.
- At Lady Julie 1 thick high-grade gold zones starting from surface including 22m at 4.1g/t from 0m and 16m at 5.6g/t from 20m with thick zones down dip, which are still open to the SE as shown up with an intersection of 88m at 1.3g/t from 68m. In addition, high grade shoots are present including 2m at 21.0g/t from 3m, 1m at 59.5g/t from 22m and 4m at 15.1g/t from 32m. This promising southern part of the Lady Julie North 1 target zone area is being tested in detail over a 1km length with 33 RC holes planned for 3518m. Structural studies have commenced and will assist in siting deeper holes prospective for Sunrise Dam style intrusives.
- At Lady Julie 4 two promising thicker intersections including 28m at 2g/t from 36m and 40m at 1.8g/t from 60m are being followed up with 14 RC holes for 1720m over a 500m length.
- At Homeward Bound South thick intersections including 20m at 3.0g/t from 60m, 25m at 1.3g/t from 12m and 31m at 1g/t from 20m. Follow up drilling of 24 RC holes for 1820m over a 500m length within the extensive Federation shear zone.
- Magnetic's tenements are within the Leonora-Laverton region where numerous M&A situations have occurred within recent times.

Laverton Area

Magnetic Resources NL has 261km² in the Laverton region comprising E38/3127 Hawks Nest, E37/3100 Mt Jumbo, E38/3205 Hawks Nest East, E38/3209 Mt Ajax, P38/4317–24 Mt Jumbo East, E39/2125, P39/6134-44 Little Well and P38/4346, P38/4379-84, P38/4170 Lady Julie (Figure 1). Table 1 shows the exploration completed to date and recent/proposed exploration.

Table 1. Laverton region drilling summary

Project/Tenements	Surface sampling completed	Drilling & ground magnetics completed	Proposed exploration
Hawks Nest E38/3127, M38/1041	5,411 soils 117 rock chips	1,105 RC for 70,014m 201 RAB holes for 2,726m 4 Diamond holes for 431m 2 AC holes for 66m 507km ground magnetics	27 RC drillholes for 1,807m
Lady Julie P38/4346, P38/4379-84, E38/3127, P38/4170	2,148 soils 15 rock chips	479 RC for 39,446m 290 shallow RAB for 1,691m 81 AC holes for 2,951m 23km ground magnetics	59 RC drillholes for 5,700m 4 Diamond drillholes for 406m
Mt Jumbo E38/3100, E38/3127	3 rock chips 43 lags	3 RC holes for 563m 2 DDH for 457m 143km ground magnetics	
Mt Jumbo East P38/4317–24	23 rock chips 155 lags	22 RC holes for 1,646m 229km ground magnetics	13 RC holes for 755m
Kowtah P39/5594–97, 5617	484 soils 1 rock chip	186km ground magnetics	

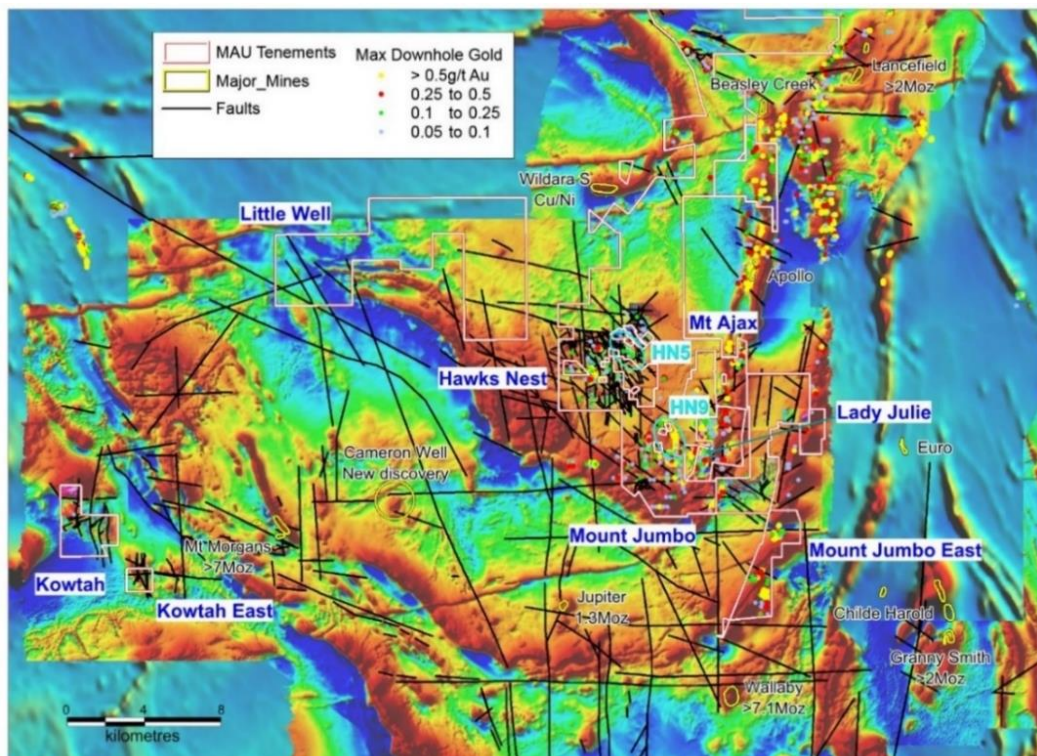


Figure 1. Hawks Nest, Hawks Nest East, Lady Julie, Little Well, Mt Ajax, Mt Jumbo, Mt Jumbo East and Kowtah projects, showing tenements, major shear zones, targets and gold deposits and historic workings

Lady Julie (P38/4346, P38/4379–4384)

Multiple both thick and high-grade zones starting from surface are found at Lady Julie after our most recent infill and extension drill programme (Figures 2-3). These promising anomalous gold zones are still open to the SE as shown up by MLJRC448 with an intersection of 88m at 1.3g/t from 68m. This promising southern part of the Lady Julie North 1 target zone area is being tested in detail over a 1km length with 33 RC holes planned for 3518m averaging 107m per hole. Highlights of recent drill programmes completed are shown in Table 2.

Table 2. Highlights of recent drill programmes

HoleID	East	North	From	To	Width	Gold	
	MGAz51	MGAz51	m	m	m	g/t	
MLJRC458	431800	6823915	21	57	36	1.48	
		including	53	57	4	7.38	
MLJRC457	431770	6823915	0	61	61	1.73	
		including	0	22	22	4.14	
		including	0	10	10	7.96	
MLJRC455	431804	6823890	33	45	12	4.53	
MLJRC454	431833	6823882	36	108	72	0.86	
MLJRC453	431804	6823881	20	36	16	5.59	
MLJRC451	431883	6823870	24	52	28	1.90	
MLJRC448	431926	6823860	68	156	88	1.33	
		including	92	128	36	2.04	
MLJRC406	431956	6823820	116	150	34	1.80	*
		including	116	118	2	11.3	*
		including	148	150	2	15.16	*
MLJRC405	431912	6823820	95	118	23	1.24	*
MLJRC404	431955	6823842	142	160	18	4.74	*
MLJRC369	431372	6821486	18	25	7	3.71	*

*Previously drilled with new 1m splits

The Lady Julie 1 mineralisation (Figure 2) can be unusually thick with associated higher grades, 41m at 2.6g/t Au from 31m in MLJRC162, 52m at 1.7g/t Au from 52m in MLJRC352, 52m at 1.5g/t Au from 15m and 88m at 1.3g/t Au from 68m, which augers well for the potential economics considering a lot of the intersections also start from surface, 25m at 4.4g/t Au from 0m in MLJRC348, 22m at 4.1g/t Au from 0m in MLJRC457. This 1km-long zone is being infill drilled to get it to an Indicated Category (Figure 2). There are at least 2 separate stacked lodes present in this current drilling area, which dip 20° to 45° to the east.

The gold mineralisation at Lady Julie 1 can occur within the porphyry or along the porphyry/mafic and porphyry/ultramafic unit contacts. Locally there is a strong concentration within the ultramafic as well, where there is higher grade mineralisation. Also, the alteration is usually a strong pervasive silicification alteration and numerous quartz veins as well.

Thickened porphyry zones (up to 70m) are common on the eastern part of the Lady Julie North1 strongly mineralised zones, on the edge of a major 6km-long NS thrust zone. These porphyries are also steeper dipping in this area and may represent conduits for deeper mineralisation to come closer to the surface. These underlying intrusions are also targets for deeper mineralisation similar to the deeper intrusions at depth at the world class Sunrise Dam gold mine.

The next drill programme of 33 RC holes for 3518m will be testing between 100 to 250m depth looking for further enriched zones, defining the different stacked zones and vertical mineralised shoots. This programme will also assist in the location of deeper holes into the underlying porphyry and porphyry contact positions.

Infill RC drilling within the very high-grade intersection zones have shown that they are associated with pervasive vertical zones (shoots) with grades greater than 10g/t as shown in Table 3. Some of these intersections include 2m at 21.4g/t Au from 43m in MLJRC292 and 2m at 21.0g/t Au from 3m in MLJRC457 and 1m at 59.5g/t Au from 22m in MLJRC348 and 4m at 15.1g/t Au from 32m in MLJRC453. Further infill RC and diamond drilling is designed to define the true extent and distribution of these enriched high-grade shoots that lie within the promising thicker intersections (Figure 2).

Table 3. Lady Julie North1 Gold > 10g/t

HoleID	Easting	Northing	From	To	Width	Gold	
	MGAz51	MGAz51	metres	metres	metres	ppm	
MLJRC073	431940	6823058	15	16	1	18.18	
MLJRC162	431845	6823860	54	55	1	16.32	
			64	65	1	11.40	
			66	67	1	10.17	
MLJRC292	431820	6823880	43	45	2	21.35	
MLJRC295	431823	6823860	25	26	1	15.15	
MLJRC296	431820	6823842	56	57	1	12.92	
MLJRC298	431880	6823842	58	59	1	21.37	
MLJRC341	431775	6823925	19	20	1	13.28	
MLJRC342	431800	6823925	61	62	1	30.65	
MLJRC346	431781	6823900	1	2	1	10.64	
MLJRC348	431791	6823880	17	18	1	11.50	
			22	23	1	59.48	
MLJRC352	431910	6823842	87	88	1	14.32	
MLJRC400	431746	6823900	47	48	1	15.11	*
MLJRC404	431955	6823842	144	146	2	14.63	*
MLJRC406	431956	6823820	117	118	1	19.91	*
			148	150	2	15.16	*
MLJRC453	431804	6823881	32	36	4	15.12	*
MLJRC455	431804	6823890	40	41	1	22.08	*
			41	42	1	11.84	*
MLJRC457	431770	6823915	3	5	2	20.95	*
MLJRC458	431800	6823915	55	56	1	20.84	*

* New 1m or 4m assay

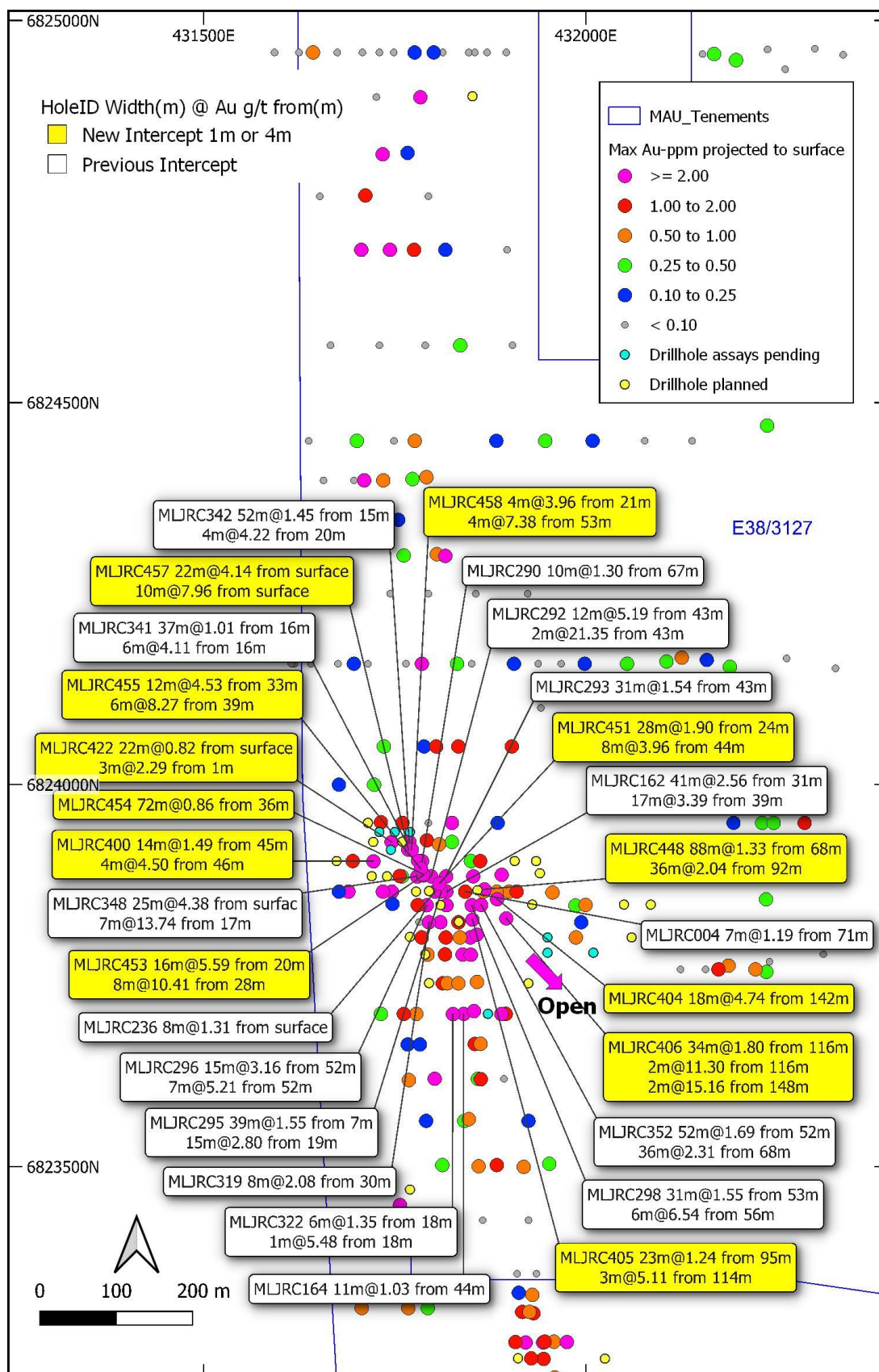


Figure 2. The southern 1km part of the Lady Julie North1 area highlighting significant thick intersections from the latest drill programme (yellow large rectangular label) and previous drilling (white label) with maximum gold projected to surface and drillholes with assays pending (in blue) and planned drillholes (in yellow)

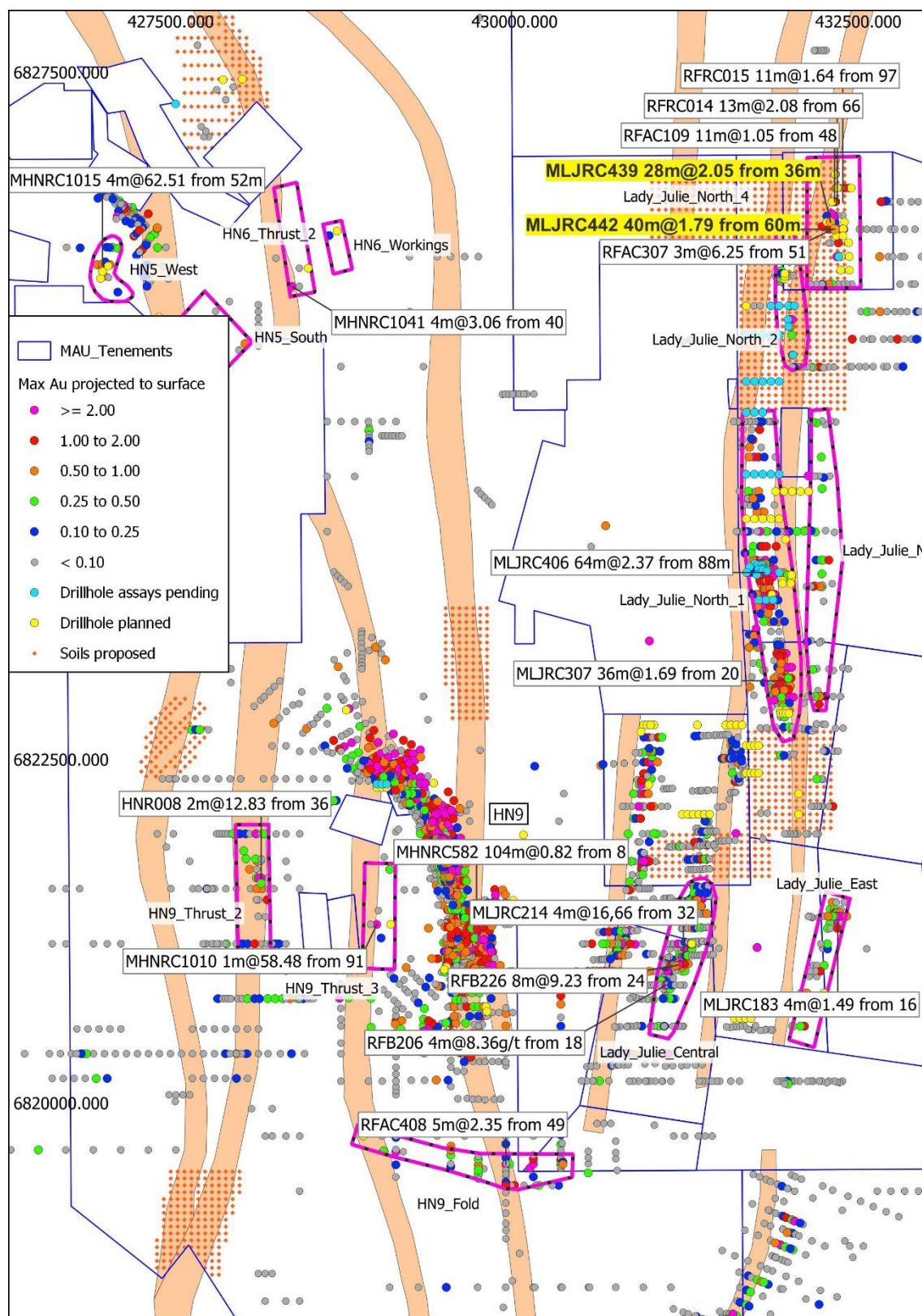


Figure 3 Gold intersection overview covering the HN5, HN6, HN9 and adjacent Lady Julie Projects showing ten additional gold targets covering 15km (purple outlines) with highlighted intersections (white label). Significant historical and Magnetic intercepts (maximum Au projected to surface), assays pending in blue and planned RC holes in yellow.

Lady Julie North 4 (P38/4170)

Initial RC drilling completed at Lady Julie 4 have resulted in two excellent thick intersections, 28m at 2.0g/t Au from 36m including 16m at 3.37g/t Au from 40m in MLJRC439 and 40m at 1.79g/t Au from 60m including 8m at 6.67g/t from 60m in MLJRC442. This early result is very encouraging and a follow up programme of 14 RC holes for 1720m over a large 700m strike length is being carried out (Figure 4).

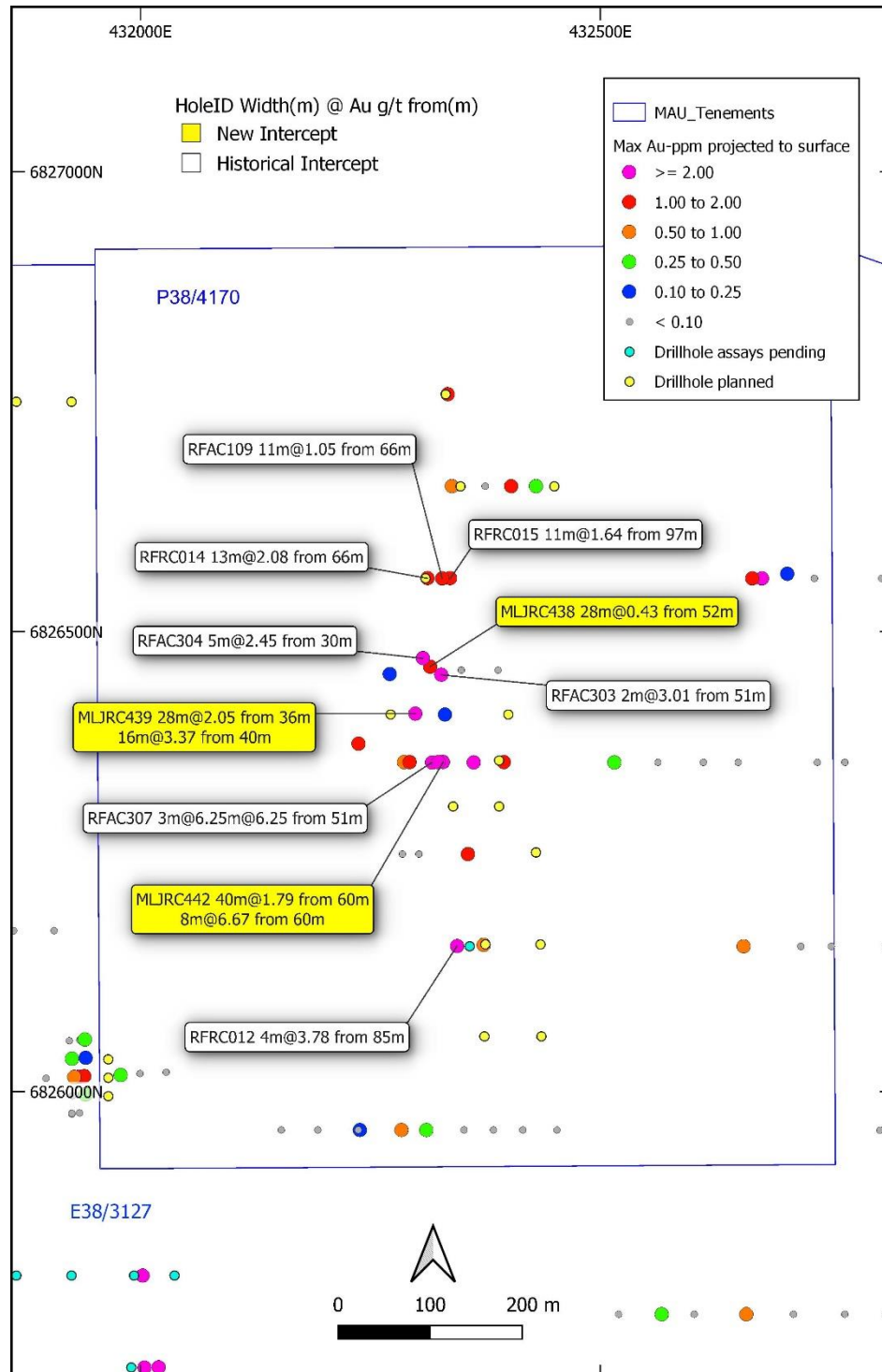


Figure 4. Lady Julie North 4 area highlighting significant thick intersections from the latest drill programme (yellow large rectangular label) and historical drilling (white labels) with maximum gold projected to surface and drillholes with assays pending (in blue) and planned drillholes (in yellow)

Lady Julie 4 is only 2.5km north of Lady Julie 1 (Figure 4) where we have intersected a significant number of seventeen thick high-grade intersections (September 2021 Quarterly). Two of these include 25m at 4.38g/t Au from 0m in MLJRC348 and 36m at 4.01g/t Au from 116m in MLJRC406

Within the HN5, HN6, HN9 and Lady Julie areas there are many new shallow intersections (Fig 2-4 and Table2-4) with a total of 1,626 intersections (ranging from 1 to 30m) greater than 0.5g/t Au, which includes 717 greater than 1g/t Au, 269 greater than 2g/t Au, 148 greater than 3g/t Au and 91 greater than 4g/t Au.

The results from the 2D seismic survey and the recent major drill programmes as well as historical drillings results have led to the interpretation of 15km of gold targets in 10 areas within HN5, HN6, HN9 and Lady Julie outlined in purple in Figure 3 and summarised in Table 4.

This zone between the two thrusts is very prospective and there are numerous NS workings, mineralised drillholes and anomalous soil geochemical areas, which are in the process of being further drilled (Figures 2-4).

Both the mineralised targets at HN9 and Lady Julie North appear to straddle two deep seated thrusts, with HN9 being a major 3km-long mineralised zone. The eight thrust zones that come to surface continue to the north and south over an extensive 6km length and shallow RAB and or soil geochemistry is being planned to help outline any further anomalous gold areas worthy of follow up drilling (Figure 3).

Table 4. Target Summary HN5, HN6, HN9 and Lady Julie

Target	Length Km	Significant gold intersection	Description
Lady Julie North (1-4)	3.9	MLJRC406 64m @ 2.37g/t from 88m MLJRC404 20m @ 4.29g/t from 140m MLJRC295 39m @ 1.55g/t from 7m MLJRC162 41m @ 2.56g/t from 31m	Several wide and high-grade intersections starting from surface associated 50ppb soil anomaly
Lady Julie Central	1.5	MLJRC214 4m @ 16.66g/t from 32m	New NNE-trending gold zone with some excellent high-grade intersections.
Lady Julie East	1.7	MLJRC183 4m @ 1.49g/t from 16m	Southern extension of near-surface high-grade results
HN9 thickened zone	1.5	MHNRC582 104m @ 0.82g/t from 8m	Open 1km to the NE. New holes planned.
HN9 fold	1.5	RFAC408 5m @ 2.35g/t from 49m	Unusual EW trend, part of large regional folding
HN9 Thrust 2	1.2	HNR008 2m @ 12.83g/t from 36m	Drilling extension of high-grade intersection planned.
HN9 Thrust 3	1.2	MHNRC1010 1m @ 58.48g/t from 91m	Drilling extension of new intersection
HN5 West	0.3	MHNRC1015 4m @ 62.51g/t from 52m	Drilling of very high-grade intersection planned
HN5 South	0.7	No drilling to-date	NW extension of Eagles Nest workings
HN6 Thrust 2	1.5	MHNRC1041 1m @ 3.06g/t from 40m	Extension of intersection and initial testing of workings planned.
Total	15.0		

At Hawks Nest 5, 6, 9 and Lady Julie extensive drilling programmes have been completed, including 1,552 RC holes totaling 107,147m (average 69m depth) 26,344 2–5m composites and 16,231 1m splits and 4 Diamond holes totaling 431m. This release is mainly reporting on 645 composite assays (2-5m) and 994 1m splits from 45 RC holes (MLJRC369,372,374,375,377,379-384,399-413,422,427-429,445-458) totaling 5,154m. A further 25 RC holes for 2,640m have assays pending.

An RC rig is starting in January 2022 with a programme of 33 RC drillholes for 3,518m (shown in yellow in Figure 2) following up the new assays reported on at Lady Julie North 1, which is designed to test and extend all the gold mineralisation found with the aim of ultimately converting to an Indicated Resource.

There are now at least two discernible mineralised lodes recognised that mostly dip shallowly between 20-45° to the east at Lady Julie. These multi-stacked thickened lodes show similarities with the adjacent Wallaby, Sunrise Dam and Jupiter major gold deposits.

The multiple shallow dipping extensive thickened lodes 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 or thrust zones, which are ubiquitous throughout these deposits and have been defined down to 1500m depth at the Wallaby deposit. In addition, many discoveries in recent times have been made by drilling below 100m because the historical drilling was far too shallow. At HN5, 6, 9 and Lady Julie the average hole depth is only 69m 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 near record levels of \$2503, the HN9 Project area encompassing HN5, HN6, HN9 and Lady Julie 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 and 35km north of the Sunrise Dam deposit owned by AngloGold Ashanti Ltd at Laverton, WA, is shaping up and has potential for large-scale shallow deposits.

The thicker porphyry zones on the eastern side of the Lady Julie1 mineralised zones are being tested at depth looking for underlying deeper mineralised intrusions similar to Sunrise Dam.”

Homeward Bound South (P39/5928, 5929, 5932-5934,5455,6175, P37/9144)

Magnetic Resources announced on 29 November 2021 that after its RC drilling programme completed for 14 holes for 1780m, a 1km prospective zone has been identified with the best intersection to date at Homeward Bound South of 20m at 2.98g/t from 64m in MHBSRC025 (Table 5).

The prospectivity of this shear zone (called the Federation shear zone) has increased as it is now recognised that the dip of the mineralised zone is close to 90° rather than 60° to the east and some of the previous drilling did not drill deep enough to intersect this prospective shear. As a result, 11 further holes are planned for 780m to help better define the gold-rich prospective shear zone as shown in Figure 5. The shear zone shows up as a distinct aeromagnetic low zone interpreted to result from alteration within the shear zone.

Most of the intersections are within broad strong alteration zones, shown up in the logging of RC chips, that indicate some size potential from drilling. Some of the better intersections include:

- MHBSRC025 20m at 2.98g/t from 60m including 8m at 2.53g/t from 64m (4m composite)
- MHBSRC007 6m at 4.61g/t from 62m including 1m at 24.22g/t 66m (1m splits)

- MHBSRC010 31m at 0.98g/t from 20m including 4m at 2.71g/t from 20m (1m splits)
- ABR060 19m at 1.1g/t from 32m ending in mineralisation*
- ABR066 25m at 1.3g/t from 12m ending in mineralisation *
- ABR041 17m at 0.9g/t from 4m ending in mineralisation *

*Historical drilling

The Homeward Bound South Project is comprised of 7 tenements (13km²) shown on Figure 6. It is situated 50km west of the very promising HN9 and Lady Julie projects.

A number of M&A situations have occurred within the region. St Barbara, who own the Sons of Gwalia Mine (>7.3Moz) at Leonora, having taken a 19.8% position in Kin Mining in July 2021. Kin Mining have a number of gold projects in the Cardinia area. In addition, Dacian Gold, who own the Jupiter Mine (1.3Moz) merged with NTM in March 2021 with numerous gold deposits north of Mertondale 5 (Figure 6).

Managing Director George Sakalidis commented: “Homeward Bound South shows excellent upside with the recent reinterpretation of the dip of the gold mineralised Federation shear and the strong intersection of 20m at 3g/t from 64m in MHBSRC025 within a 1km prospective zone. Also, this Project is strategically located and is 40km east of Leonora and 60km west of HN9 at Laverton and is in an area where there has been some recent M&A activity.”

Table 5 Significant Drilling Intercepts Gold

Holeid	Drillhole	Easting	Northing	From	To	Width	Gold	Tenement
	Type	MGA	MGA	metres	metres	metres	g/t	
Magnetic Resources NL RC and RAB drillhole assays								
MHBSRC007	RC	380250	6809060	25	68	43	0.98	P39/5455
			including	62	68	6	4.61	P39/5455
			including	66	67	1	24.22	P39/5455
MHBSRC009	RC	380210	6808860	14	23	9	0.76	P39/5455
			including	14	16	2	1.35	P39/5455
MHBSRC010	RC	389210	6808803	20	51	31	0.98	P39/5455
			including	20	24	4	2.71	P39/5455
MHBSRC011	RC	380120	6808400	40	41	1	0.98	P39/5455
				64	66	2	1.56	P39/5455
MHBSRC017	RC	380290	6808860	116	121	5	1.05	P39/5455
MHBSRC024	RC	380240	6808860	20	48	20	0.53	P39/5455
			including	20	24	4	1.32	P39/5455
MHBSRC025	RC	380240	6808800	60	80	20	2.98	P39/5455
			including	64	72	8	4.58	P39/5455
MHBSRB042	RAB	380130	6808800	20	24	4	2.53	P39/5455
MHBSRB066	RAB	379960	6808000	12	37	25	1.25	P39/5933
			including	12	24	12	2.21	P39/5033
Historical RC and RAB drillhole assays								
HBC43	RC	380194	6808939	14	16	2	1.47	P39/5455
HBC44	RC	380187	6808909	8	9	1	1.19	P39/5455
				13	14	1	1.91	P39/5455

HoleId	Drillhole	Easting	Northing	From	To	Width	Gold	Tenement
	Type	MGA	MGA	metres	metres	metres	g/t	
				18	20	2	1.37	P39/5455
HBC45	RC	380177	6808860	17	18	1	3.33	P39/5455
				19	20	1	1.33	P39/5455
ABR41	RAB	379937	6809758	4	21	17	0.86	P39/5455
ABR59	RAB	379887	6809558	3	5	2	1.61	P39/5455
				9	10	1	2.03	P39/5455
ABR60	RAB	379987	6809558	32	51	19	1.1	P39/5455
			including	32	33	1	10.51	P39/5455
			including	35	37	2	1.27	P39/5455
ABR67	RAB	379937	6809358	13	18	5	4.58	P39/5455
			including	13	14	1	11.4	P39/5455
			including	15	16	1	10.56	P39/5455
ABR112	RAB	379887	6809908	5	7	2	2.52	P39/5934
				17	18	1	1.41	P39/5934
				19	20	1	1.62	P39/5934
				25	26	1	1	P39/5934

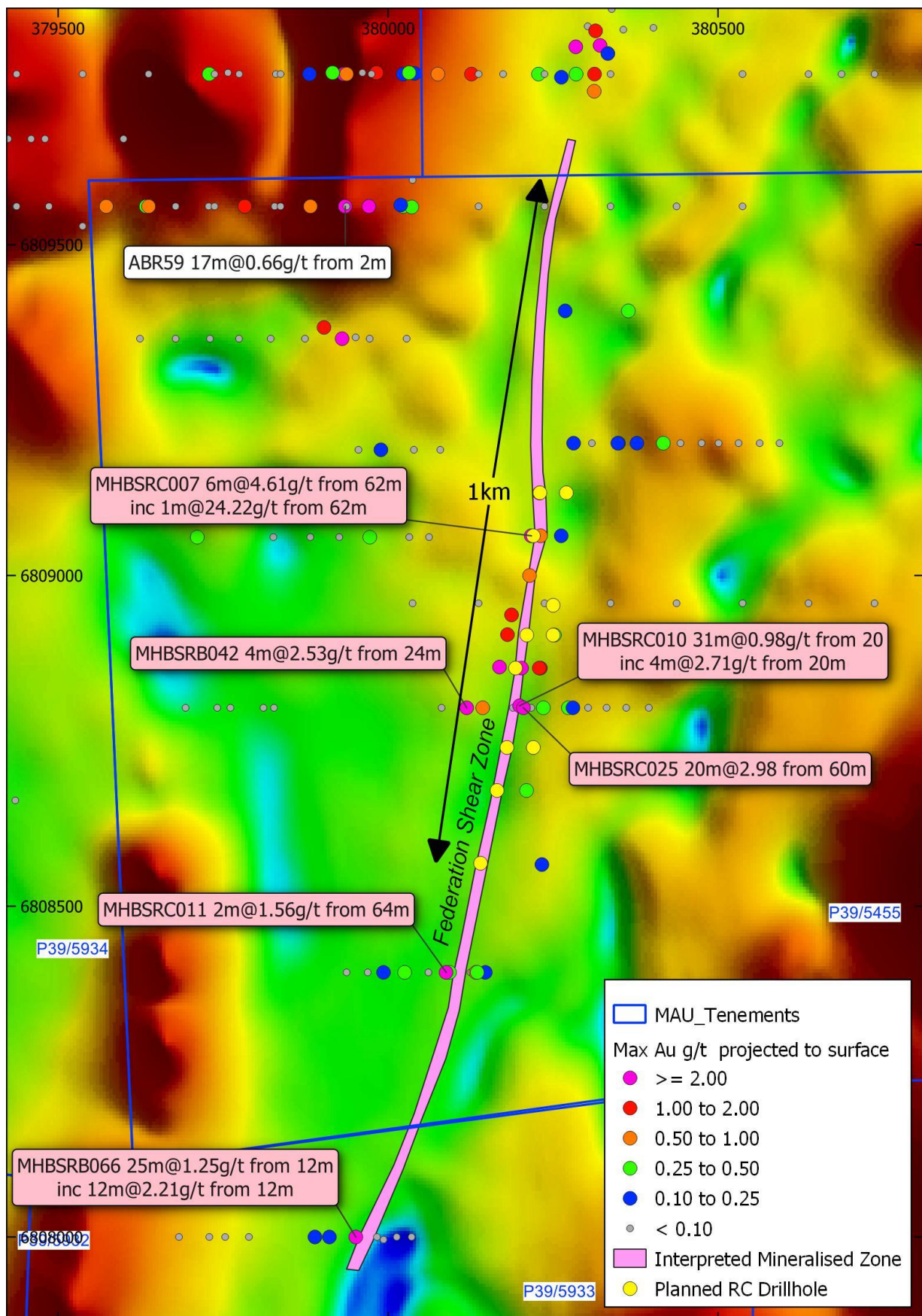


Figure 5 Homeward Bound South showing the wide Federation shear with thick gold RAB and RC intersections and planned RC holes in yellow on an aeromagnetic image

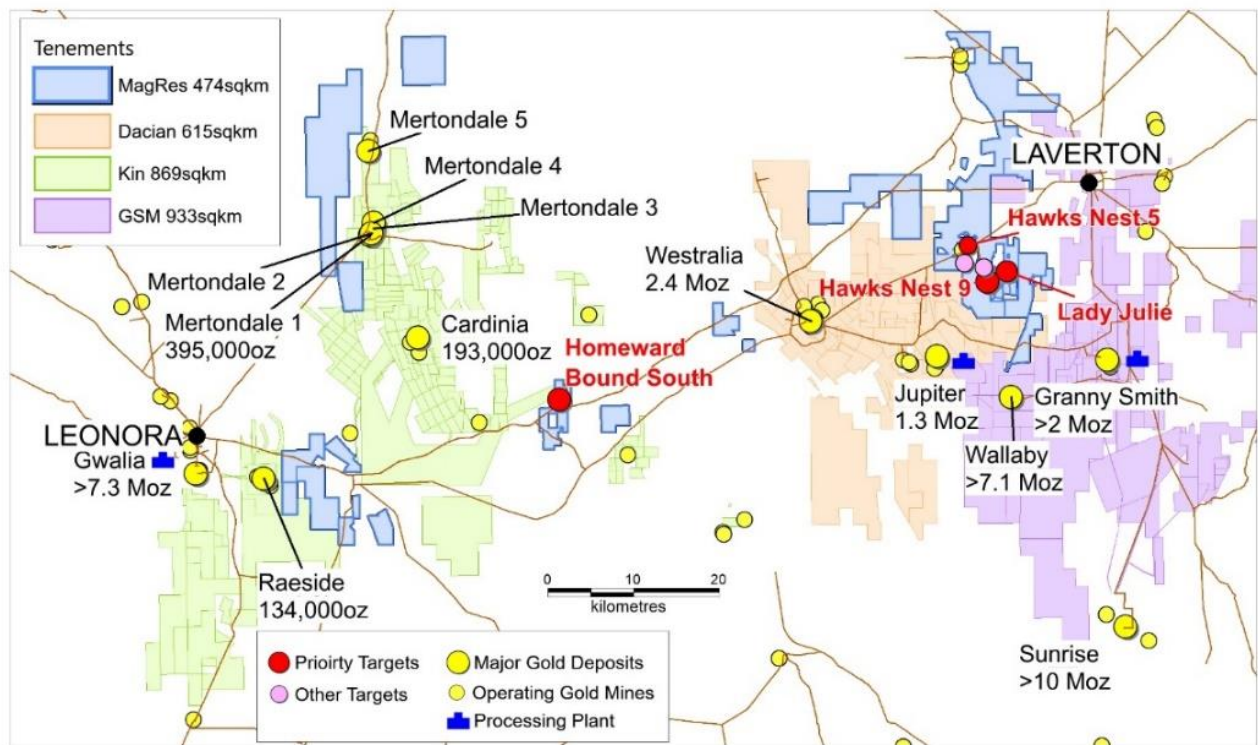


Figure 6 Homeward Bound South tenement 50km west of the HN9 and Lady Julie projects and 40km east of Leonora

Nickel-Cu-PGE Projects

Four separate projects totaling 322sq.km including Benjabbering E70/5537, Trayning E70/5534, Goddard E70/5538 and Korrelocking ELA70/5771 (Figure 7) are held 100% by Magnetic Resources starting from 90km out to 150km northeast of Chalice Gold Mines Limited's Julimar Ni-Pd Discovery.

These projects were selected based on aeromagnetic interpretation after noting the structural setting of the Julimar complex and the Gonneville mineralised discrete magnetic mineralised Ni-Cu-PGE rich intrusion. The Julimar discovery in March 2020 has led to a massive pegging rush covering 30,000 sq. km. The Julimar Intrusive Complex flags the existence of a new and unexplored West Yilgarn Ni-Cu-PGE Province along the western margin of the Archean Yilgarn Craton.

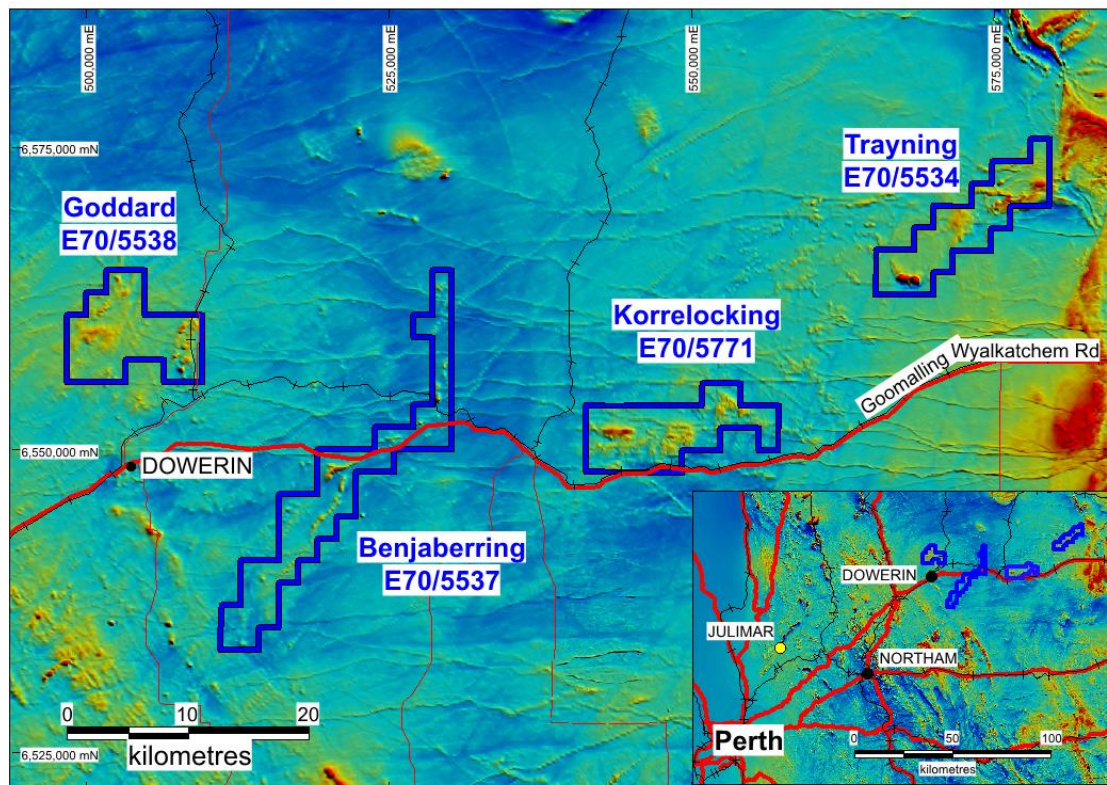


Figure 7. Coverage of Magnetics four projects NE of Julimar overlaid on the regional aeromagnetics

Benjabbering E70/5537

The 111sq. km Benjabbering Project has a large 25km long sinuous aeromagnetic pattern that trend in a NE and N direction and is very similar to the Julimar trends and structures as shown in Figure 8. Several thickened zones have been Identified (shown as circles in Figure 9), which represent possible feeder areas for potential Ni-Cu-PGE mineralisation.

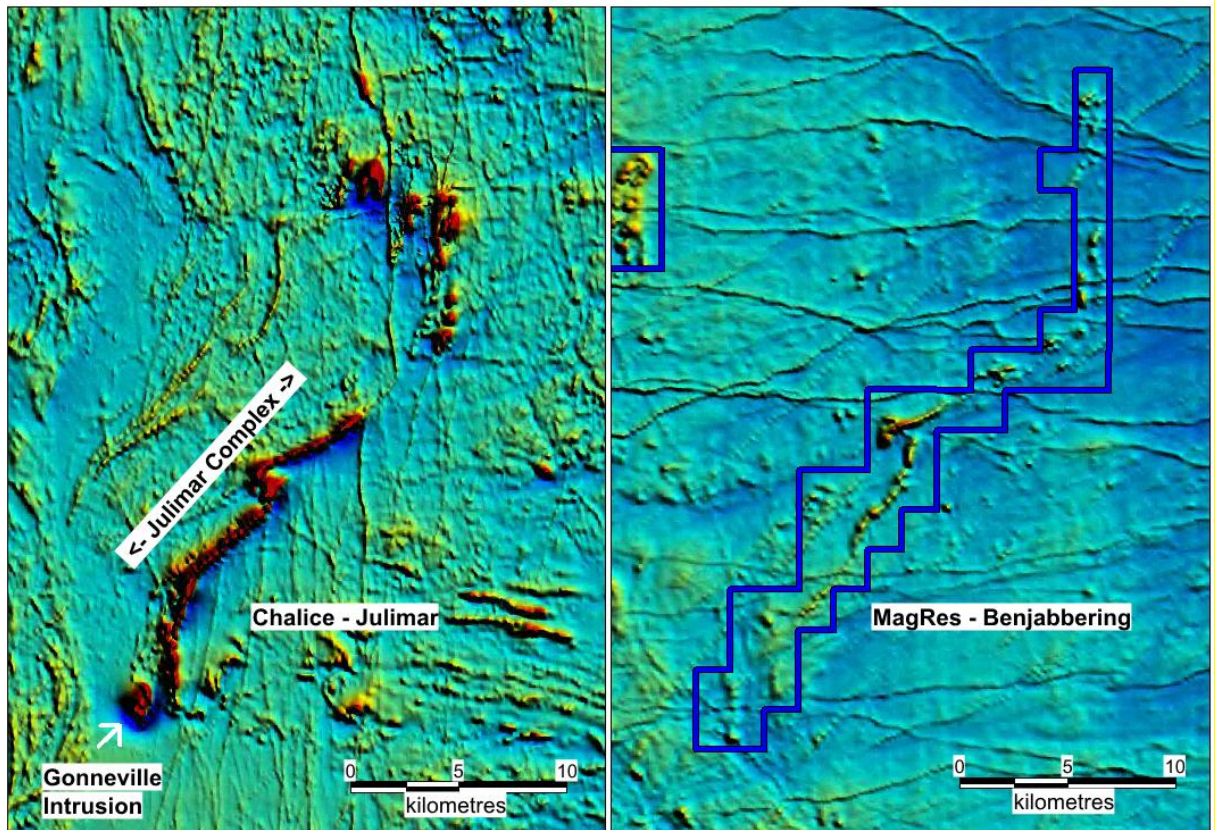
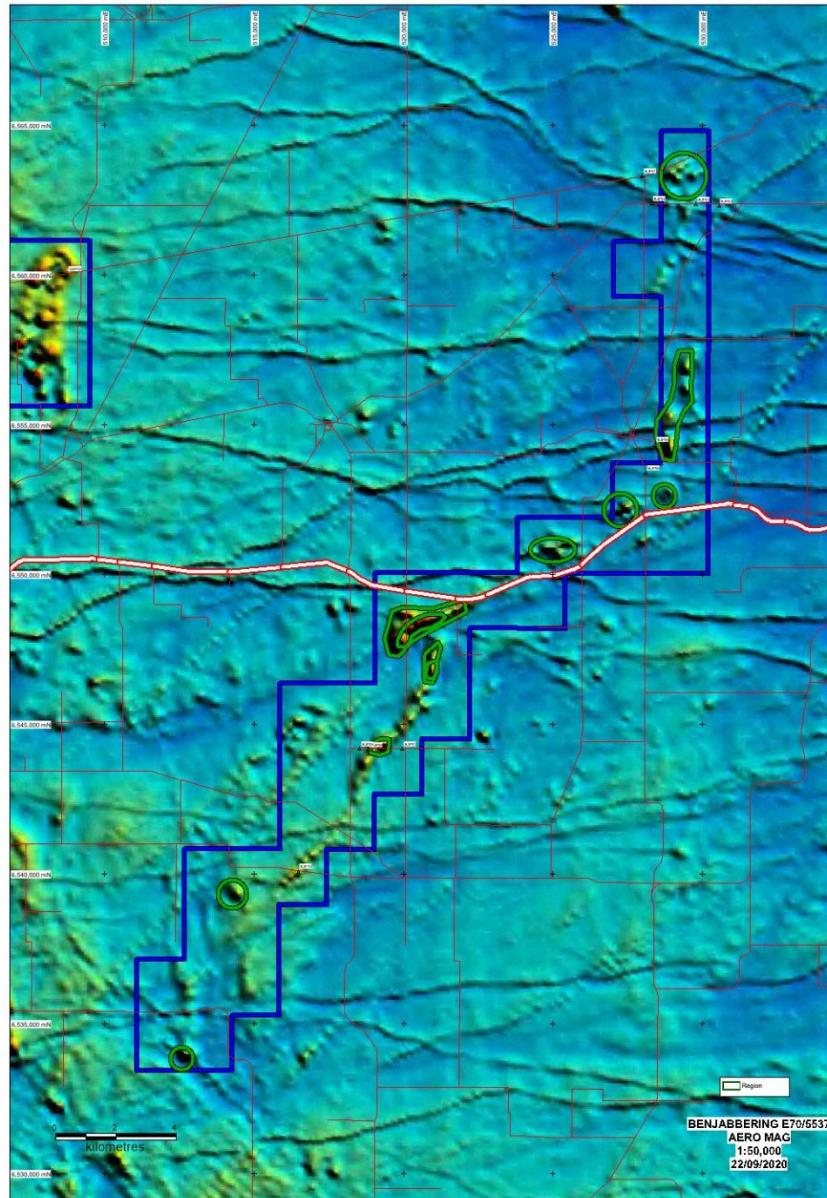


Figure 8. Regional Aeromagnetics comparing the Julimar intrusion held by Chalice and Magnetic's Benjabbering area. The length of the magnetic trends is around 25km in both areas.

These target areas will be followed up in the field with initial roadside drilling and subsequent more detailed AC drilling after access agreements with landowners are finalized.

The geology at Julimar comprises a 26km-long layered mafic-ultramafic sill which at its southern end (Gonneville) dips at 45°W with a flat northerly plunge. The main host at Gonneville is serpentinite, with only limited gabbro evident on the drill sections. Although the new Hartog area is to the north of the Gonneville magnetic intrusion and is expected to have less magnetic mafic rocks associated.

The bedrock geology at Benjabbering is mapped as comprising a series of granitic rocks ranging including biotite granite, and granodiorite plus more metamorphosed rocks such as banded and tonalitic gneiss. However, bedrock outcrops are sparse, most of the area being covered with Quaternary aeolian, alluvial and colluvial deposits overlying Tertiary sand and rare laterite. The sinuous aeromagnetics is interpreted to be caused by a mafic unit under cover.



Trayning E70/5534

The 68sq. km Trayning tenement (Figure 10) covers a broad series of NE-trending magnetic zones, which are crosscutting the NS Archean fabric further to the east.

In several locations there are linear features containing distinctive magnetic highs up to 2km in length representing possible ultramafic feeder zones prospective for Ni-Pd. Land access has been completed for most of the target areas and DIMRS Pow has recently been approved and planning for initial drilling has now commenced.

Most of the tenement is covered by Tertiary sandplain with rare pisolitic laterite remnants which in places is overlain by Quaternary colluvium.

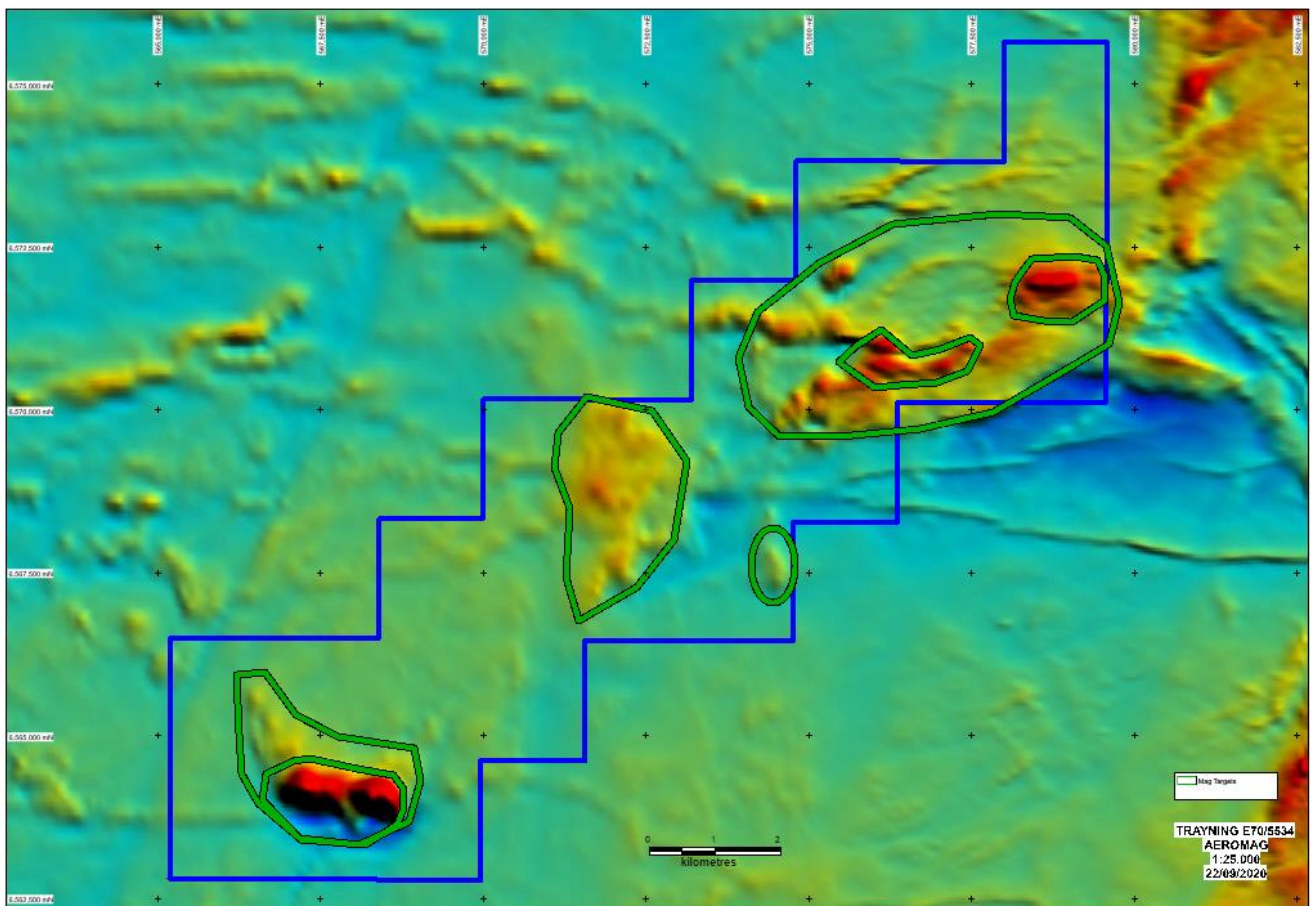


Figure 10. Trayning Project showing sinuous aeromagnetic trend with circled areas representing potential thickened zones and targets for Ni-Pd mineralisation

Goddard E70/5538

The 70sq. km Goddard tenement (Figure 11) contains a pronounced inverted U-shaped magnetic zone in the eastern part of the tenement, which could be a possible fold structure. Several circled areas will be initially tested with roadside drilling followed with more drilling after access agreements are finalized.

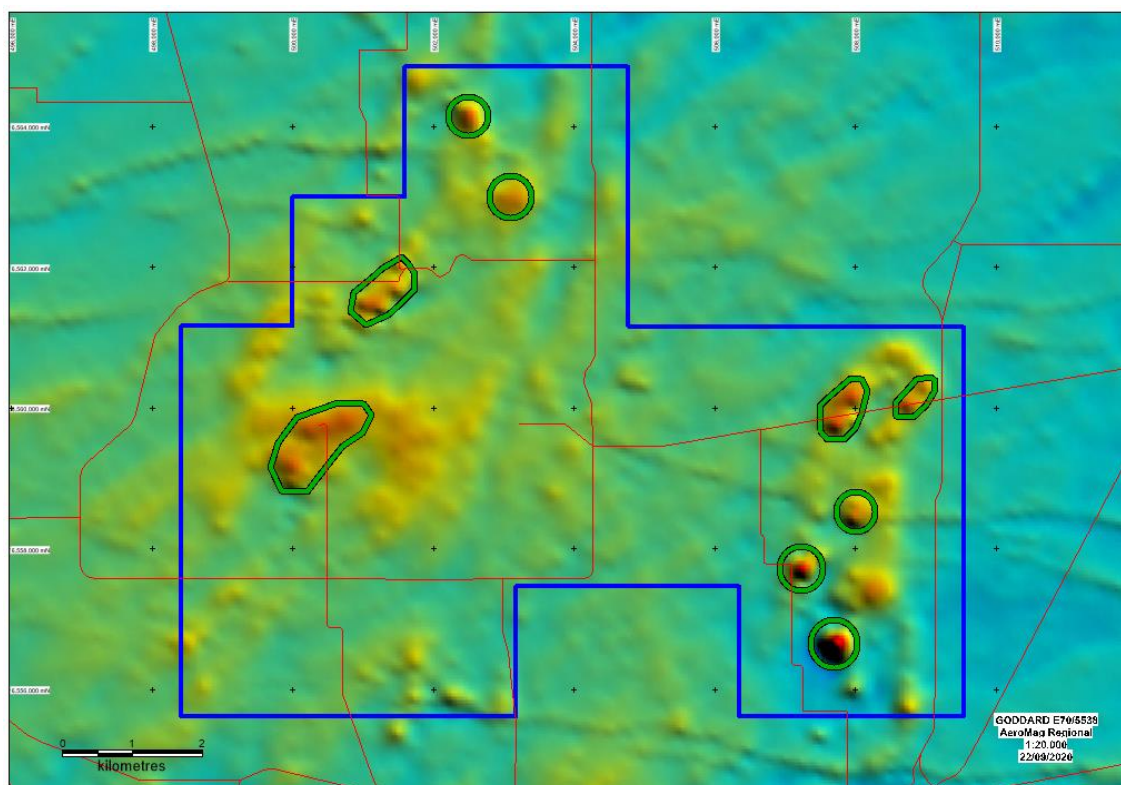


Figure 11. Goddard Project showing inverted U-shaped folded aeromagnetic trend with circled areas representing potential thickened zones and targets for Ni-Pd mineralisation

A series of circular Quaternary salt pans comprising lacustrine deposits of sand and clay occupies the central part of the tenement, associated with Lake Koombekine situated on the western margin of the licence. Very limited outcrops of granitic rocks occur, ranging from biotite granite to migmatite. The remainder of the tenement is covered with Quaternary colluvium and alluvium overlying Tertiary sand deposits.

Korrelocking E70/5771

The 73sq.km Korrelocking tenement (Figure 12) covers a pronounced 2km-long E-W trending magnetic anomaly, which may represent an ultramafic feeder zone prospective for NI-Pd. There are also numerous localized EW dykes located here. This 2km EW target may be exploiting reactivated older structures which may have influenced or controlled the intrusion of Julimar-type mafic-ultramafic bodies. Thus, there may be a structural relationship between some Proterozoic dykes and Julimar-type intrusions. This area is well traversed by roads and initial AC drilling is recommended over the road verges that are along the 2km long EW magnetic anomaly, which is under cover. The bedrock is mapped as scattered outcrops of adamellite and biotite granite overlain by Tertiary sandplain with isolated patches of lateritic gravel in turn

overlain by Quaternary silt, sand and gravel derived from underlying and adjacent laterite and bedrock.

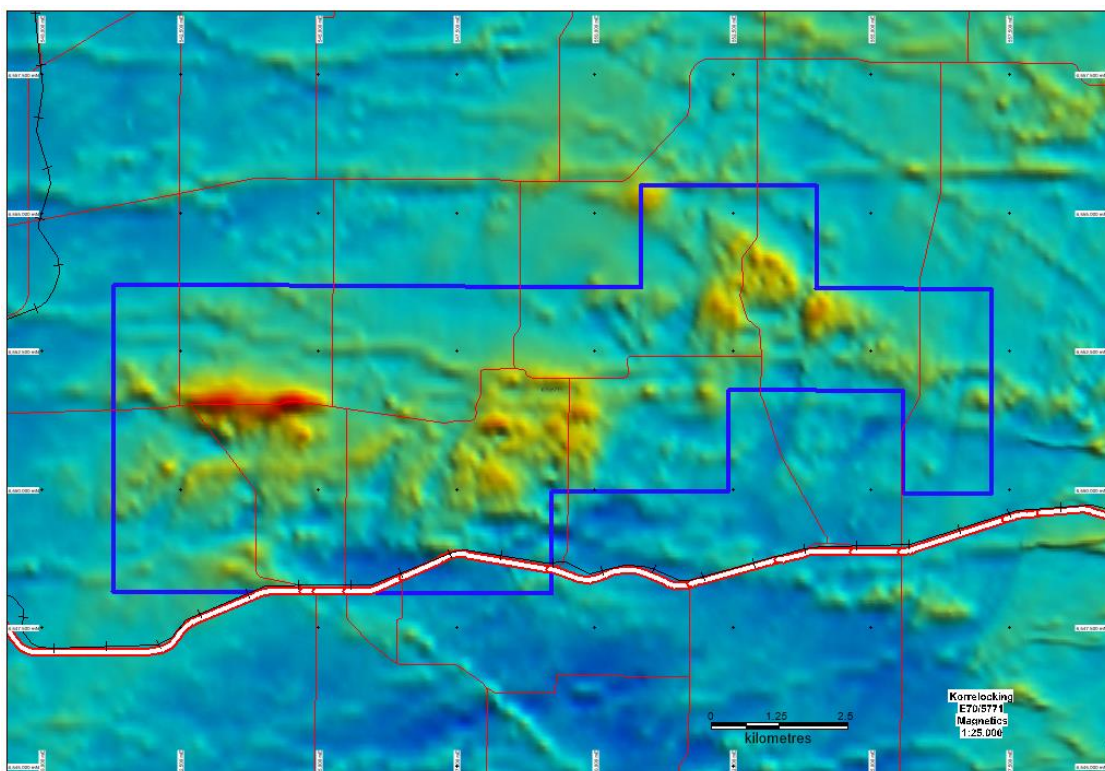


Figure 12. Korrelocking Project showing pronounced 2km long EW intrusive associated with numerous EW Proterozoic dykes and access via a number of roads

Melita-Malcom Tenements

A number of tenements 15km east of Leonora were sold to Mt Malcom Mines NL. The first tranche tenements include P37/9204-7, P37/1331, P37/1367 and E37/1419 and were sold for 1,000,000 Mt Malcom Mines shares and a 2% gross royalty. The second tranche tenements include P37/8905-12 are subject to confirmation of term and will then be sold for 1,000,000 shares and a 2% gross royalty.

Other Projects

The Company actively reviews other projects and tenements for acquisition and development within the Leonora–Laverton region.

Iron Ore

The Company has an agreement signed with Northam Iron Pty Ltd (now Northam Resources Pty Ltd) regarding the sale of the Company's iron ore assets, with the agreement providing for further payments totalling \$500,000 and a sliding scale royalty with payments starting at \$0.25/t for a sale price of \$80.00/t or less, and thereafter, for every increase in the sale price of \$10.00/t the royalty rate will increase by \$0.25/t.

Corporate

During the quarter, the Company lodged held its annual general meeting with all resolutions passed.

On 25 November the Company announced it had received binding commitments for \$1.02m under a placement.

On 13 December, directors contributed approximately \$1.66m in funding via the exercise of options.

For the purpose of Section 6 of the Appendix 5B, all payments made to related parties have been paid in relation to director fees.

This announcement has been authorised for release by Managing Director George Sakalidis.

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

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The information in this report is based on information compiled by George Sakalidis BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. George Sakalidis is a Director of Magnetic Resources NL. George Sakalidis has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. George Sakalidis consents to the inclusion of this information in the form and context in which it appears in this report.

The Information in this report that relates to:

1. Promising 200m wide 0.7g/t soil geochemistry associated with extensive 1km long NS porphyries at newly named Hawks Nest 9. MAU ASX Release 15 October 2018
2. 1.1km NNW Mineralised Gold Intersections at HN9. MAU ASX Release 7 November 2018
3. Surface drilled Mineralisation extends to significant 1.5km at HN9. MAU Release 20 November 2018
4. Hawks Nest Delivers with 8m@4.2g/t Gold from 4m MAU Release 29 January 2018
5. Robust Near Surface High-grade Zone of 7m @ 4.5g/t Gold from 5m from 1m splits. MAU Release 5 March 2018
6. Hawks Nest Geochemical Survey Outlines Potential Extensions to the Prospective 7m @ 4.5g/t Gold Intersected. MAU Release 20 March 2018
7. An 865m RC drilling programme started testing promising 7m at 4.5g/t gold and eight separate anomalous soil geochemical targets at HN5. MAU Release 10 May 2018
8. Large Gold Mineralised Shear Zone Greater Than 250m at Hawks Nest 5. MAU Release 9 June 2018
9. Gold Geochemical Target Zone Grows to Significant 2km in Length at HN9. MAU Release 7 January 2019
10. Significant 2km Gold Target is open to the East on 83% of the 24 Lines Drilled at HN9. MAU Release 4 February 2019
11. Significant 2.1km Gold Target Still open to North, South, East and at Depth. MAU Release 25 March 2019
12. Gold Target Enlarged By 47% to Significant 3.1km and is still open to the North, East and at Depth. MAU Release 22 May 2019
13. HN9 Prospective Zone Enlarged by 170% with Lady Julie Tenements. MAU Release 24 June 2019
14. 200m-Wide Gold Zone Open to The Northeast and Very Extensive Surface Gold Mineralisation Confirmed at HN9 Laverton. MAU Release 27 June 2019
15. 200m Wide Gold Zone Open to the North and New 800m Anomalous Gold Zone defined at HN9 Laverton. MAU Release 4 September 2019
16. Highest Grades Outlined at HN9 and are being Followed Up and Lady Julie Shallow Drilling Commencing Shortly. MAU Release 14 October 2019
17. Central Part of HN9 Shows Significant Thickening of The Mineralised Zone to 28m. MAU Release 28 November 2019
18. Multiple Silicified Porphyry Horizons from Deep Drilling and 57m Mineralised Feeder Zone at MAU Release 17 January 2020
19. Very High-Grade Intersection of 4m at 49g/t Adjacent to 70m Thick Mineralised Feeder Zone MAU Release 5 February 2020
20. 20 km of thickened porphyry units outlined by ground magnetic interpretation at Hawks Nest 9. MAU Release 9 March 2020
21. Further Thick Down Plunge Extensions and NW Extension Shown up at HN9. MAU Release 18 May 2020
22. Four Stacked Thickened Porphyry Lodes at HN9. MAU Release 3 August 2020
23. High-Grade Intersections in Thickened Zone at HN9. MAU Release 18 September 2020
24. Follow up of 16m at 1.16g/t gold from 64m at Lady Julie MAU Release 2 November 2020
25. Shallow Seismic searching for multiple thickened lodes MAU Release 16 November 2020
26. New thicken zone in southern part of Hawks Nest 9. MAU Release 1 December 2020
27. Two RC rigs now operating at HN9 and Lady Julie. MAU Release 11 January 2021
28. Nine gold targets defined over 14km at HN5, HN6, HN9 and Lady Julie MAU Release 3 June 2021
29. Lady Julie Delivers with best wide intersection of 38m at 3.6g/t gold from 32m MAU Release 23 June 2021
30. Lady Julie North expanded to 4.6km with addition of P38/4170 MAU Release 8 July 2021.
31. Multiple thick and high-grade zones located at Lay Julie MAU Release 16 August 2021
32. Multiple thick high-grade intersections from surface located at Lady Julie MAU Release 14 September 2021
33. Thick high-grade intersections are open to the SE at Lady Julie MAU Release 22 October 2021

- 34. Thick high-grade intersections at Lady Julie⁴ MAU Release 17 November 2021
- 35. Homeward Bound South shapes up with 20m at 3g/t from 64m MAU Release 28 November 2021
- 36. Thick high-grade intersections and very high-grade vertical shoots at Lady Julie MAU Release 10 January 2022

All of which are available on www.magres.com.au

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Tenement Schedule in accordance with ASX Listing Rule 5.3.3

Tenements held at the end of the Quarter

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E70/3536	Granted	JUBUK	-	Royalty Retained
WA	E70/4243	Granted	RAGGED ROCK	-	Royalty Retained
WA	E70/4508	Granted	KAURING	-	Royalty Retained
WA	E70/4692	Granted	MT JOY	-	Royalty Retained
WA	E70/5276	Granted	KAURING	-	Royalty Retained
WA	E70/5277	Granted	KAURING	-	Royalty Retained
WA	E37/1177	Granted	MERTONDALE	100%	100%
WA	E37/1258	Granted	MERTONDALE	100%	100%
WA	E37/1303	Granted	NAMBI	100%	100%
WA	E37/1331	Granted	MALCOLM	100%	100%
WA	E37/1419	Granted	MALCOLM	100%	100%
WA	E37/1367	Granted	MELITA	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	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	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	E38/3100	Granted	MT JUMBO	100%	100%
WA	E38/3127	Granted	HAWKS NEST	100%	100%
WA	E38/3205	Granted	HAWKS NEST EAST	100%	100%
WA	E38/3209	Granted	MT AJAX	100%	100%
WA	M38/1041	Granted	NICHOLSON WELL	100%	100%
WA	P38/4126	Granted	HN9 WEST	100%	100%
WA	P38/4170	Granted	DEFIANT BORE	100%	100%
WA	P38/4317	Granted	MT JUMBO EAST	100%	100%
WA	P38/4318	Granted	MT JUMBO EAST	100%	100%
WA	P38/4319	Granted	MT JUMBO EAST	100%	100%
WA	P38/4320	Granted	MT JUMBO EAST	100%	100%

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	P38/4321	Granted	MT JUMBO EAST	100%	100%
WA	P38/4322	Granted	MT JUMBO EAST	100%	100%
WA	P38/4323	Granted	MT JUMBO EAST	100%	100%
WA	P38/4324	Granted	MT JUMBO EAST	100%	100%
WA	P38/4346	Granted	LADY JULIE	100%	100%
WA	P38/4379	Granted	LADY JULIE	100%	100%
WA	P38/4380	Granted	LADY JULIE	100%	100%
WA	P38/4381	Granted	LADY JULIE	100%	100%
WA	P38/4382	Granted	LADY JULIE	100%	100%
WA	P38/4383	Granted	LADY JULIE	100%	100%
WA	P38/4384	Granted	LADY JULIE	100%	100%
WA	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	P39/5617	Granted	KOWTAH EAST	100%	100%
WA	P37/9144	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5455	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5928	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5929	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5932	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5933	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/5934	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	P39/6175	Granted	HOMEWARD BOUND SOUTH	100%	100%
WA	E39/2125	Granted	LITTLE WELL	100%	100%
WA	P39/6134	Granted	LITTLE WELL	100%	100%
WA	P39/6135	Granted	LITTLE WELL	100%	100%
WA	P39/6136	Granted	LITTLE WELL	100%	100%
WA	P39/6137	Granted	LITTLE WELL	100%	100%
WA	P39/6138	Granted	LITTLE WELL	100%	100%
WA	P39/6139	Granted	LITTLE WELL	100%	100%
WA	P39/6140	Granted	LITTLE WELL	100%	100%
WA	P39/6141	Granted	LITTLE WELL	100%	100%
WA	P39/6142	Granted	LITTLE WELL	100%	100%
WA	P39/6143	Granted	LITTLE WELL	100%	100%
WA	P39/6144	Granted	LITTLE WELL	100%	100%
WA	P39/6195	Granted	MINARA	100%	100%
WA	P39/6196	Granted	MINARA	100%	100%
WA	P39/6197	Granted	MINARA	100%	100%
WA	P39/6198	Granted	MINARA	100%	100%
WA	E70/5534	Granted	TRAYNING	100%	100%
WA	E70/5537	Granted	BENJABERRING	100%	100%
WA	E70/5538	Granted	GODDARD	100%	100%
WA	P39/6218	Granted	MINARA	100%	100%

Location	Tenement	Nature of Interest	Project	Equity (%) held at start of Quarter	Equity (%) held at end of Quarter
WA	E70/5771	Granted	KORRELOCKING	100%	100%
Tenements acquired in the quarter					
Tenements surrendered in the quarter					