



ASX Release
29 May 2021

EXPLORATION TO COMMENCE AT BENJABBERING NICKEL-CU-PGE PROJECT EAST OF JULIMAR

Four separate projects totaling 322sq.km including Benjabbering E70/5537, Trayning E70/5534, Goddard E70/5538 and Korrellocking ELA70/5771 are held 100% by Magnetic Resources starting from 90km out to 150km northeast of Chalice Gold Mines Limited's Julimar Ni-Pd Discovery (Figure 6). **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.

Benjabbering E70/5537

The 111sq. km Benjabbering Project has a large 25km long sinuous aeromagnetic pattern that trends in a NE and N direction and is very similar to the Julimar trends and structures as shown in Figure 1. Several thickened zones have been identified (shown as circles in Figure 2), which represent possible feeder areas for potential Ni-Cu-PGE mineralisation. 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.

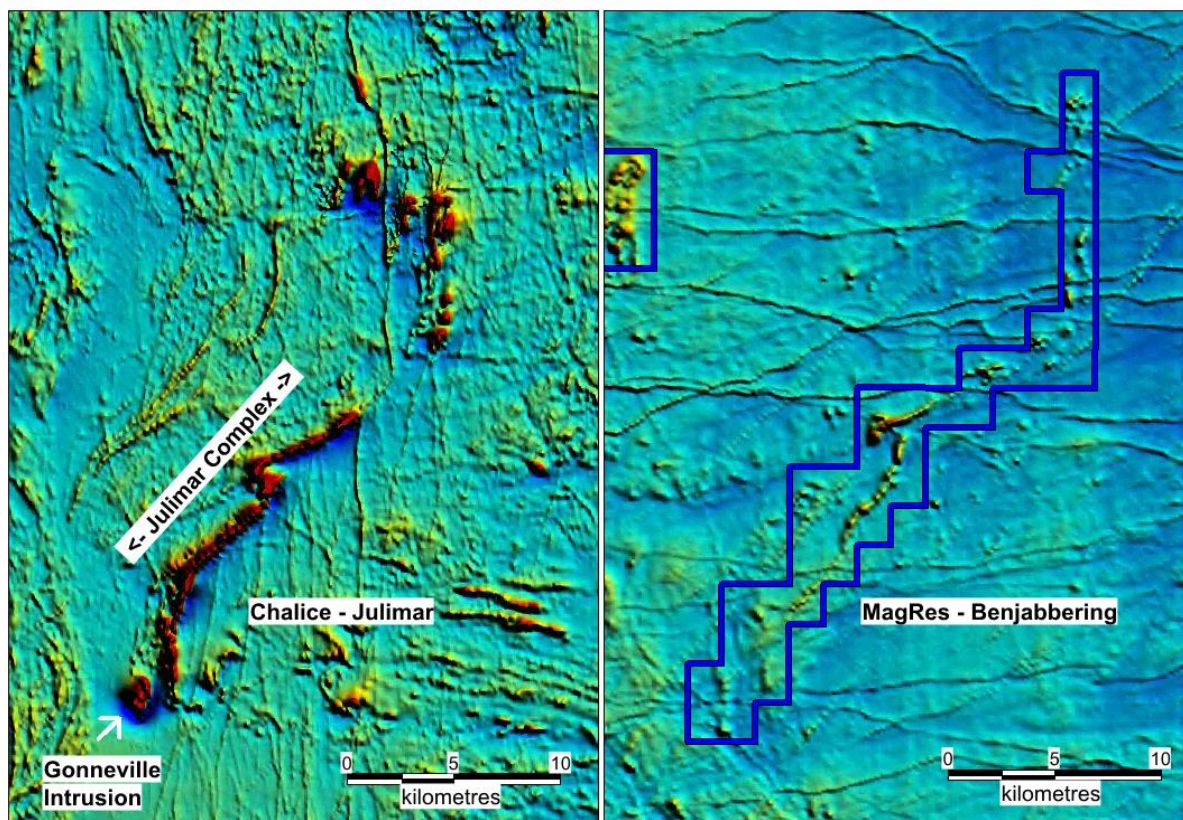


Figure 1 Regional Aeromagnetics comparing the Julimar intrusion held by Chalice and Magnetic's Benjabbering area. The length of the magnetic trends is around 25km in both areas.



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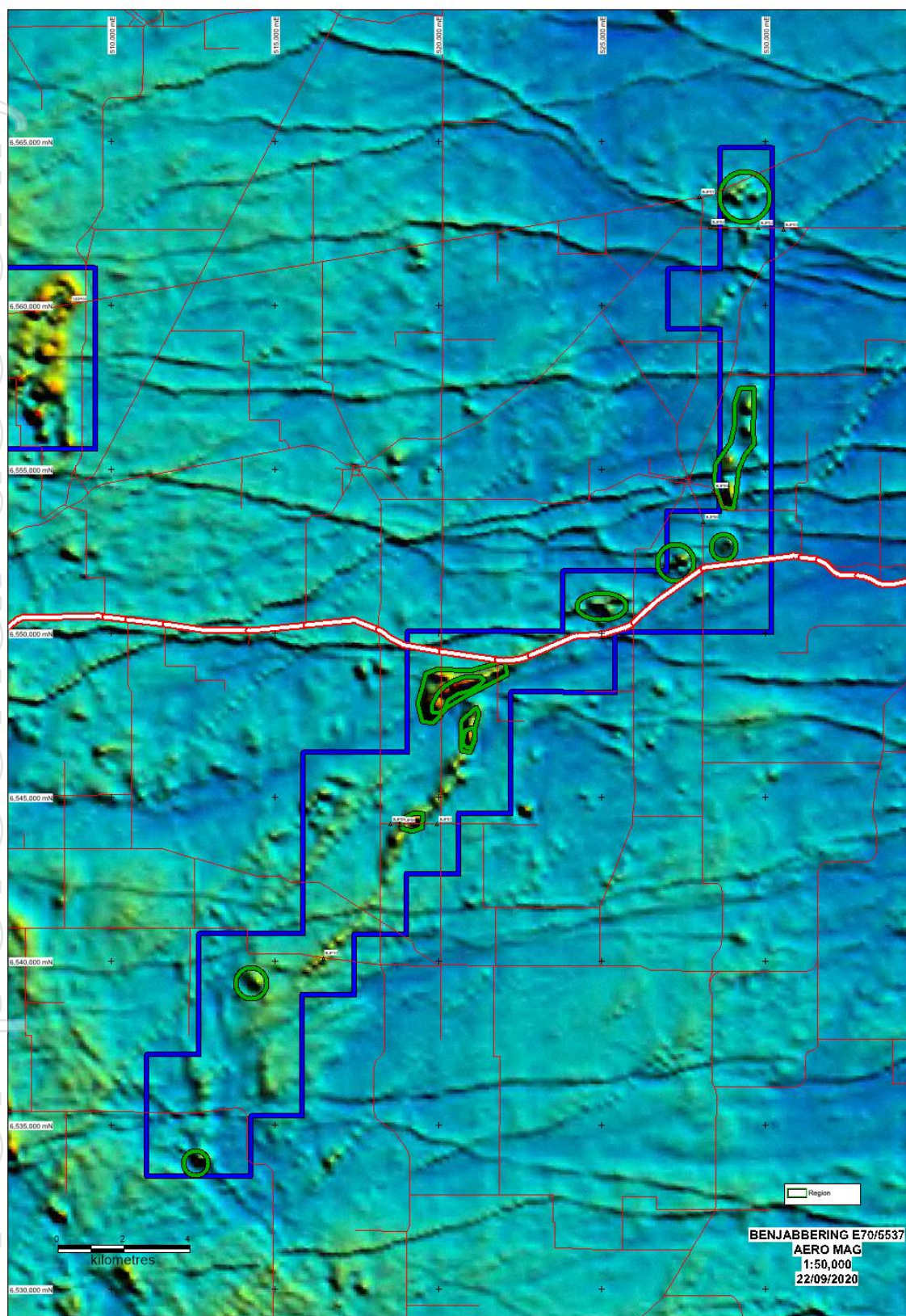


Figure 2 Benjabbering Project showing sinuous aeromagnetic trend with circled areas representing potential thickened zones and targets for Ni-Pd mineralisation.



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 eolian, 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 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, where access is being sought for shallow drilling.** Most of the tenement is covered by Tertiary sandplain with rare pisolitic laterite remnants which in places is overlain by Quaternary colluvium.

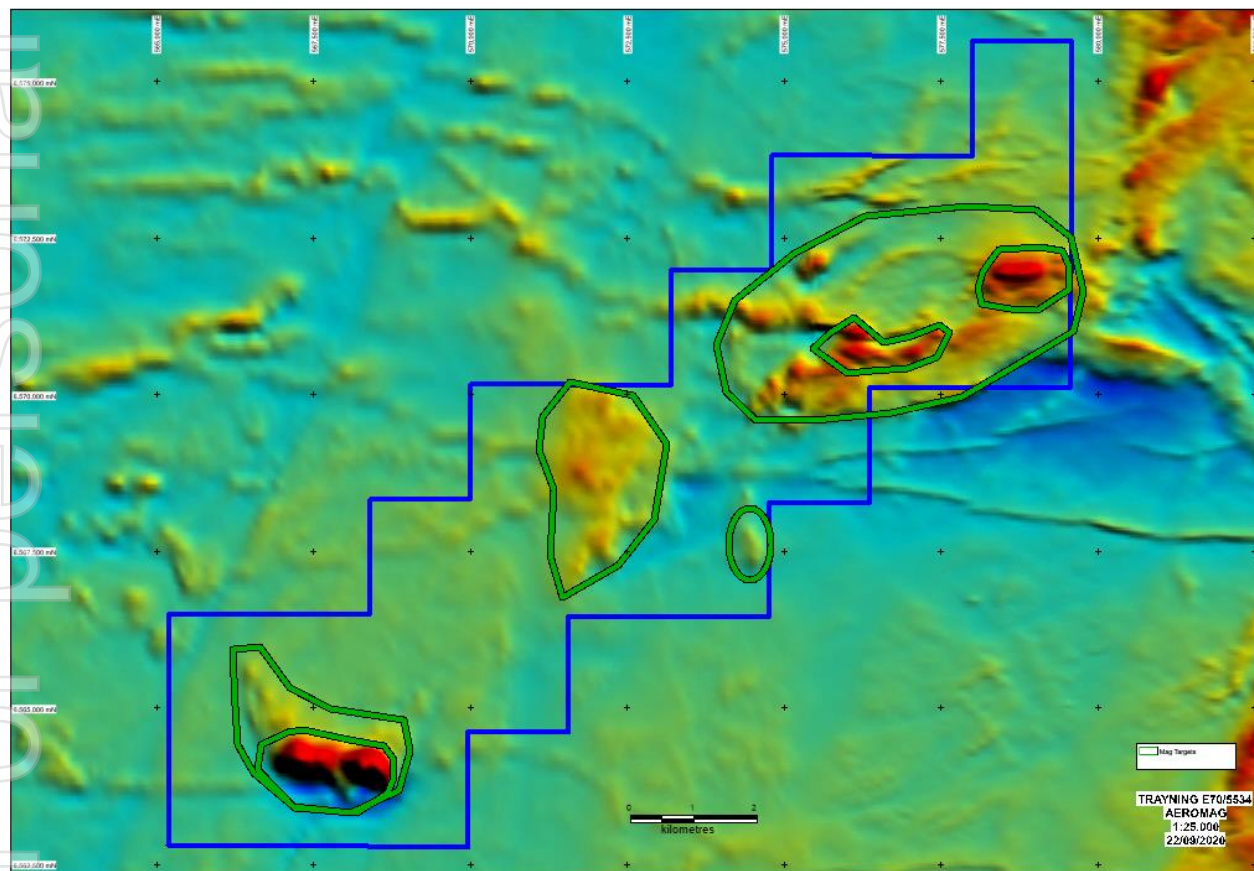


Figure 3 Trayning Project showing sinuous aeromagnetic trend with circled areas representing potential thickened zones and targets for Ni-Pd mineralisation

Goddard E70/5538

The 70sq. km Goddard tenement 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.

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.

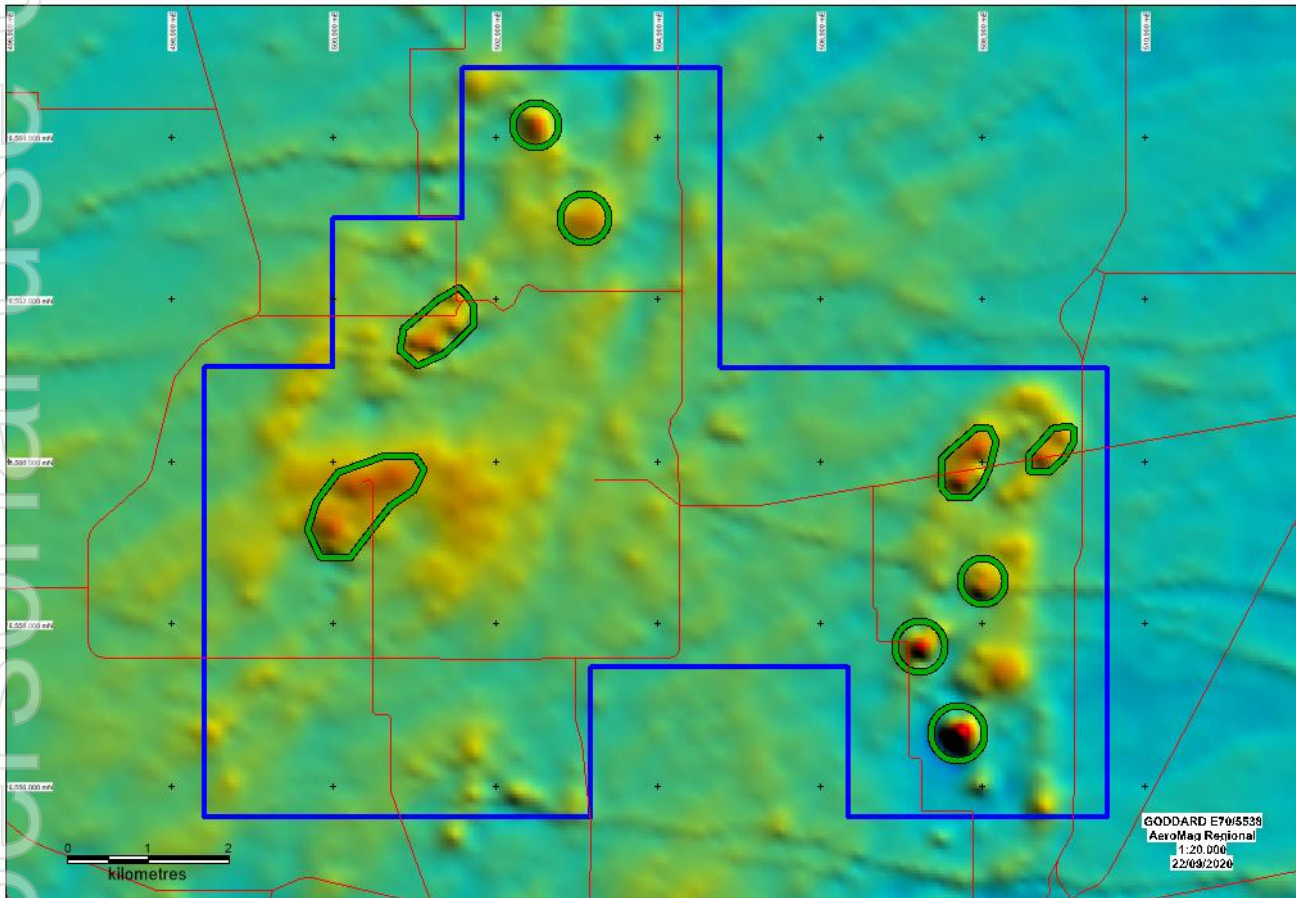


Figure 4 Goddard Project showing inverted U-shaped folded aeromagnetic trend with circled areas representing potential thickened zones and targets for Ni-Pd mineralisation.

Korrelocking E70/5771

The 73sq.km Korrelocking tenement 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.

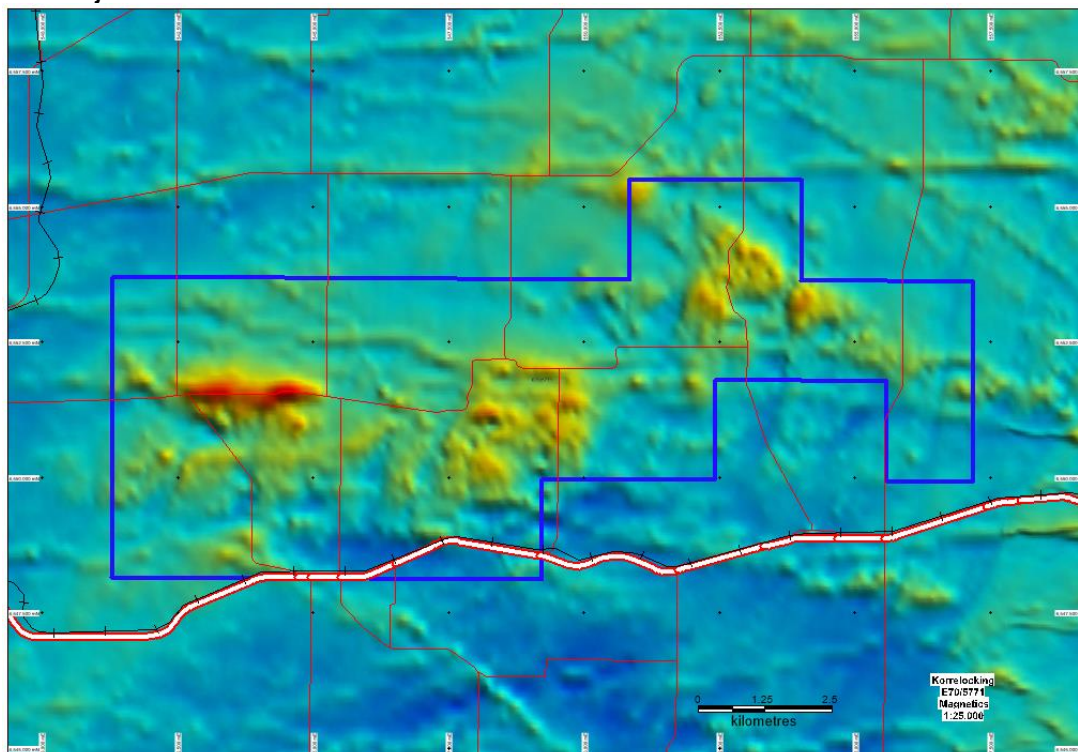


Figure 5 Korrelocking Project showing pronounced 2km long EW intrusive associated with numerous EW Proterozoic dykes and access via a number of roads.

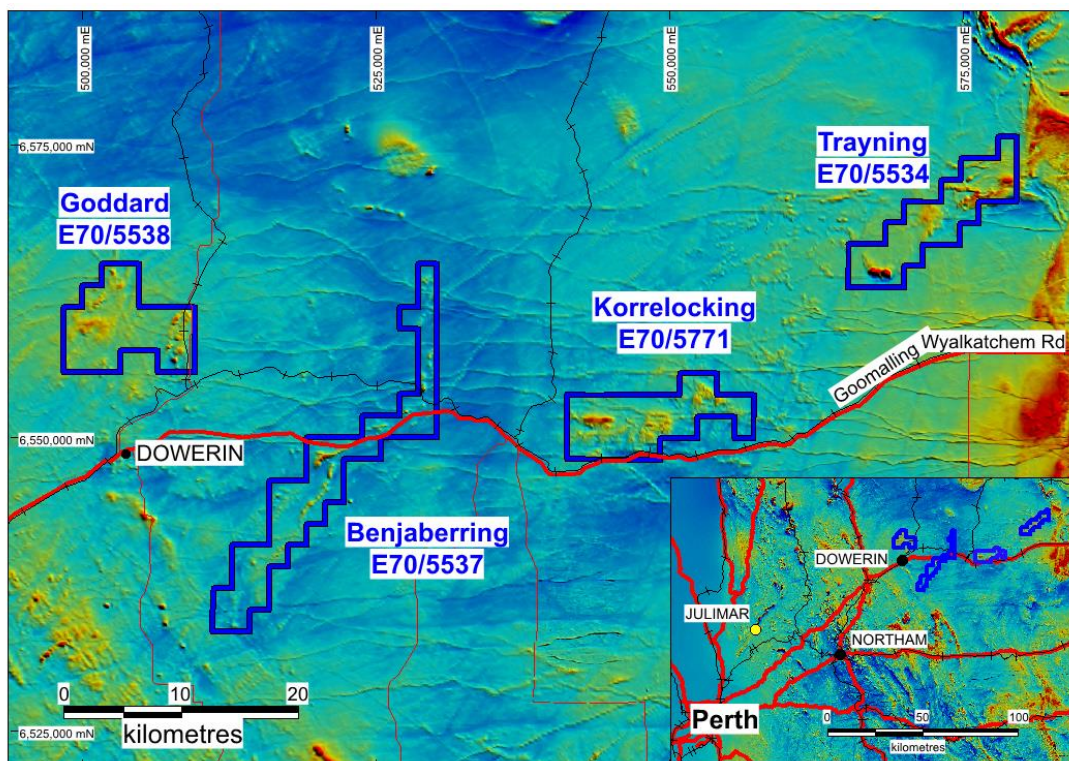


Figure 6 Coverage of Magnetics four projects NE of Julimar overlayed on the regional aeromagnetics



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Managing Director George Sakalidis commented: "With this amazing 30,000 sq.km pegging rush for Julimar type Ni-Cu-PGE mafic-ultramafic complexes, Magnetic has picked up 322 sq km of ground with some excellent targets. The Benjabbering Project has a very large 30km sinuous aeromagnetic target that has similar shape and structure as the Julimar intrusive and has never been drill tested. Numerous discrete large-scale targets identified over Magnetic's three granted projects will be initially drill tested along road traverses followed by more extensive drilling when access agreements are finalized with local landowners. Magnetic's HN9 and Lady Julie Projects remain the company's primary focus after 20,000m of drilling has been completed in the last 3 months with assay results pending."

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. Regional Aeromagnetic Surveys available from Geoscience Australia covering WA.

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.