magnetic resources NL

HALF-YEAR FINANCIAL REPORT

31 DECEMBER 2024

ABN 34 121 370 232

Magnetic Resources NL
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31 December 2024

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Magnetic Resources NL
Directors' report
31 December 2024

The Directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2024

Directors
The following persons were directors of Magnetic Resources NL ("**Magnetic**") during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr Eric Lim
Mr George Sakalidis
Mr Benjamin Donovan
Mr Hian Siang Chan

Review of operations
The loss for the company after providing for income tax amounted to $7,574,863 (31 December 2023: $5,926,969)

The Company's activities during the six-month period are summarised in this report which unless otherwise stated, should be read as if dated 31 December 2024.

Laverton Area

Magnetic Resources NL has 185km2 in the Laverton region comprising E38/3127 Hawks Nest, M38/1041 Nicholson Well, E38/3100 Mt Jumbo, E38/3205 Hawks Nest East, E38/3666 Lady Julie North 4 East, E38/3209 Mt Ajax, P38/4317–24 Mt Jumbo East, E39/2125, P39/6134-44 Little Well, P38/4346 to P38/4379-84 Lady Julie, P38/4170 Defiant Bore and P38/4205 Lady Julie West (Figure 1).

Mining and Miscellaneous Licences Applications in 2023–24 included M38/1315 LJN4, P38/4581 LJN4 NE, L38/0395 HN Connection Corridor, M38/1317 Hawks Nest 9, and M38/1318 Lady Julie Hub.

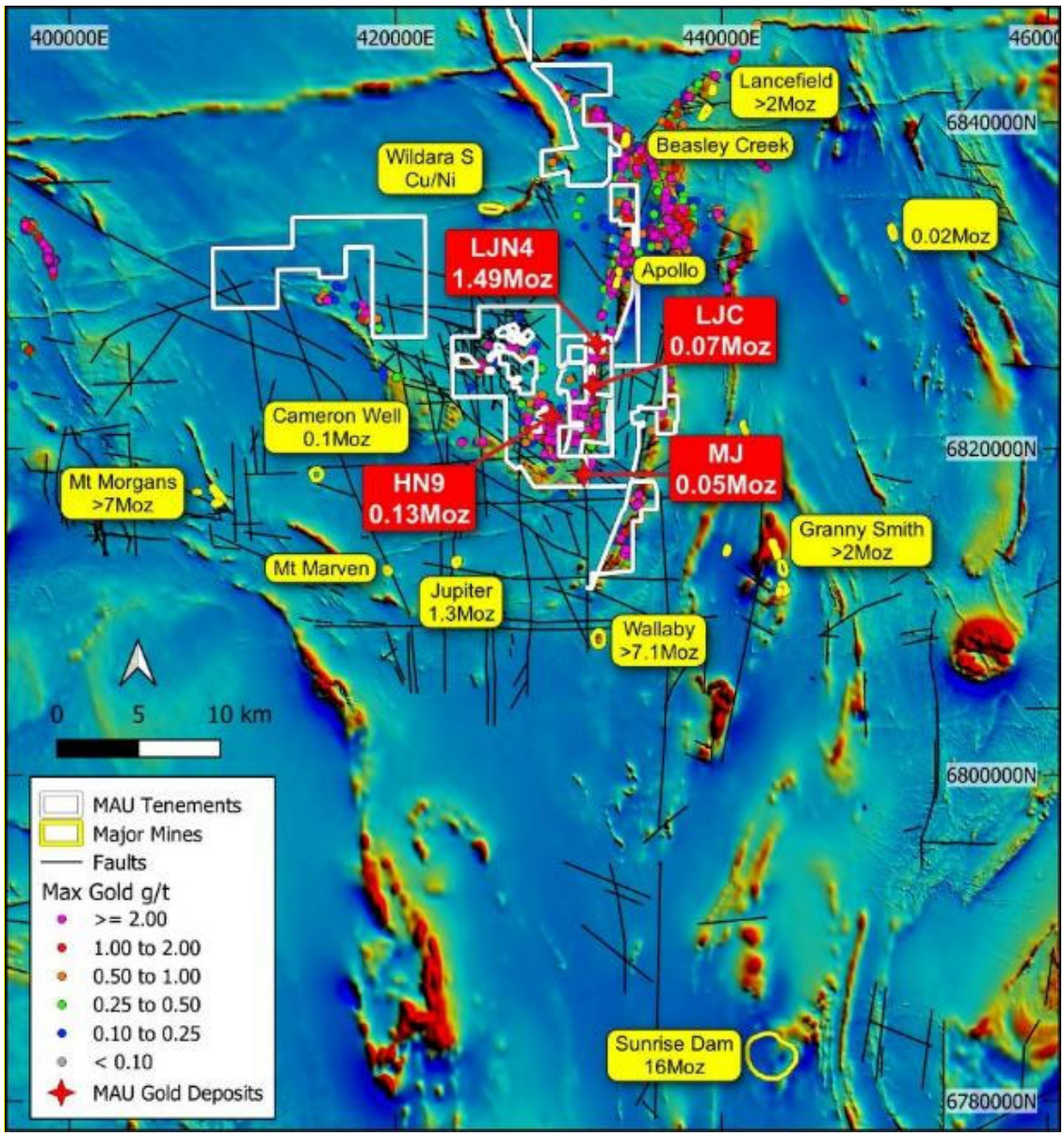

Figure 1. Hawks Nest, Hawks Nest East, Lady Julie, Lady Julie East, Lady Julie West, Lady Julie North4 East, Little Well, Mt Ajax, Mt Jumbo and Mt Jumbo East projects, showing tenements, major shear zones, targets and gold deposits and historic workings

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	1,125 RC holes for 71,429m 201 RAB holes for 2,726m 5 Diamond holes for 501m 67 AC holes for 3,384m 507km ground magnetics	
Lady Julie P38/4346, P38/4379-84, E38/3127, P38/4170,E38/3666	2,148 soils 15 rock chips	62 Diamond holes for 23,198m 855 RC holes for 86,187m 8 RCD holes for 1,915m 237 AC holes for 9,807m 290 shallow RAB for 1,691m 125km ground magnetics	3 Diamond holes for 1,790m 15 RC holes for 2,310m
Mt Jumbo E38/3100, E38/3127	3 rock chips 43 lags	7 RC holes for 1,133m 2 Diamond holes for 457m 143km ground magnetics	3 RC holes for 540m
Mt Jumbo East P38/4317–24	23 rock chips 155 lags	33 RC holes for 2,527m 229km ground magnetics	

Outstanding intersections 24m at 5.1g/t in MLJDD065 and 76m at 2.4g/t in MLJDD059 (ASX Release 13 December 2024)

The 400m northern part of the 750m-long LJN4 is still increasing in size. The down-dip dimension of this impressive northern main zone has now grown from 750m to a very impressive at least 1000m (**Figure 2**) and, importantly, starts at a shallow 30m in depth. This zone keeps expanding with outstanding results shown below and in **Figures 2 to 5**.

Multiple gold intersections are present within MLJDD057-60, 62, 63, 65 and 66 and include:

- MLJDD057 11m at 2.21g/t from 592m, including 5m at 4.62g/t from 592m.
- MLJDD058 18m at 1.16g/t from 584m and 18m at 2.15g/t from 674m.
- MLJDD059: 76m at 2.44g/t Au from 435m, including 30m at 3.46g/t from 471m, further including 10m at 6.26g/t from 490m.
- MLJDD060 11m at 2.26g/t from 609m, including 3m at 4.79g/t from 614m.
- MLJDDO62 9m at 1.75g/t from 776m, including 5m at 2.74g/t from 777m.
- MLJDDO63 14m at 2.07g/t from 277m including 5m at 3.60g/t from 284m.
- MLJDD065 24m at 5.10g/t Au from 352m, including 19m at 5.96g/t from 357m.
- MLJDD066 27m at 3.24g/t Au from 315m including 17m at 4.03g/t from 325m.

The core of the northern part of LJN4, which contains mainly silicified- and fuchsite-altered ultramafic, is 550m in down-plunge length and is 200m in N–S strike length (**Figure 2**) and its gram thickness numbers ranging from 40gm up to 278gm. The better intersections in this core zone include:

- 21m at 6.29g/t from 317m in MLJDD042
- 20m at 3.44g/t from 216m in MLJRC806
- 41.6m at 1.55g/t from 477m in MLJDD056
- 24m at 5.10g/t from 352m in MLJDD065
- 76m at 2.44g/t from 435m in MLJDD059
- 27m at 3.24g/t from 315m in MLJDD066.

Due to these outstanding drilling results within the central core (greater than 80gm), it has now increased in size from 100m to 250m in down-plunge extent and is part of an impressive larger 300m by 1000m zone, which is still open at depth.

There are also assays pending for 6 diamond drillholes MLJDD061, 67-69, 71 and 72 totalling 2365m. Diamond drillholes MLJDD064 (675m), MLJDD070 (375m) and MLJDD073 (740m) are planned totalling 1790m. These nine diamond holes are surrounding and looking to extend the very promising central core zone even further (**Figure 2**).

The main lode in the southern part of LJN4 predominately contains silica–pyrite and breccia alteration, is 200m by 300m long and has a range in gram meters from 40gm to 278gm (**Figure 2**). Its main intersections are outstanding and include 61m at 4.56g/t Au from 245m in MLJRC806, 24m at 5.05g/t from 145m in MLJDD016 and 13m at 9.56g/t from 156m in LWE03.

Deeper drilling below the northern end of the LJN4 pit design (**Figure 2**) has highlighted the excellent potential to define a significant underground resource in addition to the existing open pit inventory. Magnetic is currently completing further infill drilling in this area which will contribute to an ongoing feasibility study, assessing the potential for underground production in addition to the open pit schedule outlined in the Lady Julie updated economic study (ASX Release 5 August "Outstanding value demonstrated by economic update for the Lady Julie Project"). Mineralisation targeted for the initial underground resource will have favourable attributes for underground mining with a zone of high grade (+3.0g/t Au) mineralisation over a 150–200m strike length, averaging 10–15m in width.

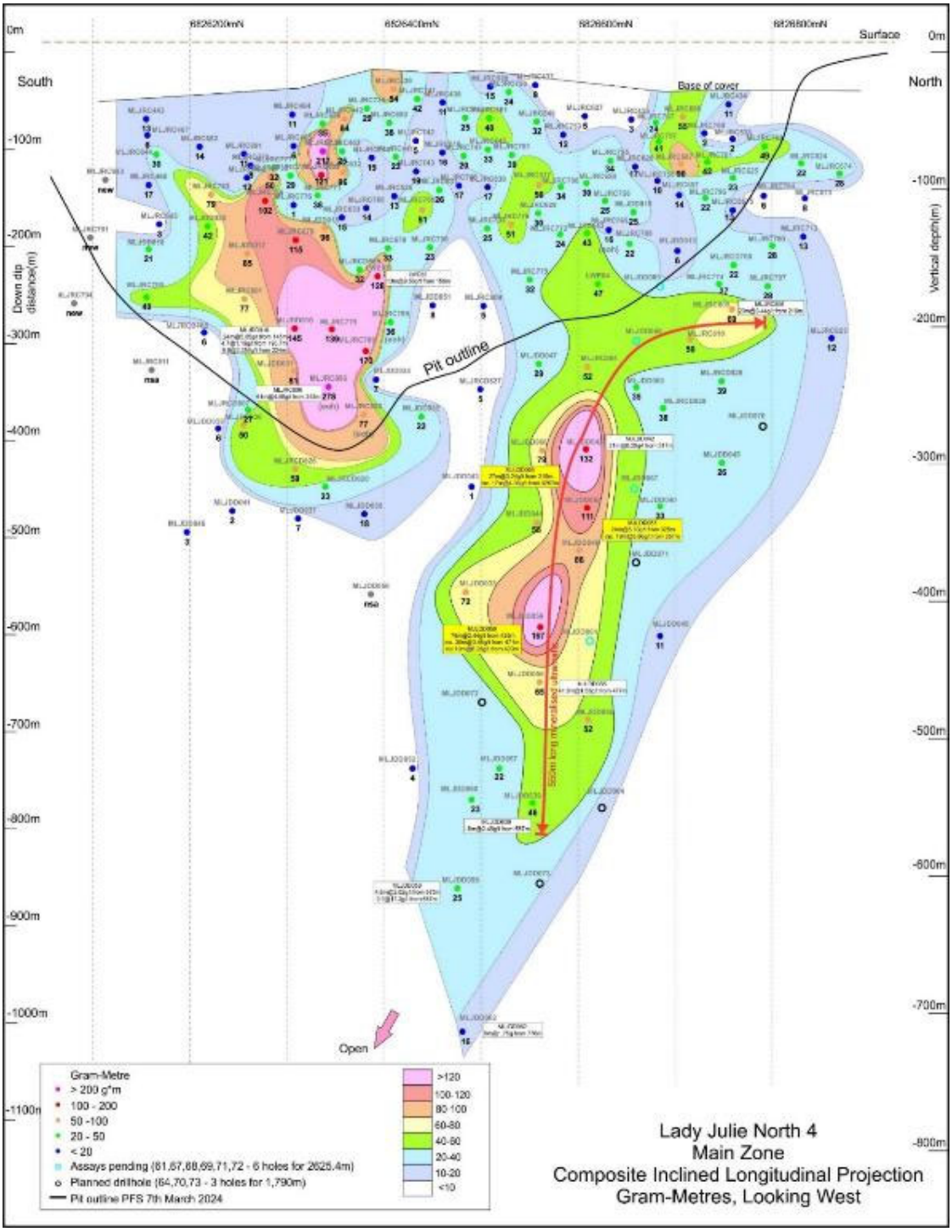

Figure 2. Composite Inclined Longitudinal Projection of LJN4 in gram-metres. Highlighting continuous mineralisation over the whole 750m strike length, being open at depth in the northern altered ultramafic zone and showing a 550m long SE plunging higher grade-thickness core zone. New drilled holes awaiting assays (in blue) and further planned holes (in black). New drill results in yellow label and older results in white. Two deeper holes are being planned below the open northern ultramafic zone and one hole beneath the southern breccia-silica pyrite.

The latest intersections are far below the open pit (**Figures 2 and 3**) from our updated economic study (ASX release 5 August 2024) and are not included in our current resource. This bodes well for the enlargement of the resource, increasing both the potential size of the open pit and the underground mining potential of LJN4.

The grade-thicknesses of greater than 40gm within the deeper intersections in the northern part of LJN4, shown in green (40–60gm), yellow (60–80gm), orange (80–100gm) and red (100–120gm) and pink (>120gm) in **Figure 2**, are considered as having the potential for underground mining.

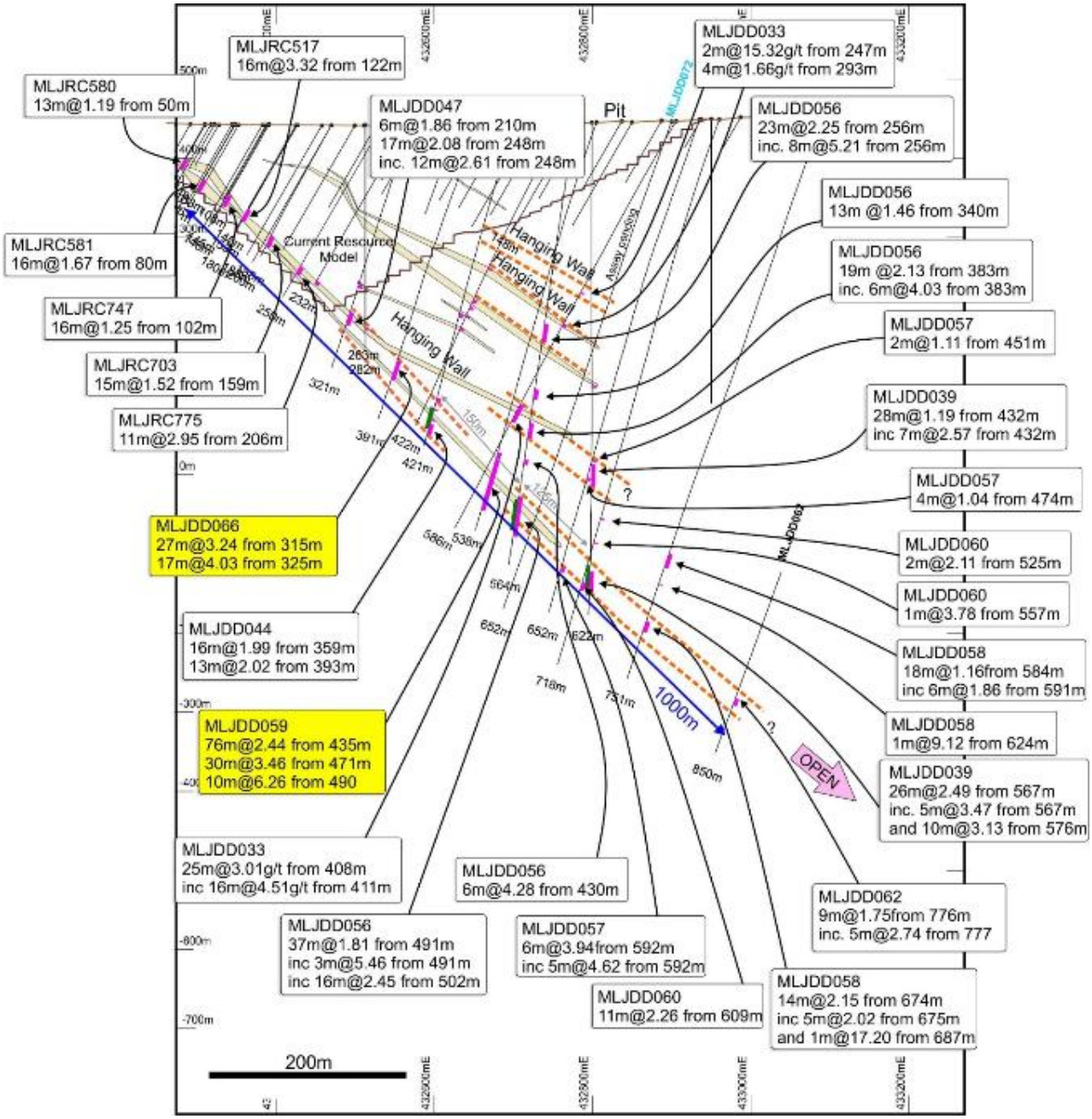

Figure 3. Composite section for LJN4 central area showing high-grade dipping gold zone containing resource model outline, proposed open pit and MLJDD039, 44, 47, 56, 57, 58, 59, 60, 62, 66 being part of a very large 1000m down dip mineralised main zone

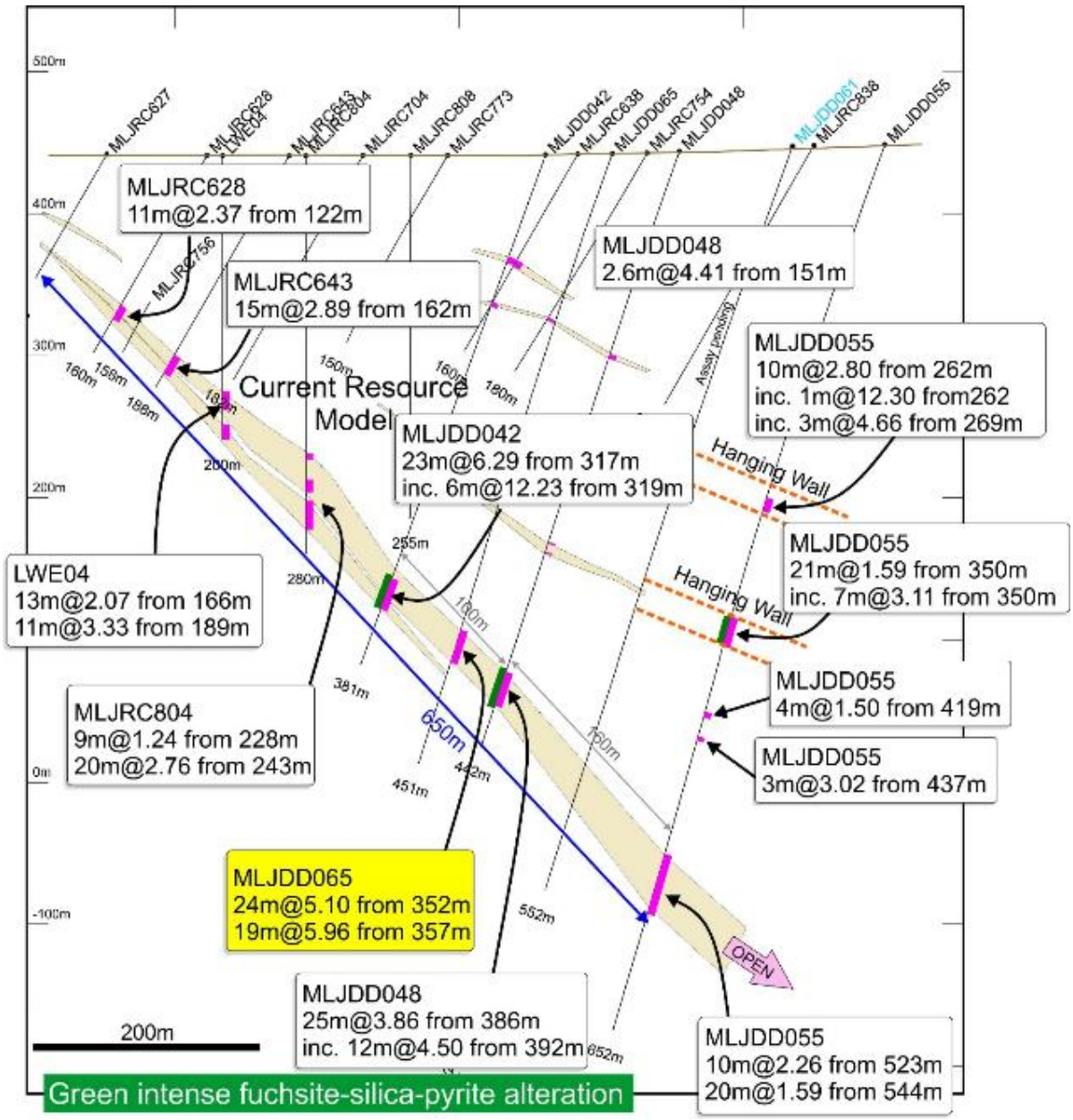

Figure 4. Cross section for LJN4 northern area showing high-grade dipping gold zone containing resource model outline and MLJDD042, 48, 55, 65 being part of a large 650m down dip footwall down dip extension of 160m from MLJDD048. MLJDD061 is waiting for assay and being planned to be drilled respectively.

As described in the 2 July 2024 ASX release there was a 40% increase in overall resource in the Laverton Project to 32.6Mt @1.79g/t totalling 1.87Moz of gold at 0.5g/t cut-off and LJN4 has increased 57% to 1.49Moz. Due to the very promising enlargement of the northern zone, we have commenced a feasibility study, which will incorporate both the open pit and underground.

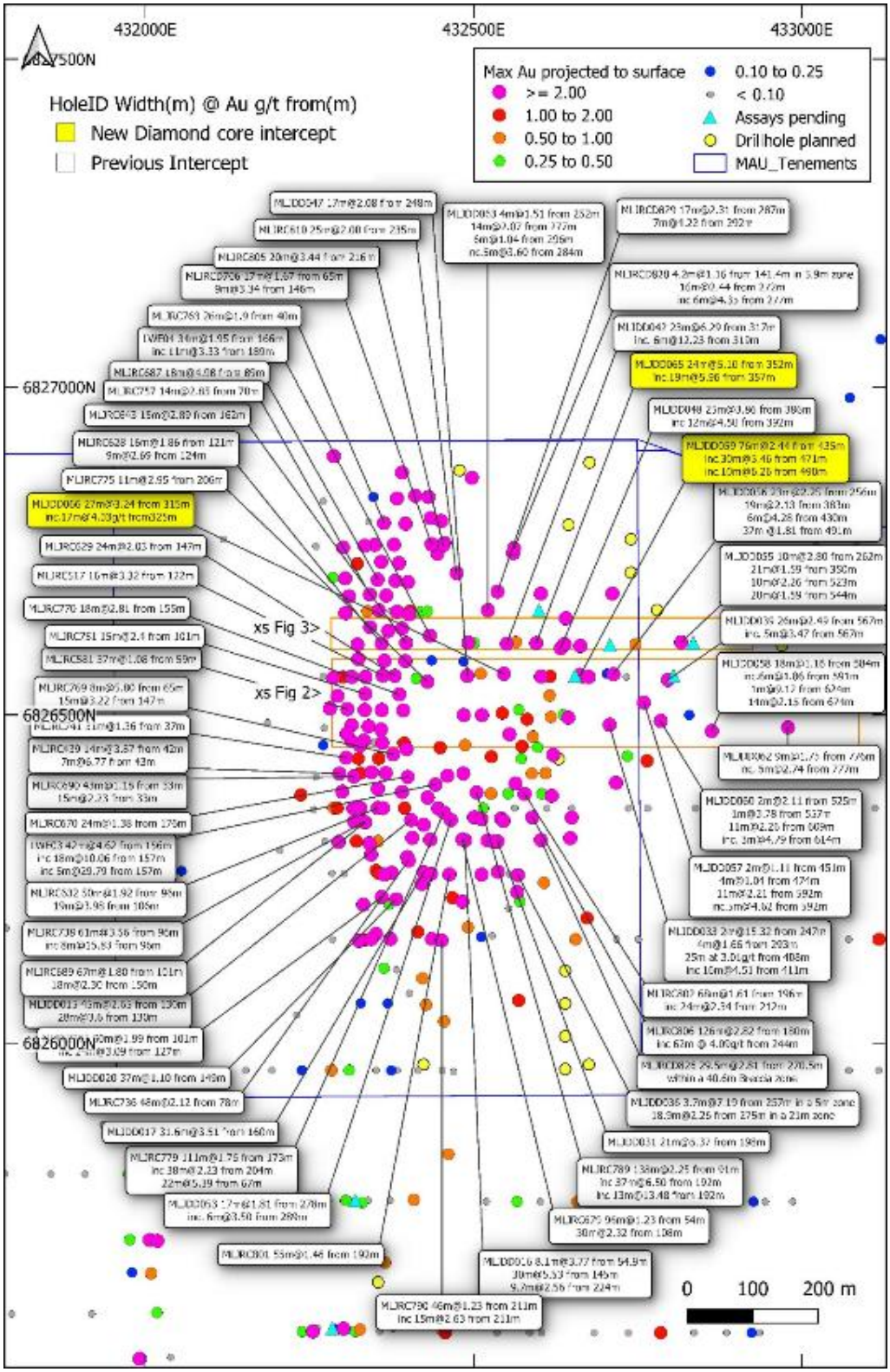

Figure 5. The Lady Julie North 4 deposit has numerous significant thick intersections from the latest drill programme (yellow large rectangular label) and previous drilling (white label) with maximum gold projected to surface and planned deeper drillholes (in yellow)

The updated combined (Indicated and Inferred) Mineral Resources estimate for the whole project area (**Table 2**) was announced on 2 July 2024, “LJN4 the next cornerstone deposit in the Laverton Region-1.49Moz and still growing” and

include 32.6Mt @ 1.79g/t Au totalling 1.87Moz of gold at 0.5g/t cutoff (**Tables 2 to 5**).

Table 2. Resource details by Main Deposits 0.5g/t Au cutoff

Source table from MAU ASX release "LJN4 the next cornerstone deposit in the Laverton region-1.49Moz and still growing 2 July 2024."

posit	Classification	Tonnes	Au g/t	Ounces
LJN4	Indicated	16,089,000	2.13	1,101,000
LJC	Indicated	792,000	1.97	50,200
HN9	Indicated	1,995,000	1.29	82,800
Other resources	Indicated	837,400	0.94	25,230
Total	**Indicated**	**19,714,400**	**1.99**	**1,259,200**
LJN4	Inferred	6,970,000	1.78	391,400*
LJC	Inferred	541,600	1.26	22,000
HN9	Inferred	1,182,000	1.25	47,600
Other resources	Inferred	4,193,700	1.15	155,160
Total	**Inferred**	**12,887,300**	**1.49**	**616,100**
LJN4	Total	23,060,000	2.01	1,490,000*
LJC	Total	1,333,600	1.68	72,200
HN9	Total	3,177,000	1.28	130,400
Other resources	Total	5,031,100	1.12	180,390
Total	**Total**	**32,601,700**	**1.79**	**1,875,400**

Table 3. Resource Details for the Laverton Project Deposits @ 0.5 / 2.0 g/t cutoff

Source table from MAU ASX release "LJN4 the next cornerstone deposit in the Laverton region-1.49Moz and still growing 2 July 2024."

Deposit	Classificaion	Tonnes	Au g/t	Ounces
LJN4	Indicated	16,089,000	2.13	1,101,000
LJC	Indicated	792,000	1.97	50,200
HN9	Indicated	1,995,000	1.29	82,800
Total	**Indicated**	**18,876,000**	**2.03**	**1,234,000**
LJN4	Inferred	6,970,000	1.75	391,400*
LJC	Inferred	541,600	1.26	22,000
HN9	Inferred	1,182,000	1.25	47,600
Total	**Inferred**	**8,693,600**	**1.65**	**461,000**
LJN4	Total	23,060,000	2.01	1,490,000*
LJC	Total	1,333,600	1.68	72,200
HN9	Total	3,177,000	1.28	130,400
Total	**Total**	**27,570,600**	**1.91**	**1,695,400**

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Table 4. Total Mineral Resource at 0.5 g/t Au Cutoff

Source table from MAU ASX release "LJN4 the next cornerstone deposit in the Laverton region-1.49Moz and still growing 2 July 2024."

Classification	Au Cutoff	Tonnes	Au	Ounces
Indicated	0.50	19,714,000	1.99	1,259,200
Inferred	0.50	12,307,000	1.44	568,700
Total	**0.50**	**32,021,000**	**1.77**	**1,827,900**

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Table 5. LJN4 Mineral Resource at 2.0 g/t Au Cutoff

Source table from MAU ASX release "LJN4 the next cornerstone deposit in the Laverton region-1.49Moz and still growing 2 July 2024."

Classification	Au Cutoff	Tonnes	Au	Ounces
Indicated				
Inferred	2.0	580,000	2.51	47,400
Total	**2.0**	**580,000**	**2.51**	**47,400**

Magnetic confirms that it is not aware of any new information or data that materially affects the information included in that announcement and, in relation to the estimates of Magnetic's Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed. Magnetic confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from that announcement.

Recent diamond drilling at LJN4 has revealed four distinct types of mineralisation:

Vuggy silica and/or silica-pyrite mineralisation: this intense alteration destroys the nature of the protolith and comprises a porous network of silica veins and masses, with or without disseminated pyrite, in a clayey to sandy matrix.

Polymictic breccia: a mixed breccia of chert, felsic porphyry, and ironstone (possibly after ferruginous or pyritic chert), sometimes with quartz or silica clasts, in a siliceous, ferruginous or pyritic matrix. The pyrite content is highly variable ranging up to semi-massive to massive in places.

Silicified ultramafic: the footwall ultramafic sequence at LJN4 is mineralised in pale, bleached and silicified zones showing intense deformation (informally termed "visceral" texture) with or without quartz stockwork veining and with minor disseminated pyrite with some bright green fuchsite alteration and chalcedonic silica veins.

Pyritic zones in crystalline sedimentary carbonate: This is a more subtle style of mineralisation comprising disseminations and irregular stringers of pyrite in the chert-carbonate sequence overlying the footwall ultramafics. Better intercepts of this style include 9.75m @ 2.56g/t from 224m at end of hole in MLJDD016 (section 6826310N) and 16m @ 4.51g/t from 411m in MLJDD033 (section 6826480N)

The recent intersection of the carbonate-hosted mineralisation at depth in MLJDD033 suggests that this this style may become more important in the deeper parts of the LJN4 mineralised system, which has yet to be fully explored and defined.

Photos of some examples of both breccia mineralisation and silica pyrite alteration in the core trays (**Figures 6 to 10**). Examples from various diamond hole trays showing strong silicified ultramafic including fuchsite alteration with an overlayed gold content for each interval of core measured are shown in **Figures 11 to 15**.

The mineralisation appears to occur in a series of moderately east-dipping (45-50°) zones ranging from a few metres up to 52 metres in true width. Sometimes these zones appear to coalesce to form broader mineralised zones. The silica-pyrite and breccia mineralisation occur in an interdigitated sequence of massive chert and carbonate intruded by felsic porphyries. This sequence also dips moderately to the east. Strong thick breccia zones are also present within the Sunrise Dam Deposit owned by Anglo Ashanti where the breccia lodes carry significant higher-grade mineralisation are associated with a number of internal deposits. In most cases they are near vertical and link the sub horizontal major shear zones and can also be subparallel to the major mineralised shear zones near surface. The silicified ultramafic mineralisation occurs in an ultramafic unit in the footwall of the chert-carbonate sequence.

Figure 6. Drillhole MLJDD020 from 178.0m showing Polymictic Breccia with silica-pyrite clast

Figure 7. Drillhole MLJDD018 from 77.5m showing Polymictic Breccia

Figure 8. Drillhole MLJDD018 from 164.5m showing Massive pyrite in Breccia

Figure 9. Drillhole MLJDD018 from 198.0m showing Vuggy Silica Alteration

Figure 10. Drillhole MLJDD019 from 148.4m showing visceral texture in bleached, silicified ultramafic

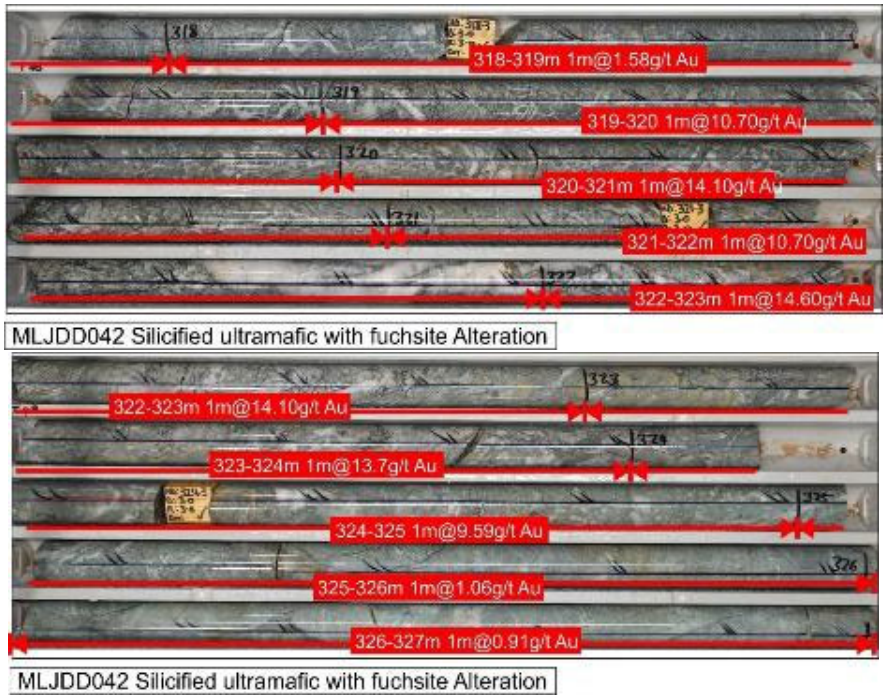


Figure 11. Drillhole MLJDD042 from 318m to 327m showing silicified ultramafic with fuchsite alteration

Figure 12. Drillhole MLJDD042 from 327m to 341m showing silicified ultramafic with fuchsite alteration

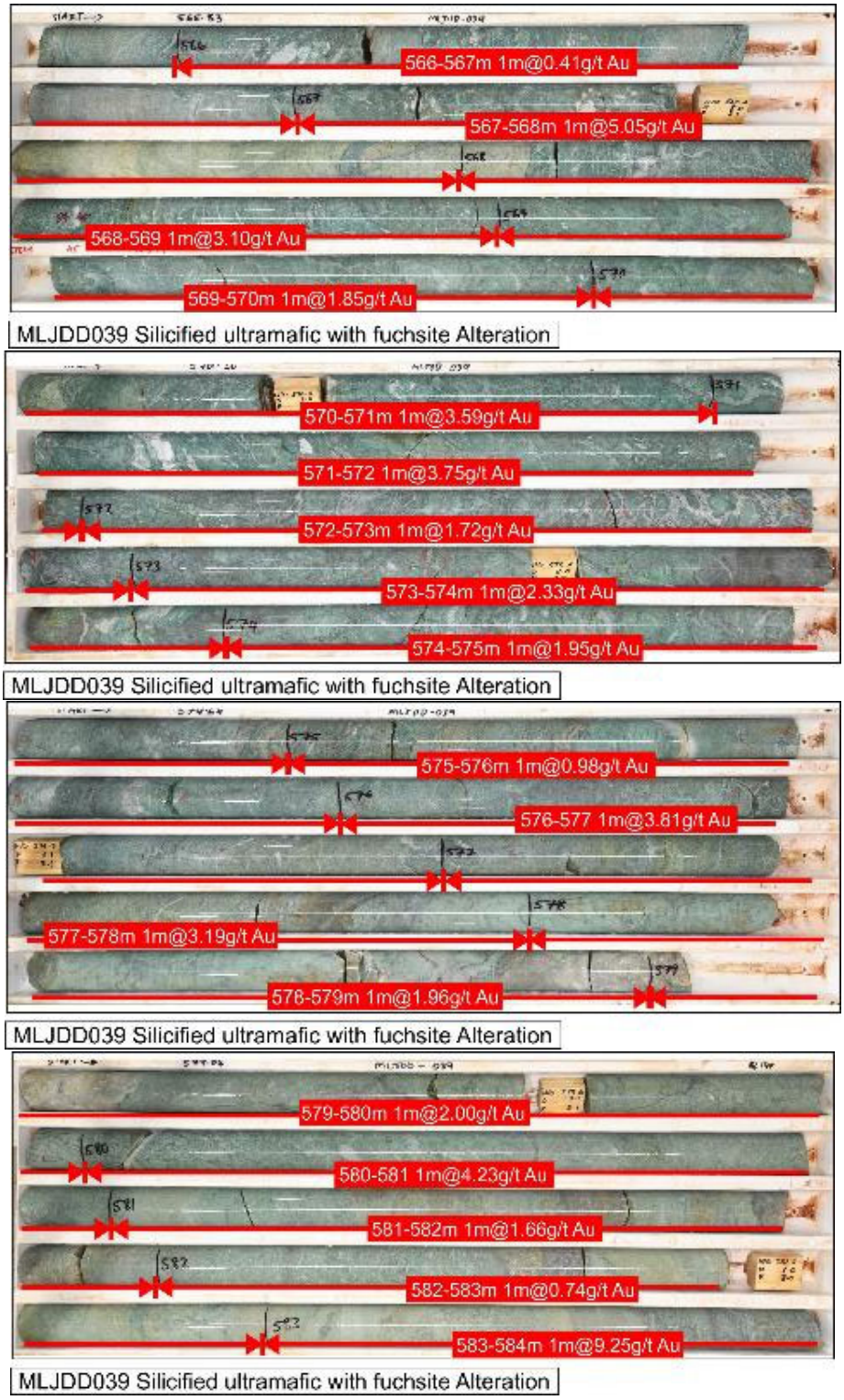


Figure 13. Drillhole MLJDD039 from 566m to 584m showing silicified ultramafic with fuchsite alteration

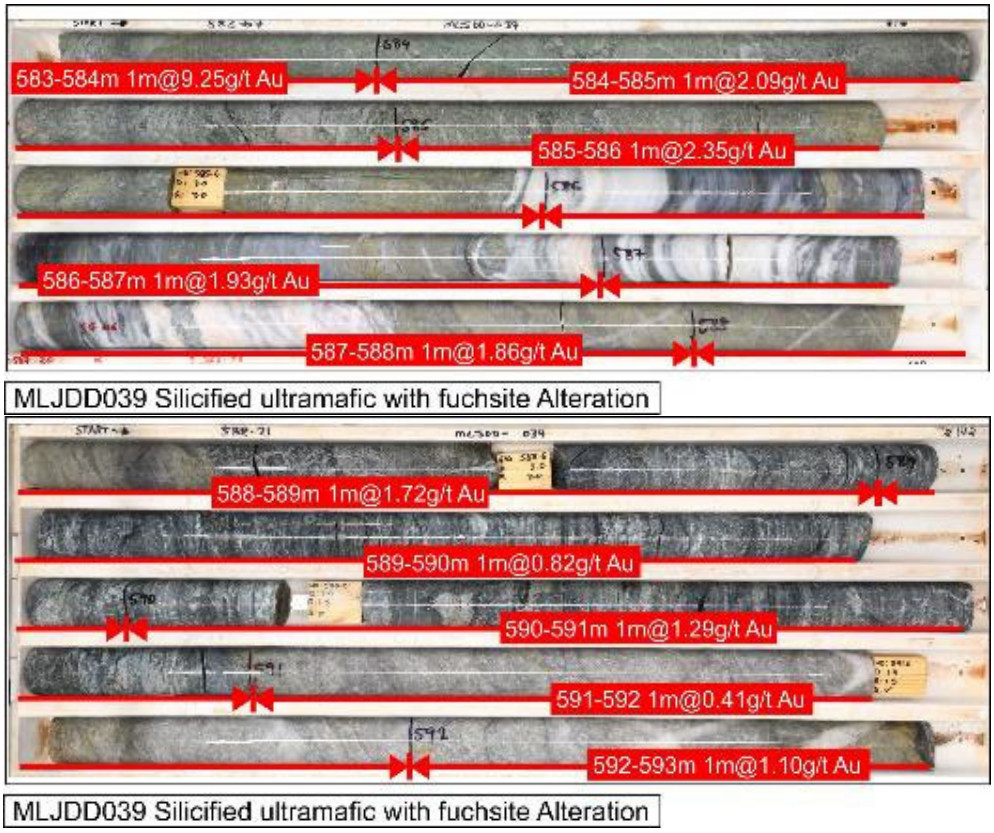


Figure 14. Drillhole MLJDD039 from 583m to 593m showing silicified ultramafic with fuchsite alteration

The Lady Julie North 4 deposit is only 2.5km North of the Lady Julie Central deposit which in turn is 2.5km NE of the HN9 deposit (**Figure 15**). These three areas are all shallow deposits and Lady Julie Central and HN9 start from surface and Lady Julie North 4 from 30m depth, which provide low strip ratios and potential for economic ore that is open-cuttable and are effectively part of one mining centre.

Gold mineralisation at LJN4 is hosted in a sequence of ultramafics, massive carbonate (marble) and chert intruded by felsic porphyries. This sequence is cut by a major NS braided shear complex known as the Chatterbox Shear Zone (CSZ) which is known to host significant mineralisation to the north. Petrological studies are in progress to determine if the carbonate and chert units are in fact forms of intense carbonate and silica alteration associated with the CSZ.

The Chatterbox shear zone is a complex N to NNE-trending, east-dipping structural corridor which can be traced for some 22km extending from Magnetic Resources southern boundary at Mt Jumbo and through Lady Julie North 4 and as far north as the Beasley Creek gold deposit on Magnetic's NE boundary (**Figure 16**). Within Magnetic's tenements the shear zone can be traced for 12km. The shear zone is interpreted to comprise a series of braided faults and shears within a corridor ranging from 100m to 250m wide and is interpreted to have formed as a reverse fault on the limb of the regional Margaret Anticline during the latter stages of its folding.

Importantly, this shear zone is closely associated with, gold mineralisation at several locations along its length including Magnetic's LJN4 and Mt Jumbo deposit (**Figure 16**). This shear is gold rich and gold deposits further north of Magnetics tenements contains the Beasley Creek and Apollo deposits and is interpreted to extend south towards the world class Wallaby deposit. It is evident in aeromagnetic imagery and in gravity images (**Figure 16**). Previous seismic work completed by Magnetic also shows up the Chatterbox shear which has great depth extent of this 45° east-dipping shear with a number of associated vertical faults.

There is also an extensive 6-hole 740 RC programme that has commenced targeting the Chatterbox shear and three RC holes totalling 540m are planned at Mt Jumbo.

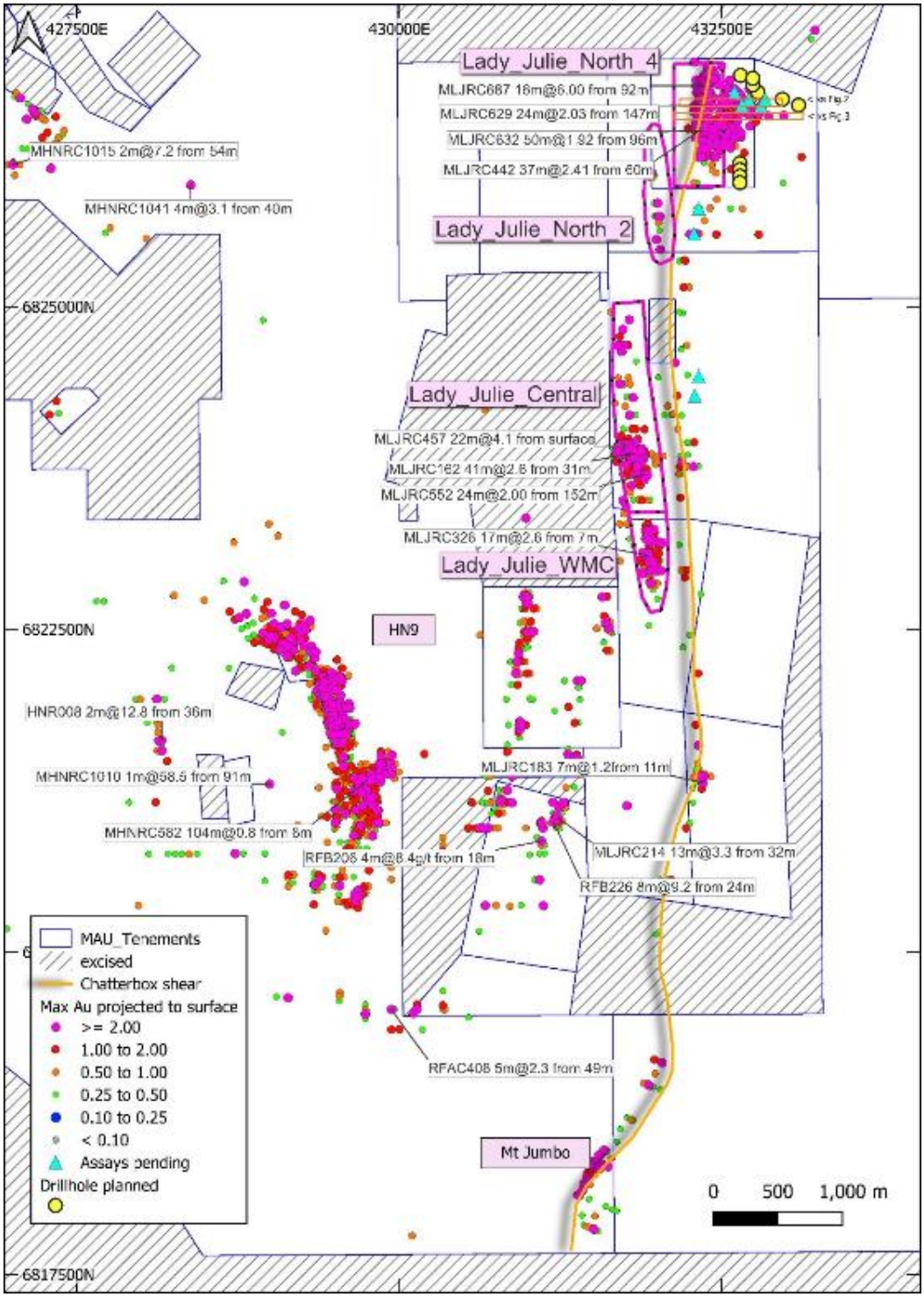


Figure 15. Gold intersection overview covering the Lady Julie North4, Lady Julie Central, Lady Julie WMC, HN9 and Mt Jumbo Projects showing some highlighted intersections (white label), significant historical and Magnetic intercepts (maximum Au projected to surface), planned holes in yellow and highlighted Chatterbox shear extending south from the Lady Julie North 4 Deposit.

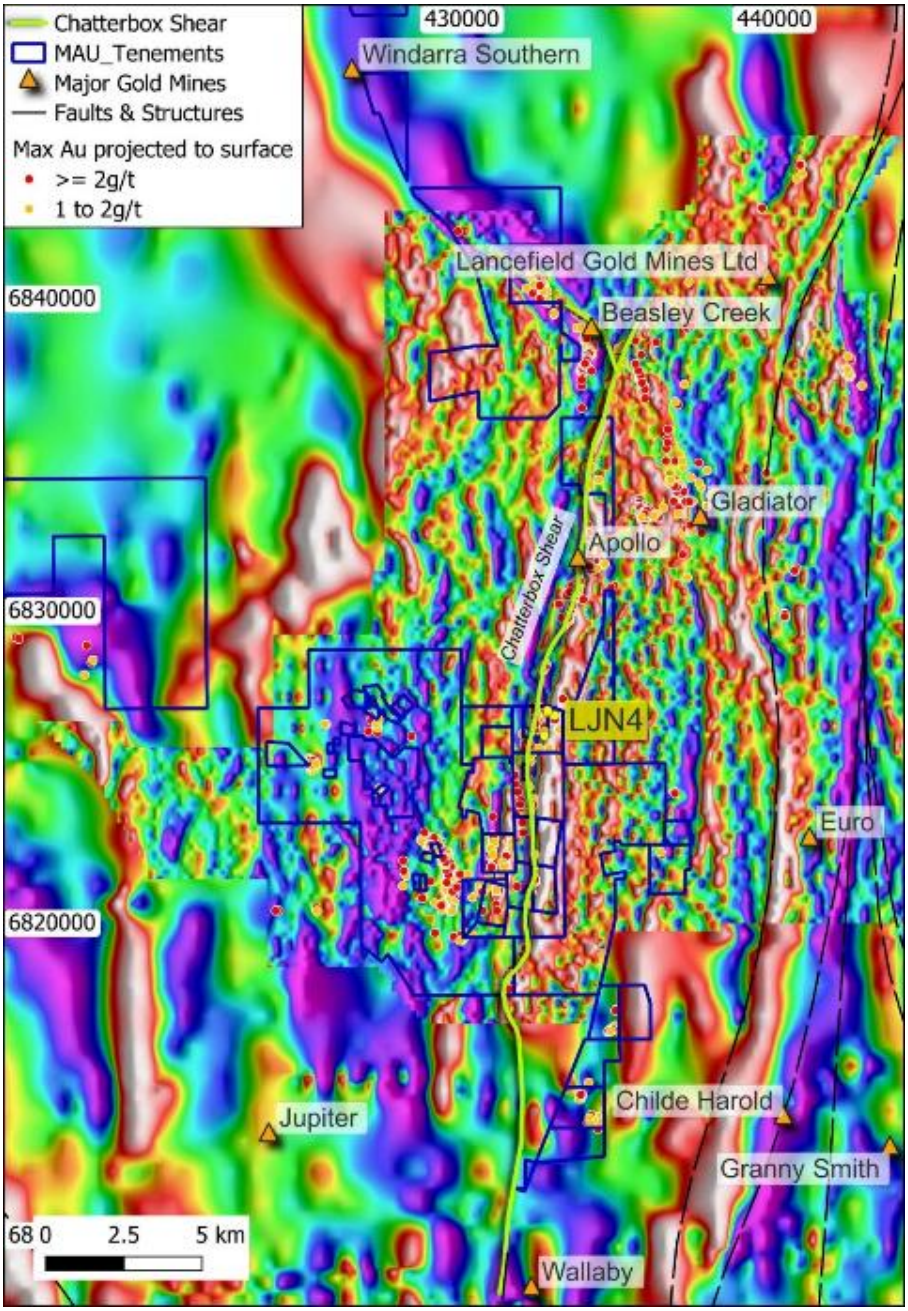


Figure 16. The Lady Julie North 4 Chatterbox Interpreted Shear shown on a Gravity image with major gold deposits

Within the HN5, HN6, HN9 and Lady Julie areas there are many new shallow intersections (Figures 2-5) with a total of 2,899 intersections (ranging from 1 to 54m) greater than 0.5g/t Au, which includes 1,391 greater than 1g/t Au, 542 greater than 2g/t Au, 283 greater than 3g/t Au and 169 greater than 4g/t Au.

At Hawks Nest 5, 6, 9 and Lady Julie extensive drilling programmes have been completed, including 1,944 RC/RCD holes totalling 156,067m (average 80m depth), 39,369 1–5m composites and 26,384 1m splits, 302 AC holes totalling 12,125m, 3,049 2-6m composites and 294 1m splits and 51 Diamond holes totalling 20,985m 14004 core samples, the Geotech programme comprising 10 RC/RCD drillholes totalling 670m and 10 diamond holes totalling 1,205m and Hydrology programme comprising 6 RC drillholes totalling 874m.

A 400m long northern ultramafic zone has been extended at depth and is part of a very large 1000m SE plunging zone that is up to 300m long and is still being tested further at depth. Due to these three outstanding drilling results the central core (greater than 80gm) has now increased in size from 100m to 250m in down plunge extent and is part of an impressive

larger zone which is 300m by 1000m, which is still open at depth.

The better intersections in this core zone include 21m at 6.29g/t from 317m in MLJDD042, 20m at 3.44g/t from 216m in MLJRC806 and 41.6m at 1.55g/t from 477m in MLJDD056 and now our current results, 24m at 5.10g/t from 352m in MLJDD065 and 76m at 2.44g/t from 435m in MLJDD059 and 27m at 3.24g/t from 315m in MLJDD066.

There are also assays pending for 6 diamond drillholes MLJDD061, 67-69, 71 and 72 totalling 2365m. Diamond drillholes MLJDD064 (675m), MLJDD070 (375m) and MLJDD073(740m) are planned totalling 1790m. These nine diamond holes are surrounding and looking to extend the very promising central core zone even further (Figure 2).

Diamond drillholes MLJDD064 (675m), 70(375m) and 73(740m) are planned totalling 1790m (**Table 6**).

As a result of these promising results and extensions in the northern zone a feasibility study is being completed and will include both open cut and underground resources for the first time.

Concurrently, the Blue Cap feasibility studies have commenced, which provides the company with the ability to fast-track work mining approvals. Continuing with global investment bank Jefferies, who are helping ongoing review opportunities to maximise shareholder value."

Table 6. Planned/in-progress Drilling at Lady Julie North 4 and Lady Julie

Hole_ID	Easting MGAz51	Northing MGAz51	Depth metres	Dip degrees	Azimuth degrees	Hole Type	Tenement	Project Area
MLJRC894	432640	6826110	100	-60	270	RC	P38/4170	LJN4
MLJRC895	432640	6826060	100	-60	270	RC	P38/4170	LJN4
MLJRC896	432640	6826010	100	-60	270	RC	P38/4170	LJN4
MLJRC897	432640	6825960	100	-60	270	RC	P38/4170	LJN4
MLJDD064	432970	6826606	675	-73	279	DDH	E38/3127	LJN4
MLJDD070	432645	6826790	375	-70	272	DDH	P38/4170	LJN4
MLJDD073	433095	6826560	740	-70	276	DDH	E38/3127	LJN4
3 DDH for 1,790m and 4 RC drillholes for 400m								

Increased Lady Julie Gold Project Resource and Project update

(ASX release 20 January 2025)

- Magnetic Resources is pleased to provide an update to its flagship Lady Julie Gold Project (LJGP), an exciting new gold development currently in an advanced Feasibility stage. The project is located near Laverton in WA and will comprise three open pits, a CIL processing plant and all associated infrastructure.

- Recent deeper infill drilling at Lady Julie North 4 (LJN4) has significantly increased resource confidence and continuity of mineralisation, whilst also expanding gold inventory (relative to the July 2024 ASX update). This will assist in building a substantial future mining reserve.

- The updated Combined Mineral Resources Estimate (Table 1) for LJGP:
  - 28.11 Mt at 1.93g/t Au containing 1.75Moz of gold at 0.5/1.5g/t cutoffs[1].
  - 75% of the combined resource is now in Indicated category (previously 68%).

- The updated Combined Laverton Region Mineral Resource Estimate (Table 1):
  - 33.14 Mt at 1.81g/t Au containing 1.93Moz of gold at 0.5/1.5g/t cutoffs[1].

Table 1 Project Mineral Inventory

	Indicated			Inferred			Total		
	Mt	**g/t**	**oz**	**Mt**	**g/t**	**oz**	**Mt**	**g/t**	**oz**
LJN4 (open pit)	17.06	2.10	1,154,000	4.37	1.58	226,000	21.43	2.00	1,380,000
LJN4(underground) *	1.14	2.53	93,000	1.03	2.19	73,000	2.17	2.38	166,000
LJN4 Total	**18.20**	**2.13**	**1,247,000**	**5.40**	**1.72**	**299,000**	**23.60**	**2.04**	**1,546,000**
LJC	0.79	1.97	50,200	0.54	1.26	22,000	1.33	1.68	72,200
HN9	2.00	1.29	82,800	1.18	1.25	47,600	3.18	1.28	130,400
LJGP Total	**20.99**	**2.05**	**1,380,000**	**7.12**	**1.61**	**368,600**	**28.11**	**1.93**	**1,748,600**
Other MAU	0.84	0.94	25,230	4.19	1.15	155,160	5.03	1.12	180,390
Laverton Area Grand Total	**21.82**	**2.00**	**1,405,230**	**11.32**	**1.44**	**523760.00**	**33.14**	**1.81**	**1,928,990**

- On the basis of the strong resource development below the planned open pit, a scoping exercise has been completed to study the potential for operating an underground mine concurrently with the open pit. The study found that a concurrent underground operation producing 550,000tpa of higher-grade ore would add significantly to project value, with total output of 150,000oz pa over an 8-year project life. Commencement of underground access development would be scheduled for year two to minimize the potential for disruption of the main part of the project. More detailed design of access, stoping and fill systems will commence in late January 2025.

- Metallurgical testwork is continuing to optimize the treatment process with differing lithology units.

- A Mining Proposal has been submitted to DEMIRS for approval. The proposal is in support of the application for two new Mining leases and a new Miscellaneous lease covering the remainder of the project footprint (see Figure 1a and b). The combined project area of 1,424Ha is now under application.

- With some late changes to the Feasibility Study, the aim remains to complete the Study by the end Q1 2025.

Note 1:

The cutoff grade is considered appropriate for a large-scale open pit operation and in the case of LJN4, is applied to a depth of 400m below surface. It should be noted that the pit resource does not consider any restraining factors which may influence the final pit design in the feasibility study.

The mineralisation deeper than 400m below surface shows strong continuity and therefore is amenable to underground mining. On the basis of a gold price of A$3600/oz and economic modelling of an underground operation, a cutoff grade of 1.5g/t Au is considered appropriate and has been applied to this portion of the model. As above, constraints applied to a pit design at Feasibility may lead to an increase in the resource available for underground extraction.

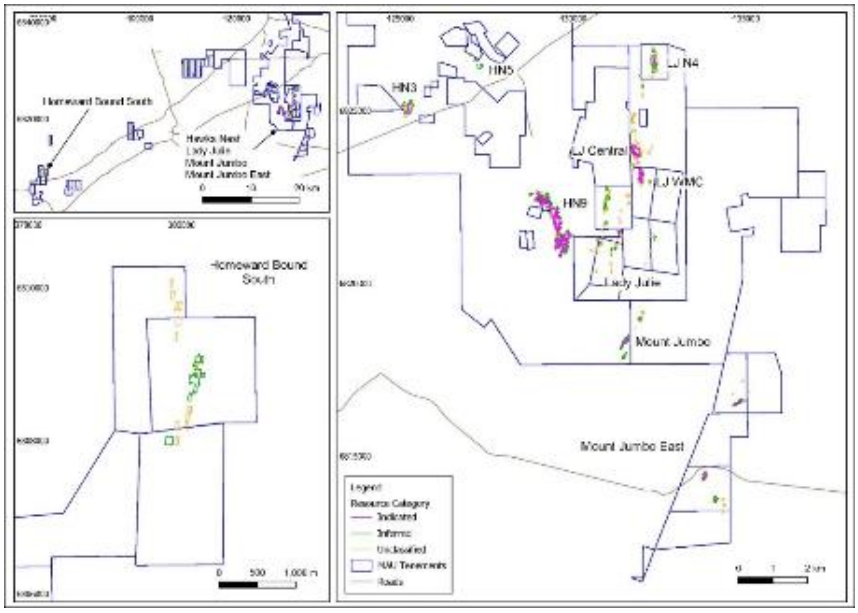


Figure 1a. Overview of Magnetics Laverton Region Resources

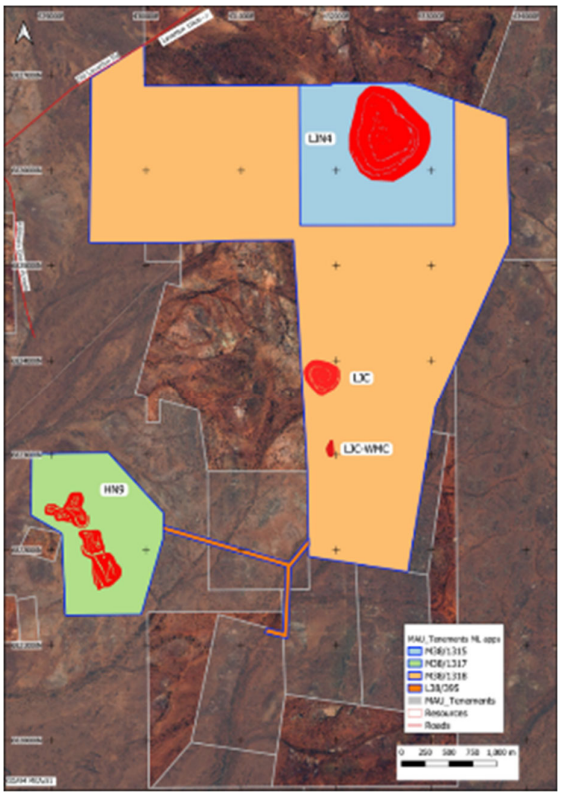


Figure 1b. Overview of the Lady Julie Gold Project Resources and Tenements

LJN4 Resource

The LJN4 Indicated and Inferred Resource of **23.6Mt at 2.04g/t Au for 1,546,000ozs** has a footprint of 750m in strike length and up to 750m in plan projection (Figure 2) and remains open down-dip to the east. Recent drilling results have confirmed the previous interpretation of a moderately east-dipping multi-lode structure. Drilling in the northern part of the deposit has now extended the main ultramafic-hosted lode to a vertical depth of 700m and, importantly, confirmed continuity of the mineralization within this lode. From July to December 2024 18 diamond holes (9,606m) and 3 RC holes (504m) were completed and included in this resource update. 77% of the LJN4 resource is now classified as Indicated. Extensional drilling at LJN4 is continuing.

Technical Summary of the Mineral resource Estimate

Include:

- Table 2: Table of new drill holes and significant intersections used in the MRE
- Figure 2 LJN4 Plan projection showing new diamond drill holes
- Figures 3a, b, c, and d LJN4 cross sections showing changes in the resource model wireframes
- Figure 4 LJN4 Long Section showing resource model block grades
- Figure 5 LJN4 wireframe looking north showing new drill holes

Table 2 New diamond drill holes with significant intersections

DDH	Depth	Significant Intercepts
MLJDD055	651.9	20.4m @ 1.52g/t from 350.3m, 40.5m @ 1.36g/t from 523.4m
MLJDD056	563.8	22.4m @ 2.03g/t from 500.2m, 14.9m @ 2.5g/t from 383m
MLJDD057	651.6	11m @2.21g/t from 592m
MLJDD058	750.9	18m @ 2.15g/t from 674m
MLJDD059	537.8	23m @ 2.38g/t from 435.2m, 38.7m @ 3.15g/t from 472m
MLJDD060	717.8	11m @ 2.26g/t from 609m
MLJDD063	366.2	13.3m @ 2.13g/t from 277.5m
MLJDD065	450.5	23m @ 5.25g/t from 352.8m
MLJDD066	391.2	26m @ 3.27g/t from 315m
MLJDD067	423.8	12.4m @ 1.89g/t from 332.2m
MLJDD068	303.4	18.8m @ 2.66g/t from 246m

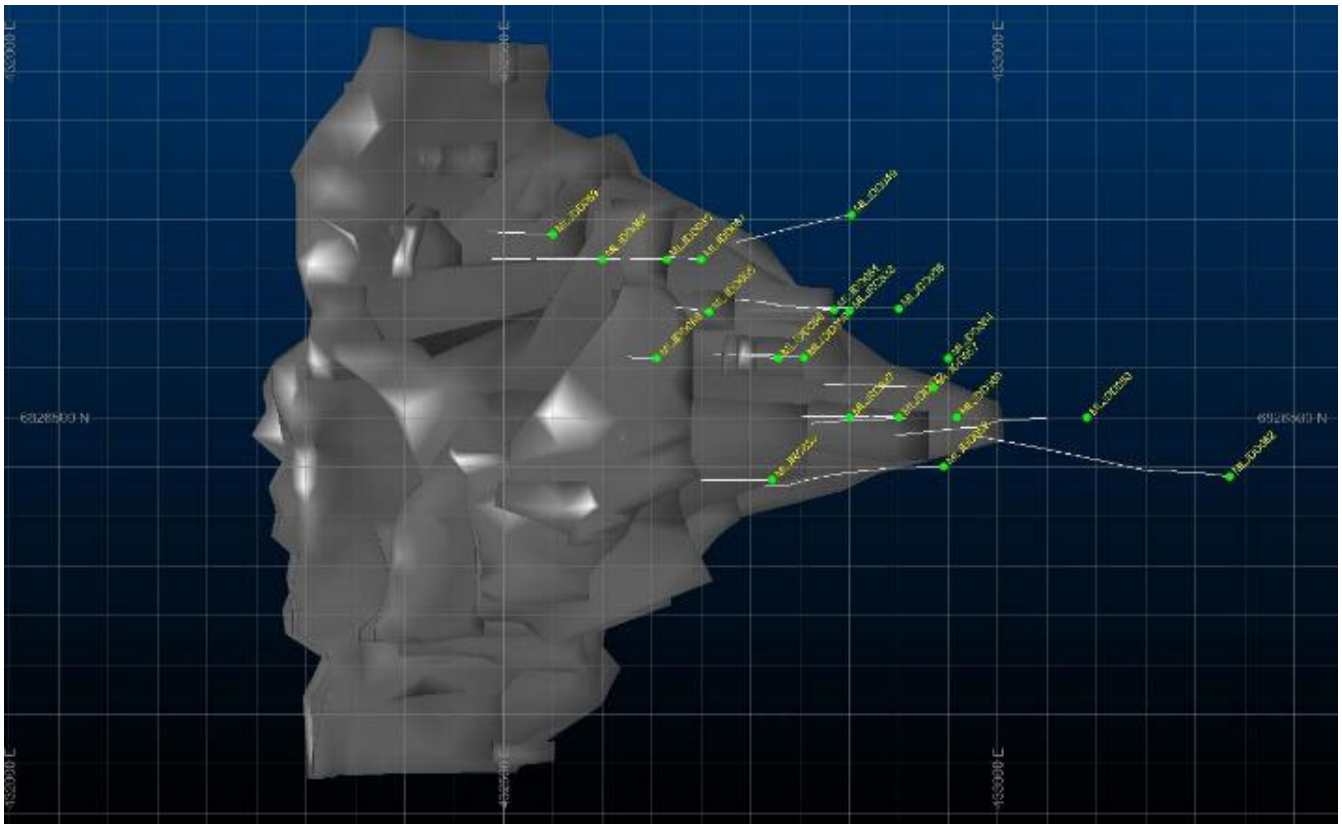
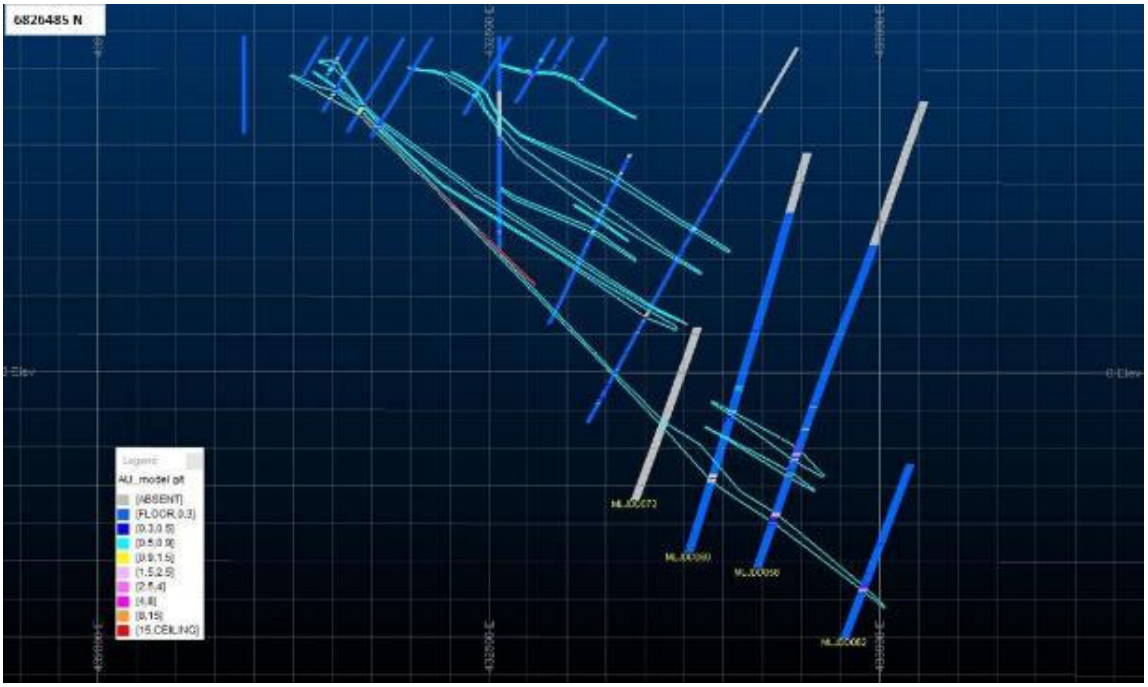
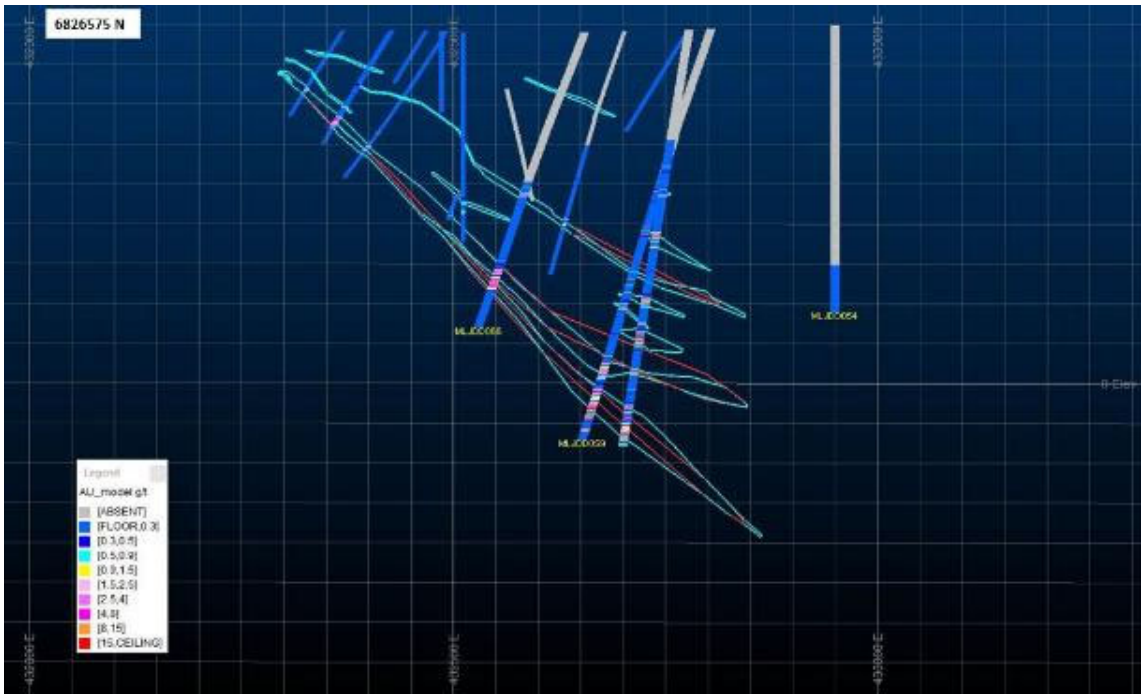


Figure 2 LJN4 Plan projection showing new diamond drill holes





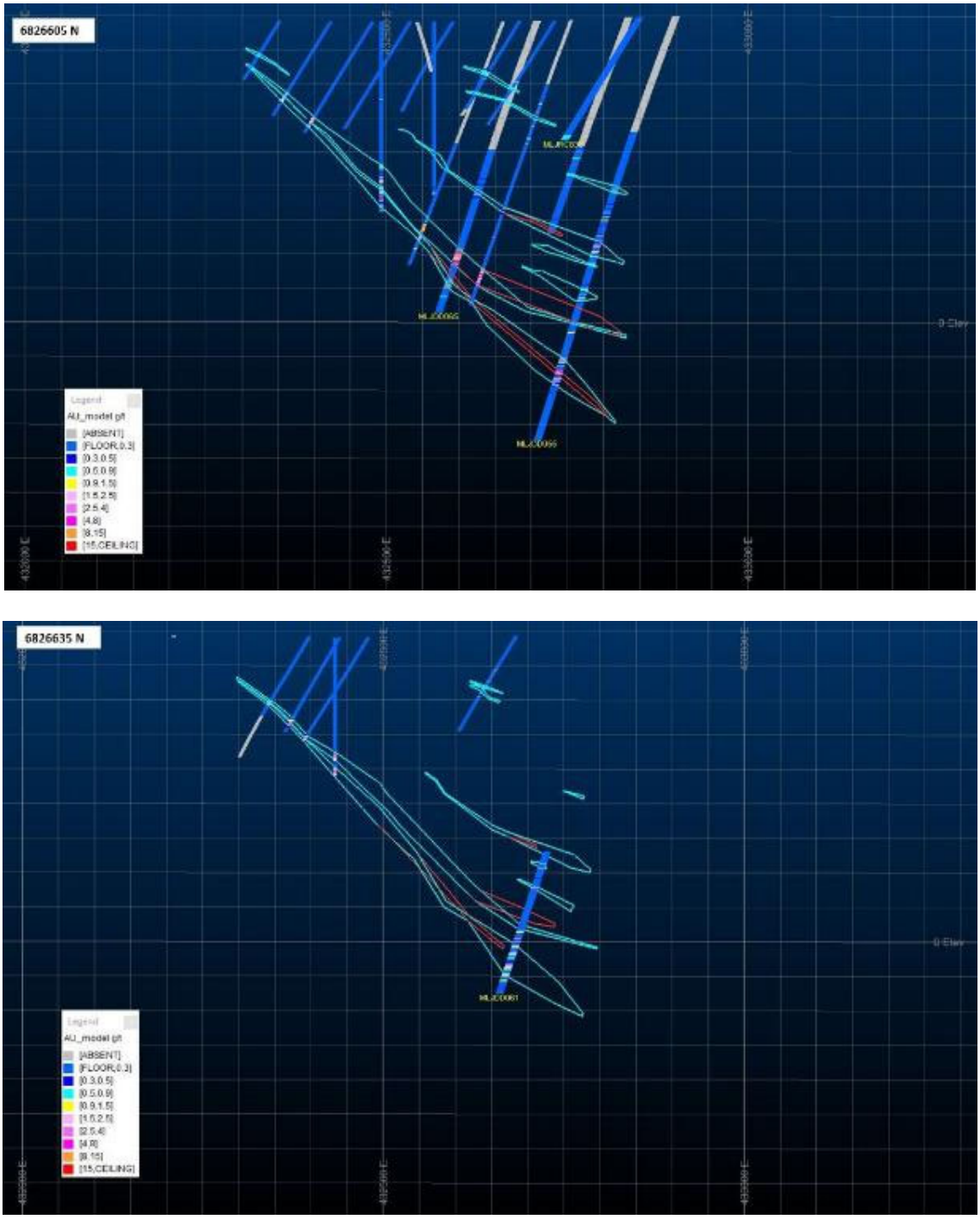


Figure 3a, b, c and d LJN4 Cross Sections showing Current Resource wireframe outlines (blue) and Previous Resource wireframe outlines (red) and New Holes (numbered)

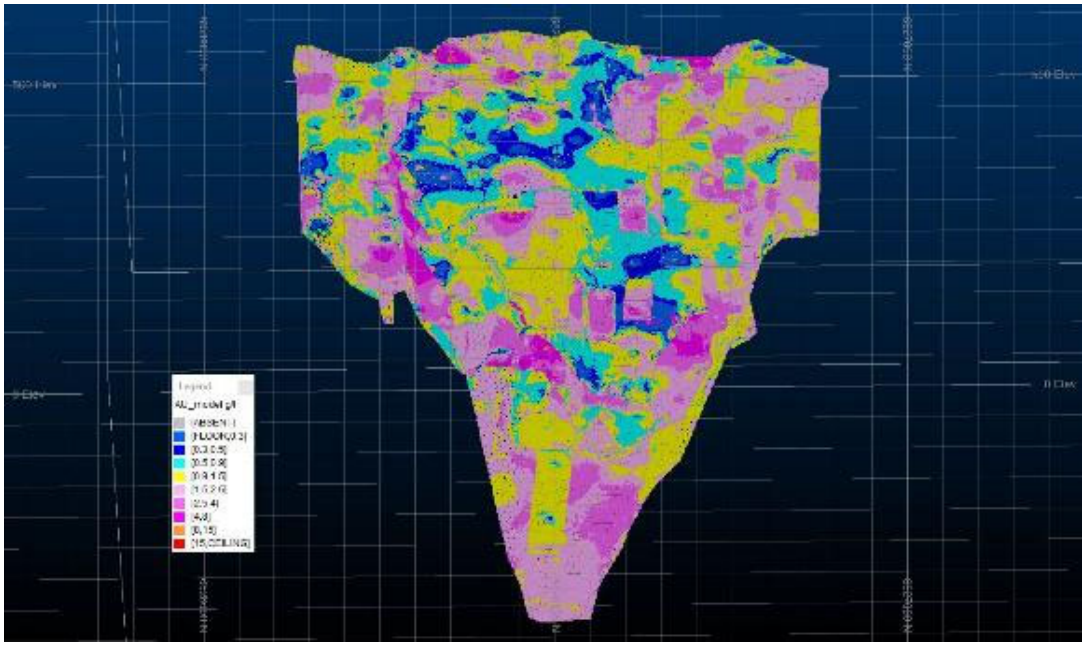


Figure 4 LJN4 Long Section showing resource model block grades

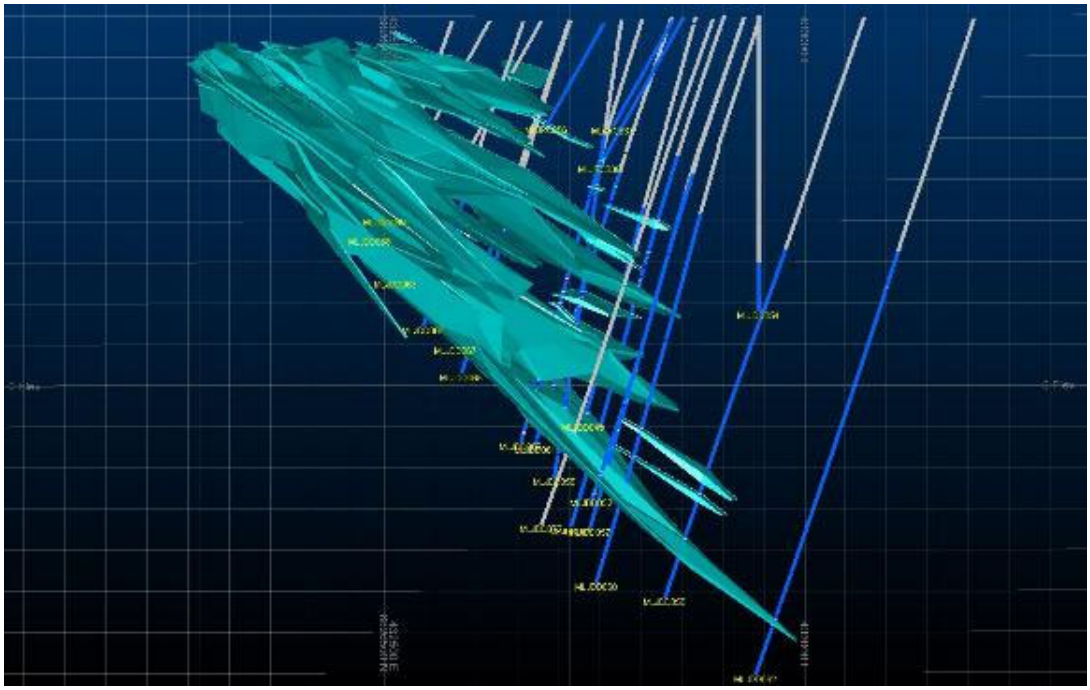


Figure 5 LJN4 wireframe looking north showing new drill holes

The verification and reporting of Mineral Resources on behalf of the Company was completed by its JORC Competent Person, Mr. M Edwards of Blue Cap Mining. The Mineral Resources Estimate has been prepared and reported in accordance with the 2012 Edition of the JORC Code.

Managing Director George Sakalidis commented:

"The LJN4 resource has been the Company's primary drilling focus over recent months with the completion of infill drilling and some extension drilling at depth in the northern part of LJN4, which consists of thick strongly altered zones mainly associated with intensely fuchsite altered ultramafic rock types.

Two deeper holes are being planned testing for deeper extensions of the main ultramafic-hosted lodes, which are still open at depth and one deeper hole beneath the southern breccia- silica-pyrite lode. The LJN4 deposit sits within a regional structure called the Chatterbox Shear Zone that extends over 12km in length within the Magnetic tenements and remains as a prospective target zone where RC drilling has been recently completed.

The Lady Julie Gold Project Pre-Feasibility Study was released to the ASX on 7 March 2024. The project now envisaged and advanced *planning is at a scale to provide more credibility to the wider industry and offer more substantial value to shareholders.*

Most of the background work has now been completed to take this to feasibility study level of accuracy. The submission of a Mining Proposal and application for Mining Leases are key steps in the regulatory approval process."

COMPETENT PERSON STATEMENT

The information in this report that relates to the Laverton and Homeward Bound Mineral Resource Estimates is based on and fairly represents, information which has been prepared by Mr. Mat Edwards BSc (Hons), MAIG employed by Blue Cap Mining who is a consultant to the Company. Mat Edwards 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'. Mat Edwards 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 Exploration Results 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.

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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Recent metallurgical results from LJN4 show strong gold recoveries (ASX Release 5 December 2024)

Results build on previous metallurgical testing and include deeper mineralisation discovered in recent drilling.

Average gold recovery across all oxidation states in seven composites is in excess of 91% (**Figure 17 and Table 7**).

Five of the composites have been subjected to conventional gravity/ CIL leach. The other two include the addition of flotation and fine grind of float cons.

Recovery improvement of 4-8% has been demonstrated in the Fresh Core and Fresh South composites via the addition of flotation and fine grinding of the float cons into the circuit. Whilst encouraging, further work is required because the Fresh Core is mainly underground material and continues to 1km downdip.

Tests have confirmed that there is no evidence of preg-robbing in any of the seven composites.

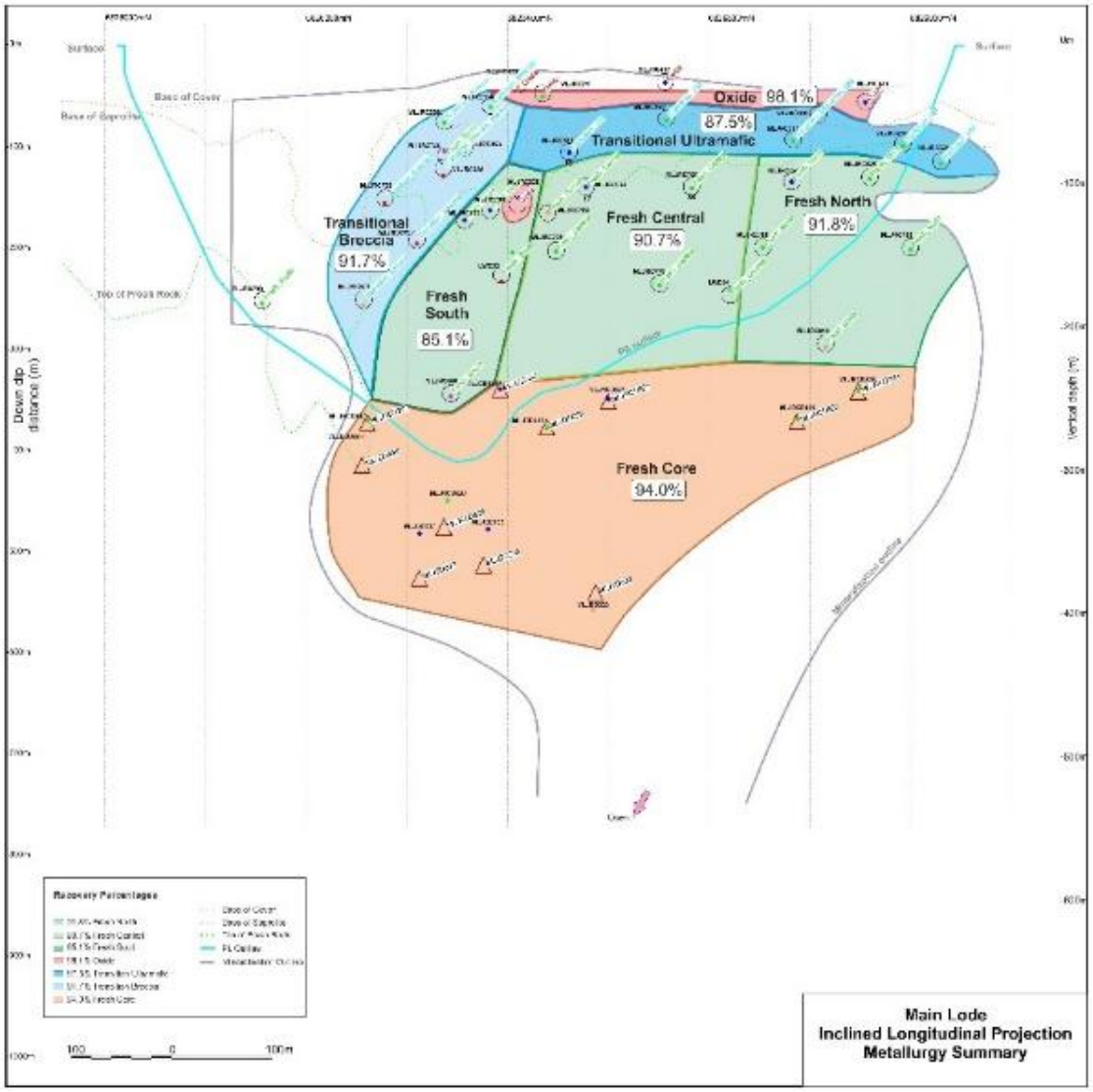


Figure 17. LJN4 Deposit seven composites with their respective sample locations and metallurgical recoveries (both Fresh South and Fresh Core composites have additional flotation and fine grinding)

Table 7. LJN4 Metallurgical Summary*

Composite	Overall Gold Recovery %
Oxide	98.1
Transitional Ultramafic	87.5
Transitional Breccia	91.7
Fresh North	91.8
Fresh Central	90.7
Fresh South	85.1
Fresh Core	94.0
Average	**91.3**

- 90-micron grind size, 48-hour leach

Initial metallurgical testing of drill samples from Lady Julie North 4 (LJN4) (ASX announcement 25 January 2023) demonstrated that the mineralisation was amenable to conventional gravity/leach processing in order to attain high gold recovery. A subsequent series of tests commenced in mid-2024 to test larger sample sizes and deeper (fresh) material, with seven metallurgical samples selected from 46 drill holes at Lady Julie North (**Table 8**).

Head assay information for each sample is shown in **Table 9**.

Table 8. LJN4 Metallurgical Samples

Sample ID	Sample Source	Oxidation Type	Number of 1m samples intervals included	Sample size kg
Oxide	RC	Oxide	33	62
Trans Ultramafic	RC	Transition	31	63
Trans breccia	RC	Transition	27	53
Fresh North	RC	Fresh	28	55
Fresh Central	RC	Fresh	30	53
Fresh South	RC	Fresh	40	68
Fresh Core	DD	Fresh	125	190

Table 9. Head Assay data for each composite

Element	Unit	Fresh Core	Oxide	Trans UM	Trans Breccia	Fresh North	Fresh Central	Fresh South
Estimated Au	g/t	1.88	1.67	1.92	1.79	1.79	1.78	1.80
Au Average	**g/t**	**1.98**	**1.52**	**3.32**	**1.96**	**1.72**	**2.71**	**1.99**
Au	ppm	2.01	1.53	3.80	1.98	1.83	3.01	1.53
Au Duplicate	ppm	1.95	1.51	2.84	1.93	1.62	2.41	2.45
Ag	ppm	0.12	0.47	0.07	0.22	0.16	0.24	0.41
As	ppm	34.50	51	15	119.10	5.80	6.80	101.60
Total Carbon	%	8.11	0.37	5.42	2.2	6.15	6.45	5.59
Non-Carbonate Carbon	%	0.07	0.07	0.06	0.11	0.04	0.04	0.23
Carbonate	%	8.04	0.3	5.36	2.09	6.11	6.41	5.36
Total Graphitic Carbon	%	0.2	0.3	0.1	<0.1	0.4	0.2	0.1
Cu	ppm	23	44.9	29.7	28.4	24.1	29.8	51.1
Fe	%	6.6	6.75	6.07	13.82	5.39	5.34	10.73
Pb	ppm	4.3	14.4	1.7	13	1.3	2.3	14.7
Total Sulphur	%	1.66	0.01	0.54	0.79	1.09	1.08	4.35
Sulphate	%	0.02	<0.01	0.01	0.08	0.02	0.03	0.12
Sulphide	%	1.64	0.01	0.53	0.71	1.07	1.05	4.23
Sb	ppm	5.61	3.74	2	12.85	2.01	1.84	15.79
Te	ppm	0.4	<0.2	0.5	0.2	0.6	0.4	0.5
Zn	ppm	48	96	51	141	40	45	99

Sample Characterisation

Characterisation of the seven composites involved comprehensive assay analysis and Preg-Robbing Determination testing.

The results are detailed in **Table 9**, indicating the following:

Arsenic grades are low, ranging from 6 ppm to 119 ppm;

Total carbon grades range from 0.37% to 8.11% with:

Over 80% of the carbon is present as carbonates across all composites;

Organic carbon grades are low ranging from 0.04% to 0.23%;

Total Graphitic Carbon (TGC) grades are low ranging from below detection of 0.1% to 0.4%.

Total sulphur grades range from 0.01% to 4.35%, with at least 90% of the total sulphur existing as sulphides throughout all composites;

Deleterious elements including copper, antimony and tellurium are low across the composites.

It should be noted that total graphitic carbon (TGC) is a subset of the organic carbon, and as seen in the results the TGC values are higher than the organic carbon values. This variation is a function of the different assay methods used and different detection limits for each set of values.

Preg-Robbing Factor (PRF) tests were conducted on all seven composites to assess the presence of preg-robbing material (typically organic carbons) within the ore that can adsorb gold from solution, therefore hindering gold recoveries.

This test involves contacting a 10ppm gold solution with a 50g pulverised sample and contacting over a 1hr period. Gold in solution values are measured and the preg-robbing factor is then calculated.

Results are shown in **Table 10** indicating Preg-Robbing Factors ranging from -7% to 1%, with final liquor gold concentrations ranging from 9.93 ppm to 10.66 ppm. Based on these results, all seven composites present no indication of preg-robbing when taking analytical factors into account.

Table 10. Head Assay Results Summary

Composite	Initial Au Conc	Final Au Conc	Preg-Rob Factor
	ppm	ppm	%
Fresh Core Comp	10.00	9.99	0%
Oxide Composite	10.00	9.93	1%
Trans UM Composite	10.00	10.66	-7%
Trans Breccia Composite	10.00	10.04	0%
Fresh North Composite	10.00	10.31	-3%
Fresh Central Composite	10.00	10.41	-4%
Fresh South Composite	10.00	10.29	-3%

Initial Testwork

The testwork initially comprised gravity concentration followed by cyanide leach testing at two grind sizes of 80% passing, namely 106µm and 90µm.

The results of the testwork are shown in **Tables 11a & b** below:

Tables 11a & b. Results of Gravity/leach testing on the composite samples

Composite	#	Fresh Core		Oxide		Trans UM		Trans Breccia	
Leach Test	#	LT1	LT2	LT3	LT4	LT5	LT6	LT7	LT8
Grind Size P_{80}	µm	90	106	90	106	90	106	90um	106um
Calculated Head Grade	g/t	2.01	2.00	2.11	2.05	2.60	2.46	2.29	2.23
Assay Head Grade	g/t	1.98	1.98	1.52	1.52	3.32	3.32	1.96	1.96
Gravity Recovery	%	26.4%	26.5%	28.7%	29.5%	25.5%	26.8%	35.8%	36.8%
2 Hour Overall Recovery	%	72.2%	72.4%	46.7%	46.6%	70.2%	71.9%	74.7%	78.8%
4 Hour Overall Recovery	%	80.7%	81.0%	62.7%	61.0%	79.7%	82.1%	83.2%	83.8%
8 Hour Overall Recovery	%	85.4%	84.4%	81.5%	81.3%	83.0%	84.3%	84.7%	88.9%
12 Hour Overall Recovery	%	85.8%	87.8%	89.1%	89.3%	85.4%	87.2%	87.4%	90.3%
24 Hour Overall Recovery	%	87.0%	86.8%	95.5%	95.2%	86.9%	88.4%	88.2%	91.0%
48 Hour Overall Recovery	%	86.9%	85.6%	98.1%	97.9%	87.5%	85.7%	91.7%	90.7%
Leach Residue Grade	g/t	0.26	0.29	0.04	0.04	0.33	0.35	0.19	0.21
Gravity Gold Recovery	g/t	0.53	0.53	0.61	0.60	0.66	0.66	0.82	0.82
Leach Gold Recovery	g/t	1.21	1.18	1.46	1.40	1.61	1.45	1.28	1.20
Overall Gold Recovery	g/t	1.74	1.71	2.07	2.00	2.27	2.11	2.10	2.03
48 Hour NaCN Cons'	kg/t	0.34	0.42	0.73	0.62	0.62	0.64	0.57	0.78
48 Hour Lime Cons'	kg/t	0.03	0.00	0.39	0.79	0.00	0.03	0.22	0.20

Composite	#	Fresh North		Fresh Central		Fresh South	
Leach Test	#	LT9	LT10	LT11	LT12	LT13	LT14
Grind Size P_{80}	µm	90um	106um	90um	106um	90um	106um
Calculated Head Grade	g/t	1.93	1.88	2.50	2.40	1.75	1.72
Assay Head Grade	g/t	1.72	1.72	2.71	2.71	1.99	1.99
Gravity Recovery	%	31.8%	32.8%	32.5%	32.3%	32.6%	33.2%
2 Hour Overall Recovery	%	79.5%	80.8%	81.7%	81.1%	69.6%	71.7%
4 Hour Overall Recovery	%	84.0%	84.7%	84.6%	85.1%	73.7%	77.7%
8 Hour Overall Recovery	%	87.1%	86.3%	88.8%	89.2%	80.2%	79.3%
12 Hour Overall Recovery	%	87.5%	91.4%	87.8%	89.8%	78.6%	78.5%
24 Hour Overall Recovery	%	89.2%	88.7%	88.7%	90.4%	81.1%	79.3%
48 Hour Overall Recovery	%	91.8%	90.0%	90.7%	89.5%	78.9%	78.8%
Leach Residue Grade	g/t	0.16	0.19	0.23	0.25	0.37	0.37
Gravity Gold Recovery	g/t	0.62	0.62	0.81	0.77	0.57	0.57
Leach Gold Recovery	g/t	1.16	1.07	1.45	1.37	0.81	0.79
Overall Gold Recovery	g/t	1.77	1.69	2.27	2.15	1.38	1.36
48 Hour NaCN Cons'	kg/t	0.40	0.39	0.38	0.39	0.58	0.61
48 Hour Lime Cons'	kg/t	0.00	0.00	0.00	0.00	0.15	0.13

Overall results and conclusions are summarised as follows:

Gravity gold recoveries ranged from 25.5% to 36.8% mirroring earlier testwork;

Overall gold recoveries ranged from 78.8% to 98.1%;

No preg-robbing evident across the composites, with minor variations in recovery over the leach duration attributed to standard assay error;

All of the fresh and transitional composites indicate rapid leach kinetics with overall recoveries over 70% after 4 hours of leaching;

The addition of oxygen to the leach process was helpful but did not materially impact recovery;

Final leach residue grades ranged from 0.04 g/t to 0.37 g/t;

A decrease in grind size from 106µm and 90µm resulted in a negligible change in gold recovery;

Cyanide consumptions ranged from 0.34 to 0.78 kg/t and lime ranged from 0.0 to 0.79 kg/t;

Calculated gold head grades ranged from 1.72 to 2.60 g/t, aligning well with the assay head grades. However, the Transitional UM Composite reported an average 2.53 g/t head compared to the 3.32 g/t assay, likely a result of spotty gold within the sample.

Overall gold recoveries indicate a correlation with composite head sulphide grade as shown in **Figure 18**, with an R2 value of 0.75. This trend indicates a higher sulphide content corresponds with a lower gold recovery, potentially attributed to fine gold within sulphides.

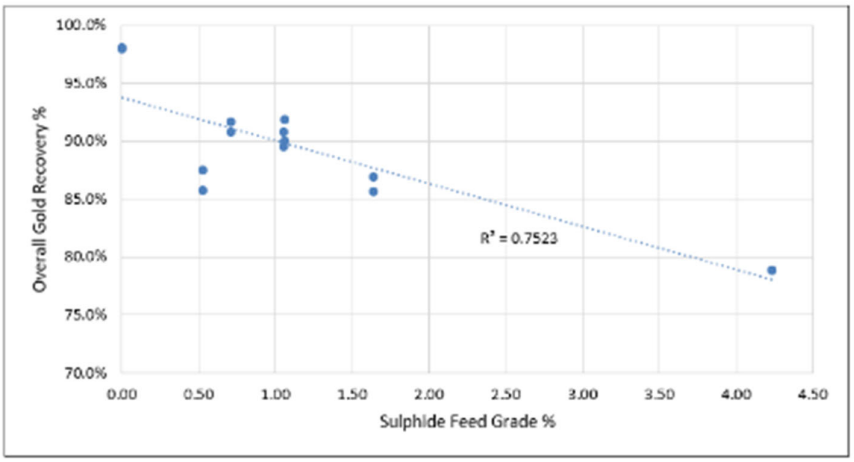


Figure 18. Gold Recovery vs Sulphur Assay

Subsequent Testwork

The composites with the highest sulphide grade, namely Fresh Core and Fresh South, were chosen to test if flotation would be a suitable means to concentrate that element.

In the first follow up test, flotation was followed by leaching. Whilst successful, the fact this test was undertaken without firstly extracting the high gravity component meant the results could not be used to define the plant material flow diagram.

The final tests in the series (with the two composites above) were designed to emulate the plant flowsheet, viz gravity followed by; flotation, with the cons being fine ground to 10 micron and subject to intense leach;

Flotation tails go directly to leaching, as depicted in **Figure 19**.

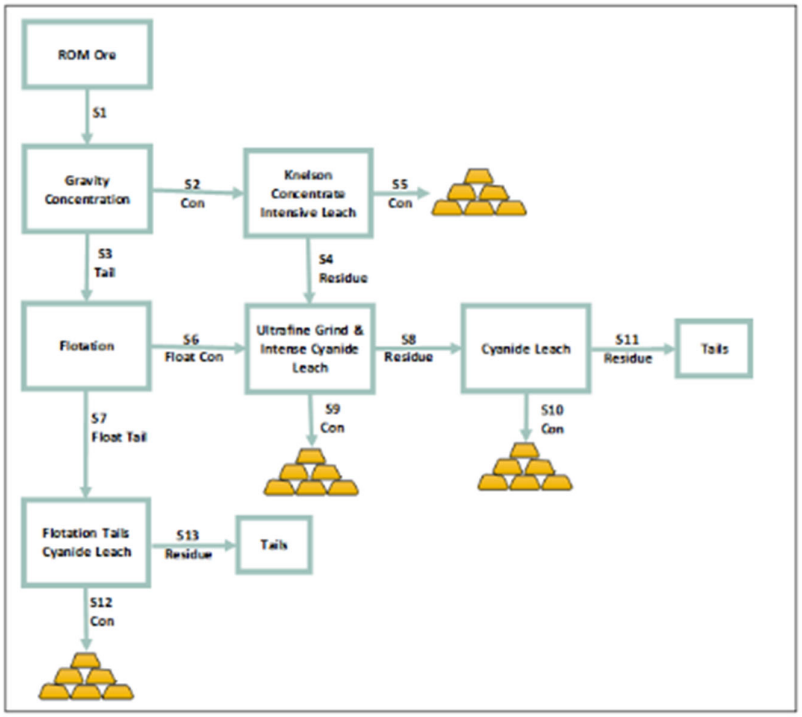


Figure 19. Flowchart for tests to emulate plant design

An overall mass balance is shown in **Table 12**, reporting cumulative gold recoveries. These results of these tests indicate:

Fresh Core Composite:

Overall gold recovery of 94.0% with a 0.12 g/t final tails grade.

Comparisons to previous work:

The previous round involved flotation, UFG and cyanide leaching (excluding gravity and the extra leach on the UFG leach residue) reported an overall 85.4% recovery, with a 0.31 g/t residue.

The earlier gravity and cyanide leach results indicated a maximum gold recovery of 87.7% with a 0.25 g/t residue grade.

Fresh South Composite:

Overall gold recovery of 85.1%, with a 0.25 g/t tailings grade.

Comparisons to previous work:

The previous round involving flotation, UFG and cyanide leaching (excluding gravity and the extra leach on the UFG leach residue) reported an overall 75.6% recovery, with a 0.41 g/t residue.

The earlier gravity and cyanide leach results indicated a maximum gold recovery of 81.5% with a 0.31 g/t residue grade.

Overall results indicate the inclusion of a flotation circuit followed by ultrafine grinding of the concentrate is crucial to liberate the non-free milling gold within the Fresh South and the Fresh Core composite. Note the Fresh Core is within the underground and further test work is ongoing as the deposit gets deeper (currently 1km downdip).

Table 12. Overall Cumulative Process Recoveries

Process Stage	Stream		Fresh Core Composite	Fresh South Composite
Ore Feed	Ore Feed Au Grade	g/t	2.07	1.67
Gravity Concentration	Gravity Au Recovery	%	24.1%	30.7%
		g/t	0.50	0.51
Flotation	Flotation Au Recovery	%	58.1%	51.2%
		g/t	1.20	0.86
Float Concentrate Ultrafine Grind & CN Leaching	Ultrafine Grind & CN Leaching Au Recovery	%	54.9%	41.3%
		g/t	1.14	0.69
Float Tails CN Leach	Float Tails CN Leach Au Recovery	%	14.9%	13.1%
		g/t	0.31	0.22
Overall	Total Recovery	%	**94.0%**	**85.1%**
		g/t	1.95	1.42
	Tailings Grade	g/t	0.12	0.25

Conclusion

The tests have proved conclusively that high gold recoveries can be achieved from all the gold bearing lithologies currently identified at LJN4 and can be achieved by conventional means of liberation. The presence of sulphides is no barrier to excellent liberation of fine entrained gold.

Tests have demonstrated that a 4-8% boost in recovery was possible in the two composites with the highest sulphide grades. Further work is required below the Fresh Core Composite area as the underground mineralisation now continues to 1km down dip.

Characterisation of ore has demonstrated that there is no evidence of preg-robbing effects. Consumption of cyanide and lime in all tests is generally low.

Managing Director George Sakalidis commented “The results of this new metallurgical test work are very encouraging with average gold recovery across all oxidation states in excess of 91%, which demonstrate once again that the LJN4 gold deposit is an excellent resource ready for development. These results are some of the final components forming the Feasibility Study, which we hope to release in the New Year”.

Nickel-Cu-PGE and REE Projects

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 30,000sq. 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.

The western tenements Benjaberring and Goddard are prospective for nickel, PGE elements, Cu and Au.

Benjaberring E70/5537

Four target areas, identified from geological reconnaissance and interpretation of aeromagnetic data, were systematically soil sampled. Follow-up sampling at one target area, in the northern part of the exploration licence, outlined a 2km-long coincident Ni-Co-Cr anomaly with some elevated copper and platinum, indicating potential for mafic and ultramafic rocks favourable for hosting nickel-copper sulphides. Subject to a ground inspection, consideration is being given to a ground electromagnetic survey early in the new year when cropping of this farming area has been completed.

Goddard E70/5538

39 aircore holes totalling 1,068m were drilled on farmland north of Dowerin over part of a broad 5km-long aeromagnetic feature interpreted to be related to a possible mafic intrusion with potential to host nickel-copper sulphides. A mix of granite, quartzite, dolerite and banded iron formation was intersected, together with anomalous Ni-Co-Cr in some areas, suggesting the presence of ultramafic rocks. Further scout drilling is planned over the remainder of the aeromagnetic target.

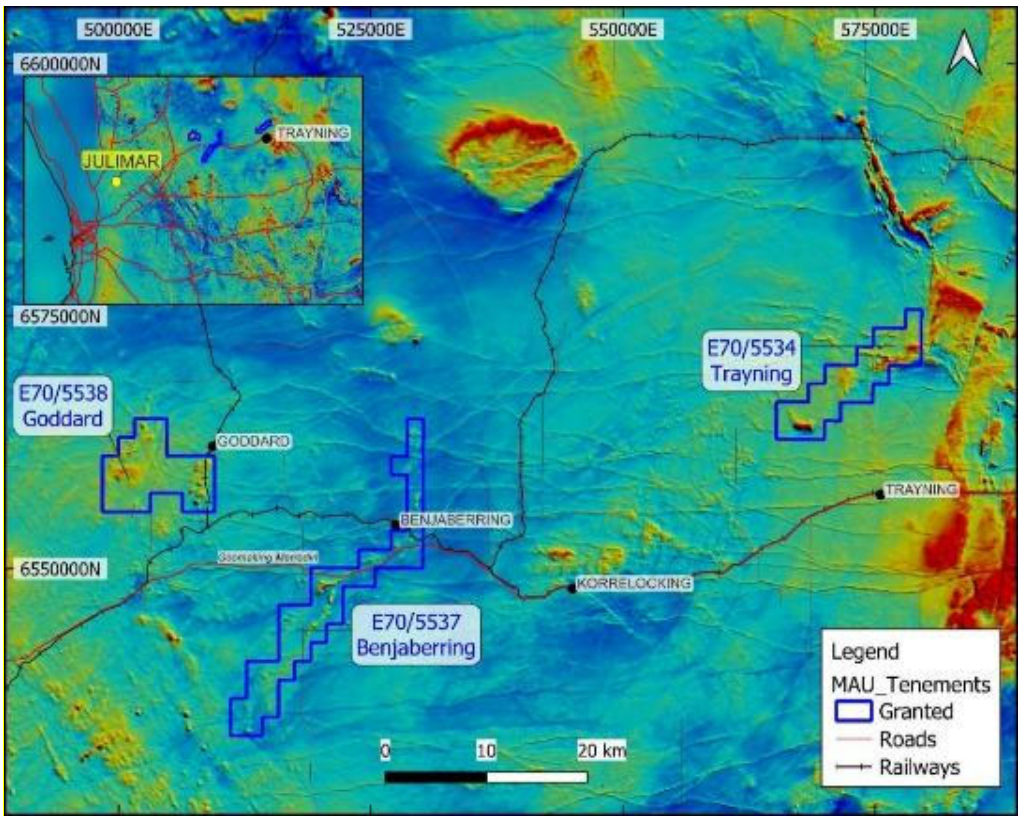


Figure 20. Coverage of Magnetics projects NE of Julimar overlayed on the regional aeromagnetics

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 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

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial half-year.

Matters subsequent to the end of the financial half-year

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.
On behalf of the Directors

George Sakalidis

GEORGE SAKALIDIS
MANAGING DIRECTOR

13 February 2025

ELDERTON
AUDIT PTY LTD

Auditor's Independence Declaration

To those charged with the governance of Magnetic Resources NL

As auditor for the review of Magnetic Resources NL for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

i) no contraventions of the independence requirements of the *Corporations Act 2001* in relation to the review; and

ii) no contraventions of any applicable code of professional conduct in relation to the review.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd

Sajjad Cheema
Director

13 February 2025

Magnetic Resources NL
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

	Notes	Half-Year Ended 31 Dec 2024	Half-Year Ended 31 Dec 2023
		$	$
Revenue			
Interest income		66,649	-
Tenement sold		-	502,973
Total income		**66,649**	**502,973**
Depreciation expense		(6,974)	(1,995)
Directors' Remuneration		(420,463)	(366,614)
Exploration and tenement expenses		(5,928,914)	(3,869,263)
Employee benefits expense		(222,787)	(192,533)
Share based payment expenses	7	(435,780)	(1,475,883)
Administration expenses		(110,980)	(133,062)
Loss on Disposal of Fixed assets		-	(1,603)
Occupancy costs		(29,093)	(22,963)
Filing and ASX fees		(117,329)	(77,474)
Consulting and Professional Fees		(90,908)	(53,114)
Marketing		(287,826)	(226,605)
Total expenses		**(7,651,054)**	**(6,421,109)**
Loss before income tax for the half-year		**(7,584,405)**	**(5,918,136)**
Income tax expense		-	-
Loss after income tax for the half-year	8	**(7,584,405)**	**(5,918,136)**
Other comprehensive income			
Other comprehensive income/(loss) for the year, net of tax		9,542	(8,833)
Total other comprehensive income, net of tax		9,542	(8,833)
Total comprehensive loss for the half-year		**(7,574,863)**	**(5,926,969)**
Loss per share		**Cents**	**Cents**
Basic and diluted earnings per share (cents per share)		(2.65)	(2.34)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Magnetic Resources NL
Statement of financial position
For the half-year ended 31 December 2024

	Notes	31-Dec-24	30-Jun-24
		$	$
Assets			
Current Assets			
Cash and cash equivalents	4	11,606,861	9,221,563
Trade and other receivables		370,404	347,532
Prepayments		27,997	8,196
Total Current Assets		**12,005,262**	**9,577,291**
Non-Current Assets			
Property, plant and equipment	5	46,848	24,361
Financial assets at fair value through other comprehensive income		146,065	136,524
Total Non-Current Assets		**192,913**	**160,885**
Total Assets		**12,198,175**	**9,738,176**
Liabilities			
Current Liabilities			
Trade and other payables		269,379	626,945
Employee benefits		284,578	258,818
Total Current Liabilities		**553,957**	**885,763**
Total Liabilities		**553,957**	**885,763**
Net Assets		**11,644,218**	**8,852,413**
Equity			
Contributed equity	6	77,875,675	67,959,433
Share based payments Reserve	7	2,324,798	4,226,318
FVOCI Reserve		(141,467)	(151,009)
Accumulated losses		(68,421,588)	(63,189,129)
AAIS Reserve		6,800	6,800
TOTAL EQUITY		**11,644,218**	**8,852,413**

The above statement of financial position should be read in conjunction with the accompanying notes

Magnetic Resources NL
Statement of changes in equity
For the half-year ended 31 December 2024

	Note	Contributed Equity (Net of Costs)	Share Based Payments	FVOCI Reserve	Accumulated Losses	AAIS Reserve	Total
		$	$	$	$	$	$
Balance 1 July 2024		**67,959,433**	**4,226,318**	**(151,009)**	**(63,189,129)**	**6,800**	**8,852,413**
Loss after income tax expense for the year		-	-	-	(7,584,405)	-	(7,569,759)
Other comprehensive income/(loss) for the year, net of tax		-	-	9,542		-	9,542
Total comprehensive loss for the period		-	-	9,542	(7,584,405)	-	(7,560,217)
Issue of shares		10,000,000	-	-	-	-	10,000,000
Options converted to shares		517,178	-	-	-	-	517,178
Capital raising costs		(600,936)	-	-	-	-	(600,936)
Expired options		-	(2,337,300)	-	2,337,300	-	-
Share based payments	7	-	435,780	-	-	-	435,780
Balance 31 December 2024		**77,875,675**	**2,324,798**	**(141,467)**	**(68,421,588)**	**6,800**	**11,644,218**
Balance 1 July 2023		**51,391,366**	**3,088,829**	**(118,714)**	**(50,907,672)**	**250,000**	**3,703,809**
Loss after income tax expense for the year		-	-	-	(5,977,410)	-	(6,036,690)
Other comprehensive income/(loss) for the year, net of tax		-	-	(8,833)	-	-	(8,833)
Prior Period Adjustment		-	-	-	59,277	-	118,554
Total comprehensive loss for the period		-	-	(8,833)	(5,918,133)	-	(5,926,969)
Issue of shares		5,390,755	-	-	-	(250,000)	5,140,755
Options converted to shares		10,074	-	-	-	6,800	16,874
Capital raising costs		(109,975)	-	-	-	-	(109,975)
Share based payments	7	-	1,137,489	-	-	-	1,137,489
Balance 31 December 2023		**56,682,220**	**4,226,318**	**(127,547)**	**(56,825,805)**	**6,800**	**3,961,983**

The above statement of changes in equity should be read in conjunction with the accompanying notes

Magnetic Resources NL
Statement of cash flows
For the half-year ended 31 December 2024

	Notes	Half-Year Ended 31-Dec-24 $	Half-Year Ended 31-Dec-23 $
Cash flows from operating activities			
Payments to suppliers and contractors		(1,669,867)	(1,313,988)
Payments for exploration and evaluation		(5,685,226)	(3,710,413)
Interest received		33,361	-
Other revenue		-	-
Net cash used in operating activities		**(7,321,732)**	**(5,024,401)**
Cash flows from investing activities			
Payment for property, plant and equipment		(29,462)	(8,338)
Purchase of new tenements		(179,750)	-
Proceeds from Disposal of Plant & Equipment		-	-
Net cash used in investing activities		**(209,212)**	**(8,338)**
Cash flows from financing activities			
Proceeds from issue of shares and exercise of options		10,517,178	5,400,827
Capital Raising costs		(600,936)	(109,996)
Net cash from financing activities		**9,916,242**	**5,290,831**
Net decrease in cash and cash equivalents		**2,385,298**	**258,092**
Cash and cash equivalents at beginning of the period	4	9,221,563	4,102,162
Cash and cash equivalents at the end of the period	4	**11,606,861**	**4,360,254**

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover Magnetic Resources NL as an individual entity. The financial statements are presented in Australian dollars, which is Magnetic Resources NL's functional and presentation currency.

Magnetic Resources NL is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 1
44A Kings Park Road
West Perth WA 6005
T: (08) 9226 1777

A description of the nature of the company's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 13 February 2025.

Note 2. Material accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The Directors have also reviewed all the new and revised Standards and Interpretations in issue not yet adopted for the period ended 31 December 2024. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Company and, therefore, no change is necessary to Company accounting.

Going concern
The directors have prepared the financial statements of the company on a going concern basis. In arriving at this position, the directors have considered the following pertinent matters:

- cash on hand at the date of this report is $6,582,035 (30 June 2024: $9,196,737)
- current cash resources are considered adequate to fund the entity's immediate operating and exploration activities however, given the state of the equity markets, the rate of expenditure on exploration as a whole has been reduced; and
- the company has the ability to raise additional funds by the issue of additional shares or the sale of assets if a high level of exploration activity is to be undertaken.

The going concern basis is dependent on the company raising funds as required to pay its debts as and when they fall due. The directors are confident that this will be achieved.

Note 3. Operating segments

Identification of reportable operating segments
The Company has identified that it operates in only one segment based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. The Company's principal activity is mineral exploration.

Revenue and assets by geographical region

The Company's revenue is received from sources and assets which are located wholly within Australia.

Major customers
Due to the nature of its current operations, the Company does not provide products and services.

Note 4. Cash and cash equivalents

	31-Dec-24 $	30-Jun-24 $
Current		
Cash at bank	6,582,035	9,196,737
Cash on deposit	5,024,826	24,826
	11,606,861	9,221,563

Note 5. Property, plant and equipment

	31-Dec-24 $	30-Jun-24 $
Non-current		
Plant and equipment - at cost	173,321	143,859
Less: Accumulated depreciation	(126,473)	(119,498)
	46,848	24,361
Motor vehicles - at cost	161,285	161,285
Less: Accumulated depreciation	(161,285)	(161,285)
	-	-
	46,848	24,361

Reconciliations
Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

	Plant and equipment $
Balance at 1 July 2024	24,361
Additions	29,462
Depreciation Expense	(6,975)
Balance at 31 December 2024	46,848

Note 6. Contributed equity

	31-Dec-24 Shares	30-Jun-24 Shares	31-Dec-24 $	30-Jun-24 $
Ordinary shares - fully paid	266,761,150	258,000,593	77,875,675	67,959,432
Contributing shares - partly paid	20,418,862	20,418,862	-	-
	287,180,012	278,419,455	77,875,675	67,959,432

Movements in ordinary share capital

Details	Date	No. of Shares	Issue price ($)	$
Balance	1 Jul 24	258,000,593		67,959,433
Conversion of options into shares	14 Aug 24	741,667	0.68	504,333
Issue of placement shares at $1.25	7 Oct 24	8,000,000	1.25	10,000,000
Conversion of options into shares	20 Dec 24	18,890	0.68	12,845
Capital raising cost				(600,936)
Balance	31 Dec 24	266,761,150		77,875,675

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Contributing shares
Contributing shares were issued for nil consideration and require a further payment of $0.20 to become fully paid.

On a show of hands, every hold of contributing shares present at a meeting in person or by proxy, is entitled to one vote and upon a poll, each member present in person or by proxy or by attorney or duly authorised representative shall have a fraction of a vote for each partly-paid contributing share held. The fraction must be equivalent to the proportion which any amount paid (not credited) is of the total amounts paid (if any) and payable (excluding amounts credited). Any amounts paid in advance of a call are ignored when calculating these fractional voting rights.

Share buy-back
There is no current on-market share buy-back.

Note 7. Share based payment reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Share based payments reserve	**31-Dec-24**	**30-Jun-24**
	$	**$**
Opening balance	4,226,318	3,088,829
Share based payments	435,780	1,137,489
Options expired in the period	(2,337,300)	-
Closing balance	2,324,798	4,226,318

Movement in outstanding balances

	31-Dec-24	**30-Jun-24**
	#	**#**
Options on issue:		
Opening balance	**14,786,872**	**10,866,502**
Options issued in the period	-	3,935,185
Options converted in the period	(760,557)	(14,815)
Options expired in the period	(4,900,000)	-
Closing balance	9,126,315	14,786,872
Performance Rights on issue:		
Opening balance	-	-
Performance Rights issued on 6 December 2024	5,000,000	-
Closing balance	5,000,000	-

The Company has granted Performance Rights to certain directors, which are subject to specific vesting conditions. The fair value of these Performance Rights is recognised as an expense over the vesting period, with a corresponding increase in equity. The directors who received these performance rights are as below:

	Tranche A	**Tranche B**	**Tranche C**
George Sakalidis	1,000,000	500,000	500,000
Eric Lim	300,000	300,000	400,000
Hian Siang Chan	300,000	300,000	400,000
Ben Donovan	300,000	300,000	400,000

The total expense recognised for the Performance Rights during the period is calculated as follows:

- Tranche A: The fair value of the Performance Rights is recognised over the 3-year vesting period, adjusted for the estimated probability of achieving the vesting condition.
- Tranche B and Tranche C: The fair value of the Performance Rights is recognised over the 3-year vesting period, based on the Monte Carlo simulation results. The Company reassesses the likelihood of meeting the vesting conditions at each reporting date and adjusts the cumulative expense recognised accordingly.

The share-based payment expense recognised in the profit and loss for the half-year ended 31 December 2024 is $435,780, with a corresponding increase in the share-based payment reserve.

A summary of the performance rights and the valuation methodology is below:

	Tranche A	Tranche B	Tranche C
Grant Date	9-Oct-24	9-Oct-24	9-Oct-24
Number of Rights Issued	1,900,000	1,400,000	1,700,000
Expiry Date	9-Oct-29	9-Oct-29	9-Oct-29
Vesting Condition	The Company announces the commencement of commercial ore production of one of the Company's projects within 3 years from issue.	The Company achieving a market capitalisation of at least $420,000,000 over 30 consecutive trading days, within 3 years from issue.	The Company achieving a market capitalisation of at least $500,000,000 over 30 consecutive trading days, within 3 years from issue.
Exercise Price	Nil	Nil	Nil
Expected Volatility	50%	50%	50%
Risk-Free Rate	3.67%	3.67%	3.67%
Dividend Yield	0%	0%	0%
Valuation Methodology	Black Scholes	Monte Carlo	Monte Carlo
Fair Value per Right	$1.30	$1.11	$0.98
Total Value over entire vesting period	$2,470,000	$1,550,462	$1,660,480

Note 8. Dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 9. Fair value measurement

Fair value hierarchy
The following tables detail the Company's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Note 9. Fair value measurement (continued)

31 December 2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Ordinary shares at fair value through other comprehensive income	146,065	-	-	146,065
Total assets	146,065	-	-	146,065

30 June 2024	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Ordinary shares at fair value through other comprehensive income	136,524	-	-	136,524
Total assets	136,524	-	-	136,524

There were no transfers between levels during the financial half-year.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Note 10. Commitments

Tenement expenditure commitments

The Company has entered into certain obligations to perform minimum exploration work on tenements held or joint ventured into. These obligations vary from time to time in accordance with contracts signed. Tenement rentals and minimum expenditure obligations which may be varied or deferred on application to the Department of Mines and Petroleum are expected to be met in the normal course of business.

The Company continues to adopt a strategy of prioritising and significantly rationalising its tenement holdings. The tenements are located in Western Australia and are subject to legislative requirements with respect to the processes for application, grant, conversion and renewal. The tenements are also subject to the payment of annual rent and the meeting of minimum annual expenditure commitments. There is no guarantee that any applications, conversions or renewals for the Company's tenements will be granted. The inability of the Company to meet rent and expenditure requirements may adversely affect the standing of its tenements.

Note 11. Events after the reporting period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Magnetic Resources NL
Directors' declaration
31 December 2024

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2024 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act

2001. On behalf of the Directors

GEORGE SAKALIDIS
MANAGING DIRECTOR
13 February 2025

ELDERTON
AUDIT PTY LTD

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Magnetic Resources NL

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Magnetic Resources NL (the 'Company'), which comprises the condensed statement of financial position as at 31 December 2024, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the company does not comply with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Director's Responsibilities for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year Financial Report

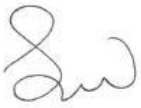
Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Elderton Audit Pty Ltd.

Elderton Audit Pty Ltd



Sajjad Cheema

Director

13 February 2025

Perth