



magnetic resources^{NL}

ASX Release

ASX code: MAU

28 April 2016

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PLACEMENT TO FUND GOLD EXPLORATION

ABN 34 121 370 232

Magnetic Resources NL (**Magnetic** or the **Company**) is delighted to announce that it has received commitments to raise \$600,000 through a placement of 12,000,000 shares (**Placement**).

The Placement, to existing and new shareholders, is to be completed at 5 cents per share, representing a discount of 10% to the closing price of 5.5 cents.

Settlement of the placement is scheduled to occur on 9 May 2016 and will be conducted within the Company's 15% placement capacity.

The placement also includes an issue of \$110,000 to Director Mr George Sakalidis and interests associated with Director Mr Eric Lim, with the issue of these shares subject to shareholder approval.

The funds will be used for the exploration and drilling of the recently acquired Marabou and Mt Jumbo projects where an initial RC program is being designed to test the highly encouraging historical work. The funds will also be used for additional working capital.

Commenting on the placement, Executive Director George Sakalidis said *"the new board of the Company has sought to explore some promising, potentially gold bearing tenements and it is encouraging to see current and new investors share that vision. These funds will allow for the initial exploration of what look like highly promising targets where some historical exploration has provided significant encouragement to commence additional exploration work."*

An Appendix 3B will follow.

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

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