



magnetic resources<sup>NL</sup>

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**RAISES \$2,000,000 TO FUND STRATEGIC  
EXPLORATION AT LAVERTON GOLD PROJECTS**

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Magnetic Resources NL (**Magnetic** or the **Company**) is pleased to announce that it has received irrevocable commitments for \$2,003,744 from new and existing shareholders via a placement of 25,689,026 shares at \$0.078 per share.

The Company initially sought to raise \$2 million and has scaled back applications due to being significantly oversubscribed.

The placement price represents an **18.7% premium to the 30 day average closing price** (where trades occurred) and is being conducted under the Company's existing placement capacity including the approval gained at the 31 May 2016 general meeting.

The raising is being undertaken to fund the Company's new direction into gold, with an aggressive exploration programme planned for the coming financial year.

The Company has recently lodged applications over several highly promising tenements at Mt Jumbo, Hawks Nest and Marabou, which all lie within the gold rich Leonora-Laverton gold belt.

Detailed 50m line spaced ground magnetic programmes have recently been undertaken to examine the potential for the discovery of high grade gold deposits, following historical drilling work which shows potential for intersections open at depth and along strike within the Mt Jumbo and Marabou shear zones, and over seven prospective Jupiter and Wallaby style intrusives.

Results are due to be announced shortly with an exploration team currently scheduled to conduct field reviews of the target zones identified.

It is anticipated that the Mt Jumbo tenement will be granted in September with the funds raised from this placement being used for further geochemical work together with RAB, RC and aircore drilling where appropriate to test some of the more prospective targets to depths of 200 metres.

The seven intrusive targets will also be initially followed up in October-November 2016 with drilling where appropriate.

Commenting on the success of the capital raising, Chairman Eric Lim noted *"the new board has taken a strategic decision to move away from iron ore and focus on gold, and the success of this capital raising, which has been heavily oversubscribed and supported by new and existing shareholders, shows that the Company is taking the right approach. We are encouraged by the exciting potential with these new applications, which lie within 10km of the Wallaby and Dacian Gold Ltd Jupiter deposits, and once granted we look forward to undertaking an aggressive drilling campaign at Mt Jumbo to test the gold rich shear zone mineralisation along strike and at depth."*

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The Company also notes that the recent selling pressure from a stock overhang associated with prior directors has likely ended.

It is anticipated that all funds will be cleared early next week. An Appendix 3B will be released at the time of the shares being issued.

Standard broker fees apply.

For more information on the Company visit [www.magres.com.au](http://www.magres.com.au)

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