DRILLING IN PROGRESS AT CARLISLE REEFS
First ever drill test of historic gold field

HIGHLIGHTS

- Carlisle Reef is a historical gold field currently defined over an 800m x 800m area with numerous historic gold workings, including shafts (20-30m deep), adits and drives, with a central lode strike length of over 700m.

- First ever drill test of the Carlisle Reefs goldfield: 13 RC holes for 1,912m completed to date.

- Drilling is expected to be completed on or around 20 May 2017; first results expected approximately three weeks after completion.

- Magmatic awarded a NSW government New Frontiers Drill Grant for the drilling which is further independent confirmation of the potential of the prospect.

Magmatic Resources Limited (ASX: MAG) is pleased to announce that drilling is in progress at the Carlisle Reefs gold prospect at the 100% owned Moorefield project in central NSW.

Commenting on the drill program, Magmatic’s Managing Director, Mr David Richardson said “Carlisle Reefs is just one of the 40 prospects/targets in Magmatic’s portfolio which were initially identified and advanced from Gold Fields previous $13.5m exploration program. We are excited to have begun our first drill program prior to ASX listing and are optimistic that Carlisle Reefs will deliver positive results given it is an historical gold field and look forward to the assay results coming out shortly.”

Carlisle Reefs is an old goldfield dating from the 1930’s which is not recorded on the NSW government mineral occurrence database. It is currently defined over an 800m x 800m area with numerous historic gold workings, including shafts (20-30m deep), adits and drives, with a central lode strike length of over 700m (Figure 1). Gold is associated with quartz-arsenopyrite-pyrite-native gold veins and sericite-carbonate-chlorite-quartz-sulphide altered shear zones. Significantly, the goldfield has never been drilled.

Magmatic commenced RC drilling at Carlisle Reefs on 3 May 2017 and is testing beneath the historic workings where the best rock chip and/or surface geochemical results were returned. A total of 13 holes for 1,912m have been completed to date with a further 2 holes (~300m) pending. The drilling is part funded by a NSW government New Frontiers Drill Grant.

The Carlisle Reefs drill program commenced prior to the Company’s ASX listing today, completing a successful $4 million Initial Public Offer. This is one of seven exploration programs planned for Magmatic’s East Lachlan projects in the first 12 months’ post IPO.
Figure 1 – Air photo of the Carlisle Reefs goldfield showing lode structures (red), historic workings (purple = shaft, green = major digging, blue = minor digging) and RC drill collars with azimuth (black).
Figure 2 – Location of Magmatic’s projects in East Lachlan province showing mines and advanced projects with selected metal endowments.

--ENDS--

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Competent Persons statement

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Gordon Barnes who is a Member of the Australian Institute of Geoscientists. Mr Barnes is a full-time employee of Magmatic Resources Limited and 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”. Mr Gordon Barnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Moorefield

The Moorefield project consists of one exploration licence EL7675 and is located 25km northeast of Condobolin (Figure 2). It covers the Ordovician Girilambone Group and volcanic units of the Silurian-Devonian Derriwong Group which are prospective for vein-hosted gold and skarn-related and VHMS-hosted base metal (± gold) deposits. The project has outcropping gold mineralisation at Carlisle Reefs, a historic goldfield with unknown production. No previous drilling has been undertaken at the goldfield.

About Magmatic Resources

Magmatic Resources Ltd (ASX: MAG) is a NSW-focused copper, gold and base metals explorer that listed on the ASX in May 2017. The Company’s portfolio consists of three 100% owned projects (Myall, Moorefield and Wellington North) and one joint venture project (Parkes) comprising seven granted exploration licences (856km²) in the East Lachlan province in central NSW. The East Lachlan province is host to major copper-gold mining operations within the Ordovician Macquarie Arc (Figure 2) with significant metal endowments¹ such as Cadia (52Moz Au & 9.2Mt Cu), Cowal (7.8Moz Au) and Northparkes (4Moz Au & 3.7Mt Cu). Other advanced projects include McPhillamys (2.2Moz Au), Marsden (1.2Moz Au & 0.68MtCu), Temora (1.8Moz Au & 0.43Mt Cu), Copper Hill (0.48Moz Au & 0.16Mt Cu) and Tomingley (0.76Moz Au). The portfolio was acquired from Gold Fields Australasia Pty Ltd (Gold Fields) in 2016 and is prospective for porphyry copper-gold, epithermal and orogenic gold deposits and skarn and VHMS base metals ± gold deposits. Gold Fields retains a significant shareholding in the Company.

¹ Endowment = production + resource current to January 2017