AIRCORE DRILLING IN PROGRESS AT LADY ILSE

Magmatic Resources Limited (ASX: MAG) is pleased to announce that a first round of aircore drilling has commenced this week at the Lady Ilse gold prospect within the Wellington North project (EL8357).

The Lady Ilse prospect is located 12km north of Wellington in the northern part of the Molong Volcanic Belt of the Macquarie Arc (Figures 1 and 2). The Wellington North project area is prospective for orogenic gold, epithermal gold and porphyry copper-gold deposits. Historical production from the orogenic vein-hosted gold deposits at Dicks Reward and Mitchells Creek was 230koz of gold at a gold grade of 26g/t Au\(^1\). Previous drilling intersected porphyry-style copper-gold mineralisation at Rose Hill, which included an intercept of 71m @ 0.3g/t Au, 0.43% Cu & 57ppm Mo from surface\(^1\).

At the Lady Ilse prospect, previous soil sampling and aircore drilling from the 1990s identified gold anomalism over a 400m diameter area coincident with a magnetic anomaly. Nearby drilling intersected strongly altered sub-volcanic porphyry. The gold anomaly remains open to the south.

A new round of aircore drilling is currently in progress. A total of 30 aircore holes for 750m is planned to test the prospect. The drilling will test the open gold anomaly for orogenic- to epithermal-style vein hosted gold mineralisation and porphyry-style copper-gold mineralisation.

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\(^1\) See MAG prospectus ASX release 17/05/2017
Figure 1 – Wellington North tenements showing regional magnetics RTP (colour) over tilt filter (texture). The Lady Ilse prospect is located 12km north of Wellington.
Figure 2 – Location of Magmatic’s projects in the East Lachlan province showing mines, advanced projects with selected metal endowments.

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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.

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Endowment = production + resource current to January 2017
About the Wellington North project
The Wellington North project consists of three tenements, EL6178, EL7440 and EL8357 (177km²) that are located north of Wellington NSW (Figure 2). The project is within the Molong Volcanic Belt which is part of the Ordovician Macquarie Arc. The project is prospective for orogenic gold, epithermal gold and porphyry copper-gold target styles.

About Magmatic Resources
Magmatic Resources Ltd (ASX: MAG) is a NSW-focused gold, copper and other base metals explorer that listed on the ASX in May 2017. The Company’s portfolio consists of four 100% owned projects Myall, Moorefield, Wellington North and Parkes (joint venture with JOGMEC) comprising eight tenements (1049km²) in the East Lachlan province in central NSW. This Province is host to major copper-gold mining operations within the Ordovician Macquarie Arc (Figure 1) with significant metal endowments 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 – world’s 7th largest gold miner) in 2016 and is prospective for porphyry copper-gold, epithermal and orogenic gold deposits and skarn and VHMS base metals ± gold deposits. Gold Fields spent over $13.5m exploring the projects and identified over 40 prospects (see Magmatic Prospect Pipeline) and retains a significant shareholding in the Company. Magmatic has 6 other separate exploration programs planned in the next 12 months across its 4 projects.

3 Endowment = production + resource current to January 2017