March 2018 Quarterly Activities Report

Highlights

Mt Venn Copper-Nickel-Cobalt Project (WA)
- Acquired the Mt Venn Cu-Ni-Co Project, which covers 60% of the Mt Venn intrusion, immediately along strike of Great Boulder Resources’ Mt Venn Cu-Ni-Co discovery

Yamarna Gold Project (WA)
- Acquired exploration ground in the Yamarna greenstone belt, where Magmatic has interpreted a major structure
- The underexplored belt is host to the 5.88Moz gold Gruyere deposit

Wellington North Gold & Gold-Copper Project (NSW)
- Lady Ilse gold-copper target RC drilling (14 holes for 1,360m) – following up AC drilling program last quarter (20m at 0.66 g/t Au in COAC0013 from 6m)
- Best intercept: 22m at 0.54g/t Au (CORC0036, from 18m)
- Drilling opened up 10km target corridor along Lady Ilse structure
- Rock chip sampling commenced in the Bodangora Mines area (historical production ~230,000oz Au with grades of up to 26 g/t Au).

Parkes Gold-Copper & Gold JV Project (NSW)
- MacGregors and MacGregors South RC drilling (23 holes for 1,852m)
- Best intercept: 10m at 1.25g/t Au (PERC021, from 146m)
- Diamond drilling at Buryan completed (2 holes for 1,265m), awaiting assays
- Targeting southern extension of gold-copper porphyry prospect
- Aeromagnetic survey completed

1 See MAG ASX release 13/11/2017
2 See MAG ASX release 19/02/2018
3 See MAG ASX prospectus 17/5/2017
4 See MAG ASX release 20/03/2018
• JV partner JOGMEC agreed to expand first year exploration to $1.35M

**Myall Gold-Copper Project (NSW)**

• AC drilling completed at Barina, Gemini and Kingswood (22 holes for 2,288m, including 5 diamond drilling tails for 586m), interpretation in progress
• Targeting Cowal-style gold and porphyry gold-copper

**Moorefield Gold & Base Metals Project (NSW)**

• Aeromagnetic survey completed

**Exploration Overview**

Exploration activity during the March quarter continued to focus on high-value gold-copper and gold targets. Magmatic also acquired new exploration ground over the Mt Venn intrusion in WA, prospective for Cu-Ni-Co mineralisation, as well as in the under-explored Yamarna greenstone belt.

Field work on the Company’s New South Wales projects included an aggressive drilling campaign completed across seven separate prospects. RC drilling at Lady Ilse (Wellington North) intersected significant gold-copper, opening up a mineralised corridor with 10km of potential strike. RC drilling at MacGregors and MacGregors South (Parkes JV) identified a 2km gold trend within the Parkes Fault Zone. RC drilling at Barina, Gemini and Kingswood (Myall) was completed and the results are still being interpreted at the time of this report. Diamond drilling at Buryan (Parkes JV) was completed, and Magmatic is also awaiting assays.

A surface geochemistry program is under way with rock chip sampling at Wellington North. While a 50m line-spaced aeromagnetic survey was completed over the Moorefield Project and the Parkes JV to assist with structural interpretation and targeting along the Ghost Hill skarn and Carlisle-Boxdale trend (Moorefield) and the Parkes Fault Zone (Parkes JV).

Planned work for the June quarter includes the processing and interpretation of the completed aeromagnetic survey data, the completion of the surface geochemistry programmes, and the interpretation of pending assays from drilling in the March quarter. Further Diamond and AC drilling is being planned at Lady Ilse, as well as further drill testing on the Moorefield, Wellington North and Parkes JV Projects, pending the interpretation of the aeromagnetic and geochemical survey results.
Figure 1 – Magmatic Resources Project Location Plan
Figure 2 – Location of Magmatic’s projects in the East Lachlan province showing mines and advanced projects with selected metal endowments\(^5\)

\(^5\) Endowment = production + current resource current to January 2017
Mt Venn Project: Copper, Nickel, Cobalt (MAG 100%)

**Targets:** Mt Venn-style copper-nickel-cobalt mineralisation.

Magmatic acquired the Mt Venn Cu-Ni-Co Project, which covers 60% of the Mt Venn intrusion (150km east of Laverton, WA). Key project details include:

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6 Endowment = Current Resources from 5/4/2018 GOR ASX release


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• Immediately along strike of Great Boulder Resources’ Mt Venn Cu-Ni-Co discovery⁸;
• Rock chip sampling on project by previous explorers has returned up to 24% Cu, 1.89% Ni and 0.18% Co⁹;
• Ground EM and heliborne VTEM surveys by previous explorers identified multiple conductors, which remain untested or with minimal follow-up; and
• Magmatic intends to commence field work at its Mt Venn project as soon as practicable with field reconnaissance, reprocessing of EM and VTEM data and an RC drill program scheduled this year.

**Figure 4 – Mt Venn Project, showing geology, rock chip sampling and drilling with significant intercepts**¹⁰

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⁸ See GBR ASX release 13/11/2017

⁹ See MAG ASX release 14/3/2018

¹⁰ See MAG ASX release 14/03/2018
Yamarna Gold Project (MAG 100%)  

**Target:** Gruyere-style gold mineralisation  

Magmatic acquired two gold exploration tenements (partly transacted in April, post period close\(^1\)) in the Yamarna greenstone belt, 40km west of its Mt Venn acquisition (150km northeast of Laverton, WA). Key project details include:

- Total project area of 252km\(^2\) in the underexplored Yamarna greenstone belt, just 15km northwest of the Gruyere (5.88Moz\(^2\)) gold mine which is currently under construction (Gold Fields/Gold Road JV);
- Magmatic’s exploration team have identified a large scale regional structure transecting its new tenements, interpreted to be prospective for gold;
- Previous exploration is limited and consists of shallow RAB and AC drilling, which Magmatic plans to follow-up with on-the-ground work in 2018 field season; and
- Highly promising early stage Yamarna Gold Project compliments Mt Venn Copper-Nickel-Cobalt Project acquired in March, 40km west of Yamarna.

Wellington North Gold & Gold-Copper Project (MAG 100%)  

**Targets:** porphyry gold-copper, epithermal gold and orogenic gold deposits  

The Wellington North Project continues to be a core focus for Magmatic, with significant on-the-ground exploration work completed during the period, including:

- Lady Ilse gold-copper target RC drilling (14 holes for 1,360m);
- Follow up to encouraging AC drilling program results last quarter (including 20m at 0.66 g/t Au from 6m, eoh\(^3\));
- The drilling identified intrusion-related gold-copper mineralisation under thin transported cover in multiple holes;
- An extensive gold-copper anomaly remains open along strike and to the east and it is apparent that transported cover has masked the mineralisation;
- Best intercept: 22m at 0.54g/t Au (CORC0036, from 18m)\(^4\); and
- Drilling opened up 10km target corridor along Lady Ilse structure

\(^{11}\) See MAG ASX release 11/4/2018

\(^{12}\) See GOR ASX release 5/4/2018

\(^{13}\) See MAG release 13/11/2017

\(^{14}\) See MAG ASX release 19/02/2018
Magmatic is planning diamond drilling at Lady Ilse to target structural controls as well as AC drilling to extend the mineralisation and test additional targets along the Lady Ilse structure in upcoming fieldwork.

Rock chip sampling is in progress over the Bodangora (EL7440) and Duke (EL6178) licences on the Wellington North Project, with first results announced post period close, and other results still pending.

*Figure 5 – Lady Ilse cross section*

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15 See MAG ASX Release 26/4/2018

16 See MAG ASX release 19/2/2018
Figure 6 – Wellington North location plan showing interpreted Lady Ilse structure\textsuperscript{17}

\textsuperscript{17} See MAG ASX release 19/2/2018
Figure 7 – Lady Ilse RC drilling plan.\(^{18}\)

\(^{18}\) See MAG ASX release 19/2/2018
Moorefield Gold & Base Metals Project (MAG 100%)

**Targets:** epithermal gold and orogenic gold deposits, and skarn-related and VHMS base metals ± gold deposits.

An aeromagnetic survey was flown at 50m line spacing over most of the Moorefield licence (EL7675) and part of the Derriwong licence (EL8669) during the quarter. Key program details:

- Survey designed to target the Ghost Hill skarn and the Boxdale-Carlisle Reefs gold trend, where Magmatic completed drilling last year with a best result of 30m at 1.60 g/t Au from 80m in MFRC013\(^\text{19}\); and
- Preliminary results received, to be processed and interpreted in June quarter

Compilation and review of previous exploration work on Derriwong licence granted last quarter is still in progress.

\(^{19}\) *See MAG ASX release 17/10/2017*
Figure 5 – Moorefield project showing tenement holdings over the RTP magnetic image, highlighting the Boxdale-Carlisle and Pattons trends as dashed white lines.
Figure 6 – Survey area of aeromagnetic survey
Myall Gold Copper Project (MAG 100%)

**Targets:** porphyry gold-copper, epithermal gold and orogenic gold deposits

AC drilling was completed in the period at the Barina, Gemini and Kingswood targets. The program consisted of 22 holes for 2,288m, including 5 AC holes with diamond tails for 586m. Interpretation of results from this program are in progress. Key program details:

- Drilling targeted Cowal-style gold and porphyry gold-copper; and
- Region surrounding Myall is well-endowed with economic mineralisation of this type.

**Figure 7** – Myall key prospects on RTP magnetics (mosaic of high resolution survey over regional survey)
Parkes Gold-Copper & Gold JV Project (MAG 100%, JOGMEC earning 51%)

Targets: porphyry gold-copper, epithermal gold and orogenic gold deposits

An RC drilling program was completed at Parkes, targeting the MacGregors and MacGregors South targets with 23 holes drilled for 1,852m in the quarter. Key program results:

- Best intercept at MacGregors 10m at 1.25g/t Au (PERC021, from 146m);
- Best intercept at MacGregors South 5m at 0.71g/t Au (PERC013, from surface); and
- 2km gold trend identified in the Parkes Fault Zone.

Diamond drilling was also completed on the Buryan target, with 2 holes drilled for 1,265m and assays pending. The drilling was targeting a southern extension of this gold-copper prospect.

An aeromagnetic survey was completed at 50m line spacing over most of the Parkes East licence (EL7676), with the survey targeting the Parkes Fault Zone where Magmatic identified a 2km gold trend at MacGregors and MacGregors South.

JV partner JOGMEC, the Japanese government-owned natural resources investment vehicle, agreed to expand its funding of the first year exploration at Parkes to $1.35M.

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20 See MAG ASX release 20/3/2018
Figure 8 – MacGregors and MacGregors South Prospect with outlines of geochemical anomalies (Au, As) and recent RC drilling

21 See MAG ASX release 20/3/2018
Figure 9 – Regional magnetic image (RTP colour over tilt filter texture) of the Parkes JV Project, showing prospects, selected metal endowments\(^2\) and aeromagnetic survey area.

\(^2\) Endowment = production + current resource, current to January 2017
Key Announcements in Period

Yamarna Project/ Acquisition (11/4/2018 ASX release)

Acquired two gold exploration tenements in the Yamarna greenstone belt (near Laverton, WA):

- Total project area of 252km² in the underexplored Yamarna greenstone belt;
- Large scale regional structure identified transecting tenements, interpreted to be prospective for gold;
- Previous exploration is limited and consists of shallow RAB and AC drilling, which Magmatic plans to follow-up with on-the-ground work in 2018 field season; and
- Yamarna Gold Project compliments Mt Venn Copper-Nickel-Cobalt Project acquired in March, 40km west of Yamarna.

Parkes JV Project Drilling Results (ASX release 20/03/2018)

MacGregors and MacGregors South RC drilling (23 holes for 1,852m) results:

- Best intercept at MacGregors 10m at 1.25g/t Au (PERC021, from 146m);
- Best intercept at MacGregors South 5m at 0.71g/t Au (PERC013, from surface); and
- 2km gold trend identified in the Parkes Fault Zone.

Mt Venn Project Acquisition (14/03/2018 ASX release)

Acquired Mt Venn Cu-Ni-Co Project over 60% of the Mt Venn intrusion (150km east of Laverton, WA):

- Immediately along strike of proven Cu-Ni-Co mineralisation; and
- Previous rock chip sampling has returned up to 24% Cu, 1.89% Ni and 0.18% Co.

Wellington North Project Drilling Results (19/02/2018 ASX release):

- Lady Ilse gold-copper target RC drilling (14 holes for 1,360m) completed;
- Best intercept: 22m at 0.54g/t Au (CORC0036, from 18m);
- Drilling opened up 10km target corridor along Lady Ilse structure; and
- Follow-up diamond and AC drilling planned
# Magmatic Tenement Listing

(As at 31 March 2018)

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<tr>
<th>State</th>
<th>Project</th>
<th>Lease No</th>
<th>Status</th>
<th>JV Project</th>
<th>Manager</th>
<th>Magmatic interest&lt;sup&gt;23&lt;/sup&gt;</th>
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<sup>23</sup> All tenements are held by Modelling Resources Pty Ltd which is a 100% owned subsidiary of Magmatic Resources Ltd.

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About Magmatic’s Project Portfolio

Magmatic Resources is a multi-commodity exploration company that listed on the ASX in May 2017 with a New South Wales – East Lachlan-focused portfolio focused on gold, copper and other base metals including zinc. Magmatic has recently acquired two Western Australian projects: Yamarna (gold) and Mt Venn (copper-nickel-cobalt) in Australia’s newest goldfield, the Yamarna Belt, 200 kilometres east of Laverton in Western Australia.

New South Wales – East Lachlan

The Company has four 100% owned projects covering an area of 1049km² – Myall, Moorefield, Wellington North and Parkes (joint venture with JOGMEC) – comprising eight tenements (1049km²) in the East Lachlan Fold Belt province in central NSW. This Province is host to major gold and copper mining operations within the Ordovician Macquarie Arc, with significant metal endowments²⁴ such as Cadia Valley (48.7 Moz Au and 6.5 Mt Cu), Cowal (8.35 Moz Au) and Northparkes (3.8 Moz Au & 3.4 Mt Cu). Other mines and advanced projects in the region include McPhillamys (2.2 Moz Au), Temora (2.1 Moz Au and 0.8 Mt Cu), and Tomingley (0.8 Moz Au).

The NSW portfolio was acquired from Gold Fields (world's 7th largest gold miner) in 2016 and is prospective for porphyry gold-copper, epithermal and orogenic gold deposits and skarn and VHMS base metals ± gold deposits. Gold Fields spent more than $13.5m exploring the projects and identified more than 40 prospects and retains a 20% shareholding in Magmatic. The Company is focused on advancing priority, near surface gold prospects, while joint venturing its larger gold-copper porphyry projects.

Western Australia – Yamarna and Mt Venn

Magmatic’s Yamarna gold project is in the central part of the Yamarna greenstone belt and 15km from the 5.88 Moz²⁵ Au Gruyere deposit. Gold Road Resources announced a $23M (163,500m) 2018 greenfield exploration budget on its nearby Yamarna tenements.

The Company purchased the Mt Venn copper-nickel-cobalt project in March 2018 (ASX: MAG 11/04/2018), where exploration licence E38/2961 covers 60% of the Mt Venn Igneous Complex and is immediately along strike from the recent copper-nickel-cobalt sulphide discovery of the same name by Great Boulder Resources.


²⁵ See GOR ASX release 27/3/2018
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 Steven Oxenburgh who is a Member of the AusIMM (CP) and a Member of the Australian Institute of Geoscientists. Mr Oxenburgh 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 Oxenburgh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Additionally, Mr Oxenburgh confirms that the entity is not aware of any new information or data that materially affects the information contained in the ASX releases referred to in this report.