ASX / Media Release

8 May 2018

Magmatic completes acquisition of the Mt Venn Copper-Nickel-Cobalt Project in Western Australia

 Highlights

- Previously announced binding agreement with Montezuma Mining Company Limited (ASX: MZM) to acquire 100% of E38/2961 (Mt Venn Project) has now been completed

- New exploration licence covers key landholding prospective for copper, nickel and cobalt, including more than 60% of the Mt Venn Igneous Complex, 120km east of Laverton in WA

- Best intercepts from historic drilling have been reported at: 4m @ 1.29% Cu, 0.68% Ni, 0.064% Co, including 2m at 1.17 % Cu, 1.18 % Ni, and 0.11% Co (from 34m); and 12m at 0.30% Cu, 0.11% Ni and 0.042% Co

- The project is immediately north of Great Boulder Resources Ltd (GBR) recently announced copper-nickel-cobalt discovery

- Initial exploration program will include field reconnaissance, reprocessing EM and VTEM data and RC drilling

Magmatic Resources Limited (“Magmatic” or the “Company”) (ASX: MAG) is pleased to announce it has completed the transaction to acquire the Mt Venn Copper-Nickel-Cobalt Project, located 120km east of Laverton in Western Australia, providing the Company coverage of 60% of the Mt Venn Igneous Complex in a proven mineralised district.

The acquisition of exploration licence E38/2961, constituting the Mt Venn Copper-Nickel-Cobalt Project, provides Magmatic with immediate access to a highly prospective geological setting, immediately along strike from the copper-nickel-cobalt discovery successfully drilled by Great Boulder Resources immediately south of Magmatic’s project.

The Company has subsequently acquired and applied for two gold exploration licences (252km²), constituting the Yamarna Gold Project, in the Yamarna greenstone only 40km northeast of the Mt Venn Project belt. The Yamarna greenstone belt hosts the 6Moz Gruyere gold mine currently under construction by joint venture partners Gold Fields and Gold Road Resources. Magmatic’s tenements are only 15km from Gruyere.
Magmatic completed the transaction with Montezuma on the terms outlined when the acquisition was announced in March (ASX MAG release 14/3/2018).

Previous exploration at E38/2961 has highlighted numerous copper-nickel-cobalt prospects (see ASX release MAG 14/3/2018), with sampling of Mt Venn gossan outcrop by previous explorers returning best grades of 24% Cu, 13.2% Cu, 8.3% Cu and 6.7% Cu. Detailed ground EM and heliborne VTEM surveys by previous explorers identified multiple conductors, some of which remain untested along a prospective 7km strike length.

Best intercepts from historic drilling have been reported at: 4m @ 1.29% Cu, 0.68% Ni, 0.064% Co (MVRC010, from 33m), including 2m at 1.17 % Cu, 1.18 % Ni, and 0.11% Co (from 34m); and 12m at 0.30% Cu, 0.11% Ni and 0.042% Co (MVRC001, from 92m).

Magmatic Resources Managing Director David Richardson said: "We are very pleased to complete this transaction and believe our Mt Venn Copper-Nickel-Cobalt Project represents potential near-term upside for our shareholders."

“We intend to commence fieldwork at the property to build on the previous exploration datasets, as well as reprocessing EM and VTEM data to assist planning for our drilling program.”

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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 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, Mt 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.
Figure 1 – Magmatic Resources Western Australian Project Location Plan.
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 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 endowments1 such as Cadia Valley (48.7Moz Au and 6.5Mt Cu), Cowal (8.35Moz Au) and Northparkes (3.8Moz Au & 3.4Mt Cu). Other mines and advanced projects in the region include McPhillamys (2.2Moz Au), Temora (2.1Moz Au and 0.8Mt Cu), and Tomingley (0.8Moz 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 5.88Moz2 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.

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1 Metal endowment from: Phillips, G N (Ed), 2017. Australian Ore Deposits (The Australasian Institute of Mining and Metallurgy: Melbourne)

2 ASX: GOR 27/03/2018