June 2018 Quarterly Activities Report

Highlights

**EXPLORATION**

Wellington North Gold & Copper-Gold Project (NSW):
- Rock chip sampling in the historical Bodangora Mines area (historical production ~230,000oz Au\(^1\) with an average grade of 26 g/t Au).
  - Best result 92.8g/t Au from Dicks Reward mine\(^2\)
  - Results also include 2.23g/t Au from Bodangora South 2.5km south of Dicks Reward\(^3\)
- Rock chip samples at Morley and Rockleigh targets returned up to 7.7% Cu and 113g/t Ag at Morley and 1.0g/t Au at Rockleigh\(^4\)
- RC drilling planned at Bodangora and Bodangora South in Quarter 3 to target high-grade, near-surface gold

Parkes Copper-Gold & Gold JV Project (NSW):
- Aeromagnetic survey interpretation completed
  - Eleven targets identified under shallow cover with little sampling and no previous drilling
- Geochemical sampling over first target areas in progress

Myall Copper-Gold Project (NSW):
- Four priority targets identified from review of drilling data and RC chips and core
  - Targets include SLR with two end-of-hole (eoh) anomalies of 1m at 0.22% Cu (MYAC153, from 146m) and 1m at 0.16% Cu and 0.62 g/t Au (MYAC152, from 161m)\(^5\); and
  - Kingswood, where the area north of MYACD001 (e.g. 52m at 0.67% Cu, 0.2 g/t Au, from 144m) is untested for over 250m and open towards early reconnaissance hole NACD089 (14m at 0.14% Cu, 0.05 g/t Au from 130m) with only 1 DD hole following up (NACD156: e.g. 22m at 0.21% Cu and 0.2 g/t Au, from 374m).\(^6\)

Moorefield Gold and Base Metals Project (NSW):
- Interpretation of aeromagnetic survey flown last quarter has started, results to be released next quarter

**TWO (2) ACQUISITIONS IN YAMARNA WESTERN AUSTRALIA**

Mt Venn Copper-Nickel-Cobalt Project (WA):
- Completed the acquisition of 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):
- 3 tenements totalling 355km\(^2\) near the newly discovered 5.88Moz gold Gruyere mine being built\(^6\)
- 2 tenements under application and 1 acquired only 15km from the Gruyere deposit), where MAG has interpreted a major structure

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\(^1\) See MAG ASX prospectus 17/5/2017
\(^2\) See MAG ASX release 10/5/2018
\(^3\) See MAG ASX release 26/04/2018
\(^4\) See MAG ASX release 4/6/2018
\(^5\) See MAG ASX release 20/6/2018
\(^6\) See MAG ASX release 11/4/2018
Exploration Overview

Exploration activity during the June quarter continued to focus on high-value copper-gold and gold targets.

Field work on the Company’s New South Wales projects included a rock chip sampling program at the historical Bodangora Mines, Bodangora South, Morley and Rockleigh (Wellington North). Sampling returned significant Au and Cu results and drilling is planned at Bodangora next quarter.

The aeromagnetic survey flown over much of the Parkes Project last quarter was interpreted and eleven target areas were identified. Geological work on those targets has started, including mapping and geochemical sampling. Results are expected next quarter.

A review of the Myall drilling data was completed, which has included drilling completed last quarter. The review has outlined four porphyry copper-gold targets to advance. In line with the company’s strategy, MAG has continued to identify and has discussions with potential JV partners.

The 50m line-paced aeromagnetic survey completed over the Moorefield Project last quarter was processed and interpretation has started. Results from the interpretation are expected next quarter.

Planned work for the September quarter includes drilling at Bodangora (Wellington North), the completion of the surface geochemistry program at Parkes JV and the interpretation of the aeromagnetic survey data at Moorefield. Drilling is being planned at Lady Ilse, as well as further drill testing on the Moorefield 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, NSW showing mines and advanced projects with selected metal endowments

Endowment = production + current resource current to January 2017
Wellington North Gold & Copper-Gold Project (MAG 100%)

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

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

- Rock chip sampling at Bodangora returned 92.8 g/t Au from the historical Dicks Reward mine and 2.2 g/t Au from Bodangora South, 2.5km south of Dicks Reward;
- Rock chip sampling at Morley and Rockleigh returned up to 7.7% Cu and 113 g/t Ag at Morley and 1.0 g/t Au at Rockleigh;
- Magnetic interpretation and modelling at the Lady Ilse target indicates a deep magnetic feature that has not yet been reached with drilling; and
- Previous drilling at Lady Ilse identified intrusion-related copper-gold mineralisation under thin transported cover in multiple holes:
  - The best result was: 22m at 0.54 g/t Au (CORC0036, from 18m)\(^9\)

Magmatic is planning RC drilling at Bodangora and Bodangora South, targeting high-grade, near-surface gold mineralisation. Drilling will commence in next quarter. Magmatic is also planning drilling at Lady Ilse to target the magnetic anomaly identified this quarter as well to extend the mineralisation and test additional targets along the Lady Ilse structure. Magmatic is completing a geological interpretation of the Morley and Rockleigh targets.

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**Figure 3** – Wellington North location plan showing interpreted Lady Ilse structure\(^9\)

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\(^{8}\) See MAG ASX release 19/02/2018  
\(^{9}\) See MAG ASX release 4/6/2018
Figure 4 – Bodangora Mines area geological interpretation showing old workings, cover and rock chip results

Figure 5 – Wellington North: Location of rock chip samples on magnetics, total magnetic intensity. The map shows interpreted circular magnetic features. Yellow boxes current sampling results, white boxes previous results.

Figure 6 – Lady Ilse cross section showing modelled magnetic anomaly at depth

10 See MAG ASX release 10/5/2018
11 See MAG ASX release 4/6/2018
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) last 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; and
- Final results received and processed, and interpretation has started with results to be released next quarter.

Figure 7 – Moorefield project showing tenement holdings over the RTP magnetic image, highlighting the Boxdale-Carlisle and Pattons trends as dashed white lines

Figure 8 – Moorefield Project: Survey area of aeromagnetic survey

12 See MAG ASX release 4/6/2018
13 See MAG ASX release 17/10/2017
Myall Copper Gold Project (MAG 100%)

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

Magmatic completed a target review which identified four high-order copper-gold porphyry targets within previously identified porphyry copper-gold systems. The review included:

- The integration of new drilling data (22 AC holes for 2,288m, including 5 AC holes with diamond tails for 586m) into a map of copper and gold mineralisation of the project;
- An analysis of depth of cover identified two palaeohighs, possibly associated with mineralisation;
- Compilation and review of all petrographic data available on the Myall Project which shows that we are in a porphyry copper-gold system with features typical of those mineralised systems;
- 3D assessment of target areas; and
- Review of chip trays and drill core at selected targets.

The four target areas for Magmatic are:

- SLR: end-of-hole (eoh) anomalies of 1m at 0.22% Cu (MYAC153, from 146m) and 1m at 0.16% Cu and 0.62 g/t Au (MYAC152, from 161m);
- Kingswood: north of MYACD001 (e.g. 52m at 0.67% Cu, 0.2 g/t Au, from 144m) is untested for over 250m and open towards early reconnaissance hole NACD089 (14m at 0.14% Cu, 0.05 g/t Au from 130m) with only 1 DD hole following up (NACD156: e.g. 22m at 0.21% Cu and 0.2 g/t Au, from 374m);
- Calais East: three 250m-spaced porphyry AC holes with anomalous gold and copper, and ending in anomalous gold: e.g. 1m at 0.11 g/t Au, 261ppm Cu (MYAC125, from 124m, eoh) and 2m at 0.1 g/t Au, 167ppm Cu (MYAC160, from 137m, eoh); and
- Northern palaeohigh: Palaeo topographical feature may be related to alteration and is poorly tested.

![Myall drilling and copper and gold contours (>0.1% Cu and >0.1g/t Au) on reduced to pole aeromagnetic image (left); and four target areas on interpreted basement geology.](image)

**Figure 9** – Myall drilling and copper and gold contours (>0.1% Cu and >0.1g/t Au) on reduced to pole aeromagnetic image (left); and four target areas on interpreted basement geology.

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14 See MAG ASX release 20/6/2018
15 See MAG ASX release 20/6/2018
Parkes Copper-Gold & Gold JV Project (MAG 100%, JOGMEC earning 51%)

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

Aeromagnetic targeting and interpretation was completed this quarter and 11 new gold and copper-gold targets have been identified. The aeromagnetic survey was completed last quarter 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\textsuperscript{16}.

The targets have been field verified, showing areas of interpreted shallow cover (less than 5-10m) with very little previous sampling and no previous drilling. Magmatic has started geochemical sampling over the target areas. Results are expected next quarter.

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\textit{Figure 10} – Parkes East EL7676 showing new gold and copper-gold targets on RTP aeromagnetic image\textsuperscript{17}

\textit{Figure 11} – Regional magnetic image (RTP colour over tilt filter texture) of the Parkes JV Project, showing prospects, selected metal endowments\textsuperscript{18} and aeromagnetic survey area.

\textsuperscript{16} See MAG ASX release 20/3/2018

\textsuperscript{17} See MAG ASX release 28/5/2018

\textsuperscript{18} Endowment = production + current resource, current to January 2017
Yamarna Gold Project (MAG 100%)

**Target:** Gruyere-style gold mineralisation

Magmatic added a new gold project in Yamarna Western Australia which consists of 2 tenements under application and 1 tenement which was acquired. The Yamarna Project is located in the Yamarna greenstone belt, 40km west of the Mt Venn Project (150km northeast of Laverton, WA). Key project details include:

- Total project area of 355km² in the underexplored Yamarna greenstone belt, just 15km northwest of the Gruyere (5.88Moz\(^19\)) 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 tenements, interpreted to be prospective for gold;
- The newest tenement application sits west of the Yamarna shear zone, which hosts 0.6Moz Au in the Golden Hwy (Atilla-Alaric trend\(^21\));
- 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 complements Mt Venn Copper-Nickel-Cobalt Project acquired in March, 40km west of Yamarna.

\(^{19}\) Endowment = Current Resources from 5/4/2018 GOR ASX release


\(^{21}\) See GOR ASX release 9/7/2018
Mt Venn Project: Copper, Nickel, Cobalt (MAG 100%)

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

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

- Immediately along strike of Great Boulder Resources’ Mt Venn Cu-Ni-Co discovery;
- Rock chip sampling on project by previous explorers has returned up to 24% Cu, 1.89% Ni and 0.18% Co;
- 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.

![Mt Venn Project](image)

**Figure 13 – Mt Venn Project, showing geology, rock chip sampling and drilling with significant intercepts**

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22 See GBR ASX release 13/11/2017
23 See MAG ASX release 14/3/2018
24 See MAG ASX release 14/03/2018
Key Announcements in Period

Myall Project Four Target areas (20/6/2018 ASX release)
Four new untested, high-order geological-geochemical-geophysical targets identified within porphyry copper system after review of drilling data, rock chips and core from selected targets. Targets are:

- SLR: end-of-hole (eoh) anomalies of 1m at 0.22% Cu (MYAC153, from 146m) and 1m at 0.16% Cu and 0.62 g/t Au (MYAC152, from 161m);
- Kingswood: north of MYACD001 (e.g. 52m at 0.67% Cu, 0.2 g/t Au, from 144m) is untested for over 250m and open towards early reconnaissance hole NACD089 (14m at 0.14% Cu, 0.05 g/t Au from 130m) with only 1 DD hole following up (NACD156: e.g. 22m at 0.21% Cu and 0.2 g/t Au, from 374m);
- Calais East: three 250m-spaced porphyry AC holes with anomalous gold and copper, and ending in anomalous gold: e.g. 1m at 0.11 g/t Au, 261ppm Cu (MYAC125, from 124m, eoh) and 2m at 0.1 g/t Au, 167ppm Cu (MYAC160, from 137m, eoh); and
- Northern palaeohigh: Palaeo topographical feature may be related to alteration and is poorly tested.

Wellington North Project Rock Chip Sampling (4/6/2018 ASX release)
Rock chip sampling from the Morley and Wellington North Project included:

- 7.7% Cu and 113g/t Ag at Morley; and
- 1.0g/t Au at Rockleigh.

Parkes JV Project Aeromagnetic Interpretation and Targets (28/5/2018 ASX release)
Interpretation of aeromagnetic survey flown last quarter has outlined eleven targets:

- Eight new copper-gold targets and three new orogenic, structurally controlled targets; and
- Target have been field verified and have shallow cover (less than 10m), little sampling and no known previous drilling.

Wellington North Project Rock Chip Sampling at Bodangora (10/5/2018 ASX release)
Rock chip samples from the historical Bodangora mines area confirmed the high-grade gold target at Bodangora. Best result was a 92.8g/t Au rock chip from the Dicks Reward mine.

Mt Venn Project Acquisition Completion (8/5/2018 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 24% Cu, 1.89% Ni and 0.18% Co.

Wellington North Project Bodangora South Rock Chip Samples (26/4/2018 ASX release)
Rock chip samples at Bodangora South returned up to 2.2g/t Au from workings in shallow cover, 2.5km south from the historical Bodangora Mines.

Yamarna Project Acquisition (11/4/2018 ASX release)
Acquired two gold exploration tenements in the Yamarna greenstone belt (near Laverton, WA): A third tenement was acquired post release.

- Total project area of 355km² 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 complements Mt Venn Copper-Nickel-Cobalt Project (40km west) acquired in March.
Magmatic Tenement Listing
(As at 30 June 2018, see footnote 25)

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25 All tenements are held by Modelling Resources Pty Ltd which is a 100% owned subsidiary of Magmatic Resources Ltd
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 endowments 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 copper-gold, 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 copper-gold 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 5.88Moz 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, 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.

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.


27 See GOR ASX release 27/3/2018

28 See MAG ASX release 11/4/2018