

## ASX / Media Release

9 October 2018

# Magmatic completes Yamarna tenement acquisition; field work to commence on Yamarna gold project and Mt Venn copper-nickel-cobalt project

### Highlights

- Magmatic's Yamarna Gold Project (totalling 252km<sup>2</sup>) is located alongside the new Gruyere 5.88Moz gold mine under construction owned by Gold Road and Gold Fields east of Laverton in Western Australia
- Transaction completed to acquire Landslide Investments Pty Ltd, holder of Exploration Licence E38/2918 at Magmatic's Yamarna Project
- E38/2918 covers area of 61km<sup>2</sup> where Magmatic has interpreted a transecting shear zone from previous exploration and modelling
- Field campaign led by senior Magmatic exploration personnel to commence at Yamarna and the company's nearby Mt Venn Copper-Nickel-Cobalt Project

Magmatic Resources Limited ("Magmatic" or the "Company") (ASX: MAG) is pleased to announce it has completed the acquisition of Landslide Investments Pty Ltd, holder of Exploration Licence E38/2918, which forms part of Magmatic's Yamarna Gold Project. The transaction was first announced on 11 April 2018<sup>1</sup>, and the Company is now preparing to mobilise its senior exploration personnel to site to follow-up target generation work completed on the Yamarna Project to date.

Magmatic also has the adjoining Exploration Licence E38/3312 under application, which when granted will grow the strategic Yamarna land position to 252km<sup>2</sup> within Australia's newest emerging gold production belt, where the 5.88Moz Gruyere gold mine development located just 15km to the east of Magmatic's project is due to come into production in mid-2019.

Exploration Licence E38/2918, located 150km northeast of Laverton, covers 61km<sup>2</sup> of prospective ground in an underexplored area of the Yamarna greenstone belt, where Magmatic has interpreted a shear zone which may be prospective for gold mineralisation. The interpreted shear zone that transects Magmatic's Yamarna Project lies between and runs in parallel to the Dorothy Hills Shear Zone (host to Gruyere) and the Yamarna Shear Zone, which also hosts several known gold deposits.

The completion of this Yamarna acquisition follows the earlier move by Magmatic into the highly mineralised region east of Laverton, where in May<sup>2</sup> the Company finalised the separate acquisition of the Mt Venn Copper-Nickel-Cobalt Project along strike from Great Boulder Resources' copper-nickel-cobalt sulphide discovery on the Mt Venn Igneous Complex, of which Magmatic's land holding covers 60% of the complex and where previous sampling identified copper-bearing gossans. Drilling by a previous explorer returned intersections including 4m at 1.29% Cu, 0.68% Ni, 0.065% Co from 33m (including 2m at 1.17 % Cu, 1.18 % Ni, and 0.11% Co from 34m)<sup>3</sup>.

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<sup>1</sup> Please refer to MAG ASX release dated 11 April 2018

<sup>2</sup> Please refer to MAG ASX release dated 8 May 2018

<sup>3</sup> Please refer to MAG ASX release dated 14 March 2018



Managing Director David Richardson said: "We believe the strategic land positions we have now acquired in Western Australia with Yamarna, and Mt Venn earlier in the year, will add value to the Company through short term target generation opportunities."

"Major international gold producer Gold Fields has recognised the potential of the Yamarna greenstone belt as being a long term, high margin production opportunity for its portfolio, opting to participate in a 50% joint venture partnership with Australian explorer Gold Road Resources to develop the Gruyere mine and continue to explore the associated tenements. Gold Fields has also invested in a strategic 10% corporate shareholding of Gold Road. Magmatic acquired its advanced New South Wales project portfolio from Gold Fields prior to listing in May 2017 and Gold Fields also continues to maintain a strategic 15% shareholding in Magmatic.

"Although previous exploration is limited on our land holding, we have successfully targeted tenements within known mineralised belts and a further assessment of prospectivity will be carried out on-the-ground when our Exploration Manager leads a campaign of field work on our two Western Australian projects due to start as soon as possible."

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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, 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.



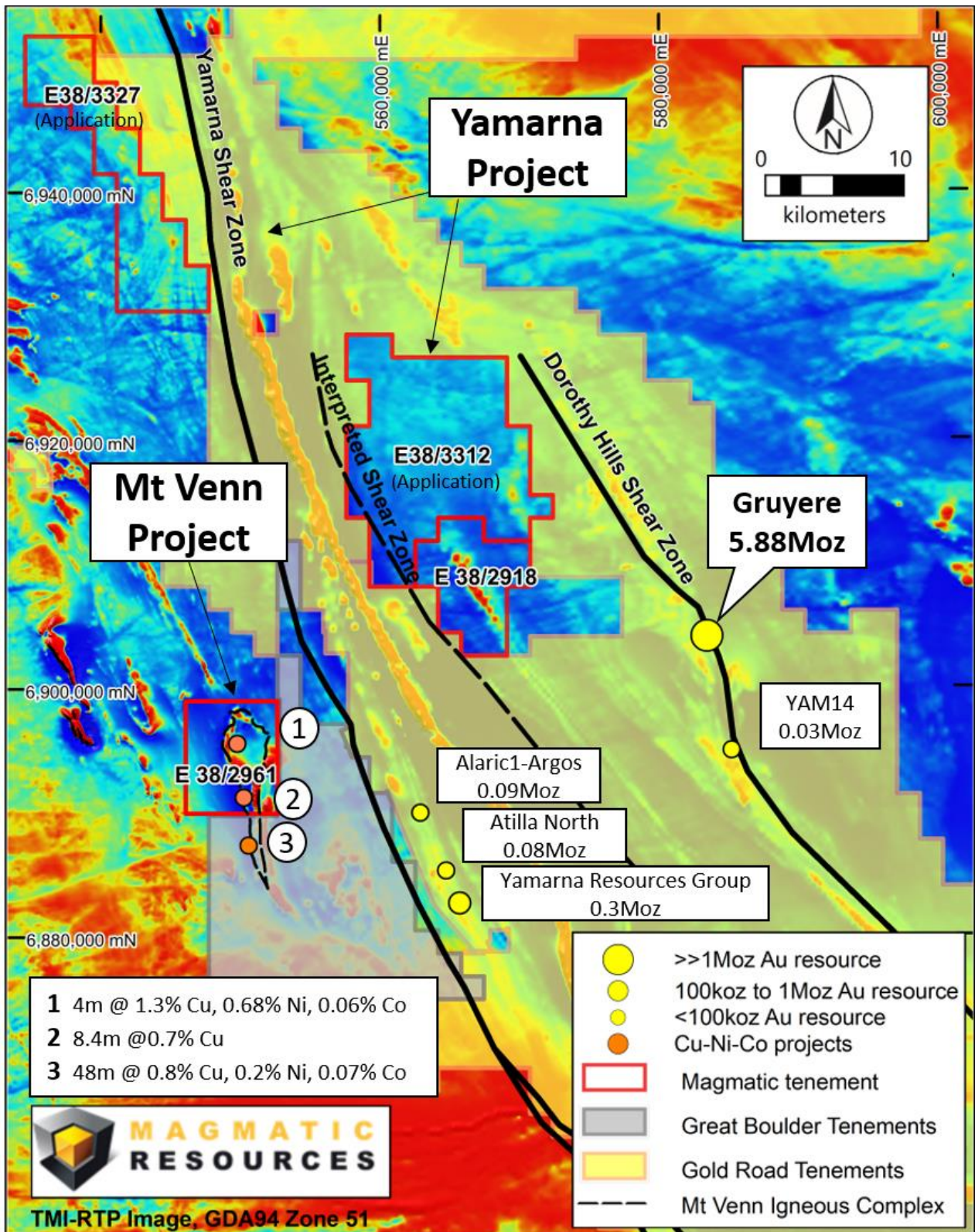


Figure 1: Magmatic's Yamarna and Mt Venn projects in Western Australia highlighting regional geology, aeromagnetic data and location plan.



## About Magmatic's Project Portfolio

Magmatic Resources is a multi-commodity exploration company that listed on the ASX in May 2017 with four projects in the East Lachlan, New South Wales; a focused portfolio of gold, copper and other base metals. 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 – Myall, Moorefield, Wellington North and Parkes (joint venture with JOGMEC) – comprising eight tenements (1049km<sup>2</sup>) in the East Lachlan Fold Belt in central NSW. This province is host to major gold and copper mining operations within the Ordovician Macquarie Arc, with significant metal endowments<sup>3</sup> such as Newcrest's Cadia Valley (48.7Moz Au and 6.5Mt Cu), Evolution's Cowal (8.35Moz Au) and China Moly – Sumitomo's Northparkes (3.8Moz Au and 3.4Mt Cu). Other mines and advanced projects in the region include Regis' McPhillamys (2.2Moz Au), Sandfire's Temora (2.1Moz Au and 0.8Mt Cu), and Alkane's 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 Gold Road Resources and Gold Field's 5.88Moz<sup>4</sup> Au Gruyere deposit. Gold Road 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.

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<sup>3</sup> Metal endowment from: Phillips, G N (Ed), 2017. Australian Ore Deposits (The Australasian Institute of Mining and Metallurgy: Melbourne)

<sup>4</sup> ASX: GOR 27/03/2018

