MAGMATIC RESOURCES LTD
ACN 615 598 322

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at
at Suite 8, 1297 Hay St, West Perth, WA, 6005 on
Friday 22 November 2019 at 8.30am (WST).

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they
should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to
voting.

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on
(08) 6148 1000.
NOTICE OF GENERAL MEETING

Notice is hereby given that the general meeting of Shareholders of Magmatic Resources Ltd (Company) will be held at Suite 8, 1297 Hay St, West Perth, WA, 6005 on Friday, 22 November 2019 at 8.30am (WST) (Meeting).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Wednesday, 20 November 2019 at 5.00pm (WST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Section 11.

AGENDA

1. Resolution 1 – Ratification of Tranche 1 Placement Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 10,500,000 Shares at an issue price of $0.08 (Tranche 1 Placement Shares) on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of these Shares or any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. Resolution 2 – Authority to issue Tranche 2 Placement Shares

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, for the purpose of Listing Rule 7.1 and for all other purposes, Shareholders approve and authorise the Company to issue up to 17,000,000 Shares (Tranche 2 Placement Shares) on the terms and conditions set out in the Explanatory Memorandum.”
Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who may participate in the issue of the Tranche 2 Placement Securities, and a person who might obtain a material benefit as a result of the issue of the Tranche 2 Placement Securities (except a benefit solely in their capacity as holder of ordinary securities) or any associates of those persons, if the Resolution is passed.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. Resolution 3 – Ratification of Unlisted Options to Salient Corporate

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 11,500,000 Unlisted Options to Salient Corporate or its nominee for nil consideration as part of its engagement as a corporate advisor to the Company on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of these Unlisted Options or any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Approval to issue Unlisted Options to Salient Corporate

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.1, Shareholders approve the issue of 8,500,000 Unlisted Options to Salient Corporate or its nominee for nil consideration as part of its engagement as a corporate advisor to the Company on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in, or who will obtain a material benefit as a result of, the issue of these Unlisted Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any of their associates.
However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 5 – Approval to issue Unlisted Options to Tony Walsh

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of Listing Rule 7.1, Shareholders approve the issue of 2,000,000 Unlisted Options to Tony Walsh or his nominee for nil consideration as part his remuneration as a company secretary to the Company on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in, or who will obtain a material benefit as a result of, the issue of these Unlisted Options (except a benefit solely by reason of being a holder of ordinary securities in the Company) or any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Ratification of issue of Shares to North Iron Cap

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 1,000,000 Shares to Golden Valley Holdings Pty Ltd, the nominee of North Iron Cap at a deemed issue price of $0.075 (Settlement Shares) as part of settlement with the Company on 11 October 2019 on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of these Shares or any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.
7. **Resolution 7 – Ratification of issue of Unlisted Options to Blue Cap**

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the prior issue by the Company of 3,000,000 Unlisted Options to Blue Cap or its nominee for nil consideration as part of its settlement with the Company on 11 October 2019 on the terms and conditions set out in the Explanatory Memorandum."

**Voting Exclusion**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person who participated in the issue of these Unlisted Options or any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or

(b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

**Chairman voting intentions**

The Chairman of the Meeting (where appropriately authorised) intends to vote all available undirected proxies in favour of Resolutions 1 to 7 (inclusive).

Dated 21 October 2019

**BY ORDER OF THE BOARD**

Mr. Tony Walsh

Company Secretary
EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the General Meeting of the Company to be held at Suite 8, 1297 Hay St, West Perth, WA, 6005 on Friday, 22 November 2019 at 8.30am (WST).

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

(a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;

(b) a proxy need not be a member of the Company; and

(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.
3. **Background to Resolutions 1 and 2**

3.1 **General**

On 16 October 2019, the Company announced a capital raising comprising a two-tranche placement to sophisticated and professional investors to raise in aggregate a total of $2.2 million (before costs) through the issue of up to 27,500,000 Shares at an issue price of $0.08 per Share (Placement or the Capital Raising).

The funds raised from the Capital Raising will be used as follows:

<table>
<thead>
<tr>
<th>Indicative Use of Funds</th>
<th>A$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repaying short term debts and creditors</td>
<td>592,156</td>
</tr>
<tr>
<td>Repaying director loans</td>
<td>250,000</td>
</tr>
<tr>
<td>Repaying joint venture contributions in excess of joint venture expenditures</td>
<td>38,427</td>
</tr>
<tr>
<td>General Working Capital</td>
<td>1,157,417</td>
</tr>
<tr>
<td>Capital raising fees and costs</td>
<td>162,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,200,000</strong></td>
</tr>
</tbody>
</table>

In the event that Shareholders do not approve Resolutions 1 and 2, the Company will apply the funds raised pursuant to the issue of the Tranche 1 Placement Shares in accordance with the above table, on a pro rata basis.

3.2 **Tranche 1 Placement**

The Company completed the first tranche of the Placement on 24 October 2019 by issuing 10,500,000 Shares (Tranche 1 Placement Shares), to raise approximately A$840,000 (before costs) (Tranche 1 Placement). The Tranche 1 Placement Shares were issued pursuant to the Company’s Listing Rule 7.1A placement capacity. Resolution 1 seeks Shareholder approval for the ratification of the issue of the Tranche 1 Initial Shares pursuant to the Tranche 1 Placement.

3.3 **Tranche 2 Placement**

Resolution 2 seeks Shareholder approval for the issue of up to 17,000,000 Shares (Tranche 2 Placement Shares) to the participants in the Tranche 2 Placement to raise approximately A$1,360,000 (before costs) (Tranche 2 Placement).

Further information on each of these Resolutions is set out below.

4. **Resolution 1 – Ratification of Tranche 1 Placement Shares**

4.1 **General**

On 24 October 2019, the Company announced that it had completed the first tranche of the Placement by issuing the Tranche 1 Placement Shares to raise approximately $840,000 (before costs).

The funds raised from the issue of the Tranche 1 Placement Shares will be used for the purposes set out in Section 3.1.

The Tranche 1 Placement Shares were issued within the Company’s additional 10% annual limit permitted under Listing Rule 7.1A approved by shareholders at the 2018 Annual General Meeting on 23 November 2018.
4.2 Listing Rules 7.1, 7.1A and 7.4

Listing Rule 7.1 provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A provides that a company must not (subject to specified exceptions), without the approval of shareholders, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds the additional 10% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period approved by shareholders at the 2018 Annual General Meeting on 23 November 2018.

Listing Rule 7.4 provides that where a company in general meeting ratifies a previous issue of securities made pursuant to Listing Rule 7.1A, provided that the previous issue did not breach Listing Rule 7.1A, the issue of those securities will be deemed to have been with shareholder approval for the purpose of Listing Rule 7.1.

Resolution 1 seeks Shareholder approval for the ratification of the issue of the Tranche 1 Placement Shares pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 1 will be to restore the Company's ability to issue securities within the 10% annual placement capacity under Listing Rule 7.1A during the next 12 months, without obtaining prior Shareholder approval.

Resolution 1 is an ordinary resolution.

4.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided in relation to the issue of the Tranche 1 Placement Shares.

(a) The 10,500,000 Tranche 1 Placement Shares were issued on 24 October 2019 at an issue price of $0.08 each to raise approximately $840,000 in total (before costs).

(b) The Tranche 1 Placement Shares comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.

(c) The Tranche 1 Placement Shares were issued to sophisticated and professional investors none of whom are related parties or associates of related parties of the Company.

(d) The funds raised from the issue of the Tranche 1 Placement Shares will be used for the purposes set out in Section 3.1.

(e) A voting exclusion statement is included in the Notice.

4.4 Board Recommendation

The Directors recommend that Shareholders approve Resolution 1.
5. **Resolution 2 – Authority to issue Tranche 2 Placement Shares**

5.1 **General**

Pursuant to the Tranche 2 Placement, and subject to Shareholder approval, the Company intends to issue 17,000,000 Shares at an issue price of $0.08 per Share to raise approximately $1,360,000 (before costs) (*Tranche 2 Placement Shares*).

The funds raised from the issue of the Tranche 2 Placement Shares will be used for the purposes set out in Section 3.1.

Resolution 2 is an ordinary resolution.

5.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 4.2.

The effect of Resolution 2 will be to allow the Directors to issue the Tranche 2 Placement Shares for the period of 3 months after the Meeting (or a longer period, if allowed by ASX) without using the Company's 15% annual placement capacity.

5.3 **Information required by Listing Rule 7.3**

For the purposes of Listing Rule 7.3, information regarding the issue of the Tranche 2 Placement Securities is provided as follows:

(a) The maximum number of securities that the Company may issue under the Tranche 2 Placement is 17,000,000 Shares;

(b) The Tranche 2 Placement Shares will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by an ASX waiver or modification of the Listing Rules).

(c) The Tranche 2 Placement Shares will be issued at an issue price of $0.08 per Share to raise approximately $1,360,000 in total (before costs).

(d) The Tranche 2 Placement Shares will be issued to sophisticated and professional investors, none of whom are related parties or associates of related parties of the Company.

(e) The Tranche 2 Placement Shares will comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.

(f) The funds raised from the issue of the Tranche 2 Placement Shares will be used for the purposes set out in Section 3.

(g) It is expected that the Tranche 2 Placement Shares will be issued on one date as soon as reasonably practical after the Meeting.

(h) A voting exclusion statement is included in the Notice.

5.4 **Board Recommendation**

The Directors recommend that Shareholders approve Resolution 2.
6. Resolution 3 – Ratification of the issue of Unlisted Options to Salient Corporate

6.1 General

On 16 October 2019, the Company announced that it had appointed Salient Corporate as the Lead Manager of the Placement and corporate advisor. As part of this engagement the Company agreed to issue 20,000,000 Unlisted Options of which 11,500,000 were issued on 16 October 2019 and the issue of the remaining 8,500,000 Unlisted Options being subject to shareholder approval pursuant to this Notice.

The Unlisted Options are exercisable at 10 cents with an expiry date of 30 November 2022 for nil consideration.

The Unlisted Options were issued within the Company’s 15% capacity permitted under Listing Rule 7.1.

6.2 Listing Rules 7.1 and 7.4

A summary of Listing Rule 7.1 is set out in Section 4.2.

Resolution 3 seeks Shareholder approval for the ratification of the issue of Unlisted Options to Salient Corporate pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 5 will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months, without obtaining prior Shareholder approval.

Resolution 3 is an ordinary resolution.

6.3 Information required by Listing Rule 7.5

For the purposes of Listing Rule 7.5, the following information is provided in relation to the issue of the Tranche 1 Placement Shares.

(a) The 11,500,000 Unlisted Options were issued for nil consideration in consideration for the provision of lead manager and corporate advisory services on 16 October 2019.

(b) The terms and conditions of Unlisted Options are set out in Schedule 1 of this Notice.

(c) The Unlisted Options were issued to Salient Corporate, who is not a related party or an associate of related parties of the Company, pursuant to its engagement with Company as corporate advisor, and in lieu of advisory fees.

(d) No funds were raised from this issue as the Unlisted Options were issued in consideration for the provision of lead manager and corporate advisory services.

(e) A voting exclusion statement is included in the Notice.

6.4 Board Recommendation

The Directors recommend that Shareholders approve Resolution 3.
7. **Resolution 4 – Authority to issue Unlisted Options to Salient Corporate**

7.1 **General**

On 16 October 2019, the Company announced that it had appointed Salient Corporate as the Lead Manager of the Placement and corporate advisor. As part of this engagement the Company agreed to issue 20,000,000 Unlisted Options of which 11,500,000 were issued on 16 October 2019 and the issue of the remaining 8,500,000 Unlisted Options is subject to shareholder approval pursuant to this Notice.

The Unlisted Options are exercisable at 10 cents with an expiry date of 30 November 2022 for nil consideration.

Resolution 4 is an ordinary resolution.

7.2 **Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 4.2.

The effect of Resolution 4 will be to allow the Directors to issue the Unlisted Options for the period of 3 months after the Meeting without using the Company’s 15% annual placement capacity.

7.3 **Information required by Listing Rule 7.3**

For the purposes of Listing Rule 7.3, information regarding the issue of the Unlisted Options is provided as follows:

(a) The maximum number of securities that the Company may issue is 8,500,000 Unlisted Options.

(b) The Unlisted Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(c) The 8,500,000 Unlisted Options will be issued for nil consideration in consideration for the provision of lead manager and corporate advisory services.

(d) The Unlisted Options will be issued to Salient Corporate, who is not a related party or an associate of related parties of the Company, pursuant to its engagement with Company as lead manager and corporate advisor, and in lieu of advisory fees.

(e) The terms and conditions on the Unlisted Options are set out in Schedule 1 of this Notice.

(f) No funds will be raised from the issue as the Unlisted Options will be issued in consideration for the provision of lead manager and corporate advisory services.

(g) It is expected that the Unlisted Options will be issued on one date as soon as reasonably practical after the Meeting.

(h) A voting exclusion statement is included in the Notice.
7.4 Board Recommendation

The Directors recommend that Shareholders approve Resolution 4.

8. Resolution 5 – Authority to issue Unlisted Options to Tony Walsh

8.1 General

On 16 October 2019, the Company announced that it had appointed Tony Walsh as its Company Secretary. As part of his remuneration the Company agreed to issue 2,000,000 Unlisted Options to Tony Walsh or his nominee subject to shareholder approval pursuant to this Notice.

The Unlisted Options are exercisable at 10 cents with an expiry date of 30 November 2022 for nil consideration.

Resolution 5 is an ordinary resolution.

8.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is set out in Section 4.2.

The effect of Resolution 5 will be to allow the Directors to issue the Tranche 2 Placement Shares the period of 3 months after the Meeting without using the Company's 15% annual placement capacity.

8.3 Information required by Listing Rule 7.3

For the purposes of Listing Rule 7.3, information regarding the issue of the Unlisted Options is provided as follows:

(a) The maximum number of securities that the Company may issue is 2,000,000 Unlisted Options;

(b) The Unlisted Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(c) The 2,000,000 Unlisted Options will be issued for nil consideration for services to be provided as company secretary.

(d) The Unlisted Options will be issued to Tony Walsh or his nominee, who is not a related party or an associate of related parties of the Company.

(e) The terms and conditions on the Unlisted Options are set out in Schedule 1 of this Notice.

(f) No funds will be raised from the issue as the Unlisted Options will be issued in consideration for services provided as company secretary.

(g) It is expected that the Unlisted Options will be issued on one date as soon as reasonably practical after the Meeting.

(h) A voting exclusion statement is included in the Notice.
8.4 **Board Recommendation**

The Directors recommend that Shareholders approve Resolution 5.

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9. **Resolution 6 – Ratification of issue of Shares to North Iron Cap**

9.1 **General**

On 11 October 2019, the Company announced that it had completed the settlement of a contract with North Iron Cap and agreed to issued 1,000,000 ordinary shares as part of this settlement. On 14 October 2019 the Company completed the issue of the 1,000,000 Shares to North Cap Iron’s nominee, Golden Valley Holdings Pty Ltd. No funds were raised under this issue.

The 1,000,000 Shares were issued to North Cap Iron’s nominee Golden Valley Holdings Pty Ltd within the Company’s within the Company’s 15% capacity permitted under Listing Rule 7.1.

9.2 **Listing Rules 7.1 and 7.4**

A summary of Listing Rule 7.1 and 7.4 is set out in Section 4.2.

Resolution 6 seeks Shareholder approval for the ratification of the issue of the 1,000,000 Shares pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 6 will be to restore the Company's ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months, without obtaining prior Shareholder approval.

Resolution 6 is an ordinary resolution.

9.3 **Information required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5, the following information is provided in relation to the issue of the 1,000,000 Shares.

(a) The 1,000,000 Shares were issued at a deemed issue price of $0.075 each, being the closing market price on the day the contract settlement occurred and was announced, being 11 October 2019.

(b) The 1,000,000 Shares comprise fully paid ordinary shares of the Company ranking equally with all other fully paid ordinary shares of the Company.

(c) The 1,000,000 Shares were issued to North Iron Cap’s nominee Golden Valley Holdings Pty Ltd who is not a related party or associate of related parties of the Company.

(d) No funds were raised from the issue of Shares to North Iron Cap’s nominee for the reasons provided in section 9.1.

(e) A voting exclusion statement is included in the Notice.

9.4 **Board Recommendation**

The Directors recommend that Shareholders approve Resolution 6.
10. **Resolution 7 – Ratification of issue of Unlisted Options to Blue Cap**

10.1 **General**

On 11 October 2019, the Company announced that it had settled a contract with various parties including Blue Cap and agreed to issue 3,000,000 Unlisted Options. These 3,000,000 Unlisted Options were issued to Blue Cap on 14 October 2019.

The Unlisted Options are exercisable at 10 cents with an expiry date of 14 October 2022 for nil consideration.

The 3,000,000 Unlisted Options were issued within the Company’s 15% capacity permitted under Listing Rule 7.1.

10.2 **Listing Rules 7.1 and 7.4**

A summary of Listing Rule 7.1 and 7.4 is set out in Section 4.2.

Resolution 7 seeks Shareholder approval for the ratification of the issue of Unlisted Options to Blue Cap pursuant to Listing Rule 7.4. The effect of Shareholders passing Resolution 7 will be to restore the Company’s ability to issue securities within the 15% placement capacity under Listing Rule 7.1 during the next 12 months, without obtaining prior Shareholder approval.

Resolution 7 is an ordinary resolution.

10.3 **Information required by Listing Rule 7.5**

For the purposes of Listing Rule 7.5, the following information is provided in relation to the issue of the Unlisted Options.

(a) The 3,000,000 Unlisted Options were issued to Blue Cap for nil consideration on 14 October 2019.

(b) The terms and conditions of Unlisted Options are set out in Schedule 2 of this Notice.

(c) The Unlisted Options were issued to Blue Cap, who is not a related party or an associate of related parties of the Company, pursuant to its settlement with Company as announced to ASX on 11 October 2019.

(d) No funds were raised from the issue of the Unlisted Options for the reasons set out in section 10.1.

(e) A voting exclusion statement is included in the Notice.

10.4 **Board Recommendation**

The Directors recommend that Shareholders approve Resolution 7.
11. **Definitions**

$ or A$ means Australian dollars, being the lawful currency of Australia.

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Blue Cap means Blue Capital Managers Pty Ltd ATF Blue Capital Trust No.2

Board means the board of Directors.

Capital Raising has the meaning given to that term in Section 3.1.

Chairman means the person appointed to chair the Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company or Magmatic Resources means Magmatic Resources Ltd ACN 615 598 322.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

Director means a director of the Company.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of Meeting.

North Iron Cap means North Iron Cap Pty Ltd

Option means an option to acquire a Share.

Placement has the meaning given to that term in Section 3.

Proxy Form means the proxy form attached to the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution contained in this Notice.

Salient Corporate means Salient Corporate Pty Ltd (ACN 617 993 503) is the holder of Australian Financial Services Licence number 499098

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Security means a Share or an Option.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

Tranche 1 Placement has the meaning given to that term in Section 3.2.

Tranche 1 Placement Share has the meaning given to that term in Section 3.2.

Tranche 2 Placement has the meaning given to that term in Section 3.3.

Tranche 2 Placement Share has the meaning given to that term in Section 3.3.

Unlisted Option has the meaning given to that term in this Notice and on the terms and conditions set out in Schedule 1 (for options issued to Salient Corporate and Tony Walsh or his nominee) and Schedule 2 (for options issued to Blue Cap).

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.
SCHEDULE 1: Terms and Conditions of Unlisted Options to Salient Corporate and Tony Walsh or his nominee

(a) **Entitlement**

The unlisted options (Options) entitle the holder to subscribe for one Share upon the exercise of each Option.

(b) **Holder, Number, Exercise Price and Expiry Date**

The **Holder, Number, Exercise Price** and **Expiry Date** of each Option will be as follows:

<table>
<thead>
<tr>
<th>Holder</th>
<th>Number</th>
<th>Exercise Price</th>
<th>Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salient Corporate</td>
<td>20,000,000*</td>
<td>$0.10</td>
<td>30 November 2019</td>
</tr>
<tr>
<td>Tony Walsh or his nominee</td>
<td>2,000,000**</td>
<td>$0.10</td>
<td>30 November 2019</td>
</tr>
</tbody>
</table>

* 11,500,000 issued on 16 October 2019 and 8,500,000 to be issued subject to shareholder approval
** All 2,000,000 to be issued subject to shareholder approval

(c) **Exercise period**

An Option may be exercised at any time prior to the applicable Expiry Date, in the table in item (b) above.

(d) **Notice of exercise**

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt. A minimum of 5,000 Options must be exercised at any one time.

(e) **Shares issued on exercise**

Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.

(f) **Quotation of Shares on exercise**

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

(g) **Timing of issue of Shares**

After an Option is validly exercised, the Company must as soon as possible:

(i) issue the Shares pursuant to the exercise of the Options; and

(ii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(h) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the holders of Options the opportunity
to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(i) **Adjustment for bonus issues of Shares**

If the Company makes a bonus issue of Shares or other Securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(j) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders, there will be no adjustment of the Exercise Price of an Option.

(k) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holder will be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(l) **Options transferable**

The Options are transferable, subject to the restrictions contained in the Corporations Act.

(m) **Lodgement instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.
SCHEDULE 2: Terms and Conditions of Unlisted Options issued to Blue Cap

(n) **Entitlement**
The unlisted options *(Options)* entitle the holder to subscribe for one Share upon the exercise of each Option.

(o) **Exercise Price and Expiry Date**
The **Exercise Price** and **Expiry Date** of each Option is as follows:

<table>
<thead>
<tr>
<th>Vesting Date</th>
<th>Exercise Price</th>
<th>Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immediately</td>
<td>$0.10</td>
<td>14 October 2019</td>
</tr>
</tbody>
</table>

(p) **Exercise period**
An Option may be exercised at any time prior to the applicable Expiry Date, in the table in item (b) above.

(q) **Notice of exercise**
The Options may be exercised by notice in writing to the Company *(Notice of Exercise)* and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt. A minimum of 5,000 Options must be exercised at any one time.

(r) **Shares issued on exercise**
Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.

(s) **Quotation of Shares on exercise**
Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

(t) **Timing of issue of Shares**
After an Option is validly exercised, the Company must as soon as possible:
(i) issue the Shares pursuant to the exercise of the Options; and
(ii) apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

(u) **Participation in new issues**
There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least ten business days after the issue is announced. This will give the holders of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

(v) **Adjustment for bonus issues of Shares**
If the Company makes a bonus issue of Shares or other Securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
(i) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

(ii) no change will be made to the Exercise Price.

(w) **Adjustment for rights issue**

If the Company makes an issue of Shares pro rata to existing Shareholders, there will be no adjustment of the Exercise Price of an Option.

(x) **Adjustments for reorganisation**

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holder will be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

(y) **Options transferable**

The Options are transferable, subject to the restrictions contained in the Corporations Act.

(z) **Lodgement instructions**

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for Shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.
Proxy Form

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

APPOINTMENT OF PROXY

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

SIGNING INSTRUCTIONS FOR POSTAL FORMS

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

ATTENDING THE MEETING

If you are attending in person, please bring this form with you to assist registration.

Corporate Representative
If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate “Appointment of Corporate Representative” prior to admission. A form may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Lodge your Proxy Form: XX

Online:

Lodge your vote online at www.investorvote.com.au using your secure access information or use your mobile device to scan the personalised QR code.

Your secure access information is

Control Number: 999999
SRN/HIN: 1999999999
PIN: 9999

For Intermediary Online subscribers (custodians) go to www.intermediaryonline.com

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242
Melbourne VIC 3001
Australia

By Fax:
1800 783 447 within Australia or +61 3 9473 2555 outside Australia

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.
I/We being a member/s of Magmatic Resources Limited hereby appoint

☐ the Chairman of the Meeting

☐ OR

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Magmatic Resources Limited to be held at Suite 8, 1297 Hay St, West Perth, Western Australia on Friday, 22 November 2019 at 8.30am (WST) and at any adjournment or postponement of that meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 5 (except where I/we have indicated a different voting intention in step 2) even though Resolution 5 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 5 by marking the appropriate box in step 2.

Step 2 Items of Business

PLEASE NOTE: If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

1 Ratification of Tranche 1 Placement Shares
2 Authority to issue Tranche 2 Placement Shares
3 Ratification of Unlisted Options to Salient Corporate
4 Approval to issue Unlisted Options to Salient Corporate
5 Approval to issue Unlisted Options to Tony Walsh
6 Ratification of issue of Shares to North Iron Cap
7 Ratification of issue of Unlisted Options to Blue Cap

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

Step 3 Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1 Securityholder 2 Securityholder 3

Sole Director & Sole Company Secretary Director Director/Company Secretary

Date

Update your communication details

Mobile Number

Email Address

By providing your email address, you consent to receive future Notice of Meeting & Proxy communications electronically.

MR SAM SAMPLE FLAT 123 123 SAMPLE STREET THE SAMPLE HILL SAMPLE ESTATE SAMPLEVILLE VIC 3030

MR SAM SAMPLE FLAT 123 123 SAMPLE STREET THE SAMPLE HILL SAMPLE ESTATE SAMPLEVILLE VIC 3030

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