

17 JULY 2020

DRILLING COMMENCES AT BODA NORTH GOLD-COPPER PORPHYRY TARGETS

- Mobilisation of a second rig and commencement of RC drilling activity at Boda North
- RC drilling continues at Lady Ilse, with four holes completed

Magmatic Resources ('MAG' or 'The Company') is pleased to provide an update on exploration activity at its 100% owned Wellington North Project, including the commencement of drilling activity at Boda North.

Lady Ilse RC Drilling

The results of the first diamond hole at Lady Ilse provided the Company with increased confidence in the potential for a large gold-copper porphyry discovery at Lady Ilse, where RC drilling is underway (ASX MAG 18 June 2020). The RC drilling is focused on testing zones along strike from the diamond hole including areas of strong chargeability anomalism (Figure 1). Drilling progress has been slowed by wet weather conditions and mechanical issues, with the rig being recently replaced with a larger track mounted rig to increase production rates. Four holes have now been completed for a total of 1129m, with approximately nine holes remaining.

Boda North RC Drilling

The Company's recently completed IP geophysical survey at Boda North has upgraded the prospectivity of the area for Boda-style gold-copper porphyry mineralisation (ASX MAG 1 June 2020). The geophysical results, along with reprocessed historical data, define three zones of strong chargeability and conductivity anomalism within the northern extents of the Boda Porphyry Belt, approximately 5km along strike from the ASX ALK Boda discovery (Figures 2, 3).

Strong chargeability anomalism is a feature characterising the Boda porphyry discovery (ASX ALK 13 February 2020) and forms an important element of Magmatic's exploration targeting in the northern Molong Belt.

The maiden drilling program at Boda North will comprise of approximately six RC holes and is designed to assess the geochemical 'fertility' of the anomalies (gold + pathfinder elements) prior to potential deeper drill testing.

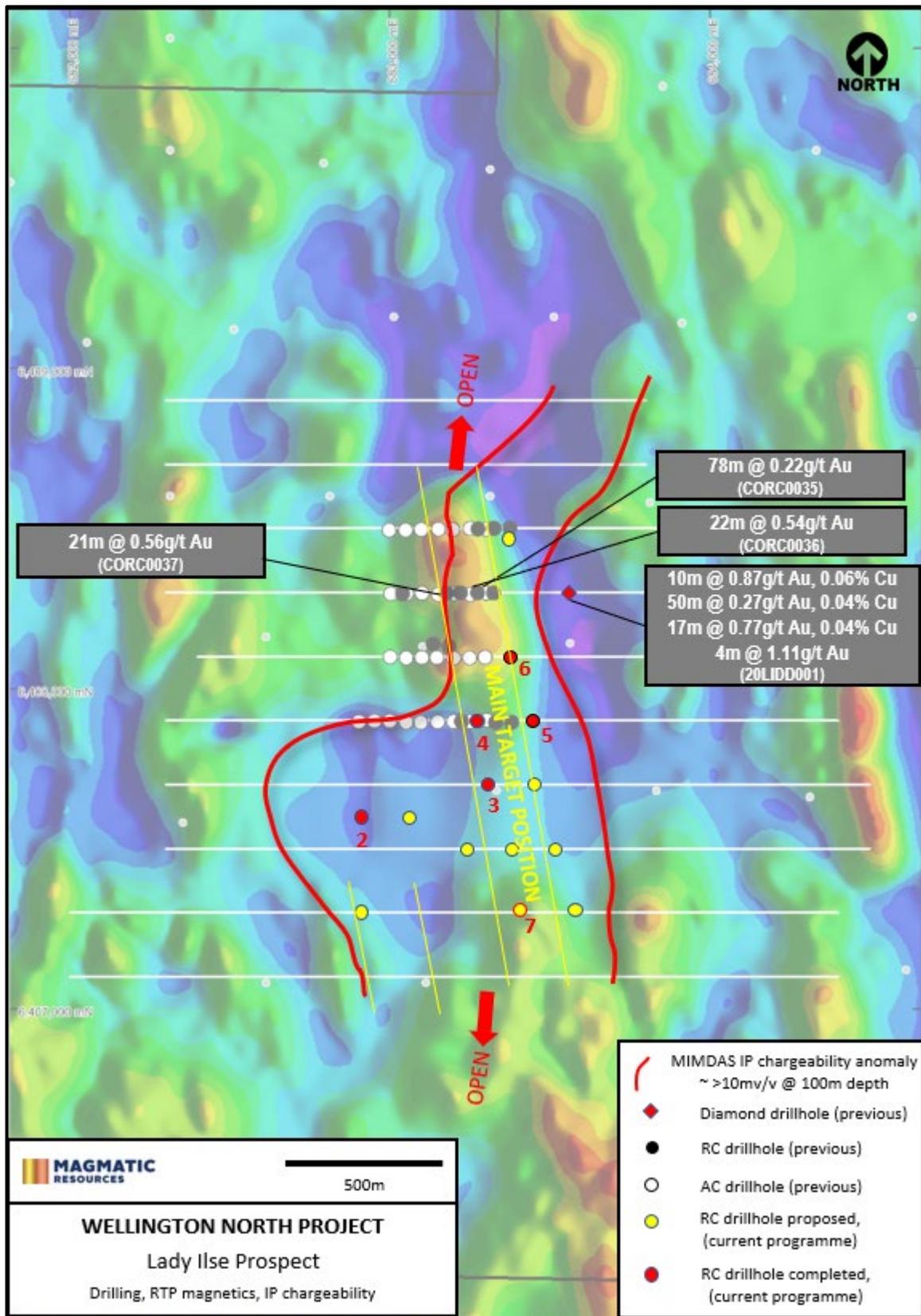


Figure 1: Lady Ilse Target, historic and current drilling locations, RTP magnetic imagery, IP chargeability summary

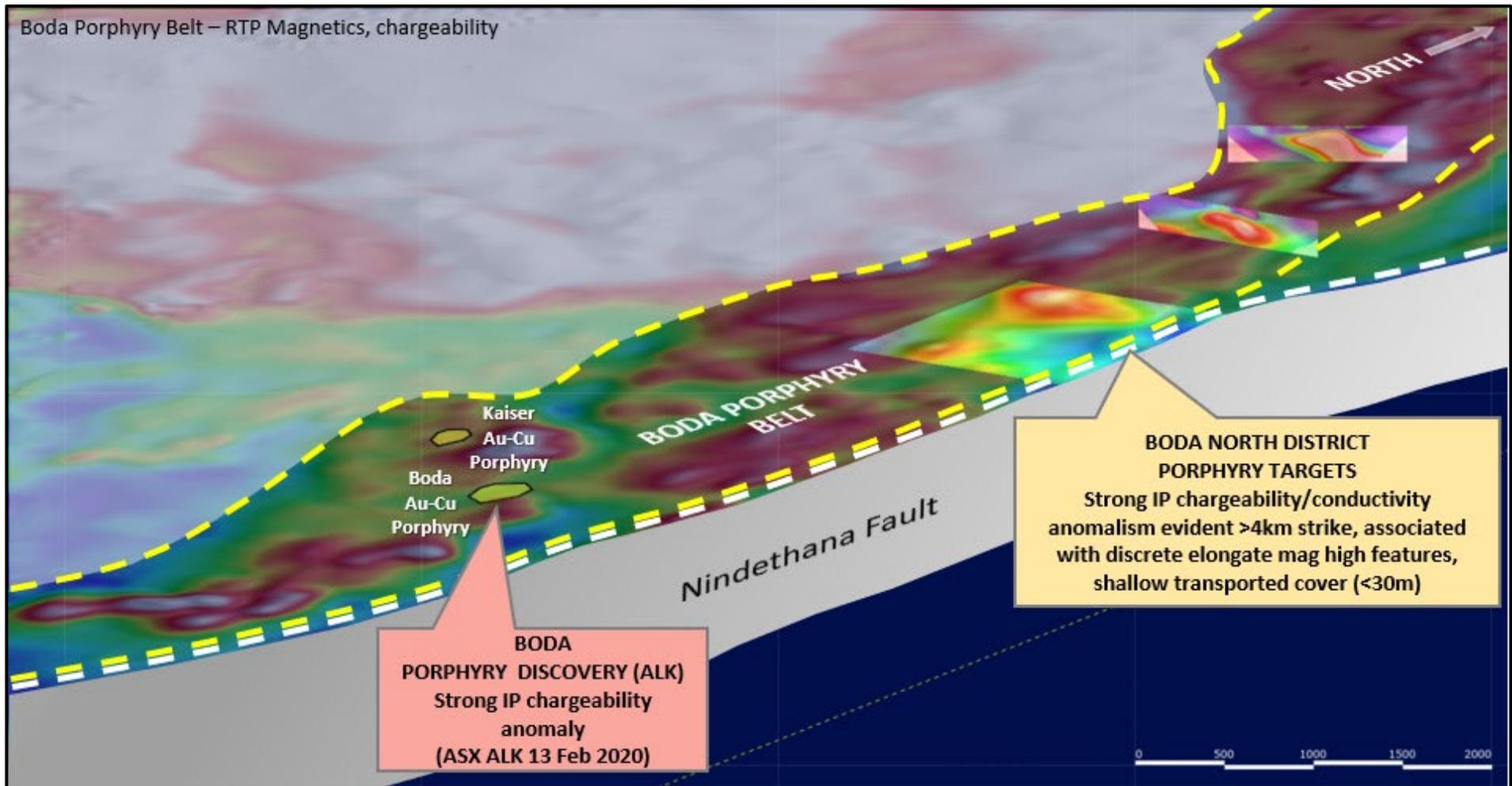


Figure 2: Oblique view of Boda Porphyry Belt, highlighting Boda North targets, characterised by strong chargeability anomalism, showing recent IP survey chargeability depth slice (ASX MAG 1 June 2020) and reprocessed, historical IP chargeability sections

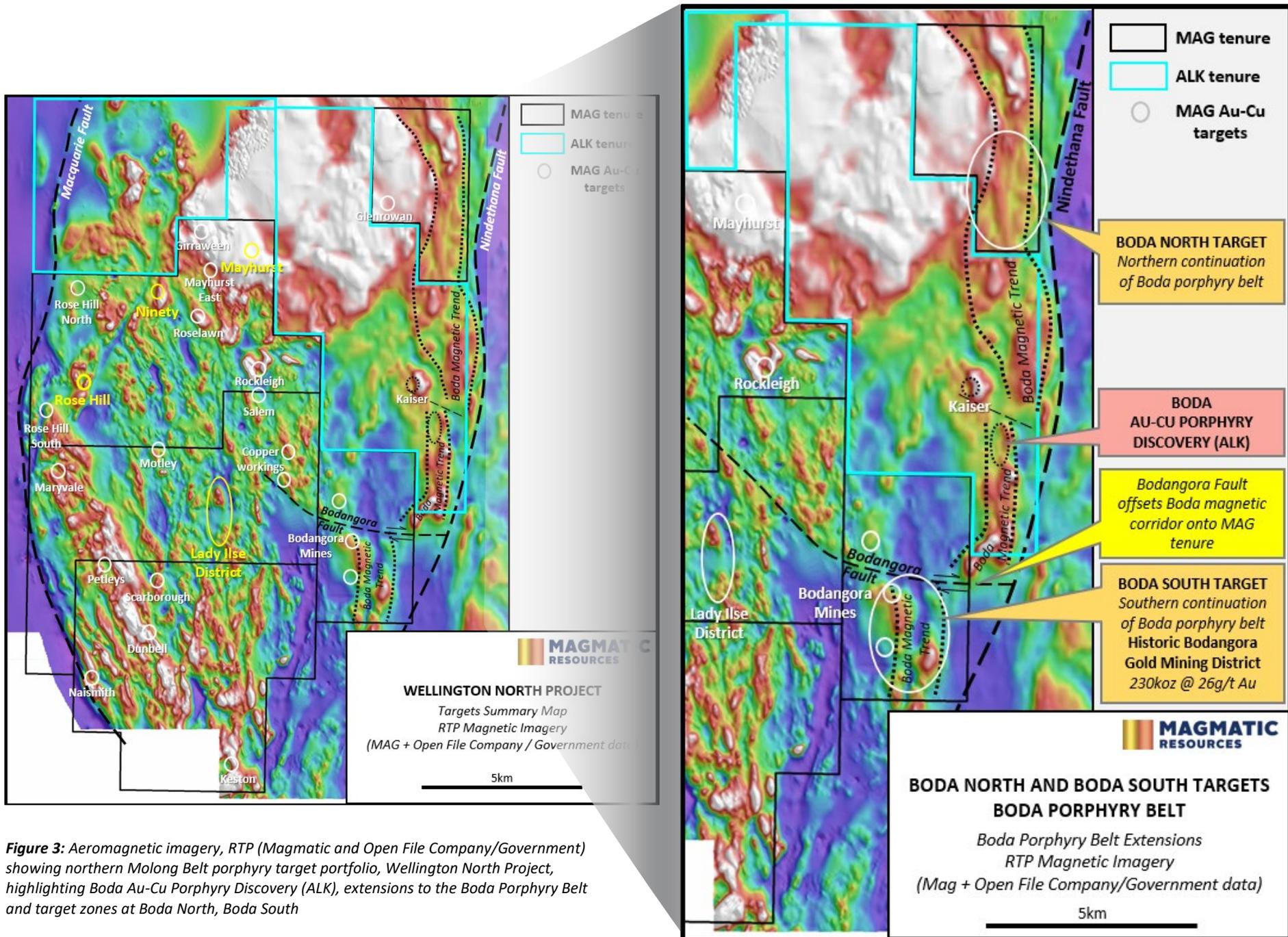


Figure 3: Aeromagnetic imagery, RTP (Magmatic and Open File Company/Government) showing northern Molong Belt porphyry target portfolio, Wellington North Project, highlighting Boda Au-Cu Porphyry Discovery (ALK), extensions to the Boda Porphyry Belt and target zones at Boda North, Boda South

Wellington North Project (Gold-Copper)

Magmatic's 100%-owned Wellington North Project covers the northern extension of the Molong Volcanic Belt, located ~110km north and along strike from Newcrest's world-class Cadia Valley porphyry gold-copper deposits and surrounding Alkane Resources' recent Boda porphyry discovery (ASX ALK 9 September 2019).

The project comprises three exploration licences that essentially surround the Boda discovery, covering 177km² and is considered highly prospective for gold-copper porphyry, gold epithermal and lode style gold mineralisation.

The recent Boda gold-copper porphyry discovery by Alkane Resources Ltd (ASX ALK 9 September 2019) has highlighted the value of Magmatic's dominant surrounding tenure position in the northern Molong Belt, in what is emerging as a globally significant gold-copper porphyry discovery hotspot (Figure 3). The Boda discovery has highlighted the surface signature of porphyry mineralisation in the area and has significantly upgraded Magmatic's target portfolio for Boda-style gold-copper porphyry mineralisation (Lady Ilse District, Boda North District, Boda South, Rose Hill, Ninety, Rockleigh, Mayhurst and Mayhurst East).

Hole ID	Easting (MGA)	Northing (MGA)	RL (m)	Dip	Azimuth (MGA)	Total Depth (m)	Comments
20LIRC002	683000	6407600	366	-60	255	246	Completed
20LIRC003	683320	6407700	366	-60	260	282	Completed
20LIRC004	683287	6407903	366	-60	260	36	EOH at 36m due to failed collar/ground conditions
20LIRC005	683450	6407900	366	-60	260	285	Completed
20LIRC006	683400	6408100	366	-60	260	280	Completed

Table 1: Collar summary for drill holes reported in this release

About Magmatic Resources (ASX:MAG)

Magmatic Resources Ltd (ASX: MAG) is a New South Wales-focused gold and copper explorer that listed on the ASX in May 2017.

In 2014, Magmatic completed the acquisition of an advanced gold-copper target portfolio in the East Lachlan from Gold Fields Limited. Gold Fields had completed a major phase of target generation across four main projects (Wellington North, Parkes, Myall, Moorefield), identifying over 60 targets.

The East Lachlan has an endowment of more than 80 million ounces of gold and 13 million tonnes of copper (Phillips 2017). It is most famous for Newcrest Mining's world class gold-copper porphyry cluster at Cadia Valley District, where

currently the Cadia East Mine represents Australia's largest gold mine and one of the world's most profitable gold producers (Newcrest 2019). In addition, the Northparkes copper-gold porphyry cluster (China Molybdenum/Sumitomo, CMOC 2019) and Cowal Epithermal Deposit (Evolution Mining, Evolution 2018) represent other significant long-life mining operations.

The recent Boda porphyry discovery by Alkane Resources Ltd (ASX ALK 9 September 2019) has highlighted the value of Magmatic's dominant surrounding tenure position in the northern Molong Belt, in what is emerging as a significant gold porphyry discovery hotspot (Figure 3). The Boda discovery has highlighted the surface signature of porphyry mineralisation in the area and has significantly upgraded Magmatic's target portfolio for Boda-style and Cadia East-style porphyry gold-copper mineralisation.

The Company also holds a strategic position in the Parkes Fault Zone (Parkes Project), immediately south from Alkane's Tomingley Gold Operations and recent Roswell and San Antonio discoveries.

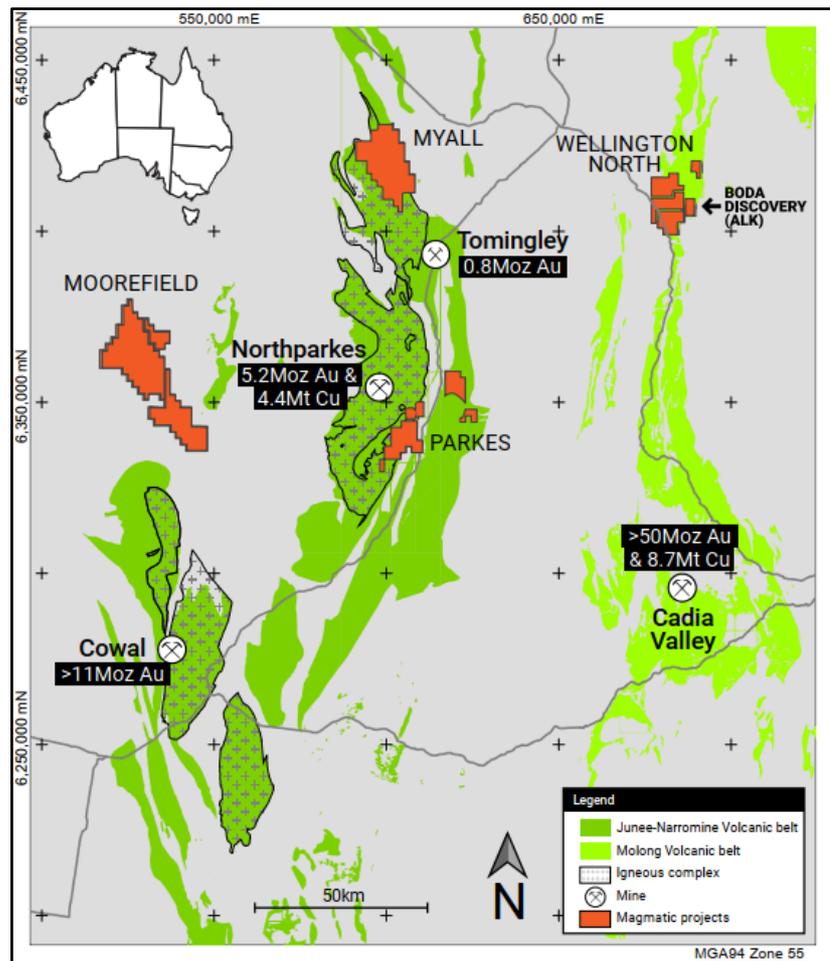


Figure 4: MAG Project Location Map

References

CMOC 2019., China Molybdenum Company Limited, <http://www.cmocinternational.com/australia/>
Evolution., 2018, <https://evolutionmining.com.au/reservesresources/>
Newcrest., 2019, Newcrest Investor and Analyst Presentation, ASX Announcement, 18 November 2019
Phillips, G N (Ed), 2017. Australian Ore Deposits, The Australasian Institute of Mining and Metallurgy: Melbourne

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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 Peter Duerden who is a Registered Professional Geoscientist (RPGeo) and member of the Australian Institute of Geoscientists. Mr Duerden is a full-time employee of, and has associated shareholdings in, 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 Duerden consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Additionally, Mr Duerden 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.

Geophysical information in this report is based on exploration data compiled by Mr Terry Hoschke who is employed as a Consultant to the Company through the geophysical consultancy Alterrex Pty Ltd. Mr Hoschke is a member of the Australian Society of Exploration Geophysicists and the Australian Institute of Geoscientists and has sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and activities undertaken, 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 Hoschke consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

Previously Reported Information

The information in this report that references previously reported exploration results is extracted from the Company's ASX market announcements released on the date noted in the body of the text where that reference appears. The previous market announcements are available to view on the Company's website or on the ASX website (www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

This report contains certain forward-looking statements and forecasts, including possible or assumed reserves and resources, production levels and rates, costs, prices, future performance or potential growth of Magmatic Resources Ltd, industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Magmatic Resources Ltd. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors. Nothing in this report should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geoscientists.

Appendix I – JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data: Wellington North Project

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Not reporting on assaying or sampling – not required.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Not reporting on assaying or sampling – not required.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	Not reporting on assaying or sampling – not required.
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Diamond Drilling (DD) completed using PQ core until fresh rock is reached then HQ or NQ coring. Core orientation completed using a REFLEX tool RC drilling methods using 3 ½ inch drill rods and a 142 mm standard button bit face sampling hammer.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Not reporting on assaying or sampling – not required.

Criteria	JORC Code explanation	Commentary
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Not reporting on assaying or sampling – not required.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Not reporting on assaying or sampling – not required.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Systematic geological and geotechnical logging was undertaken. Data collected includes: <ul style="list-style-type: none"> • Nature and extent of lithologies. • Relationship between lithologies. • Amount and mode of occurrence of ore minerals. • Location, extent and nature of structures such as bedding, cleavage, veins, faults etc. Structural data (alpha & beta) are recorded for orientated core. • Geotechnical data such as recovery, RQD, fracture frequency, qualitative IRS, microfractures, veinlets and number of defect sets. For some geotechnical holes the orientation, nature of defects and defect fill are recorded. • Bulk density by Archimedes principle at regular intervals. • Magnetic susceptibility recorded at 1m intervals for some holes as an orientation and alteration characterisation tool.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Not reporting on assaying or sampling – not required.
	<i>The total length and percentage of the relevant intersections logged.</i>	All samples were geologically logged.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Not reporting on assaying or sampling – not required.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Not reporting on assaying or sampling – not required.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Not reporting on assaying or sampling – not required.

Criteria	JORC Code explanation	Commentary
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Not reporting on assaying or sampling – not required.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Not reporting on assaying or sampling – not required.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Not reporting on assaying or sampling – not required.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Not reporting on assaying or sampling – not required.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Not reporting on assaying or sampling – not required.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Not reporting on assaying or sampling – not required.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Not reporting on assaying or sampling – not required.
	<i>The use of twinned holes.</i>	Not reporting on assaying or sampling – not required.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Sample data was recorded on a standard sample ledger sheet and transferred to digital format. Digital sample ledgers were emailed and transferred to secure servers. Data was plotted using Micromine software against detailed aerial photography to ensure accuracy of the recorded locational data. Data was verified by the rig geologist.

Criteria	JORC Code explanation	Commentary
	<i>Discuss any adjustment to assay data.</i>	Not reporting on assaying or sampling – not required.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill hole collars were located using hand held GPS (accuracy ± 2m). DGPS surveying of holes will be completed prior to rehabilitation of the site (± 0.1m)
	<i>Specification of the grid system used.</i>	All coordinates are based on Map Grid Australia Zone 55H, Geodetic Datum of Australia 1994
	<i>Quality and adequacy of topographic control.</i>	Topographic control is maintained by use of widely available government datasets. Ground is gently undulating.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Drill holes are preferentially located in prospective areas.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The mineralised areas are yet to demonstrate sufficient grade or continuity to support the definition of a Mineral Resource and the classifications applied under the 2012 JORC code.
	<i>Whether sample compositing has been applied.</i>	Not reporting on assaying or sampling – not required.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The angled drill holes were directed as best as reasonably possible directly across the known lithological and interpreted mineralisation orientation.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Not reporting on assaying or sampling – not required.
Sample security	<i>The measures taken to ensure sample security.</i>	Core was returned to the company's office each night and is stored in secured storage.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits or reviews have been conducted at this stage.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>EL8357 Combo is located 10km north of Wellington, NSW, and is held by Modeling Resources Pty Ltd, a wholly owned subsidiary of Magmatic Resources Ltd. The licence was granted on 8/04/2015 and has been subsequently renewed to 8/04/2021.</p> <p>The licence covers 16 graticular units with an area of 46.37 km². A number of gazetted sealed and unsealed roads traverse the authority. The land use is mainly cropping with minor grazing.</p>
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Rio Tinto, Newcrest, Goldfields and Clancy Exploration completed exploration activity across the area contributing greatly to the knowledge build and acquisition of base datasets.
Geology	Deposit type, geological setting and style of mineralisation.	Exploration is for a gold-copper porphyry-style deposit in the northern Molong Volcanic Belt within the wider Macquarie Arc, East Lachlan region
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. 	See body of announcement.
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	Not reporting on assaying or sampling – not required.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.	Not reporting on assaying or sampling – not required.

Criteria	JORC Code explanation	Commentary
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	Not reporting on assaying or sampling – not required.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	Not reporting on assaying or sampling – not required.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	Orientated drill core used to allow determination of orientation of structures and mineralisation. Assay results will be reported in the context of the true geometry and widths of mineralisation. Additional drilling activity will also be important to determine this relationship.
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Pending assay results, structural logging of the core indicates a broadly subvertical target zone
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	Not reporting on assaying or sampling – not required.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	See figures in body of report for drill hole locations.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	Not reporting on assaying or sampling – not required.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater,</i>	See body of report.

Criteria	JORC Code explanation	Commentary
	<i>geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	
Further work	<i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	See body of report.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	See figures in body of report.