

**MAGMATIC RAISES \$5M TO ACCELERATE
EAST LACHLAN EXPLORATION PROGRAM**

- **Very strongly supported placement raising \$5 million**
- **Funding allows Magmatic to accelerate exploration activities at its Lady Ilse gold-copper porphyry prospect, ~6km SE of Boda Discovery**
- **Drilling expected to commence at Lady Ilse in late March 2020**

Magmatic Resources Limited (“Magmatic” or “the Company”) (ASX: MAG) is pleased to announce that it has obtained binding commitments from a range of institutional and sophisticated investors for a capital raising of \$5 million (“Placement”).

Funds raised via the Placement will be applied to rapidly progress the Company’s exploration activities at its exploration assets in the East Lachlan province in New South Wales, in particular the Lady Ilse gold-copper porphyry target ~6km SW of Alkane’s Boda discovery, where drilling will commence in late March.

Magmatic Managing Director, Peter Duerden commented:

“We are delighted with the overwhelming support we have received for this Placement and in the strong interest we are receiving in our upcoming exploration program. Following completion of the Placement Magmatic will be well funded to rapidly progress exploration activities across our portfolio of highly prospective exploration assets in New South Wales’ East Lachlan Province, commencing with the drilling of the Lady Ilse Prospect, a ‘Cadia East-style’ gold-copper porphyry target, adjacent to Alkane’s recent Boda discovery.”

Hartleys Limited acted as Sole Lead Manager to the Placement. Salient Corporate acted as corporate adviser to Magmatic in relation to the Placement.

Lady Ilse Gold-Copper Porphyry Target

As previously announced (ASX MAG 7 February 2020), Magmatic recently received the remaining three of four lines from a MIMDAS geophysical survey (“MIMDAS”) at the Lady Ilse Prospect within the Wellington North Project (“Lady Ilse”) (100% MAG). Interpretation of this MIMDAS data indicated that the Lady Ilse target has grown significantly relative to the previous interpretation and remains open to the south.

These results, in combination with the wide zone of gold and porphyry pathfinder anomalism (Te-Bi-As) associated with upper level pyrite-rich porphyry alteration suggest the potential for the preservation of a Cadia East-style gold/copper porphyry system at Lady Ilse.

The Lady Ilse Prospect exhibits the same characteristics as Alkane Resources Limited's (ASX:ALK) Boda gold/copper porphyry discovery at the equivalent stage of exploration (ALK ASX 15 August 2017, ALK ASX 9 September 2019), including a wide zone of gold and porphyry pathfinder geochemical anomalism associated with upper level pyrite-rich porphyry alteration and a setting at the western margin of an alkalic intrusive complex.

Following the Placement, the Company is well funded to rapidly progress the exploration activities at Lady Ilse, in addition to its many other advanced gold/copper exploration targets in the region.

Placement

The Placement is being made to investors qualifying under Section 708 of the Corporations Act and the Company will use its existing capacity under Listing Rules 7.1 and 7.1A to complete the issue. The Placement to raise \$5 million (before costs) will comprise the issue of 16,666,667 shares (being 1,317,767 shares under LR 7.1 and 15,348,900 shares under LR 7.1A) at a price of \$0.30, with settlement anticipated to occur on Thursday, 20 February 2020.

Authorised for release by: Peter Duerden Managing Director

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