

## ASX / Media Release

16 July 2018

# Annual Shareholder Update

Magmatic Resources Limited (“Magmatic” or the “Company”) (ASX: MAG) is pleased to provide the following shareholder update on activities for the 2018 financial year from Managing Director David Richardson.

It has been an exciting and eventful year since Magmatic Resources Ltd (MAG) listed on the ASX in May 2017. I would like to take this opportunity to give you a detailed review of the past year and our strategy for the future.

## Initial Strategy

MAG listed on the back of purchasing four large gold and copper exploration projects in NSW from Gold Fields (world’s 7th largest gold producer) and our initial strategy was to:

**A) Focus MAG exploration on near surface, walk up Gold targets by priority of:**

- Boxdale - Carlisle Reefs 14km gold trend
- Bodangora historical gold mine 230k oz Au @ 26g/t (see MAG ASX prospectus 17/5/2017)
- Lady Ilse 10km gold-copper target corridor
- MacGregors 2km mineralised gold trend

**B) Identify JV partners for one of the larger copper-gold porphyry projects** Myall, Wellington North and Parkes, with MAG to be exploration operator and receive a 10% operator fee. We successfully joint ventured our Parkes project with JOGMEC (the Japanese National government resources agency) and in the first year they funded over \$1m on advancing this project, and second year exploration has begun.

## 1st year Activity

MAG benefit greatly from the excellent exploration previously done by Gold Fields and have significantly advanced our four projects and believe that the MAG assets are ready for discovery. Our first 12-month exploration expenditure was approximately \$3m (\$2m of MAG expenditure and \$1m from JOGMEC) and led to **all of our tenements being 100% renewed for a further 3 years without any relinquishment**. This will allow our future exploration program to be even more focused on targets that give us the best opportunity to find a resource.



### MAGMATIC RESOURCES LTD

[magmaticresources.com](http://magmaticresources.com)

**Head Office** Level 1, 11 Lucknow Place  
West Perth WA 6005

**PO Box** PO Box 785  
West Perth WA 6872

**ABN** 32 615 598 322

**T:** +61 8 6102 2709  
**E:** [info@magmaticresources.com](mailto:info@magmaticresources.com)

We have delivered all our planned exploration programs and more including:

- ✓ **Adding two more tenements to our Wellington North and Moorefield projects in East Lachlan:**
  - **21st November 2017 Announcement:** New Exploration License granted at Moorefield Project provides dominant land position in highly prospective region
- ✓ **Acquired two new exciting projects in the Yamarna/Laverton region of WA, importantly in Electric Vehicle commodities and gold.**
  - **14th March 2018 Announcement:** Magmatic secures major Copper-Nickel-Cobalt Project – the newly acquired Mt Venn Project constitutes over 60% of the Mt Venn Intrusion 120km east of Laverton, WA
  - **11th April 2018 Announcement:** Magmatic takes strategic position in Yamarna goldfield, adding to its WA portfolio

## MAG's exploration led to the following announcements:

- ✓ **20th June 2018:** MAG advances major Copper-Gold Porphyry project with untested end-of-hole mineralised anomalies
- ✓ **4th June 2018:** Up to 7.7% copper rock chip samples at undrilled targets at Wellington North
- ✓ **28th May 2018:** Detailed aeromagnetic survey identifies 11 new gold and copper-gold targets
- ✓ **10th May 2018:** 92.8g/t Au rock chip confirms high-grade gold target at Bodangora
- ✓ **26 April 2018:** High grade rock chip samples enhance Bodangora gold targets, 2.5km south of historic gold mine
- ✓ **20th March 2018:** RC drilling discovers 2km long mineralised gold trend at MacGregors
- ✓ **19th February 2018:** Drilling at Lady Ilse discovers gold-copper mineralisation under thin cover, opens up 10km target corridor
- ✓ **13th November 2017:** Significant gold intercepts at Lady Ilse, Wellington Project
- ✓ **17th October 2017:** Gold mineralisation extended at Carlisle Reefs
- ✓ **4th July 2017:** High grade drill results from Carlisle Reefs

## Team

We have made considerable strides in building our exploration team:

**Steven Oxenburgh: Exploration Manager: MSc (Ore Deposit Geology and Evaluation) UWA, BSc Sydney University**

Most recently he was Exploration Manager, Millennium Minerals Ltd, with a \$22m exploration budget and led resource definition and project generation. Previously at Gold Fields, Steven was responsible for the divestment of Gold Fields' East Lachlan projects to Magmatic as well as being superintendent exploration at their St Ives mine with a \$34m exploration budget. **Recent exploration success includes extending Millennium's mine life, and discovery of Invincible South (2015), a 300koz Au resource estimate which remains open at depth.**



### MAGMATIC RESOURCES LTD

[magmaticresources.com](http://magmaticresources.com)

**Head Office** Level 1, 11 Lucknow Place  
West Perth WA 6005  
**PO Box** PO Box 785  
West Perth WA 6872  
**ABN** 32 615 598 322

**T:** +61 8 6102 2709  
**E:** [info@magmaticresources.com](mailto:info@magmaticresources.com)

## Vlad David: Principal Geologist: BSc Hons (Geology) and PhD in Economic Geology

Vladimir has more than 27 years' experience in mineral exploration and the mining industry, research institutions and government offices. During his career, he has held key strategic roles including: Unit Manager, Chief Geologist, Principal Geological Consultant, Principal Geologist, Team Leader, Senior Geologist, Geophysicist and Mine Geologist. **Vlad was team leader of the Hera Copper-Lead-Zinc-Silver Mine.**

## Corporate

MAG has been very active corporately:

### A) Identifying value added projects:

- **14th March 2018 Announcement: Magmatic secures major Copper-Nickel-Cobalt Project – the newly acquired Mt Venn Project constitutes over 60% of the Mt Venn Intrusion 120km east of Laverton, WA**
  - Magmatic Resources' Mt Venn project is immediately along strike from the recent Mt Venn discovery by Great Boulder Resources Limited (ASX: GBR) that yielded wide zones of primary Cu-Ni-Co sulphide mineralisation which included intercepts of 48m @ 0.75% Cu, 0.2% Ni and 0.07% Co and 61m @ 0.51% Cu, 0.19% Ni and 0.06% Co (refer ASX announcement 13 November 2017 and Figure 2)
  - Rock chip sampling by previous explorers along the 7km strike length at E38/2961 identified copper-bearing gossans with assays of up to 24% Cu, 1.89% Ni, and 0.18% Co
  - Detailed ground EM and airborne VTEM surveys by previous explorers identified multiple conductors, some of which remain untested, or with minimal follow-up
  - MAG intends to commence field work at E38/2961 as soon as practicable with field reconnaissance, reprocessing EM and VTEM data, and an RC drill program scheduled for the 2018 field season
- **11th April 2018 Announcement: Magmatic takes strategic position in Yamarna goldfield, adding to its WA portfolio Yamarna Gold Project**
  - Three gold exploration tenements added to prospective base metals portfolio, located 150km northeast of Laverton in Western Australia
  - Total project area of 355km<sup>2</sup> in the underexplored Yamarna greenstone belt, just 15km northwest of the Gruyere (~6Moz) gold mine under construction (Gold Fields/Gold Road JV)
  - Magmatic exploration team have identified a large scale regional structure transecting its new tenements, interpreted to be prospective for gold
  - Previous exploration is limited and includes minor shallow RAB and AC drilling, which Magmatic plans to assess with on-the-ground work in 2018 field season
  - Highly promising early stage Yamarna Gold Project compliments Mt Venn Copper-Nickel-Cobalt Project acquired in March, 40km west of the new project area

### B) Identifying potential JV partners: We continue to identify potential partners and have discussions on our porphyry projects



## MAGMATIC RESOURCES LTD

[magmaticresources.com](http://magmaticresources.com)

**Head Office** Level 1, 11 Lucknow Place  
West Perth WA 6005  
**PO Box** PO Box 785  
West Perth WA 6872  
**ABN** 32 615 598 322

**T:** +61 8 6102 2709  
**E:** [info@magmaticresources.com](mailto:info@magmaticresources.com)

## Future Plans

- ✓ Well positioned to take advantage of advanced portfolio of targets, as gold prices continue to be buoyant and the copper supply/demand shortfall starts to be factored in by the market
- ✓ Focused on near surface gold targets with best discovery potential
- ✓ Actively looking for major JV partners to advance copper-gold porphyry projects
- ✓ Winter 2018 exploration programs:
  - **Near surface gold prospects drilling:**
    - Bodangora high-grade gold target
    - Moorefield-Carlisle Reefs 15km gold trend
    - Lady Ilse gold-copper 10km target corridor
  - **Target generation - WA projects:**
    - Yamarna Gold Project
    - Mt Venn Copper-Nickel-Cobalt Project
  - **Parkes JV \$1m fully funded and planned exploration includes:**
    - IP survey
    - Surface geochemistry and mapping
    - RC and diamond drilling

## Summary

In 2014 when we purchased Gold Fields assets, we believed that there was a great opportunity for a counter cyclical investment in gold-copper resource exploration after many years of downturn, and now feel that the seeds of a recovery are growing and creating the right environment for us to capitalise on our investment.

The market has finally recognised the supply/demand shortfall of copper and the potential that Electric Vehicles will have on copper demand. Our projects in the East Lachlan have the potential for a major copper discovery and our multiple near surface gold targets are significantly advanced.

We have identified and purchased two new exciting projects in the Yamarna/Laverton region of WA, importantly in Electric Vehicle commodities and gold.

Our exploration activity has been recognised by the Government of NSW by being granted two NSW government drill grants at Moorefield and Myall, and by having our NSW tenements 100% renewed without relinquishment.

Our highly qualified exploration team give us a greater chance of exploration success and we will continue to seek JV partners for our Myall and/or Wellington North large gold-copper porphyry projects.

We are very confident that our near-term exploration programs and corporate activities have the potential to drive MAG's share price higher and thank you for your continued support.



### MAGMATIC RESOURCES LTD

[magneticresources.com](http://magneticresources.com)

**Head Office** Level 1, 11 Lucknow Place  
West Perth WA 6005  
**PO Box** PO Box 785  
West Perth WA 6872  
**ABN** 32 615 598 322

**T:** +61 8 6102 2709  
**E:** [info@magneticresources.com](mailto:info@magneticresources.com)

Please direct shareholder enquiries to:

Media enquiries to:

**David Richardson**  
Managing Director  
Phone: +61 8 6102 2709  
Email: info@magmaticresources.com

**Michael Cairnduff**  
Cannings Purple  
Phone: +61 406 775 241  
Email: mcairnduff@canningspurple.com.au

## 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.

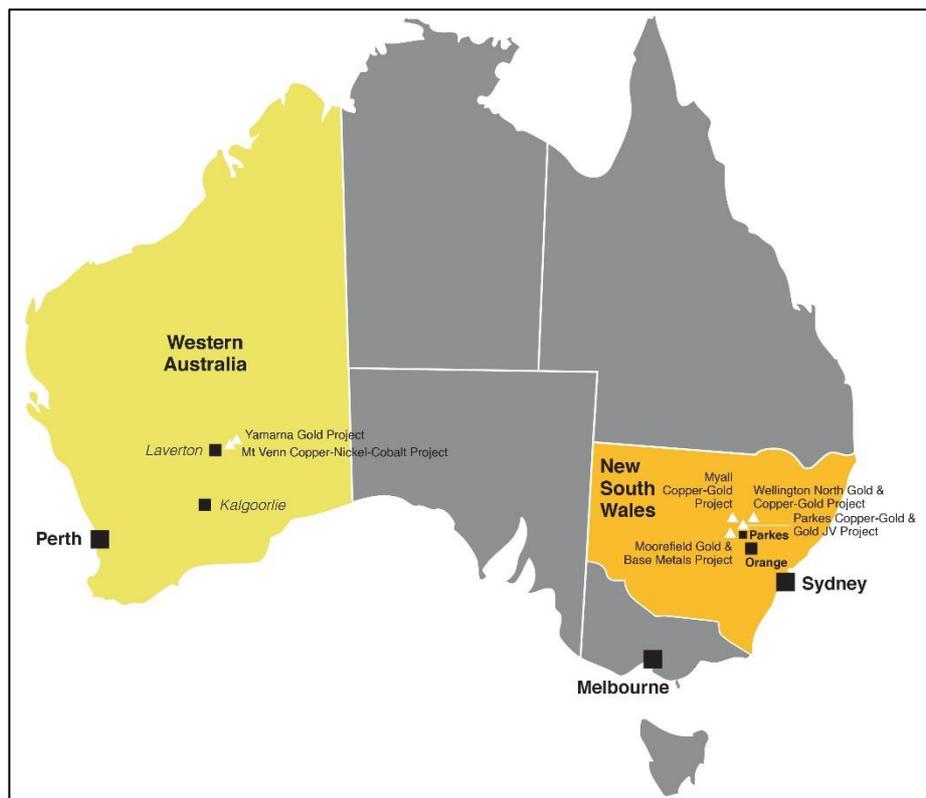


Figure 1: Magmatic Resources project location plan



### MAGMATIC RESOURCES LTD

magmaticresources.com

**Head Office** Level 1, 11 Lucknow Place  
West Perth WA 6005  
**PO Box** PO Box 785  
West Perth WA 6872  
**ABN** 32 615 598 322

**T:** +61 8 6102 2709  
**E:** info@magmaticresources.com