

ASX / MEDIA ANNOUNCEMENT

21 August 2017

RC DRILLING TO RESUME THIS WEEK AT CARLISLE REEFS

Magmatic Resources Limited (ASX: MAG) is pleased to announce that a second round of RC drilling will commence this week at the Carlisle Reefs prospect to follow-up high-grade gold intersections returned from the first round of drilling.

Highlights from the first round of drilling include¹:

- **Multiple significant gold intervals** incorporating a number of high-grade gold shoots were intersected beneath historic workings.
- Currently defined gold mineralisation extends **from near surface to 100m vertical and is open down dip and along strike** to the north and northwest.
- Best down-hole Gold intercepts² include:
 - **8m @ 5.00g/t Au** from 74m; incl **2m @ 18.05g/t Au**
 - **30m @ 1.79g/t Au** from 80m; incl **16m @ 2.09g/t Au**
 - **6m @ 3.59g/t Au** from 46m
 - **28m @ 0.86g/t Au** from 20m; incl **2m @ 3.38g/t Au**
 - **24m @ 0.65g/t Au** from 8m; incl **4m @ 2.63g/t Au**

The Central Vein Zone returned the widest intercepts to date (MFRC011-13; Figures 1 & 2) and is the focus of the second RC drill program. The current structural interpretation of the mineralisation in the Central Vein Zone is that it resides in the hinge of a north plunging fold, with likely fault offsets. The inferred eastern limb has so far returned the widest intercept, therefore the deeper holes will be targeted in this area. Drilling will also extend to the east to test similar structural positions within the Central Vein Zone. The SE Lode returned the highest grade intersection and two follow-up holes will test the down-dip extension and the possible plunge direction of the gold shoots.

Drilling is expected to start this week (23rd or 24th August 2017). A total of 14 RC holes (2270m) of drilling is planned for the second round program.

¹ Refer to MAG ASX release 4/07/2017

² True widths of intercepts yet to be determined

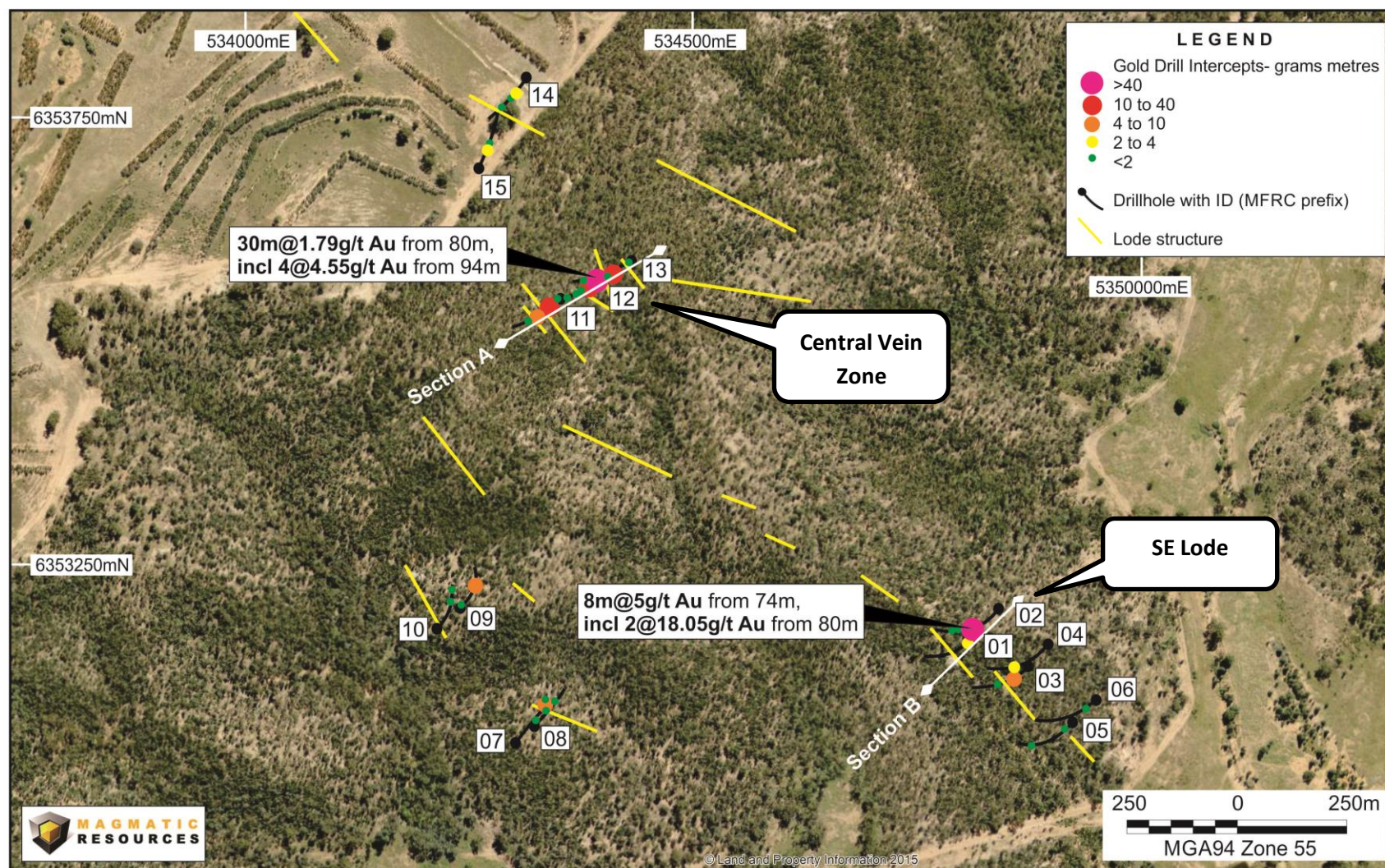


Figure 1 – aerial view of the Carlisle Reefs goldfield showing mapped lode structures, recently completed RC drillholes with significant gold drill intercept and locations of drill sections A & B, which are shown in Figures 2 & 3 respectively.

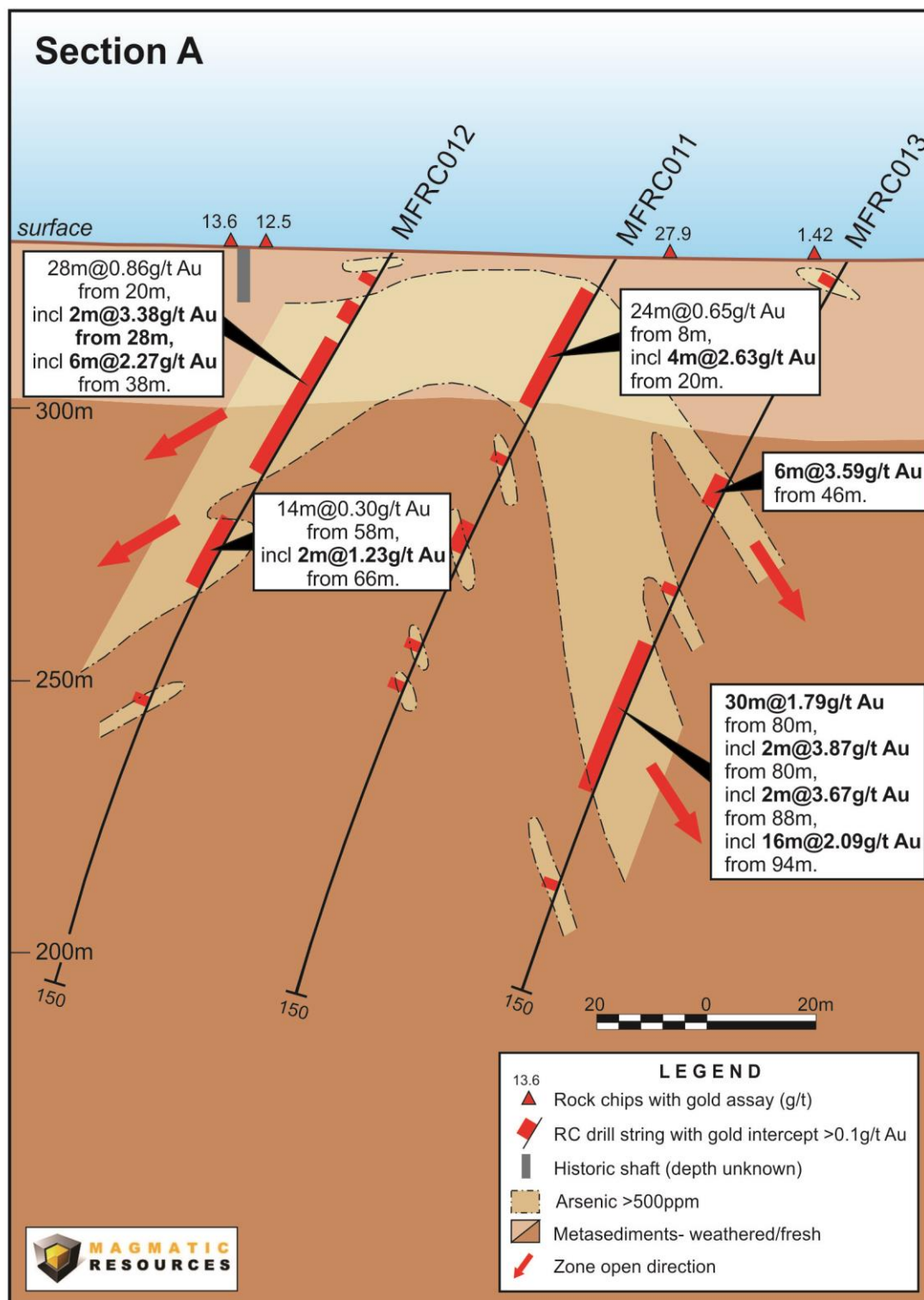


Figure 2 – Central Vein Zone RC drill section looking northwest through holes MFRC011-013

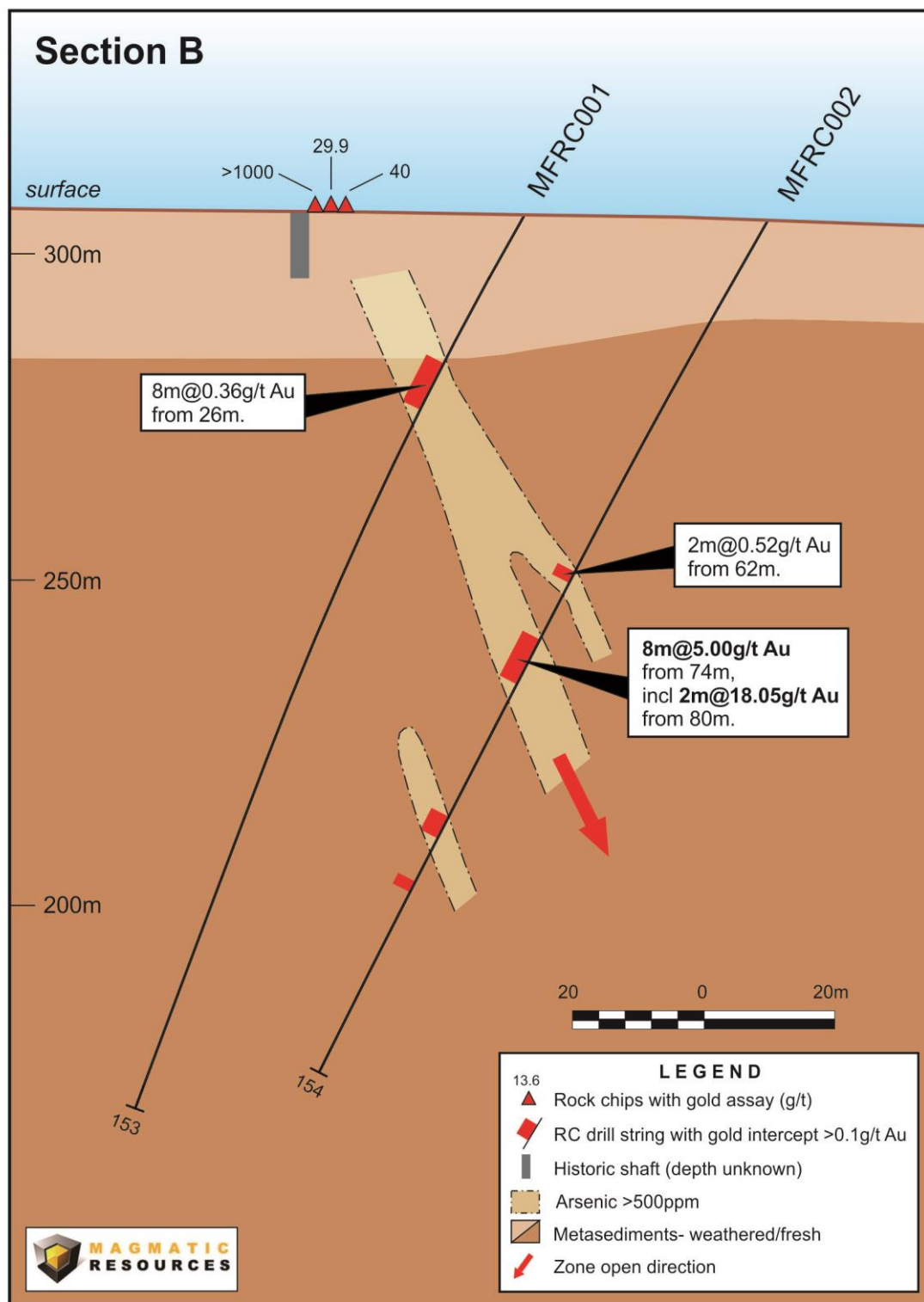


Figure 3 – SE Lode RC drill section looking northwest through holes MFRC001-002

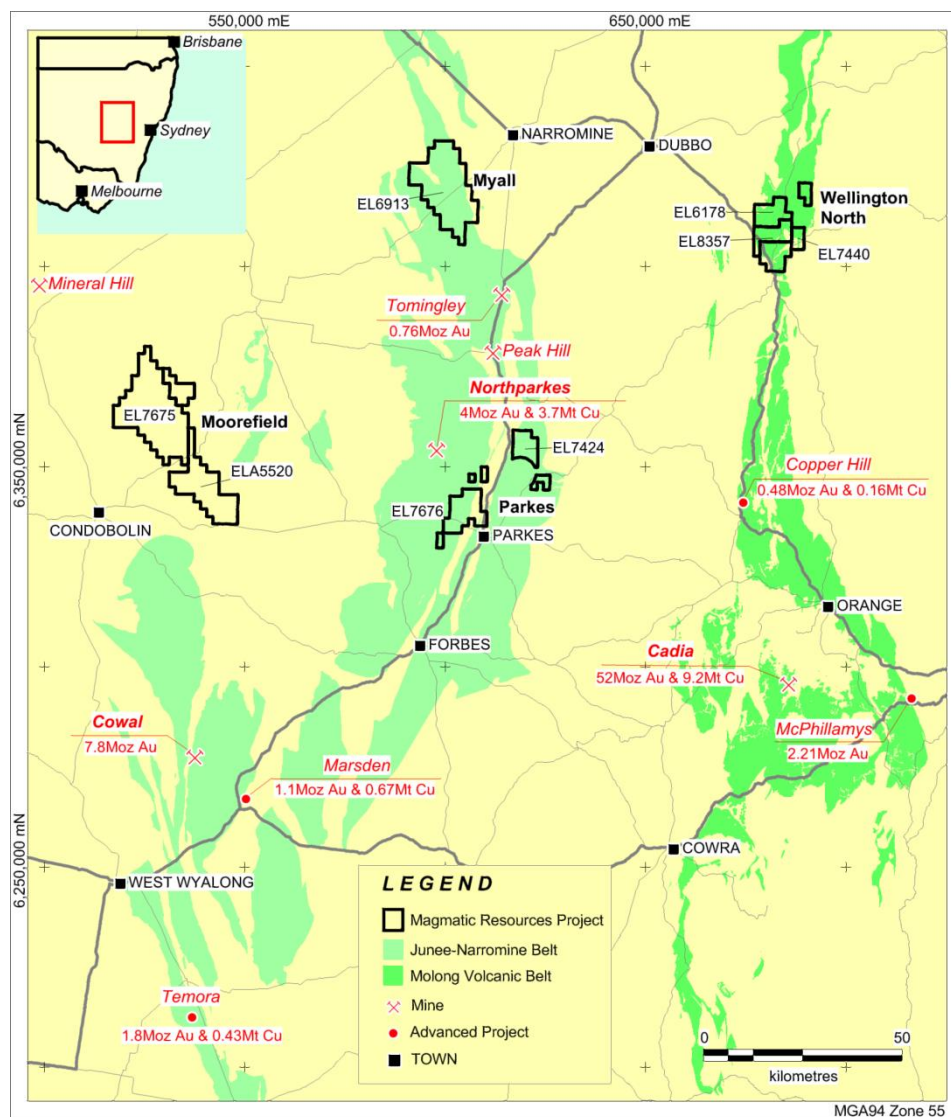


Figure 4 – Location of Magmatic's projects in the East Lachlan province showing mines and advanced projects with selected metal endowments.

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Competent Persons Statement:

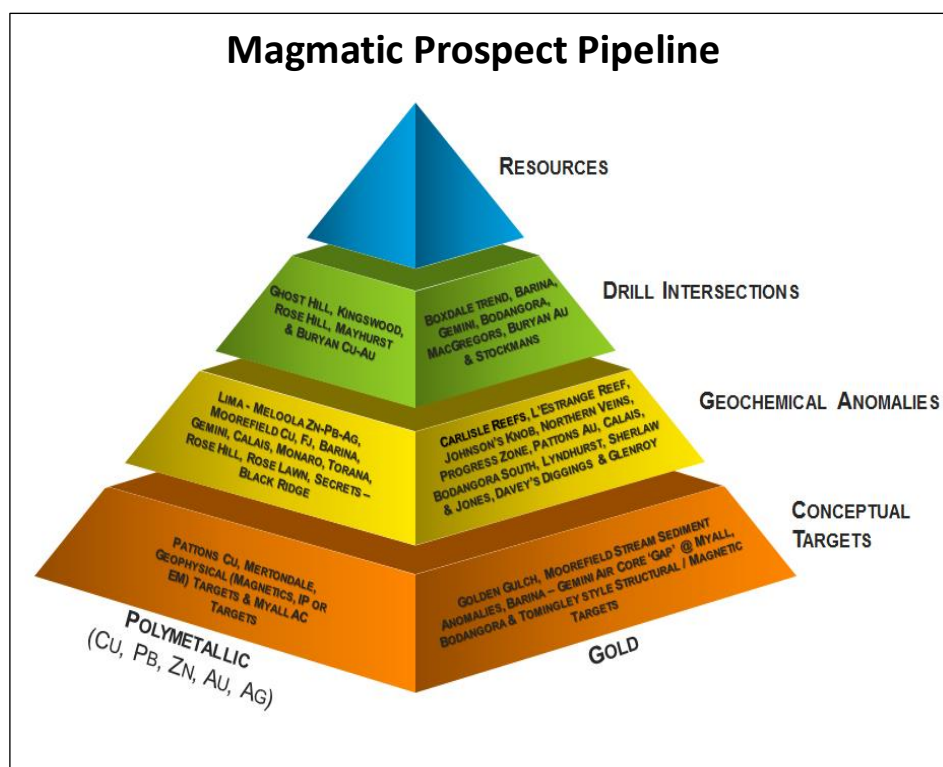
The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Gordon Barnes who is a Member of the Australian Institute of Geoscientists. Mr Barnes is a full-time employee of Magmatic Resources Limited and has sufficient 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 Gordon Barnes consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Moorefield

The Moorefield project consists of two tenements, EL7675 and ELA5520 (477km²) and is located 25km northeast of Condobolin (Figure 4). It covers geological units prospective for vein-hosted gold and skarn-related and VHMS-hosted base metal ($\pm$ gold) deposits. The project has 16 targets, including outcropping gold mineralisation at Carlisle Reefs, an historic goldfield with unknown production but which has yielded numerous high-grade ($>10\text{g/t Au}$, including $>1,000\text{g/t Au}$) rock chips in surface sampling. No previous drilling has been undertaken at the goldfield prior to MAG's first drill program completed earlier this year.

About Magmatic Resources

Magmatic Resources Ltd (ASX: MAG) is a NSW-focused gold, copper and other base metals explorer that listed on the ASX in May 2017. The Company's portfolio consists of four 100% owned projects Myall, Moorefield, Wellington North and Parkes (joint venture with Japanese Government exploration agency JOGMEC) comprising eight tenements (1049km²) in the East Lachlan province in central NSW. This Province is host to major copper-gold mining operations within the Ordovician Macquarie Arc (Figure 4) with significant metal endowments³ such as **Cadia (52Moz Au & 9.2Mt Cu)**, **Cowal (7.8Moz Au)** and **Northparkes (4Moz Au & 3.7Mt Cu)**. Other advanced projects include McPhillamys (2.2Moz Au), Marsden (1.2Moz Au & 0.68MtCu), Temora (1.8Moz Au & 0.43Mt Cu), Copper Hill (0.48Moz Au & 0.16Mt Cu) and Tomingley (0.76Moz Au). The portfolio was acquired from **Gold Fields Australasia Pty Ltd (Gold Fields – world's 7th largest gold miner)** in 2016 and is prospective for porphyry copper-gold, epithermal and orogenic gold deposits and skarn and VHMS base metals $\pm$ gold deposits. **Gold Fields spent over \$13.5m exploring the projects and identified over 40 prospects** (see Magmatic Prospect Pipeline) and retains a significant shareholding in the Company. Apart from follow up drilling at Carlisle Reefs, Magmatic has 6 other separate exploration programs planned in the next 12 months across its 4 projects.



³ Endowment = production + resource current to January 2017