

Quarterly Activities Report

Period ending 30 September 2018

Highlights

- Drilling program at Bodangora¹ confirmed high grade mineralisation and identified new area of near surface gold mineralisation; and
- Bodangora results included 2m @ 5.3g/t Au from 14m and 2m @ 2.7g/t Au from 21m and complemented previous exploration results near historical 230,000oz @ 26 g/t Au gold mine
- Diamond drilling commenced on the Parkes JV Buryan porphyry copper-gold target. Awaiting assays
- IP survey completed at Parkes JV over newly identified target²
- New tenement applied for at Mt Venn Copper-Nickel-Cobalt project, adding 27.3km²
- Completed a pro-rata renounceable rights issue, raising \$994,366³ to provide working capital and fund immediate exploration activities
- Following the end of the quarter, the Company completed the acquisition of Landslide Investments Pty Ltd⁴, holder of Exploration Licence E38/2918 at Magmatic's Yamarna Gold Project in Western Australia, approximately 15km from Gold Roads 6Moz Au Gruyere gold mine development

Magmatic Resources Limited ("Magmatic" or the "Company") (ASX: MAG) is pleased to provide its Quarterly Activities Report for the period ending 30 September 2018.

Corporate Update

Magmatic continued to progress negotiations with potential joint venture partners during the September quarter in relation to the Company's larger porphyry gold-copper and base metals targets within its advanced exploration portfolio in New South Wales' East Lachlan region.

Projects including the Myall Gold-Copper Project, Moorefield Gold & Base Metals Project and areas within the Wellington North Gold & Gold-Copper Project contain significant mineralised systems and targets that have attracted the attention of several potential partners to assist with medium term funding of thorough exploration programs across these tenements.

During the period, Magmatic completed a pro-rata renounceable rights issue resulting in approximately \$994,366 being raised for working capital requirements and to fund our priority exploration of shallow gold targets.

¹ Please refer to MAG ASX release dated 20 August 2018

² Please refer to MAG ASX release dated 28 May 2018

³ Please refer to MAG ASX release dated 28 August 2018

⁴ Please refer to MAG ASX release dated 9 October 2018



During the quarter, the Company applied for an additional exploration tenement (E38/3351) immediately north of Mt Venn E38/2961. The application will add 27.3km² to the Company's Mt Venn Copper-Nickel-Cobalt Project. This project is immediately north of Great Boulder Resources (GBR) Yamarna Copper-Nickel-Cobalt project.

Following the end of the September quarter, Magmatic expanded the company's Yamarna Gold Project by completing the acquisition of Landslide Investments Pty Ltd⁵, holder of Exploration Licence E38/2918, which is within Australia's newest emerging approximately gold production belt, where Gold Roads 5.88Moz Gruyere gold mine development is located just 15km to the east. The transaction was first announced on 11 April 2018. Magmatic also has the adjoining Exploration Licence E38/3312 under application, which, when granted, will grow the strategic Yamarna land position to 252km².

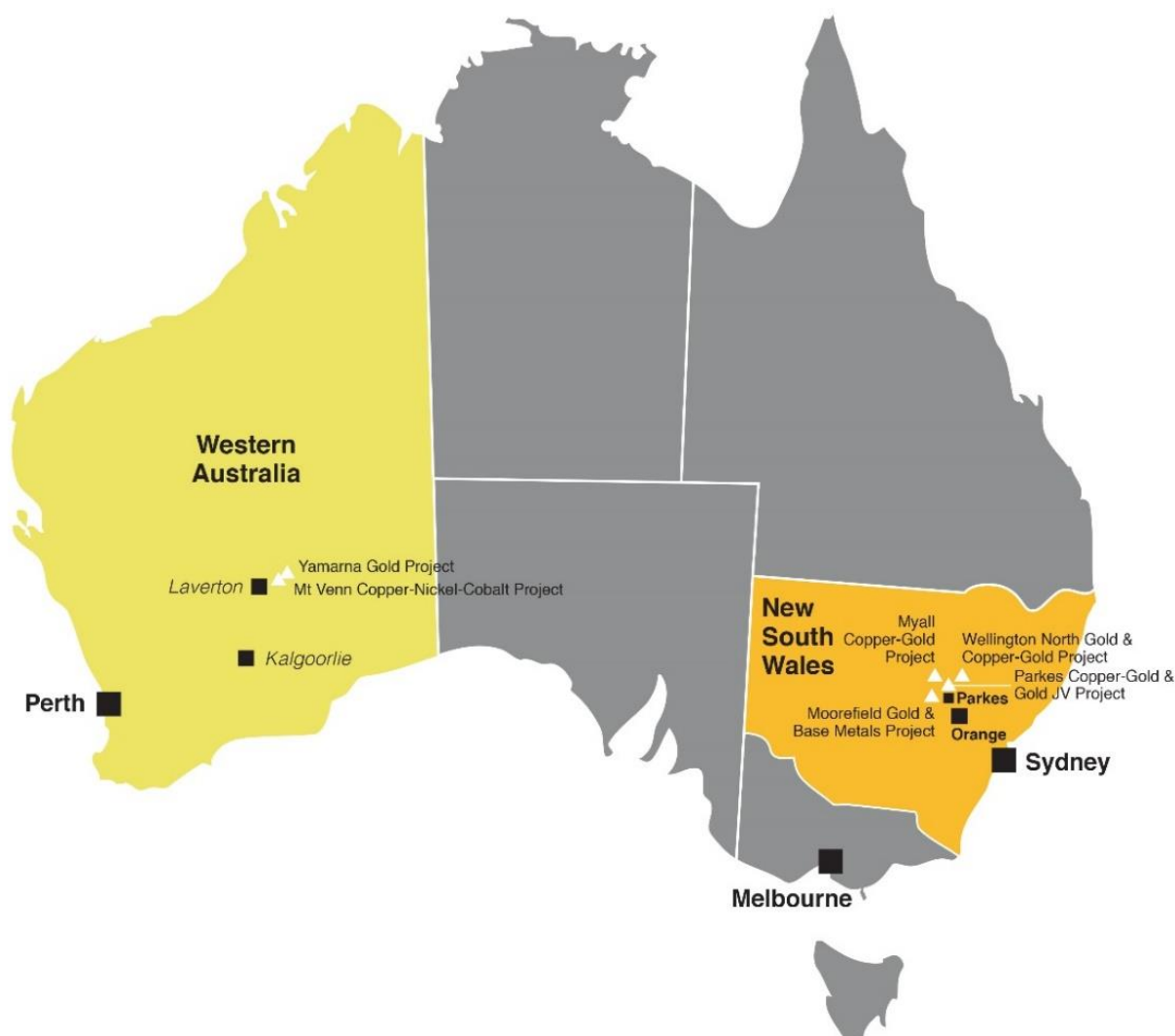


Figure 1: Magmatic Resources Project Location Plan

⁵ Please refer to MAG ASX release dated 9 October 2018



Exploration Overview

Magmatic continued its on-the-ground exploration and evaluation activities in the period within its East Lachlan project portfolio, with a particular focus on the Wellington North Gold & Gold-Copper Project, where the Company completed an RC/AC drilling program⁶ to sure-up previous positive results at the Bodangora near surface gold target and test new interpreted zones of the Bodangora South near surface gold target. Both targets are located near the historical Bodangora gold mine which produced 230,000oz @ 26g/t Au.

This drilling program was consistent with Magmatic's near-term, self-funded exploration strategy of focusing on advancing near-surface gold targets within its East Lachlan portfolio.

The Company was pleased to announce that the results complemented previous intersections and confirmed high-grade mineralisation at the Bodangora target. In addition, the latest drilling also identified a new area of near surface mineralisation at Bodangora South, which the Company intends to follow up in future campaigns.

At the Company's Yamarna Gold Project and Mt Venn Copper-Nickel-Cobalt Projects in Western Australian, Magmatic continued desk-top modelling and target generation work across these strategic land positions. Although previous exploration is limited on the Company's WA projects, Magmatic has successfully targeted tenements within known mineralised belts and next to 2 advanced projects owned by Gold Road (5.88Moz Gruyer gold mine under construction due for completion in mid-2019) and Great Boulder Resources (Mt Venn Copper-Nickel-Cobalt project). Further assessment of prospectivity will be carried out on-the-ground by senior exploration personnel in October.

At the Company's Copper-Gold and Gold Parkes JV Project, diamond drilling commenced at the Buryan porphyry prospect with results expected next quarter. A three-line IP survey was completed over the Blackridge target which was identified from the recent aeromagnetic survey⁷. The results will also be processed and interpreted next quarter.

⁶ Please refer to MAG ASX release dated 20 August 2018

⁷ Please refer to MAG ASX release dated 28 May 2018



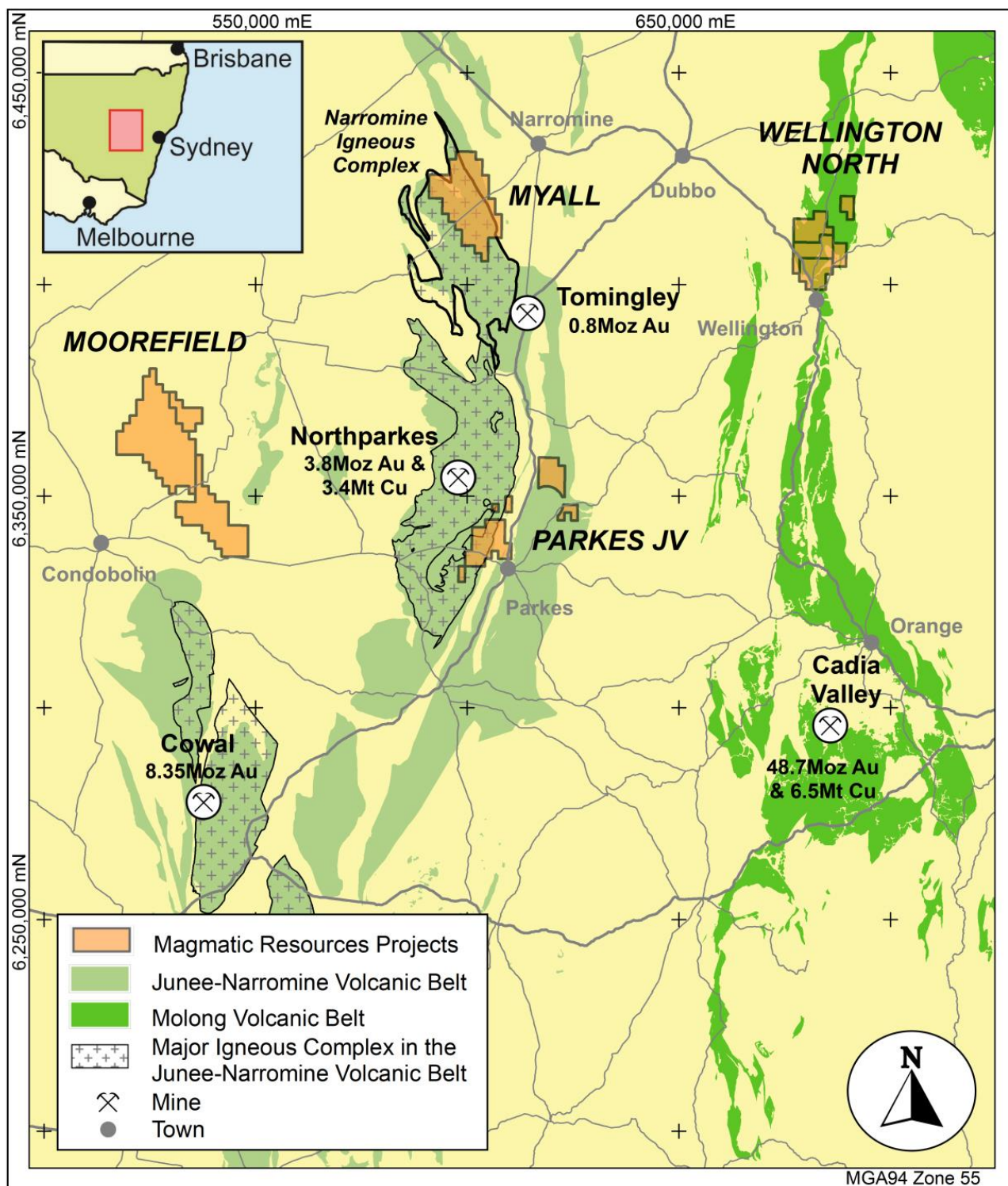


Figure 2: Location of Magmatic's projects in the East Lachlan, NSW showing mines and advanced projects with selected metal endowments⁸

⁸ Endowment = production + current resource current to January 2017



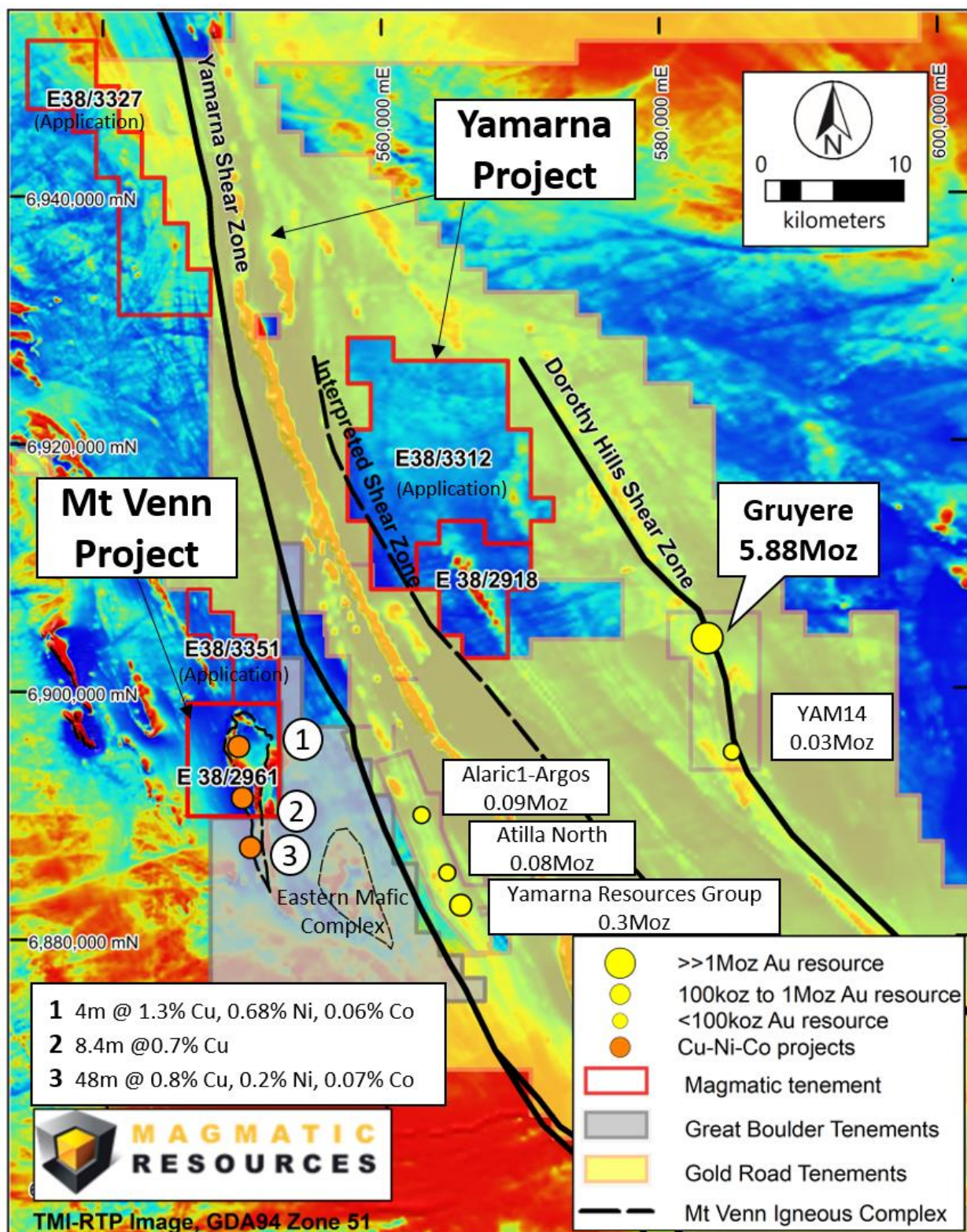


Figure 3: Magmatic's Yamarna and Mt Venn projects in Western Australia highlighting regional geology, aeromagnetic data and location plan.



Wellington North Gold & Copper-Gold Project (MAG 100%)

Porphyry copper-gold targets:

- Rose Hill (e.g. 71m at 0.43% Cu and 0.30g/t Au, from surface⁹),
- Lady Ilse (e.g. 22m at 0.54g/t Au, from 18m¹⁰)

Gold targets:

- Bodangora (historical production 230,000oz at 26g/t Au⁹)

The Wellington North Project was the Company's exploration focus during the September quarter, with the planning and execution of a 12-hole, totalling 484m, RC/AC drilling program completed in the period.

The drilling had the dual goals of confirming the grade and tenor of previously identified mineralised veins at the Bodangora orogenic gold target and testing a new area of interpreted mineralisation at the Bodangora South target – with both aspects of the program proving successful¹¹.

The Company was highly encouraged by the results from the new area of near surface mineralisation at Bodangora South, where a mineralised vein identified under cover returned an intersection of 3m @ 1.3g/t Au from 18m.

Drilling at Bodangora, which takes in the historical Dicks Reward mining area, was designed to test continuity and grade of the mineralisation identified in previous (Cluff) 1980s-era RAB and DD drilling. The drilling confirmed the location of the mineralised veins and improved confidence in the previous RAB and DD drilling results, with significant intersections including:

- 2m @ 5.3g/t Au from 14m; and
- 2m @ 2.7g/t Au from 21m.

The mineralisation intersected in the latest campaign was continuous with known mineralisation at Dicks Reward. Future work being planned will include mapping and sampling of surface veins, and targeted follow-up drilling.

⁹ Please refer to MAG Prospectus release dated 17 May 2017

¹⁰ Please refer to MAG ASX release dated 19 February 2018

¹¹ Please refer to MAG ASX release dated 20 August 2018



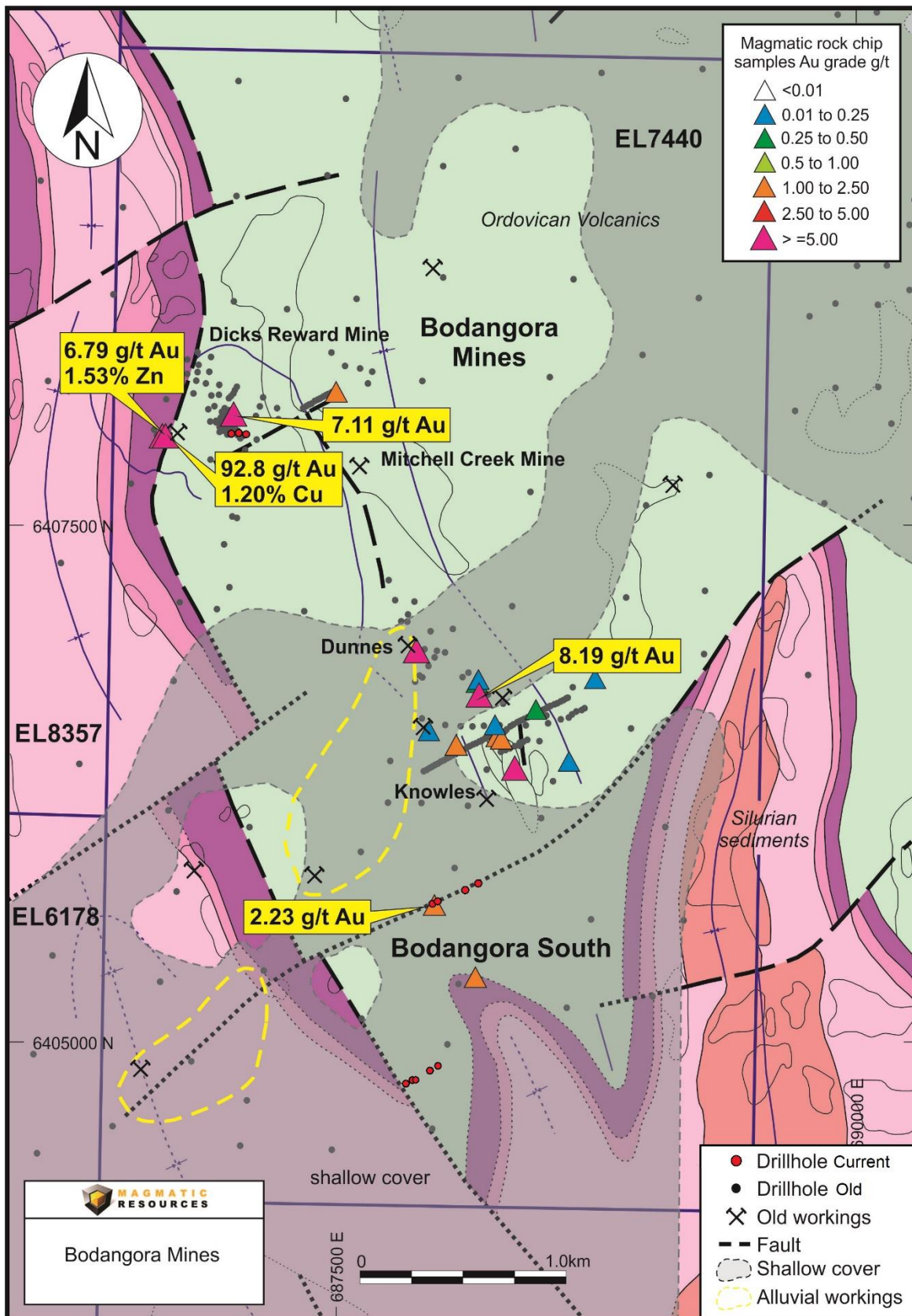


Figure 4: Location of drill holes on interpreted geology from recent exploration focused on Bodangora targets within the Wellington North Project.



Moorefield Gold & Base Metals Project (MAG 100%)

Gold targets:

- **Boxdale to Carlisle Reefs 15km gold trend**
 - ✓ **Carlisle Reefs target (e.g. 30m at 1.60g/t Au, from 80m¹²)**
 - ✓ **Boxdale target (e.g. 19m at 1.28 g/t Au¹³)**

Base metal targets: Pattons, Moorefield

Interpretation of final results from the previously flown aeromagnetic survey at the Moorefield Gold & Base Metals Project continued in the September quarter.

The survey was flown at 50m line spacing over most of the Moorefield licence (EL7675) and part of the Derriwong licence (EL8669) earlier in the year targeting the Ghost Hill skarn and the Boxdale-Carlisle Reefs gold trend, where earlier drilling by Magmatic returned a best result of 30m @ 1.60g/t Au from 80m (MFRC013), including 11m at 2.68 g/t Au (from 95m)¹².

The Company expects to release the interpreted results prior to the end of 2018.

Myall Gold-Copper Project (MAG 100%)

Porphyry copper-gold targets:

- **Kingswood (e.g. 52m at 0.67% Cu and 0.20g/t Au, from 144m¹³),**
- **SLR (e.g. 1m at 0.16% Cu and 0.62g/t Au, from 161m eoh¹⁴)**

Epithermal gold targets:

- **Barina (e.g. 0.5m at 204g/t Au, from 221.9m¹³)**

Myall Gold-Copper Project is located within a very large volcano-intrusive complex in the East Lachlan, interpreted to be a similar age as the Cadia Valley and Northparkes porphyry systems. Magmatic continued discussions with potential joint venture partners during the period, including inviting several parties into its data room, with the joint venture path being the preferred strategy for drill testing the porphyry potential of the Myall Project going forward.

Parkes Copper-Gold & Gold Project (MAG 100%, JOGMEC earning 51%)

Porphyry copper-gold targets:

- **Buryan,**
- **9 new aeromagnetic targets**

Gold targets:

- **MacGregors and MacGregors South (e.g. 10m at 1.25g/t Au, from 146m¹⁵)**

Magmatic continued geochemical sampling over the target areas during the September quarter as part of planning and prioritisation for the next phase of drilling at the Parkes Copper-Gold & Gold JV Project. Diamond drilling commenced at the Buryan copper-gold porphyry target during the quarter and results of this drilling are likely to be available in the December quarter.

The Company has previously identified 3 new gold and 9 new copper-gold targets through a combination of aeromagnetic surveying and field verification of areas interpreted to have shallow cover (less than 5-10m) and

¹² Please refer to MAG ASX release dated 17 October 2017

¹³ Please refer to MAG Prospectus release dated 17 May 2017

¹⁴ Please refer to MAG ASX release dated 20 June 2018

¹⁵ Please refer to MAG ASX release dated 20 March 2018



no previous drilling. One has had an IP survey completed with results to be released next quarter and two have been prioritised for drilling in the December quarter.

Yamarna Gold Project (MAG 100%)

Target: Gruyere-style gold mineralisation

Post period close in early October, Magmatic completed the acquisition of Landslide Investments Pty Ltd¹⁶, holder of Exploration Licence E38/2918, which forms part of the Company's Yamarna Gold Project. The transaction was first announced on 11 April 2018¹⁷.

Magmatic also has the adjoining Exploration Licence E38/3312 under application, which when granted will grow the strategic Yamarna land position to 252km² within Australia's newest emerging gold production belt, where the 5.88Moz Gruyere gold mine development located just 15km to the east of Magmatic's project is due to come into production in mid-2019.

Major international gold producer Gold Fields has recognised the potential of the Yamarna greenstone belt as being a long term, high margin production opportunity for its portfolio, opting to participate in a 50% joint venture partnership with Australian explorer Gold Road Resources to develop the Gruyere mine and continue to explore the associated tenements. Gold Fields has also invested in a strategic 10% corporate shareholding of Gold Road. Magmatic acquired its advanced New South Wales project portfolio from Gold Fields prior to listing in May 2017 and Gold Fields also continues to maintain a strategic 15% shareholding in Magmatic.

Mt Venn Project: Copper-Nickel-Cobalt (MAG 100%)

Targets: Mt Venn-style copper-nickel-cobalt mineralisation.

Magmatic will conduct field work at the Mt Venn Copper-Nickel-Cobalt Project before the end of 2018 alongside the work planned for the nearby Yamarna Gold Project, 150km east of Laverton in Western Australia. The Project is along strike from Great Boulder Resources' copper-nickel-cobalt sulphide discovery on the Mt Venn Igneous Complex, of which Magmatic's land holding covers 60% of the complex. An additional exploration licence application (E38/3351) was made immediately north of Mt Venn E38/2961 during the quarter.

Key Announcements in Period

Renounceable rights issue - close of offer and subscriptions (28/8/2018 ASX release)

Magmatic closed a pro-rata renounceable rights issue during the quarter having raised \$994,366 for working capital and to fund our priority exploration of shallow gold targets.

Drilling confirms high grade results (20/8/2018 ASX release)

Magmatic announced positive results from an RC/AC drilling program completed in the period at its Wellington North Project focused on the Bodangora and Bodangora South targets, with the intersections complementing previous results and confirming high-grade mineralisation.

- **Results included 2m @ 5.3g/t Au from 14m and 2m @ 2.7g/t Au from 21m and complement previous results; and**
- **Additional mineralised vein identified under cover at Bodangora South with 3m at 1.3 g/t Au from 18m intersected.**

¹⁶ Please refer to MAG ASX release dated 9 October 2018

¹⁷ Please refer to MAG ASX release dated 11 April 2018



Magmatic Tenement Listing

(As at 30 September 2018)

State	Project	Lease No	Status	JV Project	Manager	Magmatic interest ¹⁸	Area (km2)	Note
NSW	Moorefield	EL7675	Renewed	No	Magmatic	100%	284.6	
NSW	Moorefield	EL8669	Granted	No	Magmatic	100%	193.0	
NSW	Myall	EL6913	Renewed	No	Magmatic	100%	243.7	
NSW	Parkes	EL7424	Renewed	Yes	Magmatic	100%	56.0	JOGMEC JV
NSW	Parkes	EL7676	Renewed	Yes	Magmatic	100%	95.0	JOGMEC JV
NSW	Wellington North	EL6178	Renewed	No	Magmatic	100%	113.0	
NSW	Wellington North	EL7440	Renewed	No	Magmatic	100%	17.4	
NSW	Wellington North	EL8357	Granted	No	Magmatic	100%	46.4	
WA	Mt Venn	E38/2961	Granted	No	Magmatic	100%	59.6	Transferring from E25
WA	Yamarna	E38/2918	Granted	No	Magmatic	100%	60.68	
WA	Yamarna	E38/3312	Pending	No	Magmatic	100%	191.3	
WA	Yamarna	E38/3327	Pending	No	Magmatic	100%	103.4	
WA	Mt venn	E38/3351	Pending	No	Magmatic	100%	27.3	

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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 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.

¹⁸ All tenements are held by Modeling Resources Pty Ltd which is a 100% owned subsidiary of Magmatic Resources Ltd



About Magmatic's Project Portfolio

Magmatic Resources is a multi-commodity exploration company that listed on the ASX in May 2017 with four projects in the East Lachlan, New South Wales; a focused portfolio of gold, copper and other base metals. Magmatic has recently acquired two Western Australian projects: Yamarna (gold) and Mt Venn (copper-nickel-cobalt) in Australia's newest goldfield, the Yamarna Belt, 200 kilometres east of Laverton in Western Australia.

New South Wales – East Lachlan

The Company has four 100% owned projects – Myall, Moorefield, Wellington North and Parkes (joint venture with JOGMEC) – comprising eight tenements (1049km²) in the East Lachlan Fold Belt in central NSW. This province is host to major gold and copper mining operations within the Ordovician Macquarie Arc, with significant metal endowments¹⁹ such as Newcrest's Cadia Valley (48.7Moz Au and 6.5Mt Cu), Evolution's Cowal (8.35Moz Au) and China Moly – Sumitomo's Northparkes (3.8Moz Au and 3.4Mt Cu). Other mines and advanced projects in the region include Regis' McPhillamys (2.2Moz Au), Sandfire's Temora (2.1Moz Au and 0.8Mt Cu), and Alkane's Tomingley (0.8Moz Au).

The NSW portfolio was acquired from Gold Fields (world's 7th largest gold miner) in 2016 and is prospective for porphyry gold-copper, epithermal and orogenic gold deposits and skarn and VHMS base metals ± gold deposits. Gold Fields spent more than \$13.5m exploring the projects and identified more than 40 prospects and retains a 20% shareholding in Magmatic. The Company is focused on advancing priority, near surface gold prospects, while joint venturing its larger gold-copper porphyry projects.

Western Australia – Yamarna and Mt Venn

Magmatic's Yamarna gold project is in the central part of the Yamarna greenstone belt and 15km from Gold Road Resources and Gold Field's 5.88Moz²⁰ Au Gruyere deposit. Gold Road announced a \$23M (163,500m) 2018 greenfield exploration budget on its nearby Yamarna tenements.

The Company purchased the Mt Venn copper-nickel-cobalt project in March 2018 (ASX: MAG 11/04/2018), where exploration licence E38/2961 covers 60% of the Mt Venn Igneous Complex and is immediately along strike from the recent copper-nickel-cobalt sulphide discovery of the same name by Great Boulder Resources.

¹⁹ Metal endowment from: Phillips, G N (Ed), 2017. Australian Ore Deposits (The Australasian Institute of Mining and Metallurgy: Melbourne)

²⁰ ASX: GOR 27/03/2018

