

24 MARCH 2020

DRILLING COMMENCES AT LADY ILSE GOLD-COPPER PORPHYRY TARGET

- Drilling has commenced in the Lady Ilse District with the collaring of a diamond drillhole
- Initial drill hole testing high priority gold-copper porphyry target at the Lady Ilse Prospect

Magmatic Resources ('MAG' or 'The Company') is pleased to advise that a diamond drill rig has mobilised to the Lady Ilse District within the Wellington North Project (100% MAG) (Figure 1) and the drillhole has been collared.

An initial core hole will test a high priority gold-copper porphyry target defined by coincident gold and porphyry pathfinder anomalism (Te-Bi-As), pyrite-rich (alkalic lithocap) porphyry alteration, chargeability and conductivity geophysical features (Figure 2) (ASX MAG 16 March 2020).

The Company has applied the 'Cadia East Exploration Model' and descriptions from Alkane's nearby Boda porphyry discovery to guide its exploration in the Lady Ilse District. Key features of both Cadia East and Boda are present at Lady Ilse with the scale of the pyrite halo (alkalic lithocap) suggested by the datasets in the Lady Ilse District (Figures 2, 3) highlighting a much larger scale opportunity than Boda, with the potential for preservation of a Cadia East scale gold-copper porphyry system.



Figure 1: Photo of rig setup on drillhole 20LIDD001

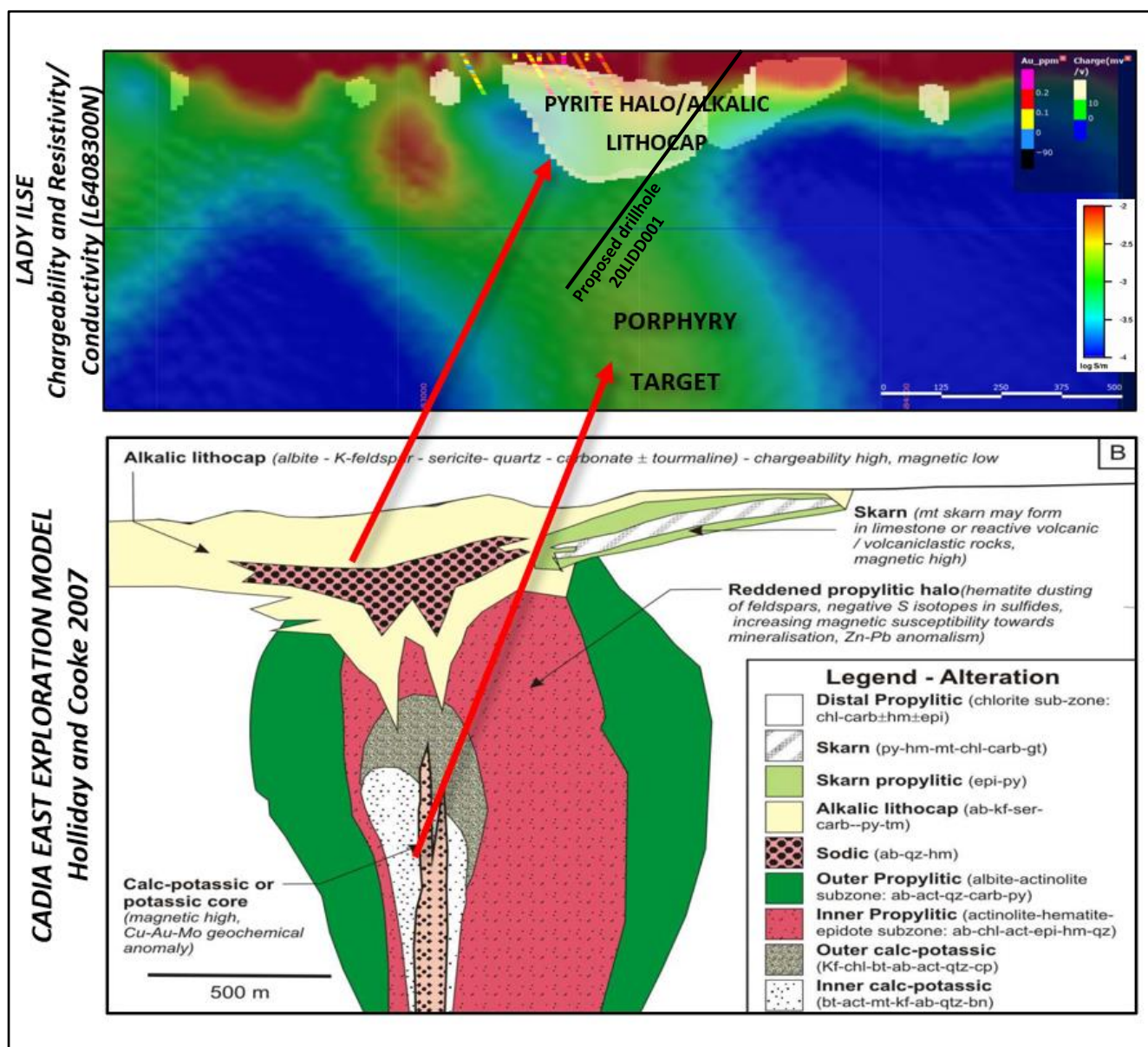
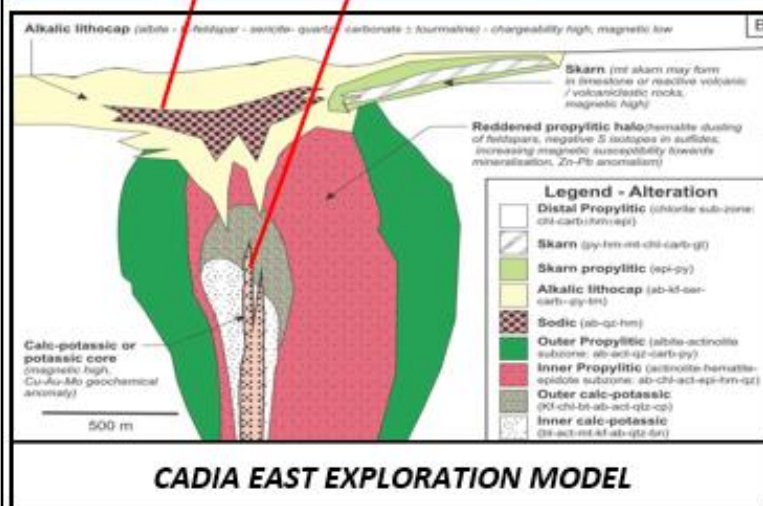
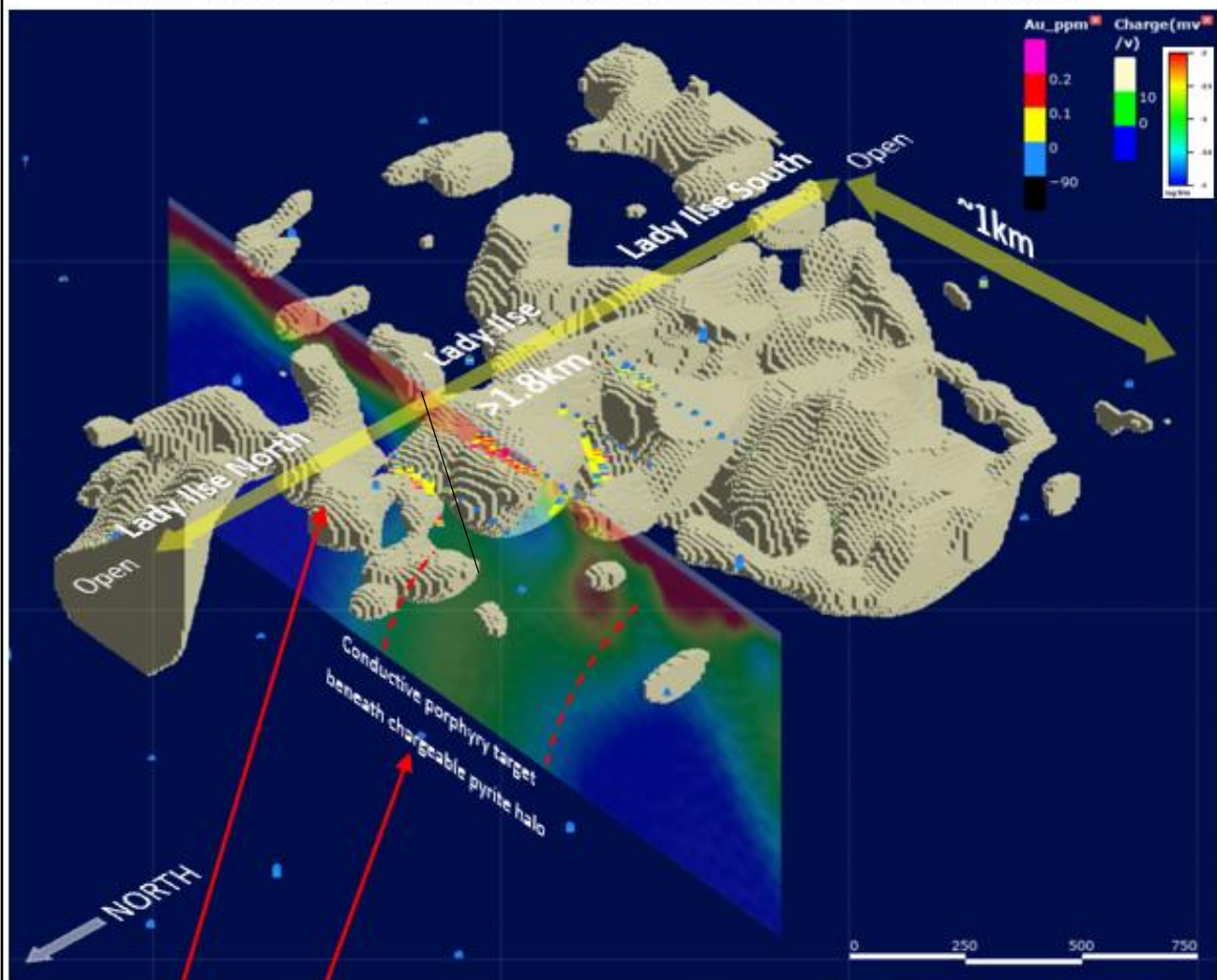


Figure 2: Lady Ilse, 2D chargeability and resistivity/conductivity inversion data (L6408300N), shallow drilling and interpretation relative to the Cadia East exploration model (Holliday and Cooke 2007)

LADY ILSE DISTRICT VS CADIA EAST PORPHYRY DEPOSIT



WELLINGTON NORTH PROJECT

Lady Ilse District

3D Oblique View

3D Chargeability Inversion Model,
2D Resistivity/Conductivity Inversion
(L6408300N), Shallow drilling coverage,
Interpreted position on Cadia East
Exploration Model

Figure 3: Oblique 3D view of Lady Ilse district, 3D chargeability inversion model, 2D resistivity/conductivity inversion model (L6408300N), shallow drilling and interpretation relative to the Cadia East exploration model (Holliday and Cooke 2007) (looking down towards the southeast)

Wellington North (100% MAG)

Magmatic's 100%-owned Wellington North Project covers the northern extension of the Molong Volcanic Belt, located ~100km north and along strike from Newcrest's world-class Cadia Valley porphyry gold-copper deposits. The project comprises three exploration licenses and is considered highly prospective for gold-copper porphyry, gold epithermal and lode style gold mineralisation.

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 4). The discovery has highlighted the surface signature of porphyry mineralisation and has had an immediate impact on the ranking of Magmatic's exploration targets, with several upgraded for Boda-style and Cadia East-style porphyry gold-copper mineralisation, e.g. Lady Ilse, Rose Hill, Ninety and Mayhurst.

Lady Ilse District gold-copper porphyry targets exhibit the same characteristics at the equivalent stage of exploration as the Boda porphyry discovery (ALK ASX 13 February 2020).

MAG considers that the scale of the pyrite halo (alkalic lithocap) alteration suggested by the datasets at the Lady Ilse District highlight a much larger scale opportunity than Boda, with the potential for preservation of a Cadia East scale gold-copper porphyry system.

COVID-19

The Company has been proactively managing the potential impact of COVID-19 and has developed systems and policies to ensure the health and safety of our people, and limiting the risk to our operations. These systems and policies have been progressively developed in line with the formal guidance of State and Federal health authorities and with the assistance of our contractors.

To ensure the health and wellbeing of our people and contractors, the Company has implemented a range of measures to minimise the risk of infection and rate of transmission of COVID-19. These measures include health screening, increased hygiene practices, restrictions on non-essential travel, establishing strong infection control systems and protocols across the business and encouraging and facilitating remote working arrangements where practicable. The Company will continue to monitor the formal requirements and guidance of State and Federal health authorities, and act accordingly.

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's world class porphyry gold-copper 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 2018) and Cowal Epithermal Deposit (Evolution Mining, Evolution 2018) represent other significant long-life mining operations.

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 significant gold porphyry discovery hotspot along strike from Cadia Valley. The Boda discovery has also highlighted the surface exploration signature and has had an immediate impact on the ranking of Magmatic's porphyry targets, with several being upgraded for Boda-style and Cadia East-style porphyry gold-copper mineralisation, e.g. Lady Ilse, Rose Hill, Ninety and Mayhurst.

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, providing further opportunity to add significant value via near term exploration success.

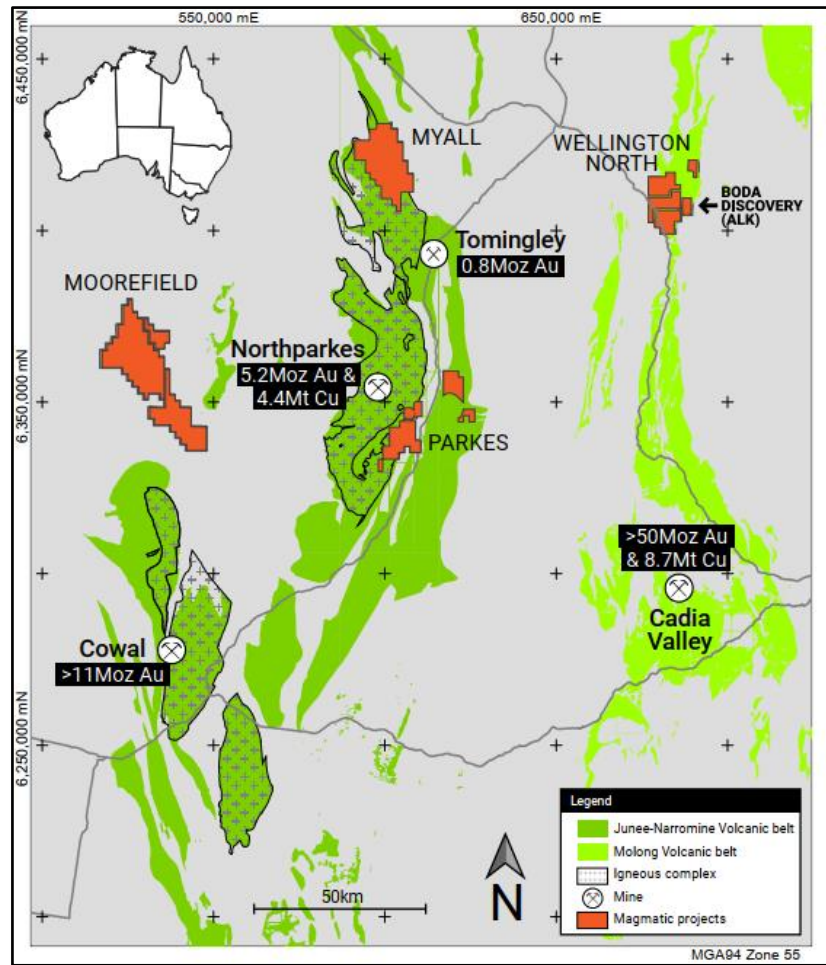


Figure 4: MAG Project Location Map

References

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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.

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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.

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