

3 MARCH 2021

MAGMATIC RAISES \$5M FOR DRILLING HIGH PRIORITY COPPER - GOLD TARGETS

- **Very strongly supported placement raising \$5 million**
- **Capital raising allows Magmatic to accelerate and expand multiple upcoming drilling programs and other exploration activities across its East Lachlan copper-gold portfolio**
- **Drilling activity has recently commenced at Boda South, Rockleigh and Lady Ilse, with drilling imminent at Rose-Hill**

Magmatic Resources Limited ("Magmatic", "the Company") is pleased to announce that it has obtained binding commitments from a range of institutional and professional investors for a capital raising of \$5.0 million ("Placement").

Funds raised via the Placement will be applied to rapidly progress the Company's exploration activities across its 100% owned East Lachlan copper-gold portfolio, including:

- **Wellington North Gold-Copper Project:** drill testing of multiple Au-Cu targets in the northern Molong Belt, located along strike from Australia's largest gold producer at Cadia East (ASX:NCM, Newcrest 2020)
- **Myall Copper-Gold Project:** drill testing of multiple Cu-Au targets, located along strike from Northparkes copper-gold mining district (China Molybdenum/Sumitomo)
- **Parkes Gold Project:** drill testing of multiple orogenic gold targets located along strike from the Tomingley Gold Operations (ASX:ALK)

In addition, funds may also be used for other exploration activities and general working capital.

Magmatic's Managing Director, Mr Peter Duerden commented: *"Magmatic thanks its existing shareholders for their continued support and looks forward to welcoming a number of new incoming shareholders to the register. We are excited by the opportunity this capital raising provides Magmatic to be able to accelerate and expand our upcoming drilling programs across multiple high priority targets in the World Class East Lachlan gold-copper province."*

Placement Details

The Company has received binding commitments to raise a total of \$5.0 million (before costs). The Placement will comprise the issue of 41,666,670 new fully paid ordinary shares ("**New Shares**") at an issue price of \$0.12 per share.

New Shares will be issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1 (24,124,748 New Shares) and 7.1A (17,541,922 New Shares), and rank pari passu with fully paid ordinary shares in Magmatic.

The Company confirms that the issue price of \$0.12 per share satisfies the requirements of Listing Rule 7.1A. The Placement pricing represents a 17.2% discount to Magmatic's last close (1 March 2021) of \$0.145 per share and an 19.8% discount to the 10-day VWAP of \$0.1496 per share.

Allotment of New Shares is planned for 12 March 2021.

Euroz Hartleys Limited and Plutus Capital Advisory acted as Joint Lead Managers for the Placement and will be paid a 6% fee on relevant proceeds received. The Joint Lead Managers will also receive 4m options exercisable at a 40% premium to the 5-day VWAP prior to 2 March 2021 and with a three year term. The broker options will be issued subject to shareholder approval to be sought at an upcoming general meeting.

Authorised for release by the board of directors of Magmatic Resources Limited

For further information:

Peter Duerden
Managing Director
Magmatic Resources Limited
+61 8 9322 6009
pduerden@magmaticresources.com
www.magmaticresources.com

For media enquiries:

Jane Morgan
Director
Jane Morgan Management
+61 405 555 618
jm@janemorganmanagement.com.au

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.

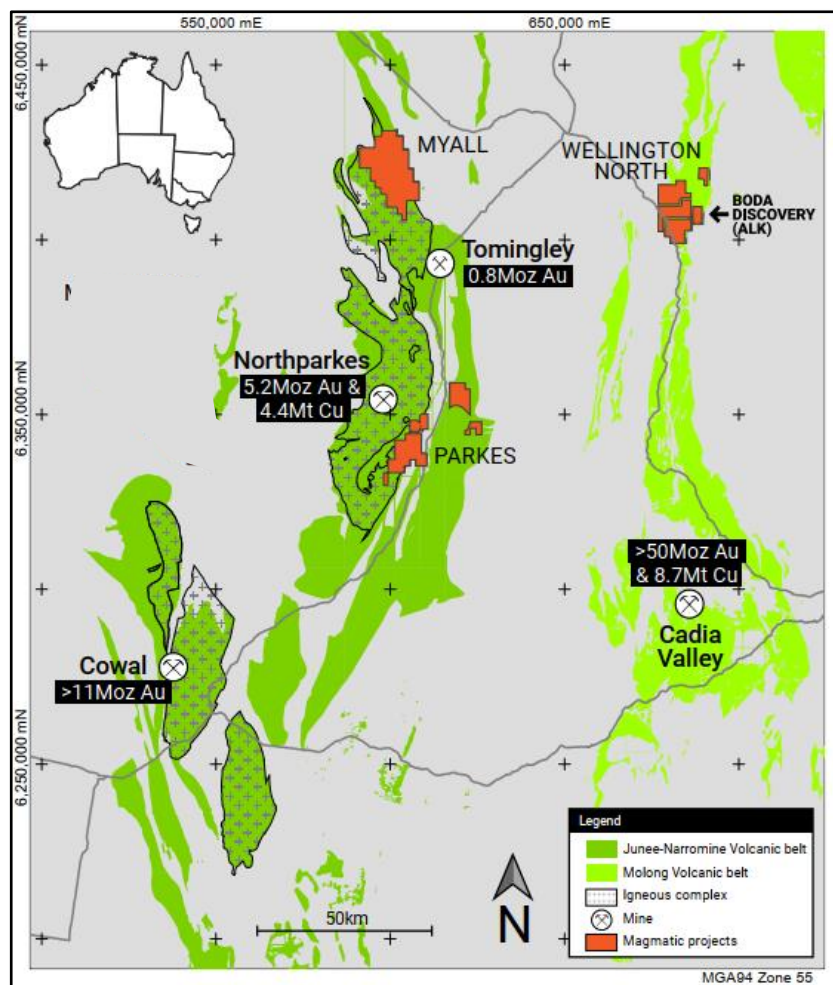
In 2014, Magmatic completed the acquisition of an advanced gold-copper target portfolio in the East Lachlan from Gold Fields Limited. Gold Fields had completed a major phase of target generation across four main projects (Wellington North, Parkes, Myall, Moorefield), identifying over 60 targets.

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 Mining's world class gold-copper porphyry 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 2019) and Cowal Epithermal Deposit (Evolution Mining, Evolution 2018) represent other significant long-life mining operations.

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. The Boda discovery has highlighted the surface signature of porphyry mineralisation in the area and has significantly upgraded Magmatic's target portfolio for Boda-style and Cadia East-style porphyry gold-copper mineralisation.

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.

The company holds a major shareholding in ASX listed central Lachlan gold-copper explorer Australian Gold and Copper Limited (ASX:AGC).



MAG East Lachlan Project Location Map (Resources from Phillips 2017)

References

CMOC 2019., China Molybdenum Company Limited, <http://www.cmocinternational.com/australia/>
Evolution., 2018, <https://evolutionmining.com.au/reservesresources/>
Newcrest., 2019, Newcrest Investor and Analyst Presentation, ASX Announcement, 18 November 2019
Newcrest 2020, Cadia Operations NI 43-101 Technical Report, 30 June 2020, [https://www.newcrest.com/sites/default/files/2020-10/Technical%20Report%20on%20Cadia%20 Operations %20as%20of%2030%20June%202020_0.pdf](https://www.newcrest.com/sites/default/files/2020-10/Technical%20Report%20on%20Cadia%20Operations%20as%20of%2030%20June%202020_0.pdf)
Phillips, G N (Ed), 2017. Australian Ore Deposits, The Australasian Institute of Mining and Metallurgy: Melbourne

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.

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.

Disclaimer

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.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geoscientists.