

## ASX / Media Release

4 June 2018

# Up to 7.7% Copper Rock Chip Samples at undrilled targets at Wellington North Project

### Highlights

- **Rock chip sample results received from Morley and Rockleigh targets included:**
  - **7.7% Cu and 113 g/t Ag at Morley**
  - **1.0g/t Au at Rockleigh**
- **Sampling follows Magmatic's recent 92.8 g/t Au rock chip from Bodangora high grade gold target, within the Wellington North Project**
- **No historical drill testing at Morley and Rockleigh, only limited auger sampling**
- **Magnetic interpretation and modelling at the Lady Ilse target, also within the Wellington North Project, indicate an untested deeper magnetic feature**

Magmatic Resources Limited ("Magmatic" or the "Company") (ASX: MAG) is pleased to announce an exploration update on our Wellington North Gold and Copper-Gold Project. The update includes rock chip sampling at Morley and Rockleigh, geophysical modelling at Lady Ilse and Bodangora drill planning (Figure 4).

### Morley (EL6178 and EL8357)

Magmatic has taken 17 rock chip samples at the Morley prospect. These are presented in Table 1 and shown in Figure 1. The rock chip sampling has returned promising results with up to 7.7% Cu and 113g/t Ag. The mineralisation is associated with quartz veining in epidote altered volcanics. Sampling at Morley was confirming previous explorers' rock chip samples which were recently recovered by Magmatic. These rock chips had returned up to 5.8% Cu, 0.6g/t Au and 6,300g/t Ag. Results of this previous sampling are included in Table 3. Current sampling results included best samples:

- **7.7% Cu and 113g/t Ag (MAG002720; Figure 2A)**
- **2.3% Cu (MAG002726)**
- **3.6% Zn (MAG002716; Figure 2B).**

Auger samples were taken only on part of the prospect and at what is considered by Magmatic to be too wide spacing (200x100m). No drilling has been completed on the prospect. The area is under very shallow cover to scattered subcrop and soil sampling is being planned.



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## Rockleigh (EL6178)

Magmatic has taken 3 rock chips samples at Rockleigh prospect. These are presented in Table 2 and shown in Figure 1. Rockleigh is a circular magnetic feature identified as a high-priority target by previous explorers (Figure 1). Magmatic determined the auger drilling to the north by previous explorers has not covered the full anomaly. The rock chip sampling returned one rock chip with 1.0g/t Au (Figure 2D), highlighting the gold potential of the area. The mineralisation is associated with quartz veining and silica alteration in the Ordovician Oakdale Formation. Rockleigh is under 2-5m of cover and shallow drilling is planned to test it. Current sampling is from scattered rock piles formed as a result of ploughing fields.

## Lady Ilse (EL8357)

Previous close-spaced aeromagnetic data at Lady Ilse has been interpreted to display a circular feature, possibly intrusion-related, with the centre at the Lady Ilse target (Figure 1 and Figure 3). 3D interpretation and remodelling of the data has shown that the source of the anomaly is likely to be deeper than the recently completed Magmatic drilling (Figure 3) which included intercepts of<sup>12</sup>:

- **20m at 0.66g/t Au (402ppm Cu) (COAC0013 from 6m EOH)**
- **22m at 0.54 g/t Au (250ppm Cu) (CORC0036, from 18m)**
- **18m at 0.48 g/t Au (280ppm Cu) (CORC0035, from 61m)**

Deeper drilling is planned to target the magnetic features and regional AC drilling is also planned to test the extent of mineralisation and explore the full magnetic feature, especially where it intersects the interpreted Lady Ilse structure (Figure 1).

## Bodangora (EL7440)

Drill planning at the Bodangora high grade gold target is in the final stages. The Bodangora mines produced 230koz gold at 26g/t Au<sup>3</sup> in the late 1800s and early 1900s. Recent rock chip sampling by Magmatic Resources included a 92.8g/t Au rock chip from the Dicks Reward mine spoils and confirmed the high-grade target. An update will be provided shortly.

Managing Director David Richardson said: *"We are pleased to extend our target base at Wellington North. These results are highlighting the prospectivity of this area, and our geologists are very excited with these results they are getting. We are developing exploration programs which we expect to deliver next quarter."*

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<sup>1</sup> MAG ASX release 13/11/2017

<sup>2</sup> MAG ASX release 19/2/2018

<sup>3</sup> See MAG Prospectus release 17/5/2017



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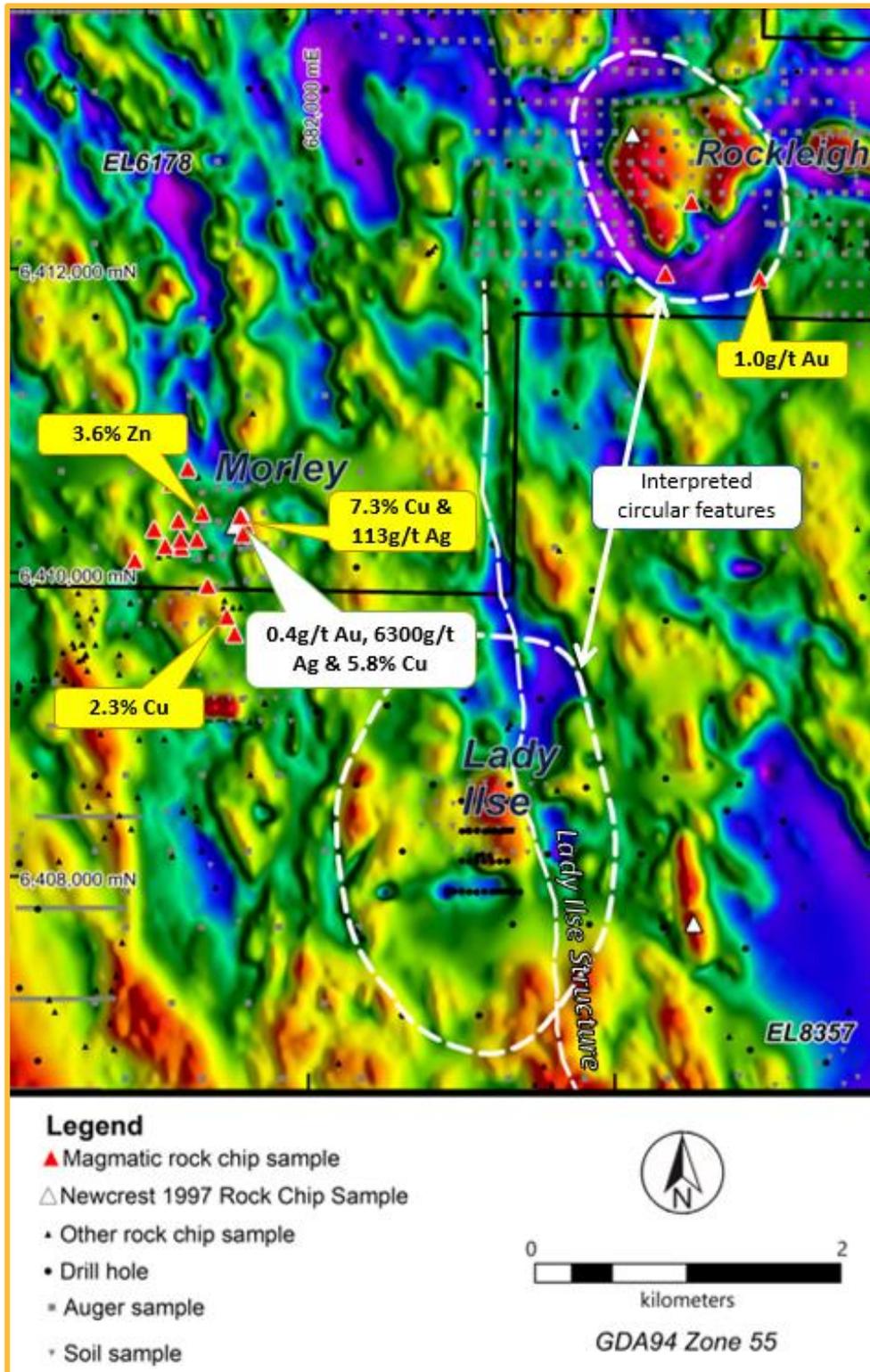


Figure 1: Location of rock chip samples on magnetics, total magnetic intensity. The map shows interpreted circular magnetic features. Yellow boxes current sampling results, white boxes previous results.



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**A**



**B**



**C**



**D**

**Figure 2 (A)** Sample MAG02720. Malachite on fracture surfaces of altered volcanic with hematite-silica matrix grading 7.7% Cu and 113 g/t Ag **(B)** Sample MAG002716. Chalcedonic quartz and iron-infilled vugs grading 3.6% Zn **(C)** Sample DKR0002. Quartz with gossanous clasts, epidote altered with networked veins grading 1.0g/t Au **(D)** Morley workings spoil



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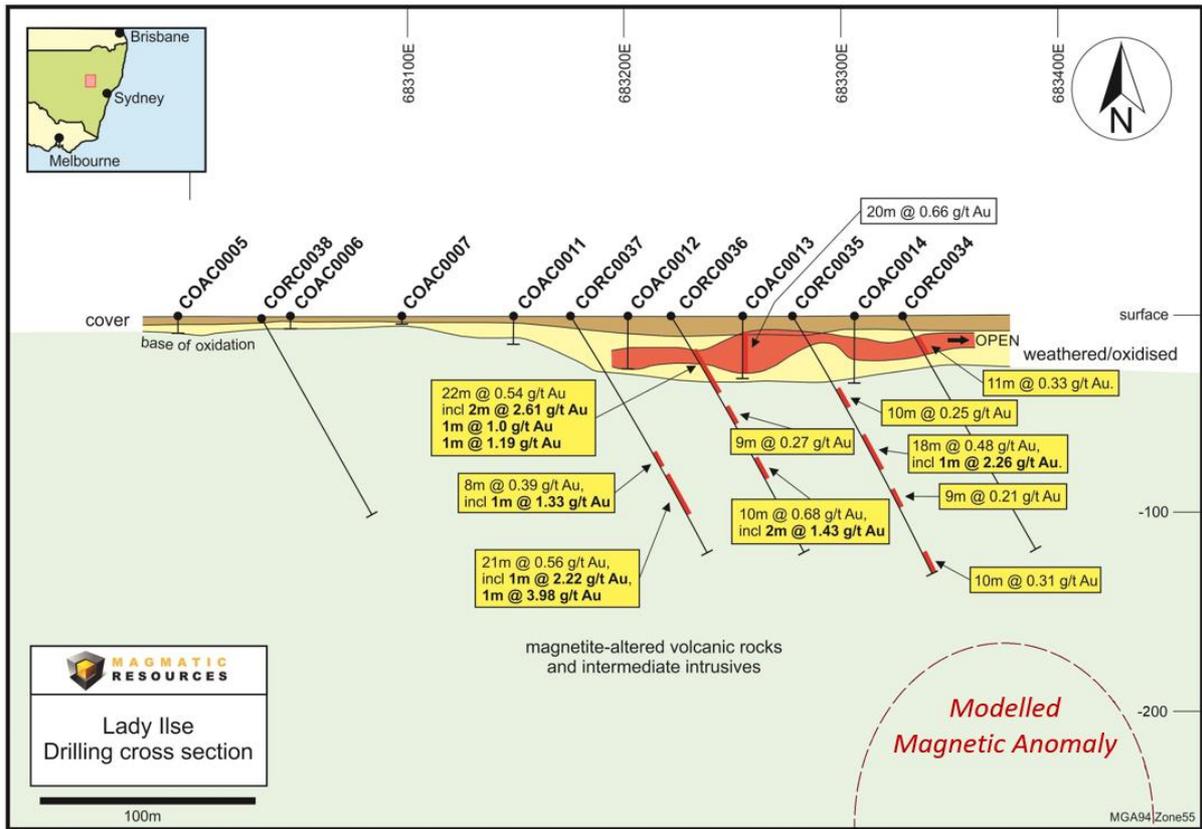


Figure 3: Lady Ilse drilling cross section showing modelled magnetic anomaly at depth.



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**Table 1: Morley rock chip sample IDs with coordinates, rock description and selected elements assay results**

Sample ID	GDA94 55 E	GDA94 55 N	Geological Description	Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
MAG002712	680,991	6,410,284	Intense epidote alteration, sheeted buck quartz veining	<0.005	0.03	78.8	3.7	24
MAG002713	680,865	6,410,078	Quartz Carbonate veinlets in intermediate volcanics	<0.005	0.12	181.5	4.1	77
MAG002714	681,169	6,410,163	Chalcedonic quartz and epidote veinlets	<0.005	0.02	7.1	15.4	6
MAG002715	681,065	6,410,173	Epidote altered volcanic sediment	<0.005	0.02	7.9	14.2	11
MAG002716	681,272	6,410,217	Chalcedonic quartz. Iron oxide infilled vugs	0.009	51.8	203	1,640	36,700
MAG002717	681,164	6,410,213	Chalcedonic quartz. Iron oxide infilled vugs	0.008	20.5	111.5	1,750	3,390
MAG002718	681,150	6,410,341	Siltstone with networked quartz carbonate veinlets.	<0.005	0.09	6.5	11.6	31
MAG002719	681,304	6,410,393	Epidote altered sandy volcanic	<0.005	0.04	21.9	7.4	39
MAG002720	681,569	6,410,364	Malachite on fracture surfaces on altered volcanic with hematite-silica matrix.	<0.005	113	77,300	14.8	25
MAG002721	681,586	6,410,310	Sheeted buck veins in epidote altered volcanic.	<0.005	0.34	116	26.9	144
MAG002722	681,572	6,410,251	Epidote alteration in intermediate volcanic. Quartz veins	<0.005	0.09	38.3	15.7	17
MAG002723	681,341	6,409,910	Chalcedonic quartz. Iron oxide infilled vugs	<0.005	32.2	110.5	246	176
MAG002724	681,106	6,410,586	Epidote alteration in intermediate volcanic. Quartz veins	<0.005	0.1	26.9	8.3	22
MAG002725	681,211	6,410,683	Epidote alteration in intermediate volcanic. Quartz veins	<0.005	0.42	328	5.9	13
MAG002726	681,466	6,409,708	Malachite speckled intermediate volcanic	0.006	5.44	23,000	5.8	63
MAG002727	681,554	6,410,368	Malachite on fine-grained Fe- rich dark rock (ultramafic dyke)?	<0.005	0.36	4,880	5.3	230
MAG002728	681,516	6,409,592	Epidote altered volcanic. Iron oxide infilled vugs	<0.005	0.5	288	9.7	22

**Table 2: Rockleigh rock chip sample IDs with coordinates, rock description and selected elements assay results**

Sample ID	GDA94 55 E	GDA94 55 N	Geological Description	Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
DKR0001	684,499	6,412,436	Banded chalcedonic quartz.	0.008	0.15	20.3	41.8	28
DKR0002	684,942	6,411,932	Quartz with gossanous clasts. Epidote altered with networked veins.	1.01	0.31	121	11.4	17
DKR0003	684,329	6,411,963	Sheeted buck veins and network veining. Epidote altered rock.	0.017	0.05	25.8	14.6	11



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**Table 3: Newcrest 1997 rock chip sample IDs with coordinates, rock description and selected elements assay results. Data recently recovered by Magmatic.**

Prospect	Sample ID	GDA94 55 E	GDA94 55 N	Geological Description	Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
Morley	RCWN1000	681512.75	6410304.99	Milled breccia open spaced quartz and calcite malachite staining	0.01	<1	1,920	<5	55
Regional	RCWN1001	679592.75	6407883	Siliceous rock epidote malachite cuprite float sample	<0.01	<1	7,490	<5	10
Regional	RCWN1002	679592.75	6407883	Chlorite-heamatite altered lava	<0.01	<1	65	<5	34
Regional	RCWN1003	684512.74	6407685	Quartz float	0.01	<1	33	<5	7
Morley	RCWN1004	681512.75	6410304.99	Quartz float	0.6	<1	43	<5	9
Morley	RCWN1005	681512.75	6410304.99	Epidote - quartz vein	<0.01	<1	12	9	9
Rockleigh	RCWN1006	684112.74	6412884.99	Siliceous leached rock	<0.01	<1	12	<5	4
Morley	RCWN1007	681512.75	6410304.99	Quartz vein float - chalcocite malachite	0.43	6,300	58,300	13,000	1,560

## About Wellington North

Wellington North is in the northern part of the Molong Volcanic Belt of the Macquarie Arc which hosts the Cadia Valley porphyry copper-gold deposit (48.7Moz Au and 6.5Mt Cu)<sup>4</sup>. The Wellington North project area is prospective for lode gold and porphyry copper-gold deposits. Magmatic has identified multiple targets including:

- Bodangora where historical production from the vein-hosted gold deposits at Dicks Reward and Mitchells Creek was **230koz of gold at a gold grade of 26g/t Au**<sup>5</sup>.
- Lady Ilse where Magmatic completed AC drilling (2017) and RC drilling (2018) with a best intercept at **22m at 0.54g/t Au**<sup>6</sup>. This drilling followed up on a previous explorer's wide spaced AC drill result.
- Rose Hill where previous drilling intersected porphyry-style copper-gold mineralisation, which included an intercept of **71m @ 0.3g/t Au, 0.43% Cu & 57ppm Mo** from surface<sup>5</sup>.

<sup>4</sup> Metal endowment from: Phillips, G N (Ed), 2017. Australian Ore Deposits (The Australasian Institute of Mining and Metallurgy: Melbourne)

<sup>5</sup> See MAG prospectus ASX release 17/05/2017

<sup>6</sup> See MAG ASX release 19/2/2018



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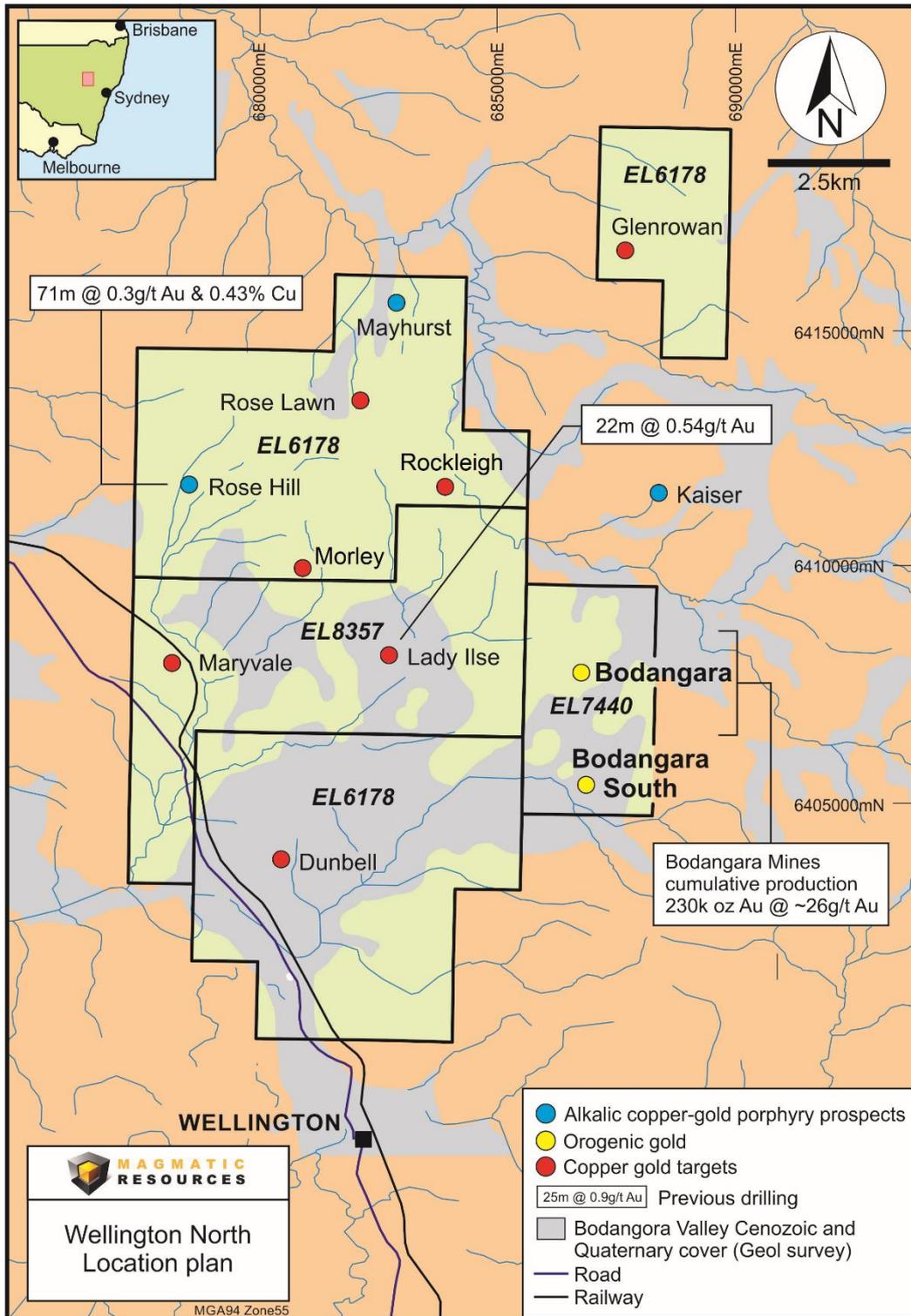


Figure 4: Wellington North project showing Morley, Rockleigh, Lady Ilse and Bodangara.



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## 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 focused portfolio focused on gold, copper and other base metals including zinc. 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 covering an area of 1049km<sup>2</sup> – Myall, Moorefield, Wellington North and Parkes (joint venture with JOGMEC) – comprising eight tenements (1049km<sup>2</sup>) in the East Lachlan Fold Belt province in central NSW. This Province is host to major gold and copper mining operations within the Ordovician Macquarie Arc, with significant metal endowments<sup>7</sup> 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 5.88Moz<sup>8</sup> 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.

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<sup>7</sup> Metal endowment from: Phillips, G N (Ed), 2017. *Australian Ore Deposits (The Australasian Institute of Mining and Metallurgy: Melbourne)*

<sup>8</sup> ASX: GOR 27/03/2018



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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.



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## Appendix I – JORC Code, 2012 Edition – Table 1

### Section 1 Sampling Techniques and Data: Morley, Rockleigh and Lady Ilse

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Sample methods include selective rock chip sampling, air core and RC drilling. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.  Previous exploration by various explorers include rock chip sampling, mechanical and hand auger and various soil sampling fractions.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	Samples taken by previous explorers date back to 1990s, using techniques appropriate at the time. Those methods may not pass modern QAQC standards. Recent exploration by Magmatic used sampling techniques normal to industry standard.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.  In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	Rock chip sampling was done to complement reconnaissance mapping and is naturally selective. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.

Criteria	JORC Code explanation	Commentary
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>The total length and percentage of the relevant intersections logged.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Rock chip sampling was done to complement reconnaissance mapping and is naturally selective. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.  For rock chip samples, standard assay procedures performed by a reputable assay laboratory were undertaken. Samples were crushed to 70% nominal - 6mm and pulverized where up to 85% was less than 75 microns. Samples were then homogenized by light pulverizing. Quality control testing on pulverizing efficiency was conducted on random samples. Gold was analysed using a 50g sample via fire assay with AAS finish, (Method Au –FAA505) with a detection level of 0.01 ppm. A further 48 elements were analysed from a 0.2g charge which was dissolved using a four-acid digest with ICP-MS finish (Method ME-MS61).
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Not applicable
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Rock chip samples are indicative only and no repeats are collected. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>The use of twinned holes.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Data is loaded into DataShed and stored on an SQL server. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Discuss any adjustment to assay data.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Rock chip and mapping points located using handheld GPS. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Specification of the grid system used.</i>	GDA94 MGA zone 55 for Magmatic drilling and samples
	<i>Quality and adequacy of topographic control.</i>	Rock chips are not levelled topographically. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	No mineral resource estimation completed
	<i>Whether sample compositing has been applied.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Rock chip sampling was done to complement reconnaissance mapping and is naturally selective. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Sample security	<i>The measures taken to ensure sample security.</i>	Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No independent audits have been undertaken.

## Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<p>EL8357 Combo and EL6178 Duke are located 10km north of Wellington, NSW and cover an area of 159.37 km<sup>2</sup>. EL6718 was granted for 2 years on 19/01/2010 and then subsequently 100% renewed until 8/01/2018. Magmatic Resources sought renewal and licence is 100% renewed until 8/01/2021.</p> <p>EL8357 was granted to Modeling Resources for 3 years on 18/4/2015. The licence has been 100% renewed until 18/4/2021.</p>
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>Search of DIGS database was completed for the area. Previous work includes:</p> <p><b>Newcrest (~1997 – 1998)</b> drilled AC holes and completed rock chip and auger sampling</p> <p><b>Gold Fields (2009 -2014)</b> completed auger sampling conducted high resolution airborne magnetics</p> <p>Various other previous operators completed soil sampling programs at different spacings and using different methods and took rock chip samples.</p>
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>All prospects are located within the Molong Volcanic Belt, which is part of the Ordovician Macquarie Arc volcanic complex. The Macquarie Arc hosts major gold and copper-gold deposits including Cadia Valley, Northparkes and Cowal.</p> <p>The prospectivity of the licences for porphyry copper-gold style mineralisation is recognised by the presence of porphyry related alteration and mineralisation identified in both outcrop and drilling and Alkane’s Kaiser alkalic copper-gold porphyry prospect adjacent to the property and Magmatic’s Rose Hill and Mayhurst prospects.</p>
<i>Drill hole Information</i>	<p><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i></p> <ul style="list-style-type: none"> <li>• <i>easting and northing of the drill hole collar</i></li> <li>• <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>• <i>dip and azimuth of the hole</i></li> <li>• <i>down hole length and interception depth</i></li> <li>• <i>hole length.</i></li> </ul>	<p>Rock chip samples information is shown on the map and in table in main body of release.</p> <p>Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.</p>
	<i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i>	<p>All new rock chips are reported. Relevant Newcrest samples have been reported. All soil sampling data is not reported as it is not considered material to the release. Soil samples are used to identify anomalies. This sampling process is relative rather than absolute and is not considered material.</p>
<i>Data aggregation methods</i>	<i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i>	<p>No cut-off grades have been applied</p> <p>Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.</p>

Criteria	JORC Code explanation	Commentary
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i>	Not applicable Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	Not applicable Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i>	
	<i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Not applicable Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
	<i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i>	Not applicable Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
<i>Diagrams</i>	<i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	In body of report Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	All material data have been reported. Drilling has been completed by numerous operators in the broader area dating back to the 1990s.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All data has been reviewed and relevant geological, geophysical and geochemical results reported in this release. Lady Ilse drilling methods discussed in MAG ASX release 13/11/2017 and 19/2/2018. No data has been identified in data searches for: <i>bulk samples; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; or potentially deleterious or contaminating substances</i> , however, the drilling data is incomplete and not suitable for release. Magmatic are recovering and validating the RAB, AC, RC, and DD data.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>	Magmatic Resources plans for further exploration with soil sampling, further rock chip sampling and drilling under shallow cover in areas where previous explorers test was insufficient. Deeper drilling is planned at Lady Ilse.
	<i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	Figures in text.