

31 DECEMBER 2020

## AGC IPO UPDATE AND UPDATED APPENDIX 3.5A

- Australian Gold and Copper Ltd (AGC) has received a conditional admission letter from ASX
- Eligible Magmatic shareholders have been issued an in-specie share distribution of approximately 81.21% of the shares Magmatic holds in AGC
- AGC's IPO is on track to successfully list in January 2021

Magmatic Resources Limited ('Magmatic', 'The Company', 'MAG') is pleased to provide an update on the demerger and listing of its subsidiary, Australian Gold and Copper (AGC), on the Australian Securities Exchange (ASX) by way of an initial public offering (IPO).

AGC lodged a prospectus with the Australian Securities & Investments Commission on 18 November 2020 along with a supplementary prospectus on 1 December 2020 (together, the Prospectus) to raise a minimum of \$7,000,000 (before costs) and maximum of \$10,000,000 (before costs) (AGC Offer).

As advised in announcement dated 17 December 2020 there was positive support for the AGC Offer, which was oversubscribed, resulting in AGC securing binding commitments to raise the full \$10.0 million.

### ASX Conditional Admission Letter

AGC has also received its conditional admission letter from ASX advising that ASX will admit AGC to the Official List of ASX, subject to the satisfaction of certain conditions precedent. AGC is working with ASX to satisfy the remaining conditions with a targeted listing date in early 2021.

### In-Specie Distribution to MAG Shareholders

As set out in the Company's announcement of 21 December 2020, Shareholder approval for demerger by way of capital reduction and an in-specie distribution of approximately 80% of the AGC Shares held by the Company was received on 18 December 2020. The Company is pleased to advise that the distribution of AGC Shares (on the basis of 5 AGC Shares for every 36 Magmatic Shares held on the Record Date of 29 December 2020) was effected today. It is anticipated that AGC shares will commence trading on the ASX in early 2021.

### Updated Appendix 3A.5

Upon finalisation of the in-specie distribution of AGC shares, the Company has provided an updated Appendix 3A.5 (original Appendix 3A.5 lodged on 26 November 2020) providing for the confirmed finalised return of capital amount per share (section 4.5a) and the finalised confirmed reduction in the exercise prices of existing options on issue (section 4.5b). Updated Appendix 3A.5 attached.

### Authorised for release by Peter Duerden, Managing Director

*Please direct all shareholder and investor enquiries to:*

**Peter Duerden**

**Managing Director**

**Phone: +61 8 9322 6009**

**Email: [info@magmaticresources.com](mailto:info@magmaticresources.com)**

+Rule 3.10.1, 3.20.4, 7.18-7.24, 15.3, Appendix 7A section 9

## Appendix 3A.5

### Notification of return of capital by way of in specie distribution of +securities in another entity

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Please note that two or more corporate actions on the same +security may not run with different record dates if the timetables result in overlapping (but not identical) ex-periods. It is permissible to run different corporate actions with the same record date except in the case of consolidations or splits which cannot run at the same time as any other corporate action for that entity.

If you are an entity incorporated outside Australia, for +securities other than CDIs / depository interests, please obtain and provide an International Securities Identification Number (ISIN) for the class(es) of +securities to be created during your corporate action. The ISIN(s) should be advised in the Further Information section of this form. Further information on this requirement can be found in the Online Forms section of ASX Online for companies.

\*Denotes minimum information required for first lodgement of this form.

\*\*Denotes information that must be provided on or before +business day 0 of the relevant Appendix 6A or Appendix 7A timetable.

The balance of the information, where applicable, must be provided as soon as reasonably practicable by the entity.

If a cash special dividend is paid at the same time as the return of capital the entity must also lodge Appendix 3A.1 – notification of dividend / distribution.

#### Part 1 – Entity and announcement details

Question no	Question	Answer
1.1	*Name of entity	Magmatic Resources Limited
1.2	*Registration type and number <i>One of ABN/ARSN/ARBN/ACN or other registration type and number (if "other" please specify what type of registration number has been provided).</i>	ABN 32 615 598 322
1.3	*ASX issuer code	MAG
1.4	*The announcement is <i>Tick whichever is applicable.</i>	<input type="checkbox"/> New announcement <input type="checkbox"/> Update/amendment to previous announcement <input type="checkbox"/> Cancellation of previous announcement
1.4a	*Reason for update <i>Mandatory only if "Update" ticked in Q1.4 above. A reason must be provided for an update.</i>	Finalisation of return of capital amount per share and the reduction of existing option exercise prices as a result of the finalised in-specie distribution,
1.4b	*Date of previous announcement to this update <i>Mandatory only if "Update" ticked in Q1.4 above.</i>	26 November 2020
1.4c	*Reason for cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above. If information has previously been provided in Part 3D of the form "Preference +security distribution rate"</i>	Not applicable

	<i>details" please also confirm whether the rate changes remain in place for the +security or are also cancelled.</i>	
1.4d	*Date of previous announcement to this cancellation <i>Mandatory only if "Cancellation" ticked in Q1.4 above.</i>	Not applicable
1.5	*Date of this announcement <i>The date of lodgement of the form by the entity via ASX Online.</i>	31 December 2020
1.6	*Applicable ASX +security code and description for return of capital <i>Please select the +security to which the notification applies. Only one +security can be selected for each form. Consequent changes to option pricing are covered in later parts of this form.</i>	MAG - Fully Paid Ordinary Shares

## Part 2 – Approvals

Question No.	Question	Answer		
2.1	<p>*Are any of the below approvals required for the return of capital before business day 0 of the timetable?</p> <ul style="list-style-type: none"> <li>• *Security holder approval</li> <li>• Court approval</li> <li>• Lodgement of court order with +ASIC</li> <li>• ACCC approval</li> <li>• FIRB approval;</li> <li>• Another approval/condition external to the entity required to be given/met before business day 0 of the timetable for the return of capital.</li> </ul> <p><i>If any of the above approvals apply to the return of capital before business day 0 of the timetable, please answer 'yes' and provide details at Q2.2. If "no" go to Q2.3.</i></p> <p><i>The purpose of the question is to confirm that relevant approvals are received prior to ASX establishing an ex market in the *securities. If the entity wishes to disclose approvals or conditions which are to be resolved at a later date it should use Part 5 "Further information".</i></p>	Yes		
2.2	<p><b>Approvals</b></p> <p><i>Select appropriate approval from drop down box as applicable. More than one approval can be selected. This question refers only to events which take place before business day 0 of the timetable. The purpose of the question is to confirm that relevant approvals are received prior to ASX establishing an ex market in the *securities. The "Date for determination" is the date that you expect to know if the approval is given for example the date of the *security holder meeting in the case of *security holder approval or the date of the court hearing in the case of court approval. If the entity wishes to disclose approvals or conditions which are to be resolved at a later date it should use Part 5 "Further information".</i></p>			
*Approval/ condition	*Date for determination	*Is the date estimated or actual?	**Approval received/ condition met?	Comments
+Security holder approval	18 December 2020	<input type="checkbox"/>  <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>	Shareholder approval received at the Company's Annual General Meeting on 18 December 2020
Court approval		<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Lodgement of court order with +ASIC	<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
ACCC approval	<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
FIRB approval	<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Other (please specify in comment section)	<input type="checkbox"/> Estimated <b>OR</b> <input type="checkbox"/> Actual	<input type="checkbox"/> Yes <input type="checkbox"/> No	
2.3	*Is the return of capital a selective reduction of capital <i>If "yes" please answer Q2.2a and 2.2b, if "no" go to Part 3.</i>	No	
2.4	*Date of lodgement of +security holder resolution approving the return of capital with +ASIC <i>Please provide the estimated or actual date of lodgement of +security holder resolution approving the return of capital with +ASIC (per section 256C(3) of the Corporations Act). If estimated date is provided please provide the actual date by way of an update to this form when the resolution has been lodged with +ASIC. In any case, this lodgement should occur before business day 0 of the timetable.</i>	Not applicable	
2.5	*Date that is fourteen days after date of lodgement of +security holder resolution approving the capital return with +ASIC <i>This date or later is typically the date that the entity announces the effective date for the return of capital – on or before business day 0 of the timetable.</i>	Not applicable	

Amended 29/06/15

### Part 3 –return of capital timetable and details

Question No.	Question	Answer
3.1	<p><b>**Record date</b></p> <p>Last day for entity to register transfers on a pre-return of capital basis.</p> <p><i>The +record date must be at least four +business days from the current date. Per Appendix 7A, section 9 the +record date is +business day 3 in the timetable. This is three business days after the effective date (Q3.1a). Please note that the +record date and the date that trading in the re-organised +securities on an “ex return of capital” basis commences (Q3.3) cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day before the previously advised date that trading in the re-organised +securities on an “ex return of capital” basis commences (Q3.3).</i></p>	29 December 2020
3.1a	<p><b>Effective date of the return of capital</b></p> <p><i>In the case of an equal reduction, not earlier than the day after the resolution approving the return of capital and, in the case of a selective reduction, not earlier than 14 days after the date of lodgement of a copy of the resolution approving the return of capital with ASIC</i></p>	22 December 2020
3.2	<p><b>*Does the entity have quoted options on issue</b></p> <p><i>If “yes”, please answer Q3.2a, 3.4a, 3.5a &amp; b and 4.5 to 4.6c. If “no” go to 3.3.</i></p>	Yes
3.2a	<p>Last day for trading in “cum return of capital” +securities.</p> <p>If the entity has quoted options, last day for trading in pre-return of capital quoted options.</p> <p><i>Note: if the entity has quoted options in which case the exercise price will change and new holding statements will be issued to option holders</i></p> <p><i>This is business day 1 in the timetable, two business days before the record date, and one business day after the effective date.</i></p>	23 December 2020
3.3	<p><b>*Trading in the re-organised +securities on an “ex return of capital” basis commences.</b></p> <p>If the entity has quoted options, and ASX agrees, trading in the quoted options commences on a +deferred settlement basis.</p> <p>If the +securities being distributed in specie are quoted on ASX and ASX agrees, trading in the +securities being distributed commences on a +deferred settlement basis</p> <p><i>Please note that the +record date and this date cannot be changed (even to postpone it or cancel it) any later than 12 noon Sydney time on the day before the previous date advised.</i></p>	24 December 2020
3.4	<p><b>+Record date</b></p> <p>Last day for entity to register transfers on a pre-return of capital basis.</p> <p><i>The +record date is three +business days after the effective date. Same as Q3.1 above.</i></p>	29 December 2020

3.4a	<p>If the entity has quoted options, first day for the +entity to send holding statements to +security holders, notifying them of the change in exercise price for the quoted options they hold.</p> <p>If the +securities being distributed in specie are, or are intended to be quoted on ASX, first day for those +securities to be issued/transferred, and for holding statements to be sent to +security holders notifying them of their holdings.</p> <p><i>This is one +business day after the +record date – +business day 4 in the timetable.</i></p>	30 December 2020
3.5	<p>*Issue date</p> <p>If the +entity has quoted options, +deferred settlement market in options ends.</p> <p>Last day for entity to send holding statements to +security holders notifying them of the change in exercise price for the quoted options they hold and to notify ASX that this has occurred.</p> <p>If the +securities being distributed in specie are, or are intended to be, quoted on ASX, last day for those +securities to be issued/transferred, for holding statement to be sent to +security holders notifying them of their holdings, and if necessary, for the issuer to lodge an Appendix 2A with ASX applying for their quotation.</p> <p><b>ALL EVENTS:</b> <i>This is the date on which the entity will enter the +securities being distributed into holdings of holders entitled to the return of capital. This is five +business days after the +record date – business day 8 in the timetable. Please note that the +issue date cannot be changed any later than 12 noon Sydney time on the previous +issue date advised.</i></p>	6 January 2021
3.5a	<p>If the entity has quoted options and/or +securities being distributed, trading in the options and/or +securities starts on a normal T+2 basis</p> <p><i>This is the date on which normal T+2 trading in quoted options and/or +securities commences. This is the +business day after +issue date. This is +Business day 9 in the timetable.</i></p>	7 January 2021
3.5b	<p>If the entity has quoted options and/or +securities being distributed, first settlement of trades conducted on a +deferred settlement basis and on a normal T+2 basis</p> <p><i>This is the date upon which first settlement of normal T+2 trading and settlement of +deferred settlement trading occurs in quoted options and/or +securities. This is three +business days after +issue date. This is +Business day 11 in the timetable.</i></p>	11 January 2021

Amended 01/12/19

## Part 4 – Issue details

Question No.	Question	Answer
4.1	*Is the entity in which *securities are being distributed listed on ASX  <i>If “yes”, please answer Q4.1a and 4.1b. If “no”, please answer Q4.1c to 4.1e.</i>	No
4.1a	*ASX name and issuer code of entity in which *securities are being distributed  <i>Please provide this detail if applicable and known OR please advise the issuer code of the entity in which *securities are being distributed</i>	Not applicable
4.1b	*ASX *security code and description for return of capital  <i>Please provide details if known.</i>	Not applicable
4.1c	*Name of entity in which *securities are being distributed	Australian Gold and Copper Ltd ( <b>AGC</b> )
4.1d	*Registration no and registration no type, of entity in which *securities are being distributed  <i>One of ABN/ARSN/ARBN/ACN or other registration type and number. If “other” please specify the type of registration number.</i>	ACN 633 936 526
4.1e	*Description of *security being distributed  <i>For example fully paid *ordinary shares.</i>	Fully paid ordinary shares
4.2	*The capital return will be on the basis that  <i>For example where you distribute one distribution *security for every five *securities held, the answer above is every 1.00 (distribution) *security will be distributed for each 5.00 (held) *securities. To distribute two distribution *securities for every three *securities held the answer is 2.00 (distribution) *securities will be distributed for every 3.00 (held) *securities. An example of how the ratio would affect a sample *security holding can be given at item 5.2 – Further information.</i>  <i>If estimated ratio is given please provide the actual ratio on or before *business day 0 of the relevant Appendix 6A or Appendix 7A timetable. Please note that the ratio cannot be changed any later than 12 noon Sydney time on the *record date.</i>	5 fully paid ordinary shares in AGC will be distributed for every 36 fully paid ordinary shares held in Magmatic Resources Limited on the record date.  The ratios are actual.
4.3	*Total number of *securities to be distributed  <i>Please provide the total number of *securities to be distributed. If an estimate is provided please provide the actual number by or on the *issue date.</i>	24,362,406 fully paid ordinary AGC shares.  These numbers are estimated subject to rounding.
4.4	*What will be done with fractional entitlements?  <i>Please select the appropriate description of how fractions will be handled. If you do not have a rounding policy please choose “Fractions rounded down to the nearest whole number or fractions disregarded”.</i>	<input type="checkbox"/> Fractions rounded up to the next whole number <input type="checkbox"/> Fractions rounded down to the nearest whole number or fractions disregarded <input type="checkbox"/> Fractions sold and proceeds distributed



		<input type="checkbox"/> Fractions of 0.5 and over rounded up <input type="checkbox"/> Fractions over 0.5 rounded up
4.5	*Will the return of capital affect the exercise price of any entity-issued options  <i>If "yes" please answer Q4.5a to 4.5b, if "no" go to Part 5.</i>	Yes
4.5a	Return of capital amount per +security used to adjust exercise price of options  <i>If an estimate is provided please provide the actual amount as soon as reasonably practicable, and no later than +issue date</i>	\$0.0278

4.5b	<p>Exercise price of options</p> <p><i>Please confirm the exercise price of options on issue before and after the return of capital. Please provide the amount in the primary currency in dollars (or equivalent denomination for foreign currency). Listing Rule 7.22.3 governs the change in exercise price of options in a return of capital. If there is more than one *security please include the additional *securities.</i></p>				
ASX *security code	ASX *security description	Quoted/ unquoted	Currency	Exercise price before return of capital	Exercise price after return of capital
MAGOA	Options	Quoted	AUD	\$0.10	\$0.0722
MAGAG	Options	Unquoted	AUD	\$0.26	\$0.2322
MAGAG	Options	Unquoted	AUD	\$0.10	\$0.0722
MAGAK	Options	Unquoted	AUD	\$0.10	\$0.0722
MAGAL	Options	Unquoted	AUD	\$0.363	\$0.3352
MAGAN	Options	Unquoted	AUD	\$0.605	\$0.5772
4.6	<p>*If the entity has quoted options, can quoted option holders participate in the return of capital if they exercise the options by a certain date?</p> <p><i>If "yes", please answer Q4.6a to 4.6c. If "no" go to Part 5.</i></p>		Yes		
4.6a	<p>*ASX quoted option details</p> <p><i>Please advise the quoted options which may participate in the return of capital if they exercise by the relevant date. More than one *class of options may be advised.</i></p>		MAGOA Listed Options (exercisable at \$0.10 expiring 30 August 2021)		
4.6b	<p>*What is the date by which options must be exercised to participate in the return of capital?</p>		24 December 2020		
4.6c	<p>Description of the date</p> <p><i>Please provide a description of the date – for example, the day before *record date.</i></p>		Last Trading Day prior to the Record Date		

Amended 07/03/16; Amended 01/12/19

## Part 5 – Further Information

Question No.	Question	Answer
5.1	<p>*Has the entity applied for an ATO class ruling relating to this capital return?</p> <p><i>If “yes” please answer Q5.1a, if “no” go to 5.2. If the ATO ruling is a condition of the event proceeding please include it at Q2.1 and 2.1a –Approvals.</i></p>	Yes
5.1a	<p>*Please provide further information on the ATO ruling</p> <p><i>If the ATO ruling is a condition of the event proceeding please include it at item 2.1 and 2.1a – Approvals.</i></p>	This is not a condition to the in-specie distribution
5.2	<p>Further information relating to this return of capital</p> <p><i>Please provide any further information relating to this return of capital.</i></p>	Not applicable

Introduced 22/09/14, Amended 29/06/15; Amended 07/03/16; Amended 01/12/19