

2 August 2021

## Letter to Optionholders

Magmatic Resources Limited ('MAG' or 'the Company') advises that the attached letter was sent to all holders of MAG listed options (ASX:MAGOA) (**Options**) which are exercisable at \$0.0722 each on or before 5:00pm WST on Monday 30 August 2021 (**Expiry Date**).

Official quotation of the Options will cease at close of trading on 24 August 2021, being four business days before Expiry Date.

Holders of the Options can exercise all or part of their Options prior to the Expiry Date by providing the Company a completed written exercise notice specifying the number of Options being exercised and a payment of funds for the total exercise price for the number of Options being exercised.



Andrea Betti  
Company Secretary  
Magmatic Resources Limited

Authorised for release by Andrea Betti, Company Secretary for Magmatic Resources Ltd

**For further information:**

Andrea Betti  
Company Secretary  
Magmatic Resources Limited  
+61 8 9322 6009  
[info@magmaticresources.com](mailto:info@magmaticresources.com)  
[www.magmaticresources.com](http://www.magmaticresources.com)

2 August 2021

Dear Option Holder,

### NOTICE OF EXPIRY OF MAG OPTIONS

We are writing to you as a registered holder of listed options (ASX: MAGOA) (Options) in Magmatic Resources Limited ('the Company') to remind you that the Options will expire at 5:00pm (WST) on 30 August 2021 (Expiry Date).

The Company would like to remind option holders that options **NOT** exercised by 30 August 2021 **will automatically lapse**.

There is no obligation upon Optionholders to exercise their Options. The courses of action available to you as a holder of these soon to expire Options are:

(i) Exercise your Options

If you wish to exercise your Options, you must complete the "Notice of Exercise of Options" (Notice of Exercise) form accompanying this letter and provide the completed Notice of Exercise together with payment of \$0.0722 per Option being exercised in accordance with the instruction set out in the Notice of Exercise. Your completed Notice and payment (in cleared funds) must be received by no later than 5:00pm (WST) on the Expiry Date. Instructions regarding methods of payment are included in the Notice of Exercise.

(ii) Sell your Options

Please note that official quotation of the Options on ASX will cease at close of trading on 24 August 2021, being four business days before the Expiry Date.

(iii) Do nothing and allow your Options to expire

If you do not exercise or sell your Options in the manner described above, they will expire at 5:00pm (WST) on the Expiry Date and your right to subscribe for fully paid ordinary shares in the capital of the Company (Shares) at \$0.0722 per Share will lapse.

Please find below information required to be provided to you in accordance with the ASX Listing Rules.

Name of the holder of the listed options	[optionholder name]
Number of the options held	[options held]
Number of shares to be issued on exercise of options	One fully paid ordinary share (ASX: MAG) per option that is exercised
Exercise price	\$0.0722 per option
Due date of payment	30 August 2021
Consequence of non-payment	Option will lapse
Date quotation of MAG on ASX will end	24 August 2021 (at end of trade)
Latest market price for MAG	\$0.140 (30 July 2021)
3 Month MAG low price	\$0.125
3 Month MAG high price	\$0.235
Underwriting	No underwriting in place

If you wish to exercise your options, you may do so in whole or in part.

If you would like to pay for the exercise of your options via EFT, please contact the Company Secretary, Andrea Betti on [abetti@magmaticresources.com.au](mailto:abetti@magmaticresources.com.au)

Yours faithfully,



Andrea Betti  
Company Secretary

Holder name:  
Holder Address:

## Application Form on Exercise of Listed Options Expiring 30 August 2021

To the Directors, Magmatic Resources Limited,

I/We hereby exercise  option(s) and hand you herewith my/our cheque for

Being \$0.0722 per share on application for  ordinary shares in the capital of the Company.

I/We request that you allot me that number of shares and I/we agree to accept that number of shares on the terms below and the Constitution of the Company, and I/we authorise you to place my/our name on the register.

My/Our SRN/HIN (as shown on my/Issuer Sponsored holding statement or CHESS holdings statement) is

### Sign Here – This section must be signed for your instructions to be executed

I/We authorise you to act in accordance with my/our instructions set out above.

**Individual or Securityholder 1**

**Director**

**Securityholder 2**

**Director/Company Secretary**

**Securityholder 3**

**Sole Director and  
Sole Company Secretary**

**Day/Date      Month      Year**

*Note: when signed under Power of Attorney, the attorney states that they have not received a notice of revocation. Computershare Investor Services Pty Limited needs to sight a certified copy of the Power of Attorney.*

## Terms and Conditions of Options

### LODGEMENT INSTRUCTIONS

Cheques shall be in Australian currency made payable to Magmatic Resources Limited and crossed "Not Negotiable". The application for shares on exercise of the options with the appropriate remittance should be lodged with the Company at PO Box 785, West Perth WA 6872. Should you wish to pay by funds transfer, please contact the Company Secretary on [abetti@magmaticresources.com](mailto:abetti@magmaticresources.com)

### Terms and Conditions of Listed Options Expiring 30 August 2021

**(a) Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

**(b) Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.0722 (**Exercise Price**)

**(c) Expiry Date**

Each Option will expire at 5:00 pm (WST) on three (3) years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

**(d) Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

**(e) Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

**(f) Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

**(g) Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

**(h) Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

**(i) Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

**(j) Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

**(k) Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

**(l) Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.