

# OPERATIONAL UPDATE

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12 May 2020



# Investment Highlights



## EAST LACHLAN – WORLD CLASS GOLD-COPPER PROVINCE

Diverse porphyry and related mineralisation styles

- ✓ >80Moz Gold (Au) and >13Mt Copper (Cu) regional endowment<sup>1</sup>
- ✓ **Cadia Valley District** – Au-Cu Porphyry Cluster / Cadia East Mine (Newcrest)
- ✓ **Northparkes District** – Cu-Au Porphyry Cluster / E48 / E26 Mines (CMOC/Sumitomo)
- ✓ **Cowal Gold Mine / Corridor** – Epithermal Au + Porphyry Cluster (Evolution)
- ✓ **Tomingley Gold Mine** – Orogenic Au (Alkane)



## LADY ILSE GOLD-COPPER PORPHYRY DISTRICT

Large scale gold-copper porphyry system

- ✓ Fertile system indicated by geochemically anomalous pyrite zone
- ✓ Large scale system indicated by extent of MIMDAS chargeability/ conductivity anomalism, >1.8km x 1km
- ✓ Recent diamond drilling validated exploration model, 20LIDD001 (1014.8m) confirmed a subvertical, north-south trending zone of porphyry-style mineralisation, coincident with target zone, assays due late May



## ADVANCED TARGET PORTFOLIO

Acquired from Gold Fields in 2014, over 60 targets, many drill ready with Gold Fields retaining a 11% interest in MAG

- ✓ Four advanced projects covering 1,049km<sup>2</sup>
- ✓ Wellington North, Myall and Parkes Projects have Cadia, Northparkes and Cowal exploration signatures
- ✓ Existing porphyry Au-Cu exploration intercepts of a similar grade to Cadia East



## BODA NORTH – BODA SOUTH PORPHYRY TARGETS

Northern and Southern extensions of Boda Porphyry Belt identified on MAG tenure

- ✓ Reprocessing and analysis of aeromagnetic datasets (Magmatic's, open file company/government) show the interpreted northern and southern extensions of the prospective Boda porphyry belt onto Magmatic's tenure



## DOMINANT POSITION IN NORTHERN MOLONG BELT PORPHYRY DISCOVERY HOTSPOT

Boda and Cadia East lookalikes on MAGs Wellington North tenure

- ✓ Boda discovery (ALK) indicates the surface expression of Northern Molong Belt porphyries ± epithermal - gold-rich porphyry signature
- ✓ Same exploration signature at Lady Ilse and other MAG targets



## CURRENT EXPLORATION ACTIVITIES

High impact drilling at Lady Ilse District and accelerated target definition

- ✓ Lady Ilse diamond drilling validated exploration model, 20LIDD001 (1014.8m) confirmed a subvertical, north-south trending zone of porphyry-style mineralisation, coincident with target zone, assays due late May
- ✓ IP geophysics at Boda North, Boda South prior to potential drill testing
- ✓ Ongoing target definition in northern Molong Belt (Wellington North Project)
- ✓ Future drilling up dip and along strike will test areas of strong coincident chargeability / conductivity anomalism – interpreted to be areas of focussed fluid flow – core zones

# Corporate Snapshot

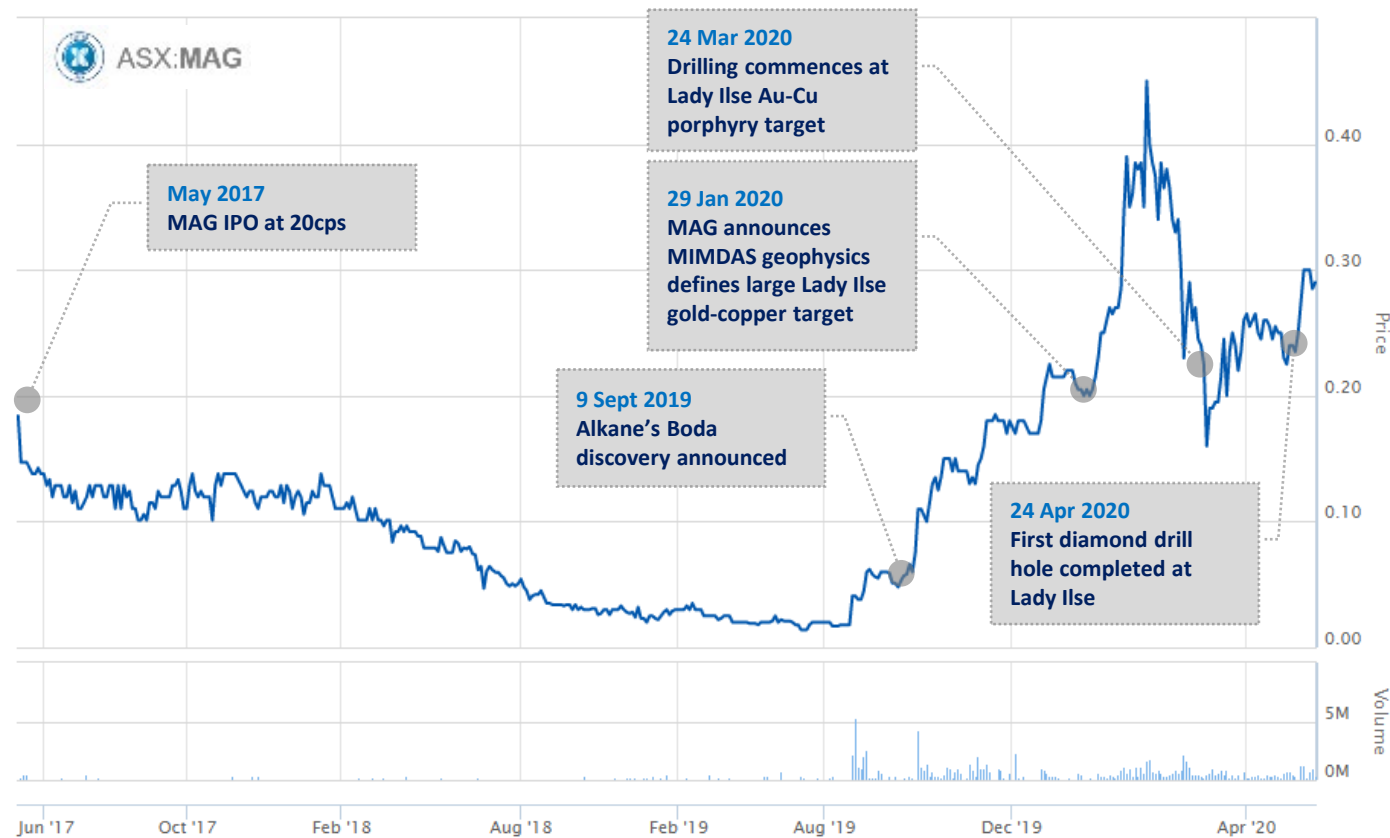


## CAPITAL STRUCTURE

Shares on issue*	172,168,261
Share price 19 Feb 2020	\$0.30
Market Capitalisation	\$51.7m
Cash*	\$4.85m
Options on Issue – unlisted	50,000,000
Exercise price \$0.10 to \$0.605 expiry May 2020 to Nov 2022	
Options on Issue – listed MAGOA & MAGO	44,520,728
Exercise price \$0.10 and \$0.30, expiry 30 August 2021 and 17 May 2020	

## BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Executive Chairman	David Richardson
Managing Director	Peter Duerden
Non-Executive Director	David Berrie
Non-Executive Director	David Flanagan
Company Secretary	Tony Walsh
Exploration Manager	Steven Oxenburgh



## MAGMATIC SHARE-HOLDING BLOCKS\*



\* 31 March 2020 quarterly cashflow report

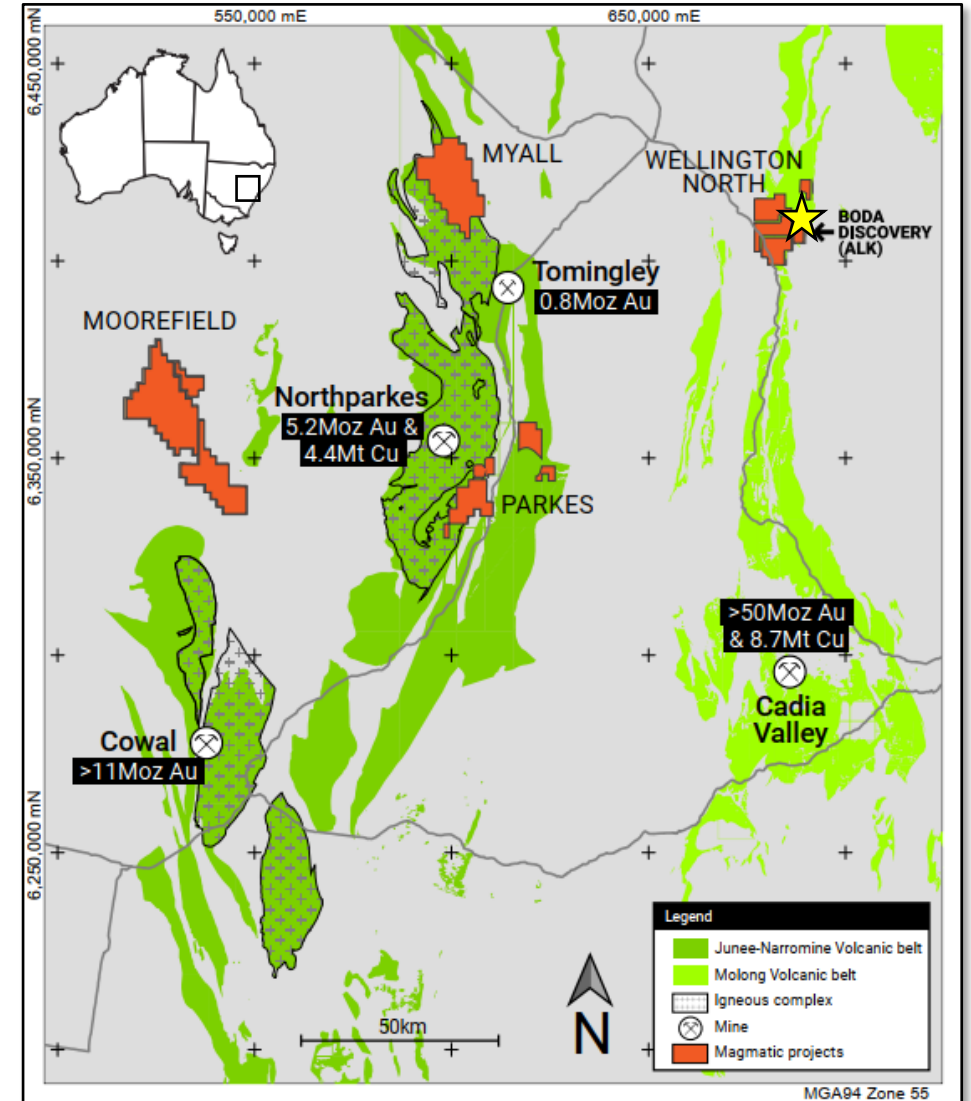


# East Lachlan – A World Class Gold-Copper Terrain

Home to Australia's largest gold mine



- **World class gold-copper porphyry terrain**, range of mineralisation styles
- **>80Moz Gold (Au) and >13Mt Copper (Cu) regional endowment<sup>1</sup>**
- **Major gold, gold-copper mining operations:**
  - **Cadia East Gold-Copper Mine** (Newcrest):
    - Largest alkalic gold porphyry globally (Fox et al 2015)
    - Australia's top producing gold mine and largest underground mine (Newcrest 2019)
  - **Northparkes Copper-Gold Mine** (China Moly/Sumitomo)
  - **Cowal Gold Mine** (Evolution)
  - **Tomingley Gold Mine** (Alkane)
- Two main fertile porphyry belts, **Molong and Junee-Narromine**
- **Molong Belt - gold-rich porphyries - high value targets**



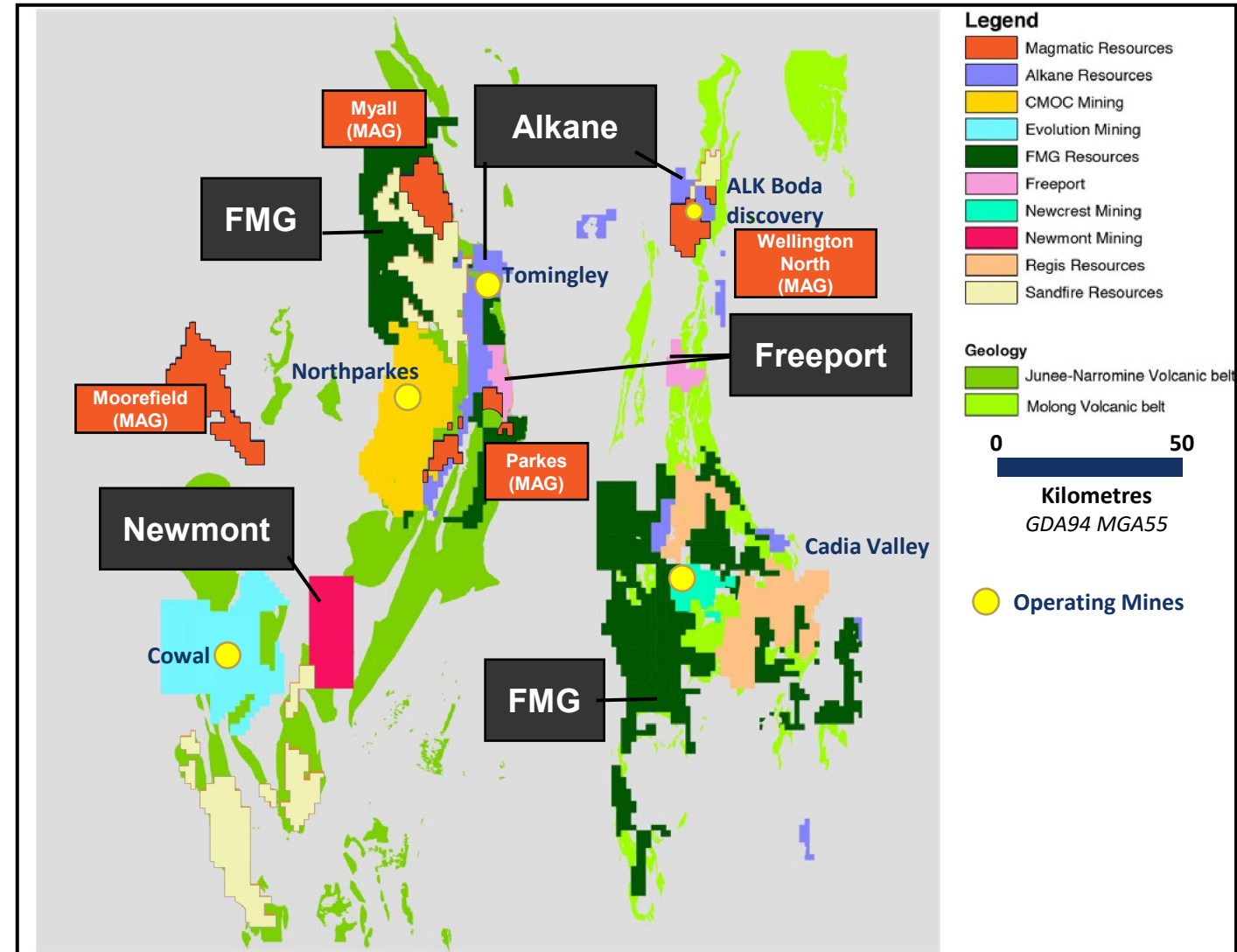
Total metal endowment from Phillips 2017, CMOC 2018, Evolution 2019, Newcrest 2019

# East Lachlan – A World Class Gold-Copper Terrain

Majors building tenure positions



- **Advanced target portfolio and dominant tenure position** in discovery hotspots:
  - **Wellington North Project:** porphyry Au-Cu, epithermal Au
  - **Myall Project:** porphyry Cu-Au, epithermal Au
  - **Parkes Project:** porphyry Cu-Au, Orogenic Au
  - **Moorefield Project:** Orogenic Au, VHMS
- **Gold Fields and MAG spent ~\$19m** in target generation and definition (>60 porphyry + orogenic targets)
- Majors + mid caps building large tenure positions surrounding Magmatic projects, **Freeport - McMoran, Fortescue Metals Group, Newmont, Sandfire**



# Lady Ilse Gold – Copper Porphyry District

Identifying a fertile porphyry target



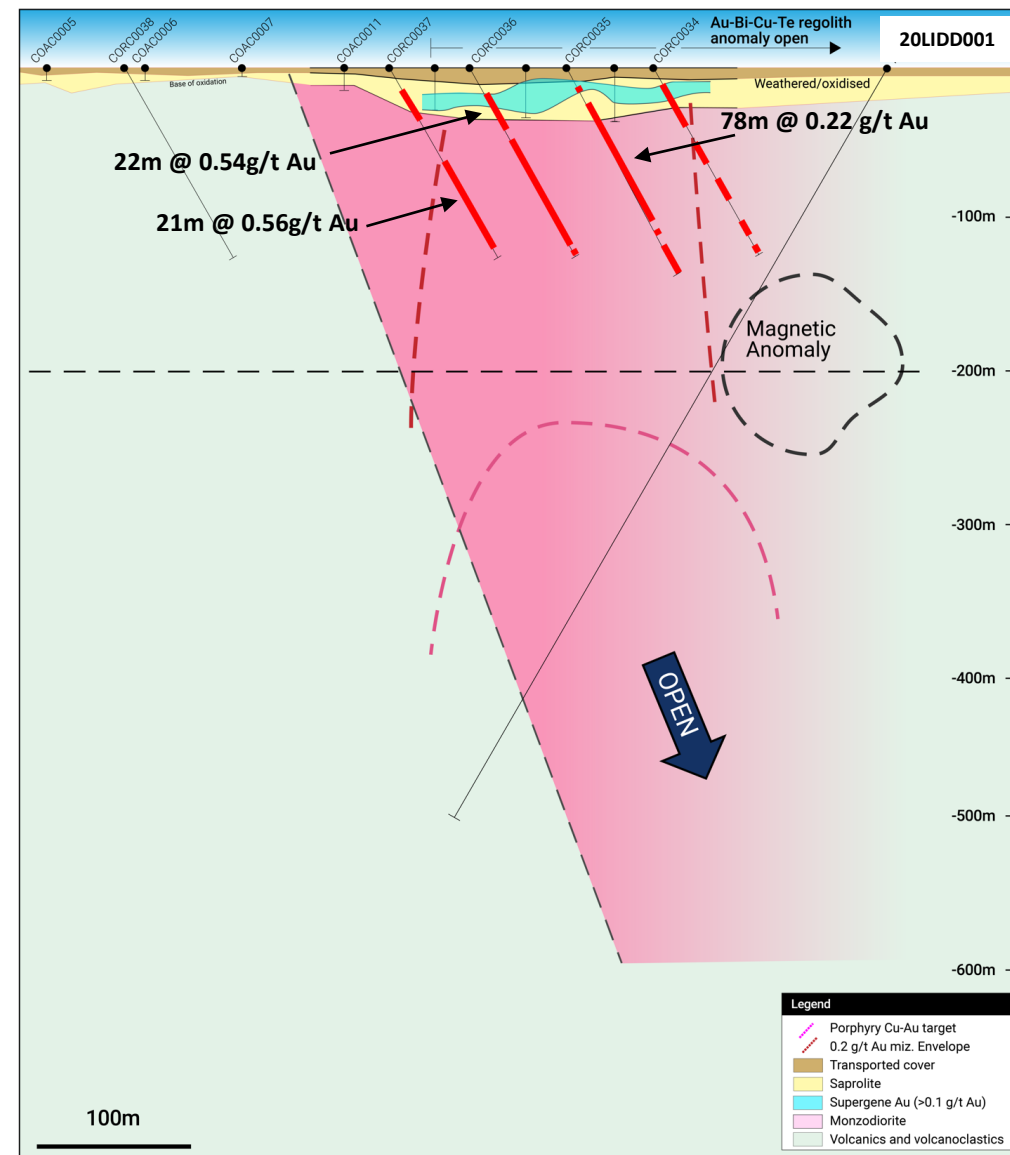
## IDENTIFYING A FERTILE PORPHYRY SYSTEM

(pyritic alteration / geochemical porphyry pathfinders)

- Upper level Porphyry – Epithermal alteration and geochemical signature
- Wide zone of anomalous gold ( $\sim 0.2\text{g/t Au}$  >200m wide) and pathfinders associated with pyrite stringers defined in shallow RC drilling (<150m depth), inc. 78m at 0.22 g/t Au from 27m (CORC035) (ASX: MAG 16 October 2019)



RC drilling supported by multielement geochemistry  
'Fertile' porphyry-related pyrite, CORC036 – 50m (MAG ASX 19 February 2018)



# Lady Ilse Gold – Copper Porphyry District

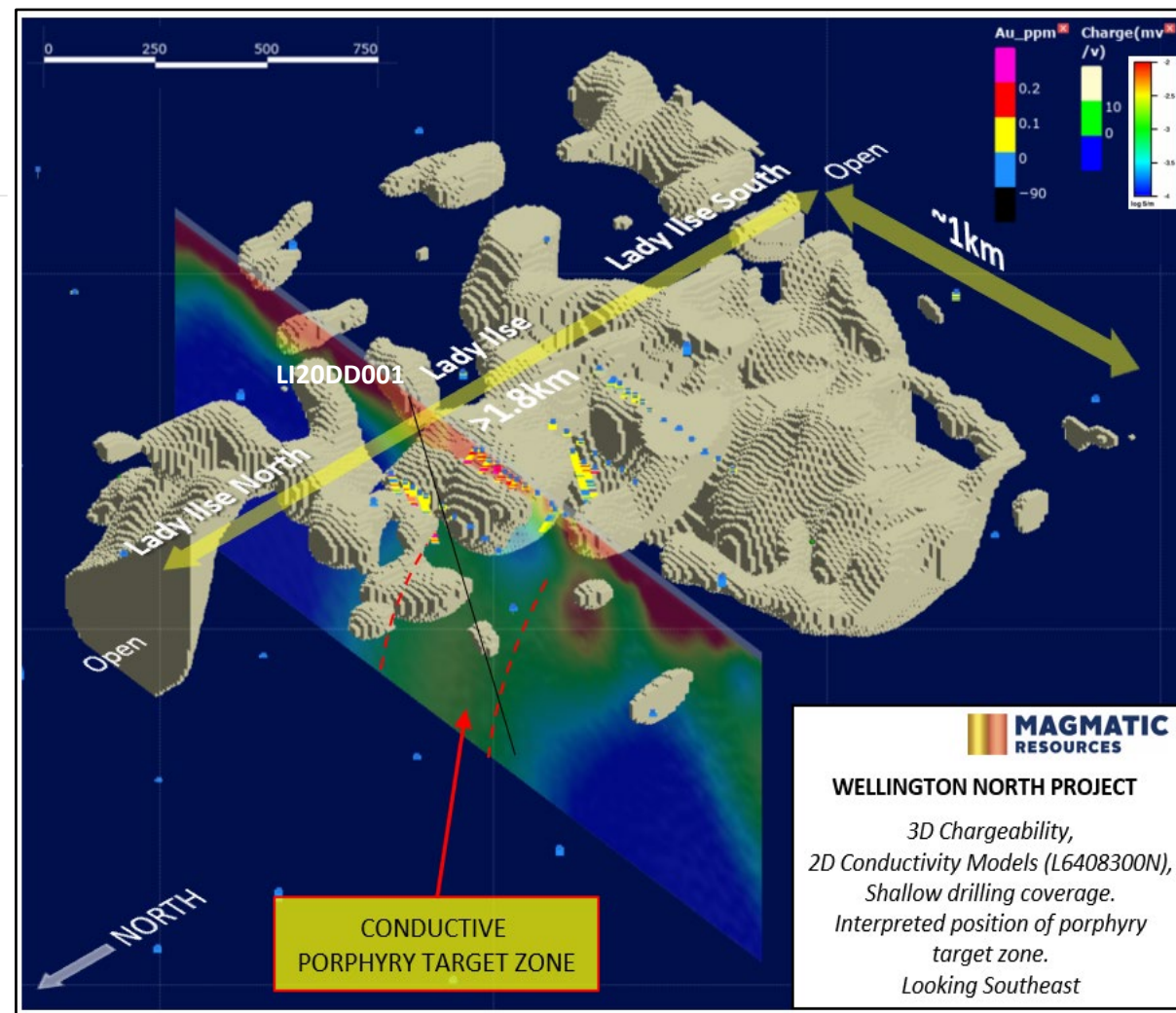
Defining a large-scale porphyry target



## DEFINING A LARGE-SCALE PORPHYRY SYSTEM

(MIMDAS / Conventional IP Geophysics)

- MIMDAS geophysics **defines large gold-copper porphyry target zone at Lady Ilse District** (ASX: MAG 24 April 2020)
  - Strong chargeability and conductivity anomalism over **>1.8km x 1km**
- IP chargeability used at Boda and Cadia East as a key exploration criteria (can be acquired via MIMDAS or conventional IP geophysics)
- **MIMDAS successfully used at Cadia Valley**, 'Deeper penetrating electrical geophysical applications including MIMDAS utilised with success (conventional systems visualise to 300m, MIMDAS can visualise to 1000m)' - Newcrest (2019)





# Lady Ilse Gold – Copper Porphyry District

Testing a large-scale porphyry target



## TESTING A LARGE-SCALE PORPHYRY SYSTEM

### (RC and Diamond Drilling)

- First diamond drillhole, completed in April 2020, validated exploration model, 20LIDD001 (1014.8m) confirmed a subvertical, north-south trending zone of porphyry-style mineralisation, coincident with target zone, assays due late May (ASX: MAG 16 March 2020)
- Future drilling up dip and along strike will test areas of strong coincident chargeability / conductivity anomalism – interpreted to be areas of focussed fluid flow – core zones



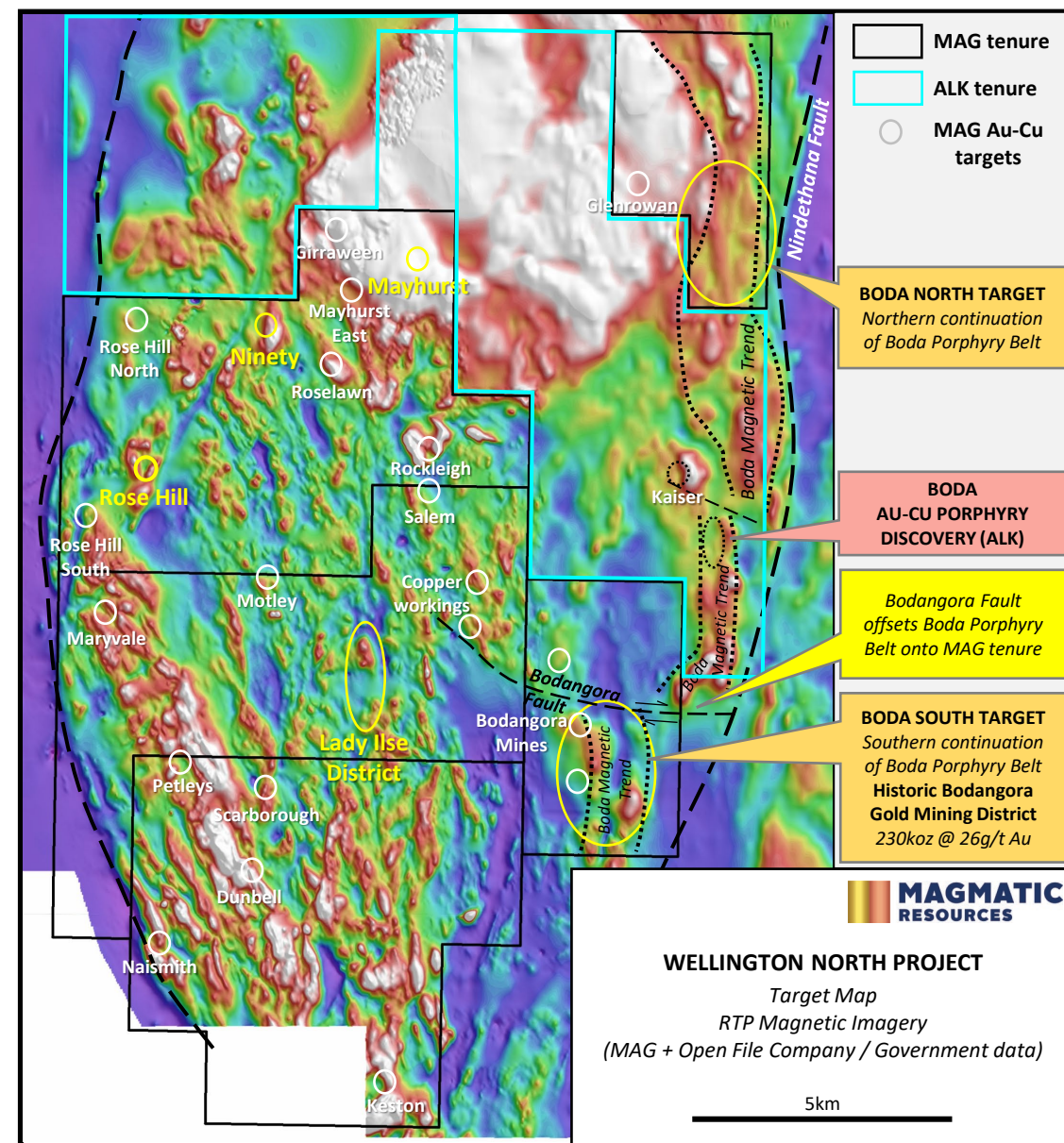


# Wellington North Project

Advanced target portfolio in northern Molong Belt porphyry discovery hotspot



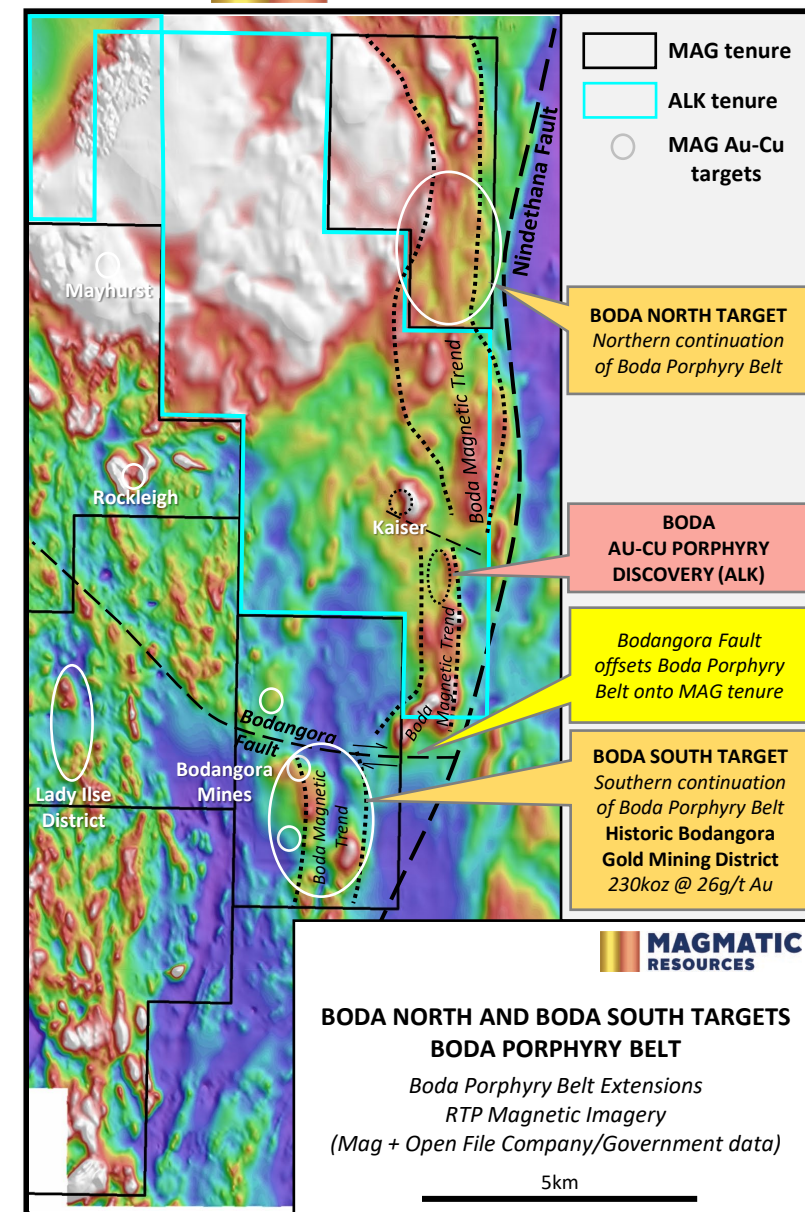
- **Dominant position** in northern Molong Belt porphyry discovery hotspot
- Magmatic's Wellington North Project **surrounds Alkane's Boda Gold-Copper Porphyry Discovery**
- Boda discovery (ALK) indicates the surface expression of Northern Molong Belt porphyries - gold-rich porphyry ± epithermal signature
- Multiple advanced gold-copper porphyry targets:
  - ✓ **Lady Ilse** - Porphyry Au-Cu, under shallow (5-15m) cover, Boda lookalike but bigger
  - ✓ **Rose Hill** - Porphyry Au-Cu mineralised system, inc. 73m @ 0.42% Cu, 0.3g/t Au from surface (ASX: MAG 17 May 2017)
  - ✓ **Mayhurst East, Ninety and multiple other gold – copper porphyry targets**
- Magmatic's exploration team rapidly assessing targets



# Boda North & Boda South Targets

Northern and southern extensions of Boda Porphyry Belt pass onto Magmatic's tenure

- Reprocessed aeromagnetic data highlights the interpreted northern and southern extensions of the Boda Porphyry Belt (ASX: MAG 11 May 2020)
- Key targets identified along strike from Boda Discovery (ALK), extensions of Boda Porphyry Belt as defined by magnetic trends – Boda South, Boda North
- Both targets less than 5km from Boda Porphyry discovery (ALK)
  - ✓ **Boda North** - northern strike continuation of the Boda porphyry belt marked by the first magnetic belt west of the Nindethana Fault (5km strike extent)
  - ✓ **Boda South** - southern strike continuation of the Boda porphyry belt, via its displacement westwards along the Bodangora Fault (3km strike extent), includes:
    - Historic Bodangora Gold Mining District (230koz Au @ 26g/t Au (ASX: MAG 17 May 2017))
- IP geophysics commenced at Boda North prior to potential drill testing



# References

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Alkane 2020., Significant Porphyry Gold-Copper Mineralisation Width Increases with Depth at Boda, ASX Announcement, 13 February 2020

CMOC 2019., China Molybdenum Company Limited, <http://www.cmocinternational.com/australia/>

Evolution., 2018, <https://evolutionmining.com.au/reservesresources/>

Fox, N., Cooke, D., Harris, A., Collett, D., Eastwood, G., 2015, Porphyry Au-Cu mineralisation controlled by reactivation of an arc-transverse volcanosedimentary subbasin, *Geology*, Geological Society of America

Newcrest., 2019, Newcrest Investor and Analyst Presentation, ASX Announcement, 18 November 2019

Phillips, G N (Ed), 2017. *Australian Ore Deposits* (The Australasian Institute of Mining and Metallurgy: Melbourne) (Phillips 2017)<sup>1</sup>



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