



First Pass Exploration Drilling Programme Completed at Tanami West, NT

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KEY POINTS

- Air-core drilling programme at Tanami West completed.
- Magnum targeted a geologically and structurally complex section where prospective Callie Member is interpreted to lie under cover.
- Combination of reconnaissance and targeted holes to test for gold – copper mineralisation.
- Extensive zone of altered and fractured rocks intersected across two drill lines.

OVERVIEW

Magnum Mining and Metals Ltd (“Magnum” or the Company) advises that the first pass reconnaissance drilling programme at its Tanami West Project located in the Tanami region of the Northern Territory has been completed.

The Tanami West Project consists of exploration licence 30256 and pursuant to an agreement with the tenement’s 100% owner Ferdies Find Pty Ltd (“Ferdies”), Magnum can earn up to 80% of the issued capital of Ferdies subject to an exploration expenditure of \$1.1 million over a minimum of three years.

The Magnum drilling programme was concentrated across a 50 square kilometre area located in the south east corner of the tenement. Mapping during the drill programme confirmed that the very large majority of this area is sand covered with only minimal outcrop located on the extreme eastern boundary of the tenement.

The drilling programme was largely reconnaissance - so as to provide important geological and geochemical information over a poorly understood part of the Tanami region. A number of the drill traverses were however also positioned over specific magnetic and structural features which had been identified as potentially overlying or being located adjacent to lithology’s that host gold mineralisation in the Tanami region.

A total of 83 aircore holes for 2,103 metres were drilled with the majority of holes been stopped at blade refusal.

The drilling confirmed that a thin unit of transported aeolian sand overlies a significantly leached weathering profile.

The dominant lithologies intersected were sandstones, siltstones and vesicular basalts and work is continuing to determine their stratigraphic position within the Tanami Group sequence.

Drilling on the southern end of lines 4 and 5 intersected a wide zone of intensely altered and fractured rocks which appear to be after siltstone and possibly volcanic fragmentals although this needs to be confirmed by petrology. Within this altered sequence on line 4 hard marble (metamorphosed limestone) was also intersected across two drill holes. This may indicate metasomatic alteration which could tie in with the alteration observed in the adjacent holes. No obvious mineralisation was observed during the drilling but base of hole samples for all holes have been submitted for geochemical analyses.

Based on the drilling and re-logging of holes previously drilled to the west by the tenement holder the project are potentially hosts two volcanic centres and this possibility will be further explored.

It does appear that the Tanami West project may have greater potential for base metal mineralisation (copper) than gold but this will be confirmed through the geochemistry. Assay results are expected within 3-4 weeks.

Location

The Tanami West project is located in the Northern Territory approximately 570km northwest from Alice Springs, 33km east of the West Australian border and 140km north of Lake MacKay (Figure 1).

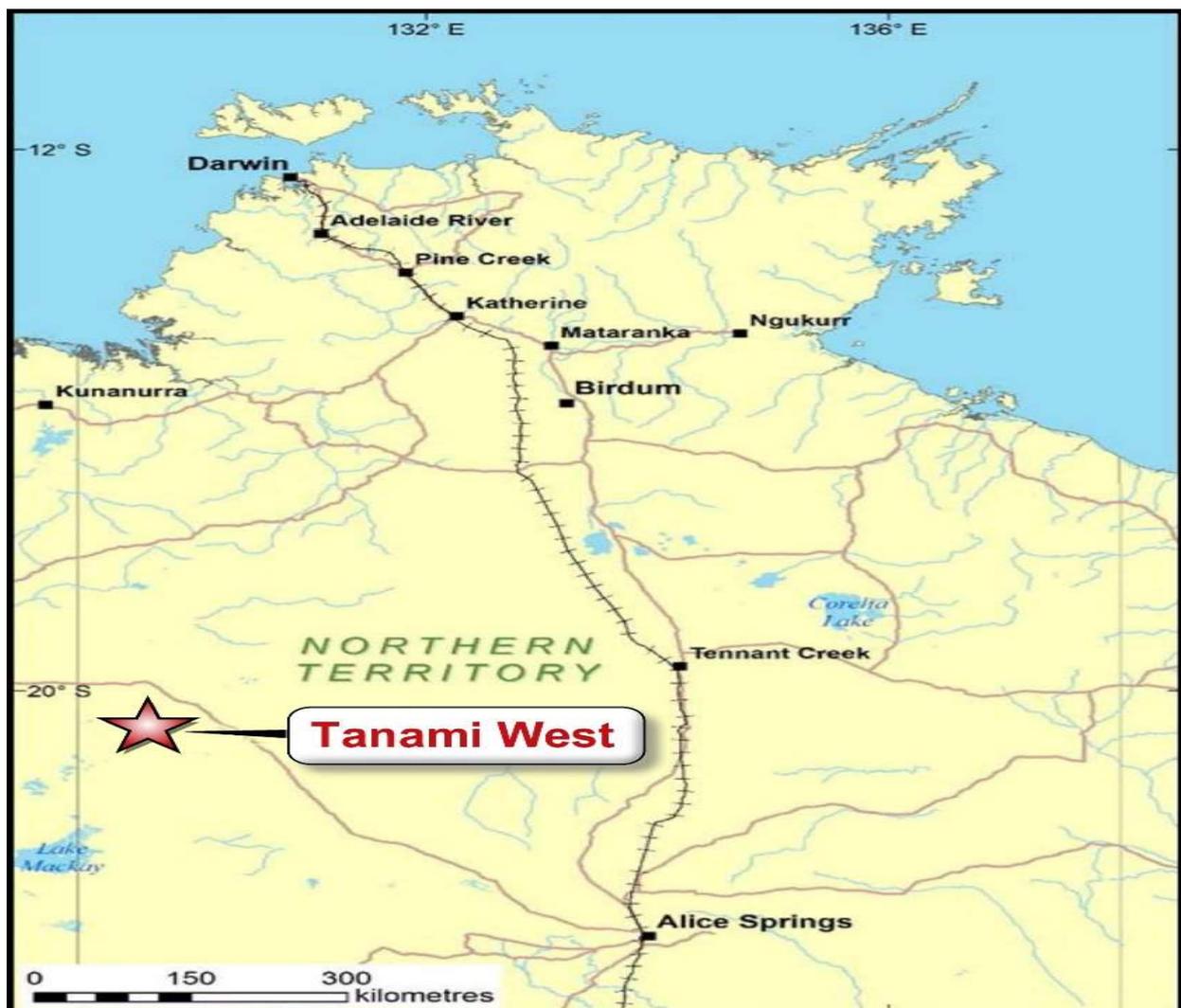


Figure 1: Tanami West Location Map

The project area is located to the east of Graveyard Bore in a soil and sand covered area with grass and mulga scrub. (see Figure 3)

Drilling Programme

Magnum concentrated the reconnaissance exploration drilling programme across the targeted area shown in Figure 3.

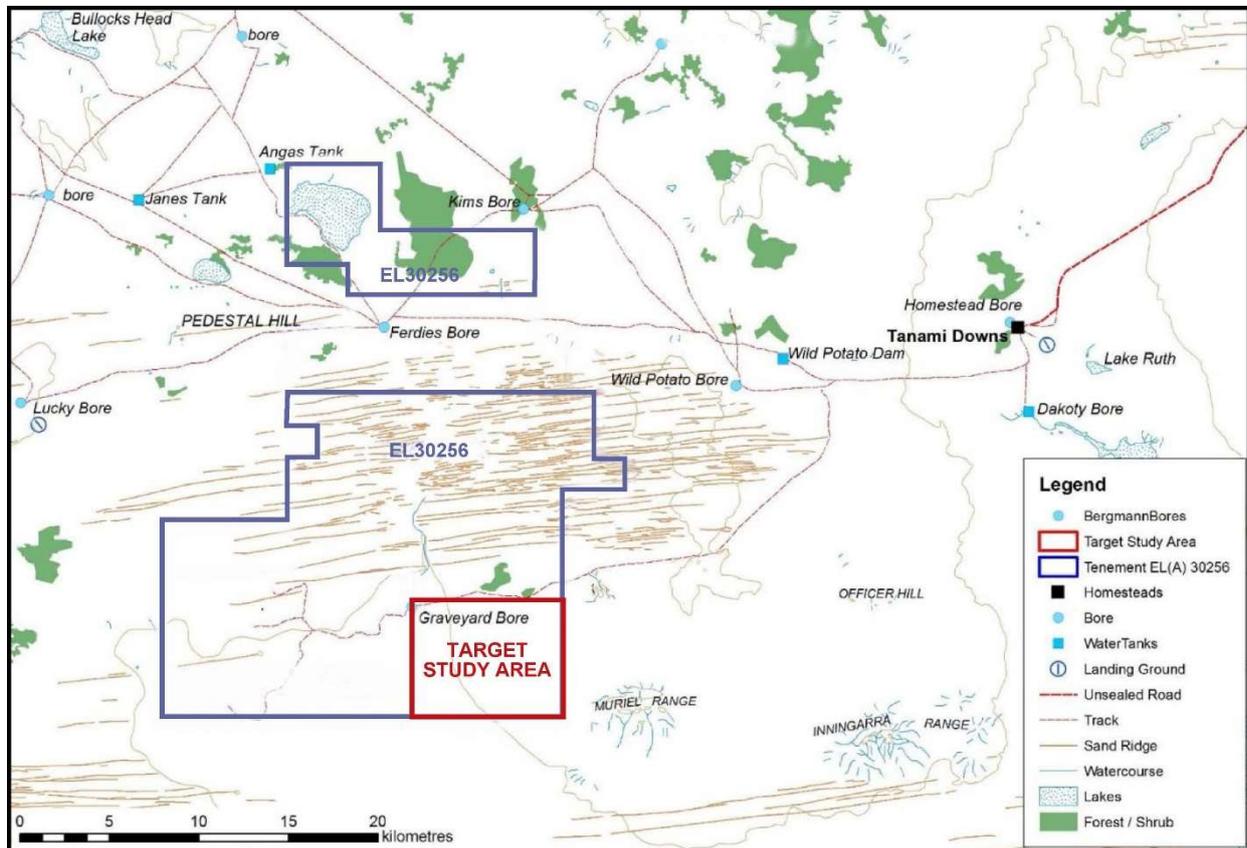


Figure 2: Tanami West Exploration Programme Target Study Area

A total of 83 vertical air core drill holes were completed for a total of 2,103 metres. The majority of holes were drilled to blade refusal.

Drilling was on a 800 metre by 400 metre grid with each hole logged on 1 metre intervals. Samples were collected from the base 4-6 metres of each hole as well as higher intervals where alteration was logged. These samples have been submitted for multi-element assay and results are expected in 3-4 weeks.

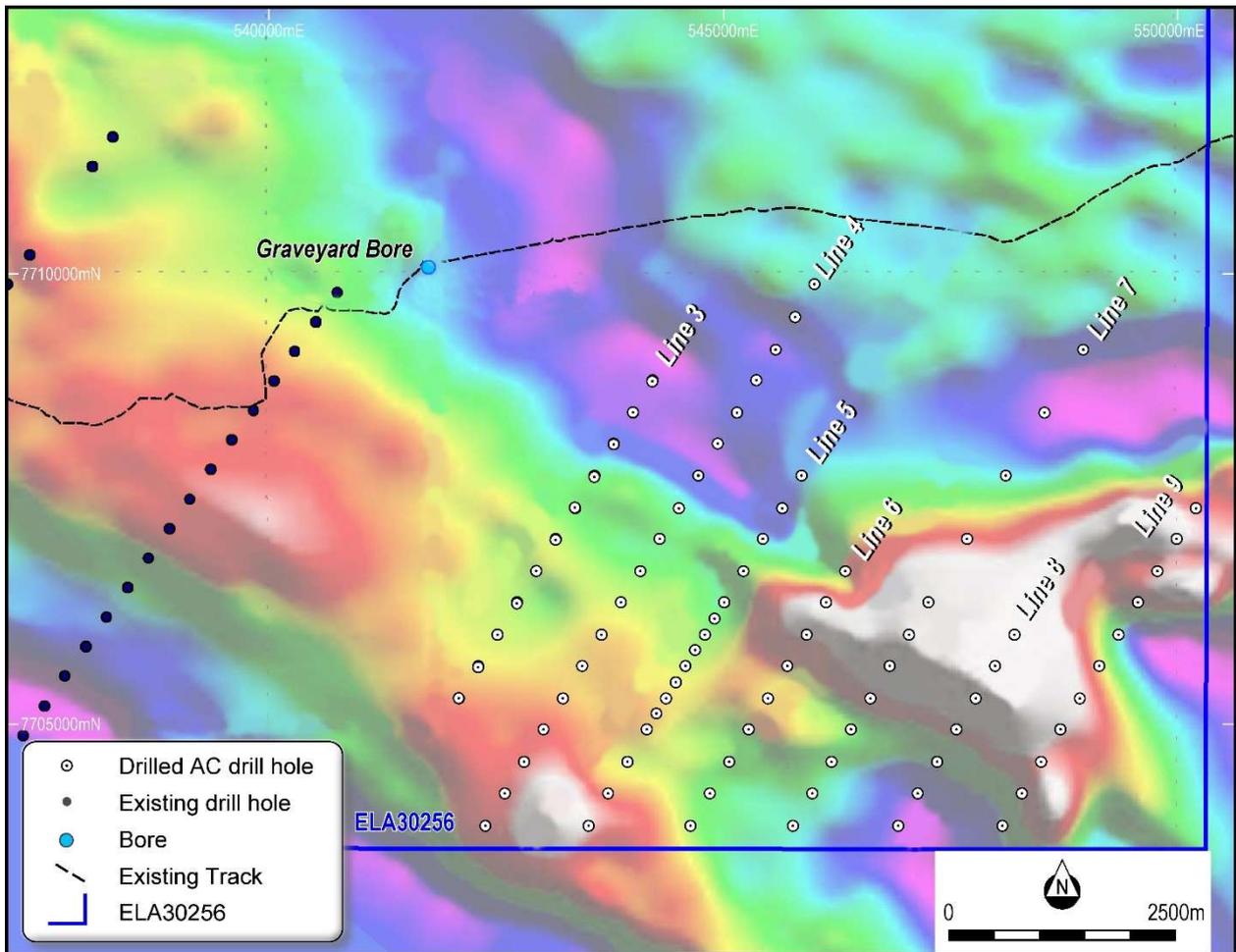


Figure 3: Reprocessed Aeromagnetics

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The information in this announcement that relates to Exploration Results and Mineral Resources complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr Howard Dawson, Non-Executive Director of Magnum Mining and Exploration Limited. Mr Dawson is a member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Dawson consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.