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ASX Announcement

ASX: MMB

EXTENSIVE HIGH-GRADE ZONES DEFINED AT CURRENT LAKE

KEY POINTS

- The resource definition drilling program at Current Lake is nearing completion. Several high-grade zones have been mapped so far with a cumulative strike-length of approximately 1200m.
- Recent results from the southern part of Current Lake include the following excellent intersections:
 - TBND134: 37.0m @ 4.55g/t Pt+Pd, 0.49% Cu & 0.26% Ni from 55m,
including 22.0m @ 6.52g/t Pt+Pd, 0.69% Cu & 0.33% Ni
 - TBND136: 19.0m @ 5.07g/t Pt+Pd, 0.56% Cu & 0.28% Ni from 55m,
and 6.0m @ 11.62g/t Pt+Pd, 2.19% Cu & 0.92% Ni from 89m
including 0.65m @ 38.00g/t Pt+Pd, 2.60g/t Au, 8.90% Cu & 1.29% Ni.
- Electro-magnetic surveys in progress to search for Ni-Cu-PGM massive sulphide deposits in the 5km-long Current Lake Intrusive Complex have identified several promising conductors, including one with a strike length of about 400m in the area between Current Lake and Beaver Lake.

Resource Definition Drilling

An approximately 31,000m resource definition drilling campaign is in progress at the Thunder Bay North project in Ontario, Canada, in the north-western half of the Current Lake Intrusive Complex, a 5km long mafic-ultramafic magma conduit (Figures 1 and 2). As part of this campaign, approximately 90 holes for 7,000m are being drilled from the frozen surface of Current Lake on a 10m x 50m pattern over a strike length of about 1,800m (Figure 3). This drilling program commenced in January, 2009 and is now nearing completion with about 20 holes left to drill, mainly in the northern part of the lake.

Assay results have been received for 38 of the 70 drill-holes completed to date. These results are from the southern part of the lake and include the following excellent intersections:

TBND134:	37.00m	@ 4.55g/t Pt+Pd, 0.49% Cu & 0.26% Ni from 55.00m,
	including 22.00m	@ 6.52g/t Pt+Pd, 0.69% Cu & 0.33% Ni.
TBND136:	19.00m	@ 5.07g/t Pt+Pd, 0.56% Cu & 0.28% Ni from 55.00m,
	including 11.00m	@ 7.02g/t Pt+Pd, 0.75% Cu & 0.34% Ni,
	6.00m	@ 11.62g/t Pt+Pd, 2.19% Cu & 0.92% Ni from 89.00m
	including 0.65m	@ 38.00g/t Pt+Pd, 2.6g/t Au, 8.90% Cu & 1.29% Ni.
TBND141:	52.00m	@ 3.63g/t Pt+Pd, 0.46% Cu & 0.28% Ni from 29.00m,
	including 21.27m	@ 6.59g/t Pt+Pd, 0.86% Cu & 0.47% Ni.
TBND143:	29.00m	@ 3.24g/t Pt+Pd, 0.36% Cu & 0.22% Ni from 40.00m,
	including 12.00m	@ 6.36g/t Pt+Pd, 0.69% Cu & 0.34% Ni.
TBND156:	33.00m	@ 2.64g/t Pt+Pd, 0.36% Cu & 0.19% Ni from 13.00m,
	including 13.00m	@ 4.93g/t Pt+Pd, 0.67% Cu & 0.29% Ni.
TBND158:	18.18m	@ 5.74g/t Pt+Pd, 0.59% Cu & 0.34% Ni from 19.82m,
	including 12.00m	@ 8.30g/t Pt+Pd, 0.85% Cu & 0.45% Ni.
TBND159:	40.05m	@ 3.45g/t Pt+Pd, 0.44% Cu & 0.25% Ni from 22.20m,
	including 14.00m	@ 6.11g/t Pt+Pd, 0.76% Cu & 0.33% Ni.
TBND160:	31.30m	@ 2.87g/t Pt+Pd, 0.39% Cu & 0.28% Ni from 31.00m,
	including 10.05m	@ 5.69g/t Pt+Pd, 0.78% Cu & 0.52% Ni.
TBND161:	37.50m	@ 3.61g/t Pt+Pd, 0.44% Cu & 0.25% Ni from 21.50m,
	including 15.50m	@ 5.88g/t Pt+Pd, 0.65% Cu & 0.27% Ni.

For most intercepts, Pt and Pd have a ratio of approximately 1:1. Drill-hole information and assay results are shown in Tables 1 and 2.

Several high-grade zones have been mapped from a combination of assay results and visual inspection of drill-core (Figure 3). Generally, drill intercepts in these zones contain significant widths of >3g/t Pt+Pd mineralization. These zones form a series of linear bodies with a cumulative strike length of about 1,200m. They occupy most of the drilled strike extent of the host mafic-ultramafic magma conduit beneath Current Lake with only relatively short strike lengths of lower-grade mineralization separating them.

The high-grade mineralization is open to the north, where drilling is presently focused on in-filling previous drill-holes in the northern part of Current Lake, and to the south-east where there is no current drilling (Figure 3).

A similar high-grade zone was previously identified from drilling at Beaver Lake (Figure 4). At both Current Lake and Beaver Lake the high-grade zones are enveloped by significant volumes of >0.5g/t Pt+Pd mineralization (Figures 3 and 4).

It is anticipated that the ice drilling at Current Lake, which is being completed by two drill-rigs, will be finished by the end of March. One of the drill-rigs will then be moved to the Beaver Lake area to complete the final component of the resource definition drilling campaign, an approximately 30-hole program for about 6,000m which will focus mainly on the untested area between Current Lake and Beaver Lake (Figure 4). It is anticipated that this drilling will be completed by the end of June.

The 31,000m resource definition drilling campaign commenced in mid-2008 and 18,000m had been completed by December 2008 which included drilling at Beaver Lake and a barge drilling

program on Current Lake. The 7,000m program at Current Lake and the 6,000m program at Beaver Lake described above will complete the drilling campaign.

Information from this 31,000m drilling campaign will be combined with that from 17,000m of previous drilling to form the basis for initial resource estimates for the Thunder Bay North project. These should be available early in the second half of 2009.

Electro-Magnetic Surveys

By analogy with other mafic-ultramafic magma conduit systems around the world, the Current Lake Intrusive Complex is prospective for Ni-Cu rich massive sulphide mineralization as well as the PGM-rich disseminated sulphide mineralization identified so far. A series of electro-magnetic (EM) surveys is in progress to test the potential for massive sulphides.

The broader region, including the Steepledge and Lone Island Lake Intrusive Complexes to the west, was recently flown with VTEM, an airborne EM system. Data interpretation is in progress, but several anomalies have been identified so far, including a 400m-long conductor broadly coincident with a subtle magnetic anomaly between the Current Lake and Beaver Lake areas (Figures 3 and 4). The western end of this anomaly is coincident with net-textured and massive sulphides intersected in drill-hole TBND136 which returned 6.0m @ 11.62g/t Pt+Pd, 2.19% Cu & 0.92% Ni, including 0.65m @ 38.00g/t Pt+Pd, 8.90% Cu & 1.29% Ni (Table 2). This anomaly will be tested as part of the upcoming Beaver Lake drilling program described above.

In addition, deep-probing surface EM surveys are in progress over the entire 5km strike-length of the Current Lake Intrusive Complex. Down-hole EM surveys will also be completed on over 20 drill-holes mainly in the Beaver Lake area.

These surveys should be completed within the next two months and will likely provide targets for further drilling beyond the current resource definition drilling program.



Keith Watkins
Managing Director
Magma Metals Limited

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled by Dr Keith Watkins, the Managing Director of Magma Metals Ltd, who is a Fellow of the Australian Institute of Geoscientists and a Member of the Australasian Institute of Mining and Metallurgy. Dr Watkins has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Watkins consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

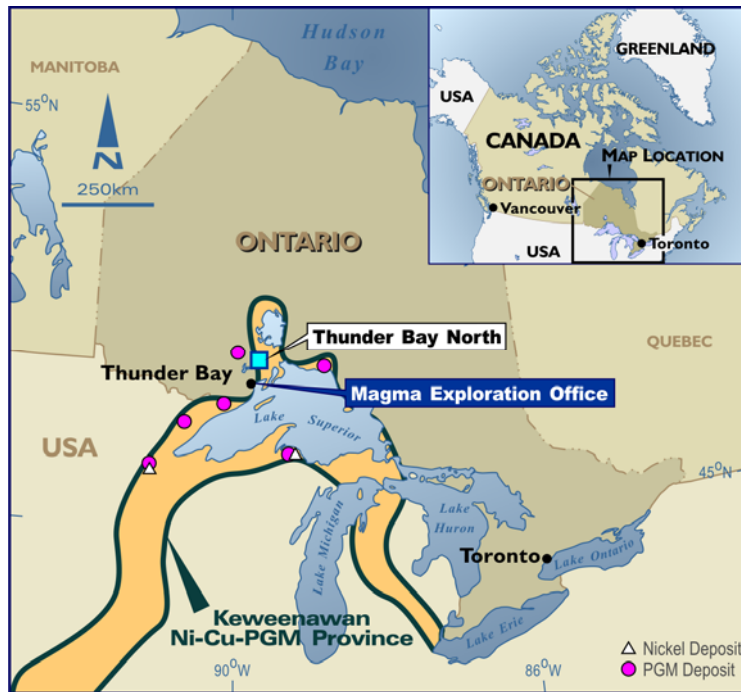


Figure 1. Project Location

Table 1. Drill Hole Collar and Depth Information

Drill Hole	Easting (m)	Northing (m)	Azimuth (Deg)	Dip (Deg)	Depth (m)
TBND125	357480	5402700	0	-90	105
TBND126	357440	5402710	0	-90	105
TBND127	357420	5402730	0	-90	102
TBND129	357410	5402730	0	-90	102
TBND130	357440	5402720	0	-90	102
TBND131	357430	5402730	0	-90	102
TBND132	357400	5402730	0	-90	102
TBND133	357440	5402730	0	-90	99
TBND134	357415	5402760	0	-90	99
TBND135	357425	5402810	0	-90	99
TBND136	357480	5402710	0	-90	102
TBND137	357425	5402760	0	-90	99
TBND138	357415	5402810	0	-90	99
TBND140	357438	5402808	0	-90	99
TBND141	357425	5402850	0	-90	99
TBND142	357405	5402810	0	-90	99
TBND143	357415	5402850	0	-90	96
TBND145	357435	5402850	0	-90	99
TBND153	357480	5403100	0	-90	78
TBND156	357490	5403100	0	-90	81
TBND158	357325	5403155	0	-90	66
TBND159	357275	5403180	0	-90	69
TBND160	357275	5403170	0	-90	69
TBND161	357325	5403165	0	-90	66
TBND162	357325	5403145	0	-90	66
TBND163	357275	5403190	0	-90	66

Table 2. Significant Assay Results

Drill Hole	From (m)	To (m)	Length (m)	Pt (g/t)	Pd (g/t)	Pt+Pd (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Ni (%)	Pt+Pd Cut-Off (g/t)
TBND125	35.00	39.00	4.00	0.72	0.72	1.44	0.04	-	0.19	0.14	1.0
	52.00	66.00	14.00	1.06	1.02	2.08	0.07	-	0.24	0.18	1.0
	82.00	86.00	4.00	0.75	0.75	1.50	0.05	-	0.22	0.17	1.0
TBND126	26.00	61.00	35.00	0.51	0.49	1.00	0.03	-	0.12	0.13	0.5
	69.70	73.00	3.30	0.96	0.88	1.84	0.07	-	0.22	0.15	1.0
	80.00	82.00	2.00	0.73	0.70	1.43	0.05	-	0.20	0.20	1.0
TBND127	29.35	75.00	45.65	0.59	0.55	1.14	0.04	-	0.13	0.14	0.5
including	62.00	67.80	5.80	1.28	1.23	2.51	0.08	-	0.32	0.22	1.0
TBND129	33.00	60.00	27.00	0.53	0.48	1.01	0.03	-	0.13	0.15	1.0
TBND130	23.36	61.60	38.24	0.79	0.72	1.51	0.05	-	0.18	0.16	0.5
including	42.00	61.60	19.60	1.18	1.06	2.24	0.07	-	0.25	0.20	1.0
including	53.00	60.00	7.00	1.92	1.72	3.64	0.10	2.26	0.40	0.28	3.0
TBND131	33.00	64.40	31.40	1.06	0.97	2.03	0.06	-	0.25	0.20	0.5
including	56.00	63.40	7.40	2.37	2.18	4.55	0.13	3.46	0.58	0.34	3.0
TBND132	33.00	50.00	17.00	0.57	0.55	1.12	0.04	-	0.13	0.13	0.5
	64.00	71.00	6.00	0.51	0.51	1.02	0.04	-	0.15	0.18	0.5
TBND133	38.00	68.00	30.00	0.52	0.49	1.01	0.03	-	0.12	0.13	0.5
TBND134	55.00	92.00	37.00	2.39	2.16	4.55	0.15	-	0.49	0.26	1.0
including	56.00	78.00	22.00	3.43	3.09	6.52	0.21	4.64	0.69	0.33	3.0
TBND135	28.00	47.00	19.00	0.48	0.46	0.94	0.03	-	0.11	0.13	0.5
including	37.00	41.00	4.00	0.87	0.84	1.71	0.05	-	0.18	0.17	1.0
	80.00	85.00	5.00	0.78	0.61	1.39	0.05	-	0.19	0.16	0.5
TBND136	55.00	74.00	19.00	2.68	2.39	5.07	0.17	-	0.56	0.28	1.0
including	60.00	71.00	11.00	3.71	3.31	7.02	0.23	4.99	0.75	0.34	3.0
	89.00	95.00	6.00	6.26	5.36	11.62	0.52	16.9	2.19	0.92	3.0
including	94.00	94.65	0.65	22.7	15.3	38.0	2.60	60.9	8.90	1.29	10.0
TBND137	56.00	76.00	20.00	1.00	0.90	1.90	0.07	-	0.26	0.17	0.5
including	63.00	75.00	12.00	1.44	1.28	2.72	0.11	-	0.37	0.19	1.0
	86.00	92.00	6.00	1.04	0.96	2.00	0.07	-	0.29	0.22	1.0
TBND138	35.00	42.00	7.00	0.59	0.51	1.10	0.03	-	0.10	0.14	1.0
	55.00	58.00	3.00	0.84	0.75	1.59	0.05	-	0.19	0.16	1.0
	80.00	82.00	2.00	0.84	0.83	1.67	0.07	-	0.22	0.19	1.0
TBND140	33.55	46.55	13.00	0.49	0.50	0.99	0.03	-	0.11	0.11	0.5
TBND141	29.00	81.00	52.00	1.82	1.81	3.63	0.10	-	0.46	0.28	0.5
including	32.00	68.00	36.00	2.30	2.32	4.62	0.12	-	0.60	0.34	1.0
including	46.73	68.00	21.27	3.27	3.32	6.59	0.16	4.31	0.86	0.47	3.0
TBND142	46.00	83.00	37.00	0.49	0.46	0.95	0.03	-	0.12	0.16	0.5
including	69.00	81.00	12.00	0.74	0.70	1.44	0.05	-	0.19	0.19	1.0
TBND143	40.00	69.00	29.00	1.67	1.57	3.24	0.11	-	0.36	0.22	0.5
including	55.00	67.00	12.00	3.28	3.08	6.36	0.22	4.92	0.69	0.34	3.0
TBND145	32.00	47.95	15.95	1.60	1.57	3.17	0.09	-	0.44	0.22	1.0

Results are reported for intercepts >0.5g/t Pt+Pd at the lower cut-off grades shown in the right hand column; these may include internal intervals up to 3m below the cut-off grade

Table 2. Significant Assay Results (Continued)

Drill Hole	From (m)	To (m)	Length (m)	Pt (g/t)	Pd (g/t)	Pt+Pd (g/t)	Au (g/t)	Ag (g/t)	Cu (%)	Ni (%)	Pt+Pd Cut-Off (g/t)
TBND153	19.00	35.00	16.00	0.51	0.47	0.98	0.03	-	0.10	0.12	0.5
	42.00	64.00	22.00	0.49	0.45	0.94	0.03	-	0.12	0.16	0.5
including	48.00	53.00	5.00	0.83	0.76	1.59	0.06	-	0.21	0.19	1.0
	68.00	71.10	3.10	0.54	0.53	1.07	0.04	-	0.18	0.14	0.5
TBND156	13.00	46.00	33.00	1.33	1.31	2.64	0.08	-	0.36	0.19	0.5
including	13.00	26.00	13.00	2.47	2.46	4.93	0.14	4.88	0.67	0.29	3.0
	64.00	72.00	8.00	1.08	1.05	2.13	0.08	-	0.34	0.24	1.0
TBND158	19.82	38.00	18.18	2.95	2.79	5.74	0.16	-	0.59	0.34	0.5
including	26.00	38.00	12.00	4.26	4.04	8.30	0.23	4.98	0.85	0.45	3.0
	43.00	54.00	11.00	1.04	0.98	2.02	0.07	-	0.28	0.23	1.0
TBND159	22.20	62.25	40.05	1.82	1.63	3.45	0.12	-	0.44	0.25	0.5
including	34.00	48.00	14.00	3.26	2.85	6.11	0.21	4.21	0.76	0.33	3.0
TBND160	31.00	62.20	31.30	1.48	1.39	2.87	0.09	-	0.39	0.28	0.5
including	51.00	61.05	10.05	2.92	2.77	5.69	0.16	3.67	0.78	0.52	3.0
TBND161	21.50	59.00	37.50	1.87	1.74	3.61	0.13	-	0.44	0.25	1.0
including	21.50	37.00	15.50	3.07	2.81	5.88	0.21	4.71	0.65	0.27	3.0
TBND162	30.00	48.00	18.00	0.48	0.44	0.92	0.03	-	0.12	0.14	0.5
including	30.00	33.00	3.00	1.48	1.33	2.81	0.09	-	0.32	0.19	1.0
TBND163	30.00	36.00	6.00	0.66	0.61	1.27	0.04	-	0.16	0.12	0.5
	57.00	62.30	5.30	0.73	0.71	1.44	0.06	-	0.24	0.17	0.5

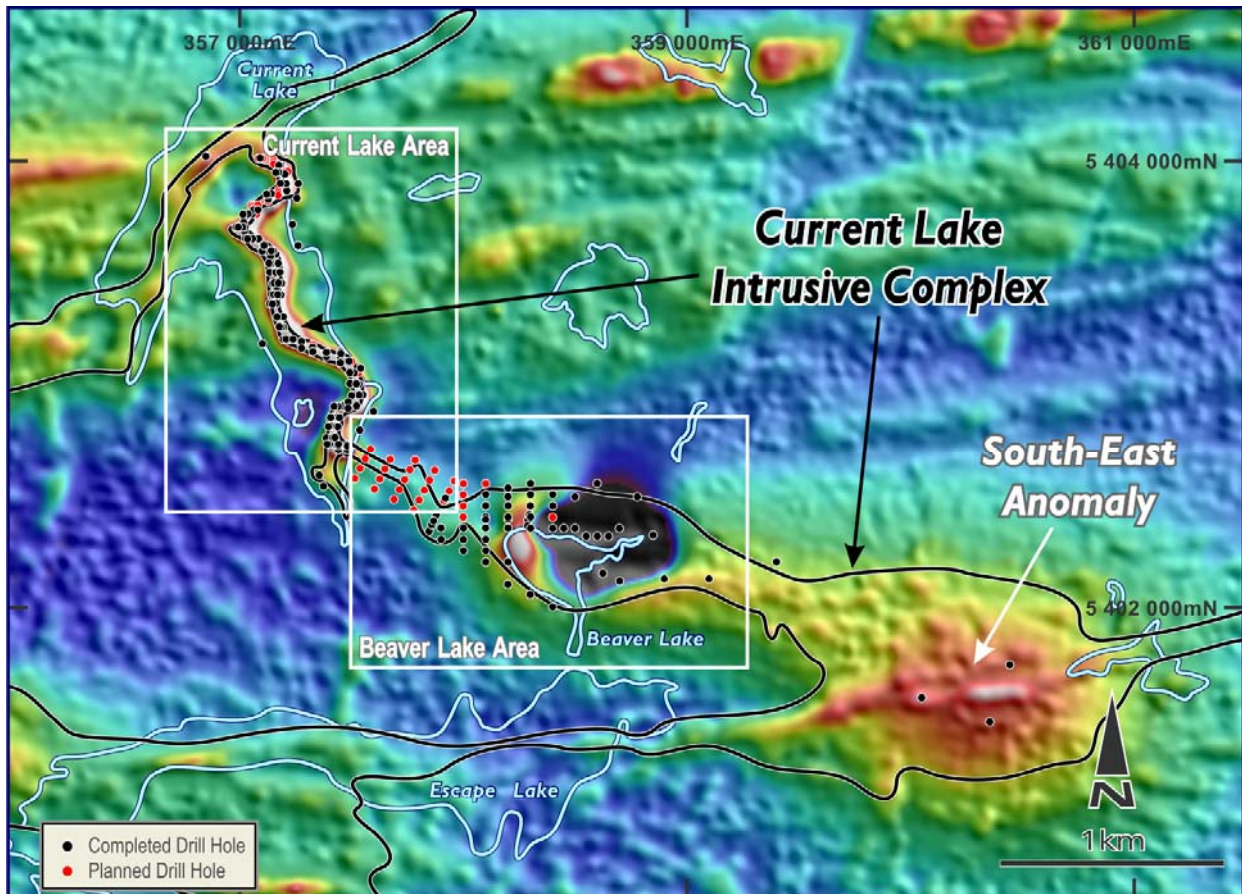


Figure 2. Aeromagnetic Image Showing Current Lake Intrusive Complex and Drilling

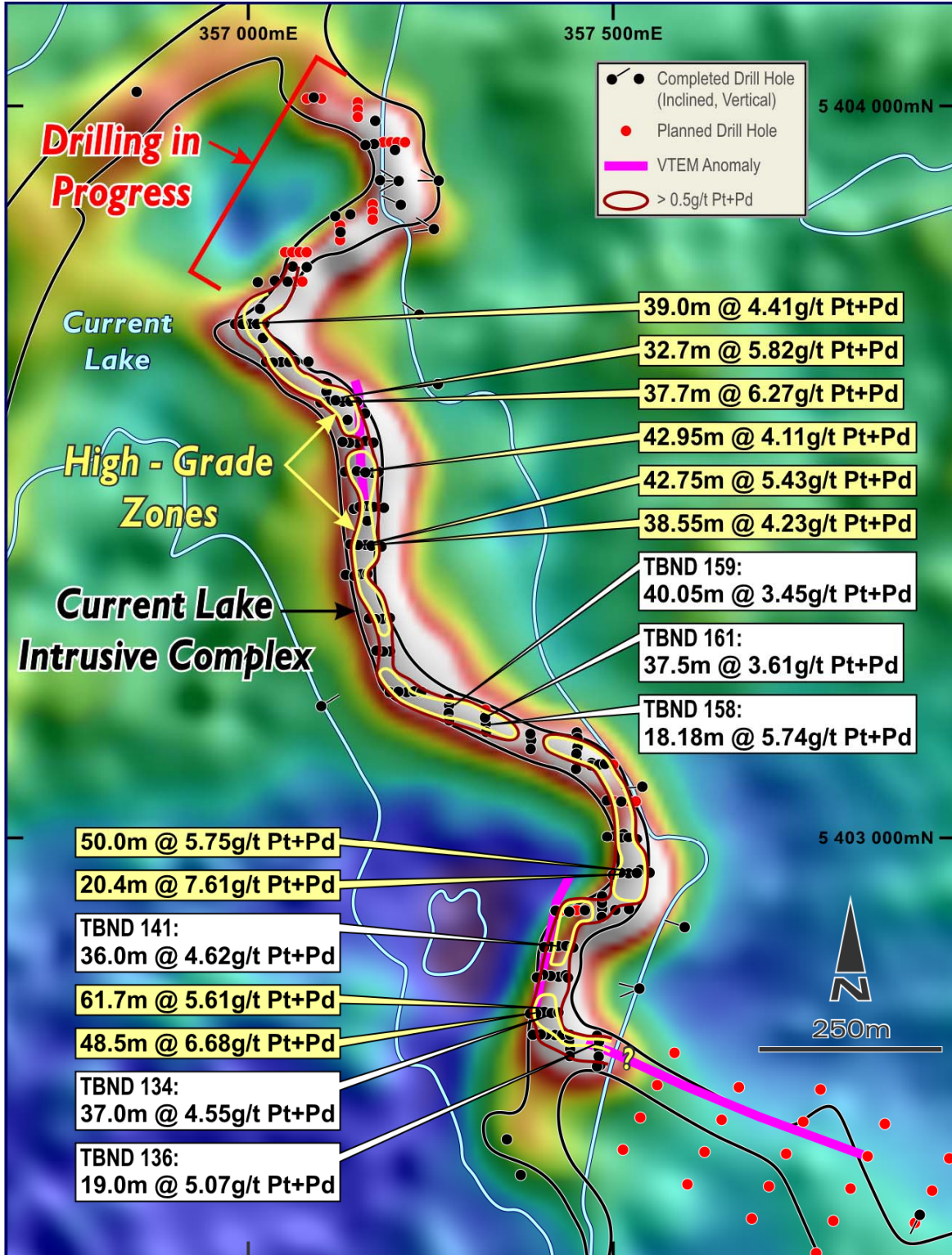


Figure 3. Current Lake Area: Magnetics and Drilling

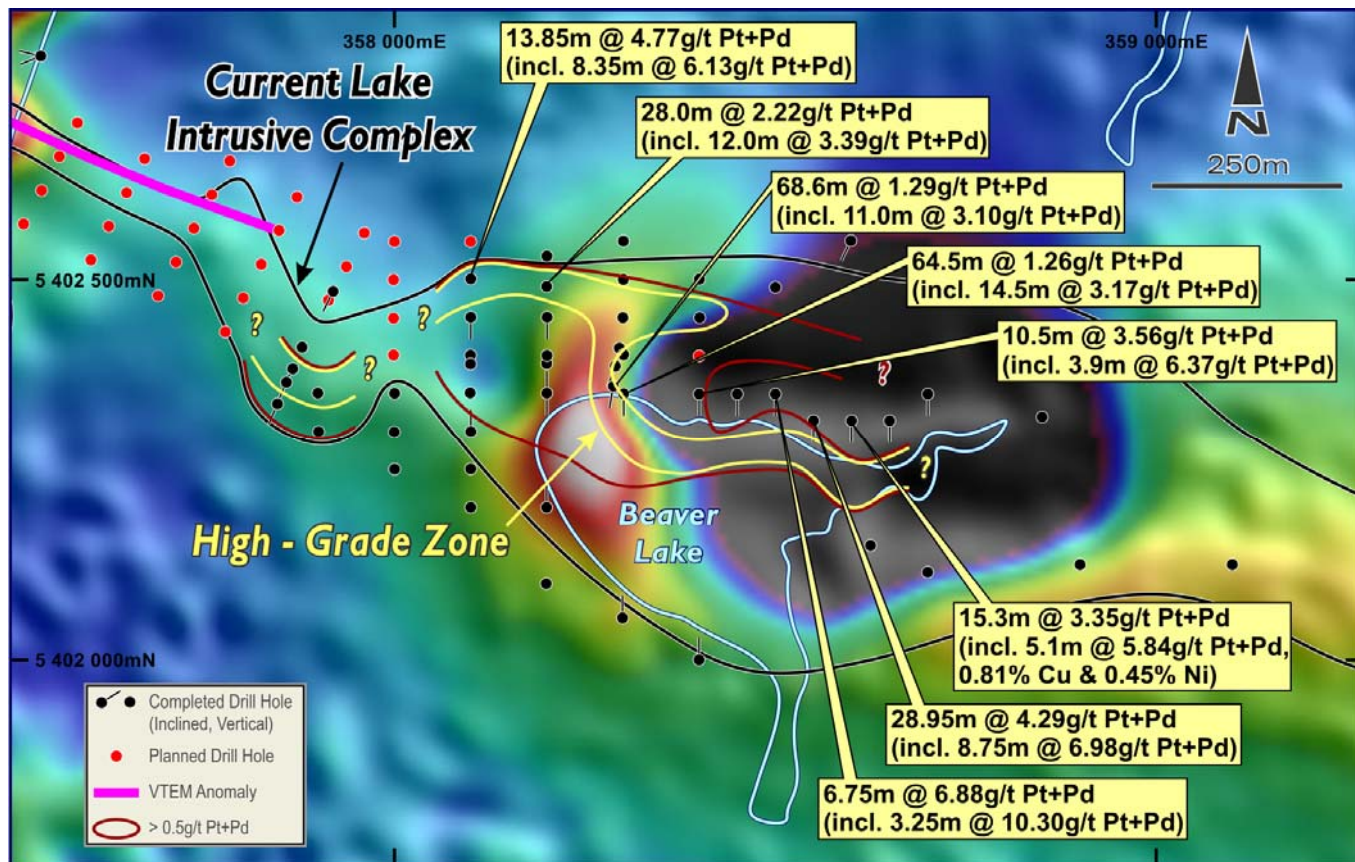


Figure 4. Beaver Lake Area: Magnetics and Drilling