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## HIGH GRADE DRILL INTERCEPTS FROM EM TARGETS IN THE BRIDGE ZONE AT THUNDER BAY NORTH

Perth, Western Australia – Magma Metals Limited (ASX & TSX: “MMW”) (“Magma” or the “Company”) is pleased to advise that drilling to test electro-magnetic (EM) anomalies in the Bridge Zone intersected several high grade mineralized zones at the Thunder Bay North platinum-palladium-copper-nickel project in northwest Ontario.

### Bridge Zone EM targets

Extensive down-hole electro-magnetic (DHEM) surveys in the Bridge Zone were completed in the June quarter to map potential high-sulphide zones near the base of the mineralized mafic-ultramafic intrusion. Many anomalies were identified and modelled and 12 of these were prioritized for drill testing (Figure 1). Drilling is in progress and assay results have been received for the first five holes, which returned the following excellent intercepts:

**BL10-326: 51.0m @ 5.02g/t Pt, 4.84g/t Pd, (9.86g/t Pt+Pd),  
1.18% Cu & 0.56% Ni from 85.1m,  
including 8.6m @ 11.55g/t Pt, 10.81g/t Pd, (22.36g/t Pt+Pd),  
2.80% Cu & 1.27% Ni from 127.5m,  
including 1.1m\* @ 23.40g/t Pt, 22.80g/t Pd, (46.20g/t Pt+Pd),  
6.80% Cu & 3.76% Ni from 135.0m;**

**BL10-328: 23.5m @ 4.20g/t Pt, 3.80g/t Pd, (8.00g/t Pt+Pd),  
0.85% Cu & 0.39% Ni from 123.25m,  
including 8.5m @ 6.23g/t Pt, 5.73g/t Pd, (11.96g/t Pt+Pd),  
1.21% Cu & 0.61% Ni from 128.25m;**

**BL10-329: 21.0m @ 2.37g/t Pt, 2.12g/t Pd, (4.49g/t Pt+Pd),  
0.54% Cu & 0.25% Ni from 156.1m,  
including 9.5m @ 3.78g/t Pt, 3.32g/t Pd, (7.10g/t Pt+Pd),  
0.80% Cu & 0.31% Ni from 157.1m;**

**BL10-330: 11.5m @ 2.08g/t Pt, 1.96g/t Pd, (4.04g/t Pt+Pd),  
0.46% Cu & 0.26% Ni from 172.2m,  
including 1.5m @ 5.79g/t Pt, 5.33g/t Pd, (11.12g/t Pt+Pd),  
1.15% Cu & 0.36% Ni from 177.2m,  
and 0.5m\* @ 5.18g/t Pt, 5.49g/t Pd, (10.67g/t Pt+Pd),  
1.26% Cu & 0.85% Ni from 183.2m;**

**BL10-332: 21.5m @ 2.98g/t Pt, 2.40g/t Pd, (5.38g/t Pt+Pd),  
0.61% Cu & 0.25% Ni from 156.35m,  
including 6.5m @ 8.95g/t Pt, 7.10g/t Pd, (16.05g/t Pt+Pd),  
1.80% Cu & 0.51% Ni from 171.35m,  
including 0.50m\* @ 71.0g/t Pt, 47.8g/t Pd, (118.8g/t Pt+Pd),  
14.40% Cu & 2.38% Ni from 176.85m.**

**(\*Contains massive sulphide interval)**

Results are detailed in Tables 1 and 3.

“These results are very encouraging, particularly for hole BL10-326, which is amongst the best drill intercepts recorded at the project. Once we have received the remaining results from drilling the EM targets, we will plan a close-spaced drilling program to carefully delineate the high-sulphide zones defined by this program and previous drilling in this area,” said Keith Watkins, Magma’s Executive Chairman. “These zones have the potential to form a high value domain within the existing mineral resource and it’s important to accurately define their shapes by drilling so that we can estimate their tonnages and grades”.

High sulphide zones generally comprise heavily disseminated to semi-massive (net-textured) sulphides, which may overlie a massive sulphide unit. The high sulphide zones are generally associated with trough-like depressions in the floor of the mafic-ultramafic intrusion and appear to form linear bodies and pods. There have been 15 intersections of massive sulphide units, with down-hole thicknesses ranging from 0.1 to 2.6m, from drilling so far in the Bridge Zone and the western Beaver Lake Zone, including four from this program (assays are pending for one of these) (Figure 1).

### **Other Bridge Zone Targets**

Drilling has also been completed in the Bridge Zone to test interpreted depressions in the floor of the intrusion for potential sulphide accumulations and to define the edges of the mineralized zones in a number of areas (Figure 1). Results have been received from some of this drilling and are detailed in Tables 2 and 3.

In addition, exploration drilling is in progress to test magnetic targets adjacent to the Bridge Zone which could represent lateral extensions or branches of the mineralized mafic-ultramafic magma conduit (Figure 1).

Elsewhere in the project, a drilling program is in progress to test a number of regional targets including magnetic anomalies in the South East Anomaly (south-eastern part of the Current Lake Intrusive Complex), and the Lone Island Lake Intrusive Complex in the western part of the project. Any significant results from this program will be reported in due course.

The mineral resource estimate update being undertaken as part of the current Scoping Study is in progress and on schedule with planned completion in the September quarter, 2010. The Scoping Study is scheduled for completion in the December quarter, 2010.

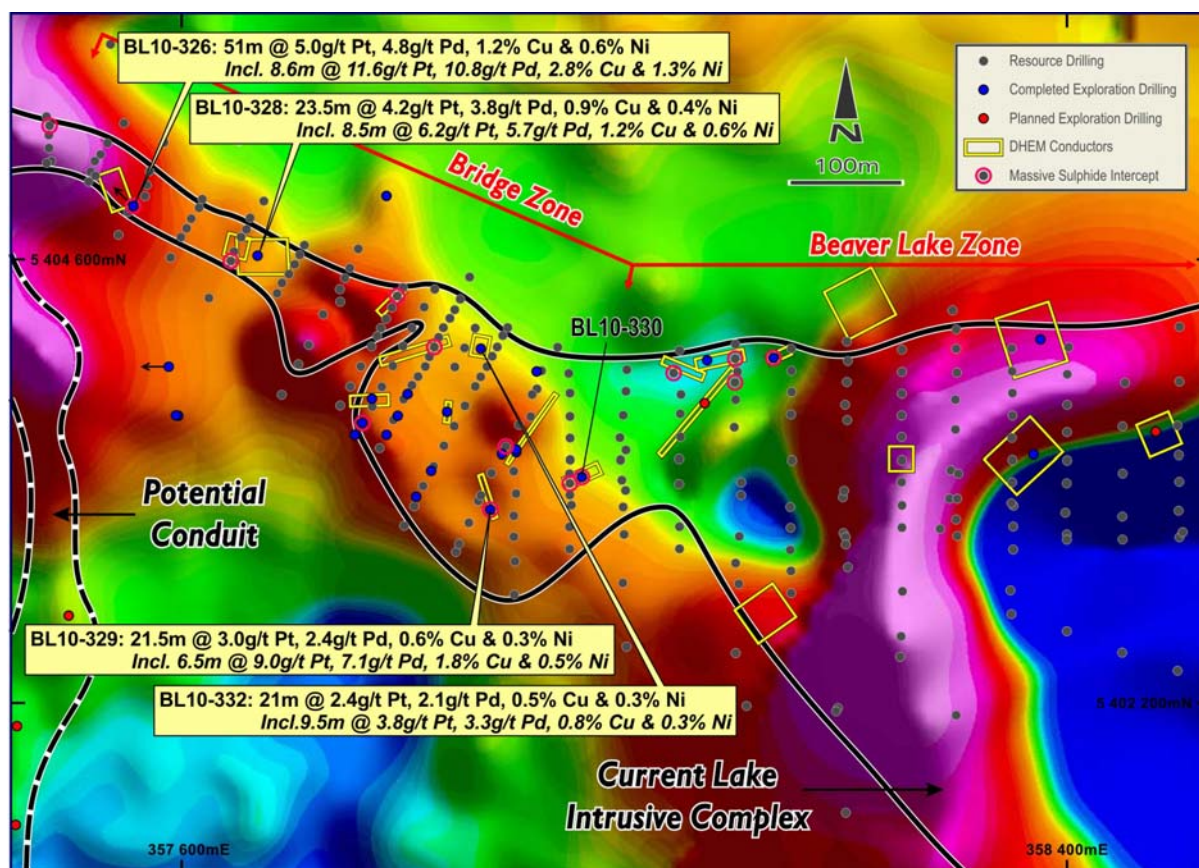


Figure 1. Magnetic image showing exploration drilling to test DHEM conductors and other targets in and around the Bridge Zone.

Table 1. Significant drilling results from EM targets in the Bridge Zone

Drill Hole	From (m)	To (m)	Length (m)	Pt (g/t)	Pd (g/t)	Pt+Pd (g/t)	Cu (%)	Ni (%)	Pt+Pd Cut-Off (g/t)
<b>BL10-326</b>	85.10	136.10	<b>51.00</b>	<b>5.02</b>	<b>4.84</b>	<b>9.86</b>	<b>1.18</b>	<b>0.56</b>	1.0
including	100.50	136.10	<b>35.60</b>	<b>6.69</b>	<b>6.42</b>	<b>13.11</b>	<b>1.55</b>	<b>0.71</b>	5.0
including	127.50	136.10	<b>8.60</b>	<b>11.55</b>	<b>10.81</b>	<b>22.36</b>	<b>2.80</b>	<b>1.27</b>	15.0
including	135.00	136.10	<b>1.10*</b>	<b>23.40</b>	<b>22.80</b>	<b>46.20</b>	<b>6.80</b>	<b>3.76</b>	25.0
<b>BL10-328</b>	123.25	146.75	<b>23.50</b>	<b>4.20</b>	<b>3.80</b>	<b>8.00</b>	<b>0.85</b>	<b>0.39</b>	1.0
including	128.25	136.75	<b>8.50</b>	<b>6.23</b>	<b>5.73</b>	<b>11.96</b>	<b>1.21</b>	<b>0.61</b>	10.0
<b>BL10-329</b>	156.10	177.10	<b>21.00</b>	<b>2.37</b>	<b>2.12</b>	<b>4.49</b>	<b>0.54</b>	<b>0.25</b>	1.0
including	157.10	166.50	<b>9.50</b>	<b>3.78</b>	<b>3.32</b>	<b>7.10</b>	<b>0.80</b>	<b>0.31</b>	5.0
<b>BL10-330</b>	150.00	160.00	10.00	0.77	0.78	1.55	0.20	0.15	1.0
	172.20	183.70	<b>11.50</b>	<b>2.08</b>	<b>1.96</b>	<b>4.04</b>	<b>0.46</b>	<b>0.26</b>	1.0
including	177.20	178.70	<b>1.50</b>	<b>5.79</b>	<b>5.33</b>	<b>11.12</b>	<b>1.15</b>	<b>0.36</b>	5.0
and	183.20	183.70	<b>0.50*</b>	<b>5.18</b>	<b>5.49</b>	<b>10.67</b>	<b>1.26</b>	<b>0.85</b>	10.0
<b>BL10-332</b>	156.35	177.85	<b>21.50</b>	<b>2.98</b>	<b>2.40</b>	<b>5.38</b>	<b>0.61</b>	<b>0.25</b>	0.5
including	171.35	177.85	<b>6.50</b>	<b>8.95</b>	<b>7.10</b>	<b>16.05</b>	<b>1.80</b>	<b>0.51</b>	1.0
including	176.85	177.35	<b>0.50*</b>	<b>71.0</b>	<b>47.8</b>	<b>118.8</b>	<b>14.4</b>	<b>2.38</b>	25.0

**Table 2. Significant drilling results from other targets in the Bridge Zone**

Drill Hole	From (m)	To (m)	Length (m)	Pt (g/t)	Pd (g/t)	Pt+Pd (g/t)	Cu (%)	Ni (%)	Pt+Pd Cut-Off (g/t)
<b>BL10-308</b>	171.00	183.00	12.00	0.81	0.80	1.61	0.27	0.23	1.0
including	182.00	183.00	1.00	1.98	1.87	3.85	0.62	0.36	3.0
<b>BL10-317</b>	152.50	153.00	0.50	2.36	2.50	4.86	0.97	0.39	1.0
<b>BL10-318</b>	151.00	159.00	8.00	1.07	1.03	2.10	0.28	0.17	1.0
including	153.00	155.00	2.00	1.65	1.64	3.29	0.44	0.23	3.0
<b>BL10-319</b>	177.00	180.00	3.00	1.95	1.80	3.75	0.38	0.25	1.0
including	178.00	180.00	2.00	2.63	2.44	5.07	0.50	0.29	3.0
<b>BL10-322</b>	147.00	160.00	<b>13.00</b>	<b>1.73</b>	<b>1.65</b>	<b>3.38</b>	<b>0.28</b>	<b>0.13</b>	1.0
including	159.00	160.00	<b>1.00</b>	<b>5.79</b>	<b>4.89</b>	<b>10.68</b>	<b>1.07</b>	<b>0.12</b>	5.0
<b>BL10-323</b>	148.00	156.00	<b>8.00</b>	<b>1.56</b>	<b>1.57</b>	<b>3.13</b>	<b>0.49</b>	<b>0.25</b>	1.0
including	151.00	154.20	<b>3.20</b>	<b>2.33</b>	<b>2.41</b>	<b>4.74</b>	<b>0.82</b>	<b>0.41</b>	3.0
<b>BL10-327</b>	158.40	161.90	<b>3.50</b>	<b>3.75</b>	<b>3.60</b>	<b>7.35</b>	<b>0.70</b>	<b>0.39</b>	1.0
including	161.40	161.90	<b>0.50*</b>	<b>8.46</b>	<b>8.06</b>	<b>16.52</b>	<b>0.40</b>	<b>0.84</b>	15.0

Results in Tables 1 & 2 are reported for intercepts >1.0 g/t Pt+Pd and >5 gram-metres (g/t Pt+Pd x metres) at the lower cut-off grades shown in the right hand column; these may include internal intervals up to 2m below the cut-off grade. Drill intercepts are down-hole thicknesses and may not represent true thicknesses.

\* Contains massive sulphide intercept.

**Table 3. Drill hole collar and depth information**

Drill Hole	Easting (m)	Northing (m)	Azimuth (Deg)	Dip (Deg)	Depth (m)
<b>BL10-308</b>	357926	5402501	0	-90	240.0
<b>BL10-317</b>	357784	5402443	0	-90	219.0
<b>BL10-318</b>	357812	5402387	0	-90	198.0
<b>BL10-319</b>	357825	5402410	0	-90	226.4
<b>BL10-322</b>	357804	5402479	0	-90	219.0
<b>BL10-323</b>	357795	5402462	0	-90	219.0
<b>BL10-326</b>	367557	5402651	306	-80	186.0
<b>BL10-327</b>	357762	5402453	0	-90	193.0
<b>BL10-328</b>	357670	5402605	0	-90	196.5
<b>BL10-329</b>	357870	5402520	0	-90	231.0
<b>BL10-330</b>	357962	5402405	0	-90	234.0
<b>BL10-332</b>	357770	5402475	0	-90	210.0

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Additional information on Magma and its projects, including descriptions of its quality control and assurance procedures, is available on its website at [www.magmametals.com.au](http://www.magmametals.com.au) and in technical reports filed under the Company's profile on the SEDAR website (sedar.com).

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled, reviewed or prepared by Dr Keith Watkins, the Executive Chairman of Magma Metals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy, and a "qualified person" as such term is defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects. 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" (the JORC Code). Dr Watkins consents to the inclusion in the report of the matters based on this information in the form and context in which they appear.

#### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain information contained in this report constitutes "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", "is expected", "estimates", "intends", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Although management believes that the expectations expressed in such forward-looking information disclosed herein are based on reasonable assumptions, these statements are not guarantees of future performance. A number of factors could cause actual results, performance or achievements to differ materially from those in the forward-looking information. Such factors include future metal prices, exploration and evaluation results, future availability of capital and general economic, market or business conditions, government regulation of mining operations, failure of equipment or processes to operate as anticipated, risks inherent in mineral exploration and development including unusual or unexpected geological formations. Descriptions of these risks can be found in the Company's various statutory reports, including its Annual Information Form available on its website at [www.magmametals.com.au](http://www.magmametals.com.au) and on the SEDAR website (sedar.com).