



**MAGMA  
METALS**  
LIMITED  
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# Magma Metals Limited

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Announcement

ASX & TSX: MMW

## HIGH-GRADE DRILL INTERSECTION AT THUNDER BAY NORTH

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### KEY POINTS

- One of the best drill intercepts recorded at the Thunder Bay North project has been returned from infill drilling in the Bridge Zone:

**BL10-197: 44.65m @ 5.50g/t Pt, 4.75g/t Pd, (10.25g/t Pt+Pd),  
1.20% Cu & 0.49% Ni from 145.35m,**

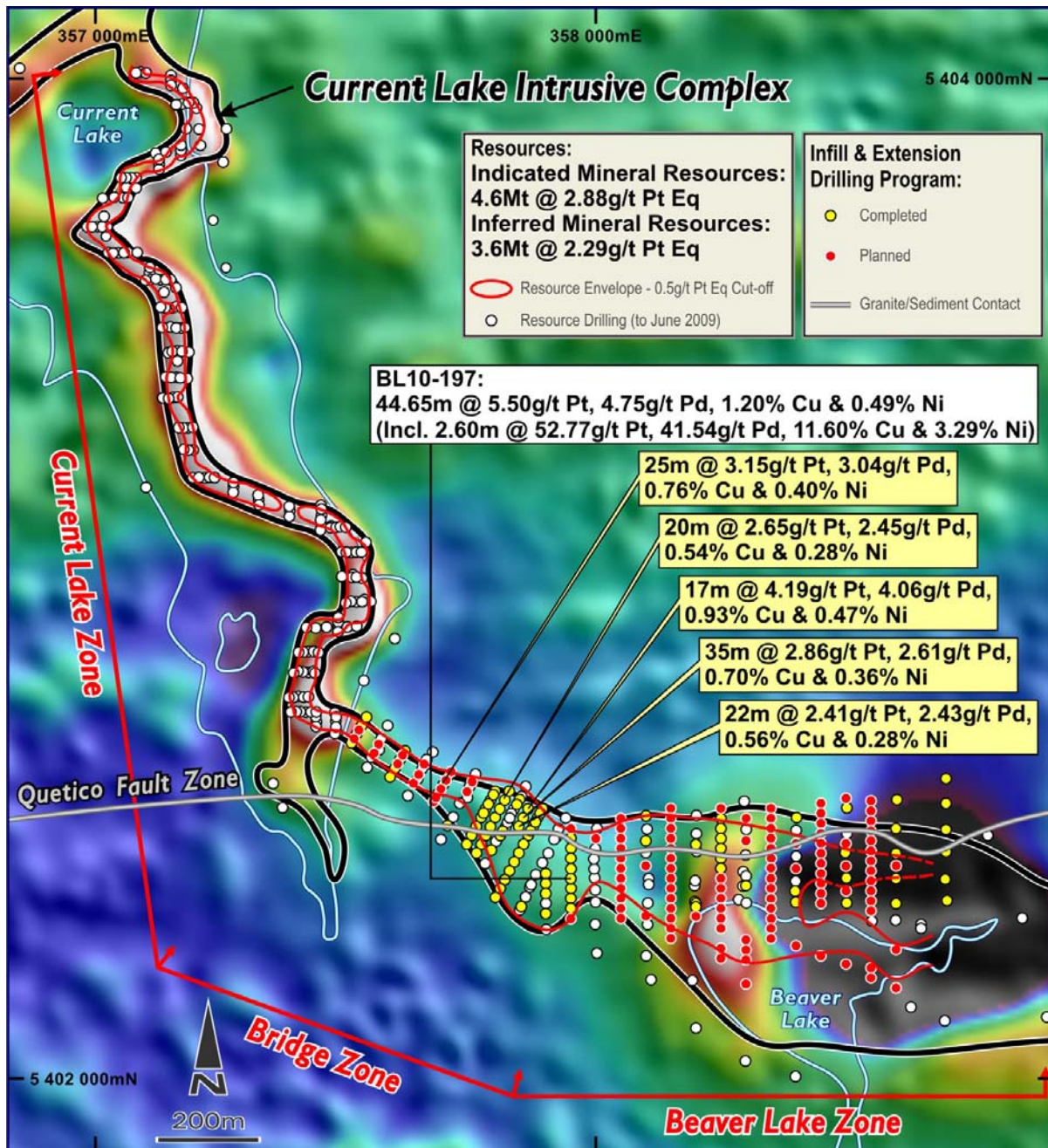
***including 14.00m @ 16.23g/t Pt, 13.92g/t Pd, (30.15g/t Pt+Pd),  
3.52% Cu & 1.24% Ni from 176.00m,***

***including a massive sulphide interval from 187.40m of:  
2.60m @ 52.77g/t Pt, 41.54g/t Pd, (94.31g/t Pt+Pd),  
3.87g/t Au, 61.0g/t Ag, 11.60% Cu & 3.29% Ni.***

- The basal 2.6m interval is the thickest and highest grade massive sulphide intersected to date at the project.
- Geophysical surveys and further drilling are planned to determine the extent of this high-grade zone.
- This drill-hole is part of a 55,000m infill & extension diamond drilling program in progress with up to five drill-rigs in the mineral resource area.
- A resource estimate update will be undertaken on completion of this drilling, based on a merged database from approximately 105,000m of diamond drilling.

Magma Metals Limited (ASX & TSX symbol: "MMW") ("Magma" or the "Company") is pleased to report a zone of high-grade mineralization has been intersected in the Bridge Zone in drill-hole BL10-197, which is part of a 50m x 20m spaced infill drilling program currently in progress. Assay results for this hole are summarised above (in "Key Points") and detailed in the tables below.

This is one of the best drill intercepts recorded at the project to date and contains a 2.6m zone of massive sulphides with particularly high grades of mineralization. Massive sulphide mineralization is a key exploration target. Geophysical surveys and further drilling are planned to determine the geometry and extent of this zone.



Current Lake Intrusive Complex, Magnetics and Drilling, showing drilling results for BL10-197 and other results recently reported in Magma's December 2009 quarterly report (available at [www.magmametals.com.au](http://www.magmametals.com.au)).

Other significant drilling results received recently are detailed in the tables below.

### Significant Exploration Drilling Results from the Bridge Zone & Beaver Lake Zone

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)
<b>BL09-193</b>	155.00	167.00	12.00	0.89	0.83	1.72	0.06	-	0.19	0.16	1.0
including	162.00	164.00	<b>2.00</b>	<b>1.71</b>	<b>1.61</b>	<b>3.32</b>	<b>0.11</b>	-	<b>0.37</b>	<b>0.24</b>	3.0
<b>BL10-194</b>	150.00	156.20	6.20	0.99	0.95	1.94	0.08	-	0.23	0.14	1.0
<b>BL10-195</b>	152.00	169.00	<b>17.00</b>	<b>1.41</b>	<b>1.36</b>	<b>2.77</b>	<b>0.09</b>	-	<b>0.35</b>	<b>0.21</b>	1.0
including	158.00	167.00	<b>9.00</b>	<b>1.88</b>	<b>1.80</b>	<b>3.68</b>	<b>0.11</b>	-	<b>0.48</b>	<b>0.26</b>	3.0
	173.00	176.40	<b>3.40</b>	<b>1.86</b>	<b>1.64</b>	<b>3.50</b>	<b>0.11</b>	-	<b>0.35</b>	<b>0.15</b>	1.0
including	174.95	175.25	<b>0.30</b>	<b>9.36</b>	<b>7.70</b>	<b>17.06</b>	<b>0.52</b>	<b>12.2</b>	<b>1.62</b>	<b>0.18</b>	5.0
<b>BL10-196</b>	148.50	153.50	5.00	0.64	0.64	1.28	0.04	-	0.21	0.12	1.0
including	152.50	153.50	<b>1.00</b>	<b>1.71</b>	<b>1.72</b>	<b>3.43</b>	<b>0.09</b>	-	<b>0.51</b>	<b>0.22</b>	3.0
<b>BL10-197</b>	145.35	190.00	<b>44.65</b>	<b>5.50</b>	<b>4.75</b>	<b>10.25</b>	<b>0.34</b>	<b>6.49</b>	<b>1.20</b>	<b>0.49</b>	0.5
including	165.35	190.00	<b>24.65</b>	<b>9.48</b>	<b>8.16</b>	<b>17.64</b>	<b>0.58</b>	<b>10.9</b>	<b>2.06</b>	<b>0.77</b>	1.0
including	176.00	190.00	<b>14.00</b>	<b>16.23</b>	<b>13.92</b>	<b>30.15</b>	<b>0.99</b>	<b>18.4</b>	<b>3.52</b>	<b>1.24</b>	3.0
including	187.4	190.00	<b>2.60</b>	<b>52.77</b>	<b>41.54</b>	<b>94.31</b>	<b>3.87</b>	<b>61.0</b>	<b>11.6</b>	<b>3.29</b>	50.0
<b>BL10-210</b>	131.70	139.00	7.30	1.04	1.00	2.04	0.08	-	0.29	0.17	1.0
	165.00	177.00	12.00	1.11	1.02	2.13	0.07	-	0.26	0.24	1.0
	211.00	213.40	2.40	0.72	0.63	1.35	0.06	-	0.28	0.19	1.0

Results are reported for intercepts >1.0g/t Pt+Pd 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. Results for drill-holes BL10-196 & 210 are preliminary and may change slightly subject to QA/QC checks.

### Bridge Zone & Beaver Lake Zone Drill Hole Collar and Depth Information

Drill Hole	Easting (m)	Northing (m)	Azimuth (Deg)	Dip (Deg)	Depth (m)
<b>BL10-193</b>	357900	5402370	0	-90	201.0
<b>BL10-194</b>	357950	5402360	0	-90	201.0
<b>BL10-195</b>	357951	5402380	0	-90	207.0
<b>BL10-196</b>	357950	5402340	0	-90	183.0
<b>BL09-197</b>	357950	5402400	0	-90	240.0
<b>BL10-210</b>	358200	5402468	0	-90	234.2

BL10-210 is from the Beaver Lake Zone; all other holes are from the Bridge Zone

An approximately 55,000m infill and extension diamond drilling program is in progress, mainly in the Bridge and Beaver Lake zones of the resource area in the Current Lake Intrusive Complex. Approximately 40% of the program has been completed. Once the infill drilling has been completed, which is scheduled for May 2010, it is planned to complete an update of the resource estimate from the combined database of approximately 105,000m of drilling. This should be available in mid-2010.

The current resource estimate, which was based on 50,416m of drilling, is shown below on a platinum equivalent (PtEq) basis (see Company announcement to the ASX dated 7<sup>th</sup> September 2009, available on the Company's website at [www.magmametals.com.au](http://www.magmametals.com.au), for the methodology and parameters used in the estimation of platinum equivalents):

**Indicated Mineral Resources: 4.6Mt @ 2.88g/t PtEq for 425,000oz PtEq**  
**Inferred Mineral Resources: 3.6Mt @ 2.29g/t PtEq for 265,000oz PtEq**

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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 SEDAR at [www.sedar.com](http://www.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 it appears.

#### 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 at [www.sedar.com](http://www.sedar.com).