

PacMag Metals Limited

ASX ANNOUNCEMENT NORTHLING JOINT VENTURE COPPER PROJECT DRILLING COMMENCED

28 May 2010

ASX:PMH

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The Directors of PacMag Metals Limited ("PacMag") are pleased to report that joint venture partner Dominion Mining Limited has commenced drilling at the Northling copper project in central Western Australia.

Dominion may earn an initial 70% equity in Northling by spending \$750,000 on exploration within 5 years. Once Dominion has met the earn-in, PacMag can contribute its respective interest or elect to convert to a 20% free carry to the end of a pre-feasibility study.

The district contains the recently discovered Doolgunna copper project owned by Sandfire Resources Limited which has led to strong exploration interest within the region. The project, located 170km north of Wiluna in Western Australia, occurs in an area of limited outcrop on the western edge of the Earaeheedy Basin within the Stanley Fold Belt. Local geology indicates a folded and steep dipping sedimentary package of rocks.

Previous exploration in the Northling project area has solely been for diamonds, with the most comprehensive work carried out by DeBeers in the early '90s, and subsequently by Northling Pty Ltd, in the mid 90's. Since this time no other exploration is reported to have occurred.

Of interest to the Northling Joint Venture partners is a magnetic feature in the centre of the tenement. This feature was tested with ground magnetics and drilling by De Beer's in 1991 (they did not assay for copper) and additional drilling by Northling in 1994. One of the Northling RAB holes (DH3) intersected copper sulphide mineralisation at the bottom of the hole grading 4m @ 2.43% copper from 58 – 62 metres (only last 4 metres of hole assayed for copper) associated with a strongly altered rocks. The geology above this mineralised interval and also encountered in the other (shallow) holes is a quartz arenite and does not appear to be related to the geology encountered in the mineralised interval. No magnetic susceptibility work has been completed at the bottom of these drill holes and it seems likely that the magnetic anomaly remains undrilled. Modelling of the ground magnetic data supports the concept that the target magnetic feature is dipping to the south just beneath the anomalous intercept.

The presence of strong copper geochemistry overlying a chargeable anomaly (defined by recent Dominion IP geophysical surveying) and lying adjacent to a drill hole with 4m @ 2.43%Cu (with alteration), represents a high priority target (Figure 1). An initial two drill holes are planned; the first to test beneath the previous copper drill intercept and a second to test the area of strong surface geochemistry to the west.



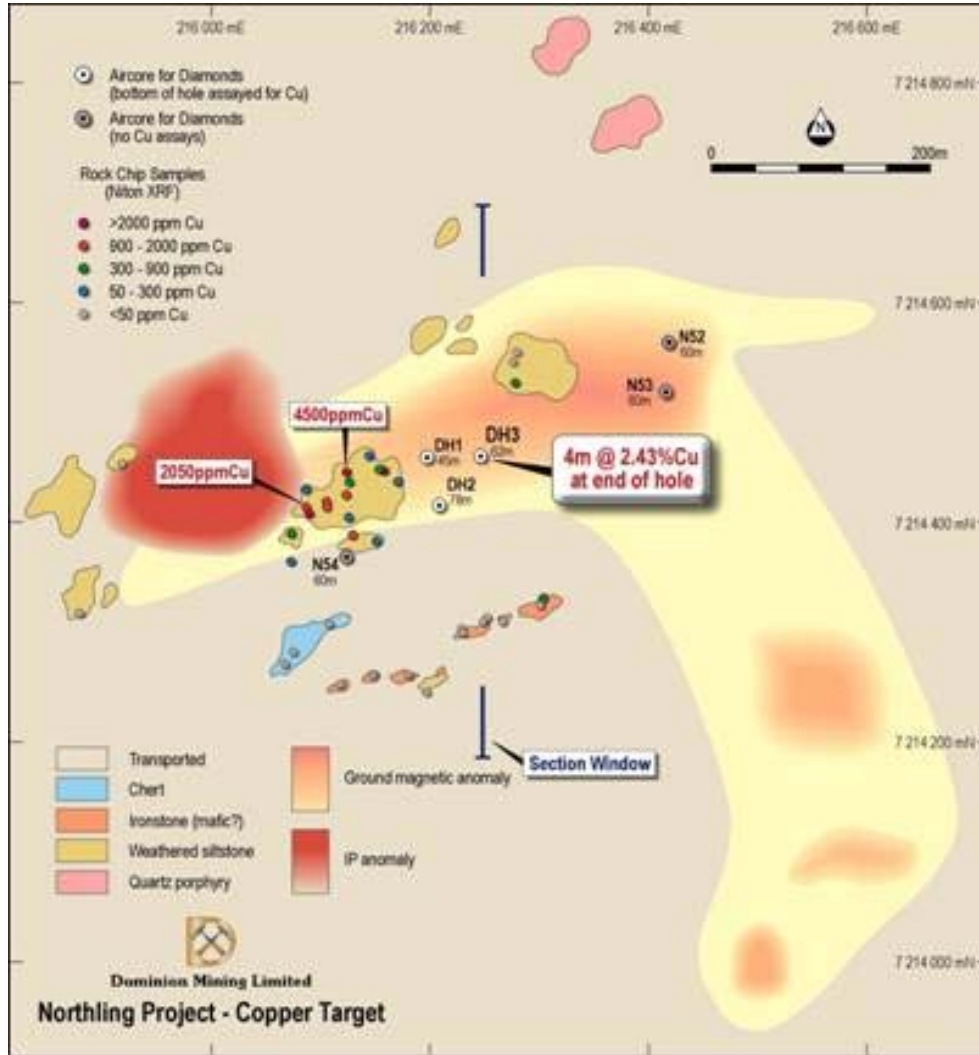


Figure 1: Northling Project Summary of Geology – Geochemistry & Geophysics

The information in this ASX Release that relates to Exploration Results, Minerals Resources or Ore Reserves, as those terms are as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve", is based on information compiled by Mr Michael Clifford, who is a full time employee of the Company and a Member of the Australian Institute of Geoscientists. Mr Michael Clifford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking 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 Reserve". Mr Michael Clifford consents to the inclusion in this ASX Release of the matters based on his information in the form and context in which it appears.

Michael Clifford
Director

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ABOUT PACMAG (ASX:PMH)

PacMag Metals Limited ("PacMag") and TSX listed Entrée Gold Inc ("Entrée") announced a proposed merger transaction whereby Entrée will acquire all of the issued shares and options of PacMag by a scheme of arrangement.

Details of the merger, including details of how PacMag's shareholders and optionholders can vote on the proposed merger, are set out in the Scheme Booklet that was mailed to PacMag shareholders and optionholders on the 7th May 2010..

PacMag is an Australian-based exploration company focused on its advanced copper-molybdenum-gold assets at Ann Mason in the USA as well as its advanced Sentinel uranium-germanium-molybdenum project located in North Dakota, USA.

Ann Mason boasts an inferred mineral resource of 810 million tonnes @ 0.4% copper, 0.004% molybdenum (7.1 billion pounds of contained copper metal). PacMag also holds interests in other less advanced copper projects in Australia.