



MAGMA METALS LIMITED

Thunder Bay North Platinum-Palladium Project, Canada



Disclaimer & Competent Persons Statement

Disclaimer

This presentation is provided to you for the sole purpose of providing preliminary background technical, financial and other information to enable you to review the business activities of Magma Metals Limited ("Magma"). The material provided to you does not constitute an invitation, solicitation, recommendation or an offer to purchase or subscribe for securities. The information in this presentation will be subject to completion, verification and amendment and should not be relied upon as a complete and accurate representation of any matters that a potential investor should consider in evaluating Magma. This presentation may contain "forward looking statements" which are made in good faith and are believed to have reasonable basis. However, such forward looking statements are subject to risks, uncertainties and other factors which could cause the actual results to differ materially from future results expressed, projected or implied by forward looking statements.

Competent Persons Statement

The information in this presentation that relates to Exploration Results or Mineral Resources is based on information compiled by Dr Keith Watkins and/or Mr Ralph Porter, the Managing Director and Exploration Director of Magma Metals Limited, respectively, who are both Members of the Australasian Institute of Mining and Metallurgy. Both Dr Watkins and Mr Porter have sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration and to the activities undertaken to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Watkins and Mr Porter consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.



Presentation Outline

1. Company Background

2. Thunder Bay North Pt-Pd-Cu-Ni Project

- **Location & Discovery**
- **Resource Drilling**
- **Geology & Mineralization**
- **Regional Potential**
- **Exploration Program**

3. Investment Opportunity



Market Fundamentals

- **ASX Listed (Code MMB):** June 2006
- **Shares Issued:** 113m
- **Unlisted Options:** 22m
- **Undiluted Market Capitalization @27c:** A\$30m
- **Cash (end-Dec quarter):** A\$7.3m

- **Top 40 shareholders own ~75% of the shares**
- **Major Shareholders (fully diluted basis):**
 - **Directors:** 14%
 - **Anglo American:** 10%
 - **Carbon Energy Limited:** 7%
 - **Aberdeen International Inc:** 6%
 - **Institutional Investors:** 19%
 - **Corporate Investors:** 17%



Directors & Management

Dr Keith Watkins – Managing Director

Geologist with extensive global experience in exploration and business development including Head of Exploration with Goldfields and Sons of Gwalia.

Ralph Porter – Exploration Director

Geologist with 30 years global experience in exploration and development including senior management positions.

Max Cozijn – Executive Director

Accountant with extensive experience in junior mining and exploration sector. Chairman of Oilex & Malagasy Minerals and a Director of Carbon Energy.

Terry Burgess – Non-Executive Director

Metallurgist, former CEO of Delta Gold & Aurion Gold & Global Head Metals & Mining ABN AMRO. Head of Business Development (Base Metals) Anglo American.

Graeme Scott – CFO & Company Secretary

Accountant with extensive experience in the UK and Australia; former Group Accountant and Company Secretary with Carbon Energy.

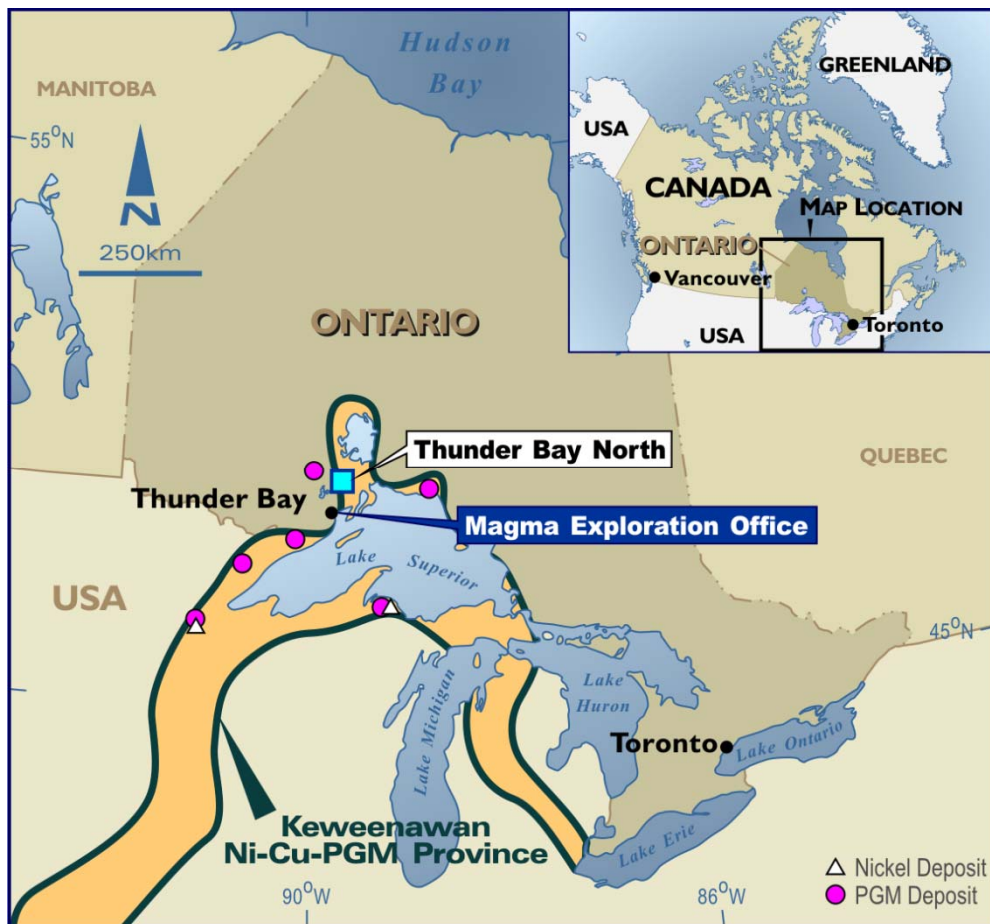
Allan MacTavish – Exploration Manager, Canada

Geologist with 30 years exploration experience in Canada. Ontario Ni-Cu-PGM specialist.



Commodity Focus & Project Locations

Platinum-Palladium, Copper & Nickel Focus

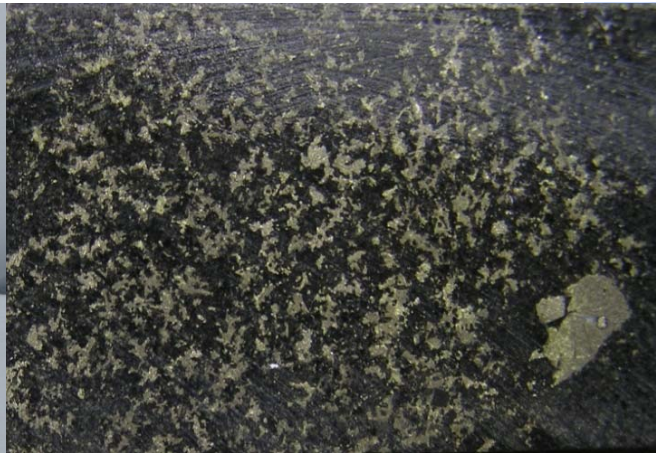




Thunder Bay North PGM Project

One of the Best Advanced PGM Exploration Projects in North America

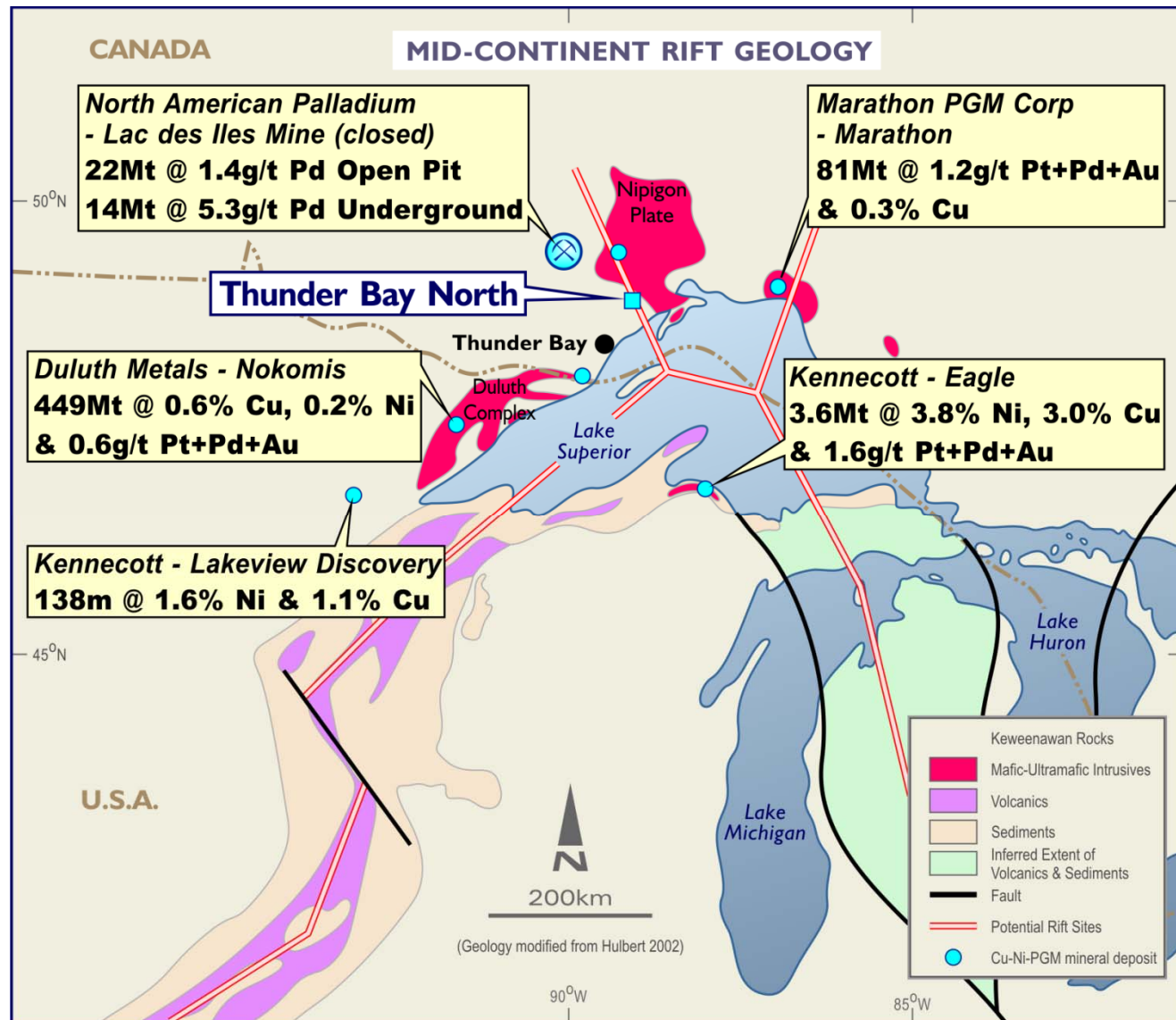
- Excellent widths and grades in drilling:
up to 61.7m @ 5.61g/t Pt+Pd, 0.7% Cu & 0.4% Ni
- 1:1 Pt:Pd ratio
- Significant Cu & Ni credits with potential for Cu-Ni massive sulphide deposits
- Potential for large mineralized system
- Close to excellent infrastructure





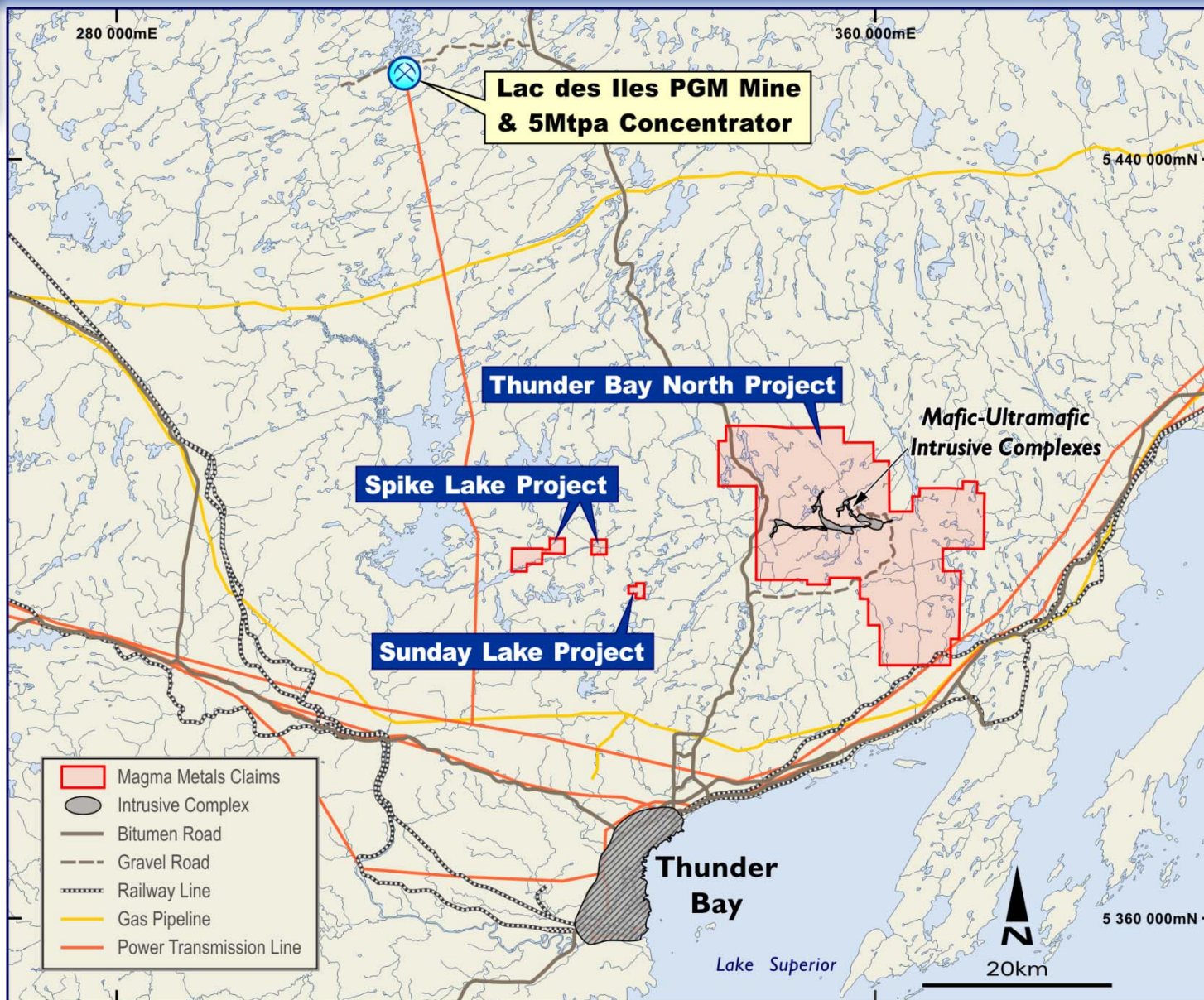
Regional Setting

- Geology analogous to giant Noril'sk - Talnakh Ni-Cu-PGM deposits in Russia
- Established Ni-Cu-PGM Province
- Lac des Iles: Mothballed 300,000ozpa PGM mine with 5mtpa concentrator
- Region is under-explored with potential for large discoveries





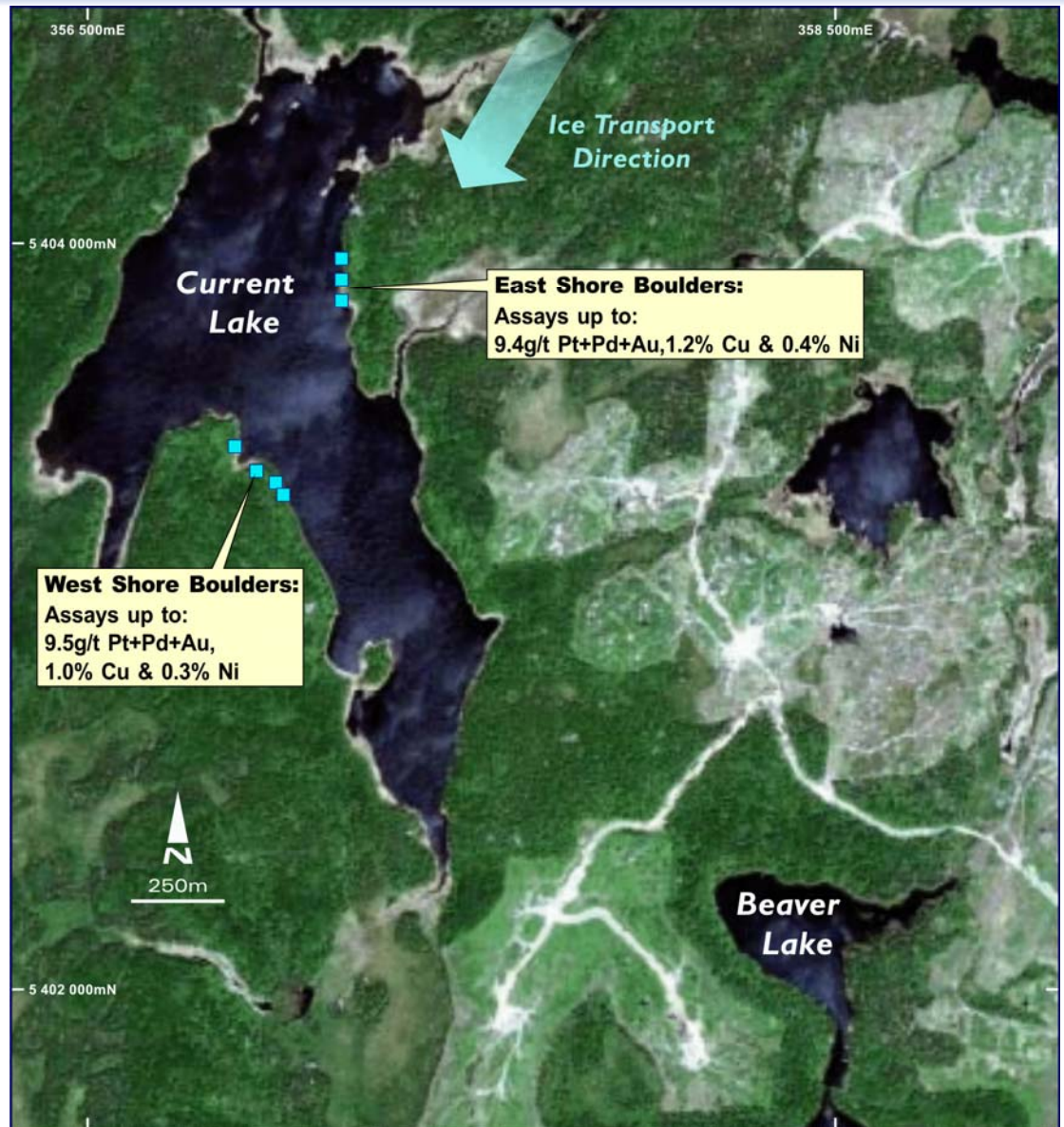
Project Location & Infrastructure





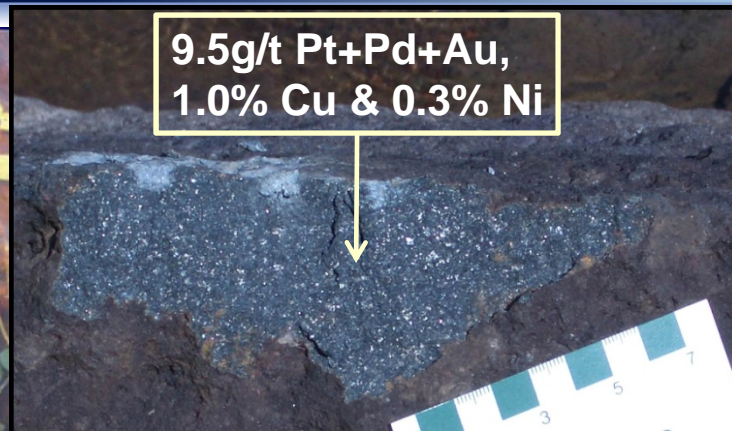
Discovery History

- PGM-rich glacial boulders found on west shore of Current Lake by two geologists in 2001
- Magma optioned the claims in 2005
- East shore boulder outcrop found in mid-2006
- Discovery hole drilled under east shore boulders in December 2006:
10.5m @ 2.8g/t Pt+Pd+Au



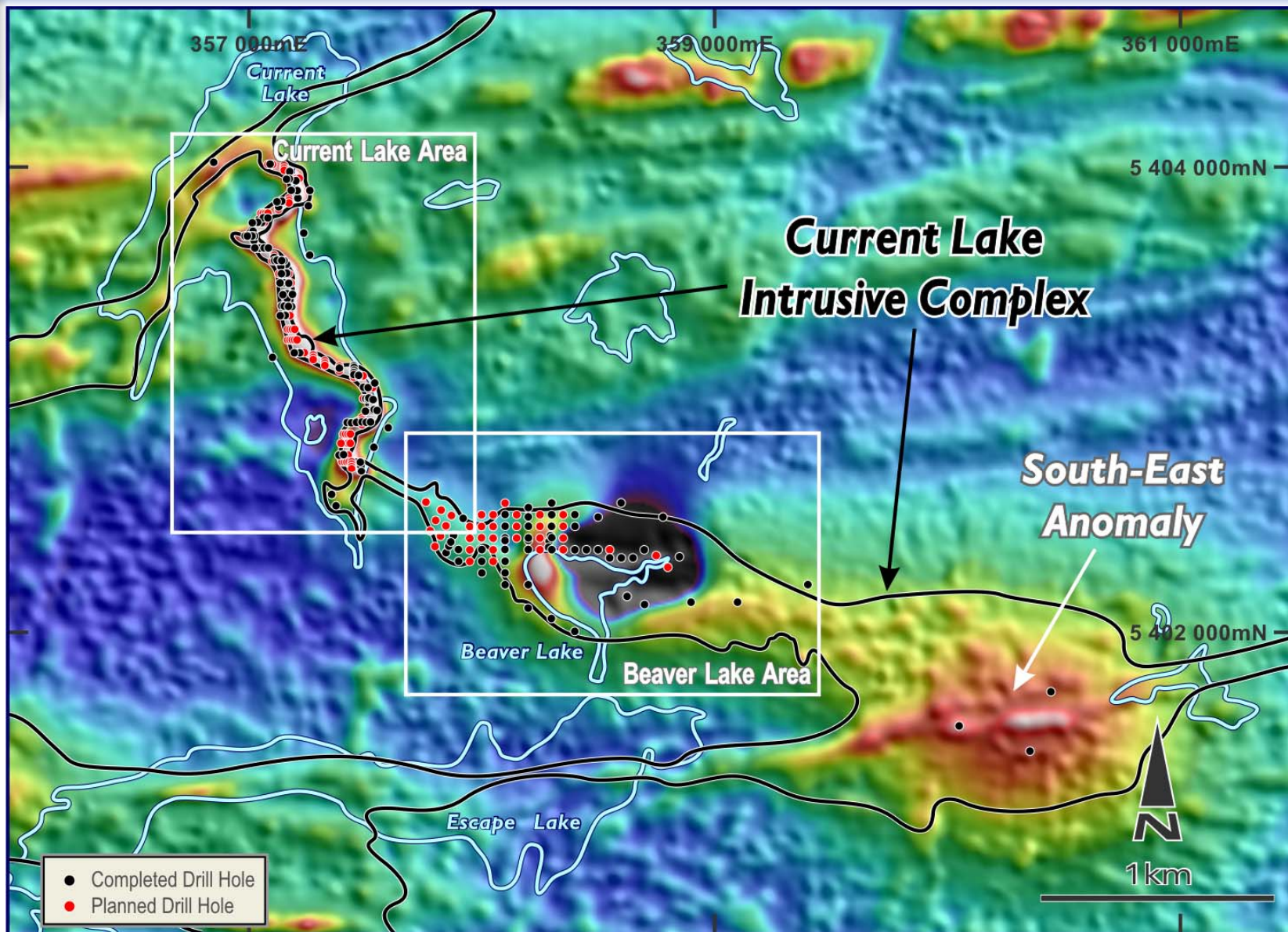


Current Lake Mineralized Boulders



**First drill-hole under the East-Shore Boulders:
10.5m @ 2.80g/t Pt+Pd+Au, 0.45% Cu & 0.34% Ni**

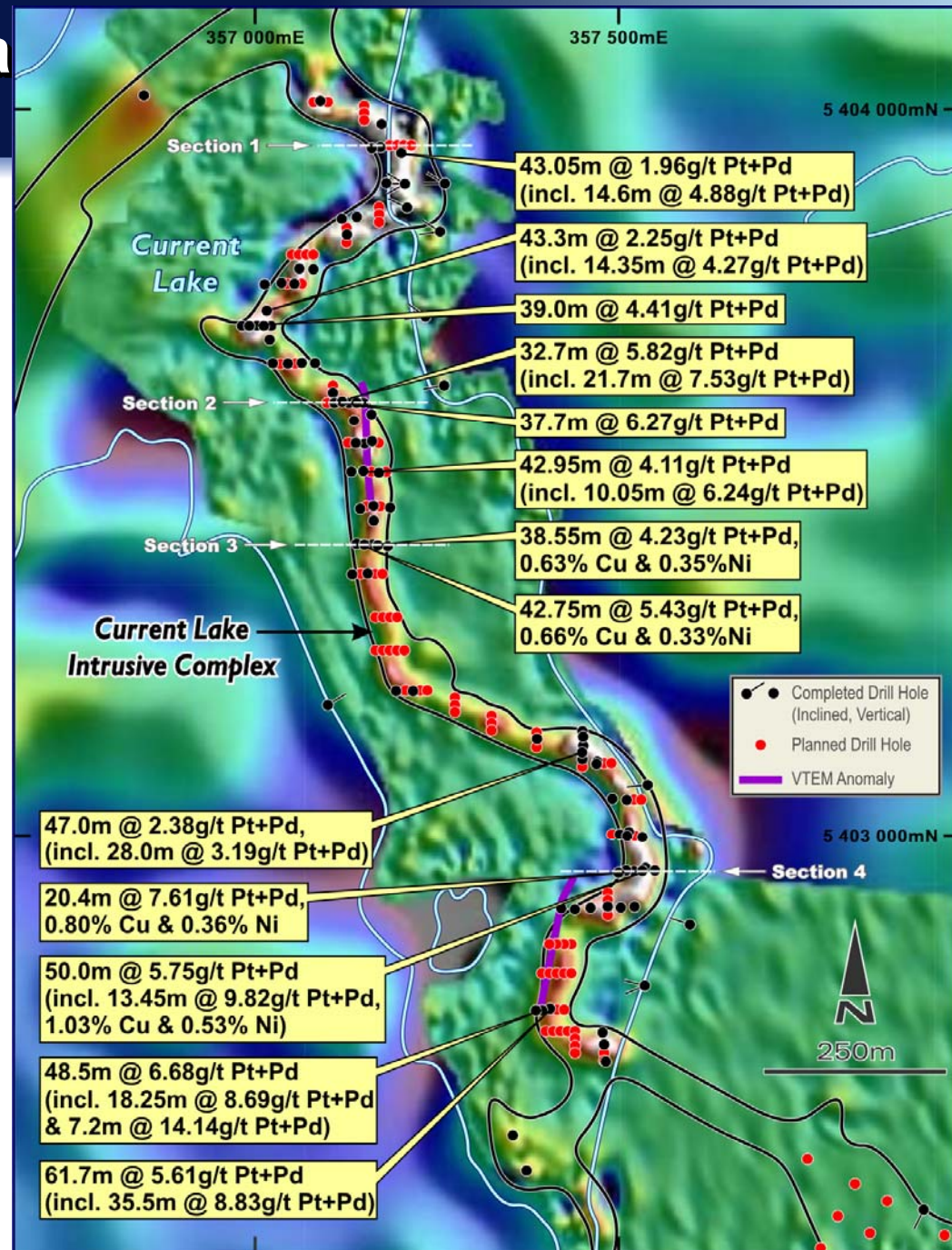
Current Lake Intrusive Complex Magnetics & Drilling





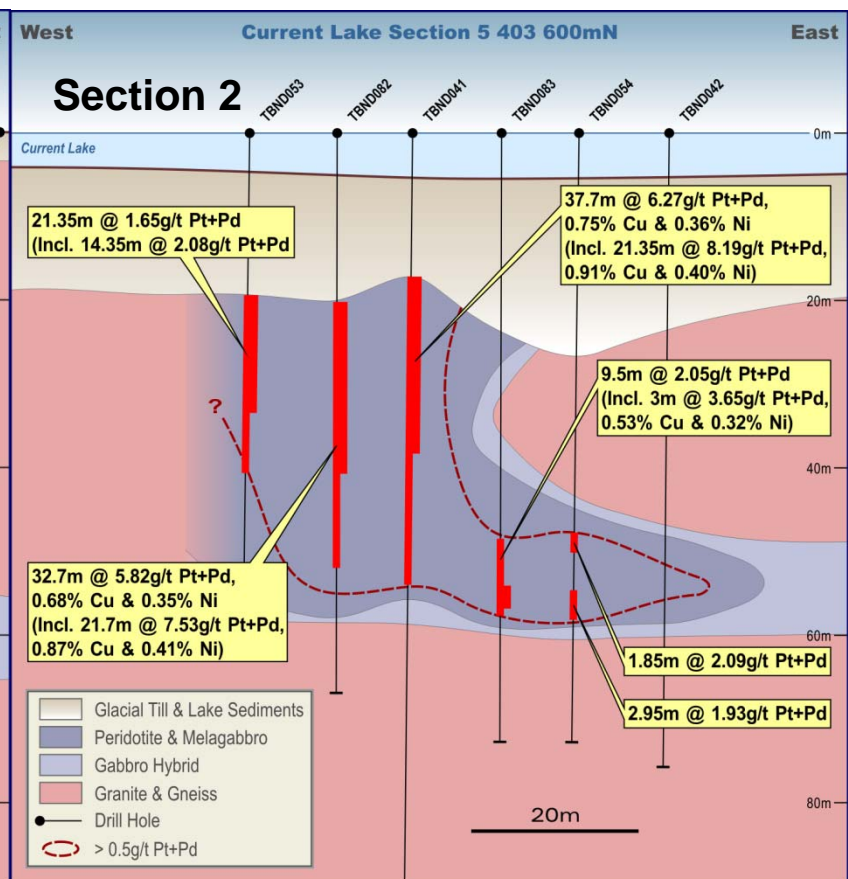
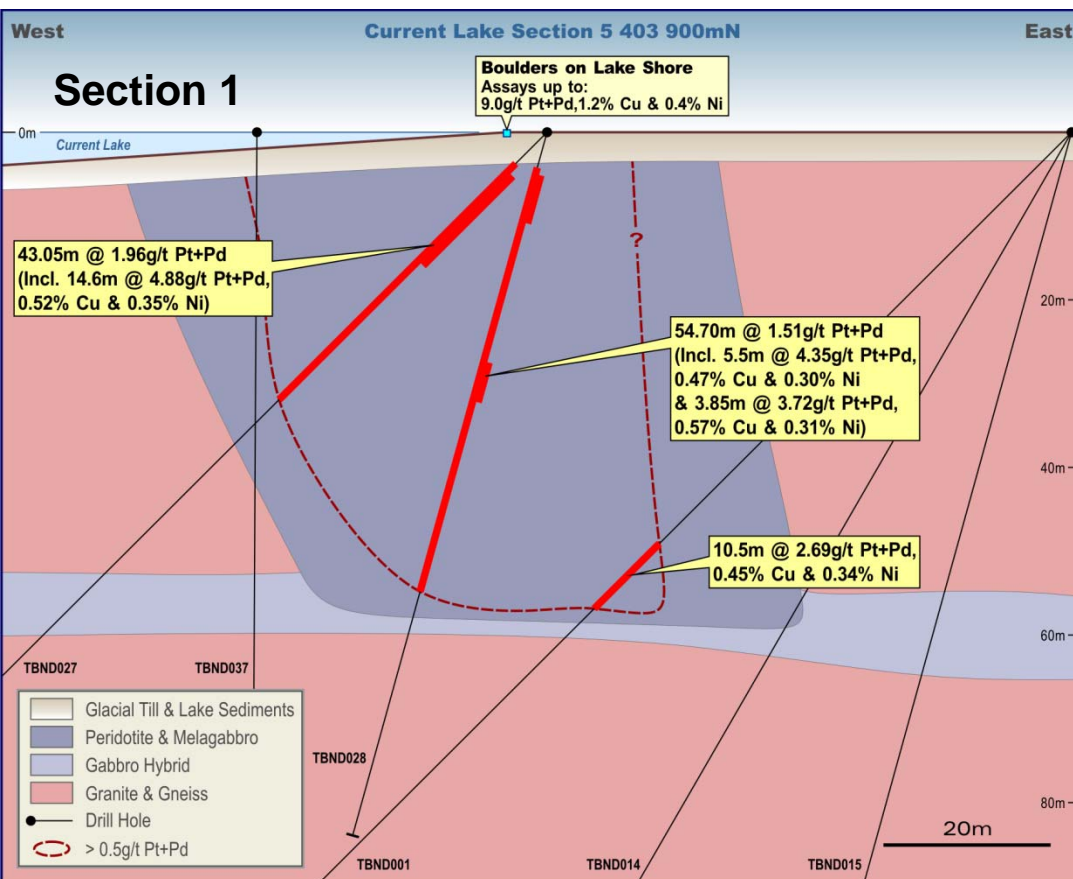
Current Lake Area Magnetics & Drilling

- Tube-like body of peridotite about 1.8km long
- Drilling on 50m x 10m pattern from a barge (summer) and the ice (winter) – in progress
- Several high-grade zones identified
- Mineralisation is just beneath floor of Current Lake – mostly within 100m of the surface

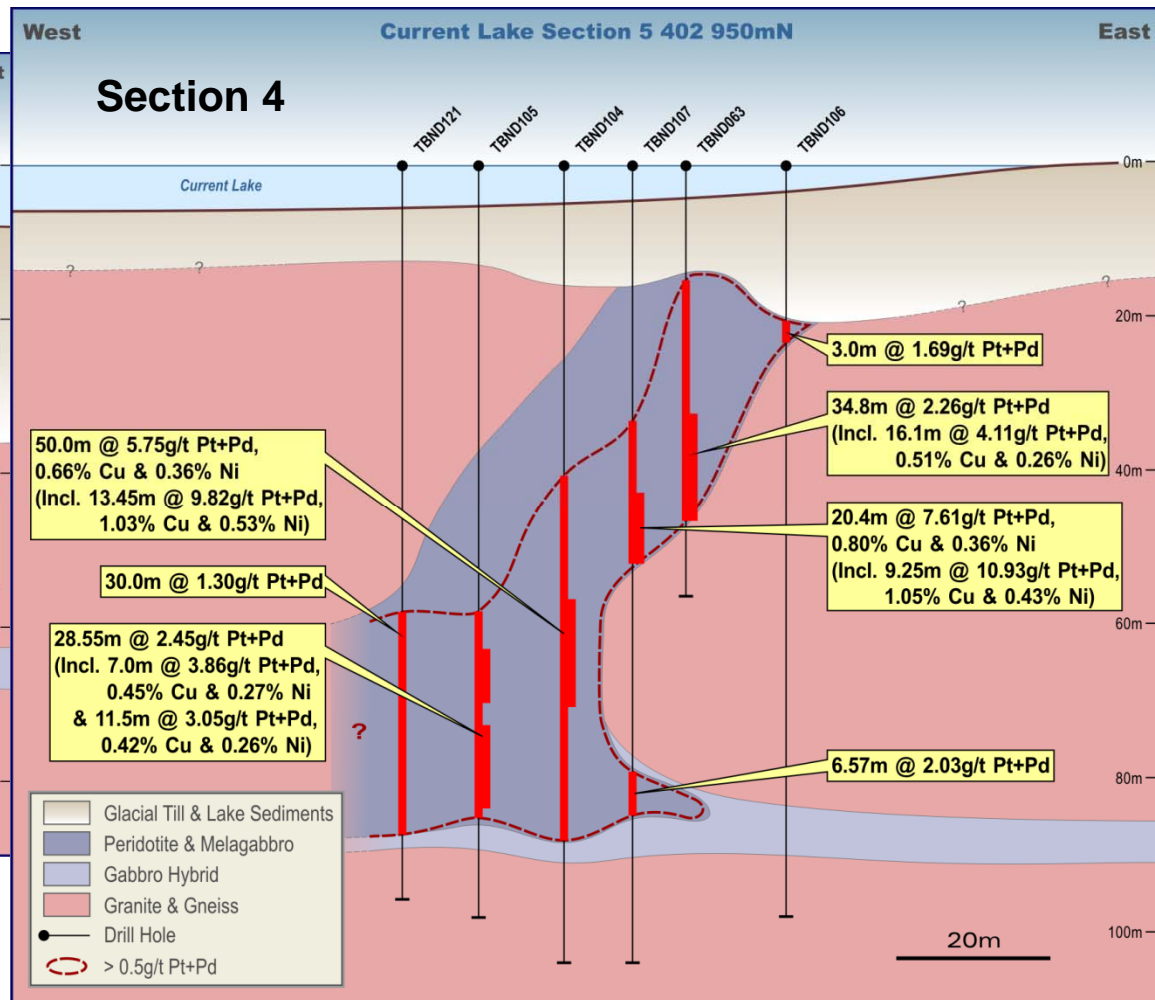
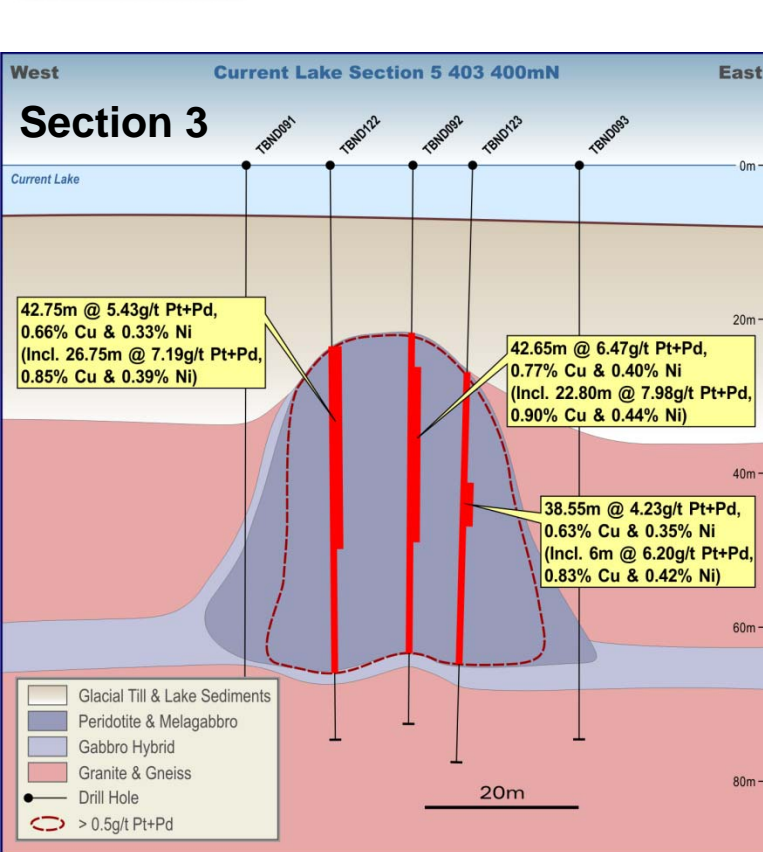




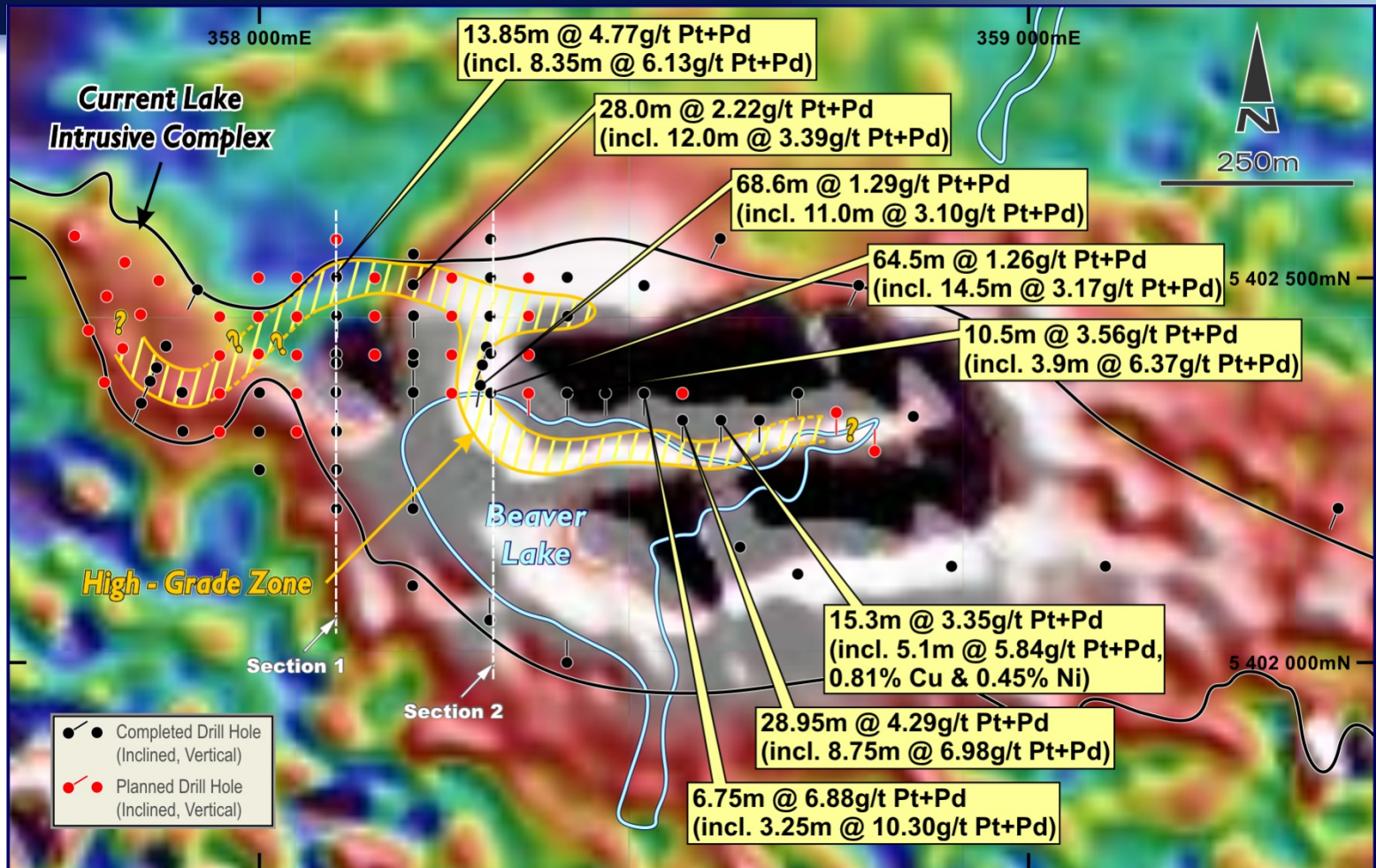
Current Lake Cross-Sections 1 & 2



Current Lake Cross-Sections 3 & 4

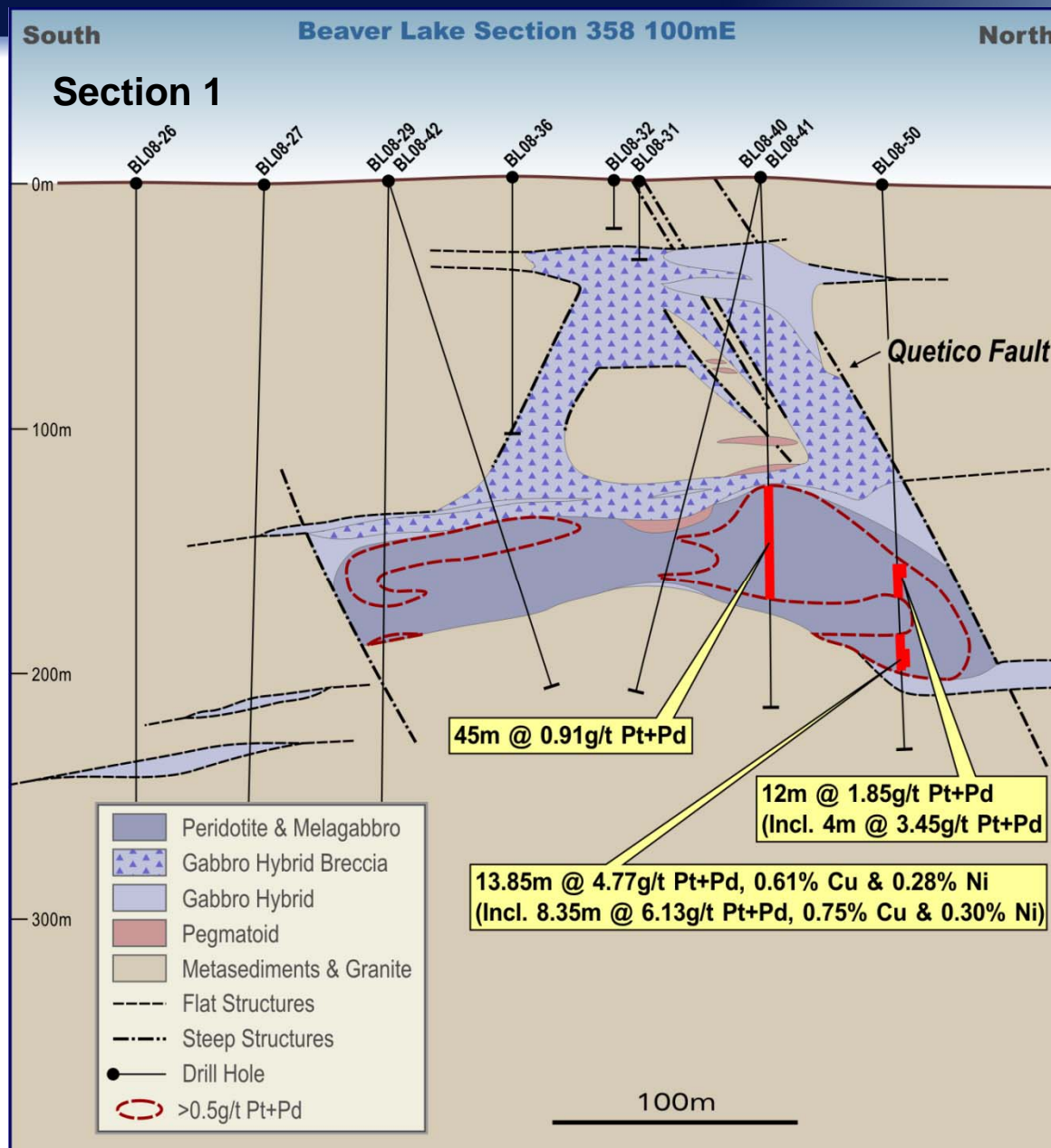


Beaver Lake Area - Magnetics & Drilling

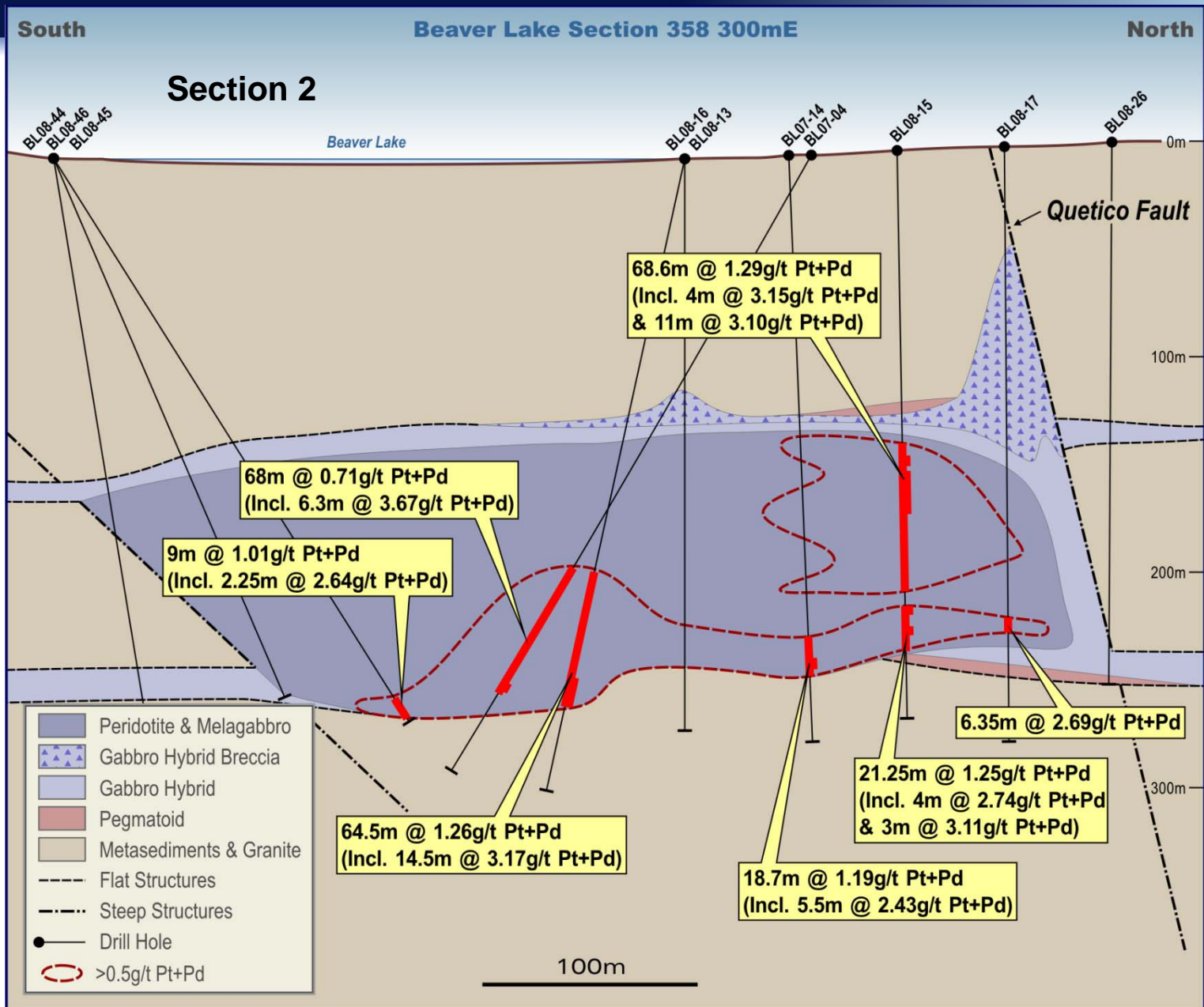


- Large flattened pipe-like peridotite-melagabbro body
- Drilling on 50m x 25-50m pattern has identified a sinuous high-grade zone at least 1km long

Beaver Lake Cross-Section 1

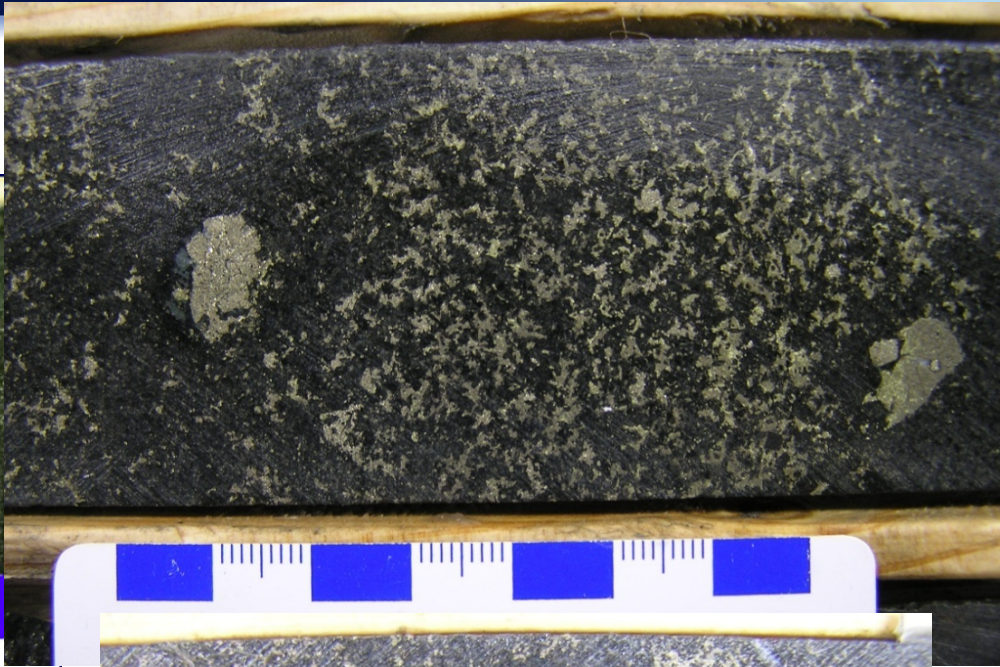


Beaver Lake Cross-Section 2

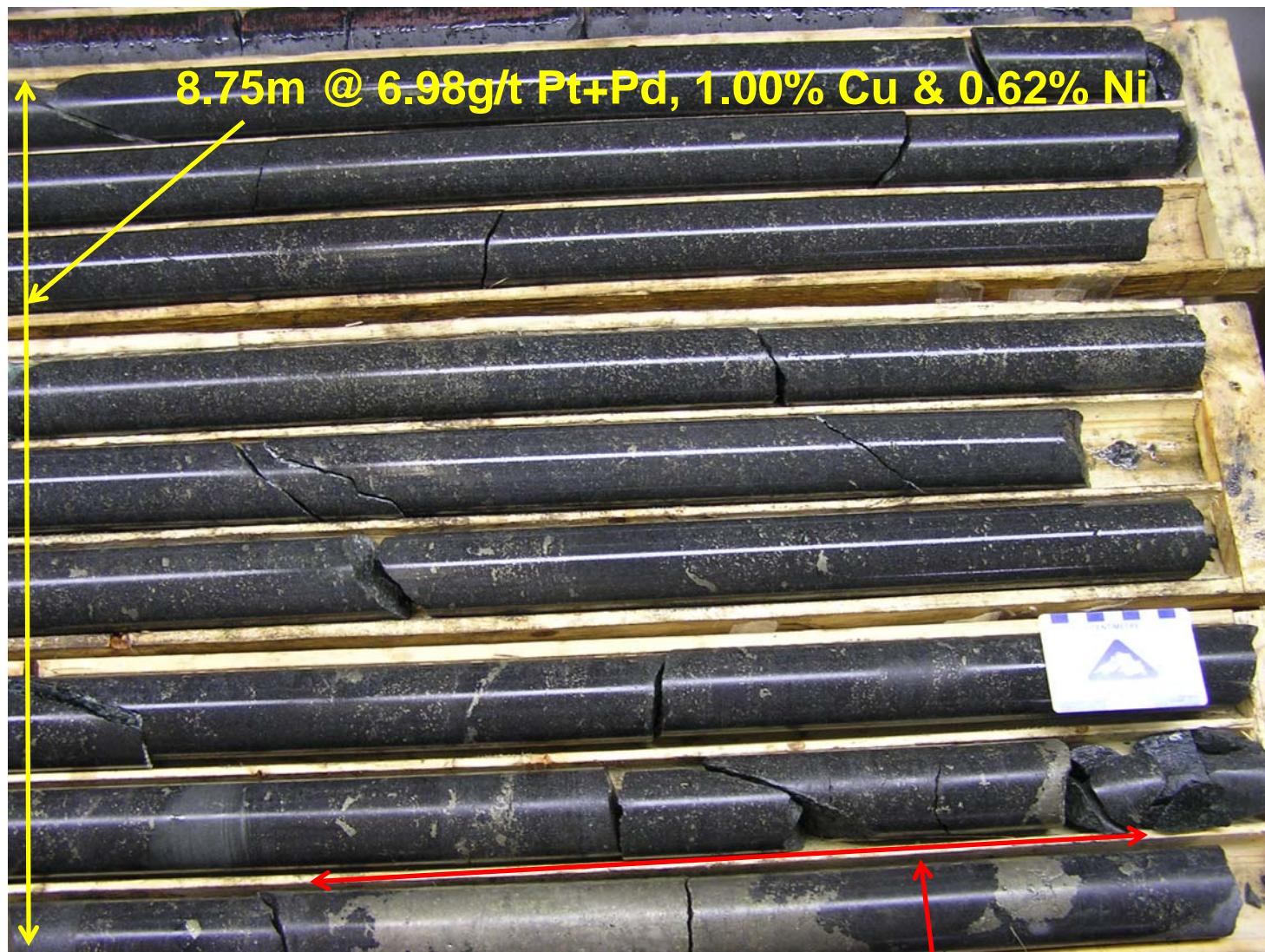




Mineralization Styles



Beaver Lake Drill Core (BL08-61)





Current Lake Drill-Core (TBND136)

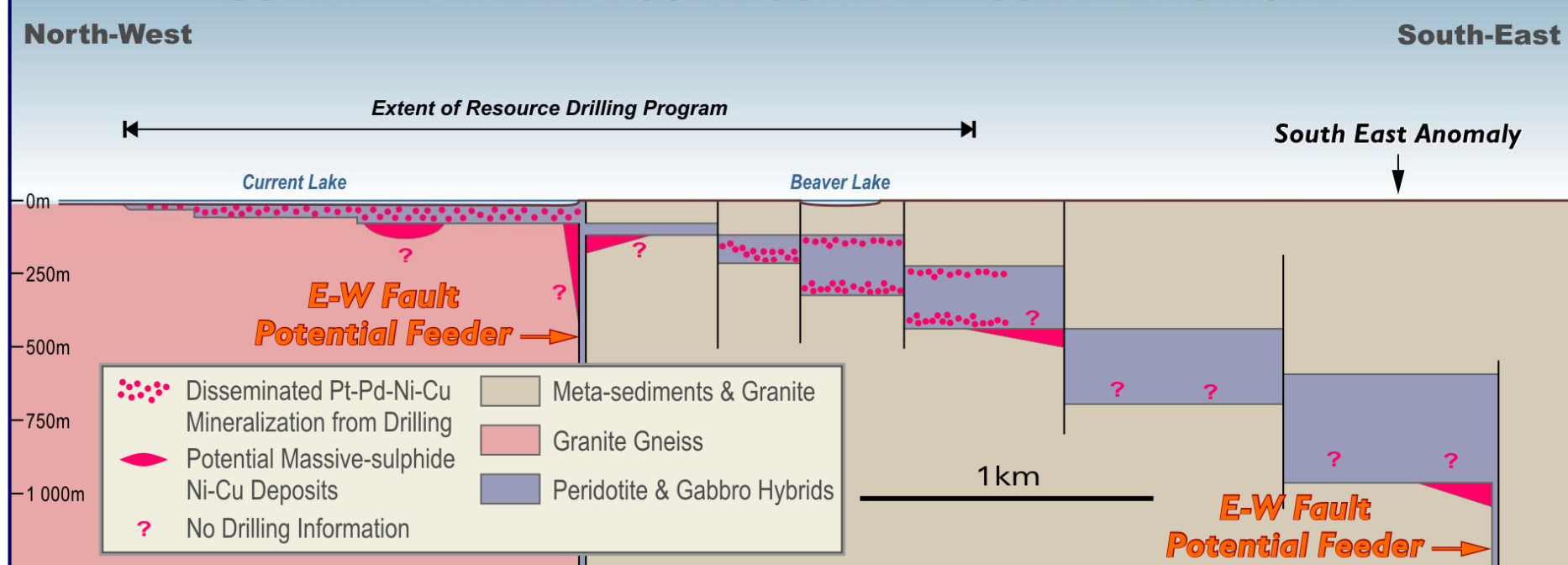


Assay Results Pending



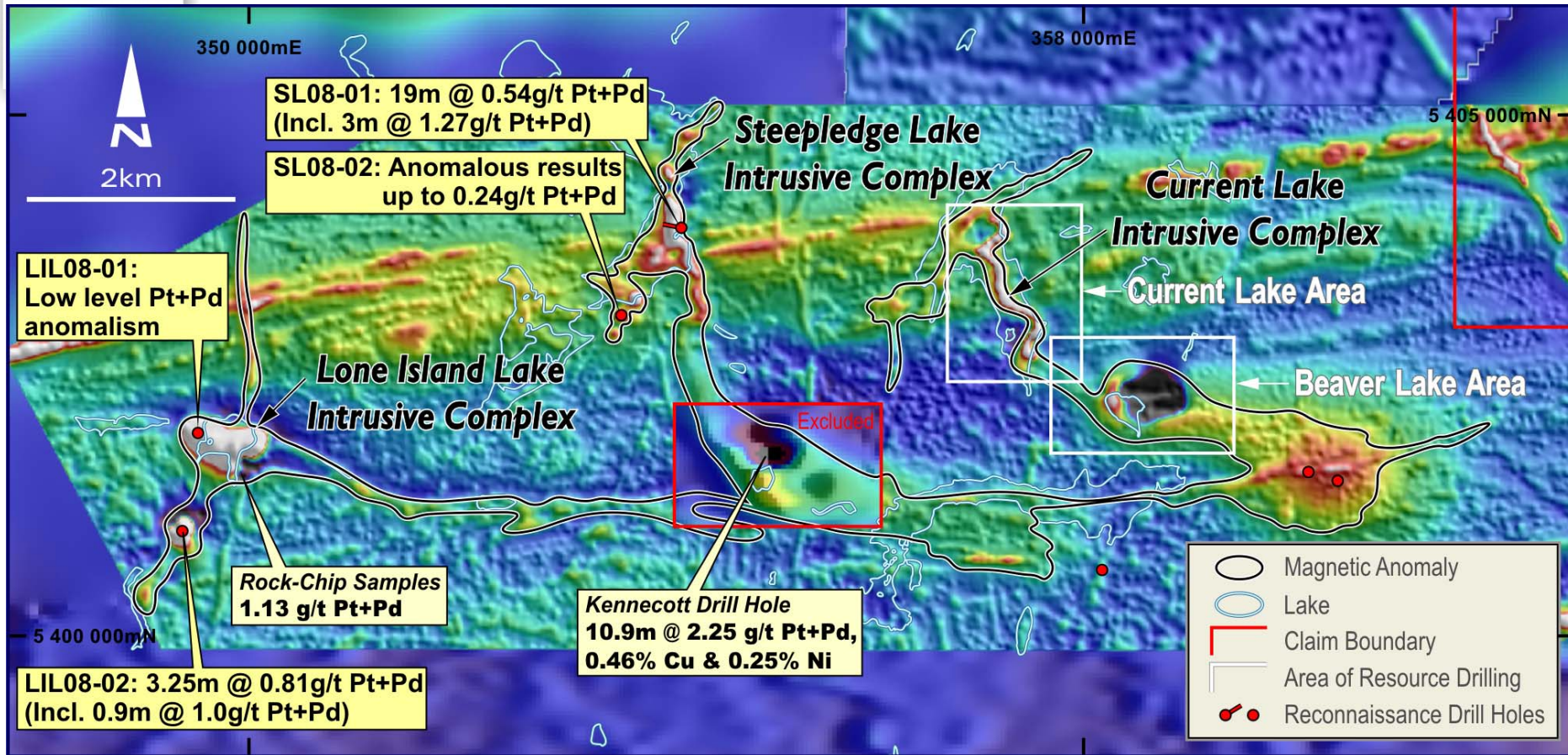
Magma-Conduit Exploration Model

CURRENT LAKE INTRUSIVE COMPLEX - SCHEMATIC MODEL



- Geological environment highly favourable for large disseminated and massive sulphide Ni-Cu-PGM deposits
- Analogies are the Voisey's Bay Ni-Cu deposit in Canada & the giant Noril'sk-Talnakh Ni-Cu-Pt-Pd deposits in Russia

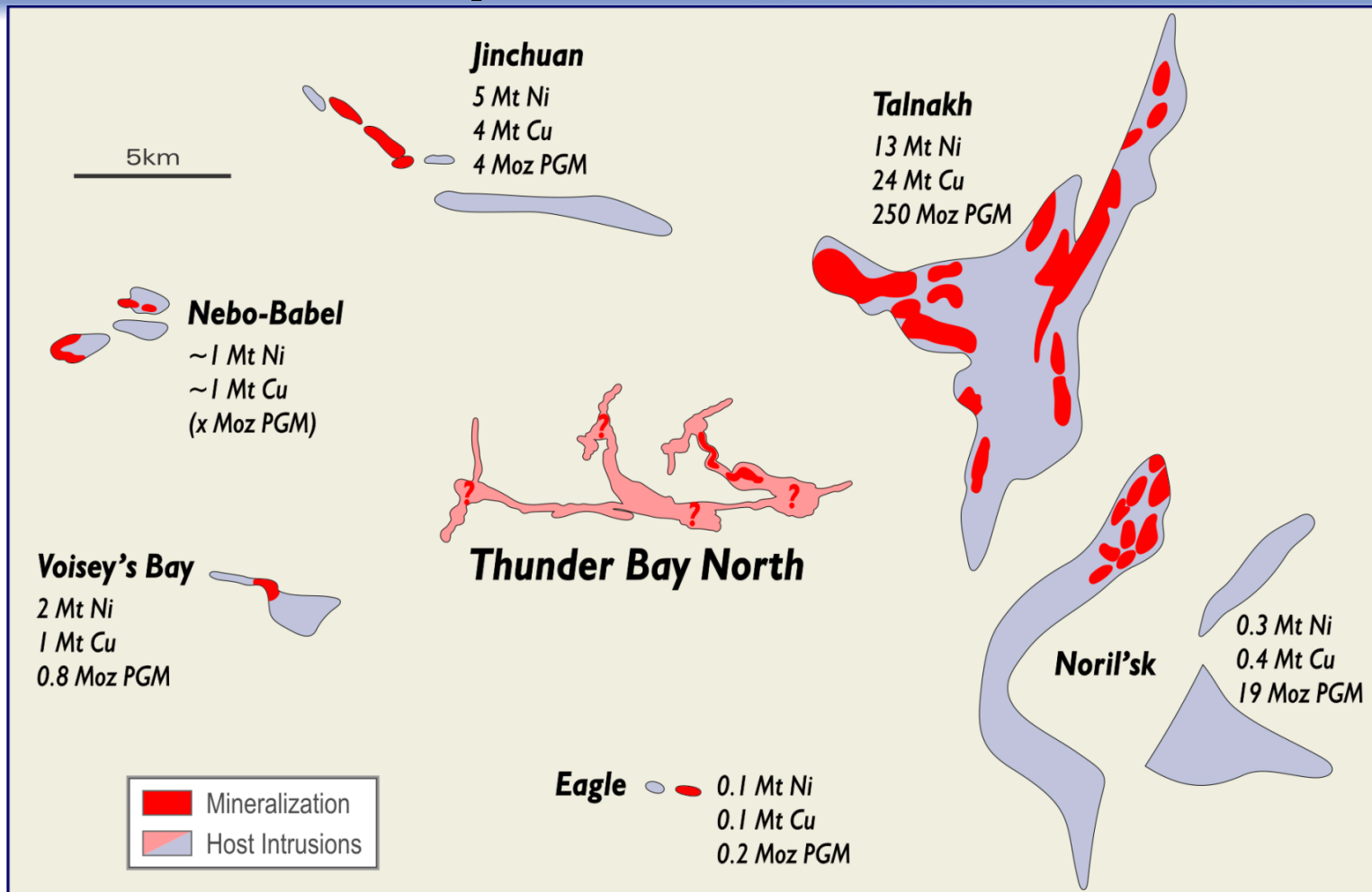
Potential Large Scale System



- Current Lake Complex is part of a larger network of magma conduits
- Reconnaissance drilling returned encouraging results
- Significant resource potential













Footprints of Large Magma Conduit Hosted Ni-Cu-PGM Deposits



- Shapes illustrate relative sizes of magma-conduit intrusions that host “world class” Ni-Cu-PGM ore-bodies
- The ore-bodies are generally much smaller than the host intrusions



Program to September Quarter 2009

Work Program	March Quarter 2008	June Quarter 2009	Sept Quarter 2009
Resource Drilling (15,000m)			
NI43-101/JORC Resource Estimation			
Prelim. Metallurgy			
Mining Concepts			
Geophysics: EM Surveys			
Environmental & Hydrology Studies			

- **SRK Consulting (Toronto):** Resource Drilling & Estimation, Metallurgy & Mining Concepts
- **Southern Geoscience Consultants (Perth):** Geophysics
- **DST Consulting Engineers (Thunder Bay):** Environmental & Hydrology Studies, Geotechnical Studies (Cofferdam) & Permitting Program



Drilling at TBN





Investment Opportunity

Thunder Bay North PGM Project

- Potentially large greenfields Platinum – Palladium discovery
- Significant base metals credits with potential for Nickel – Copper massive-sulphide ore-bodies
- Close to excellent infrastructure
- Initial resource estimates Sept Quarter 2009
- Excellent regional potential for further discoveries



Magma Metals Limited (ASX: MMB)

Directors:

Keith Watkins – Managing Director

Ralph Porter – Exploration Director

Max Cozijn – Executive Director

Terry Burgess – Non-Executive Director

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