



# Magma Metals Limited

Level 3, 18 Richardson Street, West Perth WA 6005 Australia  
PO Box 1221, West Perth WA 6872 Australia

Tel +61 (0)8 9324 1500 Fax +61 (0)8 9324 1700

Email: [magma@magmametals.com.au](mailto:magma@magmametals.com.au)

Web: [www.magmametals.com.au](http://www.magmametals.com.au)

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1<sup>st</sup> July 2009

ASX Announcement

ASX: MMB

## FIRST DRILL-HOLE AT STEEPLEDGE LAKE PROVIDES ENCOURAGEMENT

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### KEY POINTS

- Exploration drilling has commenced at Steepledge Lake, with the first hole intersecting a 134m thick interval of peridotite with disseminated sulphides – assay results are pending. This implies significant mineralization potential in the Steepledge Lake Intrusive Complex.
- A 33,500m resource definition drilling program has been completed in the Current Lake Intrusive Complex – an initial JORC & NI43-101 compliant resource estimate is in progress.
- Further drilling results from the Bridge Zone confirm the continuity of mineralization, including:
  - BL09-99: 17.0m @ 5.17g/t Pt+Pd, 0.54% Cu & 0.24% Ni from 100m
  - BL09-108: 5.7m @ 6.44g/t Pt+Pd, 0.82% Cu & 0.44% Ni from 156m.

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### Steepledge Lake Exploration Drilling Program

A systematic exploration drilling program to test the mineralization potential of the Steepledge Lake Intrusive Complex at the Thunder Bay North project in Ontario, Canada has commenced (Figures 1, 2 and 3). The first drill-hole SL09-03 intersected 134m of peridotite from 21m which contained up to 3% disseminated sulphides and sulphide blebs up to 5mm across (Figure 3). Assay results from this hole are pending. The host rock and general style of mineralization is the same as that seen in parts of the Current Lake Intrusive Complex 3km to the east (Figures 2 and 4). **This implies significant mineralization potential in the Steepledge Lake Intrusive Complex, a 6km long magma conduit with similar characteristics to the Current Lake Intrusive Complex.** A 2km strike length of this complex is in an excluded tenement (Figure2).

The Steepledge Lake program of approximately 7,000m is being drilled from a barge and consists of a 200m x 20m drill pattern over an initial 800m strike length. Reconnaissance drilling at Steepledge Lake last year returned an intersection of 19m @ 0.54g/t Pt+Pd from 118m in drill-hole SL08-01, including 3m @ 1.27g/t Pt+Pd, 0.23% Cu & 0.15% Ni from a sub-optimal drill-position on the eastern shore of the lake (Figure 3).

## Current Lake Intrusive Complex Resource Drilling Program

A resource definition drilling program comprising 231 holes for 33,500m, which commenced in June 2008, has been completed in the Current Lake Intrusive Complex. The drilling program has defined platinum-palladium-copper-nickel mineralization over a strike length of 3.4km in the north-western part of the complex, an approximately 5km long mafic-ultramafic magma conduit (Figure 4).

An initial JORC and NI43-101 compliant resource estimate for the project is in progress. This should be completed during the September quarter. The resource estimate will be based on the recently completed drilling program as well as previous drilling, comprising 100 holes for 17,025m, a total drilling database of 331 holes for 50,525m.

Following completion of the resource definition drilling program, drilling has commenced on 100m-spaced sections in the eastern part of the Beaver Lake area to investigate potential extensions of the mineralization to the east (Figure 4). This approximately 7,000m drilling program will take approximately eight weeks to complete. Further infill and extension drilling in this area is anticipated on completion of this program.

## Bridge Zone Drilling Results

Assay results have been received for a further 21 drill-holes from the Bridge Zone. These included the following excellent intersections:

**BL09-95: 19.85m @ 3.09g/t Pt+Pd, 0.41% Cu & 0.25% Ni from 117m,  
including 3m @ 5.87g/t Pt+Pd, 0.77% Cu & 0.33% Ni.**

**BL09-99: 25m @ 3.77g/t Pt+Pd, 0.39% Cu & 0.21% Ni from 94m,  
including 17m @ 5.17g/t Pt+Pd, 0.54% Cu & 0.24% Ni,  
including 11m @ 6.72g/t Pt+Pd, 0.70% Cu & 0.28% Ni.**

**BL09-108: 5.7m @ 6.44g/t Pt+Pd, 0.82% Cu & 0.44% Ni from 156m.**

Pt and Pd have a ratio of approximately 1:1. Drill-hole information and assay results are shown in Tables 1 and 2. Results from a further 8 drill-holes in this area are pending (Figure 4).

Down-hole electro-magnetic (DHEM) surveys are in progress in several drill-holes in the Bridge Zone to map the extent of high-sulphide zones, in particular the intersection of **5.98m @ 17.13g/t Pt+Pd, 2.55% Cu & 1.29% Ni** from 157.25m in drill-hole BL09-89. **Initial results from the first survey indicate a strong conductor immediately southwest of this drill-hole.** Further drilling will be undertaken in this area once all the DHEM survey results have been modelled.



**Keith Watkins**  
**Managing Director**

*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.*

**Table 1. Drill Hole Collar and Depth Information**

Drill Hole	Easting (m)	Northing (m)	Azimuth (Deg)	Dip (Deg)	Depth (m)
<b>BL09-95</b>	357652	5402622	0	-90	195
<b>BL09-99</b>	357566	5402657	0	-90	180
<b>BL09-102</b>	357550	5402644	0	-90	174
<b>BL09-103</b>	357570	5402680	0	-90	171
<b>BL09-104</b>	357643	5402599	0	-90	189
<b>BL09-107</b>	357747	5402583	0	-90	204
<b>BL09-108</b>	357818	5402505	0	-90	222
<b>BL09-109</b>	357836	5402540	0	-90	192
<b>BL09-110</b>	357831	5402531	0	-90	276
<b>BL09-115</b>	357870	5402389	0	-90	219
<b>BL09-116</b>	357892	5402433	0	-90	210
<b>BL09-117</b>	357917	5402478	0	-90	219

**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)
<b>BL09-95</b>	117.00	136.85	<b>19.85</b>	<b>1.60</b>	<b>1.49</b>	<b>3.09</b>	<b>0.10</b>	-	<b>0.41</b>	<b>0.25</b>	1.0
including	127.00	130.00	<b>3.00</b>	<b>3.08</b>	<b>2.79</b>	<b>5.87</b>	<b>0.20</b>	<b>5.07</b>	<b>0.77</b>	<b>0.33</b>	5.0
<b>BL09-99</b>	94.00	119.00	<b>25.00</b>	<b>1.97</b>	<b>1.80</b>	<b>3.77</b>	<b>0.14</b>	-	<b>0.39</b>	<b>0.21</b>	0.5
including	100.00	117.00	<b>17.00</b>	<b>2.71</b>	<b>2.46</b>	<b>5.17</b>	<b>0.20</b>	-	<b>0.54</b>	<b>0.24</b>	1.0
including	105.00	116.00	<b>11.00</b>	<b>3.53</b>	<b>3.19</b>	<b>6.72</b>	<b>0.26</b>	<b>5.15</b>	<b>0.70</b>	<b>0.28</b>	3.0
<b>BL09-102</b>	94.00	99.00	5.00	0.81	0.78	1.59	0.05	-	0.16	0.13	1.0
	113.00	116.00	3.00	0.74	0.71	1.45	0.05	-	0.17	0.14	1.0
<b>BL09-103</b>	111.00	114.00	3.00	1.16	1.04	2.20	0.10	-	0.29	0.15	1.0
	118.00	119.79	<b>1.79</b>	<b>1.93</b>	<b>1.68</b>	<b>3.61</b>	<b>0.26</b>	-	<b>0.61</b>	<b>0.13</b>	1.0
<b>BL09-104</b>	102.00	107.20	5.20	0.80	0.80	1.60	0.05	-	0.22	0.13	1.0
<b>BL09-107</b>	131.00	135.55	4.55	1.34	1.24	2.58	0.08	-	0.27	0.17	1.0
<b>BL09-108</b>	139.00	161.70	22.70	1.18	1.20	2.38	0.06	-	0.31	0.20	0.5
including	156.00	161.70	<b>5.70</b>	<b>3.17</b>	<b>3.27</b>	<b>6.44</b>	<b>0.13</b>	<b>3.56</b>	<b>0.82</b>	<b>0.44</b>	3.0
<b>BL09-109</b>	147.00	156.00	<b>9.00</b>	<b>1.74</b>	<b>1.52</b>	<b>3.26</b>	<b>0.13</b>	-	<b>0.38</b>	<b>0.17</b>	1.0
including	152.00	155.00	<b>3.00</b>	<b>2.93</b>	<b>2.49</b>	<b>5.42</b>	<b>0.23</b>	<b>5.17</b>	<b>0.60</b>	<b>0.19</b>	5.0
	159.00	165.00	6.00	0.86	0.78	1.64	0.06	-	0.23	0.19	1.0
<b>BL09-110</b>	151.00	158.17	7.83	1.18	1.17	2.35	0.06	-	0.32	0.18	1.0
including	156.00	158.17	<b>2.17</b>	<b>2.27</b>	<b>2.31</b>	<b>4.58</b>	<b>0.11</b>	<b>3.00</b>	<b>0.61</b>	<b>0.30</b>	3.0
<b>BL09-115</b>	156.00	168.40	12.40	0.75	0.71	1.46	0.04	-	0.14	0.15	0.5
including	165.00	168.40	<b>3.40</b>	<b>1.68</b>	<b>1.65</b>	<b>3.33</b>	<b>0.08</b>	-	<b>0.31</b>	<b>0.22</b>	3.0
<b>BL09-116</b>	165.87	167.87	<b>2.00</b>	<b>4.52</b>	<b>4.69</b>	<b>9.21</b>	<b>0.21</b>	-	<b>1.16</b>	<b>0.78</b>	1.0
including	167.37	167.87	<b>0.50</b>	<b>14.85</b>	<b>15.80</b>	<b>30.65</b>	<b>0.63</b>	<b>23.0</b>	<b>4.03</b>	<b>2.61</b>	10.0
<b>BL09-117</b>	153.00	155.00	<b>2.00</b>	<b>1.84</b>	<b>1.74</b>	<b>3.58</b>	<b>0.11</b>	-	<b>0.46</b>	<b>0.28</b>	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 3m below the cut-off grade

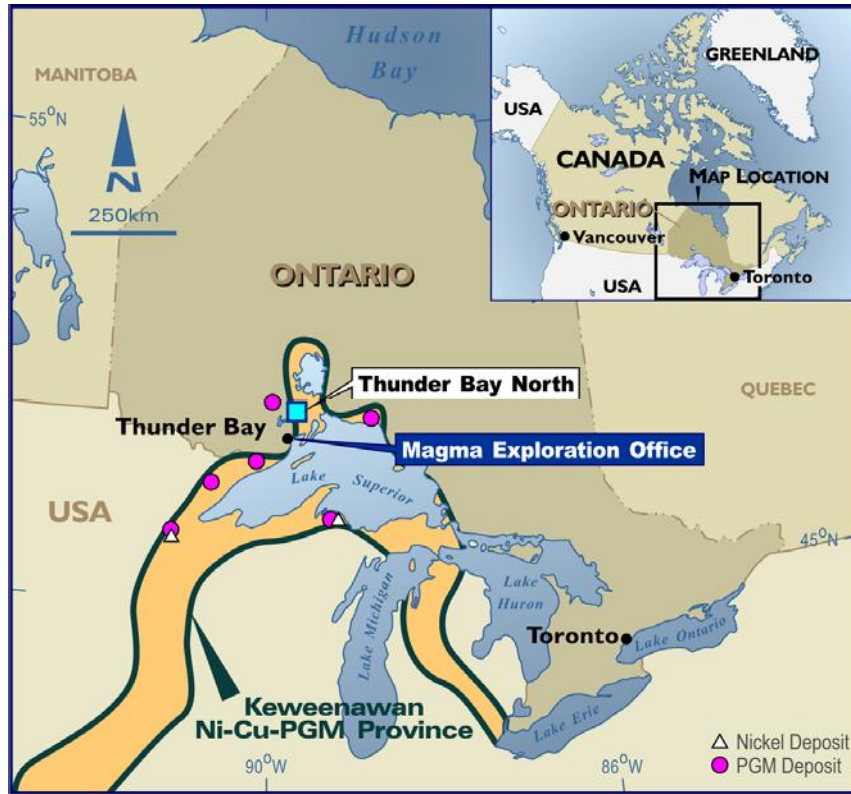


Figure 1. Project Location

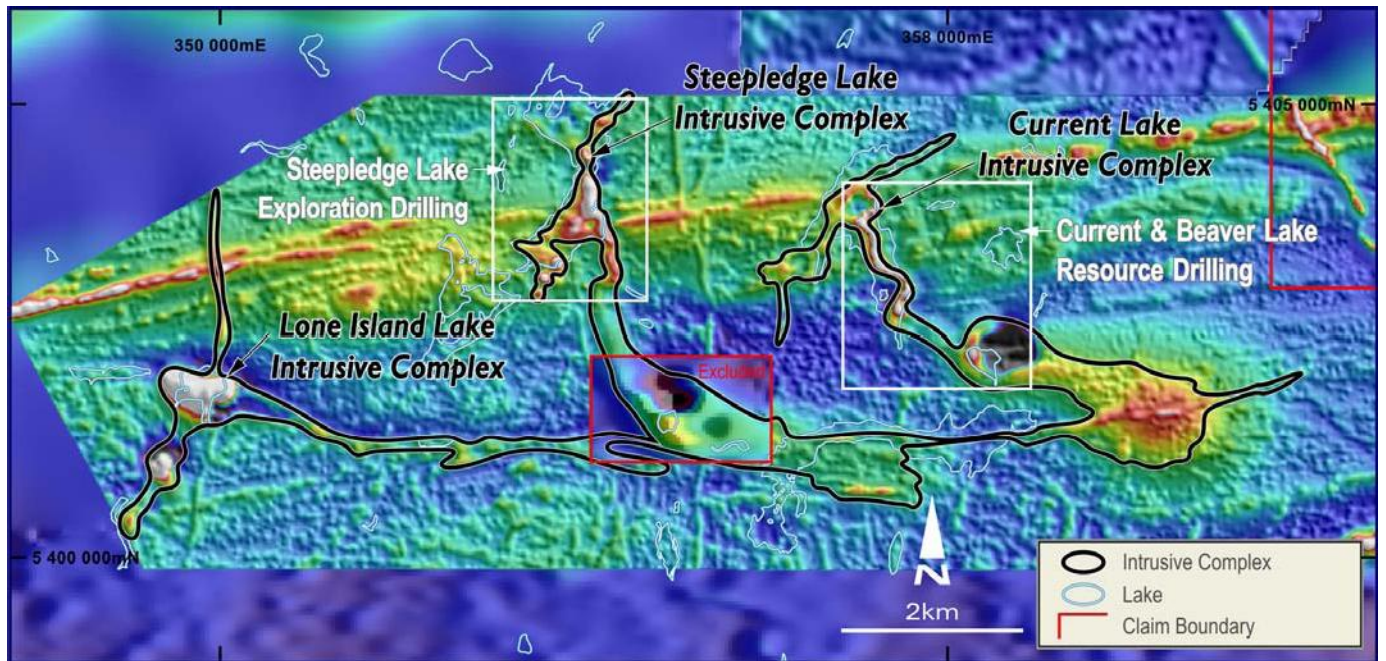


Figure 2. Regional Magnetic Image Showing Intrusive Complexes and Locations of Figures 3 & 4.

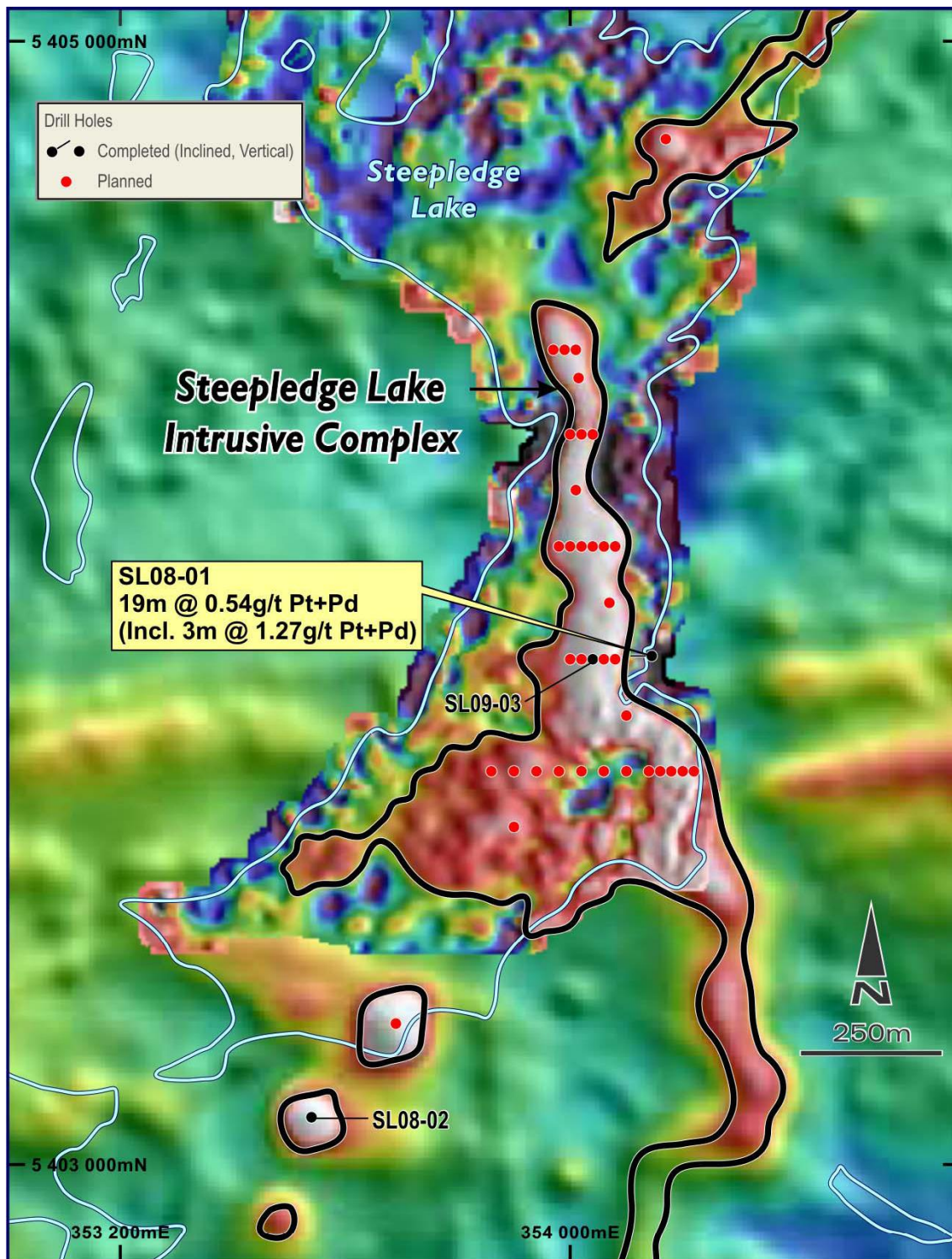


Figure 3. Magnetic Image Showing Steepledge Lake Exploration Drilling Program

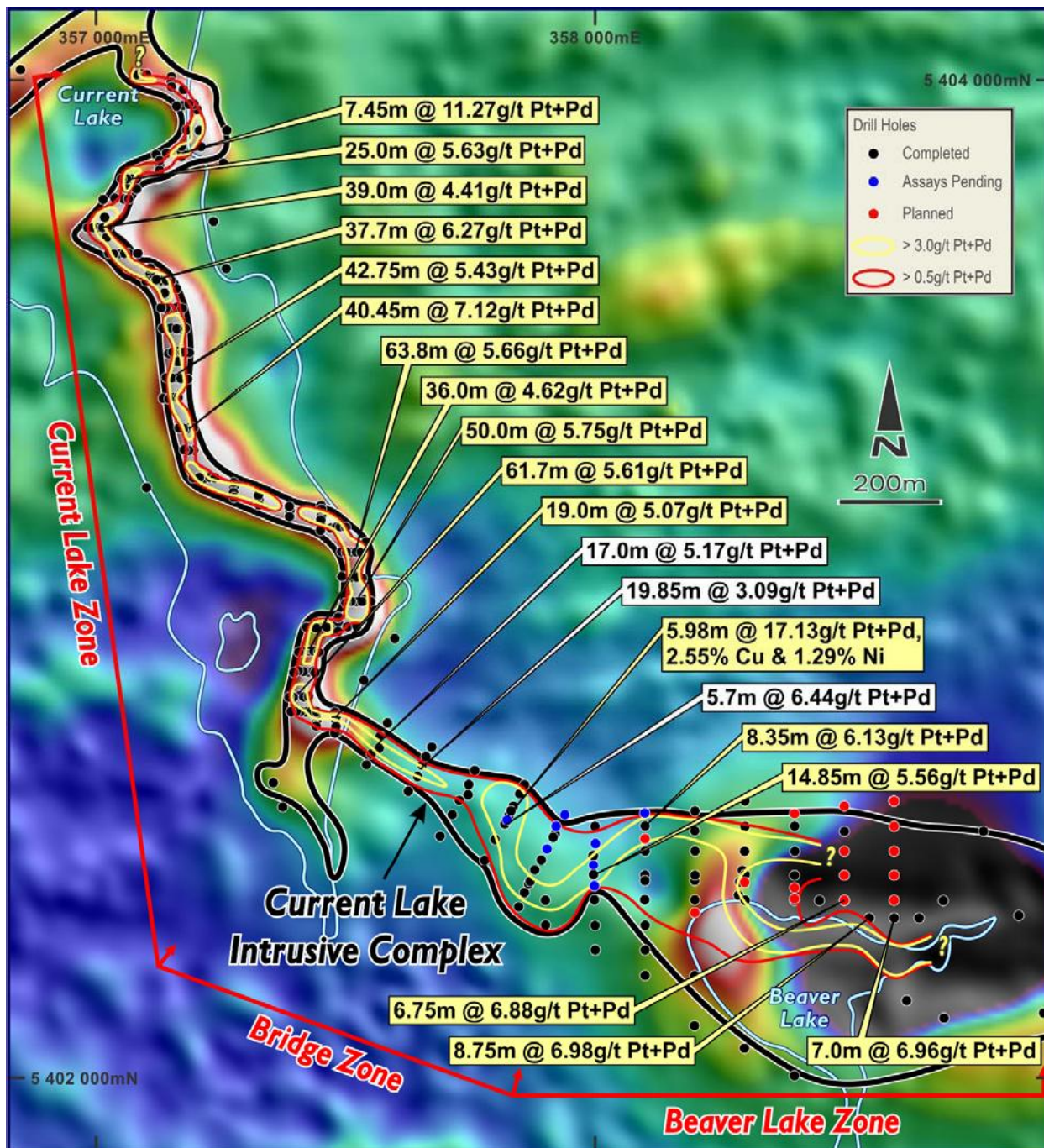


Figure 4. Magnetic Image Showing the Current Lake Intrusive Complex Resource Drilling