



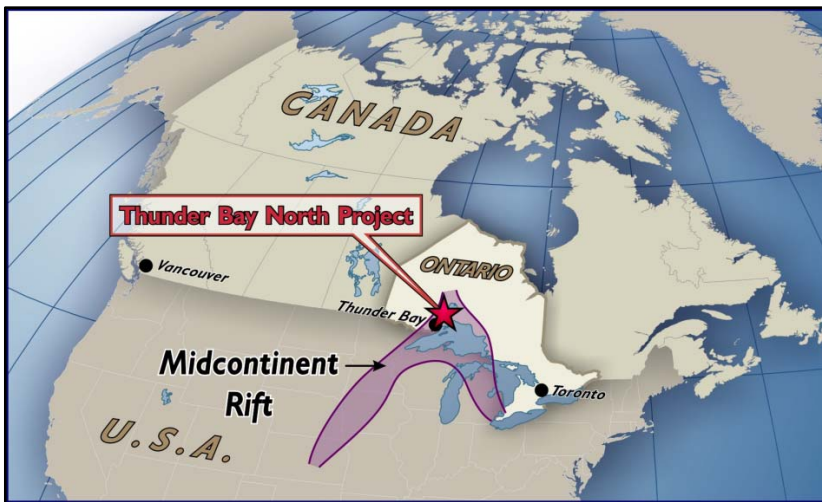
PRECIOUS & BASE METALS

Canada & Australia

TSX & ASX : MMW

March 2012

Magma Metals Limited (Magma) (TSX & ASX code: MMW) is a mineral exploration company focused on precious and base metals in Canada and Australia. Led by a highly experienced and proven management group and Board of Directors, the Company has its head office in Perth, Western Australia, and an exploration office in Thunder Bay, Ontario, Canada.



INVESTMENT HIGHLIGHTS

- **Thunder Bay North (TBN) platinum-palladium-copper-nickel project, Ontario**
 - Expanding mineral resource
 - Recent positive Scoping Study (PEA)
 - Multi-million ounce PGM Potential
 - Major exploration push in 2012 to increase size of project
- **Lake Grace - Griffins Find gold project, Western Australia**
 - Historical gold production & large surface gold anomaly
 - Potential for large primary gold system
 - 10,500 square kilometre ground position
- **Strong institutional shareholder base**
- **Highly experience Board and Management team**
- **Current unsolicited takeover bid by Panoramic Resources Limited (ASX: PAN)**

MAGMA METALS LIMITED

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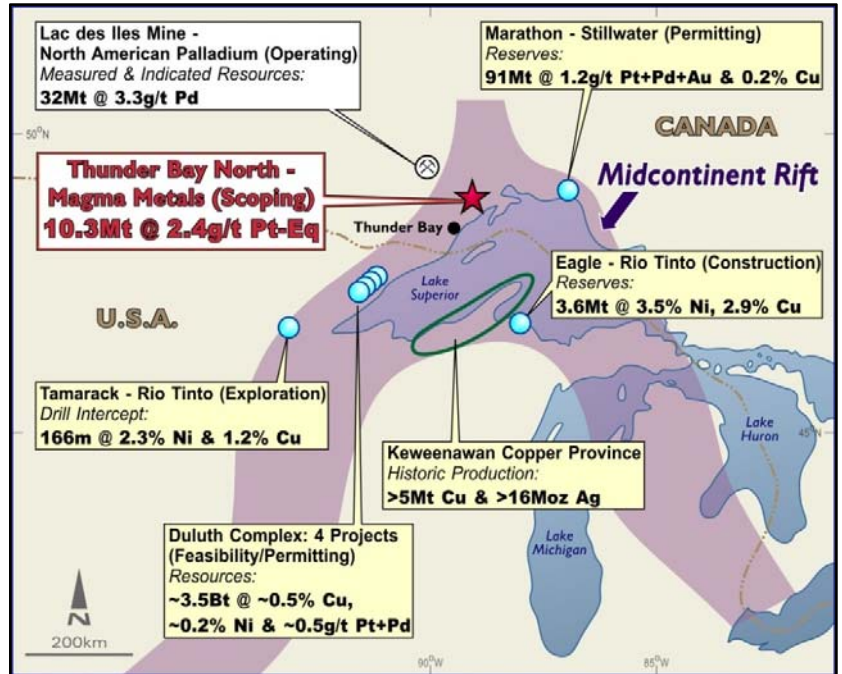
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THUNDER BAY NORTH

PLATINUM – PALLADIUM – COPPER – NICKEL PROJECT

Magma's most advanced exploration project is its **Thunder Bay North (TBN) platinum-palladium-copper-nickel project** located in the northern part of the Midcontinent Rift, an emerging North American Mining Camp. Magma's exploration team made this greenfields discovery in 2006, 50 km northeast of the city of Thunder Bay in Ontario. The geology at TBN shares a number of attributes with the giant Noril'sk Ni-Cu-PGM deposit in Russia. TBN is located in a pro-mining jurisdiction with excellent infrastructure. The project has a NI43-101 & JORC mineral resource estimate, a positive scoping study, and extensive exploration upside.



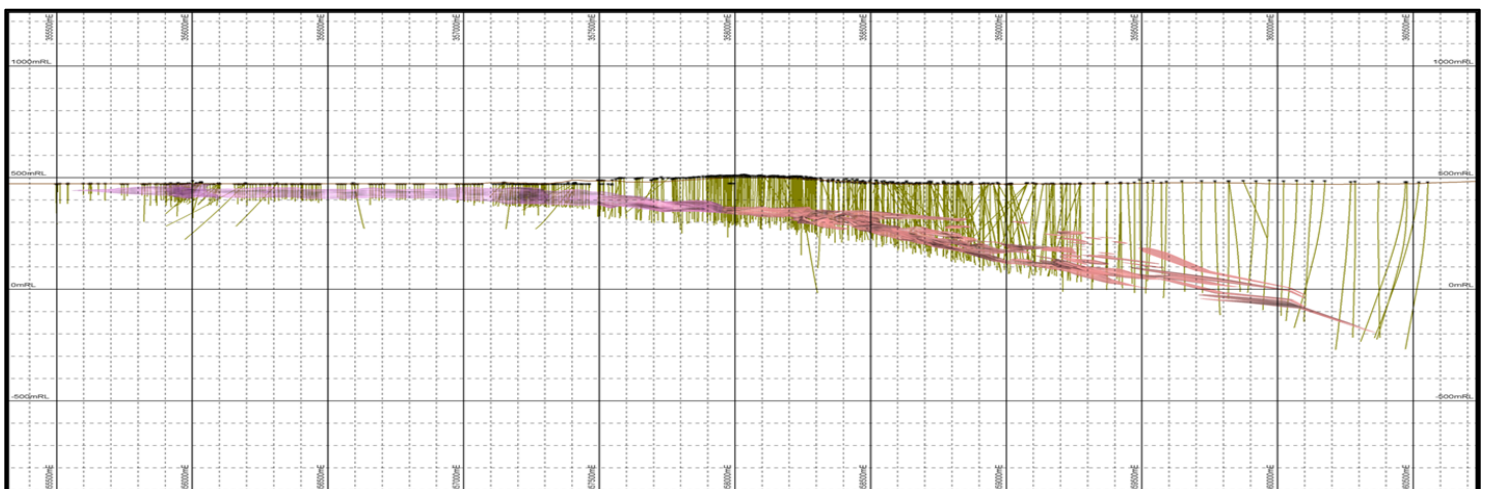
Mineral Resource

Building on the AMEC Americas Limited (AMEC) 2011 NI43-101 and JORC compliant Mineral Resource estimate, Magma completed an in house update on the resource to include the newly defined East Beaver Lake mineral extension which added 71,000 Pt-Eq ounces to the underground resources¹.

On a Pt-Eq basis, the combined open pit and underground mineral resources are now:

Indicated Mineral Resource: 9.83Mt @ 2.34g/t Pt-Eq for 741,000 Pt-Eq ounces

Inferred Mineral Resource: 0.53Mt @ 2.87g/t Pt-Eq for 49,000 Pt-Eq ounces



¹Refer to Magma's announcements of September 6, 2010, February 7, 2011 & February 23, 2012 for details of the mineral resource estimates, including the calculation of platinum equivalents.

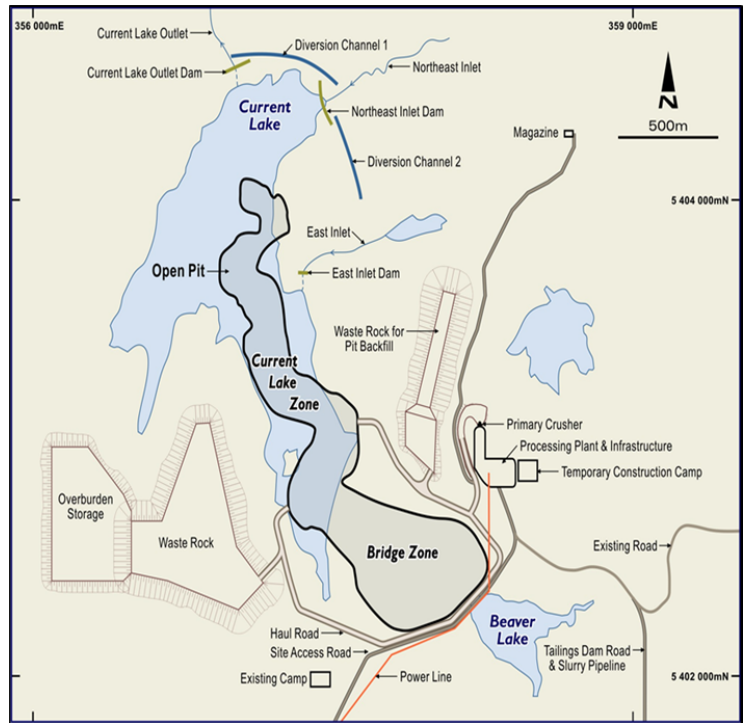
ENGINEERING STUDIES

AMEC PEA (February 2011) - based on an open pit mine only²

- 10 Mt @ 1.9 g/t Pt-Eq open pit (600,000 oz Pt-Eq metal).
- 1.5 Mt per annum for a 7 year mine-life.
- 65,000 oz per annum of Pt-Eq metal.
- Capex C\$174m & Opex C\$42/t.

Work in Progress

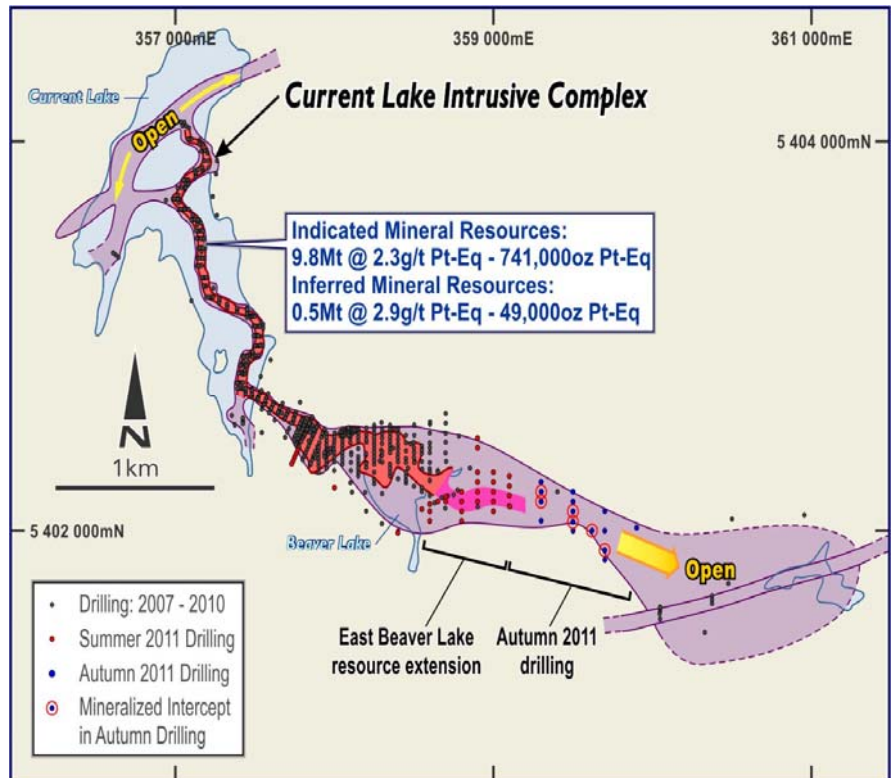
- **Grow the resource base through step-out drilling.**
- **Include the underground resources in a modified mine plan.**
- **Identify simpler and lower cost mineral processing solutions.**
- **Combine these outcomes in a revised Advanced PEA in 2012.**



MAJOR EXPLORATION PUSH IN 2012 TO INCREASE THE SIZE OF THE PROJECT

The Current Lake Intrusive Complex, comprising a mafic-ultramafic magma conduit, hosts the defined mineral resources. This intrusion is one conduit within a larger complex of interconnected conduits and intrusive centres covering an 80 km² area. The conduit hosts disseminated sulphides as well as zones of high-grade semi-massive and massive sulphide. The defined mineralization extends for 4.3 km and is open along strike to the south-east. Drilling is planned in 2012 to extend the resource in this direction.

There is widespread mineralization within the larger igneous complex and exploration drilling this winter is testing a number of priority targets identified by recent geophysical surveys.



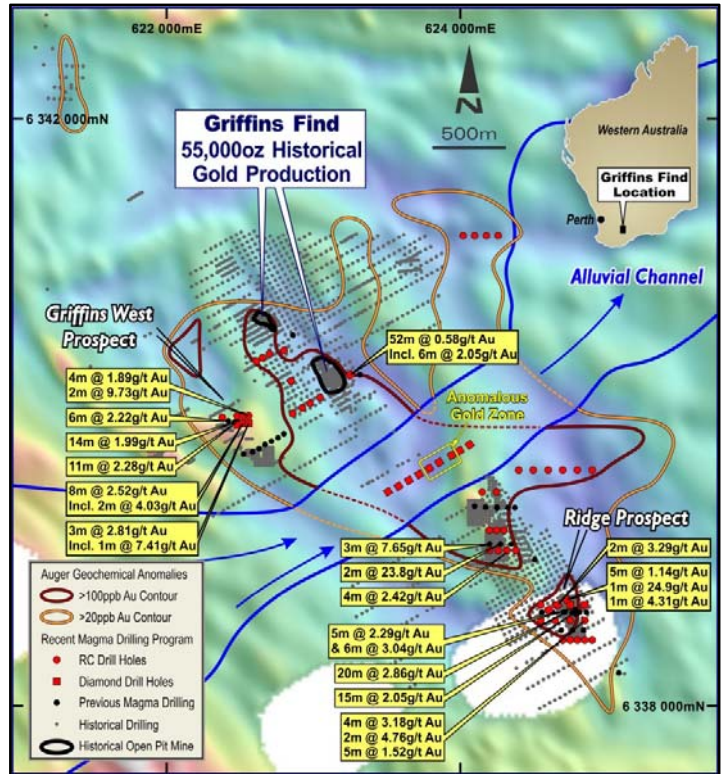
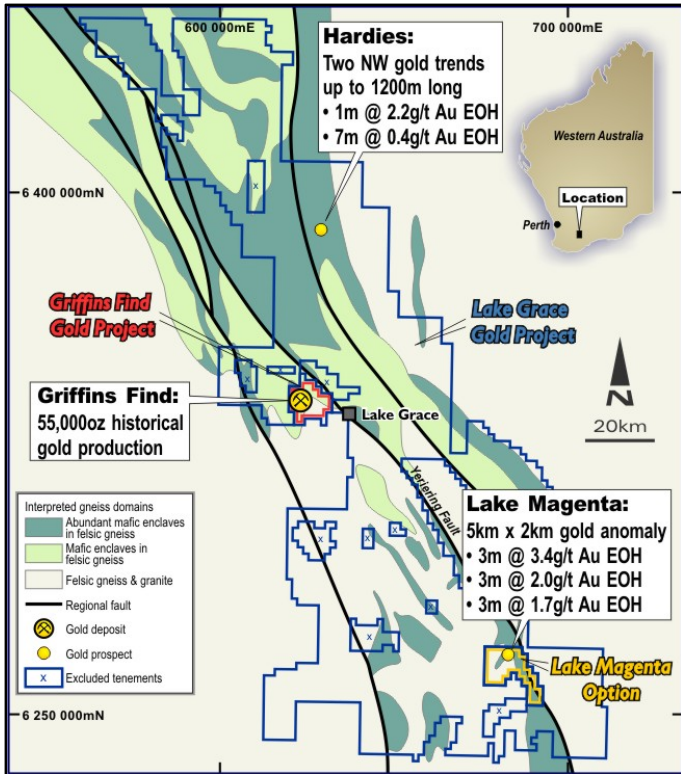
²Refer to Magma's announcements of February 7, 2011 for details on the Scoping Study (PEA)



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LAKE GRACE - GRIFFINS FIND

GOLD PROJECT, WESTERN AUSTRALIA



The Lake Grace – Griffins Find gold project, 320km southeast of Perth in Western Australia, comprises a 10,500 km² ground position covering a 240 km strike length of the Archean gneiss belt that hosts the historic Griffins Find gold mine and several other gold prospects. Griffins Find produced 55,000 ounces of gold at a grade of 2.8 g/t from a shallow open-pit operation in the 1980's. Exploration is focused on defining resources at Griffins Find and carrying out systematic modern exploration to assess the gold potential of the entire project area.

SHARE INFORMATION & CONTACTS

Capital Structure

Dual Listed ASX & TSX: Code "MMW"

Shares Issued: 267 million

Unlisted Options: 14 million

Undiluted Market Cap. @ A\$0.15: A\$40 million

Cash (end December quarter, 2011): A\$12 million

Shareholders

Top 40 shareholders hold approximately 85% of shares. Major Shareholders:

- Anglo Pacific Group 16%
- Panoramic Resources 9%
- Anglo American 8%
- Pala Investments 7%
- Directors 6%

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