

Magellan Metals Pty Ltd

A.B.N 68 075 523 661

MAGELLAN MINE RESTARTS CREATING 160 JOBS

Perth – 25 February 2010 – Magellan Metals is pleased to announce the restart of processing operations at the Magellan Mine, near Wiluna, during the week commencing February 22, 2010. Magellan currently has approximately 7 weeks of stockpiled ore available for processing through the plant, and mining operations are scheduled to recommence in March.

Magellan estimates it will produce approximately 60,000 tonnes of contained lead in concentrates during 2010 following the restart of operations. Magellan has substantially completed the shipment of approximately 22,700 wet metric tonnes (approximately 13,500 tonnes of contained lead) of stockpiled lead carbonate concentrates.

In August 2009, following extensive community and Government consultation, Magellan obtained final approvals to commence bagged and containerized sealed shipments of lead carbonate concentrates through the Port of Fremantle. Shipments of the mine-site concentrate stockpiles commenced in September 2009 for export to international lead smelters through the Port of Fremantle. Shipments of concentrate stockpiles are nearing completion and a smooth transition into new production is expected. All shipments have been without incident and in full compliance with the stringent conditions imposed by the Western Australian Minister for Environment.

In parallel with shipping the stockpiled material, during the second half of 2009, Magellan embarked on the detailed restart planning process. The major maintenance and re-commissioning projects required ahead of restart were undertaken during January and February 2010.

Significant additions to the Magellan management team were made during the second half of 2009 and recruitment of the mine-site workforce commenced in the fourth quarter of 2009 ahead of restart. At full complement the Magellan workforce will be about 160 including contractors.

On February 4, 2010 Magellan Metals met its commitment under the terms of the Esperance Agreement and made an initial A\$3 million payment (one third of its total) to the Western Australian Government as a contribution towards the clean-up of the port and the town.

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