

March 2010

What's new at Magellan Metals?

This month processing and mining operations will restart at the Magellan Mine near Wiluna. The mine will provide 160 jobs, with approximately 80 of these positions placed to date. The Magellan Mine is a fly-in, fly-out operation with employees and contractors living in a camp on site during the week.

The restart of mining operations is the final stage in bringing the Magellan Mine back into full operation, a process which began in September last year when we began exporting stockpiled lead carbonate concentrate through the Port of Fremantle. The lead carbonate is transported using a newly developed sealed shipment process of double-lined, sealed bags in locked containers. The containers are transported by road to Leonora and then by train to Fremantle Port for export. The transport process has very strict health, safety and environmental rules placed on it by Government, ensuring the safety of people at the mine site, and along the transport route. All shipments to date, more than 22,000 tonnes, have been without incident and in full compliance with the stringent conditions imposed by the Western Australian Minister for Environment.

Magellan Metals has the capacity to be one of the world's largest pure lead producers, with lead produced at the Magellan Mine expected to account for approximately 2% of total world production. The lead is mostly refined in China from the concentrate product with the majority used in car and other batteries.

Activities at the Magellan Mine will increase during the next six months and we intend to reach full production by October this year. The mine and processing operations will produce approximately 60,000 tonnes of contained lead in concentrates (which contain about 63% lead) during 2010.



Processing Plant at the Magellan Metals Mine near Wiluna

From next year onwards, we plan to process 1.9 million tonnes of ore containing 85,000 tonnes of lead each year for the life of the mine.

In addition to providing employment in the region, we will continue to be an active member of the Wiluna community in the years ahead through the Wiluna Regional Partnership Agreement, and support of local events, such as football matches and the annual Street Christmas Party. We will also continue our support of community programs such as Ngangganawilli Aboriginal Health Service.

To find out more about Magellan Metals and the mine operations go to www.magellanmetals.com.au or email info@magmetals.com with your question.



At the Magellan Metals Mine near Wiluna