

Magellan Metals Pty Ltd

A.B.N 68 075 523 661

MEDIA STATEMENT

MAGELLAN CLOSES CHAPTER AT ESPERANCE

Perth – 16 July 2009 –The Department of Environment and Conservation (“DEC”) in Western Australia has given final sign off to all of the requirements of the Esperance Lead Removal Plan (“LRP”) between it, Magellan Metals and the Esperance Port Authority (“EsPA”). The DEC’s sign off – evidenced by the formal revocation of the s73A notice issued to the EsPA in April 2007 – formally marks a successful end to Magellan Metals lead removal operations in Esperance.

The s73A notice sign off confirms that all requirements of the LRP have now been completed in full compliance with stringent conditions imposed on the removal operation by the EsPA and Magellan Metals to the DEC’s satisfaction.

Since the events in 2007, Magellan Metals has worked collaboratively with the DEC, the State Government and the EsPA negotiating the successful removal – without incident – of the lead stockpiled at Esperance, a A\$9M financial contribution to past, current and future clean-up activities (see press release dated December 24, 2008), as well as the creation of the A\$1M Magellan Metals Community Fund for community-based projects in Esperance that will benefit the local community for many years to come

The process of removing the lead stockpile from Esperance constituted a successful test of the Company’s new sealed shipment process involving packaging lead carbonate concentrate in sealed double-lined bags, cleaning the exterior of the bags and packing and locking the bags in steel shipping containers. Intensive monitoring at Esperance detected no lead carbonate concentrate escaping during this process, which will also be used for future shipments via the Port of Fremantle.

Dr. John Yeates, General Manager Corporate Social Responsibility for Magellan said, “We believe that we have achieved what we set out to do, we have delivered on our commitments, and we have done so without a single non-compliance issue. The sign off on the s73A notice is a significant milestone in terms of the final resolution of overall Esperance issues. The entire Magellan team is now focused on positioning for a restart of mining operations at the Magellan Mine.”

Magellan inquiries:

Australia – Dr. John Yeates
General Manager Corporate Social Responsibility
T: (08) 9267 7000
john.yeates@magmetals.com

Australia – Anthony Hasluck
Clarity Communications
M: 0438 522 194
anthony@claritycommunications.com.au