

30 April 2007

Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

**QUARTERLY ACTIVITIES REPORT  
FOR THE PERIOD ENDED 31 MARCH 2007**

**HIGHLIGHTS**

- Completion of a ground spectrometer survey and MMI geochemical soil survey over four priority targets at the Badja Project in Western Australia.
- Assay results for the geochemical sampling programme conducted within the Erongo Poly-metallic Project, Namibia, continue to be assessed in conjunction with other company geotechnical data.
- Snowden Mining Industry Consultants Pty Ltd (“Snowden”) completed a JORC-compliant report detailing a resource estimate for the Skeleton Coast Mineral Sands Project
- Renewal applications to extend tenure for four Exploration Prospecting Licences in the Erongo Area, Namibia were lodged with the Minister for Mines and Energy, Namibia.

**SKELETON COAST DIAMOND AND HEAVY MINERAL SANDS PROJECT –  
NAMIBIA EPL 2699 – 2700 (100%)**

During the quarter an announcement was made relating the completion of a JORC-compliant report detailing a resource estimate that was carried out on the company's Skeleton Coast mineral sand project by Snowden and Associates.

An Indicated Mineral Resource using 1% total heavy mineral ("THM") cut-off grade of 24.6 million tonnes at 9.9% THM and 3.1% slimes was calculated. An Inferred Mineral Resource using 1% THM cut-off of 104.6 million tonnes at 5.7% THM and 2.2% slimes was defined.

Within Magna's tenement blocks a number of semi-continuous subsurface coarse gravel lenses and exhumed recent gravel terraces are in places diamond-bearing. The Snowden work also assessed the currently available information on the coarse gravel units and concluded that the area could contain an exploration target of around six million cubic meters. No grade could be assigned.

With the completion of the resource estimate on the Skeleton Coast Mineral Sands Project the company is now considering its options for taking the project forward,

Application to extend the tenure for the project has been duly lodged with the Ministry of Mines and Energy (MME) in accordance with the Namibian Minerals (Prospecting and Mining) Act. The grant is subject to the Minister for Mines and Energy's sole ministerial discretion for approval and the Company awaits advice on the granting of an extension to the relevant licences.

**ERONGO POLYMETALLIC PROJECT - NAMIBIA  
EPL 2805 – 2811 (100%)**

Following interpretation of the Company's HyVista hyperspectral survey data in conjunction with other geoscientific information, field mapping and geochemical sampling was conducted during the previous quarter. Assay results received for some geochemical samples collected during that field program are currently being assessed. Further evaluation work is anticipated once all data is received and checked.

Applications to extend the tenure for four Exploration Prospecting Licences areas have been lodged with the Ministry of Mines and Energy (MME) in accordance with the Namibian Minerals (Prospecting and Mining) Act. These applications will be subject to the Minister for Mines & Energy's ministerial discretion for approval.

## **BADJA URANIUM PROJECT - WESTERN AUSTRALIA**

### **E 59/1249 (100%)**

The Badja project area covers a potential palaeochannel some 30 km in length interpreted using radiometric data from the Department of Industry and Resources Regional Database. There are no previously recorded exploration activities specifically within the palaeochannel area. Work completed during the March Quarter included mapping, a ground based spectrometer survey in conjunction with an MMI soil geochemistry survey. The data collected by the spectrometer survey is currently undergoing analysis. Results for the soil sampling analyses are imminent.


### **PROJECT GENERATION**

The Company continues to evaluate and consider new business opportunities in Australia and in south east Africa.

### **CORPORATE**

During the quarter Dr G. Katchan resigned from the position as Technical Director of the Company. Mr R Birrell resigned from the position of Director to take up the engagement as Technical Manager for the Company's Exploration.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'K. R. Gardner', with a long horizontal flourish extending to the right.

Mr Kim R Gardner  
Director

*This report accurately reflects information compiled by Mr R Birrell, a full time employee of the Company, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserve'. Mr Birrell consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*