

31 January 2008

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

DECEMBER QUARTERLY REPORT 2007

ERONGO POLYMETALLIC PROJECT – NAMIBIA – EPLS 2806, 2807, 2808 AND 2810

During the last quarter HyVista Corporation were contracted to process HyMap airborne hyperspectral scanner imagery data from the Erongo area covering EPLs 2806, 2807, 2808 and 2810. Data processing will produce mineral analysis and target selection for further exploration investigations.

CORPORATE

BOARD CHANGE

Mr Peter Elliott, who was previously a Non Executive Director, assumed the position of Non Executive Chairman of the Company effective from 1 January 2008. Mr Jeffrey Green has relinquished his position as Non Executive Chairman and remains as a Non Executive Director together with Mr Vladimir Nikolaenko.

CHIEF EXECUTIVE OFFICER

The Board of Magna Mining Limited is pleased to announce the appointment of Mr Gary Stokes as Chief Executive Officer. He will assume day-to-day responsibility for the management of the company.

Mr Stokes brings a wealth of experience in mining projects having been a senior executive at the Department of Industry and Resources where he was responsible for managing government involvement in all major mining and infrastructure projects including the management of all State Agreements for major mining operations throughout the State. In particular, he will bring a focus on commodities that are of interest to the Company.

He has also had extensive international trade and investment experience working on markets such as China, India, Japan, Korea, Taiwan, European Union, USA, Middle

East and South East Asia. He was a member of the negotiation team for the Australian – US Free Trade Agreement.

Mr Stokes has also run a number of business/marketing consultancy operations and will bring a strong commercial focus to the company as well as a unique blend of international and mining relevant experience.

Mr Stokes holds a Bachelor of Business (Accounting), is a Justice of the Peace and is a Fellow of the Australian Institute of Company Directors.

Mr Stokes has been appointed a two-year term and will receive a remuneration package of \$240,000 (including superannuation), to be reviewed annually by the Board, four weeks annual leave and up to five million Incentive Options under a Share Price Appreciation Incentives arrangement once pre-determined share price performance criteria are met.

COMPANY SECRETARY

The Board of Magna Mining Limited is pleased to announce the appointment of Mr David Semmens as Company Secretary following the resignation of Mr John Cooke. Mr Semmens has experience in providing company secretarial, financial and corporate and other related services to organisations listed on ASX.

The Board expresses its gratitude to Mr Cooke for his efforts over the past two years.

A handwritten signature in black ink, appearing to read 'J Green', written in a cursive style.

Jeff Green
Director

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Name of entity

MAGNA MINING N.L.

ACN or ARBN

010 546 675

Quarter ended ("current quarter")

31 December 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	117	138
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(87)	(334)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	35	75
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(401)	(860)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets		
1.9 Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets	24	24
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	24	24
1.13 Total operating and investing cash flows (carried forward)	(377)	(836)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(377)	(836)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material) Share and Option issue costs		
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(377)	(836)
1.20	Cash at beginning of quarter/year to date	2,389	2,848
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,012	2,012

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	141
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

N/A

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	
3.2 Credit standby arrangements	NIL	

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	175
4.2 Development	-
Total	175

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	121	87
5.2 Deposits at call	1,891	2,302
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	2,012	2,389

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A			
6.2 Interests in mining tenements acquired or increased	N/A			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

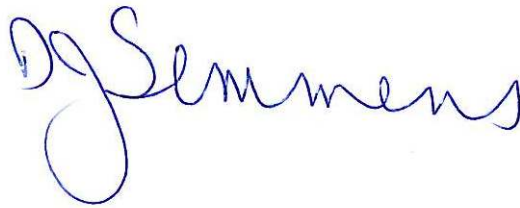
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	424,646,677 38,940,000 5,000,000	424,646,677 38,940,000 NIL	7 cents 9 cents	1 cent 1 cent
7.4 Changes during quarter (a) Increases through issues (b) Changes through payment on contributing shares (c) Increases through exercise of options				
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	319,464,234 14,000,000 60,000,000	319,464,234 NIL NIL	Exercise price \$0.10 \$0.02 \$0.02	Expiry date 30/11/2009 31/03/2009 30/06/2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Lapsed during quarter				
7.11 Debentures (totals only)				

+ See chapter 19 for defined terms.

7.12	Unsecured notes <i>(totals only)</i>		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 31 January 2008
(Company Secretary)

Print name: David Semmens

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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