

MAGELLAN MINERALS LIMITED

TERMS OF REFERENCE FOR COMMITTEES

The following terms of reference shall apply to all the Company's committees except where modified by a Committee's Mandate in which case the terms of reference set forth in such Mandate shall apply.

1. Composition of Committee

Members of each Committee shall have relevant skills and/or experience in the Committee's areas of responsibility as required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded.

The Board of Directors (the "Board") may from time to time establish additional committees who shall have the responsibilities and members determined by the Board at the time of appointment.

2. Appointment of Committee Members

Members of the Committee shall be appointed or confirmed by the Board annually and shall hold office at the pleasure of the Board.

3. Vacancies

Where a vacancy occurs at any time in the membership of a Committee, it may be filled by the Board. The Board shall fill any vacancy if the membership of a Committee is less than the minimum requirement number of Directors for a Committee.

4. Committee Chair

The Board shall appoint a Chair for each Committee.

5. Absence of Committee Chair

If the Chair of a Committee is not present at any meeting of the Committee, one of the other members of the Committee who is present at the meeting shall be chosen by the Committee to preside at the meeting.

6. Secretary of Committee

Each Committee may appoint a Secretary who need not be a director of the Company.

7. Meetings

The Chair of a Committee or the Chair of the Board or any two of its members may call a meeting of the Committee.

8. Quorum

A majority of the members appointed to a Committee shall constitute a quorum.

9. Notice of Meetings

The Chair of a Committee shall arrange to provide notice of the time and place of every meeting in writing (including by facsimile) to each member of a Committee at least 24 hours prior to the time fixed for such meeting, provided, however, that a member may in any manner waive a notice of a meeting. Attendance of a member at a meeting constitutes a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. The Chair will also ensure that an agenda for the meeting and all required materials for review by the members of each Committee are delivered to the members with sufficient time for their review.

10. Attendance of the Company's Officers at Meetings

The Chair of a Committee or any member of a Committee may invite, one or more officers of the Company to attend any meeting of the Committee.

11. Procedure, Records and Reporting

Subject to any statute or constituting documents of the Company and these Terms of Reference, each Committee shall determine its own procedures at meetings and may conduct meetings by telephone, shall keep records of its proceedings and report to the Board when the Committee may deem appropriate but at least annually.

12. Engagement of Advisors

Each Committee may, at the request of the Board or on its own initiative, investigate such other matters as it considers necessary or appropriate in the circumstances and, with prior approval of the Audit Committee, be authorized to engage outside advisors to assist in dealing with matters within its mandate.

13. Delegation

Each Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee, management or, to the extent otherwise permitted by applicable plans, laws or regulations, to any other body or individual.

14. Public Reporting

Each Committee shall be responsible for preparing or approving all required public reports of its mandate with such assistance of management and outside advisors as it deems appropriate.

15. Limitation on Responsibilities

Nothing in this document is intended to or shall confer on any member a higher standard of care or diligence than that which applies to the Directors as a whole.

16. Review of Terms of Reference

Each Committee shall review its Terms of Reference at least annually and propose recommended changes to the Board.

17. Effective Date

This Terms of Reference was implemented by the Board on the 25th day of May, 2007.