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## IRON ORE TARGETS SIGNIFICANTLY INCREASED TO 150KM STRIKE LENGTH

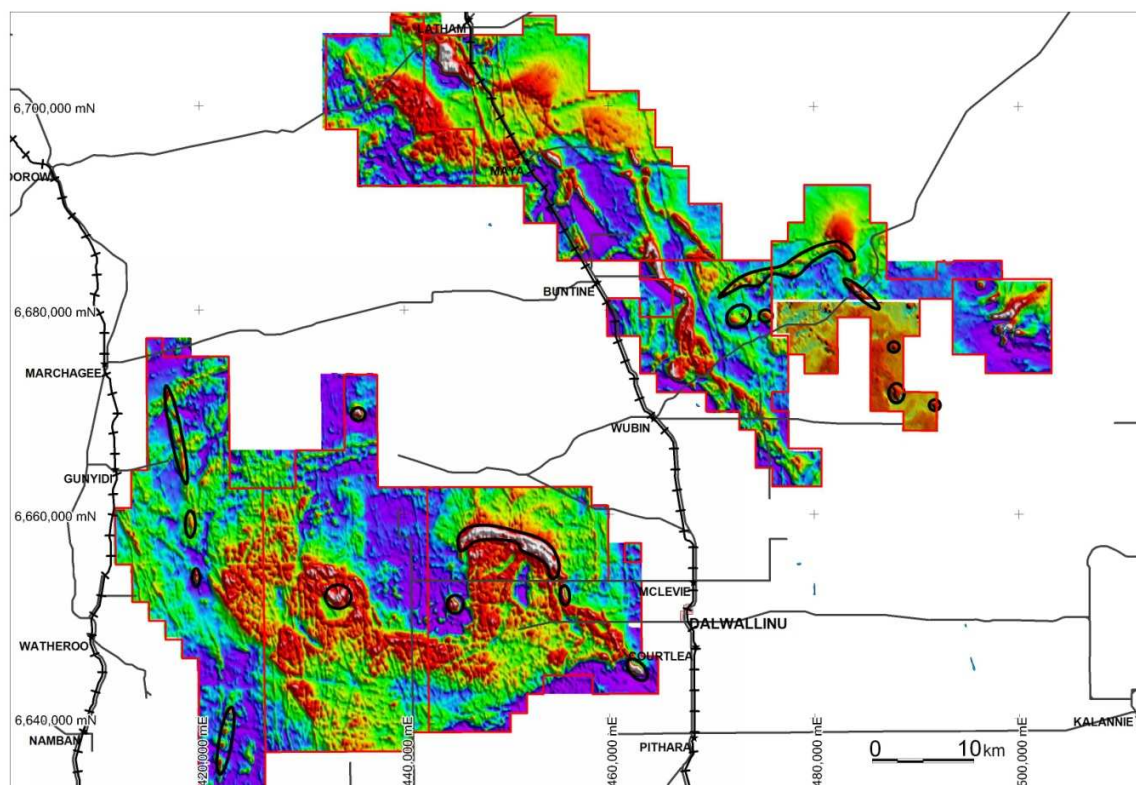
Magnetic Resources has now completed 60% of a 3,480sq km high resolution aeromagnetic survey of its tenements over multiple target areas in the south west of WA (ASX release 17 February 2010). The aeromagnetic survey comprises about 16,280 line-km of flying on 250m line spacings, in areas where much of the historic aeromagnetic data is based on line spacings of 1,600m. The survey forms part of Magnetic's search for iron ore close to existing infrastructure.

New data has been received which has added to the targets identified so far. The most significant new target is an intense magnetic anomaly situated about 15km north west of Dalwallinu which **extends over 11km of strike** and forms part of a 25km-long magnetic trend. A number of other targets have been identified in this area including north-south trending magnetic zones on the western side of the survey area where several outcropping banded iron formation (BIF) occurrences have been mapped. These BIF outcrops and associated anomalies are less than 10km east of the Perth-Geraldton railway line. **The total target strike length within the Dalwallinu survey area is 33km.**

Preliminary interpretation of the surveyed areas north of Wubin has identified four new target areas covering a total strike length of **20km of potential iron formations** as shown in the attached map, which shows the new target areas outline in black. On the basis of the results reported previously, two additional exploration licences have been applied for extending the Wubin tenement blocks to the south east and north west.

The new targets, together with the previously announced 32km of targets recently identified near Wubin, **bring the total strike length of targets for the Wubin, Dalwallinu and Jubuk projects to an extensive 150km, with 40% of the detailed aeromagnetic survey yet to be completed.**

Magnetic continues to be most encouraged by these early results and has commenced field work to follow up and assess the target areas for both magnetite and direct shipping ore. Further results of the aeromagnetic survey will be released as they come to hand.



**Wubin and Dalwallinu Aeromagnetic Survey Showing New Target Areas (black)**

The information in this report is based on information compiled or reviewed by George Sakalidis BSc (Hons), who is a member of the Australasian Institute of Mining and Metallurgy. George Sakalidis is a director of Magnetic Resources NL. George Sakalidis 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 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. George Sakalidis consents to the inclusion of this information in the form and context in which it appears in this report.