



magnetic resources^{NL}

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188KM OF IRON ORE TARGETS IDENTIFIED

Magnetic Resources has now completed 94% 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 a 250m line spacing, in areas where much of the historic aeromagnetic data is based on a line spacing of 1,600m. The survey forms part of Magnetic's search for iron ore close to existing infrastructure.

Currently Magnetic is talking to rail authorities and experts in respect to possible iron ore operations using existing railway networks close to Magnetic's tenements and targets. These are early stage discussions yet Magnetic anticipates positive outcomes.

New data has been received which has added to the targets identified so far. The new targets total 23km in length, with the most significant targets situated on the southern end of the Sewell project area (see attached map). One of the Sewell magnetic targets in particular exhibits complex folding and thickening of hinge zones that could provide a favourable environment for iron ore formation. These targets range from just 1km to 18km north of the Kulin-Narrogin railway line.

These new targets bring the total strike length of targets for the Sewell, Wubin, Dalwallinu, Jubuk and Quairading projects to an extensive 188km, with 6% of the detailed aeromagnetic survey yet to be completed.

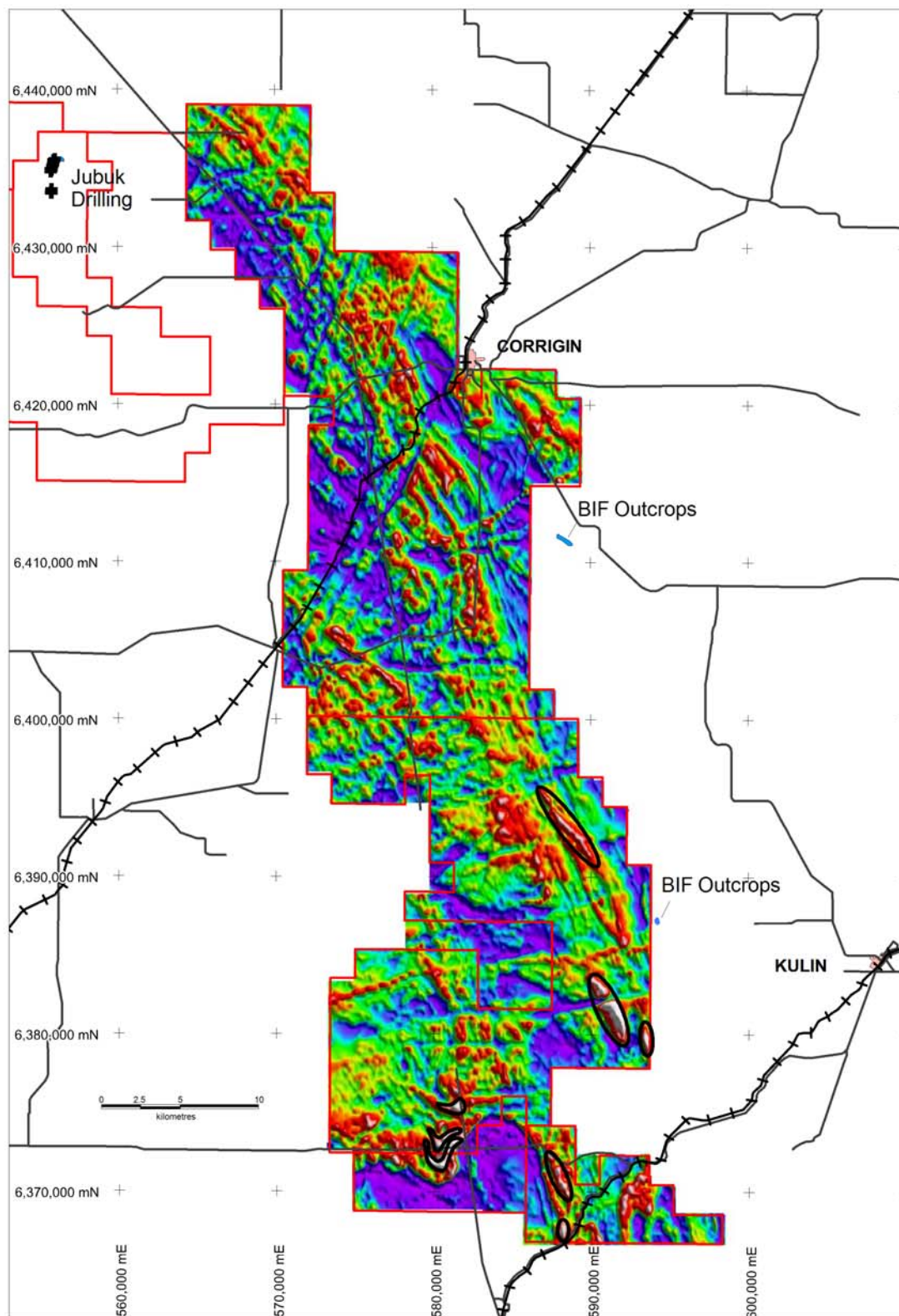
Magnetic continues to be encouraged by these early results and has commenced field work to follow up and assess the target areas for both magnetite and direct shipping ore. Further results of the aeromagnetic survey will be released as they come to hand.

For more information on the company visit www.magres.com.au

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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.



Sewell Regional Aeromagnetic Survey Showing New Target Areas (black)