

Appendix 3Y

Change of Director's Interest Notice

Name of entity	MAGNETIC RESOURCES NL
ABN:	34 121 370 232

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	George Sakalidis
Date of last notice	19 May 2010
Date of this notice	27 May 2010

Part 1 - Change of director's relevant interests in securities

Direct or indirect interest	Direct and Indirect
Nature of indirect interest (including registered holder)	Indirect interests held by: Leeman Pty Ltd, a company controlled by Mr Sakalidis; G and J Sakalidis acting as joint trustees for the Sakalidis Superannuation Fund
Date of change/s	Between 21 and 27 May 2010
No. of securities held prior to change	4,145,531 fully paid ordinary shares 3,076,113 partly paid fully participating contributory shares issued at \$0.00 with \$0.20 payable 800,000 options to acquire fully paid ordinary shares exercisable on or before 23.12.2014 at \$0.2709 each
Class	Quoted fully paid ordinary shares
Number acquired	MAU - 125,000
Number disposed	N/A
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	\$43,382
No. of securities held after change	4,270,531 fully paid ordinary shares 3,076,113 partly paid fully participating contributory shares issued at \$0.00 with \$0.20 payable 800,000 options to acquire fully paid ordinary shares exercisable on or before 23.12.2014 at \$0.2709 each
Nature of change	Purchase on market

Part 2 – Change of director’s interests in contracts

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change	
Interest acquired	
Interest disposed	
Value/Consideration	
Interest after change	