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NEW AEROMAGNETIC SURVEY OUTLINES AN ADDITIONAL 32KM OF IRON TARGETS

As part of its expanded search for iron ore close to existing infrastructure, Magnetic Resources has commenced a 3,480sq km high resolution aeromagnetic survey of its tenements over multiple target areas in the SW of WA (ASX release 22 January 2010). The aeromagnetic survey being carried out by GPX Surveys, will comprise some 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.

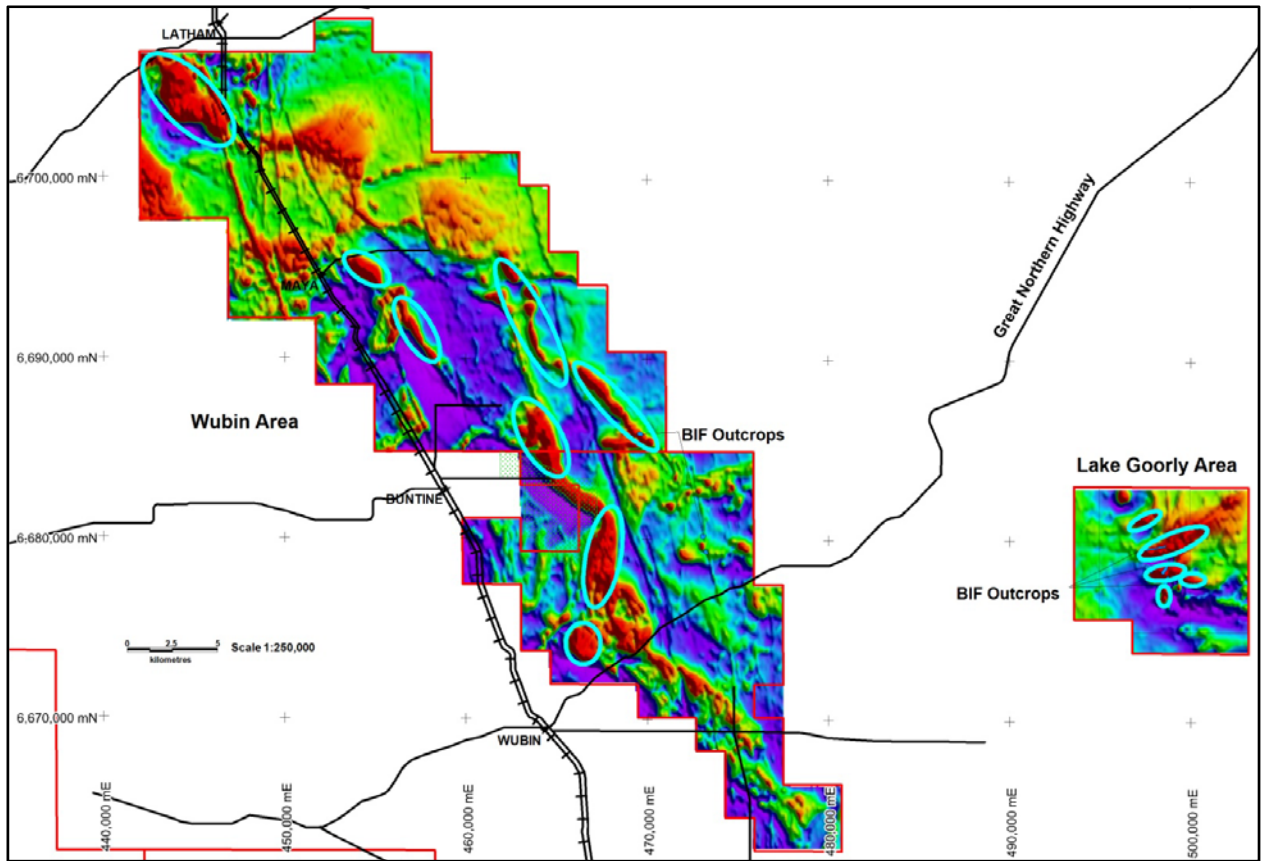
Only 20% of the survey has been completed to date yet 32km of new iron targets have already been outlined over two separate areas near Wubin and Lake Goorly. This brings the total strike length of iron targets identified from recent aeromagnetic surveys to more than 100km.

Preliminary interpretation of the surveyed areas north of Wubin has identified eight main target areas covering a total strike length of **24km of potential iron formations** as shown in the attached map. One of the target areas covers a mapped outcropping banded iron formation (BIF) occurrence.

The targets within the Wubin area are all within 12km of the Wubin-Perenjori railway line which passes through the tenements, highlighting the proximity of this tenement area to existing infrastructure. One large oval target 5km x 2km in area is only 200m from the railway line. Magnetic is cognisant of the proximity of the old Koolanooka iron ore mine 60km to the north of Wubin, where historically 5Mt of direct shipping iron ore (DSO) was shipped between 1966 and 1974.

The Lake Goorly area preliminary data show five target areas covering a total strike length of **8km of potential iron formations** three of which cover mapped outcropping BIF occurrences. The Lake Goorly area is approximately 35km from the railway line at Wubin.

The preliminary survey results confirm Magnetic's interpretation of the low resolution regional aeromagnetic data and **Magnetic is greatly encouraged by these early results, with 80% of the survey yet to be completed.** Field reconnaissance and sampling of the identified targets for both magnetite and DSO is in preparation. Further results of the aeromagnetic survey will be released as they come to hand.



Wubin and Lake Goorly Aeromagnetic Survey and Target Areas

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.