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Initial Jubuk Drill Intersections of 16m @ 33.4% Fe and 32m @ 28% Fe

Magnetic Resources has received the first analytical results from its initial reverse circulation (RC) drilling programme testing the Jubuk Target 1 magnetite prospect near Corrigin in WA. The 1600m programme consisted of 11 RC drill holes and one diamond drill hole. The drill hole locations are shown in Figure 1.

The drilling has shown the presence of **significant widths of near surface coarse grained magnetite** in metamorphosed and re-crystallized banded iron formation with iron grades around 25%Fe. If the iron is present as magnetite, this suggests a magnetite grade of approximately 35%. The analytical results are summarised in Table 1. Upon receipt of all the analytical results, **Magnetic will undertake Davis tube and grind test work on selected drill samples to assess the likely magnetite grades and recoveries**.

Drill holes JRC01-7 returned the best results, located over an 800m strike length in the northern prospect area. The results include intersections of 16m @ 33.4%Fe from 44m in hole JRC01 and 32m @ 28.0%Fe from 63m in hole JRC06. A cross section of drill holes JRC05 and JRC06 is shown in Figure 2. Drill holes JRC08-9 reported weaker than expected results, as a result this area is being investigated by examining the geophysical models to determine if the magnetic target under alluvial cover has been effectively tested. Analytical results from drill holes JRC10-11 and JDH01 are pending.

The results are similar in nature to other recently announced drilling results by other explorers on magnetite prospects in the south west region of WA and warrant follow up testing. Jubuk Target 1 is the first prospect to be tested out of three accessible targets identified by Magnetic to date at Jubuk (ASX release 5 January 2010). Geophysical modelling of downhole magnetic susceptibility results and ground magnetic data from Jubuk Target 1 is underway. The geophysical models will be used to plan the next phase of drilling to test more of this 12km-long magnetic target zone.

In addition, a ground magnetic survey is being finalised over the central portion of the adjacent 10km-long Jubuk Target 2, where it is anticipated that drilling targets will be identified.

As recently announced (ASX release 26 February 2010), Jubuk forms one of numerous iron ore targets (totalling more than 150km in length) identified by Magnetic in the south west region, where an extensive programme of sampling and evaluation is now underway.

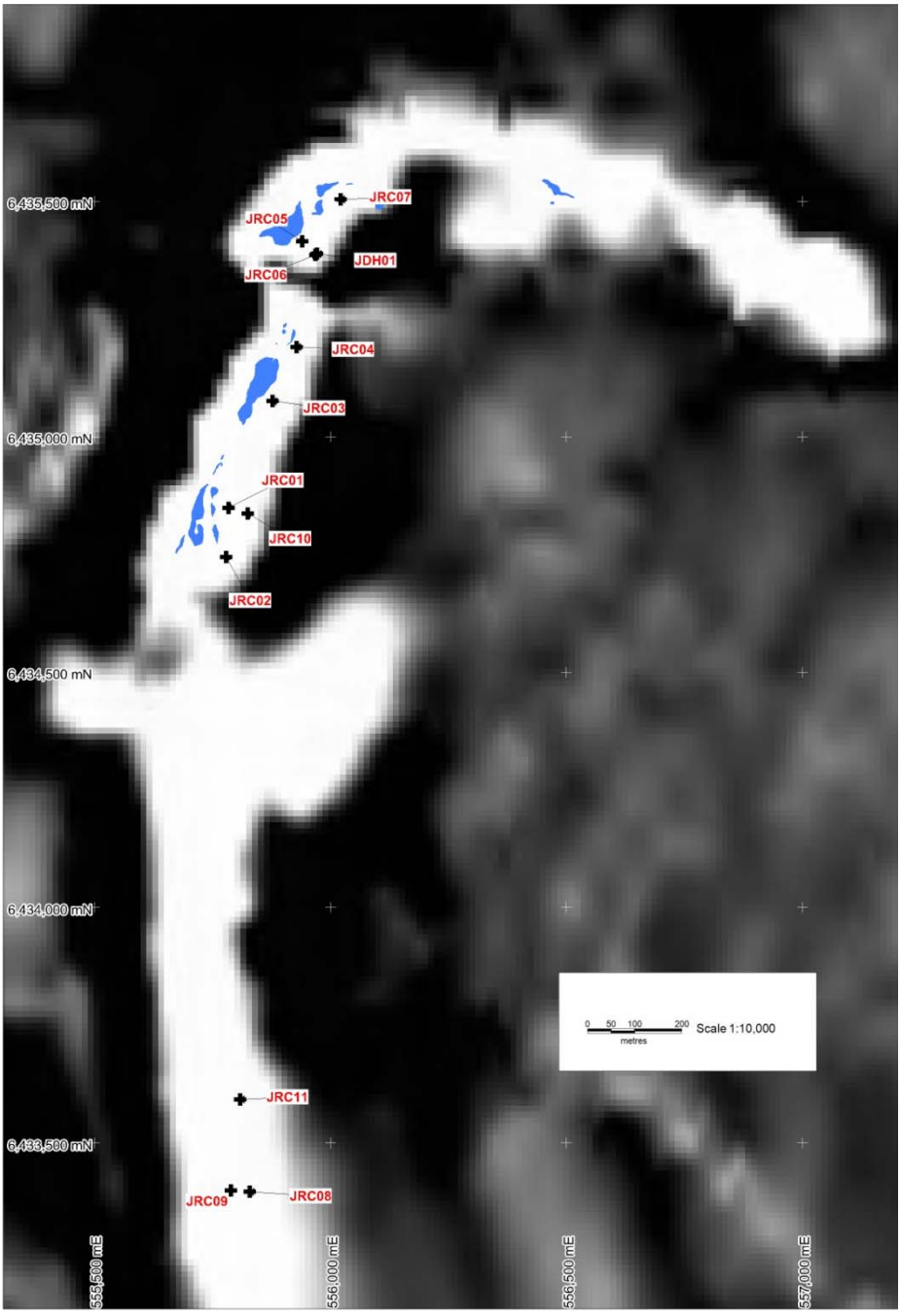

Figure 1
Jubuk Target 1. Drill Hole Locations, Banded Iron Formation Outcrops (blue) and Greyscale Aeromagnetic Image Showing Part of the Target Zone

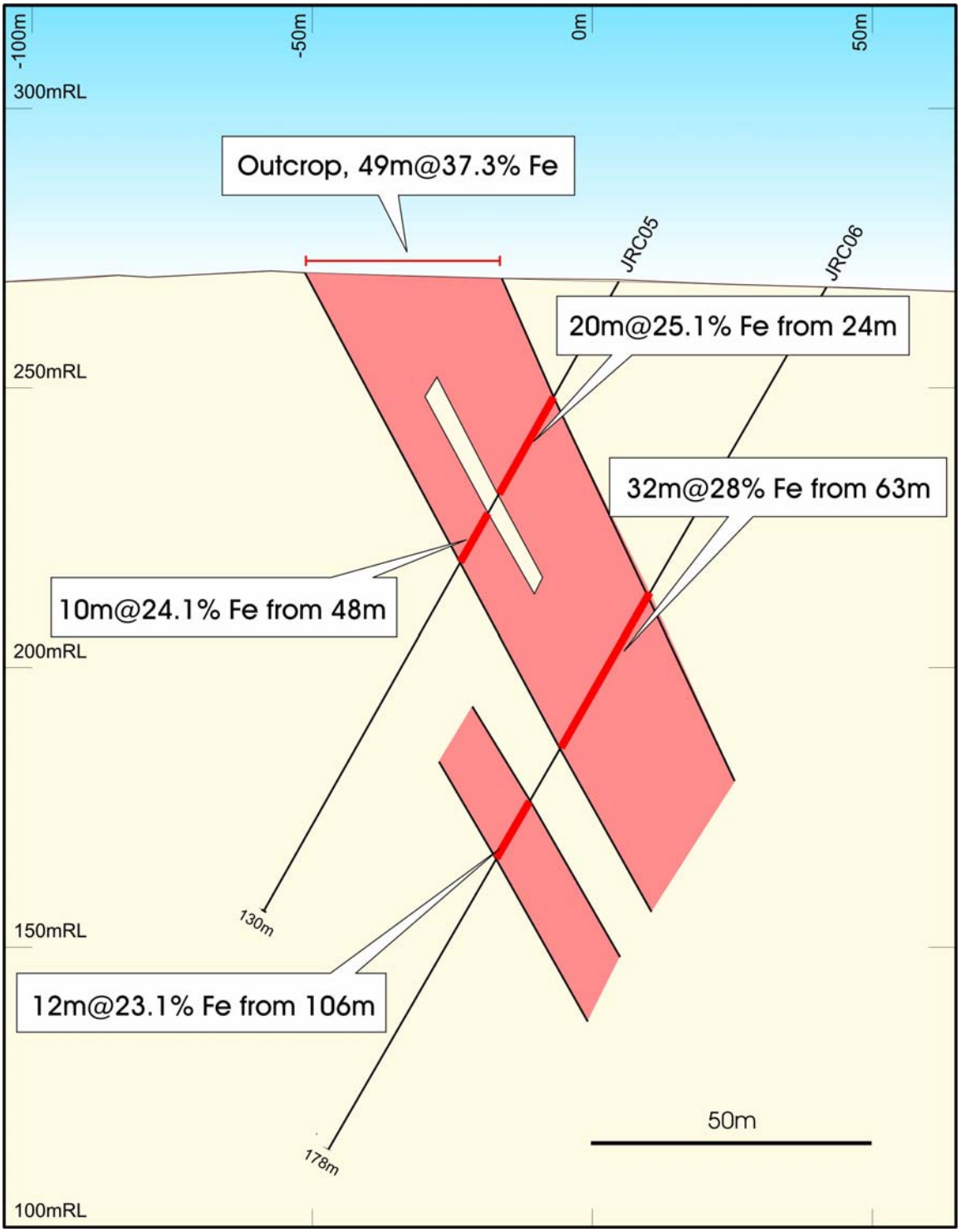

Figure 2
Jubuk Target 1 Cross Section

Table 1
Jubuk Drill Hole Results

Hole Number	Collar Coordinates		RL	Azimuth	Dip	From m	To m	Interval m	Fe %
	MGA East	MGA North							
JRC01	555784	6434849	257	295	-60	12	20	8	26.9
						44	60	16	33.4
JRC02	555779	6434745	253	294	-60	52	60	8	27.5
JRC03	555877	6435076	268	305	-60	64	76	12	23.9
JRC04	555928	6435190	267	295	-60	28	60	32	21.5
JRC05	555940	6435415	270	307	-60	24	44	20	25.1
						48	58	10	24.1
JRC06	555968	6435387	268	310	-60	63	95	32	28.0
						106	118	12	23.1
JRC07	556022	6435504	268	336	-60	65	77	12	30.1
JRC08	555829	6433397	260	275	-60	47	55	8	20.8
						78	85	7	21.0
JRC09	555789	6433399	260	270	-60	36	43	7	25.2

Fused bead and XRF Fe determinations

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.