



magnetic resources^{NL}

ASX Release
13 March 2013

ASX code: MAU

Level 2, 16 Ord St
West Perth WA 6005
PO Box 1388
West Perth WA 6872
Telephone 08 9226 1777
Facsimile 08 9485 2840
info@magres.com.au
www.magres.com.au

ABN 34 121 370 232

RECEIVES FIRST DRAW DOWN AND APPOINTS INDUSTRY EXECUTIVES

Further to the release dated 6 March 2013, Magnetic Resource NL ("**Magnetic**" or the "**Company**") is pleased to announce that it has received the first placement tranche of \$400,000 under the Share Subscription Agreement ("**Agreement**") from the group of experienced iron ore industry executives and industry professional (the "**Subscribers**"), headed up by Messrs Blanning and Fletcher.

Magnetic welcomes the investment by the Subscribers, who are putting their technical expertise and financial support behind Magnetic in its endeavour to commercialise the Ragged Rock Project.

In addition to the first tranche, Magnetic has also placed \$140,000 in shares on the same terms to a group of existing shareholders. This group of existing shareholders have the right to subscribe proportionately to any subsequent placements of ordinary fully paid shares made under the Agreement up to a maximum of 35% of those shares placed to the Subscribers.

Magnetic will issue 7,714,286 shares at 7 cents each (raising a total of \$540,000) to the Subscribers and shareholders, and issue a further, 2,857,143 options exercisable at A\$0.1499 on or before 27 December 2016 (being of the same class as those already on issue) and 1,200,000 partly paid shares to the Subscribers.

The 5,714,286 shares and all the options and partly paid shares being issued to the Subscribers will be held **under voluntary escrow** by the Subscribers for as long as they have the right to subscribe for shares under the Agreement.

An appendix 3B will be lodged shortly.

Appointment of Executive Director and Company Secretary

The Company is also delighted to confirm the official appointment of Mr Gavin Fletcher as an Executive director and Mr Ben Donovan as company secretary effective immediately.

Mr Fletcher is a Metallurgist with 16 years' experience in mining in Australia, Africa and Europe, having held positions in iron ore start-ups like UK listed African Minerals, Northern Iron Ltd and Fortescue Metals Group Ltd.

Mr Donovan is a member of Chartered Secretaries Australia and provides corporate advisory, IPO and consultancy services to a number of companies, and is currently a Director and Company Secretary of several ASX listed and public unlisted companies.

A full summary of Mr Fletcher and Mr Donovan's qualifications is included in the 6 March 2013 announcement.

The current company secretary Mr Rudolf Tieleman will resign with effect 15 March 2013. The Board thanks Mr Tieleman for his service to the Company and wishes him well in his future endeavours.

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

George Sakalidis
Managing Director
Phone (08) 9226 1777
Mobile 0411 640 337
Email george@magres.com.au