



magnetic resources<sup>NL</sup>

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**GLOBAL FOCUS FOR IRON ORE SUITED TO RAGGED ROCK AND KAURING**

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ABN 34 121 370 232

Magnetic Resources NL (**Magnetic** or the **Company**) has received numerous queries from shareholders following an article that appeared in the West Australian newspaper dated 12 March 2014.

The article titled "A greener China will change ore dynamics", quotes various representatives from Fortescue Metals Group, BHP Billiton Iron Ore and Rio Tinto Iron Ore, stating that an increasing focus by Chinese buyers is on a higher grade iron ore with lower impurities. Further more, that the 5-year plan for China was heavily focused on environmental issues, with a cleaner ore supply.

Mr Andrew Harding from Rio Tinto Iron Ore is quoted as saying "low-grade iron ore with high impurities will come under pressure."

Magnetic is encouraged by these comments as it moves to develop high quality resources at both its Ragged Rock and Kauring projects, north east of Perth which are adjacent to the Avon and Trans Australian railway line.

As announced to the ASX on 22 April 2013 and 20 March 2014, the company has indicated that testwork at its Ragged Rock and Kauring projects, has Fe content of 70.74% Fe from DTR and 66% Fe respectively, but more importantly that impurities are well below industry norms.

Discussing the article, Executive and Technical Director Gavin Fletcher, "*The comments from the three biggest iron ore producers in Australia are a very encouraging sign for Magnetic as we believe we have a future resource that will be high in iron ore content, but more importantly will be with significantly lower impurities. Our testwork to date confirms this, and upon successfully proving up and commercializing a resource, will place Magnetic at a distinct advantage to meet the increasingly stringent requirements of the Chinese market.*"

Magnetic looks forward to updating the market on the progress of developing the Ragged Rock and Kauring projects in due course.

For more information on the company visit [www.magres.com.au](http://www.magres.com.au)

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## **Competent Person's Statement**

The information in this report that relates to exploration results is based on information compiled or reviewed by Mr George Sakalidis BSc (Hons) who is a member of the Australasian Institute of Mining and Metallurgy and Mr Cyril Geach BSc (Hons-Geology) who is a member of the Australian Institute of Geoscientists. 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 2012 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.

Cyril Geach is an independent consultant with his own business, Cyril Geach - Geologist and 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 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Cyril Geach consents to the inclusion of this information in the form and context in which it appears in this report.

