



ASX Release
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Jubuk Drilling Extends Strike Length 100% to 4km

Following the previously reported encouraging drilling and test work results from its 100%-owned Jubuk project near Corrigin, Magnetic has commenced a two-stage 34-hole reverse circulation (RC) drilling programme totalling approximately 4,000m. The drilling programme is aimed at defining an Inferred Resource and testing of strike extensions of the prospective coarse-grained magnetite banded iron formation (BIF).

Magnetic has completed the first stage of this drilling programme comprising 22 holes totalling 2,150m. The drilling has successfully extended the coarse grained BIF horizons approximately 2.1km to the east of the previous drilling, increasing the known strike length of the mineralisation to more than 4km. Better intersections include **21m @ 30.8%Fe** from 72m in hole JRC049 and **12m @ 29.5%Fe** from 76m in hole JRC035. The location of the recently completed drilling and the proposed drilling is shown on the attached map. Significant results are summarised in the table below:

Jubuk RC Drilling Results

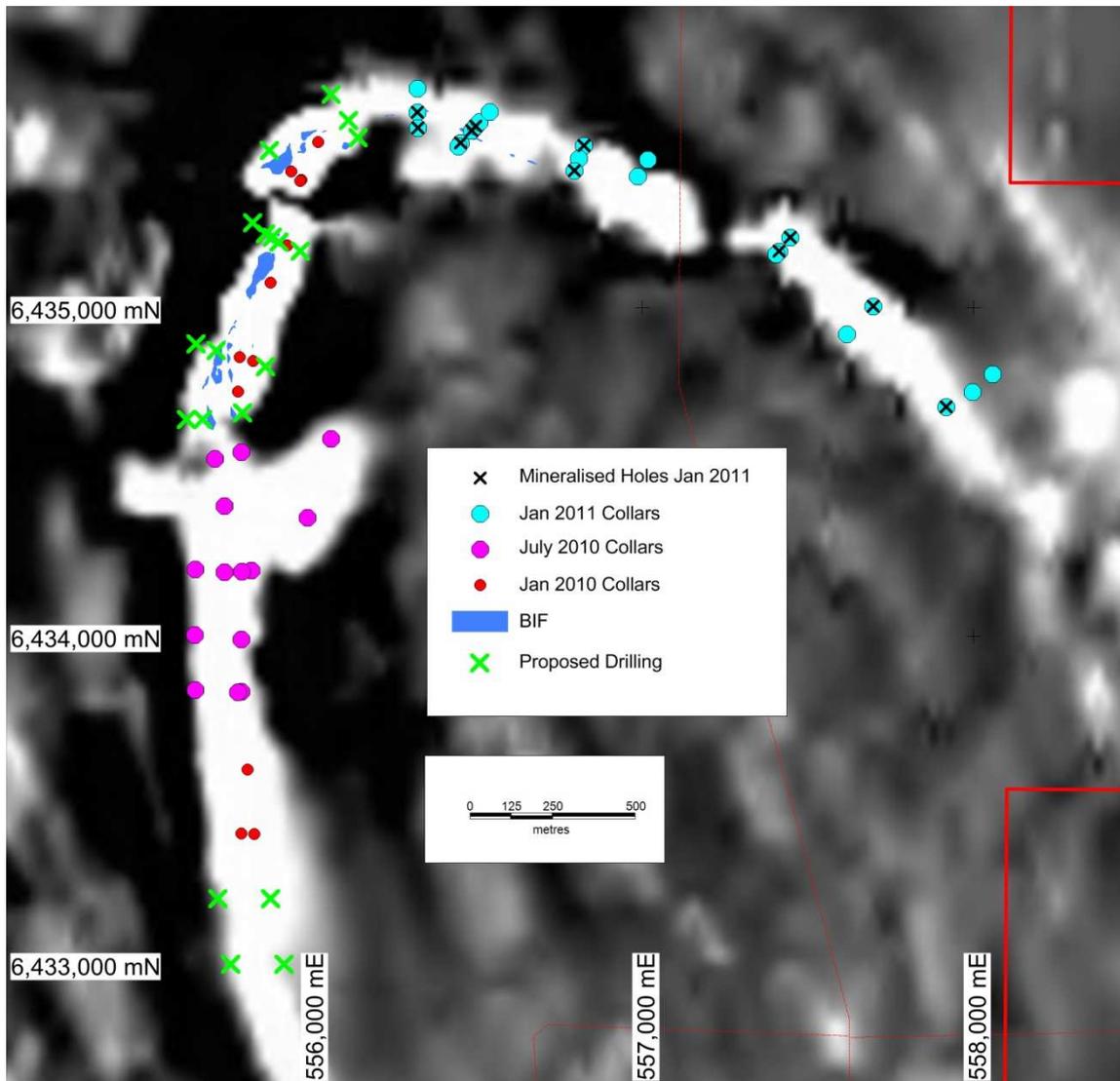
Hole Number	Coordinates		From m	To m	Interval m	Fe %
	E	N				
JRC032	557917	6434697	44	52	8	20.3
JRC035	557697	6435002	76	88	12	29.5
JRC037	557447	6435213	45	57	12	24.1
JRC038	556484	6435539	6	21	15	17.5
JRC039	556496	6435551	6	9	3	20.1
JRC043	556322	6435595	0	18	18	21.9
			87	99	12	15.3
JRC044	556322	6435547	75	78	3	27.5
JRC045	556452	6435500	9	15	6	17.8
			27	33	6	17.7
JRC047	556823	6435492	9	33	24	22.0
JRC049	556796	6435416	72	93	21	30.8
JRC052	557412	6435171	48	60	12	27.9

3m composite samples. Fe determined by fused disc XRF

Geological interpretation indicates that the magnetite BIF is both faulted and folded, with further interpretation of the structure and continuity of the BIF in progress. In addition, Davis Tube recovery (DTR) tests are being carried out on composite samples from the recent drilling as part of the metallurgical testing of this extension. As previously reported, DTR tests on drill samples has indicated that Jubuk magnetite can probably be upgraded to a premium grade product using a coarse grind and magnetic separation.

Given the success to date in extending the strike length of the mineralisation by drilling, the company is planning a 50 line-kilometre gravity survey to assist in drill targeting and to define the extent and continuity of the BIF horizon around a 7km-long regional dome structure on which the Jubuk deposit is interpreted to be situated.

Following ASX advice that scoping studies on the potential economics of mining projects should include JORC-compliant resources, completion of the Jubuk scoping study has been deferred pending results of further drilling and a resource estimate. The second stage of the proposed drilling is anticipated to commence in early March focussing on the central zone of the BIF to facilitate preliminary definition of resources in the project area.



Location of Completed and Proposed Resource Drilling

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 by Allan Younger (Dip Applied Geol), who is a member of the Australasian Institute of Mining and Metallurgy. Allan Younger is a consultant to Magnetic Resources NL. Allan Younger 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'. Allan Younger consents to the inclusion of this information in the form and context in which it appears in this report.