



magnetic resources^{NL}

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240% INCREASE IN PROSPECTIVE BIF ZONE AT RAGGED ROCK AFTER SAMPLING AT ADJACENT COLLINS HILL

Magnetic Resources NL (**Magnetic**) is delighted to announce that recent reconnaissance mapping and sampling of the Collins Hill tenement application (ASX release 12th March 2013), which covers the SE strike extension of Target 1, has identified several coarse grained BIF horizons.

These extensions have an interpreted aggregate strike length of about 12 km, with the potential to significantly increase the Exploration Target of the Ragged Rock Project Target 1 which is 5km in length. Rock chip sampling results from Collins Hill are shown in Figure 1 and Table 1, and have similar characteristics to the surface BIF sampled at Target 1.

Commenting on the Collins Hill samples, Managing Director, George Sakalidis said "The results show a strong correlation with the initial samples taken at Target 1, where recent drilling has confirmed the presence of coarse grained magnetite. A continuation of the magnetite horizons into the Collins Hill project has the potential to substantially increase the Exploration Target identified by Magnetic at Target 1 from the first phase drilling."

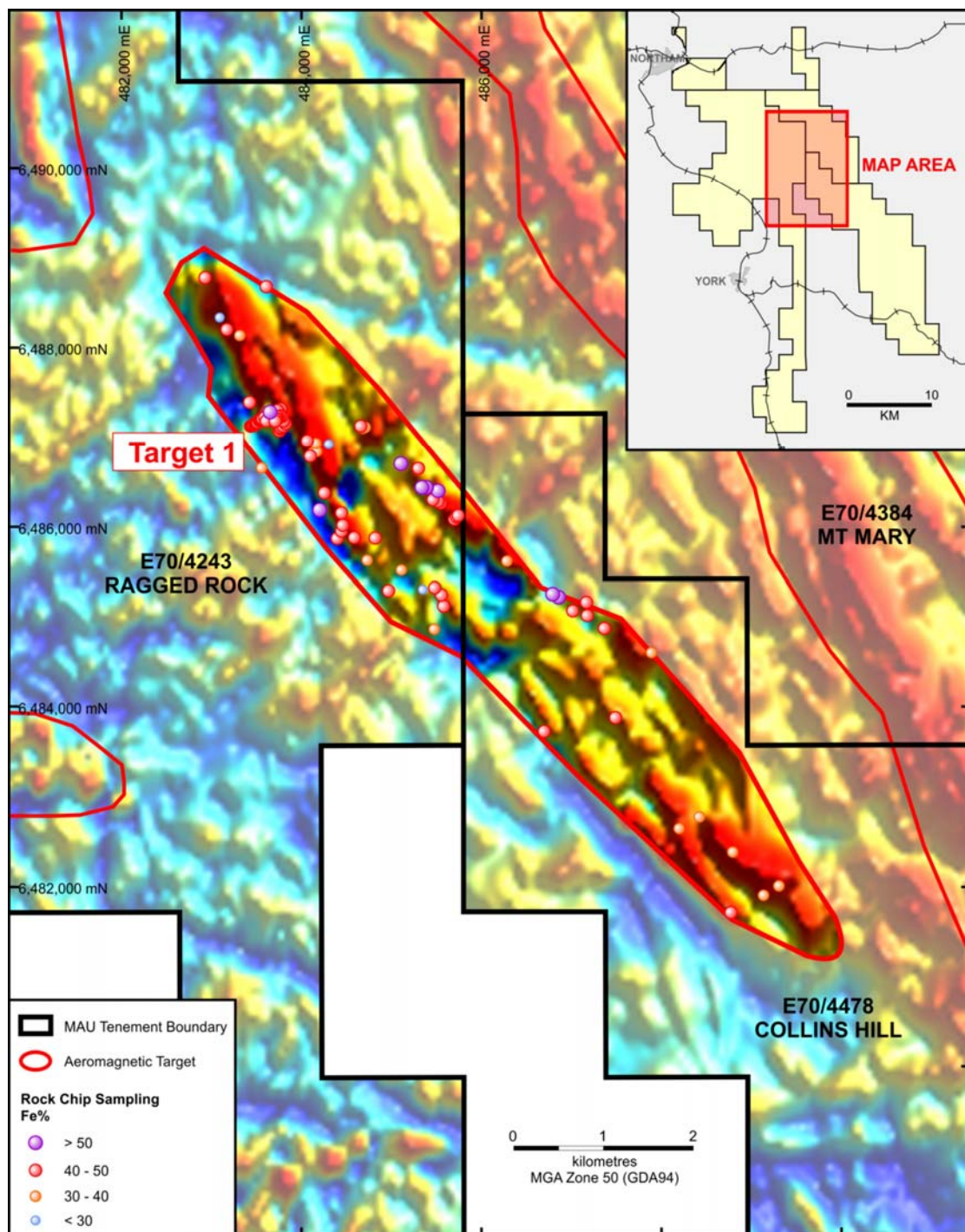


Figure 1. Ragged Rock and Collins Hill rock chip sampling Fe% results

Table 1
Collins Hill BIF Sampling Results

Sample	E	N	Fe%	SiO2%	Al2O3%	P XRF%	S XRF%	LOI
CHR1	487362	6484875	43.2	33.75	2.25	0.027	0.012	1.41
CHR2	487885	6484604	33.8	49.77	1.04	0.025	0.007	0.40
CHR3	487173	6485016	46.5	31.32	0.96	0.038	0.013	0.78
CHR4	487011	6485068	40.3	40.35	0.79	0.022	0.005	-0.50
CHR5	487165	6485166	44.8	33.91	0.97	0.029	0.007	0.55
CHR6	486786	6485268	53.3	10.88	6.65	0.045	0.007	2.28
CHR7	486856	6485222	55.5	9.41	6.90	0.017	0.016	2.10
CHR8	486282	6485618	30.1	31.33	13.98	0.088	0.046	9.89
CHR9	486693	6483730	49.7	16.83	9.29	0.023	0.016	2.14
CHR10	487487	6483880	43.7	34.26	1.88	0.019	0.013	0.62
CHR11	488765	6481722	40.9	39.26	1.02	0.044	0.009	0.65
CHR12	489131	6481911	31.8	50.83	1.00	0.043	0.033	-0.30
CHR13	489303	6482015	36.4	44.07	1.35	0.046	0.047	0.06
CHR14	488788	6482390	39.9	38.63	2.27	0.036	0.019	1.03
CHR15	488417	6482779	36.1	40.42	3.54	0.045	0.013	0.40
CHR16	488194	6482652	39.0	41.36	0.92	0.034	0.018	1.24
CHR17	496865	6471975	62.6	5.83	1.88	0.035	0.025	1.41

Analyses using fused disc and XRF determination. Loss on Ignition at 1000°C

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

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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 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.