



magnetic resources<sup>™</sup>

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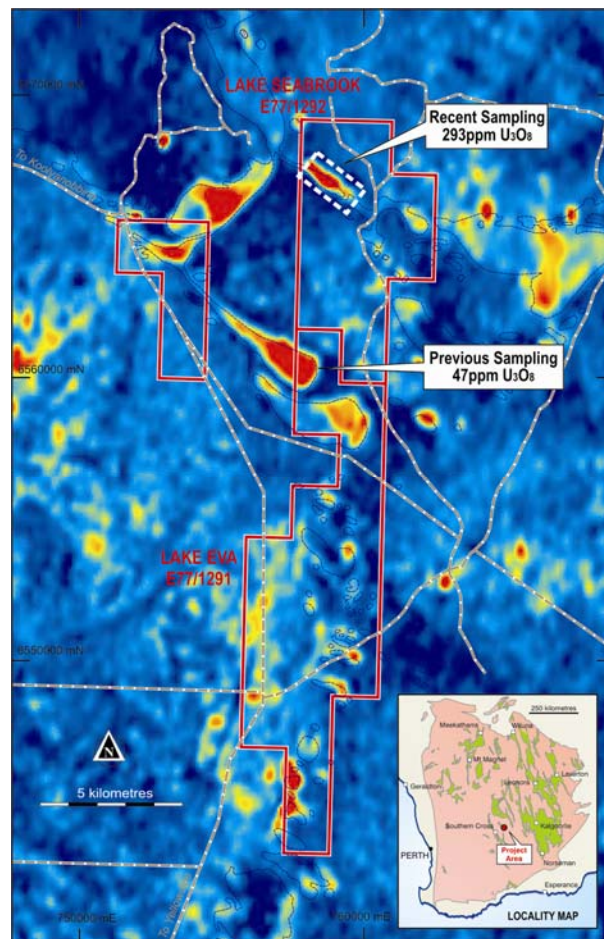
2<sup>nd</sup> Floor, 35 Outram St  
West Perth WA 6005  
PO Box 1388  
West Perth WA 6872  
Telephone 08 9226 1777  
Facsimile 08 9485 2840  
info@magres.com.au  
www.magres.com.au

ABN 34 121 370 232

## 2KM URANIUM ZONE WITH GRADES UP TO 0.03% U<sub>3</sub>O<sub>8</sub> AT LAKE SEABROOK, WA

Soil and auger sampling over a radiometric anomaly at Magnetic Resources' Lake Seabrook uranium project has identified a 2km-long uranium anomaly with values up to 293ppm (0.03%) U<sub>3</sub>O<sub>8</sub> in shallow salt lake sediments.

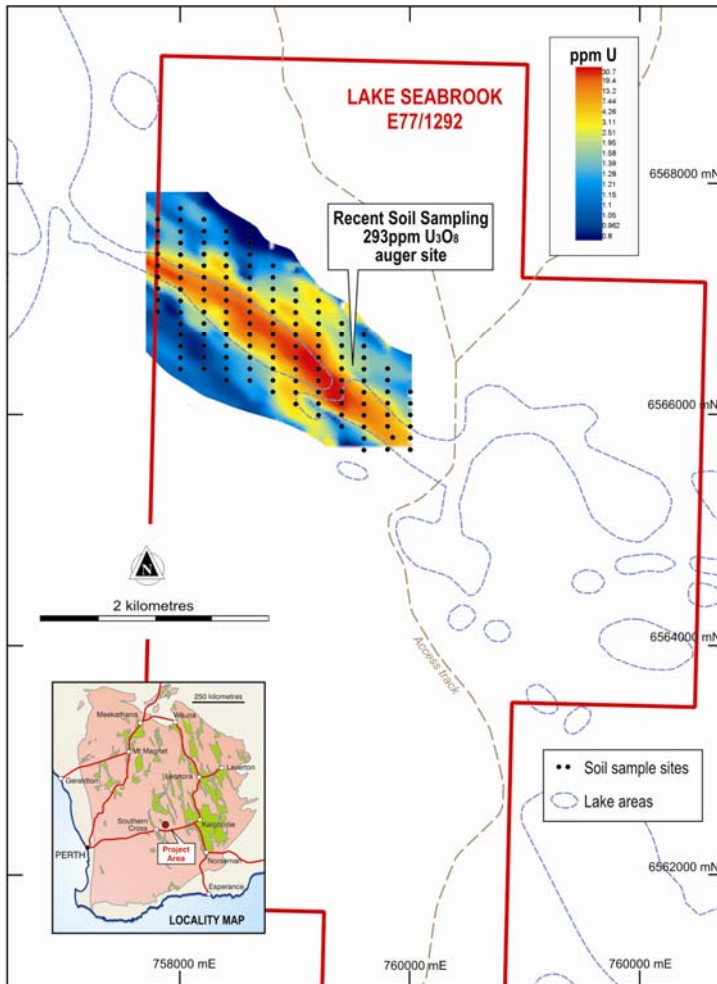
This sampling is in addition to that reported in Magnetic's December 2008 quarterly report where scout surface sampling of a radiometric anomaly some 8km further south identified values up to 47ppm U<sub>3</sub>O<sub>8</sub> in lake sediments. The Lake Seabrook project comprises two exploration licences totalling 95sq km in which Magnetic has earned an 80% interest, with the right to earn up to a 100% interest. The tenements cover airborne radiometric anomalies associated with the Lake Seabrook and Lake Eva drainage systems.



Radiometric Image with Sample Locations

Soil sampling and a ground radiometric survey were carried out over a 1.4km-long radiometric anomaly associated with an arm of Lake Seabrook, a dry salt lake. On completion of the ground radiometric survey, areas of strong uranium response were auger sampled to obtain shallow subsurface samples.

The soil sampling traversed the lake edges and across the dry lake bed with the maximum result being 32.8ppm U. Using a 20ppm U threshold, the sampling defines an anomalous zone up to 350m wide and 2km long following the drainage pattern.



A single hand auger hole within this anomalous zone averaged 179ppm U (211ppm  $U_3O_8$ ) from four samples over a 1.5m depth, with a maximum sample result of 249ppm U (293ppm  $U_3O_8$ ). The samples were taken from a grey-brown silty clay.

The hand auger hole is adjacent to a soil sample containing 28.8ppm U collected at a depth of 20-30cm, indicating a degree of stratification of the uranium values within the lake sediments.

Associated elements showing elevated responses include Cu, Co, Pb and Ce. This suggests that uranium and base metals may have been precipitated from oxidised groundwater by a reducing environment within the lake system drainage channels in a setting similar to the high grade Mulga Rock uranium deposits in the Officer Basin north east of Kalgoorlie.

Further exploration is being planned in order to test the extent and thickness of the uranium mineralisation within the extensive Lake Seabrook drainage system.

## Uranium Soil Geochemistry

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

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

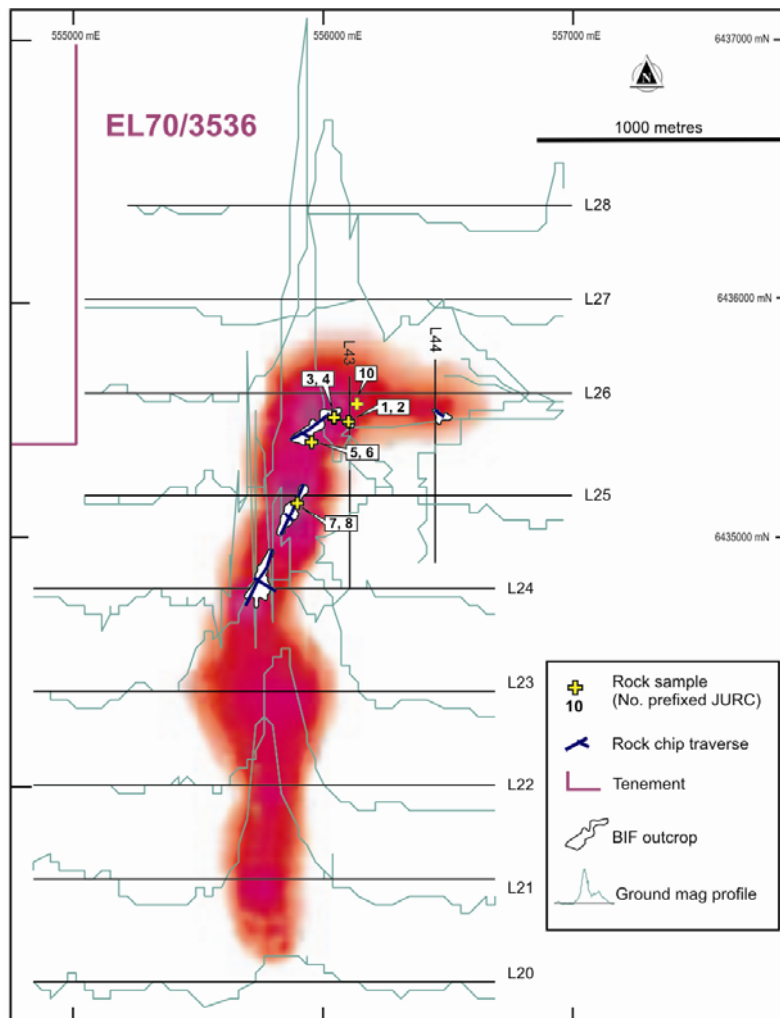
Roger Thomson  
 Technical Director  
 Phone (08) 9226 1777  
 Mobile 0419 969 183  
 Email [roger@magres.com.au](mailto:roger@magres.com.au)

The information in this report is based on information compiled or reviewed by Roger Thomson BSc, ARSM, MAIG who is a member of the Australasian Institute of Mining and Metallurgy. Roger Thomson is a director of Magnetic Resources NL. Roger Thomson 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'. Roger Thomson consents to the inclusion of this information in the form and context in which it appears in this report.



## JUBUK IRON UPDATE

As recently reported (MAU ASX Release 9 March 2009), Magnetic Resources has identified a 35km-long aeromagnetic trend near Corrigin, WA, considered to be prospective for iron ore. By way of clarification, the recent sampling of banded iron formation (BIF) over an 800m strike length returned iron values up to 53.2%Fe ranging from 34.3%Fe to 53.2%Fe, averaging 39.6%Fe from 9 samples as shown in the figure and table below. Several rock chip sampling traverses have been completed over the outcrop areas to obtain material for preliminary Davis Tube testwork.



Jubuk Sample Locations

### Rock Sample Results

Sample No	GDA/MGA East	GDA/MGA North	Fe %	Al %	P %	Cr ppm
JURC001	556096	6435504	41.2	0.39	0.024	35
JURC002	556096	6435504	53.2	1.80	0.018	110
JURC003	556041	6435522	38.2	0.35	0.030	30
JURC004	556041	6435522	37.5	0.36	0.022	30
JURC005	555943	6435421	38.0	0.66	0.020	30
JURC006	555943	6435421	36.6	0.35	0.022	55
JURC007	555883	6435162	34.3	0.63	0.018	25
JURC008	555883	6435162	36.1	0.54	0.018	25
JURC010	556150	6435576	41.3	0.60	0.032	25

Analytical results based on 4-acid digest with ICP finish.

Based on the sampling and ground magnetic surveying completed to date, Magnetic is encouraged by the results and has an exploration target of 200-300 million tonnes in the central 9.5km of the stronger magnetic anomalies. In addition to the measured outcrop thicknesses, this target is based on the interpreted thickness and strike extent of the BIF from ground magnetic or aeromagnetic data. The target size and grade is conceptual in nature and there has been insufficient exploration to define a mineral resource at this stage and it is uncertain if further exploration will result in the identification of a resource of this size and grade.

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

Roger Thomson  
 Technical Director  
 Phone (08) 9226 1777  
 Mobile 0419 969 183  
 Email [roger@magres.com.au](mailto:roger@magres.com.au)

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