
NEWS RELEASE

Magna Resources Files NI 43-101 Technical Report for the Green River Potash Project

Vancouver, B.C., July 16, 2012. Magna Resources Ltd. (“**Company**”) is pleased to announce that further to its news release dated May 30, 2012, it has filed a National Instrument 43-101 compliant technical report entitled “NI 43-101 Technical Report Green River Potash Project Grand County, Utah, USA” (“**Property**”) dated July 10, 2012 with an effective date of June 27, 2012 (“**Report**”).

Key Highlights of the Report include:

- 600 million – 1 billion tonnes of potash are permissive in the horizon known as Cycle 5, the main exploration target, and is known to host potash at a nearby producing mine;
- The Cycle 5 potash bearing horizon has the potential to grade up to 19-29% KCl (potassium chloride) as indicated by down hole gamma ray surveys;
- The Cycle 5 sedimentary horizon is extensive and very continuous at depth throughout the Company’s large 20,620 hectare property; and
- The Property has excellent infrastructure and year-round access with drilling planned for the fall of 2012 to test the extent, grade and thickness of Cycle 5 within the Property.

The Property is situated in the renowned Paradox Basin, host to the same geological setting as the United States’ sole solution mining potash operation called Cane Creek. There, the sedimentary bed known as Cycle 5, which underlies and extends throughout the Property, contains the principal potash mineralization that is mined at Cane Creek and is the Company’s prime exploration target.

Preliminary analysis of down-hole electric log (“**elog**”) data from 33 local and regional oil and gas wells suggests that Potash Cycle 5 is a regionally extensive sylvinitic bed in the northern Paradox Basin demonstrating continuous thicknesses and improving in thickness and grade across the Property to the northeast. The best zone of mineralization appears centralized to the northeast quadrant of the Property where inferred potash-bearing Cycle 5 ranges from about 3 to 6 m thick and grades 22 to 25% eKCl (the prefix ‘e’ in eKCl indicates that the grade was estimated utilizing the response from the gamma ray log surveys and was not measured from chemical analysis of the core).

The Report classifies Cycle 5 as a NI 43-101 exploration target (“**Exploration Target**”) projected to contain between 600 million and 1 billion tonnes of sylvinitic with an average grade ranging between 19 and 29% eKCl, assuming a bed thickness cut-off of 2.0 m and a composite grade cut-off of 15.8% eKCl. Cycle 5 ranges between 1,200 and 1,900 m depth on the Property.

Table 1: Summary of the Cycle 5 Exploration Target†

	Range
Average grade (% eKCl)	19 – 29
Average thickness (m)	2.5 – 5.0
Tonnage (Mt)	600 – 1,000

† Target cut-offs: 15.8% eKCl bed composite grade and 2.0 m bed thickness.

It should be noted that Exploration Targets are conceptual in nature and there has been insufficient exploration to define them as Mineral Resources, and, while reasonable potential may exist, it is uncertain whether further exploration will result in the determination of a Mineral Resource under NI 43-101. The Exploration Target stated in the Report is not being reported as part of any Mineral Resource or Mineral Reserve.

The Report was prepared by Vanessa Santos, Chief Geologist with Agapito and a Licensed Professional Geologist in the State of South Carolina, and Registered Member of the Society for Mining, Metallurgy, and Exploration, and Leo Gilbride, Senior Consultant with Agapito and a licensed Professional Engineer in the State of Colorado, each of which are qualified persons as defined by and independent of the Company for the purposes of National Instrument 43-101; and have reviewed the related scientific and technical information in this press release.

The specific data referred to in the Report was obtained from historical sources believed to be reliable but which have not and cannot be verified.

For additional details regarding the Property, the Report and the Exploration Target, refer to the Company's press release dated May 30, 2012.

The Report is available under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR).

About the Company

Magna Resources Ltd. is dedicated to the acquisition and development of potash mineral deposits in the USA and elsewhere, and trades on the Canadian National Stock Exchange under the symbol MNA. American Potash, a Nevada limited liability corporation, is a wholly owned subsidiary of Magna Resources Ltd., which holds certain potash leases and an option in respect of certain potash lease applications in the State of Utah that constitute the Green River Potash Project.

Neither the Canadian National Stock Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian National Stock Exchange) accepts responsibility for the adequacy or accuracy of this release. Statements in this press release other than purely historical information, historical estimates should not be relied upon, including statements relating to the Company's



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future plans and objectives or expected results, are forward-looking statements. News release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended. Forward-looking statements are based on numerous assumptions and are subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in resource exploration and development. As a result, actual results may vary materially from those described in the forward-looking statements.

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