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MAGNA RESOURCES LTD.
(MNA: CNSX)

News Release

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**American Potash LLC Signs Memorandum of Understanding with
United States Bureau of Land Management**

Vancouver, Canada – May 26, 2011 - American Potash LLC, a corporate joint venture owned equally by **Magna Resources Ltd. (CNSX: MNA)** and **Confederation Minerals Ltd. (TSXV: CFM)**, is pleased to announce the signing of a Memorandum of Understanding (“MOU”) between American Potash LLC and the Utah State Office of the United States Bureau of Land Management (“BLM”) for the purpose of facilitating exploration activities on Federal land containing potash rights applied for or owned by American Potash LLC. The MOU is a significant milestone for American Potash LLC in its efforts to move forward on the exploration of its Federal potash applications and State potash leases in Utah. American Potash LLC has over 63,000 acres of Federal Potash Prospecting Permit Applications (“PPAs”) and over 6,000 acres of State potash leases in the Paradox Basin in southeast Utah. These areas are believed to host significant amounts of potash based upon historical oil and gas drilling and reports prepared by R.J. Hite for the US Geological Survey.

The PPAs were filed with the BLM on June 26, 2008 by Sweetwater River Resources. In 2009 American Potash LLC purchased the rights to these PPAs and has been working with the BLM in Utah to advance plans for potash exploration on lands outside the BLM proposed “10-Mile Known Potash Leasing Area” (“KPLA”). The “10-Mile KPLA” has yet to be officially designated by BLM and would be an expansion of an existing KPLA. The MOU includes PPAs on approximately 39,000 acres while the PPAs on the remaining 24,000 acres are within the proposed KPLA expansion and are not covered by the MOU. The proposed KPLA boundaries are under review by the BLM and once it is finalized, the BLM would offer lands within the KPLA in a competitive lease sale that will not affect the lands subject to the MOU. The objective of the MOU for American Potash LLC is to gain timely approval of the PPAs in order to conduct potash exploration outside the proposed “10-Mile KPLA”. The objective of the MOU for the BLM is to separate approval of exploration from leasing and firmly establish the proper scope of environmental analysis required to consider approval of the PPAs.

Under the terms of this MOU, the BLM acknowledges that once exploration is underway and environmental studies necessary to authorize leasing and development are completed, a decision by the BLM on leasing lands outside of the KPLA will be made in a timely manner. Should the BLM determine that leasing of potash lands for development is appropriate within the area of the American Potash LLC PPAs, the decision will be to issue preference rights leases to American Potash LLC. Any decision to

grant preference rights leases to American Potash LLC will be subject to environmental standards developed through the NEPA process and economic and workability requirements.

Should the BLM ultimately decide not to lease these lands, the MOU does not preclude or diminish the rights of American Potash LLC to pursue administrative rights to seek a decision favourable to its position.

Mr. Rudy de Jonge, Managing Member of American Potash LLC, stated, "The MOU is a significant step forward for American Potash LLC and by extension, Magna Resources and Confederation Minerals. Clearly establishing a separation of exploration procedures from leasing procedures is expected to allow for the timely processing of our PPAs so that we may commence exploration activities."

About American Potash LLC's Green River Potash Project

American Potash LLC's Green River Potash Project is located near Moab in southeast Utah and consists of 31 potash prospecting permit applications totalling 25,593 hectares (63,242 acres) and leases of 9 State sections for a total of 2,446 hectares (6,043 acres). It is within the limits of the Paradox Basin, a southeast-trending geological feature extending across southeast Utah and southwest Colorado, with dimensions of roughly 160 km by 50 km. This sedimentary basin has been the focus of oil and gas exploration since the mid-1950s and has supported potash extraction from the Cane Creek mine since 1964. Cane Creek utilizes low-cost, energy-efficient solution mining and solar evaporation potash recovery. A very arid climate, with 360+ days of sunshine per year, provides ideal conditions for these methods, and American Potash LLC could therefore potentially use the same mining technology.

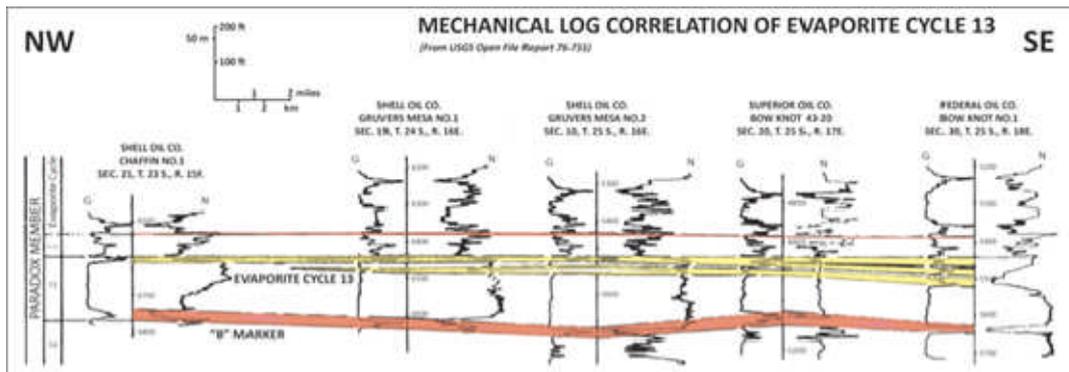
The Paradox Basin was formed during Pennsylvanian age subsidence and over the span of approximately 4 million years was filled with 1500-1800 m (5000-6000 ft) of cyclical evaporite sequences. In total, over 29 evaporite sequences accumulated in the Paradox Basin; all terminated with the deposition of halite salt cycles, with 17 of these cycles containing sylvite-sylvinite salts and other potash minerals.

The target salt cycles beneath American Potash's area of interest are Cycles 5 and 13, the latter being the thickest structurally-unthickened layer of the potash-bearing salt cycles in the Paradox Basin. The project area is centered on the postulated thickest part of the Cycle 13 accumulation in the northwest corner of the basin, possibly due to deposition here along some local structural depression.

Logs and reports for 38 historic oil and gas exploration wells drilled on the subject permit applications have been reviewed for indications of potash and indicate that in the property area Cycles 5, 13 and 18 contain significant concentrations of potash. The Cycle 5 potash horizon is currently being solution mined by Intrepid Potash at the Cane Creek mine. In the Green River property area, it ranges from 3.7-5.5 m (12-18 ft) in thickness, and, based on gamma ray logs, grades vary approximately between 15% and 25% K₂O.

Cycle 13 has three distinct consecutive potash-bearing horizons with a cumulative thickness of 44-55 m (143-180 ft), which is thickening to the northwest. This Cycle 13 potash sequence can be traced across at least 14 km of the permit applications and is very probably continuous throughout. The upper potash-

bearing horizon ranges in thickness from 14.6 m (48 ft) in the southeast to 21.3 m (70 ft) in the northwest and grades an estimated 4-7% K₂O. The middle Cycle 13 potash horizon ranges from 4-4.6 m (13-15 ft) thick, with an apparent consistent grade of approximately 15% K₂O. There is also a lower potash member, which ranges in thickness from 21.9-27.4 m (72-90 ft) but at lower grades, with an estimated K₂O content of 1-2%. The middle horizon has the best potential of the 3 horizons of supporting a viable solution mining operation, due to its higher grades.



Gamma and Neutron Log Correlation along Cycle 13 of the Paradox Basin (Hite, 1976)

Cycle 13 also appears to be essentially flat-lying and undeformed beneath the property area, as illustrated by gamma and neutron log correlation along NW-SE section. This is critical, as it potentially reduces future exploration, development and mining complications that can exist with structurally deformed stratigraphy due to folding, faulting and associated salt dome effects. Preliminary interpretation of the historic oil and gas well log data also suggests that, besides cycle 5, several other potentially economic potash-bearing salt cycles occur within the area of interest above Cycle 13 (Cycles 6 and 9) and below it (Cycles 16 and 18). One or all of these other cycles could potentially represent significant additional potash resource, in particular cycle 18 which occurs with potentially economic thicknesses and grades in other parts of the basin. Cycle 18 was identified in one historic well beneath the Green River property area, where it is 2.4 m (8 ft.) thick with estimated grade of approximately 30% K₂O.

Most areas of the property have good road access via state, county and off-track (dirt) roads and probable access to ample water supply from nearby Green River. It is an arid area with low suitability for other uses such as farming, ranching, recreation etc, and is out of sight of any of the National Parks in southern Utah. Interstate Highway 70 (I-70) runs east-west (from Denver to Salt Lake City) within a few miles north of the property, and a major power line corridor exists nearby.

The technical information disclosed in this press release has been reviewed, verified and compiled by Dr. Kent Ausburn, P. Geo. Dr. Ausburn is a qualified person (QP) as defined by National Instrument 43-101 (NI 43-101). Dr. Ausburn has over 29 years of mineral exploration, mine development and business experience in the mining industry.

On behalf of the Board of Directors

“Rudy de Jonge”, President

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This news release includes certain statements that may be deemed “forward-looking statements”. All statements in this release, other than statements of historical facts, including the likelihood of commercial mining and possible future financings are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include unsuccessful exploration results, changes in metals prices, changes in the availability of funding for mineral exploration, unanticipated changes in key management personnel and general economic conditions. Mining is an inherently risky business. Accordingly the actual events may differ materially from those projected in the forward-looking statements. For more information on the Company and the risks and challenges of its business, investors should review the Company’s annual filings that are available at www.sedar.com.