

NEWS RELEASE

Magna Resources Ltd. Provides Commentary on Potash Sector Volatility

Vancouver, B.C., August 06, 2013. Magna Resources Ltd. (CNSX: MNA) (the "Company" or "Magna") Vancouver, B.C., issues the following commentary regarding recent developments in the potash sector.

This past week, the Russian potash producer OAO Uralkali ("Uralkali") announced its departure from the sales organization Belarusian Potash Co. ("BPC") established in 2005 with Belarusian potash producer JSC Belaruskali. The news of Uralkali's exit from BPC and the indicated intention to increase sales has produced immediate and dramatic ramifications on potash stocks, both seniors and juniors.

It is the Company's position that the reaction of the market to the news is overly critical and premature to any definitive impact to the current and future robust nature of the potash industry.

The Company also stresses that the Green River Potash Project ("Project") is strategically centered within the U.S. agricultural hub, a major global scale consumer of potash, that possess unique advantages and potential resilience to international volatility. Complementing this is the compelling attributes that the Project has indicated to date (1) and the near term milestone (2) that will significantly alter the underlying valuation.

(2) Critical Milestone - Prospecting Permit Application Nears Completion

As reported by the Company in a press release dated July 17, 2013, the final 30 day public notice period for the U.S. Bureau of Land Management ("BLM") of the Environmental Assessment ("EA") conducted on the Company's Green River Potash Project in the renowned Paradox Basin, Utah, regarding the Company's Exploration Plan, closed at the end of business July 8, 2013. The EA represents a comprehensive study of all aspects and environmental considerations associated with the proposed Exploration Plan submitted by the Company.

The BLM is currently reviewing the comments submitted in order to determine appropriate responses and modifications to the EA, if warranted. We anticipate that these comments will be addressed in a timely manner.

This represents the final stage of the Company's Prospecting Permits Application process with a successful conclusion arriving at a 'Finding of No Significant Impact' ("FONSI") decision on the Company's proposed action. Following a FONSI determination, the Company would expect the timely issuance of Federal Prospecting Permits by the BLM providing the Company right and title to explore and advance the Project.

In addition to the Federal potash prospecting permits under application, the Company holds 11 State potash leases totaling 2,853 hectares (7,050 acres) upon which 3 drill permits have been granted.

(1) Significant Exploration Target

The Property is situated in the renowned Paradox Basin, which contains the stratigraphic sequence of evaporite/salt layers that comprise the United States' sole solution mining potash operation, the Cane Creek potash mine. The Cane Creek mine is currently exploiting Potash Cycle 5, which underlies and extends throughout the Green River Project area and is the Company's prime exploration target.

As initially reported by the Company in a press release dated July 16, 2012, 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 sylvite-sylvinitic bed in the northern Paradox Basin demonstrating continuous thicknesses and improving in thickness and grade across the Property to the northwest. The most prospective zone of mineralization appears to be located beneath the central and northwest portion of the Property where potash-bearing Cycle 5 is inferred to range from about 3 to 6 m thick and grades from 22 to 25% eKCl.

The Company's technical report on the Green River Potash Project dated October 10, 2012 with an effective date of June 27, 2012 (the "Report") classifies Cycle 5 as a NI 43-101 exploration target (the "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 or the Company's website: www.magnaresourcesltd.com

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. The Company holds certain State potash leases and an option in respect of certain federal potash prospecting permit applications in the State of Utah that constitute the Green River Potash Project, host to a significant potash exploration target, through a wholly owned subsidiary, American Potash LLC, a Nevada limited liability corporation.

This news release contains forward-looking statements regarding completion of the Proposed Distribution. Forward-looking statements may be identified by words such as "intends", "proposed", "if", "may" and words of similar meaning. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include failure of Confederation to obtain the Court Order or approval of the CNSX Exchange. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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