

## Appendix 3Y

### Change of Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/09/01 Amended 01/01/11

|                       |  |
|-----------------------|--|
| <b>Name of entity</b> | <b>CHINA MAGNESIUM CORPORATION LIMITED</b> |
| <b>ABN</b>            | <b>14 125 236 731</b>                      |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

|                            |                        |
|----------------------------|------------------------|
| <b>Name of Director</b>    | <b>WILLIAM BASS</b>    |
| <b>Date of last notice</b> | <b>5 December 2016</b> |

#### Part 1 - Change of director's relevant interests in securities

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

|   |   |
|---|---|
| <b>Direct or indirect interest</b>  | <b>INDIRECT</b>   |
| <b>Nature of indirect interest (including registered holder)</b><br><small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | <ol style="list-style-type: none"> <li>1. BOND STREET CUSTODIANS LTD (LANTER – I77250 A/C – PRINCIPAL &amp; TRUSTEE BENEFICIARY</li> <li>2. BASS, WILLIAM L &amp; HAZEL M (CHAMPAGNE SUPER FUND A/C) – BENEFICIARY</li> <li>3. LAMAXA PTY LTD - CONTROLLER</li> </ol> |
| <b>Date of change</b>   | <b>14 December 2016</b>   |
| <b>No. of securities held prior to change</b>   | <ol style="list-style-type: none"> <li>1. 889,784 CMC 129,412 CMCOA</li> <li>2. 1,341,630 CMC 195,130 CMCOA</li> <li>3. Nil</li> </ol>  |
| <b>Class</b>  | Ordinary shares (CMC)<br>Listed 5 cent options expiring 8 December 2017 (CMCOA)   |
| <b>Number acquired</b>  | <ol style="list-style-type: none"> <li>1. Nil</li> <li>2. Nil</li> <li>3. 200,000 CMC 100,000 CMCOA</li> </ol>  |
| <b>Value/Consideration</b><br><small>Note: If consideration is non-cash, provide details and estimated valuation</small>  | <b>\$ 0.025 CMC \$ Nil CMCOA</b>  |

+ See chapter 19 for defined terms.

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|   |  |
|---|--|
| No. of securities held after change   | 1. 889,784 CMC 129,412 CMCOA<br>2. 1,341,630 CMC 195,130 CMCOA<br>3. 200,000 CMC 100,000 CMCOA |
| <b>Nature of change</b><br>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back | Acquired pursuant to underwriting of rights Issue  |

**Part 2 – Change of director's interests in contracts**

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

|   |     |
|---|-----|
| Detail of contract  | N/A |
| Nature of interest  | N/A |
| Name of registered holder (if issued securities)  | N/A |
| Date of change  | N/A |
| No. and class of securities to which interest related prior to change<br>Note: Details are only required for a contract in relation to which the interest has changed | N/A |
| Interest acquired   | N/A |
| Interest disposed   | N/A |
| Value/Consideration<br>Note: If consideration is non-cash, provide details and an estimated valuation   | N/A |
| Interest after change   | N/A |

**Part 3 – +Closed period**

|   |     |
|---|-----|
| Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required? | No  |
| If so, was prior written clearance provided to allow the trade to proceed during this period?   | N/A |
| If prior written clearance was provided, on what date was this provided?  | N/A |

+ See chapter 19 for defined terms.