



## China Magnesium Corporation Limited

ASX Announcement (ASX- CMC)

30 October 2012

---

### OPERATIONS UPDATE

Highlights:-

- Magnesium production commencement
- Lease of additional 90Mu of land adjacent to Pingyao magnesium plant,
- Tianda update

China Magnesium Corporation Limited (ASX: CMC; “CMC” or “the Company”) which is set to become one of the largest, low cost, vertically integrated producers of magnesium and magnesium alloy in the world provides the following update regarding its operations:-

#### **Magnesium operation (91.25% CMC)**

Further to the ASX announcement of 31 July 2012, the Company advises that magnesium production has commenced at our plant in Pingyao.

#### **Lease of additional 90Mu of land**

An agreement has been signed and executed for lease of an additional 90Mu of land adjacent to the existing Pingyao magnesium plant located at Pingyao, Shanxi Province, Northern China (“Plant”). The lease runs until 2061. The land has its own water bore, which will provide sufficient water to meet the Plant’s requirements up to a production capacity of 105ktpa.

#### **Tianda (to be acquired)**

CMC advises that final approval is being sought from The State Administration of Foreign Exchange (“SAFE”).

Commenting on the above matters, CMC Managing Director, Mr Tom Blackhurst said:

*“The Company appreciates the efforts of all who contributed to this outcome, and the continued support of shareholders through this process.”*

#### **Forward looking statements**

Certain statements in this announcement are forward looking statements, which are current only as at the date of this announcement and, by their nature, are subject to a number of known and unknown factors that could cause the actual results, performances and achievements to differ materially from any expected future results, performance or achievements expressed or implied by such forward looking statements. No representation, warranty or assurance (express or implied) is given or made – by CMC, its related companies and their respective directors, employees and advisers – that the forward looking statements contained in this announcement will be achieved or prove to be correct.

**-ENDS-**

For personal use only