



## MANAGEMENT SERVICES AGREEMENT COMPLETED

**China Magnesium Corporation Limited**  
ABN 14 125 236 731

**ASX Code:** CMC

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PO Box 3767  
Australia Fair, QLD 4215

**Issued Capital:**

**Quoted:**  
412,438,556 fully paid shares

**Directors:**

William Bass  
(*Non-Executive Chairman*)

Jason Teoh  
(*Chief Executive Officer*)

Xinping Liang  
(*Chief Operating Officer*)

Marcelo Mora  
(*Non-Executive Director*)

**Substantial shareholders:**

Mr Tom Blackhurst	11.2%
Shanxi Pingyao Fengyan Group	8.5%
Mr Xinping Liang	8.3%

China Magnesium Corporation Limited (ASX: **CMC**; "**CMC**" or "the **Company**") is pleased to announce that it has completed all due diligence pursuant to its ASX announcement of 29 October 2018, and has subsequently signed an Agreement to acquire 21.43% of Sovran White (Shandong) International Logistics Company Limited (SWS).

Under the Agreement CMC will acquire a 21.43% interest in SWS in consideration for \$2M and the issue of 50 million fully paid ordinary shares to Sovran White International Pte. Ltd. (SWI) at \$0.05 per share. SWI is a Singapore investment enterprise with interests in new-age farm and ecotourism resort development in China

SWS has been awarded contracts in relation to the Yiyuan County Growers Co-operative, an agricultural co-operative based in Yiyuan County, Zibo City, Shandong Province, China. for :

- (a) providing management services for the packaging, storage, logistics and distribution of the co-operatives produce both domestically and internationally
- (b) the exclusive rights to export the co-operatives products

CMC shall also provide minor professional services to SWS for providing logistics and export services expertise, which leverages existing networks of CMC.

The co-operative produced over 800,000 tonnes of produce during the 2018 season across approximately 400km<sup>2</sup> of land located in Yiyuan County, Shandong Province.

The co-operative prior to this Agreement has not had facilities to export its produce. The Agreement does not have a termination date.

Chief Executive Officer Mr. Jason Teoh noted that "this Agreement provides a value-adding opportunity which also uses CMC's skills and expertise in China, whilst allowing CMC to remain focused on its core magnesium business."

**ENDS**