



**Limited**

Office No.10 Level 8  
139 Macquarie St  
Sydney NSW 2000  
Australia  
Ph: + 61 2 8231 7085  
FAX: +61 2 9252 8960

24 April 2014

Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
Sydney, NSW, 2000

Dear Sirs,

**Appendix 4C – Quarter Ended 31 March 2014**

The above quarterly cash flow statement is attached.

Also lodged simultaneously with this cash flow report is a Quarterly Update from the Executive Chairman dated 23 April 2014.

Yours Sincerely

A handwritten signature in black ink, appearing to read "John Talbot". The signature is fluid and cursive, with a long horizontal stroke at the end.

John Talbot  
Company Secretary.  
Magontec Limited



Limited

# QUARTERLY CASHFLOW - APPENDIX 4C

for the Period Ended 31 March 2014

**Magontec Limited**

ABN: 51 010 441 666  
Registered & Principal Office:  
Office 10, Level 8,  
139 Macquarie Street,  
Sydney, NSW 2000 Australia

**Tel:** +61 2 8231 7085  
**Fax:** +61 2 9252 8960  
**Website:** [www.magontec.com](http://www.magontec.com)  
**Email:** [Corporate@magontec.com](mailto:Corporate@magontec.com)

**Non-Executive Directors** (as at 31 March 2014)

Zhongjun Li  
Kangmin Xie  
Andre Labuschagne

**Independent Directors** (as at 31 March 2014)

Robert Shaw  
Robert Kaye

**Management Team**

Nicholas Andrews  
*Executive Chairman*

John Talbot  
*Chief Financial Officer*

**Company Secretary**  
John Talbot

**Issued Capital** (as at 31 March 2014)

**Ordinary Shares** (ASX Code MGL)  
1,115,043,832 fully paid Ordinary shares on issue

**Options:** Nil

**Substantial Shareholders**

Major Shareholders	No. of shares	Percent
Qinghai Salt Lake Magnesium Industry Limited	330,535,784	29.64
Straits Mine Management Pty Limited	173,787,648	15.59
Citicorp Nominees Pty Limited	89,482,006	8.03
KWE(HK)Investment Development Co Limited	55,797,298	5.00

**Share Registry Services**

Boardroom Pty Limited  
Level 7, 207 Kent St  
Sydney NSW 2000

**Postal:**  
GPO Box 3993  
Sydney NSW 2001

**Tel:** 1300 737 760 or  
**International:** +61 2 9290 9600  
**Fax:** 1300 653 459  
**Website:** <http://www.boardroomlimited.com.au>

The current share price can be obtained from the ASX Website

# Appendix 4C

## Quarterly Report

Introduced 31/3/2000. Amended 30/9/2001.

Name of entity

Magontec Limited

ABN

51 010 441 666

Quarter ended ("current quarter")

31 March 2014

### 1.1 Cash flows from operating activities

- a Receipts from customers
- b Payments to suppliers and employees
- c Interest received
- d Interest expense
- e Taxation
- f **Net cash (used)/generated in operating activities**

Quarter Ended 31 March 2014	Year to date (3 months)
\$A	\$A
\$35,109,354	\$35,109,354
(\$36,762,697)	(\$36,762,697)
\$37,953	\$37,953
(\$317,302)	(\$317,302)
(\$545,080)	(\$545,080)
<b>(\$2,477,772)</b>	<b>(\$2,477,772)</b>

### 1.2 Cash flows from investing activities

- a Movement in security deposits
- b Payment for property, plant & equipment
- c Group Information Technology software
- d Other
- e **Net cash provided by/(used in) investing activities**

\$0	\$0
(\$182,311)	(\$182,311)
(\$27,588)	(\$27,588)
\$0	\$0
<b>(\$209,898)</b>	<b>(\$209,898)</b>

1.3

**Cash flows from financing activities**

- a Loans from/ (repayments to) related parties  
Principal reduction on debt owing to Straits Mine Management Pty Ltd
- b Bank Loans
- c Net capital raised from issue of the Company's shares
- e **Net cash provided by financing activities**

Quarter Ended 31 March 2014 \$A	Year to date (3 months) \$A
\$0	\$0
(\$2,100,046)	(\$2,100,046)
\$3,279,210	\$3,279,210
\$4,265,661	\$4,265,661
<b>\$5,444,825</b>	<b>\$5,444,825</b>

1.4

**Net increase (decrease) in cash held**

Cash at beginning of quarter /year to date

1.5

**Cash at end of quarter /year to date**

\$2,757,155	\$2,757,155
\$7,375,169	\$7,375,169
<b>\$10,132,324</b>	<b>\$10,132,324</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

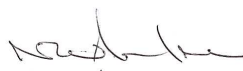
	Quarter Ended 31 March 2014 \$A
1.6 (a) Aggregate amount of payments to the relevant parties (aggregate fees paid to directors)	\$32,958
(b)	
1.7 Aggregate amount of loans to the relevant parties	Nil
1.8 Explanation necessary for an understanding of the transactions	

Please refer to Executive Chairman's Quarterly Update dated 23 April 2014 lodged simultaneously with this report.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act 2001 (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign  
here:



Date: 24 April 2014  
Executive Chairman  
Magontec Limited

Print  
name: Mr Nicholas Andrews

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The definitions in, and provisions of, *AASB 107: Cash Flow Statements* apply to this report except for the paragraphs of the Standard set out below.
  - Aus20.1 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 39 - 42 - itemised disclosure relating to acquisitions and disposals
  - 48 - 52 - disclosure of restrictions on use of cash
- 3 Accounting Standards. ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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