

604
Corporations Act 2001
Section 671B

Notice of change of interests of substantial holder

To: Company Name/Scheme Magontec Limited
ACN/ARSN 010 441 666

1. Details of substantial holder (1)

Name Straits Mine Management Pty Ltd
ACN/ARSN (if applicable) 083 686 033

There was a change in the interests of the
substantial holder on 09 / 01 / 2014
The previous notice was given to the company on 05 / 12 / 2013
The previous notice was dated 06 / 12 / 2013

2. Previous and present voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

| Class of securities (4) | Previous notice | | Present notice | |
|----------------------------|-----------------|------------------|----------------|------------------|
| | Person's votes | Voting power (5) | Person's votes | Voting power (5) |
| Ordinary Fully Paid Shares | 152,536,385 | 19.84% | 173,569,204 | 15.57% |

3. Changes in relevant interests

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme, are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (6) | Consideration given in relation to change (7) | Class and number of securities affected | Person's votes affected |
|----------------|--|--|---|---|-------------------------|
| 09/01/2014 | Straits Mine Mangement Pty Ltd | Conversion of Convertible Loan Note No.2 | \$1,004,085 | Ordinary Fully Paid shares | 21,032,819 |
| | | | | | |

4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

| Holder of relevant interest | Registered holder of securities | Person entitled to be registered as holder (8) | Nature of relevant interest (6) | Class and number of securities | Person's votes |
|--------------------------------|---------------------------------|--|------------------------------------|--------------------------------|----------------|
| Straits Mine Mangement Pty Ltd | Straits Mine Mangement Pty Ltd | Straits Mine Mangement Pty Ltd | Voting rights and right to dispose | 173,569,204 Ordinary shares | 173,569,204 |

5. Changes in association

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
| Refer Annexure A | |
| | |

6. Addresses

The addresses of the persons named in this form are as follows:

| Name | Address |
|--------------------------------|--|
| Straits Mine Mangement Pty Ltd | Suite 21, Level 2 HQ South Tower, 520 Wickham street, Fortitude Valley, QLD 4006 |
| Straits Subsidiaries | Suite 21, Level 2 HQ South Tower, 520 Wickham street, Fortitude Valley, QLD 4006 |

Signature

print name Robert Brainsbury

capacity Company Secretary

sign here

date 14/01/2014

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg, a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
 - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

This is Annexure A of one page referred to in Form 604 - Notice of change of interest of substantial holder dated 14 January 2014 and signed by me.



Robert Brainsbury
Company Secretary
Straits Resources Limited

STRAITS SUBSIDIARIES

Registered Office for all listed below: Suite 21, Level 2 HQ South Tower, 520 Wickham street, Fortitude Valley, QLD 4006

| | |
|---|-------------|
| STRAITS MINING LIMITED | 055 202 614 |
| TRITTON RESOURCES PTY LTD | 100 095 494 |
| GIRILAMBONE COPPER COMPANY PTY LTD | 057 083 637 |
| STRAITS GOLD PTY LTD | 072 498 081 |
| STRAITS INDO GOLD PTY LTD | 104 934 321 |
| INDO MURO PTY LTD | 100 135 000 |
| MURO OFFSHORE PTY LTD | 050 028 389 |
| STRAITS MINERAL INVESTMENTS PTY LTD | 124 028 271 |
| STRAITS EXPLORATION (AUSTRALIA) PTY LTD | 061 614 695 |
| STRAITS MINE MANAGEMENT PTY LTD | 083 686 033 |

The above companies are all subsidiaries of Straits Resources Limited pursuant to section 9 of the Corporations Act.