



## MATERIAL TERMS OF CHIEF EXECUTIVE OFFICER SERVICE AGREEMENT

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

**ASX Code:** CMC

Level 10, 12 -14 Marine Pde  
Southport QLD 4215

P +61 7 5531 1808  
F +61 7 5591 1059  
[info@chinamagnesiumcorporation.com](mailto:info@chinamagnesiumcorporation.com)

PO Box 3767  
Australia Fair, QLD 4215

**Issued Capital:**  
**Shares - Quoted:**  
352,438,556 fully paid shares

**Options – Unquoted**  
37,541,522 exercisable at \$0.10  
expiring 15 February 2019

**Directors:**

William Bass  
(Non-Executive Chairman)  
Jin Thean (Jason) Teoh  
(Chief Executive Officer)  
Xinping Liang  
(Chief Operating Officer)

Tom Blackhurst  
(Non-Executive Director)

**Substantial shareholders:**

Mr Tom Blackhurst	12.2%
Mr Feng Wang	9.9%
Mr Xinping Liang	9.8%

Further to the announcement on 28 January 2019 of the appointment of Mr. Jin Thean (Jason) Teoh as Chief Executive Officer and Executive Director, CMC provides a summary of the material terms of Mr. Teoh's service agreement.

*Commencement date:*  
28 January 2019

*Terms of agreement:*  
Consulting through Santa Fei Investment Pte Ltd for 3 years commencing 28 January 2019 and concluding 27 January 2022.

*Base consultancy fee including superannuation:*  
\$240,000

*Short Term Incentive (STI)*  
Annual discretionary bonus up to 40% of base consultancy fee.

The STI will take into account performance in relation to responsibilities and objectives as determined by the board.

*Long Term Incentive (LTI)*  
Bonus of up to 90% of base consultancy fee.

The LTI will take into account performance in relation to performance of the Company relative to a group of selected peers over a 2 year period.

*Critical acquisition (CA)*  
Bonus of up to 60% of CA pool calculated against critical acquisition criteria as determined by the board.

*Termination*  
Termination benefits are payable on early termination by the Company, other than for cause. If terminated other than for cause, entitlement is

[i] where services provided for less than 3 months of each year of the agreement – payment up to date of termination

[ii] where services provided for more than 3 months of each year of the agreement – payment for that full year.

**ENDS**