



ASX RELEASE

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Quay Announces Share Subscription

The directors of Quay Magnesium Limited (Quay) wish to announce the company has today successfully entered into subscription agreements with Central Turbo Limited and four other Chinese investors for the placement of 35,500,000 new fully paid ordinary shares at 2.0 cents each which will rank equally with existing fully paid ordinary shares in the company.

Following this placement Central Turbo Limited will hold 56.0 million shares in Quay which will be approximately 18.7 % of issued capital.

This total placement is less than 15 % of existing issued capital which is 263,823,134 so shareholder approval is not required.

This placement will raise \$710,000 and the funds will be used for general working capital purposes.

Following the issue of shares under this placement Quay will have 299,323,134 shares on issue.

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