



MARKET RELEASE

17 December 2010

Quay Magnesium Limited

SUSPENSION FROM OFFICIAL QUOTATION

The securities of Quay Magnesium Limited (the "Company") will be suspended from quotation immediately, at the request of the Company, pending release of an announcement regarding the subscription agreement entered into with Clever Talent Limited.

Security Code: QMG

Emma Badhni
Senior Adviser, Listings (Sydney)



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17th December 2010

Emma Badhni
Senior Adviser , Issuers (Sydney)
ASX Compliance
20 Bridge Street
Sydney NSW 2000

Dear Emma

Further to Quay Magnesium Limited's (Quay) request of 15th December 2010 for a Trading Halt, Quay now requests that its shares be suspended under Listing Rule 17.2.

The matters referred to in the request for a Trading Halt namely

- a) Clever Talent Limited's failure to complete the subscription agreement approved by shareholders at the recent AGM and
- b) the fact that Quay is dependent on the funds arising from that agreement in order to continue operations, have still not been resolved

It still remains uncertain as to when or if those funds will become available.

Quay is not aware of any reason why a Suspension should not be approved.

Regards

Peter Stuntz
CHAIRMAN