

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

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| Name of entity MAGNUM GOLD N.L. |
| ABN 70 003 170 376 |

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

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|----------------------------|---------------------------|
| Name of Director | Paul Aurius LINCOLN SMITH |
| Date of last notice | 12 July 2004 |

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

| | |
|--|---|
| Direct or indirect interest | Indirect interest |
| Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | Shares held through Carbon Minerals NL, Pada P/L, Magnum Resources P/L |
| Date of change | 17 August 2004 |
| No. of securities held prior to change | Carbon Minerals 1,000,000; Pada P/L 1,000,000; Magnum Resources P/L 16; held directly 43,333 |
| Class | Ordinary shares |
| Number acquired | Palmarc Investments P/L (as mortgagee) 12,000,000 |
| Number disposed | Not Applicable |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small> | \$0.033 per share |
| No. of securities held after change | Carbon Minerals 1,000,000; Pada P/L 1,000,000; Magnum Resources P/L 16; held directly 43,333; Palmarc Investments (as mortgagee) 12,000,000 |
| Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small> | P.A. Lincoln Smith controls Palmarc Investments P/L which has a relevant interest under section 608(1) as mortgagee under Loan Agreement and Mortgage dated 17 August 2004 over 12,000,000 shares |

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Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

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| Detail of contract | |
| Nature of interest | |
| Name of registered holder (if issued securities) | |
| Date of change | |
| No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small> | |
| Interest acquired | |
| Interest disposed | |
| Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small> | |
| Interest after change | |