

Magellan Flagship Fund Limited
ABN 32 121 977 844

Level 7, 1 Castlereagh Street,
Sydney NSW 2000 AUSTRALIA

P.O. Box R226, Royal Exchange NSW 1225

General: +61 2 8114 1888
Facsimile: +61 2 8114 1800
Website: www.magellangroup.com.au

11 December 2009

ASX Limited
Companies Announcements Office
Exchange Centre
20 Bridge Street,
SYDNEY NSW 2000

**ON-MARKET BUY-BACK
NOTIFICATION OF CANCELLATION OF SHARES**

In accordance with Listing Rule 3.8A, we enclose a copy of Form 484 that was lodged with ASIC.

Yours faithfully,



Leo Quintana
Legal Counsel & Company Secretary

Change to company details

Company details

Company name

MAGELLAN FLAGSHIP FUND LIMITED

Australian Company Number (ACN)

121 977 884

Lodgement details

Who should ASIC contact if there is a query about this form?

Name

Leo QUINTANA

Signature

This form must be signed by a current officeholder of the company.

I certify that the information in this form is true and complete

Name

Leo QUINTANA

Capacity

Secretary

Signature

Date signed

11-12-2009

C1 Cancellation of shares

Reason for cancellation

Shares cancellation details

Reason for cancellation

ss.257H(3) Share buyback - Other buy-back type. A form 280 or 281 must be lodged at least 14 days, and no more than 1 year before the share buy-back can take place

The cancelled shares are listed below:

| Share class code | Number of shares cancelled | Amount paid (cash or otherwise) | |
|------------------|----------------------------|---------------------------------|--|
| ORD | 1450517 | 974000 | |

Earliest Date of cancellation **11-12-2009**

C3 Change to share structure

The updated details for this changed share class are shown in the table below.

| Share class code | Full title if not standard | Total number of shares | Total amount paid on these shares | Total amount unpaid on these shares |
|------------------|----------------------------|------------------------|-----------------------------------|-------------------------------------|
| ORD | ORDINARY SHARES | 354236971 | 354236971.00 | 0.00 |

Earliest date of change **11-12-2009**