

# 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 30/09/01 Amended 01/01/11

|                       |   |
|-----------------------|---|
| <b>Name of entity</b> | <b>Magellan Flagship Fund Limited ('Company')</b> |
| <b>ABN</b>            | <b>32 121 977 884</b>                             |

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.

|                            |                 |
|----------------------------|-----------------|
| <b>Name of Director</b>    | Chris Mackay    |
| <b>Date of last notice</b> | 9 November 2011 |

### 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.

|   |  |
|---|--|
| <b>Direct or indirect interest</b>  | Direct (Chris Mackay & Associates) and Indirect  |
| <b>Nature of indirect interest (including registered holder)</b><br><small>Note: Provide details of the circumstances giving rise to the relevant interest.</small> | Magellan Equities Pty Limited<br>Naumov Pty Ltd  |
| <b>Dates of change</b>  | 10 October 2012  |
| <b>No. of securities held prior to change</b>   | 19,013,299 Ordinary Shares (excluding the 50,198,707 shares held by Magellan Financial Group Limited)                      |
| <b>Class</b>  | Options Expiring 31 October 2017 ('Options')   |
| <b>Number acquired</b>  | 6,404,431 Options  |
| <b>Number disposed</b>  | N/A  |
| <b>Value/Consideration</b><br><small>Note: If consideration is non-cash, provide details and estimated valuation</small>  | NIL  |
| <b>No. of securities held after change</b>  | 19,213,299 Ordinary Shares (excluding the 50,198,707 shares held by Magellan Financial Group Limited)<br>6,404,431 Options |

+ See chapter 19 for defined terms.

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|---|--|
| <p><b>Nature of change</b><br/>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p> | <p>Options issued under a one (1) for three (3) pro rata bonus issue under the Company's Prospectus dated 27 September 2012.</p> |
|---|--|

### 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.

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

### Part 3 – <sup>+</sup>Closed period

|   |     |
|---|-----|
| <b>Were the interests in the securities or contracts detailed above traded during a <sup>+</sup>closed period where prior written clearance was required?</b> | No  |
| <b>If so, was prior written clearance provided to allow the trade to proceed during this period?</b>  | N/A |
| <b>If prior written clearance was provided, on what date was this provided?</b>   | N/A |

17 October 2012

<sup>+</sup> See chapter 19 for defined terms.