

INDEPENDENT AUDIT DECLARATION



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The Board of Directors  
Advanced Magnesium Limited  
Level 9, 303 Coronation Drive  
Milton 4064 QLD

25 August 2006

Dear Board Members

**Advanced Magnesium Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Advanced Magnesium Limited.

As lead audit partner for the audit of the financial statements of Advanced Magnesium Limited for the financial year ended 30 June 2006, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

DELOITTE TOUCHE TOHMATSU

Timothy Biggs  
Partner  
Chartered Accountant

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