



29 August 2007

Company Announcements Office  
Australian Stock Exchange Limited  
Level 4, 20 Bridge Street  
SYDNEY NSW 2000

Dear Sirs,

**RE: Notice of 2007 Annual General Meeting**

Please find attached:

- Shareholder Pack
- Election Letter
- Proxy Form
- Notice of Meeting
- Annual Report

in relation to the Company's forthcoming Annual General Meeting to be held on 28 September 2007. These documents will be dispatched to Shareholders today.

Yours sincerely,

A handwritten signature in black ink, appearing to read "P.K. Nair". The signature is fluid and cursive, with a large initial "P" and "N".

P.K. Nair  
**COMPANY SECRETARY**



Postage  
Paid  
Australia

If not delivered return to:

Locked Bag A14  
SYDNEY SOUTH NSW 1235

# SHAREHOLDER PACK

## 2007

### Documents enclosed:

- Election Letter (to receive future Annual Reports)
- Proxy Form
- Notice of Meeting
- Annual Report
- Reply paid envelope (for returning of Proxy form)



**Advanced  
Magnesium  
Limited**

ABN 51 010 441 666

All Registry communications to:  
Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235 Australia  
Telephone: (02) 8280 7454  
From outside Australia: +61 2 8280 7454  
Facsimile: (02) 9287 0303  
ASX Code: ANM  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)  
Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)



**X99999999999**

## A better way to access your information and help the environment

Every year we are required to communicate information to shareholders, including annual reports, notices of meetings and other advices.

The *Corporations Legislation Amendment (Simpler Regulatory System) Act 2007* gives disclosing entities the ability to make the annual report available on a web site and provide hard copy annual reports only to those members who elect to receive them in that form subject to certain administrative requirements.

**You may view the annual and interim reports at Advanced Magnesium Limited's website** at <http://www.am-technologies.com.au>. You will still have the option of receiving a hard copy of the full Annual Report free of charge, but **Advanced Magnesium will only mail you a copy of the full Annual Report if you complete the notification below and return the letter to Advanced Magnesium's Share Registrar** in the enclosed reply paid envelope. This initiative will deliver both company cost savings and an environmentally friendly result.

### How to nominate your method of communication

- **Hard copy** – by completing this form and returning it to us in the reply paid envelope.
- **Online** – by visiting the Share Registry website at [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### OPTIONS – select one only

Please select **one option only**

1. Yes, I would like to receive **my shareholder communications** electronically as permitted by the *Corporations Act 2001*, including by email notification and internet access (this includes the company annual report). I have provided my email address below.

My email address is:

2. **Please mail me a printed version** of the annual report.

**Privacy Clause:** Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)).

**ANM ARE272**





**Advanced  
Magnesium  
Limited**

ABN 51 010 441 666

**Please return your Proxy forms to:**

Link Market Services Limited  
Level 12, 680 George Street, Sydney NSW 2000  
Locked Bag A14, Sydney South NSW 1235 Australia  
Telephone: (02) 8280 7454  
Facsimile: (02) 9287 0309  
ASX Code: ANM

Website: www.linkmarketservices.com.au

**APPOINTMENT OF PROXY**

If you would like to attend and vote at the Annual General Meeting, please bring this form with you. This will assist in registering your attendance.



**X99999999999**

I/We being a member(s) of Advanced Magnesium Limited and entitled to attend and vote hereby appoint

**A** the **Chairman of the Meeting (mark box)**  **OR** if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy

or failing the person/body corporate named, or if no person/body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following instructions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of the Company to be held at 10:00am on Friday, 28 September 2007, at the Catalina & DeHavilland Room, Royal on the Park, Cnr Alice & Albert Streets, Brisbane and at any adjournment of that meeting.

Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available on request from the share registry. Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the meeting. The Chairman of the Meeting intends to vote undirected proxies in favour of all items of business.

**B** To direct your proxy how to vote on any resolution please insert  in the appropriate box below.

	For	Against	Abstain*		For	Against	Abstain*
<b>Resolution 2</b> Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 4(a)</b> That Mr Fitton be issued with ordinary shares in the Company as compensation for his Remuneration as Executive Chairman from 9 July 2007 to 8 July 2008	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3(a)</b> Re-election of Mr Stuart Fitton as director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 4(b)</b> That the Non Executive Directors be issued with ordinary shares in the Company as compensation for their remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3(b)</b> Re-election of Mr Greg Ralph as director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Resolution 4(c)</b> That the Group's Personnel be issued with ordinary shares in the Company if they elect to receive shares in lieu of up to 50 per cent of their fixed remuneration	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3(c)</b> Re-election of Mr Nick Andrews as director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
<b>Resolution 3(d)</b> Re-election of Mr Michael Brown as director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

**IMPORTANT: FOR ITEMS 3(a), 4(a) AND 4(b) ABOVE**

If the Chairman of the Meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy in respect of Items 3(a), 4(a) and 4(b) above, please place a mark in this box. By marking this box, you acknowledge that the Chairman of the Meeting may exercise your proxy even though he/she has an interest in the outcome of these Items and that votes cast by him/her for these Items, other than as proxyholder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Items 3(a), 4(a) and 4(b) and your votes will not be counted in calculating the required majority if a poll is called on these Items. The Chairman of the Meeting intends to vote undirected proxies in favour of Items 3(a), 4(a) and 4(b).

**C**

\* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**D SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED**

Securityholder 1 (Individual) <input type="text"/> Sole Director and Sole Company Secretary	Joint Securityholder 2 (Individual) <input type="text"/> Director/Company Secretary (Delete one)	Joint Securityholder 3 (Individual) <input type="text"/> Director
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This form should be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cwlth).

**ANM PRX742**



# How to complete this Proxy Form

## 1 Your Name and Address

This is your name and address as it appears on the company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

## 2 Appointment of a Proxy

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in section A. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person in section A. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a shareholder of the company. A proxy may be an individual or a body corporate.

## 3 Votes on Items of Business

You should direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

## 4 Appointment of a Second Proxy

You are entitled to appoint up to two persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together.

## 5 Signing Instructions

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either securityholder may sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry.

## Lodgement of a Proxy

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by 10:00am on Wednesday, 26 September 2007, being not later than 48 hours before the commencement of the meeting. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the reply paid envelope or:

– by posting, delivery or facsimile to Advanced Magnesium Limited's share registry as follows:

Advanced Magnesium Limited  
C/- Link Market Services Limited  
Locked Bag A14  
Sydney South NSW 1235  
Facsimile: (02) 9287 0309

– delivering it to Level 12, 680 George Street, Sydney NSW 2000.

Link Market Services Limited advises that Chapter 2C of the *Corporations Act 2001* requires information about you as a securityholder (including your name, address and details of the securities you hold) to be included in the public register of the entity in which you hold securities. Information is collected to administer your securityholding and if some or all of the information is not collected then it might not be possible to administer your securityholding. Your personal information may be disclosed to the entity in which you hold securities. You can obtain access to your personal information by contacting us at the address or telephone number shown on this form. Our privacy policy is available on our website ([www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)).