



21 February 2006

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

Dear Sirs,

RE: Further Order for AM-lite

Please find attached announcement – further order for AM-lite.

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 a long, sweeping underline.

P.K. Nair
COMPANY SECRETARY



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ASX ANNOUNCEMENT - 21 February 2006

FURTHER ORDER FOR AM-LITE

Advanced Magnesium Limited (AML) has received another order for its new electroplateable magnesium alloy, AM-lite. The latest order comes from a major industrial group in Poland, NTP, who will produce 11 interior parts with decorative finishes for a major European truck company. Once all parts are in production, this will represent an annual demand of approximately 260 tonnes per annum.

The truck company has selected NTP to replace eleven painted interior cabin parts currently made from zinc, with AM-lite parts. AM-lite is one third of the weight of zinc, and unlike other magnesium alloys or aluminium, AM-lite can be readily painted or electroplated at very low cost using MacDermid's new proprietary technology.

Since launching AM-lite in June 2005, AML, through its wholly owned subsidiary Advanced Magnesium Technologies Pty Ltd, has made presentations to over 60 diecasters and OEMs, completed 23 in-plant demonstration trials and is aware of over 70 separate components that are either under development or are currently being evaluated by our customers for manufacture in AM-lite. These new developments have lead times varying between 2-24 months depending on the complexity and the degree of testing required for the part before commercial release. AML anticipates making further announcements as these development projects come to fruition.

More information can be found on NTP at: www.ntp.com.pl