



6 June 2006

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

Dear Sirs,

**RE: JOINT VENTURE FORMED TO REDUCE GREENHOUSE GAS EMISSIONS**

Please find attached announcement on the Company forming a joint venture with Hyder Consulting to reduce greenhouse gas emissions.

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 - 6 June 2006**

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### **Advanced Magnesium forms Joint Venture with Hyder Consulting to reduce Greenhouse Gas Emissions**

Advanced Magnesium Limited's subsidiary, AMT has formed a Joint Venture with Hyder Consulting Pty Ltd (Hyder), a leading provider of management advisory, engineering and environmental consultancy services for engineering and project management initiatives worldwide.

The JV will offer AMT's AM-cover gas technology and Hyder's expertise to the global magnesium industry. The technology has the potential to significantly reduce greenhouse gas emissions and generate Certified Emission Reduction units under the Kyoto Protocol. These CER units can then be traded on the global carbon market.

The global opportunity for this JV is likely to continue to grow as international Governments, who are signatories to the Kyoto Protocol, begin to implement the principles of the Protocol and the tradeable market for carbon credits continues to develop.

AMT, and its research partner CAST, have developed the world-leading AM-cover™ system to replace SF<sub>6</sub>, the cover gas traditionally used in the magnesium industry. SF<sub>6</sub> is a very potent greenhouse gas, and its replacement will enable the creation of a significant greenhouse gas credits, and an important new revenue stream for the Joint Venture and its clients. Hyder Consulting will provide the project management skills and the emissions trading expertise for the successful delivery of the service. The size and global reach of Hyder in this specialised field is a perfect complement to AMT.

## ASX ANNOUNCEMENT

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AMT will supply the specialised AM-cover™ expertise while continuing to remain focussed on the commercialisation of its newest alloy AM-lite®.

Mr Ian Hartnell, CEO of Advanced Magnesium Technologies, commented “Following many years of research and development, and now with Hyder expertise, we are able to offer this world-leading technology solution to the magnesium industry in a very attractive format.”

Mr Keith Reynolds, Regional Managing Director of Hyder Consulting in Australia/ South-East Asia, said “Together with AMT, we are happy to be offering this important service to the magnesium industry, which adds considerable value to the core operations of magnesium primary producers and die casters. This Joint Venture provides clients with advanced solutions built upon engineering excellence. Our reputation for exceptional service is backed by a detailed understanding of commercial, political, environmental and community issues which is of paramount importance for the successful completion of this type of project”.

For further information on Hyder Consulting, please go to their web site at [www.hyderconsulting.com](http://www.hyderconsulting.com)