

17 July 2007

Allotment and Issue of Shares under the Entitlement and Top Up Issues

Magnesium International Ltd announces that 19,365,064 shares and 9,682,409 primary options have today been issued and allotted under the 5 for 6 non-renounceable Entitlement Issue and the associated Top Up issue.

These securities have today been entered into uncertificated holdings.

Following this allotment the issued capital of the Company is:

62,905,234 Ordinary Shares

11,182,409 Primary Options expiring 31 March 2012

2,240,000 Unlisted Options

The following information is provided in respect of the Primary Options:

20 Largest Holders:

| | NAME AND ADDRESS | UNITS | % I/C |
|----|---|---------|-------|
| 1 | ANZ NOMINEES LIMITED <CASH INCOME A/C> | 927,218 | 8.29 |
| 2 | FISKE NOMINEES LIMITED | 420,000 | 3.76 |
| 3 | KBC PEEL HUNT LTD | 405,000 | 3.62 |
| 4 | RHODERIC C WHYTE | 300,000 | 2.68 |
| 5 | AUSTOCK NOMINEES PTY LTD <CUSTODIAN A/C> | 252,574 | 2.26 |
| 6 | MRS LILIANA TEOFILOVA | 250,000 | 2.24 |
| 7 | MR IANAKI SEMERDZIEV | 220,833 | 1.97 |
| 8 | CITICORP NOMINEES PTY LIMITED | 178,719 | 1.60 |
| 9 | JUSTIN HONDRIS | 150,000 | 1.34 |
| 10 | MR MARK PORTER | 147,977 | 1.32 |

| | | | |
|----|----------------------------|------------|--------|
| 11 | BATRAS ONE PTY LTD | 127,829 | 1.14 |
| 12 | QUEVY HOLDINGS PTY LTD | 125,000 | 1.12 |
| 13 | IPSEITY PTY LTD | 107,684 | 0.96 |
| 14 | BUDBERTH PTY LTD | 81,250 | 0.73 |
| | <IPSEITY S/F A/C> | | |
| 15 | AMC LIMITED | 75,000 | 0.67 |
| 16 | CARTER CAPITAL LTD | 75,000 | 0.67 |
| 17 | WILFRIED A SCHNEDLER | 75,000 | 0.67 |
| 18 | MR PATRICK JAMES DYMOCK | 61,750 | 0.55 |
| | ELLIOTT | | |
| 19 | MS AMANDA JAYNE JOHNSON | 52,083 | 0.47 |
| 20 | MR CHARLES LENNOX BROWNE & | 50,000 | 0.45 |
| | MRS GAYDRIE BROWNE | | |
| | *** REPORT TOTAL *** | 4,082,917 | 36.51 |
| | *** REMAINDER *** | 7,099,492 | 63.49 |
| | *** GRAND TOTAL *** | 11,182,409 | 100.00 |

Number of Holders:

| | 1 to 1000 | 1001 to 5000 | 5001 to 10000 | 10001 to 100000 | 100001 and over | * TOTAL * |
|-------|-----------------|--------------------|---------------------|-----------------------|-----------------------|-----------|
| Total | 178 | 139 | 67 | 338 | 13 | 735 |

For further information:

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