

1 February 2007

OPTIONS – MGKO

Magnesium International Ltd has 5,833,570 listed options on issue with an exercise price of \$1.80 expiring on 1 March 2007. ASX Limited has granted a waiver from listing rule 6.24 to the extent necessary to permit the Company not to send the notices required by paragraph 6.1 of Appendix 6A.

The Company advises that an option expiry notice will not be sent to option holders.

The Company also advises:

- The number of options is 5,833,570. Each option is convertible into 1 ordinary share. If all the options were converted 5,833,570 ordinary shares would be issued
- The exercise price is \$1.80
- The due date for payment is 1 March 2007
- If the exercise price is not paid the options lapse
- The quotation of the options on ASX will end on 22 February 2007
- The closing market price of the ordinary shares of Magnesium International Ltd on 31 January 2007 was \$0.10
- The highest market price of the ordinary shares of Magnesium International Ltd in the last 3 months was \$0.17 on 1 November 2006, the lowest market price was \$0.09 on 11 December 2006
- The last trade of the MGKO options was on 30 October 2006 at \$0.001

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