



Magnesium International Ltd.

MGK

- Mr Gordon Galt has resigned from his position as CEO. Mr Patrick Elliott, currently Non Executive Deputy Chairman, will act as Managing Director until MIL has recruited a new CEO.
- MIL also issued an ad hoc detailing its plans to re-evaluate the recently delayed magnesium smelter project. The revised programme includes the following cost reducing measures: undertaking Value Engineering to minimise project scope, reducing European fabrication by increasing Egyptian content and re-tendering a number of vendor bid packages. The programme of work is scheduled for completion by June 2006.
- The news has renewed interest in the stock which traded on 4x normal volume during the second half of the week.

Price Target:
A\$0.85

Risk Rating:
Speculative

Fri Closing Price:
A\$0.50

Market Cap:
A\$19.02m

Av. Vol. (last week):
127661

Av. Vol. (6 mth):
51461

	05/06E	06/07E	07/08E	08/09E
Revenue US\$m	0	0	0	74.1
Yr/Yr Growth	-	-	-	-
EBIT US\$m	-6.45	-32.23	-40.37	14.53
Net Income US\$m	-6.45	-19.34	-24.22	-0.43
EPS US\$	-0.14	-0.14	-0.16	0.00