

Appendix 3X

Initial Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity: ADVANCED ENGINE COMPONENTS LIMITED
ACN: 009 081 770

We (the entity) give ASX the following information under listing rule 3.19A.1 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	George Long
Date of appointment	9 May 2003

Part 1 - Director's relevant interests in securities of which the director is the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Number & class of securities
Nil

+ See chapter 19 for defined terms.

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Part 2—Director's relevant interests in securities of which the director is not the registered holder

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Name of holder & nature of interest Note: Provide details of the circumstances giving rise to the relevant interest.	Number & class of Securities
LIM Asia Arbitrage Fund Inc. Mr Long is a director and minority shareholder of the LIM Asia Arbitrage Fund Inc. He is also a director and the controlling shareholder of the company that manages the LIM Asia Arbitrage Fund Inc.	109,000,000 ordinary fully paid shares at the date of appointment. Nil at the date of this notice.

Part 3—Director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	At the date of appointment there was a loan outstanding of \$3,322,056 advanced to Advanced Engine Components Limited (AEC) by Lim Asia Arbitrage Fund Inc, a company associated with Mr Long. This loan was assigned on 25 June 2003 to 698 Asia Pacific Limited, therefore Mr Long has no interests in contracts at the date of this notice. LIM Asia Arbitrage Fund, a company associated with Mr Long, has made loans to AEC of \$75,000 and \$525,000 on 15 May 2003 and 20 June 2003, respectively. Mr Long therefore has an interest in this loan contract at the date of this notice.
Nature of interest	Mr Long is a shareholder of LIM Asia Arbitrage Fund Inc and so had an interest at the date of appointment and at the date of this notice.
Name of registered holder (if issued securities) No. and class of securities to which interest relates	NA NA

† See chapter 19 for defined terms.