

7 March, 2003

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

Dear Sirs,

RE **ANNOUNCEMENT**

Please find attached an Announcement in relation to:

Auction of forfeited securities - results

Yours sincerely,



P.K. Nair
COMPANY SECRETARY

Friday, 7 March 2003

Auction of forfeited securities - results

The Final Instalment on Australian Magnesium Corporation Limited's (AMC) Distribution Entitled Securities (DES) was due and payable on Friday, 31 January 2003. Each DES is a stapled security comprising a Share and a Loan Note.

A total of 657,684,020 (99.6%) partly paid DES have, to date, been converted to fully paid.

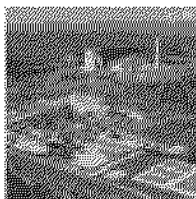
The remaining unpaid 2,574,693 DES were forfeited and sold at public auction at 10.00am this morning.

AMC announces the results of the auction as follows:

Number of securities offered for sale:	2,574,693
Number of securities sold at auction:	2,574,693
Average sale price:	\$0.3804
Total proceeds:	\$979,506.81

This successfully completes the Final Instalment process raising \$195.1 million. The securities sold at the auction are fully paid DES quoted under ASX code, ANMNA.

For additional enquiries, please call Douglas Heck & Burrell Registries on +61 7 3228 4219.



Investor Relations & Media Comment

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