

# APPENDIX 4E

## Preliminary Final Report For the financial year ended 30 June 2008

**Advanced Magnesium Limited**  
**ABN 51 010 441 666**

Current reporting period: 30 June 2008

Previous corresponding period: 30 June 2007

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This Preliminary Final Report is provided to the Australian Stock Exchange under ASX Listing Rule 4.3A

**Results for announcement to the market**

**Revenue and net profit**

		<b>Percentage change</b>		<b>Amount \$</b>
Revenue from ordinary activities	Down	64.39%	to	170,423
Loss from continuing activities after tax attributable to members	Down	35.75%	to	(3,822,126)
Net loss for the period attributable to members	Down	35.22%	to	(3,822,126)

**Dividends**

		Amount per security	Franked amount per security
Final dividend		Nil	Nil
Previous corresponding period		Nil	Nil
Record date		n/a	

**Commentary on results for the year**

<p><b>Revenue</b></p> <p>Revenue from operations was again derived from a combination of AM-converter royalties and AM-cover license fees and a small tonnage of AM-lite sales. It is expected revenue will increase significantly in 2009.</p>
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**Commentary on results for the year (cont'd)**

**Results**

The net loss for the 2008 year was reduced by \$2,127,589 (35.74%) due to cost cutting measures taken during the year. The operating expenses were largely incurred in the continuing development of our alloys, products and marketing costs.

**Net tangible assets per share**

Net tangible assets per ordinary share at 30 June 2008 are 3.59 cents (30 June 2007: 7.84 cents).

**Information on audit or review**

The Financial Statements are in the process of being audited by Deloitte.