



Methanol Australia Limited

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NOTICE OF UNDER SUBSCRIPTIONS

15 September 2006

The Company gives notice of under subscriptions in respect to Prospectus dated 3 August 2006, for a fully underwritten non renounceable rights issue to shareholders of fully paid ordinary shares at an issue price of 22.5 cents per share, on the basis of one share and one attaching 30 April 2007 option to acquire a further share at 25 cents, for each four shares held at the record date to determine entitlements to the issue.

Underwritten total of ordinary shares offered for subscription	38,651,278
Valid applications for shares	4,437,901
Underwritten shortfall	<u>34,213,377</u>

For and on behalf of the board of
METHANOL AUSTRALIA LIMITED

DAVID B HILL
Company Secretary