
LATROBE MAGNESIUM CLARIFICATION STATEMENT

7 February 2017, Sydney Australia: On 31 January 2017 Latrobe Magnesium Limited (ASX:LMG) in its Preliminary Feasibility Study announcement stated it had “entered further negotiations to access fly ash to supply its proposed magnesium plant” and had “entered into discussions for securing the rights to access Hazelwood ponded fly ash”. LMG clarifies that it has had preliminary discussions with ENGIE – Hazelwood Power about the potential access to power station ash, but it has not concluded an agreement with ENGIE - Hazelwood Power.



David Paterson
Chief Executive Officer

About Latrobe Magnesium

Latrobe Magnesium is developing a magnesium production plant in Victoria's Latrobe Valley using its world-first patented extraction process. LMG intends to extract and sell magnesium metal and cementitious material from industrial fly ash, which is currently a waste stream from brown coal power generation.

LMG has completed a pre-feasibility and an adjustment study validating its combined hydromet / thermal reduction process that extracts the metal. Production from its initial 3,000 tonne per annum magnesium plant is due to start in the first quarter of 2018. The plant will be in the heart of Victoria's coal power generation precinct, providing immediate access to feedstock.

LMG plans to sell the refined magnesium under long-term contracts to Australian and overseas users. Currently, Australia imports 100% of the 8,000 tonnes annually consumed.

Magnesium has the best strength-to-weight ratio of all common structural metals and is increasingly used in the manufacture of car parts, laptop computers, mobile phones and power tools.

The LMG project is at the forefront of environmental benefit – by recycling power plant waste, avoiding landfill and is a low CO₂ emitter.