

## LATROBE MAGNESIUM GRANTED USA PATENT FOR ITS UNIQUE HYDROMET PROCESS

**8 October 2015, Sydney Australia:** Latrobe Magnesium Limited (ASX:LMG) has been granted a United States of America patent for its unique hydromet process.

The Australian patent was granted on 26 September 2013 for 20 years starting from 27 August 2010. The process involves the treatment of the spent fly ash from brown coal-powered electricity generation using chemicals to reduce sulphur, iron and silicon to acceptable levels so that the beneficiated material can be used as a feedstock in the thermal reduction process.

The result is an efficient and novel means of magnesium and supplementary cementitious material production extracted from voluminous tailings of industrial fly ash from some of the world's brown coal electricity generators.

The process is owned 50% each by Ecoengineers Pty Ltd and Magnesium Investments Pty Ltd, a 100% owned subsidiary of LMG. LMG has the exclusive worldwide marketing rights for the commercialisation of this technology.

Patent applications were lodged in March 2013 for additional international territories being all countries within the European Union, China, India and Indonesia. All these countries are known to have large lignite / brown coal deposits. To date LMG has concentrated its activities on the Latrobe Valley and Germany.

The progress of the patent applications in each of these countries is summarised in the table below:

| Country/Region | Number                 | Status                           | Expected date of grant |
|----------------|------------------------|----------------------------------|------------------------|
| Australia      | 2011293107             | Granted                          | 26 September 2013      |
| China          | 201180040099.2         | Response filed to Office Action  | By end of 2015         |
| Europe         | 11819208.7             | Response filed to Search Opinion | By end 2016            |
| India          | 577/MUMNP2013          | Examination requested            | By end 2016            |
| Indonesia      | W00201300844           | Examination requested            | By end 2016            |
| United States  | 9139892<br>(13/818788) | Granted                          | 22 September 2015      |



**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 5,000 tonne per annum magnesium plant is due to start in the middle of 2017. 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 10,000 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 CO<sup>2</sup> emitter.