

Latrobe City Council has approved a \$50 million magnesium smelter to be built in Hazelwood North

- **Michelle Slater**

Latrobe City Council has given the nod for a 3000 tonne-per-annum magnesium smelter to be built at 320 Tramway Road in Hazelwood North.

The applicant Latrobe Magnesium will create magnesium out of fly ash from Yallourn after having previously signed a 10-year supply contract with mine owner EnergyAustralia.

Latrobe City granted the approval on Friday last week with planning officers satisfied the application had met noise, traffic, air and emissions standards.

Latrobe City Mayor Dan Clancey said the applicant had addressed all the proper planning criteria, and welcomed the \$50 million investment in the municipality.

"We know when someone stumps up a bunch of money to invest in our area that creates jobs and liveability, we really welcome that," Cr Clancey said.

"It has certainly been a long journey for Latrobe Magnesium, there is certainly money to be made out of magnesium, they will take a waste product and turn it into a valuable commodity."

The company is building a trial plant that will operate for about 18 months, providing 53 permanent jobs that will be the world's first project to create magnesium out of brown coal fly ash.

It is planning to upscale to larger fully-commercialised operation that will process 40,000 tonnes of magnesium a year and create 300 direct and indirect jobs.

Latrobe Magnesium plans to sell the refined magnesium under long-term contracts to domestic, American and Japanese customers.

Latrobe Magnesium chief executive David Paterson said he hoped for construction of the trial plant to start at the end of the month and be operational in about 12 months.

He said the company was yet to lodge a research, development and demonstration application with the Environment Protection Authority, but was confident this would be ticked off in under 30 days.

Mr Paterson said the application had received positive community support following meetings with local community groups and stakeholder consultation sessions.

He said the company would also be making its engineering reports publicly available.

"We want to inform stakeholders in full, as we would rather be a part of the community. A lot of capital and costs will be spent in the Valley," Mr Paterson said.

"We are very close to starting the whole project and it's a great move forward for magnesium manufacturing and exports."