
LATROBE MAGNESIUM COMPLETES DEBT RAISING OF \$750,000

16 November 2017, Sydney Australia: Latrobe Magnesium Limited (ASX:LMG) has finalised a debt facility totalling \$750,000, secured against its 2018 Australian research and development tax rebate.

LMG wishes to advise the raising of \$750,000 of debt facility from RnD Funding Pty Limited will assist with the company's finalisation of its fast cycle retort (FCR) test work, completion of its bankable feasibility work and detail engineering design for the initial plant.

The components for the FCR test work have all been completed and the last component, the retort, will be delivered to CSIRO tomorrow. The connection of the parts to the furnace will be completed next week and the final commissioning of the complete FCR will be performed. Testing of material will then commence in the week starting Monday 27 November 2017.

LMG arranged the loan through RnD Funding Pty Limited for a 12 month period on very favourable terms and conditions.

"Latrobe Magnesium benefits from the financial support obtained through the Federal R&D program. The support assists us in developing our novel hydromet process to convert spent brown coal fly ash from power companies into valuable commodities and also our new FCR technology," said David Paterson, CEO of Latrobe Magnesium.



David Paterson
CEO

About Latrobe Magnesium

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

LMG is currently finalising a bankable-feasibility study to validate its combined hydromet / thermal reduction process that extracts the metal. Construction is estimated to start on its initial 3,000 tonne per annum magnesium plant in July next year with production commencing 12 months later. The plant will then be expanded to 40,000 tonne per annum magnesium 18 months later. The plant will be in the heart of Victoria's coal power generation precinct, providing immediate access to feedstock, infrastructure and labour.

LMG plans to sell the refined magnesium under long-term contracts to Australian, Japanese and United States customers. 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. LMG adopts the principles of an industrial ecology system