

SUPPLEMENTARY QUARTERLY ACTIVITIES REPORT 30 June 2022

Listing Rule 5.3.5

Latrobe Magnesium Limited (ASX:LMG) refers to its quarterly activities report and Appendix 5B for the period ending 30 June 2022, released on 29 July 2022.

ASX Listing Rule 5.3.5 requires quarterly activity reports to describe any payments made to related parties or their associates as disclosed in an Appendix 5B for the same quarter. LMG disclosed payments to related parties in the Appendix 5B at Item 6.1 but did not include a description in the quarterly activities report itself. Accordingly, LMG advises the amount of \$178,750 (rounded up \$179k in Appendix 5B) being payments made to Directors or companies associated with Directors for their services as Directors' fees.

David Paterson

Chief Executive Officer

11 August 2022

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 the Yallourn brown coal power generation.

LMG has completed a feasibility study validating its combined hydromet / thermal reduction process that extracts the metal. Construction has started on site on its initial 1,000 tonne per annum magnesium plant and production is expected by 30 June 2023. The plant will then be expanded to 10,000 tonne per annum magnesium shortly thereafter with production expected 12 months later. Further plant capacity expansion will be determined once a body of Geotech works has been carried out this year.

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 USA and Japanese 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.

