

LATROBE MAGNESIUM COMPLETES \$3.06M PLACEMENT

- * Placement to raise \$3.06M was completed by issuing 61 million shares at 5 cents.
- * Funds raised will be used to provide working capital for operating LMG's 1,000tpa magnesium demonstration plant in the Latrobe Valley.
- * Funds will ensure no further delays in the construction of the development plant and MgO production.

21 December 2023, Sydney Australia: Latrobe Magnesium Limited (ASX: LMG) is pleased to announce that it has raised \$3.06M through a placement to sophisticated and professional investors. On 21 December 2023, the company will issue a total of 61 million ordinary shares to investors at an issue price 5 cents. These shares are issued within the company's existing capacity under the ASX Listing Rule 7.1.

Directors and Senior Management subscribed to \$700,000 of the total \$3.06M shares. Under the ASX listing Rule 10.11, the shares to be issued to Directors will not be issued until they are approved by shareholders at the next general meeting.

Update on Funding Plan

LMG's current budget estimate for its 1,000tpa demonstration plant is \$41.7M. As at 20 December 2023, LMG has spent \$37M on the demonstration plant. The remaining cost of \$4.7M will be funded as follows:

Item	\$M's
Cash in Bank	1.2
December Equity Raising	3.0
Project Finance still to be drawn	3.0
Victorian State Grant	0.5
GST	0.5
Total	8.2

The surplus \$3.5M will provide working capital to operate LMG's demonstration plant.

In addition, LMG undertook this placement to ensure that there was no further delays to the construction of the demonstration plant and the commissioning of its MgO production. The last draw of the \$3M of project finance is only capable of being drawn once the ATO has paid the 2023 rebate to LMG's financier.

Should you have any queries in relation to this announcement please do not hesitate to contact the CEO on 042 1234 688.



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 resource from Yallourn brown coal power generation.

LMG has completed a feasibility study validating its combined hydrometallurgical / thermal reduction process that extracts the metal. Construction has commenced on its initial 1,000 tonne per annum magnesium plant with commissioning targeted to commence end of Q1 2024. A commercial plant will then be developed, with a capacity of +10,000 tonne per annum magnesium, shortly thereafter. 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 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.