
LATROBE MAGNESIUM SECURES FIRM COMMITMENTS FOR TRANSFORMATIONAL A\$18M EQUITY RAISING

30 May 2024, Sydney Australia: Latrobe Magnesium Limited (ASX: LMG) (LMG) is pleased to announce:

- LMG has received firm commitments to raise A\$12.0 million from several new and existing institutional and professional investors via an institutional placement (Placement), alongside a proposed fully underwritten, non-renounceable entitlement offer (Entitlement Offer) to raise A\$6.0 million (together, the Offer)
- Funds from the Offer will be used for the final structural works and commissioning of the Demonstration Plant, final engineering ahead of steady-state 1ktpa magnesium metal production and R&D currently being undertaken alongside CSIRO
- The Offer was well supported by LMG's directors and management, having subscribed for A\$650,000 of shares (New Shares) in the Placement

In reference to the Offer, Latrobe Magnesium's Managing Director, David Paterson, commented:

"We are very pleased with the strong support for this equity raising, evidenced by demand from both the domestic and international markets. It is pleasing to see the market recognise the importance of LMG as the world's first producer of magnesium from brown coal fly ash. The support from both new and existing investors is a testament to our team, patented process and the positive macroeconomic outlook for magnesium."

This equity raise will help fund our Demonstration Plant to produce a magnesium metal and saleable by-products, demonstrating the commerciality of our full flowsheet. In conjunction with the final engineering of the Demonstration Plant to produce magnesium metal ingots, we are advancing plans surrounding the 10,000tpa Commercial Plant, with a Bankable Feasibility Study to commence shortly which will inform the Final Investment Decision planned for calendar year's end.

The Placement has also been a fantastic opportunity to diversify our shareholder register ahead of a significant period of growth for the company. The next 12 months promise to be an exciting time for us and we are very appreciative of the continued support of our existing shareholder base, and therefore, want our existing retail shareholder base to have the chance to participate on the same terms as institutional investors through the Entitlement Offer."

1. Placement

The Placement will constitute the issue of ~267 million New Shares in the Company at \$0.045 per share (**Offer Price**), representing a 19.6% discount to the last traded price of \$0.056 per share.

Of the ~267 million New Shares to be issued under the Placement, ~174 million and ~81 million New Shares will be issued under LR7.1 and LR7.1A capacity respectively, therefore do not require shareholder approval. LMG Directors have subscribed for A\$500,000 of (~11 million New Shares) which are subject to shareholder approval under LR10.11 at a general meeting to be held as soon as practicable.

2. Entitlement Offer

The Entitlement Offer will be offered at the same price as the Placement and is proposed to be fully underwritten by Ord Minnett to A\$6.0 million, subject to the lodgement of a satisfactory Prospectus, in accordance with the Offer timetable. The Entitlement Offer will constitute the issue of 133 million New Shares in Company at the Offer Price.

The record date for the Entitlement Offer is 7:00pm AEST on Thursday, 6 June 2024 and the Entitlement Offer will open for eligible shareholders on Wednesday, 12 June 2024.

The Entitlement Offer is to be undertaken on the basis of one (1) new share for every fifteen (15) existing shares at the record date, and eligible shareholders will be able to bid for up to 100% in-excess of their entitlement.

Key dates in respect of the Offer are detailed below:

Event	Date (AEST)
Trading Halt	Tuesday, 28 May 2024
Placement and Entitlement Offer sub-underwriting bookbuild opens	10:00am, Tuesday, 28 May 2024
Placement and Entitlement Offer sub-underwriting bookbuild closes	5:00pm, Tuesday, 28 May 2024
Trading halt lifted – shares recommence trading on ASX.	Thursday, 30 May 2024
Entitlement Offer Prospectus lodged with ASX	Monday, 3 June 2024
'Ex' date	Wednesday, 5 June 2024
Record date for the Entitlement Offer	7:00pm, Thursday, 6 June 2024
Settlement of New Shares issued under the Placement	Friday, 7 June 2024
Allotment and trading of New Shares issued under the Placement	Tuesday, 11 June 2024
Dispatch of Entitlement Offer Prospectus	Wednesday, 12 June 2024
Entitlement Offer opens	Wednesday, 12 June 2024
Entitlement Offer closes	5:00pm, Wednesday, 3 July 2024
Announce results of Entitlement Offer	Friday, 5 July 2024
Settlement of New Shares issued under the Entitlement Offer	Tuesday, 9 July 2024
Allotment and issuance of New Shares issued under the Entitlement Offer	Wednesday, 10 July 2024
Trading of New Shares issued under the Entitlement Offer	Thursday, 11 July 2024
Dispatch of holding statements in respect of New Shares issued under the Entitlement Offer	Friday, 12 July 2024

Dates are indicative only and subject to change. Subject to the Corporations Act and ASX Listing Rules, the Company reserves the right to vary these dates in its discretion.

Ord Minnett acted as the Sole Lead Manager to the Placement and Entitlement Offer, and underwriter to the Entitlement Offer, and will be paid a fee in cash and receive options for monies raised under the Offer. Sub-underwriters to the Entitlement Offer will be issued sub-underwriter options.

The participation of Company directors in the Placement and the issuance of options are subject to shareholder approval at a general meeting, expected to be held as soon as practicable.



David Paterson
Chief Executive Officer

30 May 2024

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. The demonstration plant has produced MgO in the middle of May 2024 with the full plant being commissioned in the 3rd quarter of calendar year 2024.

A commercial plant will then be developed, with a capacity of 10,000tpa magnesium, shortly thereafter with completion targeted the 1st quarter of calendar year 2026. The plant will be in the heart of Victoria's coal power generation precinct, providing immediate access to feedstock, infrastructure, and labour.

LMG has sold its 10,000tpa of refined magnesium production 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 promises to be a low CO2 emitter. LMG adopts the principles of an industrial ecology system.