SARAWAK APPROVALS FOR HYDROPOWER AND FUNDING
17 March 2025

Highlights:

- **Latrobe Magnesium's Stage 3 Project has had its request for 250 MW allocation of hydropower approved.**
- **Latrobe Magnesium has been awarded PDS funding from the Australian Federal Government for the establishment of its project in Sarawak, Malaysia.**

1. Hydropower Allocation

Latrobe Magnesium (**LMG**) has been advised its request for power for its proposed 100,000 tonne per annum has been approved, subject to initialling a Terms' Sheet, entering into a Power Purchase Agreement with Sarawak Energy and satisfying any other issues raised by the Sarawak Government.

This is a major milestone for our Sarawak project as demand for power in Sarawak far exceeds supply and, without this power allocation, our project would not be able to proceed. LMG can now proceed to finalising discussions with potential joint venture partners for this project.

2. Australian Federal Government Funding

LMG has been awarded funding from the Southeast Asia Investment Deal Team's Project Development Support (**PDS**) Program (**the Program**) to assist with advisory work in relation to establishing its Stage 3 Project at Samalaju in Sarawak, Malaysia.

The Program is part of the $2 billion Southeast Asia Investment Financing Facility, established by the Australian Government to provide finance for projects to catalyse Australian trade and investment in Southeast Asia.

LMG have been advised the Program was highly competitive, with the value of submissions being four times the funding pool available.

Should you have any queries in relation to this announcement please do not hesitate to contact David Paterson on his mobile +61 421 234 688.

David Paterson

Chief Executive Officer
17 March 2025 **bout Latrobe Magnesium**

Latrobe Magnesium (**LMG**) is developing a magnesium metal Demonstration 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 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 now produced magnesium oxide with the full plant being commissioned in the calendar year 2025.

A Commercial Plant will also be developed by LMG, with a capacity of 10,000 tonne per annum of magnesium metal, with completion targeted for the second half of calendar year 2026. The plant will be in the heart of Victoria's coal power generation precinct, providing access to feedstock, infrastructure, and labour.

LMG will sell the 10,000 tonne per annum of refined magnesium metal under long-term contracts to LMG's US-based distributors.

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.

LMG's projects are at the forefront of ESG best-practice by recycling power plant waste, avoiding landfill, encouraging a circular economy, and by being a low CO_2 emitter.