
BULK TREATED FLY ASH DISPATCHED TO CHINA FOR COMMERCIAL TESTING

24 September 2014, Sydney Australia: Latrobe Magnesium Limited (ASX:LMG) has dispatched via air freight its 600kg treated fly ash sample to China for processing through a commercially operating magnesium plant. Results are expected within three weeks.

After completion of the processing in China, the resulting magnesium and cementitious material will be air freighted back to Australia. Engineer Material Solutions Pty Ltd will then conduct a full suite of cement tests to replicate previous results and more precisely determine the properties of this material.

About 80% of the cement test results will be known within 28 days after Engineer Material Solutions receives the material, with the remaining 20% of results expected to take a further month.

Since July the fly ash bulk sample was calcined, mixed and extensively tested at a Melbourne laboratory. The results of this test work proved that this sample has achieved the company's hydromet and smelter specifications as set in its prefeasibility and adjustment studies.

The China smelter tests will be the first testing in actual commercial conditions and are expected to validate LMG laboratory results to date.

The timetable is therefore:

15 October : Magnesium smelter test results

26 November : Cementitious material initial results

For more information, please contact:



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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 its cementitious material from industrial fly ash, which is currently a waste stream from brown coal power generation.

LMG has completed its pre-feasibility and adjustment studies validating its combined hydromet / thermal reduction process that extracts the metal. Production from the initial 5,000 tonne per annum magnesium plant is due to start in the June quarter of 2016. The plant will be in the heart of Victoria's coal power generation precinct at a brown field site located at 320 Tramway Road Morwell, providing immediate access to feedstock.

LMG plans to sell the refined magnesium under long-term contracts to Australian and American users. Currently, Australia imports 100% of the 10,000 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.