

STRONG 56 DAY CEMENT RESULTS FROM CHINA SAMPLE

22 April 2015, Sydney Australia: Latrobe Magnesium Limited (ASX:LMG) has achieved further progress with its 56 day results from its first of its large-scale concrete trials on its supplementary cementitious material (SCM) from its recently processed China sample.

The SCM is being targeted as a commercial by-product of LMG's process of extracting magnesium from large volumes of spent fly ash in Victoria's Latrobe Valley.

The tests involved the preparation of three mixes – a pure GP mix, a 70% GP and 30% black coal fly ash mix and a 70% GP with 30% LMG SCM material mix.

The LMG SCM mix appears to behave like a conventional pozzolan, lagging the pure GP cement mix over the first 7 days, but by 14, 28 and 56 days has caught up in compressive strength. The difference between the LMG SCM mix and the GP mix at 14, 28 and 56 days is not statistically significant.

Unconfined Compressive Strength Results:

Age (days)	Pure GP cement mix	Black Coal Fly Ash mix	LMG SCM Mix
7	43.5 MPa	34.5 MPa	35.0 MPa
14	48.2 MPa	43.2 MPa	47.0 MPa
28	52.5 MPa	50.7 MPa	52.7 Mpa
56	59.7 MPa	55.3 MPa	57.7MPa

LMG produces over 8 tonnes of SCM for every tonne of magnesium produced. LMG's price for its SCM will be set somewhere between the cost of black coal fly ash and the cost of cement delivered in Melbourne. These costs are between \$130-180 per tonne. The revenue generated by this product significantly enhances the value of the Latrobe Magnesium project.

LMG's SCM is produced without emitting any CO₂. Cement traditionally produces up to 0.9 tonnes of CO₂ per tonne of cement. LMG or its customer should therefore earn carbon credits of some 7 tonnes per tonne of magnesium produced.

There are major cost benefits and environmental benefits when LMG's SCM is mixed with normal portland cement. The full set of performance data and the durability characteristics at 28 and 56 days age should be reported in the next week.



David Paterson
Executive Chairman

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 brown coal power generation.

LMG has completed a pre-feasibility and an adjustment study validating its combined hydromet / thermal reduction process that extracts the metal. Production from its initial 5,000 tonne per annum magnesium plant is due to start at the end of 2016. The plant will be in the heart of Victoria's coal power generation precinct, 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.