
PROJECT UPDATE

LMG'S DEMONSTRATION PLANT

30 May 2025, Victoria, Australia: Latrobe Magnesium Limited (ASX: LMG) provides the below update on its continued progress toward commencing operations at its Stage 1 Demonstration Plant.

To commence ore commissioning and transition into operations LMG has undertaken to:

1. Provide reporting conditions to the Environmental Protection Authority (EPA)
2. Secure the appropriate operating labour at suitable commercial rates
3. Finalise the completion of the ash stockpile
4. Reinstate the management team and arrange attendance of vendor technical personnel
5. Assess inventory and restock reagents as required.

1. EPA Review

LMG has submitted all the necessary documentation to the EPA:

- The bulk submission was on the 21st January 2025
- Questions were received on 8th April 2025 and submitted back to the EPA on the 16th April 2025
- The final Environment Management Plan was submitted on the 16th April 2025
- Financial Assurance documents were submitted on the 29th May 2025.

LMG believes that no outstanding items remain to resolve with the EPA, and it is now waiting on confirmation from the EPA that all conditions have been met to start ore commissioning and transition into operations.

2. Operating Labour

Discussions with relevant unions and contractors have progressed constructively over recent months. LMG has completed a site Enterprise Agreement (EA), which is currently under review by the bargaining representative, the Mining and Energy Union (MEU).

LMG is looking to secure competitive and sustainable labour arrangements that will support long term sound financial operation of the Demonstration Plant. Key to this has been to reset job market expectations as to wages within the resources industry in Victoria and the broader resources industry in general. Wages for the power industry in the Latrobe Valley are higher than other industries, however the economics of the power industry are significantly different to the resources industry and as such wages are not comparable. It has been important to have that conversation with stakeholders so that expectations are clear.

As part of its broader workforce engagement strategy, LMG participated in the *Middle of Everywhere Jobs Fair* held in Sale during May. The event attracted over 550 attendees from the Wellington Shire

and broader Gippsland region, including active job seekers. LMG received strong interest, with many attendees submitting resumes and enquiring about career opportunities. This positive response has led to further invitations to present at upcoming Gippsland careers expos, local employment agencies, and community forums.



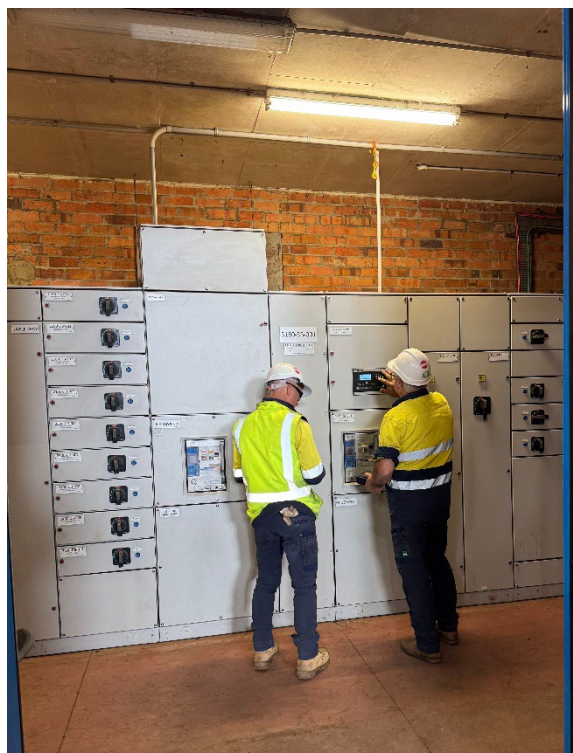
LMG is confident of shortly finalising a labour position that will be supported by the unions, supporting contractors and the community to allow us to commence engaging labour.

3. Ash Stockpile

LMG has finalised an updated ash supply agreement with Energy Australia allowing the development of the ash stockpile, ahead of approval from the EPA. The ash stockpile will be reclaimed for transport and supply to the process plant. LMG's mining contractor, RTL, is ready to commence preparation of the ash stockpile and this is expected to be ready to supply ash feed to the process plant in line with commencement of operations.

4. Site Reinstatement

Preparations to recommence site activities are well underway, with some key members of the site management team now reinstated and actively preparing for start-up operations. The process plant was on care and maintenance and is now progressively being restored to active status with equipment being repowered and process lines and tanks being filled with water as part of pre-commissioning checks.



Development of operational processes and procedures is nearing completion, with final reviews being conducted in collaboration with LMG's safety and management teams. These will underpin the onboarding and training of operations personnel in the lead-up to start-up.

An inventory of reagents has been undertaken and there is sufficient inventory to commence operations. Suppliers are ready to supply reagents as needed during commissioning and ramp up.

5. Vendors

In parallel with labour workforce preparations, arrangements are in hand for the mobilisation of other key technical resources to site, including Tenova's commissioning team and Rockwell Automation's engineering personnel. Mobile equipment required for safe materials handling during both operations and maintenance has also been scheduled for delivery.

Latrobe Magnesium looks forward to commencing operations soon and providing further updates as the final hurdles to demonstration plant operation are completed.

David Paterson
Chief Executive Officer

30 May 2025

About 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 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 2027. 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.

LMG is also developing an International 'Mega' Plant in the state of Sarawak, Malaysia, which will produce 100,000 tonnes per annum of magnesium metal via its wholly owned subsidiary company Latrobe Magnesium Sarawak Sdn Bhd. LMG has completed the first phase (PFS-A) of a pre-feasibility study using Ferronickel Slag feedstock.

Magnesium has the best strength-to-weight ratio of all common structural metals and is increasingly used in the automotive, aerospace, medical and electronics industries.

LMG's projects are at the forefront of ESG best-practice by recycling power plant waste tailings, avoiding landfill, encouraging a circular economy, and by being a low CO₂ emitter.