
LATROBE MAGNESIUM AWARDS LOGISTICS & FREIGHT FORWARDING PARTNER

Highlights:

- * Latrobe Magnesium are building a demonstration plant in the Latrobe Valley Victoria to initially produce 1,000tpa of magnesium metal consisting of freight movements in the order of 31,000tpa for all its reagents and products.
- * Latrobe Magnesium expects in the order of 310,000tpa of reagent and product freight for its Stage 2 operation based on a 10,000 tpa plant.
- * Latrobe Magnesium expects its Stage 3 operation to freight over 2.6M tpa of reagents and products with by-products accounting for approximately 40% of the revenue associated with any LMG project.

22 November 2022, Sydney Australia: Latrobe Magnesium Limited (ASX: LMG) are pleased to announce the award of a long-term agreement for its logistics and freight forwarding services to Customs Agency Services (CAS), a division of Mondiale VGL.

Servicing freight movements for both the construction and operational requirements of LMG's Stage 1 and 2 plants, CAS with Mondiale VGL own and operate a logistics hub at Dandenong South, Victoria, which is strategically located between LMG's Site in Hazelwood North and the Port of Melbourne.

Capable of providing the full suite of logistics services in-house including quarantine approved facilities for fumigation and inspection, this site holds a capacity of 1,200 TEU (20' container equivalent) of hardstand and a total throughput of 70,000 TEU's per annum allowing LMG to drive efficiency in freight movement and the rapid deployment of services.

Additionally, CAS will be utilised to provide input into the supply chain considerations of LMG's Stage 3 100,000 tpa international mega-plant.

Given the unprecedented recent conditions in the global freight market, and with the COVID pandemic continuing to place challenges on the global supply chain, the appointment of the CAS team will assist LMG to mitigate the potential for shipping delays and optimise costs within a challenging environment.

About Customs Agency Services

Customs Agency Services have been proudly supporting Australian importers and exporters both domestically and globally since 1976 with their best-in-class logistics solutions.

In December 2021, Customs Agency Services joined the Mondiale VGL Group. Whilst still operating independently, this has brought significant new scale and capability to CAS' operations, allowing their customers to access an enhanced suite of integrated services, providing even greater control and visibility over the global supply chain.



This regional focus, expertise and world leading capabilities provides LMG with the local partnership and resources to manage LMG's projects with complete success.

David Paterson
Chief Executive Officer

22 November 2022

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. Construction has commenced on its initial 1,000 tonne per annum magnesium plant with commissioning targeted to commence end of Q1 2023. A commercial plant will then be developed, with a capacity of +10,000 tonne per annum magnesium, shortly thereafter. Further plant capacity expansion will be considered once the 10,000 tonne per annum is operating successfully. The plant will be in the heart of Victoria's coal power generation precinct, providing immediate access to feedstock, infrastructure, and labour.

LMG plans to sell the refined magnesium under long-term contracts to USA and Japanese 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 is a low CO₂ emitter. LMG adopts the principles of an industrial ecology system.