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## LATROBE MAGNESIUM ACHIEVES CONTINUOUS PRODUCTION OF MAGNESIUM OXIDE

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27 February 2026, Hazelwood North, Australia: Latrobe Magnesium Limited (Latrobe, the Company or LMG) (ASX: LMG) is pleased to provide an update regarding operations at its Hazelwood North Demonstration Plant.

### HIGHLIGHTS

- \* Latrobe Magnesium's world-leading magnesium Demonstration Plant in the Latrobe Valley has successfully produced approximately 20t of magnesium oxide from brown coal ash over a sustained two-week period of focused operations
- \* Through this important milestone, LMG confirms that its Demonstration Plant operations and processes are sustainable, well understood and capable of continuous magnesium oxide production
- \* The magnesium oxide produced meets the required quality standards, indicating that the plant is now ready to progress to the next stage — production of magnesium metal. Additionally, LMG has also sold the magnesium oxide to a customer. Additional assay results are pending and will be announced in due course.
- \* The continuous production of magnesium oxide represents a substantial de-risking event for Latrobe and allows it to progress to magnesium metal production, expected in 2H CY2026.

Latrobe Magnesium is pleased to advise that its Demonstration Plant in the Latrobe Valley has successfully delivered sustained magnesium oxide (MgO) production.

Continuous operations have followed the rectification of the gas transport fan defect previously reported to the market, which has allowed spray roaster operations to stabilise. This has provided the process plant with sustained run time, enabling the operations team to optimise performance and deliver on-going MgO production.

Additionally, LMG has also sold the MgO to a customer and the Demonstration Plant has successfully produced several by-products, including char, iron oxide, and agricultural lime. The Company will commence customer validation trials with multiple interested parties to confirm byproduct specifications for sale as well as for the future Stage 2 Commercial Plant.

### **LMG's Chief Operating Officer, Ronan Gillen, commented:**

*"We are very pleased that our world-first magnesium Demonstration Plant has been able to successfully produce MgO from brown coal ash over a sustained period, as intended. The Company has overcome a range of challenges to reach this milestone, including the commissioning of a team new to complex mining process operations and mechanical reliability improvements — each of which is typical for a completely new process. Through the lessons learnt in achieving MgO production, the team has implemented significant enhancements to process performance, operability, and reliability that will be carried forward into the Stage 2 Commercial Plant. Identifying and resolving issues at the demonstration stage substantially reduces risk ahead of full-scale production. As a result, we are well positioned to produce magnesium metal and subsequently advance to commercial operations".*



**Magnesium Oxide Bags and Samples**



**Magnesium Oxide Bags Heading to Customer**

**LMG's Chief Executive Officer, David Paterson, commented:**

*"It is highly encouraging to achieve steady production of MgO at our Demonstration Plant. This milestone represents a significant step forward for the Company and validates the proprietary components of our patented magnesium production process. The achievement will be of great benefit to the Company as we continue to advance opportunities with strategic parties that can see the value in our magnesium production process, against a backdrop of increasing geopolitical competition for critical metals. The Company appreciates the continued patience and support of all stakeholders as it advances toward magnesium metal production later in the year".*

LMG and its operations team are now confident that its Demonstration Plant processes, technologies and operations are sustainable and well understood, providing a strong foundation for the next phase - magnesium metal production. The next stage of metal production will see the installation of on-site horizontal retorts, targeting 500 tpa of magnesium, followed by vertical retorts, which are expected to add a further 600 tpa.

The recent continuous operations at the Demonstration Plant have enabled the identification of opportunities to enhance process performance, operability, and reliability. These improvements will be incorporated alongside completion of the second stage of the process flowsheet. Together with additional resources and a more experienced team, these initiatives are expected to deliver more efficient metal output.

LMG's Demonstration Plant is now entering a planned shutdown phase, with the majority of the workforce transitioning to support installation and commissioning of the remaining process flowsheet required for magnesium metal production. Completion of the remaining works and initial plant restart are targeted for mid-year, with first metal production expected in 2H CY2026. Retaining and redeploying the experienced LMG workforce, while engaging them early in the commissioning process, will facilitate a safer, more efficient start-up and ensure reliable full-plant operations.

The Company will continue to provide regular corporate and operational updates to the market as it moves towards first magnesium metal production.



**David Paterson**  
**Chief Executive Officer**

27 February 2026

## About 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, cementitious material and other products from industrial ash, which is currently a waste resource from brown coal power generation.

LMG has completed the first half of a Demonstration Plant which has now produced sustained magnesium oxide and other saleable by-products, with the full plant expected to be commissioned in 2H CY2026.

A Commercial Plant will also be developed by LMG, with a capacity of 10,000 tonnes per annum of magnesium metal. 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 U.S.-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 carbon emitter.