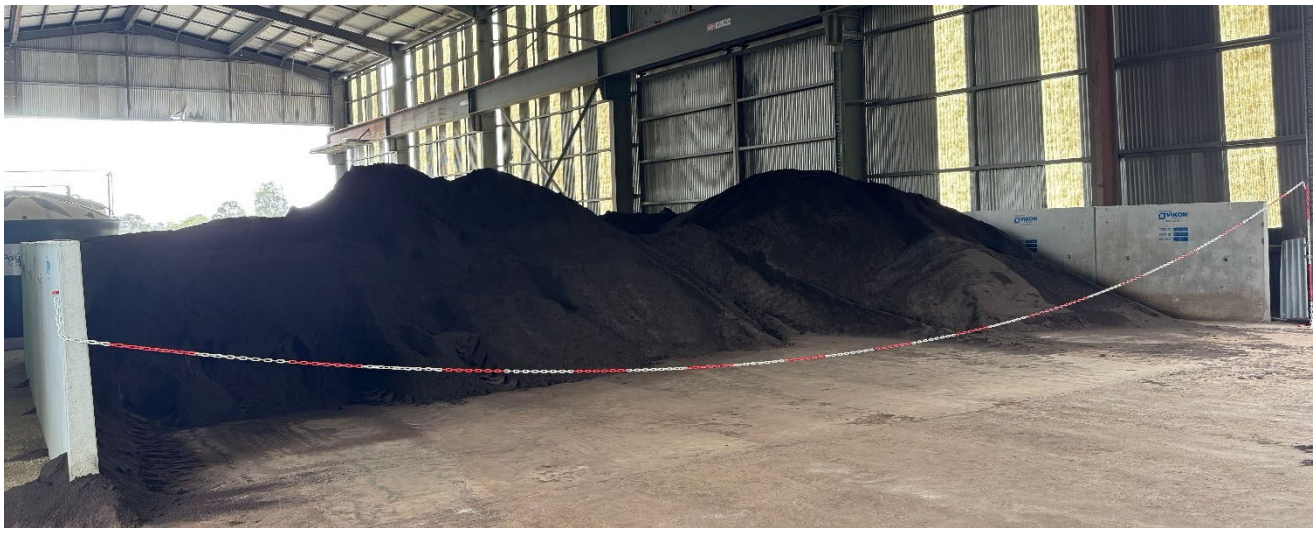
OPERATIONAL UPDATE – PRODUCTION OF MAGNESIUM OXIDE COMMENCED

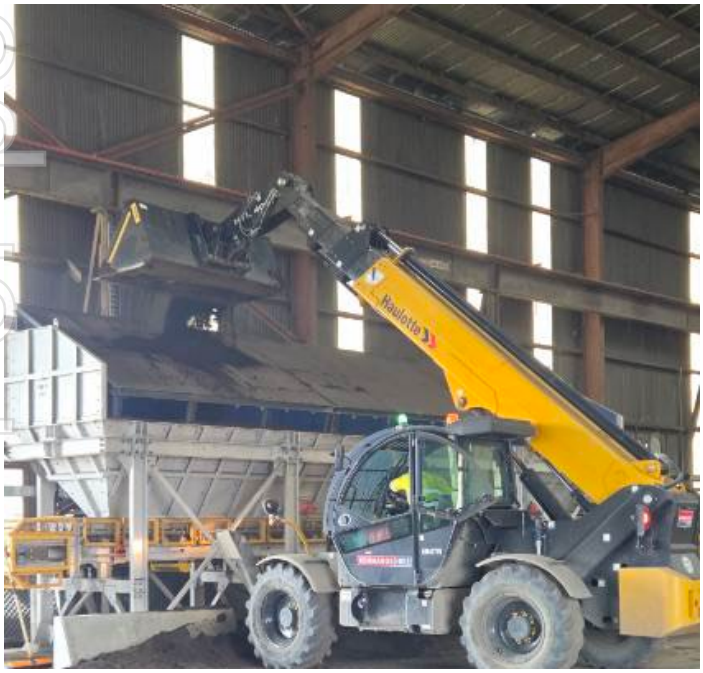
25 September 2025, Hazelwood North, Australia: Latrobe Magnesium Limited (**LMG**) (ASX: LMG) is pleased to provide an update regarding our operations at the Hazelwood North Demonstration Plant.

Following short-term delays in ash deliveries caused by storm conditions in the region, the team has now successfully completed the operational start-up of the Demonstration Plant and achieved production of Magnesium Oxide (MgO).

The Demonstration Plant received over 200 tonnes of ash in the past two weeks, ensuring sufficient stock for start-up and continuous operations. Our mining partner continues to screen and stockpile ash for transport, with deliveries ongoing in compliance with the EPA Victoria's waste tracker procedures and conditions.



Ash received and stored in Ash Bunker ready for start-up

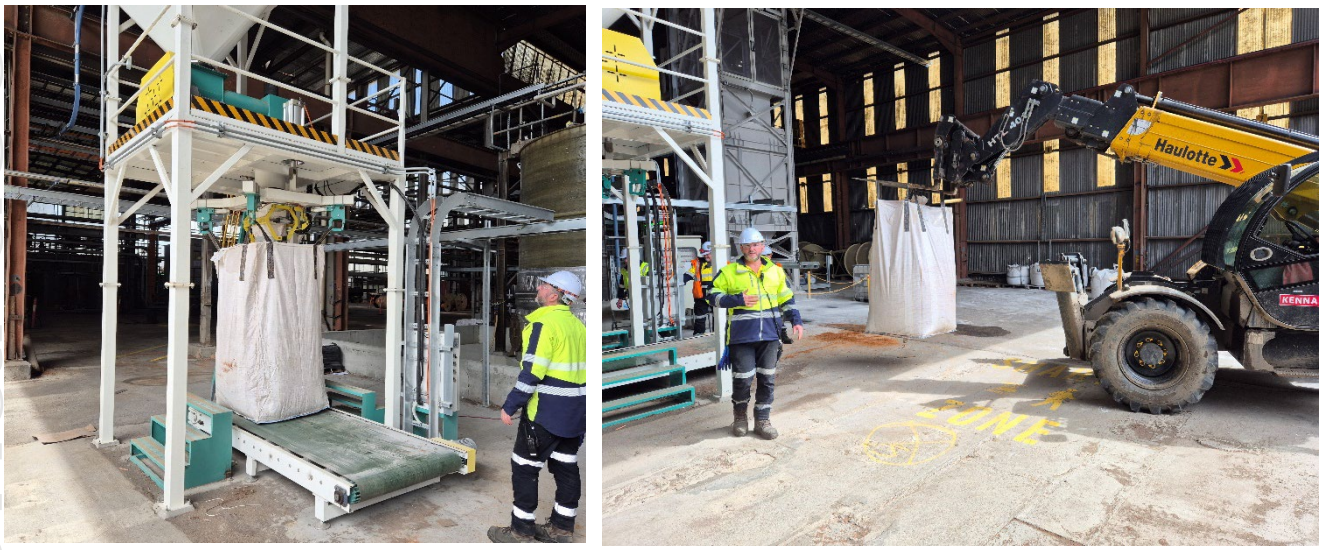


Loading of ash into hopper (*left*) **and deliveries of acid for start-up** (*right*)

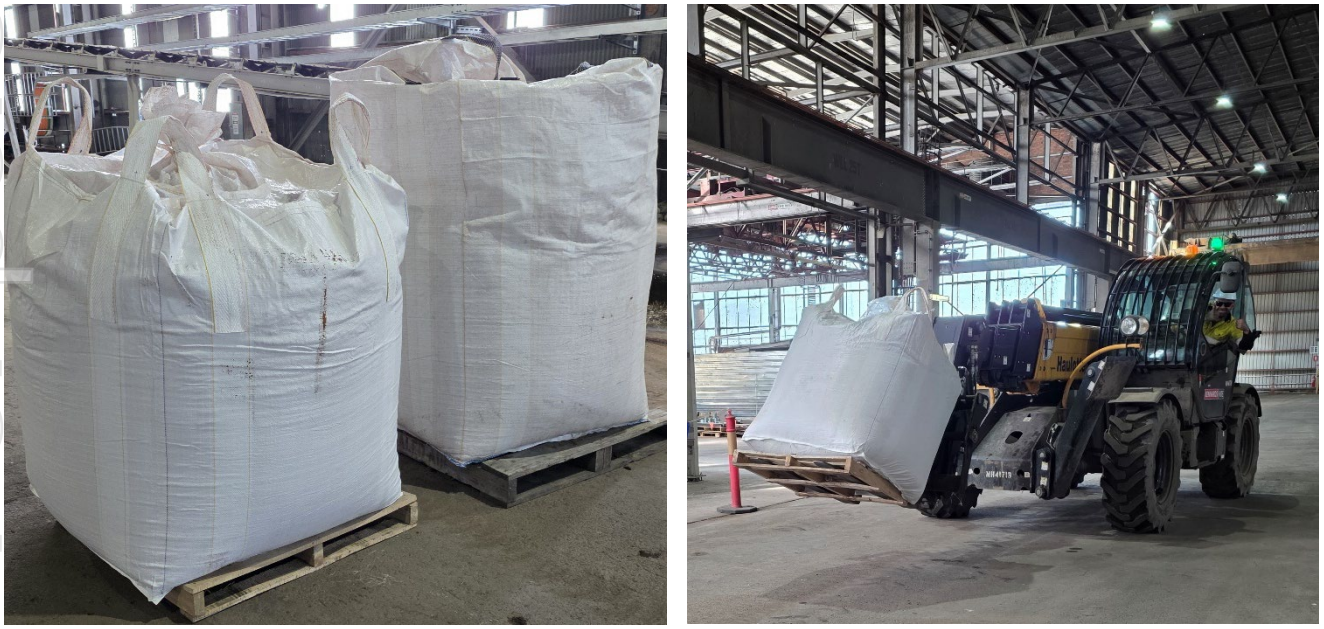
Operational start-up has been supported by our long-term reagent suppliers, with continuous deliveries of LPG from Origin Energy, industrial gases from Coregas, and acid from Ixom. All other operational reagents are sufficiently stocked, and critical supply chains remain secure.

The Demonstration Plant production has been ramping up in accordance with operational plans, with the operations team continuing to build knowledge of the processes involved as we progress towards 1,000tpa steady-state operations. Scheduled maintenance pauses have been undertaken throughout the start-up process. These pauses are being used as opportunities to train the operations team, improve practices to enable faster recovery from possible breakdowns, and implement preventative maintenance measures ahead of building production capacity.

The Demonstration Plant is now producing MgO and will continue to stockpile product in preparation for a first delivery shipment to our offtake partners.



Loading of MgO into 1t bags (*left*) **and relocating bags to storage area** (*right*)



Some of the MgO bags which have been produced, ready for transport

In addition, the Demonstration Plant has successfully produced by-products from brown coal ash, including char, silica, iron oxide, and agricultural lime. Given the availability of these by-products at production scale, LMG will now commence validation trials with multiple interested parties to progress long-term offtake agreements for these products for both the Demonstration Plant and future Commercial Plant.

This milestone validates the core proprietary components of the Company's patented magnesium metal production process and further de-risks operations, representing another significant step forward.

We thank our shareholders for their continued support. This update reflects our commitment to transparency and keeping shareholders informed.

David Paterson
Chief Executive Officer

25 September 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 first quarter of 2026.

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 distributor.

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 CO_2 emitter.