



## ASX Announcement

15 December 2015

### COMPANY UPDATE – SALE OF MOOLAP PROPERTY

In early 2014, MHM Metals Limited (ASX: MHM) announced that Alcoa, the supplier of the majority of the feedstock to its Aluminium Slat Slag Business ('ASSP Business') was due to permanently close its east coast operations in Australia. This resulted in MHM conducting a strategic review of its operations. On 30 September 2014, MHM announced the results of the strategic review which concluded the company's ability to continue the ASSP Business was solely dependent on Alcoa deciding whether to further process legacy landfill stockpile of salt slag. On 29 October 2014, MHM announced that following Alcoa's decision not to further process its legacy stockpiles of salt slag it would close its ASSP Business operations in Victoria on completion of processing the last shipment from Alcoa in early 2015.

Since closing its ASSP Business operations at the Moolap Property, MHM has continued to seek ways to maximise shareholder value in terms of both meeting environmental rehabilitation obligations and disposal of a non-core asset.

MHM has today entered into a binding, conditional agreement to sell the Moolap Property on a Walk In Walk Out basis to a party interested in converting the plant and equipment for use in other business ventures.

The agreed consideration of \$500,000 is roughly equivalent to the carrying value of the Moolap Property, Plant & Equipment less the provision for environmental rehabilitation of the property.

MHM Metals will keep the market informed as it moves towards satisfaction of the conditions precedent and settlement of the transaction.

**END**

**For more information:**

MHM Metals Limited  
Joseph van den Elsen, Managing Director: +61 421 849 433

#### Company Snapshot

#### Capital Structure

Ordinary shares on issue:	141,119,156
Market Cap (at 2.2c):	\$3,104,621
Cash (at 15 Dec 2015):	c\$5,000,000

#### Directors

Joseph van den Elsen (Managing Director)  
Paul Kopejtko (Non-Executive Chairman)  
Chris Goodman (Non-Executive Director)

#### Company Secretary

Justin Mouchacca