

# MHM SECURES ALUMINIUM OXIDE OFF TAKE AGREEMENT

ASX Release – 14 June 2011



- Aluminium oxide ('AL80') off take agreement signed
- AL80 first shipment due end of July 2011
- Additional aluminium oxide feedstock being sought for sale under this off take agreement
- Securing commercial aluminium oxide application is significant for global aluminium industry

MHM's wholly-owned subsidiary, Alreco Pty Ltd, has signed a contract with Impex Minerals Pty Ltd for the off take of its aluminium oxide product, AL80. The minimum monthly volume under the contract is 1,500 tonnes and there is no upper limit to the amount MHM can sell to Impex.

While the details of the contract are commercial in confidence, the financial terms are consistent with MHM's previously announced future annual earnings target of \$8.5 million EBITDA for the Australian aluminium division. This target includes a provision for AL80 pricing, which is now confirmed.

Alreco has commenced producing AL80 with a planned first shipment by the end of July 2011.

Alreco's salt slag processing technology yields significant environmental and economic benefits including the elimination of salt slag landfill, which has traditionally been the practice for disposal of this waste product. The Alreco technology separates the salt slag into aluminium metal, aluminium oxide, and a salt and potassium chloride blend. The process results in no residues, no by-products and no landfill disposal.

Finding viable applications for aluminium oxide has been a major hurdle for salt slag processing. The aluminium industry unsuccessfully tried for a number of years to source a high value, high volume application for aluminium oxide. AL80 is produced when aluminium oxide recovered from Alreco's salt slag operations is value-added using an additional proprietary process. Alreco's off take agreement for AL80 is an event of significance for the global aluminium industry and its importance should not be underestimated.

MHM believes there is opportunity for additional value-adding of the AL80, to be addressed in due course.

This is a major milestone for the company as it completes MHM's closed-loop, landfill-free salt slag processing technology.

MHM is seeking additional aluminium oxide for treatment with the company's proprietary process to produce AL80 to sell under this off take agreement.

## Further information:

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## CORPORATE DETAIL

**ASX Codes:**  
MHM, MHMO

**Issued Capital:**  
101.5M Ordinary Shares  
26.2M Listed Options

**Substantial Shareholders:**  
Rogers Southern PL 10%  
Directors 13%  
Top Twenty 21%

**Directors:**  
Chairman – Basil Conti

Managing Director – Frank Rogers

Executive Director – Ben Mead

Executive Director – Simon Wells

Non-Exec Director – Dr Neil Allen

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