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## **ASX Release – 4th November 2013**

### **Company Update**

#### **Update on Filter Press Installation**

The company advised in its quarterly activities report dated 22 September 2013 that it intended to place the new filter press into production at the end of October.

The filter press is now fully installed and ready to be cut into the Moolap plant subject to certain final (software) commissioning steps which essentially place the filter press into automatic mode. These steps are proprietary to the Italian based manufacturer, Diemme and require the on-site presence of specific technicians. Disappointingly, in spite of repeated and numerous exchanges with Diemme, these technicians have been unavailable to travel to Australia as originally planned.

At the present time, Diemme have agreed to send the technicians in the week beginning 8 December and MHM expects that the filter press will be in a position to process material in mid December.

MHM reports that onsite trials using a small test filter press have given good results in terms of moisture content, wash results (removal of salt) and cycle times (throughput).

#### **Silica assets at Cape Sorrell**

As highlighted in the 2013 Annual Report, the directors determined not to proceed with the Silicon Smelter project given the numerous uncertainties presented, including the proposal to employ incomplete, new technology for processing high grade silica. This would have exposed MHM to significant black hole expenditure which the directors concluded was not in the best interests of shareholders given the group's weakened balance sheet. In the immediate term the Board sought to focus the company's attention and available funding on the core aluminium waste business.

Accordingly MHM advises that it has relinquished its silica tenement assets in the remote region at Cape Sorrell in Tasmania. As at 30 June 2013 these assets had been impaired to \$Nil.

**END**

**For further information please call**

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