



ASX Announcement

For immediate release

Thursday 19th December 2013

Board changes & Company Update

Board changes

MHM Metals Limited (ASX:MHM) today announces the resignation of Mr Phil Thick effective immediately due to his heavy workload and ongoing commitments at Perth based New Standard Energy (ASX:NSE) where he was appointed Managing Director in April 2013.

Iain Kirkwood, MHM Chairman said “Phil joined the board of MHM in May 2012 and was instrumental in initiating and leading the radical changes necessary to restructure and stabilise MHM. As the Managing Director from July 2012 until March 2013 he led the strategic review during the company’s voluntary suspension from ASX listing. The board is very grateful for his significant contribution during this momentous period of change.”

MHM is pleased to announce the appointment to the board of Dr David Menzies effective immediately. David who has a PhD in Materials Engineering (Monash) and an MBA (Melbourne) has a background in econometrics, finance, marketing and materials engineering. He started his professional career at Invetech before moving to Securrency International in a strategic planning role. He is currently the Managing Director of Platinum Road, a private corporate consulting business.

Iain Kirkwood said “We welcome David to the board. His materials engineering and strategic planning experience will be very useful as we continue the work of rebuilding MHM.”

Company Update

Filter Press Update

Two Diemme technicians visited the Moolap site during December to check that the filter press was installed safely and was operating correctly, to provide assistance in the automation setup of the filter press and to train the operators in the use of the filter press.

On Wednesday of this week the filter press ran for an entire shift. Although throughput was below what is needed to produce the 800 tons per week, the press ran as expected and gave confidence that the 800 ton per week target is reasonable.

Partly processed material on Alcoa landfill site

MHM have removed all of the partly processed material from the Alcoa landfill site to the Moolap site for processing. This was an important requirement of the EPA and Alcoa.

The EPA have issued a Pollution Abatement Notice (PAN) to Alreco (wholly owned by MHM) that requires Alreco to process the stockpiled material and bring the salt slag on site back within the EPA license level of 3,000 ton by the 1st of July 2015.

Non-Metallic Product (NMP)

MHM continues to sell all of the standard NMP that it is producing and has no inventory going into the end of the calendar year. Orders are in place for the delivery of the majority of the NMP that the company expects to produce in January.

Maintenance Shutdown

Alreco (wholly owned by MHM) will stop production this Thursday in line with its production schedule to allow for annual maintenance to be performed over the Christmas break. Production will resume on the 6th of January 2014.

Reporting

MHM will lodge its half year report for the six months ending 31 December 2013 prior to 15 March 2014.

END

For more information:

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