



ASX Announcement

For immediate release

Thursday 20th February 2014

Company Update

On Tuesday 18th February, Alcoa Inc announced, inter alia, that it will permanently close its two rolling mills at Pt. Henry, Victoria and Yennora, New South Wales by the end of 2014. MHM had no prior warning of this decision.

Currently, the majority of the salt slag that MHM processes at its Moolap plant near Geelong, Victoria, originates from Alcoa's Yennora facility. The permanent closure of Yennora in itself is likely to have a detrimental impact on the revenues of MHM in the second half of the financial year ending 30 June 2015 and thereafter if the Company is unable to source alternative processing arrangements.

MHM expects to continue to receive revenue from Alcoa for at least the remainder of calendar year 2014 and from NMP sales.

Meantime, MHM's board and management will conduct a thorough strategic review of all options available to it regarding its Moolap plant, its processing systems, potential future sources of salt slag or other equivalent products and its assets in Kentucky, USA.

MHM expects to lodge its financial results and commentary for the six months ended 31 December 2013 by mid-March in keeping with its ASX reporting obligations.

Iain Kirkwood, MHM's Chairman said "*Alcoa's announcement to permanently close its Yennora operations is clearly a setback for MHM and particularly disappointing after all the very hard work management and staff put in since late 2012. The more so since the Moolap plant is beginning to run very well especially following the installation of the new filter press last year. However, the directors are determined to move the company forward despite Alcoa's decision. MHM currently has cash and cash equivalents of approximately \$3 million and no debt which will allow the company time to examine and assess a number of options.*".

END

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