Latrobe Magnesium Limited
ABN 52 009 173 611

Reg. Office: Level 29 Tower Building, Australia Square, 264 George Street, Sydney NSW 2000
Postal Address: P O Box H195, Australia Square NSW 1215

Telephone: + 61 2 9251 1846
Facsimile: + 61 2 9251 2550

28 November 2003

Company Announcements Office
Australian Stock Exchange
20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

RE: CHAIRMAN'S ADDRESS

With reference to the above, please find attached a copy of the Chairman's address to Shareholders delivered at today's Annual General Meeting of the Company.

Yours faithfully,

D.L Hughes
Secretary

Latrobe Magnesium Limited
Chairman's Address to Shareholders at the
Annual General Meeting
held on 28 November 2003

I am pleased to report that your Company has made considerable progress during the 2002-2003 financial year, with a number of essential milestones being achieved:

- The pre-feasibility study for the 100,000 tonnes per annum magnesium plant was completed by Worley Engineers.
- The Company has transferred its interests in its Western Australian Mining Tenements and associated sundry plant items to a former director in lieu of termination payments totalling $125,000.
- The Company acquired 100% equity interest in the Latrobe Magnesium Project.
- The Company has changed its name from Rambora Technologies Limited to Latrobe Magnesium Limited to reflect its focus on the Latrobe Magnesium Project.
- Messrs D O Paterson and C W Sylvester have been appointed directors of the company, and Mr D L Hughes has been appointed Company Secretary.
- Agreement has been reached with Yallourn Energy for the supply of their ash to the magnesium project.
- Federal Government has approved $1.4 million in funding assistance for the bankable feasibility study.
- The Victorian Government has signed a contract with the Company to provide $1.4 million of funding towards the first year of the bankable feasibility study (BFS), matching the Federal Government commitment and fulfilling one of the Federal Government's funding conditions
- The Paddington Gold royalty dispute has been settled by the payment of $860,000 to the Company.
- The Company issued a prospectus dated 2 June 2003 to enable re-listing of the Company's shares on the ASX, to commence the BFS, and to enhance its working capital.

Subsequent to the year end further achievements were obtained:

- The Prospectus offer was closed as intended on 18 July 2003 and was oversubscribed. A statement issued to ASX on 23 July 2003 informed the market that a total of $580,500 had been subscribed.

- As a result of the successful completion of the Prospectus offer the Company has been able to commence the BFS; contracts have been let for the BFS Definition Study, and for the provision of a report on the energy market in respect of an energy supply contract. An R&D program into the leaching characteristics of Yallourn ash has also been commissioned. This work will preserve the Company's R&D tax status which will be of major importance as the BFS work progresses. Following the completion of the report on the energy market the Company was able to make its' first claim against the Federal Government's Gippsland Sustainable Regions Fund grant, and this payment has been received.

- The Company has moved into new offices at Suite 705, 3 Spring Street, Sydney which will be adequate for the duration of the BFS activities.

- Michael J Noakes, a renowned metallurgical consultant, has been retained to assist in the development of the BFS. In conjunction with Alcan Engineers Pty Limited in Brisbane, Michael is reviewing the BFS schedule to ensure the study is completed within the Company's required timeframe and budget. Michael has overseen other magnesium project studies and brings with him essential detailed knowledge of certain aspects of magnesium process technology, together with a disciplined approach to the BFS honed during his activities as part of the Independent Engineer's reviews of various minerals projects for the finance community.
- The Company's application to the ASX for re-listing of its shares which were suspended in November 2002 following the transfer of the Company from Perth to Sydney, has been successful, and the Company's shares are once more being traded.
- Two new Directors, Philip Bruce and I, have been appointed to the Board of the Company, subject to shareholder approval. In addition, as I mentioned at the opening of this address, I have been appointed to the position of Chairman of the Board following the resignation of Mr K A Torpey from that position for health reasons.
- On a more general note, the continued growth of the magnesium industry at large will ensure the opportunity for Latrobe Magnesium to flourish. Currently, magnesium is produced at a rate of some 400,000 tonnes annually. Market growth is expected to be particularly strong in die-casting for the automotive industry. In fact, the growth in this area is predicted to continue from 2003 at a rate of 10% to 15% per year. Magnesium prices are currently stable and low, mainly due to production in China, and a stable price of US$1,500 for pure magnesium ingot is predicted for the foreseeable future. This trend of continued growth and price stability gives the die-casting sector and automotive manufacturers reason to feel confident about increasingly using magnesium as a replacement material for steel, plastic and aluminium. In addition, new processing technologies are under development which will drastically reduce the costs of production for magnesium sheet and extruded profiles over the next couple of years. These low cost technologies have the potential to increase the consumption of sheet and extruded profile magnesium by an

order of magnitude, and this growth is in addition to that predicted for die-casting. This confidence in magnesium usage for new applications has been demonstrated by the 400 plus international participants at this month's German Materials Association conference in Wolfsburg. This was the biggest international magnesium conference to date, with 185 papers on research and development for magnesium applications submitted.

As your Company progresses the initial bankable feasibility study activities the Company will also be vigorously pursuing the funding for the balance of the work required to complete the study. Discussions have already commenced with a number of brokers and bankers, and funds are being sought domestically and overseas. The Victorian Government is assisting us with this process through their European office in Frankfurt. Directors are confident that the robustness of the project makes it likely that the required funding will be obtained in a timely manner.

I look forward to the next 12 months with confidence and hope to see you all at the next AGM to report to you the continued progress of the Company's outstanding magnesium project.