

# Latrobe Magnesium Limited

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7 June 2004

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

Dear Sirs

## RE: SHARE PURCHASE PLAN

Please be advised that Directors have approved a shareholders Share Purchase Plan. The offer will be open to each shareholder with a registered address in Australia or New Zealand as at 5pm EST on Wednesday 16 June 2004.

The Plan provides for eligible shareholders to purchase additional tranches of Shares up to a maximum of \$5,000 worth at a purchase price of 1.5 cents per share as follows;

	<b>No of Shares</b>	<b>Amount subscribed</b>
Minimum Subscription	66,667	\$1,000
	133,334	\$2,000
	200,000	\$3,000
	266,667	\$4,000
Maximum Subscription	333,334	\$5,000

The purchase price of the new shares to be offered under the Plan represents a discount of 15.25% to the weighted average market price of the shares calculated over the last five days on which sales were recorded prior to the date of this announcement.

The Plan provides for a maximum of \$450,000 worth of shares to be issued and is fully underwritten by DataTech Financial Services Pty Ltd.

The offer will close at 5 pm EST on Friday 30 June 2004.

Shares subscribed for under the offer will be allotted as soon as practical after the offer closing date and will rank equally in all respects from the date of allotment with the existing fully paid ordinary shares on issue.

Application will also be made for the shares to be granted quotation on the official list of the Australian Stock Exchange Limited.

Yours faithfully

D.L Hughes  
Secretary