



# Magontec Limited

(ASX: MGL)

Nicholas Andrews

Executive Chairman

Annual General Meeting of Shareholders

17 May 2017



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**Profitable Platform**



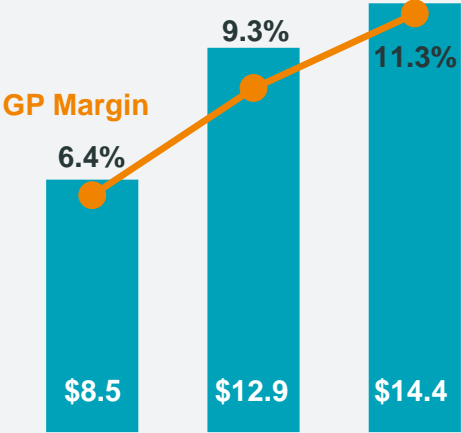
**Capital Expenditure**

# FY 2016 Review

Strong improvements in cash flow and margins have led to continued growth

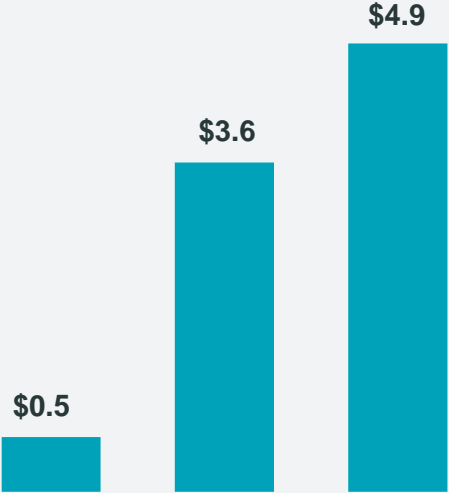


Magontec Gross Profit and GP margin (\$M)



Gross Profit

Cashflow (\$M)



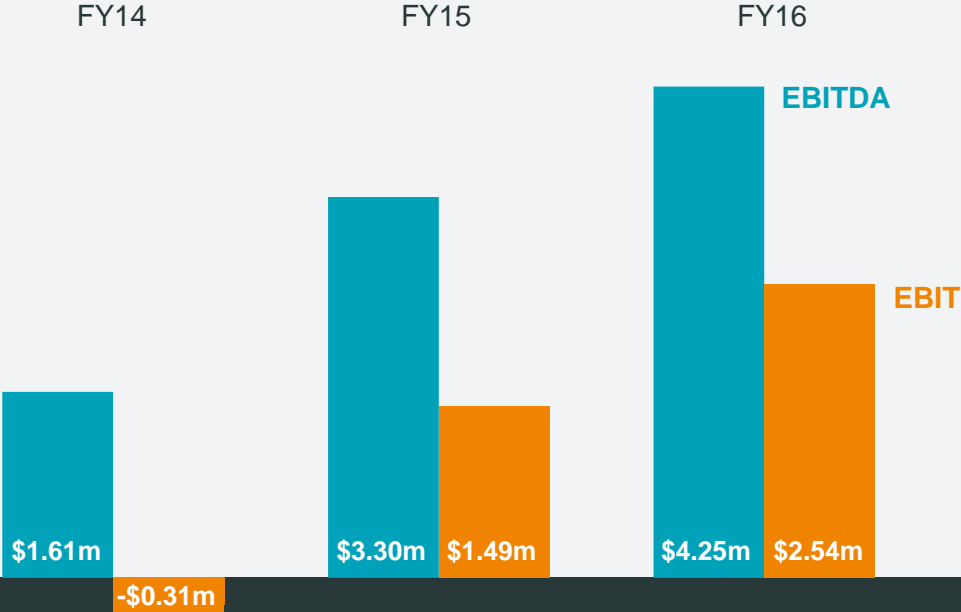
FY14

FY15

FY16

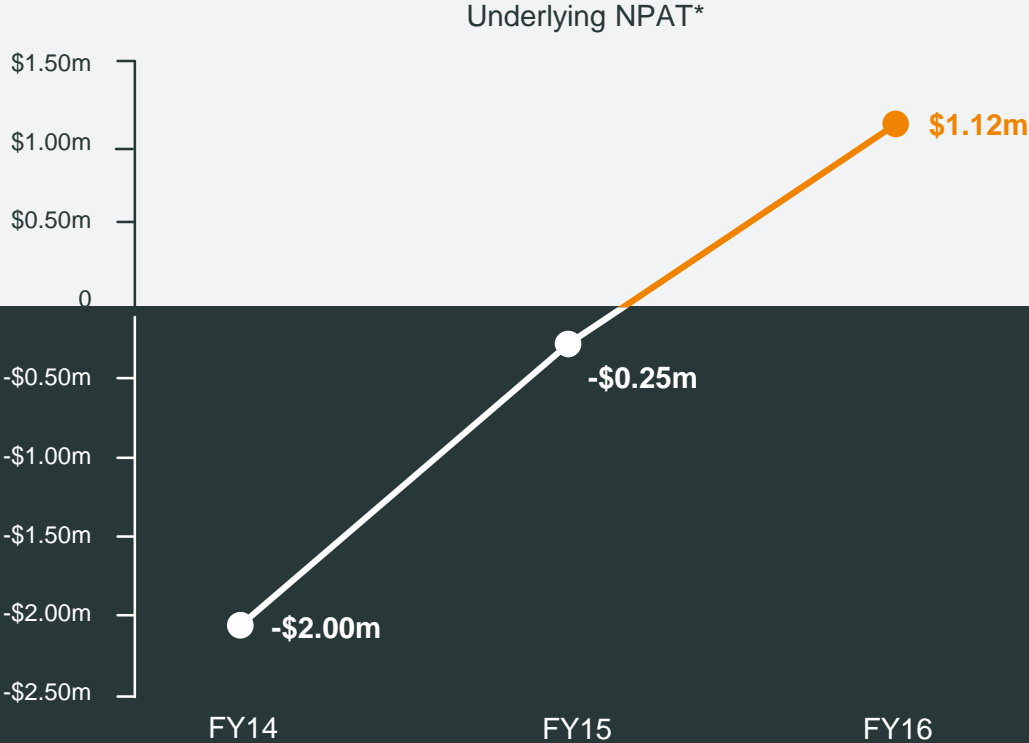
# FY 2016 Review

EBITDA and EBIT has also improved significantly in the last three years



# FY 2016 Review

Underlying earnings are now positive, prior to SOP at Golmud



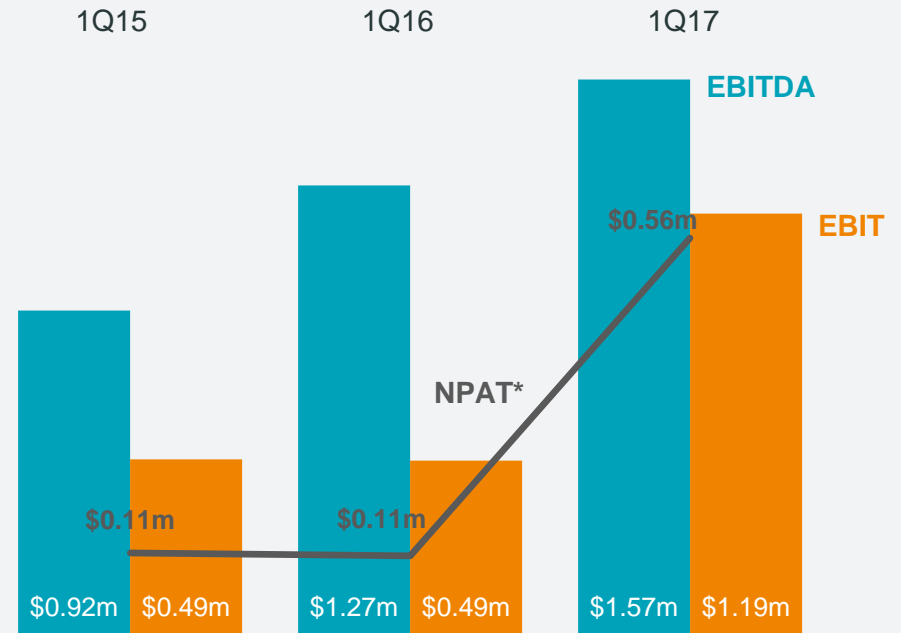
# 1Q 2017 Earnings Review



Profit & Cash



Achievements & Challenges



\*excluding unrealised foreign exchange

# Magontec has five recycling and manufacturing facilities in China, Germany and Romania



Production



Sales Office



Technology Centre



Cast House Project



Headquarters



# Qinghai electrolytic magnesium smelter complex

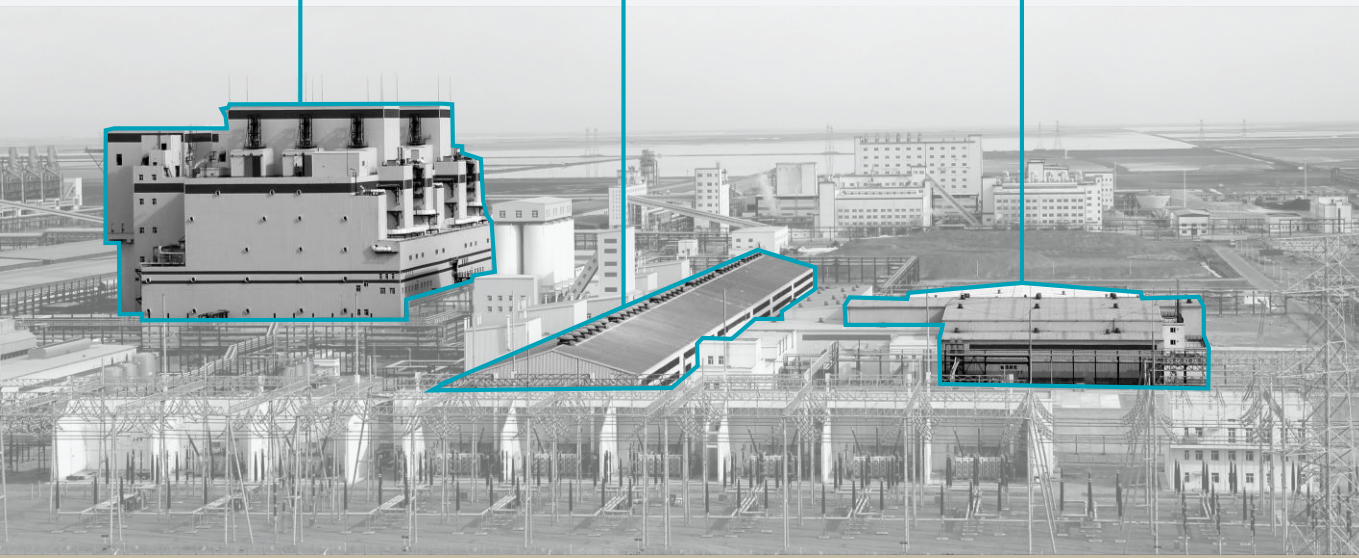
Dehydration



Reduction



Cast house



## Agreements

56,000 mtpa

Exclusive Mg alloy rights

Off-take price

Lease (10+10 yrs)



## Production

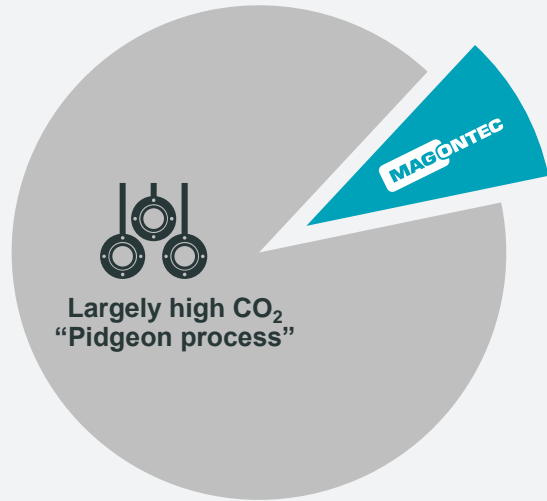
4\* Mg alloy cast lines

85% renewable energy

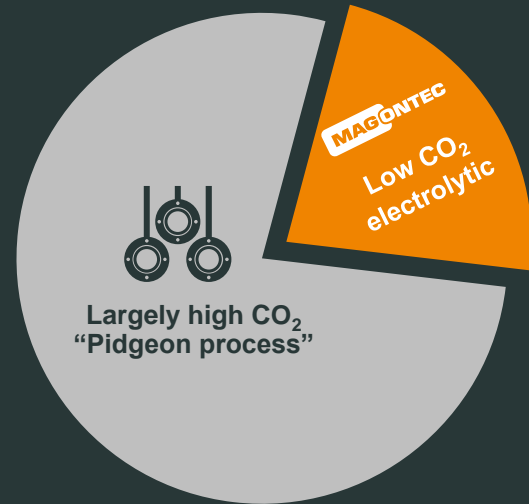
Future growth option

# Magontec Qinghai will triple production and make Magontec the world's largest supplier of electrolytic Mg alloy

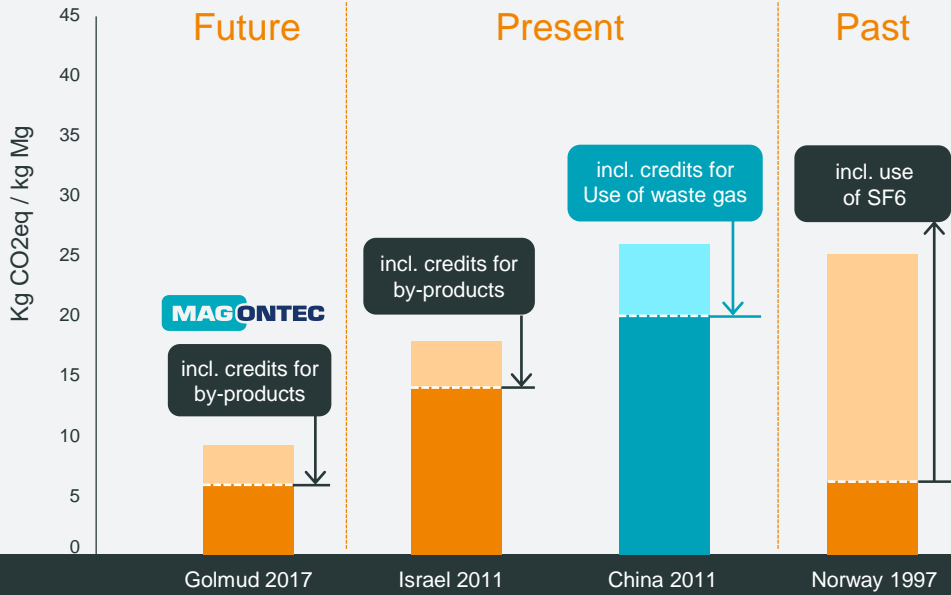
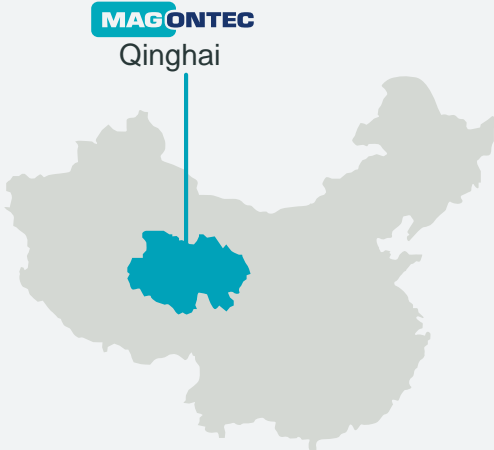
~10% Mg alloy market share 2015





Target > 20% Mg alloy market share



# Magontec Qinghai will use the lowest CO2 Mg ever produced\*



 Electrolysis     
  Pidgeon process

\*German Aerospace Institute of Vehicle Concepts survey on CO<sub>2</sub> emissions from magnesium smelters around the World

# Magontec's corporate transformation creates an exceptional platform for growth



Improving  
financial  
fundamentals



Mg alloy  
production  
volumes to triple



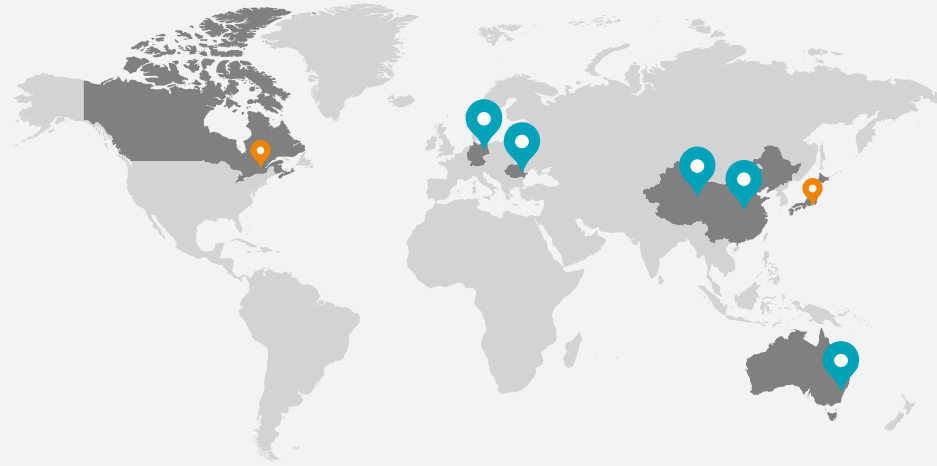
"Green"  
magnesium



Profit  
"inflexion" point







ASX Listed  
Capitalisation  
**\$45m**







## MAGONTEC

Head Office, Sydney  
Suite 1.03 46a Macleay St  
Potts Point Sydney NSW  
AUSTRALIA 2011

 Tel +61 2 8005 4109  
 Fax +61 2 9252 8960  
 [corporate@magontec.com](mailto:corporate@magontec.com)  
 [www.magontec.com](http://www.magontec.com)

## MAGONTEC GmbH

Industriestraße 61  
46240 Bottrop  
Germany

 Tel +49 (0) 20 41 / 99 07-0  
 Fax +49 (0) 20 41 / 99 07 99  
 [europe@magontec.com](mailto:europe@magontec.com)  
 [www.magontec.com](http://www.magontec.com)

## MAGONTEC Xian Co., Ltd

No. 40, Feng Cheng 3 Road,  
Xian Economic and  
Development Zone  
Xian, China, 710021

 Tel. +86 29 / 86 52 68  
78  
 Fax +86 29 / 86 52 37  
22  
 [china@magontec.com](mailto:china@magontec.com)  
 [www.magontec.com](http://www.magontec.com)



# Magontec Limited

(ASX: MGL)

Nicholas Andrews

Executive Chairman

1/2Q 2017

