



12 August 2021

ASX ANNOUNCEMENT



**WHITE
KNIGHT
KAOLIN**

WHITE CLOUD PROJECT

White Cloud metallurgical samples dispatched to end users

- Metallurgical samples for Lixil and other end users have been dispatched from Nagrom laboratories
- 4N (99.99%) High Purity Alumina (HPA) test work progressing, with results expected shortly
- Stakeholder engagement is now the focus for White Cloud to fast-track mining license application
- Environmental and Social Engagement work continues
- PFS to be commissioned after a robust Scoping Study detailed Life of Mine revenues of A\$3,600M and an IRR (pre-tax) of 113% (Note 1)

Australian kaolin producer and silica sand exploration company, **Suvo Strategic Minerals Limited** ("Suvo" or "the Company") is pleased to announce that the recently completed metallurgical samples have been dispatched to customers. Additionally, project studies for White Knight are currently underway.

Suvo's Executive Chairman, Robert Martin said *"The preparation and dispatch of metallurgical samples to our current and potential customers is an important milestone in the White Cloud development. These commercial relationships, based on trust and delivery, are crucial for product development and ultimately project success. We look forward to commencing our Pre-Feasibility Study whilst continuing to fast-track work on our mining license applications"*.

Note 1. ASX Announcement 'White Cloud Kaolin Project Scoping Study' - 27 May 2021.

SUVO STRATEGIC MINERALS LIMITED

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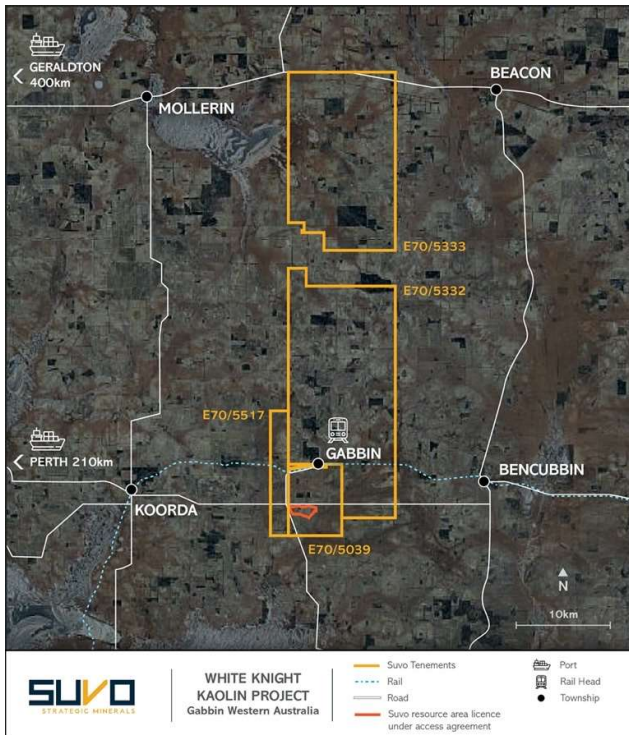


Figure 1: White Cloud tenement and infrastructure location map

The White Cloud Project

The 100% owned White Cloud Project is located 210km northeast of Perth, Western Australia. The project area comprises four granted exploration licences for 413km² centred around the town and rail siding of Gabbin. The generally flat area is primarily cleared farming land devoid of native bushland and is currently used for broad-acre cereal cropping. A mining access agreement is in place over the current resource area with the landowner and occupier.

The main rock types at White Cloud are primarily Archaean granite, gneiss, and migmatite. These rocks are overlain and obscured by Tertiary sand and Quaternary sheetwash. The weathering profile is very deep and contains thick kaolin horizons capped by mottled clays or laterite zones.

Metallurgical Sample

Suvo instigated a drilling program for the development of metallurgical samples from the White Cloud project in Gabbin, Western Australia, in April 2021. This material was delivered to Nagrom for blending, splitting, packaging and dispatch to end-users.

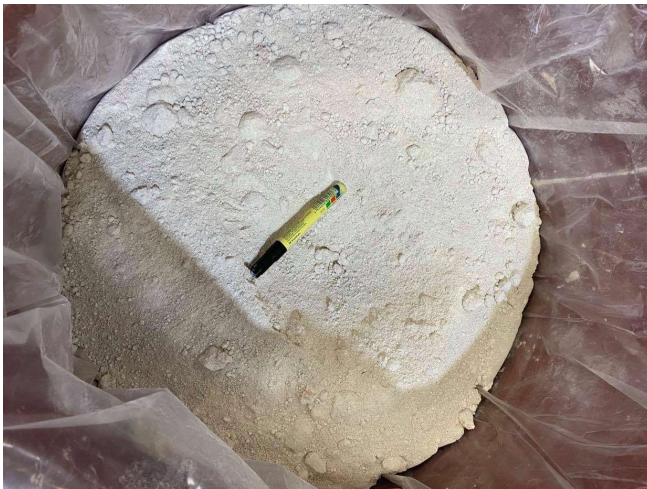


Figure 2: White Cloud metallurgical sample, bright white kaolinite

The metallurgical samples are to be used for ongoing product development with Lixil AS Sanitary Manufacturing (Tianjin) Co., Ltd. with the remaining samples reserved for current and potential customers for ongoing metallurgical test work programs and further product development.

A total of 37 holes were drilled at depths of up to 21m in locations designed to produce a homogenous sample from the White Cloud deposit. Previous drill hole locations were duplicated for this purpose to ensure a homogenous sample is produced that is likely to represent the deposit.



Figure 3: Metallurgical sample ready for dispatch

A total of 308 metres of kaolinite ore were blended together to create a 5-tonne metallurgical sample. Nagrom in Perth has combined the sample such that it can be then split into lots for domestic and international transport.

While some of the sample lots have been earmarked for ongoing test work programs with Lixil, other lots will also be processed into refined kaolin, which will be supplied to end-users. Varying degrees of processing will be completed to determine the required processing to reach multiple kaolin markets.

Environmental and Social Engagement Work Programs

After the successful completion of the White Cloud Scoping study that demonstrated very robust economics, Suvo will be looking to commission a pre-feasibility study (PFS). In addition to the PFS, a series of other project related studies will commence. These studies will include flora and fauna, dust and noise, cultural heritage, hydrology and hydrogeology.

Suvo has commissioned SLR Consulting Australia Pty Ltd ("SLR") for the provision of studies for the assessment of dust and noise emissions in relation to the White Cloud project. SLR has extensive experience in their assessment of environmental noise and dust associated with mining and industrial settings and the design of practical and cost-effective mitigation measures.

Baseline noise surveys are to be completed in the near future. While these studies are not strictly required at this stage of the project, it is important to ensure existing background noise levels are considered in assessments, to aid in community consultation and ensure Suvo can demonstrate mitigation measures are reasonable and practicable to regulators.

Rockwater Pty Ltd a Perth based hydrogeological service has been asked to prepare a hydrological and hydrogeological desktop study to outline the surface water and groundwater setting of the White Knight project.

Flora and fauna studies will commence with desktop assessments to be completed. Initial feedback indicates that an on-ground flora and vegetation survey will be required in Spring.

A cultural heritage desktop survey is currently underway.

The results of these studies will be included in the *Environmental Protection Act 1986* (EP Act) referral and subsequently in the Mining Proposal under the *Mining Act 1978*.

The EP Act referral and Mining Act approvals will require the demonstration of appropriate stakeholder engagement. Both the Mining Proposal and Mine Closure Plan require a record of the stakeholder engagement undertaken to date and the inclusion of a strategy for ongoing engagement. For this reason, it is important to develop a process for capturing the information required from historic, current and future engagement as soon as possible. The EP Act referral will be publicly available, so it is important for a strategic engagement strategy to inform its content and include addressing stakeholder concerns.

This announcement has been approved for release by the Chairman.

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Company Profile

Suvo Strategic Minerals Limited is an Australian hydrous kaolin producer and exploration company listed on the Australian Securities Exchange (ASX:SUV). Suvo is focused on production at, and redevelopment of, their 100% owned Pittong hydrous kaolin operation located 40km west of Ballarat in Victoria. Suvo's exploration focus is on their 100% owned White Cloud Kaolin Project located adjacent to Gabbin in the Central Wheat Belt, and the 100% owned Nova Silica Sands Project located in the Gin Gin Scarp near Eneabba, both situated in Western Australia.

Pittong Operations

The 100% owned Pittong Operations, located in Victoria 40km west of Ballarat, is the sole wet kaolin mine and processing plant in Australia and has been in operation since 1972. Pittong comprises the Pittong, Trawalla and Lal Lal deposits located on approved Mining Licences MIN5408, MIN5365 and MIN5409 respectively.

At Pittong mining contractors deliver crude kaolin ore to stockpiles from the two currently operating mines, Pittong and Lal Lal. The plant takes its feedstock from the ROM and it is processed into four separate products for end users. These products are 10% moisture lump, high solids slurry, 1% moisture powder and 1% moisture pulverised powder. The solids slurry is used in paper and board manufacturing. The other products are used in paper, coatings, paint and specialist industries including rubber and pharmaceutical applications. Around 20-25kt per annum is supplied to various end users.

Current Reserves and Resources at Pittong are reported to PERC code and are in the process of being upgraded to JORC 2012 compliance.

The White Cloud Kaolin Project

The White Cloud Kaolin Project Scoping Study was released on 27 May 2021 and titled "Suvo delivers a robust Scoping Study demonstrating the potential to develop a multi decade mine at their 100% owned White Cloud Kaolin Project". The Company confirms that the material assumptions underpinning the production target and forecast financial information in the initial public announcement continue to apply. The production target is based solely on indicated resources and a breakdown of the Company's resource is set out at the end of this announcement.

Forward looking statements

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Scoping Study

The White Cloud Kaolin Project Scoping Study (the "Study" or the "Project") referred to in this ASX announcement was first announced on 27 May 2021, is conceptual in nature and has been undertaken to assess the potential for the development of the Project. The Study is based on the Mineral Resources set out below. The Study is preliminary in nature and, although based entirely on Indicated Mineral Resources, the overall deposit includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied that would enable them to be categorised as Ore Reserves. Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. The Study includes a preliminary economic analysis based on a number of possible production targets ("Production Target") and assumptions on Modifying Factors and evaluation of other relevant factors estimated by a Competent Person to be at the level of a Scoping Study. The Study outcomes, Production Target and forecast financial information are based on information that is considered to be at a Scoping Study level. The information applied in the Study is insufficient to support the estimation of Ore Reserves. While each of the Modifying Factors was considered and applied to a level that is considered to be appropriate for a Scoping Study, there is no certainty of eventual conversion to Ore Reserves or that the Production Target will be realised. Further exploration and evaluation studies are required before the Company will be in a position to estimate any Ore Reserves or provide any assurance of an economic development case.

	White Kaolinised granite (Mt)	ISO Brightness (%)	Yield (%)	Kaolin (Mt)
Indicated	26.9	80.4	41.3	11.1
Inferred	45.6	80.6	41.1	18.8
Total	72.5	80.5	41.2	29.9

Mineral Resource estimate (<45 microns)

The Mineral Resource was first released on 25 March 2021. The Company confirms that it is not aware of any new information or data which materially affects the mineral resource and that the material assumptions underpinning the mineral resource continue to apply.

Nova Silica Sands Project

The 100% owned Nova Silica Sands Project is located 300km north of Perth, Western Australia. The project comprises four granted exploration licences (E70/5001, E70/5322, E70/5323, E70/5324) for 169km².

The project is located on the Eneabba Plain whose sandy cover is very flat to gently undulating. Outcrop is rare due to the accumulations of windblown and alluvial sand at surface. Below this is a thin hard silcrete or lateritic claypan which overlies deep white and yellow sands.

Preliminary exploration has included 54 drillholes for 1,620 metres to depths of up to 30m. This program is anticipated to deliver an initial resource for the project and a process route.