

ASX Announcement

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Dubbo Project Finance Update

Australian Strategic Materials Limited (ASX: ASM, the 'Company') provides a progress update on the Dubbo Project Financing.

Technical due diligence of the Dubbo Project occurring under the Framework Agreement with the Investing Partnership of Korean private equity firms (**ASX Announcement: 21 July 2021**), has advanced with significant effort made by both parties. However, due to Covid19 travel restrictions between Australia and Korea and on travel within Australia, and the extensive scope of the technical due diligence, the due diligence has not been completed by Q3 2021 as initially anticipated and is continuing to be progressed.

Separately, to facilitate the financing of the Dubbo Project, ASM has appointed Australian and New Zealand Banking Group Limited (**ANZ**) as debt financial advisor. ASM made this appointment based on ANZ's experience and strong relationships in both Australia and Korea, including with Australian and Korean export finance agencies. The ANZ appointment is both necessary and timely as ASM is engaging with those agencies as part of the financing of the Dubbo Project.

ASM Managing Director David Woodall said:

"The Framework Agreement is one part of the financing of the Dubbo Project, ANZ's appointment facilitates further engagement with debt providers that include Australian and Korean export finance agencies. We continue to progress the financing of the Dubbo Project, the development of which will provide an alternate, sustainable, secure, and stable supply of high purity and clean critical metals directly into the Korean manufacturing sector."

"We look forward to updating the market as we continue to progress the transaction."

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This document has been authorised for release to the market by David Woodall, Managing Director.

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ABOUT AUSTRALIAN STRATEGIC MATERIALS – www.asm-au.com

Australian Strategic Materials Ltd (ASM) is an integrated materials business and emerging “mine to metal” producer of critical metals. The company’s cornerstone Dubbo Project (100% owned) is a potential long-term resource of rare earths, zirconium, niobium, and hafnium located in central western NSW, Australia. It represents an alternative, sustainable and secure source of these metals, which are critical for a diverse range of advanced and clean technologies.

ASM’s metals business is founded on an innovative metallisation process that converts oxides into high-purity metals, alloys, and powders using less energy than conventional methods. The pilot plant in South Korea has demonstrated the commercial scalability of the process and successfully produced a range of high-purity metals and alloys, including titanium, neodymium, praseodymium, dysprosium, and zirconium. Following this success, ASM’s first metallisation plant will be constructed in South Korea to initially supply a range of critical metals including rare earth metals and alloys, zirconium, and titanium.