

ASX Release

26 April 2024

Growing North American support builds momentum for Dubbo Project funding process

Highlights

- Letter of Interest received from Export Development Canada (Canada's official export credit agency) for up to A\$400 million in debt financing package for Dubbo Project
- EDC Lol is additional to A\$200M Letter of Support received from EFA and the recently announced Lol from US EXIM for US\$600M (A\$923M¹)

Australian Strategic Materials Limited (**ASX: ASM**) is pleased to announce it has received a non-binding and conditional Letter of Interest (**Lol**) from Canada's official export credit agency (**ECA**), Export Development Canada (**EDC**) indicating support for EDC to provide a direct lending debt funding package of up to A\$400 million for the construction and execution phase of its rare earths and critical minerals Dubbo Project.

As a result of ongoing discussions regarding funding for the Dubbo Project's construction and execution phase, the Company has garnered attention from ECAs and other parties across different jurisdictions. Particularly, there has been significant interest from government bodies (including ECAs), investors and industry groups in North America. This interest stems from the strong policy alignment between Australia and North American jurisdictions, emphasising the necessity of establishing an alternative critical minerals supply chain.

EDC's Lol is supported by potential equipment and services supply from Canadian companies for the execution phase of the Dubbo Project. The provision of financing by EDC is subject to successful completion of EDC's due diligence process, obtaining all requisite EDC internal approvals and typical project finance conditions. The EDC Lol will expire on 25 April 2025.

EDC's Lol follows both Export Finance Australia's (**EFA**) previous conditional finance support of A\$200 million debt funding² and the recently announced US\$600 million (A\$923 million³) from the Export-Import Bank of the United States (**US EXIM**)⁴. EDC's indicative financial support increases sourcing flexibility and demonstrates the growing confidence in a shared financing for the Dubbo Project.

Commenting on the EDC Lol, Managing Director and Chief Executive Officer, Ms Rowena Smith, said:

"We are thrilled with the support received to date from prospective financiers for the Dubbo Project, especially this latest letter of interest from Export Development Canada. Our focus has been on building strategic partnerships in North America that support the development of our mine to metals strategy. We see

¹ Exchange rate (A\$: US\$) – 0.65

² ASX Announcement 28 June 2021, *Export Finance Australia issues letter of support for the Dubbo Project*

³ Exchange rate (A\$: US\$) – 0.65

⁴ ASX Announcement 21 March 2024, *ASM receives US\$600M (A\$923 million) Letter of Interest from US EXIM for Dubbo Project, as US partnerships begin to play a significant role.*

the growing strength of those relationships and the momentum in financial support as recognition of the strength of the Dubbo Project and its significance as a reliable, responsible and secure source of critical minerals. We look forward to working with the EDC and progressing with the due diligence and approval process.”

Current conditional debt funding support for construction & execution phase of the Dubbo Project

Financier	Potential Debt Commitment	Comments
Export Finance Australia	A\$200M	<ul style="list-style-type: none"> Letter of support received (see ASX announcement 28 June 2021)
US EXIM	US\$600M (A\$923M ⁵)	<ul style="list-style-type: none"> Letter of interest received (see ASX announcement 21 March 2024)
Export Development Canada	\$A400M	<ul style="list-style-type: none"> Letter of interest received

ASM continues to progress discussions with other ECAs and commercial banks regarding participation in the debt funding of the Dubbo Project and securing conditional letters of support. ASM will update the market when letters of support are issued.

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This document has been authorised for release to the market by the Board.

⁵ Exchange rate (A\$: US\$) – 0.65