



AUSTRALASIAN METALS

14 August 2024

## **Managing Directors letter**

Dear shareholders,

In the three years since our initial public offering, Australasian has expanded and developed its project portfolio by pursuing opportunities that we believe will drive value for shareholders.

### **Build a strong portfolio**

- We secured and explored district-scale lithium opportunities at Mt Peake and Barrow Creek in the Northern Territory.
- We delivered maiden JORC compliant resources at our gold projects in Queensland and monetised our non-core gold assets in Western Australia.
- We added a low-cost, large-scale bauxite opportunity in the May Queen South Bauxite project in central Queensland.
- More recently, we have acquired an option over the Dingo Hole highly pure silica project to potentially capitalise on the surging global demand for silica products required for the rapidly growing electronics, semiconductor and solar panel markets.

### **Disciplined capital management**

Since listing, Australasian has maintained a highly disciplined approach to capital management to preserve cash and maintain a strong balance sheet. Despite inflationary pressures, management has been careful to ensure that cash reserves have only been spent when the risk/reward profile is in the interests of shareholders. We have successfully supplemented exploration and development costs by seeking out grants and non-dilutive government funding where available. Additional equity capital has only been pursued during moments of market strength and at a substantial premium to the Company's IPO price. This has allowed the company to preserve cash and a tight capital structure. Currently, we have \$3.15 million of cash reserves at 30 June 2024 with no debt and only ~52.1 million shares on issue. This ensures Australasian shareholders will be positioned to enjoy good upside if value driving events occur within our current projects.

### **Great commodities trading network**

Within the Australasian team we have a very strong network of contacts within Asian commodity markets which gives Australasian unique insights into the market dynamics for many of our commodities of interest, such as silica, gold and lithium. These established connections to downstream market participants will allow us to pursue value-adding partnerships, corporate transactions and sales contracts in the event we successfully develop economic resources within our portfolio.



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### **Near term catalysts**

2024 is proving to be a strong year for many metals and commodities albeit with periods of increased volatility. Our diverse portfolio puts Australasian in a great position to capitalise on a renewed focus on commodities, particularly gold and those leveraged to the ongoing energy mix transition. When interest is strong we want to be well positioned in the near term with projects of significant scale and upside. We are currently focused on fast tracking the development of the Dingo Hole highly pure Quartz project with downstream testing, R&D and downstream market research. Provided that the exploration work at Dingo Hole continues to deliver positive results, we are committed to testing the deposit with a maiden drilling program. The consensus view is that the high purity silica market is poised for continued growth, driven by technological advancements and expanding applications across various high-tech industries such as semiconductors and solar panels.

We would like to thank our shareholders, new and old, for their continued support since our listing. We will continue to apply our disciplined approach above to drive shareholder value and we look forward to sharing details of our upcoming news flow for the remainder of the year.

*On behalf of the Board of Directors of Australasian Metals Limited*

Qingtao Zeng  
Managing Director  
Australasian Metals Limited