

ASX Release

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ASM'S KOREAN JV PARTNER RECEIVES US\$4.5 MILLION GRANT FROM KOREAN GOVERNMENT FOR CLEAN METALS R&D

The Korean Government has awarded US\$4.5 million in grants to Australian Strategic Materials Ltd (ASM) Korean research and development partner Zirconium Technology Corporation (ZironTech) to use to progress its commitment to the Joint Venture (JV) it has with ASM.

The grants were awarded as part of the Korean Government's US\$5 billion Industrial Technological Program, led by the Korean Ministry of Industry, Trade and Resources as it seeks to establish clean metal supply independence and advance material technology for future market demand.

ZironTech has received funding for the development of a low emission, high purity metal refining technology that can be applied to zirconium, titanium, rare earth's for permanent magnet alloys. This development is occurring in JV with ASM who has the exclusive rights to the commercialisation of the technology worldwide. The technology is intended to replace conventional energy-intensive metallisation processes with a more environmentally friendly, sustainable and cost-effective alternative.

Australian Strategic Materials Managing Director, David Woodall said: "We are pleased that both ASM and the technology we are developing in partnership with ZironTech has been recognised by the Korean Government as critical in its journey to ensuring sovereign supply for critical materials. The technology to produce critical metals adds value to our project and is key to the growth of Korea's and Australia's new technology and manufacturing sectors, with the strong government focus on increasing domestic production to secure supply stability."

The JV between ASM and ZironTech is finalising the commissioning of its commercial pilot plant facility to produce these high-purity metals in parallel with developing the design for the world's first commercial scale metal plant. This will help meet the growing demand for a new source into domestic and global markets for ASM's range of high-purity and value-added critical metals – including zirconium, rare earth magnet metals (praseodymium and neodymium), niobium, and hafnium.

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ASM is progressing the development of the Dubbo Project in Central West NSW, an advanced polymetallic project with large in-ground resource of zirconium, rare earth elements (including yttrium), niobium, and hafnium. This polymetallic project represents a strategic and independent supply of critical minerals for a range of sustainable technologies and future industries.

The Dubbo Project is development ready, subject to financing, with the mineral deposit and surrounding land acquired, all major State and Federal approvals in place and extensive piloting and engineering completed.

In March 2020, the Australian Government-owned Export Finance Australia (EFA) confirmed interest in assisting with financing ASM's Dubbo Project, stating it closely aligns with the recently announced initiative by the Australian Government to develop its "Critical Minerals" sector.

ASM's investment in downstream processing will improve the economics of its Dubbo Project as well as giving it an involvement in the wider commercialisation of a breakthrough technology.

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This announcement is authorised for release by the Board of Alkane Resources.

About Australian Strategic Materials – www.asm-au.com

Established as the holding company for the [Dubbo Project](#), ASM is focused on producing specialty metals and oxides for advanced technologies. ASM is a wholly-owned subsidiary of [Alkane Resources Ltd \(ASX:ALK\)](#). Alkane Resources Ltd has announced its intention to demerge ASM as a separate listed company subject to regulatory and shareholder approval.

Located in central-western NSW, ASM's cornerstone Dubbo Project has a long-term resource of [zirconium](#), [rare earths](#), [niobium](#) and [hafnium](#) – a globally significant source of these [critical materials](#) for a diverse range of emerging and sustainable technologies.

In a Joint Venture with South Korea's Zirconium Technology Corporation (ZironTech), ASM is advancing oxide separation and [metallisation technologies](#) to create a range of value-added materials from market-available precursors and, ultimately, Dubbo Project outputs. The JV pilot plant is in the final stage of construction in South Korea and production is expected in mid-2020.