



Vinay Agrawal
Adviser
Listings Compliance
ASX Limited

Via email: ListingsCompliancePerth@asx.com.au

14 April 2025

Australian Strategic Materials Limited: Response to ASX Price Query

Dear Mr Agrawal,

Australian Strategic Materials Limited (**ASM** or **the Company**) (**ASX:ASM**) refers to your letter dated 14 April 2025 requesting further information on the change in price and increase in volume of trading of ASM's securities and responds as follows, using the definitions in your letter and the numbering in your letter under the heading 'Request for Information'.

- (1) Is ASM aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?**

No, ASM is not aware of any reason for the recent trading in its securities.

- (2) If the answer to question 1 is "yes".**

- (a) Is ASM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in ASM's securities would suggest to ASX that such information may have ceased to be confidential and therefore ASM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.**

- (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).**

- (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?**

Not applicable.

- (3) If the answer to question 1 is "no", is there any other explanation that ASM may have for the recent trading in its securities?**

As announced to the market on Friday, 11 April 2025, ASM acknowledged 'the considerable market volatility and speculation following the announcement of US international trade tariffs and the response by China¹ to impose increased export restrictions on a range of medium and heavy rare earth elements (**REE**)' and reiterated that 'ASM is uniquely positioned to deliver a broad portfolio of rare earth products – from ore

¹ https://www.mofcom.gov.cn/zwgk/zcfb/art/2025/art_9c2108ccaf754f22a34abab2fedaa944.html

through to alloy – outside of China’s influence. Many of the materials affected by China’s new export restrictions are already available or planned through ASM’s alternative supply chain, offering partners a viable, de-risked solution’.

China's dominance in the rare earth market, controlling approximately 60% of global mining output and 90% of magnet production, has led to vulnerabilities in global supply chains, which has heightened the importance of alternative rare earth suppliers such as ASM.

Current geopolitical trends and further information becoming available regarding the Chinese export restrictions may also be contributing to market sentiment.

ASM believes that the announcement on Friday in conjunction with continually developing responses from the US and China to tariffs and the current geopolitical climate has increased demand for ASM shares.

ASM is otherwise unaware of any explanation for the recent trading in its shares, other than the information provided.

(4) Please confirm that ASM is complying with the Listing Rules and, in particular, Listing Rule 3.1.

ASM confirms that it is in compliance with ASX Listing Rules, including Listing Rule 3.1 in particular.

ASM's responses to ASX's questions have been authorised and approved by the ASM Managing Director/CEO.

Sincerely,

A handwritten signature in black ink, appearing to read 'Annaliese Eames', with a stylized flourish at the end.

Annaliese Eames
Company Secretary



14 April 2025

Reference: 108268

Ms Annaliese Eames
Company Secretary
Australian Strategic Materials Limited
By email: aeames@asm-au.com

Dear Ms Eames

Australian Strategic Materials Limited ('ASM'): Price - Query

ASX refers to the following:

- A. The change in the price of ASM's securities from a low of \$0.39 at close of trade on Friday, 11 April 2025 to an intra-day high of \$0.525 today, 14 April 2025.
- B. The significant increase in the volume of ASM's securities traded today.

Request for information

In light of this, ASX asks ASM to respond separately to each of the following questions and requests for information:

- 1. Is ASM aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is ASM relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in ASM's securities would suggest to ASX that such information may have ceased to be confidential and therefore ASM may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that ASM may have for the recent trading in its securities?
- 4. Please confirm that ASM is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that ASM's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of ASM with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **2 PM AWST Monday, 14 April 2025**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall

within the exceptions mentioned in Listing Rule 3.1A, ASM's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require ASM to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in ASM's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in ASM's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to ASM's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that ASM's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

ASX reserves the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Yours faithfully

ASX Compliance