

15 June 2021

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ASX: SUV

## COMPANY PRESENTATION

ABN: 97 140 316 463

The following presentation is a general update on Suvo Strategic Minerals Limited (ASX: SUV) and is the subject of investor briefing sessions that will be conducted over the coming days. The presentation is not related to any transaction or event. It is an update of activities of the company.

This announcement has been approved for release by the board of directors.

### Contacts:

#### **Robert Martin**

Executive Chairman

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### **Company Profile:**

Suvo Strategic Minerals Limited is an Australian hydrous kaolin producer and exploration company listed on the Australian Securities Exchange (ASX:SUV). Suvo is focused on production at, and redevelopment of, their 100% owned Pittong hydrous kaolin operation located 40km west of Ballarat in Victoria. Suvo's exploration focus is on their 100% owned White Cloud Kaolin Project located adjacent to Gabbin in the Central Wheat Belt, and the 100% owned Nova Silica Sands Project located in the Gin Gin Scarp near Eneabba, both situated in Western Australia.

### **Pittong Operations**

The 100% owned Pittong Operation, located in Victoria 40km west of Ballarat, is the sole wet kaolin mine and processing plant in Australia and has been in operation since 1972. Pittong comprises the Pittong, Trawalla and Lal Lal deposits located on approved Mining Licences MIN5408, MIN5365 and MIN5409 respectively.

At Pittong mining contractors deliver crude kaolin ore to stockpiles from the two currently operating mines, Pittong and Lal Lal. The plant takes its feedstock from the ROM and it is processed into four separate products for end users. These products are 10% moisture lump, high solids slurry, 1% moisture powder and 1% moisture pulverised powder. The solids slurry is used in paper and board manufacturing. The other products are used in paper, coatings, paint and specialist industries including rubber and pharmaceutical applications. Around 25kt per annum is supplied to various end users.

Current Reserves and Resources at Pittong are reported to PERC code standard and they are currently being upgraded to JORC 2012 compliance.

### **The White Cloud Project**

The 100% owned White Cloud Project is located 215km northeast of Perth, Western Australia. The project area comprises three granted exploration licences (E70/5039, E70/5332, E70/5333) for 392km<sup>2</sup>, and one exploration licence application (E70/5517) for 21km<sup>2</sup> centred around the town and rail siding of Gabbin.

The generally flat area is primarily cleared farming land devoid of native bushland and is currently used for broad-acre cereal cropping. A mining access agreement is in place over the current resource area with the owner and occupier. The main rock types at White Cloud are primarily Archaean granite, gneiss, and migmatite, these rocks are overlain and obscured by Tertiary sand and Quaternary sheetwash. The weathering profile is very deep and contains thick kaolin horizons capped by mottled clays or laterite zones. The current JORC 2012 Mineral Resources are 72.5Mt (Indicated 26.9Mt, 45.6Mt Inferred) of bright white kaolinised granite with an ISO Brightness of 80.5%, <45µm yield of 41.2% results in 29.9Mt of contained kaolin.

Further details in respect to the JORC 2012 Mineral Resources and the exploration results underpinning it, are set out in the company's announcement "Suvo increases White Cloud kaolin resource by 84% to 72.5Mt of bright white kaolinised granite (released on the ASX market announcement platform on 25 March 2021). Suvo confirms it is not aware of any new information or data that materially affects the exploration results set out in the announcement dated 25 March 2021 and all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

### **Nova Silica Sands Project**

The 100% owned Nova Silica Sands Project is located 300km north of Perth, Western Australia. The project comprises three granted exploration licences (E70/5001, E70/5322, E70/5323) for 133km<sup>2</sup>, and one exploration licence application (E70/5324) for 36km<sup>2</sup>.

The project is located on the Eneabba Plain whose sandy cover is very flat to gently undulating. Outcrop is rare due to the accumulations of windblown and alluvial sand at surface. Below this is a thin hard silcrete or lateritic claypan which overlies deep white and yellow sands.

Preliminary exploration has included 54 drillholes for 1,620 metres to depths of up to 30m. This program is anticipated to deliver an initial resource for the project and a process route.

### **Competent Person Statement**

The information in this announcement which relates to Exploration Results and Mineral Resources is based on information compiled by Dr Ian Wilson. Dr Ian Wilson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a competent person as defined in the JORC Code, by virtue of his being a member of IOM3, a Recognised Professional Organisation. Dr Ian Wilson is a full-time employee of Ian Wilson Consultancy Ltd and also a Non-Executive Director of Suvo Strategic Minerals Limited. Dr Ian Wilson receives board fees in relation to his directorship. Dr Ian Wilson consents to the inclusion of the information in the release in the form and context in which it appears



# SUVO

STRATEGIC MINERALS

## Company Presentation

ASX:SUV | June 2021

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*Dual Strategic Mineral Explorer and Producer*

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## **COMPETENT PERSON**

Information relating to the indicated resource at the White Cloud Kaolin Project was first released on 25 March 2021 and information relating to the scoping study was first released on 27 May 2021. The Company confirms that it is not aware of any new information or data that materially affects the announcement and that the material assumptions underpinning the production target and the forecast financial information derived from the production target continue to apply and have not materially changed. Information relating to exploration results at the White Knight Silica Sands project was first released on 20 May 2021. The Company confirms that it is not aware of any new material information or data that materially affects the announcement.



# Corporate Summary

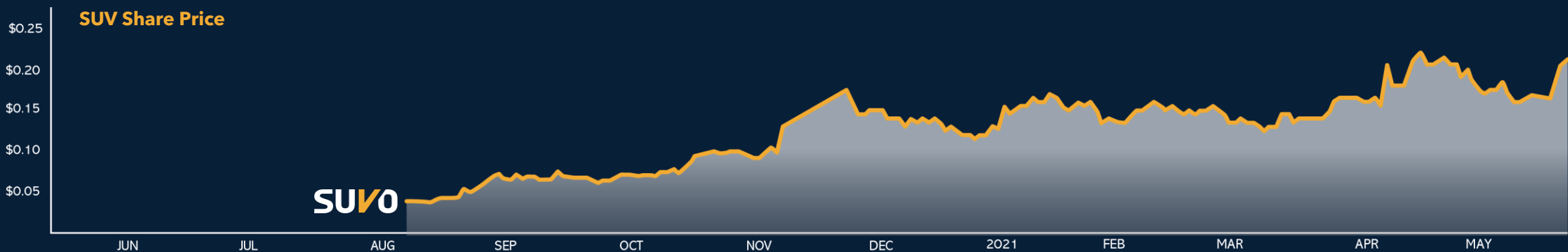
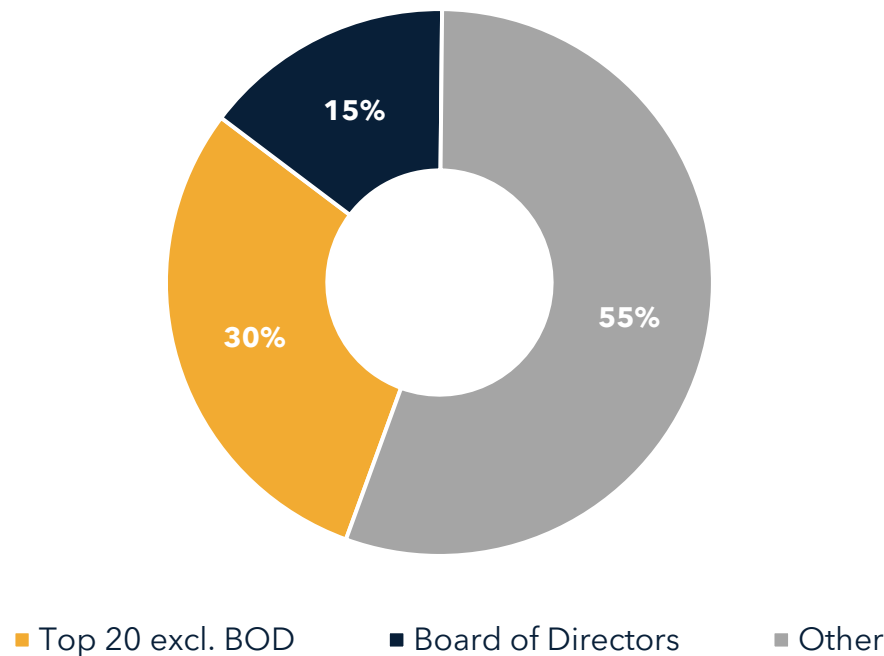
## Key Information (as at 02/6/2021)

Share price	A\$0.195
Volume (4w avg)	1,189,969
Market Cap	A\$114M
Shares on Issue	585,508,922
Options on Issue	119,533,569
Performance Rights	40,500,000
Sector	Industrial minerals
Similar Companies	ADN / VRX / FYI / WAK

## Directors & Management

Rob Martin	Executive Chairman
Aaron Banks	Executive Director
Len Troncone	Executive Director / CFO
Ian Wilson	Non-Executive Director

**The Top 20 Shareholders of SUV hold 45% of shares including the Board of Directors who hold 15%**

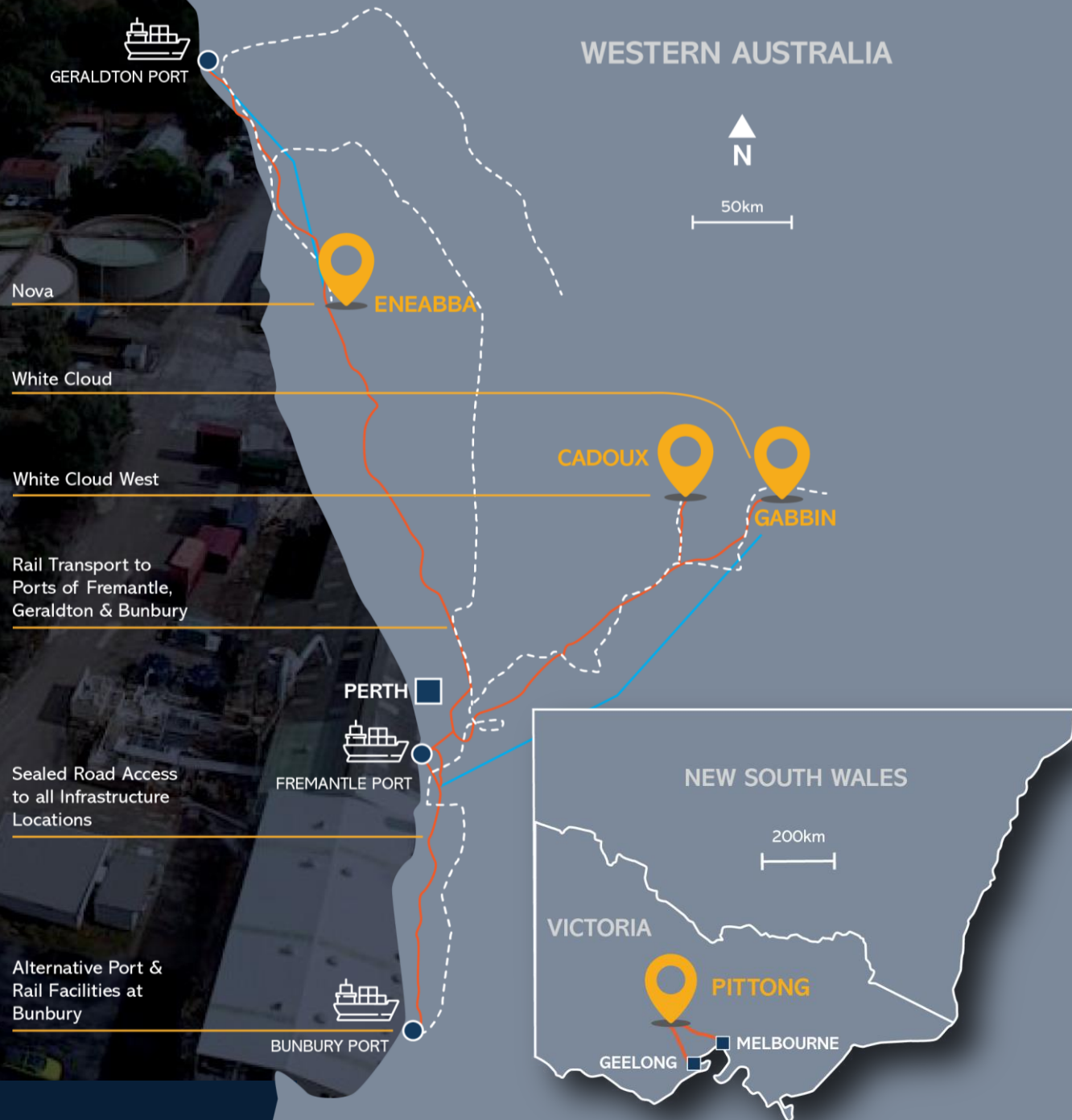


# The Opportunity

## A producer with significant exploration upside

Suvo is uniquely positioned to become a **major producer of strategic minerals in the Asia Pacific region.**

- Dual commodity with exposure to multiple markets with strong demand drivers
- Operating cash flow positive and growing
- Currently selling into a range of markets with +50 yrs of commercial relationships
- Proven team with the relevant production and distribution experience accessed via Pittong acquisition
- High barrier to entry due to unique markets that requires experienced industry personnel
- Upside from exploration & existing resource expansion
- Excellent transport logistics that can support very large operations



# Specialised Team With a History of Delivering Results

## The Board



### ROB MARTIN | Executive Chairman

Mr Martin has over 20 yrs experience across the mining services, supply chain & capital markets sectors. He has owned & operated a highly successful mining services company which became a leading provider of products & services to the mining industry & operated globally with offices across Australia & internationally. Mr Martin runs a family office in WA with a focus on investing & supporting emerging private & public businesses, & currently holds the position of non-executive director at PARKD & is the Non-Executive Chairman of Critical Resources Limited.



### LENTRONCONE | Executive Director / CFO

Mr Leonard Troncone is a senior finance executive with over 35 yrs' hands-on experience in the Australian corporate environment, with experience gained in a range of industries including mining, mineral exploration, mine development & oil & gas, diversified engineering, manufacturing & construction, financial services & private investment. Mr Leonard Troncone holds a Bachelor of Business from Curtin University of Technology (formerly the Western Australian Institute of Technology).



### AARON BANKS | Executive Director

In 2015 as founder & MD of Australian Silica Pty Ltd, Mr Banks discovered one of the largest high grade silica sand resources in the world. Whilst on the Board of Australian Silica he successfully negotiated the sale of Muchea Silica Sand Project to Ventnor Resources Limited that pivoted the former base metals explorer to the emerging silica sand producers known today as VRX Silica (ASX:VRX) In 2020 he vended his private companies into what is Suvo Strategic Minerals today. Aaron has an extensive background in industrial minerals and has focused on developing emerging assets globally



### IAN WILSON | Non-Executive Director

Dr. Wilson is an economic geologist with +45 yrs international experience in industrial minerals. Has held key technical & mgmt roles in a major publicly listed mining & construction enterprise, was a Senior Scientific Officer in what is now the British Geological Survey & an independent consultant since 2001. Experience spans exploration & resource estimation to project development & production, incl. global & regional marketing for a wide variety of industrial minerals, inc. kaolin, halloysite, calcium carbonate, talc, bentonite, barytes, magnesite, & more.

## Key Personnel

### EILEEN HAO

#### Global Sales Executive

Eileen has over 25 yrs' global technical, commercial & business development experience in industrial minerals having worked for English China Clay International & Imerys in senior roles throughout China & the rest of the world. Eileen has successfully participated & lead a number of projects including acquisitions, greenfield projects & sales & marketing for products covering fillers & pigments, ceramic minerals, performance minerals & refractories.

### JEREMY WHYBROW

#### General Manager Mining & Geology

Jeremy has over 25 yrs' experience in the mining industry both domestically & internationally. He has worked for companies Sons of Gwalia Ltd, PacMin Mining Corporation Ltd, Teck Australia Pty Ltd, Mount Edon Gold Mines (Aust) Pty Ltd & Croesus Mining NL. His experience has been mainly in the operational environment & includes significant exposure to exploration & mining operations, project evaluation & feasibility studies. Previously, Mr. Whybrow has worked internationally in Greenland, Austria, Georgia, China, Africa & the Philippines as well as numerous localities throughout Australia.



## Achievements Since Listing in August 2020



Appointed world renowned kaolin expert Dr Ian Wilson to the Board



Appointed Eileen Hao as General Manager - Global Sales



Completed Inferred JORC Resource White Cloud Kaolin Project



Acquired Pittong - The only operating wet processing kaolin plant in Australia



Signed MoU with LIXIL - largest sanitaryware producer in the world with an annual turnover of A\$20 Billion



Signed non-binding MoU with CMM Toye for \$850/t



Progressed from explorer to producer within 5 months of re-listing



Pittong achieved \$723,000 EBITDA first quarter of ownership



Raised \$11m in oversubscribed Public Offer



Upgraded indicated JORC Resource White Cloud Kaolin Project



Completed Scoping Study on White Cloud Kaolin Project



# Opportunity in 100% Owned Projects

**KAOLIN**

+

**SILICA**

## Dual Commodity

- Kaolin & Silica – In Demand Speciality Minerals
- Asia Pacific is the largest market
- Low cost mining methods
- Looming supply deficits
- Low volatility markets



**WHITE KNIGHT**  
KAOLIN  
PITTONG OPERATIONS

## Pittong Upgrade

- Settled transaction in December
- Completed first full quarter of operations
- March quarter achieved \$723,000 EBITDA
- Expansion review to increase production capacity underway



**WHITE KNIGHT**  
KAOLIN  
WHITE CLOUD KAOLIN PROJECT

## White Cloud Kaolin Project

- Indicated Resource of 26.9Mt<sup>1</sup>
- Scoping study complete IRR 113% and NPV<sup>2</sup> of \$705m (pre-tax)



**WHITE KNIGHT**  
SILICA  
NOVA SILICA SAND PROJECT

## Nova Silica Project

- Working towards Maiden JORC Resource imminent
- Potential high value end user markets

<sup>1</sup> As announced on 25 March 2021, the Company confirms that it is not aware of any new information or data that materially affects the announcement and that the material assumptions underpinning the indicated resource continue to apply and have not materially changed.

<sup>2</sup> As announced on 27 May 2021, the Company confirms that it is not aware of any new information or data that materially affects the announcement and that the material assumptions underpinning the production target and the forecast financial information derived from the production target continue to apply and have not materially changed



**WHITE KNIGHT**  
**KAOLIN**  
PITTONG OPERATIONS

# WHITE KNIGHT KAOLIN PITTONG OPERATIONS



**SUVO**  
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# What is Kaolin

Global Market Value US\$3.1 billion

- An industrial mineral used primarily as an inert filler often combined with other raw materials used in variety of applications
- White, soft, plastic clay mainly composed of fine-grained plate-like particles
- The naturally occurring low impurities at Pittong are critically important for supply into the high value premium markets including pharmaceuticals >\$3000/t
- Kaolin applications:
  - Ceramics
  - Fibreglass
  - Paper industry
  - Paint
  - Rubber
  - Plastics
  - Pharmaceuticals
  - Cosmetics
  - Bricks, pavers, roof tiles
  - Polishes
  - Insecticides
  - Fertilisers

## Wet Processing

Superior processing method, creating premium products, attracting premium prices

- **High technical barriers to entry** due to required experience and knowledge
- Pittong is the **only wet processing kaolin plant** in Australia
- Australia's **only experienced personnel** in operational kaolin mining and wet processing
- Not all kaolin deposits are equal
- Wet processing allows Suvo to sell into the **largest and most lucrative segments** of the kaolin markets
- Ready to capitalise on emerging high-end technologies

Product	Achieved Prices (A\$/t)
Dry	150 - 300
Wet	400 - 3000



# Pittong.. The One & Only



## CURRENTLY

- FY '20 \$2.1M EBITDA
- Only hydrous operating Kaolin mine in Australia
- Experienced management & long term personnel
- +20 years Life of Mine
- More than 40 years of established customers in Australia and Globally including Imerys
- One of the only ore bodies in the world suitable for high value pharmaceutical grade >\$3000/t
- Current plant production 24,000t of refined kaolin



## EXPANDING

- Drilling commenced to further increase JORC at Pittong
- Review of planned expansion underway with completed assessment due CYQ3





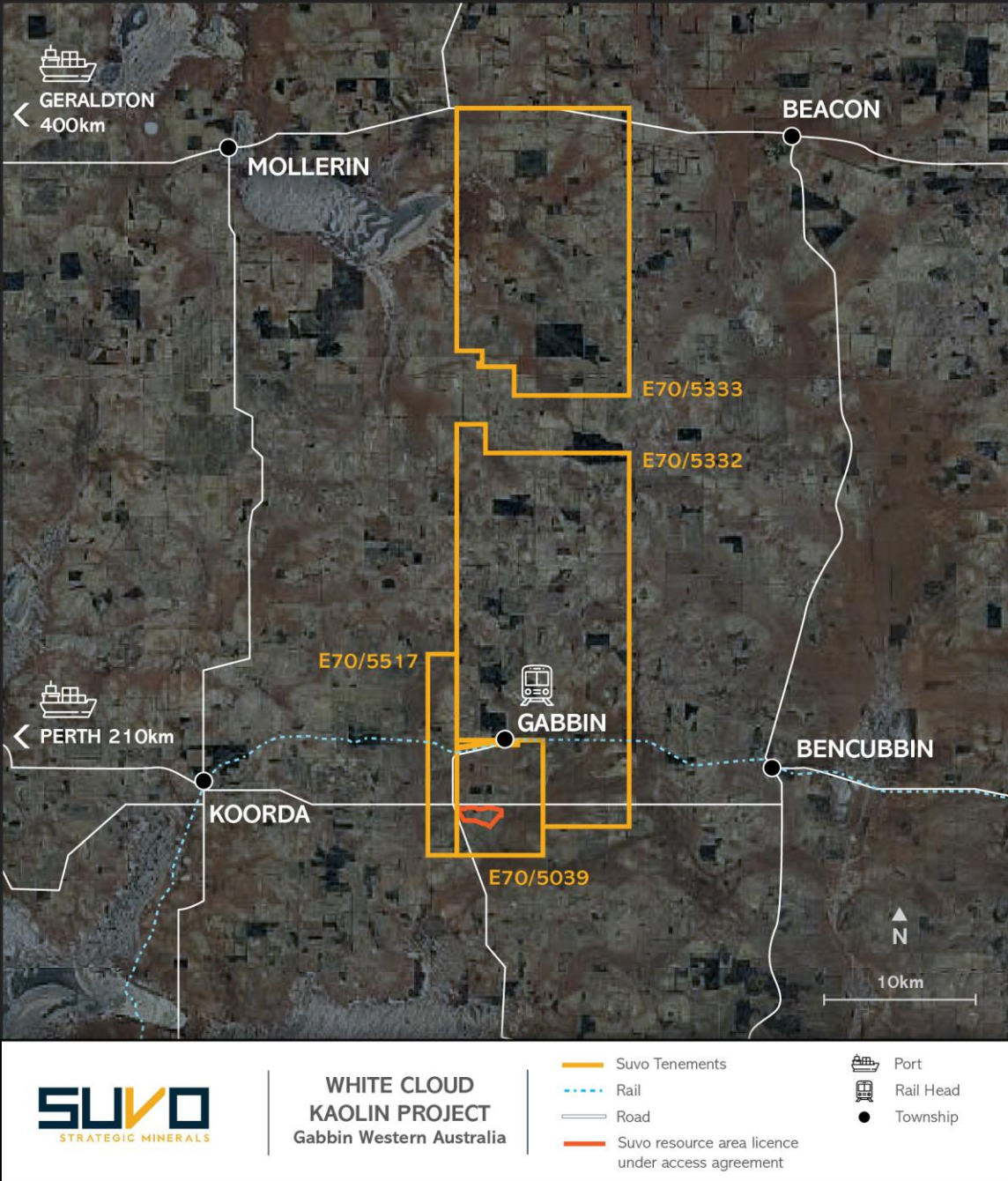
**WHITE KNIGHT**  
**KAOLIN**

WHITE CLOUD KAOLIN PROJECT

# WHITE CLOUD KAOLIN PROJECT



**SUVO**  
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## Working Towards a Decision to Mine...

- Total resource of 72.5Mt bright white kaolinised granite (26.9Mt Indicated)
- Yielding 29.9Mt of <45µm kaolin
- Granted access agreements
- Logistics solution - mine to port via rail
- Multi-generational mine life
- Scoping Study completed proving robust project economics (only on 5% of total tenement)
- Non Binding Offtake signed for 10,000tpa at A\$850 per tonne
- MoU with Lixil - Largest sanitary ware Producer with an annual turnover > AU\$20B
- Potential HPA feedstock due to high  $Al_2O_3$
- Intended Updated mining feasibility end of CYQ4
- Intended Decision to mine end of CYQ4



# Scoping Study

White Cloud Kaolin Project, May 2021

## Study Baselines

- 25 years LOM on current Indicated Resources of 26.9Mt of bright white kaolinised granite <50% of the resource total
- Hydrous processing plant with initial processing capacity of 500,000tpa producing 200,000tpa of refined kaolin products
- Estimated capital costs including pre-production costs of A\$68M
- All in Sustaining Cost<sup>2</sup> (AISC) of A\$256/t with an anticipated selling price of A\$720/t (ex-works)

LOM revenue	A\$3.6B
LOM EBITDA	A\$2.3B
Cashflows (pre-tax) for LOM	A\$2.22B
NPV (8% discount rate) (pre-tax)	A\$705M
IRR (pre-tax)	113%
Initial payback from commencement of production	<12 months

# Ongoing Preparation for High-End Applications

**Suvo has created a subsidiary, Suvo Minerals Technology Pty Ltd to carry out research and development into emerging lucrative markets**

## **HPA \$25,000 - \$50,000 / t**

HPA is used as a base material to manufacture sapphire substrates in applications such as high energy efficient LEDs, semi-conductors, optical lenses & bio-medical devices. It is also used as a battery separator in all consumer products requiring lithium-ion battery.

## **ZEOLITE \$1,000 - \$10,000 / t**

Zeolite is a kind of porous aluminosilicate. The largest demand of synthetic zeolite is used as washing powder, followed by adsorbent & catalyst. Synthetic zeolite has also been used as filler of plastics because of its uniform shape & size. Others can also be used as fillers, deodorants, preservatives & antibacterial agents for papermaking & rubber as well as medicine, electronic materials & other high functional materials.

## **MOLECULAR SIEVES \$500 - \$5,000 / t**

Molecular sieves are mainly used in adsorption, catalysis, drying, vacuum, separation & purification. As an ion exchanger, it is mainly used for environmental protection & soil improvement, water desalination & radioactive chemistry.

## **CATALYST \$600 - \$1,500 / t**

Catalyst is widely used in chemical industry, petrochemical industry & oil refining, biochemical, environmental protection.

***"To realise a purity level of 4N from our White Cloud Kaolin Project would be a great achievement but reaching our target goal of 5N would be very special and ultimately supercharge our overall project economic considerably" - Executive Chairman Rob Martin***





**WHITE KNIGHT**  
**SILICA**  
NOVA SILICA SAND PROJECT

# NOVA SILICA SAND PROJECT

**SUVO**  
STRATEGIC MINERALS



# What is Silica Sand?

## The foundation of modern cities

- Silica sand is the most-used commodity on the planet after air & water
- It is the main ingredient in all types of glassmaking, including specialty solar panel & high-tech glass
- Silica sand is also the main ingredient in concrete
- Around 47% of the world's glass is made in Asia, & the glass manufacturing industry is increasing at a rate of 5-6% per year – or about 8-10Mt
- Illegal sand mining activities have led to countries banning sand mining driving up the price
- The Asia-Pacific region is currently experiencing a supply shortfall driving the price up and significantly improving project economics

# Nova Silica Sand Project

- Potential multi commodity large scale project
- Initial 22 composite production samples from Nagrom produced silica product to 99.61% SiO<sub>2</sub>, with an average of 98.78% SiO<sub>2</sub>
- Initial test work demonstrates potential for high value silica flour and AFS 60 foundry sand used in manufacturing electric vehicle components
- Working towards Maiden JORC Resource

Application	Prices (US\$/t)
Glassmaking	35 - 53
Foundry	38 - 53
Flour	90 - 150
AFS 60	45 - 70

# Multi Commodity Deposit

- Initial sighter test work completed
- Preliminary Metallurgical test work identified potential high value end user market Silica Flour with value of US\$90/t - \$150/t
- Logistic solution from mine to port via rail
- Neighbouring Iluka Resources' (ASX: ILU) Eneabba operation





**"It's the ingredient that makes our cities our science & our lives possible. & incredibly, we're running out",**

*Vince Beiser, author of "The World in a Grain".*

**"Climate scientists say it constitutes one of the greatest sustainability challenges of the 21st century",**

*Sam Meredith, CNBC*

## ESG Suvo Taking Sand Responsibility Seriously

As the most consumed substance in the world after water and air - Suvo takes its responsibility in mining, processing & exporting the valuable commodity, very seriously.




Sand wars & their enormous environmental, economic & social impacts are dire & something that Suvo, with its premium, regulated, land-based mine will avoid.

ESG conscious practices in place:

- Modern, regulated mining methods - minimal mining footprint with no chemicals
- Committed to the ethical sourcing and mining of sand and is against the mining of sand that originates in or around river or water systems
- Regenerative route - Suvo intends to employ environmentally friendly mining methods that rehabilitates as the mine progresses.
- Operating in a first world jurisdiction with significant regulation around mining operations
- Creating employment opportunities for local communities



# Project Timelines

	CY 2021	CY 2022	CY 2023	CY 2024
 <p><b>WHITE KNIGHT PITONG OPERATIONS</b></p>	<p>Operating cash flow positive and growing Expansion review completed Approval applications submitted</p>	<p>Construction commences for expanded production Binding offtakes</p>	<p>Target date for expansion completed</p>	
 <p><b>WHITE CLOUD KAOLIN PROJECT</b></p>	<p>Scoping Study completed Further MoU's &amp; partnerships Decision to Mine</p>	<p>Approvals BFS Additional binding offtakes</p>	<p>Construction Production commences</p>	
 <p><b>NOVA SILICA SAND PROJECT</b></p>	<p>Maiden JORC Resource MoU's Environmental Studies</p>	<p>Upgrade JORC Resource Scoping Studies Offtakes</p>	<p>Approvals Financing Commence Construction</p>	<p>Production</p>

The above timelines are indicative only and are subject to change

# Investment Highlights

## A future major producer of strategic minerals in the APAC region

**1**

High barrier to entry due to established producers and requirement of technical expertise

**2**

Cash flow positive

**3**

Existing markets established for White Knight Kaolin

**4**

Scoping Study for White Cloud complete demonstrating robust economics

**5**

Maiden JORC Resource for Nova Silica Sand Project

**6**

Working towards decision to mine at White Cloud in Q4

**7**

Samples now received by potential end users for analysis

**8**

Upgrade Pittong





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**The DNA of a  
Modern World**

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