

ASX Release

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ASM JV PRODUCES HIGH PURITY TITANIUM METAL WITH SIGNIFICANT ENERGY AND ENVIRONMENTAL BENEFITS

Highlights:

- High purity titanium (Ti) metal 20.8 kg produced assaying 99.83 %
- Innovative metals process confirms 70 % lower energy consumption
- ZionTech optimisation increase metal efficiency by 50%
- Significant environmental benefits of innovative metal process confirmed

Australian Strategic Materials' (ASM) joint venture partner has produced 20.8 kg of high purity titanium metal (99.83 %) confirming the energy usage at approximately 30% of the standard titanium industry processes. This innovative metal technology energy usage is 35 kW per kg compared to the industry standard Kroll process that uses 117 kW per kg of metal, and shows significant environmental benefits.

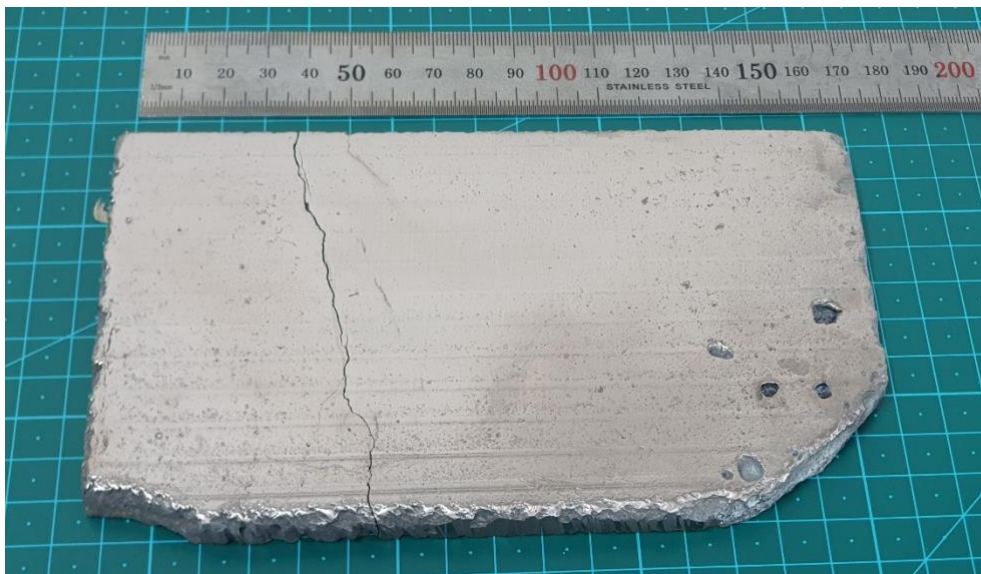


Figure 1: Section of High Purity Titanium Metal (99.83 %) Ingot

ASM Managing Director, David Woodall said: "Being able to successfully produce high purity metal without incurring the traditional environmental impact is a very significant result for ASM. Our JV team has achieved this result using 70% less energy, with none of the environmental contaminants of comparable titanium industry methods."

"We are focussed at ensuring these high purity permanent magnet metals and titanium metals do not cause the environmental impacts of traditional methods. With our exclusive worldwide licence to

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commercialise this clean and environmentally responsible metal-refining technology, ASM is well positioned in its strategy to add value to all Dubbo products.”

“ASM’s focus is now at commencing a metal plant feasibility which will confirm the optimal size of a plant in Korea, with the opportunity to build additional plants in key manufacturing areas in Australia, North America, and Europe ”

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This document has been authorised for release to the market by David Woodall, Managing Director.

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

ASM is focused on producing specialty metals and oxides for advanced technologies and is the 100% owner of the Dubbo Project.

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 the Dubbo Project. ASM’s pilot plant in South Korea has been completed with successful production of titanium, neodymium, and praseodymium metal. ASM is progressing an optimisation study of Dubbo Project inclusive of flotation that has potential to positively impact the capital and operating costs of the project. This optimisation and a feasibility study on the metallisation plant is planned to be completed by the end of 2020 and Q4 2020 respectively.