



*Australian Strategic Materials*

# Rare earths, critical minerals & high-tech metals for the world

---

Ian Gandel, ASM Chair

Diggers & Dealers

Monday 1 August 2022



# Disclaimer

This presentation contains certain forward-looking statements and forecasts, including possible or assumed reserves and resources, production levels and rates, costs, prices, future performance or potential growth of Australian Strategic Materials Ltd (the Company), industry growth or other trend projections. Such statements are not a guarantee of future performance and involve unknown risks and uncertainties, as well as other factors which are beyond the control of Australian Strategic Materials Ltd. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors. Nothing in this presentation should be construed as either an offer to sell or a solicitation of an offer to buy or sell securities.

This document has been prepared in accordance with the requirements of Australian securities laws, which may differ from the requirements of United States and other country securities laws. Unless otherwise indicated, all ore reserve and mineral resource estimates included or incorporated by reference in this document have been, and will be, prepared in accordance with the JORC classification system of the Australasian Institute of Mining, and Metallurgy and Australian Institute of Geosciences.

## Competent Person

The information in this document that relates to the Ore Reserves and Mineral Resource Estimates of the Dubbo Project are extracted from the Company's ASX Announcement dated 29 July 2020 titled "Information Memorandum and Demerger Booklet" available to view on the Company's website ([www.asm-au.com](http://www.asm-au.com)) and [www.asx.com.au](http://www.asx.com.au) and was completed in accordance with the guidelines of the JORC Code (2012).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Ore Reserves and Mineral Resource Estimates in the relevant market announcement continue to apply and have not materially changed.

The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

# Corporate Profile



Ian Gandel  
Non-Executive Chair



Gavin Smith  
Non-Executive Director



Nic Earner  
Non-Executive Director



Kerry Gleeson  
Non-Executive Director



Rowena Smith  
Chief Executive Officer



Jason Clifton  
Chief Financial Officer



Julie Jones  
General Counsel  
Joint Company Secretary



Tess Lackovic  
Chief Culture Officer



Peter Simko  
Chief Information Officer



Frank Moon  
President, ASM Asia

## ASX:ASM

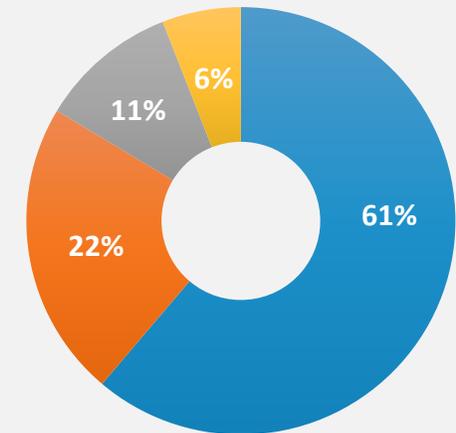
(at 30 July 2022)

Ordinary Shares (m)	142.0
Share Price	A\$3.56
Market Capitalisation	<b>A\$504M</b>
52 week low/high	A\$2.87/A\$14.14
Cash (as at 30 June 2022)	A\$60M

## Shareholders

(as at 30 June 2022)

- Retail & Others
- Directors & Management
- Foreign Institutions
- Domestic Institutions



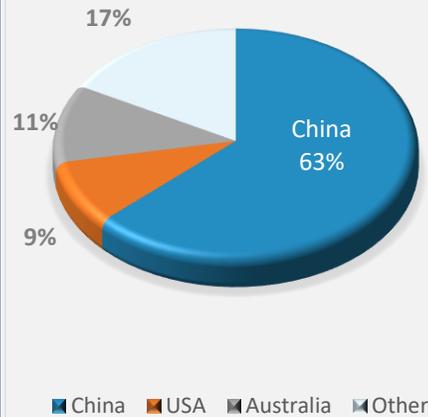
# De-risking the Global Supply Chain<sup>1</sup>

## Global supply chain

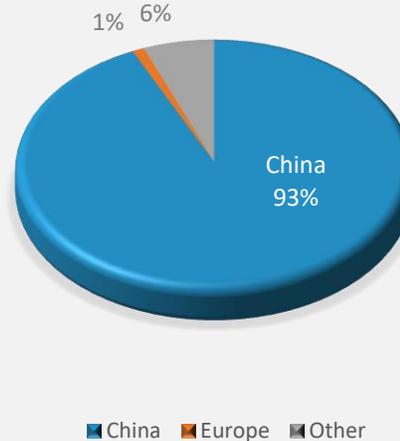
- Concentrated
- Lacks transparency
- Significant risk across all stages

### Global Bottleneck

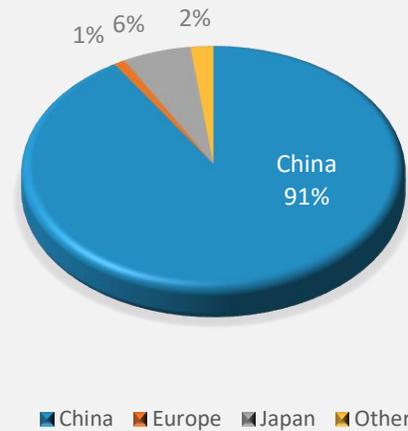
**Upstream<sup>1</sup>**  
Mining & Extraction



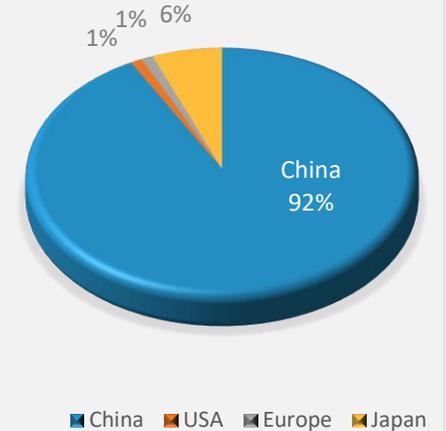
**Midstream<sup>1</sup>**  
Separation & Refining



**Downstream<sup>1</sup>**  
Metallisation & Alloying



**End Use<sup>1</sup>**  
Magnetisation & Forming



Rare Earth Products→

2021 Annual Production→

2030 Forecast Production→

**Concentrates/Carbonates**

**280,000 t<sup>2</sup>**

**Oxides**

**55,952 t<sup>3</sup>**

**103,342 t<sup>1</sup>**

**Metals and Alloys**

**205,000 t<sup>3</sup>**

**NdFeB Magnets**

**175,000-180,000 t<sup>3</sup>**

**341,950 t<sup>1</sup>**

<sup>1</sup> All pie chart data and 2030 forecast production extracted from Adamas Intelligence, *Rare Earth Magnet Market Outlook to 2035*

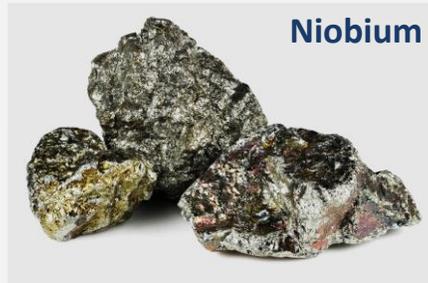
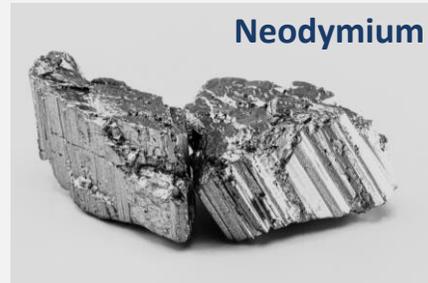
<sup>2</sup> U.S. Geological Survey, Mineral Commodity Summaries, 2022

<sup>3</sup> Adamas Intelligence, *Rare Earth Magnet Market Outlook Update - April 2021*

# A reliable, secure, alternative source of rare earths, critical minerals and high-tech metals



Alternative supply chain options urgently needed



ASM: a vertically integrated solution



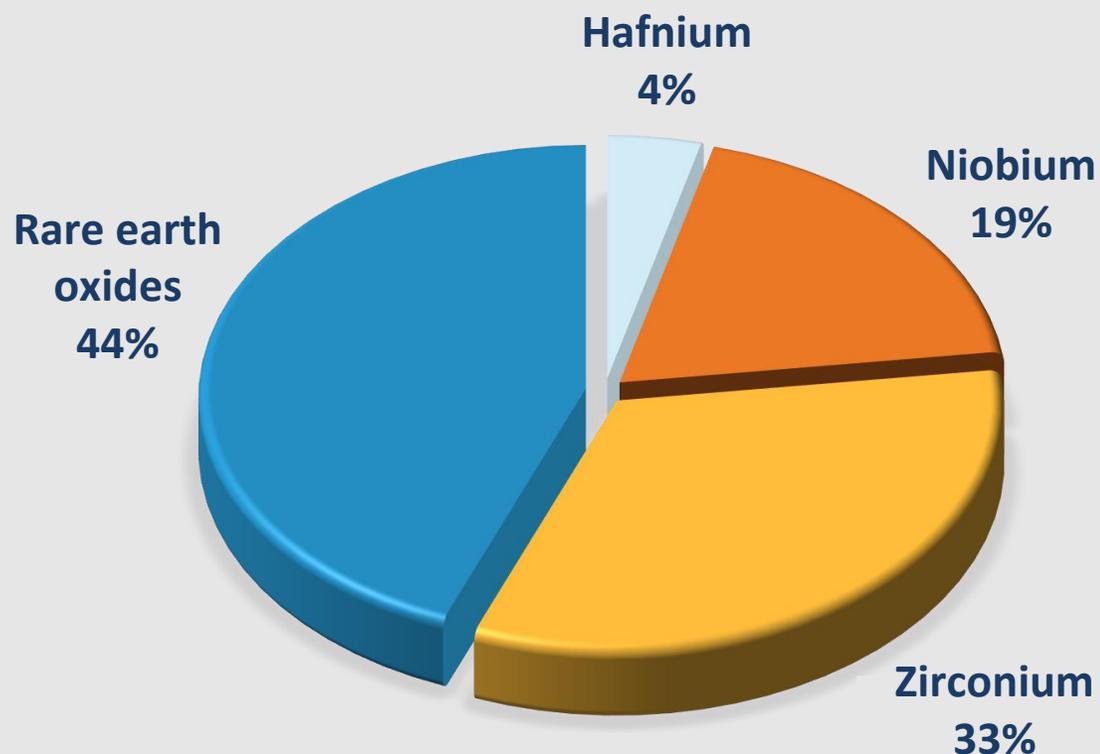
Dubbo Project - NSW, Australia



Korean Metals Plant - Ochang, South Korea

# Dubbo Project - optimised for strong financials

## Diversified revenue



## 2021 Optimisation Study<sup>1</sup>

- Strong Free Cash Flow US \$319 million per year
- Pre-tax IRR 23.5%, Post-tax IRR 20.1%
- Long term life of project

Key Outputs <sup>1</sup>	US\$M
Gross Revenue	\$11,851
Capex	\$1,259
Total undiscounted pre-tax Free Cash Flow	\$5,581
Annual Free Cash Flow (full ramp up)	\$319
Pre-tax Project IRR %	23.5%
Post-tax Project IRR %	20.1%
Pre-Tax NPV	\$1,770
Post-tax NPV	\$1,186

# Hyundai Engineering awarded EPCD contract



Engineering, procurement and construction definition work (EPCD) for Dubbo Project includes:

- FEED services
- Early engineering of major vendor packages for inclusion in an AACE Class 2 capital cost estimate
- Operating cost estimate
- Detailed project schedule
- Major project plans and FEED-stage engineering documentation

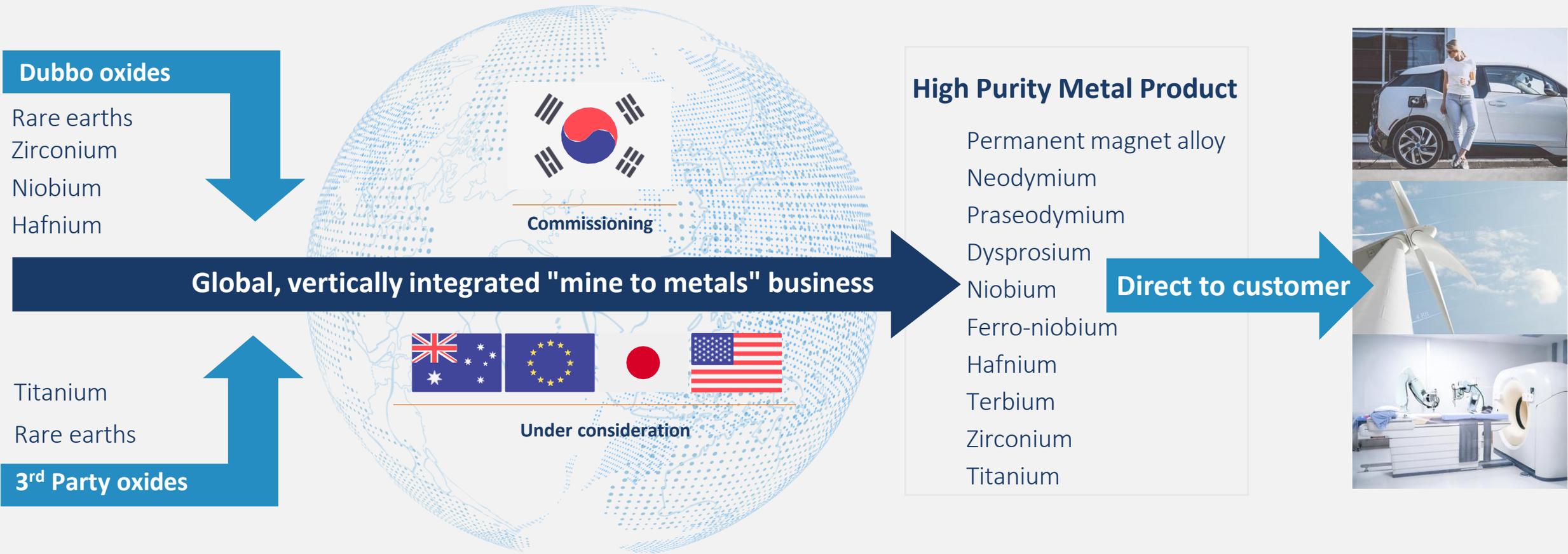
# Korean Metals Plant

- In Ochang Foreign Investment Zone
- Officially opened 12 May 2022
- Phase 1 commissioning underway
- Neodymium products initial focus
  - NdPr metal
  - NdFeB alloy



# Our Vision

An alternative, secure and environmentally responsible supply of strategic materials to the world





Renewable energy



Education programs



Protecting biodiversity



Sharing culture

# Rare earths, critical minerals & high-tech metals for the future

---

[asm-au.com](http://asm-au.com)

