

Providing an alternative, reliable, global supply of Critical Metals

26 April 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.

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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) and 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.

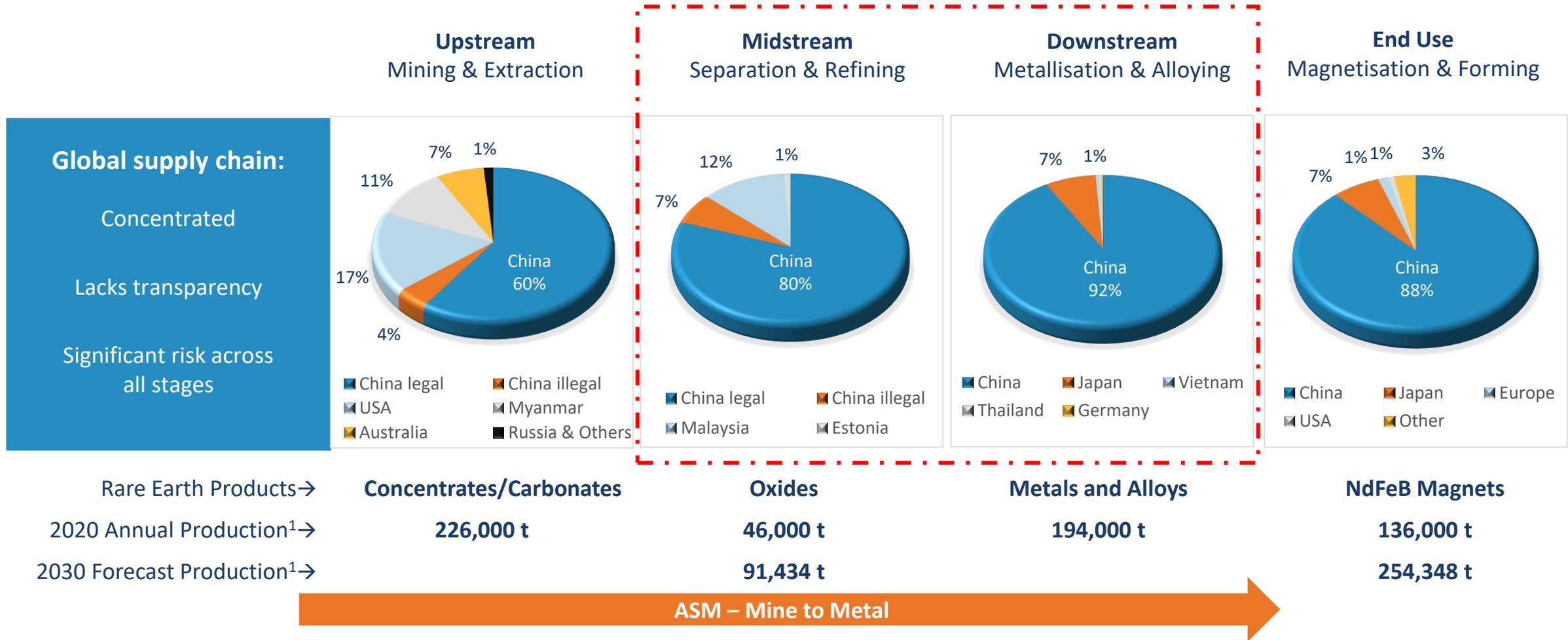
ASM Presentation Overview

- ❑ ASM: De-risking the global supply chain
- ❑ Delivering a vertically integrated solution
- ❑ Dubbo Project: strong financials
- ❑ Korean Metal Plant
- ❑ Our vision
- ❑ ESG: responsible stewardship

ASM: De-risking the Global Supply Chain



Global Bottleneck



Delivering a Vertically Integrated Solution

Dubbo Project

- Polymetallic resource - light and heavy rare earths, zirconium, niobium and hafnium
- Project approvals issued
- 20 year mine life producing metal oxides



Metallisation Business

- High purity metals and alloys
- Patented “green” metallisation process
- Low capital intensity and easily expanded



High Tech Manufacturing

- Diversified critical metals
- Permanent magnet alloys
- Product development to customer’s specifications



Dubbo: Long Life Project - Strong Financials

Project

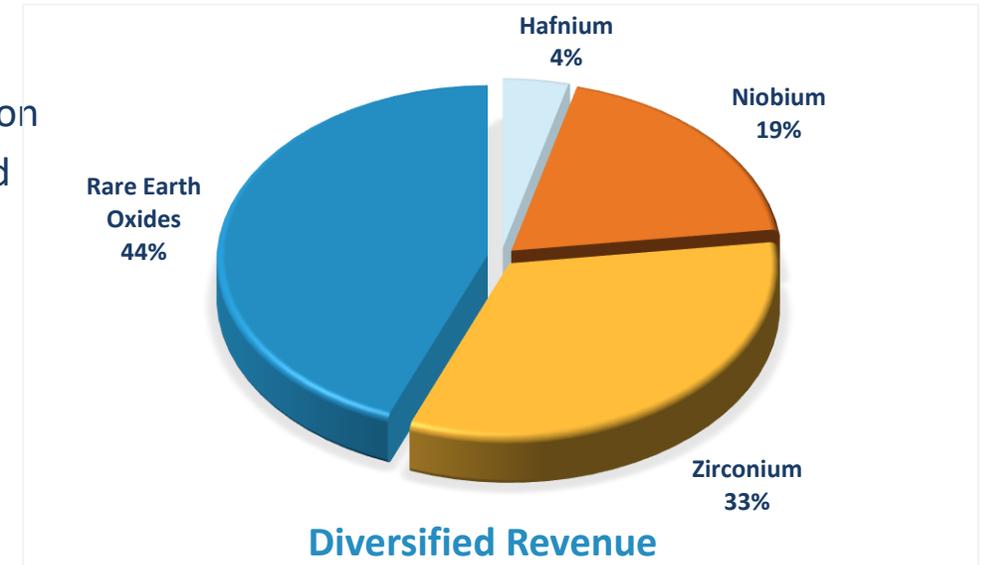
- 400km northwest of Sydney and 25km from Dubbo
- Proven flowsheet with Australian Nuclear Science & Technology Organisation
- Construction ready - major permits received, water license and land owned

Strong Financials

- Strong Free Cash Flow
- Meets all typical debt financial ratios
- **Pre-tax IRR 23.5%, Post-tax IRR 20.1%**

Robust Diversified Output

- Polymetallic project de-risking exposure to commodity price variation
- All products can be integrated into ASM's metal business
- Opportunity to increase hafnium production



Key Outputs	USD million
Gross Revenue	\$11,851
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

Korean Metals Plant

Metals Plant

- Low capital, small footprint and readily scalable
- Located in Ochang Foreign Investment Zone, 115km south of Seoul
- Will produce metal, alloy and powder to customer specification

Accelerated Development

- Acquisition of facility July 2021 expanded and registered in April 2022
- Phase 1 commissioning continuing – installed capacity 2,200tpa
- Stabilise and improve efficiency of Phase 1, commence Phase 2 to capacity 5,200tpa

Technology

- Proven, innovative low energy metallisation process with lower environmental impacts
- ASM owned patented technology
- ASM R&D team developed the unique technology

Pilot Plant High Purity Metals Produced

Praseodymium	5.3kg	99.3%
Dysprosium	7.5kg	99.53%
NdPr	9kg	99.65%
Zirconium powder	8.6kg	>98% (Hf ~1%)
Titanium powder	9.2kg	99.83%
CuTi Alloy	60kg	(70%,30%)
NdFeB	6kg	(32%, 67%, 1%)



Our Vision

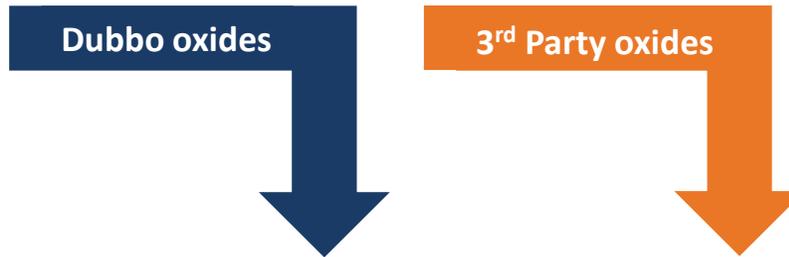
An alternative, secure and environmentally responsible supply of critical metals to the world

Dubbo Source

- Zirconium
- Rare earths
- Niobium
- Hafnium

External Source

- Titanium
- Rare earths



A global, vertically integrated mine to metals business

High Purity Metal Product

- Titanium metal, powder, alloy
- Permanent magnet alloy
- Dysprosium
- Ferro-niobium
- Niobium
- Hafnium
- Terbium
- Zirconium



Commissioning



Under consideration



Direct to Customers

ESG: Responsible Stewardship

Targeting operational net-zero

- Reduce emissions -
 - Refurbish railway
 - Chlor-alkali plant
 - Use renewable energy where possible
- Metallisation process lower footprint than conventional methods
- Protecting biodiversity -
 - Improved process to reduce water use
 - Biodiversity offset areas protected in perpetuity
 - Project within a working farm



Supporting community

- Solid history of successful engagement with local, regional, state and federal stakeholders
- Integrating development and operating plans for mutual benefit with the community
- Engagement with First Nations community



Strong, credentialed leadership

- Led by a diverse and experienced Board and leadership team
- Comprehensive systems of control and accountability, implemented with openness and integrity
- Engage all ASM people, suppliers and customers to ensure adherence to our guiding values and principles



Australian Strategic Materials

Secure, stable and sustainable
critical metals to the world



Dubbo Project Resources & Reserves

Dubbo Project – Mineral Resources

Resource Category	Tonnes (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	TREO* (%)
Measured	42.81	1.89	0.04	0.45	0.03	0.14	0.74
Inferred	32.37	1.90	0.04	0.44	0.03	0.14	0.74
Total	75.18	1.89	0.04	0.44	0.03	0.14	0.74

*TREO% is the sum of all rare earth oxides excluding ZrO₂, HfO₂, Nb₂O₃, Ta₂O₅, Y₂O₃

Dubbo Project – Ore Reserves

Reserve Category	Tonnes (Mt)	ZrO ₂ (%)	HfO ₂ (%)	Nb ₂ O ₅ (%)	Ta ₂ O ₅ (%)	Y ₂ O ₃ (%)	TREO* (%)
Proved	18.90	1.85	0.04	0.440	0.029	0.136	0.735
Total	18.90	1.85	0.04	0.440	0.029	0.136	0.735

*TREO% is the sum of all rare earth oxides excluding ZrO₂, HfO₂, Nb₂O₃, Ta₂O₅, Y₂O₃



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Dubbo Products And Applications

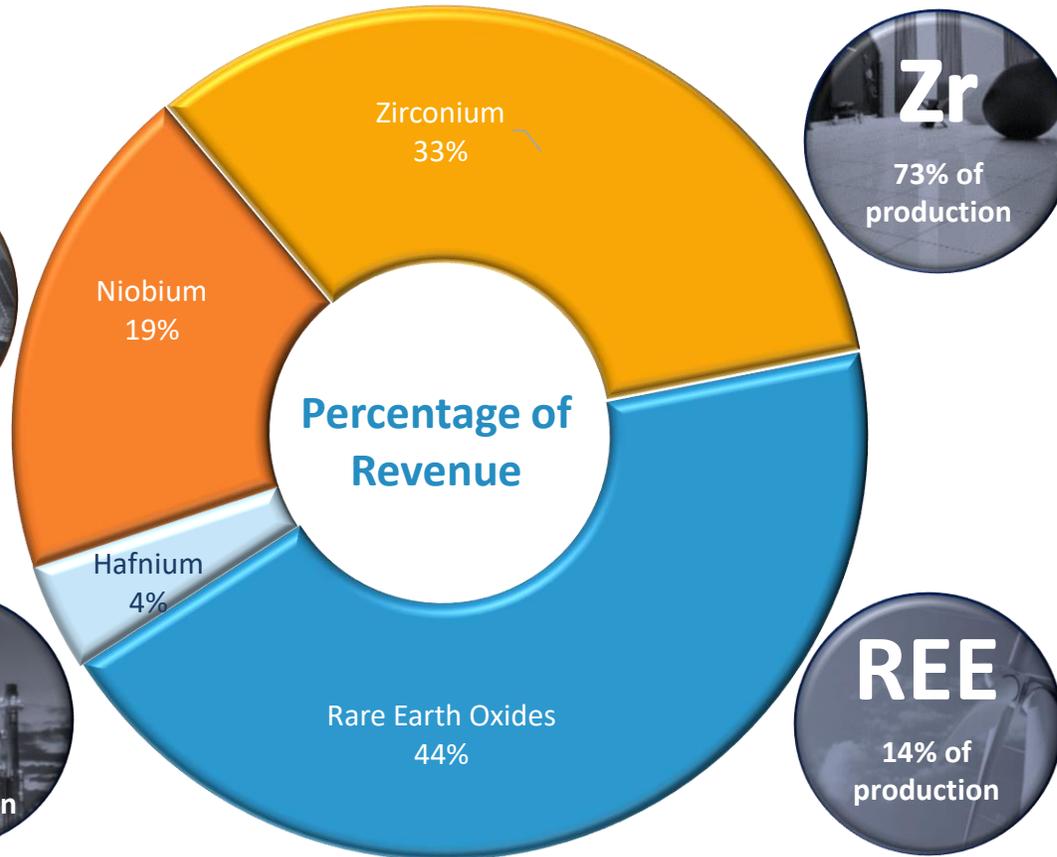
Ferro Niobium – 2,650tpa

- High strength steel
- Rockets
- Super alloys



Hafnium Oxide – 30tpa

- Super alloys
- Electronics
- Jet engines
- Plasma cutting tips



Zirconium Products – 16,000tpa

- Ceramics
- Chemicals
- Foundry
- Jet engines
- Refractory

Rare Earths – 3,140tpa

Non-Magnets – 1,634tpa

- Catalysts
- Glass
- Phosphors
- Metal alloys
- Polishing
- Ceramics

Magnet REO – NdPr, Tb, Dy 1,506tpa

- EV's
- Wind power
- Robotics

Corporate Profile

Capital Structure

Ordinary Shares (m)	139.5
Share Price (14 April 22)	A\$7.34
Market Capitalisation	A\$1.02B
52 week low/high	A\$4.08/A\$14.15
Cash (31 Dec 21)	A\$56.9M
Enterprise Value	A\$1.08B
Average Daily Turnover (3 Months)	A\$3.5M

Board

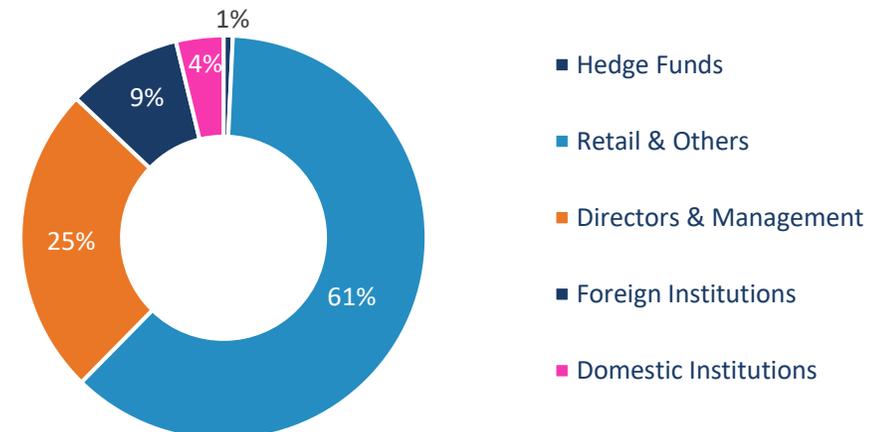
- **Ian Jeffrey Gandel** (Non-Executive Chair) LLB, BEc, FCPA, FAICD
- **David Woodall** (Managing Director) BSc Mining, MSc (Mineral Economics) and Graduate Diploma (Business)
- **Nic Earner** (Non-Executive Director) BEng (Hons)
- **Kerry Gleeson** (Non-Executive Director) LLB (Hons), FAICD
- **Gavin Smith** (Non-Executive Director) B.Com, MBA, MAICD



Share Price and Volume (6 Months)



Shareholders (at 31 March 2022)



Top 20 Shareholders

Investor	28 Feb 2022	%
1 Mr Ian Gandel	31,584,110	22.6%
2 Mr & Mrs Aaron J Gandel	9,990,582	7.2%
3 VanEck Global	4,228,084	3.0%
4 Mr Robert G Uthmeyer	3,794,977	2.7%
5 Vanguard Group	3,229,639	2.3%
6 Dimensional Fund Advisors	2,217,390	1.6%
7 Credit Suisse Private Banking	1,912,703	1.4%
8 Mr Noel C Spink & Ms Lyn M Rogers	1,550,000	1.1%
9 FIL Investment Mgt Australia	1,523,108	1.1%
10 Vanguard Investments Australia	1,452,482	1.0%
11 BlackRock Investment Mgt - Index	1,403,946	1.0%
12 Millennium Capital Partners	1,013,300	0.7%
13 Mr & Mrs John C Larking	1,000,000	0.7%
14 Mr David I Chalmers	1,000,000	0.7%
15 Mr Patrick J Mchale	968,166	0.7%
16 Macquarie Asset Mgt	919,161	0.7%
17 Mr & Mrs Colin J Ferguson	880,000	0.6%
18 Norges Bank Investment Mgt	852,436	0.6%
19 Construction and Building Industry Super - Cbus	798,106	0.6%
20 Mr & Mrs Brian F Hannebery	750,000	0.5%
Total	71,068,190	50.9%