



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) 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.

Corporate Profile

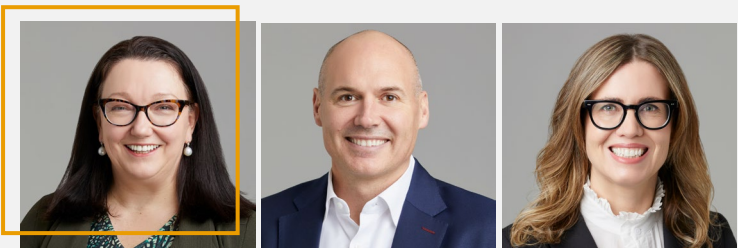


Ian Gandel
Non-Executive Chair

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

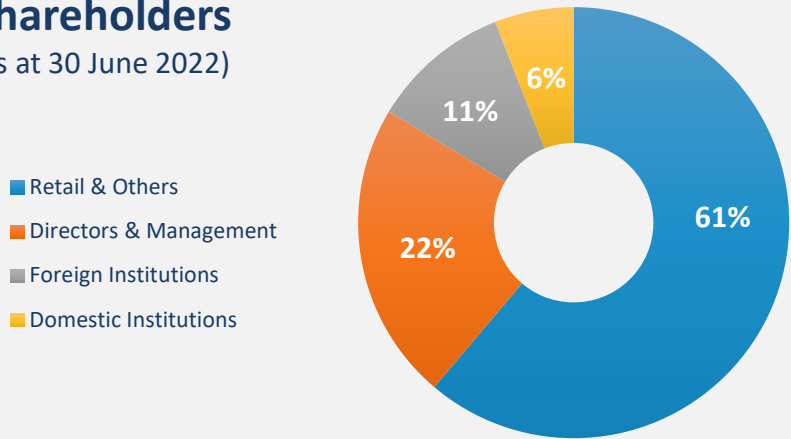
Market Capitalisation **A\$ 504 M**

52 week low/high A\$2.87/A\$14.14

Cash (at 30 June 2022) A\$60M

Shareholders

(as at 30 June 2022)



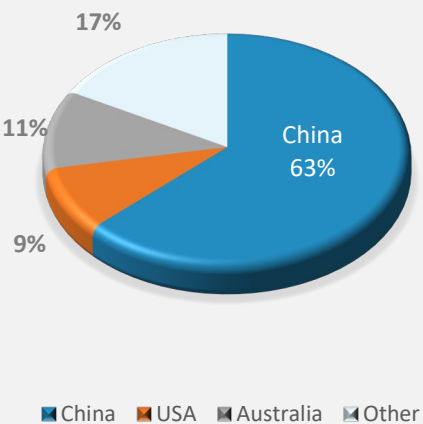
De-risking the Global Supply Chain¹

Global supply chain

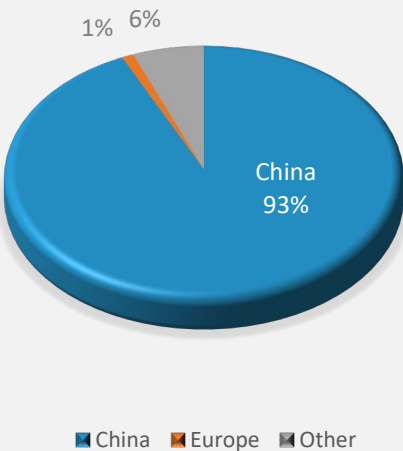
- Concentrated
- Lacks transparency
- Significant risk across all stages

Global Bottleneck

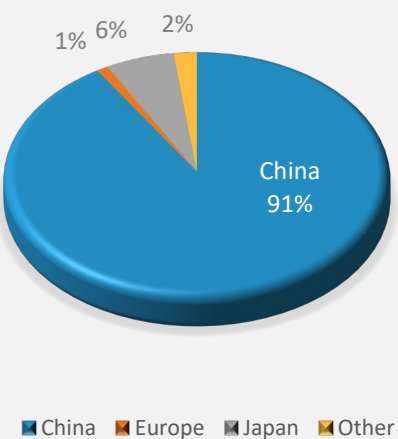
Upstream¹
Mining & Extraction



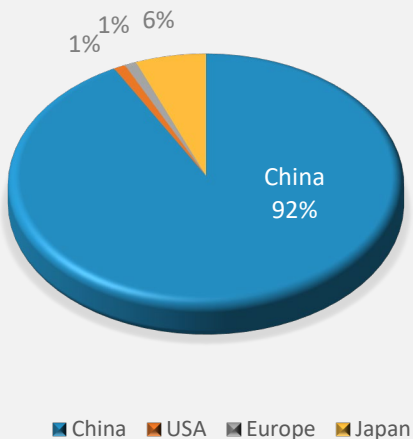
Midstream¹
Separation & Refining



Downstream¹
Metallisation & Alloying



End Use¹
Magnetisation & Forming



Rare Earth Products→

2021 Annual Production→

2030 Forecast Production→

Concentrates/Carbonates

280,000 t²

Oxides

55,952 t³

103,342 t¹

Metals and Alloys

205,000 t³

NdFeB Magnets

175,000-180,000 t³

341,950 t¹

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

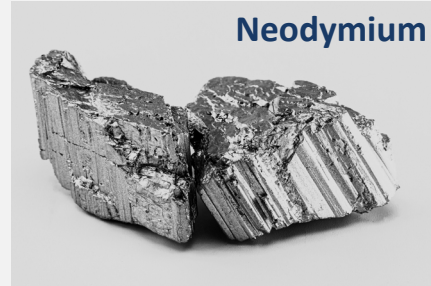
² U.S. Geological Survey, Mineral Commodity Summaries, 2022

³ Adamas Intelligence, *Rare Earth Magnet Market Outlook Update - April 2021*

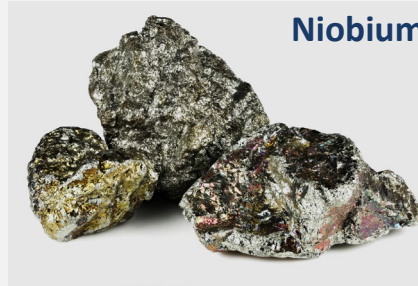
A reliable, secure, alternative source of rare earths, critical minerals and high-tech metals



Alternative supply chain
options urgently needed



Neodymium



Niobium



Zirconium



Hafnium



ASM: a vertically
integrated solution



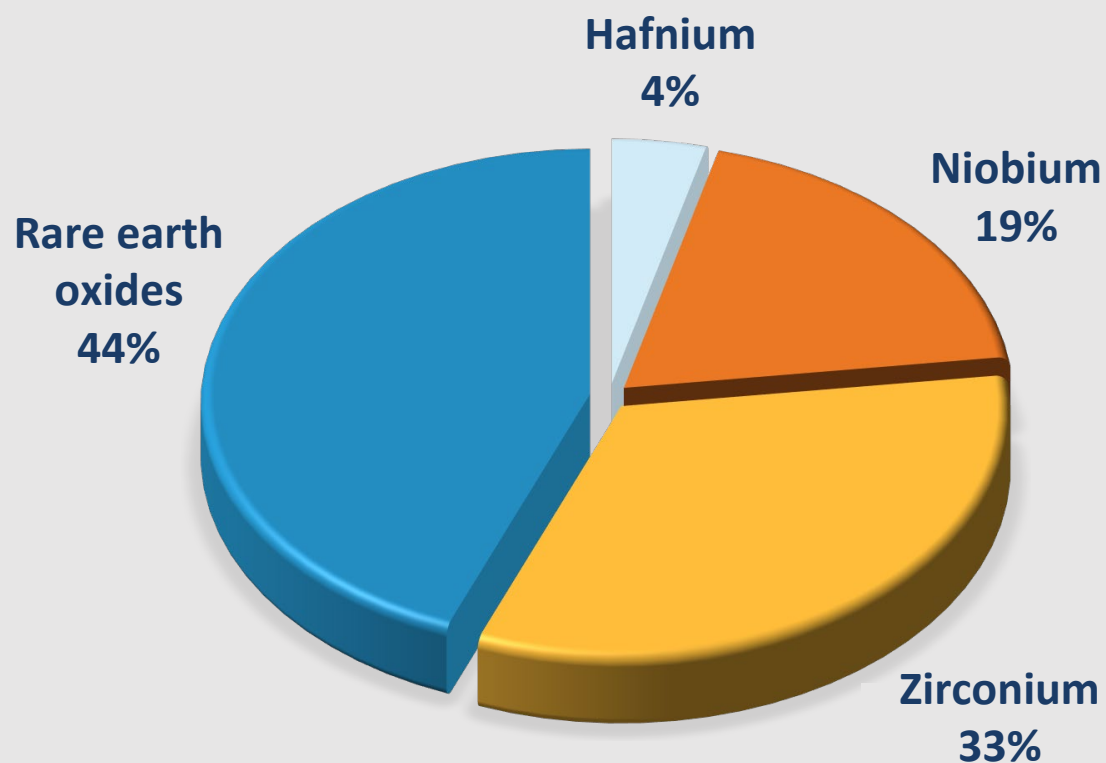
Dubbo Project - NSW, Australia



Korean Metals Plant - Ochang, South Korea

Dubbo Project - optimised for strong financials

Diversified revenue



2021 Optimisation Study¹

- 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 ¹	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

1. ASM ASX Announcement 'Dubbo Project Optimisation Delivers Strong Financials', dated 7 December 2021. Key assumptions are: Exchange Rate (A\$:US\$) - 0.75; Discount Rate (real, post-tax %p.a.) 8.0%; Corporate Tax rate (%) - 30%, Long Term Real Price assumptions used in the 2021 Optimisation Study table 9, capital estimates in section 13.4, and matters described in Annexure A. Please refer to the risks section of this document particularly those set out on page 29. ASM confirms that all material assumptions underpinning the production targets in this announcement and the forecast financial information derived from those production targets continue to apply and have not materially changed

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

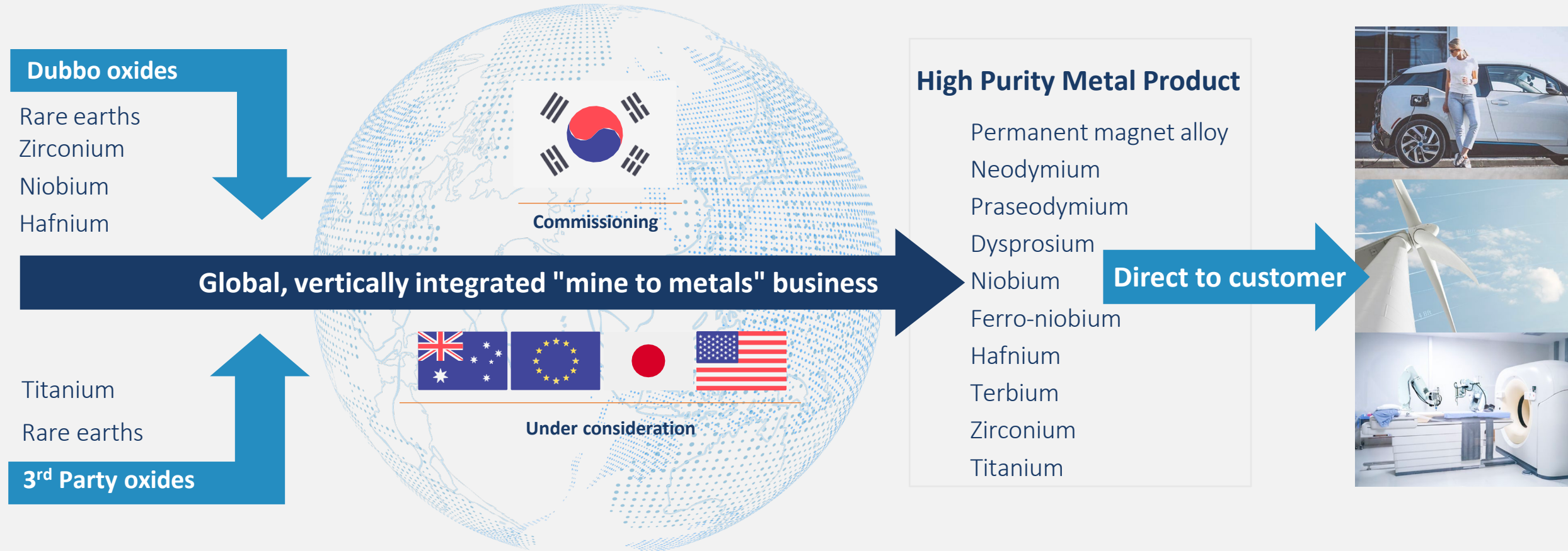
Korean Metals Plant

- 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 critical metals to the world





Renewable energy



Education programs



Protecting biodiversity



Sharing culture

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

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