

AGM Presentation

David Woodall – Managing Director

4 November 2020

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, 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

Unless otherwise stated, the information in this presentation that relates to mineral exploration, mineral resources and ore reserves is based on information compiled by Mr D I Chalmers, FAusIMM, FAIG, (director of the Company) who 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 Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Ian Chalmers consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears. Mr Chalmers is a shareholder of Alkane Resources Limited and participates in the short and long term incentive plans.

Strategy Highlights

Dubbo Project



- Key products defined
- Flowsheet optimised to deliver key products, with potential at a lower capital and operating costs with increased revenue
- Envisioned to be “net zero carbon”

Ziron Tech



- Ownership of a novel patented metallisation process
- World class Ziron Tech R&D team focused on new materials for emerging technologies
- Developer/preferred partner of innovative materials processing

Metal



- Enables preferred partnerships of metal production
- Delivered a new business unit on Titanium metal / metal powder business
- Enables the integration into global markets through boutique metal plants strategically located

Corporate Profile

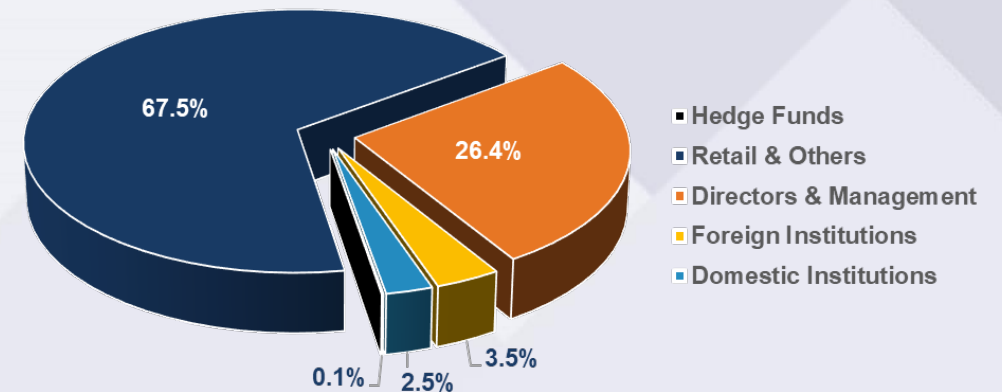
Capital Structure

Ordinary Shares	119.05 million
Share Price (27 October 2020)	A\$3.49
Market Capitalisation	A\$415.48M
12 Month low/high	A\$0.84/\$4.22
Cash (30 September 2020)	A\$16.5M
Enterprise Value	A\$398.98M
Average Daily Turnover (3 Months)	A\$2.20 million

Experienced Board and Management Team focused on delivering:

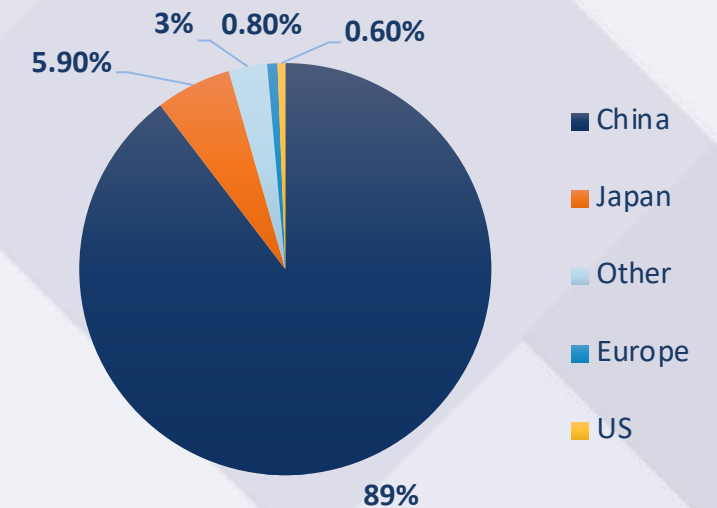
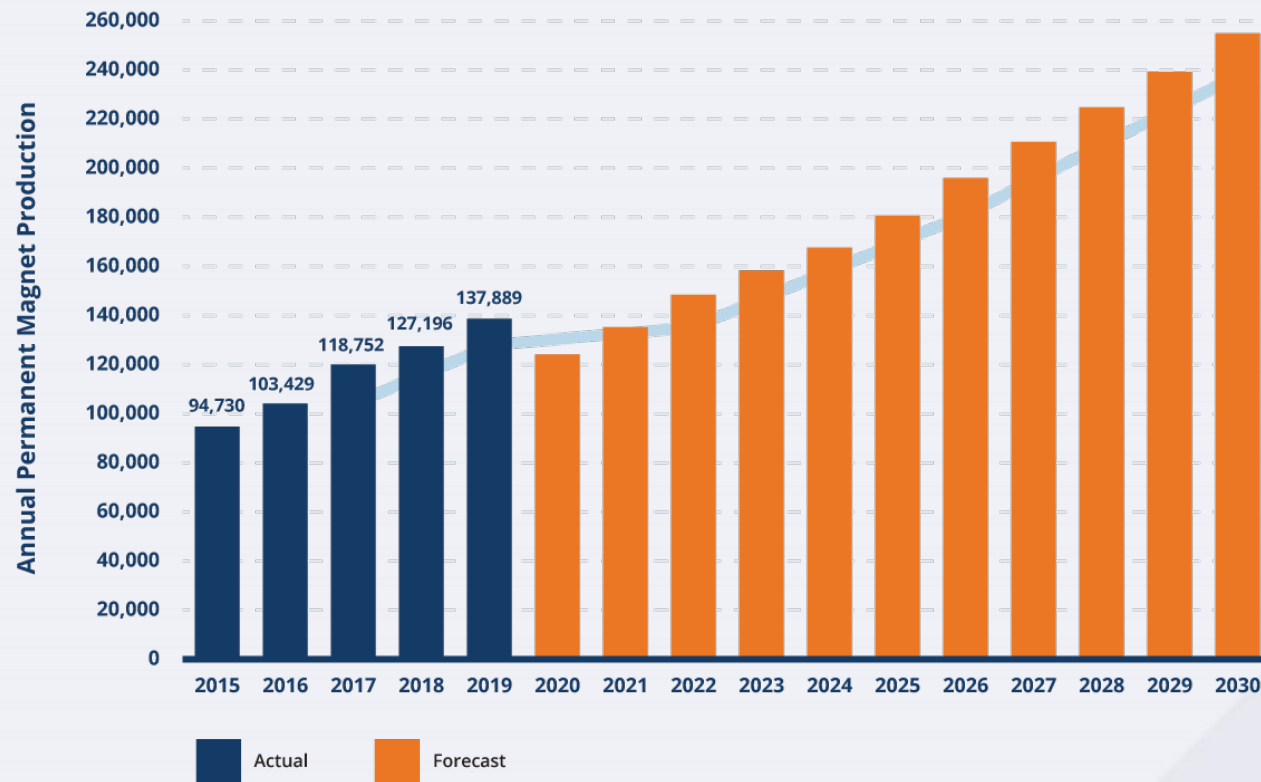
- Development of the Dubbo Project
- Production of high purity metals direct to customers
- Integrate further in the critical metals value chain

Share Price and Volume (3 Months)



Critical Materials Demand - Rare Earth Magnets

Electric vehicles will consume 1t out of 4t of permanent magnets globally by 2030



Regional Manufacturing of Permanent Magnets - 2030

ASM's Business Model



Ore

Concentrate

Oxide

Metals &
Alloys

Metal
Powders

Magnets

Components

OEMs

US \$ 4B

US \$ 40B

US \$ 400B

US \$ 4,000B

Traditional Supply

Production of key metals, metal alloys or powders via third party

ASM Metallisation – Value Adding



Zirconium



Rare Earths



Niobium



Hafnium



Titanium

Dubbo Plant Optimisation

Defined Dubbo Products

Optimised Flowsheet

Potential improved Project Financial Returns



Innovation – Integration of Ziron Tech into ASM

ASM has 95% interest of Ziron Technology Corporation (Ziron Tech)

ASM owns all associated intellectual property including patented metal-refining technology

Ziron Tech team integrated into ASM



Metal Business - Development of a 250kg Plant

Agreement with Dongkuk R&S

Develop a 250kg per day facility

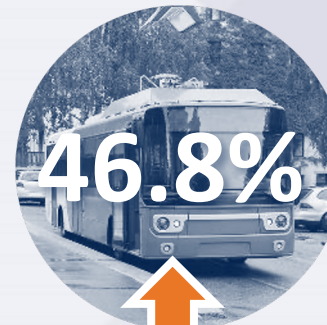
Prove the commerciality of the ASM innovative high purity metal process



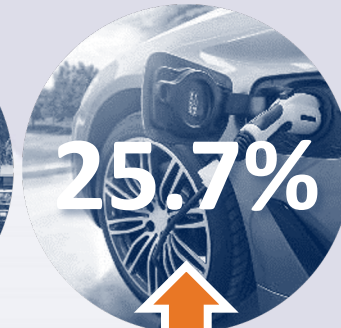
Key Work Plan and Milestones – Next 6 Months

- Complete the optimisation of the Dubbo Project
- Complete the commercial 250kg metal plant
- Secure an offtake agreement
- Confirm a Strategic Partner
- Progress the financing of the Dubbo Project

Growth Rare Earth Permanent Magnets to 2030



Commercial EV
traction motors

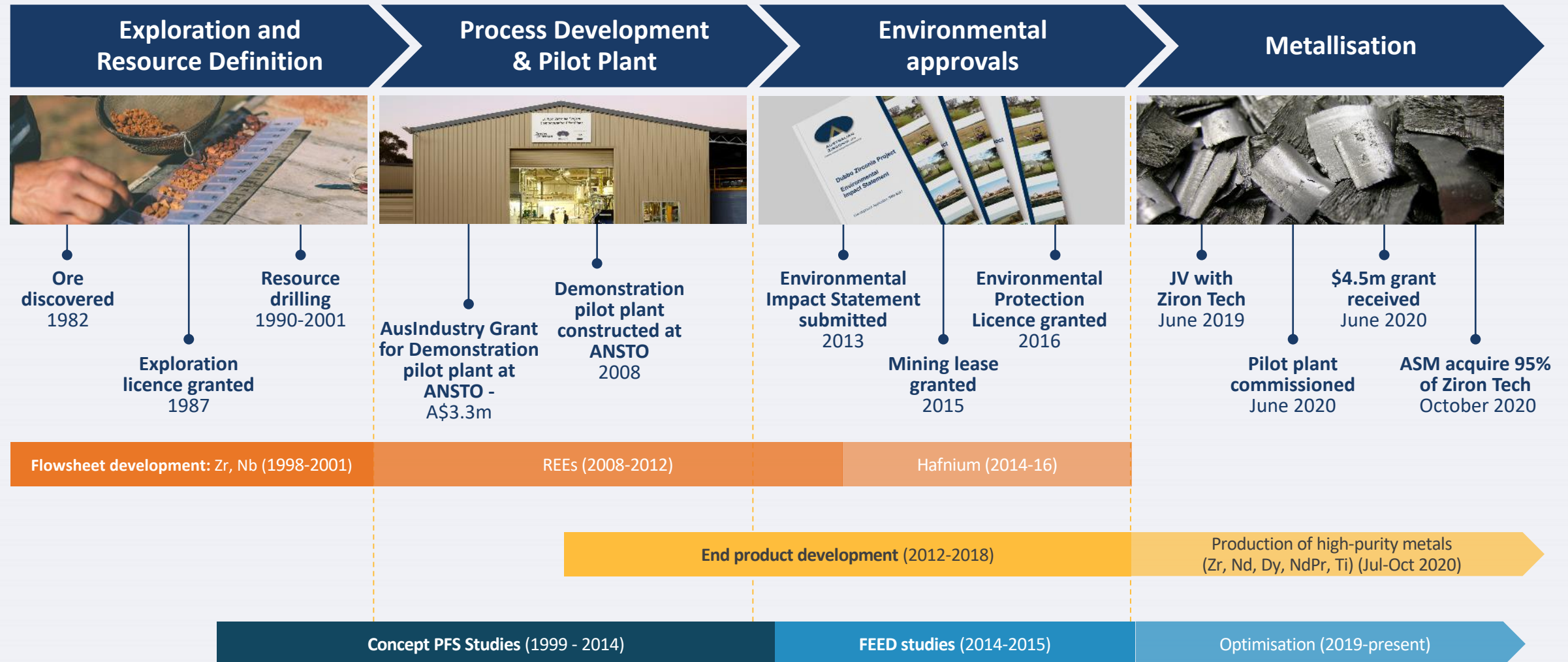


Passenger EV
traction motors



Electric Mobility
Vehicles

ASM's Journey to Metallisation – Shareholder Value





Dave Woodall

ASM Managing Director

 asm-au.com  [ASM_au](https://twitter.com/ASM_au)