

Bell Potter Unearthed

Presentation

Rowena Smith

7 February 2023

Rare Earths.
Critical Minerals.
High-tech Metals.

Disclaimer & Competent Person's Statement

Forward Looking Statements

This presentation contains certain statements which constitute “forward looking statements”. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “plan”, “believes”, “estimate”, “anticipate”, “outlook” and “guidance”, or similar expressions, and may include, without limitation, statements regarding plans; strategies and objectives of management; anticipated production and production potential; estimates of future capital expenditure or construction commencement dates; expected costs or production outputs; estimates of future product supply, demand and consumption; statements regarding future product prices; and statements regarding the expectation of future Mineral Resources and Ore Reserves.

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Information on likely developments in the Group's business strategies, prospects and operations for future financial years and the expected results that could result in unreasonable prejudice to the Group (for example, information that is commercially sensitive, confidential or could give a third party a commercial advantage) has not been included below in this presentation. The categories of information omitted include forward looking estimates and projections prepared for internal management purposes, information regarding the Company's operations and projects, which are developing and susceptible to change, and information relating to commercial contracts.

Competent Person

The information in this Presentation that relates to ASM's Mineral Resources or Ore Reserves is extracted from ASM's ASX announcement titled “Information Memorandum and Demerger Booklet” released to ASX on 29 July 2020 and is available at www.asx.com.au. ASM confirms that it is not aware of any new information or data that materially affects the information included in that original market announcement and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed. ASM confirms that the form and context in which the findings of the Competent Person are presented have not been materially modified from the original market announcement.

Previously reported information

Information prepared and disclosed under the JORC Code has not materially changed since last reported in Company's ASX announcements available to view on the Company's website. The Company is not aware of any new information or data that materially affects the information included in this presentation and confirms that the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Registered office and principal place of business

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ASM

Building a global rare earths and critical minerals business to provide the high-tech metals needed to solve the challenges of today and the future.



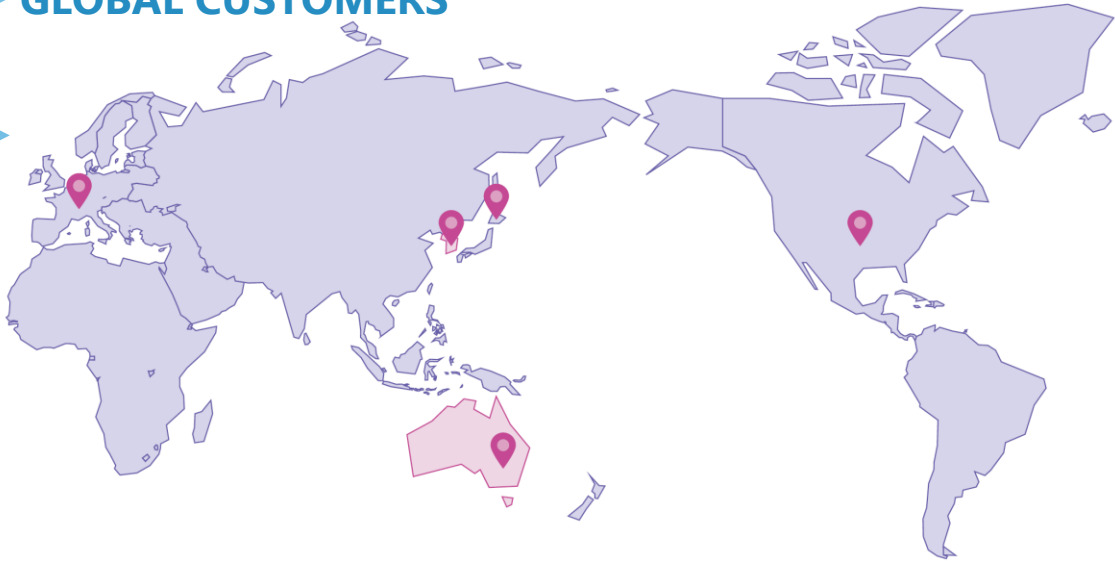
From mine to metals

DUBBO PROJECT

GLOBAL CUSTOMERS



KOREAN METALS PLANT



Mining



Separating & Refining



Products
Metal oxides & mixed chlorides

Shipped to Korean Metals Plant & Global Customers



Metallising



Products
High-tech metals & alloys

Shipped direct to Global Customers



Advanced manufacturing



New growth industries



Sustainable energy industries



Electric vehicles



Wind turbines



Semiconductors



Medical devices



Batteries

Sustainability

ASM wants to leave a legacy that delivers enduring benefits to the communities and regions where it operates.



Compelling ESG credentials

People and community



Health and safety



Renewable energy



Biodiversity management



MEMBER



PARTICIPANT

UN Global Compact

Corporate profile

Board of Directors



Ian Gandel
Non-Executive Chair



Gavin Smith
Non-Executive Director



Nic Eamer
Non-Executive Director



Kerry Gleeson
Non-Executive Director

Executive Management



Rowena Smith
Chief Executive Officer



Jason Clifton
Chief Financial Officer



Annaliese Eames
General Counsel
Joint Company Secretary



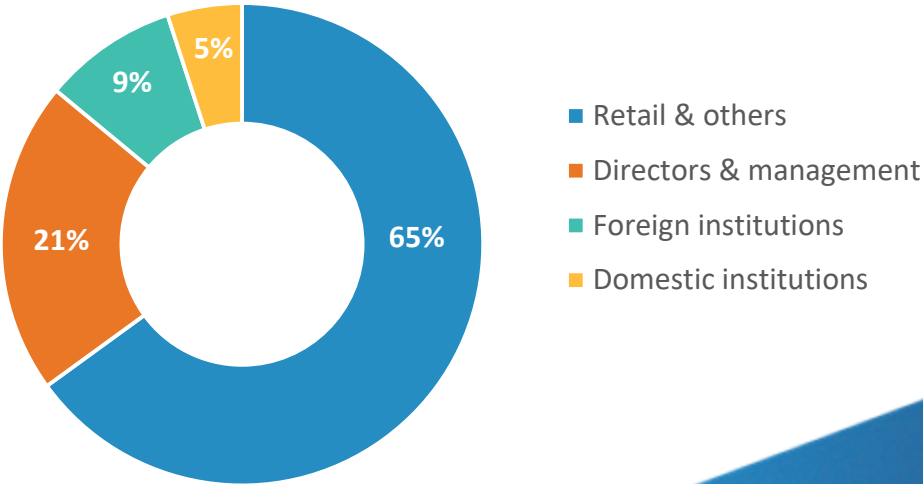
Frank Moon
Chief Development Officer

ASX:ASM

Ordinary Shares (m)	166.7
Share Price	AUD 1.795
Market Capitalisation	AUD 318m
52 week low/high	AUD 1.350 - 9.420
Cash (at 30 Dec 2022)	AUD 71.9m

Except where stated, all data is as 31 Jan 2023

Share register profile (at 30 Dec 2022)



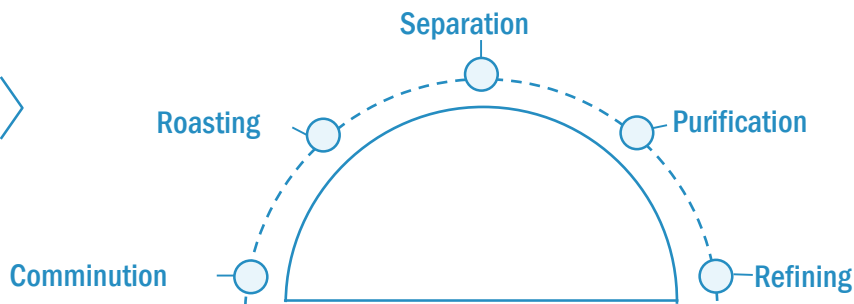
Establishing an integrated supply chain

DUBBO PROJECT

Mining



On-site Processing

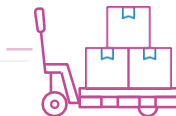


Products

- Neodymium praseodymium oxide
- Terbium oxide
- Dysprosium oxide
- Zirconia
- Hafnia
- Ferro Niobium

Status

- Optimisation Study delivered
- Approvals in place
- EPC Definition with HEC commenced
- Engaging with strategic investors
- Securing offtakes



KOREAN METALS PLANT

Feedstock

3rd party feedstock until Dubbo Project on-line



Metallising

Enhancing established processes



Products

- Neodymium praseodymium metal
- Neodymium iron boron alloy



Status

- Sales commenced
- Finalising alloy commissioning
- Building customer base

3rd party feedstock



Using innovative LK Process



- Titanium alloys
- Titanium powders



- Alloy development underway
- Building customer base

3rd party feedstock until Dubbo Project on-line



Developing innovative LK Process



- Terbium metal
- Dysprosium metal
- Zirconium metal
- Hafnium metal



- Future development

Korean Metals Plant

Rare earths and
critical minerals metallisation.

From ground breaking
to first delivery in 15 months.



Korean Metals Plant key facts



Opened
12 May 2022



**Neodymium
products initial focus**
NdPr metal & NdFeB alloy



**Titanium alloys
in development**

CuTi alloy using LK Process



**Located in Ochang
Foreign Investment Zone**

Approx. 115 kms south of Seoul



Korean Metals Plant milestones and targets

Milestones achieved

- ✓ Nov 2020 Acquired Ziron Tech¹ and R&D team joined ASM
Progressed development of LK Process
- ✓ July 2021 Commenced construction
- ✓ Apr 2022 Completed construction²
- ✓ May 2022 Opened KMP³
- ✓ Jun 2022 Completed phase 1 equipment installation
Secured KDB credit facility for AUD 24.4 million⁴
- ✓ Jul 2022 Commenced NdPr metal production and ramp up
- ✓ Sep 2022 Signed first sales agreement and delivered first product⁵
First CuTi production using LK Process
- ✓ Dec 2022 Signed agreement with VTRE to establish a rare earths supply chain⁶

Targets

➤ 1H 2023

Complete NdFeB strip caster commissioning

Secure first sale NdFeB alloy

Ramp up production of NdFeB alloy to 600tpa, aligned to sales

➤ 2H 2023

Install Phase 2 NdPr equipment for a NdFeB alloy capacity of 3,600 tpa

Secure sales of CuTi alloy

➤ 1H 2024

Ramp up to 5,200 tpa production, aligned with customer sales (comprising 3,600 tpa NdFeB alloy and 1,600 CuTi alloy)

Dubbo Project

The right project,
in the right place,
at the right time.



Dubbo Project key facts



Close to established infrastructure

25kms from Dubbo, NSW

400kms northwest of Sydney



Rare earths and critical minerals resource

Advanced flowsheet

Developed in partnership with ANSTO over 16 years



20-year life of mine

Further 50 years of resource¹

Workforce opportunities

Up to 1,000 local jobs during construction

270 ongoing local jobs



Construction readiness

All major approvals in place

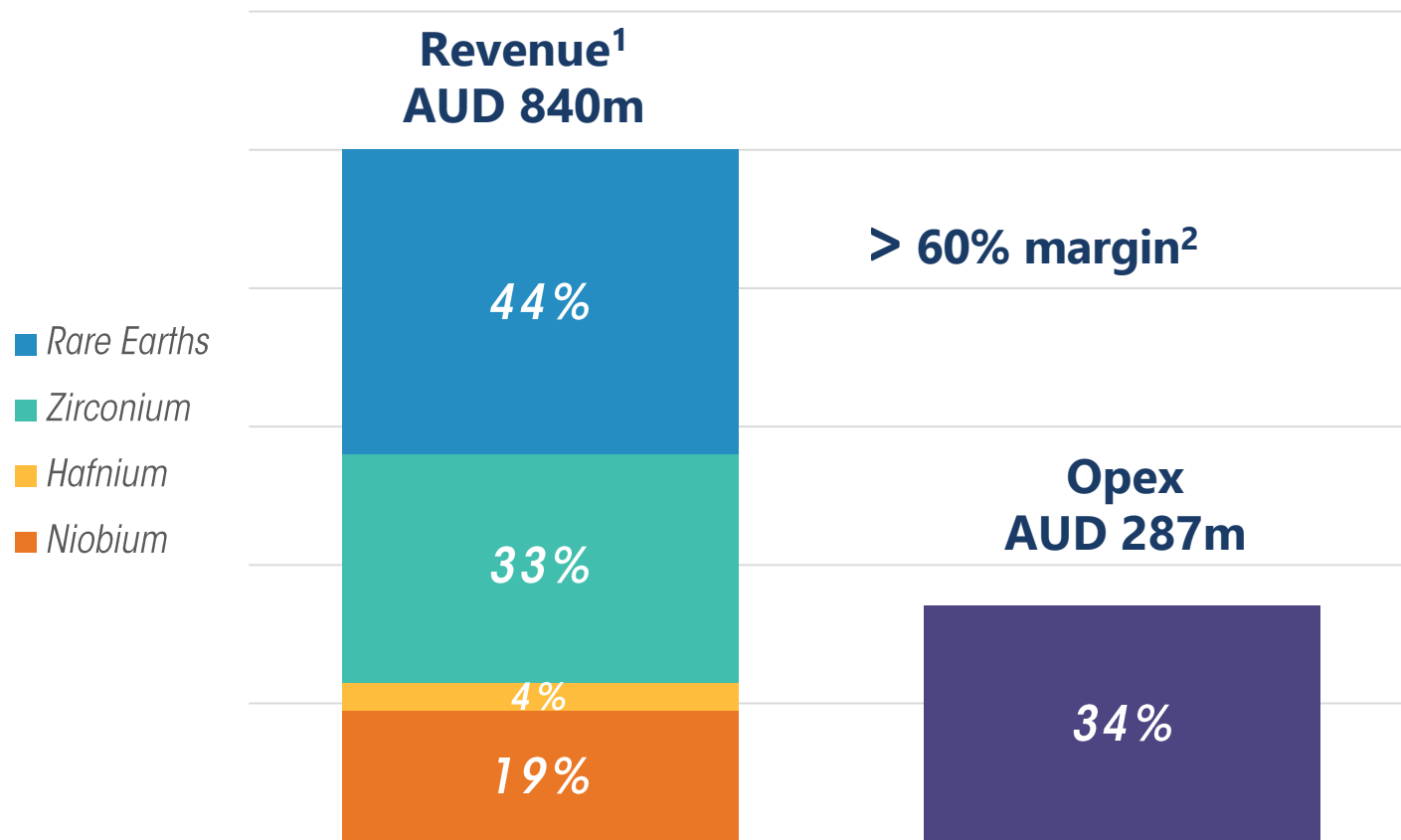
Land and water licences owned

EPC Definition commenced

Compelling ESG credentials



Dubbo Project delivers strong financials



23.5%

Pre-tax IRR

AUD 2,361 million

Forecast pre-tax NPV

AUD 425 million

Annual Free cash flow³

AUD 1,678 million

Capital cost estimate
including contingency

¹ Refer: ASX Release: 7 Dec 2021, *Dubbo Project Optimisation Delivers Strong Financials*. All data and financial information on this slide is taken from the Optimisation Study Work. The Company confirms that the material assumptions underpinning the estimates in the Optimisation Study Work announcement continue to apply and have not materially changed. 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.

² Margin is defined as revenue minus opex / ³ This amount represents the average of years 7-10 in the Optimisation Study Financial Model

Dubbo Project milestones and targets

Milestones achieved

- ✓ Jun 2021 Received AUD 200m Letter of Support from Export Finance Australia¹
- ✓ Dec 2021 Finalised Optimisation Study Work²
- ✓ May 2022 Received USD 15m from KCF Energy³
- ✓ Jun 2022 Awarded EPCD contract to HEC⁴
- ✓ Sep 2022 Signed MoU with KDB to establish a rare earths supply chain⁵
- ✓ Dec 2022 Awarded \$10.5m grant funding from NSW government
- ✓ Jan 2023 HEC commenced Phase 1 of EPC Definition⁶

Targets

- 2H 2023
 - Secure bankable offtakes
 - Equity from strategic partner(s) / government(s)
 - HEC progresses EPCD work
 - Commence early establishment activities
 - Commence Korean and Australian ECA covered debt process
- 2H 2024
 - HEC complete EPCD work and submit EPC offer
 - Complete Project Financing
 - Take FID and award EPC
 - Commence construction
- 2H 2026
 - Complete construction
- 2027
 - First production and revenue

¹ASX Release: 28 Jun 2021, *Export Finance Australia issues letter of support for the Dubbo Project* / ²ASX Release: 7 Dec 2021, *Dubbo Project Optimisation Delivers Strong Financials* / ³ASX Release: 16 May 2022, *USD 15 million Subscription Agreement at AUD 8.90 per ASM share* / ⁴ASX Release: 9 Jun 2022, *Hyundai Engineering Co Ltd awarded conditional contract for design work for the Dubbo Project* / ⁵ASX Release: 23 Sep 2022, *ASM signs MOU with Korean Development Bank for rare earths supply chain* / ⁶ASX Release: *HEC to commence contract for Dubbo Project design work*

Dubbo Project diversified revenue

Dubbo Products	Production	Revenue	Potential end users
Nd/Pr Oxide Tb Oxide Dy Oxide	1,342 tpa 22 tpa 142 tpa	44% Rare earths	GM Hyundai Marubeni Noveon NS World Samsung C&T Tesla Other OEMs
Zirconia Dehafniated Zirconia	13,500 tpa 2,500 tpa	33% Zirconium	ATI Framatome Gulbranson Imerys Itochu Iwatani KNFC LG Westinghouse
FerroNiobium	2,650 tpa	19% Niobium	Hyundai Steel Nippon Steel Blue Scope Steel Arcelor Mittal SeAH Steel POSCO Thyssen Krupp Kobe Steel
Hafnium Oxide	30 tpa	4% Hafnium	ATI Framatome KNFC LG Mitsubishi Electric Rolls Royce Samsung Westinghouse

The Dubbo resource offers a diversified product suite, de-risking exposure to single commodity price volatility



Australian Strategic Materials

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