

# Australian Strategic Materials Ltd

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## Australian Strategic Materials debuts on ASX with focus on 'critical materials'

Australian Strategic Materials Limited (ASX:ASM) made its ASX debut today after completing its demerger from Alkane Resources Limited (ASX:ALK) (OTCMKTS:ALKEF) with its focus on 'critical materials' and value-added production.

The company opened at \$1.25 and traded in the range of \$1.23 to \$1.55 with more than 5.8 million shares changing hands.

### Critical materials resource

ASM's cornerstone Dubbo Project has a long-term resource of 'critical materials' including zirconium, rare earths, niobium and hafnium.

These materials are used in a range of sustainable technologies and new manufacturing industries such as renewable energy and electric vehicle production.

In a joint venture with South Korea's Zirconium Technology Corporation (ZironTech), ASM is advancing oxide separation and metallisation technologies to create a range of value-added materials from the Dubbo Project.

### Pilot plant tests

ASM is progressing pilot plant test work on low emission, high purity metal technology to produce zirconium, titanium and rare earths for permanent magnet metals.

The company's opening day performance was assisted by the completion by ZironTech of the first production run of neodymium metal in its commercial pilot plant in South Korea.

### Neodymium produced

ASM's patented reduction process was used to produce 7.6 kilograms of neodymium metal assaying 99.8%, a higher purity than typically traded neodymium metal.

This result validates the company's patented carbon-free metallisation technology for rare earth metals and is the latest in a series of production runs that have confirmed this method uses up to 50% less energy than current commercial production methods.

### "Major milestone"

Australian Strategic Materials managing director David Woodall said: "This is a significant result for ASM, as this process has resulted in the production of neodymium metal at a higher purity than typically traded.

"My team and I have travelled to South Korea to discuss the significant potential of ASM's integrated strategy with various Korean government and business groups.

**Price:** 2.03**Market Cap:** \$241.67 m

### 1 Year Share Price Graph



July 2020 August 2020 September 20

### Share Information

**Code:** ASM**Listing:** ASX**52 week** High Low  
2.64 0.84**Sector:** General mining & base metals**Website:** asm-au.com

### Company Synopsis:

*Australian Strategic Materials Ltd (ASX:ASM) is progressing the Dubbo Project to become a key global supplier of specialty metals and rare earths.*

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"This also allows me to see the progress made by the great ZironTech team and to celebrate this major milestone with them."

### **Final commissioning**

ASM's JV is advancing the final commissioning of the electro-refining plant and is progressing the production of other key metals including zirconium, praseodymium and dysprosium.

All of these essential for the new technologies and advanced manufacturing markets in Australia and globally.

Commissioning of the electrorefining section of the pilot plant is progressing well.

This process is expected to produce high purity (99.9%) titanium metal with results expected in August 2020.

Further pilot plant runs are planned to produce additional neodymium, dysprosium and praseodymium, as well as other Dubbo products, in metallic form.

### **"Clean metal production"**

Woodall said: "Our strategy of integrating the products from our Dubbo Project into metals that can deliver to end use customers continues as we progress clean metal production and secure the financing needed for project development.

"It is possible that a standalone clean metal plant could be built in Korea to feed critical metals to Korean industry, but also possible that another clean metal plant could be located within Australia to feed critical metals for advanced Australian manufacturing."

### **Optimisation work**

As well as the work in South Korea, ASM is progressing an optimisation study of Dubbo Project inclusive of flotation that has potential to positively impact the project's capital and operating costs.

This optimisation and a feasibility study on the metallisation plant is planned to be completed by the end of 2020.

### **Alkane's gold focus**

The demerger of ASM completes the process that allows Alkane to focus exclusively on becoming Australia's next multi-mine gold producer.

Current gold production is from the Tomingley Gold Operations in Central West NSW, where it has been operating since 2014 and is currently expediting a development pathway to extend the mine's underground and open pit potential.

Alkane's recent exploration success includes the landmark porphyry gold-copper mineralisation discovery at Boda in 2019, also in Central West NSW.

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