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Rare Earths.
Critical Minerals.
High-tech Metals.

ASX Release

30 April 2026

Quarterly Activities Report to 31 March 2026

Australian Strategic Materials (ASM or the Company) (ASX: ASM) is pleased to provide its Quarterly Activities Report to 31 March 2026 (the Quarter). The Company has continued to progress its strategic objectives, in line with its mine to metals strategy and the proposed transformational transaction with Energy Fuels Inc.

Highlights

- **Energy Fuels transaction**
  Ongoing advancement of activities required to implement the Schemes, including regulatory processes and associated documentation.
- **NdFeB alloy production**
  >70% increase in NdFeB alloy delivery quarter-on-quarter at the Korean Metals Plant (**KMP**), with 42 tonnes dispatched.
- **Heavy rare earth metals**
  10kg of terbium (**Tb**) metal produced. Next generation pilot-scale heavy rare earth metallisation furnace installed and cold commissioning commenced.
- **KMP expansion**
  Civil foundation works completed to support the increase of the number of furnaces from four to 12 at the KMP.
- **Dubbo Project**
  Mixed rare earth hydroxide precipitate (**MREP**) concept study progressed in parallel with Heap Leach Option pre-feasibility study work.

Commentary from ASM Managing Director and CEO, Rowena Smith:

"During a quarter when both the Australian and US governments announced major investment vehicles to secure strategic critical minerals, ASM's proposed Schemes with Energy Fuels strongly align with the objectives of these governments to deliver the alternative rare earth supply chain the Western world is demanding.

"During the Quarter, the Australian Government passed laws to establish the Critical Minerals Strategic Reserve (**CMSR**), enabling the government, through Export Finance Australia to secure, sell and stockpile critical minerals and rare earths. The Australian Government has confirmed its intention to invest A$1.2 billion into the CMSR – identifying antimony, gallium and light and heavy rare earth elements as the first minerals to

be the focus of the Reserve.[1] The CMSR also supports Australia's collaboration with international partners to diversify critical minerals supply chains, and builds on the landmark agreement signed with the US in October 2025 to support a pipeline of projects.[2]

"In the US, the launch of Project Vault – a US Government strategic stockpiling initiative, backed by a US$10 billion Export-Import Bank loan and US$2 billion in private capital – aims to support domestic manufacturers from supply shocks and support production and processing of critical raw materials.

"In addition, the 2026 Critical Minerals Ministerial hosted by US Secretary of State Marco Rubio, brought together 54 countries and the European Commission with the objective of reshaping the rare earths and critical minerals global market. Out of the Ministerial, Secretary Rubio announced the creation of FORGE (Forum on Resource Geostrategic Engagement) as the successor to the Minerals Security Partnership, a new platform to strengthen diversified, resilient and secure critical minerals supply chains at both the policy and project levels.

"What is clear across all these developments is that ASM's strategic position is directly aligned with this emerging global policy architecture – including our proposed combination with Energy Fuels.

"The ASM Directors continue to unanimously recommend that ASM securityholders vote in favour of the Schemes, in the absence of a Superior Proposal – as defined in the amended and restated Scheme Implementation Deed (**SID**) released to ASX on 13 March 2026 – and subject to the Independent Expert concluding and continuing to conclude that the Schemes are in the best interests of ASM securityholders. Subject to those same qualifications, each ASM Director intends to vote all their ASM shares in favour of the Share Scheme at the Share Scheme Meeting and all their ASM options in favour of the Option Scheme at the Option Scheme Meeting.[3]

"I look forward to the release of the Scheme Booklet, which will enable ASM securityholders to further consider this transformational transaction."

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[1] Media Release: Delivering Australia's critical minerals supply
[2] United States–Australia Framework for Securing of Supply in the Mining and Processing of Critical Minerals and Rare Earths
[3] ASM securityholders should have regard to the interests of ASM Directors in the outcome of the Schemes, details of which will be disclosed in the Scheme Booklet.

METALS & ALLOYS

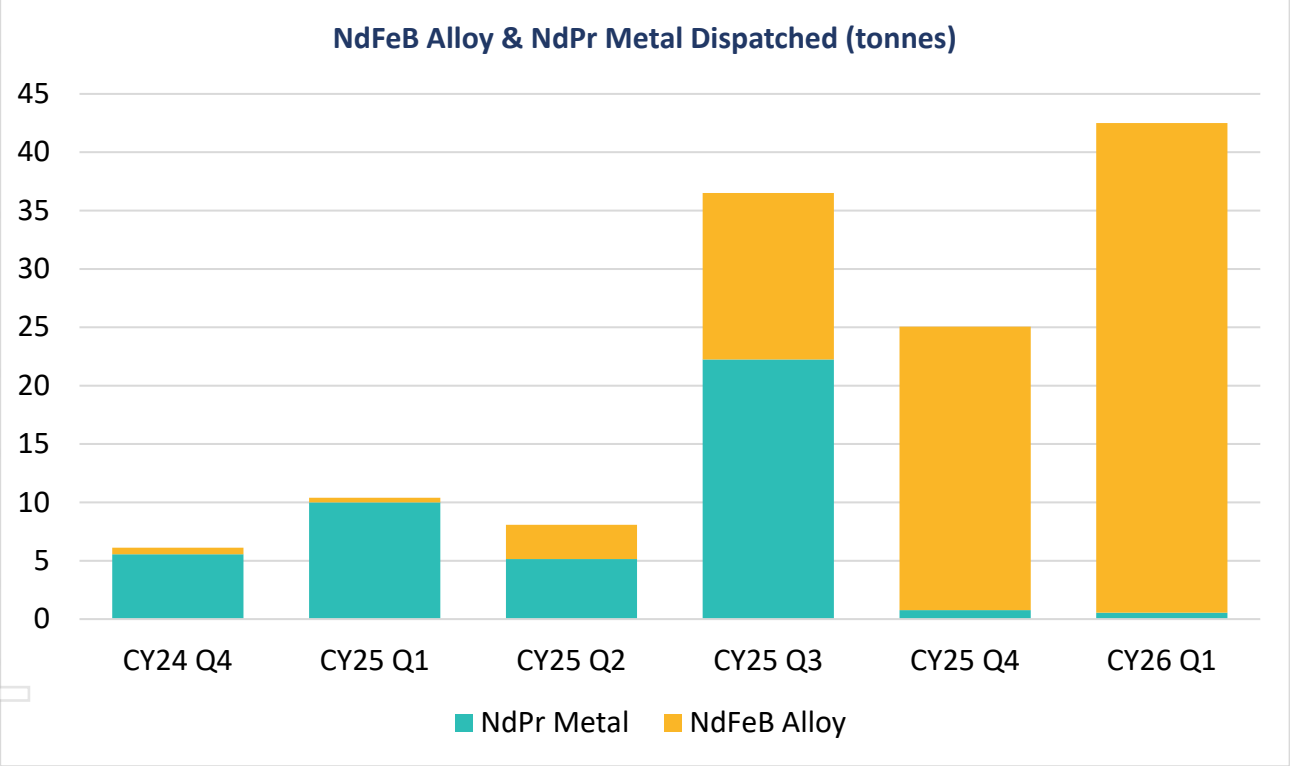
ASM's mine to metals strategy extends into the production of high-tech metals and alloys required for advanced manufacturing, clean energy technologies, and defence and aerospace applications. ASM's first metallisation plant was established in South Korea in 2022. It is one of the few facilities outside China producing rare earth metals and alloys.

Korean Metals Plant

Safety

There were no reportable safety incidents recorded during the Quarter and the year to date. Lost Time Injury Frequency Rate remains at zero.

Production



Neodymium iron boron (NdFeB) strip alloy

For the second consecutive quarter, the KMP achieved a greater than 70% increase in NdFeB alloy delivery quarter-on-quarter, with approximately 42 tonnes dispatched, compared to 24.3 tonnes dispatched in Q4 2025.

The majority of material delivered was in fulfilment of the existing 100-tonne supply contract with Noveon Magnetics Inc (**Noveon**) – the first operational manufacturer of sintered NdFeB rare earth magnets in the US[4] – with a number of smaller batches produced for ASM's growing customer base.

[4] Refer ASX Release, 4 December 2025: ASM advances strategic relationship with Noveon through further alloy sale

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Subsequent to the end of the Quarter, ASM has agreed a further order for the sale of 84 tonnes of NdFeB alloy with an existing customer, to be delivered progressively over the remainder of the calendar year, reinforcing the strength and durability of the customer relationship.

The sustained growth in NdFeB alloy dispatch volumes across three consecutive quarters, together with contracted future deliveries, reflects both the strength of underlying customer demand and the KMP's increasing capacity, reliability and operational maturity.

Building on this momentum, ASM remains actively engaged in advanced discussions with both existing customers and prospective new counterparties regarding further NdFeB alloy sales. These engagements reflect continued interest across multiple end-markets and support the Company's strategy of expanding and diversifying its customer base as production capability continues to ramp up.

Metal

Nd & NdPr

During the Quarter, ASM dispatched neodymium (**Nd**) and neodymium-praseodymium (**NdPr**) metal to a number of customers across multiple geographies, reflecting the continued breadth of interest in the KMP's product suite.

A significant development for the Quarter was the execution of a tolling agreement that will see ASM process customer-supplied feedstock into finished rare earth metal at the KMP. Metal production under the agreement is scheduled to commence in Q2 2026, with deliveries planned across an initial period of approximately four months.

The arrangement supports the ongoing ramp-up of metal production volumes at the KMP and highlights the growing recognition of the KMP's metallisation capability and its emergence as a trusted processing partner within the global rare earth supply chain.

Tb & Dy

Building on the progress previously reported, the next generation pilot-scale heavy rare earth metallisation furnace was successfully installed at the KMP during the Quarter and is being cold commissioned. Commissioning activity is continuing, with first production of heavy rare earth metal using the pilot-scale furnace anticipated in Q2 2026; subject to feedstock availability.

In parallel, ASM produced a further 10kg of terbium (**Tb**) metal during the Quarter. This material provides ASM with optionality – it can be sold directly to customers as finished metal or incorporated into the KMP's alloying process, with the resulting alloy delivered to magnet manufacturers. This flexibility is consistent with ASM's broader approach of adapting its product mix to meet evolving customer and market requirements.

ASM continues to progress towards commercial-scale heavy rare earth metal production, with customer interest in secure, non-China supply of Tb and dysprosium (**Dy**) remaining strong.

Ramp-up activities

ASM continued to progress its Phase 2 expansion activities at the KMP during the Quarter, positioning the facility to increase its current NdFeB alloy nameplate production capacity to approximately 3,600 tonnes per annum.

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Expansion of the KMP's existing number of furnaces, from four to 12, is progressing well and in line with plans. Civil foundation works for the additional furnaces were completed during the Quarter. Electrical work and furnace installation is scheduled for Q2 2026. Recruitment activities to support the expanded nameplate capacity have commenced and are progressing in alignment with ramp-up activities.

In addition, as part of the Phase 2 expansion, an order has been placed for a second strip caster. This is a key step in scaling the KMP's NdFeB alloy production capability to meet growing customer demand.

Feedstock

An increasing metal and alloy product range, combined with facility expansion activities, requires ASM to develop secure, non-China sources of feedstock – specifically rare earth oxides. ASM continues to build strong relationships across the US, Canada, Australia and Europe to develop this diversified pipeline, and received a shipment of NdPr oxide from a non-China source during the Quarter.

Procurement of other consumables aligned with the facility expansion also progressed during the Quarter and the Company has the necessary feedstock in place for current production requirements.

American Metals Plant

Strategic expansion

ASM's plan to establish a metals and alloys plant in the United States remains a key pillar of the Company's mine to metals strategy.

Site selection and evaluation activities for the proposed American Metals Plant (**AMP**) are well advanced, with work to date providing a strong foundation for the next phase of development. ASM remains engaged with US government agencies and funding bodies to meet relevant permitting and funding requirements. ASM has engaged and shortlisted six US states to identify and select the optimal location for the AMP and to negotiate and understand state incentives available for such a facility.

Subject to the Share Scheme being implemented on or around mid-2026, ASM anticipates that it would be in a position to finalise site selection and permitting for the AMP in the second half of calendar year 2026.

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MINING & REFINING

ASM's mine to metals strategy begins with the Dubbo Project in NSW, Australia – a globally significant resource of rare earths, zirconium, niobium and hafnium. The Dubbo Project will produce a range of high-purity oxides and chlorides, including neodymium, praseodymium, dysprosium and terbium, for further downstream processing into high-tech metals and alloys.

Dubbo Project

Rare Earth Options Assessment

ASM continued to progress the Rare Earth Options Assessment (**REOA**) at the Dubbo Project during the Quarter, advancing a range of technical and engineering workstreams in support of the Heap Leach Option Pre-Feasibility Study (**PFS**). The Heap Leach Option has been identified as a potential accelerated pathway to rare earth production, offering a simplified flowsheet with lower capital requirements and first-quartile operating costs (excluding China). The PFS is assessing the technical and economic viability of this option and will inform the decision on whether to proceed with this approach.

Within the Heap Leach Option, ASM is evaluating two potential development pathways: production of separated oxide products, and production of an intermediate mixed rare earth hydroxide product (**MREP**).

The inclusion of the MREP pathway introduces additional flexibility to the development strategy, with the potential to streamline early project execution, reduce processing complexity and support earlier market entry. Based on preliminary estimates, the elimination of equipment that would not be required in the MREP development pathway has the potential to result in a reduction of up to approximately A$200 million from the current overall project capital cost of approximately A$740 million (as set out in the Heap Leach Scoping Study[5]). These estimates are high-level and preliminary in nature at this stage, and are subject to change as evaluation work is progressed.

Progression of these pathways positions ASM to respond to the changing dynamics of the global rare earth supply chain. Work on the MREP pathway has continued in parallel with broader PFS activities and is expected to inform the overall Heap Leach development strategy as the assessment advances.

The PFS continues to leverage the substantial technical and engineering work previously completed for the Dubbo Project, with engineering and metallurgical programs progressing in parallel to refine and optimise the preferred flowsheet configuration. A comprehensive metallurgical testwork program is underway to support process optimisation, alongside pilot-scale planning activities designed to validate assumptions and performance under representative operating conditions. Completion of the PFS is targeted for the second half of 2026 once the outcomes of these programs have been fully incorporated.

The REOA work has been supported by funding from the Australian Government's International Partnerships in Critical Minerals (**IPCM**) program.[6]

[5] Refer ASX Release, 11 July 2025: Heap Leach Option delivers major cost reductions for Dubbo Project
[6] Media Release: Supporting rare earths processing for a Future Made in Australia

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Below: A recent drilling program consisted of eight new drill holes across the Dubbo Project resource to collect samples for use in testwork and the Heap Leach Option pilot plant program. These images show one of the drill sites (TOD19): (1) pre-earthworks; (2) during the drilling process; (3) post drilling and rehabilitation.







Funding and offtake

During the Quarter, ASM continued to progress funding and offtake discussions, with engagement remaining active across a range of counterparties. Discussions with potential customers advanced, supported by continued interest in the Company's product suite and underpinned by recent strategic developments, including the proposed transaction with Energy Fuels.

Customer engagement activities focused on progressing commercial discussion and ensuring counterparties are kept informed of key milestones, technical progress and the potential strategic benefits arising from the proposed transaction.

ASM also continued its ongoing engagement with export credit agencies (**ECAs**) during the Quarter. Discussions with ECAs remain constructive, with the Company providing regular updates on project activities, technical progress and strategic developments, including the proposed Energy Fuels transaction. These interactions are intended to maintain alignment with potential ECA requirements and to support future consideration of ECA-backed financing structures as the Dubbo Project progresses.

The Company remains focused on advancing funding and offtake pathways in parallel with technical and commercial workstreams and will continue to update the market as these discussions progress.

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ESG

ASM is establishing strong Environmental, Social and Governance (ESG) foundations in line with the growth of the business. We understand the importance of managing environmental impacts, respecting human rights, minimising greenhouse gas emissions, and supporting local communities. We want to leave a legacy that delivers enduring benefits to the communities and regions where we operate.

Australia-Korea Business Awards

During the Quarter, ASM was recognised at the AustCham Korea Australia-Korea Business Awards (**AKBA**) 2026, taking out the Resources, Minerals and Processing category. The award acknowledges ASM's achievement in establishing one of the few rare earth metals and alloys production facilities outside China and recognises the Company's contribution to building stronger economic ties between Australia and Korea.



The award was accepted in Seoul by Mr Nam-eun Hur, Representative Director of Korean Strategic Materials Metals (right), ASM's wholly owned subsidiary responsible for operating the KMP.

Safety ceremony

In January, the KMP observed its traditional new year safety ritual, bringing all employees together to express gratitude for a year of safe operations and to reaffirm the team's commitment to a zero-accident workplace. The ceremony holds both operational and cultural significance – grounding the KMP's safety culture in Korea's heritage and reinforcing the core values of a safe, respectful and responsible working environment. The ritual included a traditional safety ceremony and safety pledge, setting the tone for the year ahead.

Western Plains Science and Engineering Challenge

ASM and its subsidiary Toongi Pastoral Company (**TPC**) were proud to again sponsor the Western Plains Science and Engineering Challenge (**WPSEC**) during the Quarter (right).



Now in its 26th year, the WPSEC is a project of the combined Rotary Clubs of Dubbo and District in conjunction with the University of Newcastle, and brings together more than 1,000 students from Dubbo and surrounding areas for four days of hands-on science and engineering activities at the Dubbo Showground.

Through Challenge Days for Year 9 and 10 students and Discovery Days for Year 5 and 6

students, the event encourages young people to explore their interest in science, technology, engineering and mathematics (**STEM**) subjects and consider potential future careers. ASM's continued sponsorship of the event reflects the Company's long-term commitment to the Dubbo community and a belief that inspiring the next generation of scientists and engineers is an investment in the region's future.

Dubbo Show

ASM and TPC will once again be participating in the Annual Dubbo Show (22-24 May 2026). If you're local to the Dubbo area and would like to learn more about our work and the opportunities that we are bringing to the region, please come along and speak to the team.

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CORPORATE

ASM's corporate activities focus on securing the funding and strategic partnerships necessary to execute its mine to metals strategy. The Company maintains strong financial discipline while pursuing growth opportunities across its Australian and Korean operations and expanding into new markets.

Energy Fuels Transaction

On 21 January 2026, ASM announced it had entered into a binding Scheme Implementation Deed with Energy Fuels. On 13 March 2026, ASM announced that the Scheme Implementation Deed had been amended and restated (**SID**). In accordance with the SID, it is proposed that EFR Critical Materials Pty Ltd ACN 696 983 614, a wholly owned subsidiary of Energy Fuels, will acquire 100% of the fully paid ordinary shares of ASM by way of a members' scheme of arrangement (**Share Scheme**) and 100% of ASM's quoted options (ASX:ASMO) by way of a separate but concurrent creditors' scheme of arrangement (**Option Scheme**), both under Part 5.1 of the *Corporations Act 2001* (Cth) (together, the **Schemes**).

The consideration to be provided by Energy Fuels to each holder of ASM shares on the record date for the Share Scheme will be:

- an amount of A$0.13 cash; and
- 0.053 Energy Fuels CHESS Depository Interests (or 0.053 Energy Fuels fully paid common shares, if validly elected),

for each ASM share.

The consideration to be provided by Energy Fuels to each holder of ASM options on the record date for the Option Scheme will be A$0.50 cash for each ASM option. There were no changes to the terms of the consideration structure under the Option Scheme as a result of ASM's announcement of 13 March 2026, or as a result of amendments to the terms of the Share Scheme or the SID.

The ASM Directors continue to unanimously recommend that ASM Securityholders vote in favour of the Schemes, in the absence of a Superior Proposal (as defined in the SID) and subject to the Independent Expert concluding and continuing to conclude that the Schemes are in the best interests of ASM Securityholders. Subject to those same qualifications, each ASM Director intends to vote all their ASM shares in favour of the Share Scheme at the Share Scheme Meeting and all their ASM options in favour of the Option Scheme at the Option Scheme Meeting.[7]

During the Quarter, ASM progressed the workstreams required to implement the proposed Schemes, including preparation of the explanatory statement which will include information about the Schemes, together with the notices of the Share Scheme Meeting and Option Scheme Meeting (**Scheme Booklet**).

The Company continues to work through the required process steps to enable the proposed Schemes to proceed and will provide further updates to the market as appropriate.

Subsequent to the Quarter, Energy Fuels received written confirmation from the Foreign Investment Review Board (**FIRB**) that the Treasurer of Australia has no objection to the acquisition by EFR Critical Minerals Pty

[7] ASM securityholders should have regard to the interests of ASM Directors in the outcome of the Schemes, details of which will be disclosed in the Scheme Booklet.

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Ltd, a wholly owned subsidiary of Energy Fuels, of up to a 100 per cent interest in ASM, proposed to be effected by way of separate but concurrent schemes of arrangement relating to:

- the acquisition of 100% of the fully paid ordinary shares of ASM (Share Scheme); and
- the transfer of 100% of the quoted options in ASM (ASX:ASMO) (Option Scheme, and together with the Share Scheme, the Schemes),

under the Foreign Acquisitions and Takeovers Act 1975 (Cth).

The Scheme Booklet, which contains further information in relation to the Schemes, will be dispatched to ASM Shareholders and ASM Option holders once approved by the Court for distribution. Subject to such Court approval, ASM currently anticipates the Scheme Booklet will be dispatched to ASM Shareholders and Option holders in May 2026, and that the Scheme Meetings will be held in the second quarter of calendar year 2026. If approved by ASM Shareholders, ASM Option holders and the Court, the Schemes are expected to be implemented in early July 2026. The Scheme Booklet will include an indicative timetable of key dates that sets out more details.

ASM securityholders are advised that any decision to vote in respect of the Schemes should be made solely on the basis of the information contained in Scheme Booklet. The Scheme Booklet will include a copy of the Independent Expert's Report in relation to the Schemes. ASM Securityholders are encouraged to read that document carefully and in its entirety once it has been dispatched. If ASM Securityholders are in doubt about anything in the Scheme Booklet, they should contact their independent legal, financial, tax or other professional adviser.

Extraordinary General Meeting

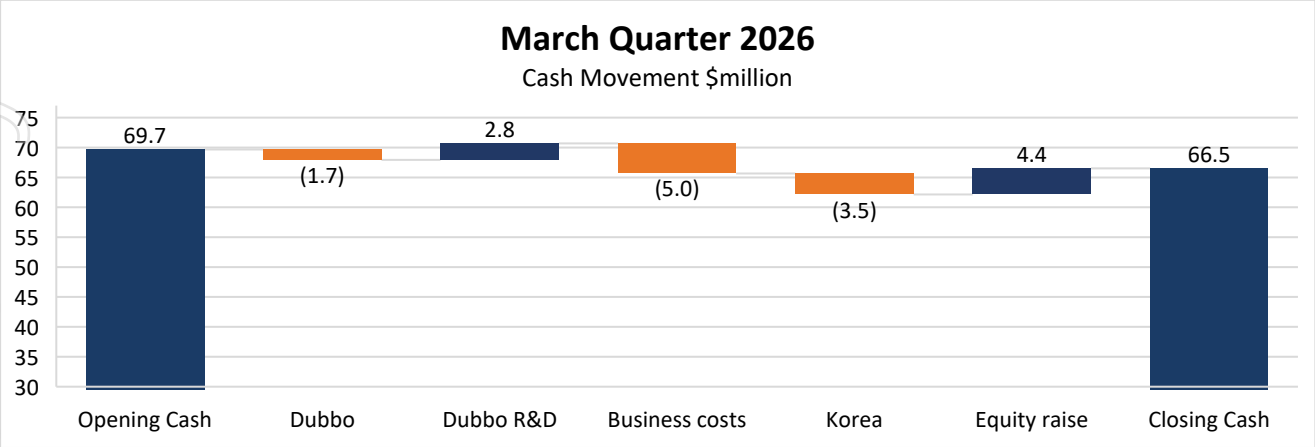
On 23 February 2026, ASM held an Extraordinary General Meeting (**EGM**), to seek shareholder approval for the ratification and issue of shares in connection with the October 2025 Institutional Placement. Shareholders passed all five resolutions by poll, including the ratification of Placement shares issued under ASX Listing Rules 7.1 and 7.1A, and the approval of share issues to Chair Ian Gandel, Non-Executive Director Dominic Heaton, and substantial shareholder Chapelgreen Proprietary Limited under ASX Listing Rule 10.11.

Cash

ASM's cash position as at 31 March 2026 was A$66.5 million. The following waterfall chart highlights cash movements during the Quarter, including:

- A$1.7 million investment in the Dubbo Project for the rare earths option assessment, including process engineering, metallurgical and drilling.
- A$2.8 million R&D incentive received for the Dubbo Project.
- A$5.0 million of business costs relating to business development, marketing and administration, including $2 million related to the potential transaction with Energy Fuels.
- A$3.5 million of Korean expenditure is principally related to inventory, administrative, and personnel costs, net of Korean Government grant funding and sales.
- A$4.4 million net proceeds from capital raising activity during the Quarter.

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Banking facilities

During the Quarter ended 30 June 2025, the Group successfully executed two Korean loan facilities totalling ₩12 billion as part of a refinance of existing Korean loan facilities associated with the Company's Korean Metals Plant.

During the Quarter ended 31 December 2025, the Group fully repaid its ₩9 billion (A$9.2 million) loan facility with KDB ahead of schedule, reducing its remaining debt balance to ₩3 billion (at 31 March 2026 equivalent to A$2.9 million) with Hana Bank (**Hana**).

The Hana loan facility is due for repayment during the June quarter; management has commenced negotiations to refinance this facility. For further details on the Hana loan facility, please refer to Appendix 5B, item 7.

Market outlook

Global electric vehicle (**EV**) sales for 2026 got off to a sluggish start totaling 1.2 million units in January – a 3% year-on-year decline. According to Benchmark Mineral Intelligence, the market is undergoing a period of "slowing growth alongside increasing regional divergence." While the US and China markets contracted significantly (down 33% and 20% respectively) due to the elimination of federal tax credits and the introduction of new purchase taxes, Europe remains the sole growth engine, with sales up 25% as manufacturers push to meet EU tailpipe emission targets.[8]

Similarly, a regional divergence in rare earth pricing continues to develop, with a significant price bifurcation being observed between heavy rare earths in and outside of China. Benchmark Mineral Intelligence notes that China's export controls have effectively "created a two-tier global market, where access to critical rare earths increasingly depends on geopolitics rather than underlying fundamentals." This shift significantly raises input costs for magnet supply chains outside China, forcing Western governments to intervene. In late January 2026, and further to the 2025 MP Materials price floor announcement – reports were that the Trump administration would move away from new asset-specific price floors in favour of broader market-wide supports (for example the US$10 billion 'Project Vault'). Despite this, Lynas Rare Earths Ltd (**Lynas**) signed a binding Letter of Intent with the U.S. Department of War for a guaranteed price floor of US$110/kg for Neodymium-Praseodymium (NdPr) oxide in March.[9] Shortly before the US announcement, Lynas and its long-

[8] https://www.evinfrastructurenews.com/ev-incentives/1-2-million-evs-sold-globally-in-january-despite-regional-setbacks
[9] https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-03068512-6A1316463&v=undefined

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term Japanese partner Japan Australia Rare Earth B.V. (JARE) extended their supply agreement through 2038 – this extension also locks in a market-linked floor price of US$110/kg for NdPr.[10]

The 12-month rare earth moratorium on export controls, established during the Trump-Xi summit in Busan, remains the primary driver of market volatility outside of China as it enters its final six months. The lack of a long-term resolution continues to drive the industry to establish supply-chain options and take immediate actions such as inventory building.

This market instability has been compounded by the March closure of the Strait of Hormuz following the outbreak of the 2026 Iran war. Although the Middle East is not a primary producer or consumer of rare earths, the conflict has the potential to generate indirect economic headwinds. Specifically, impacts to freight and logistics and rising energy costs for refining could contribute to broader uncertainty in the market outlook.

NdFeB: Prices across the rare earths complex increased for the fifth consecutive quarter, with the average for both oxides and metals rising by 37.5% from Q4 2025. This was due to reports of tight feedstock availability, corroborating rumours of reduced mining quotas in China. At the same time, prices for high-grade magnets also rose by 10.3%, supported by stronger seasonal demand.

Zirconia: Prices for zirconium oxychloride, the precursor zirconium chemical from which most zirconia is derived, rose by 10% over the Quarter, buoyed by increasing demand from the stabilised market, where growth prospects from solid-state battery-related usage are particularly noteworthy, as well as for hafnium units that are a by-product of zirconium processing.

Hafnium: Hafnium prices in Europe continued higher in the Quarter, finishing the period at US$13,375/kg, a new record. It is highly probable that this level is only representative of small parcels changing hands in the spot market, with annual contracts that are typically negotiated in the middle of the year likely to be struck at lower levels. Nevertheless, the structural imbalance created by competition for units between aerospace, semiconductor, IGT and nuclear applications should persist.

Niobium: Prices for niobium ingot jumped in March to set new highs at more than US$120/kg, up from US$90/kg at the end of December. The surge was attributed to positive developments on both sides of the supply / demand equation, with restocking from the alloying industry being met by reduced upstream availability as columbite ores have instead become sought after for their tantalum pentoxide content.

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[10] https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-03066669-6A1315680&v=undefined

MINING TENEMENTS

Australian Strategic Materials Limited confirms the following information as at 31 March 2026 (as required by ASX Listing Rule 5.3.3).

Tenements	Mining tenements acquired during the quarter	Mining tenements disposed of during the quarter	Mining tenements held at the end of the quarter	Tenement location
EL 5548	N/A	N/A	100%	Dubbo NSW
EL 7631	N/A	N/A	100%	Dubbo NSW
ML 1724	N/A	N/A	100%	Dubbo NSW

No exploration or other mining activities have occurred for the Quarter (as required by ASX Listing Rule 5.3.1).

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GLOSSARY

AGM	Annual General Meeting
ANSTO	Australian Nuclear Science and Technology Organisation
ASM or **Company**	Australian Strategic Materials Limited
ASM Board	The board of directors of ASM
ASM Director	A member of the ASM Board
Bechtel	Bechtel Australia Pty Ltd
CFO	Chief Financial Officer
CuTi	Copper titanium
CY	Calendar year
DoC	US Department of Commerce
DoW	US Department of War (Formerly Department of Defense)
DoE	US Department of Energy
ESG	Environmental, Social, Governance
EU	European Union
EV	Electric vehicle
FEED	Front-end engineering design
FID	Final investment decision
FY	Financial year
FeNB	Ferroniobium
FEOC	Foreign Entity of Concern
GHG	Greenhouse gas emissions
IMARC	International Mining and Resources Conference
IRA	Inflation Reduction Act
KCF	KCF Energy Co. Ltd
KMP	Korean Metals Plant
KSMM	Korean Strategic Materials Metals
KSMT	Korean Strategic Materials Technology
LoI	Letter of Interest
LTIFR	Lost time injury frequency rate
MAPP	Macquarie Agricultural Pathway Program
MREP	Mixed rare earth hydroxide precipitate
NDAA	National Authorization Act
Nd	Neodymium
NdFeB	Neodymium iron boron
NdPr	Neodymium praseodymium
NPI	Non-process infrastructure
REE	Rare earth element
SRSF	Solid residue storage facility
Ti	Titanium
TPC	Toongi Pastoral Company
TZMI	TZ Minerals International Pty Ltd
US EXIM	Export-Import Bank of the United States
ZBC	Zirconia basic carbonate
ZBS	Zirconia basic sulphate
ZrO2	Zirconia dioxide

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FORWARD-LOOKING STATEMENTS

This report 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", "should", "could", "may", "will", "predict", "plan" "forecast", "likely", "future", "project", "opinion", "opportunity", "intend", "target, "propose", "to be", "foresee", "aim", "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.

Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. While these forward-looking statements reflect the Company's expectations at the date of this report, they are not guarantees or predictions of future performance or statements of fact. The information is based on the Company forecasts and as such is subject to variation related to, but not restricted to, economic, market demand/supply and competitive factors.

A number of important factors could cause actual results or performance to differ materially from the forward-looking statements, including known and unknown risks. These factors may include but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic factors, increased capital costs and operating costs, the speculative nature of exploration and project development, general mining and development risks, closure and rehabilitation risks, changes to the regulatory framework within which the Group operates or may in the future operate, environmental conditions and environmental issues, and the recruitment and retention of key personnel, industrial relations issues and litigation. Forward-looking statements are only predictions and are subject to known and unknown risks, uncertainties, assumptions, and other important factors (many of which are outside the control of the Company) that could cause the actual results, performances or achievements of the Company to differ materially from future results, performances or achievements expressed, projected or implied by such forward-looking statements.

Forward-looking statements, opinions and estimates provided in this document are based on assumptions and contingencies that are subject to change without notice. There can be no assurance that actual outcomes will not differ materiality from these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date thereof. Except as required by applicable laws or regulations, the Company does not undertake to publicly update or review any forward-looking statements, whether as a result of new information or future events. The Company cautions against reliance on any forward-looking statements or guidance, particularly in light of the current economic climate.

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 report. 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.

Readers should consider the forward-looking statements contained in this report in light of those risks and disclosures. Neither the Group, nor any of its Directors, officers, employees, agents or advisers makes any representation or warranty, express or implied as to the accuracy, likelihood of achievement or reasonableness of any forward-looking statement contained in this report. Except as required by law or regulation (including the ASX Listing Rules), none of the Group, nor any of its Directors, officers, employees, agents or advisers undertakes any obligation to supplement, revise or update forward-looking statements or to publish prospective financial information in the future, regardless of whether new information, future events, results or other factors affect the information contained in this report.

This ASX announcement was authorised by the ASM Board.

- ENDS -

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APPENDIX 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report.

Name of entity	
Australian Strategic Materials Ltd	
ABN	**Quarter ended ("current quarter")**
90 168 368 401	31 March 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	3,133	7,597
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(2,148)	(5,616)
	(d) staff costs	(3,082)	(9,793)
	(e) administration and corporate costs	(4,602)	(9,283)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	541	1,138
1.5	Interest and other costs of finance paid	(15)	(27)
1.6	Income taxes received / (paid)	-	(14)
1.7	Government grants and tax incentives	251	1,490
1.8	Other (provide details if material)	112	477
1.9	**Net cash from / (used in) operating activities**	**(5,810)**	**(14,031)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(1,793)	(2,377)
	(d) exploration & evaluation	(1,977)	(6,075)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	(32)	(52)
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
	Government grants and tax incentives	2,757	5,347
2.6	**Net cash from / (used in) investing activities**	**(1,045)**	**(3,157)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)*	4,410	80,023
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	2	4
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(48)	(4,047)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	(9,238)
3.7	Transaction costs related to loans and borrowings	(30)	(441)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**4,334**	**66,301**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	69,671	19,013
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,810)	(14,031)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,045)	(3,157)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,334	66,301
4.5	Effect of movement in exchange rates on cash held	(640)	(1,616)
4.6	**Cash and cash equivalents at end of period**	**66,510**	**66,510**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	17,228	18,752
5.2	Call deposits	49,282	50,919
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**66,510**	**69,671**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	337
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

During the quarter ended 31 March 2026, item 6.1 cash payments totalled $337,000. These payments included Director's fees, travel, consulting and superannuation. Other related parties' payments included $30,000 paid to Alkane Resources Limited for personnel and office services.

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7.	Financing facilities *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	2,854	2,854
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

The Group holds one Korean Won (~~₩~~) loan facility with the Hana Bank in South Korea. Details of the facility are outlined below:

	Hana Bank Industrial Facility - Opex
Facility amount	~~₩~~ 3,000,000,000
Amount drawn	~~₩~~ 3,000,000,000
Repayment date	30 May 2026
Lender	Hana Bank
Interest	4.12% - 6 months variable KDB 6-month financial debenture rate (on date of transfer) + 1.242% pa.
Security	Unsecured

Loan facility is classified as a current liability in accordance with the terms and conditions.

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,810)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,977)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(7,787)
8.4	Cash and cash equivalents at quarter end (item 4.6)	66,510
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	66,510

8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	8.5

Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

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8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.	

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 April 2026

Authorised by: The Board of Directors

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g. Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.