Energy Fuels and Australian Strategic Materials Unite to Build a New Rare Earths Powerhouse for Western Markets

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The rare earth supply chain just moved a step closer to Western self-sufficiency. In a landmark deal, **Australian Strategic Materials Ltd. (ASX: ASM)** will be acquired by **Energy Fuels Inc. (NYSE American: UUUU | TSX: EFR)**, creating what ASM CEO Rowena Smith calls a "rare earth mine all the way through to alloy champion." The transaction, valued at approximately A$447 million, brings together ASM's metallisation and alloying capabilities with Energy Fuels' rare earth separation and uranium production infrastructure, offering vertically integrated production across Australia, Korea, and the United States.

The deal, valued at approximately A$447 million, would see Energy Fuels acquire 100% of ASM, including its flagship Dubbo Project and its Korean metals plant. As outlined in the January 21st announcement, ASM shareholders are set to receive an implied value of A$1.60 per share, a 121% premium to ASM's last closing price. "It was really important for our shareholders that there was an opportunity for ASM shareholders to participate in the value that we were creating," Smith emphasized during her interview with Tracy Hughes, host at InvestorNews.com.

The implications of the deal reach far beyond shareholder value. Smith underscored the strategic synergy between the two companies, particularly the vertical integration of their

capabilities. “This is also about acquiring the metallisation and alloying capability that we’ve established,” she noted. That capability, developed in ASM’s Korean facility, includes advanced metallisation for heavy rare earths like dysprosium and terbium, as well as rare earth alloy strip casting.

For Energy Fuels, the acquisition offers a fast track into downstream value creation. “Energy Fuels is making a 100% acquisition of ASM and all our subsidiaries. That includes our Korean metals plant…and our dedicated technology team,” said Smith. The Dubbo Project, long considered a cornerstone of Australia’s critical minerals potential, becomes a crucial asset. “We’ve got a polymetallic orebody… with light rare earths, heavy rare earths, and a number of other critical minerals including zirconium, hafnium and niobium,” she explained.

Beyond the operational synergies, there is a clear geopolitical dimension. With Australia and the U.S. aligning policies through the Critical Minerals Framework, the combined entity stands to benefit. “We know that this combination of assets… is really in the sweet spot for what that policy is aiming to enable,” said Smith, noting ongoing conversations with both governments and detailed due diligence underway in Utah for a potential U.S. metals plant.

As for the collaboration itself, it was no overnight decision. “In truth, I probably went ‘aha’ before Mark did,” Smith laughed, referring to Energy Fuels CEO Mark Chalmers. “The industry has shifted in the last 12 months to being much more open to working in partnership.”

The integration is expected to proceed over the coming months, with government approvals, including Australia’s FIRB process, and a shareholder vote targeted for mid-2026. “I’m very

committed to making sure the transition is successful for both businesses and for the teams," said Smith, who will lead the transition. "We can see how well these two teams are going to work together."

And what happens after the vote? For now, the focus is on integration and execution. "One of the pieces we'll be looking at is how to integrate those teams together to have an integrated office for Energy Fuels in Perth," she added. As for the industry response: "We really are going to create a near-term Western 'mine all the way through to alloy' rare earth champion. We're going to be leveraging the established capability we have collectively across all steps of that supply chain."

That supply chain may soon span continents, governments, and technologies—but it began with a simple idea: cooperation with purpose.

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