

ASX Release

3 June 2024

Not for release to US wire services or distribution in the United States

Results of Entitlement Offer

Highlights

- Following the successful completion of the Placement to raise A\$15M, commitments have been received from Eligible Shareholders to raise ~A\$1.6M under the Entitlement Offer
- Meaningful support from major shareholders and directors for the Entitlement Offer, totalling subscriptions of ~A\$1.4M in the Entitlement Offer
- Funds raised will primarily go towards demonstration of required ASM co-commitments to enable government funding for critical path items associated with taking ASM to final investment decision regarding the Dubbo Project

Australian Strategic Materials Limited (**ASM** or the **Company**) (**ASX:ASM**) refers to the Entitlement Offer, as defined in the prospectus released to ASX on Monday, 29 April 2024 (**Prospectus**)¹.

The Company advises that the Entitlement Offer closed on Monday, 27 May 2024, raising total proceeds of ~A\$1.6 million, which follows the recent placement of A\$15 million (**Placement**, together the **Offer**).

Capitalised terms not otherwise defined in this announcement have the meaning given to them in the Prospectus.

Entitlement Offer results and use of proceeds

The Company received applications from Eligible Shareholders for 1,410,541 Entitlement Offer Shares and 1,410,541 Entitlement Offer Options at the Offer Price of A\$1.16 per Entitlement Offer Share, representing a ~31.4% take up. ASM received pre-commitments from major shareholders and directors, including from Mr Ian Gandel (the Company's Chair and major shareholder) via his investment entity Abbotsleigh Pty Ltd, totalling subscriptions of ~A\$1.4 million in the Entitlement Offer.

Together with the proceeds raised under the Placement of A\$15 million, gross proceeds raised under the Offer was ~A\$16.6 million.

The proceeds of the Offer will be used to:

- demonstrate ASM's co-commitments to enable government funding sourced to progress critical path items associated with taking the Company to final investment decision (**FID**) regarding the Dubbo Project; and
- provide general working capital and funding for general corporate costs.

¹ Refer ASX Release 29 April 2024: [Entitlement Offer launch & Prospectus](#)

Commenting on the Offer, ASM’s Managing Director and CEO, Rowena Smith said:

“We are delighted with the level of support we had for the Offer. I would like to take this opportunity to thank shareholders for their support.”

“The funds raised under the Offer will assist ASM to demonstrate it has the required co-commitments to enable government funding that will be used to progress key critical path activities to take final investment decision for the Dubbo Project. We are looking to capitalise on this momentum to accelerate progression towards FID.”

The Entitlement Offer Shares and Entitlement Offer Options were issued on 3 June 2024 (**Issue Date**) and are expected to commence trading on ASX on a normal basis from market open on 4 June 2024. The Entitlement Offer Shares, and any New Share issued on exercise of an Entitlement Offer Option, will rank equally with existing Shares then on issue.

RESULTS OF ENTITLEMENT OFFER	
Total number of Entitlement Offer Shares offered under the Prospectus	4,493,075
Total number of Entitlement Offer Options offered under the Prospectus	4,493,075
Number of Entitlement Offer Shares issued on the Issue Date	1,410,541
Number of Entitlement Offer Options issued on the Issue Date	1,410,541
Total number of Shares on issue post issue on the Issue Date	181,133,558
Total number of Options on issue post issue on the Issue Date	1,410,541

The Company notes that 3,082,534 Entitlement Offer Shares and an equivalent number of Entitlement Offer Options were not taken up as part of the Entitlement Offer. As stated in Section 2.11 of the Prospectus, the Directors of the Company reserve the right to place the Shortfall Securities within three months of the Entitlement Offer Closing Date (that is, on or before 27 August 2024). Any Shortfall Securities would be offered at a price not less than the Offer Price as offered under the Entitlement Offer. The Board may, in its absolute discretion, invite other new investors and/or existing ASM shareholders to apply for Shortfall Securities. If the number of Shortfall Securities is insufficient to satisfy applications, the Board's decision as to the number of Shortfall Securities to be issued, and to whom, is final.

The Directors wish to thank shareholders for their continued support of the Company.

Forward Looking Statements

This announcement may include forward-looking statements. These forward-looking statements are based on ASM's expectations and beliefs concerning future events, such as the conduct, size and outcome of the Offer and ASM's intent, plans, strategies and objectives in relation to its projects. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, such as, but not limited to, risks relating to ASM's contracting counterparties, funding requirements and legislative and regulatory changes. Many of these factors are outside the control of ASM, which could cause actual results to differ materially from such statements. ASM makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of this announcement.

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This document has been authorised for release to the market by the Board.