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Dubbo Project Community Update

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David Woodall is ASM's new MD

David Woodall has been appointed to the new role of Managing Director of Australian Strategic Materials (ASM). We are delighted to gain someone of Mr Woodall's broad experience and expertise to lead ASM and drive advancement of the Dubbo Project.



David Woodall, new MD of ASM

Mr Woodall, who commenced as MD on 10 February 2020, is now responsible for operations, marketing, product development and external relations of ASM. In addition to advancing the Dubbo Project, this includes overseeing ASM's joint venture with South Korea's Zirconium Technology Corporation (Ziron Tech) and the Toongi Pastoral Company (TPC).

"Joining the ASM team provides an exciting opportunity to be part of a successful team focused on the development of the Dubbo Project and to be part of a sustainable alternate supplier of critical metals used in the new technologies," Mr Woodall said.

Potential demerger of ASM from Alkane

As announced at Alkane's AGM in Sydney on 20 November 2019, the Alkane Board has been exploring the prospect of a demerger of ASM from Alkane Resources Ltd. The reason behind this is to separate the Dubbo Project, and its focus on high-tech critical materials, from the gold interests of Alkane. The Board believes a demerger would make it easier to fund the Dubbo Project into construction and operations, and is therefore in shareholders' best interests. Work continues on key activities for the demerger in readiness for final Board approval.

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Environmental monitoring update

In preparation for the Dubbo Project, ASM continues to monitor several environmental aspects to ensure we have long-term baseline measurements by the time construction commences. These include water quality sampling, vegetation monitoring and surveys of local wildlife – especially the Pink-tailed Worm-lizard.

Water quality. After nearly 11 months with no water flow, Paddy's and Wambangalang Creeks finally saw some water in February. This allowed ASM to undertake a round of baseline surface water sampling around the project site on 10 February. The Dubbo Project has been designed to minimise any impacts on the existing surface and ground water sources.

Vegetation monitoring. To benchmark our regeneration and rehabilitation activities, vegetation monitoring continues seasonally within the Dubbo Project's designated biodiversity offset areas, comparing with benchmark woodland plots. Four of the plant community types are biometric benchmarks (1. white box / white cypress pine / western grey box, 2. fuzzy box woodland, 3. western grey box / tall grassy woodland, and 4. white box / tumbledown gum / long-leaved box), while woodland dominated by white cypress pine has been modified by historic thinning. Two of the benchmark plots are in the vicinity of Toongi Hall and the Obley road reserve between Wambangalang Creek and Eulandool Road.

Local wildlife. Periodic surveys for the Pink-tailed Worm-lizard (PTWL), in compliance with the management plan, continue to identify a range of additional species that will also benefit from the broader Dubbo Project Biodiversity Management Plan. Spring and autumn

(after rain and while the days are still warm) are good times to search for the PTWL under the artificial habitat (concrete roof tiles). The surveys generally turn up insects and spiders, geckos, skinks, frogs, snakes and once a marsupial mouse (Common Dunnart). The tunnel shape of the roof tiles and activity of ants creates ideal habitat for other species.

The results of ongoing environmental monitoring can be found in the Annual Review and Rehabilitation reports published on the [Alkane website](#).



Wambangalang creek sampling site on 10 February 2020.



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Metallisation pilot plant

Last year ASM announced a joint venture with Ziron Tech, a South Korean technology venture company out of Chungnam National University (CNU), to evaluate the commercial feasibility of a new processing technology for converting metal oxides (including those produced by the Dubbo Project) into high-purity metals.

The pilot plant construction at CNU in Daejeon, South Korea, is scheduled to be completed by the end of April 2020, with operation to start in May. We expect feasibility of the commercial operation will be known towards the end of the year.

The innovative technology promises to replace highly energy-intensive conventional processes, in wide use since the 1940s, with a more environmentally sustainable and cost-effective alternative. When commercialised, the technology is expected to reduce metallisation costs by more than 50%.

ASM has the exclusive global rights to commercialise the new metallisation technology applicable to most of the Dubbo Project materials. Immediate target materials would be zirconium (both industrial and nuclear grades), hafnium and rare earth elements.



ASM personnel with their Korean JV partners outside the pilot plant in Daejeon, South Korea.

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Latest farm developments

The Toongi Pastoral Company (TPC) continues to explore the latest farming and land management technologies, with the view to achieving maximum productivity, efficiency and profitability from the enterprise.

Carbon farming. TPC is investigating the practicalities and benefits of carbon sequestration (long-term storage of carbon) in soil as a potential carbon offset for the Dubbo Project. Soils have huge capacity for holding carbon, thus keeping it out of the atmosphere as greenhouse gases (such as carbon dioxide and methane). From an agricultural perspective, carbon-rich soils also improve moisture-holding capacity and provide nutrients for grass and crop growth.

At this stage, TPC is seeking to analyse the carbon content of the existing pastures and biodiversity offset areas, and exploring new practices to maximise carbon retention in the soil. Carbon farming is a win-win practice – good for both productive grazing pastures and the environment. Not to mention potential bankable carbon credits to offset the potential impact of the Dubbo Project, once it's operational.

Lamb feedlot. TPC has applied to Dubbo Regional Council to establish a 3,990 SSU (Standard Sheep Unit) feedlot incorporating the latest technologies to minimise labour costs. The feedlot will be established close to the Toongi Valley shearing shed.

Rental properties. Farm houses and cottages that were part of the original properties amalgamated to form TPC (and the Dubbo Project site) continue to be rented to local families. The rental income provides capital to put back into property maintenance and maintains people in the Toongi community, just 25 minutes' drive from Dubbo. All our Toongi properties are currently tenanted, with new residents moving into Wychitella homestead soon.



TPC intends to establish a lamb feedlot



New tenants are moving into Wychitella homestead soon

Contacting Us

Subscribe to our Community Newsletters and find out more information about Alkane Resources and the Dubbo Project on our website:

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