

ASX: ADC

ACN 654 049 699

CAPITAL STRUCTURE

Share Price: A\$0.089*
Cash: A\$6.5 M*
Debt: Nil
Ordinary Shares: 72.3M
Market Cap: A\$6.4M*
Enterprise Value: A\$0.24M*
Options: 47.7M
*as of 5 July 2023

BOARD OF DIRECTORS & MANAGEMENT

Andrew Shearer
Non-Executive Chair

Mark Saxon
Executive Director

Tom Davidson
Chief Executive Officer

Richard Boyce
Non-Executive Director

Ivan Fairhall
Non-Executive Director

COMPANY SECRETARY
Tamara Barr

CONTACT

Level 6, 111 Collins St
Melbourne VIC 3000

+61 03 8548 7880

info@acdcmetals.com.au
www.acdcmetals.com.au

ACDC Metals Advances Rare Earth Metals Strategy

Key Highlights

- **ACDC Metals engages leading industry consultants to complete rare earth element (“REE”) processing plant localisation study as part of the Scoping Study for the Rare Earth Processing Plant (REPP).**
- **REPP scoping study advancing, with key technical work streams either awarded or under evaluation. REPP Scoping Study results expected in Q4.**
- **Samples for future study phases collected, with long term project development testwork program planning in progress.**
- **Urgency to secure critical materials including rare earth elements for US, European and Australian markets increases with Chinese restrictions on gallium and germanium.**
- **Maiden JORC Resource for Goschen Central remains on track for Q3.**

ACDC Metals Limited (ASX: ADC) (“ACDC Metals” or the “Company”) announces progress in advancing its Rare Earth Processing Plant (REPP) in south-eastern Australia, which utilises the exclusively licenced Medallion Monazite Process. A key component is a ‘localisation study’, which builds on earlier scoping studies completed by Medallion Resources to include parameters specific to a potential Australian operation. Government, investor and prospective customer interactions show strong support for Australian business strategies that incorporate downstream value add processing of REE within Australia. The REPP Scoping Study will be undertaken in parallel with our mineral sands exploration, with results from the laboratory being collated and supporting the development of the Maiden Resource. The JORC Resource is targeting a Q3 completion.

ACDC Metals CEO Tom Davidson commented:

“The commencement of studies to select the location of ACDC Metals’ rare earth element processing plant in southeastern Australia is a big step towards our strategic goal of downstream processing in Australia. This study builds on the work done by Medallion Resources, and will refine processing and permitting parameters for an Australian setting.”

Secure REE supply is essential to support the energy transition, as reiterated by events this week with the implementation of Chinese supply restrictions for gallium and germanium, demonstrating the importance of deeper and broader markets for critical raw materials.”

Localisation Study

The localisation study will identify locations that are amenable to the infrastructure and services required for a rare earth element processing plant and optimise potential transport routes to and from market. JBS&G Australia Pty Ltd (“JBS&G”) have been engaged to complete the study and will also provide a roadmap for permitting. JBS&G are a high regarded national consultancy providing environmental services to deliver permitted projects to market.

Scoping Study Update

ACDC Metals will update an existing scoping study completed by Medallion Resources for a North American setting. The updated study will reflect southeastern Australian operating conditions and supporting infrastructure utilising the outcomes of the localisation study, adhering to environmental measures and reflecting current capital and operating estimates.

In addition to JBS&G, expert advisors and consultants necessary to complete a full scoping study update have either been engaged or are under evaluation.

Testwork Campaign

To update the REPP Scoping Study no additional testwork is required beyond that already completed by Medallion Resources in both Canada and Australia.

The next stage of development, expected to be a prefeasibility study, will require additional testwork program to be completed. Recent drilling at Goschen Central obtained 3 tonnes of mineralised material that will be sent to Mineral Technologies (“MT”) in Carrara, Queensland for mineral separation optimisation. In addition to zircon and titania products, MT will produce a large monazite sample to support testwork of the REPP. Sources of third-party monazite are being sought to complement ACDC Metals’ strategy to create a REE processing hub.

Rare Earth Processing Plant – Scoping Study Schedule

- Localisation Study – **Q3 2023**
- Scoping Study update – **Q4 2023**
- Testwork commencement – **Q1 2024**

What is the Rare Earth Processing plant

The REPP will process monazite feedstock either sourced from ACDC Metals heavy mineral sand assets or from third parties. The flowsheet is based on a caustic crack process utilised in 1970’s in France and 1980’s by the United States and since then in China. The process has been updated to reflect efficiencies in energy and reagent consumption whilst minimising waste generation.

The process produces a rare earth carbonate, containing key rare earth metals to feed the next value-add steps for magnet production.

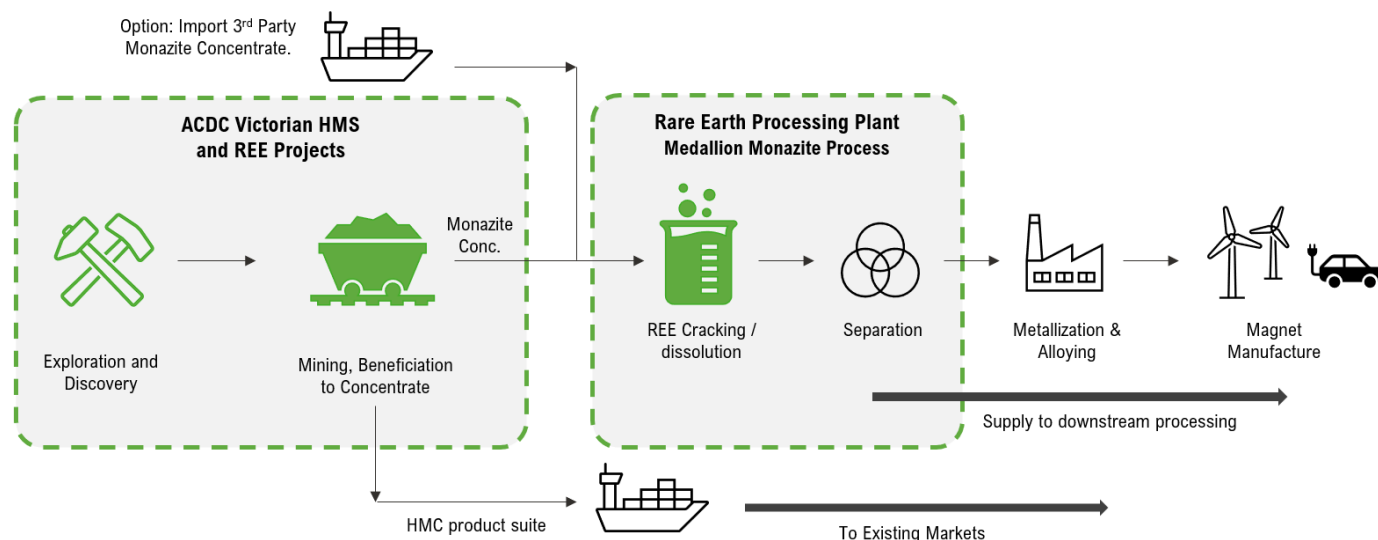


Figure 1 ACDC Metals Strategy: Mine to Magnet

Supply of Critical Materials

As widely reported in western media week beginning 3rd July 2023, the latest restrictions imposed by China on gallium and germanium, reiterates the importance of the ACDC Metals strategy. The downstream value-add processing in Australia is vital to ensuring supply of critical materials to support the energy transition.

About ACDC Metals

ACDC Metals is a heavy mineral sand and rare earth element explorer and developer focussed on projects in the Murray Basin of western Victoria, Australia. ACDC Metals also holds the exclusive licence for Eastern Australia for the 'Medallion Monazite Process', a well advanced process technology to efficiently extract rare earth elements from monazite, developed by TSX listed Medallion Resources (TSX:MDL). Goschen Central is the ACDC Metals' flagship project, a maiden mineral resource is due for release in Q3 2023.

This announcement has been authorised for release by the Board.

For Further Information

Tom Davidson

Chief Executive Officer

Tom.davidson@acdcmetals.com.au

+61 (0) 499 256 645

Peter Taylor

Media & Investor Relations

peter@nwrcommunications.com.au

+61 (0) 412 036 231