



26 November 2020

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Annual General Meeting – Chair’s Address and CEO Presentation

In accordance with Listing Rule 3.13.3, attached is a copy of the Chair’s Address and CEO’s Presentation to be delivered at Speciality Metals International Limited’s (ASX:SEI) 2020 Annual General Meeting (**AGM**).

The AGM will be conducted as a virtual meeting today at 2:00pm (AEST) / 3:00pm (AEDT).

If you wish to virtually attend the AGM (which will be broadcast as a live Zoom webinar), please preregister here: https://us02web.zoom.us/webinar/register/WN_bxi9Fw2fQt2No0A-IEqjMA.

After registering you will receive a confirmation containing information on how to attend the virtual AGM.

Authorised by Resolution of the Board:

Suzanne Irwin
Company Secretary
Speciality Metals International Limited

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About the Company

Speciality Metals International Limited is an ASX-listed company transforming its world-class tungsten assets at Mt Carbine in North Queensland; leveraging advanced technology, historical stockpiles and unexploited resource with the aim of being the pre-eminent tungsten producer in Australia. The Company also holds gold exploration licences in New South Wales. The Company aims to create shareholder value through the exploration and development of its current portfolio whilst continuing to evaluate corporate and exploration opportunities within the new economy and critical minerals sector.



2020 AGM Chair's Address

Oliver Kleinhempel, Chair of the Board

The past 12 months has been a period of consolidation for the Company; building on the momentum started in 2019 to transition from a junior exploration company to an emerging tungsten producer. Against the backdrop of the COVID-19 pandemic and these unprecedented times, we have stayed on track.

Our leadership team changed during the year, and they likewise have welcomed a lot of new faces in their effort to expand the operational teams on the ground. We thank you, our shareholders, for your patience, trust and continued support as the team assembled to execute the operational strategies and further strengthen the corporate foundation of the Company.

The world is facing enormous challenges such as climate change, political and social polarisation, rising protectionism and supply chain uncertainty. Businesses and society are interdependent, and Speciality Metals does not operate in a vacuum. Society and investors now have expectations in relation to a company's environmental, social and governance (ESG) performance and are increasingly holding executives to account. Given these fundamental shifts, the Board with the leadership team have taken the time to reflect on the Company's purpose, values and positioning. We believe everything starts with a purpose, and it is necessary for all of us to align on what we are about so that we can move in the same direction.

We have articulated *our Purpose* as shown:

Resourcing the new economy for a better tomorrow.

*We are a **value-oriented** resources company, sustainably producing and managing **new economy minerals and metals**. We maximise the potential of our assets through **resource-efficiency** and **investment in our people** to deliver materials that are **critical for a better tomorrow**. It's how we drive value in our operations, approach new opportunities and at the same time deliver positive societal impact while **minimising our environmental footprint**.*

Let's shortly look at the Company's positioning in a global context. Covid 19 is a terrible tragedy, given it has or will impact each and every global citizen as we will still feel the economic and social consequences of it for a long way to come. But Covid 19 has also been a very timely wake up call for Governments and policy makers around the world, as we must secure the supply of sustainable raw materials for our value chains, if we want to leave a positive legacy for future generations. With 'sustainable' we not only mean 'what minerals are we extracting', but also 'how are we extracting and processing them into higher value products'.

Our focus at Speciality Metals clearly is on critical and new economy minerals, those which are in growing demand to meet the global shifts in energy, industry and sustainability, ultimately allowing global society to increase living standards and human wellbeing. Looking at what is going on around the world – while still being in the midst of a pandemic – this subject has never been as pressing as today and very much being prioritized on geopolitical agendas. Tungsten has, just a few weeks ago, been recognized by the European Commission as having the highest economic importance of all raw materials in the European industrial eco-system, and is already listed by the US, Japan, India and Australia as a critical mineral. Bottom line, our team is committed to enhancing Speciality Metals' existing portfolio and business model to contribute to this globally relevant agenda.

This is exciting and challenging at the same time, but I would like to invite you to continue to support our team on their journey to realise the potential of this Company to add significant value beyond our existing assets and for all stakeholders.



Speciality Metals
International Limited

Annual General Meeting

26 November 2020

Mt Carbine Site

Competent Person's Statement

- The information in this presentation relating to Mineral Resource summary are extracted from the following report on the Company's website, <http://www.specialitymetalsintl.com.au/>: Mineral Resource & JORC 2012 Compliance Update dated 13 January 2014. The underground resource is under review as announced by the Company on 16 October 2020: "High-grade Structural Zones Extend for 1.2km". The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

General Disclaimer

- The material contained in this document is a presentation of general information about the Company's activities current as at the date of this presentation. It is provided in summary and does not purport to be complete. You should not rely upon it as advice for investment purposes, as it does not take into account your investment objectives, financial position or needs. These factors should be considered, with or without professional advice, when deciding if an investment is appropriate.
- This document may contain forward-looking statements with respect to the financial condition, results of operations, and business strategy of the Company. These forward-looking statements are based on estimates, projections and assumptions made by the Company about circumstances and events that have not yet taken place. Although the Company believes the forward-looking statements to be reasonable, they are not certain. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond the Company's control, and which may cause actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results).
- The Company makes no representation or warranty as to the accuracy of any forward-looking statements in this document and undue reliance should not be placed upon such statements.
- Forward-looking statements may be identified by words such as "aim", "anticipate", "assume", "continue", "could", "estimate", "expect", "intend", "may", "plan", "predict", "should", "will", or "would" or the negative of such terms or other similar expressions that are predictions of or otherwise indicate future events or trends. The forward-looking statements included in this document speak only as of the date of this document. The Company does not intend to update the forward-looking statements in this document in the future.

Mt Carbine Overview

Progress Since AGM 2019 and Opportunities Ahead Mt Carbine Site

Production and cash-flow today...

- ✓ Refurbished tungsten process plant commissioned and expanded to 300k tpa capacity
- ✓ Proven viability of advanced XRT ore sorting for 20+ times upgrade of feedstock grade
- ✓ Crushed (low grade) ore stockpile providing 10+ years feedstock for XRT operation
- ✓ Delivering first major quarry contract for by-product revenue stream

...with long-term growth opportunities moving forward.

- 100% ownership of mining leases and exploration permits
- Existing 430m decline allowing cost- and time-efficient start of underground works
- Target production throughput of 1Mtpa by 2022 (permit application in process)



The **Mt Carbine** deposit is situated in proximity to two other significant scale tungsten deposits; Geological potential to form a **tungsten cluster** in Far-North Queensland:

- **Watershed** [2014 DFS by Vital Metals (2012 JORC): Ore Reserves of 21Mt @ 0.15% WO₃, Mineral Resources of 49Mt @ 0.14% WO₃, Exploration Potential of 49-80Mt @ 0.1-0.19% WO₃]
- **Wolfram Camp** [2015 Technical Report by Almonty Industries (NI 43-101): Ore Reserves of 375kt @ 0.22% WO₃, Mineral Resources of 2.3Mt @ 0.29% WO₃]

Tungsten Operation



Quarry Operation



Exploration



Mt Carbine Site Tour



- 1 Office, Lab & Core Shed
- 2 Tailings Pond / Retreatment Plant
- 3 Quarry & OOSR Stock-pile
- 4 XRT Sorter
- 5 LG Ore Stock-pile

Mt Carbine Site Tour - Retreatment Plant



Mt Carbine Site Tour - Quarry



Mt Carbine Site Tour - XRT Sorter



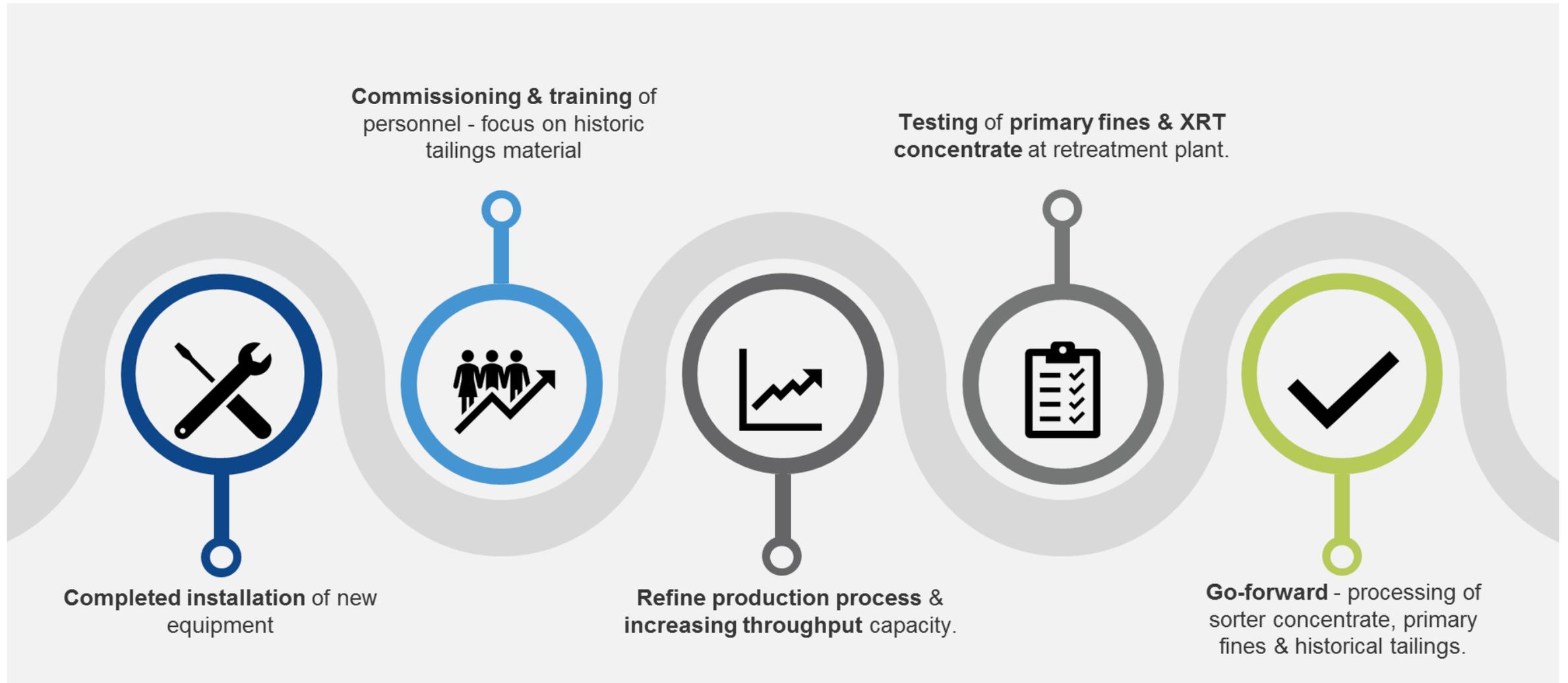
Mt Carbine Site Tour - Low Grade Ore / Waste Stockpile



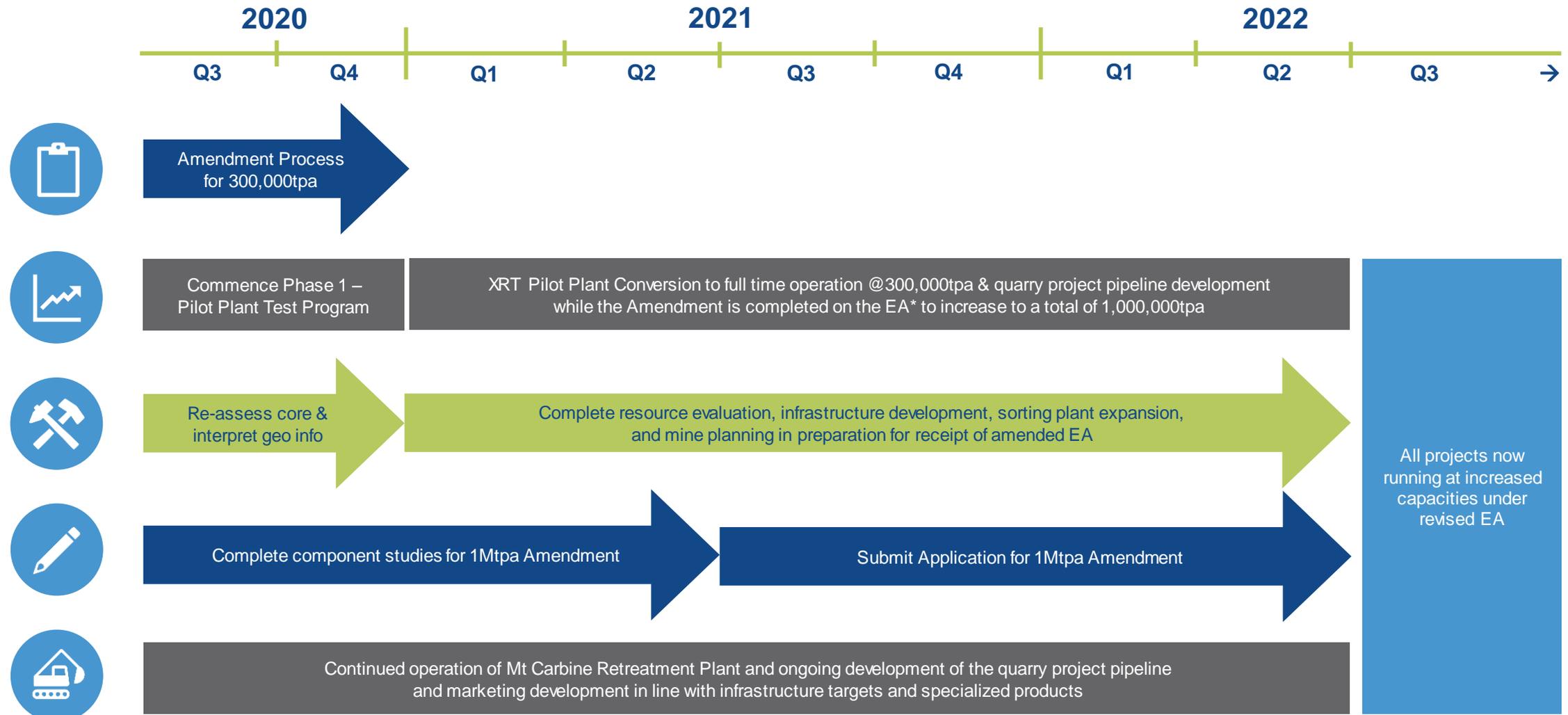


Mt Carbine Production & Development

Tungsten Processing Plant



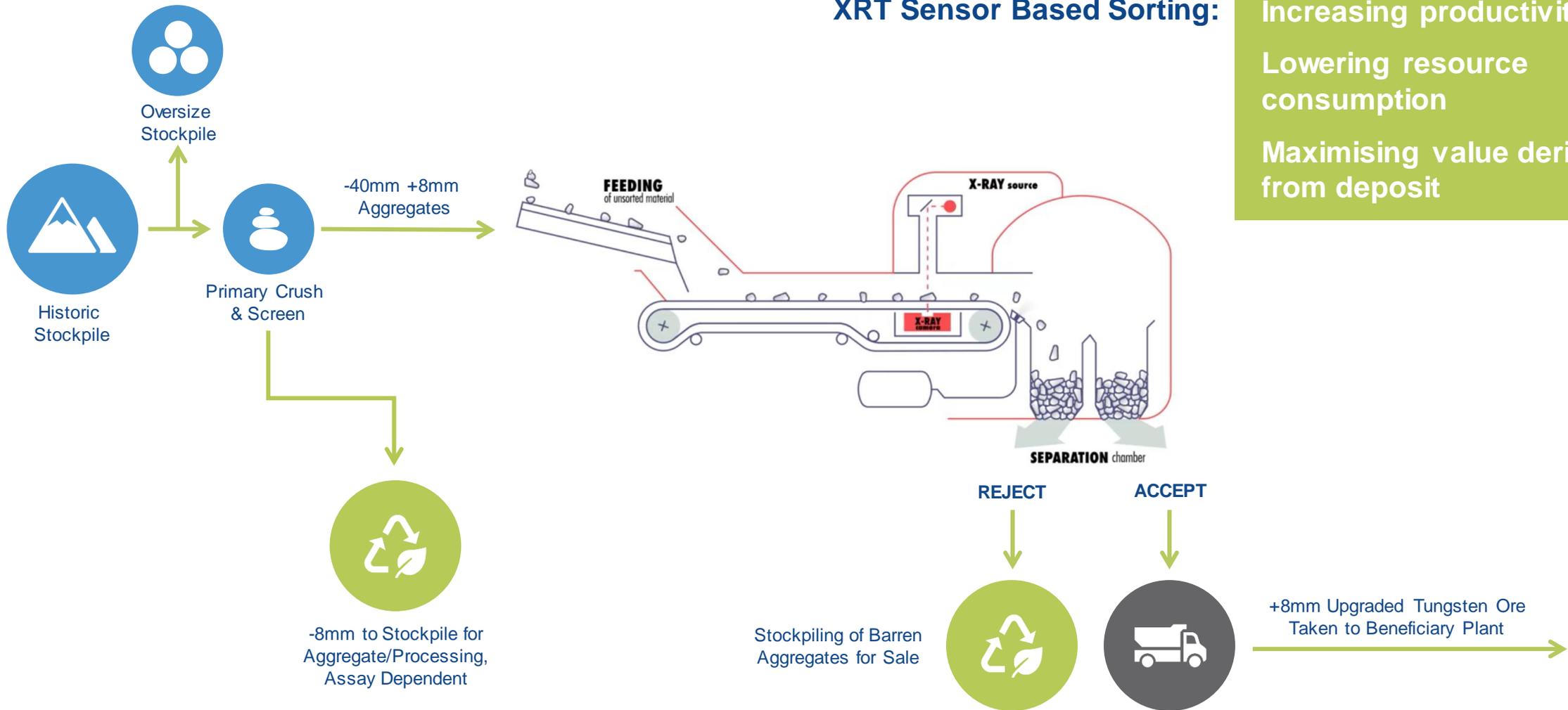
Mt Carbine Project Timeline



XRT Pilot Plant - Mine Waste Transformation Process

XRT Sensor Based Sorting:

- Increasing productivity
- Lowering resource consumption
- Maximising value derived from deposit



XRT Pilot Plant - Development

Commissioning completed
Production scale-up ongoing



Development program
In line with environmental permitting



Structured & logical approach
Development & feasibility work ongoing



Bulk Testing
Of mineralized stockpiles to understand characteristics of each (positive results so far)



Low Cost

Debulking waste by producing XRT concentrate early in beneficiation process, with increased grade in primary fines, sets operation apart from peers. Low OPEX processing historic mineralized stockpiles



Fines Generation

Test work conducted, thus far, shows significant value in processing of -8mm material from stockpiles ("fines"); Natural department of tungsten to fines fraction

Historic Stockpile Sampling for XRT Pilot Plant

Trench & Pit Sample Program

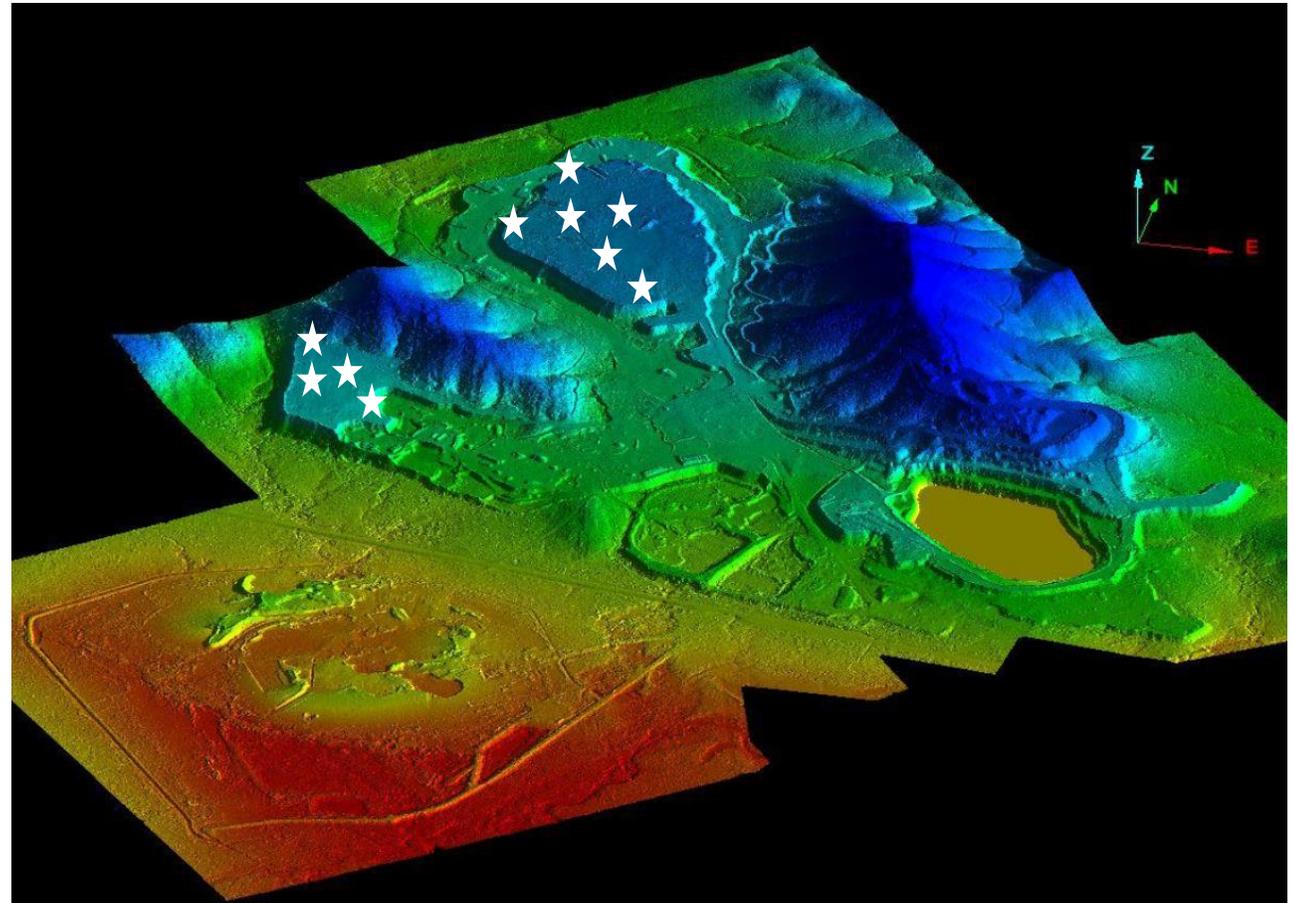
Under the METS Ignited program, in line with SEI's XRT feasibility work, several samples are being extracted and processed on a bulk basis.

In addition to this, several other bulk samples simulating production runs are being processed to verify consistency in sortability and stockpile characteristics.

Feasibility and financial modelling will take place once sufficient information is gathered.

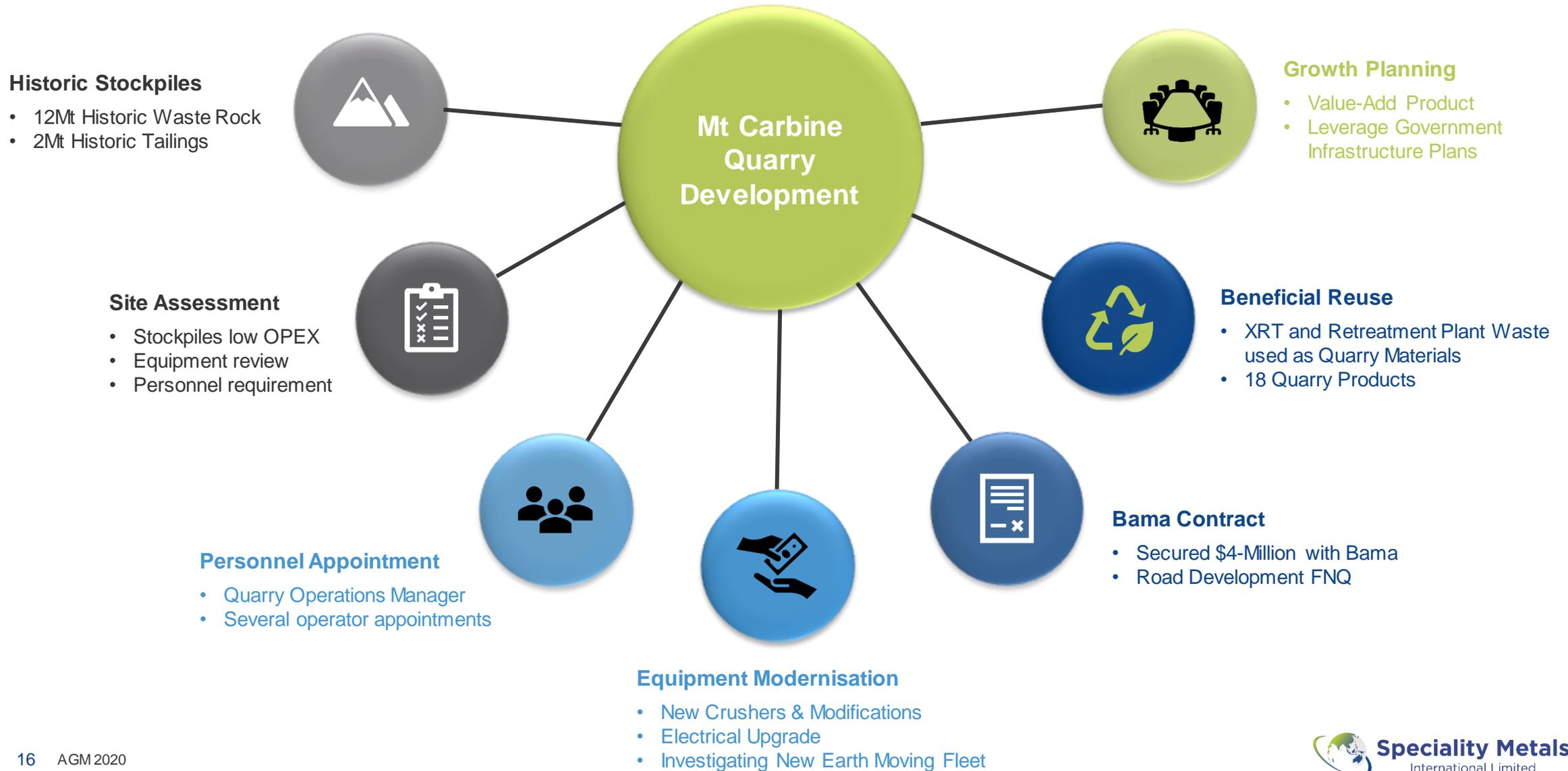
Go-forward plan:

- Convert Pilot Plant to full time operation
- Complete detailed design of Phase 2 processing plant for 1Mtpa, secure environmental permitting, funding & execute expansion

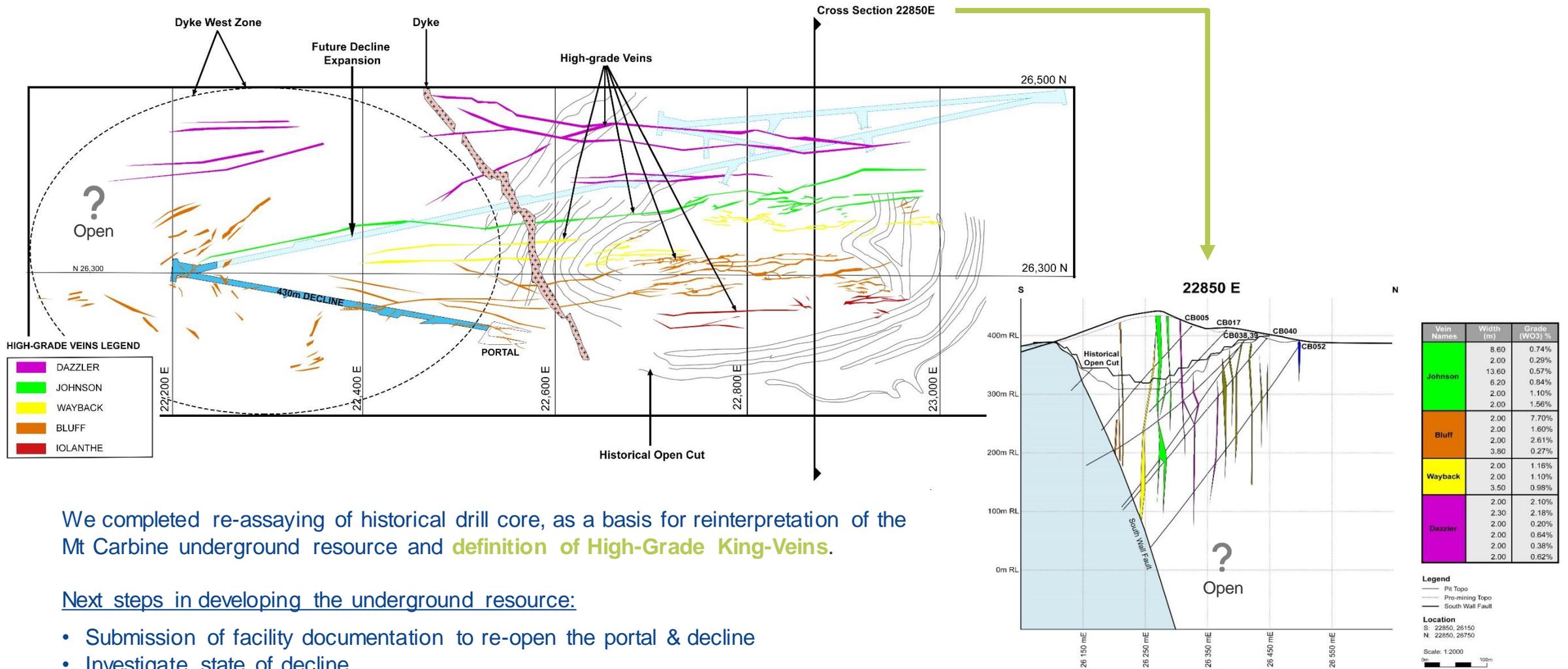


★ Trench & Pit Samples - METS Program

Mt Carbine Quarry - Evaluation & Development



Mt Carbine Underground Development

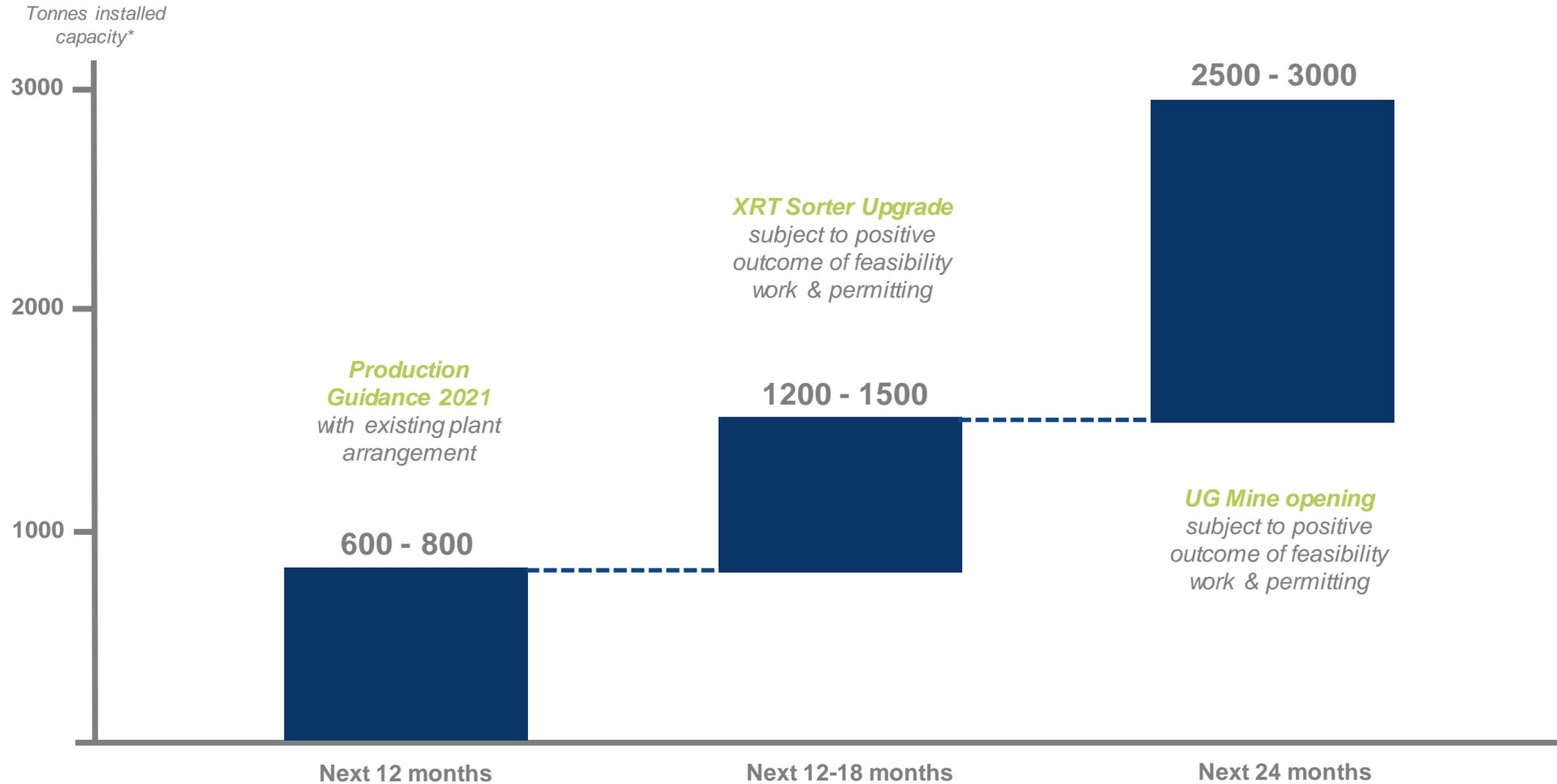


We completed re-assaying of historical drill core, as a basis for reinterpretation of the Mt Carbine underground resource and **definition of High-Grade King-Veins.**

Next steps in developing the underground resource:

- Submission of facility documentation to re-open the portal & decline
- Investigate state of decline
- Complete underground survey & sampling

Mt Carbine Expansion Targets (part of ongoing feasibility work)





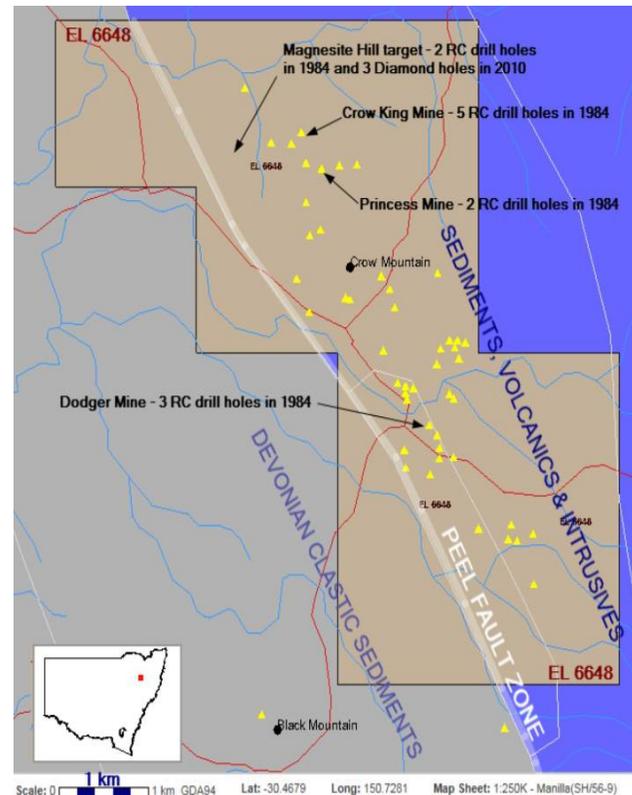
Gold Exploration NSW

Drill Core

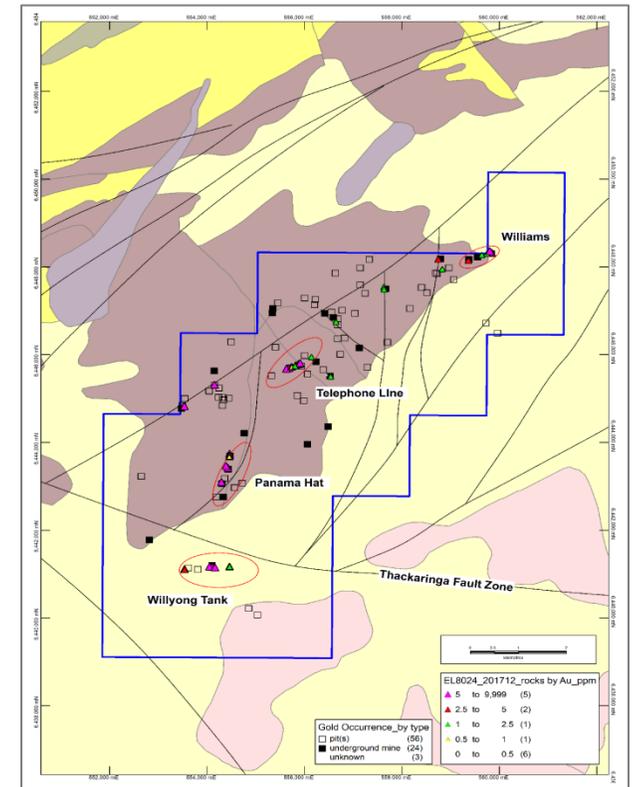
Our Gold Exploration Assets (100% owned)

Extensive exploration potential both at Crow Mountain (EL6648) and Panama Hat (EL8024)

- ✓ *Shallow and underground gold workings dating back to the late 19th and early 20th century*
- ✓ *Significant data set available from historical exploration programs and more recent activities conducted by the Company*
- ✓ *EL8024 covers approx. 80% of the historical gold workings in the Broken Hill district (Company's previous sampling program identifying rock chip samples of bonanza grade up to 83 g/t Au)*
- ✓ *Drill ready targets identified on renewed tenement (EL8024 granted a further 5-year term to November 2024); EL6648 renewal submitted*



EL6648 – Historic gold occurrences and drilling conducted in 1984 and 2010



EL8024 – Surface geochemistry (rock chips) and gold occurrences by type of working



Strategic Roadmap with ESG Agenda

Tailings Dam

Our Value Proposition

Critical Minerals Security

US, UK, EU, Japan, South Korea and India classified tungsten as critical for its economies

Australia has a role to play
(#2 largest tungsten resource globally)

Mt Carbine is Australia's sole primary tungsten mine in operation

Low Cost Expansion

Minimal investment since acquisition of mining leases, take over of existing installations

XRT sorting operation will allow output expansion of 500%

Lowest specific capex and opex amongst peers

First Class Infrastructure

Highway connecting to Cairns within two hours (Int'l airport, port facilities)

Nearby towns and regions allows local recruitment and sourcing

Previous operators developed mine site and underground decline (total replacement cost A\$30m+)

By-Product Revenue

Tungsten operations generating waste rock streams for use as aggregates/ road base for own quarry business

Quarry can operate based on tungsten waste rock from active operations or alternative historical stockpiles

World Class Resource

47.3Mt @ 0.12-0.14% WO_3 and
12Mt @ 0.07% WO_3 (JORC 2012 resource)

Underground operation within two years

Upside potential through further drilling of West Dyke, Iron Duke and Petersen Lode, and collaboration across known tungsten belt in Far North Queensland

Clear ESG Agenda

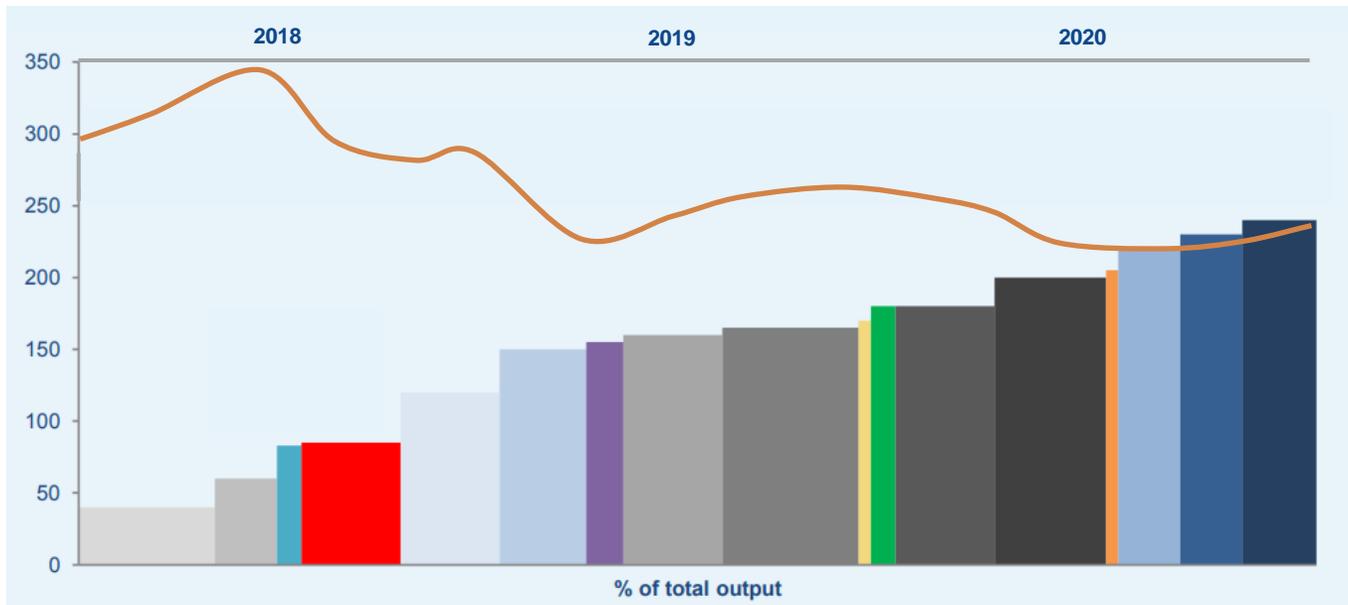
Resource efficiency as basis of operational strategies

ESG-related key performance indicators for leadership team

Purpose-driven organization

Competitive Environment & Peer Analysis

Industry Cash Cost vs Historic APT Price (in US\$)*



It's all about China....:

- ✓ High cost producers (primarily state-owned) supported floor pricing around 210 US\$/mtu throughout 2020
- ✓ Quota restrictions keeping domestic market in balance (thus “criticality” a problem of the western world)
- ✓ More stringent environmental regulations expected to add cost to producers

...and our own cost position:

- ✓ We assume continuous by-product credits, supporting cost competitiveness
- ✓ Expanding upon existing infrastructure allows industry leading specific-capex (=US\$ investment per MTU reported capacity)

Reported Cash Cost & Specific CAPEX of Selected Non-Chinese Producers (in US\$)**



Our Roadmap 2025

The Company aims to create **shareholder value** through the exploration and development of its current portfolio whilst continuing to evaluate corporate and exploration opportunities within the **new economy & critical minerals sector**.





Resource Efficient

- We support the transition to a low carbon future and are committed towards **sustainable development of natural resources**
- We produce minerals and metals in a way that **decouples growth from environmental degradation**; for example, by **extracting from secondary sources**
- We **integrate advanced technologies** to **increase resource, cost and energy efficiencies**



Value-Oriented

- We **'leapfrog' old models and methods, and adopt new ways to maximise the potential of our assets**
- We **invest in our people to enable, empower and retain a productive workforce**
- We consider **sustainability a catalyst for long-term profitability** and to **increase shareholder value**

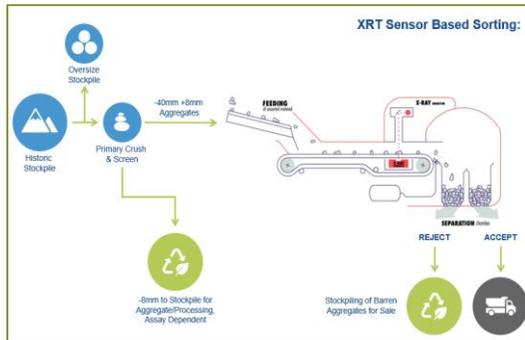


Critical for Tomorrow

- We target **new economy and critical minerals and metals** that are in high demand to meet the **global shifts in energy, industry and sustainability**
- We look for **opportunities to innovate** raw materials to deliver **higher value** and more **environmentally-friendly products**
- We focus on continuously strengthening our portfolio with a **mix of revenue-generating assets** and **promising exploration projects**

Resource Efficient

...extract from **secondary sources**
 ... integrate **advanced technologies**
 to increase **resource, cost and energy efficiencies**



Buddy up

...**collaboration** is key to
 realising shared value



EUROPEAN RAW MATERIALS ALLIANCE | ERMA

Tread Lightly

...minimise **environmental footprint**





Tailings Dam

Thankyou

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