

ASX ANNOUNCEMENT

17 September 2024

12-MONTH EXTENSION OF DEBT FUNDING TERM SECURED

HIGHLIGHTS

- Suvo secures 12-month extension on debt funding of A\$1.0 million (before costs) advanced on 1 December 2023 and previously repayable on 30 November 2024 (ASX Announcement 30 November 2023).
- The loan term period has been extended for a period of six months commencing 1 December 2024 and expiring 31 May 2025 with the pre-payment of interest required in full and calculated at a rate of 10% per annum, being \$50,000.
- A further six months will be available, at Suvo's option, for the subsequent period from 1 June 2025 to 30 November 2025 with the interest rate moving to 11% per annum which would require the pre-payment of interest amounting to \$55,000 on or before 1 June 2025.
- Debt is on favourable terms and is secured against the Company's non-core land asset, being freehold land it owns at Lal Lal, located in Victoria.

Suvo Strategic Minerals Limited (ASX: SUVV) ("Suvo" or "the Company") is pleased to announce it has secured a 12-month extension on the debt funding of A\$1.0 million (before costs) which was advanced on 1 December 2023 and previously repayable on 30 November 2024 (ASX Announcement 30 November 2023).

The debt funding was provided by a private lender, Tember Nominees Pty Ltd. The Company has used its non-core asset, being freehold land it owns at Lal Lal, located in Victoria, as security against the loan.

Aaron Banks
EXECUTIVE CHAIRMAN

Oliver Barnes
NON-EXECUTIVE DIRECTOR

Mark Pensabene
NON-EXECUTIVE DIRECTOR

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suvo.com.au

ASX: SUVV

Lal Lal is an operating mine producing limited feedstock for specific product applications. Less than 5% of the mining activity occurs at Lal Lal, with the majority of the feedstock coming from the Pittong mine, located roughly two kilometers from the Pittong processing plant. The Company considers Lal Lal a non-core asset and has decided to use the land as security to generate funding.

Executive Chairman Aaron Banks commented:

“Suvo is pleased to receive a 12-month extension on the debt facility secured against Lal Lal as this will provide us working capital to deploy and support our geopolymer cement and concrete strategy. The continued growth in sales in our kaolin operation means revenues are now more than covering operational costs.”

Approved for release by the Board

–ENDS–

For further information, please contact

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Terms and Conditions of the Mortgage Loan Extension

Mortgagee (Lender)	Tember Nominees Pty Ltd
Covenantor (Borrower)	Suvo Strategic Minerals Limited (SUV:ASX)
Amount of Loan	A\$1.0 million
Mortgagor (Security Provider)	Kaolin Australia Pty Ltd
Security	First Mortgage Lal Lal Falls Road/Old Racecourse Road Lal Lal 3352
Interest Rate	10% for the first six months, 11% for the following six months (if option to extend is taken up by Suvo)
Interest Payment	<p>Payable upfront (for the first six months) on the advance date (30 November 2024)</p> <p>If option to extend for a further six months is taken up by Suvo, payable upfront on the advance date (1 June 2025)</p>
Term	31 May 2025 (six months) with an option to extend for a further 6 months being 30 November 2025
Fees	2 million unlisted options exercisable at \$0.06, expiring two years from the date of issue, to be issued utilising the Company's placement capacity under Listing Rule 7.1
Events of Default	Non-payment, non-performance under the contract terms, insolvency and other standard conditions in line with the nature of this type of agreement
Financial Covenants	Nil

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Company Profile

Suvo Strategic Minerals Limited is an Australian hydrous kaolin producer listed on the Australian Securities Exchange (ASX:SUV). Suvo is focused on expanding sales of hydrous kaolin produced at its 100% owned Pittong operation located 40km west of Ballarat in Victoria. Suvo is also progressing commercialisation of the 'Murdoch Technology', namely Intellectual Property for a geopolymer concrete batching plant a low carbon geopolymer concrete formulation known as 'Collicrete', which it licenses under a worldwide and exclusive Intellectual Property License Agreement.

Pittong Operations

The 100% owned Pittong Operations, located in Victoria 40km west of Ballarat, is the sole wet kaolin mine and processing plant in Australia and has been in operation since 1972. Pittong comprises the Pittong, Trawalla and Lal Lal deposits located on approved Mining Licences MIN5408, MIN5365 and MIN5409 respectively. The Pittong processing plant has a name-plate capacity of 60,000 tonnes per annum.

At Pittong mining contractors deliver crude kaolin ore to stockpiles from the two currently operating mines, Pittong and Lal Lal. The plant takes its feedstock from the ROM and it is processed into four separate product forms for end users. These product forms are 10% moisture lump, high solids slurry, 1% moisture powder and 1% moisture pulverised powder. The solids slurry is used in paper and board manufacturing. The other products are used in paper, coatings, paint and specialist industries including rubber and pharmaceutical applications.

Geopolymer Concrete IP and Commercialisation

Suvo licenses the 'Murdoch Technology' from Murdoch University under a worldwide and exclusive Intellectual Property License Agreement. The Murdoch Technology is namely Intellectual Property for a geopolymer concrete batching plant a low carbon geopolymer concrete formulation known as 'Collicrete'.

Geopolymer concrete is a low carbon concrete that is made by reacting aluminate and silicate bearing materials with a caustic activator, such as metakaolin, flyash, ground blast furnace slag and other waster derived materials. Geopolymer concrete is a suitable replacement for concrete made using the traditional binder known as Ordinary Portland Cement (OPC). The manufacture of OPC is a highly emitting process representing 8% of global CO₂ emissions which is equivalent to the entire global car fleet.

Utilising the licensed IP, in a laboratory setting, Suvo has successfully produced three new geopolymer concrete formulations using caustic activators, metakaolin and flyash. The laboratory trials ran tests comprising five samples in each test returning an average compressive strength of 27 megapascal (MPa) up to 52MPa. The trials indicated the geopolymer concrete formulations using metakaolin and flyash showed a potential greenhouse gas emission reduction of up to ~70% compared to concrete made using OPC.

Suvo has entered into a binding Joint Development Agreement (JDA) with PERMAcast and is now in the process of incorporating a joint venture entity (SPV Entity) to develop and commercialize low-carbon geopolymer concrete (GPC) products. Under the binding JDA, Suvo and PERMAcast will prepare and test various formulations, assess their suitability for different applications, and determine the best route for commercialization through the jointly-owned special purpose vehicle.

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