

PROJECT UPDATE



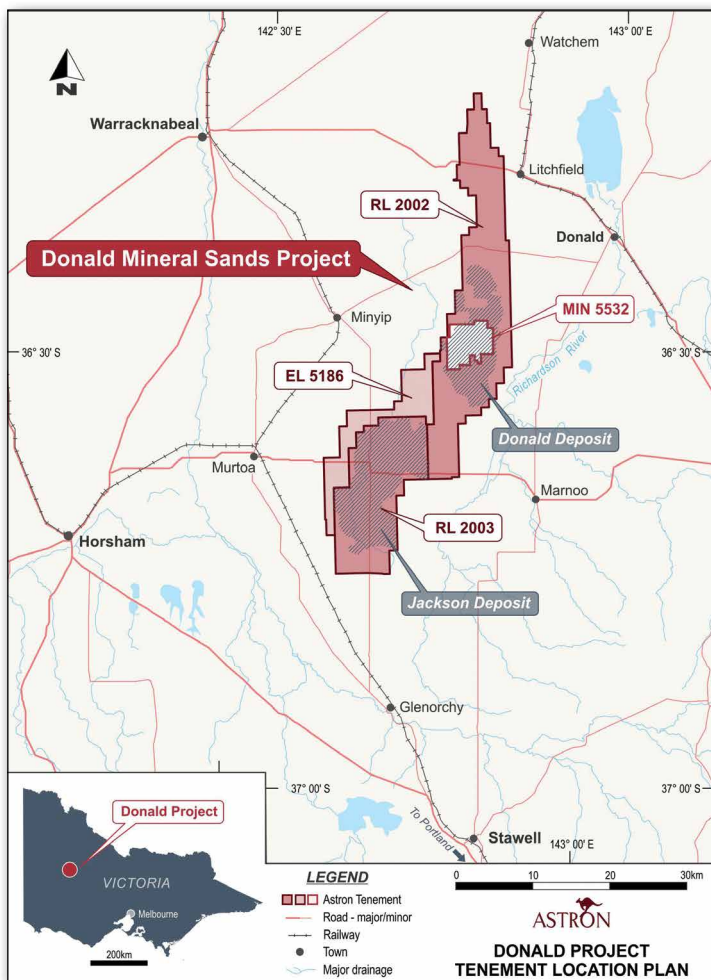
October 2022

The Donald Mineral Sands (DMS) project is located approximately 15 km east of Minyip. The Donald Project comprises Mining Licence MIN 5532 and Mineral Retention Licences RL2002 and RL2003 (see MIN5532 and Mineral Retention Licences location and figures below). Phase 1 of the Donald Project operations will be carried out within MIN5532, subject to final approvals currently being sought. The Mineral Resources within MIN5532 are currently estimated to be 317 Mt at an average HM grade of 5.3%. RL2002 and RL2003 contain a combined Mineral Resources of 2.4 billion tonnes at a heavy mineral (HM) grade of 4.8%.

Subject to further approvals it is planned to mine 2800 hectares, within MIN5532, which will support an operational life of approximately 35 years. The MIN5532 Mineral Resource estimate is subject to revision to incorporate the results of the 2022 drilling programme.

The Project represents access to the largest undeveloped zircon resource globally with 22.1 million tonnes (Mt) of in-situ zircon resource, as well as a major rare earth resource, with 2.32 Mt of in-situ monazite resource. The scale of the monazite resource and the expected presence of xenotime in the deposit, as demonstrated through metallurgical test work, provides the potential for the Project to be a major source of critical mineral elements, such as neodymium and praseodymium.

Future potential phases of mine development on RL2002 and RL2003 are under consideration. It is expected that decisions to progress further production outcomes will be taken after Phase 1 operations are underway and will be subject to further regulatory approvals.



The DMS mine will be developed using a conventional truck and shovel fleet, and progress along a 'moving hole' mining concept with mined land rehabilitated within three to five years of mining starting. The vast majority of tailings will be deposited into the mining void prior to returning stockpiled soils, ready for rehabilitation.

Mined ore will be processed in a wet concentrator to produce a high-quality Heavy Mineral Concentrate (HMC) and a Rare Earth Concentrate (REC).

Indicative Project Timeline

Milestones	Time Frame
Revised Mineral Resource Statement for MIN5532	Q4 2022
Ore Reserve and Mineral Resource Statement	Q1 2023
Feasibility Study completion	Q1 2023
Work Plan for Victorian Regulatory Submission	Q4 2023
FID and construction commencement	Q1 2024
Commissioning	Q3 2025
Production	Q4 2025

ASX Release: Project Configuration and Feasibility Study Update - August 18 2022

PROJECT APPROVALS

An Environmental Effects Statement (EES) statement for the DMS project was favourably assessed by the Victorian Planning Minister in 2008, allowing the project to proceed to the formal approvals and licencing stages. Since that time, extensive work has been conducted by Astron on the project metallurgy and on processing improvements, on optimisation of mine design and on project configuration.

Final project approvals require submission and approval of a Workplan of all project components and activities on the mining lease (MIN 5532), and planning approvals for all project components such powerlines, water pipelines required road upgrades and a project construction camp off the MIN lease.

Astron is now seeking approvals for the project, and, subject to approvals and a final investment decision, is planning to be in a position to start project construction and operations in 2024/25.



Project Director Sean Chelius presents a project overview to the inaugural CRG meeting in June 2022

COMMUNITY REFERENCE GROUP

Donald Mineral Sands (DMS) is committed to engaging in constructive dialogue with all of our stakeholders and has formed a Community Reference Group (CRG) for the project to ensure direct local contact with a range of stakeholders and specifically to:

- (i) Act as a conduit to provide feedback from the wider community
- (ii) provide an avenue to facilitate flow of information from DMS back to stakeholders on all aspects of the project,
- (iii) allow CRG members to raise any issues or opportunities in relation to the project and its potential environmental, social and economic impacts,
- (iv) Be involved in the community engagement process in relation to fairness, transparency and accountability, providing opportunities for inclusion, deliberation and influence

The CRG will meet 3-4 times per year.

MEET THE TEAM

Paul Atherton – Community Liaison Officer

Paul commenced with the DMS team in March 2022 and many of you may know him as the previous owner and operator of The Athletes Foot in Horsham. Prior to that he has had roles with GWMWater and the Wimmera CMA working on a range of projects including Wimmera Mallee Pipeline Project management, channel decommissioning and sale of pipeline savings water. He knows the Wimmera very well. He lives in Horsham with his wife and has 3 daughters. Paul will regularly be at the Astron Minyip office and invites anyone to drop in for a chat.



Community Liaison Officer Paul Atherton meeting with students.

WESTERN VICTORIAN CAREERS EXPO

DMS attended the Western Victorian Careers Expo at Longerenong Events Centre. Over 2000 school students, job seekers and interested persons attended. “It was great to see so many people and there was good interest in what DMS is doing”, said Paul Atherton. “We took a few enquiries from professional people and those seeking career changes. Mining offers such a great diversity of roles”.

INFORMATION SESSIONS

DMS recently held Public Information Sessions in Warracknabeal, Minyip, Rupanyup and Murtoa. The sessions provided a project update and the opportunity for attendees to ask questions. Housing for workers and their families, transport routes and labour needs were all commonly asked questions. These followed on from presentations to groups such as Donald 2000 and the Minyip Progress Association. Presentations in St Arnaud and Marnoo are currently being planned. If you would like us to present to your local group please contact Paul Atherton Community Liaison Officer at: paul.atherton@donaldmineralsands.com.au



Minyip public information sessions.



Ecologically important sites within the mining area will be preserved.

FREQUENTLY ASKED QUESTIONS (FAQ)

During our recent Public Information Sessions a number of questions were frequently asked. Here is just two of them. Our website contains a full list of Frequently Asked Questions (FAQs).

Q. Will the workforce be sourced from the local area?

A. Unemployment levels are low in the region and it is expected to continue that way for some time. DMS recognises that there will be insufficient workers currently in the region to meet the needs of the mine and supporting infrastructure. DMS does not favour a Drive In Drive Out (DIDO) workforce model. Preference is to employ suitably qualified persons from the local and regional community. This will allow DMS to draw staff from Minyip, Murtoa, Rupanyup, Donald, Warracknabeal, Stawell, St Arnaud, Horsham and other nearby localities.

Q. How will the Heavy Mineral Concentrate and Rare Earth Concentrate be transported?

A. Heavy Mineral and Rare Earth concentrates will initially be transported by truck to a railhead such as Doon Freight Hub or directly to a port. Truck routes have not been finalised, however it is expected that Minyip - Rich Avon Road, Johnston Road and C. Leach Road including intersections will all require upgrading. The standard of road upgrades will be determined by Yarriambiack Shire and VicRoads.

COMMUNITY SPONSORSHIP PROGRAM

The annual DMS Community Sponsorship Program aims to provide support and assistance to local not-for-profit community organisations and groups seeking to enhance and benefit local communities surrounding the Donald Project area. Eight projects were funded under the most recent round of the program with sponsorship of more than \$11,000.

In May 2022 DMS called for applications to the programme. Eight applications were received and supported.

Organisation	Sector	Project
Rupanyup Primary School	Health	Purchase of chicken caravan to house chickens to promote healthier and sustainable living to school children.
Minyip Field & Game	Sport	Purchase of Meat vouchers as prizes for a shooting competition.
Donald P&A Society	Community wellbeing	Bus hire to transport those unable to drive to attend Donald Show
Murtoa Big Weekend	Community wellbeing	Purchase of inflatable Indoor/outdoor film screen to maximise community participation in the annual Murtoa Big Weekend.
Rupanyup Recreation Reserve	Sport	Purchase of control box for recreation reserve watering system.
Rupanyup Football & Netball Club	Sport	Sponsorship of purchase of massage tables and support for advanced strapping courses.
Minyip Historical Society	Community wellbeing	Sponsorship of the reprint of a local history book.
Minyip Progress Association	Community wellbeing	Sponsorship of computer and printer for Saddlers' second hand store.

For the next round of funding, keep up to date by following us on Facebook @Donald Mineral Sands

UPCOMING EVENTS

October 2022 Community Reference Group Meeting Date, Location and Time to be advised

GET IN TOUCH

DMS would be happy to present a project overview and update to your organisation. Please contact Paul Atherton Community Liaison Officer on 5385 7088 or email: paul.atherton@donaldmineralsands.com.au

The DMS Facebook page is also a convenient way to keep up to date with latest project news. Like, follow or share our page @Donald Mineral Sands