

FUNDING AND MARKET UPDATE

HIGHLIGHTS

- Firm commitments for A\$1.6 million received under a Placement
- The Placement at \$0.023 per share was oversubscribed with strong support received from both new and existing sophisticated investors
- Chief Executive Officer, Hugh Thomas appointed as Managing Director. Non-Executive Director Henk Ludik has resigned from the Board of Directors

Suvo Strategic Minerals Limited (ASX: SUV) (“Suvo” or “the Company”) is pleased to announce that firm commitments have been received totalling A\$1.6 million before costs, via a share placement at \$0.023 per share (the ‘Placement’).

Since his appointment as CEO in April 2023, Mr. Hugh Thomas and founding shareholder and newly appointed Interim Chairman, Mr. Aaron Banks have completed a critical analysis of each of the Company’s projects and most importantly a complete overhaul of the Company’s hydrous kaolin sales and distribution strategy.

Suvo’s strategy for the next 12 months has been very clearly defined, to increase sales of hydrous kaolin in the Asia Pacific. The Company has a newfound depth of knowledge with respect to hydrous kaolin industry trends and market dynamics throughout Asia Pacific which it can now leverage. Being an extremely opaque market, to sell the additional hydrous kaolin tonnes available from the Company’s Pittong plant requires an in depth and acute understanding of each region throughout Asia. Management is now very confident that the necessary knowledge of how the market works is well known, and there are a number of opportunities that the Company can take advantage of in the short term.

In order to execute the sales and distribution strategy, the working capital funding solution via the Placement provides the new management team time to execute the newly defined and controlled approach to the offshore market, making sure the Company maximises its opportunities to sell increased tonnes in a preferred end user market and higher margin industries.

Correspondingly, the Company has revised the forecast production guidance (“Guidance”) released on 26 August 2022 (ASX Announcement: Pittong Plant Upgrade & Optimisation & Production Guidance). The deliberate change in strategy will assist to provide an improved long-term result for the Company and its shareholders.

The Company confirms it has performed in line with the 9-month Guidance (FY2023 Q1 – Q3) released on 26 August 2022. Refer to Schedule 1 for the revised forecast production guidance.

The Company will issue 69,565,217 fully paid ordinary shares to new and existing sophisticated investors participating in the Placement.

The issue price of \$0.023 per share represents a discount of 22% to the 15-day volume weighted average price (VWAP) of \$0.029 and an 8.0% discount to the last close price of \$0.025.

The issue of Placement shares will be completed utilising the Company’s ASX Listing Rule 7.1 and 7.1A placement capacity;

- 51,565,217 ordinary shares issued under ASX Listing Rule 7.1, and
- 18,000,000 ordinary shares issued under ASX Listing Rules 7.1A.

Additionally, 5,000,000 unlisted options will be issue to PAC Partners Securities Pty Ltd (“Lead Manager”) utilising the Company’s Listing Rule 7.1 placement capacity. The unlisted options will expire 3 years after their date of issue and are exercisable at \$0.06. The Lead Manager will be paid 6% on gross proceed raised by the Lead Manager.

Settlement of funds raised under the Placement is proposed for Monday 26 June, with the allotment of Shares and Options, Wednesday 28 June.

Managing Director and Chief Executive Officer Hugh Thomas commented:

"On behalf of the Board, I would like to thank our new and existing shareholders for their support in the over-subscribed Placement.

The Placement was necessary to provide additional working capital to the Company as we expand our sales team and technical knowledge. Our number one focus is to increase our sales of hydrous kaolin in the Asia Pacific region, to match production capacity following the recent plant upgrade at Pittong.

I assure all of you that significant progress has been made in building strong new relationships in Asia-Pacific and understanding the chemistry of the Company's product basket, any limitations and the numerous opportunities we have as Australia's only hydrous kaolin producer. Significant headway has been made in defining and augmenting Suvo's sales and distribution strategy.

Suvo remains fully committed and we thank our loyal shareholders for their patience and support."

Interim Non-Executive Chairman Aaron Banks commented:

"On behalf of the Board, I would like to thank Henk for his service to the company. He oversaw the critical optimisation strategy and execution of bringing the Pittong plant back to name-plate capacity. Having achieved this on time and within budget in an inflationary and resource constrained environment was an outstanding achievement. We wish him all the best in his future endeavours.

At the same time, the Board also congratulates Hugh on his appointment as Managing Director. This is part of the broader strategy to refresh the board with the required skill set to successfully deliver the latent tonne capacity sales strategy. We will be further bolstering the Board in the coming months to round out the Company's expertise as we transition into a meaningful premium hydrous kaolin supplier to the Asia Pacific region."

Approved for release by the Board.

-ENDS-

Schedule 1 – Pittong Operation Production Guidance

Description	Unit	FY2023 Q4 (3-month Guidance)	FY2024 Q1 – Q4 (12-month Guidance)
Production	Tonnes	5,000	35,000
Revenue ¹	A\$m	3.1	22.0
EBITDA ²	A\$m	0.0	4.8

¹ Assumed delivered price of A\$627/tonne and net selling price (less freight and commissions) of A\$525/tonne.

² Forecast EBITDA and All-in Sustaining Cost (“AISC”) of A\$402/tonne includes a 25% allocation of head office corporate costs. Corporate costs are split evenly across the Company’s Projects. This is consistent with the previous Production Guidance disclosure released on 26 August 2022.

For further information, please contact.

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 Managing Director and Chief Executive Officer
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Company Profile

Suvo Strategic Minerals Limited is an Australian hydrous kaolin producer and exploration company listed on the Australian Securities Exchange (ASX:SUV). Suvo is focused on production at, and expansion of, their 100% owned Pittong hydrous kaolin operation located 40km west of Ballarat in Victoria. Suvo's exploration focus is on near-term kaolin and high purity silica assets with 100% owned Gabbin (kaolin), Eneabba and Muchea (silica sands) projects located in Western Australia.

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.

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. Around 20-25kt per annum is supplied to various end users.

Category	Kaolinised Granite Tonnes (Mt) Pittong	Kaolinised Granite Tonnes (Mt) Trawalla
Indicated	3.74	9.9
Inferred	1.96	2.8
Total	5.69	12.7

The Company first disclosed the Trawalla and Pittong Mineral Resource Estimates on 22 September 2021 and 1 March 2022. The Company confirms that it is not aware of any new information or data that materially effects the Announcement and confirms that the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Gabbin Kaolin Project

The 100% owned Gabbin Kaolin Project (White Cloud) is located 215km northeast of Perth, Western Australia. The project area comprises four granted exploration licences (E70/5039, E70/5332, E70/5333, E70/5517) for 413km², centred around the town and rail siding of Gabbin. The generally flat area is primarily cleared farming land devoid of native bushland and is currently used for broad-acre cereal cropping. A mining access agreement is in place over the current resource area with the landowner and occupier.

The main rock types at Gabbin are primarily Archaean granite, gneiss, and migmatite. These rocks are overlain and obscured by Tertiary sand and Quaternary sheetwash. The weathering profile is very deep and contains thick kaolin horizons capped by mottled clays or laterite zones. The current JORC 2012 Mineral Resources are 72.5Mt of bright white kaolinised granite with an ISO Brightness of 80.5%.

Eneabba Silica Sands Project

The 100% owned Eneabba Silica Sands Project is located 300km north of Perth, Western Australia. The project comprises four granted exploration licences (E70/5001, E70/5322, E70/5323, E70/5324) for 169km². The project is located on the Eneabba Plain whose sandy cover is very flat to gently undulating. Outcrop is rare due to the accumulations of windblown and alluvial sand at surface. Below this is a thin hard silcrete or lateritic claypan which overlies deep white and yellow sands.

Forward-Looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of SUV and certain of the plans and objectives of SUV with respect to these items.

These forward-looking statements are not historical facts but rather are based on SUV's current expectations, estimates and projections about the industry in which SUV operates and its beliefs and assumptions.

Words such as "anticipates," "considers," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the industry in which SUV operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of SUV, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks include, but are not limited to resource risk, product price volatility, currency fluctuations, increased production costs and variances in product grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

SUV cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of SUV only as of the date of this release.

The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made.

SUV will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.