

Amalienbadstraße 41, Bau 52, 76227
Karlsruhe, Germany
Level 2, 267 St Georges Terrace
Perth WA 6000, Australia

Ph +61(8)6331 6156
Email info@v-er.eu

Vulcan launches the final phase of its Project-level financing process

Final financing stage launched for Vulcan's integrated renewable energy and ZERO CARBON LITHIUM™ Project.

Significant interest from strategic and financial investors, Tier 1 banks, the European Investment Bank and major Export Credit Agencies.

Timed to align with public funding process.

Vulcan Energy Resources Limited (Vulcan, ASX: VUL, FSE: VUL, the Company) is pleased to provide an update on the Company's financing process, with the formal launch of the second and final phase of its Project-level debt and equity funding package.

Highlights

- The Company, with the support of BNP Paribas, has been running a two-phase Project-level debt and equity financing process ("Finance Process"), targeting to secure Project-level funding through a 65%/35% mix of debt and equity.
- "Phase One" of the Finance Process is now complete, with the Company receiving significant interest from strategic and financial investors, commercial banks, the European Investment Bank ("EIB") and major government-backed export credit agencies.
- The formal debt launch package issued today includes detailed due diligence reports prepared by the Lenders' Independent Technical Advisor, Environmental and Social Advisor, Market Advisor and Legal Advisor and marks the commencement of Phase two of the Finance process.
- The Company will now enter formal discussions with Tier 1 financing partners who have expressed in-principle and non-binding interest. These structuring banks comprise four international banks and four export credit agencies, along with continued support from the EIB.
- The four international banks, ABN-AMRO, ING, NATIXIS and UNICREDIT, have an outstanding track record of supporting high quality, critical minerals and energy projects and are each a natural partner to Vulcan's ambitions of market leading clean, critical raw materials and renewable energy production.
- In addition to advancing Vulcan's Finance Process, the Company has also applied for a significant value in public funding, through several grant schemes, for which its integrated renewable energy and ZERO CARBON LITHIUM™ Project ("Project") is well placed to qualify for, through sector-leading economic and sustainability credentials. The launch of the second phase of the Finance Process has been timed to coincide with the public funding application process.
- In parallel with the Project-level debt process, Vulcan is also launching the second phase of its Project-level equity financing process, having received significant interest from strategic and financial

investors after a first due diligence phase, including from engineering and energy companies with whom Vulcan is expecting to build long term strategic partnerships as part of this Finance Process.

- With today’s formal launch of the second phase of the Finance Process, Vulcan’s Project-level financing program remains on schedule for completion by the end of 2024.

MD and CEO Cris Moreno stated, “We are delighted to have launched the second phase of Vulcan’s Finance Process – a key milestone on our path to becoming Europe’s first fully integrated carbon neutral lithium producer. The high-quality nature of respondents in the first phase of our Finance Process is a strong signal of confidence in both our team’s ability to deliver a world class project, and the credentials of Vulcan’s integrated renewable energy and ZERO CARBON LITHIUM™ Project, to enable a green energy and mobility transition for Europe. This is an exciting period for the Company, and we look forward to entering the formal discussion stage of our Finance Process with such exceptional and well aligned financing partners.

Tier 1 Financing Partners

Structuring Bank Group



Major Export Credit Agency/EIB Support



During Phase One of the Finance Process, a number of banks and export credit agencies were approached to provide non-binding, indicative commitments as part of the debt component. Combined with in-principle support by the EIB, non-binding commitments represented a significant oversubscription of the Project’s debt package.

With the launch of the second phase, Vulcan has elected to appoint a high-quality group of major international structuring banks, to work with the support of key major export credit agencies and the EIB. ABN-AMRO, ING, NATIXIS and UNICREDIT are highly credentialed in supporting significant development projects, critical minerals projects and in particular, major European projects, making them highly complementary to Vulcan's critical minerals ambitions in Europe. Parties will now move to the due diligence and legal documentation stage.

As previously announced (ASX Announcement 23 February 2024), the EIB has advanced Vulcan's Project to the "Under Appraisal" stage. EIB's proposed financing could amount to up to €500m, pending satisfactory completion of due diligence, credit approval, legal agreement and subject to the EIB's governing bodies approval. EIB's participation in the financing process is expected to complement ongoing debt funding discussions with the selected international banks and leading export credit agencies.

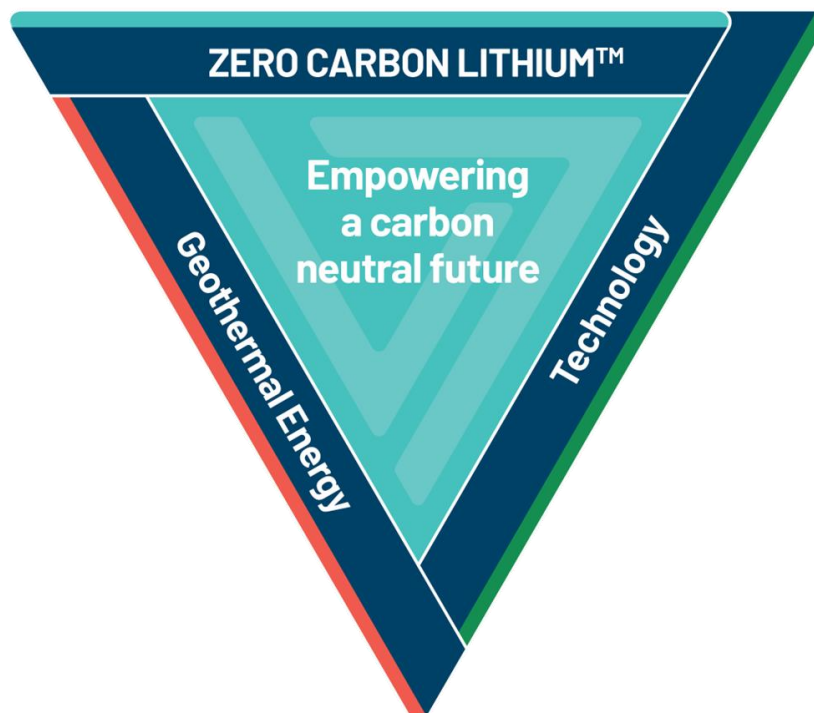
In addition to the ongoing formal financing discussions, the Company has also applied for a number of public funding programs, which, if successful, could see Vulcan benefit from a significant amount of public funding in the form of grants. The Company expects to begin receiving decisions regarding its various applications during Q4 2024.

Timeline and next steps

With all parties now progressing to detailed due diligence, the Company is confident that the timeline for completion remains on track, with signing anticipated during Q4 2024 and closing/draw down on funds during Q1 2025.

About Vulcan

Founded in 2018, Vulcan's purpose is to empower a carbon neutral future, through the co-production of lithium, heat and renewable energy from geothermal brine. Vulcan is focused on delivering the world's first integrated renewable energy and ZERO CARBON LITHIUM™ Project. By adapting existing technologies to efficiently extract lithium from geothermal brine, Vulcan aims to deliver a local source of sustainable lithium for Europe, built around a carbon neutral strategy with exclusion of fossil fuels. Already an operational renewable energy producer, Vulcan will also provide renewable electricity and heat to local communities. Vulcan's combined geothermal energy and lithium resource is the largest in Europe¹, with licence areas focused on the Upper Rhine Valley, Germany. Strategically placed in the heart of the European electric vehicle market to decarbonise the supply chain, Vulcan is rapidly advancing the ZERO CARBON LITHIUM™ Project to target timely market entry, with the ability to expand to meet the unprecedented demand that is building in the European markets. Guided by our Values of **Climate Champion, Determined and Inspiring**, and united by a passion for the environment and leveraging scientific solutions, Vulcan has a unique, world-leading scientific and commercial team in the fields of lithium chemicals and geothermal renewable energy. Vulcan is committed to partnering with organisations that share its decarbonisation ambitions and has binding lithium offtake agreements with some of the largest cathode, battery, and automakers in the world. As a motivated disruptor, Vulcan aims to leverage its multidisciplinary expert team, leading geothermal technology and position in the European EV supply chain to be a global leader in producing carbon neutral lithium. Vulcan aims to be the largest, most preferred, strategic supplier of lithium chemicals and renewable power and heating from Europe, for Europe; to empower a carbon neutral future.



¹ According to public, JORC-compliant data. See Upgrade of Zero Carbon Lithium™ Project Resources, 29 September 2023

Corporate Directory

Executive Chair	Dr. Francis Wedin
Managing Director and CEO	Cris Moreno
Group Chief Financial Officer	Felicity Gooding
Deputy Chair	Gavin Rezos
Non-Executive Director	Ranya Alkadamani
Non-Executive Director	Annie Liu
Non-Executive Director	Dr. Heidi Grön
Non-Executive Director	Josephine Bush
Non-Executive Director	Dr. Günter Hilken
Chief Representative GER	Dr. Horst Kreuter
Company Secretary	Daniel Tydde

For and on behalf of the Board

Daniel Tydde | Company Secretary

Investor Relations

Kurt Walker | Head of Investor Relations | kwalker@v-er.eu | +61 8 6331 6156

Media

Annabel Roedhammer | Vice President Communications | aroedhammer@v-er.eu | +49 1511 410 1585

Please contact Vulcan's Legal Counsel Germany, Dr Meinhard Grodde, for matters relating to the Frankfurt Stock Exchange listing on mgrodde@v-er.eu.

Reporting calendar

29 July 2024	June Quarterly
12 September 2024	Half Year Report
29 October 2024	September Quarterly
30 January 2025	December Quarterly
28 March 2025	Annual Report
28 March 2025	Sustainability Report

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Vulcan operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Vulcan's control.

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Vulcan has carried out a definitive feasibility study ("DFS") and bridging engineering study ("Bridging Study") for Phase One of its Zero Carbon Lithium™ Project ("Project"), the results of which were announced to the ASX in the announcements "Zero Carbon Lithium Project Phase 1 DFS Results" dated 13 February 2023 ("DFS Announcement") and "Positive Zero Carbon Lithium™ Project Bridging Study Results" on 16 November 2023 ("Bridging Study Announcement"). This announcement may include certain information relating to the DFS and the Bridging Study. The DFS and Bridging Study are based on the material assumptions and parameters outlined in their respective announcements. While Vulcan considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Bridging Study or DFS will be achieved. This presentation may also include certain information relating to Phase 2 of its Project, Vulcan has not yet carried out a definitive feasibility study for Phase Two of its Project.

Competent Person Statement

The information in this announcement that relates to estimates of Mineral Resources and Ore Reserves is extracted from the Bridging Study Announcement which is available to view on Vulcan's website at www.v-er.eu. Vulcan confirms, that in respect of the estimates of Mineral Resources and Ore Reserves included in this announcement:

- a) it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed;
- b) the form and context in which the Competent Persons' findings are presented in this announcement have not been materially modified from the original market announcement; and
- c) all material assumptions underpinning the production targets (and the forecast financial information derived from such production targets) included in this announcement continue to apply and have not materially changed.