

Highlights

Aiming to be the world's first
Zero Carbon Lithium®
producer.

Large, lithium-rich
geothermal brine project, in
the Upper Rhine Valley of
Germany.

Europe's **largest** JORC-
compliant lithium resource.

Located at the heart of the EU
Li-ion battery industry.

Fast-track development of
project under way towards
production.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Executive Director
Dr Horst Kreuter

Non-Executive Director
Ranya Alkadamani

CFO-Company Secretary
Robert Ierace

Fast Facts


Issued Capital: 78,933,770
Market Cap (@\$2.34): \$184.7m

Contact

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German legislation embraces geothermal energy

Positive changes encourage long term geothermal electricity generation

Highlights:

- **The German Parliament and Federal Council (Bundesrat) has voted in favour of a positive Act amendment related to geothermal electricity production.**
- **The existing Feed-in Tariff for geothermal electricity in Germany is set at €0.252/kWh, one of the most favourable in the world, and was expected to start declining 5% per year from 2021 onwards.**
- **The Amended Renewable Energy Sources Act reduces the expected decrease of the Feed-in Tariff from 5% per year to 0.5% per year.**
- **The start of decrease was delayed from 2021 to 2024.**
- **Once a geothermal project starts operating, the Feed-in Tariff of the year it enters production is fixed for 20 years.**
- **Vulcan's Zero Carbon Lithium® project is expected to generate dual revenue, from geothermal renewable electricity and lithium sales.**

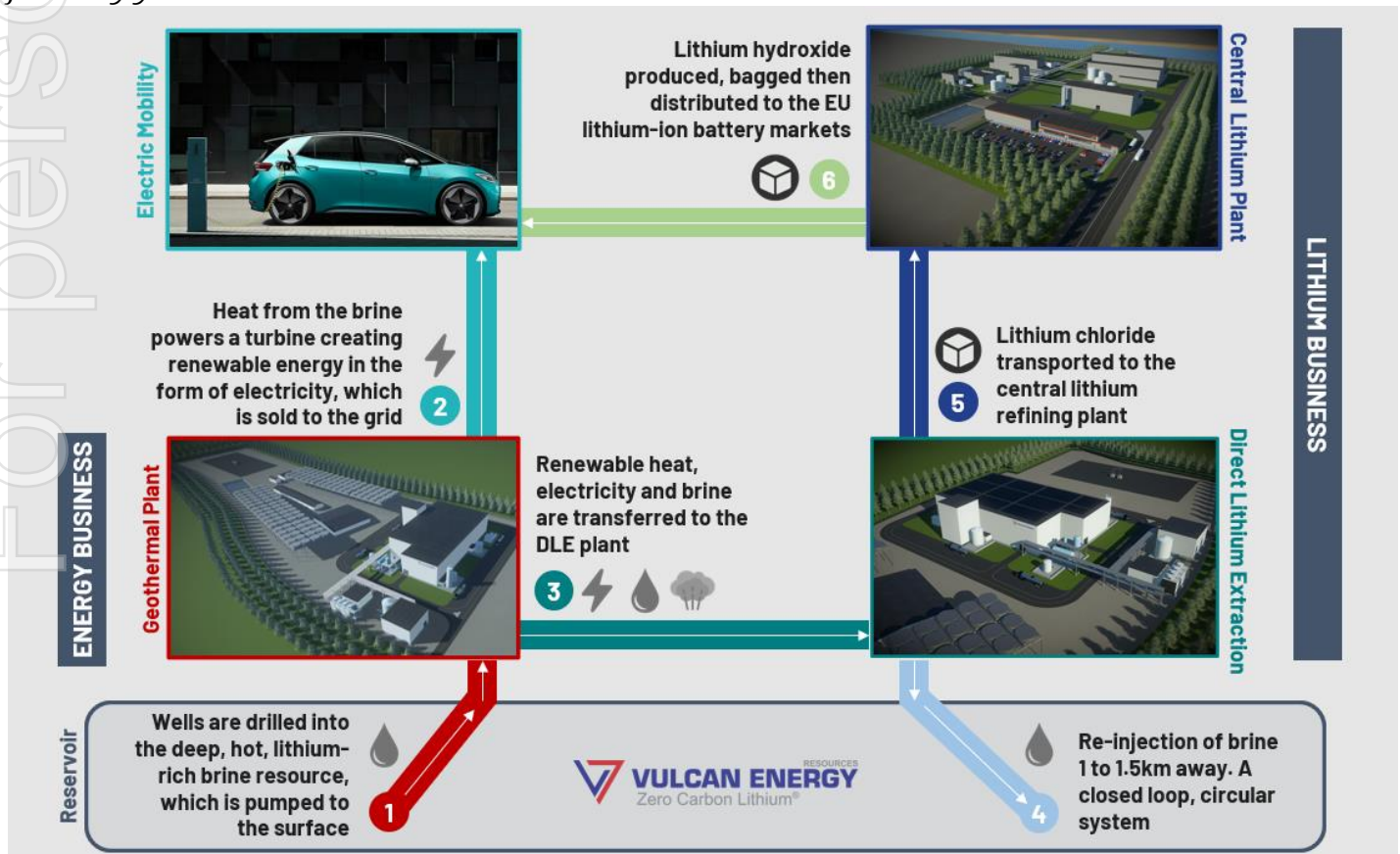
Vulcan Managing Director, Dr. Francis Wedin, commented: *“This legislative change demonstrates the German Government’s commitment to unlock more geothermal projects as part of its mission to decarbonise energy and industry. This decision is in line with the additional Federal support that is expected for the use of geothermal energy to decarbonise heating in Germany. The higher Feed-in Tariff will further improve Vulcan’s financial project modelling which is being used to finalise our Pre-Feasibility Study (PFS). After the European Battery Regulation announcement two weeks ago, this significant signal to all stakeholders, that geothermal energy is a vital and strongly supported part of the energy transition in Europe, provides further validation for Vulcan’s Zero Carbon Lithium® strategy.”*

Recent activities by the Company (<https://v-er.com/investor-centre/asx-announcements/>):

- Ortenau updated Indicated and Inferred Resource.
- European Commission Regulation on batteries & CO₂ footprint.
- Taro updated Indicated and Inferred Resource.
- Taro license grant and increased global Mineral Resource Estimate.
- Appointment of lithium, chemistry & automotive experts to the Executive Team.
- Excellent recoveries of over 90% from lithium extraction test work on Upper Rhine Valley brine.
- Securing EU backing support package into the Vulcan Zero Carbon Lithium® project.

About Vulcan

Vulcan Energy Resources is aiming to become the world's first Zero Carbon Lithium® producer, by producing a battery-quality lithium hydroxide chemical product with net zero carbon footprint from its combined geothermal and lithium resource, which is Europe's largest lithium resource, in the Upper Rhine Valley of Germany. Vulcan will use its unique Zero Carbon Lithium® process to produce both renewable geothermal energy, and lithium hydroxide, from the same deep brine source. In doing so, Vulcan will address lithium's EU market requirements by reducing the high carbon and water footprint of production, and total reliance on imports, mostly from China. Vulcan aims to supply the lithium-ion battery and electric vehicle market in Europe, which is the fastest growing in the world. Vulcan has a resource which can satisfy Europe's needs for the electric vehicle transition, from a zero-carbon source, for many years to come.



Zero Carbon Lithium®

For and on behalf of the Board

Robert Ierace

Chief Financial Officer - Company Secretary

For further information visit www.v-er.com

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Competent Person Statement:

The information in this report that relates to Mineral Resources is extracted from the ASX announcement made by Vulcan on the 15 December 2020, which is available on www.v-er.com. The information in this presentation that relates to the Scoping Study for the Vulcan Lithium Project is extracted from the ASX announcement "Positive Scoping Study – Vulcan Zero Carbon Lithium Project", released on the 21st of February 2020 which is available on www.v-er.com. The Company confirms that it is not aware of any new information or data 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.