

Fast Facts

Issued Capital: 108,791,364
Market Cap (@\$15.90): \$1.73b

Not for release to US wire services or distribution within United States

Vulcan launches A\$200 million Placement to accelerate exploration initiatives and expand its dual renewable energy and lithium development strategy

Highlights

- **Vulcan launches underwritten institutional placement to raise A\$200 million and announces non-underwritten share purchase plan available to eligible existing Vulcan shareholders to raise up to a further A\$20 million**
- **Proceeds from the Offer, together with existing cash, to be applied to:**
 - Targeted acquisition and refurbishment of exploration equipment;
 - Targeted acquisition and upgrade of existing brownfield energy and brine infrastructure;
 - Expanded project development; and
 - General working capital and costs of the Offer.
- **The Offer coincides with Vulcan's inclusion in the S&P/ASX300 index, which is set to occur on 17 September 2021**
- **Subject to shareholder approval, certain Vulcan directors will participate in a further placement to raise up to A\$1 million, at the same issue price as the placement and share purchase plan**
- **Funding to support Vulcan's goal of becoming the world's first Zero Carbon Lithium™ Company, with phase 1 production targeted for CY2024**

Vulcan Energy Resources Limited ("Vulcan" or the "Company") is pleased to announce the launch of an underwritten placement to sophisticated, professional and institutional investors to raise A\$200 million ("Placement"). In addition to the Placement, Vulcan intends to offer eligible existing Vulcan shareholders the opportunity to participate in a non-underwritten Share Purchase Plan to raise up to a further A\$20 million ("SPP"), (collectively the Placement and SPP are the "Offer").

Proceeds from the Offer, together with existing cash, will be used to accelerate exploration initiatives and expand Vulcan's dual renewable energy and lithium development strategy, with proceeds being applied to:

Highlights

Globally unique **Zero Carbon Lithium™** Project.

Combined lithium chemicals & renewable energy project in the Upper Rhine Valley of Germany.

EU's **largest** lithium resource.

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

Fast-track development towards supplying the EU's battery & electric vehicle industry.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Executive Director Germany
Dr Horst Kreuter

Non-Executive Director
Ranya Alkadamani


Non-Executive Director
Annie Liu

Non-Executive Director
Dr Heidi Grön

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1) Targeted acquisition and refurbishment of exploration equipment:

- Enables Vulcan to accelerate exploration initiatives and ensure timely project execution
- Reduces the likelihood of delays resulting from supply chain disruptions caused by COVID-19

2) Targeted acquisition and upgrade of existing brownfield energy and brine infrastructure:

- Expands Vulcan's dual development strategy by adding complementary existing renewable energy generation and future potential lithium production
- Brownfield nature of existing infrastructure significantly de-risks development of Vulcan's Zero Carbon Lithium™ Project

3) Expanded project development:

- Expanding the scope of current projects with the aim of increasing future targeted production to meet offtake demand
- Increased exploration data acquisition, land acquisition and feasibility costs to accommodate the above

4) General working capital and costs of the Offer:

- General working capital required to support significant investment in local expertise to accelerate on-the-ground development, and transactions cost associated with the Offer

Placement Details

The Placement will comprise the issue of approximately 14.8 million new fully paid ordinary shares ("**New Shares**") at an offer price of A\$13.50 per share, which represents a:

- 15.1% discount to the last closing price of A\$15.90 on 13 September 2021; and
- 8.7% discount to the 10-day volume weighted average price of A\$14.78, as at 13 September 2021.

New Shares will be issued under the Placement pursuant to the Company's placement capacity under ASX Listing Rules 7.1 and 7.1A, and rank pari passu with existing fully paid ordinary shares in Vulcan.

The Placement is underwritten.

Share Purchase Plan

Following the completion of the Placement, Vulcan intends to undertake a non-underwritten SPP to raise up to a further A\$20 million, which will be conducted at the same price as the Placement. Under the SPP, eligible existing shareholders on the Company's share register at 7.00pm (AEST) on Monday, 13 September 2021 with a registered address in Australia or New Zealand ("**Eligible Shareholders**") will be offered the opportunity to subscribe for up to A\$30,000 of new fully paid ordinary shares in the Company ("**SPP Shares**") at an offer price of A\$13.50 per SPP Share (being the same price as the Placement). No brokerage or commission will be payable for participation in the SPP.

SPP Shares issued under the SPP will rank pari passu with existing fully paid ordinary shares in Vulcan. The SPP offer booklet, containing further details of the SPP, is expected to be released on ASX and sent to Eligible Shareholders on Friday, 24 September 2021.

While Vulcan intends to raise up to A\$20 million under the SPP, Vulcan retains the right to accept oversubscriptions or to scale back applications (in whole or in part) at its absolute discretion, which may result in the SPP raising more or less than A\$20 million.



Participation in the SPP by Eligible Shareholders is optional.

Director Placement

In addition to the Placement and SPP, Vulcan intends to issue up to A\$1 million of New Shares to certain Vulcan directors (“**Director Placement**”). The Director Placement is not underwritten, does not form part of the Offer, and is subject to shareholder approval. Provided shareholder approval is obtained, the Director Placement will be conducted at an issue price of A\$13.50 per New Share, being the same price as under the Placement and SPP.

Timetable

The indicative key dates for the Placement and SPP are outlined below:

Event	Time (AEST) / Date
Placement	
Trading halt	Tuesday, 14 September 2021
Launch of Placement	Tuesday, 14 September 2021
Trading halt lifted and recommencement of trading	Thursday, 16 September 2021
Settlement of Placement	Tuesday, 21 September 2021
Allotment of Placement Shares	Wednesday, 22 September 2021
Share Purchase Plan	
Record Date to be eligible to participate in SPP	7:00pm on Monday, 13 September 2021
Dispatch of SPP documentation and SPP offer open date	Friday, 24 September 2021
SPP closing date	Wednesday, 13 October 2021
Announcement of SPP results and allotment of SPP Shares	Monday, 18 October 2021

Note: The Placement and SPP timetable is indicative only and subject to variation. The Company reserves the right to alter the timetable at its discretion and without notice, subject to ASX Listing Rules and the Corporations Act and other applicable law

Ashurst are Vulcan's Australian legal advisers in respect of the Offer.

For and on behalf of the Board

Daniel Tydde

Company Secretary

Disclaimer

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This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement (including the New Shares) have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (“**U.S. Securities Act**”) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law of any state or other jurisdiction of the United States.

This announcement contains certain “forward-looking statements”, including but not limited to the timing, outcome and intended use of proceeds of the Offer. Forward-looking statements can generally be identified by the use of forward-looking words such as ‘expect’, ‘anticipate’, ‘likely’, ‘intend’, ‘should’, ‘could’, ‘may’, ‘predict’, ‘plan’, ‘propose’, ‘will’, ‘believe’, ‘forecast’, ‘estimate’, ‘target’, ‘outlook’, ‘guidance’, ‘potential’ and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, statements relating to the impact of the Offer, the future performance and financial position of the Company, estimated synergies, the outcome and effects of the Offer and the use of proceeds. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements.

The forward-looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of the Company, its directors and management, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to the Company as at the date of this announcement. To the maximum extent permitted by law, the Company and its directors, officers, employees, advisers, agents and intermediaries disclaim any obligations or undertakings to release any updates or revisions to the information to reflect any changes in expectations or assumptions.

Nothing contained in this document shall form the basis of any contract or commitment, or constitute investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

