

NOT FOR DISTRIBUTION OR RELEASE, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, CANADA, JAPAN OR SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL. OTHER RESTRICTIONS ARE APPLICABLE. PLEASE SEE THE DISCLAIMER AT THE END OF THIS ANNOUNCEMENT

Vulcan successfully completes EUR 66m (A\$109m)¹ Placement to progress its integrated renewable energy and lithium project execution strategy

Vulcan Energy Resources Limited (ASX: VUL, FSE: VUL, “**Vulcan**”, “**the Company**”), is pleased to announce the successful completion of its fully underwritten placement to sophisticated, experienced, professional and institutional investors (“**Placement**”).

The Placement raised EUR 66m (A\$109m)¹ from the issue of 21.4 million new, fully paid ordinary shares (“**New Shares**”) at an offer price of A\$5.10 per New Share / EUR 3.08 per New Share.

The Placement was strongly supported by existing and new shareholders, including a number of global ESG-focused institutions. Settlement of the Placement is scheduled for Thursday, 11 May 2023, with commencement of trading of New Shares under the Placement expected to occur on Monday, 15 May 2023 on ASX and FSE, respectively.

Proceeds from the Placement, together with existing cash, will be used to progress Vulcan’s integrated renewable energy and lithium project execution strategy, with proceeds being applied to:

1) Ordering of long lead CAPEX items for Phase One Lithium Plant

- Ion exchange system
- Eluate & desalination reverse osmosis
- Direct Lithium Sorption package
- Evaporator and crystalliser system

2) Ordering of long lead items for Phase One Renewable Energy Plant

- Organic Rankine Cycle (ORC) type geothermal renewable energy plant for Phase One development

3) Other Phase One project execution CAPEX

- Drilling of initial new production/re-injection wells in Phase One area near current production wells, to increase current brine flow
- Acquisition of land for Lithium Extraction Plant and brine production sites

¹ Based on an Australian dollar offer price of A\$5.10 per New Share, and a EUR offer price of EUR 3.08 per New Share.

Contact

- VULSORB™ in-house lithium extraction sorbent co-investment for local commercial production, onshoring supply chain in Europe, away from China/Russia
- Engineering costs associated with Phase One execution including EPCM and bridge engineering

4) Phase Two project development

- 3D Seismic acquisition for Phase 2 development

5) General working capital, overhead, corporate costs and costs of the Placement

- General working capital required to support on-the-ground execution, and transaction costs associated with the Placement

Commenting on the completion of the Placement, Vulcan's Managing Director & CEO, Dr. Francis Wedin, said:

"We would like to sincerely thank our existing shareholders for their continued support and welcome our new shareholders, including ESG-focused institutional investors, onto the register. The ~300-strong Vulcan team remains focused on the execution of Phase One of our industry-leading Zero Carbon Lithium™ Project, providing the European market with critically-needed secure supply of sustainable, battery-grade lithium hydroxide for the electric vehicle market, as well as increased renewable energy supply for energy and climate security. The Placement positions us to continue delivering our integrated renewable energy and lithium project execution strategy, in line with the recently published DFS development plan.

"It is shaping up to be an exciting, transformative year for Vulcan, with planned start-up of optimisation plants towards training for commercial operational readiness, production well development to increase current brine flow, completion of bridging engineering, award of key contracts and ordering of commercial long lead items for our Phase One commercial plants.

"It is incredibly rewarding to see this take shape: to have the opportunity to be a part of physically building a substantial commercial project that is focused on decarbonisation and the energy transition. We look forward to sharing the next steps of the journey with our stakeholders."

Ashurst are Vulcan's Australian, German and US legal advisers in respect of the Placement.

About Vulcan

Founded in 2018, Vulcan's unique Zero Carbon Lithium™ Project aims to decarbonise lithium production, through developing the world's first net carbon neutral business, with the co-production of renewable geothermal energy on a mass scale. 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 net zero carbon strategy with strict 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 Europe², with license 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 Integrity, Leadership, Future-focused and Sustainability, and united by a passion for environmentalism 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 zero fossil fuel, net carbon neutral lithium while being nature positive. 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 net zero carbon future.



² According to public, JORC-compliant data. See Phase One DFS announcement, 13 February 2023.

Corporate Directory

Managing Director and CEO	Dr. Francis Wedin
Deputy CEO	Cris Moreno
Chairman	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
Non-Executive Director	Mark Skelton
Executive Director, Germany	Dr. Horst Kreuter
Company Secretary	Daniel Tydde

For and on behalf of the Board

Daniel Tydde | Company Secretary

Media and Investor Relations contact

Australia:

Annabel Roedhammer, Head of Investor Relations and PR | aroedhammer@v-er.eu | +61(0) 428 520 107

Germany:

Mareike Inhoff, Media Relations (Germany) | minhoff@v-er.eu | 0721 4807 02 39 / 0171 711 3860

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 May 2023	Annual General meeting
28 July 2023	June Quarterly
15 September 2023	Half Year Report
27 October 2023	September Quarterly

Disclaimer

Not an Offer

This Announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any securities in Vulcan (including New Shares). This Announcement has been made available for information purposes only and does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act, or any other offering document under Australian law or any other law, and is not subject to the disclosure requirements affecting disclosure documents under Chapter 6D of the Corporations Act.

This Announcement has been prepared for publication in Australia and does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction.

The distribution of this Announcement (including any electronic copy of this Announcement) outside Australia may be restricted by law. Persons who come into possession of this Announcement should observe any such restrictions, as any non-compliance could contravene applicable securities laws. By accessing this Announcement, you represent and warrant that you are entitled to receive such Announcement in accordance with these restrictions, and agree to be bound by the limitations contemplated by them.

This publication may not be published, distributed or transmitted in the United States, Canada, Japan or South Africa. This publication does not constitute an offer of securities for sale or a solicitation of an offer to purchase securities (including New Shares) of Vulcan in the United States, Canada, Japan or South Africa or any other jurisdiction in which such offer or solicitation is unlawful. The Securities of the Company may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Securities have not been, and will not be, registered under the Securities Act. The securities referred to herein may not be offered or sold in Canada, Japan or South Africa or to, or for the account or benefit of, any national, resident or citizen of Canada, Japan or South Africa, subject to certain exceptions.

This Announcement and the information contained herein is only addressed to and directed at persons in member states of the European Economic Area (each a "**Relevant State**") and the United Kingdom who are "qualified investors" within, in the case of member states of the European Economic Area, the meaning of Article 2(e) of Regulation (EU) 2017/1129 or within, in the case of the United Kingdom, the meaning of Article 2(e) of Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("**Qualified Investors**"). In addition, in the United Kingdom, the Information is being distributed only to, and is directed only at, Qualified Investors who are (i) "investment professionals" within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) high net worth companies, and other persons to whom it may otherwise lawfully be communicated falling within Article 49(2)(a) to (d) of the Order, or (iii) persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**"). This Announcement and the information contained therein must not be acted on or relied on (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in any Relevant State, by persons who are not Qualified Investors. Any investment or investment activity to which this Announcement and the information contained therein relates is available only to or will be engaged in only with, (i) Relevant Persons in the United Kingdom, and (ii) Qualified Investors in any Relevant State.

No investment or financial product advice

This Announcement, and the information provided in it, does not constitute, and is not intended to constitute, financial product or investment advice, or a recommendation to acquire New Shares, nor does it constitute, and is not intended to constitute, accounting, legal or tax advice. This Announcement does not, and will not, form any part of any contract for the acquisition of New Shares. This Announcement has been prepared without taking into account the objectives, financial or tax situation or particular needs of any individual. Before making an investment decision (including any investment in New Shares or Vulcan generally), prospective investors should consider the appropriateness of the information having regard to their own objectives, financial and tax situation and needs, and seek professional advice from their legal, financial, taxation or other independent adviser (having regard to the requirements of all relevant jurisdictions). Vulcan is not licensed to provide financial product advice in respect of an investment in shares. Cooling off rights do not apply to the acquisition of New Shares. Any investment in any publicly-traded company, including Vulcan, is subject to significant risks of loss of income and capital.

Forward-looking statements

This Announcement may contain certain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "target", "propose", "anticipate", "continue", "forecasts", "outlook" and "guidance", or other similar words (or the negative thereof). These forward-looking statements included all matters that are not historical facts. Such forward-looking statements may include, but are not limited to, statements regarding: the proposed use of proceeds from the Placement; the outcome and effects of the Placement; estimated mineral resources and ore reserves; forecast financial information (including revenue and EBITDA); permits and approvals; forecast lithium prices; expected future demand for lithium products; planned production and operating costs; planned capital requirements; planned strategies and corporate objectives; and expected construction and production commencement dates.

By their nature, forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated, including those generally associated with the lithium industry and/or resources exploration companies, including but not limited to the risk factors contained in the International Offering Circular released to the ASX on 4 May 2023.

These factors may include, but are not limited to, changes in commodity and renewable energy prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development (including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves), political and social risks, changes to the regulatory framework within which Vulcan operates or may in the future operate, environmental conditions including climate change and extreme weather conditions, geological and geotechnical events, environmental issues, the recruitment and retention of key personnel, industrial relations issues and litigation.

Any such forward-looking statements, opinions and estimates in this Announcement (including any statements about market and industry trends) are based on assumptions and contingencies, all of which are subject to change without notice, and may ultimately prove to be materially incorrect. Accordingly, prospective investors should consider any forward-looking statements in this Announcement in light of those disclosures, and not place undue reliance on any forward-looking statements (particularly in light of the current economic climate and significant volatility, uncertainty and disruption caused by the COVID-19 pandemic and the Russian invasion of Ukraine). Forward-looking statements are provided as a general guide only and should not be relied upon as, and are not, an indication or guarantee of future performance. All forward-looking statements involve significant elements of subjective judgement, assumptions as to future events that may not be correct, known and unknown risks, uncertainties and other factors – many of which are outside the control of Vulcan.

Except as required by applicable law or regulation (including the ASX Listing Rules), Vulcan does not make any representations, and provides no warranties, concerning the accuracy of any forward-looking statements, and disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or results, or otherwise. Neither Vulcan nor any of its directors, officers, agents, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this Announcement.