

ASX Release

28 May 2024

MOU Mining Partnership Agreement for the Goschen Project

VHM Limited ("VHM" or the "Company") is pleased to advise that it has entered into a Memorandum of Understanding (MOU) with Yellow Iron Fleet for mining services for the Goschen Project. Developing the fleet requirements and mining approach is a critical step on the pathway to production.

The parties intend to enter into a Mining Partnership Agreement for a period equal to the Life of Mine of the Company's Area 1 (Figure 1) and this period is expected to be in excess of seven years, unless terminated by the parties prior.

Yellow Iron Fleet is a privately owned mining solutions provider located in Central Victoria with extensive experience in large scale bulk earthworks and mineral sands mining operations. With a strong technical focus, Yellow Iron Fleet leverages its low-cost owner/operator mining fleet and its relationships with local operators.

The material terms of the MOU are as follows:

- The parties will establish contract pricing principles to form the basis for final contract negotiations.
- Yellow Iron Fleet will be responsible for:
 - The establishment of all mine site operating facilities.
 - The procurement and maintenance of mining fleet, plant, and equipment.
 - Recruitment and management of all mining operators, technical staff, and management.
- In accordance with the Company's Environmental Management Framework, the mining scope of work covers the following activities for the Life of Mine of Area 1:
 - Mining and rehabilitation activities.
 - Tailing management activities.
 - Loading of the Mining Unit Plant to feed the 5 Mtpa plant.
- The parties will also work together to develop further opportunities for Yellow Iron Fleet to participate in the Goschen Project through the delivery of additional complementary services.

The MOU is for a period of six months (unless extended by mutual agreement). During this period, a formal Mining Partnership Agreement is expected to be entered into containing appropriate conditions precedent. These conditions will allow the Company to obtain:

- All necessary approvals for the Project.
- Debt and equity financing for the Project.
- VHM Board approval for the Final Investment Decision for the Project.

Yellow Iron Fleet, Chief Executive Officer, Andy Hoare said: *“We are pleased to be partnering with VHM on this very exciting project. Our business has extensive experience within this region over many years and we are very humbled and proud to be able to contribute to the vision. VHM have been terrific to work with over recent months, and we look forward to a very successful partnership together”.*

VHM, Chief Executive Officer, Ron Douglas said: *“I am pleased to announce VHM and Yellow Iron Fleet have entered into this agreement. Yellow Iron Fleet is a professional mining services contractor with extensive experience in mineral sands operations and a culture that aligns with VHM. This is another major step on VHM’s path towards commencing construction at the Goschen Project.”*

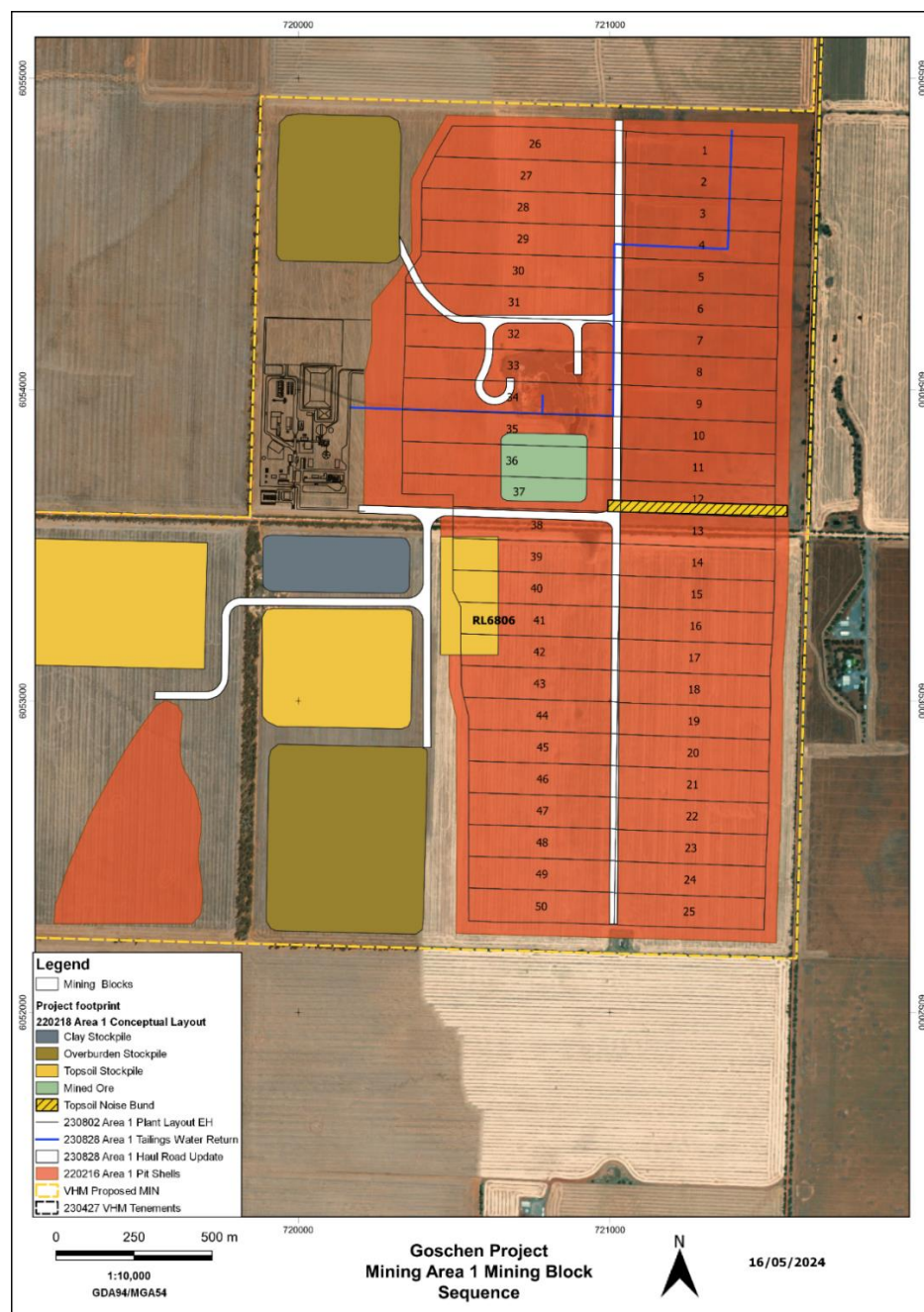
“This agreement underscores our shared vision of enhancing Australia’s critical minerals mining and processing capabilities, with a strong emphasis on delivering long-term benefits to the people and economy of the Loddon-Mallee region.”

“The Goschen Project is set to be a significant contributor to the region for over 20 years, and we are delighted to have Yellow Iron Fleet as our partner.”



Left to right: Andy Hoare YIF CEO and Owner, Ron Douglas VHM CEO, Bernie Hyde VHM EGM Projects and Trent Everest YIF GM.

Figure 1: Proposed mining Area 1



ENDS

This announcement has been approved by the Board of VHM Limited.

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About VHM Limited (ASX: VHM)

<https://www.vhmltd.com.au>

VHM's flagship Goschen Project is located in the Loddon-Mallee Region of North West Victoria and presents a compelling low-cost mine operation for high-grade rare earths and zircon-titania products. Goschen's dual commodity mix is an attractive economic opportunity to contribute to Australia's supply and trade position in the global critical minerals markets.

Approximately 70% of Goschen's revenue will come from rare earth products including neodymium, praseodymium, dysprosium, and terbium, which are critical for manufacturing electric vehicles, energy efficiency and technology.

About Yellow Iron Fleet

<https://www.yellowironfleet.com.au>

Yellow Iron Fleet is a privately owned earthmoving business offering Heavy Equipment Solutions for the Mining, Civil and Construction industries. Proudly based in Central Victoria, Yellow Iron Fleet offers complete mining contracting services, flexible rental solutions, machine sales, heavy haulage and crane hire services.

Yellow Iron Fleet strives to enhance the efficiency and productivity of their clients' projects while maintaining a strong focus on safety and environmental responsibility.