

Vital secures \$3.3M for rare earth stockpile

Key Highlights

- Vital to sell stockpiled rare earth material from North T deposit for C\$3 million (~A\$3.3M¹), superseding previous transaction announced in December 2023²;
- Stockpiled material to be sold to Saskatchewan Research Council (“SRC”), a Treasury Board Crown Corporation overseen by the Saskatchewan Government
- Government of Canada recognizes Nechalacho as a strategic asset that contributes to the country’s prosperity and critical minerals goals
- Vital is focused on developing the Tardiff deposit at Nechalacho and will deliver a Scoping Study for Tardiff in CY2024, leading to project advancement as part of a national vision to support value chain integration in Canada

Vital Metals Limited (ASX: **VML**) (“**Vital**”, “**Vital Metals**” or “the **Company**”) advises it has signed an agreement to sell its stockpiled rare earth material to the Saskatchewan Research Council (“**SRC**”) for C\$3,000,000 (“**the Agreement**”). The sale was facilitated by Natural Resources Canada (“**NRCan**”), and supersedes the prior transaction announced in December 2023. Vital’s stockpiled rare earth material was derived from earlier mining on Nechalacho’s North T deposit.

Under the Canadian Critical Minerals Strategy, Canada recognizes that critical minerals are strategic assets. Due to their important role in priority value chains including in electric vehicles, advanced manufacturing, and defence technologies, Rare Earth Elements (REE) are among the critical minerals identified.

Vital Managing Director Dr Geordie Mark said: *“This agreement highlights the strategic value and importance of the Nechalacho rare earths project, and the prioritization of a rare earths value chain in Canada.*

“This sale is also beneficial in deriving value from our work at Nechalacho as we continue to advance the Tardiff rare earths deposit as a long-life, large scale project with a Scoping Study to examine potential size and scalability of Tardiff on track for delivery by the end of 2024.”

¹ Assumed CAD/AUD of 1.10

² See VML ASX announcement 18 December 2023

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Terms of Agreement

- Parties to the agreement are the Saskatchewan Research Council (**SRC**), and Cheetah Resources Corp, a 100%-owned subsidiary of Vital Metals Limited ("**the Parties**");
- The purchase price of the stockpiled rare earth material is C\$3,000,000 ("**Purchase Price**")
- Payment terms are as follows:
 - 50% of the Purchase Price shall be payable by SRC within three (3) Business Days following the execution of the Agreement; and
 - 50% of the Purchase Price shall be payable by SRC in stages within a maximum of ten (10) Business Days following delivery and sorting of the Inventory.
- The Agreement may be terminated by either Party if the other Party is in material default of the Agreement and the defaulting Party fails to cure such default within ten (10) days of written notice of the default from the non-defaulting Party.

-ENDS-

Contact

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This announcement has been approved by the Board of Vital Metals Limited.

About Vital Metals

Vital Metals Limited (ASX: VML) is developing the large Nechalacho Rare Earth Project in Canada's Northwest Territories. Nechalacho has the potential to underpin a significant rare earths supply chain for North America with responsibly sourced critical minerals for the green economy transformation.

Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production output.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity 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 licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

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Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

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