

ASX ANNOUNCEMENT

28 January 2026

QUARTERLY ACTIVITIES REPORT

Period ending 31 December 2025

HIGHLIGHTS

Upstream – Australian Vanadium Project

- **Optimised Feasibility Study:** Phase 2 of the study is nearing finalisation, with engineering, cost estimation, test work and financial modelling substantially completed. Final study delivery and an updated Mineral Resource Estimate targeted for completion in Q1 CY2026.
- **Approvals and environmental programs:** Key regulatory approvals progressed, including receipt of section 45C and section 43A amendment approvals under the *Environmental Protection Act 1986 (WA)*. Subsequent to quarter end, a revised Environmental Review Document was submitted, a significant milestone towards final EPA approvals.

Midstream – Vanadium Electrolyte Manufacturing

- **Electrolyte manufacturing expansion planning:** Advanced development work on anticipated expansion of AVL's electrolyte manufacturing facility in Perth, with refinement of design and economic estimates to align with anticipated demand and VSUN Energy project opportunities, including the Western Australian Government's proposed Kalgoorlie Vanadium Battery Energy Storage System (**VBESS**) project.
- **Stakeholder and government engagement:** Hosted senior government and international delegations at the Perth vanadium electrolyte manufacturing facility.
- **Industry leadership and standards development:** Contributed to key industry forums and international standards development activities, including Project Blue's Critical Materials Forum and IEC working groups developing global standards for vanadium flow batteries.

Downstream – Vanadium in Energy Storage

- **Project Lumina:** The Company's subsidiary, VSUN Energy, continued to advance the design and development of Project Lumina, a cost-effective, scalable, turnkey, utility-scale energy storage system using vanadium flow battery (**VFB**) technology tailored for Australia's energy market conditions.
- **Market Development:** Western Australian Government opened the Expression of Interest process for proponents to deliver the 50 MW / 10-hour (500 MWh) Kalgoorlie VBESS project by 2029 on a build-own-operate basis, backed by a \$150 million funding commitment. AVL intends to lodge a response, leveraging the Company's integrated 'pit-to-battery' strategy and is well positioned to participate in this process with the benefit of Project Lumina, supported by AVL's established, local electrolyte production capability.

Corporate

- **Government funding and incentives:** Received a \$4.9 million milestone payment under the Federal Government’s Modern Manufacturing Initiative – Manufacturing Collaboration Stream (**MMI-C Grant**), bringing total receipts under the MMI-C Grant to \$29.4 million. Also received \$2.55 million under the Government’s R&D Tax Incentive, strengthening the Company’s cash position and supporting the Optimised Feasibility Study and downstream development initiatives.
- **Share consolidation:** Completed a 25:1 share consolidation following shareholder approval, simplifying the capital structure and enhancing institutional investor appeal.
- **Cash position:** Cash position of \$18.1 million as at 31 December 2025, including \$4.9 million of Federal government MMI-C Grant funds to be spent on eligible activities, and \$0.5 million in restricted cash.

CEO, Graham Arvidson comments, *“This quarter marked an important period for AVL, with tangible progress achieved across our upstream, midstream and downstream activities. The Optimised Feasibility Study for the Australian Vanadium Project is approaching completion, supported by detailed engineering, cost refinement and testing programs that are strengthening the quality and confidence of the final development plan. In parallel, we have advanced materially with key regulatory approvals and environmental programs to support an integrated project pathway.*

“Midstream, we continued to deepen engagement with vanadium flow battery partners through electrolyte qualification and performance testing, while progressing our positioning for competitive supply of larger ‘gigawatt-hour’ scale electrolyte production for projects like the Kalgoorlie VBESS project. These activities, alongside active participation in industry forums and international standards development, reflect AVL’s growing role in the global VFB ecosystem and our focus on building scalable, long-duration energy storage capability.

“At a corporate level, the receipt of further Federal Government grant proceeds and R&D tax incentive funding have strengthened AVL’s financial position. With the Western Australian Government’s Kalgoorlie VBESS Expression of Interest now underway, the Company is well positioned to demonstrate the advantages of its integrated vanadium platform and pursue opportunities that align with the nation’s objectives for a clean energy transition.”

Activities for the quarter ended 31 December 2025 for the Company are as follows:

The Company’s vertically integrated ‘pit-to-battery’ strategy links its upstream vanadium mining and processing operations with midstream electrolyte production and downstream deployment of utility-scale VFB energy storage systems through AVL’s wholly owned subsidiary, VSUN Energy Pty Ltd (**VSUN Energy**).



UPSTREAM – AUSTRALIAN VANADIUM PROJECT

The Company made significant progress in the development of its upstream mining and processing project, advancing detailed planning and engineering for the proposed mine and concentrator at Gabanintha near Meekatharra and the processing plant at Tenindewa near Geraldton, Western Australia.

Optimised Feasibility Study

The Company delivered material progress on Phase 2 of the Optimised Feasibility Study (OFS),¹ which is now nearing completion. Important elements of the work program advanced across key engineering and estimation disciplines, covering concentrator, processing plant, tailings storage facility, mining and logistics infrastructure.

Validation process test work continued both domestically and internationally, enhancing confidence in the design basis underpinning the final capital and operating cost estimates. Preliminary capital and operating estimates were completed for both the concentrator and processing plant, with value engineering initiatives continuing to refine and optimise costs. Financial modelling and preparation of the final study report are in advanced stages, with work toward delivering an updated Mineral Resource Estimate also well progressed.

The final phase of the OFS is targeted to be completed in Q1 CY2026, reflecting incorporation of additional testing, optimisation work and detailed engineering. The timing of OFS completion is not expected to affect the Company's broader project development strategy or funding schedule.

As announced during the quarter and noted in the previous Quarterly Activities Statement, AVL extended its land purchase option for the Tenindewa processing plant site in early September 2025.²

Approvals

The Company delivered significant milestones in relation to primary approvals for the Australian Vanadium Project, including approvals for modifications under sections 45C and 43A of the *Environmental Protection Act 1986 (WA)*:³

- The section 45C approval relates to minor modifications to the proposal as implemented under the existing Ministerial Statement for the Gabanintha Vanadium Project.
- The section 43A approval relates to minor modifications to the Environmental Review Document for the Australian Vanadium Project to enable project integration.

As a result of the approvals of these modifications and after the end of the quarter, AVL was able to submit a revised Environmental Review Document for the Australian Vanadium Project, a key milestone in securing remaining project EPA approvals.

Baseline environmental monitoring programs continued across both Gabanintha and Tenindewa, including air quality, noise and water sampling programs in support of ongoing regulatory compliance and project development.

¹ See ASX announcement dated 2 July 2024 'Completion of First Phase of Optimised Feasibility Study'

² See ASX announcement dated 3 September 2025 'Extension of Land Purchase Option'

³ See ASX announcement dated 18 December 2025 'EPA Approves Amendments'

MIDSTREAM – VANADIUM ELECTROLYTE MANUFACTURING

Electrolyte qualification

Commercial and technical engagement with leading global vanadium flow battery OEMs continued during the quarter. Analytical results supported the facility's demonstrated capability to produce electrolyte within required specifications.

AVL continued technical collaboration with multiple OEM partners, progressing battery cycling and performance testing, including preparations for long-duration testing using larger volumes of electrolyte produced at the Wangara facility, Western Australia.

Electrolyte manufacturing expansion options

AVL continued to evaluate expansion options for electrolyte manufacturing capacity at its Perth electrolyte manufacturing facility, to align with anticipated demand. Capital and operating cost estimates were further refined, strengthening confidence and development readiness to deploy competitive solutions at larger scale.

This work supports AVL's ability to respond efficiently to anticipated demand from VSUN Energy, including the Western Australian Government's proposed Kalgoorlie VBESS project and other utility-scale VFB battery energy storage system (**BESS**) opportunities.

Stakeholder engagement

During the quarter, AVL hosted an international delegation of journalists at its vanadium electrolyte manufacturing facility in Perth as part of the Australian Government Department of Foreign Affairs and Trade (**DFAT**) International Media Visit 2025 program. The delegation, comprising journalists from India, Indonesia, Germany, Austria, Vietnam and Brazil, visited Australia to examine the nation's climate leadership, technical innovation and progress toward net-zero emissions.

AVL also welcomed senior representatives from the Western Australian Department of Mines, Petroleum and Exploration (**DMPE**), including the Director General and Deputy Director General. The visit provided an opportunity to showcase the facility's operations, regulatory compliance and development progress.

These engagements provided a valuable platform to demonstrate AVL's electrolyte manufacturing capability, strengthen engagement with key government and industry stakeholders, and support broader domestic and international awareness of vanadium flow battery technology and vanadium electrolyte production.



Figure 1: DMPE Director General, Chris Shaw, and Deputy Director General, Andrew Chaplyn, visit AVL’s Electrolyte Facility with AVL COO, Todd Richardson, and Operations Manager, Simon Rough



Figure 2: Representatives of the Australian Government Department of Foreign Affairs and Trade (DFAT) and international delegation of journalists join AVL CEO, Graham Arvidson

Industry leadership

AVL participated in Project Blue’s Perth Critical Materials Forum during the quarter. AVL CEO, Graham Arvidson, delivered a presentation and took part in the panel discussion alongside senior leaders from industry, government and finance, contributing AVL’s perspective on the evolving critical materials landscape. The forum covered themes including critical materials in the new resource world order, Australia’s role in defence and new energy supply chains, and the nation’s competitiveness across major commodities.



Figure 3: CEO, Graham Arvidson, presenting at the Project Blue Critical Minerals Forum

AVL COO, Todd Richardson, and VSUN Energy Product Development Manager, Dr Yifeng Li, attended as the Australian representatives of the International Electrotechnical Commission Joint Working Group (IEC TC21 JWG7) in Dalian, China, in October. The working group is developing international standards for VFBs, supporting alignment on safety, performance and design requirements as the technology moves beyond large scale commercialisation to global scale. AVL's involvement helps ensure Australia is represented in the development of standards that will guide the global deployment of VFB technology including electrolyte.

While in China, Mr Richardson and Dr Li were grateful to have the opportunity to visit large scale operational VFBs and also the facilities of VFB supply chain leaders including Rongke Power, Wontai Power and Shanghai Electric, gaining valuable insights about the bright future of the vanadium supply chain and VFB industry in China.



Figure 4: AVL COO, Todd Richardson, and VSUN Energy Product Development Manager, Dr Yifeng Li, visit Rongke Power facilities in Dalian, China with Rongke Power Director, Min Tang, and Business Development Associate, Nick Wang

DOWNSTREAM – VANADIUM FLOW BATTERY ENERGY STORAGE SOLUTIONS

The Company continues to progress the delivery of its VFB energy storage solutions strategy through subsidiary VSUN Energy in response to Australia’s growing need for long-duration energy storage.

The successful deployment of VFBs in the Australian market is expected to provide AVL with an opportunity for offtake of its planned production of vanadium oxides from the Australian Vanadium Project and vanadium electrolyte from its completed electrolyte manufacturing facility, as part of the Company’s vertically integrated ‘pit-to-battery’ strategy.

Project Lumina

VSUN Energy, in conjunction with its early contractor involvement contractor Sedgman Pty Ltd (a CIMIC Group company), continues to advance the design and development of Project Lumina – a cost-effective, scalable, turnkey, utility-scale BESS using VFB technology tailored for Australia’s energy markets and hot climate conditions.

The potential deployment of VFB projects utilising Project Lumina technology is intended to support VSUN Energy’s positioning as a globally competitive supplier of downstream renewable energy infrastructure. Under this approach, AVL would supply vanadium electrolyte from its midstream vanadium electrolyte manufacturing facility, using vanadium oxides from its upstream Australian Vanadium Project, enabling execution of the Company’s vertically integrated Australian business model.

Expressions of Interest – Kalgoorlie VBESS

The Western Australian Government has announced that Stage One of the Expression of Interest (EOI) process has opened for the proposed Kalgoorlie VBESS project.⁴ The project aims to deliver a locally manufactured 50 MW / 10-hour (500 MWh) vanadium flow battery, supported by a \$150 million State Government funding commitment, and forms part of the State’s strategy to strengthen energy security in the Goldfields, develop a domestic vanadium supply chain and create skilled local employment.

AVL, through VSUN Energy, is well positioned to submit a response to the Stage One EOI, supported by its Australian, vertically integrated business across the vanadium value chain. This capability is underpinned by the Australian Vanadium Project to mine and produce vanadium oxides, AVL’s position as the only established vanadium electrolyte manufacturer in Western Australia⁵ and VSUN Energy’s operational experience delivering vanadium flow battery projects, including a deployment for Horizon Power.⁶

Stage One of the EOI process will remain open until 30 January 2026, with Stage Two expected in early to mid-2026 involving detailed evaluation of shortlisted submissions. The process is intended to identify a preferred proponent and enable access to the State Government’s proposed financial support as early as July 2026.

⁴ See ASX Announcement dated 25 November 2025 titled ‘EOI Open for Kalgoorlie VBESS’

⁵ See ASX announcement dated 19 March 2024 ‘Battery Ready Vanadium Electrolyte Produced’

⁶ See ASX announcement dated 16 September 2024 ‘Electrolyte Successfully Deployed in VFB for Horizon Power’

CORPORATE

International engagement

As reported in the previous Quarterly Activities Statement, in September 2025, CEO, Graham Arvidson, visited Seoul, South Korea, with strong engagement through Austrade and Invest and Trade WA.

In the December quarter, AVL has continued to build upon long standing relationships with potential strategic partners in South Korea including potential offtake, funding, development and technology partners. Following ongoing engagement in Seoul, strong engagement continued in Australia with participation at the December 2025 Korea-Australia Partnership Forum in Sydney, affording additional opportunities to connect with potential South Korean partners.

Following the recent Western Australian delegation to Japan with Premier Hon Roger Cook MLA, which was reported in the last Quarterly Activities Statement, AVL continued to build strong relationships with potential Japanese partners including potential offtake, funding, development and technology partners. During the visit to Japan, CEO Graham Arvidson was honoured to be hosted at Sumitomo Electric's factory in Osaka, Japan, where he toured the facilities underpinning their capability as a leading VFB supplier.

Share consolidation

Following Shareholder approval at the Company's Annual General Meeting on 20 November 2025, the Company undertook a share consolidation on a 25:1 basis. The consolidation was intended to create a more appropriate and effective capital structure, improve trading quality and enhance institutional and general investor appeal.⁷

On completion of the share consolidation, the Company reduced its issued capital from approximately 8.63 billion shares to approximately 346.7 million shares.⁸

Government Funding and R&D Tax Incentives Update

AVL received a \$4.9 million milestone payment from the Federal Government under the MMI-C Grant, bringing total receipts under the MMI-C Grant to \$29.4 million to date. Remaining MMI-C Grant payments of \$19.6 million are expected over FY27 and FY28, subject to achievement of milestones and compliance with grant conditions.⁹

AVL also received \$2.55 million under the Australian Government's R&D Tax Incentive for eligible R&D activities undertaken in the 2024/25 tax year.¹⁰ The refund strengthens the Company's cash position and is being applied to the OFS for the Australian Vanadium Project, advancing approvals workstreams and downstream initiatives.

⁷ See ASX announcement dated 21 October 2025, 'Proposed Share Consolidation'

⁸ See ASX announcement dated 26 November 2025, 'Completion of Share Consolidation'

⁹ See ASX announcement dated 8 October 2025 '\$4.9 Million Received from Federal Grant'

¹⁰ See ASX announcement dated 24 November 2025 AVL 'Receives \$2.55 Million R&D Refund for 2024/25 Tax Year'

Additional grant funding initiatives

AVL submitted an application to the Western Australian Government's Investment Attraction Fund (IAF) Round 2 Funding Stream which closed on 4 November 2025. Notification of IAF Round 2 outcomes is expected in April 2026. In parallel, AVL continues work on an application to potentially unlock grant funding from ARENA's \$500m Battery Breakthrough Initiative (BBI).

Secured US\$10 million Loan Facility

As announced during the quarter and noted in the previous Quarterly Activities Statement, the Company entered into a secured US\$10 million loan facility with major shareholder RCF Private Equity Fund I L.P. (formerly Resource Capital Fund VII L.P.) and Resource Capital Fund (Cardinal) L.P., managed by RCF Management L.L.C. (together, **RCF**).¹¹ The loan facility, which is now fully drawn,¹² provides AVL with prudent medium-term funding flexibility to continue key workstreams for the Australian Vanadium Project towards construction readiness and to advance its downstream initiatives.

Cash and expenditure

The Company had cash on hand of \$18.1 million as at 31 December 2025 (30 September 2025: \$4.6 million), including \$4.9 million to be spent on eligible activities under the MMI-C Grant and \$0.5 million in restricted cash.

Net cash inflow from operating activities for the quarter totalled \$5.1 million, comprising \$7.5 million received from the MMI-C Grant and tax incentives, \$1.0 million in staff costs, including non-capitalised salaries, on-costs, and Directors' fees, and \$1.0 million in administration and corporate expenses (refer to Items 1.2(d) and 1.2(e) respectively in the Appendix 5B). The Company continues to maintain a prudent and disciplined approach to expenditure and resourcing, with regular review of discretionary spending to ensure alignment with strategic priorities and the preservation of cash reserves.

Net cash outflow from investing activities for the quarter totalled \$5.6 million, primarily reflecting payment of stamp duty and related costs in connection with the February 2024 merger with Technology Metals Australia (\$3.7 million),¹³ combined with ongoing investment in advancing the OFS (refer to Item 2.1(d) of the Appendix 5B). Exploration and evaluation expenditure of \$1.9 million during the quarter included project-related staff costs and external consulting fees associated with the OFS, as well as costs relating to metallurgical test work, environmental approvals, and tenement rents and rates.

Net cash inflow from financing activities for the December quarter totalled \$14.0 million, comprising net loan proceeds (after transaction costs) from the drawdown of the loan facility established with RCF.

¹¹ See ASX announcement dated 30 September 2025 'AVL Agrees US\$10 Million Secured Loan Facility' and ASX announcement dated 2 October 2025 'Grant of ASX Listing Rule 10.1 Waiver'

¹² See ASX announcement dated 22 October 2025 'Receipt of Loan Funds'

¹³ See ASX announcement dated 1 February 2024 'Successful Implementation of AVL and TMT Merger'

Related Party Payments

Total payments to related parties and their associates included in the quarter's cash flows from operating activities amounted to \$68k. This includes Directors' fees, related superannuation and payments under employment agreements.

For further information, please contact:

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This announcement has been produced in accordance with the Company's published continuous disclosure policy and has been approved by the Board.

ABOUT AUSTRALIAN VANADIUM LTD

AVL is a resource company focused on vanadium, seeking to offer investors a unique exposure to all aspects of the vanadium value chain – from resource through to steel and energy storage opportunities. AVL is advancing the development of its world-class Australian Vanadium Project at Gabanintha. The Australian Vanadium Project is one of the most advanced vanadium projects being developed globally, with 395.4Mt at 0.77% vanadium pentoxide (V_2O_5), containing a high-grade zone of 173.2Mt at 1.09% V_2O_5 , reported in compliance with the JORC Code 2012 (see ASX announcement dated 7 May 2024 ‘39% Increase in High Grade Measured and Indicated Mineral Resource’).

VSUN Energy is AVL’s 100% owned renewable energy and energy storage subsidiary which is focused on developing the Australian market for vanadium flow batteries for long-duration energy storage. VSUN Energy was established in 2016 and is widely respected for its VFB expertise. AVL’s vertical integration strategy incorporates processing vanadium to high purity, manufacturing vanadium electrolyte and working with VSUN Energy as it develops projects based on renewable energy generation and VFB energy storage.

MINERAL RESOURCE ESTIMATE

The Australian Vanadium Project – Mineral Resource estimate by domain and resource classification using a nominal 0.4% V_2O_5 wireframed cut-off for low-grade and nominal 0.7% V_2O_5 wireframed cut-off for high-grade (total numbers may not add up due to rounding).

Zone	Category	Mt	V_2O_5 %	Fe %	TiO_2 %	SiO_2 %	Al_2O_3 %
HG	Measured	30.6	1.14	46.3	12.9	7.4	6.2
	Indicated	74.8	1.11	47.5	12.6	7.0	5.7
	Inferred	67.9	1.06	45.3	12.1	9.0	6.6
	Subtotal	173.2	1.09	46.5	12.5	7.8	6.1
LG	Indicated	61.8	0.55	26.1	7.1	26.6	16.3
	Inferred	142.5	0.48	24.9	6.6	28.9	15.2
	Subtotal	204.3	0.50	25.3	6.8	28.2	15.5
Transported	Inferred	17.9	0.65	31.0	7.3	24.1	14.4
	Subtotal	17.9	0.65	31.0	7.3	24.1	14.4
Total	Measured	30.6	1.13	46.3	12.9	7.4	6.2
	Indicated	136.6	0.85	37.8	10.1	15.8	10.5
	Inferred	228.2	0.66	31.4	8.3	22.6	12.6
	Subtotal	395.4	0.77	34.8	9.3	19.1	11.4

Note: Totals may not add up due to rounding

TENEMENT SCHEDULE

Tenement information as required by Listing Rule 5.3.3 for the quarter ended 31 December 2025:

Project	Tenements	Economic Interest	Notes	Change in Quarter %	
The Australian Vanadium Project	E 51/843	100% Granted ¹		Nil	
	E 51/1534	100% Granted ¹		Nil	
	E 51/1899	100% Granted		Nil	
	E 51/1943	100% Granted		Nil	
	E 51/1944	100% Granted		Nil	
	E 51/2067	100% Granted		Nil	
	E 51/2111	100% Granted		Nil	
	E 51/2215			100% Application	Nil
	G 51/37			100% Application	Nil
	G 51/38			100% Application	Nil
	G 51/39			100% Application	Nil
	L 51/116	100% Granted			Nil
	L 51/119	100% Granted			Nil
	L 51/130			100% Application	Nil
	L51/132			100% Application	Nil
	L51/133			100% Application	Nil
	L51/137			100% Application	Nil
	L51/141			100% Application	100%
	L51/142			100% Application	100%
	M 51/878	100% Granted ¹			Nil
	M 51/897			100% Application ¹	Nil
	P 51/3073	100% Granted			Nil
	P 51/3074	100% Granted			Nil
	P 51/3075	100% Granted			Nil
	P 51/3076	100% Granted			Nil
	P 51/3298			100% Application	Nil
	E 51/1510-I	100% Granted			Nil
	E 51/1818	100% Granted			Nil
	E 51/2056			100% Application	Nil
	E 51/2117			100% Application	Nil
	G 51/29	100% Granted			Nil
	G 51/30	100% Granted			Nil
	G 51/31	100% Granted			Nil
G 51/32			100% Application	Nil	
G 51/34			100% Application	Nil	
G 51/36	100% Granted			Nil	
L 51/101	100% Granted			Nil	

	L 51/102	100% Granted		Nil
	L 51/117	100% Granted		Nil
	L 51/121	100% Granted		Nil
	L 51/123		100% Application	Nil
	L 51/134		100% Application	Nil
	L 51/135	100% Granted		Nil
	M 51/883	100% Granted		Nil
	M 51/884	100% Granted		Nil
	P 51/3140	100% Granted		Nil
Nowthanna Hill	M 51/771	100% Granted		Nil
Peak Hill	E 52/3349	0.75% Net Smelter Return (NSR) Production Royalty	Expired	100%
Tumblegum South	M 51/888	0.75% NSR Production Royalty		Nil
Coates	E 70/4924-I	100% Granted		Nil
	E 70/5589		100% Application	Nil

Note 1: Australian Vanadium Limited retains 100% rights in V/U/Co/Cr/Ti/Li/Ta/Mn & iron ore on The Australian Vanadium Project. Bryah Resources Limited holds the Mineral Rights for all other minerals.

ASX CHAPTER 5 COMPLIANCE AND CAUTIONARY AND FORWARD-LOOKING STATEMENTS

ASX Listing Rule 5.23

The information in this announcement relating to mineral resource estimates for the Australian Vanadium Project is extracted from the announcement entitled '39% Increase in High Grade Measured and Indicated Mineral Resource' released to the ASX on 7 May 2024. The relevant announcement is available on the Company's website www.avl.au.

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 original market announcement 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.

Forward-Looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of AVL and certain of the plans and objectives of AVL with respect to these items.

These forward-looking statements are not historical facts but rather are based on AVL's current expectations, estimates and projections about the industry in which AVL operates and its beliefs and assumptions.

Words such as "anticipates," "considers," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the industry in which AVL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of AVL, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks include, but are not limited to resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

AVL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of AVL only as of the date of this release.

The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made.

AVL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

AUSTRALIAN VANADIUM LIMITED

ABN

90 116 221 740

Quarter ended ("current quarter")

31 DECEMBER 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(143)	(226)
	(b) development	-	-
	(c) production	(217)	(302)
	(d) staff costs	(1,027)	(2,214)
	(e) administration and corporate costs	(1,021)	(2,481)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	127	210
1.5	Interest and other costs of finance paid	(47)	(97)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	7,449	7,449
1.8	Other	(15)	(195)
1.9	Net cash from / (used in) operating activities	5,106	2,144

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(1,945)	(5,807)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)*	(3,654)	(3,654)
2.6	Net cash from / (used in) investing activities	(5,599)	(9,461)
	* Stamp duty and related costs in connection with the February 2024 merger with Technology Metals Australia.		

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	15,382	15,382
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	(1,375)	(1,445)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	14,007	13,937

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,597	11,491
4.2	Net cash from / (used in) operating activities (item 1.9 above)	5,106	2,144
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,599)	(9,461)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	14,007	13,937
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	18,111	18,111

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	777	2,613
5.2	Call deposits*	16,850	1,500
5.3	Bank overdrafts	-	-
5.4	Other (bank guarantees – restricted cash)	484	484
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	18,111	4,597
	* Includes \$4.9M to be spent on eligible activities as outlined in the Modern Manufacturing Initiative Collaboration Grant Agreement.		

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	68
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	14,941	14,941
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	14,941	14,941
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<p>On 30 September 2025, the Company announced that it had entered into a US\$10 million secured loan facility (the Loan) with majority shareholder RCF Private Equity Fund I L.P. (formerly Resource Capital Fund VII L.P) and Resource Capital Fund (Cardinal) L.P., a Delaware limited partnership managed by RCF Management L.L.C.</p> <p>The Company received the loan proceeds on 22 October 2025 (Financial Close). The Loan is fully drawn. The term of the Loan is twenty-four months after Financial Close.</p> <p>The interest applicable to the Loan is 8% plus the 3-month term Secured Overnight Financing Rate (SOFR), payable every three months from drawdown. Interest may be capitalised or paid in cash, at the Company's election.</p>	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	5,106
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,945)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	3,161
8.4 Cash and cash equivalents at quarter end (item 4.6)	18,111
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	18,111
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 JANUARY 2026

Authorised by: Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.