

18 June 2025

## STRATEGIC EQUITY AND OFFTAKE UPDATE: ACCELERATING POTENTIAL NEAR-TERM CASH FLOW INITIATIVES

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### HIGHLIGHTS

- ◆ As part of VR8's ongoing strategic equity and offtake process, VR8 is actively pursuing early-stage cash flow opportunities for the Steelpoortdrift Vanadium Project by advancing three initiatives in parallel:
    1. Direct Shipping Ore ("DSO") sales;
    2. Concentrate offtake via concentrator development; and
    3. Access to market adjacent third-party processing infrastructure.
  - ◆ Meaningful traction has already been made across each of the above listed initiatives, with counterparties engaged in discussions and preliminary agreements or proposals under active negotiation or consideration.
  - ◆ The refined strategy has the potential to generate near-term cash flow, contributing to self-funded development while preserving leverage to the longer-term recovery of the vanadium price.
  - ◆ The potential to establish DSO operations has been reinforced by the recently announced non-binding MOU with China Precious Asia Limited ("CPAL"), validating the Company's "near-term cash flow" strategy.
  - ◆ Steelpoortdrift is one of the world's largest and highest-grade undeveloped vanadium deposits. VR8 remains committed to maximising long-term value capture, including the future production of vanadium pentoxide flake, vanadium pentoxide powder, and other downstream vanadium products.
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Vanadium Resources Limited (ASX: VR8; DAX: TR3) ("VR8" or "the Company") is pleased to provide a strategic update on the development pathway for its Steelpoortdrift Vanadium Project ("Steelpoortdrift" or "the Project"), outlining a refined focus on near-term cash flow and early-stage production opportunities.

**Commenting on Strategic Equity & Offtake Update, Mr Jurie Wessels, Executive Chairman of VR8, said:**

*“We are pleased with the meaningful progress made in advancing multiple near-term commercial opportunities for the Steelpoortdrift Project. As announced yesterday, we are engaged in constructive discussions with CPAL regarding the potential for DSO sales. This initiative is complemented by other ongoing discussions focused on fast-tracked concentrator development and concentrate offtake, as well as initiatives aimed at accessing other advanced processing infrastructure. These discussions are being advanced in parallel with one another and are not mutually exclusive.*

*Our near-term objective is to unlock value from Steelpoortdrift in a disciplined manner that reflects current vanadium and broader resource market conditions. While all discussions remain preliminary and non-binding, the Project’s granted mining approvals and large, high-grade orebody provide a strong foundation from which we can evaluate multiple alternative development pathways.*

*If advanced to binding agreements, these initiatives have the potential to generate early-stage cash flow and contribute meaningfully to the Company’s staged development strategy. I look forward to keeping shareholders updated as further developments unfold.”*

## **STRATEGIC EQUITY AND DEVELOPMENT PATHWAY UPDATE**

Since completing the Definitive Feasibility Study (“DFS”) in October 2022, VR8 has progressed multiple strategic equity and offtake discussions aimed at supporting an immediate full-scale development scenario, which includes the funding and construction of a Salt Roast Leach (“SRL”) processing facility. Following extensive engagement with a variety of counterparties, the Company believes that Steelpoortdrift is uniquely positioned to capitalise on emerging early cash flow opportunities that do not rely on immediate SRL development. VR8 has begun to prioritise these opportunities as the optimal next step in the Project’s staged development pathway. Specifically, they cover three broad areas including:

- 1) **Direct Shipping Ore (DSO)**, generating near-term revenue through the sale of vanadium-bearing magnetite. This initiative has recently been advanced in the form of a non-binding MoU with CPAL for the supply of 1.2Mtpa of magnetite DSO over two years<sup>1</sup>;
- 2) **Concentrator development and concentrate offtake**, enabling the production of high-grade, high-quality concentrate for sale to nearby third-party processing facilities; and
- 3) **Third-party processing options**, through the acquisition of, or access to, existing market adjacent infrastructure, which could produce products such as V<sub>2</sub>O<sub>5</sub> flake, vanadium-pig iron, and vanadium nitride (“VN”).

Significantly to date, tangible progress has been made across all three of these initiatives. Whilst negotiations remain either non-binding or ongoing, the scale and visibility of opportunities within VR8’s pipeline give the Company confidence to prioritise potential near-term cash flow initiatives as part of its ongoing strategic equity and offtake process. Each pathway is being advanced in parallel, and VR8 believes that the successful execution of one or more of these initiatives could generate meaningful near-term operating cash flow.

## **MAXIMISING POTENTIAL NEAR-TERM CASH FLOW & PRESERVING LONG-TERM LEVERAGE**

While VR8 remains confident in the long-term fundamentals of the vanadium market and its strategic importance to the global economy<sup>2</sup>, current depressed pricing has constrained the Company’s ability to

<sup>1</sup> Refer to ASX release, 17 June 2025, “Updated DSO Offtake MOU Signed to Unlock Early Cashflow”

<sup>2</sup> Refer to “Global Critical Minerals Outlook 2025” published by the International Energy Agency (IEA)

secure strategic equity on terms favourable for immediate SRL funding and construction. Consequently, VR8 is prioritising low-CAPEX, fast-to-market production pathways that support self-funded development, whilst preserving the option to pursue full-scale development once vanadium market conditions materially improve.

Significantly, VR8's ability to capitalise on near-term cash flow opportunities is underpinned by the large, high-grade, and shallow orebody at Steelpoortdrift, as well as the Project's granted mining approvals and technical readiness. These unique advantages have allowed VR8 to adapt to evolving market conditions by pursuing complementary development opportunities in the region.

This announcement has been approved for release by the Board of Vanadium Resources Limited.

**For further information, please visit <https://vr8.global> or contact:**

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## APPENDIX 1 – MINERAL RESOURCE ESTIMATE

The Mineral Resource statement as reported on 4 October 2022<sup>3</sup> was as follows:

**Table 1: Mineral Resource Estimate (as at 30 April 2022)**

CLASSIFICATION	VOLUME (M m <sup>3</sup> )	QUANTITY (Mt)	QUALITY % V <sub>2</sub> O <sub>5</sub> (In-situ)	CONTAINED V <sub>2</sub> O <sub>5</sub> (Mt)	QUALITY % Fe <sub>2</sub> O (In-Situ)	CONTAINED Fe <sub>2</sub> O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
<b>Total Mineral Resource</b>	<b>205.93</b>	<b>680.13</b>	<b>0.70</b>	<b>4.74</b>	<b>22.76</b>	<b>154.80</b>

Source: Sound Mining, 2022

Notes:

- Stated at a cut-off grade of 0.45% V<sub>2</sub>O<sub>5</sub>;
- The Mineral Resources are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The Mineral Resources are inclusive of Ore Reserves; and
- Reported in-situ with any apparent computational errors due to rounding not considered significant.

## APPENDIX 2 – ORE RESERVE

The updated Ore Reserve statement as at 30 September 2022 was as follows:

**Table 2: Ore Reserves as at 30 September 2022**

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V <sub>2</sub> O <sub>5</sub> RoM)	CONTAINED V <sub>2</sub> O <sub>5</sub> (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
<b>Total Ore Reserves</b>	<b>76.86</b>	<b>0.72%</b>	<b>0.55</b>

Source: Sound Mining, 2022

Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed;
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the Grade reported as a percentage of contained V<sub>2</sub>O<sub>5</sub>;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

<sup>3</sup> Refer to ASX Announcement 4 October 2022 "VR8 Updates Mineral Resource and Ore Reserve for the Steelpoortdrift Vanadium Project"

## Competent Person's Statement and Compliance Statements

The information in the referenced announcements 3 footnoted above in this announcement that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. 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.

### Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*) Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. 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.

### Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*). 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.

## Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

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