



ASX ANNOUNCEMENT

30 September 2025

AVL AGREES US\$10 MILLION SECURED LOAN FACILITY

KEY POINTS

- US\$10 million secured loan facility agreed with major shareholder RCF Private Equity Fund I L.P. (formerly known as Resource Capital Fund VII L.P.) and Resource Capital Fund (Cardinal) L.P., a Delaware limited partnership which is managed by RCF Management L.L.C..
- The Loan Facility provides prudent medium-term funding, giving AVL the time and flexibility to progress key workstreams for the Australian Vanadium Project (Project) towards construction readiness and to advance its downstream initiatives.
- The Loan Facility will also support the Company's preparations for the Western Australian Government's anticipated Expression of Interest (EOI) for a 500MWh Vanadium Battery Energy Storage System (VBESS) in Kalgoorlie, expected in the second half of 2025.
- Following satisfaction of various customary conditions precedent, full drawdown of the Loan Facility is expected to occur during October 2025.

Australian Vanadium Limited (ASX: AVL, the Company or AVL) is pleased to announce that it has entered into a secured US\$10 million loan facility (**Loan Facility**) with major shareholder RCF Private Equity Fund I L.P. (formerly known as Resource Capital Fund VII L.P.) and Resource Capital Fund (Cardinal) L.P., a Delaware limited partnership which is managed by RCF Management L.L.C. (together, **RCF**).

A summary of the key terms of the Loan Facility can be found in Appendix A.

Commenting on the Loan Facility, AVL's CEO, Graham Arvidson, said:

"AVL is pleased to secure the US\$10 million loan facility from RCF, who we consider continues to be a long-term supportive shareholder and capital provider to the Company. This funding will enable the Company to continue advancing the Optimised Feasibility Study and approvals at the Australian Vanadium Project, pay the stamp duty liability arising from the Technology Metals Australia Pty Ltd merger and, importantly, provides additional funding for our downstream strategy, which includes Project Lumina and strengthening our ability to participate in the expected tender process for the Western Australian Government's proposed 500MWh VBESS project in Kalgoorlie."

Following a market sounding process, and having regard to availability, cost, certainty and timing, the AVL Board determined, in consultation with its financial adviser, that the RCF proposal represented the most favourable option for shareholders in the circumstances, noting RCF's alignment with the success of the business as a significant existing shareholder.

The Loan Facility forms an interim step within AVL's broader capital strategy, whilst the Company continues to progress its vertically integrated strategy to support its ambition to become a globally competitive supplier of battery-grade vanadium products and energy storage solutions.

Advisers

Sternship Advisers acted as financial adviser and Corrs Chambers Westgarth acted as legal adviser to the Company in relation to the Loan Facility.

For further information, please contact:

Graham Arvidson, CEO

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This announcement has been approved 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 VFBs for long duration energy storage. VSUN Energy was set up 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% V₂O₅ wireframed cut-off for low-grade and nominal 0.7% V₂O₅ wireframed cut-off for high-grade (total numbers may not add up due to rounding).

Zone	Category	Mt	V ₂ O ₅ %	Fe %	TiO ₂ %	SiO ₂ %	Al ₂ O 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

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 which 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 announcement, 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 announcement.

Forward-Looking Statements

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future matters. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause AVL's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in technology development, mine development and production, technology advancement, battery development, geological, mining and processing technical problems, skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations including labour stoppages, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. There can be no assurance that forward-looking statements will prove to be correct.

Appendix A: Key Terms of Loan Facility

Lenders	RCF Private Equity Fund I L.P. (RCF PE 1) (formerly known as Resource Capital Fund VII L.P.) and Resource Capital Fund (Cardinal) L.P., a Delaware limited partnership which is managed by RCF Management L.L.C.
Borrower	Australian Vanadium Limited
Guarantors	Each direct and indirect subsidiary of the Borrower (other than Australian Uranium Pty Ltd, Cabe Resources Pty Ltd and the South African company South African Lithium (Pty) Ltd, each of which is a dormant company).
Principal	US\$10 million
Term	Twenty-four months after Financial Close.
Interest	8% + 3-month term SOFR, payable every three months from drawdown. Interest may be capitalised or paid in cash, at the Company's election.
Default interest	Interest plus 4%. Applies at any time an event of default is continuing and to any overdue amounts.
Establishment fee	4% of the principal, deducted from the drawdown proceeds.
Availability Period	30 days following the satisfaction or waiver by the Lenders of conditions precedent to drawdown.
Repayment	No amortisation. Bullet repayment at maturity.
Security	Full security package including security over all assets of AVL and each guarantor, and mortgages over the tenements of the Australian Vanadium Project (subject to limited agreed exceptions and any required consents being obtained).
Conditions precedent to drawdown	In addition to customary conditions to drawdown, receipt of a waiver from ASX Listing Rule 10.1 or requisite shareholder approval and perfection of security (with certain steps related to the perfection of security being conditions subsequent to drawdown).
Minimum cash balance loan covenant	The Borrower must ensure that the AVL group's consolidated cash balance (less amounts that are (a) not freely available to meet general obligations to trade creditors and (b) related to any grant from the Commonwealth of Australia or any other governmental or third-party source) exceeds A\$2 million at all times.
Unlisted options	<p>(a) 431,732,904 options (equal to 5% of the AVL's current issued capital) to be issued to RCF PE 1;</p> <p>(b) Exercise price equal to a 40% premium to the 30-day VWAP as at the date of the Loan Facility being A\$0.0139; and</p> <p>(c) 5-year expiry.</p> <p>All options will be issued under the Company's existing ASX LR 7.1 capacity without shareholder approval.</p>
Other terms	Other customary terms including events of default, undertakings and representations and warranties.