



Notice of Annual General Meeting Explanatory Statement and Proxy Form

Date of Meeting

20 November 2025

Time of Meeting

2.00 pm (AWST)

Place of Meeting

Corrs Chambers Westgarth
Level 6, Brookfield Place
123 St Georges Terrace
Perth WA 6000

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Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of members of Australian Vanadium Limited (ASX: **AVL** or the **Company**) will be held on 20 November 2025, commencing at 2.00 pm (AWST) at Level 6, Brookfield Place, 123 St Georges Terrace, Perth, Western Australia.

The enclosed Explanatory Statement accompanies and forms part of this Notice of Annual General Meeting.

AGENDA

Ordinary Business

Accounts and Reports

To receive and consider the annual financial report for the financial year ended 30 June 2025, together with the reports by Directors and auditors thereon.

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. Adoption of Remuneration Report

To consider and, if thought fit, to pass, the following as a non-binding resolution:

"That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report set out in the Company's Annual Report for the financial year ended 30 June 2025 be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition Statement:

The Company will disregard any votes cast in favour of this Resolution:

- a. by or on behalf of a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report, or their Closely Related Parties, regardless of the capacity in which the votes are cast; or
- b. by a person who is a member of the Key Management Personnel at the date of the Annual General Meeting, or their Closely Related Parties, as a proxy.

However, votes will not be disregarded if they are cast by a person (the voter) as a proxy for a person entitled to vote on this Resolution and either:

- a. the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or
- b. the voter is the Chair and the appointment of the Chair as proxy:
 - i. does not specify the way the proxy is to vote on this Resolution; and
 - ii. expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. Re-election of Director (Mr Daniel Harris)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 14.5, rule 7.3(d) of the Constitution and for all other purposes, Mr Daniel Harris, being a Director of the Company who retires by rotation and, being eligible, offers himself for re-election, be re-elected as a Director."

Special Business

3. Ratification of Agreement to Issue Options

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the agreement to issue 431,732,904 Options to RCF Private Equity Fund I L.P. pursuant to the Loan Facility on the terms and conditions set out in the Explanatory Statement forming part of this Notice."

Voting Exclusion Statement in respect of Resolution 3:

The Company will disregard any votes cast in favour of the Resolution by RCF Private Equity Fund I L.P. or an associate of RCF Private Equity Fund I L.P.

However, this does not apply to a vote cast in favour of the Resolution by:

- a. a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- b. the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. Ratification of Agreement to Issue Shares

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purpose of Listing Rule 7.4 and for all other purposes, the Company ratify the agreement to issue up to that number of Shares determined in accordance with the formula set out in the Explanatory Statement to Sternship Advisers for financial advisory services provided to the Company and otherwise on the terms and conditions set out in the Explanatory Statement forming part of this Notice."

Voting Exclusion Statement in respect of Resolution 4:

The Company will disregard any votes cast in favour of the Resolution by Sternship Advisers or an associate of Sternship Advisers.

However, this does not apply to a vote cast in favour of the Resolution by:

- d. a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- e. the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or
- f. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

5. Approval of 10% Placement Capacity

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, for the purpose of Listing Rule 7.1A and for all other purposes, approval is given for the issue of Equity Securities totalling up to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement forming part of this Notice."

Voting Exclusion Statement in respect of Resolution 5:

The Company will disregard any votes cast in favour of the Resolution by or on behalf of:

- a. any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of Shares); or
- b. an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- a. a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way; or
- b. the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the resolution as the Chair decides; or

- c. a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - i. the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - ii. the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

6. Share Consolidation

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

"That, for the purpose of section 254H(1) of the Corporations Act, rule 2.3 of the Company's Constitution and for all other purposes, approval is given for the Company to consolidate its issued Share capital on a 25 for 1 basis (such that every twenty five (25) Shares be consolidated into one (1) Share), with any resulting fractions of a Share rounded up to the next whole number of Shares, and a corresponding consolidation of all other securities on issue, with the consolidation to take effect in accordance with the timetable and otherwise on the terms and conditions set out in the Explanatory Statement that forms part of this Notice of Meeting."

BY ORDER OF THE BOARD



Neville Bassett
Company Secretary
21 OCTOBER 2025

Important Information

Time and place of meeting

Notice is given that the Annual General Meeting of the Shareholders to which this Notice of Meeting relates will be held at 2.00 pm (AWST) on 20 November 2025 at:

Corrs Chambers Westgarth Level 6, Brookfield Place 123 St Georges Terrace Perth WA 6000

Your vote is important

The business of the Annual General Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 2.00 pm (AWST) time on 18 November 2025.

Voting in person

To vote in person, attend the Annual General Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

Sections 250BB and 250BC of the Corporations Act provide that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does:**

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the Chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - o the proxy is not recorded as attending the meeting;
 - o the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Explanatory Statement

1. Introduction

This Explanatory Statement has been prepared for the information of members of Australian Vanadium Limited (ASX: **AVL** or the **Company**) in connection with the business to be conducted at the Annual General Meeting of members to be held at the offices of Corrs Chambers Westgarth located at Level 6, Brookfield Place, 123 St Georges Terrace, Perth, Western Australia on 20 November 2025 at 2.00 pm (AWST).

This Explanatory Statement forms part of and should be read in conjunction with the accompanying Notice of Annual General Meeting.

2. 2025 Annual Report

In accordance with the requirements of the Constitution and the Corporations Act, the 2025 Annual Report including the audit report will be tabled at the Annual General Meeting. Shareholders will have the opportunity of discussing the Annual Report and making comments and raising queries in relation to the Report. There is no requirement for a formal resolution on this item.

Representatives from the Company's auditors, BDO Audit Pty Ltd, will be present to take Shareholders' questions and comments about the conduct of the audit and the preparation and content of the audit report.

Annual Report Online

Shareholders who have not elected to receive a hard copy of the Annual Report can access the report on the Company's website at www.avl.au.

3. Adoption of Remuneration Report – Resolution 1

3.1 General

Pursuant to section 250R(2) of the Corporations Act, the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report for the year ended 30 June 2025 contains the Remuneration Report which sets out the remuneration policy for the Company and reports on the remuneration arrangements in place for the Directors and Key Management Personnel.

Resolution 1 is advisory only and does not bind the Directors or the Company. Of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

A reasonable opportunity will be provided for discussion of the Remuneration Report at the Annual General Meeting.

3.2 Voting consequences

If at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report in two consecutive Annual General Meetings, the Company will be required to put to Shareholders a resolution proposing the calling of an extraordinary general meeting to consider the appointment of Directors of the Company (**Spill Resolution**) at the second Annual General Meeting.

If more than 50% of Shareholders vote in favour of the Spill Resolution, the Company must convene the extraordinary general meeting (**Spill Meeting**) within 90 days of the second Annual General Meeting.

At the Company's previous Annual General Meeting the votes cast against the remuneration report considered at that Annual General Meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Annual General Meeting.

3.3 Directors' recommendation

Noting that each Director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Board recommends that Shareholders vote in favour of Resolution 1.

4. Re-election of Director (Mr Daniel Harris) – Resolution 2

4.1 General

Resolution 2 relates to the re-election of Mr Daniel Harris as a Director.

In accordance with the requirements of clause 7.2(e) of the Constitution and Listing Rule 14.5, the Company must hold an election of Directors at each annual general meeting of the Company.

In accordance with clause 7.3(a) of the Constitution and Listing Rule 14.5, no Director (except a Managing Director) shall hold office for a period in excess of 3 years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

Given that Mr Harris, Mr Peter Watson and Ms Miriam Stanborough have all been elected or re-elected at the same time at the Company's 2023 annual general meeting held on 16 November 2023, and Mr Cliff Lawrenson and Ms Jo Gaines have been elected or re-elected at the same time at the Company's 2024 annual general meeting held on 21 November 2024, no Director is currently required to stand for re-election. Additionally, no person has been nominated for appointment as a new Director.

Pursuant to clause 7.3(d) of the Constitution, if no Director is required to stand for re-election at the Company's annual general meeting and no person has been nominated for appointment as a new Director pursuant to Rule 7.2(f) of the Constitution, then a Director must retire at the Company's annual general meeting which shall be:

- the Director who has held their office as Director the longest period of time since their last election to that office; and
- if 2 or more Directors have held office for the same period of time since their last election, those Directors determined by the drawing of lots, unless those Directors agree otherwise.

Accordingly, the Directors have agreed that Mr Harris, who has served as a Director since 1 February 2017, and was last re-elected on 16 November 2023, will retire at the Meeting in accordance with rule 7.3(d) of the Constitution and Listing Rule 14.5 and, being eligible, seeks re-election from Shareholders.

If Resolution 2 is passed, Mr Harris will retire at the conclusion of the Meeting and will be immediately re-elected as a Director. If Resolution 2 is not approved by the Shareholders, Mr Harris will cease to be a Director at the conclusion of the Meeting.

4.2 Qualifications and other material directorships

Mr Daniel Harris BSC (Chem Eng) (Non-Executive Director)

Mr Harris brings with him a vast amount of expertise in the vanadium industry and an understanding of the resource sector from both a technical and financial perspective. Recent roles include the interim CEO and Managing Director at Atlas Iron Limited; CEO & Chief Operating Officer at Atlantic Ltd; Vice President & Head of Vanadium Assets at Evraz Group; Managing Director at Vametco Alloys; General Manager of Vanadium Operations at Strategic Minerals Corporation and an independent technical and executive consultant to GSA Environmental Limited in the United Kingdom.

Mr Harris is currently a Non-Executive Director of the following ASX listed company:

- QEM Limited – since 19 March 2018

He is also a former Director of Red Hawk Mining Ltd until its takeover by FMG Pilbara Pty Ltd (a wholly-owned subsidiary of Fortescue Limited) in February 2025.

Mr Harris also serves on the following Committees of the Company:

- Chair of the Audit & Risk Committee
- Member of the Remuneration, Nomination and Governance Committee
- Member of the Technical and Sustainability Committee

4.3 Independence

Mr Harris has no interests, position, association or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company and its security holders generally.

If elected, the Board considers Mr Harris to be an independent Director.

4.4 Directors' recommendation

The Board has reviewed Mr Harris's performance since his appointment to the Board and considers that his skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, all the Directors, except for Mr Harris, recommend that Shareholders vote in favour of Resolution 2.

5. Ratification of Agreement to Issue Options – Resolution 3

5.1 General

As announced on 30 September 2025, the Company entered into a secured US\$10 million 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**) (**Loan Facility**).

Pursuant to the terms of the Loan Facility, the Company agreed to issue to RCF Private Equity Fund I L.P. 431,732,904 unquoted options in the Company, exercisable at \$0.0139 each and expiring on the date that is 5 years after the issue date (**Options**). The Options are expected to be issued to RCF Private Equity Fund I L.P. prior to the proposed consolidation of the Company's issued capital (for which Shareholder approval is sought under Resolution 6). If Resolution 6 is passed, the Options will be consolidated in the ratio and otherwise on the terms and conditions set out in section 8.

The Options will be issued pursuant to the Company's available placement capacity under Listing Rule 7.1. Accordingly, Shareholder approval for the issue of the Options is not required and the issue of the Options will not breach Listing Rule 7.1 at the time of issue.

Resolutions 3 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the proposed issue of the Options by the Company pursuant to the Loan Facility.

5.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12-month period.

The issue of the Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it will, once issued, effectively use up part of the Company's 15% annual placement limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Options.

5.3 Listing Rule 7.4

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of, or agreement to issue, securities made pursuant to Listing Rule 7.1 (and provided that the previous issue or agreement to issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue Equity Securities in the future without the requirement to obtain prior Shareholder approval. To this end, Resolution 3 seeks Shareholder approval for the proposed issue of the Options pursuant to the Loan Facility under and for the purposes of Listing Rule 7.4 and for all other purposes.

5.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, the Options, once issued, will be treated as if they were issued with the prior approval of Shareholders and so will be excluded in calculating the Company's available capacity under Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Options.

If Resolution 3 is not passed, the Options, once issued, will be included in calculating the Company's available capacity pursuant Listing Rule 7.1, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Options.

5.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the proposed issue of the Options pursuant to the Loan Facility:

a. The names of the persons to whom the Company agreed to issue the securities

The Options will be issued to RCF Private Equity Fund I L.P., a related entity of RCF which is a substantial Shareholder of the Company.

b. Number and class of securities agreed to be issued

431,732,904 unquoted Options will be issued to RCF Private Equity Fund I L.P. pursuant to the Loan Facility.

c. Summary of the material terms of the securities (for non-fully paid ordinary securities)

The terms and conditions of the Options are set out in Schedule 1.

d. Date of issue

The Options will be issued on the date of the first drawdown by the Company under the Loan Facility (which is expected by the end of October 2025) and in any event by no later than three months after the date of this Meeting.

e. Price or consideration at which the securities will be issued

The Options are proposed to be issued in consideration of RCF entering into, and providing the loans under, the Loan Facility. The Options will be issued for nil monetary consideration and an exercise price of A\$0.0139 per Option.

f. Purpose of the issue

The Options are proposed to be issued pursuant to, and in consideration of, RCF entering into and providing the loans under the Loan Facility.

g. Summary of material terms of relevant agreement

As noted above, the terms and conditions of the Options are set out in Schedule 1. However, given that the Options will be issued pursuant to the Loan Facility, the key terms of the Loan Facility are set out in the table below (as announced to the ASX on 30 September 2025):

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. No early repayment penalty applies.

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	(a) 431,732,904 options (equal to 5% of the AVL's current issued capital) to be issued to RCF PE 1; (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 (c) 5-year expiry. All options will be issued under the Company's existing ASX LR 7.1 capacity without shareholder approval.
Other terms	Other customary terms including events of default, undertakings and representations and warranties.

h. Voting exclusion statement

A voting exclusion statement applies to Resolution 3 and is included in the Notice for Resolution 3.

5.6 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

6. Ratification of Agreement to Issue Shares – Resolution 4

6.1 General

Resolution 4 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the agreement to issue Shares to Sternship Advisers (**Sternship**) in consideration for financial advisory services provided to the Company in relation to the Loan Facility (**Issue Shares**).

Under the terms of the engagement agreement between the Company and Sternship (**Engagement**), the Company has agreed to pay Sternship a:

- corporate advisory fee of A\$100,000 (ex GST); plus
- a loan fee of 3% of the total loan funding quantum under the Loan Facility (being US\$300,000 (ex GST) based on the loan quantum being US\$10,000,000) (**Loan Fee**),

as and when the funds are received by the Company under the Loan Facility, which is expected by the end of October 2025 (**Payment Date**).

The AUD:USD exchange rate used to calculate the AUD equivalent of the Loan Fee will be the actual exchange rate realised by the Company when converting the USD proceeds under the Loan Facility into AUD, as applied by the Company's executing bank for that conversion (**Realised Exchange Rate**). Based on the relevant AUD:USD exchange rate as at the Last Practicable Date (being US\$1 = A\$0.6516), the AUD equivalent of the Loan Fee amounted to approximately A\$460,405 such that the aggregate fee owing to Sternship under the Engagement, as at the Last Practicable Date, was A\$560,405 (ex GST). However, this amount will be finally determined based on the Realised Exchange Rate at the Payment Date and so may change subject to fluctuations in the AUD:USD exchange rate.

Pursuant to the Engagement, the Company may elect to pay up to 50% of the fees payable to Sternship in Shares at an issue price of A\$0.0099 per Share, being the price equal to the volume weighted average market price for the 30 trading days on which there were trades in Shares prior to the date of announcement of the Loan Facility (i.e. the 30 trading days on which there were trades in Shares prior to 30 September 2025), as agreed under the Engagement.

Accordingly, the Company has elected to pay 50% of the aggregate fee payable to Sternship under the Engagement (being an amount of A\$277,376 as at the Last Practicable Date) in Shares at an issue price of A\$0.0099 per Share. This will amount to the issue of approximately 28,017,786 Issue Shares to Sternship. However, as noted above, given that the final AUD amount of the Loan Fee payable to Sternship is to be finally determined and will be based on the Realised Exchange Rate at the Payment Date, the number of Issue Shares to be issued to Sternship may change based on fluctuations in the AUD:USD exchange rate.

The Issue Shares are expected to be issued to Sternship prior to the proposed consolidation of the Company's issued capital (for which Shareholder approval is sought under Resolution 6). If Resolution 6 is passed, the Issue Shares will be consolidated in the ratio and otherwise on the terms and conditions set out in section 8.

The Issue Shares will be issued pursuant to the Company's available placement capacity under Listing Rule 7.1. Accordingly, Shareholder approval for the issue of the Issue Shares will not be required and will not breach Listing Rule 7.1 at the time of issue.

6.2 Listing Rule 7.1

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12-month period.

The proposed issue of the Issue Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it will, once issued, effectively use up part of the Company's 15% annual placement limit in

Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12-month period following the date of issue of the Issue Shares.

6.3 Listing Rule 7.4

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in a general meeting ratifies the previous issue of, or agreement to issue, securities made pursuant to Listing Rule 7.1 (and provided that the previous issue or agreement to issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without Shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue Equity Securities in the future without the requirement to obtain prior Shareholder approval. To this end, Resolution 4 seeks Shareholder approval for the proposed issue of the Issue Shares to Sternship pursuant to the Engagement under and for the purposes of Listing Rule 7.4 and for all other purposes.

6.4 Technical information required by Listing Rule 14.1A

If Resolution 4 is passed, the Issue Shares, once issued, will be treated as if they were issued with the prior approval of Shareholders and so will be excluded in calculating the Company's available capacity under Listing Rule 7.1, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Issue Shares.

If Resolution 4 is not passed, the Issue Shares, once issued, will be included in calculating the Company's available capacity pursuant Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue without Shareholder approval over the 12-month period following the date of issue of the Issue Shares.

6.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Issue Shares:

a. The names of the persons to whom the Company agreed to issue the securities

The Issue Shares will be issued to Sternship. Sternship is not a related entity of the Company.

b. Number and class of securities agreed to be issued

The number of Issue Shares to be issued to Sternship will be such number of Shares equal to:

- 50% of the aggregate fee payable to Sternship under the Engagement (the final AUD equivalent to be determined based on the Realised Exchange Rate at the Payment Date; divided by
- A\$0.0099, being the issue price per Share agreed under the Engagement.

As noted under section 6.1 above, as at the Last Practicable Date, the number of Issue Shares to be issued to Sternship based on 50% of the aggregate fee payable to Sternship in AUD being A\$277,376 (using the AUD:USD exchange rate as at the Last Practicable Date), will be approximately 28,017,786 Issue Shares. However, as noted above, this number will be finally determined when the final AUD equivalent of the Loan Fee is determined using the Realised Exchange Rate at the Payment Date, and so may be subject to change based on fluctuations in the AUD:USD exchange rate.

c. Date of issue

The Issue Shares will be issued pursuant to the Engagement on the date on which the funds are received by Company under the Loan Facility (expected to be by the Payment Date) and in any event by no later than three months after the date of this Meeting.

d. Price or consideration at which the securities will be issued

The Issue Shares will be issued to Sternship as part consideration for financial advisory services provided by Sternship to the Company in relation to the Loan Facility arrangement. As agreed between the Company and Sternship under the Engagement, the deemed issue price of the Issue Shares will be A\$0.0099 per Share, being the price equal to the volume weighted average market price for the 30 trading days on which there were trades in Shares prior to the date of announcement of the Loan Facility (i.e. the 30 trading days on which there were trades in Shares prior to 30 September 2025).

e. Purpose of the issue

As detailed in section 6.1 above, the Issue Shares were issued in consideration for financial advisory services provided by Sternship to the Company in relation to the Loan Facility arrangement.

f. Summary of material terms of relevant agreements

Pursuant to the terms of the Engagement, Sternship was engaged to act as financial adviser and lead manager to the Company on a funding solution (being, the Loan Facility referred to in Resolution 3).

The key terms of the Engagement are as follows:

- the Company agreed to pay Sternship a:
 - corporate advisory fee of A\$100,000 (ex GST); and
 - the Loan Fee (being US\$300,000 (ex GST) based on the loan quantum being US\$10,000,000),as and when the funds are received by the Company under the Loan Facility (expected by the Payment Date).
- the Company may elect to pay up to 50% of Sternship's fee in Shares, with the remaining amount and GST component payable in cash; and
- such other terms and conditions as are customary for an Engagement of this nature.

g. Voting exclusion statement

A voting exclusion statement applies to Resolution 4 and is included in the Notice for Resolution 4.

6.6 Directors' Recommendation

The Directors unanimously recommend Shareholders vote in favour of Resolution 4.

7. Approval of 10% Placement Capacity – Resolution 5

7.1 General

Resolution 5 seeks Shareholder approval for an additional issuing capacity under Listing Rule 7.1A (**Additional Placement Facility**).

Listing Rule 7.1A provides that an Eligible Entity (as defined below) may seek Shareholder approval, by way of a special resolution passed at an Annual General Meeting, to have the capacity to issue up to that number of Equity Securities equal to 10% of its issued capital (10% Placement Capacity) without using that Company's existing 15% annual placement capacity granted under Listing Rule 7.1.

An "Eligible Entity" means an entity which is not included in the S&P/ASX 300 index and which has a market capitalisation of \$300 million or less. As at the date of this Explanatory Statement, the Company is an Eligible Entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of approximately \$103.6 million (based on the number of Shares on issue and the closing price of Shares on ASX on 15 October 2025, being the Last Practicable Date).

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX. As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX, being its Shares (ASX Code: AVL).

If the Shareholders approve Resolution 5, the number of Equity Securities the Company may issue under the Additional Placement Facility will be determined in accordance with the formula

prescribed in Listing Rule 7.1A.2 and the Company's total placement capacity will increase to 25% of its issued capital pursuant to Listing Rule 7.1 and 7.1A.

Resolution 5 is a special resolution. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 5 for it to be passed. If Resolution 5 is not passed, the Company will not have approval to issue Equity Securities under the Additional Placement Facility.

7.2 Technical information required by Listing Rule 7.3A

In accordance with Listing Rule 7.3A, the following information is provided in relation to the proposed approval of the Additional Placement Facility:

Period for which the approval will be valid

The Additional Placement Facility will commence on the date of the Meeting and expire on the first to occur of the following:

- the date that is 12 months after this Meeting;
- the time and date of the Company's next Annual General Meeting; or
- the time and date of the approval by Shareholders of a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).

Minimum price at which Equity Securities may be issued

Any Equity Securities issued under the Additional Placement Facility must be in an existing quoted class of the Company's securities and issued for cash consideration per security which is not less than 75% of the volume weighted average price for Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- the date on which the price at which the Equity Securities are to be issued is agreed; or
- if the Equity Securities are not issued within 10 ASX trading days of the above date, the date on which the Equity Securities are issued.

Purposes for which the funds raised by an issue of Equity Securities may be used

The Company may issue Equity Securities under the Additional Placement Facility for cash consideration only. Funds raised may be applied to one or more of the following purposes: the ongoing exploration, evaluation and/or development of the Company's Australian Vanadium Project; the development of the Company's vanadium flow battery (VFB) business, including

through acquisitions or investments in VFB projects; corporate initiatives; and/or general working capital requirements (including corporate and administration costs).

Risk of economic and voting dilution

If Resolution 5 is passed and the Company issues Equity Securities under the Additional Placement Facility, there is a risk to existing Shareholders of economic and voting dilution, including the risk that:

- i. the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- ii. the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out in Listing Rule 7.1A.2) using different variables for the number of issued Shares and the market price of Shares.

The numbers are calculated on the basis of the latest available market price of Shares and the current number of Shares on issue as at 15 October 2025, being the Last Practicable Date.

Dilution				
Number of Shares on Issue	Number of Shares issued under 10% Placement Capacity	Funds raised based on issue price of \$0.006 (50% decrease in issue price)	Funds raised based on issue price of \$0.012 (issue price)	Funds raised based on issue price of \$0.024 (100% increase in issue price)
8,634,658,076 (Current)	863,465,808	\$5,180,795	\$10,361,590	\$20,723,179
12,951,987,114 (50% increase)	1,295,198,711	\$7,771,192	\$15,542,385	\$31,084,769
17,269,316,152 (100% increase)	1,726,931,615	\$10,361,590	\$20,723,179	\$41,446,359

Notes: The above table has been prepared on the following bases/assumptions:

1. The latest available market price of Shares as at 15 October 2025, being the Last Practicable Date, was \$0.012.
2. The Company issues the maximum number of Equity Securities available under the Additional Placement Facility.
3. Existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility.
4. The Company issues Shares only and does not issue other types of Equity Securities (such as Options) under the Additional Placement Facility.
5. The impact of additional issues of securities under Listing Rule 7.1 or following the exercise of options is not included in the calculations.
6. Economic dilution for the table above is calculated using the following formula:

$$ED = (MP - (NMC / TS)) / MP$$

where:

- MC** = market capitalisation prior to issue of Equity Securities, being the MP multiplied by the number of Shares on issue;
- MP** = the market price of Shares traded on ASX, expressed as in dollars;
- NMC** = notional MC, being the MC plus the NSV;
- NSV** = new security value, being the number of new Equity Securities multiplied by the issue price of those Equity Securities; and
- TS** = total Shares on issue following new Equity Security issue.

Allocation policy

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- i. the purpose of the issue;
- ii. the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing Security holders can participate;
- iii. the effect of the issue of the new securities on the control of the Company;
- iv. the financial position and solvency of the Company;
- v. prevailing market conditions; and
- vi. advice from corporate, financial and other advisors.

As at the date of this Notice, the Company has not identified any proposed allottees of Equity Securities using the Additional Placement Facility. However, the eventual allottees may include existing substantial Shareholders, other Shareholders and/or new investors.

None of the allottees will be a related party or an associate of a related party of the Company, except as permitted under Listing Rule 7.2. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their shareholding will be diluted.

The Company will comply with the disclosure obligations under Listing Rules 7.1A.4 upon issue of any Equity Securities under the Additional Placement Facility.

Previous Approval and Issues under Listing Rule 7.1A in previous 12 months

The Company previously obtained approval under Listing Rule 7.1A at its Annual General Meeting held on 21 November 2024 (**Previous Approval**).

The Company did not issue Equity Securities under Listing Rule 7.1A.2 since its Annual General Meeting held on 21 November 2024.

7.3 Voting Exclusion

A voting exclusion statement is included in the Notice. As at the date of this Explanatory Statement, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 5.

7.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 5 as it will give the Company the flexibility to raise and fund necessary working capital whilst preserving the Company's cash reserves.

8. Share Consolidation – Resolution 6

8.1 General

The Company is seeking the approval of Shareholders to consolidate its issued capital on the basis that every twenty five (25) Shares in the Company be consolidated into one (1) Share, subject to rounding in accordance with section 8.3(b) below (**Consolidation**).

If the Consolidation proceeds, the Options and the Performance Rights on issue will also be consolidated in accordance with their terms on a 25 for 1 basis.

The Directors consider that the Consolidation to be in the best interest of shareholders because the Consolidation is expected to:

- result in a more appropriate and effective capital structure for the Company (creating a share count below 350 million);
- provide for a share price that is considered more reflective of the Company's status as a leading vanadium developer with a world class being the Australian Vanadium Project located in Western Australia; and
- provide for a share price that is considered to be more appealing to a wider range of investors; and

- improve trading quality.

Section 254H(1) of the Corporations Act provides that the Company may convert all or any of its Shares into a larger or smaller number of Shares by ordinary resolution passed at a general meeting. Accordingly, Resolution 6 seeks the approval of Shareholders to proceed with the Consolidation.

8.2 Purpose of the Consolidation

As at the Last Practicable Date, the Company has 8,634,658,076 Shares on issue (which, for the avoidance of doubt, does not include the Issue Shares to be issued to Sternship after the date of this Notice as detailed under section 6) with a market capitalisation of approximately \$103.6 million.

The Directors note that the number of Shares on issue in the Company is considered unusually large for a company of its size, especially when compared to its peer group.

In particular, as the Company matures towards being a vanadium producer, the Company expects to be able to access deeper and more diverse pools of capital, some of which are expected to be attracted to a smaller issued capital structure. The Directors believe that the large number of Shares currently on issue in the Company has several potential disadvantages, including:

- the potential for institutional investors to consider the low share price to fall outside investment decision thresholds ; and
- the potential vulnerability to speculative day-to-day trading and short selling activity (due to percentage bid-ask spreads associated with low-denomination Share pricing), which contributes to Share price volatility.

The Board believes these factors may be reduced by implementing the Consolidation.

If this Resolution is passed, the Company will proceed with a share consolidation of its issued capital. If the Resolution is not passed, the Company will retain its current (pre-Consolidation) capital structure and the potential benefits associated with the Consolidation identified above will not be realised.

8.3 Regulatory Requirements

Pursuant to, and in accordance with Listing Rule 7.20, the information below is provided in relation to Resolution 6:

a. Effect of the Consolidation on Shares

If the Resolution is passed, every twenty five(25) Shares on issue will be consolidated into one (1) Share (subject to rounding).

Overall, this will result in the number of Shares on issue reducing from approximately 8,634,658,076 to approximately 345,386,323 (subject to rounding). These numbers do not include the number of Issue Shares to be issued to Sternship as detailed under section 6, which are expected to be issued to Sternship after the date of this Notice but pre-Consolidation.

The Consolidation applies equally to each holder of Shares. Accordingly, individual shareholdings will be adjusted in the same ratio as the total number of Shares (subject to rounding). Assuming no other market movements or impacts occur, the Consolidation will have no effect on the percentage interest in the Company of each Shareholder (other than minor variations resulting from rounding). By way of example, if a Shareholder currently holds 86,346,581 Shares representing approximately 1% of the Company's issued capital as at the Last Practicable Date, then if the Consolidation is approved and implemented, the Shareholder will have 3,453,863 Shares following the Consolidation, still representing the same 1% of the Company's issued capital.

Similarly, the aggregate value of each Shareholder's holding (and the Company's market capitalisation) should not materially change (other than minor changes as a result of rounding) as a result of the Consolidation alone (and assuming no other market movements occur). However, the price per Share can be expected to increase to reflect the reduced number of Shares on issue. Theoretically, in the absence of market or other events, the post-Consolidation Share price should be approximately 25 times its pre-consolidation price. The actual effect of the Consolidation on the Share price will depend on a number of factors outside the control of the Company, and the market price following the Consolidation may be higher or lower than the theoretical post-Consolidation price.

The Consolidation will not result in any change to the substantive rights and obligations of existing Shareholders.

b. Fractional entitlements

Where the Consolidation (and associated consolidation of the Options and the Performance Rights) result in an entitlement to a fraction of a Share, Option or Performance Rights (as applicable) that fraction will be rounded up to the next whole number of Shares, Options or Performance Rights (as applicable).

However, if the Company is of the opinion that a security holder has, before the record date for the Consolidation, been party to share splitting or division in an attempt to obtain an unfair advantage by reference to such rounding, the Company may aggregate the holdings of that security holder before applying any rounding of entitlements.

Each security holder's proportional interest in the Company's issued capital will, however, remain unchanged as a result of the Consolidation (other than minor variations resulting from rounding).

c. Proposed treatment of convertible securities (Options and Performance Rights)

Options

Once the Options are issued to RCF Private Equity Fund I L.P. pursuant to the Loan Facility, the Company will have on issue 431,732,904 Options. The Options are expected to be issued to RCF Private Equity Fund I L.P. after the date of this Notice but pre-Consolidation.

In accordance with Listing Rule 7.22 and the terms of the Options, if the Consolidation proceeds, the Options will be consolidated in a manner such that the relevant holder of the Options does not receive a benefit that holders of Shares do not receive. In particular:

- the number of Options will be consolidated in the same ratio as the Shares (i.e. on the basis that every twenty five (25) Options are consolidated into one (1) Option, in accordance with section 8.3(b) above)(subject to rounding); and
- the exercise price of the Options will be amended in inverse proportion to the Consolidation ratio.

The Consolidation of the Options will therefore result in a reduction of the number of Options on issue from 431,732,904 to approximately 17,269,316 (subject to rounding) and the exercise price of the Options will be amended from \$0.0139 per Option to \$0.3475 per Option.

The Consolidation will not result in any change to the substantive rights and obligations of the holder of Options.

Performance Rights

As at the Last Practicable Date, the Company has on issue 140,124,668 Performance Rights.

In accordance with Listing Rule 7.21 and the terms of the Performance Rights, if the Consolidation proceeds, the Performance Rights will be consolidated in a manner such that the relevant holder of any Performance Rights does not receive a benefit that holders of Shares do not receive. In particular:

- the number of Performance Rights will be consolidated in the same ratio as the Shares (i.e. on the basis that every twenty five (25) Performance Rights are consolidated into one (1) Performance Right, in accordance with section 8.3(b) above)(subject to rounding); and
- any vesting conditions based on the Share price will be amended in inverse proportion to the Consolidation ratio (see heading "Amendment to Vesting Conditions" below for further details).

The Consolidation of the Performance Rights will therefore result in a reduction of the number of Performance Rights on issue from 140,124,668 to approximately 5,604,987 (subject to rounding).

A portion of these Performance Rights also have vesting conditions referable to the Share price are met. The Directors note it is appropriate that these be changed to reflect the impact of the consolidation and as such the Share price vesting conditions will be amended in the inverse proportion to the ratio of the Consolidation as set out in the table below.

The Consolidation will not result in any change to the substantive rights and obligations of existing holders of Performance Rights. The table below summarises the effect of the Consolidation on the Performance Rights.

Performance Rights	Pre-Consolidation Number	Post-Consolidated Number*	Pre-Consolidated VWAP Vesting Condition	Post-Consolidated VWAP Vesting Condition
Performance Rights without vesting conditions based on the Share price	49,140,674	1,965,627	-	-
Performance Rights vesting when the Company achieves a 20-day VWAP of at least \$0.20	30,261,334	1,210,453	\$0.20	\$5.00
Performance Rights vesting when the Company achieves a 20-day VWAP of at least \$0.15	30,261,330	1,210,453	\$0.15	\$3.75
Performance Rights vesting when the Company achieves a 20-day VWAP of at least \$0.10	30,261,330	1,210,453	\$0.10	\$2.50
Performance Rights vesting when the Company achieves a 20-day VWAP of at least \$0.09	100,000	4,000	\$0.09	\$2.25
Performance Rights vesting when the Company achieves a 20-day VWAP of at least \$0.08	100,000	4,000	\$0.08	\$2.00

* Assumes no Performance Rights are converted. These are approximate numbers only. The actual numbers will depend on the number of Shares, Options and Performance Rights held by each security holder as at the record date for the Consolidation and the effects of rounding.

d. Effect on capital structure

If the Resolution is approved, the effect which the Consolidation will have on the Company's capital structure is set out as follows (subject to rounding):

Capital Structure	Shares	Unlisted Performance Rights	Unlisted Options
Current (pre-consolidation)	8,634,658,076	140,124,668	431,732,904
Current (post-consolidation)*	345,386,323	5,604,987	17,269,316

* Assumes no Options or Performance Rights are converted. These are approximate numbers only. The actual numbers will depend on the number of Shares, Options and Performance Rights held by each security holder as at the record date for the Consolidation and the effects of rounding.

8.4 Other Matters

a. Holding Statements

With effect from the date of the Consolidation, all existing holding statements will cease to have any effect, except as evidence of entitlement to a certain number of securities on a post-Consolidation basis.

After the Consolidation becomes effective, new holding statements will be issued to security holders, who are encouraged to check their post-Consolidation holdings before seeking to sell or otherwise dispose of any Company securities.

b. Taxation

The Consolidation is not expected to have any taxation implications for Shareholders. However, Shareholders are encouraged to consider their own circumstances and to seek their own tax advice.

on the effect of the Consolidation. The Company, the Directors and their advisers do not accept any responsibility for the individual taxation implications arising from the Consolidation.

c. Indicative Timetable

If approved by Shareholders, the proposed Consolidation will take effect on 20 November 2025. The following is an indicative timetable (subject to change) of the key events:

Event	Date
Notification to ASX that Consolidation is approved	Thursday, 20 November 2025
Effective date of Consolidation	Thursday, 20 November 2025
Last day for trading in pre-consolidated securities	Friday, 21 November 2025
Trading in the consolidated securities on a deferred settlement basis commences	Monday, 24 November 2025
Record date (last day to register transfers on a pre Consolidation basis)	Tuesday, 25 November 2025
Registration of securities reflecting Consolidation	Wednesday, 26 November 2025
Despatch of new holding statements	Wednesday, 26 November 2025
Last day for the Company to update its register, to despatch new holding statements to security holders and to notify ASX that this has occurred	Tuesday, 2 December 2025
Deferred settlement trading ends	Tuesday, 2 December 2025
Normal trading starts	Wednesday, 3 December 2025

8.5 Director's recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 6.

9. Definitions

ASX means ASX Limited ABN 98 008 624 691.

ASIC means the Australian Securities & Investments Commission.

Australian Vanadium or the Company means Australian Vanadium Ltd ACN 116 221 740.

Closely Related Party of a member of the Key Management Personnel means:

- a. a spouse or child of the member;
- b. a child of the member's spouse;
- c. a dependent of the member or the member's spouse;
- d. anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- e. a company the member controls; or
- f. a person prescribed by the Corporations Regulations 2001 (Cth).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Eligible Entity means an entity that, at the date of the relevant general meeting:

- a. is not included in the A&P/ASX 300 Index; and
- b. has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Statement means this Explanatory Statement.

Key Management Personnel has the same meaning as in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Last Practicable Date means the last practicable date prior to finalising the Notice, being 15 October 2025.

Listing Rules means the official listing rules of ASX.

Loan Facility has the meaning given in section 5.1 of the Explanatory Statement.

Meeting means the Annual General Meeting to be held on 20 November 2025.

Notice or **Notice of Meeting** means the notice of Annual General Meeting which forms part of this Explanatory Statement.

Ordinary Securities has the meaning set out in the Listing Rules.

Performance Right means a right to acquire, for no consideration, a Share in the capital of the Company upon the satisfaction of specified performance conditions.

Realised Exchange Rate has the meaning given in section 6.1 of the Explanatory Statement.

Remuneration Report means the remuneration report set out in the Directors' Report section of the Company's annual financial report for the year ended 30 June 2025.

Resolution means a resolution contained in this Notice.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Terms and Conditions of Options

1. Each Option entitles the holder to subscribe for one fully paid new share in the capital of Australian Vanadium Limited ACN 116 221 740 (**Borrower**) (**Share**) upon exercise, subject to any permitted adjustments under these terms:
 - (a) the exercise price for each Option is \$ A\$0.0139 (**Exercise Price**);
 - (b) each Option may be exercised at any time from the date of issue until 5.00pm (Perth time) on the date 5 years from the date of issue (Expiry Date). Any Option not exercised by the Expiry Date will lapse.
2. Options may be exercised (for so long as a holder of Options holds more than 20,000,000 Options, in whole or in parcels of not less than 20,000,000 Options) on or before the Expiry Date by delivering to the Borrower a written application for Shares on exercise of Options, duly executed by the Optionholder (**Exercise Notice**). The Exercise Notice must:
 - (a) specify the number of Options being exercised (**Relevant Number**); and
 - (b) be accompanied by payment to the Borrower in immediately available funds of an amount equal to the Exercise Price multiplied by the Relevant Number of Options being exercised (the Settlement Amount).
3. The Borrower must, as soon as possible, and in any event within 2 Business Days of the receipt by it of the Exercise Notice and Settlement Amount referred to above:
 - (a) issue to the Optionholder the Relevant Number of Shares;
 - (b) issue, or cause to be issued, to the Optionholder a holding statement for the Relevant Number of Shares; and
 - (c) if applicable, issue a replacement Option Certificate to the Optionholder for the balance of any unexercised Options.
4. Until the earlier of the Expiry Date and the exercise of all Options, the Borrower will give the Optionholder notice of all general meetings of the Borrower and of all resolutions to be considered at those meetings and all other statements, notices, annual reports or circulars at the same time the shareholders of the Borrower are issued with those notices.
5. Until the earlier of the Expiry Date and the exercise of all Options, the Borrower must ensure that the Optionholder is given at least 5 Business Days written notice prior to the record date for any issue of Shares or other securities, or rights to subscribe for Shares or other securities, that is made available to all holders of Shares as at the record date (**Additional Rights**).
6. If the Optionholder exercises any Option prior to the record date in respect of Additional Rights, the Optionholder will be entitled to take up Additional Rights on the same terms and conditions as applicable to the other shareholders of the Borrower.
7. An Option does not confer any of the rights of a shareholder of the Borrower, including any rights to vote or to dividends in respect of Shares.
8. An Option does not confer any right on the holder to participate in a new issue without exercising the Option.
9. Any Share issued to the Optionholder as a result of the exercise of an Option will rank pari passu in all respects with all other Shares then on issue. Shares issued upon the exercise of Options will only carry an entitlement to receive a dividend if they are issued before the record date for that dividend.

10. If the Borrower makes a Bonus Issue to holders of Shares:
 - (a) the number of Shares over which an option is exercisable is increased by the number of Shares that the Optionholder would have received if the option had been exercised before the record date for the Bonus Issue; and
 - (b) no change will be made to the Exercise Price.
11. The Options are freely transferable.
12. If, before exercise or expiry of the Options, the Borrower implements a reorganisation of its capital:
 - (a) the Options must be treated in the manner required by the ASX Listing Rules;
 - (b) the Borrower must notify the Optionholder of any proposed variation to the terms of Options no less than 5 Business Days prior to the date of variation; and
 - (c) the Borrower must provide confirmation to the Optionholder promptly after the date of variation that the terms of the Options have been varied as proposed.
13. At the time any Shares are issued upon the exercise of Options, the Borrower will:
 - (a) apply to ASX for official quotation of the Share as soon as practicable, and in any event within 2 Business Days after the date that the Shares are issued;
 - (b) procure that the relevant ASIC and ASX forms are lodged to reflect the issue of the Shares; and
 - (c) give to the ASX a notice under section 708A(5)(e) of the Corporations Act (**Cleansing Notice**) on the day following the issue of Shares on exercise of the Option, unless the Borrower cannot meet the criteria in "case 1" of section 708A of the Corporations Act, in which case:
 - (i) the Borrower will comply with the criteria in "case 2" of section 708A of the Corporations Act and issue a disclosure document under Chapter 6D.2 of the Corporations Act as soon as reasonably practicable after the date of exercise of the Option and in any event within 20 Business Days of that date; and
 - (ii) until the Borrower has issued the disclosure document under section 13(c)(i), the Optionholder must not transfer, assign, sell or otherwise dispose of the relevant Shares other than to a person that does not need disclosure under section 708 of the Corporations Act.

Terms not defined herein have the definition in the Loan Note Subscription Agreement.



Registered Office

Level 2, 50 Kings Park Road
West Perth WA 6005

T +61 8 9321 5594

E info@avl.au

avl.au | ASX:AVL

Your proxy voting instruction must be received by **2:00pm (AWST) on Tuesday, 18 November 2025**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 - APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

