



5 February 2026

ASX ANNOUNCEMENT

WA VANADIUM ROYALTY CHANGES PROVIDE GREATER POLICY CERTAINTY

Revised WA royalty framework for vanadium products

KEY POINTS

- The Western Australian Government has announced a revised royalty framework for vanadium products, effective from 4 February 2026
- A flat royalty rate of 2.5 per cent will apply to vanadium products in Western Australia, with vanadium electrolyte production remaining royalty-free
- The revised framework is expected to provide greater policy certainty for vanadium producers and for downstream processing and manufacturing activities
- The announcement forms part of broader Western Australian Government initiatives relating to critical minerals and long-duration energy storage

Australian Vanadium Limited (ASX: AVL, the Company or AVL) notes the Western Australian Government's announcement of a revised and more certain royalty framework for vanadium products produced in the State.¹

Under the revised framework, a flat royalty rate of 2.5 per cent will apply to vanadium products from 4 February 2026. The Government has also confirmed the continued royalty-free treatment of vanadium electrolyte production.

The revised royalty settings are relevant to AVL's Australian Vanadium Project, as they reduce uncertainty regarding the fiscal treatment of vanadium products and downstream processing outputs. Any assessment of the impact of the revised royalty framework on project economics will be considered as part of the Company's finalisation of its Optimisation Feasibility Study.²

The Government's announcement also references broader initiatives aimed at supporting downstream processing, manufacturing and deployment of vanadium flow battery technology in Western Australia, including an Expression of Interest process relating to a proposed utility-scale vanadium battery energy storage system in Kalgoorlie. AVL and its wholly owned subsidiary, VSUN Energy Pty Ltd, have recently submitted an Expression of Interest as part of Stage One of the government's competitive process.³

¹ Media Statement by Western Australian Government dated 4 July 2024 'Vanadium royalty relief a win for regional jobs, emerging industries', <https://www.wa.gov.au/government/media-statements/Cook%20Labor%20Government/Vanadium-royalty-relief-a-win-for-regional-jobs,-emerging-industries-20260204>

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

³ See ASX announcement dated 2 January 2026 'AVL's Integrated Capability Underpins Kalgoorlie VBESS EOI Submission'

AVL's Chief Executive Officer, Graham Arvidson comments, *"This royalty certainty is an important step for the State's vanadium industry. The revised royalty framework provides greater clarity around the fiscal settings applying to vanadium products in Western Australia, supporting not just mining the resource, but also processing, electrolyte production and battery deployment in Australia.*

"Combined with broader policy attention, planning and investment signals, this royalty relief supports AVL's ambition to establish a vertically integrated, local vanadium flow battery supply chain. The revised royalty framework provides constructive support for industry development."

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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% V_2O_5 wireframed cut-off for low-grade and nominal 0.7% V_2O_5 wireframed cut-off for high-grade (total numbers may not add up due to rounding).

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

Note: Totals may not add up due to rounding

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.