



ASX ANNOUNCEMENT

2 October 2025

GRANT OF ASX LISTING RULE 10.1 WAIVER

On 30 September 2025, Australian Vanadium Limited (ASX: AVL, the Company or AVL) announced it had entered into a secured US\$10 million loan facility (**Loan Facility**) with major shareholder 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. (together, **RCF**).

The key terms of the Loan Facility are set out in the Company's announcement of that date.¹

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, paying the stamp duty liability arising from the Technology Metals Australia Pty Ltd merger and to advance its downstream initiatives. It will also support the Company's preparations for the Western Australian Government's anticipated Expression of Interest for a 500MWh Vanadium Battery Energy Storage System in Kalgoorlie, expected in the second half of 2025.

The Board appointed Sternship Advisers (**Sternship**) as an independent financial adviser to assess a range of funding alternatives, including equity, non-equity options (such as royalty financing) and various debt and quasi-debt structures. Following a market sounding process, and having regard to availability, cost, certainty and timing, the Board determined, in consultation with Sternship, 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. Other available options were either more expensive, more restrictive, more dilutive or not deliverable within a reasonable timeframe in the prevailing market conditions.

Over the term of the Loan Facility, AVL intends to pursue a broader funding strategy that may include project-level financing, strategic partnerships, non-equity options, debt and quasi-debt structures, with the capacity to access equity over this period at a more appropriate valuation if market conditions permit. The Board considers this approach to be in the best interests of shareholders, as it seeks to minimise dilution, preserve shareholder value and position the Company for final investment decisions at the appropriate time.

The Loan Facility was negotiated with RCF on an arm's-length basis, as the best available prospective lender, and is considered to be fair and reasonable to AVL shareholders.

RCF PE 1 holds approximately 18.1% of the Company's issued shares and is therefore considered a related party for the purposes of ASX Listing Rule 10.1. As RCF required security over the Company's assets in connection with the Loan Facility, the Company has obtained a waiver from ASX Listing Rule 10.1 (**ASX Waiver**). This waiver enables AVL to grant the required security without

¹ See ASX announcement dated 30 September 2025 'AVL agrees US\$10 million secured loan facility'.

shareholder approval, on the terms described in the Company's announcement of the Loan Facility on 30 September 2025² and as detailed further below.

Waiver Decision – ASX Listing Rule 10.1

1. The ASX Waiver obtained by the Company is on the following terms and conditions:

Based solely on the information provided, ASX grants Australian Vanadium Limited (the 'Company') a waiver from Listing Rule 10.1 to the extent necessary to permit the Company to grant a security over all the assets held by the Company (**Security Interest**) to its major shareholder RCF Private Equity Fund 1 L.P. and Resource Capital Fund (Cardinal) L.P., a Delaware limited partnership which is managed by RCF Management L.L.C. (together, the 'Substantial Holder Lender') to secure the Company's obligations under a loan facility of US\$10,000,000 to be provided by the Substantial Holder Lender (**Loan Facility**) without obtaining shareholder approval, on the following conditions:

- 1.1 the Security Interest documents expressly provide that:
 - 1.1.1 the Security is limited to the funds due under the Loan Facility;
 - 1.1.2 the Security will be discharged when the funds due under the Loan Facility have been paid in full;
 - 1.1.3 in the event the Security is enforced, the assets can only be disposed of to the 10.1 party or an associate of the 10.1 party if the disposal is first approved by the entity's security holders under Listing Rule 10.1; and
 - 1.1.4 otherwise, if the holder of the Security exercises, or appoints a receiver, receiver and manager or analogous person to exercise any power of sale under the Security, the assets must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to the 10.1 party in accordance with their legal entitlements;
- 1.2 any variation to the terms of the Loan Facility or the Security Interest which:
 - 1.2.1 advantages the 10.1 party in a material respect;
 - 1.2.2 disadvantages the entity in a material respect; or
 - 1.2.3 is inconsistent with the terms of the waiver,
 must be subject to security holder approval under Listing Rule 10.1; and
- 1.3 for each year while they remain on foot, a summary of the material terms of the Loan Facility and the Security Interest is included in the related party disclosures in the Company's audited annual accounts.
- 1.4 the Company releases an announcement to the market that provides: 1.4.1 the reasons for seeking the waiver;

² See ASX announcement dated 30 September 2025 'AVL agrees US\$10 million secured loan facility'.

- 1.4.1 the material terms of the Loan Facility, the Security Interest, and of this waiver from Listing Rule 10.1; and
 - 1.4.2 a description of the reasons why the Company has chosen to obtain Loan Facility from the Substantial Holder Lender rather than a lender that is not a Listing Rule 10.1 party and the steps the board has taken to satisfy itself that the transaction is being entered into on arm's length terms and is fair and reasonable from the perspective of the holders of the Company's ordinary securities;
- 1.5 This waiver is granted on the condition that the Company releases an announcement to the market that discloses the nature and effect of the waiver and the Company's reasons for seeking the waiver within one business day of ASX communicating to the Company that the waiver has been granted, except when the waiver relates to a confidential and incomplete proposal or negotiation. If the waiver relates to a confidential and incomplete proposal or negotiation, disclosure must be made when the matter ceases to be confidential or incomplete. ASX may direct the announcement to be made at another time.
2. ASX has considered Listing Rule 10.1 only and makes no statement as to the Company's compliance with other listing rules

For further information, please contact:

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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 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.