

UPDATE ON SALE OF COATES NICKEL-COPPER-PGE AND NOWTHANNA HILL URANIUM PROJECTS

Mining Green Metals prospectus lodged with ASIC and IPO opens

KEY POINTS

- **Mining Green Metals has lodged its Initial Public Offering (IPO) prospectus with the Australian Securities & Investments Commission (ASIC).**
- **The General Offer is now open.**
- **Priority Offer of Shares to be made to eligible AVL shareholders.**

Australian Vanadium Limited (ASX: AVL, “the Company” or “AVL”) is pleased to provide an update on the sale of the Company’s Coates Nickel-Copper-PGE and Nowthanna Hill Projects.

Further to previous ASX announcement(s)¹ regarding the divestment of the Company’s non-core, 100%-owned, Western Australian copper, nickel, PGE and uranium assets into Mining Green Metals Limited (ASX: MG1) by way of a new Initial Public Offering (IPO), MG1 has lodged its IPO prospectus dated 2nd March 2023 with Australian Securities and Investments Commission (ASIC). The General Offer is now open.

Upon successful listing on the ASX, AVL will retain a significant shareholding of 11.24% in MG1.

The proposed listing of MG1 allows AVL to focus on the development of the Australian Vanadium Project at Gabanintha, construction of its vanadium electrolyte plant and on vanadium battery market growth through its subsidiary VSUN Energy.

The MG1 IPO will create a dedicated ASX-listed critical mineral focused vehicle for the exploration of minerals for the energy transition. Initial exploration assets are considered prospective for nickel, lithium, copper, platinum group elements and uranium.

MG1 will undertake an IPO to raise \$5M at an issue price of \$0.20, subject to regulatory approvals.

¹ See ASX announcement dated 11th May 2022 ‘Sale of Coates Nickel-Copper-PGE and Nowthanna Hill Uranium Projects’

As part of the General Offer, eligible AVL shareholders will be entitled to participate in a Priority Offer of up to an aggregate of 10,000,000 Shares (with a minimum of 10,000 Shares and up to 500,000 Shares per eligible Shareholder).

Shareholders will receive electronic or physical Priority Offer letters from 14th March onwards.

For further information, please contact:

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This announcement has been produced 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 239Mt at 0.73% vanadium pentoxide (V_2O_5), containing a high-grade zone of 95.6Mt at 1.07% V_2O_5 and an Ore Reserve of 30.9Mt at 1.09% V_2O_5 comprised of a Proved Reserve of 5Mt at 1.11% V_2O_5 and a Probable Reserve of 20.4Mt at 1.07% V_2O_5 , reported in compliance with the JORC Code 2012 (see ASX announcement dated 1st November 2021 '*Mineral Resource Update at the Australian Vanadium Project*' and ASX announcement dated 6th April 2022 '*Bankable Feasibility Study for the Australian Vanadium Project*').

VSUN Energy is AVL's 100% owned renewable energy and energy storage subsidiary which is focused on developing the Australian market for vanadium redox flow batteries for long duration energy storage. VSUN Energy was established in 2016 and is widely respected for its VRFB 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 VRFB energy storage.

APPENDIX 1

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 %	LOI %
HG	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	27.5	1.10	45.4	12.5	8.5	6.5	2.9
	Inferred	56.8	1.04	44.6	11.9	9.4	6.9	3.3
	Subtotal	95.6	1.07	44.7	12.2	9.1	6.8	3.2
LG	Indicated	54.9	0.50	24.9	6.8	27.6	17.1	7.9
	Inferred	73.6	0.48	25.0	6.4	28.7	15.4	6.6
	Subtotal	128.5	0.49	24.9	6.6	28.2	16.1	7.2
Transported	Inferred	14.9	0.66	29.0	7.8	24.5	15.1	7.8
	Subtotal	14.9	0.66	29.0	7.8	24.5	15.1	7.8
Total	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	82.4	0.70	31.7	8.7	21.2	13.5	6.2
	Inferred	145.3	0.71	33.0	8.7	20.7	12.0	5.4
	Subtotal	239.0	0.73	33.1	8.9	20.4	12.3	5.6

The Australian Vanadium Project - Ore Reserve Statement as at April 2022, at a cut-off grade of 0.7% V₂O₅.

Ore Reserve	Mt	V ₂ O ₅ %	Fe%	TiO ₂ %	SiO ₂ %	LOI%	V ₂ O ₅ production kt	Ore Reserve	Mt
Proved	10.5	1.11	61.6	12.8	9.5	3.7	70.9	Waste	238.5
Probable	20.4	1.07	63.4	12.2	9.2	3.0	152.9	Total Material	269.4
Total Ore	30.9	1.09	62.8	12.4	9.3	3.2	223.8	Strip Ratio	7.7

ASX CHAPTER 5 COMPLIANCE AND CAUTIONARY AND FORWARD-LOOKING STATEMENTS

ASX Listing Rules 5.19 and 5.23

ASX Listing Rule 5.19

The information in this announcement relating to production targets, or forecast financial information derived from a production target, is extracted from the announcement entitled 'Bankable Feasibility Study for the Australian Vanadium Project' released to the ASX on 6th April 2022 which is available on the Company's website www.australianvanadium.com.au.

The Company confirms that all material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the original market announcement continue to apply and have not materially changed.

ASX Listing Rule 5.23

The information in this announcement relating to exploration results and mineral resource and ore reserve estimates for the Australian Vanadium Project is extracted from the announcement entitled 'Bankable Feasibility Study for the Australian Vanadium Project' released to the ASX on 6th April 2022 which is available on the Company's website www.australianvanadium.com.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

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of AVL and certain of the plans and objectives of AVL with respect to these items.

These forward-looking statements are not historical facts but rather are based on AVL's current expectations, estimates and projections about the industry in which AVL operates and its beliefs and assumptions.

Words such as "anticipates," "considers," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the industry in which AVL operates.

These statements are not guarantees of future performance and are subject to known and unknown

risks, uncertainties, and other factors, some of which are beyond the control of AVL, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks include, but are not limited to resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

AVL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of AVL only as of the date of this release.

The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made.

AVL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.