

ASX Announcement

ASX: CMG

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CMG Expands Strategy to Deliver Energy Storage Solutions by 2026

Critical Minerals Group Limited (**ASX: CMG**) announces an expansion of its strategic focus to include delivering integrated and sustainable energy storage solutions, leveraging vanadium flow batteries (VFBs) to strengthen its position as a key supplier in the global vanadium market.

Following an extensive six-month review of the Long Duration Energy Storage (LDES) market, CMG has identified a significant opportunity to provide Battery Energy Storage System (BESS) solutions, with commercialisation targeted for 2026.

CMG's enhanced strategy integrates its existing upstream (mining) and midstream (vanadium electrolyte production) activities with downstream (energy storage solutions) activities, creating a complete value chain. By offering tailored BESS solutions for small and medium-sized enterprises (SMEs), CMG aims to optimise energy usage, enhance efficiency, reduce waste, and support sustainable business performance.

Vanadium flow batteries (VFBs) play a critical role in stabilising renewable energy supply, supporting grid reliability, and replacing traditional power generation. VFBs can provide baseload power, ensuring stability of the broader energy grid as traditional power generation sources are gradually phased out.

CMG's broadened strategy seeks to establish a fully integrated energy supply chain, leveraging vertical integration to drive operational efficiencies and internalise margins across all stages.

The key components of the expanded market-to-mine strategy include:

- Energy development capability – To be established in Brisbane.
- Vanadium Electrolyte Manufacturing Facility – To be located in Logan City.
- Vanadium Pentoxide Processing Facility – To be developed in Julia Creek.

The Company continues to strengthen relationships with global energy companies, manufacturers and technology firms to secure long-term offtake agreements and investment partnerships.

CMG's Managing Director Scott Winter, said, "Our revised strategy positions us at the forefront of Australia's critical minerals sector, advancing energy storage solutions for a sustainable future."

"Our approach leverages vertical integration, aligning BESS solutions with the Lindfield Vanadium Project to unlock market opportunities and enhance commercial viability. Driven by demand, the market-to-mine strategy seeks to ensure a balanced supply-demand dynamic and optimal pricing. Prioritising early cash flow and risk mitigation, our revised strategy seeks to further protect shareholders investments while enabling sustainable, demand-led growth."

"With the rising global demand for vanadium and VFBs, CMG is strategically positioned as a key player in the critical minerals supply chain. Our strategy update enhances focus on downstream value creation, primarily in BESS solutions, while still accelerating vanadium extraction, vanadium pentoxide (V₂O₅) production, and vanadium electrolyte manufacturing."

"We are establishing strategic partnerships, prioritising sustainability, and focusing on long-term value creation for our shareholders and stakeholders. Our LDES market review has confirmed the growing demand for BESS solutions, reinforcing our renewed strategic approach to deliver energy stability and cost efficiency for customers."

Major opportunities

The LDES market review identified key factors shaping the global energy transition:

- The evolving energy mix and key drivers of LDES demand
- The important role of VFBs in long-duration energy storage solutions
- Strategic opportunities for CMG in the Commercial & Industrial, local community infrastructure, and mining sectors.

CMG has engaged with potential customers who recognise the value of BESS solutions in energy cost stabilisation and supply security. Initial scoping studies with select customers are set for completion by the end 2025.

Further updates will be provided to investors and stakeholders as CMG executes its strategy. Please join CEO Scott Winter for a live investor webinar at 10am (AEST), Friday, 4 April 2025. Please register your attendance by clicking [here](#).

This announcement was approved by the board of directors of CMG.

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