

Highlights

Aiming to be the world's first
Zero Carbon Lithium®
producer.

Large, lithium-rich
geothermal brine project, in
the Upper Rhine Valley of
Germany.

Europe's **largest** JORC-
compliant lithium resource.

Located at the heart of the EU
Li-ion battery industry.

Fast-track development of
project under way towards
production.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Executive Director
Dr Horst Kreuter

Non-Executive Director
Ranya Alkadamani

CFO-Company Secretary
Robert Ierace

Fast Facts


Issued Capital: 77,335,948
Market Cap (@\$2.35): \$182m

Contact

Level 11, Brookfield Place
125 St Georges Terrace
Perth WA 6000 Australia
08 6189 8767

Vulcan Energie
Ressourcen GmbH
Baischstr. 8,
76133 Karlsruhe

www.v-er.com
info@v-er.eu

 @VulcanEnergyRes

European Commission Regulation on Sustainable Batteries and Carbon Footprint

Highlights:

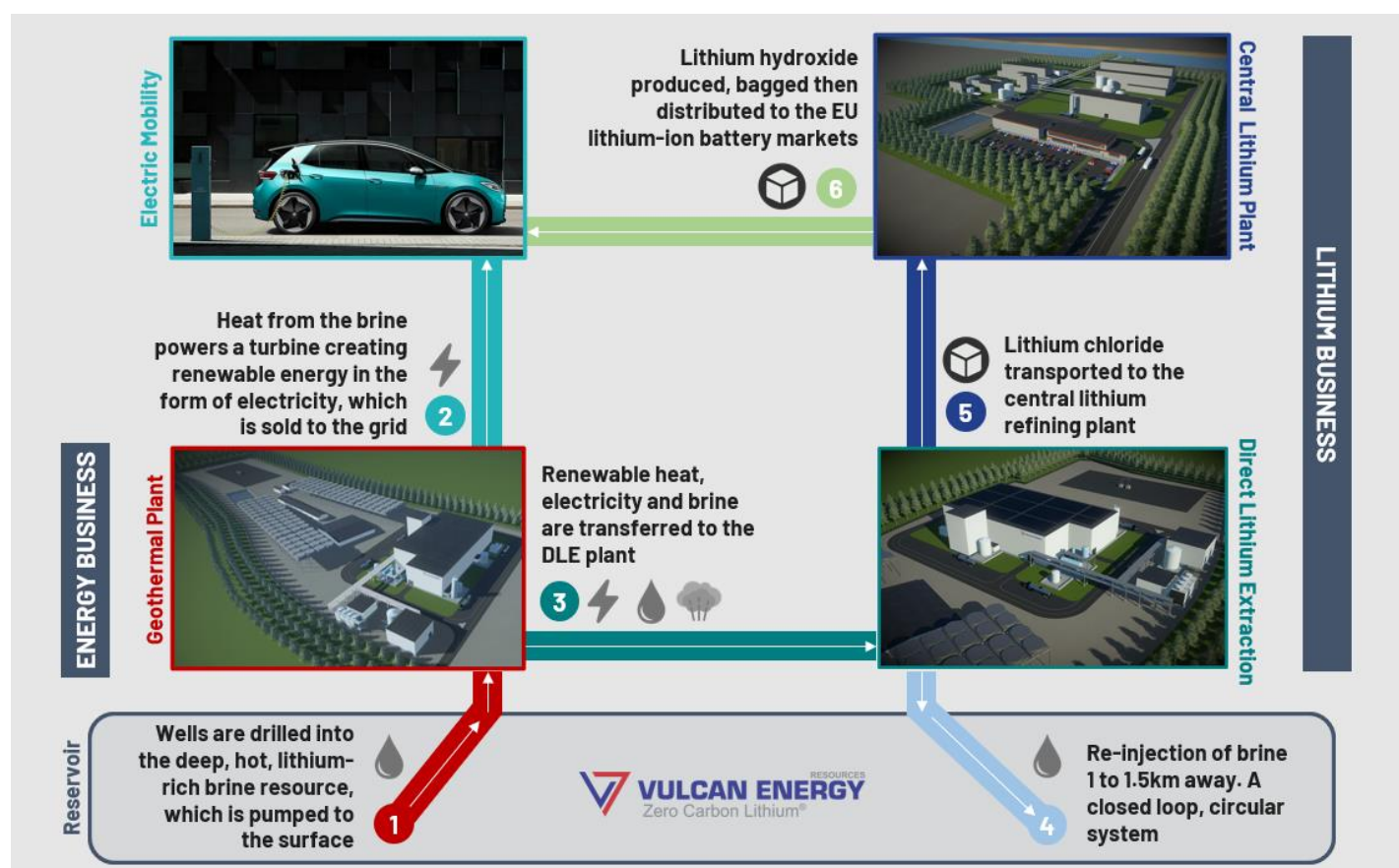
- Proposed new Regulation from European Commission includes mandatory requirements on carbon footprint rules and responsibly sourced materials within lithium-ion battery production and consumption in the EU.
- From 1 January 2026, lithium-ion batteries will have to bear a carbon intensity performance class label and from 1 July 2027, **must comply with maximum carbon footprint thresholds**. The EU will ban batteries not meeting the new regulation.
- Manufacturers will have to demonstrate that they are sourcing raw materials in a responsible way through a digital passport tracking all battery materials used in the battery composition.
- For requirements related to the carbon footprint and the responsible sourcing of raw materials, mandatory third-party verification will be required. Each battery will have a digital passport tracking all components coming from upstream.
- European Commission Vice-President Maroš Šefčovič: "(The new EU battery CO₂ regulation) **will have an immediate impact on the market, which up until now has been driven only by price**".
- EU commissioner Thierry Breton **"We are 100% dependent on lithium imports. The EU, if finding the right environmental approach, will be self-sufficient in a few years, using its resources"**.

Vulcan Managing Director, Dr. Francis Wedin, commented: "We welcome these announcements from the European Commission, which are a major endorsement of Vulcan's Zero Carbon Lithium® strategy. Decarbonisation, responsibly sourced lithium and renewable energy are the foundation of Vulcan. Our early adoption of this strategy gained EU support and puts us at the forefront of the lithium sector where companies will have to adapt to the rapidly evolving global aims of decarbonisation in the production process and responsibly sourced materials. With our PFS due shortly we go into 2021 knowing that our project, process and product, to produce battery quality lithium hydroxide for electric vehicles in Europe for the European market with net zero carbon footprint, will be strongly supported by EU regulations.

We are the only lithium project globally which is being developed to have a zero-carbon footprint, we have the largest lithium resource in Europe and own the trademark Zero Carbon Lithium® which can be licenced to battery manufacturers and OEMs using our product.”

About Vulcan

Vulcan Energy Resources is aiming to become the world's first Zero Carbon Lithium® producer, by producing a battery-quality lithium hydroxide chemical product with net zero carbon footprint from its combined geothermal and lithium resource, which is Europe's largest lithium resource, in the Upper Rhine Valley of Germany. Vulcan will use its unique Zero Carbon Lithium® process to produce both renewable geothermal energy, and lithium hydroxide, from the same deep brine source. In doing so, it will fix lithium's current problems for the EU market: a very high carbon and water footprint of production, and total reliance on imports, mostly from China. Vulcan aims to supply the lithium-ion battery and electric vehicle market in Europe, which is the fastest growing in the world. Vulcan has a resource which can satisfy Europe's needs for the electric vehicle transition, from a zero-carbon source, for many years to come.



Recent activities by the Company (<https://v-er.com/investor-centre/>)

- Taro Indicated Resource upgrade and increased global Mineral Resource Estimate.
- Appointment of former Tesla director Jochen Rudat to Business Development team.
- Taro license grant and increased global Mineral Resource Estimate.
- Appointment of lithium industry expert Vincent Ledoux Pedailles to Business Development team.
- Appointment of lithium chemistry expert Dr. Katharina Gerber to the Executive team.
- Excellent recoveries of over 90% from lithium extraction test work on Upper Rhine Valley brine.
- Securing EU backing support package, and EU-backed investment agreement into the Vulcan Zero Carbon Lithium® project.
- \$4.8m institutional and ESG investor equity placement.
- Agreement to acquire 3D seismic package to accelerate project development. Commencement of lithium test work for Pre-Feasibility Study. Completion of positive Scoping Study.

Zero Carbon Lithium®

For and on behalf of the Board

Robert Ierace

Chief Financial Officer - Company Secretary

For further information visit www.v-er.com

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which Vulcan operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside Vulcan's control.

Vulcan does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of Vulcan, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by Vulcan. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

