

Fast Facts

Issued Capital: 108,759,113
Market Cap (@\$9.80): \$1.066b

RENAULT GROUP PARTNERS WITH VULCAN ENERGY IN THE ZERO CARBON LITHIUM™ PROJECT

Summary:

- Renault Group and Vulcan Energy announce a five-year strategic partnership within the Zero Carbon Lithium™ Project, securing between 6,000 and 17,000 metric tonnes per year of battery grade lithium chemicals.
- This agreement is in line with Renault Group's strategy to offer competitive, sustainable and 'made in Europe' electric vehicles.
- This partnership with Vulcan Energy will allow Renault to avoid from 300 to 700 kg of CO₂ for a 50-kWh battery.

Renault Group, top automotive player and pioneer in the European EV market, and Vulcan Energy Resources ("Vulcan", "the Company"), a global leading lithium developer, have signed a lithium offtake term sheet. This agreement is for an initial five-year term which can be extended if mutually agreed, with a start of commercial delivery set for 2026.

In line with Renault Group's ambition to offer 'made in Europe' cars, and following the launch of Renault ElectriCity – the most competitive and efficient production unit for electric vehicles in Europe – the Group will purchase between 6,000 to 17,000 metric tonnes per year of battery grade lithium chemicals produced in Germany by Vulcan.

Renault Group, which has set the aim to achieve carbon neutrality worldwide in 2050, continues to accelerate its EV strategy to reach the greenest mix in the European market in 2025, with over 65% of electric and electrified vehicles in the sales mix, and up to 90% battery electric vehicles mix in 2030. Thanks to Vulcan, which will produce a battery-quality lithium chemical product from its combined geothermal energy and lithium resource while reducing lithium's high carbon and water footprint on production, Renault Group will be able to avoid from 300 to 700 kg of CO₂ for a 50-kWh battery.

The binding term sheet is conditional on the execution of a Definitive Agreement on materially similar terms by 20 November 2021.

Highlights

Globally unique **Zero Carbon Lithium™** Project.

Combined lithium chemicals & renewable energy project in the Upper Rhine Valley of Germany.

EU's **largest** lithium resource.

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

Fast-track development towards supplying the EU's battery & electric vehicle industry.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Executive Director Germany
Dr Horst Kreuter

Non-Executive Director
Ranya Alkadamani


Non-Executive Director
Annie Liu

Non-Executive Director
Dr Heidi Grön

Non-Executive Director
Josephine Bush

Company Secretary
Daniel Tydde

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Renault Group

Gianluca De Ficchy, Alliance EVP, Purchasing and Managing Director of Alliance Purchasing Organization at Renault Group, explained: *“We are very proud to partner with a European lithium producer with a net zero greenhouse gas emissions such as Vulcan Energy. Our environmental and social responsibility is at the heart of the Renault Group and this must also apply to the providers we partner with if we want to create real value and offer the most sustainable vehicles in the market.”*



Vulcan Managing Director, Dr. Francis Wedin, commented: *“It is important that we work with companies who share our ethos on sustainability. Renault Group is a pioneer in the EV space, with the successful introduction of truly affordable, mass market models. Perhaps most importantly, the number one pillar of Renault’s strategy is “Carbon neutrality - Green as a business”, with a commitment to producing carbon-free batteries and becoming carbon neutral. We look forward to a long and productive relationship between Vulcan and Renault going forward.”*

For and on behalf of the Board

Daniel Tydde

Company Secretary

For further information visit www.v-er.eu





VULCAN ENERGY ZERO CARBON LITHIUM™

About Vulcan

Vulcan is aiming to become the world's first lithium producer with net zero greenhouse gas emissions. Its ZERO CARBON LITHIUM™ Project intends to produce a battery-quality lithium hydroxide chemical product from its combined geothermal energy and lithium resource, which is Europe's largest lithium resource, in Germany. Vulcan's unique, ZERO CARBON LITHIUM™ Project aims to produce both renewable geothermal energy, and lithium hydroxide, from the same deep brine source. In doing so, Vulcan intends to address lithium's EU market requirements by reducing the high carbon and water footprint of production, and total reliance on imports. Vulcan aims to supply the lithium-ion battery and electric vehicle market in Europe, which is the fastest growing in the world. The Vulcan Zero Carbon Lithium™ project has a resource which can satisfy Europe's needs for the electric vehicle transition, from a source with net zero greenhouse gas emissions, for many years to come.



Material Terms of the Agreement

Term: five years, with option to extend by mutual agreement.

Volume: minimum 6,000 tonnes per annum lithium hydroxide, maximum 17,000 tonnes per annum, to be defined in the Definitive Agreement.

Commencement: start of commercial delivery in 2026.

Pricing: mechanism will be based on market prices.

Conditions Precedent: execution of Definitive Agreement on materially similar terms by 20 November 2021, and product achieving qualification to the agreed timeline.

Disclaimer

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Competent Person Statement:

The information in this report that relates to Mineral Resources is extracted from the ASX announcement made by Vulcan on the 15 December 2020, which is available on www.v-er.eu. The information in this presentation that relates to the Pre-Feasibility Study for the Vulcan Lithium Project is extracted from the ASX announcement "Positive Pre-Feasibility Study", released on the 15th of January 2021 which is available on www.v-er.eu. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements 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 announcements.