



28 October 2021

Dear Shareholder,

NOTICE OF ANNUAL GENERAL MEETING

Further to the announcement dated 29 September 2021, notice is hereby given that the Annual General Meeting of Shareholders of Vanadium Resources Limited (**Company**) will be held at Level 32, Exchange Tower, 2 The Esplanade, Perth WA 6000, on Monday, 29 November 2021, at 4:00pm (AWST). Please note that nominations from persons who wish to be considered for election as a director has now closed.

In accordance with the *Treasury Laws Amendment (2021 Measures No.1) Act 2021* (Cth), the Company will not be dispatching physical copies of the Notice of Meeting unless the shareholder has made a valid election to receive documents in hard copy. Instead the Notice of Meeting and accompanying explanatory statement (**Meeting Materials**) are being made available to shareholders electronically. This means that:

- You can access the Meeting Materials online at the Company's website <https://vr8.global/announcements>
- A complete copy of the Meeting Materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "VR8".
- If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting Materials and the voting instruction form.

If you would like to receive electronic communication from the Company in future, please update your communications elections online at <http://investor.automic.com.au/#/home>. If you have not yet registered to receive electronic communications, you will need your shareholder information including SRN/HIN details.

If you are unable to access the Meeting Materials online please contact our share registry Automic by emailing hello@automicgroup.com.au or by phone on 1300 288 664 (within Australia) or on +61 2 9698 5414 (outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday, to obtain a copy.

This ASX announcement has been authorised for release by the Company Secretary of Vanadium Resources Limited.

Kyla Garic

Company Secretary

VANADIUM RESOURCES LIMITED



Vanadium Resources Limited

ACN 618 307 887

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM

Monday, 29 November 2021

4:00 pm (WST)

RSM Australia Pty Ltd

Level 32, Exchange Tower

2 The Esplanade Perth WA 6000

The Annual Report is available online at <https://vr8.global/> .

This Notice of Annual General Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor, or other professional adviser without delay.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on 08 6158 9990.

NOTICE OF MEETING

Notice is given that the Annual General Meeting of Shareholders of Vanadium Resources Limited (ACN 618 307 887) (**Company**) will be held at RSM Australia Pty Ltd, Level 32, Exchange Tower, 2 The Esplanade, Perth WA 6000 on Monday, 29 November 2021 commencing at 4:00 pm WST (**Meeting**).

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders at 4:00 pm WST on Saturday, 27 November 2021.

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

Annual Report

To table and consider the Annual Report of the Company and its controlled entities for the financial year ended 30 June 2021, which includes the Financial Report, the Directors' Report, and the Auditor's Report.

1. Resolution 1 – Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as a non-binding resolution:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report that forms part of the Directors' Report for the financial year ended 30 June 2021 be adopted by the Shareholders on the terms and conditions in the Explanatory Memorandum.”

Please note that a vote on this Resolution is advisory only and does not bind the Directors or the Company.

Voting Prohibition

In accordance with section 250R of the Corporations Act, a vote on this Resolution must not be cast (in any capacity) by, or on behalf of, a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such member. However, a vote may be cast by such person if:

- (a) the person is acting as a proxy and the Proxy Form specifies how the proxy is to vote, and the vote is not cast on behalf of a person who is otherwise excluded from voting on this Resolution as described above; or
- (b) the person is the Chair voting an undirected proxy which expressly authorises the Chair to vote on a resolution connected with the remuneration of a member of the Key Management Personnel.

2. Resolution 2 – Re-election of Director – Jurie Wessels

To consider and, if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, Jurie Wessels, who retires as a director by rotation in accordance with clause 14.2 of the Constitution and for all other purposes, be re-elected as a director of the Company.”

3. Resolution 3 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass with or without amendment, the following resolution as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) if at the time the approval is sought, the Company is proposing to make an issue of equity securities under rule 7.1A.2, any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company); or
- (b) any Associate of that person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

4. Resolution 4 – Ratification of Shares – October Placement

To consider, and if thought fit, to pass with or without amendment, the following resolution as an ordinary resolution:

“That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 44,230,769 Shares previously issued under the Company’s Listing Rule 7.1 capacity on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) any person who participated in the issue (or is a counterparty to the agreement being approved); or
- (b) any Associate any person who participated in the issue (or is a counterparty to the agreement being approved).

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair of the meeting as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated 19 October 2021

BY ORDER OF THE BOARD

Kyla Garic
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of the Company in connection with the business of the Meeting to be held at RSM Australia Pty Ltd, Level 32, Exchange Tower, 2 The Esplanade, Perth WA 6000 on Monday, 29 November 2021 commencing at 4:00 pm WST.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice.

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a proxy) to vote in their place. All Shareholders are invited and encouraged to participate in the Meeting and are encouraged to lodge a directed Proxy Form to the Company in accordance with the instructions thereon. Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

Shareholders and their proxies should be aware that:

- (a) if proxy holders vote, they must cast all directed proxies as they are directed to; and
- (b) any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and

- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must only vote on a poll; and
- (c) if the proxy is the Chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to Chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- (b) the appointed proxy is not the Chair of the meeting; and
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the Chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by Proxy Holders

In accordance with section 250R of the Corporations Act, a vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a Closely Related Party of such member.

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a person described in subparagraphs (a) or (b) above and either:

- (a) the person does so as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 1; or
- (b) the person is the Chair and has been appointed as proxy;
- (c) does not specify the way the proxy is to vote on Resolution 1; and
- (d) expressly authorises the Chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of Key Management Personnel.

2.3 Submit your Proxy Vote Online

Vote online at <https://investor.automic.com.au/#/loginsah>, and simply follow the instructions on the enclosed proxy form.

Or alternatively:

2.4 Submit your Proxy Vote by Paper

If you do not wish to vote online, then it is necessary to complete and sign the Proxy Form in accordance with the detailed instructions set out on the enclosed Proxy Form.

Your completed form (ONLY if you do NOT vote online) can be returned by one of the following ways:

- (a) post to Automic GPO Box 5193, Sydney NSW 2001;
- (b) fax to +61 2 8583 3040;
- (c) email to meetings@automicgroup.com.au; or
- (d) in person to Automic Level 5, 126 Phillip Street, Sydney NSW 2000.

2.5 Voting in Person

To vote in person, Shareholders are able to attend the Meeting at the time, date and place set out above. In light of the status of the evolving COVID-19 situation, the easing of Government restrictions on public gatherings in place at the time of the Notice and the number of Shareholders that normally attend Shareholder meetings for the Company, the Directors have made a decision that Shareholders will be able to physically attend the Meeting in person and have arranged an appropriate meeting venue. If the Government restrictions and corresponding decision of the Directors changes prior to the Meeting, the Directors will update Shareholders via the Company's ASX platform.

2.6 Voting by Poll

Shareholders should note that voting at the Meeting on all Resolutions will be conducted by a poll rather than on a show of hands.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on 08 6158 9990.

3. Financial Statements and Reports

There is no requirement for Shareholders to approve the Annual Report.

Shareholders will be offered the following opportunities:

- (a) to discuss the Annual Report which is available online at <https://vr8.global/> ;
- (b) to ask questions or make comment on the management of the Company; and
- (c) to ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chair regarding the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies of the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 (five) Business Days before the Meeting to the Company Secretary at the Company's Registered Office.

4. Resolution 1 – Adoption of Remuneration Report

Section 250R(2) of the Corporations Act provides that the Company is required to put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and reports the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

Section 250R(3) of Corporations Act provides that Resolution 1 is advisory only and does not bind the Directors of the Company of itself, a failure of Shareholders to pass Resolution 1 will not require the Directors to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act also gives Shareholders the opportunity to remove the Board if the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings (**Two Strikes Rule**).

Under the Two Strikes Rule, where a resolution on the Remuneration Report receives a 'no' vote of 25% or more at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the managing director) who were in office at the date of approval of the applicable Directors' Report will cease to hold office immediately before that further meeting but may stand for re-election.

At the Company's previous annual general meeting the Company did not receive a strike. Accordingly, a further resolution relating to the Two Strikes Rule is not relevant for this Annual General Meeting.

The Chair will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on the Remuneration Report.

The Chair intends to exercise all undirected proxies in favour of Resolution 1. If the Chair of the Meeting is appointed as your proxy and you have not specified the way the Chair is to vote on Resolution 1, by signing and returning the Proxy Form, the Shareholder is considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention.

5. Resolution 2 – Re-election of Director – Jurie Wessels

Clause 14.2 of the Constitution requires that at the Company's annual general meeting in every year, one-third of the Directors for the time being, or, if their number is not a multiple of three, then the number nearest to but not more than one-third of Directors, must retire, provided always that no Director (except a managing director) shall hold office for a period in excess of three years, or until the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at an annual general meeting are those who have been longest in office since their last election, but, with persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by drawing lots.

A Director who retires by rotation under clause 14.2 of the Constitution is eligible for re-election.

In calculating the number of Directors, of which one third must retire and if eligible, be re-elected, the following people are not included in the calculation:

- (a) the Managing Director; and
- (b) any Director who was appointed during the year by the Directors (clause 14.4 of the Constitution).

Jurie Wessels, a Non-Executive Chairman, is retiring by rotation under clause 14.2 of the Constitution and being eligible for re-election, offers himself for re-election at the Meeting.

Details of Jurie Wessels' background and experience is set out in the Annual Report. The Board considers that Jurie Wessels, if re-elected, will continue to be classified as a non-independent director due to an interest as a substantial shareholder in the Company.

The Board (excluding Jurie Wessel) recommends that Shareholders vote in favour of Resolution 2. The Chair of the Meeting intends to vote undirected proxies in favour of Resolution 2.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements commencing from the date of the Meeting where the Company obtains the approval until the earlier of the following:

- (a) the date that is 12 months after the date of the Meeting at which the approval is obtained;
- (b) the time and date of the Company's next annual general meeting; or
- (c) the time and date of the approval of Shareholders of a transaction under Listing Rule 11.1.2 or 11.2 in respect of the Company,

(10% Placement Facility). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As at 11 October 2021, the Company is an "eligible entity" as it is not included in the S&P Index and has a market capitalisation of approximately \$37,939,340 (based on the number of Shares on issue and the closing price of Shares on ASX on 11 October 2021).

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer Section 6.2(c) below).

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting. Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 3 for it to be passed.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being Shares (ASX: VR8).

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting any issue or agree to issue, during the 12 month period after the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of shares on issue at the commencement of the relevant period:

- plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
- plus the number of fully paid shares issued in the relevant period on conversion of convertible securities within Listing Rule 7.2, exception 9 where:
 - (1) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (2) the issue of, or agreement to issue, the convertible securities was approved, or taken to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
- plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2, Exception 16 where:
 - (1) the agreement was entered into before the commencement of the relevant period; or
 - (2) the agreement or issue was approved, or taken under these rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;

- plus the number of partly paid shares that became fully paid in the relevant period;
- plus the number of any other fully paid shares issued in the relevant period with approval of holders of shares under Listing Rule 7.1 and Listing Rules 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- less the number of fully paid shares cancelled in the relevant period.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%.

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.4 and relevant period has the same meaning as in Listing Rule 7.1

(d) Listing Rule 7.1A and Listing Rule 7.3A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

At the date of this Notice, the Company has on issue 462,674,874 Shares and therefore has a capacity to issue:

- (i) subject to Shareholder approval being sought under Resolution 3 and 4 69,401,231 Equity Securities under Listing Rule 7.1; and
- (ii) subject to Shareholder approval being sought under this Resolution 3, 46,267,487 Equity Securities under Listing Rule 7.1A.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the time and date of the Company's next annual general meeting; or
- (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

or such longer period if allowed by ASX (**10% Placement Period**).

6.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) on the Resolution.

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 Trading Days on which trades in that class were recorded immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, existing Shareholders' who do not participate (either because they are not invited to participate or because they elect not to participate) in any such issue, will have their existing interest and voting power in the Company diluted as shown in the below table. There is also a risk that:
 - (i) the market price for the Company's Equity Securities in that class may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2).

The table shows:

- (i) examples of where variable “A” is at its current level, and where variable “A” has increased, by 50% and 100%; and
- (ii) examples of where the issue price or ordinary securities is the current market price as at close of trade on 11 October 2021, being \$0.082 (current market price) where the issue price has decreased by 50% and increased by 100%; and
- (iii) that the dilutionary effect will always be 10% if the maximum number of ordinary securities that may be issued under the Additional 10% placement capacity are issued.

Variable “A” in Listing Rule 7.1A.2	Shares Issued - 10% Voting Dilution	Dilution		
		\$0.041 50% decrease in Issue Price	\$0.082 Issue Price	\$0.16 100% increase in Issue Price
		Funds Raised		
Current Variable “A” 462,674,874 Shares	46,267,487 Shares	\$1,896,967	\$3,793,934	\$7,587,868
50% increase in current Variable “A” 694,012,311 Shares	69,401,231 Shares	\$2,845,450	\$5,690,901	\$11,381,802
100% increase in current Variable “A” 925,349,748 Shares	92,534,975 Shares	\$3,793,934	\$7,587,868	\$15,175,736

Note:

The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 2. No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example at 10%.
 4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on the Shareholder's holding at the date of the Meeting.
 5. The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Listed Options, it is assumed that those Listed Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 7. The issue price is \$0.082, being the closing price of the Shares on ASX on 11 October 2021.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
 - (d) The Company may seek to issue the Equity Securities to raise funds for continued development of current work programs including exploration expenditure, progression

of the definitive feasibility program, other investment opportunities and/or general working capital.

The Company will comply with the disclosure obligations under the Listing Rules 7.1A(4) upon issue of any Equity Securities.

The identity of the allottees to whom the Equity Securities will be issued is not yet known and will be determined on a case-by-case basis having regard market conditions at the time of the proposed issue of Equity Securities, including consideration of matters including, but not limited to:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from its professional advisers, including corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not Related Parties or associates of a Related Party of the Company.

- (e) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 18 November 2020 (**Previous Approval**). In the 12 months preceding the date of the Meeting, the Company has not issued any securities under Listing Rule 7.1A.2.
- (f) For the purpose of ASX Listing Rule 14.1A (and in addition to the disclosure in clause 6.4(d) above):
 - (i) if Resolution 3 is passed, the Directors will be able issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1; and
 - (ii) if Resolution 3 is not passed, the Directors will not be able issue the Equity Securities under Listing Rule 7.1A, and will have to either rely on its existing 15% placement capacity under Listing Rule 7.1 (from time to time), or (in the event that the Company's 15% placement capacity is exhausted) the Company will be required to obtain prior shareholder approval under Listing Rules 7.1 before being able to issue such Equity Securities (which may result in the Company incurring further time and expense).

A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

The Directors of the Company believe Resolution 3 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

7. Resolution 4 – Ratification of Shares– October Placement

7.1 Background

As announced on 11 October 2021, the Company announced that it had entered into a subscription agreement with Raubex Pty Ltd (a subsidiary of JSE listed Raubex Group Ltd (**Raubex**)) for a placement of A\$4,600,000 (**October Placement**). The October Placement comprised of the placement of 44,230,769 Shares at an issue price of \$0.104 per Share, representing a 64% premium to the 30 day VWAP (**October Placement Shares**), to raise \$4,600,000 (before costs) pursuant to the Company's pre-existing capacity available under Listing Rule 7.1.

In return for the investment premium, Vanadium Resources (Pty) Ltd, which company owns the Steelpoortdrift Vanadium Project (**Steelpoortdrift**) and which is an Associate company of the Company, has entered into an arms-length mining services agreement with Raubex's wholly owned contract mining subsidiary, SPH Kundalila (Pty) Ltd (**SPH**), in terms of which SPH would provide contract mining services including drilling, blasting, haulage, stockpile management, backfilling and supply of equipment to conduct relevant activities.

The purpose of the October Placement was so that the Company can fully fund and complete a definitive feasibility study at Steelpoortdrift up to final investment decision.

7.2 ASX Listing Rules 7.1

Broadly speaking, and subject to a number of exceptions which are contained in Listing Rule 7.2 (which do not apply in the circumstance of this Resolution), Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period. The October Placement Shares do not fit within any of the exceptions in Listing Rule 7.2 and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the issue date.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12 month period after the annual general meeting at which the Shareholders approve the 10% placement facility. The 10% placement facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities into the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. To this end, Resolution 4 seeks Shareholder approval for the ratification of the issue of the October Placement Shares under and for the purposes of Listing Rule 7.4.

If Resolution 4 is passed, the October Placement Shares will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 4 is not passed, the October Placement Shares will be included in calculating the Company's 15% limit in Listing Rule 7.1, effectively decreasing the number of equity securities it can issue without Shareholder approval over the 12 month period following the issue date.

7.3 Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the ratification of the Shares under this Resolution (in respect of Listing Rules 7.1):

- (i) the October Placement Shares were issued to Raubex Pty Ltd (a subsidiary of JSE listed **Raubex**) The participant in the October Placement is not a related party, members of the Company's key management personnel, substantial holders nor advisers to the Company) (nor is the issue being made to an Associate of these persons);
- (ii) a total of 44,230,769 Shares were issued under Listing Rule 7.1;
- (iii) the October Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (iv) the October Placement Shares were issued on 11 October 2021;
- (v) the issue price of the October Placement Shares was \$0.104 per Share;
- (vi) the purpose of this issue and the intended use of the funds raised is as set out in Section 7.1;
- (vii) the issue of the October Placement Shares were issued under a subscription agreement, the agreement was the placement of 44,230,769 shares at an issue price of \$0.104 to raise A\$4,600,000, there were no other material terms.
- (viii) a voting exclusion statement is set out in the Notice, which precludes any persons who participated in the issue of the October Placement Shares and their Associates from voting on this Listing Rule 7.4 resolution.

The Directors of the Company believe Resolution 4 is in the best interest of the Company and its Shareholders and unanimously recommend that the Shareholders vote in favour of this Resolution.

Schedule 1 – Definitions

In this Notice and the Explanatory Memorandum:

\$ means Australian Dollars.

10% Placement Facility has the meaning given in Section 6.1.

10% Placement Period has the meaning given in Section 6.2(f).

Annual Report means the Directors' Report, the Financial Report and the Auditor's Report in respect to the financial year ending 30 June 2021.

Associate has the meaning given in sections 12 and 16 of the Corporations Act. Section 12 is to be applied as if paragraph 12(1)(a) included a reference to the Listing Rules and on the basis that the Company is the "designated body" for the purposes of that section. A related party of a director or officer of the Company or of a Child Entity of the Company is to be taken to be an associate of the director or officer unless the contrary is established.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Business Day means:

- (a) for determining when a notice, consent or other communication is given, a day that is not a Saturday, Sunday or public holiday in the place to which the notice, consent or other communication is sent; and
- (b) for any other purpose, a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

Chair means the person appointed to chair the Meeting convened by this Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in Section 9 of the Corporations Act.

Company means Vanadium Resources Limited (ACN 618 307 887)

Constitution means the constitution of the Company as at the commencement of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities contained in the Annual Report.

Equity Securities has the same meaning as in the Listing Rules.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act of the Company and its controlled entities.

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Option means an option which entitles the holder to subscribe for one Share.

October Placement has the meaning contained in Section 7.1.

October Placement Shares has the meaning contained in Section 7.1.

Proxy Form means the proxy form attached to the Notice.

Raubex has the meaning contained in Section 7.1.

Related Party has the meaning set out in ASX Listing Rules Chapter 19.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means resolution contained in the Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a shareholder of the Company.

SPH has the meaning contained in Section 7.1.

Steelpoortdrift has the meaning contained in Section 7.1.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

Two Strikes Rule has the meaning in Section 4.

WST means Western Standard Time, being the time in Perth, Western Australia.

VWAP means volume weighed average price for a given Trading Day of a Share in a company listed on ASX.

In this Notice and the Explanatory Memorandum words importing the singular include the plural and vice versa.

Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Holder Number:

Your proxy voting instruction must be received by **4.00pm (WST) on Saturday 27 November 2021**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY VOTE ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		
Date (DD/MM/YY)		

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).