



22 August 2022

LEADING GLOBAL FINANCE ADVISOR APPOINTED AHEAD OF DFS COMPLETION

VANADIUM RESOURCES LTD (ASX:VR8) (“**VR8**” or “**THE COMPANY**”), is developing its Tier 1 Steelpoortdrift Vanadium project in Limpopo, South Africa. VR8 is currently conducting a Definitive Feasibility Study (**DFS**) to undertake mining operations and to construct a concentrator and salt roast plant, potentially capable of initially producing 12,500tpa of V₂O₅ flake at an estimated capex of US\$200M¹. The Company is pleased to announce that the Company has appointed Leading Global Corporate Finance Group, HCF International Advisors Ltd (**HCF**), as the Company’s adviser to assist in the raising of project financing for the development of the Steelpoortdrift Vanadium Project.

HIGHLIGHTS

- ◆ VR8 appoints leading global Corporate Finance group HCF International Advisers
- ◆ HCF has extensive experience in providing structured finance advisory and raising substantial amounts of capital for the global mining sector, having raised over USD 12 billion in project financing since 2003
- ◆ HCF to assist with debt/offtake evaluation and arranging debt finance to support construction of the Steelpoortdrift Vanadium mine
- ◆ HCF agreed to receive part of its fees in shares at VR8’s election
- ◆ DFS nears completion, remaining on time and within budget for September 2022 release
- ◆ Imminent finalisation of DFS and appointment of HCF is expected to accelerate Company towards a Final Investment Decision

¹ See ASX announcement dated 22 June 2021 “*Steelpoortdrift PFS delivers superior results*”. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply.

Jurie Wessels, Executive Chairman of VR8 said: *“VR8 is making great strides in progressing the Steelpoortdrift Vanadium Project closer to production. Since the announcement of the PFS in 2021 we have welcomed the Raubex Group Ltd, a leading South African infrastructure development and mining services group, as a shareholder by raising funding at a premium, increased our interest in Steelpoortdrift to 74%, released test work results that raised our expectations in receiving positive technical outcomes for the DFS, have employed a world-class group of consultants and advisors to complete the DFS on time and in budget, and acquired a site where the planned Salt Roast Plant will be located. With the Feasibility Study nearing completion at the end of September, it is an appropriate time to accelerate our business by taking on the early work towards project financing. Given HCF’s extensive experience with Africa, mining and, specifically, critical minerals projects, we are very pleased to appoint HCF as our financial adviser. Their reputation and connections with global financiers are second to none, and their guidance is expected to enable VR8 to arrange financing solutions that could keep equity dilution to a minimum, a goal I share as one of the company’s significant shareholders.”*

HCF APPOINTMENT

VR8 is pleased to announce the engagement of HCF as its principal debt advisor (**Engagement**). HCF’s experience, skillsets and expansive network in the mining finance industry will greatly assist VR8 to raise project financing for the development of the Steelpoortdrift Vanadium Project.

HCF is a leading independent corporate finance advisory boutique based in London, UK with a primary focus on the mining and metals sector and a strong history of securing funding for projects in Africa. HCF provides strategic and financial advice to companies across the complete life cycle of a project on securing funding to bring projects through to operations. Established in 2003, HCF has developed a reputation for successfully executing transactions in emerging markets across commodities, with a deep understanding of political risk mitigation. HCF is comprised of professionals who have extensive financing and technical experience, as well as expertise in the funding of critical minerals projects.

TERMS OF ENGAGEMENT

During the Engagement, HCF, acting in conjunction with the Company and other advisers, will provide financial and strategic advice, and assistance to approach potential lenders to secure long-term project finance for the development of the Steelpoortdrift Vanadium Project, which may include a combination of commercial bank funding, export credit agency/development financial institutions, and, if required, alternative funding such as debt funds, royalty, streaming and equipment finance and/or prepayments.

The engagement will be approached in two phases, the first aimed at preparing the company for formal engagement of interested parties by undertaking a comprehensive project risk analysis, developing a strategy to assist the Company in mitigating political risk by involving development financial institutions, and developing a funding strategy to accomplish fully funded project funding (including BEE). Phase two will be focussed on execution by formal engagement of interested parties, assisting with appointing mandated lead arrangers and independent technical engineers and other advisers, manage due diligence processes, negotiate term sheets, and assist with similar matters up to closure and achieving post-transaction deliverables.

HCF also agreed to receive part of its fees in shares at VR8's election.

The Company's DFS is currently within budget and on time for September 2022 completion. With the imminent finalisation of the DFS, the appointment of HCF will accelerate the Company towards Final Investment Decision.

This announcement has been authorised for release by the Board of Vanadium Resources Limited.

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DISCLAIMER

Some of the statements appearing in this announcement may be 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 VR8 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 several factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

The Company 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 VR8, 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 the Company. 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.

Competent Persons Statement and Previously Reported Information

The Company confirms that the form and context in which a Competent Person's previous findings, as referenced in footnote 1 as announced previously and presented in this announcement have not been materially modified from the original market announcements.