

DIRECTORS

Chairman
John Foley

Managing Director
Gavin Loyden

Non-Executive Director
John Henderson

Non-Executive Director
Daniel Harris

Non-Executive Director
David Fitch

JULIA CREEK PROJECT

Vanadium
Oil Shale



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\$2.2m Placement to progress Julia Creek development

Highlights

- **Successful completion of oversubscribed \$2.2m placement to professional and sophisticated investors at \$0.22 per share**
- **Funds raised will be applied to QEM's world class Julia Creek Vanadium and Oil Project, including updating the mining scoping study and additional processing works**
- **Continued support from existing shareholders including non-executive director and major shareholder David Fitch who will subscribe for \$600k to maintain his ~29% shareholding**

QEM Limited (ASX:QEM) is pleased to announce the Company has received firm commitments to raise \$2.2m via an oversubscribed placement to new and existing sophisticated and professional investors. The placement will support ongoing development of QEM's 100% owned Julia Creek Vanadium and Oil Project.

Complementing existing cash reserves, proceeds from the placement will fully fund QEM's pilot plant program, including additional petrology and vanadium pentoxide processing. These works follow the successful second round of bench-scale pilot plant testing which delivered a significant improvement in vanadium extraction rates and oil yields. Complementing these activities, QEM will undertake beneficiation and mineral characterisation work with the University of Queensland to further optimise the processing plan. In addition, funds have also been allocated to update the mining scoping study and JORC report. These essential activities will underpin both the mining and processing strategies and further positions QEM as a leading vanadium developer in Australia.

QEM Managing Director Gavin Loyden commented:

"The QEM team is incredibly pleased by the level of support shown in this capital raise, with significant interest shown by high net worth, sophisticated and institutional investors. In strong validation of our vision, QEM received demand in excess of the intended raise amount despite the slim discount to the closing share price."

"The ability for us to price this raise without the typical size of discounts seen elsewhere truly validates QEM's valuation upside and although market volatility has increased in recent months, it is clear that investors will continue to be attracted to high quality critical mineral developments in tier-1 jurisdictions."

We also thank major shareholder and non-executive director David Fitch for contributing \$600k in this capital raising to maintain his ~29% shareholding. Including this raise, Dave has increased his investment in QEM by ~\$1.9m within the last 13 months."

Following the recent success in pilot plant operations, we look forward to delivering further progress at QEM."

About the placement

QEM will raise approximately \$2.2m before costs via a placement of 10,049,992 new fully paid ordinary shares at \$0.22 per share ("New Shares"). This includes a contribution by major shareholder and non-executive director David Fitch for ~\$600,000 to maintain his ~29% shareholding in QEM, subject to shareholder approval.

Allotment of the New Shares to unrelated parties is anticipated to occur on or about 7 October 2022 under the Company's existing Listing Rule 7.1 capacity (7,322,720 Shares) whilst the New Shares to non-executive director David Fitch (2,727,272 Shares) will be subject to shareholder approval at a Company's annual general meeting on 17 November 2022.

Fresh Equities Pty Ltd and Viriathus Capital Pty Ltd acted as Joint Lead Managers.

ENDS

This announcement was authorised for release on the ASX by the Board of QEM Limited.

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