

ASX ANNOUNCEMENT

14TH FEBRUARY 2023

AVL BOARD OF DIRECTORS STRENGTHENED THROUGH APPOINTMENT OF TWO NON- EXECUTIVE DIRECTORS

Board evolution at critical time in Australian Vanadium Project development

KEY POINTS

- **Miriam Stanborough and Peter Watson appointed as Non-Executive Directors.**
- **New Directors bring a wide range of skills including chemical engineering and mining project development experience.**
- **Strategic key appointments as AVL progresses the Australian Vanadium Project.**

Australian Vanadium Limited (ASX: AVL, “the Company” or “AVL”) is pleased to announce that it has appointed Ms Miriam Stanborough and Mr Peter Watson to the AVL Board as Non-Executive Directors with effect from 13th February 2023. Executive Director Mr Leslie Ingraham has advised his intention to resign from the Board in due course, as part of the restructure.

Chair of the Board, Cliff Lawrenson comments, *“I am delighted to welcome Miriam and Peter to AVL as we evolve the Board of Directors to include the skills required to bring the Australian Vanadium Project into production. Both candidates bring deep knowledge and understanding of mining projects and I am confident they will complement the Board’s competency as it steers the Company through this exciting period of growth.”*

Ms Stanborough is a chemical engineer with over 20 years of experience in the mineral processing industry across a range of commodities. She has held senior roles at Monadelphous, Iluka Resources, Alcoa and WMC Resources. Her skill base spans innovation and technology, technical development, production management, project management, business improvement and people and culture.

Ms Stanborough is currently a Non-Executive Director of Pilbara Minerals Limited (ASX: PLS), BCI Minerals Limited (ASX: BCI), Chair of the Minerals Research Institute of Western Australia (MRIWA), Deputy Chair of the Northern Agricultural Catchments Council (NACC) and a Director of Scouts WA.

Ms Stanborough comments, *“I am delighted to join the high-calibre team at Australian Vanadium at this exciting juncture. Vanadium has an important role to play in the global energy transition and the Company’s ambitions for involvement in the vanadium value chain from mining through to battery storage shows a commitment to adding value to Western Australia’s natural endowment of this critical element.”*

Mr Watson is also a chemical engineer, with 40 years of experience in senior technical, project and management roles, in addition to corporate experience running ASX-listed companies. He has significant board-level experience, particularly regarding safety, governance, financial reporting, risk management and strategy.

Mr Watson is currently a Non-Executive Director of Paladin Energy Ltd (ASX: PDN), New Century Resources (ASX: NCZ) and Strandline Resources Limited (ASX: STA).

Mr Watson comments, *“It is a privilege to join the AVL Board at a time when the work by the team to date has positioned the Company well to respond to the building momentum in Critical Minerals and the need for sustainable large scale energy storage. I look forward to working with the Board and Management to help bring the outstanding Australian Vanadium Project opportunity into production and leverage the ownership of VSUN Energy.”*

Relevant key details of Ms Stanborough and Mr Watson’s appointments are set out in Appendix 1 below.

For further information, please contact:

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This announcement has been produced in accordance with the Company’s published continuous disclosure policy and has been approved by the Board.

ABOUT AUSTRALIAN VANADIUM LTD

AVL is a resource company focused on vanadium, seeking to offer investors a unique exposure to all aspects of the vanadium value chain – from resource through to steel and energy storage opportunities. AVL is advancing the development of its world-class Australian Vanadium Project at Gabanintha. The Australian Vanadium Project is one of the most advanced vanadium projects being developed globally, with 239Mt at 0.73% vanadium pentoxide (V_2O_5), containing a high-grade zone of 95.6Mt at 1.07% V_2O_5 and an Ore Reserve of 30.9Mt at 1.09% V_2O_5 comprised of a Proved Reserve of 5Mt at 1.11% V_2O_5 and a Probable Reserve of 20.4Mt at 1.07% V_2O_5 , reported in compliance with the JORC Code 2012 (see ASX announcement dated 1st November 2021 '*Mineral Resource Update at the Australian Vanadium Project*' and ASX announcement dated 6th April 2022 '*Bankable Feasibility Study for the Australian Vanadium Project*').

VSUN Energy is AVL's 100% owned renewable energy and energy storage subsidiary which is focused on developing the Australian market for vanadium redox flow batteries for long duration energy storage. VSUN Energy was set up in 2016 and has since become world-renowned for its VRFB expertise. AVL's vertical integration strategy incorporates processing vanadium to high purity, manufacturing vanadium electrolyte and working with VSUN Energy as it develops projects based on renewable energy generation and VRFB energy storage.

APPENDIX 1

- The appointment of Ms Stanborough and Mr Watson to the Board commenced on 13th February 2022.
- Ms Stanborough and Mr Watson will each receive a fee of \$100,000 per annum (inclusive of superannuation) and will be eligible to participate in the Company's Performance Incentive Scheme, under which they will each be able to apply for 10,000,000 performance rights which are subject to the vesting criteria below:
 - 3,333,333 performance rights when the share price reaches at least \$0.10 VWAP over 20 consecutive trading days on which the Company's shares have actually traded
 - 3,333,333 performance rights when the share price reaches at least \$0.15 VWAP over 20 consecutive trading days on which the Company's shares have actually traded
 - 3,333,334 performance rights when the share price reaches at least \$0.20 VWAP over 20 consecutive trading days on which the Company's shares have actually traded

Each vested performance right may be converted 1:1 to ordinary shares and expires 5 years from date of issue.

Shareholder approval will be sought where applicable.

APPENDIX 2

The Australian Vanadium Project – Mineral Resource estimate by domain and resource classification using a nominal 0.4% V₂O₅ wireframed cut-off for low-grade and nominal 0.7% V₂O₅ wireframed cut-off for high-grade (total numbers may not add up due to rounding).

Zone	Category	Mt	V ₂ O ₅ %	Fe %	TiO ₂ %	SiO ₂ %	Al ₂ O ₃ %	LOI %
HG	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	27.5	1.10	45.4	12.5	8.5	6.5	2.9
	Inferred	56.8	1.04	44.6	11.9	9.4	6.9	3.3
	Subtotal	95.6	1.07	44.7	12.2	9.1	6.8	3.2
LG	Indicated	54.9	0.50	24.9	6.8	27.6	17.1	7.9
	Inferred	73.6	0.48	25.0	6.4	28.7	15.4	6.6
	Subtotal	128.5	0.49	24.9	6.6	28.2	16.1	7.2
Transported	Inferred	14.9	0.66	29.0	7.8	24.5	15.1	7.8
	Subtotal	14.9	0.66	29.0	7.8	24.5	15.1	7.8
Total	Measured	11.3	1.14	43.8	13.0	9.2	7.5	3.7
	Indicated	82.4	0.70	31.7	8.7	21.2	13.5	6.2
	Inferred	145.3	0.71	33.0	8.7	20.7	12.0	5.4
	Subtotal	239.0	0.73	33.1	8.9	20.4	12.3	5.6

The Australian Vanadium Project - Ore Reserve Statement as at April 2022, at a cut-off grade of 0.7% V₂O₅.

Ore Reserve	Mt	V ₂ O ₅ %	Fe%	TiO ₂ %	SiO ₂ %	LOI%	V ₂ O ₅ production kt	Ore Reserve	Mt
Proved	10.5	1.11	61.6	12.8	9.5	3.7	70.9	Waste	238.5
Probable	20.4	1.07	63.4	12.2	9.2	3.0	152.9	Total Material	269.4
Total Ore	30.9	1.09	62.8	12.4	9.3	3.2	223.8	Strip Ratio	7.7

ASX CHAPTER 5 COMPLIANCE AND CAUTIONARY AND FORWARD-LOOKING STATEMENTS

ASX Listing Rules 5.19 and 5.23

ASX Listing Rule 5.19

The information in this announcement relating to production targets, or forecast financial information derived from a production target, is extracted from the announcement entitled 'Bankable Feasibility Study for the Australian Vanadium Project' released to the ASX on 6th April 2022 which is available on the Company's website www.australianvanadium.com.au.

The Company confirms that all material assumptions underpinning the production target, or the forecast financial information derived from a production target, in the original market announcement continue to apply and have not materially changed.

ASX Listing Rule 5.23

The information in this announcement relating to exploration results and mineral resource and ore reserve estimates for the Australian Vanadium Project is extracted from the announcement entitled 'Bankable Feasibility Study for the Australian Vanadium Project' released to the ASX on 6th April 2022 which is available on the Company's website www.australianvanadium.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement 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 announcement.

Forward-Looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of AVL and certain of the plans and objectives of AVL with respect to these items.

These forward-looking statements are not historical facts but rather are based on AVL's current expectations, estimates and projections about the industry in which AVL operates and its beliefs and assumptions.

Words such as "anticipates," "considers," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the industry in which AVL operates.

These statements are not guarantees of future performance and are subject to known and unknown

risks, uncertainties, and other factors, some of which are beyond the control of AVL, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks include, but are not limited to resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

AVL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of AVL only as of the date of this release.

The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made.

AVL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.