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Vulcan successfully completes EUR 66m (A\$109m)¹ Placement to progress its integrated renewable energy and lithium project execution strategy

Vulcan Energy Resources Limited (ASX: VUL, FSE: VUL, “**Vulcan**”, “**the Company**”), is pleased to announce the successful completion of its fully underwritten placement to sophisticated, experienced, professional and institutional investors (“**Placement**”).

The Placement raised EUR 66m (A\$109m)¹ from the issue of 21.4 million new, fully paid ordinary shares (“**New Shares**”) at an offer price of A\$5.10 per New Share / EUR 3.08 per New Share.

The Placement was strongly supported by existing and new shareholders, including a number of global ESG-focused institutions. Settlement of the Placement is scheduled for Thursday, 11 May 2023, with commencement of trading of New Shares under the Placement expected to occur on Monday, 15 May 2023 on ASX and FSE, respectively.

Proceeds from the Placement, together with existing cash, will be used to progress Vulcan’s integrated renewable energy and lithium project execution strategy, with proceeds being applied to:

1) Ordering of long lead CAPEX items for Phase One Lithium Plant

- Ion exchange system
- Eluate & desalination reverse osmosis
- Direct Lithium Sorption package
- Evaporator and crystalliser system

2) Ordering of long lead items for Phase One Renewable Energy Plant

- Organic Rankine Cycle (ORC) type geothermal renewable energy plant for Phase One development

3) Other Phase One project execution CAPEX

- Drilling of initial new production/re-injection wells in Phase One area near current production wells, to increase current brine flow
- Acquisition of land for Lithium Extraction Plant and brine production sites

¹ Based on an Australian dollar offer price of A\$5.10 per New Share, and a EUR offer price of EUR 3.08 per New Share.

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- VULSORB™ in-house lithium extraction sorbent co-investment for local commercial production, onshoring supply chain in Europe, away from China/Russia
- Engineering costs associated with Phase One execution including EPCM and bridge engineering

4) Phase Two project development

- 3D Seismic acquisition for Phase 2 development

5) General working capital, overhead, corporate costs and costs of the Placement

- General working capital required to support on-the-ground execution, and transaction costs associated with the Placement

Commenting on the completion of the Placement, Vulcan’s Managing Director & CEO, Dr. Francis Wedin, said:

“We would like to sincerely thank our existing shareholders for their continued support and welcome our new shareholders, including ESG-focused institutional investors, onto the register. The ~300-strong Vulcan team remains focused on the execution of Phase One of our industry-leading Zero Carbon Lithium™ Project, providing the European market with critically-needed secure supply of sustainable, battery-grade lithium hydroxide for the electric vehicle market, as well as increased renewable energy supply for energy and climate security. The Placement positions us to continue delivering our integrated renewable energy and lithium project execution strategy, in line with the recently published DFS development plan.”

“It is shaping up to be an exciting, transformative year for Vulcan, with planned start-up of optimisation plants towards training for commercial operational readiness, production well development to increase current brine flow, completion of bridging engineering, award of key contracts and ordering of commercial long lead items for our Phase One commercial plants.”

“It is incredibly rewarding to see this take shape: to have the opportunity to be a part of physically building a substantial commercial project that is focused on decarbonisation and the energy transition. We look forward to sharing the next steps of the journey with our stakeholders.”

Ashurst are Vulcan's Australian, German and US legal advisers in respect of the Placement.

About Vulcan

Founded in 2018, Vulcan's unique Zero Carbon Lithium™ Project aims to decarbonise lithium production, through developing the world's first net carbon neutral business, with the co-production of renewable geothermal energy on a mass scale. By adapting existing technologies to efficiently extract lithium from geothermal brine, Vulcan aims to deliver a local source of sustainable lithium for Europe, built around a net zero carbon strategy with strict exclusion of fossil fuels. Already an operational renewable energy producer, Vulcan will also provide renewable electricity and heat to local communities.

Vulcan's combined geothermal energy and lithium resource is the largest in Europe², with license areas focused on the Upper Rhine Valley, Germany. Strategically placed in the heart of the European electric vehicle market to decarbonise the supply chain, Vulcan is rapidly advancing the Zero Carbon Lithium™ Project to target timely market entry, with the ability to expand to meet the unprecedented demand that is building in the European markets.

Guided by our Values of Integrity, Leadership, Future-focused and Sustainability, and united by a passion for environmentalism and leveraging scientific solutions, Vulcan has a unique, world-leading scientific and commercial team in the fields of lithium chemicals and geothermal renewable energy. Vulcan is committed to partnering with organisations that share its decarbonisation ambitions and has binding lithium offtake agreements with some of the largest cathode, battery, and automakers in the world. As a motivated disruptor, Vulcan aims to leverage its multidisciplinary expert team, leading geothermal technology and position in the European EV supply chain to be a global leader in producing zero fossil fuel, net carbon neutral lithium while being nature positive. Vulcan aims to be the largest, most preferred, strategic supplier of lithium chemicals and renewable power and heating from Europe, for Europe; to empower a net zero carbon future.



² According to public, JORC-compliant data. See Phase One DFS announcement, 13 February 2023.

Corporate Directory

Managing Director and CEO	Dr. Francis Wedin
Deputy CEO	Cris Moreno
Chairman	Gavin Rezos
Non-Executive Director	Ranya Alkadamani
Non-Executive Director	Annie Liu
Non-Executive Director	Dr. Heidi Grön
Non-Executive Director	Josephine Bush
Non-Executive Director	Dr. Günter Hilken
Non-Executive Director	Mark Skelton
Executive Director, Germany	Dr. Horst Kreuter
Company Secretary	Daniel Tydde

For and on behalf of the Board

Daniel Tydde | Company Secretary

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Reporting calendar

29 May 2023	Annual General meeting
28 July 2023	June Quarterly
15 September 2023	Half Year Report
27 October 2023	September Quarterly

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Not an Offer

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By their nature, forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated, including those generally associated with the lithium industry and/or resources exploration companies, including but not limited to the risk factors contained in the International Offering Circular released to the ASX on 4 May 2023.

These factors may include, but are not limited to, changes in commodity and renewable energy prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development (including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves), political and social risks, changes to the regulatory framework within which Vulcan operates or may in the future operate, environmental conditions including climate change and extreme weather conditions, geological and geotechnical events, environmental issues, the recruitment and retention of key personnel, industrial relations issues and litigation.

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