

TMT Further Strengthens Cornerstone Shareholder Support through \$11.5M Placement

HIGHLIGHTS

Firm commitments for \$11.5m at \$0.28 per share secured from existing and new strategic and institutional investors

Resource Capital Fund VII L.P. ("RCF VII") has committed to participate via the subscription for \$2.75m of the Placement shares, increasing its existing cornerstone shareholding to ~18% post the Placement

Robust support for the Placement reflects the advanced stage and technical merits of the MTMP and the growing awareness of the rapidly emerging Vanadium Redox Flow Battery (VRFB) market

Placement funds are to be applied to advancing the MTMP towards construction readiness and the progression of financing and customer engagement

24 May 2023

Advanced vanadium developer, Technology Metals Australia Limited (ASX: TMT) (**Technology Metals** or the **Company**) is pleased to announce that it has received firm commitments to raise \$11.5 million (before costs) via the placement of ~41.1 million new fully paid ordinary shares (**New Shares**) at \$0.28 per share (**Placement**).

Cornerstone shareholder, Resource Capital Fund VII L.P. ("RCF VII"), a fund managed by RCF Management L.L.C., has committed to participate in the Placement alongside existing and new strategic and institutional investors.

RCF VII, a cornerstone investor in the Company since late 2021, has demonstrated its continued support for Technology Metals with an investment of \$2.75 million, increasing its holding to ~18% of the issued capital post the Placement.

Funds raised via the Placement will be applied to the workstreams being carried out to progress the development of the Murchison Technology Metals Project (**MTMP**) including early works to enable the smooth transition into construction once all permits and approvals have been received and the progression of financing and customer engagement discussions.

Managing Director Ian Prentice commented:

"We are extremely pleased to have the ongoing support of Resource Capital Funds. In our opinion, the investment from RCF VII further endorses the high-quality nature of our vanadium asset and gives us great confidence as we progress the MTMP towards development.

"In addition, we are very pleased to welcome a number of new strategic and institutional shareholders to our register and acknowledge the support received from existing strategic and institutional investors, which ensured robust demand for the Placement.

"The high quality TMT team maintains a clear focus on the timely and efficient development of the MTMP to the benefit of all stakeholders and to deliver a secure, reliable supply of high purity vanadium pentoxide to support the global transition towards Net Zero."

Placement details

The Placement will raise approximately \$11.5 million from the issue of ~41.1 million New Shares at a price of \$0.28 per share. The Placement will utilise the Company's existing placement capacity under ASX Listing Rules 7.1 and 7.1A, with 19.7 million shares to be issued under Listing Rule 7.1 and 21.3 million shares to be issued under Listing Rule 7.1A. Settlement of the Placement is expected to occur on or around 31 May 2023.

The Placement issue price of \$0.28 per share represents a discount of 16.2% to the 15 day VWAP of \$0.334 per share and a 13.8% discount to TMT's last close price of \$0.325 per share on 19 May 2023.

Bridge Street Capital Partners Pty Ltd and Ashanti Capital Pty Ltd acted as Joint Lead Managers in relation to the Placement.

Project update and use of funds

The TMT project team, alongside key project partners GR Engineering Services Limited (**ASX: GNG**) (**GRES**), Iron Mine Contracting (**IMC**) and FLSmith (**FLS**), is actively progressing the Implementation Phase of the MTMP, moving towards delivery of an updated Proven and Probable Ore Reserve Estimate supporting the mine production schedules to underpin the completion of the MTMP Bankable Financial Model.

As part of this advancement of the MTMP towards financing, TMT has commenced an Independent Technical Engineer (**ITE**) review process, completing an initial site visit with the ITE last week. The ITE is an important step in the project funding process and will support the Company's current engagement with a range of prospective financiers.

TMT is maintaining a strong focus on progressing its collaborative engagement with the Traditional Owners, the Yugunga-Nya (**YN**) and its representative body the Yugunga-Nya Native Title Aboriginal Corporation (**YN PBC**) as well as advancement of the environmental approvals process for the Project with the WA Environmental Protection Authority (**EPA**).

Placement funds will be used to progress the development of the MTMP towards construction readiness, with a range of early works activities to be completed by the TMT project team, with support from GRES, IMC and FLS, to enable the smooth transition into the implementation of the Project. Activities to be completed in parallel with these workstreams include the continued progression of the permitting and approvals pathways, and progression of financing, product marketing and customer engagement discussions.

Timetable

An indicative timetable for completion of the Placement is shown in the table below:

Event	Indicative Date
Resumption of trading on ASX	24 May 2023
Settlement of Placement	31 May 2023
Allotment of Placement Shares	1 June 2023

About Resource Capital Funds

Resource Capital Funds (“RCF”) is a group of commonly managed private equity funds, established in 1998 with a mining sector specific investment mandate spanning all hard mineral commodities and geographic regions. Since inception, RCF has supported 203 mining companies, with projects located in 51 countries and across 32 commodities. Further information about RCF can be found on its website (www.resourcecapitalfunds.com).

RCF has a strong team of investment professionals, with wide ranging industry and technical expertise and a demonstrated history of investments in mining globally. RCF’s track record is based on its ability to pick technically and commercially compelling assets and support management to achieve desired outcomes whilst remaining throughout a source of patient capital. RCF aims to partner with companies to build strong, successful and sustainable businesses and in doing so strives to earn superior returns for all shareholders.

About Technology Metals Australia

Technology Metals Australia Limited (ASX: **TMT**) is a future-oriented ASX-listed company focused on the development of its flagship, 100 per cent owned Murchison Technology Metals Project (**MTMP**), which is expected to meet global demand for high-purity vanadium, increasingly recognised as a critical mineral around the world. The MTMP is located 50km southeast of Meekatharra in the mid-west region of Western Australia and is one of the highest-grade vanadium projects in the world, with planned production at 6% of current global vanadium demand.

TMT’s vision is to be a leader in the Australian and international vanadium industry playing a crucial role in meeting a growing demand for a critical metal that helps the world to decarbonise. Together with vLYTE, TMT’s wholly owned subsidiary focused on adding downstream value to high-quality feedstock, the MTMP will be a strategic, long-life asset supporting the nascent and fast-growing vanadium redox flow battery industry. TMT’s ESG values extend beyond the MTMP’s production – TMT’s contribution to a cleaner world is envisioned to include utilisation of renewable energy generation, battery storage, heat capture and transition to electric options for mobile equipment.

AUTHORISED FOR RELEASE ON THE ASX BY THE COMPANY’S BOARD OF DIRECTORS

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Forward-Looking Statements

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Technology Metal Australia Limited's planned exploration programs, corporate activities, and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Technology Metal Australia Limited believes that it has a reasonable basis for its forward-looking statements; however, forward-looking statements involve risks and uncertainties, and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss.

About Vanadium

Vanadium is a hard, silvery grey, ductile and malleable speciality metal with a resistance to corrosion, good structural strength and stability against alkalis, acids and salt water. The elemental metal is rarely found in nature. The main use of vanadium is in the steel industry where it is primarily used in metal alloys such as rebar and structural steel, high-speed tools, titanium alloys and aircraft. The addition of a small amount of vanadium can increase steel strength by up to 100% and reduces weight by up to 30%. Vanadium high-carbon steel alloys contain in the order of 0.15 to 0.25% vanadium while high-speed tool steels, used in surgical instruments and speciality tools, contain in the range of 1 to 5% vanadium content. Global economic growth and increased intensity of use of vanadium in steel in developing countries will drive near term growth in vanadium demand.

An emerging and very significant use for vanadium is the rapidly developing energy storage (battery) sector with the expanding use and increasing penetration of the vanadium redox flow batteries (VRFBs). VRFBs are a rechargeable flow battery that uses vanadium in different oxidation states to store energy, using the unique ability of vanadium to exist in solution in four different oxidation states. VRFBs provide an efficient storage and re-supply solution for renewable energy – being able to time-shift large amounts of previously generated energy for later use – ideally suited to micro-grid to large scale energy storage solutions (grid stabilisation).

Some of the unique advantages of VRFBs are:

- a lifespan of 20 years with very high cycle life (up to 20,000 cycles) and no capacity loss,
- rapid recharge and discharge,
- easily scalable into large MW applications,
- excellent long-term charge retention,
- improved safety (non-flammable) compared to Li-ion batteries, and
- can discharge to 100% with no damage.

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