

## Vital Metals secures \$2M loan to fund Tardiff development and working capital

Vital Metals Limited (ASX: VML | OTCQB: VTMXF) (“Vital”, “Vital Metals” or “the Company”) advises it has entered a short-term loan agreement with a syndicate of three lenders; Malekula Projects Pty Ltd, INVL Group Pty Ltd and Treasury Services Group Pty Ltd as trustee for the Nero Resource Fund (“Lenders”), for A\$2 million to fund continued development of the Tardiff rare earths deposit in Northwest Territories, Canada and for general working capital requirements.

**Vital’s Interim Chairman Richard Crookes** said: *“We are pleased to have executed this loan agreement with such supportive parties, which will enable us to continue our activities at Tardiff, part of our Nechalacho project in Canada. The loan is intended to be a short-term bridge while the Company assesses available funding options. We continue to advance our technical studies at Tardiff and expect to announce further assay results from our 2023 Tardiff drilling campaign this quarter, and will shortly publish an update to Tardiff’s Mineral Resource Estimate, completed by a leading independent industry consulting group. Tardiff is expected to further grow its status as one of the largest single deposits of neodymium (Nd) and praseodymium (Pr) in the western world. Our Tardiff Scoping Study remains on track for completion in early CY2024.”*

Vital is concluding the strategic review of its Saskatoon rare earths processing facility and will provide an update on its long-term future and viability as soon as practicable.

Material terms of the Loan are as follows:

- Loan Amount - A\$2m. Maturity date – 3 months from drawdown;
- Interest payable - The Loan Amount will bear interest at the rate of 3% per month. An additional 1% is payable while an event of default subsists;
- Security – General Security Agreement over all the assets of the Company, including the shares which the Company holds in each of its wholly-owned subsidiaries;
- Establishment fee – A\$60,000; and
- Options - the Company will issue 200,000,000 Options to the Lenders (or their nominees) with an exercise price of 1.5c with a 1 year expiry date from the date of issue, subject to shareholder approval at the Company’s next general meeting.

The Company confirms that each of the Lenders are unrelated parties of the Company.



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**Contact:**

**Mr Richard Crookes**

**Interim Chairman**

**Vital Metals Limited**

**Phone: +61 2 8823 3100**

**Email: [vital@vitalmetals.com](mailto:vital@vitalmetals.com)**

*This announcement has been authorized for release by the Board of Vital Metals.*

**ABOUT VITAL METALS**

Vital Metals Limited (ASX: VML) is Canada's first rare earths mining company following commencement of mining at its Nechalacho rare earths project in Canada in June 2021. It holds a portfolio of rare earths, technology metals and gold projects located in Canada and Germany.

**Nechalacho Rare Earth Project - Canada**

The Nechalacho project is located at Nechalacho in the Northwest Territories of Canada and has potential to develop into a significant large-scale supplier of critical electric motor magnet minerals.