

Vital secures \$1m loan as it finalises Tardiff Scoping Study and Forms Canadian Strategic REE Consortium

Highlights:

- Vital is completing a Scoping Study for its Tardiff deposit in Canada, examining the potential size and scalability of rare earths and niobium recovery from the deposit
- Vital has secured a A\$1 million loan as it advances the Scoping Study, which is expected to be complete by late April 2025
- The loan will provide Vital with sufficient working capital whilst it aims to secure non-dilutive funding in the medium term
- Canadian Strategic Rare Earth Elements (REE) Consortium formed as Vital works with the Canadian Government on potential acceleration of the creation of a Canadian-only rare earths supply chain.
- Vital expects to provide updates on Government discussions in coming months.

Vital Metals Limited (ASX: VML) (“Vital”, “Vital Metals” or “the Company”), an advanced stage exploration/development rare earths company, advises it has entered a 12-month convertible loan agreement for \$1 million and has formed a Canadian Strategic REE Consortium with industry expertise.

Vital is currently completing a Scoping Study for its Tardiff deposit in Northwest Territories, Canada, examining the potential size and scalability of rare earths and niobium recovery from the deposit. Tardiff has a MRE of 192.7 million tonnes at 1.3% total rare earth oxide (TREO) and 0.3% niobium, containing 636,000 tonnes of NdPr (neodymium oxide + praseodymium oxide) and 578,000 tonnes of Nb₂O₅¹.

As it finalises the Scoping Study, including undertaking additional further niobium testwork², the Company has secured a A\$1 million loan. Asia Pacific Holdings Limited, a private investor and current Vital shareholder, is the Lender. Terms of the convertible loan agreement are detailed below.

Vital Metals’ Managing Director Lisa Riley said: “As we finalise our Scoping Study for Tardiff with the inclusion of niobium recovery, we are pleased to have secured this \$1M loan to support our work towards Tardiff’s development. This funding demonstrates support from a shareholder and their confidence in our plans for Tardiff and our ability to execute our strategy, helping to build Canada’s critical minerals supply chain.”

¹ See VML ASX Announcement dated 20 January 2025

² See VML ASX Announcement dated 25 February 2025



Strategic Research Consortium - Accelerating the Canadian Rare Earth Supply Chain

Industrial (mining) partners Appia Rare Earths & Uranium Corp., Commerce Resources, Defense Metals, and Vital Metals, along with March Consulting Associates Inc. and the mineral processing innovation centre Corem, are announcing the creation of a strategic research consortium dedicated to rare earth elements. This collaborative initiative is designed to accelerate the establishment of a national rare earth elements industry, thereby reinforcing Canada's strategic role in this key sector supporting the development of advanced technologies. Its creation will also contribute to the socio-economic development of northern communities.

This consortium will implement a collaborative approach aimed at optimizing the extraction and processing of rare earth elements through technological innovation. This initiative promotes sharing the know-how and expertise of players in the value chain, pooling state-of-the-art, agile and flexible pilot laboratories, and the creation of collective innovation to accelerate the development of promising Canadian mining projects.

Loan terms

Terms of the convertible loan agreement with Asia Pacific Holdings Limited are detailed below:

- **Loan:** The Lender has agreed to provide A\$1,000,000 in cleared funds.
- **Maturity Date:** 12 months.
- **Interest Rate:** 12% per annum, paid in arrears.
- **Conversion to equity:** on any date up to and including the Maturity Date, at the election of the Lender, by written notice to the Company, the Lender may elect to convert (**Conversion Date**):
 - (i) the Principal Amount; and
 - (ii) any interest accrued at the relevant Conversion Date,in whole or in part into fully paid ordinary shares in the capital of the Company (**Shares**) at the Conversion Price of \$0.002 per Share.
- **Options:** within 10 business days of receipt of the Loan, 280m options with an expiry date that is 18 months from the date of issue and an exercise price of \$0.004 are to be issued by the Company to the Lender.
- **Security:** Nil unless the Company enters into any other loan in which case the Company will register a first ranking general security to the Lender.

The Company is utilising its placement capacity under Listing Rule 7.1 for the potential issue of 560m Shares and the issue of 280m Options. It is intended that the funds received will be used for general working capital purposes.

This announcement has been approved by the Board of Vital Metals Limited.

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About Vital Metals

Vital Metals Limited (ASX: VML) is developing the large Nechalacho Rare Earth Project in Canada's Northwest Territories. Nechalacho has the potential to underpin a significant rare earths supply chain for North America with responsibly sourced critical minerals for the green economy transformation.

ASX Listing Rule Information

This announcement contains information relating to Mineral Resource Estimates in respect of the Nechalacho Project extracted from ASX market announcements reported previously and published on the ASX platform on 20 January 2025. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed. The Mineral Resource Estimate of 192.7Mt @ 1.3% TREO comprises 144.1 Mt @ 1.31% TREO Inferred, 41.0Mt @ 1.29% TREO Indicated and 7.6Mt @ 1.48% TREO Measured.

Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production output.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity 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 licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.



Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.