

17 June 2025

**TWO YEAR MAGNETITE DSO OFFTAKE
NON BINDING MOU SIGNED,
ADVANCING STRATEGY
FOR NEAR-TERM PRODUCTION AND EARLY CASHFLOW**

HIGHLIGHTS

- ◆ A Non Binding agreement has been reached between China Precious Asia Limited (“CPAL”) and VR8’s subsidiary, Vanadium Resources (Pty) Limited (“VanRes”) for the supply of vanadium-rich magnetite Direct Shipping Ore (“DSO”) from VR8’s world-class Steelpoortdrift Vanadium Project (“Steelpoortdrift”).
- ◆ VR8 is advancing this opportunity to unlock early revenues and operating cashflows in support of its staged development and funding strategy for Steelpoortdrift.
- ◆ The initiative has been made possible due to the suite of valuable minerals within the Steelpoortdrift orebody and VanRes holding a fully permitted Mining Right over the Steelpoortdrift 365KT farm.
- ◆ Under the terms of the Memorandum of Understanding (“MoU”), VanRes would supply CPAL with an average of 100,000 metric tons of magnetite ore per month.
- ◆ The arrangement positions VR8 to become a near-term producer by monetising its substantial JORC resource base (+180 years), while retaining full flexibility to scale into full development as vanadium market conditions improve.
- ◆ Founded in 2012, CPAL is a metals and minerals trader and processor of magnetite-bearing ore, targeting Asian steel markets. CPAL’s focus on vanadium-rich magnetite ore aligns with China’s broader push to secure primary sources of vanadium.
- ◆ As part of its ongoing strategic equity and offtake process, VR8 also continues to assess additional near-term, value-accretive opportunities, such as profit share agreements with existing operations, that complement the development of Steelpoortdrift and are not mutually exclusive to DSO operations.

Commenting on the MoU with CPAL, Mr. Jurie Wessels, Executive Chairman of VR8 said:

"We are very pleased to have signed this MoU with a quality partner like CPAL for the supply of magnetite ore. Through our ongoing strategic equity and offtake process, it became increasingly apparent that there is a compelling opportunity to potentially transition the Company toward near-term production, even at this low point in the vanadium market cycle. This has been made possible by our advanced permitting status and the suite of valuable minerals within Steelpoortdrift's ore, which contains not only vanadium credits but also iron-rich magnetite.

Based on the Company's internal assessments and the volumes proposed under the MoU, we anticipate that a DSO operation at Steelpoortdrift has the potential to generate material positive operating cashflows for VR8 and its shareholders. While the MoU is non-binding, the level of engagement and interest from CPAL gives me confidence that a binding and value-accretive commercial agreement can be reached.

We believe focusing on the generation of early cashflow is the ideal response to the current realities of both the Vanadium and wider commodity markets. Our strategy enables us to unlock near-term value, minimise shareholder dilution and allow time for a clearer pathway to full-scale development to emerge. Our goal is to maximise shareholder exposure to our world-class resource and the underlying long-term growth of the Vanadium market.

I look forward to keeping shareholders updated as we look to transition the MoU with CPAL into a commercial agreement."

Vanadium Resources Limited (ASX: VR8; DAX: TR3) (the "Company") is pleased to announce that its subsidiary, Vanadium Resources (Pty) Limited ("**VanRes**") has signed an MoU with China Precious Asia Limited ("**CPAL**") in relation to a magnetite ore supply agreement from its world-class Steelpoortdrift Vanadium Project (the "**Steelpoortdrift**" or the "**Project**") in South Africa.

DETAILS OF THE MoU

The purpose of the MoU is to document the in-principle understanding between VanRes and CPAL for the supply of vanadium-rich magnetite ore ("**Product**") from the Project. The Company will continue to work through the binding negotiations including finalising the pricing within the next month.

Key terms of the MoU are as follows:

1. During the term of the agreement, VanRes will supply an average quantity of 100,000 metric tons ("**Mt**") of Product per calendar month. CPAL will load and collect the Product from VanRes. In any month, the amount sold may increase or decrease by 25% from the average at the option of VanRes.
2. The agreement will commence within 20 business days of the fulfilment of the following conditions precedent, which shall be not later than 30 November 2025:
 - (i) Confirmation by VanRes to CPAL that the Product meets the required specifications set out in the MoU; and
 - (ii) Confirmation by VanRes that it has concluded an agreement with a mining contractor on terms and conditions that are acceptable to VanRes.
3. The agreement will terminate on the earlier of:

- (i) VanRes having supplied the agreed quantity of Product to CPAL being 1.2MT per annum (for two years); and
- (ii) the date which is two years after the commencement of the agreement.

ONGOING COMMITMENT TO MAXIMISE VALUE CAPTURE

Steelpoortdrift remains one of the world's largest and highest-grade undeveloped vanadium resources, which the Company believes gives it a significant competitive advantage relative to peers. Consequently, VR8 remains committed to maximising value from Steelpoortdrift and capturing value across the vanadium supply chain. This includes the production of >98% V₂O₅ flake and 99.5% V₂O₅ powder, as well as potential downstream products such as ammonium metavanadate (AMV), vanadium electrolyte, vanadium nitride, ferrovanadium, and ilmenite.

OTHER NEAR-TERM OPPORTUNITIES

As previously announced¹, VR8 continues to assess a range of other strategic opportunities, including potential acquisitions that may complement a development scenario at the Project. These opportunities are being carefully evaluated with a focus on potential value accretion, synergies with the Project and consideration of any associated dilution (if applicable). These opportunities are not mutually exclusive with the potential for the Company to establish a DSO operation at Steelpoortdrift.

ABOUT CHINA PRECIOUS ASIA LIMITED

China Precious Asia Limited, which was founded in 2012, is a metals and minerals trader and processor of magnetite-bearing ore, targeting the Asian steel markets. In recent years, CPAL has focused its procurement on vanadium-rich magnetite ore, which aligns with a broader trend in China of securing sources of vanadium due to rising demand and efforts to supplement domestic supply.

This announcement has been authorised for release by the directors of Vanadium Resources Limited.

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¹ Refer to ASX release, 30 April 2025, "Quarterly Activities Report – March 2025".

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Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

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Competent Person's Statement and Compliance Statements

The information in the referenced announcements 1 - 3 footnoted below that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. 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 announcements.

- 1) ASX: VR8 30 April 2025, Quarterly Activity Report – March 2025
- 2) ASX: VR8 4 October 2022, DFS delivers A\$1.98bn NPV confirming World Class Project
- 3) ASX: VR8 4 October 2022, VR8 Updates Mineral Resource and Ore Reserve for the Steelpoortdrift Vanadium Project

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*) Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. 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 announcements.

Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*). 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 announcements.

APPENDIX 1 – MINERAL RESOURCE ESTIMATE

The Resource statement as reported on the 4 October 2022² was updated and is as follows:

Mineral Resource Estimate (as at 30 April 2022)

CLASSIFICATION	VOLUME (M m ³)	QUANTITY (Mt)	QUALITY % V ₂ O ₅ (In-situ)	CONTAINED V ₂ O ₅ (Mt)	QUALITY % Fe ₂ O (In-Situ)	CONTAINED Fe ₂ O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
Total Mineral Resource	205.93	680.13	0.70	4.74	22.76	154.80

Source: Sound Mining, 2022

Notes:

- Stated at a cut-off grade of 0.45% V₂O₅;
- The Mineral Resources are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The Mineral Resources are inclusive of Ore Reserves; and

Reported in-situ with any apparent computational errors due to rounding not considered significant.

APPENDIX 2 – ORE RESERVE

The updated Ore Reserve statement as at 30 September 2022 .

Ore Reserves as at 30 September 2022

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V ₂ O ₅ RoM)	CONTAINED V ₂ O ₅ (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
Total Ore Reserves	76.86	0.72%	0.55

Source: Sound Mining, 2022

Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed.
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the Grade reported as a percentage of contained V₂O₅;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

² Refer to ASX Announcement 4 October 2022 “VR8 Updates Mineral Resource and Ore Reserve for the Steelpoortdrift Vanadium Project”