Announcement Summary

Entity name

VULCAN ENERGY RESOURCES LIMITED

Announcement Type

New announcement

Date of this announcement

Wednesday June 24, 2020

The Proposed issue is:

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +Security Code	+Security Description	Maximum Number of +securities to be issued
n/a	Unlisted Options with an exercise price of \$0.80 and a three year expiry from date of grant	1,125,250
VUL	ORDINARY FULLY PAID	12,000,000

Proposed +issue date

Tuesday June 30, 2020

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

VULCAN ENERGY RESOURCES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

1.2 Registered Number Type

Registration Number

ABN

38624223132

1.3 ASX issuer code

VUL

1.4 The announcement is

1.5 Date of this announcement

Wednesday June 24, 2020

1.6 The Proposed issue is:

☑ A placement or other type of issue

Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 - Are any of the following approvals required for the placement or other type of issue?

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

Yes

7A.1a Conditions

Approval/Condition
+Security holder approval

Monday August 17, 2020

Date for determination
Monday August 17, 2020

Is the date estimated or actual?

** Approval received/condition met?

Comments

The issue of unlisted options is subject to shareholder approval

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

Existing class

Will the proposed issue of this +security include an offer of attaching +securities? ☑ No

Details of +securities proposed to be issued

ASX +Security Code and Description

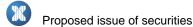
VUL: ORDINARY FULLY PAID

Maximum Number of +securities proposed to be issued

12,000,000

Purpose of the issue

Proceeds from the Placement will be used to accelerate the advancement of the Company's Zero Carbon Lithium Project.



Offer price details for retail security holders

In what currency is the cash consideration being paid?

What is the issue price per

+security?

AUD - Australian Dollar

AUD 0.40000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class? Yes

Oversubscription & Scale back details

May a scale back be applied to this event? ✓ No

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)? New class

Will the proposed issue of this +security include an offer of attaching +securities? ☑ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from Will the entity be seeking quotation ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1? Yes

of the 'new' class of +securities on ASX?

✓ No.

ASX +Security Code

+Security Description

New class-code to be confirmed

Unlisted Options with an exercise price of \$0.80 and a three year expiry from date of grant

+Security Type

Options

Maximum Number of +securities proposed to be issued

1,125,250

Purpose of the issue

Services provided in execution of capital raise

Offer price details for retail security holders

In what currency is the cash consideration being paid?

What is the issue price per +security?

Will all the +securities issued in this class rank equally in all respects from their issue date?

☑ No

Oversubscription & Scale back details

May a scale back be applied to this event?

⊗ No

If some of the issued +securities do not rank equally

Is the actual date from which the +securities will rank equally (non-ranking end date) known?

☑ No

Provide the estimated non-ranking end period

17 August 2023

Please state the extent to which the +securities do not rank equally:

- In relation to the next dividend, distribution or interest payment; or
- For any other reason

Unlisted Options

Options details

+Security Currency Exercise Price Expiry date

AUD - Australian Dollar AUD 0.8000 Thursday August 17, 2023

Details of the existing class of +security that will be issued upon exercise or conversion of this new class of company option

VUL: ORDINARY FULLY PAID

Please provide any further information relating to the principal terms of the +securities

Unlisted Options subject to shareholder approval

Part 7C - Timetable

7C.1 Proposed +issue date

Tuesday June 30, 2020

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the issue under listing rule 7.1?
⊗ No

7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?

✓ Yes

7D.1b (i) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?

6,900,500

7D.1c (i) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?

5.099.500

7D.1c (ii) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate

A Placement was decided as the most appropriate due to timing, speed and cost benefits associated with a Placement

7D.2 Is a party referred to in listing rule 10.11.1 participating in the proposed issue?
⊗ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

⊗ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

✓ Yes

7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow

1,250,000 fully paid ordinary shares subject to 12 month voluntary escrow from proposed issue date of 30 June 2020

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

✓ Yes

7E.1a Who is the lead manager/broker?

Merchant Group and Viaticus Capital

7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?

6% of all funds raised. Merchant Group also entitled to 1,125,250 unlisted options

7E.2 Is the proposed issue to be underwritten?

☑ No

t 7F - Further Inform	ation
7F.1 Will the enti ⊗ No	ty be changing its dividend/distribution policy if the proposed issue proceeds?