

Vulcan secures €100m of funding from Federal Ministry of Economics and Climate Protection of Germany

Funding to support supply of geothermal heat to Landau

Vulcan Energy Resources Limited (Vulcan, ASX: VUL, FSE: VUL) is pleased to announce the awarding of €100m (A\$162m) from the German Federal Ministry of Economics and Climate Protection (BMWK) and the European Recovery and Resilience Facility via the German Recovery and Resilience Plan (the BEW Funding) for its HEAT4LANDAU Project.

The BEW Funding is allocated under the Guideline for Federal Funding for Efficient Heating Networks (Bundesförderprogramm effiziente Wärmenetze - BEW) and will enable transformative measures for decarbonising district heating networks in Landau, Rheinland-Palatinate (Landau).

Key highlights

- The Vulcan HEAT4LANDAU Project comprises of infrastructure necessary for 255MW of renewable geothermal heat generation, transport and delivery to support Landau's transition to sustainable and renewable district heating starting in 2026
- Landau is the location of Vulcan's existing upstream optimisation plant (LEOP) and recently acquired Geox geothermal wells and renewable energy generation assets
- The HEAT4LANDAU Project is a part of Vulcan's Phase One Lionheart Project. To deliver renewable heat for Landau, Vulcan aims to integrate its two geothermal plants in Landau and Insheim, with five new production sites totalling 24 wells linking to the EnergieSüdwest AG district heating network
- The BEW Funding will be disbursed by way of pro rata over total eligible expenditure with €22m (~A\$35 m) in 2026 and €78m (~A\$126 m) in 2027
- The BEW Funding programme is one of several grants under the German national government and European Commission initiatives for which Vulcan has applied. Vulcan's financing of Phase One Lionheart Project has been timed to coincide with the completion of the public grant funding process
- The Company's Phase One Lionheart Project financing process continues, led by BNP Paribas, with a debt structuring group including the European Investment Bank, Export Credit Agencies from Australia, France, Italy, and Canada, as well as major European banks ING, Unicredit, ABN-AMRO, and Natixis.

Managing Director and CEO, Cris Moreno, stated: "Securing this funding is a major milestone for Vulcan in fulfilling our commitment to decarbonising Germany's energy landscape. By delivering sustainable, renewable geothermal heat to Landau and surrounding communities, we are taking a significant step towards a 100% carbon neutral district heating network."

"The HEAT4LANDAU Project not only enhances energy security by providing a stable and local source of renewable heating, but also showcases the innovative potential of geothermal energy in Europe's green transition."

<ENDS>

For and on behalf of the Board

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