

Vulcan commences first new Phase One Lionheart geothermal energy-lithium well

Start of drilling represents start of Phase One execution sub-surface works

Summary

- Vulcan Energy (Vulcan, ASX: VUL, FSE: VUL, the Company) is pleased to announce its 100%-owned drilling subsidiary, Vercana, has commenced drilling the first new well for the Phase One Lionheart Project (the Project) at the Schleidberg well site near Landau, Germany
- The Company currently operates four production and re-injection wells in its Phase One area, and the Field Development Plan for Phase One involves adding 24 production and re-injection wells to create a larger, integrated renewable energy and sustainable lithium project
- Commencement of drilling at Schleidberg represents the fifth well in Vulcan's Phase One Project area, and start of project execution of sub-surface works for the Project. Full project execution, including mobilisation of various EPC and EPCm contractors and start of works for pipelines and lithium plants, will commence on completion of financing
- The new wells are designed to produce hot, lithium-rich brine, from which Vulcan plans to increase its current renewable geothermal energy production and commence commercial production of lithium
- The Company's Project targets production of around 24,000 tonnes per annum of lithium hydroxide monohydrate (LHM) for electric vehicle batteries, as well as renewable heating and power production, from hot, lithium-rich brines in the Upper Rhine Valley Brine Field.

Managing Director and CEO, Cris Moreno, commented: "Start of drilling new production wells to grow current production represents achievement of yet another critical milestone for our Lionheart Project."

"Importantly, all preparatory works have been diligently carried out by the team and safety checks assessed by authorities. Local stakeholders have also been extensively consulted, and the feedback has been overwhelmingly positive."

"This development means Vulcan is one step closer to delivering our mission of establishing a sustainable, European-based lithium supply chain, delivering both baseload renewable heating and lithium production for electric vehicle batteries."

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For and on behalf of the Board

Daniel Tydde | Company Secretary

Further information

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About Vulcan Energy

Vulcan Energy (ASX: VUL, FSE: VUL) is building the world's first carbon neutral, integrated lithium and renewable energy business to decarbonise battery production. Vulcan's Lionheart Project, located in the Upper Rhine Valley Brine Field bordering Germany and France, is the largest lithium resource in Europe¹ and a tier-one lithium project globally. Harnessing natural heat to produce lithium from sub-surface brines and to power conversion to battery grade material and using its in-house industry-leading technology VULSORB®, Vulcan is building a local, low-cost source of sustainable lithium for European electric vehicle batteries. For more information, please go to <https://v-er.eu/>

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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 Vulcan 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 Vulcan's control.

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Vulcan has carried out a definitive feasibility study ("DFS") and bridging engineering study ("Bridging Study") for its Phase One Project, the results of which were announced to the ASX in the announcements Phase 1 DFS Results dated 13 February 2023 (DFS Announcement) and Bridging Study Results on 16 November 2023 (Bridging Study Announcement). This announcement may include certain information relating to the DFS and the Bridging Study. The DFS and Bridging Study are based on the material assumptions and parameters outlined in their respective announcements. While Vulcan considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Bridging Study or DFS will be achieved. This announcement may also include certain information relating to Phase Two of its Project, Vulcan has not yet carried out a definitive feasibility study for Phase Two of its Project.

Competent Person Statement

The information in this announcement that relates to estimates of Mineral Resources and Ore Reserves is extracted from the Bridging Study Announcement which is available to view on Vulcan's website at <http://v-er.eu> Vulcan confirms, that:

¹ On a lithium carbonate equivalent (LCE) basis, according to public information, as estimated and reported in accordance with the JORC Code 2012. See Appendix 4 of Vulcan's Equity Raise Presentation dated 11 December 2024 for comparison information.

- a) in respect of any estimates of Mineral Resources and Ore Reserves included in this announcement:
 - i. it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed; and
 - ii. the form and context in which the Competent Persons' findings are presented in this announcement have not been materially modified from the original market announcement; and
- b) all material assumptions underpinning the production targets (and the forecast financial information derived from such production targets) included in this announcement continue to apply and have not materially changed.