



Vital Metals Limited
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3 May 2023

Elizabeth Harris
Manager, Listings Compliance
Level 40, Central Park
152-158 St Georges Terrace
Perth WA 6000

By email: ListingsCompliancePerth@asx.com.au

Dear Elizabeth

Response to ASX Aware Query

Vital Metals Limited (ASX:VML, "Vital", "VML" or "the Company") refers to your Aware Query dated 26 April 2023 and provides the following responses:

1 Does VML consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?

Yes.

2 If the answer to question 1 is "no", please advise the basis for that view.

Not applicable.

3 When did VML first become aware of the Information?

The Company became aware of the Information on Tuesday, 18 April 2023 (pre-market) and lodged a request to enter into a trading halt with ASX shortly thereafter.

The Company provides the following background:

- (a) In early March 2023, strategy sessions were held by management with respect to provide the Board with options for the Saskatoon Facility. Board meetings were held on 4 April 2023 and 14 April 2023 to consider the options available.
- (b) Various drafts of the Announcement were circulated between the evening of Friday, 14 April 2023 and the late afternoon of Monday, 17 April 2023, following which legal advice was sought from the

Company's Canadian counsel in connection with pausing activities at Saskatoon. At this point the Information remained confidential and was an incomplete proposal in accordance with Listing Rule 3.1A, as the decision to pause activities at Saskatoon was subject to the receipt and review of this legal advice.

- (c) Following the receipt and review of Canadian legal advice pre-market on Tuesday, 18 April 2023, the Board determined to pause activities at Saskatoon and place the Company's securities into trading halt in order to continue to liaise with its Canadian and Australian legal counsel and finalise the form of the Announcement.
- (d) The final Announcement was approved by the Board at 10.51am on Wednesday, 19 April 2023, and was released to ASX shortly thereafter.

- 4 If the answer to question 1 is “yes” and VML first became aware of the Information before the relevant date, did VML make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe VML was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VML took to ensure that the information was released promptly and without delay.**

See response to question 3.

- 5 Please confirm that VML is complying with the Listing Rules and, in particular, Listing Rule 3.1.**
The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
- 6 Please confirm that VML’s responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of VML with delegated authority from the board to respond to ASX on disclosure matters.**
The above responses have been authorised and approved by the Board.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Louisa Martino'.

Louisa Martino
Company Secretary
Vital Metals Limited



26 April 2023

Reference: ODIN72846

Ms Louisa Martino
Company Secretary
Vital Metals Limited
Level 10, 27 – 31 Macquarie Street
SYDNEY NSW 2000

By email:

Dear Ms Martino

Vital Metals Limited ('VML'): Aware Query

ASX refers to the following:

- A. VML's announcement entitled "Vital announces Board Changes" lodged on the ASX Market Announcements Platform ("MAP") on 15 February 2023, disclosing that non-executive chairman, Evan Cranston had resigned as a director effective immediately to focus on his other business interests.
- B. VML's announcement entitled "Vital announces Board and Management Changes" lodged on MAP on 21 March 2023, disclosing that John Dorward, (who had been appointed on 21 November 2022), had resigned as a director effective immediately and as CEO with 3 months' notice. No reasons were provided for John Dorward's resignation.
- C. VML's announcement entitled "Resignation of Chief Financial Officer" lodged on MAP on 4 April 2023 (the 'Announcement'), disclosing that Damon Colbert had resigned as chief financial officer with 3 months' notice. The Announcement disclosed that Damon Colbert resigned to pursue other interests.
- D. VML's request for a trading halt to be placed on its securities released prior to market open on 18 April 2023. VML requested the trading halt be granted pending the release of an announcement by VML concerning a strategic review of the Saskatoon Plant. The trading halt was granted by ASX on this basis and put in place prior to market open on 18 April 2023.
- E. VML's announcement lodged on MAP on 19 April 2023 prior to market open entitled "Market Update: Strategic Review of Saskatoon Plant", following which VML's securities resumed trading, which disclosed as follows in relation to VML's review of its Saskatoon Rare Earth Processing Facility:

"Subsequent review of the economic viability of mining and beneficiating ore at North T has indicated that the scale of operations and associated unit operating cost will not achieve positive cashflow from the project.

As a result, the Company is pausing all construction-related activities at the Saskatoon processing facility, to allow the Company to focus on conserving cash and to seek alternative funding sources and partnering with third parties to potentially build a sustainable business model for the Saskatoon business. The Company expects the strategic review of the Saskatoon Project to be completed in three months."

('Information').

- F. The change in the price of VML's securities from a closing price on Monday 17 April 2023 of \$0.015 to a closing price on Wednesday 19 April 2023 of \$0.011.
- G. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

H. The definition of “aware” in Chapter 19 of the Listing Rules, which states that:

“an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity” and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B “When does an entity become aware of information.”

I. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

“3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:

3.1A.1 One or more of the following applies:

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and

3.1A.3 A reasonable person would not expect the information to be disclosed.”

J. ASX’s policy position on the concept of “confidentiality”, which is detailed in section 5.8 of Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B. In particular, the Guidance Note states that:

“Whether information has the quality of being confidential is a question of fact, not one of the intention or desire of the listed entity. Accordingly, even though an entity may consider information to be confidential and its disclosure to be a breach of confidence, if it is in fact disclosed by those who know it, then it ceases to be confidential information for the purposes of this rule.”

Request for information

Having regard to the above, ASX asks VML to respond separately to each of the following questions and requests for information:

1. Does VML consider the Information to be information that a reasonable person would expect to have a material effect on the price or value of its securities?
2. If the answer to question 1 is “no”, please advise the basis for that view.
3. When did VML first become aware of the Information?
4. If the answer to question 1 is “yes” and VML first became aware of the Information before the relevant date, did VML make any announcement prior to the relevant date which disclosed the information? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe VML was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps VML took to ensure that the information was released promptly and without delay.

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5. Please confirm that VML is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 6. Please confirm that VML's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of VML with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:00 PM AWST Tuesday, 2 May 2023**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, VML's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require VML to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in VML's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in VML's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to VML's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that VML's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Elizabeth Harris
Manager, Listings Compliance