

ASX Release

1 May 2023

VHM Secures MOU with Swan Hill Rural City Council

Key Highlights:

- MOU signed with Swan Hill Rural City Council demonstrates sustainable, social, and economic future for both communities and the Goschen Project.
- VHM and Shenghe continue detailed negotiations for the Offtake agreement.

VHM Limited (“VHM” or the “Company”), provides the following progress update on a key stakeholder agreement for the Goschen Rare Earths and Mineral Sands Project to continue towards construction plans.

Memorandum of Understanding with Swan Hill Rural City Council

The Company formalised its relationship with the Swan Hill Rural City Council (the Council), signing a Memorandum of Understanding (MOU). The MOU aims to outline a sustainable social and economic future for the communities in the Loddon Mallee Region, where the Goschen Project is located.

The details of the MOU have been negotiated to provide a framework for how the long-term, collaborative partnership will operate between the Company and the Council, and aim to maximise social and economic investment outcomes for residents in the greater Loddon Mallee Region.

The MOU defines shared or co-dependent responsibilities around job creation, training and development, local infrastructure planning and use, indirect project economic opportunities and Government funding advocacy. The Agreement also covers environmental and social development outcomes for the mutual benefit of the community and VHM shareholders.

The Project provides strong potential to be the foundation source of social and economic growth for the Region through its 20+ year mine operation. Construction and ongoing operations of the Goschen project are expected to add more than \$2.0 billion to the Loddon-Mallee economy and an estimated \$1.3 billion to the Victorian economy¹.

The MOU between the Company and the Swan Hill Rural City Council is the second agreement between the Company and local Government, with the Company recently

Note: (1) Deloitte Access Economics Report 2022

signing a MOU with Gannawarra Shire Council. These MOUs affirm the parties' mutual and long-term investment in the communities and economy in the Loddon-Mallee Region, and demonstrate strong support for the Project in the Region.



Pictured: Swan Hill Regional City Council Mayor Cr Les McPhee (left) and CEO Scott Barber (right) with VHM Community Engagement General Manager Debbie Rice.

Managing Director Graham Howard said:

“Formalising the relationship between VHM and the Councils is a key indication of our mutual respect and intent to create positive opportunities for the people of the Gannawarra and Swan Hill council communities.”

“We look forward to continuing the close working relationship with the Councils to ensure the local community benefits from employment opportunities and contributions to the local and regional economy.”

Shenge MOU Offtake Agreement

As disclosed in the ASX release 28 February 2023, VHM Limited advises that the parties are continuing the detailed contract negotiations. Accordingly, and as contemplated in the MOU, the parties have agreed to extend the target date by which the formal agreement is to be finalised to 30 June 2023.



ENDS

This announcement has been approved by the Board of VHM.

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