

# QUARTERLY ACTIVITIES REPORT

FOR THE THREE MONTHS ENDED 30 JUNE 2023

## HIGHLIGHTS

MOU signed with Indian Vanadium Battery (VRFB) maker Delectrik Systems Pvt. Ltd deepening ties with India and broadening the potential customer base

Key project partners GR Engineering and Iron Mine Contracting working with TMT project team and FLSmidth to progress FEED activities for MTMP Implementation phase

Independent Technical Expert (ITE) review process underway in support of MTMP funding

On country engagements with Traditional Owner knowledge holders and EPA team

Placement secured \$11.5 million from existing and new strategic and institutional investors, including cornerstone investor Resource Capital Funds (RCF VII)

Appointment of leader and strategic policy director Ms Jo Gaines as independent Non-Executive Director

19<sup>th</sup> July 2023

Advanced vanadium developer, Technology Metals Australia Limited (ASX: **TMT**) (**Technology Metals**, or the **Company**), is pleased to provide an update on activities for the quarter ended 30 June 2023.

The Company, alongside its 100% owned subsidiary, vLYTE Pty Ltd (**vLYTE**), executed a Memorandum of Understanding (**MOU**) with fast-growing Indian vanadium battery manufacturer, Delectrik Systems Pvt. Ltd, contemplating the potential sale of vanadium raw material from the Murchison Technology Metals Project (**MTMP**) as well as supply of vanadium electrolyte by vLYTE to Delectrik within Australia.

Key project partners GR Engineering Services Limited (ASX: **GNG**) (**GRES**) and Iron Mine Contracting (**IMC**) progressed work alongside the Company's project team and FLSmidth to advance FEED activities for the Implementation Phase of the MTMP. On-country engagements were conducted with knowledge holders of the Traditional Owners, the Yugunga-Nya People, as well as the Western Australian Environmental Protection Authority (**EPA**) with the Chair and EPA Services team gaining important context around the MTMP development.

The Company completed a placement to raise \$11.5 million, with cornerstone shareholder Resource Capital Funds (**RCF VII**) demonstrating continued support by increasing its holding to ~18% of the issued capital. The placement was strongly supported by existing and new strategic and institutional investors.

The Company appointed experienced leader and strategic policy director Ms Jo Gaines to the position of independent, Non-Executive Director during the quarter. Ms Gaines was previously the Deputy Chief of Staff to the Premier of Western Australia and brings extensive experience in stakeholder engagement.

### TMT's Managing Director, Ian Prentice, commented:

*"The TMT team has made significant headway in the activities required to progress the efficient and effective development of the long-life MTMP, with constructive engagement with key stakeholders and progression of the MTMP FEED activities. We are pleased with the continued strong support from our existing cornerstone shareholder RCF alongside new and existing strategic and institutional investors as we progress the MTMP development. This investor support confirms the MTMP's status as one of the best undeveloped vanadium projects globally, and the need for new primary projects to meet the fast-growing demand for vanadium from the Vanadium Battery market."*

*"Our development strategy is in clear alignment with the Federal Government's recently released Critical Minerals Strategy, where onshore critical minerals processing, informed consultation, and engagement with Traditional Owners and exemplary ESG practices will enable Australia's energy transition. The appointment of Jo Gaines to our Board, with her solid experience in strategic leadership, will strengthen our clear focus on contributing to Australia's critical minerals delivery."*

### MTMP Implementation Phase Update

The TMT project team and key project partners IMC, GRES and FLSmidth (collectively, the **Integrated Project Team**) are progressing the Implementation Phase of the MTMP. The key focus is advancing FEED activities for the MTMP to enhance efficiencies for the development, aligned with the ongoing activities of permitting/approvals and project financing. Cost estimates and development schedules from the Integrated Project Team's activities will form the basis of commercial pricing for contract formation as these parallel processes reach conclusion.

The updated MTMP Proven and Probable Ore Reserve Estimate is progressing, with this work providing the mine production schedules to underpin the completion of the MTMP Bankable Financial Model. The MTMP Bankable Financial Model will also include the cost estimates and construction schedules being developed by the Integrated Project Team. The outputs of the MTMP Bankable Financial Model, inclusive of the MTMP Proven and Probable Ore Reserve Estimate will support the MTMP project financing and will be released on completion.

Significant progress has been made towards securing key infrastructure to support the MTMP implementation.

- APA Operations Pty Ltd continues to progress early works program and approvals required for the Gabanintha Gas Pipeline spur from the newly installed Northern Goldfields Interconnect pipeline.
- Progressing the Port Access Agreement with the Mid West Ports Authority.
- Finalising the Road Access Agreement with the Shire of Meekatharra.

### Independent Technical Expert Review

During the quarter, the Company's Joint Financial Advisors Blackbird Commodity Partners and Bridge Street Capital Partners, appointed SRK Consulting (**SRK**) as Independent Technical Expert (**ITE**) on behalf of the prospective future debt financiers to the MTMP. SRK's independent report will form an important element of the due diligence program being undertaken by the prospective debt financiers engaged in the MTMP financing process.

SRK is an independent, international group providing specialised consultancy services spanning the entire lifecycle of a mining project from exploration through to mine closure across a full range of commodities. SRK's clients include mining companies, exploration companies, financial institutions, EPCM and construction firms, and government bodies. SRK has undertaken ITE roles of similar scope in the past for projects such as Pilbara Minerals' Pilgangoora Lithium Project, Sheffield Resources' Thunderbird Mineral Sands Project, and the Tropicana Gold Mine (JV between AngloGold Ashanti and Regis Resources).

SRK's scope of work on the MTMP encompasses due diligence review of the feasibility studies and other technical reports covering geology, resource estimation, mining and reserves, metallurgy and process engineering, project infrastructure, capital and operating costs, scheduling, material contracts and proposed labour requirements, and ESG and regulatory compliance matters. As part of the ITE process, TMT representatives hosted the SRK team at the MTMP site during the quarter.



Figure 1 SRK team inspecting drill cores at the Murchison Technology Metals Project. Source: Technology Metals Australia

### Environmental Permitting

During the quarter Technology Metals' representatives hosted the EPA and Department of Water and Environmental Regulation (**DWER**) EPA Services team on-site, providing the EPA with invaluable insight into the environmental factors relating to the Project. EPA Chair Matthew Totts, EPA Board Member Hamish Beck and DWER EPA Services team were able to review the proposed development areas and get a first-hand understanding of the measured and responsible way in which the Company is proposing to progress development of the Project.



Figure 2 TMT representatives with the EPA team at the Murchison Technology Metals Project. Source: Technology Metals Australia

The Company is of the view that the site visit demonstrates the collaborative and positive relationship it has maintained with the EPA, and other key government and non-government stakeholders, as these important environmental approval processes are progressed.

An updated Environmental Review Document (**ERD**), addressing the EPA's queries and feedback from all government and non-government stakeholders on the previous versions of the ERD, has been provided to stakeholders for review prior to submission to the EPA.

Matters addressed in the ERD are important for minimising impacts on environmental and heritage values, while delivering the long-term success of the Project and the resultant benefits to all stakeholders, and most importantly are consistent with the Company's environmental, social and governance (**ESG**) philosophy.

### Traditional Owner Engagement

The Yugunga-Nya (**YN**) People, represented by the Yugunga-Nya Native Title Aboriginal Corporation (**YN PBC**), hold non-exclusive native title over lands including the MTMP area. Technology Metals is working constructively with the YN People and YN PBC to enable informed consultation and engagement regarding the proposed development of the MTMP.

During the quarter, the Company held consultation meetings with the YN People and YN PBC regarding the opportunities and impacts of the proposed development, as well as progressing on-country cultural heritage consultations to inform the drafting of the Cultural Heritage Management Plan (**CHMP**), in line with the WA *Aboriginal Cultural Heritage Act 2021* which came into effect on 1 July 2023.

Company representatives hosted a site orientation visit with local Yugunga-Nya knowledge holders as part of CHMP development activities. Site visits and consultation meetings are an important part of ensuring that the YN People are engaged in Technology Metals' proposed plans, participate in planning activities, receive updates from the Company, and have an avenue for communicating with the Company.

### Environment, Social and Governance (ESG)

During the quarter the Company progressed development of its ESG strategy and action plans, preparing the internal data collection approach that will enable the Company to track and measure performance against material risks. The Company is committed to developing the MTMP with a firm foundation based on a sustainable approach to the environment, the community, and corporate responsibility.

To this end, the Company has undertaken gap analysis against the International Finance Corporation's (**IFC**) Performance Standards on Environmental and Social Sustainability, as well as the Equator Principles (**EP4**). This work continues to underpin Technology Metals engagement with government funding agencies, commercial banks, strategic investors, and institutional financiers, all of which have ESG as a key consideration in funding decisions.

The Company is assessing its alignment with well-regarded international ESG frameworks which includes International Sustainability Standards Board's (**ISSB**) IFRS Sustainability Disclosure Standards, the SASB Standards Board's Sustainability Accounting Standard for Metals and Mining (**SASB**), and the Global Reporting Initiative's (**GRI**) Sustainability Reporting Standards. These ESG frameworks will provide the basis for the Company's maiden Sustainability Report.

The Company is committed to reducing its greenhouse gas emissions during the development and operation of the MTMP. The decarbonisation approach will be informed by best practice and will consider a variety of abatement and energy efficiency opportunities, which may include solar power generation coupled with energy storage; adoption of low carbon energy solutions for mine dewatering and water supply activities; transition to electric and/or non-carbon fuel options for mining fleet; optimisation of fuel consumption through mining and haul routes design and optimisation of materials handling; and incorporation of heat loss and capture strategies and energy recovery at the processing plant. Energy usage will be continuously monitored and potential improvement methods will be incorporated as required.

## MOU to Supply Vanadium

Technology Metals, together with its wholly owned subsidiary vLYTE, was pleased to announce in April 2023 that it has entered into a MOU with Indian vanadium battery (VRFB) manufacturer Delectrik Systems Pvt. Ltd (**Delectrik**) to supply high purity vanadium products from the MTMP to Delectrik's VRFB projects in India and around the world, and to also supply vanadium electrolyte produced by vLYTE to Delectrik within Australia using vanadium from the MTMP<sup>1</sup>.

This partnership with Delectrik seeks to support the development of the rapidly emerging vanadium battery industry in Australia and represents another key component of Technology Metals' downstream strategy, complementing the Company's vanadium pentoxide and vanadium electrolyte relationships with other industry partners.

## Institutional Share Placement

During the quarter, Technology Metals announced it had completed a placement to raise \$11.5 million (before costs) via the placement of ~41.1 million new fully paid ordinary shares at \$0.28 per share.<sup>2</sup> RCF VII, a cornerstone investor in the Company since late 2021, demonstrated its continued support for Technology Metals with an investment of \$2.75 million, increasing its holding to ~18% of the issued capital post the Placement, alongside existing and new strategic and institutional investors.

Funds raised via the Placement are being applied to advance development of the MTMP towards construction readiness, with a range of early works activities to be completed by the Technology Metals project team, with support from GRES, IMC and FLSmidth. Other activities to be undertaken in parallel with these workstreams include the continued progression of the permitting and approvals pathways with the WA EPA, collaborative engagement with the Traditional Owners, completion of the ITE review process that will support project funding discussions, and product marketing and customer engagement.

## Corporate

Technology Metals announced the appointment of Ms Jo Gaines to the Board as an independent, Non-Executive Director in June.<sup>3</sup> Ms Gaines is an experienced leader and strategic policy director, having previously worked as the Deputy Chief of Staff to the Premier of Western Australia. In this role she was a leader in the development of significant policies affecting the economic and social fabric of Western Australia and was influential in intergovernmental negotiations.

Ms Gaines holds a Bachelor of Arts from the University of Western Australia, a Post Graduate Diploma in Occupational Health and Safety from Curtin University and is a graduate of the Australian Institute of Company Directors. She is currently Chair of the Government Employees Superannuation Board, a Director of DevelopmentWA and Non-Executive Director of Chalice Mining Limited.

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<sup>1</sup> ASX Announcement 3 April 2023 – MoU to Supply Vanadium to Indian Battery Manufacturer

<sup>2</sup> ASX Announcement 24 May 2023 – TMT Further Strengthens Cornerstone Shareholder Support through \$11.5M Placement

<sup>3</sup> ASX Announcement 15 June 2023 – TMT Board Appointment: Experienced Strategic Policy Professional Join the Team

## Australia's Critical Minerals Strategy 2023 – 2030

The Australian Federal Government has released its Critical Minerals Strategy 2023-2030 (**the Strategy**), which outlines its framework to grow Australia's critical minerals sector. The Strategy's vision is that by 2030 Australia will have become a globally significant producer of raw and processed critical minerals that will impart geostrategic and economic benefits and support diverse, resilient, and sustainable supply chains. The Strategy seeks to build sovereign capability in critical minerals processing and use our critical minerals to drive the renewable energy transition<sup>4</sup>.

The key focus areas of the Strategy are to develop strategically important projects; attract investment and collaborative partnerships; ensure and maintain First Nations engagement and benefit sharing; uphold Australia's position as a leader in ESG performance; unlock investment in enabling infrastructure and services; and grow a skilled workforce in Australia. As part of the implementation of the Strategy, an additional \$500 million has been earmarked for investment through the Northern Australia Infrastructure Facility (**NAIF**) to support downstream processing activities. Under the Strategy, Government support will also be furnished through Export Finance Australia (**EFA**) and its joint financing initiatives.

The Company is pleased to note that its goals of becoming a significant supplier of vanadium and adding value beyond mining through the further processing of vanadium concentrate to produce high purity vanadium pentoxide and vanadium electrolyte, are well-aligned with the Federal Government's objectives. The Company is progressing discussions around Federal Government backed funding support for the MTMP, linking in with the existing support received from the Danish Export Credit Agency, the Export and Investment Fund of Denmark (EIFO)<sup>5</sup>.

Technology Metals is committed to building long-lasting socioeconomic benefits with the local and First Nations communities in Meekatharra, including development of employment and training opportunities. The Company's vertically integrated, ore to electrolyte strategy requires a skilled workforce to deliver the raw and processed materials for long-term energy storage solutions. To that end, the Company plans to identify, attract, retain, and develop the talent that will contribute to the MTMP's long-term success not just in the mining operation but also in the on-site processing and vanadium pentoxide production facility.

As outlined above, the Company's ESG performance is paramount to the success of the MTMP. Technology Metals is committed to contributing to the energy transition not just through customer's use of its vanadium products, but also to reducing the Company's own carbon footprint.

## Vanadium Market Outlook

### Australian Market

There have been several developments in the vanadium battery sector in Australia during the quarter. Yadlamalka Energy outside Port Pirie in South Australia has reached completion of its 2MW/8MWh VRFB with a 6 MW solar PV, which is now progressing to commissioning. Supported by \$5.7 million funding from the Australian Renewable Energy Agency (ARENA), Yadlamalka is the first commercial vanadium-flow battery in the Southern Hemisphere.

TMT's Business Development Manager – Energy Storage, Jason Barnett attended the open day event alongside representatives from the resources and battery industries. This Federal Government-supported installation will demonstrate the commercial and operational viability of a grid-connected vanadium battery to prospective developers, regulators and investors as Australia works to achieve its ambitions of reducing greenhouse gas emissions to 43% below 2005 levels by 2030.

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<sup>4</sup> Critical Minerals Strategy 2023–2030, Australian Government Department of Industry, Science and Resources.

<sup>5</sup> ASX Announcement 18 January 2023 – EKF Issues Financing Letter of Interest



Figure 3 TMT Business Development Manager Jason Barnett at the Yadlamalka Energy Project. Source: Technology Metals Australia

In Queensland, the state government's Energy Queensland executed a deal with Vecco Group and Sumitomo Electric to trial a vanadium battery in South-East Queensland, as part of Queensland's CopperString 2032 project. The \$5 billion project is a 1,100km high-voltage electricity transmission line from Townsville to Mount Isa that will connect Queensland's North-West Minerals Province (NWMP) to the national electricity grid. This connection is delivered under the \$62 billion Queensland Energy and Jobs Plan.<sup>6</sup>

Also supported under this plan is Vecco Group's \$26 million Townsville Vanadium Battery Manufacturing Facility, which will produce electrolyte for use in vanadium batteries. The facility is expected to produce approximately nine megalitres of electrolyte a year, which equates to an energy storage capacity of 175 MWh annually.<sup>7</sup>

Technology Metals welcomes this growing interest in vanadium batteries in Australia which supports the Company's vision for the vanadium industry in Australia to play a crucial role in supplying a critical metal that helps the world decarbonise.

The Company is executing its vertically integrated, ore to electrolyte strategy, working alongside Japanese technology partner LE System to explore the development of a vanadium electrolyte production facility in Western Australia to support the roll out of vanadium batteries across Australia.

Technology Metals is also continuing to engage in offtake discussions on the supply of high purity vanadium pentoxide from the MTMP to third-party electrolyte producers and vanadium battery manufacturers around the world.

<sup>6</sup> <https://www.statedevelopment.qld.gov.au/news/what-is-copperstring-2032-and-why-is-it-important-for-queenslands-renewable-energy-future>

<sup>7</sup> <https://www.felix.net/project-news/townsville-welcomes-new-vanadium-battery-manufacturing-facility>

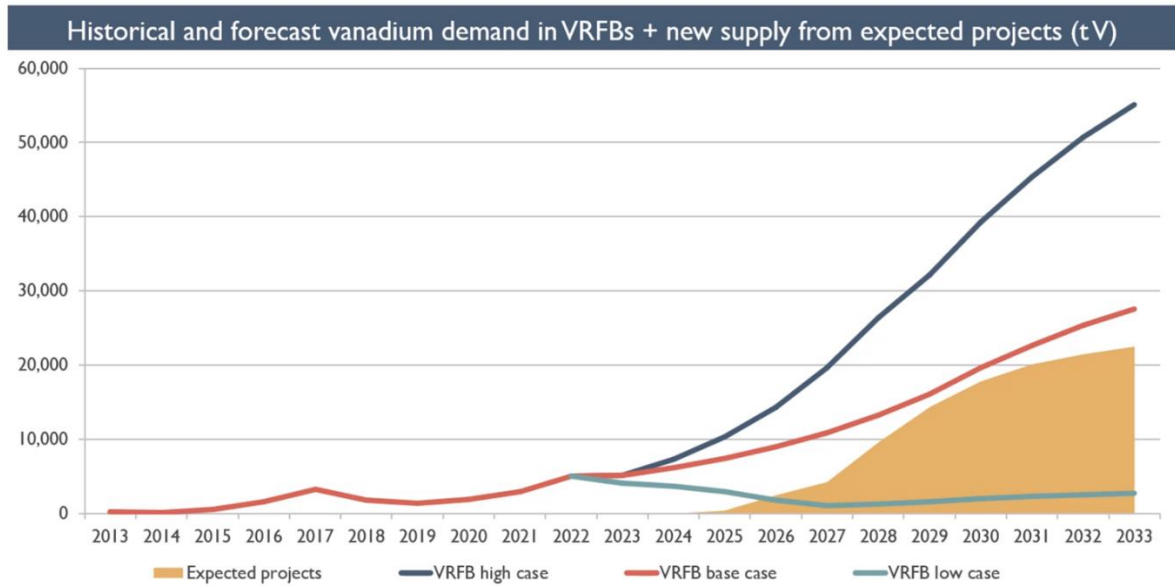


Figure 4 Vanadium Demand in VRFBs and New Supply from Expected Projects Source: Project Blue

## Asia Market

China's economy has been facing a number of challenges after its emergence from the COVID Zero policy with a weaker than expected industrial output and subdued construction activity weighing on steel demand in the second calendar quarter.

Chinese imports of  $V_2O_5$  increased to 1,961 tonnes in the first five months of calendar year 2023, compared to 120 tonnes in the same period in calendar year 2022, with an increase in the supply of Russian  $V_2O_5$  that was previously going to European or US markets.

These factors resulted in a drop in prices in the early part of this quarter, however prices stabilised around US\$8.00/lb in Europe and 105,000RMB/t by the end of the quarter. The price outlook in the near to medium term is stable to positive, with the rapid expansion of the vanadium battery sector set to drive continued demand growth.<sup>8</sup>

China continues to lead the way in global vanadium battery installations, with a further 10 projects with a total installed power of 2.9GW signed off during the quarter. Installed capacity of vanadium batteries in China is expected to reach between 8.6 to 12.9GWh in 2025<sup>9</sup>, requiring 68,800 to 103,200 tonnes of  $V_2O_5$ .

<sup>8</sup> Source: Vanadium Semi-Annual Report 2023, FerroAlloyNet.com

<sup>9</sup> Financial Circle Beijing, May 2023.

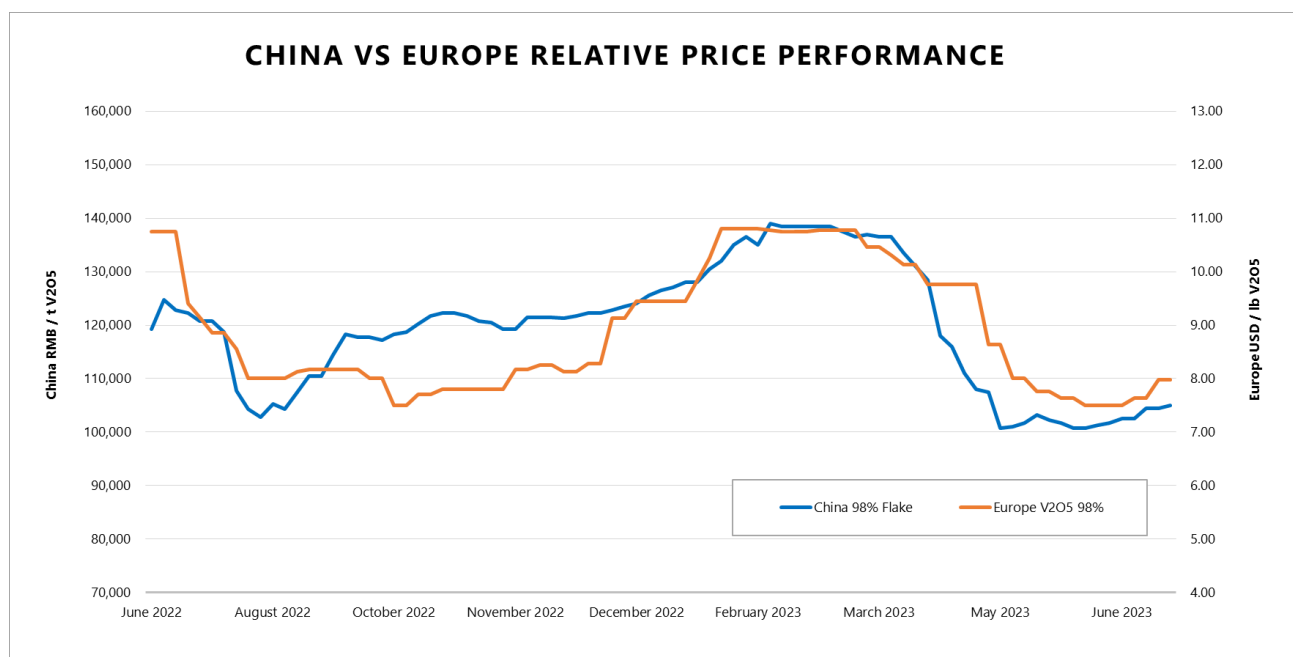


Figure 5: Vanadium Price Performance – June 2022 to June 2023. Source: FerroAlloy.Net

According to a presentation by the Chief Scientist of Rongke Power, the Chinese company that developed the biggest VRFB in the world at 200MW/800MWh in Dalian, vanadium batteries are expected to form 30% of all electrochemical energy storage installations in China by 2030, totalling 30GW/180GWh (i.e., a storage time of six hours). This would require 1.44 million tonnes of  $V_2O_5$ <sup>10</sup>.

## US and Europe Market

During this quarter, the Australia Federal Government and the United States Government formed the Australia-United States Climate, Critical Minerals, and Clean Energy Transformation Compact. Under this Compact, it is envisaged that Australia and the US will coordinate to drive the diversification and expansion of clean energy supply chains through collaboration of both countries' private sectors and resources.

Importantly, Australia would be added as a "domestic source" within the meaning of Title III of the US Defense Production Act (DPA). The DPA authorises the US President to ensure the availability of domestic industry for defence, essential civilian, and homeland security requirements. Including Australia as a domestic supplier would streamline technological and industrial base collaboration and build new opportunities for US investment in the production and purchase of Australian critical minerals and critical technologies.<sup>11</sup>

Vanadium is listed as a critical mineral in both the US Geological Survey and Australia's Critical Minerals List.

Policies and legislation designed to accelerate medium to long duration energy storage and increased grid stability is also demonstrated in Europe's REPowerEU plan to deliver accelerated permitting for renewable projects that include standalone energy storage. The EU's Critical Raw Materials Act was introduced in March 2023 with the aim of securing the EU's future supply of critical raw materials. While encouraging the EU to become more self-reliant in mining and processing of critical minerals by increasing domestic production, the Act also encourages the EU to diversify its global supply of minerals such that no more than 65% of its annual consumption for each strategic raw material should come from a single third country. The effect of this Act will see the EU forming partnerships with friendly countries such as Australia. Vanadium is on the European Union's Critical Raw Materials List.

<sup>10</sup> Huamin Zhang, Chief Scientist of Rongke Power, "Industry Pattern, Market Demand and Development Prospect of All-Vanadium Flow Battery Energy Storage Technology", 12<sup>th</sup> ESC Vanitec Meeting, May 2023.

<sup>11</sup> <https://www.whitehouse.gov/briefing-room/statements-releases/2023/05/20/australia-united-states-joint-leaders-statement-an-alliance-for-our-times/>

## Tenements

The tenement status as at 30 June 2023 is as follows<sup>12</sup>.

LOCATION	TENEMENT	INTEREST ACQUIRED OR DISPOSED OF DURING THE QUARTER	ECONOMIC INTEREST
Gabanimtha Project (WA)	E51/1510	Nil	100%
Gabanimtha Project (WA)	E51/1818	Nil	100%
Gabanimtha Project (WA)	E51/2056	Application	100%
Gabanimtha Project (WA)	G51/29	Nil	100%
Gabanimtha Project (WA)	G51/30	Nil	100%
Gabanimtha Project (WA)	G51/31	Nil	100%
Gabanimtha Project (WA)	G51/32	Application	100%
Gabanimtha Project (WA)	L51/101	Nil	100%
Gabanimtha Project (WA)	L51/102	Nil	100%
Gabanimtha Project (WA)	L51/117	Nil	100%
Gabanimtha Project (WA)	L51/121	Nil	100%
Gabanimtha Project (WA)	L51/125	Application	100%
Gabanimtha Project (WA)	M51/883	Nil	100%
Gabanimtha Project (WA)	P51/2930	Nil	100%
Gabanimtha Project (WA)	P51/3140	Nil	100%
Yarrabubba Project (WA)	G51/34	Application	100%
Yarrabubba Project (WA)	L51/123	Application	100%
Yarrabubba Project (WA)	L51/128	Application	100%
Yarrabubba Project (WA)	L51/129	Application	100%
Yarrabubba Project (WA)	M51/884	Nil	100%

## Shares and Cash

As at 18 July 2023, the Top 20 shareholders held 59.38% of the fully paid Ordinary shares in the Company. The Company had cash of \$16.5 million as at 30 June 2023.

Project specific announcements lodged on the ASX during the June 2023 quarter were:

- 3 April 2023 – MOU to Supply Vanadium to Indian Battery Manufacturer
- 24 May 2023 – TMT Strengthens Cornerstone Support - \$11.5M Placement
- 15 June 2023 – TMT Board Appointment

In accordance with Section 6 disclosure in the Appendix 5B, payments to related parties of the entity during the June quarter included payments for directors' fees and other key management personnel (KMP) salaries and wages of \$293K, of which \$130K was capitalised as part of MTMP exploration and evaluation expenditure<sup>13</sup>.

<sup>12</sup> ASX Listing Rule 5.3.3

<sup>13</sup> ASX Listing Rule 5.3.5

Net outflows of \$641K were used in operating activities during the June quarter (refer Items 1.2(d) and (e), 1.4 and 1.8 of the Appendix 5B) which comprised corporate consulting and legal fees, marketing and investor relations, balance of KMP and staff salaries not capitalised to the MTMP, rent, occupancy and travel expenses. Net outflows of \$2,420K used in investing activities during the June quarter (refer Item 2.1(d) of the Appendix 5B) related to continued work on the MTMP Implementation Study, including SRK's ITE report, continued metallurgical test work, progressing heritage negotiations, consultations and survey planning with traditional owners, advancing project finance and offtake discussions<sup>14</sup>.

### Marketing and Promotions

During the quarter, the Company presented at the Resource Connect Asia: Future Facing Commodities Conference<sup>15</sup> in Singapore, and the RIU Sydney Resources Roundup<sup>16</sup>.

TMT's Business Development Manager – Energy Storage, Jason Barnett attended the open day event at the Yadlamalka Energy Project in South Australia and gained first-hand understanding of the development and commercialisation of the biggest battery installation in Australia to date. He also participated in the International Flow Battery Forum (IFBF) in Prague, Czech Republic during the quarter. The IFBF brings together developers, manufacturers, suppliers and academics in the international flow battery sector, enabling discussions regarding the supply of raw materials and components, commercial deployment of flow batteries, and current and future applications.

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<sup>14</sup> ASX Listing Rule 5.3.1, 5.3.2

<sup>15</sup> Announcement 6 April 2023 – TMT Investor Presentation Resource Connect Asia 2023

<sup>16</sup> Announcement 11 May 2023 – TMT Investor Presentation RIU Resources Round Up May 2023

## Top 20 Shareholders

The Top 20 Shareholders as at 18 July 2023 were:

Position	Holder Name	Holding	% IC
1	CITICORP NOMINEES PTY LIMITED	59,669,941	23.47%
2	BNP PARIBAS NOMS PTY LTD <DRP>	22,264,021	8.76%
3	STANDARD PASTORAL COMPANY PTY LTD	14,000,000	5.51%
4	RETZOS EXECUTIVE PTY LTD <RETZOS EXECUTIVE S/FUND A/C>	6,800,000	2.67%
5	DR ADEL WAGDI AWISS MORSI	6,620,000	2.60%
6	STATION NOMINEES PTY LTD <STATION SUPER FUND A/C>	5,000,000	1.97%
7	MR COLIN DAVID ILES	4,629,878	1.82%
8	ATASA HOLDINGS PTY LTD <TS3A FAMILY A/C>	4,343,995	1.71%
9	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,009,117	1.58%
10	UBS NOMINEES PTY LTD	3,273,633	1.29%
11	KHAZANAH PTY LTD	2,619,210	1.03%
12	RETZOS FAMILY PTY LTD <RETZOS FAMILY S/FUND A/C>	2,310,000	0.91%
13	MR RICHARD THOMAS HAYWARD DALY & MRS SARAH KAY DALY <THE DALY FAMILY SUPER A/C>	2,306,227	0.91%
14	ASHANTI INVESTMENT FUND PTY LTD <ASHANTI INVESTMENT FUND A/C>	2,287,143	0.90%
15	PERRIWINKLE INVESTMENTS PTY LTD	2,149,316	0.85%
16	SHAYDEN NOMINEES PTY LTD	1,964,866	0.77%
17	MR DAVID JAMES HARRINGTON	1,900,000	0.75%
18	MR JACOB EDWARDS & MRS CATHY EDWARDS	1,638,800	0.64%
19	MR PAUL VENDA DIVIN	1,614,012	0.63%
20	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	1,604,623	0.63%
	<b>Total</b>	<b>151,004,782</b>	<b>59.38%</b>
	<b>Total issued capital - selected security class(es)</b>	<b>254,285,984</b>	<b>100.00%</b>

**AUTHORISED FOR RELEASE ON THE ASX BY THE COMPANY'S BOARD OF DIRECTORS**

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**Forward-Looking Statements**

This document includes forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Technology Metal Australia Limited's planned exploration programs, corporate activities, and any, and all, statements that are not historical facts. When used in this document, words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should" and similar expressions are forward-looking statements. Technology Metal Australia Limited believes that it has a reasonable basis for its forward-looking statements; however, forward-looking statements involve risks and uncertainties, and no assurance can be given that actual future results will be consistent with these forward-looking statements. All figures presented in this document are unaudited and this document does not contain any forecasts of profitability or loss

## About Technology Metals Australia

Technology Metals Australia Limited (ASX:TMT) is a future-oriented ASX-listed company focused on the development of its flagship, 100 per cent owned Murchison Technology Metals Project (MTMP), which is expected to meet global demand for high-purity vanadium, increasingly recognised as a critical mineral around the world. The MTMP is located 50km southeast of Meekatharra in the mid-west region of Western Australia and is one of the highest-grade vanadium projects in the world, with planned production at 6% of current global vanadium demand.

The MTMP has a Global Mineral Resource Estimate (MRE) of 153.7Mt at 0.8% Vanadium Pentoxide ( $V_2O_5$ ), with the Integration Study incorporating high-grade ore from the Yarrabubba satellite deposit into the central processing hub at Gabanintha. The completion of the Integration Study has facilitated the progression of the Implementation Phase of the MTMP and the move towards development, construction, and operation of the project.

TMT's vision is to be a leader in the Australian and international vanadium industry playing a crucial role in meeting a growing demand for a critical metal that helps the world to decarbonise. Together with vLYTE, TMT's wholly owned subsidiary focused on adding downstream value to high-quality feedstock, the MTMP will be a strategic, long-life asset supporting the nascent and fast-growing vanadium redox flow battery industry. TMT's ESG values extend beyond the MTMP's production – TMT's contribution to a cleaner world is envisioned to include utilisation of renewable energy generation, battery storage, heat capture and transition to electric options for mobile equipment.

## About Vanadium

Vanadium is a hard, silvery grey, ductile and malleable speciality metal with a resistance to corrosion, good structural strength and stability against alkalis, acids and salt water. The elemental metal is rarely found in nature. The main use of vanadium is in the steel industry where it is primarily used in metal alloys such as rebar and structural steel, high-speed tools, titanium alloys and aircraft. The addition of a small amount of vanadium can increase steel strength by up to 100% and reduces weight by up to 30%. Vanadium high-carbon steel alloys contain in the order of 0.15 to 0.25% vanadium while high-speed tool steels, used in surgical instruments and speciality tools, contain in the range of 1 to 5% vanadium content. Global economic growth and increased intensity of use of vanadium in steel in developing countries will drive near term growth in vanadium demand.

An emerging and very significant use for vanadium is the rapidly developing energy storage (battery) sector with the expanding use and increasing penetration of the vanadium redox flow batteries (VRFB). These batteries are a rechargeable flow battery that uses vanadium in different oxidation states to store energy, using the unique ability of vanadium to exist in solution in four different oxidation states. Vanadium batteries provide an efficient storage and re-supply solution for renewable energy – being able to time-shift large amounts of previously generated energy for later use – ideally suited to micro-grid to large scale energy storage solutions (grid stabilisation).

Some of the unique advantages of vanadium batteries are:

- a lifespan of 20 years with very high cycle life (up to 20,000 cycles) and no capacity loss,
- rapid recharge and discharge,
- easily scalable into large MW applications,
- excellent long-term charge retention,
- improved safety (non-flammable) compared to Li-ion batteries, and
- can discharge to 100% with no damage.

Global economic growth and increased intensity of use of vanadium in steel in developing countries will drive near term growth in vanadium demand.

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Technology Metals Australia Limited

ABN

64 612 531 389

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(195)	(625)
	(e) administration and corporate costs	(489)	(2,357)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	36	116
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Insurance Claim Proceeds, Rental Income)	7	304
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(641)</b>	<b>(2,562)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(7)
	(d) exploration & evaluation	(2,420)	(10,979)
	(e) investments	-	-
	(f) other non-current assets	-	-

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(2,420)</b>	<b>(10,986)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) <sup>1</sup>	11,500	11,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	678	678
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(766)	(766)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>11,412</b>	<b>11,412</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	8,113	18,600
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(641)	(2,562)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,420)	(10,986)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	11,412	11,412

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of period</b>	<b>16,464</b>	<b>16,464</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	6,464	4,113
5.2 Call deposits	10,000	4,000
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>16,464</b>	<b>8,113</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	163
6.2 Aggregate amount of payments to related parties and their associates included in item 2	130
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
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<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(641)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,420)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,061)
8.4	Cash and cash equivalents at quarter end (item 4.6)	16,464
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	16,464
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	5.38
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not Applicable	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: Not Applicable	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not Applicable

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 19/7/23

Authorised by: Board of Directors  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.