

## Pre-Quotation Disclosure Notice

The following information is required to be provided to ASX Limited (**ASX**) for release to the market in connection with the admission to the official list of, and official quotation of, fully paid ordinary shares in Richmond Vanadium Technology Limited ACN 617 799 738 (**RVT** or the **Company**). Unless otherwise defined, capitalised terms used in this notice have the meaning given to them in the prospectus lodged by the Company with ASIC on 14 October 2022, as supplemented by a supplementary prospectus dated 21 October 2022 (**Prospectus**).

### 1. Close of Offer and receipt of funds

The Company confirms that the initial public offer (**Offer**) made by the Company pursuant to the Prospectus has closed, all conditions precedent have been satisfied and the Company has issued 62,500,000 fully paid Shares at an issue price of \$0.40 per share, raising \$25,000,000 (gross).

The Company confirms that it has issued 13,155,000 Options and 2,500,000 Performance Rights to directors, key management personnel, and the Lead Manager as disclosed in the Prospectus.

The Company confirms it has received cleared funds for the complete amount of the issue price of every share issued and allotted shares to successful applicants.

### 2. Restricted securities

The Company confirms that:

- (a) 135,625,526 Shares have been classified as restricted securities by ASX and will be subject to restrictions for a period of 24 months from the date of official quotation of the Shares.
- (b) 13,155,000 Options have been classified as restricted securities by ASX and will be subject to restrictions for a period of 24 months from the date of official quotation of the Shares.
- (c) 2,000,000 Performance Rights have been classified as restricted securities by ASX and will be subject to restrictions for a period of 24 months from the date of official quotation of the Shares.

### 3. Capital structure

The Company's current capital structure is as follows:

Securities	Number
Shares	221,833,332
Options (unquoted)	13,155,000
Performance Rights (unquoted)	2,500,000

The Company confirms the issue of the following Options:

Number	Issue Date	Exercise Price	Expiry Date
13,155,000	5 December 2022	\$0.50	5 December 2024

The Company confirms the issue of the following Performance Rights:

Number	Issue Date	Exercise Price	Vesting Condition	Expiry Date
2,500,000	5 December 2022	Nil	Vesting on achievement of (i) successful listing on ASX, and (ii) the Company achieving a market capitalisation of \$110,000,000 or more calculated over 20 consecutive trading days	5 December 2024

Refer to Sections 8.9 and 11.4 of the Prospectus for the full terms and further information in respect of these Performance Rights.

The Performance Rights have been issued to the PR Recipients as part of their respective remuneration packages, in order to link part of the remuneration payable to the PR Recipients to specific performance milestones as set out in Sections 8.9 and 11.4 of the Prospectus (and in the table above). The Performance Rights were issued to incentivise the PR Recipients and are not ordinary course of business remuneration securities. A summary of the agreements between the Company and the Directors are set out at Section 10 of the Prospectus.

Each of the PR Recipients will play a key role in executing the Company's business model (as set out in Section 4.2 of the Prospectus), which is directly aligned with the performance milestones for the Performance Rights as follows:

- (a) as Directors, Dr Ren, Mr Grylls, and Mr Price will be responsible for, among other things, directing the operations of the Company and providing recommendations of a strategic nature to board members.
- (b) as the Company's Managing Director, Dr Ren will also be responsible for, among other things, the management of the organisation and operations of the Company.
- (c) those PR Recipients who are not Directors are responsible for assisting the Board in the day-to-day management and operations of the Company and are integral in realising the Company's growth strategy.
- (d) details of the existing total remuneration packages of each of the PR Recipients are disclosed at Sections 8.4 and 8.5 of the Prospectus.

Following Completion of the Offer, including both the Public Offer and the Distribution Offer, the PR Recipients (and their associates) currently hold the following securities in the Company:

PR Recipient <sup>1</sup>	Shares	Consideration	Options <sup>7</sup>	Performance Rights <sup>7</sup>
Shuang (Shaun) Ren (Managing Director)	8,869,721 <sup>2</sup>	\$1,078,704	2,500,000	500,000
Brendon Grylls <sup>3</sup> (Independent Non-Executive Chair)	100,000	\$40,000	2,000,000	650,000
Jon Price (Non-Executive Director)	404,147 <sup>4</sup>	\$100,000	2,000,000	650,000
Julian Tambyrajah (Chief Financial Officer & Joint Company Secretary)	25,000	\$10,000	Nil	200,000
Joanne Day (Joint Company Secretary & Administration Manager)	652,552	\$46,492	Nil	200,000

PR Recipient <sup>1</sup>	Shares	Consideration	Options <sup>7</sup>	Performance Rights <sup>7</sup>
Warwick Nordin (Chief Resource Geologist)	126,267 <sup>5</sup>	\$10,080	Nil	100,000
Lingli (Lily) Zhao (Chief Project Engineer)	4,968,004 <sup>6</sup>	\$845,500	Nil	100,000
Wei Hong (Jenny) Shang (Bookkeeper)	1,740,674	\$133,140	Nil	100,000

1. Save for Mr Grylls' shareholding and those PR Recipients with associates' holdings as described, all of the PR Recipients hold their securities on their own account. The relationship each PR Recipient has with the Company is disclosed in Section 11.4 of the Prospectus. Other than as disclosed in the Prospectus or in this pre-quotations disclosure notice, no other associate of a PR Recipient has a relationship with the Company (but for the fact they are an associate of a PR Recipient).
2. Includes 5,000,000 Shares held by Weiping Ren (an associate of Dr Ren). Includes 41,587 Shares distributed to Dr Ren and 17,983 Shares distributed to Ms Ren pursuant to the Distribution Offer. Dr Ren's son (Luke Ren) was also distributed 1,054 Shares pursuant to the Distribution Offer (not included in the Dr Ren's total in the table above).
3. Mr Grylls' shares are held by Attacoorie Pty Ltd (an associate of Mr Grylls).
4. Includes 154,147 Shares distributed to Mr Price pursuant to the Distribution Offer.
5. All of these Shares are held jointly by Warwick Nordin and Heather Nordin (an associate of Warwick Nordin). Includes 267 Shares distributed to Warwick Nordin and Heather Nordin pursuant to the Distribution Offer.
6. All of these Shares are held by Jinru Liu (an associate of Ms Zhao). Includes 18,304 Shares distributed to Tianwei Liu (an associate of Ms Zhao) pursuant to the Distribution Offer.
7. No consideration was paid for the Options or Performance Rights and have been issued as part of the PR Recipients' remuneration packages. See Sections 8.9, 11.3 and 11.4 of the Prospectus for further details of the terms and conditions of the Options and Performance Rights.

The Performance Rights have been issued as part of the PR Recipients' remuneration packages. The Company considers it necessary and appropriate to further remunerate and incentivise the PR Recipients to achieve the applicable performance milestones for the following reasons:

- (a) the issue of Performance Rights to the PR Recipients will further align the interests of the PR Recipients, which includes Directors, key management personnel, and other persons who are integral to the day-to-day operations and growth strategy of the Company with those of Shareholders;
- (b) the Performance Rights are unlisted, therefore the grant of the Performance Rights has no immediate dilutionary impact on Shareholders;
- (c) the issue of the Performance Rights is a reasonable and appropriate method to provide cost effective remuneration as the non-cash form of this benefit will allow the Company to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of remuneration were given to the PR Recipients; and
- (d) it is not considered that there are any significant opportunity costs to the Company or benefits foregone by the Company in granting the Performance Rights on the terms proposed.

The number of Performance Rights issued to each of the PR Recipients (or their nominees) was determined by the Board on an arm's length basis having regard to:

- (a) current market standards and/or practices of other ASX listed companies of a similar size and stage of development to the Company;
- (b) the remuneration of the PR Recipients; and
- (c) incentives to attract and retain the service of the PR Recipients, who have the desired knowledge and expertise, while maintaining the Company's cash reserves.

The Board considers the number of Performance Rights to be appropriate and equitable for the following reasons:

- (a) the Performance Rights are consistent with ASX's policy regarding the base requirements for performance securities, which are detailed in Section 9 of ASX Guidance Note 19;
- (b) the number of Shares into which the Performance Rights will convert if the milestones are achieved is fixed (one for one) which allows investors and analysts to readily understand and have reasonable certainty as to the impact on the Company's capital structure if the milestones are achieved;
- (c) there is an appropriate link between the milestones and the purposes for which the Performance Rights are being issued and the conversion milestones are clearly articulated by reference to objective criteria;
- (d) there is an appropriate link to the benefit of Shareholders and the Company at large through the achievement of the milestones, which have been constructed so that satisfaction of the milestones will be consistent with increases in the value of Company's business;
- (e) the Performance Rights which have been issued represent a small proportion of the Company's issued capital upon listing (less than 10% of issued Share capital); and
- (f) the Performance Rights have an expiry date by which the milestones are to be achieved and, if the milestones are not achieved by that date, the Performance Rights will lapse.

If the applicable milestones are met, the Performance Rights will convert into 2,500,000 Shares. This will have the following impact on the Company's capital structure:

	Number
Performance Rights on issue	2,500,000
Options on issue	13,155,000
Shares on issue post-listing (fully diluted)	237,488,332

#### 4. Commitments

The Company confirms that there are no legal, regulatory, statutory or contractual impediments to RVT entering the Richmond-Julia Creek Project tenements, including EPMs 25163, 25164, 25258, 26425 and 26426 and carrying out exploration activities such that RVT will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b). The Company's updated use of funds is set out below:

Use of funds	\$25,000,000 (gross) Capital Raising under Prospectus	
	A\$	%
Bankable Feasibility Study	13,295,471	53
Operating costs	493,770	2
Other cash outflows	1,495,155	6
UPS investment	3,000,000	12
General administration and working capital	4,878,049	19
Estimated expenses of the Offer	2,153,121	8
<b>Total funds allocated<sup>1</sup></b>	<b>\$25,315,566</b>	<b>100%</b>

1. Includes existing funds of \$315,566 as at 30 June 2022. Refer to Section 2.4 of the Prospectus for further information in respect of the Company's planned use of funds following the \$25,000,000 (gross) raising.

**5. Updated pro-forma statement of financial position as at 30 June 2022 (based on \$25,000,000 (gross) raised under the Offer)**

	<i>Historical (Audited)</i>	<i>Proforma Adjustments</i>	<i>Proforma</i>
	\$	\$	\$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	1,051,358	19,846,879	<b>20,898,237</b>
Receivables	597,252	-	<b>597,252</b>
Other assets	32,336	-	<b>32,336</b>
<b>TOTAL CURRENT ASSETS</b>	<b>1,680,946</b>	<b>19,846,879</b>	<b>21,527,825</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	97,083	-	<b>97,083</b>
Investments	-	3,000,000	<b>3,000,000</b>
Exploration and evaluation expenditure	26,069,037	-	<b>26,069,037</b>
<b>TOTAL NON-CURRENT ASSETS</b>	<b>26,166,120</b>	<b>3,000,000</b>	<b>29,166,120</b>
<b>TOTAL ASSETS</b>	<b>27,847,066</b>	<b>22,846,879</b>	<b>50,693,943</b>
<b>CURRENT LIABILITIES</b>			
Payables	1,375,293	-	<b>1,375,293</b>
Provisions	128,239	-	<b>128,239</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,503,532</b>	<b>-</b>	<b>1,503,532</b>
<b>NON-CURRENT LIABILITIES</b>			
Provisions	22,671	-	<b>22,671</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>22,671</b>	<b>-</b>	<b>22,671</b>
<b>TOTAL LIABILITIES</b>	<b>1,526,203</b>	<b>-</b>	<b>1,526,713</b>
<b>NET ASSETS</b>	<b>26,320,863</b>	<b>22,846,879</b>	<b>49,167,742</b>
<b>EQUITY</b>			
Issued capital	28,658,954	22,468,475	<b>51,127,429</b>
Reserves	-	2,039,025	<b>2,039,025</b>
Accumulated losses	(2,338,091)	(1,660,621)	<b>(3,998,712)</b>
<b>TOTAL EQUITY</b>	<b>26,320,863</b>	<b>22,846,879</b>	<b>49,167,742</b>

Refer to Section 7 of the Prospectus for further information in respect of the Company's pro forma balance sheet following the Minimum Subscription raising of \$25,000,000 (gross).

**6. UPS Investment**

The Company confirms that the Company subscription for UPS Shares will be \$3,000,000 and that completion is to occur under the Ultra Binding Term Sheet by no later than 28 February 2023 (refer Sections 5 and 10.6 of the Prospectus).

## **7. Horizon Minerals Distribution**

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The Company confirms that the in-specie distribution by Horizon Minerals Limited of 19,999,790 Shares to its shareholders under the Distribution Offer has completed, with Horizon Minerals Limited's holding being 19,833,363 Shares.

## **8. Waiver Decision – ASX Listing Rule 1.1 Condition 12**

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The Company obtained a waiver from listing rule 1.1 condition 12 to the extent necessary to permit the Company to have on issue 2,500,000 Performance Rights with a nil exercise price issued to the Directors, key management personnel and employees of the Company.

## **9. ASX Listing Rule 6.1 Confirmation**

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ASX has confirmed that the 2,500,000 Performance Rights are appropriate and equitable for the purposes of ASX Listing Rule 6.1, on the following conditions:

- (a) the prospectus issued in connection with the Company's initial public offering provides full disclosure of the Performance Rights, their terms and conditions and all information required to be disclosed by Guidance Note 19, including:
  - (1) the party or parties to whom the Performance Rights are to be issued and the number of Performance Rights to be issued to them or each of them;
  - (2) any relationship the recipient of the Performance Rights or an associate of the recipient has with the Company;
  - (3) in respect of the Performance Rights proposed to be issued to the Directors and key management personnel of the Company (the 'Recipients'):
    - (A) a statement that the Performance Rights are being issued to remunerate or incentivise the Recipients;
    - (B) details of the role (if any) the Recipients will play in meeting the respective performance milestones;
    - (C) details of the existing total remuneration package of the Recipients;
    - (D) if the Recipients or any of their associates hold securities in the Company, details of those securities and the consideration they paid or provided for those securities;
    - (E) an explanation why it is considered necessary or appropriate to further remunerate or incentivise the Recipients to achieve the applicable performance milestone; and
    - (F) details of how the Company determined the number of Performance Rights to be issued to the Recipients and why it considers that number to be appropriate and equitable;
  - (4) the number of ordinary shares that the Performance Rights will convert into if the applicable performance milestone is met and the impact that will have on the Company's capital structure; and
  - (5) the full terms of the Performance Rights, including:
    - (A) the Performance Rights are not quoted;
    - (B) the Performance Rights are not transferrable;

- (C) the Performance Rights do not confer any right to vote, except as otherwise required by law;
  - (D) the Performance Rights do not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
  - (E) the Performance Rights do not carry an entitlement to a dividend;
  - (F) the Performance Rights do not permit the holder to participate in a return of capital, whether in a winding up, upon a reduction of capital or otherwise;
  - (G) the Performance Rights do not carry an entitlement to participate in the surplus profit or assets of the Company upon winding up of the Company;
  - (H) each of the Performance Rights are converted into one fully paid ordinary share on achievement of the relevant milestone; and
  - (I) if a Performance Right is not converted into a share by the relevant expiry date then the Performance Right lapses.
- (b) The Company makes an announcement immediately upon the satisfaction of any milestones, the conversion of any of the Performance Rights and the expiry of any of the Performance Rights.
  - (c) The terms and conditions of the Performance Rights, including without limitation the relevant milestones that have to be satisfied before each Performance Right is converted into an ordinary share, are not to be changed without the prior approval of ASX and the Company's shareholders.
  - (d) Upon conversion of the Performance Rights into ordinary shares, the Company will apply to the ASX for quotation of the shares within the requisite time period.
  - (e) The Company discloses the following in each annual report, annual audited financial accounts, and half-yearly report issued by the Company in respect of any period during which any of the Performance Rights remain on issue or were converted or cancelled:
    - (1) the number of Performance Rights on issue during the relevant period;
    - (2) a summary of the terms and conditions of the Performance Rights, including without limitation the number of ordinary shares into which they are convertible and the relevant milestones;
    - (3) whether any of the Performance Rights were converted or cancelled during that period; and
    - (4) whether any milestones were met during the period.

This announcement has been authorised by the Board of Directors of RVT.

For more information, please contact:

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