

30 April 2025

QUARTERLY ACTIVITIES REPORT – MARCH 2025

HIGHLIGHTS

- ◆ The Company continued to advance its strategic equity and offtake pipeline, with ongoing engagement across a range of potential partners for the Project that contemplate various development scenarios.
 - ◆ Extension of the partly binding Memorandum of Understanding (MOU) with China Energy for Engineering, Procurement and Construction (EPC) services and financing (EPC-F).
 - ◆ Social & Labour Plan supported by the local Municipality and the rezoning at Steelpoortdrift conditionally approved, demonstrating continued support to develop the Project.
 - ◆ VR8 successfully raised A\$783,000 in cash and through the conversion of outstanding advisory fees via a convertible note issue.
 - ◆ Cost reduction initiatives remain in place, allowing VR8 to extend its operational runway amid ongoing discussions with potential development partners.
 - ◆ The Board continues to be encouraged by the level of offtake and strategic equity interest, with the view of potentially advancing Steelpoortdrift in stages toward a development scenario in a manner that aims to maximise long-term shareholder value.
-

Vanadium Resources Limited (ASX: VR8; DAX: TR3) (the “Company”) (ASX: VR8, DAX: TR3) is pleased to provide an update on its activities for the March 2025 quarter (the “Quarter”).

OVERVIEW

During the Quarter, the Company continued to advance discussions with potential strategic equity and offtake partners for its world-class Steelpoortdrift Vanadium Project (the “Project”) in South Africa.

The Project’s strategic equity and offtake pipeline includes a range of industry participants with both the interest and capability to support the Project through potential equity investment and/or long-term offtake agreements. These discussions continue to explore a variety of development scenarios aligned with demand

Vanadium Resources Limited (ASX:VR8)

7/63 Shepperton Road, Victoria Park, WA 6100 Australia
contact@VR8.global • (+61) 08 6158 9990

www.VR8.global

in the steel, energy and other metals markets. In addition, some development pathways consider the prioritisation of early ore and concentrate production, which has been enabled by the anticipated staggered construction timeline of the Concentrator and Salt Roast Leach (“SRL”) plant. The Company believes that the broad range of interest reflects the flexibility and multi-market applicability of the Project.

In addition, during and following the end of the Quarter, VR8 continued to assess a range of other strategic opportunities, including potential acquisitions that may complement a development scenario at the Project. These opportunities are being carefully evaluated with a focus on potential value accretion, synergies with the Project and consideration of any associated dilution (if applicable).

Operationally, activity at the Steelpoortdrift site was largely paused during the Quarter, aside from essential workstreams that the Company believes are required to maintain the Project in good standing. Cost-reduction measures that continue to apply from the previous calendar quarter include pausing of certain site-related costs (while retaining essential staff), deferring expenses related to technical due diligence for potential debt financing, and continuing reduced remuneration for VR8 employees and contractors until a strategic equity partner or development scenario can be secured.

The Board continues to maintain a focus on cost-reduction in order to preserve its working capital and extend the Company’s operational runway, with the objective of finalising a strategic equity investment to support the Project’s progression toward a development scenario. The Board considers this capital management approach optimal in the context of the Board’s assessment of its current strategic equity interest and potential development partners and aligns with the goal of minimising near-term dilution while maximising long-term shareholder value.

While the Board believes this strategy remains justified based on current circumstances and ongoing interest within its strategic equity pipeline, it cannot provide any assurance regarding the success or timing of securing a strategic equity investor to support a development scenario at the Project. The Board may revise its strategy if it is deemed appropriate.

STEELPOORTDRIFT VANADIUM PROJECT

Engineering, Procurement, Construction & Financing (EPC-F) Developments

During the Quarter, the Company and China Energy International Group (“CEIG”), a subsidiary of China Energy Engineering Corporation (“CEEC”), extended its partly binding MOU with respect to EPC-F to 30 June 2025. The parties continue to work collaboratively to position CEIG for the submission of a development proposal for the Project. This included ongoing incorporation of recent findings from the comprehensive internal review (“Review”)¹ of the Project’s Definitive Feasibility Study (“DFS”)², and the Company’s decision to consolidate the concentrator and SRL plant into a single integrated operation.

While the MOU extension with CEIG reflects continued engagement between the parties, the Company notes that it is unlikely that CEIG will be able to submit a formal development proposal ahead of the revised MOU expiry date, primarily due to the Company’s current emphasis on cost reduction and capital preservation. Despite this, the Company continues to view CEIG as its most strategically aligned development partner, given CEIG’s strong in-country presence in South Africa and broader organisational capabilities. The Company also believes that a relationship with CEIG and CEEC could support its longer-term downstream ambitions,

¹ For an in-depth overview of the internal review, refer to ASX Announcement, 13 September 2024, “Steelpoortdrift Vanadium Project Update: OPEX Reductions, Early Cashflow and Improved Funding Dynamics”.

² Refer to ASX announcement, 4 October 2022, “DFS delivers A\$1.9Bn NPV confirming World Class Project”.

including potential future production of Ammonium Metavanadate, Vanadium Electrolyte, Vanadium Nitride, Ferrovandium, and/or Ilmenite.

Environmental Authorisation & Water Use Licence Applications

Mine and Concentrator

The Department of Mineral Resources and Energy (“DMRE”) granted the integrated environmental authorisation (“IEA”) for the Mine and Concentrator at the Project during the previous quarter.

As the planned location of the Concentrator plant has been amended to allow for more space to lay out the facilities, provide greater access area for maintenance once in operation and for seamless integration with the SRL plant, the Company will be required to file an amendment to the IEA, which will require a Basic Assessment process, expected to take approximately seven months from inception to the issuance of the IEA.

The Water Use Licence (“WUL”) Application has been approved by the DMRE and the WUL has now been granted for Steelpoortdrift. The relocation of the Concentrator will not affect the validity of the WUL.

At this stage, it is envisaged that the Concentrator plant will commence construction as soon as possible, subject to offtake and funding, with a view to obtain early cash flows from the sale of concentrate. Similarly, given that the total funding requirement for the Concentrator plant will be considerably less than the total funding requirement for the Concentrator and SRL plant, this early cashflow will assist with minimising the amount of equity needed for planned activities associated with relevant approvals, funding and construction of the SRL plant.

The potential of producing DSO (“Direct Shipping Ore”) to monetise Steelpoortdrift on a short-term basis is under investigation resulting from significant interest for ROM (“Run of Mine”) ore offtake from various parties out of Europe, China and the Indian sub-continent.

SRL

The SRL plant and its related activities, now planned to be at Steelpoortdrift, will need an IEA and WUL. A scoping process and environmental impact assessment process will be required for the application and the timing for this process is estimated to be between 10 to 12 months. The majority of the engineering work has already been undertaken for the SRL plant and is expected to be readily incorporated on to the Steelpoortdrift site. As a result of all the above changes and subject to funding, construction would be able to start on the SRL site as soon as the IEA and WUL have been granted.

Social and Labour Plan & Re-Zoning Applications

During the Quarter, the Company received confirmation from the local Municipality that it supports the Social and Labour Plan (“SLP”) and the Local Economic Development projects which form part of the plan. Following that confirmation, the SLP has been resubmitted to the DMRE.

The application for the rezoning from “Agriculture” to “Special” of a 605-hectare area at Steelpoortdrift is in process. The application was heard at the Sekhukhune District Tribunal in December 2024. During the Quarter, the Company was informed that the tribunal had approved the application, subject to certain conditions. The area under consideration incorporates the proposed sites of the Mine, Concentrator and

SRL. Additional rezoning applications for land outside that area to be used for the tailings plant, as well as office, a medical clinic, change houses and parking will be made in due course.

OFFTAKE AND FINANCING

Offtake and Strategic Equity

During the Quarter, the Company continued to engage in discussion with parties within its pipeline of potential offtake partners and strategic equity investors. The Company continues to believe that its existing pipeline of interest is sufficiently strong to reach a development outcome for the Project. Each of the discussions that remain underway vary in terms of advancement, the likelihood of achieving a positive outcome, and whether they involve equity, offtake, or other value-add initiatives for the Project.

During the Quarter, demand for the Company's vanadium offtake remained strong. The Company continues to give preference for offtake based on the favourability of any proposed funding mechanisms, strategic equity for construction and/or other value-add considerations by potential partners.

CORPORATE

Convertible Note Issue

On 12 February 2025, the Company announced that it had successfully received firm commitments to raise \$783,000 in cash and conversion of outstanding advisory fees through a convertible note issue.

Half-Year Report

On 6 March 2025, the Company announced its Half Yearly Report and Accounts for the period ended 31 December 2024.

Cash Position

As at the end of March 2025 quarter, VR8 and its subsidiaries held total cash and cash equivalents of \$218,000. Assuming the passing of the necessary resolutions at a general meeting of the Company to be held on 9 May 2025, the Company will receive a further \$150,000 through subscriptions for convertible loan notes by two directors of the Company.

This announcement and the attached Appendix 5B Cashflow Report has been authorised for release by the directors of Vanadium Resources Limited.

For and on behalf of the board:

Kyla Garic

Company Secretary

VANADIUM RESOURCES LIMITED

For further information, please visit <https://vr8.global> or contact:

Jurie H. Wessels
Executive Chairman
VANADIUM RESOURCES LIMITED
E: contact@vr8.global

John Ciganek
Managing Director and Chief Executive Officer
VANADIUM RESOURCES LIMITED
E: contact@vr8.global

Erik Bergseng CFA®
Investor Relations
P: (612) 8350 0882
E: ebergseng@nrinvestor.com.au

Stay connected

Follow us on [LinkedIn](#), [X \(formerly known as Twitter\)](#), and [join our mailing list](#) to keep up to date with the latest news and developments.

APPENDIX 1 – MINERAL RESOURCE ESTIMATE

The Mineral Resource statement as reported on 4 October 2022³ was as follows:

Table 1: Mineral Resource Estimate (as at 30 April 2022)

CLASSIFICATION	VOLUME (M m ³)	QUANTITY (Mt)	QUALITY % V ₂ O ₅ (In-situ)	CONTAINED V ₂ O ₅ (Mt)	QUALITY % Fe ₂ O (In-Situ)	CONTAINED Fe ₂ O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
Total Mineral Resource	205.93	680.13	0.70	4.74	22.76	154.80

Source: Sound Mining, 2022

Notes:

- Stated at a cut-off grade of 0.45% V₂O₅;
- The Mineral Resources are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The Mineral Resources are inclusive of Ore Reserves; and
- Reported in-situ with any apparent computational errors due to rounding not considered significant.

APPENDIX 2 – ORE RESERVE

The updated Ore Reserve statement as at 30 September 2022 was as follows:

Table 2: Ore Reserves as at 30 September 2022

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V ₂ O ₅ RoM)	CONTAINED V ₂ O ₅ (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
Total Ore Reserves	76.86	0.72%	0.55

Source: Sound Mining, 2022

Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed;
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the Grade reported as a percentage of contained V₂O₅;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

³ Refer to ASX Announcement 4 October 2022 "VR8 Updates Mineral Resource and Ore Reserve for the Steelpoortdrift Vanadium Project"

APPENDIX 3 - Tenement Table: ASX Listing Rule 5.3.3

Table 3: Mining tenement interests held at the end of the Quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	AREA IN km ²	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Pilbara Region, Western Australia						
Quartz Bore	E47/3352	VMS Resources Pty Ltd	15	Granted	21/12/2026	100%
Limpopo Region, South Africa						
Steelpoortdrift KT365	10095MR	Vanadium Resources (Pty) Ltd	24.6	Granted	04/09/2048	86.49%

Mining tenement interests relinquished or acquired during the Quarter and their location

Nil

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the Quarter

Nil

Competent Person's Statement and Compliance Statements

The information in the referenced announcements footnoted above that relate to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*) Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

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 VR8 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 VR8's control.

VR8 does not undertake any obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of VR8, its directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward-looking statement. The forward-looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by VR8. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Appendix 5B

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

Name of entity

Vanadium Resources Limited

ABN

47 618 307 887

Quarter ended ("current quarter")

31 March 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(70)	(354)
	(e) administration and corporate costs	(87)	(320)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	16
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(157)	(658)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(261)	(1,527)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
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)	-	-
2.6	Net cash from / (used in) investing activities	(261)	(1,527)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(7)	(7)
3.5	Proceeds from borrowings	495	495
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)	-	-
3.10	Net cash from / (used in) financing activities	488	488

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	147	1,915
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(156)	(658)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(261)	(1,527)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	488	488

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	218	218

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	218	147
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	218	147

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(24)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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>		
6.1 CEO and consulting fees to Directors of A\$23,540		

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

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	633	633
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	150	-
7.4	Total financing facilities	783	633
7.5	Unused financing facilities available at quarter end		
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.		
	During the Quarter, the Company issued convertible loan notes totalling \$633,000, of which \$495,000 were subscribed for in cash and \$138,000 were issued in part settlement of amounts owed to GC Partners Limited. In addition, two directors of the Company agreed to subscribe for an aggregate of \$150,000 of convertible loan notes, the issue of which is conditional on shareholder approval which is to be sought at a general meeting to be held on 9 May 2025.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(157)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(261)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(418)
8.4	Cash and cash equivalents at quarter end (item 4.6)	218
8.5	Unused finance facilities available at quarter end (item 7.5)	150
8.6	Total available funding (item 8.4 + item 8.5)	368
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.9
	<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: No, development activity is largely discretionary and the level of activity will be dependent on available funding. In addition, payment of all Director and employee salaries has been paused from April 2025 in order to conserve cash resources.	

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

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: Conditional on shareholder approval at a general meeting to be held on 9 May 2025, the Company will receive a further \$150,000 from subscriptions by Directors in the convertible loan note funding announced on 12 February 2025. In addition, the Company is in discussions with a number of potential strategic investors. The Company believes that this process is likely to result in raising sufficient funds to recommence the process of advancing the Steelpoortdrift Vanadium Project.

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: Yes. The Company expects that it will be able to continue its operations and meet its business objectives based on the response to 8.8.2 above.

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: 30 April 2025

Authorised by: The 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.