

Highlights

Aiming to be the world's first
Zero Carbon Lithium
producer.

Large, lithium-rich
geothermal brine project, in
the Upper Rhine Valley of
Germany.

Europe's **largest** JORC-
compliant lithium resource.

Located at the heart of the EU
Li-ion battery industry.

Fast-track development of
project under way towards
production.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Non-Executive Director
Ranya Alkadamani

Non-Executive Director
Annie Liu

Non-Executive Director
Dr Heidi Grön

Non-Executive Director
Josephine Bush

CFO-Company Secretary
Robert Ierace

Fast Facts

Issued Capital: 107,464,256
Market Cap (@\$7.62): \$819m

Contact

Level 11, Brookfield Place
125 St Georges Terrace
Perth WA 6000 Australia
08 6189 8767

Vulcan Energie
Resourcen GmbH
Baischstr. 8,
76133 Karlsruhe

www.v-er.com
info@v-er.eu

 @VulcanEnergyRes

Vulcan to double size of technical team with acquisition of world-leading German geothermal engineering business

Highlights:

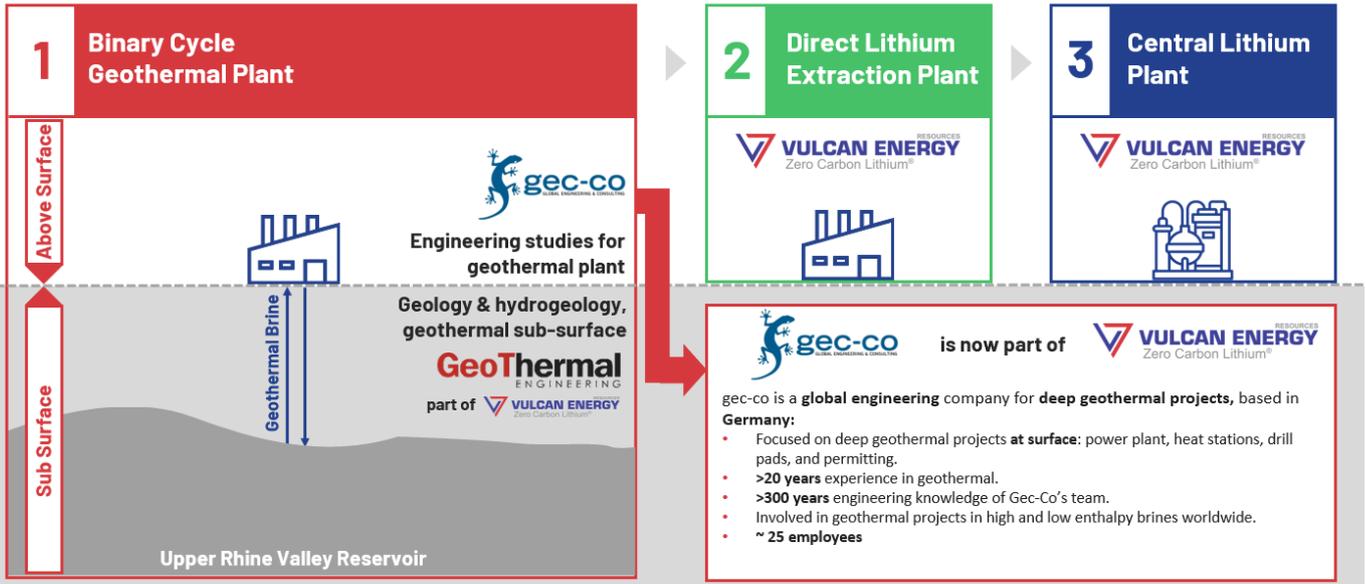
- Binding agreement signed to acquire 100% of geothermal surface consultancy company Global Engineering and Consulting GmbH (“gec-co”: <https://www.gec-co.de/en/>), subject to shareholder approval.
- gec-co has a world-leading engineering team with significant experience in surface development of geothermal projects in Germany and world-wide, with offices in Augsburg, Bremen and Karlsruhe.
- This follows from Vulcan’s recent agreement to acquire sub-surface development company GeoT.
- Combined, the Vulcan group will have an unparalleled surface and sub-surface geothermal development team to execute on its Zero Carbon Lithium™ strategy.

Managing Director, Dr. Francis Wedin, commented: *“By acquiring to grow our team, we are accelerating the development of our globally unique project. Our geothermal development team is well complemented with the acquisition of surface engineering consultancy gec-co, following the recent acquisition of sub-surface development consultancy GeoT. The gec-co team is immensely experienced, with a successful track record in geothermal project and plant development both in Germany and internationally, and also brings in public relations, administrative and logistical support to the rapidly growing Zero Carbon Lithium™ project. With our expert in-house lithium chemistry and chemical engineering team, as well as our quality international partners, the Vulcan group is now very well positioned to execute on our strategy: to decarbonise heat and power in Europe with geothermal development in the Upper Rhine Valley, and in doing so to co-produce a world-first lithium hydroxide with net zero carbon footprint for the European electric vehicle market.”*

About gec-co

gec-co is a world-leading engineering company for deep geothermal projects, based in Germany. It focuses on projects at surface: power plant, heat stations, drill pads, and permitting. The company has more than 20 years' experience in geothermal and its 25 employees have more than 300 years combined engineering knowledge. gec-co is involved in geothermal projects in high and low enthalpy brines worldwide.

Agreement To Acquire gec-co



Vulcan's Business Structure

VULCAN ENERGY RESOURCES LTD - BOARD

International Board Members

VULCAN ENERGIE RESSOURCEN GMBH

ENERGY BUSINESS

LITHIUM BUSINESS



Consultancy company focused on deep geothermal projects at surface. >300 years engineering knowledge. 25 team members, created in 2012

Planning and consultancy company for deep geothermal energy projects. Highly credentialed scientific team with >100 years of combined expertise. 12 team members, created in 2005.



Project Development team based in Germany focusing on **Direct Lithium Extraction** and **Lithium electrolysis**. World leading expert in DLE



Collaboration agreement signed with **DuPont** who will leverage its portfolio of DLE products to assist Vulcan with input and test work during Vulcan's Zero Carbon Lithium® project DFS.

BUSINESS DEVELOPMENT

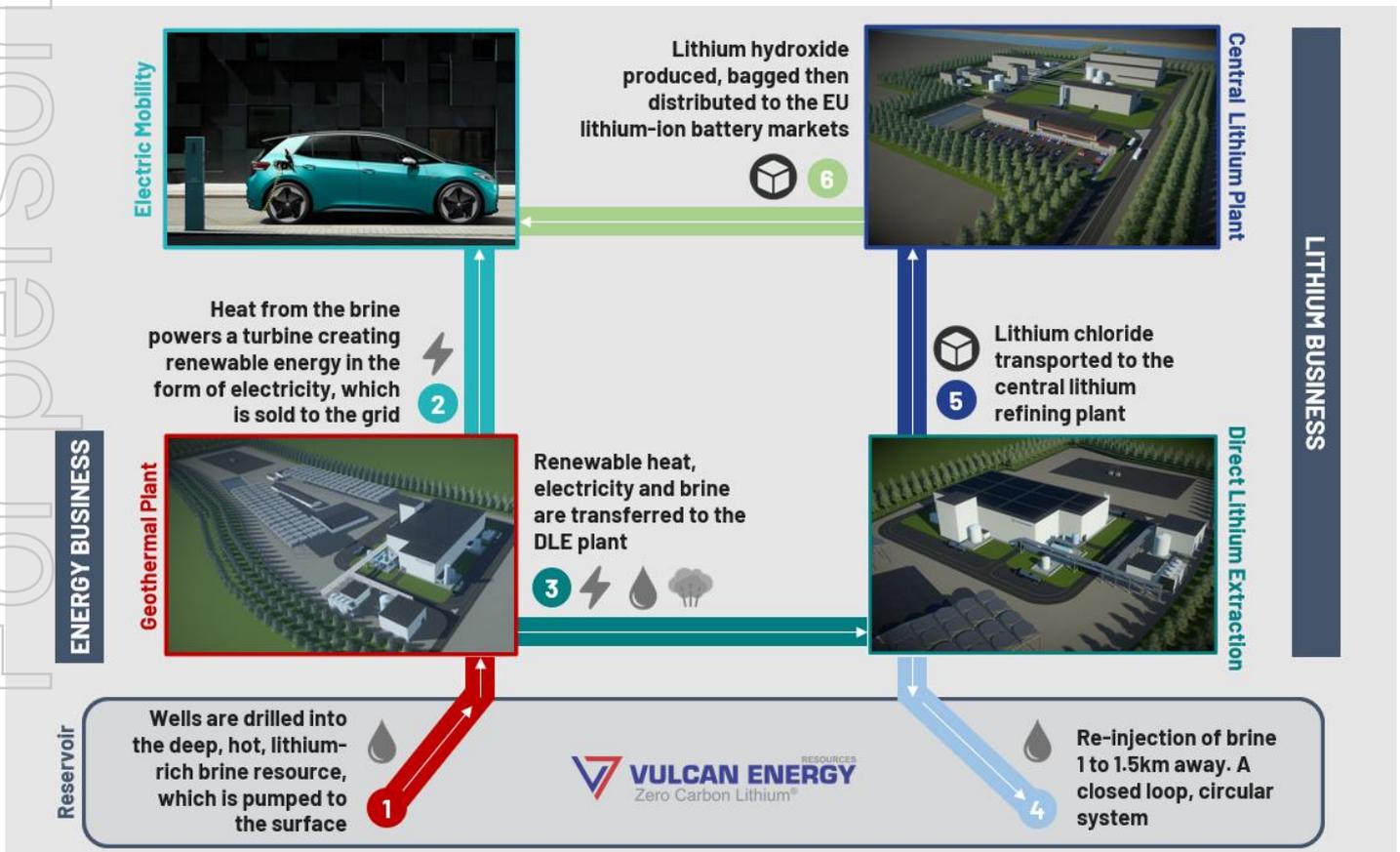
International Business Development team

Recent activities by the Company (<https://v-er.com/investor-centre/>):

- Appointment of German chemicals industry executive Dr Heid Grön as a Director, Former Tesla Head of Battery Supply Chain, Annie Liu as a Director, former EY Global Renewables Partner, Josephine Bush as a Director, and EU CO₂ policy expert, Julia Poliscanova as a Board Advisor.
- Vulcan DLE pilot plant operational. World-first lithium CO₂ traceability agreement.
- Acquisition of world-class geothermal sub-surface development team.
- \$120 million placement endorses Vulcan Zero Carbon Lithium™. Positive Pre-Feasibility Study.

About Vulcan

Vulcan is aiming to become the world's first lithium producer with a carbon neutral footprint, by using its ZERO CARBON LITHIUM™ process to produce a battery-quality lithium hydroxide chemical product from its combined geothermal energy and lithium resource, which is Europe's largest lithium resource, in Germany. Vulcan will use its unique, ZERO CARBON LITHIUM™ process to produce both renewable geothermal energy, and lithium hydroxide, from the same deep brine source. In doing so, Vulcan will address lithium's EU market requirements by reducing the high carbon and water footprint of production, and total reliance on imports. Vulcan aims to supply the lithium-ion battery and electric vehicle market in Europe, which is the fastest growing in the world. The Vulcan Zero Carbon Lithium™ project has a resource which can satisfy Europe's needs for the electric vehicle transition, from a zero-carbon source, for many years to come.



Material Terms of Agreement

Vulcan's 100%-owned subsidiary, Vulcan Energie Ressourcen GmbH (VER), will acquire 100% of the shares in gec-co from Mr. Thorsten Weimann ("Acquisition"). Mr. Weimann was recently appointed as Vulcan's Chief Operating Officer in February 2021.

Vulcan has agreed to pay the following consideration for the Acquisition:

- 325,000 fully paid ordinary shares in Vulcan to be issued on completion of the Acquisition, 216,667 (2/3) of which will be subject to 12 months' voluntary escrow from the date of issue; and
- an earnout up to €1,190,000 linked to project development milestones for the Vulcan Zero Carbon Lithium Project, linked to permitting of the Project following completion of the Acquisition.

- ☐ Should the milestones not be met within three years from completion of the Acquisition, VER may elect
- ☐ to extend the milestone dates or grant Mr. Weimann a right to buy back 100% of the shares in gec-co.

Completion of the Acquisition is conditional on:

- shareholder approval under Listing Rule 7.1 for the issue of the upfront consideration shares; and
- due diligence completed to Vulcan's satisfaction.

ASX has confirmed that shareholder approval for the Acquisition is not required under Listing Rules 10.1, 10.11 or 11.1.

For and on behalf of the Board

Robert Ierace

Chief Financial Officer - Company Secretary

For further information visit www.v-er.com

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 Vulcan 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 Vulcan's control.

Vulcan 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 Vulcan, 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 Vulcan. 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.

Competent Person Statement:

The information in this report that relates to Mineral Resources is extracted from the ASX announcement made by Vulcan on the 15 December 2020, which is available on www.v-er.com. The information in this presentation that relates to the Pre-Feasibility Study for the Vulcan Lithium Project is extracted from the ASX announcement "Positive Pre-Feasibility Study", released on the 15th of January 2021 which is available on www.v-er.com. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. 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.