

Environmental and Social Impact Assessment completed for Phase One ZERO CARBON LITHIUM™ Project

Vulcan Energy Resources Limited (Vulcan, ASX: VUL, FSE: VUL, the Company) announces that its Environmental and Social Impact Assessment (ESIA) for Phase One of its Zero Carbon Lithium™ Project (Project) has been completed by ERM. The ESIA is a prerequisite to the raising of sustainable or “green” debt finance and is an important third-party validation of the Project’s sustainability credentials.

Vulcan is advancing Phase One of its **ZERO CARBON LITHIUM™** Project: the first integrated project delivering renewable energy and lithium, from Europe for Europe. In doing so, Vulcan aims to:

- Meet Europe’s battery electric vehicle critical raw material needs.
- Provide affordable, baseload renewable energy to local communities.
- Generate thousands of direct and indirect jobs linked to the energy transition, decarbonisation, and electrification of transport.

Key outcomes of the ESIA report:

- The environmental and social baseline, impact assessment, and cumulative impact assessment completed by ERM is in line with lenders’ requirements to ensure a level of environmental performance prior to the furnishing of debt finance, e.g. the International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability, and the Equator Principles (EP4).
- ESIA notes there are multiple positive impacts of the Project, including renewable heating provision for local communities, and carbon neutral lithium production to decarbonise the lithium supply chain, in a world leading first for the industry.
- Other positive impacts noted in the ESIA included:
 - The creation of numerous energy transition jobs, as well as ongoing local innovation and research in green technologies;
 - the Project is being developed entirely on industrial and farming land, with no material negative impact to the local environment, and farming activities continuing uninterrupted; and
 - there are no potential impacts of the Project classed as greater than “minor” post-mitigation; with most impacts classed as “insignificant”, during the construction, operation and de-commissioning phases.

- An Environmental and Social Management Plan (ESMP) has been created in advance of construction start, in line with the ESIA recommendations and industry best practice.
- The ESIA and ESMP, key components towards the provision of green financing, will be integrated into Vulcan’s Phase One project-level debt and equity financing process, which has been initiated.

Vulcan’s ESG Lead, Storm Taylor, commented: “The completion of the Environmental and Social Impact Assessment marks a significant milestone in the advancement of our Zero Carbon Lithium™ Project. The ESIA has validated the world-leading sustainability and social benefits our integrated renewable energy and lithium project will deliver to stakeholders. Uniquely, our Project has no potential impact classed as greater than “minor” post mitigation and has instead shown a range of positive impacts to both people and the planet. As a next step, we look forward to implementing the best practice Environmental and Social Management Plan (ESMP) developed, and to engaging with lenders on this matter during the Phase One financing process, which has been initiated.”



Stakeholder engagement at the Zero Carbon Lithium™ Project.

About Vulcan

Founded in 2018, Vulcan's unique **Zero Carbon Lithium™** Project aims to decarbonise lithium production, through developing the world's first net carbon neutral lithium business, with the co-production of renewable geothermal energy on a mass scale. By adapting existing technologies to efficiently extract lithium from geothermal brine, Vulcan aims to deliver a local source of sustainable lithium for Europe, built around a net zero carbon strategy with exclusion of fossil fuels. Already an operational renewable energy producer, Vulcan will also provide renewable electricity and heat to local communities. Vulcan's combined geothermal energy and lithium resource is the largest in Europe¹, with license areas focused on the Upper Rhine Valley, Germany. Strategically placed in the heart of the European electric vehicle market to decarbonise the supply chain, Vulcan is rapidly advancing the Zero Carbon Lithium™ Project to target timely market entry, with the ability to expand to meet the unprecedented demand that is building in the European markets. Guided by our Values of **Climate Champion**, **Determined** and **Inspiring**, and united by a passion for the environment and leveraging scientific solutions, Vulcan has a unique, world-leading scientific and commercial team in the fields of lithium chemicals and geothermal renewable energy. Vulcan is committed to partnering with organisations that share its decarbonisation ambitions and has binding lithium offtake agreements with some of the largest cathode, battery, and automakers in the world. As a motivated disruptor, Vulcan aims to leverage its multidisciplinary expert team, leading geothermal technology and position in the European EV supply chain to be a global leader in producing zero fossil fuel, net carbon neutral lithium while being nature positive. Vulcan aims to be the largest, most preferred, strategic supplier of lithium chemicals and renewable power and heating from Europe, for Europe; to empower a net zero carbon future.



¹ According to public, JORC-compliant data. See Upgrade of Zero Carbon Lithium™ Project Resources, 29 September 2023

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Chief Representative GER	Dr. Horst Kreuter
Company Secretary	Daniel Tydde

For and on behalf of the Board

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Please contact Vulcan's Legal Counsel Germany, Dr Meinhard Grodde, for matters relating to the Frankfurt Stock Exchange listing on mgrodde@v-er.eu.

Reporting calendar

29 January 2024	December Quarterly
28 March 2024	Annual Report
27 April 2024	March Quarterly
12 September 2024	Half Year Report

Disclaimer

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Vulcan has carried out a definitive feasibility study ("DFS") and bridging engineering study ("Bridging Study") for Phase One of its Zero Carbon Lithium™ Project ("Project"), the results of which were announced to the ASX in the announcements "Zero Carbon Lithium Project Phase 1 DFS Results" dated 13 February 2023 ("DFS Announcement") and "Positive Zero Carbon Lithium™ Project Bridging Study Results" on 16 November 2023 ("Bridging Study Announcement"). This announcement may include certain information relating to the DFS and the Bridging Study. The DFS and Bridging Study are based on the material assumptions and parameters outlined in their respective announcements. While Vulcan considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Bridging Study or DFS will be achieved. This presentation may also include certain information relating to Phase Two of its Project, Vulcan has not yet carried out a definitive feasibility study for Phase Two of its Project.

Competent Person Statement:

The information in this announcement that relates to estimates of Mineral Resources and Ore Reserves is extracted from the Bridging Study Announcement which is available to view on Vulcan's website at www.v-er.eu. Vulcan confirms that, in respect of the estimates of Mineral Resources and Ore Reserves included in this announcement:

- a) it is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed;
- b) the form and context in which the Competent Persons' findings are presented in this announcement have not been materially modified from the original market announcement; and
- c) all material assumptions underpinning the production targets (and the forecast financial information derived from such production targets) included in this announcement continue to apply and have not materially changed.