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Strategic investments by CIMIC Group and Hancock Prospecting

€40 million (~A\$65 million) placement enables Vulcan to maintain project momentum with strongly aligned strategic partners during final phase of project financing

Vulcan Energy Resources Limited (Vulcan, ASX: VUL, FSE: VUL, the Company) is pleased to announce a total of €40 million (~A\$65 million) in strategic investments by CIMIC Group (CIMIC) of €25 million (10 million shares), Hancock Prospecting Pty Ltd (HPPL) of €12.5 million (5 million shares) and Victor Smorgon Group (Smorgon) of €2.5 million (1 million shares) via private placements (the Investments). The Investments demonstrate commitment from strategic investors to support the lithium value chain globally and the construction of Phase One of Vulcan's integrated renewable energy and ZERO CARBON LITHIUM™ Project (the Project) in Germany.

Highlights

- CIMIC is an engineering-led construction, mining, services and public private partnerships leader working across the lifecycle of assets, infrastructure and resources projects. It is a member of the German headquartered HOCHTIEF Group, which has a leading position in Europe and a rapidly expanding presence in energy transition and sustainable infrastructure markets. Through its €25 million Investment, CIMIC becomes a substantial shareholder of Vulcan with a shareholding of ~6% of the outstanding share capital of Vulcan.
- HPPL is Australia's most successful private company and has maintained a significant shareholding in Vulcan since January 2021. Through its €12.5 million Investment, HPPL has increased its substantial shareholding to ~7.5% of the outstanding share capital of Vulcan. HPPL will become Vulcan's second largest shareholder.
- The price of €2.50 per share (A\$4.08 per share) is a 9% discount to Vulcan's 30-day volume weighted average price (VWAP) of shares trading on the ASX prior to the date of this announcement¹.
- The funds raised enable the early validation works for the Engineering Procurement and Construction Management (EPCM) contract for Vulcan's Phase One lithium plant, and other activities including engineering and the pre-ordering of long lead items. The EPCM validation will be carried out by CIMIC company Sedgman and HOCHTIEF.
- These strategic Investments will materially contribute to the funding of pre-execution activities during the final stage of Project financing and protection of the Project's deterministic execution schedule.

¹ On the basis of the EUR/AUD exchange rate as at the date of this announcement. The Investments will be completed in Australian dollars, using the prevailing EUR/AUD exchange rate on the business day immediately prior to closing.

MD and CEO Cris Moreno stated, "Today's investments into Vulcan by CIMIC Group and Hancock Prospecting come at a particularly exciting time for Vulcan as we make significant headway towards developing Phase One of our flagship integrated renewable energy and ZERO CARBON LITHIUM™ Project. The substantial investments by both parties will enable the early commencement of important validation works ahead of the formal EPCM contract, maintaining momentum on the project timeline and optimising the overall execution program as we move towards final funding and construction."

"We warmly welcome CIMIC Group in becoming a substantial shareholder and are excited about the increased investment by our long-term shareholder Hancock Prospecting. Both parties have demonstrated experience in the delivery of globally significant, major projects and are eminently complementary to Vulcan's strategy of producing Europe's first sustainable battery-grade lithium products."

About CIMIC Group

CIMIC Group is an engineering-led construction, mining, services and public private partnerships leader working across the lifecycle of assets, infrastructure and resources projects.

CIMIC Group comprises its construction businesses CPB Contractors, Leighton Asia and Broad, mining and mineral processing companies Thiess (joint control) and Sedgman, industrial services specialist UGL and development and investment arm Pacific Partnerships – all supported by in-house engineering consultancy EIC Activities.

CIMIC Group's mission is to generate sustainable returns by delivering innovative and competitive solutions for clients and safe, fulfilling careers for its people. With a history since 1899, and around 30,000 people in around 20 countries, it strives to be known for principles of Integrity, Accountability, Innovation and Delivery, underpinned by Safety.

About Hancock Prospecting Pty Ltd

Hancock Prospecting Pty Ltd (HPPL) is Australia's most successful private company, with significant investments spanning mining, energy, and agriculture, including being the majority owner and operator of Roy Hill Holdings, one of Australia's major resource-based operations.

HPPL and Vulcan have shared a supportive, long-term relationship, with HPPL maintaining a top-5 shareholding position in the Company since January 2021. Today's investment builds upon this, with HPPL increasing their ownership to ~7.5% of Vulcan's issued capital. Vulcan welcomes HPPL's increased investment and looks forward to a further continuation of the strong partnership between the two companies.

Funded to accelerate early works, balance sheet reinforced ahead of final financing.

Vulcan expects to use the funds raised to enable key EPCM validation works and maintain at-pace early works ahead of the finalisation of the formal funding package for its Phase One development of the ZERO CARBON LITHIUM™ Project.

The Investment, combined with Vulcan’s existing cash, not only allows for the completion of timely early works, but further reinforces the Company’s balance sheet as it progresses the final stage of project level equity and debt level financing.

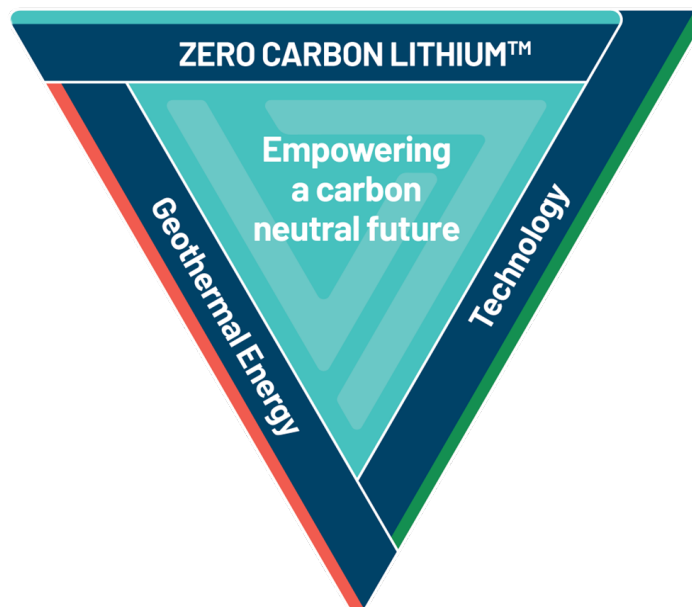
Cash Balance	€m
As at 31 March 2024	47.8
Placement proceeds	40.0
Pro forma	87.8

New shares issued under the Investment will rank *pari passu* with existing fully paid ordinary shares on issue. Share capital following placement will be 188,073,008.

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About Vulcan

Founded in 2018, Vulcan's purpose is to empower a carbon neutral future, through the co-production of lithium, heat and renewable energy from geothermal brine. Vulcan is focused on delivering the world's first integrated renewable energy and ZERO CARBON LITHIUM™ Project. 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 carbon neutral 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 Europe², with licence 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 carbon neutral lithium. 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 carbon neutral future.



² According to public, JORC-compliant data. See Upgrade of Zero Carbon Lithium™ Project Resources, 29 September 2023.

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Corporate Directory

Executive Chair	Dr. Francis Wedin
Managing Director and CEO	Cris Moreno
Group Chief Financial Officer	Felicity Gooding
Deputy Chair	Gavin Rezos
Non-Executive Director	Ranya Alkadamani
Non-Executive Director	Annie Liu
Non-Executive Director	Dr. Heidi Grön
Non-Executive Director	Josephine Bush
Non-Executive Director	Dr. Günter Hilken
Chief Representative GER	Dr. Horst Kreuter
Company Secretary	Daniel Tydde

For and on behalf of the Board

Daniel Tydde | Company Secretary

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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 July 2024	June Quarterly
12 September 2024	Half Year Report
29 October 2024	September Quarterly
30 January 2025	December Quarterly
28 March 2025	Annual Report
28 March 2025	Sustainability Report

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.

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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 2 of its Project, Vulcan has not yet carried out a definitive feasibility study for Phase Two of its Project.