



ASX ANNOUNCEMENT

20 SEPTEMBER 2024

LETTER OF INTEREST FOR FINANCE SUPPORT FOR AUSTRALIAN VANADIUM PROJECT

KEY POINTS

- AVL has received a Letter of Interest from the Export-Import Bank of the United States for up to US\$31 million in financing for the Australian Vanadium Project.
- The Letter of Intent reflects growing support for the strategic development of vanadium projects in Australia.
- Export-Import Bank of the United States is the official export credit agency of the Federal Government of the United States.
- AVL continues to engage with Australian and international government agencies and commercial banks for financing.

Australian Vanadium Limited (ASX: AVL, the Company or AVL) is pleased to announce that it received on 20 September 2024 a non-binding Letter of Interest from the Export-Import Bank of the United States (EXIM) for up to US\$31 million in debt financing for the development and construction of the Australian Vanadium Project (Project).

EXIM's support is related to the potential for equipment to be sourced from the U.S. for the Project. As part of the Company's Optimised Feasibility Study,¹ AVL will continue to identify opportunities to expand the scope of the Project's U.S. content, including equipment, goods and services, which may increase the size of the potential financing offered by EXIM.

Any financing support from EXIM following the Letter of Interest is subject to EXIM's policies, procedures, due diligence and approval by EXIM's board of directors.

CEO, Graham Arvidson comments, "Receiving support from agencies such as EXIM to help fund the Project demonstrates its advanced and significant nature. AVL is working with a range of export credit agencies around the world, including Australia, in addition to commercial banks, to help secure finance to support the development of the Project.

"Vanadium is classed as both a critical and battery mineral, with countries around the world looking to establish secure supply chains. Working with the United States aligns with the Australian Federal Government's strategic goals for the critical and battery mineral industries."

¹ See ASX announcement dated 2 July 2024 'Completion of First Phase of Optimised Feasibility Study'

The Project will include a mine and a crushing, milling and beneficiation plant (or concentrator) located at Gabanintha, near Meekatharra and the downstream vanadium processing plant at Tenindewa, near Mullewa. AVL also owns and operates a vanadium electrolyte manufacturing facility in Perth (see Figure 1).



Figure 1 - AVL Project Locations

AVL continues to progress the Optimised Feasibility Study for the Project, with upcoming key milestones focussed on finalising the detailed mining plan, optimising all project infrastructure and completing the layout and key design criteria.

For further information, please contact:

Graham Arvidson,

CEO

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This announcement has been approved in accordance with the Company's published continuous disclosure policy and has been approved by the Board.

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ABOUT AUSTRALIAN VANADIUM LTD

AVL is a resource company focused on vanadium, seeking to offer investors a unique exposure to all aspects of the vanadium value chain – from resource through to steel and energy storage opportunities. AVL is advancing the development of its world-class Australian Vanadium Project at Gabanintha. The Australian Vanadium Project is one of the most advanced vanadium projects being developed globally, with 395.4Mt at 0.77% vanadium pentoxide (V_2O_5), containing a high-grade zone of 173.2Mt at 1.09% V_2O_5 , reported in compliance with the JORC Code 2012 (see ASX announcement dated 7 May 2024 ‘39% Increase in High Grade Measured and Indicated Mineral Resource’).

VSUN Energy is AVL’s 100% owned renewable energy and energy storage subsidiary which is focused on developing the Australian market for vanadium flow batteries for long duration energy storage. VSUN Energy was set up in 2016 and is widely respected for its VFB expertise. AVL’s vertical integration strategy incorporates processing vanadium to high purity, manufacturing vanadium electrolyte and working with VSUN Energy as it develops projects based on renewable energy generation and VFB energy storage.

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MINERAL RESOURCE ESTIMATE

The Australian Vanadium Project – Mineral Resource estimate by domain and resource classification using a nominal 0.4% V₂O₅ wireframed cut-off for low-grade and nominal 0.7% V₂O₅ wireframed cut-off for high-grade (total numbers may not add up due to rounding).

Zone	Category	Mt	V ₂ O ₅ %	Fe %	TiO ₂ %	SiO ₂ %	Al ₂ O ₃ %
HG	Measured	30.6	1.14	46.3	12.9	7.4	6.2
	Indicated	74.8	1.11	47.5	12.6	7.0	5.7
	Inferred	67.9	1.06	45.3	12.1	9.0	6.6
	Subtotal	173.2	1.09	46.5	12.5	7.8	6.1
LG	Indicated	61.8	0.55	26.1	7.1	26.6	16.3
	Inferred	142.5	0.48	24.9	6.6	28.9	15.2
	Subtotal	204.3	0.50	25.3	6.8	28.2	15.5
Transported	Inferred	17.9	0.65	31.0	7.3	24.1	14.4
	Subtotal	17.9	0.65	31.0	7.3	24.1	14.4
Total	Measured	30.6	1.13	46.3	12.9	7.4	6.2
	Indicated	136.6	0.85	37.8	10.1	15.8	10.5
	Inferred	228.2	0.66	31.4	8.3	22.6	12.6
	Subtotal	395.4	0.77	34.8	9.3	19.1	11.4

Note: Totals may not add up due to rounding

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ASX CHAPTER 5 COMPLIANCE AND CAUTIONARY AND FORWARD-LOOKING STATEMENTS

ASX Listing Rule 5.23

The information in this announcement relating to mineral resource estimates for the Australian Vanadium Project is extracted from the announcement entitled '39% Increase in High Grade Measured and Indicated Mineral Resource' released to the ASX on 7 May 2024. The relevant announcement is available on the Company's website www.avl.au.

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 original market announcement 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.

Forward-Looking Statements

This release may contain certain forward-looking statements with respect to matters including but not limited to the financial condition, results of operations and business of AVL and certain of the plans and objectives of AVL with respect to these items.

These forward-looking statements are not historical facts but rather are based on AVL's current expectations, estimates and projections about the industry in which AVL operates and its beliefs and assumptions.

Words such as "anticipates," "considers," "expects," "intends," "plans," "believes," "seeks," "estimates", "guidance" and similar expressions are intended to identify forward looking statements and should be considered an at-risk statement. Such statements are subject to certain risks and uncertainties, particularly those risks or uncertainties inherent in the industry in which AVL operates.

These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the control of AVL, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. Such risks include, but are not limited to resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes. For more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings.

AVL cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of AVL only as of the date of this release.

The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made.

AVL will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.