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VANADIUM RESOURCES LIMITED

ABN 47 618 307 887

ANNUAL REPORT
FOR THE YEAR ENDED
30 JUNE 2024

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CORPORATE DIRECTORY

Board of Directors

Mr Jurie Wessels	Executive Chairman
Mr John Ciganek	Chief Executive Officer and Managing Director
Mr Michael Davy	Non-Executive Director

Company Secretary

Ms Kyla Garic

Registered Office and Principal Place of Business

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Victoria Park WA 6100

Telephone: 08 6158 9990
Website: www.vr8.global

Stock Exchange Listing
Listed on the Australian Securities Exchange (ASX Code: VR8)

Auditors

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Perth WA 6000

Solicitors

Herbert Smith Freehills
Level 11
1 The Esplanade
Perth WA 6000

Bankers

National Australia Bank Limited
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Perth WA 6000

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Perth WA 6000
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CHAIRMAN'S STATEMENT

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Dear Shareholders

On behalf of the Board of Directors, I am pleased to report on a busy 2024 financial year (the "**Financial Year**") during which we have been progressing the key workstreams at our world-class Steelpoortdrift Vanadium Project in South Africa.

We are striving to become a world-class producer of vanadium, unlocking our generational resource's potential from development into production and downstream applications, providing a high quality and secure supply of vanadium products to meet global market demands for the steel, aerospace and mass energy storage industries.

The Company's focus during the year was to significantly progress the Front-End Engineering Design work on the operations. As part of this process, our highly experienced management team undertook an internal review of every aspect of the proposed operation, tapping into their valuable knowledge from previous operational experience on producing vanadium operations.

The Company completed the internal review and identified several enhancements to the Project which will seek to improve the operability and efficiency of the Project, including the relocation of the Salt Roast Leach Plant ("**SRL**") to the Steelpoortdrift site. Design modifications to each plant have been made, and a revised schedule of construction has been proposed with the Concentrator and SRL to be funded and constructed separately.

The Company believes these changes will further enhance the compelling operational and financial metrics of the Steelpoortdrift Vanadium Project, which is already expected to present as one of the lowest cost vanadium operations globally. The value of an efficient and low-cost operation was demonstrated in the Financial Year under circumstances where vanadium prices have sat at relatively low levels due to weakened demand globally, but specifically from the Chinese steel market.

While prices are currently low, the vanadium market outlook remains positive with market commentators increasingly expecting Vanadium Flow Batteries ("**VFBs**") to play a significant role in the demand for vanadium resulting from the global energy transition. The rapid deployment of large, grid-scale flow batteries is already gathering momentum in China with a notable increase in the number of 100MW, or greater, projects being rolled out across the country, thereby not only spearheading the adoption of VFBs in the rest of the world but also establishing the commercialisation of the technology.

We witnessed the demand for vanadium to supply the growth in VFBs firsthand during our trip to China in May, which saw several parties expressing interest in the offtake of our product to ensure they will have supply for their future battery projects. China's new rebar standards, requiring a higher vanadium content, are also expected to increase the demand for vanadium in the short term.

I am confident that the work undertaken in the Financial Year puts the Company in a strong position as it looks to further progress discussions on Engineering, Procurement and Construction/Finance ("**EPC / EPC-F**"), as well as with offtakers and funding groups during the current financial year.

In respect of EPC-F, we were pleased to announce recently a Memorandum of Understanding with China Energy International Group Co. Limited ("**CEIG**") for the potential supply by CEIG of EPC-F services for the development of the Project, including a Solar Plant and all other associated services. CEIG is a world-class provider of EPC and renewable energy solutions with a strong presence in South Africa and is currently developing the Mooi Plaats 283MWdc PV power plant, which is expected to be the largest in the country. We look forward to negotiating our potential transaction and developing our relationship with CEIG, with the initial focus on EPC and assistance with funding."

We are excited to report our progress on each of these matters to you and to continue reporting on our development trajectory as we move towards construction of the Steelpoortdrift Vanadium Project.

I wish to extend a special thank you to our hard-working and experienced team, led by our Managing Director and Chief Executive, John Ciganek, and to each of my fellow directors and our contractors for their hard work during the year. Lastly on behalf of the Board I would like to say a warm thank you to our shareholders for your continued support, trust and backing.

Yours faithfully

Jurie Wessels
Executive Chairman

The Directors of Vanadium Resources Limited submit herewith the Annual Report of the Company and its subsidiaries (the "**Group**"), for the period from 1 July 2023 to 30 June 2024 (the "**Financial Year**"). To comply with the provisions of the Corporations Act 2001, the Directors report as follows:

DIRECTORS

The Directors of the Company in office any time during or since the end of the Financial Year, unless otherwise stated, are:

Name	Position	Appointment Date
Mr Jurie Wessels	Executive Chairman	26 July 2019
Mr John Ciganek	Managing Director and Chief Executive Officer	18 December 2020
Mr Michael Davy	Non-Executive Director	1 December 2019

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Mr Jurie Wessels | Executive Chairman
BA, LLB

Mr Jurie Wessels has over 28 years' experience in the exploration industry and co-founded a number of exploration and mining companies, including formerly JSE listed Bauba Resources Ltd (BAU.J), which owned three operating mines, GoldStone Resources Ltd (GRL.L), which is mining the Homase-Akrokeri Gold Mine in Ghana acquired and developed by GoldStone when Jurie was CEO, Arcadia Minerals Ltd (ASX:AM7), which is currently constructing the Swanson Tantalum Mine, the Bitterwasser Lithium Clay and Brine Projects and tier 1 exploration assets, and Vanadium Resources Ltd.

Mr Wessels has significant experience in the sourcing and assessment of exploration and exploitation projects and in the governance, funding and management of resource companies. Mr Wessels explored for various minerals in Africa, South America, the Indian sub-continent and Europe, and explored and developed several mining projects to successful conclusions. Mr Wessels practised as a minerals lawyer up to 2003 and is still admitted as an attorney (non-practising) and a notary of the High Court of South Africa. During the past three years, Mr Wessels has had the following directorships in other ASX listed companies: Executive Chairman of Arcadia Minerals Limited (ASX:AM7) (current).

Mr John Ciganek | Chief Executive Officer and Managing Director
Bachelor and MBA of Mining Engineering

Mr Ciganek is a qualified Mining Engineer, holds a Master of Business Administration and has more than 30 years of mining and finance experience. His experience spans working in mining operations, project development, project finance, offtake agreements, M&A and the equity capital markets.

Mr Ciganek's previous roles included Principal/Director of Euclase Capital, Executive Director of BurnVoir Corporate Finance, General Manager Corporate Development at PMI Gold, Senior Banks Engineer and Risk Executive at Commonwealth Bank, and Senior Mining Engineering positions with Hargraves Resources, Reynolds Yilgarn Gold and Comalco / Rio Tinto (CRA). During the past three years, Mr Ciganek has held the following directorships in other ASX listed companies: Non-Executive Director of Calidus Resources Limited (ASX:CAI) (current) and Non-Executive Chairman of Ookami Limited (ASX:OOK) (resigned 4 September 2023).

Mr Michael Davy | Non-Executive Director
BCom (Acc)

Mr Michael Davy is an Australian Executive with over 20 years' experience across a range of industries. Mr Davy previously held a senior management role in Australia for Songa Offshore (listed Norwegian oil and gas drilling company), where he assisted with the start-up of the Australian operations and managed the finance team for a two rig operation with multi-hundred-million-dollar revenues. Prior to that Mr Davy had worked in Australia and London for other large organisations overseeing various finance functions.

DIRECTORS (continued)

Mr Davy is currently a director and owner of a number of successful private businesses all under his personal management. During the past three years, Mr Davy has held the following directorships in other ASX listed companies: Non-Executive Director of Arcadia Minerals Limited (ASX:AM7)(current), Non-Executive Chairman of Raiden Resources Limited (ASX:RDN)(current), Non-Executive Chairman of Haranga Resources Limited (ASX:HAR) (current).

COMPANY SECRETARY

Ms Kyla Garic
BCom, Macc, GradDipCA, GradDip Applied Corporate Governance
(Appointed 22 January 2020)

Ms Kyla Garic is an Accounting and Corporate Governance Professional with over 18 years' experience in the areas of external company audit, accounting and corporate governance. Ms Garic has acted as Chief Financial Officer and Company Secretary for companies in the private and public listed company sector. Ms Garic is a Member of the Institute of Chartered Accountants Australia and New Zealand and a Fellow of the Governance Institute of Australia.

INTERESTS IN SECURITIES OF THE COMPANY AND RELATED BODIES CORPORATE

The following table sets out each current Director's relevant interest in securities of the Company as at the date of this report.

Director	Ordinary Shares	T1 Performance Rights	T2 Performance Rights	T3 Performance Rights
Mr Jurie Wessels	48,046,437	982,792	982,791	982,791
Mr Michael Davy	16,724,394	737,094	737,093	737,093
Mr John Ciganek	2,325,000	6,000,000	6,000,000	6,000,000
Total	**67,095,831**	**7,719,886**	**7,719,884**	**7,719,884**

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PRINCIPAL ACTIVITIES

The principal activity of the Group during the year was advancing its world-class Steelpoortdrift Vanadium Project (the "**Project**") in South Africa. The Company continued to make significant advancements across all aspects of its operations at both the corporate-level and project-level.

REVIEW AND RESULTS OF OPERATIONS

During the year ended 30 June 2024, the following activities occurred:

FRONT-END ENGINEERING DESIGN ("FEED") & PROJECT IMPLEMENTATION PLAN

During the Financial Year, the Company commenced and focussed on progressing FEED activities to make the Project construction ready. As part of the FEED process, a thorough review of the designs from the definitive feasibility study ("**DFS**") for the Concentrator and Salt Roast Leach ("**SRL**") plants was undertaken by the VR8 technical team in conjunction with the relevant key engineering firms. As a result of this review, several modifications to the flowsheet and designs of the plant were made including modifications to the SRL processing plant to be able to produce 99.5% V_2O_5, in addition to 98% V_2O_5. The dual product streams allow the Company to address the increasing demand from the vanadium flow battery ("**VFB**") market for higher-purity product[1] while still producing 98% V_2O_5 for the steel markets.

The changes to the designs have focused on making each plant more efficient, reliable and robust, seeking to reduce operating costs and increase the potential efficiency and utilisation of the installed plant. The key engineering firms involved in the Project included:

- Mine and Concentrator:
  - Geology and mining engineering – Sound Mining;
  - Concentrator – UMS Group; and
  - Infrastructure, water and power – UMS Group, CEMS Consult, GLPS and Nurizon.
- SRL Plant:
  - Kiln, leach tanks and boiler – MetalX;
  - De-silication plant, AMV precipitation, de-ammoniator, fusion furnace and evaporator – PPTech;
  - Waste disposal – Nurizon; and
  - Infrastructure, water and power – GLPS, CEMS and Nurizon.

The Company has engaged Valleyspring[2], a project management consulting firm, to advise and support project execution. Valleyspring's scope of work encompasses the finalisation of the FEED, and preparation of material contracts to support the EPC packages.

During H1 CY2024, the Company engaged with multiple EPC firms that could potentially be contracted for the construction of the Project. These discussions demonstrated significant interest in the Project, and the Company therefore elected to extend the FEED period and prepare for a competitive tender process for the EPC workstreams. The preparation of these packages is to ensure that execution costs and schedules remain market competitive, particularly given the general inflationary environment since completion of the DFS, and to be confident in delivering the Project on budget and schedule at the time of final investment decision ("**FID**")[3].

While the Company prepared for a competitive tender process and to run separate EPC packages, a number of parties expressed interest and have the capability to provide EPC services for the whole Project. The Company was open to such an approach provided the correct terms and value was provided by a party to justify termination of the competitive tender process.

Following the Financial Year end, on 16 September 2024, the Company announced the signing of a partly-binding Memorandum of Understanding with China Energy International Group Co. Limited ("**CEIG**") for the potential supply by CEIG of Engineering,

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[1] ASX Announcement, 17 June 2024, *"Steelpoortdrift Vanadium Project Update"*
[2] Valleyspring – About Us – Valleyspring
[3] ASX Announcement, 31 July 2024, *"Quarterly Activities Report – July 2024"*

REVIEW AND RESULTS OF OPERATIONS (continued)

Procurement & Construction services and assistance for Financing ("**EPC-F**") to VR8 in the development of the Project. Further details are set out under the heading "Matters Subsequent to the Reporting Period" below.

ENVIRONMENTAL AUTHORISATION & WATER USE LICENCE APPLICATIONS

Mine and Concentrator

The final Environmental Impact Assessment ("**EIA**") and Environmental Management Program Report ("**EMPR**") for the Steelpoortdrift Mine and Concentrator site were submitted to the Department of Mineral Resources & Energy ("**DMRE**") in Q4 CY2023, following a period of public review and comment. The Company was advised in March 2024 that an administrative delay had occurred. Following the Financial Year end, guidance from the DMRE has indicated that the application is in its final stage and the Environmental Authorisation ("**EA**") should be granted shortly, subject to the Company arranging the necessary guarantee for rehabilitation of the site.

A review of the water requirements for the plant was undertaken in light of the design changes. Following this, the final phase of the Water Use Licence Application ("**WULA**") process was submitted to the Department of Water and Sanitation ("**DWS**") in April 2024. The DWS provide a 90-day timeline for a final decision to be made following application which set the targeted for completion by the end of Q3 CY2024[4]. Subsequent to the Financial Year end, the WULA was approved by the DMRE and the Water Use Licence granted for Steelpoortdrift as announced on 8 August 2024[5].

SRL

The EA for the SRL plant at Tweefontein was granted and formalised on 8 April 2024[6], with the EIA and EMPR having been submitted to the DMRE in Q4 CY2023. With the EA granted, the Company progressed to preparing and submitting an Air Emissions Licence ("**AEL**") application which included engaging specialists to collate the required information. Design changes to the SRL plant and the stockpiles and dams at Tweefontein required modifications to the WULA before it could be finalised for submission to the DWS. At 30 June 2024 these modifications were still in process. Heritage specialists were also engaged by the Company during the year to assist with the required Migration Permit applications for the Heritage Resources identified at the Tweefontein site.

Given the changes to the Project plan which were announced on 13 September 2024 and are detailed below under the heading "Matters Subsequent to the Reporting Period", including the relocating of the SRL plant from Tweefontein to Steelpoortdrift, the application processes set out above in relation to the SRL have been halted.

Ropeway

A Prefeasibility Study ("**PFS**") for an overland rope conveyor was undertaken by Rula Bulk Materials Handling and Kuka Ropeway Pty Ltd and completed in February 2024. The rope conveyor would cover 14.5km of mountainous terrain and would assist with the transportation of concentrate ore from Steelpoortdrift to Tweefontein, in potentially a more cost-effective and efficient way than using trucks (road haulage) as was assumed in the DFS.

The changes to the Project plan announced on 13 September 2024, which include relocating the SRL plant to Steelpoortdrift adjacent to the Concentrator, mean that the proposed ropeway will no longer be required and work on this aspect of the Project has now ceased.

ADDITIONAL PROJECT DEVELOPMENT WORKSTREAMS

During the Financial Year, the Company also progressed the following workstreams:

- **Fencing:** On-site excavation work was completed in preparation for the installation of a boundary fence around the Steelpoortdrift mine site. The installation of the fence is expected to commence in the next two months; and
- **Power**: The Company is working through the ESKOM grid connection process. The Company has also progressed discussions with several groups for the design and development of complete power solutions for the Project.

[4] ASX Announcement, 29 April 2024, *"Quarterly Activities Report – March 2024"*
[5] ASX Announcement, 08 August 2024, *"Steelpoortdrift water use licence approved"*
[6] ASX Announcement, 29 April 2024, *"Quarterly Activities Report – March 2024"*

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REVIEW AND RESULTS OF OPERATIONS (continued)

SOCIAL AND LABOUR PLAN, COMMUNITY ENGAGEMENT & RE-ZONING APPLICATIONS

In September 2023, the Company completed a revised Social and Labour Plan ("**SLP**") and provided it to the DMRE for review. The DMRE provided feedback in Q1 CY2024 in the form of a directive which requested amendments or further details on a number of sections. The Company worked with its consultants to action the requested changes and a revised SLP was submitted to the DMRE in Q2 CY2024. The Company anticipates receiving further feedback from the DMRE in H2 CY2024.

Several rezoning applications are in progress to ensure the site areas are appropriately zoned for the activities that will take place including mining, concentrating and potentially installing a photovoltaic ("**PV**") solar plant and a VFB unit. A number of these applications were made in September 2023, with feedback provided in December 2023 requesting revisions to some of the applications. Re-submission and approval of some of the applications has occurred, and the Company continues to work with the relevant stakeholders as well as the municipal and provincial authorities to ensure that all of the criteria for the remaining rezoning approvals are met. The grant of the EA for Steelpoortdrift would assist with finalising a number of these applications.

APPOINTMENTS OF EXECUTIVE AND TECHNICAL TEAM

In August 2023, the Company appointed highly experienced financier Mr Tim Feather as Chief Financial Officer. With over 25 years of experience in corporate finance with a strong focus on advising and fundraising for mining and oil and gas companies, Tim is an important part of the executive team that is progressing the Steelpoortdrift operations to FID, particularly with regards to discussions with offtakers, debt funders, EPC contractors and other stakeholders.

In January 2024, Leon Repsold joined the Group as Project Manager. Leon has over 35 years' industry experience across the project, engineering and maintenance sectors, with a proven track record in the engineering and maintenance of vanadium and steel making operations. Leon's previous roles include the Columbus Stainless expansion project, the greenfield Duferco Steel Processing facility, Lesedi and Letsatsi solar PV facilities and most recently Leon was an Engineering and Project Manager at Bushveld Minerals for its Vanchem operations which is situated within the same geological and mineralogical terrain as the Steelpoortdrift Project).

In February 2024, Ilze-Mari Wentzel joined the Group as Contracts Manager. She has over nine years of experience in mining infrastructure projects, of which three years were as part of the management team for a R3.3 billion Greenfields Mega project (coal) and the other six years in SIB projects including mining operations the last two years. Her principal areas of expertise are procurement, contract management and project management and the setup of projects to ensure all controls are in place with a focus on continuous improvement and streamlining processes. Most recently she was Contracts Manager at Bushveld Minerals where she helped to establish the contracts department.

VR8 INCREASED PROJECT INTEREST IN STEELPOORTDRIFT TO 86.49%

During the year, the Company increased its interest in subsidiary Vanadium Resources (Pty) Ltd ("**VanRes**") to 86.49% (up from 73.95%) following completion of the transactions with Obeec (Pty) Ltd ("**Obeec**")[7] and Math-Pin (Pty) Ltd ("**Math-Pin**")[8]. The increase in the ownership interest to 86.49% has raised the Company's attributable Post Tax $NPV_{7.5\%}$ to US$1.05B (or A$1.62B[9]).

On 3 May 2023[10], the Company announced the execution of two separate conditional sale and option agreements ("**Sale and Option Agreements**") to acquire 100% of the interests held by Obeec and Math-Pin (together the "**Vendors**") in the issued share capital of VanRes.

Following the satisfaction or waiver of all condition's precedent for each of the Sale and Option Agreements, both transactions were completed during the half-year, with the Obeec transaction completing on 19 October 2023 and Math-Pin completing on 15 November 2023. On completion of the two transactions, the Company increased its interest in VanRes to 86.49% (up from 73.95%), with the Steelpoortdrift Development Trust holding the remaining 13.51% interest.

The total consideration payable to the Vendors consisted of a cash consideration of ZAR 8,730 (A$707) and share options to acquire 22,124,030 VR8 shares, with the combined interest of the transaction representing 4.37% of the VR8 shares in issue at

[7] Refer to ASX Announcement dated 19 October 2023 "*VR8 Increases Interest in Steelpoortdrift to 82%*"
[8] Refer to ASX Announcement dated 15 November 2023 "*VR8 Increases Interest in Steelpoortdrift to 86.49%*"
[9] Based on an AUD/USD exchange rate of 0.65
[10] Refer to ASX Announcement dated 03 May 2023 *"VR8 Concludes Agreements to Increase its interest in Steelpoortdrift up to 86.49%"*

REVIEW AND RESULTS OF OPERATIONS (continued)

the time of the original announcement. Both Vendors entered into a Voluntary Restriction Deed with VR8 providing for a 12-month escrow period and block trade provisions in relation to the VR8 shares issued from exercise of their share options.

The share options were issued upon completion of the transactions and were subsequently exercised by both Vendors. On 12 December 2023 the Company issued 22,124,030 fully paid ordinary shares to the Vendors.

OFFTAKE AND STRATEGIC EQUITY PROCESS

Hong Kong based, GC Partners were engaged as corporate advisors in September 2023 and the Company has been working with them to run a comprehensive offtake and strategic equity process, which has yielded several interested parties from Asia and Europe. During the Financial Year, the Company secured and announced three offtake Memorandums of Understanding ("**MOUs**"), each of which provide for the supply of 4ktpa of V_2O_5 flake over a period of five years with an option to extend a further five years. Combined, the MOUs provide for the annual supply of 12ktpa of V_2O_5 over the first five years of mine life at Steelpoortdrift, which exceeds the Project's planned Phase 1 production of ~11ktpa.

The MOUs were completed with the following groups, each of which the Company met during its Chinese Vanadium Industry Roadshow[11]:

- Panjin Hexiang New Materials Technology Co., Ltd. ("**Hexiang**")[12] – One of China's largest vanadium nitride producers, Hexiang has an annual production capacity of 3,200t of vanadium-nitrogen alloy products and is a major supplier to surrounding steel mills, helping to ensure stable future sales.
- Enerflow Technology Co., Ltd. ("**Enerflow**")[13] – A subsidiary of Tian'en Energy Co., Ltd. ("**Tian'en Energy**"), Enerflow has carried out work on a wide range of projects in the energy sector, including multiple electrochemical liquid flow battery energy storage systems, one of the world's largest all iron chromium energy storage projects, VFB production & manufacturing and China's first hydrochloric acid-based VFB power station. Tian'en Energy is a comprehensive enterprise that primarily focuses on the PV, wind power and energy storage sectors.
- Hunan Zhongxin New Materials Technology Co., Ltd. ("**Zhongxin**")[14] – Zhongxin is a vanadium based high-end alloy material deep processing enterprise with annual production capacity of 13,000 tons.

The Company is continuing discussions with each of these parties as well as other interested parties as it seeks to secure binding offtake agreements on strong commercial terms that are suitable to support the debt financing of the Project. While the Company is pleased to have progressed negotiations on securing offtake agreements from these parties, there is no guarantee that these discussions will culminate in completed transactions. Demand for the Company's vanadium offtake is strong, and consequently, the Company will 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.

FUNDING AND OFFTAKE PROCESS

The Company continued to advance the debt funding process having discussions with potential debt financiers and receiving several non-binding indicative term sheets, which provides the Company with a number of potential funding pathways. In Q1 CY2024 the Company engaged the services of a major European Investment Bank to assess the debt funding appetite of non-bank lenders. Discussions continued and associated workstreams commenced during Q2 CY2024, with the Company due diligence to commence in H2 CY2024, including site visits and a review by independent technical consultants.

The robust cashflows of the Project and its positioning on the lowest quartile of the global operating cost curve has seen the Project be favourably considered by potential debt financiers. On this basis, the debt funding will hinge on strategic equity funding either at the corporate or project level, and the Company has continued discussions with parties who have expressed an interest in this regard. Although the Company cannot guarantee a successful development outcome within any specific timeframe, it remains confident that it has implemented the optimal offtake and funding process for the Project.

[11] Refer to ASX Announcement dated 17 June 2024 "*Steelpoortdrift Vanadium Project Update*"
[12] See ASX Announcement, 11 April 2024, "*Off-take MOU with large Vanadium nitride producer"*
[13] See ASX Announcement, 30 April 2024, "*Additional MOU offtake signed with major VFB Producer"*
[14] See ASX Announcement, 13 May 2024, "*Over 100% of Phase 1 Production subject to Offtake MOUs"*

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REVIEW AND RESULTS OF OPERATIONS (continued)

EMPLOYEE SECURITIES INCENTIVE PLAN (ESIP)

On 10 April 2024, the Company issued a total of 12,678,009 performance rights to eligible participants including Key Management Personnel ("**KMP**") under the Company's employee incentive scheme titled Employee Securities Incentive Plan ("**ESIP**").

On 19 June 2024, the Company issued a further 23,159,654 performance rights under the ESIP. The issue of the securities were subject to Shareholder approval, as rights were issued to Directors of the Company. Shareholder approval was obtained on 29 May 2024. On 19 June 2024, 15,000,000 Performance Rights that were previously issued under the ESIP to CEO & Managing Director John Ciganek were cancelled by mutual agreement following the results of the General Meeting held on 29 May 2024.

PERFORMANCE RIGHTS

On 28 June 2024, 1,325,000 Class A Performance Rights and 1,000,000 Class B Performance Rights were converted to fully paid ordinary shares.

FINANCIAL PERFORMANCE

The financial results of the Group for the year ended 30 June 2024 are:

Figure in A$	30 June 2024	30 June 2023
Cash and cash equivalents	**1,915,118**	6,097,033
Net Assets	**29,527,369**	30,496,363
Other revenue	**137,468**	34,296
Net loss after tax	**(1,958,979)**	2,228,445

DIVIDENDS

There were no dividends paid or recommended during the financial year ended 30 June 2024 (2023: Nil).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Refer to the Review and Results of Operations. There were no other significant changes in the state of affairs during the financial year.

MATTERS SUBSEQUENT TO THE REPORTING PERIOD

On 8 August 2024, the Company announced that the WULA for the Steelpoortdrift Mine and Concentrator site had been approved and that the DWS has granted the Water Use Licence.

On 13 September 2024, the Company announced a Project Update which stated that a comprehensive internal review of the DFS had shown that significant efficiencies could be achieved at the concentrator and SRL plants through plant modifications and by locating both plants at one location. These modifications are anticipated to generate operational efficiencies and reduce operating costs and repositioning of the SRL plant to Steelpoortdrift is also anticipated to reduce operating costs, improve pre-production CAPEX and streamline operations.

The update further stated that strategic equity and debt funding would be sought first for the concentrator, followed by funding for the SRL plant. The mine and concentrator construction is anticipated to begin in Q3 CY2025, enabling early concentrate production and accelerating operating cashflow, with SRL plant construction starting after Q1 CY2026.

Consolidation of both plants at Steelpoortdrift has received unequivocal support from the local communities.

Following the Financial Year end, on 16 September 2024, the Company announced the signing of a partly-binding Memorandum of Understanding with China Energy International Group Co. Limited ("**CEIG**") for the potential supply by CEIG of Engineering,

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MATTERS SUBSEQUENT TO THE REPORTING PERIOD (continued)

Procurement & Construction services and assistance for Financing ("**EPC-F**") to VR8 for the development of the Project, including a Solar Plant and all other associated services.

CEIG is a subsidiary of China Energy Engineering Corporation ("**CEEC**"), a large, central level Chinese State-Owned Enterprise and energy conglomerate. CEEC mainly constructs hydropower stations, power plants, and other infrastructure, offers services worldwide and is one of the largest comprehensive solutions providers for the global power industry. CEIG is a world-class provider of EPC and renewable energy solutions with a strong presence in South Africa. CEIG is currently developing the Mooi Plaats 283MWdc PV power plant, which is expected to be the largest in the country.

The MOU is expected to strengthen the relationship between the parties, paving the way for additional value-add opportunities in the energy sector that could potentially transform the Company into a vertically integrated vanadium producer.

Other than the above, there has been no other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company plans to continue developing the Project to the stage where a final investment decision ("**FID**") can be made on the construction of a mine and concentrator facility at Steelpoortdrift to be followed a FID by the SRL facility, which will now also be located at Steelpoortdrift. The key developments required to reach FID include the final environmental and water use licence approvals, completion of FEED work, securing of offtake agreements and the approved provision of debt financing. The Company, its engineers and advisers are working hard to progress these critical path items and ensure that the design and implementation plan of the Project will result in a robust and optimised operation.

The Company expects to provide updates to the market on the progress of the Project and the key milestones towards FID as they are achieved. The likely developments the Company expects to be able to provide updates on in the coming months include:

- Update on offtake discussions;
- FEED update and commencement of the EPC tender process;
- Status of approval processes for Environmental, Water Use and Social and Labour Plan applications; and
- Updates on debt financing discussions.

Construction and commissioning of a mining and processing operation to produce Vanadium Pentoxide ("**V_2O_5**") remains the Company's key focus for the foreseeable future. The Company will continue to assess opportunities to unlock additional value from the Project including by-product recovery, downstream opportunities or expansion of the operation.

BUSINESS RISKS

The Board seeks to ensure that the process of risk identification, assessment and management is embedded in all aspects of the Group's operations and it monitors whether the level of compliance and governance within the Group is appropriate, with a particular focus on the risk culture and risk reporting. There are a number of key material business risks to which the Group is exposed, which are summarised below:

Development of Steelpoortdrift Vanadium Project

The Company's ability to successfully develop and commercialise the Steelpoortdrift Vanadium Project may be affected by numerous factors including, but not limited to: macro-economic conditions, obtaining required approvals, ability to obtain sufficient funding, customer offtakes, delays in commissioning or ramp-up, the plant not performing in according with expectations and cost overruns.

As set out in the DFS, securing water and power connections within the planned timetable is one of the significant risks relating to the development of the Project. While the Company has ensured the feasibility of accessing existing infrastructure, it is also pursuing development of its own power solutions to mitigate or remove infrastructure risks where possible.

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BUSINESS RISKS (continued)

If the Company is not able to mitigate these factors and others not listed here, this could result in the Company not realising its development plans for the Project or in its plans costing more, or taking longer, than expected. No assurance can be given that the Company will achieve commercial viability through the development and operation of the Project.

Government risk and political risk

While the Company believes that its local and foreign incorporated subsidiaries are in substantial compliance with all material current laws and regulations affecting its activities, future changes in applicable laws, regulations, agreements or changes in their enforcement or regulatory interpretation could result in changes to legal requirements or in the terms of existing permits and agreements applicable to the Group or its properties, which could have a material adverse impact on the Company's current operations or planned development projects.

Where required, obtaining necessary permits and licences can be a complex, time-consuming process and the Company cannot be sure whether any necessary permits will be obtainable on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining the necessary permits and complying with these permits and applicable laws and regulations could stop or materially delay or restrict the Group from proceeding with any future development of its properties. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in interruption or closure of development or mining operations or material fines, penalties or other liabilities.

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Environmental

VR8's operations are subject to the environmental laws and regulations of South Africa (including statutory rehabilitation obligations that the Company will need to comply with in the future and which may be material). While VR8 proposes to comply with applicable laws and regulations, conduct its programs in a responsible manner with regard to the environment and put in place the required rehabilitation guarantees, there is the risk that VR8 may incur liability for any breaches of these laws and regulations.

The Company is also unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the Company's cost of doing business or affect its operations. There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the Company to incur significant expenses and undertake significant investments which could have a material adverse effect on the Company's business, financial condition and performance.

Several environmental approvals are required for the construction and operation of the Project, such as for the disposal of mining and processing waste. Delays in obtaining such approvals may result in a delay to the anticipated development, mining or processing activities.

Black Economic Empowerment and Social Development

The Company must comply and remain compliant with all relevant legislation and regulation including the Mineral and Petroleum Resources Development Act ("**MPRDA**"), the South African Mining Charter ("**Charter**"), the Mining Codes and the Black Economic Empowerment ("**BEE**") participation requirements under the Charter governing the granted Mining Right.

Any failure to satisfy, and to continue to satisfy, the BEE requirements of the MPRDA, the Charter, the approved social and labour plan, all relevant legislation and regulation and/or the Mining Codes could jeopardise any rights held and impede the Company's ability to acquire, develop or maintain any additional exploration and production rights in South Africa.

Mineral Resource and Ore Reserve Estimates

Mineral Resource and Ore Reserve estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates, which were valid when originally calculated, may alter when new information or techniques become available. In addition, by their very nature, Mineral Resource and Ore Reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the Mineral Resource and Ore Reserve estimates may change.

Accordingly, the actual resources and reserves may materially differ from these estimates and assumptions and no assurances can be given that the Mineral Resource and Ore Reserve estimates and the underlying assumptions will be realised. This could result in alterations to development and mining/extraction plans which may in turn affect VR8's operations and ultimately VR8's financial performance and the value of the Shares.

BUSINESS RISKS (continued)

Reliance on key personnel

VR8 is a development company and will be dependent on its directors, managers and consultants to implement its business strategy. Whilst the Company has put in place a, Employee Share Incentive Plan designed to attract and retain high quality individuals, the departure of any of the senior management of VR8 or a failure to attract or retain suitably qualified key employees, could adversely affect VR8's business strategy.

Future capital requirements

VR8's activities will require substantial expenditure going forward, particularly with respect to the construction of the Mine, Concentrator and SRL operations. To successfully develop the Project and for production to commence, the Company will require significant further financing. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices

than the then market price or may involve restrictive covenants which limit the Company's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on the Company's activities including resulting in the tenements being subject to forfeiture, and could affect the Company's ability to continue as a going concern.

Commodity price volatility and exchange rate risk

The Company's ability to proceed with the development of the Project and benefit from any future operations will depend on market factors, some of which may be beyond its control. Consequently, any future earnings are likely to be closely related to the price of vanadium and the terms of any offtake agreements into which the Company enters. The world market for vanadium is subject to many variables and may fluctuate markedly. These variables include world demand for vanadium that may be mined commercially in the future, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates. These factors may have an adverse effect on the Company's development and production activities, as well as on its ability to fund those activities.

Vanadium is principally sold throughout the world in US dollars. The Company's cost base will be payable in various currencies. As a result, any significant and/or sustained fluctuations in the exchange rate between the South African Rand, Australian Dollar and the US Dollar could have a materially adverse effect on the Company's operations, financial position (including revenue and profitability) and performance. The Company will undertake measures, where deemed necessary by the Board, to mitigate such risks.

Insurance risk

There are significant exploration and operating risks associated with exploring for minerals, including adverse weather conditions, environmental risks and fire, all of which can result in injury to persons as well as damage to, or destruction of, the extraction plant, equipment, production facilities and other property. In addition, the Company's subsidiaries will be subject to liability for environmental risks such as pollution and abuse of the environment.

The Company intends to insure its operations in accordance with industry practice. However, in certain circumstances, such insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered, or not fully covered, by insurance could have a material adverse effect on the business, financial condition and results of the Company. In addition, in the future some or all of the Company's insurance coverage may become unavailable or prohibitively expensive.

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BUSINESS RISKS (continued)

General Risk Areas

The Company is subject to several other general risk areas that it continually monitors including, but not limited to:

- Litigation risks;
- Economic risks;
- Force majeure;
- Climate change;
- International conflicts; and
- Competition and supply chain risks.

Other risks

VR8 considers that the following could provide material catalysts for VR8's share price traded on the ASX: the execution of binding offtake contracts for vanadium products from the Project; the progression of the process towards the procurement of significant debt financing, and/or the successful commissioning of the Mine, Concentrator and SRL plant.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the Financial Year and the number attended by each Director. During the Financial Year, four board meetings were held. In addition, a number of matters were approved by circular resolution.

Director	Number Eligible to Attend	Number Attended
Mr Jurie Wessels	5	5
Mr Michael Davy	5	5
Mr John Ciganek	5	5

Due to the size and scale of the Company, there is no separate Remuneration Committee, Nomination Committee or Audit and Risk Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, refer to the Corporate Governance Statement.

REMUNERATION REPORT (AUDITED)

This remuneration report for the year ended 30 June 2024 outlines the remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 ("**the Act**") and its regulations. This information has been audited as required by section 308(3C) of the Act.

The Remuneration Report is set out under the following main headings:
A Introduction
B Remuneration Governance, Structure and Approvals
C Remuneration and Performance
D Details of Remuneration
E Service Agreements
F Share-based Compensation
G Equity Instruments Issued on Exercise of Remuneration Options
H Loans with KMP
I Other Transactions with KMP
J Additional Information

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REMUNERATION REPORT (AUDITED) (continued)

A Introduction

Key Management Personnel ("**KMP**") have authority and responsibility for planning, directing and controlling the major activities of the Group directly or indirectly, including any Director (whether executive or otherwise) of the parent company.

KMP for the year ended 30 June 2024 comprised the Board of Directors, the Chief Financial Officer and the General Manager Operations. The Group's broad remuneration policy is to ensure the remuneration package properly reflects the person's duties and responsibilities and that remuneration is competitive in attracting, retaining and motivating people of the highest quality.

The Board considers the remuneration policies of the Group appropriate for an entity of its size and profile.

KMP covered in this report are as follows:

Name	Position	Appointment Date
Mr Jurie Wessels	Executive Chairman	26 July 2019
Mr John Ciganek	Chief Executive Officer and Managing Director	9 January 2023
Mr Michael Davy	Non-Executive Director	1 December 2019
Mr Tim Feather	Chief Financial Officer	1 August 2023
Mr Alex Oehmen	General Manager Operations	20 February 2023

B Remuneration Governance, Structure and Approvals

The Directors believe the Company is not currently of a size nor are its affairs of such complexity as to warrant the establishment of a separate Remuneration Committee. Accordingly, all matters are considered by the full Board of Directors, in accordance with the remuneration committee charter, responsibilities include:

- Reviewing the Company's Remuneration Policy and making appropriate recommendations to the Board. In considering the Company's Remuneration Policy, the Nomination and Remuneration Committee refers to the guidelines for non-executive director remuneration and executive remuneration set out in Box 8.2 in the Principles and Recommendations.
- Reviewing senior executives' remuneration and incentives and making appropriate recommendations to the Board.
- Reviewing the remuneration framework for non-executive directors, including the process by which the pool of directors' fees approved by shareholders is allocated to directors, and making appropriate recommendations to the Board.
- Reviewing and making recommendations on incentive compensation plans, including equity-based plans.
- Reviewing superannuation arrangements for directors, senior executives and other employees.
- Reviewing termination payments, including the restrictions that apply under sections 200 to 200J of the Corporations Act 2001 (Cth) to termination payments by companies incorporated in Australia (and their associates) to those who hold a managerial or executive office in the company or in a related body corporate.
- Reviewing remuneration related reporting requirements, including disclosing a summary of the Company's policies and practices (if any) regarding the deferral of performance-based remuneration and the reduction, cancellation or clawback of performance-based remuneration in the event of serious misconduct or a material misstatement in the Company's financial statements and a summary of the Company's policies and practices regarding any minimum shareholding requirements (if any) for non-executive directors.
- Reviewing whether there is any gender or other inappropriate bias in remuneration for directors, senior executives or other employees.
- Monitoring compliance with applicable legal and regulatory requirements relevant to remuneration-related matters and any changes in the legal and regulatory framework in relation to remuneration.

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REMUNERATION REPORT (AUDITED) (continued)

Use of remuneration consultants

During the financial years ended 30 June 2024 and 30 June 2023, the Group did not engage any remuneration consultants.

Voting and comments made at the Company's 2023 Annual General Meeting ("AGM")

For the AGM held on 14 November 2023, 99.34% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2023. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Non-Executive Remuneration Structure

The remuneration of Non-Executive Directors consists of Directors' fees, payable in arrears. The total aggregate fixed sum per annum to be paid to Non-Executive Directors in accordance with the Company's Constitution shall be no more than A$300,000 and any change is subject to approval by Shareholders at a General Meeting.

Remuneration of Non-Executive Directors is based on fees approved by the Board of Directors and is set at levels to reflect market conditions and encourage the continued services of the Directors. In accordance with the Company's Constitution, the Directors may at any time, subject to the Listing Rules, adopt any scheme or plan which they consider to be in the interests of the Company and they may from time to time vary this scheme or plan.

The remuneration of Non-Executive Directors is included in Table 1 and their contractual arrangements are disclosed in "Section E – Service Agreements". Remuneration may also include an invitation to participate in share-based incentive programmes.

The nature and amount of remuneration is collectively considered by the Board of Directors with reference to relevant employment conditions and fees commensurate to a company of similar size and level of activity, with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Directors.

Executive Remuneration Structure

The nature and amount of remuneration of executives is assessed on a periodic basis with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing Executives.

The main objectives sought when reviewing executive remuneration is that the Company has:

- Coherent remuneration policies and practices to attract and retain executives;
- Executives who will create value for shareholders;
- Competitive remuneration offered benchmarked against the external market; and
- Fair and responsible rewards to executives having regard to the performance of the Group, the performance of the executives and the general pay environment.

At the date of this report the Company has two appointed executives, being Mr Wessels as the Executive Chairman and Mr Ciganek as the Managing Director and Chief Executive Officer. The terms of the executive arrangement is under "Section E – Service Agreements".

REMUNERATION REPORT (AUDITED) (continued)

C Remuneration and Performance

The following table shows the gross revenue, losses, earnings per share ("**EPS**") and share price attributable to the owners of the Company:

Figure in A$	30 June 2024	30 June 2023
Other revenue	137,468	34,296
Net (loss) after tax	(1,958,979)	(2,228,445)
EPS	(0.36)	(0.46)
Share price	0.054	0.073

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Relationship between Remuneration and Company Performance

Given the current phase of the Company's development, the Board does not consider earnings during the current and previous financial year when determining, and in relation to, the nature and amount of remuneration of KMP.

The pay and reward framework for key management personnel may consist of the following areas:

a) Fixed Remuneration – base salary
b) Variable Short-Term Incentives
c) Variable Long-Term Incentives

The combination of the following comprise key management personnel total remuneration.

a) Fixed Remuneration – Base Salary

The fixed remuneration for each executive is influenced by the nature and responsibilities of each role and the knowledge, skills and experience required for each position. Fixed remuneration provides a base level of remuneration which is market competitive and comprises a base salary inclusive of statutory superannuation (where applicable). It is structured as a total employment cost package. Key management personnel are offered a competitive base salary that comprises the fixed component of pay and rewards. Base salary for key management personnel is reviewed annually to ensure the executives' pay is competitive with the market. There is no guaranteed pay increase included in any key management personnel's contract.

b) Variable Remuneration – Short-Term Incentives ("STI")

Discretionary cash bonuses may be paid to senior executives annually, subject to the requisite Board and shareholder approvals where applicable. No bonus payments were made during the Financial Year.

c) Variable Remuneration – Long-Term Incentives ("LTI")

Equity incentives may be issued at the Board's discretion. Equity incentives were issued during the Financial Year.

d) Employee Share Incentive Plan

The Group has established and maintains the Vanadium Resources Limited Employee Incentives Securities ("**Plan**") to provide ongoing incentives to Eligible Participants of the Company. Eligible Participants mean a person that is:

(i) a 'primary participant' (as the term is defined by the ESS Regime) in relation to the Company or an Associated Body Corporate; and

REMUNERATION REPORT (AUDITED) (continued)

(ii) has been determined by the Board to be eligible to participate in the plan from time to time.

The purpose of the Plan is to:

(i) assist in the reward, retention and motivation of Eligible Participants;
(ii) link the reward of Eligible Participants shareholder value creation; and
(iii) align the interests of Eligible Participants with shareholders of the Group by providing an opportunity for Eligible Participants to receive an equity interest in the Company in the form of securities.

There were securities issued to KMP or their related parties under the Plan during the 30 June 2024 financial year as noted in this report.

D Details of Remuneration

Details of the nature and amount of each major element of the remuneration of each KMP of the Group during the Financial Year are:

Table 1 – Remuneration of KMP of the Group is set out below:

	Short-term Employee Benefits			Post-Employment	Share Based Payments		
30 June 2024 Figure in A$	Salary and fees	Non-monetary benefits	Other	Superannuation	Options	Performance Rights	Total
Directors							
Mr Jurie Wessels	180,000	-	-	-	-	42,841	222,841
Mr Michael Davy	36,000	-	-	-	-	4,015	40,015
Executive							
Mr John Ciganek	250,000	-	-	27,500	-	(224,172)	53,328
Mr Tim Feather	201,666	-	-	-	-	9,064	210,730
Mr Alex Oehmen[1]	171,249	-	-	-	-	9,064	180,313
Total	**838,915**	**-**	**-**	**27,500**	**-**	**(159,188)**	**707,227**

[1] Alex Oehmen was considered to be a KMP at 1 July 2023.

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REMUNERATION REPORT (AUDITED) (continued)

30 June 2023 Figure in A$	Short-term Employee Benefits Salary and fees	Non-monetary benefits	Other	Post- Employment Superannuation	Share Based Payments Options	Performance Rights	Total
Directors							
Mr Jurie Wessels	60,000	-	-	-	-	37,591	97,591
Mr Michael Davy	36,000	-	-	-	-	42,637	78,637
Mr John Ciganek	18,774	-	-	-	-	42,637	61,411
Executive							
Mr John Ciganek	120,265	-	-	12,628	-	224,172	357,065
Mr Eugene Nel[1]	57,500	-	-	-	-	42,637	100,137
Total	**292,539**	**-**	**-**	**12,628**	**-**	**304,399**	**694,841**

[1] Eugene Nel resigned as Chief Executive Officer of the Company on 9 December 2022.

The following table shows the relative proportions of remuneration that are linked to performance and those that are fixed, based on the amounts disclosed as statutory remuneration expense in the tables above:

Table 2 – Relative proportion of fixed vs variable remuneration expense

KMP	Fixed Remuneration 2024	2023	At Risk – STI (%) 2024	2023	At Risk – LTI (%) 2024	2023
Mr Jurie Wessels	81%	61%	-	-	19%	39%
Mr Michael Davy	90%	72%	-	-	10%	28%
Mr John Ciganek	520%	39%	-	-	(420%)	61%
Mr Tim Feather	96%	-	-	-	4%	-
Mr Alex Oehmen	95%	-	-	-	5%	-
Mr Eugene Nel	-	80%	-	-	-	20%

Table 3 – Number of shares held by KMP (direct and indirect holdings)

30 June 2024	Balance at 1 July 2023	Granted as Remuneration	Performance rights exercised	Net Change – Other	Balance at 30 June 2024
Mr Jurie Wessels	45,721,437	-	2,325,000	-	48,046,437
Mr Michael Davy	16,724,394	-	-	-	16,724,394
Mr John Ciganek	2,325,000	-	-	-	2,325,000
Mr Tim Feather	-	-	-	-	-
Mr Alex Oehmen	-	-	-	-	-
Total	**64,770,831**	**-**	**2,325,000**	**-**	**67,095,831**

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REMUNERATION REPORT (AUDITED) (continued)

Table 4 – Number of performance rights held by KMP (direct and indirect holdings)

30 June 2024	Balance at 1 July 2023	Granted as Remuneration	Performance rights exercised	Net Change – Other[1]	Balance at 30 June 2024
Mr Jurie Wessels	2,325,000	2,948,374	(2,325,000)	0	2,948,374
Mr Michael Davy	-	2,211,280	-	-	2,211,280
Mr John Ciganek	18,000,000	18,000,000	-	(18,000,000)	18,000,000
Mr Tim Feather	-	2,948,373	-	-	2,948,373
Mr Alex Oehmen	-	2,948,373	-	-	2,948,373
Total	**20,325,000**	**29,056,400**	**(2,325,000)**	**(18,000,000)**	**29,056,400**

[1] Lapsed unvested during the financial year.

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E Service Agreements

- *Jurie Wessels – Executive Chairman*
  - Contract: Commenced on 26 July 2019
  - Director's Fee: $60,000 per annum, $180,000 per annum (effective 1 July 2023)
  - Term: No fixed term

- *John Ciganek – Chief Executive Officer and Managing Director*
  - Contract: Commenced on 9 January 2023 and may be terminated by either party with 3 months' notice. It may be terminated immediately with justifiable cause.
  - Base Salary: $250,000 plus statutory superannuation per annum
  - Equity incentive: 18,000,000 Performance Rights (refer to section F, Share-based Compensation for further information)

- *Michael Davy – Non-Executive Director*
  - Contract: Commenced on 1 December 2019
  - Director's Fee: $36,000 per annum
  - Term: No fixed term

- *Tim Feather – Chief Financial Officer*
  - Contract: Commenced on 1 August 2023
  - Fee: $220,000 per annum
  - Term: No fixed term

- *Alex Oehmen – General Manager Operations*
  - Contract: Commenced on 22 February 2023
  - Fee: ZAR2,100,000 per annum
  - Term: No fixed term

REMUNERATION REPORT (AUDITED) (continued)

F Share-based Compensation

The Company may reward KMP for their performance and align their remuneration with the creation of shareholder wealth by issuing share options. Share-based compensation is at the discretion of the Board and no individual has a contractual right to receive any guaranteed benefits.

Issue of shares and Options

There were no shares or options issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2024.

Issue of Performance Rights

During the financial year ended 30 June 2024, 23,159,654 Performance Rights were issued to Directors and 5,896,746 Performance Rights were issued to other Key Management Personnel.

Details of performance rights issued by the Company to Directors and other KMP during the Financial Year are set out below.

Class	Number of Performance Rights	Vesting Condition	Performance Period
Tranche 1	9,685,468	Minimum of one year service and 30-day volume weighted average price of the shares of the Company is greater than 15 cents.	Within 24 months of the date of grant
Tranche 2	9,685,466	Upon the Company announcing the Final Investment Decision ("**FID**") for the Steelpoortdrift Vanadium Project (the "**Project**").	Within 24 months of the date of Grant
Tranche 3	9,685,466	Upon the Company achieving first commercial production from the Project.	Within 36 months of FID

Number of rights issued	Grant date	Expiry date	Spot price ($)	Fair Value ($)
7,719,886	29/05/2024	29/05/2026	0.028	216,157
7,719,884	29/05/2024	29/05/2026	0.058	447,753
7,719,884	29/05/2024	29/05/2027	0.058	447,753
1,965,582	10/04/2024	10/04/2026	0.016	30,737
1,965,582	10/04/2024	10/04/2026	0.045	88,451
1,965,582	10/04/2024	10/04/2027	0.045	88,451

G Equity Instruments Issued on Exercise of Remuneration Options

During the year, 2,325,000 shares were issued on the exercise of 1,325,000 class A performance rights and 1,000,000 class B performance rights by KMP.

H Loans to and from KMP and their related parties

There were no loans made to any KMP during the year ended 30 June 2024.

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REMUNERATION REPORT (AUDITED) (continued)

I Other Transactions with Related Parties

Transactions between the Company and related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated. No transactions with related parties took place during the year ended 30 June 2024.

J Additional Information

The earnings of the consolidated group for the five years to 30 June 2024 are summarised below:

Figure in A$	2024	2023	2022	2021	2020
Sales Revenue	**-**	-	-	-	-
EBITDA	**(2,001,854)**	(2,263,745)	(1,681,421)	(582,418)	(2,866,058)
EBIT	**(2,010,095)**	(2,267,607)	(1,682,270)	(583,267)	(2,866,907)
Profit/(Loss) after income tax	**(2,010,095)**	(2,267,607)	(1,682,270)	(583,267)	(2,866,907)
Share Price ($)	**0.054**	0.073	0.080	0.064	0.020
EPS (cents per share)	**(0.36)**	(0.46)	(0.36)	(0.15)	(0.81)

[End of Audited Remuneration Report]

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ANNUAL MINERAL RESOURCE AND ORE RESERVE STATEMENT AS AT 30 JUNE 2024

In accordance with ASX listing rule 5.21, Vanadium Resources Limited reports its Mineral Resources and Reserves on an annual basis. The date of reporting is 30 June each year to coincide with the Company financial year end. If there are any material changes to the Company's Mineral Resource or Ore Reserves, the Company is required to publish these changes promptly. There were no reported updates to the Mineral Resource and Ore Reserves during the reporting period ended 30 June 2024. [15].

Mineral Resource

The Mineral Resource has been classified in the Measured, Indicated and Inferred categories, in accordance with 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("**JORC Code, 2012**"). The Mineral Resources amount to 680Mt, averaging 0.70% V_2O_5 at a cut-off grade of 0.45% V_2O_5.

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

CLASSIFICATION	VOLUME (M m^3)	QUANTITY (Mt)	QUALITY (% V_2O_5 In-situ)	CONTAINED V_2O_5 (Mt)	QUALITY (% Fe_2O In-Situ)	CONTAINED Fe_2O (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 International SA (Pty) Limited, Steelpoortdrift Vanadium Project Mineral Resource Estimate Report, 30 April 2022

Notes:

- Stated at a cut-off grade of 0.45% V_2O_5;
- The Mineral Resources are stated on a 100% attributable basis for Vanadium Resources (Pty) Limited ("**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.

Ore Reserves

The Ore Reserves for the Steelpoortdrift Project amounts to 77Mt at an average grade of 0.72% V_2O_5 with 30Mt of Proved Ore Reserves at an average grade of 0.70% V_2O_5 and 47Mt of Probable Ore Reserves at an average grade of 0.72% V_2O_5. Table 2 below show the Ore Reserves statement as at 30 September 2022.

Table 2: SPD Project Ore Reserve (as at 30 September 2022)

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V_2O_5 RoM)	CONTAINED V_2O_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 is 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.

[15] Refer to ASX Announcement dated 4 October 2022 "VR8 Updates Mineral Resource and Ore Reserve for Steelpoortdrift Vanadium Project"

ANNUAL MINERAL RESOURCE AND ORE RESERVE STATEMENT AS AT 30 JUNE 2024 (continued)

Governance Arrangements and Internal Controls

The Company has ensured that the Mineral Resources and Ore Reserves quoted are subject to good governance arrangements and internal controls. The Mineral Resources and Ore Reserves reported have been generated by internal and external Company subject matter experts, who are experienced in best practice modelling and estimation methods. The Competent Person has also undertaken reviewed of the quality and suitability of the underlying information used to generate the resources estimation. The Mineral Resources estimates for reporting of Exploration Results, Mineral Resources and Ore Reserves are prepared in accordance with the JORC Code 2012. In addition, the Company's management carry out regular reviews of processes used by the external contractors that have been engaged by the Company.

Competent Person's Statement

The information in this report does not contain any new information in relation to Exploration Results or Targets and the Company confirms that any information relating to exploration work has not materially changed from previously reported information.

The information in this report that relates to the Mineral Resource and Ore Reserve Estimates of the SPD project, is based on information that has been reviewed by Ms Sara Turnbull and Mr Vaughn Duke of Sound Mining International SA (Pty) Limited. They both have sufficient experience, which is relevant to the activity being undertaken, to qualify as Competent Persons in terms of the JORC Code, 2012 Edition.

Ms Turnbull is a registered Professional Natural Scientist (Pri.Sci.Nat.) with the South African Council for Natural Scientific Professions ("SACNASP" – Reg. No.:117787) and a member of the Geological Society Council of South African ("GSSA"). Ms Turnbull has reviewed the Mineral Resource Statement in this announcement as well as all Exploration information underpinning this and has given her permission for the publication of this information in the form and context within which it appears.

Mr Vaughn Duke is a registered Professional Engineer (Pr.Eng.) with the Engineering Council of South Africa ("ECSA" – Reg. No.: 940314) and a Fellow of The Southern African Institute of Mining and Metallurgy ("SAIMM"). Mr Duke has reviewed the Ore Reserve Statement in this announcement and has given his permission for the publication of this information in the form and context within which it appears.

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 4 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.

Compliance Statement

The information in this report that relates to exploration results, mineral resources and ore reserves released previously on the ASX.

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ANNUAL MINERAL RESOURCE AND ORE RESERVE STATEMENT AS AT 30 JUNE 2024 (continued)

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, in the case of mineral resources estimates, all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's finding are presented have not been materially modified from the original market announcements.

INDEMNIFICATION AND INSURANCE OF OFFICERS AND AUDITORS

The Company has indemnified each of its Directors, officers and company secretary to the maximum extent permitted by the Corporations Act 2001 from liability to third parties, except where liability arises out of conduct involving lack of good faith, and in defending legal and administrative proceedings and application for such proceedings. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

To the extent permitted by law, the Company has agreed to indemnify its auditors, RSM Australia Partners, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify RSM during or since the Financial Year.

ENVIRONMENTAL REGULATIONS

The Group's operations are subject to the environmental risks inherent in the mining industry. There have been no known significant breaches of environmental regulations during the year and up until the date of this report.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purposes of taking responsibility on behalf of the Company for all or part of these proceedings.

AUDITOR

RSM Australia Partners continues in office in accordance with section 327 of the Corporations Act 2001.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and included within these financial statements.

SHARES UNDER OPTION OR PERFORMANCE RIGHTS

At the date of this report there were the following unissued ordinary shares under performance rights at the date of this report are as follows:

Grant Date	Exercise Price	Expiry Date	Number under performance rights
10 April 2024	Nil	10 April 2030	12,678,009
19 June 2024	Nil	19 June 2030	23,159,654
			35,837,663

At the date of this report there were 3,000,000 unissued ordinary shares under options with an expiry date of 18 October 2026 and an exercise price of $0.15.

OFFICERS OF THE COMPANY WHO ARE FORMER PARTNERS OF RSM AUSTRALIA PARTNERS

There are no officers of the company who are former partners of RSM Australia Partners.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important.

Details of the amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 25 to the financial statements.

The Board of Directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditors, as set out below, did not compromise the auditor independent requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Board of Directors to ensure they do not impact the impartiality and objectivity of the auditor; and
- None of the services undermine the general principles relating to the auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

This report is made in accordance with a resolution of directors, pursuant to section 298 (2)(a) of the Corporations Act 2001.

On behalf of the directors

John Ciganek
Managing Director
25 September 2024

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Vanadium Resources Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

RSM

RSM AUSTRALIA

Perth, WA
Dated: 25 September 2024

AIK KONG TING
Partner

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.
RSM Australia Partners ABN 36 965 185 036
Liability limited by a scheme approved under Professional Standards Legislation

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL-YEAR ENDED 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
Revenue from continuing operations			
Other income	4	137,468	34,296
Expenses			
Consulting and legal fees		(317,282)	(248,249)
Share and company registry		(80,573)	(83,460)
Other expenses		(874,316)	(560,894)
Share based payments	5	48,545	(460,868)
Directors' fees		(286,000)	(56,582)
Company secretary and financial management		(61,157)	(48,370)
Professional fees		(225,181)	(118,446)
Salaries and wages		(339,664)	(185,810)
Depreciation expenses		(11,936)	(3,862)
Impairment of exploration and evaluation expenditure	10	-	(535,362)
Loss from continuing operations before income tax		(2,010,095)	(2,267,607)
Income tax expense	6	-	-
Loss from continuing operations after income tax		(2,010,095)	(2,267,607)
Other comprehensive loss			
Items that may be reclassified subsequently to profit or loss			
Foreign currency transaction		68,947	(64,800)
Other comprehensive loss for the year, net of tax		68,947	(64,800)
Total comprehensive loss for the year		(1,941,148)	(2,332,407)
Loss for the year attributable to:			
Owners of Vanadium Resources Limited		(1,958,979)	(2,228,445)
Non-controlling interest		(51,116)	(39,162)
		(2,010,095)	(2,267,607)
Total comprehensive loss for the year attributable to:			
Owners of Vanadium Resources Limited		(1,938,589)	(2,276,365)
Non-controlling interest	20	(2,559)	(56,042)
		(1,941,148)	(2,332,407)
Loss per share for the year attributable to the owners Vanadium Resources Limited:			
Basic loss per share (cents)	7	(0.36)	(0.46)
Diluted loss per share (cents)	7	(0.36)	(0.46)

The accompanying notes form part of these financial statements.

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	8	1,915,118	6,097,033
Trade and other receivables	9	95,562	56,613
Total Current Assets		2,010,680	6,153,646
Non-Current Assets			
Exploration and evaluation assets	10	28,125,194	24,823,345
Rehabilitation bond	11	66,257	-
Plant and equipment	12	25,163	32,151
Other financial assets	13	4,124	402,409
Total Non-Current Assets		28,220,738	25,257,905
TOTAL ASSETS		30,231,418	31,411,551
LIABILITIES			
Current Liabilities			
Trade and other payables	14	448,819	356,835
Borrowings	15	165,564	159,928
Total Current Liabilities		614,383	516,763
Non-Current Liabilities			
Environmental rehabilitation liabilities	16	89,666	-
Borrowings	15	-	398,425
Total Non-Current Liabilities		89,666	398,425
TOTAL LIABILITIES		704,049	915,188
NET ASSETS		29,527,369	30,496,363
EQUITY			
Issued capital	17	38,076,126	37,055,457
Reserves	18	202,050	450,514
Accumulated losses	19	(8,452,937)	(6,493,958)
Equity attributable to the owners of Vanadium Resources Limited		29,825,239	31,012,013
Non-controlling interest	20	(297,870)	(515,650)
TOTAL EQUITY		29,527,369	30,496,363

The accompanying notes form part of these financial statements.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Issued Capital	Reserves	Accumulated Losses	Non-controlling Interest	Total Equity
	$	$	$	$	$
Balance at 1 July 2023	37,055,457	450,514	(6,493,958)	(515,650)	30,496,363
Loss for the year	-	-	(1,958,979)	(51,116)	(2,010,095)
Other comprehensive loss	-	71,506	-	(2,559)	68,947
Total comprehensive loss for the year after tax		71,506	(1,958,979)	(53,675)	(1,941,148)
Transactions with owners in their capacity as owners:					
Issued capital	1,020,669	-	-	-	1,020,669
Change in ownership interest	-	(271,455)	-	271,455	-
Issue of performance shares, net of transaction costs	-	977,644	-	-	977,644
Amortisation of performance rights and options	-	(1,083,224)	-	-	(1,083,224)
Issue of share-based payment options	-	57,065	-	-	57,065
Balance at 30 June 2024	38,076,126	202,050	(8,452,937)	(297,870)	29,527,369
Balance at 1 July 2022	31,130,539	217,368	(4,445,315)	(459,608)	26,442,984
Loss for the year	-	-	(2,228,445)	(39,162)	(2,267,607)
Other comprehensive loss	-	(47,920)	-	(16,880)	(64,800)
Total comprehensive loss for the year after tax	-	(47,920)	(2,228,445)	(56,042)	(2,332,407)
Transactions with owners in their capacity as owners:					
Issued capital	5,924,918	-	-	-	5,924,918
Issue of performance shares, net of transaction costs	-	224,172	-	-	224,172
Amortisation of performance rights and options	-	236,696	-	-	236,696
Expiry of share-based payment options	-	(179,802)	179,802	-	-
Balance at 30 June 2023	37,055,457	450,514	(6,493,958)	(515,650)	30,496,363

The accompanying notes form part of these financial statements.

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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
Cash flows from operating activities			
Payments to suppliers and employees		(1,956,694)	(1,907,553)
Interest received		129,045	34,296
GST refund		234,954	441,738
Net cash flows used in operating activities	8	(1,592,695)	(1,431,519)
Cash flows from investing activities			
Payments for exploration and evaluation		(2,197,456)	(1,281,285)
Payments for plant and equipment		(1,973)	(31,072)
Net cash flows used in investing activities		(2,199,429)	(1,312,357)
Cash flows from financing activities			
Proceeds from the issue of shares		-	5,914,018
Payment of borrowings		(392,789)	-
Proceeds from the exercise of options and performance rights		2,998	10,900
Net cash flows (used in)/provided by financing activities		(389,791)	5,924,918
Net (decrease)/increase in cash and cash equivalents		(4,181,915)	3,181,042
Cash and cash equivalents at the beginning of the year		6,097,033	2,915,991
Cash and cash equivalents at the end of the year	8	1,915,118	6,097,033

The accompanying notes form part of these financial statements.

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NOTE 1: MATERIAL ACCOUNTING POLICIES

Vanadium Resources Limited (referred to as "Company" or "parent entity") is a company domiciled in Australia. The address of the Company's registered office and principal place of business is disclosed in the Corporate Directory of the Annual Report. The consolidated financial statements of the Company as at and for the year ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the "Consolidated Group" or the "Group").

1.1 Basis of Preparation

These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Historical Cost Convention
The financial statements have been prepared under the historical costs convention, expect for where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

Going Concern
These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred a loss of $2,010,095 and had net cash outflows from operating and investing activities of $1,592,695 and $2,199,429 respectively for the year ended 30 June 2024. As at that date, the Group had net current assets of $1,396,297 and net assets of $29,527,369.

The Directors believe that there are reasonable grounds to believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Group's ability to issue additional shares under the *Corporations Act 2001* to raise further working capital; and
- The Group has the ability to scale down its operations in order to curtail expenditure, so as to ensure that the cash available is sufficient to meet projected expenditure.

Accordingly, the Directors believe that the Group will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

Should the Group not achieve the matters set out above there exists a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore they may be unable to realise their assets and extinguish their liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustment relating to the recoverability or classification of recorded asset amounts or to the amounts or classification of liabilities that might be necessary should the Group not able to continue as a going concern.

1.2 Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 27.

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NOTE 1: MATERIAL ACCOUNTING POLICIES

1.3 Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Vanadium Resources Limited ('Company' or 'parent entity') as at 30 June 2024 and the results of all subsidiaries for the year then ended.

Subsidiaries are all entities (including special purpose entities) over which the consolidated group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between consolidated group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated group.

The acquisition method of accounting is used to account for business combinations by the consolidated group. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

1.4 Adoption of new and revised accounting standards

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

There were no changes to the Group's accounting policies as a result of the adoption of new accounting standards applicable for the year ended 30 June 2024.

1.5 Significant Judgements and Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

1.6 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board.

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NOTE 1: MATERIAL ACCOUNTING POLICIES

1.7 Foreign currency translation

Functional and presentation currency
Items included in the financial statements of each of the consolidated group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Australian dollars, unless otherwise stated, which is also the Parent's functional currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Consolidated group companies
The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position account presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of profit or loss and other comprehensive income account are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- All resulting exchange differences are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

1.8 Interest and Other Income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset. If not received at the end of reporting period, it is reflected in the statement of financial position as a receivable.

Other income is recognised when it is received or when the right to receive payment is established.

1.9 Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses and the adjustments recognised in prior periods where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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Note 1: MATERIAL ACCOUNTING POLICIES

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only when there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities, and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

1.10 Current and Non-Current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

1.11 Cash and Cash Equivalents

Cash on hand and in bank and short-term deposits are stated at nominal value. For the purpose of the statement of cash flows, cash includes cash on hand and in bank, and bank securities readily convertible to cash, net of outstanding bank overdrafts.

1.12 Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

NOTE 1: MATERIAL ACCOUNTING POLICIES

Impairment of financial assets
The consolidated group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain. Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

1.13 Exploration and evaluation expenditure

Exploration and evaluation assets - acquired
Exploration and evaluation assets compromise of acquisition of mineral rights and fair value (at acquisition date) of exploration and expenditure assets from other entities. As the assets are not yet ready for use they are not depreciated. Exploration and evaluation assets are assessed for impairment if facts or circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

1.14 Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Where an impairment loss subsequently reverses, the carrying amount of the asset, other than goodwill, is increased to the revised estimate of its recoverable amount, but only to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.15 Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received whether or not billed to the Group. Trade payables are usually settled within 30 days of recognition.

1.16 Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

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NOTE 1: MATERIAL ACCOUNTING POLICIES

1.17 Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

1.18 Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to Key Management Personnel and employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an appropriate valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying an appropriate valuation model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

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NOTE 1: MATERIAL ACCOUNTING POLICIES

If the non-vesting condition is within the control of the consolidated group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

1.19 Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.20 Earnings Per Share

Basic earnings per share
Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share
Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

1.21 Goods and Services Tax ("GST")

Revenue, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables area stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included as a current asset or liability in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of amount of GST recoverable, or payable to, the tax authorities.

1.22 Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

1.23 New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2024. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.1 Exploration and evaluation costs

Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

2.2 Share based payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

NOTE 3: SEGMENT INFORMATION

The consolidated group operates as one segment, which is the mineral exploration in South Africa.

NOTE 4: REVENUE

Figure in A$	2024	2023
Other income		
Interest income	137,468	34,296

NOTE 5: SHARE BASED PAYMENTS EXPENSE

Figure in A$	2024	2023
Fair value of unlisted options issued	57,065	143,349
Fair value of performance rights issued	977,644	317,519
Fair value of performance rights forfeited	(1,083,254)	-
Total	(48,545)	460,868

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NOTE 6: INCOME TAX

Figure in A$	2024	2023
The components of tax expense comprise:		
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in profit or loss and other comprehensive income	-	-
The prima facie tax payable on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Income tax expense/(benefit) on operating loss at 30% (2023: 30.0%)	(603,028)	(680,282)
Non-deductible items		
Non-deductible expenditure	41,929	164,038
Temporary differences not recognised	561,100	516,244
Income tax attributable to operating income/(loss)	-	-
The applicable weighted average effective tax rates are as follows:	Nil	Nil
Balance of franking account at year end	Nil	Nil
Deferred tax assets		
Tax losses	4,708,435	3,709,491
Blackhole expenditure	73,871	16,018
Other	7,455	74,126
Unrecognised deferred tax asset	4,789,761	3,799,635
Set-off deferred tax liabilities	(2,304,790)	(1,641,733)
Net deferred tax assets	2,484,971	2,157,902
Less deferred tax assets not recognised	(2,484,971)	(2,157,902)
Net assets	-	-
Deferred tax liabilities		
Exploration expenditure	2,303,557	1,640,500
Other	1,233	1,233
Set-off deferred tax assets	(2,304,790)	(1,641,733)
Net deferred tax liabilities	-	-
Unused tax losses and temporary differences for which no deferred tax asset has been recognised	8,283,240	7,193,005

The benefit for tax losses will only be obtained if:

i. The Group derives future assessable income in Australia of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised;

ii. The Group continues to comply with the conditions for deductibility imposed by tax legislation in Australia; and

iii. There are no changes in tax legislation in Australia which will adversely affect the Group in realising the benefit from the deductions for the losses.

At 30 June 2024, there is no recognised or unrecognised deferred income tax liability for taxes that would be payable on the unremitted earnings of certain of the Group's subsidiary as the Group has no liability for additional taxation should such amounts be remitted.

NOTE 7: LOSS PER SHARE

Basic loss per share amounts is calculated by dividing net loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts is calculated by dividing the net loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

Figure in A$	2024	2023
Net loss for the year – attributable to members	(1,958,978)	(2,228,445)
Weighted average number of ordinary shares for basic and diluted loss per share	550,338,960	457,441,808

Options on issue are considered anti-dilutive to the earnings per share as the Company is in a loss-making position.

Continuing operations		
Basic and diluted loss per share (cents)	(0.36)	(0.46)

NOTE 8: CASH AND CASH EQUIVALENTS

Figure in A$	2024	2023
Cash in bank and on hand	1,915,118	6,097,033

Cash and bank balances are denominated in A$ except the net exposure to foreign currency detailed below:

Figure in ZAR	2024	2023
Balance with banks and cash on hand (South African Rand)	4,046,462	5,984,795

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made in varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

The Group's exposure to interest rate and credit risks is disclosed in Note 21.

Figure in A$	2024	2023
Reconciliation of cash flow from operations with loss before income tax		
Loss for the financial year	(2,010,095)	(2,267,607)
Non-cash flows in loss:		
Share-based payments	(48,545)	460,868
Foreign currency translation	2,690	(10,479)
Impairment of exploration and evaluation expenditure	-	535,362
Other non-cash items	11,936	3,862
Changes in assets and liabilities		
Trade and other receivables	(38,949)	216,590
Other financial asset	398,284	-
Trade and other payables	91,984	(370,115)
Cash flow used in operating activities	(1,592,695)	(1,431,519)
Non-cash investing and financing activities		
Capitalised exploration asset – increase in interest	1,018,351	-

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NOTE 9: TRADE AND OTHER RECEIVABLES

Figure in A$	2024	2023
GST and VAT receivable (net)	38,510	51,354
Other deposits and receivables	57,052	5,259
Balance at end of the year	95,562	56,613

Other receivables are non-interesting bearing and are generally on terms of 30 days.

Allowance for expected credit losses
No expected credit losses have been recognised by the consolidated group for the year ended 30 June 2024 and 30 June 2023.

NOTE 10: EXPLORATION AND EVALUATION ASSETS

Figure in A$	2024	2023
Balance at beginning of the year	24,823,345	24,077,422
Exploration and expenditure assets acquired	1,018,351	-
Exploration and expenditure assets incurred	2,210,189	1,281,285
Rehabilitation asset recognised	73,309	-
Exploration and expenditure assets impaired	-	(535,362)
Balance at end of the year	28,125,194	24,823,345

During the period, the Company increased its interest in Vanadium Resources (Pty) Ltd which holds interest in Steelpoortdrift from 73.95% to 86.49% through completion of transaction with Math-Pin (Pty) Ltd and Obeec (Pty) Ltd. In consideration for the additional ownership interest, the Company issued 22,124,030 ordinary shares and cash consideration of ZAR 8,730 equivalent to A$ 639.

Purchase Consideration	2024
Figure in A$	
Cash payment received	646
Shares issued	1,017,705
Total	1,018,351

Shares issued as consideration are as per below:

Description	Number of shares issued	Date of issue	Share price at issue date ($)	Value of share issue ($)
Issued to vendors	22,124,030	12 December 2023	0.046	1,017,705

NOTE 11: REHABILITATION BOND

Figure in A$	2024	2023
Rehabilitation insurance fund	66,257	-

Vanadium Resources (Pty) Ltd is required by statutory law in South Africa to hold this restricted investment in order to meet environmental rehabilitation liabilities on the Statement of Financial Position (refer to note 16).

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NOTE 12: PLANT AND EQUIPMENT

Figure in A$	2024	2023
Plant and equipment at cost	44,186	39,008
Less: Accumulated depreciation	(19,023)	(6,857)
Balance at end of the year	25,163	32,151

Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

Figure in A$	2024	2023
Balance at the beginning of the year	32,151	5,284
Additions	5,178	30,729
Depreciation	(12,166)	(3,862)
Balance at end of the year	25,163	32,151

NOTE 13: OTHER FINANCIAL ASSETS

Figure in A$	2024	2023
Other deposits	4,124	3,984
Long-term fixed deposit (i)	-	398,425
Balance at end of the year	4,124	402,409

(i) - The cash rehabilitation guarantee was converted to a long-term fixed deposit.

NOTE 14: TRADE AND OTHER PAYABLES

Figure in A$	2024	2023
Trade payables	360,783	260,322
Accrued expenses	88,036	96,513
Balance at end of the year	448,819	356,835

Trade payables are non-interest bearing and are normally settled on 30-day terms.

NOTE 15: BORROWINGS

Figure in A$	2024	2023
Current liabilities - Unsecured loans	165,564	159,928
Non-current liabilities - Secured loans	-	398,425
Balance at end of the year	165,564	558,353

Assets pledged as security
In 2023 financial year, the loan of $398,425 (R5,000,000) is secured by the long-term fixed deposit (refer note 13). In 2024 financial year, this amount has been fully repaid.
Unsecured loans
An amount of R2,007,006 (equivalent of $165,564) is repayable to other parties of Vanadium Resources (Pty) Ltd. The loans are repayable on demand and are interest free.

NOTE 16: ENVIRONMENTAL REHABILITATION LIABILITIES

Figure in A$	2024	2023
Provision for future environmental rehabilitation costs	78,398	-
Unwinding of discount	16,168	-
Exchange differences	(4,900)	-
Balance at end of the year	**89,666**	-

Vanadium Resources (Pty) Ltd makes full provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of developing the mine. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites, which are expected to be incurred up to 2048, which is when the producing mine properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon changes to the assumptions. However, actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time. Furthermore, the timing of rehabilitation is likely to depend on when the mines cease to produce at economically viable rates. This, in turn, will depend upon future vanadium prices, which are inherently uncertain.

The provision is calculated using the following key assumptions:

	2024
Inflation rate	8.0%
Discount rate	11.0%

NOTE 17: ISSUED CAPITAL

	2024		2023	
	No. of Shares	$	No. of Shares	$
Ordinary shares – fully paid	562,625,204	38,076,126	538,176,174	37,055,457

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the share held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Movement reconciliation	Date	Issue Price	Number	$
Balance at 30 June 2022			**473,512,374**	**31,130,539**
Class A Performance Rights exercised	7 October 2022	$0.001	1,325,000	1,325
Class A Performance Rights exercised	15 November 2022	$0.001	6,575,000	6,575
Class B Performance Rights exercised	15 November 2022	$0.001	3,000,000	3,000
Issue of Shares – strategic placement	26 May 2023	$0.110	53,763,800	5,914,018
Balance at 30 June 2023			**538,176,174**	**37,055,457**
Issue of Shares – consideration for acquisition of shares in Vanadium Resources (Pty) Ltd	12 December 2023	$0.046	22,124,030	1,018,344
Class A Performance Rights exercised	28 June 2024	$0.001	1,325,000	1,325
Class B Performance Rights exercised	28 June 2024	$0.001	1,000,000	1,000
Balance at 30 June 2024			**562,625,204**	**38,076,126**

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NOTE 18: RESERVES

Figure in A$	2024	2023
Share-based payments reserve	449,920	498,434
Foreign currency translation reserve	23,585	(47,920)
Reserve – change in ownership interest in Vanadium Resources (Pty) Ltd	(271,455)	-
Total	202,050	450,514

Movement reconciliation of share-based payments reserve		
Balance at the beginning of the year	498,434	217,368
- Expiry of options	-	(179,802)
- Consideration for services rendered	57,065	143,349
- Performance rights amortised	896,541	93,347
- Issuance of performance rights	81,104	224,172
- Performance rights expired and cancelled	(1,083,224)	-
Balance at end of the year	449,920	498,434

The share-based payment reserve is used to record the value of share-based payments provided to outside parties, and share-based remuneration provided to employees and directors.

Movement reconciliation of foreign currency translation reserve		
Balance at the beginning of the year	(47,920)	-
- Foreign currency translation	71,505	(47,920)
Balance at end of the year	23,586	(47,920)

Movement reconciliation of Reserve		
Balance at the beginning of the year	-	-
- change in ownership interest in Vanadium Resources (Pty) Ltd	(271,455)	-
Balance at end of the year	(271,455)	-

NOTE 19: ACCUMULATED LOSSES

Figure in A$	2024	2023
Balance at the beginning of the year	(6,493,958)	(4,445,315)
Loss after income tax for the year	(1,958,979)	(2,228,445)
Expiry of share-based payments options	-	179,802
Balance at end of the year	(8,452,937)	(6,493,958)

NOTE 20: NON-CONTROLLING INTEREST

Figure in A$	2024	2023
Movement reconciliation of non-controlling interest		
Balance at the beginning of the year	(515,650)	(459,608)
Change in ownership interest in Vanadium Resources (Pty) Ltd	271,455	-
Loss for the year	(51,116)	(39,162)
Other comprehensive loss	(2,559)	(16,880)
Balance at end of the year	(297,870)	(515,650)

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NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future cash flow forecasts.

Risk management is carried out by Management and overseen by the Board of Directors with assistance from suitably qualified external advisors.

The main risks arising for the Group are foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

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The carrying values of the Group's financial instruments are as follows:

Figure in A$	2024	2023
Financial Assets		
Long term fixed deposit	-	402,409
Other financial assets	70,381	-
Cash and cash equivalents	1,915,118	6,097,033
Trade and other receivables	95,562	56,613
	2,081,061	6,556,055
Financial Liabilities		
Non-interest bearing		
Borrowings	165,564	558,353
Other financial liabilities	89,666	-
Trade and other payables	448,819	356,835
	704,049	915,188

21.1 Market risk

21.1.1 Foreign exchange risk

The currency risk is the risk that the value of financial instruments will fluctuate due to change in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Australian Dollar (AUD), the Group's functional currency. The Group's policy is not to enter into any currency hedging transactions.

21.1.2 Interest rate risk

The Group is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments. The Group's exposure to this risk relates primarily to the Group's cash and any cash on deposit. The Group does not use derivatives to mitigate these exposures. The Group manages its exposure to interest rate risk by holding certain amounts of cash in fixed and floating interest rate facilities. At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

	2024		2023	
	Weighted average interest rate *	Balance $	Weighted average interest rate	Balance $
Cash and cash equivalents	**3.43%**	**1,915,118**	0.76%	6,097,033

(*) This interest rate represents the average interest rate for the period.

21.1.3 Sensitivity

Within the analysis, consideration is given to potential renewals of existing positions and the mix of fixed and variable interest rates. The following sensitivity analysis is based on the interest rate risk exposures in existence at the reporting date. The 1% increase and 1% decrease in rates is based on reasonably expected possible changes over a financial year, using the observed range of historical rates for the preceding five-year period.

At 30 June 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, post-tax losses and equity would have been affected as follows:

Figure in A$	2024	2023
Judgements of reasonably possible movements: Profit higher/(lower)		
+ 1.0% (100 basis points)	19,151	60,970
- 1.0% (100 basis points)	(19,151)	(60,970)

21.2 Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group.

21.3 Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

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NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

The following are the contractual maturities of financial liabilities:

	Weighted average effective interest rate	< 6 months $	6-12 months $	1-5 years $	> 5 years $	Total $
2024						
Trade and other payables	**-**	**448,819**	**-**	**-**	**-**	**448,819**
Borrowings	**-**	**-**	**165,564**	**-**	**89,666**	**255,230**
2023						
Trade and other payables	-	356,835	-	-	-	356,835
Borrowings	-	-	159,928	398,425	-	558,353

* As denoted at Note 15, loans are non-interest bearing

21.4 Capital risk management
The consolidated group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Given the stage of the Company's development there are no formal targets set for return on capital. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements. The net equity of the Company is equivalent to capital. Net capital is obtained through capital raisings on the Australian Securities Exchange ("ASX").

NOTE 22: RELATED PARTY DISCLOSURE

22.1 Key Management Personnel Compensation
Details relating to key management personnel, including remuneration paid, are below.

Figure in A$	2024	2023
Short-term benefits	838,915	292,539
Post-employment benefits	27,500	12,628
Share-based payments	(159,188)	389,674
	707,227	694,841

Information regarding individual directors' compensation and some equity instruments disclosures as required by Corporations Regulation 2M.3.03 is provided in the Remuneration Report section of the Directors' Report.

22.2 Other Transactions with related parties

No transactions with related parties took place during the year ended 30 June 2024 (30 June 2023: nil).

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NOTE 22: RELATED PARTY DISCLOSURE (continued)

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTE 23: SHARE-BASED PAYMENTS

Figure in A$

	2024	2023
23.1 Recognised share-based payment transactions		
Consideration for services provided	57,065	143,349
Consideration for performance rights issued	896,540	317,519
Reversal of performance rights forfeited	(1,083,254)	-
Consideration for performance ESIP rights issued	81,104	-
Options and rights recognised in profit or loss and other comprehensive income	(48,545)	460,868

23.2 Summary of shares and options granted during the year

At 30 June 2024 the following equity settled share-based payment options were on issue. The Black-Scholes Model was used to determine the estimated fair value of those options.

Options	Issue Date	Date of Expiry	Exercise Price	Balance at the start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year
Investor services	18/10/2023	18/10/2026	0.150	-	3,000,000	-	-	3,000,000

A summary of valuation inputs of options issued in 2024 is presented below:

	Broker options
Expected volatility (%)	100%
Risk free interest rate (%)	0.10%
Weighted average expected life of options (years)	3 years
Expected dividends	Nil
Exercise price (cents)	15.0
Share price at grant date ($)	0.049
Barrier price ($)	Nil
Fair value of options (cents)	1.90
Number of options	3,000,000
Expiry date	18 October 2026
Grant date	18 October 2023

At 30 June 2023 the following equity settled share-based payment options were on issue:

Options	Issue Date	Date of Expiry	Exercise Price	Balance at the start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year
Broker options	02/02/2022	02/02/2024	0.100	5,000,000	-	-	(5,000,000)	-

The options did not vest by the vesting date being 9 months from issue date.

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NOTE 23: SHARE-BASED PAYMENTS (continued)

23.3 Summary of performance rights granted during the year

At 30 June 2024 the following performance rights were on issue, the rights are fully vested:

Options	Issue Date	Date of Expiry	Exercise Price	Balance at the start of the year	Granted during the year	Exercised during the year	Lapsed/ forfeited during the year	Balance at the end of the year
Class A	27/09/2021	27/09/2024	$0.001	1,325,000	-	(1,325,000)	-	-
Class B	27/09/2021	27/09/2024	$0.001	1,000,000	-	(1,000,000)	-	-
Class 1	12/04/2023	09/01/2024	$0.000	3,000,000	-	-	(3,000,000)	-
Class 2	12/04/2023	09/07/2024	$0.000	7,000,000	-	-	(7,000,000)	-
Class 3	12/04/2023	09/10/2025	$0.000	6,000,000	-	-	(6,000,000)	-
Class 4	12/04/2023	09/01/2028	$0.000	2,000,000	-	-	(2,000,000)	-
Block 1 T1	29/05/2024	29/05/2026	$0.000	-	7,719,886	-	-	7,719,886
Block 1 T2	29/05/2024	29/05/2026	$0.000	-	7,719,884	-	-	7,719,884
Block 1 T3	29/05/2024	29/05/2027	$0.000	-	7,719,884	-	-	7,719,884
Block 2A T1	10/04/2024	10/04/2026	$0.000	-	3,685,468	-	-	3,685,468
Block 2A T2	10/04/2024	10/04/2026	$0.000	-	3,685,468	-	-	3,685,468
Block 2A T3	10/04/2024	10/04/2027	$0.000	-	3,685,468	-	-	3,685,468
Block 2B T1	10/04/2024	10/04/2026	$0.000	-	540,535	-	-	540,535
Block 2B T2	10/04/2024	10/04/2027	$0.000	-	540,535	-	-	540,535
Block 2B T3	10/04/2024	10/04/2028	$0.000	-	540,535	-	-	540,535
				20,325,000	35,837,663	(2,325,000)	(18,000,000)	35,837,663

At 30 June 2023 the following performance rights were on issue, the rights are fully vested:

Options	Issue Date	Date of Expiry	Exercise Price	Balance at the start of the year	Granted during the year	Exercised during the year	Expired during the year	Balance at the end of the year
Class A	27/09/2021	27/09/2024	$0.001	9,225,000	-	(7,900,000)	-	1,325,000
Class B	27/09/2021	27/09/2024	$0.001	4,000,000	-	(3,000,000)	-	1,000,000
Class 1	12/04/2023	09/01/2024	$0.000	-	3,000,000	-	-	3,000,000
Class 2	12/04/2023	09/07/2024	$0.000	-	7,000,000	-	-	7,000,000
Class 3	12/04/2023	09/10/2025	$0.000	-	6,000,000	-	-	6,000,000
Class 4	12/04/2023	09/01/2028	$0.000	-	2,000,000	-	-	2,000,000
				13,225,000	18,000,000	(10,900,000)	-	20,325,000

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NOTE 23: SHARE-BASED PAYMENTS (continued)

Performance conditions of the performance rights:

Class	Number of Performance Rights	Vesting Condition	Performance Period
Class 1	3,000,000	Upon the Company entering into a binding offtake arrangement. The binding offtake arrangement must be of a value that is satisfactory to third party financiers for funding purposes. The Binding Offtake is for a >98% grade V_2O_5 flake product in respect to the Steelpoortdrift Vanadium Project	Within 12 months from 9 January 2023
Class 2	7,000,000	Upon the Company entering into binding funding arrangements comprising of debt, equity or hybrid for 100% of the total funding requirements for the construction of Steelpoortdrift Vanadium Project	Within 18 months from 9 January 2023
Class 3	6,000,000	Upon draw down under the funding arrangements for the completion of construction of Steelpoortdrift Vanadium Project and Employer achieving first commercial production at the Steelpoortdrift Vanadium Project	Within 33 months from the date on which Class 2 Milestone is satisfied
Class 4	2,000,000	Upon the Company achieving nameplate production of 13k tonnes per annum for a >98% grade V_2O_5 flake (on a monthly equivalent basis) at the Steelpoortdrift Vanadium Project	Within 60 months from 9 January 2023
Block 1 (tranche 1)	7,719,886	Minimum of one year service and 30-day volume weighted average price of the shares of the Company is greater than 15 cents.	Within 24 months from 29 May 2024
Block 1 (tranche 2)	7,719,884	Upon the Company announcing the Final Investment Decision ("FID") for the Steelportdrift and Tweefontein vanadium project (the "Project").	Within 24 months from 29 May 2024
Block 1 (tranche 3)	7,719,884	Upon the Company achieving first commercial production from the Project.	Within 36 months from 29 May 2024

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NOTE 23: SHARE-BASED PAYMENTS (continued)

Class	Number of Performance Rights	Vesting Condition	Performance Period
Block 2A (tranche 1)	3,685,468	Minimum of one year service and 30-day volume weighted average price of the shares of the Company is greater than 15 cents.	Within 24 months from 10 April 2024
Block 2A (tranche 2)	3,685,468	Upon the Company announcing the Final Investment Decision ("FID") for the Steelportdrift and Tweefontein vanadium project (the "Project").	Within 24 months from 10 April 2024
Block 2A (tranche 3)	3,685,468	Upon the Company achieving first commercial production from the Project.	Within 36 months from 10 April 2024
Block 2B (tranche 1)	540,535	Minimum of one year service and 30-day volume weighted average price of the shares of the Company is greater than 15 cents.	Within 24 months from 10 April 2024
Block 2B (tranche 2)	540,535	Minimum of one year service and 30-day volume weighted average price of the shares of the Company is greater than 20 cents.	Within 36 months from 10 April 2024
Block 2B (tranche 3)	540,535	Minimum of one year service and 30-day volume weighted average price of the shares of the Company is greater than 25 cents.	Within 48 months from 10 April 2024

Below are the performance rights granted during the financial year. The Trinomial Valuation Model was used to determine the estimated fair value of those performance rights.

Grant date	Expiry date	Exercise price ($)	Spot price ($)	Fair value ($)	Volatility	Dividend yield	Risk-free interest rate	Number of rights issued
10 April 2024	10 April 2026	Nil	0.0450	0.0160	90.93%	Nil	3.51%	3,685,468
10 April 2024	10 April 2026	Nil	0.0450	0.0450	90.93%	Nil	3.51%	3,685,468
10 April 2024	10 April 2027	Nil	0.0450	0.0450	90.93%	Nil	3.44%	3,685,468
10 April 2024	10 April 2026	Nil	0.0450	0.0160	84.61%	Nil	2.74%	540,535
10 April 2024	10 April 2027	Nil	0.0450	0.0150	84.61%	Nil	2.74%	540,535
10 April 2024	10 April 2028	Nil	0.0450	0.0150	84.61%	Nil	2.82%	540,535
29 May 2024	29 May 2026	Nil	0.0580	0.0280	84.61%	Nil	2.74%	7,719,886
29 May 2024	29 May 2026	Nil	0.0580	0.0580	84.61%	Nil	2.82%	7,719,884
29 May 2024	29 May 2027	Nil	0.0580	0.0580	84.61%	Nil	2.82%	7,719,884
								35,837,663

NOTE 24: CONTINGENCIES AND COMMITMENTS

As required by the Minerals and Petroleum Resources Development Act (South Africa), a guarantee amounting to R5,000,000 (2023: R5,000,000) before tax was issued in favour of the DMRE for the unscheduled closure of the Vanadium Resources (Pty) Ltd. This guarantee was issued on condition that a portion be deposited in cash with Centriq Insurance Company Ltd with restricted use by the Group. The restricted cash consists of A$66,257 (equivalent of R803,176) held by Centriq Insurance Company.

NOTE 25: AUDITOR'S REMUNERATION

Figure in A$	2024	2023
Amounts received or due and receivable by RSM Australia Partners for:		
Audit and review of the annual and half-year financial report	52,300	44,000
Amounts received or due and receivable by RSM member firms for:		
Audit of the financial statements	32,557	-
	84,857	44,000

NOTE 26: INVESTMENT IN CONTROLLED ENTITIES

Entity	Principal Activities	Country of Incorporation	Ownership interest 2024	Ownership interest 2023
Steelpoort Pty Ltd	Dormant	Australia	100.00%	100.00%
VMS Resources Pty Ltd	Exploration	Australia	100.00%	100.00%
Tweefontein Vanadium (Pty) Ltd	Dormant	South Africa	100.00%	-
Vanadium Resources (Pty) Ltd	Exploration	South Africa	86.49%	73.95%

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the Group are set out below:

Figure in A$	2024	2023
Summarised statement of financial position		
Non-current assets	6,121,943	4,261,995
Current assets	417,080	110,407
Total assets	6,539,023	4,372,402
Non- current liabilities	8,587,220	6,290,245
Current liabilities	105,799	35,266
Total liabilities	8,693,019	6,325,511
Net liabilities	(2,153,996)	(1,953,109)
Summarised statement of profit or loss and other comprehensive income		
Revenue	96,861	29,877
Expenses	(297,748)	(180,210)
Loss before income tax	(200,887)	(150,333)
Income tax expense	-	-
Loss after income tax	(200,887)	(150,333)
Other comprehensive loss	-	-
Total comprehensive loss	(200,887)	(150,333)
Statement of cash flows		
Net cash used in operating activities	83,035	(483,274)
0Net cash used in investing activities	(2,428,328)	(1,312,019)
Net cash used in financing activities	2,600,643	1,335,207
Net decrease in cash and cash equivalents	255,350	(460,086)

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NOTE 27: PARENT ENTITY

	2024 $	2023 $
Assets		
Current assets	1,651,076	6,043,150
Non-current assets	24,884,667	21,238,939
Total assets	26,535,743	27,282,089
Liabilities		
Current liabilities	(343,019)	(321,569)
Total liabilities	(343,019)	(321,569)
Equity		
Contributed equity	38,076,126	37,055,457
Reserves	449,920	498,434
Accumulated losses	(12,333,322)	(10,593,371)
Total equity	26,192,724	26,960,520
Loss for the year	(1,739,951)	(1,581,622)
Total comprehensive loss	(1,739,951)	(1,581,622)

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2024 and 30 June 2023.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2024 and 30 June 2023.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated group, as disclosed in note 1, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTE 28: EVENTS AFTER THE REPORTING DATE

On 8 August 2024, the Company announced that the WULA for the Steelpoortdrift Mine and Concentrator site had been approved and that the DWS has granted the Water Use Licence.

On 13 September 2024, the Company announced a Project Update which stated that a comprehensive internal review of the DFS had shown that significant efficiencies could be achieved at the concentrator and SRL plants through plant modifications and by locating both plants at one location. These modifications are anticipated to generate operational efficiencies and reduce operating costs and repositioning of the SRL plant to Steelpoortdrift is also anticipated to reduce operating costs, improve pre-production CAPEX and streamline operations.

The update further stated that strategic equity and debt funding would be sought first for the concentrator, followed by funding for the SRL plant. The mine and concentrator construction is anticipated to begin in Q3 CY2025, enabling early concentrate production and accelerating operating cashflow, with SRL plant construction starting after Q1 CY2026.

Consolidation of both plants at Steelpoortdrift has received unequivocal support from the local communities.

NOTE 28: EVENTS AFTER THE REPORTING DATE (continued)

Following the Financial Year end, on 16 September 2024, the Company announced the signing of a partly-binding Memorandum of Understanding with China Energy International Group Co. Limited ("**CEIG**") for the potential supply by CEIG of Engineering, Procurement & Construction services and assistance for Financing ("**EPC-F**") to VR8 for the development of the Project, including a Solar Plant and all other associated services.

CEIG is a subsidiary of China Energy Engineering Corporation ("**CEEC**"), a large, central level Chinese State-Owned Enterprise and energy conglomerate. CEEC mainly constructs hydropower stations, power plants, and other infrastructure, offers services worldwide and is one of the largest comprehensive solutions providers for the global power industry. CEIG is a world-class provider of EPC and renewable energy solutions with a strong presence in South Africa. CEIG is currently developing the Mooi Plaats 283MWdc PV power plant, which is expected to be the largest in the country.

The MOU is expected to strengthen the relationship between the parties, paving the way for additional value-add opportunities in the energy sector that could potentially transform the Company into a vertically integrated vanadium producer.

Other than the above, there has been no other matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT AS AT 30 JUNE 2024

Set out below is the relevant information relating to entities that are consolidated in the consolidated financial statement at the end of the financial year as required by the *Corporation Act 2001*.

Entity Name	Entity Type	Country of Incorporation	Ownership interest %	Tax residency	Jurisdiction for Foreign tax resident
Steelpoort Pty Ltd	Body Corporate	Australia	100%	Australia	N/A
VMS Resources Pty Ltd	Body Corporate	Australia	100%	Australia	N/A
Tweefontein Vanadium (Pty) Ltd	Body Corporate	South Africa	100%	Foreign	South Africa
Vanadium Resources (Pty) Ltd	Body Corporate	South Africa	86.49%	Foreign	South Africa

Vanadium Resources Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

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DIRECTORS' DECLARATION FOR THE YEAR ENDED 30 JUNE 2024

In the Directors' opinion:

1. The consolidated financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:

    a) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    b) giving a true and fair view of the consolidated group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. This declaration has been made after receiving the declaration required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2024.

4. The information disclosed in the attached consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

John Ciganek
Managing Director
25 September 2024

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INDEPENDENT AUDITOR'S REPORT

To the Members of Vanadium Resources Limited

Opinion

We have audited the financial report of Vanadium Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and
(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (*including independence standards*) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1, which indicates that the Group incurred a net loss of $2,010,095 and had net cash outflows from operating and investing activities of $1,592,695 and $2,199,429 for the year ended 30 June 2024. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Assets - Refer to Note 10 in the financial statements	
The Group has capitalised exploration and evaluation assets with a carrying value of $28,125,194 as at 30 June 2024. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resource,* the Group is required to assess at each reporting date if there are any triggers for impairment which may suggest the carrying value exceeds the recoverable value. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including: • Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; • Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and • Assessing whether any indicators of impairment are present, and if so, judgments applied to determine and quantify any impairment loss.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Obtaining evidence that the Group has valid rights to explore in the specific area of interest; • Testing, on a sample basis, additions to exploration and evaluation assets to supporting documentation; • Assessing and evaluating management's assessment that no indicators of impairment existed at the reporting date; • Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of an economically recoverable mineral reserve may be assessed; • Assessing management's accounting determination of the consideration paid in relation to the Group increases its ownership interest in exploration and evaluation assets in accordance with Australian Accounting Standards; • Enquiring with management and reading budgets and other supporting documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future; and • Assessing the appropriateness of the related financial statements disclosure.

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Key Audit Matter	How our audit addressed this matter
Share-based payments - Refer to Note 23 in the financial statements	
During the year, the Group issued performance rights and options to key management personnel, advisors, and employees. Management has accounted for these instruments in accordance with AASB 2 *Share-Based Payment*. We considered this to be a key audit matter due to: • The complexity of the accounting required to determine the grant date fair value of these instruments; and • The estimates and judgements applied to inputs of valuation models, including the likelihood of vesting conditions being met, and the appropriate valuation methodology to apply.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Reading the terms and conditions of the instruments issued; • Obtaining the valuation models prepared by management and assessing whether the models were appropriate for valuing the performance rights and options granted during the year; • Challenging the reasonableness of key assumptions used by management to value the performance rights and options, including assessing vesting conditions and agreeing key inputs to supporting documentation; • Recalculating the value of the share-based payment expense recognised; and • Assessing the appropriateness of the related financial statements disclosure.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Vanadium Resources Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM AUSTRALIA

AIK KONG TING
Partner

Perth, WA
Dated: 25 September 2024

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ASX ADDITIONAL INFORMATION FOR THE YEAR ENDED 30 JUNE 2024

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 16 September 2024.

CORPORATE GOVERNANCE

The Company's Corporate Governance Statement is contained in the Company's Annual Report 2024.

ORDINARY SHARE CAPITAL

562,625,204 fully paid ordinary shares are held by 1,610 individual holders.

VOTING RIGHTS

Subject to the ASX Listing Rules, the Company's constitution and any special rights or restrictions attached to a share, at a meeting of shareholders, voting rights attached to each class of equity security are as follows:

- **Ordinary shares:** On a show of hands each shareholder present at a meeting of shareholders in person or by proxy shall have one vote and, on a poll, has one vote for each fully paid share held.
- **Unlisted Options:** Unlisted Options do not carry any voting rights.
- **Performance Rights:** Performance Rights do not carry any voting rights.

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Twenty Largest Shareholders

Rank	Name	Holding	%
1	MATRIX RESOURCES (ZHEJIANG) CO LTD	53,763,800	9.56%
2	DANTERNE PTY LTD	45,721,437	8.13%
3	RAUBEX PTY LTD	44,230,769	7.86%
4	ROMFAL SIFAT PTY LTD <THE FIZMAIL FAMILY A/C>	21,200,000	3.77%
5	CITICORP NOMINEES PTY LIMITED	19,647,194	3.49%
6	CELSIUS NOMINEES PTY LTD <SAM HAMMOND FAMILY A/C>	14,915,815	2.65%
7	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	14,122,813	2.51%
8	OBEEC (PTY) LTD	14,031,220	2.49%
9	DAVY CORP PTY LTD <DAVY INVESTMENT A/C>	13,599,394	2.42%
10	RIMOYNE PTY LTD	9,854,000	1.75%
11	MATHPIN (PTY) LTD	8,092,810	1.44%
12	TOMARNIC LIMITED	7,948,325	1.41%
13	RUSSELL BROOKS LIMITED	14,083,325	2.50%
14	TOMARNIC LIMITED	6,499,999	1.16%
15	ABSALOM LIMITED	6,496,226	1.15%
16	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	5,805,978	1.03%
17	BNP PARIBAS NOMS PTY LTD	5,309,822	0.94%
18	FAHEY SERVICES PTY LTD <THE FAHEY SERVICES A/C>	4,350,000	0.77%
19	MR ERIC ANTHONY FREDERICK BENNIK	4,283,584	0.76%
20	MS ELAINE YOUNG FORTMANN	4,100,000	0.73%
Total top 20 holders of fully paid ordinary shares		**318,056,511**	**56.52%**
Total issued capital		**562,625,204**	**100.00%**

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SUBSTANTIAL SHAREHOLDERS

The names of Vanadium Resources Limited's substantial holders and number of shares in which each has a relevant interest, as disclosed in substantial holding notices received by Vanadium Resources Limited, are listed below:

Holder Name	Holding Balance	% IC
MATRIX RESOURCES	53,763,800	9.99%
DANTERNE PTY LTD	45,721,437	8.50%
RAUBEX PTY LTD	44,230,769	8.22%
FALDI ISMAIL & ASSOCIATES	28,100,000	5.02%

DISTRIBUTION OF SHARES

A distribution schedule of the number of holders of shares is set out below.

		Fully Paid Ordinary Shares	
Range	No. Holders	Total Units	%
above 0 up to and including 1,000	64	6,765	0.00%
above 1,000 up to and including 5,000	71	282,063	0.05%
above 5,000 up to and including 10,000	239	1,992,045	0.35%
above 10,000 up to and including 100,000	820	33,525,576	5.96%
above 100,000	416	526,818,755	93.64%
Totals	**1,610**	**562,625,204**	**100.00%**

RESTRICTED SECURITIES

As at 16 September 2024 there were 17,699,224 ordinary fully paid shares escrowed until 12 December 2024.

UNQUOTED SECURITIES AND DISTRIBUTION

As at 16 September 2024 the Company has on issue 3,000,000 Unlisted Options expiring 18/10/2024 – 4 holders.

		Unlisted Options	
Range	No. Holders	Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	4	3,000,000	100.00%
Total	**4**	**3,000,000[1]**	**100.00%**

[1] Romfal Sifat <The Fizmail Family A/C>, Godin Corp Pty Ltd <Seven A/C>, Arkyn Pty Ltd <Kovani A/C> and Benito Toscana Pty Ltd <Benito A/C> each hold 25% in this class.

As at 16 September 2024 the Company has on issue 3,685,468 Performance Rights – ESIP T1 A expiring 10/04/2026 – 6 holder.

		Performance Rights – ESIP T1 A	
Range	No. Holders	Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	6	3,685,468	100.00%
Total	**6**	**3,685,468**	**100.00%**

[2] Erich Alexander Oehmen and Timothy David Feather each hold 26.67% in this class.

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UNQUOTED SECURITIES AND DISTRIBUTION (continued)

As at 16 September 2024 the Company has on issue 3,685,468 Performance Rights – ESIP T2 A expiring 10/04/2026 – 6 holder.

Range	No. Holders	Performance Rights – ESIP T2 A Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	6	3,685,468	100.00%
Total	**6**	**3,685,468[3]**	**100.00%**

[3] Erich Alexander Oehmen and Timothy David Feather each hold 26.67% in this class.

As at 16 September 2024 the Company has on issue 3,685,468 Performance Rights – ESIP T3 A expiring 36 months after proposed Financial Investment Decision announcement date – 6 holder

Range	No. Holders	Performance Rights – ESIP T3 A Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	6	3,685,468	100.00%
Total	**6**	**3,685,468[4]**	**100.00%**

[4] Erich Alexander Oehmen and Timothy David Feather each hold 26.67% in this class.

As at 16 September 2024 the Company has on issue 540,535 Performance Rights – ESIP T1 B expiring 10/04/2026 – 4 holder

Range	No. Holders	Performance Rights – ESIP T1 B Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	3	294,837	54.55%
100,001 and Over	1	245,698	45.45%
Total	**4**	**540,535[5]**	**100.00%**

[5] Daniel Jacobus Ellis holds 45.45% in this class.

As at 16 September 2024 the Company has on issue 540,535 Performance Rights – ESIP T2 B expiring 10/04/2027 – 4 holder

Range	No. Holders	Performance Rights – ESIP T2 B Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	3	294,837	54.55%
100,001 and Over	1	245,698	45.45%
Total	**4**	**540,535[6]**	**100.00%**

[6] Daniel Jacobus Ellis holds 45.45% in this class.

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As at 16 September 2024 the Company has on issue 540,535 Performance Rights – ESIP T3 B expiring 10/06/2028 – 4 holders

		Performance Rights – ESIP T3 B	
Range	**No. Holders**	**Total Units**	**%**
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	3	294,837	54.55%
100,001 and Over	1	245,698	45.45%
Total	**4**	**540,535[7]**	**100.00%**

[7] Daniel Jacobus Ellis holds 45.45% in this class.

As at 16 September 2024 the Company has on issue 7,719,886 Performance Rights – ESIP T1 expiring 19/06/2026 – 3 holders

		Performance Rights – ESIP T1	
Range	**No. Holders**	**Total Units**	**%**
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	3	7,719,886	100.00%
Total	**3**	**7,719,886[8]**	**100.00%**

[8] John Ciganek <Ciganek Family A/C> holds 45.45% in this class

As at 16 September 2024 the Company has on issue 7,719,886 Performance Rights – ESIP T2 expiring 19/06/2024 – 3 holders

		Performance Rights – ESIP T2	
Range	**No. Holders**	**Total Units**	**%**
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	3	7,719,886	100.00%
Total	**3**	**7,719,886[8]**	**100.00%**

[8] John Ciganek <Ciganek Family A/C> holds 45.45% in this class

As at 16 September 2024 the Company has on issue 7,719,886 Performance Rights – ESIP T3 expiring 36 months after proposed Financial Investment Decision announcement date – 3 holders

		Performance Rights – ESIP T3	
Range	**No. Holders**	**Total Units**	**%**
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	3	7,719,886	100.00%
Total	**3**	**7,719,886[8]**	**100.00%**

[8] John Ciganek <Ciganek Family A/C> holds 45.45% in this

UNMARKETABLE PARCELS

Holdings of less than a marketable parcel of ordinary shares:

Holders: 406

ON-MARKET BUY BACK

There is currently no on-market buy-back program.

SCHEDULE OF TENEMENTS

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%

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Introduction

Vanadium Resources Limited (ABN 47 618 307 887) **(Company)** has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company refers to the recommended corporate governance practices for ASX listed entities set out in the ASX Corporate Governance Council Principles and Recommendations **(4th Edition) (Principles and Recommendations).** During the period 1 July 2023 to 30 June 2024 **(Reporting Period)**, the Company's governance framework was consistent with reference to the 4th edition of the Principles and Recommendations.

This Corporate Governance Statement discloses the extent to which the Company followed the recommendations set out in the Principles and Recommendations **(Recommendations)** for the Reporting Period. The Recommendations are not mandatory, however, the Recommendations not followed have been identified and reasons have been provided for not following them along with what (if any) alternative governance practices the Company adopted in lieu of the recommendation.

The information in the statement is current at 25 September 2024 and was approved by a resolution of the Board on 25 September 2024.

Corporate governance policies and procedures

The Company has adopted the following suite of corporate governance policies and procedures (together, the Corporate Governance Plan):

Corporate Governance

- Statement of Values
- Board Charter
- Corporate Code of Conduct
- Audit and Risk Committee Charter
- Remuneration Committee Charter
- Nomination Committee Charter
- Performance Evaluation Policy
- Continuous Disclosure Policy
- Risk Management Policy
- Trading Policy
- Diversity Policy
- Anti-Bribery and Corruption Policy
- Shareholder Communication Strategy
- Whistleblower Policy
- Annexure A – Definition of independence
- Annexure B – Procedure for the selection, appointment and rotation of external auditor

The Company's Corporate Governance Plan is available on the Company's website at https://vr8.global/corporate-governance

Recommendations	Comply	Explanation
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which: (a) sets out the respective roles and responsibilities of the board, the chair and management; and (b) includes a description of those matters expressly reserved to the board and those delegated to management.	Yes	The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management, and has documented this in its Board Charter, which is disclosed on the Company's website.
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	Yes	(a) The Board undertakes appropriate checks before appointing a person, these checks were undertaken for all Directors appointed during the Reporting Period or putting forward to shareholders a candidate for election as a director and provides shareholders with all material information in its possession relevant to a decision on whether to elect or re-elect a director. The checks that are undertaken are set out in the Nomination Committee Charter. (b) The Company provided all material information to Shareholders in relation to: - the re-election of Jurie Wessels at the annual general meeting held 14 November 2023
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	Yes	The Company has a written agreement with each of its Directors and Senior Executive. The Nomination Committee Charter outlines the requirement to have a written agreement with each Director and senior executive of the Company which sets out the terms of that Director's or senior executive's appointment.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	Yes	The Board Charter outlines the roles, responsibility and accountability of the Company Secretary. The Company Secretary was during the reporting period accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board.
Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary or it; and (c) disclose as at the end of each reporting period: (i) the measurable objectives for achieving gender diversity set by the	No	The Company has a Diversity Policy, which is disclosed on the Company's website. The Diversity Policy does not include requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. The Board has not set measurable objectives for achieving gender diversity. Given the Company's stage of development and the number of employees, the Board considers it is not practical to set measurable objectives for achieving gender diversity at this time. The respective proportions of men and women on the Board, in senior executive positions and across the whole

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Recommendations	Comply	Explanation
board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation including how the entity has defined "senior executive" for these purposes); or (B) if the entity is a "relevant employer" under the Workplace Gender Equality Act, the entity's most recent "Gender Equality Indicators", as defined in and published under the Workplace Gender Equality Act.		organisations are set out in the following table. Senior executives for these purposes means those person who report directly to the chief executive officer (or equivalent):

	Male	Female	Total
Board of Vanadium	3	-	3
Senior executives (Company Secretary)	1	1	2
Total	**4**	**1**	**4**

Recommendations	Comply	Explanation
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	Yes	(a) The Company's Nomination Committee (or, in its absence, the Board) is responsible for evaluating the performance of the Board, its committees and individual Directors on an annual basis. It may do so with the aid of an independent advisor. The process for this is set out in the Company's Corporate Governance Plan, which is available on the Company's website. (b) The Company's Corporate Governance Plan requires the Company to disclose whether or not performance evaluations were conducted during the relevant reporting period. The Company intends to complete performance evaluations in respect of the Board, its committees (if any) and individual Directors for each financial year in accordance with the above process. A performance evaluation of the Board or individual Directors was conducted during the Reporting Period.
Recommendation 1.7 A listed entity should: (a) have and disclose a process evaluating the performance of its senior executives at least once every reporting period; and (b) disclose for each reporting period, whether a performance evaluation has been undertaken in accordance with that process during or in respect of that period.	Yes	Performance evaluation for senior executives were undertaken during the Reporting Period.

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Recommendations	Comply	Explanation
Principle 2: Structure the board to be effective and add value		
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.	Yes	(a) The Company did not have a separate Nomination Committee. The Company's Nomination Committee Charter provides for the creation of a Nomination Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom are independent Directors, and which must be chaired by an independent Director. (b) The Company does not have a Nomination Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Nomination Committee under the Nomination Committee Charter, including the following processes to address succession issues and to ensure the Board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively: (i) devoting time at least annually to discuss Board succession matters and updating the Company's Board skills matrix; and (ii) all Board members being involved in the Company's nomination process to the maximum extent permitted under the Corporations Act and ASX Listing Rules Details of director attendance at meetings of the full Board, during the reporting period, are set out in a table in the Directors' Report in the Company's 2024 Annual Report.
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	Yes	Under the Nomination Committee Charter (in the Company's Corporate Governance Plan), the Nomination Committee (or, in its absence, the Board) is required to prepare a Board skill matrix setting out the mix of skills and diversity that the Board currently has (or is looking to achieve) and to review this at least annually against the Company's Board skills matrix to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. The Board has identified the appropriate mix of skills and diversity required of its members to operate efficiently and effectively. The Company's Board Skills Matrix can be found at Appendix 1.

Recommendations	Comply	Explanation
Recommendation 2.3 **A listed entity should disclose:** (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the ASX Corporate Governance Principles and Recommendation (4th Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director	Yes	The board considered the independence of Directors with regards to factors set out in Box 2.3 of the ASX Principle and Recommendations. During the Reporting Period the Company had one independent directors Mr Michael Davy. Names of Directors during the Reporting Period and their length of service up to the date of this statement, or their resignation date is noted below: **Name** — **Length of Service** Mr Jurie Wessels (Chairman) — 5 years and 1 month[16] Mr Michael Davy — 4 year and 9 months[17] Mr John Ciganek — 3 year and 8 months [18]
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	No	The Company's Board Charter requires that, where practical, the majority of the Board should be independent. The Board recognises the importance of the appropriate balance between independent and non-independent representation on the Board. However, the Board considered that a Board weighted towards industry and technical experience is appropriate at the stage of the Company's development. As the Company's operations progress, the Board will review the composition of the Board, including independence of its directors.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	No	The Board Charter provides that, where practical, the Chair of the Board should be an independent Director and should not be the CEO/Managing Director. The Executive Chair of the Company, Mr Jurie Wessels is not the CEO/Managing Director; however, the Chair is not considered independent due to his significant shareholding and Executive role.
Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	Yes	In accordance with the Company's Board Charter, the Nominations Committee (or, in its absence, the Board) is responsible for the approval and review of induction and continuing professional development programs and procedures for Directors to ensure that they can effectively discharge their responsibilities. The Company Secretary is responsible for facilitating inductions and professional development.

[16] At the date of this statement
[17] At the date of this statement
[18] At the date of this statement

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Recommendations	Comply	Explanation
Principle 3: Instil a culture of acting lawfully, ethically and responsibly		
Recommendation 3.1 A listed entity should articulate and disclose its values.	Yes	The Statement of Values is contained within the Corporate Governance plan available on the Company website.
Recommendation 3.2 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) ensure that the board or a committee of the Board is informed of any material breaches of that code	Yes	The Company's Corporate Code of Conduct applies to the Company's Directors, senior executives and employees. The Company's Corporate Code of Conduct (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and (b) ensure that the board or a committee of the Board is informed of any material incidents reported under that policy.	Yes	The Company's Whistleblower Policy (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and (b) ensure that the board or a committee of the Board is informed of any material incidents reported under that policy.	Yes	The Company's Anti-bribery and Corruption Policy (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.

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Recommendations	Comply	Explanation
Principle 4: Safeguard the integrity of corporate reports		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	Yes	The Company did not have an Audit and Risk Committee. Given the current size and composition of the Board, the Board believes that there would be no efficiencies gained by establishing a separate Audit and Risk Committee. Accordingly, the Board performs the role of the Audit and Risk Committee. Although the Board does not have a separate Audit and Risk Committee, it had adopted an Audit and Risk Committee Charter, which is disclosed on the Company's website. During the Reporting Period, items that are usually required to be discussed by an Audit and Risk Committee are marked as separate agenda items at Board meetings when required, and when the Board convened to address matters as the Audit and Risk Committee it carried out the functions which are delegated to it in the Company's Audit and Risk Committee Charter. The Board deals with any conflicts of interest that occur when it performs the functions of an Audit and Risk, Committee by ensuring that any Director with a conflicting interest is not party to the relevant discussions. During the Reporting Period, the Board was responsible for the reviewing the suitability of the appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. The performance of the external auditor was reviewed on an annual basis by the Board. There were no changes to the external auditor during the reporting period. The Company has an established Procedure for the Selection, Appointment and Rotation of its External Auditor, which is an annexure to the Corporate Governance Plan. Details of director attendance at meetings of the full Board, during the reporting period, are set out in a table in the Directors' Report of the Company 2024 Annual Report.

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Recommendations	Comply	Explanation
Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	Yes	The Board received a signed declaration from the CFO and CEO in accordance with Recommendation 4.2 and Section 295A of the Corporations Act 2001 prior to the approval of the Company's financial statements.
Recommendation 4.3 A listed entity should disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.	Yes	The Company is committed to providing clear, concise and accurate reports so investors can make informed decisions. Prior to lodgement with ASX quarterly cash flow reports are subject to robust preparation and review. A declaration is then provided by the CFO and CEO to the Board noting compliance with section 286 of the Corporations Act 2001, the appropriate accounting standards and with listing Rule 19.11A.
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under the Listing Rules 3.1.	Yes	The Company has adopted a Continuous Disclosure Policy which sets out the processes the Company follows to comply with its continuous disclosure obligations under the ASX Listing Rules and other relevant legislation. The Company's Continuous Disclosure Policy (which forms part of the Company's Corporate Governance Plan) is available on the Company's website.
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	Yes	The Board receives copies of all martial market announcements after they have been released on the ASX.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation	Yes	The Company announces presentations on the Company website. Information that is contained in presentations is consistent with information that has been pre released on the ASX announcement platform.
Principle 6: Respect the rights of security holders		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	Yes	Information about the Company and its governance practices are available on its website https://www.vr8.global/corporate-governance

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Recommendations	Comply	Explanation
Recommendation 6.2 A listed entity should have an investor relations program to facilitates effective two-way communication with investors.	Yes	The Company has adopted a Shareholder Communications Strategy which aims to promote and facilitate effective two-way communication with investors. The Strategy outlines a range of ways in which information is communicated to shareholders and is available on the Company's website as part of the Company's Corporate Governance Plan.
Recommendation 6.3 A listed entity should disclose how it facilitates and encourages participation at meetings of security holders.	Yes	Shareholders are encouraged to participate at all general meetings and AGMs of the Company. Upon the despatch of any notice of meeting to Shareholders, the notice material states that all Shareholders are encouraged to participate at the meeting.
Recommendation 6.4 A listed entity should ensure that all substantive resolutions at a meeting of security holders are decided by a poll rather than by a show of hands.	Yes	The Shareholder Communication Strategy provides that security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	Yes	Security holders can register with the Company to receive email notifications when an announcement is made by the Company to the ASX, including the release of the Annual Report, half yearly reports and quarterly reports. Links are made available to the Company's website on which all information provided to the ASX is immediately posted.
Principle 7: Recognise and manage risk		
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	Yes	The Company did not have a separate Risk Committee. Please refer to disclosure in relation to Recommendation 4.1 above.

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Recommendations	Comply	Explanation
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework at least annually to satisfy itself that it continues to be sound, and that the entity is operating with due regard to the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	Yes	The Audit and Risk Committee Charter requires that the Audit and Risk Committee (or, in its absence, the Board) should, at least annually, satisfy itself that the Company's risk management framework continues to be sound. The Board continues to review the risk profile of the Company and monitors risk throughout the year.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	Yes	The Company does not have an internal audit function. The Audit and Risk Committee Charter provides for the Audit and Risk Committee to monitor the need for an internal audit function. As set out in Recommendation 7.1, the Board is responsible for overseeing the establishment and implementation of effective risk management and internal control systems to manage the Company's material business risks and for reviewing and monitoring the Company's application of those systems. The Board devotes time formally at Board meetings and informerly through regular communication to fulfilling the roles and responsibilities associated with overseeing risk and maintaining the entity's risk management framework and associated internal compliance and control procedures.
Recommendation 7.4 A listed entity should disclose whether, it has material exposure to environmental or social risks and, if it does, how it manages or intends to manage those risks.	Yes	The Audit and Risk Committee Charter requires the Audit and Risk Committee (or, in its absence, the Board) to assist management determine whether the Company has any material exposure to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks. The Company is currently exposed to minimal environmental and social risks due to its present size and magnitude of operations.

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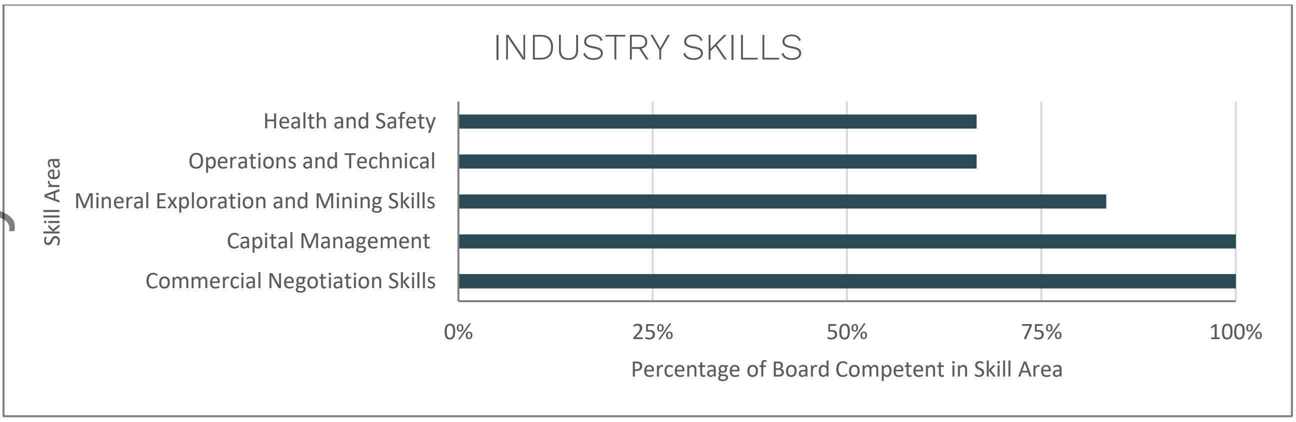
Recommendations	Comply	Explanation
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	Yes	The Company does not have a Remuneration Committee. The Company's Corporate Governance Plan contains a Remuneration Committee Charter that provides for the creation of a Remuneration Committee (if it is considered it will benefit the Company), with at least three members, a majority of whom must be independent Directors, and which must be chaired by an independent Director. The Company does not have a Remuneration Committee as the Board considers the Company will not currently benefit from its establishment. In accordance with the Company's Board Charter, the Board carries out the duties that would ordinarily be carried out by the Remuneration Committee under the Remuneration Committee Charter including the following processes to set the level and composition of remuneration for Directors and senior executives and ensuring that such remuneration is appropriate and not excessive: The Board devotes time at Board meetings to assess the level and composition of remuneration for Directors and senior executives as necessary when there are changes to Company, Director or executives' circumstances which indicate the level and/or composition of remuneration may require amendement to achive consistency with the revised circumstance.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives.	Yes	The Company's Corporate Governance Plan requires the Board to disclose its policies and practices regarding the remuneration of Directors and senior executives. This information is disclosed in the Company's Remuneration Report contained within the Company's Annual Report.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	Yes	The Company maintains a Securities Trading Policy which restricts the permission for employees and directors to enter transactions which limit the economic risks associated with the participation in the Company's equity based incentive scheme.

CORPORATE GOVERNANCE STATEMENT – APPENDIX 1
BOARD SKILLS MATRIX

The Board has identified that the appropriate mix of skills and diversity required of its members to operate effectively and efficiently is achieved by personnel having substantial skills and experience in the following Industry Skills: Health and Safety; Operations and Technical; Mineral Exploration and Mining Skills; Capital Management; and Commercial Negotiation Skills.

The skills and experience of the Board in each of these areas is summarised as follows:



In addition, directors of the Company are expected to be knowledgeable and experienced in the following areas: Legal; Accounting and finance; Information technology; Corporate governance; Risk and compliance oversight; Director duties and responsibilities; Strategic expertise; Commercial experience; Social and sustainability; and Executive management.

The skills and experience of the Board in each of these areas is summarised as follows:

Gaps in the collective skills of the Board are considered regularly by the full Board in its capacity as the Nomination and Remuneration Committee.

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