VULCAN ENERGY

Annual Report

2024

Empowering the European Energy and Mobility Transition

Vulcan's annual reporting suite

Overview

This Annual Report (Report) forms part of the Company's Annual Reporting Suite for the period 1 January 2024 to 31 December 2024. The Annual Reporting Suite includes the Annual Report, Sustainability Report, Group Management Report (Konzernlagebericht) and Corporate Governance Statement. The Annual Report covers Vulcan's operations, including those under exploration and development and those operated through subsidiaries, as well as our strategic approach to sustainability.

The Annual Reporting Suite includes our Sustainability Report for 1 January 2024 to 31 December 2024, developed with reference to industry standards. The Double Materiality Assessment has been conducted with the assistance of global consultancy firm, ERM. The sustainability data provided in this Report has not been externally assured.

Vulcan is dual listed on the Australian Securities Exchange (ASX), and the regulated market of the Frankfurt Stock Exchange (FSE), in the Prime Standard market segment. Consistent with the regulatory and reporting obligations of the FSE, Vulcan's Annual Reporting Suite also includes the Group Management Report (Konzernlagebericht). The Konzernlagebericht has been prepared in accordance with the Deutscher Rechnungslegungs Standard Nr. 20 (DRS 20).

All references to Vulcan Energy Resources, Vulcan, the Company, Vulcan Group, or the Group are in reference to Vulcan Energy Resources Ltd (ABN 38 624 223 132) and its subsidiaries.

All information and references in this Report are related to the full financial year, 1 January 2024 to 31 December 2024, unless otherwise stated. For any questions about Vulcan's approach, please contact info@v-er.eu or visit https://v-er.eu

Currency references

Currency is expressed in Euros (€) unless otherwise stated. An average AUD/EUR exchange rate of 0.61 has been used in the Annual Reporting Suite for the financial year ended 31 December 2024.

Forward looking statement

This Report contains certain forward-looking statements. Often, but not always, forward-looking statements may be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "target", "propose", "anticipate", "continue", "outlook" and "guidance", or other similar words.

By their nature, forward-looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause actual results, performance and achievements to be materially greater or less than estimated, including those generally associated with the lithium industry and/or resources exploration companies. Any such forward-looking statements, opinions and estimates in this Report (including any statements about market and industry trends) are based on assumptions and contingencies, all of which are subject to change without notice, and may ultimately prove to be materially incorrect. Forward-looking statements are provided as a general guide only and should not be relied upon as, and are not, an indication or guarantee of future performance.

Neither Vulcan nor any of its directors, officers, agents, consultants, employees or advisors give any representation or warranty, express or implied, as to the fairness, accuracy, completeness or correctness of the information, opinions, forward-looking statements and conclusions contained in this Report.

Approval

This Report has been approved for release by the Board of Directors.

Contents

We acknowledge the traditional custodians of the land on which Vulcan's Australian office is situated, the Whadjuk-Noongar people. Vulcan recognises their continuing connection to this country and pays respect to elders, past and present. Vulcan operates principally in the Upper Rhine Valley of Germany and France, an area of rich cultural heritage and local peoples. Vulcan cherishes this cultural inheritance and takes all steps necessary to preserve and protect cultural heritage in its operations.

Vulcan's Phase One Lionheart Project

1 *Vulcan's 100% owned Insheim Geothermal Power Plant and wells (operating)*

2 *Geox well site and Lithium Extraction Optimisation Plant*

3 *G-LEP - Option agreement signed to secure site*

4 *Schleidberg - Vulcan's next production well site*

Aerial shot of part of Vulcan's upstream Phase One Project area in the Landau region, including the Natürlich Insheim geothermal renewable energy wells and plant, location of the Lithium Extraction Optimisation Plant (LEOP), commercial Geothermal and Lithium Extraction Plant (G-LEP) and the Schleidberg well site.

About Vulcan

Vulcan is building the world's first carbon neutral, integrated lithium and renewable energy business to decarbonise battery production. Vulcan's Lionheart Project (Project)[1], located in the Upper Rhine Valley Brine Field bordering Germany and France, is the largest lithium resource in Europe[2] and a tier-one lithium project globally.

Harnessing natural heat to produce lithium from sub-surface brines and to power conversion to battery-quality material and using its in-house industry-leading technology VULSORB®, Vulcan is building a local, low-cost source of sustainable lithium for European electric vehicle batteries.

Electric vehicle charging at Natürlich Insheim

ARTIS-Photographie I Uli Deck - Inside the Central Lithium Electrolysis Optimisation Plant (CLEOP) located in the Höchst Chemical Park, Frankfurt, Germany

1 A reference to Project is a reference to Vulcan's Lionheart Project.

2 On a lithium carbonate equivalent (LCE) basis, according to public information, as estimated and reported in accordance with the JORC Code 2012. See Appendix 4 of Vulcan's Equity Raise Presentation dated 11 December 2024 for comparison information.

OUR PURPOSE

We will empower a carbon neutral future

OUR MISSION

Becoming Europe's leading sustainable lithium business and enabling energy security through geothermal energy.

BATTERY-QUALITY LITHIUM	RENEWABLE HEAT	RENEWABLE POWER
TECHNOLOGY		
TEAM A world-leading scientific and commercial team in the fields of lithium and geothermal energy.	**INNOVATION** Adapting existing technologies to efficiently produce lithium from geothermal brine.	**SUPPLY CHAIN** Strategically placed in the heart of the European EV market to decarbonise the supply chain.

Vulcan's Sustainability and ESG Framework

OUR VALUES

CLIMATE CHAMPION

We will pioneer a carbon neutral future.
We stand up for what truly matters.

DETERMINED

We are eager to succeed and determined to shape tomorrow.
We tackle any challenge in front of us.

INSPIRING

We are united in our passion for a better world.
We rise and inspire ourselves and others.

Our location

The Upper Rhine Valley Brine Field (URVBF) is a brine producing geothermal field which contains Europe's largest lithium resource (according to public, JORC-compliant data)[3]. It includes an estimate of 27.7 million tonnes (Mt) of contained lithium carbonate equivalent (LCE)[4].

The URVBF is a large, 300 km-long graben system with consistent geothermal lithium reservoirs in sedimentary rock. It is a well-known mature field with multiple chemical parks and more than 1,000 existing wells.

Vulcan's Phase One Lionheart Project is located within the centre of the URVBF, where Vulcan already has some existing operational geothermal wells, and is adding more to increase production as part of the Phase One development.

In addition to high lithium grades, the URVBF's geothermal brine reservoir is capable of generating renewable heat. The process of pumping brine to the surface at a geothermal plant generates renewable heat which can be used or sold directly or used to produce electricity. Because of its natural conditions, the URVBF is a particularly well-suited location for the operation of geothermal plants.

The location of the Company's dual-purpose geothermal lithium project, in the heart of Europe's automotive and emerging battery industry, gives the Project the potential advantage of a very short product transport distance, as well as the ability to electrify product transportation.

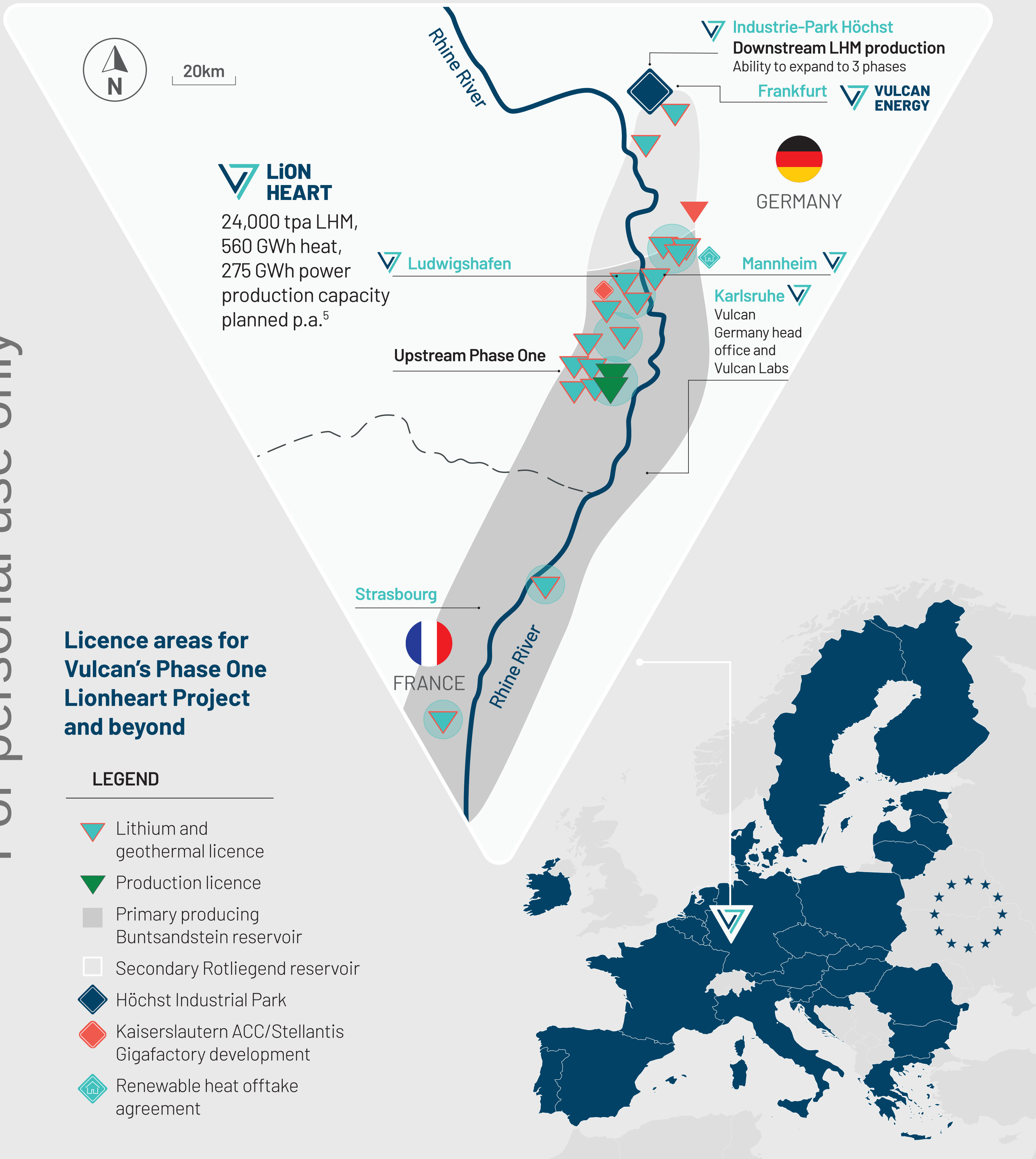
Vulcan holds 17 granted licences in the URVBF, for a total secured licence area of 2,234km^2. This allows Vulcan to grow production in a phased manner.

For more information, please go to https://v-er.eu

Phase One Project area in the Landau region, Germany

[3] On a lithium carbonate equivalent (LCE) basis, according to public information, as estimated and reported in accordance with the JORC Code 2012. See Appendix 4 of Vulcan's Equity Raise Presentation dated 11 December 2024 for comparison information.

[4] Comprising 11.2Mt lithium carbonate equivalent (LCE) of Measured and Indicated Resource and 16.5Mt LCE of Inferred, at a grade of 175mg/l Li.



Licence areas for Vulcan's Phase One Lionheart Project and beyond

LEGEND

- Lithium and geothermal licence
- Production licence
- Primary producing Buntsandstein reservoir
- Secondary Rotliegend reservoir
- Höchst Industrial Park
- Kaiserslautern ACC/Stellantis Gigafactory development
- Renewable heat offtake agreement

Overview map of Vulcan's licence areas in the Upper Rhine Valley Brine Field.

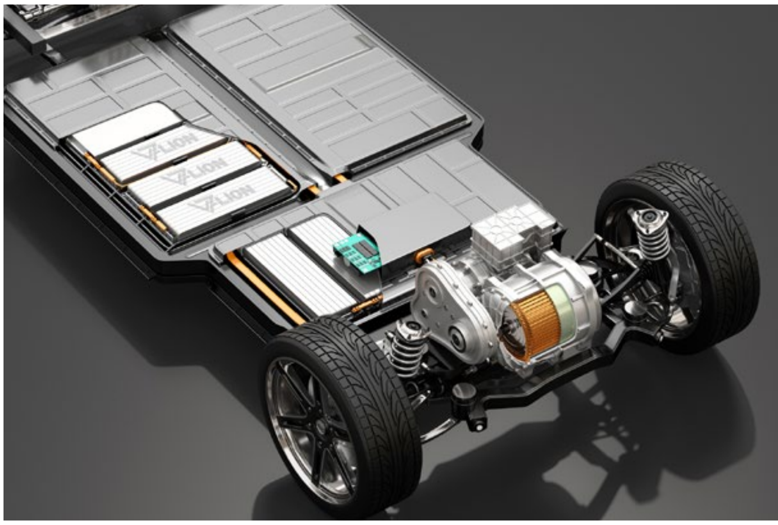
[5] Refer to the Competent Person Statement within the Appendix of this Report. Please also refer to the risk factors contained in the Prospectus dated 18 December 2024, including those risks associated with resource exploration and development projects.

The Company is aiming to build an integrated renewable energy and lithium production business using sustainably heated lithium brine and converting it into sustainable lithium chemicals – the end product of which is V-LiON™, Vulcan's sustainable lithium product, and a core component in electric vehicle (EV) batteries.

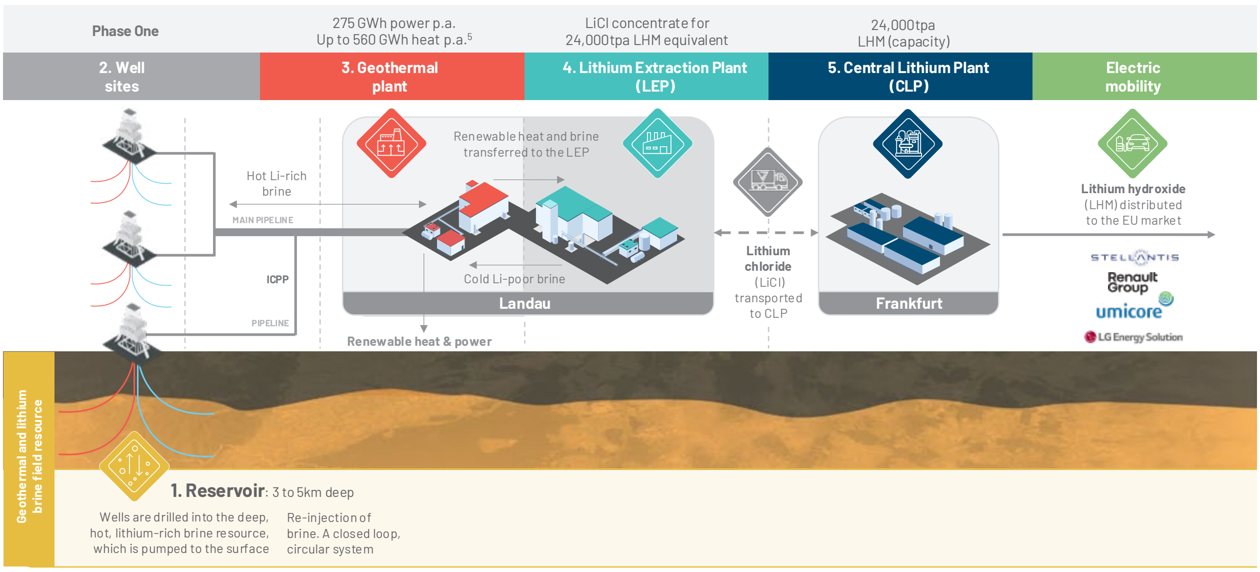
Lithium production is currently CO_2 intensive. V-LiON™ has been designed as a solution to this problem. Vulcan's proprietary, high-performance lithium adsorbent technology, VULSORB®, combined with a renewable heat source, allows for highly efficient, low cost and carbon neutral lithium production.

The V-LiON™ product is targeted to have the lowest carbon footprint of any lithium production globally, producing high purity lithium hydroxide monohydrate (LHM) that is suitable for use in EV batteries.

Phase One of the Lionheart Project aims to supply approximately 24,000 tonnes per annum of V-LiON™-branded LHM from its first phase of production for Europe's EV supply chain, enough for production of 500,000 EVs per annum, and supply approximately up to 560 GWh of renewable heat and up to 275 GWh of electricity annually (refer to the Competent Person Statement in this Report).



Our value chain



[5] Refer to the Competent Person Statement within the Appendix of this Report. Please also refer to the risk factors contained in the Prospectus dated 18 December 2024, including those risks associated with resource exploration and development projects.

Chair's message

Dear Vulcan Shareholders,

Throughout the 2024 reporting period, the Company made substantial progress on both project execution and the financing of our Phase One Lionheart Project. Led by Managing Director and CEO, Cris Moreno, and Vulcan's highly experienced leadership team, the Company has been a standout performer during a challenging year in global lithium markets.

As 2025 unfolds, Vulcan is well positioned for the future with its inherent low-cost advantages, fuelled by renewable energy co-production and technological edge in the ability to produce lithium from brines.

As the Company continues its planned transition towards the construction and production phase of the Project, I would like to thank outgoing Directors, Mr Gavin Rezos, Ms Ranya Alkadamani, Ms Annie Liu and Mr Mark Skelton, for their invaluable contributions to the Vulcan Board over several years, and extend a warm welcome to incoming Directors, Mr Angus Barker and Ms Felicity Gooding. The Vulcan Board will always continue to evolve to meet the needs of our rapidly growing business and is well positioned for the next phase ahead of us.

Vulcan's overarching strategy is to produce sustainable, premium lithium chemicals for the lithium-ion battery industry, with co-production of geothermal renewable heat and power, from naturally heated sub-surface brines containing lithium. Vulcan leverages renewable heat in the brine, both to drive down its cost of lithium production, but also to provide to local businesses and communities as a co-product, and as an additional source of revenue. We see our lithium product, branded V-LiON™, as a premium product for the European electric automotive industry.

Vulcan's strategy has also been to develop in-house the Adsorption-type Direct Lithium Extraction (A-DLE) technology it requires for its Project. A-DLE sorbents can be bought off-the-shelf and have been used in the industry for 28 years. However, as A-DLE technology is increasingly being favoured by larger companies seeking to build low-cost production, we have recently seen geopolitical moves to restrict access for Western companies to use this technology.

This validates Vulcan's early investment in creating an in-house A-DLE technology division, VULSORB®, with its Western sorbent supply chain providing an important de-risking effect. VULSORB® is also a strategic asset beyond our project area, as one of the few Western companies to have this capability.

Under the leadership and expertise of Cris Moreno and Felicity Gooding, Vulcan made significant strides during 2024 towards the goal of completing financing for the Phase One Project and starting construction. The Company raised €40m in equity from strategic investors including Hancock Prospecting Pty Ltd (HPPL) and CIMIC Group (CIMIC), and I thank both of these investors for their ongoing support. In December, we received conditional Board approval from the European Investment Bank (EIB) and substantial conditional commitments from Export Finance Australia (EFA) and a number of commercial banks. This was in addition to significant public funding support awarded by the German Federal Government of €100m, which was very welcome. Further, we announced the successful completion of a fully underwritten institutional placement which raised €100m from the issue of ~28 million new, fully paid ordinary shares, while also announcing a Share Purchase Plan to eligible retail shareholders. Maintaining forward momentum has always been a key differentiator for Vulcan.

On behalf of the Board, I would like to thank all our shareholders once again for their steadfast support on this exciting and rewarding journey. I look forward to the OneVulcan team continuing to deliver shareholder value, while growing a world-leading lithium chemicals and renewable energy business.

Dr Francis Wedin
Executive Chair

ARTIS-Photographie I Uli Deck - L to R: Vulcan's Group CFO and Executive Director, Felicity Gooding; Australian Ambassador to Germany, Natasha Smith; Managing Director and CEO, Cris Moreno; and Executive Chair, Dr Francis Wedin, at the official opening of the CLEOP on 8 November 2024.

CEO's message

Dear Vulcan Shareholders,

I look back on 2024 with great pride, recognising both the challenges we have faced and the outstanding milestones we have achieved. These achievements are testament to the dedication, effort and commitment of our OneVulcan team, shareholders, partners and government stakeholders, whose commitment has been instrumental in progressing the Lionheart Project.

The safety and well-being of our team, contractors and visitors to site is of utmost importance. During the reporting period, the Company recorded one lost time incident (LTI) a significant reduction from the previous year which reflects the ongoing improvement to our safety policies and procedures.

Our OneVulcan team fundamentally drives the developments and milestones achieved and we are united in our mission to become Europe's leading sustainable lithium business and enabling energy security through geothermal energy. Throughout the reporting period, we have attracted a number of skilled professionals from operational and commercial backgrounds to ensure the appropriate mix of expertise as we move forward with the Project. Pleasingly, Vulcan achieved strong levels of diversity in terms of nationality in 2024, with the Company's workforce spanning 38 nationalities.

2024 was the year we proved the technical feasibility of Europe's first fully domestic lithium supply chain from brine to battery-quality material. In April 2024 we produced our first lithium chloride at our upstream Lithium Extraction Optimisation Plant (LEOP) in Landau. Then in November 2024, we celebrated the production of the first fully sustainable lithium hydroxide at the Central Lithium Electrolysis Optimisation Plant (CLEOP) in Frankfurt-Höchst, which co-incided with the plant's official opening.

We also continued to progress our Phase One financing. In June we secured €40m from strategic investors including Hancock Prospecting Pty Ltd and CIMIC Group and in December 2024, we announced the successful completion of a fully underwritten institutional placement which raised €100m from existing and new institutional investors.

Vulcan also secured an €879m conditional debt commitment with Export Finance Australia and seven commercial banks to finance Phase One of the Project and the Board of the European Investment Bank conditionally approved up to €500m in financing. Vulcan's green credentials were recognised with our Green Financing Framework receiving a Dark Green rating — the highest ever for a metals and mining company globally, following an independent assessment by S&P Global Ratings.

ARTIS-Photographie I Uli Deck - Vulcan's Co-Founder, Dr Horst Kreuter; Co-Founder and Executive Chair, Dr Francis Wedin; Mike Josef, Lord Mayor of Frankfurt; Vulcan's Managing Director and CEO, Cris Moreno; and Deputy Prime Minister of Hessen Kaweh Mansoori during the CLEOP opening on 8 November 2024

Cris Moreno with JordProxa Director, Angus Holden

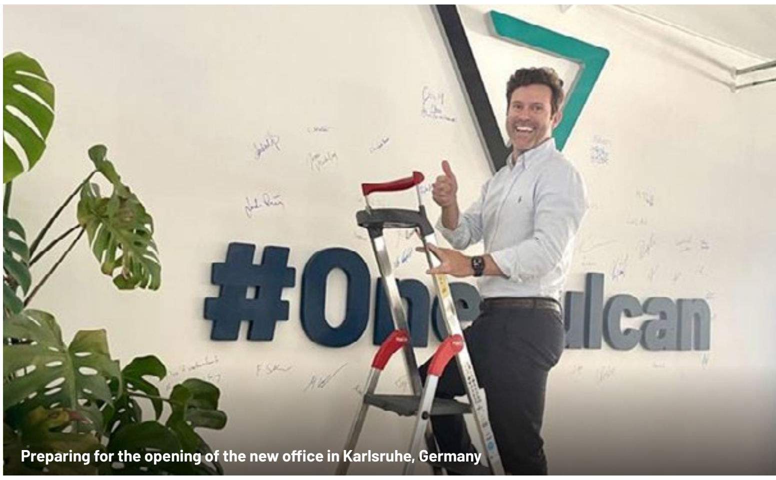
CLEOP Topping Out Ceremony

Also, the strategic importance of our Project was recognised through the German Federal Ministry of Economics and Climate Protection approving up to €100m for the HEAT4LANDAU Project[6]. These developments highlight Vulcan's leadership in sustainable financing and are a major endorsement of our vision and impact.

Strategically, we formed several key partnerships this year, including completion of Engineering, Procurement and Construction Management (EPCM) validation with Sedgman and HOCHTIEF and signing memoranda of understanding with both ABB and JordProxa, for Phase One. In November, we also announced an exciting collaboration with BASF to explore geothermal energy as a solution for base load power at their Ludwigshafen site, while also looking to grow a future phase of lithium production.

While 2024 was a transformative period in the history of the Company, we remain steadfast in our focus and determination to deliver on the following objectives in 2025:

- Continue our safety-first culture with lagging and leading health, safety, environment and quality (HSEQ) targets
- Commence drilling of new production wells
- Close Phase One financing
- Start construction of our Geothermal and Lithium Extraction Plant (G-LEP) and Central Lithium Plant (CLP)
- Commence product qualification of V-LiON™ with offtake partners
- Secure asset-level funding for future phases of project development and technology division.



Preparing for the opening of the new office in Karlsruhe, Germany

I would like to thank the entire Vulcan community – my fellow Directors, OneVulcan team, partners and you, our shareholders - for your support throughout 2024. As we enter a new phase of growth and development, I look forward to sharing many more milestones with you over the course of the year.

Cris Moreno

Managing Director and CEO

Finanziert von der Europäischen Union
NextGenerationEU

[6] Funded by the European Union - NextGenerationEU. The expressed Views and opinions expressed are solely those of the author(s) and do not necessarily reflect the views of the European Union or the European Commission. Neither the European Union nor the European Commission can be held responsible for them.

2024 key milestones

First lithium chemicals domestically produced from a local source in Europe, for Europe:

Start of production (SOP) of lithium chloride (LiCl) at Vulcan's Lithium Extraction Optimisation Plant (LEOP) on 11 April 2024. The SOP followed three years and more than 10,000 hours of successful in-house A-DLE piloting.

Start of lithium hydroxide production at downstream optimisation plant, CLEOP:

The first lithium hydroxide produced from the processing of high purity lithium chloride concentrate extracted from brines at Vulcan's upstream optimisation plant, representing the first sustainable lithium hydroxide fully domestically produced in Europe, in one integrated supply chain.

Official opening of CLEOP:

The Company opened the plant on 8 November 2024 in a ceremony attended by several local, national and international guests from politics and industry, including Deputy Prime Minister of Hessen, Mr Kaweh Mansoori, and Australian Ambassador to Germany, Ms Natasha Smith.

European Investment Bank Board approval:

The Board of the EIB approved its participation in the Phase One debt financing process, with the financing potentially amounting to up to €500m (~A$819m), pending completion of final due diligence, signing of legal documentation and final internal approval.

Conditional debt commitment letter for €879m (~A$1.45bn):

Export Finance Australia (EFA) and seven commercial banks executed a conditional commitment letter, together with a credit pre-approved term sheet setting out the key terms and conditions of the proposed debt financing.

Fully underwritten institutional Placement of €100m (A$164m):

The Company successfully completed a Placement which raised €100m. Proceeds from the Placement, along with the €4.8m raised from existing shareholders via the Share Purchase Plan, provides sufficient working capital for the Company to finalise its full strategic equity and debt project financing package.

Strategic investments of €40m (A$65m):

Investments totaling €40m received from strategic investors including Hancock Prospecting Pty Ltd (HPPL) and CIMIC Group (CIMIC), demonstrating strong support for the lithium value chain globally and for the execution of Phase One of the Project.

Completion of Engineering, Procurement and Construction Management (EPCM) validation by Sedgman and HOCHTIEF:

The validation work for the EPCM contract for Phase One was completed by CIMIC company Sedgman and HOCHTIEF during the reporting period, including a review of scope, cost and schedule.

2024 key milestones

€100m (A$164m) of funding secured from the Federal Ministry of Economics and Climate Protection of Germany:

The Company was awarded €100m from the German Federal Ministry of Economics and Climate Protection (BMWK) and the European Recovery and Resilience Facility via the German Recovery and Resilience Plan (the BEW Funding) for its HEAT4LANDAU Project[7].

Finanziert von der Europäischen Union NextGenerationEU

Gefördert durch: Bundesministerium für Wirtschaft und Klimaschutz aufgrund eines Beschlusses des Deutschen Bundestages

Conditional 100% acquisition of Geox GmbH (Geox):

Geox is the owner and operator of geothermal wells and renewable energy generation assets in Landau, Germany, with the acquisition by Vulcan to consolidate and simplify ownership of the Phase One Lionheart Project's upstream renewable energy and lithium assets.

BASF SE (BASF) partnership:

The Company signed a partnership agreement in November 2024 with BASF - one of the world's largest chemical producers - to collaborate on the development of a renewable heat project to supply BASF with baseload heat from a future phase of production.

Memoranda of Understanding (MoU) with ABB and JordProxa:

The signing of the MoU with ABB focuses on the electrical and automation delivery requirements of Vulcan's Phase One Project, while the MoU with JordProxa is for the technology and process components for the lithium extraction plant and central lithium plant of the Project.

Positive support from Landau City Council:

The Council voted with a substantial majority in favour of the land development plan for the industrial estate containing Vulcan's planned Phase One Geothermal and Lithium Extraction Plant (G-LEP) location. Furthermore, the Company signed an option agreement with the Council in November 2024 to secure the property for the upstream geothermal and lithium plant for Phase One.

Completion and subsequent rating of Green Financing Framework:

In conjunction with the Company's environmental, social and governance co-ordinator, Natixis CIB, the Green Financing Framework was completed and assessed by leading international ratings agency, S&P Global. The Framework was awarded Dark Green status, the highest ever received by a metals and mining company globally.

Key personnel appointments:

The Company made several appointments at the executive and Board level during the reporting period. Ms Felicity Gooding was appointed to the role of Group Chief Financial Officer (CFO) in January 2024 and Executive Director on 1 January 2025, and Mr Angus Barker was appointed Non-Executive Director in September 2024. Both Ms Gooding and Mr Barker bring substantial commercial experience, including large-scale project financing, and mergers and acquisitions, capital markets, and strategic advisory, respectively.

[7] Funded by the European Union - NextGenerationEU. The expressed Views and opinions expressed are solely those of the author(s) and do not necessarily reflect the views of the European Union or the European Commission. Neither the European Union nor the European Commission can be held responsible for them.

Operating review

Health, safety, environment and quality (HSEQ)

During the reporting period, the Company recorded one lost time incident (LTI) and maintained a zero-fatality record. Committed to a zero-harm culture, Vulcan continues to prioritise the safety and well-being of its employees, contractors, stakeholders and communities.

Vulcan's German subsidiary, Vulcan Energie Ressourcen GmbH, also maintained the ISO 45001 (occupational health and safety), ISO 14001 (environmental management) and ISO 9001 (quality management) certifications.

Throughout 2024, Vulcan focused on core initiatives to drive Vulcan's safety culture, including:

- Score card reporting, including key performance indicators (KPIs), leading and lagging indicators
- Continuing implementation of safety leadership rounds and HSEQ tours were conducted by HSEQ professionals
- Care Moments communication program and a site-wide last-minute risk analysis process for all operational onsite attendees to complete before the start of any activity onsite
- International Association of Oil and Gas producers (IOGP) life-saving rules implemented company-wide, aligned with industry best-practice.


Reverse osmosis unit at Vulcan's upstream LEOP

Operations

Resources and Reserves

The total licence area increased following the granting of lithium and geothermal energy licences in the Alsace region of France. This licence area of 463 km^2 expands Vulcan's licence area from 1,771 km^2 to 2,234 km^2 in the URVBF between Germany and France[8].

The Company reports on its estimates of Mineral Resources and Ore Reserves in compliance with the JORC Code, the ASX Listing Rules, German Securities Trading Act, European Regulation No. 596/2014, and other applicable regulations.

The Company's Resource and Reserve estimates are estimated, reviewed and signed off by external consultants and Competent Persons GLJ Ltd[9].

Geothermal and renewable energy operations

During the reporting period, Vulcan's operating Natürlich Insheim geothermal plant and wells generated approximately 18,500 MWh of renewable electrical energy, avoiding 7,284 tonnes of CO_2 equivalent emissions (location based) or 5,990 tonnes of CO_2 equivalent emissions (market based) on the grid. These avoided emissions are not included in Vulcan's current carbon neutral certificates.

The Natürlich Insheim plant has the capacity to produce up to 4.8 MW of renewable power. There are two operating wells located at this plant, one for production of the 165°C hot brine and one for reinjection of cooled brine. The wells were drilled between 2008 and 2010. The plant has been in operation since 2012.

To underline Vulcan's commitment to play a leading role in the German heat transition, Natürlich Insheim is currently being redesigned to be able to produce district heating in the future as well. This will allow the supply of carbon neutral district heating to nearby municipalities.

8 The Tenement Schedule is contained in the ASX Additional Information section of this Report

9 The Resource and Reserve information should be read in conjunction with the Competent Person Statement and the Ore Reserve and Mineral Resource Statement in the Appendix; and the Mineral Resource Estimate and Ore Reserves Estimate tables in the ASX Additional Information section of this Report.

The GEOSMART Project also concluded during the reporting period. Co-funded by the European Union, Vulcan Energy, and 18 other partners from across Europe, the GEOSMART Project was established to develop and demonstrate solutions for the geothermal energy sector. As part of the initiative, the Company installed a thermal energy storage system in September 2024 at the Natürlich Insheim geothermal renewable energy plant, designed to deliver reliable, baseload geothermal renewable heating to local communities.

Vulcan signed an agreement to finalise the consolidation of the Company's ownership of upstream Phase One lithium and renewable energy assets with the conditional 100% acquisition of Geox Gmbh. Geox is the owner and operator of geothermal wells, renewable energy generation assets and a geothermal and lithium licence around the City of Landau, co-located with Vulcan's lithium optimisation plant. Once completed, the conditional acquisition will replace an existing JV agreement and will allow for more efficient operation of Phase One, alongside Vulcan's other upstream operations.

Well delivery

Increasing brine production from deep wells to augment Vulcan's existing brine production is a key part of Phase One, with the Company's first new well site located at Schleidberg, near Landau, Germany.

During the reporting period, the Schleidberg well site preparation continued with the well pad and crew camp construction preparation completed, and access roads constructed.

In December 2024, the Special Operation Plan for drilling and monitoring the first new wells at the Schleidberg well site was approved, together with approval for the mobilisation of Vulcan's electric V20 drilling rig to the well site.

Aerial shot of the Phase One Schleidberg well site (March 2024)

Optimisation plants

A key element of Vulcan's integrated sustainable lithium and renewable energy project strategy is the design and construction of its lithium optimisation plants.

Vulcan's optimisation plants consist of two operations: the Lithium Extraction Optimisation Plant (LEOP), near Landau, Germany, and the Central Lithium Electrolysis Optimisation Plant (CLEOP), located just 130 kms north in Industrial Park Höchst, Frankfurt, Germany.

On 10 April 2024, Vulcan started production of the first lithium chloride product at LEOP, heralding the first lithium chemicals domestically produced from a local source in Europe, for Europe. The plant is showing strong results with consistently over 90% (up to 95%) lithium extraction efficiency from its Adsorption-type Direct Lithium Extraction (A-DLE) unit, replicating what Vulcan has seen in its lab and pilot plant operations, and in line with its commercial plant expectations and financing model.

On 7 November 2024, Vulcan commenced lithium hydroxide production towards product qualification at the Company's downstream CLEOP, representing the first sustainable lithium hydroxide fully domestically produced in Europe, including upstream raw material, in one integrated supply chain.

The plant was officially opened on 8 November 2024 in a ceremony attended by several local, national and international guests from politics and industry, including Deputy Prime Minister of Hesse, Kaweh Mansoori, and Australian Ambassador to Germany, Natasha Smith, highlighting the significance of the occasion to Germany, greater Europe and Australia.

Phase One Lionheart Project development

Throughout the reporting period, progress continued on Phase One execution, including engineering works for remaining Phase One areas, as well as the establishing of new partnerships.

The Company successfully completed its validation work for the Engineering, Procurement and Construction Management (EPCM) contract for Phase One. The EPCM validation was carried out by CIMIC company and German headquartered, Sedgman and HOCHTIEF, which has a leading position in Europe and a rapidly expanding presence in energy transition and sustainable infrastructure markets.

The validation included a review of scope, cost, and schedule, validating the Bridging Engineering Study, with no material increase in capital requirement and schedule duration and allowing finalisation of preparations for EPCM award. Importantly, there were only minor adjustments to specific estimates, confirming accuracy of the initial projections and timeline.

The Company and the City of Landau signed an option agreement on 26 November 2024 to secure the property in the D12 development plan in the City of Landau. The reservation of the area in the Am Messegelände Südost Industrial Park represents a step towards the implementation of the planned integrated geothermal and lithium plant. This plant will provide carbon neutral heat and sustainable lithium for the region, while also making an important contribution to the energy transition.

The Company also entered into a Memorandum of Understanding (MoU) with JordProxa for the technology and process components for the Lithium Extraction and Central Lithium Plants for Phase One.

The LEOP and CLEOP serve as training facilities for Vulcan's production team, ensuring operational readiness for the start of commercial production. The CLEOP will also serve as a product testing and qualification facility for its offtake partners.

ARTIS-Photographie I Uli Deck - Electrolysis unit at Vulcan's downstream CLEOP in Frankfurt-Höchst

JordProxa, an Australian headquartered international company, is a leader in custom water processing, crystallisation and evaporation plant and systems, playing a key role in meeting the challenges of high purity, sustainability, and value to meet the increasing demand for lithium-ion and other battery metals.

The partnership has the dual objective of delivering the Phase One Lionheart Project on time with improved cost performance, and optimisation for the lithium process portion of the project development.

Vulcan also signed an MoU with multinational electrical engineering company, ABB, on the electrical and automation delivery requirements of the Project. ABB is to identify, develop and propose the best solutions to the electrical and automation portion of the Phase One Project development, in optimising processes, shortening delivery times, and reducing and improving cost performance.

During the reporting period, the Company also announced a partnership with NORAM Electrolysis Systems (NESI), a global leader in the environmentally favourable process of producing battery grade LHM through electrolysis. Under the agreement, NESI applies its proprietary NORSCAND® Electrolysis Technology to Vulcan's downstream CLEOP facility, using electricity to force the necessary chemical reactions to produce battery-quality lithium.

The Company also entered into an MoU with industrial software provider, AVEVA, to establish a digital framework for Phase One. Under the terms of the MoU, Vulcan will leverage AVEVA's expertise to future-proof its information systems architecture, facilitating project execution and engineering integration.

Future phase development

Vulcan continues to develop its licence areas in a phased approach. After Phase One Lionheart, further phases are planned to fully leverage the large, exclusive licence area that Vulcan has secured in the URVBF.

Key to this strategy is the staged agreement with BASF to collaborate on the development of a renewable heat project to supply BASF with baseload heat (refer to Phase One Lionheart Project development). Vulcan will seek to replicate this model across the URVBF across all its licence areas, building affordable renewable heating production for local stakeholders to decarbonise European industry and the public heating sector, and aiming to add additional sustainable lithium production to the resulting renewable heat infrastructure.

The Company is also planning to further expand its activities on the French side of the URVBF, which accounts for roughly one third of the URVBF, containing both geothermal energy and lithium-rich brine. Historical data and sampling coming from existing geothermal operations in the region indicate brine composition in Alsace, France, is materially the same as the brine composition across the border at Vulcan's operations in Germany.

During the reporting period, the Company was granted its first lithium and geothermal energy licences in the Alsace region of France. The five-year licences encompass several large industrial areas with factories and chemical parks in Mulhouse requiring renewable energy and sustainable heating solutions. This includes a factory owned by Stellantis, Vulcan's largest customer and a major shareholder. Vulcan is already in discussions with potential investment partners about participation in Vulcan's French licences.

The Company also has a heat offtake agreement for 240 to 350 GWh per annum of renewable heat with MVV, the energy provider of the City of Mannheim. Discussions continue with the City of Mannheim in relation to the terms of its heat offtake agreement, including the start date, following indications it wishes to increase the heat supplied under the terms of this agreement. Additionally, the licence was extended for a further three years.

Discussions regarding further heat offtake agreements were also conducted within the Ried and Taro licence areas, including with Neustadt an der Weinstraße as part of the latter. Sourcing a suitable land plot for a production well site to provide geothermal brine production is intended to form part of this agreement, pending permitting approvals.

An agreement with the mining authority of Rheinland-Pfalz and the regional mining authority, Regierungspräsidium Freiburg, and most of the local mayors has been reached within the Ortenau licence area. This will allow the commencement of a 3D seismic survey, with work also progressing on a jointly organised subsequent public information campaign, financing proposal and permitting work.

Vulcan and BASF SE sign agreement in the presence of local politicians and utility representatives in November 2024

Corporate overview

Financing progress

Throughout 2024 the Company advanced its project financing process. In June €40m was raised from strategic investors including Hancock Prospecting Pty Ltd and CIMIC Group and in December 2024, Vulcan announced the successful completion of a fully underwritten institutional placement raising €100m from existing and new institutional investors.

In December Vulcan also secured an €879m conditional debt commitment with Export Finance Australia and seven commercial banks to finance Phase One of the Project and the Board of the European Investment Bank approved up to €500m in financing.

The Company has applied for several grant schemes which it believes it is well positioned to receive based on its sector-leading economic and sustainability credentials. During 2024 the Company was awarded €100 million from the German Federal Ministry of Economics and Climate Protection (BMWK) and the European Recovery and Resilience Facility via the German Recovery and Resilience Plan (BEW Funding) for its HEAT4LANDAU Project[10].

The Company also secured a €10 million short-term credit facility with BNP Paribas during the reporting period to provide interim flexibility before financing completion.

Types of products and services

- **Germany:** The supply of geothermal energy, exploration, and development relating to the Phase One Lionheart Project and future phases of integrated sustainable lithium and renewable energy project, engineering services, drilling personnel outsourcing and technology development
- **France and Italy:** Exploration relating to geothermal energy and lithium
- **Australia:** Administration.

Segment information

The consolidated entity is organised into three operating segments based on geographical location: Germany, other European countries, and Australia.

These operating segments are based on the internal reports that are reviewed and used by the Key Management Personnel (who are identified as the Chief Operating Decision Makers, or CODM) in assessing performance and in determining the allocation of resources.

There is no aggregation of operating segments. The CODM reviews EBITDA (earnings before interest, tax, depreciation, and amortisation).

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements. The information reported to the CODM is provided on a monthly basis.


ARTIS-Photographie I Uli Deck - CLEOP Opening

[10] Funded by the European Union - NextGenerationEU. The expressed Views and opinions expressed are solely those of the author(s) and do not necessarily reflect the views of the European Union or the European Commission. Neither the European Union nor the European Commission can be held responsible for them.

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Corporate governance

The Company is committed to complying with the highest standards of corporate governance to ensure all of its business activities are conducted fairly, honestly and with integrity in accordance with all applicable laws. To achieve this, the Company's Board of Directors (Board) has adopted a number of charters and policies which aim to ensure that value is created while accountability and controls are commensurate with the risks involved.

As a company admitted to the official list of the ASX, the Company is subject to the Corporate Governance Principles and Recommendations published by the ASX Corporate Governance Council Fourth Edition (Recommendations).

Each year the Company is required to give the ASX a Corporate Governance Statement, which sets out the extent to which the Company has followed the Recommendations.

The Board believes that the Company's policies and practices materially comply with the Recommendations and, as Vulcan continues to grow, the Company will regularly review its corporate governance policies, practices and controls, so this compliance is not only maintained but enhanced.

Vulcan continues to build its corporate documentation pyramid which includes the following policies:

- Anti-Bribery and Anti-Corruption Policy
- Community Relations Policy
- Conflict Minerals Policy
- Diversity Policy
- Environmental Management Policy
- Privacy Policy
- Risk Management Policy
- Social Media Policy
- Sustainable Supplier Policy
- Trading Policy
- Whistleblower Protection Policy.

On the Company's website can be found a full copy of the Company's corporate governance policies and charters: https://v-er.eu/corporate-directory-governance/, and its most recent Corporate Governance Statement: https://v-er.eu/information-for-investors/

The Board of Directors considers the Company has established corporate governance policies and procedures that are appropriate in light of the Company's size, nature and activities.

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Our approach to sustainability

Sustainability is the cornerstone on which Vulcan was founded and we are committed to being a leader in Environmental, Social and Governance (ESG) initiatives and reporting. Vulcan's diverse team comes from all over the globe, and is united by a common mission to become Europe's leading sustainable lithium business and enabling energy security through geothermal energy.

Vulcan is deeply committed to achieving its objectives and continuously enhancing its approach to sustainability over the long term. In the 2024 year, the Company continued to make significant strides in advancing Vulcan's sustainability agenda. Priority focus areas included fulfilling key financing requirements, enhancing understanding of climate-related risks, improving GHG accounting, and establishing a strong foundation for developing the Company's long-term sustainability strategy through detailed materiality and risk assessments.

Activities to progress Vulcan's 2024 sustainability agenda included:

- Undertaking and validating its first CSRD-aligned Double Materiality Assessment
- Updating and publicly disclosing the Phase One Lionheart Project Environmental and Social Impact Assessment (ESIA)
- Calculating Vulcan's 2023 GHG Inventory and developing an expanded GHG Inventory tool that includes future GHG projections over the life of the Project
- Commencing the Project's physical climate change risk assessment
- Issuing Vulcan's independently assessed Green Financing Framework.

Outlook for sustainability

Vulcan was once again recognised by sustainability ratings agency Morningstar Sustainalytics as an ESG Industry Top Rated company in early 2025, validating the Company's strong ESG practices and providing important endorsement for attracting investment.

The results of the Double Materiality Assessment will be integrated into Vulcan's business strategy to ensure sustainability considerations are embedded into decision making processes, business planning and reporting.

In 2025, Vulcan will complete its qualitative physical and transition climate-related risk assessment, financially quantify material risks, and identify applicable mitigation and adaptation measures. Identified material risks will be incorporated into Vulcan's enterprise risk management register.

To support its ongoing commitment to climate change action and a low carbon future, the development of a decarbonisation roadmap for the Phase One Lionheart Project is under consideration to address residual GHG emissions within Vulcan's operational control. To accompany this roadmap, Vulcan will work towards setting science-based emissions targets in 2025.

2024 sustainability snapshot

CLIMATE CHAMPION

Generated approximately **18,500 MWh** **of renewable electricity**

Avoided **7,284 tCO_2-e** (location based) on the German electricity grid*

S&P Global Green Financing Framework **Dark Green rating**

DETERMINED

First fully integrated production in Europe of battery-quality lithium chemicals, from resource to final product

Formed partnership with BASF to explore the use of geothermal heat sources for decarbonising BASF's largest site, while also benefiting the communities of Frankenthal and Ludwigshafen

GEOSMART Project completed, designed to deliver reliable, baseload geothermal renewable heating to local communities

INSPIRING

Sustainalytics **top-rated company**

No negative feedback received from updated publicly disclosed ESIA indicating broad community support

€100m grant for the HEAT4LANDAU** Project towards renewable heating supply for communities

Gefördert durch: Bundesministerium für Wirtschaft und Klimaschutz aufgrund eines Beschlusses des Deutschen Bundestages

Finanziert von der Europäischen Union NextGenerationEU

* Under the GHG Protocol Methodology, there are two methods available for calculating Scope 2 emissions – emissions from purchased electricity, steam, heating and cooling. The location-based method reflects the average emissions intensity of grids on which energy consumption occurs.

**Funded by the European Union - NextGenerationEU. The expressed Views and opinions expressed are solely those of the author(s) and do not necessarily reflect the views of the European Union or the European Commission. Neither the European Union nor the European Commission can be held responsible for them.

Targets

Performance against 2024 targets

2024 Targets	Target achieved	Result
Complete EU CSRD-aligned materiality assessment	✓	Double Materiality Assessment completed giving clearer oversight of priority sustainability topics
Carry out pre-assurance assessment for EU CSRD readiness	✗	No longer applicable due to the EU Omnibus
Conduct Board member training on climate risks	✓	Board training conducted on CSRD, CSDDD, and the Supply Chain Act including climate risks
20 health, safety and environment (HSE) leadership rounds per month	✗	39 HSE leadership rounds[11] completed. Management has acknowledged this is an unsatisfactory result however, there has been no observable negative impact to health and safety performance.. To increase the rounds in 2025, Vulcan has assigned targets to individual employees, ensuring leadership rounds are tracked per person and not per site
Score all new suppliers according to ESG criteria	✓	All new suppliers have been scored against ESG criteria

Targets for 2025

ESG targets will support the Company's sustainability performance and Company purpose with progress routinely monitored and regularly reported. We are committed to the continuous development of our sustainability strategy, ensuring its seamless integration into our core business operations. Vulcan is actively setting future medium-term and longer-term sustainability targets, aligned with the Company's strategic objectives, and will be implementing robust measures to track our progress. Our goal is to drive transformative, sustainable growth and operational excellence across all facets of our organisation. Below are our short-term targets for 2025.

	Sustainability targets	Timeframe
Environment	Zero significant environmental incidents	Annual
	Achieve 100% debt financing and close out environmental action plan	2025
	Commence commercial delivery of renewable heat to local communities	2025
	LCA updated at each study phase and commencement of operations	As scheduled
	Phase One Lionheart Project physical climate change risk assessment	2025
Social and safety	Zero work-related fatalities	Annual
	Year-on-year improvement of lost time injury frequency rates	Annual
	Zero significant community incidents	Annual
	20 HSE leadership rounds	Monthly
	Deliver 100% debt financing social action items to plan	2025
Governance	Sustainable supply chain assessments and process for all major suppliers	2025
	Minimum 40% female board representation	Annual
	Appointment of Lead Independent Non-Executive Director	2025
	Ecovadis sustainability ratings assessment	Annually from 2025

11 HSE leadership rounds are visits by the executive leaders to Vulcan's work sites with briefings by the HSE Team. These rounds are important to maintain engagement with executives on health and safety issues.

Directors' report

The Directors of Vulcan Energy (Vulcan or 'the Company') present their report, together with the financial statements of the consolidated entity consisting of Vulcan Energy Resources Limited and its controlled entities for the year ended 31 December 2024.

The names of the Company's Directors in office during the financial period and at the date of this Report are as follows[12]. The Board considers Ranya Alkadamani, Dr Heidi Grön, Angus Barker[13], Annie Liu, Josephine Bush, Mark Skelton and Dr Günter Hilken as independent directors during FY24.

Battery materials and renewable energy

Dr Francis Wedin

Executive Chair

Energy and chemicals

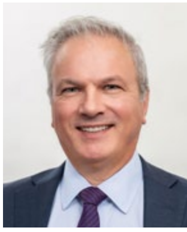
Mr Cris Moreno

Managing Director and Chief Executive Officer

Finance and mining

Ms Felicity Gooding[12]

Executive Director and Group Chief Financial Officer



Investment banking and government

Mr Angus Barker[13]

Non-Executive Director

Renewable energy

Ms Josephine Bush

Non-Executive Director, Audit, Risk and ESG Committee Chair

Chemicals and renewable energy

Dr Günter Hilken

Non-Executive Director, Projects Oversight Committee Chair

Chemical engineering

Dr Heidi Grön

Non-Executive Director

Investment banking

Mr Gavin Rezos

(retired December 2024)

Non-Executive Deputy Chair

Media and communications

Ms Ranya Alkadamani

(retired December 2024)

Non-Executive Director, People & Performance Committee Chair, Nominations Committee Chair

Energy and battery materials

Ms Annie Liu

(retired September 2024)

Non-Executive Director

Mining and energy

Mr Mark Skelton

(retired February 2024)

Non-Executive Director

[12] Ms Felicity Gooding was appointed as an Executive Director on 1 January 2025.

[13] Mr Angus Barker was appointed Non-Executive Director effective 13 September 2024; appointed Lead Independent Director, Deputy Chair, People and Performance Committee Chair and Nominations Committee Chair, effective 1 January 2025.

Interest in shares and other company securities

The following table sets out each current Director's relevant interest in shares and performance rights of the Company as at the date of this Report and based on publicly available information.

Director[14]	Ordinary shares	Performance rights
Dr Francis Wedin	16,458,561	125,724
Mr Cris Moreno	-	521,308
Ms Felicity Gooding	-	272,945
Mr Angus Barker	25,128	-
Ms Josephine Bush	40,367	4,298
Dr Günter Hilken	4,745	9,492
Dr Heidi Grön	10,398	4,298
Total	**16,539,199**	**938,065**

Principal activities

The principal activities of the Company during the year were geothermal energy and lithium development in Europe.

[14] Former Directors Mr Gavin Rezos, Ms Ranya Alkadamani, Ms Annie Liu and Mr Mark Skelton retired during the financial year.

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ARTIS-Photographie I Uli Deck - Open Doors Insheim

Information on Directors

The names and particulars of the Company's Directors in office during the financial year and at the date of this Report are as follows. Directors held office for the entire period unless otherwise stated.

Dr Francis Wedin

Executive Chair
PhD & BSc (Hons) Geology & Mineral Exploration,
MBA in renewable energy

Dr Wedin is a battery raw materials industry executive, with an international career spanning four continents and multiple commodities. Dr Wedin founded the Project in Germany and, as CEO from 2019 to 2023, was instrumental in driving Vulcan Group's growth. Dr Wedin was previously Executive Director of successful ASX-listed Exore Resources Ltd (ASX: ERX), where he defined and developed the Lynas Find Lithium Project, subsequently bought by Pilbara Minerals to become part of its Pilgangoora Lithium Project, now in production (ASX: PLS). Dr Wedin has a PhD and BSc (Hons) in geology and mineral exploration, and an MBA in renewable energy. He is a Fellow of the Geological Society, London, and a member of the Australasian Institute of Mining and Metallurgy.

Cris Moreno

Managing Director and Chief Executive Officer
BASc (Hons) BChE (Hons)

Mr Moreno has over 20 years' global experience in successfully delivering major projects, including in the lithium chemicals, cathode, upstream E&P and LNG sectors. In the LNG sector, he held senior leadership roles with Santos, Woodside, and Shell, including working on the Browse, Gorgon and Prelude LNG projects. Prior to joining Vulcan Group, Mr Moreno worked in the lithium chemicals and battery cathode sector in Europe, as Senior Director for Northvolt's Cathode Active Material (CAM) business unit, and as Founding Executive & Vice President of Engineering and Development for Aurora Lithium. Mr Moreno has successfully been part of, and led, green start-up companies, taking them from pilot scale into commercial production.

Felicity Gooding (appointed 1 January 2025)

Executive Director and Group Chief Financial Officer
BCom (Accounting and Finance), Chartered Accountant

Ms Gooding is a Senior Finance executive and leader with over 20 years' experience in strategic and financial analysis, debt funding, corporate finance, mergers and acquisitions, management and financial accounting and governance in Australia, Singapore, London, and Washington D.C. Her experience has been gained across multiple industries relevant to Vulcan including energy, mining and infrastructure. Most recently Ms Gooding was CFO and Global Head of Commercial at Fortescue Future Industries, where she led the finance team, including the specialist project financing team responsible for securing finance to enable financial investment decisions for green energy projects.

Angus Barker (appointed 13 September 2024)

Non-Executive Director

BCom (Hons) Economics, Finance

Mr Barker is Deputy Chairman and Lead Independent Director of Vulcan Energy Resources, Chairman of rare earths and uranium company Australian Rare Earths and a Director of listed investment company WAM Capital. Prior to this, he served as Chief of Staff or Senior Adviser to Australian Government ministers in the key economic portfolios of trade and investment, and superannuation and financial services. Previously, he held senior executive roles at top-tier global investment banks across Australia, the United Kingdom and Asia, including 12 years based in Hong Kong. He holds a Master of Philosophy from the University of Cambridge and a Bachelor of Commerce (Honours) from the University of Melbourne.

Josephine Bush

Non-Executive Director

CTA, MA (Hons) Law, CFA ESG investing, Sustainable Finance Certification

Ms Bush is a qualified solicitor, and chartered tax adviser, as well as earning the CFA ESG investing qualification and a sustainable finance certification. She has an MA in Law from Cambridge University. Ms Bush was a senior partner at EY for 14 years specialising in the renewable energy sector. She built and led the UK and Ireland Renewables Tax Practice, led on market-leading transactions such as structuring for the initial public offerings of several environmental yieldcos, and developed the EY global renewables business plan. She was a member of the Ernst & Young Power and Utilities Board and UK&I Governance Board. Ms Bush is also a NED on the Next Energy Solar Fund (FTSE250) Board and within the Investment Committee and Valuations Committee of Gresham House's British Sustainable Infrastructure Fund.

Dr Günter Hilken

Non-Executive Director

PhD in Organic Chemistry, master's degree in chemistry

Dr Hilken has over 35 years' experience in the German chemicals, renewables and infrastructure investment sectors and in leading industry advocacy associations, and in the German Government at the state and federal level. Dr Hilken's experience and connections help Vulcan Group ensure that geothermal energy becomes a foundation of Germany's supply of sustainable and secure renewable energy as Germany diversifies away from local carbon-based energy sources and Russian energy. Dr Hilken is also a member of the Board of the German Federation of Industrial Energy Consumers (VIK) as well as a former Director of Currenta and member of the Supervisory Board of Currenta. He was previously CEO of Currenta for nine years, held senior executive roles with Bayer in Germany, the US, Canada and Asia, and was a member of the supervisory board of RWE Power AG.

Dr Heidi Grön

Non-Executive Director

PhD Chemical Process Engineering, Dip. Chemical Engineering

Dr Grön is a chemical engineer and accomplished business leader with 24 years' experience in the chemicals industry. Since 2007, Dr Grön has been a senior executive with Evonik in various commercial, technical and general management roles. At Evonik, she has been responsible for production, technology, asset digitalisation, OT security, and global product stewardship, and is currently transitioning to her new role as Senior Vice President & General Manager of the Business Line Oil Additives at Evonik.

Gavin Rezos (retired 31 December 2024)

Non-Executive Deputy Chair

B.Juris, LLB, BA, Law, Economics, International Politics)

Mr Rezos has many years of Australian and international corporate, project finance and investment banking experience and is both a former Head of Legal and Compliance across multiple countries for the HSBC Group and an investment banking Director of HSBC Group with regional roles during his career based in London, Sydney and Dubai. Mr Rezos has held chair, board and CEO positions of companies in the materials, technology and resources sector in Australia, the United Kingdom, the United States and Singapore and was formerly a non-executive director of Iluka Resources and of Rowing Australia, the peak Olympics sports body for rowing in Australia. He is principal of Viaticus Capital.

Ranya Alkadamani (retired 31 December 2024)

Non-Executive Director

BA Media, Communication, Media Studies, MA International Relations & Affairs, MA International Communicationst

Ms Alkadamani holds a Master of International Relations and International Communications and a Bachelor of Media from Macquarie University. Ms Alkadamani is currently Founder and CEO of Impact Group International, a strategic communications consultancy focused on advice to impact investors, philanthropists and innovative social impact programs. Ms Alkadamani works extensively in the impact investment space in Australia and internationally and has a strong network of clients and investors in the clean energy and renewables sector. She is also a non-executive director of Australian Associated Press, Australia's only independent newswire. Ms Alkadamani was formerly Strategic Communications and External Affairs Director of Andrew Forrest's Minderoo Foundation and Minderoo Group, Press Secretary to former Australian Prime Minister Kevin Rudd during his time as Australian Foreign Minister and a spokesperson for the Australian Department of Foreign Affairs and Trade.

Annie Liu (retired 13 September 2024)

Non-Executive Director

BEng Industrial Engineering & Operations Research

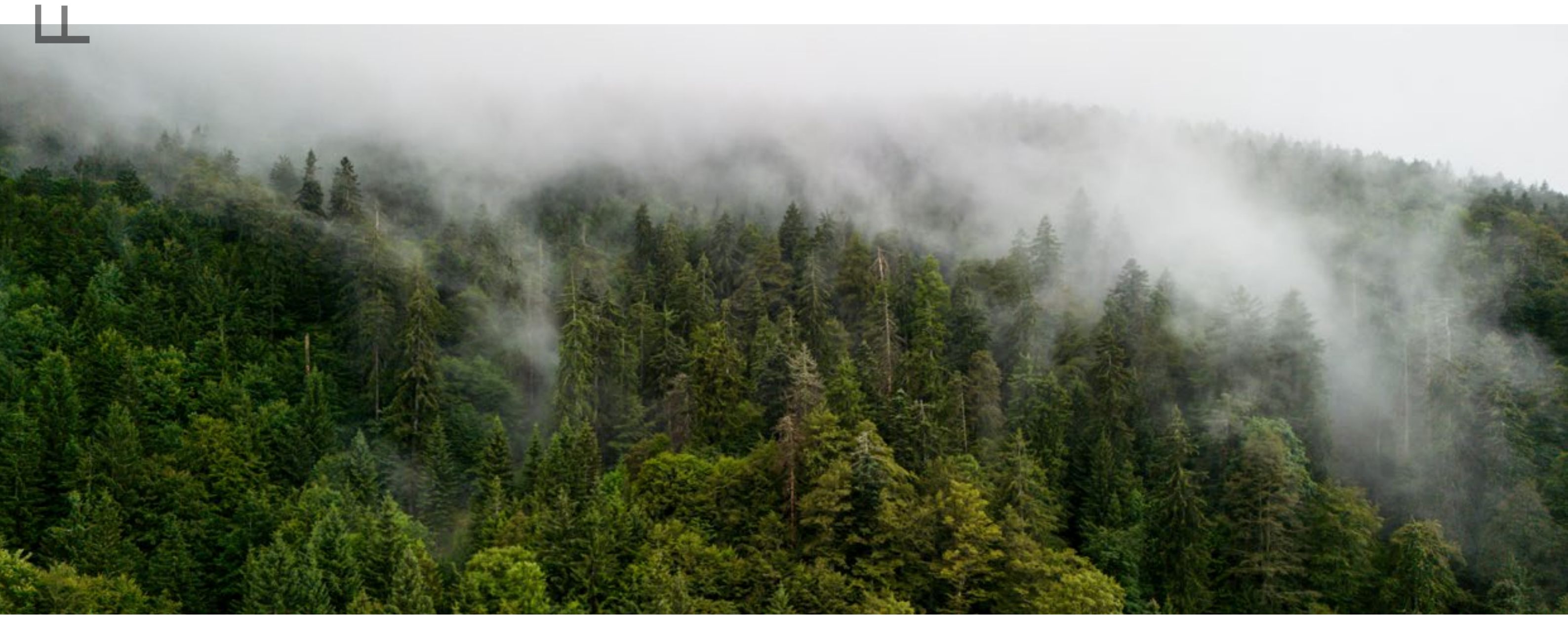
Ms Liu is the Chief Strategy Officer at Mangrove Lithium, the first independent lithium refining plant in North America using Clear-LiTM electrochemical technology aiming to produce battery-quality lithium in 2025. Ms Liu founded Alto Group Inc, a trusted advisor to many of the world's influential businesses in the EV value chain. Ms Liu is also currently a Non-Executive Director with ASX Listed Alpha HPA Limited. Ms Liu was the Executive Director at Ford (Model E) from 2022 to 2023. Prior to her role at Ford, Ms Liu forged and managed Tesla's multi-billion-dollar strategic partnerships and sourcing portfolios that support Tesla's Energy and Battery business units including Battery, Battery Raw Material, Energy Storage, Solar and Solar Glass, including raw materials sourcing efforts such as lithium for battery cells. Earlier in her career, she held various leading manufacturing and procurement roles at Microsoft and Sun Microsystems launching advanced technology products. She holds a Bachelor of Science in Engineering from the University of California, Berkeley.

Mark Skelton (retired 1 February 2024)

Non-Executive Director

BSc (Hons), Mechanical Engineering

Mr Skelton has more than 35 years' experience including a 29-year tenure at BP and then at Fortescue Metals Group in multiple project director and senior management roles. As a senior leader and advisor with a proven record in delivering major projects, business transformation and developing organisational capability within the mining, energy and oil and gas industries, Mr. Skelton has extensive project experience in Australia and internationally. He holds a Bachelor of Science (Honours), Mechanical Engineering from the University of Greenwich and is a Chartered Engineer registered by the Institute of Mechanical Engineers (UK).



Directors' meetings

The number of Board and Committee meetings held during the year and the number of meetings attended by each Director is contained in the table below.

	Full Board			Audit, Risk and ESG Committee			People and Performance Committee			Project Oversight Committee			Nomination Committee		
	Attended	Eligible to attend	Held	Attended	Eligible to attend	Held	Attended	Eligible to attend	Held	Attended	Eligible to attend	Held	Attended	Eligible to attend	Held
Dr Francis Wedin	7	7	7	4	4	5	3	3	3	2	2	5	3	3	3
Cris Moreno	7	7	7	4	4	5	3	3	3	2	2	5	1	1	3
Angus Barker[19]	2	2	7	1	1	5	1	1	3	-	-	5	1	1	3
Josephine Bush	7	7	7	5	5	5	1	1	3	-	-	5	3	3	3
Dr Günter Hilken	6	7	7	-	-	5	1	1	3	5	5	5	2	3[20]	3
Dr Heidi Grön	6	7	7	5	5	5	1	1	3	3	5	5	1	3[20]	3
Gavin Rezos[15]	7	7	7	5	5	5	3	3	3	-	-	5	3	3	3
Ranya Alkadamani[18]	7	7	7	-	-	5	3	3	3	-	-	5	3	3	3
Annie Liu[17]	5	5	7	-	-	5	2	2	3	-	-	5	-	-	3
Mark Skelton[16]	-	-	7	-	-	5	-	-	3	1	1	5	-	-	3

The committee members during the year were as follows

AREGS Committee

Josephine Bush | **Chair**
Gavin Rezos[15]
Dr Heidi Grön

People and Performance Committee

Ranya Alkadamani[18] | **Chair**
Annie Liu[17], Angus Barker (following Ms Liu's resignation) and Gavin Rezos[15]

Project Oversight Committee

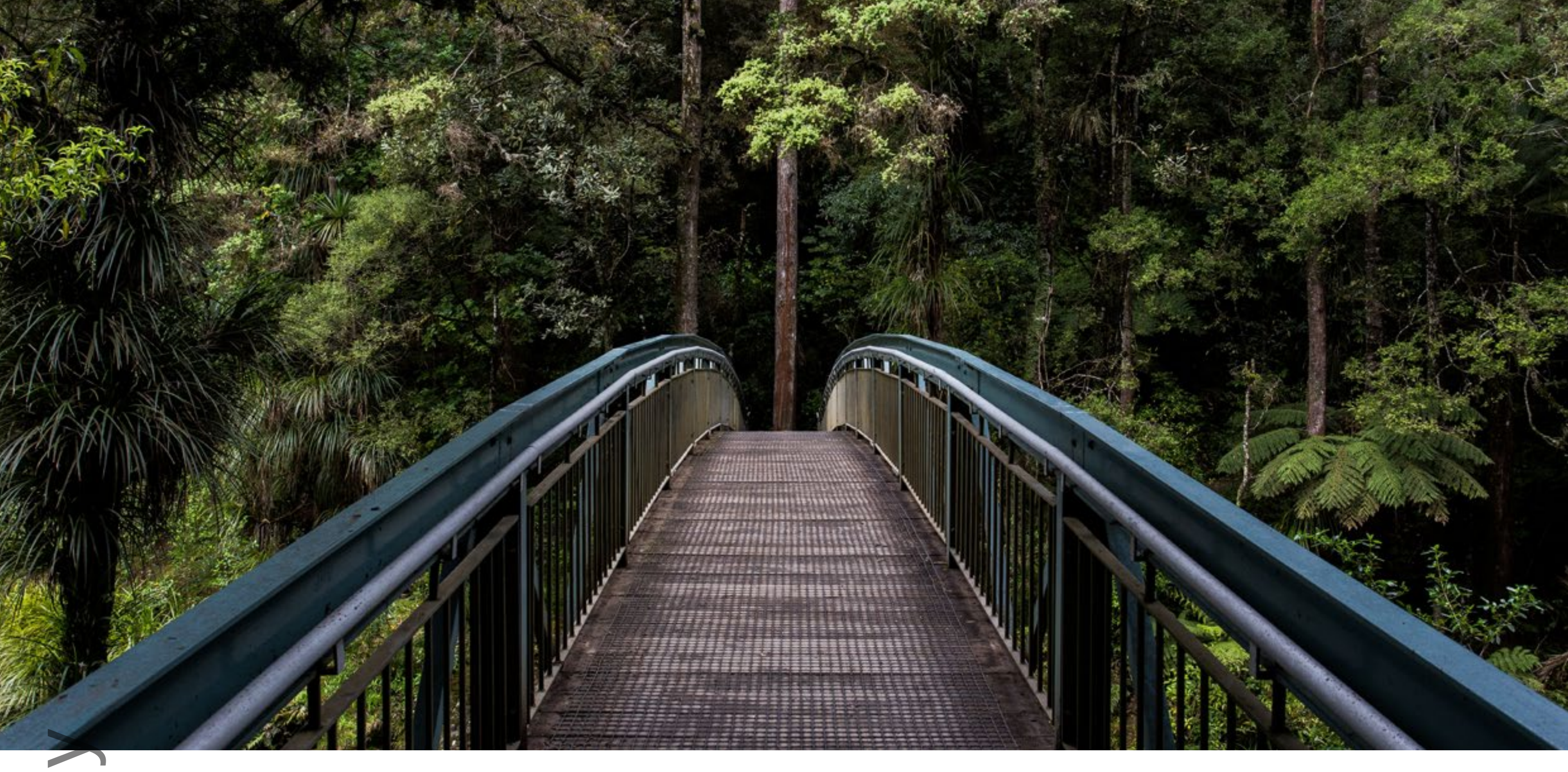
Dr Günter Hilken | **Chair** (following Mr Skelton's resignation), Dr Heidi Grön and Mark Skelton[16] (Chair until his resignation on 1 February 2024)

Nomination Committee

Ranya Alkadamani[18] | **Chair**
Gavin Rezos[15] and Josephine Bush, as well as a representative from the Projects Oversight Committee

In addition to the scheduled Board and Committee meetings, Directors regularly communicate by telephone, email or other electronic means, and where necessary, circular resolutions are executed to affect decisions.

[15] Gavin Rezos retired effective 31 December 2024.
[16] Mark Skelton retired effective 1 February 2024.
[17] Annie Liu retired effective 13 September 2024.
[18] Ranya Alkadamani retired effective 31 December 2024.
[19] Angus Barker appointed Lead Independent Director and Deputy Chair; People and Performance Committee Chair and Nominations Committee Chair from 1 January 2025.
[20] Dr Hilken and Dr Grön were to represent the Project Oversight Committee on the Nomination Committee subject to requirements.



Board skills matrix

The composition of the Board is to be reviewed regularly against the Company's Board skills matrix, which is prepared and maintained by the Nominations Committee, or, in its absence, the Board, to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction and to manage and leverage new and emerging business and governance issues.

Experience	Knowledge and skills
Corporate leadership Successful experience in CEO and/or other senior corporate leadership roles.	**Strategic expertise** Setting and reviewing strategy and/or business development.
International experience Senior experience in multiple international locations.	**Marketing and communications** Media, stakeholder communication, investor relations, public relations.
Resources or technology industry experience Relevant industry (resources, energy, power, mining, exploration, processing) experience.	**Risk and compliance** Risk management and mitigation experience.
Other Board level experience Membership of other listed entities (last three years).	**Capital markets** Capital raising, mergers and acquisitions.
Capital projects Major resources capital project development and management.	**Corporate sustainability** ESG strategy development and associated corporate decision-making frameworks, ESG goal/target setting and oversight.
	Environmental Proven experience with climate change policy, sustainability, and carbon reduction.
	Social Positive human resource management.
	Governance Relevant exposure to controlling and operating organisational procedures and processes.

Additional expertise

Dr Horst Kreuter

Chief Representative Germany and Board advisor

PhD in Geology

Dr Kreuter is a highly experienced businessman and engineering geologist, with an extensive and distinguished record of project development and consulting in the geothermal sector. Dr Kreuter is co-founder of the Phase One Lionheart Project, alongside Dr Francis Wedin. Prior to Vulcan, Dr Kreuter spent over 15 years as leader of GeoThermal Engineering GmbH, a consulting firm based in Karlsruhe, with work extending both domestically and internationally. Notably, Dr Kreuter was actively involved in countries such as Tanzania, Turkey, Italy and Indonesia.

Daniel Tydde

Company Secretary and General Counsel

Bachelor of Laws, Bachelor of Commerce

Mr Tydde is an experienced corporate lawyer with circa 20 years' experience across a wide range of corporate, commercial and finance areas including corporate regulatory compliance; corporate governance; equity and debt capital raisings; asset and share sales and purchases; initial public offerings; corporate restructuring and reorganisations; and litigation. Prior to joining Vulcan, he held a senior position at Steinepreis Paganin and, prior to that, worked at Clayton Utz and Phillips Fox (now DLA Piper). Mr Tydde holds a Bachelor of Laws and a Bachelor of Commerce from the University of Notre Dame Australia.

Material business risks

Global lithium market

Lithium prices are subject to unpredictable fluctuations, driven in part by changes in the balance of global supply and demand as well as international, economic and geopolitical trends and developments. Any material decrease or significant volatility in the price of, or demand, for lithium could have a detrimental effect on the Company's business, its ability to raise equity and debt finance and share price.

Funding

As the Company does not currently generate significant revenue, significant external funding will be required to continue current operations and support further implementation of the Project. Should Vulcan be unable to enter into the envisaged financing agreements or to comply with the terms of the existing financing arrangements or those financing agreements it intends to enter into with various lenders at the project level or to obtain additional financing as needed on acceptable terms or at all, it may need to abandon its development plans or reduce and/or change their scope which may, in turn, adversely affect operations. Moreover, the amount of capital required in future phases will be determined and refined as the Company advances the Project. In particular, as the Company has not completed a DFS in relation to any subsequent phases, there remains significant uncertainty regarding the funding requirements beyond Phase One.

Value chain

Vulcan operates along a value chain to extract and produce lithium and, as a result, faces risks along the entire value chain. Current and expected future operations of Vulcan include a broad range of activities including exploration, appraisal, development and possible lithium production.

These activities may be affected by a range of factors, including the acquisition and/or delineation of economically recoverable mineralisation and heat, geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns and workforce availability, as well as risks arising from unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk from third parties providing essential services, the COVID-19 pandemic and any other possible future outbreaks of diseases or pandemics as well as the Russia-Ukraine Conflict and its repercussions.

Geopolitical

Geopolitical developments, changes and updates of trade and public health policy and developments of defence and security policy of the US, Russia, China and other countries have adversely affected, and may continue to adversely affect, the availability and price of equipment, components and energy, supply chains, international trade, financing conditions and the global economy at large, which may have a detrimental effect on the Company. In its current phase, Vulcan is sensitive to geopolitical developments, changes and updates of trade policy and developments of defence and security policy of the US, Russia, China and other countries. The Company is reliant on the availability, steady supply and the stability and/or predictability of the prices of equipment and components, some of which need to be shipped long-way or from overseas. As a result, it is dependent on stable supply chains, open seaways and favourable trade policies for deliveries of equipment and components.

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Resources and Reserve estimates

The Resource and Reserve estimates relating to the Company's current and future projects are subject to certain assumptions and interpretations which may prove to be inaccurate. Any material deviations may result in alterations to development plans which may, in turn, adversely affect the Company's operations. Technical studies (such as pre-feasibility studies and definitive feasibility studies) are often used to demonstrate the technical and economic viability of a mineral deposit. Technical studies are subject to material uncertainties, in particular for projects in the exploration and correspondingly early phases, such as the case for Vulcan.

Licencing and permitting

There is no guarantee the Company will be able to obtain all required approvals, licences, permits and land for lithium and geothermal renewable energy production in time or at all. The Company currently holds all exploration licences required to undertake its exploration programs, and a geothermal production licence at the Insheim Plant. Permitting for Phase One of the Project area is a carefully planned and iterative process through to project execution. However, many of the lithium and geothermal energy rights and interests held by the Company are subject to the need for ongoing or new governmental approvals, licences and permits as the Project advances and the scope of operations change. No guarantee can be given that approvals, licences, or permits will be maintained or granted (at all or in a timely fashion), or, if they are maintained or granted, that the Company will be in a position to comply with all conditions that are imposed or that they will not be challenged by third parties.

Climate change

The Company's geothermal projects are subject to climate change risks. While one of the primary purposes of the Project is to avoid carbon emissions in the lithium supply chain, there are a number of climate-related factors that may affect the operations and proposed activities of Vulcan. Climate change may cause certain physical and environmental risks that cannot always be reasonably predicted by the Company, including events such as increased severity of weather patterns and incidence of extreme weather events, as well as longer-term physical risks such as shifting climate patterns. In particular, higher temperatures prevailing over increasing periods of time, as a result of anticipated global warming, may negatively impact the efficiency of the processes in geothermal plants used in the energy production business of the Company.

Personnel

The Company may lose its directors or other key personnel or may be unable to recruit or retain qualified personnel for key positions. Without such directors or key personnel Vulcan may not be able to successfully manage, develop and operate its business. While Vulcan's strong environmental ethics have proven to be an effective recruitment tool to date, there can be no assurance the Company's efforts to retain and motivate its directors and key employees or attract and retain other highly qualified technical personnel will continue to be successful. In order to achieve its strategic goals, the Company is targeting a significant increase in the number of staff over the next three to five years as it is planned to transition to an execution and production company.

Safety

The Company's operations involve the use of heavy machinery, gas and chemical substances. Any technical or human error could harm physical integrity, life or property and, as a result, could have a material adverse effect on the business, results of operations, prospects and reputation. While the Company has implemented a variety of health and safety measures to help prevent damage to individuals or property arising from its construction, drilling and transport activities and use of heavy machinery or handling of chemicals, such activities are distinctly complex and inherently risky.

Cyber security

The Company may fail to maintain the integrity of its IT systems and successfully protect them against potential cyber-attacks, security breaches or other instances of intentional or unintentional disruption. Vulcan uses, collects and stores multiple types of data including personal data. The integrity, availability and reliability of such data may be subject to intentional or unintentional disruption. Given the increasing sophistication and scope of potential cyber-attacks, these attacks could result in significant security breaches that could compromise sensitive information and financial transactions or cause systems to be unavailable for a period of time. The Company's IT department has implemented several risk mitigation processes to protect the Company and its stakeholders from the possibility of a cyber security breach.

Significant changes in the state of affairs

There were no significant changes to the state of affairs other than those noted elsewhere in this Report.

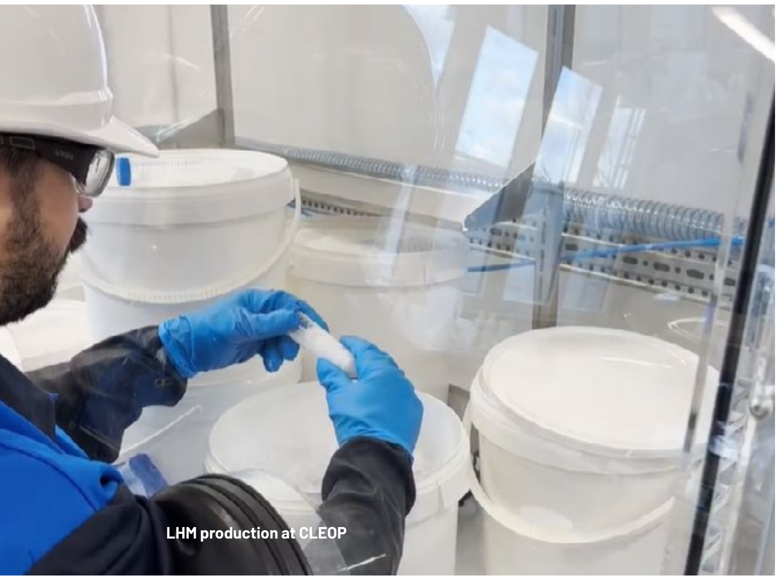
Matters subsequent to the reporting period

Board changes

Group CFO Felicity Gooding was appointed Executive Director, and Non-Executive Director Angus Barker was appointed as Lead Independent Director and Deputy Chair, both effective 1 January 2025. Mr Barker also assumed the role of Chair of the People and Performance Committee (PPC) on 1 January 2025, along with non-executive directors Josephine Bush and Dr Günter Hilken who will also be appointed as new PPC members. Mr Barker has also replaced Ranya Alkadamani as Chair of the Nominations Committee, and joined the Audit, Risk and Environmental, Social and Governance (ARESG) Committee, which is chaired by Josephine Bush, on 1 January 2025.

Start of production of battery-quality lithium hydroxide monohydrate

On 13 January 2025, the Company announced the production of the first battery-quality lithium hydroxide monohydrate (LHM) at the downstream optimisation plant, by processing high purity lithium chloride concentrate extracted from brine at the upstream A-DLE optimisation plant in Landau, Germany. This represents the first fully integrated, battery-quality LHM produced in Europe, from resource to final product.



LHM production at CLEOP

Close of Share Purchase Plan

The Company's Share Purchase Plan (SPP), announced in December 2024, closed on 20 January 2025. Under the SPP, shareholders validly subscribed for ~€4.9m (~A$8m) new fully paid ordinary shares in the Company at an offer price of A$5.85 per SPP share.

Start of V20 drill rig mobilisation to first new production well site for Phase One

The Company announced the start of execution works on its integrated Phase One renewable energy and lithium project on 4 February 2025, with mobilisation of its V20 drilling rig to the Phase One Schleidberg well site near Landau, Germany.

Joint 2D seismic survey with BASF SE (BASF)

The Ludwigshafen City Council and Frankenthal City Council unanimously approved the start of the seismic campaign for a future phase of development, in the joint development area (designated Ludwigsland) with BASF. These decisions were made on 13 January 2025 and 21 January 2025 respectively, marking the first major milestone in Vulcan and BASF's joint project.

2D seismic survey being undertaken in the Vorderpfalz region of Germany in March 2025

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Environmental regulations

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use if over certain facility or corporate group thresholds. The Vulcan Group did not meet these thresholds for 2024 but does voluntarily report annual greenhouse gas emissions. The Australian operations of the Company have been certified as carbon neutral under the Australian Climate Active initiative since 2020, the German operations, including VEE and VES have been certified carbon neutral since 2021. The German operations were certified under South Pole for 2021 and certified under Climate Impact Partners for 2022. During the Period, Vulcan together with ERM completed its Environmental and Social Impact Assessment (ESIA) for Phase One, noting multiple positive impacts of the Project, including renewable heating provision for local communities, and carbon neutral lithium production to decarbonise the lithium supply chain, in a world leading first for the industry. ESIA is in line with lenders' requirements to ensure a level of environmental performance prior to the furnishing of debt finance and is, together with ESMP, integrated into the project level debt and equity financing process.

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.

Indemnification and insurance of officers and auditors

The Company has indemnified the Directors and Executives of the Company for costs incurred, in their capacity as a director or Executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and Executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium. The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Officers of the Company who are former partners of RSM

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

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Remuneration report

The Remuneration Report outlines the remuneration arrangements for the Vulcan Energy Resources Limited (Vulcan, or the Company) Key Management Personnel (KMP) for the year ended 31 December 2024 (FY24) in accordance with the requirements of the *Corporations Act 2001 (Cth)* (the Act) and its regulations. This information has been prepared in accordance with section 300A and audited as required by section 308(3C) of the Act.

The Remuneration Report is presented under the following sections:

1. Introduction
2. Remuneration summary
3. Remuneration governance
4. Executive KMP remuneration arrangements
5. Executive KMP remuneration outcomes
6. Executive KMP contracts
7. Non-Executive Director remuneration arrangements
8. Additional disclosures relating to rights and shares
9. Loans to key management personnel and their related parties
10. Other transactions and balances with key management personnel and their related parties

Committee Chair's message

Dear Shareholders,

On behalf of the Board and the People and Performance Committee (PPC), I am pleased to present the 2024 Remuneration Report.

People are at the heart of Vulcan. For our current and prospective employees, a career at Vulcan offers an opportunity to put the just transition into action – to be part of a multidisciplinary team with strong career paths, to be part of the movement from the brown to the green sector, and to make a contribution to the buildout of robust local supply chains in a critical mineral essential to the European mobility transition.

FY24 was a year of significant progress as Vulcan advanced toward becoming a key supplier of sustainable lithium and renewable energy for Europe. With major project milestones achieved, a substantial quantum of financing locked in, and the necessary regulatory approvals in place, we are now well positioned for the next phase - delivering on execution and production.

In that light, the PPC assessed FY24 remuneration outcomes, with a focus on ensuring executive pay reflects performance, business progress, and market competitiveness.

ARTIS-Photographie I Uli Deck - CLEOP Opening

Key developments included:

Short-Term Incentive (STI) performance and outcomes

This year, to improve our market competitiveness, particularly in the German market where annual awards are most often made wholly in cash, awards under the annual incentive program for 2024 no longer have an additional year of service condition. Accordingly, and to better describe the nature of these annual awards, given there is no longer a deferral feature, we have changed their name from Annual Deferred Incentive (ADI) Awards to Short Term Incentive (STI) awards.

The STI program delivered an average award outcome of 97% for the Vulcan Team. This high level of payout, relative to just 41% the year before, directly reflects the outstanding execution of critical milestones that underpin Vulcan's transition into an operational company, including:

- Significant progress on project execution, including securing key permits, advancing construction readiness, and achieving production at the upstream and downstream optimisation plants – the first fully integrated lithium hydroxide produced in Europe, from raw material to final product
- Significant progress towards securing project financing for the Phase One Lionheart Project, with Board approval received from the European Investment Bank (EIB) for up to €500m of participation and conditional debt commitments from Export Finance Australia and a group of seven commercial banks for up to €879m (~A$1.45bn), a ~€105 million (A$172m) equity raise in December via a placement and share purchase plan, a €40 million (~A$65 million) placement in June to strategic partners, and the award of €100 million in German government grants
- Advancements in sustainability and ESG commitments, with the publication of an updated Environmental and Social Impact Assessment for the Project and the awarding of a Dark Green rating by S&P Global Ratings - the highest ever received by a Metals and Mining company globally, for our Green Financing Framework.

Achieving at or very close to the goal for each one of the targets set for project and people, environment and social measures was a significant achievement by the executive team. To do so in all of the measures denoted a year of remarkable progress for the company. The PPC determined at year end that these milestones represent substantial de-risking of the Company, as was reflected in an 84% increase in the share price over the course of the year, from around $2.90 to $5.35 (which is even more noteworthy against a backdrop of a very challenging market for most listed lithium companies), justifying the strong STI award outcomes while maintaining alignment with shareholder value creation.

Long-Term Incentive (LTI) adjustments and outcomes

In line with industry benchmarks and the Company's growth trajectory, LTI grants issued in FY24 were adjusted to a three-year testing period (previously four years) to enhance alignment with medium term company milestones and leadership retention.

While no LTI awards vested in FY24, new LTI grants were structured to drive sustainable performance, with clear business execution, ESG, and shareholder return metrics.

Fixed remuneration and governance enhancements

Fixed remuneration remained largely unchanged, with increases only applied to reflect government-mandated superannuation changes and Group Chief Financial Officer (Group CFO), Ms Gooding, taking on additional responsibilities as part of her Group CFO role.

Key changes to the PPC

The PPC transitioned to a fully independent structure from 1 January 2025, reinforcing best-practice governance, with the Committee now comprising of myself as Chair, and Ms Josephine Bush and Dr Günter Hilken as Committee members. I thank the former Chair of the PPC, Ms Ranya Alkadamani, along with Mr Gavin Rezos and Ms Annie Liu, for their service.

Looking ahead to FY25

As Vulcan moves toward full-scale project execution and operations, the PPC will continue to refine our remuneration strategy to support the Company's next phase of growth.

Key areas of focus for FY25 include:

- Ensuring remuneration remains competitive and performance-driven, reflecting Vulcan's evolution into a larger, more complex business
- Continued monitoring of alignment of STI and LTI structures with project execution and operational performance, ensuring incentives support both short-term delivery and long-term value creation
- Ensuring our remuneration governance and disclosure meets the expectations of an investor base with growing institutional investor representation.

We appreciate your support and look forward to sharing our continued progress with our shareholders over the course of the year.

Sincerely,

Angus Barker

Chair, People and Performance Committee

1. Introduction

This Remuneration Report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Each KMP was appointed for the entire year 1 January to 31 December 2024, unless otherwise stated. For the purposes of this Remuneration Report, the term "Executive" includes Executive KMP of the Group as detailed in the table below.

(i) Non-Executive directors (NEDs)	
Mr Gavin Rezos[21]	Non-Executive Deputy Chair
Ms Ranya Alkadamani[21]	Non-Executive Director
Dr Heidi Grön	Non-Executive Director
Ms Josephine Bush	Non-Executive Director
Dr Günter Hilken	Non-Executive Director
Mr Angus Barker[22]	Non-Executive Director
Mr Mark Skelton[23]	Non-Executive Director
Ms Annie Liu[24]	Non-Executive Director

(ii) Executive (Executive KMP)	
Dr Francis Wedin	Executive Chair
Mr Cris Moreno	Managing Director & Chief Executive Officer ("MD-CEO")
Ms Felicity Gooding[25]	Group Chief Financial Officer ("Group CFO")
Mr Robert Ierace[26]	Chief Financial Officer ("CFO")

21. Mr Gavin Rezos and Ms Ranya Alkadamani retired on 31 December 2024.
22. Mr Angus Barker joined the Board as Non-Executive Director on 13 September 2024 and was appointed Lead Independent Director and Deputy Chair on 1 January 2025.
23. Mr Mark Skelton retired on 1 February 2024.
24. Ms Annie Liu retired on 13 September 2024.
25. Ms Felicity Gooding was appointed as Group CFO on 15 January 2024, and as Executive Director on 1 January 2025.
26. Mr Robert Ierace ceased to be an Executive KMP from 15 January 2024 following the appointment of Ms Felicity Gooding as Group CFO. Mr Ierace stepped down from the role of CFO on 31 March 2024.

There were no other changes to the KMP after the reporting date and before the date the financial report was authorised for issue.

Financial values referenced throughout this Remuneration Report are translated from Australian dollars to Euro using an exchange rate of 0.61.

2. Remuneration summary

Executive KMP are rewarded through fixed remuneration, a Short-Term Incentive (STI[27]) and a Long-Term Incentive (LTI). NEDs receive a fixed fee for their service over the year including Company securities. The following table provides the key remuneration highlights for both Executives and NEDs for FY24.

Executive KMP Fixed Remuneration	**Fixed Remuneration adjustments**	Executive fixed remuneration (inclusive of superannuation guarantee contributions) is detailed in section 5. On 1 July 2024, Ms Gooding's fixed remuneration increased from $500,000 (€305,050) to $557,500 (€340,131), to reflect an increase in responsibilities in her role as Group CFO. No additional adjustment to fixed remuneration was made when Ms Gooding commenced the role of Executive Director, from 1 January 2025.[28] On 1 July 2024, Dr Wedin and Mr Moreno's fixed remuneration increased from $666,000 (€406,327) to $669,000 (€408,157), to reflect an increase in mandatory superannuation contributions from 11.0% to 11.5%, in accordance with Government regulations. No further changes were made to Executive KMP remuneration during the period.
Executive KMP Short-Term Incentive (STI)	**97% average STI award delivered for the period to 31 December 2024**	Under the Company's Incentive Award plan, the Company issued STIs, designed to reward the creation of exceptional short-term shareholder value aligned to the performance hurdles detailed below. Due to a change in financial years, the assessed outcomes were based on a period of 1 July 2023 to 31 December 2024 for Mr Moreno. The STIs can be converted to Ordinary Shares in the Company once vested on election, under the Company's Performance Rights Plan. STIs issued during FY24 no longer have an additional year of service condition to enhance market competitiveness. Given the exceptional performance for the Company in a tough global environment, the Board awarded an average of 97% of STI rights to Executive KMPs Mr Moreno and Ms Gooding, which vested at 31 December 2024. This was compared with a 41% award in the previous year FY23. In FY24 there was a different MD-CEO, Mr Moreno, relative to the previous year, when Dr. Wedin was the MD-CEO. Dr Wedin as founder of the Company is already a substantial shareholder and therefore had a smaller STI package relative to fixed remuneration. In addition, Dr Wedin declined to take up any new STIs in 2024, and with the approval of the Board those rights were instead allocated to other executives including Mr Moreno, to increase incentivisation and shareholder alignment. Finally as disclosed in the FY23 Remuneration Report, there was a remuneration adjustment for the new MD-CEO given the increased size, complexity and number of operations, reflecting the change from a development to an execution and construction-stage company. There was therefore an increase in percentage of STI rights to fixed remuneration from 26% to 70% for the MD-CEO relative to the previous year. Refer to sections 4 and 5 for further detail.
Executive KMP Long-Term Incentive (LTI)	**No LTI rights vested** **New LTI performance rights issued for the period to 31 December 2024**	No LTI performance rights vested between 1 January 2024 and 31 December 2024. Under the Company's Incentive Award plan, the Company issued LTIs, designed to reward creation of exceptional long-term shareholder value aligned to the performance hurdles detailed below. In order to align more closely with medium term company milestones, staff retention and motivation, and to take into account the change in the Company's year-end to 31 December, the LTIs issued during FY24 are tested after three years, rather than four years previously. The percentage of fixed remuneration constituted by LTI rights increased from 114% previously to 200% in FY24 for the MD-CEO. The increase is due to a change in MD-CEO relative to the previous year, where the previous MD-CEO, Dr Wedin, already had a substantial shareholding in the Company. The new incoming MD-CEO, Mr Moreno, has increased responsibility, including increased size, complexity and number of operations, and is tasked with the completion of financing, and construction of the Company's main project. The change in package for the MD-CEO reflects the planned shift from a development company to an execution and construction company, and the need to incentivise the new incoming MD-CEO. In addition, Dr Wedin in his new role as Executive Chair declined to receive any incentive securities in FY 2024, and with the approval of the Board those rights were instead distributed around Vulcan's Executive Team including Mr. Moreno, allowing the Executive Team to be better incentivised without dilution of other existing shareholders. Refer to sections 4 and 5 for further detail.

[27] Previously referred to as Annual Deferred Incentive, or ADI

[28] However under Ms Gooding's new Employment Agreement her LTIs increased from 70% of her salary to 110% of fixed remuneration.

NED remuneration	**NED and committee fees unchanged from the prior year, decrease in Deputy Chair fee.**	The NED fee pool was unchanged for the year ended 31 December 2024. NED and committee fees were unchanged from the prior period, except for a 25% decrease of the Deputy Chair fee to $152,000 (€92,735) from 1 January 2024, to reflect the conclusion of the handover period between the previous and current Chair. NEDs will continue to be issued securities in the Company to a value of A$35,000 each year for three years (i.e. a total value of A$105,000) commencing from the date of shareholder approval to the award of the shares. Each annual tranche vests 12 months from the date of issue, and the vesting criteria for each tranche is that NEDs are still a Director on the vesting date. No securities were issued to NEDs during FY24 as all NEDs held unvested performance rights, however it is intended to do so during FY25.

3. Remuneration governance

Remuneration decision making

The following diagram represents the Company's remuneration decision making framework:

Board

Reviews and approves Executive remuneration and incentives.
Sets aggregate NED fees, subject to shareholder approval.

People and Performance Committee (PPC, the Committee)

Develops remuneration strategy, framework and policy and provides Executive & NED remuneration recommendations to the Board.

MD-CEO and Executive Chair	**Remuneration Consultants**	**Audit, Risk and ESG Committee**
Executive remuneration input and implementation.	External, independent remuneration advice and information as required.	Input to financial, risk and ESG measures and outcomes as required.

The People and Performance Committee (PPC) comprises of three NEDs, during FY24 a majority of which were independent, and met regularly throughout the year. From 1 January 2025 the PPC is entirely comprised of independent directors. The Executive Chair and MD-CEO attend certain Committee meetings by invitation, where management input is required. The Executive Chair and MD-CEO were not involved in the final decisions related to their own remuneration arrangements. Further information on the PPC's role, responsibilities and membership can be found on the Company's website at https://v-er.eu

Use of independent remuneration consultants

To ensure the PPC is fully informed when making remuneration decisions, it seeks external remuneration advice where required. Independent remuneration consultants are engaged by, and report directly to, the PPC. In selecting remuneration consultants, the PPC considers potential conflicts of interest and requires independence from the Company's KMP and other executives as part of their terms of engagement.

During the financial year ended 31 December 2024, the PPC undertook a review of Executive KMP Remuneration. No remuneration recommendations, as defined in Section 9B of the Corporations Act 2001, were provided by any external consultant. A further independent review is planned for 2025 as the Company continues to increase in size and complexity.

Remuneration report approval at 2024 AGM

The Remuneration Report for the period ended 31 December 2023 received positive shareholder support at the 2024 AGM with a vote of 92.32% in favour.

4. Executive KMP remuneration arrangements

Remuneration principles and strategy

Vulcan's executive remuneration strategy is designed to attract, retain and motivate the best people to create a positive culture that delivers the Company's business strategy and contributes to sustainable long-term returns.

The following diagram illustrates how the Company's remuneration strategy aligns with its strategic direction and links remuneration outcomes to performance.

Vulcan Mission

To become Europe's leading sustainable lithium business and enabling energy security through geothermal energy

Remuneration strategy linked to business objectives

Market competitive	Alignment to performance	Sustainability	Culture
Competitive remuneration compared to companies of a similar size and complexity.	At-risk remuneration including both short and long-term elements, subject to performance in alignment with business objectives.	Remuneration promotes executive retention. Rewards performance in a balanced and sustainable manner.	Aligns remuneration to performance outcomes which promote a positive culture that champions Vulcan's values.

Vulcan's Values

Climate Champion	Determined	Inspiring

Approach to setting remuneration and details of incentive plans

The Executive remuneration framework consists of fixed remuneration, short and long-term incentives with different reward focus.

Remuneration Component	Vehicle	Purpose	Link to performance
Fixed remuneration (FR)	**Base salary plus statutory superannuation or equivalent**	Attract and retain Executives with the capability and experience to deliver Vulcan's strategy, based upon the competitive landscape among relevant peers.	Regularly reviewed to ensure the remuneration levels appropriately compensate Executives for their capability in driving a positive culture and delivering on the business strategy.
Short-Term Incentives (STI)	**Performance rights**	Reward for performance against KPIs aligned to annual business objectives, including Group, Environmental Social Governance (ESG) and individual linked objectives.	Strategic annual objectives are embedded in each executive's personal scorecard of performance measures. See section 8 (footnote 46) in relation to the multiplier on the STIs issued to Mr Moreno and Ms Gooding.
Long-Term Incentives (LTI)	**Performance rights**	Align long-term performance focus to drive shareholder returns. Encourage sustainable, long-term value creation through equity ownership.	Vesting is subject to the achievement of defined business and sustainability milestones and Total Shareholder Return (TSR) over a three year period, changed from 4 years in FY23. See section 8 in relation to the multiplier on the LTIs issued to Mr Moreno and Ms Gooding.

The following diagrams set out the current Executive remuneration structure.

	Fixed remuneration	STI	LTI
		Unvested rights subject to forfeitures	
Year 1	Base Salary, Superannuation and Other benefits.	Annual award of rights under the STI plan subject to achievement of annual objectives. Vesting at end of the relevant year.	Performance rights which vest after three years subject to the achievement of long-term performance hurdles.
Year 3			

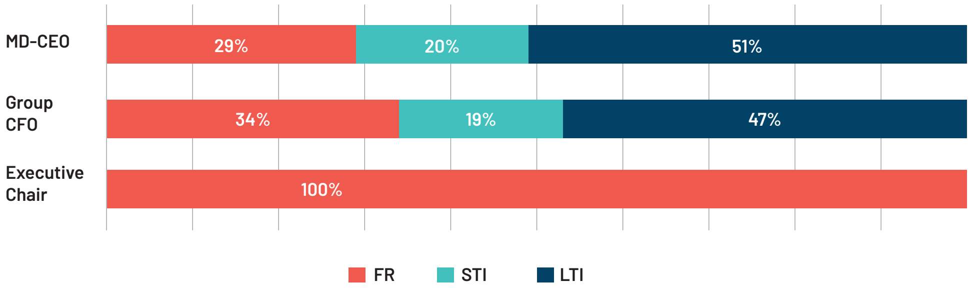
Each component of the KMP remuneration structure is further outlined below.

Remuneration mix

How is overall remuneration and mix determined?

The overall remuneration mix reflects an appropriate balance of fixed and variable remuneration considering the Company's size and business operations.

The chart below summarises the MD-CEO, Group CFO and Executive Chair's remuneration mix based on maximum STI and LTI awards issued during FY24, including any multipliers.



Fixed remuneration

How is fixed remuneration reviewed and approved?	Fixed remuneration is reviewed annually. Fixed remuneration changes for Executives are subject to approval from the Board after considering recommendations from the PPC.

Short-Term Incentive (STI)

What is the STI plan?	The Company operates a Short-Term Incentive (STI) programme which is an award of rights which vest annually on achievement of defined performance measures.
What is the opportunity?	MD-CEO: 70% of fixed remuneration Group CFO: 50% of fixed remuneration The issue of rights to the MD-CEO was approved at the Company's EGM on 5 August 2024. To further incentivise the MD-CEO and Group CFO and provide value to shareholders, Mr Moreno and Ms Gooding have certain multipliers on their STI rights, as set out in section 8.
What are the performance criteria and how do they align with business performance?	STI vesting is subject to performance criteria measured over a one-year performance period and relate to project milestones (50%), ESG milestones (20%) and individual milestones (30%), which are directly linked to the performance of the business and described in more detail in section 5.
How is vesting determined?	After consideration of actual performance against KPIs, the Board assess and test the portion of rights (if any) to vest for each Executive KMP on an annual basis, seeking recommendations from the PPC as required.
What happens if an Executive leaves?	Where a participant ceases employment prior to their rights vesting due to resignation or termination for cause, rights will be forfeited subject to Board discretion.
Are Executives eligible for dividends?	Executives are not eligible to receive dividends on unvested rights.

Long-Term Incentive (LTI)

What is the LTI plan?	Under the LTI plan, an annual grant of rights is made to Executive KMP to align remuneration with creation of shareholder value over the long-term.

What is the opportunity?	Executive KMP were granted LTI performance rights valued at: MD-CEO: approximately 200% of fixed remuneration Group CFO: approximately 140% of fixed remuneration The issue of rights to the MD-CEO was approved at the Company's EGM on 5 August 2024. To further incentivise the MD-CEO and Group CFO and provide value to shareholders, Mr Moreno and Ms Gooding have certain multipliers on their LTI performance securities, as set out in section 8.
How is performance measured?	Vesting of LTI rights issued during the period is subject to performance criteria measured over a three-year period relating to business returns (40%), sustainability returns (20%) and total Shareholder returns (40%). Total Shareholder returns are measured against compound annual growth rate (CAGR) and the Company's performance relative to its peer group. Refer to section 5 for further details of LTI rights issued in the current and prior financial years.
For rTSR, which companies do Vulcan measure their performance against?	Relative TSR assesses our TSR against a custom peer group with constituents being determined by the Board and reviewed on a regular basis to ensure appropriateness for the purpose of assessment. For LTI grants made for the period ending 31 December 2024, the customised peer group comprises companies in lithium and the wider resource sector, as follows: Syrah Resources Limited, Chalice Mining Limited, Lynas Rare Earth Limited, 29 Metals Limited, Novonix Limited, Liontown Resources Limited, Sayona Limited, Lake Resources Limited, Core Lithium Limited, Pilbara Minerals Limited, Ioneer Limited, Piedmont Lithium Limited and Galan Lithium Limited.
When is performance measured?	The performance measures are tested at the end of the three-year performance period to determine the number of Rights that vest. There is no opportunity for re-testing. Rights will lapse if the performance measures are not met at the end of the performance period.
What happens if an Executive leaves?	Where a participant ceases employment prior to their Rights vesting due to resignation or termination for cause, rights will be forfeited subject to Board discretion.
Are executives eligible for dividends?	Executives are not eligible to receive dividends on unvested Rights.

5. Executive KMP remuneration outcomes

Company performance

A summary of Company performance as measured by its earnings per share and share price for the prior five reporting periods, including disclosure required by the Corporations Act 2001, is outlined in the table below.

Measure	31 Dec 2024	31 Dec 2023	6 months ended 31 Dec 2022	30 June 2022	30 June 2021
Revenue (€'000)	8,119	6,783	3,622	3,799	-
Net Loss After Tax (NPAT) (€'000)	42,358	26,963	13,450	18,851	6,726
Loss per share (Euro cents)	23.27	16.92	9.52	15.12	7.71
Closing Vulcan security price ($)	5.35	2.85	6.33	5.42	7.70

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STI Outcomes

To align performance measures with business objectives, the Board approved the issue of 119,500 STI rights to the MD-CEO and 72,500 STI rights to the Group CFO during the period ended 31 December 2024. The issue of rights to the MD-CEO was approved at the Company's EGM on 5 August 2024.

Based on the assessed outcomes for the period ended 31 December 2024, because of an exceptional performance in a tough global environment, the Board awarded 96.9% of STI rights to the MD-CEO, and 97.3% of STI rights to the Group CFO assessed against the following milestones, in contrast to only 41% vesting during the previous FY23 year. These STI rights vested at 31 December 2024. A summary of STI performance is provided below.

Vulcan Energy FY24 Scorecard

Group milestones (70% weighting)

The table below illustrates Group milestones which apply to the MD-CEO and Group CFO during FY24. Group Milestones include project (50% weighting) and ESG (20% weighting) milestones, comprising a total 70% weighting of STI performance.

The remaining 30% of STI performance is determined by individual milestones.

Measure	Weighting	Outcome	Outcome summary
Project Milestones - 50%			
The Company has produced battery quality lithium hydroxide at Vulcan's Central Lithium Electrolysis Optimization Plant (CLEOP)	8.3%	7.9%	The milestone was achieved on 13 January 2025, with 95% progress at 31 December 2024. Achievement subsequent to 31 December 2024 was due to brine supply delays from a third party supplier.
The Company has all permits necessary for the planned execution of phase 1 as per the Bridging Study	8.3%	8.3%	The Company has permits to start execution and commence drilling at the first new planned production site, and therefore the milestone was fully met.
The Company has secured all land necessary for the interconnecting pipeline and power between Insheim and Schleidberg; D12 to 40 Morgen and Trappelberg	8.3%	7.9%	Key preparations made however final acquisition not yet completed due to project financing. Due to substantial progress with local stakeholders, the milestone was tested at 95% complete at 31 December 2024.
The Company has commenced 'shovel in the ground' construction of the Geothermal and Lithium Extraction Plant	8.3%	7.9%	Groundworks ready to commence with preparation was 95% complete at 31 December 2024. The delay in commencement is a result of a change in the financing timeline.
The Company has commenced drilling its first new well as part of project execution of Phase 1	8.4%	8.0%	Drilling is expected to commence in H1 2025, however the milestone is judged at 95% complete as drilling approval was granted and drilling operations were readied to progress to the execution phase, including the Schleidberg well pad and V20 rig readiness for transport to Schleidberg.
The Company has entered into binding agreements to fully finance Phase 1 of its operations (Finance Milestone)	8.4%	8.0%	During the period, conditional debt commitment letters for almost €1 billion were secured, as well as Board approval for a €500m lending envelope with the European Investment Bank (EIB). In addition, €140m equity was raised, including from strategic investors, and €100m grant funding was secured. Whilst the total financing package is not yet finalised, the commitments received to date cover the CAPEX of the project, and therefore 95% of the milestone is judged as achieved.
Total Project Milestones	**50.0%**	**48.0%**	

Measure	Weighting	Outcome	Outcome summary
ESG Milestones – 20%			
Environment			
Meet 2024 HSE targets of Lost Time Incident frequency rate (LTIF) of 3	5.0%	5.0%	One Lost Time Incident recorded in FY24 however a LTIF of less than 3 was recorded in total, therefore this metric is 100% achieved.
Signing a binding agreement with a local utility to supply the local community with renewable heat in Phase One area	5.0%	4.8%	Agreement is not officially signed at 31 December 2024, however signing forthcoming and the local city council has voted overwhelmingly in favour of the Project, resulting in a 95% outcome.
Governance			
No breaches with local authorities or regulatory authorities	5.0%	5.0%	No breaches at 31 December 2024.
No cyber security breaches during the period	5.0%	4.7%	One cyber security breach occurred in late December 2024, resulting in no financial loss to the Company, resulting in a 95% outcome.
Total ESG Milestones	**20.0%**	**19.5%**	

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FY24 STI share outcomes

The following table outlines the proportion of maximum STI that was achieved and forfeited in relation to the 2024 financial year. The maximum STI rights are established at the start of the financial year and outcomes are determined by the People and Performance Committee at the end of the financial year. Achieved STIs vested at 31 December 2024.

Executive	Role	Achieved STI (%)	Forfeited STI (%)
Mr Cris Moreno	MD-CEO	96.9%	3.1%
Ms Felicity Gooding	Group CFO	97.3%	2.7%

In relation to the 2023 financial year, Mr Cris Moreno's achieved STI was 37.4% (62.6% forefeited).

LTI rights issued in FY24

To align performance measures with business objectives, the Board approved the issue of 348,000 LTI rights to the MD-CEO and 202,500 LTI rights to the Group CFO during the period ended 31 December 2024. The issue of rights to the MD-CEO was approved at the Company's EGM on 5 August 2024.

LTI's that were granted in FY24 to Executive KMP's will be tested at the end of the performance period which is 31 December 2026. LTI vesting is subject to the following performance criteria measured over a three-year performance period:

1) **Business returns (40%)** based on the satisfaction of the following strategic milestones:

- Project construction and execution of the Central Lithium Plant is as per the Controlled Schedule (P50) (Project Construction).
- Deliver CAPEX as per Phase 1 bridging phase (as aligned with BNPP financing package) and assumptions.
- Obtain Project Financing for Phase Two capital expenditure.

2) Sustainability returns (20%): based on the satisfaction of the following milestones:

- Achieve financing with ESG criteria and successfully execute all ESMP (Environmental, Social Management Plan) requirements.
- Set a publicly announced GHG emissions target (linked to a credible framework such as Science Based Targets) and meet the target within timeline and volume of reduction requirements.

3) Total Shareholder returns (TSR) (40%):

a. Absolute TSR (aTSR) (20%):

aTSR compound annual growth rate (CAGR)	% to Vest
Less than 7.5%	0%
Between 7.5% and 10%	50% to 75% on a pro-rata basis
Between 10% and 12.5%	75% to 100% on a pro-rata basis
Greater than 12.5%	100%

b. Relative TSR (rTSR) (20%):

rTSR performance	% to Vest
50th percentile	50%
Between 50th percentile and 75th percentile	Pro-rata
75th percentile	100%

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Statutory Executive KMP remuneration

The following table sets out total remuneration for Executive KMP for the year ended 31 December 2024 (Dec-24) and for the year ended 31 December 2023 (Dec-23), calculated in accordance with statutory accounting requirements and presented in Euro (€).

		Short-term benefits		Post-employment benefits			
	Year/Period	Cash Salary	Non-monetary	Superannuation	Share-based payments	Total (€)	Performance related %
Executive KMP							
Dr. Francis Wedin[29]	Dec-24	366,119	-	41,182	54,150	461,451	12%[29]
	Dec-23	361,690	-	38,899	88,710	489,299	18%
Mr Cristobal Moreno	Dec-24	371,021	-	41,182	371,688	783,891	47%
	Dec-23	307,200	-	33,178	43,980	384,358	11%
Ms. Felicity Gooding[30]	Dec-24	299,310	-	25,809	247,651	572,770	43%
	Dec-23	-	-	-	-	-	0%
Mr. Robert Ierace[31]	Dec-24	3,687	-	741	-	4,428	0%
	Dec-23	165,908	-	17,841	(186)	183,563	0%
Mr. Vincent Ledoux Pedailles[32]	Dec-24	-	-	-	-	-	0%
	Dec-23	135,000	-	-	(17,923)	117,077	(15%)
Totals	Dec-24	1,040,137	-	108,914	673,489	1,822,540	37%
	Dec-23	969,798	-	89,918	114,581	1,174,297	10%

29 The Company's Executive Chair, Dr Francis Wedin, has declined to receive STI or LTI rights in the future, as he is of the belief that he is already sufficiently incentivised through his existing shareholding as founder of the business.
30 Ms Felicity Gooding was appointed as Group CFO on 15 January 2024, and as Executive Director on 1 January 2025.
31 Mr Robert Ierace ceased to be an Executive KMP on 15 January 2024.
32 Mr Vincent Ledoux Pedailles ceased to be an Executive KMP on 30 June 2023.

6. Executive KMP Contracts

Remuneration arrangements for Executive KMP are formalised in employment agreements. All Executive KMP are employed under an ongoing contract. Key terms of the agreements for Executive KMP in the current and prior financial year are as follows:

Executive KMP	Position	Fixed remuneration (inclusive of superannuation)	Termination notice period by the Company[36]	Termination notice period by the Executive[37]	Termination benefits (in lieu of notice)
Dr Francis Wedin	Executive Chair	$669,000 (€408,157)	6 months	6 months	1 or 6 months
Mr Cris Moreno	Managing Director and Chief Executive Officer	$669,000 (€408,157)	6 months	6 months	1 or 6 months
Ms Felicity Gooding[33]	Group Chief Financial Officer and Executive Director	$557,500 (€340,131)	6 months	6 months	1 or 6 months
Mr Rob Ierace[34]	Chief Financial Officer	$304,140 (€185,556)	1 month	1 month	1 month
Mr Vincent Pedailles[35]	Chief Commercial Officer	€270,000	3 months	3 months	3 months

33 Ms Felicity Gooding was appointed as Group CFO on 15 January 2024, and as Executive Director on 1 January 2025.
34 Mr Rob Ierace ceased to be an Executive KMP on 15 January 2024 and stepped down from the role of Chief Financial Officer on 31 March 2024.
35 Mr Vincent Ledoux-Pedailles ceased to be an Executive KMP on 30 June 2023.
36 Unless the Company terminates the KMP Contract for circumstances relating to a serious breach of their appointment agreement (1 month) or summarily without notice in extreme circumstances.
37 Unless the KMP terminates the KMP Contract for circumstances relating to the Company committing a serious breach of their appointment agreement, whereby 28 days' notice is required.

All Executive KMP are eligible to participate in Vulcan's STI and LTI structure on terms as determined by the Board, subject to receiving any required shareholder approval.

7. Non-Executive Director remuneration arrangements

Policy

The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, at an acceptable cost to shareholders.

The fee structure is typically reviewed annually against fees paid to NEDs of comparable ASX listed companies with a similar market capitalisation to Vulcan, as well as similar sized industry comparators. The Board considers advice from other independent external consultants when undertaking the review process. No review was conducted in 2024, but a review is expected to be conducted in 2025.

The Company's constitution and the ASX Listing Rules specify that the NED fee pool shall be determined from time to time by a general meeting. The latest determination was at the annual general meeting (AGM) held in November 2022 when shareholders approved an aggregate fee pool of $950,000 (€628,470) per year.

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Structure

The fee for NEDs consists of directors' fees and committee fees. The payment of additional fees for serving on a committee recognises the additional time commitment required by NEDs to fulfil this role.

The Board fees paid to Deputy Chair Gavin Rezos included a consulting fee.

There were no increases to NED and committee fees for the year to 31 December 2024. The Deputy Chair fee reduced from $204,000 (€125,338) as at 31 December 2023 to $152,000 (€92,735) from 1 January 2024, representing a 25% decrease. The table below summarises the current NED fee policy.

Board fees	
Deputy Chair	$152,000 (€92,735)
Directors	$81,000 (€49,418)

Committee fees	
Committee Chair	$15,000 (€9,151)
Committee Members	$10,000 (€6,101)

Australian-based NEDs have superannuation included as part of their fees.

In addition to directors' fees and committee fees, NEDs are issued securities in the Company to a value of A$35,000 each year, with the intention being to issue the equivalent of three years' worth of securities every three years (ie a total value of A$105,000); it is intended that this arrangement continues whilst the NED is a Director. Each annual tranche (ie one third of the total award) vests 12 months from the date of issue, and the vesting criteria for each tranche is that NEDs are still a Director on the vesting date.

In his role as Lead Independent Director and Deputy Chair commencing on 1 January 2025, Mr Angus Barker will be granted additional securities in the Company to a value of A$36,000, resulting in a total annual value of A$71,000 in Company securities granted to Mr Angus Barker.

For FY24, no NED was granted equity awards linked to company performance. However, Ms Annie Liu and Ms Ranya Alkadamani were paid a cash-settled pro-rata annual service fee in lieu of A$35,000 worth of ordinary shares, in consideration for continuing on the board until their retirement dates of 13 September 2024 and 31 December 2024 respectively.

NED statutory remuneration disclosures

The remuneration of NEDs for the year 1 January 2024 to 31 December 2024 (Dec24) and for the year 1 January 2023 to 31 December 2023 (Dec23) is detailed below, denominated in Euro (€).

		Short-term benefits (€)	Post-employment (€)			
	Year/Period	Fees	Superannuation (€)	Share-based payments (€)	Total (€)	Share based payment %
Non - Executive Directors						
Mr. Gavin Rezos[38]	Dec-24	104,940	-	-	104,940	0%
	Dec-23	129,639	-	82,239	211,878	39%
Ms. Ranya Alkadamani[38]	Dec-24	65,284[39]	5,923	(1,751)	69,456	(3)%
	Dec-23	49,643	5,345	21,867	76,855	28%
Dr. Heidi Grön	Dec-24	61,620	-	3,285	64,905	5%
	Dec-23	62,823[3]	-	11,799	74,622	16%
Ms. Annie Liu[41]	Dec-24	43,954[42]	-	3,286	47,240	7%
	Dec-23	51,917	-	11,799	63,716	19%
Ms. Josephine Bush	Dec-24	58,570	-	3,285	61,855	5%
	Dec-23	54,989	-	11,799	66,788	18%
Dr. Günter Hilken	Dec-24	58,061	-	16,887	74,948	23%
	Dec-23	57,447[40]	-	37,518	94,965	40%
Mr. Angus Barker[43]	Dec-24	13,126	1,510	-	14,636	0%
	Dec-23	-	-	-	-	-
Mr. Mark Skelton[44]	Dec-24	4,600	506	-	5,106	0%
	Dec-23	58,245	5,345	18,050	81,640	22%
Totals	Dec-24	410,155	7,938	24,992	443,086	6%
	Dec-23	464,703	10,690	195,071	670,464	29%

38 Mr Gavin Rezos and Ms Ranya Alkadamani retired on 31 December 2024.
39 This amount includes the pro-rata annual service fee for $20,712 (€12,636) in lieu of ordinary shares for continuing on the board until retirement date of 31 December 2024.
40 Fees for FY23 included $9,000 (€5,530) for participating in an additional three meetings as members of the Projects Oversight Committee (POC).
41 Ms Annie Liu retired on 13 September 2024.
42 This amount includes the pro-rata annual service fee for $7,767 (€4,739) in lieu of ordinary shares for continuing on the board until retirement date of 13 September 2024.
43 Mr Angus Barker joined the Board as Non-Executive Director on 13 September 2024, and was appointed Lead Independent Director and Deputy Chair on 1 January 2025.
44 Mr Mark Skelton retired on 1 February 2024.

8. Additional disclosures relating to rights and shares

Rights awarded, vested and cancelled/lapsed during the year

The table below discloses the number of rights that vested, were exercised or cancelled during the year.

Rights do not carry any voting or dividend rights and can be exercised once the vesting conditions have been met and until their expiry date.

Executive KMP	Balance at start of year	Granted as remuneration	Performance rights exercised during the year	Performance rights cancelled/ lapsed	Balance[45] at end of year	Performance rights vested during the year	Number of performance rights vested and exercisable at
	1-Jan-24				31-Dec-24		31-Dec-24
Dr. Francis Wedin	125,724	-	-	-	125,724	-	9,724
Mr. Cristobal Moreno[46]	57,614	467,500	-	(3,806)	521,308	115,694	119,808
Ms Felicity Gooding[45, 46]	-	275,000		(2,055)	272,945	70,445	70,445
Mr. Robert Ierace[47]	34,716	-	-	(34,716)	-	-	-
	218,054	**742,500**	**-**	**(40,577)**	**919,977**	**186,139**	**199,977**

[45] Ms Gooding was appointed as Group CFO on 15 January 2024, and as Executive Director on 1 January 2025.

[46] Mr Moreno has the following multipliers on his Rights: (1) LTI (a) 1.5x if Project Construction (defined as project construction and execution of the Central Lithium Plant) is as per the Controlled Schedule (P50) as at the Measurement Period; and (b) 1.25x if Project Construction is within six months of the Controlled Schedule (P50); and (1) STI performance rights (a) 1.5x if the Company has entered into binding agreements to fully finance Phase 1 of its operations by 31 December 2024 (Financing Milestone). It is noted that the Company amended multipliers 1(a) and 1(b) for Mr Moreno from that originally disclosed in the 2023 Annual Report (but never issued) as the Board believed that the new multipliers were more appropriate. It is noted that ~94% of shareholder votes were received to approve the new multipliers in August 2024. As set out in section [5], the Board resolved that given significant financing achievements during 2024, the Financing Milestone (and accordingly the Financing Milestone multiplier) was 95% met. Ms Gooding also has the same 1.5x multiplier in relation to both the Financing Milestone for her STIs and Project Construction for her LTIs .

[47] Mr Ierace ceased to be a KMP on 15 January 2024. Mr Ierace stepped down from the role of CFO on 31 March 2024, resulting in his rights lapsing on that date.

There were no rights issued to Non-Executive Directors as remuneration during the year ended 31 December 2024, however rights held by Josephine Bush, Annie Liu and Dr Heidi Grön (4,297 each), Dr Günter Hilken (4,746) and Ranya Alkadamani (8,412) vested during the course of the year.

The table below discloses the number of rights that vested or were exercised during the year.

Rights do not carry any voting or dividend rights and can be exercised once the vesting conditions have been met until their expiry date.

NED	Balance at start of year	Granted as remuneration	Performance rights exercised during the year	Performance rights lapsed/ forfeited	Other movement[52]	Balance[48] at end of year	Performance rights vested during the year	Number of performance rights vested and exercisable at
	1-Jan-24			31-Dec-24			31-Dec-24	31-Dec-24
Mr. Gavin Rezos[49]	-	-	-	-	-	-	-	-
Ms. Ranya Alkadamani[49]	25,234	-	-	(16,823)	(8,411)	-	8,411	-
Dr. Heidi Grön	4,298	-	-	-	-	4,298	4,298	4,298
Ms. Annie Liu[50]	4,298	-	-	-	(4,298)	-	4,298	-
Ms. Josephine Bush	4,298	-	-	-	-	4,298	4,298	4,298
Dr. Günter Hilken	14,237	-	(4,746)	-	-	9,491	4,746	4,746
Mr. Angus Barker[51]	-	-	-	-	-	-	-	-
Mr. Mark Skelton[53]	14,237	-	-	(9,491)	(4,746)	-	-	-
	66,602	**-**	**(4,746)**	**(26,314)**	**(17,455)**	**18,087**	**26,051**	**13,342**

48 Includes performance rights held directly, indirectly and beneficially by NEDs
49 Mr Gavin Rezos and Ms Ranya Alkadamani retired on 31 December 2024.
50 Ms Annie Liu retired on 13 September 2024.
51 Mr Angus Barker joined the Board as Non-Executive Director on 13 September 2024, and was appointed Lead Independent Director and Deputy Chair on 1 January 2025.
52 The other movement represents the holding of the NED at the date they ceased to be a NED.
53 Mr Mark Skelton retired on 1 February 2024.

The terms and conditions of each grant of rights affecting remuneration of directors and other Key Management Personnel in this financial year or future reporting years are as follows:

		Number of performance rights granted	Grant date	Vesting date	Fair value per performance right at grant date (€)	Total value of performance rights at grant date (€)	Value of performance rights forfeited during the year (€)	Value of performance rights exercised during the year (€)
NED								
Ms. Ranya Alkadamani[54]	Class AD	8,411	28/05/2023	28/05/2024	2.60	21,869	-	-
	Class AD	8,411	28/05/2023	28/05/2025	2.60	21,869	(21,869)	-
	Class AD	8,412	28/05/2023	28/05/2026	2.60	21,871	(21,871)	-
Dr Heidi Grön	Class S	4,298	24/06/2021	24/06/2024	4.95	21,275	-	-
Ms. Annie Liu[55]	Class S	4,298	24/06/2021	24/06/2024	4.95	21,275	-	-
Ms. Josephine Bush	Class S	4,298	24/06/2021	24/06/2024	4.95	21,275	-	-
Dr. Günter Hilken	Class AC	4,746	29/11/2022	29/11/2023	4.76	22,591	-	(22,591)
	Class AC	4,746	29/11/2022	29/11/2024	4.76	22,591	-	-
	Class AC	4,746	29/11/2022	29/11/2025	4.76	22,591	-	-
Mr Mark Skelton[56]	Class AC	4,746	29/11/2022	29/11/2024	4.76	22,591	(22,591)	-
	Class AC	4,746	29/11/2022	29/11/2025	4.76	22,591	(22,591)	-

[54] Ms Ranya Alkadamani retired on 31 December 2024.
[55] Ms Annie Liu retired on 13 September 2024.
[56] Mr Mark Skelton retired on 1 February 2024.

		Number of performance rights granted	Grant date	Vesting date	Fair value per performance right at grant date (€)	Total value of performance rights at grant date (€)	Value of performance rights forfeited during the year (€)	Value of performance rights exercised during the year (€)
Executive KMP								
Dr. Francis Wedin	Class AA	26,000	29/11/2022	30/06/2024	4.52	117,520	-	-
	Class AB	81,200	29/11/2022	30/06/2026	4.52	367,024	-	-
	Class AB	11,600	29/11/2022	30/06/2026	3.46	40,136	-	-
	Class AB	23,200	29/11/2022	30/06/2026	3.69	85,608	-	-
Mr. Cristobal Moreno	Class AA	11,000	13/12/2022	30/06/2024	4.30	47,300	-	-
	Class AB	37,450	13/12/2022	30/06/2026	4.30	161,035	-	-
	Class AB	5,350	13/12/2022	30/06/2026	3.24	17,334	-	-
	Class AB	10,700	13/12/2022	30/06/2026	3.50	37,450	-	-
	Class IP	119,500	5/08/2024	31/12/2024	2.28	272,896	(8,692)	-
	Class IP	208,800	5/08/2024	31/12/2026	2.28	476,826	-	-
	Class IP	69,600	5/08/2024	31/12/2026	1.33	92,840	-	-
	Class IP	69,600	5/08/2024	31/12/2026	1.72	119,372	-	-
Ms. Felicity Gooding[57]	Class IP	72,500	17/06/2024	31/12/2024	2.63	190,977	(5,412)	-
	Class IP	121,500	17/06/2024	31/12/2026	2.63	320,051	-	-
	Class IP	40,500	17/06/2024	31/12/2026	1.88	76,203	-	-
	Class IP	40,500	17/06/2024	31/12/2026	2.14	86,696	-	-
Mr. Robert Ierace[58]	Class AA	9,000	19/09/2022	30/06/2024	5.24	47,160	(47,160)	-
	Class AB	21,000	19/09/2022	30/06/2026	5.24	110,040	(110,040)	-
	Class AB	3,000	19/09/2022	30/06/2026	4.18	12,540	(12,540)	-
	Class AB	6,000	19/09/2022	30/06/2026	4.57	27,420	(27,420)	-

[57] Ms Felicity Gooding was appointed as Group CFO on 15 January 2024, and as Executive Director on 1 January 2025.
[58] Mr Robert Ierace ceased to be a KMP on 15 January 2024. Mr Ierace stepped down from the role of CFO on 31 March 2024, resulting in his rights lapsing on that date.

Performance rights granted carry no dividend or voting rights.

All performance rights were granted over unissued fully paid ordinary shares in the Company. The number of performance rights that vest was determined having regard to the satisfaction of performance measures and weightings as described in section 5. Performance rights vest based on the provision of service over the vesting period or satisfaction of performance measures, whereby the executive and non-executive becomes beneficially entitled to the performance rights on vesting date. There are no amounts paid or payable by the recipient in relation to the granting of such performance rights other than on their potential exercise.

Shareholdings

The table below details the number of Vulcan shares held by NEDs and Executive KMP and the movement during the year ended 31 December 2024.

Other movements in the table reflect shareholdings of the NED or Executive KMP on the date they ceased to be a NED or Executive KMP, and does not indicate a sale of shares by the NED or Executive KMP.

	Class of shares	Balance at start of year	Exercise of performance rights	On market purchase /(sale)	Other movement[66]	Balance at end of year[59]
			1-Jan-24			31-Dec-24
Non-Executive Directors						
Mr. Gavin Rezos[60]	Ordinary	8,635,500	-	-	(8,635,500)	-
Ms. Ranya Alkadamani[60]	Ordinary	276,000	-	-	(276,000)	-
Dr. Heidi Grön	Ordinary	10,398	-	-	-	10,398
Ms. Annie Liu[61]	Ordinary	81,678	-	-	(81,678)	-
Ms. Josephine Bush	Ordinary	26,167	-	14,200	-	40,367
Dr. Günter Hilken	Ordinary	-	4,746	-	-	4,746
Mr. Angus Barker[62]	Ordinary	-	-	-	20,000	20,000
Mr. Mark Skelton[63]	Ordinary	2,000	-	-	(2,000)	-
Executive KMP						
Dr. Francis Wedin	Ordinary	16,458,561	-	-	-	16,458,561
Mr. Cristobal Moreno	Ordinary	-	-	-	-	-
Ms. Felicity Gooding[64]	Ordinary	-	-	-	-	-
Mr. Robert Ierace[65]	Ordinary	125,454	-	-	(125,454)	-
Totals		**25,615,758**	**4,746**	**14,200**	**(9,100,632)**	**16,534,072**

[59] Includes shares held directly, indirectly and beneficially by KMP
[60] Mr Gavin Rezos and Ms Ranya Alkadamani retired on 31 December 2024.
[61] Ms Annie Liu retired on 13 September 2024.
[62] Mr Angus Barker joined the Board as Non-Executive Director on 13 September 2024, and was appointed Lead Independent Director and Deputy Chair on 1 January 2025.
[63] Mr Mark Skelton retired on 1 February 2024.
[64] Ms Felicity Gooding was appointed as Group CFO on 15 January 2024, and as Executive Director on 1 January 2025.
[65] Mr Robert Ierace ceased to be a KMP on 15 January 2024 .
[66] Other movement represents the shareholding of NEDs/ Executive KMP on the date they ceased to be a NED/ Executive KMP, or in the case of Mr Angus Barker, on the date he commenced as NED. It does not indicate a sale of shares by the NED or Executive KMP.

9. Loans to key management personnel and their related parties

There were no loans to KMP and their related parties during the financial year.

10. Other transactions and balances with key management personnel and their related parties

There was an outstanding balance payable to JRB Consulting Ltd, a related party of Ms Josephine Bush, of €4,780 in relation to directors' fees for the period ended 31 December 2024 (31 December 2023: nil). During the previous year, payments for consultancy fees of €12,056 were made to JRB Consulting Ltd in respect of expert advice on ESG reporting.

There were outstanding balances payable to Mr Gavin Rezos of €8,563 (December 2023: €11,666), Dr Günter Hilken of €5,583 (December 2023: nil) and Dr Heidi Grön of €5,028 (December 2023: nil) in relation to directors' fees for the period ended 31 December 2024.

Other than the above, there were no other transactions with related parties during the year ended 31 December 2024.

Terms and conditions

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

End of Remuneration Report.

Signed in accordance with a resolution of the Directors made pursuant to S.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Dr Francis Wedin
Executive Chair
PERTH, Western Australia, 25 March 2025

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Vulcan Energy Resources Limited for the year ended 31 December 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 AUSTRALIA

Perth, WA
Dated: 25 March 2025

Matthew Beevers
Partner

Financial statements

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 24 €'000	31 Dec 23 €'000
Revenue from continuing operations	4	8,119	6,783
Other income	5	1,433	1,191
Gain on discontinuation of use of the equity method of accounting for investments	29	-	3,874
Loss from equity accounted investments	29	(92)	(456)
Other own work capitalised	5	12,560	18,877
Raw materials and purchased services		(750)	(2,593)
Employee benefit expenses		(37,459)	(30,170)
Depreciation and amortisation expenses	6	(9,597)	(5,869)
Impairment expenses	18	-	(1,144)
Share-based payments expense	35	(851)	(1,688)
Other expenses		(19,085)	(21,294)
Net foreign exchange gain	33	1,456	299
Finance income	7	1,889	3,558
Interest expense	7	(173)	(172)
Loss before income tax expense		**(42,550)**	**(28,804)**
Income tax benefit	8	192	1,841
Loss after income tax for the year		**(42,358)**	**(26,963)**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		**(4,055)**	**(2,444)**
Items that will not be reclassified subsequently to profit or loss			
Revaluation of investments at fair value through other comprehensive income		**(1,090)**	**(1,870)**
Total comprehensive loss for the year (net of tax)		**(47,503)**	**(31,277)**
Total comprehensive loss for the year attributable to the owners of Vulcan Energy Resources Limited		**(47,503)**	**(31,277)**
Loss per share for the year attributable to the members Vulcan Energy Resources Limited:		**€**	**€**
Basic loss per share (Euro)	9	(0.23)	(0.17)
Diluted loss per share (Euro)	9	(0.23)	(0.17)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2024

Assets	Note	31 Dec 24 €'000	31 Dec 23 €'000
Current assets			
Cash and cash equivalents	10	97,054	78,728
Trade and other receivables	11	12,519	6,899
Contract assets	12	-	117
Inventories	13	137	327
Total current assets		**109,710**	**86,071**
Non-current assets			
Investments accounted for using equity method	29	-	124
Financial assets at fair value through other comprehensive income	30	1,396	2,550
Exploration and evaluation expenditure	15	13,124	48,475
Other assets	14	8,244	11,775
Property, plant and equipment	16	237,329	138,605
Right-of-use assets	17	3,836	4,416
Intangible assets	18	3,821	1,655
Deferred tax assets	19	3,568	3,212
Total non-current assets		**271,318**	**210,812**
Total Assets		**381,028**	**296,883**
Liabilities			
Current liabilities			
Trade and other payables	20	18,412	17,194
Derivative financial instrument	21	-	133
Employee benefits	22	1,523	1,509
Lease liabilities	17	771	1,086
Provisions	24	-	750
Deferred income	23	2,110	-
Income tax liabilities	8(d)	57	113
Total Current liabilities		**22,873**	**20,785**
Non-current liabilities			
Lease liabilities	17	3,081	3,325
Provisions	24	1,987	264
Deferred income	23	-	2,818
Deferred tax liabilities	25	1,535	1,410
Total non-current liabilities		**6,603**	**7,817**
Total Liabilities		**29,476**	**28,602**
Net Assets		**351,552**	**268,281**
Equity			
Share capital	27	453,643	323,739
Reserves	28	9,083	13,377
Accumulated losses	40	(111,193)	(68,835)
Equity attributable to the owners of Vulcan Energy Resources Limited		351,533	268,281
Non-controlling interest		19	-
Total Equity		**351,552**	**268,281**

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

Consolidated	Issued Capital €'000	Revaluation Reserve €'000	Reserves €'000	Foreign Currency Reserve €'000	Accumulated Losses €'000	Non-controlling interests €'000	Total €'000
At 1 Jan 23	**259,158**	**-**	**9,706**	**6,169**	**(41,872)**	**-**	**233,161**
Loss for the year	-	-	-	-	(26,963)	-	(26,963)
Other comprehensive loss	-	-	-	(2,444)	-	-	(2,444)
Revaluation of investments at fair value through other comprehensive income	-	(1,870)	-	-	-	-	(1,870)
Total comprehensive loss for the year after tax	**-**	**(1,870)**	**-**	**(2,444)**	**(26,963)**	**-**	**(31,277)**
Transactions with owners in their capacity as owners:							
Issue of share capital	67,350	-	-	-	-	-	67,350
Share issue costs	(2,769)	-	-	-	-	-	(2,769)
Share-based payments (note 35)	-	-	1,816	-	-	-	1,816
At 31 Dec 23	**323,739**	**(1,870)**	**11,522**	**3,725**	**(68,835)**	**-**	**268,281**
At 1 Jan 24	**323,739**	**(1,870)**	**11,522**	**3,725**	**(68,835)**	**-**	**268,281**
Loss for the year	-	-	-	-	(42,358)	-	(42,358)
Other comprehensive loss	-	-	-	(4,055)	-	-	(4,055)
Revaluation of investments at fair value through other comprehensive income	-	(1,090)	-	-	-	-	(1,090)
Total comprehensive loss for the year after tax	**-**	**(1,090)**	**-**	**(4,055)**	**(42,358)**	**-**	**(47,503)**
Transactions with owners in their capacity as owners:							
Issue of share capital	134,032	-	-	-	-	-	134,032
Share issue costs	(4,128)	-	-	-	-	-	(4,128)
Non-controlling interests acquired	-	-	-	-	-	19	19
Share-based payments (note 35)	-	-	851	-	-	-	851
Balance at 31 December 2024	**453,643**	**(2,960)**	**12,373**	**(330)**	**(111,193)**	**19**	**351,552**

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	31 Dec 24 €'000	31 Dec 23 €'000
Cash flows from operating activities			
Receipts from customers		8,578	8,315
Payments to suppliers and employees		(41,278)	(37,711)
Interest received		2,234	3,359
Other income		60	2,424
Interest paid		(173)	(172)
Income taxes paid		(100)	(546)
Net cash used in operating activities	**10**	**(30,679)**	**(24,331)**
Cash flows from investing activities			
Payments for exploration and evaluation expenditure		(12,024)	(19,003)
Payment for plant and equipment		(58,290)	(73,629)
Payment to acquire subsidiary		(371)	(150)
Loans provided to external parties		(2,549)	-
Cash acquired upon acquisition of subsidiary		-	35
(Payments to acquire)/receipts from sale of financial assets		(2,749)	287
Net cash used in investing activities		**(75,983)**	**(92,460)**
Cash flows from financing activities			
Proceeds from issue of shares		134,032	67,350
Share issue costs		(2,436)	(2,770)
Repayment of loan acquired in business combinations		-	(81)
Lease repayments		(1,197)	(1,744)
Financing costs		(5,252)	-
Net cash from financing activities		**125,147**	**62,755**
Net decrease in cash and cash equivalents		**18,485**	**(54,036)**
Cash and cash equivalents at beginning of the year		78,728	134,107
Effect of exchange rate fluctuations		(159)	(1,343)
Cash and cash equivalents at end of the year		**97,054**	**78,728**

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Reporting Entity

Vulcan Energy Resources Limited (referred to as "Vulcan" or the "Company") is a company domiciled in Australia The address of the Company's registered office and principal place of business is Level 11, 1 Spring Street, Perth WA 6000. The consolidated financial statements of the Company as at and for the year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the "consolidated entity" or the "Group"). The principal activity of the Group is geothermal energy and lithium exploration and production.

(b) Basis of Preparation

Statement of compliance
The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards ("IFRS") adopted by the International Accounting Standards Board ("IASB"). Vulcan Energy Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The annual report was authorised for issue by the Board of Directors on 25 March 2025.

Functional and presentation currency
Items included in the financial statements of each of the consolidated entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The consolidated financial statements are presented in Euro, which is Vulcan Energy Resources Limited's presentation currency.

Historical cost convention
The consolidated financial statements have been prepared under historical cost convention, except for, where applicable, the revaluation of financial assets at fair value through other comprehensive income, certain classes of property, plant and equipment and derivative financial instruments.

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 41.

Rounding of amounts
The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand Euro, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
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.

New standards and interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations relevant to the Group that have recently been issued or amended but are not yet mandatory, have not been adopted by the Group for the annual reporting year ended 31 December 2024. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations but does not expect it to have a significant impact on the Group's results.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT.)

Going concern

The consolidated 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 consolidated financial statements, the Group incurred a loss after tax of €42.358m and had net cash outflows from operating and investing activities of €30.679m and €75.983m respectively for the year ended 31 December 2024. As at that date, the Group had a net current assets surplus of €86.837m and cash and cash equivalents of €97.054m.

The Directors believe that it is reasonably foreseeable that the consolidated entity will 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 *Corporation Act 2001* to raise further working capital. The Group has demonstrated its ability to raise capital from strategic and institutional investors, including over €460m raised through equity raisings in the past, including €134m raised in the year ended 31 December 2024.
- During the reporting period, the Group was advised by the European Investment Bank (EIB) that its Board had approved participation in the Group's Phase One debt financing process, with the financing potentially amounting to up to €500m, pending completion of final due diligence, signing of legal documentation and final internal approval.
- During the reporting period, the group received a conditional debt commitment letter for €879m from Export Finance Australia (EFA) and a group of seven commercial banks for the financing of the Group's project.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT.)

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 entity'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 entity'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.

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 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.

(c) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Vulcan Energy Resources Limited ('Company' or 'parent entity') as at 31 December 2024 and the results of all subsidiaries for the year then ended. Interests in subsidiaries are detailed in note 31.

Subsidiaries are all entities (including special purpose entities) over which the consolidated entity 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 entity controls another entity.

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

Intercompany transactions, balances, and unrealised gains or losses on transactions between consolidated entity companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

NOTE 1 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONT.)

Subsidiaries (cont.)

The acquisition method of accounting is used to account for business combinations by the consolidated entity. 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 comprehensive income, statement of changes in equity and statement of financial position respectively.

Where the consolidated entity loses control over the subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative transaction 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 on profit or loss.

(d) Foreign Currency Transactions

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 period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

(e) Entity Functional Currency Different From Group Presentational Currency

The assets and liabilities of entities with functional currency different from group presentational currency are translated into Euro using the exchange rates at the reporting date. The revenues and expenses of entities with functional currency different from group presentational currency are translated into Euro using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

NOTE 2 CRITICAL ACCOUNTING ESTIMATES, 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 in these financial statements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are disclosed below.

Exploration and evaluation expenditure
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering 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 future commercial production 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.

NOTE 2 CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS (CONT.)

Share-based payments

The Group measures the cost of equity settled transactions with Directors, employees and consultants, where applicable, by reference to the fair value of equity instruments at the date at which they are granted. The fair value is determined 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 shared-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.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its plant and equipment. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

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

Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the consolidated entity's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The consolidated entity reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Restoration provision

Significant judgement is required in determining the provision for mine restoration and rehabilitation as there are many factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites. The estimate of future costs therefore requires management to make assessment of the closure date, changes in relevant local legal and regulatory framework, future inflation rates, changes in discount rates, the extent of restoration activities and future removal and rehabilitation technologies. When these factors change or become known in the future, such differences will impact the restoration and rehabilitation provision in the period in which they change or become known. The provision recognised is periodically reviewed and updated based on the facts and circumstances available at the time.

NOTE 2 CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS (CONT.)

Development phase

During the year ended 31 December 2024, judgement was exercised determining the Group had proven the technical feasibility and commercial viability of extracting a mineral resource from its Phase One Project, and therefore exploration and evaluation expenditure should be reclassified to mine properties in development. At this time, the Group is required to test exploration and evaluation expenditure immediately prior to reclassification, which requires judgement in the determination of its cash generating units (CGU), and assumptions regarding the calculation of recoverability of capitalised exploration and evaluation expenditure, such as the level of reserves and resources and future commodity prices. Further information is included in note 16.

Incremental borrowing rate

Where the interest rate implicit in a lease cannot be readily determined, an incremental borrowing rate is estimated to discount future lease payments to measure the present value of the lease liability at the lease commencement date. Such a rate is based on what the consolidated entity estimates it would have to pay a third party to borrow the funds necessary to obtain an asset of a similar value to the right-of-use asset, with similar terms, security and economic environment.

NOTE 3 SEGMENT INFORMATION

Accounting Policy

Segment Reporting

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. Management has determined that based on the report reviewed by the Board and used to make strategic decisions, that the consolidated entity has three reportable segments.

Identification of reportable operating segments

The consolidated entity is organised into three operating segments based on geographical location: Germany, Other European (comprised of France and Italy) and Australia. These operating segments are based on the internal reports that are reviewed and used by the Executive Key Management Personnels (who are identified as the Chief Operating Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Types of products and services

Germany – the supply of geothermal energy, exploration and development related to the Company's Phase One Lionheart Project and engineering services.
Other European (France and Italy) – exploration and development relating to battery materials and geothermal lithium.
Australia – administration and corporate support services.

Intersegment transactions

Intersegment transactions were made at market rates. Engineering services have been provided within the German segment. All intersegment receivables and payables, including the profit margin, are eliminated on consolidation.

Major customers

During the financial year ended 31 December 2024, approximately €4.6m (31 Dec 2023: €4.0m) of the consolidated entity's external revenue was derived from sales to Pfalzwerke.

NOTE 3 SEGMENT INFORMATION (CONT.)

FOR THE YEAR ENDED 31 DECEMBER 2024

Segment performance	Germany	Other European	Australia	Total
1 Jan 24 to 31 Dec 24	€'000	€'000	€'000	€'000
Revenue				
Sales to external customers	8,119	-	-	8,119
Intersegment sales - Other own work capitalised	12,377	-	183	12,560
Total sales revenue	**20,496**	**-**	**183**	**20,679**
Other income	1,433	-	-	1,433
Total segment revenue	**21,929**	**-**	**183**	**22,112**
EBITDA	(29,474)	(189)	(5,006)	(34,669)
Depreciation and amortisation	(9,542)	-	(55)	(9,597)
Finance expense	(168)	-	(5)	(173)
Interest income	261	-	1,628	1,889
Loss before income tax expense	**(38,923)**	**(189)**	**(3,438)**	**(42,550)**
Income tax expense	192	-	-	192
Loss after income tax expense	**(38,731)**	**(189)**	**(3,438)**	**(42,358)**
Material items include:				
Employee benefit expense	(34,638)	(144)	(2,677)	(37,459)

NOTE 3 SEGMENT INFORMATION (CONT.)

AS AT 31 DECEMBER 2024

	Germany €'000	Other European €'000	Australia €'000	Total €'000
Assets				
Segment assets	281,360	358	421,862	703,580
Intersegment eliminations	-	-	-	(322,552)
Total assets				**381,028**
Total assets include:				
Additions to exploration and evaluation expenditure	9,036	-	-	9,036
Additions to property, plant and equipment	64,991	-	-	64,991
Liabilities				
Segment liabilities	51,607	113	4,383	56,103
Intersegment eliminations	-	-	-	(26,627)
Total Liabilities				**29,476**

NOTE 3 SEGMENT INFORMATION (CONT.)

FOR THE YEAR ENDED 31 DECEMBER 2023

Segment performance	Germany	Other European	Australia	Total
1 Jan 23 to 31 Dec 23	€'000	€'000	€'000	€'000
Revenue				
Sales to external customers	6,783	-	-	6,783
Intersegment sales – Other own work capitalised	18,486	-	391	18,877
Total sales revenue	**25,269**	**-**	**391**	**25,660**
Other income	1,191	-	-	1,191
Total segment revenue	**26,460**	**-**	**391**	**26,851**
EBITDA	**(20,377)**	**(130)**	**(5,814)**	**(26,321)**
Depreciation and amortisation	(5,814)	(2)	(53)	(5,869)
Finance expense	(164)	-	(8)	(172)
Interest income	1,181	-	2,377	3,558
Loss before income tax expense	**(25,174)**	**(132)**	**(3,498)**	**(28,804)**
Income tax benefit	1,841	-	-	1,841
Loss after income tax expense	**(23,333)**	**(132)**	**(3,498)**	**(26,963)**
Material items include:				
Employee benefit expense	(28,069)	(95)	(2,006)	(30,170)
Impairment	(1,144)	-	-	(1,144)
Loss from equity accounted investment	-	-	(456)	(456)
Gain on discontinuing of use of equity method for accounting for investments	-	-	3,874	3,874

NOTE 3 SEGMENT INFORMATION (CONT.)

AS AT 31 DECEMBER 2023

	Germany €'000	Other European €'000	Australia €'000	Total €'000
Assets				
Segment assets	223,333	433	305,364	529,130
Intersegment eliminations	-	-	-	(232,247)
Total assets				**296,883**
Total assets include:				
Investments accounted for using equity method	-	-	124	124
Exploration and evaluation expenditure additions	16,591	98	2,087	18,776
Additions to property, plant and equipment	71,657	-	-	71,657
Liabilities				
Segment liabilities	33,776	466	1,183	35,425
Intersegment eliminations	-	-	-	(6,823)
Total Liabilities				**28,602**

NOTE 4 REVENUE

	31 Dec 24 €'000	31 Dec 23 €'000
Revenue from contracts with customers		
Sale of goods	4,619	4,036
Rendering of services	1,322	134
Drilling Personnel outsourcing	2,178	2,613
Revenue from continuing operations	**8,119**	**6,783**

	Electricity sales		Engineering Services		Drilling Services		Total	
	31 Dec 24 €'000	31 Dec 23 €'000	31 Dec 24 €'000	31 Dec 23 €'000	31 Dec 24 €'000	31 Dec 23 €'000	31 Dec 24 €'000	31 Dec 23 €'000
Timing of revenue recognition								
Goods transferred at a point in time	4,619	4,036	-	-	-	-	**4,619**	**4,036**
Services transferred over time	-	-	1,322	134	2,178	2,613	**3,500**	**2,747**
	4,619	**4,036**	**1,322**	**134**	**2,178**	**2,613**	**8,119**	**6,783**

All revenues are derived in Germany.

Accounting Policy

The consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligation on the basis of the relative stand-alone selling price of each distinct good or service to be delivered ; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods and services promised.

NOTE 4 REVENUE (CONT.)

Accounting Policy (cont)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of goods
Revenue from the sale of goods is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Rendering of services
Revenue from a contract to provide services is recognised over time as the services are rendered based on either a fixed price or an hourly rate.

NOTE 5 OTHER INCOME

	31 Dec 24 €'000	31 Dec 23 €'000
Government grants	502	532
Other income	931	659
	1,433	**1,191**

	31 Dec 24 €'000	31 Dec 23 €'000
Other own work capitalised	12,560	18,877
	12,560	**18,877**

Accounting Policy

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

Other own work capitalised
Other own work capitalised relates to engineering labour costs of Vulcan Energie Ressourcen GmbH, a wholly owned subsidiary of Vulcan Energy Resources Limited, which are capitalised to exploration and evaluation expenditure and property, plant and equipment. The costs are disclosed in the statement of profit or loss and other comprehensive income as other own work capitalised. Labour costs which are not related to exploration and evaluation expenditure or property, plant and equipment are disclosed in the statement of profit or loss and other comprehensive income as employee benefit expenses. Other own work capitalised also includes the capitalisation of Vercana GmbH staff costs relating to the refurbishment of electric drill rigs and partial capitalisation of the Managing Director and Chief Executive Officer employed by Vulcan Energy Resources Limited.

Other own work capitalised does not relate to any external revenue or any profit margin charge to intercompany transactions.

NOTE 6 DEPRECIATION AND AMORTISATION EXPENSE

	31 Dec 24 €'000	31 Dec 23 €'000
Depreciation of Right-of-use assets	1,219	1,826
Depreciation of Property, Plant and Equipment	8,236	3,387
Amortisation of intangible assets	142	656
	9,597	**5,869**

NOTE 7 FINANCE INCOME/(COST)

Finance Income

	31 Dec 24 €'000	31 Dec 23 €'000
Interest income	1,889	3,558
	1,889	**3,558**

Accounting Policy

Interest
Interest revenue is recognised as interest accrues.

Finance cost

	31 Dec 24 €'000	31 Dec 20 €'000
Interest expense - lease liabilities	173	172
	173	**172**

Accounting Policy

Finance costs
Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

NOTE 8 INCOME TAX

	31 Dec 24 €'000	31 Dec 23 €'000
(a) The components of tax benefit comprise:		
Current tax	57	106
Deferred tax	(249)	(1,947)
Income tax benefit reported in the of profit or loss and other comprehensive income	**(192)**	**(1,841)**
(b) The prima facie tax on loss from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss before income tax expense	(42,550)	(28,804)
Prima facie tax benefit on loss before income tax at 30% (31 December 2023: 30%)	(12,765)	(8,641)
Tax effect of amounts that are not deductible/taxable in calculating taxable income		
Non-deductible expense	326	615
Tax losses and temporary differences not brought to account	6,705	3,468
Foreign corporate rate differential	5,542	2,717
Income tax benefit	**(192)**	**(1,841)**
(c) Deferred tax assets/(liabilities) not brought to accounts are:		
Accruals	39	173
Prepayments	-	86
Other	216	1,010
Tax losses	3,848	4,838
Total deferred tax balances not brought to account	**4,103**	**6,107**

(d) As at 31 December 2024, the consolidated entity has income tax payable of €57,000 (31 Dec 2023: €113,000).

Except for the deferred tax assets (note 19) and deferred tax liabilities (note 25) recognised in the subsidiary, Natürlich Insheim GmbH, potential deferred tax assets attributable to tax losses and other temporary differences have not been brought to account at 31 December 2024 because the directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this point in time. These benefits will only be obtained if:

- the consolidated entity derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the expenditure to be realised; and
- no changes in tax legislation adversely affect the consolidated entity in realising the benefit from the deductions for the expenditure.

NOTE 8 INCOME TAX (CONT.)

Accounting Policy

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current Tax
Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred Tax
Deferred tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

NOTE 9 LOSS PER SHARE

	31 Dec 24	31 Dec 23
Net loss for the year in €'000	(42,358)	(26,963)
Weighted average number of ordinary shares for basic and diluted loss per share.	182,017,379	159,325,357
Basic and diluted loss per share €	(0.23)	(0.17)

NOTE 9 LOSS PER SHARE (CONT.)

Accounting Policy

Basic Loss Per Share
Basic loss per share is determined by dividing net profit or loss after income tax attributable to members 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.

Diluted Loss Per Share
Diluted loss per share adjusts 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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

NOTE 10 CASH AND CASH EQUIVALENTS

	31 Dec 24 €'000	31 Dec 23 €'000
Cash at bank and in hand	96,988	23,915
Short-term deposits	66	54,813
	97,054	**78,728**

Reconciliation of net loss after tax to net cash flows from operations

	31 Dec 24 €'000	31 Dec 23 €'000
Loss for the financial year	**(42,358)**	**(26,963)**
Share-based payment expense	851	1,688
Impairment expenses	-	1,144
Depreciation and amortisation expense	9,597	5,869
Gain on discontinuation of use of the equity method of accounting for investments	-	(3,874)
Loss from equity accounted investments	92	456
Allowance for expected credit losses	67	-
Net foreign exchange (profit)/loss	(1,456)	-
Other non-cash expenses	19	-
Changes in assets/liabilities		
Increase in trade and other receivables	(1,422)	(787)
Decrease in contract assets and inventory	307	-
Increase /(decrease) in trade and other payables	5,358	(1,702)
(Decrease)/increase in provisions	(739)	1,661
Decrease in deferred income	(708)	-
Increase in deferred tax assets	(356)	(1,531)
Increase/(decrease) in deferred tax liabilities	69	(292)
Net cash used in operating activities	**(30,679)**	**(24,331)**

NOTE 10 CASH AND CASH EQUIVALENTS (CONT.)

Accounting Policy

Cash and cash equivalents
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.

NOTE 11 TRADE AND OTHER RECEIVABLES

	31 Dec 24 €'000	31 Dec 23 €'000
Trade receivables	1,100	608
Allowance for expected credit losses	(67)	-
Prepayments	615	712
Other receivables[1]	3,766	2,061
Other - bank guarantees	3,707	958
VAT receivable	3,398	2,560
	12,519	**6,899**

[1] On 27 September 2024, an agreement was signed to acquire 100% of the shares in Geox GmbH for a deferred consideration. The transaction was not complete as at 31 December 2024, however the Group has provided a workover loan of €2,549,000 as at 31 December 2024 to Geox GmbH, repayable when the transaction completes. The workover loan amount is included in other receivables as at 31 December 2024 (31 December 2023: nil), and is in addition to the partial cash payment of €371,000 for the acquisition of Geox GmbH, recorded in other investments in note 14 (31 December 2023: nil).

	Expected credit loss rate		Carrying amount		Allowance for Expected Credit Loss	
	31 Dec 24	31 Dec 23	31 Dec 24	31 Dec 23	31 Dec 24	31 Dec 23
Consolidated	%	%	€'000	€'000	€'000	€'000
not overdue	0%	0%	833	608	-	-
overdue	25%	50%	267	-	67	-
			1,100	**608**	**67**	**-**

Allowance for expected credit loss

Trade receivables are non-interest bearing and are generally on terms of 30 days. An allowance of €67,000 has been recognised for the year ended 31 December 2024 (31 December 2023: nil) to cover expected credit losses.

Accounting Policy

Trade and other receivables
Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method less any allowance for expected credit loss. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets.

NOTE 11 TRADE AND OTHER RECEIVABLES (CONT.)

Goods and Services Tax ('GST')
Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset of the assets or part of the expense.

Receivables and payables are 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 Consolidated statement of financial position.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST on investing and financial activities, which are disclosed as operating cash flows.

Value Added Tax ("VAT")
Revenues, expenses and assets are recognised net of VAT, except where the amount of VAT incurred is not recoverable from the German tax authority. In these circumstances the VAT is recognised as part of the cost of acquisition or expense. Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the taxation authority is included as a current asset or liability in the Consolidated statement of financial position. Cash flows are presented in the statement of cash flows on a gross basis, except for the VAT on investing and financial activities, which are disclosed as operating cash flows.

Impairment of financial assets
The consolidated entity 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 entity'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.

Impairment of financial assets (cont.)
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 are 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.

NOTE 12 CONTRACT ASSETS

	31 Dec 24 €'000	31 Dec 23 €'000
Contract assets	-	117
	-	**117**

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

	31 Dec 24 €'000	31 Dec 23 €'000
Opening balance	117	42
Transfer (to)/from inventory	(117)	75
Closing balance	**-**	**117**

Accounting policy

Contract assets
Contract assets are recognised when the consolidated entity has transferred goods and services to the customer but where the consolidated entity is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

NOTE 13 INVENTORIES

	31 Dec 24 €'000	31 Dec 23 €'000
Spare parts and consumables	137	327
	137	**327**

Accounting policy

Inventories
Raw materials, work in progress and finished goods are stated at the lower of cost and net realisable value on a "first in first out" basis. Cost comprises of direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity. Costs of purchased inventory is determined after deducting rebates and discounts received or receivable.

NOTE 14 OTHER ASSETS

The group has recognised the following other assets.

	31 Dec 24 €'000	31 Dec 23 €'000
Prepayments relating to capital items	1,392	11,775
Capitalised borrowing costs	6,451	-
Other investments[1]	401	-
	8,244	**11,775**

[1]Other investments relate to a partial cash payment of €371,000 made for the acquisition of Geox GmbH (refer to note 11 for further information) and an other investment of €30,000 previously accounted for as an immaterial associate (refer to note 29 for further information).

Accounting policy

Prepayments relating to capital items
Prepayments relating to capital items comprise of payments made in advance to suppliers for goods received and services rendered relating to the Group's Phase One Lionheart Project. As goods and services are received, prepayments relating to capital items are recognised in assets under construction within property, plant and equipment. Once complete and ready for use, the assets are depreciated in accordance with the Group's depreciation policy.

Capitalised borrowing costs
The Group capitalises transaction costs directly attributable to debt financing of its Phase One Lionheart Project, in accordance with IFRS 9. When debt funding is received, the borrowings will be partially offset by the capitalised transaction costs, which are subsequently amortised through profit or loss over the life of the debt term, using the effective interest method.

Other investments
Other investments are recognised at cost and tested for impairment when impairment indicators suggest the carrying value may not be recoverable. Other investments at 31 December 2024 relate to a partial cash payment made for the acquisition of Geox GmbH. An agreement was signed on 27 September 2024 to acquire 100% of the shares in Geox GmbH for a deferred consideration. Refer to note 43 for further information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 15 EXPLORATION AND EVALUATION EXPENDITURE

	31 Dec 24 €'000	31 Dec 23 €'000
Carrying amount of exploration and evaluation expenditure	**13,124**	**48,475**
At the beginning of the year	48,475	30,135
Exploration expenditure incurred	9,037	18,776
Reclassification to Property, plant and equipment[1]	(40,348)	-
Reclassification to Intangible Assets[2]	(2,308)	-
Other reclassifications[3]	(1,136)	-
Foreign exchange Loss	(596)	(436)
At the end of the year	**13,124**	**48,475**

[1]In the year ended 31 December 2024, the Group completed evaluation procedures and determined the technical feasibility and commercial viability of its Phase One Lionheart Project are demonstrable. As such, exploration and evaluation expenditure was reclassified to mine properties in development in accordance with IFRS 6. Refer to note 16 for further information.

[2]Costs relating to the Group's internally generated technology were reclassified to intangible assets to more clearly reflect the nature of costs. Refer to note 18 for further information.

[3]Other reclassifications are adjustments relating to prior years and reclassified in the current year to more clearly reflect the nature of costs.

Accounting Policy

Exploration and evaluation expenditure
Acquisition, exploration, and evaluation costs associated with licence areas are accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that the rights of tenure to that area of interest are current and that the costs are expected to be recouped through the successful commercial development or sale 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.

Costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

Each area of interest is also reviewed annually, and acquisition costs written off to the extent that they will not be recoverable in the future.

NOTE 16 PROPERTY, PLANT AND EQUIPMENT

	31 Dec 24 €'000	31 Dec 23 €'000
Software	395	655
Plant & Equipment	84,758	26,188
Land & Buildings	4,657	4,659
Assets under Construction	67,104	107,103
Mine Properties in Development	80,415	-
	237,329	**138,605**

NOTE 16 PROPERTY, PLANT AND EQUIPMENT (CONT.)

Movement in carrying amounts of property, plant and equipment for the financial year ended 31 December 2024 are as follows:

	Software	Plant and equipment	Asset under construction	Land and Building	Mine Properties in Development	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Cost						
At 1 Jan 24	781	32,607	107,103	4,834	-	145,325
Additions	87	8,606	56,270	28	-	64,991
Disposals	(65)	(1,765)	-	(86)	-	(1,916)
Assets under construction completed[1]	-	56,695	(96,386)	102	39,589	-
Costs reclassified from exploration and evaluation expenditure[2]	-	293	379	-	39,676	40,348
Recognition of restoration provision[3]	-	576	-	-	1,150	1,726
At 31 Dec 24	**803**	**97,012**	**67,366**	**4,878**	**80,415**	**250,474**
Accumulated Depreciation						
At 1 Jan 24	(126)	(6,419)	-	(175)	-	(6,720)
Depreciation for the year	(339)	(7,503)	(262)	(132)	-	(8,236)
Depreciation eliminated on disposal	57	1,668	-	86	-	1,811
At 31 Dec 24	(408)	(12,254)	(262)	(221)	-	(13,145)
Carrying amount						
At 1 Jan 24	**655**	**26,188**	**107,103**	**4,659**	**-**	**138,605**
At 31 Dec 24	**395**	**84,758**	**67,104**	**4,657**	**80,415**	**237,329**

[1]Assets completed during the year and ready for use were transferred from assets under construction to plant & equipment at cost value, including €15,372,000 for the Group's Central Lithium Electrolysis Optimisation Plant ("CLEOP") and €40,752,000 for the Lithium Extraction and Optimisation Plant ("LEOP"). Other assets under construction of €39,589,000 relating to wellsites and mine development were reclassified to mine properties in development.

[2]In the year ended 31 December 2024, the Group completed evaluation procedures and determined the technical feasibility and commercial viability of its Phase One Lionheart Project are demonstrable. As such, exploration and evaluation expenditure was reclassified to mine properties in development in accordance with IFRS 6.

[3]During the year ended 31 December 2024, a restoration and rehabilitation provision of €1,726,000 was recognised relating to the Group's operations. Refer to note 24 for further information.

NOTE 16 PROPERTY, PLANT AND EQUIPMENT (CONT.)

Movement in carrying amounts of property, plant and equipment for the financial year ended 31 December 2023 are as follows:

	Software €'000	Plant and equipment €'000	Asset under construction €'000	Land and Building €'000	Total €'000
Cost					
At 1 Jan 23	417	30,623	40,950	1,623	73,613
Additions	328	1,955	66,163	3,211	71,657
Disposals	-	(10)	(10)	-	(20)
Acquired in Business Combinations	36	39	-	-	75
At 31 Dec 23	**781**	**32,607**	**107,103**	**4,834**	**145,325**
Accumulated Depreciation					
At 1 Jan 23	(34)	(3,212)	-	(87)	(3,333)
Depreciation for the year	(56)	(3,201)	-	(88)	(3,345)
Depreciation eliminated on disposal	-	10	-	-	10
Acquired in Business Combinations	(36)	(16)	-	-	(52)
At 31 Dec 23	(126)	(6,419)	-	(175)	(6,720)
Carrying amount					
At 1 Jan 23	**383**	**27,411**	**40,950**	**1,536**	**70,280**
At 31 Dec 23	**655**	**26,188**	**107,103**	**4,659**	**138,605**

Accounting Policy

Property, plant and equipment
Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Once assets are available for use, depreciation is calculated using the straight-line method to allocate asset costs over their estimated useful lives, as follows:

Software	3 -5 years
Plant & Equipment	2-20 years
Buildings	20 years
Mine Properties in Development	20-30 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

NOTE 16 PROPERTY, PLANT AND EQUIPMENT (CONT.)

Assets under construction are carried at historical cost, and are transferred to the relevant class of property, plant and equipment once completed and ready for use, at which point depreciation commences.

Mine Properties in Development

An exploration and evaluation asset shall be reclassified to mine properties in development when the technical feasibility and commercial viability of extracting a mineral resource is demonstrable, and when evaluation procedures have been completed.

Since publication of the Definitive Feasibility Study (DFS) and Bridging Engineering Study (BES), the Group has further demonstrated the commercial viability of the Phase One Lionheart Project through its financing progress and first production achieved at its Lithium Extraction Optimisation Plant (LEOP) and Central Lithium Electrolysis Optimisation Plant (CLEOP) during the year ended 31 December 2024.

The Group has reclassified costs relating to the Phase One Lionheart project from exploration and evaluation expenditure to mine properties in development, within property, plant & equipment. Costs relating to Phase Two licence areas remain classified as exploration and evaluation expenditure and are subject to ongoing annual impairment indicator testing under IFRS 6.

Immediately prior to reclassification, exploration and evaluation expenditure assets are tested for impairment. Impairment testing is conducted at the cash-generating unit (CGU) level in accordance with IFRS 6.

The Group has identified an area of interest as a CGU for the purpose of assessing impairment. Three licence areas comprising of the Phase One Lionheart Project are identified as a single area of interest and CGU, for which impairment was assessed.

The recoverable amount of exploration and evaluation expenditure reclassified to mine properties in development has been determined by a value-in-use calculation using a discounted cash flow model for the Group's Phase One Lionheart Project, based on a 30-year projection period.

Key assumptions used in the discounted cash flow model to which the recoverable amount of the CGU is most sensitive include:

- a pre-tax discount rate of 8%;
- average forecast revenues and EBITDA over the Project's life of €756m and €582m per annum respectively;
- total Phase One Lionheart capital expenditure of approximately €1,431m;
- a long-term US dollar to Euro exchange rate of 0.91 ;
- an inflation rate of 2.5% in 2025, decreasing to 2.0% from 2026 onwards.

The pre-tax discount rate of 8% reflects management's estimate of the time value of money.

There were no other key assumptions used in the discounted cash flow model.

Based on the above, no impairment was recognised as the carrying amount of exploration and evaluation expenditure reclassified to mine properties in development exceeded its recoverable amount.

NOTE 17 LEASE LIABILITIES & RIGHT-OF-USE ASSETS

Right-of-use asset	Buildings €'000	Vehicles €'000	Hardware and Software €'000	Technical Equipment €'000	Land €'000	Total €'000
Cost						
At 1 Jan 24	5,539	954	15	41	306	6,855
Additions	508	108	-	-	22	638
Disposals	(1,256)	(202)	(15)	(41)	(6)	(1,520)
Remeasurements	-	11	-	-	-	11
At 31 Dec 24	**4,791**	**871**	**-**	**-**	**322**	**5,984**
Accumulated Depreciation						
At 1 Jan 24	(1,844)	(501)	(15)	(39)	(40)	(2,439)
Depreciation for the year	(882)	(267)	-	-	(70)	(1,219)
Disposals	1,260	175	15	39	5	1,494
Remeasurements	-	16	-	-	-	16
At 31 Dec 24	(1,466)	(577)	-	-	(105)	(2,148)
Carrying amount						
At 1 Jan 24	**3,695**	**453**	**-**	**2**	**266**	**4,416**
At 31 Dec 24	**3,325**	**294**	**-**	**-**	**217**	**3,836**

NOTE 17 LEASE LIABILITIES & RIGHT-OF-USE ASSETS (CONT.)

Right-of-use asset	Buildings	Vehicles	Hardware and Software	Technical Equipment	Land	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Cost						
At 1 Jan 23	3,400	512	21	14	23	3,970
Additions	2,210	498	24	27	283	3,042
Acquired in Business Combinations	-	33	-	-	-	33
Disposals	(71)	(89)	(30)	-	-	(190)
At 31 Dec 23	**5,539**	**954**	**15**	**41**	**306**	**6,855**
Accumulated Depreciation						
At 1 Jan 23	(422)	(148)	(15)	(3)	(5)	(593)
Depreciation for the year	(1,444)	(442)	(30)	(36)	(35)	(1,987)
Eliminated on cancellation	42	89	30	-	-	161
FX loss	(20)	-	-	-	-	(20)
	(1,844)	(501)	(15)	(39)	(40)	(2,439)
Carrying amount						
At 1 Jan 23	**2,978**	**364**	**6**	**11**	**18**	**3,377**
At 31 Dec 23	**3,695**	**453**	**-**	**2**	**266**	**4,416**

NOTE 17 LEASE LIABILITIES & RIGHT-OF-USE ASSETS (CONT.)

Lease Liabilities	Buildings	Vehicles	Hardware and Software	Technical Equipment	Land	Total
	€'000	€'000	€'000	€'000	€'000	€'000
At 1 Jan 24	3,814	328	-	1	268	4,411
New lease liabilities entered during the year	508	108	-	-	22	638
Add: Interest	146	14	-	-	13	173
Less: Payment	(1,086)	(204)	-	(1)	(79)	(1,370)
Foreign exchange loss						
At 31 Dec 24	**3,382**	**246**	**-**	**-**	**224**	**3,852**
Represented by:						
Current lease liabilities	580	127	-	-	64	771
Non-current lease liabilities	2,802	119	-	-	160	3,081
	3,382	**246**	**-**	**-**	**224**	**3,852**

NOTE 17 LEASE LIABILITIES & RIGHT-OF-USE ASSETS (CONT.)

Lease Liabilities	Buildings	Vehicles	Hardware and Software	Technical Equipment	Land	Total
	€'000	€'000	€'000	€'000	€'000	€'000
At 1 Jan 23	3,020	263	6	9	18	3,316
New lease liabilities entered during the year	2,156	376	(6)	27	283	2,836
Acquired in business combinations	-	33	-	-	-	33
Add: Interest	147	19	-	-	5	171
Less: Payment	(1,480)	(363)	0	(35)	(38)	(1,916)
Foreign exchange loss	(29)	-	-	-	-	(29)
At 31 Dec 23	**3,814**	**328**	**-**	**1**	**268**	**4,411**
Represented by:						
Current lease liabilities	792	236	-	1	57	1,086
Non-current lease liabilities	3,022	92	-	-	211	3,325
	3,814	**328**	**-**	**1**	**268**	**4,411**

Accounting Policy

Right-of-use assets:
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Lease liabilities
A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated

NOTE 17 LEASE LIABILITIES & RIGHT-OF-USE ASSETS (CONT.)

termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities (cont.)
Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The Group leases office space, a laboratory, vehicles and land through its German subsidiary Vulcan Energie Ressourcen GmbH as well as the subsidiaries of the German operating Company.

NOTE 18 INTANGIBLE ASSETS

	31 Dec 24 €'000	31 Dec 23 €'000
Goodwill	1,076	1,076
Less: Impairment	(1,076)	(1,076)
	-	**-**
Customer contracts – at cost	1,809	1,526
Acquired in Business Combinations	-	387
Less: Impairment	-	(104)
Less: Accumulated amortisation	(1,514)	(1,466)
	295	**343**
VULSORB® – at cost		
Reclassified from exploration & evaluation expenditure[1]	2,308	-
Less: Accumulated amortisation	-	-
	2,308	**-**
Operating permit - at cost	1,500	1,500
Less: Accumulated amortisation	(282)	(188)
	1,218	**1,312**
Total Intangible Assets	**3,821**	**1,655**

[1]The Group reclassified costs relating to VULSORB® from exploration and evaluation expenditure to intangible assets, to more clearly reflect the nature of costs.

NOTE 18 INTANGIBLE ASSETS (CONT.)

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

	Customer Contracts €'000	Operating Permit €'000	Goodwill €'000	VULSORB® €'000	Total €'000
Balance at 1 Jan 23	622	1,406	1,040	-	3,068
Acquired through business combinations	387	-	-	-	387
Less: amortisation	(562)	(94)	-	-	(656)
Less: impairment	(104)	-	(1,040)	-	(1,144)
Balance at 31 Dec 23	**343**	**1,312**	**-**	**-**	**1,655**
Transferred from exploration & evaluation expenditure[1]	-	-	-	2,308	2,308
Less: amortisation	(48)	(94)	-	-	(142)
Balance at 31 Dec 24	**295**	**1,218**	**-**	**2,308**	**3,821**

[1]The Group reclassified costs relating to VULSORB® from exploration and evaluation expenditure to intangible assets, to more clearly reflect the nature of costs.

Goodwill

Goodwill arises on the acquisition of a business and is carried at cost less accumulated impairment losses. Goodwill is not amortised, but rather tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Customer contracts, operating permits, and order backlog

Customer contracts, operating permits and order backlog are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3-5 years.

VULSORB®

VULSORB® is the Group's internally generated intangible asset. The technology is an internally developed lithium extraction sorbent which is used by the Group in the adsorption-type direct lithium extraction (A-DLE) process at LEOP.

During the year ended 31 December 2024, the company reclassified €2,308,000 of capitalised VULSORB® costs from exploration and evaluation expenditure to intangible assets, to more clearly reflect the nature of costs. As the asset is used at LEOP in testing quantities, the technology will continue to be developed and will be amortised when ready for use in commercial production, as intended by management. The asset will be subject to annual impairment testing until it is ready for use in commercial production. As at 31 December 2024, the value-in-use of VULSORB® was assessed as exceeding its carrying value, and no impairment was recognised during the period.

NOTE 18 INTANGIBLE ASSETS (CONT.)

Accounting Policy

Goodwill and other indefinite life intangible assets
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit and loss arising from the derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

NOTE 19 DEFERRED TAX ASSETS

	31 Dec 24 €'000	31 Dec 23 €'000
Deferred tax asset comprises of differences attributable to:		
Other	823	2,145
Property, plant and equipment	1,417	241
Tax losses	1,328	826
Deferred tax asset	**3,568**	**3,212**
Movements:		
Opening balance	3,212	1,681
Charged to income statement	356	1,531
Closing balance	**3,568**	**3,212**

Refer to note 8 for accounting policy.

NOTE 20 TRADE AND OTHER PAYABLES

	31 Dec 24 €'000	31 Dec 23 €'000
Trade payables (i)	11,488	9,514
Accrued expenses	3,852	5,868
Other payables	1,296	1,812
VAT Payable	1,776	-
	18,412	**17,194**

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

Due to the short-term nature of these payables, their carrying value is assumed to be the same as their fair value.

Accounting Policy

Trade and other payables
Trade payables and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

NOTE 21 DERIVATIVE FINANCIAL INSTRUMENT

There is no derivative financial instruments in the statement of financial position as at 31 December 2024.

The group has the following derivative financial instruments in the following line items in the statement of financial position:

Current liabilities

	31 Dec 24 €'000	31 Dec 23 €'000
Forward foreign currency contract held for trading	-	133
	-	**133**

Accounting Policy

(i) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

(ii) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

(iii) Fair value measurement

For information about the methods and assumptions used in determining the fair value of derivatives see note 26.

NOTE 22 EMPLOYEE BENEFITS

	31 Dec 24 €'000	31 Dec 23 €'000
Leave obligations	1,523	1,509
	1,523	**1,509**

(i) Leave obligations

The leave obligations cover the group's liabilities for long service leave and annual leave which are classified as either other long-term benefits or short-term benefits. The current portion of this liability includes all of the accrued annual leave and the unconditional entitlements to long service leave where employees have completed the required period of service. The entire provision of €1,523,000 (31 December 2023: €1,509,000) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations.

NOTE 22 EMPLOYEE BENEFITS (CONT.)

Accounting Policy

Employee benefits

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

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date 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 measured at 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 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 corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. There were no long-term employee benefit liabilities at 31 December 2024 (31 December 2023: nil).

NOTE 23 DEFERRED INCOME

	31 Dec 24 €'000	31 Dec 23 €'000
Current Government grants	2,110	-
Non-current Government grants	-	2,818
	2,110	**2,818**

Accounting Policy

Government grants
Government grants are not recognised until there is a reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Assistance from the Project sponsors aims to support the Group in testing, development and optimisation in production of geothermal energy. Unfulfilled conditions relate to the spend requirements as part of the grant acquittal processes which will be validated by the project sponsors by 31 December 2025. Therefore, all deferred income is presented as current.

NOTE 24 PROVISIONS

Current:	31 Dec 24 €'000	31 Dec 23 €'000
Restructuring provision (i)	-	750
	-	**750**

Non-Current:		
Other provisions	261	264
Restoration provision (ii)	1,726	-
	1,987	**264**

(i) Restructuring provision

In December 2023, the decision was made to centralise engineering operations in Karlsruhe to ensure closer collaboration between the engineering teams and proximity to future construction locations, resulting in closure of the Augsburg office. All Augsburg located employees were offered new contracts in Karlsruhe, and a provision of €750,000 was recognised representing potential termination benefits to those employees who did not accept new contracts. During the year ended 31 December 2024, termination benefits were paid, and no further restructuring provisions were required at 31 December 2024.

(ii) Restoration provision

The extraction and processing activities of the Vulcan Group typically give rise to obligations for site closure or restoration and rehabilitation.

Provisions for the cost of closure and rehabilitation program are recognised as soon as environmental disturbance occurs. The nature of decommissioning activities includes dismantling and removing structures, rehabilitating mine sites, dismantling operating facilities, closure of plant sites and restoration, reclamation, and revegetation of affected areas.

Restoration provisions are measured based on the expected value of future cash flows, discounted to their present value and determined according to the probability of alternative estimates of cash flows occurring. Discount rates used are risk-free interest rates specific to Germany and the expected timing of the closure and restoration expenditure. Material changes in Germany specific risk-free interest rates may affect the discount rates applied. The Group reviews its discount rates used periodically.

The provision is recognised as a non-current liability with a corresponding asset included in property, plant, and equipment and depreciated accordingly. The value of the provision is progressively increased over time due to the unwind effect of discounting and inflation. The change is recorded as an expense in finance costs. If the liability decreases and exceeds the carrying amount of the asset, the asset is written down to nil and the excess is recognised immediately in the consolidated statement of profit or loss. If the liability increases and results in an addition to the cost of the asset, the recoverability of the new carrying amount is considered and an impairment indicator test is performed. In the event that an impairment expense occurs, this is recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which it occurs.

NOTE 24 PROVISIONS (CONT.)

(iii) Movement in provisions

	Restructuring obligations €'000	Waste disposal €'000	Decontamination provision €'000	Restoration provision €'000	Total €'000
Cost					
Carrying amount at 1 Jan 24	750	200	64	-	1,014
(Provisions utilised)/ charged to profit or loss during the year	(750)	34	(37)	-	(753)
Recognised in property, plant & equipment	-	-	-	1,726	1,726
Carrying amount at 31 Dec 24	**-**	**234**	**27**	**1,726**	**1,987**

Accounting Policy

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

NOTE 25 DEFERRED TAX LIABILITIES

	31 Dec 24 €'000	31 Dec 23 €'000
Deferred tax liability comprises temporary differences attributable to:		
Other	913	253
Property, plant and equipment	622	1,157
Deferred tax liabilities	**1,535**	**1,410**
Movements:		
Opening balance	1,410	1,702
Additions through business combinations	-	115
Charged to income statement	125	(407)
Closing balance	**1,535**	**1,410**

Refer to note 8 for accounting policy.

NOTE 26 RECOGNISED FAIR VALUE MEASUREMENTS

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

	31 Dec 24 €'000	31 Dec 23 €'000
Level 1		
Financial assets		
Financial assets at fair value through other comprehensive income		
Australian listed equity securities	1,396	2,550
Level 2		
Financial liabilities		
Forward foreign currency contracts held for sale	-	133

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. The group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

NOTE 26 RECOGNISED FAIR VALUE MEASUREMENTS(CONT)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. The quoted market price incorporates the market's assumptions with respect to changes in economic climate such as rising interest rates and inflation, as well as changes due to ESG risk. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g. over-the counter derivatives) is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where ESG risk gives rise to a significant unobservable adjustment.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for foreign currency forwards – the present value of future cash flows based on the forward exchange rates at the reporting date

Accounting Policy

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

NOTE 27 CONTRIBUTED EQUITY

	31 Dec 24		31 Dec 23	
	No.'000	€'000	No.'000	€'000
Fully paid ordinary shares	214,528	453,643	172,073	323,739

Ordinary shares
Ordinary shares entitle the holder to participate in the dividends and the proceeds on winding up in proportion to the number of and amounts paid on the shares held.

At shareholders' meetings, each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

Share buy-back
There is no current on-market share buy-back.

	Date	Number	Issue Price €	€'000
At 1 Jan 24		172,073,008		323,739
Placement	12/06/2024	16,000,000	2.5	40,000
Exercise of Class Y performance rights	12/06/2024	60,000	-	
Exercise of Class AC performance rights	12/06/2024	9,490	-	
Exercise of Class AE performance rights	12/06/2024	41,357	-	
Shares issued in exchange for service	12/06/2024	4,716	-	
Placement	16/12/2024	5,602,241	3.57	20,000
Placement	17/12/2024	20,737,004	3.57	74,032
Less capital raising costs		-	-	(4,128)
At 31 Dec 24		**214,527,816**	**-**	**453,643**

	Date	Number	Issue Price €	€'000
At 1 Jan 23		143,435,301		259,158
Placement	12/05/2023	21,400,000	3.15	67,350
Exercise of Class J performance rights	6/06/2023	1,500,000	-	-
Exercise of Class M performance rights	6/06/2023	1,000,000	-	-
Exercise of Class J performance rights	30/08/2023	1,000,000	-	-
Exercise of Class G performance rights	23/11/2023	250,000	-	-
Exercise of Class H performance rights	23/11/2023	472,727	-	-
Exercise of Class I performance rights	23/11/2023	910,909	-	-
Exercise of Class M performance rights	23/11/2023	500,000	-	-
Exercise of Class N Performance rights	23/11/2023	1,500,000	-	-
Exercise of Class S performance rights	23/11/2023	12,896	-	-
Exercise of Class D performance shares	23/11/2023	91,175	-	-
Less capital raising costs		-	-	(2,769)
At 31 Dec 23		**172,073,008**	**-**	**323,739**

NOTE 27 CONTRIBUTED EQUITY (CONT.)

Accounting Policy

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. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

NOTE 28 RESERVES

	31 Dec 24 €'000	31 Dec 23 €'000
Share-based payment reserve	12,373	11,522
Revaluation reserve	(2,960)	(1,870)
Foreign currency translation reserve	(330)	3,725
Total	**9,083**	**13,377**

Share-based Payment Reserve

	Number of Performance Shares	Number of Performance Rights	€'000
Movement reconciliation			
On issue at 1 Jan 24	-	1,551,268	11,522
Issue of performance rights during the year	-	2,703,756	-
Exercise of Performance Rights during the year	-	(110,847)	-
Recognition of share - based payment expense for performance rights issued to Directors, staff & consultants (note 35)	-	-	851
Performance rights cancelled	-	(84,029)	-
Performance rights lapsed	-	(909,349)	-
On issue at 31 Dec 24	**-**	**3,150,799**	**12,373**

NOTE 28 RESERVES (CONT.)

	Number of Performance Shares	Number of Performance Rights	€'000
Movement reconciliation			
On issue at 1 Jan 23	**91,174**	**8,382,801**	**9,706**
Issue of performance rights during the year	-	385,754	-
Exercise of Performance Rights during the year	-	(7,146,533)	-
Exercise of Performance Shares during the year	(91,174)	-	-
Recognition of share - based payment expense for performance rights issued to Directors, staff & consultants (note 35)	-	-	1,688
Performance rights issued for acquisition of subsidiary (note 32)	-	82,714	128
Performance rights cancelled	-	(153,468)	-
On issue at 31 Dec 23	**-**	**1,551,268**	**11,522**

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.

Foreign Currency Translation Reserve

	31 Dec 24 €'000	31 Dec 23 €'000
Balance at the beginning of the year	3,725	6,169
Movement during the year	(4,055)	(2,444)
Balance at the end of the year	**(330)**	**3,725**

The foreign currency translation reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Euro.

Revaluation Reserve

	31 Dec 24 €'000	31 Dec 23 €'000
Balance at the beginning of the year	(1,870)	-
Movement during the year	(1,090)	(1,870)
Balance at the end of the year	**(2,960)**	**(1,870)**

The revaluation reserve is used to recognise the revaluation of investments at fair value through other comprehensive income.

NOTE 29 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Interest in Kuniko Limited

Prior to 17th July 2023, the Company's interest in Kuniko Limited was recognised as an investment in associate accounted for using the equity method. On 17th July 2023 the Group discontinued the use of the equity method as a result of its shareholding in Kuniko Limited reducing to 19%, and a gain on discontinuation of use of the equity method of accounting was recognised as follows:

	31 Dec 23 €'000
Opening carrying value	974
Share of loss - associate	(456)
Fair value of Kuniko shares at the date of discontinuation of use of the equity method (note 30)	4,392
Gain on discontinuation of use of the equity method of accounting	**3,874**

Since 17th July 2023, the interest held in Kuniko Limited has been accounted for at fair value through other comprehensive income. Refer to note 30 for further information.

Individually immaterial associate

As at 31 December 2023, the Group held a 50.1% interest in an immaterial associate accounted for using the equity method. As at 16 December 2024, the Group's interest in the associate reduced to 12.5% and use of the equity method of accounting was discontinued. The interest is carried at cost in the Statement of Financial Position at 31 December 2024 for a value of €30,000, recorded in other investments (refer to note 14).

	% of ownership		Carrying amount	
Name of Associate	31 Dec 24 %	31 Dec 23 %	31 Dec 24 €'000	31 Dec 23 €'000
Immaterial associate	-	50.1	-	124

The share of losses of the associate prior to discontinuation of the equity method of accounting are recognised as a loss from equity accounted investments in the Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2024. The prior year share of loss from associate related to the interest in Kuniko Limited before the equity accounting method was discontinued.

	31 Dec 24 €'000	31 Dec 23 €'000
Loss from equity accounted investments	(92)	(456)

Accounting policy

Associates

Associates are entities over which the consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the consolidated entity's share of net assets of the associate.

NOTE 29 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD (CONT.)

When the consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

NOTE 30 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 Dec 24 €'000	31 Dec 23 €'000
Australian listed shares	1,396	2,550
	1,396	**2,550**

Movement reconciliation

	31 Dec 24 €'000	31 Dec 23 €'000
Carrying amount at the start of the year	2,550	-
Discontinuation of the use of equity method of accounting for investments (note 29)	-	4,392
Charged to other comprehensive income		
- change in value	(1,154)	(1,870)
Foreign exchange gain	-	28
Carrying amount at end of year	**1,396**	**2,550**

Accounting policy

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition. The group initially measures a financial asset at its fair value, with subsequent fair value movements recognised through other comprehensive income.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

NOTE 31 INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate assets, liabilities and results of the following wholly owned subsidiaries in accordance with the accounting policy described in note 1.

Entity	Location	Primary activity	Date of foundation or acquisition	Ownership Interest 31 Dec 24 (%)	Ownership Interest 31 Dec 23 (%)
Vulcan Energie Ressourcen GmbH	Karlsruhe	Operating entity	September 26, 2019	100	100
Vulcan Energy Resources Europe Pty Limited	Perth	Operating entity	October 11, 2019	100	100
Vulcan Energy Subsurface Solutions GmbH[1]	Karlsruhe	Operating entity	July 2, 2021	100	100
Vulcan Energy Engineering GmbH	Augsburg	Group holding	July 2, 2021	100	100
Vulcan Geothermal GmbH	Karlsruhe	Group holding	July 09, 2021	100	100
VER GEO LIO GmbH	Karlsruhe	Group holding	July 12, 2021	100	100
Vercana GmbH	Karlsruhe	Operating entity	December 09, 2021	100	100
Natürlich Insheim GmbH	Karlsruhe	Operating entity	December 31, 2021	100	100
Vulcan Energy Italy Pty Limited	Perth	Group holding	July 5, 2021	100	100
Comeback Peronaldienstleistungen GmbH	Lingen	Operating entity	February 1, 2023	100	100
Vulcan Projektgesellschaft 3 GmbH[2]	Karlsruhe	Operating entity	April 26, 2023	100	100
Vulcan Projektgesellschaft 2 GmbH	Karlsruhe	Operating entity	April 26, 2023	100	100
Natürlich Südpfalz Geschaftsführungs GmbH	Landau i.d. Pfalz	Operating entity	December 28, 2022	100	100
Natürlich Südpfalz GmbH & Co. KG	Landau i.d. Pfalz	Operating entity	February 7, 2023	100	100
Lionheart Marketing GmbH[3]	Karlsruhe	Operating entity	December 28, 2022	100	100
Landau-Süd Joint Venture GmbH & Co KG	Landau i.d. Pfalz	Group holding	March 17, 2023	51	51
Landau-Süd Joint Venture Verwaltungs GmbH	Landau i.d. Pfalz	Group holding	March 17, 2023	51	51
Vulcan Energie France SAS	Haguenau	Operating entity	June 22, 2022	100	100
Vulcan Energy SA Pty Limited	Perth	Group holding	September 23, 2023	100	100

[1]Vulcan Energy Subsurface Solutions was merged into Vulcan Energie Ressourcen GmbH on 8 October 2024.
[2] This entity was renamed to Natürlich Landau Lithium GmbH on 12 February 2025.
[3]This entity was renamed from Vulcan Lily Lithium Geschäftsführungs GmbH, on 2 December 2024.
The entity Vulcan Lily Lithium (Höchst) GmbH & Co.KG was dissolved on 2 December 2024

NOTE 32 BUSINESS COMBINATIONS

No business combinations occurred in the year ending 31 December 2024.

Comeback Personaldienstleistungen GmbH

In the year ended 31 December 2023, Vulcan Energie Ressourcen GmbH, a subsidiary of Vulcan Energy Resources Limited, acquired 100% of drilling labour hire company, Comeback Personaldienstleistungen GmbH, in accordance with the Share Purchase Agreement, with an effective date on 1 February 2023 (closing-date).

As deferred consideration for the acquisition, two tranches of performance rights, each valued at €100,000 were issued and vest subject to achieving the following milestones:

1. The successful complete staffing of the drilling rigs for the year 2023 on or before December 31, 2023. The rights will expire on December 31, 2024. These rights vested at 31 December 2023, and were exercised during the year ended 31 December 2024.

2. The successful complete staffing of the drilling rigs for the year 2024 on or before December 31, 2024. The rights will expire on December 31, 2025. These rights vested at 31 December 2024, and are exercisable.

Performance rights issued as deferred consideration were valued at acquisition date using probability weighted assumptions, and therefore the consideration value at acquisition date differs to the value of performance rights vested at these dates.

The values identified in relation to acquisition of Comeback were final as at 31 December 2023.

Details of the acquisition are as follows:

	€'000
Cash	35
Trade and other receivables	458
Property, plant & equipment	23
Right-of-use assets	33
Loans and borrowings	(81)
Trade and other payables	(429)
Lease Liabilities	(33)
Fair value of net assets acquired	**6**
Intangible assets acquired	387
Deferred tax liabilities arising on acquisition	(115)
Acquisition-date fair value of total consideration	**278**

Representing:

	€'000
Cash paid	150
Performance rights issued as consideration	128
Total consideration	**278**

NOTE 32 BUSINESS COMBINATIONS (CONT.)

Accounting policy

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued, or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquiree.

NOTE 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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 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.

NOTE 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

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

	31 Dec 24 €'000	31 Dec 23 €'000
Financial Assets		
Cash and cash equivalents	97,054	78,728
Trade and other receivables	11,904	6,187
Investment at fair value through other comprehensive income	1,396	2,550
Other investments (note 14)	401	-
	110,755	**87,465**
Financial Liabilities		
Trade and other payables	18,412	17,194
Derivative financial instrument	-	133
Lease liabilities	3,852	4,411
	22,264	**21,738**

(a) Market risk

(i.) Foreign exchange risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

In order to protect against exchange rate movements, the consolidated entity entered into forward foreign exchange contracts during the year ended 31 December 2023. No forward foreign exchange contracts were entered during the year ended 31 December 2024.

A summary of the maturity, settlement amounts and the average contractual exchange rates of the consolidated entity's forward foreign exchange contracts is as follows:

	Sell Australian dollars		Average exchange rates	
	31 Dec 24 €'000	31 Dec 23 €'000	31 Dec 24 €'000	31 Dec 23 €'000
Buy Euros				
Maturity:				
0 - 3 months	-	10,000	-	0.610

NOTE 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(a) Market risk (cont)

(i.) Foreign exchange risk (cont)

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	31 Dec 24	31 Dec 23	31 Dec 24	31 Dec 23
Consolidated	€'000	€'000	€'000	€'000
US dollars	-	-	2,069	3,237
Canadian dollar	-	-	238	9,465
Australian dollar	75,617	44,007	1,725	-
	75,617	**44,007**	**4,032**	**12,702**

The aggregate net foreign exchange gains/(losses) recognised in the P&L were:

	31 Dec 24 €'000	31 Dec 23 €'000
Net foreign exchange gains/(losses) recognised in the P&L:	1,456	299

Sensitivity

As shown in the table above, the group is primarily exposed to changes in EUR/AUD exchange rates. The sensitivity of profit or loss to changes in the exchange rates is as follows (holding all other variables constant):

	Impact on post-tax profit	
	31 Dec 24	31 Dec 23
	€'000	€'000
EUR/AUD exchange rate - increase 5%	(3,781)	(2,096)
EUR/AUD exchange rate – decrease 5%	3,781	2,096
EUR/USD exchange rate – increase 5%	103	162
EUR/USD exchange rate – decrease 5%	(103)	(162)
EUR/CAD exchange rate – increase 5%	12	473
EUR/CAD exchange rate – decrease 5%	(12)	(473)

NOTE 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

(ii) 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:

		31 Dec 24		31 Dec 23
	Weighted average interest rate	Average Balance €'000	Weighted average interest rate	Average Balance €'000
Cash and cash equivalents	4.27%	62,476	3.93%	63,359

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.

At 31 December 2024, if interest rates had moved, as illustrated in the table below, with all other variables held constant, losses and equity would have been affected as follows:

	Profit higher/(lower) 31 Dec 24 €'000	Profit higher/(lower) 31 Dec 23 €'000
+ 1.0% (100 basis points)	625	634
- 1.0% (100 basis points)	(625)	(634)

(b) 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 except for cash and cash equivalents.

(c) 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 of forecast and actual cash flows.

NOTE 33 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT.)

(c) Liquidity risk (cont.)

The Group had access to a secured revolving credit facility of €10,000,000 for the year ended 31 December 2024, which was not drawn at any time during the financial year. The facility is held with BNP Paribas, with an interest rate of 1.8% plus EURIBOR charged on drawn funds. The facility matures in June 2029, with the interest rate increasing to 2.3% plus EURIBOR on drawn amounts from 1 January 2026.

Revolving credit facility	31 Dec 24 €'000	31 Dec 23 €'000
Financing facility available at year-end	10,000	-
Amount drawn at year-end	-	-
Amount undrawn at year-end	10,000	-

The following are the contractual maturities of financial liabilities:

31 Dec 24	1 year or less €'000	1-5 years €'000	> 5 years €'000	Total €'000
Trade and other payables	18,412	-	-	**18,412**
Derivative liabilities	-	-	-	**-**
Lease Liabilities	771	2,553	528	**3,852**
31 Dec 23				
Trade and other payables	17,194	-	-	**17,194**
Derivative liabilities	133	-	-	**133**
Lease Liabilities	1,086	2,596	729	**4,411**

(d) Price risk

The Group is exposed to commodity price risk, as its energy sales are predominantly subject to prevailing market prices. The contract with Pfalzwerke guarantees a minimum price of €0.25 per megawatt-hour (MWh) (31 Dec 2023: €0.25 per MWh). During the year ended 31 December 2024, Vulcan sold 18,490 MWh at an average price of €0.25 per MWh (31 Dec 2023: 16,279 MWh at an average price of €0.26 per MWh).

A 50% upward movement in the average price for MWh would result in the Group's loss decreasing by €2.3m, or by €4.6m for a 100% upward price movement.

(e) Capital risk management

The Group's objectives when managing capital are to:

- Safeguard the ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to manage capital risk, the Group may issue new shares or sell assets within the Group.

Given the stage of the Company's development there are no formal targets set for return on capital. The Company is not subject to externally imposed capital requirements. The Company is equity funded and does not hold interest-bearing debt as at 31 December 2024. Net capital has historically been obtained through share placements on the Australian Securities Exchange ("ASX").

NOTE 34 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities €'000	Loan €'000	Total €'000
Balance at 1 Jan 23	3,316	-	3,316
Net cash used in financing activities	(1,744)	(81)	(1,825)
Acquired in business combinations	33	81	114
Additions to leases	2,835	-	2,835
Other changes	(29)	-	(29)
Balance at 31 Dec 23	**4,411**	**-**	**4,411**
Net cash used in financing activities	(1,197)	-	(1,197)
Additions to leases	638	-	638
Balance at 31 Dec 24	**3,852**	**-**	**3,852**

NOTE 35 SHARE-BASED PAYMENTS

	31 Dec 24 €'000	31 Dec 23 €'000
Recognised share-based payment transactions		
Performance rights issued to Directors, staff and consultants	2,115	315
Performance rights issued to Directors & staff in prior year	(1,535)	1,373
Performance rights cancelled during the year	271	-
Performance rights issued as consideration for acquisition of subsidiary Comeback (note 32)	-	128
	851	**1,816**

	31 Dec 24 €'000	31 Dec 23 €'000
Represented by		
Shared-based payment expense	851	1,688
Acquisition of subsidiary (note 32)	-	128
	851	**1,816**

Details of new issues during the year

On 29 March 2024 and 4 October 2024, the company granted 382,256 performance rights to staff to align their interests to that of the Company's shareholders and assist as an effective means of retention.

In addition to remaining an employee on 31 December 2024, the rights were granted with the following vesting conditions:

- the Company has produced battery quality lithium hydroxide at Vulcan's Central Lithium Electrolysis Optimization Plant (CLEOP);
- the Company has all permits necessary for the planned execution of phase 1 as per the Bridging Study;
- the Company has secured all land necessary for the interconnecting pipeline and power between Insheim and Schleidberg; D12 to 40 Morgen and Trappelberg;
- the Company has commenced 'shovel in the ground' construction of the Geothermal and Lithium Extraction Plant;
- the Company has commenced drilling its first new well as part of project execution of Phase 1;
- the Company has entered into binding agreements to fully finance Phase 1 of its operations; and
- meet 2024 HSE targets (Long-term Injury frequency rate (LTIF) of 3).

On the 24th of June, the Company granted 50,000 Special Performance Rights to the CFO of Germany, which will vest upon the recipient remaining employed by the Company on 31 December 2025.

On the same date, the Company also granted 40,000 performance rights to an external consultant, which were subject to a vesting condition of achieving production of battery-grade lithium hydroxide to specification from the Central Lithium Electrolysis Optimisation Plant (CLEOP) by 31 December 2024.

The value of performance rights granted, and vesting outcomes are summarised as follows:

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Type	Fair value of rights (EUR)	Number of Rights granted	Grant date	Vesting date	Expiry date	Number of rights vested at 31 Dec 24	Share-based payment expense for the year (€'000)	Class
2024 Employee Incentive Plan – tranche 1	1.73	363,660	29/3/2024	31/12/2024	31/12/2026	333,951	587	IP
2024 Employee Incentive Plan – tranche 2	2.61	18,596	4/10/2024	31/12/2024	31/12/2026	17,356	46	IP
Special Performance Rights – CFO	2.36	50,000	24/06/2024	31/12/2025	31/12/2026	-	-	IP
Germany Performance rights – external consultant	2.36	40,000	24/06/2024	31/12/2024	31/12/2026	38,000	88	IP
Total		**472,256**				**389,307**	**721**	

Under the Company's Incentive Award plan, the Company issued the following incentives to Executives during the year:

- A short-term incentive (STI), designed to reward creation of exceptional short-term shareholder value, issued in three tranches as Class IP.
- A long-term incentive (LTI), designed to reward creation of exceptional long-term shareholder, issued in seven tranches as Class IP.

The STI and LTI performance rights issued for the year ended 31 December 2024 were as follows:

Type	Number of Rights Granted	Number of Rights Vested at 31 Dec 24	Number of Rights Lapsed at 31 Dec 24	Share-based payment expense for the year (€'000)	Class
MD-CEO - STI	119,500	115,694	(3,806)	271	IP
MD-CEO - LTI	348,000	-	-	73	IP
Group CFO - STI	72,500	70,445	(2,055)	184	IP
Group CFO - LTI	202,500	-	-	64	IP
Executives - STI	236,000	219,709	(16,291)	510	IP
Executives - LTI	653,000	-	-	175	IP
Special - STI	600,000	-	-	101	IP
Total	**2,231,500**	**405,848**	**(22,152)**	**1,378**	

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

MD-CEO and Group CFO STI rights multiplier

The number of performance rights issued to the MD-CEO and Group CFO include a multiplier for the following milestones tested at the measurement date:
- The financing milestone (STI) includes a 1.5x multiplier;
- If project construction is as per the Controlled Schedule (P50)(LTI) includes a 1.5x multiplier; and
- If project construction is within six months of the Controlled Schedule (P50)(LTI) includes a 1.25x multiplier.

Refer to Section 5 of the Remuneration Report for the STI financing milestones outcome.

Details of the Executive STIs are as follows:

Item	Executive Rights – STI			Special Executive Rights – STI		
	Tranche 1	Tranche 2	Tranche 3	Tranche 1	Tranche 2	Tranche 3
Grant date	24/6/2024, 21/8/2024	24/6/2024, 21/8/2024	24/6/2024, 21/8/2024	5/12/2024	5/12/2024	5/12/2024
Fair value of each right (EUR)	2.36, 2.36	2.36, 2.36	2.36, 2.36	3.82	3.82	3.82
Commencement of performance period	24/6/2024, 21/8/2024	24/6/2024, 21/8/2024	24/6/2024, 21/8/2024	5/12/2024	5/12/2024	5/12/2024
Performance measurement date	31/12/2024	31/12/2024	31/12/2024	31/12/2026	31/12/2025	31/12/2025
Vesting date	31/12/2024	31/12/2024	31/12/2024	31/12/2026	31/12/2025	31/12/2025
Expiry date	31/12/2026	31/12/2026	31/12/2026	4/12/2028	4/12/2028	4/12/2028
Number of Rights granted	118,000	47,200	70,800	100,000	250,000	250,000
Valuation per Tranche (€'000)	278	111	167	382	956	956

Item	MD-CEO Rights– STI			Group CFO Rights – STI		
	Tranche 1	Tranche 2	Tranche 3	Tranche 1	Tranche 2	Tranche 3
Grant date	5/8/2024	5/8/2024	5/8/2024	17/6/2024	17/6/2024	17/6/2024
Fair value of each right (EUR)	2.28	2.28	2.28	2.63	2.63	2.63
Commencement of performance period	13/6/2024	13/6/2024	13/6/2024	17/6/2024	17/6/2024	17/6/2024
Performance measurement date	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Vesting date	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
Expiry date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Number of Rights	59,750	23,900	35,850	36,250	14,500	21,750
Valuation per Tranche (€'000)	136	55	82	95	38	57

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Performance conditions of the STI performance rights issued to the MD-CEO, Group CFO and other executives are as follows:

Tranche 1
Project Milestones (50% weighting; 8.3% equal weighting)

- The Company has produced battery quality lithium hydroxide at Vulcan's Central Lithium Electrolysis Optimization Plant (CLEOP);
- The Company has all permits necessary for the planned execution of phase 1 as per the Bridging Study;
- The Company has secured all land necessary for the interconnecting pipeline and power between Insheim and Schleidberg; D12 to 40 Morgen and Trappelbert;
- The Company has commenced 'shovel in the ground' construction of the Geothermal and Lithium Extraction Plant;
- The Company has commenced drilling its first new well as part of project execution of Phase 1;
- The Company has entered into binding agreements to fully finance Phase 1 of its operations (Finance Milestone).

Tranche 2
ESG Milestones (20% weighting; 5% equal weighting):

- Environment: Meet 2024 HSE targets of long-term injury frequency rate (LTIF) of 3;
- Social: Signing a binding agreement with a local utility to supply the local community with renewable heat in Phase One area;
- Governance: no breaches with local authorities or regulatory authorities;
- Governance: no cyber security breaches during the period.

Tranche 3
Individual Milestones (30% weighting):

Tranche 3 will vest subject to specific individual performance milestones. Refer to Section 5 of the Remuneration Report for individual milestones of Executive KMP.

Special STI Performance rights issued to executives

Special STI performance rights issued on 5 December 2024 have different performance milestones to the MD-CEO, Group CFO and other executive milestones described above, to align the incentive with the creation of short-term shareholder value.

Performance conditions of the special STI performance rights are as follows:

Tranche 1

Continued full-time employment with the Company or one of its subsidiaries until 31 December 2026

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Tranche 2

The Company secures all land that its lenders require the Company to hold prior to financial close and first debt draw down as contained in the final financing documents signed by the lenders or amended at a later date or in accordance with a potential future land acquisition rider causing no delay to the Schedule Completion Date or the Completion Date beyond the Completion Longstop Date;

Tranche 3

The Company receives such Permits envisaged to be awarded under the Permitting Action Plan by December 31 2025 for Phase 1 signed by the lenders or amended at a later date, either by 31 December 2025 or by a later date without causing a delay to the Scheduled Completion Date or the Completion Date beyond the Completion Longstop Date based on Permitting Non-Conformance.

Details of LTI performance rights issued to the MD-CEO, Group CFO and other executives during the year ended 31 December 2024 are as follows:

Item	**MD-CEO Rights – LTI**						
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	ATSR Rights	RTSR Rights
Grant date	5/8/2024	5/8/2024	5/8/2024	5/8/2024	5/8/2024	5/8/2024	5/8/2024
Fair value of each right (EUR)	2.28	2.28	2.28	2.28	2.28	1.33	1.72
Commencement of performance period	13/6/2024	13/6/2024	13/6/2024	13/6/2024	13/6/2024	13/6/2024	13/6/2024
Performance measurement date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Vesting date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Expiry date	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027
Volatility	n/a	n/a	n/a	n/a	n/a	70%	70%
Risk-fee rate	n/a	n/a	n/a	n/a	n/a	3.64%	3.64%
Number of Rights	46,400	46,400	46,400	34,800	34,800	69,600	69,600
Valuation per Tranche (€'000)	106	106	106	79	79	93	119

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Item	Group CFO Rights – LTI						
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	ATSR Rights	RTSR Rights
Grant date	17/6/2024	17/6/2024	17/6/2024	17/6/2024	17/6/2024	17/6/2024	17/6/2024
Fair value of each right (EUR)	2.63	2.63	2.63	2.63	2.63	1.88	2.14
Commencement of performance period	17/6/2024	17/6/2024	17/6/2024	17/6/2024	17/6/2024	17/6/2024	17/6/2024
Performance measurement date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Vesting date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Expiry date	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027
Volatility	n/a	n/a	n/a	n/a	n/a	70%	70%
Risk-fee rate	n/a	n/a	n/a	n/a	n/a	3.79%	3.79%
Number of Rights	27,000	27,000	27,000	20,250	20,250	40,500	40,500
Valuation per Tranche (€'000)	71	71	71	53	53	76	87

Item	Executive Rights – LTI						
	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Tranche 5	ATSR Rights	RTSR Rights
Grant date	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024
Fair value of each right (EUR)	2.36	2.36	2.36	2.36	2.36	1.69	1.79
Commencement of performance period	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024	24/6/2024 21/8/2024
Performance measurement date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Vesting date	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026	31/12/2026
Expiry date	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027	31/12/2027
Volatility	n/a	n/a	n/a	n/a	n/a	70%	70%
Risk-fee rate	n/a	n/a	n/a	n/a	n/a	3.93%	3.93%
Number of Rights	87,068	87,065	87,067	65,300	65,300	130,600	130,600
Valuation per Tranche (€'000)	205	205	205	154	154	220	233

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Performance conditions of the LTI performance rights are as follows:

Business Returns (40%)

Tranche 1

Tranche 1 will vest subject to project construction and execution of the Central Lithium Plant per the Controlled Schedule (P50) (Project Construction).

Tranche 2

Tranche 2 will vest subject to delivering CAPEX as per the Phase 1 bridging phase (as aligned with BNPP financing package) and assumptions.

Tranche 3

Tranche 3 will vest subject to obtaining Project Financing for Phase Two capital expenditure.

Sustainability Returns (20%)

Tranche 4

Tranche 4 will vest subject to achieving financing with ESG criteria and successfully executing all ESMP (Environmental, Social Management Plan) requirements.

Tranche 5

Tranche 5 will vest when a publicly announced GHG emissions target is set (linked to a credible framework such as Science Based Targets) and meet the target within timeline and volume of reduction requirements.

Total Shareholder Returns (TSR) (40%)

Absolute Total Shareholder Returns (ATSR) Rights:

The ATSR Rights will vest according to the following schedule:

ATSR compound annual growth rate (CAGR)	Percentage of ATSR Rights eligible to vest
Less than 7.5%	Nil
Between 7.5% and 10%	50% to 75% on a pro-rata basis
Between 10% and 12.5%	75% to 100% on a pro-rata basis
Greater than 12.5%	100%

Relative Total Shareholder Returns (RTSR) Rights:

Relative TSR is based on an increase in share-price and market capitalisation relative to a basket of peer companies in the lithium sector and wider resource companies predominately in the ASX 300 comparative to the beginning of the review period. The RTSR Rights will vest according to the following schedule:

Company's TSR performance relative to the Peer Group	Percentage of RTSR Rights eligible to vest
50th percentile	50%
Between 50th percentile and 75th percentile	Pro-rata
75th percentile	100%

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Vesting conditions of performance rights issued in prior years

Class S
One third of the rights vest on each 12 month anniversary of 24 June 2021, with the final tranche vesting on 24 June 2024. All performance rights have vested.

Class T
The rights vest subject to the Company being issued a building permit for the first geothermal power plant or, in the case of a pure heating project with no electricity production, the transfer station, on or before the Expiry Date of 1st December 2024. The vesting conditions were not met and therefore all rights lapsed.

Class U
The rights vest subject to the Company being issued a building permit for the first Direct Lithium Extraction system, on or before the Expiry Date of 1st December 2024. The vesting conditions were not met and therefore all rights lapsed.

Class V
The rights vest subject to the Company being granted a permit according to BImSchG for the first lithium refinery, on or before the Expiry Date of 1st December 2024. The vesting conditions were not met and therefore all rights lapsed.

Class Z
The rights vest subject to the Company obtaining project finance for the first commercial plant, on or before the Expiry Date of 1 December 2024. The vesting conditions were not met and therefore all rights lapsed.

Class AA
The STI rights issued in the year-ended 31 December 2022 vest subject to:

Tranche 1:
- the Company obtaining sufficient funding in order to allow for completion of the first plant that will be able to produce lithium on a commercial scale and/or the first new commercial geothermal heating plant, in accordance with Vulcan's business plan (First Plant) by 30 June 2023.

Tranche 2:
- the achievement of various individual and business KPIs. The STI targets reflect a balance of individual and organisational goals impacting overall STI. Individual goals in the assessment of the STI include items such as sustainability, cost performance, funding, approval of drilling permits, drilling activity, compliance and governance, growth and safety. Individual executive goals are all clearly defined and specifically measurable.

Tranche 3 will vest subject to the achievement of shared objectives as follows:

People:
- >80% retention rate for agreed critical roles at all levels of the organisation for FY 23 onwards; and
- increased employee satisfaction rate based on previous annual internal employee satisfaction survey.

Environment:
- obtain an ESG rating from a recognised third party ESG provider that is above 50;
- obtain a carbon neutral emission certification from a recognised third-party issuer where the Group's carbon emissions footprint is measured and offset by supporting credible carbon offset projects and verified across all business units by 30 June 2023; and
- reporting of climate related impacts, risks and opportunities management by the Group according to the Taskforce for Climate-Related Financial Disclosures (TCFD) guidelines and/or report according to the Taskforce for Nature-Related Financial Disclosures (TNFD).

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Social:
- all exploration/production licenses to be in good standing as at 30 June 2023; and
- release an announcement on the ASX that it has commenced drilling in the Upper Rhine Valley

All tranches of the STI rights have been assessed and the vesting conditions were partially met, resulting in 26,903 rights vesting and 63,797 rights lapsing.

Class AB
The LTI rights issued in the year-ended 31 December 2022 vest subject to:

Tranche 1:
- the successful ramp up to nameplate capacity for Phase 1 energy and lithium chemicals production, and achievement of corresponding revenue.

Tranche 2:
- obtain positive definitive feasibility study for Phase 2 energy and lithium chemicals production, and achievement of corresponding revenue.

Tranche 3:
- obtain project financing for completion of Phase 2 capital expenditure

Tranche 4:
- achievement of carbon neutral emission certification across all operations through each year in the four-year period commencing 30 June 2022.

Tranche 5:
- achievement of the lowest quartile absolute GHG emissions.

Tranche 6 and 7:
- the achievement of Total Shareholder Returns (TSR) over the four years from 1 July 2022 to 30 June 2026.

The performance rights are tested on 30 June 2026 and will vest or lapse on that date.

Class AC
One third of the rights vest on each 12 month anniversary of 29 November 2022, with the final tranche vesting on 29 November 2025. A total of 14,237 performance rights have vested, 9,491 lapsed, and 4,746 will be assessed on 29 November 2025.

Class AD
One third of the rights vest on each 12 month anniversary of 28 May 2023. A total of 8,411 performance rights have vested and 16,823 have lapsed.

Class AE
The performance rights were issued as consideration for the acquisition of Comeback Personaldienstleistungen GmbH (refer to note 32) and vest subject to successful staffing of the drilling rigs at the time of setting up the same, and during the drilling of the wells according to the drilling plan. The vesting conditions have been met, with 41,357 rights vesting at 31 December 2023, and 41,357 rights vesting at 31 December 2024.

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Set out below is a summary of movements of performance rights by class during the year ended 31 December 2024:

	As at 1 Jan 24	Granted	Exercised	Lapsed or Cancelled	As at 31 Dec 24	Exercisable performance rights
Class S	12,894	-	-	-	12,894	12,894
Class T	260,000	-	-	(260,000)	-	-
Class U	250,000	-	-	(250,000)	-	-
Class V	110,000	-	-	(110,000)	-	-
Class Y	60,000	-	(60,000)	-	-	-
Class Z	50,000	-	-	(50,000)	-	-
Class AA	37,232	-	-	(10,329)	26,903	26,903
Class AB	274,200	-	-	(65,000)	209,200	-
Class AC	28,474	-	(9,490)	(9,492)	9,492	4,746
Class AD	25,234	-	-	(16,823)	8,411	8,411
Class AE	82,714	-	(41,357)	-	41,357	41,357
Class IP	360,520	2,703,756	-	(221,734)	2,842,542	989,042
	1,551,268	**2,703,756**	**(110,847)**	**(993,378)**	**3,150,799**	**1,083,353**

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Set out below is a summary of movements of performance rights by class during the year ended 31 December 2023:

	As at 1 Jan 23	Granted	Exercised	Lapsed or Cancelled	As at 31 Dec 23	Exercisable performance rights
Class G	250,000	-	(250,000)	-	-	-
Class H	472,727	-	(472,727)	-	-	-
Class I	910,909	-	(910,909)	-	-	-
Class J	2,500,000	-	(2,500,000)	-	-	-
Class M	1,500,000	-	(1,500,000)	-	-	-
Class N	1,500,000	-	(1,500,000)	-	-	-
Class S	25,791	-	(12,897)	-	12,894	-
Class T	260,000	-	-	-	260,000	-
Class U	250,000	-	-	-	250,000	-
Class V	110,000	-	-	-	110,000	-
Class W	100,000	-	-	(100,000)	-	-
Class Y	60,000	-	-	-	60,000	60,000
Class Z	50,000	-	-	-	50,000	-
Class AA	90,700	-		(53,468)	37,232	-
Class AB	274,200	-	-	-	274,200	-
Class AC	28,474	-	-	-	28,474	9,491
Class IP	-	360,520	-	-	360,520	-
Class AE	-	82,714	-	-	82,714	41,357
Class AD	-	25,234	-	-	25,234	-
	8,382,801	**468,468**	**(7,146,533)**	**(153,468)**	**1,551,268**	**110,848**

NOTE 35 SHARE-BASED PAYMENTS (CONT.)

Accounting Policy

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to Directors, Key Management Personnel and employees.

Equity-settled transactions are awards of shares, or performance rights which convert to shares, and are provided to employees in exchange for the rendering of services and achieving performance based milestones. 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 or paid in lieu of the issue of performance rights.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value of equity-settled transactions containing market conditions are independently determined using an appropriate valuation model that takes into account the exercise price, term of the option, impact of dilution, share price at grant date, expected price volatility of the underlying share, expected dividend yield and risk free interest rate for the term of the performance right, together with non-vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity reserves 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:

a. 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.
b. 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.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity 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.

NOTE 36 RELATED PARTY DISCLOSURE

Parent entity
Vulcan Energy Resources Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 31.

Associates
Interests in associates are set out in note 29.

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below.

	31 Dec 24 €	31 Dec 23 €
Short-term benefits	1,450,292	1,434,501
Post-employment benefits	116,852	100,608
Share-based payments	698,481	309,652
	2,265,625	**1,844,761**

(a) Transactions with associates

There were no loans to or from associates at 31 December 2024 (31 December 2023: nil).

(b) Transactions with related parties

There was an outstanding balance payable to JRB Consulting Ltd, a related party of Ms Josephine Bush, of €4,780 in relation to directors' fees for the year ended 31 December 2024 (31 December 2023: nil). During the previous year, payments for consultancy fees of €12,056 were made to JRB Consulting Ltd in respect of expert advice on ESG reporting.

There were outstanding balances payable to Mr Gavin Rezos of €8,563 (December 2023: €11,666), Dr Günter Hilken of €5,583 (December 2023: nil) and Dr Heidi Grön of €5,028 (December 2023: nil) in relation to directors' fees for the year ended 31 December 2024.

Other than the above, there were no other transactions with related parties during the year ended 31 December 2024.

There were no loans to or from related parties at 31 December 2024 (31 December 2023: nil).

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

NOTE 37 COMMITMENTS

Below are the commitments in relation to its exploration and evaluation assets:

	31 Dec 24 €'000	31 Dec 23 €'000
Within one year	2,239	1,888
One to five years	6,766	-
	9,005	**1,888**

Below are the commitments in relation to capital expenditure:

	31 Dec 24 €'000	31 Dec 23 €'000
Within one year	2,566	22,472
One to five years	-	-
	2,566	**22,472**

NOTE 38 CONTINGENCIES

The Group has given bank guarantees as at 31 December 2024 of €3,707,000 (31 December 2023: €958,000)

The Group has no contingent assets and liabilities as at 31 December 2024 (31 December 2023 : nil).

NOTE 39 AUDITOR'S REMUNERATION

	31 Dec 24 €'000	31 Dec 23 €'000
Amounts received or due and receivable by RSM Australia Partners for:		
Audit or review of the annual financial report	126	102
Comfort letter in relation to listing prospectus	-	111
Amounts received or due and receivable by RSM GmbH for:		
Review of the financial report	-	46
Comfort letter in relation to listing prospectus	-	46
Amounts received or due and receivable by RSM Ebner Stolz:		
Audit of the annual financial report	176	135
Audit of standalone German entity financial statements	35	-
	337	**440**

NOTE 40 ACCUMULATED LOSSES

	31 Dec 24 €'000	31 Dec 23 €'000
Balance at beginning of the year	(68,835)	(41,872)
Loss after income tax for the year	(42,358)	(26,963)
Balance at end of the year	**(111,193)**	**(68,835)**

NOTE 41 PARENT ENTITY

	31 Dec 24 €'000	31 Dec 23 €'000
Statement of Financial Position		
Assets		
Current Assets	90,955	49,838
Non-Current Assets	331,413	254,262
Total Assets	**422,367**	**304,100**
Liabilities		
Current Liabilities	4,222	1,052
Non-Current Liabilities	274	-
Total Liabilities	**4,496**	**1,052**
Equity		
Issued Capital	453,643	323,739
Reserves	(7,127)	6,049
Accumulated losses	(28,645)	(26,740)
Total Equity	**417,871**	**303,048**
Statement of Profit or Loss and other comprehensive income		
Loss for the year	(3,132)	(3,498)
Total Comprehensive Loss	**(3,132)**	**(3,498)**

Contingent liabilities
The parent entity has no other contingent assets or contingent liabilities as at 31 December 2024 and 31 December 2023.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2024 and 31 December 2023.

Exploration commitments
The parent entity has no exploration commitments as at 31 December 2024 and 31 December 2023.

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

(i.) Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

NOTE 42 DIVIDENDS

No dividend has been declared or paid during the year ended 31 December 2024 (31 December 2023: nil), and the Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2024.

Accounting Policy

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

NOTE 43 EVENTS AFTER THE REPORTING DATE

On 1 January 2025, Ms Felicity Gooding commenced the role of Executive Director, in addition to her role as Group Chief Financial Officer, and Mr Angus Barker commenced his role as Lead Independent Director and Deputy Chair.

Apart from the above, no other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

NOTE 44 USE OF EXEMPTION PROVISIONS

The following fully consolidated German Group companies made use of the exemption provisions in Section 264 Paragraph 3 and Section 264b HGB in 2024.

Company Name	Seat
Vulcan Energie Ressourcen GmbH	Karlsruhe
Vulcan Energy Engineering GmbH	Augsburg
Vulcan Geothermal GmbH	Karlsruhe
VER GEO LIO GmbH	Karlsruhe
Vercana GmbH	Karlsruhe
Natürlich Insheim GmbH	Karlsruhe
Comeback Personaldienstleistungen GmbH	Lingen
Vulcan Projektgesellschaft 3 GmbH	Karlsruhe
Vulcan Projektgesellschaft 2 GmbH	Karlsruhe
Natürlich Südpfalz Geschäftsführungs GmbH	Karlsruhe
Natürlich Südpfalz GmbH & Co. KG	Landau i.d. Pfalz
Lionheart Marketing GmbH	Karlsruhe
Landau Süd JV-Verwaltungs GmbH	Karlsruhe
Landau Süd Joint Venture GmbH & Co. KG	Landau i.d. Pfalz

Consolidated entity disclosure statement

As at 31 December 2024

The following table provides a list of all entities included in the Gorup's consolidated financial statements, prepared in accordance with the requirements of Section 295(3A) of the Corporations Act. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the Company.

Entity name	Entity type	Country of incorporation	Australian resident	Foreign jurisdiction(s) in which the entity is a resident for tax purposes	Ownership interest %
Vulcan Energy Resources Ltd	Body Corporate	Australia	Yes	N/A	100
Vulcan Energy Italy Pty Ltd	Body Corporate	Australia	Yes	N/A	100
Vulcan Energy Resources Europe Pty Ltd	Body Corporate	Australia	Yes	N/A	100
Vulcan Energy SA Pty Ltd	Body Corporate	Australia	Yes	N/A	100
Vulcan Energie Ressourcen GmbH	Body Corporate	Germany	No	Germany	100
Vulcan Energie France, SAS	Body Corporate	France	No	France	100
Vulcan Energy Engineering GmbH	Body Corporate	Germany	No	Germany	100
Vercana GmbH	Body Corporate	Germany	No	Germany	100
Comeback Personaldienstleistungen GmbH	Body Corporate	Germany	No	Germany	100
Vulcan Geothermal GmbH	Body Corporate	Germany	No	Germany	100
Landau-Süd JV Verwaltungs GmbH	Body Corporate	Germany	No	Germany	51
Landau-Süd JV GmbH & Co. KG	Partnership	Germany	No	Germany	51
VER GEO LIO GmbH	Body Corporate	Germany	No	Germany	100
Vulcan Projektgesellschaft 3 GmbH[1]	Body Corporate	Germany	No	Germany	100
Natürlich Insheim GmbH	Body Corporate	Germany	No	Germany	100
Natürlich Südpfalz Geschäftsführungs GmbH	Body Corporate	Germany	No	Germany	100
Natürlich Südpfalz GmbH & Co. KG	Partnership	Germany	No	Germany	100
Lionheart Marketing GmbH[2]	Body Corporate	Germany	No	Germany	100
Vulcan Energy Subsurface Solutions GmbH[3]	Body Corporate	Germany	No	Germany	100
Vulcan Projectgesellschaft 2 GmbH	Body Corporate	Germany	No	Germany	100

[1]This entity was renamed to Natürlich Landau Lithium GmbH on 12 February 2025.

[2]This entity was renamed from Vulcan Lily Lithium Geschäftsführungs GmbH, on 2 December 2024.

[3]Vulcan Energy Subsurface Solutions was merged into Vulcan Energie Ressourcen GmbH on 8 October 2024.

The entity Vulcan Lily Lithium (Höchst) GmbH & Co.KG was dissolved on 2 December 2024.

Directors' Declaration

In the Directors' opinion:

a) The financial statements and accompanying notes are in accordance with the Corporations Act 2001, including:
   i) complying with Australian Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the year ended on that date.

b) The financial statements and notes comply with International Financial Reporting Standards.

c) The consolidated entity disclosure statement set out on page 132 of the Annual Report, as required by section 295(3A) of the Corporations Act, is true and correct.

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

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

This declaration is made in accordance with a resolution of the Board of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001 and is signed for and on behalf of the Directors by:

Dr Francis Wedin
Executive Chair

25 March 2025

RSM Australia Partners

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
VULCAN ENERGY RESOURCES LIMITED

Opinion

We have audited the financial report of Vulcan Energy Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 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 a summary of material accounting policies, 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 31 December 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 (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.

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.

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<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed this matter</th></tr>
<tr><td colspan="2">Going Concern
Refer to Note 1 in the financial statements</td></tr>
<tr><td>For the year ended 31 December 2024, the Group incurred a loss after tax of €42.36m and had net cash outflows from operating and investing activities of €30.68m and €75.98m respectively for the year ended 31 December 2024. As at that date, the Group had a net current assets surplus of €86.84m and cash and cash equivalents of €97.05m.

The directors have prepared the financial report on the going concern basis. The directors' assessment of the Group's ability to continue as a going concern is based on a cash flow budget which includes future capital raisings and debt financing.

We determined this assessment of going concern to be a key audit matter due to:

• the significant management assumptions and judgements involved in preparing the cash flow budget; and
• the fact that the achievement of the cash flow forecasts is subject to future events, some of which are beyond the direct control of the Group.</td><td>Our audit procedures included:

• Assessing and discussing with management and Directors the reasonableness of the Group's cash flow forecast for the 12-month period ended 31 March 2026;
• Checking the mathematical accuracy of management's cash flow forecast;
• Challenging the reasonableness of the key assumptions and mitigating factors used by management in the cash flow forecast by comparison to our knowledge of the business and supporting documentation;
• Assessing the sensitivity of the key assumptions within management's cash flow forecast, particularly in relation to debt and equity funding; and
• Assessing the adequacy of disclosures made in the financial report.</td></tr>
<tr><td colspan="2">Property, plant and equipment, including Mine development properties
Refer to Note 16 in the financial statements</td></tr>
<tr><td>The Group has property, plant and equipment, including mine development properties, with a carrying value of €237,329,000 as at 31 December 2024.

We considered this to be a key audit matter due to the significant level of costs capitalised and management judgement involved in assessing the carrying value of these assets including:

• Determining the nature of costs incurred meet the specific recognition criteria in AASB 116 Property, plant and equipment for capitalisation;
• Determining the timing of when the exploration expenditure capitalised should be re-characterised as mine development properties
• Undertaking mandatory impairment testing of exploration and evaluation assets immediately prior to transfer to mine development properties; and
• at year end, assessing whether any indicators of impairment with respect to property, plant and equipment and other non current assets are present.</td><td>Our audit procedures included:

• Assessing the Group's accounting policy for compliance with Australian Accounting Standards;
• Obtaining the schedule of property, plant and equipment and on sample basis, testing the additions to supporting documentation and ensuring the amounts were capital in nature;
• Assessing management's determination of when assets are available for use, including challenging management assumptions used;
• Evaluating management's assessment for the reclassification of exploration and evaluation assets to mine development properties;
• Assessing and evaluating the reasonableness of management's mandatory impairment testing of exploration and evaluation assets immediately prior to transfer to mine development properties;
• At 31 December 2024, evaluating management's assessment that no indicators of impairment existed in relation to property, plant and equipment and other non current assets; and
• Assessing the appropriateness of disclosures in the financial statements.</td></tr>
</table>

Key Audit Matter	How our audit addressed this matter
Share-based payment Refer to Note 35 in the financial statements	
During the year, the Group issued performance rights to key management personnel and employees. Management has accounted for these instruments in accordance with AASB 2 *Share-Based Payment*. We have considered this to be a key audit matter because: • The complexity of the accounting associated with recording these instruments and management estimation in determining the fair value of instruments granted; • Management judgement is required to determine the probability of vesting conditions of these instruments and the inputs used in the valuation model to value these instruments; and • The recognition of the share-based payment expense is complex due to the variety of vesting conditions attached to these instruments.	Our audit procedures included: • Assessing the Group's accounting policy for compliance with Australian Accounting Standards; • Obtaining an understanding of the terms and conditions of the instruments granted during the year; • Assessing the completeness of the instruments granted/cancelled/lapsed during the reporting period; • Assessing the appropriateness of management's valuation methodology used to determine the fair value of the instruments granted in the current year, including assessing the work performed by management experts; • Testing the appropriateness of assumptions and data used in determining the fair value of instruments granted in the current year; • Critically assessing management's determination of the vesting probability of each instrument; • Recalculating the value of the share-based payment expense to be recognised in the consolidated statement of profit or loss and other comprehensive income; and • Assessing the appropriateness of disclosures in the financial statements.

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 31 December 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 in the directors' report for the year ended 31 December 2024.

In our opinion, the Remuneration Report of Vulcan Energy Resources Limited, for the year ended 31 December 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.

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RSM AUSTRALIA

Matthew Beevers
Partner

Perth, WA
Dated: 25 March 2025

ASX additional information

Additional information required by the Australian Securities Exchange and not shown elsewhere in this Annual Report is as follows. The information is current as of the date of this Report unless otherwise noted.

1. Equity securities on issue

- There are a total of 217,574,820 fully paid ordinary shares on issue all of which are listed on the ASX.
- A total of 1,680,672 fully paid ordinary shares are subject to voluntary escrow until 30 June 2025.
- The number of holders of fully paid ordinary shares is 26,818 as at 20 March 2025.
- Holders of fully paid ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company.
- There are 3,150,799 performance rights on issue. Please see the table in the Appendix for further information.
- There are no other securities on issue.

2. Distribution of fully paid ordinary shareholders is as follows:

	Ordinary Shares[67]			Performance Rights		
Range	Number of holders	Number of shares	% of issued capital	Number of holders	Number of performance rights	% of issued capital
1 - 1,000	18,986	6,211,625	2.85%	91	73,337	2.33%
1,001 - 5,000	5,668	13,375,107	6.15%	317	491,413	15.60%
5,001 - 10,000	1,099	8,159,941	3.75%	7	57,909	1.84%
10,001 - 100,000	980	25,586,401	11.76%	25	1,145,946	36.37%
100,001 and over	85	164,241,746	75.49%	5	1,382,194	43.87%
Total	**26,818**	**217,574,820**	**100.00%**	**445**	**3,150,799**	**100.00%**

[67] As at 20 March 2025.

3. Holders of non-marketable parcels

Holders of non-marketable parcels are deemed to be those whose shareholding is valued at less than $500. As at 20 March 2025, there were 6,213 shareholders who held less than a marketable parcel of shares, which amounts to 0.21% of issued capital based on a price per Share of $4.00.

4. Substantial shareholders of ordinary fully paid shares

As at 20 March 2025, the names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Holding balance	% of issued capital
Mr Francis Edward Barnabas Wedin and related parties	16,458,561	7.56
Hancock Prospecting Pty Limited	14,123,048	6.49
CGI3 Pty Limited	13,520,284	6.21
PSA Automobiles S.A	11,448,959	5.26

5. Share buy-backs

There is currently no on-market buyback program for any of Vulcan Energy Resources' listed securities.

6. Voting rights

All fully paid ordinary shareholders are entitled to vote at any meeting of the members of the Company via proxy, attorney or corporate representative and their voting rights are on:

- show of hands – one vote per shareholder present; and
- poll – one vote per fully paid ordinary share.

Holders of performance rights do not have any voting rights.

7. Major Shareholders as at 20 March 2025

Twenty largest shareholders

Rank	Shareholders	Number held	Percentage (%)
1	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	41,143,861	18.91%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	28,013,099	12.88%
3	CITICORP NOMINEES PTY LIMITED	13,890,780	6.38%
4	CGI3 PTY LIMITED	13,520,284	6.21%
5	PSA AUTOMOBILES SA	11,448,959	5.26%
6	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	8,066,691	3.71%
7	MR FRANCIS EDWARD BARNABAS WEDIN [68]	6,096,667	2.80%
7	MR FRANCIS EDWARD BARNABAS WEDIN [68]	6,096,667	2.80%
8	MR JOHN LANGLEY HANCOCK	4,053,128	1.86%
9	BNP PARIBAS NOMS PTY LTD	3,560,521	1.64%
10	MR FRANCIS EDWARD BARNABAS WEDIN [68]	3,452,727	1.59%
11	DR HORST DIETER KREUTER	2,644,096	1.22%
12	MONSLIT PTY LTD <ANTHONY TORRESAN A/C> [69]	1,600,000	0.74%
13	LHO LA PTY LTD <ACME FOUNDATION A/C>	1,018,559	0.47%
14	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	962,779	0.44%
15	SNOWBALL 3 PTY LTD <ANTONIO TORRESAN SUPER A/C> [69]	957,000	0.44%
16	MR HOANG HUY NGUYEN <HOANG HUY NGUYEN FAMILY A/C>	900,815	0.41%
17	MAGNI ASSOCIATES PTY LTD 68	812,500	0.37%
18	RHODIUM CAPITAL PTY LIMITED <RHODIUM INVESTMENT A/C>	750,000	0.34%
19	MR LEENDERT HOEKSEMA	730,000	0.34%
20	CITICORP NOMINEES PTY LIMITED <DPSL A/C>	553,646	0.25%
	Totals	**150,272,779**	**69.07%**

[68] Mr. Francis Edward Barnabas Wedin and his related parties (Francis Wedin Group) hold a total of 16,458,561 shares (7.56%).
[69] Part of the Torresan Group which holds a total of 2,557,000 shares (1.18%).

8. Options

There are no listed or unlisted options on issue as at the date of this Report.

9. Tax status

The Company is treated as a public company for taxation purposes.

10. Franking credits

The Company has no franking credits.

11. Business objectives

Vulcan Energy Resources Limited has used its cash and cash equivalents held at the time of listing in a way consistent with its stated business objectives.

12. Tenement schedule

The information as required by ASX Listing Rule 5.20 is set out below:

Vulcan's licences as at the date of this Report, with the licences of Phase One shaded in grey

Name	State	Resources applied for	Area (km^2)	Expiry	Ownership As at 30 June 2024	Change in ownership	Type
Ried	Hessen	Geothermal, brine & lithium	289.92	7.2025	100 % VER GmbH	N/A	exploration
Luftbrücke	Hessen	Geothermal, brine & lithium	207.25	9.2026	100 % VER GmbH	N/A	exploration
Rift-Nord	RLP	Geothermal & lithium	61,83 (VER share), 149.74 km^2 total	6.2027	50 % VER GmbH, 50 % GET, Vulcan has rights to develop production projects with 100% ownership in the licence area	N/A	exploration
Waldnerturm	BW	Geothermal, brine & lithium	20.43	12.2026	100 % VER GmbH	N/A	exploration
Lampertheim II	Hessen	Geothermal, brine & lithium	1.99	7.2026	100 % VER GmbH	N/A	exploration
Ortenau II	BW	Geothermal, brine & lithium	374.1	12.2025	100 % VER GmbH	N/A	exploration
Mannheim	BW	Geothermal, brine & lithium	144.49	6.2027	100 % VER Pty Ltd	N/A	exploration
Taro	RLP	Geothermal	32.68	8.2025	100% GGH (part of VER Group)	N/A	exploration
Lisbeth	RLP	Lithium		9.2027	100 % VER GmbH	N/A	exploration
Ludwig	RLP	Geothermal & lithium	96.34	12.2027	100 % VER GmbH	N/A	exploration
Therese	RLP	Geothermal & lithium	81.12	12.2027	100 % VER GmbH	N/A	exploration
Lampertheim	Hessen	Geothermal, brine & lithium	108.03	7.2026	100 % VER GmbH	N/A	exploration
Kerner	RLP	Geothermal & lithium	72.26	12.2027	100 % VER GmbH	N/A	exploration
Löwenherz	RLP	Geothermal & lithium	75.43	12.2026	100 % VER GmbH	N/A	exploration
Flaggenturm 2023	RLP	Geothermal	166.75	12.2027	100 % VER GmbH	N/A	exploration
Fuchsmantel 2023	RLP	Lithium		7.2025	100 % VER GmbH	N/A	exploration

Name	State	Resources applied for	Area (km^2)	Expiry	Ownership As at 30 June 2024	Change in ownership	Type
Landau-Süd	RLP	Geothermal	19.41	5.2034	Agreement signed by Vulcan to acquire 100%	N/A	production
Ilka	RLP	Lithium		11.2025	Agreement signed by Vulcan to acquire 100%	N/A	exploration
Insheim	RLP	Geothermal	19	11.2037	100% Natürlich Insheim GmbH	N/A	production
LiThermEx	RLP	Lithium		3.2025[70]	100% Natürlich Insheim GmbH	N/A	exploration
Kachelhoffa	FR	Geothermal	463.34	7.2029	100% Vulcan Énergie France	N/A	exploration
Kachelhoffa minéral	FR	Lithium		7.2029	100 % Vulcan Énergie France	N/A	exploration
Cesano	IT	Geothermal & Lithium	11.46	01.2027	50% Vulcan Energy Italy Pty Ltd., 50 % Enel Green Power	N/A	exploration
Boccaleone	IT	Geothermal & Lithium	4.31	07.2025	50 % Vulcan Energy Italy Pty Ltd., 50 % Enel Green Power	N/A	exploration

[70] Vulcan has submitted an extension application for this licence.

13. Mineral Resource Estimate

Vulcan's combined Upper Rhine Valley Project Lithium Brine Measured, Indicated and Inferred Mineral Resource estimates as at 31 December 2024.

Vulcan's combined Project lithium (Li) brine Measured, Indicated and Inferred Mineral Resource Estimates

Licence/Area	Reservoir	Classification	GRV km^3	Avg. NTG %	Avg. Phie %	Avg. Li mg/L	Elemental Li t	LCE kt
Insheim	*MUS, BST, ROT, BM	Measured	13	69	9	181	151,823	808
Rift-North	*MUS, BST, ROT, BM	Measured	9.5	70	9	181	110,181	586
	*MUS, BST, ROT, BM	Indicated	29	71	9	181	355,443	1892
Landau- Süd	*MUS, BST, ROT; BM	Measured	12	68	9	181	134,677	717
	*MUS, BST, ROT; BM	Indicated	2.7	69	9	181	29,620	158
Flaggenturm	BST	Indicated	7	90	10	181	115,215	613
	BST	Inferred	37	65	9	181	391,201	2,082
Kerner	BST	Indicated	5	90	10	181	76,242	406
	BST	Inferred	13	65	9	181	132,558	705

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Licence/Area	Reservoir	Classification	GRV km³	Avg. NTG %	Avg. Phie %	Avg. Li mg/L	Elemental Li t	LCE kt
Kerner Ost	*MUS, BST, ROT	Indicated	4.3	73	8	181	66,708	355
Taro	*MUS, BST, ROT	Indicated	14.5	73	8	181	237,362	1,263
Ortenau	*MUS, BST, ROT	Indicated	57	73	8	181	659,013	3,507
	BST	Inferred	105	73	8	181	1,883,212	10,024
Mannheim	BST	Indicated	4	90	10	153	54,111	288
	BST	Inferred	32	65	9	153	290,312	1,545
Ludwig	BST	Indicated	7	90	10	153	93,220	496
	BST	Inferred	22	65	9	153	199,226	1,060
Therese	BST	Indicated	2	90	10	153	29,907	159
	BST	Inferred	22	65	9	153	200,708	1,068
						mg/L		**kt**
Total LCE		**Measured**				**181**		**2,112**
		Indicated				**178**		**9,137**
		Inferred				**172**		**16,484**

Note 1: Mineral Resources are not Ore Reserves and do not have demonstrated economic viability. Refer to Competent Person Statement and Mineral Resource Statement in the Appendix for further information.

Note 2: The weights are reported in metric tonnes (1,000 kg or 2,204.6 lbs). Numbers may not add up due to rounding of the resource value percentages.

Note 3: Reservoir abbreviations: MUS – Muschelkalk Formation, BST – Buntsandstein Group; ROT Rotliegend Group; BM - Variscan Basement.

Note 4: To describe the resource in terms of industry standard, a conversion factor of 5.323 is used to convert elemental Li to Li2CO3, or Lithium Carbonate Equivalent (LCE).

Note 5: NTG and Phie averages have been weighted to the thickness of the reservoir.

Note 6: GRV refers to gross rock volume, also known as the aquifer volume.

Note 7: Mineral Resources are considered to have reasonable prospects for eventual economic extraction under current and forecast lithium market pricing with application of Vulcan's A-DLE processing.

Note 8: The values shown are an approximation and with globalised rounding of values in the presented summary table as per JORC guidelines, cannot be multiplied through to achieve the Mineral Resource estimated volumes shown above.

14. Ore Reserves Estimate

The following table sets out Vulcan's Phase One Ore Reserves as at 31 December 2024.

Insheim, Landau South, and Rift North

Reserves Classification	Lithium grade	Economic Reserves Quantity at Wellhead Reference Point
	mg/l Li	kt LCE
Proved	181	318
Probable	181	252

The table above shows Vulcan's Phase One Ore Reserves. Note: see Competent Person Statement and Ore Reserves Statement contained in the Appendix for further information.

Corporate directory

Board of directors

Dr Francis Wedin
Executive Chair

Mr Cris Moreno
Managing Director & Chief Executive Officer

Ms Felicity Gooding
Group Chief Financial Officer and Executive Director
(appointed Executive Director from 1 January 2025)

Mr Angus Barker
Non-Executive Director (appointed 13 September 2024)
(appointed Lead Independent Director and Deputy Chair
from 1 January 2025)

Ms Josephine Bush
Non-Executive Director

Dr Günter Hilken
Non-Executive Director

Dr Heidi Grön
Non-Executive Director

Board adviser

Dr Horst Kreuter
Chief Representative Germany

Company secretary

Mr Daniel Tydde

Registered office and principal place of business

Level 11, 1 Spring Street
Perth WA 6000
Australia Telephone: 08 6331 6156

Website: https://v-er.eu

Stock exchange listing

Listed on the Australian Securities Exchange
(ASX Code: VUL)

Listed on Prime Standard of Frankfurt Stock Exchange
(FSE Code: VUL)

Auditors

RSM Australia Partners
Level 32, 2 The Esplanade
Perth WA 6000

Solicitors

Ashurst
Brookfield Place Tower II
Level 10 and 11 St Georges Terrace
Perth WA 6000

Bankers

Westpac Banking Corporation
Level 4, Brookfield Place, Tower Two
123 St Georges Terrace
Perth WA 6000

Share registry

Automic Share Registry
Level 5, 191 St Georges Terrace
Perth WA 6000
Telephone: 1300 288 664

Appendix

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Ore Reserve and Mineral Resource Statement

The Company reviews and reports its Ore Reserves and Mineral Resources at least annually. The date of reporting is 31 December each year, to coincide with the Company's end of financial year balance date.

Governance Arrangements and Internal Controls

The Company has ensured that the Mineral Resources and Ore Reserve reported are subject to thorough governance arrangements and internal controls. The Mineral Resources and Ore Reserves for the Project were prepared by independent energy consulting group GLJ Ltd (GLJ).

The Company confirms the following:

- The Mineral Resource and Ore Reserve statements above are based on and fairly represents information and supporting documentation prepared by a Competent Person or Persons.
- The Mineral Resource statement as a whole has been approved by and is based on and fairly represents, information that was reviewed, and audited by G. Gabriella Carrelli, M.Sc., P.Geo., who was a full-time employee of GLJ Ltd. at the time of the Bridging Study and is now full-time with GGC Geo Consulting, contracted on behalf of GLJ Ltd. and deemed to be a 'Competent Person'. Ms. Carrelli is a Professional Geoscientist of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), with certification in the Province of Alberta, Canada, a 'Recognised Professional Organisation' included in a list that is posted on the ASX website from time to time. Ms. Carrelli has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the JORC Code. Ms. Carrelli consents to the disclosure of the statement and technical information as it relates to the Mineral Resources information in this document in the form and context in which it appears.
- The Production Target and Ore Reserve statement as a whole has been approved by and is based on and fairly represents, information that was reviewed, overseen, and compiled by Ms. Kim Mohler, P.Eng., who is a full-time employee of GLJ Ltd. and deemed to be a 'Competent Person'. Ms. Mohler is a member as a Professional Engineer of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), a 'Recognised Professional Organisation' included in a list that is posted on the ASX website from time to time. Ms. Mohler has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity that she is undertaking to qualify as a Competent Person as defined in the JORC Code. Ms. Mohler consents to the disclosure of the statement and technical information as it relates to the Production Target and Ore Reserve information in this document in the form and context in which it appears.

Competent person statement

The information in this Report that relates to Mineral Resources and Ore Reserves, and any Exploration Results and Production Targets is extracted from the ASX announcement made by Vulcan on 16 November 2023 ("Positive Zero Carbon Lithium™ Project Bridging Study Results")[71], which is available to view on Vulcan's website at https://v-er.eu. Vulcan confirms that:

A) in respect of estimates of Mineral Resources and Ore Reserves, and any Exploration Results and Production Targets, included in this Report:
   - It is not aware of any new information or data that materially affects the information included in the original market announcement, and that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed; and
   - The form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement; and

B) All material assumptions underpinning any production targets (and any forecast financial information derived from such production targets) included in this announcement continue to apply and have not materially changed.

[71] https://www.investi.com.au/api/announcements/vul/22623520-1b3.pdf

Performance Rights

At the date of this Report there were the following performance rights on issue, none of which have an exercise price:

Class	Number	Number of Holders	Expiry Date	Exercise Price
Class S	12,894	3	30/6/2025	Nil
Class AA	26,903	7	30/6/2026	Nil
Class AB	209,200	5	30/6/2027	Nil
Class AC	9,492	1	31/12/2025	Nil
Class AD	8,411	1	30/6/2026	Nil
Class AE	41,357	1	31/12/2025	Nil
Class IP	193,886	163	1/7/2025	Nil
Class IP	845,156	251	31/12/2026	Nil
Class IP	600,000	1	4/12/2028	Nil
Class IP	1,203,500	12	31/12/2027	Nil
Total	**3,150,799**	**445**		

Shares issued on the exercise of Performance Rights and Performance Shares

Ordinary shares of Vulcan Energy Resources Ltd were issued during the year ended 31 December 2024 and up to the date of this report on the exercise of 110,847 performance rights and nil performance shares.

Information required by ASX Listing Rule 4.10.16

Class	Holders over 20%	Number of performance rights	Holding %age
Class S	Annie Liu, Dr Heidi Gron and Josephine Bush	4,298 each	33%
Class AA	Dr Francis Wedin	9,724	36.14%
Class AB	Dr Francis Wedin	116,000	55.45%
Class AC	Dr Günter Hilken	9,492	100%
Class AD	Ranya Alkadamani	8,411	100%
Class AE	Sven Schluter	41,357	100%

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