VULCAN ENERGY
ZERO CARBON LITHIUM™

ASX Release 18 October 2021

ASX:VUL
FRA:6KO

Fast Facts

Issued Capital: 123,834,613
Market Cap (@$11.56): $1.43b

Binding Lithium Offtake Agreement with Umicore

- Vulcan Energy Resources Limited (Vulcan; ASX: VUL) has signed a binding lithium hydroxide offtake agreement (Agreement) with Umicore, a leader in cathode materials production used in lithium-ion batteries for electrified transportation, as part of Vulcan's Zero Carbon Lithium™ Project.
- In Nysa, Poland, Umicore has built the first cathode materials plant in Europe. The plant is expected to start production around year end of 2021 and the materials that will be produced in Nysa will be sold to battery cell makers who produce the batteries for electric vehicles.
- Umicore has a net zero emission Greenhouse Gas (GHG) goal by 2035, part of its "Go to Zero" initiative, and its European cathode plant will be carbon neutral as of the start of production.
- The Agreement is for an initial five-year term and the start of commercial delivery is set for 2025.
- Umicore is to purchase a minimum of 28,000 tonnes and a maximum of 42,000 tonnes of battery grade lithium hydroxide over the duration of the agreement.
- Pricing will be based on market prices on a take-or-pay basis.
- Conditions precedent include successful start of commercial operation and full product qualification.

Highlights

Globally unique **Zero Carbon Lithium™** Project.

Combined lithium chemicals & renewable energy project in the Upper Rhine Valley of Germany.

EU's **largest** lithium resource.

Located at the heart of the EU Li-ion battery industry.

Fast-track development towards supplying the EU's battery & electric vehicle industry.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Executive Director Germany
Dr Horst Kreuter

Non-Executive Director
Ranya Alkadamani

Non-Executive Director
Annie Liu

Non-Executive Director
Dr Heidi Grön

Non-Executive Director
Josephine Bush

Company Secretary
Daniel Tydde

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Managing Director Francis Wedin commented: *"Umicore, a leading cathode manufacturer and the first in Europe, will be a valuable offtake partner for Vulcan, as a direct consumer of Vulcan's lithium hydroxide products. With our recent announcements of agreements with LG Energy Solution and Renault Group, we now have a diversified mix of offtakers from the cathode, battery and automotive sectors, with further agreements expected in the near term. Importantly, Umicore also shares our ambition to decarbonise the battery supply chain in Europe, by building a carbon neutral cathode plant in Poland. We look forward to a long and fruitful cooperation with Umicore as we progress our ZERO CARBON LITHIUM™ Project."*

Mathias Miedreich, CEO of Umicore said*: "In light of the accelerating transition to electromobility it is crucial to secure a reliable supply of critical raw materials, that is also environmentally and socially responsible. These long-term supply agreements mark another important step in Umicore's sustainable procurement strategy and demonstrate our strong commitment to support the growth of our global customers through the creation of sustainable and regional battery materials value chains."*



Vincent Ledoux-Pedailles, VP of Business Development, and Umicore's management team

For and on behalf of the Board

Daniel Tydde | Company Secretary

Media and Investor Relations contact

Jessica Bukowski, PR & IR Manager | jbukowski@v-er.eu | 0420528355

Material Terms of the Agreement

Term: five years, with option to extend by another five years by mutual agreement.

Volume: Umicore is to purchase 28,000 to 42,000 tonnes of battery grade lithium hydroxide over the duration of the agreement, representing approximately 20% of Vulcan's current planned output over the period.

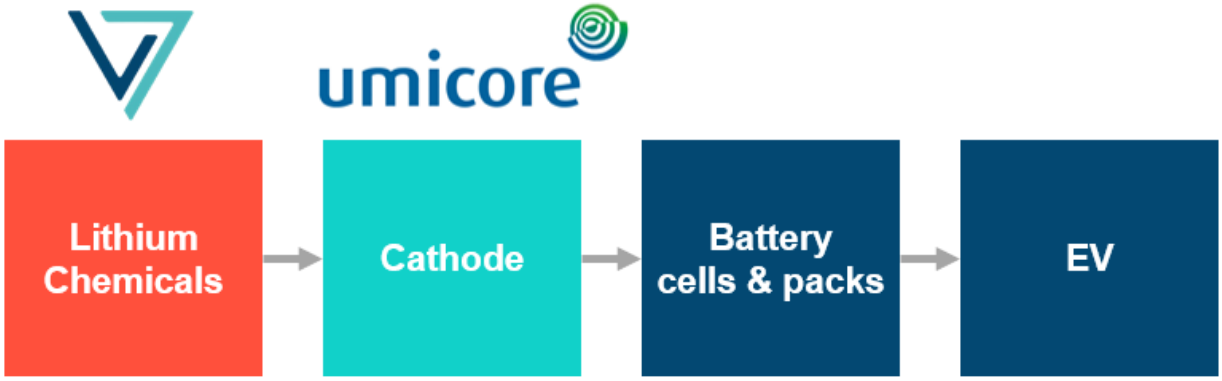
Commencement: Commercial Supply Period to commence 2025.

Pricing: will be based on market prices for lithium hydroxide.

Conditions Precedent: Publication of DFS, securing of project finance, construction and commissioning of the plants, and full product qualification.

About Umicore

Umicore is a global player in materials technology aiming for sustainable value creation to fulfil its mission: materials for a better life. Umicore generated €3.2Bn in revenues in 2020 and has a €12.3Bn market capitalisation as of September 2021. The company has cathode plants in China, South Korea and will start production at their Polish plant in Europe at the end of 2021, which will be the first industrial scale cathode materials production plant in Europe.



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About Vulcan

Vulcan is aiming to become the world's first lithium producer with net zero greenhouse gas emissions. Its Zero Carbon Lithium™ project will produce a battery-quality lithium hydroxide chemical product from its combined geothermal energy and lithium resource, which is Europe's largest lithium resource, in Germany. Vulcan's unique, Zero Carbon Lithium™ project will produce both renewable geothermal energy, and lithium hydroxide, from the same deep brine source. In doing so, Vulcan will address lithium's EU market requirements by reducing the high carbon and water footprint of production, and total reliance on imports. Vulcan aims to supply the lithium-ion battery and electric vehicle market in Europe, which is the fastest growing in the world. The Vulcan Zero Carbon Lithium™ project has a resource which can satisfy Europe's needs for the electric vehicle transition, from a source with net zero greenhouse gas emissions, for many years to come.



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Competent Person Statement:

The information in this report that relates to Mineral Resources is extracted from the ASX announcement made by Vulcan on the 15 December 2020, which is available on www.v-er.eu. The information in this presentation that relates to the Pre-Feasibility Study for the Vulcan Lithium Project is extracted from the ASX announcement "Positive Pre-Feasibility Study", released on the 15th of January 2021 which is available on www.v-er.eu. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

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