

## Binding lithium offtake agreement with Renault

### Highlights

- Following the binding term sheet signed on 2 August 2021, conditional on the execution of a Definitive Agreement by 20 November 2021, Vulcan Energy Resources Ltd. (Vulcan, the Company; ASX: VUL) has signed a binding lithium hydroxide offtake agreement (“Agreement”) with Renault Group, a major automotive manufacturer and pioneer in the European electric vehicle market.
- The Agreement is in line with Renault Group’s ambition to offer ‘made in Europe’ cars. Following the launch of Renault ElectriCity – a new production unit for electric vehicles in Europe – the Group will purchase between 26,000 to 32,000 metric tonnes of battery grade lithium chemicals over the duration of the agreement.
- Consistent with Vulcan’s strategy to decarbonise the battery materials sector, the partnership with Vulcan will allow Renault Group to avoid between 300 to 700 kg of CO<sub>2</sub> equivalent emitted for a 50-kWh battery.
- The Agreement is for an initial six-year term and the start of commercial delivery is set for 2026. Pricing will be based on market price on a take-or-pay basis.
- Conditions precedent include successful start of commercial operation and full product qualification.

Managing Director Dr. Francis Wedin commented: *“The completion of this definitive offtake agreement means Vulcan’s Zero Carbon Lithium™ business will be directly enabling Renault to meet its commitment of producing carbon-free EV batteries and becoming carbon neutral, as part of its “Carbon neutrality - Green as a business” strategy. For Vulcan, the agreement is consistent with our strategy to enter into long term, stable supply agreements with companies that share our ethos on sustainability and decarbonisation ambitions. We look forward to a long and productive relationship between Vulcan and Renault Group going forward.”*

Gianluca De Ficchy, Alliance EVP, Purchasing and Managing Director of Alliance Purchasing Organization at Renault Group, explained: *“Partnership with a European lithium producer such as Vulcan is an important milestone in realizing our commitment to reach 30% emissions reduction for our supply*

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### 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

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Gavin Rezos

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Ranya Alkadamani


Non-Executive Director  
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 @VulcanEnergyRes

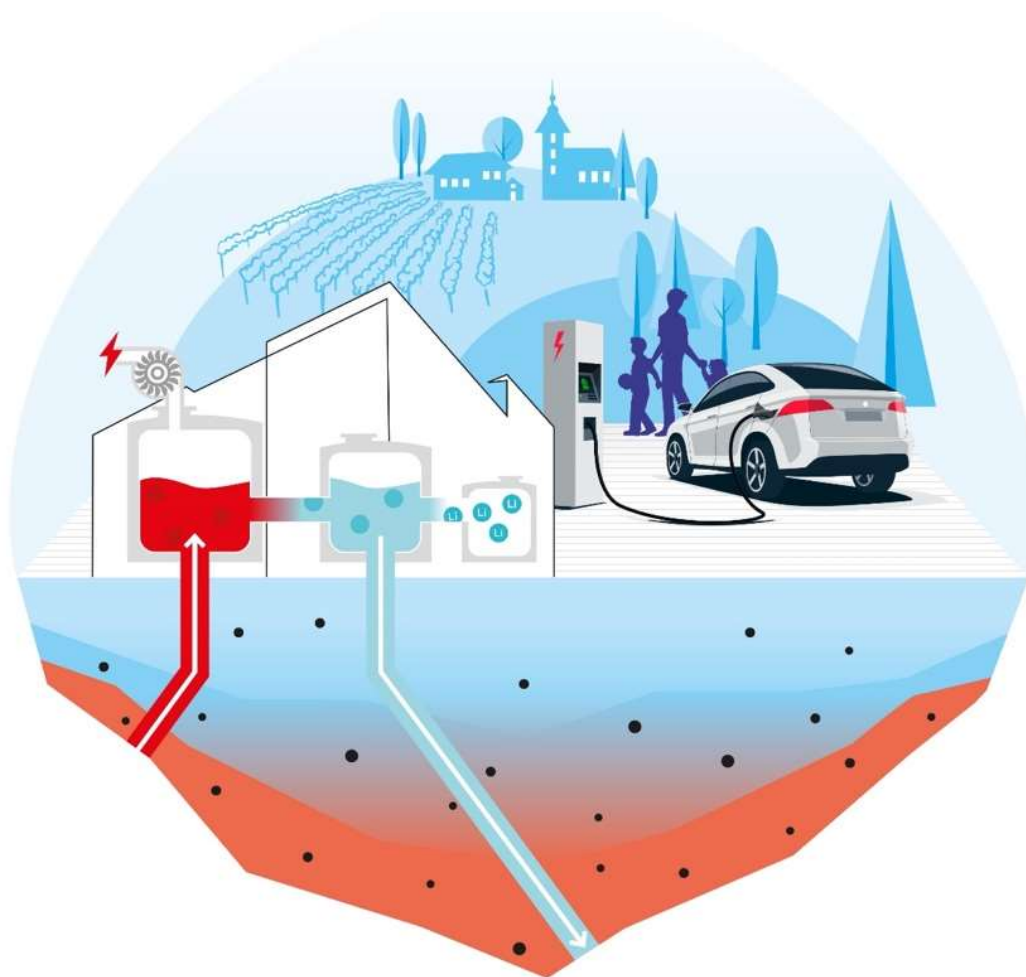


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*chain by 2030. Low carbon footprint of battery chemicals is key for us, as our ambition is to offer the most sustainable vehicles in the market.”*

### About Vulcan

Vulcan is aiming to become the world’s first lithium producer with net zero greenhouse gas emissions. Its ZERO CARBON LITHIUM™ Project intends to 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 aims to produce both renewable geothermal energy, and lithium hydroxide, from the same deep brine source. In doing so, Vulcan intends to 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 could 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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**For and on behalf of the Board**

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**Material Terms of the Agreement**

**Term:** six years.

**Volume:** Renault Group is to purchase 26,000 to 32,000 tonnes of battery grade lithium hydroxide over the duration of the agreement, representing approximately 12% of Vulcan's current planned output over the period.

**Commencement:** Commercial Supply Period to commence 2026.

**Pricing:** will be based on a market price on a "take or pay" basis.

**Conditions Precedent:** successful start of commercial production and full product qualification.

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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](http://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 15<sup>th</sup> of January 2021 which is available on [www.v-er.eu](http://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.