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ASX ANNOUNCEMENT **4 March 2026**

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$7.5 MILLION PLACEMENT TO ACCELERATE INTEGRATED VALUE CHAIN ACTIVITIES

KEY POINTS

- **Firm commitments received from new and existing institutional, professional and sophisticated investors to raise approximately $7.5 million (before costs)**
- **RCF Private Equity Fund I L.P. participated in the placement for $1.0 million, demonstrating its ongoing support as a major shareholder**
- **The placement received strong support from specialist institutional investors and strengthens the institutional composition of AVL's share register**
- **Funds raised will support the Company's advancement of its vertically integrated 'pit to battery' strategy, including pursuit of the Kalgoorlie battery project**
- **The Placement occurs during a period of increased industry focus on vanadium's strategic importance in energy security, aerospace, defence and advanced manufacturing**

Australian Vanadium Limited (ASX: AVL) (the Company or AVL) is pleased to announce that it has received firm commitments from new and existing institutional, professional and sophisticated investors to subscribe for 28,846,736 new fully paid ordinary shares in the Company (New Shares) at a price of $0.26 per Share (Offer Price), to raise $7.5 million (before costs) (Placement).

The Placement was supported by strong demand from new institutional investors along with ongoing support from AVL's existing major shareholder, RCF Private Equity Fund I L.P. (RCF).

The Placement is a targeted step to further institutionalise AVL's share register as the Company progresses its vertically integrated 'pit-to-battery' strategy and supports the development of a sovereign vanadium supply chain.

The Placement will help support the Company's strategy to link its proposed upstream vanadium mining and processing operations in the Mid West region of Western Australia[1] with existing midstream electrolyte production in Perth[2] and downstream deployment of utility-scale vanadium flow battery energy storage systems through AVL's wholly owned subsidiary, VSUN Energy Pty Ltd (VSUN Energy).[3] Such support will include VSUN Energy's activities in participating in the tender process for the Western Australian Government's proposed Kalgoorlie Vanadium Battery Energy

[1] See ASX announcement dated 19 February 2026 '*OFS Enhancement to Address Evolving High Purity Demand*'
[2] See ASX announcement dated 19 March 2024 '*Battery Ready Vanadium Electrolyte Produced*'
[3] See ASX announcement dated 16 September 2024 '*Electrolyte Successfully Deployed in VFB for Horizon Power*'

Australian Vanadium Limited
Level 2, 50 Kings Park Road
West Perth, WA 6005

Phone: +61 8 9321 5594
Fax: +61 8 6268 2699
Email: info@avl.au

ASX: AVL
ABN: 90 116 221 740

Storage System (VBESS) project[4] in collaboration with Sumitomo Electric[5] and its ongoing development work on Project Lumina.[6]

The Company's activities are greatly assisted by the Western Australian Government through the Government's Lead Agency Framework[7] and with the Government's recent reduction of the royalty rate to 2.5% on vanadium products, with vanadium electrolyte production remaining royalty-free.[8]

The Placement follows a period of disciplined expenditure management and non-dilutive funding support, including ongoing support from the Federal Government through its MMI-C grant under the Modern Manufacturing Initiative – Manufacturing Collaboration Stream,[9] and represents AVL's first equity raise since September 2023.

The Board acknowledges that the Company reported approximately $18 million in cash as at 31 December 2025. The decision to undertake the Placement at this time reflects a prudent and forward-looking approach to balance sheet management while improving the institutional profile of the register. Given the timing of key permitting processes, competitive tender activity in relation to the Kalgoorlie VBESS opportunity and current global market volatility, the Board considers it appropriate to strengthen the Company's funding position as we pursue upcoming milestones.

AVL CEO, Graham Arvidson, comments, *"We are very pleased with the level of support for the raising, which was led by leading specialist institutional investors, and we welcome our new shareholders to the AVL register and thank RCF for its ongoing support. The Company has taken a disciplined approach to the size and structure of this raising, balancing shareholder dilution with the importance of maintaining strategic momentum.*

"This funding provides AVL with a strong platform to pursue the Kalgoorlie VBESS opportunity while maintaining momentum across our vertically integrated vanadium strategy. Importantly, the level of demand reinforces confidence in our integrated strategy and provides AVL with funding certainty as we progress the Kalgoorlie VBESS project, including our early investment in Project Lumina,our collaboration with Sumitomo Electric, and other key milestones across the value chain."

USE OF PROCEEDS

The Placement will position AVL with a strengthened balance sheet and an estimated pro-forma cash position of approximately $23 million (before costs), providing funding visibility through the next phase of key project milestones and strategic initiatives.

The proceeds of the Placement will primarily be used to advance the Company's key development initiatives, including:

[4] See ASX announcement dated 1 February 2026 '*AVL's Integrated Capability Underpins Kalgoorlie VBESS EOI Submission*'
[5] See ASX announcement dated 16 February 2026 '*Agreement with Sumitomo Electric - Kalgoorlie VBESS Project*'
[6] See ASX announcement dated 9 May 2025 '*Project Lumina Progress Confirms Improved Competitiveness*'
[7] See ASX announcement dated 29 January 2025 '*Green Energy Major Project Status Granted*'
[8] See ASX announcement dated 5 February 2026 '*WA Vanadium Royalty Changes Provide Greater Policy Certainty*'
[9] See ASX announcement dated 8 October 2025 '*$4.9 Million Received from Federal Grant*'

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Description		$M
Downstream	VSUN Energy business development activities, including EOI and bid activities for the Kalgoorlie VBESS	3.1
Midstream	Electrolyte capacity and strategy for Kalgoorlie VBESS	1.0
Upstream	Activities at the Australian Vanadium Project	1.2
	Offer costs, corporate and general working capital purposes	2.2
TOTAL		**7.5**

PLACEMENT DETAILS

AVL has successfully undertaken a non-underwritten single tranche Placement of 28,846,736 New Shares to raise $7.5 million (before costs). The New Shares will be issued at the Offer Price of $0.26 per New Share, which represents the discounts to AVL's most recent closing price on 27 February 2026 and relevant VWAP reference periods (up to and including 27 February 2026) as set out in the table below.

Reference price (up to and including 27 February 2026)	VWAP per Share	Discount to Offer Price
Closing price (27 February 2026)	$0.305	14.8%
5-day VWAP	$0.294	11.7%
10-day VWAP	$0.289	10.1%
15-day VWAP (for purposes of LR7.1A)	$0.303	14.2%
30-day VWAP	$0.289	10.0%

All New Shares will be issued under the Company's existing placement capacity pursuant to ASX Listing Rule 7.1A, and are expected to be issued on Thursday, 12 March 2026. The New Shares issued under the Placement will rank equally with existing AVL shares as at their date of issue.

The Placement was conducted via a bookbuild process to professional and sophisticated investors. Allocations were determined in consultation with the Lead Manager having regard to investor quality, long-term support and alignment with the Company's strategic objectives.

Demand for the Placement exceeded the initial target range. The Company elected to accept $7.5 million, maintaining pricing discipline and limiting dilution while broadening institutional participation on the register.

The Company will lodge a cleansing notice under section 708A(5)(e) of the *Corporations Act 2001 (Cth)* with ASX in respect of the Placement.

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TIMETABLE

An indicative timetable of key dates in relation to the Placement is detailed below:

Indicative Timetable	Date
Announcement of Placement and AVL shares resume trading	Wednesday, 4 March 2026
Settlement of New Shares	Wednesday, 11 March 2026
Allotment of New Shares	Thursday, 12 March 2026

Note: The timetable is indicative only and remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules.

ADVISERS

Sternship Advisers acted as Lead Manager to the Placement. Bell Potter Securities Limited acted as Co-Manager to the Placement.

All dollar amounts in this announcement are in Australian dollars unless otherwise indicated.

For further information, please contact:
Graham Arvidson, CEO
+61 8 9321 5594

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

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ABOUT AUSTRALIAN VANADIUM LTD

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

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

MINERAL RESOURCE ESTIMATE

The Australian Vanadium Project – Mineral Resource estimate by domain and resource classification using a nominal 0.4% V_2O_5 wireframed cut-off for low-grade and nominal 0.7% V_2O_5 wireframed cut-off for high-grade (total numbers may not add up due to rounding).

Zone	Category	Mt	V_2O_5 %	Fe %	TiO_2 %	SiO_2 %	Al_2O_3 %
HG	Measured	30.6	1.14	46.3	12.9	7.4	6.2
	Indicated	74.8	1.11	47.5	12.6	7.0	5.7
	Inferred	67.9	1.06	45.3	12.1	9.0	6.6
	Subtotal	**173.2**	**1.09**	**46.5**	**12.5**	**7.8**	**6.1**
LG	Indicated	61.8	0.55	26.1	7.1	26.6	16.3
	Inferred	142.5	0.48	24.9	6.6	28.9	15.2
	Subtotal	**204.3**	**0.50**	**25.3**	**6.8**	**28.2**	**15.5**
Transported	Inferred	17.9	0.65	31.0	7.3	24.1	14.4
	Subtotal	**17.9**	**0.65**	**31.0**	**7.3**	**24.1**	**14.4**
Total	Measured	30.6	1.13	46.3	12.9	7.4	6.2
	Indicated	136.6	0.85	37.8	10.1	15.8	10.5
	Inferred	228.2	0.66	31.4	8.3	22.6	12.6
	Subtotal	**395.4**	**0.77**	**34.8**	**9.3**	**19.1**	**11.4**

Note: Totals may not add up due to rounding

ASX CHAPTER 5 COMPLIANCE AND CAUTIONARY AND FORWARD-LOOKING STATEMENTS

ASX Listing Rule 5.23

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

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market 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. 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 announcement.

Forward-Looking Statements

Some statements in this announcement regarding estimates or future events are forward-looking statements. They include indications of, and guidance on, future matters. Forward-looking statements include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "could", "nominal", "conceptual" and similar expressions. Forward-looking statements, opinions and estimates included in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions.

Forward-looking statements are provided as a general guide only and should not be relied on as a guarantee of future performance. Forward-looking statements may be affected by a range of variables that could cause actual results to differ from estimated results and may cause AVL's actual performance and financial results in future periods to materially differ from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include but are not limited to liabilities inherent in technology development, mine development and production, technology advancement, battery development, geological, mining and processing technical problems, skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rate, currency and interest fluctuations, various events which could disrupt operations including labour stoppages, the ability to secure adequate financing and management's ability to anticipate and manage the foregoing factors and risks. These and other factors should be considered carefully and readers should not place undue reliance on such forward-looking information. There can be no assurance that forward-looking statements will prove to be correct.

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