

22 July 2025

BINDING OFFTAKE FOR 100KTPM EXECUTED FOR DIRECT SHIPPING ORE

HIGHLIGHTS

- ◆ Vanadium Resources (Pty) Ltd (“VanRes”), a subsidiary of VR8, has signed a binding two-year offtake agreement with China Precious Asia Limited (“CPAL”), for the supply of vanadium-rich magnetite Direct Shipping Ore (“DSO Product”), from the world-class Steelpoortdrift Vanadium Project (“Project”) in South Africa.
- ◆ Due to the absence of a standard spot price for this DSO Product, the Agreement is conditional on VanRes finalising pricing terms with CPAL by 30 August 2025. Additionally, as mining operations have yet to commence, the Agreement is subject to VanRes appointing a suitable mining contractor and ensuring that the DSO Product meets the agreed specifications (Collectively “Conditions Precedent”).
- ◆ VanRes agreed to supply an average of 100,000 metric tonnes of DSO per month to CPAL over a two-year period. In any month the supply volume may be adjusted by $\pm 10\%$ at VanRes’s option.
- ◆ The offtake positions VR8 to transition from a developer to a producer.
- ◆ VR8 continues to advance its near-term cash flow strategy, which is aimed at unlocking value from Steelpoortdrift’s vast JORC resource, while preserving the flexibility to pursue full-scale development as market conditions improve.

Vanadium Resources Limited (ASX: VR8; DAX: TR3) (“VR8” or “the Company”) is pleased to announce that its subsidiary, Vanadium Resources (Pty) Limited (“VanRes”), has executed a binding Magnetite Ore Supply Agreement (“Agreement”) with China Precious Asia Limited (“CPAL”), for the offtake of vanadium-rich magnetite DSO from VR8’s world-class Steelpoortdrift Vanadium Project (“Steelpoortdrift” or the “Project”) in Limpopo, South Africa. The Agreement follows the recently announced Memorandum of Understanding

(“MoU”) between VanRes & CPAL (the “Parties”)¹ and represents a significant step in VR8’s strategy to move towards production and generate early cash flow from its fully permitted asset.

Commenting on the Agreement, Mr Jurie Wessels, Executive Chairman of VR8, said:

“We are pleased to formalise our partnership with CPAL through a commercially binding agreement. With a practical and realistic framework now in place for initiating mining activities and product supply, our attention will shift to closing this transaction. This includes finalising a pricing mechanism for our product—given the absence of a standard spot price—and appointing a mining contractor. The selected contractor will be responsible for establishing operations at Steelpoortdrift to extract, crush, screen, and stockpile ore in accordance with agreed specifications.”

Alongside the anticipated delivery of DSO to CPAL, negotiations with other potential off-takers are also progressing. These may lead to the staged or full-scale development of beneficiation through concentration capacity, enabling the production of higher-grade ore. Concurrently, we are assessing commercialisation opportunities with entities that possess downstream processing capabilities.

Collectively, these initiatives are designed to establish realistic pathways for generating significant operational cash flow for VR8 and its shareholders, without sacrificing our strategy of downstream expansion as soon as market conditions for vanadium improve.”

EXECUTED AGREEMENT WITH CPAL

The binding agreement formalises a two-year offtake arrangement for vanadium-rich magnetite DSO, providing a foundation for VR8 to commence near-term mining activities to generate revenue from the Steelpoortdrift Project. A summary of the key terms is provided in Appendix 1. This summary is not exhaustive and the Agreement includes additional terms and conditions customary for agreements of this nature.

NEAR TERM FOCUS

With the Agreement now executed, VR8 is progressing toward the satisfaction of the conditions precedent. These include finalisation of pricing by 30 August 2025 and confirmation of both a mining contractor engagement and product specification compliance by 30 November 2025.

CONTINUED EXECUTION OF STRATEGY

As previously announced², VR8 is prioritising low-CAPEX, fast-to-market production pathways that support self-funded development whilst preserving the option to pursue full-scale development once vanadium market conditions materially improve. In addition to DSO sales, VR8 continues to assess other complementary initiatives in parallel. This includes potential concentrator development and concentrator offtake and third-party processing options through the access or acquisition of existing market infrastructure, which could produce products such as V₂O₅ flake, vanadium-pig iron, and vanadium nitride (“VN”).

VR8’s ability to capitalise on near-term cash flow opportunities is underpinned by the large, high-grade, and shallow orebody at Steelpoortdrift, as well as the Project’s granted mining approvals and technical readiness.

¹ Refer to ASX release, 17 June 2025, “Updated DSO Offtake MOU Signed to Unlock Early Cashflow”.

² Refer to ASX release, 17 June 2025, “Updated DSO Offtake MOU Signed to Unlock Early Cashflow”, and ASX release, 18 June 2025, “Strategic equity and offtake update”.

These unique advantages have allowed VR8 to adapt to evolving market conditions by pursuing complementary development opportunities in the region.

ABOUT CHINA PRECIOUS ASIA LIMITED

China Precious Asia Limited, which was founded in 2012, is a metals and minerals trader and processor of magnetite-bearing ore, targeting the Asian steel markets. In recent years, CPAL has focused its procurement on vanadium-rich magnetite ore, which aligns with a broader trend in China of securing sources of vanadium due to rising demand and efforts to supplement domestic supply.

This announcement has been approved for release by the Board of Vanadium Resources Limited.

For further information, please visit <https://vr8.global> or contact:

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APPENDIX 1 – KEY TERMS OF THE AGREEMENT

Parties	Vanadium Resources (Pty) Limited, (Registration number 2006/029756/07), (“VanRes”) and China Precious Asia Limited (CR 1706361 and BRN 59417646), (“CPAL”).
Terms	<p>The agreement shall commence within 20 Business days from the date upon which the conditions precedent are fulfilled, whichever is the later date, and unless terminated earlier in accordance with the terms hereof, shall terminate on the happening of any one of the following events, whichever occurs first, namely:</p> <ol style="list-style-type: none"> 1) The expiry of a period of 2 (two) years after the commencement of the agreement in terms of the clause above, or 2) As soon as VanRes has supplied 2.4 million metric tonnes of the product to CPAL.
Conditions Precedent	<p>The agreement is subject to the fulfillment of the following conditions precedent, namely:</p> <ol style="list-style-type: none"> 1) Written agreement has been reached by not later than 30 August 2025 between VanRes and CPAL in the form of an addendum pertaining to the range of prices applicable to the minimum and maximum quality specifications of product, 2) Delivery of written confirmation by VanRes to CPAL by not later than 30 November 2025 that VanRes has concluded an agreement with a mining contractor on terms and conditions acceptable to VanRes, and; 3) Delivery of written confirmation by VanRes to CPAL by not later than 30 November 2025 that VanRes is satisfied that the Product will meet the agreed specifications. <p>VanRes shall be entitled to extend the date for fulfilment with respect to any or all of the conditions precedent and to waive the conditions over which it has sole control to achieve.</p>
Sale & Purchase	Subject to CPAL making a deposit for the first three months of operations and maintaining such deposit to an amount which is equal to 25,000 metric tonnes of product at the highest range of the agreed purchase price, VanRes will sell to CPAL, on a non-exclusive basis, the agreed quantity of the product during the term of this agreement.
Monthly Quantity	The average quantity of the Product VanRes shall sell to CPAL, and of which CPAL shall load, collect, and purchase from VanRes during each and every calendar month for the duration of the term of the agreement will be 100,000 metric tons. The average quantity of the product made available by VanRes, in metric tons, in any calendar month may vary (increase or decrease) by 10% of the average monthly quantity of 100,000 metric tonnes.
Product	Magnetite Ore Run of Mine (crushed & screened but not magnetically separated).
No Warranties	The product is sold by VanRes to CPAL voetstoets, as is, and without any warranties, express or implied.
Jurisdiction	The Parties shall be entitled to institute all or any proceedings in connection with this Agreement in the High Court of South Africa (Witwatersrand Local Division).

APPENDIX 2 – MINERAL RESOURCE ESTIMATE

The Mineral Resource statement as reported on 4 October 2022³ was as follows:

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

CLASSIFICATION	VOLUME (M m ³)	QUANTITY (Mt)	QUALITY % V ₂ O ₅ (In-situ)	CONTAINED V ₂ O ₅ (Mt)	QUALITY % Fe ₂ O (In-Situ)	CONTAINED Fe ₂ O (Mt)
Measured	43.77	145.46	0.72	1.05	22.47	32.68
Indicated	98.75	327.29	0.70	2.29	22.80	74.62
Inferred	63.41	207.38	0.68	1.40	22.90	47.49
Total Mineral Resource	205.93	680.13	0.70	4.74	22.76	154.80

Source: Sound Mining, 2022

Notes:

- Stated at a cut-off grade of 0.45% V₂O₅;
- The Mineral Resources are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The Mineral Resources are inclusive of Ore Reserves; and
- Reported in-situ with any apparent computational errors due to rounding not considered significant.

APPENDIX 3 – ORE RESERVE

The updated Ore Reserve statement as at 30 September 2022 was as follows:

Table 2: Ore Reserves as at 30 September 2022

CLASSIFICATION	QUANTITY (Mt)	QUALITY (% V ₂ O ₅ RoM)	CONTAINED V ₂ O ₅ (Mt)
Proved Ore Reserves	30.23	0.70%	0.21
Probable Ore Reserves	46.62	0.72%	0.34
Total Ore Reserves	76.86	0.72%	0.55

Source: Sound Mining, 2022

Notes:

- The Ore Reserves are stated at a price of USD9.50/lb;
- The Ore Reserves are stated on a 100% attributable basis for VanRes, of which VR8 owns 86.49%;
- The LoM was restricted to a production forecast of 25 years whereafter the mining licence will need to be renewed;
- The Ore Reserves are reported at the point of delivery for processing;
- The Quantity is reported in metric tonnes and the Grade reported as a percentage of contained V₂O₅;
- Any apparent computational errors due to rounding are not considered significant;
- The Ore Reserves may be subject to legal, political, environmental or other risks;
- Losses that could occur as a result of transportation of content or Flake are considered to be negligible; and
- 39% of the Ore Reserves are in the Proved category and no Inferred Mineral Resources included in the Ore Reserve estimate.

³ Refer to ASX Announcement 4 October 2022 “VR8 Updates Mineral Resource and Ore Reserve for the Steelpoortdrift Vanadium Project”

Competent Person's Statement and Compliance Statements

The information in the referenced announcements footnoted below that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. 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.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*) Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Ore Reserves

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Ore Reserves Statement and that all material assumptions and technical parameters underpinning the estimates in the Ore Reserves Statement continue to apply and have not materially changed. The Information that has been presented in this report has been extracted from the announcement dated 4 October 2022 (*VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. No forward-looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

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