

(ASX:VHM)

Australian owned rare earths and mineral sands mine and processing developer with a globally significant critical minerals inventory, in northwest Victoria

Board of Directors

Ian Smith	Non-Executive Chairman
Ron Douglas	Executive Director & Chief Executive Officer
Don Runge	Non-Executive Director
Maree Arnason	Non-Executive Director
Colin Moorhead	Non-Executive Director
Michael Sapountzis	Company Secretary

Registered Office

Suite 1, Level 11, 330 Collins St
Melbourne VIC 3000

Share Registry

Automic Pty Ltd
Suite 5, Level 12, 530 Collins Street
Melbourne VIC 3000

Capital Structure

Ordinary Shares: 253,569,952
Options: 9,473,960

Investor Relations

Ron Douglas
M: +61 407 044 292
E: ron.douglas@vhmltd.com.au

Cameron Knox
M: +61 401 440 698
E: cameron.knox@vhmltd.com.au

Quarterly Activities Report

For the period ended 30 June 2025

Highlights:

Mining Licence Secured – Goschen Project: VHM was proud to announce the approval of its Mining Licence for the world-class Goschen Rare Earth and Mineral Sands Project in Victoria, Australia.

This milestone marked a major step forward as the project transitions from approvals into construction and production readiness.

Domestic Offtake MOU – Currumbin Minerals: As part of our strategy to build a resilient domestic supply chain, VHM signed a Memorandum of Understanding with Currumbin Minerals, operators of a Queensland-based processing facility.

This partnership supports our financing strategy and reinforces our commitment to Australian industry collaboration.

Work Plan Submitted: VHM successfully submitted its Work Plan to Earth Resources Regulation, advancing secondary approvals and demonstrating continued project momentum.

Successful Capital Raise – \$8.6M: VHM completed a placement and share purchase plan, raising \$8.6 million (before costs). Funds will support early engineering, de-risking activities, and working capital as we move toward a Final Investment Decision.

Strategic Offtake LOI – Mitsui & Co.: Post-quarter end, VHM signed a Letter of Interest with Mitsui & Co. for potential offtake of Heavy Mineral Concentrate (HMC).

This engagement with one of Japan's leading trading houses reflects growing international confidence in the Goschen Project.

Strategic Partnerships Advancing: VHM continued to make excellent progress exploring strategic opportunities both domestically and internationally. Discussions are ongoing with multiple parties to secure transformational partnerships that unlock long-term value.

Goschen Rare Earths and Mineral Sands Project

Mining Licence Approval

The Company is pleased to advise that the Mining Licence for its world-class Goschen Rare Earth was approved by Resources Victoria during the quarter, which is a key milestone for advancing the project.

As the Mining Licence holder, the Company will be entitled to mine the land covered by the licence; explore for minerals and construct mining facilities related to the mining operation.

See ASX Release dated 11 April 2025 for full details on the Mining Licence approval

Remaining Approvals

With the Environment Effects Statement (EES) endorsed in December 2024 and Mining Licence approved in April 2025, the Company continues to finalise the remaining secondary approvals required to construct and operate the project.

One of the key remaining approvals is the mining work plan, which needs to be statutorily endorsed under the Mineral Resources (Sustainable Development) Act 1990 (MRSDA) and a planning permit issued under the Planning and Environment Act 1987. The work plan must contain detailed information, including a rehabilitation plan, risk management plan, and community engagement plan. The Resources Victoria Earth Resources Regulator (ERR) within the Department of Energy, Environment and Climate Action (DEECA) administers these approvals. The Company is pleased to advise that the Work Plan was submitted in May 2025 with review process well underway.

MOU with Currumbin Minerals

The Company entered into a Memorandum of Understanding (MOU) with Queensland based Currumbin Minerals Pty Ltd as part of its strategy to develop a domestic supply chain solution for products produced at the Goschen Project. The MOU sets out a framework for the supply and delivery of a high-grade zircon-titania heavy mineral concentrate (HMC) from the Goschen Project.

See ASX Release dated 30 April 2025 for full details on the MOU with Currumbin Minerals

LOI with Mitsui

Subsequent to quarter end, VHM announced that it had entered into a Letter of Interest (LOI) with Mitsui & Co., Ltd. (Mitsui) for Heavy Mineral Concentrate (HMC) offtake as part of its development strategy for the Goschen Project.

Highlights

- LOI with Mitsui establishes a framework for the supply and delivery of 40% of heavy mineral concentrate (HMC) from the Goschen Project
- The LOI contemplates that Mitsui will, at its discretion, propose to provide, subject to due diligence, a trade finance facility to VHM with respect to the potential transaction
- Mitsui is interested in establishing an expanding business relationship with VHM

See ASX Release dated 2 July 2025 for full details on the LOI with Mitsui

Project Consultation and Community Information Sessions

The Company held a number of project consultation and community information sessions in Swan Hill, Ultima, Lalbert, Quambatook and Kerang in Victoria in the first week of June. The sessions were well attended and provided a great opportunity for members of the VHM team to interact with and provide project status information to members of those communities.

The Company also hosted the Gannawarra Shire councillors onsite and are preparing to relaunch our Community Reference Group, ensuring key stakeholders continue to help shape the future of this project.

Corporate Activities

Capital Raise

In May 2025, the Company announced the successful completion of its partially underwritten placement of new fully paid ordinary shares in VHM to institutional investors. The Placement raised \$8.25 million (before costs) at a price of \$0.25 per share. Proceeds from the Placement will fund ongoing work programs (including early engineering which will derisk the project) and provide working capital as the Company advances towards a Final Investment Decision on the Goschen Project in Q3 CY25.

A Share Purchase Plan was also available to eligible shareholders to participate in a non-underwritten share purchase plan. The SPP raised a further \$0.35 million with the result impacted as shareholders that participated in the last SPP were ineligible to participate due to it being under twelve months.

Finance

At quarter end the Company held \$8.3 million cash. The Company's unaudited quarterly cash flow report is disclosed in Appendix 5B.

ENDS

This announcement has been approved by the VHM Limited Board of Directors.

The Company provides the following information pursuant to ASX Listing Rule requirements:

1. **ASX Listing Rule 5.3.1:** Exploration and Evaluation Expenditure during the quarter was \$1.6 million primarily comprising Goschen EES approvals and Goschen engineering work as set out in this report.
2. **ASX Listing Rule 5.3.2:** There were no substantive mining production and development activities during the quarter.
3. **ASX Listing Rule 5.3.3:** The mining, retention and exploration licences are set out in Appendix 1. The Company's 100% interest in the licenses remain unchanged since the end of the last quarter.
4. **ASX Listing Rule 5.3.5:** Payment to related parties of the Company and their associates during the quarter as set out in Section 6.1 of the attached **Appendix 5B** relate to director salaries and fees in the quarter.

Forward Looking Statements

This document may contain certain forward-looking statements concerning VHM Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties, and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political, and social uncertainties, and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward-looking statements in this document are based on the company's beliefs, opinions, and estimates of VHM Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions, and estimates should change or to reflect other future developments.

For Further Information Contact:

Ron Douglas
Chief Executive Officer
M: +61 407 044 292

E: ron.douglas@vhmltd.com.au

Cameron Knox
Chief Financial Officer
M: +61 401 440 698

E: cameron.knox@vhmltd.com.au

Appendix 5B: Quarterly Cashflow Report

Name of entity

VHM Limited

ABN

ABN 58 601 004 102

Quarter ended ("current quarter")

30 June 2025

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for evaluation		
	a. exploration and evaluation	-	-
	b. development	-	-
	c. production	-	-
	d. staff costs	(693)	(3,030)
	e. administration and corporate costs	(819)	(2,341)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	46	179
1.5	Interest and other costs of finance paid	(183)	(744)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(1,649)	(5,936)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	a. entities	-	-
	b. tenements	-	-
	c. property, plant and equipment	(382)	(1,461)
	d. exploration & evaluation	(1,610)	(4,717)
	e. investments	-	-
	f. other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	a. entities	-	-
	b. tenements	-	-
	c. property, plant and equipment	-	-
	d. investments	-	-
	e. other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Research and development refund)	-	1,591
2.6	Net cash from / (used in) investing activities	(1,992)	(4,587)

3. Cash flows from financing activities			
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	8,605	12,035
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(460)	(613)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material) – payment of lease liabilities	(83)	(326)
	Other – proceeds from prepaid share placement in relation to the BCH facility	-	1,500
3.1	Net cash from / (used in) financing activities	8,062	12,596

4. Net increase / (decrease) in cash and cash equivalents for the period			
4.1	Cash and cash equivalents at beginning of period	3,901	6,249
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,649)	(5,936)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,992)	(4,587)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8,062	12,596
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	8,322	8,322

5. Reconciliation of cash and cash equivalents		Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		\$A'000	\$A'000
5.1	Bank balances	4,599	534
5.2	Call deposits	3,723	3,367
5.3	Bank overdrafts	-	-
5.4	Other (Petty cash)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,322	3,901

6. Payments to related parties of the entity and their associates		Current quarter
		\$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	326
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,649)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,610)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(3,259)
8.4 Cash and cash equivalents at quarter end (item 4.6)	8,322
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	8,322
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.55
<i>Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

1. This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
2. This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2025

Authorised by: VHM Limited Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – e.g. Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
6. Note that owing to the periodic expense capitalisation process conducted, there may be variances in certain categories quarter on quarter.

Appendix 1: VHM Limited tenement table as at 30 June 2025

Licence Number	Location	Registered Holder	Project	Status	Area (km ²)	Grant Date	Expiry Date
MIN 7256	NW Victoria	VHM Ltd	Goschen	Current	15.4	10/04/2025	09/04/2045
RL6806	NW Victoria	VHM Ltd	Goschen	Current	296	10/01/2020	09/01/2027
EL 6419	NW Victoria	VHM Ltd	Cannie	Current	443	18/05/2018	17/05/2028
EL 6664	NW Victoria	VHM Ltd	Cannie	Current	618	18/06/2018	17/06/2028
EL 6666	NW Victoria	VHM Ltd	Nowie	Current	447	18/06/2018	17/06/2028
EL 6769	NW Victoria	VHM Ltd	Exploration	Current	1041	27/08/2018	27/08/2028
Total km²					2,860		