

ASX Release

12 January 2026

VHM Strengthens Offtake Strategy to Align with Australia – US Critical Minerals Strategy

- **VHM has elected to terminate the previously announced offtake agreement with Shenghe Resources to maximise optionality**
- **Goschen continues to progress, with all major permits received and first production of rare earths and mineral sands expected by the end of 2027**
- **Macquarie Capital has been appointed as financial advisor to help accelerate discussions with potential offtake and funding partners**

VHM Limited (VHM) (ASX:VHM) advises that it has elected to terminate the previously announced offtake agreement with Shenghe Resources¹ as a number of conditions precedent to that agreement have not been met. This reflects VHM's proactive strategy to unlock greater long-term value by being able to engage with a broad range of global partners in the critical minerals sector in response to inbound interest for offtake from the Goschen Rare Earths and Mineral Sands project ("**Goschen**", or "**the Project**").

The Project is targeting first production of rare earths and mineral sands concentrates by the end of 2027 and this decision means VHM has 100% of its rare earths concentrate product available for offtake.

To accelerate this process, VHM has appointed **Macquarie Capital** as its financial advisor to lead the discussions with offtake and potential project partners for the development of Goschen. Macquarie Capital's global reach and deep expertise in strategic transactions will assist VHM positioning the Goschen Rare Earths and Mineral Sands Project to maximise value to shareholders.

This strategic shift comes at a time of surging demand for rare earths and critical minerals driven by the global energy transition, electrification, and advanced manufacturing. VHM's world-class Goschen Project is uniquely placed to supply these markets with high-quality products, and the Company is confident that this approach will enhance flexibility, strengthen margins, and create significant shareholder value.

VHM remains committed to delivering a sustainable, globally competitive operation and looks forward to updating the market as discussions progress.

About VHM

VHM Limited (ASX:VHM) is a rare earths and mineral sands company developing the Goschen Rare Earth and Mineral Sands Project, which is located in the Loddon Mallee Region of Victoria. The Goschen Project is a Tier 1 integrated rare earth and mineral sands project with globally significant mineral assemblage.

¹ See Company ASX release dated 31 January 2024

Key attributes of the Goschen Project include:

- Advanced approvals: Environment Effects Statement (EES) endorsement received December 2024², Mining Licence received April 2025³, EPBC approval received September 2025⁴, Cultural Heritage Management Plan approval received October 2025⁵ and Work Plan approval received November 2025⁶
- Received a non-binding and conditional Letter of Support from Export Finance Australia ("EFA") for the provision of up to A\$75 million and a Letter of Interest from the Export-Import Bank of the United States ("EXIM") for up to US\$200 million (~A\$304m)⁷
- All key mining approvals secured and a clear pathway to production
- Dual commodity asset which will generate revenue from two independent product streams of rare earths and heavy minerals concentrates including zircon and titanium oxide
- Compelling rare earth assemblage that contains both light (Neodymium and Praseodymium) and heavy (Dysprosium and Terbium) rare earth elements
- Simple operating methodologies – shallow-pit mined via truck-shovel with conventional processing flowsheet
- VHM owns 100% of the Goschen Project – strategically located in Victoria's infrastructure-rich Loddon Mallee region, with direct access to road, rail and port facilities.

ENDS

This announcement is approved by the VHM Board of Directors.

For further information please contact:

Andrew King
Chief Executive Officer
E: investor@vhmltd.com.au

Ben McCormick
Chief Financial Officer
E: investor@vhmltd.com.au

About VHM Limited (ASX: VHM)

<https://www.vhmltd.com.au>

² See Company ASX release dated 10 December 2024

³ See Company ASX release dated 11 April 2025

⁴ See Company ASX release dated 19 September 2025

⁵ See Company ASX release dated 30 October 2025

⁶ See Company ASX release dated 28 November 2025

⁷ See Company ASX release dated 21 October 2025