



ASX ANNOUNCEMENT

16 February 2026

EXCLUSIVE AGREEMENT WITH SUMITOMO ELECTRIC FOR KALGOORLIE VBESS PROJECT

KEY POINTS

- AVL subsidiary VSUN Energy signs pre-bid agreement with Sumitomo Electric for the Western Australian Government's Kalgoorlie Vanadium Battery Energy Storage System (VBESS) project
- Sumitomo Electric to be VSUN Energy's exclusive vanadium flow battery (VFB) technology provider for the Kalgoorlie VBESS project through the EOI and bid process
- Subject to the award of the project and the parties entering into a definitive supply agreement, Sumitomo Electric to supply VFB equipment for the project
- The collaboration combines Sumitomo Electric's leading VFB technology with AVL's vertically integrated Australian vanadium supply chain capabilities to strengthen VSUN Energy's bid for the 50 MW / 10-hour Kalgoorlie VBESS

Australian Vanadium Limited (ASX: AVL, the Company or AVL) advises that its wholly owned subsidiary, VSUN Energy Pty Ltd, has entered into a pre-bid agreement with Sumitomo Electric Industries, Ltd. (Sumitomo Electric) in relation to the Kalgoorlie VBESS project.

The Kalgoorlie VBESS project seeks to deliver a locally manufactured 50 MW / 10-hour (500 MWh) vanadium flow battery, supported by the Western Australian State Government's stated commitment to invest up to \$150 million as part of its long-duration energy storage and local manufacturing objectives. AVL and VSUN Energy have recently submitted an Expression of Interest (EOI) for the project.¹

AVL's Chief Executive Officer, Graham Arvidson comments, *"Sumitomo Electric's involvement reflects a relationship that has been built over several years of technical collaboration and building of mutual trust. I am proud of the depth of that relationship and the work both organisations have undertaken to reach this point. Through that engagement, we have developed confidence in the reliability and performance of Sumitomo Electric's vanadium flow battery technology, long-term performance guarantees, and the depth of engineering and financial strength behind them. Bringing this established relationship and Sumitomo Electric's leading technology into the Kalgoorlie VBESS process strengthens execution confidence and complements the integrated capability that AVL and VSUN Energy have developed in Western Australia."*

Sumitomo's General Manager, Redox Flow Battery Division, Mr Kazuyuki Kamada comments, *"Sumitomo Electric values long-term partnerships built on trust, technical alignment and shared*

¹ See ASX announcement dated 1 February 2026 'AVL's Integrated Capability Underpins Kalgoorlie VBESS EOI Submission'

objectives. Through our collaboration with AVL and VSUN Energy over several years, we have developed a strong appreciation of their integrated capability and commitment to delivery in Western Australia. The Kalgoorlie VBESS represents an important opportunity to apply proven vanadium flow battery technology at scale, and we look forward to supporting VSUN Energy through the EOI process.”

Exclusive support for VSUN Energy’s bid

Under the agreement, Sumitomo Electric will provide VSUN Energy with a range of VFB technology, engineering and support services for the EOI and bid process for the Kalgoorlie VBESS project. The parties will collaborate closely during the EOI and bid process, with VSUN Energy acting as lead proponent.

The agreement brings together the complementary capabilities of the two organisations and supports AVL’s strategy to develop a domestic vanadium flow battery supply chain combining upstream resources, midstream electrolyte production and downstream battery deployment in Western Australia:

- VSUN Energy / AVL – project development and operation of VFB BESS, supported by AVL’s vertically integrated Western Australian vanadium supply chain capability
- Sumitomo Electric – globally deployed, utility-scale VFB technology with a demonstrated track record in long-duration energy storage applications.

The collaboration provides a structured framework for bid-stage joint technical, commercial and delivery planning, including further refinement of system configuration and design, cost, schedule, delivery methodology and risk management. This framework is intended to support technical validation, independent technical expert review processes and financing workstreams, as may be required through the EOI process and any subsequent financing workstreams.

During the term of the agreement and VSUN Energy’s participation in the EOI and bid process for the Kalgoorlie VBESS project, neither party will separately engage in alternative negotiations, arrangements or strategies in relation to the supply of VFBs or associated componentry for the Kalgoorlie VBESS project without the other’s written consent.

The agreement also addresses the use and protection of the parties’ confidential information and intellectual property. Typical termination provisions apply to the agreement, including VSUN Energy not being selected as the preferred proponent.

EOI process and next steps

AVL submitted a Stage One EOI for the Kalgoorlie VBESS on 30 January 2026.² The WA Government has indicated that Stage Two of the process is proposed to commence March 2026, with negotiations with the preferred proponent expected in June 2026, subject to the State’s assessment process.

If the Kalgoorlie VBESS Project is awarded to VSUN Energy and Sumitomo Electric is approved as the preferred technology supplier, the parties intend to negotiate a formal supply agreement for project delivery in good faith, having regard to the technical and commercial principles developed

² See ASX announcement dated 1 February 2026 ‘AVL’s Integrated Capability Underpins Kalgoorlie VBESS EOI Submission’

through the EOI process, including final scope, commercial terms, performance commitments and warranties. The EOI process is ongoing and there is no certainty that VSUN Energy will be awarded the project.

About Sumitomo Electric Industries, Ltd.

Sumitomo Electric Industries, Ltd. is a globally recognised technology and manufacturing company founded in 1897, with a long history of innovation and quality in advanced electrical systems and materials. This legacy of over 125 years underpins the reliability and durability of its vanadium flow battery (VFB) solutions, which are supported by long-term performance warranties of 20 years or more — an indicator of both technical confidence and financial strength.

Sumitomo Electric's VFB technology has been developed over decades and deployed in multiple international applications, demonstrating reliable, long-duration energy storage performance and contributing to grid stability, renewable integration and utility-scale storage solutions.

As a large, financially stable global corporation with diversified business lines and a strong balance sheet, Sumitomo Electric maintains high credit ratings and invests significantly in research and development to support ongoing innovation and quality assurance in its energy storage technologies.

Sumitomo Electric's broad global footprint, long history of engineering excellence and strong financial foundation make it a highly credible supply partner for utility-scale vanadium flow battery systems.

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

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 (V₂O₅), containing a high-grade zone of 173.2Mt at 1.09% V₂O₅, 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% V₂O₅ wireframed cut-off for low-grade and nominal 0.7% V₂O₅ wireframed cut-off for high-grade (total numbers may not add up due to rounding).

Zone	Category	Mt	V ₂ O ₅ %	Fe %	TiO ₂ %	SiO ₂ %	Al ₂ O 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
LG	Subtotal	173.2	1.09	46.5	12.5	7.8	6.1
	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
Transported	Subtotal	204.3	0.50	25.3	6.8	28.2	15.5
	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.