

Start of V20 drill rig mobilisation to first new production well site for Phase One

Vulcan Energy (Vulcan, ASX: VUL, FSE: VUL, the Company) is pleased to report the start of execution works on its integrated Phase One integrated renewable energy and lithium project, with mobilisation of its V20 drilling rig (V20) to the Phase One Schleidberg well site near Landau, Germany.

The Company's Phase One Lionheart Project targets production of around 24,000 tonnes per annum lithium hydroxide monohydrate¹ for electric vehicle batteries, as well as renewable heating and power production, from hot, lithium-rich brines in the Upper Rhine Valley Brine Field. Increasing brine production from deep wells to augment Vulcan's existing brine production is a key part of Phase One.

Key highlights

- After successful completion of key infrastructure works, including well pad construction, crew camp establishment, and build of access roads, mobilisation of Vulcan's electric V20 rig has commenced by Vulcan's in-house geothermal well execution company, Vercana
- The V20 is a 2500 horsepower drilling rig and has 550 tonnes of hook load capacity, and is equipped with 7500 psi fluid pressure system
- The Special Operations Plan and transport permits for the V20 rig were approved by the Mining Authority in Q4 2024, with additional permits granted for specific rig components
- During mobilisation, increased transport activity will be observed as equipment and associated project components are delivered to site. The Company has engaged proactively with local stakeholders for smooth execution and minimal community disruption
- Following assembly, routine commissioning procedures and technical testing will be carried out for the safe operation of V20 and associated equipment. Well execution operations are currently scheduled to commence in Q2 2025, subject to successful commissioning of the rig
- Vercana's other electric drilling rig, V10, will be mobilised to Vulcan's new planned Trappelberg well site, after Vulcan's Phase One financing closes.

Managing Director and CEO, Cris Moreno, commented: "The mobilisation of the V20 drilling rig is not only an important milestone for our Phase One Lionheart Project, but in Vulcan's mission to establish a sustainable, European-based lithium supply chain.

"With two fully refurbished, state-of-the-art rigs and hugely experienced team, Vercana is well positioned to safely deliver new geothermal and lithium production and injection wells for many years to come in Central Europe, delivering both baseload renewable heating and lithium production for electric vehicle batteries.

"We are entering the next phase of development with a strong focus on safety, execution quality, operational excellence, and will need to have close collaboration with all key partners and stakeholders to assist us to achieve this goal. We look forward to keeping our shareholders and investors informed as we further progress towards the commencement of drilling in the coming months."

¹ See the Competent Person Statement in the Disclaimer.

“As lithium demand continues to grow, reducing Europe’s dependence on imported raw materials is critical. By developing a fully integrated, sustainable lithium supply chain, Vulcan will be a key contributor to Europe’s energy and mobility transition.”

For and on behalf of the Board

Daniel Tydde | Company Secretary

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About Vulcan Energy

Vulcan Energy (ASX: VUL, FSE: VUL) is building the world’s first carbon neutral, integrated lithium and renewable energy business to decarbonise battery production. Vulcan’s Lionheart Project, located in the Upper Rhine Valley Brine Field bordering Germany and France, is the largest lithium and geothermal resource in Europe² and a tier-one lithium project globally. Harnessing natural heat to produce lithium from sub-surface brines and to power conversion to battery grade material and using its in-house industry-leading technology VULSORB®, Vulcan is building a local, low-cost source of sustainable lithium for European electric vehicle batteries. For more information, please go to <https://v-er.eu/>

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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 Vulcan 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 Vulcan’s control.

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² On a lithium carbonate equivalent (LCE) basis, according to public information, as estimated and reported in accordance with the JORC Code 2012. See Appendix 4 of Vulcan’s Equity Raise Presentation dated 11 December 2024 for comparison information.

Vulcan has carried out a definitive feasibility study ("DFS") and bridging engineering study ("Bridging Study") for its Phase One Project, the results of which were announced to the ASX in the announcements Phase 1 DFS Results dated 13 February 2023 (DFS Announcement) and Bridging Study Results on 16 November 2023 (Bridging Study Announcement). This announcement may include certain information relating to the DFS and the Bridging Study. The DFS and Bridging Study are based on the material assumptions and parameters outlined in their respective announcements. While Vulcan considers all of the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Bridging Study or DFS will be achieved. This presentation may also include certain information relating to Phase Two of its Project, Vulcan has not yet carried out a definitive feasibility study for Phase Two of its Project.

Competent Person Statement

The information in this announcement that relates to estimates of Mineral Resources and Ore Reserves is extracted from the Bridging Study Announcement which is available to view on Vulcan's website at <http://v-er.eu>. Vulcan confirms, that:

- a) in respect of any estimates of Mineral Resources and Ore Reserves included in this announcement:
 - i. 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; and
 - ii. the form and context in which the Competent Persons' findings are presented in this announcement have not been materially modified from the original market announcement; and
- b) all material assumptions underpinning the production targets (and the forecast financial information derived from such production targets) included in this announcement continue to apply and have not materially changed.