

(ASX:VHM)

Australian owned rare earths and mineral sands mine and processing developer with a globally significant critical minerals inventory, in North West 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 |
| Ian Hobson | Company Secretary |

Registered Office

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

Share Registry

Automic Pty Ltd
Level 2/267 St Georges Terrace
Perth WA 6000

Capital Structure

Ordinary Shares: 203,596,690
Options: 12,009,555

Investor Relations

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Quarterly Activities Report

For the period ended 31 March 2024

Highlights:

- Public Exhibition stage of the Goschen Project's Environment Effects Statement (EES) concluded on 17 January 2024¹.
- **Hearing stage of the Goschen EES commenced** 13 February 2024².
- **First binding offtake agreement secured** for 60% of first production concentrates from the Goschen Project³.
- **A maiden Mineral Resource estimate (MRE)** discovered at Nowie containing 16.4 Million tonne (Mt) @ 3.8% Total Heavy Mineral (THM) ⁴.
- **An increased Area 2 MRE** released, subsequent to the period⁵:
 - From 26.0 Mt (Indicated) to 81.3 Mt @ 3.16% THM
 - Indicated Mineral Resource 75.5 Mt @ 3.17% THM
 - Inferred Mineral Resource 5.7 Mt @ 3.06% THM
 - The additional Area 2 MRE lifted the Company's total inventory tonnage by 6% to 892.1 Mt.
- Executive Director **Mr Ron Douglas became the Company's permanent Chief Executive Officer** (CEO) and Non-Executive Director Mr Graham Howard resigned⁶.
- Statutory advertising for the Goschen Mining Licence application undertaken in January 2024⁷.

Notes:

- 1) ASX release dated 24 January 2024
- 2) ASX release dated 24 January 2024
- 3) ASX release dated 31 January 2024
- 4) ASX release dated 24 January 2024
- 5) ASX release dated 9 April 2024
- 6) ASX release dated 26 February 2024
- 7) ASX release dated 24 January 2024

Goschen Project

Permitting

The Public Exhibition for the EES for the Goschen Rare Earths and Mineral Sands Project (Goschen) closed on 17 January 2024 at 11.59 pm. The EES was displayed for 40 business days starting on 20 November 2023¹.

The Hearing stage of the EES Approvals process commenced during the period with the Directions Hearing taking place on Tuesday 13 February 2024 and the Public Hearing starting on Monday 25 March 2024.

At the conclusion of the Public Hearing on Tuesday 30 April 2024, the independent Inquiry and Advisory Committee has 40 business days to prepare and issue its recommendations report on the Goschen Project to the Victorian Minister for Planning.

Next steps in Goschen Project's EES Approvals process are illustrated below:



Mining Licence Application

The Company placed the Goschen Project's Mining Licence Application on public notice on 9 January 2024. The review and issue of a mining licence by the Earth Resources Regulator is subject to the outcome of the EES Approvals process².

¹ ASX release dated 14 November 2023

² ASX release dated 19 January 2024

Binding Offtake Agreement

VHM completed a binding offtake agreement with Shenghe Resources (Singapore) Pte. Ltd (Shenghe) for the Goschen Project - Phase 1 products³.

The binding offtake is for 6,400 tonnes per annum of rare earth mineral concentrate (REMC) and 100,000 tonnes zircon-titania heavy mineral concentrate (HMC) products (each approximately 60% of forecast production per annum) from the Goschen Project, for an initial three-year term.

This agreement highlights the quality of the Goschen Project and the value in the initial products (a REMC containing greater than 58% total rare earth oxide (TREO)⁴; and a zircon-titania HMC comprising high-grade zircon, rutile, leucoxene, and ilmenite).

This binding offtake agreement is the first for the Goschen Project and demonstrates strong endorsement of the world-class rare earths and mineral sands resource from the globally recognised rare earths and mineral sands processor, Shenghe.

The value of the remaining 40% production will be maximised through spot sales and other commercial arrangements. This offtake strategy will continue to globally diversify sources of rare earths and mineral sands feedstock. In addition, VHM is committed to developing a hydromet circuit to produce a mixed rare earth carbonate, as part of the staged development approach described in the Goschen Definitive Feasibility Study as Phase 1A⁵. The hydromet circuit is to be co-located on the Goschen mine footprint alongside the base plant (Phase 1) and will bring further capability to Australia's downstream rare earths processing capabilities.

Exploration Activities

Inferred Mineral Resource Estimate at Nowie

The Company confirmed a new Inferred Mineral Resource of 16.4Mt @ 3.8% THM grade, in accordance with JORC 2012, for its Nowie Project, in North West Victoria, located 22 kilometres (km) north of the flagship Goschen Project (Figure 1)⁶.

The outcomes from the Inferred Nowie maiden MRE confirmed that the Company has established a significant Critical Minerals province stretching over a strike length of greater than 55 km. This province ranges from the Cannie deposit south of the advanced Goschen Project and extends north to Nowie (Figure 1).

Geological interpretation from 43 drill holes concludes that the Nowie deposit is formed from multiple high-grade strandline systems occurring above a 20 metre (m) thick sequence of moderate THM grade sheet style mineralisation. Interpretation of the drilling and airborne geophysics data indicates the Nowie deposit is at least 3 km in width (east to west) and up to 11 km in strike length (north to south).

The maiden Mineral Resource includes 6.4 Mt @ 6.1% THM contained in high-grade strandline deposits which remain open along and across strike. Significantly, these strandline deposits occur close to surface and provide selective high grade mining opportunities.

³ ASX release dated 31 January 2024

⁴ ASX release dated 28 March 2023

⁵ ASX release dated 28 March 2023

⁶ ASX release dated 24 January 2024

Down hole geophysics and geological logging from all 43 drill holes in Exploration Licence (EL) 6666 was sufficient to provide geological continuity. The Inferred classification reflects the appropriate level of confidence in grade, tenor, and geological continuity of this estimate.

Revised and Expanded Resource at Area 2

Subsequent to the period, the Company released an Area 2 MRE which crosses over the Company's retention licence (RL) 6806 and EL 6419 (Figure 1) and is located 3.5 km north west of the base plant (Area 1) for the proposed Goschen Project ⁷.

Area 2 was previously classified into two areas - Area 2 West, and Area 2 East with amalgamation of the two zones to form Area 2 for the Mineral Resource estimation.

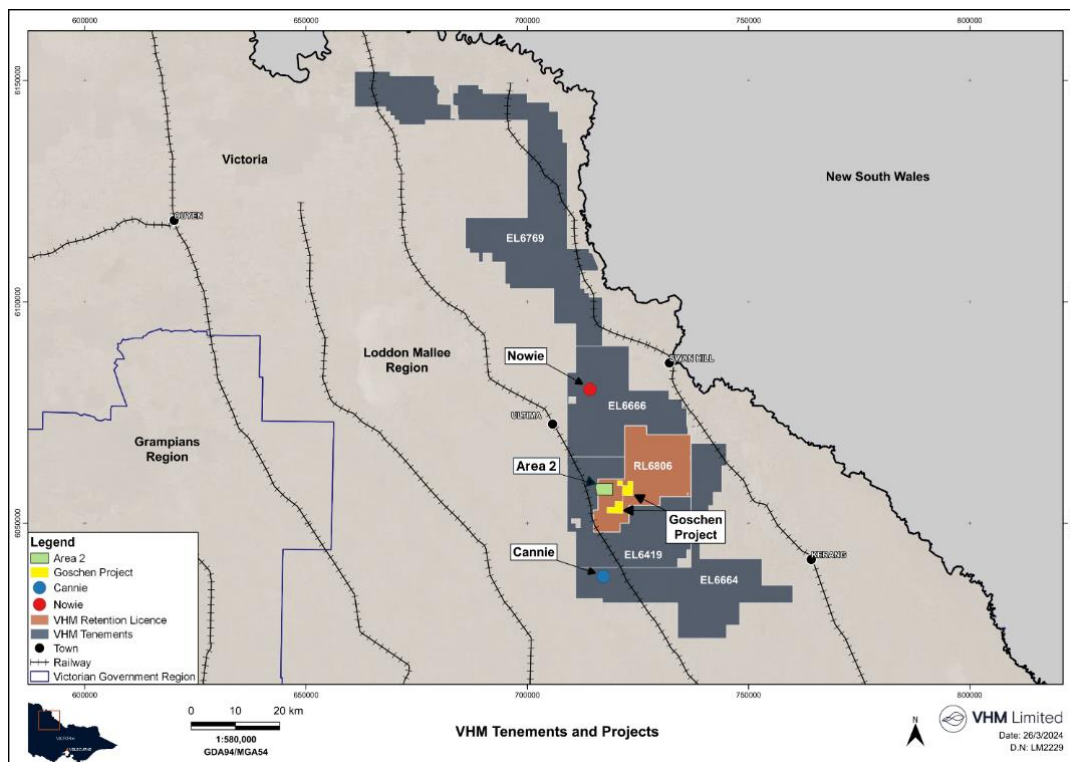
The MRE contains 65,000 tonnes of TREO, 0.5 Mt of zircon, 0.3 Mt of rutile and 0.2 Mt of leucoxene and increases the Company's total inventory of TREO from 602,000 tonnes to 650,000 tonnes.

The MRE includes moderate to high-grade strand-like zones between 7 m and 10 m from surface and extends 2.6 km north-south and 3.5 km east-west and remains open in all directions.

The Area 2 West Resource was first estimated in 2019 and reported in the Company's Prospectus.⁸ Area 2 East was drilled in 2019⁹, however, the samples were stored and not submitted for assaying. Assay results and subsequent mineralogy composites were interpreted by independent consultant Right Solutions Australia, to combine the two adjacent resources into a single model to generate the revised and expanded Resource estimate.

A total of 256 drill holes were used for the Area 2 Mineral Resource estimate. The Indicated and Inferred classification reflects the appropriate level of confidence in grade, tenor, and spatial continuity of this estimate.

Figure 1: VHM tenements and project location map



⁷ ASX release dated 9 April 2024

⁸ Prospectus dated 21 November 2022 as supplemented by the supplementary Prospectus dated 5 December 2022, lodged with the ASX on 5 January 2023.

⁹ 2023 Annual Report, ASX release dated 3 October 2023.

Further Exploration Activities

VHM will continue to invest in exploration and evaluation work within its exploration and retention licence areas, as it is required to do under the conditions of its licences and the Mineral Resources (Sustainable Development) Act 1990. Any future projects will be subject to social and environmental impact assessments, including a cumulative impact assessment of the Goschen Project with any subsequent projects as part of the approval process.

Corporate Update

Mr Ron Douglas, who had been interim Chief Executive Officer (CEO) since September 2023, was appointed to the CEO role on a permanent basis on the same contractual terms as previously announced.

Non-Executive Director, Mr Graham Howard resigned effective 26 February 2024 to focus on his other board responsibilities¹⁰.

Finance

At quarter end the Company held \$10.1 million cash. The Company's unaudited quarterly cash flow report is disclosed in Appendix 5B.

Use of Funds

VHM Limited provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure against the Use of Funds in the Company's Prospectus.

The expenditure to date is generally less than that anticipated at the time of preparation of the Company's prospectus as the Company has constrained its expenditure pending approval of the Goschen EES.

The below Use of Funds table relates to the 12 month period from admission.

Table 1: Use of funds

| Source and uses of funds | Funds allocated under Prospectus | Actual to 5 January 2024 | Balance remaining |
|---|----------------------------------|--------------------------|-------------------|
| Goschen Project | | | |
| - Metallurgical and hydromet circuit testwork | 4,700,000 | 3,700,000 | 1,000,000 |
| - Front end engineering and design | 5,700,000 | 3,100,000 | 2,600,000 |
| - Approvals | 7,700,000 | 3,300,000 | 4,400,000 |
| Land acquisition and community | 11,300,000 | 8,700,000 | 2,600,000 |
| Exploration & appraisal | | | |
| - Cannie Project | 2,300,000 | 1,500,000 | 800,000 |

¹⁰ ASX release dated 26 February 2024

| | | | |
|---|------------|------------|------------|
| - Nowie Project | 1,100,000 | 1,000,000 | 100,000 |
| - Licence fees / other exploration | 800,000 | 500,000 | 300,000 |
| Corporate (net General & Administrative) | 2,200,000 | 2,200,000 | - |
| Interest costs and costs of offer | 4,300,000 | 4,200,000 | 100,000 |
| Working capital and liquidity buffer | 1,000,000 | - | 2,000,000 |
| Total | 41,100,000 | 28,200,000 | 13,900,000 |

ENDS

This announcement has been approved by the Board of VHM.


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 \$2.36 million materially comprising hydromet testwork and Goschen EES approvals 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 exploration licences are set out in Appendix 2. The Company's 100% interest in the 5 licenses remain unchanged since the end of the last quarter.
4. **ASX Listing Rule 5.3.4:** The progress towards spending the funds relative to the proposed use of funds and any material variance between anticipated expenditure and actual expenditure is set out in Table 3.
5. **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.

Mineral Resources, Ore Reserves and Exploration Results

The information in this announcement regarding the Company's Mineral Resource estimate and the Ore Reserves estimate for the Company's Projects set out in Appendix 1 were contained in the Prospectus dated 21 November 2022 and updated in the following ASX Announcements:

- Definitive Feasibility Study: "Goschen Project DFS Refresh" 28 March 2023.
- Mineral Resource Statement: "New Cannie Critical Mineral Project" 16 May 2023.
- Company Ore Reserve update: "Outstanding Results for Area 4 of the VHM Leases" 29 September 2023.
- The Nowie Mineral Resource estimate referred to herein is extracted from the ASX release "Quarterly Activities Report For the period ended 31 December 2023" 24 January 2024.
- Mineral Resource Statement: "Approvals Progress and Increased Area 2 MRE" 9 April 2024.



The Company confirms that it is not aware of any new information or data that materially affects the results of exploration, Mineral Resource and Ore Reserve Estimates referenced in the above-mentioned market announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified.

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:

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Appendix 5B: Quarterly Cashflow Report

Name of entity

VHM Limited

ABN

ABN 58 601 004 102

Quarter ended ("current quarter")

31 March 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (9 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 | (597) | (2,531) |
| e. administration and corporate costs | (529) | (3,108) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 93 | 540 |
| 1.5 Interest and other costs of finance paid | (184) | (512) |
| 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 | (1,217) | (5,611) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| a. entities | - | - |
| b. tenements | - | - |
| c. property, plant and equipment | (318) | (2,361) |
| d. exploration & evaluation | (2,357) | (8,320) |
| 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 | - | 1,226 |
| 2.4 Dividends received (see note 3) | - | - |
| 2.5 Other (Research and development refund) | - | 4,501 |
| 2.6 Net cash from / (used in) investing activities | (2,675) | (4,954) |

| | | |
|---|---|---|
| 3. Cash flows from financing activities | | |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 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 | - | - |
| 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) | - | - |
| 3.10 Net cash from / (used in) financing activities | - | - |

| | | |
|---|---------------|---------------|
| 4. Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 Cash and cash equivalents at beginning of period | 13,976 | 20,649 |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above) | (1,217) | (5,611) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above) | (2,675) | (4,954) |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above) | - | - |
| 4.5 Effect of movement in exchange rates on cash held | - | - |
| 4.6 Cash and cash equivalents at end of period | 10,084 | 10,084 |

| | | |
|---|--------------------------------|---------------------------------|
| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$A'000 | Previous quarter \$A'000 |
| 5.1 Bank balances | 2,360 | 6,592 |
| 5.2 Call deposits | 7,723 | 7,383 |
| 5.3 Bank overdrafts | - | - |
| 5.4 Other (Petty cash) | 1 | 1 |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 10,084 | 13,976 |

| | |
|---|--------------------------------|
| 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 | 229 |
| 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 <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> | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
| 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) | (1,217) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (2,357) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (3,574) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 10,084 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 10,084 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 2.82 |
| <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....23 April 2024

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: Company Mineral Resource Estimate and Ore Reserves

Table 1: Company Mineral Resources estimate at end of period 31 March 2024

| Area | Mineral Resource Category | Material | In-situ THM | Bulk Density | THM | Slimes | Oversize material >2mm | THM Assemblage ⁽⁴⁾ | | | | | | Rare Earth Oxides | | | | | | | | | | | | | | | | |
|-------------|----------------------------|----------------------------|-------------|--------------|-------------|------------|------------------------|-------------------------------|-------------|-------------|-------------|-------------|------------|--------------------------------|------------------|---------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------------------|-------------|
| | | | | | | | | Zircon | Rutile | Leucoxene | Ilmenite | Monazite | Xenotime | La ₂ O ₃ | CeO ₂ | Pr ₆ O ₁₁ | Nd ₂ O ₃ | Sm ₂ O ₃ | Eu ₂ O ₃ | Gd ₂ O ₃ | Tb ₄ O ₇ | Dy ₂ O ₃ | Ho ₂ O ₃ | Er ₂ O ₃ | Tm ₂ O ₃ | Yb ₂ O ₃ | Lu ₂ O ₃ | Y ₂ O ₃ | TREO + Y ₂ O ₃ | |
| | | | | | | | | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) | (%) |
| Goschen | Area 1 | Measured | 30.7 | 1.8 | 1.76 | 5.7 | 15 | 5 | 29.9 | 10.8 | 9.0 | 24.7 | 4.3 | 0.8 | 0.48 | 0.96 | 0.11 | 0.38 | 0.07 | 0.004 | 0.06 | 0.01 | 0.07 | | 0.05 | 0.01 | 0.05 | | 0.47 | 2.72 |
| | | Indicated | 62.2 | 1.4 | 1.72 | 2.3 | 18 | 2 | 26.6 | 11.5 | 9.2 | 25.0 | 4.6 | 0.9 | 0.53 | 1.11 | 0.12 | 0.46 | 0.08 | 0.004 | 0.07 | 0.02 | 0.07 | | 0.05 | 0.01 | 0.05 | | 0.48 | 3.04 |
| | | Total⁽¹⁾ | 92.9 | 3.2 | 1.73 | 3.4 | 17 | 3 | 27.7 | 11.2 | 9.1 | 24.9 | 4.5 | 0.8 | 0.51 | 1.06 | 0.12 | 0.43 | 0.08 | 0.004 | 0.07 | 0.02 | 0.07 | | 0.05 | 0.01 | 0.05 | | 0.48 | 2.94 |
| Area 3 | Indicated | 204.1 | 6.9 | 1.73 | 3.4 | 19 | 3 | 19.2 | 9.0 | 8.0 | 25.0 | 3.2 | 0.6 | 0.36 | 0.78 | 0.09 | 0.33 | 0.06 | 0.003 | 0.05 | 0.01 | 0.05 | | 0.04 | 0.01 | 0.04 | | 0.37 | 2.19 | |
| | Inferred | 287.7 | 6.7 | 1.72 | 2.3 | 18 | 3 | 17.2 | 8.7 | 7.5 | 22.7 | 2.9 | 0.5 | 0.35 | 0.76 | 0.08 | 0.31 | 0.06 | 0.003 | 0.05 | 0.01 | 0.05 | | 0.03 | 0.01 | 0.03 | | 0.36 | 2.10 | |
| | Total⁽¹⁾ | 491.8 | 13.6 | 1.73 | 2.8 | 18 | 3 | 18.2 | 8.9 | 7.7 | 23.9 | 3.0 | 0.6 | 0.36 | 0.77 | 0.09 | 0.32 | 0.06 | 0.003 | 0.05 | 0.01 | 0.05 | | 0.03 | 0.01 | 0.04 | | 0.36 | 2.14 | |
| Area 2 | Indicated | 75.5 | 2.39 | 1.73 | 3.2 | 21 | 7 | 20.51 | 12.60 | 9.5 | 23.1 | 3.4 | 0.7 | 0.41 | 0.88 | 0.10 | 0.37 | 0.07 | 0.00 | 0.06 | 0.01 | 0.06 | 0.01 | 0.04 | 0.01 | 0.05 | 0.00 | 0.42 | 2.48 | |
| | Inferred | 5.74 | 0.18 | 1.73 | 3.1 | 21 | 8 | 19.32 | 10.15 | 7.6 | 21.7 | 3.6 | 0.6 | 0.45 | 0.95 | 0.11 | 0.39 | 0.07 | 0.00 | 0.06 | 0.01 | 0.06 | 0.01 | 0.04 | 0.01 | 0.04 | 0.01 | 0.40 | 2.62 | |
| | Total⁽²⁾ | 81.3 | 2.6 | 1.7 | 3.2 | 21 | 7 | 20.4 | 12.4 | 9.4 | 23.0 | 3.4 | 0.7 | 0.4 | 0.9 | 0.1 | 0.4 | 0.1 | 0.0 | 0.1 | 0.0 | 0.1 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.4 | 2.5 | |
| Area 4 | Indicated | 18.0 | 0.8 | 1.74 | 4.6 | 20 | 5 | 19.0 | 11.0 | 10.0 | 24.0 | 3.0 | 1.0 | 0.32 | 0.67 | 0.07 | 0.28 | 0.05 | 0.002 | 0.05 | 0.01 | 0.05 | | 0.03 | 0.01 | 0.04 | | 0.33 | 1.91 | |
| | Total⁽²⁾ | 18.0 | 0.8 | 1.74 | 4.6 | 20 | 5 | 19.0 | 11.0 | 10.0 | 24.0 | 3.0 | 1.0 | 0.32 | 0.67 | 0.07 | 0.28 | 0.05 | 0.002 | 0.05 | 0.01 | 0.05 | | 0.03 | 0.01 | 0.04 | | 0.33 | 1.91 | |
| Cannie | Inferred | 192 | 5.9 | 1.70 | 3.1 | 19 | 6 | 24.5 | 15.5 | 24.3 | 2.1 | 4.1 | 0.8 | 0.49 | 1.06 | 0.12 | 0.45 | 0.08 | 0.004 | 0.07 | 0.01 | 0.07 | 0.02 | 0.05 | 0.01 | 0.05 | 0.01 | 0.49 | 3.00 | |
| | Total⁽²⁾ | 192 | 5.9 | 1.70 | 3.1 | 19 | 6 | 24.5 | 15.5 | 24.3 | 2.1 | 4.1 | 0.8 | 0.49 | 1.06 | 0.12 | 0.45 | 0.08 | 0.004 | 0.07 | 0.01 | 0.07 | 0.02 | 0.05 | 0.01 | 0.05 | 0.01 | 0.49 | 3.00 | |
| Nowie | Inferred | 16.4 | 0.6 | 1.73 | 3.8 | 19 | 5 | 16.1 | 15.5 | 24.4 | 5.0 | 2.1 | 0.5 | 0.28 | 0.61 | 0.07 | 0.26 | 0.05 | 0.003 | 0.04 | 0.01 | 0.05 | 0.01 | 0.04 | 0.01 | 0.04 | 0.01 | 0.33 | 1.80 | |
| | Total⁽²⁾ | 16.4 | 0.6 | 1.73 | 3.8 | 19 | 5 | 16.1 | 15.5 | 24.4 | 5.0 | 2.1 | 0.5 | 0.28 | 0.61 | 0.07 | 0.26 | 0.05 | 0.003 | 0.04 | 0.01 | 0.05 | 0.01 | 0.04 | 0.01 | 0.04 | 0.01 | 0.33 | 1.80 | |
| Grand Total | Measured | 30.7 | 1.8 | 1.76 | 5.7 | 15 | 5 | 29.9 | 10.8 | 9.0 | 24.7 | 4.3 | 0.8 | 0.48 | 0.96 | 0.11 | 0.38 | 0.07 | 0.004 | 0.06 | 0.01 | 0.07 | | 0.05 | 0.01 | 0.05 | | 0.47 | 2.72 | |
| | Indicated | 359.8 | 11.5 | 1.73 | 3.2 | 19 | 4 | 20.4 | 10.2 | 8.6 | 24.5 | 3.4 | 0.7 | 0.39 | 0.83 | 0.10 | 0.35 | 0.06 | 0.003 | 0.05 | 0.01 | 0.05 | 0.00 | 0.04 | 0.01 | 0.04 | 0.00 | 0.39 | 2.34 | |
| | Inferred | 501.6 | 13.3 | 1.71 | 2.7 | 18 | 4 | 20.4 | 12.0 | 15.7 | 12.8 | 3.4 | 0.7 | 0.41 | 0.89 | 0.10 | 0.37 | 0.07 | 0.003 | 0.06 | 0.01 | 0.06 | 0.01 | 0.04 | 0.01 | 0.04 | 0.00 | 0.42 | 2.49 | |
| | TOTAL⁽⁶⁾ | 892.1 | 26.6 | 1.7 | 3.0 | 18 | 4 | 21.0 | 11.2 | 12.2 | 18.7 | 3.4 | 0.7 | 0.41 | 0.87 | 0.10 | 0.36 | 0.07 | 0.003 | 0.06 | 0.01 | 0.06 | 0.00 | 0.04 | 0.01 | 0.04 | 0.00 | 0.41 | 2.44 | |

| | Material | In-situ TREO + Y ₂ O ₃ Grade ⁽⁶⁾ | In-situ TREO + Y ₂ O ₃ |
|---|-------------|---|--|
| | (t) | (%) | (t) |
| Area 1, Area 2, Area 3, Area 4, Cannie, Nowie | 892,000,000 | 0.07 | 650,000 |

Notes: Any discrepancies in totals are a function of rounding

1. Mineral resources reported at a cut-off grade of 1.0% THM
2. Mineral resources reported at a cut-off grade of 1.75% THM
3. Mineral resources reported at a cut-off grade of 1.0% TVHM (THM * VHM)
4. Mineral assemblage, via QEMScan particle analysis, is reported as a percentage of in-situ THM content
5. In-situ TREO Grade is calculated by THM Grade (2.95%) multiplied by TREO Grade (2.43%)
6. Combined mineral resource at a cut-off grade of 1% THM for Area1 and Area 3 and 1% TVHM for Nowie, Area 2 and Area 4

Table 2: Company Ore Reserves at end of period 31 March 2024

| Area | Date | Classification | Ore (Mt) | THM (%) | Valuable Heavy Mineral Grades | | | | | | |
|--------------------|---------|----------------|-----------------|------------|-------------------------------|------------|---------------|--------------|--------------|--------------|-----|
| | | | | | Zircon (%) | Rutile (%) | Leucoxene (%) | Ilmenite (%) | Monazite (%) | Xenotime (%) | |
| Area 1 | Mar-21 | Proven | 24.5 | 5.4 | 29.9 | 10.8 | 9.0 | 24.7 | 4.3 | 0.8 | |
| Area 1 | Mar 21 | Probable | 14.6 | 3.2 | 29.2 | 11.7 | 9.2 | 25.5 | 4.5 | 0.9 | |
| Area 3 | Feb 21 | Probable | 159.6 | 3.5 | 20.3 | 9.4 | 8.1 | 25.8 | 3.4 | 0.6 | |
| Area 4 | Sept 23 | Probable | 11.5 | 5.6 | 19.6 | 12.2 | 10.1 | 24.6 | 3.0 | 0.7 | |
| TOTAL | | | | | | | | | | | |
| | | | Proven | 24.5 | 5.4 | 29.9 | 10.8 | 9.0 | 24.7 | 4.3 | 0.8 |
| | | | Probable | 185.7 | 3.6 | 21.0 | 9.8 | 8.3 | 25.7 | 3.5 | 0.6 |
| GRAND TOTAL | | | 210.2 | 3.8 | 22.0 | 9.9 | 8.4 | 25.6 | 3.6 | 0.6 | |

Note: VHM grades are reported as a percentage of THM

Appendix 2: VHM Limited tenement table as at 31 March 2024

| Licence Number | Location | Registered Holder | Project | Status | Area (km ²) | Grant Date | Expiry Date |
|-----------------------------|---------------------|-------------------|-------------|---------|-------------------------|------------|-------------|
| RL6806 | North West Victoria | VHM Ltd | Goschen | Current | 311 | 10/01/2020 | 09/01/2027 |
| EL 6419 | North West Victoria | VHM Ltd | Cannie | Current | 443 | 18/05/2023 | 17/05/2028 |
| EL 6664 | North West Victoria | VHM Ltd | Cannie | Current | 618 | 18/06/2023 | 17/06/2028 |
| EL 6666 | North West Victoria | VHM Ltd | Nowie | Current | 447 | 18/06/2018 | 17/06/2028 |
| EL 6769 | North West Victoria | VHM Ltd | Exploration | Current | 1041 | 27/08/2018 | 27/08/2028 |
| Total km² | | | | | 2,860 | | |