# Becoming Canada's First Rare Earths Producer

March 2021

# Investor Presentation

**October, 2021**

www.vitalmetals.com.au

# Disclaimer

This presentation provides an overview of prospective rare earth projects ("the Projects") and development opportunities and contains "forward looking statements". Forward-looking statements are all statements other than statements of historical fact included in this presentation including and without limitation those regarding the Projects' strategy, financial positions, plans and identification of additional resources and reserves. Such forward looking statements are subject to risk factors associated with exploration, development and the acquisitions of mining tenements and involve known and unknown risks, uncertainties and other factors. These risk factors could have a material effect on the operating, financial performance and achievements of the Projects and may cause the actual results to be materially different from any future operating , financial performance and achievements expressed or implied in the forward-looking statements contained in this presentation. Although there are reasonable grounds for making the forward-looking statements, such forward looking statements may be materially affected by changes in the underlying assumptions and changes to the environment which the Projects will operate in the future and such assumptions may or may not prove to be correct. Some of the underlying assumptions in this presentation are based on information which has not been independently verified.

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## ASX LISTING RULE INFORMATION

This presentation contains information relating to Mineral Resources for the Nechalacho Project extracted from ASX market announcements reported previously and published on the ASX platform on 13 December 2019, 19 February 2020 and 15 April 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the original market announcements continue to apply and have not materially changed.

Investors should note that the Mineral Resource and Reserves estimates for the Wigu Hill Rare Earth Project and Kipawa Project are foreign estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify these foreign estimates as a mineral resource in accordance with the JORC Code and it is uncertain that following further exploration or evaluation work that these foreign estimates will be able to be reported as a mineral resource in accordance with the JORC Code. The Company has previously disclosed the foreign estimates in compliance with ASX Listing Rule 5.12 in the announcements dated 25 June 2019 titled "Vital to Transform into Rare Earth Oxide Developer" and 11 August 2021 titled "Vital Metals Ltd Enters Agreement to Acquire Heavy Rare Earth Projects" ("Announcements"). The Company is not in possession of any new information or data relating the foreign estimates that materially impacts on the reliability of the estimates or the Company's ability to verify the foreign estimates in accordance with Appendix 5A (JORC Code). The Company confirms that the supporting information provided in the Announcements continues to apply and has not materially changed.

This presentation contains information relating to exploration results extracted from ASX market announcements reported previously and published on the ASX platform on 26 May 2021, 23 June 2021 and 3 August 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market.

This presentation includes aspirational statements which have been reported in accordance with ASIC's guidance on 'Forward-looking Statements' and ASX Guidance Note 31. These statements are not predictive in nature and the Company does not yet have reasonable grounds to assert that these aspirational statements can be achieved.

## REFERENCES


1.ASX announcement dated 15 April 2020 titled "Substantial Increase in Resource Size and Grade at North-T Zone Nechalacho" (https://www.asx.com.au/asxpdf/20200415/pdf/44gytlw5ckfbyr.pdf); and ASX announcement dated 13 December 2019 titled "Vital Announces JORC 2012 Compliant Resources for the Nechalacho Rare Earth Deposit" (https://www.asx.com.au/asxpdf/20191213/pdf/44ckgzdngkmzpj.pdf)

2.ASX announcement dated 25 June 2019 titled "Vital to Transform Into Rare Earth Oxide Developer" (https://www.asx.com.au/asxpdf/20190625/pdf/446361nxqnn9w8.pdf)

3.ASX announcement dated 19 February 2020 titled "Vital Intersects Ultra-High Grade, Near-Surface REO at Nechalacho" (https://www.asx.com.au/asxpdf/20200219/pdf/44f7451l1z68r0.pdf)

4.ASX announcement dated 5 December 2019 titled "Vital Demonstrates Ability to Produce Rare Earth Concentrate with Grades Above 35% REO" (https://www.asx.com.au/asxpdf/20191205/pdf/44c9nq180gpl7h.pdf)

5.ASX announcement dated 25 June 2019 titled "Vital to Transform into Rare Earth Oxide Developer" (https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02117124-6A934624?access_token=83ff96335c2d45a094df02a206a39ff4.pdf)

6.ASX announcement dated 26 May 2021 titled "Vital Intersects Broad High Grade REO in Near Surface Drilling at Tardiff Zone" (https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02378307-6A1034348?access_token=83ff96335c2d45a094df02a206a39ff4)

7. ASX announcement dated 23 June 2021 titled "Vital's Metallurgical Testwork Returns Positive Results" (https://www2.asx.com.au/markets/trade-our-cash-market/announcements.vml)

8.ASX announcement dated 3 August 2021 titled "Vital Intersect High Grade REO in Tardiff Zones 2&3 including outside existing resource at Nechalacho" (https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02402947-6A1044224?access_token=83ff96335c2d45a094df02a206a39ff4)

9.ASX announcement dated 11 August 2021 titled "Vital Metals Ltd Enters Agreement to Acquire Heavy Rare Earth Projects" (https://cdn-api.markitdigital.com/apiman-gateway/ASX/asx-research/1.0/file/2924-02405866-6A1045257?access_token=83ff96335c2d45a094df02a206a39ff4)

# Guaranteeing Feedstock to the Rare Earths' Supply Chain

# Vital is Canada's first RE producer building the capability to supply both light and heavy rare earths in the RE Supply Chain

## Highlights

**World class REO Development Team - ex Lynas Corporation Ltd**

**3 World Class Rare Earth projects**

- Nechalacho (Canada): 95mt at 1.46% TREO
- Kipawa (Canada): Reserve 19.7 Mt at 0.41% TREO*
- Wigu Hill (Tanzania): 3.3mt at 2.6% TREO*

**Building the capability to be the first REE company with the ability to supply commercial quantities of both heavy and light rare earths**

**Supporting a non-China supply chain**

- Binding Off-take agreement signed with REEtec, a Norwegian rare earth Separation Company

**Canadian Government Support**

- Funding agreement signed with The Canadian Northern Economic Development Agency (CanNor)

**Stage 1 Mining Operations Commenced April 2021**

- Canada's first rare earth producer
- North America's second rare earth mine

* Investors should note that the Mineral Resources and Reserves estimates for Kiipawa and Wigu Hill rare earth Projects are foreign estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify these foreign estimates as a mineral resource or reserve in accordance with the JORC Code and it is uncertain that following further exploration or evaluation work that the foreign estimate will be able to be reported as a mineral resource or reserve in accordance with the JORC Code

# Company Overview


| Capital Structure | |
|---|---|
| ASX Code | VML |
| Shares on Issue | 4,165m |
| Options on Issue | 432m |
| Share Price (as 23 September 2021) | $0.06 |
| Market Capitalisation | $254m |
| Cash (30 June 2021) | $34.9m |

| Board and Management | |
|---|---|
| Geoff Atkins | Managing Director |
| Evan Cranston | Chairman |
| James Henderson | Non-executive Director |
| Tony Hadley | Chief Operating Officer |
| Mathew Edler | Executive Vice President – Corporate Development |
| Ray Anguelov | Canada Operations Manager |

# Vital's leaders are world experts in developing rare earth projects

## Senior Management

**GEOFF ATKINS**
Managing Director

25 years of project and corporate development experience including four (4) years as Corporate Planning Manager at Lynas Corporation where he oversaw the development of and implementation of the strategic planning process and the development of the Mt Weld Concentration Plant and Lynas Advance Materials Plant in Malaysia.

**TONY HADLEY**
Chief Operating Officer

Over 25 years metallurgical process experience including General Manager, Mt Weld where he successfully designed and commissioned the world's first rare earth phosphate flotation concentrator and General Manager, Browns Range where he successfully designed and commissioned the world's first heavy rare earth process plant for xenotime feedstock.

**MATHEW EDLER**
Executive VP Corporate Development

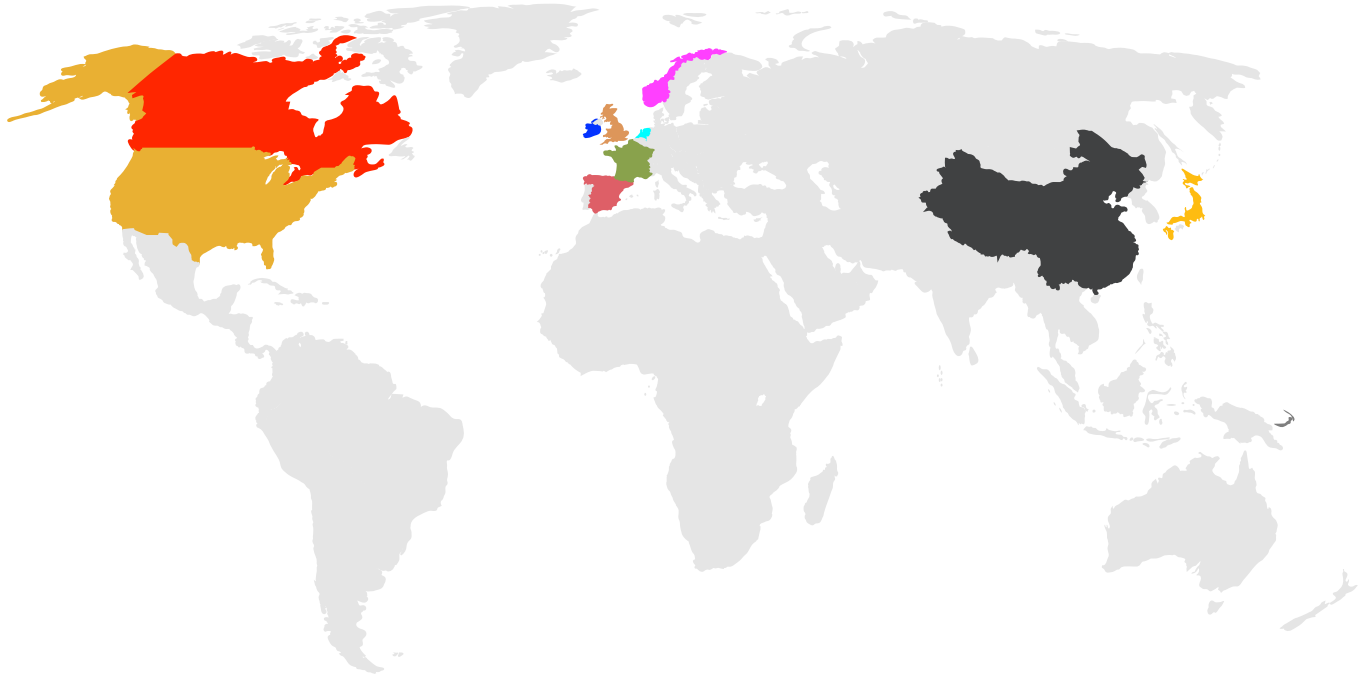
Former General Manager for Lynas Corporation and was responsible for all in-country activities for the Kangankunde rare earth project – Malawi.

**RAY ANGUELOV**
Canada Operations Manager

Over 25 years metallurgical process experience. Ray started as the senior metallurgist at North Minerals in 2018 and was later promoted to metallurgical superintendent. Ray was involved will all aspects of the day to day operations including plant commissioning and optimisation, and managing test work programs, metallurgical accounting, plant safety audits.

# Emissions legislations and international co-operation is driving electric vehicle demand

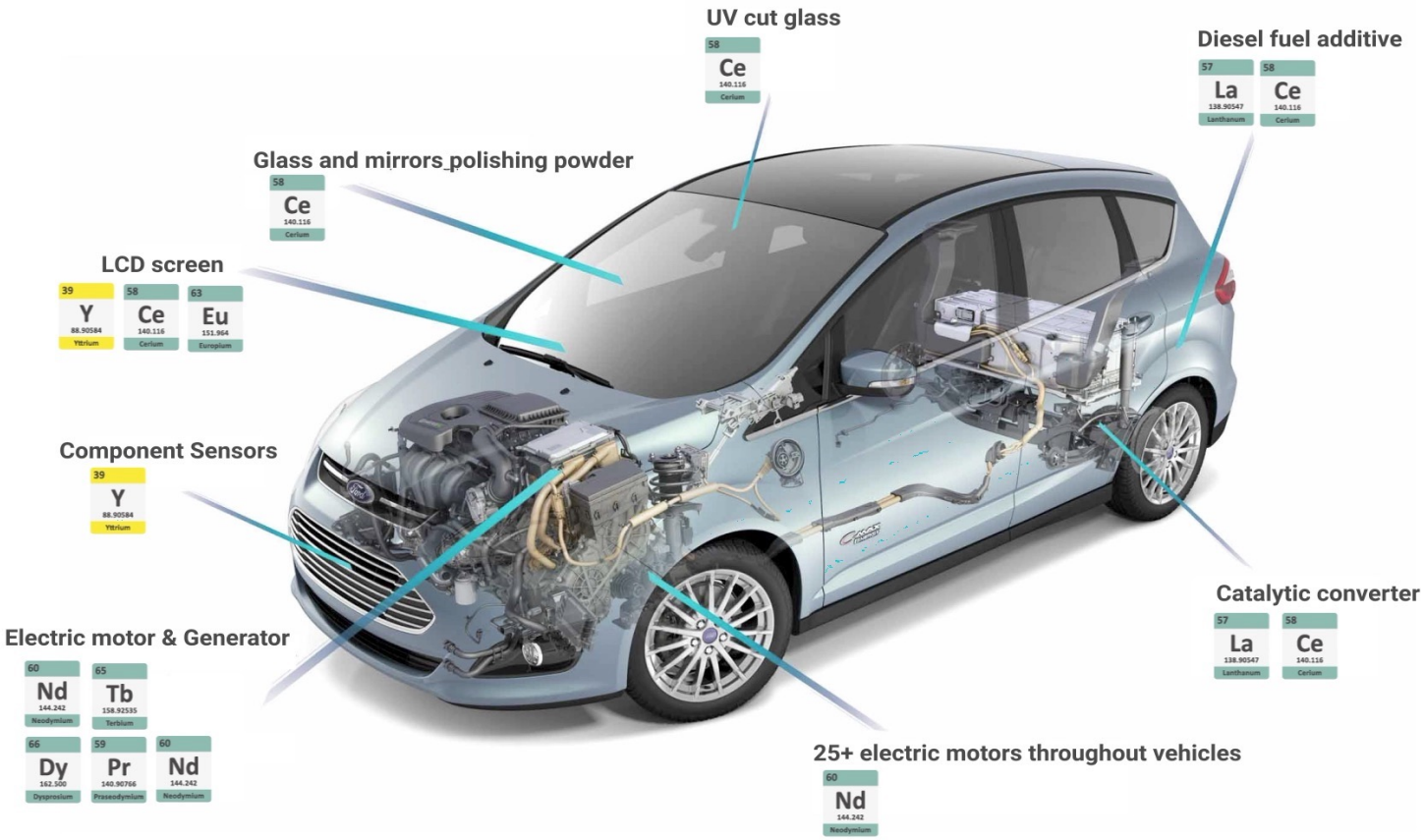
## Global Critical Minerals Initiatives



- USA: California ICE sales ban by 2035
- Spain: Sales ban by 2040
- Japan: ICE sales ban by ~2035
- UK: Sales ban by 2030
- China: Hainan Provence ICE sales ban by 2030
- France: Sales ban on ICE by 2040
- Norway: Sales ban of ICE by 2025
- Netherlands:Sales ban of ICE by 2030
- Ireland: Sales ban of ICE by 2030
- Canada: Target 100% Electric vehicles by 2040

# The drive towards vehicle electrification is dependant on electric motors and their rare earths

## The Link between EVs and Rare Earths




Source: UBS Electric Car Teardown May 2017

# Vital's Canada base can supply to customers in Europe, North America and Asia

## Vital's Rare Earth Supply Chain

# Vital will provide a one stop shop for the rare earth supply chain, supply both light and heavy rare earths

CHEETAH RESOURCES

NORTH T

TARDIFF

WIGU HILL

KIPAWA

OTHER ?

## Rare Earth Carbonate Production

Through its extraction facilities, Vital will produce a mixed rare earth product of guaranteed quality

vital METALS

## One-Stop Shop

CHEETAH RESOURCES

With access to a portfolio of deposits, Vital will guarantee the rare earth supply chain both overall quantities in addition to the specific demands for light and heavy rare earths

## Downstream Rare Earth Supply Chain

REETEC

CUSTOMER 2?

CUSTOMER 3?

CUSTOMER 4?

CUSTOMER 5?

# Vital's development strategy will ensure Vital is able to guarantee the supply of the full suite of rare earths to the global supply chain

## Vital's 3 Stage Development Strategy

**Stage 1: Foundations**
**Project Start-up: Nechalacho North T**

- Demonstrate the ability to supply rare earth feedstock at specification
- Generate positive cashflow to fund expansion

**Stage 2: Expansion and Growth**
**Nechalacho Tardiff**

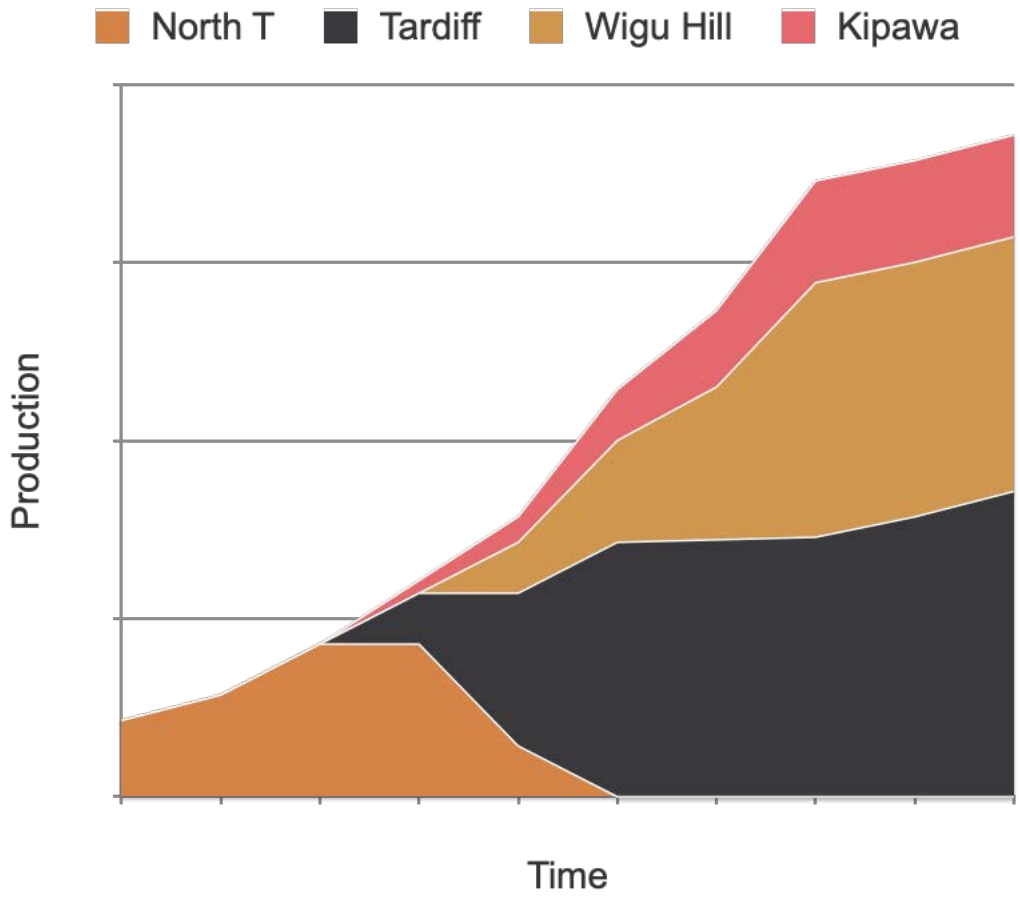
- Long term/large scale commercial operation providing long term security to the rare earth supply chain

**Wigu Hill**

- Expansion capability through additional project
- Multiple projects enable flexibility to react quickly to changes in market and customer requirements

**Stage 3: Heavy Rare Earth Production**
**Kipawa**

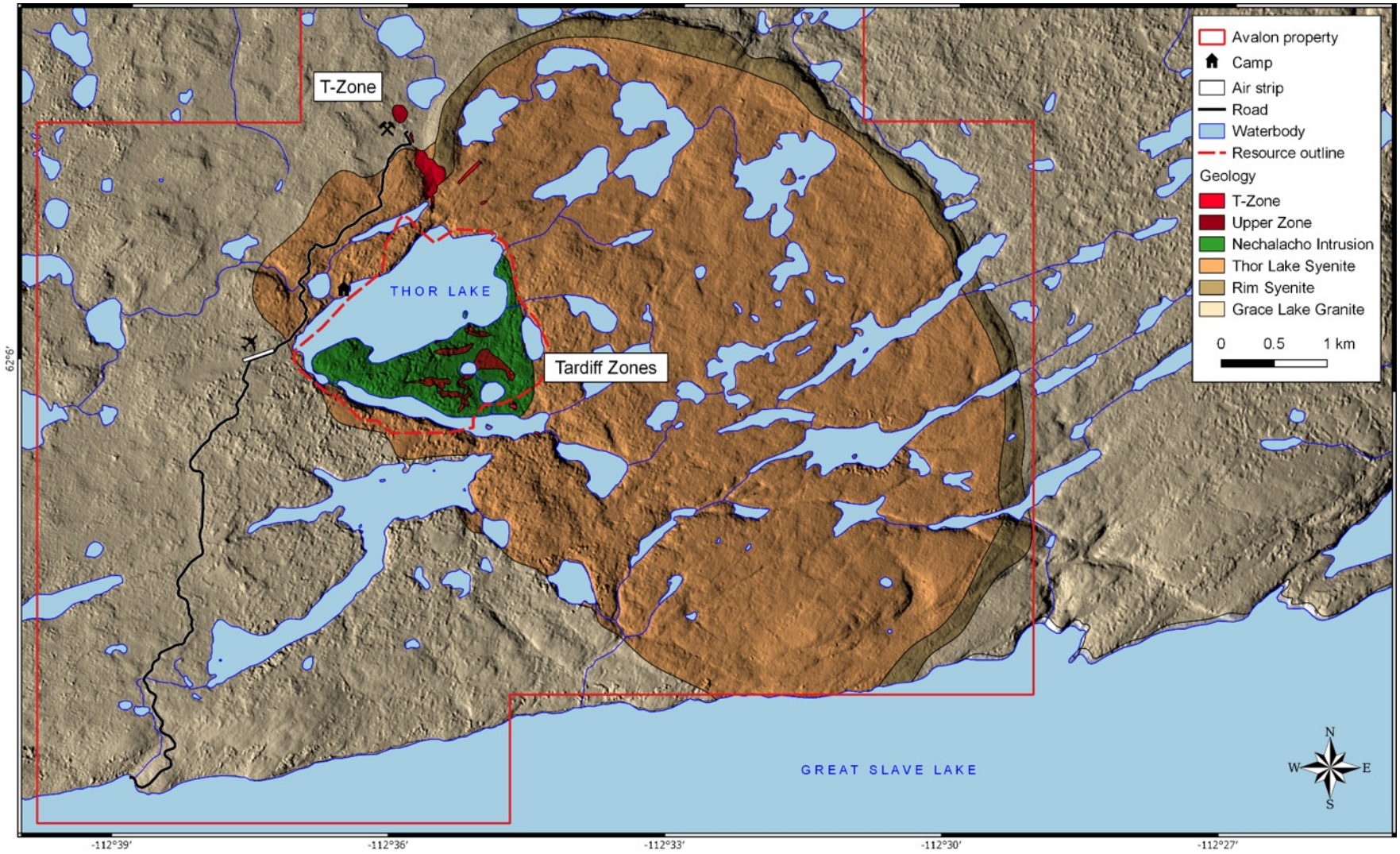
- Enable Vital to be a single stop shop for the supply of the full suite of rare earths



# Implementation Stage 1:
# Building the Foundations to Success

- Nechalacho North T
- Mining Operations commenced April 2021
- Product bagged and ready to ship for further processing
- Expansion to be funded from the sale of Mixed RE Carbonate

# The Nechalacho project consists of two distinct zones, the T Zone and Tardiff Zone



# Mining and sorting operations are underway

## Site Status






# Nechalacho North T Operations are on track to deliver product to Saskatoon for production of RE Carbonate

**Campaign mining operations nearing completion**

- Over 30,000t of ore has been mined and stockpiled from the North T pit
- Mining has exposed high grade ore zones which were not part of our existing North T mineral resource
- Mining fleet commencing demobilisation at end of September

**Ore Sorter operating as expected**

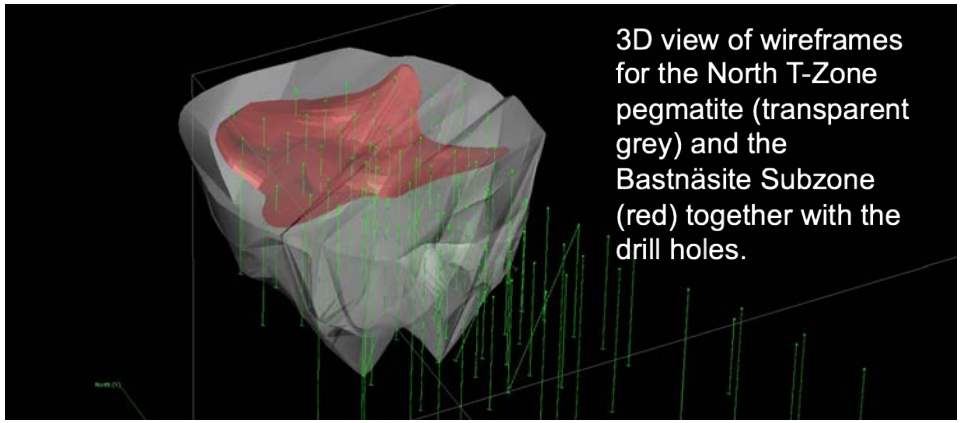
- Commissioning successfully completed
- Ongoing production and bagging of beneficiated product has in line with expectations
- Barge access in summer, ice road in winter

**Beneficiated Product being prepared for transport to Saskatoon**

- Vital expects to ship approximately 1,000t of beneficiated product to Saskatoon
- High grade ore has been crushed and direct bagged due to grade being higher than expected
- Upper Zone acquired for C$5M in 2018

# The North T Zone is one of the world's highest grade rare earth deposits making it ideal for start-up

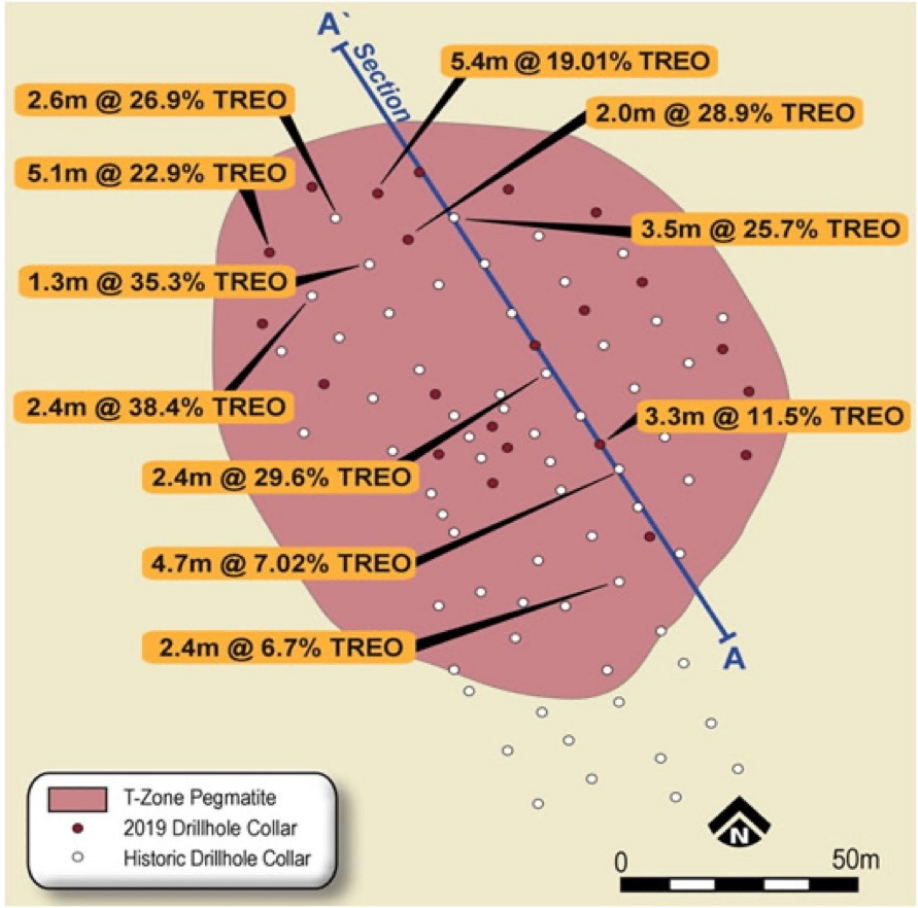
## North T Resource



3D view of wireframes for the North T-Zone pegmatite (transparent grey) and the Bastnäsite Subzone (red) together with the drill holes.

| Resource Type | Kt | LREO (%) | $Pr_6O_{11}$ (%) | $Nd_2O_3$ (%) |
|---|---|---|---|---|
| Measured | 68 | 9.6% | 0.5% | 1.8% |
| Indicated | 33 | 7.8% | 0.4% | 1.5% |
| Inferred | 4 | 5.8% | 0.3% | 1.1% |
| Total | 105 | 8.9% | 0.5% | 1.6% |

Light Rare Earth Mineral Resources of the Nechalacho North T Bastnaesite Sub-zone. Mineral Resource Estimation prepared in accordance with JORC 2012 under the supervision of Brendan Shand, member of AusIMM as the Competent Person. The cut-off grade for the resource estimate is preliminary, at pre-scoping study level, as no detailed market, metallurgical or engineering studies have been performed. . Refer to ASX announcements dated 25 June 2019, 5 December 2019, 13 December 2019, 19 February 2020 and 15 April 2020.

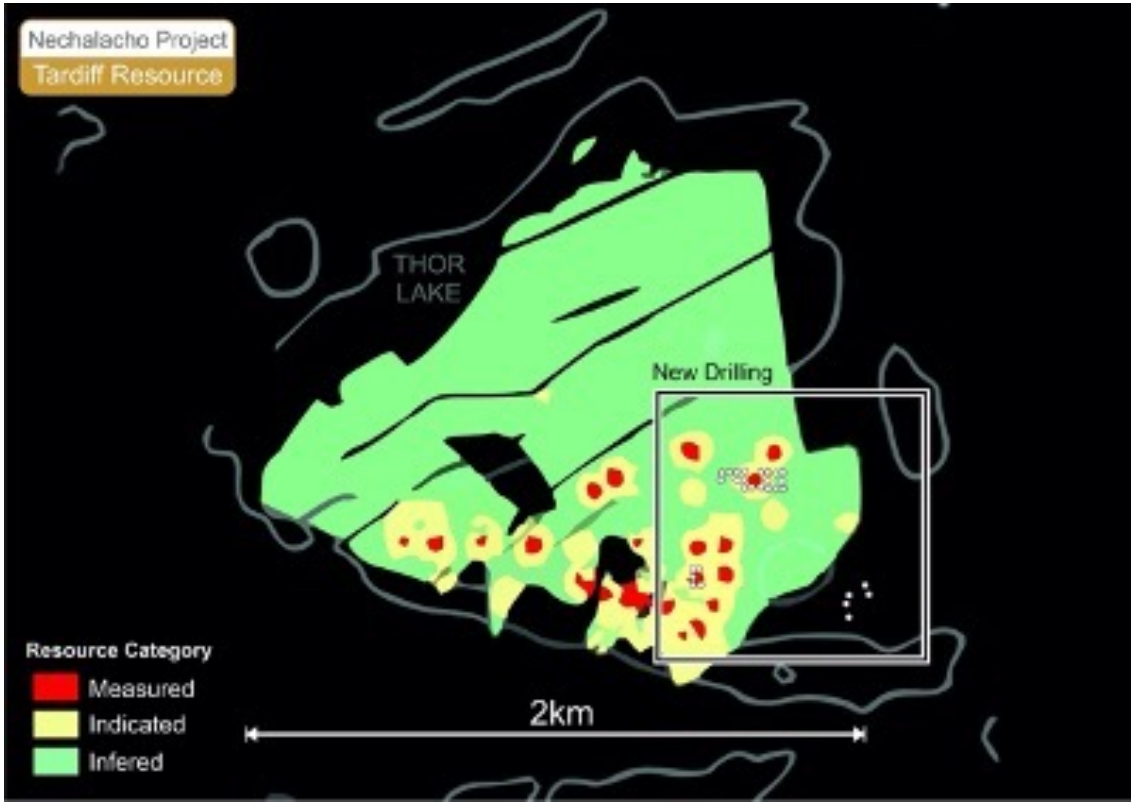


# Implementation Stage 2: Expansion and Growth

- Long term growth and expansion through the development of Tardiff and Wigu Hill projects
- Production targeted to commence 2025
- Expansion to be funded from the balance and debt funding

# The Nechalacho project contains over 1.3Mt of contained rare earths, providing opportunities for significant expansion

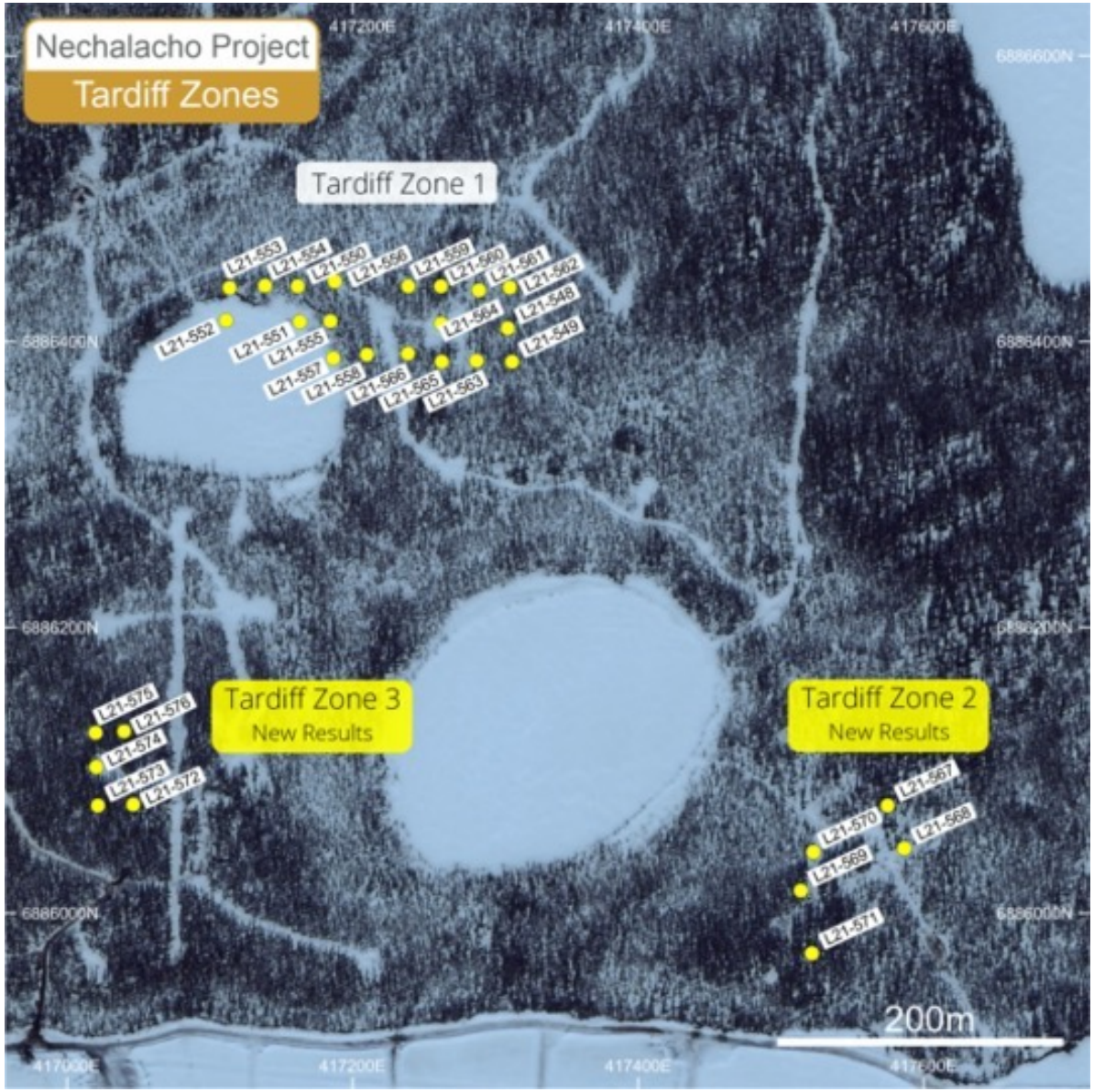
## Nechalacho - Tardiff Deposit



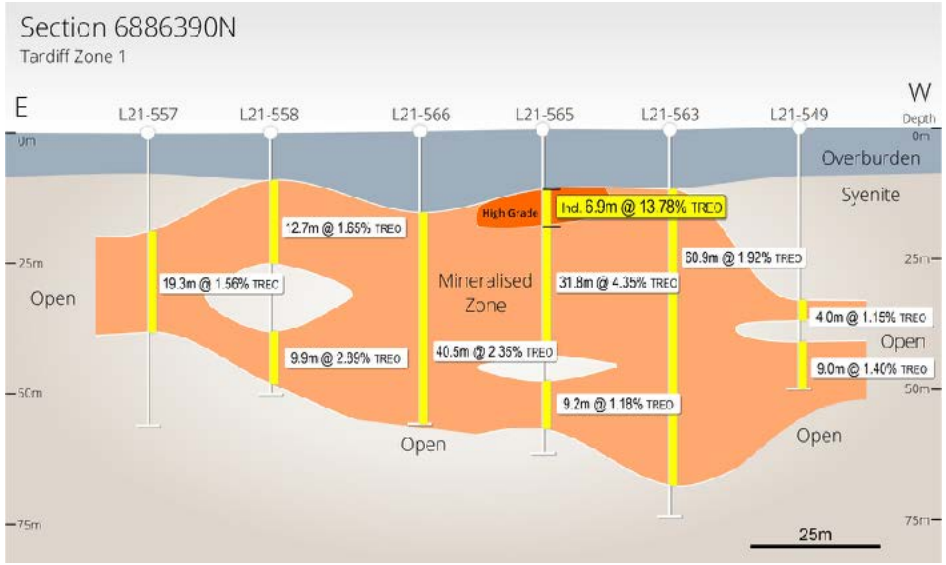

| ZONE | MT | TREO (%) | HREO (%) | NdPr:TREO (%) |
|---|---|---|---|---|
| Measured | 2.914 | 1.468% | 0.142% | 24.9% |
| Indicated | 14.662 | 1.508% | 0.161% | 24.9% |
| Inferred | 77.159 | 1.456% | 0.133% | 25.3% |
| Measured, Indicated and Inferred | 94.735 | 1.464% | 0.134% | 25.2% |

Refer to ASX announcements dated 25 June 2019, 19 February 2020 and 14 April 2020

# Expansion operations will be focussed on Tardiff Zones 1, 2 and 3

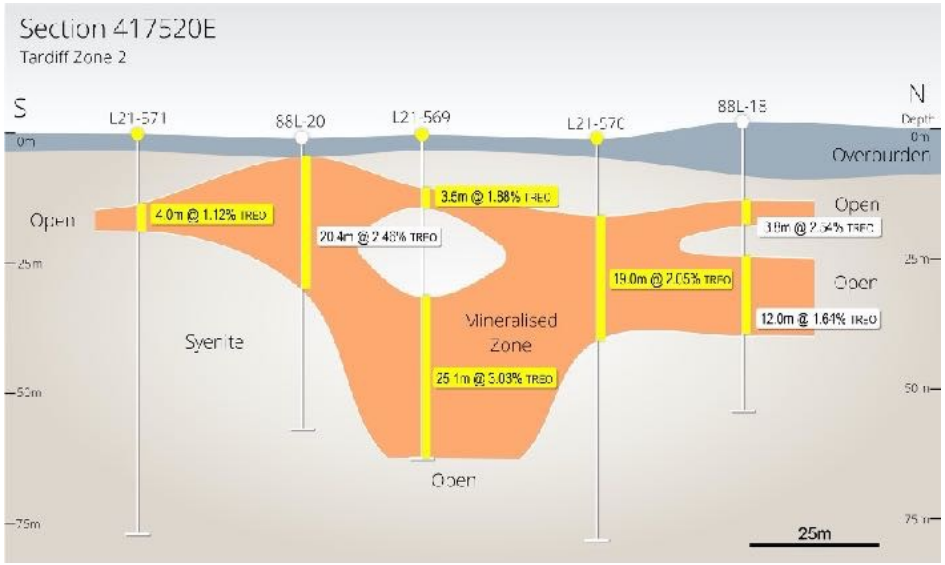


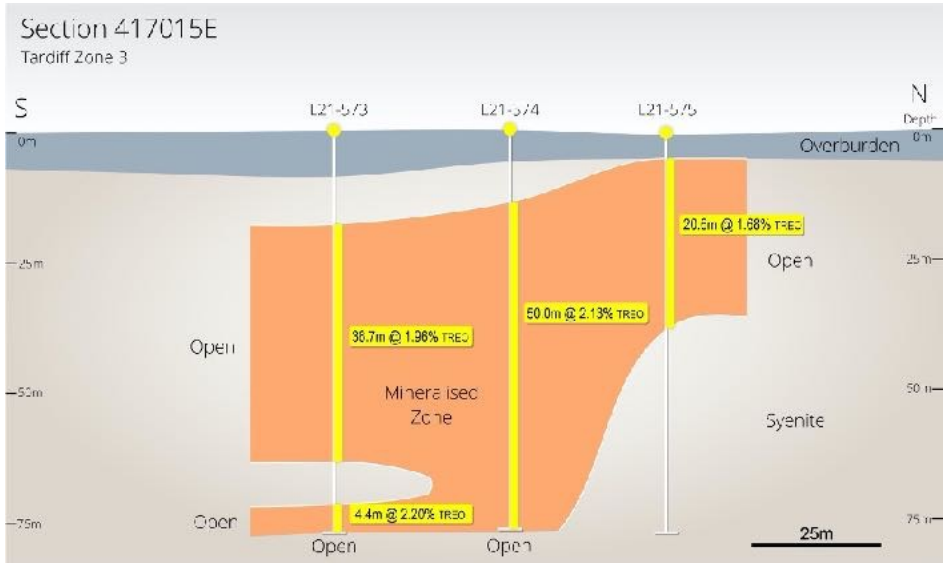
# Recent drilling at the Tardiff Zones have identified significant intercepts with all three zones open




High grade intercepts include:

- 31.8m @ 4.35% TREO including 6.9m @ 13.78% TREO
- 13m @ 3.12% TREO including 4m @ 7.06% TREO
- 25.1m @ 3.03% TREO
- 25.8m @ 2.56% TREO
- 40m @ 2.54% TREO
- 51.0m @ 2.13% TREO
- 19.0m @ 2.05% TREO
- 60.0m @ 1.92% TREO



# Tardiff zone mineralogy will allow rapid development by utilising the same plant and equipment as North T

## Tardiff Zone

**Development of the Tardiff Zone will be leveraged off the North T project**

- The Tardiff Zone contains red basnaesite crystals similar to the North T Deposit (refer image)
- Preliminary metallurgical test work has demonstrated the amenability of Tardiff ore to North T's process flowsheet
- With rare earth contained in the same minerals as the North T deposit, the Tardiff Zone will be a scaled up version of the North T project

**Development timelines to be fast tracked**

- Utilising operational infrastructure will enable the fast tracking of process test work
- Construction of an expanded operation will be funded through North T sales
- Operations are targeted to commence by 2025

# The Wigu Hill Project (90%) is targeted as VML's second rare earth project to enter production

**Excellent Infrastructure**

- Rail and power within 10km of project

**Previous Owners spent US$10m+**

- Acquired rights for US$1m in 2018

**Potential to be a large world class resource**

- Current high grade NI43-101 resource of 3.3Mt at 2.6%*

**Mineralisation widespread over entire hill with only 2 out of 10 known targets drilled**

**Barrick and Tanzania Government recently resolved mining issues**

**Vital to target Wigu Hill to be the second rare earth project to enter production**

*Refer foreign estimate cautionary statement on page 4

# Similar to Nechalacho's T Zone the Twiga deposit contains large, discrete bastnaesite crystals

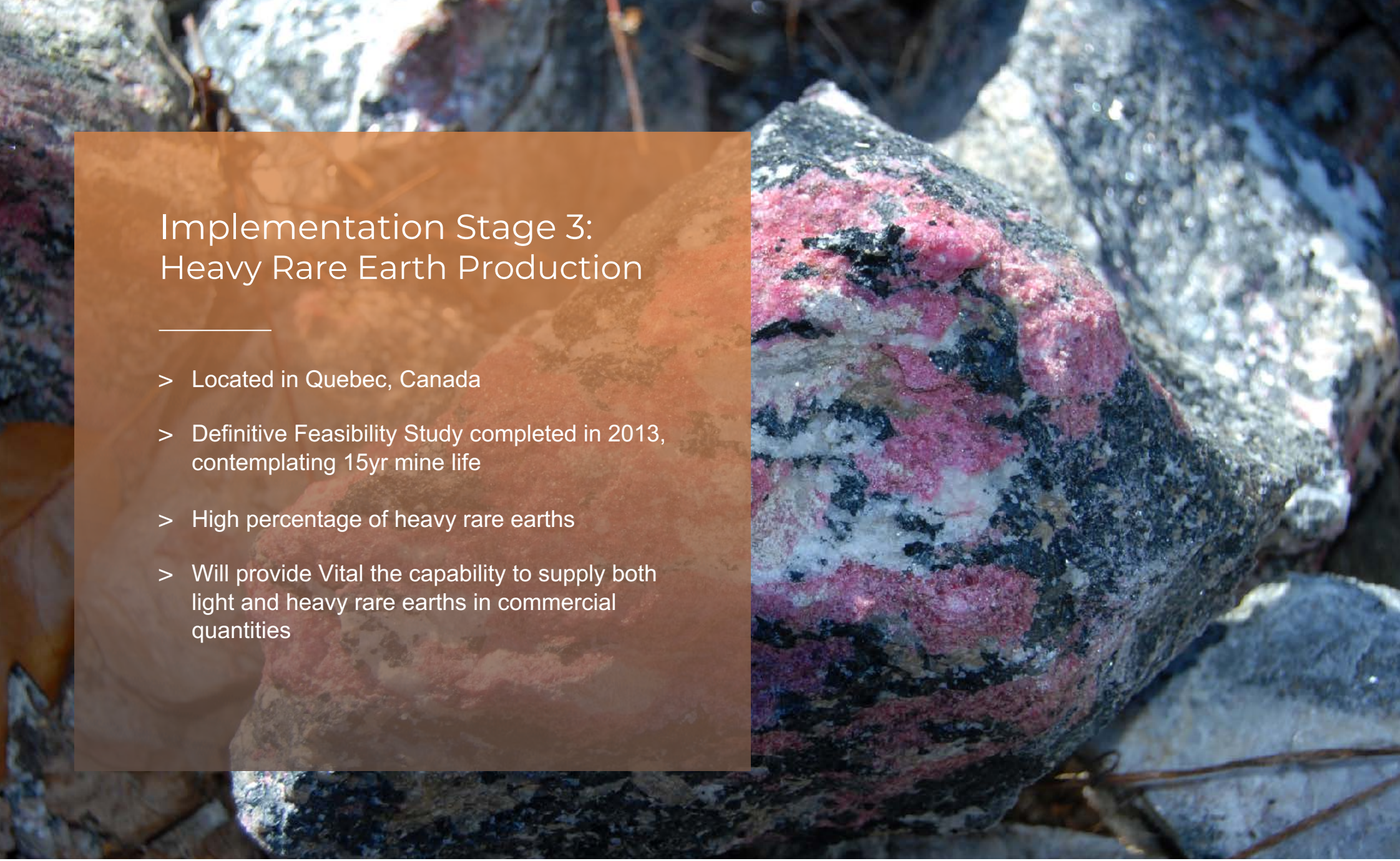
# Drilling completed on 2 of 8 development targets providing the potential for expansion of the resource

## Wigu Hill contains a historical NI43-101 Resource of 3.3M @ 2.6%REO*

| ZONE | MT | TREO (%) | LA2O3 % | CEO2 % | PR6O11 (%) | ND2O3 (%) |
|---|---|---|---|---|---|---|
| Twiga NE | 1.6 | 2.6% | 0.98% | 1.26% | 0.1% | 0.23% |
| Twiga SW | 0.5 | 3.6% | 1.33% | 1.71% | 0.13% | 0.3% |
| Tembo NW | 0.9 | 2.2% | 0.78% | 1.09% | 0.09% | 0.23% |
| Tembo SE | 0.2 | 2.2% | 0.69% | 1.1% | 0.1% | 0.27% |
| Total Inferred Resource | 3.3 | 2.6% | 0.96% | 1.27% | 0.1% | 0.24% |

1. The effective date for this Inferred Mineral Resource Statement is 25 August 2011 and reported on SEDAR (contained in a Canadian National Instrument NI 43-101 Technical Report by AMEC Earth and Environmental UK Ltd.).
2. A selective mining unit (SMU) size of 3m by 3m by 3m was assumed when creating the block model.
3. Reported grades are based on consideration of the grades of mineralised material and weakly to non-mineralised wallrock material estimated to fall within each SMU
4. The reported Mineral Resource is based on a grade cut-off of 1.0% LREO5 (sum of estimated grades of La2O3, CeO2, Pr6O11, Nd2O3 and Sm2O3).
5. The Mineral Resources for the Twiga and Tembo deposits have been constrained by an optimised pit shell defined by the following assumptions, slope angles of 50o; a mining dilution of 0% (already incorporated in the SMUs); a mining cost of USD2.85/t; process operating costs of USD12.0/t; G&A costs of USD3.0/t of resource, with a 90% recovery of REOs to a 45% LREO5 bastnaesite concentrate; and a concentrate price of USD10/kg

*Refer foreign estimate cautionary statement page 4



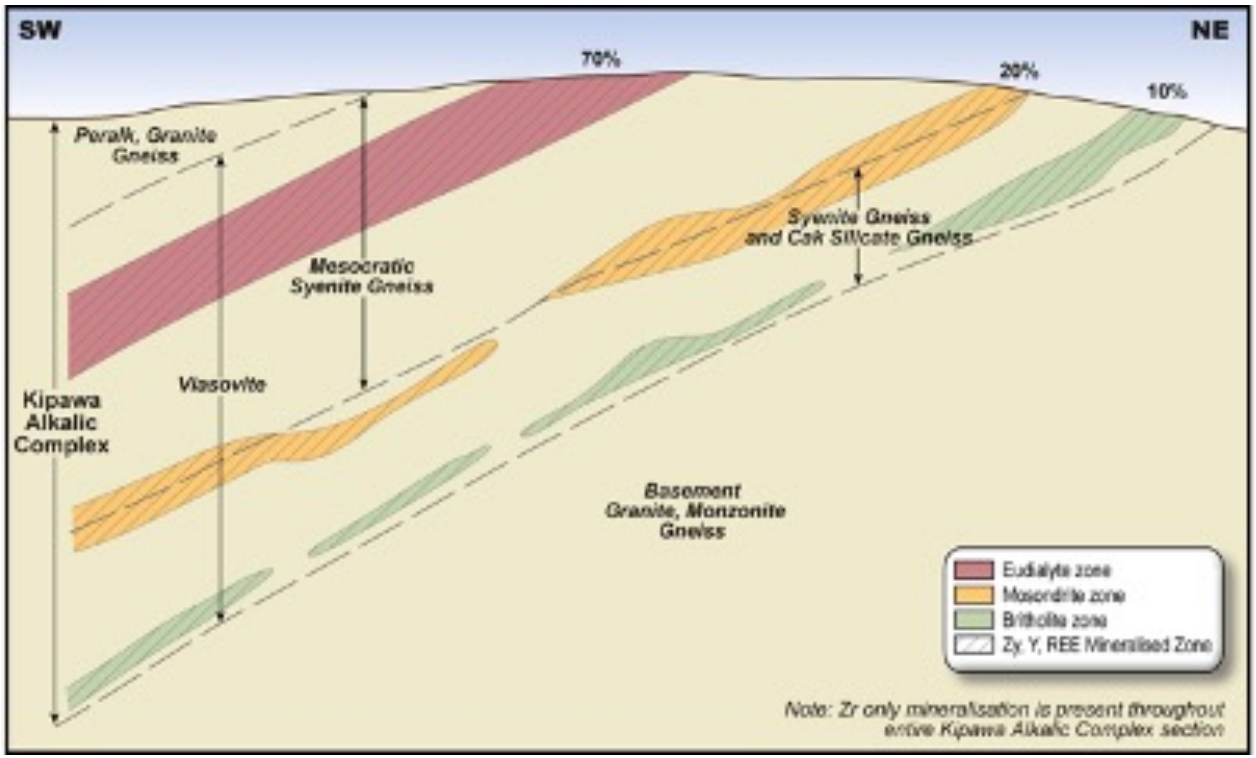
# Implementation Stage 3: Heavy Rare Earth Production

- Located in Quebec, Canada
- Definitive Feasibility Study completed in 2013, contemplating 15yr mine life
- High percentage of heavy rare earths
- Will provide Vital the capability to supply both light and heavy rare earths in commercial quantities

# The Kipawa project lies 50km east of the town of Temiscaming and 140km south of Rouyn-Noranda Quebec

# Kipawa is a heavy rare earth project, which will complement our existing LREE deposits

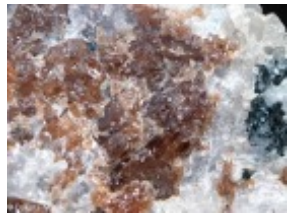
## Mineralisation




Eudialyte: Y-Fe-Zr
Source of HREE and Zr

Yttro-Titanite/Mosandrite: Na-Ca-Ti silicate
Source of HREE

Britholite:
Ca-Y-Fe silico-phosphate
Source of HREE



# The high distribution of HRE at Kipawa has the potential to make VML the first suppler of LRE and HRE outside of China

## Rare Earth Distribution

- The addition of Kipawa into Vital's project portfolio will provide a significant increase in heavy rare earth production.
- From 1,000t TREO/yr production, Kipawa will produce more terbium and dysprosium that a 5,000t TREO/yr operation at Tardiff will achieve
- This will make Vital the only producer of the full suite of rare earths outside of China
- This will position VML has a key strategic player in the North American rare earth supply chain
- The introduction of heavy rare earths into our product suite will increase the value of the rest of our offering as we will be a single source of supply of rare earths

| | $/kg (23 Sep 2021)[3] | North T[1] | | Tardiff[1] | | Kipawa[2] | |
|---|---|---|---|---|---|---|---|
| | | % REO | $/kg | % REO | $/kg | % REO | $/kg |
| $La_2O_3$ | $1.35 | 23.95% | $0.32 | 23.19% | $0.31 | 14.32% | $0.19 |
| $Ce_2O_3$ | $1.41 | 49.62% | $0.70 | 44.7% | $0.63 | 29.10% | $0.41 |
| $Pr_6O_{11}$ | $102.32 | 5.42% | $5.55 | 5.1% | $5.22 | 3.56% | $3.64 |
| $Nd_2O_3$ | $96.53 | 18.1% | $17.47 | 18.7% | $18.05 | 13.40% | $12.93 |
| $Sm_2O_3$ | $3.08 | 1.88% | $0.06 | 2.83% | $0.09 | 3.00% | $0.09 |
| $Eu_2O_3$ | $30.12 | 0.15% | $0.05 | 0.26% | $0.08 | 0.37% | $0.11 |
| $Gd_2O_3$ | $39.54 | 0.64% | $0.25 | 1.97% | $0.78 | 2.90% | $1.15 |
| $Tb_4O_7$ | $1,305.04 | 0.05% | $0.65 | 0.2% | $2.61 | 0.54% | $6.99 |
| $Dy_2O_3$ | $409.27 | 0.1% | $0.41 | 0.64% | $2.62 | 3.58% | $14.65 |
| $Ho_2O_3$ | $145.95 | 0.01% | $0.01 | 0.08% | $0.12 | 0.78% | $1.14 |
| $Er_2O_3$ | $31.74 | 0.01% | $0.00 | 0.12% | $0.04 | 2.46% | $0.78 |
| $Tm_2O_3$ | | | 0 | | $0.00 | 0.39% | $0.00 |
| $Yb_2O_3$ | $20.85 | | $0.00 | 0.04% | $0.01 | 2.34% | $0.49 |
| $Lu_2O_3$ | $756.77 | | $0.00 | 0.01% | $0.08 | 0.32% | $2.40 |
| $Y_2O_3$ | $6.56 | 0.06% | $0.00 | 2.19% | $0.14 | 22.97% | $1.51 |
| TREO | | | $25.48 | | $30.77 | | $46.47 |

**Rare Earth Oxide distribution at Current Prices**

[1]Rare earth distribution of North T and Tardiff zones as determined under the Vital's 2012 JORC Report (refer 15 April 2020) and as detailed in announcement 2nd February 2021.

[2] Rare earth distribution of Kipawa 2013 Feasibility Study (refer https://www.qpmcorp.ca/en/projects/kipawa/)

[3] Rare earth prices sourced from Shanghai Metals Market (www.metal.com) as at 23rd September 2021

# The Reserves contains an estimated 15+ years of mine life

## Resource and Reserves*

| ZONE | Classification | Tones | TREO (%) | $ZrO_2$ |
|---|---|---|---|---|
| Eudialyte | Measured | 6,024,000 | 0.529 | 0.959 |
| | Indicated | 7,790,000 | 0.387 | 0.842 |
| | Inferred | 1,678,000 | 0.312 | 0.710 |
| | **Total** | **15,492,000** | **0.434** | **0.873** |
| Mosandrite | Measured | 3,135,000 | 0.396 | 1.019 |
| | Indicated | 2,790,000 | 0.379 | 1.029 |
| | Inferred | 409,000 | 0.431 | 0.940 |
| | **Total** | **6,334,000** | **0.391** | **1.018** |
| Britholite | Measured | 1,278,000 | 0.309 | 0.940 |
| | Indicated | 2,725,000 | 0.284 | 0.957 |
| | Inferred | 1,088,000 | 0.264 | 0.915 |
| | **Total** | **5,091,000** | **0.286** | **0.944** |

| Classification | Tones | TREO (%) |
|---|---|---|
| Proven | 10,218,867 | 0.440 |
| Probable | 9,550,047 | 0.379 |
| **Total** | **19,768,914** | **0.411** |

*Refer foreign estimate cautionary statement on page 4.

# Rare Earth Carbonate Production Building the Foundations to Success

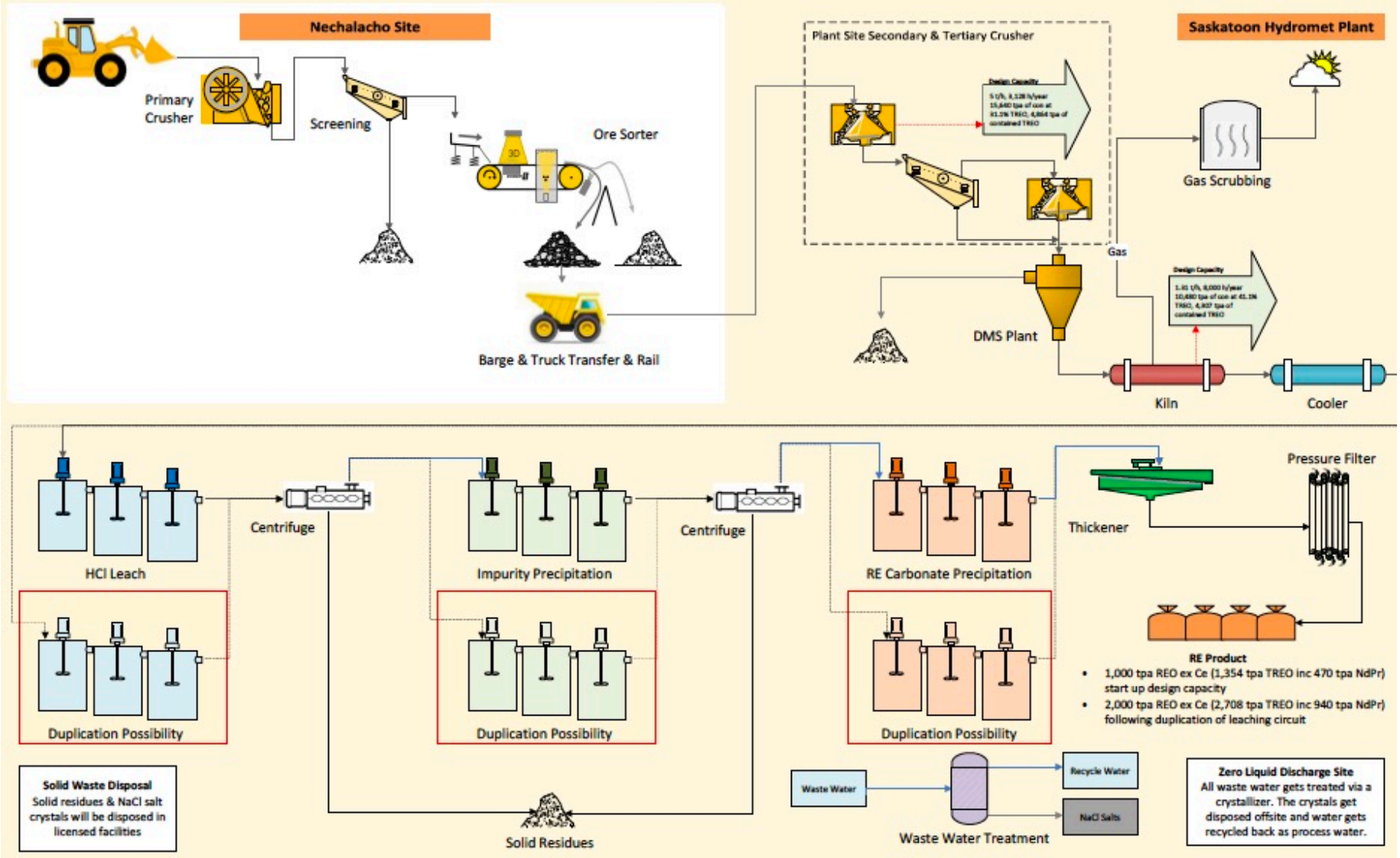
- Saskatoon Extraction Plant Under Construction
- Procurement of all key equipment complete
- First feed on track for end of 2021
- Expansion to be funded from the sale of Mixed RE Carbonate

# Vital's rare earth Extraction Plant is on track to accept first feed by the end of 2021

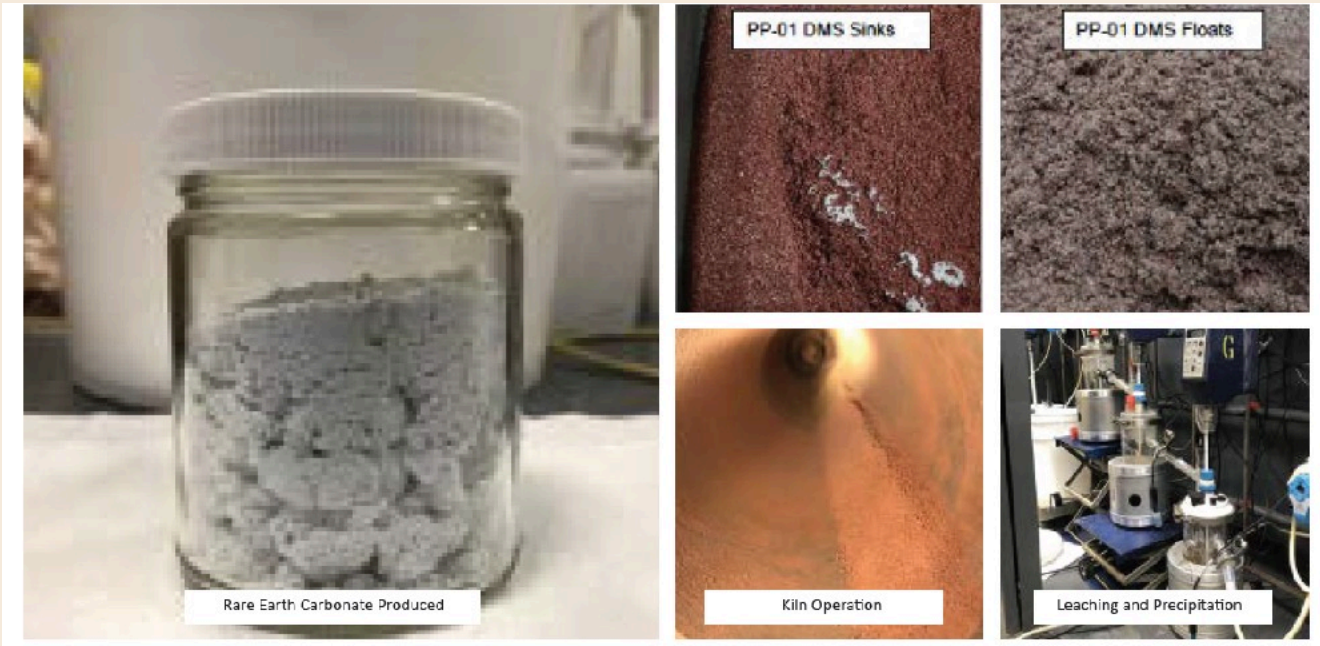
## Saskatoon Plant Update

- Construction is underway on Vital's rare earth extraction Plant in Saskatoon, Saskatchewan, Canada
- All major processing equipment procured within budget with agreements/purchase orders issued for equipment including the following:
  - Dense Media Separation (DMS)
  - Calciner
  - Waste Gas Scrubber
  - Hydromet Tanks
  - Centrifuges
  - Candle Filters
- Halyard International have been engaged to oversee project management and general engineering of the facility
- Saskatchewan Research Council (SRC) to provide technical support during plant construction and operation
- First feed into the plant is on track CY21 with first production by the end of H1 CY22

# The Plant will have an initial capacity of 1,000t REO (ex-Cerium) per year with to double within 2 years



# The majority of equipment has been scaled for expanded operations reducing future capex




**RE Extraction Plant Construction and Operation Term Sheet**

- All equipment procured has been scaled for expanded operations with the exception of the leaching tanks
- First feed is on track to occur December 2021
- Plant commissioning to continue 2022 with first product forecast to be produced June 2022
- Following initial ramp-up, plant expansion will be able to occur, doubling production capacity

**SRC Rare Earth Processing Facility**

- The Government of Saskatchewan and SRC announced C$31M in funding for the construction of a Rare earth Processing Facility in Saskatoon, Saskatchewan
- The facility will include the construction of a Rare Earth Separation Plant
- The Plant will convert rare earth product feedstock, similar to that produced by VML's plant, into separated rare earth oxides

# A definitive Off-Take Agreement has been signed with REEtec for the supply of a base 1,000t REO (ex-Cerium)

## Off-Take Agreement

- Definitive Off-Take Agreement signed with REEtec for a base of 1,000t REO (ex-Cerium) per annum for a period of 5 years
- Option to increase off-take to 5,000t REO/yr for a period of 10 years (subject to a corresponding supply agreement)
- This provides the cornerstone customer for rare earths produced during Stage 1 operations, with the option to also cornerstone the development of Stage 2
- Pricing mechanism sees Vital and REEtec share the total sales price achieved through a combination of reimbursement of operating costs and a share of margin
- REEtec has developed a proprietary and sustainable process for the manufacture of rare earth elements
- REEtec was founded by Scatec Innovation, a serial entrepreneur in renewable energy and advanced materials

scatec innovation REEtec

| Element | REEtec (ex-Cerium) Distribution (%)[1] | Market Price (as at August 24, 2021) US$/kg[2] | Market Price (as at September 23 2021) US$/kg[3] |
|---|---|---|---|
| $La_2O_3$ | 47.4% | $1.41 | $1.35 |
| $Pr_6O_{11}$ | 10.4% | $101.46 | $102.32 |
| $Nd_2O_3$ | 34.3% | $96.44 | $96.53 |
| $Sm_2O_3$ | 3.5% | $2.08 | $2.08 |
| $Eu_2O_3$ | 0.4% | $30.09 | $30.12 |
| $Gd_2O_3$ | 1.5% | $39.73 | $39.54 |
| $Tb_4O_7$ | 0.2% | $1,273.05 | $1,305.04 |
| $Dy_2O_3$ | 0.5% | $405.06 | $409.27 |
| $Y_2O_3$ | 1.4% | $6.56 | $6.02 |
| **Total** | **100%** | **$49.75** | **$49.92** |

**Separated Rare Earth Oxides at Current Prices**

[1]Rare earth distribution as determined under the Company's 2012 JORC Report (refer 15 April 2020) and as detailed in announcement 2nd February 2021

[2] Rare earth prices sourced from Shanghai Metals Market (www.metal.com) as at 24th August 2021

[3] Rare earth prices sourced from Shanghai Metals Market (www.metal.com) as at 23rd September 2021



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# Vital is be capable of supplying both heavy and light rare earths to rare earth supply chains

## Conclusion

**Work Class Rare earth Development Team - ex Lynas Corporation**

- Lead by Vital Metals MD Geoff Atkins

**3 World Class Projects**

- Nechalacho REO Project (Canada): 95Mt at 1.46% TREO
- Kipawa (Canada)*: Reserve 19.7 Mt at 0.41% TREO*
- Wigu Hill (Tanzania)*: 3.3Mt at 2.6% TREO*

**Flexibility and Scaleability to Meet Market Demand**

- Wigu Hill project to provide additional ability to increase scale of production and the flexibility to react quickly to increased market demand

**Vital to be capable of guaranteeing the supply of the full suite of rare earth**

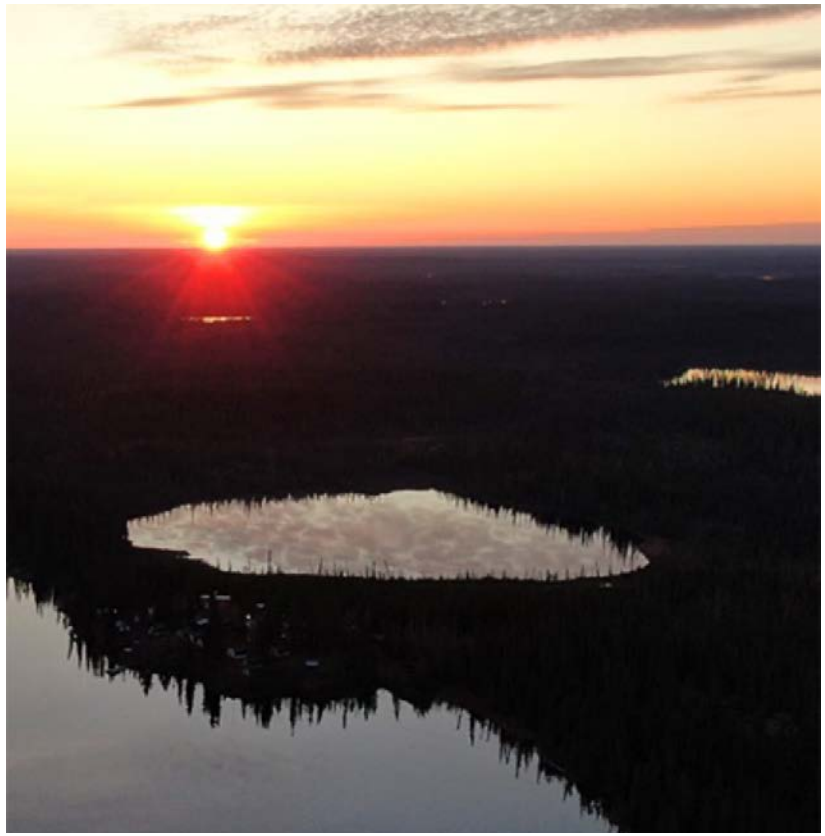
- Kipawa to meet demand for heavy rare earths

**Near Term/Low Cost Production**

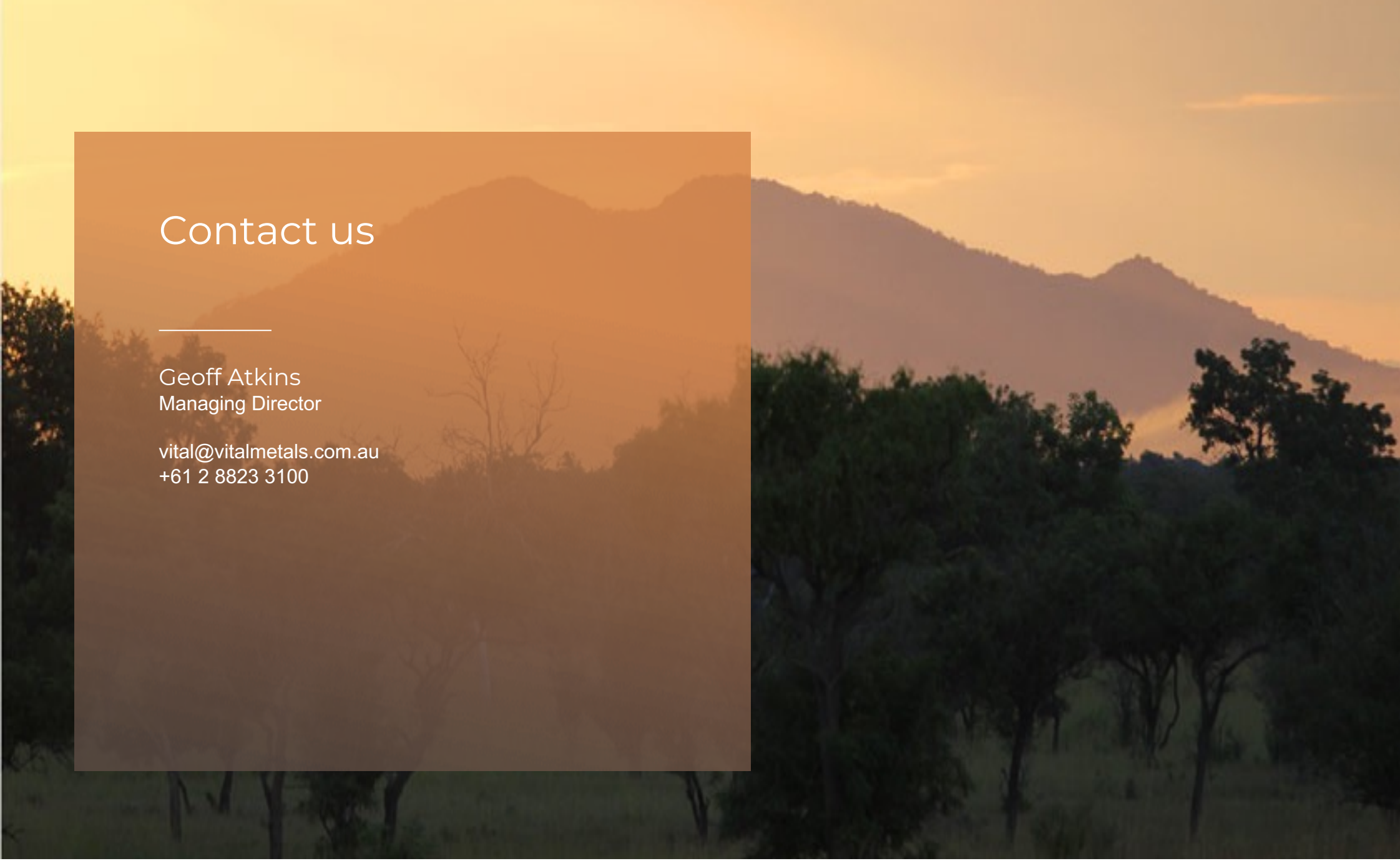
- Nechalacho's North T project is on track to commence production in 2021

**Expansion Funded through Cashflow**

- Revenue from the North T projectile be used to fund both the increase in production volumes from Nechalacho but also the development of new projects



*Refer foreign estimate cautionary statement on page 4.



# Contact us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