

Vital Metals' September 2025 Quarterly Activities Report

Highlights:

- Secured A\$6.8 million funding via a two-tranche strategic placement to advance test work and studies at its Nechalacho Rare Earths and Niobium Project in Canada.
- Received firm commitments for an additional A\$5.6 million placement, subject to shareholder approval.
- David Dikken and Douglas MacLennan joined the Board as Non-Executive Directors, nominees of Strategic Resources, which invested A\$3 million in Tranche 1 of the placement.
- Experienced executives Alexius Chan and Andrew Nesbitt also joined the VML Board as Non-Executive Directors.
- MD and CEO Lisa Riley appointed Interim Chair, replacing Richard Crookes.
- Vital now has a refreshed Board and funding in place to drive the development of its Nechalacho Project in Canada.

Vital Metals Limited (ASX: **VML**) ("**Vital**", "**Vital Metals**" or "**the Company**"), an advanced stage exploration/development rare earths company, is pleased to report on its activities for the September 2025 quarter, including at its 100%-owned Nechalacho Rare Earths and Niobium Project in Yellowknife, Northwest Territories, Canada ("**NWT**").

The Tardiff deposit at Nechalacho has a Mineral Resource Estimate ("**MRE**") of 192.7 million tonnes at 1.3% total rare earth oxide (TREO) and 0.3% niobium, containing **636,000 tonnes of NdPr** (neodymium oxide + praseodymium oxide) and **578,000 tonnes of Nb₂O₅** (niobium pentoxide)¹.

As noted last quarter, Vital delivered a Scoping Study for its Tardiff deposit in July 2025 which outlined robust economics and upside potential with mixed rare earth and niobium concentrate production over 11-year mine life.

The Study evaluated development of a hard rock starter open pit that extracts only 15% of the total Tardiff MRE; adjacent North T and South T deposits were not included. Financial outcomes included:

- Pre-tax NPV_{8%} of **US\$776M and 32% IRR**
- Post-tax NPV_{8%} **US\$445M and 25.5% IRR**

¹ See VML ASX Announcement dated 20 January 2025



Base case commodity pricing of **US\$90/kg** of neodymium (Nd) and praseodymium (Pr), **US\$1322/kg** for terbium (Tb) and **US\$338/kg** for dysprosium (Dy) was used for the Study. The breakeven price for NdPr using all other prices from the base case is **US\$33.68/kg**.

The Study estimated average annual production estimate of **56kt of concentrate** at a grade of **26.4% TREO** and **3.3% Nb₂O₅**, with 45.1% global TREO recovery over an **initial 11-year life of mine** (LOM).

More detail on the Tardiff Scoping Study is available in the ASX Announcement dated 28 July 2025.

Vital is now progressing a **Pre-Feasibility Study (PFS)** for Tardiff and will aim to deliver this by end of CY2026.

NWT Forest Fire

During the quarter, a forest fire burning in the Northwest Territories, Canada destroyed the camp utilised by Vital Metals at Nechalacho. North T, where Vital previously mined and stockpiled material (and where the ore sorter is located), remained unaffected.

On a follow-up visit to site, it became clear that the drill core box labels and location data had been burned however, this loss is not material to the operations of the group. The first phase of the clean-up of the camp was completed in October 2025.

CORPORATE

Capital raising

In August 2025, the Company announced a strategic two-tranche placement of A\$6.8 million to advance test work and studies at its Nechalacho Project, which includes its Tardiff Rare Earth and Niobium deposit in NWT, Canada².

The strategic placement raised A\$6.8 million at an issue price of A\$0.105/share with 65.18 million new fully paid ordinary shares to be issued. The shares will be issued in two tranches:

- **Tranche 1:** Strategic Resources LLC (SR), a US Company, will invest A\$3 million, with Vital to issue approximately 28.59 million shares at a price of A\$0.105/share to SR, delivering an initial 19.52% interest in Vital. Funds were received and Shares issued during the quarter pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1 for 16.80 million shares and ASX Listing Rule 7.1A for 11.79 million shares. This results in utilisation of 100% of the Company's placement capacity.
- **Tranche 2:** Subject to shareholder approval, Vital will issue a further 36.59 million shares at a price of A\$0.105/share to accredited US investors, raising a further A\$3.8m. The placement is subject to shareholder approval at the Annual General Meeting held by the Company by 30 November 2025.

² See VML ASX Announcement dated 25 August 2025



Vital will use funds from the investment to:

- Fly detailed aeromagnetic surveys of North T, South T, T and R Zones, and the three new concessions staked in November 2024 and conduct exploration fieldwork in those areas before winter sets in.
- Optimize Tardiff's processing flowsheet and add zircon and niobium to the payable list with further testwork, including Dry Field Force Extraction ("DFFE").
- Update Tardiff's MRE with a focus on infill drilling and upgrade resource confidence from Inferred to Measured and Indicated
- Deliver a Pre-Feasibility Study incorporating an MRE update and results of optimisation.

Planned October exploration fieldwork has been completed with grab and trenching samples collected which will be sent for assaying.

Further to the A\$6.8 million strategic placement, in October Vital announced it had received firm commitments for an additional placement of approximately A\$5.6 million (the "Additional Tranche")³. The Additional Tranche will be issued at A\$0.105 per share on the same price and terms as the August placement. Approximately 53.6 million shares are to be issued.

Allocation of the Additional Tranche was made to existing substantial shareholders pursuant to pre-existing contractual participation rights. The Additional Tranche reflects continued support from participating investors for Vital's strategy and funding plans.

The proceeds will be applied to the same purposes outlined above, including advancement of Vital's Nechalacho rare earths project in Canada and general working capital.

Board Changes

During the period, Vital announced several changes to its Board. David Dikken and Douglas MacLennan joined the Board as non-executive directors, nominees of Strategic Resources, which invested A\$3 million in Tranche 1 of the placement⁴. Under the terms of the agreement, for so long as SR has an interest of 10% in the Company, SR has the right to nominate two (2) directors to the Board.

Mr Dikken is the Managing Director and Chief Executive Officer of Strategic Resources' parent company Measurement Technology Laboratories (MTL). He has nearly 30 years' experience as a senior executive, as a CEO and Chief Technology Officer. He has also been Technical Expert and Lead Assessor for the United States National Institute of Standards and Technology.

Mr MacLennan is a business development and finance executive who has been Senior Financial Advisor and Strategy Director, Middle East and North Africa of Measurement Technology Laboratories since 2021. He has also served in Managing Director roles and has experience across the US and Middle East business operations.

In addition, Alexius Chan and Andrew Nesbitt⁵ also joined the VML Board as Non-Executive

³ See VML ASX Announcement dated 15 October 2025

⁴ See VML ASX Announcement dated 22 September 2025

⁵ See VML ASX Announcement dated 10 October 2025



Directors.

Mr Chan is the Managing Director of Sotepi Pty Ltd and has a background in law. Prior to his role at Sotepi, Mr Chan was an analyst at DVA Capital and Van Eyk Research.

Mr Nesbitt is the Chief Executive Officer of Australian Mines Limited (ASX: AUZ), an exploration and development company with assets in Australia and Brazil. He has nearly 30 years of international experience across the mining industry, spanning technical, operational, corporate, and investment roles.

MD and CEO Lisa Riley has been appointed Interim Chair, replacing Richard Crookes and Directors Zane Lewis and Michael Brook stepped down from the VML Board.

Dr Peter Siegfried has also been appointed as an advisor to the Board, bringing more than 30 years' experience as a leading expert in the rare earths industry as a PhD. geologist, competent person and resource expert.

Annual General Meeting date

Vital's Annual General Meeting will be held on Friday, 28 November 2025.

Change of Share Registry

During the quarter, Vital's share registry services transferred from Automic Registry Services Limited (Automic) to Xcend Pty Ltd (XCEND). Automic ceased to be the registry provider at close of business on Friday, 12 September 2025.

XCEND's contact details are as follows:

XCEND
Level 2, 477 Pitt St
Haymarket NSW 2000

Correspondence to:

PO Box R1905
ROYAL EXCHANGE NSW 1225
Phone: +61 2 8591 8509
Email: support@xcend.co
Website: www.xcend.co

Investor Portal

Securityholders can easily and efficiently manage their holdings via XCEND's secure and highly accessible online investor portal. The portal provides, among other things, an online interface to update and manage shareholder details and elections, view balances and transaction history and access their documents and statements.

Portal Registration

Securityholders that are not already a user of XCEND's Investor portal may visit <http://investor.xcend.co/> and select to "register for an account" and establish an account by following the steps provided in the set-up process.



Change of Registered Office

In July 2025, Vital announced a change of its Registered Office and principal place of business to the following:

Level 5, 56 Pitt Street
Sydney NSW 2000
Phone +61 2 8823 3179

Other details remained unchanged.

Cash position

As at 30 September 2025, the Company held approximately A\$2.4m in cash.

During the quarter, the Company made payments of A\$202,000 to related parties and their associates. These payments relate to existing remuneration agreements for the Directors. Of this amount, A\$202,000 is included in operating cashflows and A\$Nil is included in exploration expenditure.

During the quarter, Vital spent A\$191,000 on exploration and evaluation expenditure and mine under development costs. Details of activities carried out during the quarter are set out in this report.

TENEMENT SCHEDULE

Location	Project	Interest at beginning of quarter	Interest acquired or disposed	Interest at end of quarter
Canada	Nechalacho * NT-3178, NT-3179, NT-3265 – NT-3267, NT-5534, NT-5535, NT- 5561	100%	0%	100%
Canada	Nechalacho M11875 to M11877	100%	0%	100%

* Vital owns 100% of the mineral rights of the Nechalacho Project above the 150m RL elevation level. The licences are held 50% by Nechalacho Resources Corp and 50% by Avalon Advanced Materials Inc.

This announcement has been approved by the Board of Vital Metals Limited.

Contact

Lisa Riley

Interim Chair, Managing Director and CEO

Vital Metals Limited

Phone: +1 (581) 624 4833

Email: lriley@vitalmetals.com

About Vital Metals

Vital Metals Limited (ASX: VML) is developing the large Nechalacho Rare Earth Project in Canada's Northwest Territories. Nechalacho has the potential to underpin a significant rare earths supply chain for North America with responsibly sourced critical minerals for the green economy transformation.



ASX Listing Rule Information

This announcement contains information relating to Mineral Resource Estimates in respect of the Nechalacho Project extracted from ASX market announcements reported previously and published on the ASX platform on 20 January 2025. 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. The Mineral Resource Estimate of 192.7Mt @ 1.3% TREO comprises 144.1 Mt @ 1.31% TREO Inferred, 41.0Mt @ 1.29% TREO Indicated and 7.6Mt @ 1.48% TREO Measured.

This announcement contains information relating to the Company's Scoping Study extracted from an ASX market announcement reported previously in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code") and published on the ASX platform on 28 July 2025. The Company confirms that all the material assumptions underpinning the production target and the forecast financial information derived from the production target in the original ASX announcement continue to apply and have not materially changed.

Forward Looking Statements

This release includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production output.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of resources or reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the company's business and operations in the future. The company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the company or management or beyond the company's control.

Although the company attempts to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be anticipated, estimated or intended, and many events are beyond the reasonable control of the company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.



Forward looking statements in this release are given as at the date of issue only. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

VITAL METALS LIMITED

ABN

32 112 032 596

Quarter ended ("current quarter")

30 SEPTEMBER 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production/inventory	-	-
(d) staff costs	(208)	(208)
(e) administration and corporate costs	(335)	(335)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	5
1.5 Interest and other costs of finance paid	(4)	(4)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (Distribution from Liquidator)	-	-
1.9 Net cash from / (used in) operating activities	(542)	(542)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(191)	(191)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
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	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (Return of rental bond)	138	138
2.6 Net cash from / (used in) investing activities	(53)	(53)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	3,002	3,002
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	(335)	(335)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (repayment of lease liabilities)	(22)	(22)
3.10 Net cash from / (used in) financing activities	2,645	2,645

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	329	329
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(542)	(542)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(53)	(58)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,645	2,645
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	2,375	2,375
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	2,375	329
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,375	329
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	202	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
<p><i>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.</i></p>			

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>		
7.1 Loan facilities	1,167	1,167
7.2 Credit standby arrangements	-	-
7.3 Other (Convertible Loan)	1,000	1,000
7.4 Total financing facilities	2,167	2,167
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.		
<p>Nechalacho Resources Corp has received an unsecured loan of C\$1.26m from the Canadian Northern Economic Development Agency ("CanNor"), with no interest payable. The repayment period is in equal quarterly payment over 10 years commenced on 1 April 2023. Amount is principal after repayments to date.</p> <p>As announced on 14 March 2025, the company secured a \$1 million convertible loan.</p>		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(542)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(191)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(733)
8.4 Cash and cash equivalents at quarter end (item 4.6)	2,375
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	2,375
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.24
<i>Note: if the entity has reported positive relevant outgoings (ie 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?	
	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?	
	n/a

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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

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.

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: 30 October 2025

Authorised by: The Board
(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 – eg 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.