2026
Interim Management Report

1 January – 30 June

ABN: 38 624 223 132

Contents

About Vulcan Group

Business model and corporate profile

Vulcan Energy (ASX: VUL, FSE: VUL, the Company) is building the world's first integrated lithium and geothermal renewable energy business to decarbonise battery production. Located in the Upper Rhine Valley Brine Field bordering Germany and France, Vulcan's first phase of production, the Lionheart Project (Lionheart), is a lighthouse project for Europe's energy and critical raw materials resilience.

Lithium is to be extracted from low impurity geothermal sub-surface brines using Vulcan's industry-leading VULSORB® technology. Naturally heated, the brine powers production and conversion of lithium to battery-quality material by creating a renewable energy co-product for use in operations, with surplus sold into the local energy market. This integration, technology and favourable brine chemistry collectively enables one of the lowest-cost lithium operations globally.

Extraction is only the starting point for Vulcan. Vulcan has reimagined mining using innovation to integrate and capture more of the value chain. A positive Final Investment Decision has been made on Lionheart, construction is underway, offtake is contracted and further phases of production, including Project Ludwig, are in the planning.

The Company is dual listed on the Australian Securities Exchange (ASX), and the regulated market of the Frankfurt Stock Exchange (FSE), in the Prime Standard market segment. Consistent with the regulatory and reporting obligations of the FSE, Vulcan's June 2026 Half Year Reporting Suite also includes the June 2026 Interim Management Report (Konzernlagebericht). The Konzernlagebericht has been prepared in accordance with the Deutscher Rechnungslegungsstandard Nr. 16 (DRS 16). Vulcan's Reporting Suite is available on the Company's website: https://v-er.eu/

Location

The Upper Rhine Valley Brine Field (URVBF) is a brine-producing geothermal field which contains a globally significant tier one lithium resource. Vulcan's project within the URVBF includes a global total Resource Estimate of 29.1 million tonnes (Mt) of contained Lithium Carbonate Equivalent (LCE)[1].

Vulcan's Lionheart is located within the centre of the URVBF, where Vulcan now has six existing geothermal wells, four of which are in operation already, with plans underway to add more as part of the Lionheart development.

In addition to high lithium grades, the URVBF's geothermal brine reservoir generates baseload, renewable heat. The process of pumping brine to the surface at a geothermal plant generates heat which can be used by Vulcan or sold directly. Alternatively, the renewable heat can be used to produce electricity for consumption by the Company.

The location of the Company's integrated lithium and renewable energy project, in the heart of Europe's automotive and battery industry, gives Lionheart the advantage of short transport distances to European product markets.

Vulcan has a large geothermal and lithium licence holding in the URVBF over ca. 2,000km^2 of total licence area.The significant scale of Vulcan's Resource creates an opportunity to significantly grow production in a phased manner beyond Lionheart. Works are under way at Project Ludwig, Vulcan's planned second phase of production, located to the north of Lionheart.

1 *The 29.8Mt LCE total lithium Resource is comprised of 2.1Mt LCE of Measured Resource @ 181 mg/L, 10.2 Mt LCE of Indicated Resource @ 175 mg/L and 17.4Mt LCE of Inferred Resource @ 172mg/L. Refer to the Project Ludwig PFS Announcement, the Bridging Engineering Study Announcement and the Mannheim Resources Growth Announcement (each as defined in the Competent Persons' Statement contained in this Report) for details of the Mineral Resource estimates in relation to each the Lionheart. Ludwig and future phases projects respectively.*

Key Events

Half-year 2026 milestones and developments

- No lost time injuries (LTIs) recorded during the reporting period
- Achieved Financial Close of the €2.2bn ($3.9bn) Lionheart strategic equity and debt financing arrangements
- HOCHTIEF Chief Strategy Officer and CIMIC Group President and Executive Director, Roberto Gallardo, was appointed to the Vulcan Board of Directors
- Successfully drilled the fifth and sixth wells in the Lionheart Field Development Plan, with testing showing strong production flow test performance and values for temperature, lithium grade and production potential all in line with expectations
- Spud in of the seventh well in the Lionheart Field Development Plan commenced as planned
- Well pad construction progressed at the next production well site
- Construction of the interconnected pipeline and power (ICPP) package, connecting well infrastructure to the centralised geothermal and lithium extraction plant, progressed alongside procurement and engineering activities. All long lead procurement items for the initial ICPP sections were ordered and all land required for the initial ICPP sections were secured for construction
- At the geothermal and lithium extraction plant, early bulk earthworks progressed including the completion of construction roads. The relocation of the 110kV overhead power line was also completed with new underground high voltage cable now in place
- Commencement of construction works at the Company's lithium chemical plant at Infraserv Industrial Park Höchst in Frankfurt was marked by an official groundbreaking ceremony. First early bulk earthworks began alongside preparations for early civil site works
- Siemens AG was awarded a major supply agreement for Lionheart for the provision of engineering, automation, telecommunications, and building technology systems across the Vulcan value chain.

Earnings performance

CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the six months ended 30 June 2026 and 2025

	30 June 2026 € '000	30 June 2025 € '000
Revenue from continuing operations	2,255	4,113
Other income	960	307
Raw materials and purchased services	(5,443)	(1,646)
Employee benefit expenses	(8,313)	(14,267)
Depreciation and amortisation	(9,974)	(6,126)
Share-based payments expense	(856)	(1,356)
Other expenses	(9,610)	(12,951)
Net foreign exchange gain	(12,740)	624
Finance income	4,336	1,859
Finance Expense	(11,768)	(141)
Loss before income tax expense	**(51,153)**	**(29,584)**
Income tax expense	(683)	(1,104)
Loss after income tax for the period	**(51,836)**	**(30,688)**
Total loss for the period attributable to		
Non-controlling interest	(1,436)	-
Owners of Vulcan Energy Resources Limited	**(50,400)**	**(30,688)**
Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)	**(33,747)**	**(25,176)**

Revenue from continuing operations

Revenue from the Insheim geothermal power plant was €1.7 million for the six months ended 30 June 2026 (June 2025: €2.3 million). The decrease compared with the prior corresponding period was primarily due to an extended maintenance shutdown of the Insheim plant during the current period, which reduced electricity generation and associated revenue.

Revenue from Comeback Personaldienstleistungen GmbH ("Comeback"), the Group's drilling labour hire business, was €0.2 million (June 2025: €0.3 million), while revenue from Vercana GmbH ("Vercana"), the Group's drill rig refurbishment business, was €0.3 million (June 2025: €0.5 million). The reduction in revenue from both businesses reflects the Group's strategic prioritisation of internal drilling and refurbishment activities in support of the Lionheart Project, resulting in lower levels of external customer work during the period.

No other revenue was recognised during the period (June 2025: €1.0 million).

Employee benefit expenses

Employee benefit expenses decreased to €8.3 million for the six months ended 30 June 2026 (June 2025: €14.3 million). The reduction primarily reflects an increase in labour costs capitalised to exploration and evaluation assets and property, plant and equipment. Consistent with the prior corresponding period, capitalised labour predominantly related to engineering and project activities supporting the Project Lionheart.

Drilling activities at the Schleidberg wellsite commenced in May 2025, resulting in only one month of capitalised labour costs being recognised in the prior corresponding period, compared with a full six months in the current period. Consequently, a greater proportion of employee-related costs were capitalised during the current period, reducing the amount recognised as employee benefit expenses in the statement of profit or loss. In addition, there has been a ramp up of capitalised employee costs post Lionheart Final Investment decision.

Expenses

Raw materials and purchased services increased to €5.4 million for the six months ended 30 June 2026 (June 2025: €1.6 million). The increase was primarily attributable to higher maintenance expenditure associated with the extended shutdown of the Insheim geothermal power plant during the period. The maintenance outage also reduced electricity generation and associated revenue compared with the prior corresponding period.

Depreciation and amortisation expense increased to €10.0 million (June 2025: €6.1 million), reflecting a full six months of depreciation on the Vercana V20 drill rig, which entered service during May 2025.

Share-based payment expense of €0.9 million (June 2025: €1.4 million) relates to the Group's long-term incentive arrangements.

Other expenses decreased to €9.6 million for the six months ended 30 June 2026 (June 2025: €13.0 million). The decrease was primarily due to the absence of certain non-recurring costs incurred in the prior corresponding period, including legal and transaction-related costs associated with securing financing for the Group's Phase One Lionheart Project, storage costs relating to drill rig casings, and operating costs associated with the Vercana drilling rigs.

Net foreign exchange loss of €12.7 million[2] (June 2025: gain of €0.6 million) was driven by the appreciation of the Australian Dollar against the Euro during the period (AUD/EUR: €0.56 at 30 June 2025 to €0.60 at 30 June 2026). The loss reflects a non-cash accounting translation effect arising from the Parent entity's Euro-denominated cash balances, which are translated into Australian Dollars in accordance with the Parent's functional currency, and subsequently translated into Euro for the presentation of the Group's consolidated financial statements. As a result, the foreign exchange loss recognised in profit or loss does not represent a corresponding economic loss on the Group's underlying Euro cash holdings. The Group's Euro-denominated cash balances remained unchanged by these translation adjustments, and the period also included foreign exchange gains on cash and cash equivalent balances arising from movements in exchange rates relating to the Group's US dollar denominated cash balances. The profit or loss impact is substantially offset by foreign currency translation gains recognised in Other Comprehensive Income (OCI) and accumulated within the Foreign Currency Translation Reserve (FCTR) in equity, which arise from the translation of Australian Dollar-denominated net assets and operations into the Group's Euro presentation currency. Accordingly, the reported foreign exchange loss should be considered together with the corresponding FCTR movement when assessing the overall impact of foreign currency movements on the Group's financial position.

Finance income increased to €4.3 million (June 2025: €1.9 million), reflecting higher average cash balances invested in interest-bearing deposits during the period.

Finance costs increased to €11.8 million (June 2025: €0.1 million), primarily due to commitment and availability fees incurred on committed financing facilities following execution of the Group's Phase One project financing package. A significant portion of these facilities remained undrawn during the period, resulting in associated financing charges being recognised in profit or loss.

Loss after income tax

The Group recorded a net loss after tax of €51.8 million for the six months ended 30 June 2026 (June 2025: €30.7 million). The increase in the loss was primarily attributable to the non-cash foreign exchange loss recognised during the period and higher finance costs associated with the Group's funding facilities, as discussed above. Income tax expense remained broadly consistent with the prior corresponding period at €0.7 million (June 2025: €1.1 million).

2 *This foreign exchange loss was non-cash and was offset by a gain in Other Comprehensive Income.*

Non-controlling interest ("NCI")

In December 2025, Kreditanstalt für Wiederaufbau ("KfW"), through the German Raw Materials Fund initiative, invested €150 million in Vulcan Energie Ressourcen GmbH ("HoldCo"), acquiring a 14.49% ownership interest. In addition to the share subscription, KfW committed further funding through contributions to capital reserves to support the development of the Lionheart Project.

In addition, Hochtief, Siemens and Demeter invested in VER GEO LIO GmbH ("PlatformCo") through the jointly owned investment vehicle Sequana Investment GmbH ("InvestmentCo"), acquiring a 10.35% ownership interest in the project company. These investors provide strategic and financial support for the development and construction of the Lionheart Project while sharing in the future economic returns generated by the project.

As a result, HoldCo and PlatformCo ceased to be a wholly owned subsidiaries of the Group. Although external investors acquired minority equity interests in HoldCo and PlatformCo during the year, Vulcan retained control of these entities through its majority ownership interests and governance rights. The transactions have been accounted for as changes in ownership interests in subsidiaries without loss of control. Accordingly, no gain or loss has been recognised in profit or loss.

During the period, €1.4m of loss was attributable to NCI (June 2025: nil), reflecting the external investors share of loss from the date of transaction completion to 30 June 2026. As a result, €50.4 million (June 2025: €30.7 million) of loss was attributable to the owners of Vulcan Energy Resources Limited.

EBITDA

EBITDA loss increased to €33.7 million for the six months ended 30 June 2026 (June 2025: €25.2 million loss). The increase was largely driven by the foreign exchange loss recognised during the period, reflecting movements in exchange rates and their impact on the translation of monetary balances.

The Group's German operations reported an EBITDA loss of €14.4 million (June 2025: €20.3 million loss), while Australian operations reported an EBITDA loss of €19.2 million (June 2025: €4.7 million loss). The increase in the Australian EBITDA loss primarily reflects the foreign exchange impacts recognised during the period, which were largely attributable to the translation of Euro-denominated balances held by the Australian parent entity.

Asset and Financial Position

CONSOLIDATED SUMMARY STATEMENT OF CASH FLOWS

	30 June 2026 € '000	30 June 2025 € '000
Net cash used in operating activities	(13,778)	(24,401)
Net cash used in investing activities	(286,161)	(22,660)
Net cash (used in)/ provided by financing activities	(27,879)	4,986
Net decrease in cash and cash equivalents	**(327,817)**	**(42,075)**
Cash and cash equivalents at beginning of the period	517,839	97,054
Effect of exchange rate fluctuations	3,858	(6,218)
Cash and cash equivalents at end of the period	**193,880**	**48,761**

Net cash used in operating activities

The net operating cash outflow in the six-month period to 30 June 2026 was €13.8 million, lower than net operating cash outflow from continuing operations of €24.4 million for the six-month period ended 30 June 2025. Consistent with the prior corresponding period, capitalised labour predominantly related to engineering and project activities supporting the Project Lionheart. Drilling activities at the Schleidberg wellsite commenced in May 2025, resulting in only one month of capitalised labour costs being recognised in the prior corresponding period, compared with a full six months in the current period. Consequently, a greater proportion of employee-related costs were capitalised during the current period, reducing the amount recognised as employee benefit expenses in the statement of profit or loss. In addition, there has been a ramp up of capitalised employee costs post Lionheart Final Investment decision.

Net cash used in investing activities

Net cash used in investing activities increased to €286.2 million for the six months ended 30 June 2026 (June 2025: €22.7 million), reflecting the acceleration of development activities associated with the Lionheart Project.

The current period included €117.4 million invested in long-term interest-bearing deposits and amounts restricted under the Group's financing arrangements, as well as €168.0 million of expenditure on property, plant and equipment.

Capital expenditure during the period principally related to the development of the Lionheart Project, including construction of the Organic Rankine Cycle (ORC) power plant, drilling and well services activities, engineering and procurement works associated with the Interconnecting Process and Pipeline infrastructure (ICPP), Central Lithium Plant (CLP) and Lithium Extraction Plant (LEP), together with broader project engineering and construction-readiness activities.

Capital expenditure in the prior corresponding period primarily related to wellsite preparation and drilling activities across the Phase One development area, preparatory works for the CLP and LEP, and refurbishment of the Group's electric drilling rigs.

Net cash used in financing activities

Net cash used in financing activities was €27.9 million for the six months ended 30 June 2026, compared with net cash provided by financing activities of €5.0 million in the prior corresponding period.

The current period outflow primarily related to transaction and financing costs associated with the Group's debt facilities, including commitment fees and payments to legal and professional advisers in connection with the execution of the Lionheart Project financing package, together with costs associated with the December 2025 equity raising.

The prior corresponding period included net proceeds from equity issuances, resulting in an overall financing cash inflow.

Asset and Capital Structure

CONSOLIDATED SUMMARY STATEMENT OF FINANCIAL POSITION

	30 June 2026	31 December 2025
	€000's	€000's
Current assets	348,760	528,761
Non-Current Assets	596,799	428,250
Total Assets	**945,559**	**957,011**
Current liabilities	77,631	52,451
Non- Current Liabilities	42,444	47,614
Total Liabilities	**120,075**	**100,065**
Net Assets	**825,484**	**856,946**
Equity	**825,484**	**856,946**
Equity attributable to the owners of Vulcan Energy Resources Limited	684,185	856,946
Non-controlling interest	141,299	-

Current assets decreased to €348.8 million at 30 June 2026 (31 December 2025: €528.8 million), primarily reflecting the utilisation of cash reserves to fund operating activities and ongoing development expenditure associated with the Lionheart Project.

Non-current assets increased to €596.8 million (31 December 2025: €428.3 million). The increase was principally driven by capital expenditure associated with the development of the Lionheart Project, including €166.4 million of additions to property, plant and equipment. Non-current assets also increased due to continued investment in exploration and evaluation activities and the capitalisation of borrowing costs associated with the Group's project financing arrangements.

Current liabilities increased to €77.6 million (31 December 2025: €52.5 million), primarily reflecting higher trade and other payables associated with engineering, procurement and construction activities undertaken as part of the Lionheart Project development.

Non-current liabilities decreased to €42.4 million (31 December 2025: €47.6 million), principally due to movements in deferred tax balances during the period.

Total equity decreased by €31.4 million during the six months ended 30 June 2026. The decrease primarily reflects the net loss for the period of €51.8 million, partially offset by a positive movement of €19.8 million recognised in other comprehensive income, predominantly relating to foreign currency translation gains.

The carrying amount of non-controlling interests at 30 June 2026 was €141.3 million, reflecting the minority ownership interests held by strategic investors in the Group's German operating entities.

Outlook

Economic Outlook

Lithium

Lithium prices are subject to significant volatility, driven by evolving global supply and demand conditions and broader economic and geopolitical factors.

The lithium market experienced significant price volatility during the reporting period. Since the lithium price lows of June 2025, lithium prices rebounded in early 2026. This was fuelled by mine closures throughout China and increased demand from the battery storage and electric vehicle sectors, which have tightened supply. While the long-term outlook is robust, short-term fluctuations will likely continue as supply and demand recalibrate[3].

Over the next 15 years, a global supply shortfall is anticipated relative to demand, with the imbalance being particularly pronounced in Europe, which remains structurally undersupplied. Driven largely by global demand for electric vehicle batteries, projections indicate that ~5.1 million tonnes of lithium carbonate equivalent will be required per annum by 2040[4].

Geothermal renewable energy

Vulcan expects political and community support for developing geothermal heat and power in Europe and Germany to remain supportive over the coming years, reflecting climate change mitigation, heat-sector decarbonisation and energy-security objectives. The pace of geothermal and district-heating development nevertheless remains subject to evolving national policy, permitting, project economics and local acceptance.

Examples of public sector support relevant to geothermal development include:

Renewable Energy Directive[5]

- Sets a binding EU-level target for renewable energy to account for at least 42.5% of gross final energy consumption by 2030, with a collective ambition to reach 45%.

Energy Efficiency Directive[6]

- Progressively tightens the criteria for efficient district heating and cooling systems. From 2050, systems qualifying as efficient must use only renewable energy, waste heat or a combination of the two.
- Requires Member States to ensure that local heating and cooling plans are prepared, at least for municipalities with more than 45,000 inhabitants.

German Geothermal Acceleration Act[7]

- Establishes an accelerated planning and permitting framework for geothermal projects and recognises geothermal exploration and production facilities as being in the overriding public interest and serving public security.

German Heat Planning Act[8]

- Requires heat plans to be prepared by 30 June 2026 for municipalities with more than 100,000 inhabitants and by 30 June 2028 for all other municipalities, supporting the identification and development of renewable heat sources and heat-network infrastructure.

The Company's 100%-owned drilling company, Vercana, has drilling and well-service capabilities relevant to this market. According to Bundesverband Geothermie and GeotIS, as of February 2026 Germany has 178 deep geothermal facilities[9] in planning and 18 under construction.

This project pipeline indicates a sizeable potential market for drilling and well services, although project timing and progression to construction remain subject to permitting, financing and customer demand.

3 *Benchmark Minerals Intelligence*
4 *Benchmark Minerals Intelligence*
5 *Renewable Energy Directive*
6 *Energy Efficiency Directive*
7 *German Geothermal Acceleration Act*
8 *German Heat Planning Act*
9 *Bundesverband Geothermie e.V. and GeotIS, Tiefe Geothermie in Deutschland 2026, data as of February 2026.*

Policy Outlook

During the six-month period, the European Union and Germany introduced and proposed a number of policy measures intended to strengthen European industrial resilience and support domestic critical raw material and battery supply chains.

These measures collectively reinforce the strategic importance of Vulcan's integrated European lithium and renewable-energy business.

EU Industrial Accelerator Act[10]

On 4 March 2026, the European Commission proposed the Industrial Accelerator Act, establishing measures to accelerate industrial capacity and decarbonisation in strategic sectors. The proposal includes faster permitting, industrial acceleration areas, and European-origin and low-carbon criteria in public procurement and public-support programs. These measures have the potential to support demand for European-produced, low-carbon battery materials and strengthen the strategic position of Lionheart within the European battery value chain.

EU Battery Booster Facility[11]

On 9 June 2026, the European Commission established a €1.5 billion Battery Booster Facility for 2026. The Facility will provide interest-free loans to eligible European electric-vehicle battery-cell manufacturing projects during their production ramp-up phase. While it does not directly fund lithium extraction, the Facility is expected to strengthen European battery-manufacturing capacity and the downstream market for responsibly produced European lithium.

EU Critical Raw Materials[12]

The EU continued implementing the Critical Raw Materials Act and the related RESourceEU agenda, including measures addressing financing, joint purchasing, monitoring, stockpiling and international supply-chain cooperation. These initiatives reinforce the importance of domestically extracted and processed lithium and support the role of Lionheart, which has been designated a Strategic Project under the Act, in strengthening Europe's critical-raw-material resilience.

German Climate Action Programme 2026

In March 2026, the German Federal Government adopted a new Climate Action Programme containing 67 measures, including €3 billion of support for electric-vehicle purchases, additional charging infrastructure, renewable-energy development and support for industrial electrification. The measures are expected to support German demand for electric vehicles and batteries, while reinforcing policy support for renewable energy and reduced dependence on imported fossil fuels.

German heating-policy reform

In May 2026, the German Cabinet proposed replacing the Building Energy Act with a more technology-neutral Building Modernisation Act and removing the uniform requirement for new heating systems to use at least 65% renewable energy. While climate-friendly heating and district heating remain supported, the change could reduce the near-term regulatory impetus for conversion to renewable heating and create greater uncertainty around the rate of district-heating uptake.

10 *EU Industrial Accelerator Act*
11 *EU Battery Booster Facility*
12 *Critical Raw Materials Act*

Corporate Outlook

Operations

Lionheart field development

Vulcan's fifth and sixth wells, known as LSC-1 and LSC-2 respectively, were successfully drilled by Vercana, Vulcan's 100% owned drilling subsidiary, during the reporting period.

The fifth well (LSC-1), was drilled successfully to a total depth of 3,616m and recorded strong production flow test performance, and flow rate assumptions were confirmed with production test equipment operating at maximum capacity. Flow rate potential also known as productivity index, was measured between 2.1 and 2.5 l/s/bar. Lithium grade, temperature, reservoir quality and matrix permeability were confirmed as meeting or exceeding Field Development Plan assumptions, and LSC-1 results were consistent with targets.

The sixth well (LSC-2), was also drilled successfully to a total depth of 2,999m, with values for temperature, lithium grade and production potential all in line with range expectations for project build. Lithium grade was measured at 190-200mg/L, slightly exceeding Vulcan's resource grade estimates for Lionheart, but within range expectations. Production flow rate as indicated by productivity index confirmed ~1.2l/s/bar.

Well testing of LSC-1 and LSC-2 measured productivity index and associated flow rate potential values within or above project expectations for both wells. Vulcan will use various artificial lift options to optimise pressure drawdown and production at each well, with higher or lower drawdown available depending on pump choice in each well, consistently maintaining overall Lionheart field flow rate.

Vulcan's seventh well - LSC 3 - has commenced drilling and its eighth well - LSC 4- will follow over the remainder of 2026, at the same well site location as LSC-1 and LSC-2. Testing results from these wells will provide additional data to support reservoir modelling, optimise field development planning and further validate assumptions underpinning project design.

Well site development

Well pad construction and engineering activities commenced at the fourth and next production/ re-injection well site for Lionheart following confirmation of compliance with the Environmental and Social Action Plan. Structural and concrete works around the drilling cellars were completed along with excavation and levelling of the drainage basin in preparation for tower foundation structural works.

Preparation activities also continued for mobilisation of the Company's second drilling rig, V10, to the fourth well site in Q4 2026.

Interconnected Pipeline and Power (ICPP)

The ICPP is a network of pipelines and cables, transporting lithium brine and industrial water from the well sites to the geothermal and lithium extraction facility, and back to the well sites for re-injection.

During the reporting period, Vulcan completed a major railway and road crossing to accommodate the ICPP. All long lead procurement items for the initial ICPP sections were ordered and all land required for the initial ICPP sections BA1 and BA2 were secured for construction.

The permit for the first highway crossing was secured, with the engineering for the second rail crossing submitted to the permitting authorities.

During the coming period, the Company expects to progress construction of ICPP sections BA1 and BA2, advance remaining crossing permits and approvals, and continue installation of pipeline and power infrastructure connecting the Lionheart well field to the commercial geothermal and lithium extraction facility.

Geothermal-Lithium Extraction Plant

Lionheart's combined geothermal and lithium extraction facility has been designed to produce both renewable geothermal energy and high-quality lithium chloride (LiCl) from deep geothermal brine. The commercial site, sitting on approximately ten hectares, is under construction in the Messegelände Südost industrial park in Landau.

The plant, which is to be connected to the ICPP, is also close to an existing well site in Landau that houses the first of Vulcan's existing geothermal plants to generate renewable district heating to the community. The second existing Vulcan geothermal plant at Insheim is fed by operating wells and produces renewable power that is sold to the grid.

During the reporting period, both of Vulcan's existing geothermal plants were shut down for maintenance and repair in readiness to have highly reliable operations comer start of Project Lionheart.

Vulcan expects to continue construction activities at the geothermal and lithium extraction facility, with a focus on advancing civil, structural and building works, progressing the installation of key processing and utility infrastructure, and preparing for the delivery and installation of major equipment packages. These activities are expected to support the transition of the facility from early construction works towards mechanical completion and commissioning readiness.

Construction works on the Lionheart geothermal and lithium extraction facilities covered several activities, including early bulk earthworks. This included the completion of fencing and construction roads and progressing the removal of topsoil. The relocation of the 110kV overhead power line with new poles was completed and new underground high voltage cable work now in place.

Hazard and operability studies (HAZOPs) were completed with piping and instrumentation diagrams and 3D engineering models updated. The plant engineering design as well as the engineering for the non-process buildings, the electrical and automation integration engineering, progressed during the reporting period.

Contracting and procurement activities progressed to plan including the primary fabricator being selected for the major lithium extraction vessels and pipe racks, and purchase orders completed for the fabrication of evaporators, preheaters and regenerator.

The state of Rhineland-Palatinate granted a royalty exemption for lithium production in the State which will benefit Lionheart. The royalty exemption will apply for an initial five years until 31 December 2030 and is subject to review one year prior. Geothermal energy is also subject to a similar State exemption which was established in 2009 and continues unchanged to the present day.

The first lithium production permit at Lionheart was also issued during the reporting period, which is the first such licence to be granted in the URVBF and in the state of Rhineland-Palatinate.

During the coming period, the Company expects to progress construction of the Geothermal Lithium Extraction Plant.

Lithium chemicals plant

The lithium chemicals plant (also known as the Central Lithium Plant) will be the Company's commercial downstream lithium processing hub located at Infraserv Park Höchst in Frankfurt, one of Germany's largest major chemical and energy precincts.

The plant will convert high-quality LiCl concentrate solution from the lithium extraction facility in Landau into battery grade lithium hydroxide monohydrate (LHM), supporting Europe's push for locally sourced, low carbon battery materials. The Company has secured relevant permits to build and operate its lithium chemicals plant for Lionheart, with the facility available and permitted for future growth phases as required.

Tendering for early bulk earthworks was completed over the reporting period, with work also commencing on site fencing, facilities, top-soil replacement, ordnance investigations, soil improvement and road construction. Preparatory works by the site owner, Infraserv, continued with respect to high voltage power supply.

Several key engineering items progressed during the reporting period, including design works for the 110kV substation, design of piling and foundations, and piping and instrumentation diagram activities.

Progress was also made on the 3D model, tank farm, utilities building and truck station loading and unloading area, and early engineering and technical work for various scopes under ABB and Siemens frameworks were advanced.

Pre-engineering purchase orders were placed with Siemens for work packages provided by sub-contractors including Main Telecom Contractor, Main Process Automation, and Building Technology.

Tendering processes for Non-Process Infrastructure buildings, emergency vent systems and cell house contracts also progressed during the period.

The Company also issued multiple contracts associated with the lithium chemical facility including a significant hydrochloric acid synthesis unit contract to Mersen, and 110kV substation and cooling tower contracts to Infraserv.

During the coming period, the Company expects to progress construction of the Lithium chemicals plant.

Technology

High-quality 40%wt LiCl solution continued to be produced at the upstream optimisation plant and transferred to the downstream optimisation plant at Industrial Park Höchst for the production of LHM. Both plants will continue to be used for process optimisation and training of personnel.

Vulcan's partnership with VULSORB® technology licensee, EAU Lithium (subsidiary of Cosmos Exploration Limited), advanced during the Quarter with EAU Lithium committing to acquire one of Vulcan's Adsorption-type Direct Lithium Extraction (A-DLE) pilot plants. Pursuant to Vulcan's licence agreement with EAU Lithium, the pilot plant will be used to run trials on EAU's Bolivian brine using VULSORB®.

Corporate

Financing

The Company achieved Financial Close during the Quarter as part of the €2.2bn ($3.9bn) Lionheart equity and debt financing arrangements[13]. Following financial close, the financing package can now be accessed subject to ongoing conditions for drawdown. The first strategic equity contribution was received in July and August 2026, and further instalments are expected until first debt drawdown in Q1 2027.

The Company's closing cash plus deposits accessible after 90 days was €273.9m at 30 June 2026. This balance comprises the closing cash position of €193.9m plus €80.0m invested in high-interest term deposits with original maturities or notice periods exceeding 90 days. Consistent with accounting standards, these balances are classified as other financial assets and recognised as cash outflows for investing activities when the investments are made, however are accessible beyond the 90-day period.

Board

HOCHTIEF Chief Strategy Officer and CIMIC Group President and Executive Director, Roberto Gallardo, was appointed to the Vulcan Board of Directors.

A civil engineer, Mr Gallardo has more than 30 years' international experience in infrastructure investment, construction and business development across the Americas, Europe and Australia.

13 *Refer to Vulcan ASX Announcements titled "€2,200 million (A$3,929 million) financing package secured to fully fund Vulcan Energy's Phase One Lionheart Project" released on 3 December 2025 and "Vulcan's funding package for Lionheart reaches Financial Close" released on 28 May 2026.*

Future phases

Ongoing activities supporting future phase development were progressed, primarily the Preliminary Feasibility Study (PFS) for a second phase of production named Project Ludwig which was released in September 2026, refer to further commentary in events subsequent.

Mannheim, Germany – potential future phase of production

The Company continues to advance plans to supply renewable baseload geothermal heat to stakeholders in the Mannheim region, while assessing the potential for integrated lithium production.

The Company received first fast-track results of the 3D seismic reprocessing currently being conducted by Viridien Group. The first results show significantly improved imaging quality and allow mapping of additional target faults, which could not be identified in the first processing results.

Funding-related workstreams also advanced, including engagement in relation to the federal BEW funding programme as a potential source of support for future project development.

Regional work in Upper Rhine Valley Brine Field

BellGeospace Ltd completed the gravimetry, magnetic and full sensor gravimetry gradiometric airborne survey over the Company's entire German URVBF licence area in mid-May. The survey was designed to provide an enhanced regional overview of the geological and structural properties of the subsurface, to map fault structures in the subsurface over a large area, and to create an improved planning basis for further exploration activities.

Survey data of the Ortenau licence and the Rhineland-Palatinate licences was successfully processed and is currently being used for forward and joint inversion modelling, while the processing of the survey data over the licences in Hessen was completed end of June 2026.

Events subsequent

A PFS for a next phase of production, Project Ludwig, at the Company's Ludwig and Therese licence areas was released on 3 September 2026. Project Ludwig will be an integrated lithium chemical and renewable heat project in the Ludwigshafen region of the Upper Rhine Valley Brine Field, Germany. It will build on learnings and experience from Vulcan's first phase, Project Lionheart, to drive improved capital efficiency. The PFS is evidence that Lionheart is a repeatable development platform capable of delivering stronger returns and lower capital intensity across future phases.

Civil construction activities commenced at the Lionheart 30MW geothermal power plant site in Landau, Germany in late July, including preparation and construction of key foundations and concrete works for the power plant buildings and equipment, and building out road infrastructure.

Ms Amanda Lacaze was appointed to the Company Board as an Independent Non-Executive Director, effective 17 August 2026. Ms Lacaze is one of Australia's most respected mining and resources executives, well known for her leadership of Lynas Rare Earths. In addition to her directorship, Ms Lacaze has also joined the Company's Audit, Risk and ESG Committee.

Cash position

Cash and cash equivalents totalled €193.9 million as at 30 June 2026, in addition to €80.0 million invested in high-interest term deposits with maturities or notice periods exceeding 90 days. The Group remains well funded to support the continued development and construction of the Lionheart Project, including ongoing activities associated with the Central Lithium Plant (CLP), Lithium Extraction Plant (LEP), Interconnecting Process and Pipeline infrastructure (ICPP), drilling operations and other project execution activities.

Subsequent to period end, the Group received further equity funding from strategic investors under its phased funding arrangements, including equity injections received during July and August 2026. Together with the Group's existing cash reserves and committed funding facilities, these proceeds further strengthen the Group's liquidity position and support the continued progression of Phase One project development activities.

Capital expenditure

Capital expenditure is expected to remain elevated throughout the remainder of 2026 as development and construction activities continue across the Lionheart Project. Key expenditure is expected to relate to ongoing engineering, procurement and construction activities for the Central Lithium Plant (CLP), Lithium Extraction Plant (LEP), Interconnecting Process and Pipeline infrastructure (ICPP), Organic Rankine Cycle (ORC) power plant, drilling operations, well services and other supporting infrastructure required for Phase One development.

As the Project progresses through execution, capital expenditure is expected to continue to increase in line with planned construction schedules, procurement activities and contractor mobilisation across the major workstreams of the Lionheart Project.

Operating expenses

Underlying operating expenditure is expected to remain relatively stable during the second half of 2026, with a moderate increase anticipated as project execution activities continue to ramp up. The increase is expected to reflect the growing level of operational, engineering, project management and corporate support activities required to support the ongoing development and construction of the Lionheart Project. As major construction activities progress, the Group expects operating expenditure to increase in a controlled manner, consistent with the transition from project development into active execution and construction phases.

Personnel

The Company resumed recruitment of new roles throughout the reporting period following a period of backfilling of existing positions to support ongoing project development and execution activities.

As of June 30, 2026, the company employed 444 employees, representing 435 FTE. Given the economic environment in Germany, Vulcan continues to benefit from a strong position in the labour market, supporting its ability to attract and retain skilled, qualified talent required for future growth.

Opportunities and risks

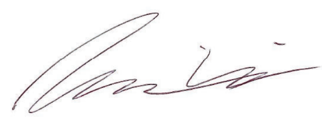
The Company is exposed to a range of internal and external events and developments that could impact the achievement of its financial and non-financial goals. The Company's opportunity and risk management process forms an integral part of the corporate governance system. This opportunity and risk management process, and the underlying opportunity and risk status is detailed in the Annual Group Management Report as at 31 December 2025 (Outlook, Opportunities and Risks section).

The Company faces a dynamic landscape shaped by BEV market trends, lithium supply and pricing forecasts, and evolving battery technologies.

The Company is optimistic about the long-term prospects of the lithium market, viewing the growth in lithium batteries, particularly for BEVs, as a structural shift. The Company emphasises the importance of maintaining low operating costs to remain profitable amid price fluctuations. With a robust customer base, Vulcan is positioned to mitigate the impacts of market volatility.

Responsibility statement by the Company's legal representatives

To the best of our knowledge, and in accordance with the applicable reporting principles, the interim consolidated financial statements give a true and fair view of the net assets, liabilities, financial position and results of the group, and the interim consolidated group management report includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remainder of the financial year.



Dr Francis Wedin

Executive Chair

9 September 2026

Competent Person Statement and Disclamers

Ore Reserves, Mineral Resources and Exploration Results

The information in this Half-Year Report that relates to: (i) Mineral Resources and Geothermal Resources in relation to Project Ludwig is extracted from the "Positive Preliminary Feasibility Study (PFS) outlines Vulcan's second German project showcasing repeatable development growth strategy" announcement on 3 September 2026 (**Project Ludwig PFS Announcement**); (ii) Mineral Resources and Ore Resources in relation to Project Lionheart and the Future Phases projects is extracted from the "Bridging Engineering Study Results" announcement on 16 November 2023 (**Bridging Engineering Study Announcement**) and the "Future Phase Pipeline – Mannheim Resources Growth" announcement on 9 July 2025 (**Mannheim Resources Growth Announcement**)[14]; and (iii) Exploration Results is extracted from the "Successful production test results from first new Lionheart well: announcement dated 21 January 2026, and the "Positive start to Phase One Lionheart Project field development" announcement on 19 November 2025, all of which are available to view on Vulcan's website at http://v-er.eu. Vulcan confirms that, in respect of: (i) Mineral Resources and Geothermal Resources in relation to the Ludwig Project; (ii) Mineral Resources and Ore Reserves in relation to Project Lionheart and the Future Phases projects; and (iii) Exploration Results, included in this document:

a. it is not aware of any new information or data that materially affects the information included in the original market announcement,

b. that all material assumptions and technical parameters underpinning the estimates in the original market announcement continue to apply and have not materially changed; and

c. 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.

Production Targets

The information in this Half-Year Report that relates to production targets for: (i) Project Ludwig is extracted from the Project Ludwig PFS Announcement; and (ii) Project Lionheart is extracted from the Bridging Engineering Study Announcement. The above announcements are available to view on Vulcan's website at www.v-er.eu. Vulcan confirms that all material assumptions underpinning the production targets included in these announcements continue to apply and have not materially changed.

Forecast Financial Information

This Half-Year Report contains forecast financial information (including forecast financial information derived from the Company's production targets). This forecast financial information is based on the material assumptions set out in (or referred to in): (i) in the case of Project Ludwig – the Project Ludwig PFS Announcement; and (ii) in the case of Project Lionheart - the Independent Expert Report included as section 17 to the "Information Memorandum" announcement on 11 December 2024 and the "Financing and FID presentation" announcement on 3 December 2025. The above announcements are available to view on Vulcan's website at https://v-er.eu. Vulcan confirms that the assumptions set out in these announcements continue to apply and have not materially changed.

14 *The Mannheim announcement relates solely to the lithium brine Resource estimation for the Mannheim sector.*

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