ASX Announcement
25th September 2026

# Arbitration Update

**Vital Metals Limited** (ASX: **VML**) ("**Vital**", "**Vital Metals**" or "the **Company**"), refers to its half year report in which it was noted that Avalon Advanced Materials Inc. ("Avalon") had commenced an arbitration against two subsidiaries of Vital Metals Limited ("the Company"), Cheetah Resources Pty Ltd and Nechalacho Resources Corp. (together, "Cheetah") in connection with the allegation that core samples were rendered unusable as a result of a wildfire that affected the site of the Nechalacho Rare Earths Project in the Northwest Territories, Canada in August 2025.

Avalon alleges that Cheetah breached certain obligations under the Co-Ownership Agreement between Avalon and Cheetah, which purportedly rendered the core samples unusable. Avalon is seeking damages in the amount of at least CAD$16.8 million.

Cheetah has now delivered its responding evidence in the arbitration and the matter is on track to be arbitrated in November 2026. Cheetah considers the claim to be without merit and intends to vigorously defend itself. The Company will keep the market informed of material developments in relation to this matter.

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

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**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.