ASX Announcement
31 July 2026

Vital Metals' June 2026 Quarterly Activities Report

Highlights:

- **Subsequent to quarter end, all assay results from the 2026 diamond drill program were received. They confirm and extend rare earth and niobium mineralisation across the eastern and western portions of the Tardiff deposit, including beyond the current 192.7Mt Mineral Resource envelope (refer to the ASX announcement dated 29 July 2026).**

- **Standout intercepts include a new high-grade zone of 6.0m at 3.86% TREO from 100m (L26-703) and a broad 47.0m at 1.66% TREO from 37m (L26-689), with mineralisation remaining open in multiple directions.**

- **NdPr represents approximately 22% to 27% of contained TREO across the key intersections, consistent with the deposit's higher-than-average high-value permanent-magnet metal profile.**

- **Anomalous gallium was returned across both the eastern and western zones, including an average of 182ppm Ga_2O_3 over the full 10m length of L26-692, identifying a new critical mineral opportunity at Tardiff.**

- **The results are being incorporated into an updated 3D geological model and Mineral Resource Estimate, and may support future resource growth and the conversion of selected Inferred material to the Indicated category ahead of the Tardiff Pre-Feasibility Study.**

- **The Tardiff Pre-Feasibility Study progressed during the quarter, with the Company advancing the selection of the engineering, metallurgical and resource partners.**

- **The Company continued to evaluate processing and flowsheet options for the North T surface stockpile of approximately 45,000 tonnes, which has the potential to generate near-term cash flow.**

- **The A$1 million convertible loan announced on 14 March 2025 was converted in full through the issue of 11,200,000 fully paid ordinary shares including capitalised interest, removing the liability from the Company's balance sheet.**

Vital Metals Limited (ASX: VML) ("Vital", "Vital Metals" or "the Company") provides the following report on its activities for the quarter ended 30 June 2026 at its Nechalacho Rare Earths and Niobium Project, located 100km southeast of Yellowknife, Northwest Territories, Canada.[1]

Subsequent to quarter end, all assay results from the winter drill program were received and reported to the market. They confirm grade continuity through the Tardiff deposit, extend mineralisation beyond the current Mineral Resource envelope and identify new gallium potential (refer to the ASX announcement dated 29 July 2026).

High-Grade Rare Earth Element and Niobium Drilling Results Extend Mineralisation Beyond the Tardiff Resource, with New Gallium Potential Identified

The winter drill program completed 17 diamond holes at Tardiff for 1,824 metres and three exploration holes at the R-Zone and S-Zone for 279 metres. All analytical results were received subsequent to quarter end and were reported on 29 July 2026 (refer to the ASX announcement dated 29 July 2026).

The program had two objectives. The first was to lift geological confidence within selected areas of the existing Mineral Resource by supporting conversion of Inferred material to the Indicated category. The second was to test priority exploration targets generated from 2025 surface mapping and geochemistry.

The results confirm grade continuity through the deposit, extend known mineralisation and return new zones both within Tardiff and at the surrounding targets. Several holes intersected significant rare earth and niobium mineralisation beyond the current interpreted limits of the Tardiff Mineral Resource, with mineralisation remaining open in multiple directions.

Best results include:

- L26-688: 27m at 1.93% TREO, 0.43% Nb_2O_5 and a ratio of 25% NdPr from 84m to 109m.
- L26-689: 47m at 1.66% TREO, a ratio of 26% NdPr and 0.30% Nb_2O_5 from 37m.
- L26-690: 10m at 2.4% TREO from 10.0m to 20.0m including 4m at 3.8% TREO with an average proportion of 27% NdPr and 0.52% Nb_2O_5.
- L26-692: 102.0m at 1.47% TREO with a ratio of 26% NdPr and 0.37% Nb_2O_5 (including 218 ppm Ta_2O_5) from 4.0m to 106.0m.
- L26-701: 11.0m at 1.35% TREO, of which 24% is NdPr and 0.30% Nb_2O_5 from 5m to 14m.
- L26-703: 52m at 1.35% TREO of which 22% is NdPr from 55m to 107m, and including 6m at 3.86% TREO from 100m. NdPr represents approximately 22% to 27% of contained TREO across the intersections, consistent with the deposit's higher-than-average high-value permanent-magnet metal profile.

[1] The Nechalacho Rare Earths and Niobium Project consists of both Mineral Claims held 100%, and Mineral Leases held above 150m RL.

While narrow, the R-Zone and S-Zone results confirm mineralisation at both exploration targets and will assist with the design of future exploration programs.

NdPr represents approximately 22% to 27% of contained TREO across the intersections, consistent with the higher than average permanent magnet metal profile of the deposit. NdPr is typically the highest-value, payable component of the light rare earths and the primary feedstock for high-strength permanent magnets.

Anomalous gallium was returned across both the eastern and western zones, including an average of 182ppm Ga_2O_3 over the full 102 metre length of L26-692. The mineral deportment, distribution and potential recoverability of gallium at Tardiff have not yet been determined. The Company will undertake dedicated mineral deportment studies and metallurgical test work to assess these values.

The results provide potential to expand the Mineral Resource and improve confidence on two fronts.

Within the existing resource, thick and consistent intercepts such as L26-692 improve geological confidence in ground currently classified as Inferred and has the potential to support conversion of selected Inferred material to the Indicated category, subject to the Competent Person determination in the updated Mineral Resource Estimate.

Beyond the existing resource, new intercepts along the eastern margin show mineralisation extending past the current envelope and remaining open, pointing to scope to grow the resource itself.

Next Steps

- **Updated Mineral Resource**: Incorporate the new data into an updated 3D geological model and Mineral Resource Estimate, to assess potential Resource growth and conversion of selected Inferred Resources to the Indicated category.
- **Tardiff Pre-Feasibility Study**: The updated resource will support the Tardiff PFS, targeted for completion in February 2027.
- **District-scale exploration**: Complete the planned airborne geophysical survey (magnetic and radiometric) and advance the 2026 regional targets toward drill-ready status for Winter 2027, testing the broader district-scale potential across the Nechalacho footprint, including North T and South T.
- **Near-term cash flow**: Continue preparations to process North T stockpiles to generate near-term cash flow.
- **Gallium**: Undertake dedicated mineral deportment studies and metallurgical test work to assess the anomalous gallium values identified in this programme.

Tardiff Pre-Feasibility Study

The Company is ready to circulate its Request for Proposal for the Tardiff Pre-Feasibility Study to engineering and mining consulting firms for quotation. We expect this will be undertaken in calendar third quarter.

The updated Mineral Resource Estimate will incorporate results from the completed winter infill drilling at Tardiff. Those assays were received subsequent to quarter end and are now being built into an updated 3D geological model.

The 2026 results provide potential to expand the Mineral Resource and improve confidence on two fronts.

1. Within the existing resource, thick and consistent intercepts such as L26-692 (102.0m at 1.47% TREO) improve geological confidence in ground currently classified as Inferred and may support conversion of selected Inferred material to the Indicated category.

2. Beyond the existing resource, new intercepts along the eastern margin, including a broad 47.0m @ 1.66% TREO in L26-689 and a previously unrecognised 6.0m @ 3.86% TREO zone in L26-703, show mineralisation extending past the current envelope and remaining open, pointing to scope to grow the resource itself.

Together with the district-scale potential across North T, South T and the newly defined regional targets, these results underpin a clear pathway to grow and upgrade the resource that sits at the heart of the Tardiff PFS.

Regional Exploration Program

The Company's regional exploration program has defined six targets across an emerging district-scale rare earth and niobium system at Nechalacho, all of which sit outside the current 192.7Mt Tardiff Mineral Resource Estimate. They comprise three central-zone targets at R-Zone, S-Zone and Cressy Ridge in the central Nechalacho area, and three new regional targets at 1029A/1034B, 1201A/BF1 and 359A/537A, the first of which lies approximately 4km southeast of the Tardiff deposit.

Final certified assay results reported on 9 March 2026 delivered some of the highest rare earth grades recorded at Nechalacho to date. A grab sample at target 1029A returned 292,145ppm TREO (29.2%), among the highest rare earth grades reported by the Company at Nechalcho. Neodymium and praseodymium (NdPr) accounted for 8.7% (87,731ppm) of that result, or 29.8% of contained TREO. NdPr is typically the highest-value, payable component of the light rare earths and the primary feedstock for high-strength permanent magnets.

The program also returned strong heavy rare earth and niobium results. A grab sample at the R-Zone returned program-high dysprosium of 15,609ppm Dy_2O_3 (1.5%), a critical heavy rare earth and a key input to the high-performance permanent magnets used in electric vehicles and defence applications.

Across the program, twelve samples returned heavy rare earth oxide (HREO) at 25% or more of total TREO, with one Cressy Ridge sample reaching 86.1%, the first substantial surface heavy rare earth results reported at the project. Peak niobium grades reached 15,521ppm Nb_2O_5 across the regional targets, underlining that the district hosts both rare earth and niobium mineralisation.

Because the July 2025 Scoping Study was based solely on the Tardiff deposit, these results point to potential growth that sits entirely outside the current development case. Together they reinforce that Nechalacho is a large, dynamic rare earth system rather than a single deposit, and they support the Company's strategy of expanding the resource base across the district while advancing Tardiff toward development.

The three new regional targets remain the focus of planned summer fieldwork intended to bring them to drill-ready status for Winter 2027.

Post-quarter end, two mineralised zones (R-Zone and S-Zone) identified during 2025 grab sampling were accessed during the winter drill programme. A single hole (L26-705) was drilled into the S-Zone and two shallow holes (L26-706 and L26-708) into the R-Zone. In all cases mineralisation was restricted to dark, fine-grained (mafic) alteration with associated niobium.

L26-705 (S-Zone), which returned 1.0m @ 1.26% TREO and 1.67% Nb_2O_5 from 28m, confirmed high-grade niobium in narrow veins at the S-Zone target. The two R-Zone holes returned narrower, lower-grade intersections (best result 1.0m @ 0.45% TREO). While narrow, these results confirm mineralisation at the exploration targets and will assist with the design of any future exploration programmes.

North T Processing

The North T demonstration project involves processing the surface stockpile of approximately 45,000 tonnes into saleable concentrate. The Company is actively working to identify the best equipment to most efficiently process the stockpile. North T is a key strategic pillar and a potential source of near-term cash flow.

CORPORATE

Conversion of Convertible Note & Cash position

At the end of the June 2026 quarter, the Company held a cash position of $3.8m.

During the quarter, the A$1 million convertible loan announced on 14 March 2025 was converted in full through the issue of 11,200,000 fully paid ordinary shares, including capitalised interest, removing the associated liability from the Company's balance sheet.

The Company made payments of A$169k to related parties and their associates during the quarter. These payments relate to existing remuneration agreements for the Directors. Of this amount, A$169k is included in operating cashflows and A$Nil is included in exploration expenditure.

Vital also spent A$2.3m on exploration and evaluation expenditure and mine under development costs. Details of activities carried out during the quarter are set out in this report.

Mr David Herlihy Appointed as Non-Executive Director

Subsequent to quarter end, the Company appointed Mr David Herlihy as an independent Non-Executive Director on 17 July 2026 (refer to the ASX announcement dated 17 July 2026). Mr Herlihy brings extensive board and executive experience across ASX-listed companies, state-owned enterprises and large private companies, spanning capital markets, funding, strategy and governance. His appointment strengthens the Board as the Company advances Tardiff from exploration toward development.

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 authorised for release by the Board of Vital Metals Limited.

Contact

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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.

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 exploration results in respect of the Tardiff deposit and the R-Zone and S-Zone targets extracted from an ASX market announcement reported previously and published on the ASX platform on 29 July 2026 and 9 March 2026. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the exploration results in the original market announcement continue to apply and have not materially changed.

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	Quarter ended ("current quarter")
32 112 032 596	30 JUNE 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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)	(272)	(1,015)
	(e) administration and corporate costs	(522)	(1,520)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	39	92
1.5	Interest and other costs of finance paid	(4)	(19)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Camp remediation costs)	-	(354)
1.9	**Net cash from / (used in) operating activities**	**(759)**	**(2,816)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(302)	(1,523)
	(d) exploration & evaluation	(2,303)	(4,261)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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
2.6	**Net cash from / (used in) investing activities**	**(2,605)**	**(5,646)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	12,472
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	-	(46)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(32)	(435)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (repayment of lease liabilities)	(21)	(87)
3.10	**Net cash from / (used in) financing activities**	**(53)**	**11,904**

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 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	7,183	329
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(759)	(2,816)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(2,605)	(5,646)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(53)	11,904
4.5	Effect of movement in exchange rates on cash held	(10)	(15)
4.6	**Cash and cash equivalents at end of period**	**3,756**	**3,756**

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	3,756	7,183
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)**	**3,756**	**7,183**

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	169
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities *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.*	Total facility amount at quarter end $A'000	Amount drawn at quarter end $A'000
7.1	Loan facilities	1,000	1,000
7.2	Credit standby arrangements	-	-
7.3	Other	-	-
7.4	**Total financing facilities**	1,000	1,000

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.	
	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.	

8.	Estimated cash available for future operating activities	$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(759)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(2,303)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(3,062)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,756
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,756
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.23

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.

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?

No -during the quarter the majority of costs relating to the completed Canadian Winter drill and regional exploration programs were paid.

The level of committed expenditure going forward is reduced pending finalisation of the Pre-Feasibility Study and any further decisions regarding follow-up exploration activities.

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?

The Company is looking at several non-dilutive sources of cash including the sale of remaining ore stockpiles. In addition, the Company expects to receive proceeds from an insurance claim currently in progress within the next quarter. While there can be no assurance as to timing or amount, the Company considers the claim to have a reasonable prospect of successful recovery.

The Company has demonstrated a record of securing funds when required and is confident that it will be able to continue to do so.

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:

Yes. The Company believes that it will be able to continue its current operations and business objectives for the reasons outlined in items 1 and 2 above.

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: 31 July 2026

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.