



5 December 2022

VR8 APPOINTS EXPERIENCED MD TO LEAD DEVELOPMENT AND FUNDING OF WORLD-CLASS STEELPORTDRIFT VANADIUM PROJECT

VANADIUM RESOURCES LTD (ASX:VR8 DAX: TR3) (“VR8” or “THE COMPANY”), is pleased to announce that it has appointed highly experienced mining executive and financier John Ciganek, as Managing Director and Chief Executive Officer effective from 9 January 2023 (**Effective Date**). Mr Ciganek will remain as a Non-Executive Director until the effective date.

Mr Jurie Wessels, Executive Chairman of VR8 commented: *“We are very pleased to have obtained the services of someone of the calibre of John Ciganek to lead the Company’s operations through the upcoming milestones of procuring debt and equity funding, arranging suitable off-take and attaining important objectives during the expected construction process. John’s wealth of experience, of which has included projects in South Africa and elsewhere in Africa, and his fine skillsets are eminently suited for what the Company requires on its pathway to construction and becoming a producer.*

I also wish to thank Eugene Nel, who has served as CEO for close to 2 years, for his efforts in completing the DFS in time and on budget. On behalf of the Board, I wish him the best of success for the future, which may include seeing him back on the team very soon when positions become available in building out the executive team.”

Mr Ciganek will replace Mr Eugene Nel, who has stepped down as Chief Executive Officer from the 9 December 2022, fulfilling his mandate of successfully steering the Company in completing its Pre-Feasibility Study (**PFS**) and Definitive Feasibility Study (**DFS**). It is expected that Mr Eugene Nel will apply for a position in VR8’s Owner’s Team, which will take the Steelportdrift Project through the required initial workstreams to get the project shovel-ready, and then to nameplate production and beyond.

About Mr John Ciganek

Prior to his Executive appointment, Mr Ciganek was an Independent Non-Executive Director of the Company. Mr Ciganek brings a wealth of mining, project funding, development and operational expertise to VR8. He is a qualified Mining Engineer, holds a Master of Business Administration and has more than 30 years of mining and finance experience.

Vanadium Resources Limited (ASX:VR8)

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His experience spans working in open pit and underground mining operations, project development, project finance (both on the banking and client side), offtake agreements, M&A and equity capital markets. Through his career to date, Mr Ciganek has been involved with successfully raising debt and equity funding in excess of ~A\$5 Bn for various clients. His previous roles included Principal and Director of Euclase Capital, Executive Director of BurnVoor Corporate Finance, Senior Banks Engineer and Risk Executive at Commonwealth Bank, Senior Mining Engineer at Hargraves Resources, Senior Mining Engineer at Reynolds Yilgarn Gold and Senior Mining Engineer at Comalco / Rio Tinto (previously CRA).

As Non-Executive Director of VR8 since December 2020, the transition to Managing Director and Chief Executive Officer will be a natural progression for John and a benefit to the Company, as his skill sets are expected to guide the Company through the final stages of securing project debt financing, offtake arrangements, strategic partners and equity raising activities to reach final investment decision (**FID**).

Mr Ciganek joins VR8's experienced management team, whom have been responsible for completing a DFS over the Steelpoortdrift Vanadium Project, that demonstrated outstanding project economics including a **post-tax NPV of US\$1.2 billion (A\$1.9Bn) with robust margins, rapid payback of 27 months and strong IRR of 42% post tax¹.**

The timing of his appointment coincides with the Company's transition from mid-tier mining company through to the development of its world-class Steelpoortdrift Vanadium Project, located in the world-renowned Bushveld Complex in South Africa. The appointment is one of many the Company plans to make over the coming months, as it builds out its team to transform the world class Steelpoortdrift asset into the next global Vanadium producer.

Mr John Ciganek, Managing Director (designate) of VR8 stated: *"With the project transitioning towards a potential mining operation, I was privileged as Non-Executive Director of the Company to become very familiar with the Company's prospects, its objectives and the quality of Steelpoortdrift. When the possibility arose to lead the Company through these next stages, I could not resist the opportunity of becoming part of developing this world class asset. I am looking forward to joining the executive team as Managing Director and putting the sum-total of my professional life to task in achieving VR8's objectives."*

Key Terms of Employment

In accordance with Listing Rule 3.16.4, key terms of the proposed employment contract are:

- a) Total fixed remuneration of A\$250,000 per annum plus statutory superannuation levy;
- b) Participation in a Director and Employee Share plan to be established by the Company (And approved by shareholders), which will provide for the issue of up to 18 million performance rights, subject to performance milestones such as securing off-take, project funding, first draw downs and nameplate production; and
- c) Termination of employment to be three months' notice by either party.

A Summary of the key material terms can be found in the Appendix within this announcement.

This announcement has been authorised for release by the Board of Vanadium Resources Limited.

For further information please contact:

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Executive Chairman

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Disclaimer

Some of the statements appearing in this announcement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industries in which VR8 operates and proposes to operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets, among other things. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. No forward looking statement is a guarantee or representation as to future performance or any other future matters, which will be influenced by a number of factors and subject to various uncertainties and contingencies, many of which will be outside VR8's control.

VR8 does not undertake any obligation to update publicly or release any revisions to these forward looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions or conclusions contained in this announcement. To the maximum extent permitted by law, none of VR8, its Directors, employees, advisors or agents, nor any other person, accepts any liability for any loss arising from the use of the information contained in this announcement. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

This announcement is not an offer, invitation or recommendation to subscribe for, or purchase securities by VR8. Nor does this announcement constitute investment or financial product advice (nor tax, accounting or legal advice) and is not intended to be used for the basis of making an investment decision. Investors should obtain their own advice before making any investment decision.

Competent Persons Statement and Compliance Statements

The information in the referenced announcements 1 footnoted below that relates to Exploration Results, including the Mineral Resources contained within the Production Target (and forecast financial information derived from the production targets) at the Steelpoortdrift project has previously been released to the ASX. The Company confirms that it is not aware of any information or data that materially affects the information included in the market announcement, and that all material assumptions and technical parameters underpinning the announcement continue to apply. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Mineral Resources

The Company confirms it is not aware of any new information or data that materially affects the information included in the 4 October 2022 (VR8 updated mineral resource and ore reserve for the Steelpoortdrift Vanadium Project) Vanadium Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 04 October 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Cautionary Statement LR 5.16.4

There is a low level of geological confidence associated with the inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that production target itself will be realised.

ASX announcements referenced to directly, or in commentary of, this release

¹ ASX: VR8 4 October 2022 DFS delivers A\$1.9Bn NPV confirming World Class Project

Appendix: Summary of material terms of the executive employment contract

Commencement Date	9 th January 2023																										
Base Salary	\$250,000 (Base Salary excluding superannuation)																										
Equity Incentives	18,000,000 Performance Rights, subject to shareholder approval, that will vest as follows: <table> <tr> <th>Class</th><th>Number of Performance Rights</th><th>Vesting Condition</th><th>Performance Period</th></tr> <tr> <td>Class 1</td><td>3,000,000</td><td>Upon the Employer entering into a binding offtake arrangement in respect to the Steelpoortdrift Vanadium Project</td><td>Within 12 month from the Commencement Date</td></tr> <tr> <td>Class 2</td><td>4,000,000</td><td>Upon the Employer entering into binding debt funding arrangements for the construction of Steelpoortdrift Vanadium Project</td><td>Within 18 months from the Commencement Date</td></tr> <tr> <td>Class 3</td><td>3,000,000</td><td>Upon the Employer raising equity funding to fund the construction of Steelpoortdrift Vanadium Project</td><td>Within 18 months from the Commencement Date</td></tr> <tr> <td>Class 4</td><td>6,000,000</td><td>Upon draw down under the debt funding arrangements for the completion of construction of Steelpoortdrift Vanadium Project and Employer achieving first commercial production at the Steelpoortdrift Vanadium Project</td><td>Within 33 months from the date on which Class 2 Milestone is satisfied</td></tr> <tr> <td>Class 6</td><td>2,000,000</td><td>Upon the Employer achieving nameplate production at the Steelpoortdrift Vanadium Project</td><td>Within 60 months from the Commencement Date</td></tr> </table>			Class	Number of Performance Rights	Vesting Condition	Performance Period	Class 1	3,000,000	Upon the Employer entering into a binding offtake arrangement in respect to the Steelpoortdrift Vanadium Project	Within 12 month from the Commencement Date	Class 2	4,000,000	Upon the Employer entering into binding debt funding arrangements for the construction of Steelpoortdrift Vanadium Project	Within 18 months from the Commencement Date	Class 3	3,000,000	Upon the Employer raising equity funding to fund the construction of Steelpoortdrift Vanadium Project	Within 18 months from the Commencement Date	Class 4	6,000,000	Upon draw down under the debt funding arrangements for the completion of construction of Steelpoortdrift Vanadium Project and Employer achieving first commercial production at the Steelpoortdrift Vanadium Project	Within 33 months from the date on which Class 2 Milestone is satisfied	Class 6	2,000,000	Upon the Employer achieving nameplate production at the Steelpoortdrift Vanadium Project	Within 60 months from the Commencement Date
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Term	No fixed term. Ongoing until terminated by either party in accordance with the agreement.																										
Notice Period	3 months notice in writing																										
Termination	Either party may terminate this agreement by three months notice.																										
Special Terms	If the Employer seeks to make a material diminution in the duties assigned to the Executive under this Agreement, a reduction in the Base Salary or a change to the Position, Position description, reporting lines or Primary Work Location of the Executive, then the Executive: may terminate the Employment by giving notice in writing in accordance with the Executive Notice Period; and shall be entitled to a payment specified in the Special Terms. Payment on Change of Position is an amount equal to 12 months of the Base Salary as at the termination date. If a change of control occurs, and at any time during the 12 month period following such Change of Control the Executive gives notice to the Employer that the Executive is resigning Employment for Good Reason, the Executive shall be entitled to a payment specified in the Special Terms. Payment on resignation for Good Reason is an amount equal to 12 months immediately prior to the Change of Control.																										

Restraint Duties	Duties the same or similar to those performed by the Executive in the course of the Employment, provided that the restraint shall apply only to the extent that the duties are provided in respect of exploration or development of a vanadium project.
Restraint Area and Period	Restraint Area, each of the following areas separately: (a) the World; (b) Australia and South Africa; (c) Australia; (d) Western Australia; (e) Perth; and (f) 10km radius of the Primary Work Location Restraint period commencing on the Termination Date and ending on the expiry of each of the following periods after the Termination Date separately: (a) 12 months; (b) 9 months; (c) 6 months; (d) 3 months.