

Capital Structure Clarification

Vulcan Energy Resources Limited (ASX:VUL) (“**Vulcan**” or “**the Company**”) refers to the following announcements dated 10 March 2020:

- Amended Appendix 2A;
- Amended Change of Director's Interest Notice; and
- Amended Change in Substantial Holding

(together, the “**Announcements**”)

In the interests of the market being fully informed, the Company notes the following to clarify its capital structure:

1. The Company’s positive Scoping Study announcement (21 February 2020) satisfied the performance milestone for the Class A Performance Shares and Class D Performance Rights which Vulcan issued in connection with the acquisition of Vulcan Energy Resources Pty Ltd announced in July 2019.
2. On 28 Feb 2020, the Company issued the shares on conversion of the relevant performance securities. The Company released an Appendix 2A and cleansing statement on the same day.
3. On 6 March 2020, updated directors’ interests and substantial holding notices were released.
4. The conversion resulted in the Company’s Managing Director, Dr Francis Wedin’s, voting power in the Company increasing from 14.40% (in his last substantial holder notice) to 20.16%.
5. The terms of the Performance Shares and Performance Rights issued in connection with the Vulcan acquisition contain a clause which prevents them from converting to the extent that conversion would result in the holder or any other person being in contravention of s606 (i.e., the 20% threshold). Please refer to paragraph (n) in Schedule 1 (in relation to the Performance Shares), and paragraph (m) of Schedule 2 (in relation to the Performance Rights), of the Company’s Notice of General Meeting released to the market on 2 August 2019.
6. These clauses operate so that the maximum number of Performance Shares and Performance Rights can convert without the holder going above 20% voting power, and then conversion of the remainder is deferred until it can occur without the holder breaching the 20% threshold (i.e., at the next capital raising or other dilutive share issue).

Highlights

Large, lithium-rich geothermal brine field, in the Upper Rhine Valley of Germany.

Europe’s **largest** JORC-compliant lithium resource.

Aiming to be the world’s first **Zero Carbon Lithium™** producer.

Strategically located at the heart of the EU auto & Li-ion battery industry.

Access agreement in place with German geothermal operator at a **producing plant**

Fast-track development of project under way, targeting production of **lithium hydroxide by 2023**.

Corporate Directory

Managing Director
Dr Francis Wedin

Chairman
Gavin Rezos

Executive Director
Dr Horst Kreuter

Fast Facts

Issued Capital: 53,670,002
Market Cap (@20.0c): ~\$10.7m

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7. This means that, on their terms, the Class A Performance Shares could only convert up to the point that Dr Wedin had voting power of 19.99% in the Company, and conversion of the remainder should have been deferred. The remainder were converted at this stage in error, and once the error was identified the Company requested that its share registry rectify this error by:
- voiding the issue of the number of shares which took Dr Wedin's voting power above 20% (480,000 shares); and
 - reinstating the equivalent number of Class A Performance Shares (480,000).
8. Once the registry rectified the error, the Company released corrected disclosures (Appendix 2A, director's interests notice and substantial holder notice), the Announcements.

The Company's current capital structure is as follows:

Security Code	Security Name	Total Holdings
Quoted Securities		
VUL	ORDINARY FULLY PAID SHARES (ORD)	47,450,002
VUL (ESC)	ORD ESC EXP 30/04/2020	300,000
VULO	OPTIONS @ \$0.285 EXP 2YR 6M FROM ISSUE	12,687,512
Unquoted Securities		
VUL (ESC24)	ASX ESC ORD SHARES 24M FROM QUOTATION	5,920,000
VULPRA	CLASS A PERFORMANCE RIGHTS	800,000
VULPRB	CLASS B PERFORMANCE RIGHTS	800,000
VULPRC	CLASS C PERFORMANCE RIGHTS	1,000,000
VULPRE	CLASS E PERFORMANCE RIGHTS	1,250,000
VULPRF	CLASS F PERFORMANCE RIGHTS	1,250,000
VULPSA	CLASS A PERFORMANCE SHARES	480,000
VULPSB	CLASS B PERFORMANCE SHARES	4,400,000
VULPSC	CLASS C PERFORMANCE SHARES	4,400,000

Authorised by the Board,

Mauro Piccini
 Company Secretary